

HOUSING ELEMENT

**CITY OF IMPERIAL
HOUSING ELEMENT**

I. INTRODUCTION AND PURPOSE

The Housing Element is one of the seven mandatory elements required to be included in the City's General Plan. The Housing Element must be consistent with the goals and objectives of the Land Use Element and other General Plan Elements.

The Housing Element must contain specific data relating to the identification and analysis of existing and future housing needs for all income groups. The required content of the Housing Element is defined in Section 65583 of the Government Code. This Government Code Section specifies that the Housing Element shall contain the following information:

- A. An assessment of housing needs and an inventory of resources and constraints relevant to the meeting of those needs.
- B. A statement of the community's goals, quantified objectives, and policies relative to the maintenance, improvement, and development of housing.
- C. A program which sets forth a five-year schedule of actions the City is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the Housing Element through the administration of land use and development controls, provision of regulatory concessions and incentives, and the utilization of appropriate Federal and State financing and subsidy programs when available.

The City is required to update the Housing Element at least once every five (5)

years. The City is required by State law to submit its Housing Element to the State Department of Housing and Community Development for review.

The main purpose of the Housing Element is to ensure that the existing and future residents of the City are provided with decent and safe housing. In order to accomplish this, the Housing Element contains goals, objectives and policies to help ensure the production of and maintenance of affordable housing in the City.

II. FEDERAL AND STATE HOUSING PROGRAMS AND POLICIES

The Federal Government has been involved in the area of housing since 1934. In that year, the Federal Housing Act was passed which created the Federal Housing Administration (FHA)¹. The Federal Housing Administration (FHA) was established to attract private funds to the residential construction industry to expand construction jobs for the unskilled. The FHA did this by government insuring of private home loans, thus removing the financial risks in such investments and thereby making more money available for residential loans. The FHA loan programs made home ownership possible for millions of Americans and effectively stimulated new housing construction. In 1947, all Federal Housing Programs were relocated to a new Housing and Home Finance Agency (HHFA), including the FHA Mortgage Insurance Program which had been an independent Federal Agency since its establishment in 1934².

In 1949, Congress passed the Housing Act of 1949 which created a Federal program for Central City Redevelopment. Under this program, physically deteriorated areas became eligible for Federal support for clearance and

¹ California State Wide Housing Plan, July 1988

² IBID

redevelopment for any new use³.

The problems of rehabilitating deteriorating residential areas were addressed when Congress passed the Housing Act of 1954. This extended the clearance programs of the 1949 Housing Act to the rehabilitation of areas in the process of deteriorating and to the conservation of non-deteriorating areas in danger of becoming deteriorated⁴.

In 1965, the U.S. Department of Housing and Urban Development was created. The Housing and Urban Development Act of 1965 was the most comprehensive extension of Federal Urban Development and Housing Programs since 1949. This 1965 Act provided rent subsidy payments for those persons below the local poverty line, three percent (3%) interest loans for low and moderate income families, and subsidies for an additional 240,000 low rent public housing units⁵.

In 1968, Congress passed the Housing and Urban Development Act of 1968. This 1968 Act included programs for the construction of six million subsidized housing units over the following ten years⁶. Section 235 of this Act extended home ownership to low and moderate income families with FHA mortgage insured loans by means of a monthly payment from HUD to the mortgage holder, thereby reducing the homeowners monthly payment. This enabled many families to qualify for loans that they otherwise would not have been able to obtain.

In 1974, Congress passed the Housing and Community Development Act of 1974. This Act created the Community Development Block Grant Program and the

³ IBID

⁴ IBID

⁵ IBID

⁶ IBID

Section 8 Rent Subsidy Program⁷. Under these programs, cities became more directly involved with rehabilitation of substandard housing. The programs allowed many cities to upgrade their housing stock and provide more suitable housing, especially for families of low and moderate income.

In 1992, the Federal Government remains very much involved in assisting families to obtain adequate housing. The Veterans Administration (VA) guarantees home loans for eligible veterans. Because the loan has the backing of the Federal Government, the risk for the mortgage lender is totally eliminated. This results in the interest rate for VA loans being somewhat lower than the prevailing market rate. Thus, the eligible veterans can obtain a loan more readily, particularly those veterans with lower incomes. In addition, no down payment is required for a VA loan.

The Federal Housing Administration continues to guarantee loans for eligible families. This continuing program allows low and moderate income families to obtain new housing.

The Federal Department of Housing and Urban Development (HUD) continues to administer the Community Development Block Grant Program. This program makes CDBG grants of up to \$500,000 available to smaller cities through a competitive application process administered by the State Department of Housing and Community Development.

The Federal Farmers Home Administration (FmHA) is the credit agency for agriculture and rural areas under the U.S. Department of Agriculture. The Farmers Home Administration began administering loans to build or improve rural housing in 1949. The FmHA is often called the "lender of last resort". This is due to the fact

⁷ IBID

that FmHA loans are only granted to those families and individuals who cannot obtain conventional financing⁸.

The State of California has been directly involved in housing programs for many years through the State Department of Housing and Community Development (HCD). Prior to 1975, the Department of Housing and Community Development received very little Federal funding and concentrated on activities related to building codes and standards. In 1975, HCD was given primary responsibility for the coordination of Local, State and Federal housing assistance efforts throughout California⁹. The Federal Housing and Community Development Act of 1974, which involved states in coordinating Federal assistance with Local housing plans, created a major new focus for the State Department of Housing and Community Development. This Act shifted categorical funding under most Federal HUD programs to the Community Development Block Grant program (CDBG). Housing construction and improvement programs, rather than service programs, became the focus of local housing activities¹⁰. HCD began administering the HUD CDBG funds for small cities in 1982. Federal small cities CDBG funding to HCD reached a high of \$30.2 million in 1984. The funding level decreased to \$20.8 million for the 1987-88 fiscal year.¹¹

The State Department of Housing and Community Development (HCD) administers an Emergency Shelter Program for the State's homeless population. This program, established in 1983, has provided over \$20 million to date to local governments and non-profit organizations to help them provide shelters for the homeless. HCD's low interest Deferred Payment Rehabilitation Loan Program provides funds to local

⁸ IBID

⁹ IBID

¹⁰ IBID

¹¹ IBID

governments and non-profit organizations to make low-interest loans to private owners for the preservation of deteriorating housing units and residential hotels. Repayment is deferred for five (5) years or until resale of the dwelling, whichever comes first. The five-year deadline may be extended¹².

State bonds to finance below market rate mortgages for California veterans were authorized in 1922 through the Cal-Vet Program administered by the Department of Veterans Affairs. Cal-Vet serves qualified veterans without regard to income and has funded about \$400 million in low interest home loans each year during the early 1980's.

The California Housing Finance Agency (CHFA) was created in 1975 to provide below market rate mortgages through the sale of tax exempt notes and bonds to help meet the housing needs of low and moderate income households in California. This program has been very successful in Imperial County. During 1989, 69 loans were made throughout the County for new single-family homes, and the total dollar volume of the loans was \$5,170,961¹³.

III. RELATIONSHIP OF HOUSING ELEMENT TO OTHER ELEMENTS OF THE GENERAL PLAN

State Planning Law (Section 65300.5) requires that the General Plan Elements comprise an integrated, internally consistent, and compatible statement of policies. In view of this requirement, the City's Housing Element has been prepared to be consistent with the Land Use, Circulation, and other General Plan Elements. The relationship of the Housing Element to the other General Plan Elements is as follows:

¹² IBID

¹³ California Housing Finance Agency, Sacramento, California

Land Use Element

The Housing Element is most effected by development policies contained in the Land Use Element, which establishes the location, type, density and distribution of land uses throughout the City. In designating the total acreage and density of residential development, the Land Use Element places an upper limit on the number and types of housing units constructed in the City. The acreage designated for industrial, commercial and office professional uses creates employment opportunities. The presence of these jobs affects the demand for housing in the City. The policies and priorities of both the Housing and Land Use Elements must be carefully balanced to maintain internal consistency in the General Plan, to prevent policy conflicts by providing a sufficient number and range of housing types, and to maintain a balanced local economy and an adequate level of municipal services.

Open Space and Conservation Elements

The Open Space and Conservation Elements designate that certain areas be acquired for recreation and parks, as well as open space areas to protect the City's natural environment. The policies of these Elements of the City's General Plan may affect the amount of land left for housing, as well as other types of development. Furthermore, land dedication requirements, and the cost of development of parks and open space areas, may cause housing costs to rise as these costs are passed from the housing developer to the housing consumer.

Circulation Element

The Circulation Element designates the location, design and development of the arterial street system to serve the traffic generated by the various types of land use. At the same time, this Element seeks to minimize the adverse environmental and

aesthetic effects of the street network and traffic on sensitive land uses such as residential areas. The Circulation Element attempts to create a satisfying environment for the residents of the City by providing convenient transportation networks. The cost of producing new housing is affected by the City's street design standards and arterial street dedication requirements.

Safety Element

The Safety Element indicates which areas of the City may be hazardous for development due to geologic or flood hazards. Although development within identified hazard areas is not prohibited altogether, special construction techniques are required to ensure that structures will remain safe in the event of a disaster. These special construction techniques can add to the cost of housing in the City, however, they are required if the City is to provide an acceptable level of public safety.

Noise Element

The Noise Element contains policies that attempt to reduce the impact of urban noise. Residential development in areas with high noise levels (such as near airports, freeways, arterial streets, etc.) is discouraged unless steps are taken to reduce noise levels. These steps tend to make for a more satisfying living environment, but can add to the cost of housing. One requirement outlined in the Noise Element is for the use of extra insulation, solid core exterior doors, and smaller window areas, to prevent the transmission of noise to the interior of a dwelling unit. This technique is referred to as Noise Attenuation.

IV. IMPERIAL ECONOMY

The economic base of the City of Imperial and Imperial County is primarily agricultural related at the present time. Production, packing, and distribution of crops such as lettuce, cotton, alfalfa, wheat and mellons occurs throughout the year. Sugar Beets are also an important Imperial Valley crop, and the Holly Sugar Company, located five miles north of Imperial, processes most of the locally grown sugar beet harvest. The Holly Sugar Company employs 350 persons, and thus is a major employer in the Imperial Valley area.

In addition to agriculture, the City's economy is also impacted positively by the recent location of a General Dynamics Convair facility on County owned property adjacent to the Imperial County Airport. This manufacturing facility employs approximately 200 persons. The location of the Imperial Irrigation District Headquarters in the City provides jobs for several hundred additional people.

The General Plan Land Use Element contains goals which encourage the development of various industries and new industrial uses. New industrial development within the City will reduce unemployment and provide new job opportunities for City residents.

V. IMPERIAL DEMOGRAPHICS

A. ETHNICITY AND POPULATION PROJECTIONS

According to the latest Federal Census, the City of Imperial had a total population of 4,113 as of April 1, 1990. This compares to a population of 3,451 in 1980. The population increase between 1980 and 1990 was 662 persons. The City therefore had a relatively slow rate of growth over the last 10 years. The City has a

substantial Hispanic population, with Hispanics comprising 2,176 persons or approximately 53% of the population in 1990. The ethnicity of the City is quite diverse as the below listed information shows. This information is according to the 1990 Federal Census. Percentages are approximate.

<u>Total Population</u>	<u>White</u>	<u>Black</u>	<u>Hispanic</u>	<u>American Indian</u>	<u>Asians</u>	<u>Other</u>
4,113	1,740 (43%)	134 (3.9%)	2,176 (53.0%)	32 (.008%)	18 (.005%)	13 (.003%)

The population of the City is projected to increase at a significantly faster rate in the future. This is due to several factors including the diversification of the local economy and increased employment in the public sector. The State Department of Corrections is building a new prison approximately 11 miles west of the City and this facility will employ several hundred people. Many of these people will choose to live in the City of Imperial. The population of the City increased at an approximate annual rate of 2% during the 1980's, however, the rate of growth is projected to average 10% to 15% annually over the next 20 years. The population of the City is projected to increase as follows:

<u>Year</u>	<u>Projected Total Population</u>
1995	6,000
2000	10,500
2005	14,000
2010	17,250
2015	19,500

The population is thus projected to be 19,500 when the target year for full implementation of the General Plan arrives (2015).

B. 1990 POPULATION BY SEX

According to the 1990 Federal Census, the population of the City by sex in April 1990 was as follows:

Male	1,990
Female	2,123

As would be expected, there are slightly more females in the City than males. This is due mainly to the longer life expectancy of females.

C. 1990 POPULATION BY AGE

Under 5 Years	419	45 to 54 Years	348
16 Years and Over	2,886	55 to 59 Years	162
18 Years and Over	2,753	60 to 64 Years	132
18 to 20 Years	177	65 Years and Over	332
21 to 23 Years	219	75 Years and Over	129
25 to 44 Years	1,383	85 Years and Over	14

Median Age = 28.8 Years

D. 1990 POPULATION BY RACE

All Persons 4,113

Race of Householder

White	2,938
Black	145
American Indian, Eskimo, or Aleut	41
Asian or Pacific Islander	33
Other Race	956
Householder of Hispanic Origin (of Any Race)	2,176

Householder Not of Hispanic Origin

White	1,740
Black	134
American Indian, Eskimo, or Aleut	32
Asian or Pacific Islander	18
Other Race	13

E. HOUSEHOLD, FAMILY, AND GROUP QUARTERS CHARACTERISTICS

1. Persons in Households	4,085
2. All Households	1,315
3. <u>Family Households</u>	
Total	1,060
Married-Couple Family	814
Female Householder, No Husband Present	190
4. <u>Nonfamily Households</u>	
Total	255
Householder Living Alone	
Total	211
65 Years and Over	
Total	87
Female	69
Male	18

5. Persons per Household	3.11
6. Persons per Family	3.47
7. <u>Persons in Group Quarters</u>	
Total	28
Institutionalized Persons	28
Other Persons in Group Quarters	--

F. OCCUPIED HOUSING UNITS BY RACE AND HISPANIC ORIGIN

All Occupied Housing Units 1,315

Race of Householder

White	984
Black	50
American Indian, Eskimo, or Aleut	17
Asian or Pacific Islander	9
Other Race	255

Householder of Hispanic Origin (of Any Race) 552

Householder Not of Hispanic Origin

White	695
Black	49
American Indian, Eskimo, or Aleut	14
Asian or Pacific Islander	4
Other Race	1

The demographic information for the City of Imperial reveals several interesting facts. One of the most pertinent facts is that over half of the City's population is of Hispanic heritage. The population of Imperial is also relatively young. The median age for the City is 28.8 years. This compares with a median age for the State of 31.5 years. There are more females in the City than males. The second largest ethnic group, other than Hispanics, is the Black population with 134 persons comprising this group.

The average household and family size is larger in Imperial than in the State as the below outlined comparison shows:

	<u>Number of Persons</u>	
	<u>Per Household</u>	<u>Per Family</u>
State of California	2.79	3.32
City of Imperial	3.11	3.48
County of Imperial	3.26	3.73

The average household and family size is slightly higher for the County as a whole than for the City of Imperial. The largest age group in the City is the 25 - 44 year grouping with a total of 1,383 people. Senior citizens 65 years to 85+ years comprise 475 people or approximately 11 percent of the City's population. This

indicates that Imperial is not a retirement community but instead is comprised mostly of young to middle age working adults.

There were 463 renter occupied housing units in the City of Imperial in April 1990 and 852 owner occupied housing units. There were 57 total vacant housing units in the City in 1990. The homeowner vacancy rate was .8% and the rental vacancy rate was 6.3%. Occupied rental units comprised approximately 35% of the housing stock in the City in April 1990. Rental units are therefore a very important housing component in the City of Imperial.

VI. EMPLOYMENT AND UNEMPLOYMENT

At the present time, agricultural employment predominates as the largest segment of the job market in the Imperial Valley and in the City of Imperial. However, employment in the government sector will become much more of a factor in the future due to the construction and operation of two new State prisons in the Imperial Valley. The Calipatria State Prison is currently open, and the Dixie Ranch State Prison is currently under construction approximately 11 miles west of Imperial. These prisons will provide over 2,500 new jobs. Many of the prison employees will choose to reside in Imperial. The Dixie Ranch State Prison will be closest to the City of Imperial and will ultimately employ 1,207 persons at 190% occupancy, according to the draft EIR prepared for the project. The Dixie Ranch Prison will create a demand for 43 additional dwelling units in the City of Imperial at 190% prison occupancy. The State Employment Development Department compiles statistics on employment characteristics for Imperial County. No separate statistics are available for the City of Imperial. The statistics for historical and projected employment and unemployment are outlined below by Industrial Sector. The source of this information is the State Employment Development Department (EDD).

A. Imperial County Civilian Labor Force

	Estimate 1989	Estimate 1990	Forecast 1991	Forecast 1993
Civilian Labor Force	48,300	45,700	47,000	49,000
Employment	37,650	36,950	38,050	40,000
Unemployment	10,650	8,750	8,950	9,000
Unemployment Rate	22.0%	19.1%	19.0%	18.4%

B. Labor Force - Mexican Influence

The total labor force in Imperial County during 1990 was 45,700, employment 36,950 and unemployment 8,750. The unemployment rate was 19.1 percent. The civilian labor force fell by 2,600 during 1990, to average 45,700 for the year. The decrease in the labor force was attributable to total employment falling by an estimated 700 fewer county residents. However, a reduction was also noted among the unemployed. An estimated 1,900 more county residents were looking for work during 1990. As a result of falling unemployment combined with slightly less employment, the unemployment rate for Imperial County averaged 19.1 percent during 1990, almost three percentage points less than the 1989 average of 22 percent.

The unemployment situation in Imperial County is complicated by the large number of workers from Mexicali, Mexico who commute daily across the border to their places of employment. During these periods of unemployment, Mexicali residents file unemployment claims in Imperial County, thus overstating the number of unemployed for the area. Therefore, starting in September 1984, and continuing to the present, EDD started a monthly survey in Imperial County to delete the Mexican workers and obtain a more accurate count of resident claimants. The

present methodology to estimate unemployed workers is based on data from the current survey.

C. Agricultural Employment Trends

Agriculture is by far the most significant industry in Imperial County. Over one in every three workers is directly employed by an agricultural firm and even more employees are engaged in agricultural-related activities. Portions of manufacturing, wholesale trade, and services have significant ties to agriculture.

Over fifty percent of the agricultural workers are engaged in agricultural services, while over forty percent are involved in crop production activities. Fewer than five percent work with livestock. Employment in agricultural services has not fluctuated strongly through the decade. Crop production, on the other hand, has experienced strong swings in employment levels during the last ten years. Employment in livestock production has declined throughout the same period, but it appears to be leveling out.

Although the agricultural labor force declined in 1990, from 16,425 to 14,675, employment in agriculture is expected to increase marginally in the coming two years, rising to 14,875 in 1992 and to 15,075 in 1993. The anticipated 1.4 percent rate of employment growth is about the same as that experienced in 1988 and follows the trend of slow employment growth observed since 1986.

D. Government and Service Sector Employment Trends

Government jobs should reach a new high of 10,600 by 1993. This increase of 1,950 jobs will be mainly due to the two new prisons scheduled to open during the forecast period. Because of budgetary considerations, the opening of the Calipatria prison was postponed from August 1991 to January 1992. However, this

is still well within the forecast period.

Services jobs should increase by 11.4 percent during the next two years for a new total of 5,850 by 1993. This figure represents an increase of 600 over a five-year period.

E. Industrial Employment Trends

The number of jobs in all industries will continue to grow by 20 percent through 1993.

Growth in Mining is expected to continue only slightly over the next two years.

Construction will add 200 jobs to reach 1,900 by 1993.

Manufacturing increases should bring the total number of jobs to 1,700 by 1993, up 17.2 percent over 1988 levels.

Transportation and Public Utilities should rise by over 26 percent, adding 300 new jobs by 1993.

F. Wholesale and Retail Trade

Wholesale Trade job totals should increase by 27 percent between 1988 and 1993, adding 500 new jobs to reach a total of 2,350. Retail trade should also continue to expand rapidly, having a forecast increase of 1,400 jobs, with the 1993 total reaching 7,450.

G. Finance, Insurance, and Real Estate

Finance, Insurance and Real Estate job totals should reach 900 in 1993, an increase of 100 over the 1988 levels.

H. Employment By Industry

The table below outlines the 1988 annual average and 1993 projected employment figures by employment sector for Imperial County.

Industry Title	SIC	1988	1993	Numeric Change	Percent Change
Total Nonagricultural Employment		27,000	32,900	5,900	21.9%
Mining & Construction	10-14, 15-17	2,200	2,600	400	18.2%
Manufacturing	20-39	1,425	1,700	275	19.3%
Nondurable Goods	20-23, 26-31	925	1,050	125	13.5%
Durable Goods	24-25, 32-39	500	650	150	30.0%
Transportation & Public Utilities	40-49	1,150	1,450	300	26.1%
Wholesale Trade	50-51	1,825	2,350	525	28.8%
Retail Trade	52-59	6,050	7,450	1,400	23.1%
Finance, Insurance, & Real Estate	60-67	775	900	125	16.1%
Services	70-89, 074-5, 8	4,925	5,850	925	18.8%
Government		8,650	10,600	1,950	22.5%
Federal		1,125	1,200	75	6.7%
State & Local		7,525	9,400	1,875	24.9%

Note: Detail May Not Add to Totals Due to Independent Rounding

I. Imperial County Monthly Estimated Number of Wage and Salary Workers (1990)

FIRST THIRD OF 1990

Industry	JAN	FEB	MAR	APR	ANN. AVG.
Total All Industries	47,025	47,400	47,425	43,125	44,450
Total Agricultural (C)	17,775	18,000	17,725	13,775	14,675
Agricultural Production	6,725	6,750	5,825	4,925	5,600
Agricultural Services (D)	11,050	11,250	11,900	8,650	9,075
Total Nonagricultural	29,250	29,400	29,700	29,550	29,775
Mining	625	650	675	675	700
Construction	1,875	1,875	1,825	1,725	1,750
Manufacturing	1,525	1,550	1,625	1,675	1,700
Nondurable	1,000	1,025	1,075	1,125	1,075
Durable	525	525	550	550	625
Transportation & Public Utilities	1,225	1,300	1,250	1,275	1,225
Wholesale Trade	2,000	2,075	2,150	2,100	2,100
Retail Trade	6,700	6,600	6,550	6,550	6,725
Finance, Insurance, & R.E.	875	900	925	900	900
Services	5,150	5,100	5,125	5,150	5,300
Government (F)	9,275	9,350	9,575	9,500	9,375
Federal	1,150	1,150	1,150	1,200	1,200
State & Local	8,125	8,200	8,425	8,300	8,175

SECOND THIRD OF 1990

Industry	MAY	JUN	JUL	AUG	ANN. AVG.
Total All Industries	46,600	46,075	39,125	37,525	44,450
Total Agricultural (C)	16,850	15,700	10,100	8,250	14,675
Agricultural Production	5,125	5,250	5,025	4,025	5,600
Agricultural Services (D)	11,725	10,450	5,075	4,225	9,075
Total Nonagricultural	29,750	30,375	29,025	29,275	29,775
Mining	675	725	725	725	700
Construction	1,700	1,600	1,625	1,625	1,750
Manufacturing	1,800	1,850	1,850	1,775	1,700
Nondurable	1,225	1,225	1,200	1,125	1,075
Durable	575	625	650	650	625
Transportation & Public Utilities	1,200	1,175	1,150	1,150	1,225
Wholesale Trade	2,125	2,250	2,100	2,100	2,100
Retail Trade	6,600	6,625	6,650	6,675	6,725
Finance, Insurance, & R.E.	975	925	900	900	900
Services	5,075	5,200	5,325	5,475	5,300
Government (F)	9,600	10,025	8,700	8,850	9,375
Federal	1,275	1,300	1,250	1,200	1,200
State & Local	8,325	8,350	7,450	7,650	8,175

LAST THIRD OF 1990

Industry	SEP	OCT	NOV	DEC	ANN. AVG.
Total All Industries	39,725	44,950	46,425	48,025	44,450
Total Agricultural (C)	9,850	15,050	15,875	17,325	14,675
Agricultural Production	5,075	5,650	5,675	7,150	5,600
Agricultural Services (D)	4,775	9,400	10,200	10,175	9,075
Total Nonagricultural	29,875	29,900	30,550	30,700	29,775
Mining	725	750	750	725	700
Construction	1,700	1,750	1,850	1,850	1,750
Manufacturing	1,700	1,625	1,600	1,625	1,700
Nondurable	1,000	925	925	950	1,075
Durable	700	700	675	675	625
Transportation & Public Utilities	1,200	1,225	1,225	1,225	1,225
Wholesale Trade	2,050	2,075	2,100	2,100	2,100
Retail Trade	6,775	6,725	7,125	7,175	6,725
Finance, Insurance, & R.E.	900	900	925	925	900
Services	5,550	5,425	5,450	5,525	5,300
Government (F)	9,275	9,425	9,525	9,550	9,375
Federal	1,200	1,200	1,200	1,200	1,200
State & Local	8,075	8,225	8,325	8,350	8,175

J. Employment Outlook for Imperial County (1991 - 1993)

Prospects for job growth in the nonagricultural sector coupled with possible increasing revenue for the farm sector should boost the number of county residents with jobs. The civilian labor force should continue to show moderate growth over

the next two years. The higher labor force will be mostly due to the rate of growth of total employment rather than the small increase in unemployment. As a result, unemployment expressed as a percent of the civilian labor force could fall as much as half a percentage point over the two year projection period.

K. Potential Impacts of Free Trade Agreement on Employment

Some concerns have been expressed in Imperial County as to the effect of the North American Free Trade Agreement on the local economy. Some sources have predicted that some retail outlets would expand across the border to serve Mexican customers who now regularly shop in Imperial County. Because of the removal of the tariff barriers as anticipated in the Act, customers would find it advantageous to buy the goods in Mexico which would, therefore, reduce the retail business and employment in Imperial County. Whether or not this will actually occur remains to be seen.

SUMMARY

The employment statistics outlined above point out several pertinent facts about the job market in Imperial County. First of all, it is very apparent from the State statistics that Imperial County has a very high rate of unemployment. The unemployment rate is forecast to be 19% for calendar year 1991. This rate was much higher than the unemployment rates for California and the United States as the below outlined chart indicates.

Unemployment (Calendar Year 1990)

Imperial County	19.1%
California	5.6%
United States	5.5%

One of the reasons the unemployment rate for Imperial County is so high is because of the large numbers of Mexican workers who live in Mexicali and work in Imperial County. The unemployment figures for Imperial County are therefore overstated somewhat because of this factor. Many of these Mexican workers file unemployment claims in Imperial County thus inflating the unemployment statistics.

A very important factor in the Imperial County Economy is the agricultural sector. Agricultural employment comprised almost 37% of the labor force in 1990. Therefore, over one third of all workers in Imperial County worked in the agricultural sector. The second most important employment sector is government employment. This sector comprised approximately 20 % of the labor force in 1990. With the opening of two new state prisons in the County, the government employment sector will become even more important. The retail trade sector supplies almost 15% of the jobs in Imperial County and is the third most important employment sector. At the present time, the manufacturing sector only provides approximately 3% of the jobs in the County. However, this sector is projected to increase significantly by 1993.

The Imperial County Economy is diversifying and will diversify to an even greater extent over the next 20 years. Agriculture will continue to be an important economic sector for the future, but other economic sectors will gain in importance. Tourism is an economic sector that has not been fully developed in Imperial County. Tourism will most likely supply more jobs in the future.

VII. HOUSEHOLD INCOME AND POVERTY

The household income levels are lower in Imperial than in other areas of the State. Imperial County as a whole has one of the lowest median family income levels in the State. Statistics for Imperial County regarding welfare recipients and food stamp recipients indicate that a large percentage of the County population is receiving public assistance of some sort as the following tables indicate.

A. Public Assistance Recipients By Program (1988 - 1990)

IMPERIAL COUNTY

Recipients by Program	May		
	1988	1989	1990
Aid to Families with Dependant Children (a) Total	11,527	12,014	14,010
Adults	3,907	3,971	4,610
Children	7,620	8,043	9,400
Food Stamps (b)	12,983	12,211	14,508
General Relief	19	4	4
Refugee Cash Assistance (c)	0	0	0

Source: Total figure is from PUBLIC WELFARE IN CALIFORNIA, Department of Social Services.

- (a) Includes children in family groups, unemployment cases, and foster care.
- (b) Includes those persons receiving public assistance payments and those not receiving public assistance payments.
- (c) Excludes Aid to Families with Dependent Children recipients.

B. Aid to Families with Dependent Children (AFDC)

Characteristics of Recipients 16 Years and Older (1988-1990)

IMPERIAL COUNTY

Characteristics	May		
	1988	1989	1990
Total Recipients 16+ (a) (b)	4,598	4,793	5,589
Male	950	990	1,160
Female	3,650	3,800	4,430
16 - 21	1,230	1,280	1,500
22 - 44	3,070	3,200	3,730
45 - 54	220	230	270
55+	70	70	90
Caucasian (Not Hispanic)	866	860	790
Black (Not Hispanic)	196	190	220
Hispanic	3,491	3,690	4,520
Asian & Pacific Islander	5	0	10
American Indian	40	40	40
Filipino	0	0	0

Source: Total figure is from PUBLIC WELFARE IN CALIFORNIA, Department of Social Services. Proportions by sex, age, and ethnicity are Employment Development Department estimates.

- (a) Includes children in family groups, unemployment cases, and foster care.
- (b) Detail may not add to total due to independent rounding.

C. Supplemental Security Income (SSI)

Recipients By Program (1987 - 1989)

IMPERIAL COUNTY

Program	December		
	1987	1988	1989
Total Recipients	5,392	5,698	6,088
Aged	2,470	2,670	2,888
Blind	112	114	126
Adults	102	106	118
Children (a)	10	8	8
Disabled	2,810	2,914	3,074
Adults	2,632	2,742	2,898
Children (a)	178	172	176

Source: SUPPLEMENTAL SECURITY INCOME, STATE AND COUNTY DATA, Social Security Administration, Office of Research and Statistics.

(a) Individuals under 18 years of age.

The high levels of public welfare assistance coincide with the high rate of unemployment in Imperial County. The statistics for the Aid to Families with Dependent Children program indicate that in May 1990, approximately 13% of the total 1990 County population received assistance under this program. Under the Food Stamp program, approximately 13.5% of the total 1990 County population was receiving food stamps in May 1990.

The median family income was \$15,564 for 1980 in Imperial; the State's median income was \$21,541 in 1980. Imperial County had one of the lowest median household incomes in 1980 when compared to other counties in the state. Median family income data is presented below.

Median Family Income (1980)

California	\$21,541	Rank 10 in Nation
Imperial County	\$14,673	
City of Imperial	\$15,564	

Comparison of States to Imperial County and City of Imperial

<u>State</u>	<u>Median Family Income</u>	<u>Rank (Nation)</u>
California	\$21,541	10
Tennessee	\$16,564	44
Imperial County	\$14,673	--
Kentucky	\$16,444	45
Vermont	\$17,205	40
<u>City of Imperial</u>	<u>\$15,564</u>	<u>--</u>
South Carolina	\$16,978	41

Source: 1980 Census

Imperial County ranked with 21 other rural counties in California for lowest median family incomes. In February 1989, the State Department of Housing and Community Development data indicated that for a family of four, the median family income in Imperial County was \$28,500. There are 58 counties in California. Therefore, Imperial County ranked in the lower one-third for median family income levels in February, 1989.

Seven percent (7%) of Imperial's families had incomes below the poverty level in 1980. This compares with an 11.4% below poverty rate for the State and a 12.7% below poverty rate for Imperial County. All other cities in Imperial County, except Holtville, had much higher poverty percentages. Calexico had the highest percent below poverty level with 23.8% of its population in this category. This was over 3 times the poverty rate for the City of Imperial. The poverty data indicates that the residents of Imperial are relatively well off when compared to most other cities in Imperial County. Among the States, Mississippi had the highest percent below poverty rate.

Percent Below Poverty - 1980

City of Imperial	7.0%
Imperial County	12.7%
Louisiana	15.1%
District of Columbia	15.1%
Mississippi	18.7%
State of California	11.4%

A comparison of the income and poverty data for Imperial and other cities in the County is shown in the following table.

IMPERIAL COUNTY
INCOME AND POVERTY DATA

	<u>1980 Population</u>	<u>Median Family Income (1980)</u>	<u>Percent Below Poverty (1980)</u>
California	23,667,902	\$21,541	11.4%
Imperial County	92,110	\$14,673	12.7%
Brawley	14,946	\$13,732	15.7%
Calexico	14,412	\$12,504	23.8%
Calipatria	2,636	\$13,180	16.1%
El Centro	23,996	\$18,897	11.5%
Holtville	4,399	\$18,074	5.3%
<u>Imperial</u>	<u>3,451</u>	<u>\$15,564</u>	<u>7.0%</u>
Westmorland	1,590	\$14,489	18.2%
Heber	2,221	\$12,377	33.2%
Niland	1,042	\$11,542	16.1%
Seeley	1,058	\$14,000	29.9%

Source: 1980 Federal Census

Income levels in Imperial County and comparison counties for 1991 are outlined below. Lowest targeted is 50% of median and targeted is 80% of median.

Imperial County

Area Median: \$31,400	<u>NUMBER OF PERSONS IN FAMILY</u>							
	1	2	3	4	5	6	7	8
Lowest Targeted	11150	12700	14300	15900	17150	18450	19700	21000
Targeted	17800	20350	22900	25450	27450	29500	31550	33600

Fresno County

Area Median: \$33,400	<u>NUMBER OF PERSONS IN FAMILY</u>							
	1	2	3	4	5	6	7	8
Lowest Targeted	11700	13350	15050	16700	18050	19350	20700	22050
Targeted	18700	21400	24050	26700	28350	31000	31150	35250

Glenn County

	<u>NUMBER OF PERSONS IN FAMILY</u>							
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>
Area Median: \$34,400								
Lowest Targeted	12050	13750	15500	17200	18600	19950	21350	22700
Targeted	19250	22000	24750	27500	29700	31900	34100	36350

Humboldt County

	<u>NUMBER OF PERSONS IN FAMILY</u>							
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>
Area Median: \$32,200								
Lowest Targeted	11250	12900	14500	16100	17400	18700	19950	21250
Targeted	18050	20600	23200	25750	27800	29900	31950	34000

Inyo County

	<u>NUMBER OF PERSONS IN FAMILY</u>							
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>
Area Median: \$33,200								
Lowest Targeted	11750	13450	15100	16800	18150	19500	20850	22200
Targeted	18800	21500	24200	26900	29050	31200	33350	35500

Kern County

	<u>NUMBER OF PERSONS IN FAMILY</u>							
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>
Area Median: \$33,300								
Lowest Targeted	11750	13450	15100	16800	18150	19500	20850	22200
Targeted	18800	21500	24200	26900	29050	31200	33350	35500

Kings County

	<u>NUMBER OF PERSONS IN FAMILY</u>							
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>
Area Median: \$31,400								
Lowest Targeted	11000	12550	14150	15700	16950	18200	19450	20700
Targeted	17600	20100	22600	25100	27150	29150	31150	33150

Lake County

	<u>NUMBER OF PERSONS IN FAMILY</u>							
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>
Area Median: \$31,400								
Lowest Targeted	11000	12550	14150	15700	16950	18200	19450	20700
Targeted	17600	20100	22600	25100	27150	29150	31150	33150

Lassen County

	<u>NUMBER OF PERSONS IN FAMILY</u>							
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>
Area Median: \$31,400								
Lowest Targeted	11000	12550	14150	15700	16950	18200	19450	20700
Targeted	17600	20100	22600	25100	27150	29150	31150	33150

Los Angeles County

	<u>NUMBER OF PERSONS IN FAMILY</u>							
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>
Area Median: \$42,000								
Lowest Targeted	15250	17400	19550	21750	23500	25250	26950	28700
Targeted	24350	27850	31300	34800	37600	40350	43150	45950

Madera County

	<u>NUMBER OF PERSONS IN FAMILY</u>							
	1	2	3	4	5	6	7	8
Area Median: \$31,400	<hr/>							
Lowest Targeted	11000	12550	14150	15700	16950	18200	19450	20700
Targeted	17600	20100	22600	25100	27150	29150	31150	33150

Riverside County

	<u>NUMBER OF PERSONS IN FAMILY</u>							
	1	2	3	4	5	6	7	8
Area Median: \$36,000	<hr/>							
Lowest Targeted	12600	14400	16200	18000	15450	20900	22300	23750
Targeted	20150	23050	26900	29500	31100	33400	35700	38000

San Diego County

	<u>NUMBER OF PERSONS IN FAMILY</u>							
	1	2	3	4	5	6	7	8
Area Median: \$41,300	<hr/>							
Lowest Targeted	14450	16500	18600	20650	22300	23950	25600	27250
Targeted	23150	26450	28750	33050	35700	38350	40950	43600

Source: State Department of Housing & Community Development

The above outlined income figures for 1991 indicate that Imperial County still has one of the lowest median incomes in the state when compared to other counties.

GOALS-OBJECTIVES-POLICIES-PROGRAMS

I. INTRODUCTION AND PURPOSE

Section 65583 (b) of the State Planning Law requires that the Housing Element contain "a statement of the City's goals, quantified objectives, and policies relative to the maintenance, improvement, and development of housing." The purpose of this section is to list the housing goals of the City of Imperial. The Housing goals, objectives, policies, and programs stated in this section have the main purpose of promoting decent, safe and livable housing for all citizens of the City.

II. HOUSING GOALS

- A. Promote the construction of new housing units and the rehabilitation of existing housing units in order that every citizen of the City may be provided with decent and livable housing.
- B. Encourage the construction of additional new assisted housing units in the City for persons and families of very low income.
- C. Obtain additional Section 8 unit allocations for the City from the U.S. Department of Housing and Urban Development.
- D. Promote and support equal housing opportunity for all citizens of the City without regard for race, color, creed, handicap, marital status, age, sex, or national origin.
- E. Utilize the code enforcement capabilities of the City to ensure that landlords renting unsanitary and unsafe housing units are required to correct identified code violations.

- F. Encourage and promote the establishment of mobile home units and manufactured housing units throughout the City while ensuring that these units comply with HUD, State, and City regulations.
- G. Encourage and promote the establishment of attached second dwelling units for elderly households on single family zoned lots as an addition to the existing house.
- H. Encourage and promote the maximum use of solar energy systems in housing units throughout the City, thereby increasing opportunities for energy conservation.
- I. Ensure that housing units are noise attenuated when constructed in noise impacted areas to promote a high quality living environment for residents.

III. HOUSING POLICIES

The City of Imperial implements its housing policies to ensure non-discrimination and equal housing opportunities for all citizens. As required by the Civil Rights Act of 1964, the City does not discriminate in any of its housing programs on the basis of race, color, sex, age, religion, creed, handicaps, marital status, or national origin. The housing policies contained in this section are designed to foster and promote the development of new housing for persons of low to moderate income. The housing policies will also promote the maintenance, improvement, rehabilitation, and preservation of existing housing units. The housing policies also attempt to ensure that the city applies for all available housing funds from the state and federal governments.

- A. All citizens shall have equal access to the housing programs of the City without regard to race, color, creed, age, sex, religion, marital status,

handicaps, or national origin.

- B. The City will continue to use its Community Development Block Grant Funds for all eligible activities as authorized under the law, in a manner that will benefit the largest number of low and very low income households.
- C. The City will encourage rehabilitation and improvement of existing dwelling units instead of condemnation, whenever possible, to preserve the existing housing stock.
- D. The City will encourage improvement of existing substandard dwelling units through an active code enforcement and building inspection program to identify existing code deficiencies.
- E. The City will inform housing developers of the provisions for density bonus when housing units are developed for low to moderate income households.
- F. The City will explore the feasibility of a mortgage revenue bond issue to provide mortgage financing for low to moderate income home buyers when existing financial markets fail to provide affordable home financing.
- G. The City, as a matter of policy, will initiate annexation proceedings to bring additional developable land into the City in order to provide for a minimum five-year supply of vacant developable land for new housing projects.
- H. The City will ensure that all new housing units constructed in the City are safe and livable through enforcement of the Uniform Building Code.
- I. The City will work with non-profit housing organizations to ensure the construction of new housing for lower income households. Such



organizations include the Imperial Valley Housing Authority and Campesinos Unidos.

- K. The City shall provide for the geographic dispersal of affordable housing units for lower income households throughout the City of Imperial.

IV. QUANTIFIED OBJECTIVES

The Housing Element is required to include quantified objectives which outline the housing needed to support projected future population increases. These are future housing needs. The Housing Element also includes objectives to address existing housing needs. The quantified objectives must address the existing and future housing needs of all economic segments of the Community.

The future housing need quantified objectives are broken down by the income level of the households they are meant to house. There are four household income level categories defined in State law. They are "Very Low" (less than 50% of the median), "Low" (50%-80% of the median), "Moderate" (80%-120% of the median), and "Upper" (more than 120% of median).

The quantified objectives were developed in order to ensure that the City will meet its share of the housing need in the region, as determined by the Southern California Association of Governments (SCAG).

The planning period for the Housing Element is through June 30, 1994. The existing need identifies the number of lower income households in the City that are currently overpaying for housing (paying more than 30% of their income for housing). The future need identifies the number of housing units that will have to be added to the City's housing stock during the planning period.

A. Future Housing Need (New Construction)

The future housing need within the City through June 30, 1994, is outlined below by income group and type of housing:

<u>Type of Housing</u>	<u>Target Income Group</u>				<u>Total No. of New Units</u>
	<u>Very Low</u>	<u>Low</u>	<u>Moderate</u>	<u>Upper</u>	
Single Family Detached	6	16	65	131	218
Condominiums	0	0	7	14	21
Manufactured Housing	6	9	10	4	29
Apartments	34	35	21	10	100
Totals	<u>46</u>	<u>60</u>	<u>103</u>	<u>159</u>	<u>368</u>

The above information indicates that a total of 368 new housing units will be needed by June 30, 1994. These new housing construction figures are significantly greater than the figures contained in the SCAG Regional Housing Needs Assessment. The SCAG Regional Housing Needs Assessment projected a total future housing need of only 209 housing units during the planning period. The SCAG projection of future housing need for Imperial did not take the impact of the new State Prisons or the General Dynamics Plant into account. Therefore, the City's projections are much higher than the SCAG projection for this reason. The new Calipatria State Prison is complete and was opened in January 1992. The new Dixie Ranch Prison is under construction and will open in 1993.

B. Existing Housing Need

Existing housing need is narrowly defined as the number of lower income households who pay more than 30% of their income for rent or house payments. The definition of existing housing need is not all inclusive. It does not count lower income households who do not overpay for shelter, but live in substandard housing, nor does it include households who are homeless or live in overcrowded conditions. Lower income households include the very low income (less than 50% of median), and low income (50%-80% of median) categories. According to the Regional Housing Needs Assessment, Imperial had a total of 203 lower income households overpaying for shelter in 1988. Of this amount, 123 were very low income and 81 were low income. A total of 65 were owners and 138 were renters in the lower income category. In order to meet the existing needs of these lower income households, the City must establish specific goals and quantified objectives. The following goals are designed to ensure the City has every reasonable chance of meeting the existing housing needs:

1. Cooperate to the maximum extent possible with the Imperial Valley Housing authority to encourage construction of additional assisted housing units in the City.
2. Request the U.S. Department of Housing and Urban Development (HUD) to increase the Section 8 Rent Subsidy Unit Allocation for Imperial County.
3. Assist the Imperial Valley Housing Authority in obtaining funding from HUD and project approval for the construction of new assisted housing units for very low income families.

4. Assist non-profit corporations such as Campesinos Unidos, Inc. in obtaining funding and project approval from Farmers Home Administration for construction of new housing units for low income families under the Self-Help Housing Program.

The above listed goals will, when implemented, substantially alleviate the existing housing need for lower income households in the City.

The Imperial Valley Housing Authority maintains a total of 12 assisted housing units in the City of Imperial. Presently (April 1992), there is a waiting list for these units which consists of the following:

Waiting List for Assisted Housing Units

A.	<i>For 1 Bedroom Units</i>	<i>45 Applicants</i>
B.	<i>For 2 Bedroom Units</i>	<i>137 Applicants</i>
C.	<i>For 3 Bedroom Units</i>	<i>116 Applicants</i>
		<hr/> <i>298 = Total</i>

As can be observed from the above figures, there is a definite need for additional assisted housing units in the City. The construction of any new assisted housing units would be dependent upon the availability of future funding from HUD. It must be noted that HUD funding for assisted housing units has been steadily decreasing over the last several years.

In addition to administering the Assisted Housing Unit Program, the Imperial Valley Housing Authority also administers the Section 8 Rent Subsidy Program for Imperial. The Section 8 Assistance Program lowers the rental costs for low income households by providing a partial payment directly to the landlord, thereby allowing the landlord to collect less rent payment from the renter. Quantified objectives for

existing housing needs are outlined below for the period through June 30, 1994.

Existing Housing Needs Quantified Objectives

<u>Program</u>	<u>Objective</u>
<i>Section 8 Rent Subsidy</i>	<i>Work with landlords and applicants to ensure increased utilization of Section 8 Certificates in the City. The objective is to utilize 150 additional Section 8 Certificates in the City by June 30, 1994.</i>
<i>Assisted Housing Unit Construction</i>	<i>Provide an additional 90 assisted housing units for lower income households by June 30, 1994.</i>
<i>Assisted Mobile Home Park Development</i>	<i>Encourage the development of one new mobile home park within the City by June 30, 1994. The mobile home park should have at least 30 spaces.</i>

The total number of lower income households overpaying for shelter was 203 as identified in the SCAG RHNA. Of these, 138 were renters. The objective to utilize 150 additional Section 8 Certificates should remove a considerable number of lower income rental households from the overpayment category by June 30, 1994. The above listed quantified objectives for assisted housing should adequately address the existing housing need contained in the SCAG Regional Housing Needs Assessment. Some of the assisted housing units will be constructed under the Farmers Home Administration Section 502 Program as self-help units by such organizations as Campesinos Unidos, Inc. This FmHA Program provides interest rates as low as one percent (1%) to eligible low income applicants.

V. IMPLEMENTATION, FINANCING AND JUSTIFICATION

It is anticipated that a substantial percentage of the housing for the very low income category will be constructed as assisted housing units by Campesinos Unidos, Inc. Private sector developers will be encouraged by the City to construct housing for very low income households, both apartment units and single family homes. The City could provide incentives to developers of housing for very low income persons, as outlined in this document under the section which discusses potential governmental constraints.

The single family homes to be constructed by Campesinos Unidos under the self help housing program will be three (3) and four (4) bedroom units and will be able to serve large families. The construction of new assisted single family homes will help to alleviate overcrowding for many large low income families.

The low income assisted apartment units will most likely be constructed by private developers under applicable programs of the Farmers Home Administration. The FmHA programs provide below market interest rates to developers as an incentive to construct new lower income rental housing. Interest rates for FmHA programs are as low as one percent. Mobile Home Parks are also eligible projects for FmHA Housing programs and it is anticipated that at least one new mobile home park for low income households will be constructed in the City during the planning period. The private sector is expected to provide all the housing units for the moderate and upper income categories. The assisted low income apartment units will probably be one and two bedroom units and will serve such groups as senior citizens, single female parents with one or two children and handicapped persons.

As previously mentioned, the City's quantified objectives for future housing needs are considerably different from the SCAG Regional Housing Needs Assessment figures for Imperial. The City's figures show a greater need for new housing than

was anticipated by SCAG. This is due to several factors which are outlined below:

MAJOR FACTORS AFFECTING NEED FOR NEW HOUSING

- A. A new State Prison has been constructed approximately 2-1/2 miles northeast of Calipatria. This facility will ultimately employ up to 1,362 people. Imperial is relatively close to this new prison. It is therefore anticipated that this new facility will generate an additional demand for housing units within the City of Imperial since some of these State employees will choose to reside in Imperial.
- B. A major gold mining facility is in operation east of Glamis, California. This gold mine is located approximately 50 miles from the City. This facility is a major employer in Imperial County with approximately 350 employees. Employees of this mine could choose to reside in Imperial.
- C. The geothermal industry continues to expand within Imperial County. Many of the geothermal plants are constructed on the east mesa, in relatively close proximity to the City of Imperial. The geothermal industry employs several hundred people in Imperial County. Some of these geothermal employees will choose to live in Imperial.
- D. A new state prison is under construction eleven miles west of Imperial at the Dixie Ranch. This facility will employ several hundred people when fully staffed and occupied. According to the EIR prepared for this project, the new prison will create a demand for 43 additional housing units in the City of Imperial.

The above outlined factors justify larger numbers for new housing unit construction during the planning period.

VI. HOUSING REHABILITATION PROGRAM

The City of Imperial has had an active housing rehabilitation program in the past. The City currently administers housing rehabilitation loan files from previous grants. The City of Imperial has a continuing need for rehabilitation of existing sub-standard housing. The City will continue to participate in the Housing Rehabilitation Program during the planning period. The primary source of funds will be CDBG.

The Housing Rehabilitation Program serves primarily homeowners in the very low and low income categories. Although the Housing Rehabilitation Program provides a very viable method of eliminating existing sub-standard housing, it does not provide any new or additional housing units for the community. The City plans to participate in the State Deferred Loan Program whereby loans for rehabilitation of housing can be deferred for several years or until the housing unit is sold.

Since the City anticipates continuation of the Housing Rehabilitation Program during the planning period, it is appropriate and necessary to establish goals and quantified objectives for the Housing Rehabilitation Program as follows:

- A. Apply for the maximum CDBG Grant the City is eligible for each year during the planning period.
- B. Participate in the HUD Section 312 Housing Rehabilitation Loan Program to the maximum extent possible when, and if, funds continue to be available.
- C. Participate in the State Deferred Loan Program to the maximum extent when, and if, funds continue to be available.
- D. Utilize program income funds as appropriate to further the objectives of the Housing Rehabilitation Program.

QUANTIFIED OBJECTIVES FOR HOUSING REHABILITATION
AND HOUSING CONSERVATION

The quantified objectives, during the planning period for Housing Rehabilitation and Housing Conservation Programs, are as follows:

<u>Quantified Objective</u>	<u>Rehabilitation</u>	<u>Conservation</u>
Very low Income	5	20 ¹
Low Income	5	20 ¹
Moderate Income	0	0
Above Moderate	0	0

¹ The units planned to be conserved for low income use are known as the Imperial Villa Apartments and are located at 210 West Barioni Boulevard in the City of Imperial. These units were financed under FmHa Section 515.

VII. FUTURE HOUSING NEEDS, INCLUDING TOTAL HOUSING UNIT NEEDS AND DESIRED VACANCY RATES

According to the 1990 Federal Census Data, there were a total of 1,372 Housing Units in the City in April 1990. Assuming an average of 3.0 persons per dwelling unit, and a population of 4,950 on June 30, 1994, a total of approximately 1,650 housing units will be needed in the City by June 30, 1994. The historical and projected figures are presented below for the City of Imperial. These figures project the population of the City through June 1994.

POPULATION AND HOUSING UNIT PROJECTIONS

	<u>1980</u>	<u>1990</u>	(Projected) <u>1994</u>
Population	3,451	4,113	4,950
Housing Units	1,033	1,372	1,650 (approx.)
Average Household Size in Persons	3.34	2.99	3.00

The State Department of Housing and Community Development (HCD) has published a formula which may be used to compute future housing unit needs:

$$\left[\left(OH \times \frac{1}{1-V/S} \right) + RH \left(\frac{1}{1-V/R} \right) \right] \left(\frac{1}{1-OV} \right) = \text{Number of Housing Units Needed}$$

The following definitions and assumptions are used with regard to this formula:

OH = Owner Households 1994 (1089)

RH = Rental Households 1994 (561)

V/S = Desired for Sale Vacancy Rates. (In California, this has been established at 2% or .02 by H.C.D.)

V/R = Desired for Rent Vacancy Rate. (In California, this has been established at 6% or .06 by H.C.D.)

OV = Actual "Other Vacant" Rate in the City. (Units which are vacant, but not available for sale or rent - estimated at 2% in 1990.)

This formula takes into account the desired vacancy rate which has been determined to be necessary to provide a stable housing market.

If we insert the projected households, the desired vacancy rates, and the existing "other vacant" rate into this formula, it will read as follows:

$$\left[\left(1,089 \times \frac{1}{1-.02} \right) + 561 \times \frac{1}{1-.06} \right] \frac{1}{1-.02}$$

$$[(1,089 \times 1.02) + (561 \times 1.06)] (1.02) =$$

$$[1,111 + 595] (1.02) = 1,706$$

$$(1,706) (1.02) = 1,740 \text{ Housing Units Needed}$$

The above equation indicates that a total of 1,740 housing units would be needed in the City by June 30, 1994, in order to provide the desired For Sale Vacancy Rates and the desired For Rent Vacancy Rates. The additional housing units required to achieve an Ideal Vacancy Rate are included in the quantified objectives for new construction.

SPECIAL HOUSING NEEDS

I. INTRODUCTION

The State Planning Law (Section 65583) requires cities to undertake an analysis of special housing needs, such as those of handicapped, elderly, large families, farmworkers, families with female heads of household, and families and persons in need of emergency shelter. This section of the Housing Element will identify the special housing needs in the City of Imperial and will quantify those needs.

II. EMERGENCY SHELTER NEEDS FOR HOMELESS PERSONS AND FAMILIES

Recent amendments to the State Planning Law now require that cities address the emergency housing needs of homeless persons and families. The City's Planning Consultant contacted Social Service Agencies (Salvation Army, Catholic Community Services, the County Welfare Department) and the Imperial Police Department to attempt to determine the number of homeless persons and families in Imperial. The Imperial Police Department has not observed any homeless families or individuals living in the City. The Salvation Army is not aware of any homeless persons who reside in the City and Catholic Community Services is also not aware of any homeless problem in the City.

The County Welfare Department stated that there are no homeless families living in the City of Imperial who receive welfare assistance. Homeless families with children are eligible for welfare assistance under the Aid to Families with Dependent Children Program (AFDC). These families would be classified as very low income families and would also be eligible to obtain assisted housing and/or Section 8 Rent Subsidy Assistance.

The Assisted Housing Program and the Section 8 Program are both administered by the Imperial Valley Housing Authority. As previously stated in this document, the Imperial Valley Housing Authority has twelve (12) assisted housing units in the City of Imperial. The objective is to construct ninety (90) additional units. When and if implemented, the new assisted housing units should help address the future housing needs of any homeless families in the City by providing adequate shelter. The addition of the new assisted housing units is totally dependent upon adequate funding being available. As previously stated, there are currently (April 1992) no homeless families identified as residing in the City.

In addition to the new assisted housing units, it should be noted that an objective of the Housing Program is to increase the utilization of HUD Section 8 Certificates to 150 by June 30, 1994. The increase in Section 8 Certificate utilization should help address the long-term housing needs of future homeless families who are very low income. According to the Imperial Valley Housing Authority, as of April 1992, there were 4 families living in assisted housing units in the City and receiving AFDC welfare assistance. The County Welfare Department administers an emergency shelter program for AFDC eligible families that provides an immediate \$30 per day voucher for emergency shelter. This emergency shelter benefit can extend up to 30 days. The recipients use the \$30 per day emergency shelter benefit to obtain shelter in a hotel or motel. The emergency shelter benefit provides shelter for the eligible family until the family starts receiving regular AFDC welfare benefit checks. There is currently one motel located in the City of Imperial. However, the room rate for a family of four would be \$48.00 per day. The homeless family would therefore probably have to find a cheaper room in El Centro.

The 1991 AFDC welfare benefit for a family of four (4) in Imperial County was \$791 per month. The County of Imperial does not operate a homeless shelter for families due to the fact that there is an adequate number of hotel and/or motel rooms available to provide emergency shelter through the \$30 per day emergency

shelter benefit. Motel rooms are available in El Centro for as little as \$20 per night.

The above analysis indicates that there is no need for a homeless shelter in Imperial for families with children, due to the fact that the programs of the County Welfare Department adequately provide for emergency shelter for this group. However, the County Welfare Department does not have an emergency shelter program for homeless individuals and couples without children. These groups would have to find emergency shelter in facilities operated by social service agencies such as Salvation Army and Catholic Community Services. At the present time (April 1992), neither of these social services agencies operate emergency shelters in Imperial. Neither of these social services agencies have plans to construct a homeless shelter in Imperial during the planning period. The Salvation Army currently operates a homeless shelter in El Centro which essentially serves homeless people throughout the Imperial Valley. Catholic Community Services operates a homeless shelter for women and children in El Centro and a shelter for men in Calexico. These facilities of Catholic Community Services also serve people throughout the entire Imperial Valley, including the City of Imperial. National Guard Armories can also be made available for homeless individuals and families. The armories can be opened to the homeless when forecast nighttime temperatures are below 40 degrees. The closest armory to Imperial is located in El Centro. In conclusion, since there are no identified homeless persons or families in the City of Imperial, there is no apparent need for a homeless shelter in the City during the planning period.

III. FARMWORKERS

The City of Imperial is located in one of the most productive agricultural regions in the United States. Because of its location, there are a significant number of farmworkers residing in Imperial. Most farmworkers earn relatively low wages, and they fall into the very low and low income categories. Most farmworkers have

annual incomes of \$10,000-\$13,000 per year according to data supplied by the State Employment Development Department. Because of their low incomes, most farmworkers are eligible for Section 8 Rent Subsidy Assistance, or they are eligible to reside in assisted housing units. The Farmers Home Administration also provides very low interest rate loans for eligible farmworker families.

During calendar year 1990, there was an average of 14,190 farmworkers per month working in Imperial County, according to the State Employment Department. Approximately 568 or 4% of these workers were estimated to reside in Imperial. The majority of the farmworkers in Imperial are of Hispanic descent and many of them are migrants. Migrant farmworkers reside in Imperial for four to six months out of the year and move to other areas the remainder of the year. This situation creates a fluctuating demand for rental units with the highest demand occurring during the winter and spring months. Many of the existing farmworkers currently live in older substandard "Cabins" that are in poor condition, and are located primarily along Highway 86. There is no designated farm labor housing in the City.

As previously stated in this document, there is an objective to construct 46 new housing units for the very low income households during the planning period. Some of these new assisted housing units will be occupied by farmworkers. Campesinos Unidos, Inc., a non-profit group primarily serving farmworkers, plans to construct some single-family units in the near future. Private developers are anticipated to construct at least 69 new low income apartments, and provide at least 15 manufactured homes for low income households during the planning period. These projects will probably be constructed under various programs of the Farmers Home Administration targeted for very low and low income families. Many of these new apartment units and manufactured homes will be rented to low and very low income farmworkers. It is anticipated that the quantified objectives for new construction, which are targeted toward very low and low income households, will adequately address the housing needs of farmworkers in Imperial. In addition,

the increase in Section 8 Rent Subsidy Certificate Utilization being projected during the planning period will further assist farmworker families in finding adequate rental housing in Imperial.

IV. LARGE FAMILIES

The City of Imperial, because of its large Hispanic population, has a larger number of persons per household than other cities in the State. According to the 1990 Federal Census of population and housing for April 1, 1990, the City of Imperial had 3.1 persons per household. This compares with a statewide average of only 2.79 persons per household as of April 1, 1990. As the above figures indicate, the City of Imperial has a large average household size when compared to the State average. Many of the large families are Hispanic, are farmworkers, and are in the very low and low income categories. Campesinos Unidos, Inc. plans to construct 20 new single family homes in Imperial in the future. These new homes would be constructed under the Farmers Home Administration Section 502 Self-Help Housing Program. The new homes would most likely be three and four bedroom units and would be able to serve the housing needs of large low income families. It is anticipated, therefore, that the housing needs of some large, lower income families will be partially addressed in the future by the construction of the new self-help homes by Campesinos Unidos, Inc. However, there will continue to be a shortage of 4 bedroom rental units in the City. Therefore, 15% of future low income rental projects should include 4 bedroom units.

V. FIRST TIME HOME BUYERS

First time home buyers are generally young married couples with one or two children. This demographic group includes most low to moderate income families. Average home prices increased from \$22,200 in 1970 to \$51,200 in 1980. This represented over a 100% increase in housing costs in a ten-year period. During

the period 1979-1982, mortgage interest rates increased more than 47% rising from an average of 9.4% to 15.6%. The mortgage interest rates in October 1991, were averaging 9% to 9-1/2%. The combination of increasing home prices and rising interest rates made it difficult for first time home buyers, particularly low income families, to be able to afford a home. The City is currently encouraging development of new single-family homes in the \$80,000 price range. One developer is currently building new 3 bedroom homes starting at \$88,950.

The City is also exploring financing options, such as mortgage revenue bonds, that would make it easier for first time home buyers to be able to buy a home. Home financing programs of the Farmers Home Administration (FmHA) provide attractive interest rates for eligible low income home buyers. It is anticipated that there will be a surge in FmHA funded new housing construction during the future years in Imperial. From 1992 to 1994, there should be approximately 20 single-family homes constructed under programs of the FmHA in Imperial. The buyers of these homes will most probably be low income farmworkers of Hispanic heritage. New Homes are currently being constructed in the City with a price range of \$88,950 to \$122,950. These homes have attractive FHA and VA Financing and are reasonably priced for moderate income first time home buyers.

VI. ELDERLY HOUSEHOLDS

Elderly households are herein defined as households which include one or more persons age 65 and over. Elderly persons comprised 11% or 475 of the City's population in 1990. There is currently one 41 unit Elderly Housing Complex in the City. There is a need for another new Senior Citizen Housing Complex in the City. A significant percentage of the elderly households are elderly widows currently living in detached single family homes. Due to their age, many of these widows can no longer maintain their homes. Therefore, it could be advantageous for many of these widows to live in a Senior Housing Apartment Complex. A new elderly

apartment complex with at least 40 housing units will be needed during the planning period.

VII. HANDICAPPED HOUSEHOLDS

Handicapped households include persons with various types of disabilities. Many of these individuals are confined to wheelchairs and require housing units that have special wheelchair access. In addition to the wider doors and ramps required for wheelchair access, housing units for the handicapped also have special bathrooms and kitchens that provide for the needs of the handicapped persons.

The State Department of Rehabilitation estimated that in 1981 there were approximately 7,050 disabled persons living in Imperial County. These persons had disabilities as outlined below:

1981 CATEGORY OF DISABLED PERSONS IN IMPERIAL COUNTY

Blind	20
Deaf	50
Other Sensory (some hearing impairment)	150
Cardiovascular	1,105
Respiratory	750
Mentally Retarded	330
Alcohol/Drug	360
Emotional (Psychosis, Neurosis)	480
Muscular-Skeletal	2,670
Neurological	460
Other	675
TOTAL	7,050

In addition, in 1985 there were 1,567,500 persons in California with a work disability of some sort. Of these, 691,268, or approximately 44%, are currently in the labor force; the remaining 56% are not in the labor force. The Department of Rehabilitation does not have any current estimates for disabled persons in Imperial. The state anticipates receiving new figures for disabled persons sometime during

1992.

The City of Imperial enforces the handicapped accessibility and adaptability regulations contained in Title 24 of the California Administrative Code (State Building Code). This State regulation requires that a specified number of units be handicapped units on projects which consist of five or more housing units. The City Building Inspector ensures that all new projects, which consist of five or more housing units, comply with the State handicapped regulations. The State regulations ensure that approximately 10 new handicapped units will be constructed during the planning period for all income groups in the City of Imperial. The construction of 10 new handicapped units during the planning period should satisfy the needs of handicapped households in the City.

VIII. FEMALE-HEADED HOUSEHOLDS

Female-headed households with dependent children are projected to continue to increase in number in Imperial, reflecting State and national trends. The total numbers of female-headed households with and without dependant children are presented below for April 1990. There were approximately 121 female headed households receiving AFDC welfare assistance in the City in 1990 according to the County Welfare Department. This is approximately 84% of the total female headed households with children. It is apparent from the statistics that most of the female headed households with children are low income households. Most if not all of these households will need either Section 8 rent subsidy assistance or assisted public housing units. The Quantified objectives contained in this document for new low income housing construction, and for additional Section 8 certificate utilization, should adequately address the housing needs of low income female headed households.

	<u>1990</u>
Female-Headed Households	
With Children	144
Without Children	<u>46</u>
TOTAL	190

IX. OVERCROWDED HOUSEHOLDS

Overcrowding is present at a higher average rate in Imperial (13%) than in California (12%) and the United States (5%). The U.S. Census Bureau defines overcrowding by tabulating the number of housing units occupied by over one person per room, not including kitchen and bathrooms. In 1990, there were 175 housing units in Imperial that were classified as overcrowded by the U.S. Census Bureau. This compares with a total occupied housing unit count of 1,315 in 1990. From these statistics it does not appear that there is a severe incidence of overcrowding in Imperial, when the City's percentage of overcrowding is compared with the State. However, both the State and the City have over twice the incidence of overcrowding when compared to the United States as a whole. Therefore, there is a definite need in the City for larger housing units with 4 or 5 bedrooms. Large low income families have a need for rental units with at least 4 bedrooms.

SUMMARY OF SPECIAL HOUSING NEEDS SECTION

In summary, the special housing needs groups in Imperial consist of low-income families, who are overcrowded because of large family size; handicapped households; female-headed households, who lack sufficient income, and are dependent on assisted housing or Section 8 rent assistance; elderly households; and all low to moderate income families who cannot buy or rent adequate housing because of the lack of suitable housing supply at affordable prices. In addition, many lower income renters in Imperial rent out of necessity, not by choice, because of the lack of new low income housing construction.

GOVERNMENTAL CONSTRAINTS AFFECTING HOUSING

I. INTRODUCTION

The State Planning Law (Section 65583) requires Cities to undertake an analysis of potential and actual governmental constraints upon the development, improvement and maintenance of housing for all income levels. This analysis must include such items as land use controls and zoning, building codes and their enforcement and subdivision improvement requirements.

Cities have an affect on the cost of housing according to the level of off-site improvements required to be constructed by subdividers as outlined in the City's Subdivision Ordinance. In addition, other fees not levied by the City, such as school impact fees, also affect the cost and availability of housing. This section of the Housing Element will include an analysis of development constraints that can be remedied by the City, and it will also include an analysis of constraints on housing caused by other government entities.

II. CITY DEVELOPMENT PROCEDURES, REQUIREMENTS, AND CONSTRAINTS

The City Council of the City of Imperial is actively encouraging residential development in the City. The City Staff and Planning Commission expedite projects through the review process to the maximum extent possible. The lack of adequate infrastructure in certain areas of the City and a limited number of potential development sites could be a constraint to future new development in the long term. However, in the short term, during the next 5 years, this should not be a problem and should not prevent the City from reaching its housing objectives during the planning period for this Element (June 30, 1994). Some areas of the City have deteriorating streets that lack curbs and gutters. There is a need to upgrade existing water and sewer mains in some areas of the City, particularly

those areas east of Highway 86. Inadequate water and sewer mains could constrain development of larger scale residential projects in the southeastern, northeastern, and northwestern areas of the City. For example, there is a need to construct a new 12 inch water main along Clark Road, north of Aten Road, in order to allow substantial new housing development to take place in the southeast section of the City. The proximity of new development sites to the Imperial County Airport will limit residential densities in many areas to 4 DU/acre or less. In order to provide sufficient new development sites at higher densities in the long term, the City's revised General Plan Land Use Element designates new development sites within the Sphere of Influence Planning Area which are not impacted by the airport. These areas are generally located in the northeast and southeast sections of the planning area along Ralph Road, Aten Road, and Neckel Road. For example, there is a 60 acre site designated for mobile home development along Ralph Road where up to 420 mobile homes could be placed at 7 DU/acre. This site is not within the current City limits but has been proposed for annexation.

Land Use controls within the City, which includes the zoning and subdivision ordinances, are not overly restrictive. The R-1 single family zone requires a 6,500 square foot minimum lot size. This is not considered a large lot by most city standards. The following general zoning requirements are included in the City's zoning ordinance:

The following requirements are minimum unless otherwise stated.

ZONING DISTRICT

		RR	RL	R-1	RC	RA
1.	Density-maximum units per net acre.	0.5-1.0	2.0	6.0	12-20	20-30
2.	Net lot area (in sq. ft.)	1 ACRE	20,000	6,500	7,500	7,500

ZONING DISTRICT
(continued)

		RR	RL	R-1	RC	RA
3.	a. Lot width (in ft.)	110	100	65 int. 65 cor.	150 int. 70 cor.	150 int. 165 cor.
	b. Cul de-sac or odd-shaped lot width (in ft.)	30	30	30	----	----
	c. Flag lots	20	20	20	----	----
4.	Lot depth (in ft.)	150	150	100	100 int. 150 cor.	165 int. 135 cor.
5.	Front yard setback	40	30	20	20	20
6.	Side yard setback each side (in ft.)	20	15	5	15	10
7.	Side yard setback street side (in ft.)	20	15	10	20	20
8.	Rear yard setback	50	40	10	20	10
9.	Lot coverage, maximum	35%	35%	50%	50%	60%
10.	Building and structure height (in feet)	35 feet or 2 stories, whichever is less				
11.	Covered parking spaces per unit except as noted in Section 24.03.120 B.9: in the RC & RA Zone carports may be approved by the Planning Commission to meet covered requirement.	2	2	2	1.0 spaces (1 garage) studios or 1 bedroom unit 1.5 spaces (2 garages) 2 bedroom unit 2.0 spaces (2 garages) 3 bedroom unit	1.0 spaces (1 covered) studios or 1 bedroom unit 1.5 spaces (1 covered) 2 bedroom unit 2.0 spaces (1 covered) 3 bedroom unit
12.	Distances between buildings, not exceeding 15 feet in height.	----	----	----	10	10

ZONING DISTRICT
(continued)

	RR	RL	R-1	RC	RA
13. Distance between buildings, where one or more exceed 15 feet in height.	----	----	----	10	10

An analysis of the above outlined zoning regulations indicates that the regulations are not overly restrictive. However, in order to encourage production of more low income housing, the City could consider decreasing the minimum lot size in the R-1 zone to 5,000 square feet which would increase the allowable density to 7 dwelling units per acre in the R-1 zone. This concession in minimum lot size and density could be restricted to low income housing only. An analysis of the setback requirements indicates that they are very reasonable and should not affect the production of lower income housing. The height regulations allow for two story structures. This is very reasonable and should not affect the production of new housing. Regarding parking, the requirement for two covered parking spaces per dwelling unit in the R-1 zone could affect the production and affordability of low income housing. The requirement for covered parking for low income housing could be eliminated to reduce cost. The open space requirements, as outlined in the maximum lot coverage section, are reasonable and should not affect production of low income housing.

The City of Imperial does not have a design review board which reviews housing plans from an architectural perspective. Regarding the conditional use permit process, the City does not require a CUP for owner occupied or rental multi-family residential projects.

The City's subdivision ordinance requires that basic off-site improvements be constructed. Paved streets, curbs, gutters, and sidewalks are required. In

addition, developers are required to install water and sewer mains and storm drains, if required for stormwater control. Fire hydrants are required for fire safety purposes in all residential subdivisions. For residential streets, the City requires a right-of-way width of 60 feet and a paved dimension of 40 feet as measured face of curb to face of curb. A sidewalk with a width of 4.5 feet is required in front of each residential lot. The City has minimal landscaping requirements for residential projects. A minimum of two (2) 15 gallon trees must be planted in the parkway area of each lot. The parkway is that area between the curb and the sidewalk. In addition to trees, the City requires that grass be planted in the parkway area and in the front yard of each lot. The above landscaping requirements are minimal and would be required to meet FHA and other housing agency recommendations. These requirements will not have a significant impact on the cost of low income housing and would add approximately \$750.00 to the cost of each single family home.

The City of Imperial has adopted various fees to pay for required services. Most of these fees relate to the processing requirements for various development applications. The City does not have development impact fees as such. There is a \$1,000 capacity fee for water and a \$1,000 capacity fee for sewer. These fees are assessed for each residential unit regardless of whether the unit is single family or an apartment, mobilehome, or condominium. The following fee schedule is an excerpt from City Resolution No. 89-18:

<u>Application</u>	<u>Fee</u>	<u>Appeal Fee</u>
Permit to Perform Work (Structures, Signs, Fences, Etc.)	15.00	----
Conditional Use Permit	150.00	75.00
Home Occupation	50.00	25.00
Variances	150.00	75.00
Re-zoning	200.00	100.00

<u>Application</u>	<u>Fee</u>	<u>Appeal Fee</u>
General Plan Amendments	300.00	150.00
Condominium Conversion	150.00	100.00
Street or Alley Vacation (Request by Adjacent Property Owner)	150.00	50.00
Environmental Assessment	100.00	50.00
Environmental Impact Report	Contract	
Site Plan Review & Inspection	50.00	
Time Extension	75.00	
Signs	30.00	

Land Divisions

Fee

Subdivision Maps:

Tentative Map	250.00 + \$5/lot
Revised Tentative Map	150.00 + \$5/lot
Final Map	200.00 + \$5/additional page
Revised Final Map	125.00 + \$5/additional page

Checking & Inspection Fees:
(provided by City Staff)

Offsite Improvements:

0 to \$50,000	2.0% of improvement costs
Next \$200,000 (to \$250,000)	1.5% of improvement costs plus prev. fee increment
Next \$250,000 (to \$500,000)	1.25% of improvement costs plus prev. fee increment
Next \$500,000 (to \$1,000,000)	1% of improvement costs plus prev. fee increment
Over \$1,000,000	0.75% of improvement costs plus prev. fee increment

Parcel Maps:

Tentative Parcel Map	\$200.00 + \$5/lot
Revised Tentative Parcel Map	\$150.00 + \$5/lot
Parcel Map	\$150.00 + \$5/additional page
Revised Parcel Map	\$100.00 + \$5/additional page

<u>Land Divisions</u>	<u>Fee</u>
Parcel Map Waiver	\$150.00
Lot Line Adjustment	\$150.00

The County has established a fire impact mitigation fee of \$231 for single family residences and \$242 per unit for apartments. Even though the City contracts with the County for fire protection, this fee has not as yet been adopted by the City. An analysis of the above fee schedule and a comparison of the City of Imperial fee schedule with other jurisdictions indicates that the outlined fees are very reasonable and are well below the fees charged by some neighboring jurisdictions. For example, Imperial County charges \$1,200 for a zone change and Brawley charges \$750, while the City of Imperial charges \$200. The City's fees are therefore not anticipated to have a detrimental impact on the production of low to moderate income housing.

The City processes development applications in an expeditious manner and in compliance with State law requirements. For example, the State Subdivision Map Act requires that tentative maps be processed within 50 days of receipt of the map. The City of Imperial complies with this requirement. The processing times for site plans and conditional use permits are generally 30 days or less. Applications for zone changes and general plan amendments are generally processed in 45 days or less. The City is required to comply with all State law requirements regarding public hearing noticing times, and Imperial complies with these requirements. An analysis of the above outlined processing times indicates that the time frames are not at all excessive and should not impact the development of low to moderate income housing. The City Planning Commission acts in an advisory capacity to the City Council and makes recommendations regarding subdivision tract maps, zone changes, and general plan amendments. The City of Imperial has an active code enforcement program.

The following procedures and policies are followed by the City Building Inspector:

- A. The City's Building Inspector coordinates with other agencies (i.e. County Health Department, County Fire Department, Imperial Irrigation District) when unsafe conditions are discovered or suspected. A correction notice is issued by the Building Inspector under the authority of the Uniform Building Code, Uniform Housing Code, or Uniform Code for the abatement of dangerous structures.
- B. The City Building Inspector responds to complaints, either verbal or written, which are filed by neighbors and/or tenants. An on-site inspection is conducted and a correction letter is issued, if a code violation is discovered.
- C. Following a seismic event (earthquake), the Building Inspector, Public Works Director, and Police Chief will actively survey the City by official vehicle to identify unsafe structures and situations (i.e. downed power lines, broken gas mains, collapsed buildings, etc.), and City personnel will work with the appropriate utilities and the owners of unsafe structures to ensure that the public is not endangered. Where residences are posted as unsafe for habitation, the City will refer the temporarily displaced persons to the Red Cross and other appropriate emergency response agencies.
- D. For new residential construction, the City reviews plans to ensure compliance with the appropriate uniform building codes. Building permits are not issued until code compliance is assured.
- E. For rehabilitation of existing residences, the City's Building Inspector ensures that units are brought up to minimum code standards. Items such as full perimeter foundations, NEC approved electrical circuit breaker panels and workable plumbing systems are required to be in place following the

rehabilitation work.

III. GOVERNMENTAL DEVELOPMENT CONSTRAINTS

A. Potential Constraints

1. The City of Imperial has adopted certain development fees. These fees total \$2,000 for a single family home or apartment and include water and sewer capacity fees. These fees could constrain the production of low income housing because they will be added to the housing cost. The increase in cost could make the home prohibitively expensive for low income households.
2. The supply of affordable and available raw vacant land for housing development is currently limited in the City of Imperial. This factor could be constraining the long term production of all types of housing. However, it should not impact the production of housing in the short term (through the end of the planning period (June 30, 1994).
3. The Imperial Unified School District currently (October 1992) charges \$6,500 per dwelling unit for developer impact fees. These impact fees are added directly to the price of a new home, mobilehome or apartment. These fees could constrain the production of affordable low income housing.
4. The City of Imperial has adopted the Uniform Building Code. The City enforces the minimum requirements contained in the UBC. The building permit fees charged are those contained in the Code. Since the building permit fee costs for new housing construction are considerable, the cost of housing is affected by the amount of the

building permit fees charged by the City. The building permit fees, therefore, could be affecting the supply and production of new low cost housing for lower income households. In addition, building permit fees could be affecting the decision of existing low income households to not remodel or improve their existing residences.

5. Funding at the Federal and State level for assisted low income housing has been steadily decreasing over the last several years. Unless funding levels are increased substantially in the future for Imperial County, the objectives for low income housing construction will probably not be met. Lack of adequate government funding could be constraining the production of new low income housing.
6. The completion of substantial numbers of single family and multiple family housing rehabilitation projects could be potentially constrained during the planning period due to decreased funding levels for housing rehabilitation under the Small Cities Community Development Block Grant Program funded by HUD.

B. Actual Constraints

1. There are currently some areas in the City that have inadequate remaining capacity in the existing sewer main lines to allow development of new housing at the densities allowed by the Zoning Ordinance. Therefore, in some areas of the City, new housing development at higher densities is restricted until new sewer lines are installed or until existing lines are extended into proposed new development areas. The City has prepared a plan for services which delineates the new sewer lines and lift stations needed. The northwest, northeast, and southeast areas of the City lack facilities at

this time.

2. Development in some areas of the City is constrained by the lack of adequate water mains to provide water service. Therefore, in some areas of the City, new development cannot occur until adequate water line facilities are provided. The City's plan for providing services delineates the new water line facilities needed for future growth. In particular, a new 12 inch line is planned for Clark Road. Other new facilities are needed in the northwest, southeast, and northeast sections of the planning area.

IV. ELIMINATION OF POTENTIAL GOVERNMENTAL DEVELOPMENT CONSTRAINTS

The potential governmental development constraints identified above could possibly be eliminated as outlined below:

A. Developer Fees and Exactions:

In order to encourage production of new housing for persons of low income, the City could consider reducing capacity fees for developers of low income housing. The reduction in water and sewer capacity fees could be an important incentive for developers of low income housing. For example, the City could reduce the capacity fees for water and sewer to \$750.00 each instead of assessing the existing \$1,000 fee.

B. Lack of Sufficient Developable Raw Land:

In order to increase the supply of affordable, developable raw land, the City should initiate additional annexations of land into the City. Although not needed in the short term, the future long term growth of the City is

dependent upon the annexation of additional sites.

C. Building Permit and Plan Check Fees:

An ordinance could be adopted by the City Council which would reduce building permit fees charged for construction of low income housing. This could provide an incentive to developers to construct low income single-family and multiple-family housing units. For example, the City could grant a 10% reduction in fees for construction of low income housing.

D. The City could pass a resolution encouraging the Imperial Unified School District to lower the School Impact Fees for new low income housing construction, or for low income households desiring to enlarge or remodel their homes to alleviate overcrowding. The existing \$6,500 fee is very significant and could constrain the production of new low income housing.

E. The City could revise the Zoning Ordinance to lower the minimum lot size in the R-1 Zone to 5,000 square feet for low income housing only. The lower lot size minimum should help reduce the cost of lower income housing.

F. The City could request that the County adopt noise abatement procedures for aircraft arriving at or departing the Imperial County Airport. This could reduce noise impacts in the vicinity of the airport and make the construction of housing in these areas more feasible from an environmental standpoint.

V. **ELIMINATION OF ACTUAL GOVERNMENTAL DEVELOPMENT CONSTRAINTS**

Actual governmental development constraints can be eliminated as outlined below:

A. Areas with Inadequate Sewer Capacity:

The City has prepared a plan for services and a sewer master plan to enable the City Council to identify those areas of the City which have inadequate remaining capacity in the sewer mains. A capital improvement program can be established to correct the identified deficiencies. Funding sources for this program could be a combination of sewer capacity fees and possible grant funds accessed through the Economic Development Administration.

B. Areas with Inadequate Water Service:

The City has prepared a plan for services to enable the City Council to identify those areas of the City which have inadequate water lines and inadequate water pressures. A capital improvement program can be developed to correct the identified deficiencies. The plan for services outlines those new water mains necessary for the long term future growth of the City. Funding sources for water system improvements include water capacity fees and possible grant funds accessed through the Economic Development Administration.

NONGOVERNMENTAL CONSTRAINTS AFFECTING HOUSING

I. INTRODUCTION

The City is required by State Planning Law (Government Code Section 65583) to analyze potential and actual nongovernmental constraints upon the maintenance, improvement or development of housing for all income levels, including the availability of financing, the price of land, and the cost of construction. This section of the Housing Element will comply with this requirement through an analysis of the above factors.

II. POTENTIAL NONGOVERNMENTAL CONSTRAINTS

A. Availability and Affordability of Financing

The ability of a potential homeowner to obtain affordable mortgage financing is an item of great importance to not only the potential home buyer but also to the City. Fortunately, over the last several years, mortgage rates have been relatively affordable and available to a large segment of the population. The City of Imperial does not at present have a local bank. As of April 27, 1992, Valley Independent Bank was offering conventional fixed rate mortgages at 8.37% for a 15 year term and at 8.75% for a 30 year term. Valley Independent Bank is very active in financing construction loans and other loans in Imperial. New home loans with VA guarantees are currently being made at 8.5% interest for a 30 year fixed rate loan. FHA loans are currently being made at 9% with a minimal down payment.

These levels of interest rates are low enough to enable a large percentage of moderate and upper income home buyers to qualify for home purchase loans. However, for persons in the lower income range, the current

mortgage interest rates of 8.3% to 8.7% are still too high and have the potential of preventing lower income households from being able to qualify for a conventional home financing loan. In many cases, the lower income households must turn to federally subsidized mortgages such as the Farmers Home Administration (FmHA) Section 502 Program. This program can provide federal subsidy of single-family home loans to bring the effective interest rate down to as low as 1%.

In some cases, when the interest rate exceeds approximately 12%, moderate and upper income households could be affected, and some of these households may not be able to qualify for home finance loans. High interest rates, therefore, have the potential for affecting the affordability of housing for many income groups.

B. Price of Land

The cost of raw, developable land has a direct impact on the cost of a new home and is, therefore, a potential nongovernmental constraint. The higher the raw land cost, the higher the price of a new home will be. Developers, therefore, will normally seek to obtain City approval for the largest number of lots obtainable on a given parcel of raw land. This allows the developer to spread the costs for off-site improvements (streets, water lines, etc.) over the maximum number of lots. The price of raw land does not appear to be constraining new home construction in Imperial at the present time (April 1992). However, if land costs were to rise significantly, housing production could potentially be affected.

C. Cost of Production

The costs of labor and materials, obviously, have a direct impact on the cost of housing and are the main components of housing cost. The cost of residential construction varies greatly depending upon the quality and size of the home being constructed. Custom homes, with upgraded materials, appliances, and high quality finish work, normally have a cost range of \$75 - \$85 per square foot. New low-cost single family residences can be constructed in Imperial for \$40 per square foot. New middle-income single family housing can be constructed for \$50 - \$60 per square foot. The cost of construction basically includes labor and materials needed to construct a home. Additionally, the costs associated with building permits and other fees, such as sewer connection fees, are also a component cost of construction.

The City of Imperial and Imperial County are fortunate in that labor costs for construction workers are somewhat less than in other areas of the State. Material costs in the City of Imperial are generally the same as other areas in Southern California but may be slightly higher because of increased transportation costs. According to building information supplied by the International Conference of Building Officials, the costs of construction in Imperial County is 96% of the costs of construction in Los Angeles. The slightly lower construction costs in Imperial can be attributed primarily to slightly lower labor costs, as was previously stated. At the present time (April 1992), the construction costs in Imperial appear to be affordable and reasonable for builders and contractors. However, if labor costs were to increase substantially, the cost of construction in Imperial could rise to a level which would impact the construction of new housing. Increased construction costs, therefore, have the potential for constraining new housing construction.

D. Availability of Qualified Contractors

Due to the limited number of general contractors working in the City of Imperial, some housing projects may be delayed due to a lack of sufficient competition from qualified contractors. This has the potential to affect the completion of some housing projects during the planning period.

ACTUAL NONGOVERNMENTAL CONSTRAINTS

At the present time (April 1992), no actual nongovernmental constraints to housing production can be identified. There are currently two single family housing developers building new single family homes in the City. Sales of these homes appear to be going quite well. Other residential developers from throughout Southern California have expressed an interest in building new homes in Imperial. In addition, a new 336 space mobile home park is being proposed just outside the current City limits in the northeast section of the City.

Therefore, there is currently adequate developable land available, financing can be obtained throughout the City at reasonable interest rates, and construction costs are somewhat less than in other areas of the State.

HOUSING PROGRAM IMPLEMENTATION

I. INTRODUCTION

The City of Imperial is required by Section 65583 of the State Planning Law to develop a housing program which sets forth a plan of actions the City is undertaking, or intends to undertake, to implement the policies and achieve the goals and objectives of the Housing Element through the administration of land use and development controls, through the provision of regulatory concessions and incentives, and through the utilization of appropriate federal and state financing and subsidy programs when available. This section will comply with the intent of the above state requirements.

HOUSING PROGRAM IMPLEMENTATION ACTIONS

<u>Activity/Action</u>	<u>Time Frame</u>	<u>Responsible Official</u>
A. Small Cities Community Develop- ment Block Grant Program	Apply Annually for \$500,000 in Funding	City Manager

Description: Provides funds for rehabilitation of existing homes, infrastructure improvements, and economic development. The City will use the CDBG funds for all eligible activities as authorized by law. It is anticipated that five (5) homes per year will be rehabilitated through the end of the planning period.

B. Density Bonus Program for developers of new low income housing.	By June 1993	Planning Director
--	--------------	-------------------

Description: Provision in the Zoning Ordinance to allow a density bonus of 25% to developers willing to construct new housing for persons of low income.

C. Use of CDBG Program income monies for housing rehabilitation.	Annually (projects carried out throughout the year)	City Manager
---	--	--------------

Description: Use of CDBG program income funds for additional housing

rehabilitation projects benefitting low income households. It is anticipated that two (2) rehabilitation projects will be accomplished during the planning period utilizing program income funds.

<u>Activity/Action</u>	<u>Time Frame</u>	<u>Responsible Official</u>
D. HUD 312 Loan Program for low income households.	Apply Annually for Maximum Amount of HUD 312 Funds	City Manager

Description: The City will apply annually for HUD 312 funding, if available, to provide low interest loans for low income eligible households.

E. HUD Section 8 Rent Subsidy Assistance Program	When requested by the Housing Authority	City Manager
--	---	--------------

Description: HUD Section 8 rent subsidy assistance for low income households administered by the Imperial Valley Housing Authority. The City will support and assist the IVHA in their application to HUD for increased Section 8 unit allocations for Imperial. The City Council will pass a resolution outlining this support.

F. Assisted Housing Construction Program (Four Bedroom Units)	When requested by developers or agencies such as Campesinos Unidos	City Manager
---	--	--------------

Description: Construction of new assisted 4 bedroom housing units by agencies such as Campesinos Unidos and other developers of low income housing. The City will provide support for obtaining FMHA Funds. Large families will be targeted to help relieve overcrowding. The City Council will pass a resolution outlining this support.

G. Annexation of additional housing development sites.	On-going throughout the year	Planning Director
--	------------------------------	-------------------

Description: Annex additional land into the City to provide new development sites for housing in accordance with the General Plan Land Use Element. The City will annex approximately 500 acres for additional development sites during the planning period.

<u>Activity/Action</u>	<u>Time Frame</u>	<u>Responsible Official</u>
H. Second Dwelling Units	On-going	Planning Director

Description: Encourage construction of second dwelling units for elderly housing on existing R-1 zoned lots. The City will utilize a fast track process requiring City staff approval only for second dwelling unit construction.

I. Developer fees and Exactions	On-going when low income housing projects are processed	City Manager
---------------------------------	---	--------------

Description: Reduce development fees for water and sewer (capacity fees) to \$750 each per dwelling for low income affordable housing projects.

J. Building permit and Plan Check Fees	On-going when low income housing projects are processed	City Manager
--	---	--------------

Description: Reduce building permit and plan check fees by 10% for each low income affordable housing unit.

K. Reduction in minimum lot size and density increase	On-going when low income housing projects are processed	Planning Director
---	---	-------------------

Description: Reduce the minimum lot size to 5,000 square feet in the R-1 zone for low income affordable housing projects only. Increase density in the R-1 zone to 7 dwelling units per acre for low income affordable housing only.

L. Reduction in parking requirements	On-going when low income housing projects are processed	Planning Director
--------------------------------------	---	-------------------

Description: Eliminate the requirement for covered parking for all low income affordable housing projects.

<u>Activity/Action</u>	<u>Time Frame</u>	<u>Responsible Official</u>
M. Reduction in setback requirements	On-going when low income housing projects are processed	Planning Director

Description: Reduce side yard setbacks to 4 feet (interior lots) and rear yard setbacks to 5 feet in the R-1 zone for expansion to existing dwelling units, where overcrowding can be eliminated by a room addition for large families.

N. School Impact Fees	By Jan. 1993	Mayor/ City Manager
-----------------------	--------------	------------------------

Description: Prepare and pass a City Council resolution requesting the Imperial Unified School District to reduce the school impact fee by 10% for new low income affordable dwelling units and for enlargement of existing units to alleviate overcrowding.

O. Processing Procedures	On-going when low income housing projects are processed	Planning Director
--------------------------	---	-------------------

Description: Expedite processing of tract maps, parcel maps and building plans for low income housing projects. The goal will be to process parcel maps and tentative maps within 30 days and to review and plan check building and/or site plans within 10 days of receipt of the plans.

GENERAL PLAN CONSISTENCY

I. INTRODUCTION

Section 65583 (c) of the State Planning Law requires that the Housing Element describe "... the means by which consistency will be achieved with other General Plan Elements and community goals." This section of the Housing Element will comply with the state law requirements by outlining the methods used by the City to ensure General Plan consistency. The Housing Element is one of the seven mandatory General Plan Elements, and it must, therefore, be developed in conjunction with the other General Plan Elements. The General Plan Elements which have the greatest affect on housing, other than the Housing Element, are the Land Use Element and the Circulation Element.

II. CONSISTENCY WITH GENERAL PLAN LAND USE ELEMENT

The General Plan Land Use Element contains specific goals, objectives, and policies which are consistent with the goals, policies and quantified objectives of the Housing Element. The Land Use Element contains the following goals, objectives, and policies which encourage and support the production of affordable housing:

Goal

Encourage new residential development and the construction of a variety of housing types to meet the needs of all existing and future Imperial residents.

Objective

Achieve a variety of housing types and range of prices/rents in the City.

Policies:

Promote residential developments of all types through appropriate zoning policies.

Maintain a site plan review process which allows the City flexibility in establishing residential densities and housing types for individual projects.

Objective

Ensure that sufficient land is available to meet future housing needs.

Policies:

Maintain a minimum five-year reserve of vacant residential land.

Use the site plan review process to ensure the most efficient use of residential land.

Objective

Ensure that new residential development is allowed at densities appropriate to meet the 19,500 urban area population by the year 2015.

Goal

Encourage economical residential project design by not imposing unreasonable conditions on the residential developer.

Objective

Set reasonable standards for open space, lot size, minimum lot area per unit, lot coverage, building bulk, parking and other site design considerations. Review these standards at least every three years.

Goal

Provide designated areas, both in and out of mobile home parks, suitable for the location of single-wide mobile homes, thereby increasing the potential supply of affordable housing in the City.

Goal

Increase incentives for housing maintenance and the production of housing in infill areas through public economic incentives (waiver of portion of fees, etc.).

Goal

Provide incentives to developers to use innovative design techniques for new projects.

Objective

Develop and adopt a Zoning Ordinance Revision which allows for attached single family homes with smaller lots and a zero lot line development concept.

Policy:

Identify infill sites for new construction in the Housing Element which are suitable for zero lot line development.

Goal

Provide an adequate mix of high and low density residential land uses to house people of all socioeconomic levels, while maintaining a balanced community.

Objective

Designate appropriate areas on the General Plan Land Use Map for multiple family projects.

An analysis of the above-listed goals, objectives, and policies of the Land Use Element clearly show that the Land Use Element promotes the construction of new affordable housing units of various types, for all income levels. The Land Use Element also promotes the efficient use of land thereby ensuring the maximum utilization of existing City infrastructure facilities such as streets, water and sewer mains, etc.

III. CONSISTENCY WITH ZONING ORDINANCE

The Zoning Ordinance, which includes a text and map, implements the General Plan Land Use Element and is consistent with the General Plan Land Use Element. The Zoning Ordinance allows residential densities for all housing types which support and implement the quantified objectives contained in the Housing Element.

IV. SUMMARY

The City of Imperial General Plan Elements were revised in 1992. Since the revision took place simultaneously for all seven mandatory elements, the maintenance of consistency within and between the various elements was a top priority. Particular attention was paid to the compatibility of the Land Use and Housing Elements. The entire General Plan promotes the construction of affordable housing which can provide shelter for all low to moderate income families. The General Plan recognizes the importance of the manufactured home or mobile home for the affordability that this type of housing provides, especially for lower income households. The General Plan also recognizes the importance of the second dwelling unit as it relates to housing opportunities for the elderly.

ENERGY CONSERVATION OPPORTUNITIES AND TECHNIQUES

I. INTRODUCTION

Section 65583 (a)(7) of the State Planning Law requires the City to include an analysis of opportunities for energy conservation with respect to residential dwelling units in its Housing Element. Energy conservation is in the interest of the City, State and Federal Governments. By conserving energy, particularly electricity, the nation will become less dependent on foreign oil sources. The City of Imperial, through the City Building Inspector, enforces the State Energy Conservation Requirements for residential structures. When builders submit residential building plans for plan checking, the building inspector reviews the energy calculations to ensure compliance with State Law. In addition, when site plans are submitted to the Planning Commission for approval, building elevation plans and landscaping plans are reviewed and approved in a manner which requires decreases in the amount of sun exposure to window areas. This is accomplished by appropriate building orientation and by shading of window areas which are exposed to the sun.

II. RESIDENTIAL STRUCTURES

- A. Use of construction materials such as dual thermo-pane windows, R-30 insulation, and solid core exterior doors which prevent excessive heat transfer from exterior areas to interior areas of residential units.
- B. Use of heat pump air conditioning and heating units with adequate capacity for the unit being served.
- C. Use of trees, shrubs and vines in such a manner as to shade window areas of dwelling units and use of grass and other ground cover which will reflect heat and not absorb heat.

- D. Orientation of residential structures to minimize exposure of window areas to sunlight during the summer months.
- E. Use of solar energy systems to provide needed energy for water heaters and small appliances.
- F. Insulation of water heaters to prevent heat loss.
- G. Adjustment of heat control on water heaters to minimum heat position when on vacation or out of the house for extended periods of time.
- H. Setting of air conditioner thermostat to 80 degrees and above during the summer months.
- I. Use of natural gas appliances in homes whenever possible because natural gas is more efficient and less costly than electricity for many applications.
- J. Minimize paved surfaces on residential lots in order to reduce heat absorption.
- K. Turning off of air conditioning when on vacation or when out of the home for extended periods of time.

III. **SUMMARY OF ENERGY CONSERVATION OPPORTUNITIES AND TECHNIQUES**

The above-listed techniques can make residences much more energy efficient. The City of Imperial, being located in the Sunbelt, is in a unique position to make full use of solar energy, thereby reducing dependence on conventional energy sources. The City is also fortunate in that the supply of natural gas is abundant and relatively inexpensive compared to other energy sources.

MANUFACTURED HOUSING (MOBILE HOMES)

I. INTRODUCTION

This section discusses manufactured housing (mobile homes) as a housing alternative in the City of Imperial. Manufactured homes are very important in that they provide suitable, alternative housing for lower income families who would not be able to afford the cost of a conventional site-built house. Mobile homes and manufactured housing constructed since 1975 must comply with building codes relating to structure, electrical, and plumbing systems, according to State and Federal (HUD) regulations. The mobile homes and manufactured housing currently being constructed provide essentially the same safety features and livability as a site-built house. The 1992 Housing Element anticipates a need for 29 new manufactured homes in the City by June 30, 1994. Of these 29 units, 25 are designated as being needed for low to moderate income families. Since manufactured housing is projected to be needed in Imperial during the planning period, adequate sites must be made available for mobile homes and manufactured housing. Potential mobile home development sites are identified in this document.

II. ACCESSIBLE SITES FOR MANUFACTURED HOUSING (MOBILE HOMES)

As stated above, in order for the City to meet the quantified objective for manufactured housing as contained in this document, adequate sites in residential areas must be available. State law, specifically Section 65852.3 of the Government Code, states that the City must allow mobile homes (manufactured housing) to be placed on a foundation system on lots zoned for single-family residential dwellings (R-1 Zone), if the unit is certified under the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. Section 5401, et. seq.). The City of Imperial will fully comply with State law requirements relating to the placement of manufactured housing (mobile homes) on lots zoned for single-family

residences (R-1 Single-Family Residential Zoning District). In addition, the City will consider a revision to the Zoning Ordinance to enable mobile homes to be located in other residential Zoning districts, (R-C and R-A Zones). This would greatly increase the number of potential mobile home sites in the City.

The City can also revise its Zoning Ordinance to include a Mobile Home Subdivision Zone. The intention of the Mobile Home Subdivision Zone would be to provide individual lots to be sold to mobile home buyers. The Mobile Home Subdivision Development would be essentially identical to a conventional single family home neighborhood.

IMPACT OF NEW STATE PRISON ON HOUSING

I. INTRODUCTION

The State of California has made the decision to construct a new medium security prison in the Imperial area at the Dixieland Ranch. It is anticipated by the State Department of Corrections that prisoners will be moved into the facility starting in October 1992. The prison could ultimately house approximately 4,180 inmates. The prison is projected to employ up to 1,207 persons. The construction and operation of the new prison could create an immediate demand for new housing units in the City of Imperial.

The prison development site area will be approximately 300 acres in size, with an additional 50 acres used as a clear zone surrounding the developed area. A firing range, wastewater treatment facility, and a water supply facility will be located outside the developed area. The remaining undeveloped portions of the site may remain in agriculture or open space.

II. ANALYSIS OF IMPACT ON HOUSING IN THE CITY OF IMPERIAL

According to the environmental impact report prepared for the State Department of Corrections by ERC Services, the construction and operation of the prison will create a demand for up to 43 additional housing units in the City. Of these, 17 are apartment units and 26 are single family detached homes. Approximately 37 percent (37%) of the prison employees are unmarried and about 60 percent (60%) rent their residences, according to the prison EIR. The average prison employee salary is \$34,100 annually (1990), which is considerably higher than the Imperial County average. The EIR concludes that, on the average, the prison employees will prefer good quality rental units in urban locations which have a wide selection of amenities and activities. Many of the married employees, especially those with

children, will most likely prefer to reside in a single-family home.

The objectives for new housing construction contained in this document provide quantified objectives to satisfy the demands for new housing generated by the construction of the Dixie Ranch State Prison. Due to the short time frame for staffing and filling the prison to capacity, a significant amount of housing will need to be constructed within an approximate 2 year period after the prison becomes operational. The City currently has sufficient excess water and sewer capacity in most areas of the City to support an accelerated rate of growth during the planning period. Therefore, it is not anticipated that there will be a problem in supplying the needed Housing for prison employees.

EXISTING HOUSING CONDITIONS

I. INTRODUCTION

This section of the Housing Element will discuss existing housing conditions in the City of Imperial. The City conducted a housing condition survey in January 1984 as a part of the preliminary work for the 1984 CDBG application. A door to door survey was conducted of 237 homes in the proposed rehabilitation target area. Of these, 141 were in need of rehabilitation, 32 were dilapidated and beyond repair, and 64 were determined to be in good condition. The 1984 CDBG housing rehabilitation target area where the above survey was taken included the following boundaries: State Highway 86 on the east, 5th Street on the south, 15th Street on the north, and "D" Street on the west. This survey area included the heart of the City of Imperial.

Since the 1984 survey was done, however, the City of Imperial has seen a considerable number of new housing units constructed. These new units included single family homes and condominiums. Most of the new housing has been constructed during the last 5 years in two new subdivisions, Sunset Ranch and Sandalwood Glen.

II. UPDATE OF HOUSING CONDITION SURVEY METHODOLOGY

A windshield survey was conducted of the City's housing stock in May 1992. This survey indicated that the vast majority of the housing in the City is in fair to good condition. The repairs most often observed as being needed consisted of painting and roof repairs. According to the City's Building Inspector, over 300 new housing units have been constructed in the City since April 1990. These new housing units significantly increase the total supply of housing in the community thereby decreasing the percentage of the total housing stock that will fall into the

dilapidated and poor condition categories. It is estimated that in May 1992, approximately 5% of the housing stock, or approximately 72 units, were in dilapidated condition and beyond rehabilitation. It is estimated that approximately 10% of the City's total housing stock is in poor condition and in need of some rehabilitation. This would equate to approximately 150 housing units. It is estimated that approximately 65% of the City's housing stock is in average or good condition, and that approximately 20% of the City's total housing stock is in excellent condition. A large majority of the housing units in the excellent condition category are new or were constructed within the last 3-4 years.

III. HOUSING REHABILITATION NEED

In view of the above statistics, it would appear that the City could benefit from a renewed housing rehabilitation program. According to the 1990 Federal Census, the rental vacancy rate in Imperial was 6.3%. This is a relatively low vacancy rate and it is therefore very important that all existing rental units be maintained in a livable condition and that they be rehabilitated if necessary to insure their continued availability. The City should therefore include a rental REHAB component in any future housing rehabilitation program application.

REVIEW AND EVALUATION OF THE 1989 HOUSING ELEMENT

I. INTRODUCTION

The City of Imperial adopted a revised Housing Element on April 19, 1989. The 1989 Housing Element did not receive official State approval from the Department of Housing and Community Development, although it was submitted for review and the State provided comments on it.

II. EVALUATION OF GOALS, OBJECTIVES AND POLICIES

The 1989 Housing Element contained various goals, objectives, and policies. The quantified objectives for new construction were obtained directly from the SCAG Regional Housing Needs Assessment, which was prepared in December 1988. This document concluded that a total of 209 new housing units would be needed in the City by June 30, 1994. Of these 209 units, 32 were designated for very low income households and 41 were designated for low income households. The remaining 136 units were designated for moderate and high income households.

As previously stated in this document, over 300 new housing units have been constructed in Imperial since April 1990. Most of these units were purchased by households who would be classified as moderate to high income. Therefore, the City has exceeded the quantified objectives for construction of new moderate to high income dwellings. However, since January 1, 1989, no new dwellings have been constructed specifically for low or very low income households. The two principal entities which construct new low income units in Imperial County are the Imperial Valley Housing Authority and Campesinos Unidos Inc. Neither of these agencies have constructed new low income units during this portion of the planning period (July 1, 1989 to May 1992). However, the planning period for the revised

Housing Element extends to June 30, 1994, and there is a possibility that some new low income units may be constructed during the next two years. As of this date (May 92) the City has not reached its goals for construction of new low income housing units as outlined in the 1989 Housing Element. Since the 1989 Housing Element was written, the State of California has made the decision to construct a new prison at Dixie Ranch, approximately 11 miles west of Imperial. According to the EIR prepared for the prison, the new prison will generate a demand for 43 new housing units in the City of Imperial. There is a very good possibility that this figure is low and the prison could very easily generate a demand for 150 or more housing units in Imperial. In addition to the prison, General Dynamics has constructed a new assembly facility in Imperial. This assembly facility was constructed after December 1988 and thus the SCAG projections for future housing need did not take into consideration the demand for housing caused by the new prison or the General Dynamics facility. Therefore, the quantified objectives for future housing need as contained in the 1989 Housing Element are no longer sufficient and these quantified objectives will be substantially increased for the 1992 revised Housing Element. The 1992 revised Housing Element contains quantified objectives for future need (new construction) that calls for a total of 368 housing units to be constructed in the City by June 30, 1994. Of these, 106 are designated for low or very low income households and 262 are designated for moderate or upper income households. These objectives are considerably different from the 1989 Housing Element objectives for the reasons previously stated.

A review of other goals, objectives and policies as contained in the 1989 Housing Element indicates that most of the goals, objectives, and policies are still relevant in 1992 and are included in the 1992 Housing Element. The following excerpts from the 1989 Housing Element contain the goals, objectives, and policies that are still relevant in 1992:

Housing Goals

Adequate housing in sufficient quantity, with suitable and convenient services, and at affordable and appropriate prices should be provided for all economic segments of the community.

Objective 1

The City of Imperial shall encourage development of an adequate supply of housing to meet the housing needs of persons of all income levels within the region.

Policy 1

- A. Encourage the use of undeveloped land contiguous to existing development for housing to reduce the cost of facility extensions.
- B. Permit "Granny Flats" second units in single family neighborhoods where adequate parking and facilities can be provided.
- C. Provide a balance of moderate to high income housing with affordable low income housing to avoid impaction and diversify the housing available to all income groups.
- D. Promote growth and development to attain housing levels required by Regional Housing Needs Assessment (RHNA) within the 5 year program.

Target Date - 1994

Goal - 1992 RHNA Housing Levels

Policy 1 (D), as previously mentioned, has been modified in the 1992 Housing Element to reflect the housing demand precipitated by the Dixie Ranch prison and the General Dynamics plant. The 1988 RHNA figures are therefore not relevant in 1992 and have been increased substantially.

Objective 2

The City of Imperial shall encourage housing opportunities within the financial capabilities of low and moderate income households.

Policy 2

- A. Assist the private sector in producing housing, particularly low and moderate income housing for low income and special needs households.
- B. Pursue all available funding sources which have the potential to provide assistance in home ownership.
- C. Participate in Section 8 Public Housing Income Rental Assistance Programs for existing and newly constructed units.
- D. Establish and/or promote a Local Real Estate Board that will assist the community with programs and information about existing and future low income housing availability,

provide pamphlets on equal housing laws, and other resources which pertain to equal and affordable housing.

Target Date - On going

Objective 3

The City of Imperial shall promote programs designed to maintain, preserve and rehabilitate the existing housing stock and community identity of existing neighborhoods.

Policy 3

- A. Encourage small business owners to revitalize the village center.
- B. Promote adaptive reuse of vacant buildings within the City as housing units.
- C. Pursue Community Development Agency (CDA) funds for low interest rehabilitation loans to assist in the rehabilitation of housing in the City and to conserve and improve the conditions of the existing affordable housing stock.
- D. Continue the present housing rehabilitation program as long as funds are available.
 - 1. Program Area: Targeted areas as specified in CDBG grants.

2. Work to be Performed: Weatherization, minor repairs, repairs required to bring residence up to Section 8 standards.
 3. Homeowner Requirements for Participation: Very low and low income residents. Rental Requirement: Landlord agrees to keep rent at affordable levels as described in the Community Development Manual.
 4. Outside Funding Sources to be Explored: Farmers Home Administration 504 Program (Low interest loans for home purchase and rehabilitation); Farmers Home Administration 502 Program (Rehabilitation grants for low income elderly residents; HUD Section 312 rehabilitation loans; and CDBG rehabilitation loans).
 5. City contribution through fiscal and administrative support.
- E. Encourage the use of California Housing Finance Agency tax exempt revenue bonds for direct loan programs for housing rehabilitation.

Target Date - On going

Goal - Complete rehabilitation of all housing in need.

Objective 4

- *The City of Imperial shall promote programs which meet the special housing needs of the elderly, handicapped, and/or minority groups.*

Policy 4

- A. Encourage housing within the village center to provide for special needs households, particularly the elderly and handicapped.
- B. Provide technical assistance and counseling to special needs households in pursuit of affordable housing.
- C. Seek funding from Section 8 Rental Assistance Programs as well as Community Development Block Grants through the Community Development Agency.
- D. Provide for adequate access and services for the Handicapped.

Target Date - On going

Goal - To meet requirements of all special needs households.

Objective 5

The City of Imperial shall do everything in its means to attract industry, and private sector investment which will help relieve some of the City's development burden.

Policy 5

- A. Establish a group to work with the City to act as a public relations team to promote the City in order to gain the interest of industry and the private sector.
- B. Do a market study and include an assessment of the value of the land. Include incentives that would attract various industries to the City.
- C. Put together a brochure or pamphlet aimed at attracting industry to the City. This will then attract private sector investment to meet the housing demands of new industry.

Target Date - On going

Goal - Attract industry, jobs, and private sector investment to the City.

The City of Imperial will continue to monitor housing conditions by preparing a yearly progress report and conduct a yearly housing program review to assess progress towards realizing housing objectives, success of programs, and to plan for the upcoming year.

Energy Conservation Goals

While the cost of housing is rising, so is the cost of energy. The City should establish programs to encourage energy conservation through specific

objectives such as:

- > Education of the public regarding energy conservation.
- > Promotion of the use of solar energy.
- > Active enforcement of the latest Uniform Building Code and titles regarding State construction standards for energy efficiency.
- > Strive to make City buildings energy efficient.
- > Explore new sources of power such as geothermal power.
- > Explore funding sources for energy programs.

An energy conservation program must come out of a partnership of the City, residents, and businesses. The City, however, has a key role in linking funds available to needed projects.

Implementation Goals

The City has and shall continue to promote equal housing opportunity.

The following steps have been taken thus far:

1983: Formation of a Citizen Advisory Council for CDBG program.

1983: Fair Housing Ordinance was adopted by the Imperial City Council.

1983: Signed an agreement with the Bank of America to leverage City rehabilitation funds for home rehabilitation in the target area.

1983: City adopted a Priority Rating Guide for grants and loans that

assure equal opportunity plus extra points for aged, single head-of-household, large families, handicapped, etc.

1984: Designed and distributed brochure in English and Spanish quoting Imperial's fair Housing Ordinance. This was (and will continue to be) distributed to local churches, services clubs and organizations. Copies will be kept in City Hall, City Library and the Community Development Office.

1984: Passed an ordinance allowing "granny flats" on R-1 property.

1984: Passed a mobile home ordinance allowing single-family mobile homes (on fixed foundation) on R-1 property.

In addition to the implementation of goals in the area of equal housing opportunity, the City has made considerable progress in the implementation of the quantified objectives for future need, specifically for construction of new moderate and upper income housing. In these categories, the City has already exceeded the 1989 Housing Element quantified objectives of 136 units. Since April 1990, over 300 new moderate and upper income units have been built. The City is therefore making excellent progress in achieving the objectives for new moderate and upper income housing construction. However, the City is not currently meeting the objectives for construction of new low income housing. Therefore, more emphasis needs to be directed towards working with the private sector to facilitate the construction of new low income housing units.

The City has not had an active housing rehabilitation program since 1987. This is due primarily to a lack of grant funds. The City may submit a new CDBG application for housing rehabilitation program funds either in 1993 or 1994, to allow the housing rehabilitation program to be continued. The City is therefore not

currently implementing Objective 3, Policy 3(D).

III. SUMMARY OF ANALYSIS OF 1989 HOUSING ELEMENT

The analysis of the 1989 Housing Element reveals that the goals, objectives, policies and programs, with the exception of the quantified objectives for future need, were valid in 1989 and are still valid in 1992. The City should strive to improve the implementation of housing programs and objectives, particularly for low to moderate income households and for special needs households. The analysis indicates that the City should also continue with an active housing rehabilitation program in the future for both owner occupied units and owner-investor rental units.

**LAND INVENTORY OF SUITABLE SITES
FOR
NEW HOUSING CONSTRUCTION**

I. INTRODUCTION

The City is required by Section 65583(a)(3) of the State Planning Law to develop an inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment. The inventory must include an analysis of the relationship of zoning and public facilities and services to these sites. This section of the Housing Element will comply with the above requirements through an analysis of potential development sites. The analysis will include zoning information, development densities, and water and sewer availability. The land inventory and site availability information is provided in a tabular format and is provided for various housing types, i.e. single family, multiple family, etc. The parcel description utilizes the County Assessor's parcel number system. Sites for all income levels are identified below.

II. SINGLE-FAMILY HOUSING DEVELOPMENT SITES (VERY LOW INCOME)

<u>Assessor's Parcel #</u>	<u>Vacant (Yes/No)</u>	<u>Sewer/Water Available</u>	<u>Zoning</u>	<u>Density Range</u>
43-121-10	yes	yes	R-1	2-4 DU
43-122-7	yes	yes	R-1	4-6 DU

III. MULTIPLE FAMILY HOUSING DEVELOPMENT SITES (VERY LOW INCOME)

<u>Assessor's Parcel #</u>	<u>Vacant (Yes/No)</u>	<u>Sewer/Water Available</u>	<u>Zoning</u>	<u>Density Range</u>
43-302-6	yes	yes	RA	2-3 DU
43-302-20	yes	yes	RA	2-3 DU
43-202-5, 6, 9	yes	yes	RA	6-8 DU
43-144-01	yes	yes	RA	6-8 DU
43-350-37	yes	yes	RA	18-20 DU

IV. SINGLE FAMILY HOUSING DEVELOPMENT SITES (LOW INCOME)

<u>Assessor's Parcel #</u>	<u>Vacant (Yes/No)</u>	<u>Sewer/Water Available</u>	<u>Zoning</u>	<u>Density Range</u>
43-350-37	yes	yes	R-1	40-50 DU
43-151-8	yes	yes	R-1	4-6 DU

V. MULTIPLE FAMILY HOUSING DEVELOPMENT SITES (LOW INCOME)

<u>Assessor's Parcel #</u>	<u>Vacant (Yes/No)</u>	<u>Sewer/Water Available</u>	<u>Zoning</u>	<u>Density Range</u>
43-350-37	yes	yes	RA	40-45 DU
43-121-11	yes	yes	RC	2-4 DU

VI. SINGLE FAMILY HOUSING DEVELOPMENT SITES (MODERATE INCOME)

<u>Assessor's Parcel #</u>	<u>Vacant (Yes/No)</u>	<u>Sewer/Water Available</u>	<u>Zoning</u>	<u>Density Range</u>
43-350-37	yes	yes	R-1	250-264 DU
43-320-45	yes	no	RR	18-20 DU

VII. MULTIPLE FAMILY HOUSING DEVELOPMENT SITES (MODERATE INCOME)

<u>Assessor's Parcel #</u>	<u>Vacant (Yes/No)</u>	<u>Sewer/Water Available</u>	<u>Zoning</u>	<u>Density Range</u>
43-350-37	yes	yes	RA	200-210 DU

VIII. SINGLE FAMILY HOUSING DEVELOPMENT SITES (UPPER INCOME)

<u>Assessor's Parcel #</u>	<u>Vacant (Yes/No)</u>	<u>Sewer/Water Available</u>	<u>Zoning</u>	<u>Density Range</u>
43-350-37	yes	yes	RR	17-19 DU
43-320-45	yes	no	RR	30-34 DU
43-350-37	yes	yes	R-1	225-245 DU

IX. MULTIPLE FAMILY HOUSING DEVELOPMENT SITES (UPPER INCOME)

<u>Assessor's Parcel #</u>	<u>Vacant (Yes/No)</u>	<u>Sewer/Water Available</u>	<u>Zoning</u>	<u>Density Range</u>
43-350-37	yes	yes	RA	20-25 DU

The above outlined sites would allow for the development of up to 974 total dwelling units. This greatly exceeds the regional housing need of 209 units. Mobile or manufactured homes can be placed on any R-1 zoned lot. The quantified objectives for future housing need (new construction) indicate that a total of 29 mobile homes are planned for placement in the City, for the various income groups during the planning period. As outlined above, there are more than ample potential sites available which are zoned R-1, where mobile homes could be placed.

Assessor's Parcel No. 43-350-37 contains a total of 283 acres and was recently annexed into the City. This parcel has been subdivided into several development projects. Two single family subdivisions, Sandalwood Glen and Wildflower North, contain a total of 559 lots. A 15 acre site within this master planned community, known collectively as Aten Ranch, has been designated for multiple family residential development. Various projects within the Aten Ranch community can be designated to serve all four income levels (very low, low, moderate, and upper).

The City is in the final stages of annexing an additional 278 acres of land located along Aten Road, east of Clarke Road. Housing development projects proposed for this area total several hundred dwelling units. Development densities for this area would be approximately 4 DU/ac. for single family housing. Most of this area is included within the "C" Zone (common traffic pattern) designated for the Imperial County Airport. The County Airport Land Use Plan outlines land use restrictions around the airport. According to the County Airport Land Use Plan, there is limited risk for housing development in this area ("C" Zone), however, densities should be limited to a maximum of 4 DU/ac.

Typical densities for single family projects over the last several years in Imperial have been 4-5 DU/ac. For multiple family projects, the typical density has been

18-20 DU/ac. The airport "C" Zone should not have an impact on single family residential development in the proposed 278 acre annexation area. However, multiple family projects may not be approved in the "C" Zone area due to the inconsistency with the County Airport Land Use Plan, which restricts densities to 4 DU/ac. in the "C" Zone area. Therefore, the City should plan to annex additional land in the future which is outside the "C" Zone area of the airport, in order to allow for additional multiple family residential development. Additional annexations should not be needed until after the planning period for the current Housing Element (June 30, 1994).

The Imperial Zoning Ordinance permits the following maximum densities in the various residential zones:

<u>Zone</u>	<u>Maximum Density</u>
RR (Rural Residential)	1 DU per net acre
RL (Residential Low Density)	2 DU per net acre
R-1 (Residential Single Family)	6 DU per net acre
RC (Residential Condominium Zone)	20 DU per net acre
RA (Residential Apartment Zone)	30 DU per net acre
MHP (Mobile Home Park)	7 DU per net acre

The above outlined zones are consistent with the need to allow residential development at densities necessary to provide adequate housing for all income levels.

ASSESSMENT OF THE PRESERVATION OF ASSISTED HOUSING DEVELOPMENTS

I. INTRODUCTION

This section of the Housing Element has been prepared to address housing projects at risk of losing affordability controls during a ten year planning period. The planning period corresponds with the 5 year planning period of the 1989 Housing Element; July 1, 1989 through June 30, 1994; and an additional 5 year period from July 1, 1994 through June 30, 1999.

Government Code Section 65302(c) requires the preparation of a Housing Element as part of a jurisdiction's General Plan. The City of Imperial updated and adopted its Housing Element in 1989, pursuant to Section 65302(c). Section 65583(a)(8) of the Government Code requires that this section be added to the Housing Element. The 1989 Housing Element was reviewed by the Planning Commission and adopted by the City Council. It was subsequently reviewed by the State Department of Housing and Community Development. The 1989 Housing Element was not found to be in compliance with Housing Element Law (Article 10.6 of the Government Code). However, the Housing Element is currently being amended to bring it into compliance with the Housing Element Law.

In 1989, an amendment to State Planning Law (Chapter 1451, Statutes of 1989),

was passed which mandated that an analysis, inventory, and program for preserving low income housing be completed by cities and counties. State law requires that this mandatory inventory and analysis be adopted as an amendment to the City Housing Element by July 1, 1992.

II. IDENTIFICATION/ INVENTORY OF AT-RISK PROJECTS, DISCUSSION, AND COST ANALYSIS

A. INVENTORY DISCUSSION

According to Section 65583(a)(8) of the Government Code, the inventory shall include all multi-family rental units which are assisted under any number of Federal Department of Housing and Urban Development (HUD), State, Local, and/or other programs, and which are:

- * Eligible to change to non-low income housing uses due to termination of subsidy contract, mortgage prepayment, or expiring use restrictions; and
- * Eligible for conversion to non-low income status within the ten year period following the statutory adoption of the Housing Element Amendment.

TABLE I

**CITY OF IMPERIAL
ASSISTED HOUSING INVENTORY
UNITS AT RISK OF CONVERSION FROM JULY 1, 1989 THROUGH JUNE 30, 1999**

<u>PROJECT 1:</u>	Imperial Villa Apartments 210 West Barioni Boulevard Imperial, California 92251
Owner Name/Address:	Professional Apartment Management General Partners 2020 West Kettleman Lane Lodi, California 95241
Type of Assistance:	FMHA Section 515-Rural Rental Housing & FMHA Section 521-Rental Assistance
Type/Length of Affordability Controls:	None
Earliest Possible Conversion Date:	At any time
Total Number of Units:	40
Number of Affordable Units:	40
Tenant Type (Elderly, Family):	Elderly
Bedroom Mix:	1 bedroom - 36 2 bedroom - 4
Date Built:	11-23-77
Condition:	Good

B. Information Sources:

In order to assess the projects which could potentially convert to non-low income housing by loss of subsidies, use restrictions, Federal contracts, etc., several sources were used. For Federally subsidized or assisted projects, the California Department of Housing and Community Development and the Imperial Valley Housing Authority were consulted.

Other sources reviewed to compile the inventory included primarily the City of Imperial's Financial and Community Development staff, who are involved in the on-going monitoring of affordable housing units within the City. The Community Development Department employs one full-time staff person responsible for the activities involved with the Community Development Block Grant (CDBG) Programs.

C. PROJECTS

(1) FMHA SECTION 515 - RURAL RENTAL HOUSING LOANS

Project 1: Imperial Villa Apartments
210 West Barioni Boulevard
Imperial, California 92251

(1) FMHA SECTION 515 - RURAL RENTAL HOUSING LOANS (continued)

Name/Address of
Property Owner:

Professional Apartment Management,
General Partner
Dave Michaels, President
2020 West Kettleman Lane
Lodi, California 95241

Type of Governmental
Assistance Received:

FMHA Section 515 - Rural Rental
Housing and FMHA Section 521 - Rental
Assistance

Earliest Possible
Change from Low-
Income Use:

This project was approved prior to
December 15, 1979. Therefore, this
project is eligible for either owner
incentives or sales to nonprofit or public
agencies, both for extended use
restrictions. Conversion of the use
restrictions through prepayment could
occur under limited circumstances.

Total Number of Low-
Income Units that could
be lost:

40 units: 36 one bedroom and 4 two-
bedroom apartments

The Imperial Villa Apartments were constructed in 1979 under
Section 515 Rural Rental Housing funding provided by Farmers
Home Administration (FMHA). The loan, dated November 23, 1977,
was for \$704,420 to be paid over a 50 year period at a 9% interest
rate. This loan was issued for the construction of an apartment

complex for the elderly and/or handicapped individuals of any age. The apartment complex requires the tenants to be age 62 or older or any age if the individual is handicapped.

The tenants of the apartment complex pay their portion of the rent, which is 30% of their adjusted monthly gross income, given that the tenant is receiving rental assistance through the FMHA Section 521 - Rental Assistance Program. Currently, 50% of the existing tenants are receiving rental assistance. If the tenant is not receiving rental assistance, the tenant is required to pay rent amounting to the basic rate. The basic rate for monthly rent amounts to \$283 and \$328 for a one and two bedroom apartment, respectively. If the tenants' monthly gross income exceeds 30% of the basic monthly rent, then the tenant pays the market rent, which amounts to \$367 and \$412 for a one and two bedroom apartment, respectively.

Risk of Conversion

One of the most critical pieces of information for the FMHA projects is the date of FMHA approval as these projects are regulated on this basis. Projects approved prior to December 15, 1979, are eligible for either owner incentives, or sales to nonprofit or public agencies, both for extended use restrictions. Conversion of the use

restrictions through prepayment could occur under limited circumstances as discussed below.

If a FMHA Section 515 project is eligible for, but not yet undergoing, prepayment processing during the analysis period, it should be considered at risk of conversion, despite statutory provisions designed to minimize the potential for conversion. Despite statutory requirements for offering additional incentives to owners, and first-right-of-refusal offers to nonprofit organizations, the potential for conversion through prepayment remains. Prepayment could occur for example, under "exception authority" of the federal law, or if a bona fide offer from a nonprofit organization is not received when a property is offered for sale.

In regards to this particular project, the Imperial Villa Apartment complex, the loan was approved and dated November 23, 1977, which falls under the Pre-1979 guidelines. As stated above, this project could be eligible for owner incentives or sales to nonprofit organizations or public agencies, both for extended use restrictions. Conversion of the use restrictions through prepayment could occur under limited circumstances; although, it is highly unlikely that this project will be converted to other than low income use during the planning period from 1989 to 1999 due to prepayment of the

existing mortgage.

Mr. Robert Longman of the Farmers Home Administration Office in Sacramento was contacted for information relating to this project. Mr. Longman verified that the owners of this project have not requested a prepayment option to convert the existing complex to other than low income use during the years 1989 to the current date. Therefore, no owner incentives and/or sales to nonprofit organizations or public agencies have been addressed for this project.

Further, Mr. Longman provided information regarding the Department of Housing and Community Development Act of 1987. This Act basically precludes the owner from prepayment due to the following:

- (a) In order for the owner to prepay the existing mortgage on the FMHA loan, the owner must establish the following:
 - (i) There is no longer a need for low-income housing in the community.

- (ii) There is an adequate alternative to provide for the low-income housing that will be converted with this prepayment option.

and/or

- (b) The owner must enter into certain restrictive agreements to continue to provide for low-income housing. One restrictive agreement requires that the owner maintain the housing units for low-income use for the remaining 20 year period, after the date of the original loan. Therefore, the 20 year period continues through the year 1997 and thus, would require the owner to provide for low-income housing until that time.

Mr. Longman stated that the above exceptions are not met in the City of Imperial. The City of Imperial has a definite need for continued low income housing. There does not appear to be adequate housing alternatives within the City of Imperial to provide for low income housing if this project would be converted. Further, as stated above, the owner would be required to maintain this project as low-income, at least, until the year 1997 due to the 20 year restrictive agreement as applied by the Housing and Community Development Act of 1987.

Based on the above information provided by Mr. Longman of Farmers Home Administration, this project does not appear to be at risk of conversion during our planning period. There have been no indications or intentions over the past several years to attempt to convert the low-income project to other than low income housing based on prepayment of the existing mortgage.

Cost Analysis

According to Section 65583(a)(8)(B) the cost of producing new rental housing comparable in size and rent levels to replace the units which could convert and the cost of preserving all of the developments at risk of converting must be included in the Housing Element Amendment. If these preservation costs cannot be reliably estimated, it is permissible to describe whether such costs are anticipated to be higher or lower than the replacement estimates (new construction), and for what reason, as well as the magnitude of the differences in the estimates.

Replacement

In order to construct a new seniors housing project, an estimated cost of \$50.00 per square foot of building area will be utilized. The

cost estimate is based on contacts with local contractors in the Imperial Valley. The project consists of approximately:

*	533 sq. ft. unit x 36 units (one bedroom)	19,188	Sq. Ft.
*	727 sq. ft. unit x 4 units (two bedrooms)	2,908	Sq. Ft.
*	980 sq. ft. Community Building	980	Sq. Ft.
	20% additional floor area (i.e., corridors)	<u>4,615</u>	Sq. Ft.
	Total building area	27,691	Sq. Ft.
(a)	Construction Cost: 27,691 sq. ft. x \$50	\$1,384,550	
**(b)	Soft Costs (financing costs architectural, engineering)	275,000	
(c)	Land Cost, site area: 2 acres x \$35,000	70,000	
	Contingency 20%	<u>345,910</u>	
	Total Replacement Cost	\$2,075,460	
*	Source: Mr. Robert Longman, Farmers Home Administration Office in Sacramento.		
**	Estimated at approximately 20% of construction costs.		

Preservation

In order to preserve the units at the rent levels charged to the tenants, a direct replacement loan would be necessary. This could be accomplished in one of the following manners:

- (a) Assist a non-profit housing corporation to purchase the project with an estimated value of \$1,155,000, (1.5 times the appraised value which amounts to \$769,974).
- (b) Assist the Imperial Valley Housing Authority to purchase the project at the above estimated value.

Given the options discussed above, it would be very difficult to either construct a new senior project of 40 units or assist a non-profit housing corporation or the local housing authority to acquire the existing project because both of these options are based on the ability to receive market rate rents. The goal of continuing the affordable rents would take a much greater capital investment, beyond the costs associated directly with developing the units to meet the rent levels currently in place.

Therefore, the goal of maintaining affordable rents could only be economically achieved through preservation of the units by a replacement subsidy program.

(2) HUD PROGRAMS

There are no projects at risk of conversion during the ten year planning period, which received Federal Assistance within the City of

Imperial's jurisdiction. The City of Imperial does not have any projects receiving assistance from the Housing and Urban Development programs, such as the following:

- * Section 8 Lower-Income Rental Assistance project-based programs:
 - New Construction
 - Substantial or Moderate Rehabilitation
 - Property Disposition
 - Loan Management Set-Aside

- * Section 101 Rent Supplements
- * Section 213 Cooperative Housing Insurance
- * Section 221(d)(3) Below-Market-Interest-Rate Mortgage Insurance Program
- * Section 236 Interest Reduction Payment Program
- * Section 202 Direct Loans for Elderly or Handicapped

SOURCE:

Department of Housing and Community Development -Division of Housing Policy Development, State representative for the County of Imperial, Gary Collard, was contacted by phone on September 16, 1992 to verify the above information relating to the HUD programs.

(3) COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAMS

The City of Imperial's Finance Director, Janell Hodgkin, was contacted on September 10, 1992, to discuss the City's Community

Development Block Grant Programs. The housing rehabilitation programs that were administered during the grant periods 1987 and 1989 pertained mainly to single family units, with the exception of 2 loans, representing multi-family rental units, which are discussed in detail below.

The City of Imperial utilized the resources of a CDBG Administrator during those grant periods. The City's Accounting Specialist (CDBG Administrator), Anna Likos, has monitored the grants over the past years and confirmed the fact that the City of Imperial awarded two loans for rehabilitation of multi-family rental units. Ms. Likos was contacted on September 17, 1992, to discuss and verify the information regarding the multi-family rental units. Ms. Likos confirmed the following information regarding the two loans made to individuals for rehabilitation of multi-family rental units. Copies of the "Rent Limitation and Tenancy Schedules" for the loans were also provided and reviewed for determination of potential conversion of the low-income rental units.

One CDBG loan was provided to Mr. Pablo Ulloa, which consisted of the rehabilitation of one multi-family rental unit. This loan agreement, which was dated October 14, 1988, included a "Rent Limitation and Tenancy Schedule Agreement". This agreement required that "initial rent charges to existing low income tenants at the completion of rehabilitation not exceed 25 percent of the existing tenants' income; or where before rehabilitation rents already exceed 25 percent of income, no initial rent increases shall be allowed. Rent charges shall be maintained at these levels for a time period of not less than one year from the completion of rehabilitation or the term of the loan, whichever is longer." The term of the loan for this

applicant was for 15 years. Therefore, the rental agreement requires that the applicant maintain rental limitations on the multi-family unit for a period of 15 years, which is the longer term, ending in year 2003. Based on the above information, there is no risk of conversion of this one rental unit until the year 2003, which is beyond the ten year planning period.

The second CDBG loan, provided to Mr. Thomas Gaddis, represented the rehabilitation of nine (9) multi-family rental units. This second loan agreement, which was dated February 6, 1985, included a "Rent Limitation and Tenancy Schedule Agreement". This agreement required that "initial rent charges to existing low income tenants at the completion of rehabilitation not exceed 25 percent of the existing tenants' income; or where before rehabilitation rents already exceed 25 percent of income, no initial rent increases shall be allowed. Rent charges shall be maintained at these levels for a time period of not less than one year from the completion of rehabilitation." Therefore, the rental agreement requires that the applicant maintain rental limitations on the multi-family units until February 6, 1986. After that one year period, the rental units can be utilized for other than low-income rental units. Based on the above information, the rental limitations expired prior to our planning period. Therefore, there is no risk of conversion of these nine rental units during our planning period.

In prior years, the City was awarded CDBG grants for housing rehabilitation. The City's Accounting Specialist, Anna Likos, stated that no projects from previous grants (prior to 1987) would be at risk of conversion during the ten-year planning period. The loans from previous grants, if representing a multi-family rental unit, only

required a one year "Rent Limitation and Tenancy Schedule Agreement" which required rent to tenants of low-income. These Rent Limitation Agreements would have expired prior to the ten year planning period from 1989 to 1999 and therefore would not represent a risk of conversion during our planning period.

(4) Redevelopment Programs

The City of Imperial does not have an active Redevelopment Agency. Our source of information was the City Manager, Paul J. Richards, whom was contacted on September 10, 1992. Further, we contacted Ms. Janell Hodgkin, the City's Finance Director, who confirmed the fact that the City does not have an active Redevelopment Agency.

(5) FMHA Section 515 Rural Rental Housing Loans

The only project that is considered to be at risk of conversion is discussed above (Project 1).

(6) State and Local Multi-family Revenue Bond Programs/ Local In-Lieu Fee Programs or Inclusionary Programs/ Developments Which Obtained a Density Bonus and Direct Government Assistance Pursuant to Government Code Section 65916:

There are no locally-subsidized units at risk of conversion, as the City of Imperial has not issued mortgage revenue bonds, approved any density bonuses with financial assistance, and does not have an in-lieu fee or inclusionary program. In order to assess the projects which could potentially convert to non-low income housing by loss

of subsidies, use restrictions, Federal contracts, etc., several sources were used. For confirmation of the above stated information, the Department of Housing and Community Development, Division of Housing Policy Development, the Imperial Valley Housing Authority and the City's financial staff were utilized. The State representative for the Imperial County, Gary Collard, Department of Housing and Community Development, Division of Housing Policy Development, verified on September 16, 1992, that the City of Imperial has not issued mortgage revenue bonds.

The Finance Director of the City of Imperial, Janell Hodgkin, verified on September 10, 1992, that the City has not issued mortgage revenue bonds, approved any density bonuses with financial assistance, and does not have an in-lieu fee or inclusionary programs.

The Imperial Valley Housing Authority was contacted to provide information relating to the state and local multi-family revenue bond programs. This issue was discussed with George Flores, the Development Specialist, on September 10, 1992, who confirmed that the City of Imperial has not issued mortgage revenue bonds. Further, the City of Imperial does not have any Project-Based Section 8 Contracts. The Imperial Valley Housing Authority has only issued conventional based rental Section 8 Assistance, which are the certificates and/or vouchers administered by the local housing authority and are transferable to other units.

III. ANALYSIS OF RESOURCES FOR PRESERVATION

According to Section 65583(a)(8)(c) of the Government Code, the Housing Element Amendment should identify public and private nonprofit corporations which have legal and managerial capacity to acquire and manage assisted housing developments. Inclusion on this list should be based on a corporation's expression of interest in acquiring and managing such projects.

Public Agency and Non Profit Corporations

The City of Imperial has operated several housing programs through the use of Community Development Block Grant programs. As a resource of preservation, the City's Community Development Department will include the following activities:

- A. Evaluation of legal and procedural framework for preservation of at risk units within the City.
- B. Identification and monitoring of threatened projects.
- C. Analysis of factors that influence an owner's decision to terminate the operation of the units at risk of converting.
- D. Determination of the feasibility of an entity acquiring and preserving the units at risk of conversion.
- E. Analysis of Federal, State, and local financial incentives available to deter the conversion and assist with the acquisition and preservation of units at risk of conversion.
- F. Provision of technical assistance to developers and nonprofit corporations interested in negotiating the acquisition of units at risk of conversion.

In order to ensure the effectiveness of this resource, it is the intent of the City to identify all interested public agencies and nonprofit housing corporations that have legal and managerial capacity to acquire and manage assisted housing

developments. The following groups have been included on the State Department of HCD's list of entities interested in Right of First Refusal program for Imperial County:

Imperial Valley Housing Authority
Main Office
1401 "D" Street
Brawley, California 92227
(619) 351-7000

Coachella Housing Coalition
45701 Monroe Street
Suite G
Indio, California 92201
(619) 347-3157

Southern California Presbyterian Homes
1111 North Brand Boulevard
Suite 300
Glendale, California 91202
(818) 247-0426

Flory, Olson, & Van Osdel
11711 Sterling Avenue
Suite 13
Riverside, California 92503
(714) 687-5484

In addition to above the groups, Campesinos Unidos, Inc. is a community based nonprofit housing development corporation operating in the Imperial County, which may have a strong interest and capacity to acquire and manage subsidized housing and other housing at risk of conversion.

Additional resources available to assist in preserving units at risk of conversion include the following:

Community Development Block Grant (CDBG)

Typically, areas receiving financial assistance include housing rehabilitation; public services; neighborhood public facilities improvements; citizen participation; and administration. Given the priority established in recent legislation for the preservation of affordable housing losing subsidies and restrictions, it is fair to assume that the CDBG program will allow financing to be used to preserve units at risk of conversion. Therefore, this funding source could be accessed to preserve units at risk.

IV. QUANTIFIED OBJECTIVES

According to Section 65583(B) of the Government Code, localities are required to establish in their housing elements quantified objectives for the maximum number of housing units that can be constructed, rehabilitated and conserved over a five-year time frame. The objective for units to be conserved should include a subtotal for the number of units developed pursuant to Section 65583(a)(8)(A).

During the current five-year planning period, July 1989 to June 1994, one project, the Imperial Villa Apartments, is considered at risk of conversion; although, it is

highly unlikely that the project will be converted. Due to the Housing and Community Development Act of 1987, this project would be required, if an attempt was made to prepay the mortgage, to maintain the project as low income housing at least until the year 1997 as discussed previously.

During the second five-year planning period, the same project is considered at risk of converting to non-affordable housing. Again, as stated above, it is highly unlikely that the project will be converted during this time period due to the same factors addressed previously.

If the project converted, 40 affordable units would be lost. It is the City's objective to retain all 40 units as affordable housing through resources and activities previously discussed. Where preservation is found to be feasible, the City will actively pursue and technically assist in retaining these affordable units.

Quantified Objectives 1989 - 1999

<u>Income Group</u>	<u>Construction</u>	<u>Rehabilitation</u>	<u>Conservation</u>
Very Low (up to 50% median income)	0	0	20
Low (50% - 80%)	0	0	20
Moderate (80% - 120%)	0	0	0
Above Moderate	0	0	0
<hr/>			
Total	0	0	40

Note: The above table is for illustrating the number of units to be conserved only.

V. DEVELOPMENT OF PROGRAMS FOR PRESERVATION

According to Section 65583(c)(6), the Housing Element Amendment should include or reference programs to preserve the low income use of at risk projects listed in the ten-year inventory, with specific focus on units at risk during the five-year planning period.

At this time, there are no specific programs to preserve the low income use of at risk projects, as listed in the ten-year inventory, due to the remote possibility of conversion of the specific project listed in Table 1. The sources of preservation discussed earlier (including the nonprofit housing corporation, Campesinos Unidos, Inc.; and the local housing authority, the Imperial Valley Housing

Authority) would require substantial subsidy assistance to assist in the preservation of the project. Both agencies have not considered the Imperial Villa Apartments to be at risk of conversion during the time period 1989 to 1994 and therefore, have not established specific programs and/or procedures to assist in its preservation. However, local efforts which may facilitate preservation of at-risk housing are summarized below:

A. Identify At-Risk Units

Identify all projects which are eligible to terminate affordability controls at some point. Establish a system for early identification of projects which appear most susceptible to conversion.

B. Provide Tenant and Community Education

- * Promote community awareness and initiatives by involving affected constituencies in assessing the preservation problem locally. Conduct educational workshops on the issue. Hold public hearings pursuant to Government Code Section 65863.10, or workshops on individual projects subject to conversion, or the conversion issue.

- * Educate tenants on the information required for legally-valid notice of intent and Plans of Action.

C. Assist Nonprofit Organizations and Other Public Entities

- * Identify and assess the interest of potential "priority purchasers" (local public agencies and nonprofit) for specific projects, should they be offered for sale.
- * Bring together existing owners and potential nonprofit or other public entity buyers
- * Provide grants or low-interest loans to at-risk projects in need of rehabilitation in exchange for extended affordability controls.

VI. SUMMARY

In conclusion, there was one project listed as at-risk of conversion, which was the Imperial Villa Apartments. It was determined that this project was considered at-risk of conversion due to the fact that the project was Pre-1979 and at the time of the original loan, did not include restrictive covenants on its use. Due to the Housing and Community Development Act of 1987, it appears that conversion of the project is highly unlikely due to the factors discussed previously.

Two sources for preservation of affordable units were identified, including the nonprofit housing corporation, Campesinos Unidos, Inc. and the Imperial Valley

Housing Authority. However, due to the remote possibility of conversion, no specific programs have been established by either of these entities at this time. Local efforts will be undertaken by the City to help ensure future preservation of assisted units and to maintain affordability controls over low-income housing units. The City's Community Development Department will take the lead in initiating the preservation efforts.

EQUAL HOUSING OPPORTUNITY PROGRAM

The City is required by Section 65583(c)(5) of the government code to develop and implement an Equal Housing Opportunity Program. This program must be included in the General Plan Housing Element. The City of Imperial, by official action of its legislative body, has established the following policies regarding equal housing opportunity and non-discrimination:

1. It is the official policy of the City of Imperial to not discriminate in the provision of housing programs or services based upon race, color, religion, sex, age, marital status, handicap, national origin, or families with dependent children.
2. It is the official policy of the City of Imperial to provide equal housing opportunity in the City for all citizens without regard to race, color, religion, sex, age, marital status, handicap, national origin, or families who have dependent children.
3. It is the official policy of the City of Imperial to prepare, maintain, and distribute a Fair Housing brochure, printed in both English and Spanish, which outlines the City's housing policies and the applicable State and Federal laws which prohibit housing discrimination.
4. The City Clerk is designated by the City Council to be the contact person for housing discrimination complaints. The City Clerk will maintain and distribute housing discrimination complaint forms. The City Clerk will forward a copy of the complaint form to the appropriate Federal and State agencies for action. The City Clerk will continue to provide assistance as needed to help resolve the complaint. Such assistance may take the form of contacting the Imperial Valley Association of Realtors, Chamber of Commerce, Housing

Authority, HUD, and other groups interested in equal housing opportunity. These organizations and/or agencies may be able to provide assistance in resolving the complaint.

5. The City will periodically publish its Fair Housing and Non-Discrimination policies in the local newspaper. These publications will be in both English and Spanish.

EQUAL AND FAIR HOUSING OPPORTUNITY CONTENTS OF FAIR HOUSING BROCHURE

(Also published in Spanish)

I. INTRODUCTION

The City of Imperial has developed a Fair Housing Brochure to inform the public about the Equal Housing Opportunity policies of the City. The brochure also informs the public, in a condensed document, which housing practices are illegal and which persons and agencies to contact, to file a complaint of unfair and discriminatory housing practices.

II. CONTENTS OF FAIR HOUSING BROCHURE

The text of the City's fair Housing brochure provides as follows:

There are two major federal laws dealing with discrimination in housing in the United States:

1. The Civil Rights Act of 1966, and as amended in 1968
2. The 1988 Fair Housing Amendments Act (P.L. 100-430).

City of Imperial policies prohibit discrimination in housing by any person. Acts prohibited by the Fair Housing Act, if they are based on race, color, religion, sex, or national origin are:

1. Refusing to sell or rent to, deal or negotiate with any person.
2. Discrimination in terms or conditions for buying or renting.
3. Denying that housing is available for inspection, sale, or rent, when it really is available.

4. Blockbusting.
5. Denying or making different terms or conditions for home loans by lending institutions.
6. Denying to anyone the use or participation in any real estate service.

Any person aggrieved by an unlawful practice prohibited by City policies may file a complaint with the City Clerk within 30 days after the aggrieved person becomes aware of the alleged unlawful practice. The City Clerk or duly authorized representative shall investigate each complaint and attempt to resolve each complaint.

Failure to achieve a resolution acceptable to both parties and in compliance with City policies shall cause the City Clerk to forward the complaint and her findings to appropriate State and Federal officials, and to the City Attorney for further action. The City Clerk will contact such organizations and/or agencies as the Housing Authority, HUD, Chamber of Commerce, and Association of Realtors for possible assistance in resolving the complaint. If the complaint cannot be resolved at the local level, the City Clerk will assist the aggrieved person in completing a HUD Form HUD-903 (Housing Discrimination Complaint Form). This Form will then be forwarded to HUD Region IX in San Francisco at 450 Golden Gate Avenue, San Francisco, CA 94102-3448.

LOCAL AGENCY

A copy of the Fair Housing policies or additional information and help may be obtained by contacting:

City Clerk
City of Imperial
420 S. Imperial Avenue
Imperial, CA 92251
(619) 355-4371

STATE AGENCY

California Fair Employment and Housing Department
(213) 620-3109

FEDERAL AGENCY

U.S. Department of Housing and Urban Development
Discrimination Hotline (toll free) 1-800-424-8590