STATE OF CALIFORNIA -BUSINESS, TRANSPORTATION AND HOUSING AGENCY EDMUND G. BROWN JR., Governor
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT
1800 Third Street, Suite 430
P. O. Box 952053
Sacramento, CA 94252-2053
(916) 323-3177 / FAX (916) 327-2643
www.hcd.ca.gov

May 6, 2013

Ms. Leslie Deese
City Manager
City of National City
1243 National City Boulevard
National City, CA 91950-4301

Dear Ms. Deese:

RE: City of National City's 5th Cycle (2013-2021) Adopted Housing Element

Thank you for submitting the City of National City's housing element adopted April 16, 2013 and received for review on April 26, 2013. Pursuant to Government Code Section 65585(h), the Department is reporting the results of its review.

The Department is pleased to find the adopted housing element in full compliance with State housing element law (Article 10.6 of the Government Code). The Department's review found the adopted element to be substantially the same as the draft element reviewed by the Department on April 3, 2013 and determined to comply with statutory requirements. This finding was based on, among other things, identification of adequate sites to accommodate the City's regional housing need allocation for lower-income households.

In addition, the City now meets specific requirements for several State funding programs designed to reward local governments for compliance with State housing element law. Program details are available on the Department's website at http://www.hcd.ca.gov/hpd/hrc/plan/he/loan_grant_hecompl011708.pdf.

The Department appreciates the cooperation and dedication that Mr. Brad Raulston, Development Services Director, and Mr. Ray Pe, Principal Planner, provided throughout the course of the housing element review. The Department wishes National City success in implementing its housing element and looks forward to following its progress through the General Plan annual progress reports pursuant to Government Code Section 65400. If the Department can provide assistance in implementing the housing element, please contact Robin Huntley, of our staff, at (916) 323-3175.

Sincerely,

Glen A. Campora

Glen A. Campora
Assistant Deputy Director

FINAL

(April 16, 2013)

2013 – 2021

National City Housing Element

of the General Plan

Table of Contents

Chapter 1

Introduction

A. Purpose and Content of the Housing Element

The Housing Element of the General Plan is a coordinated and comprehensive strategy for promoting the production of safe, decent, and affordable housing within the community. A priority of the State and local governments, Government Code Section 65580 states the intent of creating housing elements:

> *The availability of housing is of vital statewide importance, and the early attainment of decent housing and a suitable living environment for every Californian, including farm workers, is a priority of the highest order.*

According to State law, the Housing Element has two main purposes:

1. To provide an assessment of current and future housing needs and constraints in meeting these needs; and

2. To provide a strategy that establishes housing goals, policies, and programs.

National City faces the challenges of high regional housing costs and of accommodating additional housing given the limited availability of undeveloped, vacant land. State-mandates along with local interests and demand for housing combine to set the foundation for the Housing Element.

The Housing Element is an eight-year plan for the Fifth Housing Element Cycle (April 30, 2013 – April 30, 2021) and serves as an integral part of the General Plan, but is updated on a schedule pursuant to State law to ensure its relevancy and accuracy. The Housing Element identifies strategies and programs that focus on:

- Matching housing supply with need.
- Maximizing housing choice throughout the community.
- Assisting in the provision of affordable housing.
- Identifying governmental and other constraints to housing investment.
- Promoting fair and equal housing opportunities.

The Housing Element consists of the following chapters:

- Chapter 1, Introduction – The purpose and content of the Housing Element.

- Chapter 2, Community Profile – A profile and analysis of the City's demographics, housing characteristics, and existing and future housing needs.

- Chapter 3, Constraints – An analysis of constraints to housing production and maintenance. Constraints include potential market, governmental, and environmental limitations to meeting the City's identified housing needs.

- Chapter 4, Resources – Resources available to accommodate and provide housing for all income levels, including land available for new construction or redevelopment and financial and administrative resources available for housing.

- Chapter 5, Accomplishments – An assessment of past accomplishments and an evaluation of programs that should be continued, modified, or added.

- Chapter 6, Housing Plan – The City's overall housing goals, objectives, policies and programs addressing the City's identified housing needs.

B. Community Context

The City of National City faces important challenges in its planning for sufficient housing, obtaining resources for affordable housing, and implementing housing programs for City residents. Changing demographics, household characteristics, and housing conditions require that the City develop an approach and strategy to producing housing that matches the needs of existing and future residents of the community.

National City experienced negligible population growth from 1990 to 2000, and then experienced a 7.4 percent increase from 2000 to 2010 while the county grew at a rate of 9.1 percent during the same period. The City's population as of January 1, 2012 was estimated at 58,967 by the California Department of Finance. The Hispanic/Latino population was the only group to increase in proportion to the total population (59 percent to 63 percent) between the 2000 and 2010 Census. The City's median age of 30.2 was the lowest of all cities in the county according to the 2010 Census; the countywide median age was 34.6.

The 2010 Census reported that 78 percent of households consisted of families of which 39 percent were married with children (an increase from 29 percent in 2000), 24 percent were married with no children, and 27 percent were other. In 2010, the City's median household income of $41,864 was the lowest of all cities in the county where the median was $56,300. The largest occupational categories for residents in 2010 were in the service and sales/office sectors, 58 percent (an increase from 51 percent in 2000).

The American Communities Survey reported that 18 percent of households were overcrowded in 2011. A household is considered to be living in overcrowded conditions when the average number of persons per room exceeds one in a dwelling unit. The 2010 Census indicates that 53 percent of households overpaid for housing, and that a greater proportion of renters (60 percent) overpaid compared to owners (44 percent). A household is considered to be overpaying for housing if total housing costs exceed 30 percent of the household's gross median income.

The Census reported on the numbers of special needs households. Significant changes between 2000 and 2010 occurred for single parent households, which increased from 18 to 29 percent and senior households, which increased from 9 to 16 percent. The proportion of other special needs households remained relatively stable between 2000 and 2010, including large family households, persons with HIV and AIDS, military households, disabled households, and college students.

The 2010 Census estimated the number of housing units at 16,780, with 9,545 as single family units, 7,662 as multiple family, and 480 mobile homes. The Census estimated that only 33 percent of households were owners compared to 67 percent who were renters. This statistic is the opposite of that for the county where two-thirds of households are owners and one-third are renters. The vacancy rate increased substantially from 2.7 percent in 2000 to 8.9 percent in 2010. The proportion of the housing stock that was older than 30 years decreased from 85 percent in 2000 to 78 percent in 2010 as the result of new housing construction during the decade. The median home value in 2012 was $190,000 as reported by the San Diego Association of Realtors. This was a decline in value of nearly one-half from 2005 when the median was $390,000.

Compounding the City's challenge in planning for adequate housing is that there is little vacant land within the current corporate limits of the City available for and suited to the development of housing. Most housing that will be developed in National City will be built on under-developed sites within the City's Downtown Specific Plan area, the Westside Specific Plan area, and the City's new mixed-use districts and corridors and higher density multi-family zones.

Under the San Diego Association of Governments (SANDAG) Regional Housing Needs Assessment (RHNA), National City must accommodate 1,863 housing units from January 1, 2010 through December 31, 2020 (the 'projection period'), of which 465 should be affordable to very low income households, 353 should be affordable to low income households, 327 should be affordable to moderate income households, and 718 should be affordable to above moderate income households.

The Housing Element addresses these issues through a comprehensive housing strategy. The creation of a suitable and effective housing strategy is a complex process, but one defined by the needs of those living and working within the community. This requires an approach that can produce an equally diverse range of housing choices, including single-family homes, apartments, and housing for special needs groups.

C. State Requirements

The California Legislature identified the attainment of a decent home and suitable living environment for every resident as the State's major housing goal. Recognizing the important role of local planning programs in pursuing this goal, the Legislature mandated that all cities and counties prepare a housing element as part of their comprehensive general plan and update the element on a periodic schedule pursuant to statute. Section 65302(c) of the Government Code sets forth the specific components to be contained in a community's housing element.

A critical measure of compliance with State housing law is the ability of a jurisdiction to accommodate its share of regional housing needs as determined by a Regional Housing Needs Assessment. These regional plans typically cover a period beginning two years prior to the deadline for the update of a housing element. The Regional Housing Needs Assessment prepared by SANDAG covers the period of January 1, 2010 through December 31, 2020. For further understanding of the process by which regional housing allocation numbers are assigned to different jurisdictions, see California Government Code Section 65584.04 Methodology for Housing Distribution.

D. Data Sources and Methodology

In preparing the Housing Element, various sources of information were used. Whenever possible, Census data provided the baseline for all demographic information. Additional sources included population and housing data from the American Communities Survey (ACS), California Department of Finance (DOF), SANDAG, housing market data from various sources, employment data from the Employment Development Department, lending data from financial institutions provided under the Home Mortgage Disclosure Act (HMDA), and the most recent data available from social service, non-profit, and governmental agencies.

E. Summary of Findings and Policies

To address community conditions and housing needs identified within the Housing Element, the City adopted actions to facilitate housing development. The actions seek to accommodate the City's regional housing needs allocation, assist in the production and rehabilitation of a wide range of housing and shelter, and establish supportive services for all income levels and special needs groups. Programs within the Housing Element include the following provisions to achieve adopted goals:

- Pursue State and Federal funding opportunities.
- Strengthen collaborative relationships with other public agencies and nonprofit organizations that can assist the City in implementing its housing strategy.
- Adopt strategies to increase the availability and affordability of housing to meet the needs of local workers.
- Preserve affordable housing resources in the City, including older rental housing and existing subsidized housing.
- Promote equal housing opportunities through collaborative efforts with community organizations.
- Promote energy efficiency in housing.

F. Public Participation

Involving the community in the preparation of the Housing Element was an essential component to ensure that the goals and objectives contained in the Housing Element mirror community objectives. California Government Code Section 65583[c][7] requires public participation stating:

> *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 City enlisted community and other interested organizations by:

- Consulting with housing partnerships and interested organizations on programs and policies.

- Soliciting public comments at a public workshop with the Planning Commission and presentations to the City Council.
- Engaging community input at each of the three Neighborhood Councils.
- Encouraging input by the community, developers, and interested organizations at a Strategic Planning workshop with the City Council to develop an action-oriented Five-Year Strategic Plan which includes Housing Objectives and Action Plans.
- Publishing and posting notices, media releases, email blasts, and maintaining a dedicated webpage.

Public Workshop

The Planning Commission conducted a workshop on January 14, 2013. Notification of the meeting was provided at City facilities, in the local paper, at the public library, at the MLK community center and on the City's website, and notice was emailed to persons included on the interested parties list and the media list. A presentation was given to the City Council on January 15, 2013.

Neighborhood Councils

In an effort to ensure that the community has the opportunity to share their thoughts and ideas related to housing opportunities, especially affordable housing, the City provided outreach to the community. This outreach included local organizations and groups dedicated to achieving housing opportunities in the community, including three Neighborhood Councils, the Environmental Health Coalition, and other organizations.

The City presented a summary of the Housing Element to the three Neighborhood Councils, which represent the entire city, during January and February 2013:

- Kimball Neighborhood Council – Represents the western area of the City (January 9, 2013)
- El Toyon Neighborhood Council – Represents the northeastern area of the City (January 10, 2013)
- Las Palmas Neighborhood Council – Represents the southeastern area of the City (February 20, 2013)

The Neighborhood Councils represent all economic levels of the community as they cover the entire City. As the Neighborhood Councils are noticed in the local paper, at City facilities, and the City's website, anyone is invited to attend regardless of their residency. Agendas for each upcoming monthly meeting are sent in advance to those on the interest list for each council.

Strategic Planning Workshop

In 2011, the City Council conducted a workshop to update the Strategic Plan. The purpose of the Strategic Plan is to address community and economic development in the City. The workshop centered on how the vision of the ideal community must be balanced with the reality of existing conditions and limited resources, the goals of the community, and nine Strategic Objectives. One of the objectives is "Improving housing conditions and build owner occupied base throughout the City."

Nine strategic objectives were adopted as the key components of the Strategic Plan. The following objective along with implementation programs are memorialized in the adopted Strategic Plan and are carried over into the Housing Element through a variety of programs identified in Chapter 6.

Strategic Plan Objective:

> Improve Housing Conditions – Continue providing housing opportunities at all income levels and develop programs to improve housing conditions.
>
> a. Update Housing Element Before 2013 Deadline Based on New RHNA.
>
> b. Secure Funding to Begin Construction on Paradise Creek WI-TOD.
>
> c. Complete Design and Find Funding for Senior Village Expansion and Enhancement.
>
> d. Extend and Expand Housing Programs that Demonstrate Results, Initiate Amortization Efforts, and Correct Residential Code Violations.

Public Comments

The comments received throughout the update process, including during the Neighborhood Council workshops and during the Planning Commission and City Council hearings were considered in the update of the Housing Element. In addition, the Housing Element will have included public hearings at both the Planning Commission and City Council, prior to adoption.

G. General Plan Consistency

The Housing Element is a component of the General Plan, which provides guiding policies for residential land use and development in National City. The General Plan consists of nine Elements that address both State-mandated planning issues and optional subjects that are of particular concern within National City. State law requires consistency among elements of the General Plan, including the interpretation and implementation of goals and policies throughout. To ensure consistency of the Housing Element with the remainder of the General Plan, a consistency analysis of the entire document was conducted. Following are policies from the other General Plan elements that relate to housing.

- Policy LU-1.2: Concentrate commercial, mixed-use, and medium to high density residential development along transit corridors, at major intersections, and near activity centers that can be served efficiently by public transit and alternative transportation modes.

- Policy LU-2.1: Provide for housing near jobs, transit routes, schools, shopping areas, and recreation to discourage long commutes; promote public transit, walking, and biking; and lessen traffic congestion.

- Policy LU-2.3: Provide for a variety of housing types including, but not limited to, single-family attached and detached, multifamily apartments, condominiums, and mobile homes.

- Policy LU-4.2: Promote the design of complete neighborhoods that are structured to be family-friendly, encourage walking, biking, and the use of mass transit, foster community pride, enhance neighborhood identity, ensure public safety, improve public health, and address the needs of all ages and abilities.

- Policy LU 4.3: Promote infill development, redevelopment, rehabilitation, and reuse efforts that contribute positively to existing neighborhoods and surrounding areas.

The City has found the policies set forth in this Housing Element consistent with the General Plan policies. The City will continue to ensure consistency between the Housing Element and other General Plan elements. At this time, the Housing Element does not propose significant changes to any other element of the General Plan. However, if it becomes apparent that changes to any element are needed for internal consistency, such changes will be proposed for consideration by the Planning Commission and City Council.

In 2011, the City adopted a comprehensive update of the General Plan, which addressed the provisions of Government Code Section 65302 (AB 162), specifically including analysis and policies regarding flood hazard and flood management within the Land Use, Conservation, and Safety Elements. The adopted policies include an annual review of the Land Use Element for those areas subject to flooding identified by the Federal Emergency Management Agency (FEMA). The Housing Element was reviewed for consistency with the policies of the Land Use, Conservation, and Safety Elements; in addition, pursuant to the requirements of Government Code Section 65302 (AB 162), any future amendments to these elements will require a review of the Housing Element for internal consistency and amendment if necessary.

Chapter 2

Community Profile

Ensuring the availability of adequate housing for present and future residents is a primary housing goal for the City. To implement this goal, the City must target its programs toward those households with the greatest need. This chapter discusses the characteristics of the City's present and future population to better define the nature and extent of unmet housing needs in National City. The community profile reviews the City's population, household, economic, and housing stock characteristics. Each component is presented in a regional context, and where relevant, in context of other nearby communities. This assessment serves as the basis for identifying the appropriate goals, policies, and programs for the Housing Element.

A. Population Characteristics

Understanding the characteristics of a population is vital in planning for the future needs of a community. Issues such as population growth, demographics, and employment trends are factors that combine to influence the type of housing needed in a community and a household's ability to afford housing. This section describes and analyzes the various population characteristics and trends that affect housing needs in National City.

1. Population Growth

National City experienced negligible population growth from 1990 to 2000, and then experienced a 7.4 percent increase from 2000 to 2010 while the county grew at a rate of 9.1 percent during the same period (Table 2-1). The City's population as of January 1, 2012 was estimated at 58,967 by the California Department of Finance (DOF). The San Diego Association of Governments (SANDAG) has projected that the City's population will grow at a rate greater than five percent to 62,300 by the year 2020.

Table 2-1
Population Growth

	Total Population				Percent Change	
	1990	2000	2010	2020*	1990-2000	2000-2010
National City	54,273	54,260	58,582	62,300	-0.02%	7.4%
Chula Vista	135,210	173,556	243,916	267,427	22.1%	28.8%
Imperial Beach	26,512	26,992	26,324	28,230	1.8%	-2.5%
Lemon Grove	23,984	24,918	25,320	26,688	3.7%	1.6%
San Diego City	1,110,549	1,223,400	1,307,402	1,542,528	9.2%	6.4%
San Diego County	2,498,016	2,813,833	3,095,313	3,535,000	11.2%	9.1%

Sources: Census; SANDAG Regional Growth Forecast Update

From 2000-2010, the City's proportional population change was one of the highest in the County. Chula Vista is the only neighboring city to have a higher proportional population increase than National City during this period. Chula Vista's increase was due to the newly developing communities of Otay Ranch, Rolling Hills, and Eastlake.

2. Age Trends

Housing needs are determined in part by the distinct lifestyle of each age group, family characteristics, and income level which affect housing needs and preferences. A significant presence of children younger than 18 years of age can be an indicator of the need for larger housing units since this characteristic is often tied to families and larger households. People under 18 typically do not work and are dependents of their families. By contrast, seniors need less space and have high rates of homeownership, but typically have limited income and decreasing mobility as they age and may need assistance to remain in their homes.

As summarized in Table 2-2, the median age of the City's residents was 30.2 in 2010; the lowest of all cities in San Diego County and 4.4 years lower than the median age for residents countywide. The median age for all cities in San Diego County increased from 2000, with National City's median age increasing by 1.5 years. In 2010, residents under 18 years of age constituted 25.5 percent of the City population, while seniors (over 65) comprised 10.6 percent.

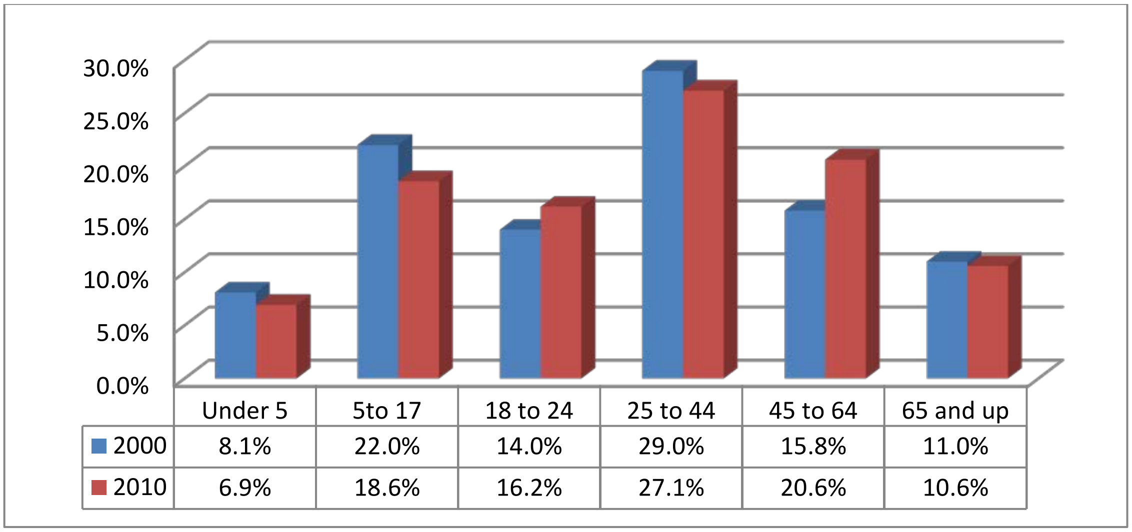
Table 2-2
Age Characteristics

City	Under 18 Years				Over 65 Years				Median
	Men		Women		Men		Women		Age
	Number	%	Number	%	Number	%	Number	%	2010
National City	7,571	12.9%	7,998	12.6%	2,471	4.2%	7,368	6.4%	30.2
Chula Vista	34,787	14.3%	33,339	13.7%	10,190	4.2%	14,249	5.8%	33.7
Imperial Beach	3,443	13.1%	3,253	12.4%	1,041	4.0%	1,332	5.1%	31.0
Lemon Grove	3,239	12.8%	3,219	12.7%	1,122	4.4%	1,707	6.7%	35.0
San Diego City	143,569	11.0%	135,799	10.4%	60,710	4.6%	78,927	6.0%	33.6
San Diego County	371,399	12.0%	352,769	11.4%	152,625	4.9%	198,800	6.4%	34.6

Source: Census

Reflective of the City's age distribution, the most significant change between 2000 and 2010 was the nearly 5 percent increase in the number of individuals between the ages of 45 and 64 (Figure 2-1). This may be indicative of the broader national trend of age distribution shifting due to the Baby Boomer Generation. It also may be a result of the large increase in the amount of housing units built from 2000 to 2010 compared to 1990 to 2000 (Figure 2-3).

Figure 2-1
National City Age Distribution, 2000 and 2010



Source: Census

3. Race and Ethnicity

National City experienced significant racial/ethnic changes from 2000 to 2010. The Hispanic/Latino population was the only group to increase in proportion to the total population from 59.1 percent to 63 percent between the 2000 and 2010 Census. The White population decreased proportionately from 14.1 to 11.7 percent from 2000 to 2010. The remainder of the population was 18.5 percent Asian/Pacific Islander and 4.5 percent African American with other races/ethnicities accounting for 2.3 percent of the population (Table 2-3).

Table 2-3
Race/Ethnicity, 2000 and 2010

Race/Ethnicity	2000		2010	
	Number	Percent	Number	Percent
White	7,653	14.1%	6,872	11.7%
Hispanic/Latino	32,053	59.1%	36,911	63.0%
Asian/Pacific Islander	10,468	19.3%	10,814	18.5%
African American	2,823	5.2%	2,660	4.5%
Other	1,263	2.3%	1,325	2.3%

Source: Census

National City differs considerably from neighboring jurisdictions with the highest proportion of Hispanic/Latino residents and Asian/Pacific Islander residents. The combination of these two groups totals to 81.5% of the population. On the other hand, the City has the lowest proportion of white residents compared to neighboring jurisdictions. The City of Chula Vista is the only jurisdiction with similar racial/ethnic proportions (Table 2-4).

Table 2-4
Racial Composition, 2010

City/County	White (%)	Hispanic/ Latino (%)	Asian/Pacific Islander (%)	Black/African American (%)	Other (%)
National City	11.7	63.0	18.5	4.5	2.3
Chula Vista	20.4	58.2	14.2	4.1	3.1
Imperial Beach	36.0	49.0	6.8	4.0	4.2
Lemon Grove	34.7	41.2	7.1	12.9	4.1
San Diego City	45.1	28.8	16.0	6.3	3.8
San Diego County	48.5	32.0	11.0	4.7	3.7

Resource: Census

B. Household Characteristics

The Census defines a household as all persons who occupy a housing unit. Given this definition, single persons living alone, families related through marriage or blood, and unrelated individuals living together all constitute a household. Persons living in retirement or convalescent homes, dormitories or other group living situations are not considered households. Household type and size, income levels, the presence of special needs populations, and other household characteristics determine the type of housing needed by residents, their preferences, and their ability to obtain housing that meets their needs. For example, single-person households, often seniors or young adults, tend to reside in apartment units or smaller single-family homes. Families typically prefer and occupy single-family homes. This section details the various household characteristics affecting housing needs.

1. Household Type

Household characteristics play an important role in defining housing needs. For example, single adults typically have different housing preference than families with children. As shown in Table 2-5, roughly 39.2 percent of the City's households were comprised of married families with children, the largest percentage in San Diego County. In 2010, 23.6 percent were comprised of families without children, 27.3 percent were comprised of other types of families, and 21.9 percent were non-family households. The City's average household size in 2010 was 3.41 persons, the highest average in the county.

Table 2-5
Household Characteristics

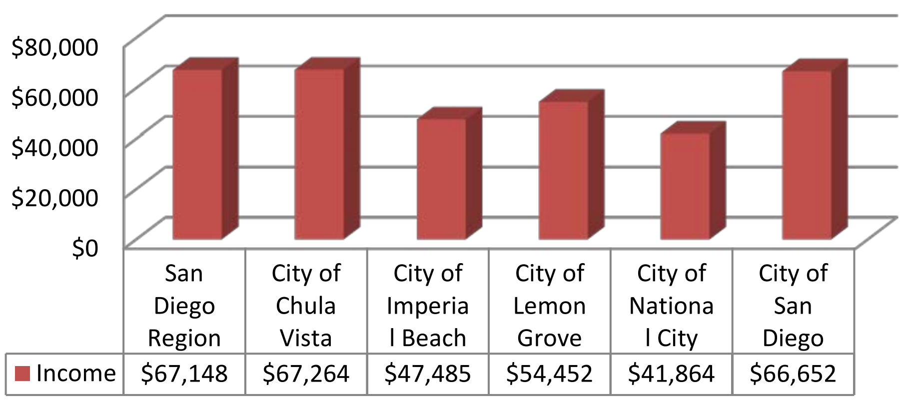
House Hold Type	2000		2010		%
	Number	%	Number	%	Change
House holds	15,018	100	15,502	100.0	3
Family Households	11,802	78.5	12,113	78.1	3
-Married with Children	4,291	28.6	6,082	39.2	29
-Married no Children	3,272	21.8	3656	23.6	11
-Other Family	4,239	28.2	2375	27.3	-78
Non-Family Housing	3,216	21.4	3,389	21.9	5
-Singles	2,513	16.7	2,694	17.4	7
-Singles 65+	1,202	8.0	1,226	7.9	2
-Other Non-Family	703	4.7	695	4.5	-1

Source: Census
Note: Percentages may not add to 100 due to rounding. Percentages for sub-categories are expressed as a proportion of the total for the category.

2. Household Income

Income is the most important factor affecting housing opportunities, which determines the ability of households to balance housing costs with other basic necessities. Income levels influence the range of housing prices within a region and the ability of the population to afford housing. As household income increases, the more likely that household is to be a homeowner. Likewise, as household income decreases, households tend to pay a disproportionate amount of their income for housing and leads to housing problems such as overcrowding (see Section 4 Overcrowding). The 2010 Census estimated that the median household income in National City was $41,864. This median income was the lowest of all cities in San Diego County where the countywide median was $67,148 (Figure 2-2).

Figure 2-2
Estimated Median Household Income



Source: 2010 US Census

Median household income provides only partial insight into a community's income profile. A more detailed breakdown of households by income category can provide more information about the proportion of households whose limited incomes may lead them to have a higher incidence of housing problems such as overpayment (paying more than 30 percent of gross income on housing) or overcrowding (having more than one person per room). According to the 2010 Census, 17 percent of the City's households had incomes lower than $15,000 (Table 2-6) and 8 percent of households earned less than $10,000 (Table 2-7). Both of these figures are decreases in the proportions from 2000 that were 23.2 percent and 13.3 percent, respectively. Approximately 23 percent of the City's households earned incomes between $15,000 and $29,999; 19 percent earned incomes between $30,000 and $44,999; also decreases from 2000.

Table 2-6
Household Income, 2010

Income	National City		San Diego County	
	Number	Percent	Number	Percent
Less than $15,000	8,981	17%	389,135	13%
$15,000 to $29,999	12,150	23%	568,736	19%
$30,000 to $44,999	10,038	19%	508,869	17%
$45,000 to $59,999	7,925	15%	419,069	14%
$60,000 to $74,999	3,698	7%	329,268	11%
$75,000 to $99,999	5,283	10%	329,268	11%
$100,000 to $124,999	2,642	5%	179,601	6%
$125,000 to $149,999	1,585	3%	89,800	3%
$150,000 to $199,999	528	1%	59,867	2%
$200,000 or more:	528	1%	89,800	3%

Source: Census

Table 2-7
Income and Tenure, 2010

Household Income	Renter		Owner		Total	
	Number	Percent	Number	Percent	Number	Percent
Less than $10,000	1,166	11%	270	5%	1,436	8%
$10,000 to $19,999	2,514	24%	397	7%	2,911	18%
$20,000 to $34,999	2,830	27%	706	12%	3,536	22%
$35,000 to $49,999	1,720	16%	1,143	20%	2,863	18%
$50,000 to $74,999	1,162	11%	1,234	22%	2,396	15%
$75,000 to $99,999	673	6%	938	16%	1,611	10%
$100,000 to $149,999	409	4%	831	14%	1,240	8%
$150,000 or more	112	1%	220	4%	332	2%
Total	10,586	~100	5,739	~100	16,325	~100

Source: . Census; American Communities Survey

3. Employment

Employment is an aspect of a household that is directly correlated with housing needs. Depending on the different incomes, jobs, and number of workers in a household, it can determine the type and size of housing that can be afforded. In some cases, the types of the jobs themselves can affect housing needs and demand (such as in communities with military installations, college campuses, and large amounts of seasonal agriculture). Employment growth typically leads to strong housing demand, while the reverse is true when employment levels contract. In National City, the proximity of the military base impacts local housing needs. When the employment at the base increases, the demand for housing increases, which in turn impacts the fluctuation of housing units.

Occupation and Labor Participation

As of 2010, the two largest occupational categories for City residents were service and sales/office occupations (Table 2-8). These categories accounted for more than 58.2 percent of jobs held by National City residents, while these categories comprised less than 44 percent of jobs held by San Diego County residents.

Table 2-8
Employment Profile, 2010

Occupation of Residents	National City		San Diego County	
	Number	Percent	Number	Percent
Managerial/Professional	3,558	16.15%	550,113	39.49%
Sales/Office	5,336	24.23%	329,787	23.68%
Service	7,476	33.94%	275,001	19.74%
Production/Transportation/Material Moving	2,811	12.76%	109,308	7.85%
Construction/Extraction/Maintenance	2,746	12.47%	112,492	8.08%
Farming/Forestry/Fishing	98	0.44%	16,266	1.17%
Total	22,025	100.00%	1,392,967	100.00%

Note: Civilian population 16 years and over
Source: Census

Management occupations are the highest paid occupations in the San Diego region. Farming, fishing and forestry, food preparation, and service-related occupations are the lowest paid. The high proportion of sales/office and service occupations accounts for the City's below average median household income (Table 2-8).

The occupations of the City's residents are not necessarily an accurate indicator of the local economy, or of the types of employers and jobs offered, or the pay levels of these jobs. Because the City seeks to provide housing opportunities for individuals who work in the City, it is important to understand who these workers might be and their income levels. The list of the largest employers (those with 500 or more employees) is dominated by educational and health care institutions. Other large employers include school districts, public agencies, retail firms, automobile import/export, lumber import, automobile dealers, health service firms, and lodging. Depending on the type of jobs offered by these employers, income levels can range from low income to above-moderate income. Table 2-9 shows the average yearly salary by occupation for San Diego County in 2010.

Future housing needs will be affected by the number and type of new jobs created during this planning period. SANDAG's 2050 Regional Growth Forecast of job growth for National City from 2008 to 2020 is approximately 11 percent compared to approximately 13 percent for the San Diego region.

Table 2-9
Average Yearly Salary by Occupation
San Diego County MSA, 2012

Occupations	Average Salary
Management	$119,118
Legal	$109,326
Computer and Mathematical	$86,033
Architecture and Engineering	$84,678
Healthcare Practitioner & Technical	$86,671
Life, Physical and Social Science	$75,988
Business and Financial Operations	$71,595
Arts, design, Entertainment, Sports and Media	$54,529
Education, Training and Library	$57,296
Construction and Extraction	$52,275
Protective Service	$50,627
Median Average Salary of All Occupations	$51,051
Installation, Maintenance and Repair	$46,761
Community and Social Service	$50,280
Sales	$39,746
Office and Administrative Support	$37,288
Production	$35,092
Transportation and Material Moving	$32,474
Healthcare Support	$30,853
Personal Care and Service	$25,969
Building Grounds Cleanup and Maintenance	$27,073
Farming, Fishing and Forestry	$25,340
Food Preparation and Serving Related	$22,163

Source: State Employment Development Department

A sample survey of private industry employers in 2007 (Table 2-10) showed that the top private sector employers, by percentage of employees, are retail trade (34%), health care & social assistance (17%), accommodation & food services (15%), and manufacturing (13%). The average annual wages per job in these sectors range from approximately $13,000 to approximately $36,000. Even with two wage earners, many households in these sectors of the economy would be low income. Table 2-11 lists the major employers in the City by number of employees.

Table 2-10
Employment by Industry in National City 2007

Industry description	Percent of Employees	Number of Employees	Number of Establishments	Annual Payroll ($1,000)	Average / Employee
Retail Trade	34.2	5,688	322	$150,319	$26,427
Health Care & Social Assistance	16.8	2,807	160	$97,413	$34,703
Accommodation & Food Services	14.6	2,429	175	$32,758	$13,486
Manufacturing	13.3	2,215	93	$78,658	$35,511
Wholesale Trade	5.6	940	96	$43,788	$46,582
Other Services (Except Public Administration)	5.2	876	131	$24,936	$28,465
Administrative & Support & Waste Management & Remediation Services	3.51	584	41	$13,795	$23,621
Professional, Scientific, & Technical Services	3.28	546	62	$16,148	$29,575
Real Estate & Rental/Leasing	2.03	339	59	$10,994	$32,430
Arts, Entertainment, & Recreation	0.68	114	11	$2,134	$18,719
Information	0.53	89	13	$2,942	$33,056
Educational Services	No Information Available	No Information Available	4	No Information Available	No Information Available

Source: Economic Census

Table 2-11
Major Employers in National City 2010

500 Employees or More	
Naval Station San Diego	National City School District
Paradise Valley Hospital	
250 to 499 Employees	
Sweetwater Union High School District	Dixieline ProBuild
Walmart	City of National City
NMS Management	Ball Automotive Group
Macy's	Motivational Systems, Inc.
Mossy Nissan	
100 to 249 Employees	
Conservation Corps, California	Hyperbaric Management Systems
J.C. Penney Corporation Inc.	Knight & Carver Yacht Center
McCune Motors	Frank Motors Inc.
Sureride Charter Inc.	Windsor Gardens Convalescent
CP Manufacturing Inc.	

Source: City of National City

4. Overcrowding

Overcrowding is typically defined as a housing situation where there is more than one person per room (including living rooms, family rooms, and dining rooms, but excluding hallways, kitchens, and bathrooms. Overcrowding can indicate that a community does not have an adequate supply of affordable housing, especially for large families. Overcrowding can result when there are not enough adequately sized units within a community, when high housing costs relative to income force more individuals than a housing unit can adequately accommodate to share a housing unit, and/or when families reside in units smaller than what they need in order to devote income to other necessities such as food and health care. Overcrowding also tends to accelerate deterioration of housing. Therefore, maintaining a reasonable level of occupancy and alleviating overcrowding are critical to enhancing quality of life.

The American Communities Survey reported that 18 percent of households were overcrowded in 2011. The high rate of overcrowding in the City results from the combination of low incomes, high housing costs, and a greater number of large families (both renters and owners) than the countywide average. Nearly 34 percent of the City's households are families with five or more members, compared to just over 20 percent countywide. The California Department of Finance estimated National City's average household size at 3.443 in 2012, compared to 2.783 countywide.

5. Overpayment

Analysis of another housing problem, overpayment, reveals that the incidence of overcrowding is also attributable to a high ratio of housing costs to income, forcing families to take on additional roommates to devote income to other basic needs or to live in homes that are smaller than the family's needs.

A household is considered to be overpaying for housing (or cost burdened) if it spends more than 30 percent of its gross income on housing. Problems of housing cost burden occur when housing costs rise faster than incomes and/or when households are forced to pay more than they can afford for housing of adequate size, condition, and amenities to meet their needs. The prevalence of overpayment varies significantly by income, tenure, household type, and household size.

According to the American Community Survey in 2011, 53 percent of the City's households overpaid for housing, up from 38 percent in 2000. Overpayment affected 44 percent of owner-households and 60 percent of renter-households, double digit-increases from 2000. At least 48 percent of the City's total households earn less than the median household income. The overall increase in overpayment decreases the amount of disposable income available for other needs and indicates the state of the City's availability of affordable housing. Much of the higher incidence of overcrowding among renter-households with lower incomes may be a result of households attempting to mitigate overpayment problems by taking in additional roommates or renting smaller and presumably less costly units.

While the majority of National City households overpaid for housing, the percentage is comparable to nearby cities such as Chula Vista (53.3), Imperial Beach (48.9), Lemon Grove (51.2), and San Diego (47.3). All of these cities experienced double-digit increases in the percent of households overpaying for housing.

6. Special Needs Households

Certain groups have greater difficulty finding decent, affordable housing due to special circumstances. Special circumstances may be related to one's income, family characteristics, or disability status, among other factors. There are a variety of special needs groups as defined by state law. In National City, residents and families with special needs include seniors, persons with disabilities, large families, single-parent families, and military. Many of these groups overlap, such as seniors with disabilities. The majority of these special needs groups could be assisted by an increase in affordable housing, especially if located near public transportation and services. Table 2-12 shows the number of people in each special needs group in the City, and the discussion following summarizes their housing needs.

The City's 2011 Comprehensive Land Use Update removed the definition of 'family' from the Land Use (Zoning) Code pursuant to an adopted program in the 2005-2010 Housing Element. By removing the definition, the City eliminated a potential constraint on the provision of special needs housing for non-family households. In addition, the City does not impose siting requirements, such as minimum distances or maximum concentrations, for any group facilities serving special needs households.

Table 2-12
Special Needs Groups in National City, 2010

Special Needs Groups	Number	Percent
Seniors	9,570	16.30%
Persons with Disabilities	4,472	8.20%
Large Households	3,546	22.10%
Female Headed Households	3,437	24.00%
Single-Parent Households	4,669	29.07%
Persons in Need of Emergency Shelter	281	0.47%
Homeless Persons	308	n/a
Military	3,427	7.50%
College Students	3,298	5.85%
Persons Dependent Alcohol/Drugs	4,837	0.23%
Persons with HIV/AIDS	65	9.00%
Farmworkers	135	0.60%

Source: Census; Regional Task Force on the Homeless

Senior Households

Senior households have special housing needs due to three concerns – income, health care costs, and physical disabilities. According to the 2010 Census, 9,570 seniors (age 65 or older) resided in the City; a significant increase compared to the 2000 Census in which there were 5,470 seniors. One-third (3,151) of all seniors are the heads of their households. Two-thirds of senior households are owners and one-third are renters. The 2010 Census reported that seniors earned a median income of $28,250.

The special needs of seniors can be met through a range of services, including congregate care, rent subsides, shared housing, and housing rehabilitation assistance. As the “baby boomer” generation begins reaching 65 years of age, the region will face an increased demand for senior housing, accompanied by the need to accommodate this special need population accordingly. For the frail or elderly persons with disabilities, housing can be modified with architectural design features that can help ensure continued independent living arrangements. Senior housing with supportive services can be provided to facilitate independent living.

An overview of licensed adult community care facilities that serve some of the special needs groups is provided in Table 2-13-A. As shown, 19 licensed community care facilities serve residents with a capacity of 240 beds/persons (actual capacity may be greater as data could not be obtained from some facilities). There is no licensed community care facility for youth aged 17 or younger.

Table 2-13-A
Licensed Residential Care Facilities

Age	Total Number of Facilities	Total Capacity (# of beds/persons)	Specialized Care (Capacity - # of beds) Mentally Disabled	Developmentally Disabled	Non-Ambulatory
Age 18-59					
Adult Residential	6	25	n/a	6	5
Adult Day Care	3	112	n/a	12	75
Age 60+					
Elderly Residential	10	103	12	12	95
Total	19	240	12	30	175

Source: California Department of Social Services, October 2012

Persons with Disabilities

The Americans with Disabilities Act (ADA) defines a disabled person as having a physical or mental impairment that substantially limits one or more major life activities. Thus, disabled persons often have special housing needs related to limited earning capacity, a lack of accessible and affordable housing, and higher health costs associated with a disability. Some residents suffer from disabilities that require living in a supportive or institutional setting. According to the 2010 Census, 4,448 persons with one or more disabilities resided in National City.

The highest rates of disabilities were reported by those of age 18-64. The more prevalent problems were ambulatory difficulty and independent living difficulty (Table 2-13-B). Housing opportunities for those with disabilities can be improved through housing assistance programs and universal design features such as widened doorways, ramps, lowered countertops, single-level units and ground floor units.

Living arrangements for persons with disabilities depends on the severity of the disability. Many persons live at home in an independent fashion or with other family members. Independent living can be furthered through special housing design features for the disability, income support for those who are unable to work, and in-home supportive services for persons with medical conditions, among others. Services can be provided by public or private agencies. Some persons with disabilities live in group homes or other institutionalized settings.

Table 2-13-B
Persons with Disabilities by Age Group

Disability by Age	Number	Percent
Age 5 to 17	183	1.7
Hearing Difficulty	0	0
Vision Difficulty	21	0.02
Cognitive Difficulty	162	1.5
Ambulatory Difficulty	0	0
Self-care Difficulty	42	0.04
Age 18-64	2,268	6.7
Hearing Difficulty	455	1.3
Vision Difficulty	630	1.9
Cognitive Difficulty	798	2.4
Ambulatory Difficulty	1,339	4
Self-care Difficulty	710	2.1
Independent Living Difficulty	1,056	3.1
Age 65 and Over	1,997	32.6
Hearing Difficulty	721	11.8
Vision Difficulty	544	8.9
Cognitive Difficulty	563	9.2
Ambulatory Difficulty	1,351	22
Self-care Difficulty	661	10.8
Independent Living Difficulty	1,083	17.7

Source: 2009-2011 American Community Survey

Developmentally Disabled

According to Section 4512 of the Welfare and Institutions Code a "Developmental disability" means a disability that originates before an individual attains age 18 years, continues, or can be expected to continue, indefinitely, and constitutes a substantial disability for that individual which includes mental retardation, cerebral palsy, epilepsy, and autism. This term also includes disabling conditions found to be closely related to mental retardation or to require treatment similar to that required for individuals with mental retardation, but does not include other handicapping conditions that are solely physical in nature.

Many developmentally disabled persons can live and work independently within a conventional housing environment. More severely disabled individuals require a group living environment where supervision is provided. The most severely affected individuals may require an institutional environment where medical attention and physical therapy are provided. Because developmental disabilities exist before adulthood, the first issue in supportive housing for the developmentally disabled is the transition from the person's living situation as a child to an appropriate level of independence as an adult.

The State Department of Developmental Services (DDS) currently provides community based services to approximately 243,000 persons with developmental disabilities and their families through a statewide system of 21 regional centers, four developmental centers, and two community-based facilities. The San Diego Regional Center is one of 21 regional centers in the state that provides point of entry to services for people with developmental disabilities. The center is a private, non-profit community agency that contracts with local businesses to offer a wide range of services to individuals with developmental disabilities and their families.

The following information from the San Diego Regional Center, charged by the State of California with the care of people with developmental disabilities, provides a closer look at the disabled population. In National City, the developmentally disabled residents under age 18 account for 77 individuals of which 74 live with parents and three in foster homes. Individuals of age 18 and over account for 123 individuals of which 59 live with parents, 24 live in apartments with support assistance, 23 live in licensed group homes, 14 live in health care licensed facilities, and three are homeless (Table 2-13-B).

There are a number of housing types appropriate for people living with a development disability: rent subsidized homes, licensed and unlicensed single-family homes, inclusionary housing, Section 8 vouchers, special programs for home purchase, HUD housing, and SB 962 homes. The design of housing-accessibility modifications, the proximity to services and transit, and the availability of group living opportunities represent some of the types of considerations that are important in serving this need group. Incorporating 'barrier-free' design in all, new multifamily housing (as required by California and Federal Fair Housing laws) is especially important to provide the widest range of choices for disabled residents. Special consideration should also be given to the affordability of housing, as people with disabilities may be living on a fixed income.

Large Households

Large households are defined as households with five or more members in the unit. Table 2-14 shows the number of Large Households in National City. Large households comprise a special needs group because of their need for larger units, which are often in limited supply and therefore command higher rents. In order to save for the necessities of food, clothing, and medical care, it is common for lower income large households to reside in smaller units, frequently resulting in overcrowding.

Table 2-14

Large Households in National City

Household Type	2000		2010	
	Number	Percent	Number	Percent
Large Households	3,742	24.9	3,931	29
Owner	1,630	43.5	1,531	38.9
Renter	2,112	56.4	2,400	61.0

Source: Census

Although renter-households have a smaller average household size than owner-households (3.27 versus 3.69 persons per household), overcrowding disproportionately affected renter-households in 2010. Approximately 21.5 percent of renter-households lived in overcrowded housing units compared to 11.8 percent of owner-households.

Single-Parent Households

National City was home to 2,362 single-parent households with children under age 18 in 2010. Single-parent households, in particular female-headed families, often require special assistance such as accessible day care, health care, and other supportive services. Because of their low income and higher family expenses, 35.4 percent of all single-parent households and 42.2 percent of female-headed households with children lived in poverty in 2010. Thus single-parent families, in particular female-headed families, are considered a special needs group.

Homeless

Throughout the country and the San Diego region, homelessness has become an increasingly important issue. Factors contributing to the increase of homelessness include a lack of housing affordable to low and moderate income persons, increases in the number of persons whose incomes fall below the poverty level, reductions in public subsidies to the poor, and the de-institutionalization of the mentally ill. HUD defines a person as homeless if he/she is not imprisoned and:

1. Lacks a fixed, regular, and adequate nighttime residence;

2. The primary nighttime residence is a publicly or privately operated shelter designed for temporary living arrangements;

3. The primary residence is an institution that provides a temporary residence for individuals that should otherwise be institutionalized; or

4. The primary residence is a public or private place not designed for or ordinarily used as a regular sleeping accommodation.

Assessing a region's homeless population is difficult because of the transient nature of the population. San Diego County's leading authority on the region's homeless population is the Regional Task Force on the Homeless (RTFH). Based on information provided by individual jurisdictions, the majority of the region's homeless is estimated to be in the urban areas (Table 2-15). The City has shown an increase in its homeless population compared to the previous data accounted by RTFH. The result of this increase is not surprising especially as the recent recession affected many families, leaving them without jobs and homes. RTFH estimates that out of the 308 homeless in the city, only 8.76 percent were sheltered in 2010.

Table 2-15
Homeless Population by Jurisdiction, 2010

	Total Homeless			Total Sheltered			
	Urban	Farm Workers/ Day Laborers	Total	Urban	Farm Workers/ Day Laborers	Total	Sheltered (%)
National City	308	14	308	27	14	27	8.76
Chula Vista	409	19	409	197	19	197	48.16
Imperial Beach	66	17	66	0	17	0	0
Lemon Grove	99	52	99	0	52	0	0
San Diego City	4,597	97	4,597	2,484	97	2,484	54
San Diego County	8,754	n/a	8,754	3,975	n/a	3,975	45

Source: San Diego Regional Task Force on the Homeless

The San Diego Grantmakers Homelessness Working Group embarked on an effort to address episodic homelessness. The working group was established in May 2010 as a collaboration of private foundations, public governments, and other key stakeholders. The Keys to Housing Advisory Council and Steering Committee met regularly over the past year to develop a regional vision of ending family homelessness with the goal that the "keys" will be adopted and implemented by jurisdictions and agencies in the region.

The plan was developed as a toolbox, rather than a mandated plan. In this way stakeholders can identify those strategies and action items that they can and will incorporate into their own action plans. The City of National City has adopted the toolbox in order to address homelessness in the city. The toolbox consists of eight outcomes in five key areas:

Leadership, Policies & Advocacy

- Policies are changed/created/implemented to increase stability and support families
- A sustainable structure is created and ensures implementation of goals

Capacity, Data and Coordination of Services and Resources

- Multiple pathways exist to access resources, centralize information and increase capacity and coordination of services and agencies

Permanent Affordable Housing

- The number of affordable housing units in the region is increased

Increased Economic Security and Stability

- Family members are fully employed and earn at sustainable income levels
- Families increase financial stability and move to self-sufficiency

Prevention

- Families are identified as at-risk and assisted prior to losing housing
- The number of families in poverty that enter homelessness is reduced

Homeless shelter facilities are limited in National City. Only one such facility, a domestic violence shelter for women and children, is physically located in the City. The majority of the Homeless Shelters and Services in the Southern San Diego County region are in Chula Vista (Table 2-16). Nevertheless, in the last 5 years, there has been an increase in capacity by these shelters, making them able to support more people as they gather more funding for their expansion.

Table 2-16
Homeless Shelters and Services Servicing National City

Name	Agency	Target Population	Special Needs	Location	# of Beds
CASE MANAGEMENT AGENCY					
Project Hand	Lutheran Social Services	General	Homeless	Chula Vista	n/a
Options South Bay	MITE	General	Substance Abuse	Chula Vista	n/a
South Bay Community Services (SBCS)	MAAC	General	Homeless	Chula Vista	n/a
Chula Vista Family Services	Salvation Army	General	Homeless	Chula Vista	n/a
EMERGENCY SHELTER					
La Nueva Aurora	SBCS	Families w/ Children	Domestic Violence	Chula Vista	32
Casa Nuestra Shelter	SBCS	Homeless Youth	Homeless	Chula Vista	8
Casa Nueva Vida 1	SBCS	Families w/ Children	Homeless	Chula Vista	54
Casa Segura	SBCS	Families w/ Children	Domestic Violence	Chula Vista	45
TRANSITIONAL HOUSING/SHELTER					
Nosotros	MAAC	Adult Men	Substance Abuse	Chula Vista	13
Options South Bay	M.I.T.E	Women w/ Children	Substance Abuse	Chula Vista	n/a
Women's Recovery Center	M.I.T.E	Women w/ Children	Homeless Domestic Violence	Chula Vista	n/a
Casas de Transicion	SBCS	Families w/ Children	Homeless	Chula Vista	73
Casas	SBCS	Families w/ Children	Homeless	Chula Vista	7
Trolley Trestle	SBCS	Youth & Parenting Youth	Homeless	Chula Vista	10
Casa Nuestra Shelter	SBCS	Homeless Youth 12-17	Homeless	Chula Vista	8
Casa Nueva Vida 1	SBCS	Families w/ Children	Homeless	Chula Vista	54
Casa Segura 1 & 2	SBCS	Families w/ Children	Domestic Violence	Chula Vista	45
Victorian Heights	SBCS	Women w/ Children	Domestic Violence Substance Abuse	National City	38
VOUCHERS					
Hotel/Motel Voucher	SBCS	Families w/ Children	Homeless	Chula Vista	n/a

Source: County of San Diego (Housing Resources Directory 2011-2013)

Military Personnel

Often, lower incomes and an uncertain length of residency affect the housing needs of military personnel. Although a large percentage of National City's work force is employed by the military, no military housing is provided in the City, yet many military families live off base due to the lack of or demand for housing and the close proximity to the military base. According to the RHNA, 3,427 single military personnel or those living away from their families resided on ships in 2010. This is a decrease from the 1995 population of 3,391 military personnel residing on ships. This decrease is more likely related to some ships being out at sea at the time of the estimate than it is related to military downsizing, as the naval base in National City has not yet been substantially affected by military downsizing and no base closure activity has occurred in the City.

San Diego is the homeport of 60 vessels for the U.S. Navy and the U.S. Coast Guard, both of which share piers in San Diego Bay in three jurisdictions: the Cities of San Diego; National City; and Coronado. Vessels are not assigned to any particular jurisdiction. Generally, vessels coming into the port are given a space based on availability and the depth and draft of the vessel.

All military vessels assigned to a homeport in San Diego were placed into one of five collection blocks according to the special procedures outlined above. The following are the five collection blocks for the San Diego area:

- U.S. Navy - City of San Diego (block 27529) (Piers 1-5)
- U.S. Navy - Point Loma (City of San Diego) (block 24208)
- U.S. Navy - National City (block 27878) (Piers 6 – 14 and Mole Pier)
- U.S. Navy - Coronado (block 29625)
- U.S. Coast Guard - Point Loma (City of San Diego) (block 24855)

The housing needs of most military personnel based in National City are met by the United States Navy. For military personnel that are not accommodated in base housing, the federal Service-Members Civil Relief Act (SCRA), signed into law in 2003, offers protections and benefits if they are relocated or activated for military duty. The SCRA affords military personnel and their families an early lease termination option, eviction protection, mortgage relief, interest rate caps, and the ability to reopen default judgments under certain circumstances.

College Students

The college student population is a significant factor affecting housing demand. Typically, students are low income and are therefore impacted by a lack of affordable housing. In addition, the availability of housing for recent graduates is critical to the local and regional economies. Recent graduates provide a specialized pool of skilled labor that is vital to the economy. Lack of affordable housing often leads to their departure from the region. The 2010 Census reported that 3,650 people in National City were enrolled in either undergraduate college or graduate/professional schooling. The number of enrolled students accounts for 6.2 percent of National City's population, a slight increase from 2000.

Region-wide, 12.8 percent of residents were enrolled in college in 2010. San Diego State University, the largest university in the region, has an enrollment of approximately 30,000 students, but only provides on-campus housing for less than 10 percent of its students. Other smaller universities and colleges in the region also have similar housing shortages.

In addition to the San Diego State University campus and the Southwestern College campus, the National City Higher Education Center, located in National City and operated by Southwestern College and San Diego State University, currently serves approximately 1,600 students.

Farm Workers

Agricultural workers are traditionally defined as persons whose primary incomes are earned through permanent or seasonal agricultural labor. Permanent farm laborers work in fields, processing plants, or support activities on general year-round basis. When workload increases during harvest periods, the labor force is supplemented by seasonal labor, often supplied by a labor contractor. For some crops, farms may employ migrant workers, defined as those whose travel distance to work prevents them from returning to their primary residence every evening.

Determining the true size of the agricultural labor force is problematic. Government agencies that track farm labor do not consistently define farm workers (e.g. field laborers versus workers in processing plants), length of employment (e.g., permanent or seasonal), or place of work (e.g., the location of the business or field). Further limiting the ability to ascertain an accurate number of agricultural workers within National City is the limited data available on the City due to its relatively small size. Therefore, the Census is the only source of information that can be referenced. According to the 2010 Census, only 0.6 percent (135) of National City residents were employed in farming, forestry, or fishing occupations (Table 2-12).

Because a negligible portion of community residents are employed in farming, fishing, and forestry occupation and there is little potential for this occupational category to expand within National City, the needs of farmworker households can be accommodated though housing programs and policies that assist lower-income households in general rather than specific programs targeting this special needs group.

C. Housing Characteristics

1. Housing Type

According to the California Department of Finance, National City had 16,780 housing units as of January 1, 2012. The majority (54 percent) were single-family units, with 82 percent consisting of single-family detached units and 18 percent single-family attached units. Multi-family dwelling units comprised 43 percent of the housing stock, and the remaining three percent were mobile homes. Since 2005, the proportion of single-family detached and attached increased by more than one percent, while the proportion of multi-family units and mobile homes decreased slightly.

Table 2-17
Housing Unit Types
As of January 1, 2010

Housing Unit Type	2005		2010	
	Number	Percent	Number	Percent
Single-family Detached	6,609	42.8	7,799	44.1
Single-family Attached	1,339	8.65	1,746	9.9
Multi-family 2-4 units	1,690	10.95	1694	9.57
Multi-family 5+ units	5,368	34.76	5,968	33.74
Mobile Homes/Other	437	2.84	480	2.7
Total	15,440	100	17,687	100

Sources: Census

2. Housing Tenure

Housing tenure refers to whether a unit is owned or rented. Tenure is an important indicator of the supply and cost of housing because it is directly related to housing types and turnover rates. The tenure distribution of a community's housing stock can be reflective of several aspects of housing including the affordability of units, household stability, and residential mobility. This tenure distribution generally correlates with household income, composition, and age of the householder.

From 2000 to 2010, the tenure distribution in National City shifted slightly towards renters (Table 2-18). As of the 2000 Census, 35 percent of households owned their units while 65 percent rented. By 2010, the proportion of renter-households increased to 66.5 percent, while the proportion of homeowners decreased to 33.5 percent.

3. Housing Vacancy

A vacancy rate is often a good indicator of how effectively for-sale and rental units are meeting the current demand for housing in a community. A vacancy rate of 5 to 6 percent for rental housing and 1.5 to 2.0 percent for ownership housing is generally considered a balance between the demand and supply for housing. A higher vacancy rate may indicate an excess supply of units, and therefore price depreciation, while a low vacancy rate may indicate a shortage of units and a resulting escalation of housing prices.

Vacancy rates for ownership and rental units increased in National City between 2000 and 2010. In 2000, the citywide vacancy rate was 2.7 percent, which nearly tripled to 8.9 percent by 2010 (Table 2-18). For-sale units were 22.2 percent of total vacancies in 2010, almost double the 11.6 percent of total vacancies in 2000, likely resulting from the national subprime mortgage crises that began in 2007. Rental vacancies were 67.5 percent of total vacancies.

Table 2-18
Housing Tenure and Vacancy

Tenure & Vacancy	2000 census		2010 census		Percentage Points Change
	Number	Percent	Number	Percent	
For Rent	268	1.7	1,056	5.9	4.2
For Sale	49	0.3	348	1.94	1.64
Other Vacant	104	0.7	160	0.9	0.2
Total Vacancy	421	2.7	1,564	8.87	6.17
Total Renter- Occupied	9,911	63.9	10,548	64.9	1
Total Owner-Occupied	5,289	34.3	5,707	35.1	0.8
Total Units	15,422	100	17,819	100	13%

Source: Census

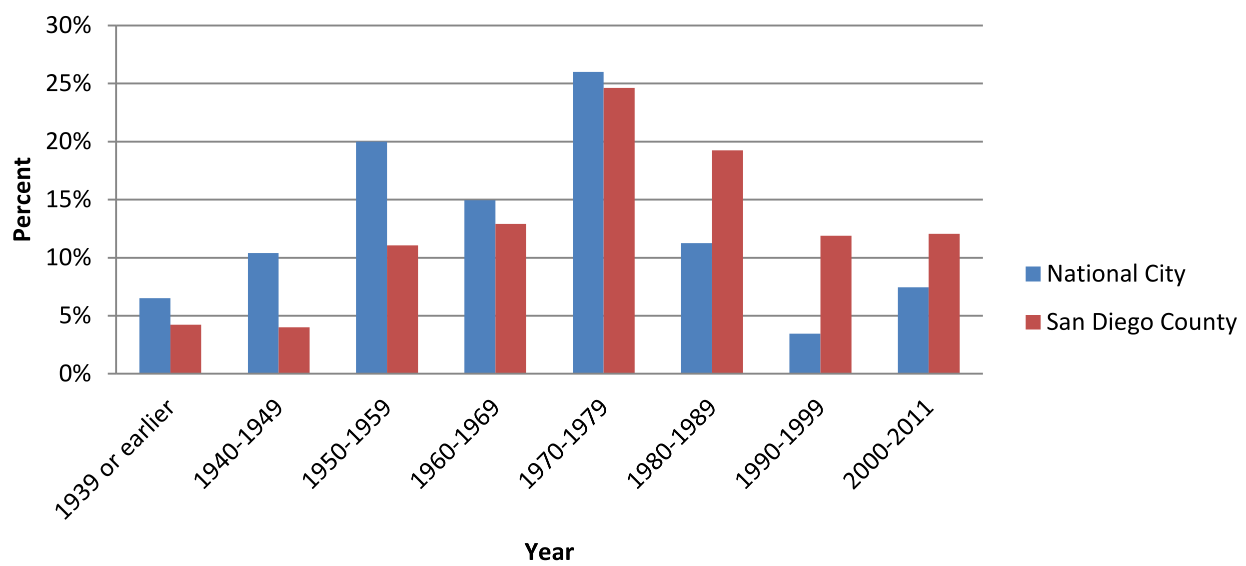
4. Housing Age and Condition

Housing age and condition affect the quality of life in the City. Like any other tangible asset, housing is subject to gradual deterioration over time. If not properly and regularly maintained, housing can deteriorate and discourage reinvestment, depress neighboring property values, and eventually affect the quality of life in a neighborhood. On average, National City's housing stock is older compared to the regional housing stock (Figure 2-3). The City incorporated in 1887 and the majority of the housing is over 30 years old (approximately 77.7 percent). Only 22.3 percent of homes were constructed after 1980.

Most homes require greater maintenance as they approach 30 years of age. Common repairs needed include a new roof, wall plaster, and stucco. Homes older than 50 years require more substantial repairs, such as new siding or plumbing, in order to maintain the quality of the structure. Approximately 10,000 units are older than 50 years. Although the Census does not include statistics on housing condition based on observations, it includes statistics that correlate closely with substandard housing conditions, such as age, overcrowding, and lack of plumbing/kitchen facilities. The 2010 Census reported on the substandard housing in National City, recording 95 units with inadequate plumbing, 483 units without a heating system, and 99 units lacking a complete kitchen. These numbers are an improvement over the 2000 Census which reported 201, 604, and 136 units, respectively.

The Housing and Grants Division has estimated that roughly 15 percent of the City's housing stock may be in need of substantial rehabilitation or replacement. This estimation is based the review of sample surveys conducted and local knowledge of housing inspectors, code enforcement officers, building officials, and housing staff.

Figure 2-3
Year Structure Built (Housing Units)



Source: Census; American Communities Survey

5. Housing Costs and Affordability

The extent of housing problems in a community is directly related to the cost of housing versus household incomes. If housing costs are relatively high in comparison to household income, there will be a correspondingly higher housing cost burden and overcrowding. This section summarizes the cost and affordability of the housing stock to National City residents.

Prices for single-family homes and condominiums in National City were collected from the DataQuick real estate database. DataQuick is a company that assembles real estate data from the County Assessor's Records. In the annual report for 2011, 205 single-family homes and 82 condominiums were sold in National City. Based on the report, the median sale price of single family homes for 2011 was $200,000, and for condominiums the median sale price was $186,000.

The California Association of Realtors publishes quarterly median home prices (including single-family homes and condominium units) for areas throughout California. From 2011 to 2012, the median home price decreased 7.09 percent to $190,500 (Table 2-19). National City had the lowest median home price in 2012, in comparison to surrounding cities.

Table 2-19
Median Home Sales Prices

	2011	2012	Percent Change
National City	$204,000	$190,500	-7.09%
Chula Vista	$325,000	$319,000	-1.88%
Lemon Grove	$256,500	$247,000	-3.85%
Imperial Beach	$278,000	$270,000	-2.96%
San Diego (city)	$315,500	$355,750	11.31%
San Diego County	$320,000	$346,500	7.65%

Source: San Diego Association of Realtors

Rental Market

The San Diego County Apartment Association publishes quarterly rental market reports based on surveys conducted throughout the region. Spring average rents (typically the season with the highest average rental rates) decreased for one, two, and three bedroom apartments. The only increase was experienced by studio apartments with a 3.7 percent change (Table 2-20). Rental rates in National City are among the lowest in southern San Diego County. While rates in National City are comparable to rates for similar sized units in Lemon Grove, they are much lower than rates in Imperial Beach, Chula Vista, and San Diego County.

Table 2-20
Average Monthly Rental Rates by Jurisdiction

Jurisdiction	Number of Rooms	Spring 2011 Average Rents	Fall 2011 Average Rents	Spring 2012 Average Rents	Percent Change 2011 to 2012
National City	Studio	$650	No Data	$675	3.70%
	1 Br	$813	$790	$794	-2.39%
	2 Br	$988	$921	$916	-7.86%
	3 Br	$1,375	$1,375	$1,210	-13.64%
Chula Vista	Studio	$710	$661	$749	5.21%
	1 Br	$950	$892	$974	2.46%
	2 Br	$1,251	$1,222	$1,269	1.42%
	3 Br	$1,543	$1,563	$1,556	0.84%
Lemon Grove	Studio	$850	$731	No Data	-16.28%
	1 Br	$794	$770	$776	-2.32%
	2 Br	$975	$1,045	$1,081	9.81%
	3 Br	$1,362	$1,500	$1,217	-11.91%
Imperial Beach	Studio	$695	$613	$705	1.42%
	1 Br	$814	$820	$864	5.79%
	2 Br	$1,043	$1,088	$1,059	1.51%
	3 Br	$1,345	$1,230	$1,224	-9.89%
San Diego	Studio	$883	$923	$914	3.39%
	1 Br	$1,162	$1,211	$1,133	-2.56%
	2 Br	$1,472	$1,575	$1,402	-4.99%
	3 Br	$1,861	$1,877	$1,839	-1.20%
San Diego County	Studio	$864	$899	$910	5.05%
	1 Br	$1,057	$1,090	$1,068	1.03%
	2 Br	$1,338	$1,418	$1,309	-2.22%
	3 Br	$1,657	$1,730	$1,677	1.19%

Source: San Diego County Apartment Association

6. Housing Affordability by Household Income

Housing affordability can be inferred by comparing the cost of renting or owning a home in the City with the maximum affordable housing costs for households at different income levels. Taken together, this information can generally show who can afford what size and type of housing and indicate the type of households most likely to experience overcrowding and overpayment.

The Federal Department of Housing and Urban Development (HUD) conducts annual household income surveys nationwide to determine a household's eligibility for federal housing assistance. Based on this survey, the California Department of Housing and Community

Development (HCD) developed income limits that can be used to determine the maximum price that could be affordable to households in the upper range of their respective income category. Households in the lower end of each category can afford less by comparison than those at the upper end. The maximum affordable home and rental prices for residents of San Diego County are shown in Table 2-21.

Table 2-21
Housing Affordability Matrix
San Diego County 2012

Annual Income		Affordable Housing Cost		Utilities, Taxes and Insurance			Affordable Price	
		Rent	Purchase	Rent	Own	Taxes/ Insurance	Sale	Rent
Extremely Low Income (30% of AMI)								
1-Person	$16,900	$423	$423	$40	$121	$85	$42,465	$383
2-Person	$19,300	$483	$483	$52	$155	$97	$45,205	$431
3-Person	$21,700	$543	$543	$64	$190	$109	$47,749	$479
4-Person	$24,100	$603	$603	$76	$225	$121	$50,293	$527
5-Person	$26,050	$651	$651	$94	$277	$130	$47,749	$557
Very low Incomes (50% of AMI)								
1-Person	$28,150	$704	$704	$40	$121	$141	$86,495	$664
2-Person	$32,150	$804	$804	$52	$155	$161	$95,497	$752
3-Person	$36,150	$904	$904	$64	$190	$181	$104,303	$840
4-Person	$40,150	$1,004	$1,004	$76	$225	$201	$113,109	$928
5-Person	$43,400	$1,085	$1,085	$94	$277	$217	$115,653	$991
Low Income (80% of AMI)								
1-Person	$45,000	$1,125	$1,125	$40	$121	$225	$152,443	$1,085
2-Person	$51,400	$1,285	$1,285	$52	$155	$257	$170,838	$1,233
3-Person	$57,850	$1,446	$1,446	$64	$190	$289	$189,233	$1,382
4-Person	$64,250	$1,606	$1,606	$76	$225	$321	$207,432	$1,530
5-Person	$69,400	$1,735	$1,735	$94	$277	$347	$217,413	$1,641
Moderate Income (120% of AMI)								
1-Person	$63,750	$1,594	$1,859	$40	$121	$372	$267,412	$1,554
2-Person	$72,900	$1,823	$2,126	$52	$155	$425	$302,538	$1,771
3-Person	$82,000	$2,050	$2,392	$64	$190	$478	$337,241	$1,986
4-Person	$91,100	$2,278	$2,657	$76	$225	$531	$371,943	$2,202
5-Person	$98,400	$2,460	$2,870	$94	$277	$574	$395,100	$2,366

Source: California Department of housing and Community Development
Assumptions: 2012 HCD income limits; 30% gross household income as affordable housing cost; 20% of monthly affordable cost for taxes and insurance; 10% down payment; and 5.5% interest rate for a 30-year fixed rate mortgage loan. Utilities based on San Diego County Utility Allowance (2011)

Extremely low income households are classified as those earning up to 30 percent of the AMI. The maximum affordable rental payment ranges from $383 per month for a one-person household to $557 per month for a family of five (Table 2-21). Based on the rental data presented in Tables 2-20 and 2-21, extremely low income households of all sizes would be unlikely to secure adequately sized and affordable rental housing, which ranged from $675 to $1,210 in National City.

Very low income households are classified as those earning more than 30 percent and up to 50 percent of the AMI. The maximum affordable rental payment ranges from $664 per month for a one-person household to $991 per month for a family of five (Table 2-21). Based on the rental data presented in Tables 2-20 and 2-21, very low income households of all sizes would be unlikely to secure adequately sized and affordable rental housing in National City.

Low income households are classified as those earning more than 50 percent and up to 80 percent of the AMI. The maximum affordable rental payment ranges from $1,085 per month for a one-person household to $1,641 per month for a family of five (Table 2-21). Based on the rental data presented in Tables 2-20 and 2-21, low income households of all sizes would be able to afford the average rents in National City; however, this is dependent on whether there is an adequate supply of available units at any given time.

Moderate income households earn more than 80 percent and up to 120 percent of the AMI. The maximum home price a moderate income household can afford ranges from $267,412 for a one-person household to $395,100 for a five-person family. Affordable rental rates for moderate income households range from $1,554 for a one-person household to $2,366 for a five-person household. Based on the sales data provided by DataQuick (Table 2-19), moderate income households would be able to afford the median home price in National City as well as the average rental rate.

D. Estimate of Housing Needs

The Comprehensive Housing Affordability Strategy (CHAS) developed by the Census for HUD provides detailed information on housing needs by income level for different types of households. Detailed CHAS data based on the 2010 Census is displayed in Table 2-22. Housing problems detailed in CHAS include: 1) units with physical defects (lacking complete kitchen or bathroom); 2) overcrowded conditions (housing units with more than one person per room); 3) housing cost burden, including utilities, exceeding 30 percent of gross income; or 4) severe housing cost burden, including utilities, exceeding 50 percent of gross income. More than one-third of most of the households had a cost burden that exceeded 30 or 50 percent of their gross income, and two-thirds of the total households had some kind of housing problem.

Table 2-22
Housing Assistance Needs of Low and Moderate Income Households

Household Type by Income & Housing Problem	Renters				Owners				Total Households
	Elderly	Small Family	Large Family	Total Renters	Elderly	Small Family	Large Family	Total Owners	
Extremely Low Income	795	1,425	510	2,730	650	120	15	785	3,515
% w/ problem	72%	83%	95%	83%	12%	88%	100%	67%	75%
% w/ cost burden >30%	39%	12%	32%	28%	10%	8%	100%	39%	34%
% w/ cost burden >50%	31%	69%	57%	52%	10%	79%	0%	30%	41%
Low Income	465	1,055	535	2,055	115	140	125	380	2,435
% w/ any problem	52%	87%	87%	75%	26%	71%	100%	66%	71%
% w/ cost burden >30%	67%	64%	41%	57%	0%	18%	8%	9%	33%
% w/ cost burden >50%	2%	15%	16%	11%	65%	54%	76%	65%	38%
Moderate Income	180	1,155	385	1,720	395	770	260	1,425	3,145
% w/ any problem	33%	45%	70%	49%	25%	90%	85%	67%	58%
% w/ cost burden >30%	50%	36%	21%	36%	15%	32%	52%	33%	35%
% w/ cost burden >50%	0%	1%	8%	3%	20%	56%	29%	35%	19%
Total Households	1,440	3,635	1,430	6,505	1,160	1,030	400	2,590	9,095
% w/ any problem	52%	72%	84%	69%	21%	83%	95%	66%	68%

Source: HUD Comprehensive Housing Affordability Strategy (CHAS) 2005-2009

E. Multi-Family Affordable Housing

Table 2-23 provides an inventory of assisted multi-family housing stock by various government assistance programs. This inventory includes all multi-family rental units assisted under Federal, State and/or other local programs, including HUD programs, State and local bond programs, redevelopment programs, and local density bonus or direct assistance programs.

National City has seven multi-family projects, totaling 1,634 units that are made affordable to lower income households by various Federal, State, or local programs (Table 2-23).

Table 2-23
Government-Assisted Multi-Family Housing

Project	Units	Program
Granger Apartments 2700 E. 8th Street	180	Section 236(j)(1) Project Based Section 8
Plaza Manor 2615 E. Plaza Boulevard	372	Section 236(j)(1)
Morgan Tower 1415 D Avenue	150	Section 231 Project Based Section 8
TELACU South Bay Manor 650 E. 14th Street	76	Section 202/811
Park Villa	268	TCAC deed restriction
Q Avenue (Copper Hills)	132	HOME
National City Park Apts. 1 & 2 2323 D Avenue	#1–216 #2-240	221d(3)

Source: Housing and Grants Division, March 2013

The HCD regulations require cities prepare an inventory of all assisted multi-family rental units eligible to convert to non-low-income housing uses due to termination of subsidy contract, mortgage prepayment, or expiring use restrictions.

1. At-Risk Housing

California law requires the analysis of “at-risk” low-income rental housing. Affordable multi-family rental project housing is “at-risk,” if it is government-subsidized and has the potential to convert to market rate housing during the next ten years (2013 to 2023). There are currently 795 possible units eligible for conversion (Table 2-23A).

Table 2-23A
At-Risk Housing

Project	Units	Program	Length of Affordability	Earliest Conversion	Units At Risk
Granger Apartments	180	Section 236(j)(1) Project Based Section 8	40-yr mortgage, 20-yr prepayment option	5/1/1991	180
Morgan Tower	150	Section 231 Project Based Section 8	40 year mortgage	6/19/2019	150
National City Park Apts. 1 & 2	#1–216 #2-240	221d(3)	40-year mortgage	Not applicable	465

Source: Housing and Grants Division, March 2013

2. Preservation Options

Preservation of the at-risk units can be achieved in several ways: 1) facilitate transfer of ownership of these projects to or purchase of similar units by nonprofit organizations; 2) purchase of affordability covenant; and 3) provide rental assistance to tenants.

Transfer of Ownership

Long-term affordability of low income units can be secured by transferring ownership of these projects to nonprofit housing organizations. By doing so, these units would be eligible for a greater range of government assistance. The cost to acquire these at-risk units is based on an analysis of asking prices for eight multi-family properties in and near National City. The average cost per unit was about $151,000. The acquisition at market value of 795 rental units is estimated to cost $120,045,000, substantially more than the financial resources that National City would likely have available over the next eight years to assist in the acquisition of such units. This cost does not factor in the cost of rehabilitation.

Purchase of Affordability Covenant

Another option to preserve the affordability of at-risk projects is to provide an incentive package to the owners to maintain the projects as low and moderate income housing. Incentives could include buying down the interest rate on the remaining loan balance, and/or supplementing the Section 8 subsidy amount received to market levels. Due to the number of variables involved, it would be difficult to estimate the probable cost of such covenants without an in-depth financial analysis of each individual property.

Replacement Costs

The cost of developing new housing depends on a variety of factors such as density, size of units, location and related land costs, and type of construction. The units at risk include a combination of senior and family housing with one, two, and three bedrooms. In order to replace at-risk units with new units offering long term affordability covenants in today's assisted housing environment, the primary source of funding will come from the federal Low Income Housing Tax Credit Program, which is administered by the State of California (CTAC). Based on a report issued in July 2011 by CTAC, the average cost to build a unit receiving TCAC funds in San Diego County in 2011 was $344,647. Market rate products may be less costly to build, but tax credit subsidies provide affordability covenants for 55 years. The cost to replace 795 at-risk rental units with new affordable units is well beyond the City's ability to assist at this point in time. Refinance or acquisition and rehabilitation is the best option for preserving affordability.

Rent Subsidy

The only significant source of funds that provides renters with a subsidy is the Section 8 program from HUD. Based on Section 8 guidelines in relation to the number of vouchers that the City receives, a total of 59 vouchers could be designated as project-based vouchers for a new project, but that would mean 59 fewer tenant-based vouchers in the City. There would be no net gain on subsidized units. With other federal, state and redevelopment funds being either eliminated or sharply reduced, any consideration to use these sources for rental subsidies outside of funds used directly on subsidized projects should be carefully evaluated.

3. Resources for Preservation of At-Risk Units

A variety of potential funding sources are available for replacing or subsidizing units at risk. Due to high costs of developing and preserving housing and limitations on both the amount and uses of funds, multi-layering of funding sources may be required. Table 2-25 summarizes available funding sources for acquisition, preservation, and/or rehabilitation of at-risk rental housing.

The San Diego Housing Federation maintains a current list of public and private nonprofit corporations, which have legal and managerial capacity to acquire and manage at-risk housing developments. The list is accessible on their website: http://www.housingsandiego.org/

Table 2-25
Public and Private Resources Available for Housing
and Community Development Activities

Program Name	Description	Eligible Activities
1a. Federal Programs - Formula/Entitlement		
HOME	Flexible grant program awarded to the City as part of a county consortium on a formula basis for housing activities.	• New Construction • Acquisition • Rehabilitation • Home Buyer Assistance • Rental Assistance
Community Development Block Grant	Grants awarded to the City on a formula basis for housing and community development activities.	• Acquisition • Rehabilitation • Home Buyer Assistance • Economic Development • Homeless Assistance • Public Services
1b. Federal Programs – Competitive		
Section 8 Rental Assistance Program	Rental assistance payments to owners of private market rate units on behalf of very low income tenants (administered by the Housing Authority).	• Rental Assistance
Section 202	Grants to non-profit developers of supportive housing for the elderly.	• Acquisition • Rehabilitation • New Construction • Rental Assistance • Support Services
Section 811	Grants to non-profit developers of supportive housing for persons with disabilities, including group homes, independent living facilities and intermediate care facilities.	• Acquisition • Rehabilitation • New Construction • Rental Assistance
Section 108 Loan	Provides loan guarantee to CDBG entitlement jurisdictions for pursuing large capital improvement or other projects. The jurisdiction must pledge its future CDBG allocations for repayment of the loan. Maximum loan amount can be up to five times the entitlement jurisdiction's most recently approved allocation. Maximum loan term is 20 years.	• Acquisition • Rehabilitation Home Buyer Assistance • Economic Development • Homeless Assistance • Public Services

Table 2-25 (continued)
Public and Private Resources Available for Housing
and Community Development Activities

2. State Programs		
Emergency Shelter Program	Grants awarded to non-profit organizations for shelter support services.	• Support Services
California Housing Finance Agency (CHFA) Multiple Rental Housing Programs.	Below market rate financing offered to builders and developers of multiple-family and elderly rental housing. Tax exempt bonds provide below-market mortgage money.	• New Construction • Rehabilitation • Acquisition of Properties from 20 to 150 units
Mortgage Credit Certificate Program	Income tax credits available to first-time homebuyers for the purchase of new or existing single-family housing. Local agencies (County) make certificates available.	• Home Buyer Assistance
Low Income Housing Tax Credit (LIHTC)	Tax credits available to individuals and corporations that invest in low income rental housing. Tax credits sold to corporations and people with high tax liability, and proceeds are used to create housing.	• New construction • Rehabilitation • Acquisition
3. Private Resources/Financing Programs		
Savings Association Mortgage Company Inc. (SAMCO)	Pooling process to fund loans for affordable ownership and rental housing projects. Non-profit and for profit developers contact member institutions.	• New construction of single-family and multiple-family rentals, cooperatives, housing, homeless shelters, and group homes for the persons with disabilities.
California Community Reinvestment Corporation (CCRC)	Non-profit mortgage banking consortium designed to provide long term debt financing for affordable multi-family rental housing. Non-profit and for profit developers contact member banks.	• New construction • Rehabilitation • Acquisition
Federal Home Loan Bank Affordable Housing Program	Direct subsidies to non-profit and for-profit developers and public agencies for affordable low income ownership and rental projects.	• New construction

Chapter 3

Constraints

Market, governmental, infrastructure, and environmental factors can constrain the provision of housing in a community. These constraints may result in housing that is not affordable to lower and moderate income households, or may render residential construction economically infeasible for developers. Constraints to housing production significantly impact households with low and moderate incomes and special needs.

A. Market Constraints

Market constraints such as construction and land costs or the limited availability of mortgage and rehabilitation financing can result in a barrier to affordable housing for many households. These constraints are discussed below.

1. Construction and Land Costs

Construction and land costs are key factors in determining housing affordability, and include the price of raw land, improvements, labor, and construction. Construction type, custom versus tract development, materials, site conditions, finish, amenities, size, and structural configuration, can increase the cost of housing. The International Conference of Building Officials (ICBO) provides estimates for the average cost of labor and materials for typical Type V wood frame housing. Estimates are based on "good" quality construction, providing for materials and fixtures well above the minimum required by State and local Building Codes. The average cost per square foot for "good" quality housing is approximately $105 for multi-family housing and $118 for single-family homes.

A reduction in amenities and quality of building materials can result in lower sales prices. The increased use of pre-fabricated factory-built or manufactured housing, which is permitted in all residential districts in the City (consistent with California law), may also provide for lower-priced housing by reducing construction and labor costs. Although construction costs are a significant portion of the overall development cost, the City can do little to mitigate its impact. As construction costs in National City are typical of those in the area, the cost of construction is not considered a major constraint to housing production. While higher density zoning can reduce the cost per unit of land, land zoned for higher densities also commands a higher market price. Density bonuses may be used as a mechanism to reduce land costs in exchange for guaranteed affordable housing.

National City has very little vacant land remaining for development. There are approximately 96 acres of vacant land suitable for residential development; many of these parcels are relatively small and would typically accommodate only a single residence. The majority of the vacant land would be available for residential construction as residential land use is permitted not only in residential zones, but also in mixed-use zones. The only areas where residential would not be permitted is within the industrial, institutional, and open space zones.

According to the City's Housing and Grants Division, residential land costs average between approximately $18 and $25 per square foot for most of the City and $50 per square foot in the Downtown Specific Plan area. However, land cost is less of a constraint in the downtown area due to the significantly higher densities that could be permitted per the Specific Plan as well as in the higher density residential and mixed-use zones. These higher densities allow costs to be spread over a larger number of units.

Labor Costs

Under state labor laws, publicly funded construction projects must generally pay construction workers "prevailing wages," or the most prevalent wage rate for each type of worker. Prevailing wages are often significantly higher than market wages for construction labor on privately funded projects. Labor Code Section 1720, which applies prevailing wage rates to public works projects of over $1,000, defines public works to mean construction, alteration, installation, demolition, or repair work done under contract and paid for in whole or in part out of public funds. For example, public transfer of an asset for less than fair market value, such as a land write-down, would be construed to be paid for in part out of public funds and trigger prevailing wage requirements.

While the cost differential in prevailing and standard wages varies based on the skill level of the occupation, prevailing wages tend to add to the overall cost of development. In the case of affordable housing projects, prevailing wage requirements could effectively reduce the number of affordable units that can be achieved with public subsidies. The following types of projects however are not required to pay prevailing wages:

- Residential projects financed through issuance of bonds that receive an allocation through the State; or

- Single-family projects financed through issuance of qualified mortgage revenue bonds or mortgage credit certificates.

2. Availability of Mortgage and Rehabilitation Financing

The availability of financing affects a person's ability to purchase or improve a home. Under the Home Mortgage Disclosure Act (HMDA), lending institutions are required to disclose information on the disposition of loan applications by the income, gender, and race/ethnicity of the applicants. This applies to all loan applications for home purchases and improvements, whether financed at market rate or with government assistance. The disposition of loan applications submitted to financial institutions for home purchase and home improvement loans within National City and San Diego County are shown in Tables 3-1 and 3-2 below.

In 2012, 44 National City households applied for conventional loans to purchase homes in the City, 129 applied for government-backed loans to purchase, 208 applied to refinance, and 11 applied for home improvement loans. Of these applications, only five percent of conventional purchase loans were approved, while 52 percent of government-backed loans were approved. Only nine percent of refinance loan applications were approved, and no home improvement loans were approved. Other than the rate of approval for government-backed loans, the loan approval rates were far lower than that for the county in each category (Tables 3-1 and 3-2). Overall, loans in the City were approved at less than half the rate for the county as a whole.

Table 3-1
Disposition of Loan Applications
National City 2012

Loan Type	Total Applicants	Approved	% Approved	Not Accepted	Denied	Other
Government-Backed Purchase	129	67	0.52	15	22	25
Conventional Purchase	44	2	0.05	7	26	9
Refinance	208	9	0.04	13	105	81
Home Improvement	11	0	0.00	0	11	2
5 Or More Family Dwellings	9	7	0.78	1	1	0
Total	401	85	0.21	36	165	117

Source: Home Mortgage Disclosure Act 2012

The ability to maintain housing can often depend on the ability of households to obtain home improvement loans for repairs and upgrades. In 2012, 11 National City households applied for home improvement loans (Table 3-1). None of these applications were approved, compared to the 22 percent approval rate for the county as a whole (Table 3-2).

Table 3-2
Disposition of Loan Applications
San Diego County 2012

Loan Type	Total Applicants	Approved	% Approved	Not Accepted	Denied	Other
Government-Backed Purchase	10,648	5,940	0.56	1,034	1,816	1,858
Conventional Purchase	15,156	7,211	0.48	1,870	3,055	3,020
Refinance	60,357	24,079	0.40	5,445	17,082	13,751
Home Improvement	2,006	445	0.22	194	1,144	423
5 Or More Family Dwellings	575	440	0.77	20	76	39
Total	88,742	38,115	0.43	8,563	23,173	19,091

Source: Home Mortgage Disclosure Act 2012

B. Governmental Constraints

Actions by the City can have an impact on the price and availability of housing. Land use controls, site improvement requirements, building codes, fees and other programs that improve the overall quality of housing may actually serve as a constraint to housing development. The following public policies can affect overall housing availability, adequacy, and affordability.

1. Land Use Controls

In 2011, the City adopted comprehensive revisions of the General Plan and the Land Use (Zoning) Code, which resulted in substantial increases in the allowed densities of multi-family residential zones as well as introducing high-density mixed-use zones that replaced almost all of the commercial zones along major corridors and activity nodes. Two multi-family zones and all four mixed-use zones allow residential densities that exceed 30 units per acre. These changes significantly increased the potential residential capacity beyond that of the previous plans and have effectively reduced governmental constraints to housing development in the area of land use controls.

The Land Use Element of the General Plan and corresponding specific plans and zoning districts provide for a full range of residential and mixed-use types and densities throughout the City. Approximately 1,553 acres (45 percent) of the City's net land area are designated for residential uses including single-family homes, multi-family units, mobile homes, and group quarters. In addition, approximately 644 acres (19 percent) of the net land area are designated for mixed-uses, which allow residential uses without discretionary review. Residential and mixed-use densities in the City cover a wide spectrum and include the following categories:

Land Use Code Zones:

- Large Lot Residential (RS-1)
  Residential Type: single-family detached
  Minimum Lot Size: 10,000 square feet
  Maximum Density: five dwelling units per acre

- Small Lot Residential (RS-2)
  Residential Type: single-family detached
  Minimum Lot Size: 5,000 square feet
  Maximum Density: nine dwelling units per acre

- Medium-Low Density Residential (RS-3)
  Residential Type: single-family attached and multiple-family
  Maximum Density: 15 dwelling units per acre

- Medium Density Multi-Unit Residential (RM-1)
  Residential Type: multiple-family
  Maximum Density: 23 dwelling units per acre

- High Density Multi-Unit Residential (RM-2)
  Residential Type: multiple-family
  Maximum Density: 48 dwelling units per acre

- Very High Density Multi-Unit Residential (RM-3)
  Residential Type: multiple-family
  Maximum Density: 75 dwelling units per acre

- Mixed-Use Corridor, Minor (MXC-1)
  Residential Type: single- and multiple-family
  Maximum Density: 48 dwelling units per acre

- Mixed-Use Corridor, Major (MXC-2)
  Residential Type: single- and multiple-family
  Maximum Density: 75 dwelling units per acre

- Mixed-Use District, Minor (MXD-1)
  Residential Type: single- and multiple-family
  Maximum Density: 48 dwelling units per acre

- Mixed-Use District, Major (MXD-2)
  Residential Type: single- and multiple-family
  Maximum Density: 75 dwelling units per acre

- Mobile Home Park Overlay (MHP)
  Residential Type: mobile home
  Maximum Density: pursuant to underlying zone

- Second Units: Allowed in residential and mixed-use zones
  Residential Type: single accessory dwelling
  Maximum Density: one per lot

Westside Specific Plan Zones:

- Residential Single-Family (RS-4)
  Residential Type: single-family attached and detached
  Minimum Lot Size: 2,500 square feet
  Maximum Density: 17.4 dwelling units per acre.

- Mixed-use Commercial-Residential 1 (MCR-1)
  Residential Type: single- and multiple-family
  Maximum Density: 24 dwelling units per acre

- Mixed-use Commercial-Residential 2 (MCR-2)
  Residential Type: single- and multiple-family
  Maximum Density: 45 and 60 (TOD area) dwelling units per acre

Downtown Specific Plan Development Zones:

- Development Zone 1A & 1B
  Residential Type: multiple-family
  Floor Area Ratio: 6:1 maximum / 3:1 minimum
  Maximum Density: 75 dwelling units per acre

- Development Zone 2
  Residential Type: multiple-family
  Floor Area Ratio: 4:1 maximum / 2:1 minimum
  Maximum Density: 75 dwelling units per acre

- Development Zone 3
  Residential Type: multiple-family
  Floor Area Ratio: 4:1 maximum / 2:1 minimum
  Maximum Density: 75 dwelling units per acre

- Development Zone 4
  Residential Type: multiple-family
  Floor Area Ratio: 6:1 maximum / 3:1 minimum
  Maximum Density: 75 dwelling units per acre

- Development Zone 5A & 5 B
  Residential Type: multiple-family
  Floor Area Ratio: 3:1 maximum (5A); 4:1 maximum / 2:1 minimum (5B)
  Maximum Density: 30 dwelling units per acre

- Development Zone 6
  Residential Type: multiple-family
  Floor Area Ratio: 6:1 maximum / 3:1 minimum
  Maximum Density: 75 dwelling units per acre

- Development Zone 7
  Residential Type: multiple-family
  Floor Area Ratio: 6:1 maximum / 3:1 minimum
  Maximum Density: 75 dwelling units per acre

- Development Zone 8
  Residential Type: multiple-family
  Floor Area Ratio: 3:1 maximum
  Maximum Density: 30 dwelling units per acre

- Development Zone 9
  Residential Type: multiple-family
  Floor Area Ratio: 5:1 maximum / 2.5:1 minimum
  Maximum Density: 75 dwelling units per acre

- Development Zone 10
  Residential Type: multiple-family
  Floor Area Ratio: 3:1 maximum
  Maximum Density: 30 dwelling units per acre

- Development Zone 11
  Residential Type: multiple-family
  Floor Area Ratio: 4:1 maximum / 2:1 minimum
  Maximum Density: 75 dwelling units per acre

- Development Zone 12A
  Residential Type: multiple-family
  Floor Area Ratio: 5:1 maximum / 2.5:1 minimum
  Maximum Density: 75 dwelling units per acre

- Development Zone 12B
  Residential Type: multiple-family
  Floor Area Ratio: 4:1 maximum / 2:1 minimum
  Maximum Density: 75 dwelling units per acre

- Development Zone 13
  Residential Type: multiple-family
  Floor Area Ratio: 4:1 maximum / 2:1 minimum
  Maximum Density: 75 dwelling units per acre

- Development Zone 14
  Residential Type: multiple-family
  Floor Area Ratio: 4:1 maximum / 2:1 minimum
  Maximum Density: 75 dwelling units per acre

Overall, land use controls in National City do not place any permit constraint on housing development. The Land Use Code and the Westside Specific Plan do not require discretionary review of residential projects that are consistent with the development standards for the zone (Table 3-2A); the Downtown Specific Plan requires a discretionary review, but only for consistency with the plan. Maximum densities in the City's residential and mixed-use zones are much greater than that of most other cities in the county and results in much higher potential residential capacity than other cities in the county. National City's lack of vacant land is the primary constraint to accommodating future growth; however, under-developed sites (especially in the specific plan areas, mixed-use zones, and higher density residential zones) offer opportunities for redevelopment at higher densities to increase the supply of housing.

TABLE 3-2A
Housing Type Permitted by Zone

	Zone											
Type	RS-1	RS-2	RS-3	RS-4	RM-1	RM-2	RM-3	MC	MX	DZ 1-14	MHP	IL
Single Unit Detached	P	P	P	P	P	P	P	P	P			
Single Unit Attached			P	P	P	P	P	P	P	P		
Multiple Unit			P		P	P	P	P	P	P		
Second Unit	P	P	P	P	P	P	P	P	P			
SRO 3+ Units			P		P	P	P	P	P	P		
SRO <3 Units	P	P	P	P	P	P	P	P	P	P		
Manufactured Home	P	P	P	P	P	P	P	P	P	P		
Mobile Home											P	
Residential Care (Small)	P	P	P	P	P	P	P	P	P	P		
Residential Care (Large)	M	M	M	M	M	M	M	M	M	M		
Convalescent Care	P	P	P	P	P	P	P	P	P	P		
School Dormitory						C	C	C	C			
Employee Housing	P	P	P	P	P	P	P	P	P	P		
Transitional Housing	P	P	P	P	P	P	P	P	P	P		
Supportive Housing	P	P	P	P	P	P	P	P	P	P		
Emergency Shelter												P

P = Permitted, C = Conditional Use, M = Minor Conditional Use, D = Consistency Review

2. Residential Development Standards

The 2011 comprehensive revision of the Land Use Code relaxed many requirements of the previous residential development standards that would be considered constraints, such as setbacks, minimum lot area, minimum building size, maximum lot coverage, maximum floor area, maximum building height, required open space, and parking ratios. The comprehensive revisions also introduced high-density mixed use zones, which replaced most of the commercial zones. These revisions to the residential development standards and the introduction of mixed-use zones have reduced governmental constraints to housing development in the area of development standards. Land Use Code residential development standards are summarized in Table 3-3A. Land Use Code mixed-use development standards are summarized in Table 3-3B-E. Westside Specific Plan mixed-use development standards are summarized in Table 3-4A. Downtown Specific Plan mixed-use development standards are summarized in Table 3-4B.

TABLE 3-3A
Development Standards
LUC Residential Zones

Development	Requirement By Zoning District						
Primary Structure	RS-1	RS-2	RS-3	RS-4	RM-1	RM-2	RM-3
Minimum Setbacks Front	20’	20’	15’	10’/15(a)	15’	10’	10’
Side-Interior	5’	5’	5’	3/0(b)	5’	5’	5’
Side-Exterior	10’	10’	5’	10’(a)	5’	5’	10’
Rear	25'	25’	10’	15’	5’	5’	5’
Minimum Lot Area	10,000 SF	5,000 SF	5,000 SF	2,500 SF	5,000 SF	5,000 SF	5,000 SF
Maximum Density	One du per lot	One du per lot	One du per 2,900 SF of lot area	One du for each 2,500 SF of lot area	One du per 1,900 SF of lot area	One du per 900 SF of lot area	One du per 580 SF of lot area
Minimum Usable Open Space	N/A	N/A	N/A	N/A	See Section 18.41.040		
Maximum Lot Coverage	75%	75%	75%	N/A	75%	75%	75%
Maximum Height, Primary Structure	35’	35’	35’	35’	45’	65’	95’
Maximum Stories, Primary Structure	2	2	3	3	4	6	9

TABLE 3-3B
Development Standards
MXC-1 Zone

Development Standard	Minimum	Maximum
Setbacks, street	0'	15' - 1st and 2nd story None - 3rd story
Setbacks, other	0'	None
Height	None	50' and 3 stories
Floor area ratio, mixed use	None	2.0
Floor area ratio, single use	None	1.0
Density	None	48 du/acre

TABLE 3-3C
Development Standards
MXC-2 Zone

Development Standard	Minimum	Maximum
Setbacks, street	0'	10' – 1st and 2nd story None – 3rd story
Setbacks, other	0'	None
Height	None	65' and 5 stories
Floor area ratio, mixed use	None	3.5
Floor area ratio, single use	None	2.5
Density	None	75 du/acre

TABLE 3-3D
Development Standards
MXD-1 Zone

Development Standard	Minimum	Maximum
Setbacks, street	0'	15' – 1st and 2nd story None – 3rd story
Setbacks, other	0'	None
Height	None	50' and 3 stories
Floor area ratio, mixed use	None	2.0
Floor area ratio, single use	None	1.0
Density	None	48 du/acre

TABLE 3-3E
Development Standards
MXD-2 Zone

Development Standard	Minimum	Maximum
Setbacks, street	0’	10’ – 1st and 2nd story None – 3rd story
Setbacks, other	0’	None
Height	None	65’ and 5 stories
Floor area ratio, mixed use	None	3.5
Floor area ratio, single use	None	2.5
Density	None	75 du/acre

TABLE 3-4A
Development Standards
MCR Zones

Development Standard	MCR-1	MCR-2
Minimum Setbacks		
Front	10’	10’
Side, Interior	0’/10’(a)	0’/10’
Side, Exterior	10’	10’
Rear	5’	5’
Minimum Density	24 du/acre	24 du/acre
Maximum Density	24 du/acre	45/60 du/acre
Minimum Dwelling Unit Size	600 SF	600 SF
Maximum Height/Stories	3 stories and 50’	5 stories and 65’
Common Usable Open Space (c)	300 SF/du	300 SF/du
Private Usable Open Space (c)	75 SF/du	75 SF/du
Maximum Floor Area Ratio	0.6	0.6

TABLE 3-4B-4
Development Standards
Downtown Specific Plan

Zone	Minimum Floor Area Ratio	Maximum Floor Area Ratio	Maximum Height	Maximum Density
1A	3:1	6:1	None	75 du/ac
1B	3:1	6:1	None	75 du/ac
2	2:1	4:1	75 Feet	75 du/ac
3	2:1	4:1	75 Feet	75 du/ac
4	3:1	6:1	90 Feet	75 du/ac
5A	None	3:1	36 Feet	30 du/ac
5B	2:1	4:1	90 Feet	75 du/ac
6	3:1	6:1	None	75 du/ac
7	3:1	6:1	None	75 du/ac
8	None	3:1	36 Feet	30 du/ac
9	2.5:1	5:1	90 Feet	75 du/ac
10	None	3:1	36 Feet	30 du/ac
11	2:1	4:1	50 Feet	75 du/ac
12A	2.5:1	5:1	90 Feet	75 du/ac
12B	2:1	4:1	65 Feet	75 du/ac
13	2:1	4:1	75 Feet	75 du/ac
14	2:1	4:1	75 Feet	75 du/ac

Downtown Specific Plan

Development within the Downtown Specific Plan area is guided by a form-based design as opposed to traditional zoning and development standards that regulate use. The Plan area is divided into 19 development zones, 17 of which allow and encourage residential development. Four of the 17 zones have no height limit. The others have height limits, which range from 36 feet to 90 feet depending on the zone. Two zones are limited to 30 units per acre, while the other 14 zones that allow for residential development have a maximum density of 75 units per acre. Development density in most of these zones is regulated more by the permitted FAR (which ranges from 3:0 to 6:0). Form-based development allows flexibility for the developer to change their project based on market conditions.

All projects within the Downtown Specific Plan Area are subject to a Downtown Specific Plan Consistency Review (DSP) by the Successor Agency to the Community Development Commission as the Redevelopment Agency (SA) in order to ensure consistency with the plan and that seven findings are met. The City Council serves as the Successor Agency Board. If a subdivision map is proposed, the tentative map is considered by the Planning Commission, then by the City Council. The Consistency Review process requires that the applicant submit information such as site plans, a pro forma statement, and conceptual design plans.

The Consistency Review considers the following seven findings:

1. The project complies with all of the requirements and standards of the Downtown Specific Plan;

2. The project enhances the pedestrian experience with attractive and distinctive design and amenities;

3. The project enriches the qualities of the existing downtown by exhibiting a distinctive design that arises from and complements its setting, including the scale of the downtown, the block, and the street;

4. The project is integrated physically and visually with its surroundings by exhibiting attention to how to get around by foot, bicycle, public transportation and the car – in that order;

5. The project strikes a balance between the natural and man-made environment and utilizes each site's intrinsic resources – the climate, landform, landscape and ecology to maximize energy conservation and create distinctive amenities;

6. The project weaves together different building forms, uses, textures, and densities; and

7. The project is designed for energy and resource efficiency; creating flexibility in the use of property, public spaces (including the sidewalk) and the service infrastructure and introduces or acknowledges through design new approaches to transportation, traffic management and parking.

The Successor Agency may consider and approve an exemption from the development standards based on any one of the following findings:

1. The project does not exceed the floor area ratio limit for the site;

2. The project includes a significant public amenity that would otherwise not be required, including more than fifteen (15%) percent of affordable housing units or commercial rental space that is twenty-five (25%) percent below the market rate;

3. The project makes a significant contribution to off-site public space in Downtown National City, such as street improvements, public plazas, public park improvements and other improvements that are called for in the Downtown Specific Plan.

Since the Environmental Impact Report prepared for the Downtown Specific Plan considered the buildout of the downtown area, the consistency review process is expedited. The processing time for a Consistency Review and Tentative Map is typically less than six months.

Westside Specific Plan

The Westside Specific Plan was adopted in March 2010 for the Westside neighborhood, also known as Old Town. The area originally developed as a single family residential neighborhood; however, most of the area was re-zoned as Light Manufacturing-Residential (MLR) after World War II to encourage economic development. The MLR zone continued to allow single family residential uses, but facilitated the development of automotive, manufacturing, and industrial uses that were incompatible with the remaining residential uses. The Westside Specific Plan addresses the incompatibility of uses through new land use zones and development standards.

The Westside Specific Plan includes residential and mixed use zones that substantially increase the allowable residential density and potential capacity over that of the previous MLR zone. The specific plan allows for single family residential at a density of over 17 units per acre on a minimum lot size of 2,500 square feet (Table 3-3A). Mixed use zones allow maximum residential densities of 24, 45, and 60 dwelling units per acre (Table 3-4A).

Residential development that is consistent with the land use regulations of the Westside Specific Plan and the corresponding development standards of the Land Use Code are permitted by right and do not require discretionary review and approval. An Environmental Impact Report was prepared for the Westside Specific Plan and considered the buildout of the area; consequently, no additional environmental review is required for development that is consistent with the specific plan.

Off-Street Parking Requirements

The City's off-street parking requirements are based on land use and zone. The minimum parking requirements are summarized in Table 3-5. National City's parking requirements are typical for other communities in San Diego County other than additional parking is required for single-family units that are greater than 2,500 square feet or more than four bedrooms. The 2011 revision of the Land Use Code added provisions that reduce parking requirement constraints by allowing the Planning Commission to approve reductions in the required parking for projects in the following cases:

- A transportation demand management program (TDM) is approved for the project.
- The project meets certain criteria when in proximity to transit.
- The parking demand can be met through shared parking between uses.
- The reduction will not adversely affect the site or adjacent area and adjacent on-street parking is available.

TABLE 3-5
Off-Street Parking Requirements

Uses and Structures	Minimum Parking Spaces Required (Unless Otherwise Specified)
Residential Zones	
Dwelling, single detached (RS-1 zone)	2 covered spaces, plus one additional uncovered space per bedroom greater than four bedrooms or one additional uncovered space for dwellings greater than 2,500 SF, whichever is greater.
Dwelling, single detached (all other RS and RM zones, except within the Westside Specific Plan area)	One covered space and one uncovered space, plus one additional uncovered space per bedroom greater than four bedrooms or one additional uncovered space for dwellings greater than 2,500 SF, whichever is greater.
Dwelling, single attached	1.5 spaces per dwelling unit in a garage or carport
Dwelling, multiple	1.3 spaces per 1-bedroom dwelling unit plus 1.5 spaces per 2-bedroom or more unit, and conveniently located guest parking of ½ space per unit for 20 units or less, plus ¼ space for each unit over 20. Half of the required guest parking spaces may include parking spaces on dedicated public streets along the sides of the streets that are adjacent to the site.
Mobile Home Parks	2 spaces per unit
Second dwelling unit	1 space in addition to primary residence parking requirements
Senior Housing	1 space per unit plus 1 guest space for each 10 units
RS-4 (Westside Specific Plan): Units greater than 1,200 square feet	2 spaces per unit
RS-4 (Westside Specific Plan): Units less than 1,200 square feet	1.7 spaces per unit
MXD and MXC Zones	
Studio, 1- and 2-bedroom units	Minimum: 1 space per unit
3- or more bedroom units	Minimum: 1.5 spaces per unit
MCR Zones	
Units greater than 1,200 square feet	1.5 spaces per unit
Units less than 1,200 square feet	1 space per unit

Local Coastal Program

A small portion of National City falls within the Coastal Zone. The Coastal Zone is generally bounded by San Diego Bay to the west, U.S. Navy facilities to the north, the marine terminal and San Diego Unified Port District to the south, and the Interstate 5 freeway on the east with a small portion east of I-5, south of 30th Street, and bordering Sweetwater River. The area contains warehouses and industrial uses related to the marine terminal, as well as railroad and trolley lines, commercial uses, and wetlands. There is no residentially zoned land within the Coastal Zone due to the proximity of both port and military activities. However, there are a few remaining residential structures constructed years ago. The conversion or demolition of residential units occupied by low- or moderate-income households within the coastal zone is subject to the provisions of Government Code Section 65590 et al, which require the replacement of such units unless otherwise exempted. There were no conversions or demolitions of residential units in the Coastal Zone during the last housing element cycle and to date.

California Government Code Section 65588(c) requires the Housing Element to include the following information on low- and moderate-income housing in the Coastal Zone pursuant to Section 65590:

- The number of new housing units approved for construction within the coastal zone after January 1, 1982: No new housing units have been approved for construction after January 1, 1982.
- The number of housing units for persons and families of low or moderate income required to be provided in new housing developments either within the coastal zone or within three miles of the coastal zone pursuant to Section 65590: No housing units have been required to be provided in new housing developments pursuant to Section 65590.
- The number of existing residential dwelling units occupied by persons and families of low or moderate income that have been authorized to be demolished or converted since January 1, 1982, in the coastal zone: No residential units have been authorized to be demolished or converted since January 1, 1982.
- The number of residential dwelling units for persons and families of low or moderate income that have been required for replacement or authorized to be converted or demolished: No residential units have been required for replacement or authorized to be converted or demolished.

Density Bonus

Developers of affordable housing are entitled to a density bonus and/or equivalent concessions or incentives under certain conditions. Senate Bill 1818, which went into effect January 1, 2005, significantly reduced the amount of units that a developer must provide in order to receive a density bonus and requires between one to three concessions, depending upon the percentage of affordable units. Under the new State law, the maximum density bonus a developer can receive is 35 percent when a project provides either 11 percent of a proposed project for very low income households, 20 percent for low income households, or 40 percent for moderate income households. The legislation also imposed a new land donation rule, and statewide parking standards. The City revised its density bonus ordinance in 2009 to be consistent with State law. Density bonuses may not be necessary in the downtown area due to the very high densities that are permitted under the Specific Plan as well as in the new mixed-use zones and higher density multi-family zones that also allow very high densities.

Reasonable Accommodation for Persons with Disabilities

The City conducted a comprehensive review of its development ordinances and planning policies for their potential to affect persons with disabilities as part of the previous Housing Element Update in 2007. The City has since adopted procedures to consider requests for the reasonable accommodation of persons with disabilities as part of the building permitting process.

Wheelchair ramps and other accessory structures are permitted within all residential zones as incidental structures related to a residence. Building procedures within the City are also required to conform to the California Uniform Building Code (UBC), as adopted in Title 15 of the National City Municipal Code. Standards within the Code include provisions to ensure accessibility for persons with disabilities.

Zoning and building codes, and the City's approach to code enforcement, allow for special features that meet the needs of persons with disabilities without the need for zoning variances. City staff is available to provide assistance regarding the procedures for special accommodations under the City's Land Use Code. The Building Department staff is familiar with ADA requirements and accessibility standards and is available to review requests for accommodation for person with disabilities and special housing needs.

3. Building Codes/Enforcement

The City has adopted the 2010 Edition of the California Building Code which governs the erection, construction, enlargement, alteration, repair, moving, removal, demolition, conversion, occupancy, use, height, area, fire resistance and maintenance of all buildings and/or structures. The code is considered to be the minimum necessary to protect public health, safety, and welfare.

The City has made several amendments to the California Building Code. None of these amendments pose a significant constraint to housing development and protect the public for health and safety reasons. Amendments pertain to local processing and inspection fees, which are necessary for the City to recoup code enforcement and administration costs. The Building and Safety Department ensures that dwelling units are maintained in compliance with minimum health and safety regulations.

National City has adopted a Property Conservation and Community Appearance code. The purpose of the Code is to provide for the systematic and orderly regulation of activities affecting the usefulness, quality appearance, and living environment of the community. The Property Conservation and Community Appearance Code serves to preserve and enhance residential neighborhoods. City code enforcement officers enforce the code in response to complaints and observed violations from periodic windshield surveys. Enforcement of the Code maintains property values and minimizes negative community perceptions of multi-family and other residential development. The property conservation and community appearance code is not considered a constraint on housing development.

4. Development and Planning Fees

The City charges permit processing fees and impact fees for roads, parks, etc., while the school district charges school fees. The amount of the fees may constrain housing development and limit market rate affordability due to the cost increase for each housing unit. However, the fees are necessary to maintain adequate public services and facilities in the City. Table 3-7 depicts the current permit processing fee schedule. Table 3-8 depicts the current development impact fee schedule.

Table 3-7
Planning Fees

Development	Annexation	$ 9,940.00
	Approval of Plans	$ 7,890.00
	Coastal Dev Permit with Public Hearing	$ 9,940.00
	Coastal Dev Permit without Public Hearing	$ 8,730.00
	Code Amendment	$ 9,940.00
	Conditional Use Permit	$ 7,890.00
	Consistency Review	$ 10,130.00
	General Plan Amendment	$ 9,940.00
	Historic Site Designation	$ 5,050.00
	Initial Study	$ 7,270.00
	Local Coastal Program (LCP) Amendment	$ 9,940.00
	Planned Development Permit	$ 7,890.00
	Planned Unit Development	$ 8,340.00
	Preliminary Site Plan Review	$ 2,840.00
	Request to Initiate General/Specific Plan Amendment	$ 6,430.00
	Specific Plan	$ 9,940.00
	Specific Plan Amendment	$ 7,740.00
	Substantial Conformance, Council, Commission	$ 5,660.00
	Substantial Conformance, Staff Review	$ 3,690.00
	Time Extension with Public Hrg (CUP, PD, PUD, Variance)	$ 5,710.00
	Time Extension w/o Public Hrg (CUP, PD, PUD, Variance)	$ 4,990.00
	Variance	$ 8,020.00
	Variance SFR Owner-Occ	$ 8,020.00
	Zone Boundary Determination	$ 8,020.00
	Zone Map Change	$ 9,940.00

Subdivision	Certificate of Compliance	$ 2,690.00
	Lot Merger	$ 2,690.00
	Street Vacation	$ 8,900.00
	Street Vacation Initiation	$ 4,040.00
	Tentative Parcel Map	$ 6,500.00
	Tentative Subdivision Map	$ 9,940.00
	Time Extension, Tentative Parcel Map	$ 2,280.00
	Time Extension, Tentative Subdivision	$ 3,840.00

Table 3-8
Development Impact Fees

Unit Type Fee Type	Single-family	Multi-family	Mobile Home/Other
Sewer	$512	$6	$432
Water	$4,693	$1,153	$23,078
National City School	$2,295	$827	$1,047
Sweetwater School	$6,075	$2,189	$2,772
Parks & Rec	$858	$692	$849
Library	$172	$139	$139
Fire/EMS	$126	$102	$124
Police	$318	$257	$315
Total	$15,049	$5,365	$28,756

The sewer system fees in Table 3-8 were calculated assuming the San Diego Building Industry Association prototype (explained below) for the single-family and multi-family units and assuming a three-bedroom mobile home on a 30-foot wide lot for the Mobilehome/Other field. For the single-family unit a 60-foot wide lot was assumed, and for the multi-family units a 100-foot wide lot was assumed. The basic sewer fee structure is $6 per linear foot of the property frontage, a $60 sewer lateral fee and a construction permit fee of $192. There are also overflow fees, which usually only affect multi-family, commercial and industrial sites that are based on an average daily usage. For residential uses, these are based on the number of bedrooms in a building.

Water service is provided by the Sweetwater Authority. Sweetwater Authority uses the same calculation for fees for multi-family and mobile home development. They use a different calculation for single-family development. The above mentioned multi-family water fee is based on a theoretical 20 unit apartment complex for which the total fee is estimated at $23,078.

The Sweetwater Union High School District has a development impact fee for residential units of $2.25 per square foot. The fee calculation for a home in this District uses the San Diego Building Industry Association prototype sizes for single-family and multi-family units were used. For mobile home/other, a 14 by 88 foot mobile home (1,232 square feet) was assumed.

The San Diego Building Industry Association (BIA) calculated fees on a prototypical single-family home and multi-family development for various jurisdictions in region. National City was not asked to participate in the BIA survey, but calculated its fees based on these prototypes to compare its fees to those of its neighbors. The single-family prototype is a four-bedroom/three-bath detached residence with 2,700 square-feet of living area, a 600 square-foot garage, a 240 square-foot patio, fireplace, gas and electric hookups, and type V, wood frame construction. The multi-family prototype is a 15.7 acre site developed at 24 units per acre with surface parking. The average unit size is 973 square-feet with one-bedroom/one-bath units comprising 40 percent of the units and two-bedroom/two-bath units comprising 60 percent of constructed units.

As shown in Table 3-9, National City's fees are considerably lower on a per-unit basis than all other San Diego County jurisdictions for the single-family prototype except for Vista, and were lower than all other San Diego County jurisdictions for which results were available for the multi-family prototype. For the single-family prototype, National City's fees were less than half those of Poway, San Marcos, and the City of San Diego. For the multi-family prototype, National City's fees were less than half those of Chula Vista, Escondido, Oceanside, and the City and the County of San Diego. Development impact and permit processing fees are necessary for the City to continue providing development services and ensure the health, safety, and welfare of its residents. Reduced, waived, or reimbursed fees are possible incentives to be included in the City's revised density bonus ordinance. Therefore, these fees, while an overall constraint on housing development, are necessary. Relief for developers may be available when affordable housing is provided.

Table 3-9
Prototypical Development Impact and Permit Processing Fees
San Diego County Jurisdictions

Jurisdiction	Single-Family Prototype	Multi-family Prototype
Carlsbad	$25,282	$ 4,527
Chula Vista	$33,003	$12,121
El Cajon	$20,307	n/a
Encinitas	$24,628	n/a
Escondido	$22,055	$14,535
National City	$17,726	$ 5,742
Oceanside	$32,454	$17,224
Poway	$36,066	$ 5,852
San Diego (City)	$37,102	$20,162
San Diego (County)	$25,713	$12,243
San Marcos	$44,630	n/a
Santee	$32,741	n/a
Vista	$16,299	$ 6,462

Source: San Diego Building Industry Association

Based on the typical single family and multifamily prototypes described above, the proration of total fees and exactions to total development costs is less than one percent for either unit type. Consequently, the City's development impact and permit processing fees would not be considered a significant constraint to housing development in the community.

5. Site Improvements

The City requires the construction of reasonable on- and off-site improvements pursuant to the Subdivision Map Act. The minimum improvements required of the developer include:

- Grading and improvement of public and private streets and alleys including surfacing, curbs, gutters, cross gutters, sidewalks, ornamental street lighting, and safety devices;
- Sufficient storm drainage and flood control facilities to carry storm runoff, both tributary to and originating within the subdivision;
- Sanitary sewage system serving each lot or unit of the subdivision;

- Water supply system providing an adequate supply of potable water to each lot and fire hydrants within the subdivision.
- Fire hydrants and connections;
- Survey monuments; and
- Public utility distribution facilities, including gas, electric, and telephone necessary to serve each lot in the subdivision.

Specific standards for design and improvements of subdivisions must be in accordance with the applicable sections of the Land Use Code, General Plan, Subdivision Ordinance, and any specific plans adopted by the City.

The City also requires dedication of parcels of land intended for public use, including:

- Streets, highways, alleys, ways, easements, rights-of-way, and land intended for public use;
- Vehicular access rights from any parcel to highways or streets;
- Private utility easements required by the various utilities;
- Easements for natural and improved drainage facilities; and
- Area dedicated or reserved for parks, recreational facilities, fire stations, libraries, or other public uses as deemed necessary by the City.

Dedicated streets, highways, alleys, ways, easements, rights-of-way, etc. must be designed, developed, and improved according to City Standards. Private streets as part of developments are considered by the City on a project-by-project basis and must meet the National City Fire Department standards, including a minimum width of 20 feet for streets with no parking on either side, a 30-foot width for streets with parking on one side, a 40-foot width for streets with parking on two sides, and a 28-foot width for all streets at street corners. Public streets in residential areas are required to have 60-foot wide right-of-ways. Collector streets, and streets in commercial and industrial areas, are required to have 80-foot wide right-of-way. A slightly wider roadway might be required for some industrial areas. Regulations on street width and design may not pose a significant constraint to the development of affordable housing since most streets are fully dedicated and street dedications are typical of other cities. On- and off-site improvement requirements for utilities, facilities, and services necessary to serve development projects are also typical of other jurisdictions and do not result in significant constraints. Since the City is fully urbanized, most utilities and infrastructure systems are already in place, which reduces the costs for infill development.

6. Local Processing and Permit Procedures

Development review and permit procedures are necessary steps to ensure that residential construction proceeds in an orderly manner. The following discussion outlines the level of review required for various permits and timelines associated with those reviews. The timelines provided are estimates. Actual processing time may vary due to the volume of applications and the size and complexity of the projects.

Single Family Housing

A single family dwelling, on an existing parcel, is subject to a Building Permit to ensure compliance with zoning regulations and the engineering, building and fire codes. Approval of a Building Permit for a single family dwelling is a ministerial or administrative process approved by staff. Staff involved in the approval process includes the Building and Safety, Planning, Engineering, and Fire Departments. Processing time is approximately six to eight weeks, but is highly dependent on the quality, completeness and accuracy of the development proposal.

If the proposed single-family project requires a subdivision or varies from the development standard (i.e. variance) it would require a discretionary action that is considered by the Planning Commission. Approval is based on findings outlined in the zoning regulations and state law. Processing time for a Planning Commission hearing is approximately two months.

Multi-family Housing

The 2011 revisions of the Land Use Code removed the requirement for the discretionary review of multi-family housing (including condominium development) within the multi-family zones, thereby removing a government constrain on housing development. A Building permit is required to ensure compliance with building and fire codes. Approval of a building permit for a multi-family project is ministerial and generally takes two months or less to issue. Processing time depends on the size of the project and quality, accuracy and completeness of the development proposal. Staff involved in the approval process includes Building and Safety, Planning, Engineering, and Fire Departments.

Subdivisions

A residential development which contains a request to subdivide the parcel into four or fewer lots, a parcel map, requires a public hearing and approval by the Planning Commission. A residential development, which includes a major subdivision (five or more lots) requires a public hearing and recommendation of the Planning Commission. The City Council is the final decision-making body for major subdivisions. The basis for approval is the City’s subdivision regulations, the permitted density of the underlying zone and the Land Use Code, and consistency with the City’s General Plan. The length of time required to process a subdivision map is variable, based on the size and complexity of the project. In most cases, the approval process can be completed in two to four months.

If the multi-family housing is proposed as a condominium project the approval process also includes a subdivision map. Processing time is approximately two to four months, and the project is subject to review by the Planning Commission and the City Council.

General Plan Amendment and/or Zone Change

A proposed housing project may include a General Plan Amendment and/or Rezone. This type of approval is discretionary, requiring approval by the Planning Commission and City Council. Approval of a Rezone or General Plan Amendment would depend on the applicant's ability to show that the proposal would further, and not detract, from the City's established land use goals.

City Design Guidelines

The City adopted Design Guidelines in 1991. The City's Design Guidelines encourage the upgrading of residential neighborhoods by providing a guide for integrating new residential projects and additions into the existing context of the neighborhood. The Guidelines also apply to multi-family infill projects and address architectural considerations and site design. The Design Guidelines have proven to be instrumental in its contribution to the overall improvement in the quality of new development.

Implementation of the Design Guidelines program does not increase the length of time needed to obtain development approval because it is fully integrated into the development review process. For projects that are reviewed by the Planning Commission, material boards and colored elevations are required as a part of project submission. A typical development permit is processed in a matter of a few weeks to two months. Design review does not prescribe any particular style of architecture nor does it add to the timeframe or cost of the project. Additionally, design review does not change the density or the land use of proposed projects and does not negatively affect housing production in the community.

7. Provisions for a Variety of Housing Types

A jurisdiction must identify adequate sites made available through appropriate zoning and development standards to encourage the development of a variety of housing types for all income levels, including multi-family rental housing, factory built housing and mobile homes, second dwelling units, emergency shelters, and transitional housing. The following describes the City's provisions for these types of housing.

Multi-Family Rental Housing

Nearly half of the City's existing housing stock consists of multiple-family units. The Land Use Code and specific plans provide for multiple-family units in the zones described in Section 1, Land Use Controls. Allowable density in these zones ranges from 15 to 75 units per acre. The Downtown Specific Plan has 19 Development Zones in its planning area, and 17 allow multi-family residential development. Three of the zones are intended for townhouses and row houses and allow for 20 to 30 dwelling units per acre. The remaining zones all allow up to 75 dwelling units per acre. Further details on each zone are discussed in Chapter 4 Housing Resources.

Mobile Homes

The Mobile Home Park (MHP) Overlay zone provides for mobile home parks, the number of units allowed governed by the State Health and Safety Code Section 18,000 et seq. Mobile homes must be certified according to the National Manufactured Housing Construction and Safety Standards Act of 1974, and cannot have been altered in violation of applicable codes. In addition, manufactured housing installed on a permanent foundation in compliance with all applicable building regulations and Title 25 of the California Health and Safety Code is permitted in all single-family zones.

Second Units

The 2011 revisions to the Land Use Code amended the City's second unit provisions to be consistent with state law. The provisions allow second units by right in all residential and mixed-use zones with no minimum lot area or discretionary review requirements. The Land Use Code recognizes second units as a means of advancing the City's housing policies to increase the variety, supply, and affordability of housing throughout the community.

Single-Room Occupancy

Single Room Occupancy (SRO) units are typically one-room units intended for occupancy by a single individual. SRO units may or may not have kitchen or bathroom facilities. SROs are not defined by the Land Use Code and are considered a residential land use. Consequently, SROs are permitted by right in the multifamily and mixed-use zones. In the single-family zones, SROs consisting of more than two units are considered 'rooming and boarding houses' as defined by the Land Use Code, and are conditionally permitted. SROs that consist of less than three units are considered a residential use and are allowed by right in any of the residential and mixed-use zones. SROs that are emergency shelters are permitted by right in the Light Industrial (IL) zone.

Employee Housing

The City is in compliance with the Employee Housing Act (Health and Safety Code Sections 17021.5 and 17025.6). The Land Use Code does not differentiate between employee housing and residential land uses. Consequently, single-family housing that provides accommodations for employees is permitted by right in all residential and mixed-use zones; multifamily housing that provides accommodations for employees is permitted by right in all multifamily and mixed-use zones. Employee housing provided in conjunction with a permitted use as an accessory use to the principal use does not require additional permitting or special treatment.

Residential Care Facilities

State authorized, certified, or licensed residential care facilities serving six or fewer persons with disabilities or dependent or neglected children, and providing care on a twenty-four-hour-a-day basis, are permitted by right in all residential and mixed-use zones. The 2011 revisions to the Land Use Code amended the discretionary review process for facilities serving more than six persons by changing the requirement for a conditional use permit (CUP) to a minor CUP.

Transitional Housing and Emergency Shelters

The 2011 revisions to the Land Use Code amended the provisions for transitional and supportive housing and emergency shelters to be in compliance with state law. Transitional and supportive housing is considered a residential use permitted by right in all residential and mixed-use zones. Emergency shelters are permitted by right in the Light Industrial (IL) zone. The Light Industrial zone is intended for the least intensive types of industrial uses such as offices, storage, research and development, and manufacturing, assembling, packaging, treatment and processing of products that are not obnoxious or offensive to adjacent uses. Operations in the IL zone prohibit the release or creation of odor, dust, smoke, gas, noise, vibration or other nuisances. Emergency shelters would not be incompatible with the allowed uses in the zone, especially because of the temporary nature of stays (up to six months).

Most of the IL zone is generally located between Interstate 5 on the west and Roosevelt Avenue on the east and south of Mile of Cars Way to the City boundary south of the Sweetwater River. The area is readily accessible from arterial and collector streets, the adjacent freeways, and the 24th Street Trolley Station. Approximately 27 percent of the land area in the IL zone is within one-third mile of the 24th Street Trolley Station and the Sweetwater Adult School, and Sweetwater High School and Olivewood Elementary School are approximately one-third mile to the east. The zone has convenient access to grocery, retail, commercial, recreational, and other supportive services and amenities in the surrounding areas.

The IL zone consists of 67 parcels totaling 108 acres with an average lot size of 1.6 acres. There are over 17 acres of vacant land on ten parcels that are vacant or under-developed within the IL zone and suitable for development, which could accommodate more than the 281 beds potentially needed for emergency shelters (Table 2-12) as estimated in 2010 by the Regional Task Force on Homelessness.

8. Article 34 of the California Constitution

Article 34 was enacted in 1950 and it requires that low-rent housing projects developed, constructed, or acquired in any manner by any State or public agency, including cities, receive voter approval through the referendum process.

The California Health and Safety Code further clarifies the scope and applicability of Article 34 to exclude housing projects that fall in the following categories:

- Have deed-restriction placed on less than 49 percent of the units;

- Are housing projects that are rehabilitated/reconstructed and are currently deed-restricted; or
- Are occupied by low-income persons.

Article 34 constitutes an obstacle for local governments to be directly involved in production of long-term affordable housing.

The City does not have general Article 34 authority. However, the City has obtained authority for specific projects in the past and would seek voter approval in the future as necessary. The City does not consider Article 34 of the California Constitution to be a significant constraint on affordable housing development.

9. California Environmental Quality Act Regulations

The California Environmental Quality Act (CEQA) compliance process determines the timeframes for approval of many discretionary projects. Most projects are considered exempt with a few handled through the Negative Declaration process, which is processed concurrently with other discretionary approval processes. However, if an Environmental Impact Report is required a minimum of six months is added to the approval process.

Costs resulting from fees charged by local government and private consultants needed to complete the environmental analysis, and from delays caused by the mandated public review periods, are also added to the cost of housing. However, the presence of these regulations helps preserve the environment and ensure environmental safety to National City residents. As mentioned earlier, most projects are considered exempt from environmental review due to the existing urbanized setting of the City.

C. Infrastructure Constraints

Another factor adding to the cost of new construction is the cost of providing adequate infrastructure: major and local streets; curbs, gutters, and sidewalks; water and sewer lines; and street lighting, all of which are required to be built or installed in new development. In most cases, these improvements are dedicated to the City, which is responsible for their maintenance. The cost of providing these facilities is borne by developers and is added to the cost of new housing units, which is eventually passed on to the homebuyer or property owner.

Because National City is a largely built-out community, an extensive infrastructure is already in place. However, there are many older parts of the City where public improvements are outdated, substandard, or not fully installed. The costs associated with infrastructure improvements will vary depending on the area in which the development proposal is located. Costs associated with upgrading infrastructure to serve a specific redevelopment project are typically paid for by developers.

D. Environmental Constraints

Environmental concerns can constrain housing by limiting developable land availability and increased costs associated with environmental impact mitigation. Since, National City is an urbanized city and largely built-out, habitat constraints are minimal. However, the flood hazards and mitigation of general environmental concerns can constrain residential development in the community.

Some portions of the City are subject to potentially damaging major floods during periods of unusually heavy rain, as well as localized flooding during high tides. Low lying areas of the City and along the courses of the Paradise Creek, La Paleta Creek, Sweetwater River, and Levitt Marsh could be affected by a significant flood. There is no or very limited housing in these areas, so flooding is not a significant concern. The Sweetwater Marsh National Wildlife Refuge, part of the San Diego National Wildlife Refuge Complex is located in both National City and Chula Vista on San Diego Bay and contains a total of 316 acres. This Marsh is a flood control channel that contains no housing.

New construction in these areas is subject to the standards established in the Floodway (-FW), Floodway Fringe (-FF-1), and Floodway Fringe Shallow Flooding (-FF-2) combining zones contained in the Land Use Code. Many improvements have been made in these areas to reduce flood hazards, including the Sweetwater River Flood Control Channel and flood control improvements along much of Paradise Creek. Although, these improvements have not eliminated all flooding hazards in these areas, they have lessened the potential for flooding hazards in the aforementioned zones.

Potential residential development sites, discussed in Chapter 4 Housing Resources, were assessed for environmental constraints. Most sites are located on vacant infill or under-developed lots along existing streets in developed areas of the City; consequently, most sites are not constrained by environmental factors such as open space, habitat, topography, soils, seismology, and geology. Several sites are located within the flood zones described above; however, flood control, development, and infrastructure improvements on these sites have eliminated potential flooding hazards for future development.

Chapter 4

Resources

This chapter summarizes the resources available for the development, rehabilitation, and preservation of housing in National City. The analysis includes an evaluation of vacant lands, under-developed sites, and approved and proposed residential projects identified to accommodate National City's regional housing needs goals for the planning period, April 30, 2013 to April 30, 2021. Financial resources available to support housing activities and the administrative resources available to assist in implementing the City's housing programs are also analyzed in this chapter.

A. Available Sites for Housing

State law requires that individual communities play an active role in ensuring that enough housing is available to meet expected population growth in San Diego County. The San Diego Association of Governments (SANDAG) is authorized to set forth specific goals for the amount of new housing that should be produced in each member jurisdiction over a specified time period. For the current housing element cycle, SANDAG has projected housing needs for an 11-year period from 2010 through 2020. This chapter discusses how National City will facilitate and encourage the provision of housing to meet housing goals for all economic segments during the planning period, April 30, 2013 to April 30, 2021.

1. Future Housing Need

SANDAG developed a Regional Housing Needs Assessment (RHNA) based on the California Department of Housing and Community Development (HCD) determination of the region's "fair share" of statewide forecasted growth from January 1, 2010 through December 31, 2020. Overall, the San Diego region needs to plan for an additional 161,980 units. National City's share of housing is allocated by SANDAG based on the number of affordable housing units each jurisdiction can accommodate given the financial resources and regulatory measures applicable during the housing element cycle.

SANDAG allocated National City a future housing need of 1,863 units in four household income categories (Table 4-1): 465 very low income, 353 low income, 327 moderate income, and 718 above-moderate income units. In January 2007, a new law (AB 2634) took effect that requires housing elements to include an analysis of extremely low income needs and addresses those needs in proposed programs. According to Government Code Section 65583(a)(1), National City may presume that 50 percent (233 units) of the very low income households qualify as extremely low income households.

2. Credits towards the RHNA

The RHNA projection period covers eleven years from January 1, 2010 to December 31, 2020; consequently, new housing units built or issued certificates of occupancy since January 1, 2010 may be counted towards meeting the RHNA allocation. Table 4-1 incorporates data from the National City Building Division and the California Department of Finance indicating the number of housing units constructed since January 1, 2010. A total of 49 housing units were constructed during this period, of which 29 units were deed-restricted for low- or very-low income households.

Table 4-1
RHNA Allocation & Construction Credits

Household Income (% AMI)	RHNA Allocation	Constructed Since 2010	Remaining Need
Extremely Low (0-30%)	233	0	323
Very Low (>30-50%)	232	6	224
Low (>50–80%)	353	23	330
Moderate (>80–120%)	327	0	327
Above Moderate (>120%)	718	20	698
Total	1,863	49	1,814

AMI = Area Median Income for San Diego County

3. Residential Sites Inventory

The City of National City is considered a “metropolitan jurisdiction” pursuant to Government Code Section 65583.2(c)(3)(B), which establishes a standard minimum density for residential sites to be considered suitable for lower income housing development. The minimum density of sites in metropolitan jurisdictions is 30 units per acre in order to be considered appropriate to accommodate housing for lower income households. The City has several specific plans and zones that allow for densities of at least 30 units per acre and up to 75 units per acre in addition to available density bonuses.

Most of the potential housing production for the housing element planning period is based on the development of vacant land and under-developed sites within the City (Appendix A). The potential number of dwelling units for each site is determined by applying land use and zoning regulations, development standards, constraints, and other factors that affect development potential. The vacant lands and under-developed sites that are suitable for residential development during the planning period are included in a residential sites inventory (Appendix B). The calculated production potential of the inventoried sites is 4,359 net dwelling units.

Approximately 4,100 units could be produced on sites that allow a density of 30 units or more per acre. Approximately 70 percent of the sites (land area) are zoned to allow 30 units or more per acre.

The residential sites inventory is an important component of the Housing Element. This inventory was compiled from an analysis of the City's vacant and underutilized land zoned for residential or mixed-use development throughout the City where sites could most likely accommodate the development of residential units during the planning period.

The methodology applied to the analysis and evaluation of potentially suitable sites for residential development is consistent with HCD Guidelines. Furthermore, the methodology is consistent with that used to develop the reasonably foreseeable projected buildout in the City's 2011 comprehensive update of the General Plan and Land Use (zoning) Code. Most of the suitable sites are assumed to develop at 75 percent of the maximum allowed density or intensity based on SANDAG projections, market trend, development patterns, product types, physical constraints, and other relevant factors. Sites within mixed-use zones were assumed to develop at 60 percent residential, 25 percent mixed-use, and 15 percent non-residential.

Higher density residential and mixed-use development zones provide the greatest potential for the production of affordable housing because economies of scale can be realized to reduce the costs of construction. The City's recent comprehensive General Plan and Land Use (zoning) Code update resulted in a substantial increase in the allowable densities of higher density land use and zoning designations as well as introducing high density mixed-use designations and zones that replaced almost all of the commercial zones along major corridors and around activity nodes. These changes to the General Plan, the Land Use Code, and the Official Zoning Map significantly increased the potential residential capacity over the previous plans.

Downtown Specific Plan

High density residential is allowed in most of the development zones of the Downtown Specific Plan as summarized in Table 4-2. Of the 19 development zones, 14 zones allow 75 dwelling units per acre, and three zones allow 30 dwelling units per acre. The allowed densities in the Downtown Specific Plan would be considered suitable for lower-income housing development. Based on the net acres in each development zone, the maximum number of dwelling units possible is 4,569 on approximately 66 acres. The residential sites inventory includes those sites in the Downtown Specific Plan that are likely to be developed or redeveloped during the housing element cycle. Most of the sites were assumed to develop at 75 percent of the maximum allowed density, and sites within mixed-use zones were assumed to develop at 60 percent residential, 25 percent mixed-use, and 15 percent non-residential.

Table 4-2
Downtown Specific Plan
Development Zones & Residential Capacity

Zone	FAR (Min)	FAR (Max)	Density (Max)	Acres (Net)	Units (Max)
1A	3:1	6:1	75 du/ac	6.84	513
1B	3:1	6:1	75 du/ac	7.11	533
2	2:1	4:1	75 du/ac	5.56	417
3	2:1	4:1	75 du/ac	6.78	509
4	3:1	6:1	75 du/ac	2.68	200
5A	N/A	3:1	30 du/ac	2.94	88
5B	2:1	4:1	75 du/ac	4.14	310
6	3:1	6:1	75 du/ac	2.87	215
7	3:1	6:1	75 du/ac	7.47	560
8	N/A	3:1	30 du/ac	1.90	57
9	2.5:1	5:1	75 du/ac	4.44	332
10	N/A	3:1	30 du/ac	4.04	121
11	2:1	4:1	75 du/ac	1.78	133
12A	2.5:1	5:1	75 du/ac	2.02	151
12B	2:1	4:1	75 du/ac	1.95	146
13	2:1	4:1	75 du/ac	1.58	118
14	2:1	4:1	75 du/ac	2.21	166
15	N/A	N/A	N/A	N/A	N/A
16	N/A	N/A	N/A	N/A	N/A
			Total	66.33	4,569

Since the approval of the Downtown Specific Plan in February 2005, there have been a number of residential development projects proposed and approved by the City. Table 4-3 lists the projects that have been entitled and/or proposed since February 2005. Three of the projects have been built, one is under construction, and one entitlement is being modified. The remaining projects have expired entitlements or are no longer proposed.

Table 4-3
Downtown Specific Plan
Projects Proposed Since 2005

Location	Project	Acres	Units	Units/ Acre	Status
8th St between D Ave and E Ave	Harbor View	0.6	69	115	Completed
A Ave between 11th St and 12th St	Centro	1.2	61	51	Completed
National City Blvd between 8th St and 9th St	Bay View (condo conversion)	0.7	170	258	Completed
National City Blvd between 11th St and 12th St	Revolution R2	0.8	157	196	Site preparation
National City Blvd between 15th St and 16th St	Park Lofts	1.4	201	144	Permit modification
National City Blvd between 7th St and 8th St	Holiday Inn II	0.9	171	198	Expired
National City Blvd between 7th St and 8th St	Bay View Tower II	0.7	88	126	Expired
National City Blvd between 2nd St and 3rd St	Marinus	0.7	118	164	Expired
National City Blvd between Plaza Blvd and 11th St	Park Village	1.4	227	158	Expired
National City Blvd between 11th St and 12th St	The Cove	1.4	219	153	Expired
National City Blvd between 15th St and 16th St	NC Gateway	1.4	264	184	Expired
National City Blvd between Civic Center and 14th St	Boulevard Lofts	1.4	264	184	Expired
National City Blvd between 14th St and 15th St	Azul	1.4	271	189	Expired
National City Blvd between 19th St and 11th St	National City Plaza	1.7	175	102	Expired
National City Blvd between 2nd St and 4th St	Nautica	1.4	366	256	Expired
	Total	17.1	2,821	165	

As illustrated in Table 4-3, 2,821 residential units have been proposed and/or entitled on approximately 17 acres since the Downtown Specific Plan was adopted. Although most of the projects are no longer proposed, they give an indication of the residential development potential of under-developed sites within the specific plan area. The projects averaged 165 dwelling units per acre.

4. Housing Projects

A number of housing projects (Table 4-4) may be counted towards the City's RHNA allocation. These are projects completed since January 1, 2010. In addition, several projects are under construction, entitled, or in planning. These projects provide a variety of housing types for households of all economic levels from low income to above moderate income.

Table 4-4
Housing Projects

Project / Location	Funding	Status	Income Target	Number of Units	Type of Unit	Owner/ Renter
Casa Quinta 304 E. 5th St	HOME/ Private Finance	Completed 3/2012	Low to very low	10	Apartments	Renter
1820 G Ave	HOME/LMIHF	Completed 2/2012	Low to very low	8	Condominiums	Owner
1441 Harding Ave	HOME/LMIHF	Completed 12/2010	Low to very low	3	Single Family Detached	Owner
Casa D & E 1011 D Ave / 1001 E Ave	HOME/Bonds/ Private Finance	Completed 12/2010	Low to very low	18	Apartments	Renter
138 Norton Ave	HOME/ Private Finance	Under construction	Low to very low	8	Apartments	Renter
Generations II Paradise Village	Private	Entitled	Market rate	128	Senior Apartment	Renter
Westside Infill TOD Hoover Ave / 22nd St	Bonds/LMIHF/Tax Credits/HOME/Grants	Entitled	Low to very low	201	Apartment	Renter
Senior Village 1221 D St	Tax Credits/HOME/ Land Subsidy	RFP Fall 2013	Low to very low	161	Senior Apartments	Renter
Purple Cow Site Highland Ave / Bucky Ln	Section 8 Reserves	RFP Fall 2013	Moderate	70	Apartments	Renter
405 West 18th St	LMIHF	RFP Fall 2013	Low	3	Single Family Detached	Owner
A Avenue Housing 1028 A Ave	TBD/Land Subsidy	RFP Fall 2013	Low	1	Single Family Detached	Owner
Riverview Sweetwater Crossings	Private	Planning	Market rate	505	Condominium	Owner
			Total	955		
			Above Moderate	633		
			Moderate	70		
			Low to Very Low	252		
			Very Low			

5. Adequacy of Sites to Meet Regional Fair Share Allocation

Table 4-6 illustrates how the City can accommodate its RHNA allocation for all income categories through units constructed since 2010, suitable vacant and under-developed residential and mixed-use sites, and proposed housing projects.

Table 4-6
RHNA Allocation and Remaining Need

Household Income (% AMI)	RHNA Allocation	Constructed Since 2010	Sites Inventory	Projects	Remaining Need
Extremely Low (0-30%)	233	0	4,100	0	0
Very Low (>30-50%)	232	6		0	0
Low (>50–80%)	353	23		8	0
Moderate (>80–120%)	327	0	259	0	0
Above Moderate (>120%)	718	20		0	0
Total	1,863	49	4,359	8	0

6. Suitability of Sites and Availability of Infrastructure

Public infrastructure improvements required of new developments, impact fees, and planned City improvements of facilities help ensure that services and facilities are available to both current and future residents. Parks, schools, emergency services facilities, and other public facilities are also extended in this manner.

The City completed an Environmental Impact Report for the reasonably foreseeable buildout scenario of the 2011 General Plan Update. The infrastructure analysis applied a realistic development scenario to the planning area for all relevant utility and service systems that would be needed to support the anticipated intensity and density of development. The analysis found that all infrastructure systems would be able to accommodate the level of projected growth and development through the normal capital improvement process and/or development-required mitigation measures.

The infrastructure study included the analysis of sewer and water systems to accommodate growth and development to the year 2030. The potential residential development sites, discussed in Chapter 4 Housing Resources, were accounted for in the overall land use model for development in the buildout scenario. Consequently, the City would have adequate sewer and water capacity to accommodate the potential development of the residential sites identified in the inventory. Pursuant to Senate Bill 1087 (SB 1087), the City is required to provide a copy of the adopted Housing Element to water and sewer providers immediately after adoption. Water and sewer providers are required to grant priority for service allocations to proposed developments that include housing units affordable to lower-income households.

B. Financial Resources

The City of National City has access to several Federal, State, and local resources to achieve its housing and community development goals. Specific funding sources will be utilized based on the eligibility and requirements of each project or program.

The City leverages, to the maximum extent feasible, the use of community planning and development funds such as Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) funds with State and local funds in meeting its housing and community development objectives..

1. Section 8 Tenant-Based Rental Assistance

The Housing Voucher Program is funded by HUD and administered by the Section 8 Rental Assistance Division. According to San Diego County, 1,127 National City households received Section 8 assistance in December 2012. These include 141 project-based vouchers. Among Section 8 voucher recipients, 81 percent were white, 6 percent were African-American, 12 percent were Asian or Pacific Islander, and one percent were Native American. In terms of ethnicity, 76 percent were Hispanic and 24 percent were non-Hispanic. The elderly comprised 50 percent of participants, and persons with disabilities comprised 18 percent.

There are 4,306 households currently on the waiting list for Section 8 in National City. Of these households, 85 percent are extremely low income, 14 percent are very low income, and one percent are low income. Seventy-two percent of those on the waiting list are white, 10 percent are African-American, 17 percent are Asian or Pacific Islander, and one person are Native American. Hispanic families comprise 66 percent of the households on the waiting list. Of the households on the waiting list, 56 percent are families with children, 27 percent were elderly households, and 17 percent were households with disabilities.

2. Low- and Moderate-Income Housing Funds

Legislation (AB 26) adopted in 2011, resulted in the dissolution of redevelopment agencies in 2012. The Community Development Commission was the City's redevelopment agency, which has since been succeeded by the Successor Agency to the Community Development Commission as the National City Redevelopment Agency. The Successor Agency is tasked with winding down the business and remaining obligations of the Commission. Funds remaining in the Low- and Moderate-Income Housing Fund (LMIHF) are now administered by the Successor Agency. These funds are to be used to increase, maintain, and preserve affordable housing for low- and moderate-income households.

C. Administrative Resources

A variety of public and private sector organizations have been involved in housing and community development activities in National City. These agencies are involved in the improvement of the housing stock, expansion of affordable housing opportunities, preservation of existing affordable housing, and/or provision of housing assistance to households in need. The primary agency that administers housing programs is the Housing Authority of the City of National City. The following are the agencies funded by grants administered by the City:

- MAAC (Maximizing Access to Advance our Communities) is a local non-profit organization that provides a variety of social service programs to working class families.

- Christmas in July co-sponsors the CDBG-funded trash clean-up days. This organization recruits volunteers and organizes events. EDCO, a local trash company, donates trash bins.

- The Housing Authority operates all of the City's housing and economic development programs. The City's Housing and Grants Division administers CDBG and HOME programs.

D. Opportunities for Energy Conservation

1. General Design Standards

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. According to the Department of Energy, the concept of energy efficiency in buildings is the building envelope, which is everything that separates the interior of the building from the outdoor environment: the doors, windows, 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 efficiency 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.

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

a. 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, insulation, 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 (particularly cool evening breezes);
- use of eaves and overhangs that block direct solar gain through window openings during the summer but allow solar gain during the winter; and
- zone heating and cooling systems, which reduce heating and cooling in the unused areas of a home.

b. 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; and
- location of dwellings to take advantage of natural air circulation and evening breezes.

c. 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; and
- 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; and
- 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.

2. California Building Code Standards for Energy Efficiency

The California Energy Code (CEC) (a.k.a. California Code of Regulations, Title 24, Part 6) is part of the California Building Code (Title 24). It applies to all occupancies that applied for a building permit on or after October 1, 2010, and remains in effect until the next edition is complete and adopted. The CEC covers the following topics:

- Requirements for the manufacturing, construction, and installation of systems, equipment, and building components.
- Mandatory requirements for space-conditioning and service water-heating systems and equipment.
- Mandatory requirements for lighting systems and equipment for nonresidential, high-rise residential, and hotel/motel occupancies.
- Performance for prescriptive compliance approaches in non-residential, residential high-rise, and hotel/motel occupancies
- Additions, alterations, and repairs in non-residential, residential high-rise, and hotel/motel occupancies
- Mandatory features and devices in low-rise residential buildings
- Performance and prescriptive compliance approaches for residential buildings
- Additions and alterations in existing low-rise residential buildings

3. Local Policies that Promote Energy Efficiency

National City Municipal Code

The following policy is the only energy efficiency-related policy in the Municipal Code other than those found in the Building Codes and Land Use Code.

> 15.34.010 Purpose. It is the purpose of this chapter to provide alternative building regulations for the rehabilitation, preservation, restoration (including related reconstruction) or relocation of buildings or structures designated as historic buildings. Such alternative building regulations are intended to facilitate the restoration or change of occupancy so as to preserve their original or restored architectural elements and features, to encourage energy conservation and cost-effective approach to preservation, and to provide for the safety of the building occupants. (Ord. 1915 § 2 (part), 1987)

National City General Plan

The Conservation and Sustainability Element of the General Plan contains policies related to energy conservation in residential development.

- Policy CS-7.1: Promote the use of green building practices in new and existing development to maximize energy efficiency and conservation.

- Policy CS-7.2: Encourage the use of building placement, design and construction techniques that minimize energy consumption.

- Policy CS-7.3: Consistent with the California Public Utilities Commission's California Long Term Energy Efficiency Strategic Plan, strive to achieve zero net energy use for new residential development by 2020 and zero net energy use for new commercial development by 2030.

- Policy CS-7.5: Promote availability of a variety of tools and services for implementing energy conservation and renewable energy generation, including financing districts, energy auditing, and energy efficiency retrofit services to all residents and business owners.

- Policy CS-7.6: Promote the use of cool roofs, green roofs, south-facing roofs, solar panels, solar hot-water heaters, and other green energy sources in conjunction with new development and retrofits to existing structures.

National City Land Use Code

The Land Use Code allows renewable energy infrastructure in all residential and mixed-use zones. Renewable energy infrastructure is equipment used to generate electricity or heat from renewable or low-carbon sources. Renewable energy infrastructure includes, but may not be limited to, solar power, wind power, electric vehicle charging stations, and similar facilities and devices.

- Section 18.30.210 Small Wind Energy Systems: The intent of the section is to allow for the limited use of wind turbines or windmills throughout the city for the purpose of small scale generation of electricity to serve the needs of a home, institutional or open space land use, or business.

- Section 18.30.300 Solar Energy Systems: Solar collectors are permitted outright as an accessory use to any principal use subject to the following standards.

National City Climate Action Plan

The City has adopted a Climate Action Plan (CAP) to address climate change at a local level. The CAP addresses the major sources of greenhouse gas emissions in the City and sets forth a detailed and long-term strategy. Implementation measures address the reduction of energy consumption through conservation, use of energy-efficient technologies and use of renewable energy sources.

National City Energy Roadmap

The City partnered with SANDAG to develop an energy management plan, or “Energy Roadmap,” which provides a framework for the City to identify ways to save energy in government operations and in the community, resulting in cost savings and benefits to the environment. The plan includes wide-ranging, cost-effective opportunities to save electricity, natural gas, and fuel within City operations as well as through community-targeted policies.

South Bay Energy Action Collaborative

The City has partnered with other south bay cities to form the South Bay Energy Action Collaborative (SoBEAC) to leverage the subregion’s unique resources and relationships to promote energy efficiency in South Bay communities. It is a joint effort between the Cities of Chula Vista, National City, Imperial Beach, and Coronado, with funding support through the City of Chula Vista and SANDAG's Local Government Partnerships with San Diego Gas & Electric and the California Public Utilities Commission. The program enables the City to implement some of the energy efficiency opportunities outlined in the CAP, the Energy Roadmap, and other local initiatives.

4. State Energy Conservation Programs

Low Income Home Energy Assistance Program

The California Department of Community Services and Development is partnered with a network of local community service agencies that assist low-income households to administer two energy conservation programs for low income households. These are the Low Income Home Energy Assistance Program (LIHEAP) and the Weatherization Assistance Program (WAP). LIHEAP provides financial assistance to low-income households to offset the costs of heating and/or cooling their residences. WAP provides free installation and weatherization measures that increase the energy efficiency of residences occupied by low-income persons.

California Solar Initiative

The California Public Utilities Commission provides incentives to businesses, nonprofit organizations, public agencies, and homeowners to help lower their energy costs, reduce their reliance on fossil fuel-fed power plants, and create a sustainable energy future through the use of solar technology. This program funds both solar photovoltaic (PV), as well as solar thermal generating technologies.

- California Solar Initiative (CSI) – Solar Photovoltaic
  The CSI-PV program administered by the California Center for Sustainable Energy offers incentives to San Diego Gas & Electric customers for installing solar photovoltaic systems on residential buildings. The program is designed to cover approximately 13 percent of the cost for a residential solar energy system.

- California Solar Initiative (CSI) - Thermal-Solar Water Heating
  The CSI-Thermal program administered by the California Center for Sustainable Energy offers cash rebates to San Diego Gas and Electric customers for installing solar water heating systems on single- and multi-family homes.

- Multifamily Affordable Solar Homes (MASH)
  The MASH program provides incentives to offset the project costs of installing photovoltaic systems on multifamily affordable housing buildings. The program is administered by the California Center for Sustainable Energy.

- Single-family Affordable Solar Homes (SASH)
  The SASH program provides low income families with free or low-cost solar photovoltaic systems, which significantly reduces household energy expenses and allows families to direct those savings toward other basic needs. The program is administered by GRID Alternatives, which is the primary system installer. GRID Alternatives also provides education and access to energy efficiency programs to help reduce household energy consumption and expenses.

5. SDGE Residential Energy Conservation Programs

- California Advanced Homes Program
  The California Advanced Homes Program highlights best practices in energy efficiency, green building and sustainability, and offers financial incentives and to help builders and architects create environmentally friendly, energy-efficient communities for potential new home buyers. In addition, homebuilders can qualify for a 10% ENERGY STAR New Homes Program Bonus for ENERGY STAR Homes that meet all EPA requirements.

- Residential Energy Standards Training
  SDGE offers seminars on technologies that result in greater energy efficiency and can reduce the cost of complying with State energy standards. The training program is marketed to architects, designers, builders, energy consultants, engineers, HVAC contractors, building department inspectors, and plan checkers.

- Lighting Turn-In Program
  SDGE's Lighting Turn-In Program replaces resident's incandescent bulbs with more energy-efficient compact fluorescent bulbs (CFLs) for free. Residents can access the program via community events that are held throughout SDGE's service area and coordinated through an extensive network of community organizations and government agencies.

- Energy Efficiency Rebates
  SDGE offers rebates for single-family and multi-family dwelling unit residents for certain improvements in their units that lead to greater energy efficiency. These improvements include the purchase and installation of energy efficient appliances and the replacement of old light bulbs with Energy Star energy efficient light bulbs.

- Sustainable Communities Program
  This program promotes green building design practices in SDGE's service area and provides incentives for qualified projects that greatly exceed the California Energy Efficiency Standards and obtain LEED® certification.

- Energy Savings Assistance Program
  This program provides special assistance to low-income families to help lower their monthly utility costs, regardless of whether the family rents or owns. The program may provide free energy efficient lighting, door and window repair, insulation and weather-stripping, and replacement microwaves, water heaters, refrigerators, and high-efficiency washers. Eligibility is determined based on income and household size.

- Energy Upgrade California
  This program promotes whole house energy efficiency upgrades and retrofits to reduce home energy use and provide a more stable and comfortable home climate. This program offers homeowners incentives for upgrades and also offers energy efficiency training to contractors on using the latest technologies to help the homeowner save energy and get the most efficient upgrades.

Chapter 5

Program Accomplishments

In accordance with Government Code Section 65588(a), the Housing Element must be reviewed as frequently as appropriate to evaluate: 1) The appropriateness of the housing goals, objectives, and policies in contributing to the attainment of the State housing goal; 2) the effectiveness of the Housing Element in attainment of the community's housing goals and objectives; and 3) the progress of the City in implementation of the Housing Element.

This chapter documents the City's achievements under the actions and objectives of the 2005-2010 Housing Element. Based on the evaluation of program accomplishments, this chapter contains recommendations for program retention, revision, deletion, or addition to address current and projected needs and State requirements for the 2013-2020 planning period.

Table 5-1 summarizes the quantified objectives and accomplishments under the previous Housing Element programs. This chapter lists the previous Housing Element programs and provides a detailed description of the accomplishments to date.

Table 5-1
Summary of Quantified Objectives

	Objectives 2005-2009	Accomplishments Since 2005
Units Constructed / Acquired		
Extremely Low Income	9	74
Very Low Income	9	
Low Income	39	57
Moderate Income	60	170
Above Moderate Income	500	547
Units Repaired / Painted / Rehabilitated		
Owner Home Improvement	125	255
Acquisition & Rehabilitation	100	36
Rental Rehabilitation	50	36
Owner Rehabilitation	610	255
Christmas in July	75	54
Lead Hazard Control	600	126
Healthy Homes Demonstration Program	165	198
Units Inspected / Code Enforcement		
Land Use/Comm. Conservation	13,000	7,491
Bldg. & Safety/Uninhabitable Bldg.	500	
Housing Code	2,500	
Housing Inspections	4,000	
Healthy Homes Demonstration Program	480	198
Weatherization	35	300
Housing Units to be Conserved	614	614
Rental Assistance (Section 8)	1,180	2,034

The following is a summary of the progress of the 2005-2010 Housing Element programs, a brief description of each of the programs, an identification of the objectives and ongoing implementation of these programs, and the funding source.

1. Rental Unit Rehabilitation Program

Program Description: The CDC offers favorable rehabilitation loans (usually at six percent interest for a 15-year term) for owners of rental housing with up to four units to make necessary improvements in return for a deed restriction to maintain as affordable housing units. Owners are required to provide 15 to 55 year affordability depending on the funding source and loan granted. Rehabilitation loans are limited to rental properties occupied by households earning 80 percent or less of the San Diego County median family income and focus on health and safety and energy efficiency repairs and improvements.

Five-Year Objectives: Provide assistance to rehabilitate 50 rental units over the five-year period

Responsible Agency: Community Development Commission

Funding Source: HOME/20 percent set aside

Evaluation: 36 rental units have been rehabilitated since 2009. More than 570 additional units are expected to be rehabilitated from 2013 through 2017. Future funding is expected from tax credits, bonds, and land subsidies.

2. Ownership Housing Rehabilitation

Housing Rehabilitation

Program Description: The Housing Rehabilitation Program provides loans and rebates to income-qualified households to correct health and safety code violations, increase energy efficiency, and make other essential repairs. Typical repairs include: roof repair or replacement, electrical work, plumbing or structural repairs, room additions to lessen overcrowding, window repair or replacement, weatherization improvements, handicapped access improvements, and floor covering repair or replacement. The City is currently working on guidelines. The Program is available to households earning 80 percent or less of the San Diego County median family income and has the following components: Zero Percent Interest Deferred Payment Loans for Basic Home Repairs: Principal-only loans secured by deeds of trust with no interest charged and no payments for at least five years. Specific loan amounts and payment plans are currently being drafted. One program will provide funding support to a community service organization to paint the homes of qualified lower income senior and/or disabled homeowners. The City must determine eligibility of homeowners for the program based on income and the condition of the home. The other program is the “Free Paint Program,” which assists low and moderate income households by providing paint at no cost to improve the appearance and condition of their units.

Five-Year Objectives:

Non-Repayable Lead Based Paint Grants: inspect 600 homes

Paint Programs (all): 200 homes

Responsible Agency: Community Development Commission and Building and Safety Department

Funding Source: CDBG

Evaluation: This program was revised and reinstituted in 2010. Two units were completed by December 2012, one unit began construction in December of 2012 and three additional units entered the bid stage in December 2012. There are several more potential projects on the current waiting list. Current funding source is the HOME Program, but availability of those funds is projected to be greatly reduced into the future. No stand-alone paint programs were instituted or expect to be instituted into the future. CDBG funding, which was projected to be the funding source for the paint programs, was programmed for city-wide capital needs and direct service programs. CDBG funds are expected to be reduced into the future.

3. Code Enforcement

Program Description: The National City Building and Safety Department will continue to employ housing inspectors to implement the following codes: Land Use and Zoning, Community Appearance and Conservation, Building and Safety, and Housing. The objectives of the Code Enforcement Program are to: Diminish the proliferation of blight, stabilize property values through property maintenance and upkeep, enhance the community image as a safe and desirable place to reside, and eliminate lead hazards especially in residential dwelling units.

Five-Year Objectives: The City will abate approximately 1,300 cases during this planning cycle

Responsible Agency: Building & Safety Department

Funding Sources: General Fund

Evaluation: This program has abated over 250 housing-related code violations annually since 2005.

4. Housing Inspection Program

Program Description: National City's housing inspectors shall identify all rental units and inspect the units for compliance of code regulations. The inspectors shall inspect houses that are being maintained every five years, houses that have had a few violations every three years, and those houses that are poorly maintained every year.

Five-Year Objectives: Inspect approximately 4,000 units, achieving closure in 90 percent of cases

Responsible Agency: Building and Safety Department

Funding Sources: CDBG

Evaluation: This program has inspected over 500 housing units annually since 2005.

5. “Christmas in July” Community Volunteer Program

Program Description: CDC is an annual sponsor of the non-profit volunteer program “Christmas in July” to assist lower income households.

Five-Year Objectives: Support rehabilitation/repair of 75 houses or 15 houses annually

Responsible Agency: Christmas in April (i.e., Christmas in July), National City Community Development Commission, and National City Chamber of Commerce

Funding Sources: HOME funds and private donations

Evaluation: 54 units have been assisted since 2005. This program has been dormant since 2010 and it is not expected to receive funding into the future.

6. Apartment Management

Program Description: The City promotes management-tenant relations by encouraging the hiring of qualified resident managers in all apartment complexes. The Property Conservation and Community Appearance Code require on-site management of complexes of nine or more units.

Five-Year Objectives: Pursue 100 percent enforcement requiring on-site management in complexes of nine or more units

Responsible Agency: Building and Safety Department

Funding Sources: General Fund

Evaluation: Funding and resources have not allowed the implementation of a stand-alone program; however, projects have been inspected through other programs such as Healthy Homes and other housing and code enforcement efforts. Funding and resources are not anticipated to be available to operate this as a stand-along program; however, the City will continue to enforce as needed and in conjunction with the implementation of other housing programs.

7. Lead Hazard Control Program

Program Description: Approximately 59 percent of City housing stock potentially contains lead paint. Lead based paint is particularly of concern in residential households with children. To reduce the lead hazards in residential units where children reside, the City continues to work in a coordinated effort with the Metropolitan Area Advisory Committee (MAAC) and the Environmental Health Coalition by providing $6,000 from Low-Moderate Housing Funds to provide training to staff for the protection and/or removal of lead based paint. The training is provided to staff in a coordinated effort to assist households who will be utilizing the Home Improvement Loan Program, Rental Unit Rehabilitation Program and the Mobile Home Rehabilitation Program. In addition, the City's Building and Safety Department personnel will be trained in identifying lead based paint hazards and to correct deficiencies in rental units under the Code Enforcement Pilot Program.

Five-Year Objectives: 410 units

Responsible Agency: Grants and Housing Department

Funding Sources: HUD, CDC, SDGE, MAAC, EHC

Evaluation: 126 units have been abated since 2005. The program was completed in June of 2008. Lead Hazard Control services have been integrated into the Rental Rehabilitation and Owner Occupied Rehabilitation programs on an as needed basis.

8. Tool Loan Program

Program Description: Continue to lend tools to households that need to repair their homes to correct Code violations but currently lack the tools to do so. The tool lending program also includes training on how to safely use tools for home repairs.

Five-Year Objectives: Lend tools as needed, based on demand

Responsible Agency: Christmas in July, Building and Safety Department

Funding Sources: Grants and donations

Evaluation: The program was not implemented by Christmas in July. Funding is not anticipated to be available for this program in the future.

9. Healthy Homes Demonstration Program

Program Description: In targeted neighborhoods, including West side, Bay side, El Pueblo, Civic Center, Central City, Olivewood, Sweetwater, and Summercrest, inspect older deteriorating housing units where low income children reside to assess any existing health and safety hazards. Repair/rehabilitate the homes with children using grant funds.

Three-Year Objectives: Inspect 480 homes, repair/rehab 165 homes

Responsible Agency: Building and Safety Department

Funding Sources: HUD, EHC, American Lung Association, Christmas in July, Fire Dept., MAAC, San Diego Burn Institute, Grants and Housing Department

Evaluation: 416 units were inspected and 198 units received health and safety code repairs. The program was funded through a competitive grant from HUD and closed out in 2010. Future funding is uncertain.

10. MAAC/SDGE Weatherproofing Program

Program Description: Continue to partner with San Diego Gas and Electric (SDGE) and the Metropolitan Area Advisory Committee (MAAC) to financially assist low income households in weatherproofing their homes to improve energy efficiency.

Five-Year Objectives: Assist 35 households in weatherproofing their homes

Responsible Agency: Building and Safety Department

Funding Sources: HUD Grant

Evaluation: ARRA funding from the federal government provided a direct boost of funds for the program, but that source of funds has been expensed. Over 300 households have been assisted since 2005. MAAC Project estimates that five units per month are completed in National City.

11. Preserve Affordable Units at Risk of Converting to Market Rate

Program Description: Three federally assisted housing projects in National City are at risk of converting to market rate housing over the next five years. A total of 614 units in the Granger Apartments, Inter City Manor, and Plaza Manor are deed-restricted to remain as affordable housing and maintain Section 8 contracts with HUD. Potential phasing out of Section 8 vouchers for rental units in these projects may trigger their conversion to market rate housing. In early 2005, the owners of Granger Apartments notified residents and the CDC of their intent to pay off HUD loans and convert the units to market rate. This plan has been delayed indefinitely. These owners may start the process again, and the owners of Inter City Manor and Plaza Manor may attempt to start this process as well. Detailed analysis of the potential conversion of these projects into market rate housing is provided in Chapter 2, Section E of the Housing Element. National City will implement the following programs on an ongoing basis to preserve its affordable housing stock.

a. Monitor Units At-Risk - Monitor the status of Granger Apartments, Inter City Manor, and Plaza Manor since they may lose their Section 8 subsidies due to discontinuation of the program at the federal level.

b. Work with Potential Purchasers - Establish contact with public and nonprofit agencies interested in purchasing and/or managing units to inform them of the status of the three at-risk projects. Where feasible, provide technical assistance to these organizations with respect to financing.

c. Tenant Education – California Government Code Section 65863.10(b)1 requires property owners give a 12-month notice of their intent to opt out of low income use restrictions. The City will work with tenants of at-risk units and provide them with information regarding Section 8 rent subsidies and other affordable housing opportunities in the City.

d. Assist Tenants of Assisted Units to Obtain Priority Status on Section 8 Waiting List - CDC administers its own Section 8 voucher and certificate programs. The City will assist tenants of at-risk housing units to obtain priority status if there is a conversion to market rate and if tenants' income and housing costs meet eligibility requirements.

Five-Year Objectives: Conserve the affordability of 614 rental housing units at risk of converting to market rate housing by:

- Monitoring the status of Granger Apartments, Inter City Manor, and Plaza Manor;
- Identifying nonprofit organizations as potential purchasers/managers of at-risk housing units;
- Exploring funding sources available to preserve the affordability of at risk projects, or to construct replacement units; and/or
- Assisting tenants to apply for priority status on the Section 8 voucher/certificate programs should a conversion takes place

Responsible Agency: Community Development Commission

Funding Sources: Section 8 vouchers and certificates.

Evaluation: The program assisted 79 families with priority status on the Section 8 Housing Voucher Program when the owner chose to convert to market rate. The City will continue to monitor units at risk of converting to market-rate.

12. Housing Choice Voucher (Section 8) Rental Assistance Program

Program Description: The Section 8 rental assistance program extends rental subsidies to extremely low- and very low-income families that typically spend more than 30 percent of their income on housing expenses. The subsidy represents the difference between 30 percent of the monthly income and the actual housing costs (up to a maximum payment standard based on local fair market rents). Two types of Section 8 rental assistance programs are used in the City-tenant-based and project-based.

a. Tenant-Based Section 8 Assistance - This assistance is issued to the recipients as vouchers, which allows tenants to locate their own housing and rent units beyond the federally determined fair market rent in an area, provided that the tenants pay the extra increment.

b. Project-Based Section 8 Assistance - This assistance guarantees payment to the owner of properties when Section 8 eligible households live in the units.

A total of 300 units at Morgan-Kimball Towers in National City maintain project-based Section 8 contracts with HUD. In addition, 1,044 households are assisted with tenant-based Section 8 assistance.

Five-Year Objectives: Continue to provide 300 units of Section 8 project-based affordable housing at Morgan-Kimball Towers, maintain the level of tenant-based Section 8 assistance and continue tenant-based assistance to approximately 1,044 households

Responsible Agency: Community Development Commission

Funding Sources: Section 8 and rents

Evaluation: 911 households continued to receive project-based Section 8 assistance and 1,123 households continued to receive tenant-based Section 8 assistance.

13. Reasonable Accommodations for Persons with Disabilities

Program Description: Adopt a formal procedure for processing requests for reasonable accommodations for persons with disabilities. This procedure will ensure that persons with disabilities or their representative may apply for exceptions to zoning or building standards, or use acceptable alternative methods of compliance, that allow persons with disabilities to modify their homes in the most cost effective manner possible to meet their accessibility needs. The City will notify persons with disabilities or their representatives of the City's procedures for reasonable accommodations through an informational brochure available at the City's Building and Safety Department counter.

Five-Year Objectives: Adopt procedure within one year of certification of Housing Element

Responsible Agency: Building and Safety Department

Funding Sources: General Plan

Evaluation: The City offers a formal procedure for processing requests for reasonable accommodations for persons with disabilities.

14. Flexible Development Standards in Selected Neighborhoods

Program Description: Study the Land Use Code and existing land uses in the City to determine which neighborhoods would be appropriate for flexible development standards (parking, height, set-back and yard requirements, etc.). The City will revise the Land Use Code to specify standards that could be modified to promote infill and re-use of underutilized properties in these neighborhoods on a case-by-case basis. The objective of the study will be to identify the most important regulatory barriers to infill and re-use and to create incentives to overcome those barriers.

Five-Year Objectives: Allow flexibility in certain neighborhoods to facilitate the development of quality housing and improve the character of the neighborhoods

Responsible Agency: Planning Department

Funding Sources: General Plan

Evaluation: In 2011, the City adopted a comprehensive update of the Land Use (Zoning) Code, which created new mixed-use zones, higher density residential zones, less restrictive development standards, and reduced regulatory processes to facilitate and encourage infill development, re-use, and redevelopment.

15. Relocation of Displaced Tenants

Program Description: Partner with the Housing Authority, nonprofit organizations, and social service agencies to assist tenants who have been displaced from their homes as a result of code enforcement actions find suitable and affordable replacement housing.

Five-Year Objectives: Give high priority in assisting tenant households that are displaced from their homes due to code enforcement issues

Responsible Agency: Building and Safety Department

Funding Sources: CDBG

Evaluation: The City continues to prioritize the assistance of tenant households that are displaced due to code enforcement issues. No tenant households have been displacement due to code enforcement issues since 2005.

16. Housing Stock Condition

Program Description: Within 12 months of adoption of the Housing Element, the City will conduct a sample survey of housing conditions to accurately estimate housing rehabilitation and replacement needs. The survey will be updated as part of each future housing element update. The survey will focus on areas with known housing problems (based on Code enforcement, redevelopment, or other ongoing City activities).

Five-Year Objectives: Estimate the number of dwelling units in need of repair or replacement to focus housing rehabilitation and replacement efforts toward those areas in highest need

Responsible Agency: Community Development Commission

Funding Sources: Set-Aside funds/General Fund

Evaluation: A survey was conducted in 2010.

17. Clean-up Events

Program Description: Clean-up and beautification events shall be held to allow residents to landscape, plant trees and plants, and paint houses and other buildings. Also, trash pick-up days will be held where the City will place dumpsters at various locations to allow residents to discard items cluttering their houses and yards.

Five-Year Objectives: 20 events

Responsible Agency: Building and Safety Department

Funding Sources: Christmas in July, CDC, and General Fund

Evaluation: Depending on funding availability, several events have been held annually since 2005.

18. Implement Specific Plans

Program Description: The City will continue to explore opportunities within the Downtown and Westside (Old Town) Specific Plans for achieving affordable housing goals within the 2005-2010 planning cycle.

Five-Year Objectives: Fulfill RHNA goals for National City by implementing the Downtown and Westside (Old Town) Specific Plans to accommodate the production of affordable housing

Responsible Agency: Community Development Commission

Funding Sources: Tax Increment Funds

Evaluation: 300 units have been constructed since 2005, 157 units are under construction, and 201 units are entitled.

19. Provide Residential Development Informational Material to Developers

Program Description: Prepare and update informational materials regarding residential development, including the potential for residential development in commercial areas, flexible development standards, design guidelines, and the City's Density Bonus ordinance. Maintain the materials as handouts at the public counter.

Five-Year Objectives: Maintaining, enhance and create informational material regarding residential development to developers on an ongoing and as-needed basis

Responsible Agency: Planning Department

Funding Sources: General Fund

Evaluation: The Planning Division updates and maintains informational materials on an ongoing basis as standards, guidelines, and ordinances are amended or adopted.

20. GIS Database

Program Description: To facilitate housing development and improvements, the City will maintain its GIS database, providing specific parcel information for market infill housing development to prospective developers. The GIS database will provide specific information to developers regarding land use, zoning, development potential, site constraints, and infrastructure. The Community Development Commission (CDC) will continue to maintain an inventory of underutilized land in the redevelopment area and to inform developers of infill opportunities.

Five-Year Objectives: Maintain and keep the GIS database current in order to provide specific development information to market infill housing development to interested developers

Responsible Agency: Planning Department

Funding Sources: General Fund

Evaluation: The Planning Division updates and maintains its GIS database on an ongoing basis as parcel and project data changes.

21. Community Housing Development Organizations (CHDOs)

Program Description: Continue to fund Community Housing Development Organizations (CHDOs) such as Habitat for Humanity in order to assist them in acquiring, developing, and/or rehabilitating affordable housing units for lower income households.

Five-Year Objectives: Identify and provide funding to CHDOs in order to pursue additional affordable housing projects. Provide funding to support CHDOs in building administrative capacity.

Responsible Agency: Community Development Commission

Funding Sources: HOME funds

Evaluation: Annual funding has been provided to up to three CHDOs since 2005.

22. New Construction of Affordable Housing

Program Description: CDC staff will actively engage in discussions with for-profit and non-profit housing developers to construct new affordable housing units and provide notice about homeownership opportunities for lower and moderate income households throughout the City. CDC will provide information, assist with site identification, site assembly, entitlement processing, and provide financial assistance, and solicit proposals from for-profit and non-profit housing developers such as Habitat for Humanity, TELACU, MAAC and Southern California Housing Association.

Five-Year Objectives: Assist in the production of at least 117 new affordable housing units between 2005 and 2010, including nine extremely low income units, nine very low income units, 39 low income units, and 60 moderate income units. These minimum objectives reflect the City's remaining regional housing allocation for these income groups with the addition of the extremely low income category to meet new State law [§65583(a)(1)].

Responsible Agency: Community Development Commission

Funding Sources: Redevelopment Set-Aside and HOME funds

Evaluation: Assistance was provided in the production of 105 affordable housing units during the 2005-2010 planning period.

23. Promote Assistance Programs for Construction of Affordable Housing

Program Description: The City will promote available private, state, and federal homebuyer assistance programs to the public by providing information at City Hall, other public locations, and on the City's website. The City will develop an annual outreach program that will be targeted to potential developers or individuals of available housing programs available in the City or through State and Federal programs.

Five-Year Objectives: Annually conduct an outreach program to the development community to ensure awareness of available housing programs.

Responsible Agency: Housing Department and Community Development Commission

Funding Sources: General Fund

Evaluation: As affordable housing funds are identified for allocation, staff has outreached to potential developers or individuals by preparing and releasing requests for proposals (RFP) or qualifications (RFQ).

24. Update Density Bonus and Second Unit Provisions of the Land Use Code

Program Description: The City will amend Chapter 18.142 of the Land Use Code to update density bonus language and add second unit provisions that achieve consistency with state law. The City will publicize the density bonus and second unit programs and related incentives on the Planning Department website and through informational brochures.

Five-Year Objectives: Comply with State law on density bonuses.

Responsible Agency: Planning Department

Funding Sources: General Fund

Evaluation: The City adopted an updated density bonus ordinance consistent with state law in 2009. The City adopted second unit provisions consistent with state law in 2011.

25. Communicate Production Priorities to Prospective Developers

Program Description: The Planning staff will identify and encourage opportunities for mixed use development and other priorities of the Housing Element during pre-application discussions.

Five-Year Objectives: Specific actions over the next five years may include:

- National City Facts to be updated every year
- Prepare reports of building activity when requested by developers
- Regularly purchase Assessor parcel data that is integrated into City GIS system for vacant properties
- Presentations to Chamber of Commerce, neighborhood councils, port tenants, business improvement districts, etc.
- Regularly participate in meetings of local planning, developer, and business organizations

Responsible Agency: Planning Department

Funding Sources: General Fund

Evaluation: The Planning Division updates NC facts annually, updates the GIS database periodically as needed, makes presentations and attends meetings on housing policy as needed, and provides information on potential development opportunities related to the City's housing policies as part of the pre-application process with the development community.

26. Implementation of Housing Element Annual Report

Program Description: The City will prepare an annual report to chart progress in meeting its Housing Element goals and objectives. The report will account for the net number of affordable housing units added in the reporting year. The report will provide a basis for monitoring residential development, development capacity, and ability to provide facilities and services in a timely manner.

Five-Year Objectives: The City will submit annual Housing Element Report to the California Department of Housing and Community Development to ensure local emphasis in meeting the goals of the Housing Element and propose policy changes to correct non-achievement, if necessary

Responsible Agency: Planning Department and Community Development Commission

Funding Sources: General Fund

Evaluation: The Planning Division continues to submit annual reports to HCD pursuant to statute.

27. Implementation of Design Guidelines

Program Description: The City has adopted Design Guidelines to facilitate quality future development. The City will conduct pre-application meetings with developers to explain the Design Guidelines and apprise developers of the City's interest in encouraging higher quality development and improved design in construction.

Five-Year Objectives: Improve quality of design in construction through continued implementation of the Design Guidelines

Responsible Agency: Planning Department

Funding Sources: General Fund

Evaluation: The Planning Division explains and applies the adopted Design Guidelines during the pre-development and development review process as it works with the development community.

28. Initiate an Amendment of the Land Use Code for Multi-Family Residential Development

Program Description: Initiate an Amendment of the City Land Use Code to facilitate multi-family development by removing language requiring discretionary permits (i.e. Planned Development Permit, Conditional Use Permit) for multi-family development applications and to allow administrative review processing for multi-family development applications.

Five-Year Objectives: Adopt an amendment of the Land Use Code to allow for administrative review of multi-family development applications.

Responsible Agency: Planning Department

Funding Sources: General Fund

Evaluation: The City amended the Land Use Code in June of 2011 to allow multi-family residential without discretionary review.

29. Initiate an Amendment of the Land Use Code to Allow Homeless Shelters, Emergency Shelters, and Transitional Housing

Program Description: Initiate an Amendment of the City Land Use Code to identify at least one zone, including the Institutional Civic (IC), Institutional Professional (IP) and/or the Light Manufacturing (LM) zone(s), to accommodate special housing needs, such as shelters for homeless by permitting emergency shelters without a Conditional Use Permit and to allow administrative review processing. The City will ensure that permit processing and development and management standards are objective and encourage and facilitate the development of, or conversion to, emergency shelters. To facilitate the location of these types of housing, the City may consider adopting criteria to address the following: hours of operation; external lighting and noise; provision for security; measures to avoid queues of individuals outside of the proposed facility; proximity to public transit; supportive service; compliance with county and state health and safety requirements for food, medical, and other supportive services on-site; and management issues. The city will also amend the Land Use Code to treat transitional and supportive housing as a residential use of property and will subject these uses to the same restrictions as are applied to other residential dwellings of the same type in the same zone.

Five-Year Objectives: Adopt an amendment of the Land Use Code to allow for administrative review of emergency shelters and to treat transitional housing similarly to other residential dwellings.

Responsible Agency: Planning Department

Funding Sources: General Fund

Evaluation: The City amended the Land Use Code in June of 2011 pursuant to statute to allow emergency shelters in the Light Industrial zone without discretionary review and to treat transitional and supportive housing as residential uses in all residential and mixed-use zones.

30. Compliance with Fair Housing Requirements of Community Development Block Grant (CDBG) and HOME Programs

Program Description: The City prepared an Analysis of Impediments (AI) to Fair Housing Choice in conjunction with the 2004/05 update of the City's Consolidated Plan. As part of federal requirements for participation in the CDBG and HOME programs, the City must take actions to address fair housing impediments identified in the AI (see programs 36 and 37).

Five-Year Objectives: Continue to implement actions to address fair housing issues through the CDBG and HOME- funded activities.

Responsible Agency: Grants and Housing Department

Funding Sources: CDBG

Evaluation: The City develops actions annually to be undertaken to address fair housing impediments identified in the AI as part of the annual Consolidated Action Plan process

31. Continue Cooperation and Support of Fair Housing Counseling and Enforcement Organizations

Program Description: The City contracts with the Fair Housing Council of San Diego (FHCSD) to perform investigation, reporting, monitoring, tenant counseling, and landlord training on fair housing law. Discrimination allegations are referred to the FHCSD for investigation. The contract authorizes the FHCSD to present training sessions for local apartment owners and managers on fair housing practices. General tenant/landlord education, mediation, and counseling are also provided by the FHCSD. The FHCSD provides educational programs for tenants and managers, provides counseling for tenants, and mediates disputes.

Five-Year Objectives: Continue to implement open, fair housing practices and sufficient resources are made available to assure informed housing consumers and suppliers.

Responsible Agency: Grants and Housing Department, FHCSD

Funding Sources: CDBG and Section 8 funds

Evaluation: The City annually evaluates the services provided by the fair housing counseling and enforcement organizations to ensure services are provided, and revise contracts where appropriate

32. Fair Housing Training

Program Description: When any project of 10 units or more is developed, the City will inform the Fair Housing Council of San Diego of the new project. The City will require the property owner to receive fair housing training for staff who is engaged in the sale, rental, or lease of housing. Training through the Fair Housing Council shall be subsidized by the City to encourage property owners to participate.

Five-Year Objectives: In new projects with 10 units or more require the training of staff in Fair Housing administration.

Responsible Agency: Grants and Housing Department and FHCSD

Funding Sources: CDBG and Section 8 funds

Evaluation: The City informs the Fair Housing Council of San Diego when any project of 10 units or more is developed.

33. Update Land Use Code

Program Description: Remove the definition of “family” from the City Land Use Code.

Five-Year Objectives: Remove definition of “family” from zoning code.

Responsible Agency: Planning Department

Funding Sources: General Fund

Evaluation: The City amended the Land Use Code in June of 2011 to remove the definition of ‘family.’

34. State Energy Conservation Standards Achievement

Program Description: Achieve State energy conservation standards for new housing by enforcing existing regulations and standards through the development review process, permitting programs, and enforcement programs.

Five-Year Objectives: Achieve State energy conservation standards for housing

Responsible Agency: Building and Safety Department

Funding Sources: General Fund

Evaluation: The Building Division continues to apply State energy conservation standards as part of the building permit application review and enforcement process.

35. Incentives for Energy Efficient Development

Program Description: Develop a series of incentives to encourage developers to build housing close to transit and to build housing with features that facilitate energy conservation, such as solar panels, operable windows, appropriate architectural features (e.g., overhangs, awnings, and trellises), and energy efficient and low water volume appliances. These incentives will be included in the Land Use Code.

Five-Year Objectives: Reduce energy use per capita in new and rehabilitated housing

Responsible Agency: Planning and Building and Safety Department

Funding Sources: General Fund

Evaluation: The City amended the Land Use Code in June of 2011 to encourage transit-oriented development by creating higher density and intensity in mixed-use zones near transit and activity centers, and to facilitate energy conservation in housing through development standards, design guidelines, and regulatory relief for alternative sources of energy, including solar and wind energy installations.

36. Solar Access Standards

Program Description: Draft and implement solar access standards to be used in the review of new residential units to ensure all new units are designed and configured to allow for the successful installation and effective use of devices that capture and use solar energy. Solar access standards will be incorporated into the City's Design Guidelines.

Five-Year Objectives: Reduce energy use per capita in new housing

Responsible Agency: Planning Department, Building Inspection Department

Funding Sources: General Fund

Evaluation: The City amended the Land Use Code in June of 2011 to encourage and facilitate energy conservation in housing through development standards, design guidelines, and regulatory relief for alternative sources of energy, including solar and wind energy installations.

37. Green Building Program

Program Description: Draft and implement a Green Building Program to encourage the use of green building design standards to ensure all new units are designed and configured to allow for the successful incorporation of green building standards and design guidelines that will decrease global warming. Green Building standards and design guidelines will be incorporated into the City's Design Guidelines.

Five-Year Objectives: Reduce the effects of global warming

Responsible Agency: Planning Department, Building Inspection Department

Funding Sources: General Fund

Evaluation: The City amended the Land Use Code in June of 2011 to encourage and facilitate green building and energy efficiency and conservation through development standards, design guidelines, and regulatory relief for alternative sources of energy, including solar and wind energy installations.

Chapter 6

Housing Plan

The Housing Plan is the centerpiece of the –2013-2020 Housing Element for National City. This chapter states the City's goals, quantified objectives, and policies relative to the maintenance, preservation, improvement, and development of housing. It includes a schedule of actions the City is undertaking or intends to undertake to implement these goals and policies.

This chapter addresses State law requirements and guidelines from the California Department of Housing and Community Development for housing element programs, including:

- Immediate, short-term, and long-term actions.
- Proposed measurable outcomes.
- Definite time frames for implementation.
- Identification of the agencies and officials responsible for implementation.
- Description of the local government commitment to implement the program through a specific action described in adequate detail.
- Identification of specific funding sources to implement the program, if relevant.

The objective of the City's Housing Plan is several-fold:

- Focus new housing development within the Downtown Specific Plan area and other areas with urban infill.
- Continue assisting in the rehabilitation of housing units occupied by low income households.
- Preserve the existing supply of affordable rental housing.
- Expand the supply of affordable for sale and rental housing.

A. Goals and Policies

Goal 1: Maintain and enhance the quality of existing residential neighborhoods.

Policy 1.1: Promote the practice of effective management in all rental housing projects in order to maintain and improve the quality of the City's rental housing.

Policy 1.2: Facilitate property conservation and community enhancement through implementation of Design Guidelines, land use regulations and programs, and State housing law.

Policy 1.3: Improve the conditions of existing housing by continuing to provide assistance for housing rehabilitation and home improvement.

Goal 2: Conserve the affordability of the existing housing stock.

Policy 2.1: Preserve "at-risk" affordable units through monitoring and partnering, working with nonprofits, and exploring funding sources available to preserve the at-risk units. The City's aim is to provide a variety of residential opportunities and to reduce the trend of overpaying for housing.

Goal 3: Increase the availability and affordability of safe and sanitary housing for all income groups, including providing adequate housing for households with special needs, such as the elderly, person with disabilities, large families, single- parent-headed households, and military personnel.

Policy 3.1: Implement existing and new housing assistance programs to meet the City's regional share for working class families.

Policy 3.2: Provide housing opportunities for all income levels.

Policy 3.3: Participate in regional planning strategies to improve housing opportunities for military personnel and their families.

Policy 3.4: Promote a higher rate of homeownership in the City for all income levels.

Policy 3.5: Revitalize neighborhoods by partnering with non-profits to acquire, develop, and rehabilitate housing.

Policy 3.6: Support volunteer efforts to assist with housing repairs for special needs households.

Goal 4: Provide a sufficient number of housing units and range of housing types to meet the current and projected needs of all economic segments of the community.

Policy 4.1: Promote a full range of housing opportunities.

Policy 4.2: Provide an adequate supply of land zoned for residential development to meet the projected housing need. Promote development that provides the optimum benefit to all neighborhoods.

Policy 4.3: Encourage the production of new housing affordable to all income ranges.

Policy 4.4: Facilitate the development of mixed-use residential projects.

Policy 4.5: Implement the City's adopted Design Guidelines in all residential developments to ensure attractive, functional housing is built for residents of all income levels.

Policy 4.6: Support programs that assist in the production of housing for lower income households.

Policy 4.7: Encourage the development of larger sized rental units to reduce overcrowding.

Policy 4.8: Facilitate urban infill development to promote higher rates of homeownership.

Policy 4.9: Implement flexible, form-based development standards in the Downtown Specific Plan area to encourage residential and mixed-use developments.

Policy 4.10: Support flexible development standards to facilitate the development of quality housing and improve the character of neighborhoods.

Policy 4.12: Monitor the Housing Element to ensure goals and objectives are met.

Policy 4.13: Facilitate the development of affordable housing through the Housing Authority of the City of National City (Housing Authority) and the Successor Agency to the Community Development Commission as the National City Redevelopment Agency (Successor Agency).

Policy 4.14: Encourage opportunities for fulfilling some of National City's affordable housing goals in the Westside (Old Town) Specific Plan Area.

Policy 4.15: Emphasize developing affordable housing for families, and direct funding for affordable housing proportionate to the needs of the community.

Goal 5: The City shall promote and implement fair housing practices and equal access to housing opportunities for all income levels.

Policy 5.1: Support fair housing programs.

Policy 5.2: Implement the Community Development Block Grant (CDBG) and HOME (i.e. Home Investment Partnership Program) programs for fair housing.

Policy 5.3: Inform the local citizenry of fair housing for low income properties.

Policy 5.4: Promote available City, state, and federal housing programs through outreach programs to the development community.

Goal 6: Enhance housing affordability through energy conservation techniques and design.

Policy 6.1: Use the planning and development review processes to facilitate energy conservation.

Policy 6.2: Encourage solar access for new residential development.

Policy 6.3: Promote the use of operable windows, appropriate architectural element (e.g., overhangs, awnings and trellises) and energy efficient appliances where feasible.

Policy 6.4: Promote the use of energy efficient green building techniques that will reduce the effects of global warming.

B. Housing Programs

The goals and policies contained in the Housing Element address the City's identified housing needs and are implemented through a series of housing programs. The housing programs in this section define specific actions the City will take to achieve specific goals and policies.

1. Rental Rehabilitation Program: Loans focused on health and safety and energy efficiency repairs and improvements for owners of rental housing in return for a deed restriction to maintain as affordable housing for low- or moderate-income households for a period of time depending on the funding source and loan.

Objective: Rehabilitate an average of 10 units per year.

Responsibility: Housing Authority.

Funding: Tax credits; bonds; land subsidies.

Schedule: Rehabilitate an average of ten units per year for a total of 80 units during the eight-year planning cycle.

2. Ownership Housing Rehabilitation Program: Loans and rebates to low- and moderate-income households to correct health and safety code violations, increase energy efficiency, and make other essential repairs such as: roof repair or replacement, electrical work, plumbing or structural repairs, room additions to lessen overcrowding, window repair or replacement, weatherization improvements, handicapped access improvements, and floor covering repair or replacement.

Objective: Rehabilitate an average of five units per year.

Responsibility: Housing Authority.

Funding: HOME; CDBG.

Schedule: Rehabilitate an average of five units per year for a total of 40 units during the eight-year planning cycle.

3. Code Enforcement Program: Enforcement of Land Use, Community Appearance and Conservation, Building and Safety, and Housing codes to diminish the proliferation of blight, stabilize property values through property maintenance and upkeep, enhance the community image as a safe and desirable place to reside, and eliminate lead hazards especially in residential dwelling units.

Objective: Abate an average of 250 cases per year.

Responsibility: Neighborhood Services Division.

Funding: General Fund.

Schedule: Abate an average of 250 cases per year for a total of 2,000 cases during the eight-year planning cycle.

4. Housing Inspection Program: Inspection of housing for compliance with code regulations.

Objective: Inspect an average of 128 units per year.

Responsibility: Neighborhood Services Division.

Funding Sources: CDBG.

Schedule: Inspect an average of 128 units per year for a total of 1,024 units during the eight-year planning cycle.

5. At-Risk Housing Program: Identification, monitoring, and preservation of housing projects at risk of converting to market rate housing. Three federally assisted housing projects with a total of 795 units are at risk of converting to market rate. Detailed analysis of the potential

conversion of these projects into market rate housing is provided in Chapter 2, Section E. The City will implement the following programs to preserve its affordable housing stock.

a. Monitor At-Risk Units Annually – Monitor the three federally assisted housing projects that are at risk of converting to market rate.

b. Work with Potential Purchasers - Establish contact with public and nonprofit agencies interested in purchasing and/or managing units to inform them of the status of the three at-risk projects. Where feasible, provide technical assistance to these organizations with respect to financing.

c. Tenant Education – California Government Code Section 65863.10(b)1 requires property owners give a 12-month notice of their intent to opt out of low income use restrictions. The City will work with tenants of at-risk units and provide them with information regarding Section 8 rent subsidies and other affordable housing opportunities in the City.

d. Identify funding sources to preserve affordability or construct replacement units.

e. Assist Tenants of Assisted Units to Obtain Priority Status on Section 8 Waiting List - CDC administers its own Section 8 voucher and certificate programs. The City will assist tenants of at-risk housing units to obtain priority status if there is a conversion to market rate and if tenants' income and housing costs meet eligibility requirements.

Objective: Conserve the affordability of 795 housing units at risk of converting to market rate.

Responsibility: Housing Authority

Funding: Section 8 vouchers and certificates.

Schedule: Monitor status of at-risk units annually during the eight-year planning cycle.

6. Housing Choice Voucher (Section 8) Rental Assistance Program: Rental subsidies to low-income households that would otherwise spend more than 30 percent of gross income on housing expenses. The subsidy represents the difference between 30 percent of household monthly income and housing costs (maximum payment based on fair market rents).

- Tenant-Based - Vouchers issued to eligible households that locate their own housing.
- Project-Based - Guaranteed payment to owners that rent to eligible households.

Objective: Maintain 911 units of project-based housing and 1,123 tenant-based vouchers.

Responsibility: Housing Authority.

Funding: Section 8; rents.

Schedule: Monitor annually during the eight-year planning cycle.

7. Tenant Relocation Program: Partnerships with nonprofit organizations and social service agencies to assist tenants displaced as a result of code enforcement actions to find suitable and affordable replacement housing.

Objective: Relocate any tenants displaced due to code enforcement.

Responsibility: Housing Authority

Funding Sources: CDBG

Schedule: Continue to offer the program during the eight-year planning cycle.

8. Housing Stock Conditions Program: Sample survey of housing conditions to estimate rehabilitation and replacement needs with focus on areas with known housing problems.

Objective: Estimate of the number of dwelling units in need of repair or replacement.

Responsibility: Housing Authority

Funding: General Fund

Schedule: Conduct survey annually during the eight-year planning cycle.

9. Clean-Up Events Program: Residential clean-up and beautification events including landscaping, painting, trash removal, and yard clean-up.

Objective: Conduct an average of four events per year.

Responsibility: Housing Authority.

Funding: General Fund.

Schedule: Conduct an average of four events annually for a total of 32 events during the eight-year planning cycle.

10. Developer Information Program: The preparation and maintenance of informational materials regarding residential development, including the specific plans, mixed-use zones, development standards, design guidelines, and density bonus provisions.

Objective: Update and maintain informational materials as policies, standards, guidelines, and ordinances are amended or adopted.

Responsibility: Planning Division.

Funding: General Fund.

Schedule: Update as policies, standards, guidelines, and ordinances are amended or adopted during the eight-year planning cycle.

11. GIS Database Program: Maintenance of Geographic Information System(GIS) database to provide current parcel information, including land use, zoning, development potential, site constraints, infrastructure, and an inventory of vacant and under-developed sites.

Objective: Update database as new information becomes available in a compatible format.

Responsibility: Planning Division.

Funding: General Fund.

Schedule: Monitor data sources and update upon availability during the eight-year planning cycle.

12. Community Housing Development Organizations Program: Funding of CHDOs to assist in acquisition, development, and/or rehabilitation of affordable housing for lower-income households.

Objectives: Identify and fund CHDOs to pursue affordable housing projects and programs.

Responsibility: Housing Authority.

Funding :HOME.

Schedule: Conduct outreach annually as part of the budget process and as funding sources become available during the eight-year planning cycle.

13. New Construction Program: Identification and solicitation of housing developers to construct affordable units and provision of assistance including consultation, site identification, site assembly, entitlement processing, and financial assistance.

Objective: Production of housing units to meet the RHNA allocation.

Responsibility: Housing Authority.

Funding: LMIHF; HOME.

Schedule: Conduct outreach annually as part of the budget and CIP process and as funding sources become available during the eight-year planning cycle.

14. Construction Assistance Program: Outreach program targeted at housing developers to provide information on available housing programs in the City or through State and Federal programs.

Objective: Development community awareness of available housing programs.

Responsibility: Housing Authority.

Funding: General Fund.

Schedule: Conduct outreach annually as part of the budget and CIP process and as funding sources become available during the eight-year planning cycle.

15. Production Priorities Program: Identify development opportunities, programs, and incentives that implement Housing Element policies during pre-application discussions with developers.

Objectives: Communicate housing policy objectives to prospective developers and encourage and facilitate projects that implement Housing Element policies.

Responsibility: Planning Division.

Funding: General Fund.

Schedule: Ongoing as part of the pre-application and consultation process during the eight-year planning cycle.

16. Housing Element Annual Report: A report of progress in meeting Housing Element goals and objectives including the number of affordable housing units permitted in the reporting year.

Objectives: Submit report to Department of Housing and Community Development prior to the statutory deadline.

Responsibility: Planning Division.

Funding: General Fund.

Schedule: Prepare and submit annually pursuant to statute during the eight-year planning cycle.

17. Design Guidelines Program: Pre-application meetings with developers to explain the Design Guidelines and encourage high quality development and design in construction.

Objectives: Improvement in the quality of design in construction through the implementation of design guidelines.

Responsibility: Planning Division.

Funding: General Fund.

Schedule: Ongoing as part of the pre-application and consultation process during the eight-year planning cycle.

18. Fair Housing Requirements Program: Preparation of an Analysis of Impediments (AI) to Fair Housing Choice in conjunction with the update of the Consolidated Plan, and implementation of actions identified in the AI to comply with federal requirements for participation in the CDBG and HOME programs.

Objectives: Implement actions to address fair housing issues through CDBG and HOME activities.

Responsibility: Housing Authority.

Funding: CDBG.

Schedule: Update AI in conjunction with Consolidated Plan updates and implement on ongoing basis during the eight-year planning cycle.

19. Fair Housing Organizations: Contract with the fair housing organizations to perform investigation, reporting, monitoring, dispute mediation, tenant counseling, landlord and manager training, and education on fair housing law.

Objective: Fair housing practices and informed housing consumers and suppliers.

Responsibility: Housing Authority.

Funding: CDBG; Section 8.

Schedule: Conduct outreach annually as part of the budget and CIP process and as funding sources become available during the eight-year planning cycle.

20. Fair Housing Training Program: Property owner fair housing training of staff engaged in sale, rental, or lease of housing in new projects with 10 or more units.

Objective: In new projects of 10 or more units, training of staff in fair housing administration.

Responsibility: Housing Authority and contracted fair housing organizations.

Funding: CDBG; Section 8.

Schedule: Refer to contracted providers prior to occupancy of new projects during the eight-year planning cycle.

21. State Energy Conservation Program: Enforcement of State energy conservation standards for new housing through the development review process, permitting process, and enforcement programs.

Objectives: Achieve State energy conservation standards for housing.

Responsibility: Building Division.

Funding: General Fund.

Schedule: Conduct on an ongoing basis as part of the development review, permitting, and enforcement processes during the eight-year planning cycle.

22. Community Land Trust (CLT) Program: The establishment of community land trusts to preserve the long-term availability of land for affordable housing using the San Diego Community Land Trust model or similar program.

Objectives: Allow the establishment of community land trusts as needed.

Responsibility: Housing Authority.

Funding: CDBG, HOME, Private.

Schedule: Conduct outreach annually as part of the budget and CIP process and as funding sources become available during the eight-year planning cycle.

23. Extremely-Low Income Housing Program: Encourage and facilitate the development of housing units for households earning 30 percent or less of the area median income (AMI) through outreach to housing developers, identifying funding sources, providing technical assistance, expediting processing, supporting funding applications, prioritizing budget allocations, and applying incentives through the density bonus provisions.

Objectives: Production of 233 units of housing affordable to extremely-low income households.

Responsibility: Housing Authority.

Funding: CDBG, HOME, grants, other sources.

Schedule: Conduct outreach annually as part of the budget and CIP process and as funding sources become available during the eight-year planning cycle.

24. Land Use Code Monitoring Program: As part of the General Plan Annual Progress Report, the City will monitor and report on the progress of the implementation of the Land Use Code through land use and development regulations, standards, and processes in the implementation of the General Plan, including Housing Element policies.

Objectives: Implementation of the General Plan, including Housing Element policies.

Responsibility: Planning Division.

Funding: General Fund.

Schedule: Monitor and report annually as part of the General Plan Annual Progress Report during the eight-year planning cycle.

C. Quantified Objectives

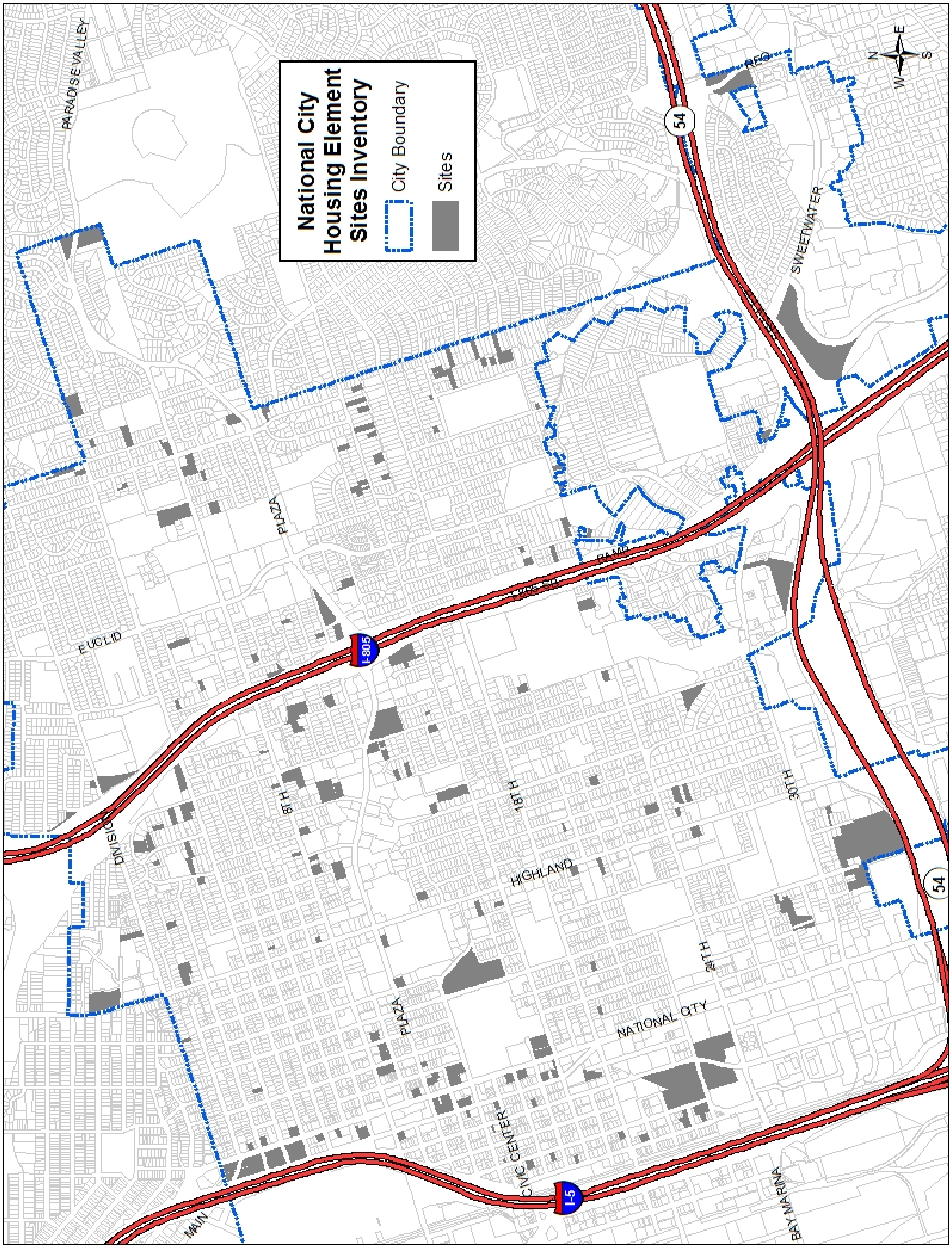
The quantified objectives of the 2013-2020 Housing Element are summarized in Table 6-2.

Table 6-2
Summary of Quantified Objectives
2013-2020

<table>
<tr><th></th><th>Extremely Low</th><th>Very Low</th><th>Low</th><th>Moderate</th><th>Above Moderate</th><th>Total</th></tr>
<tr><td>New Construction</td><td>233</td><td>226</td><td>330</td><td>327</td><td>698</td><td>1,814</td></tr>
<tr><td>Rehabilitation</td><td colspan="4">120</td><td></td><td>120</td></tr>
<tr><td>At-Risk Housing Preservation</td><td colspan="3">795</td><td></td><td></td><td>795</td></tr>
<tr><td>Rental Assistance (Section 8)</td><td colspan="3">2,034</td><td></td><td></td><td>2,034</td></tr>
</table>

Appendix A

Sites Inventory Map


National City
Housing Element
Sites Inventory
City Boundary
Sites
PARADISE VALLEY
EUCLID
PLAZA
8TH
18TH
HIGHLAND
30TH
24TH
NATIONAL CITY
CIVIC CENTER
MAIN
BAY MARINA
SWEETWATER
REO
54
I-805
I-5
N
E
S
W

Appendix B

Sites Inventory

APN	STREET	EXISTING USE	GENERAL PLAN	ZONE	ACRES	DU/AC ALLOWED	DU/AC ASSUMED	EXIST DU	DU NET
5613501400	24TH	Vacant	LDR	RS-1	0.27	4	3.3	0	1
6690601300	PARADISE	Vacant	LDR	RS-1	0.76	4	3.3	0	2
6690601000	PARADISE	Vacant	LDR	RS-1	0.96	4	3.3	0	3
6690601700	PARADISE	Vacant	LDR	RS-1	1.22	4	3.3	0	4
5631002600	N	Vacant	LDR	RS-1	1.31	4	3.3	0	4
5574404700	PALM	Vacant	LDR	RS-2	0.05	9	6.5	0	0
5563111000	5TH	Vacant	LDR	RS-2	0.06	9	6.5	0	0
5582601500	20TH	Vacant	LDR	RS-2	0.06	9	6.5	0	0
5640710300	GRANGER	Vacant	LDR	RS-2	0.08	9	6.5	0	1
5540131200	1ST	Vacant	LDR	RS-2	0.10	9	6.5	0	1
5621702000	D	Vacant	LDR	RS-2	0.10	9	6.5	0	1
5560825200	2ND	Vacant	LDR	RS-2	0.11	9	6.5	0	1
5560825400	2ND	Vacant	LDR	RS-2	0.11	9	6.5	0	1
5583205100	20TH	Vacant	LDR	RS-2	0.11	9	6.5	0	1
5583204900	20TH	Vacant	LDR	RS-2	0.11	9	6.5	0	1
5583205000	20TH	Vacant	LDR	RS-2	0.11	9	6.5	0	1
5560825300	2ND	Vacant	LDR	RS-2	0.11	9	6.5	0	1
5583204300	HARBISON	Vacant	LDR	RS-2	0.11	9	6.5	0	1
5583202600	HARBISON	Vacant	LDR	RS-2	0.11	9	6.5	0	1
5541511200	5TH	Vacant	LDR	RS-2	0.11	9	6.5	0	1
5573411200	O	Vacant	LDR	RS-2	0.11	9	6.5	0	1
5581322100	15TH	Vacant	LDR	RS-2	0.12	9	6.5	0	1
5613802800	PROSPECT	Vacant	LDR	RS-2	0.12	9	6.5	0	1
5640105500	FENTON	Vacant	LDR	RS-2	0.12	9	6.5	0	1
5573301300	PALM	Vacant	LDR	RS-2	0.12	9	6.5	0	1
5640105400	24TH	Vacant	LDR	RS-2	0.12	9	6.5	0	1
5613603800	PALM	Vacant	LDR	RS-2	0.13	9	6.5	0	1
5573301500	PALM	Vacant	LDR	RS-2	0.13	9	6.5	0	1
5560825000	2ND	Vacant	LDR	RS-2	0.13	9	6.5	0	1
5573621200	PALM	Vacant	LDR	RS-2	0.13	9	6.5	0	1
5621223100	D	Vacant	LDR	RS-2	0.13	9	6.5	0	1
5630104600	24TH	Vacant	LDR	RS-2	0.13	9	6.5	0	1
5573301200	PALM	Vacant	LDR	RS-2	0.13	9	6.5	0	1
5573621100	PALM	Vacant	LDR	RS-2	0.13	9	6.5	0	1
5613802600	GROVE	Vacant	LDR	RS-2	0.14	9	6.5	0	1
5574301500	SHERYL	Vacant	LDR	RS-2	0.14	9	6.5	0	1
5613802500	GROVE	Vacant	LDR	RS-2	0.14	9	6.5	0	1
5614120900	PROSPECT	Vacant	LDR	RS-2	0.14	9	6.5	0	1
5630642800	PROSPECT	Vacant	LDR	RS-2	0.14	9	6.5	0	1
5560615000	DIVISION	Vacant	LDR	RS-2	0.14	9	6.5	0	1
5614122000	GROVE	Vacant	LDR	RS-2	0.14	9	6.5	0	1
5560824900	2ND	Vacant	LDR	RS-2	0.15	9	6.5	0	1
6690400200	THELMA	Vacant	LDR	RS-2	0.15	9	6.5	0	1
5573011200	10TH	Vacant	LDR	RS-2	0.15	9	6.5	0	1
5582003600	17TH	Vacant	LDR	RS-2	0.15	9	6.5	0	1

APN	STREET	EXISTING USE	GENERAL PLAN	ZONE	ACRES	DU/AC ALLOWED	DU/AC ASSUMED	EXIST DU	DU NET
5561031900	3RD	Vacant	LDR	RS-2	0.15	9	6.5	0	1
5573511800	M	Vacant	LDR	RS-2	0.15	9	6.5	0	1
5573511700	M	Vacant	LDR	RS-2	0.15	9	6.5	0	1
5581322300	16TH	Vacant	LDR	RS-2	0.15	9	6.5	0	1
5573512500	M	Vacant	LDR	RS-2	0.16	9	6.5	0	1
5582604200	20TH	Vacant	LDR	RS-2	0.16	9	6.5	0	1
5632521300	ORANGE	Vacant	LDR	RS-2	0.16	9	6.5	0	1
5581322400	16TH	Vacant	LDR	RS-2	0.16	9	6.5	0	1
5573512000	M	Vacant	LDR	RS-2	0.16	9	6.5	0	1
5573512100	M	Vacant	LDR	RS-2	0.16	9	6.5	0	1
5573511900	M	Vacant	LDR	RS-2	0.16	9	6.5	0	1
5573512300	M	Vacant	LDR	RS-2	0.16	9	6.5	0	1
5573512400	M	Vacant	LDR	RS-2	0.16	9	6.5	0	1
5573512200	M	Vacant	LDR	RS-2	0.16	9	6.5	0	1
5572902200	12TH	Vacant	LDR	RS-2	0.16	9	6.5	0	1
5580230700	PLEASANT	Vacant	LDR	RS-2	0.16	9	6.5	0	1
5524031400	DIVISION	Vacant	LDR	RS-2	0.16	9	6.5	0	1
5581321400	16TH	Vacant	LDR	RS-2	0.17	9	6.5	0	1
5572205300	9TH	Vacant	LDR	RS-2	0.18	9	6.5	0	1
5583302800	VAN NESS	Vacant	LDR	RS-2	0.18	9	6.5	0	1
5583303300	HARBISON	Vacant	LDR	RS-2	0.18	9	6.5	0	1
5573411300	O	Vacant	LDR	RS-2	0.18	9	6.5	0	1
5621700700	29TH	Vacant	LDR	RS-2	0.18	9	6.5	0	1
5582003200	17TH	Vacant	LDR	RS-2	0.19	9	6.5	0	1
5583200800	VAN NESS	Vacant	LDR	RS-2	0.19	9	6.5	0	1
5640107200	FENTON	Vacant	LDR	RS-2	0.19	9	6.5	0	1
5621702100	D	Vacant	LDR	RS-2	0.19	9	6.5	0	1
5540220900	LAUREL	Vacant	LDR	RS-2	0.19	9	6.5	0	1
5642907500	VALLEY	Vacant	LDR	RS-2	0.20	9	6.5	0	1
5613606200	PALM	Vacant	LDR	RS-2	0.20	9	6.5	0	1
5540430400	PARAISO	SFD	LDR	RS-2	0.36	9	6.5	1	1
5573410100	N	Vacant	LDR	RS-2	0.20	9	6.5	0	1
5541121800	4TH	Vacant	LDR	RS-2	0.20	9	6.5	0	1
5582102200	16TH	Vacant	LDR	RS-2	0.21	9	6.5	0	1
5642907400	VALLEY	Vacant	LDR	RS-2	0.22	9	6.5	0	1
5582102400	17TH	Vacant	LDR	RS-2	0.22	9	6.5	0	1
5540430300	PARAISO	SFD	LDR	RS-2	0.38	9	6.5	1	1
5583302600	HARBISON	Vacant	LDR	RS-2	0.23	9	6.5	0	2
5583302500	HARBISON	Vacant	LDR	RS-2	0.23	9	6.5	0	2
5582201100	17TH	Vacant	LDR	RS-2	0.23	9	6.5	0	2
5630102200	J	SFD	LDR	RS-2	0.39	9	6.5	1	2
5582203300	17TH	Vacant	LDR	RS-2	0.23	9	6.5	0	2
5573511100	L	Vacant	LDR	RS-2	0.24	9	6.5	0	2
5560824200	1ST	Vacant	LDR	RS-2	0.24	9	6.5	0	2
5523904000	Q	Vacant	LDR	RS-2	0.24	9	6.5	0	2
5632521400	ORANGE	Vacant	LDR	RS-2	0.25	9	6.5	0	2

APN	STREET	EXISTING USE	GENERAL PLAN	ZONE	ACRES	DU/AC ALLOWED	DU/AC ASSUMED	EXIST DU	DU NET
5540431500	NORTON	SFD	LDR	RS-2	0.40	9	6.5	1	2
5583200900	VAN NESS	Vacant	LDR	RS-2	0.25	9	6.5	0	2
5583302700	HARBISON	Vacant	LDR	RS-2	0.25	9	6.5	0	2
5581402600	15TH	Vacant	LDR	RS-2	0.26	9	6.5	0	2
5540230400	LAUREL	SFD	LDR	RS-2	0.42	9	6.5	1	2
5621222200	D	Vacant	LDR	RS-2	0.28	9	6.5	0	2
5572201900	PARADISE	Vacant	LDR	RS-2	0.32	9	6.5	0	2
5572804200	11TH	SFD	LDR	RS-2	0.49	9	6.5	1	2
5580210600	ARCADIA	SFD	LDR	RS-2	0.50	9	6.5	1	2
5573805200	13TH	SFD	LDR	RS-2	0.50	9	6.5	1	2
5581701500	HARBISON	Vacant	LDR	RS-2	0.38	9	6.5	0	2
5621701800	29TH	Vacant	LDR	RS-2	0.38	9	6.5	0	2
5630102300	J	SFD	LDR	RS-2	0.56	9	6.5	1	3
5540231700	NORTON	Vacant	LDR	RS-2	0.41	9	6.5	0	3
5515701600	DIVISION	SFD	LDR	RS-2	0.58	9	6.5	1	3
5583301100	RACHAEL	Vacant	LDR	RS-2	0.44	9	6.5	0	3
5583301600	RACHAEL	Vacant	LDR	RS-2	0.44	9	6.5	0	3
5583202100	RACHAEL	Vacant	LDR	RS-2	0.44	9	6.5	0	3
5582203500	16TH	Vacant	LDR	RS-2	0.45	9	6.5	0	3
5582102600	16TH	Vacant	LDR	RS-2	0.46	9	6.5	0	3
5614203000	PROSPECT	Vacant	LDR	RS-2	0.47	9	6.5	0	3
5571903500	R	Vacant	LDR	RS-2	0.47	9	6.5	0	3
6690401100	RACHAEL	SFD	LDR	RS-2	0.71	9	6.5	1	4
5613602900	24TH	SFD	LDR	RS-2	0.74	9	6.5	1	4
5541121500	2ND	Vacant	LDR	RS-2	0.64	9	6.5	0	4
5642907100	VALLEY	Vacant	LDR	RS-2	0.71	9	6.5	0	5
5621700900	B	Vacant	LDR	RS-2	0.72	9	6.5	0	5
6693902000	SHELL	SFD	LDR	RS-2	1.42	9	6.5	1	8
5572001500	8TH	Vacant	LDR	RS-2	1.29	9	6.5	0	8
5540501600	DIVISION	Vacant	LDR	RS-2	1.52	9	6.5	0	10
5643100300	VALLEY	Vacant	LDR	RS-2	2.20	9	6.5	0	14
5612831000	K	Vacant	MDR	RS-3	0.14	15	11.3	0	2
5612830900	K	Vacant	MDR	RS-3	0.14	15	11.3	0	2
5570604400	T	Vacant	MDR	RS-3	0.16	15	11.3	0	2
5602223700	C	Vacant	MDR	RS-3	0.19	15	11.3	0	2
5570720200	5TH	SFA	MDR	RS-3	0.49	15	11.3	3	2
5613131800	I	SFD	MDR	RS-3	0.55	15	11.3	1	5
5590620700	HARDING	Vacant	SP	RS-4	0.13	17	17.4	0	2
5602101800	A	Vacant	MDR	RM-1	0.14	23	17.2	0	2
5611820700	J	Vacant	HDR	RM-2	0.07	48	36.3	0	3
5570602300	T	Vacant	HDR	RM-2	0.17	48	36.3	0	6
5604100400	D	MFR	HDR	RM-3	2.24	75	56.3	151	-25
5601310800	HIGHLAND	Vacant	HDR	RM-3	0.33	75	56.3	0	19
5572500100	N	SFD	HDR	RM-3	0.41	75	56.3	1	22

APN	STREET	EXISTING USE	GENERAL PLAN	ZONE	ACRES	DU/AC ALLOWED	DU/AC ASSUMED	EXIST DU	DU NET
5572502000	N	Vacant	HDR	RM-3	0.45	75	56.3	0	25
5604100500	D	MFR	HDR	RM-3	3.21	75	56.3	152	29
5571803200	PALM	SFD	HDR	RM-3	0.70	75	56.3	2	38
5571801600	N	SFD	HDR	RM-3	1.17	75	56.3	2	64
5604100600	D	Recreation building	HDR	RM-3	1.69	75	56.3	0	95
5540301600	4TH	Vacant	Minor MX	MXC-1	0.08	48	30.6	0	2
5540301700	PALM	SFD	Minor MX	MXC-1	0.11	48	30.6	1	2
5560822100	HIGHLAND	Vacant	Minor MX	MXC-1	0.09	48	30.6	0	3
5514701900	HIGHLAND	Vacant	Minor MX	MXC-1	0.14	48	30.6	0	4
5514701800	HIGHLAND	Vacant	Minor MX	MXC-1	0.15	48	30.6	0	5
5541800400	8TH	Vacant	Minor MX	MXC-1	0.16	48	30.6	0	5
5560822000	HIGHLAND	MFR	Minor MX	MXC-1	0.26	48	30.6	3	5
5540431300	PALM	Vacant	Minor MX	MXC-1	0.18	48	30.6	0	6
5514704800	HIGHLAND	Vacant	Minor MX	MXC-1	0.22	48	30.6	0	7
5541800500	8TH	Vacant	Minor MX	MXC-1	0.28	48	30.6	0	9
5514701700	HIGHLAND	Vacant	Minor MX	MXC-1	0.30	48	30.6	0	9
5514701500	HIGHLAND	Vacant	Minor MX	MXC-1	0.34	48	30.6	0	10
5514704300	HIGHLAND	Vacant	Minor MX	MXC-1	0.34	48	30.6	0	10
5540302100	PALM	SFD	Minor MX	MXC-1	0.41	48	30.6	1	12
5540301800	PALM	SFD	Minor MX	MXC-1	0.61	48	30.6	1	18
5540501100	4TH	Music hall	Minor MX	MXC-1	0.90	48	30.6	0	28
5580502400	8TH	Vacant	Minor MX	MXC-1	0.97	48	30.6	0	30
5514704600	ETA	Vacant	Minor MX	MXC-1	1.05	48	30.6	0	32
5571203900	8TH	Vacant	Major MX	MXC-2	0.09	75	47.8	0	4
5571022800	8TH	Vacant	Major MX	MXC-2	0.11	75	47.8	0	5
5564140200	HIGHLAND	Vacant	Major MX	MXC-2	0.12	75	47.8	0	6
5601312100	16TH	Vacant	Major MX	MXC-2	0.15	75	47.8	0	7
5570911300	8TH	Vacant	Major MX	MXC-2	0.15	75	47.8	0	7
5571801100	PALM	Vacant	Major MX	MXC-2	0.16	75	47.8	0	8
5565105100	8TH	Vacant	Major MX	MXC-2	0.18	75	47.8	0	8
5565105400	L	Vacant	Major MX	MXC-2	0.20	75	47.8	0	9
5565105200	8TH	Vacant	Major MX	MXC-2	0.25	75	47.8	0	12
5601921600	HIGHLAND	Vacant	Major MX	MXC-2	0.27	75	47.8	0	13
5603100300	HIGHLAND	Vacant	Major MX	MXC-2	0.28	75	47.8	0	13
5571720900	8TH	Vacant	Major MX	MXC-2	0.28	75	47.8	0	13
5610110600	12TH	Vacant	Major MX	MXC-2	0.32	75	47.8	0	15
5620720600	HIGHLAND	Vacant	Major MX	MXC-2	0.38	75	47.8	0	18
5571800900	8TH	Vacant	Major MX	MXC-2	0.46	75	47.8	0	22
5623406800	MILES OF CARS	Vacant	Major MX	MXC-2	0.86	75	47.8	0	41
5622520600	D	Vacant	Major MX	MXC-2	1.89	75	47.8	0	90
5580302600	PLAZA	Vacant	Minor MX	MXD-1	0.50	48	30.6	0	15
5573807000	12TH	Vacant	Major MX	MXD-2	0.07	75	47.8	0	4

APN	STREET	EXISTING USE	GENERAL PLAN	ZONE	ACRES	DU/AC ALLOWED	DU/AC ASSUMED	EXIST DU	DU NET
5573801201	PLAZA	Vacant	Major MX	MXD-2	0.12	75	47.8	0	6
5573801100	12TH	SFD	Major MX	MXD-2	0.20	75	47.8	1	9
5622904200	F	Vacant	Major MX	MXD-2	0.19	75	47.8	0	9
5622802200	D	Vacant	Major MX	MXD-2	0.22	75	47.8	0	10
5622801700	32ND	Vacant	Major MX	MXD-2	0.22	75	47.8	0	11
5622803100	32ND	Vacant	Major MX	MXD-2	0.33	75	47.8	0	16
5565105900	9TH	Vacant	Major MX	MXD-2	0.33	75	47.8	0	16
5565604200	10TH	Vacant	Major MX	MXD-2	0.34	75	47.8	0	16
5565603900	PLAZA	Playhouse	Major MX	MXD-2	0.39	75	47.8	0	19
5573805100	PLAZA	Vacant	Major MX	MXD-2	0.40	75	47.8	0	19
5573300900	PLAZA	Vacant	Major MX	MXD-2	0.40	75	47.8	0	19
5573801000	12TH	SFD	Major MX	MXD-2	0.46	75	47.8	1	21
5573805000	PLAZA	Vacant	Major MX	MXD-2	0.50	75	47.8	0	24
5565105800	9TH	Vacant	Major MX	MXD-2	0.50	75	47.8	0	24
5622804400	32ND	Vacant	Major MX	MXD-2	0.53	75	47.8	0	25
5574102700	PLAZA	Vacant	Major MX	MXD-2	0.53	75	47.8	0	26
5574101500	PLAZA	Service station	Major MX	MXD-2	0.66	75	47.8	0	31
5622801600	D	Vacant	Major MX	MXD-2	0.67	75	47.8	0	32
5632312600	SWEETWATER	Bowling alley	Major MX	MXD-2	0.98	75	47.8	0	47
5574102000	PLAZA	Vacant	Major MX	MXD-2	1.07	75	47.8	0	51
5542800200	ARCADIA	Vacant	Major MX	MXD-2	1.11	75	47.8	0	53
5574102600	PALM	Vacant	Major MX	MXD-2	1.14	75	47.8	0	54
5542800300	ARCADIA	Vacant	Major MX	MXD-2	1.26	75	47.8	0	60
5574302700	16TH	Vacant	Major MX	MXD-2	1.77	75	47.8	0	85
5623222600	D	Vacant	Major MX	MXD-2	1.85	75	47.8	0	88
5622804200	32ND	Vacant	Major MX	MXD-2	2.03	75	47.8	0	97
5623223000	D	Vacant	Major MX	MXD-2	2.24	75	47.8	0	107
5623220100	D	Vacant	Major MX	MXD-2	2.41	75	47.8	0	115
5623220200	F	Vacant	Major MX	MXD-2	2.41	75	47.8	0	115
5632312500	SWEETWATER	Parking lot	Major MX	MXD-2	3.06	75	47.8	0	146
5644711100	PLAZA BONITA	Vacant	Major MX	MXD-2	11.71	75	47.8	0	560
5591020700	WILSON	Vacant	SP	MCR-1	0.06	24	15.3	0	1
5551151100	ROOSEVELT	Vacant	SP	MCR-1	0.08	24	15.3	0	1
5591020600	WILSON	Vacant	SP	MCR-1	0.09	24	15.3	0	1
5590650300	WILSON	Vacant	SP	MCR-1	0.13	24	15.3	0	2
5600620300	HOOVER	Vacant	SP	MCR-1	0.13	24	15.3	0	2
5591020800	WILSON	Vacant	SP	MCR-1	0.13	24	15.3	0	2
5590850800	18TH	Vacant	SP	MCR-1	0.20	24	15.3	0	3
5601433600	ROOSEVELT	Vacant	SP	MCR-1	0.58	24	15.3	0	9
5590330300	HARDING	Vacant	SP	MCR-2	0.03	45	28.7	0	1
5590351200	HARDING	Vacant	SP	MCR-2	0.04	45	28.7	0	1
5600111000	HOOVER	Vacant	SP	MCR-2	0.06	45	28.7	0	2
5590351100	HARDING	Vacant	SP	MCR-2	0.07	45	28.7	0	2

APN	STREET	EXISTING USE	GENERAL PLAN	ZONE	ACRES	DU/AC ALLOWED	DU/AC ASSUMED	EXIST DU	DU NET
5590351000	HARDING	Vacant	SP	MCR-2	0.07	45	28.7	0	2
5590351300	HARDING	Vacant	SP	MCR-2	0.09	45	28.7	0	3
5600120700	13TH	Parking lot	SP	MCR-2	0.14	45	28.7	0	4
5591220600	21ST	Vacant	SP	MCR-2TOD	0.11	60	38.3	0	4
5591220500	21ST	Vacant	SP	MCR-2TOD	0.15	60	38.3	0	6
5591251700	WILSON	Vacant	SP	MCR-2TOD	0.18	60	38.3	0	7
5591220400	WILSON	Vacant	SP	MCR-2TOD	0.26	60	38.3	0	10
5602060500	HOOVER	Public works yard	SP	MCR-2TOD	0.29	60	38.3	0	11
5591251500	24TH	Vacant	SP	MCR-2TOD	0.58	60	38.3	0	22
5603910800	HOOVER	Public works yard	SP	MCR-2TOD	0.83	60	38.3	0	32
5603911000	HOOVER	Public works yard	SP	MCR-2TOD	1.15	60	38.3	0	44
5623406700	24TH	Parking lot	SP	MCR-2TOD	1.21	60	38.3	0	46
5623406600	24TH	Parking lot	SP	MCR-2TOD	1.58	60	38.3	0	61
5603960600	HOOVER	Public works yard	SP	MCR-2TOD	1.81	60	38.3	0	69
5623405500	24TH	Parking lot	SP	MCR-2TOD	3.16	60	38.3	0	121
5591240500	HOOVER	Public works yard	SP	MCR-2TOD	3.92	60	38.3	0	150
5550203200	OSBORN	Vacant	SP	1A	0.00	75	47.8	0	0
5550202800	NATIONAL CITY	Commercial	SP	1A	0.01	75	47.8	0	0
5550202500	ROOSEVELT	SFD	SP	1A	0.04	75	47.8	1	1
5550202400	ROOSEVELT	SFD	SP	1A	0.04	75	47.8	1	1
5550200400	MAIN	Vacant	SP	1A	0.02	75	47.8	0	1
5550202700	NATIONAL CITY	Commercial	SP	1A	0.05	75	47.8	0	2
5550202200	ROOSEVELT	SFD	SP	1A	0.07	75	47.8	1	2
5550202300	ROOSEVELT	SFD	SP	1A	0.07	75	47.8	1	2
5550301200	3RD	Parking lot	SP	1A	0.05	75	47.8	0	2
5550300700	3RD	SFD	SP	1A	0.08	75	47.8	1	3
5550203100	OSBORN	Vacant	SP	1A	0.06	75	47.8	0	3
5550301100	NATIONAL CITY	Parking lot	SP	1A	0.07	75	47.8	0	3
5550202100	NATIONAL CITY	Commercial	SP	1A	0.07	75	47.8	0	3
5550300600	2ND	Commercial	SP	1A	0.07	75	47.8	0	3
5550301300	NATIONAL CITY	Parking lot	SP	1A	0.07	75	47.8	0	3
5550301000	NATIONAL CITY	Parking lot	SP	1A	0.08	75	47.8	0	4
5550300900	NATIONAL CITY	Parking lot	SP	1A	0.08	75	47.8	0	4
5550300300	ROOSEVELT	Vacant	SP	1A	0.08	75	47.8	0	4
5550301400	NATIONAL CITY	Parking lot	SP	1A	0.09	75	47.8	0	4
5550300400	ROOSEVELT	Vacant	SP	1A	0.09	75	47.8	0	5
5550300500	3RD	SFD	SP	1A	0.12	75	47.8	1	5
5550200200	NATIONAL CITY	MFR	SP	1A	0.25	75	47.8	7	5
5550201000	NATIONAL CITY	SFD	SP	1A	0.12	75	47.8	1	5
5550300200	ROOSEVELT	Vacant	SP	1A	0.12	75	47.8	0	6
5550202600	ROOSEVELT	Commercial	SP	1A	0.12	75	47.8	0	6

APN	STREET	EXISTING USE	GENERAL PLAN	ZONE	ACRES	DU/AC ALLOWED	DU/AC ASSUMED	EXIST DU	DU NET
5550200600	ROOSEVELT	Commercial	SP	1A	0.12	75	47.8	0	6
5550201300	NATIONAL CITY	Commercial	SP	1A	0.13	75	47.8	0	6
5550201400	NATIONAL CITY	Commercial	SP	1A	0.13	75	47.8	0	6
5550200700	ROOSEVELT	Commercial	SP	1A	0.14	75	47.8	0	7
5550300100	2ND	Vacant	SP	1A	0.17	75	47.8	0	8
5550411000	NATIONAL CITY	Used auto sales	SP	1A	0.23	75	47.8	0	11
5550302000	NATIONAL CITY	Commercial	SP	1A	0.24	75	47.8	0	12
5550301700	ROOSEVELT	Commercial	SP	1A	0.24	75	47.8	0	12
5550201500	NATIONAL CITY	Commercial	SP	1A	0.25	75	47.8	0	12
5550300800	NATIONAL CITY	Restaurant	SP	1A	0.26	75	47.8	0	12
5550200100	NATIONAL CITY	Used auto sales	SP	1A	0.26	75	47.8	0	13
5550302100	NATIONAL CITY	Commercial	SP	1A	0.39	75	47.8	0	19
5550202900	OSBORN	Service station	SP	1A	0.56	75	47.8	0	27
5550302200	NATIONAL CITY	Commercial	SP	1A	0.57	75	47.8	0	27
5550421900	NATIONAL CITY	Vacant	SP	1B	0.14	75	47.8	0	7
5550521500	ROOSEVELT	Vacant	SP	1B	0.60	75	47.8	0	29
5560112500	NATIONAL CITY	Vacant	SP	2	0.15	75	47.8	0	7
5561010100	NATIONAL CITY	Commercial	SP	2	0.21	75	47.8	0	10
5561041800	NATIONAL CITY	Used auto sales	SP	2	0.38	75	47.8	0	18
5565531500	A	Vacant	SP	5A	0.06	30	22.5	0	1
5565540200	PLAZA	Vacant	SP	5A	0.09	30	22.5	0	2
5565530800	A	Vacant	SP	5A	0.09	30	22.5	0	2
5565531400	PLAZA	Vacant	SP	5A	0.32	30	22.5	0	7
5564710400	NATIONAL CITY	Vacant	SP	5B	0.07	75	47.8	0	3
5565542000	NATIONAL CITY	Vacant	SP	5B	0.07	75	47.8	0	3
5565541900	NATIONAL CITY	Vacant	SP	5B	0.13	75	47.8	0	6
5564710300	NATIONAL CITY	Vacant	SP	5B	0.20	75	47.8	0	10
5565541800	NATIONAL CITY	Vacant	SP	5B	0.21	75	47.8	0	10
5565542500	12TH	Vacant	SP	5B	0.83	75	47.8	0	157
5551140400	ROOSEVELT	Parking lot	SP	6	0.06	75	47.8	0	3
5551140300	ROOSEVELT	Parking lot	SP	6	0.06	75	47.8	0	3
5551140100	11TH	SFD	SP	6	0.12	75	47.8	1	5
5551140200	ROOSEVELT	SFD	SP	6	0.13	75	47.8	1	5
5551140500	ROOSEVELT	Parking lot	SP	6	0.12	75	47.8	0	6
5551130500	11TH	Commercial	SP	6	0.15	75	47.8	0	7
5551130400	ROOSEVELT	Commercial	SP	6	0.22	75	47.8	0	10
5551131300	NATIONAL CITY	Used auto sales	SP	6	0.23	75	47.8	0	11
5551131200	PLAZA	Used auto sales	SP	6	0.34	75	47.8	0	16
5551131100	NATIONAL CITY	Used auto sales	SP	6	0.37	75	47.8	0	17
5550821000	8TH	Used auto sales	SP	7	0.25	75	47.8	0	12
5564740200	C	Vacant	SP	9	0.14	75	47.8	0	7
5564722600	8TH	Commercial	SP	9	0.66	75	47.8	0	32
5564731900	C	Vacant	SP	10	0.10	30	22.5	0	2
5564731600	B	Vacant	SP	10	0.15	30	22.5	0	3

APN	STREET	EXISTING USE	GENERAL PLAN	ZONE	ACRES	DU/AC ALLOWED	DU/AC ASSUMED	EXIST DU	DU NET
5564740300	C	Vacant	SP	10	0.17	30	22.5	0	4
5564731700	9TH	Parking lot	SP	10	0.19	30	22.5	0	4
5564732000	C	Vacant	SP	10	0.21	30	22.5	0	5
5600640600	NATIONAL CITY	Vacant	SP	12A	0.07	75	47.8	0	3
5600140600	NATIONAL CITY	SFD	SP	12A	0.13	75	47.8	2	4
5600140700	NATIONAL CITY	SFD	SP	12A	0.15	75	47.8	1	6
5600630700	NATIONAL CITY	Vacant	SP	12A	0.33	75	47.8	0	16
5600640400	ROOSEVELT	Vacant	SP	12B	0.10	75	47.8	0	5
5600640200	ROOSEVELT	SFD	SP	12B	0.13	75	47.8	1	5
5600640100	ROOSEVELT	Industrial	SP	12B	0.13	75	47.8	0	6
5600640500	ROOSEVELT	Commercial	SP	12B	0.14	75	47.8	0	7
5601000700	NATIONAL CITY	Commercial	SP	13	0.19	75	47.8	0	9
5601000600	NATIONAL CITY	Commercial	SP	13	0.20	75	47.8	0	9
5601000500	NATIONAL CITY	Commercial	SP	13	0.25	75	47.8	0	12
5601000800	16TH	Commercial	SP	13	0.94	75	47.8	0	45
					136.00				4,359

California's 2017 Legislative Housing Package
Major Components[1]

Provides critical funding for new affordable homes

- Imposes a $75 fee on recording of real estate documents (excluding sales) for investment in affordable-home development.
- Places a $4 billion general obligation bond on the November 2018 general election ballot for veterans and affordable housing programs.

Accelerates development to increase housing supply

- Creates a streamlined approval process for certain developments in cities/counties that have not yet met their legally mandated housing targets.
- Authorizes HCD to provide one-time planning funds and technical assistance to cities/counties to help them streamline housing production.
- Authorizes financial incentives for cities/counties that streamline development of housing in specific areas of their jurisdiction.

Holds cities/counties accountable for addressing housing needs in their communities

- Authorizes increased enforcement of state housing-planning ("housing element") law and enables HCD to refer violations to the Attorney General.
- Strengthens housing-planning law to ensure appropriate land is available for new development and increases transparency on local government progress in meeting legally mandated housing targets.
- Creates a $10,000 per unit penalty on cities/counties that deny (for unjustified reasons) approval of new homes affordable to low or moderate income Californians.

Creates opportunities for new affordable homes and preserves existing affordable homes

- Makes California's "farmworker housing tax credit" more attractive to developers.
- Creates additional tracking and enforcement responsibilities to ensure compliance with state housing-preservation laws.
- Allows the legislative body of a city/county the option to require a certain amount of low-income housing in any new residential rental developments.

---

[1] In order of reference: SB 2 (Atkins), SB 3 (Beall), SB 35 (Wiener), AB 73 (Chiu), SB 540 (Roth), AB 72 (Santiago), AB 1397 (Low), AB 879 (Grayson), AB 166 (Skinner), AB 678 (Bocanegra)/SB 167 (Skinner) AB 1515 (Daly), AB 571 (E. Garcia), AB 1521 (Bloom), and AB 1505 (Bloom)

CALIFORNIA'S 2017 LEGISLATIVE HOUSING PACKAGE

Streamline Housing Development

Planning & Zoning	**SB 35 (Wiener) Streamline Approval Process** *Opt-in program for developers* Creates a streamlined approval process for developments in localities that have not yet met their housing targets, provided that the development is on an infill site and complies with existing residential and mixed use zoning. Participating developments must provide at least 10 percent of units for lower-income families. All projects over 10 units must be prevailing wage and larger projects must provide skilled and trained labor.
Planning & Zoning	**AB 73 (Chiu) Streamline and Incentivize Housing Production** *Opt-in program for jurisdictions and developers* Provides state financial incentives to cities and counties that create a zoning overlay district with streamlined zoning. Development projects must use prevailing wage and include a minimum amount of affordable housing.
Planning & Zoning	**SB 540 (Roth) Workforce Housing Opportunity Zones** *Opt-in program for jurisdictions* Authorizes the state to provide planning funds to a city or county to adopt a specific housing development plan that minimizes project level environmental review. Requires at least 50 percent of total housing units within that plan to be affordable to persons or families, at or below moderate income, with at least 10 percent of total units affordable for lower income households. Development projects must use prevailing wage.

Accountability and Enforcement

Amends Housing Accountability Act	**AB 678 (Bocanegra)/SB 167 (Skinner) Strengthen the Housing Accountability Act** Strengthens the Housing Accountability Act by increasing the documentation necessary and the standard of proof required for a local agency to legally defend its denial of low and moderate-income housing development projects, and requires courts to impose a fine of $10,000 or more per unit on local agencies that fail to legally defend their rejection of an affordable housing development project.

Accountability and Enforcement (Continued)	
Amends Housing Accountability Act	**AB 1515 (Daly) Reasonable Person Standard** States that a housing development conforms with local land use requirements if there is substantial evidence that would allow a reasonable person to reach that conclusion.
Amends Housing Element Law	**AB 72 (Santiago) Enforce Housing Element Law** Authorizes HCD to find a jurisdiction out of compliance with state housing law at any time (instead of the current eight-year time period), and refer any violations of state housing law to the Attorney General if it determines the action is inconsistent with the locality's adopted housing element.
Amends Housing Element Law	**AB 1397 (Low) Adequate Housing Element Sites** Requires cities to zone more appropriately for their share of regional housing needs and in certain circumstances require by-right[1] development on identified sites. Requires stronger justification when non-vacant sites are used to meet housing needs, particularly for lower income housing.
Amends Existing Housing Law	**SB 166 (Skinner) No Net Loss** Requires a city or county to identify additional low-income housing sites in their housing element when market-rate housing is developed on a site currently identified for low-income housing.
Amends Existing Reporting Requirements	**AB 879 (Grayson) and Related Reporting Bills** Make various updates to housing element and annual report requirements to provide data on local implementation including number of project application and approvals, processing times, and approval processes. Charter cities would no longer be exempt from housing reporting. Requires HCD to deliver a report to the Legislature on how local fees impact the cost of housing development.

[1] Current housing law defines by-right as local government review of a project may not require a conditional use permit or other discretionary action that would constitute a "project" under the California Environmental Quality Act

Create and Preserve Affordable Housing	
Ongoing Source	**SB 2 (Atkins) Building Jobs and Homes Act** Imposes a fee on recording of real estate documents excluding sales for the purposes of funding affordable housing. Provides that first year proceeds will be split evenly between local planning grants and HCD's programs that address homelessness. Thereafter, 70 percent of the proceeds will be allocated to local governments in either an over-the-counter or competitive process. Fifteen percent will be allocated to HCD, ten percent to assist the development of farmworker housing and five percent to administer a program to incentivize the permitting of affordable housing. Fifteen percent will be allocated to CalHFA to assist mixed-income multifamily developments.
Affordable Housing Bond	**SB 3 (Beall) Veterans and Affordable Housing Bond Act** Places a $4 billion general obligation bond on the November 2018 general election ballot. Allocates $3 billion in bond proceeds among programs that assist affordable multifamily developments, housing for farmworkers, transit-oriented development, infrastructure for infill development, and homeownership. Also funds matching grants for Local Housing Trust Funds and homeownership programs. Provides $1 billion in bond proceeds to CalVet for home and farm purchase assistance for veterans.
Land Use: Zoning Regulations	**AB 1505 (Bloom) Inclusionary Ordinances** Authorizes the legislative body of a city or county to require a certain amount of low-income housing on-site or off-site as a condition of the development of residential rental units.
Amends Preservation Noticing law	**AB 1521 (Bloom) Preserve the Existing Affordable Housing Stock** Requires the seller of a subsidized housing development to accept a bonafide offer to purchase from a qualified purchaser, if specified requirements are met. Gives HCD additional tracking and enforcement responsibilities to ensure compliance.
Amends Farmworker Housing and Office of Migrant Services Programs	**AB 571 (E. Garcia) Low-Income Housing Credits for Farmworkers** Makes modifications to the state's farmworker housing tax credit to increase use. Authorizes HCD to advance funds to operators of migrant housing centers at the beginning of each season to allow them to get up-and-running. Extends the period of time that migrant housing centers may be occupied up to 275 days.

2017 California Housing Package Projected Milestones

This document will be updated as further information becomes available

Bill(s)	Activities & Milestones	Target Dates
Funding From 2018 Revenues Collected Between January 1, 2018 and December 31, 2018		
SB 2 (Building Homes and Jobs Act)	*<u>Planning Grants (50% of Funds</u>)* Initiate Public Outreach Provision of Planning Technical Assistance Development of Guidelines Release of Notice of Funding Availability *<u>Homelessness Grants (50% of Funds)</u>* Public Outreach Development of Guidelines Release of Initial Notice of Funding Availability Release of Subsequent Notice of Funding Availability	 Spring 2018 Summer 2018* Summer 2018 Spring 2019* Spring 2018 Spring 2018 Fall 2018* Fall 2019*
Funding From Revenues Collected Between January 1, 2019 and December 31, 2019 and Every Calendar Year Thereafter		
SB 2 (Building Homes and Jobs Act)	<u>Local Funds (70% of Annual Total)</u> Initiate Public Outreach Development of Guidelines Release of Notice of Funding Availability <u>Production Incentive Program (5% of Annual Total)</u> Initiate Public Outreach Development of Guidelines Release of Notice of Funding Availability <u>Farmworker Funds (10% of Annual Total)</u> Initiate Public Outreach Development of Guidelines Release of Notice of Funding Availability	 Fall 2018 Spring 2019 Summer 2019* Fall 2018 Spring 2019 Summer 2019* Winter 2018/2019 Summer 2019 Winter 2019/2020*

*All Notices of Funding Availability are tentative, subject to appropriation and public outreach process.

1/31/18

Bill	Key Activities	Target Dates
SB 2 (Building Homes and Jobs Act)	<u>Middle Income Program – Administered by CalHFA (15% of Annual Total)</u> Release of Notice of Funding Availability	To Be Determined
Funding Pending Approval by Voters in November 2018		
SB 3 (Veterans and Affordable Housing Bond)	Release of Initial Notice of Funding Availability Release of Subsequent Notices of Funding Availability	Spring 2019* TBD for later in 2019
Other Funding Related Legislation		
AB 571 (Low Income Housing Tax Credits for Farmworkers)	Guidance Activities To Be Determined	TBD
Streamlining		
SB 35 (Streamlining)	Preliminary Housing Element Annual Progress Report data release Publish Initial Jurisdiction Eligibility Lists Initiate Public Outreach Guidelines	Winter 2017/2018 Winter 2017/2018 Spring 2018 Summer 2018
SB 540 (Workforce Housing Overlay)	Initiate Public Outreach Guidelines Notice of Funding Availability	Summer 2018 Spring 2019 TBD
AB 73 (Sustainability Districts)	Initiate Public Outreach Guidelines Notice of Funding Availability	Summer 2018 Spring 2019 TBD
Accountability		
AB 1397 (Housing Elements)	Development of Technical Assistance Memo	Spring 2018
AB 879 (Annual Progress Reports)	Initiate Public Outreach Development of new APR Guidelines and Forms for an Effective Date of April 1, 2019	Spring 2018 Summer 2018
AB 879 (Fee Study)	Initiate Public Outreach on Scoping Commencement of Study Release of Final Report	Spring 2018 Summer 2018 Summer 2019
SB 166 (No-Net-Loss)	Development of Technical Assistance Memo	Spring 2018

*All Notices of Funding Availability are tentative, subject to appropriation and public outreach process.

Bill	Key Activities	Target Dates
AB 1521 (Preservation Noticing Requirements)	Initiate Public Outreach Creation of Guidance and Forms Begin Collection of Information Report due to the Legislature	Spring 2018 Summer 2018 Fall 2018 Spring 2019
AB 678, SB 167, AB 1515 (Housing Accountability Act)	Guidance Activities To Be Determined	TBD
AB 72 (Housing Element Accountability)	Guidance Activities To Be Determined	TBD
AB 1505 (Inclusionary Ordinances)	Guidance Activities To Be Determined	TBD

*All Notices of Funding Availability are tentative, subject to appropriation and public outreach process.

A 2018 GUIDE TO

New Housing Law in California

LEAGUE® OF CALIFORNIA CITIES

INTRODUCTION

Housing affordability is an urgent issue in California, where a majority of renters (over 3 million households) pay more than 30 percent of their income toward rent and nearly one-third (over 1.5 million households) spend more than 50 percent of their income on rent. In addition, California's homeownership rates are at the lowest point since the 1940s. This has led many experts in the field to declare the current state of housing supply and affordability a crisis.

In his January 2017 budget proposal, Governor Brown set the tone and parameters for substantive action to address housing supply and affordability issues. He indicated that new and increased funding for housing must be instituted along with regulatory reform that streamlines local project approval processes and imposes more stringent measures of local accountability. These parameters guided legislative action throughout 2017, resulting in a package of bills signed into law.

Gov. Brown and state legislators made significant changes to local land-use processes and approved new sources of revenue for housing construction. Throughout the 2017 legislative session, the League advocated for proposals that preserved local authority while advancing much-needed housing development approvals.

This reference guide covers recent actions taken by the state Legislature to address the housing crisis and provides in-depth analysis and guidance on changes made to state and local land-use law that will affect city processes and functions related to housing development.

PART I. THE CALIFORNIA HOUSING CRISIS

Principal Causes of the Affordable Housing Shortage

Local governments are just one piece of the complex scenario that comprises the housing development process. Cities don't build homes — the private sector does. California's local governments must zone enough land in their General Plans to meet the state's projected housing need; however, cities don't control local market realities or the availability of state and federal funding needed to support the development of affordable housing. This is true not just in California but nationwide.

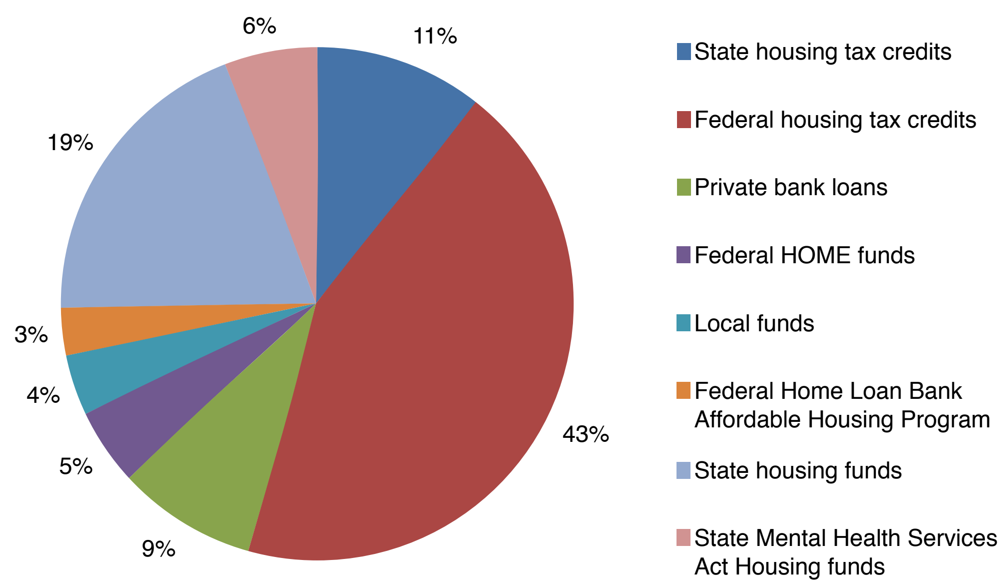
Significant barriers and disincentives constrain the production of affordable housing. These include:

- Lack of funding and subsidies needed to support housing that low- and moderate-income families can afford;
- Local and national economic and job market conditions; and
- Challenges for developers.

Lack of Funding and Subsidies for Affordable Housing

In addition to private sector financing, funding and subsidies to support the development of affordable housing come from two primary sources: federal and state government housing programs.

Sample Funding Mixes for Affordable Multifamily Developments



Source: California Department of Housing and Community Development, California's Housing Future: Challenges and Opportunities

It's extremely rare for a single affordable housing program to provide enough funding to finance an entire development, due to the costs of development and funding constraints and criteria that encourage developers to leverage other funds. The developer will typically apply for funding from multiple programs and private sector lenders that have overlapping policy goals and requirements. Private-sector lenders may also have additional criteria. The process of applying for and securing funding from multiple sources can add significantly to the lead time needed to start construction.

One multifamily development can easily need five to 10 funding sources to finance its construction. Developers generally layer financing from state and federal tax credits, state housing programs, local land donation and other local grants, federal housing programs and private loans from financial institutions. The chart "Sample Funding Mixes for Affordable Multifamily Developments" (below, left) offers an example of funding mixes for affordable multifamily developments.

Federal funding for affordable housing comprises a significant portion of California's resources to support affordable housing. However, due to pressures to cut federal spending and reduce the deficit, federal funding for housing has declined in recent years despite the increase in the number of severely cost-burdened, low-income renter households (which rose from 1.2 million in 2007 to 1.7 million in 2014). Between 2003 and 2015, Community Development Block Grant (CDBG) and HOME funds allocated to California by the U.S. Department of Housing and Urban Development (HUD) to produce affordable housing units have declined by 51 percent and 66 percent respectively (see "HUD Program Allocations to California 2003–2015" below).

Furthermore, few sources of affordable housing funding are stable or growing from year to year despite an increasing population and demand for housing. This funding uncertainty deters both efforts to address housing challenges in a sustained manner and developers' ability to build affordable housing.

The elimination of redevelopment agencies in California and the subsequent loss of over $5 billion in funding since 2011 compounded the state's affordable housing challenges. The state has never had a significant permanent source of affordable housing funding, and proceeds from the 2006 housing bond that helped create and preserve affordable apartments, urban infill infrastructure and single-family homes have been expended.

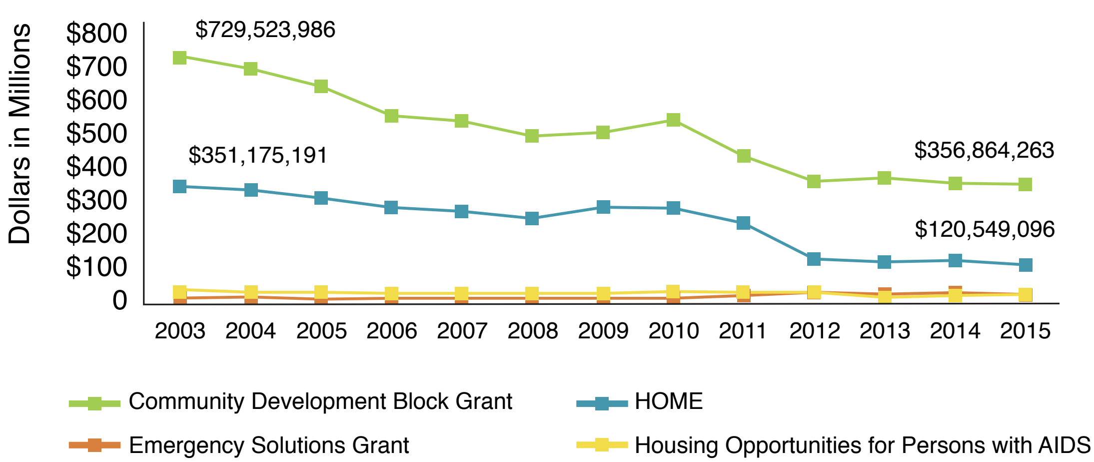
Local and National Economic and Job Market Conditions

Numerous factors contribute to local and national market conditions that affect the availability of affordable housing. The economic recovery from the Great Recession, when many middle-income families lost their homes to foreclosures, has occurred at different rates in communities throughout California. Areas with high-tech industry and some coastal areas recovered more rapidly than other regions.

continued

HUD Program Allocations to California 2003–2015

(Adjusted for Inflation)



Source: HUD Formula Program Allocations by State: 2003–2015 and *California Department of Housing and Community Development,* California's Housing Future: Challenges and Opportunities

Overall, the recovery has been uneven. Jobs in manufacturing and blue-collar industries have not fully rebounded, and jobs in the expanding service sector pay lower wages. Many households are still struggling to recover from the recession and home foreclosure crisis, and many recent college graduates are carrying significant debt — reducing their ability to purchase a home or pay rent.

Mortgage underwriting standards became more stringent in the aftermath of the foreclosure crisis, which can make it more difficult for potential homebuyers to qualify for the needed financing.

Some of the state's major homebuilders went out of business during the recession, leaving fewer companies to meet the demand for housing. Production of housing fell dramatically during the recession, which contributed significantly to a shortage of homes across the affordability spectrum. As the chart "Annual Production of Housing Units 2000–2015" (below) shows, housing "starts" statewide are at about half of pre-recession levels and fall far short of the state's projected need for 180,000 new homes per year.

Housing values also reflect the uneven recovery happening throughout the state. *The Wall Street Journal* recently compared home prices today to those of 2004. In San Jose, which is part of Silicon Valley where tech jobs pay top wages, prices are 54 percent higher than 2004 levels, but this is not so in areas hindered by a slower recovery from the recession. In Central Valley cities such as Stockton and Merced, housing prices are 21 and 16 percent lower respectively.

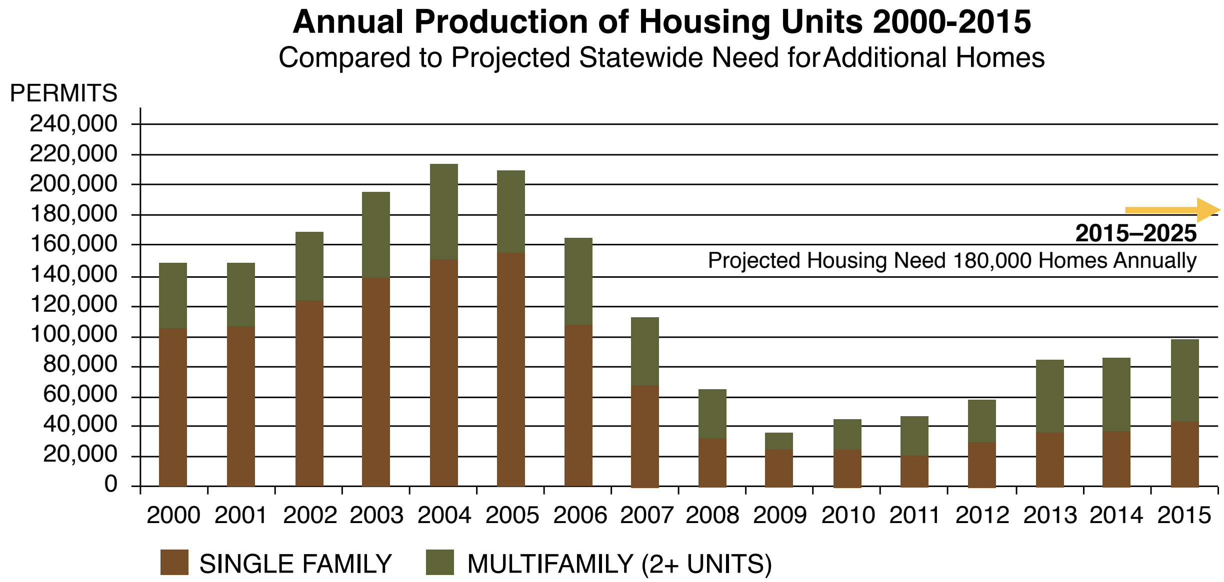
Challenges for Developers

In addition to funding challenges to develop affordable housing, other challenges further exacerbate the obstacles to development, including:

- Identifying an adequate supply of water;
- Complying with state regulations and energy standards, greenhouse gas reduction requirements and other environmental conditions;
- Competing with other developers to build high-end, more expensive housing;
- Infrastructure deficits;
- Market conditions, such as those described earlier; and
- The cost of land and construction.

Other Factors

In addition — but to a far lesser degree — factors at the local level can also impact the development of affordable housing. In some cities, new development requires voter approval. Community concerns about growth, density and preserving the character of an area may affect local development. Public hearings and other processing requirements add time to the approval timeline. Project opponents can use the environmental permitting process and litigation to limit or stop a project. However, the process of complying with the California Environmental Quality Act (CEQA) also serves to protect communities by ensuring that important environmental issues are identified and addressed.



Source: California Department of Housing and Community Development, California's Housing Future: Challenges and Opportunities

PART II. LEGISLATIVE RESPONSE: UNDERSTANDING THE CHANGES TO HOUSING AND LAND-USE LAWS

In an attempt to address some of the barriers to housing construction at the state and local level, lawmakers introduced more than 130 bills during the 2017 legislative session; many focused on constraining local land-use authority or eliminating local discretion. After months of negotiations and public hearings, 15 bills made it into the "housing package" and were signed by Gov. Brown. These bills fall into three main categories: funding, streamlining and local accountability. This section describes the most notable changes made to the state housing laws and identifies items or actions a city may want to consider in moving forward.

Funding Measures

The Legislature passed and Gov. Brown signed into law two key funding measures. The first, SB 2 (Atkins), imposes a new real estate recording fee to fund important affordable housing-related activities on a permanent, ongoing basis, effective Sept. 29, 2017. The second, SB 3 (Beall), places a $4 billion general obligation bond to fund housing on the November 2018 ballot and requires voter approval; if approved, funds likely will not be available until 2019.

SB 2 (Atkins, Chapter 364, Statutes of 2017) Building Homes and Jobs Act is projected to generate hundreds of millions of dollars annually for affordable housing, supportive housing, emergency shelters, transitional housing and other housing needs via a $75 to $225 recording fee on specified real estate documents.

In 2018, 50 percent of the funds collected are earmarked for local governments to update or create General Plans, Community Plans, Specific Plans, sustainable communities strategies and local coastal programs. Funds may also be used to conduct new environmental analyses that improve or expedite local permitting processes. The remaining 50 percent of the funds are allocated to the California Department of Housing and Community Development (HCD) to assist individuals experiencing or in danger of experiencing homelessness.

Beginning in 2019 and for subsequent years, 70 percent of the proceeds are allocated to local governments through the federal CDBG formula, so that the funds may be used to address housing needs at the local level. HCD will allocate the remaining 30 percent as follows: 5 percent for state incentive programs; 10 percent for farmworker housing; and 15 percent for the California Housing Finance Agency to create mixed-income multifamily residential housing for lower- to moderate-income households.

In consultation with stakeholders, HCD will adopt guidelines to implement SB 2 and determine methodologies to distribute funding allocations.

SB 3 (Beall, Chapter 365, Statutes of 2017) Veterans and Affordable Housing Bond Act of 2018 places a $4 billion general obligation bond on the November 2018 ballot to fund affordable housing programs and the veterans homeownership program (CalVet). If approved by voters, SB 3 would fund the following existing programs:

- Multifamily Housing Program — $1.5 billion, administered by HCD, to assist the new construction, rehabilitation and preservation of permanent and transitional rental housing for lower-income households through loans to local public entities and nonprofit and for-profit developers;
- Transit-Oriented Development Implementation Program — $150 million, administered by HCD, to provide low-interest loans for higher-density rental housing developments close to transit stations that include affordable units and as mortgage assistance for homeownership. Grants are also available to cities, counties and transit agencies for infrastructure improvements necessary for the development;
- Infill Incentive Grant Program — $300 million, administered by HCD, to promote infill housing developments by providing financial assistance for infill infrastructure that serves new construction and rehabilitates existing infrastructure to support greater housing density;
- Joe Serna, Jr. Farmworker Housing Grant Fund — $300 million, administered by HCD, to help finance the new construction, rehabilitation and acquisition of owner-occupied and rental housing units for agricultural workers;
- Local Housing Trust Fund Matching Grant Program — $300 million, administered by HCD, to help finance affordable housing by providing matching grants, dollar for dollar, to local housing trusts;
- CalHome Program — $300 million, administered by HCD, to help low- and very low- income households become or remain homeowners by providing grants to local public agencies and nonprofit developers to assist individual first-time homebuyers. It also provides direct loan forgiveness for development projects that include multiple ownership units and provides loans for property acquisition for mutual housing and cooperative developments;
- Self-Help Housing Fund — $150 million, administered by HCD. This program assists low- and moderate-income families with grants to build their homes with their own labor; and
- CalVet Home Loan Program — $1 billion, administered by the California Department of Veterans Affairs, provides loans to eligible veterans at below-market interest rates with few or no down payment requirements.

continued

Streamlining Measures

Gov. Brown made it very clear in the FY 2017–18 annual budget that he would not sign any housing funding bills without also expediting and streamlining the local housing permitting process. Lawmakers were eager to introduce measures to meet his demand. SB 35 (Wiener), SB 540 (Roth) and AB 73 (Chiu) take three different approaches to streamlining the housing approval process.

SB 35 (Wiener, Chapter 366, Statutes of 2017) streamlines multifamily housing project approvals, at the request of a developer, in a city that fails to issue building permits for its share of the regional housing need by income category. In a SB 35 city, approval of a qualifying housing development on qualifying site is a ministerial act, without CEQA review or public hearings.

Which Cities Must Streamline Housing Approvals Under SB 35?

Cities that meet the following criteria must approve qualifying multifamily housing projects that are consistent with objective planning and design review standards:

- The city fails to submit an annual housing element report for two consecutive years prior to the date when a development application is submitted; or
- HCD determines that the city issued fewer building permits than the locality's share of the Regional Housing Needs Allocation (RHNA) in each of the four income categories for that reporting period (the first four years or last four years of the eight-year housing element cycle).

Once eligibility has been determined, the development must be located on a site that:

- Is within a city that includes some portion of either an urbanized area (population 50,000 or more) or urban cluster (population at least 2,500 and less than 50,000);
- Has at least 75 percent of the perimeter adjoining parcels that are developed with urban uses; and
- Is zoned for residential use or residential mixed-use development or has a General Plan designation that allows residential use or a mix of residential and nonresidential uses, with at least two-thirds of the square footage of the development designated for residential use.

As set forth in the measure, "objective standards" involve "no personal or subjective judgment by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official."

After determining that the locality is subject to streamlining, development sites are excluded if they are located in any of the following areas:

- Coastal zone;
- Prime farmland or farmland of statewide importance;
- Wetlands;
- Very high or high fire hazard severity zone;
- Delineated earthquake fault zone, unless the development complies with applicable seismic protection building code standards;
- Hazardous waste site, unless the state Department of Toxic Substances Control has cleared the site for residential use or residential mixed uses;
- Floodplain or floodway, unless the development has been issued a floodplain development permit or received a no-rise certification; and
- Lands under conservation easement.

In addition, development sites are excluded if they would demolish:

- A historic structure;
- Any housing occupied by tenants in the past 10 years; or
- Housing that is subject to rent or price control.

To be eligible for streamlining, the housing development must:

- Be on a qualifying site;
- Abide by certain inclusionary requirements (10 percent must be affordable to households earning 80 percent or less of area median income or 50 percent must be affordable to households earning 80 percent or less of area median income, depending upon the city's past approval of above-moderate income and lower-income housing, respectively); and
- Pay prevailing wages and use a "skilled and trained workforce."

Ministerial Approval

If a city determines that development is in conflict with "objective planning standards," then it must provide written documentation within 60 days of submittal if the development contains 150 or fewer housing units and within 90 days of submittal if the development contains more than 150 housing units.

Approvals must be completed within 90 to 180 days (depending on the number of units in housing development), must be ministerial and not subject to CEQA.

No parking requirements can be imposed on an SB 35 housing development project if it is located:

- Within a half-mile of public transit;
- Within an architecturally and historically significant historic district;
- In an area where on-street parking permits are required but not offered to the occupants of the development; or
- Where there is a car-share vehicle located within one block of the development.

One parking space per unit can be required of all other SB 35 projects.

How Long Does the Approval Last?

The approval does not expire if the project includes public investment in housing affordability beyond tax credits where 50 percent of units are affordable to households earning less than 80 percent of area median income (AMI).

If the project does not include 50 percent of units affordable to households earning less than 80 percent of AMI, approval automatically expires in three years except for a one-year extension if significant progress has been made in preparing the development for construction (such as filing a building permit application).

All approvals remain valid for three years and as long as vertical construction has begun and is in progress.

Opportunities and Considerations

Even though SB 35 makes significant changes to existing law, it is important to consider the following:

- All proposed projects seeking streamlining must be consistent with a jurisdiction's objective zoning standards and objective design review standards. If these standards are outdated or in need of revisions, there is opportunity to do so;
- If a jurisdiction does not have "objective zoning standards and objective design review standards," it may want to create them given that discretionary review is prohibited; and
- Funding assistance will be available in mid- to late 2019 under SB 2 (Atkins, Chapter 364, Statutes of 2017) for updating planning documents, including General Plans, Community Plans, Specific Plans, sustainable communities strategies and local coastal programs. HCD is currently establishing funding guidelines.

SB 540 (Roth, Chapter 369, Statutes of 2017) streamlines the housing approval process by allowing jurisdictions to establish Workforce Housing Opportunity Zones (WHOZs), which focus on workforce and affordable housing in areas close to jobs and transit and conform to California's greenhouse gas reduction laws. SB 540's objective is to set the stage for approval of housing developments by conducting all of the necessary planning, environmental review and public input on the front end through the adoption of a detailed Specific Plan. SB 540 provides the development community with certainty that for a five-year period, development consistent with the plan will be approved without further CEQA review or discretionary decision-making.

How Does the Streamlining Process Work?

Jurisdictions that opt in outline an area of contiguous or noncontiguous parcels that were identified in the locality's housing element site inventory. All development that occurs within the WHOZ must be consistent with the Specific Plan for the zone and the adopted sustainable communities strategy (SCS) or an alternative planning strategy (APS). See "About the Sustainable Communities Strategy and Alternative Planning Strategy" below for more information.

continued

About the Sustainable Communities Strategy and Alternative Planning Strategy

Under the Sustainable Communities Act, the California Air Resources Board (ARB) sets regional targets for greenhouse gas emissions reductions from passenger vehicle use. In 2010, ARB established these targets for 2020 and 2035 for each region covered by one of the state's metropolitan planning organizations (MPOs).

Each MPO must prepare a sustainable communities strategy (SCS) as an integral part of its regional transportation plan (RTP). The SCS contains land use, housing and transportation strategies that, if implemented, would allow the region to meet its greenhouse gas emission reduction targets. If the combination of measures in the SCS would not meet the regional targets, the MPO must prepare a separate alternative planning strategy (APS) to meet the targets.

The process for establishing a WHOZ is:

- Prepare and adopt a detailed Specific Plan and environmental impact report (EIR);
- Identify in the Specific Plan uniformly applied mitigation measures for traffic, water quality, natural resource protection, etc.;
- Identify in the Specific Plan uniformly applied development policies such as parking ordinances, grading ordinances, habitat protection, public access and reduction of greenhouse gas emissions;
- Clearly identify design review standards in the Specific Plan; and
- Identify a source of funding for infrastructure and services.

Not more than 50 percent of a jurisdiction's RHNA may be included in a WHOZ that accommodates 100 to 1,500 units.

The Specific Plan and EIR are valid for five years. After five years, the jurisdiction must review the plan and EIR, including conducting the CEQA analysis required in Public Resources Code section 21166, in order to extend the WHOZ for five additional years.

For a development project to receive streamlining within the WHOZ, the project must:

- Be consistent with the SCS;
- Comply with the development standards in the Specific Plan for the WHOZ;
- Comply with the mitigation measures in the Specific Plan for the WHOZ:
- Be consistent with the zonewide affordability requirements — at least 30 percent of the units affordable to moderate or middle-income households, 15 percent of the units affordable to lower-income households and 5 percent of the units affordable for very low-income households. No more than 50 percent of the units may be available to above-moderate-income households;
- Within developments affordable to households of above-moderate income, include 10 percent of units for lower-income households unless local inclusionary ordinance requires a higher percentage; and
- Pay prevailing wages.

If a developer proposes a project that complies with all of the required elements, a jurisdiction must approve the project without further discretionary or CEQA review unless it identifies a physical condition that would have a specific adverse impact on public health or safety.

AB 73 (Chiu, Chapter 371, Statutes of 2017) streamlines the housing approval process by allowing jurisdictions to create a housing sustainability district to complete upfront zoning and environmental review in order to receive incentive payments for development projects that are consistent with the ordinance. AB 73 is similar to SB 540 in concept; however, there are several key differences; for example, in AB 73:

- The housing sustainability district is a type of housing overlay zone, which allows for the ministerial approval of housing that includes 20 percent of units affordable to very low-, low- and moderate-income households;
- The ordinance establishing the housing sustainability district requires HCD approval and must remain in effect for 10 years;
- A Zoning Incentive Payment (unfunded) is available if HCD determines that approval of housing is consistent with the ordinance; and
- Developers must pay prevailing wages and ensure the use of a skilled and trained workforce.

Accountability Measures

The third aspect of the Legislature and the governor's housing package pertains to bills that seek to hold jurisdictions accountable for the lack of housing construction in their communities. While this view fails to acknowledge the many factors that affect housing construction and are beyond the

To make continued progress on housing in 2018, legislators should also consider creating more tools for local governments to fund infrastructure and affordable housing.

control of local government, the following measures significantly change existing law.

SB 167 (Skinner, Chapter 368, Statutes of 2017), AB 678 (Bocanegra, Chapter 373, Statutes of 2017), and AB 1515 (Daly, Chapter 378, Statutes of 2017) are three measures that were amended late in the 2017 legislative session to incorporate nearly all of the same changes to the Housing Accountability Act (HAA). The HAA significantly limits the ability of a jurisdiction to deny an affordable or market-rate housing project that is consistent with existing planning and zoning requirements (see "About the Housing Accountability Act" below). These measures amend the HAA as follows:

- Modifies the definition of mixed-use development to apply where at least two-thirds of the square footage is designated for residential use;
- Modifies the findings requirement to deny a housing development project to be supported by a preponderance of the evidence, rather than by substantial evidence in the record;
- Defines "lower density" to mean "any conditions that have the same effect or impact on the ability of the project to provide housing;"
- Requires an applicant to be notified if the jurisdiction considers a proposed housing development project to be inconsistent, not in compliance, or not in conformity with an applicable plan, program, policy, ordinance, standard, requirement or other similar provision. The jurisdiction must provide such notice within 30 days of the application being determined complete for a project with 150 or fewer housing units, and within 60 days for project with more than 150 units. If the jurisdiction fails to provide the required notice, the project is deemed consistent, compliant and in conformity with the applicable plan, program, policy ordinance, standard, requirement or other similar provision: and
- Deems a housing development project "consistent, compliant and in conformity with an applicable plan, program, policy, ordinance, standard, requirement or other similar provision if there is substantial evidence that would allow a reasonable person to conclude that the housing development project is consistent, compliant or in conformity."

SB 167, AB 678 and AB 1515 also provide new remedies for a court to compel a jurisdiction to comply with the HAA:

- If a court finds that a jurisdiction's findings are not supported by a preponderance of the evidence, the court must issue an order compelling compliance within 60 days. The court may issue an order directing the jurisdiction to approve the housing development project if the court finds that the jurisdiction acted in bad faith when it disapproved or conditionally approved the housing development project;
- If a jurisdiction fails to comply with the court order within 60 days, the court must impose fines on the jurisdiction at a minimum of $10,000 per unit in the housing development project on the date the application was deemed complete;
- If a jurisdiction fails to carry out a court order within 60 days, the court may issue further orders including an order to vacate the decision of the jurisdiction and to approve the housing development project as proposed by the applicant at the time the jurisdiction took the action determined to violate the HAA along with any standard conditions; and
- If the court finds that a jurisdiction acted in bad faith when it disapproved or conditionally approved a housing project and failed to carry out the court's order or judgment within 60 days, the court must multiply the $10,000 per-unit fine by a factor of five. "Bad faith includes but is not limited to an action that is frivolous or otherwise entirely without merit."

continued

About the Housing Accountability Act

The Housing Accountability Act states, "The Legislature's intent in enacting this section in 1982 and in expanding its provisions since then was to significantly increase the approval and construction of new housing for all economic segments of California's communities by meaningfully and effectively curbing the capability of local governments to deny, reduce the density of or render infeasible housing development projects. This intent has not been fulfilled."

Other Measures of Importance

In addition to the notable bills described here, Gov. Brown signed several other measures that provide new inclusionary powers to local governments, require additional General Plan reporting, increase housing element requirements and expand HCD's ability to review actions taken at the local level.

AB 1505 (Bloom, Chapter 376, Statutes of 2017) allows a jurisdiction to adopt an ordinance that requires a housing development to include a certain percentage of residential rental units affordable to and occupied by households with incomes that do not exceed limits for households with extremely low, very low, low or moderate income (see "AB 1505 Offers Solution to Palmer Decision" below). Such an ordinance must provide alternative means of compliance such as in-lieu fees, off-site construction, etc.

HCD may review any inclusionary rental housing ordinance adopted after Sept. 15, 2017, as follows:

- If the ordinance requires more than 15 percent to be occupied by households earning 80 percent or less of area median income and the jurisdiction failed to either meet at least 75 percent of its share of its above-moderate income RHNA (prorated based on the length of time within the planning period) or submit a General Plan annual report;
- HCD may request an economic feasibility study with evidence that such an ordinance does not unduly constrain the production of housing; and
- Within 90 days of submission of the economic feasibility study, HCD must decide whether the study meets the section's requirements. If not, the city must limit the ordinance to 15 percent low-income.

AB 1505 Offers Solution to Palmer Decision

The court in *Palmer/Sixth Street Properties L.P. v. City of Los Angeles,* (2009) 175 Cal. App. 4th 1396, invalidated a Los Angeles inclusionary housing requirement contained in a Specific Plan for an area of the city as applied to rental units on the basis that its pricing controls violated the Costa-Hawkins Act, which outlawed traditional rent control in new buildings in California. The court reasoned that the Costa-Hawkins Act pre-empted the application of inclusionary housing ordinances to rental housing. As a result of the decision, many cities with inclusionary housing ordinances suspended or amended their ordinances as applied to rental units; some adopted affordable housing rental impact fees. AB 1505 offers a solution and response to the *Palmer* decision.

AB 879 (Grayson, Chapter 374, Statutes of 2017) expands upon existing law that requires, by April 1 of each year, general law cities to send an annual report to their respective city councils, the state Office of Planning and Research (OPR) and HCD that includes information related to the implementation of the General Plan, including:

- The city's progress in meeting its share of RHNA;
- The city's progress in removing governmental constraints to the maintenance, improvement and development of housing; and
- Actions taken by the city toward completion of the programs identified in its housing element and the status of the city's compliance with the deadlines in its housing element.

Under AB 879, all cities including charter cities must submit an annual report containing the above information. In addition, cities must also provide the following new information in the annual report:

- The number of housing development applications received in the prior year;
- The number of units included in all development applications in the prior year;
- The number of units approved and disapproved in the prior year;
- A listing of sites rezoned to accommodate that portion of the city's RHNA for each income level that could not be accommodated in its housing element inventory and any additional sites identified under the "no net loss" provisions;
- The net number of new units of housing that have been issued a "completed entitlement," building permit or certificate of occupancy thus far in the housing element cycle (identified by the Assessor's Parcel Number) and the income category that each unit of housing satisfied (distinguishing between rental and for-sale units);
- The number of applications submitted under the new processing provided for by Section 65913.4 (enacted by SB 35), the location and number of developments approved pursuant to this new process, the total number of building permits issued pursuant to this new process and total number of units constructed pursuant to this new process; and
- The number of units approved within a Workforce Housing Opportunity Zone.

AB 879 also requires cities to include additional information when they submit their housing element to HCD, including:

- An analysis of governmental constraints that must include local ordinances that "directly impact the cost and supply of residential development"; and
- An analysis of nongovernmental constraints that must include requests to develop housing at densities below those anticipated in site inventory and the length of time between receiving approval for housing development and submittal of an application for building permit. The analysis must also include policies to remove nongovernmental constraints.

AB 1397 (Low, Chapter 375, Statutes of 2017) makes numerous changes to how a jurisdiction establishes its housing element site inventory. These changes include the following:

- Sites must be "available" for residential development and have "realistic and demonstrated" potential for redevelopment;
- Parcels must have sufficient water, sewer and dry utilities or part of a mandatory program to provide such utilities;
- Places restrictions on using nonvacant sites as part of the housing element inventory;
- Places limitations on continuing identification of nonvacant sites and certain vacant sites that have not been approved for housing development; and
- Stipulates that lower-income sites must be between one-half acre and 10 acres in size unless evidence is provided that a smaller or larger site is adequate.

AB 72 (Santiago, Chapter 370, Statutes of 2017) provides HCD new broad authority to find a jurisdiction's housing element out of substantial compliance if it determines that the jurisdiction fails to act in compliance with its housing element and allows HCD to refer violations of law to the attorney general. Specifically, AB 72:

- Requires HCD to review any action or failure to act by a jurisdiction that it determines is "inconsistent" with an adopted housing element or Section 65583, including any failure to implement any program actions included in the housing element;
- Requires HCD to issue written findings to the city as to whether the jurisdiction's action or failure to act complies with the jurisdiction's housing element or Section 65583 and provides no more than 30 days for the jurisdiction to respond to such findings. If HCD finds that the jurisdiction does not comply, then HCD can revoke its findings of compliance until the jurisdiction comes into compliance; and
- Provides that HCD may notify the attorney general that the jurisdiction is in violation of the Housing Accountability Act, Sections 65863, 65915 and 65008.

continued

Related Resources

For additional information and links to related resources, visit www.cacities.org/housing.

Looking Ahead

While it may appear that Gov. Brown and the Legislature made great progress in addressing the housing supply and affordability crisis gripping many regions of the state, the reality is somewhat more mixed. The passage of the 2017 housing package does not signal the end of the policy discussion. Aside from various incentive and funding measures, a portion of the housing package responded to a theme, championed by several advocacy groups and academics, that the local planning and approval process is the major cause of the state currently producing 100,000 units fewer annually than pre-recession levels. From a local government perspective, that assertion is incomplete and inaccurate. Going forward, it is time to dig deeper.

The legislative focus in 2017 lacked an exploration of other economic factors affecting the housing market. The foreclosure crisis resulted in displaced homeowners with damaged credit, widespread investor conversions of foreclosed single-family units into rentals and increasingly stringent lending criteria. Demographic factors may also affect demand as baby boomers with limited retirement savings and increased health-care costs approach retirement age. Younger residents, saddled with student debt, face challenges saving for down payments. Manufacturing and other higher-wage jobs are stagnating and being replaced via automation and conversion to a lower-wage service economy. Fewer skilled construction workers are available after many switched occupations during the recession.

Also missing in 2017 was a deeper examination of how other state policies intended to address legitimate issues affect land availability and the cost of housing. These include laws and policies aimed at limiting sprawl and protecting agricultural, coastal and open-space land from development; and building codes, energy standards, disabled access, wage requirements and other issues.

The funding for affordable housing approved during the 2017 session was certainly welcome — yet given the demand, it falls far short of the resources needed. It is unlikely, however, that cities can expect additional state funding for housing — other than the housing bond on the November ballot — from the Legislature in 2018.

Although many changes were made to the planning and approval process in 2017, local governments are still waiting for the market to fully recover and developers to step forward and propose housing projects at the levels observed prior to the recession. In 2018, a fuller examination by the Legislature is needed to explore the reasons why developers are not proposing projects at the pre-recession levels. Local governments cannot approve housing that is not proposed.

To make continued progress on housing in 2018, legislators should also consider creating more tools for local governments to fund infrastructure and affordable housing. Some legislators have begun discussing the need to restore a more robust redevelopment and affordable housing tool for local agencies, and that is encouraging. Reducing the local vote thresholds for infrastructure and affordable housing investments would also be helpful.

For more information, visit www.cacities.org/housing or contact Jason Rhine, legislative representative; phone: (916) 658-8264; email: jrhine@cacities.org. ■

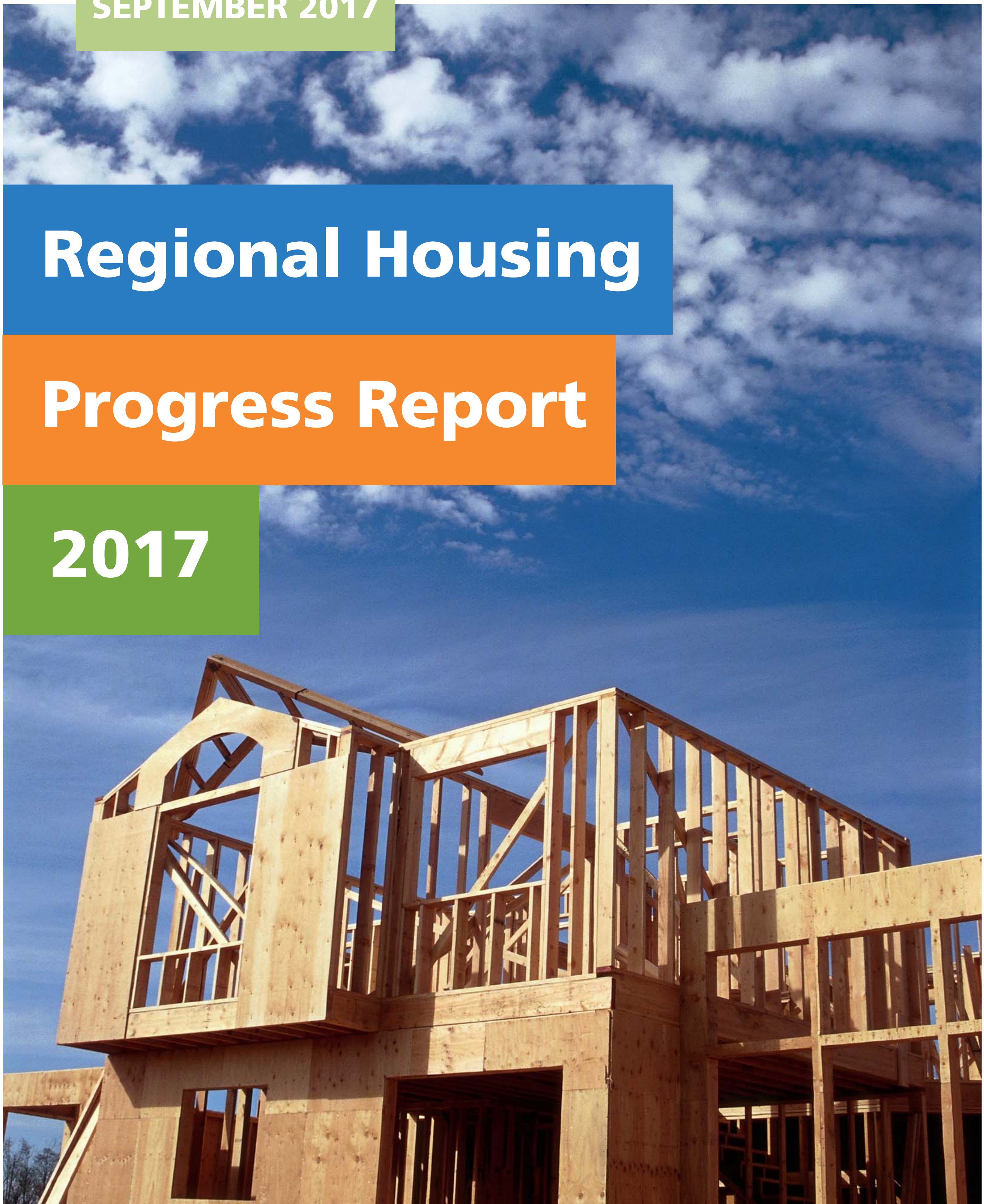
Acknowledgments

Part I of this document is excerpted and adapted from “Finding Solutions to the Affordable Housing Crisis” by Carolyn Coleman, which appeared in the March 2017 issue of *Western City* magazine, the monthly publication of the League of California Cities online at www.westerncity.com.

©2017 League of California Cities. All rights reserved.

SEPTEMBER 2017

Regional Housing Progress Report 2017



Draft

SANDAG

401 B STREET, SUITE 800 | SAN DIEGO, CA 92101-4231 | T (619) 699-1900 | F (619) 699-6905 | SANDAG.ORG

BOARD OF DIRECTORS

SANDAG

The 18 cities and county government are SANDAG serving as the forum for regional decision-making. SANDAG builds consensus; plans, engineers, and builds public transit; makes strategic plans; obtains and allocates resources; and provides information on a broad range of topics pertinent to the region's quality of life.

CHAIR
Hon. Ron Roberts

VICE CHAIR
Hon. Terry Sinnott

CHIEF DEPUTY EXECUTIVE DIRECTOR
Kim Kawada

CITY OF CARLSBAD
Hon. Matt Hall, Mayor
(A) Hon. Keith Blackburn, Mayor Pro Tem
(A) Hon. Cori Schumacher, Councilmember

CITY OF CHULA VISTA
Hon. Mary Salas, Mayor
(A) Hon. Steve Padilla, Councilmember
(A) Hon. John McCann, Councilmember

CITY OF CORONADO
Hon. Richard Bailey, Mayor
(A) Hon. Bill Sandke, Councilmember
(A) Hon. Carrie Downey, Councilmember

CITY OF DEL MAR
Hon. Terry Sinnott, Mayor
(A) Hon. Ellie Haviland, Councilmember
(A) Hon. Dave Druker, Councilmember

CITY OF EL CAJON
Hon. Bill Wells, Mayor
(A) Hon. Steve Goble, Councilmember

CITY OF ENCINITAS
Hon. Catherine Blakespear, Mayor
(A) Hon. Tony Kranz, Deputy Mayor
(A) Hon. Tasha Boerner Horvath, Councilmember

CITY OF ESCONDIDO
Hon. Sam Abed, Mayor
(A) Hon. John Masson, Councilmember
(A) Hon. Ed Gallo, Councilmember

CITY OF IMPERIAL BEACH
Hon. Serge Dedina, Mayor
(A) Hon. Ed Spriggs, Mayor Pro Tem
(A) Hon. Robert Patton, Councilmember

CITY OF LA MESA
Hon. Kristine Alessio, Councilmember
(A) Hon. Bill Baber, Councilmember
(A) Hon. Colin Parent, Councilmember

CITY OF LEMON GROVE
Hon. Jerry Jones, Councilmember
(A) Hon. Jennifer Mendoza, Mayor Pro Tem
(A) Hon. Racquel Vasquez, Mayor

CITY OF NATIONAL CITY
Hon. Ron Morrison, Mayor
(A) Hon. Alejandra Sotelo-Solis, Councilmember
(A) Hon. Mona Rios, Councilmember

CITY OF OCEANSIDE
Hon. Jim Wood, Mayor
(A) Hon. Chuck Lowery, Deputy Mayor
(A) Hon. Jerry Kern, Councilmember

CITY OF POWAY
Hon. Steve Vaus, Mayor
(A) Hon. Jim Cunningham, Councilmember
(A) Hon. John Mullin, Councilmember

CITY OF SAN DIEGO
Hon. Kevin Faulconer, Mayor
(A) Hon. Lorie Zapf, Councilmember
(A) Hon. Chris Cate, Councilmember
Hon. Myrtle Cole, Council President
(A) Hon. Barbara Bry, Councilmember
(A) Hon. Georgette Gomez, Councilmember

CITY OF SAN MARCOS
Hon. Jim Desmond, Mayor
(A) Hon. Chris Orlando, Councilmember
(A) Hon. Kristal Jabara, Councilmember

CITY OF SANTEE
Hon. John Minto, Mayor
(A) Hon. Ronn Hall, Councilmember
(A) Hon. Rob McNelis, Councilmember

CITY OF SOLANA BEACH
Hon. David A. Zito, Councilmember
(A) Hon. Jewel Edson, Councilmember
(A) Hon. Mike Nichols, Mayor

CITY OF VISTA
Hon. Judy Ritter, Mayor
(A) Hon. John Aguilera, Councilmember
(A) Hon. Amanda Rigby, Councilmember

COUNTY OF SAN DIEGO
Hon. Dianne Jacob, Chair
(A) Hon. Bill Horn, Supervisor
Hon. Ron Roberts, Supervisor
(A) Hon. Greg Cox, Supervisor
(A) Hon. Kristin Gaspar, Vice Chair

ADVISORY MEMBERS

IMPERIAL COUNTY
Hon. John Renison, Supervisor, District 1
(A) Mark Baza, Imperial County Transportation Commission

CALIFORNIA DEPARTMENT OF TRANSPORTATION
Malcolm Dougherty, Director
(A) Laurie Berman, District 11 Director
(A) Ann Fox, Deputy Director

METROPOLITAN TRANSIT SYSTEM
Harry Mathis, Chair
(A) Hon. Mona Rios

NORTH COUNTY TRANSIT DISTRICT
Hon. Rebecca Jones, Chair
(A) Hon. Ed Gallo
(A) Hon. Jewel Edson

U.S. DEPARTMENT OF DEFENSE
Joe Stuyvesant, Navy Region Southwest Executive Director
(A) Steve Chung, Navy Region Southwest

SAN DIEGO UNIFIED PORT DISTRICT
Hon. Garry Bonelli, Commissioner
(A) Hon. Rafael Castellanos, Commissioner

SAN DIEGO COUNTY WATER AUTHORITY
Mark Muir, Chair
(A) Jim Madaffer, Vice Chair
(A) Christy Guerin, Director

SOUTHERN CALIFORNIA TRIBAL CHAIRMEN'S ASSOCIATION
Hon. Cody Martinez, Chairman,
Sycuan Band of the Kumeyaay Nation
Hon. Robert Smith, Chairman,
Pala Band of Mission Indians

MEXICO
Hon. Marcela Celorio,
Cónsul General of Mexico
(A) Vacant
Deputy Cónsul General of Mexico
(A) Hon. Ruth Alicia López, Vice Cónsul

DRAFT

Table of Contents

DRAFT

DRAFT

Purpose

2017 Regional Housing Progress Report

The *2017 Regional Housing Progress Report* serves two purposes. First, the report is used to meet the requirements set forth in the San Diego Association of Governments (SANDAG) Board Policy No. 033: Implementation Guidelines for SANDAG Regional Housing Needs Assessment Funding Incentives. Board Policy No. 033 provides specific provisions regarding the calculation of points for SANDAG competitive discretionary funding for local jurisdiction plans and projects. Incentives are provided in relation to local jurisdiction housing element compliance and factors related to the planning and production of lower income housing. Section 4.2 of Board Policy No. 033 requires every local jurisdiction in the San Diego region to submit its Housing Element Annual Progress Report to be eligible for its incentive points, and requires SANDAG to prepare an annual Regional Housing Progress Report. This report provides information that will be used in evaluating applications for SANDAG funding programs that are subject to Board Policy No. 033. The housing data collected from each jurisdiction will be used in the calculation of Board Policy No. 033 incentive points for the SANDAG grant programs for the *TransNet* Smart Growth Incentive Program (SGIP) and *TransNet* Active Transportation Grant Program (ATGP). The fourth call for projects for the program will be issued in December 2017.

Second, the report provides an overview of housing permitting and construction over the past 14 years. The information provided in this report includes the number of housing units permitted in the very-low, low, moderate, and above-moderate income categories in the San Diego region and by jurisdiction between January 1, 2003, and December 31, 2016, as well as data from the Regional Affordable Housing Inventory prepared by the San Diego Housing Federation. The report compares the number of housing units permitted in relation to 2010-2020 Regional Housing Needs Assessment Plan (RHNA) housing goals.

Background

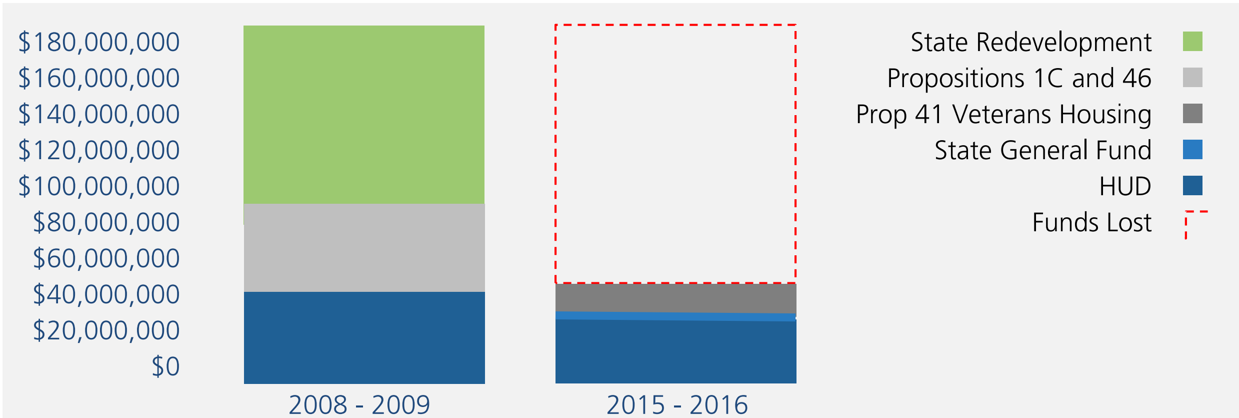
Housing in the San Diego Region

Housing development in the San Diego region has continued its slow recovery. While the region has seen growth in permits issued for above moderate income housing units in the past several years, the region has not seen a substantial increase in the permitting or construction of housing affordable to very-low, low, and moderate income households. The lack of affordable housing development has had a detrimental effect on the ability of San Diego residents to purchase or rent a home. More than 70 percent of San Diegans cannot currently afford a median priced home[1], and over the last several years, rent prices have increased at a pace significantly higher than wage increases.[2]

Locating and allocating funding for affordable housing development continues to be an issue. As shown in Figure 1, the loss of State of California Redevelopment funds and the conclusion of State Bond programs have accounted for a large portion of the loss of funding for housing construction in the San Diego region.[2] These funding sources were a driver of affordable housing construction, and without them, affordable housing development has not recovered to at the same pace as the rest of the housing market.

[1] *Addressing the Housing Affordability Crisis in San Diego and Beyond*, San Diego Housing Commission, November 2015
[2] *San Diego County Renters in Crisis: A Call for Action*, California Housing Partnership and San Diego Housing Federation, May 2017

Figure 1
San Diego County Lost 69% of State and Federal Funding for Housing Production and Preservation From FY 2008-09 to FY 2015-16



Funding Source	FY 2008 - 2009	FY 2015- 2016	% Change
State Redevelopment	$90,581.576	$0	-100%
State Housing Bonds and Housing Programs	$35,837,777	$17,991,618	-50%
U.S. Department of Housing and Urban Development	$52,658,415	$37,160,333	-29%
Total	$179,077,768	$55,151,951	-69%

Source: California Housing Partnership Corporation analysis of 2008-2009 annual Department of Housing and Community Development (HCD) Redevelopment Housing Activities Report; 2008-2009 and 2015-2016 annual HCD Financial Assistance Programs Reports; Department of Housing and Urban Development Office of Community Planning and Development Appropriations Budget data for fiscal years 2009 and 2016.

In an effort to offset this loss, the State of California created the Affordable Housing and Sustainable Communities program to provide grants and loans for compact, transit-oriented affordable housing development and related infrastructure that reduce greenhouse gas (GHG) emissions. Through two rounds of funding the State has awarded over $440 million for housing and transportation projects. Recent state legislation has attempted to identify a continuous funding source for affordable housing and provide streamlined review and permitting processes for affordable housing development.

Additionally, SANDAG grant programs support local jurisdictions' efforts to meet the region's affordable housing needs. Implementation of projects funded by the *TransNet* SGIP, in particular, are intended to help catalyze affordable housing production; provide more housing and transportation choices; create more compact, walkable, and bicycle-friendly communities that are accessible by public transportation; and help the region meet the GHG reduction targets set in San Diego Forward: The Regional Plan. In addition, both the SGIP and ATGP are subject to SANDAG Board Policy No. 033, which rewards the planning and production of affordable housing.

In response to the ongoing housing issues, local governments are amending their regulatory processes to encourage more affordable housing development in their cities. Streamlined approval processes, density bonus allowances, new funding opportunities, secondary unit development, and other actions are meant to allow for more housing construction and assist in improving housing options throughout the region.

DRAFT

SANDAG Board Policy No. 033

SANDAG Board Policy No. 033 (Appendix A), was initially approved by the SANDAG Board of Directors in April 2006 and amended in 2008, 2012, and November 2015. The policy contains four criteria used in the evaluation of applications submitted for SGIP and ATGP funding (and other competitive grant funds allocated to local jurisdictions) related to each jurisdiction's efforts to plan for and produce lower income housing. The Board Policy No. 033 incentive points account for 25 percent of the total points available in the funding programs. The scoring criteria in Board Policy No. 033 describe in detail how the incentive points are calculated. Each criterion is assigned a value of one-fourth of the total incentive points. The four criteria are:

- **Greater RHNA Share Taken** – Jurisdictions with an assigned Lower-Income RHNA percentage higher than the regional average of lower income households shall be eligible to receive these points based on the following percentages.
  - Jurisdictions at or above 39.6 percent (the regional average) are eligible for the points in this criterion
  - Jurisdictions below 39.6 percent are not eligible for any points in this criterion
- **Regional Share of Cumulative Total of Lower-Income Units Produced** – Number of lower-income units produced over the most recent five-year period (January 1, 2012 - December 31, 2016, for the current/upcoming calls for projects) as a percentage share of the regional total lower-income housing units produced.
- **Total Number of Affordable Housing Units** – The actual number of total Affordable Housing Units as a percentage of Total Housing Unit Estimates in each jurisdiction. The total affordable housing units will be taken from the most current version of the Affordable Housing Inventory as prepared by the San Diego Housing Federation based on information provided to the SDHF by the 19 jurisdictions.
- **Percent of Lower Income Households** – Percent of lower (very low and low) income households based on the 2010 Census (or most recent American Community Survey [ACS] data).

To be eligible to receive the RHNA funding incentive points for the competitive funding programs in the following calendar year, Section 4.2 of Board Policy No. 033 requires every local jurisdiction in the San Diego region to complete and submit its Housing Element Annual Progress Report to SANDAG. This report is required by state law to be submitted to the California Department of Housing and Community Development (HCD) on April 1 of each year, and contains information and data on New Housing Units Permitted in all four incomes. The jurisdiction also must have received a letter of compliance for their housing element from HCD to be considered eligible for the RHNA funding incentive points. Jurisdictions whose housing elements are incomplete or out of compliance may compete for funds subject to Board Policy No. 033, but are not eligible to receive any Board Policy No. 033 points (25 % of the total points associated with grant programs subject to Board Policy No. 033).

The housing data in this report was collected for use in the evaluation of grant applications in the fourth cycle of competitive grant funding for the *TransNet* SGIP and ATGP. The data will also be used to inform the Housing section of the Regional Plan Performance Monitoring Report, expected to be completed in 2018.

Regional Housing Data Collection

Requests to Local Jurisdictions for Housing Data

In May 2017, SANDAG sent requests to each of the 19 local jurisdictions in the San Diego region for the following housing data for calendar years 2014, 2015, and 2016:

- **New Building Permits Issued** - Building permits issued for new very low, low, moderate, and above-moderate income housing units. This information is found in Table B of the state Housing Element Annual Progress Report.
- **Acquisition/Rehabilitation Units** - Units acquired, rehabilitated, and deed-restricted for very low and/or low income households.
- **Preserved At-Risk Units** - Preserved units "at-risk" of conversion to market rate uses that are deed-restricted to very low and low income households.

Methodology

The *2017 Regional Housing Progress Report* updates the previous *Regional Housing Progress Report 2003-2013*. To update the previous report, data were compiled for New Building Permits Issued and Acquisition/Rehabilitation Units for the local jurisdictions in the San Diego region between January 1, 2014, and December 31, 2016 (three calendar years). Each local jurisdiction supplied these data in their Housing Element Annual Progress Reports, along with supplemental information regarding Acquisition/Rehabilitation Units and Preserved At-Risk Units. The revised criteria in Board Policy No. 033 allows for one full unit of credit for the net increase in Acquisition/Rehabilitation Units and Preserved At-Risk Units in the calculation of incentive points.

The *2017 Regional Housing Progress Report* includes housing data collected by SANDAG from January 1, 2003, through December 31, 2016, and provides an update on the regional progress toward the first seven years of the fifth RHNA projection period (January 1, 2010 to December 31, 2020).

Data collected by SANDAG for new building permits issued is consistent with the figures provided in the Housing Element Annual Progress Reports sent to HCD. However, data collected by SANDAG for Acquisition/Rehabilitation and Preserved At-Risk Units is only for the purposes of Board Policy No. 033 calculations for the SANDAG grant programs.

For the purposes of calculating Board Policy No. 033 incentive points, SANDAG collected the following housing data from local jurisdictions:

- New Building Permits Issued (deed-restricted only)
- Acquisition/Rehabilitation Units (deed-restricted)
- Preserved At-Risk Units (deed-restricted)

The housing data were then entered and used to calculate Board Policy No. 033 incentive points for the four criteria for the ATGP (using a 200 point scale) and SGIP (using a 300 point scale for capital projects and a 200 point scale for planning projects). The resulting calculations show the allocation of Board Policy No. 033 incentive points for each jurisdiction for both programs. The calculations shown in Appendix B1, B2, and B3 are weighted based on the thresholds and banding prescribed for each criterion, and assumes a 50 point scale (25% of a possible 200 points for the ATGP and SGIP planning projects) and a 75 point scale (25% of a possible 300 points for the SGIP capital projects).

DRAFT

The point scale used for each grant is subject to change, based on the adopted guidelines for the ATGP and SGIP. If the point scale changes, SANDAG will update this document to reflect the current point scale.

Progress Made Towards RHNA Goals

As shown in Table A, a total of 50,712 building permits for new housing units were issued in the region between January 1, 2010 – December 31, 2016 (seven years of the 11-year RHNA projection period [January 1, 2010 – December 31, 2020] for the fifth housing element cycle), including 2,868 very-low income, 3,746 low income, 2,075 moderate income, and 42,025 above-moderate income housing units.

Fifth Housing Element Cycle

Table A
Share of New Housing Units by Income Category, January 1, 2010 - December 31, 2016 (7 years)

Income Level	Very-Low	Low	Moderate	Above-Moderate	Total for all Categories
Total Housing Units Permitted	2,868	3,746	2,075	42,025	**50,714**
RHNA Goal (5th Cycle)	36,450	27,700	30,610	67,220	**161,980**
Percent of Goal Produced	7.9%	13.5%	6.8%	62.5%	**31.3%**
Units Left to Permit	33,582	23,954	28,535	25,195	**111,266**

Source: Data compiled from building permits issued by the local jurisdictions in the San Diego region. Permitted units include deed-restricted and non-deed-restricted units as reported by each jurisdiction.

Based on the 2010 – 2020 Regional Housing Needs Assessment Plan adopted by the SANDAG Board of Directors in October 2011, the region has achieved 7.9 percent of the very-low income, 13.5 percent of the low income, 6.8 percent of the moderate income, and 62.5 percent of the above moderate income regional housing needs established for the 11-year RHNA projection period. The data collected through December 31, 2016, reflects only the first seven years (31.3%) of the 11-year RHNA cycle. The region will not have a full accounting of the percentages reached in each category until 2020 at the conclusion of the RHNA cycle. To date, although the data show satisfactory progress is being made in the above-moderate income housing category, housing for very-low, low, and moderate income households continues to trail behind.

Figures 2 and 3 chart the total number of units permitted in the region since 2003 by income level.

Figure 2

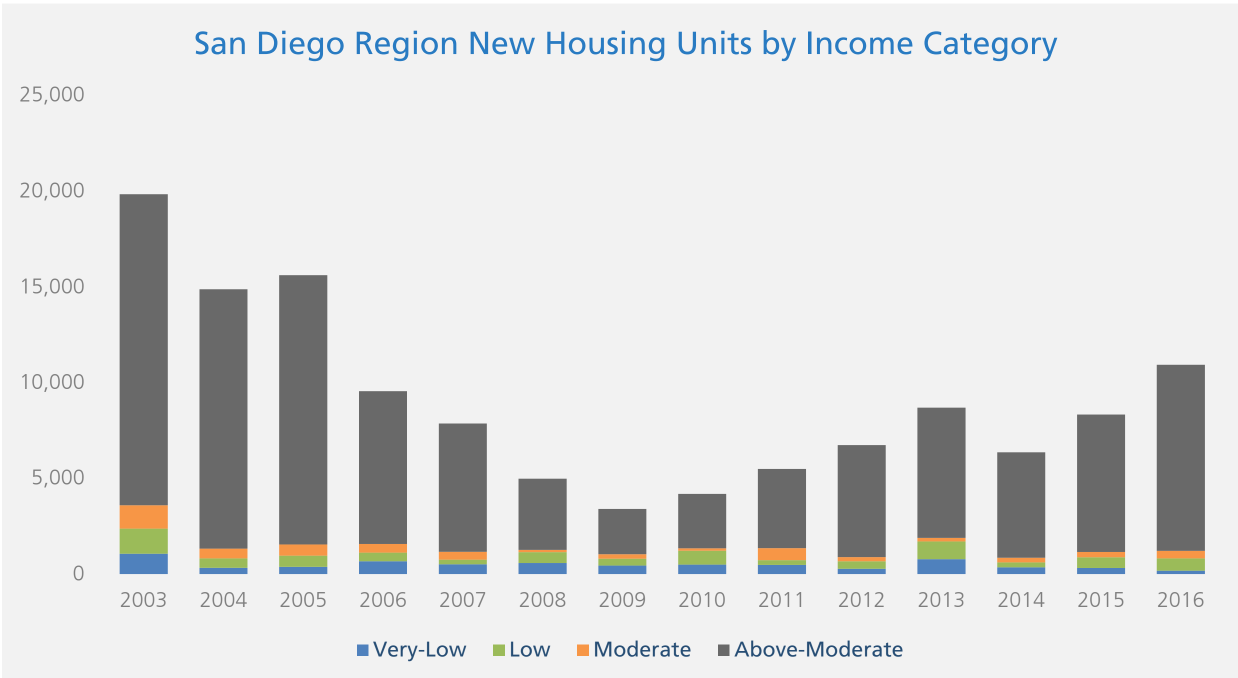
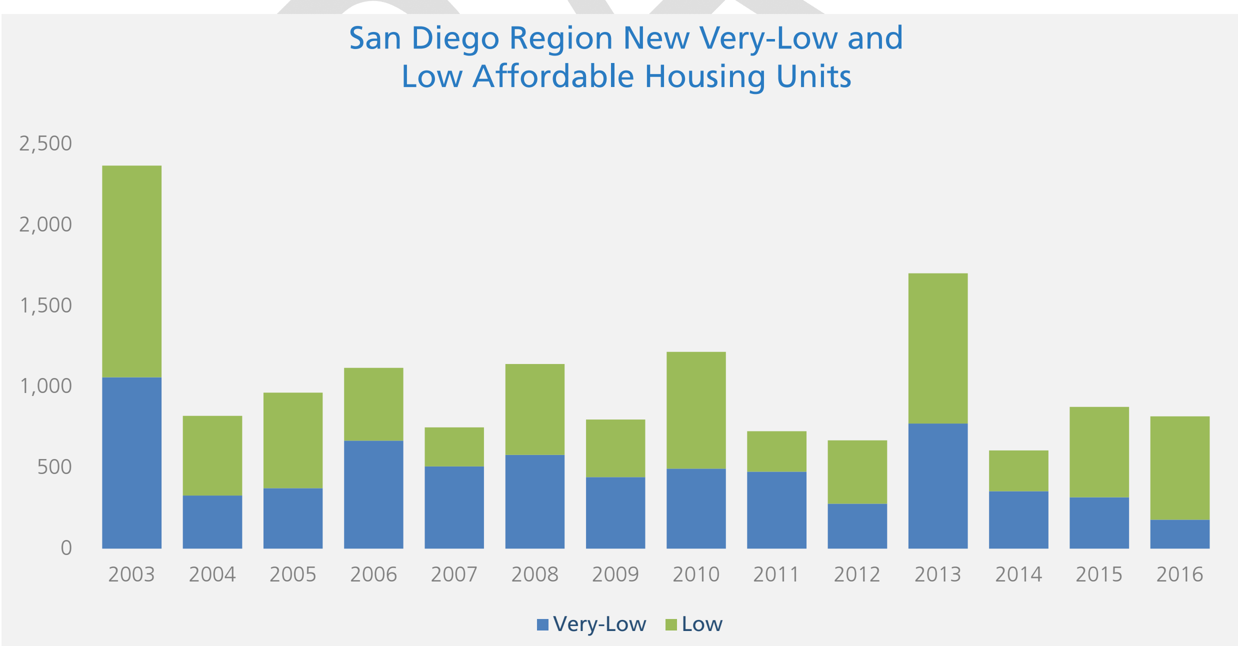


Figure 3



Source: Data compiled from building permits issued by the local jurisdictions in the San Diego region. Permitted units include deed-restricted and non-deed-restricted units as reported by each jurisdiction.

Regional Housing Dashboard

A Regional Housing Dashboard was developed for each of the 19 local jurisdictions and for the San Diego region as a whole. Each Dashboard, included in Appendix C, is a snapshot compilation of all housing data collected from 2003 to 2016, covering a 14-year period.

The housing data compiled over this period spans two distinct timeframes:

- **Seven years** (January 1, 2010 – December 31, 2016) of the 11-year Fifth RHNA Projection Period of the Housing Element Cycle (January 1, 2010 – December 31, 2020)

- **Five years** (January 1, 2012 – December 31, 2016) used for the SANDAG Board Policy No. 033 calculations for Cycle 4 of the *TransNet* SGIP and ATGP.

- Each Dashboard features the following data:
- **Housing Units Permitted:** Deed and non-deed restricted housing units permitted from 2003 to 2016 for very low, low, moderate, and above-moderate income households

- **Acquisition/Rehabilitation:** Acquisition deed restricted units for very-low and low income households from 2003 to 2016; Preserved At-Risk deed-restricted units for very-low and low income households from 2009 to 2016

- **SDHF Affordable Housing Inventory:** Summary includes total rent-restricted and total price-restricted affordable (very-low and low income) housing units with the addition of units permitted and units acquired/rehabilitated/rent restricted during calendar years 2012 through 2016

- **Final RHNA allocations and units permitted:** For the fifth RHNA projection periods

San Diego Housing Federation Affordable Housing Inventory

The SDHF Affordable Housing Inventory determined the total number of rent or price restricted affordable housing units in each jurisdiction, both rental and for sale. The inventory is based on information provided by each of the 19 local jurisdictions in the following categories:

- **Total Rent-restricted Affordable Housing Units in jurisdiction**
- **Total Price-restricted (for sale) Affordable Housing Units in jurisdiction**

In July 2011, the SDHF sent correspondence to all local jurisdictions requesting information for affordable housing unit data. The information collected from each jurisdiction included: city, name of development, address of development, contract information, number of bedrooms, name of the developer/owner/sponsor, total units, number of restricted units, inclusionary status, funding source, and type of clientele (family, disabled, and/or senior). SDHF then obtained the following information for each jurisdiction through the SANDAG profile warehouse:

- **Median household income (HHI) (2010)**
- **Number of households below median HHI**

From this data, the SDHF determined the number of affordable housing units per 1,000 households that fell below the median household income, and compared those figures to an inventory prepared in 2009. The information SDHF Affordable Housing Inventory has been updated in this report to add new affordable units permitted during 2012 through 2016 for very-low and low income households and units acquired/rehabilitated and rent restricted during those same years.

The SDHF affordable housing inventory summary, included as Appendix D, reflects the price and rent restricted units for each jurisdiction as of December 2011. For the purposes of calculating Board Policy No. 033 incentive points, the total affordable housing units in each jurisdiction as a percentage of total housing unit estimates was used to determine the existing concentration of lower income housing. Board Policy No. 033 provides opportunities for jurisdictions to review this data.

Conclusion

Resource for the Region

The purpose of this report is to serve as a resource for the region with respect to the number of housing units permitted in the region and in each local jurisdiction in the very-low, low, moderate, and above-moderate income categories during the past 14 (2003-2016). It also provides data from the local jurisdictions regarding the net increase in the number of existing housing units that were acquired, rehabilitated, and deed restricted for very-low and low income households, as well as the number of "at-risk" affordable housing units preserved from becoming market rate units. Additionally, the inventory provided by the SDHF in this report and updated with 2012 through 2016 data from local jurisdictions includes the total number of price and rent restricted affordable housing units by jurisdiction as of December 31, 2016.

The San Diego region is two thirds through the fifth housing element cycle, extending to the year 2020. Based on the information provided by the local jurisdictions in the region, this report shows that 8.9 percent of the RHNA goals for very-low, low, and moderate income units have been produced to date during the fifth housing element cycle.

In the first part of the past decade, state housing bond funds and redevelopment funds helped create new lower income housing units and the acquisition, rehabilitation, and rent restriction of existing housing units for lower income households. With the expenditure of state housing bond money complete, the elimination of redevelopment agencies and their housing set-aside funds, and the generally accepted need for financial subsidies and/or regulatory measures to construct very-low and low income units, the region should consider new ways to generate funding for the production of housing for families and individuals whose incomes fall into these categories. Identifying ways to increase the construction of moderate income housing should also be explored.

Many local jurisdictions are taking steps and providing resources to support affordable housing development. In future versions of this report, SANDAG will compile a list of resources and programs developed by local jurisdictions to incentivize and promote more housing development. SANDAG will continue to work with local jurisdictions to support applications to the AHSC program, provide local *TransNet* grant funds that reward the planning and production of affordable housing, and monitor housing development in the region.

DRAFT

Appendices

A. SANDAG Board Policy No. 033 (amended November 2015)

B. Policy No. 033 Calculation Award of Incentive Points for SANDAG Grant Programs

- B1. TDA/*TransNet* Active Transportation Grant
- B2. *TransNet* Smart Growth Incentive Program (Capital)
- B3. *TransNet* Smart Growth Incentive Program (Planning)
- B4. Board Policy No. 033 Five-Year Housing Permitting Total 2012 – 2016
- B5. Percent of Low and Very-Low Income Households

C. Regional Housing Dashboard

- C1. Carlsbad
- C2. Chula Vista
- C3. Coronado
- C4. Del Mar
- C5. El Cajon
- C6. Encinitas
- C7. Escondido
- C8. Imperial Beach
- C9. La Mesa
- C10. Lemon Grove
- C11. National City
- C12. Oceanside
- C13. Poway
- C14. City of San Diego
- C15. San Marcos
- C16. Santee
- C17. Solana Beach
- C18. Vista
- C19. Unincorporated County of San Diego
- C20. San Diego Region

D. San Diego Housing Federation (SDHF) Affordable Housing Inventory Summary

DRAFT

BOARD POLICY NO. 033

IMPLEMENTATION GUIDELINES FOR SANDAG REGIONAL HOUSING NEEDS ASSESSMENT FUNDING INCENTIVES

Purpose

Board Policy No. 033 sets forth specific provisions regarding the allocation by SANDAG of discretionary funding to local agency projects, e.g., the Smart Growth Incentive Program and Active Transportation Grant Program, in relation to local jurisdiction housing element compliance and factors related to lower income housing.

This policy shall be reviewed and evaluated annually or as necessary to determine if amendments are needed. Issues to be considered during the review include but are not limited to the relationship between the Regional Housing Needs Assessment (RHNA) allocation and achievement of SANDAG smart growth goals and new or changed funding sources.

Board Policy No. 033 was initially approved by the SANDAG Board in April 2006, following the adoption of the RHNA for the fourth housing element cycle. The policy was first amended in November 2008. The second set of amendments to Board Policy No. 033 (January 2012) was undertaken following the adoption of the RHNA for the fifth housing element cycle, which occurred on October 28, 2011.

1. "Discretionary funding allocated to local agency projects by SANDAG" shall be defined as: those funds allocated by SANDAG through a competitive process to local jurisdictions only (i.e., cities or the County). These funds are listed in Table 1 (Exhibit 1) and include the *TransNet* Smart Growth Incentive Program and Active Transportation Grant Program (formerly known as the Transportation Development Act (TDA) Non-motorized Program, and *TransNet* Bicycle Program).

2. The following funds are not subject to the provisions of Board Policy No. 033:

    2.1 Formula funds allocated by population or number of miles because they are not allocated on a competitive basis.

    2.2 Discretionary funds allocated to Caltrans, the two transit agencies (Metropolitan Transit System and North County Transit District), or SANDAG as they are not considered local jurisdictions.

    2.3 Funds allocated directly by Caltrans to local jurisdictions because SANDAG is not involved in their allocation.

    2.4 Funds that can be allocated to entities other than local jurisdictions (e.g., *TransNet* Environmental Mitigation Program Regional Habitat Conservation Fund and the Senior Transportation Mini-grant Program).

Table 2 (Exhibit 2) provides a more detailed list of funding sources/programs that are not subject to Board Policy No. 033.

3. As new funding sources become available, the Regional Planning Committee (RPC) shall review and make a recommendation to the Board of Directors if these new funding sources should be subject to Board Policy No. 033.

4. To be eligible to apply for future discretionary funding (see examples in Table 1) allocated by SANDAG to local jurisdiction projects, local jurisdictions shall meet the following thresholds:

   4.1 Housing Element Compliance: In order to qualify for points under Board Policy No. 033, a jurisdiction must have an adopted Housing Element found to be in compliance by the California Department of Housing and Community Development (HCD) or its equivalent at the time of the funding program's application deadline. No Board Policy No. 033 points will be awarded to projects in jurisdictions that have not received a letter of compliance from HCD prior to the funding program's application deadline. A court-upheld Housing Element qualifies a jurisdiction to receive Board Policy No. 033 points.

   4.2 Annual Housing Element Progress Reports: Jurisdictions shall be required to submit an annual report with the information described below in order to be eligible for funding programs for the following calendar year. This annual report shall include the same information that HCD requests in the Annual Housing Element Progress reports required by housing element law, as well as the information described below, and shall be submitted to SANDAG by the deadline in state law, which is April 1 of each year. SANDAG will prepare a report with this information for review by the Regional Planning Technical Working Group, and Regional Planning Committee each year. Funding applications subject to this Policy shall be evaluated based on the annual report for the preceding year that was submitted to SANDAG and HCD.

   4.3 The annual report shall provide information regarding the number of building permits issued for new residential construction by income category (very low, low, moderate, and above moderate) using the forms provided by HCD for its Annual Housing Element Progress Report. If the report is submitted for the first time in years two, three, four, or five of the housing element cycle, it shall include the total number of building permits issued for new residential construction by income category during each year of the housing element cycle (including the two and a half years preceding the housing element due date). The annual report also shall indicate how many acquired/rehabilitated/deed restricted units were permitted and how many "at risk" units were preserved during each year.

5. Board Policy No. 033 ties the allocation of funding to four criteria related to each local jurisdiction's efforts to plan for and produce lower income housing through the award of incentive points (a minimum of 25 points out of 100, or 25 percent of the total points in a funding program). Each criterion is assigned a value of one-fourth of the total points. The four criteria are: (1) Greater RHNA Share Taken, (2) Regional Share of Cumulative Total of Lower Income Units Produced, (3) Total Number of Affordable Housing Units, and (4) Percent of Lower Income Households.

5.1 The Scoring Criteria in Exhibit 3 describes in detail how the incentive points are calculated for each of the four criteria.

Exhibits:
1. Table 1, Discretionary Funding Programs Subject to Board Policy No. 033 (Local Jurisdiction Projects)
2. Table 2, Funding Programs Not Subject to Board Policy No. 033
3. Scoring Criteria Concerning Calculation of Board Policy No. 033 Incentive Points

Adopted April 2006

Amended November 2008

Amended January 2012

Amended November 2015

EXHIBIT 1

TABLE 1 DISCRETIONARY FUNDING PROGRAMS SUBJECT TO BOARD POLICY NO. 033 (LOCAL JURISDICTION PROJECTS)		
Funding Programs	**Total Funding**	**Timeframe Available**
Current		
Federal • Transportation Enhancements (TE) Program	TBD	TBD
State • Transportation Development Act (TDA) Article 3- Non-motorized Program	TBD	TBD
Local • *TransNet* Bicycle, Pedestrian and Neighborhood Safety Program • *TransNet* Smart Growth Incentive Program	$280 M* $285 M*	2009 to 2048
Local		
Regional Rail Grade Separation Program (Funding source TBD)	TBD	TBD

* In 2002 dollars

EXHIBIT 2

TABLE 2 FUNDING PROGRAMS NOT SUBJECT TO BOARD POLICY NO. 033
Funding Programs
Federal[1] • Regional Surface Transportation Program (RSTP)[2] • Congestion Mitigation & Air Quality (CMAQ)[2] • Transportation Enhancement (TE) Program[2] • Federal Transit Administration (FTA) Urbanized Area Formula Program (Section 5307) • FTA Fixed Guideway Modernization Program (Section 5309 Rail Mod) • FTA Section 5310 Elderly & Disabled Program • FTA New Freedom Program • FTA Job Access and Reverse Commute (JARC) Program
State[2] • State Transportation Improvement Program (STIP) – Regional Improvement Program (RIP)[2] • STIP – Interregional Improvement Program (IIP) • State Highway Operation and Protection Program (SHOPP) • TDA Article 4 – General Public Transit Services (Fixed Transit Route Services) • TDA Article 4.5 – Community Transit Service (Accessible Service for the Disabled) • TDA Article 8 – Special Provisions (Express Bus and Ferry Services) • TDA Planning and Administration • State Transit Assistance (STA)
Local • *TransNet* Senior Transportation Mini-grant Program • *TransNet* Congestion Relief Program – Major Transportation Corridor Improvements o Highway & transit capital projects o Operating support for bus rapid transit (BRT) & rail transit capital improvements • *TransNet* Congestion Relief Program – Transit System Services Improvements & Related Programs • *TransNet* Congestion Relief Program – Local System Improvements & Related Programs o Local Street & Road Program • Environmental Mitigation Program (EMP)[2] • *TransNet* Administration and Independent Taxpayer Oversight Committee (ITOC)

[1] There are a variety of federal and state discretionary funding programs allocated directly by Caltrans that provide funding to local jurisdictions (e.g., Highway Bridge Repair & Replacement (HBRR), Safe Routes to School, etc.) Because SANDAG does not have decision-making authority over these funding programs, they would not be subject to the Board Policy No. 033.

[2] With the exception of the EMP funds, these funds (STIP-RIP, RSTP, CMAQ, TE) are being used to match the *TransNet* Early Action Program (EAP) and other high-priority regional projects. If, however, some portion of these funds were allocated by the SANDAG Board of Directors to local jurisdictions through a competitive process, they would be subject to Board Policy No. 033.

EXHIBIT 3

SCORING CRITERIA

Concerning Calculation of Board Policy No. 033 Incentive Points

The following four criteria, weighted equally, will be used to calculate the incentive points (25 percent of the total points) for each program subject to Board Policy No. 033.

1. Greater RHNA Share Taken: Jurisdictions with an assigned Lower Income RHNA percentage that is higher than the regional average of lower income households shall eligible to receive these points using the following percentages.

    - Jurisdictions at or above 39.6 percent (the regional average) shall be eligible for the total number of points for this criterion

    - Jurisdictions below 39.6 percent shall not be eligible for any points for this criterion

2. Regional Share of Cumulative Total of Lower-Income* Units Produced: Jurisdictions shall be eligible to receive up to one-fourth of the total Board Policy No. 033 points awarded based on each jurisdiction's share of the total number of lower-income units produced in the region over the most recent five years using the following percentages:

    - 0 percent share or no units produced (0 points)

    - >0 – 5 percent (1/3 of the points)

    - >5 – 10 percent (2/3 of the points)

    - greater than 10 percent (the total number of points available for this criterion)

    Units that are acquired/rehabilitated and deed restricted at affordable levels for lower income households or "at risk" units that are preserved for a period of 30 years or longer shall be included for the purposes of the above calculation at full credit (i.e., one unit each).

    *Units will be counted that are deed restricted to lower income households at affordable prices as defined in the instructions for the HCD Annual Housing Element Progress Report. This number will be taken from the "Deed Restricted" rows in HCD Annual Housing Element Progress Report Table B.

3. Total Number of Affordable Housing Units: This criterion will be based on the actual number of Lower Income Housing Units** in a jurisdiction as a percentage of the total number of housing units in a jurisdiction. Jurisdictions shall be eligible to receive up to one-fourth of the total Board Policy No. 033 points for this criterion using the following percentages:

    - >0 – 3 percent (1/4 of the points)

    - >3 – 6 percent (1/2 of the points)

- >6 – 10 percent (3/4 of the points)

- Greater than 10 percent (the total number of points available for this criterion)

**This number will be taken from the most current version of the Affordable Housing Inventory as updated by the San Diego Housing Federation, and it will be provided to each local jurisdiction to review for accuracy.

4. Percent of Lower-Income Households: Jurisdictions shall be eligible to receive up to one-fourth of the total Board Policy No. 033 points for this criterion based on the percent of lower-income households residing in each jurisdiction (based on the most recent American Community Survey data) using the following percentages:

- 0 – 40 percent lower-income households (1/3 of the points)

- >40 – 50 percent lower-income households (2/3 of the points)

- >50 percent lower income households (the total number of points available for this criterion)

SANDAG Board Policy No. 033 Calculation
Award of Incentive Points for the TDA/TransNet Active Transportation Grant Program (Capital and Non-Capital) - 50 points out of 200
July 2017

Jurisdiction	Housing Element Compliance	1		2			3				4		Point Totals	
		Greater RHNA Share Taken		Regional Share of Cumulative Lower Income[1] Units Produced			Existing Concentration of Lower Income Housing				2015 American Community Survey Percent of Very Low and Low Income Households			
		A	B	A	B	C	A	B	C	D				
	Y/N?	Assigned Lower Income RHNA Percentage	Points Given for Taking Higher Share	Number of Lower Income Units Produced 1/1/12-12/31/16 (Five years)	Share of Regional Total Lower Income Housing Units %	Share of Regional Total Lower Income Housing Units Points	Total Lower Income Housing Inventory[2]	Total Housing Unit Estimates 2016[3]	%	Points	%	Points		
Carlsbad	Y	32.0%	0.00	185	2.6%	4.17	2,239	46,218	4.8%	6.25	29.2%	4.17	Carlsbad	14.58
Chula Vista	Y	44.0%	12.50	634	9.0%	8.33	3,435	82,024	4.2%	6.25	40.4%	8.33	Chula Vista	35.42
Coronado	Y	44.0%	12.50	0	0.0%	0.00	189	9,578	2.0%	3.13	29.4%	4.17	Coronado	19.79
Del Mar	Y	20.0%	0.00	0	0.0%	0.00	0	2,611	0.0%	0.00	17.8%	4.17	Del Mar	4.17
El Cajon	Y	44.0%	12.50	79	1.1%	4.17	1,286	35,880	3.6%	6.25	54.5%	12.50	El Cajon	35.42
Encinitas	N	44.0%	~~12.50~~	43	0.6%	~~4.17~~	175	25,920	0.7%	~~3.13~~	27.8%	~~4.17~~	Encinitas	~~23.96~~
Escondido	Y	44.0%	12.50	206	2.9%	4.17	1,691	48,561	3.5%	6.25	50.3%	12.50	Escondido	35.42
Imperial Beach	Y	44.0%	12.50	29	0.4%	4.17	157	9,867	1.6%	3.13	54.6%	12.50	Imperial Beach	32.29
La Mesa	Y	44.0%	12.50	0	0.0%	0.00	570	25,915	2.2%	3.13	45.9%	8.33	La Mesa	23.96
Lemon Grove	Y	44.0%	12.50	81	1.2%	4.17	384	8,946	4.3%	6.25	47.2%	8.33	Lemon Grove	31.25
National City	Y	44.0%	12.50	289	4.1%	4.17	2,432	16,851	14.4%	12.50	61.1%	12.50	National City	41.67
Oceanside	Y	44.0%	12.50	380	5.4%	8.33	1,637	66,045	2.5%	3.13	43.7%	8.33	Oceanside	32.29
Poway	Y	28.0%	0.00	104	1.5%	4.17	864	16,595	5.2%	6.25	26.4%	4.17	Poway	14.58
San Diego	Y	44.0%	12.50	4,495	64.1%	12.50	24,172	528,114	4.6%	6.25	39.6%	4.17	San Diego	35.42
San Marcos	Y	44.0%	12.50	243	3.5%	4.17	3,368	30,200	11.2%	12.50	44.2%	8.33	San Marcos	37.50
Santee	Y	44.0%	12.50	46	0.7%	4.17	689	20,302	3.4%	6.25	31.7%	4.17	Santee	27.08
Solana Beach	Y	44.0%	12.50	2	0.0%	4.17	69	6,494	1.1%	3.13	27.5%	4.17	Solana Beach	23.96
Vista	Y	44.0%	12.50	180	2.6%	4.17	640	31,480	2.0%	3.13	50.5%	12.50	Vista	32.29
County Uninc.	Y	16.0%	0.00	21	0.3%	4.17	1,777	173,897	1.0%	3.13	38.8%	4.17	County Uninc.	11.46
Region		39.6%		7,017	5.3%		45,774	1,185,498	3.8%		40%			

Jurisdictions with scores in strike-through are ineligible for Board Policy No. 033 points because their Housing Elements are not in compliance.

[1]The numbers in Column 2A include newly permitted lower income deed-restricted units, lower income deed-restricted units acquired/rehabilitated, and "at-risk" units preserved between January 1, 2012 and December 31, 2016 (5 years). This data was based on currently available data obtained from local jurisdiction Annual Housing Element Progress Reports (due April 1 each year) or by contacting local jurisdiction staff. Per the revised Board Policy No. 033, full credit is awarded for deed-restricted acq/rehab units and "at-risk" units preserved.

[2]This number is based on the most current rent and price restricted affordable housing inventory prepared by the San Diego Housing Federation (SDHF) based on information provided to the SDHF by the 19 jurisdictions. This information may be reviewed for accuracy by each jurisdiction.

[3]Total Housing Unit estimates for 2016 (Current SANDAG Estimates).

SANDAG Board Policy No. 033 Calculation
Award of Incentive Points for the TDA/TransNet Active Transportation Grant Program
Capital - 75 points out of 300
July 2017

Jurisdiction	Housing Element Compliance	1		2			3				4		Point Totals	
		Greater RHNA Share Taken		Regional Share of Cumulative Lower Income[1] Units Produced			Existing Concentration of Lower Income Housing				2015 American Community Survey Percent of Very Low and Low Income Households			
		A	B	A	B	C	A	B	C	D				
		Assigned Lower Income RHNA Percentage	Points Given for Taking Higher Share	Number of Lower Income Units Produced 1/1/12-12/31/16 (Five years)	Share of Regional Total Lower Income Housing Units		Total Lower Income Housing Inventory[2]	Total Housing Unit Estimates 2016[3]	%					
	Y/N?				%	Points				Points	%	Points		
Carlsbad	Y	32.0%	0.00	185	2.6%	6.25	2,239	46,218	4.8%	9.38	29.2%	6.25	Carlsbad	21.88
Chula Vista	Y	44.0%	18.75	634	9.0%	12.50	3,435	82,024	4.2%	9.38	40.4%	12.50	Chula Vista	53.13
Coronado	Y	44.0%	18.75	0	0.0%	0.00	189	9,578	2.0%	4.69	29.4%	6.25	Coronado	29.69
Del Mar	Y	20.0%	0.00	0	0.0%	0.00	0	2,611	0.0%	0.00	17.8%	6.25	Del Mar	6.25
El Cajon	Y	44.0%	18.75	79	1.1%	6.25	1,286	35,880	3.6%	9.38	54.5%	18.75	El Cajon	53.13
Encinitas	N	44.0%	~~18.75~~	43	0.6%	~~6.25~~	175	25,920	0.7%	~~4.69~~	27.8%	~~6.25~~	Encinitas	~~35.94~~
Escondido	Y	44.0%	18.75	206	2.9%	6.25	1,691	48,561	3.5%	9.38	50.3%	18.75	Escondido	53.13
Imperial Beach	Y	44.0%	18.75	29	0.4%	6.25	157	9,867	1.6%	4.69	54.6%	18.75	Imperial Beach	48.44
La Mesa	Y	44.0%	18.75	0	0.0%	0.00	570	25,915	2.2%	4.69	45.9%	12.50	La Mesa	35.94
Lemon Grove	Y	44.0%	18.75	81	1.2%	6.25	384	8,946	4.3%	9.38	47.2%	12.50	Lemon Grove	46.88
National City	Y	44.0%	18.75	289	4.1%	6.25	2,432	16,851	14.4%	18.75	61.1%	18.75	National City	62.50
Oceanside	Y	44.0%	18.75	380	5.4%	12.50	1,637	66,045	2.5%	4.69	43.7%	12.50	Oceanside	48.44
Poway	Y	28.0%	0.00	104	1.5%	6.25	864	16,595	5.2%	9.38	26.4%	6.25	Poway	21.88
San Diego	Y	44.0%	18.75	4,495	64.1%	18.75	24,172	528,114	4.6%	9.38	39.6%	6.25	San Diego	53.13
San Marcos	Y	44.0%	18.75	243	3.5%	6.25	3,368	30,200	11.2%	18.75	44.2%	12.50	San Marcos	56.25
Santee	Y	44.0%	18.75	46	0.7%	6.25	689	20,302	3.4%	9.38	31.7%	6.25	Santee	40.63
Solana Beach	Y	44.0%	18.75	2	0.0%	6.25	69	6,494	1.1%	4.69	27.5%	6.25	Solana Beach	35.94
Vista	Y	44.0%	18.75	180	2.6%	6.25	640	31,480	2.0%	4.69	50.5%	18.75	Vista	48.44
County Uninc.	Y	16.0%	0.00	21	0.3%	6.25	1,777	173,897	1.0%	4.69	38.8%	6.25	County Uninc.	17.19
Region		39.6%		7,017	5.3%		45,774	1,185,498	3.8%		40%			

Jurisdictions with scores in strike-through are ineligible for Board Policy No. 033 points because their Housing Elements are not in compliance.

[1]The numbers in Column 2A include newly permitted lower income deed-restricted units, lower income deed-restricted units acquired/rehabilitated, and "at-risk" units preserved between January 1, 2012 and December 31, 2016 (5 years). This data was based on currently available data obtained from local jurisdiction Annual Housing Element Progress Reports (due April 1 each year) or by contacting local jurisdiction staff. Per the revised Board Policy No. 033, full credit is awarded for deed-restricted acq/rehab units and "at-risk" units preserved.

[2]This number is based on the most current rent and price restricted affordable housing inventory prepared by the San Diego Housing Federation (SDHF) based on information provided to the SDHF by the 19 jurisdictions. This information may be reviewed for accuracy by each jurisdiction.

[3]Total Housing Unit estimates for 2016 (Current SANDAG Estimates).

SANDAG Board Policy No. 033 Calculation
Award of Incentive Points for the *TransNet* Smart Growth Program
Planning - 50 points out of 200
July 2017

Jurisdiction	Housing Element Compliance	1		2			3				4		Point Totals	
		Greater RHNA Share Taken		Regional Share of Cumulative Lower Income[1] Units Produced			Existing Concentration of Lower Income Housing				2015 American Community Survey Percent of Very Low and Low Income Households			
		A	B	A	B	C	A	B	C	D				
	Y/N?	Assigned Lower Income RHNA Percentage	Points Given for Taking Higher Share	Number of Lower Income Units Produced 1/1/12-12/31/16 (Five years)	Share of Regional Total Lower Income Housing Units %	Share of Regional Total Lower Income Housing Units Points	Total Lower Income Housing Inventory[2]	Total Housing Unit Estimates 2016	%	Points	%	Points		
Carlsbad	Y	32.0%	0.00	185	2.6%	4.17	2,239	46,218	4.8%	6.25	29.2%	4.17	Carlsbad	14.58
Chula Vista	Y	44.0%	12.50	634	9.0%	8.33	3,435	82,024	4.2%	6.25	40.4%	8.33	Chula Vista	35.42
Coronado	Y	44.0%	12.50	0	0.0%	0.00	189	9,578	2.0%	3.13	29.4%	4.17	Coronado	19.79
Del Mar	Y	20.0%	0.00	0	0.0%	0.00	0	2,611	0.0%	0.00	17.8%	4.17	Del Mar	4.17
El Cajon	Y	44.0%	12.50	79	1.1%	4.17	1,286	35,880	3.6%	6.25	54.5%	12.50	El Cajon	35.42
Encinitas	N	44.0%	~~12.50~~	43	0.6%	~~4.17~~	175	25,920	0.7%	~~3.13~~	27.8%	~~4.17~~	Encinitas	~~23.96~~
Escondido	Y	44.0%	12.50	206	2.9%	4.17	1,691	48,561	3.5%	6.25	50.3%	12.50	Escondido	35.42
Imperial Beach	Y	44.0%	12.50	29	0.4%	4.17	157	9,867	1.6%	3.13	54.6%	12.50	Imperial Beach	32.29
La Mesa	Y	44.0%	12.50	0	0.0%	0.00	570	25,915	2.2%	3.13	45.9%	8.33	La Mesa	23.96
Lemon Grove	Y	44.0%	12.50	81	1.2%	4.17	384	8,946	4.3%	6.25	47.2%	8.33	Lemon Grove	31.25
National City	Y	44.0%	12.50	289	4.1%	4.17	2,432	16,851	14.4%	12.50	61.1%	12.50	National City	41.67
Oceanside	Y	44.0%	12.50	380	5.4%	8.33	1,637	66,045	2.5%	3.13	43.7%	8.33	Oceanside	32.29
Poway	Y	28.0%	0.00	104	1.5%	4.17	864	16,595	5.2%	6.25	26.4%	4.17	Poway	14.58
San Diego	Y	44.0%	12.50	4,495	64.1%	12.50	24,172	528,114	4.6%	6.25	39.6%	4.17	San Diego	35.42
San Marcos	Y	44.0%	12.50	243	3.5%	4.17	3,368	30,200	11.2%	12.50	44.2%	8.33	San Marcos	37.50
Santee	Y	44.0%	12.50	46	0.7%	4.17	689	20,302	3.4%	6.25	31.7%	4.17	Santee	27.08
Solana Beach	Y	44.0%	12.50	2	0.0%	4.17	69	6,494	1.1%	3.13	27.5%	4.17	Solana Beach	23.96
Vista	Y	44.0%	12.50	180	2.6%	4.17	640	31,480	2.0%	3.13	50.5%	12.50	Vista	32.29
County Uninc.	Y	16.0%	0.00	21	0.3%	4.17	1,777	173,897	1.0%	3.13	38.8%	4.17	County Uninc.	11.46
Region		39.6%		7,017	5.3%		45,774	1,185,498	3.8%		40%			

Jurisdictions with scores in strike-through are ineligible for Board Policy No. 033 points because their Housing Elements are not in compliance.

[1]The numbers in Column 2A include newly permitted lower income deed-restricted units, lower income deed-restricted units acquired/rehabilitated, and "at-risk" units preserved between January 1, 2012 and December 31, 2016 (5 years). This data was based on currently available data obtained from local jurisdiction Annual Housing Element Progress Reports (due April 1 each year) or by contacting local jurisdiction staff. Per the revised Board Policy No. 033, full credit is awarded for deed-restricted acq/rehab units and "at-risk" units preserved.

[2]This number is based on the most current rent and price restricted affordable housing inventory prepared by the San Diego Housing Federation (SDHF) based on information provided to the SDHF by the 19 jurisdictions. This information may be reviewed for accuracy by each jurisdiction.

[3]Total Housing Unit estimates for 2016 (Current SANDAG Estimates).

SANDAG Board Policy No. 33
Five Year Housing Permitting Total
2012-2016

Jurisdiction	TOTAL (1/1/2012-12/31/2016)						TOTAL
	New Units (Deed-Restricted)		Acquisition/Rehab (Deed-Restricted)		Preserved At-Risk (Deed-restricted)		
	Very Low	Low	Very Low	Low	Very Low	Low	
Carlsbad	7	178	0	0	0	0	**185**
Chula Vista	78	267	32	257	0	0	**634**
Coronado	0	0	0	0	0	0	**0**
Del Mar	0	0	0	0	0	0	**0**
El Cajon	48	8	10	13	0	0	**79**
Encinitas	25	18	0	0	0	0	**43**
Escondido	7	39	0	160	0	0	**206**
Imperial Beach	3	26	0	0	0	0	**29**
La Mesa	0	0	0	0	0	0	**0**
Lemon Grove	57	24	0	0	0	0	**81**
National City	98	0	8	3	163	17	**289**
Oceanside	87	55	0	0	73	165	**380**
Poway	26	26	26	26	0	0	**104**
San Diego	1,206	1,798	429	653	40	369	**4,495**
San Marcos	152	91	0	0	0	0	**243**
Santee	5	37	0	4	0	0	**46**
Solana Beach	0	2	0	0	0	0	**2**
Vista	94	40	40	6	0	0	**180**
County of San Diego	0	0	0	21	0	0	**21**
TOTAL	**1,893**	**2,609**	**545**	**1,143**	**276**	**551**	**7,017**

This data will be used for the purposes of awarding Board Policy No. 033 points in the FY 2017 Smart Growth Incentive Program and Active Transportation Grant Program Call for Projects anticipated in 2017.

Percent of Low and Very-Low Income Households
Based on the 2015 American Community Survey (2015 ACS)

2011-2015 ACS Median Household Income (San Diego County) $64,309				80% of 2011-2015 ACS Median Household Income (San Diego County)[1] $51,447						
Percent of Low and Very Low Income Households (2015 ACS)				**Low and Very Low Household Income Level (2015 ACS)**						
Jurisdiction	**Total Households**	**Low/Very-Low Income Households**	**Percent of Low/ Very-Low Income Households**	**Less than $15,000**	**$15,000-$29,999**	**$30,000-$44,999**	**$45,000-$49,999**	**14.5%[2] of Households Earning Between $50,000-$59,999**	**$50,000-$59,999**	**Total Low/Very Low Income Households**
Carlsbad	42,791	12,516	29.2%	3,598	3,539	3,810	1,245	324	2,235	12,516
Chula Vista	78,006	31,495	40.4%	7,685	10,268	9,932	2,778	832	5,739	31,495
Coronado	8,500	2,499	29.4%	567	762	816	298	56	386	2,499
Del Mar	2,125	378	17.8%	175	78	77	33	15	101	378
El Cajon	32,564	17,760	54.5%	4,571	6,518	4,917	1,333	421	2,901	17,760
Encinitas	23,465	6,526	27.8%	1,892	2,272	1,577	590	195	1,342	6,526
Escondido	45,041	22,656	50.3%	5,220	7,712	7,016	2,175	533	3,674	22,656
Imperial Beach	9,014	4,918	54.6%	1,298	1,300	1,680	535	105	726	4,918
La Mesa	23,785	10,926	45.9%	2,673	3,200	3,712	1,023	318	2,192	10,926
Lemon Grove	8,489	4,006	47.2%	850	1,299	1,335	428	94	651	4,006
National City	15,332	9,370	61.1%	2,557	3,259	2,542	800	212	1,462	9,370
Oceanside	60,493	26,419	43.7%	7,051	7,396	8,352	2,788	832	5,739	26,419
Poway	15,832	4,182	26.4%	776	1,467	1,294	514	131	906	4,182
San Diego	485,091	191,948	39.6%	50,320	59,441	59,170	17,855	5,162	35,602	191,948
San Marcos	28,738	12,716	44.2%	3,597	3,882	3,607	1,292	338	2,329	12,716
Santee	19,364	6,141	31.7%	1,244	1,882	2,062	738	215	1,480	6,141
Solana Beach	5,657	1,555	27.5%	212	571	560	156	56	389	1,555
Vista	30,451	15,393	50.5%	3,989	4,595	5,027	1,359	423	2,916	15,393
County Uninc.	159,359	61,880	38.8%	13,986	18,487	21,048	6,614	1,745	12,036	61,880

[1]Households making 80% less than the ACS Median Household Income are considered either a "Low" or "Very-Low" Income Household based on the Department of Housing and Community Development income maximum for low income households.

[2]Since 80% of the ACS Median Household Income for San Diego County is $51,447, only a portion of the households identified in the $50,000 to $59,999 ACS Median Household Income range meet the definition of "Low" Income households. To capture this portion, SANDAG must assume the number households earning between $50,000 and $51,447 for each jurisdiction. $1,447 ($51,447 - $50,000) represents 14.5% ($1,447/$9,999) of the $50,000 to $59,999 income range. Therefore, 14.5% of households within the $50,000 to $59,000 ACS Median Household Income range are assumed to be "Low" income households.

Sources:
Table B19013: Median Household Income in the Past 12 Months (2015 Inflation adjusted dollars), 2011-2015 5-year ACS data, accesssed July 2017 from factfinder.census.gov
Table B19001: Household Income in the Past 12 Months (2015 inflation adjusted dollars), 2011-2015 5-year ACS data, accessed July 2017 from factfinder.census.gov

REGIONAL HOUSING DASHBOARD
2003 - 2016
CARLSBAD

	New Units Permitted											Acq/Rehab		Preserved At-Risk[1]	
	VERY LOW			LOW			MODERATE					VERY LOW	LOW	VERY LOW	LOW
	Deed Restricted	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*	ABOVE MODERATE	TOTAL	*Deed Restricted*			
2003	85	0	85	336	0	336	0	174	174	672	**1,267**	0	0		
2004	0	0	0	200	0	200	0	184	184	1,092	**1,476**	0	0		
2005	0	0	0	70	0	70	0	0	0	1,330	**1,400**	0	0		
2006	100	0	100	89	0	89	0	0	0	306	**495**	0	0		
2007	0	0	0	10	0	10	0	0	0	358	**368**	0	0	0	0
2008	11	0	11	96	0	96	0	2	2	147	**256**	0	0	0	0
2009	0	0	0	12	0	12	0	0	0	163	**175**	0	0	0	0
2010	0	0	0	4	0	4	0	2	2	371	**377**	0	0	0	0
2011	35	0	35	23	1	24	0	56	56	200	**315**	0	0	0	0
2012	0	0	0	0	0	0	0	41	41	364	**405**	0	0	0	0
2013	0	0	0	0	1	1	0	5	5	201	**207**	0	0	0	0
2014	0	0	0	6	1	7	0	13	13	235	**255**	0	0	0	0
2015	0	0	0	9	0	9	0	20	20	200	**229**	0	0	0	0
2016	7	0	7	163	0	163	56	18	74	439	**683**	0	0	0	0
TOTAL	**238**	**0**	**238**	**1,018**	**3**	**1,021**	**56**	**515**	**571**	**6,078**	**7,908**	**0**	**0**	**0**	**0**

Regional Housing Needs Assessment (RHNA)
5th Cycle (7 Years, 1/1/10-12/31/16)

	Very Low	Low	Moderate	Above Moderate	TOTAL
RHNA Allocation	912	693	1,062	2,332	**4,999**
Units Permitted[2]	42	208	211	2,010	**2,471**

[1] Data for Preserved At-Risk units collected from January 1, 2012 - December 31, 2016 for the purposes of Board Policy No. 033

[2] Units Permitted are based on 7 years (1/1/2010 - 12/31/2016) of the 11-year RHNA Projection Period for the fifth housing element cycle.

[3] San Diego Housing Federation inventory includes total deed restricted affordable (very low and low income) units collected from each jurisdiction in December 2011.

4 New Housing Units includes deed restricted affordable (very low and low) units as well as Acq/Rehab (very low and low) units collected from each jurisdiction for 2012 - 2016

San Diego Housing Federation Affordable Housing Inventory[3]

Total Rent Restricted Units	**1,671**
Total Price Restricted Units	**383**
New Housing Units[4]	**185**
Total Affordable Housing Units	**2,239**

SANDAG Board Policy No. 033
5 Years (1/1/012 - 12/31/16)

New Units Permitted (Deed-Restricted)		Existing Units		
Very Low	Low	Acq/ Rehab	Preserved At-Risk	TOTAL
7	178	0	0	**185**

REGIONAL HOUSING DASHBOARD

2003 - 2016

CHULA VISTA

	New Units Permitted											Acq/Rehab		Preserved At-Risk[1]	
	VERY LOW			LOW			MODERATE			ABOVE MODERATE	TOTAL	VERY LOW	LOW	VERY LOW	LOW
	Deed Restricted	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*					*Deed Restricted*	
2003	40	0	40	216	0	216	84	0	84	2,792	**3,132**	0	0		
2004	0	0	0	0	0	0	113	0	113	3,181	**3,294**	0	0		
2005	41	0	41	99	0	99	98	0	98	2,145	**2,383**	0	0		
2006	0	0	0	0	0	0	0	0	0	451	**451**	0	0		
2007	0	0	0	0	0	0	0	0	0	582	**582**	0	0	14	91
2008	77	0	77	56	0	56	0	1	1	200	**334**	0	0	14	153
2009	0	0	0	0	0	0	0	0	0	279	**279**	0	0	0	0
2010	69	0	69	357	0	357	0	2	2	379	**807**	13	0	0	0
2011	0	0	0	14	0	14	14	155	169	548	**731**	0	0	0	0
2012	0	0	0	0	0	0	0	59	59	745	**804**	0	184	0	0
2013	32	0	32	72	0	72	0	39	39	597	**740**	32	72	0	0
2014	24	0	24	9	0	9	21	11	32	1,032	**1,097**	0	1	0	0
2015	0	0	0	0	0	0	0	0	0	689	**689**	0	0	0	0
2016	22	0	22	186	0	186	0	2	2	849	**1,059**	0	0	0	0
TOTAL	**305**	**0**	**305**	**1,009**	**0**	**1,009**	**330**	**269**	**599**	**14,469**	**16,382**	**45**	**257**	**28**	**244**

Regional Housing Needs Assessment (RHNA)

5th RHNA (7 Years, 1/1/10-12/31/16)

	Very Low	Low	Moderate	Above Moderate	TOTAL
RHNA Allocation	3,209	2,439	2,257	4,956	**12,861**
Units Permitted[2]	147	638	303	4,839	**5,927**

[1] Data for Preserved At-Risk units collected from January 1, 2012 - December 31, 2016 for the purposes of Board Policy No. 033

[2] Units Permitted are based on 7 years (1/1/2010 - 12/31/2016) of the 11-year RHNA Projection Period for the fifth housing element cycle.

[3] San Diego Housing Federation inventory includes total deed restricted affordable (very low and low income) units collected from each jurisdiction in December 2011.

4 New Housing Units includes deed restricted affordable (very low and low) units as well as Acq/Rehab (very low and low) units collected from each jurisdiction for 2012 - 2016

San Diego Housing Federation Affordable Housing Inventory[3]

Total Rent Restricted Units	**2,699**
Total Price Restricted Units	**102**
New Housing Units[4]	**634**
Total Affordable Housing Units	**3,435**

SANDAG Board Policy No. 033

5 Years (1/1/12 - 12/31/16)

New Units Permitted (Deed-Restricted)		Existing Units		
Very Low	Low	Acq/ Rehab	Preserved At-Risk	TOTAL
78	267	289	0	**634**

REGIONAL HOUSING DASHBOARD
2003- 2016
CORONADO

	New Units Permitted											Acq/Rehab		Preserved At-Risk[1]	
	VERY LOW			LOW			MODERATE			ABOVE MODERATE	TOTAL	VERY LOW	LOW	VERY LOW	LOW
	Deed Restricted	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*					*Deed Restricted*	
2003	0	0	0	0	0	0	0	0	0	53	**53**	0	0		
2004	0	0	0	0	0	0	0	0	0	25	**25**	0	0		
2005	0	0	0	0	0	0	0	0	0	60	**60**	0	0		
2006	12	0	12	17	0	17	1	0	1	39	**69**	6	5		
2007	0	0	0	0	0	0	0	0	0	47	**47**	3	3	0	0
2008	0	0	0	0	0	0	0	0	0	34	**34**	16	0	0	0
2009	0	0	0	0	0	0	0	0	0	26	**26**	0	0	0	0
2010	12	0	12	0	0	0	0	0	0	25	**37**	0	0	0	0
2011	0	0	0	0	0	0	0	0	0	24	**24**	0	0	0	0
2012	0	0	0	0	0	0	0	0	0	29	**29**	0	0	0	0
2013	0	0	0	0	0	0	0	0	0	35	**35**	0	0	0	0
2014	0	0	0	0	0	0	0	0	0	37	**37**	0	0	0	0
2015	0	0	0	0	0	0	0	0	0	53	**53**	0	0	0	0
2016	0	0	0	0	0	0	0	0	0	63	**63**	0	0	0	0
TOTAL	**24**	**0**	**24**	**17**	**0**	**17**	**1**	**0**	**1**	**550**	**592**	**25**	**8**	**0**	**0**

Regional Housing Needs Assessment (RHNA)
5th RHNA (7 Years, 1/1/10-12/31/16)

	Very Low	Low	Moderate	Above Moderate	TOTAL
RHNA Allocation	13	9	9	19	**50**
Units Permitted[2]	12	0	0	266	**278**

[1] Data for Preserved At-Risk units collected from January 1, 2012 - December 31, 2016 for the purposes of Board Policy No. 033

[2] Units Permitted are based on 7 years (1/1/2010 - 12/31/2016) of the 11-year RHNA Projection Period for the fifth housing element cycle.

[3] San Diego Housing Federation inventory includes total deed restricted affordable (very low and low income) units collected from each jurisdiction in December 2011.

4 New Housing Units includes deed restricted affordable (very low and low) units as well as Acq/Rehab (very low and low) units collected from each jurisdiction for 2012 - 2016

San Diego Housing Federation Affordable Housing Inventory[3]

Total Rent Restricted Units	**177**
Total Price Restricted Units	**12**
New Housing Units[4]	**0**
Total Affordable Housing Units	**189**

SANDAG Board Policy No. 033
5 Years (1/1/12 - 12/31/16)

New Units Permitted (Deed-Restricted)		Existing Units		
Very Low	Low	Acq/ Rehab	Preserved At-Risk	TOTAL
0	0	0	0	**0**

REGIONAL HOUSING DASHBOARD
2003 - 2016
DEL MAR

	New Units Permitted											Acq/Rehab		Preserved At-Risk[1]	
	VERY LOW			LOW			MODERATE					VERY LOW	LOW	VERY LOW	LOW
	Deed Restricted	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*	ABOVE MODERATE	TOTAL	*Deed Restricted*			
2003	0	0	0	0	0	0	0	0	0	4	**4**	0	0		
2004	0	0	0	0	0	0	0	0	0	3	**3**	0	0		
2005	0	0	0	0	0	0	0	0	0	12	**12**	0	0		
2006	0	0	0	0	0	0	0	0	0	3	**3**	0	0		
2007	0	0	0	0	0	0	0	0	0	4	**4**	0	0	0	0
2008	0	0	0	0	0	0	0	0	0	2	**2**	0	0	0	0
2009	0	0	0	0	0	0	0	0	0	0	**0**	0	0	0	0
2010	0	0	0	0	0	0	0	0	0	4	**4**	0	0	0	0
2011	0	0	0	0	0	0	0	0	0	2	**2**	0	0	0	0
2012	0	0	0	0	0	0	0	0	0	0	**0**	0	0	0	0
2013	0	0	0	0	0	0	0	0	0	0	**0**	0	0	0	0
2014	0	0	0	0	0	0	0	0	0	0	**0**	0	0	0	0
2015	0	0	0	0	0	0	0	0	0	0	**0**	0	0	0	0
2016	0	0	0	0	0	0	0	0	0	0	**0**	0	0	0	0
TOTAL	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**34**	**34**	**0**	**0**	**0**	**0**

Regional Housing Needs Assessment (RHNA)
5th RHNA (7 Years, 1/1/10-12/31/16)

	Very Low	Low	Moderate	Above Moderate	TOTAL
RHNA Allocation	7	5	15	34	**61**
Units Permitted[2]	0	0	0	6	**6**

[1] Data for Preserved At-Risk units collected from January 1, 2012 - December 31, 2016 for the purposes of Board Policy No. 033

[2] Units Permitted are based on 7 years (1/1/2010 - 12/31/2016) of the 11-year RHNA Projection Period for the fifth housing element cycle.

[3] San Diego Housing Federation inventory includes total deed restricted affordable (very low and low income) units collected from each jurisdiction in December 2011.

4 New Housing Units includes deed restricted affordable (very low and low) units as well as Acq/Rehab (very low and low) units collected from each jurisdiction for 2012 - 2016

San Diego Housing Federation Affordable Housing Inventory[3]

Total Rent Restricted Units	**0**
Total Price Restricted Units	**0**
New Housing Units[4]	**0**
Total Affordable Housing Units	**0**

SANDAG Board Policy No. 033
5 Years (1/1/12 - 12/31/16)

New Units Permitted (Deed-Restricted)		Existing Units		
Very Low	Low	Acq/ Rehab	Preserved At-Risk	TOTAL
0	0	0	0	**0**

REGIONAL HOUSING DASHBOARD
2003 - 2016
EL CAJON

	New Units Permitted											Acq/Rehab		Preserved At-Risk[1]	
	VERY LOW			LOW			MODERATE					VERY LOW	LOW	VERY LOW	LOW
	Deed Restricted	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*	ABOVE MODERATE	TOTAL			*Deed Restricted*	
2003	1	7	8	12	1	13	0	111	111	11	**143**	0	0		
2004	0	0	0	0	9	9	0	32	32	4	**45**	0	0		
2005	0	0	0	0	5	5	0	8	8	0	**13**	0	0		
2006	0	0	0	0	3	3	0	21	21	15	**39**	0	0		
2007	0	0	0	0	0	0	0	4	4	47	**51**	0	0	0	0
2008	0	0	0	3	13	16	4	0	4	2	**22**	0	0	0	0
2009	0	0	0	4	0	4	0	13	13	1	**18**	0	0	0	0
2010	0	0	0	0	0	0	0	0	0	23	**23**	0	0	0	0
2011	0	0	0	9	0	9	7	0	7	2	**18**	5	1	0	0
2012	0	0	0	2	0	2	0	8	8	0	**10**	0	5	0	0
2013	48	0	48	0	0	0	1	0	1	2	**51**	3	0	0	0
2014	0	0	0	0	0	0	0	8	8	24	**32**	4	1	0	0
2015	0	0	0	0	1	1	2	0	2	23	**26**	2	0	0	0
2016	0	0	0	6	0	6	0	0	0	72	**78**	1	7	0	0
TOTAL	**49**	**7**	**56**	**36**	**32**	**68**	**14**	**205**	**219**	**226**	**569**	**15**	**14**	**0**	**0**

Regional Housing Needs Assessment (RHNA)
5th RHNA (7 Years, 1/1/10-12/31/16)

	Very Low	Low	Moderate	Above Moderate	TOTAL
RHNA Allocation	1,448	1,101	1,019	2,237	**5,805**
Units Permitted[2]	48	18	26	146	**238**

[1] Data for Preserved At-Risk units collected from January 1, 2012 - December 31, 2016 for the purposes of Board Policy No. 033

[2] Units Permitted are based on 7 years (1/1/2010 - 12/31/2016) of the 11-year RHNA Projection Period for the fifth housing element cycle.

[3] San Diego Housing Federation inventory includes total deed restricted affordable (very low and low income) units collected from each jurisdiction in December 2011.

4 New Housing Units includes deed restricted affordable (very low and low) units as well as Acq/Rehab (very low and low) units collected from each jurisdiction for 2012 - 2016

San Diego Housing Federation Affordable Housing Inventory[3]

Total Rent Restricted Units	**895**
Total Price Restricted Units	**312**
New Housing Units[4]	**79**
Total Affordable Housing Units	**1,286**

SANDAG Board Policy No. 033
5 Years (1/1/12 - 12/31/16)

New Units Permitted (Deed-Restricted)		Existing Units		
Very Low	Low	Acq/ Rehab	Preserved At-Risk	TOTAL
48	8	23	0	**79**

REGIONAL HOUSING DASHBOARD
2003 - 2016
ENCINITAS

	New Units Permitted											Acq/Rehab		Preserved At-Risk[1]	
	VERY LOW			LOW			MODERATE					VERY LOW	LOW	VERY LOW	LOW
	Deed Restricted	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*	ABOVE MODERATE	TOTAL	*Deed Restricted*			
2003	44	2	46	2	4	6	0	3	3	185	**240**	13	3		
2004	5	3	8	0	2	2	0	4	4	195	**209**	0	0		
2005	0	0	0	1	4	5	0	4	4	127	**136**	0	0		
2006	0	2	2	2	4	6	0	4	4	106	**118**	0	0		
2007	0	3	3	1	3	4	0	2	2	122	**131**	0	0	0	0
2008	0	0	0	6	2	8	0	2	2	76	**86**	0	0	0	0
2009	0	2	2	1	3	4	0	1	1	49	**56**	0	0	0	0
2010	0	3	3	0	2	2	0	0	0	43	**48**	0	0	0	0
2011	4	2	6	1	0	1	0	0	0	89	**96**	0	0	0	0
2012	2	0	2	2	1	3	0	0	0	93	**98**	0	0	0	0
2013	23	2	25	2	0	2	0	0	0	77	**104**	0	0	0	0
2014	0	0	0	7	2	9	0	0	0	121	**130**	0	0	0	0
2015	0	0	0	5	2	7	0	0	0	113	**120**	0	0	0	0
2016	0	0	0	2	0	2	0	1	1	88	**91**	0	0	0	0
TOTAL	**78**	**19**	**97**	**32**	**29**	**61**	**0**	**21**	**21**	**1,484**	**1,663**	**13**	**3**	**0**	**0**

Regional Housing Needs Assessment (RHNA)
5th RHNA (7 Years, 1/1/10-12/31/16)

	Very Low	Low	Moderate	Above Moderate	TOTAL
RHNA Allocation	587	446	413	907	**2,353**
Units Permitted[2]	36	26	1	624	**687**

[1] Data for Preserved At-Risk units collected from January 1, 2012 - December 31, 2016 for the purposes of Board Policy No. 033

[2] Units Permitted are based on 7 years (1/1/2010 - 12/31/2016) of the 11-year RHNA Projection Period for the fifth housing element cycle.

[3] San Diego Housing Federation inventory includes total deed restricted affordable (very low and low income) units collected from each jurisdiction in December 2011.

4 New Housing Units includes deed restricted affordable (very low and low) units as well as Acq/Rehab (very low and low) units collected from each jurisdiction for 2012 - 2016

San Diego Housing Federation Affordable Housing Inventory[3]

Total Rent Restricted Units	**132**
Total Price Restricted Units	**0**
New Housing Units[4]	**43**
Total Affordable Housing Units	**175**

SANDAG Board Policy No. 033
5 Years (1/1/12 - 12/31/16)

New Units Permitted (Deed-Restricted)		Existing Units		
Very Low	Low	Acq/ Rehab	Preserved At-Risk	TOTAL
25	18	0	0	**43**

REGIONAL HOUSING DASHBOARD
2003 - 2016
ESCONDIDO

	New Units Permitted											Acq/Rehab		Preserved At-Risk[1]
	VERY LOW			LOW			MODERATE			ABOVE MODERATE	TOTAL	VERY LOW	LOW	VERY LOW
	Deed Restricted	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*			*Deed Restricted*		
2003	12	0	12	0	0	0	0	0	0	497	**509**	3	12	
2004	25	0	25	46	0	46	0	0	0	226	**297**	0	0	
2005	0	0	0	0	0	0	0	0	0	71	**71**	0	0	
2006	1	0	1	6	0	6	0	0	0	231	**238**	0	0	
2007	23	0	23	0	0	0	18	0	18	287	**328**	4	0	0
2008	18	0	18	60	0	60	0	0	0	192	**270**	0	0	0
2009	51	0	51	9	0	9	0	0	0	56	**116**	0	0	0
2010	0	0	0	0	0	0	0	0	0	120	**120**	0	0	0
2011	39	0	39	15	0	15	0	0	0	41	**95**	0	0	65
2012	0	0	0	0	0	0	1	4	5	228	**233**	0	0	0
2013	7	0	7	28	1	29	0	0	0	108	**144**	0	160	0
2014	0	0	0	0	0	0	0	0	0	56	**56**	0	0	0
2015	0	0	0	11	0	11	0	0	0	7	**18**	0	0	0
2016	0	0	0	0	0	0	0	1	1	163	**164**	0	0	0
TOTAL	**176**	**0**	**176**	**175**	**1**	**176**	**19**	**5**	**24**	**2,283**	**2,659**	**7**	**172**	**65**

Regional Housing Needs Assessment (RHNA)
5th RHNA (7 Years, 1/1/10-12/31/16)

	Very Low	Low	Moderate	Above Moderate	TOTAL
RHNA Allocation	1,042	791	733	1,609	**4,175**
Units Permitted[2]	46	55	6	723	**830**

[1] Data for Preserved At-Risk units collected from January 1, 2012 - December 31, 2016 for the purposes of Board Policy No. 033

[2] Units Permitted are based on 7 years (1/1/2010 - 12/31/2016) of the 11-year RHNA Projection Period for the fifth housing element cycle.

[3] San Diego Housing Federation inventory includes total deed restricted affordable (very low and low income) units collected from each jurisdiction in December 2011.

4 New Housing Units includes deed restricted affordable (very low and low) units as well as Acq/Rehab (very low and low) units collected from each jurisdiction for 2012 - 2016

San Diego Housing Federation Affordable Housing Inventory[3]

Total Rent Restricted Units	**1,367**
Total Price Restricted Units	**118**
New Housing Units[4]	**206**
Total Affordable Housing Units	**1,691**

SANDAG Board Policy No. 033
5 Years (1/1/12 - 12/31/16)

New Units Permitted (Deed-Restricted)		Existing Units		
Very Low	Low	Acq/ Rehab	Preserved At Risk	TOTAL
7	39	160	0	**206**

REGIONAL HOUSING DASHBOARD

2003 - 2016

IMPERIAL BEACH

	New Units Permitted											Acq/Rehab		Preserved At-Risk[1]	
	VERY LOW			LOW			MODERATE			ABOVE MODERATE	TOTAL	VERY LOW	LOW	VERY LOW	LOW
	Deed Restricted	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*			*Deed Restricted*			
2003	0	0	0	0	0	0	0	0	0	0	**0**	0	0		
2004	0	0	0	0	0	0	0	0	0	0	**0**	0	0		
2005	0	0	0	0	0	0	0	0	0	27	**27**	0	0		
2006	0	0	0	0	0	0	0	0	0	23	**23**	0	0		
2007	0	0	0	0	0	0	0	10	10	26	**36**	0	15	0	0
2008	0	0	0	0	0	0	0	0	0	14	**14**	7	8	0	0
2009	7	0	7	7	0	7	0	0	0	7	**21**	0	0	0	0
2010	0	0	0	0	0	0	0	0	0	1	**1**	0	0	0	0
2011	0	0	0	0	0	0	0	0	0	4	**4**	0	0	0	0
2012	0	0	0	0	0	0	0	0	0	3	**3**	0	0	0	0
2013	3	0	3	26	0	26	5	0	5	10	**44**	0	0	0	0
2014	0	0	0	0	0	0	0	0	0	13	**13**	0	0	0	0
2015	0	0	0	0	0	0	0	0	0	20	**20**	0	0	0	0
2016	0	0	0	0	0	0	0	0	0	13	**13**	0	0	0	0
TOTAL	**10**	**0**	**10**	**33**	**0**	**33**	**5**	**10**	**15**	**161**	**219**	**7**	**23**	**0**	**0**

Regional Housing Needs Assessment (RHNA)

5th RHNA (7 Years, 1/1/10-12/31/16)

	Very Low	Low	Moderate	Above Moderate	TOTAL
RHNA Allocation	63	48	45	98	**254**
Units Permitted[2]	3	26	5	64	**98**

[1] Data for Preserved At-Risk units collected from January 1, 2012 - December 31, 2016 for the purposes of Board Policy No. 033

[2] Units Permitted are based on 7 years (1/1/2010 - 12/31/2016) of the 11-year RHNA Projection Period for the fifth housing element cycle.

[3] San Diego Housing Federation inventory includes total deed restricted affordable (very low and low income) units collected from each jurisdiction in December 2011.

4 New Housing Units includes deed restricted affordable (very low and low) units as well as Acq/Rehab (very low and low) units collected from each jurisdiction for 2012 - 2016

San Diego Housing Federation Affordable Housing Inventory[3]

Total Rent Restricted Units	**128**
Total Price Restricted Units	**0**
New Housing Units[4]	**29**
Total Affordable Housing Units	**157**

SANDAG Board Policy No. 033

5 Years (1/1/12- 12/31/16)

New Units Permitted (Deed-Restricted)		Existing Units		
Very Low	Low	Acq/ Rehab	Preserved At-Risk	TOTAL
3	26	0	0	**29**

REGIONAL HOUSING DASHBOARD
2003 - 2016
LA MESA

	New Units Permitted											Acq/Rehab		Preserved At-Risk[1]	
	VERY LOW			LOW			MODERATE					VERY LOW	LOW	VERY LOW	LOW
	Deed Restricted	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*	**ABOVE MODERATE**	**TOTAL**	*Deed Restricted*			
2003	0	0	0	0	0	0	0	0	0	61	**61**	0	0		
2004	0	0	0	0	0	0	0	0	0	80	**80**	0	0		
2005	0	0	0	0	0	0	0	0	0	262	**262**	0	0		
2006	32	0	32	0	0	0	48	0	48	211	**291**	0	0		
2007	0	0	0	0	0	0	0	0	0	302	**302**	0	0	0	0
2008	0	0	0	0	0	0	0	0	0	9	**9**	0	0	0	0
2009	0	0	0	0	0	0	0	0	0	0	**0**	0	0	0	0
2010	0	0	0	0	0	0	0	0	0	1	**1**	0	0	0	0
2011	18	0	18	0	0	0	279	0	279	190	**487**	0	0	0	0
2012	0	0	0	0	0	0	0	0	0	13	**13**	0	0	0	0
2013	0	0	0	0	0	0	0	0	0	34	**34**	0	0	0	0
2014	0	0	0	0	1	1	0	0	0	310	**311**	0	0	0	0
2015	0	0	0	0	1	1	0	0	0	28	**29**	0	0	0	0
2016	0	0	0	0	1	1	0	0	0	106	**107**	0	0	0	0
TOTAL	**50**	**0**	**50**	**0**	**3**	**3**	**327**	**0**	**327**	**1,607**	**1,987**	**0**	**0**	**0**	**0**

Regional Housing Needs Assessment (RHNA)
5th RHNA (7 Years, 1/1/10-12/31/16)

	Very Low	Low	Moderate	Above Moderate	TOTAL
RHNA Allocation	430	326	302	664	**1,722**
Units Permitted[2]	18	3	279	682	**982**

[1] Data for Preserved At-Risk units collected from January 1, 2012 - December 31, 2016 for the purposes of Board Policy No. 033

[2] Units Permitted are based on 7 years (1/1/2010 - 12/31/2016) of the 11-year RHNA Projection Period for the fifth housing element cycle.

[3] San Diego Housing Federation inventory includes total deed restricted affordable (very low and low income) units collected from each jurisdiction in December 2011.

4 New Housing Units includes deed restricted affordable (very low and low) units as well as Acq/Rehab (very low and low) units collected from each jurisdiction for 2012 - 2016

San Diego Housing Federation Affordable Housing Inventory[3]

Total Rent Restricted Units	**564**
Total Price Restricted Units	**6**
New Housing Units[4]	**0**
Total Affordable Housing Units	**570**

SANDAG Board Policy No. 033
5 Years (1/1/12 - 12/31/16)

New Units Permitted (Deed-Restricted)		Existing Units		
Very Low	Low	Acq/ Rehab	Preserved At-Risk	TOTAL
0	0	0	0	**0**

REGIONAL HOUSING DASHBOARD

2003 - 2016

LEMON GROVE

	New Units Permitted											Acq/Rehab		Preserved At-Risk[1]	
	VERY LOW			LOW			MODERATE					VERY LOW	LOW	VERY LOW	LOW
	Deed Restricted	Non Deed Restricted	TOTAL	Deed Restricted	Non Deed Restricted	TOTAL	Deed Restricted	Non Deed Restricted	TOTAL	ABOVE MODERATE	TOTAL	Deed Restricted			
2003	0	0	0	7	0	7	9	0	9	0	**16**	0	0		
2004	0	0	0	7	0	7	4	0	4	0	**11**	0	0		
2005	0	0	0	0	5	5	0	1	1	0	**6**	0	0		
2006	0	0	0	0	3	3	0	7	7	0	**10**	0	0		
2007	0	0	0	0	2	2	0	6	6	0	**8**	0	0	0	0
2008	26	0	26	9	6	15	0	4	4	0	**45**	0	0	0	0
2009	0	0	0	0	6	6	0	1	1	0	**7**	0	0	0	0
2010	0	0	0	0	4	4	0	1	1	0	**5**	0	0	0	0
2011	32	1	33	23	3	26	0	1	1	1	**61**	0	0	0	0
2012	0	0	0	0	1	1	0	1	1	0	**2**	0	0	0	0
2013	56	0	56	24	26	50	0	3	3	0	**109**	0	0	0	0
2014	0	0	0	0	0	0	0	0	0	23	**23**	0	0	0	0
2015	0	0	0	0	5	5	0	0	0	72	**77**	0	0	0	0
2016	1	0	1	0	2	2	0	61	61	42	**106**	0	0	0	0
TOTAL	**115**	**1**	**116**	**70**	**63**	**133**	**13**	**86**	**99**	**138**	**486**	**0**	**0**	**0**	**0**

Regional Housing Needs Assessment (RHNA)

5th RHNA (7 Years, 1/1/10-12/31/16)

	Very Low	Low	Moderate	Above Moderate	TOTAL
RHNA Allocation	77	59	54	119	**309**
Units Permitted[2]	90	88	67	138	**383**

[1] Data for Preserved At-Risk units collected from January 1, 2012 - December 31, 2016 for the purposes of Board Policy No. 033

[2] Units Permitted are based on 7 years (1/1/2010 - 12/31/2016) of the 11-year RHNA Projection Period for the fifth housing element cycle.

[3] San Diego Housing Federation inventory includes total deed restricted affordable (very low and low income) units collected from each jurisdiction in December 2011.

4 New Housing Units includes deed restricted affordable (very low and low) units as well as Acq/Rehab (very low and low) units collected from each jurisdiction for 2012 - 2016

San Diego Housing Federation Affordable Housing Inventory[3]

Total Rent Restricted Units	**303**
Total Price Restricted Units	**0**
New Housing Units[4]	**81**
Total Affordable Housing Units	**384**

SANDAG Board Policy No. 033

5 Years (1/1/12 - 12/31/16)

New Units Permitted (Deed-Restricted)		Existing Units		
Very Low	Low	Acq/ Rehab	Preserved At-Risk	TOTAL
57	24	0	0	**81**

Appendix C11

REGIONAL HOUSING DASHBOARD
2003 - 2016
NATIONAL CITY

	New Units Permitted											Acq/Rehab		Preserved At-Risk[1]	
	VERY LOW			LOW			MODERATE					VERY LOW	LOW	VERY LOW	LOW
	Deed Restricted	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*	ABOVE MODERATE	TOTAL			*Deed Restricted*	
2003	0	0	0	5	0	5	0	0	0	27	**32**	0	14		
2004	0	0	0	0	0	0	0	0	0	132	**132**	0	18		
2005	0	0	0	0	0	0	0	0	0	156	**156**	0	0		
2006	60	0	60	20	0	20	0	0	0	47	**127**	0	0		
2007	0	0	0	0	0	0	0	170	170	73	**243**	0	0	0	0
2008	0	0	0	0	5	5	0	0	0	227	**232**	0	0	0	0
2009	0	0	0	2	0	2	0	0	0	18	**20**	0	0	0	0
2010	0	0	0	8	0	8	0	0	0	23	**31**	0	17	0	0
2011	0	0	0	0	0	0	0	0	0	3	**3**	2	7	0	0
2012	0	0	0	0	0	0	0	0	0	9	**9**	0	0	0	0
2013	0	0	0	0	0	0	0	0	0	32	**32**	8	1	0	0
2014	53	0	53	0	0	0	55	0	55	17	**125**	0	2	0	0
2015	0	0	0	0	0	0	0	0	0	143	**143**	0	0	0	0
2016	45	0	45	0	0	0	46	0	46	12	**103**	0	0	163	17
TOTAL	**158**	**0**	**158**	**35**	**5**	**40**	**101**	**170**	**271**	**919**	**1,388**	**10**	**59**	**163**	**17**

Regional Housing Needs Assessment (RHNA)
5th RHNA (7 Years, 1/1/10-12/31/16)

	Very Low	Low	Moderate	Above Moderate	TOTAL
RHNA Allocation	465	353	327	718	**1,863**
Units Permitted[2]	98	8	101	239	**446**

[1] Data for Preserved At-Risk units collected from January 1, 2012 - December 31, 2016 for the purposes of Board Policy No. 033

[2] Units Permitted are based on 7 years (1/1/2010 - 12/31/2016) of the 11-year RHNA Projection Period for the fifth housing element cycle.

[3] San Diego Housing Federation inventory includes total deed restricted affordable (very low and low income) units collected from each jurisdiction in December 2011.

4 New Housing Units includes deed restricted affordable (very low and low) units as well as Acq/Rehab (very low and low) units collected from each jurisdiction for 2012 - 2016

San Diego Housing Federation Affordable Housing Inventory[3]

Total Rent Restricted Units	**2,317**
Total Price Restricted Units	**6**
New Housing Units[4]	**109**
Total Affordable Housing Units	**2,432**

SANDAG Board Policy No. 033
5 Years (1/1/12 - 12/31/16)

New Units Permitted (Deed-Restricted)		Existing Units		
Very Low	**Low**	**Acq/ Rehab**	**Preserved At-Risk**	**TOTAL**
98	0	11	180	**289**

REGIONAL HOUSING DASHBOARD
2003 - 2016
OCEANSIDE

	New Units Permitted											Acq/Rehab		Preserved At-Risk[1]	
	VERY LOW			LOW			MODERATE					VERY LOW	LOW	VERY LOW	LOW
	Deed Restricted	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*	ABOVE MODERATE	TOTAL			*Deed Restricted*	
2003	0	0	0	0	0	0	0	0	0	591	**591**	0	0		
2004	0	0	0	0	0	0	0	0	0	432	**432**	0	0		
2005	0	0	0	8	0	8	0	234	234	300	**542**	0	0		
2006	38	0	38	50	0	50	0	250	250	385	**723**	0	0		
2007	37	0	37	10	0	10	0	98	98	137	**282**	36	0	0	0
2008	100	0	100	10	0	10	0	22	22	71	**203**	0	90	0	0
2009	24	0	24	131	0	131	0	165	165	64	**384**	14	130	0	0
2010	93	0	93	2	0	2	0	33	33	74	**202**	8	2	0	0
2011	87	0	87	0	0	0	0	17	17	62	**166**	4	0	0	0
2012	3	0	3	0	0	0	0	36	36	67	**106**	0	0	0	86
2013	84	0	84	55	0	55	0	16	16	159	**314**	0	0	0	79
2014	0	0	0	0	0	0	0	20	20	92	**112**	0	0	0	0
2015	0	0	0	0	0	0	0	27	27	73	**100**	0	0	73	0
2016	0	0	0	0	0	0	0	32	32	24	**56**	0	0	0	0
TOTAL	**466**	**0**	**466**	**266**	**0**	**266**	**0**	**950**	**950**	**2,531**	**4,213**	**62**	**222**	**73**	**165**

Regional Housing Needs Assessment (RHNA)
5th RHNA (7 Years, 1/1/10 - 12/31/16)

	Very Low	Low	Moderate	Above Moderate	TOTAL
RHNA Allocation	1,549	1,178	1,090	2,393	**6,210**
Units Permitted[2]	267	57	181	551	**1,056**

[1] Data for Preserved At-Risk units collected from January 1, 2012 - December 31, 2016 for the purposes of Board Policy No. 033

[2] Units Permitted are based on 7 years (1/1/2010 - 12/31/2016) of the 11-year RHNA Projection Period for the fifth housing element cycle.

[3] San Diego Housing Federation inventory includes total deed restricted affordable (very low and low income) units collected from each jurisdiction in December 2011.

4 New Housing Units includes deed restricted affordable (very low and low) units as well as Acq/Rehab (very low and low) units collected from each jurisdiction for 2012 - 2016

San Diego Housing Federation Affordable Housing Inventory[3]

Total Rent Restricted Units	**1,474**
Total Price Restricted Units	**21**
New Housing Units[4]	**142**
Total Affordable Housing Units	**1,637**

SANDAG Board Policy No. 033
5 Years (1/1/12 - 12/31/16)

New Units Permitted (Deed-Restricted)		Existing Units		
Very Low	Low	Acq/ Rehab	Preserved At-Risk	TOTAL
87	55	0	238	**380**

REGIONAL HOUSING DASHBOARD
2003 - 2016
POWAY

	New Units Permitted											Acq/Rehab		Preserved At-Risk[1]	
	VERY LOW			LOW			MODERATE					VERY LOW	LOW	VERY LOW	LOW
	Deed Restricted	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*	ABOVE MODERATE	TOTAL			*Deed Restricted*	
2003	155	0	155	0	0	0	0	0	0	81	**236**	0	0		
2004	0	0	0	0	0	0	0	0	0	74	**74**	0	0		
2005	0	0	0	0	0	0	0	0	0	41	**41**	0	0		
2006	44	0	44	12	0	12	0	0	0	26	**82**	0	0		
2007	0	0	0	0	0	0	0	0	0	20	**20**	0	0	0	0
2008	0	0	0	0	0	0	0	0	0	19	**19**	26	26	0	0
2009	0	0	0	5	0	5	28	0	28	31	**64**	0	0	0	0
2010	31	0	31	46	0	46	0	0	0	13	**90**	0	0	0	0
2011	0	0	0	0	0	0	0	0	0	10	**10**	26	26	0	0
2012	26	0	26	26	0	26	0	0	0	10	**62**	26	26	0	0
2013	0	0	0	0	0	0	0	0	0	19	**19**	0	0	0	0
2014	0	0	0	0	0	0	0	0	0	11	**11**	0	0	0	0
2015	0	0	0	0	0	0	0	0	0	11	**11**	0	0	0	0
2016	0	0	0	0	0	0	0	0	0	17	**17**	0	0	0	0
TOTAL	**256**	**0**	**256**	**89**	**0**	**89**	**28**	**0**	**28**	**383**	**756**	**78**	**78**	**0**	**0**

Regional Housing Needs Assessment (RHNA)
5th RHNA (7 Years, 1/1/10-12/31/16)

	Very Low	Low	Moderate	Above Moderate	TOTAL
RHNA Allocation	201	152	282	618	**1,253**
Units Permitted[2]	57	72	0	91	**220**

[1] Data for Preserved At-Risk units collected from January 1, 2012 - December 31, 2016 for the purposes of Board Policy No. 033

[2] Units Permitted are based on 7 years (1/1/2010 - 12/31/2016) of the 11-year RHNA Projection Period for the fifth housing element cycle.

[3] San Diego Housing Federation inventory includes total deed restricted affordable (very low and low income) units collected from each jurisdiction in December 2011.

4 New Housing Units includes deed restricted affordable (very low and low) units as well as Acq/Rehab (very low and low) units collected from each jurisdiction for 2012 - 2016

San Diego Housing Federation Affordable Housing Inventory[3]

Total Rent Restricted Units	**719**
Total Price Restricted Units	**41**
New Housing Units[4]	**104**
Total Affordable Housing Units	**864**

SANDAG Board Policy No. 033
5 Years (1/1/12 - 12/31/16)

New Units Permitted (Deed-Restricted)		Existing Units		
Very Low	Low	Acq/ Rehab	Preserved At-Risk	TOTAL
26	26	52	0	**104**

REGIONAL HOUSING DASHBOARD

2003 - 2016

CITY OF SAN DIEGO

	New Units Permitted											Acq/Rehab		Preserved At-Risk[1]
	VERY LOW			LOW			MODERATE					VERY LOW	LOW	VERY LOW
	Deed Restricted	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*	ABOVE MODERATE	TOTAL	*Deed Restricted*		
2003	450	0	450	257	0	257	18	0	18	6,334	**7,059**	0	0	
2004	179	0	179	59	0	59	53	0	53	5,277	**5,568**	373	162	
2005	321	0	321	302	0	302	136	0	136	5,575	**6,334**	23	5	
2006	361	0	361	194	0	194	6	0	6	4,153	**4,714**	7	0	
2007	436	0	436	168	0	168	67	0	67	3,236	**3,907**	238	496	0
2008	333	0	333	262	0	262	3	0	3	1,683	**2,281**	108	21	0
2009	283	0	283	125	0	125	17	0	17	1,040	**1,465**	33	142	0
2010	258	0	258	175	0	175	29	0	29	1,239	**1,701**	185	435	130
2011	221	0	221	127	0	127	0	0	0	2,173	**2,521**	234	173	20
2012	197	0	197	287	0	287	0	0	0	3,400	**3,884**	49	0	0
2013	412	0	412	628	0	628	0	0	0	4,269	**5,309**	153	11	24
2014	229	0	229	184	0	184	4	0	4	1,991	**2,408**	130	303	16
2015	265	0	265	446	0	446	0	0	0	4,221	**4,932**	73	69	0
2016	103	0	103	253	0	253	0	0	0	7,028	**7,384**	24	270	0
TOTAL	**4,048**	**0**	**4,048**	**3,467**	**0**	**3,467**	**333**	**0**	**333**	**51,619**	**59,467**	**1,630**	**2,087**	**190**

Regional Housing Needs Assessment (RHNA)

5th RHNA (7 Years, 1/1/10 - 12/31/16)

	Very Low	Low	Moderate	Above Moderate	TOTAL
RHNA Allocation	21,977	16,703	15,462	33,954	**88,096**
Units Permitted[2]	1,685	2,100	33	24,321	**28,139**

[1] Data for Preserved At-Risk units collected from January 1, 2012 - December 31, 2016 for the purposes of Board Policy No. 033

[2] Units Permitted are based on 7 years (1/1/2010 - 12/31/2016) of the 11-year RHNA Projection Period for the fifth housing element cycle.

[3] San Diego Housing Federation inventory includes total deed restricted affordable (very low and low income) units collected from each jurisdiction in December 2011.

4 New Housing Units includes deed restricted affordable (very low and low) units as well as Acq/Rehab (very low and low) units collected from each jurisdiction for 2012 - 2016

San Diego Housing Federation Affordable Housing Inventory[3]

Total Rent Restricted Units	**18,843**
Total Price Restricted Units	**1,243**
New Housing Units[4]	**4,086**
Total Affordable Housing Units	**24,172**

SANDAG Board Policy No. 033

5 Years (1/1/12 - 12/31/16)

New Units Permitted (Deed-Restricted)		Existing Units		TOTAL
Very Low	Low	Acq/ Rehab	Preserved At-Risk	
1,206	1,798	1,082	409	**4,495**

REGIONAL HOUSING DASHBOARD

2003 - 2016
SAN MARCOS

	New Units Permitted											Acq/Rehab		Preserved At-Risk[1]	
	VERY LOW			LOW			MODERATE			ABOVE MODERATE	TOTAL	VERY LOW	LOW	VERY LOW	LOW
	Deed Restricted	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*			*Deed Restricted*			
2003	222	0	222	334	0	334	650	0	650	2,406	**3,612**	0	0		
2004	0	0	0	0	0	0	0	0	0	0	**0**	0	0		
2005	0	0	0	0	0	0	0	0	0	0	**0**	0	0		
2006	0	0	0	0	0	0	0	0	0	0	**0**	0	0		
2007	0	0	0	0	0	0	0	0	0	0	**0**	0	0	0	0
2008	0	0	0	0	0	0	0	0	0	56	**56**	0	0	0	0
2009	73	0	73	27	0	27	0	0	0	54	**154**	0	0	0	0
2010	0	0	0	0	0	0	0	0	0	136	**136**	5	27	0	0
2011	35	0	35	13	0	13	0	0	0	352	**400**	0	0	0	0
2012	42	0	42	14	0	14	14	0	14	511	**581**	0	0	0	0
2013	59	0	59	23	0	23	49	0	49	685	**816**	0	0	0	0
2014	0	0	0	0	0	0	0	0	0	97	**97**	0	0	0	0
2015	51	0	51	54	0	54	0	0	0	488	**593**	0	0	0	0
2016	0	0	0	0	0	0	0	0	0	329	**329**	0	0	0	0
TOTAL	**482**	**0**	**482**	**465**	**0**	**465**	**713**	**0**	**713**	**5,114**	**6,774**	**5**	**27**	**0**	**0**

Regional Housing Needs Assessment (RHNA)

5th RHNA (7 Years, 1/1/2010 - 12/31/2016)

	Very Low	Low	Moderate	Above Moderate	TOTAL
RHNA Allocation	1,043	793	734	1,613	**4,183**
Units Permitted[2]	187	104	63	2,598	**2,952**

[1] Data for Preserved At-Risk units collected from January 1, 2012 - December 31, 2016 for the purposes of Board Policy No. 033

[2] Units Permitted are based on 7 years (1/1/2010 - 12/31/2016) of the 11-year RHNA Projection Period for the fifth housing element cycle.

[3] San Diego Housing Federation inventory includes total deed restricted affordable (very low and low income) units collected from each jurisdiction in December 2011.

4 New Housing Units includes deed restricted affordable (very low and low) units as well as Acq/Rehab (very low and low) units collected from each jurisdiction for 2012 - 2016

San Diego Housing Federation Affordable Housing Inventory[3]

Total Rent Restricted Units	**2,932**
Total Price Restricted Units	**193**
New Housing Units[4]	**243**
Total Affordable Housing Units	**3,368**

SANDAG Board Policy No. 033

5 Years (1/1/12 - 12/31/16)

New Units Permitted (Deed-Restricted)		Existing Units		
Very Low	Low	Acq/ Rehab	Preserved At-Risk	TOTAL
152	91	0	0	**243**

REGIONAL HOUSING DASHBOARD
2003 - 2016
SANTEE

	New Units Permitted											Acq/Rehab		Preserved At-Risk[1]	
	VERY LOW			LOW			MODERATE					VERY LOW	LOW	VERY LOW	LOW
	Deed Restricted	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*	ABOVE MODERATE	TOTAL	*Deed Restricted*			
2003	0	0	0	0	0	0	0	0	0	68	**68**	19	41		
2004	80	0	80	53	0	53	0	0	0	161	**294**	0	0		
2005	0	0	0	0	0	0	0	0	0	286	**286**	0	0		
2006	0	0	0	0	0	0	0	0	0	86	**86**	0	0		
2007	0	0	0	0	0	0	0	0	0	258	**258**	0	0	0	0
2008	0	0	0	0	0	0	0	3	3	157	**160**	0	0	0	0
2009	0	0	0	0	0	0	0	1	1	152	**153**	0	0	0	0
2010	10	0	10	37	4	41	1	52	53	63	**167**	0	0	0	0
2011	0	0	0	0	0	0	0	7	7	73	**80**	0	0	0	0
2012	5	0	5	37	0	37	0	19	19	19	**80**	0	0	0	0
2013	0	0	0	0	0	0	0	0	0	133	**133**	0	0	0	0
2014	0	0	0	0	0	0	0	0	0	175	**175**	0	0	0	0
2015	0	0	0	0	0	0	0	0	0	5	**5**	0	2	0	0
2016	0	0	0	0	2	2	0	0	0	50	**52**	0	2	0	0
TOTAL	**95**	**0**	**95**	**127**	**6**	**133**	**1**	**82**	**83**	**1,686**	**1,997**	**19**	**45**	**0**	**0**

Regional Housing Needs Assessment (RHNA)
5th RHNA (7 Years, 1/1/10-12/31/16)

	Very Low	Low	Moderate	Above Moderate	TOTAL
RHNA Allocation	914	694	642	1,410	**3,660**
Units Permitted[2]	15	80	79	518	**692**

[1] Data for Preserved At-Risk units collected from January 1, 2012 - December 31, 2016 for the purposes of Board Policy No. 033

[2] Units Permitted are based on 7 years (1/1/2010 - 12/31/2016) of the 11-year RHNA Projection Period for the fifth housing element cycle.

[3] San Diego Housing Federation inventory includes total deed restricted affordable (very low and low income) units collected from each jurisdiction in December 2011.

4 New Housing Units includes deed restricted affordable (very low and low) units as well as Acq/Rehab (very low and low) units collected from each jurisdiction for 2012 - 2016

San Diego Housing Federation Affordable Housing Inventory[3]

Total Rent Restricted Units	**643**
Total Price Restricted Units	**0**
New Housing Units[4]	**46**
Total Affordable Housing Units	**689**

SANDAG Board Policy No. 033
5 Years (1/1/12 - 12/31/16)

New Units Permitted (Deed-Restricted)		Existing Units		
Very Low	Low	Acq/ Rehab	Preserved At-Risk	TOTAL
5	37	4	0	**46**

REGIONAL HOUSING DASHBOARD
2003 - 2016
SOLANA BEACH

	New Units Permitted											Acq/Rehab		Preserved At-Risk[1]	
	VERY LOW			LOW			MODERATE			ABOVE MODERATE	TOTAL	VERY LOW	LOW	VERY LOW	LOW
	Deed Restricted	Non Deed Restricted	TOTAL	Deed Restricted	Non Deed Restricted	TOTAL	Deed Restricted	Non Deed Restricted	TOTAL					Deed Restricted	
2003	0	0	0	0	0	0	0	0	0	15	**15**	0	0		
2004	0	0	0	0	0	0	0	0	0	41	**41**	0	0		
2005	0	0	0	5	0	5	0	0	0	19	**24**	0	0		
2006	0	0	0	1	0	1	0	0	0	22	**23**	0	0		
2007	0	0	0	1	0	1	0	0	0	15	**16**	0	0	0	0
2008	0	0	0	1	0	1	0	0	0	5	**6**	0	0	0	0
2009	0	0	0	0	0	0	0	0	0	3	**3**	0	0	0	0
2010	0	0	0	1	0	1	0	0	0	3	**4**	0	0	0	0
2011	0	0	0	0	0	0	0	0	0	6	**6**	0	0	0	0
2012	0	0	0	0	0	0	0	0	0	1	**1**	0	0	0	0
2013	0	0	0	0	0	0	0	0	0	1	**1**	0	0	0	0
2014	0	0	0	0	0	0	0	0	0	5	**5**	0	0	0	0
2015	0	0	0	1	0	1	0	0	0	3	**4**	0	0	0	0
2016	0	0	0	1	0	1	0	0	0	5	**6**	0	0	0	0
TOTAL	**0**	**0**	**0**	**11**	**0**	**11**	**0**	**0**	**0**	**144**	**155**	**0**	**0**	**0**	**0**

Regional Housing Needs Assessment (RHNA)
5th RHNA (7 Years, 1/1/10-12/31/16)

	Very Low	Low	Moderate	Above Moderate	TOTAL
RHNA Allocation	85	65	59	131	**340**
Units Permitted[2]	0	3	0	24	**27**

[1] Data for Preserved At-Risk units collected from January 1, 2012 - December 31, 2016 for the purposes of Board Policy No. 033

[2] Units Permitted are based on 7 years (1/1/2010 - 12/31/2016) of the 11-year RHNA Projection Period for the fifth housing element cycle.

[3] San Diego Housing Federation inventory includes total deed restricted affordable (very low and low income) units collected from each jurisdiction in December 2011.

4 New Housing Units includes deed restricted affordable (very low and low) units as well as Acq/Rehab (very low and low) units collected from each jurisdiction for 2012 - 2016

San Diego Housing Federation Affordable Housing Inventory[3]

Total Rent Restricted Units	**67**
Total Price Restricted Units	**0**
New Housing Units[4]	**2**
Total Affordable Housing Units	**69**

SANDAG Board Policy No. 033
5 Years (1/1/12 - 12/31/16)

New Units Permitted (Deed-Restricted)		Existing Units		
Very Low	Low	Acq/ Rehab	Preserved At-Risk	TOTAL
0	2	0	0	**2**

REGIONAL HOUSING DASHBOARD

2003 - 2016

VISTA

	New Units Permitted											Acq/Rehab		Preserved At-Risk[1]	
	VERY LOW			LOW			MODERATE					VERY LOW	LOW	VERY LOW	LOW
	Deed Restricted	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*	ABOVE MODERATE	TOTAL	*Deed Restricted*			
2003	0	0	0	4	0	4	0	0	0	213	**217**	0	0		
2004	32	0	32	3	0	3	0	0	0	101	**136**	0	0		
2005	0	0	0	17	0	17	0	0	0	318	**335**	0	0		
2006	0	0	0	4	0	4	0	0	0	76	**80**	0	0		
2007	0	0	0	3	0	3	0	0	0	63	**66**	0	0	0	0
2008	0	0	0	1	0	1	3	0	3	51	**55**	0	0	0	0
2009	0	0	0	0	0	0	0	0	0	11	**11**	0	0	0	0
2010	0	0	0	1	0	1	0	0	0	61	**62**	0	0	0	0
2011	0	0	0	0	0	0	0	0	0	51	**51**	0	0	0	0
2012	0	0	0	0	0	0	0	0	0	95	**95**	0	0	0	0
2013	46	0	46	22	0	22	1	0	1	45	**114**	40	6	0	0
2014	48	0	48	18	0	18	0	0	0	691	**757**	0	0	0	0
2015	0	0	0	0	0	0	0	0	0	415	**415**	0	0	0	0
2016	0	0	0	0	0	0	0	0	0	35	**35**	0	0	0	0
TOTAL	**126**	**0**	**126**	**73**	**0**	**73**	**4**	**0**	**4**	**2,226**	**2,429**	**40**	**6**	**0**	**0**

Regional Housing Needs Assessment (RHNA)

5th RHNA (7 Years, 1/1/10-12/31/16)

	Very Low	Low	Moderate	Above Moderate	TOTAL
RHNA Allocation	343	260	241	530	**1,374**
Units Permitted[2]	94	41	1	1,393	**1,529**

[1] Data for Preserved At-Risk units collected from January 1, 2012 - December 31, 2016 for the purposes of Board Policy No. 033

[2] Units Permitted are based on 7 years (1/1/2010 - 12/31/2016) of the 11-year RHNA Projection Period for the fifth housing element cycle.

[3] San Diego Housing Federation inventory includes total deed restricted affordable (very low and low income) units collected from each jurisdiction in December 2011.

4 New Housing Units includes deed restricted affordable (very low and low) units as well as Acq/Rehab (very low and low) units collected from each jurisdiction for 2012 - 2016

San Diego Housing Federation Affordable Housing Inventory[3]

Total Rent Restricted Units	**453**
Total Price Restricted Units	**7**
New Housing Units[4]	**180**
Total Affordable Housing Units	**640**

SANDAG Board Policy No. 033

5 Years (1/1/12 - 12/31/16)

New Units Permitted (Deed-Restricted)		Existing Units		
Very Low	Low	Acq/ Rehab	Preserved At-Risk	TOTAL
94	40	46	0	**180**

REGIONAL HOUSING DASHBOARD
2003 - 2016
UNINCORPORATED COUNTY OF SAN DIEGO

	New Units Permitted											Acq/Rehab		Preserved At-Risk[1]	
	VERY LOW			LOW			MODERATE			ABOVE MODERATE	TOTAL	VERY LOW	LOW	VERY LOW	LOW
	Deed Restricted	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*			*Deed Restricted*			
2003	36	5	41	84	48	132	0	171	171	2,235	**2,579**	85	0		
2004	0	4	4	50	63	113	0	113	113	2,548	**2,778**	44	91		
2005	0	11	11	0	75	75	0	98	98	3,336	**3,520**	0	0		
2006	0	17	17	0	47	47	0	119	119	1,813	**1,996**	14	122		
2007	2	7	9	0	43	43	0	39	39	1,122	**1,213**	0	0	0	0
2008	0	14	14	0	33	33	0	73	73	775	**895**	0	0	0	0
2009	0	2	2	0	24	24	0	9	9	410	**445**	0	0	0	0
2010	16	2	18	63	19	82	0	9	9	268	**377**	0	0	0	0
2011	0	1	1	0	22	22	0	90	90	304	**417**	0	0	0	0
2012	0	3	3	0	20	20	0	36	36	260	**319**	0	21	0	0
2013	0	1	1	0	21	21	0	65	65	393	**480**	0	0	0	0
2014	0	0	0	0	25	25	0	114	114	576	**715**	0	0	0	0
2015	0	1	1	0	25	25	0	228	228	613	**867**	0	0	0	0
2016	0	0	0	0	24	24	0	177	177	381	**582**	0	0	0	0
TOTAL	**54**	**68**	**122**	**197**	**489**	**686**	**0**	**1,341**	**1,341**	**15,034**	**17,183**	**143**	**234**	**0**	**0**

Regional Housing Needs Assessment (RHNA)
5th RHNA (7 Years, 1/1/10-12/31/16)

	Very Low	Low	Moderate	Above Moderate	TOTAL
RHNA Allocation	2,085	1,585	5,864	12,878	**22,412**
Units Permitted[2]	24	219	719	2,795	**3,757**

[1] Data for Preserved At-Risk units collected from January 1, 2012 - December 31, 2016 for the purposes of Board Policy No. 033

[2] Units Permitted are based on 7 years (1/1/2010 - 12/31/2016) of the 11-year RHNA Projection Period for the fifth housing element cycle.

[3] San Diego Housing Federation inventory includes total deed restricted affordable (very low and low income) units collected from each jurisdiction in December 2011.

4 New Housing Units includes deed restricted affordable (very low and low) units as well as Acq/Rehab (very low and low) units collected from each jurisdiction for 2012 - 2016

San Diego Housing Federation Affordable Housing Inventory[3]

Total Rent Restricted Units	**1,756**
Total Price Restricted Units	**0**
New Housing Units[4]	**21**
Total Affordable Housing Units	**1,777**

SANDAG Board Policy No. 033
5 Years (1/1/12 - 12/31/16)

New Units Permitted (Deed-Restricted)		Existing Units		
Very Low	**Low**	**Acq/ Rehab**	**Preserved At-Risk**	**TOTAL**
0	0	21	0	**21**

REGIONAL HOUSING DASHBOARD
2003 - 2016
SAN DIEGO REGION

	New Units Permitted											Acq/Rehab		Preserved At-Risk[1]
	VERY LOW			LOW			MODERATE					VERY LOW	LOW	VERY LOW
	Deed Restricted	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed Restricted*	*TOTAL*	*Deed Restricted*	*Non Deed*	*TOTAL*	ABOVE MODERATE	TOTAL			*Deed Restricted*
2003	1,045	14	1,059	1,257	53	1,310	761	459	1,220	16,245	**19,834**	120	70	
2004	321	7	328	419	74	493	170	333	503	13,546	**14,870**	417	271	
2005	362	11	373	502	89	591	234	345	579	14,065	**15,608**	23	5	
2006	648	19	667	394	57	451	55	401	456	7,974	**9,548**	27	127	
2007	498	10	508	193	48	241	85	329	414	6,699	**7,862**	281	514	14
2008	565	14	579	503	59	562	10	107	117	3,721	**4,979**	157	145	14
2009	438	4	442	323	33	356	45	190	235	2,364	**3,397**	47	272	0
2010	489	5	494	693	29	722	30	99	129	2,845	**4,190**	211	481	130
2011	471	4	475	225	26	251	300	326	626	4,135	**5,487**	271	207	85
2012	275	3	278	368	22	390	15	204	219	5,847	**6,734**	75	236	0
2013	770	3	773	880	49	929	56	128	184	6,800	**8,686**	236	250	24
2014	354	0	354	224	29	253	80	166	246	5,506	**6,359**	134	307	16
2015	316	1	317	526	33	559	2	275	277	7,177	**8,330**	75	71	73
2016	178	0	178	611	29	640	102	292	394	9,716	**10,928**	25	279	163
TOTAL	**6,730**	**95**	**6,825**	**7,118**	**630**	**7,748**	**1,945**	**3,654**	**5,599**	**106,640**	**126,812**	**2,099**	**3,235**	**519**

Regional Housing Needs Assessment (RHNA)

5th RHNA (7 Years, 1/1/10-12/31/16)

	Very Low	Low	Moderate	Above Moderate	TOTAL
RHNA Allocation	36,450	27,700	30,610	67,220	**161,980**
Units Permitted[2]	2,869	3,744	2,075	42,026	**50,714**

San Diego Housing Federation Affordable Housing Inventory[3]

Total Rent Restricted Units	**37,140**
Total Price Restricted Units	**2,444**
New Housing Units[4]	**6,190**
Total Affordable Housing Units	**45,774**

SANDAG Board Policy No. 033

5 Years (1/1/12 - 12/31/16)

New Units Permitted (Deed-Restricted)		Existing Units		
Very Low	Low	Acq/ Rehab	Preserved At-Risk	TOTAL
1,893	2,609	1,688	827	**7,017**

[1] Data for Preserved At-Risk units collected from January 1, 2012 - December 31, 2016 for the purposes of Board Policy No. 033

[2] Units Permitted are based on 7 years (1/1/2010 - 12/31/2016) of the 11-year RHNA Projection Period for the fifth housing element cycle.

[3] San Diego Housing Federation inventory includes total deed restricted affordable (very low and low income) units collected from each jurisdiction in December 2011.

4 New Housing Units includes deed restricted affordable (very low and low) units as well as Acq/Rehab (very low and low) units collected from each jurisdiction for 2012 - 2016

San Diego Housing Federaltion (SDHF)
Affordable Housing Inventory

Carlsbad	
Total Affordable Housing Units in Jurisdiction:	**2,239**
Total Rent Restricted Affordable Units in Jursidiction:	**1,671**
Total Price Restricted Units in Jurisdiction:	**383**
New Housing Units[1]	**185**

Chula Vista	
Total Affordable Housing Units in Jurisdiction:	**3,435**
Total Rent Restricted Affordable Units in Jursidiction:	**2,699**
Total Price Restricted Units in Jurisdiction:	**102**
New Housing Units	**634**

Coronado	
Total Affordable Housing Units in Jurisdiction:	**189**
Total Rent Restricted Affordable Units in Jursidiction:	**177**
Total Price Restricted Units in Jurisdiction:	**12**
New Housing Units	**0**

Del Mar	
Total Affordable Housing Units in Jurisdiction:	**0**
Total Rent Restricted Affordable Units in Jursidiction:	**0**
Total Price Restricted Units in Jurisdiction:	**0**
New Housing Units	**0**

El Cajon	
Total Affordable Housing Units in Jurisdiction:	**1,286**
Total Rent Restricted Affordable Units in Jursidiction:	**895**
Total Price Restricted Units in Jurisdiction:	**312**
New Housing Units	**79**

Encinitas	
Total Affordable Housing Units in Jurisdiction:	**175**
Total Rent Restricted Affordable Units in Jursidiction:	**132**
Total Price Restricted Units in Jurisdiction:	**0**
New Housing Units	**43**

Escondido	
Total Affordable Housing Units in Jurisdiction:	**1,691**
Total Rent Restricted Affordable Units in Jursidiction:	**1,367**
Total Price Restricted Units in Jurisdiction:	**118**
New Housing Units	**206**

Imperial Beach	
Total Affordable Housing Units in Jurisdiction:	**157**
Total Rent Restricted Affordable Units in Jursidiction:	**128**
Total Price Restricted Units in Jurisdiction:	**0**
New Housing Units	**29**

San Diego Housing Federaltion (SDHF)
Affordable Housing Inventory

La Mesa	
Total Affordable Housing Units in Jurisdiction:	**570**
Total Rent Restricted Affordable Units in Jursidiction:	**564**
Total Price Restricted Units in Jurisdiction:	**6**
New Housing Units	**0**

Lemon Grove	
Total Affordable Housing Units in Jurisdiction:	**384**
Total Rent Restricted Affordable Units in Jursidiction:	**303**
Total Price Restricted Units in Jurisdiction:	**0**
New Housing Units	**81**

National City	
Total Affordable Housing Units in Jurisdiction:	**2,432**
Total Rent Restricted Affordable Units in Jursidiction:	**2,317**
Total Price Restricted Units in Jurisdiction:	**6**
New Housing Units	**109**

Oceanside	
Total Affordable Housing Units in Jurisdiction:	**1,637**
Total Rent Restricted Affordable Units in Jursidiction:	**1,474**
Total Price Restricted Units in Jurisdiction:	**21**
New Housing Units	**142**

Poway	
Total Affordable Housing Units in Jurisdiction:	**864**
Total Rent Restricted Affordable Units in Jursidiction:	**719**
Total Price Restricted Units in Jurisdiction:	**41**
New Housing Units	**104**

City of San Diego	
Total Affordable Housing Units in Jurisdiction:	**24,172**
Total Rent Restricted Affordable Units in Jursidiction:	**18,843**
Total Price Restricted Units in Jurisdiction:	**1,243**
New Housing Units	**4,086**

San Marcos	
Total Affordable Housing Units in Jurisdiction:	**3,368**
Total Rent Restricted Affordable Units in Jursidiction:	**2,932**
Total Price Restricted Units in Jurisdiction:	**193**
New Housing Units	**243**

Santee	
Total Affordable Housing Units in Jurisdiction:	**689**
Total Rent Restricted Affordable Units in Jursidiction:	**643**
Total Price Restricted Units in Jurisdiction:	**0**
New Housing Units	**46**

San Diego Housing Federaltion (SDHF)
Affordable Housing Inventory

Solana Beach	
Total Affordable Housing Units in Jurisdiction:	**69**
Total Rent Restricted Affordable Units in Jursidiction:	**67**
Total Price Restricted Units in Jurisdiction:	**0**
New Housing Units	**2**

Vista	
Total Affordable Housing Units in Jurisdiction:	**640**
Total Rent Restricted Affordable Units in Jursidiction:	**453**
Total Price Restricted Units in Jurisdiction:	**7**
New Housing Units	**180**

County of San Diego (Unincorporated)	
Total Affordable Housing Units in Jurisdiction:	**1,777**
Total Rent Restricted Affordable Units in Jursidiction:	**1,756**
Total Price Restricted Units in Jurisdiction:	**0**
New Housing Units	**21**

Total for all Jurisdictions	
Total Affordable Housing Units:	**45,774**
Total Rent Restricted Housing Units:	**37,140**
Total Price Restricted Units:	**2,444**
New Housing Units	**6,190**

[1]New Housing Units includes deed restricted affordable (very low and low) units as well as Acq/Rehab (very low and low) units collected from each jurisdiction for 2012 through 2016.

SAN DIEGO
HOUSING
COMMISSION

SDHC

We're About People

Addressing
The Housing Affordability Crisis

2018 Status Report

February 9, 2018

Message from the President & CEO

February 9, 2018

In the more than two years since the San Diego Housing Commission (SDHC) released its landmark report, *Addressing the Housing Affordability Crisis: An Action Plan for San Diego*, momentum has grown throughout the region and the state to address the continuing housing crisis.

Our report grew out of collaborative efforts to identify solutions to the need for additional affordable housing for low-income families, as well as housing affordability for middle-income households.

Under the leadership of our Board of Commissioners, SDHC added an important objective to our 2014-16 agency-wide Strategic Plan: “Ensure that the most effective and cost-efficient business practices are in place to create and preserve quality affordable housing” in the city of San Diego.

This objective to focus on cost-efficiency has been mirrored by the San Diego City Council. Mayor Kevin Faulconer has also been a proponent of finding more cost-efficiencies in affordable housing development.

We also received input and unanimous support from the San Diego Jobs and Housing Coalition, composed of local business and civic groups, including the San Diego Regional Chamber of Commerce, San Diego Building Industry Association, and San Diego County Taxpayers Association.

The spirit of collaboration that fostered the creation of our original report continues.

I am pleased to share with you that action has occurred on all 11 of the recommendations in SDHC’s *Addressing the Housing Affordability Crisis* report, with some completed and others ongoing.

This 2018 Status Report provides a comprehensive update on the progress that has been made on these recommendations, as well as related efforts to create and preserve additional housing.

I commend and thank our Mayor, City Council, County Supervisors, and State and Federal elected officials for their leadership and commitment to initiatives to address the housing affordability crisis.

As we move forward, SDHC is guided by our mission: “Provide affordable, safe, and quality homes for low-and moderate-income families and individuals in the City of San Diego and provide opportunities to improve the quality of life for the families that SDHC serves.”

Together with our partners, we continue to work toward solutions that will meet the City of San Diego’s housing needs now and in the years to come.

Sincerely,

Richard C. Gentry
President & CEO
San Diego Housing Commission

Table of Contents

Contributors and Reviewers

Key Stakeholders

- **David Graham**, Deputy Chief Operating Officer, Neighborhood Services, City of San Diego
- **Jeff Murphy**, Director, Planning Department, City of San Diego
- **Robert Vacchi, Esq.**, Director, Development Services Department, City of San Diego
- **Elyse Lowe**, Director of Land Use and Economic Development, City of San Diego
- **David Saborio**, Development Project Manager II, Development Services Department, City of San Diego
- **Tait Galloway**, Program Manager, Long Range Planning, Planning Department, City of San Diego
- **Brian Schoenfisch**, Program Manager, Long Range Planning, Planning Department, City of San Diego
- **Mary Lydon**, Executive Director, Housing You Matters
- **Stephen Russell**, Executive Director, San Diego Housing Federation
- **Laura Nunn**, Policy Director, San Diego Housing Federation
- **Colin Parent**, Executive Director and General Counsel, Circulate San Diego
- **Jennifer Hernandez**, Partner, Holland and Knight, West Coast Land Use and Environment

Report Structure

This 2018 Status Report provides updates on actions taken on each "Action Opportunity" in SDHC's report, *Addressing the Housing Affordability Crisis: An Action Plan for San Diego*, since its release in November 2015. Each original "Action Opportunity" from the 2015 report is shown in its entirety, followed by a summary of the "Action Taken" on that recommendation.

Figure 1, "Recommended Action Opportunities – Actions Taken to Date," provides an overview of the actions taken in 2016 and 2017 on the 11 original recommended Action Opportunities that were identified in the 2015 report as most actionable and effective to boost housing production and reduce costs.

Introduction

The San Diego Housing Commission (SDHC) was one of the first public housing authorities in California to develop a comprehensive blueprint to identify the costs of developing affordable rental housing and make recommendations on how to lower those costs.

On November 25, 2015, SDHC published the report *Addressing the Housing Affordability Crisis: An Action Plan for San Diego*.

The report contained 11 recommended actions at the local, state, or federal level to reduce costs and to increase production, such as shortening the approval process, deferring development fees, and making underutilized land available.

Action has occurred on all 11 recommendations in the report.

This 2018 Status Report summarizes the progress made on each of the recommendations in the *Addressing the Housing Affordability Crisis* report, which continues to provide the framework for actions in San Diego that also can be replicated in other cities throughout California.

Statewide and Local Interest

In addition to the actions taken to date, SDHC's *Addressing the Housing Affordability Crisis* report has garnered statewide and local attention as California and the San Diego region continue to experience housing challenges.

On February 25, 2016, SDHC's report was featured in an article posted online by the California Economic Summit, launched in 2012 by the California Stewardship Network, an alliance promoting economic vitality, and California Forward, a bipartisan good government reform effort.

Less than two weeks after the publication of that article, SDHC President & CEO Richard C. Gentry presented SDHC's *Addressing the Housing Affordability Crisis* report in testimony on March 9, 2016, to the California State Senate Transportation and Housing Committee.

Mr. Gentry was part of a distinguished panel of housing experts testifying about innovative solutions to build more affordable housing in California.

At the committee hearing, State Senator Benjamin Allen of Redondo Beach, who serves on the committee, held up a copy of the report and said that it includes great ideas, proposals, and thoughts.

"I have to just commend you for this extraordinary report. It is just fantastic. I really do hope that folks get a chance to see it—*Addressing the Housing Affordability Crisis*," Senator Allen said.

In addition, SDHC presented the report and its recommendations to the League of California Cities in October 2016.

On March 9, 2017, California Forward President & CEO Jim Mayer cited the recommendations in SDHC's *Addressing the Housing Affordability Crisis* report in his presentation at a half-day forum of San Luis Obispo County civic and community leaders discussing solutions to their housing shortage.

Additional presentations of SDHC's recommendations included the San Diego Housing Federation's annual Affordable Housing & Community Development Conference in October 2016 and the County of San Diego's 33rd annual Economic Roundtable on January 19, 2017.

San Diego Housing Production Objectives

Building on the initial housing affordability report, SDHC released a second report on September 21, 2017: *Addressing the Housing Affordability Crisis: San Diego Housing Production Objectives 2018-2028*.

This report provides important data that will help the City of San Diego (City) establish realistic and achievable housing goals, which was the first recommended action of the 2015 housing affordability report.

Developed in collaboration with City Councilmembers Scott Sherman and David Alvarez, the 2017 Chair and Vice Chair, respectively, of the City Council's Smart Growth & Land Use Committee, SDHC's housing production objectives report identified San Diego's 10-year housing need (150,000 to 220,000 additional housing units), as well as proposals to meet that need.

SDHC's housing production objectives report was presented to the Smart Growth and Land Use Committee on September 21, 2017, and to a meeting of the California State Assembly Select Committee on Housing Affordability for the Middle and Working Class that was hosted by SDHC on December 7, 2017.

Creating Additional Housing

In addition, SDHC's initial housing affordability report and its housing production objectives report support one of the three major goals identified in SDHC's 2016-2020 Strategic Plan: "Increase the number of housing opportunities that serve low-income and homeless individuals and families in the City of San Diego."

SDHC continues to pursue cost-efficiency as the agency is guided by its mission to provide affordable, safe, and quality homes for low-and moderate-income families and individuals in the City and provide opportunities to improve the quality of life for the families that SDHC serves.

SDHC President & CEO Richard C. Gentry – California Senate Committee on Transportation & Housing –3.9.16

Figure 1: Recommended Action Opportunities – Actions Taken to Date

Proposed Action	Level of Government	Scope	Actions Taken
1. Set Annual Housing Production Goals	Local City Council	Affordable & Market	• SDHC's 2016-2020 Strategic Plan set a production goal of 2,000 units—approximately 500 per year—of mixed-income and affordable housing during the Strategic Plan period. • SDHC released a report on September 21, 2017, about the City's 10-year housing needs, which provided important neighborhood-level data that will help the City of San Diego establish realistic and achievable housing goals.
2. Incentivize More 80/20 Developments	Local City Council SDHC	Affordable	• SDHC worked with Assemblymember Todd Gloria and the City of San Diego on Assembly Bill 1637, which allows public housing authorities in the City of San Diego and the County of Santa Clara to make gap financing loans to developers of mixed-income developments if 40 percent of the units are affordable to low-income households up to 80 percent of Area Median Income, and at least 10 percent of the units are affordable to middle-income households (up to 150 percent of Area Median Income). The bill was signed into law on October 14, 2017.
3. Defer Development Fees	Local City Council	Affordable & Market	• The City's Fee Deferral Program was expanded to include the Housing Impact Fee, (also known as the Commercial Linkage Fee). • Fees that were previously hourly were made fixed fees, and 538 fees were simplified and reduced to 313 fees.
4. Reduce Parking Requirements	Local City Council SDHC	Affordable & Market	• Parking requirements were reduced for Accessory Dwelling Units within a ½ mile of Transit Priority Areas, and for developments near transit under the City's Density Bonus ordinance. • The City has also implemented a review of its Comprehensive Parking Plan and is considering reducing parking for housing units produced under new middle-income density bonus and Floor Area Ratio density bonus initiatives.
5. Reduce Commercial Space Requirements	Local City Council SDHC	Affordable & Market	• The City Planning Commission held a Commercial Planning Workshop to discuss the possibility of reducing existing ground floor commercial requirements.
6. Unlock Land and Increase Ground Leases	Local City Council SDHC	Affordable	• Available City land is being utilized for affordable housing by Civic San Diego, which also released a $25 million Notice of Funding Availability (NOFA) for affordable housing development. • SDHC is working with the City to revise land use regulations in ways that leverage public land and make more land available for affordable and market-rate developments.
7. Shorten Entitlement Process	Local City Council	Affordable & Market	• The City's Development Services Department (DSD) accomplished a number of process improvements, including reviewing 89.3 percent of permits on time, up from 87.5 percent the previous year; implementing the Professional Certification Program for Completeness Check, which reduced discretionary processes timeframes by 30 days; implementing OpenDSD, which provides real-time permit and enforcement status and online payment; simplifying the fee structure and reducing 538 fees to 313 fees; converting 62 deposit accounts into flat fees; and completing the 10th Land Code Update, which included 38 code amendments and streamlining measures, many of which are listed throughout this report.

Figure 1: Recommended Action Opportunities – Actions Taken to Date (Continued)

8. Approve Community Plans with Master EIRs	Local City Council	Affordable & Market	• In 2016, Mayor Kevin L. Faulconer announced a new timeline for updating Community Plans in three years, a process that took about a decade to complete historically. • The Community Plans of Golden Hill, North Park, San Ysidro, and Uptown were updated in 2016, all with Programmatic Environmental Impact Reports (PEIRs). • The City's Planning Department created a checklist for projects that comply with Community Plan updates (CPU) PEIRs to save developers time and money.[1]
9. Support CEQA Reform	State Local	Affordable & Market	• The City adopted its Climate Action Plan (CAP) in December 2015, and the CAP Checklist (previously known as the Greenhouse Gas Checklist) has been implemented.[2] • The City continues to review CEQA thresholds to identify areas where they can be lowered.
10. Align State Oversight	State	Affordable	• SDHC worked with state housing finance agencies, including the California Debt Limit Allocation Committee (CDLAC) and the California Tax Credit Allocation Committee (TCAC), through the public comment process to revise regulations to better align processes, including processes for lending by public housing authorities.
11. Increase State and Federal Resources	State Federal Congress HUD	Affordable	• U.S. Representative Scott Peters led a collaborative effort to advocate that the U.S. Department of Housing and Urban Development (HUD) adopt an alternative formula to determine Continuum of Care funding for local homelessness programs. • SDHC advocated throughout 2016 and 2017 to strengthen and expand HUD funding that supports SDHC programs, including rental assistance and the Low-Income Housing Tax Credit, used to create affordable housing and serve low-income San Diegans.

[1] https://onbase.sandiego.gov/OnBaseAgendaOnline/Documents/ViewDocument/Staff%20Report%20for%20-%20%20().pdf?meetingId=987&documentType=Agenda&itemId=17892&publishId=14715&isSection=false

[2] https://www.sandiego.gov/sites/default/files/city_of_san_diego_cap_checklist.pdf

Action Opportunity #1

NOVEMBER 25, 2015 REPORT

Set Annual City Goals for Housing Production and Publish Progress Annually.

Type: Local

Scope: Affordable and Market

Opportunity for Action: The City Council can establish annual housing production goals and publish a report tracking progress toward achieving those production targets. Annual goals can be based on the San Diego Association of Governments (SANDAG) Regional Housing Needs Assessment (RHNA) estimates.

Opportunity Description & Background:

- The City Council can pass an ordinance requiring annual targets for citywide housing production based on expected population and employment growth and set goals for housing production that are consistent with meeting future demand.
- It is possible to include goals for allocation of housing by community.
- Quantified housing goals can be provided for communities and citywide, which can then be used in Community Plan Updates.
- Annual goals can incorporate consideration of land use designations and densities to estimate goals for future housing units.
- A published annual report that tracks progress could count the number of units, include completed projects and permits, and cite characteristics of housing, specifically whether units are single-family, multifamily or mixed-use, and affordable or market-rate. Progress could also be tracked on the web in real time.

Cost Containment & Housing Production Impact: Setting clear housing production goals will likely improve government efficiency and incentives related to housing production. It will help stakeholders work together toward a common and annually delineated goal.

Other Benefits: Increased government accountability.

SDHC Role (Lead, Advocate, or Support): SDHC to lead with City Council in developing annual housing production goals incorporating SANDAG estimates for the Housing Element and RHNA.

Next Steps: City Council to pass ordinance setting annual housing production goals and requiring annual public report on progress.

Timeline: Short-term

Relevant State Legislation: N/A

Other Innovative Ideas: Affordable and Market:

- Create an enforceable citywide plan for housing units.
- Enact a policy that establishes benefits of increased density in certain areas and requires specific findings to be made before lower density projects are approved.

References:

- Jonathan Woetzel, Sangeeth Ram, Jan Mischke, Nicklas Garemo and Shirish Sankhe. *A blueprint for addressing the global affordable housing challenge*. McKinsey Global Institute. October 2014.

Action Opportunity #1 – Action Taken

Set Annual City Goals for Housing Production and Publish Progress Annually.

Progress

In its agency-wide Strategic Plan: 2016-2020, SDHC set an objective to create 2,000 units —approximately 500 per year — of mixed-income and affordable housing during the Strategic Plan period. In the first year, 627 affordable units closed financing and are currently under construction or rehabilitation.

In addition, in collaboration with Councilmember Scott Sherman and Councilmember David Alvarez, 2017 Chair and Vice Chair of the Smart Growth & Land Use Committee, respectively, SDHC studied the city's housing production needs and set neighborhood-level target goals. The report, *Addressing the Housing Affordability Crisis: San Diego Housing Production Objectives 2018-2028*, identified land-use opportunities and streamlining and process improvements that would enable the City to set realistic and achievable housing production goals. A geographic information system (GIS) analysis conducted for the report also identified available capacity to meet the City's housing need over 10 years.

Related Efforts

On July 13, 2017, the San Diego Regional Chamber of Commerce and the Greater San Diego Association of REALTORS® (SDAR) released an analysis comparing the progress of each of the 18 cities and the County of San Diego in permitting the construction of new homes. The scorecard found that the San Diego region is on pace to produce only 50 percent of the units needed to accommodate population growth. The Housing You Matters coalition, of which SDHC is a member, applauded the report's release, and highlighted the need for all cities to participate in being a part of the housing affordability solution.

2017 Legislation

- SB 35, Planning and Zoning (Wiener): Signed into law on September 29, 2017, this bill streamlines, incentivizes, and removes local barriers to creating affordable housing projects in all communities, including those failing to meet regional housing needs contained in their Housing Element.
- AB 879, Planning and Zoning (Grayson): Current law requires planning agencies to provide by April 1 of each year an annual report that contains specified information pertaining to the implementation of the general plan. This bill requires that this report also include the number of housing development applications received in the prior year, units included in all development applications in the prior year, and units approved/disapproved in the prior year. AB 879 was signed into law on September 29, 2017.

New Reference Sources

- California Legislative Information. https://leginfo.legislature.ca.gov
- San Diego Housing Commission Strategic Plan, 2016-2020.
- San Diego Housing Commission Report *Addressing the Housing Affordability Crisis: San Diego Housing Production Objectives 2018 – 2028.*
- San Diego Regional Chamber and Greater San Diego Association of REALTORS® *Housing Scorecard.*

Action Opportunity #2

NOVEMBER 25, 2015 REPORT

Incentivize More 80/20 Developments to Supply More Units at Lower Cost, Utilize Unused 4% Tax Credits and Require Fewer Subsidies from SDHC.

Type: Local

Scope: Affordable

Opportunity for Action:

- SDHC can prioritize funding for 80/20 projects to incentivize more 80/20 developments. 80/20 developments use 4 percent tax credits rather than 9 percent tax credits. Four percent tax credits are underutilized historically, and require less subsidy from SDHC for development as compared to 9 percent tax credit developments.
- Based on an analysis from Keyser Marston Associates, SDHC financing could be approximately 60 percent less per unit in subsidy for an affordable unit built in an 80/20 development compared to an affordable unit in a 100 percent affordable, 9 percent tax credit development.
- The City Council can pass an ordinance providing a tax rebate or tax exemption on City property taxes for 80/20 developments. For example, New York City has a property tax exemption on new construction that contains 20 percent affordable units. The exemption can last up to 25 years (Section 421a exemption).
- SDHC can make developers more aware of the benefits of using the density bonus and provide greater incentives to developers to encourage use of density bonuses to construct more affordable and market-rate units.
- Affordable and market-rate developers have difficulty financing mixed-income projects, especially those using 4 percent financing. To address this, the City Council and SDHC can create a special fund to provide guarantees to financial institutions that provide financing for these projects.
- In certain zones, require the construction of affordable units (instead of payments of in-lieu fees), or leverage community assets (land) as contributions to market-rate housing in exchange for affordable units being built. Provide a public guarantee fund to address lender concerns about financing mixed-income developments.
- Leverage locally generated public funds (inclusionary or impact fees) against private financing to allow for a one-stop financing shop in providing capital for projects.

Opportunity Description & Background:

- 80/20 developments are projects with 80 percent market-rate units and 20 percent affordable units, at 50 percent of Area Median Income (AMI) or less. All units are built without the significant regulatory constraints and requirements that are required of 9 percent tax credit developments, in which 100 percent of the units are affordable.
- Today's low-interest rate environment makes 80/20 projects less attractive as compared to pure market-rate developments, given the low cost of funds available for market-rate developments. However if rates rise in the future, 80/20 projects will become more attractive relative to pure market-rate projects.
- Banks are under regulatory pressure to lend on affordable housing deals and fulfill Community Reinvestment Act requirements. Meanwhile, the Federal Housing Administration has refocused on serving the Low-Income Housing Tax Credit market much more than it had in the past. In some cases, 80/20 deals may make it easier to attract construction financing and get regulatory approvals.

Cost Containment & Housing Production Impact:

- Increasing 80/20 construction will facilitate production of more units of both market-rate and affordable units. 80/20 projects will draw more developers into development of affordable housing and could increase better dispersion of all units across locations.
- There are only a limited number of 9 percent tax credit developments possible each year. More 80/20 projects will increase the development of affordable housing units beyond the 9 percent tax credit's production constraints.
- SDHC would provide significantly less subsidy for construction of an affordable unit in an 80/20 building than an affordable unit in a 9 percent tax credit, 100 percent affordable building.

Other Benefits: 80/20 projects create mixed-income properties and help distribute affordable housing units across the City.

SDHC Role (Lead, Advocate, or Support): SDHC to lead.

Next Steps: SDHC to develop incentives and then educate developers and the market on expanded incentives for 80/20 projects. City Council to draft ordinance to enact incentives for 80/20 projects where ordinances are needed. City Council to consider tax exemption programs for 80/20 projects.

Timeline: Short-term implementation possible.

Relevant State Legislation: Pending state legislation may provide additional leveraging resources and incentives. For example, AB 1335 would provide a flexible additional funding source. AB 1335 did not advance in the final 2015 legislative session but is a two-year bill that can be pursued in 2016. Additional leverage funding is anticipated through allocation of National Housing Trust Funds to states in 2016 (California is estimated to receive approximately $41 million).

Other Innovative Ideas:

- Amendment to Palmer to make it possible for inclusionary housing to be applied to rental housing, thereby making 80/20 developments more attractive.
- Create an Affordable Housing Bank similar to what currently exists in Carlsbad, so that affordable developers can buy and sell rights to develop affordable units, as long as units remain in the same quadrant of the City. New York's Section 421a also includes the ability to trade certificates for development of affordable housing.

References: N/A

Action Opportunity #2 – Action Taken

Incentivize More 80/20 Developments.

Progress

On October 14, 2017, Governor Edmund G. "Jerry" Brown signed into law Assembly Bill (AB) 1637, authored by State Assemblymember Todd Gloria.

SDHC and the City worked together with Assemblymember Gloria on AB 1637. SDHC President & CEO Richard C. Gentry testified in support of AB 1637 on May 10, 2017, at the hearing of the California State Assembly Committee on Housing and Community Development.

AB 1637 allows public housing authorities in the City of San Diego and the County of Santa Clara to make loans to developers of mixed-income developments if:

- 40 percent of the units are affordable to low-income households (up to 80 percent of Area Median Income); and
- At least 10 percent of the units are affordable to middle-income households (up to 150 percent of Area Median Income).

This is an affordability range not previously served by public housing authorities and is essential to the ability to provide a continuum of housing opportunities for those moving from low-income to market-rate housing, as well as to provide a level of housing affordability to those who do not qualify for housing assistance, but still cannot afford San Diego's rent levels. This new middle-income range will also create the opportunity for public housing authorities to attract new types of revenue sources for affordable housing and incentivize the production of mixed-income rental housing developments.

Related Efforts

The San Diego Housing Federation (SDHF), an organization focused on expanding affordable housing throughout the San Diego region, has advocated in support of the City of San Diego's Affordable Homes Bonus program, which incentivizes mixed-income developments.

2017 Legislation

- AB 1505, Land use: Zoning Regulations (Bloom, Chiu, Gloria): Often referred to as the "Palmer fix" bill after a 2009 appellate court decision, "Palmer v. City of Los Angeles," AB 1505 was signed into law on September 29, 2017. It restores the ability of local governments to require developers to include affordable rental units. In an October 23, 2017, memorandum, San Diego City Councilmember Chris Ward requested that the Mayor's office, appropriate City departments and SDHC bring forward amendments to the City's Inclusionary Affordable Housing Regulations "to take advantage as soon as possible of the opportunities available from the implementation of AB 1505 and to maximize tools for the immediate production of new affordable housing." SDHC is working on proposed updates to the City's Inclusionary Housing ordinance.

New Reference Sources

- California Legislative Information. https://leginfo.legislature.ca.gov

California State Capitol

Action Opportunity #3

NOVEMBER 25, 2015 REPORT

City and SDHC Implement a Policy That Defers Development and Permit Fees Until Temporary Certificate of Occupancy is Issued.

Type: Local

Scope: Affordable and Market

Opportunity for Action: Building on already existing fee deferral programs, City implements a policy that defers additional fees, including: impact fees, fire, water fees, sewer fees, and school fees as well as permit fees until Temporary Certificate of Occupancy is issued.

Opportunity Description & Background: There is a current development fee deferment program in San Diego that has had a positive impact in lessening housing production costs. Deferral of additional development fees and permit fees will further reduce financing costs for developers by delaying additional costs and allowing developers to benefit from the time value of money.

We recommend deferral of impact fees, fire, water fees, sewer fees and school fees as well as permit fees until Temporary Certificate of Occupancy is issued.

Cost Containment & Housing Production Impact: Reduces the costs of affordable development by reducing financing costs.

Other Benefits: Easy to implement with clear threshold required for collection of fees.

SDHC Role (Lead, Advocate, or Support):

- SDHC to lead by proposing this change to the City Council.
- Consultation with the Development Services Department and the Independent Budget Analyst to facilitate ease of execution.

Next Steps:

- SDHC to propose changes to the City Council.
- City Council to prepare motion to defer impact fees, fire, water fees, sewer fees, and school fees as well as permit fees until the Temporary Certificate of Occupancy is issued.

Timeline: Short-term implementation is possible.

Relevant State Legislation: N/A

Other Innovative Ideas:

- Where possible, allow fees to be paid out of residual cash flow of projects.
- Extend deferral of fees beyond Certificate of Occupancy to Close of Escrow.
- Deferral of school fees until stabilization of rental projects or sale of homeownership units.

References:

- San Diego Development Services Department website. https://www.sandiego.gov/development-services

Action Opportunity #3 – Action Taken

Defer Development Fees.

Progress

The City's Development Services Department has implemented changes to the fee system, including but not limited to:

- The City created a process to defer the payment of Development Impact Fees and streamline the process for Developer Reimbursement Agreements;
- The Fee Deferral Program was expanded to include the Housing Impact Fee (also known as the Commercial Linkage Fee); and
- Fees that were previously hourly were made flat, and 538 fees were simplified and reduced into 313 fees.

Although this Action Opportunity originally focused on the issuance of the Temporary Certificate of Occupancy to trigger fee payment, SDHC has suggested to the City's Development Services Department that the focus should be on the issuance of Final Inspection. This change would streamline the process and allow City staff to better track deferred payments

Related Efforts

In her January 2017 memo to the Independent Budget Analyst, City Council President Myrtle Cole requested that funding be identified and allocated, if necessary, to streamline specifically the permitting process to build affordable housing.

New Reference Sources

- San Diego Development Services Department website. https://www.sandiego.gov/development-services
- Memo, "FY 2018 Budget Priorities," by City Council President Myrtle Cole, dated January 27, 2017.

Action Opportunity #4

NOVEMBER 25, 2015 REPORT

Reduce Parking Requirements for Affordable and Market-Rate Developments.

Type: Local

Scope: Affordable and Market

Opportunity for Action: The City has already taken effective action to reduce parking requirements for affordable projects. We recommend building upon that success. Current reduced parking requirements for affordable housing should be extended to apply to market-rate housing. In addition, the City and SDHC can further reduce parking requirements by amending the City's Land Development Code to include parking maximums rather than parking minimums. We recommend that additional reduced parking requirements apply to both affordable and market-rate housing.

Opportunity Description & Background: Parking requirements have been significantly reduced for affordable developments by prior policy changes in San Diego. These changes have been effective in reducing affordable development costs. However, parking remains a major project expense, particularly podium or subterranean parking.

Recommend additional creative parking solutions, including further lowering of parking requirements and alternative methods for satisfying such requirements. This includes encouraging use of tandem parking and other space-saving technology.

Direct City Staff to work with stakeholders to lower parking requirements for residential projects and allow alternative methods to satisfy parking requirements, such as bike-racks and car-sharing programs.

Fund Civic San Diego planning strategies to examine and implement market-based parking approaches. Analyze nationwide best practices for efficient parking regulation and design.

Study/implement reduction/removal of parking requirements for downtown community given thriving private market for parking that exists there. In general, density and transit should be considered when crafting parking requirements.

Cost Containment & Housing Production Impact:

- Parking costs range from $20,000 to $40,000 per space and add a significant cost per unit if podium or subterranean parking. Additionally, if the site requires underground parking, the costs often determine whether or not the project will be built.
- Adding parking maximums rather than minimums in addition to the parking requirement reductions already implemented in San Diego will further contain development costs.
- Reducing parking requirements will reduce operational costs for multifamily developments over time.

Other Benefits: Reducing parking availability in transit-oriented developments promotes active transportation methods such as biking, walking, or public transit. Reducing vehicle miles travelled improves the environment and reduces traffic in residential neighborhoods.

SDHC Role (Lead, Advocate, or Support): SDHC to lead by encouraging reduction of parking requirements in its own developments and ensuring that public underwriting guidelines encourage maximum limits on parking space production rather than minimums. SDHC can also advocate to the City Council to reduce parking requirements in its zoning policy.

Next Steps:

- SDHC to meet with City Council and key City staff to advocate for further reduced parking requirements.
- SDHC and City Council to receive updates on any related legislation signed by the Governor (after October 11, 2015).

Timeline: Short-term

Relevant State Legislation: Approved 2015 state legislation (AB 744) would, at request of developer, City or County, prohibit imposing a parking requirement greater than 0.5 spaces per bedroom for 100 percent low-income and senior/special needs housing located within a half of a mile of accessible transit.

Other Innovative Ideas:

- Allow one level of parking above ground without counting toward the project Floor Area Ratio for urban projects.
- Allow by-right tandem private (garage) parking for all new multifamily residential and mixed-use development, and ease parking requirements for mixed-use and transit-oriented development projects.
- Pursue community-wide parking reform measures in parking-impacted communities, including creation of parking districts, shared parking, and off-site public parking alternatives.
- Allow for in-lieu fees and parking districts in lieu of mandatory on-site parking for mixed uses.
- Study the benefits of driverless cars and car sharing services in order to determine the positive effects these measures could have on diminishing the need for parking.

References:

- San Diego Regional Chamber of Commerce Housing Action Plan (2015 Update); Civic San Diego.
- *Transit-oriented Development: A Strategy for the City of San Diego to Advance the Climate, Affordability, and the Economy*. Circulate San Diego (2016).

Action Opportunity #4 – Action Taken

Reduce Parking Requirements.

Progress

The City has made parking requirements a major focus in its efforts to reduce the cost of housing production. Recent progress includes:

- The City's Development Services Department reduced parking requirements for Accessory Dwelling Units (ADUs) within one-half mile of Transit Priority Areas (TPAs).
- On June 21, 2017, Mayor Kevin L. Faulconer, together with Councilmember Scott Sherman and Councilmember Chris Ward, called for adoption of the "Housing SD" plan - a set of proposals that would increase housing supply, lower costs and promote smart growth to address the lack of housing affordability for low- and middle-income San Diegans. Starting in fall of 2018, the proposal plans to revise parking standards within TPAs so the City is not unnecessarily requiring excessive parking in developments.
- Civic San Diego, which reviews and processes all development applications downtown, has begun the process of updating its Comprehensive Parking Plan. The plan will review and make recommendations on parking that is off-street, on-street, and resulting from new development.

Related Efforts

Circulate San Diego, a nonprofit that works to promote public and active transportation, as well as sustainable growth, recommends the following actions related to parking requirements: eliminate parking minimums downtown; and adopt a new set of parking rules for any project within a TPA. The organization advocates that TPA parking rules should allow tandem parking; reduce parking requirements in TPAs to .75 spaces per residential unit and provide a 25 percent discount for spaces required in commercial developments; expand shared parking; and allow alternatives methods to satisfy parking minimums, such as bike storage, bike sharing, motorcycle parking, car sharing, electric vehicle parking, and 10-year transit passes.

2016 Legislation

- AB 2299, Land Use: Housing (Bloom) and SB 1069, Land Use: Zoning (Wieckowski): These bills require cities and counties to enact an ordinance allowing for the creation of Accessory Dwelling Units (ADUs) in residential zones while imposing significant restrictions of the parking standards that may be required by each jurisdiction. AB 2299 and SB 1069 were signed into law on September 27, 2016.

2017 Legislation

- AB 73, Planning and zoning (Chiu): Signed into law on September 29, 2017, AB 73 incentivizes high-density "Housing Sustainability Districts," which streamline the development process for new housing near transit. This legislation will speed any lawsuit challenging an environmental review through the courts and mandates at least 20 percent of housing within a district to be affordable to low-income residents.

New Reference Sources

- *Transit-oriented Development: A Strategy for the City of San Diego to Advance the Climate, Affordability, and the Economy.* Circulate San Diego (2016)
- News Release: "Mayor Faulconer, Councilmembers Unveil Plan to Increase Housing Supply, Boost Affordability for San Diegans." (June 21, 2017).

Artist's Rendering
The Nook East Village
15th and K Streets – Downtown San Diego
90 Affordable Single-Room Occupancy Units
7 Vehicle Parking Spaces; 54 Bicycle Parking Spaces
On-site Car Sharing Station

Action Opportunity #5

NOVEMBER 25, 2015 REPORT

City and SDHC Reduce Commercial Space Requirements for Affordable Developments by Amending the City's Land Development Code.

Type: Local

Scope: Affordable and Market

Opportunity for Action: The City and SDHC can reduce commercial space requirements for affordable and market-rate developments. Commercial space requirements often pose difficulties for developers in leasing up the space and financing the overall project because the commercial space inserts an element of risk in the project that would not otherwise exist as part of a housing development.

Additionally, commercial space is generally not financeable. As a result, developers often underwrite their commercial space income with high vacancies and low rental values due to a historic lack of success in leasing these spaces and monetizing them for the benefit of the project. By reducing or eliminating commercial space requirements, developers will be able to demonstrate stronger cash flows to their capital partners. In addition, an occupied, well-maintained residential space will be better for community stability and neighborhood property values than an empty commercial space.

Opportunity Description & Background: There are several approaches to reducing commercial space requirements:

- Reduce the commercial space requirement for all multifamily developments;
- Structure commercial space as a separate condominium space that is financed separately; and/or
- Discourage commercial space in affordable developments.

Cost Containment & Housing Production Impact:

- Enables efficient use of space in a manner that maximizes the income that can be used for debt service, thereby maximizing the amount of permanent debt that can be put on a project.
- Commercial space requirements are particularly problematic and costly in affordable housing development, where financing is already challenging and the commercial space requirement adds even greater financing challenges. Once affordable housing is built, commercial space can be a costly operational expense on an ongoing basis when it cannot be leased or must be leased at a loss or to unstable tenants.

Other Benefits:

- Often, commercial space, particularly in affordable developments, sits vacant, or the owners are unable to lease the space to active uses so the space is unattractive, may attract crime, and may bring down nearby property values.
- By using the ground floor for residential and related uses where it is occupied rather than vacant, the ground floor space may be more active than it would have been as commercial space, thereby boosting surrounding property values and increasing the community's stability.

SDHC Role (Lead, Advocate, or Support): SDHC to advocate to the City to review and amend commercial space requirements for residential buildings.

Next Steps: City Council to prepare motion to amend City's Land Development Code.

Timeline: Short-term.

Relevant State Legislation: N/A

Other Innovative Ideas: Expand reduction in commercial space requirements to market-rate developments.

References:

- Keyser Marston & Associates

Action Opportunity #5 – Action Taken

Reduce Commercial Space Requirements.

Progress

Led by Councilmember Scott Sherman, 2017 Chair of the Smart Growth and Land Use Committee, efforts are underway to address ground floor commercial requirements for mixed-use development in the City.

In November 2017, SDHC participated in a Commercial Flexibility Workshop held by the City Planning Commission. The workshop focused on two issues:

1. Challenges to renting ground floor commercial space once a development is complete; and
2. How commercial space requirements can sometimes pose difficulties for financing housing developments.

Related Efforts

At the February 2017 Urban Land Institute (ULI) San Diego-Tijuana Symposium, San Marcos Development Services Director Dahvia Lynch spoke about the innovative measures San Marcos has taken to give flexibility in commercial space requirements. The goal is to implement quality, long-range planning that encourages place-making, while still catering to the present, transitional economic circumstances. Developers are still required to build out commercial spaces, but code allows for flexibility in how those spaces are used. For example, live/work lofts and indoor kiosk-type stalls are allowed, both of which reduce the costs associated with traditional commercial spaces.

New Reference Sources

- Memorandum to Planning Commissioners regarding Commercial Flexibility. Councilmember Scott Sherman. November 16, 2017.

Action Opportunity #6

NOVEMBER 25, 2015 REPORT

SDHC, City and Local Agencies Take Action to Unlock Land and Increase Ground Leases to Affordable Housing Developers at Below Market Rates or at Nominal Cost.

Type: Local

Scope: Affordable

Opportunity for Action: Working with the City and SANDAG, SDHC can generate an inventory of land owned by the government or affiliates that could be sites for housing development in San Diego. Creating an inventory of all underutilized land, vacant land and potential re-use sites owned by public agencies will be a very effective first step in unlocking land for housing development. This inventory can be ranked in terms of suitability for affordable housing and mixed-income development.

The City, SDHC and affiliates can ground lease land at a nominal cost for affordable housing development.

SDHC can work with the City to revise land use regulations in ways that leverage public land and unlock land for market development.

Opportunity Description & Background:

- Working with SANDAG, the City of San Diego, and the Community Planners Committee, SDHC can generate a map that identifies sites currently zoned for multifamily housing. The map could be created using SANDAG's Smart Growth Concept Map, and Community Plans showing vacant land, potential scrape-and-rebuild properties along transit routes, and zoned mixed-use development sites along transit routes. Inventory can include land owned by the government, agencies and any affiliated government entities, and potential re-use sites.
- SDHC can consider use of the new right of first refusal for nonprofits to acquire parcels that can be developed as affordable housing. AB 2135 was passed in September 2014 and prioritizes the use of local agency surplus property for the development of affordable housing that serves lower income households.
- A local ballot measure, Proposition A, was approved by voters in San Francisco on November 3, 2015, which authorizes the city to issue up to $310 million in bonds for affordable housing programs.
- The City, SDHC, and other local/regional agencies can put out requests for qualifications and requests for proposals (RFQs/RFPs) to advertise to developers that these sites are available for affordable housing and mixed-use projects. Property can be ground-leased long-term to the most qualified developers at below market-rates or at nominal cost.
- The City Council can unlock land by crafting ordinances that boost market-rate housing production through better land use regulations. For example, the City Council can enact programs such as creating priority development areas around transit corridors and rezoning underutilized industrial space or other non-residential land uses.
- The City can pursue creative re-use of land, and changing land use regulations as needed to repurpose land for residential development. For example the re-zoning of the Brooklyn waterfront from underutilized industrial land to residential led to development of thousands of new units.
- The City and SDHC can create approaches to leverage public lands with market-rate projects. For example, encouraging mixed-use development of properties adjacent to public lands with the public sector contributing land to a public sector project to create mixed-income projects.
- Much of the property owned by public agencies is ideally located near transit and other amenities.

Cost Containment & Housing Production Impact:

- Low-cost land reduces the per-unit cost to construct a unit.
- Unlocking land held by public agencies that is underutilized would allow market and affordable housing developers to increase supply.
- Unlocking land for market-rate housing production will increase overall housing supply, likely resulting in a decreased cost for occupants across the income and housing cost spectrum.

Other Benefits: Increased ground lease payments could be scheduled to commence after repayment of the first trust deed mortgage – generally after the first 30 years of operation.

SDHC Role (Lead, Advocate, or Support): SDHC to advocate to the City Council and public partners to dedicate land and prioritize making it available.

Next Steps:

- SDHC to meet with City Councilmembers, Civic San Diego, County Supervisors, SANDAG, Metropolitan Transit System (MTS), or other public agency leadership to advocate for ground leases of public property to private affordable and moderate-income housing developers.
- The Community Planners Committee meets monthly and includes the Chair of the community-planning group for each community within the City of San Diego or his/her designee. Getting community planning groups involved early in the discussion of adding housing units in neighborhoods could increase neighborhood support.

Timeline: Short-term. Properties could be identified and RFP/Qs could be drafted and released in six months if staff are fully empowered by their Councilmembers and/or agency directors.

Relevant State Legislation: AB 2135 was passed in September 2014 and prioritizes the use of local agency surplus property for the development of affordable housing that serves lower income households.

Other Innovative Ideas:

- Encouraging units that cost less to build, such as micro units, studios, prefabricated housing and other innovative types of housing.
- Buying existing apartments and converting them to affordable housing with income restrictions as a way to bypass the expense of affordable housing development.
- The City and SDHC could identify public lands that could be used for housing via a public-private partnership. The City and SDHC could work with local planning groups to identify infrastructure improvements that could be funded through fees generated by the new construction that would be spent within the planning area. This would provide an incentive to local communities to work with the City and SDHC to develop/redevelop the properties. Each community already has a list of its recommended infrastructure projects, and City staff has developed cost estimates.

References: N/A

Action Opportunity #6 – Action Taken

Make More Land Available and Increase Ground Leases.

Progress

- City land available for housing development is being used for affordable housing by Civic San Diego.
- In February 2017, the City, through Civic San Diego, released a $25 million Notice of Funding Availability (NOFA) for affordable housing development.
- In September 2017, SDHC released its report, *Addressing the Housing Affordability Crisis: San Diego Housing Production Objectives 2018-2028*. Geo-spatial analysis for the report included a mapping of all vacant and under-utilized residentially zoned parcels throughout the City, as well as possible re-zoning opportunities that would make land available for increased density around transit opportunity areas.
- The City is currently pursuing a number of land-use measures that aim to spur housing production by providing incentives to developers. These include increasing the allowable density for developments with smaller units and for multi-income developments, decreasing the required parking for developments near mass transit, and changing how impact fees are calculated in order to encourage smaller, naturally affordable housing units.
- On October 21, 2016, SDHC completed a Market Assessment for development of its Affordable Housing Transit-Oriented Development Fund that identifies “market opportunity areas” in an effort to promote higher-density, mixed-use housing development located on both private and MTS-owned land at existing and future transit stops. The program, once operational, will offer acquisition financing for land located in or near these opportunity areas.

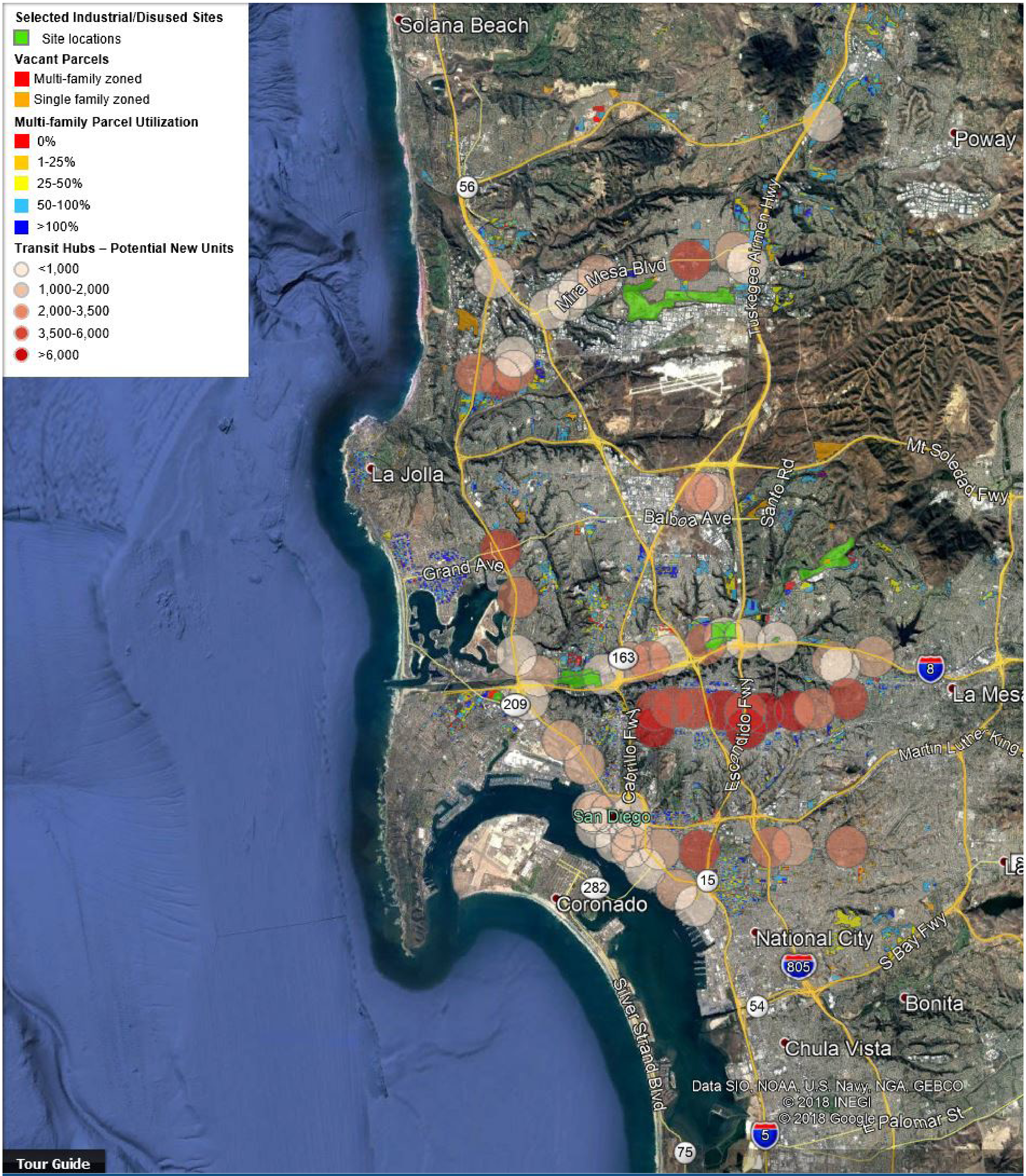
Related Efforts

2016 Legislation

- AB 806, Economic Development (Dodd and Frazier): Signed into law on September 23, 2016, this legislation allows counties and cities to acquire, sell, or lease county-owned or city-owned real property (including sites acquired by former redevelopment agencies) to promote economic development, subject to specified requirements.

New Reference Sources

- AB 806, California State Legislature, 2015-2016 Session. (2016).



SDHC Report, Addressing the Housing Affordability Crisis: San Diego Housing Production Objectives 2018-2028
Industrial/Disused Sites

Action Opportunity #7

NOVEMBER 25, 2015 REPORT

Shorten Entitlement Process.

Type: Local

Scope: Affordable and Market

Opportunity for Action: Building on the Point Loma Nazarene study on the impact of regulatory cost reduction on housing supply, we support streamlining regulation to reduce housing development costs and increase housing production.

The Mayor can direct the City's Development Services Department to adopt conceptual reviews for discretionary building permitting. Conceptual reviews streamline the review process by reducing duplicative reviews and shortening the first stage of the process. The Development Services Department estimates that conceptual reviews could reduce entitlement timelines by 30 to 50 percent.

The Mayor can direct the City's Development Services Department or City Council can pass an ordinance to bring the entitlement process online, including submission and processing of applications. Building on existing efforts, conversion to an online process can be done more quickly, generating significant time savings and increased transparency in the entitlement process.

Self-certification can play an important role in expediting project review. The City can integrate more self-certification into the process. Self-certification allows the licensed professional designer to self-certify that their plans meet required standards applicable to their work. In many cases the licensed professional is required to sign an affidavit on the plans stating that their work meets all of the requirements and acknowledging their liability for the design.

Have the City craft an approved list of third-party review companies to offload workload. These companies will be vetted by the City, and the City will determine that they have the professional expertise required to review design documents in full compliance with City requirements.

Opportunity Description & Background:

- Streamlining and shortening the entitlement process will reduce developer costs for both affordable and market-rate developments.
- Conceptual reviews streamline the permit approval process. Discretionary approval projects in the City of San Diego are currently required to have detailed project reviews in which project applicants submit required documents mimicking ministerial reviews. Specifically, once an applicant successfully obtains a discretionary permit, the applicant must then apply for a ministerial permit, essentially repeating the review process again. Implementing a conceptual review process would help streamline the review process and reduce costs to the applicant for discretionary projects. A conceptual review would review the project's simple site plans, floor plans, and elevations. Landscape and parking detail would be curtailed. The necessary California Environmental Quality Act documentation would be provided in order to provide substantial evidence for environmental disclosures and mitigation, and specifics would be required.
- Implementing conceptual reviews for discretionary projects can reduce permit-processing times for applicants by 30 to 50 percent, as estimated by the Development Services Department.
- There is a fast-track review for affordable and sustainable projects that already exists and reduces the entitlement timeline by 50 percent, along with providing a specific date for completion. A 50 percent reduction generally means three to six months rather than six to 12 months.

Cost Containment & Housing Production Impact:

- Reduces time, costs, and risks during the entitlement process for housing development.
- Simplifies and expedites entitlement process.

Other Benefits:

- Improves government efficiency.
- Reduces government expenditures on entitlement process.

SDHC Role (Lead, Advocate, or Support): SDHC would advocate for these changes to be made by the Mayor and City Council with support of the Development Services Department.

Next Steps: Draft administrative action or ordinance implementing conceptual review. Initial implementation step requires the Mayor to direct the Development Services Department to adopt conceptual review and to expedite adoption of online entitlement process.

Timeline: Short-term

Relevant State Legislation: A recent study of San Diego's housing costs, *Opening the Door to Lower Housing Costs* (Fermanian Institute Study, Point Loma Nazarene University), proposes reducing regulatory costs associated with housing through implementation of the following key reforms:

- Establishing benchmarks for project and permit approval times;
- Replacing full cost recovery by a flat fee for mapping costs;
- Standardizing building codes for all jurisdictions in the County;
- Disallowing additional challenges and reviews once a project is approved; and
- Establishing a sliding scale for affordable homebuilding requirements to recognize the importance of economies of scale.

References:

- *Opening San Diego's Door to Lower Housing Costs*. Fermanian Business and Economic Institute at Point Loma Nazarene University. 2015.

Action Opportunity #7 – Action Taken

Shorten Entitlement Process.

Progress

The City has taken comprehensive steps to streamline the development entitlement process through the 11th Land Development Code update, including by amending the Affordable, In-fill and Sustainable Expedite Program so that it will no longer charge fees for projects proposing 100 percent affordable housing on-site.

In addition, the City's Planning Department recently introduced a checklist to be used by applicants when reviewing projects for consistency with Programmatic Environmental Impact Reviews (PEIRs) and the Climate Action Plan (CAP). This new process could save both time and money during the review of discretionary projects.

Accomplishments by the City's Development Services Department (DSD):

1. Reviewed 89.3 percent of permits on time, up from 87.5 percent the previous year, in fiscal years 2016 and 2015 respectively. The percentage of permits completed in fewer than two days rose from 91.8 percent in fiscal year 2015 to 92.4 percent in fiscal year 2016.
2. Implemented the Professional Certification Program for Completeness Check. This reduced discretionary process timeframes by 30 days.
3. Implemented Open DSD, which provides online access to: real-time permit and enforcement status; payment and inspection; all discretionary, ministerial, and code enforcement cases.
4. Implemented fee modifications, simplifying the fee structure and reducing 538 fees to 313 fees. Converted 62 deposit accounts into fixed fees.
5. Completed the 10th Land Code Update, which included 38 code amendments and streamlining measures, many of which are listed throughout this report.
6. Announced the following goals to continue to streamline City processes through the 11th Land Development Code update:
   - Establish a new Development Services Center;
   - Expand Professional Certification to include additional permit types;
   - Revise discretionary submittal requirements;
   - Retool Sustainable and Affordable Expedite Programs;
   - Expand electronic submittal to include additional permit types; and
   - Expand open data capability, particularly in OpenCounter.

Related Efforts

In her January 2017 memo to the Independent Budget Analyst, City Council President Myrtle Cole requested that funding be identified and allocated if necessary to streamline the permitting process to build affordable housing.

Circulate San Diego, a nonprofit that works to promote public and active transportation, as well as sustainable growth, recommends that the City take the following actions:

- Create a position within the Development Services Department that handles affordable housing. This would ensure that expedites for the Affordable Housing Bonus Program (AHBP, also known as Density Bonus) are fast-tracked;
- Allow automatic Floor Area Ratio (FAR) bonuses, without requiring the use of an incentive; and
- Allow developers to purchase binding pre-review of incentives and waivers for projects.

At the January 31, 2018, City Council Smart Growth & Land Use Committee, the City's Planning Department presented amendments to the City's Affordable Housing Density Bonus Program, including a 100 percent density bonus for developments composed solely of "micro-units" and located within a TPA, an additional 10 percent density bonus above the maximum allowed for applicants not requesting a waiver or incentive to enlarge the building envelope, and a 20 percent density bonus for developments reserving 10 percent of the total unit count for senior housing, among others.

2017 Legislation

- SB 540, Workforce Housing Opportunity Zone (Roth): Signed into law on September 29, 2017, SB 540 authorizes local jurisdictions to establish Workforce Housing Opportunity Zones by preparing an Environmental Impact Report (EIR) pursuant to the California Environmental Quality Act and adopting a Specific Plan. Local jurisdictions could impose a Specific Plan fee on permit applications and would be authorized to apply for a no-interest loan from the Office of Planning and Research (OPR) to support their efforts to develop a Specific Plan and accompanying EIRs within the zones. For a period of five years after a plan is adopted, the local jurisdictions would be prohibited from denying any development that is proposed within the area of the zone if that development satisfies certain criteria. The bill would provide that, after the zone is adopted, a lead agency is not required to prepare an EIR or negative declaration for a housing development that occurs within the zone if specified criteria are met.

New Reference Sources

- *Transit-oriented Development: A Strategy for the City of San Diego to Advance the Climate, Affordability, and the Economy.* Circulate San Diego (2016).
- Memo, "FY 2018 Budget Priorities," by City Council President Myrtle Cole, dated January 27, 2017.

Action Opportunity #8

NOVEMBER 25, 2015 REPORT

Adopt Specific Plans and Community Plans with Master Environmental Impact Reports (EIRs) and Provisions That Increase Production of Market-Rate Housing.

Type: Local

Scope: Affordable and Market

Opportunity for Action: The City Council can pass an ordinance to expedite adoption of Specific Plans and Community Plans with Master Environmental Impact Reports (EIRs) that enable medium- to high-density urban infill mixed-use and multifamily development.

Updated Community Plans provide certainty to developers and can significantly reduce the time and cost of producing new housing units. There has been a recent increased focus at the local government level to expedite Community Plan Updates.

The inclusion of EIRs in Community Plan Updates can minimize California Environmental Quality Act (CEQA) review for individual projects. This will create a single productive and focused opportunity for the public and advocates to express input on the General Plan and Community Plans. Streamlining the process in this manner will reduce the housing development timeline and reduce regulatory costs associated with housing production.

Part of the Community Plan Updates should include proposals that increase market-rate housing. This could include programs such as creating priority development areas around transit corridors and rezoning underutilized industrial and other types of non-residential land.

Opportunity Description & Background:

There are 52 Community Plans in San Diego. As of November 25, 2015:

- 3 Community Plans are less than 10 years old;
- 12 Community Plans are 11 to 20 years old;
- 22 Community Plans are 21 to 30 years old;
- 12 Community Plans are 31 to 40 years old; and
- 3 Community Pans are over 40 years old.

A Community Plan is a public document that contains specific proposals for future land uses and public improvements in a community consistent with the City's General Plan. Typical elements include: land use, transportation, urban design, public facilities and services, natural and cultural resources, and economic development.

All stakeholders, including employers, residents and government, are provided certainty by the adoption of Community Plans. Community Plans and other efforts toward smart growth reduce the time and cost of producing new units by reducing regulatory uncertainty and regulatory process. Coordinated and certain smart growth plans make the region a more attractive place to live and do business.

Historically the process to update a Community Plan took about a decade to complete. Recently as increased local resources have been focused on Community Plan Updates, the timeline is targeted to be a two-and-a-half-year process.

As part of the process of updating Community Plans, it is important to give communities an opportunity to provide input on plans and weigh in on how plans will best meet the community's needs.

Including a Master EIR can further reduce regulatory burden for housing development. A Master EIR completed as part of a Community Plan for individual neighborhoods will simplify and expedite the entitlement process and limit potential lawsuits (assisting both market-rate and affordable housing developments). A Master EIR can be tailored to encourage publicly desired development.

SDHC could support proposals by Civic San Diego and the City Planning Department to engage in Specific Plans and other tools to quickly update planning rules for priority development areas within Community Plans.

Cost Containment & Housing Production Impact:

- Reduces time, costs, and risks during the entitlement process for housing development.
- Simplifies and expedites the entitlement process.
- Provides certainty for regional development planning that will reduce time and costs of housing project development process.
- Increasing density in Community Plans as they are updated will support increased housing production by making land available for housing development.

Other Benefits: Eases planning costs for developers while allowing local residents to participate in planning the long-term future development of their neighborhoods.

SDHC Role (Lead, Advocate, or Support): SDHC could advocate for these changes to be made by City Council.

Next Steps:

- Build broad base of coalition supporters at the local level.
- Identify local legislative leaders to support legislation.
- SDHC outreach to City Council and City Council action.
- Specific and Community Plan Development.

Timeline: Long term. Implemented as Community Plans undergo review.

Relevant State Legislation: N/A

Other Innovative Ideas:

- Density targets and limits should be specified in City Plan updates and in the General Plan to maximize land available for housing production while balancing other factors important to community well-being.
- Use the Centre City Development Corporation/Civic SD model for Community Plan Updates.
- Set minimum citywide significance thresholds for Community Plan Updates and develop a comprehensive density strategic plan. Include in that plan a policy that densities in communities are not lowered and height maximums are not decreased.
- Add infill and transit-oriented development target areas within all future Community and Specific Plans in order to use the CEQA processes established by SB 743 (Steinberg, 2013).
- An Affordable Housing Overlay Zone (AHOZ) creates as-of-right zoning for specific parcels. This approach can be used in the Housing Element process. When the element is being approved, the City can designate certain parcels as AHOZ eligible. The City would then have to designate the requisite zoning for the parcels and the development of affordable housing would be as-of-right. This would streamline approval of affordable housing, though it might limit plan design flexibility.

References:

- San Diego Regional Chamber of Commerce Housing Action Plan (2015 Update).

Action Opportunity #8 – Action Taken

Adopt Specific Plans and Community Plans with Master EIRs.

Progress

Historically, the process to update a Community Plan took approximately a decade to complete. In 2016, Mayor Kevin L. Faulconer announced a new timeline for updating Community Plans within three years.

The Community Plans of Golden Hill, North Park, San Ysidro, and Uptown were updated in 2016, all with Program EIRs.

The City's Planning Department announced that the following Community Plan updates will be completed by 2018:

- Midway-Pacific Highway (2017)
- Old Town (2017)
- Mission Valley (2018)
- Clairemont (2018)
- Kearny Mesa (2018)
- Barrio Logan (2018)
- University (2018)
- Mira Mesa (2018)

The City's Planning Department created a checklist for projects that comply with Community Plans. This tool will save developers time and money, and is outlined in the update for Action Opportunity #7.

North Park, San Diego

Related Efforts

In their respective January 2017 memos to the Independent Budget Analyst's Office, Councilmembers Barbara Bry, Chris Cate, and Scott Sherman called for the City to commit to an annual budget sufficient to fund Community Plan update efforts.

2017 Legislation

- SB 540 (described in Action Opportunity #7) supports the creation of Specific Plans to streamline permitting for affordable housing development.

New Reference Sources

- City Planning Department website. https://www.sandiego.gov/planning
- Memo, "Fiscal Year (FY) 2018 Budget Priorities," dated January 20, 2017, to Andrea Tevlin, Independent Budget Analyst, by City Councilmember Barbara Bry.
- Memo, "Fiscal Year 2018 Budget Priority Memo," dated January 20, 2017, to Andrea Tevlin, Independent Budget Analyst, by City Councilmember Chris Cate.
- Memo, "FY18 Budget Priorities," dated January 20, 2017, to Andrea Tevlin, Independent Budget Analyst, by City Councilmember Scott Sherman.

Barrio Logan, San Diego

Action Opportunity #9

NOVEMBER 25, 2015 REPORT

California Legislature and Governor to Adopt CEQA Reform Measures Targeting Infill Development Projects, and City to Revise Local CEQA Thresholds.

Type: State, Local

Scope: Affordable and Market

Opportunity for Action: At the state level, members of the state legislature can introduce legislation that addresses the following reforms: 1) require those filing CEQA lawsuits to disclose their identity and environmental or non-environmental interests; 2) eliminate duplicative lawsuits against EIRs that have been certified; and 3) restrict invalidation of project approvals due to technical errors in the EIR.

At the local level, the City can take immediate action to commence revisions to its CEQA thresholds.

Opportunity Description & Background:

State Legislation: Though only about 10 percent of CEQA filed cases are published, a report by Holland & Knight (August 2015) completed a study of all CEQA lawsuits filed over a three-year period. Of those cases, almost half are targeted toward taxpayer-funded projects that reinforce California's environmental goals. These statistics indicate that there are three key legislative changes that could be made to the CEQA process that could reform the process to improve the chances of success for infill projects, including affordable housing. These changes are included in the "Opportunity for Action" above.

City Thresholds: Traffic, noise, air quality, and parks CEQA significance thresholds are based on suburban land uses and traffic generation and applied to urban projects and environments. They can be modified to more accurately reflect current and future development patterns. Making the thresholds more applicable to urban environments will reduce unnecessary regulatory costs.

Cost Containment & Housing Production Impact:
- Increase supply of affordable product in California by improving chances of project success.
- Decrease project and taxpayer costs by reducing legal costs and time delay costs due to frivolous CEQA lawsuits.

Other Benefits: Helps contain development costs by keeping projects with approvals out of litigation.

SDHC Role (Lead, Advocate, or Support): SDHC to advocate within coalitions for reform and reach out to legislators to initiate these changes.

Next Steps:
- Build broad base of coalition supporters at the state and local level for state legislation.
- Identify local legislative leaders to carry state legislation.
- Work with City Council to draft ordinance amending CEQA thresholds for the City of San Diego.

Timeline: Short-term for local actions; medium-term for state legislation.

Relevant State Legislation: N/A

Other Innovative Ideas:
- Override mechanism at the state level, similar to Massachusetts Chapter 40B.
- Establish a citywide Project Labor Agreement that will prevent unions from bringing CEQA actions or work stoppages to a project.

References:

- Jennifer Hernandez, David Friedman, & Stephanie DeHerrera. *In the Name of the Environment: How Litigation Abuse Under the California Environmental Quality Act Undermines California's Environmental, Social Equity and Economic Priorities - and How to Protect CEQA From Litigation Abuse.* Holland & Knight. (2015).

Action Opportunity #9 – Action Taken

Support CEQA Reform at State and City Levels.

Progress

In his February 10, 2017 memo, "Smart Growth and Land Use Committee Work Plan," City Councilmember Scott Sherman, 2017 Chair of the Smart Growth & Land Use Committee, called for California Environmental Quality Act (CEQA) reform as a measure to increase housing production. Groups such as Housing You Matters, of which SDHC is a member, have supported the idea of CEQA reform at the local level, and it continues to gain momentum.

On July 24, 2017, the City Council voted to increase the cost to file an appeal from $100 to $1,000 and mandated that hearings on appeals must be scheduled within 60 days.

The City adopted its Climate Action Plan (CAP) in December 2015, and that plan's checklist, previously known as the Greenhouse Gas (GHG) Checklist, has been implemented. The CAP Checklist is a form that is required for developments subject to CEQA review. It ensures the reduction of GHG emissions in accordance with CEQA Guidelines §15183.5.

The City continues to review CEQA thresholds to identify areas where they can be lowered.

Related Efforts

Circulate San Diego recommends that the transportation fee be replaced by the vehicle miles traveled (VMT) fee. The use of VMT would make projects near transit less expensive to build, because they would tend to generate less VMT. This would require action by the City.

Circulate San Diego also recommends that the City update its traffic analysis requirements to no longer require Level of Service analysis. Passage of SB 743 in 2013 requires that CEQA only look at VMT for traffic analyses, and San Diego can reduce costs to developments by not requiring surplus traffic analyses.

2017 Legislation

- AB 73, Housing Sustainability Districts (Chiu): The bill, signed into law on September 29, 2017, incentivizes high-density "Housing Sustainability Districts," which streamlines the development process for new housing near transit. AB 73 speeds any lawsuit challenging an environmental review through the courts, and mandates at least 20 percent of housing within a district to be affordable to low-income people. It also exempts from CEQA housing developments undertaken in the Housing Sustainability Districts that meet specified requirements, provided that the lead agency prepared an environmental impact review (EIR) when designating the District.

New Reference Sources

- *Transit-oriented development: A Strategy for the City of San Diego to Advance the Climate, Affordability, and the Economy*. Circulate San Diego (2016).

Action Opportunity #10

NOVEMBER 25, 2015 REPORT

Align State Oversight.

Type: State

Scope: Affordable

Opportunity for Action: Appoint an ad hoc committee to prepare an alignment plan proposing how the five state agencies responsible for housing policy and/or financing in California can better align their processes and policy objectives. The ad hoc committee should be appointed by officials who currently have housing policy oversight responsibilities, specifically the Governor and the Treasurer.

Aligning affordable housing policy and financing programs at the state level in California will reduce costs of regulation, monitoring, and implementation in affordable housing developments and by local housing agencies.

Opportunity Description & Background: Five agencies currently manage affordable housing policy, funding, and oversight/monitoring in California:

- California Debt Allocation Committee (CDLAC)
- Tax Credit Allocation Committee (TCAC)
- Department of Housing and Community Development (HCD)
- California Housing Finance Agency (HFA)
- Strategic Growth Council (SGC)

For affordable housing developers, better alignment will reduce development and operational costs and reduce timelines for development. The various agencies could create a streamlined application, loan documentation system, portfolio administration process, and monitoring requirements. Specifically, alignment could achieve:

- Single online electronic application;
- Single reporting format for ongoing monitoring and compliance; and
- Single underwriting form for financing from public lending institutions (similar to applying for financial aid for higher education through a single form).

The ad hoc committee could design and oversee a process to achieve improved government efficiency and cost reduction in administering California's housing policy, finance and affordable housing development oversight.

Cost Containment & Housing Production Impact:

- Aligning these processes and the policy goals of the five agencies will increase government efficiency and speed delivery of housing resources at both the state and local levels.
- Alignment will reduce initial and ongoing administrative and compliance costs for developing and monitoring affordable housing.

Other Benefits: Increased government efficiency.

SDHC Role (Lead, Advocate, or Support): SDHC to support creation of an ad hoc committee.

Next Steps: Support dialogue and action to align state agencies' practices.

Timeline: Short- to medium-term.

Relevant State Legislation: N/A

Other Innovative Ideas:

- Other states have streamlined housing policy and oversight in innovative ways that may provide a model for California.
- Massachusetts has a single online application for affordable housing financing.

References: N/A

Action Opportunity #10 – Action Taken

Align State Oversight.

Progress

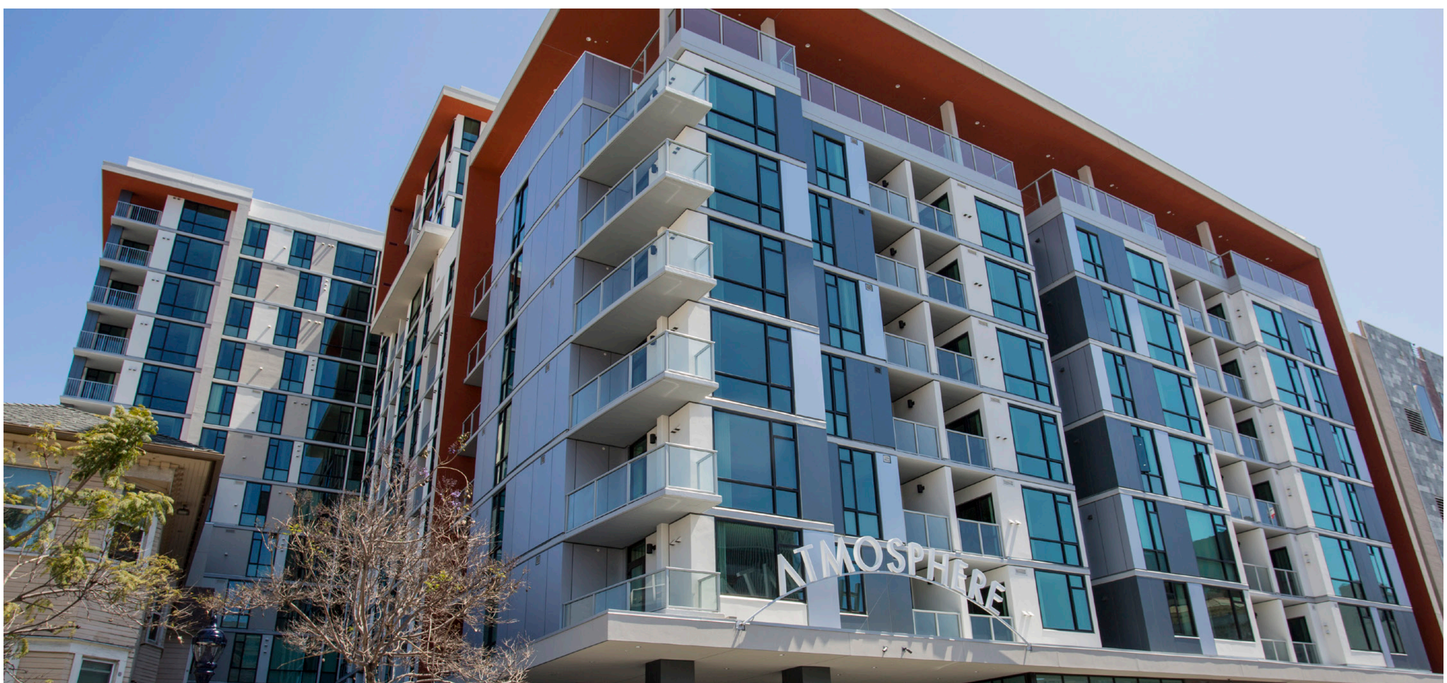
SDHC has provided input on recent collaboration by state agencies that oversee the administration of affordable housing resources, including the California Debt Limit Allocation Committee (CDLAC) and the California Tax Credit Allocation Committee (TCAC), to review their regulatory frameworks to better align oversight of housing production.

Related Efforts

N/A

New Reference Sources

N/A



Atmosphere Apartments
1453 Fourth Avenue – Downtown San Diego
202 Affordable Rental Apartments
Total Development Cost: $79.5 million
SDHC-authorized Multifamily Housing Revenue Bonds: $25.6 million
SDHC Loan: $3 million

Action Opportunity #11.1

NOVEMBER 25, 2015 REPORT

Increase State and Federal Resources – Promote Fair Share of Continuum of Care Allocations for San Diego.

Type: Federal

Scope: Affordable

Opportunity for Action: The current Continuum of Care funding formula does not allow San Diego and other jurisdictions to adequately address their homeless population needs. At the urging of U.S. Representative Scott Peters (52nd District, California), San Diego must not wait for Washington, D.C., to lead and should create viable and equitable formula alternatives for release and outreach to garner public comment and support. Those alternatives should then be provided to San Diego's Congressional Delegation to advocate for San Diego's fair share of federal dollars to end homelessness in San Diego under the U.S. Department of Housing and Urban Development's (HUD) Continuum of Care Program.

Opportunity Description & Background:

The Continuum of Care Program is designed to:

- Promote community-wide commitment to the goal of ending homelessness;
- Provide funding for efforts by social services providers and state and local governments to quickly rehouse homeless individuals and families while minimizing the trauma and dislocation caused to homeless individuals, families, and communities by homelessness;
- Promote access to and effect utilization of mainstream programs by homeless individuals and families; and
- Optimize self-sufficiency among individuals and families experiencing homelessness.

Cost Containment & Housing Production Impact: Increasing San Diego's Continuum of Care allocation to match its homeless population will directly increase resources available in San Diego to provide adequate levels of social services and housing support to the homeless.

Other Benefits: Reduce use of other public resources for housing by having an adequate level of Continuum of Care support.

SDHC Role (Lead, Advocate, or Support): SDHC could participate in or help facilitate a process to draft alternative formulas, create substantial public comment opportunities, and provide to the California Congressional delegation the needed information for advocacy at the federal level.

Next Steps:

- Obtain current funding formula for Continuum of Care allocations and convene stakeholders to draft an alternative formula that provides fair share of homeless funds to San Diego.
- Research alternatives and obstacles to national support.
- Partner with Congressional Delegation to advocate new funding formula for Continuum of Care allocations.

Timeline: Short-term.

Relevant State Legislation: President Obama's 2016 budget.

Other Innovative Ideas: N/A

References: United States Department of Housing and Urban Development.

Action Opportunity #11.1 – Action Taken

Promote Fair Share of Continuum of Care Allocations for San Diego.

Progress

U.S. Representative Scott Peters led a collaborative effort to bring more homelessness funding to San Diego. In early 2016, Congressman Peters urged the U.S. Department of Housing and Urban Development (HUD) to reopen its comment period so that San Diego and other communities across the nation could propose a new, fair funding formula.

For the first time in three years, HUD in July 2016 requested public comment on the funding formula for homelessness programs by releasing four different proposals to update its process. These formulas included new factors that were intended to provide better indicators of potential homelessness. Congressman Peters organized and led the effort to propose a new formula, gathering housing leaders in San Diego, and working with then-HUD Secretary Julian Castro.

An alternative proposal that could positively impact federal funding for homelessness programs in the City and County of San Diego received regional support:

- Formula E would more equitably distribute federal funds across regions, such as San Diego, that are experiencing the highest levels of homelessness. The formula is based on the San Diego region's experience with homelessness and the high cost of housing.

The alternative proposal also was strongly supported by Mayor Kevin L. Faulconer.

Formula E was also unanimously endorsed on August 18, 2016, by the San Diego Regional Continuum of Care Council, which oversaw the federal funding for homelessness allocated to the San Diego region.

SDHC President & CEO Richard C. Gentry signed a letter to HUD as the RCCC Chairman at the time. A letter of support for the alternative proposal was also sent on behalf of SDHC.

Currently, the public comment period is over, and HUD will decide whether or not to publish a new funding formula.

Related Efforts

N/A

New Reference Sources

- Continuum of Care Program: Solicitation of Comment on Continuum of Care Formula, Vol. 81, Fed. Reg., 48366 (July 9, 2016).
- 42 U.S.C. § 11319

Action Opportunity #11.2

NOVEMBER 25, 2015 REPORT

Increase State and Federal Resources – Advocate with Congressional Delegation to Increase Federal Rental Assistance.

Type: Federal

Scope: Affordable

Opportunity for Action: Advocate with Congressional Delegation to increase federal rental assistance for public housing, project-based housing vouchers, and other federal rental assistance.

Opportunity Description & Background:

- All of San Diego's subsidies for lower income families to afford rental units come from Federal rental assistance programs.
- There is currently a severe shortage of affordable units in San Diego, and low-income families are severely rent burdened. Increasing Federal rental assistance would increase resources in San Diego to help low-income families and extremely low-income families find adequate housing.
- Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) funds are crucial Federal rental assistance funding sources for San Diego's low-income households.
- The primary objective of the CDBG is to develop viable communities through the provision of decent housing, a suitable living environment, and expanded economic opportunities. Eligible CDBG spending includes public services, community and economic development, capital improvement projects (CIP) public facilities/infrastructure, and CIP housing rehabilitation.
- HOME Program funds are dedicated to housing activities that meet local housing needs and typically preserve or create affordable housing. Uses include tenant-based rental assistance, rehabilitation, homebuyer assistance, and new construction.

Cost Containment & Housing Production Impact: Increasing federal funding of CDBG and HOME will make more affordable housing available for lower income households, increasing supply generally, and therefore making housing more available and affordable at higher income levels as well.

Other Benefits:

- Reduce homelessness.
- Reduce severe rent burdens on low-income families.

SDHC Role (Lead, Advocate, or Support): SDHC to lead advocacy with San Diego Congressional Delegation and local stakeholders.

Next Steps: Partner with Congressional Delegation to advocate for increased federal rental assistance, including increased funding for CDBG, HOME, and other federal rental assistance programs.

Timeline: Medium-term.

Relevant State Legislation: Federal FY 2016 Budget.

Other Innovative Ideas: N/A

References: United States Department of Housing and Urban Development.

Action Opportunity #11.2 – Action Taken

Advocate with Congressional Delegation to Increase Federal Rental Assistance.

Progress

During federal Fiscal Year 2018 budget negotiations, SDHC advocated that Congressional representatives in San Diego support funding levels for the HOME Investment Partnerships (HOME) and Community Development Block Grant (CDBG) programs that were approved by the U.S. Senate Appropriations Committee. The funding approved by the U.S. House of Representatives Appropriations Committee's version proposed to cut $100 million from vital programs that SDHC uses to create affordable housing and serve homeless individuals and families in San Diego.

As of January 31, 2018, Congress has not yet passed appropriations bills for Fiscal Year 2018, which ends on September 30.

Related Efforts

N/A

New Reference Sources

- Affordable Housing Online, Trump-Carson Housing Budget Cut Estimator for Your Local Community. (May 2017).

Talmadge Gateway
4422 Euclid Avenue – Talmadge neighborhood of City Heights
59 Affordable Rental Apartments
Total Development Cost: $20 million
SDHC Loan: $4.8 million (includes $2.6 million in HOME funds awarded by HUD to the City and administered by SDHC)

Action Opportunity #11.3

NOVEMBER 25, 2015 REPORT

Increase State and Federal Resources – Expand the Low-Income Housing Tax Credit.

Type: Federal

Scope: Affordable

Opportunity for Action: Reform and expand the Low-Income Housing Tax Credit (LIHTC) program to support development and preservation of affordable housing.

Opportunity Description & Background:

- Encourage mixed-income occupancy by allowing LIHTC-supported developments to elect a criterion employing a restriction on average income. The criterion would be: At least 40 percent of the units in the project would have to be occupied by tenants with incomes that average no more than 60 percent of Area Median Income (AMI), and households with incomes up to 80 percent of AMI could be served.
- Expand LIHTCs available to finance affordable housing by allowing conversion of private activity bond volume cap into LIHTCs.

Cost Containment & Housing Production Impact:

- Increase production and lower financing costs by allowing states to use private activity bonds (PAB) volume that may be difficult to use in a low-interest rate environment.
- Agencies in charge of allocating LIHTCs are often confronted with a larger number of deserving projects than they can support. Some of these buildings can be built only with higher credit-rate LIHTCs. Increasing the volume of higher rate credits would allow the development of some projects for which the current supply is insufficient.
- Some developers obtain LIHTCs by financing buildings with PABs even though they have access to more preferred financing options. The resulting transaction costs consume resources that might otherwise provide affordable housing.

Other Benefits: Reform would encourage mixed-income occupancy. LIHTC income criteria often produce buildings that serve a narrow income band of tenants – those just below the eligible income threshold. In addition, reform would mitigate the inflexibility of the income criteria that has made it difficult for LIHTC to support acquisition of partially or fully occupied properties for preservation or repurposing.

SDHC Role (Lead, Advocate, or Support):
- Support proposal.
- Advocate with local members of Congress.
- Advocate through local, state, and national affordable housing trade organizations.

Next Steps: Advocate with San Diego Congressional Delegation

Timeline: Medium-term.

Relevant State Legislation: Federal FY 2016 Budget.

Other Innovative Ideas: Allow conversion of private activity bond cap to LIHTCs.

References:
- President Barack Obama's 2016 Budget.
- United States Department of Housing and Urban Development.
- Internal Revenue Code.

Action Opportunity #11.3 – Action Taken

Expand the Low-Income Housing Tax Credit.

Progress

In testimony on May 12, 2016, to the U.S. House of Representatives Committee on Financial Services, Subcommittee on Housing and Insurance, SDHC President & CEO Richard C. Gentry supported the Low-Income Housing Tax Credit (Housing Credit) program as “a successful and critical source of financing for affordable housing partnership developments” and “a good example of public-private partnerships leveraging substantial private sector investments in affordable housing.”

Also in 2016, SDHC submitted letters in support of Senate Bill 2962 to each of San Diego’s Congressional representatives. S. 2962 would have increased the state housing credit ceiling, and permanently authorized and expanded the 4 percent Housing Credit, among other changes.

Similar legislation, Senate Bill 548 and House Resolution 1661, was introduced in 2017. SDHC supported both bills, which would protect and strengthen the federal Housing Credit program. SDHC is also a member of the “A Call To Invest in Our Neighborhoods” (ACTION) Campaign, a coalition of more than 2,000 national, state, and local organizations and businesses calling on Congress to expand the federal Housing Credit program.

Current efforts aim to incorporate the provisions outlined in Senate Bill 548 and House Resolution 1661 as part of a potential tax package in any upcoming omnibus spending bill for Fiscal Year 2018.

During the tax reform efforts under H.R. 1 at the end of 2017, SDHC advocated for preservation of private activity bonds (PABs) and the federal Housing Credit program, whose value would diminish if the corporate tax rate was lowered. While both PABs and the Housing Credit program were retained, H.R 1 reduced the corporate tax rate to 21 percent from 35 percent. SDHC will continue to advocate for the need to expand and strengthen the Housing Credit, potentially as part of the omnibus spending bill for Fiscal Year 2018.

Related Efforts

The San Diego Housing Federation (SDHF) advocated to protect the federal Low-Income Housing Tax Credit program during tax reform efforts in December 2017.

2017 Legislation

- H.R. 1661, Affordable Housing Credit Improvement Act of 2017 (Tiberi and Neal): The bill permits income averaging in Housing Credit properties, provides flexibility for existing tenants’ income eligibility, establishes a permanent minimum 4 percent Housing Credit rate, and increases the amount of housing credits that developments serving extremely low-income tenants can receive, among other changes.
- S. 548, Affordable Housing Credit Improvement Act of 2017 (Cantwell, Hatch and Wyden): The bill expands the annual Housing Credit allocation authority by 50 percent over five years, permits income averaging in Housing Credit properties, provides flexibility for existing tenants’ income eligibility, establishes a permanent minimum 4 percent Housing Credit rate, and increases the amount of housing credits that developments serving extremely low-income tenants can receive, among other changes.

New Reference Sources

N/A

Overview

This Literature Review is the product of a wide array of housing affordability reports produced by academia, think tanks, government agencies, and the private sector from late 2015 to the present. It includes reports from the global, national, state, and local levels. A cross section of reports was selected, analyzing the affordable housing crisis in San Diego. For each report, a summary of the challenges and proposed solutions is provided.

Local

1. **City of San Diego's Climate Action Plan (CAP) (2015), and its 2016 Annual Report. City of San Diego.**

Summary

The Climate Action Plan (CAP) is San Diego's effort to ensure it complies with state law, including Governor Edmund G. "Jerry" Brown's Executive Order B-30-15 establishing Greenhouse Gas (GHG) reduction targets at 40 percent below 1990 levels by 2030 to ensure California can meet its previous goal of 80 percent below 1990 levels by 2050. Using 2010 levels as base, the CAP calls for a 15 percent reduction of 2010 GHG in San Diego by 2020.

The City's implementation of the CAP requires the types of ordinances, policies, and programs noted in its annual reports. The 2016 Annual Report announced that San Diego is ahead of schedule in reducing GHG, having reached 10.8 percent below base.

Key Findings

The City has identified five strategies to reach its 2020 and 2035 GHG emissions targets:
- Energy and water efficient buildings;
- Clean and renewable energy;
- Bicycling, walking, transit and land use;
- Zero waste (gas and waste management); and
- Climate resiliency.

2. **Transit Oriented Development: A Strategy for the City of San Diego to Advance the Climate, Affordability, and the Economy. Circulate San Diego (2016).**

Summary

"Action Opportunity #9 – Action Taken" outlines the details of this report's recommendations, which fall under five categories: (1) Affordable Housing Bonus Program; (2) Traffic; (3) Parking; (4) Floor Area Ratios (FAR); and, (5) Development Fees.

Key Findings

- Create a "FAR Purchase Program," through which developers could purchase FAR based on the downtown price, which is $16/square foot. Within Transit Priority Areas (TPAs), allow the purchase of .5 FAR; outside of TPAs, allow the purchase of .25 FAR. Fees would fund the Affordable Housing Trust Fund.
- Projects within the San Diego Association of Governments (SANDAG) Smart Growth Opportunity Areas and TPAs should automatically receive a 24 percent reduction in average daily car trip (ADT) calculations. The Vehicle Miles Travelled (VMT) fee should replace the transportation fee, which would result in fewer projects near transit triggering review under the California Environmental Quality Act (CEQA).
- Parking minimums should be eliminated for downtown, and parking within TPA could be reduced to .75 spaces/unit residential and .25 spaces/unit commercial.
- Development fees for residential units should be based on square feet, which would encourage developers to build more and smaller units.

3. **Greater Golden Hill Community Plan Update. City of San Diego. 2016.**
Topic: Community Planning

Summary

Currently, there are approximately 7,330 existing residential dwelling units within the Golden Hill planning area. The adopted Community Plan maximum build-out of approximately 9,215 residential units would add 45 more residential dwelling units than the previous Community Plan. The Golden Hill planning area is a demographically diverse, urbanized community consisting of approximately 745 acres located adjacent to Balboa Park. Because of the community's central location within the region, long development history, and lack of vacant land, a key aim of the Community Plan update is to balance the goal of neighborhood character preservation with future growth needs. The Community Plan policies encourage smart growth and transit-oriented development consistent with guidance in the General Plan on how to design infill development and reinvest in existing communities. Growth and development within the planning area would occur in an existing urbanized community with established transit infrastructure and focused along transit corridors. Policies and proposals would provide a more balanced, multi-modal transportation system fostering walkable and transit-oriented neighborhoods. The Community Plan proposes a mix of uses and development intensities intended to support transit-oriented growth and be compatible with community character.

4. **North Park Community Plan Update. City of San Diego. 2016.**
Topic: Community Planning

Summary

There are approximately 25,250 existing residential units within the North Park planning area, which encompasses 2,258 acres in central San Diego. The newly adopted Community Plan has a maximum build out of approximately 36,570 residential dwelling units, which would add 2,275 additional units, a 25 percent increase over the previous Community Plan. The Community Plan increases densities along transit corridors, preserves single-family neighborhoods, and implements the General Plan and Climate Action Plan. Not only does the plan incorporate high density (up to 145 dwelling units per acre along El Cajon Boulevard), transit-oriented villages, but also includes a robust urban forestry section, a historic preservation element that includes the identification of and preservation strategies for historical resources, comprehensive urban design guidelines, enhancement programs to promote appropriately-sited higher density development in character with the existing and evolving areas of North Park, and affordable housing policies that help to achieve a balanced community.

The plan emphasizes multi-modal infrastructure as well as identification of park and recreation opportunities and park equivalencies. The plan also provides policies related to sustainable growth and development practices to implement the City's Climate Action Plan. Guided by the City of Villages growth strategy and citywide policy direction contained in the General Plan, the plan identifies land use and multi-modal mobility strategies to guide growth and development in North Park, foster walkable and transit-oriented communities, and address an array of long-range planning topics such as urban design, historic preservation, recreation, conservation, public facilities, noise, and urban forestry. Areas that are not subject to change include the single-family and low-density residential areas that comprise the majority of land uses.

5. **San Ysidro Community Plan Update.** **City of San Diego. 2016.**
   Topic: Community Planning

   Summary

   There are approximately 7,990 residential dwelling units within the San Ysidro planning area. The adopted Community Plan allows for build out to include a total of 9,850 residential dwelling units. This is a 1,762 unit (22 percent) increase over the prior Community Plan. San Ysidro has approximately 1,863 acres adjacent to the border with Mexico. The Community Plan contains community-specific policies for future development of residential, mixed-use, commercial, and village-designated areas consistent with the General Plan City of Villages strategy.

   The plan identifies new park and public space opportunities as well as improvements to existing mobility infrastructure to increase bicycle, pedestrian, and transit use. Design guidelines address community gateways and linkages, public spaces, respecting cultural influences, and context-sensitive design and wayfinding. The plan focuses on spurring revitalization around the Beyer Boulevard Trolley Station, the old town area of San Ysidro Boulevard, the Border Village commercial area, and the Port of Entry District with the Intermodal Transportation Center. A Specific Plan prepared as a companion document provides detailed land use goals and policies for the San Ysidro Historic Village area. Both plans support reinvestment and stimulation of transit-oriented development as envisioned in the General Plan's City of Villages strategy.

6. **Uptown Community Plan Update.** **City of San Diego. 2016.**
   Topic: Community Planning

   Summary

   There are approximately 23,160 residential units within the Uptown planning area. The adopted Community Plan at build out allows for approximately 34,600 residential dwelling units, consistent with the prior adopted Community Plan. The Uptown planning area consists of 2,700 acres north of downtown San Diego. The Uptown Community Plan is an early example of smart growth planning. It provides a strong policy framework for preservation and rehabilitation of single-family and low-density neighborhoods, while providing for higher density development along commercial corridors near transit. The updated Community Plan coincides with the General Plan and addresses urban design issues. Besides maintaining high to very high density (44 to 109 dwelling units per acre) in transit-oriented villages and TPAs, the plan includes an urban forestry section, a historic preservation element that includes the identification of and preservation strategies for historical resources, a comprehensive urban design element that establishes thresholds for discretionary review along transit corridors, and policies that address development transitions between lower density and higher density development.

   The Community Plan identifies multi-modal infrastructure, locations of parks, recreation facility opportunities, park equivalencies, and refinements to the community's open space boundaries. The community plan also provides policies related to sustainable growth and development practices to implement the City's Climate Action Plan. The community plan update identifies land use and multi-modal mobility strategies to guide growth and development consistent with the General Plan. While the Community Plan maintains single-family and low-density residential areas that comprise the majority of land uses, it focuses development along established transit infrastructure, which helps to reduce vehicle trips and miles traveled, as well as supports bicycling and walking as transportation choices.

State

Topic: Housing Development

1. **California's Housing Future: Challenges and Opportunities. California Department of Housing and Community Development. January 2016.**

   Summary

   California must build 1.8 million new homes by 2025 to meet its housing needs. The analysis conducted for this report addresses not only the types of housing needed, but also the challenges faced by developers. This need for new homes, coupled with the fact that between 2016 and 2021, 31,515 affordable rental units are at risk of converting to market rate, is a call for action.

   The cost of rental housing has posed a great burden on many Californians. Unlike home prices, rental prices did not go down during the Great Recession. Instead, rents have increased, even though renter income did not increase at the same rate. Reasons for increased rents include: foreclosures moving owners back into the rental market; millennials with strong rental tendencies; lack of supply; and, reduced access to mortgage credit following the recession. Because of high rents and lack of supply, the renter overcrowding rate in California is 13.5 percent.

   Housing Cost Affordability, defined as the cost of housing relative to income, as well as the Housing and Transportation Index (H&T Index) are two tools that clarify the true cost of housing. A review of Housing Cost Affordability reveals that housing costs in California are especially burdensome to extremely low- and very low-income households, who experience a disproportionate rent burden compared to households in other income brackets. The H&T index posits that combined housing and transportation costs are affordable up to 50 percent of a household's income. Both methods allow for better insight into true housing costs.

   The report recommends several options for addressing housing challenges. First, reform land use policies to advance affordability, sustainability, and equity. Second, address housing and access needs for vulnerable populations through greater interagency coordination. Finally, invest in affordable home development, rehabilitation, rental and home ownership assistance, and community development.

   Key Findings

   Several challenges must be met to build the needed housing:

   - Housing supply has not kept pace with demand, nor developed in a way that best serves growing communities. Most job and services centers are coastal, while most new development has occurred inland.
   - People experiencing homelessness face a myriad of challenges to obtaining housing, such as lack of credit, lack of rental history, and a need for services.
   - Unstable funding for affordable home development is impeding the state's ability to meet its housing needs.

2. **A Tool Kit to Close California's Housing Gap: 3.5 Million Homes by 2025. McKinsey Global Institute. October 2016.**

   Summary

   In the years 2009 to 2014, California added 544,000 new households, but added only 476,000 net housing units, contributing to housing prices rising by 15 percent. Today, 50 percent of the state's households are unable to afford housing in their local housing market. There is a $50 billion annual housing affordability gap, which results in $140 billion in lost economic output per year. California is short by 2 million units, and needs to build 3.5 million homes by 2025 to meet demand.

Key Findings

- California could add more than 5 million new housing units by identifying "Housing Hot Spots" where there is capacity for large numbers of units built with healthy returns, such as:
  - Building on vacant, urban land already zoned for multifamily development could add up to 225,000 units;
  - Intensifying housing within .5 miles of transit hubs could add up from 1.2 million to 3 million units;
  - Allowing homeowners to add units to their homes could add up to 800,000 units;
  - Building on underutilized urban land already zoned for multifamily development could add up to 1 million units and,
  - Building single-family homes on land currently dedicated to non-residential uses such as agriculture (known as "greenfield growth) could add up to 600,000 affordable units in the counties of San Bernardino, Sacramento, and Contra Costa alone. The following factors identified feasible locations: parcels were 5 acres or more, within 20 miles of job centers or within 5 miles of public transit, and within 1 mile of existing development. Excluded from the study were parcels set aside for open space or agriculture.
- Unlocking production of these units requires the implementation of several measures:
  - Incentivize local governments to approve already planned-for housing;
  - Accelerate land use approvals and construction permitting;
  - Prioritize state and local funding for affordable housing, such as cap-and-trade funds and bond measures to finance housing for homeless veterans (Prop 41);
  - Attract new investors in affordable housing, by tapping capital markets, attracting philanthropic investment, and incentivizing banks by passing responsible banking ordinances;
  - Design regulations to boost affordable housing while maintaining investment-attractiveness;
  - Align development impact fees with housing objectives;
  - Deploy modular construction; and
  - Reduce housing operating costs.

3. **Do Communities Adequately Plan for Housing? California Legislative Analyst's Office. March 2017.**

Summary

The State of California requires that every city and county develop a General Plan, and the Housing Element of the plan ensures that each jurisdiction's planning and zoning laws accommodate its Regional Housing Needs Assessment (RHNA). This report suggests that Housing Elements fall well short of this goal, and offers potential solutions. In part, one reason Housing Elements fall short of their goals is that it is impossible to estimate with precision the exact future housing needs of a jurisdiction. The Bay Area, for example, has permitted approximately the amount of housing called for in its RHNA, yet continues to fail in meeting its actual housing needs. In other parts of the state, Housing Elements fail to identify development sites that tend to be developed upon in later years. In fact, most larger housing developments (those with five or more units) in California are on sites not identified in a jurisdiction's Housing Element. This requires a change in zoning, which is both time consuming and costly to the developer, and discourages home building.

Key Findings

The State of California has several options to consider in helping jurisdictions build the housing stated in their RHNAs.

- Modify RHNA projections by adjusting upward for jurisdictions with high rents by an amount proportionate to how much their rents exceed the statewide average. For example, a jurisdiction whose rents are 30 percent about the state average and has a RHNA of 1,000 units would adjust upwards to 1,300 units.
- Make modifications to funding and tax allocations. Modify existing and new state funding allocations based on population growth and the allocation of local taxes to better reflect population growth. A tax allocation change would be difficult; a change in property tax allocation would need a two-thirds vote of the Legislature, and a change to sales tax allocation would need a voter-approved amendment to the state constitution.
- Improvement will be limited without a shift in the way Californians think about housing development. Many local communities oppose what they see as a shift in community character that would come with the addition of new housing units. Yet, such an addition would improve the lives of current and future generations of Californians.

National

Topic: Housing Markets

1. **Renting in America's Largest Metropolitan Areas. New York University Furman Center. March 2016.**

   Summary

   This study focused on the 11 largest metropolitan areas in the United States – Atlanta, Boston, Chicago, Dallas, Houston, Los Angeles, Miami, New York City, Philadelphia, San Francisco, and Washington D.C., as well as their metro areas. Between 2006 and 2014, the renter populations in these areas grew, while the production of multifamily rental stock declined in proportion to single-family rental housing. Rents rose during this time, increasing the need for affordable housing.

   Key Findings

   - The number and percent of renters increased in all 11 cities and their related metro areas during the time of the study.
   - In six of the 11 areas, and in metro areas nationwide, the production of single-family rentals outpaced the production of multifamily rentals. In fact, in all 11 areas, a greater share of renters lived in single-family homes in 2014 than in 2006. This is not attributed to new single-family housing stock, but rather to owner-occupied housing converting to rentals.
   - In most metro areas across the nation, the median gross rent rose, and because income did not rise at the same pace, renters in seven of the 11 areas studied faced rents equal to or greater than half their income.

Topic: Housing Preservation

2. **Preserving Affordable Rental Housing Initiative: An Evaluation of MacArthur's Window of Opportunity. MacArthur Foundation. 2016.**

   Summary

   Since 2007, developers financed through MacArthur Foundation's Window of Opportunity (WOO) initiative have preserved 45,000 affordable rental homes, at an average per unit cost of $81,000. Preserving affordable rental units ensures access to decent affordable housing for years to come, while increasing returns on public investments.

This report describes the seven strategies by which the MacArthur Foundation seeks to preserve affordable rental housing: (1) support large nonprofit owners of affordable rental housing to preserve rental housing, and to act as spokespersons for preservation; (2) increase capital for preservation by investing in special-purpose vehicles; (3) invest in regional interagency partnerships to keep affordable rental housing; (4) develop business practices, tools, and research for preservation; (5) provide loans and grants to state and local government agencies so those agencies can fund preservation; (6) promote low income tenants' rights to remain in affordable housing; and, (7) improve the funding, regulatory, and legislative context for preservation.

Key Findings

- The WOO Initiative has achieved most of its goals. Large nonprofit owners have better standing than they did before WOO. While all 20 special-purpose vehicles in which the foundation has invested have met their loan performance benchmarks, none has become a common industry tool.
- Better data about affordable rental housing was critical to elected officials in making decisions about preserving affordable rental housing. WOO helped organizations build that data, and was especially fruitful in building data about the federally subsidized inventory.
- There are several reasons WOO did not meet all its goals. First, the Great Recession produced macro-economic forces that affected the market. Second, the focus of the study was limited. WOO generally excluded for-profit owners of affordable rental housing, although 85 percent of the market is for-profit. It also focused on multifamily housing, despite multifamily rentals making up less than half the affordable rental market. Third, there was a lack of housing-related legislative action in Congress. Although the Housing and Economic Recovery Act of 2008 included preservation-related provisions, these tended to die in committee. Fourth, preservation lacks agreed-upon definitions, goals, data, and champions at the national level. Therefore, local campaigns are needed. Finally, there is no national data at the property-level about preservation of unsubsidized and subsidized properties.

Topic: Housing Policy Communication Strategies

3. **You Don't Have to Live Here: Why Housing Messages are Backfiring and 10 things We Can Do About It.**
Frameworks Institute. October 2016.

Summary

According to the report, building a wide base of public support is vital to sustaining housing's presence on the nation's policy agenda, and creating the public support needed to address housing challenges may be even harder than advocates realized. A change to the narrative around why housing matters would make housing a shared public concern. The report identifies six different housing message "backfires," and then dissects the perspectives that undermine the efforts of affordable housing advocates.

Key Findings

- The most challenging hurdle to overcome in creating a shared public concern in housing is the role that "confirmation bias" – the tendency to accept an argument that confirms one's views – plays in the backfiring of messages. For more than 30 years, cognitive and behavioral scientists have studied how people become entrenched in their false beliefs; understanding this is key to shifting public opinion.
- To avoid backfiring, advocates can try several approaches, including: (1) telling stories that balance the people, places, and systems perspectives; (2) telling a "Story of Us" rather than a "Story of Them;" (3) bringing the connection between housing and other issues into sharper focus; (4) helping people connect the causes and effects of housing insecurity; (5) making it clear that where you live affects you; (6) when raising challenges of the

past, focusing on the kinds of change that lead to better outcomes; (7) using robust examples that show how new housing policies worked; (8) avoiding problematic associations with the terms "housing" and "affordable housing"; (9) widening the public's view of who handles taking action and resolving outcomes.

4. **A House, a Tent, a Box: Mapping the Gaps Between Expert and Public Understandings of Healthy Housing.** **Frameworks Institute. 2016.**

Summary

Advocates face challenges in shifting public thinking about housing generally, and healthy housing in particular. One study participant expressed an unfortunately commonly held idea of housing as "A house, a tent, a box. Anything. Shelter." Yet, housing is so much more. Housing is a core determinant of health, and healthy housing includes physical health, mental health, community health, safety, stability, affordability, and general well-being. The market does not value health-related improvements to housing in the same manner that it does other "green" improvements. The exploration of cultural models – the implicit, shared understandings, assumptions, and patterns of reasoning - is key to understanding how the American public thinks about housing in general and healthy housing in particular. Experts' shared understanding of how housing affects health and well-being, referred to as "untranslated expert stories," can only be communicated through a reframing strategy. Successful communication is especially important because people have a strong tendency to personalize housing issues, which often prevents them from seeing the sources of housing problems, thereby reducing their support.

Key Findings

- Certain "Dos" of communicating about housing include leveraging people's thinking about the openness of healthy housing for children to explain the importance of environments for people of all ages.
- Healthy housing supports physical and mental health, as well as safety, stability, and well-being. Healthy homes are in neighborhoods that give people access to healthy food and quality jobs, space to exercise, and opportunities for social engagement.
- The effects of low-quality housing can cause a downward spiral of health problems, missed days at work, and loss of income, which can lead to even worse housing options.

Topic: Housing Preservation

5. **Anatomy of a Preservation Deal: Innovations in Preserving Affordable Housing from Around the United States.** **Urban Institute. August 2016.**

Summary

Rental housing affordable to lower-income households has been in a steady decline, and new construction has not even kept up with the loss in affordable housing stock. Between 2001 and 2013, the nation lost 2.4 million rental units that were affordable at 50 percent Area Median Income (AMI). Preserving affordable housing requires five key strategies: (1) local and state resources to match funds; (2) developer capacity to coordinate funding streams for complex deals; (3) collaborative relationships between sellers and buyers; (4) local policy that allows for innovation; and, (5) policy networks that foster the shared knowledge of successful techniques.

Key Findings

Preservation of affordable rental units is best achieved when the following factors are at play:

- Limiting Resident Displacement: resident displacement minimized through such measures as working in occupied units or providing temporary relocation.

- Engaging Residents: engaged residents tend to experience concerns about the project, especially around displacement. Their engagement also helps identify services needed.
- Preserving and Extending Services: looking beyond the bricks and mortar of a preservation project, and focusing on not only the temporary but also the long-term services, is the broadest response to residents' needs.

Topic: Linking Housing Policy with Equity Goals

6. **Healthy Communities of Opportunity: An Equity Blueprint to Address America's Housing Challenge. Kresge Foundation. 2016.**

   Summary

   The report highlights that health and housing are interrelated. Equitable housing is more than affordable housing; it connects residents to jobs, schools, services, and community assets that will enable them to thrive. America's housing and development policies leave communities with a shortage of real opportunities and with daunting health challenges. A reform agenda with critical steps at the federal, state, and local levels would provide a foundation for stronger policies that would reverse these issues.

   Key Findings

   Ten key equity housing policy priorities can address racial equity, health, climate, and economic opportunity outcomes. These include:

   - Reforming land use and zoning regulations to promote high-opportunity housing and affordable TOD locations, and tie transit to progress in this arena;
   - Expanding financing and focusing on acquisition of market-rate multifamily housing for below-market operation by nonprofits; and
   - Launching national and state campaigns to reduce the housing cost burdens of 14.5 million low- and extremely low-income households experiencing homelessness or paying more than 30 percent of their income on housing. For example, the federal government should define housing as essential infrastructure and issue vouchers to all over-burdened families that qualify.

Topic: Housing Policy: Zoning

7. **The Economics of Inclusionary Development. Urban Land Institute Terwilliger Center for Housing. July 2016.**

   Summary

   This study of current and emerging inclusionary zoning policies focuses on multifamily rental development rather than mixed-use or for-sale housing development. An overview of real estate development economics provides the perspective of the developer, with a special focus on feasibility. An assessment of the share of below-market housing units and the income requirements for those units are also explored, shedding light on their effects on development feasibility. The report concludes by pointing out which principal development incentives are most effective for cities, such as direct subsidies, tax abatements, reduced parking requirements, and density bonuses.

Key Findings

- In the United States, inclusionary zoning is the most common zoning approach to increasing affordable housing units.
- The most important factor in the success of an inclusionary zoning program is a robust and sustained level of market-rate development. If a jurisdiction is not experiencing new development, inclusionary zoning will not make a significant impact.
- Most jurisdictions need to provide development incentives to ensure feasible inclusionary zoning projects. The most effective of these are direct subsidies, tax abatements, density bonuses, and reduced parking requirements.

Global

Topic: Housing Development

1. **Lessons of the International Housing Partnership. Housing Partnership Network. February 2016.**

Summary

The International Housing Partnership launched in 2003 is a collaborative of more than 175 high-capacity nonprofits from the United States, United Kingdom, Australia, and Canada. Together, these nonprofits operate 1 million affordable homes and house 2.5 million people. Applying lessons learned in the United States from these international housing partners, particularly in the United Kingdom, would improve the development and management of affordable housing. Specifically, the study found that housing nonprofits that focus on public purpose and commit to reinvesting financial returns into their work, while maintaining the structure to raise private capital and create partnerships with the private sector, are most effective at leveraging public resources for affordable housing.

Key Findings

Five policy recommendations would expand the role of social enterprises in the United States affordable housing system:

- Expand the U.S. Department of the Treasury's Capital Magnet Fund, which awards grants to nonprofit lenders and nonprofit housing organizations that also use other sources of capital to achieve a mandatory 10:1 leverage ratio;
- Prioritize preservation and stock transfer to high-capacity nonprofits;
- Use a portfolio financing model for multifamily housing preservation of aging HUD-assisted and Housing Credit properties;
- Make housing a platform for improving communities and housing assets for residents; and
- Improve access to affordable homeownership. The U.K.'s Right to Buy program was successful in creating new home ownership, but should not be duplicated in the U.S. as it resulted in a massive loss of rental units. Instead, the U.S. should expand nonprofit acquisition and rehabilitation, as well as rent-to-own programs.

SDHC

SAN DIEGO HOUSING COMMISSION

We're About People

1122 Broadway, Suite 300, San Diego, CA 92101

www.sdhc.org