



City Manager
(707) 822-5953

Environmental Services
822-8184

Police
822-2428

Recreation
822-7091

Community Development
822-5955

Finance
822-5951

Public Works
822-5957

Transportation
822-3775

736 F Street
Arcata, CA 95521

January 15, 2009

Cathy Creswell, Deputy Director
Dept. of Housing and Community Development
Division of Housing Policy Development
P.O. Box 952053
Sacramento, CA 94252-2053

HOUSING POLICY
DEVELOPMENT, HCD

JAN 20 2009

Re: 2008 Annual Housing Progress Report

Dear Ms. Creswell:

Attached is the 2008 Annual Housing Progress Report from the City of Arcata. The submission of this report satisfies one of the eligibility requirements for HCD's Workforce Housing Reward Program. If you have any further questions on this report, please phone me at (707) 825-2142 or contact me at mmullen@cityofarcata.org. Thank you for your time and consideration on this matter.

Sincerely,

Michael S. Mullen, AICP
Arcata Community Development Department

cc: David Loya, Arcata Community Development Department

**City of Arcata
Housing Report in Compliance with
Government Code Section 65400
Calendar Year 2008**

A. Progress in Meeting Regional Housing Need

1. **Total number of new housing permits issued:** During 2008, 26 new housing permits were issued of which 8 of the permits included a second unit with a single-family unit or a stand alone second unit.
2. **Describe the affordability, by income level, of new units including the number of deed restricted affordable housing units:** Although the units identified above serve a range of income categories, there were 10 deed restricted units processed during the current reporting period.
3. **Compare units added to regional housing need allocation by income category (very low, low, moderate, and above moderate):** Of the 26 units produced during the reporting period, 1 was a multi-family unit, 8 were second units, 13 units were single-family units that may serve low income applicants, and 4 were single-family units affordable to moderate income households. The attached charts below depict the City's progress toward meeting its housing obligation as identified in the 2003 Housing Element (Table HE-1b) and for this reporting period (Table HE-1c).

**TABLE HE-1b
ARCATA AREA REGIONAL HOUSING NEEDS ALLOCATION FOR 2001-2008**

Income Group	Basic Construction Need		Built, Permitted, or Under Construction at the end of January 2003		Remaining Need
	Number	Percent	Number	Percent	
Very Low	161	25%	121	36.5%	143
Low	103	16%			
Moderate	109	17%	211	63.5%	168
Above Moderate	270	42%			
TOTAL	643	100%	332	100 %	311

Source: HCAOG, Regional Housing Needs Plan for Humboldt County; City of Arcata.

**TABLE HE-1C
ARCATA AREA REGIONAL HOUSING NEEDS ALLOCATION FOR 2001-2008**

Income Group	Basic Construction Need		Built, Permitted, or Under Construction at the end of 2008		Remaining Need
	Number	Percent	Number	Percent	
Very Low	161	25%	305	52%	0
Low	103	16%			
Moderate	109	17%	284	48%	95
Above Moderate	270	42%			
TOTAL	643	100%	589	100%	95

Source: HCAOG, Regional Housing Needs Plan for Humboldt County; City of Arcata.

B. The effectiveness of the housing element in attainment of the community's housing goals and objectives:

1) Program Implementation

- Design Manuals – The City has compiled several handouts for the purpose of describing the City's requirements for the production of quality housing. This project is ongoing.
- Housing Condition Survey – The Community Development Department has plans to update the Housing Condition Survey by 2009 and have a GIS layer in use by 2009.
- Housing Rehabilitation Program – The City has continued to implement its successful rehabilitation program, which is funded through the federal HOME and state CDBG program grants. In 2008, one single-family housing rehab was completed. The City continues to run this program using HOME grant funds.
- Persons with Disabilities Access – The City has revised the housing rehabilitation program to include a handicap ramp grant. All building permits are reviewed for ADA compliance for multi-family and commercial structures.
- General Plan and Housing Element Periodic Review and Update – The Community Development Department, in collaboration with the Planning Commission and the City Council, annually reviews the effectiveness of each of these plans. The City's housing production was also recently evaluated through the Redevelopment Agency's five-year Implementation Plan. A new Housing Element will be updated and adopted by August 2009.
- Comprehensive Land Use Code Adoption – The Arcata City Council adopted a comprehensive Land Use Code on September 3, 2008 and it went into effect on October 6, 2008.
- Residential Site Development Program – The Community Development Department has conducted an analysis of vacant and underutilized residential land and has identified key areas to remove constraints to development.
- Residential Development Information Program – The City is regularly updating the information provided to the public.
- Infill Development Program – The City continues to encourage infill development, and several infill projects have been approved and other infill development applications are being reviewed.
- Mixed Use – The City has approved several mixed use projects. As the affordable residential market has been strong, some developers are proposing mixed use commercial on the first floor with residential on upper floors.
- Second Units – approximately 8 second units were constructed, some with the development of primary units in the past year. The Community Development Department and the Building Division continue to encourage this type of development within a university community.
- Development Processing System Review Program – The City has gathered data on processing times and costs. This data has and will continue to be forwarded to the City's Finance Department for analysis.
- Affordable Housing Preservation – The City continues to identify problem areas and preserve affordable housing through its various housing rehabilitation, first time homebuyers, and Inclusionary Zoning requirements.
- Land Acquisition for Housing – The City continues to:
 - Monitor subdivisions to ensure that Inclusionary Zoning requirements are met,
 - Monitor vacant, under-utilized, and/or blighted properties for sale,
 - Work with non- and for-profit housing organizations to facilitate development of these sites,
 - Coordinate development of acquired land with the First-Time Homebuyers Program, and

- Continue to use HOME, CDBG, and LMIHF to facilitate these programs.
- Development and Acquisition of Affordable Single Family Housing – the City continues to work toward funding all relevant programs. In the past year, 12 First-Time Homebuyer loans were approved and funding for an additional three loans was secured. Development of ten affordable single-family units was started in 2008 and they will be completed in early 2009.
- Development and Acquisition of Affordable Multi-family Housing – The City continues to use HOME, CDBG, Redevelopment Agency LMIHF as well as Federal, State, and local funding to provide multi-family housing affordable to very low, low, and moderate income households in the City.
- State and Federal Grant Seeking – The City has continued to apply for all state and federal grants that support affordable housing projects.
- Replacement of Low and Moderate-Income Housing within the Coastal Zone –No housing has been lost in the Coastal Zone. The State law will be incorporated into the City's Code through HE-8.
- Inclusionary Requirements for Affordable Housing Development – The requirement for Inclusionary Zoning has been incorporated into the newly adopted Land Use Code.
- Limited-Equity Cooperatives – The Community Development Department continues to encourage Limited-Equity Cooperatives in Arcata.
- Housing Market Monitoring – The Community Development Department annually collects data on the costs of housing, rents, vacancy rates and other items necessary to determine housing costs and availability. This data is included in reports to the Planning Commission and the City Council.
- Community Land Trust – The Land Trust continues to be a viable alternative for affordable housing in the City of Arcata. Currently, a ten unit single-family development is under construction.
- Affordable Housing Trust Fund – The Trust Fund is in conceptual stage only. After completing the Inclusionary Zoning requirements, staff will look into the feasibility of establishing a trust fund.
- Rental Housing for Large Households – This task is ongoing.
- Housing Development for Seniors – The City continues to encourage affordable senior projects by offering density bonuses, assisting developers to apply for government financing and subsidies, and by assisting in the acquisition of surplus government land.
- Promotion of Owner Occupied Units – The Redevelopment Agency and Community Development Department are continuing to investigate the most effective methods to increase homeownership. Programs to promote ownership may include Agency assistance to buyers ineligible for the FTHB Program, sweat equity programs, and exercising first right of refusal for purchase of homes assisted by the City.
- Density Bonus Ordinance Update – The City's newly adopted Land use Code includes a Density Bonus provision that complies with state law.
- Residential Relocation and Anti-Displacement Program – The Plan was amended in 2005, and continues to be implemented.
- Housing Discrimination and Housing Equal Opportunity -- The Community Development Department continues to coordinate and refer interested persons to the appropriate agencies to assist with Fair Housing Complaints. The City's policies are consistent with state law, and the City supports housing equal opportunity programs by continuing to provide informational fair housing brochures, including information about tenant's rights, available to the public at City Hall, the Library, Arcata Transit Center, and the Arcata Community Center. In addition, all local housing agencies receive this information from the City.
- Removal of Housing Constraints for Persons with Disabilities – The City annually conducts evaluations of Arcata policies and practices to ensure that persons with disabilities do not suffer constraints due to these policies and practices. Any constraints found will be corrected within six months of identification. To date, none have been identified.

- Initiate Efforts to Address the Shelter and other Needs of the Homeless Population – The City has adopted a Homeless Services Plan and is currently working to comply with SB 2. In addition, the City is working to develop two facilities designed to serve its homeless population.
- Energy Conservation and Solar Access requirements – The City continues to implement the Solar Access Requirement of the Code to all new development in the City, where applicable.
- Green and Alternative Building Guidelines – The evaluation was completed in 2004, and the guidelines have been established. The Building Code allows the use of alternative building methods deemed feasible and appropriate.
- Handicapped Access Appeals Board Evaluation – The City is in the process of evaluating its Handicapped Access Appeals Board process to remove constraints on the development, maintenance and improvement of housing for persons with disabilities and ensure compliance with reasonable accommodation requirements.

2) Assess effectiveness of actions and outcomes

The City and its Redevelopment Agency continue to realize success in providing increased residential opportunities for all segments of the City's population. Arcata continues to strive to meet the regional housing needs by the year 2008. Approximately 92 percent of the allocated units have been met, and this is due in part to the City's ability to address the 2003 Housing Element goals and objectives.

C. Progress toward mitigating governmental constraints identified in the Housing Element:

Through the City's adoption of a new comprehensive Land Use Code, provisions have been enacted to allow for the reduction of minimum lot sizes, increased site coverage, reduced off-street parking standards, and the elimination of Floor Area Ratios in the higher density zoning districts.