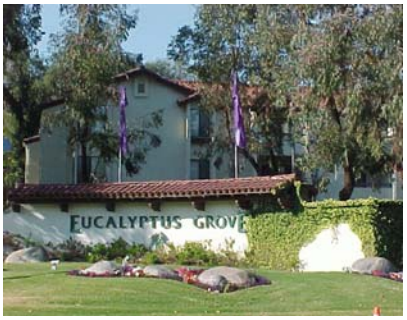
CITY OF
CHULA VISTA

HOUSING ELEMENT OF THE GENERAL PLAN



1999-2004

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CITY OF CHULA VISTA
GENERAL PLAN
HOUSING ELEMENT
1999-2004

Adopted on
December 19, 2000
City Council Resolution No. 2000-480

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May 28, 2002
City Council Resolution No. 2002-179

HOUSING ELEMENT STAFF

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EXECUTIVE SUMMARY

The Housing Element for the City of Chula Vista is an element of the City's General Plan. It covers the period beginning July 1, 1999 to June 30, 2004.

Background Information

Chula Vista is the second largest municipality in San Diego County with a population of 166,945 residents. The City covers approximately 50 square miles along the San Diego Bay and surrounded by National City, the City of San Diego, and the unincorporated area. Two major north-south freeways, I-5 and I-805 traverse Chula Vista. The area west of the I-805, "western Chula Vista" is built-up and characterized by well-established neighborhoods with primarily infill and redevelopment residential construction activity. The developing "eastern area" is comprised of large vacant tracts constituent to several master planned communities in various stages of approval and implementation.

Needs Assessment

According to SANDAG's Preliminary 2020 Cities/County Forecast, Chula Vista is expected to gain 46,000 new residents and 13,801 new households. The characteristics of the City's population, housing, and employment that affect its housing goals, policies, and programs include:

Population/Household Characteristics

- Chula Vista residents have household income and age characteristics that nearly match the regional median.

- The population has more diversity in race/ethnicity than the region, in that 44 percent of the population is white (non-Hispanic) and 42 percent is Hispanic (all races), this compares to 61 percent and 23 percent respectively.

- Household size is slightly larger than the region, at 3.0 persons per household for Chula Vista, compared to 2.83 persons per household for the region.

Land Use Characteristics

- A large supply of vacant developable land is planned for communities with a wide variety of densities and land use types.

- The well-established neighborhoods and master planned neighborhoods create different opportunities and require a different set of policies and programs to address housing needs.

Employment Characteristics

- The City's diverse employment base will grow by more than 47 percent between 1995 and 2005, with the majority of growth in the retail, service, and government sectors.

Housing Stock Characteristics

- A high rate of new home construction is anticipated due to the many approved master planned communities in the City.
- Reinvestment in the well-established neighborhoods of Western Chula Vista continues to be needed.
- Approximately 13,000 units will be 50 years or older by 2004.
- A home ownership rate of 53 percent is nearly the same as the region's rate of 54 percent.
- The very low rental vacancy rate of 1.1 percent indicates likely increased housing costs and greater likelihood of over-crowding.
- The median housing cost (resale) of $177,000 is $18,500 less than the region's median cost of $195,500.
- Average rents are 10 percent to 30 percent lower than the region wide average rents.

Assisted Housing Units at Risk of Converting to Market Rate Units

- Two projects have at-risk units that were created through the density bonus program. These 41 units could be converted to market rate units in 2000 and 2008.

Goals and Policies

The primary goal of the City is to ensure that decent, safe housing is available at an affordable cost. The priority is the provision of housing for families, particularly large families, of all income levels.

Goal 1. Conserve Existing Affordable Housing Opportunities

Goal 2. Maintain and Enhance the Quality of Residential Neighborhoods in Chula Vista

Goal 3. Ensure That an Adequate and Diverse Housing Supply Is Available to Meet the City's Existing and Future Needs.

Goal 4. Increase Home Ownership Opportunities for Low- and Moderate-income Households

Goal 5. Enable Homeless Individuals and Families to Find Permanent Housing

Goal 6. Encourage Energy and Waste Conservation as an Integral Part of Homes

Goal 7. Promote Equal Opportunity for All Residents to Reside in Housing of Their Choice

Goal 8. Reduction And/or Removal to the Greatest Extent Possible of Identified Constraints to the Development, Maintenance, and Improvement of Housing

Each of these goals has a set of policies and programs, which include objectives for the 1999-2004 Housing Element cycle, as summarized in the table below and as more specifically set forth in Section V.

TABLE 1: 1999-2004 QUANTIFIED OBJECTIVES

Description	Households Assisted
Preserve At-Risk	41
SF/MH Rehabilitation	250
Caring Neighbors	500
Rental Rehabilitation	120
Christmas in October	25
Affordable Housing Program – Low Income	460
Affordable Housing Program – Moderate Income	470
State Density Bonus	10
Mixed Use Developments	100
Shared Housing	350
First Time Home Buyer – Aff Hsg Program	130
Mortgage Credit Certificate	25
Transitional Housing	10
Fair Housing Assistance	150
Total	**2,641**

The City has two sets of numerical housing goals established by SANDAG, which are also addressed in the Housing Element; the City's share of the region's future housing needs (regional share goals) and the affordable housing goal for self-certification. The total regional share goal is 10,401 new housing units and the estimated total affordable housing opportunities for self-certification in 2004 is 1,029. Both of these totals are divided into income categories which are explained in this Housing Element.

The City of Chula Vista is eligible to self-certify this Housing Element update in 1999 because it created 1,796 affordable housing opportunities between 1991-1999. This means that when the City Council adopts the final Housing Element, including a resolution that makes the "self-certification findings," the Housing Element update process is completed. The Housing Element is not sent to the State Housing and Community Development Department for certification (approval).

INTRODUCTION

The Housing Element is an important planning tool for the City of Chula Vista. It identifies the housing needs of the City and recommends ways to meet these needs while balancing other community objectives and resources.

City Profile

Chula Vista is the second largest municipality in San Diego County with a population of 166,945 residents. The City covers approximately 50 square miles along the San Diego Bay and surrounded by National City, the City of San Diego, and the unincorporated area. Two major north-south freeways, I-5 and I-805 traverse Chula Vista. The area west of the I-805, "western Chula Vista" is built-up and characterized by well-established neighborhoods with primarily infill and redevelopment residential construction activity. The developing "eastern area" is comprised of large vacant tracts constituent to several master planned communities in various stages of approval and implementation.

Housing Element

The Housing Element is an important planning tool for the City of Chula Vista. It identifies the housing needs of the City and recommends ways to meet these needs while balancing other community objectives and resources.

As the needs and programs are discussed in this Housing Element, a distinction may be made between Western and Eastern Chula Vista. Figure 1 shows the areas covered by that reference.

State Policy and Authorization

The California State Legislature has identified the attainment of a decent home and suitable living environment for every Californian as the State's main housing goal. Recognizing the important part that local planning programs play in pursuit of this goal, the Legislature has mandated that all cities and counties prepare a housing element as part of their comprehensive general plans.

State law requires housing elements to be updated at least every five years to reflect a community's changing housing needs. Chula Vista's Housing Element was last updated in 1991. No update of the Element was required until 1999 due to legislative extensions. This document is the 1999-2004 update required for jurisdictions within the San Diego region.

Organization of the Housing Element

Section 65302(c) of the Government Code sets forth the specific components to be contained in a community's housing element. Table 1 summarizes these State requirements and identifies the sections in the Chula Vista Housing Element where these requirements are addressed.

Relationship to Other General Plan Elements

California law requires that General Plans contain an integrated and internally consistent set of goals and policies. The City of Chula Vista's General Plan consists of ten elements: 1) Land Use; 2) Circulation; 3) Open Space and Conservation; 4) Noise; 5) Safety; 6) Public Facilities; 7) Housing; 8) Growth Management; 9) Parks and Recreation; and 10) Childcare, and contains goals and policies for urban development, community design, housing, natural hazards, economic development, and public services and facilities. The Housing Element is most affected by development policies of the Land Use Element, which establishes the location, type, intensity, and distribution of land uses throughout the City.

The Housing Element uses the residential goals and objectives of the City's adopted Land Use Element as a policy framework for developing more specific goals and policies in the Housing Element. The main themes expressed in the goals and objectives of the Land Use Element for residential development include the following:

1. Choice - The City should ensure a diversity of housing types and price levels.

2. Planned, Quality Development – The city should ensure that new developments are of high quality design and planning, with coordinated mix of urban uses, open spaces, and amenities.

3. Medium and High Density Compatibility with Surroundings and Services – The City should provide multi-family housing in appropriate areas convenient to public services, facilities, and circulation, and limit higher densities where found to be incompatible with the conservation of single family neighborhoods.

4. Preservation – The City should preserve and reinforce existing neighborhoods.

The Housing Element is also affected by the policies set forth in the Noise Element and Safety Element. These Elements contain policies which may limit residential development in certain areas for reasons of noise impacts, geology, and public safety. The Circulation Element also relates to the Housing Element in that major areas for housing must be served with adequate access routes and transportation systems.

The Growth Management Element can also have an affect on the development of housing, although it does not impose any numerical cap or limit on new housing construction. The primary purpose and intent of this Element is to maintain the community's quality-of-life as new housing and other development occur by providing necessary public services and facilities concurrent with development. The City's growth management program is intended to be supportive of the provision of affordable housing by guaranteeing that infrastructure and public services are provided to new residential developments when and where needed, and are paid for by new development. Should that infrastructure not be provided, the City has the right to slow or stop development, which could have a temporary effect on the timing of providing additional affordable housing units.

The content of this Housing Element is consistent with the goals and policies of all elements of the City's General Plan. As the City moves forward with an update of its General Plan in FY 2001-02 and 2002-03, the City will incorporate the general goals and policies established in the Housing Element into the framework of those affected Elements of the General Plan.

Public Participation

The general public was solicited for comments on the updated Housing Element in a variety of ways. The City's efforts to involve the public in the development and review of the Element included meetings through the Housing Element Advisory Committee (HEAC) of SANDAG, local public workshops, and public hearings before the Housing Advisory Commission, Planning Commission and City Council.

The HEAC meetings held at SANDAG offices were primarily focused on establishing Housing Element self-certification criteria and which housing programs and products would be used towards meeting self-certification goals. The Committee was comprised of representatives from local jurisdictions, local advocacy groups, and housing providers. The diversity of the Committee assisted in developing a self-certification program that addressed the needs of the various public interest groups and providers. Therefore, the self-certification program and criteria adopted by SANDAG is a direct product of a far reaching public participation process.

Early in the Housing Element update process, July 1999, one Housing Element information session was held with the City Council. At that time, they discussed the draft Regional Housing Needs and provided comments on the proposed preliminary goals and policy revisions for the 1999-2004 Housing Element update. Also, as part of housing program funding discussions, the Housing Advisory Commission discussed and gave input on housing programs and needs.

The draft Housing Element was subject to four public-noticed workshops to obtain the view of citizens, developers, service providers, and other interested persons on the City's housing needs, policies, and programs to be implemented to address these needs. The public workshops were held on October 20th, October 27th, November 1st, and November 3, 1999 and were noticed both in the local newspaper and through direct mailings to potentially interested parties. The Planning Commission and Housing Advisory Commission hosted one workshop each, and there were two additional workshops scheduled for public convenience. The mailing list included housing advocates, special needs providers, local builders, local school districts, mobilehome communities, and affordable housing developments. Many of these groups received a copy of the draft Housing Element.

After completing the series of public workshops, the draft Housing Element was made available for review and comment for a 30 day period. The document was available at various locations, including the Main Chula Vista Library, South Chula Vista Library, Eastlake High School Library, City Clerk's Office, the Planning and Building Department, and the Community Development Department. A copy of the notice was published in the local newspaper and through direct mailings to potentially interested parties.

Additionally, as a result of comments received from residential developers during the public review and comment period, City staff held a series of meetings from December 1999 to July 2000 with residential developers of the City's master planned communities and affordable housing developers. Discussions centered on constraints to residential development, the quantified objectives for the five year period, greater specificity and accountability of the proposed goals.

All comments received regarding the draft Housing Element were considered and where appropriate, the draft Element was revised. The City's desire to address these comments and to work cooperatively with developers, advocacy groups and other interested persons served to further delay the schedule of adoption of the Housing Element.

In November 2000, a public-noticed hearing was held before the Housing Advisory Commission and Planning Commission to consider the adoption of the Housing Element and compliance with Government Code Section 655886.1 for the 1999-2004 Housing Element cycle. On December 19, 2000, the City Council held a public noticed hearing to consider the recommendation of both the Housing Advisory Commission and Planning Commission to adopt the Element.

Sources of Information

The Regional Housing Needs Statement produced by the San Diego Association of Governments (SANDAG) in 1999 provided the majority of the background material for the preparation of the Housing Element. This document includes data from the 1990 Census and SANDAG's 1998 Population and Housing Estimates, among other sources.

FIGURE 1: CITY OF CHULA VISTA BOUNDARY

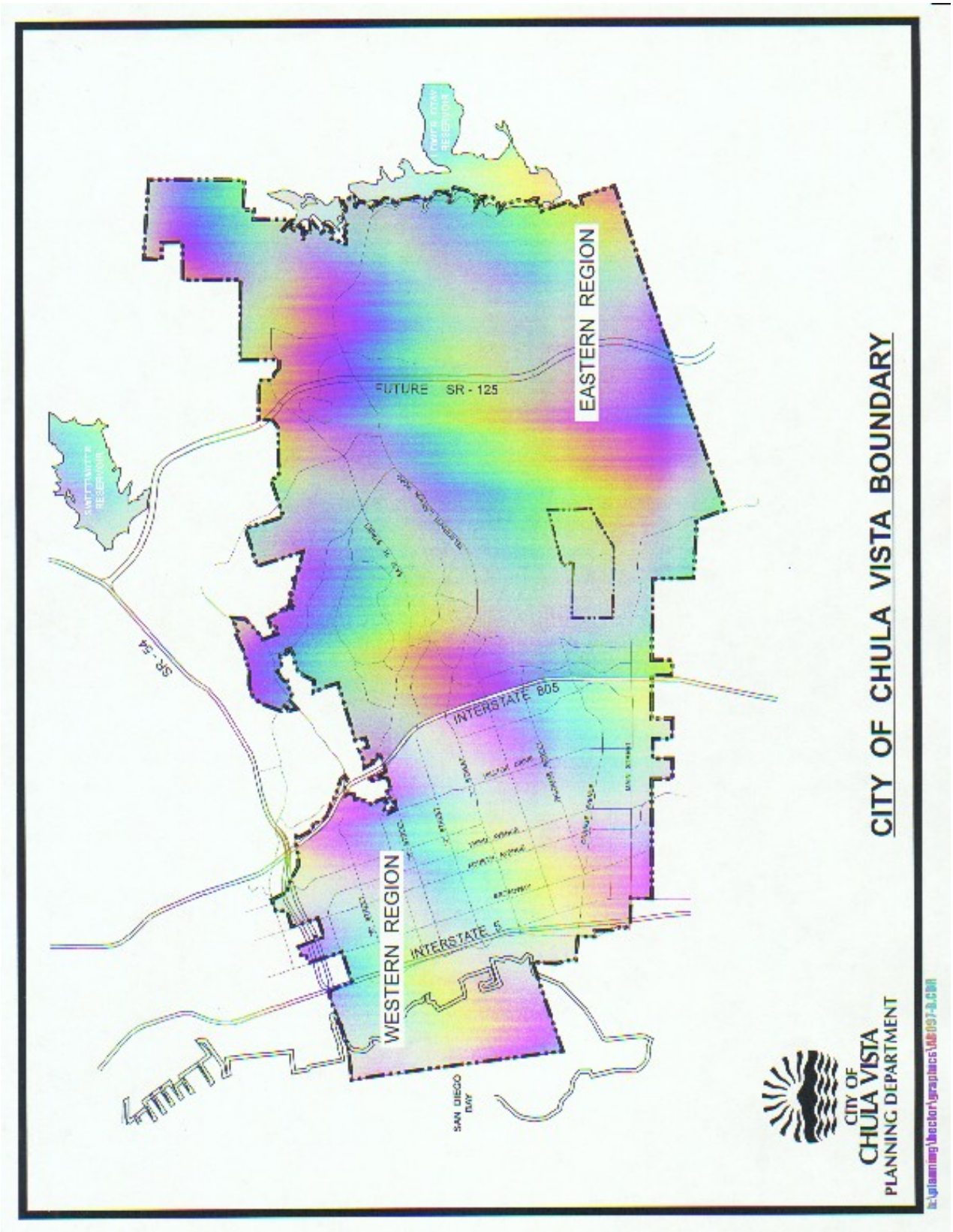

TABLE 2: STATE HOUSING ELEMENT REQUIREMENTS CALIFORNIA, 1999

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d. Analysis and documentation of Chula Vista's housing characteristics	26
e. An inventory of land suitable for residential development including vacant sites and those having redevelopment potential and an analysis of the relationship of zoning, public facilities, and services to these sites	70
f. Analysis of existing and potential governmental constraints upon the maintenance, improvement, or development of housing for all income levels	33
g. Analysis of existing and potential non-governmental constraints upon the maintenance, improvement, or development of housing for all income levels	45
h. Analysis of special housing needs including those of handicapped, elderly, large families, single-parent households, and farm workers	16
i. Analysis of the needs of homeless individuals and families in Chula Vista	19
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2. Goals and Policies	
a. Identification of Chula Vista's goals and policies relative to the maintenance, improvement, and development of housing	81
3. Implementation Program	
a. Identify adequate sites which will be made available through appropriate action with required public services and facilities for a variety of housing types for all income levels	70
b. Programs to assist in the development of adequate housing to meet the needs of low- and moderate-income households and other special needs groups	83
c. Identify, and, when appropriate and possible, remove governmental constraints to the maintenance, improvement, and development of housing in Chula Vista	33
d. Conserve and improve the condition of the existing and affordable housing stock in Chula Vista	83

I. NEEDS ASSESSMENT

This section of the Housing Element discusses housing needs in Chula Vista. The major components of this need are the City's population, household, special needs groups, land use, employment, and housing stock characteristics. This needs assessment serves as the basis for identifying the appropriate goals, policies and programs for the City to implement during the 1999-2004 housing element cycle.

Population Characteristics

Population Growth Since 1990

In 1990, the population of the San Diego region was 2,498,016. It is estimated that by 1998 the region's population had grown to 2,795,780, an increase of 11.9 percent. During this same time Chula Vista's population increased by approximately 19.9 percent. Refer to Table 1, Population Growth Chula Vista and San Diego Region 1990-1998.

TABLE 3: POPULATION GROWTH CHULA VISTA AND SAN DIEGO REGION 1990-1998

Year (Jan 1)	Chula Vista	San Diego Region	Chula Vista as % of the Region
1990	135,163	2,498,016	5.4%
1991	138,262	2,539,583	5.4%
1992	141,015	2,583,470	5.5%
1993	144,466	2,614,222	5.5%
1994	146,525	2,638,511	5.6%
1995	149,791	2,690,255	5.6%
1996	153,164	2,690,255	5.7%
1997	156,401	2,729,054	5.7%
1998	162,106	2,795,780	5.9%
Total Increase	**26,943**	**297,764**	
% Increase	**19.9%**	**11.9%**	

Source: State Department of Finance Revised Annual January 1, 1997 estimates.

Projected Population

As indicated in Table 4, Chula Vista's population is expected to increase by 82.28 percent between 1995 and 2020, an increase of approximately 124,362 people. Compared with the 44 percent growth for the region.

For the period approximating the housing element period (1998 to 2005), Chula Vista's population will increase by 28 percent, an increase of 46,000. This compares to a regional increase of 15 percent.

TABLE 4: PROJECTED POPULATION GROWTH

Year	Chula Vista	San Diego Region
1995	151,093	2,669,200
1998	162,106	2,795,780
2005	208,107	3,223,474
2010	233,313	3,437,697
2020	275,455	3,853,297
Total Increase **% Increase**	**124,362** **82.3%**	**1,184,097** **44.4%**

Source: SANDAG Preliminary 2020 Cities/County Forecast, February 1999, State DOF March 1998

Age Characteristics

Housing demand within the market is often determined by the preferences of certain age groups. Traditionally, both the young adult population (20-34 years of age) and the elderly population tend to favor apartments, low- to moderate-cost condominiums, and smaller single-family units. Persons between 35 and 65 years often provide the major market for moderate- to high-cost apartments and condominiums and larger single-family units because they tend to have higher incomes and larger sized households.

Chula Vista's largest population group consists of persons between the ages of 20 and 34 (22 percent of the population), compared to approximately 24 percent for the region. The median age in Chula Vista is 32.7 years; County median is 28.8. Refer to Table 5, Population by Age Group.

TABLE 5: POPULATION BY AGE GROUP

Age	Chula Vista		Region	
	Population	Percent	Population	Percent
Under 5	14,789	9%	234,317	8.4%
5-19	34,085	22%	588,971	21%
20-34	34,843	22%	658,568	23.6%
35-44	24,228	16%	460,224	16.5%
45-54	17,591	11%	328,180	12%
55-64	12,097	8%	204,891	7%
65 and older	18,515	12%	319,634	11.5%
Total	**156,148**	**100%**	**2,794,785**	**100%**

Source: SANDAG Demographic Characteristics Estimates, March 1998

Race/Ethnicity Characteristics

Ethnicity tends to correlate with other characteristics such as family size. Table 6 shows that in Chula Vista, the population is diverse, with no single race/ethnic group predominating.

TABLE 6: CHANGE IN POPULATION BY RACE 1990 - 1997

Population	1990	1997	Percent Change
White (non-Hispanic)	49.8%	44.0%	-5.8%
Black (non-Hispanic)	4.2%	4.6%	0.4%
Hispanic (all races)	37.3%	42.0%	4.7%
Asian/Other (non-Hispanic)	8.5%	9.5%	1.0%
Total Population	**135,163**	**162,047**	**20%**

Household Characteristics

In 1998, an estimated 951,818 households (also known as occupied housing units) were in the region, an increase of seven percent since 1990. In Chula Vista, there were an estimated 53,968 households, 5.7 percent of the region's total.

Projected Households

Between 1998 and 2005, the number of households in the San Diego region is forecasted to grow by 136,884 households, a gain of approximately 14 percent. By 2005, the number of households in Chula Vista is expected to be 67,769 households, an increase of 13,801 new households or 25.6 percent. The City will account for approximately ten percent of the region's increase in the number of households between 1998 and 2005.

Household Size

Household size is a significant factor in housing demand. Often household size can be used to predict the unit size that a household will select. For example, small households (one to two persons per household) traditionally can find suitable housing in units with zero to two bedrooms while larger households (three or more persons per household) can usually find suitable housing in units with three to four bedrooms. However, people's choices also reflect preference and economics. Thus, many small households prefer and obtain large units. Household size is also related to choice of locations. For example, the small household (single person/elderly) is usually not as concerned with the quality of the school system in an area.

In 1998, the average number of persons per household in the San Diego region was 2.83 persons per household. Chula Vista has an average of 3.0 persons per household, representing a slight increase from the 2.8 household size in 1990.

The preponderance of new single-family homes built in Chula Vista in recent years has contributed to the increase in the average number of persons per household. Single-family homes are typically larger, have more bedrooms, and therefore are able to house a larger number of people than a smaller unit.

Household Income

Income levels influence the range of housing prices within a community and the ability of the population to afford housing. As household income increases, the number of homeowners increases. As household income decreases, the number of households paying a disproportionate amount of their income for housing and the number of persons occupying unsound and overcrowded housing increased.

The 1998 median household income of $42,516 in Chula Vista is very close to the region's median of $42,350. Table 7 shows the distribution of the household income. The income distribution in Chula Vista is very similar to that of the region as a whole.

TABLE 7: HOUSEHOLD INCOME DISTRIBUTION

Income	Chula Vista		San Diego Region
	No.	Percent	Percent
Less than $10,000	3,869	7.2%	7.2%
$10,000 to $14,999	3,334	6.2%	5.8%
$15,000 to $24,999	7,285	13.5%	13.6%
$25,000 to $34,999	7,770	14.4%	14.3%
$35,000 to $49,999	9,433	17.5%	18.8%
$50,000 to $74,999	11,876	22.0%	20.6%
$75,000 to $99,999	5,433	10.0%	9.6%
$100,000 or more	4,968	9.2%	10.1%
Total	**53,968**	**100%**	**100%**

Source: SANDAG Population and Housing Estimates, January 1, 1998.

Overcrowding

According to SANDAG's review of overcrowding region wide, the combination of low income and high housing costs has forced many households to live in overcrowded conditions. The term "overcrowded" is applied to units with 1.01 or more persons per room exclusive of the kitchen and bathroom(s)[1]. Identifying the extent of overcrowded problems can serve as a warning sign that the community does not have an adequate supply of affordable housing and/or housing units for large families.

According to the 1990 Census, there are 5,193 overcrowded housing units in Chula Vista, representing about 10.4 percent of the 49,849 total housing units. Region wide 17.5 percent of all housing units are overcrowded indicating that there is comparatively less overcrowding in Chula Vista than region wide.

Of those overcrowded units in Chula Vista 1,794 (35 percent) are owner-occupied and 3,399 (65 percent) are renter occupied. Region wide overcrowded households are 27.3 percent owner-occupied and 72.6 percent renter-occupied.

[1]Under state law a housing unit is not considered overcrowded if there is at least 120 square feet of liveable space for the first two people and an additional 50 square feet for each additional person. Liveable space includes all rooms except the bath, kitchen, and hallways. Note however that data are not available by this definition.

Overpayment

Measuring the portion of a household's gross income that is used for housing can indicate the affordability of housing within a community. State and federal programs typically define housing cost burden as those lower-income households paying over 30 percent of household income for housing costs.

Based upon the 1990 Census Data, 18,102 households or 38 percent of all households in Chula Vista pay more than 30 percent of their household income for housing as compared to 41 percent in the region. 6,991 of these households experience a severe housing cost burden, paying more than 50 percent of their income towards housing costs.

Of the 18,102 households experiencing a housing cost burden, 58 percent are renter households and 42 percent are homeowners. Those extremely low-, very low- and low-income renter households are more greatly affected. Approximately 83 percent of extremely low-income, 87 percent of very low-income, and 56 percent of low-income renters are paying more than 30 percent of their income towards housing costs. Approximately 64 percent of extremely low-income, 49 percent of very low-income, and 39 percent of low-income homeowners are paying more than 30 percent of their income towards housing.

Special Needs Groups

There are some population groups that have been identified as having a need for special or alternative types of housing. These special need populations have difficulty finding appropriate housing to meet their needs due to economic, social, mental, or physical conditions. These groups are the elderly, persons with disabilities, large families, single-parent households, the homeless, farm workers, day laborers, and students. Many of these groups overlap. For example, many farm workers are homeless and many elderly people have a disability.

The Elderly

The limited incomes of many elderly persons often make it difficult for them to find affordable housing. In the San Diego region, the elderly spend a higher percentage of their income for food, housing, medical care, and personal care than non-elderly families. Many elderly persons need some form of housing assistance. In 1990, 6.3 percent of the San Diego region's residents aged 65 and over were living in poverty.

The elderly population comprises about 12 percent of the estimated population in Chula Vista or 18,515 persons according to SANDAG's March 31, 1998 Demographic Characteristics estimates. Elderly is defined as 65 years or older.

The housing needs of the elderly include supportive housing, such as intermediate care facilities, group homes, and other housing that may include a planned service component. Needed services related to the elderly households include personal care, health care, housekeeping, meals, personal emergency response, and transportation.

According to the 1990 Census data for the City, approximately 6,199 elderly households are low-income and a majority, (58 percent) are homeowners. Of those elderly households renting their home, 40 percent are estimated to pay more than 50 percent of their income for housing.

Elderly households constitute nearly 31 percent of all Chula Vista low-income households (20,290 households). Of the total low-income renter households 20 percent are elderly, and of the total low-income homeowners, nearly half (49 percent) are elderly.

Persons with Disabilities

According to the U.S. Bureau of the Census, a person is considered to have a disability if he or she has difficulty performing certain functions (seeing, hearing, talking, walking, climbing stairs, and lifting and carrying), or has difficulty with certain social roles (doing school work for children or working at a job for adults). A person who is unable to perform one or more activities, uses an assistive device to get around, or who needs assistance from another person to perform basic activities is considered to have a severe disability.

The U.S. Bureau of the Census estimates that ten percent of the total population in the United States has a severe disability and that 20 percent has some kind of disability.[2] Applying these rates to Chula Vista would result in a 1998 estimate of 16,000 persons with severe disabilities and 32,000 with some kind of disability.

The 1990 U.S. Census lists 7,191 persons living in Chula Vista, between the ages of 16 and 64, as having a work, mobility, or self-care limitation.

Four factors - affordability, design, location, and discrimination - significantly limit the supply of housing available to households of persons with disabilities. Most homes are inaccessible to people with mobility and sensory limitations. Housing is needed that is adaptable to widened doorways and hallways, access ramps, larger bathrooms, lowered counter tops, and other features necessary for accessibility. Location of housing is also an important factor for many persons with disabilities as they often rely on public transportation to travel.

Group housing, shared housing, and other supportive housing options can help meet the needs of persons with disabilities. These housing options often have the advantage of social service support on-site or readily accessible.

[2]SANDAG Regional Housing Needs Statement, p. 42.

TABLE 8: MOBILITY AND SELF-CARE LIMITATION BY AGE

Description	16 to 64 years	65 to 74 years	75+ years	Total
Mobility limitation only	1,120	509	803	2,432
Self-care limitation only	2,093	427	237	2,757
Mobility and self-care limitation only	955	349	698	2,002
Total	**4,248**	**1,424**	**1,738**	**7,191**

Source: 1990 U.S. Census (STF3), Table P69

Disabilities can hinder the ability of a person to earn adequate income. "The U.S. Bureau of the Census estimates that 70 percent of all people with severe disabilities are unemployed and rely upon fixed monthly disability incomes which are rarely adequate for the payment of market rate rent."[3] The California Right to Housing Campaign estimates that 15 percent of persons with disabilities in the State of California were living below the poverty level in 1988.

Housing advocacy groups report that people with disabilities are often the victims of discrimination in the home buying market. People with disabilities, whether they work or receive disability income, are often perceived to be a greater financial risk than persons without disabilities with identical income amounts. The nonprofit National Home of Your Own Alliance estimates that only two percent of this population own their home compared to the overall homeownership rate of 66 percent.[4]

Large Families

Large families, defined as five or more persons, usually require units with three or more bedrooms and pay a larger part of their monthly income for housing. They often have lower incomes and frequently live in overcrowded smaller units, which can result in accelerated unit deterioration.

According to 1990 census data, 6,592 (14 percent) of Chula Vista's 47,824 total households are large families of five or more persons as compared to 13 percent region wide. Of those 6,592 large-family households in Chula Vista, 4,088 (62 percent) are owners and 2,504 (38 percent) are renters.

Single Parents

Single parents comprise a significant portion of lower-income households "in need." Single-parent households often require special consideration and assistance because they tend to have lower incomes and a greater need for day care, health care, and related facilities. (SANDAG:RHNS: page 137)

[3]National Partners in Homeownership, *KeyNotes*, "Reaching People with Disabilities," 1998, Page 3.
[4]Ibid

1990 census data indicate that 10.31 percent of the City's total households are headed by single parents as compared to 9.3 percent region wide. Of these 4,902 households in Chula Vista, 994 (20 percent) are headed by males and 3,908 (80 percent) by females. Of the female single-parent households, 1,411 live below the poverty level, that is three percent of the total households.

Homeless

Throughout the country and the San Diego region, homelessness has become an increasing problem. Factors contributing to the rise in homelessness include a lack of housing affordable to low and moderate income persons, increases in the number of persons whose incomes fall below the poverty level, reductions in subsidies to the poor, drug/alcohol abuse, and the de-institutionalization of the mentally ill.

The most recent legislation governing housing elements (Section 655831[1][6]) mandates that municipalities address the special needs of homeless persons within their jurisdictional boundaries. As defined by the U.S. Department of Housing and Urban Development an individual or family who is homeless:

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

2. Has a primary nighttime residence that is:

    - A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill);

    - An institution that provides a temporary residence for individuals intended to be institutionalized; or

    - A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

This definition does not include persons living in substandard housing (unless it has been officially condemned); persons living in overcrowded housing, or persons being discharged from mental health facilities (unless the person was homeless when entering and is considered to be homeless at discharge).

A report prepared by the Regional Task Force on the Homeless in May 1998 states that the total homeless population in San Diego County is estimated at 15,000, with approximately 47 percent or 7,000 persons being resident farm workers and day laborers. Within Chula Vista the homeless population is estimated at 500 urban homeless and 100 homeless day laborers. Approximately 158 of the total homeless population are enrolled in local transitional shelter programs each day. According to South Bay Community Services (SBCS), the homeless in Chula Vista are primarily families and many of those are the result of domestic violence.

The Regional Task Force on Homeless estimates that families account for approximately 25 percent of the urban homeless population in the region and probably represent the fastest growing segment of this population. Studies conclude that half are victims of domestic violence.

Single adults account for approximately 70 percent of the urban homeless. The majority of single adults are young males. Approximately 40 percent of urban single-homeless men are veterans. The remaining homeless population is comprised of chronically homeless youth and elderly persons.

Social service and homeless providers address the supportive service needs of the homeless, as well as housing needs. The many and various needs of the homeless include emergency shelter, transitional housing, social services (i.e., job counseling/training), mental health services, and general health services. Existing service agencies indicate that a growing need exists for limited-term shelter or transitional facilities for homeless individuals and families.

Emergency Shelters and Transitional Housing Facilities

Many organizations located in other cities offer shelter for the homeless population currently residing in Chula Vista. Table 9 lists the shelter locations both in and near Chula Vista that are known to serve Chula Vista's homeless population.

South Bay Community Services (SBCS) is the primary social service agency that provides homeless shelter and services within Chula Vista. SBCS operates four transitional living programs in Chula Vista and participates in the FEMA and County of San Diego Hotel/Motel Voucher Program.

TABLE 9: SHELTERS FOR THE HOMELESS SERVING SAN DIEGO - SOUTH BAY

Agencies	Program Name	Target Population	Special Needs	Bed Spaces	City
Seasonal Emergency Shelter					
Ecumenical Council of SD County	ISN Rot'l Shelter - South Bay (mid Oct-March)	General Population	General Homeless	12	Regional
Transitional Shelter					
MAAC Project	Nosotros	Adult Men Only	Substance Abuse	13	Chula Vista
South Bay Comm. Services (SBCS)	Casa Nuestra Shelter	Homeless Youth	General Homeless	8	Chula Vista
SBCS	Casa Nueva Vida Shelter	Families w/Children	General Homeless	45	Chula Vista
SBCS	Casa Segura	Families w/Children	Victims of Domestic Violence	40	Chula Vista

Agencies	Program Name	Target Population	Special Needs	Bed Spaces	City
SBCS	Transitional Housing Program	Families w/Children	General Homeless	40	Chula Vista
Winter Hotel/Motel Vouchers (November through April)					
MAAC Project	Hotel/Motel Vouchers	Families w/Children	At-Risk w/disability		
SBCS	Hotel/Motel Vouchers	Families w/Children	At-Risk w/disability		
			Total Beds	**158**	

Definitions:

Seasonal Emergency Shelter	A program which provides shelter and support services during a limited portion of late Fall and Winter months.
Transitional Housing	Temporary housing and support services to return people to independent living as soon as possible, and not longer than 24 months.

Source: Regional Task Force on the Homeless

Homeless Prevention Programs and Services

For the last few years, the City has allocated Community Development Block Grants (CDBG) funds to SBCS for youth and family support services, housing services, and economic development opportunities. Located in Chula Vista, SBCS offers assistance to persons who are "near homeless" through coordination of available services and financial resources and counseling in such matters as financial management and family support.

For those persons or households who may be threatened with homelessness due to financial difficulties, Consumer Credit Counselors of San Diego and Imperial County is a non-profit organization that helps persons or households in financial difficulties. Their offices are located in Chula Vista. They provide educational classes teaching the wise use of credit and money management, and using community resources, counseling, and debt management programs for those who want to avoid bankruptcy.

Farm Workers and Day Laborers

Farm workers and day laborers are described as those individuals who live in the area and work regularly in the fields or in causal labor situations. Due to the rapid suburbanization of Chula Vista, very little of the County's agricultural employment base is left in the area. According to SANDAG's 1995 Employment Inventory, there are only 63 agricultural workers in Chula Vista, which is only 0.2 percent of the employment base, and 0.6 percent of the workers in agriculture, forestry, fishing, and mining region wide.

Chula Vista's day laborers may work on small construction jobs and odd jobs. Similar to the farm workers, day laborers are often here temporarily and may choose to be homeless in order to send their earnings home to their families rather than using their resources for housing. This was

seen in 1995 when the City of San Diego met some resistance from farm workers and day laborers who were offered to be relocated from encampments into apartments.

It is difficult to provide an accurate estimate of this population due to this population's geographical, linguistic, and cultural isolation. The Regional Task Force on the Homeless has roughly estimated a rural homeless population of 100 day laborers in Chula Vista. Almost all are single men.

Students

Students can impact housing demands in areas that surround universities and colleges. Typically students are low-income and are therefore affected by a lack of affordable housing, especially within easy commuting distance from campus. They often seek shared housing situations or live with their parents to decrease expenses and can be assisted through roommate referral services offered on- and off-campus.

Chula Vista is the location of Southwestern Community College with an enrollment of 17,716 for Fall 1999. Most (70 percent) are part time students and only 27 percent are new enrollees. The average age is 26.8 and 83 percent are ethnic minorities. Sixty-six percent of the students intend to continue their education at a four-year university. The majority of students are employed and 37 percent live in Chula Vista. When surveyed about their needs, none indicated a need for housing. There is no housing office on campus and the college administrators have not heard about housing problems from the students.

The Olympic Training Center represents a unique student need in Chula Vista. Approximately 120 of the athletes require short-term stays of one to two months and use the four dormitories at the Center. Approximately 75 athletes require year-round housing, 25 of whom reside at the Center and 50 reside in the nearby community.

The average age is 25 years and the average income is under 50 percent of the area median income. Approximately 75 percent are female and 25 percent are male.

Land Use Characteristics

In 1995, 74 percent of the land in Chula Vista was developed, leaving 3,578 developable acres. Since 1995, Chula Vista has annexed additional lands that significantly increase the development capacity in the City. Western and Eastern Chula Vista have distinctive land use character. Western Chula Vista is completely developed with opportunities for minor in-fill projects, housing rehabilitation, and redevelopment. Eastern Chula Vista is a newly developing area characterized by master planned communities.

In 1997, Chula Vista annexed approximately 9,089 acres of vacant land in Eastern Chula Vista, most of which was subject to a joint planning effort with the County of San Diego. Two additional master planned areas, San Miguel Ranch and Bonita Meadows, are expected to annex into the City prior to 2004.

In Western Chula Vista an estimated 83.89 acres are vacant, for a potential of 519 units. In Eastern Chula Vista there is capacity for approximately 29,565 units (this includes the capacity of the two areas that are expected to annex by 2004).

Employment Characteristics

In the San Diego region, employment growth out paced population growth between 1980 and 1990. The decade recorded a gain of more than 313,400 jobs, an increase of 47.4 percent, while population increased by 629,772 people, a growth rate of 34 percent. During the recession, between 1990 and 1996, employment grew only four percent (39,800) while population grew 8.1 percent (202,021 people).[5]

Between 1990 and 1994 more low paying than high paying jobs were created in the San Diego region. High paying jobs increased by 31.4 percent while low paying jobs increased by over 43 percent. In addition, the real wages of high paying jobs have decreased seven percent, while wages in low paying jobs have decreased 15 percent over the same time period (wages adjusted for inflation).[6]

Chula Vista is forecasted to be one of the fastest growing employment centers in the region because of land available for employment center development, access to major transportation corridors such as Interstate 8 and 805, and its proximity to the U.S.-Mexico International Border.

[5] Source: SANDAG Evaluating Economic Prosperity in the San Diego Region: 1998 Update page 56
[6] Source: SANDAG Evaluating Economic Prosperity in the San Diego Region: 1998 Update page 6

Table 10 indicates major employers in the City of Chula Vista and approximate number of employees.

TABLE 10: CHULA VISTA MAJOR EMPLOYERS

Business	Type	Employees
Non-Retail		
B.F.Goodrich Aerospace (formerly Rohr, Inc.)	Manufacturing	2,344
Sharp Chula Vista Medical Center	Hospital	883
Scripps Memorial Hospital	Hospital	660
American Fashion, Inc.	Manufacturing	388
United Parcel Service	Parcel Delivery	311
Retail		
Wal-Mart	General Merchandise	349
Costco Wholesale (2 stores)	General Merchandise Warehouse	336
Sears	Department Store	300
Target (2 stores)	General Merchandise Warehouse	244
Albertsons (2 stores)	Grocery Store	226
Macy's	Department Store	211
K-Mart (2 stores)	General Merchandise Warehouse	207
Home Depot	Building Supplies	206

Source: City of Chula Vista Finance Department

Table 11 provides a 25-year projection of employment growth by sector for Chula Vista.

TABLE 11: PROJECTED EMPLOYMENT BY SECTOR CHULA VISTA 1995 - 2020

Employment Sector	1995	2005	2010	2020	1995 - 2020 Change	
					Number	Percent
Civilian Employment	45,996	67,643	73,200	87,533	41,537	90.3%
Manufacturing	5,534	6,861	6,528	6,301	767	13.9%
Transp., Comm., & Utilities	1,698	2,463	2,534	2,816	1,118	65.8%
Wholesale Trade	2,208	4,096	4,779	6,172	3,964	179.5%
Retail Trade	10,485	13,944	14,638	16,587	6,102	58.2%
Finance, Ins. & Real Estate	2,318	3,418	4,050	5,541	3,223	139.0%
Services	11,108	18,653	20,436	25,905	14,797	133.2%
Government	7,632	10,897	12,331	14,516	6,884	90.2%
Other*	5,013	7,311	7,904	9,695	4,682	93.4%
Military Employment	0	0	0	0	0	0
Total Employment	**45,996**	**67,643**	**73,200**	**87,533**	**41,537**	**90.3%**
Employment Housing Ratio	**0.85**	**0.95**	**0.91**	**0.91**	**0.05**	**6%**

*Employment in agriculture, mining, and construction industries, and self-employed and domestic workers.

Source: SANDAG Preliminary 2020 Forecast, February 1999

Employment is projected to increase by 21,647 jobs or 47 percent between 1995 and 2005, with the greatest numeric increases occurring in the services, government, and retail sectors (7,545, 3,265, and 3,459 jobs respectively). Given that retail trade and service jobs are traditionally lower paying, the need for affordability in the local housing market for these employees may be magnified, assuming that those retail trade and service employees also reside within the community. Housing should be created to match the growth of jobs and the corresponding average wages. Should housing be unaffordable to those in these growing job sectors, these employees must seek housing in surrounding communities where housing costs are lower.

Commuting Patterns

Commuting patterns demonstrate the relation of housing to employment opportunities and are a component in the allocation of growth to localities. As a result of the increase in the economic base, employment levels and physical separation of housing and employment sites, the number of people commuting to work has increased.

The majority (73.6 percent) of Chula Vista residents drove alone to work as compared to 71 percent region wide, according to the 1990 census. Approximately 20 percent car-pooled or took public transportation. The remainder rode bikes, walked, or worked at home. The mean-travel time to work was 22 minutes.

Housing Stock Characteristics

In 1998, Chula Vista had a housing stock of 56,250 units. This is a growth of 12.8 percent from the 1990 total units of 49,849, which compares to a 7.3 percent increase region wide.

Projected Housing Units

Table 12 presents the housing unit projections for the City of Chula Vista and the San Diego County Region. The City's rate of increase between 1998 and 2005 in housing is more than double that of the region (31 percent vs. 13 percent). The approximately 17,000 new units will generally keep pace with the forecasted population increase of 46,000.

TABLE 12: PROJECTED HOUSING UNITS

Year	Chula Vista	Region
1995	53,961	996,684
1998	53,968	1,014,859
2005	70,928	1,153,736
2010	80,775	1,245,057
2020	96,518	1,404,231
Total Increase	**42,557**	**407,547**
% Increase	**79%**	**41%**

Source: SANDAG Preliminary 2020 Cities/County Forecast, February 1999; State DOF March 1998

Housing Type

In 1998, the largest percentage (48.5 percent) of housing units in Chula Vista was single-family detached units, as compared to 50 percent region wide. Table 13 below presents the type of housing units in Chula Vista in 1998.

TABLE 13: TYPE OF HOUSING UNITS, 1998

Jurisdiction	Total Housing Units	Single Family Attached	Single Family Detached	Multi-Family 2-4 Units	Multi-Family 5+ Units	Mobile Homes
Chula Vista	56,250	4,353	27,320	4,113	16,732	3,732
Region	1,014,859	88,128	508,020	74,430	297,373	46,908

Source: California State Department of Finance, January, 1999

Table 14 shows that all types of housing units in Chula Vista will significantly increase between 1998 and 2020, with the exception of mobilehomes, which is anticipated to decrease.

TABLE 14: PROJECTED HOUSING UNIT TYPE CHULA VISTA, 1998-2020

Housing Type	1998	% of Total Housing	2005	% of Total Housing	2010	% of Total Housing	2020	% of Total Housing
Single-Family	31,673	56.3%	40,990	57.8%	46,091	57%	54,180	56.1%
Multi-Family	20,845	37.1%	26,285	37%	31,068	38.5%	38,607	40%
Mobilehomes	3,732	6.6%	3,653	5.2%	3,616	4.5%	3,731	3.9%
Total Housing	**56,250**	**100%**	**70,928**	**100%**	**80,775**	**100%**	**96,518**	**100%**

Source: SANDAG Preliminary 2020 Cities/County Forecast, February 1999

Housing Age

Age of housing is often an indicator of housing conditions. Many federal and state programs use age of housing as one factor to determine housing needs and the availability of funds for housing and/or community development.

Based on the 1990 census, approximately 13,000 units in Chula Vista are now or will be 50 years of age or older by 2004, meaning that older housing comprises approximately 23 percent of the total 1998 housing stock. The older homes are primarily located in western Chula Vista.

TABLE 15: AGE OF HOUSING STOCK

Year Built	Units	
	No.	Percent
Pre-1940	1,003	2%
1940-1949	3,474	6%
1950-1959	9,272	17%
1960-1969	11,518	21%
1970-1979	12,902	23%
1980-1989	11,680	21%
1990-1997	5,409	10%
Total	**55,258**	**100%**

These older units are a source of affordable housing stock for low- and moderate-income residents as rents and sales prices are usually lower the older the home. It is important for Chula Vista to preserve these units as affordable housing stock through careful monitoring, code enforcement, and rehabilitation.

Housing Condition

Housing condition is often defined in terms of substandard housing. Substandard housing units include those in need of repair and those in need of replacement. Indicators of the number of substandard housing units within a jurisdiction can include units built before 1940 or those lacking plumbing facilities. Age of housing or the lack of plumbing facilities is not always indicators of substandard conditions.

Units may be considered substandard by the U.S. Department of Housing and Urban Development (HUD) if they were built before 1940 and have a value of less than $35,000. Only two percent of Chula Vista's housing stock was built prior to 1940 (Table 15). These pre-1940 homes are primarily located in western Chula Vista. Of the 19,838 owner occupied housing units reported in the 1990 Census, only 106 units or 0.5 percent were valued less than $35,000.

According to the 1990 Census, 168 units lacked complete plumbing facilities. Of those units with plumbing deficiencies, 161 of the units were owner occupied and seven were rental units.

Housing Tenure

The total estimated number of occupied dwelling units for April 1990 was 47,824 according to the U.S. Bureau of the Census. Of these units, 24,487 (53 percent) were owner occupied and 22,337 (47 percent) were renter occupied. Region wide, 54 percent of the residents owned their own homes.

Vacancy Rates

Vacancy rates are an indication of housing supply and demand. High vacancy rates may indicate an over supply of housing and/or low demand for such housing. A prolonged high vacancy rate tends to discourage new construction, especially multi-family residential development. A low vacancy rate indicates a high demand relative to supply. A prolonged low vacancy rate tends to elevate rents in the rental stock.

Vacancy rates between two to three percent are usually considered healthy for single-family housing; and five to six percent for multi-family housing. However, vacancy rates are not the sole indicator of market conditions, they must be viewed in the context of all the characteristics of the local and regional market.

The region experienced low vacancy rates from 1974 to 1984. The increase in vacancy rates after 1984 was attributed to 1981 tax incentives that resulted in the construction of more rental properties. This increase in new units caused the vacancy rate for multi-family units to rise to a height of 8.9 percent in 1987. By 1990 vacancy rates had fallen to 6.2 percent.

The San Diego County Apartment Association is the primary source of vacancy rate information in the San Diego region. The Apartment Association sends out surveys to its member rental property owners and managers throughout San Diego County twice a year. As this represents only a sampling of rental properties, the numbers do not represent the entire housing stock, but they assist in analyzing vacancy trends throughout the region.

TABLE 16: VACANCY RATES CHULA VISTA 1996 TO 1999

Time Period Covered	Units Surveyed	Number Vacant	Percent Vacant
Fall 1996	1,953	84	4.3%
Fall 1997	3,844	110	2.9%
Fall 1998	5,090	69	1.4%
Spring 1999	3,951	65	1.1%
Fall 1999	6,040	44	0.5%

Source: San Diego County Apartment Association, 1996-1998.

With the recession over and continued growth in the region, vacancy rates have substantially declined. This coincides with an increase in rental rates. This trend will affect housing shortages, over-crowding and over-payment, particularly among low-income households.

Housing Costs

Housing costs are indicative of housing accessibility for all economic segments of the community. Typically, if housing supply exceeds housing demand, housing costs will fall. If housing demand exceeds housing supply, housing costs will rise. In Chula Vista, housing costs are less than the median for the entire region as shown on Table 17.

TABLE 17: HOUSING COSTS - 1998

Jurisdiction	Median Cost of Resale Housing	Average Rents			
		Studio	1 bedroom	2 bedrooms	3 bedrooms
Chula Vista	**$177,000**	**$390**	**$542**	**$638**	**$692**
Carlsbad	$285,000	$480	$618	$781	$2,500
La Mesa	$185,000	$487	$578	$707	$930
El Cajon	$184,000	$405	$485	$581	$807
Imperial Beach	$144,000	$440	$489	$598	$790
Oceanside	$168,000	$466	$556	$697	$889
San Diego Region	$195,500	$448	$543	$685	$916

Source: SANDAG Regional Housing Needs Statement, 1999

At-Risk Units

Housing element law requires jurisdictions to provide an analysis and program for preserving affordability of assisted housing developments that are eligible to change from low-income housing uses during the next 10 years. Currently, there are two housing developments (the Meadows of Chula Vista and Eucalyptus Parkview Apartments) which have units at risk of conversion to market rate housing within the next ten years. There are no HUD 236 contracts scheduled to expire during this period.

The Meadows of Chula Vista is an 80 unit elderly-person complex, 32 units of which are low-income units. The earliest date of conversion is 2000. Eucalyptus Parkview apartments is a 53-unit complex, nine of which are low-income units. The earliest date of conversion is 2008. The units in both these complexes were created through a density bonus program at a time when the units were located in the unincorporated area of the County of San Diego. The estimated market value per unit is $45,000.

Costs of New Unit or Preservation of Existing

The estimated cost for producing new units to replace these 35 one bedroom and 6 two bedroom low-income units is $4,474,532. This estimate reflects an estimated average direct production cost as follows:

TABLE 18: AVERAGE PRODUCTION COSTS OF HOUSING

Description	Costs	1 Bedroom (650 sq ft)	2 Bedrooms (800 sq ft)
Land Costs	$25,000 per unit	25,000	25,000
Parking/Landscaping/Common Areas	$20,000 per unit	20,000	20,000
Construction Costs	$63/sq ft	40,950	50,400
Chula Vista Developer Fees	$21,802 per unit	21,802	21,802
TOTAL		**$107,752**	**$117,202**

This cost could increase depending on land costs and infrastructure needs to support the construction of new low-income units.

The estimated cost of preserving the units by purchasing an affordability covenant is shown on Table 19 below.

TABLE 19: ESTIMATED COST OF RENT SUBSIDIES CHULA VISTA, 1999

Development	No. Assisted Units	Market Rent	Assisted Rent	Affordability Gap	Total Gap/month	Annual Subsidy Required
Meadows 1055 Granjas	32	$497 to $507	$446 to $461	$51 to $46	$1,600 (@ $50/month)	$19,200
Eucalyptus Parkview 56 Fourth Ave	9	$700 to $875	$575 to $725	$125 to $150	$1,125 (@$125/month)	$13,500

Given the cost of new construction as compared to preservation, the City of Chula Vista will explore the option of purchasing affordability covenants for the 41 low-income units at these two apartment complexes. Subsidy payment would be made annually, and would most likely be funded with redevelopment set-aside funds or Community Development Block Grant funds.

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II. CONSTRAINTS TO HOUSING PROVISION

Actual or potential constraints on the provision of housing and the cost of housing affect the development of new housing and the maintenance of existing units for all income levels. Governmental and non-governmental constraints are discussed below.

Governmental Constraints

Governmental constraints can limit the operations of the public, private and nonprofit sectors making it difficult to meet the demand for affordable housing and limiting supply in the region. Governmental constraints include growth management measures, land use controls, building codes, processing fees, and site improvement costs.

Regional Land Supply

The San Diego region is growing with a population growth of nearly one million persons over the next twenty years and a need for approximately 360,000 new homes to accommodate this growth. In accordance with SANDAG's 2020 Regionwide Forecast, the current collective general plans of the region's cities and the county lack sufficient residential capacity to meet this demand. In addition, much of that capacity is represented in lower-density single family designations in areas outlying from existing and planned employment areas and regional activity centers. In response to the anticipated growth of the region and the assessment of existing land use plans, SANDAG has developed a strategy for regional growth management called Region 2020. The Chula Vista City Council has adopted a Resolution of Support for REGION2020 and the "smart growth" principles embodied in the Regional Growth Management strategy. Unlike some of the region's other cities, Chula Vista also has a substantial inventory of land available for residential development, including both single family and multi-family capacity.

Land Use Controls

Land use controls take a number of forms that affect the development of residential units. These controls include General Plan policies, zoning designations (and the resulting use restrictions, development standards, and permit processing requirements), development fees and local growth management programs. The City's Growth Management Program ensures that quality of life standards are maintained as the City grows. Unlike many local growth management programs, Chula Vista's program does not place a numerical limit or cap on new dwelling units.

The General Plan establishes the overall character and development of the community. Chula Vista's General Plan designates substantial areas of vacant land for residential development at a variety of densities. Most of the vacant land is located within eastern Chula Vista and will be developed within master planned communities under the "Planned Community (PC) Zone", which permits varied densities and the use of flexible development standards.

The section on Housing Opportunities presents more detailed information on the availability of residentially zoned land. In summary, there is sufficient vacant land in Eastern Chula Vista to accommodate 28,569 additional units. Of these units, 41 percent will be higher density multi-

family (Medium High at 11 to 18 units/acre and High at 18 to 27+ units/acre). Another 11 percent will be in the 6 to 11 units/acre range which typically generates patio homes/townhomes. The remaining 48 percent are at densities for single-family homes (mostly Low Medium at 3 to6 units/acre, and some Low at 0 to 3 units/acre).

The residential zoning designation controls both the use and development standards, and influences the housing to be developed. There are currently six different zones that allow residential development by right in Chula Vista. Another seven zones conditionally allow residential development. More specifically, the Zoning Ordinance includes a Mobilehome Park (MHP) zone, mixed-use development zones, and the construction of residential projects in certain commercial zones.

Chula Vista allows dwelling groups, two or more detached dwellings on one parcel with a common yard or court, by right in the R-2 zone and with a Conditional Use Permit (CUP) in the RE & R1 zones. All zones require site plan and architectural approval.

Housing developments for seniors may be allowed in any zone except the R-1, R-2, C-V, C-T, and industrial zones. Because the residents of such developments have dwelling characteristics which differ from those of families and younger persons, it is not appropriate to apply all of the normal zoning standards. Senior housing is allowed with a CUP and the Planning Commission and City Council may make exceptions to the density, off-street parking, minimum unit size, open space, and such other requirements as may be appropriate. The Planning Commission and City Council may also adjust required setbacks, building height, and yard areas as appropriate to provide an adequate living environment both within the development and on nearby properties. Any exceptions and adjustments shall be subject to the condition that the development will be available for occupancy by seniors only.

The City does not have a provision for accessory dwelling units. Accessory structures are a permitted use in any R zone, however they are not allowed to have a kitchen and are not intended as living quarters. Guest houses are permitted as accessory uses in the Agriculture and Residential Estate (RE) zones subject to provisions in the Municipal Code and not rented or otherwise conducted as a business.

Table 20 and Table 21, below, show the allowed or conditional uses and development standards for each of the zones, as well as referencing the chapter of the Zoning Ordinance containing the applicable zoning regulations.

TABLE 20: ZONES ALLOWING RESIDENTIAL DEVELOPMENT BY RIGHT

Zone/Applicable Ordinance	Allowed Residential Uses	Minimum Lot Area	Lot Coverage	Building Height
Agriculture (19.20)	Single family dwelling, manufactured home or mobile home	One unit per parcel or lot	N/A	35 feet
R-E – Residential Estates (19.22)	Single family dwellings	20,000s.f. avg; 15,000 s.f. min.	45%	28 feet
R-1 – Single Family Residence (19.24)	Single family dwellings	6,000s.f.	50%	28 feet
R-2 – One and Two Family Residence (19.26)	Single family, duplex, or attached SF dwellings	7,000s.f.	55%	28 feet
MHP – Exclusive Mobilehome Park (19.27)	Mobile home parks	By plan	By plan	By plan
R-3 – Apartment Residential (19.28)	Multiple dwellings, townhomes or duplexes	7,000s.f. min. building site; min. 1350s.f. per unit	By setbacks	28 to 45 feet max.
PC – Planned Community (19.48)	By plan (see Table 32 for types & capacities in approved PC projects)	By plan	By plan	By plan

TABLE 21: ZONES CONDITIONALLY ALLOWING RESIDENTIAL USES

Zone/Applicable Ordinance	Residential Uses Allowed	Conditions for Residential Use
C-O – Administrative and Professional Office (19.30)	R-3 residential uses	Per R-3 regulations.
C-B – Central Business (19.32)	R-3 residential uses	Must be above ground floor commercial uses.
C-C – Central Commercial (19.36)	Mixed commercial-residential projects	CUP approval required.
I-R – Research Industrial (19.42)	Single family unit as an accessory use	Must be for the exclusive use of caretaker.
I-L – Limited Industrial (19.44)	Single family unit as an accessory use	Must be for the exclusive use of caretaker.

Zone/Applicable Ordinance	Residential Uses Allowed	Conditions for Residential Use
I – General Industrial (19.46)	Single family unit as an accessory use	Must be for the exclusive use of caretaker.
P-Q – Public/Quasi Public (19.47)	Single family unit as an accessory use	Must be for the exclusive use of caretaker.

Some development standards, such as parking, are based upon use rather than the zoning designation. The parking standards for residential uses vary based upon the unit type. Single family homes and duplexes require a two car garage. Townhouses require two parking spaces to be provided in a garage or carport. Apartment parking standards are less restrictive: One and one-half parking spaces for each studio or one bedroom unit and two parking spaces for units with two or more bedrooms. No guest parking is required.

As specified in Housing Element Program 3.3.2 – Development Standards, the City will evaluate and consider, on a case-by-case basis, the possibility of waiving or modifying certain development standards to encourage the development of low and moderate-income housing. The City may provide a reduction or modification in site development standards, zoning code or architectural design requirements for those eligible affordable housing projects requesting such reductions or modifications consistent with Government Code Section 65925(h).

Growth Management

The following growth management provisions exist in Chula Vista:

a. Threshold Standards: Adopted in November 1987, the "thresholds" established performance criteria and standards for eleven public facilities and services to ensure residents' "quality-of-life" in conjunction with growth. They addressed such matters as minimum "Level of Service (LOS)" to be maintained on roadways, police and fire response times, minimum park acreage and library square footage per 1,000 persons, and guarantees for school, water, and sewer service as examples.

b. The Standards included two types of implementation measures, those for application by staff on a project-by-project basis, and those to be applied Citywide on a periodic basis. For the latter, a Growth Management Oversight Commission (GMOC) was formed and tasked with an annual review and report on Citywide compliance.

c. Growth Management Element: Incorporated with the General Plan Update in April 1989, it sets forth the City's goals, objectives, and policies related to protection of residents' quality-of-life. This element established a City commitment consistent with the concept of the Threshold Standards and Controlled Residential Development Ordinance.

d. Growth Management Program: Adopted in April 1991, it serves as the implementing mechanism for the Growth Management Element of the General Plan. It sets a foundation for carrying out City development policies by directing and coordinating future growth to ensure timely provision of public facilities and services. As such, its primary focus is

Eastern Chula Vista where large tracts of vacant land are to be developed. The program document sets forth guidelines for relating development phasing to facilities master plans at the project level, and establishes requirements for facilities guarantees at various stages of project planning and review.

e. Growth Management Ordinance (Chula Vista Municipal Code Chapter 19.09): Enacted in May 1991, codifies Growth Management intents, standards, requirements, and procedures related to the review and approval of development projects.

The principal foundation of the City's various measures is recognition that large scale future growth creates tremendous demands for public facilities and services, which if not adequately addressed, will result in shortages detrimental to public health, safety, and welfare. Development of the Growth Management Program involved preparation of several facilities master plans sufficient to support the land use base of the updated City General Plan consistent with adopted Threshold Standards. Preparation of those master plans included a comprehensive survey and analysis of existing conditions and levels of service.

Although the Growth Management Program is targeted toward eastern Chula Vista where large vacant tracts of land are being developed, Threshold Standards are applicable Citywide. Through the Implementing Ordinance (Chula Vista Municipal Code, Chapter 19.90) discretion is reserved to exempt those projects which through their size and/or location do not possess potential to significantly impact facilities and services. This level of significance is defined through the environmental review process on each project, which specifically measures related facility and service needs, in comparison to Threshold Standards performance, and identifies if mitigating actions are necessary.

In such instance that a project, due to its location and/or timing, is required to provide a facility(ies) exceeding its needs, a benefit assessment is made to determine the amount and/or location of additional developments being served, and appropriate financing mechanisms and reimbursement agreements are then established.

The City's ability to accommodate its Regional Share allocation is not impacted, as the measures do not establish any form of building cap. Rather than attempting to artificially limit growth, the measures are aimed at ensuring adequate and timely services and facilities for growth produced by market forces.

Building Codes and Code Enforcement

The City’s Planning and Building department administers and enforces the California Building Code, which ensures construction in accordance with widely adopted health and safety standards. The City does not vary from these standards.

The City of Chula Vista administers code enforcement programs designed to protect the health, safety, and welfare of its citizens. The City’s Planning and Building department, in conjunction with the City Attorney’s office, undertakes abatement proceedings for deteriorating and substandard housing or illegal housing units. The City’s Code Enforcement Section of the

Planning and Building Department currently detects and abates violations of the State and City Housing and Health Codes as they relate to substandard housing. The Code Enforcement Section administers the Community Appearance Program in an attempt to educate and encourage corrections of Code violations from reaching a point of costly remedy.

On- and Off-Site Improvements

The City has a variety of requirements established by both the Zoning and Subdivision Ordinances, such as development standards and off-site improvements. These requirements are those necessary to ensure adequate livability and lasting value in housing such as sewers, streets, curb-gutter-sidewalk, lighting, drainage, recreational open space, parking, etc.

The City allows for the reduction of standards to help offset costs for senior housing projects. The City also considers the reduction of standards to help offset costs and financial participation in the construction of infrastructure for those eligible housing projects as a method of "additional incentive" under the State's revised Density Bonus Provisions.

Fees and Exactions

According to the BIA's 1999 Development Impact Fee Survey, the City of Chula Vista ranked sixth out of the 18 jurisdictions and the County of San Diego in average total residential development impact fees as shown in Table 22 below. Since fee values vary between and sometimes within jurisdictions, a method was needed to compare fees across jurisdictions. To accomplish this task, a prototypical structure was created for residential development. For the prototypical structure, existing fee levels by individual jurisdictions were applied. The prototypical structure encompasses characteristics representative of development averages.

The BIA created a prototypical structure for residential development based on a three-bedroom, two-bath, single-family home with a 2,000-square foot living area, 400-square foot garage, and a 240-square foot patio. The construction was Type V, wood frame construction.

TABLE 22: RESIDENTIAL DEVELOPMENT IMPACT FEES* AS LEVIED BY JURISDICTION, PER PROTOTYPE SAN DIEGO REGION, 1999

Solana Beach	$32,458
Poway	$29,974
Carlsbad	$27,136
City of San Diego	$26,586
San Marcos	$24,267
Chula Vista	$23,927
Santee	$23,532
Escondido	$20,999
Oceanside	$20,695
Encinitas	$18,850
Vista	$17,041
County of San Diego	$16,564
El Cajon	$12,460

*Impact fees include fees collected by non-city agencies (water, sewer, and school district fees)
Source: BIA's 1999 Development Impact Fee Survey

The ranking of these jurisdictions in respect to fees shows that cities with newly developing areas (where no facilities/services are now available) tend to have higher fees than those which are experiencing mostly in-fill development.

Most new growth in the region will be in newly developing areas where high fees are needed to assure that new growth pays its way.[7] The effect of these high fees can be partially mitigated by inclusionary programs where the affordability of the units is assured and development costs (including fees) can be spread over a large and varied mixture of housing types.

In general, the City requires affordable housing projects to pay the same fees as market rate residential developments. When faced with high or increased development costs, these projects do not have the ability to pass these costs on to the project due to their budget limitations and rent restrictions. According to affordable housing developers, permit processing fees and local development impact fees are one of the major governmental roadblocks to the production of affordable housing for low-income households. Based upon information obtained from tax credit applications of several affordable housing developments, local permit processing fees represent ten to fifteen percent (10 to 15%) of the development budget of these developments. Affordable housing developers strongly advocate the City to waive, reduce, or at a minimum, defer fees for affordable housing.

[7]Proposition 13 significantly hampers a jurisdiction's ability to raise general fund revenues for facilities/services for new growth.

Affordable Housing Program

Inclusionary housing programs are seen as "the best, perhaps even the only, currently available means by which residential integration can be actively fostered" and housing affordable to a less affluent population provided.[8] Without the availability of offsets and flexibility to such programs, inclusionary zoning can become a constraint or an exaction on new development by shifting the burden of subsidizing low-income affordability from government to private builders.[9]

Chula Vista has an inclusionary policy which requires all projects of 50 or more dwelling units to provide ten percent of the housing for low- and moderate-income households, with five percent affordable to low-income households. The requirements primarily affect those master planned projects in the developing eastern portion of Chula Vista. This program also provides for alternate methods of compliance including the dedication of land, off-site development, and in-lieu fee.

The cost of compliance may be mitigated by regulatory concessions, waivers, bonuses, or financial assistance. The City typically participates financially in the development of affordable housing through a residual receipts loan to assist with development costs such as property acquisition and development fees. The City has also provided other regulatory concessions, such as reductions in parking and density bonuses as offsets.

Processing and Permit Procedures

To verify compliance with the variety of use regulations and development standards, development projects undergo varying degrees of discretionary review. The extent and duration of project processing varies widely by type of application. Table 23 below shows the types of discretionary review for residential development and their typical processing time and costs as of January 2001. The processing times listed below include the typical time of completing and reviewing a permit (time from the completed application date to final decision date). The costs listed are only permit processing costs and do not include any costs associated with facility impact or in-lieu fees.

[8] Mallach 1984, *Inclusionary Housing Programs: Policies and Practices.* New Brunswick, NJ: Center for Urban Policy Research, Rutgers University.
[9] Coyle, Timothy. 1994. Barriers to Affordable Housing. Memo for Housing Task Force Members, Department of Housing and Community Development (HCD). Sacramento, CA. November 2.

TABLE 23: DISCRETIONARY REVIEWS FOR TYPCIAL RESIDENTIAL DEVELOPMENTS

Type of Development	Permits/Processes Typically Required	Typical Approving Entity	Typical Processing Time	Typical Cost (Full Cost Recovery)
Single Family House (1 unit) or Duplex	NONE Design Review (Only in Precise Plan Districts (P) and Design Control Modifying Districts (D))	_____ Zoning Administrator	_____ 6-8 wks	_____ $350
Small MF Project with or without Parcel Map (2-4 units)	Initial Study Design Review	Decision Making Body* (DMB) Zoning Administrator or Design Review Committee	12-16 wks 8-10 wks	$1,000 Deposit $1,000 Deposit
Medium-sized Project with Tract Map (5-50 units)	Initial Study Design Review Tract Map	*DMB Design Review Committee Planning Commission and/or City Council	12-16 wks 10-12 wks	$1,000 Deposit $1,000 Deposit $1,000 Deposit
Large Project with Tract Map (more than 51 units)	Initial Study Design Review Tract Map	*DMB Design Review Committee Planning Commission and/or City Council	12-16 wks 10-12 wks	$1,000 Deposit $1,000 - $2,000 Deposit $1,000 Deposit

Notes:

- Steps/permits for 2 or more units typically involve:
    - Environmental Clearance
    - Design Review
- Processing times overlap and are typically from acceptance of a complete application to final discretionary action.
- Costs:
    - Includes permit processing fees, and do not include facility impact fees or in-lieu fees.
    - Small Project types typically is covered by the deposit
    - Medium to Large Projects often exceed the required deposit
- Environmental Review
    - Initial Study typically results in a Negative Declaration or Mitigated Negative Declaration or in some cases an Environmental Impact Report.
    - Projects that are determined through the Initial Study to have significant environmental impacts require an Environmental Impact Report (EIR). Typical processing time would then be 12 to 14 months. For an EIR typically an additional $5,000 deposit is required.

Residential projects requiring subdivision of land and additional regulatory approvals such as re-zonings will require longer periods of review than those for which only ministerial approvals are needed. The costs resulting from the additional review time helps determine the true cost of housing as such costs are added to the price of housing and ultimately passed on to the consumer. The processing required, however, is necessary to comply with the law and ensure proper and thorough review without compromising environmental quality or public safety.

Priority processing is utilized to reduce the processing time for the development of affordable housing. Through coordination with the Community Development Department, the Planning Division will continue to prioritize projects that provide affordable housing. The Planning and Building Department is structured to specialize staff in the various facets of planning a project (Community Planning Section, Environmental Section, Development Processing Section, etc). This enables staff with the greatest expertise on a particular aspect (such as environmental a review, design review, or site plan review) to "fast track" their review. Sections also coordinate internally to concurrently process all applications related to a single project, and in the case of large, master planned developments, staff teams are specifically assigned to process each development. Specialized staff teams and inter-division coordination results in substantial savings of time in achieving complete project approval and the start of construction.

Affordable housing projects are extremely sensitive to processing and permit procedures that result in time delays. Such time delays in the processing of affordable housing projects lead to higher costs for the project and jeopardize available funding sources. When faced with high or increased development costs, these projects do not have the ability to pass costs on to the project due to their budget limitations and rent restrictions. Additionally, they are time sensitive due to the established deadlines for funding sources. Affordable housing developers strongly advocate the City to continue to utilize a fast track process for affordable housing.

Federal and State Environmental Protection Regulations

The CEQA (California Environmental Quality Act) requires environmental review for most proposed discretionary actions and for certain projects, review under NEPA (National Environmental Policy Act) is also required. The State and Federal Endangered Species Acts and the Clean Water Act can further affect project requirements, and in southern California, have largely brought about the Multiple Species Conservation Program (MSCP) which prescribes the assembly and management of large-scale habitat preserves to protect sensitive biological resources from the potential adverse affects of development.

Chula Vista has a substantial amount of environmental constraints due to its natural resources, sensitive habitats and coastal location. Environmental reviews under the above noted regulations can directly affect the processing of projects and result in higher development costs. These costs are associated with the extent of required environmental evaluations and analysis, resulting mitigations, mandated public review periods, and the fees, timelines and requirements imposed by State and Federal agencies for the processing and granting of necessary permits. Costs resulting from the environmental review process are added to the cost of housing and are subsequently passed on to the consumer. However, the presence of these regulations helps to preserve the environment and ensure environmental safety and a better quality of life for residents.

In order to minimize any delays, the City, whenever possible utilizes provisions within CEQA that allow for "tiering" of environmental reviews. This approach has been used for many of the residential master planned communities in the City's developing eastern area. The first tier review includes analysis of general issues and impacts associated with the overall development in a broader Environmental Impact Report (EIR). Subsequent tiers include analysis of narrower plans and projects within later EIRs and/or Negative Declarations, focusing only on the impacts of individual projects that implement the overall development plan. Therefore, projects within subsequent phases of the development may proceed without the need for substantial additional environmental review, which can lead to relatively faster processing of these individual projects.

With further regard to the MSCP, while the set-aside of land for habitat preserves can affect the location and amount of land available for housing, Chula Vista's proposed preserve configuration is largely in keeping with open space areas already established in the City's current General Plan. As a result, the City's proposed MSCP Subarea Plan does not have a substantive affect on the availability and capacity of land planned for new housing. Although the costs associated with mitigating habitat loss and assembling the preserve lead to higher costs associated with development, the MSCP's comprehensive approach to establishing permissible development areas in relation to required preserve areas will effectively reduce the uncertainty as to mitigation requirements and costs for future development, than would have otherwise existed without the MSCP.

Infrastructure Costs

Proposition 13, a voter initiative which limits increases in property taxes except when there is a transfer of ownership, may have increased the cost of housing. The stream of funds received

from increasing property taxes had been used as source for the financing of public infrastructure. Residential development cannot occur in the absence of supporting capital infrastructure such as streets, sidewalks, schools, parks, sewer, water, and electrical service.

In the aftermath of Proposition 13, municipalities have looked to other financing mechanisms to raise funds to pay for the necessary infrastructure. Public financing of infrastructure has turned toward revenue, lease-obligation, and other bond sources. Additionally, under California law, cities and counties have the authority to require developers to pay for infrastructure improvement through fees, the dedication of land to public use, or the construction of public improvements. The use of development fees in place of public debt accelerated rapidly in the aftermath of Proposition 13. To the extent that cities continue to raise development fees to recover the infrastructure costs associated with growth, there is a risk that such costs will result in higher housing prices that reduce housing affordability. In effect, the initiative forced local governments to pass on more of the costs of housing development to new home owners. The law also increased the initial cost of purchasing a home as future tax savings are imputed into the purchase price.

Construction Defect Litigation

With the cost of housing rising, there is a growing need to build more affordable, for-sale, single-family attached housing as a means to increase homeownership opportunities and affordable housing options. Construction defect litigation has served as a barrier to the production of this necessary rung in the housing ladder.

California Civil Code provides that any construction defect action "may be brought against any person who develops real property or who is involved in the design and/or planning of the property". This provision, combined with the ten year statute of limitations, makes developers responsible for any defect that occurs, including ones that were not apparent at the time of construction. In the past decade, the expense of construction defect litigation and threat of litigation has resulted in a decrease in the number of new attached residential units being built (i.e., condominium, townhouse). From 1995 to 2000, numerous bills have been introduced to the State Legislature to address this issue. Construction defect litigation remains a barrier to the production of single-family attached housing.

Non-Governmental Constraints

A number of private sector factors contribute to the cost of housing. In 1998, for the construction of a single-family home costing $215,400, construction materials and labor accounted for approximately 33 percent of the total development costs. Land and site improvement costs accounted for 37 percent of costs; developer overhead marketing and profit accounted for 14 percent; fees accounted for ten percent; and financing costs accounted for six percent. The following is a discussion of these factors and their impact on affordable housing development.

Land Costs

Residential land prices contribute significantly to the cost of new housing. Location factors such as proximity to freeway access, public facilities, coastal views, and such intangible factors as image and quality of life contributes to demand and price of land. The cost of improving the land, grading and added infrastructure are also major contributors. Land zoned for higher densities command higher market prices. In 1998, land costs in the San Diego region ranged from $65,000 to $230,000 per lot.[10]

Residential land costs in Chula Vista, on average, are currently $200,000/acre, with the specific dollar/unit ratio obviously dependent upon zoning location and infrastructure. In surveying recent land purchases for several proposed single-family developments in the City, the average per lot cost for the raw land was approximately $40,000. Improved land costs can vary widely depending upon the amount of improvements necessary including the amount of site grading to create buildable lots. As an example, a recently approved master planned project with 1,900+ units, has an estimated per unit site work cost of $22,500.

Construction Costs

Construction costs are the second highest component of new housing. Construction costs are the total costs to developers exclusive of profit, but including fees, materials, labor, and financing. In 1998, multi-family housing construction costs in Chula Vista average about $50 per square foot, excluding fees, land costs, and parking. Single-family home construction range from $50 to $70 per square foot. The current housing recovery has left the region with a labor shortage that is leading to higher labor costs.[11]

[10]Source: Building Industry Association, 1998
[11]Source: Building Industry Association, 1998

Estimates used for the sample development pro-forma followed these cost assumptions:

TABLE 24: COMPONENT COSTS IN MULTI-FAMILY HOUSING

New Construction Unit Price	$105,000
Land	$ 25,000 (24%)
Hard Costs (improvements, const.)	$ 60,000 (57%)
Soft Costs (arch., eng., marketing, etc.)	$ 20,000 (19%)

Chula Vista also participates in three programs that use volunteer labor (sweat-equity): Habitat for Humanity, Caring Neighbors, and Christmas in October. These programs have assisted in creating new or conserving existing affordable housing.

Availability of Financing

In 1998, interest rates in the San Diego region had fallen to their lowest levels in 30 years. Finance costs comprised approximately six percent of the total construction cost for a single-family house, a decrease of one percent since 1990.[12]

Interest rates also affect homeownership opportunities. In September of 1998, the posted interest rate on resale single-family homes was 6.34 percent on a 30-year, fixed-rate loan with a 20 percent down payment. On the median-priced home in San Diego County costing $199,000, the monthly interest and principal payment would be $990. In April 1989 when interest rates peaked at 11.3 percent, the comparable monthly payment on a median-priced home costing $174,000 was $1,359.

According to 1998 HMDA data analysis, multi-family lending was made available in every census tract in the City for the purposes of new construction and/or purchasing of existing housing complexes and home ownership. Citywide multi-family (5+ units) lending exceeded $18,088,000 on 37 loans, and $37,339,000 on 370 non-occupant loans. Homeownership mortgage lending exceeded $293,185,000 on 1,742 loans.

Capital available for development of affordable housing includes: Redevelopment Set-Aside, Community Development Block Grant (CDBG), HOME funds, Federal and State Low-Income Housing Tax Credits, lending institutions' commitment under CRA, and Multi-family Revenue Bonds.

[12]Source: Building Industry Association, 1998

III. EVALUATION

This section analyzes the City's accomplishments during the 1991-1999 housing element cycle. This is done by evaluating the previous housing element, the City's success in meeting its goals, City progress towards meeting its Coastal Zone requirements, and fulfillment of the fair share housing goals. The evaluation is used to formulate goals and programs to be included in the 1999-2004 housing element.

Evaluation of Previous Housing Element

The 1991-1996 Chula Vista Housing Element contained a series of goals related to new construction, rehabilitation, preservation, and housing assistance. The following section reviews progress in implementing each of these action items.

Effectiveness and Progress

During the 1991-1999 planning period, Chula Vista has consistently provided a variety of new housing opportunities, both single and multiple family, in seeking to achieve a "balanced community." The City has approved several large master planned residential communities, each offering a wide range of residential densities, commercial services/employment, industrial employment, and recreational opportunities in a coordinated living environment. In order to ensure economic integration of neighborhoods, the City's Affordable Housing Policy requires these and other residential developments over 50 units to provide a minimum of ten percent of the units to low- and moderate-income households.

Two sets of goals were set forth in the 1991-1996 Chula Vista Housing Element, both of which were generated by SANDAG. The first as shown in Table 25 below is the SANDAG allocation of "Fair Share" of affordable housing needed. These were the goals used to determine if a jurisdiction is eligible to self-certify its 1999 Housing Element Update. Chula Vista had a Fair Share goal of 1,058 additional affordable housing opportunities and actually created 1,796. A listing of those 1,796 affordable housing opportunities created is provided in Appendix A to this document. Therefore, Chula Vista is eligible to self-certify its 1999 - 2004 Housing Element.

TABLE 25: CHULA VISTA 1991-1999 FAIR SHARE AFFORDABLE HOUSING GOALS AND PERFORMANCE

1999 Housing Element Affordable Housing Fair Share Goals	1991-1999 Affordable Housing Performance Totals
1,058	1,796

The second set of goals related to Regional Share of new home construction needs for all income groups. These goals are set forth in Table 26 below.

TABLE 26: REGIONAL SHARE COMPARED TO ACTUAL UNIT CONSTRUCTION 1991-1999

Description	Very Low-Income	Low-Income	Moderate-Income	Above Moderate	Total Units
Regional Share	1,232	628	131	335	2,326
Units Built	133	261	1,013	4,803	6,210

This table shows that the City made progress towards providing its overall fair share of new construction, but fell short in the very low- and low-income categories. However, this is partially mitigated by the significant number of low- and very low-housing opportunities created through rental assistance. This indicates that in the 1999-2004 housing element cycle, the City should seek additional ways to work cooperatively with for-profit and non-profit corporations to meet the new housing needs of lower-income households.

Specific Progress Related to Housing Objectives

The following evaluates housing performance by the specific objectives set forth in the 1991-1996 Housing Element.

OBJECTIVE 1

Achievement of a balanced residential community through integration of low- and moderate-income housing throughout the City, and the adequate dispersal of such housing to preclude establishment of specific low-income enclaves.

Implementing Actions

A. The Affordable Housing Program (AHP) requires a minimum of ten percent of each housing development of 50 or more units to be affordable to low- and moderate-income households, with at least one half of those units (five percent of project total units) being designated for low-income households.

Responsible Agencies: Planning, Community Development Department, and Housing Advisory Committee.

Quantified Objective: 437 newly constructed low-income units.

Cumulative Results: 53 low-income units and 111 moderate-income units were constructed under the Affordable Housing Program. No in-lieu fees were collected.

TABLE 27: AFFORDABLE HOUSING POLICY

Projects	Low Income		Moderate Income	
	Goal	Achieved	Goal	Achieved
Goal	437	0	0	0
Cordova	0	40	0	0
Sanibelle	0	0	0	72
Cabo	0	13	0	39
Total	**437**	**53**	**0**	**111**

Production of housing under this objective is directly the result of new home (market rate) construction. The objective set in 1991 of 437 assumed a level of market rate housing construction that did not materialize.

OBJECTIVE 2

The provision of adequate rental housing opportunities and assistance to households with low and very low incomes, including those with special needs such as the elderly, handicapped, single-parent households, and large families.

Implementing Actions

A. Facilitate the Use of Federal Funding as Available.

B. Facilitate the Use of State Funding as Available.

C. Assist Non-profit Community Development Corporations.

D. Encourage and Support Federally Assisted Housing Projects

E. Support a Shared Housing Program

F. Assist the County Housing Authority to Produce a Minimum of 80 Public Housing Units

G. Encourage Use of the Density Bonus Program.

H. Investigate Need for Single-Room Occupancy Hotels.

Responsible Agencies: Planning Department, Community Development Department, and City Attorney.

Quantified Objectives and Cumulative Results:

TABLE 28: NEW RENTAL HOUSING OPPORTUNITIES

Description	Objectives	Units Achieved	Difference
New Construction - Objective 2			
Public Housing	80	38	(42)
Senior Housing	75	75	0
Non-Profit Housing	69	18	(51)
Density Bonus	63	3	(60)
Senior Density Bonus	50	0	(50)
Relocation Housing	100	28	(72)
Subtotal	437	162	(275)
Rental Assistance - Objective 2			
New Section 8 (Certificates & Vouchers)	200	693	493
Shared Housing Program	300	243	(57)
Subtotal	500	936	436
Total	**937**	**1,098**	**161**

From 1991-1999, the City continued to work cooperatively with non-profit corporations and other governmental agencies to leverage resources to create rental housing opportunities, and in many cases housing for large families. The funding sources for new construction included tax credits and HOME. Working with the County Housing Authority and the Article 34 referendum authority (granted by voters in 1978), 38 family-sized public housing units were built. Section 8 rental assistance created the most affordable housing opportunities during this period.

The City also assisted non-profit corporations such as South Bay Community Services (SBCS) with grants for capacity building as well as gap financing. Community Development Block Grant (CDBG) funds were also used for shared housing services provided by the Lutheran Social Services.

Three additional rental housing projects are underway and will be completed during the 1999-2004 housing element cycle.

OBJECTIVE 3

The broadening of available housing types and the increase of home ownership opportunities for low- and moderate-income households.

Implementing Actions

A Expand Home Ownership Opportunities through the Affordable Housing Program

B. Distribute General Marketing and Home-Loan Information to the Public

C. Institute First-Time Home Buyer Loan Programs

D. Implement Community Reinvestment Home Loan Programs

E. Explore Equity Share or Deferred Loan Programs

F. Explore Participation in Sweat-Equity Projects

G. Inform Seniors of the Reverse Annuity Mortgage Program

H. Investigate Feasibility of Applying for Mortgage Credit Certificates

I. Pursue Additional Tax-Exempt Single Family Mortgage Revenue Bonds

J. Encourage Educational Programs for Homeowners

Responsible Agencies: Community Development

Quantified Objective: There were no quantified objectives.

Cumulative Results:

The City was successful in its application for an allocation of Mortgage Credit Certificates (MCC) and initiated the MCC program in September 1991 and issued the first certificate in December 1991. During the planning period, the City has issued 206 MCCs, with approximately 45 percent for low-income households.

A sweat-equity approach was achieved through the City's financial participation in a Habitat for Humanity project in Chula Vista. The City provided funds for rehabilitation costs.

Working with a private developer, the City explored the need for Single Room Occupancy hotels and discovered a limited market and no continuing interest by the for-profit or non-profit community to build. This experience also reconfirmed the priority needed for family housing, especially large families.

The City did not implement any specific homeowner education program or information distribution on the Reverse Annuity Mortgage. These programs, although generally good ideas, never rose high enough on the priority list and if implemented would not have resulted in new housing opportunities.

OBJECTIVE 4

Preservation of mobilehome park living as a source of affordable housing.

Implementing Actions

A. Continue to provide grants to low-income families to rehabilitate their mobile homes through the Mobile Home Rehabilitation Grant Program (Trailer/Mobilehome CHIP Program).

B. Explore upgrading trailer parks to allow conversion to exclusive mobilehome park zones.

C. Monitor and enforce the City's Rent Arbitration Ordinance to protect the rights of mobilehome residents in preserving this affordable housing alternative. To provide financial assistance to low-income residents requesting arbitration through the Rent Arbitration Assistance Fund.

D. Monitor and enforce the City's Mobilehome/Trailer Park Conversion Ordinance to protect the rights of mobilehome residents.

E. Assist mobilehome park residents to purchase their parks and convert to resident ownership by operating the City's Mobilehome Assistance Program and assisting with the application for other funding sources such as the State Mobilehome Assistance Program.

F. Promote participation by referring eligible residents to the San Diego County Mobilehome Rent Assistance Program.

G. Identify new programs in cooperation with the Western Mobilehome Park Owners Association to preserve the affordability of mobilehome park residency.

Responsible Agencies: Community Development Department, City Attorney, Planning Department, Building and Housing Department, and Mobilehome Issues Committee

Quantified Objective: There were no quantified objectives.

Cumulative Results:

The City provided rehabilitation assistance to 287 low-income single-family and mobilehome owners.

The City revised the rent arbitration ordinance to simplify the process, eliminate the fee and generally make it more user friendly. Implementing the ordinance is on-going and two to three cases of contested rent increases are heard each year.

The Mobilehome/Trailer Park Conversion Ordinance has been triggered only once since 1991. The Twin Palms Mobile Home Park requested conversion. After hearings and analysis, closure of the Park was approved by the City Council.

OBJECTIVE 5

The systematic renewal, rehabilitation, conservation, and improvement of the residential neighborhoods of the Chula Vista Planning Area.

Implementing Actions

A. Preserve At-Risk Affordable Housing Units

B. Implement a Pro-active Neighborhood Improvement Program.

C. Implement the Multi-Family Housing Inspection Program

D. Removal of Dilapidated Structures

E.. Implement Rehabilitation Programs

F. Implement the Neighborhood Revitalization Program (NRP)

G. Continue to Regulate Condominium and Stock Cooperative Conversions To Protect Existing Residents

H. Encourage Educational Programs for Homeowners

Responsible Agencies: Community Development Department and Planning and Building Department.

Quantified Objectives and Cumulative Results:

TABLE 29: HOUSING REHABILITATION

Description	Objectives	Units Achieved	Difference
Rehabilitation & Conservation Objective 5			
At-Risk Units	528	300	(228)
Single Family & Mobilehome Rehabilitation	200	213	13
Rental Rehabilitation	65	-0-	(65)
Total	**793**	**513**	**(280)**

From 1990 to 1993 the City's Neighborhood Revitalization Program was implemented in the Otay neighborhood of Castle Park. CDBG funds were used to improve and enhance the area through various community design elements, upgrading infrastructure, and rehabilitation of homes.

There were no proposals to convert apartments to condominiums or cooperatives.

The City's Multi-family Housing Inspection program continues to be implemented. All multi-family housing in the City is inspected approximately every three years for conformance to minimum housing standards as established by State Law. The program accounts for 554 properties that include over 15,400 dwelling units. An additional 26 hotel/motel properties with over 1,600 units are inspected as well.

OBJECTIVE 6

To provide housing assistance to individuals and families who are homeless and enable them to move back into permanent housing.

Implementing Actions

A. Participate in a Regional Approach to Address Homelessness

B. Facilitate Transitional Housing Programs

C. Identify Non-profit Providers to Operate Emergency Shelter Programs

D. Support Existing Services for the Homeless

Responsible Agencies: Community Development Department and Non-Profit Social Service Providers

Quantified Objectives: New construction or rehabilitation of 20 units of transitional housing for very low-income homeless persons.

Cumulative Results:

The City's Redevelopment Agency provided Redevelopment Low- and Moderate-Income Housing Set-aside Funds to assist South Bay Community Services (SBCS) to acquire various properties for transitional housing programs. Casa Nueva Vida is a short-term housing development program for 25 homeless families. Additionally, Redevelopment funds and HOME funds were also provided to SBCS for two units of transitional housing for persons fleeing from domestic violence.

The City has participated in regional approaches to addressing the needs of the homeless population. The City is represented on the San Diego County Regional Emergency and Shelter Program (FEMA) and the San Diego County Regional Continuum of Care Advisory Council. The City has provided financial assistance to the County of San Diego's Cold Weather Hotel/Motel Voucher Program since the implementation of the program in 1997.

OBJECTIVE 7

Ensure the successful implementation of housing policies and programs through effective coordination, monitoring, and evaluation.

Implementing Actions

A. Review and Revise Affordable Housing Standards

B. Implement an On-going Monitoring and Evaluation Program

C. Establish an Affordable Housing Quality of Life Threshold Standard

Responsible Agencies: Community Development, Planning and Building Department, and Housing Advisory Committee

Quantified Objectives: N/A

Cumulative Results:

The City's Housing Advisory Committee continues to be involved with the implementation of housing policy through housing project review. The City Council becomes involved with the annual review of the Consolidated plan and periodic review of housing element implementation progress. Staff works with developers to implement the Affordable Housing Program, which is integral to the approval process of new developments with 50 or more units (ten percent of the units must be affordable).

OBJECTIVE 8

The elimination of racial, age, religious, sexual, and economic bias and discrimination in the housing provision, and to ensure fair lending practices.

Implementing Actions

A. Continue Fair Housing Counseling Services and Referral Activities

B. Conduct the Annual Fair Housing Assessment

C. Require Developers of Housing Projects (20 units or more) to Submit Affirmative Fair Marketing Plans

Responsible Agencies: Community Development Department

Quantified Objectives: N/A

Cumulative Results:

The City helps fund the Fair Housing Council of San Diego. This organization responds to questions about landlord/tenant issues. In July 1995, Community Development Department staff and the Fair Housing Council of San Diego compiled data for the Assessment of Impediments to Fair Housing Choice in the City of Chula Vista report. Additionally, the City contracts with the Fair Housing Council of San Diego to provide a fair housing education and counseling program through the City's Community Development Block Grant (CDBG) Program.

The annual report for the 5-year Consolidated Plan includes information on fair housing and developers are required to submit affirmative marketing plans for their projects with more than 20 units.

OBJECTIVE 9

Reduction and/or removal to the greatest extent possible of identified constraints to the development, maintenance, and improvement of housing within the planning area.

Implementing Actions

A. Expedite the Processing of Affordable Housing Projects

B. Designate an Affordable Housing Ombudsman

C. Establish specific procedures for evaluating requests for subsidies involving fees, land write downs, and other forms of City assistance.

D. Encourage demonstration or experimental housing projects which reduce building costs and increase affordability

E. Consider the impacts to affordable housing which may result from rezonings involved with the General Plan/Zoning Consistency Study.

F. Continue to encourage the use of flexible development standards through the Planned Community (PC) Zone and Precise Plan (P) Modifying District, where such are clearly identified with increased availability of affordable housing.

G. Designate staff and develop resources to assist developers in availing themselves of alternative and supplemental financial assistance.

Responsible Agencies: Community Development Department and Planning and Building Department

Quantified Objectives: N/A

Cumulative Results:

Chula Vista departments work cooperatively to expedite project review and approval. The City does not typically experience complaints about project processing delays.

The City's Housing Division staff work cooperatively with those developers providing affordable housing within the community. They review all affordable housing project proposals and provide technical assistance when required. Should financial assistance be requested, the Coordinator reviews such requests and presents recommendations to the City Council and/or Agency. Housing Division staff serves as City liaison for affordable housing projects and coordinates with other City departments to resolve any issues that may arise.

OBJECTIVE 10

To encourage the development of new housing, and the retrofitting of existing housing, with features to address environmental issues such as energy and water conservation and recycling.

Implementing Actions

A. Encourage energy and water conservation features and recycling storage areas in new housing in conjunction with the City's existing policy for the "Conservation of Energy and Water" within the City of Chula Vista.

B. Continue to encourage the weatherization programs for low-income households currently sponsored by the MAAC project.

C. Continue to require the installation of dual-piping systems in new projects to accommodate the use of reclaimed water for landscaping and other applications as feasible.

D. Continue to require the submission of a "water management plan" and “air quality improvement plan" for large development projects at the Sectional Planning Area (SPA) Plan stage or similar level of review.

E. Title 24 Compliance Review - The Planning and Building Department will continue to perform residential Title 24 energy analysis as part of building plan check procedures.

Responsible Agency: Planning and Building Department, and Community Development Department

Quantified Objectives: N/A

Cumulative Results:

A consultant is currently employed by the City to develop a Water Conservation Plan. The City has also received an EPA Grant for $80,000 to create a program to assist and promote energy conservation as well as CO_2 reduction.

Another consultant is exploring the feasibility of greywater recycling within homes for use in yards.

OBJECTIVE 11

To fully address specific housing issues as they affect our community and to enforce applicable laws and ordinances.

Implementing Actions

A. The City will Encourage a Balance of Housing to Jobs

B. Investigate the Need or Appropriateness of a Housing Linkage Fee

C. Protect Coastal Zone Housing - Implement the Housing Demolition Rules and the Ten Percent Affordable Housing Requirement

D. Provide Relocation Assistance as Required by Law

Responsible Agencies: Community Development Department and Planning and Building Department

Quantified Objectives: N/A

Cumulative Results:

As demonstrated in the section on needs, the City has substantial land zoned for employment growth and works with private developers to integrate employment opportunities within Master Planned Communities.

The City's Affordable Housing Program has effectively integrated low and moderate income homes into newly developing areas.

From 1991-1999, no homes within the coastal zone were demolished and therefore, there were no replacement requirements.

OBJECTIVE 12

To provide and maintain adequate public improvements, facilities, and services to support residential growth in a manner consistent with the Growth Management Element and Program.

Implementing Actions

A. Five-Year Capital Improvement Program (CIP) - The City will continue to implement the on-going CIP program.

B. Implement the 20-year Neighborhood Revitalization Program

C. Continue to Require Public Facilities Financing Plans for All Master Planned Communities and Other Facility Financing Methods

D. Continue Maintenance of Public Improvements and Facilities

Responsible Agencies: Engineering and Public Works Department, Planning and Building Department, and Community Development Department

Quantified Objectives: N/A

Cumulative Results:

The City continued to update and implement its Capital Improvement Program (CIP). The vast majority of the funds must be used on specific kinds of improvements. For example, Transnet or Gas Tax Funds must go to specified types of transportation improvements. The City's CIP also includes the expenditure of development impact fees generated in conjunction with the public facilities financing plans. To date, the CIP expenditures have effectively enabled the City to invest in the infrastructure needed to support housing growth.

EVALUATION OF PROGRESS TOWARDS MEETING COASTAL ZONE REQUIREMENT

Section 65588 of the California Government Code requires that, in housing element updates, coastal jurisdictions document the number of low- and moderate-income units converted or demolished, and the number of replacement units provided. Section 65588 also requires that revisions of the housing element must include, for the coastal zone:

A. Number of new units approved for construction after January 1, 1982.

B. Number of units for low- and moderate-income households required to be provided either within the coastal zone or within three miles of it.

C. Number of units occupied by low- and moderate-income households and authorized to be demolished or converted since January 1, 1982.

D. Number of units for low- and moderate-income households required either within the coastal zone or within three miles in order to replace those being demolished or converted.

The coastal zone includes a portion of the Montgomery area that was annexed into the City in 1985. Information is not available for units either demolished or constructed in this area prior to 1985.

The following information was obtained from City records:

1982-1999

A. New construction: 0 new units

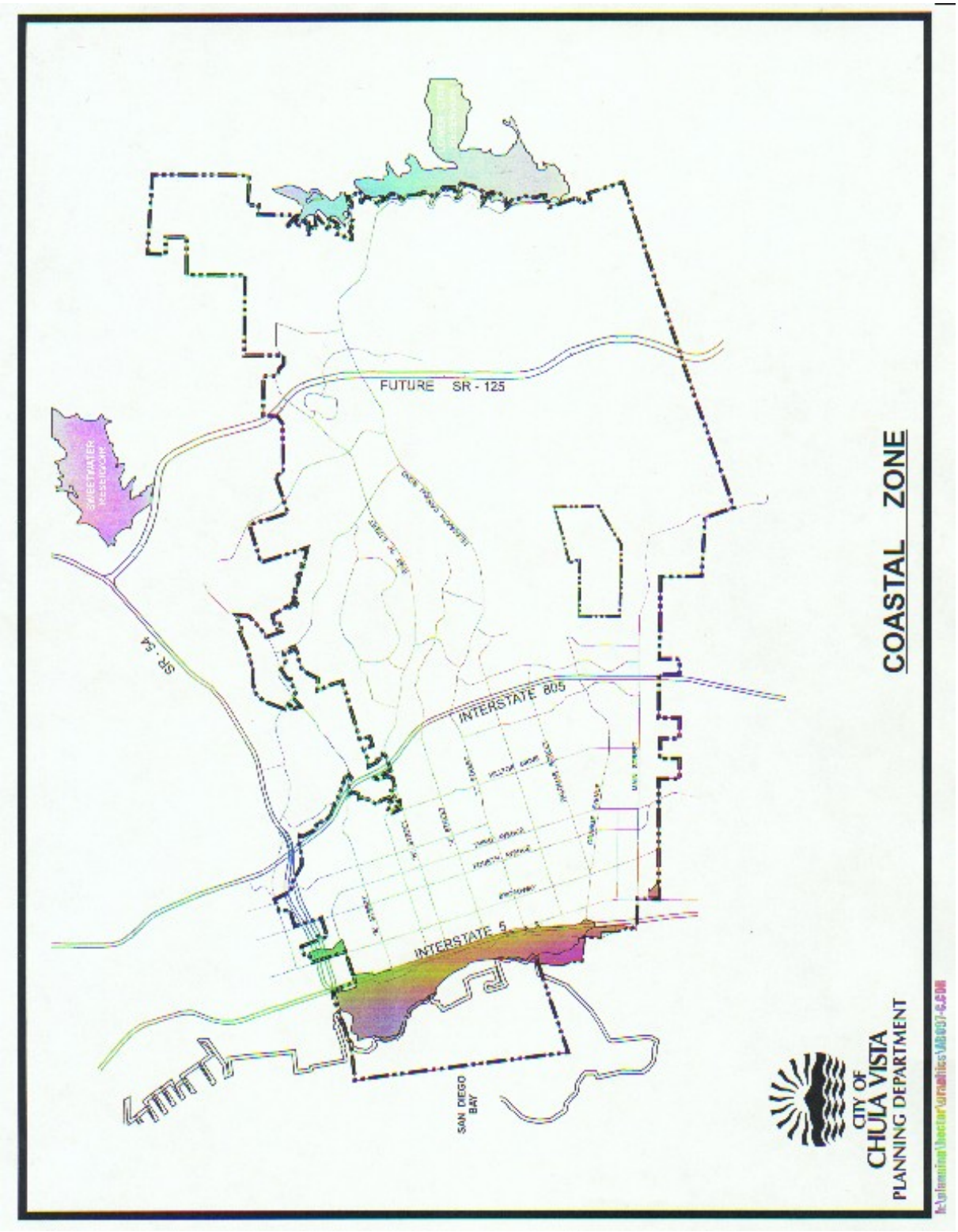
B. New low- and moderate-income housing: 0 approved

C. Demolished/converted low- and moderate-income housing: 5

D. Replacement low/moderate-income housing: 40

Figure 2 shows the Coastal Zone in Chula Vista.

FIGURE 2: COASTAL ZONE



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EVALUATION OF PROGRESS TOWARDS SELF-CERTIFICATION REQUIREMENTS

State Legislation (AB 1715) creates the opportunity for jurisdictions within the San Diego region to self-certify their updated Housing Element. The specific criteria listed below must be met in order to self-certify the Housing Element in 1999. Information documenting how the City of Chula Vista complied with each criterion is also included.

The Housing Element self-certification criteria as set forth in AB 1715 (Section 65585.1 of the Government Code) are:

Criterion 1: The jurisdiction's adopted Housing Element or amendment substantially complies with the provisions of this article, including addressing the needs of all income levels.

Chula Vista contracted with MacLeod Consulting Services who worked closely with City staff to update the City's Housing Element. This process will be complete when the Chula Vista City Council adopts the 1999-2004 Housing Element and passes a resolution self-certifying this updated Housing Element. The draft Housing Element addresses the needs of all income levels.

Criterion 2: For the third Housing Element revision pursuant to Section 65588, the jurisdiction met its fair share of the regional housing needs for the second Housing Element revision cycle, as determined by SANDAG.

Chula Vista complied with this criterion by creating 1,796 qualifying housing opportunities, which far exceeds the assigned fair share goal of 1,058.

Criterion 3: For subsequent housing element revisions, the jurisdiction has provided the maximum number of housing units/opportunities as determined pursuant to Section 65585.1(a) within the previous planning period.

Chula Vista will attempt to self-certify its housing element due in 2004. To do this, the City will need to provide an additional 1,029 affordable housing opportunities as follows: 278 extremely low-income, 329 very low-income, and 422 low-income housing opportunities.

Criterion 4: The City or County provides a statement regarding how its adopted Housing Element or amendment addresses the dispersion of lower-income housing within its jurisdiction, documenting that additional affordable housing opportunities will be developed in areas where concentrations of lower-income households do not exist, taking into account the availability of necessary public facilities and infrastructure.

It is a policy of the City of Chula Vista to ensure that lower-income housing opportunities are dispersed throughout the City. This commitment is also accomplished through the Affordable Housing Program which requires five percent of the units in projects with more than 50 units to be affordable to low-income households and five percent to moderate-income households.

Criterion 5: No local government actions or policies prevent the development of the identified sites or accommodation of the jurisdiction's share of the total regional housing need pursuant to Section 65584.

The 1999-2004 Housing Element specifically provides adequate sites, removes governmental constraints, and promotes equal housing opportunities.

IV. HOUSING OPPORTUNITIES

This section evaluates the potential residential development that could occur based on Chula Vista's General Plan and Zoning Ordinance.

AVAILABILITY OF SUITABLE SITES

Housing element law mandates that a city must show that it has adequate sites with required public services and facilities for a variety of housing types for all income levels. In this section, adequate sites will be discussed in terms of the City's Regional Share Goals for 1999-2004 as established by SANDAG.

Regional Share Goals

According to state law, a local jurisdiction's housing needs must include their share of the projected needs for housing in the region (regional share). The San Diego Association of Governments (SANDAG) has identified Chula Vista's share of regional housing needs for 1999-2004. The figures are contained in the Regional Housing Needs Statement adopted in 1999. Each jurisdiction must identify the sites (capacity) to meet their share of the region's housing needs. The regional share identifies the need for new housing units for each jurisdiction and distributes the projected housing need to all income groups: very low, low, moderate, and above moderate.

Table 30 shows Chula Vista's regional share goal and the income distribution of the goal. Chula Vista accounts for nearly 11 percent of the region's projected housing needs or 10,401 units.

TABLE 30: REGIONAL SHARE - 1999 - 2004 CHULA VISTA

Income Category	Housing Goal
Very Low Income (<50% Area Median Income)	1,889
Low Income (50-80% Area Median Income)	1,535
Moderate Income (80-120% Area Median Income)	2,388
Above Moderate Income	4,589
Total	**10,401**

Source: SANDAG

Residential Land

Besides the existing housing supply, another source of housing is the future housing potential expressed in vacant, residentially-designated land within the City. Most of the vacant land is located in eastern Chula Vista and will be developed under the "Planned Community (PC) Zone", which permits varied densities and the use of flexible development standards.

Given the amount of developable vacant land within the master planned projects in eastern Chula Vista (Figure 6) and the land use designations of that land, there is sufficient vacant land to accommodate 28,569 homes in a wide range of housing densities. Of these units, 41 percent will be high density multi-family (Medium High at 11 to 18 units/acre and High at 18 to 27 units/acre). Another 11 percent will be in the 6 to 11 units/acre range which typically generates patio homes/townhomes. The remaining 48 percent are at densities for single-family homes (Low at 0 to 3 units/acre and Low Medium at 3 to 6 units/acre). Refer to Table 32.

Figure 4 shows the annual change in the number of housing units by type (single family and multi-family) in Chula Vista in past years, and presents the current forecast through 2007. This figure illustrates a dramatic increase in the number of new dwelling units, particularly in the past two years, and substantial growth in the number of multi-family units over the past year. This high level of new housing production with a large multi-family component is forecast to continue over the time frame cited.

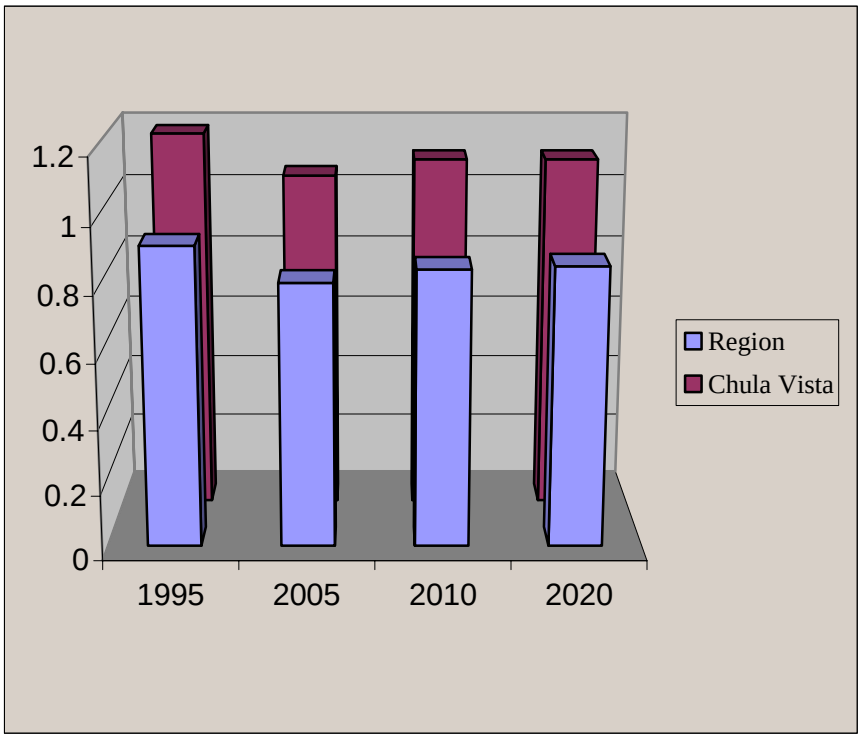
Figure 5 shows housing permits in the City of Chula Vista in comparison to San Diego County as a whole, and demonstrates the City's expanding role in meeting regional housing needs.

The City of Chula Vista has a jobs/housing ratio that is significantly lower than that of the region. Alternatively stated, Chula Vista has more housing units per job than most other local jurisdictions and the region as a whole, further underscoring the City's critical role in meeting regional housing needs. Table 31 and Figure 3 below illustrate this relationship.

TABLE 31: HOUSING UNITS PER JOB

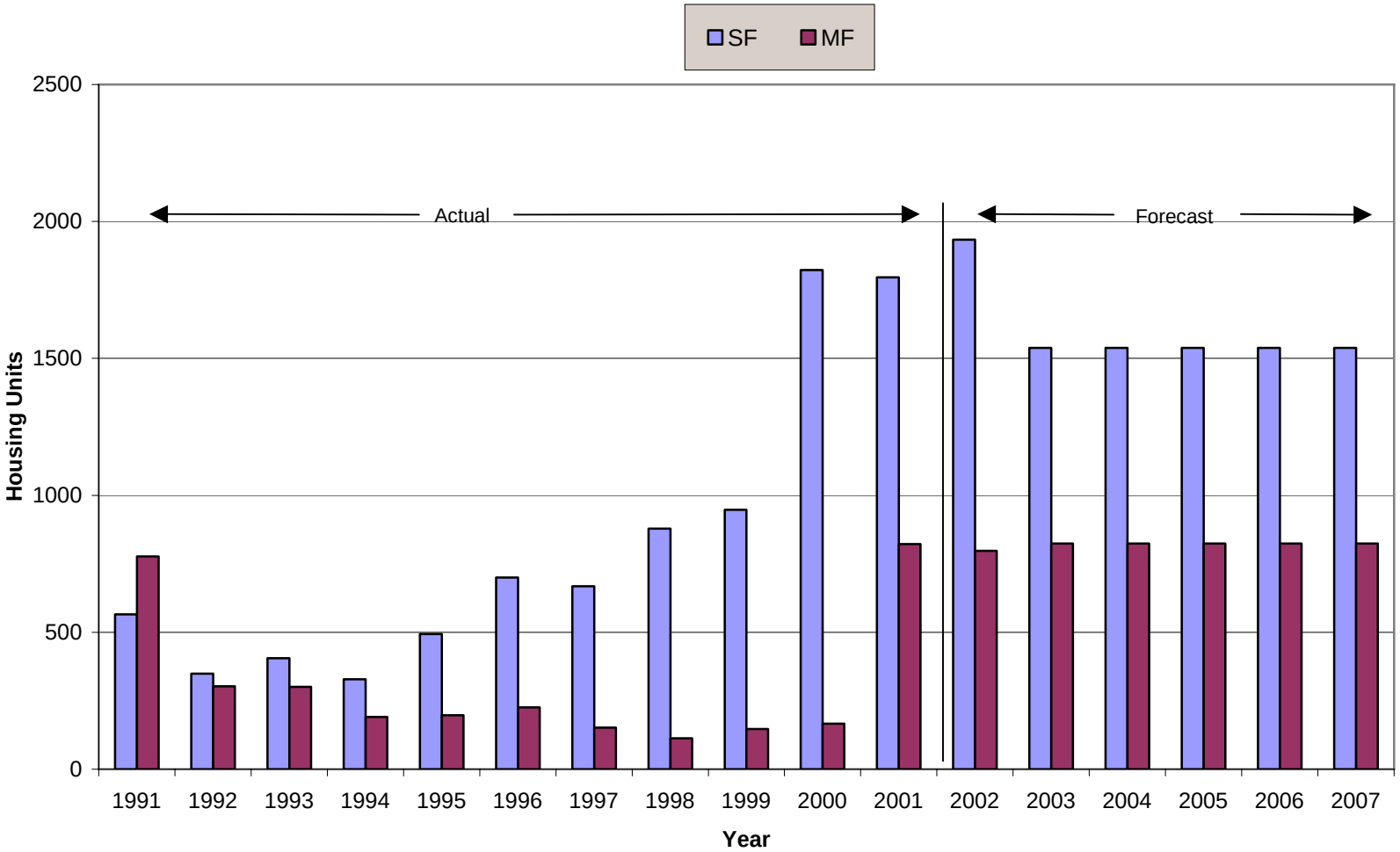
Year	Chula Vista	Region
1995	1.18	0.92
2005	1.05	0.81
2010	1.10	0.85
2020	1.10	0.86

FIGURE 3: HOUSING UNITS PER JOB



Source: San Diego Association of Governments. September – October, 1999. "2020 Cities/County Forecast for the San Diego Region." INFO.

FIGURE 4: CITY OF CHULA VISTA ANNUAL CHANGE IN NUMBER OF HOUSING UNITS BY TYPE AND YEAR 1991 TO 2007



Source: Actuals from California Department of Finance for January 1 of reference year, with 2001 estimated based upon extrapolating actuals to date. Forecasts from developer estimates, market absorption studies, and site phasing plans.

FIGURE 5: HOUSING PERMITS IN CITY OF CHULA VISTA COMPARED TO SAN DIEGO COUNTY 1980 THROUGH 2000

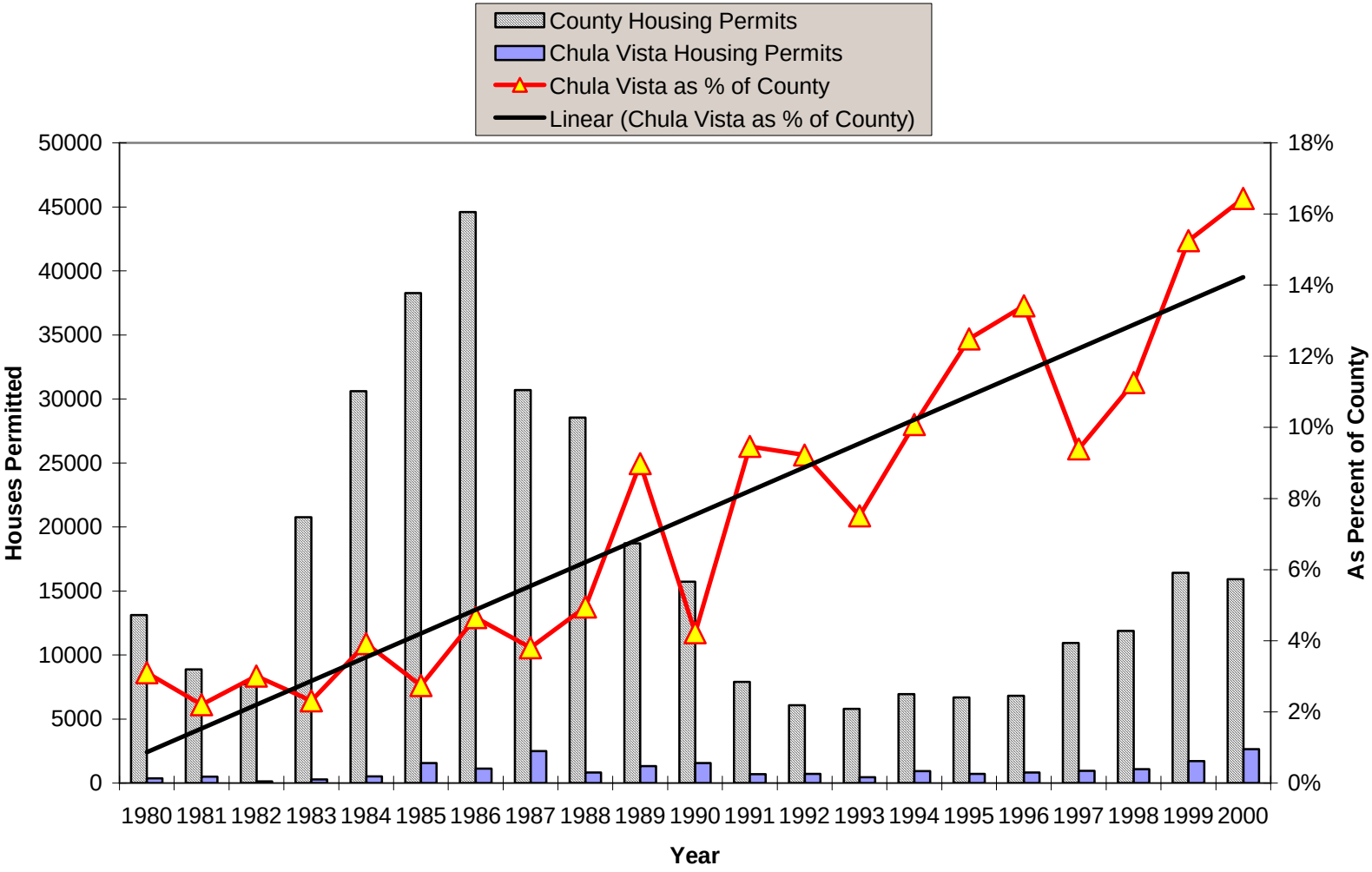
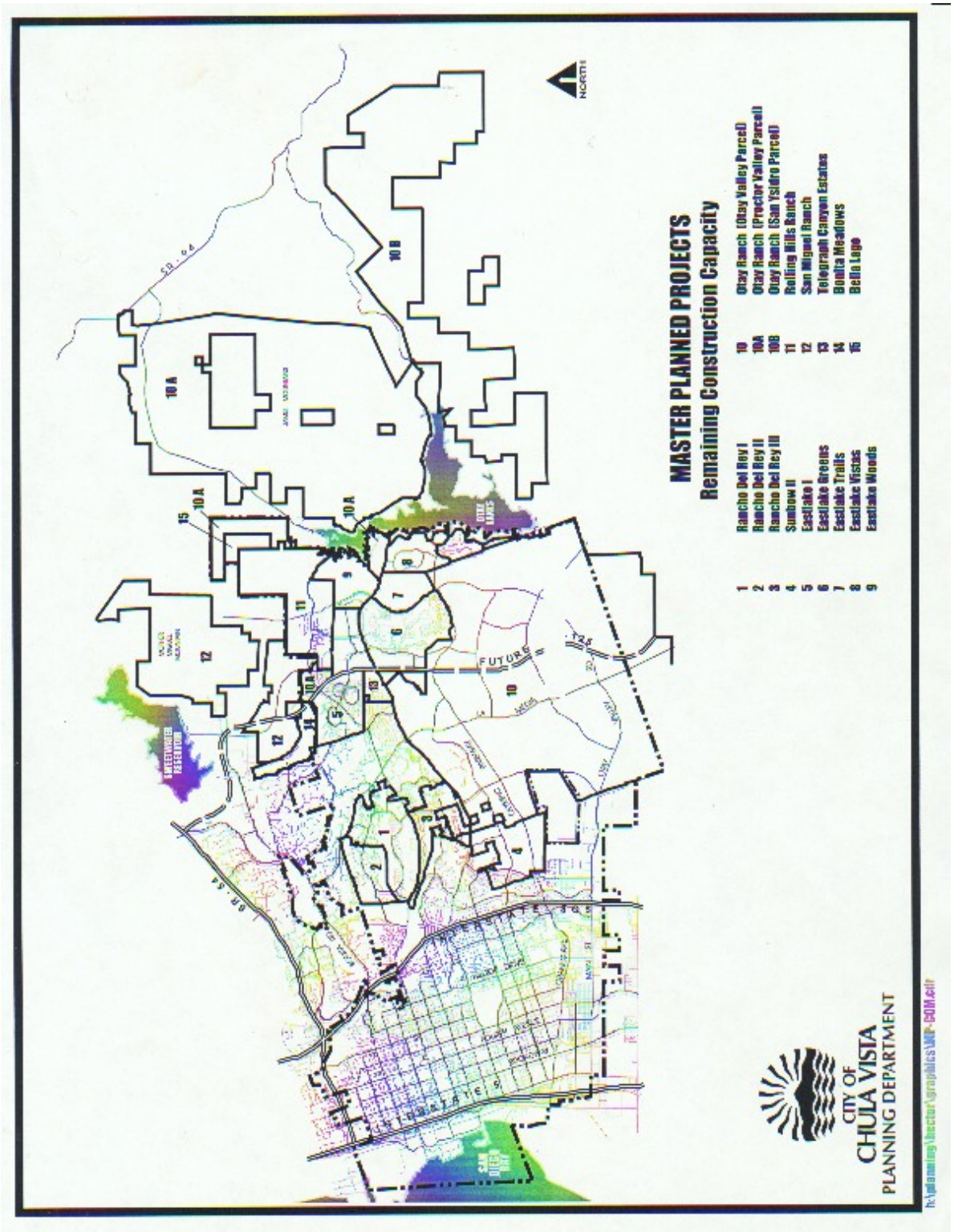


TABLE 32: RESIDENTIAL CONSTRUCTION CAPACITY EASTERN CHULA VISTA MASTER PLANNED PROJECTS

Project	Low 0-3 du/ac	Low Med 3-6 du/ac	Med 6-11 du/ac	Med High 11-18 du/ac	High 18-27+ du/ac	Totals
Rancho Del Rey						
SPA I	17					17
SPA II	116					116
SPA III			246	154		400
EastLake						
Greens	41	66	129	1,031		1,267
Trails	88		487	274	294	1,143
Woods & Vistas	746	255	260	506		1,767
Otay Ranch (Otay Valley Parcel)						
SPA 1 (Villages 1, 1 West, & 5)						
The Otay Ranch Company		1,597	704		1,402	3,703
McMillin		539			940	1,479
The Otay Ranch Co. (1West)		772	214			772
Village 2		1,133		586		1,719
Village 4	329	203				532
Village 6		990		1,242		2,232
Village 7		1,303		448		1,751
Village 8		1,021		436		1,457
Village 11		745		1,001		1,746
Village 12 (EUC)					2,500	2,500
Otay Ranch (Proctor Valley Parcel)						
Birch Patrick Estates	123					123
San Miguel Ranch	157	673	435	129		1,394
Vista Mother Miguel		43				43
Sunbow II		720	241	444	214	1,619
Rolling Hills Ranch (Salt Creek)	675	1,045	529			2,249
Bonita Meadows	250					250
Bella Lago	290					290
Totals	**2,832**	**11,105**	**3,031**	**6,251**	**5,350**	**28,569**

Sources: General Development Plans and approved SPAs Major Projects Development Status Report, August 16, 1999

FIGURE 6: MASTER PLANNED COMMUNITIES



Residential development capacity also exists in the older western area of Chula Vista. In contrast to eastern Chula Vista, much of this capacity exists on underutilized parcels as discussed below, although there are about 84 acres of vacant land with a capacity of 519 units. Of these vacant lands, 90 percent are at densities for single-family homes (predominantly Low Medium at 3 to 6 units/acre).

Total capacity City wide for new housing developed on vacant lands is approximately 29,088 units, with 40 percent of the units or 11,738 units anticipated at the higher density ranges to accommodate high density multifamily housing. Approximately 14,305 units are anticipated at the Low and Low Medium density ranges to accommodate single family homes. The remaining 3,044 units are at the Medium density range of 6 to 11 units/acre. This capacity for residential development on vacant lands is more than twice Chula Vista's regional share allocation of 10,401 units for the 1999-2004 housing cycle.

The number of potential housing units can be further augmented through the development of underutilized properties. An underutilized residential area can be defined as an area that was developed at a lower residential density than could be accommodated with the existing public facilities, infrastructure, and allowable density maximums (zoning). These underutilized residential areas are primarily located within western Chula Vista, where they were developed with single family residences or lower density multifamily.

Underutilized land has a capacity of another 1,097 units for a total of 1,616 units. Most of this capacity (1,109 potential units) is on land designated for high density development (18 to 27 du/acre).

Long term residency and continuation of older single family homes as rental properties contributes to the underutilization of the property. In these older areas of the City, there are many multifamily properties that are either owned by a family trust or by an absentee owner with no immediate plans for development. Historically, on average, the City has experienced residential construction levels of 25 units per year in western Chula Vista since 1980.

TABLE 33: RESIDENTIAL CONSTRUCTION CAPACITY WESTERN CHULA VISTA VACANT AND UNDERUTILIZED LAND

General Plan Designation	Vacant		Underutilized	Total Potential Units
	Acres	Potential Units	Potential Units	
Low (0-3 du/ac)	15.19	37	8	45
Low Med (3-6 du/ac)	60.41	331	111	442
Medium (6-11 du/ac)	3.15	13	0	13
Medium High (11-18 du/ac)	0	0	7	7
High (18-27 du/ac)	5.14	138	971	1,109
Total	**83.89**	**519**	**1,097**	**1,616**

Density designations often have a relationship to the cost of housing or the feasibility of using gap financing to make units affordable. Table 34 correlates the City's capacity to provide potential residential units on vacant and underutilized property (Potential Units), Density and Regional Share by income level.

TABLE 34: REGIONAL SHARE AND UNIT POTENTIAL IN CHULA VISTA

Income Level	Units Needed Regional Share	Appropriate Density	Potential Units
Very Low- and Low- Income	3,424	High (18 to 27 dus/ac)	6,459
Moderate-Income	2,388	Medium High (11to18 dus/ac)	6,258
Above Moderate-Income	4,589	Medium (6to11 dus/ac)	3,044
		Low Medium (3 to 6 dus/ac)	11,547
		Low (0 to 3 dus/ac)	2,877
Total	**10,401**		**30,185**

Non-Residential Land

There are several non-residential zones within the City that allow for some form of housing development, as identified in Table 21. These zones, namely, Administrative and Professional Office (C-O), Central Business (C-B), and Central Commercial (C-C) have the greatest potential for future residential development. The C-O zone allows for multifamily residential development. Both the C-B and C-C zones allow for multifamily residential development in conjunction with commercial uses in a mixed-use setting. Residential development in these areas would further bolster the potential for accommodating new dwelling units in the City of Chula Vista.

The Chula Vista City Council has also adopted a Resolution of Support for the San Diego Association of Governments (SANDAG) REGION2020 Growth Management Strategy and smart growth principles. In this resolution, the City expressed its commitment, through its ongoing General Plan Update and other related efforts, to evaluate and promote land use distribution concepts and smart growth opportunities supportive of the regional growth management strategy.

The City of Chula Vista is also providing funding for and is actively participating in a joint South Bay "Transit First" program being conducted with the Metropolitan Transit Development Board. This effort will produce a transit plan and identify transit projects in Chula Vista and the South San Diego Bay area. The City's General Plan Update will integrate smart growth land use distribution concepts and opportunities, where feasible, including higher residential densities and employment intensities and mixed use areas, with the network of transit stations and corridors identified through the South Bay Transit First program.

Availability of Public Services and Facilities

As previously noted in Section II, the City has been implementing and refining a comprehensive and successful growth management program since 1986. The program's main purpose is to support development while maintaining the community's quality-of-life by ensuring appropriate provision of eleven different public facilities and services as development occurs. Level-of-service Threshold Standards have been established for each of the eleven facilities and services and are analyzed as part of the development review process.

The City uses a number of different mechanisms to ensure funding to support required facilities and services including Development Impact Fee Programs (DIFs) for transportation and public facilities, community facilities districts (CFDs), and development exactions. Larger new master planned projects (mainly in the developing eastern Chula Vista area) are required to prepare a Public Facilities Financing Plan (PFFP) to identify facility and service needs in accordance with the development's proposed phasing, and the funding mechanisms to ensure they will be available when needed. In the older, built-up western area of the City, most of the backbone facilities and services necessary to support the infill and redevelopment capacities of adopted plans are largely in place today.

In addition to PFFPs, and as a way of monitoring and evaluating citywide facility and service availability, the City's Growth Management Oversight Commission (GMOC) conducts an annual compliance review for each of the eleven Threshold Standards. In the event that any deficiency or concern is identified, action oriented recommendations are made. The City also uses the annual GMOC process as a planning tool for the City's Capital Improvement Program.

Opportunities for Energy Conservation

The primary uses of energy in urban areas are for transportation lighting, water heating, and space heating/cooling. The high energy costs are an impetus to reduce or minimize the overall level of urban energy consumption.

Title 24, Building Energy Standards for Residential Development, establishes energy budgets or maximum energy use levels. The standards of Title 24 supercede local regulations, and State requirements mandate Title 24 requirements though implementation by local jurisdictions. The City will continue strict enforcement of local and state energy regulations for new residential construction, and continue providing residents with information on energy efficiency.

As previously described the City is also using consultant assistance to create a program to reduce energy consumption and achieve other conservation goals.

REDEVELOPMENT HOUSING OBLIGATIONS

Legislative Framework

State Redevelopment Law provides the mechanism whereby cities and counties within the State can, through adoption of an ordinance, establish a redevelopment agency. The agency's primary purpose is to provide the legal and financial mechanism necessary to address blighting conditions in the community through the formation of redevelopment project areas.

State Redevelopment Law also requires the redevelopment agency to address housing issues for low- and moderate-income residents in the following ways:

- Expend 20 percent of the tax increment revenue to increase and improve the supply of low- and moderate- income housing;

- Replace low- and moderate-income housing which is destroyed as a result of a redevelopment project (replacement housing obligation); and

- Ensure that a portion of all housing constructed or substantially rehabilitated in a redevelopment project area be affordable to low- and moderate-income housings (inclusionary housing obligation).

Redevelopment in Chula Vista

The Chula Vista Redevelopment Agency was activated in 1974 with the adoption of the Bayfront Redevelopment Area. Since its formation, the Agency has adopted five redevelopment plans in the City (as shown on Figure 4):

- Bayfront (1974)
- Town Centre I (1976)
- Town Centre II (1978)
- Otay Valley Road (1983)
- Southwest (1990)

Redevelopment Housing Set-Aside

Pursuant to State Law, the Redevelopment Agency has established a Redevelopment Housing Set-Aside Fund using 20 percent of the tax increment revenue. As part of the Agency's efforts to meet its unmet housing needs, these funds have been and will continue to be used to create affordable housing units.

According to the Five-Year Redevelopment Implementation Plan for 2000-2005, the Agency estimates the following yearly tax increment to be deposited by the Agency by project area.

TABLE 35: LOW/MODERATE-HOUSING FUNDS AVAILABLE SEPTEMBER 1999

Low- and Moderate-Income Housing Fund	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	TOTAL
Starting Balance of $4,942,300						
Total Annual Deposits (20% TI deposits by project area)						
BF/TCI	589,058	612,246	636,393	661,018	686,151	3,184,866
OTVR	232,339	239,309	246,488	253,883	261,499	1,233,518
TCI	211,453	217,797	224,331	231,061	237,992	1,122,634
SW	173,623	178,832	184,197	189,723	195,415	921,790
Interest & Other Income	326,000	328,760	331,548	334,365	337,209	1,657,882
Total Revenue	**1,532,473**	**1,576,943**	**1,622,957**	**1,670,050**	**1,718,266**	**8,120,690**

The total revenues to be deposited over the five-year period are estimated at $8,120,700. The beginning balance in the low- and moderate-income housing fund as of July 1, 1999 was approximately $4,942,300. Therefore, the estimated amount of tax increment housing set-aside projected to be available over the five-year period for the development and assistance of affordable housing projects is $13,063,000.

Based on existing programs and pro-forma cost projections for new and rehabilitated units, up to 725 additional units, could be created through the leveraging of Redevelopment Housing Set-Aside Funds over the five-year period. Funds are allocated among newly constructed and rehabilitated units as follows: 700 new-housing units; and 25 substantially rehabilitated housing units. The Agency anticipates assisting 60 low-income homeowners each year with the minor rehabilitation of their homes through the Community Housing Improvement Program (CHIP).

TABLE 36: ANNUAL HOUSING UNIT PRODUCTION REDEVELOPMENT SET-ASIDE FUNDS

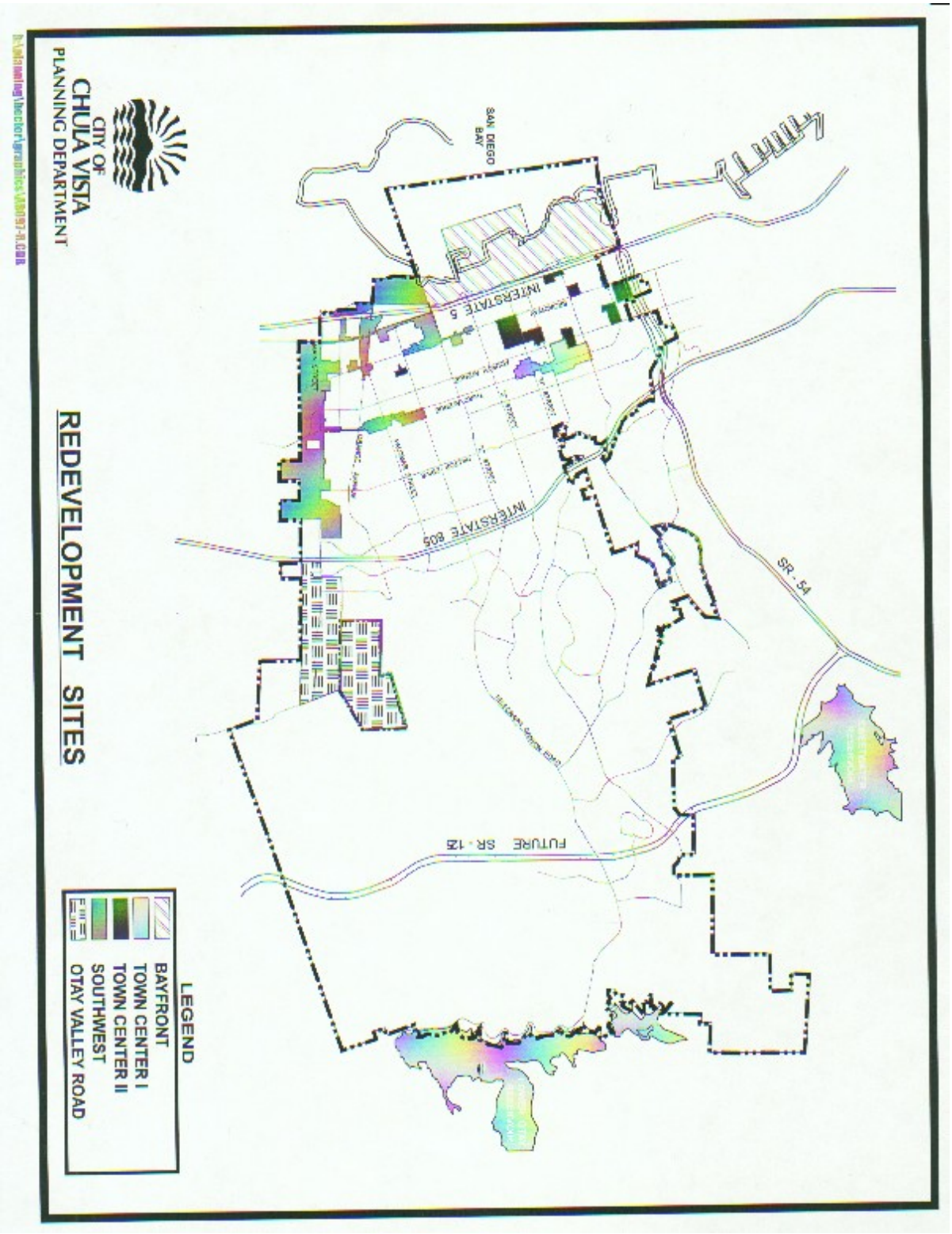
Price Restricted Housing Production	2000	2001	2002	2003	2004	Five Year Total
Housing Units to be developed	140	140	140	140	140	700
Housing Units to be substantially rehabilitated	5	5	5	5	5	25
Total housing units to be price restricted (acquisition of price restriction covenants for existing housing)	145	145	145	145	145	725
Housing Units to be otherwise assisted by the Agency (non-restricted)	60	60	60	60	60	300

Replacement Requirements

Section 33413(a) of the California Health and Safety Code requires that whenever units housing persons of low- and moderate-incomes are destroyed or removed from the low- and moderate-income housing market as part of a redevelopment project, the Agency shall within four years of the destruction or removal of such housing, rehabilitate, develop or construct for rental or sale, to persons of low- and moderate-income, an equal number of replacement units. At least 75 percent of these replacement units must be made available at an affordable housing cost for the same income level as the household that was displaced.

Since the inception of redevelopment in Chula Vista, the Agency has incurred an obligation to replace 157 units that were demolished as a result of redevelopment activities in the various project areas. To fulfill this obligation, the Agency provided financial assistance to several residential developments throughout the City, resulting in the construction of 258 very low- and low-income housing units. Of the 258 units, 192 are for very low-income households and 66 are for low-income households.

FIGURE 7: REDEVELOPMENT PROJECT AREAS



Affordable Housing Production (Inclusionary) Requirements

Section 33413(b) (1) and (2) of the California Health and Safety Code imposes inclusionary requirements for affordable housing for all residential development in Redevelopment Project Areas, whether developed by the Agency or by private entities. For the project areas adopted on or after January 1, 1976, the following restrictions apply:

- At least 30 percent of all new or substantially rehabilitated housing units developed by a redevelopment agency must be affordable to persons of low- and moderate-income. Not less than 50 percent of those units (15 percent of the total) must be available to very low-income persons.

- For units developed by other public or private entities, at least 15 percent of the units must be affordable to low- and moderate-income persons; not less than 40 percent of these units must be made affordable to very low-income persons.

- Affordable units created outside of the project areas may be counted toward this requirement on a two for one basis.

Agency Assisted/Price Restricted Housing for the Next Five Years

Based on low/moderate-housing funds available, it is anticipated that 700 units will be developed or substantially rehabilitated over the next five years. The following projects are anticipated to be developed within the next five years. The Agency will consider providing financial assistance to these projects. Of these units, it is estimated that 117 units will be developed/rehabilitated within the redevelopment project areas.

Trolley Trestle - The Agency approved financial assistance in FY 1998-99 to a local non-profit organization for the construction of this project. Trolley Trestle, located within the Southwest Redevelopment area, is an 11-unit housing development for those extremely low-income youths completing the San Diego County Foster Care Program. It is anticipated that construction will be completed by December 2000.

Villa Serena – The Agency provided assistance in FY 1998-99 to this 132-unit low-income senior housing development. It is anticipated that construction will be completed in Summer 2000.

Rolling Hills Ranch – The developer has proposed construction of 32 low-income family units and 116 low-income senior units.

EastLake Greens – The developer has proposed construction of 130 for sale townhomes for low-income homebuyers.

Otay Ranch –The developer has an obligation to develop 10 percent of the units within this master planned community for both low-income and moderate-income households. At this point in time, the required number of affordable units is estimated to be 232 units.

Pear Tree Apts – The Agency approved financial assistance in FY 1999-2000 to acquire and substantially rehabilitate this 119-unit apartment project. All units are proposed to be affordable to very low and low-income households. It is anticipated that construction will be completed by Spring 2001.

Main Plaza – The Agency has approved a mixed-use development of 106 low-income affordable units with 15,000 square feet of commercial use. This project is located within the Southwest Redevelopment area.

It is anticipated that the development of these projects within the next five years will create an additional surplus of low- and moderate-income units for the Agency.

V. GOALS AND POLICIES

This section of the Housing Element contains goals and policies the City will implement to address a number of important housing-related issues.

The primary goal of the City is to ensure that decent, safe housing is available at an affordable cost. The priority remains the provision of housing for families, particularly large families, of all income levels. Table 37 is a summary listing of the objectives by Goals, Policies, and Programs:

TABLE 37: HOUSING OBJECTIVES BY GOALS, POLICIES, AND PROGRAMS SUMMARY

Policies and Programs	Five Year Objective
Goal 1 - Conserve Existing Affordable Housing Opportunities	
1.1 Preservation of Assisted Housing At-Risk of Converting to Market Rate	41 low-income units
1.2 Condominium Conversions	Monitor
1.3 Single Family and Mobilehome Rehabilitation	• 250 CHIP loans/grants to very low- and low-income homeowners and mobilehome owners. • Minor repair and clean up of 500 homes and mobile homes.
1.4 Rehabilitate Deteriorating and Substandard Rental Housing	120 very low- and low-income rental units
1.5 Preservation of Mobilehome Park Living	Case by Case
Goal 2 - Maintain and Enhance the Quality of Residential Neighborhoods in Chula Vista	
2.1 Reinvest in the City's Well-established Neighborhoods.	• Target two residential neighborhoods for a clean up/fix up campaign as well as a program to promote community pride. • Repair/rehabilitate 25 homes through Christmas in October.
Goal 3 - Ensure That an Adequate and Diverse Housing Supply Is Available to Meet the City's Existing and Future Needs.	
3.1 Affordable Housing Program	New construction of 590 units for low-income households, of which 130 will be for sale units as also referenced under Program 4.1, and 470 units for moderate-income
3.2 Protection of Coastal Housing	Case by Case
3.3 Provide Incentives for Low Income Housing Construction	• Adoption of a density bonus ordinance. • Evaluate on a case by case basis acquisition of property and land write downs. • Pursue affordable housing funding sources. • 10 low income density bonus units

Policies and Programs	Five Year Objective
3.4 Pursue Housing Opportunities for Lower-Income Households	• Assist 350 low-income persons through a shared housing program. • Work with the County Housing Authority to compete for rental assistance programs. • Work with social services' providers to identify lower-income elderly residents and provide housing assistance. • Adopt a second dwelling unit ordinance.
Goal 4 - Increase Home Ownership Opportunities for Low- and Moderate-Income Households	
4.1 Encourage the Construction of a Variety of Housing Types	Case by Case
4.2 Help Low Income Households Purchase A Home	• Assist 130 first-time homebuyers. • Provide 25 Mortgage Credit Certificates to low- and moderate-income households.
Goal 5 - Enable Homeless Individuals and Families to Find Permanent Housing	
5.1 Participate in Regional Efforts to Address Homeless Needs	Continue to participate in regional efforts to address needs of the homeless, including the Regional Task Force for the Homeless, local FEMA Board, Regional Continuum of Care Council, and County of San Diego Hotel/Motel Voucher Program.
5.2 Facilitate Local Facilities that Respond to Homeless Needs	• Provide technical assistance and consider financial assistance to organizations seeking to provide or expand facilities and services within Chula Vista. • 10 transitional housing units
Goal 6 - Encourage Energy and Waste Conservation as an Integral Part of Homes	
6.1 Institute Conservation as Part of New Construction	On-going
6.2 Promote Conservation in Existing Homes	Change CHIP Guidelines
Goal 7 - Promote Equal Opportunity for All Residents to Reside in Housing of Their Choice	
7.1 Fair Housing Practices	Fair housing assistance to 150 persons
Goal 8 - Reduction and/or Removal to the Greatest Extent Possible of Identified Constraints to the Development, Maintenance, and Improvement of Housing.	
8.1 Streamline Development Processing	Monitor development processing for streamlining opportunities.

HOUSING GOALS, OBJECTIVES, POLICIES, AND PROGRAMS

Goal 1 - Conserve Existing Affordable Housing Opportunities

1.1 Preservation of Assisted Housing at Risk of Converting to Market Rate

Five Year Objective: 41 units of at-risk low-income housing

Funding Source: Community Development Block Grant (CDBG), HOME, Redevelopment Low/Moderate-Housing Funds, and private sector programs

Target Years: 2000

1.1.1 Preservation of Conversion Of Density Bonus Units

The Community Development department shall work with the property owner of the Meadows and Eucalyptus Parkview projects to ensure the continued affordability of the 32 and nine low-income units respectively. As identified previously in the Needs Assessment-At Risk Units, the affordability restrictions for the Meadows are scheduled to expire in the year 2000. This is the only project in Chula Vista at risk of converting to market-rate housing during 1999-2004.

1.1.2 Tenant Education of Rights and Conversion Procedures

The California Legislature passed AB 1701 in 1998, requiring property owners give a nine-month notice of their intent to opt out of low-income housing use restrictions. The Community Development department shall work with tenants of at-risk units regarding tenant rights, conversion procedures, and Section 8 availability/priority.

1.2 Condominium Conversions

Five Year Objective: On-going Monitoring/Regulation

Funding Source: CDBG, HOME, Redevelopment Low/Moderate-Housing Funds, and private sector programs.

Target Years: 1999-2004

1.2.1 Regulation of Condominium or Stock Cooperative Conversions

The Planning and Building department shall continue to regulate residential condominium and stock cooperative conversions as specified in the Chula Vista Municipal Code, Title 15, Chapter 15.56 in order to protect existing tenants and promote the orderly growth and amenity of Chula Vista.

1.3 Single-family and Mobilehome Rehabilitation, with Priority for Those Homeowners of Very Low- Income, Special Needs and/or Senior Households.

Five Year Objective: 250 CHIP loans/grants to low-income homeowners and mobilehome owners. Minor repair and clean-up of 500 homes and mobilehomes.

Funding Source: CDBG, HOME, Redevelopment Low/Moderate-Housing Funds, and private sector programs.

Target Years: 1999-2004

1.3.1 Rehabilitation Assistance

The Community Development department shall provide rehabilitation assistance, through loans and grants, to lower-income owner occupants to preserve and rehabilitate deteriorating homes. Assistance will be targeted to homeowners residing in blighted areas of the City and priority will be given to those single-family and mobilehome owners of very low-income, special needs and/or senior households. The Community Housing Improvement Program (CHIP) provides favorable loans to low-income owners and also provides grants for minor repairs.

1.3.2 Caring Neighbors Program

This voluntary program, is utilized occasionally by Code Enforcement to perform minor rehabilitation work for elderly and disabled homeowners. This program will depend primarily on the availability of funding from CDBG funds, which is a competitive grant provided on an annual basis.

1.3.3 Home Modification and Repair - For Senior Citizens

The Community Development department shall encourage elderly persons to seek home modification and repair programs that will allow elderly persons to remain in their home and help to prevent injuries. Weatherization Programs are available through the local Welfare or Energy Department (Low Income Home Energy Assistance Program and the Weatherization Assistance Program).

1.3.4 Reverse Mortgage Program

A Reverse Annuity Mortgage Program, available through private lending institutions, can help elderly homeowners gain access to their home equity. Under this program, the Federal government guarantees the loans to senior citizen homeowners which allows them to draw down a monthly stipend.

1.4 Rehabilitate Deteriorating and Substandard Rental Housing

Five Year Objective: 25 very low-income and 95 low-income rental units

Funding Source: CDBG, HOME, Redevelopment Low/Moderate-Housing Funds, and private sector programs.

Target Years: 1999-2004

1.4.1 Rental Housing Acquisition and Rehabilitation

The Community Development department shall make local funds available for both non-profit and for-profit developers to acquire rental housing that is substandard, deteriorating, or in danger of being demolished. A minimum of twenty percent of the units, once rehabilitated, will be set-aside for very low- and low-income households at affordable rents[13] for a minimum of 55 years, unless otherwise dictated by a State or Federal Law.

1.4.2 Housing Inspection

The Planning and Building department shall continue to employ Code Enforcement staff to systematically inspect rental housing complexes of three or more units and report violations of current Health and Safety Codes. Where necessary work is fairly extensive, referrals to the City's Community Development Housing Division are made.

1.5 Preservation of Mobilehome Park Living

Five Year Objective: Case by case

Funding Source: CDBG, HOME, Redevelopment Low/Moderate-Housing Funds, and private sector programs.

Target Years: 1999-2004

[13]In such instances that affordable rents are not defined by the applicable laws or regulations, affordable rents (including a utility allowance) for low income households shall not exceed the lesser of 1) 30 percent of 60 percent of the Area Median Income as published from time to time by the U.S. Department of Housing and Urban Development (HUD), adjusted for household size; or 2) 10 percent below market rents for comparable units within the project or surrounding properties. For very low income households, affordable rents (including a utility allowance) shall not exceed 30 percent of 50 percent of the Area Median Income as published from time to time by the U.S. Department of HUD, adjusted for household size; or 2) 10 percent below market rents for comparable units within the project or surrounding properties

1.5.1 Community Housing Improvement Program

The Community Development department shall continue to provide grants and/or loans to low-income mobilehome owners for the rehabilitation of their mobilehome through the Community Housing Improvement Program (CHIP).

1.5.2 Mobilehome Space Rent Review Ordinance

The Community Development department shall monitor and enforce the City's Mobilehome Space Rent Review Ordinance to protect the rights of mobilehome residents in preserving this affordable housing alternative.

1.5.3 Mobilehome Park Conversion Ordinance

The Community Development department shall monitor and enforce the City's Mobilehome/Trailer Park Conversion Ordinance to protect the rights of mobilehome residents.

1.5.4 Resident Ownership of Mobilehome Parks

The Community Development department shall assist mobilehome park residents to purchase their parks and convert to resident ownership by assisting with the application for other funding sources such as the State Mobilehome Assistance Program. Financial assistance provided by the City, Agency, State, or other funding sources may be limited to income eligible residents and require affordable housing costs.

Goal 2 - Maintain and Enhance the Quality of Residential Neighborhoods in Chula Vista

2.1 Reinvest in the City's Well-established Neighborhoods

Five Year Objective: Identify and target two residential neighborhoods for a clean-up/fix-up campaign and initiate a program to promote community pride. Repair/rehabilitate 25 homes through Christmas in October.

Funding Source: CDBG, HOME, Redevelopment Low/Moderate-Housing Funds, and private sector programs.

Target Years: 1999-2004

2.1.1 Neighborhood Revitalization Programs

The Community Development department shall continue to implement a pro-active program of neighborhood inspections to improve conditions and appearance primarily through the "Neighborhood Revitalization Program" (NRP). This on-going program targets specific low- and moderate-income neighborhoods exhibiting high volumes of citizen complaints.

The programs also prioritize needs for housing and infrastructure such as paving, curbs, gutters, sidewalks, and drainage facilities, and to develop a schedule to coordinate provision of improvements with available resources and the City's Capital Improvement Program (CIP) schedule, and the Community Housing Improvement Program (CHIP).

The Community Development Housing Division will cooperate and assist locally based citizen groups to develop a program to improve conditions and appearance primarily through clean-up/fix-up campaigns and initiate a program to promote community pride for targeted neighborhoods.

2.1.2 Monitoring of Neighborhood Conditions

The Planning and Building department shall continue to monitor neighborhood conditions for adherence to minimum standards of habitability, and appearance that lead to neighborhood deterioration by responding to service requests from concerned citizens.

Goal 3 - Ensure that an Adequate and Diverse Housing Supply is Available to Meet the City's Existing and Future Needs.

3.1 Affordable Housing Program - A continuing program established in 1981.

Five Year Objective: New construction of 590 units for lower-income households, of which 130 will be for sale units as also referenced under Program 4.1, and 470 units for moderate-income households.

Funding Source: CDBG, HOME, Redevelopment Low/Moderate-Housing Funds, and private sector programs.

Target Years: 1999-2004

3.1.1 Balanced Communities

The Community Development department shall continue to achieve a balanced residential community through integration of low-income housing throughout the City, and the adequate dispersal of such housing to preclude establishment of specific low-income enclaves. Assure that programs create housing for large families and accommodate the needs of seniors and disabled persons.

3.1.2 Affordable Housing Requirement - Administered by Community Development

A minimum of ten percent of each residential development of 50 or more units must be restricted for occupancy by and affordable to low- and moderate-income households, with at least one half of those units (five percent of project total units) for low-income households.

In order to guarantee provision of these units, the City requires the developer to formulate, review with staff, and have adopted a specific program and agreement for the project delineating how and when the required affordable units will be provided, including but not limited to location of the affordable units, intended subsidies, income/rent restrictions, tenure of affordability, schedule for production of the affordable units, and methods to verify compliance. Formulation of project-level programs and agreements is handled in a tiered fashion, starting at the General Development Plan (GDP) stage, or similar level of review, and progressing in specificity and detail through the planning process. A final agreement is required prior to recordation of the final map or final project approval where land subdivision is not applicable.

This requirement shall further be administered in accordance with the following:

A) A "residential development" shall be considered as the entire residential development proposal as set forth in the development application, whether or not the subdivision of land is involved, or the units are part of a mixed-use project. In the case of master planned communities, the "residential development" shall be that development encompassed by the Specific Plan, Precise Plan, or General Development Plan/Sectional Planning Area Plan(s).

B) The location of affordable housing developments for lower-income households shall take into consideration proximity to existing or proposed mass transportation routes, and the availability of community services and facilities such as shopping, medical, child care, recreation areas, and schools.

C) Developers shall ensure the timely development of affordable housing for lower-income households. Affordable housing opportunities should be provided in the earliest development phase possible taking into consideration the availability of facilities, growth management standards, the general development plan, financing, and merchant builder involvement.

D) A master planned community should satisfy its lower-income affordable housing obligation through the construction of affordable housing units within the master planned community itself. Should the City determine that the unique conditions of a development provides an unreasonable hardship for the new construction of units within the project, the City, at the sole discretion of the City Council, may consider methods other than actual developer-built in-project unit production as a means to achieving affordable housing opportunity. These alternative methods will be considered only when the City, at its discretion, has determined that such

alternatives support specific Housing Element policies and goals, assists the City in complying with the California Government Code as it relates to the planning for and provision of affordable housing and will not be significantly detrimental to achieving balanced residential communities, and will provide at a minimum the equivalent number of required affordable units and comparable rent and occupancy restrictions. Such determination shall be based on findings that the, new construction of units within the project would present an unreasonable hardship in light of such factors as, but not limited to, project size, site constraints, market competition, difficulty in integrating due to significant price and product disparity, developer capability, and financial subsidies available. Also to be considered are whether the alternative options offer preferred product type, affordability in excess of the requirements of the City's Affordable Housing Program, does not result in an undue concentration of housing for lower income households, location advantages such as proximity to jobs, schools, transportation and services, diminished impact on other existing developments, and capacity of development entity to deliver the project.

Consideration of alternative methods shall be made according to the following order of priority:

1) Land Set-Asides: Where unit construction by the developer presents an unreasonable hardship, the City may consider the donation of a building site and if necessary a financial contribution adequate to provide, at a minimum, the required units as satisfying the developer's affordable housing obligation if it is determined that such contribution will be effectual in furthering the goals and policies of the Housing Element, is advantageous to the City in creating and preserving affordable housing to comply with the California Government Code as it relates to the planning for and provision of affordable housing, will not result in an undue concentration of affordable units for lower income households, and will not be significantly detrimental to the achieving a balance of housing opportunities for all economic groups provided within the residential development (required findings). The land and financial contribution, if necessary, must have a value no less than the net cost of providing the affordable units on-site and both sufficient in acreage and allowable density so as to make production of the required units feasible. Where the required affordable units are located within a master plan area, the first priority for the location of the site is within the same Sectional Planning Area, followed by other Sectional Planning Areas of the same General Development Plan.

   If the developer can feasibly provide a land set-aside, the City will not approve any other alternative method of compliance with the Affordable Housing Program.

2) Off-site Location: Where provision of land within the project has been duly proven to present an unreasonable hardship, the City may consider developer construction, either individually or in partnership, of an affordable housing project at an off-site location if it is determined that such off-site project will meet those same findings listed above under land set-asides. The off-site project shall satisfy, at a minimum, the original requirements placed on the developer and provides a value no less than the net cost of providing the affordable units on-site. Alternatives to providing affordable housing within the project may include, but are not limited to, acquisition and rehabilitation of affordable units, conversion of existing market units to affordable units, construction of second dwelling units, construction of special needs housing projects or programs (shelters, transitional housing, etc.). Where the required affordable units are located within a master plan area, the first priority for the location of alternative affordable housing opportunities is within the same Sectional Planning Area, followed by other Sectional Planning Areas of the same General Development Plan.

   If the developer can feasibly build or provide the affordable units at an off-site location, the City will not approve any other alternative method of compliance with the Affordable Housing Program.

3) In-Lieu Contributions: Where construction, the provision of land, and off-site projects have been duly proven to present an unreasonable hardship, then the City, at the sole discretion of the City Council, may consider the acceptance of in-lieu contributions to be placed in a trust fund and used to provide assistance to other identified affordable housing production or contributions to a special needs housing project or program. The level of contribution shall be evaluated to ensure its adequacy in relation to achieving assistance opportunities commensurate to the level of the original project requirement.

The City shall formulate and adopt, by March 2000, Implementation Guidelines for the Affordable Housing Program to maximize the production of affordable housing, ensure an adequately balanced community, and facilitate the evaluation of financial assistance. These guidelines will outline overall Program requirements including, but not limited to, location of the affordable units, intended subsidies, income/rent restrictions, tenure of affordability, schedule for production of the affordable units, and methods to verify compliance. The guidelines will also establish allowable development incentives and criteria for their application, and define conditions under which alternative methods of compliance with the Program may be considered.

E) Unit mix by bedroom count shall reflect the appropriate community need and shall be comparable to the unit mix by bedroom count of the market rate units in the residential development, but should provide a minimum of 20 percent of the units with three or more bedrooms to meet the needs of large families.

3.2 Protection of Coastal Housing

Five Year Objective: Case by case

Funding Source: CDBG, HOME, Redevelopment Low/Moderate- Housing Funds, and private sector programs.

Target Years: 1999-2004

3.2.1 Coastal Development Monitoring

The Community Development department shall comply with State Law and local ordinances regarding the monitoring and reporting of affordable housing units and the new construction of replacement affordable housing within the Coastal Zone.

3.2.2 Replacement Housing

Where conversion or demolition of housing units in the Coastal Zone occupied by low- or moderate-income households is proposed, such activity will be undertaken by the Community Development department in accordance with State Law and the City's adopted Coastal Plan.

3.3 Provide Incentives for Low Income Housing Construction

Five Year Objective: Adoption of a density bonus ordinance. Construction of 10 low-income density bonus units. Evaluate waiving or modifying certain development standards. Evaluate on a case by case basis acquisition of property and land write downs.

Funding Source: CDBG, HOME, Redevelopment Low/Moderate-Housing Funds, and private sector programs.

Target Years: 1999-2004

3.3.1 Density Bonus

By March 2000, the City, with direction from the Planning and Building department, shall adopt a density bonus ordinance consistent with State Law requirements. The density bonus ordinance is an appropriate incentive to produce lower-income affordable units and the City will encourage its use where appropriate.

3.3.2 Development Standards

The Community Development department, with direction from the Planning and Building department, will evaluate on a case by case basis as requested by developers the possibility of waiving or modifying of certain development standards, such as, but not limited to, parking standards, or the revision of certain Municipal Code provisions to encourage the development of low- and moderate-income housing. The City may provide a reduction in site development standards or a modification of zoning code or architectural design requirements, for those eligible affordable housing projects requesting such reductions or modifications consistent with Government Code Section 65925 (h). These recommendations will be reviewed based upon a goal to reduce costs associated with overly strict or outdated standards. Although standards may be modified, the City will ensure that the projects will retain aesthetic and design criteria acceptable to the City.

3.3.3 Land Assemblage and Write Downs

The City can utilize CDBG, HOME, and Redevelopment monies to write down the cost of land for the development of low- and moderate-income housing by private developers. As part of the land write down program, the Community Development department may also assist in acquiring and assembling property and subsidizing on-site and off-site improvements.

3.3.4 Pursue Affordable Housing Funding Sources

The Community Development department shall examine ways to directly secure and/or leverage Federal or State funding, or encourage other agencies to do the same. The intent is to actively monitor the funds available through different and evolving housing programs to facilitate participation of eligible for-profit or non-profit corporations.

3.4 Pursue Housing Opportunities for Lower Income Households, with Attention to Those Who Have Special Needs

Five Year Objective: Assist 350 very low- and low-income persons through the Shared Housing Program. Work with the County Housing Authority to compete for rental assistance programs. Work with social service providers to identify lower- income elderly or disabled residents and provide housing assistance. Adopt a second dwelling unit ordinance. Construction of 100 housing units within a mixed-use development.

Funding Source: CDBG, HOME, Redevelopment Low/Moderate-Housing Funds, and private sector programs.

Target Years: 1999-2004

3.4.1 Section 8 Rental Assistance

The Section 8 Rental Assistance Program extends rental subsidies to very low-income (50 percent of AMI) households who spend more than 30 percent of their income on rent, including mobilehome park space rents. Chula Vista contracts with the San Diego County Housing Authority to administer the Section 8 Rental Assistance Certificate/Voucher Program. The Community Development department shall continue to participate in the San Diego County Housing Authority Section 8 Rental Assistance Certificate/Voucher Program. At a minimum, the City will strive to maintain the current level of assistance to very low-income households.

3.4.2 Shared Housing

The Community Development department will consider continuing to fund a Shared Housing program operated by social service agencies based in the South Bay which facilitate matches between households with extra room and individuals seeking low-cost housing. Most matches involve senior citizens or disabled citizens.

3.4.3 Second Dwelling Units

Second dwelling units provide additional low-cost housing opportunities to residents, particularly for seniors and students. By March 2000, the City, with direction from the Planning and Building department, shall adopt an ordinance which permits second dwelling units under certain conditions.

3.4.4 Special Needs of the Elderly, Disabled, and Single-Parent Households

The Community Development department shall encourage the development of housing suitable for the elderly and disabled persons as well as single-parent households to be in close proximity to public transportation and community services. This includes easy accessibility to special services such as day care, elder care, medical services, or recreation.

3.4.5 Mixed Use Developments

The Planning and Building Department shall review existing zoning and land use policies to remove impediments, if appropriate, and encourage mixed-use developments.

3.4.6 City/Agency Assisted Developments

The Community Development Department will continue to work with private for-profit and particularly non-profit residential developers to use local funds from CDBG, HOME Program, Redevelopment Low/Moderate Income Housing Set-aside funds and other City originated funds and leverage them against State, Federal and private low interest funds to create housing opportunities for extremely low, very low and low income households.

3.4.7 Article XXXIV

On April 11, 1978 under Proposition C, the voters of Chula Vista authorized the development, construction, or acquisition of 400 units of "low rent housing" by the Agency. Of the 400 allowable credits, Chula Vista has utilized 293 units and has a balance of 107 units remaining. The Community Development Department will continue to assess the applicability of Article XXXIV of the California Constitution to certain housing developments where the City and/or Redevelopment Agency of the City are considering financial assistance or other incentives to assist in the development and construction of such housing. Should the City/Agency identify that Article XXXIV significantly impacts its ability to assist in the provision of affordable housing, the City would evaluate the possibility of initiating a referendum to obtain more authority for the development, construction, or acquisition of "low rent housing" by the City/Agency.

Goal 4 - Increase of Home Ownership Opportunities for Low- and Moderate-income Households

4.1 Encourage the Construction of a Variety of Housing Types

Five Year Objective: Assist 130 low-income first-time buyers in fulfillment of the City's Affordable Housing Program. Provide 25 Mortgage Credit Certificates to low- and moderate-income households.

Funding Source: CDBG, HOME, Redevelopment Low/Moderate-Housing Funds, and private sector programs.

Target Years: 1999-2004

4.1.1 Affordable Housing Program

The Community Development department shall continue to work closely with developers to encourage that a portion of the low/moderate-income housing required under the City's Affordable Housing Program is built for home-ownership.

4.2 Assist Low-Income Households Purchase A Home

4.2.1 First-Time Homebuyer Programs

Financial participation by the City, Redevelopment Agency, or Housing Authority in a first-time homebuyer program will target those families and individuals currently living and/or working in Chula Vista.

The Community Development department shall explore setting aside a portion of its Redevelopment Low/Moderate Housing Funds or HOME Fund to assist low- and moderate-income families to purchase a home. Funds may be used for closing costs, down payment, and/or below-market interest rate. The City would expect repayment of the loans through its equity share participation to allow the City not only to recoup the loan but also to build the fund for future program activity. If using Redevelopment Low/Moderate-Income Housing funds, assistance could be provided to potential homebuyers of Agency-assisted projects or for the purchase of homes within the Redevelopment area. A HOME-funded program would be available to provide assistance to low income homebuyers for the purchase of a home within Chula Vista.

4.2.2 Homebuyer Information

The Community Development department shall continue to make information available to the public on the home buying process and home mortgage lending including Federal, State and local programs.

4.2.3 Homeowner Education and Counseling

The Community Development department shall encourage developers, lenders, and social service organizations to provide educational programs and materials for homeowners and potential homeowners on home maintenance, improvement, and financial management. The purpose of the educational programs will be to help, especially first-time homeowners, prepare for the purchase of a home and to understand the importance of maintenance, equity and appreciation, and to budget properly to accomplish such and avoid losing their homes.

4.2.4 Mortgage Credit Certificate

The City is a participant in a coalition consisting of the County of San Diego and many other cities in providing Mortgage Credit Certificates (MCC) to qualified first-time homebuyers. The coalition has hired a consultant to administer and implement the program on its behalf and the City contributes to the administration costs of the program. First-time homebuyers are referred by the Community Development department to the consultant.

4.2.5 HUD Homes

The Community Development department shall assist non-profit organizations to acquire and rehabilitate homes offered for sale through the U.S. Department of HUD with the expectation that these homes will then be sold to low-income first-time homebuyers.

4.2.6 Single-Family Residential Mortgage Revenue Bonds

Single-Family Residential Mortgage Revenue Bonds can be issued by the City (through the Community Development department), County, or non-profit organizations to provide mortgage loans to encourage developers to provide for-sale housing which is affordable to first-time lower-income homebuyers whose incomes do not exceed maximum Federal limits. Buyers must also intend to live in their homes as their principal residence. Mortgage loans offered under the bond program generally have lower interest rates than conventional loans. Loans are available for attached and detached single-family residences.

4.2.7 Sweat-Equity

Sweat-equity projects reduce the production or rehabilitation costs of housing as the homeowners provide some or all of the labor required to construct/rehabilitate the homes. The Community Development department shall explore financial assistance for a low-income sweat-equity project.

Goal 5 - Enable Homeless Individuals and Families to Find Permanent Housing

5.1 Participate in Regional Efforts to Address Homeless Needs

Five Year Objective: Continue to participate in regional efforts to address needs of the homeless, including the Regional Task Force for the Homeless, local FEMA Board, Regional Continuum of Care Council, and County of San Diego Hotel/Motel Voucher Program. Construction of 10 transitional housing units.

Funding Source: CDBG, Redevelopment Low/Moderate-Housing Funds, FEMA, other federal programs, and private sector programs.

Target Years: 1999-2004

5.1.1 Support Existing Regional Services for the Homeless

Chula Vista encourages the coordinated efforts to address homeless issues in the area through a continuum of care model.

Two non-profit agencies in the South Bay Region (South Bay Community Services [SBCS] and MAAC Project) provide assistance to the homeless or near homeless population. Both SBCS and MAAC Project distribute shelter vouchers to needy families, which allows them to stay at designated local motels. Assistance is provided through the County of San Diego and FEMA. During the winter months, the Interfaith Shelter Network provides shelter for up to 12 people at local participating churches. SBCS also operates several transitional housing programs as described in Section 2 of this Housing Element. The Community Development department shall continue to encourage these efforts to provide case management services, emergency shelters, transitional housing, and will utilize CDBG funding, as appropriate, to aid in these efforts.

5.1.2 Participate in a Regional Approach to Address Homelessness

The Community Development department shall continue to participate in the Regional Continuum of Care Council for San Diego County and the County of San Diego's application for funding through the Federal Supportive Housing Program for the development of new housing facilities for the homeless and the

continuing funding of existing facilities. The City will continue its representation on the FEMA Board and the Regional Task Force on Homelessness.

5.2 Facilitate Local Facilities that Respond to Homeless Needs

Five Year Objective: Provide technical assistance and consider financial assistance to organizations seeking to provide or expand facilities and services within Chula Vista.

Funding Source: CDBG, Redevelopment Low/Moderate-Housing Funds, FEMA, other Federal programs, and private sector programs.

Target Years: 1999-2004

5.2.1 Evaluate and Identify Facilities and Services

The Community Development department shall evaluate support facilities and service needs of the homeless and the near homeless and identify appropriate agencies and resources.

5.2.2 Identify Non-profit Providers to Operate Emergency Shelter Programs

Non-profit providers are hesitant to undertake emergency shelter and transitional housing programs because of the difficulty in securing adequate operational funds. In addition to room and board, most shelter programs provide some type of case management and other social services. Providers rely heavily on private donations and volunteers to fill funding gaps. The Community Development department can directly assist shelter providers with CDBG or Redevelopment Housing funds, and encourage them to apply for available Federal and State Funding (McKinney, E.S.P. etc).

5.2.3 Facilitate Shelters and Transitional Housing Programs

The City will continue to make an effort to meet the needs of the homeless through the following:

The Community Development department shall continue to consider providing financial and technical assistance to any organization or consortium of organizations seeking to establish transitional housing or shelter programs to serve the homeless population. The City will take other steps, as necessary, to facilitate these programs (such as amending zoning regulations to allow temporary church-sponsored shelters).

The City's Zoning Ordinance currently allows for the development of homeless shelters or transitional housing subject to the approval of a Conditional Use Permit (CUP). Should the City receive an application or other request for siting

of such a facility, the City's Planning and Building Department will work to expeditiously process the request through the identification of suitable sites, along with a set of performance criteria under which the CUP will be granted.

Because site control is of paramount importance for securing State and Federal funding, the City will also consider providing assistance in the site selection and acquisition process. This may include loans, land dedications, or land cost write downs.

5.2.4 Group Homes for Six or Fewer Persons

Pursuant to State Law, a residential facility for six or fewer persons may not be treated differently than family dwellings of the same type in the same zone. A residential facility is defined as any family home, group care facility, or similar facility for 24-hour non-medical care. A residential facility also includes a foster family home, small family home, social rehabilitation facility, community treatment facility, and transitional shelter care facility. Therefore, small group homes for six or fewer persons can be located in any of the City's residential districts by right.

Goal 6 - Encourage Energy and Waste Conservation as an Integral Part of Homes

6.1 Institute Conservation as Part of New Construction

Five Year Objective: On-going

Funding Source: There will be no direct cost to the City for encouraging and promoting water and energy conservation and recycling.

Target Years: 1999-2004

6.1.1 Implement Federal and State Conservation Laws

The Planning and Building department shall require new developments to comply with applicable Federal, State, regional, and local policies and regulations regarding energy and water conservation and air quality improvement.

6.1.2 Resource Conservation - New Housing

The Planning and Building department shall encourage energy and water conservation in materials, construction techniques, and features including recycling storage areas, in new housing in conjunction with programs such as "Greenstar" and SDG&E's Comfort Wise Program.

6.1.3 Dual Piping

The Engineering department shall continue to require the installation of dual-piping systems in new subdivisions to accommodate the use of reclaimed water for landscaping and other applications as feasible.

6.1.4 Water and Air Quality

The Planning and Building department shall continue to require the submission of a "water conservation plan" and "air quality improvement plan" or other substantive equivalent document for large development projects at the Sectional Planning Area (SPA) Plan stage or similar level of review.

6.1.5 Title 24 Compliance Review

The Planning and Building department shall continue to perform residential Title 24 energy analysis as part of building plan check procedures.

6.2 Promote Conservation in Existing Homes

Five Year Objective: Change CHIP Guidelines

Funding Source: There will be no direct cost to the City for encouraging and promoting water and energy conservation and recycling.

Target Years: 1999-2004

6.2.1 Weatherization Programs

The Community Development department shall continue to encourage weatherization programs for low-income households.

6.2.2 Rehabilitation Funds for Conservation

Consider and promote energy conservation as an eligible activity for the City's residential rehabilitation programs administered by the Community Development department.

Goal 7 - Promote Equal Opportunity for All Residents to Reside in Housing of Their Choice

7.1 Fair Housing Practices

Five Year Objective: Respond and provide fair housing assistance to 150 persons

Funding Source: CDBG

Target Years: 1999-2004

7.1.1 Affirmative Fair Marketing Plans

All developers of housing projects which contain more than 20 dwelling units are required to prepare an "Affirmative Fair Marketing Plan," which should be designed to attract prospective homebuyers and/or tenants within the proposed market area, regardless of gender, age, race, national origin, or religion.

7.1.2 Fair Housing Services

The Community Development department shall continue to provide fair housing services to Chula Vista residents and housing providers through the Fair Housing Council of San Diego.

7.1.3 Fair Housing Counseling and Education

The Community Development department shall continue to provide fair housing counseling services and other referral activities which are designed to further the fair housing requirements of Title VIII of the Civil Rights Act of 1968. The City currently contracts with a fair housing consultant to respond to any requests or complaints regarding fair housing practices within the City and to provide an educational program for both residents and housing providers.

7.1.4 Fair Housing Assessment

The Community Development department shall conduct an assessment of impediments to fair housing choice every five years in conjunction with the preparation of the Five-year Consolidated Plan for Housing and Community Development. This assessment will include an analysis of the actual level of discrimination in rental housing, for sale housing, and lending and a review of the Community Reinvestment activity of local lenders. Additionally, the City is required to prepare an annual performance report of all housing and community development activities, including fair housing activities for the year.

Goal 8 - Reduction and/or Removal to the Greatest Extent Possible of Identified Constraints to the Development, Maintenance, and Improvement of Housing.

8.1 Streamline Development Processing

Five Year Objective: To monitor development process for streamlining opportunities and adhere to the priorities for financial assistance.

Funding Source: CDBG, HOME, Redevelopment Low/Moderate-Housing Funds, and private sector programs.

Target Years: 1999-2004

8.1.1 Development Fees

The Planning and Building department shall continue to review development fees and facility financing to assure that they are as cost-effective as possible. The City will continue to consider subsidizing or deferring fees for affordable units on a case-by-case basis.

8.1.2 Expeditious Project Processing

The Planning and Building and Community Development departments will continue to use a team approach to the application processing of affordable low and moderate income residential developments. The Departments will continue to implement their project manager system that specifically assigns an Entitlement Project Manager (project planner) and a Community Development Project Coordinator to shepherd projects through the review process and coordinate post-entitlement issues. Additionally, the Planning and Building department, in consultation with the Community Development Department, will assign priority processing of the necessary entitlements and plan checks for such residential development projects which do not require extensive engineering or environmental review. Such affordable housing projects are time sensitive due to deadlines established for the funding sources.

8.1.3 Evaluating Requests for Assistance

The City shall consider assisting developers when necessary to enable residential projects to provide preferable product type or affordability in excess of the requirements of the City's Affordable Housing Program. Assistance will be offered to the extent that resources and programs are available and to the extent that the residential development assists the City in achieving its housing goals. The Community Development department shall establish specific procedures for evaluating requests for subsidies involving fees, land write downs, and other forms of City assistance. Evaluation of requests for assistance shall be based on, but not limited to, the effectiveness of the assistance in achieving a preferable

product type and/or the affordability objectives of the Housing Element, the capability of the development team, the reasonableness of development costs and justification of subsidy needs, and the extent to which other resources are used to leverage the requested assistance. Priority for financial assistance would be for those projects that have both of the following characteristics: 1) a substantial number of the project's units have three bedrooms or more; and 2) a substantial number of the units are affordable to very low-income households (50 percent of area median income or less).

8.1.4 Flexible Development Standards

The Planning and Building department shall continue to encourage the use of flexible development standards through the Planned Community (PC) Zone and Precise Plan (P) Modifying District, where such are clearly identified with increased availability of affordable housing.

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APPENDIX A

HOUSING NEEDS PERFORMANCE REPORT
July 1, 1991 to June 30, 1999

			TARGETED POPULATION				TARGETED INCOME						
Jurisdiction	Project Title	Asst	Elderly	Small Family	Large Family	Special Needs	Extre. Low (<30%)	Very Low (31-50%)	Low (51-80%)	Low Inc. Total	Moderate (81-120%)	Form of Ownership Rent/Own	Funding Source(s)
Chula Vista	Silvercrest	A	75					75		75		Rent	1, 17
	Dorothy St Manor	A			22		22			22		Rent	14, 15
	Park Village Apts	A			28			10	18	28		Rent	11, 13, 15, 28
	Sanibelle	A		36	36					0	72	Own	9
	Madison Street	A		2	1				3	3		Rent	3
	Casa Nueva Vida 1	G				13	13			13		Rent	1, 7, 13, 15, 31, 34
	Casa Nueva Vida 2	G				12	12			12		Rent	1, 7, 13, 15
	Cabo	A							13	13	39	Own	13
	Mortgage Credit Certificate	B						1	98	99	89	Own	27
	Section 8/Rental Certificates	B	277	177	239			624	69	693		Rent	18
	L St Apts	A			16				16	16		Rent	14, 15, 17
	C.H.I.P	E							213	213		Own	15
	Shared Housing	B						46	197	243		Rent	1
	Mobilehome Rent Asst Prog	B	6						1	1	5	Own	18
	Oxford Terrace	D		121	11		82	32	18	132		Rent	37
	Palomar	D		155	13		61	77	30	168		Rent	37
	SBCS Transitional Hsg	G				2	2			2		Rent	13

			TARGETED POPULATION				TARGETED INCOME						
Jurisdiction	Project Title	Asst	Elderly	Small Family	Large Family	Special Needs	Extre. Low (<30%)	Very Low (31-50%)	Low (51-80%)	Low Inc. Total	Moderate (81-120%)	Form of Ownership Rent/Own	Funding Source(s)
	SBCS Transitional Hsg	G				3	3			3		Rent	31, 34
	Cordova Village	A		16	24			8	32	40		Rent	7, 9, 11, 15
	Trolley Terrace Townhomes	A		4	14			18		18		Rent	3, 7, 11,15
	SBCS-Dom Viol Hsg	H				2	2			2		Rent	7, 15
TOTAL			358	511	404	32	197	891	708	1796	205		

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APPENDIX B

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SUMMARY OF MEETING
WITH AFFORDABLE HOUSING DEVELOPERS

The City of Chula Vista has prepared its Draft Housing Element of the General Plan for the period beginning July 1, 1999 to June 30, 2004. One of the more important policies identified within the City's Housing Element is the Affordable Housing Program (AHP), which requires that developments of 50 or more residential units must provide a minimum of 10 percent of these units as affordable to low and moderate income households. Staff has also begun work on the Implementation Guidelines for this Program.

In an effort to solicit comments from those most affected by the City's Affordable Housing Program, the City met with developers of affordable housing. It was staff's intent to receive candid input from these developers regarding their perceptions and experiences from the "other side of the counter" in processing affordable housing projects, barriers to developing and processing such projects, including but not limited to City fees and exactions, processing time, etc., and the City's strengths and weaknesses in processing and development of affordable housing.

The comments received and summarized below are generalized and do not necessarily reflect the comments of all developers nor do they represent the opinions of the City. The comments received were used to revise the constraints section of the Housing Element, to review the proposed programs and goals of the Element to ensure that the City is taking measures to aid in reducing or mitigating constraints and barriers and to encourage housing opportunities throughout the City, and to guide the development of the AHP Implementation Guidelines. It is the intent of the City to provide additional follow up to these meetings by reviewing the comments received, reviewing and evaluating City processes, and taking appropriate actions, if necessary.

The following is a summary of the meetings held on June 23 and July 14, 2000:

Affordable Housing Program

Strongly support the Affordable Housing Program and the new construction of affordable housing. The intent of the AHP is to provide a balance of housing opportunities for all economic groups throughout the City. Without a mandatory program to provide affordable housing units within the newly developing areas of the community, residential developers would not provide these affordable housing opportunities. New construction should be the first priority for the Affordable Housing Program. While acquisition and rehabilitation of residential units is needed for revitalization, it does not create new housing and will not meet the increasing demand for housing as the population grows. Rehabilitation activities do not meet the City's goals under the State requirement to provide its share of the projected need for new housing in the region (Regional Need). The City has other programs, outside of the AHP, to address the community's need for preservation and maintenance of the existing housing stock. The AHP must be clear and enforced.

In Lieu Alternative

Affordable housing developers support the City's position to require the new construction of affordable housing. In lieu fees can be effective in producing affordable housing, if the in-lieu fee is calculated to establish the correct gap of what a low-income household can afford to pay for housing and the actual costs of constructing a unit. Typically, however, the revenue generated from the payment of in-lieu fees is insufficient to build the required units that are needed to meet the growing need for housing and more specifically housing that is affordable.

Rehabilitation of Rental Housing

Where the City/Agency is providing financial assistance for the rehabilitation of units, the City/Agency should look at projects which provide deeper affordability levels than expected from new construction activities and housing for larger families. These rehabilitation projects are typically at rents below market. Typically, those existing units in need of rehabilitation on the Westside of the community are some of the more affordable but are in substandard condition. The older developments are also typically smaller size units of one or two bedrooms. The City's/Agency's participation should involve the conversion of these small units to larger three+ bedroom units.

While rehabilitation of existing housing does not add to the overall increase of available housing, the City's participation in the acquisition and rehabilitation of existing housing will convert these market rate units into affordable housing. Additionally, the rehabilitation of this housing will improve the overall quality of life of the residents by ensuring affordable rents, providing new amenities, and renovating substandard housing.

Balance of Affordable Housing Activities

Encourage the City to continue to implement activities/programs that provide both new construction and rehabilitation opportunities. Encourage the provision of affordable housing opportunities and activities throughout the City. While the City needs to provide new housing opportunities to meet the population growth, the City should balance this policy with the need to preserve and maintain existing housing to so as to prevent the acceleration of neglected and blighting neighborhoods.

Identification of Targeted Areas

Developers spend their own predevelopment monies and time analyzing projects without the clear direction from the City that the area or project is one that would be supported by the City/Agency. To better focus time and resources, developers would like the City to identify areas for revitalization and affordable housing opportunities.

Design Review Committee (DRC)

The DRC makes landscape and architectural recommendations that some members of in the development community believe they are not qualified to make. These individuals believe that

at times, recommendations and comments that are made are subjective. Developers would like to see, if possible, more objective comments.

DRC recommendations can add to the cost and processing time of projects. For affordable housing projects, additional design costs and delays in processing are critical. Limitations on budgets do not allow for additional costs to satisfy design considerations of the DRC. Affordable housing projects are time sensitive. The available sources of funding have critical deadlines that must be met and any delays jeopardize the project's ability to make these funding deadlines. Additional time added to the processing of projects also adds costs to project. The more time added to the timeline the more interest developers have to pay on their loans.

It was noted that the City was currently reviewing the DRC process in an effort to streamline this process. As directed by the City Council, City staff is to make improvements to the existing process by having the DRC adopt procedural policies, meet with representatives of the development community, Chamber of Commerce and the DRC to identify inconsistencies and concerns, and to amend the Municipal Code regarding DRC membership and scope of responsibilities. Developers having more recently dealt with DRC have noted the changes taking place and were hopeful of the process.

Plan Check Process

The Planning and Building Department has contracted with an outside consultant for the plan check of large developments. The use of outside consultants adds another layer of bureaucracy. Developers currently have no point of contact with the consultant. Should developers have questions or need to find out the status of a project, they must contact the City first, the City contacts the consultant, the consultant contacts the City and then the City responds back to the developer. There is no relationship/face with the consultant as there is with City staff.

It was noted that the use of consultants for industrial or large-scale developments was intended to assist in speeding up the plan check process. To assist affordable housing developers with the processing of their time sensitive projects, the City could provide a specific contact person in the Building Division.

Additionally, developers commented that there appears to be a lack of communication among the development services divisions of Engineering, Planning and Building. At times, it is their impression that staff members within the Building Department have little communication amongst themselves.

Developers would encourage coordination and communication between all development services divisions. Affordable housing projects are extremely time sensitive. Such time delays in the processing of affordable housing projects lead to higher costs for the project and jeopardize the available funding sources.

The City should establish a fast track process for affordable housing projects. Affordable housing projects are time sensitive due to deadlines established for the funding sources. For

example, tax credit projects are required to pull building permits within 90 days of being awarded the tax credits.

Some affordable housing developers have been told that the City does implement a fast track process and an even faster process referred to as the "Red Path". Community Development staff and other developers are not aware of this fast track processing.

Coordination Meetings

With the processing of large affordable housing projects such as Teresina at Lomas Verdes, the developer found the "all hands" coordination meetings to be extremely helpful. These meetings, which involved Planning, Engineering, the City Manager's Office, Community Development and the development team, allowed for issues to be aired and resolved with all parties present. This allowed for a faster processing of the project and demonstrated to the development team the high level of commitment of City staff.

Fees

Affordable housing projects are paying the same fees as market rate residential developments. However, affordable housing projects do not have the ability to pass these costs on to the project. These projects cannot generate the same revenue sources as market projects, such as rental income. Affordable housing developers strongly advocate the City to waive, reduce, or at a minimum, defer fees for affordable housing. Fees are one of the major governmental roadblocks to the production of affordable housing for low-income households.

The City can provide low interest loans to affordable housing developers to assist with the development costs, in particular the costs of fees and permits. However, this assistance does not truly help to reduce the costs of developing affordable housing. Instead of using the City's financial assistance to make the housing more affordable, developers have to use the funds to pay fees and permits. In essence, the City provides $1 million in financial assistance and then affordable housing developers turn right around and pay the $1 million back to the City for the payment of City fees.

Many of the City's fees, such as sewer fees and assessment districts, are formula driven. As a result, fees are hard to pin down without having the most accurate information. Accurate estimates within the ballpark are needed. With the budget limitations of affordable housing projects, increases in costs due to wrong estimates of costs such as fees, means hard costs decisions. City staff needs to understand that these projects are not financed through conventional financing and therefore, these projects are much more sensitive to time delays and to increased costs.

There is talk of the City of Los Angeles having a user-friendly system that allows developers to get a good estimate of fees. Reference their web site.

Otay Water District

Difficult to deal with for the processing of projects and payment of fees.

School Districts

Difficult to deal with for the processing of projects and payment of fees. Often times, developers are dealing with consultants and there is a lack of communication.

Community Facilities Districts (CFDs)/Homeowner's Association (HOA)

By the time affordable housing developers get involved with a proposal to build an affordable housing project, the property has already been annexed into a CFD and part of the HOA. Affordable housing developers would recommend that those sites for affordable housing projects not be included within a CFD or HOA. CFDs destroy the value of these projects. For those affordable housing projects financed with tax-exempt bonds, CFDs are problematic because they lower the net operating income to be generated from the project and therefore, lower the bond issuance. With the budget limitations and no ability to raise rents (income) for affordable housing projects, increases in costs due to CFDs and HOAs, means hard costs decisions and less financing available.

9% Tax Credit Financing

Under the current regulations, affordable housing projects that are developed in response to inclusionary housing (balanced communities) policies are not able to compete effectively against those proposals addressing smart growth principals, housing for persons with AIDs or other special needs housing. Acquisition and rehabilitation projects within revitalization areas are better suited for tax credit financing.

Tax Exempt Financing

For those affordable housing projects developed in response to inclusionary housing (balanced communities) policies, tax exempt financing is the better financing option. As discussed earlier, CFDs are problematic. Unfortunately, in Chula Vista most of the new construction of affordable housing takes place in master planned communities, which are part of CFDs.

At best, the lowest targeting of incomes that is financially feasible is 50 percent AMI. The City should not try to request any deeper affordability than the 50 percent AMI level.

The experiences of developers working with the City for the issuance of tax-exempt bonds have been positive. The City has been reasonable in its issuer fee, reporting requirements and its regulatory agreements. The City has allowed the use of private placement letters.

City/Agency Loans

When providing financial assistance to developers of affordable housing, the assistance is typically provided as a below market residual receipts loan. Typical terms: 6 percent simple interest and repayment from a fund equal to ninety (90%) percent of the "Residual Receipts". The 90:10 split does not work. Most cities in the region, the County and the State provide financial assistance at a 3 percent interest rate. Developers would recommend that the split of residual receipts be based upon the industry standard of 50:50 and an interest rate of 3 percent.

Article XXXIV of the State Constitution

Article XXXIV of the California Constitution (Article 34) requires that voter approval be obtained before any "state public body" develops, constructs or acquires a "low rent housing project". A redevelopment agency is a "state public body" for purposes of Article 34, and as a result, if a redevelopment agency participates in development of a "low rent housing project" and that participation rises to the level of development, construction, or acquisition of the project by the agency, approval by the electorate pursuant to Article 34 is required for the project.

On April 11, 1978 under Proposition C, the voters of Chula Vista authorized the development, construction, or acquisition of 400 units of "low rent housing" by the Agency. Of the 400 allowable credits, Chula Vista has utilized 293 units and has a balance of 107 units remaining.

Analysis of the applicability of Article 34 to affordable housing projects has added time delays and costs associated with attorney fees. Developers would like the City to initiate a referendum to obtain more authority to develop affordable housing within the community. With the majority of residents needing affordable housing and the economic health of the City, this may be the most opportune time to gain voter approval of additional affordable housing.

Attorneys

Due to the complicated financing of affordable housing projects, issues of relocation, and Article XXXIV, many attorneys representing the investors, developers, and the City are involved. Developers have found the City's Attorneys to be very cautious at times in their approach to relocation and Article XXXIV. This has translated in to time delays to ensure all legal bases are covered and the subsequent increasing costs to the project for legal fees.

While developers understand the Attorneys' need to protect the City's interest, it is recommended that issues be identified as early as possible and some flexibility be given.

General Comments

Chula Vista is one of the most friendly and easiest cities to deal with for the processing of projects.

MEETING WITH AFFORDABLE HOUSING DEVELOPERS

ATTENDANCE

June 23, 2000

Ana Baiz-Torres
MAAC Project

Chris Moxon, Community Development Director
South Bay Community Services

Wally Dieckmann, Chief Financial Officer
Chelsea Investment Corporation

Ruben Islas
Avalon Communities

July 14, 2000

Ken Sauder, Executive Director
Wakeland Housing and Community Development

John Seymour
Southern California Housing Development Corporation

Chip Murphy, Project Manager
Chelsea Investment Corporation

Staff Present:
Jim Sandoval, Assistant Planning and Building Director
Juan P. Arroyo, Housing Manager
Leilani Hines, Community Development Specialist

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