

City of Port Hueneme 2008-2014 Housing Element

May 2009

**City of Port Hueneme
Community Development Department
250 North Ventura Road
Port Hueneme, Ca 93041**

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1. INTRODUCTION

The Housing Element establishes City housing policies for the planning period of July 1, 2008 through June 30, 2014. It guides City officials in decision making and sets forth an action program to implement the housing goals. This Housing Element is intended to direct residential development and preservation in a manner consistent with the overall requirements concerning State housing law.

1.1 Purpose of the Element

The Land Use Element is concerned with housing in a location and density context while the Housing Element identifies housing programs aimed at meeting the identified housing needs of the resident population. The Port Hueneme Housing Element includes the identification of strategies and programs that focus on:

- 1) Conserving and improving existing affordable units;
- 2) Providing adequate affordable housing sites;
- 3) Assisting in the development of affordable housing;
- 4) Removing governmental constraints; and
- 5) Promoting equal housing opportunities.

The Housing Issues Report provides background information to the Element and is a supporting document for the Element.

1.2 Scope and Context of Element

The Housing Element sets forth housing goals and policies for Port Hueneme. Specific housing programs that will implement these goals and policies are identified in the section entitled Housing Plan which follows the Goals and Policies.

The State Legislature recognizes the role of the local general plans and particularly the housing element, in implementing statewide housing goals to provide decent and sound housing for all persons. Furthermore, the Legislature stresses continuing efforts toward providing affordable housing for all income groups. The major concerns of the Legislature with regard to the preparation of housing elements are:

- Recognition by local governments of their responsibility in contributing to the attainment of State housing goals;

- Preparation and implementation of City and County housing elements which coordinate with State and Federal efforts in achieving State housing goals;
- Participation by local jurisdictions in determining efforts required to attain State housing goals; and
- Cooperation between local governments to address regional housing needs.

The State Department of Housing and Community Development (HCD) sets forth specifics regarding the scope and content of housing elements prepared by cities and counties.

1.3 Public Participation

Section 65583 (c)(6)(B) of the Government Code states that “The local government shall make diligent effort to achieve public participation of all the economic segments of the community in the development of the housing element and the program shall describe this effort.” Public participation played an important role in the formulation of Port Hueneme’s housing goals and policies.

Service Provider Interviews

As part of this Housing Element update, the City of Port Hueneme consulted with affordable housing providers and nonprofit service providers to obtain input on housing needs and programs. Agencies contacted for consultation include:

- Arc Ventura County
- Cabrillo Economic Development Corporation
- California Rural Legal Assistance
- Catholic Charities
- Child Development Resources
- Habitat for Humanity
- Housing Farm Workers Project
- Jewish Family Services
- Lutheran Social Services
- Many Mansions
- Naval Base Ventura County – Port Hueneme, Family Housing Office
- Partners in Housing
- Housing Authority of the City of Port Hueneme
- Turning Point Foundation
- Ventura County Homeless and Housing Coalition

Only six agencies responded to the telephone interviews. These are: Arc Ventura County; Child Development Resources; Lutheran Social Services; Housing Authority of the City of Port Hueneme; Turning Point; and Ventura County Homeless and Housing Coalition. Housing needs identified by these agencies and the City's responses are summarized below.

- **Homelessness:** Countywide there is a need for additional emergency shelters and transitional housing, especially emergency and transitional housing with mental health services. Housing Elements should also address recent State requirements regarding the provision of such housing. Inclusionary housing is a feasible option to generate funding to address homelessness.

This Housing Element includes a program to address homelessness in Port Hueneme. In addition, much of the new residential development occurs within the coastal area. As part of the coastal housing requirements, the City has an inclusionary housing policy with in-lieu fee option. This inclusionary housing policy is instrumental in generating and conserving affordable housing in Port Hueneme.

- **Persons with Disabilities:** ADA compliant units are limited in the City. Persons with disabilities have difficulty finding accessible and affordable housing. Most persons with disabilities are able to live independently but their extremely low incomes limit their housing options.

With limited funding, the City utilizes redevelopment housing set-aside funds and inclusionary housing in-lieu fees to provide affordable housing. Through acquisition/rehabilitation efforts and development agreements with developers, the City is able to remove barriers, where feasible, in conjunction with providing housing affordable to lower income households, including extremely low income households. However, the extent of needs often exceeds the financial capacity of the City.

The City has plans to make the Mar Vista Senior Apartment lobby, restrooms, and entry fully compliant with ADA accessibility requirements in FY 2009-10. At the end of FY 2008-09 the City will have completed improvements to the office of the Housing Authority of the City of Port Hueneme ("Housing Authority") making it fully compliant with ADA accessibility requirements. These improvements will enhance the functionality of the Mar Vista Apartments and the ability of those with disabilities to apply for low income housing.

- **Housing with Child Care Centers:** Next to housing costs, child care represents a significant component of household costs. Multi-family housing with child care centers and child care near employment centers should be encouraged.

Through the density bonus provisions, the City of Port Hueneme offers incentives for residential development that includes child care centers. However, Port Hueneme is primarily built out with little remaining capacity for large-scale developments. Inclusion of child care centers is usually not physically and financial feasible due to the relatively small size of development expected in Port Hueneme.

Review of Draft Housing Element

The City made available the Draft Housing Element for public review at the Ray Prueter Library, Port Hueneme Housing Authority, City website and at City Hall with notices of availability posted at the Hueneme School District offices, City Community Center, Lincoln Military Housing, Navy Commissary, and Navy Family Services Center. Pursuant to State law, the Final Housing Element will be sent to the school district and water and sewer service providers for the City.

Public Hearings

A public hearing was held before the City Council on October 8, 2008 to review the Draft Housing Element. To publicize the meeting, the City advertised in the local newspaper and City website. Special invitations were sent to community stakeholders, developers, service providers, and other interested parties. Habitat for Humanity and Ventura County Homeless and Housing Coalition attended the public hearing and gave testimony to the need for affordable housing in the community and the agencies' desire to work with the City to further affordable housing opportunities. Specifically, Ventura County Homeless and Housing Coalition commented on the need for housing for extremely low income households and that the City's year-round homeless population may be estimated at 30 persons.

A public hearing was held before the City Council on May 18, 2009 for the adoption of the Final Housing Element. To solicit community input, the public hearing was advertised in the local newspaper and City website. Notification about the public hearing was sent to housing developers, service providers, and other interested parties, particularly to those that have responded to the City telephone interviews and other attended the public hearing in October 2008.

1.4 Relationship to Other General Plan Elements

The City of Port Hueneme General Plan is comprised of seven elements:

- 1) Land Use
- 2) Circulation/Infrastructure

- 3) Housing
- 4) Conservation/Open Space/Environmental Resources
- 5) Noise
- 6) Public Safety/Facilities
- 7) Economic Development

The 2008-2014 Housing Element update builds upon the goals, policies, and programs established in the General Plan. The Housing Element identifies several nonresidential properties with potential for residential development. A program has been included to ensure that the General Plan and the Zoning Ordinance be modified to maintain internal consistency among these documents should residential development be pursued on these sites.

2 HOUSING GOALS AND POLICIES

This section of the Housing Element articulates the City's goals and policies for addressing a number of important housing-related issues in Port Hueneme. Five major issue areas are addressed in this Element:

- Maintain the supply of sound, affordable housing through conservation and rehabilitation of housing;
- Ensure that a broad range of housing types are provided to meet the needs of both existing and future residents;
- Increase opportunities for homeownership;
- Remove constraints to the development of affordable housing; and
- Promote equal opportunity of housing choice for all residents.

Each issue area and the corresponding goals and policies are identified and discussed in the following section.

Maintenance and Conservation of Existing Housing

As of 2008, close to 75 percent of the City's housing units were over 30 years old. A housing condition survey conducted in 2007 identified over 110 units as in need of some degree of rehabilitation improvements. Port Hueneme will continue to work through its Residential Rehabilitation Loan Program and Home Maintenance Incentive Rebate Program to ensure that aging and substandard housing units are rehabilitated and units that are currently sound continue to be maintained. The City will also strive to conserve the existing low income housing stock as affordable housing.

Goal 1.0: Maintain and Enhance the Quality of Residential Neighborhoods in Port Hueneme.

Policy 1.1: Encourage the rehabilitation of substandard residential properties by homeowners and landlords.

Policy 1.2: Continue to utilize the City's code enforcement program to bring substandard units into compliance with City codes and to improve overall housing quality and conditions in Port Hueneme.

- Policy 1.3:** Work to preserve restricted low-income housing in the City that is at risk of converting to non-low income use.
- Policy 1.4:** Encourage the rehabilitation of existing housing to include energy conservation improvements.

Housing Opportunities

Port Hueneme encourages the construction of new housing units that offer a wide range of housing types to ensure that an adequate housing supply is available to meet the existing and future needs. The current housing stock consists of a mix of renter/owner units (49 percent owners and 51 percent renters) and a variety of housing types, including 4,695 single-family, 3,372 multi-family units and 41 mobile homes at the Naval Base Ventura County – Port Hueneme (NBVC-PH). Continuing to provide a variety of housing in terms of tenure and unit type (single-family, multi-family, etc), cost and style will allow the City to fulfill a variety of housing needs.

Goal 2.0: Encourage the Adequate Provision of Housing by Location, Type of Unit and Price to Meet the Existing and Future Needs of Port Hueneme Residents.

- Policy 2.1:** Provide a variety of residential development opportunities in the City including small-lot single-family homes, moderate density townhomes, high density condominiums and apartments, and mixed-use developments to fulfill regional housing needs.
- Policy 2.2:** Encourage both the private and public sectors to produce or assist in the production of housing with particular emphasis on housing affordable to lower income households, military families, the disabled, elderly, large families, and female-headed households.
- Policy 2.3:** Require that housing constructed expressly for low income households not be concentrated in any single area of the City. Encourage housing built for low income households to have on average the same number of bedrooms as other non-inclusionary units in a housing development.
- Policy 2.4:** Encourage the development of new residential units to be accessible to disabled persons or adaptable for conversion to accessibility.
- Policy 2.5:** Encourage the development of new housing units designated for the elderly and disabled persons to be in close proximity to public transportation and community services.

Policy 2.6: Encourage the use of rehabilitation loans for room additions to help alleviate overcrowded conditions and encourage the development of new units with three bedrooms to accommodate large families.

Policy 2.7: Encourage new residential development to utilize the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED®) rating system or similar design and performance measures and Ahwahnee principles to promote energy conservation.

Home Ownership

The option of home ownership in Southern California has become a privilege which is often not available to low income households or first-time homebuyers. Rising construction costs, limited land supply, and high coastal land values have contributed to the cost of housing in Port Hueneme. In addition, interest rates have excluded certain households from qualifying for loans. The City has initiated a first time homebuyer program to extend homeownership opportunities to low and moderate income households.

Goal 3.0: Provide Increased Opportunities for Home Ownership.

Policy 3.1: Assist in the development of affordable ownership housing for lower and moderate income residents.

Policy 3.2: Provide favorable home purchasing options to lower and moderate income first-time homebuyers.

Removal of Constraints on Housing Development

Governmental and non-governmental constraints to development can impede both supply and affordability of housing. Certain governmental constraints can be minimized, such as development standards and fees to facilitate new construction.

Goal 4.0: Remove Governmental Constraints on Housing Development.

Policy 4.1: Continue to implement the State-mandated density bonus law to provide for increased densities in exchanges for a portion of the project's units being reserved for lower and moderate income households, as well as for seniors.

Policy 4.2: Address governmental constraints to the provision of housing for persons with special needs, including seniors, disabled, female-headed households, large households, farmworkers, homeless, and military families.

Policy 4.3: Continue coordination of public works and engineering with planning and building functions to expedite project review.

Policy 4.4: Allow reduced development fees and modified development standards for affordable housing and development under the density bonus program.

Policy 4.5: Continue to allow for second residential units as a means of providing low cost rental housing for small households.

Accessibility of Housing

In order to make adequate provision for the housing needs of all economic segments of the community, the City must ensure equal and fair housing opportunities are available to all residents.

Goal 5.0: Promote Equal Opportunity for All Residents to Reside in Housing of Their Choice.

Policy 5.1: Prohibit discrimination in the sale or rental of housing with regard to race, color, national origin, ancestry, religion, disability, income, gender, age, marital status, familial status, sexual orientation, source of income, and any other arbitrary factors.

Policy 5.2: Continue to participate in the Ventura County Fair Housing Program.

3. HOUSING PLAN

The previous section of the Housing Element sets forth Port Hueneme's goals and policies for housing production, conservation, and rehabilitation. This Housing Plan presents the specific programs the City intends to implement to achieve its housing goals.

3.1 Housing Programs

The Housing Element Technical Background Report describes the housing needs of the City's current and projected population, as well as the specific needs resulting from the potential deterioration of older units, lack of affordable housing for lower income groups and persons with special housing needs. The goals and policies contained in this Housing Element address the identified housing needs. These goals and policies are implemented through a series of housing programs.

The City's overall housing program strategy for addressing its housing needs has been defined according to the following issue areas:

- Conserving and improving the condition of the existing stock of affordable housing;
- Providing adequate sites to achieve a variety and diversity of housing;
- Assisting in the development of affordable housing;
- Removing governmental constraints if necessary; and
- Promoting equal housing opportunity

Housing programs include both existing programs currently in use in Port Hueneme and new programs that have been added to address the City's unmet housing needs. This section provides a description of each housing program and future program objectives for the planning period of July 1, 2008 through June 30, 2014.

Conserving and Improving Existing Affordable Housing

The goal of housing preservation is to protect the existing quality and investment in housing to avoid a degree of physical deterioration that will subsequently require more extensive efforts later to restore quality and value.

In addition to maintaining the City's existing housing stock, Port Hueneme must also conserve and improve affordable housing units in the community. The cost of housing has placed many individuals, especially the elderly, lower income renters, and first-time homebuyers, in financial hardships. The preservation of affordable housing is important in ensuring adequate housing opportunities for all residents.

1. Residential Rehabilitation Loan Program (RRLP)

This program provides financial means to conserve and improve the housing stock in the City's mature neighborhoods, to eradicate substandard housing conditions, and to eliminate and prevent slums and blighting influences, principally for the benefit of low and moderate income individuals and families. Housing rehabilitation efforts are targeted within the Neighborhood Strategy Area and the Bolker Park single family homes.

Eligible properties under this program are: 1) at least ten years old; 2) not a part of a Planned Unit Development governed by a homeowner's association; and 3) improved with no more than four units on a single parcel. Property improvements which correct code violations and deferred property maintenance have first priority for funding. Owners may also undertake general property improvements, energy conservation improvements, and in the case of overcrowding, bedroom and bathroom additions.

A typical project encompasses interior improvements such as electrical and plumbing work, heating and ventilation improvements, kitchen and bathroom remodeling, painting, and floor coverings, and exterior improvements such as roofing, stucco, windows, doors, driveways, garage doors, and front yard landscaping. There has been a weakening of RRLP loan activity in recent years. Declining equity resulting from the 2007-2008 mortgage crisis has likely been a contributing factor.

2008-2014 Objectives:

- Assist 18 households (three households annually).
- Annually explore other funding possibilities to expand the program implementation.
- Continue to promote program via City website, the Hueneme Magazine, lawn signs at project sites, and targeted mass mailings of City brochures.

Responsible Agencies: Community Development Department, Neighborhood Preservation Division

Funding Sources: Affordable Housing In-Lieu Fees; Redevelopment Housing Set-Aside Funds; Community Development Block Grant funds

2 Home Maintenance Incentive Rebate Program (HMIRP)

This program is a system of cash grants paid to eligible residential property owners who undertake certain property improvements in accordance with the City's Neighborhood Preservation Program Guidelines. The amount of each grant is based upon a percentage of the total verified amount spent by the owner on eligible property improvements. Eligible work under HMIRP is limited to improvements which are visible from the public right-of-way and which will enhance the exterior appearance of the property. Housing rehabilitation efforts are targeted within the Neighborhood Strategy Area and the Bolker Park single family homes. Eligible properties under this program are: 1) at least ten years old; and 2) not a part of a Planned Unit Development governed by a homeowner's association.

2008-2014 Objectives:

- Assist 180 households (30 households annually).
- Continue to promote program via City website, the Hueneme Magazine, and other City brochures.

Responsible Agencies: Community Development Department, Neighborhood Preservation Division

Funding Sources: Affordable Housing In-Lieu Fees

3. Acquisition/Rehabilitation/Conversion of Rental Housing

Many duplex units in the City are being used as rental housing. As a strategy to address overpayment and overcrowding issues among lower and moderate income households, the City has taken advantage of opportunities to purchase and rehabilitate several dilapidated duplex units listed or offered for sale and rents these units at affordable rates to lower and moderate income households. Similarly, the Agency has also acquired and rehabilitated the eight-unit "A" Street Apartments. The completed apartments are occupied by very low income tenants and will be deed-restricted as very low income housing before being conveyed from public ownership. The Agency is in the process of acquiring another five-unit project to provide additional affordable housing opportunities for lower income households facing overpayment and overcrowding issues. In the future the Agency expects to continue to use Housing Set-Aside Funds to acquire and rehabilitate deteriorating rental housing. The rehabilitated units will be deed-restricted as affordable housing prior to conveyance to private ownership.

2008-2014 Objectives:

- Acquire and rehabilitate eight rental units and deed-restrict the completed units as housing affordable to lower income households.
- Coordinate acquisition/rehabilitation/conversion efforts of properties at Pleasant Valley/San Pedro (Site A) to assist in the creation of an affordable housing block.
- Pursue interest from housing developers to acquire and rehabilitate/convert the Surfside Motel to include affordable housing.

- Pursue additional State and federal funding to facilitate acquisition/rehabilitation of existing housing and reconstruction of Surfside Motel.
- Encourage the use of LEED® or similar standards and Ahwahnee principles in the improvement or reconstruction of housing during the application review process. In publicly financed projects, implement where practicable energy saving appliances, fixtures, and construction methods. A point of contact to facilitate meeting energy efficiency standards, technical assistance, and resources is the Ventura County Regional Energy Alliance.

Responsible Agencies: Redevelopment Agency, Community Development Department, Neighborhood Preservation Division

Funding Sources: Redevelopment Housing Set-Aside Funds; Affordable Housing In-Lieu Fees

4. Code Enforcement/Property Maintenance

Port Hueneme adopted its Property Maintenance Ordinance and Uniform Housing Code to protect the health, safety and welfare of the residents of the City and to provide an orderly means of eliminating conditions and blighting influences which causes neighborhood deterioration. Code compliance is pursued through a combination of regular neighborhood canvassing, systematic inspections, the Crime-Free Multi-Housing Program, and response to citizen complaints. Particular emphasis is placed on property maintenance, landlord training, resident safety, eradication of substandard building conditions and abatement of inoperative and abandoned vehicles. The City employs a cooperative approach to code enforcement and successfully processes approximately 400 violations annually. The majority of these housing units attain compliance without necessitating legal action.

When a code violation is identified, the responsible party (owner or occupant) will be notified of the alleged violation either by telephone, mail or personal contact. For violations related to building or site conditions, brochures informing the responsible party of financial assistance through Home Maintenance Incentive Rebate Program and Residential Rehabilitation Loan Program are sent along with the first notice. Where a residential property is cited with code violation(s) and the housing unit is considered overcrowded, the occupants will be advised of available rental assistance and rehabilitation loans available for room additions.

2008-2014 Objectives:

- Continue to connect code enforcement activities with the City’s rehabilitation assistance.
- Conduct housing condition surveys periodically to determine the nature and extent of housing deterioration and rehabilitation assistance needs.

Responsible Agencies: Community Development Department, Code Compliance Division and Neighborhood Preservation Division

Funding Sources: General Funds, Community Development Block Grant Funds

5. Conversion of Existing and Future Affordable Units

The Housing Element Technical Background Report contains an inventory of affordable housing projects in the City. The City has one privately-owned low income housing project – Casa Pacifica – with the potential to convert to market rate housing. Casa Pacifica is a 90-unit project, with ten units designed for households with at least one physically disabled person. The project was assisted under HUD Section 221(d)(4) program and has a project-based Section 8 Housing Choice Voucher contract with the Housing Authority. While the Section 221 (d)(4) mortgage has no underlying low income use restrictions, the long-term Section 8 contract is subject to renewal annually. The City will work to conserve the existing affordable units.

2008-2014 Objectives:

- Maintain contact with the owner of Casa Pacifica to determine the status of the project.
- In an event that the Section 8 contract is not extended on Casa Pacifica, investigate the availability of redevelopment funds or other available funding sources, to enable continued rental subsidy to some or all of these units.
- Assist the existing tenants in obtaining Section 8 vouchers and in identifying housing projects that accept vouchers. (According to HUD policy, in the event that a Section 8 contract is not renewed, existing tenants in the Section 8 units will be provided with Section 8 vouchers.)
- Contact nonprofit housing providers interested in purchasing and/or managing units at risk to inform them of the status of the project. Where feasible, provide technical assistance to these organizations with respect to financing.

Responsible Agencies: Housing Authority

Funding Sources: Redevelopment Housing Set-Aside Funds; Nonprofit Housing Providers; HUD Section 8 funding

Providing Adequate Sites to Achieve a Variety and Diversity of Housing

The City will continue to explore opportunities for expanding the variety and diversity of its housing stock in order to address the varied housing needs of all socioeconomic segments of the community. Specifically, the City will ensure that it maintains a development capacity to accommodate the City's share of the regional housing needs.

6. Provision of Adequate Sites

A key element in satisfying the housing needs of all Port Hueneme residents is to provide adequate sites for the development of all types, tenure, sizes and prices of housing. Both the General Plan and Zoning Ordinance dictate where housing may be located, thereby affecting the supply of land available for housing. Port Hueneme has limited undeveloped land remaining in its jurisdiction. A significant portion of future residential growth will therefore be accommodated through infill and redevelopment of existing uses.

A variety of residential types are provided for in Port Hueneme, ranging from single-family residential (seven units per acre) to multi-family residential and mixed use (25 units per acre), with higher densities achievable through the City's density bonus provisions. Future population and residential growth in the City will likely occur in the redevelopment area which encompasses approximately one quarter of the City's total civilian land area. The Housing Element Technical Background Report identifies key development sites within the redevelopment area for single-family, multi-family and mixed use residential. The City recognizes that the costs for coastal land acquisition, site assembly, relocation of displaced residents/businesses, and construction/development will likely exceed anticipated revenues. The Agency will offer a variety of both financial and regulatory incentives to facilitate development on these sites.

2008-2014 Objectives:

- Continue to maintain a residential sites inventory to accommodate the City's Regional Housing Needs Assessment of 180 units (36 very low income, 31 low income, 37 moderate income, and 76 above moderate income units).
- Implement the Redevelopment Implementation Plan to strategically acquire properties at Pleasant Valley Road/San Pedro Street as they become available on the market to create an affordable housing development, potentially consolidating with the five vacant lots already owned by the Agency. Annually solicit interest of nonprofit developments in this area to assist in site/property acquisition.
- Annually pursue interest of developers for the adaptive reuse or reconstruction of Surfside Motel to include affordable housing. Provide Redevelopment Housing Set-Aside to facilitate the reconstruction of Surfside Motel as housing affordable to lower income households. Pursue the cooperative acquisition of additional commercial and industrial properties in Site H (Market Street) with the intent of creating a site of adequate size for a mixed use development. As way of example, on May 23, 2008, the Agency cooperatively purchased the 8,063-square-foot lot located at 241 East Port Hueneme Road for \$676,820. The Agency is scheduled to clear the vacant 3,464 square foot building and site improvements during the summer of 2009, budgeting \$72,180 for the environmental and demolition costs. On April 24, 2009, the Agency made an offer to purchase the 10,000-square-foot lot and 5,709-square-foot building located at 244 Market Street for over \$800,000. Other possible opportunities for cooperative purchase during the planning period include the vacant lot located at 270 Market Street and adjacent vacant building located at 272 Market Street.
- Pursue mixed use developments in the Central Community Redevelopment Project Area. Facilitate the development of rental housing affordable to lower income households when redevelopment funds are involved.
- Develop a package of incentives and regulatory concessions that will be offered by the City, by the end of 2009, to facilitate affordable housing for lower income households on Sites A, D, and H. Incentives may include: density bonus;

financial assistance; modified parking requirements (e.g. shared parking with mixed use development); and reduced setbacks; among others.

- Encourage lot consolidation by working with developers to explore lot consolidation opportunities and site designs to maximize lot use.
- Annually monitor the residential sites inventory. If sites identified for lower income housing are not being used for affordable housing, take proactive actions to identify additional sites to replenish the sites inventory and take actions to incentivize affordable housing.

Responsible Agencies: Redevelopment Agency; Community Development Department, Planning Division

Funding Sources: General Funds; Redevelopment Housing Set-Aside and Non-Housing Funds

Assisting in the Development of Affordable Housing

New construction is a major source of housing for prospective homeowners and renters but generally requires public sector support for the creation of units affordable to lower income households. With limited vacant land remaining for development in Port Hueneme, residential construction has slowed since the 1980s. The following programs assist in the development of affordable housing in Port Hueneme.

7. Inclusionary Housing Policy in Coastal Area

Pursuant to provisions under the Coastal Act, the City has established an inclusionary housing policy pertaining to housing development in the Coastal Zone. Through the inclusionary housing policy, the City has facilitated the development of affordable housing for the workforce. For example, the John Laing Homes project at N. Surfside Drive and E. Hueneme Road will transfer nine townhomes to the City of Port Hueneme as rentals affordable to lower income households, offering affordable homes suitable for families.

As a condition for approval on a Coastal Development Permit, residential developers must, where feasible, include affordable housing units in or within three miles of the Coastal Zone. Density bonuses or other incentives that can reduce development costs may be granted for developers. As an alternative to constructing low and moderate income units, Port Hueneme exacts an in-lieu fee currently set at \$26,500 per unit on 25 percent of the units in a residential development in the Coastal Zone. The fee collected is used primarily to fund the City's affordable housing programs for down payment assistance and rehabilitation.

2008-2014 Objectives:

- Continue to implement the inclusionary policy regarding housing in the Coastal Zone to fulfill Coastal Act requirements and encourage the creation and conservation of affordable housing in the City.
- Monitor the execution of the Disposition and Development Agreement (DDAs) with developments within the Coastal Zone.

Responsible Agencies: Community Development Department, Planning Division

Funding Sources: General Funds, Housing In-Lieu Fees, and Other Developer Concessions

8. Density Bonus

Consistent with State law, a local jurisdiction must offer density bonus incentives for senior housing projects and projects that reserve a portion of the units as housing affordable to very low, low, and moderate income households. In conjunction with the density bonus, the jurisdiction must also offer at least one additional incentive or regulatory concession to facilitate affordable housing development. Incentives and concessions considered by the City include modified development standards and reduced fees.

To qualify for a density bonus and concessions or other incentives, the developer of a proposed housing project (at least five units) must provide housing units affordable to very low, low or moderate income households, housing for seniors, donate land, and/or construct a child care facility. While the City of Port Hueneme complies with the State Density Bonus law, the City's Zoning Ordinance has not yet been updated to reflect current density bonus provisions under State law. Recent changes to State law allow for a sliding scale of the proportion of affordable units to be provided, corresponding with incremental density bonus incentives.

2008-2014 Objectives:

- Continue to offer density bonus incentives to promote affordable housing development. Inform development applicants of opportunities for density increases in exchange for affordable units.
- In 2010/2011 adopt the updated Title 24 of the California Administrative Code to ensure all new construction is subject to applicable energy conservation requirements as well as existing City solid waste reduction and recycling programs. Amend the Zoning Ordinance by June 2009 to reflect current State Density Bonus law and to establish specific incentives and regulatory concessions that will be offered by the City.
- Provide materials about the City's density bonus program on City website; make available brochures at City Hall by the end of 2009; and at least once a year, publish information on the City's E-News and Hueneme Magazine.

Responsible Agencies: Community Development Department, Planning Division

Funding Sources: General Funds; Applicant

9. Second Unit Ordinance

The Port Hueneme Zoning Ordinance defines a second housing unit as one which is attached to the primary dwelling on a lot zoned for single-family residential use and which is intended for occupancy by not more than two persons. The unit includes permanent provision for living, sleeping, eating, cooking and sanitation.

The benefits of second units include additional income to homeowners, allowing homeowners who require companionship or non-specialized assistance to remain in their homes; facilitating family ties between generations; reducing construction costs by utilizing existing infrastructure; and providing low cost rental housing.

Second units are of particular benefit in a community like Port Hueneme where limited land remains for new construction and second units can be integrated within existing single-family neighborhoods. In addition, many of the City's lower income elderly reside in older neighborhoods, indicating that second units can help address the needs of elderly homeowners, as well as renters.

2008-2014 Objectives:

- Continue to implement and promote the Second Unit Ordinance to encourage second unit construction.
- Provide technical assistance regarding placement of unit and compliance with City development standards.
- Provide materials about the City's second unit program on City website; make available brochures at City Hall by the end of 2009; and at least once a year, publish information on the City's E-News and Hueneme Magazine.

Responsible Agencies: Community Development Department, Planning Division

Funding Sources: General Fund, Applicant

10. Housing Choice Vouchers

The Section 8 Housing Choice Vouchers program extends rental subsidies to very low income families and elderly which spend more than 30 percent of their income on rent. The voucher recipients are able to locate their own housing and the program subsidizes a portion of the rent (typically equals the difference between 30 percent of the recipient's income and the payment standard established by HUD).

The Housing Authority administers the voucher program in the City and currently, 275 households are being assisted under the program. The program has a waiting list of 300 households. Households at the bottom of the waiting list can expect to wait 12 to 18 months for housing if they are Port Hueneme residents.

Five-year Program Goals: The Housing Authority will continue to pursue additional allocation of vouchers from HUD and will encourage apartment owners to list available rental units with the Housing Authority.

2008-2014 Objectives:

- Continue to pursue additional voucher allocations to assist an increased number of households.
- Encourage apartment owners to accept vouchers.
- Continue to promote program via City website, the Hueneme Magazine, and other City brochures.

Responsible Agencies: Housing Authority

Funding Sources: HUD Allocations

11. Conventional Public Housing

The Housing Authority owns and operates 90 public housing units, 30 two- and three-bedroom family units at Hueneme Village and 60 studios and one-bedroom units for seniors and disabled persons at the Mar Vista Apartments. The majority of residents are extremely low or very low income. As the HUD operating subsidy is not sufficient to operate the public housing programs, the Port Hueneme Redevelopment Agency annually supplements the Housing Authority budget (more than \$1,522,000 for FY2008-09 and the three previous three fiscal years).

By itself, the HUD Capital Fund Program (CFP) is also insufficient to maintain the units. In recent years, all Hueneme Village units have been renovated using a combination of CFP and CDBG funds. The Mar Vista Apartments has undergone an exterior facelift recently funded with a CDBG allocation and a major replumbing project (estimated at \$1 million) is set to begin in FY2008-09 utilizing both CDBG and Housing Set-Aside funding.

In FY 2008-09 the Housing Authority plans to make application to HUD for a voluntary conversion of its public housing units to project-based vouchers. This will allow the Housing Authority to take advantage of HUD subsidies to receive full market rate rents for its public housing. The enhanced income stream from higher rents will enable the Housing Authority to keep up with the rising costs of operating and maintaining the units and help preserve the affordability of the units over the long term.

2008-2014 Objectives:

- Replacement of all water and sewer lines in the five-story Mar Vista Apartments building.
- Reconfiguration and accessibility improvements to the lobby entry and public restrooms at Mar Vista Apartments.
- Enhancement of security systems at both public housing developments.
- Where feasible, continue to balance the Housing Authority's budgets for both the operating costs and capital improvements with other funds such as CDBG and Housing Set-Aside funds.
- Convert the Authority's 90 public housing units to project-based vouchers.

Responsible Agencies: Housing Authority, Community Development Department
Neighborhood Preservation Division, Public Works Department
Funding Sources: HUD Operating Subsidy and Capital Funds; Redevelopment
Housing Set-Aside Funds; Community Development Block Grant
Funds

12. Home Buyer Assistance Program (HBAP)

Down payment assistance is provided in the form of a secured Subordinate Mortgage with contingent, deferred interest in the form of an equity share in the property. Loan proceeds may only be used toward the purchase of a single-family home, condominium, or townhome located within the City of Port Hueneme. Eligible Borrowers are low or moderate income first-time buyers, regardless of the city of current residency. The HBAP loan amount may not exceed the lesser of the following:

- 20 percent of the purchase price
- 20 percent of the appraised value
- \$60,000

Beginning in FY 2008-09, a second type of Home Buyer Assistance Program loan will become available to low income first-time buyers. Funded by a grant under the CalHome Program, the new loans will be deferred payment loans bearing simple interest at the rate of 3 percent per annum. The maximum loan amount will be \$40,000 subject to the same 20 percent of the purchase price or appraised value as applies to the equity share loans until the CalHome grant is fully expended. Thereafter, if additional CalHome funding is received or if new loans are made from the recycled loan proceeds of the original CalHome loans, rules regarding maximum loan amounts may be higher or lower than \$40,000 depending on the CalHome requirements in effect at the time those new loans are funded.

2008-2014 Objectives:

- Assist 30 low and 30 moderate income households with home purchase (ten households annually)
- Annually explore other funding possibilities to increase the implementation of this program.
- Continue to promote program via City website, the Hueneme Magazine, and other City brochures.

Responsible Agencies: Community Development Department, Neighborhood
Preservation Division
Funding Sources: Redevelopment Housing Set-Aside; California Housing Finance
Agency (High Cost Area Program); HOME Investment
Partnership; American Dream Downpayment Initiative, CalHome
Program

13. Homeownership IDA Program

The City of Port Hueneme sponsors a matching funds initiative to help low income families purchase a first home in Port Hueneme. The Homeownership IDA Program is available to low-income individuals and families who either live in Port Hueneme or with a principal wage earner employed full time (at least 35 hours per week) in Port Hueneme.

“IDA” stands for Individual Development Account. IDA participants enrolled in the program will make regular savings deposits into a no-cost personal IDA savings account at the Port Hueneme branch of Citibank. Consistent deposits are required over a 10- to 20-month savings period in order to reach a preset financial goal for the sole purpose of purchasing a home in Port Hueneme. The incentive to reach the savings goal is a grant of matching funds from the City (currently in a 4:1 ratio). For example, a participant who saves \$2,500 in an IDA account within the 20-month timeframe (average monthly savings will be \$125) will qualify for a grant of \$10,000 from the 4:1 match program, provided the entire \$12,500 in savings and match funds is paid out in a lump sum into a home purchase escrow for a home or condominium within the City of Port Hueneme. The City will periodically re-evaluate the minimum savings requirement and the match ratio to keep up with changes in average home prices.

2008-2014 Objectives:

- Assist 12 low income households with home purchase (an average of 2 households annually over six years)
- Continue to promote program via City website, the Hueneme Magazine, and other City brochures.

Responsible Agencies: Community Development Department, Neighborhood Preservation Division

Funding Sources: Redevelopment Housing Set-Aside Funds, Community Development Block Grant Funds, and Federal Home Loan Bank of San Francisco – Individual Development and Empowerment Account

14. Mortgage Credit Certificate (MCC)

Port Hueneme is a participating jurisdiction in the Ventura County Regional MCC Program. The MCC Program is targeted to low and moderate income first-time home buyers. The MCC is a tax credit that increases the amount a buyer can qualify to borrow and increases the buyer’s take-home pay by reducing federal income taxes. The MCC is registered with the IRS and continues to reduce federal taxes each year the buyer continues to own and occupy the home. MCCs may be used with FHA, VA, or conventional financing. No bond-backed financing such as CalHFA or Cal Vet loans may be used with an MCC.

2008-2014 Objectives:

- Continue to participate in the MCC program and promote program via City website and publications.
- Continue to promote program via City website, the Hueneme Magazine, and other City brochures.

Responsible Agencies: Affordable Housing Applications, Inc.

Funding Sources: MCC Tax Credit Allocations

Remove Governmental Constraints

The Housing Program is required to address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement and development of housing.

15. Revisions to Zoning Ordinance

Recent changes to the Housing Element require that local jurisdictions address the provision of housing for extremely low income households and households with special needs, including those who are homeless, those with disabilities, large households, single-parent households, and seniors.

Housing types appropriate for these groups include: emergency shelters, transitional housing, supportive housing, and single-room occupancy (SRO) units. The City of Port Hueneme Zoning Ordinance will be amended to address the provision of such housing options.

2008-2014 Objectives:

The City of Port Hueneme Zoning Ordinance will be amended to address the provision of housing options for extremely low income households and households with special needs, and to facilitate affordable housing development. Specifically, the following revisions will be made:

- **Density Bonus:** Amend Ordinance to reflect current State Density Bonus law and to establish specific incentives and regulatory concessions offered by the City.
- **Emergency Shelters:** Permit emergency shelters by right in the M-1 Light Industrial zone. Develop objective standards for emergency shelters to regulate the following, as permitted under SB2, including:
 - The maximum number of beds/persons permitted;
 - Parking based on demonstrated need but that does not exceed parking requirements for other uses in the same zone;

- The size/location of exterior and interior onsite waiting and client intake areas;
- The provision of onsite management;
- The proximity of other emergency shelters, provided that emergency shelters are not required to be more than 300 feet apart;
- The length of stay;
- Lighting; and
- Security during hours that the emergency shelter is in operation.

A ministerial approval process, with review and approval by the Community Development Director will be required.

- **Transitional Housing:** Amend the Zoning Ordinance to differentiate transitional housing in the form of group quarters versus as regular housing developments. For transitional housing facilities that operate as regular housing developments, such uses will be permitted as other regular housing is otherwise permitted. For transitional housing facilities that operate as group quarters, such facilities will be permitted as residential care facilities. Potential conditions for approval of group-quarter transitional housing for more than six persons may include hours of operation, security, loading requirements, noise regulations, and restrictions on loitering. Conditions would be similar to those for other similar uses and would not serve to constrain the development of such facilities.
- **Supportive Housing:** Amended the Zoning Ordinance to differentiate supportive housing in the form of group quarters versus as regular housing developments. For supportive housing facilities that operate as regular housing developments, such uses will be permitted as other regular housing is otherwise permitted. For supportive housing facilities that operate as group quarters, such facilities will be permitted as residential care facilities. Potential conditions for approval of group-quarter supportive housing for more than six persons may include hours of operation, security, loading requirements, noise regulations, and restrictions on loitering. Conditions would be similar to those for other similar uses and would not serve to constrain the development of such facilities.
- **Single-Room Occupancy:** Amend the Zoning Ordinance to conditionally permit SRO housing in the appropriate zone subject to established performance standards. Performance standards will be objective and similar to other lodging uses.
- **Definition of Family:** Amend the Zoning Ordinance to revise or remove the definition of family. The City’s definition of a “family” in the Zoning Ordinance limits a family to “a reasonable number of persons.” While the term “reasonable” is not defined, it can create confusion and potential for

discrimination against large households. The amendment will either remove the definition of a family from the Zoning Ordinance or develop an inclusive definition.

- **Reasonable Accommodation Procedures:** Amend the Zoning Ordinance to implement a reasonable accommodation procedure to provide flexibility in the application of land use policies, zoning regulations, and City procedures in order to accommodate the housing needs of persons with disabilities. Currently reasonable accommodations are granted by variance on a case-by-case basis. A variance is typically required for an applicant to make modifications to his/her home if the modification would violate planning or zoning standards even though the modifications may be necessary to accommodate the applicant's or the occupant's disabilities. A variance requires a public hearing and therefore, may be construed as impeding accessibility for the disabled person in question.

The reasonable accommodation procedure will specify the following:

- Eligibility for relief (definition of disability and person with disabilities);
- Types of relief to be provided;
- Criteria for evaluating reasonableness of requests;
- Procedure for applying for relief;
- Review and approval body; and
- Fees, if any.

The City will amend the Zoning Ordinance to address the above provisions by the end of 2009 or within one year of the adoption of the Housing Element.

Responsible Agencies: Community Development Department, Planning Division

Funding Sources: General Funds

16. Efficient Processing

The evaluation and review process required by City procedures contributes to the cost of housing in that holding costs incurred by developers are ultimately reflected in the unit's selling or rental price. The City has formed a Development Review Committee to assist project applicants in the pre-application phase to avoid potential problems and time delays during processing of formal applications. In addition, the City has acted to disband its Planning Commission, thereby significantly shortening review times on projects requiring discretionary approvals.

2008-2014 Objectives:

- Annually review its processing procedures to ensure improved efficiencies and permit streamlining.

Responsible Agencies: Community Development Department, Planning Division
Funding Sources: General Funds

Promoting Equal Housing Opportunity

In order to make adequate provision for the housing needs of all economic segments of the community, the housing program must include actions that promote equal housing opportunities for all persons regardless of race, religion, sex, family size, marital status, ancestry, national origin, color, age or physical disability.

17. Fair Housing Program

The City participates in the Ventura County Fair Housing Program to provide outreach, educational information, fair housing complaints, tenant/landlord dispute resolution, and housing information and counseling services to City residents. Annual CDBG allocations are used to fund fair housing services through the Housing Rights Center (current contractor).

2008-2014 Objectives:

- Promote fair housing and provide materials about the City's fair housing services on City website; make available brochures at City Hall by the end of 2009; and at least once a year, publish information on the City's E-News and Hueneme Magazine.
- Continue to refer fair housing complaints to the Housing Rights Center (or other contractors selected by the County).
- Continue to comply with all State and Federal fair housing requirements when implementing housing programs or delivering housing-related services.

Responsible Agencies: Housing Rights Center and Community Development Department, Neighborhood Preservation Division

Funding Sources: General Fund and Community Development Block Grant Funds

3.2 Summary of Quantified Objectives

Table 1 summarizes the City's quantified objectives for the 2008-2014 planning period by income group.

Table 1: Summary of 2008-2014 Quantified Objectives

	Income Level					Total
	Extremely Low	Very Low	Low	Moderate	Above Moderate	
Adequate Sites (RHNA) ¹	16	20	31	37	76	180
New Construction (Remaining RHNA)		31	27	21	---	79
Rehabilitation	---	---	66	66	66	198
Acquisition/Rehabilitation (duplexes and Surfside Motel)	---	---	36	---	---	36
Conservation of At-Risk Units (Casa Pacifica)	45	45	---	---	--	90
Homebuyer Assistance	---	---	42	30	---	72

Note:

1. AB2634 mandates that localities calculate the subset of the very low income regional need that constitutes the communities' need for extremely low income housing. Based on Census data provided by the Comprehensive Housing Affordability Strategy (CHAS) by HUD, the City of Port Hueneme's very low income RHNA of 36 units can be split into extremely low income and very low income based on a 45 percent/55 percent ratio (16 extremely low income units and 20 very low income units).