

Adopted December 11, 2019



CITY OF WILLITS

2019 – 2027 HOUSING ELEMENT UPDATE

Prepared by



**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

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January 9, 2020

Stephanie Garrabrant-Sierra, City Manager
City of Willits
111 E. Commercial Street
Willits, CA 95490

Dear Stephanie Garrabrant-Sierra:

RE: Willits' 6th Cycle (2019-2027) Adopted Housing Element

Thank you for submitting Willits' Housing Element adopted December 11, 2019 and received for review on December 17, 2019. Pursuant to Government Code section 65585, subdivision (h), the California Department of Housing and Community Development (HCD) is reporting the results of its review.

HCD is pleased to find the adopted Housing Element in full compliance with state Housing Element law (Article 10.6 of the Government Code). The adopted element was found to be substantially the same as the revised draft Housing Element that HCD's October 25, 2019 review determined met statutory requirements.

The Housing Element identifies sites smaller than one-half acre and larger than 10 acres to accommodate housing for lower-income households. Absent the analysis required by Gov. Code section 65583.2, subd. (c)(2)(A) and (B), HCD did not consider these sites toward accommodating any portion of the Regional Housing Needs Allocation for lower-income households. The City of Willits should not consider them adequate, available or additional sites pursuant to Gov. Code Section 65863 (No-Net Loss Law).

For your information, some general plan element updates are triggered by Housing Element adoption. HCD reminds the City of Willits to consider timing provisions and welcomes the opportunity to provide assistance. For information, please see the Technical Advisories issued by the Governor's Office of Planning and Research at: http://opr.ca.gov/docs/OPR_Appendix_C_final.pdf and http://opr.ca.gov/docs/Final_6.26.15.pdf.

Several federal, state, and regional funding programs consider Housing Element compliance as an eligibility or ranking criteria. For example, CalTrans Senate Bill (SB) 1 Sustainable Communities grants; the Strategic Growth Council and HCD's Affordable Housing and Sustainable Communities program; and the SB 2 Planning Grants as well as ongoing SB 2 funding consider Housing Element compliance and/or annual reporting requirements pursuant to Gov. Code section 65400. With Housing Element compliance, Willits meets the Housing Element requirements for these funding sources.

HCD appreciates the cooperation and responsiveness Dusty Duley, Community Development Director, and Amy Sinsheimer, the city's consultant, provided throughout the course of the Housing Element review. HCD wishes the City of Willits success in implementing its Housing Element and looks forward to following its progress through the General Plan annual progress reports pursuant to Gov. Code section 65400. If HCD can provide additional assistance in implementing the Housing Element, please contact Jamillah Williams, of our staff, at (916) 263-4849.

Sincerely,

A handwritten signature in black ink, appearing to read "Shannan West". The signature is fluid and cursive, with the first name "Shannan" written in a larger, more prominent script than the last name "West".

Shannan West
Land Use & Planning Manager

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INTRODUCTION

The Housing Element of the General Plan is a comprehensive statement by the City of Willits regarding its current and future housing needs and proposed actions to facilitate the provision of housing to meet those needs at all income levels. The policies contained in this element reflect the requirements of the statewide housing priority to allow for the “attainment of decent housing and a suitable living environment for every Californian,” as well as a reflection of the unique concerns of the community. The purpose of the Housing Element is therefore to establish specific goals, policies, and objectives relative to the provision of housing and to adopt an action (implementation) plan toward this end. In addition, the Housing Element identifies and analyzes housing needs and resources and constraints to meeting those needs.

PURPOSE

The purpose of the Housing Element is to identify housing solutions that solve local housing problems and to meet or exceed the Regional Housing Needs Allocation. The City recognizes that the provision of adequate housing is best met through various resources and interest groups. This element establishes the local goals, policies, and programs the City will implement and/or facilitate to address the identified housing issues.

State law requires the Housing Element to be consistent and compatible with other General Plan elements. The Housing Element should provide clear policy direction for making decisions pertaining to zoning, subdivision approval, housing allocations, and capital improvements. State law (Government Code Sections 65580 through 65589) mandates the content of the Housing Element and requires an analysis of:

- Population and employment trends;
- The City’s fair share of the regional housing needs;
- Housing stock and household characteristics;
- An inventory of land suitable for residential development;
- Governmental and non-governmental constraints on the improvement, maintenance, and development of housing;
- Special housing needs;
- Opportunities for energy conservation; and
- Publicly assisted housing projects that may convert to non-assisted housing projects.

The purpose of these requirements is to develop an understanding of the existing and projected housing needs within the community and to set forth policies and schedules promoting the preservation, improvement, and development of diverse housing types available at a range of costs.

ORGANIZATION OF THE ELEMENT

This Housing Element is organized into three key sections and appendices as follows:

Introduction: This section provides information on the State’s requirements, the purpose of the housing element, the organization of the document, and the primary data sources used.

Housing Program: This section sets forth the City’s goals, policies, and implementation measures that are designed to address the housing needs in Willits.

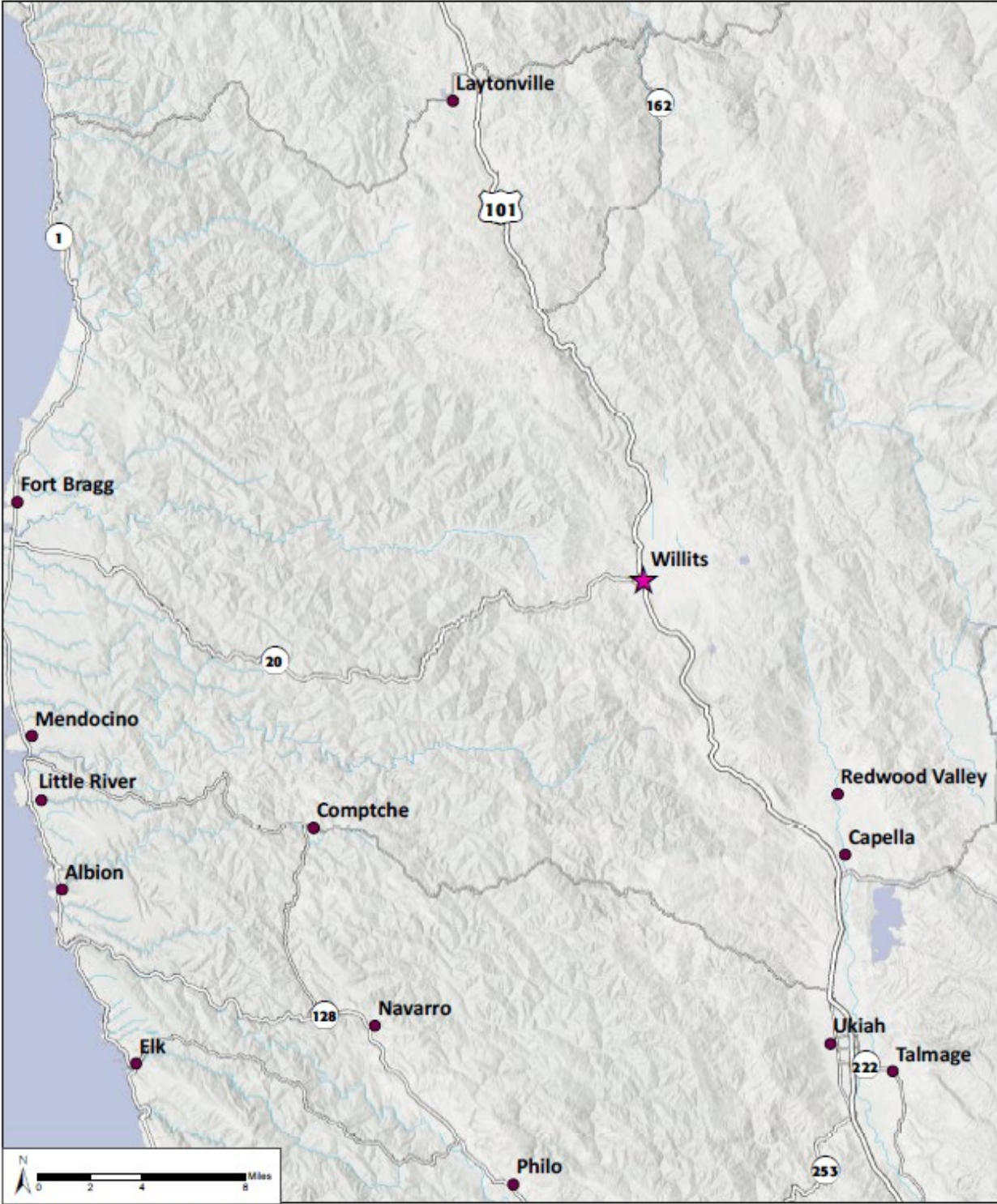
Housing Needs Assessment: This section contains an evaluation of the prior Housing Element and its accomplishments, an analysis of housing needs, identification of constraints to the development of housing, and resources such as an inventory of vacant and underutilized sites that are available for housing.

Appendices: The appendices contain documentation and information associated with the development and updating of the Housing Element. The appendices include the 2014 – 2019 Housing Element Program Review, the Adequate Sites Inventory, the Adequate Sites Map, and a list of funding sources.

CONTEXT

Willits is located in central Mendocino County, along US Highway 101 at the junction of the Mendocino Railway (Skunk Train) and North Coast Rail Authority railroad lines. Willits is a small town with a history of commercial and industrial development. It is surrounded primarily by agricultural lands, with a backdrop of wooded ridgelines.

Figure 1: City of Willits Location Map



Source: ESRI, 2017; PlaceWorks, 2017.

PUBLIC PARTICIPATION

The California Department of Housing and Community Development (HCD) requires that local governments make a diligent effort to achieve the public participation of all economic segments of the community.

The City of Willits has encouraged and provided opportunities for public participation in the process of identifying housing needs and formulating housing policies and programs. As the City embarked on the process of updating the Housing Element, objectives were formulated for the public participation process. These objectives included:

- Informing the public on the process of the General Plan Housing Element and presenting information regarding the city's housing needs and current programs;
- Gathering information regarding housing needs and ideas to address the identified needs;
- Identifying the constraints facing the community of Willits; and
- Gathering comments and feedback from the citizens on updated programs and policies.

The City developed notices identifying opportunities for public input and participation. The notices were posted in public places in the community and sent to local service agencies. A public workshop and study session was noticed in the *Willits News*, and announcements were posted at visible locations throughout the community. Additionally, through the diligence of the City's staff, which included all departments, the community was advised of the public participation process and encouraged to attend the workshop as well as to provide written comments to the Community Development Department.

A stakeholder meeting was held on August 7, 2019. Nineteen community stakeholders were invited representing government agencies, schools, nonprofit and for-profit housing developers, social service providers and other community organizations. A bilingual staff member was prepared to attend meeting if interpretation services were needed. Three community stakeholders attended the meeting and provided input on the Housing Element update. Participants noted that the cost of housing is increasing, there is a need for new housing for all income groups, and the age of existing housing stock is alarming. Potential solutions discussed included development of tiny homes, establishing an inclusionary housing ordinance, construction of new homes designed for disabled people, obtaining grants such as CDBG funds to support local housing rehabilitation program and annexation of land that would be suitable for appropriate housing development.

The City also held a public hearing/study session before the City Council on August 28, 2019, to provide additional opportunities for public input on the Housing Element and receive a recommendation to submit the Housing Element to HCD for the 60-day review. No comment was received.

GENERAL PLAN CONSISTENCY

The 2019 Housing Element update addresses the City’s housing needs over the 2019–2027 Housing Element planning period. The Housing Element update has been analyzed for consistency with the City’s General Plan and does not propose any goals, policies, or programs that are considered contrary to General Plan goals, policies, or programs. No changes are proposed to the existing General Plan land use designations. The City will review and revise the Housing Element, as necessary for consistency, when amendments are made to the General Plan.

Per Assembly Bill (AB) 162 (Government Code Section 65302), the City will amend the Safety and Conservation elements of the General Plan to include analysis and policies regarding flood hazards and management information, as appropriate. Additionally, to ensure compliance with Senate Bills 1241 and 1035, the City will update Safety Element to address wildfire and climate adaptation and resiliency. Both of these requirements have been included in Government Code Section 65302 (g) 1 through 4, requiring Cities to address these issues each time they update their Housing Elements. This is being done concurrently with the Housing Element update. The City is aware of Government Code Section 65302(h) requirements related to environmental justice and SB 244 requirements related to disadvantaged unincorporated communities and has plans to complete this work in the future pending available funding. All properties outside city limits, but within the sphere of influence (SOI) are developed, served by city water and sewer services and within the local Little Lake Fire Department district. The City will strive to include any DUCs in any future SOI expansions or annexations.

REGIONAL HOUSING NEEDS ALLOCATION

The Regional Housing Needs Plan (RHNP) is mandated by the State of California (Government Code Section 65584) and requires regions to address housing issues and needs based on future growth projections for the area. The California Department of Housing and Community Development (HCD) allocates regional housing needs numbers to regional councils of governments throughout the state. The RHNP for Mendocino County is developed by the Mendocino Council of Governments (MCOG) and allocates to the cities of Ukiah, Fort Bragg, Willits, and Point Arena and the unincorporated area of Mendocino County their “fair share” of the region’s projected housing needs, also known as the Regional Housing Needs Allocation (RHNA).

Listed below is the breakdown of the RHNA for the City of Willits, by income group, for the 2018–2027 period.

Table 1: Future Housing Needs, 2018–2027

Income Category	2018–2027 RHNA	
Extremely Low	17	15%
Very Low	17	15%
Low	25	23%
Moderate	17	15%
Above Moderate	34	31%
Total	111	100%*

Note: Percentages may not add up due to rounding.

HOUSING GOALS, POLICIES, PROGRAMS, AND OBJECTIVES

The goals, policies, programs, and objectives set forth in this Housing Element are designed to provide for the preservation, production, maintenance, and improvement of housing in Willits.

Goals are statements that identify a specific topic area. *Policies* are developed to support and implement each goal. *Programs* (sometimes referred to as implementation measures) are the specific action steps the City will take to implement its policies and achieve stated goals and objectives. *Objectives* work in identifying housing needs, surveying land and financial resources, analyzing constraints, and developing appropriate programmatic and policy responses which reflect the community's unique needs and circumstances. This information is used to establish reasonable estimates of the number of units, by income level, these programs and policies can accomplish.

The City's plan for addressing its identified housing needs focuses on the following areas:

- Housing Quality
- Housing Supply and Neighborhood Conservation
- Housing Affordability
- Equal Housing Opportunity
- Natural Resource and Energy Conservation

The Housing Element is based on the following strategic goals:

- Goal HE-1:** Maintain and improve the quality of the existing housing stock and promote the development of new housing which meets safety standards, offers a variety of housing types in a variety of locations, and enhances existing neighborhoods, services, and the environment.
- Goal HE-2:** Encourage the preservation of existing housing and the construction of new housing at a range of costs and in quantities to meet the needs of all income groups, including the very low-, low-, and moderate-income groups.
- Goal HE-3:** Promote affordability of all types of housing to meet the present and projected needs of households of all income levels.
- Goal HE-4:** Ensure that discrimination is not a factor in the ability of households to obtain housing.
- Goal HE-5:** Promote effective and efficient land use when meeting housing needs, including consideration of sustainable development, conservation of energy and natural resources, and green building technologies.

1. HOUSING QUALITY

The Regional Housing Needs Allocation (RHNA) identifies the need for a variety of housing types at a range of densities to accommodate future housing needs resulting from local and regional growth. Housing diversity is important to ensure that all households, regardless of income level, age, and household type, have the opportunity to find housing suited to their needs and lifestyle. The following items identify the City's efforts to encourage the development of housing.

Goal HE-1 **Maintain and improve the quality of the existing housing stock and promote the development of new housing which meets safety standards, offers a variety of housing types in a variety of locations, and enhances existing neighborhoods, services, and the environment.**

Policy HE-1.A Maintain and enforce development standards which provide durable housing and safe neighborhoods for housing of all income levels.

Policy HE-1.B Encourage new development to integrate housing types serving a wide range of households.

Policy HE-1.C Review all development plans and zoning requests to encourage a large variety of neighborhood types and housing opportunities affordable to the city's labor force.

Policy HE-1.D Facilitate the private rehabilitation of housing units by identifying available funding sources and informing residents of such sources.

Policy HE-1.E Strive to meet the City's share of the Regional Housing Needs Allocation for the 2019–2027 planning period.

Policy HE-1.F Review the City's General Plan and Zoning Ordinance to analyze the effectiveness of the goals, policies, programs, and codes in furthering the development of housing for all Willits residents.

The following programs and objectives have been adopted in support of Goal HE-1 and associated policies.

Program HE-1.A: Housing Rehabilitation Loan Program

Continue the City's Rehabilitation Loan Program, which provides financial assistance to lower-income (extremely low, very low, and low) owner households for housing rehabilitation. (*Ref. Policies HE-1.D, HE-2.D, HE-3.G*)

Five-Year Objective: As funding is available, assist five lower-income households over the 2019–2027 planning period. Continue to publicize informational brochures at City Hall and the library and on the Chamber of Commerce website and/or the City website.

Responsible Departments/Agencies: Community Development Department, Community Development Commission (CDC) of Mendocino County

Funding Sources: CDBG

Implementation Schedule: Apply for CDBG and HOME funds through the state’s annual funding cycle as Notices of Funding Availability (NOFA) are released. Publicize information by December 2019.

Program HE-1B: First-Time Homebuyers Program

Provide for the development of a First-Time Homebuyers Program to assist lower-income households with becoming homeowners. (*Ref. Policy HE-1.B*)

Five-Year Objective: City residents are eligible for the First-Time Homebuyers Program provided by the Rural Communities Housing Development Corporation (RCHDC), which provides financial assistance through loans and/or grants to help buyers with down payments, closing costs, mortgage insurance premiums, and/or with a silent second trust deed. The City will continue to refer interested residents and provide information regarding the program.

Responsible Departments/Agencies: Community Development Department

Funding Sources: City General Fund, CDBG

Implementation Schedule: Ongoing, refer interested residents and provide information regarding the program as requested.

Expected Results: City should strive to assist three lower-income households annually during the 2019–2027 period.

Program HE-1.C: Infrastructure Provision and Financing

Minimize infrastructure costs for residential development by identifying infrastructure needs and available sources of funding for infrastructure improvements. (*Ref. Policies HE-1.A, HE-2.B*)

Five-Year Objective: Evaluate measures that reduce infrastructure demands and, consequently, the need for public facilities to serve residential development; analyze existing and potential infrastructure financing measures for their ability to meet infrastructure needs without an adverse impact to housing costs; and identify and apply for State or USDA infrastructure funding programs to support improvement efforts. Continue to consider fee exemptions when energy and water conservation measures are taken into account for new development.

Responsible Departments/Agencies: Public Works Department, Community Development Department

Funding Sources: CDBG, General Fund, Capital Improvement Program

Implementation Schedule: Annually evaluate measures and apply for funding as NOFAs are released and as applications are processed through the Community Development Department.

Expected Results: Reduction of housing development cost associated with infrastructure development.

Program HE-1.D: Annual Review of the Housing Element

Maintain a Housing Element that is effective in implementing housing goals. (Ref. Policies HE-1.A, HE-1.F)

Five-Year Objective: Annually review the Housing Element to determine the effectiveness of the programs in achieving the City’s housing goals, policies, programs, and objectives. The Community Development Department will provide annual reports to the City Council as to the effectiveness of the Housing Element. The City will take actions necessary to correct any inconsistencies. A copy of this report will be sent to the California Department of Housing and Community Development.

Responsible Departments/Agencies: Community Development Department, City Council

Funding Source: General Fund

Implementation Schedule: Annually, before the April 1 deadline.

Expected Results: Annual evaluation of the effectiveness of the General Plan, including Housing Element goals, policies, and programs.

Program HE-1.E: Zoning Ordinance Review and Update

Review and update the Zoning Ordinance to ensure it contains current data and definitions and is effective in implementing housing goals. (Ref. Policies HE-1.A, HE-1.F)

Five-Year Objective: Review the Zoning Ordinance to determine the effectiveness of the ordinance in achieving goals and objectives and, as needed, update the Zoning Ordinance to comply with changes to state planning and zoning law requirements.

Specifically, the City will amend the Zoning Ordinance to comply with AB 2162 which requires supportive housing to be a use by right in zones where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses.

Responsible Departments/Agencies: Community Development Department, City Council

Funding Source: General Fund

Implementation Schedule: Annually review and revise as needed. Amend the Zoning Ordinance by December 2021. .

Expected Results: Evaluation of the effectiveness of the Zoning Ordinance in achieving the goals of the General Plan and its compliance with state law.

Program HE-1.F: Water and Sewer Service Priority

In compliance with Government Code Section 65589.7, provide a copy of the adopted Housing Element to local water and sewer providers.

Responsible Departments/Agencies: Community Development Department, City Council

Funding Source: General Fund

Implementation Schedule: Within one month from adoption of the Housing Element.

Expected Results: Construction of lower-income residential dwelling units.

Program HE-1.G: Affordable Housing Water Priority

Give preference in the City's water allocation process to projects meeting the City's lower-income regional housing need.

Five-Year Objective: Further the provision of lower-income housing by granting priority with respect to water hookups.

Responsible Departments/Agencies: Community Development Department, City Council

Funding Source: General Fund

Implementation Schedule: Ongoing, as affordable projects are processed through the Community Development Department.

Expected Results: Construction of lower-income residential dwelling units.

2. HOUSING SUPPLY AND NEIGHBORHOOD CONSERVATION

Housing supply and neighborhood conservation are important to the maintenance and improvement of the quality of housing stock. The City will continue its efforts to improve the condition of its housing stock through Zoning Ordinance amendments, code enforcement efforts, and cooperation with the CDC and the RCHDC in housing projects. The items listed below address the issue of housing supply and neighborhood conservation.

Goal HE-2 Encourage the preservation of existing housing and the construction of new housing at a range of costs and in quantities to meet the needs of all income groups, including the very low-, low-, and moderate-income groups.

Policy HE-2.A Identify adequate sites which will be made available with appropriate zoning and development standards, including public services and facilities needed to facilitate and encourage the development of a variety of types of housing.

Policy HE-2.B Encourage infill development to maximize use of available land and infrastructure and to eliminate unsightly and unsafe conditions on underutilized or vacant lots.

Policy HE-2.C Encourage the production of second units in all residential zones, as appropriate.

Policy HE-2.D Encourage the maintenance of existing housing to prevent deterioration and promote dwelling life span.

Policy HE-2.E Encourage the development of market-rate housing to meet the needs of moderate- and above-moderate-income households.

Policy HE-2.F Where appropriate, remove governmental constraints to the maintenance, improvement, and development of housing.

The following programs and objectives have been adopted in support of Goal HE-2 and associated policies.

Program HE-2.A: Monitor Residential Land Inventory

Continue to monitor vacant and underutilized residential land to assess the residential development potential and ensure the city is able to continue to meet its Regional Housing Need Allocation. (Ref. Policies HE-1.E, HE-2.A, HE-3.E)

Five-Year Objective: On a project-by-project basis, review the City’s vacant and underutilized land inventory to identify any constraints to the development of that land.

Responsible Departments/Agencies: Community Development Department

Funding Source: General Fund

Implementation Schedule: Ongoing; update as projects are approved through the Community Development Department.

Expected Results: A Residential Site Development database available for public use to assist in the development of housing in the city.

Program HE-2.B: Lot Consolidation

Create larger parcels through lot consolidation in order to support affordable development opportunities in Willits. (Ref. Policies HE-1.B, HE-2.A, HE-2.B, HE-2.F)

Five-Year Objective: Encourage the consolidation of smaller adjacent parcels zoned for residential use, particularly parcels zoned for two-family (R2) or multifamily (R3) development. This may include working with property owners to consolidate parcels, coordinating with local property owners to support the development of affordable two-family and multifamily housing development, or working with developers to identify suitable vacant and adjoining R2 and R3 sites.

Also provide technical assistance to developers or existing owners who wish to consolidate adjacent residentially zoned parcels. As developers/owners approach the City interested in lot consolidation for the development of affordable housing, offer the following incentives on a project-by-project basis: allow affordable projects to exceed the maximum height limits, decrease setbacks, and/or reduce parking requirements.

Responsible Departments/Agencies: Community Development Department

Funding Source: General Fund

Implementation Schedule: Ongoing, as projects are processed through the Community Development Department. Annually meet with local developers to discuss development opportunities and incentives for lot consolidation.

Program HE-2C: Incentives for the Development of Affordable Housing

Allow flexibility in development standards to facilitate affordable housing development. (*Ref. Policies HE-1.B, HE-2.B, HE-2.F, HE-3.E*)

Five-Year Objective: On a project-by-project basis, offer fast-track/priority processing, density bonuses, flexibility in development standards, and fee subsidies (when feasible) to developers proposing new housing, mixed-use, or infill projects affordable to lower-income households, farmworkers, seniors, and other special needs groups. Also look at reduced parking standards.

Responsible Departments/Agencies: Community Development Department

Funding Source: General Fund

Implementation Schedule: Ongoing, as projects are processed through the Community Development Department.

Quantified Objective: Two projects incentivized during the planning period.

Program HE-2D: Accessory Dwelling Unit

Encourage the production of accessory dwelling units to meet the housing needs of the Willits population. (*Ref. Policies HE-1.B, HE-2.C, HE-3.C*)

Five-Year Objective:

To encourage the production of accessory dwelling units, offer incentives such as the reduction of parking requirements, reduction of permit processing time, increase in floor areas, and reduction of setbacks, and promote accessory dwelling units in subdivision development by considering/creating incentives for their production.

Responsible Departments/Agencies: Community Development Department, Building Department

Funding Source: General Fund

Implementation Schedule: Ongoing, as projects are processed through the Community Development Department.

Expected Results: Assist in the development of accessory dwelling units.

Quantified Objective: Incentivize 15 ADUs in the planning period.

Program HE-2E: Mixed-Use Development

Revitalize the downtown area and produce dwelling units. (*Ref. Policies HE-1.E, HE-2.A, HE-3.C, HE-3.D, HE-3.E, HE-3.F*)

Five-Year Objective: Continue to facilitate the revitalization of the downtown area of Willits by allowing residential units above first-floor commercial uses, and provide incentives for mixed-use projects with an affordable residential component.

For projects that contain housing units affordable to lower-income households, provide incentives such as density bonuses, flexible development standards, and/or fee deferrals to encourage the development of mixed-use projects that contain affordable multifamily units. As projects are brought forward, consider reducing and/or eliminating parking requirements for residential units that are placed above commercial establishments.

Responsible Departments/Agencies: Community Development Department, Redevelopment Agency, City Council

Funding Source: General Fund

Implementation Schedule: Ongoing, as projects are processed through the Community Development Department.

Expected Results: Provision of residential development above commercial establishments in commercial zones by right, which will assist in the revitalization of the downtown area of Willits.

Quantified Objective: Incentivize two mixed-use projects in the planning period.

Program HE-2.F: Housing Opportunities

Encourage the production of market-rate housing for households with incomes of 80 percent or more of the Mendocino County Area Median Income in order to meet and/or exceed the Regional Housing Needs Allocation (RHNA) for moderate- and above-moderate-income households. (*Ref. Policies HE-1.B, HE-2.E*)

Five-Year Objective: The Community Development and Building departments will confer with real estate agents, housing developers, and financial institutions in order to identify the items necessary for the production of units affordable to moderate- and above-moderate-income households. Once these items have been identified, the Community Development Department will provide this information to housing developers and real estate brokers to encourage the construction of market-rate housing.

Responsible Departments/Agencies: Community Development Department, Building Department

Funding Source: General Fund

Implementation Schedule: Ongoing. Annually contact real estate agents, housing developers, and financial institutions starting in Spring 2020.

Expected Results: The development of market-rate housing units.

Program HE-2.G: Planned Unit Development

Encourage Planned Unit Developments (PUD). The City has established PUD zoning combining districts which allow flexibility in the use and design of land and structures. This flexibility may include the alteration of setback requirements, height limits, sign requirements, building coverage limits, off-street parking, density and intensity limits, etc. These districts are excellent areas for the development of a mix of different housing types, such as condominiums, apartments, and single-family dwellings. (*Ref. Policies HE-1.B, HE-2.E, HE-3.C, HE-3.F*)

Five-Year Objective: Produce informational brochures describing the PUD process and its possibilities, identify areas of the city which may be rezoned as PUD districts, and identify possible development incentives for a PUD, such as density bonuses, infrastructure cost sharing, and increased housing density. City staff will provide information on the benefits of PUD districts to developers who are considering developing a range of housing types or who are looking for greater flexibility. The Community Development Department will also provide developers with a list of vacant sites in the city suitable for rezoning to PUD to accommodate a range of housing types and flexible designs.

Responsible Departments/Agencies: Community Development Department, City Council

Funding Source: General Fund

Implementation Schedule: Develop informational materials for developers. Identify sites most suitable for rezoning to PUD and provide a listing of those sites to developers by Spring 2020.

Expected Results: The promotion of neighborhoods with a mix of different housing types and land uses.

Program HE-2.H: Removal of Governmental Constraints to Housing Development for Persons with Special Needs.

Identify and remove possible governmental constraints to the development of housing for persons with special needs, where feasible. (*Ref. Policies HE-2.E, HE-3.B*)

Five-Year Objective: Annually monitor existing land use controls, permit and processing procedures, fees and exactions, and building codes for constraints on the development, maintenance, and improvement of housing.

Responsible Agencies/Departments: Community Development Department, City Council

Funding Sources: General Fund

Implementation Schedule: Annually monitor.

3. HOUSING AFFORDABILITY

According to the US Department of Housing and Urban Development (HUD), a household is considered to be overpaying for housing when 30 percent of a household's total income is spent on housing. As housing prices increase, it becomes more difficult for low- and moderate-income households to afford to live in the community. The provision of sufficient sites for a range of housing types as well as assistance with the development of affordable workforce housing facilitates the availability of housing for the city's population. The following items facilitate housing affordability.

Goal HE-3 Promote affordability of all types of housing to meet the present and projected needs of households of all income levels.

Policy HE-3.A Preserve assisted housing identified in this document as reserved for lower-income households.

- Policy HE-3.B Seek and support programs that address the housing needs of special groups such as seniors, single young adults, persons with disabilities, farmworkers, those in need of temporary shelter, single-parent families, and large families.
- Policy HE-3.C Assist in the development of housing affordable to very-low- and low-income households through financial and/or technical assistance.
- Policy HE-3.D Expand the availability of affordable housing by encouraging multifamily residential development on appropriate lands designated for commercial use.
- Policy HE-3.E Encourage mixed residential/commercial development in several areas of the city, including (1) the northeast area south of East Commercial Street and west of the railroad near Madden Lane; (2) the southeast area near Baechtel Road and Shell Lane; and (3) the south-central area of the city west of the railroad tracks and east of South Main Street north of Shell Lane.
- Policy HE-3.F Avoid concentration of affordable housing in a single part of the city.
- Policy HE-3.G Conserve, through rehabilitation and replacement, the city's affordable housing units.
- Policy HE-3.H Promote the development of housing for those with special needs, such as transitional and supportive housing, emergency shelters, and single-room occupancy units, consistent with state law.

The following programs and objectives have been adopted in support of Goal HE-3 and associated policies.

Program HE-3.A: Permit Streamlining and Priority Processing

Continually seek to improve development review and procedures to minimize the time required for review and project approval. This reduction in time will reduce the cost to developers and may increase housing production in the city. In addition, continue to give priority to affordable housing projects. (*Ref. Policies HE-2.F, HE-3.C*)

Five-Year Objective: Reduce the time necessary to complete the development permit process for affordable housing.

Responsible Departments/Agencies: Community Development Department

Funding Source: General Fund

Implementation Schedule: Ongoing, as affordable projects are processed through the Community Development Department.

Expected Results: The reduction of permit processing review time for projects.

Program HE-3.B: Affordable Housing Preservation

Establish procedures to preserve affordable housing at risk of converting to market rate. (*Ref. Policy HE-3.A*)

Five-Year Objective: State law requires jurisdictions to provide a program in their housing elements to preserve publicly assisted affordable housing projects at risk of converting to market-rate housing. Currently, Willits does not have any publicly assisted affordable projects at risk of converting. In order to prepare for the possibility of conversion in the future, the City will monitor the status of all affordable housing projects and, as their funding sources near expiration, will work with the CDC of Mendocino County and with the owners to consider options to preserve such units as affordable. The City will also provide technical support to property owners and tenants regarding proper procedures relating to noticing and options for preservation.

Responsible Departments/Agencies: Community Development Department, CDC of Mendocino County

Funding Source: General Fund

Implementation Schedule: Annually monitor.

Program HE-3.C: State and Federal Housing Programs

A number of state and federal programs offer low-cost financing or subsidies for the production of low- and moderate-income housing. Certain programs require an application and participation by the local public agency; other programs are for use by nonprofit housing corporations and housing authorities; and the remaining programs require application and direct participation by a private developer. The City will refer interested parties to the Community Development Commission of Mendocino County to determine which programs would be most beneficial for housing production in the city and then directly or indirectly pursue those programs. Available programs are listed below. (Ref. Policies HE-1.E, HE-3.A, HE-3.B, HE-3.C)

- California Predevelopment Loan Program (PDLP)
- Multifamily Housing Program (MHP)
- Rural Development Assistance Program
- California Joe Serna Jr. Farmworker Housing Grant Program (JSJFWHG)
- USDA Rural Development, Section 515 Program
- USDA Rural Development, Section 523/524 Technical Assistance Grants
- Community Development Block Grant Program (CDBG)
- Home Investment Partnerships Program (HOME)

Five-Year Objective: Refer interested parties to the CDC of Mendocino County to provide assistance to nonprofit and private housing developers to make use of other programs which require their application and participation.

Responsible Departments/Agencies: Community Development Department, CDC of Mendocino County

Funding Sources: All available federal, state, and local sources

Implementation Schedule: Ongoing; refer as approached by interested parties. Annually reach out to CDC of Mendocino County and (RCHDC) to determine available programs.

Program HE-3.D: Inclusionary Zoning Ordinance

Inclusionary zoning is one way for the City to ensure that new residential development projects include a minimum commitment to affordable housing and assist in distributing affordable housing throughout the city. (Ref. Policies HE-1.B, HE-1.E, HE-3.C, HE-3.F)

Five-Year Objective: Consider the feasibility of adopting an inclusionary housing ordinance which would set forth minimum requirements for the construction of affordable housing (affordable to moderate-, low-, and very-low-income households) in new residential projects or contributions to an affordable housing trust fund.

Responsible Departments/Agencies: Community Development Department, City Council

Funding Sources: General Fund

Implementation Schedule: Consider feasibility by Spring 2020.

Expected Results: The production of affordable housing units.

Program HE-3.E: Emergency Shelter Development

The City will continue to provide financial assistance, as budget allows, on an annual basis for homeless assistance programs and shelters, as well as continue to encourage private contributions to local homeless assistance programs and shelters by providing information from area homeless service providers and the CDC of Mendocino County about homeless needs and services at City Hall and other public locations. (Ref. Policy HE-3.B)

Five-Year Objective: Allow for the development of emergency shelters.

Responsible Departments/Agencies: Community Development Department, City Council

Funding Sources: General Fund

Implementation Schedule: Annually provide financial assistance, as the budget allows, as well as informational brochures from Willits Community Services and the CDC of Mendocino County.

Expected Results: Allow for the development of emergency shelters and programs.

Program HE-3.F: Extremely Low-Income Households

Encourage the development of housing for extremely low-income households.

Five-Year Objective: Work with the CDC and the RCHDC on a variety of activities, such as conducting outreach to housing developers on an annual basis; providing financial assistance (when feasible), or in-kind technical assistance; providing expedited processing; identifying grant and funding opportunities; applying for or supporting applications for funding on an ongoing basis; reviewing

and prioritizing local funding at least twice in the planning period; and/or offering additional incentives beyond the density bonus.

Responsible Departments/Agencies: Community Development Department, City Council

Funding Sources: General Fund

Implementation Schedule: Provide informational brochures from Willits Community Services and the CDC of Mendocino County by Spring 2020, annual outreach to developers, prioritize local finding at least twice in the planning period, and support expediting applications on an ongoing basis.

Expected Results: Assist the development of single-room occupancy unit housing types.

Program HE-3.G: Farmworker Housing

Support regional efforts, such as those of the CDC of Mendocino County and other organizations, to secure funding and identify sites for the development of migrant/seasonal farmworker housing, including sites in the City's sphere of influence.

Five-Year Objective: Provide for the development of farmworker housing and continue to support regional efforts.

Responsible Departments/Agencies: Community Development Department, City Council

Funding Sources: General Fund, Joe Serna Jr. Farmworker Housing Grant Program, USDA Rural Development loans, and other funding sources

Implementation Schedule: Continually work with the Community Development Commission of Mendocino County and other organizations to secure funding.

Quantified Objective: Support at least one funding application in the planning period.

Program HE-3.H: Larger Multifamily Units

Encourage developers of affordable and market-rate housing to construct housing units with three or more bedrooms to accommodate large households and alleviate overcrowding in Willits. Where feasible, provide incentives to developers who provide housing units affordable to lower-income households that have three or more bedrooms. Such incentives may include, but are not limited to, flexible development standards, fee deferrals, density bonuses, or expedited processing. (*Ref. Policies HE-1.B, HE-3.B, HE-3.C*)

Five-Year Objective: Encourage housing developers to construct larger units to provide housing for larger renter families and to alleviate existing or future overcrowding.

Responsible Departments/Agencies: Community Development Department

Funding Sources: General Fund

Implementation Schedule: Ongoing, as applications are processed through the Community Development Department.

Expected Results: At least 3-5 larger apartment unit by 2027.

Program HE-3.I: Assistance for Persons with Developmental Disabilities

Work with the Redwood Coast Regional Center to implement an outreach program that informs families in the city about housing and services available for persons with developmental disabilities. The program could include developing an informational brochure and directing people to service information on the City’s website.

Five-Year Objective: Implement an outreach program to assist persons with developmental disabilities.

Responsible Agencies/Departments: Community Development Department

Funding Sources: General Fund

Implementation Schedule: Develop an outreach program within two years of adopting the Housing Element to assist persons with development disabilities.

Program HE-3.J: Low Barrier Navigation Centers

Per AB 101 (2019), review the City’s zoning ordinance and make revisions if necessary to allow low barrier navigation centers for the homeless per Government Code 65660-65668.

Five-Year Objective: Consider the potential to accommodate low barrier navigation centers for the homeless by examining existing government constraints and barriers.

Responsible Agencies/Departments: Community Development Department, City Council

Funding Sources: General Fund

Implementation Schedule: Review zoning by 2021. Make revisions by June 30, 2022.

4. EQUAL HOUSING OPPORTUNITY

Equal access to housing is a fundamental right that enables each person to meet essential needs and assists in the pursuit of other goals such as employment and education. In recognition of equal housing access as a fundamental right, the federal government and the State of California have both established fair housing as a right protected by law. The following policies support City efforts to provide information and encourage fair housing practices in Willits.

Goal HE-4 Ensure that discrimination is not a factor in the ability of households to obtain housing.

Policy HE-4.A Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, sexual orientation, or color.

Policy HE-4.B Promote fair housing practices.

Policy HE-4.C Oppose housing discrimination on the basis of age, race, health, religion,gender, family size, or sexual orientation.

Policy HE-4.D Continue to encourage and facilitate public participation in the formulation and review of the City’s housing and development policies.

The following programs and objectives have been adopted in support of Goal HE-4 and associated policies.

Program HE-4.A: Housing Discrimination and Housing Equal Opportunity

Continue to coordinate and refer interested persons to the appropriate agencies, such as Legal Services of Northern California in Ukiah or the HUD Fair Housing Enforcement Center in San Francisco. Act as an independent third party to discrimination complaints. Support housing equal opportunity programs by continuing to provide fair housing brochures to the public at City Hall, the local US Post Office, Willits Community Services, the library, and other local housing and social service agencies. (Ref. Policies HE-4.A, HE-4.B, HE-4.C)

Five-Year Objective: Prevent housing discrimination and promote equal housing opportunities.

Responsible Departments/Agencies: Community Development Department

Funding Source: City General Fund

Implementation Schedule: Ongoing; provide brochures and refer persons to the appropriate agencies as complaints are received.

Expected Results: Adherence to the City’s policy of fair housing practices.

5. NATURAL RESOURCES AND ENERGY CONSERVATION

Conserving the region’s resources not only ensures that these resources are available to future residents, but helps reduce utility costs. The following policy continues the City’s efforts to conserve energy and water resources through the design of housing.

Goal HE-5 Promote effective and efficient land use when meeting housing needs, including consideration of sustainable development, conservation of energy and natural resources, and green building technologies.

Policy HE-5.A Promote energy efficiency in residential construction.

Policy HE-5.B Encourage the reduction of energy use and the conservation of natural resources in the development of housing through implementation of the California Energy Conservation Standards (Title 24).

Policy HE-5.C Support green building standards which enhance a sustainable community by incorporating green building measures into the design, construction, and maintenance of new commercial and residential buildings.

The following programs and objectives have been adopted in support of Goal HE-5 and associated policies.

Program HE-5.A: Implementation of California Energy Conservation Standards

The Building Department will continue to be responsible for implementing the California Energy Conservation Standards. This includes checking building plans and other written documentation showing compliance with energy standards and inspecting construction to ensure that dwelling units are constructed according to those plans. (Ref. Policies HE-5.A, HE-5.B)

Five-Year Objective: Promote energy and resource conservation wherever possible. Applicants for building permits must continue to show compliance with the State’s energy conservation requirements at the time building plans are submitted.

Responsible Departments/Agencies: Community Development Department

Funding Source: General Fund

Implementation Schedule: Ongoing.

Expected Results: Verification of all building plans for compliance with California Energy Conservation Standards. The increase in energy efficiency will save energy and natural resources.

Program HE-5.B: Green Building

Incorporate Title 24 and Leadership in Energy and Environmental Design (LEED) requirements into the Zoning Ordinance, specific plans, and development agreements as appropriate, and enforce state requirements, including Title 24 of the California Code of Regulations, for energy conservation in new residential projects. Encourage residential developers to employ additional energy conservation measures for the siting of buildings, landscaping, and solar access through development standards contained in the Zoning Ordinance, Building Code, and other plans as appropriate. (Ref. Policy HE-5.C)

Five-Year Objective: Contribute to the reduction of greenhouse gases and climate change through the use of green building technologies and materials.

Responsible Departments/Agencies: Community Development Department, City Council

Funding Source: General Fund

Implementation Schedule: Ongoing, as projects are processed through the Community Development Department.

Expected Results: The production of green housing and a contribution to the overall reduction in greenhouse gases and climate change.

Program HE-5.C: Fee Reduction

Allow expedited permit processing, the possibility of fee reduction, or other incentives for new construction that exceeds Title 24 energy efficiency standards by 10 percent or more and/or incorporates use of renewable (non-fossil-fuel) energy.

Five-Year Objective: Contribute to the reduction of greenhouse gases and climate change through the use of green building technologies and materials.

Responsible Departments/Agencies: Community Development Department, City Council

Funding Source: General Fund

Implementation Schedule: Ongoing, as projects are processed through the Community Development Department.

Expected Results: The production of green housing and a contribution to the overall reduction in greenhouse gases and climate change.

QUANTIFIED OBJECTIVES

Based on the policies and actions outlined above, the following objectives represent a reasonable expectation of the maximum number of new housing units that will be developed, rehabilitated, or conserved and the number of households that will be assisted over the next five years. Table 2 illustrates the City’s realistic expectations for development during the planning period.

Table 2: Quantified Objectives, 2019–2027

	Income Category					Total
	Extremely Low	Very Low	Low	Moderate	Above Moderate	
New Construction (1)	17	17	25	17	35	111
Rehabilitation (2)	0	3	5	0	0	8
Preservation (3)	0	0	0	0	0	0
Total	17	20	30	17	35	119

Source: City of Willits, April 2019.

(1) New construction objectives are based on the Regional Housing Needs Allocation

(2) Based on available funding for the City’s housing rehabilitation program

(3) City staff has indicated that there are zero units at risk at this time based upon available information.

Housing Needs Assessment

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COMMUNITY PROFILE

POPULATION CHARACTERISTICS

Housing needs are largely determined by population and employment growth, coupled with various demographic variables. Characteristics such as age, household size, occupation, and income combine to influence the type of housing needed and its affordability (Table 1 and Figure 1).

Population Growth

In comparison to other jurisdictions in Mendocino County, Willits has the fastest growing population. From 2010 to 2018, the population of Willits increased by more than 4 percent, whereas growth rates in nearby cities and in the county as a whole have increased at lower rates. Table 1 shows the population trends for Mendocino County as well as other local jurisdictions. Figure 1 shows regional population growth for these same jurisdictions.

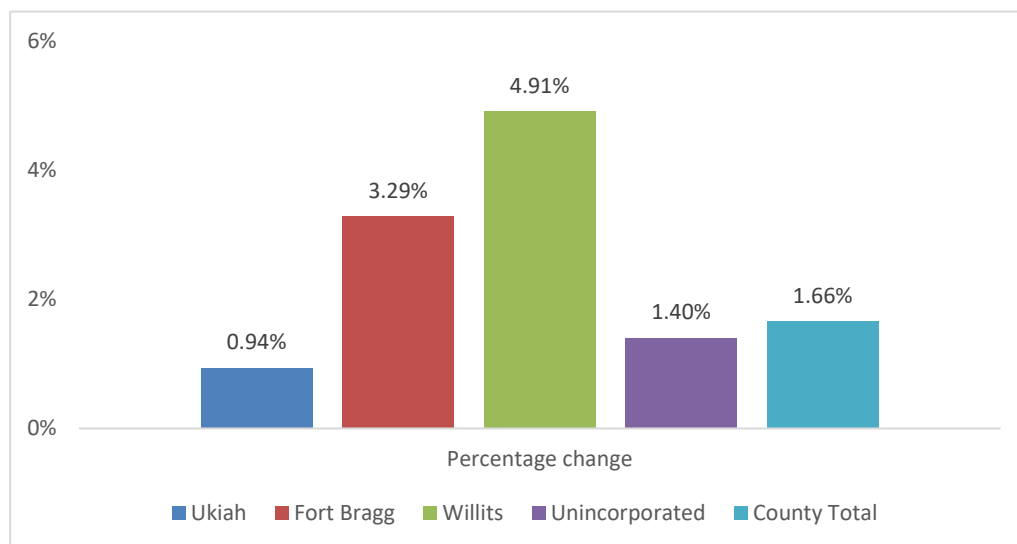
Table 1: Population Growth Trends, Selected Jurisdictions and Mendocino County, 2014–2018 with 2010 Benchmark

Jurisdiction	2010	2014	2016	2017	2018
Ukiah	16,075	15,845	17,796	15,889	16,226
Fort Bragg	7,273	7,313	7,440	7,449	7,512
Willits	4,888	4,994	5,088	5,092	5,128
Unincorporated	59,156	59,605	59,968	60,225	59,985
County Total	87,841	88,194	88,721	89,092	89,299

Source: California Department of Finance

Note: Population counts vary slightly based on the source of data and type of survey.

Figure 1: Population Growth in Selected Jurisdictions and Mendocino County, 2010–2018



Source: California Department of Finance, 2010 and 2018.

Population Projections

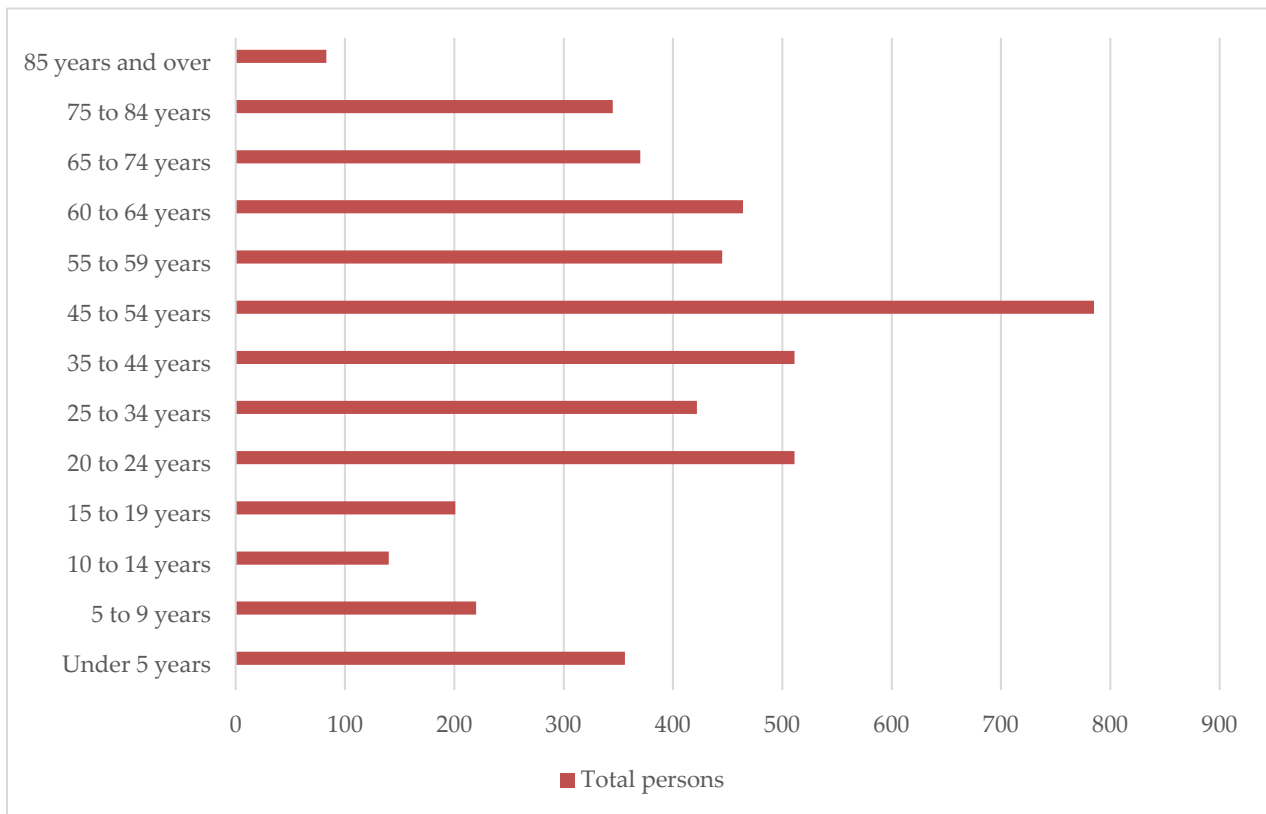
According to the Mendocino County Regional Housing Needs Determination, population growth is expected to slow over the next five years.. The California Department of Finance projects a countywide growth rate of 2.4 percent for the years between 2010 and 2020.

Age Characteristics

Current and future housing needs are usually determined in part by the age characteristics of a community’s residents. Each age group has distinct lifestyles, family type and size, incomes, and housing preferences. Consequently, evaluating the age characteristics of a community is important in determining its housing needs.

The median age of residents in Willits is approximately 46.1 years old. The median age has been increasing slowly, from 35.7 in 2000 and 39.6 in 2011. The city’s population is getting older, with 19 percent of residents in the family-forming age group (25–44) and 51 percent of residents over 45 years of age. Figure 2 shows the age distribution of the Willits population.

Figure 2: 2014 Estimated Population by Age

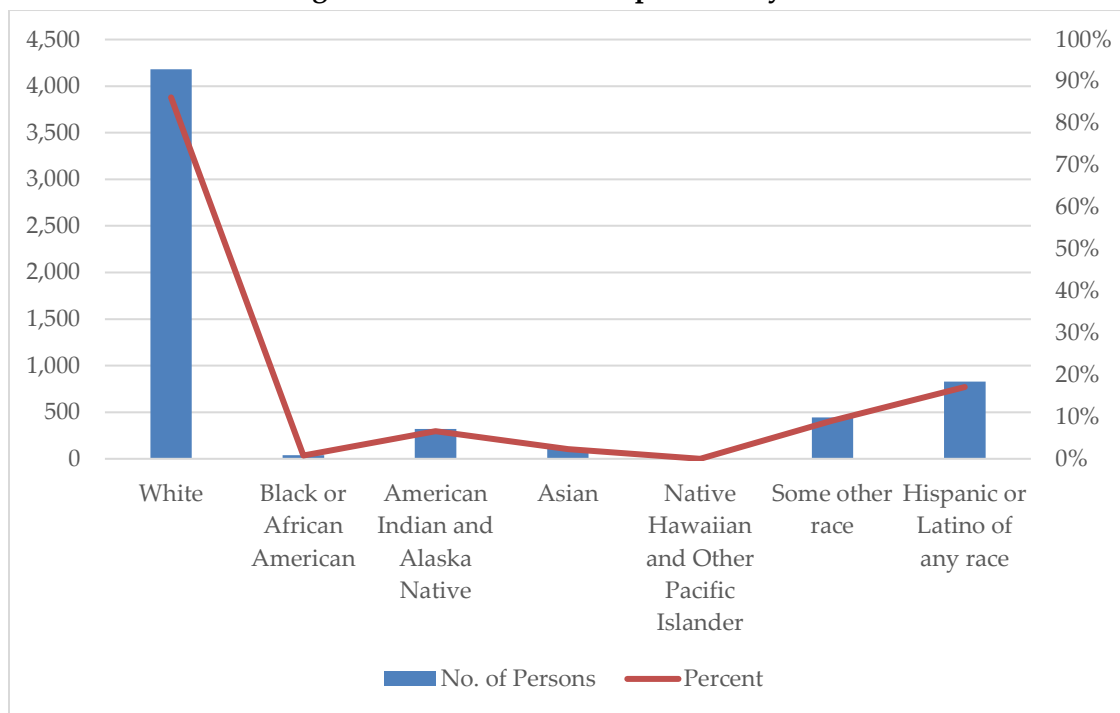


Source: 2014 ACS (DP05).

Race Characteristics

As shown in Figure 3, white residents represent the largest race group in Willits, at approximately 86 percent. This is an increase of about 7 percent from the year 2008. Hispanic or Latino residents of any race represented about 15 percent of the population at the time of the 2000 US Census. It is estimated that the Hispanic or Latino population currently is approximately 17 percent.

Figure 3: 2014 Estimated Population by Race



Source: 2014 ACS (DP05)

Employment

Table 2 shows employment by industry in Willits. It is estimated that the total job base in the city has decreased by 19 percent over the past six years. There have also been significant decreases in jobs in construction (84 percent) and professional/management (86 percent), and a significant increase in agriculture (124 percent) and other services that are not public administration (137 percent). Manufacturing and educational services currently make up the majority of the job market at 19 percent and 30 percent respectively.

Table 2: Employment by Industry, 2010–2016

Employment Sector	Number of Jobs		Percentage Change	Percentage of Jobs, 2016
	2010	2016	2010–2016	
Total	2,124	1,717	-19	100%
Agriculture, forestry, fishing and hunting, and mining	0 ¹	124	124%	7%
Construction	82	13	-84%	1%
Manufacturing	259	326	26%	19%
Wholesale trade	52	79	52%	5%

Employment Sector	Number of Jobs		Percentage Change	Percentage of Jobs, 2016
	2010	2016	2010–2016	
Retail trade	253	187	-26%	11%
Transportation and warehousing, and utilities	37	22	-41%	1%
Information	0	35	35%	2%
Finance and insurance, and real estate and rental and leasing	67	54	-19%	3%
Professional, scientific, and management, and administrative and waste management services	258	35	-86%	2%
Educational services, and health care and social assistance	637	519	-19%	30%
Arts, entertainment, and recreation, and accommodation and food services	259	148	-43%	9%
Other services, except public administration	35	83	137%	5%
Public administration	185	92	-50%	5%

Sources: 2010 Census; 2012 – 2016 American Community Survey (DP03).

¹ The 2010 Census did not identify a sample of persons employed in farming, fishing, and forestry; or too few sample observations were available to compute an estimate; or a ratio of medians could not be calculated because one or both of the median estimates falls in the lowest interval or upper interval of an open-ended distribution.

Table 3 reemphasizes the overall decline of the job market. In particular, there has been a decrease of 32 percent in service occupations and a 7 percent decrease in management and business occupations. Also noted is a 46 percent increase in sales and office occupations from 2010 to 2014.

Table 3: Employment by Occupation

Employment Sector	Number of Jobs		Percentage Change	Percentage of Jobs, 2014
	2010	2014	2010–2014	
Management, business, science, arts	672	625	-7%	30%
Service occupations	615	420	-32%	20%
Sales and office occupations	419	613	46%	29%
Natural resources, construction, maintenance	150	165	10%	8%
Production, transportation, material moving	268	264	-2%	13%
Total	2,124	2,087	-2%	100%

Sources: 2010 and 2014 ACS (DP03).

Table 4 shows annual worker earnings from 2014. It is important to note that the total counts in Table 4 differ from the previous two tables because the data are from different sources. As shown in the table, the majority of workers (70 percent) in Willits earn less than \$39,996 per year.

Table 4: 2014 Annual Worker Earnings

Annual Earnings	Count	Share
\$15,000 per year or less	673	28%
\$15,012 to \$39,996	1,010	42%
More than \$39,996 per year	724	30%

Source: LEHD On The Map (based on 2014 ACS).

Table 5 identifies the major employers in the city by number of employees.

Table 5: Largest Employers, 2016

Business	Product	Number of Employees
City of Willits	Government	46
Frank R. Howard Memorial Hospital	Healthcare	387
Mariposa Market	Grocery	49
Metal/fx	Sheet Metal	128
Microphor, Inc.	Sheet Metal	45
Safeway Stores	Grocery	97
Spartetime Supply	Garden Supply	92
Willits Grocery Outlet	Grocery Store	30
Windsor Mill	Manufacturing	58
Willits Redwood Co., Inc.	Lumber	25
Willits Unified School District	Education	285

Source: Willits Chamber of Commerce, 2016.

Projections of future employment scenarios in Willits were not available for this report. However, the white paper “Mendocino County 2011 Assumptions and Inputs for Mendocino UPlan Regional Growth Modeling” projects employment countywide to increase by 22 percent from 2011 to 2030.

Jobs-Housing Balance Assessment

Commute distance is an important factor in housing availability and affordability and is also an indicator of jobs-housing balance. Communities with extended commute distances generally have a poor jobs-housing balance, while those with short-to-average commutes tend to have a strong jobs-housing balance. The burden of the additional costs associated with extended commuting disproportionately affects lower-income households, who must spend a larger portion of their overall income on fuel. This in turn affects a household’s ability to occupy decent housing without being overburdened by cost. As shown in Table 6, 87 percent of Willits residents commute less than 30 minutes to work each way, indicating that the city’s residents depend highly on Willits and surrounding jurisdictions in the county for employment opportunities. The jobs-housing ratio was 1.0 (2,087 jobs/2,091 total housing units), indicating that there is a strong jobs-housing balance in Willits.

Table 6: Travel Time to Work

Travel Time to Work	Percentage
Less than 10 minutes	53%
10 to 29 minutes	34%
30 to 59 minutes	13%
60 or more minutes	0%

Source: 2010–2014 ACS.

Note: Due to rounding, percentages may not equal 100%.

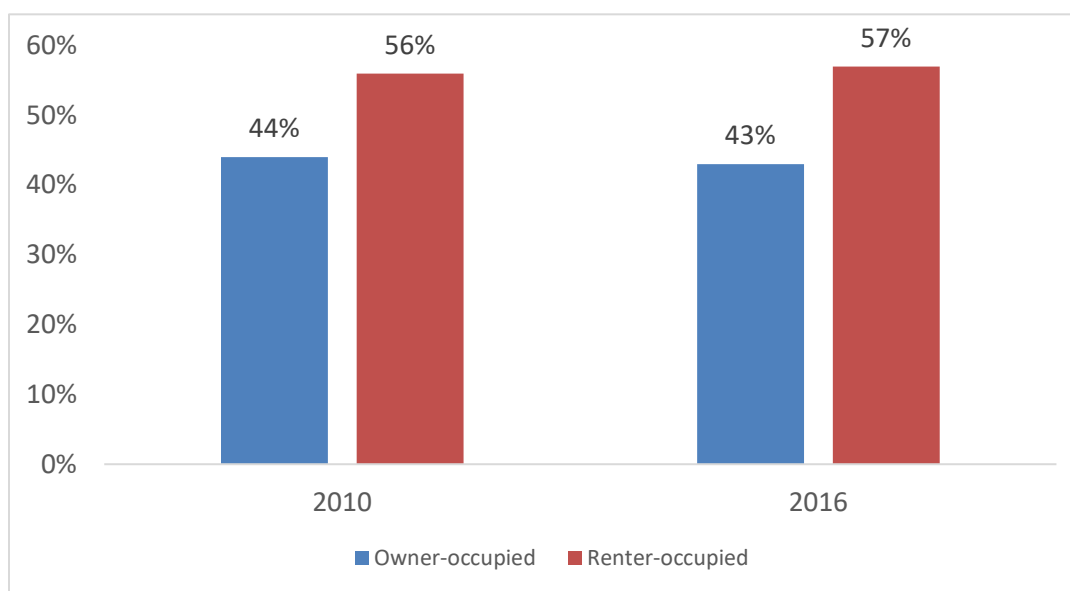
HOUSEHOLD CHARACTERISTICS

A household is any group of people living together in a residence, whether related or unrelated. A survey of household characteristics is useful in determining household size trends, income, overcrowding or underutilization of housing, and the number of special needs households such as large families and female-headed households.

Household Tenure

In 2010, Willits had a total of 2,073 total housing units. Of these, 843 were owner-occupied (41 percent), 1,071 were renter-occupied (52 percent), and 159 (8 percent) were vacant, for a total of 1,914 occupied housing units. Of the occupied housing units, 44 percent were owner-occupied, and 56 percent were renter-occupied. In 2016, the total number of housing units had increased slightly to 2,120. The number of occupied housing units also increased to 2,028, of which 43 percent were owner-occupied and 57 percent were renter-occupied. The trends in tenure of occupied housing units are shown in Figure 4. While the tenure distribution has not changed significantly since 2010, the housing stock has grown slightly.

Figure 4: Owner- and Renter-Occupied Summary, 2010–2016



Sources: 2010 Census and 2012–2016 American Community Survey (S1101.)

Note: 2010 data was sourced from the 2010 100% summary file, whereas 2016 data was sourced from samples. The numbers from 2016 may therefore have a larger margin of error.

Household Size

According to the Department of Finance, the average household size in Willits in 2018 was approximately 2.52 persons per household. Table 7 shows household size by tenure.

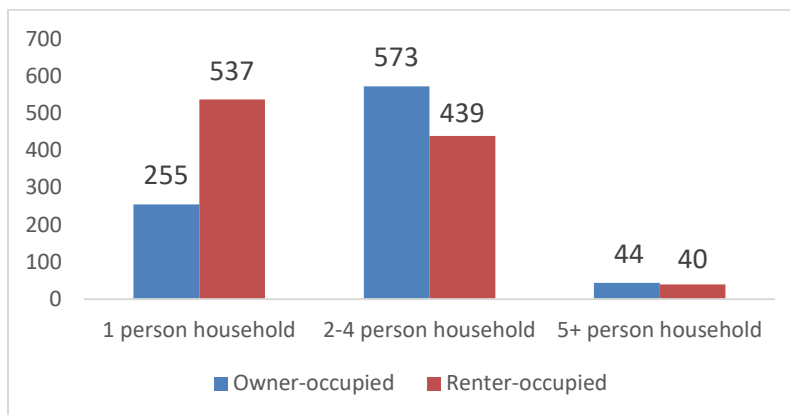
Table 7: Household Size, 2016

Household Size	Households	Percentage
Owner-Occupied		
Householder living alone	255	29%
Households 2–4 persons	573	66%
Large households 5+ persons	44	5%
Total Renter Households	872	100%
Household Size	Households	Percentage
Renter-Occupied		
Householder living alone	537	53%
Households 2–4 persons	439	43%
Large households 5+ persons	40	4%
Total Owner Households	1,016	100%
Household Size	Households	Percentage
All Households		
Householder living alone	792	42%
Households 2–4 persons	1,012	54%
Large households 5+ persons	84	4%
Total All Households	1,888	100.0%

Source: 2012–2016 American Community Survey (B25009).

As shown in Figure 5, the distribution of large and small households is fairly similar for owner-occupied and renter-occupied households. Two exceptions are that there are almost twice as many single-person renter households (537) than single-person owner households (255), and there are more owner-occupied households with two to four occupants (573) than renter-occupied households with two to four occupants (439).

Figure 5: Household Size by Tenure, 2016



Source: 2012–2016 American Community Survey (B25009).

Overcrowding

Overcrowding occurs when there is more than one person per room (excluding bathrooms and kitchens). Overcrowding is often a result of an inadequate supply of affordable and decent housing. According to the 2012–2016 American Community Survey, 55 out of 2,028 households were living in overcrowded conditions (approximately 3 percent of all households). Severe overcrowding occurs when there are more than 1.51 persons per room. There are 29 severely overcrowded households in Willits (approximately 1 percent of all households).

Table 8: Overcrowded Households, 2016

Persons per Room	Number	Percentage of Total Units
Owner-Occupied	872	--
1.00 or less	845	97%
1.01 to 1.50	14	2%
1.51 or more	13	1%
Renter-Occupied	1,156	--
1.00 or less	1,128	98%
1.01 to 1.50	12	1%
1.51 or more	16	1%
Total Occupied Housing Units	2,028	100%
<i>Total Owner Overcrowded</i>	27	--
<i>Total Renter Overcrowded</i>	28	--
Total Overcrowded	55	3%
<i>Total Owner Severely Overcrowded</i>	13	--
<i>Total Renter Severely Overcrowded</i>	16	--
Total Severely Overcrowded	29	1%

Source: 2012–2016 American Community Survey (B25014).

Household Income

The California Department of Housing and Community Development annually publishes income limits per county for use in determining eligibility for assisted housing programs in that county. The 2018 income limits are listed in Table 9 for each income category according to household size. These income limits are based on a median income of \$60,600 (for a family of four) in Mendocino County:

- Extremely Low Income Up to 30 percent of area median income (AMI) (\$0–\$25,100)
- Very Low Income 31–50 percent of AMI (\$25,101–\$30,450)
- Low Income 51–80 percent of AMI (\$30,451–\$48,700)
- Moderate Income 81–120 percent of AMI (\$48,701–\$72,700)
- Above Moderate Income Above 120 percent of AMI (\$72,701 or more)

Table 9: Maximum Household Income by Household Size, 2018

Income Category	Persons per Household							
	1	2	3	4	5	6	7	8
Extremely Low	\$12,800	\$16,460	\$20,780	\$25,100	\$29,420	\$33,740	\$37,600	\$40,200
Very Low	\$21,350	\$24,400	\$27,450	\$30,450	\$32,900	\$35,350	\$37,800	\$40,200
Low	\$34,100	\$39,000	\$43,850	\$48,700	\$52,600	\$56,500	\$60,400	\$64,300
Moderate	\$50,900	\$57,500	\$65,450	\$72,700	\$78,500	\$84,350	\$90,150	\$95,950

Source: California Department of Housing and Community Development Memorandum, "State Income Limits for 2018," April 26, 2018.

Table 10 and Figure 6 show the income distribution of households in Willits. In an effort to determine an approximate number of extremely low-income households, the City looked at households earning \$24,999 or less. This information is also shown in Table 10. The City determined there were approximately 830 extremely low-income households (38 percent of all households) in Willits in 2014. This number increased from 2010, when there were 696 extremely low-income households, but decreased overall since 2000, when there were 936 extremely low-income households.

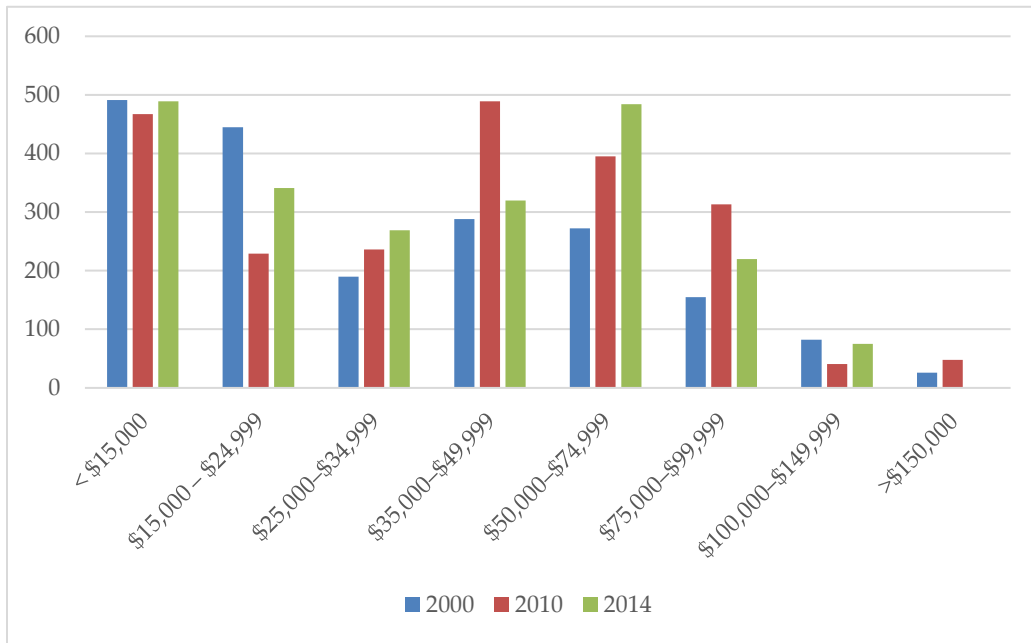
Table 10: Household Income Trends, 2000–2014

Income	2000	2010	2014
< \$15,000	491	467	489
\$15,000–\$24,999	445	229	341
\$25,000–\$34,999	190	236	269
\$35,000–\$49,999	288	489	320
\$50,000–\$74,999	272	395	484
\$75,000–\$99,999	155	313	220
\$100,000–\$149,999	82	41	75
>\$150,000	26	48	0
Total	1,949	2,218	2,198
Earning \$24,999 or less	936	696	830

Sources: 2000 US Census; 2010 ACS (B19001); 2014 ACS (B19001).

Note: Number of households may differ in the ACS data because it is a sample.

Figure 6: Change in Household Incomes, 2000–2014



Sources: 2000 US Census; 2010 and 2014 ACS (B19001).

The median household income for Mendocino County has been increasing (see Table 11), although it remains low and has been decreasing for the City of Willits. According to the 2010 US Census, the median household income for the City of Willits was \$40,465. In 2016, it decreased significantly to \$29,489. In contrast, the median household income for Mendocino County in 2010 was \$56,300 and increased to \$60,600 by 2018.

Table 11: Median Household Income

Year	City of Willits	Mendocino County
2010	\$40,465	\$56,300
2018	\$29,489(2016*)	\$60,600

Sources: HCD State Income limits, 2018; 2010 Census; 2012–2016 American Community Survey

* 2018 data was not yet available.

Overpayment

Overpayment is narrowly defined as the number of lower-income households that spend more than 30 percent of their income for housing (either mortgage or rent), including cost of utilities, property insurance, and real estate taxes as defined by the federal government. Table 12 and Figure 7 show the extent of overpayment in Willits, with 31 percent of renter-occupied households overpaying and 14.5 percent of owner-occupied households overpaying. Overall, approximately 46 percent of all households in Willits were overpaying for housing.

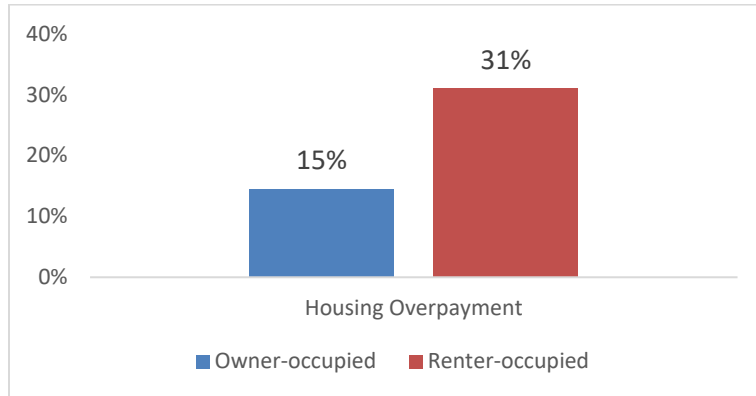
When looking at lower-income households overpaying (households earning less than \$48,700 for a household of four), approximately 365 were owner-occupied households and approximately 565 were renter-occupied households.

Table 12: Housing Cost as a Percentage of Household Income by Tenure, 2015

Total Households Characteristics	Number	Percent of Total Households
Total occupied units (households)	2,065	100%
Total renter households	1,115	54%
Total owner households	950	46%
Total lower income (0-80% of HAMFI) households	1,185	57%
Lower income renters (0-80%)	730	35%
Lower income owners (0-80%)	455	22%
Extremely low-income renters (0-30%)	245	12%
Extremely low-income owners (0-30%)	155	8%
Lower income households paying more than 50%	500	24%
Lower income renter HH severely overpaying	360	17%
Lower income owner HH severely overpaying	140	7%
Extremely Low-Income (0-30%)	275	13%
ELI Renter HH severely overpaying	150	7%
ELI Owner HH severely overpaying	125	6%
Income between 30%-50%	195	9%
Income between 50% -80%	30	1%
Lower income households paying more than 30%	830	40%
Lower income renter HH overpaying	565	27%
Lower income owner HH overpaying	265	13%
Extremely Low-Income (0-30%)	335	16%
Income between 30%-50%	260	13%
Income between 50% -80%	235	11%
Total Households Overpaying	940	46%
Total Renter Households Overpaying	640	31%
Total Owner Households Overpaying	300	15%
Total households paying between 30%-50% Income	405	20%
Total households paying > 50% Income	535	26%

Source: 2006-2015 CHAS Data Sets, https://www.huduser.gov/portal/datasets/cp.html#2011-2015_data.

Figure 7: Households Overpaying for Housing, 2006–2015



Source: 2006–2015 CHAS Data Sets, https://www.huduser.gov/portal/datasets/cp.html#2011-2015_data.

HOUSING STOCK CHARACTERISTICS

Vacancy and Housing Availability

Vacancy trends in housing are analyzed using the vacancy rate as an indicator of housing supply and demand. If housing demand is greater than the supply, the vacancy rate is likely to be low, and the price of housing increases. A vacancy rate of 5 percent is generally considered optimal because it is high enough to provide some flexibility in the housing market without significant increases in housing prices (Mendocino County General Plan Update Draft Environmental Impact Report, September 2008).

As shown in Table 13, the vacancy rate in Willits was estimated to be 4.3 percent in 2016. This is a significant decrease from the vacancy rate two years prior in 2014, which was estimated to be 11.6 percent. When looked at over time, the vacancy rates rose steadily from 2000, peaked in 2014, and dramatically plummeted in 2016. According to the 2012–2016 American Community Survey, the homeowner vacancy rate was 0, and the rental vacancy rate was 2.9 percent in Willits.

Table 13: Residential Vacancy Rate

	2000	2010	2014	2016
City of Willits	3.9%	7.7%	11.6%	4.3%

Source: 2000 and 2010 Census; 2010–2014 and 2012–2016 American Community Survey (B25002).

Housing Tenure

As shown in Table 14, Willits has a higher percentage of renter-occupied households (57 percent of occupied units) than of owner-occupied households (43 percent of occupied units).

Table 14: 2016 Household Tenure

	Number	Percentage
Owner-Occupied Units	872	43%
Renter-Occupied Units	1,156	57%
Total	2,028	100%

Source: 2012–2016 ACS (B25009).

Unit Type

As shown in Table 15, the majority (55 percent) of occupied housing units in Willits are single-family, detached homes. Only 4 percent of single-family homes are attached. Multifamily units of any kind (2+ units) comprise 28 percent of the occupied housing stock.

Table 15: 2018 Housing Units by Type

Housing Unit Type	Number	Percentage
Single-Family, Detached	1,148	55%
Single-Family, Attached	93	4%
Multifamily, 2–4 Units	307	15%
Multifamily, 5+ Units	280	13%
Mobile Homes or Other Type	277	13%
Total	2,105	100%

Source: California Department of Finance, E-5 Population and Housing Estimates for Cities, Counties and the State—January 1, 2011–2018.

The age of the community’s housing stock is often an indicator of overall housing conditions in the city. Typically, housing over 30 years old is likely to have rehabilitation needs that may include new plumbing, roof repairs, foundation work, and various other repairs.

As indicated in Table 16, 69 percent of the city’s current housing stock was built before 1980, which means that the need for rehabilitation of these homes is likely to occur during the planning period.

Table 16: Age of Housing Stock

Year Built	Number	Percentage
2014 or later	0	0%
2010–2013	54	3%
2000–2009	200	9%
1990–1999	84	4%
1980–1989	341	16%
1970–1979	545	25%
1960–1969	273	13%
1950–1959	299	14%
1940–1949	76	4%
1939 or earlier	285	13%
Total	2,157	100%

Source: 2000 US Census; California Department of Finance 2018.

Housing Condition Survey and Rehabilitation Need

In March 2009, City staff conducted a housing condition survey. The survey entailed visual observations from the public right-of-way of 10 percent of the city’s housing stock over 20 years old. All types of housing units were represented, including single-family dwellings, multifamily dwellings, duplex units, and mobile homes. From a map of residential areas 20 years and older, addresses were chosen at random (approximately every tenth address) to take part in the survey. Most housing units surveyed were in sound condition or needed only minor repairs (79 percent). However, a significant percentage needed moderate or substantial repairs or were found to be dilapidated (21 percent, or 56 units). Table 17 illustrates the overall condition of all of the homes surveyed.

Table 17: Housing Conditions Survey Results

Housing Type	Sound	Minor	Moderate	Substantial	Dilapidated	Total
Single-Family	62	16	37	6	5	126
Duplex	24	0	2	0	0	26
Multi-Family	107	0	5	0	0	112
Mobile	1	0	0	0	1	2
Total	194	16	44	6	6	266
Percentage	73%	6%	17%	2%	2%	100%

Source: City of Willits Housing Conditions Survey, March 2009.

As of 2018, housing conditions in Willits remain relatively unchanged. Generally, the majority of housing units in the city are in sound condition or need only minor repairs. It is estimated that approximately 25 percent of the city's housing stock is still in need of moderate or substantial repair.

Definitions

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

Minor: A unit that show signs of deferred maintenance or which needs only one major component, such as a roof.

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

Substantial: A unit that requires replacement of several major systems and possibly other repairs (e.g., complete foundation work, roof structure replacement and reroofing, and painting and window replacement).

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

HOUSING COSTS AND AFFORDABILITY

Rental Housing Costs

Based on market trends for the City of Willits, median rent per month for all rentals was \$1,800. This shows a year-over-year median rental price increase of 18 percent.

Sales Prices

Between November 2018 and February 2019, the estimated median home sales price in Willits was \$255,000, based on 34 home sales. This is a 6 percent year-over-year drop in median sales price.

Housing Affordability

Housing affordability is dependent upon income and housing costs. According to the California Department of Housing and Community Development (HCD) income guidelines for 2018, the AMI in Mendocino County is \$60,600 for a family of four. Based on this median income, the income limits for a four-person household are:

- Extremely low-income household (< 30 percent) earns up to \$25,100
- Very-low-income household (31–50 percent) earns up to \$30,450
- Low-income household (51–80 percent) earns up to \$48,700
- Moderate-income household (81–120 percent) earns up to \$72,700

Assuming that the potential homebuyer in each income group has sufficient credit and down payment (10 percent) and maintains affordable housing expenses (i.e., spends no more than 30 percent of their income on the mortgage, taxes, and insurance), the maximum affordable home prices can be determined. Table 18 demonstrates the purchasing power of the income groups defined above.

Table 18: Affordable Housing Costs by Income Category

Income Group	Annual Income Range Limit	Affordable Mortgage/Rent Payment (Monthly)	Maximum Affordable Home Price
Extremely Low	\$25,100	\$627	\$89,100
Very Low	\$30,450	\$761	\$105,900
Low	\$48,700	\$1,217	\$169,300
Moderate	\$72,700	\$1,817	\$252,800

Sources: HCD State Income Limits, 2018; <https://www.realtor.com/mortgage/tools/affordability-calculator/#summary>, accessed 9/20/2019.

Note: Calculation of affordable mortgage payment and home price is based on the following assumptions:

- 30-year fixed rate mortgage
- 5% interest rate
- 1.3% property tax rate
- 30% debt to income ratio
- 5% down payment

SPECIAL HOUSING NEEDS

This section assesses the special needs households in Willits. Two critical purposes of this Housing Element are to ensure that the City can provide opportunities for affordable housing and to preclude barriers to residents whose needs are not normally met by the private sector. Special needs households can be constrained by lower incomes and a lack of housing that is suitable to their special needs.

Senior Households

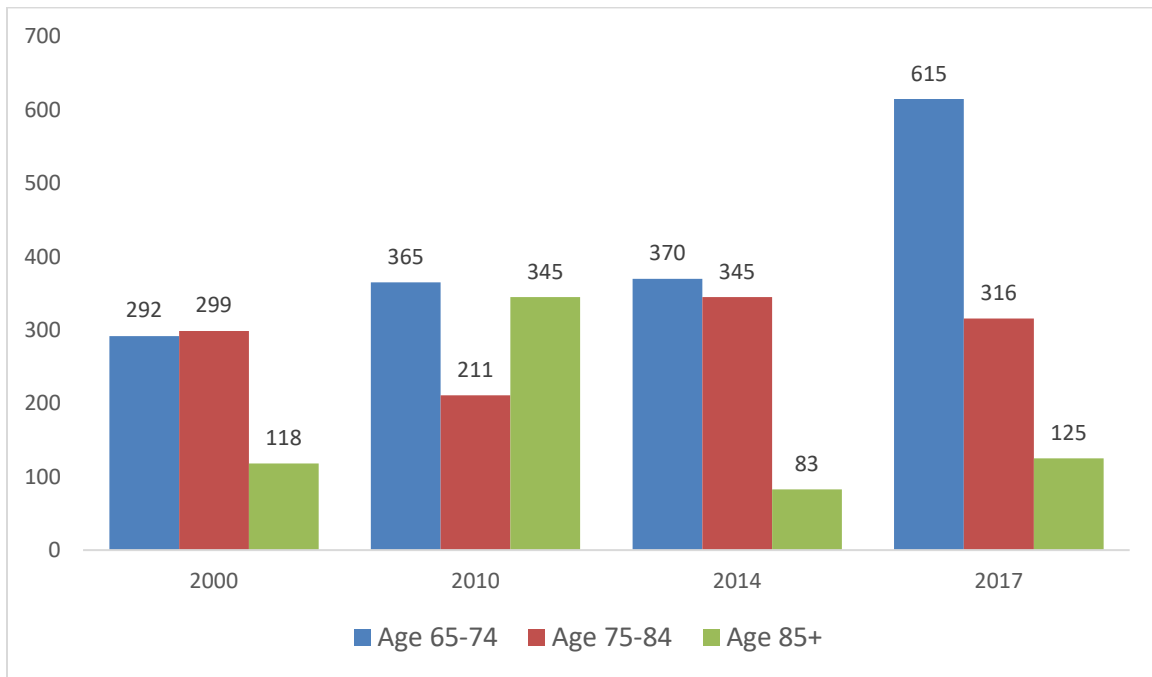
The limited incomes of many elderly people make it difficult for them to find affordable housing. Many elderly people have physical disabilities and dependence needs that limit their selection of housing. It is estimated that there are currently 1,056 senior citizens living in Willits, approximately 18 percent of the population. Table 19 and Figure 8 show the senior population from 2000 to 2017.

Table 19: Senior Population

Age Group	2000	2010	2014	2017
Ages 65–74	292	365	370	615
Ages 75–84	299	211	345	316
Ages 85+	118	166	83	125
Total	709	742	798	1,056

Sources: 2000, 2010 US Census; 2014 ACS (DP05); 2013-2017 ACS S0101.

Figure 8: Senior Population Growth



Source: 2000, 2010 US Census; 2014 ACS (DP05); 2013–2017 ACS S0101.

Table 20 lists care facilities for seniors and disabled persons, along with the capacity of each facility.

Table 20: Care Facilities for Seniors and/or Disabled Persons

Facility Name	Address	Capacity (persons)
Northbrook Healthcare Center	64 Northbrook Way	70
Redwood Meadows Senior Housing	1475 Baechtel Road	141
Redwood Creek Care Home	414 S. Main Street	29

Source: www.retirenet.com, accessed August 30, 2016.

Persons with Disabilities

As defined by the California Government Code, disabilities include physical and mental disabilities. A “mental disability” involves any mental or psychological disorder or condition, such as mental retardation, organic brain syndrome, emotional or mental illness, or specific learning disabilities that limit a major life activity. A “physical disability” includes any physiological disease, disorder, condition, cosmetic disfigurement, or anatomical loss of body functions. Physical disabilities include those that are neurological, immunological, or musculoskeletal in nature as well as those that involve the respiratory, cardiovascular, reproductive, genitourinary, hemic and lymphatic, or digestive systems and those involving the special sense organs, speech organs, skin, or endocrine system.

Table 21 and Figure 9 show that residents of Willits have a relatively high rate of disability. About 26 percent of the total population (5 years old or older) has some type of disability. Residents in surrounding communities have much lower disability rates.

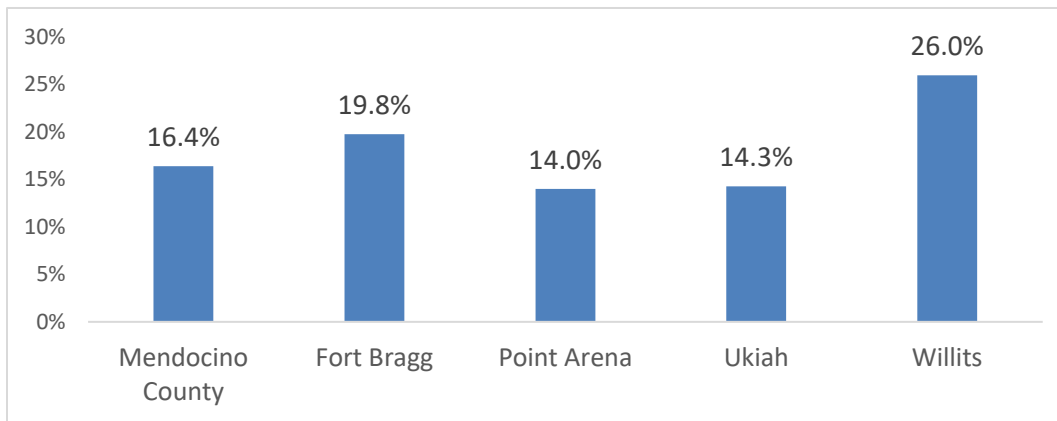
Table 21: Persons with Disability in 2016

	Number	Percentage
Persons Age 5–64 with a Disability	890	68%
Persons Age 65 + with a Disability	416	32%
Total Persons with a Disability (Age 5+)	1,306	26%
Total Population	5,088	100%

Source: 2012–2016 ACS (S1810).

Note: Table should not add up to 100 percent.

Figure 9: Disability Rates in Willits and Surrounding Communities



Source: 2012–2016 ACS (S1810).

Table 22 shows the total number of disabilities for the 5 to 64 and 65 and over age groups. Many of these persons have more than one disability, which is why there are a higher number of disabilities listed than there are disabled persons. Ambulatory difficulties and independent living difficulties are the most common forms of disability among residents ages 5 to 64 in Willits. Seniors age 65 and above in Willits are most likely to have to either ambulatory difficulties or cognitive difficulties.

Table 22: Persons with Disability by Disability Type

	Number	Percentage
Total Disabilities Talled	1,306	100%
Total Disabilities Talled for People 5 to 64 years	890	68%
Hearing difficulty	173	13%
Vision difficulty	157	12%
Cognitive difficulty	380	29%
Ambulatory difficulty	500	38%
Self-care difficulty	242	19%
Independent living difficulty	393	30%
Total Disabilities Talled for People 65 Years and Over	416	32%
Hearing difficulty	184	14%
Vision difficulty	56	4%
Cognitive difficulty	204	16%

	Number	Percentage
Ambulatory difficulty	318	24%
Self-care difficulty	156	12%
Independent living difficulty	183	14%

Source: 2012–2016 ACS (S1810).

Note: Table should not add up to 100 percent.

Development Disabilities (Senate Bill 812)

Senate Bill (SB) 812 requires the City to include in the special housing needs analysis, needs of individuals with a developmental disability in the community. A developmental disability is a disability that occurs before an individual reaches 18 years of age, is expected to continue indefinitely, and constitutes a substantial handicap. Developmental disabilities include mental retardation, cerebral palsy, epilepsy, autism, and disabling conditions closely related to mental retardation or requiring similar treatment as required for mentally retarded individuals.

Table 23 includes information about Willits’ population of developmentally disabled persons by age and zip code.

Table 23: Persons with Developmental Disabilities by Age and Zip Code

Zip Code	0–17 years	18+ years
95490	42	72

Source: California Department of Developmental Services 2018.

A number of housing types are appropriate for people living with a development disability: rent-subsidized homes, licensed and unlicensed single-family homes, inclusionary housing, Section 8 housing, 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 considerations that are important in serving this special needs 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. Housing Element Program HE-3.I specifically addresses the needs of the developmentally disabled.

Redwood Coast Regional Center

Redwood Coast Regional Center (RCRC) serves children and adults with developmental disabilities. The center offers services to residents in Del Norte, Humboldt, Lake, and Mendocino counties. It serves families whose infants or toddlers (birth to 3 years of age) have or are at risk for development disabilities or delays. RCRC also serves individuals over age 3, including adults. Currently, Redwood Coast Regional Center provides services to 96 clients in Willits.

In order to fulfill the diverse needs of persons from infancy to end of life, some of the services and supports provided by RCRC include:

- Behavioral support
- Employment and day services
- Health and medical services
- Family support
- Residential care
- Transportation
- Information and referral
- Assessment and diagnosis
- Prenatal diagnostic services
- Early intervention supports and services
- Lifelong individualized planning and service coordination

Large Families

Large families are defined as households containing five or more persons. They are considered a special needs group because there is a limited supply of adequately sized housing to accommodate their needs. A five-person household requires a three- or four-bedroom home; a six-person household requires four bedrooms; and a seven-person household requires four to six bedrooms.

According to the 2012–2016 American Community Survey, 84 households (4 percent) in Willits included five or more persons. Of those, 44 (52 percent) were owner-occupied large households, and 40 (48 percent) were renter-occupied large households.

As of 2016, there was no shortage of housing for large families in Willits due to the availability of housing by bedroom size. Table 13 shows that 13 percent of all housing units in Willits have five or more bedrooms, which is sufficient to house the number of large households in the city. Because the size of the population and the average household size remain relatively constant, it can be concluded that the current supply of housing is adequate to accommodate large families in Willits.

Female-Headed Households

Female-headed households are households headed by a single female parent with children under the age of 18 living at home. Single-parent households generally have lower incomes than two-parent households and often require special attention due to their need for affordable child care, health care, and housing assistance. Additionally, female-headed households tend to have lower incomes, limiting the availability of housing.

As of the 2012–2016 American Community Survey, approximately 23 percent of households in Willits were female-headed households, and 11 percent of households in Willits were female-headed households under the poverty level.

American Indians and Alaska Natives

The American Community Survey reported a population of 321 American Indian or Alaska Native residents in Willits in 2014. This population represents about 7 percent of the overall population in the area. The needs of this population are met through the development of single- and multifamily housing. The City continues to engage in a working relationship with this community.

Farmworkers

Agricultural workers earn their primary income through permanent or seasonal agricultural labor. The number of persons employed in farming, fishing, and forestry increased from 69 persons to 124 persons from 2000 to 2016 per Census and ACS counts in those years, representing 5 percent of the job market in Willits.

Most farmworkers earn relatively low wages, and thus they fall into the extremely low- and very-low-income categories. According to the occupational profile for Mendocino County (accessed September 7, 2016, at www.labormarketinfo.edd.ca.gov), the current weekly mean income is \$592. This income falls within the low-income category or below, since many farmworkers are unlikely to work every week of the year.

Housing opportunities for migrant farmworkers may include bunkhouses and other congregate living facilities as well as affordable multifamily or single-family rental units. Year-round farmworkers typically need affordable rental or ownership housing, which is available in the city's existing residential zoning districts. Housing Element Program HE-3.G details the City's efforts to assist with the development of farmworker housing.

Extremely Low-Income Households

The City of Willits must provide an estimate of the projected extremely low-income housing needs. Per HCD guidelines, 50 percent of the City's very-low-income RHNA number qualifies as extremely low income. Therefore, the City is estimating approximately 50 percent of its very-low-income regional housing need to be an extremely low-income housing need. In other words, of the three very-low-income housing units needed, the City is estimating one unit for extremely low-income households. Most, if not all, extremely low-income households will require rental housing. The extremely low-income households will likely face housing problems such as overpaying, overcrowding, and/or accessibility issues as a result of their limited incomes. Also, many of the extremely low-income households will fall within a special needs category (disabled, seniors, large families, or female-headed households) and require supportive housing services. According to the 2012–2016 ACS, there are 210 extremely low-income, renter-occupied households, approximately 10 percent of all households in Willits, and 125 extremely low-income owners, approximately 6 percent of all households in Willits.

Homeless Persons

Homeless individuals and families have the most immediate housing need of any special needs group. Their needs are difficult to meet because of the diversity and complexity of the factors that lead to homelessness. California state law requires that housing elements estimate the need for emergency shelter for homeless people.

In 2017, the Continuum of Care Point-in-Time count identified 1,179 homeless people in Mendocino County, which is a 12.8 percent decrease from the 2011 Point-in-Time count, which identified 1,352 homeless. In the 2017 count, 112 had access to shelter, and the overwhelming majority (1,067) had no access to shelter. This is a 14.9 percent decrease from 2011, when the total number of unsheltered was 1,254.

Willits Community Services (WCS) manages emergency and temporary assistance programs for the central and north inland areas of Mendocino County. WCS administers an emergency shelter voucher program, which dispenses vouchers to persons in need of shelter to use at motels in the city. WCS also operates a food bank for persons of low income, providing supplemental groceries twice a month in the greater Willits

area. The 2016 Mendocino Point-in-Time Count identified 210 homeless persons in northern Mendocino County, which includes the area from Redwood Valley to Humboldt County and east to Covelo.

The Willits Police Department conducted a comprehensive street-by-every-street “grid” homeless count on January 1, 2018, contacting known encampments using the HUD homeless definition of individuals experiencing street-level homelessness. There were between three and six homeless persons identified. The police department also estimates that each week there are over 100 transient persons traveling through the city, but the number of chronic homeless persons in the city is low.

Willits does not currently have any homeless shelters. The majority of homeless shelters and services for the homeless are in Ukiah or Fort Bragg. According to Willits Community Services, there is a need for both an emergency shelter and transitional housing, given the number of homeless households and individuals WCS is assisting.

ASSISTED HOUSING INVENTORY

Four apartment complexes in Willits provide 120 affordable housing units through various sources of public assistance, such as loans from the US Department of Housing and Urban Development (HUD) and the US Department of Agriculture (USDA) Rural Housing Service (RHS). One public housing complex in Willits is operated by the Community Development Commission of Mendocino County, which serves as the county’s housing authority.

Almost all of the affordable housing projects, except Lenore Avenue, have received assistance through the USDA’s Section 515 loan program. In addition, HUD funds and administers various affordable housing opportunities for lower-income persons, which include Section 221(d)(3), Section 236, and Section 202/811 loans. The Lenore Avenue Senior Apartments is a HUD Section 202/811 complex and is designed to assist low-income seniors and persons with disabilities.

Table 24: Assisted Housing Developments in Willits

Name of Development	Funding Source/Rents	Total Assisted Units	Expiration of Affordability
Oak Glenn & Oakcrest Apartments	RHS 515/LIHTC	67	2066
Holly Heights I	515/8 NC; /LIHTC	26	2069
Holly Heights II	515 Rural Housing/LIHTC	15	2069
Lenore Avenue	PRAC/202	12	2041

Source: California Housing Partnership Corporation, 2018.

PRESERVATION RESOURCES

Efforts by the City to retain low-income housing must be able to draw upon two basic types of preservation resources: organizational and financial. Qualified nonprofit entities need to be made aware of the future possibilities of units becoming “at risk.” Should a property become at risk, the City maintains an active list of resources by which to preserve that property as affordable housing.

In addition, the City of Willits has included Housing Element Program HE-3.B, which outlines the City’s approach for handling at-risk units, should any be at risk of converting to market rate in the future.

NONPROFIT ENTITIES

Nonprofit entities serving Mendocino County, including Willits, can be contacted to gauge their interest in and ability to acquire and/or manage units at risk of conversion. Entities with resources in Mendocino County include:

- Community Development Commission of Mendocino County
- Eden Housing, Inc.
- Petaluma Ecumenical Properties Inc.
- ROEM Development Corporation
- Christian Church Homes of Northern California, Inc.
- Rural Communities Housing Development Corp.

HOUSING RESOURCES AND OPPORTUNITIES

This section includes an evaluation of the availability of land resources, financial resources for future housing development, the City's ability to satisfy its share of the region's future housing needs, and the financial resources available to assist in implementing the City's housing programs. Additionally, this section examines opportunities for energy conservation.

REGIONAL HOUSING NEED

The City of Willits falls under the jurisdiction of the Mendocino Council of Governments (MCOG). MCOG is responsible for developing a Regional Housing Needs Plan (RHNP) to allocate the region's share of the statewide housing needs to cities and counties in the region. The Regional Housing Needs Allocation (RHNA) is a minimum projection of additional housing units needed to accommodate projected household growth at all income levels by the end of the housing element's statutory planning period. These figures are adjusted within the MCOG jurisdictions to avoid concentration of low-income groups.

New housing element legislation requires jurisdictions to project the extremely low-income need. One way to do this is to assume 50 percent of the very-low-income allocation is actually an extremely low-income need.

Table 25 shows the City's regional housing need by income for the projection period beginning December 31, 2018, and ending August 15, 2027. As of December 31, 2018, the City had constructed two units, which were credited toward the City's RHNA.

In order to determine the affordability of these units, the City worked with the City Building Official, the property owners and builders, and local realtors. The value of construction and sales and rental prices of new units were determined and compared with state income limits, affordable rental prices for various income groups, and affordable housing costs by income category as established for other sections of the Housing Element.

Table 25: Regional Housing Need, 2018–2027

Income Group	Total RHNA	Progress Since December 31, 2018	Remaining RHNA
Extremely Low	17	0	17
Very Low	17	0	17
Low	25	0	25
Moderate	17	2*	15
Above Moderate	35	0	35
Total	111	2	109

Source: City of Willits 2019; Mendocino Council of Governments, Regional Housing Needs Plan, adopted August 20, 2018.

*ADUs affordable to moderate-income households based on current rental prices.

ADEQUATE SITES INVENTORY AND ANALYSIS

This section addresses the requirements of Government Code Sections 65583 and 65583.2 for a parcel-specific inventory of appropriately zoned, available, and suitable sites that can provide realistic opportunities for the provision of housing to all income segments within the community.

The City's share of the regional housing need will be met through the identification of available vacant and nonvacant sites that are suitable and appropriately zoned.

The City's land inventory was developed using a combination of resources, including the City's GIS database, updated assessor's data, aerial mapping, and review of the City's Land Use Element and Zoning Ordinance. The inventory includes both small and large residential and nonresidential zoned parcels that are vacant.

Realistic Capacity

The realistic buildout capacity was determined as follows: Aerial surveys were reviewed and site visits were made to determine the proportion of developed versus vacant areas of parcels. The potential for additional development on each parcel was evaluated using utility maps, street maps, and similar information in City files to determine the availability of services that would accommodate future development, and by reviewing Flood Insurance Rate Maps, Alquist-Priolo Earthquake Fault maps, and City records of geologically and biologically sensitive areas to determine constraints to future development.

The City also considered and evaluated the implementation of its current multifamily development standards to determine approximate density and unit capacity. Realistic capacity for vacant sites was determined by multiplying the number of acres by the maximum density for the site, and 80 percent of that result was used as the final realistic unit number to account for site and regulatory constraints. For underutilized sites, the City took a conservative approach to account for nonresidential development and assumed a realistic capacity of 50 percent of each site.

Zoning to Accommodate the Development of Housing Affordable to Lower-Income Households

Housing element law requires jurisdictions to provide a requisite analysis showing that zones identified for lower-income households are sufficient to encourage such development. The law provides two options for preparing the analysis: (1) describe market demand and trends, financial feasibility, and recent development experience; and (2) utilize default density standards deemed adequate to meet the appropriate zoning test. According to state law, the default density standard for Willits is 15 dwelling units per acre. Per Government Code Section 65583.2(c)(3)(B), the City's zoning is consistent with the standard of 15 dwelling units per acre for suburban jurisdictions and is therefore considered appropriate to accommodate housing for lower-income households.

Sites in the city that are zoned to provide for affordable housing are in the R2 (Residential Medium-Density; 14.5 units per acre) and R3 (Multiple-Residence; 29 units per acre) zoning districts. The vacant and underutilized parcels in these zoning districts vary in size from 0.16 to 5.5 acres. Although the City's default density is 15 units per acre, the City feels that the R2 zoning district, which allows up to 14.5 units per acre, is also appropriate to meet the City's lower-income housing need should additional capacity be needed.

City staff reviewed the sites included in the sites inventory and determined that the medium-density sites have the potential to accommodate low- and very-low-income households. This was done by reviewing aerial photographs and other pertinent documents to conduct a parcel-by-parcel analysis of the sites to identify their availability. While the maximum density allowed in the R2 zone (14.5 units per acre), excluding any density bonuses, is less than is typically considered by HCD to be valid for affordable housing in Willits, City staff believes that the R2 zone is appropriate for the purposes of providing for low-income housing in the city. The conclusion is based on the fact that property values remain comparatively lower in Willits than in most other areas of California and because most of the available R2 sites inventoried are larger than an acre and can easily support larger developments.

Additionally, when looking at affordable housing developments within the City of Willits, both Oak Creek Apartments and Oak Glen Apartments were built at densities less than 14.5 units per acre—11 units per acre and 13 units per acre, respectively.

Small Site Development

The City is not relying on smaller lots (smaller than an acre in size) to meet a portion of the RHNA, but has included these sites in the inventory because of the location and the patterns of existing development. To increase the potential for affordable housing, the City has included programs HE-2.C and HE-2.D to assist with both infill development and lot consolidation, where feasible. Note. Sites smaller than one half acre are not included in the overall capacity in Table 26.

Underutilized Sites

The City has several underutilized sites that are viable and feasible for development. Although these sites are not included in the Housing Element, the City will continue to provide a list of the available sites at the Planning Department.

Meeting the Regional Housing Need

Table 26 compares the City of Willits’s RHNA to the site inventory capacity. After including the credit of 2 constructed units and the site inventory capacity (Appendix B), the City has a surplus of 122 units available to lower-income households (including extremely low-, very-low-, and low-income households), 337 units available to moderate-income households, and 27 units available to above-moderate-income households, a total surplus of 614 units. Appendix B provides the characteristics of the available sites for the development of single-family homes and multifamily units, and Appendix C, Adequate Sites Map, shows the location of each site.

Table 26: Comparison of Regional Growth Need and Residential Sites

Income Group	2014–2019 RHNA	Units Constructed (1/1/2014–present)	Remaining RHNA	Vacant Inventory Capacity	RHNA Surplus
Extremely Low	17	0	59	181	122
Very Low	17	0			
Low	25	0			
Moderate	17	2*	15	352	337
Above Moderate	35	0	35	62	27
Total	111	2	109	595	486

Source: City of Willits 2019; Mendocino Council of Governments, Regional Housing Needs Plan, adopted August 20, 2018.

* Accessory Dwelling Units affordability is based on current rents.

AVAILABILITY OF PUBLIC FACILITIES

The City has prepared an inventory of vacant and underutilized sites that are suitable for the development of housing for all income levels to meet the RHNA. Part of determining the suitability of the sites is to consider whether water, sewer capacity, and other necessary public facilities will be available to the sites featured in the inventory during the planning period. A brief discussion of the availability of these facilities follows.

To comply with SB 1087, the City will immediately forward its adopted Housing Element to its water and wastewater providers so they can grant priority for service allocations to proposed developments that include units affordable to lower-income households.

Electricity

Electricity and natural gas service is available through the Pacific Gas and Electric Company (PG&E). The extension of power and gas to service new residential development has not been identified as a constraint.

Water

Based on the Willits Water Supply Planning Study (West Yost Associates, February 2006) and a California Department of Health Services letter (March 6, 2006), the City identified water infrastructure needs and made necessary upgrades. The sewer treatment plant upgraded using a USDA grant and loan as well as funding from the City sewer enterprise fund. The City also upgraded the water treatment plant, replaced leaking water lines, and increased the overall water supply using a grant from the US Environmental Protection Agency (EPA) Drinking Water State Revolving Fund and the City water enterprise fund. The City received a letter from the State confirming that water supply is adequate in Willits. The City currently has the capacity to meet its 2019–2027 RHNA.

In addition, the City has included Programs HE-1.C, HE-1.F, and HE-1.G to continue progress toward improving the water supply.

Sewer

In response to a cease-and-desist order issued by the Regional Water Quality Control Board (RWQCB), the City completed Stage 2 of a \$25.6 million wastewater treatment plant upgrade project. The proposed upgrades to the existing wastewater treatment plant are designed to correct deficiencies, provide redundancy and improved reliability, and meet the regulatory requirements of the RWQCB. The improvements are not designed to increase plant capacity, which is currently deemed adequate to meet existing and projected needs.

ENVIRONMENTAL CONSTRAINTS

Environmental Factors Limiting Development

Hydrological constraints such as flooding can increase the cost of housing due to mitigation requirements or may preclude housing in certain areas. Much of the available vacant residential land in Willits is located in the 100-year floodplain identified by the Federal Emergency Management Agency (FEMA). FEMA is currently updating the floodplain map.

Structures located in seismically active areas can be at risk of damage or injury to the inhabitants. Furthermore, problems associated with earthquakes, such as landslides and liquefaction, can cause severe damage to dwelling units. In addition to floodplain concerns, earthquakes are also a significant environmental constraint in the city. The Seismic Study Combining (-SS) zone covers much of the central portion of Willits, paralleling US Highway 101. This zone requires adherence to Division 2, Chapter 7.5 of the Alquist-Priolo Earthquake Fault Zoning Act, which necessitates a special engineering geology study of the proposed construction area by a certified engineer. In addition to an engineering geology study, the act includes the following language, which limits the construction of housing in an active earthquake zone.

Section 3603(a). No structure for human occupancy shall be permitted to be placed across the trace of an active fault. Furthermore, as the area within fifty (50) feet of such active faults shall be presumed to be underlain by active branches of that fault unless proven otherwise by an appropriate geologic investigation and report prepared as specified in Section 3603(d) of this subchapter, no such structures shall be permitted in this area.

According to discussions with the Rural Communities Housing Development Corporation (RCHDC), which has had to deal with seismic constraints throughout Mendocino County, developments in seismic zones adjacent to faults have had to include geotechnical studies and typically have required greater setbacks and, in some cases, a stronger foundation. Discussions with engineering firms involved in geotechnical studies revealed that costs associated with geotechnical/seismic studies for development in seismic zones usually average \$11,000, though costs may be lower or higher depending on the size of the property and the type of development. Such costs, when spread throughout a large development or subdivision, would not act as a significant constraint to development in the Seismic Study Combining zone in Willits. In fact, a substantial amount of development has occurred within the zone in Willits over the years.

Although many sites in the city fall within a floodplain or earthquake fault zone, these issues will be mitigated with development. Although there may be associated additional costs, the City has included many programs in this Housing Element to assist with the development of affordable housing.

FINANCIAL RESOURCES

Efforts by the City to assist in the development, rehabilitation, and preservation of affordable housing would utilize organizational and financial resources. The following programs include local, state, and federal housing programs that are valuable resources in assisting in the development of affordable housing, the preservation of at-risk housing, and for housing rehabilitation. Please refer to Appendix D for an additional list of resources.

City of Willits Density Bonus Ordinance

The City updated the Zoning Ordinance in September 2018 to provide density bonuses to qualified residential projects through the City's Density Bonus Ordinance, in accordance with Government Code Sections 65915 through 65918.

Home Investment Partnerships Program (HOME)

The Home Investment Partnerships Program (HOME) was created under the Cranston Gonzalez National Affordable Housing Act enacted in November 1990. HOME funds are awarded annually as formula grants to participating jurisdictions. HUD establishes Home Investment Trust Funds for each grantee, providing a line of credit that the jurisdiction may draw upon as needed. The program's flexibility allows states and local governments to use HOME funds for grants, direct loans, loan guarantees, or other forms of credit enhancement, or for rental assistance or security deposits.

Participating jurisdictions may choose from a broad range of eligible activities, using HOME funds to provide home purchase or rehabilitation financing assistance to eligible homeowners and new homebuyers, to build or rehabilitate housing for rent or ownership, or for "other reasonable and necessary expenses related to the development of non-luxury housing," including site acquisition or improvement, demolition of dilapidated housing to make way for HOME-assisted development, and payment of relocation expenses. Also, participating jurisdictions may use HOME funds to provide tenant-based rental assistance contracts of up to two years if such activity is consistent with their consolidated plan and justified under local market conditions.

Public Housing Authority (PHA)

The local PHA is operated by the Community Development Commission (CDC) of Mendocino County, which, as the Housing Authority for the county, manages housing and community development activities, including conventional housing or low-rent public housing and the Housing Choice Voucher (Section 8) program. The conventional housing program involves housing developments that are managed and maintained by the CDC. The Housing Choice Voucher program involves a tenant-based rental subsidy administered by the agency. Qualified families are selected and certified from a waiting list. A qualified family can use the certificate at any decent, sanitary, and safe housing unit (single family or multifamily) that accepts the certificates. The tenant's portion of the rent is based on 30 percent of the adjusted family gross income. The Housing Authority subsidizes the difference between the tenant's portion and the contract rent. However, Fair Market Rents (FMR) restrict the actual contract rent as determined by the US Department of Housing and Urban Development. The Housing Choice Voucher program is similar to the certificate program, except the tenant's housing contract rent is not restricted by FMR.

Community Development Block Grant (CDBG)

The US Department of Housing and Urban Development awards Community Development Block Grants annually to entitlement jurisdictions and states for general activities, including housing, and economic development activities. HUD also offers various other programs that can be used by the City, nonprofit, and for-profit agencies for the preservation of low-income housing units such as Section 202 and Section 108 loan guarantees.

Community Reinvestment Act (CRA)

The act, enacted by Congress in 1977, is intended to encourage depository institutions to help meet the credit needs of the communities in which they operate, including low- and moderate-income

neighborhoods, consistent with safe and sound banking operations. The CRA requires the period evaluation of each insured depository institution's record in helping meet the credit needs of its entire community. That record is taken into account in considering an institution's application for deposit facilities, including mergers and acquisitions.

Low Income Housing Tax Credit Program (LIHTC)

In 1986, Congress created the federal Low-Income Housing Tax Credit to encourage private investment in the acquisition, rehabilitation, and construction of low-income rental housing. Because high housing costs in California make it difficult, even with federal credits, to produce affordable rental housing, the California Legislature created a state Low Income Housing Tax Credit program to supplement the federal credit.

The state credit is essentially identical to the federal credit. The Tax Credit Allocation Committee allocates both, and state credits are only available to projects receiving federal credits. Twenty percent of federal credits are reserved for rural areas; 10 percent are reserved for nonprofit sponsors. To compete for the credit, rental housing developments must reserve units at affordable rents to households at or below a percentage of area median income as established by state law.

The federal tax credit provides a subsidy over 10 years toward the cost of producing a unit. Developers sell these tax benefits to investors for their present market value to provide upfront capital to build the units. Credits can be used to fund the hard and soft costs (excluding land costs) of the acquisition, rehabilitation, or new construction of rental housing. Projects not receiving other federal subsidy receive a federal credit of 9 percent per year for ten years and a state credit of 30 percent over four years (high cost areas and qualified census tracts get increased federal credits). Projects with a federal subsidy receive a 4 percent federal credit each year for ten years and a 13 percent state credit over four years.

California Housing Finance Agency (CHFA)

The California Housing Finance Agency offers permanent financing for acquisition and rehabilitation to for-profit, nonprofit, and public agency developers seeking to preserve at-risk housing units. In addition, the CHFA offers low interest predevelopment loans to nonprofit sponsors through its acquisition/rehabilitation program.

Federal Home Loan Bank System

The Federal Home Loan Bank System facilitates Affordable Housing Programs (AHP), which subsidize the interest rates for affordable housing. The San Francisco Federal Home Loan Bank District provides local service within California. Interest rate subsidies under the AHP can be used to finance the purchase, construction, and/or rehabilitation of rental housing. Very low-income households must occupy at least 20 percent of the units for the useful life of the housing or the mortgage term.

California Department of Housing and Community Development

HCD conducts the Urban Predevelopment Loan Program, which provides funds to pay the initial costs of preserving existing affordable housing developments for their existing tenants. Priority is given to applications with matching financing from local agencies or federal programs. HCD also conducts the acquisition and rehabilitation component of the Multi-family Housing Program to acquire and rehabilitate existing affordable rental housing. Priority is given to projects currently subject to regulatory restrictions that may be terminated. Assistance is provided through low interest construction and permanent loans. Eligible applicants include local government agencies, private nonprofit organizations, and for-profit organizations.

CONSTRAINTS ON THE DEVELOPMENT OF HOUSING

Various interrelated factors can constrain the ability of the private and public sectors to provide adequate housing and meet the housing needs for all economic segments of the community. These factors can be divided into two categories: (1) governmental constraints and (2) nongovernmental constraints. Governmental constraints consist of land use controls, development standards, processing fees, development impact fees, code enforcement, site improvement costs, development permit and approval processing, and provision for a variety of housing. Nongovernmental constraints consist of land availability, the environment, vacancy rates, land cost, construction costs, and availability of financing.

GOVERNMENTAL CONSTRAINTS

Governmental constraints are policies, standards, requirements, or actions imposed by the various levels of government upon land and housing ownership and development. Although federal and state agencies play a role in the imposition of governmental constraints, these agencies are beyond the influence of local government and are therefore not addressed in this document.

Land Use Controls

The City of Willits's General Plan establishes policies that guide all new development, including any residential development. These policies, along with zoning regulations, control the amount and distribution of land allocated for different land uses in the city. Table 27 shows the four land use designations in the General Plan that allow residential development. The minimum density for all zones is one unit, including in R2 and R3 multifamily zones, in which single-family residences are permitted by right.

Table 27: General Plan Land Use Designations That Allow Residential Development

Designations	Maximum Units Per Net Acre	Maximum Density	Notes
Residential Suburban (R-S)	2	One family per 20,000 square feet	Single-family developments on site of 20,000 square feet or larger are appropriate with wells and/or septic tank sewage disposal.
Residential Low Density (R-L)	7	One family per 6,000 square feet	The dominant use is or is proposed to be single-family residential.
Residential Medium Density (R-M)	29	One family per 1,500 square feet	Limited areas of mixed-density residential uses or new development areas most suitable for duplexes, multi-family, apartment, or professional office uses.
General Commercial (C-G)	29	29	Mixed use—residential above ground-floor commercial.

Source: Willits Vision 2020, Willits General Plan Revision, adopted August 12, 1992.

Zoning Districts

The City’s Zoning Ordinance is the major guide for residential development policies. The policies establish and control the type, location, and density of residential development in Willits. Zoning regulations serve to protect and promote the health, safety, and general welfare of residents as well as implement the policies of the General Plan.

Residential use groups are defined in Table 28. Table 31 identifies where each residential use group is allowed (zoning districts), at what densities, and with what minimum standards.

Table 28: Residential Use Group Classifications That Allow Residential Development

Use Group	Description	Example	Allowed Zoning
2a	Single-family residences. Nontransient residential occupancy of a single-family living unit.	Single-family house or single-family manufactured home with permanent foundation, residential care facility (six or fewer persons), guesthouse	Permitted: RE, R1, R2, A Use Permit: CO, C1, C2, ML, MH, R3
2b	Two-family residence. Nontransient residential occupancy of a building or structure containing two single-family dwelling units.	Duplex, residential care facility (six or fewer persons)	Permitted: R2 Use Permit: R3, C1
2c	Group residential. Nontransient residential occupancy of five or more dwelling units.	Triplex, fourplex, apartment house, rooming or boarding house, fraternity or sorority house, dormitory, residence club or housing cooperative, residential care facility (six or fewer persons), senior independent uses	Permitted: R2, R3 Use Permit: C1
2d	Mobile home parks. Nontransient residential occupancy of two or more mobile homes within a mobile home park.	Mobile home	Permitted: R3
2e	Residential above ground-floor commercial.	Mixed use—commercial and residential	Permitted: CO, C1, C2
18a	Individual and family services. Establishments primarily engaged in providing social services to families and individuals.	Senior citizens’ center, youth center, welfare office, community service bureau or league, community center, counseling center, or adult day-care center	Permitted: CO, C1, C2

Source: City of Willits Zoning Ordinance, 2019.

Development Standards

Zoning regulations are designed to protect and promote the health, safety, and general welfare of residents, as well as preserve the character and integrity of neighborhoods. Table 29 summarizes the specific residential development standards and reflects the changes in the Zoning Ordinance update.

Table 29: Residential Development Standards

Zoning District		Residential Use Groups Allowed	Density (units/ acre) ⁽¹⁾	Min. Lot Area	Min. Lot Width (ft.)	Front Yard (ft.)	Rear Yard (ft.)	Side Yard (ft.)	Height Limit (ft.)	Lot Coverage (%)
A	Agricultural	2a	N/A	5 gross acres	300	25	25	10	30	none
RE	Residential Estates	2a	N/A	20,000 SF	100	25	20	10	35	25
R1	Single-Family Residence	2a	N/A	6,000 SF	60	20	20	6	35	40
R2	Medium-Density Residence	2a, 2b	14.52	6,000 SF (3,000 per du)	60	20	20	6	35	50
R3	Multiple-Family Residence	2a, 2b, 2c, 2d, 2e	14.5-29.04	6,000 SF (3,000 per du)	60	20	15	6	40	60
CO	Administrative Office ⁽²⁾	18a, 2a	N/A	5,000 SF	60	10	15	0	45	N/A
C1	Community Commercial ⁽²⁾	18a, 2a, 2b, 2c, 2e	N/A	6,000 SF	60	0	15	0	45	N/A
C2	Heavy Commercial ⁽²⁾	18a, 2a	N/A	6,000 SF	60	15	0	0	45	N/A
ML	Limited Industrial	2a	N/A	6,000 SF	60	15	0	0	45	N/A
MH	Heavy Industrial	2a	N/A	N/A	N/A	0	0	0	0	50

Source: City of Willits Zoning Ordinance.

1. The Zoning Ordinance does not have minimum and maximum density requirements. Maximum densities are based on minimum lot sizes. The minimum density for all zones is one unit, except for the R3 multi-family zones in which there is minimum density of 14.5 units per acre (Program HE-2.B).
2. Exceptions apply for setback requirements on properties within partial residential areas or where yards abut an alley.

Parking Standards

The City’s parking requirements vary according to the type of dwelling unit, as shown in Table 30. Residential parking standards are not deemed a constraint to the development, improvement, and maintenance of housing.

Table 30: Residential Parking Standards

Type of Residential Development	Required Parking
Single-Family	2 off-street spaces/unit
Multifamily	
One bedroom or studio	1.5 spaces/unit
Two bedrooms	1.5 spaces/unit
Three or more bedrooms	2 spaces/unit
Second Dwelling Unit	1 off-street space/unit
Mobile Home Parks	2 spaces/unit*

Source: City of Willits Zoning Ordinance.

* Parking may be in tandem. One additional space for every five mobile home units, located no farther than 250 feet from the mobile home it was intended to serve and within the mobile home park. One additional space for every 10 mobile home units shall be provided adjacent to open space areas.

Emergency Shelters

The California Health and Safety Code (Section 50801) defines an emergency shelter as “housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person. No individual or households may be denied emergency shelter because of an inability to pay.” The current Zoning Ordinance does not allow emergency shelters, transitional housing, or permanent supportive housing in any zoning district.

Senate Bill 2 (Cedillo, 2007) requires jurisdictions to allow emergency shelters and transitional housing without a conditional use permit. The City must identify a zone or zones where emergency shelters will be allowed as a permitted use without a conditional use permit or other discretionary permit. The zone or zones identified must have land available to accommodate an emergency shelter.

In September 2018, the City processed an amendment to the Zoning Ordinance to allow emergency shelters as a permitted use in the C2 zone without a conditional use permit or other discretionary review. The City also adopted managerial standards relating to lighting, on-site management, maximum number of persons, off-street parking, security, etc., consistent with Government Code Section 65583(a)(4).

With the exception of one small pocket of C2 zoning on East Commercial Street, the vast majority of parcels zoned C2 are located along South Main Street, close to grocery stores, other shopping, and transit services. In previous discussions with the Mendocino County Homeless Services Planning Group, involved citizens groups, and the City Council, it has been determined that, because of the proximity to services and the potential incompatibilities with residential and community commercial zoning districts, the best place for emergency shelters is in the C2 zoning district.

There are currently 11 parcels with a total of approximately 10 acres of vacant area that could accommodate the development of a homeless shelter. In an effort to determine appropriate sites, City staff reviewed previous surveys and evaluations of the parcels and their individual characteristics, including existing development; proximity to services; availability of water, sewer, and other utilities; access; and any constraints to development.

Transitional Housing and Permanent Supportive Housing

Transitional housing is defined in Section 50675.2 of the Health and Safety Code as rental housing for stays of at least six months but where the units are recirculated to another program recipient after a set period. It may be designated for a homeless individual or family transitioning to permanent housing. This housing can take many structural forms, such as group housing and multifamily units, and may include supportive services to allow individuals to gain necessary life skills in support of independent living.

Supportive housing is defined by Section 50675.14 of the Health and Safety Code as housing with linked on-site or off-site services with no limit on the length of stay and which is occupied by a target population as defined in Health and Safety Code Section 53260 (i.e., low-income person with mental disabilities, AIDS, substance abuse, or chronic health conditions or person whose disabilities originated before the age of 18). Services linked to supportive housing usually focus on retaining housing, living and working in the community, and/or health improvement.

In September 2018, the City processed an amendment to the Zoning Ordinance to explicitly allow both supportive and transitional housing types in all residential zones subject only to the same restrictions on residential uses in the same type of structure.

Extremely Low–Income Households

Assembly Bill 2634 (Lieber, 2006) requires the quantification and analysis of the existing and projected housing needs of extremely low–income households. Housing elements must identify zoning to allow and facilitate the construction of single-room occupancy units (SROs).

Extremely low–income households typically consists of persons with special housing needs, including but not limited to persons experiencing homelessness or near-homelessness, persons with substance abuse problems, and farmworkers.

In September 2018, the City processed an amendment to the Zoning Ordinance to allow single room occupancy units in the R2, R3, C1, and C2 zones with a conditional use permit.

Residential Care Facilities

Health and Safety Code Sections 1267.8, 1566.3, and 1568.08 require local governments to treat licensed group homes and residential care facilities with six or fewer residents no differently than other by-right single-family housing uses. “Six or fewer persons” does not include the operator, the operator’s family, or persons employed as staff. Local agencies must allow these licensed residential care facilities in any area zoned for residential use and may not require licensed residential care facilities for six or less to obtain conditional use permits or variances that are not required of other family dwellings.

In September 2018, the City processed an amendment to the Zoning Ordinance to allow residential care homes with six or fewer persons by right in residential zones, and homes of seven or more persons in the

R2 and R3 zones with a conditional use permit. The City also updated its definition of family to comply with state law.

Housing for Persons with Disabilities

In compliance with SB 520, a complete evaluation of the City’s zoning laws, practices, and policies was done as a part of the Housing Element update process. No constraints to housing development for persons with disabilities were found at that time. However, Program HE-2.H has been incorporated into the Housing Element to mitigate any possible constraints.

- **Reasonable accommodations.** The City’s Zoning Ordinance does contain a reasonable accommodation procedure.
- **Separation requirements.** The City’s Zoning Ordinance does not impose any separation requirements between residential care facilities.
- **Site planning requirements.** The site planning requirements for residential care facilities are no different than for other residential uses in the same zone.
- **Definition of family.** The City’s current definition of family is consistent with current housing law.

Accessory Dwelling Units

Assembly Bill (AB) 1866 requires local governments to use a ministerial process for considering second-unit applications for the purpose of facilitating the production of affordable housing. In September 2018, the City processed an amendment to the Zoning Ordinance to permit accessory dwelling units (second units) by ministerial process if contained within the existing space of a single-family residence or accessory structure. The amendment will be completed concurrently with the adoption of the Housing Element.

Local Processing and Permit Procedures

Site Plan Review

At the discretion of the Community Development Director, developments that fall within the category of “permitted use” in the Zoning Ordinance (single- and multifamily projects), but which may have unique requirements or impacts on City services or surrounding land uses, can be required to be subject to a Site Plan Review process. Site Plan Review is generally triggered when projects are more complex, and the City uses the review as an opportunity to ensure the project will be consistent with City parking, fire, and other standards. Site Plan Review is a low-cost process, and, if the project is consistent with City standards, then it is approved. This process requires submittal of an application with a site plan and conceptual building plans along with a filing fee (\$100 for one unit, \$200 for developments up to 4 units, \$400 for 5 or more units). This is an administrative review process by a City Technical Advisory Committee represented by various City departments, and no public hearing is involved. The process generally takes approximately 6 to 8 weeks but may take longer if conditions warrant additional technical information such as flood elevations, geotechnical analysis, site grading, or traffic analysis. Developments that require a minor or major subdivision approval require City Council approval and may take 3 to 6 months to process.

Shown in Table 31 are the typical permit processing times for residential development.

Table 31: Typical City Permit Process and Timelines

Project Type	Approving Body	Timeline	Comment
Individual Single-Family House	Comm. Development Dept.	1-2 weeks	
Minor Subdivision	PC/CC	3-5 months	
Major Subdivision	PC/CC	4-6 months	Depends on complexity of project
Multi-Family housing	TAC (R3 zone) PC/CC (others)	6-8 weeks 12-14 weeks	
Accessory Dwelling Unit	PC/CC	1-2 weeks	
Mixed Residential Commercial Use	PC/CC	12-14 weeks	Requires conditional use permit
CEQA – Negative Declaration	PC/CC	12-14 weeks	Depends on complexity of project
CEQA – EIR	PC/CC	6-12 months	Depends on complexity of project
General Plan Amendment	PC/CC	4-6 months	Depends on complexity of project
Rezone	PC/CC	4-6 months	Depends on complexity of project
Variance	PC/CC	12-14 weeks	

Source: City of Willits, 2019.

TAC = Technical Advisory Committee

PC = Planning Commission

CC = City Council

Density Bonus

Under current state law (SB 1818 of 2004), cities and counties must provide a density increase up to 35 percent over the otherwise maximum allowable residential density under the municipal code and the land use element of the general plan (or bonuses of equivalent financial value) when builders agree to construct housing developments with units affordable to low- or moderate-income households. The City of Willits updated the Zoning Ordinance in September 2018, in accordance with Government Code Sections 65915 through 65918.

Typical Densities for Development

The City of Willits is a small city in a rural area that has not experienced significant housing development in the last 20 years. Typical single-family residential lots vary in size from approximately 6,000 square feet to 20,000 square feet and support 1 to 2 single family homes each. Most recent single-family subdivisions resulted in typical density of 5 homes per acre. Multifamily densities within Willits are typically 8 to 10 units per acre.

Development Fees

Development impact fees are an additional potential constraint to affordable housing development. The City does not have development impact fees; however, it does assess fees for building permits and water and sewer connections, which vary according to the type of development and the size of service. Also, the City may require street frontage improvements such as curbs, gutters, and sidewalks at the time of development. The City provides a 10 percent fee waiver for any application made to facilitate qualified

low- and moderate-income housing and waives all building permit fees for energy and water conservation fixtures, appliances, or equipment.

Planning and Building Permit Fees

Total development costs vary greatly depending on the type of development. Table 32 shows the current 2017–2018 planning fees.

Building permit fees are based on California Building Code requirements, and the fees for each permit vary with the size and design of the structure. As a rough estimate, the building permit fee for a single-family residence with 1,500 to 2,000 square feet would typically be approximately \$3,500 (plus water and sewer connection fees). There are no school impact fees or other impact fees. Because there are so many variables in the construction of multifamily dwellings, it is not possible to give a “typical” building permit fee; therefore, for this analysis, the same estimate of \$3,500 was used.

Table 32: Planning Fees

Planning Applications or Permits	Fee
Annexation	Cost Recovery
CUP – Categorical exemption	\$200
CUP – Negative Declaration	\$600
CUP – Use Permit Renewal/Modification	\$200
CUP – Planned Unit Development	\$500
Home Occupation Permit	\$50
Family Daycare Permit	\$75
Development Agreement	Cost Recovery
Floodplain Development Permit	\$100
General Plan Amendment	Cost Recovery
Site Plan Review	\$100–\$800
Sign Permit	\$100
Variance	\$500
Zone Change	Cost Recovery
Zoning Letter	\$50
Zoning Permit	\$50
Zone Text Amendment	Cost Recovery
Subdivision Fees or Applications	Fee
Appeal to City Council or Planning Commission	\$200
Certificate of Compliance	\$150
Extension of time	\$100
Reversion to Acreage	\$400
Review of Subdivision Map by City Attorney	\$200/hour
Tentative Parcel Map	\$350 ¹
Tentative Subdivision Map	\$1,000 ²
Final Parcel Map	\$150 ³

Final Subdivision Map	\$1,000 ⁴
Environmental Review	Fee
Environmental Assessment	\$100
EIR Administration	\$45/hour
Review of Draft & Final EIR by City Attorney	\$200/hour

Source: City of Willits 2018.

1. This is the initial fee for developments between 2 to 5 parcels. There is an additional \$50 fee for each parcel reviewed as well as a flat Engineering Review Fee of \$300.
2. This is the initial fee for developments of 5 or more parcels. There is a flat Engineering Review Fee of \$600.
3. This is the initial fee for developments between 2 to 5 parcels. There is an additional \$300 Engineering Review Fee as well as an Additional Engineering Review Fee per Parcel of \$300.
4. This is the initial fee for subdivisions of more than 5 parcels. There are additional fees including a flat \$500 Engineering Review Fee, a \$500 fee for each parcel reviewed, and a \$50 fee for parcel reviewed by Engineering.

Water and Sewer Connection Fees

Water service connection fees are \$4,025 for each Equivalent Domestic Unit (EDU) (i.e., single-family dwelling unit), which is a standard 5/8-inch meter. Connection fees increase with increased meter size, and the cost for multifamily units depends on the size of the water meter required to provide the service. A 1-inch meter is \$6,525, and a 1.5-inch meter is \$7,025. It is unlikely that any multifamily development in Willits would need any service larger than 1.5 inches. Monthly water rates are tiered as follows—Tier 1 (0–6 hcf) is \$6.03; Tier 2 (above 6 hcf) is \$8.35. These monthly rates are scheduled to go up 4 percent for the next three years starting July 1, 2019. Sewer service connection fees are \$7,840 for each EDU and annual sewer charges are \$846 per EDU. These annual sewer fees are scheduled to go up 7 percent for the next three years starting July 1, 2019.

As a means of assessing the cost that fees contribute to development in Willits, the City has calculated the total fees associated with development of a single-family and multifamily development. As indicated, development fees for a 2,000-square-foot single-family or multifamily residential project, on the high end, run approximately \$11,865 per unit (making up 2 percent of the total unit cost). The City’s fees are consistent with, if not much lower than, development fees in the area and therefore are not considered a constraint to the development of housing.

Building and Code Enforcement

The City follows the California Building Code, which regulates the construction of all physical structures in the city. The City has not made any local amendments to the code and will comply with the updated 2019 version of the code when it goes into effect on January 1, 2020. This constraint is the same as all other jurisdictions that are bound by this code. Because the City regulates its building permits with the California Building Code and not a locally based system, potential developers have the ability to develop in Willits based on a uniform system used elsewhere. This reduces development costs because there is no need to learn an additional set of codes.

The City strives to perform thorough but expedient permit processing, with average processing times equal to or less than similar jurisdictions. The City’s current permitting process satisfies the streamlining and timing requirements enacted by SB 35. The City has an active code enforcement team and building inspection program that work to uphold all adopted codes and to encourage the improvement of existing substandard dwelling units. Violations are incurred primarily on a complaint basis or through the general

observation of code enforcement officers. Code violations help the City to know where rehabilitation needs are.

On- and Off-Site Improvements

Site improvement costs include the cost of providing access to the site, clearing the site, and grading the pad area. In the case of a subdivision, such costs may also include major improvements such as building roads and installing sewer, water, and other utilities. Residential subdivision projects require street widths as follows:

- Total right-of-way for an arterial is 80 to 88 feet in width, with moving lanes and parking lanes typically 12 feet and 8 feet in width respectively.
- Total right-of-way for a collector is 56 to 64 feet in width, with moving lanes and parking lanes typically 12 feet and 8 feet in width respectively.
- Total right-of-way for minor streets is 52 to 60 feet in width, with moving lanes and parking lanes typically 10 to 12 feet and 8 feet in width respectively,

As with land costs, several variables affect costs, including site topography and proximity to established roads, sewers, and water lines. Engineering and other technical assistance costs are usually included with site improvements, as these services are required to ensure that development is constructed according to established codes and standards.

Developers of multifamily projects and single-family housing tracts are generally required to pay for curbs, gutters, and sidewalks and, depending on the location, extension of sewer and water services. These and other site improvement costs are typical of all cities in California and do not impose a significant constraint on the development of housing. The City does not impose any unusual requirements as conditions of approval for new development.

Review of Local Ordinances

The City does not have any locally adopted ordinances that hinder the development of housing.

NONGOVERNMENTAL CONSTRAINTS

Development Costs

According to the City of Willits Building Department (April 2019), the cost to construct an average home is approximately \$150 per square foot. Therefore, an average 2,000-square-foot home would cost approximately \$300,000 to build.

Construction costs vary widely according to the type of development, with multifamily housing generally less expensive to construct than single-family homes. However, wide variation within each construction type exists depending on the size of the unit and the number and quality of amenities provided, such as fireplaces, swimming pools, and interior fixtures, among others.

In addition to construction costs, the price of land is one of the largest components of housing development costs. Land costs may vary depending on whether the site is vacant or has an existing use that must be removed. Similarly, site constraints such as environmental issues (i.e., steep slopes, soil stability, seismic hazards, or flooding) can also be factor in the cost of land. Other costs may stem from professional services

such as land surveying and engineering, soils engineering/analysis, site design, landscape and architectural design, and permit processing.

If labor or material costs increase substantially, the cost of construction in Willits could rise to a level that impacts the price of new construction and rehabilitation. Therefore, increased construction costs have the potential to constrain new housing construction and the rehabilitation of existing housing. The City will continue to do its part in reducing development processing times and providing a more streamlined review process.

The typical amount of time between when a developer receives entitlements and when a developer pulls building permits can vary greatly depending on a number of variables such as weather, financial market conditions, availability of skilled labor (i.e. engineering and contractor services) and whether developer has adequate financing to support the entitlement. Typically, a developer is able to obtain building permits within 6 months of their entitlement however, some developers have received entitlements that were allowed to expire after 2 years or longer due to lack of any action towards construction of their projects.

Availability of Financing

The cost of borrowing money to finance the construction of housing or to purchase a house affects the amount of affordably priced housing in Willits. Fluctuating interest rates can eliminate many potential homebuyers from the housing market or render a housing project that could have been developed at lower interest rates infeasible. Typically, when interest rates decline, sales increase. The reverse has been true when interest rates increase. Table 33 illustrates interest rates as of April 2019. The table presents both the interest rate and the annual percentage rate (APR) for different types of home loans.

Table 33: Interest Rates

Conforming	Interest	APR
30-Year Fixed	4.125	4.23
15-Year Fixed	3.5	3.701
5-Year ARM	3.75	4.646
Jumbo		
30-Year Fixed	3.875	3.939
7-Year ARM	3.250	4.220

Source: www.wellsfargo.com, April 2019.

Price of Land

Land costs in Willits as of March 2019 are shown in Table 34. Residential land prices ranged from \$56,000 per acre to \$100,000 per acre.

Table 34: Land Prices

Price	Acres	Price/Acre
\$8,500	0.15	\$56,666
\$16,000	0.16	\$100,000
\$15,000	0.21	\$71,428

Source: City of Willits, March 2019.

RESIDENTIAL ENERGY CONSERVATION

Housing elements must include a review of opportunities to encourage energy conservation in residential development (Government Code Section 65583(a)(7)). Energy conservation policies could reduce housing costs, promote sustainable design, and help reduce greenhouse gases. Title 24 of the California Administrative Code sets forth mandatory energy standards for new development and requires the adoption of an “energy budget.”

The California Department of Housing and Development encourages cities to take further steps toward better energy conservation through their housing element updates. Policy ideas are listed on HCD’s website to help cities toward this goal. Additional resources are listed below.

California Solar Initiative Rebates

Rebates vary according to system size, customer class, and performance and installation factors (www.gosolarcalifornia.org). There are two rebate programs: Expected Performance-Based Buydown (for systems that are less than 30 kilowatts) and Performance-Based Incentive (for all systems greater than 30 kilowatts).

Single-Family Affordable Solar Housing (SASH)

The SASH program offers incentives to qualified low-income homeowners to help offset the costs of a solar electric system. The SASH program is overseen by the California Public Utilities Commission (CPUC) and administered by GRID Alternatives, a nonprofit organization.

California Solar Initiative Multifamily Affordable Solar Housing (MASH)

The MASH program offers solar incentives for qualifying affordable multifamily dwellings. The program is overseen by the California Public Utilities Commission and offers incentives to qualifying affordable housing within the service territories of PG&E, Southern California Edison Company, and San Diego Gas & Electric. MASH provides fixed, upfront, capacity-based incentives for qualifying solar energy systems. The amount of the incentive depends on which track the applicant is eligible for.

Federal Solar Investment Tax Credit (ITC)

The Federal Investment Tax Credit for residential and commercial solar systems is 30 percent of net system cost. This tax credit is available on residential properties that commence construction by 2019. The ITC then steps down to 26 percent in 2020 and 22 percent in 2021. After 2023, the residential credit will drop to zero, while the commercial and utility credit will drop to a permanent 10 percent.

Pacific Gas & Electric

PG&E serves the electrical and gas needs in Willits. PG&E offered the following energy conservation programs as of April 2019 (www.pge.com):

- SmartAC. Provides free equipment and installation for the efficient regulation of central air conditioning systems and heat pumps for residential and small business customers.
- AC Quality Care Program. Provides rebates up to \$480 to help pay for work done by AC Quality Care certified contractors.

- Energy analyzers and calculators (online).
- Zero Net Energy (ZNE) program. Began in 2010 to support the 2008 California Long Term Energy Efficiency Strategic Plan; ZNE goals state that all new residential construction will be ZNE by 2020.
- Rebate Program. Offers a range of rebates on energy-saving products for residential owners.
- Home Upgrade program. Offers up to \$5,500 in rebates from PG&E for energy-efficiency upgrade projects.
- Energy Upgrade California Home Upgrade rebate program.

Local Program Success

For many years, the City was able to provide grants and loans to qualifying low- and moderate-income families for housing rehabilitation. However, that program was dependent on funding from a CDBG grant that ended in 2006, at which time the program ended and has not been renewed.

Through the low- and moderate-income housing program under the City's redevelopment agency, the City provided funds for repairs to the Harrah Senior Center roof, maintenance and rehabilitation work on the Baechtel Creek Senior Village, and to the Renewable Energy Development Institute (REDI) to carry out energy conservation upgrades to qualifying low- and moderate-income family residences. In April 2011, the City redevelopment agency approved low interest loans for maintenance and rehabilitation work to the Redwood Meadows Senior Housing and Holly Heights I & II affordable apartment complexes. Additionally, the City included in its fee schedule a 10 percent discount on any planning or building permit applications for low- and moderate-income housing.

Specific Plan Success

The Willits City Council adopted a Bicycle and Pedestrian Specific Plan on June 24, 2009. This plan includes a strategy for access and safety improvement for pedestrians and bicyclists that will facilitate all modes of transportation, including for persons of low income who do not have access to motor vehicles. While not a "specific plan" in the technical sense, the City completed a Comprehensive Self-Evaluation ADA Access and Transition Plan in May 2006, which also facilitates access to public streets, sidewalks, buildings, and parks by persons with disabilities, including those with limited income.

APPENDIX A – 2014 HOUSING PROGRAM REVIEW

Implementation Measure	Objective	Time Frame	Evaluation	Continue/Modify/Delete
<p>Goal HE-1 Maintain and improve the quality of the existing housing stock and promote the development of new housing which meets safety standards, offers a variety of housing types in a variety of locations, and enhances existing neighborhoods, services, and the environment.</p>				
<p><u>Program HE-1.A: Housing Rehabilitation Loan Program</u> The City will coordinate with the Community Development Commission (CDC) of Mendocino County to continue to support the ongoing Housing Rehabilitation Loan Program, which provides financial assistance to lower-income (extremely low-, very low-, and low-income) owner households for housing rehabilitation. (Ref. Policies HE-1.D, HE-2.D, HE-3G)</p>	<p>Refer interested residents who are interested in the Housing Rehabilitation Loan Program to the CDC of Mendocino County. The City will also work with the CDC of Mendocino County in an effort to continue to publicize informational brochures which will be made available at City Hall, the library, and on the Chamber of Commerce website and/or the City’s website.</p>	<p>Continuously work with the Community Development Commission (CDC) of Mendocino County to refer interested residents and provide brochures by December 2017.</p>	<p>The City currently has a Housing Rehabilitation Loan program with approximately \$100,000 in available loan funds. The City plans to a plan to spend down the available funds and look to apply for additional funding during the planning period, as NOFAs are released. In addition, the City will publicize informational brochures at City Hall, the library, and on the Chamber of Commerce website and the City’s website.</p>	<p>Modify.</p>
<p><u>Program HE-1B: First-Time Homebuyers Program</u> Provide for the development of a First-Time Homebuyers Program to assist lower-income households in becoming homeowners. (Ref. Policy HE-1.B)</p>	<p>The City has previously contributed money to the Rural Communities Housing Development Corporation (RCHDC) for their first-time homebuyers program. The City will work with the RCHDC to determine the feasibility of establishing a First-Time Homebuyers Program. If the First-Time Homebuyers Program is deemed feasible, the City will</p>	<p>Ongoing, starting December 2016. Determine feasibility of a City FTHB program by January 2018, develop the program by summer 2018.</p>	<p>City residents are eligible for the First-Time Homebuyers Program provided by RCHDC. The City provides information at City Hall regarding this program.</p>	<p>Continue.</p>

Implementation Measure	Objective	Time Frame	Evaluation	Continue/Modify/Delete
	assist the RCHDC and CDC in the development of this program in Willits.			
<p><u>Program HE-1.C: Infrastructure Provision and Financing</u></p> <p>Minimize infrastructure costs for residential development by identifying infrastructure needs and available sources of funding for infrastructure improvements. (Ref. Policies HE-1.A, HE-2.B)</p>	<p>Evaluate measures which reduce infrastructure demands, and consequently, the need for public facilities to serve residential development on an annual basis; analyze existing and potential infrastructure financing measures for their ability to meet infrastructure needs without an adverse impact to housing costs, and identify and apply for State or USDA infrastructure funding programs to support improvement efforts.</p>	<p>Annually evaluate measures and apply for funding as NOFAs are released. As applications are processed through the Community Development Department.</p>	<p>The City received loans from the California Department of Public Health and the USDA state update wastewater treatment plant. The City has also utilized additional funding to establish groundwater wells and a groundwater treatment facility to use in emergency situations, such as in times of drought.</p> <p>The City is also seeking funding to further the groundwater system, drilling new wells and connecting them into the existing infrastructure.</p>	<p>Continue.</p>
<p><u>Program HE-1.D: Annual Review of the Housing Element</u></p> <p>Maintain a Housing Element that is effective in implementing housing goals. (Ref. Policies HE-1.A, HE-1.F)</p>	<p>Annually review the Housing Element to determine the effectiveness of the programs in achieving the City's housing goals, policies, programs, and objectives. The City will provide annual reports to the City Council as to the effectiveness of the Housing Element. The City will take actions necessary to correct any</p>	<p>Annually, before the April 1 deadline.</p>	<p>The City completed its 2018 annual report.</p>	<p>Continue.</p>

Implementation Measure	Objective	Time Frame	Evaluation	Continue/Modify/Delete
	inconsistencies. A copy of this report will be sent to the California Department of Housing and Community Development.			
<p><u>Program HE-1.E: Zoning Ordinance Review and Update</u> Review and update the Zoning Ordinance to ensure it contains current data and definitions and is effective in implementing housing goals. (Ref. Policies HE-1.A, HE-1.F)</p>	Review the Zoning Ordinance to determine the effectiveness of the Ordinance in achieving goals and objectives and, as needed, update the Zoning Ordinance to comply with changes to state planning and zoning law requirements.	Annually review and revise as necessary starting in June 2017.	The City made several amendments in September 2018 to comply with state housing law.	Continue.
<p><u>Program HE-1.F: Water and Sewer Service Priority</u> In compliance with Government Code Section 65589.7, provide a copy of the adopted Housing Element to local water and sewer providers.</p>	n/a	Within one month from adoption of the Housing Element.	The City will forward the adopted Housing Element to its own water and sewer providers.	Continue.
<p><u>Program HE-1.G: Affordable Housing Water Priority</u> Give preference in the City’s water allocation process to projects meeting the City’s lower-income regional housing need.</p>	Further the provision of lower-income housing by granting priority with respect to water hookups.	Ongoing, as affordable projects are processed through the Community Development Department.	As projects come forward, the City will continue to grant water hookup priority to lower-income housing developments.	Continue.
<p>Goal HE-2 Encourage the preservation of existing housing and the construction of new housing at a range of costs and in quantities to meet the needs of all income groups, including the very low-, low-, and moderate-income groups.</p>				
<p><u>Program HE-2.A: Monitor Residential Land Inventory</u> Continue to identify vacant and underutilized residential land in order to determine the residential development potential in the city and assist in identifying ways to</p>	On a project-by-project basis, review the City’s vacant and underutilized land inventory to identify any constraints to the development of that land.	Ongoing; update as projects are approved through the Community Development Department.	The City maintains a list of vacant and underutilized land within its Housing Element, which is available at City Hall and on the City’s website.	Continue.

Implementation Measure	Objective	Time Frame	Evaluation	Continue/Modify/Delete
remove any possible constraints. (Ref. Policies HE-2.A, HE-3.E, HE-1.E)				
<p><u>Program HE-2.B: Preservation of Multi-Family Sites</u></p> <p>Willits has a limited supply of land zoned R3, which allows for multi-family residential uses. In order to preserve existing and future R3 zoned sites for multi-family development, the City will revise its Zoning Ordinance to establish a minimum density of 14.5 units per acre in the R3 zone. (Ref. Policies HE 1.E, HE 2.A, HE-3.D)</p>	<p>Revise the Zoning Ordinance to establish a minimum allowed density of 14.5 dwelling units per acre in the R3 zoning district in order to preserve existing and future R3 zoned sites for multi-family development.</p>	<p>Concurrently with adoption of the Housing Element.</p>	<p>In August 2018, the City processed an amendment to the Zoning Ordinance and established a minimum density of 14.5 dwelling units per acre in the R-3 zone.</p>	<p>Delete. Program completed.</p>
<p><u>Program HE-2.C: Lot Consolidation</u></p> <p>Create larger parcels through lot consolidation in order support affordable development opportunities in Willits. (Ref. Policies HE-1.B, HE-2.A, HE-2.B, HE-2.F)</p>	<p>Encourage the consolidation of smaller adjacent parcels zoned for residential use, particularly those parcels zoned for two-family (R2) or multi-family (R3) development. This may include working with property owners to consolidate parcels, coordinating with local property owners to support the development of affordable two-family and multi-family housing development, or working with developers to identify suitable vacant and adjoining R2 and R3 sites.</p> <p>Also provide technical assistance to developers or existing owners who wish to consolidate adjacent residentially zoned parcels. As developers/owners approach the City interested in lot</p>	<p>Ongoing, as projects are processed through the Community Development Department. Annually meet with local developers to discuss development opportunities and incentives for lot consolidation.</p>	<p>The City continues to suggest lot consolidation as an option but has not received any proposals for lot consolidation.</p>	<p>Continue.</p>

Implementation Measure	Objective	Time Frame	Evaluation	Continue/Modify/Delete
	consolidation for the development of affordable housing, offer the following incentives on a project-by-project basis: allow affordable projects to exceed the maximum height limits, decrease setbacks, and/or reduce parking requirements.			
<p><u>Program HE-2D: Incentives for the Development of Affordable Housing</u></p> <p>Allow for flexibility in development standards to facilitate affordable housing development. (Ref. Policies HE-1.B, HE-2.B, HE-2.F, HE-3.E)</p>	On a project-by-project basis, offer fast track/priority processing, density bonuses, flexibility in development standards, and fee subsidies (when feasible) to developers proposing new housing, mixed-use, or infill projects affordable to lower-income households, farmworkers, seniors, and other special needs groups. Also look at reduced parking standards.	Ongoing, as projects are processed through the Community Development Department.	No affordable projects have been processed.	Continue.
<p><u>Program HE-2E: Accessory Dwelling Unit (Second Units)</u></p> <p>Encourage the production of second dwelling units to meet the needs of the Willits population. (Ref. Policies HE-1.B, HE-2.C, HE-3.C)</p>	<p>In an effort to comply with state law, revise the Willits Zoning Ordinance to permit accessory dwelling units ministerially (by right) on all lots that are occupied with a single family dwelling unit and zoned residential, as well as review local fees, development standards, etc., to ensure consistency.</p> <p>In addition, to encourage the production of accessory dwelling units, offer incentives such as the reduction of parking requirements, reduction of permit processing time, increase in floor areas, and reduction of setbacks, and promote accessory dwelling units in subdivision development by</p>	Concurrently with adoption of the Housing Element.	In September 2018 the City processed an amendment to the Zoning Ordinance to permit second units ministerially in all single-family zones.	Continue.

Implementation Measure	Objective	Time Frame	Evaluation	Continue/Modify/Delete
	considering/creating incentives for their production.			
<p><u>Program HE-2F: Mixed-Use Development</u> Revitalize the downtown area and produce dwelling units. (Ref. Policies HE-2.A, HE-1.E, HE-3.C, HE-3.D, HE-3.E, HE-3.F)</p>	<p>Continue to facilitate the revitalization of the downtown area of Willits by allowing residential units above first-floor commercial uses, and provide incentives for mixed-use projects with an affordable residential component.</p> <p>Remove the requirement of a conditional use permit for residential development by right above commercial establishments in the Administrative Office (CO) zone, Community Commercial (C1) zone and Heavy Commercial (C2) zone. For projects that contain housing units affordable to lower-income households, provide incentives such as density bonuses, flexible development standards, and/or fee deferrals to encourage the development of mixed-use projects that contain affordable multi-family units.</p> <p>As projects are brought forward, consider reducing and/or eliminating parking requirements for residential units that are placed above commercial establishments.</p>	<p>Ongoing. Concurrently with the adoption of the Housing Element. As projects are processed through the Community Development Department.</p>	<p>In September 2018 the City processed an amendment to the Zoning Ordinance to allow residential units above first-floor commercial uses without a conditional use permit in the C-1 zone.</p> <p>The City is still interested in pursuing reduced parking requirements.</p>	<p>Modify.</p>
<p><u>Program HE-2.G: Housing Opportunities</u> Encourage the production of market-rate housing for households with incomes of 80 percent or more of Mendocino County Area Median</p>	<p>The Community Development and Building Departments will confer with real estate agents, housing developers and financial institutions in order to identify the items necessary for the production of units affordable to</p>	<p>Ongoing. Annually contact real estate agents, housing developers, and financial institutions starting in June 2017.</p>	<p>No market-rate housing developments have been proposed. The City plans to reach out and talk with developers to see what makes housing development feasible in Willits.</p>	<p>Continue.</p>

Implementation Measure	Objective	Time Frame	Evaluation	Continue/Modify/Delete
Income in order to meet and/or exceed the Regional Housing Needs Allocation (RHNA) of 115 housing units for moderate- and above-moderate-income households. (Ref. Policies HE-1.B, HE-2.E)	moderate and above moderate households. Once these items have been identified, the Community Development Department will provide this information to housing developers and real estate brokers to encourage the construction of market-rate housing.			
<p><u>Program HE-2.H: Planned Unit Development</u></p> <p>Encourage Planned Unit Developments (PUD). The City has established PUD zoning combining districts which allow flexibility in the use and design of land and structures. This flexibility may include the alteration of setback requirements, height limits, sign requirements, building coverage limits, off-street parking, density and intensity limits, etc. These districts are excellent areas for the development of a mix of different housing types, such as condominiums, apartments, and single-family dwellings. (Ref. Policies HE-1.B, HE-2.E, HE-3.C, HE-3.F)</p>	Produce informational brochures describing the PUD process and its possibilities, identify areas of the city which may be rezoned as PUD districts, and identify possible development incentives for a PUD, such as density bonuses, infrastructure cost sharing, and increased housing density. City staff will provide information on the benefits of PUD districts to developers who are considering developing a range of housing types or who are looking for greater flexibility. The Community Development Department will also provide developers with a list of vacant sites in the city suitable for rezoning to PUD to accommodate a range of housing types and flexible designs.	Develop informational materials for developers. Identify sites most suitable for rezoning to PUD and provide a listing of those sites to developers by December 2017.	The City has not yet developed materials and standards to encourage PUDs but plans to use the tool in the future.	Continue.
<p><u>Program HE-2.I: Removal of Governmental Constraints to Housing Development for Persons with Disabilities</u></p> <p>Identify and remove possible governmental constraints to the development of housing for persons</p>	Annually monitor existing land use controls, permit and processing procedures, fees and exactions, and building codes for constraints on the development, maintenance, and improvement of housing.	Concurrently with adoption of the Housing Element.	In September 2018 the City processed an amendment to the Zoning Ordinance to include procedures for reasonable accommodations for persons with disabilities.	Modify.

Implementation Measure	Objective	Time Frame	Evaluation	Continue/Modify/ Delete
with disabilities, where feasible. (Ref. Policies HE-2.E, HE-3.B)	Develop procedures for reasonable accommodation for housing for persons with disabilities in accordance with fair housing and disability laws and amend the City’s Zoning Ordinance to incorporate clear rules, policies, procedures, and fees for reasonable accommodation in order to promote equal access to housing. Policies and procedures should identify who may request a reasonable accommodation (i.e., persons with disabilities, family members, landlords, owners, etc.), and these procedures and any fees associated with them should provide relief from the various City land use, zoning, or building regulations that may constrain the housing needs of persons with disabilities.			
<p><u>Program HE-2J: Allow Multifamily in the R2 Zone</u></p> <p>Allow for multifamily development in the R2 zoning district. (Ref. Policies HE-1.B, HE-2.B, HE-2.F, HE-3.E)</p>	Amend the Zoning Ordinance to allow multi-family housing (more units 2 units) as a permitted use, without a conditional use permit or any other discretionary review, in the R2 zone	Concurrently with the adoption of the Housing Element.	In September 2018 the City processed an amendment to the Zoning Ordinance to allow multifamily housing by right in the R-2 zone.	Delete. This program has been completed.
<p>Goal HE-3 Promote affordability of all types of housing to meet the present and projected needs of households of all income levels.</p>				
<p><u>Program HE-3.A: Permit Streamlining and Priority Processing</u></p> <p>Continually seek to improve development review and procedures to minimize the time required for review and project approval. This</p>	Reduction of the time necessary to complete the development permit process for affordable housing.	Ongoing, as affordable projects are processed through the Community Development Department.	The City hired a full-time staff planner, which helps to reduce review time for development review and procedures as applications are received.	Continue.

Implementation Measure	Objective	Time Frame	Evaluation	Continue/Modify/Delete
reduction in time will reduce the cost to developers and may increase the housing production in the city. In addition, continue to give priority to affordable housing projects. (Ref. Policies HE-2.F, HE-3.C)			The City did not receive any applications for affordable housing developments.	
<p><u>Program HE-3.B: Affordable Housing Preservation</u></p> <p>Establish procedures to preserve affordable housing at risk of converting to market rate. (Ref. Policy HE 3.A)</p>	<p>State law requires jurisdictions to provide a program in their Housing Elements to preserve publicly assisted affordable housing projects at risk of converting to market-rate housing. Currently, the City does not have any publicly assisted affordable projects at risk of converting, but should they in the future, the City will monitor the status of all affordable housing projects and as their funding sources near expiration, will work with the Community Development Commission of Mendocino County and with the owners to consider options to preserve such units. The City will also provide technical support to property owners and tenants regarding proper procedures relating to noticing and options for preservation.</p>	<p>Annually monitor.</p>	<p>The City does not have any affordable units at risk of converting to market rate.</p>	<p>Continue.</p>
<p><u>Program HE-3.C: State and Federal Housing Programs</u></p> <p>A number of state and federal programs provide low-cost financing or subsidies for the production of low- and moderate-income housing. Certain programs require an application and participation by the local public</p>	<p>Refer interested parties to the Community Development Commission of Mendocino County to provide assistance to nonprofit and private housing developers to make use of other programs which require their application and participation.</p>	<p>Ongoing; refer as approached by interested parties. Annually reach out to Community Development Commission of Mendocino County and Rural Communities Housing Development Corporation (RCHDC) to</p>	<p>The City continues to coordinate with the CDC of Mendocino County to determine which programs are still available. The City also provide literature on the City’s website and at City Hall.</p>	<p>Continue.</p>

Implementation Measure	Objective	Time Frame	Evaluation	Continue/Modify/ Delete
<p>agency, other programs are for use by nonprofit housing corporations and housing authorities, and the remaining programs require application and direct participation by a private developer. The City will refer interested parties to the Community Development Commission of Mendocino County to determine which programs would be most beneficial for housing production in the city and then directly or indirectly pursue those programs. Available programs are listed below. (Ref. Policies HE-1.E, HE-3.A, HE-3.B, HE-3.C)</p> <ul style="list-style-type: none"> • California Predevelopment Loan Program (PDLP) • Multifamily Housing Program (MHP) • Rural Development Assistance Program • California Joe Serna Farmworker Grant Program (FWHG) • USDA Rural Development, Section 515 Program • USDA Rural Development, Section 523/524 Technical Assistance Grants • Community Development Block Grant Program (CDBG) 		determine available programs.		

Implementation Measure	Objective	Time Frame	Evaluation	Continue/Modify/Delete
<ul style="list-style-type: none"> Home Investment Partnerships Program (HOME) 				
<p><u>Program HE-3.D: Inclusionary Zoning Ordinance</u></p> <p>Inclusionary zoning is one way for the City to ensure that new residential development projects include a minimum commitment to affordable housing and assist in distributing affordable housing throughout the city. (Ref. Policies HE-1.B, HE-1.E, HE-3.C, HE-3.F)</p>	<p>Consider the feasibility of adopting an inclusionary housing ordinance which would set forth minimum requirements for the construction of affordable housing in new residential projects or contributions to an affordable housing trust fund.</p>	<p>Consider feasibility by the end of the planning period.</p>	<p>The City has budgeted for and is looking to hire a firm to establish development impact fees, and consideration of the feasibility of inclusionary housing would possibly fall under this evaluation.</p>	<p>Continue.</p>
<p><u>Program HE-3.E: Emergency Shelter Development</u></p> <p>Pursuant to Senate Bill 2, the City will amend the Zoning Ordinance to allow emergency shelters as a permitted use in the C-2 zone without a conditional use permit or other discretionary review. In addition, the City will evaluate adopting development and managerial standards that will be consistent with Government Code Section 65583(a)(4). These standards may include such items as:</p> <ul style="list-style-type: none"> Lighting On-site management Maximum number of beds or persons to be served nightly by the facility 	<p>Allow for the development of emergency shelters.</p>	<p>Revise the Zoning Ordinance within one year of adoption of the Housing Element. Annually provide informational brochures from Willits Community Services and the CDC of Mendocino County.</p>	<p>In September 2018 the City processed an amendment to the Zoning Ordinance to allow emergency shelters as a permitted use in the C-2 zone without a conditional use permit or other discretionary review.</p> <p>Due to budget constraints the City has not yet assigned up to 10 percent hotel bed tax revenues for homeless assistance programs and shelters and plans, but plans to consider this over the 2019–2027 planning period.</p>	<p>Modify.</p>

Implementation Measure	Objective	Time Frame	Evaluation	Continue/Modify/Delete
<ul style="list-style-type: none"> Off-street parking based on demonstrated need Security during hours that the emergency shelter is in operation <p>In addition, on an annual basis, the City will continue the assignment of up to 10 percent of hotel bed tax revenues for homeless assistance programs and shelters, as well as continue to encourage private contributions to local homeless assistance programs and shelters by providing information from area homeless service providers and the Community Development Commission of Mendocino County about homeless needs and services at City Hall and other public locations. (Ref. Policy HE-3.B)</p>				
<p><u>Program HE-3.F: Supportive and Transitional Housing Types</u></p> <p>Pursuant to Senate Bill 2, the City must explicitly allow both supportive and transitional housing types in all residential zones.</p>	<p>The City will update its Zoning Ordinance to include separate definitions of transitional and supportive housing as defined in Health and Safety Code Sections 50675.2 and 50675.14. Both transitional and supportive housing types will be allowed as a permitted use subject only to the same restrictions on residential uses contained in the same type of structure.</p>	<p>Revise the Zoning Ordinance within one year of adoption of the Housing Element. Annually provide informational brochures from Willits Community Services and the CDC of Mendocino County.</p>	<p>In September 2018 the City processed an amendment to the Zoning Ordinance to explicitly allow both supportive and transitional housing types in all residential zones subject only to the same restrictions on residential uses contained in the same type of structure.</p>	<p>Delete. Program complete.</p>
<p><u>Program HE-3.G: Extremely Low-Income Households</u></p> <p>AB 2634 requires the City to identify zoning to encourage and facilitate</p>	<p>The City will encourage the development of housing for extremely low-income households through working with the CDC and RCHDC on a variety of</p>	<p>Revise the Zoning Ordinance by June 2012. Provide informational brochures from Willits</p>	<p>In September 2018 the City processed an amendment to the Zoning Ordinance to allow single-room-occupancy units in the R-2,</p>	<p>Modify.</p>

Implementation Measure	Objective	Time Frame	Evaluation	Continue/Modify/Delete
<p>housing suitable for extremely low-income households, such as supportive housing and single-room occupancy units.</p>	<p>activities such as outreach to housing developers on an annual basis, providing financial assistance (when feasible) or in-kind technical assistance or land writedowns, providing expedited processing, identifying grant and funding opportunities, applying for or supporting applications for funding on an ongoing basis, reviewing and prioritizing local funding at least twice in the planning period, and/or offering additional incentives beyond the density bonus.</p> <p>In addition, the City will allow single-room occupancy units (SROs) to be permitted in the R-2, R-3, C-1, and C-2 zones with a conditional use permit.</p>	<p>Community Services and the CDC of Mendocino County by June 2012.</p>	<p>R-3, C-1 and C-2 zones with a conditional use permit.</p> <p>Although no affordable housing projects have come forward, the City continues to publicize informational brochures on the City's website for the FTHB. In addition, the City provides RCHDC with a list of City-owned property to see if there are any opportunities for affordable housing developments.</p>	
<p><u>Program HE-3.H: Farmworker Housing</u></p> <p>The City will amend the Zoning Ordinance to comply with Sections 17021.5 and 17021.6 of the Health and Safety Code, which requires that "for the purpose of all local ordinances, employee housing shall not be deemed a use that implies that the employee housing is an activity that differs in any other way from an agricultural use. No conditional use permit, zoning variance, or other zoning clearance shall be required of this employee housing that is not required of any other agricultural activity in the same zone. The permitted occupancy in employee housing in an agricultural zone shall</p>	<p>Provide for the development of farmworker housing and continue to support regional efforts.</p>	<p>Update the Zoning Ordinance within 8 months from adoption of the Housing Element. Continually work with the Community Development Commission of Mendocino County and other organizations to secure funding.</p>	<p>In September 2018 the City processed an amendment to the Zoning Ordinance to comply with Sections 17021.5 and 17021.6 of the Health and Safety Code, which requires that "for the purpose of all local ordinances, employee housing shall not be deemed a use that implies that the employee housing is an activity that differs in any other way from an agricultural use."</p>	<p>Modify.</p>

Implementation Measure	Objective	Time Frame	Evaluation	Continue/Modify/Delete
<p>include agricultural employees who do not work on the property where the employee housing is located.” (Ref. Policies HE-1.E, HE-2.F, HE-3.B)</p> <p>In addition, the City will continue to support regional efforts, such as those of the Community Development Commission of Mendocino County and other organizations, to secure funding and identify sites for the development of migrant/seasonal farmworker housing, including sites in the City’s Sphere of Influence.</p>				
<p><u>Program HE-3.I: Larger Multifamily Units</u></p> <p>Encourage developers of affordable and market-rate housing to construct housing units with three or more bedrooms to accommodate large households and alleviate overcrowding in Willits. Where feasible, provide incentives to developers who provide housing units affordable to lower-income households that have three or more bedrooms. Such incentives may include, but are not limited to, flexible development standards, fee deferrals, density bonuses, or expedited processing. (Ref. Policies HE-1.B, HE-3.B, HE-3.C)</p>	<p>Encourage housing developers to provide larger units to provide housing for larger renter families and to alleviate existing or future overcrowding.</p>	<p>Ongoing, as applications are processed through the Community development Department.</p>	<p>No multifamily projects have been proposed.</p>	<p>Continue.</p>

Implementation Measure	Objective	Time Frame	Evaluation	Continue/Modify/Delete
<p><u>Program HE-3.J: Density Bonus</u> The City’s Zoning Ordinance will be amended to comply with State density bonus law (Government Code Section 65915, as revised). The density bonus will be promoted through informational brochures which will be displayed at the City’s Community Development Department and on the City’s website. (Ref. Policies HE-1.E, HE-3.C)</p>	<p>The production of housing affordable to lower-income households.</p>	<p>Ongoing—continuation of existing program. Amend the Zoning Ordinance to adhere to new density bonus legislation by December 2013. Develop and display density bonus brochures by December 2013.</p>	<p>In September 2018 the City processed an amendment to the Zoning Ordinance to include density bonus language pursuant to the state density bonus law. The City is in the process of developing an informational brochure to make available at City Hall and the library and on the City’s website.</p>	<p>Delete. Program complete.</p>
<p><u>Program HE-3.K Residential Care Facilities</u> The City will amend the Zoning Ordinance to define and allow for residential care homes with six or fewer persons by right in all residential zones subject only to the same restrictions in that zone and will allow larger group homes of seven or more persons in the R-2 and R-3 zones with a conditional use permit. Additionally, the City will amend the Zoning Ordinance to update its definition of “family” to be “One or more persons living together in a dwelling unit.”</p>	<p>Update the Zoning Ordinance to comply with SB 520.</p>	<p>Amend the Zoning Ordinance by December 2013.</p>	<p>In September 2018 the City processed an amendment to the Zoning Ordinance to allow for residential care homes with six or fewer persons by right in residential zones, and homes of seven or more persons in the R-2 and R-3 zones with a conditional use permit. The City also updated the definition of family to comply with state law.</p>	<p>Delete. Program completed.</p>
<p><u>Program HE-3.L: Assistance for Persons with Developmental Disabilities</u> Work with the Redwood Coast Regional Center to implement an outreach program that informs</p>	<p>Implement an outreach program to assist persons with developmental disabilities.</p>	<p>Develop an outreach program within two years of adopting the Housing Element to assist persons with</p>	<p>The City has not yet developed an outreach program but plans to do so during this Housing Element time frame.</p>	<p>Continue.</p>

Implementation Measure	Objective	Time Frame	Evaluation	Continue/Modify/Delete
<p>families in the city about housing and services available for persons with developmental disabilities. The program could include developing an informational brochure and directing people to service information on the City's website.</p>		<p>development disabilities.</p>		
<p>Goal HE-4 Assure that discrimination is not a factor in the ability of households to obtain housing.</p>				
<p><u>Program HE-4.A: Housing Discrimination and Housing Equal Opportunity</u> Continue to coordinate and refer interested persons to the appropriate agencies, such as Legal Services of Northern California in Ukiah or the HUD Fair Housing Enforcement Center in San Francisco. The City will act as an independent third party to discrimination complaints. The City will support housing equal opportunity programs by continuing to provide fair housing brochures to the public at City Hall, the local U.S. Post Office, Willits Community Services, the library, and other local housing and social service agencies. (Ref. Policies HE-4.A, HE-4.B, HE-4.C)</p>	<p>Prevent housing discrimination and promote equal housing opportunities.</p>	<p>Ongoing; refer persons to the appropriate agencies as complaints are received.</p>	<p>The City has not received any recent complaints but will continue to refer interested persons to the appropriate agencies.</p>	<p>Continue.</p>

Implementation Measure	Objective	Time Frame	Evaluation	Continue/Modify/Delete
Goal HE-5 Promote effective and efficient land use when meeting housing needs, including consideration of sustainable development, conservation of energy and natural resources, and green building technologies.				
<p><u>Program HE-5.A: Implement State Energy Conservation Standards</u></p> <p>The Building Department will continue to be responsible for implementing the State’s Energy Conservation Standards. This includes checking building plans and other written documentation showing compliance with energy standards and inspecting construction to ensure that dwelling units are constructed according to those plans. (Ref. Policies HE-5.A, HE-5.B)</p>	<p>The City will promote energy and resource conservation wherever possible. Applicants for building permits must continue to show compliance with the State’s energy conservation requirements at the time building plans are submitted.</p>	<p>Ongoing.</p>	<p>The City requires all applicants to be in compliance with the California Building Code.</p>	<p>Continue.</p>
<p><u>Program HE-5.B: Green Building</u></p> <p>Incorporate Title 24 and Leadership in Energy and Environmental Design (LEED) requirements into the Zoning Ordinance, specific plans, and development agreements as appropriate and enforce state requirements, including Title 24 of the California Code of Regulations, for energy conservation in new residential projects. Encourage residential developers to employ additional energy conservation measures for the siting of buildings, landscaping, and solar access through development standards contained in the Zoning Ordinance,</p>	<p>Contribute to the reduction of greenhouse gases and climate change through the utilization of green building technologies and materials.</p>	<p>Ongoing, as affordable projects are processed through the Community Development Department.</p>	<p>The City requires developers to employ energy conversation measures pursuant to the California Building Code.</p>	<p>Continue.</p>

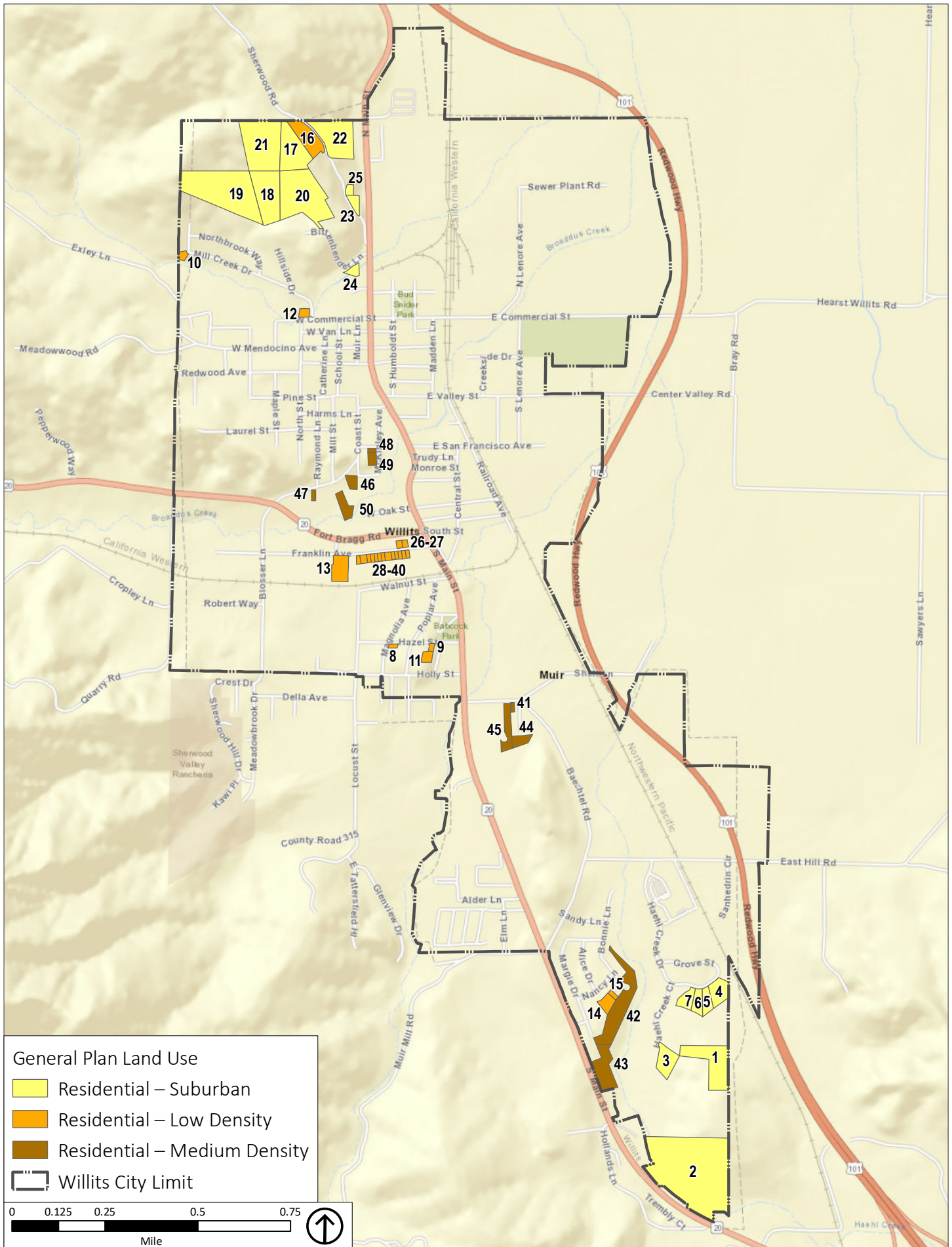
Implementation Measure	Objective	Time Frame	Evaluation	Continue/Modify/Delete
Building Code, and other plans as appropriate. (Ref. Policy HE-5.C)				
<p><u>Program HE-5.C: Fee Reduction</u></p> <p>Allow for fee reduction, expedited permit processing, or other incentives for new construction that exceeds Title 24 energy efficiency standards by 10 percent or more and/or incorporate use of renewable (non-fossil-fuel) energy.</p>	<p>Contribute to the reduction of greenhouse gases and climate change through the utilization of green building technologies and materials.</p>	<p>Ongoing, as projects are processed through the Community Development Department.</p>	<p>The City provides expedited processing for utilization of green building technologies and materials.</p>	<p>Continue.</p>

APPENDIX B – SITES INVENTORY

Site #	APN	Gen Plan	Zoning	Acreage	Max. Density per Acre	Realistic Capacity (80%)	Affordability	Site Constraints	Type
Vacant Sites									
1	007-250-23	R-S	RE	5.76	2.2	10	AM	None	Vacant
2	007-270-13	R-S	RE	24.81	2.2	43	AM	None	Vacant
3	007-250-24	R-S	RE	2.27	2.2	3	AM	None	Vacant
4	007-231-10	R-S	RE	1.60	2.2	2	AM	None	Vacant
5	007-231-11	R-S	RE	1.08	2.2	1	AM	None	Vacant
6	007-231-12	R-S	RE	1.07	2.2	1	AM	None	Vacant
7	007-231-13	R-S	RE	1.17	2.2	2	AM	None	Vacant
Subtotal RE				41.41		62	AM		
8	006-252-16	R-L	R1	0.14	7	1	M	None	Vacant
9	006-253-12	R-L	R1	0.16	7	1	M	None	Vacant
10	005-091-19	R-L	R1	0.19	7	1	M	None	Vacant
11	006-253-03	R-L	R1	0.60	7	3	M	Seismic	Vacant
12	005-150-76	R-L	R1	0.92	7	5	M	Seismic, Floodplain	Vacant
13	006-182-31	R-L	R1	1.99	7	11	M	None	Vacant
14	007-292-68	R-L	R1	0.88	7	4	M	None	Vacant
15	007-292-35	R-L	R1	0.21	7	1	M	None	Vacant
16	005-020-31	R-L	R1-BL	4.00	7	22	M	Seismic	Vacant
17	005-020-34	R-S	R1-BL	5.50	7	30	M	Seismic	Vacant
18	005-080-10	R-S	R1-BL	6.00	7	33	M	Seismic	Vacant
19	005-080-11	R-S	R1-BL	13.00	7	72	M	Seismic	Vacant
20	005-070-33	R-S	R1-BL	12.00	7	67	M	Seismic	Vacant
21	005-010-04	R-S	R1-BL	8.00	7	44	M	Seismic	Vacant
22	005-020-17	R-S	R1-BL	6.66	7	37	M	None	Vacant
23	005-070-28	R-S	R1-BL	0.065	7	0	M	None	Vacant
24	005-150-04	R-S	R1-BL	0.5	7	2	M	None	Vacant
25	007-070-26	R-S	R1-BL	0.5	7	2	M	None	Vacant
26	006-133-20	R-L	R1	0.25	7	1	M	None	Vacant
27	006-133-19	R-L	R1	0.25	7	1	M	None	Vacant
28	006-170-01	R-L	R1	0.16	7	1	M	None	Vacant
29	006-170-02	R-L	R1	0.28	7	1	M	None	Vacant
30	006-170-03	R-L	R1	0.14	7	1	M	None	Vacant
31	006-170-04	R-L	R1	0.14	7	0	M	None	Vacant
32	006-170-05	R-L	R1	0.14	7	1	M	None	Vacant
33	006-170-06	R-L	R1	0.14	7	1	M	None	Vacant
34	006-170-07	R-L	R1	0.14	7	1	M	None	Vacant
35	006-170-08	R-L	R1	0.28	7	1	M	None	Vacant
36	006-170-09	R-L	R1	0.14	7	1	M	None	Vacant
37	006-170-10	R-L	R1	0.14	7	1	M	None	Vacant
38	006-170-11	R-L	R1	0.14	7	1	M	None	Vacant
39	006-170-12	R-L	R1	0.14	7	1	M	None	Vacant
40	006-170-13	R-L	R1	0.14	7	0	M	None	Vacant
Subtotal R1				64.52		352	M		
41	007-092-01	RM	R2	0.16	14.5	1	VL/L	Seismic	Vacant

42	007-231-06	RM	R2	5.22	14.5	60	VL/L	Seismic	Vacant
43	007-250-16	RM	R2	3.39	14.5	39	VL/L	None	Vacant
44	007-091-12	RM	R2	0.86	14.5	9	VL/L	Seismic	Vacant
45	007-091-019	RM	R2	1.54	14.5	17	VL/L	None	Vacant
Subtotal R2				19.59		221	VL/L		
46	006-080-08	RM	R3	0.65	29	15	VL/L	None	Vacant
47	006-120-07	RM	R3	0.21	29	4	VL/L	None	Vacant
48	006-071-02	RM	R3	0.20	29	4	VL/L	None	Vacant
49	006-071-03	RM	R3	0.60	29	13	VL/L	None	Vacant
50	006-120-44	RM	R3	1.23	29	28	VL/L	None	Vacant
Subtotal R3				4.33		97	VL/L		

Source: City of Willits, August 2019



Source: ESRI, 2019; County of Mendocino, 2019; PlaceWorks, 2019.

APPENDIX D – FUNDING SOURCES

The City and local housing agencies have several funding sources available for pursuit of various housing activities, with the most notable financing programs summarized below.

SECTION 8 PROGRAM

This federally funded program offers Section 8 Housing Choice Vouchers (under the HCV Program). The Section 8 program provides rental assistance to households qualifying as extremely low and low income. A voucher typically covers differences between Fair Market Rents (for standards developed by the Housing and Urban Development Department, or HUD) and what a tenant is able to pay (with 30 percent the standard threshold).

HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)

HOME funds are available to assist with owner-occupied rehabilitation projects to qualifying households (lower-income and moderate-income households). The funds are used to make necessary repairs and upgrades related to health and safety issues at the qualifying residences. These funds can be used for “traditional” (stick-built) and manufactured homes, although manufactured homes must be less than 17 years old. Loans can be considered based on a loan-to-value ratio not exceeding 75 percent, factoring in values after the work is completed.

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG)

A wide range of federal CDBG funds are available, including funds for housing rehabilitation and minor home repairs. Use of revolving loan funds keeps this program available for succeeding years, and repairs can include roofs, windows, water heaters, access improvements for the disabled, and similar actions that require immediate attention. Low-interest loan programs are also available to homeowners who rent units to low-income families, for a similar range of home improvements.

MULTIFAMILY HOUSING PROGRAM (MHP)

This program provides low-interest loans for development of affordable rental housing units. The housing project is subject to qualification through the California HCD. A qualifying sponsor (private or public) can pursue these funds. A similar program, MHP-Supportive Housing, provides loans for rental housing with supportive services for the disabled who are homeless or at risk of becoming homeless.

CALHOME

This program provides grants to local agencies and nonprofit organizations to fund first-time homebuyer mortgage assistance and owner-occupied housing rehabilitation. For small cities, who must have been operating as a housing administrator the previous two years, recent funding limits have been a maximum of \$600,000.

EMERGENCY HOUSING AND ASSISTANCE PROGRAM (EHAP)

The EHAP focuses on provision of deferred loans for capital development of emergency shelters and transitional housing for the homeless.

TRANSIT ORIENTED DEVELOPMENT PROGRAM (TOD)

This program provides funding for housing and related infrastructure improvements located near transit stations.

CALIFORNIA SOLAR INITIATIVE (CPUC)

Under this program, cash is offered on an incentive basis for installation of solar systems. This program is usually paired with federal programs, allowing for coverage of up to 50 percent of the total cost of the solar system. Affordable housing projects can get up to 75 percent of the total system costs covered.

ADDITIONAL FINANCIAL RESOURCES

Program Name	Description
Federal Programs	
Community Development Block Grant (CDBG)	Federal block grant program administered and awarded by the California Department of Housing and Community Development (HCD) on behalf of HUD through an annual competitive process to cities and counties. Funds may be used for affordable housing acquisition, rehabilitation, construction, homebuyer assistance, community facilities, community services, and infrastructure improvements, among other uses that benefit low- and moderate-income persons.
Emergency Shelter Grants (ESG)	Federal block grant program administered and awarded by the HCD on behalf of HUD through an annual competitive process to cities and counties. Funds may be used for homeless services and facilities, including emergency shelter and transitional housing. ESG also provides short-term homelessness prevention assistance to persons at imminent risk of losing their own housing due to eviction, foreclosure, or utility shutoffs.
Housing for Persons with AIDS (HOPWA)	Makes grants to local communities, states, and nonprofit organizations for projects that benefit low-income persons medically diagnosed with HIV/AIDS and their families. HOPWA funding can provide housing assistance and related supportive services.
HOME Investment Partnership Act Funds	Federal block grant program for affordable housing activities administered and awarded by the State on behalf of HUD through an annual competitive process to cities, counties, and private nonprofit housing development agencies.
HUD Section 8 Rental Assistance Program	Provides project-based rental assistance or subsidies in connection with the development of newly constructed or substantially rehabilitated privately owned rental housing financed with any type of construction or permanent financing.
HUD Section 8 Housing Choice Voucher Program	Provides very low-income families with a voucher to be used in rental housing of the tenant's choosing.
HUD Section 202 – Supportive Housing for the Elderly	Provides funding for construction, rehabilitation, or acquisition of supportive housing for very low-income elderly persons and provides rent subsidies for the projects to help make them affordable.
HUD Section 203(k) – Rehabilitation Mortgage Insurance Program	Provides in the mortgage, funds to rehabilitate and repair single-family housing.

Program Name	Description
HUD Section 207/223(f) Mortgage Insurance for Purchase or Refinancing of Existing Multifamily Rental Housing	Insures mortgage loans to facilitate purchase or refinancing of existing multi-family rental housing.
HUD Section 221(d)(3) and 221(d)(4) SRO Projects	Insures loans for construction or substantial rehabilitation of projects consisting of 5 or more single-room occupancy (SRO) units, with no more than 10% of gross floor space dedicated to commercial use (20% for substantial rehabilitation projects).
HUD Section 811 – Supportive Housing for Persons with Disabilities	Provides funding to nonprofits to develop rental housing with the availability of supportive services for very low-income adults with disabilities, and provides rent subsidies for the projects to help make them affordable.
HUD Self-help Homeownership Opportunity Program (SHOP)	Provides funds for nonprofits to purchase home sites and develop or improve the infrastructure needed for sweat equity affordable homeownership programs for low-income persons and families.
HUD Shelter Plus Care Program (S+C)	Provides rental assistance and permanent housing for disabled homeless individuals and their families.
HUD Supportive Housing Program (SHP)	Provides grants to develop supportive housing and services that enable homeless people to live independently.
Low-Income Housing Tax Credit (LIHTC) Program	Provides federal and state income tax credit based on the cost of acquiring, rehabilitating, or constructing low-income housing.
Mortgage Credit Certificate (MCC) Program	Can be used by lower-income first-time homebuyers to reduce their federal income tax by a portion of their mortgage interest.
USDA RHS Direct Loan Program and Loan Guarantee Program (Section 502)	Provides low-interest loans to lower-income households in rural areas to purchase, build, repair, renovate, or relocate a home, or to purchase and prepare a site, including providing water and sewerage facilities.
USDA RHS Home Repair Loan and Grant Program (Section 504)	Provides loans and grants for very low-income residents in nonmetropolitan areas to repair their housing, making them safer, more sanitary, or removing health and safety hazards.
USDA RHS Farm Labor Housing Program (Section 514)	Provides loans and for the construction, improvement, or repair of housing for farm laborers.
USDA RHS Rural Rental Housing – Direct Loans	Provides direct loans to developers of affordable rural multi-family rental housing for very low-, low-, and moderate-income families, the elderly, and persons with disabilities. Funds may be used for new construction, to buy and improve land, or rehabilitation.
USDA RHS Farmworker Housing Grants (Section 516)	Provides grants for farmworker housing.
USDA Multi-Family Housing Rental Assistance Program (Section 521)	Provides rent subsidies to ensure that elderly, disabled, and low-income residents of multi-family housing complexes financed by the Housing Communities & Facilities Program (HCFP) are able to afford rent payments.

Program Name	Description
USDA RHS Rural Housing Site Loans (Sections 523 and 524)	Provides financing for the purchase and development of affordable housing sites in rural areas for low/moderate-income families.
USDA RHS Housing Preservation Grant Program (Section 533)	Provides grants to nonprofit organizations, local governments, and Native American tribes to renovate existing low-income multi-family rental units.
USDA RHS Rural Rental Housing Guaranteed Loan Program (Section 538)	Provides funding for construction of multi-family housing units to be occupied by low-income families.
State Programs	
Exterior Accessibility Grants for Renters (EAGR)	Grants by HCD to local government agencies and nonprofits to fund accessibility improvements for lower-income disabled renters.
Building Equity and Growth in Neighborhoods (BEGIN)	HCD provides grants to local public agencies to make deferred payment second mortgage loans to qualified buyers of new homes, including manufactured homes on permanent foundations. Grant funds must be used for down payment assistance for low- and moderate-income homebuyers.
CalHFA Homebuyer's Downpayment Assistance Program (CHDAP)*	Provides deferred payment, simple-interest loans not to exceed 3% of the sale price or appraised value, whichever is less, for first-time homebuyers. Can be used for down payment assistance or closing costs. Borrower's income cannot exceed HCD-defined moderate income limits.
California Self-Help Housing Program	Provides grants to organizations in order to assist low- and moderate-income households who build their own homes.
CalHome Program	Provides grants to local public agencies and nonprofit developers to assist individual households through deferred-payment loans and offers direct, forgivable loans to assist development projects involving multiple ownership units, including single-family subdivisions.
California Debt Limit Allocation Committee (CDLAC) Qualified Rental Project Program	Local agencies can issue tax-exempt housing revenue bonds to assist developers of multi-family rental housing units, acquire land, and construct new projects or purchase and rehabilitate existing units. Reduces interest rate paid by developers for production of market-rate and affordable rental housing for low- and very low-income households.
CDLAC Single-Family Housing Program	Local agencies can issue tax-exempt mortgage revenue bonds (MRBs) or mortgage credit certificates (MCCs) to assist first-time homebuyers. MRBs lower the effective interest rate for developers; MCCs reduce developers' federal tax liability. Homebuyers may purchase attached or detached single-family homes. Participants must meet program income limits and must purchase a home within the program's purchase price limitations.

Program Name	Description
CDLAC Extra Credit Teacher Home Purchase Program	Local agencies can issue MRBs or MCCs to assist teachers, principals or other credentialed school staff, and classified school employees. Participants must be employed at a low-performing school (a California K-12 public school ranked in the bottom 50% based on the most recent Academic Performance Index). Participants must commit to work at a high priority school for at least three years.
CalHFA High Cost Area Assistance Program (HiCAP)	Designed to assist first-time homebuyers in the highest housing cost areas of the state.
CalHFA Affordable Housing Partnership Program (AHPP)	Provides below-market-rate mortgages to qualified low-income, first-time homebuyers who also receive direct financial assistance from an AHPP partner, such as down payment assistance or closing cost assistance.
CalHFA Housing Assistance Program (CHAP)*	Provides 100% of the financing needs of eligible first-time homebuyers by providing a below market interest rate first mortgage combined with a 3% silent second mortgage to purchase newly constructed or existing (resale) housing.
California Tax Credit Allocation Committee (CTCAC) Tax Credit Program	Through a competitive process, awards tax credits to local agencies or nonprofits for the development of affordable rental housing.
Emergency Housing and Assistance Program Operating Facilities Grant (EHAP)	Provides funds for emergency shelter, transitional housing, and related services for the homeless and those at risk of losing their housing. The funds are distributed to all 58 counties based on a “need” formula derived from factors including population, employment, and poverty.
Joe Serna, Jr. Farmworker Housing Grant (JSJFWHG)	Finances new construction, rehabilitation, and acquisition of owner-occupied and rental units for agricultural workers, with a priority for lower-income households.
Local Housing Trust Fund	Provides matching grants (dollar-for-dollar) to local housing trust funds that are funded on an ongoing basis from private contributions or public sources that are not otherwise restricted in use for housing programs.
Mobilehome Park Resident Ownership Program (MRPROP)	Finances the preservation of affordable mobile home parks by conversion to ownership or control by resident organizations, nonprofit housing sponsors, or local public agencies.
Multi-family Housing Program (MHP)	Provides low-interest, deferred payment loans for construction, rehabilitation, and preservation of permanent and transitional rental housing for lower-income households.
Preservation Interim Repositioning Program	Provides a short-term loan to an organization for preservation of rental housing “at risk” of conversion to market-rate uses.
Local Programs	
Single-Family Mortgage Revenue Bonds	Bonds may be issued and used to fund programs for construction and rehabilitation of affordable single-family housing.
Multi-Family Mortgage Revenue Bonds	Bonds may be issued and used to fund programs for construction and rehabilitation of affordable multi-family housing.

Program Name	Description
Private Resources	
Federal Home Loan Bank Affordable Housing Program	Provides grant or subsidized interest rate loans for purchase, construction, and/or rehabilitation of owner-occupied housing for lower- and moderate-income households and/or to finance the purchase, construction, or rehabilitation of rental housing.
Federal National Mortgage Association (Fannie Mae) Programs	Provides low down payment mortgages to help first-time buyers purchase a home.
Federal Home Loan Mortgage Corporation (Freddie Mac) Affordable Gold Program	Provides mortgages requiring as little as 3% down payment for housing in lower-income neighborhoods. Extra financing flexibility is available for teachers, firefighters, law enforcement officers, healthcare workers, and members of the US armed forces. Homeownership education is required for first-time buyers.
California Community Reinvestment Corporation (CCRC)	Provides long-term mortgages and bond financing for new construction, acquisition, and rehabilitation as well as direct equity investment funds to acquire housing at risk of going to market-rate rents.
Low-Income Housing Fund	Provides financing for low-income housing at affordable rates and terms.

Source: HUC, HCD, LISC, USDA, and CCRC, September 2016.