



CITY OF GLENDALE, CALIFORNIA  
Department of Community Development and Housing

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October 28, 2005

Ms. Linda Nichols  
State of California, HDC Department  
1800 3<sup>rd</sup> Street, Room 430  
Sacramento, CA 95814

RE: Workforce Housing Grant Application Requirements  
Attachment D – WFH Annual Progress Report on Implementation of Housing Element

Dear Ms. Nichols:

Enclosed is the WFH Annual Progress Report.

This report covers FY 2004 – 2005 and provides information on the City of Glendale's progress in:

- meeting the regional housing need,
- the effectiveness of the housing element in attainment of the community's housing goals, and
- progress toward mitigating governmental constraints identified in the City's Housing Element.

We understand that submitting this report meets one of the eligibility requirements for the Workforce Housing Grant for 2005. If you have any questions or concerns, please feel free contact me or Anne Bockenkamp, a member of my staff, at (818) 548-2060.

Sincerely,

Madalyn Blake  
Director, Community Development and Housing Department

Enclosure

# WFH Annual Progress Report on Implementation Of the Housing Element

Report Period: July 1, 2004- June 30, 2005

## **A. Progress in Meeting Regional Housing Need**

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### **1. Total number of new housing permits issued**

Two Hundred Twenty Six (225) new residential units were permitted in FY 2004-05.

### **2. Describe the affordability, by income level, of new units including the number of deed restricted affordable housing units.**

Sixty-five (65) of the new units permitted in FY 2004-05 were deed restricted, affordable units.

The remaining units 160 were market rate units, estimated to serve households above 95% of median income.

### **3. Compare units added to regional housing need allocation by income category (very low, lower, moderate, and above moderate.)**

<b>Income Level</b>	<b>RHNA Construction Need (Nov. '00)</b>	<b>New Housing Units 2004/2005</b>
Very Low	1,579	39
Low	1,004	26
Moderate	1,231	0
Above Moderate	2,285	160
Total	6,099	225

## **B. Effectiveness of the Housing Element in Attainment of the Community's Housing Goals and Objectives.**

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### **1. Include a program-by-program status report relative to implementation schedule from each program in the housing element; describe actions taken to implement each program.**

The City's Housing Element, prepared and adopted in 2000, contains goals and policies to address the City's housing needs. These goals and policies are implemented through a series of housing programs that are funded and administered through a variety of local, regional, State and Federal agencies. A list of the program strategies from the "2000-2005 Housing Element" and the identified implementing strategies are shown in the table below with number of units impacted by each strategy or by a comment or reference.

**2. Assess effectiveness of actions and outcomes**

Actions and outcomes will be evaluated on a program-by-program basis below.

***Program # 1 Preservation and Enhancement of Existing Housing Stock***

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The goal of Glendale's housing preservation and enhancement is to protect the existing quality and investment in housing and to avoid a degree of physical decline that will require a larger rehabilitation effort to restore quality and value.

The City's code enforcement program, combined with available single and multifamily rehabilitation assistance programs, works towards ensuring the maintenance of the housing stock.

***Program #1 Status***

	<b>2000 – 2005 Objective</b>	<b>2004 – 2005 Actual</b>	<b>Cumulative Total through 2004 - 2005</b>
<b>1. Preservation and Enhancement of Existing Housing Stock</b>			
<b>A. Rehab Loans &amp; Grants</b>			
- Single Family	195 units	24 units	122 units
- Multi Family	80 units	10 unit	113 units
- Handicapped	10 units	* included in MF and SF totals	* included in MF and SF totals
<b>B. Residential Energy Audit Retrofit</b>	7,350 units	Surveys – 1,287 Upgrades - 0 Total - 1,287 units	Surveys – 5,073* Upgrades – 198** Total – 5,271 units

C. Code Enforcement	7,000 inspections	10,279 inspections	29,866 inspections
D. Target Areas	Improve 3 blocks or neighborhood areas.	Ongoing improvements in three targeted areas in accordance with strategic plans - <u>Adams Square</u> , <u>Holy Family Neighborhood</u> , and <u>E. Garfield</u> area.	A combination of public works improvements, systematic code enforcement, and neighborhood revitalization-based development projects have been completed.
E. Conservation of Affordable Housing	n/a	See comments below re Palmer Park Manor.	n/a

\* Smart Home Energy & Water Saving Surveys – began in FY 2001-02

\*\* Smart Home Energy Saving Upgrades – operated only in FY 2002-03 and FY 2003-04

**E. Conservation of Affordable Housing: Palmer Park Manor Comments**

Currently there is only one affordable housing project in Glendale at risk of converting to market rate and being lost from the assisted housing inventory.

Because of expiring long-term affordability agreements between the property owner and the City of Glendale and between the property owner and HUD, the threat exists that the property may convert to market rental rates in the near future. Although the agreement with HUD will expire, HUD now renews its agreements annually and the property owner intends to continue the agreement with HUD. However, if the units convert to market rent, the City would replace the affordable units by acquiring property and constructing new comparable units rather than provide on-going rental assistance to tenants. An economic analysis concluded that new construction of affordable rental housing is the most cost effective option for replacement of affordable rental housing units at Palmer Park Manor that may convert to market rental rates.

**Program # 2 Production of Affordable Housing**

New construction is a major source of housing for prospective home owners and renters. However, the cost of new construction is substantially greater than other program categories. Public sector support for new construction includes several programs for low and moderate income housing development.

The City of Glendale offers incentive programs, such as density bonus, as an effective means of providing affordable housing development in the City. Other programs include direct city financial assistance, mortgage revenue bond financing, tax credits, and rental subsidy. Other tools for providing affordable housing are being offered by the city including coordination with Community Housing Development Organizations (CHDO's) and encouraging mixed use development in certain areas.

*Program #2      Status*

	<b>2000 – 2005 Objective</b>	<b>2004 – 2005 Actual</b>	<b>Cumulative Total - Actual</b>
<b>2. Production of Affordable Housing</b>			
A. Density Bonus	100 units	0 units	0 units
B. Direct City Financial Assistance - Rental	55 units	65 units	116 units In process: 2 sites acquired, approx 44 units in predevelopment.
C. Direct City Financial Assistance - Ownership	125 units	0 units	17 units In process: 3 sites acquired, approximately 47 units in pre-development
D. Mortgage Revenue Bond Financing	1 project	0 projects	0 projects
E. Tax Credits	1 project	1 project	2 projects
F. Rental Subsidy (ongoing support to specific developments)	Not anticipated, but willing to consider.	0 units	0 units
G. CHDO Coordination	City will continue to coordinate with existing nonprofits, and encourage development of a Glendale based HDC or CHDO.	0 units	0 units
H. Residential Mixed Use	City plans encourage it, willing	0 assisted units	0 assisted units

	to consider. See comments below in Section H re: zoning code changes to allow it.		
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**H. Mixed Use Housing – Comments**

The City has encouraged residential mixed use development in areas around the downtown, East Broadway and the San Fernando Corridor by rezoning properties in these areas to integrate residential uses with commercial office/retail uses. The City is also preparing a Specific Plan for the downtown to encourage more residential development through flexible zoning standards

***Program # 3 Rental Assistance***

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The City’s Rental Assistance program aims at ensuring lower income tenants do not have to pay more than 30 percent of their gross income on rent. The City of Glendale participates in the HUD sponsored Section 8 Rental Assistance Program which provides direct rental subsidies to lower income households.

The City continues to provide Section 8 Rental Assistance to more than the originally anticipated 1,265 very low income households. The City also continues to provide rental subsidy to a 22-unit building (Palmer House) that provides affordable rental housing to 22 very low income senior households.

***Program #3 Status***

	<b>2000 – 2005 Objective</b>	<b>2004 – 2005 Actual</b>	<b>Cumulative Total - Actual</b>
<b>3. Rental Assistance</b>			
A. Section 8 Rental Assistance	1,265 households	1,592 households (including a Family Self Sufficiency Program) + 1,284 “portable voucher” households + 129 households assisted with special programs (ERAP, LIFERAP, Moving Assistance Grants)	Dependent upon Federal funding.
B. Project Based Rental	Continued payments – 22	Continued payments – 22	Continued payments – 22

Subsidy – Palmer House	units	units	units
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***Program # 4 Increased Homeownership Opportunities***

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The City of Glendale has identified three programs to increase home ownership opportunities in the City: Condominium Conversion Assistance, Mortgage Assistance Program, and Home Ownership Education, Counseling, and Marketing.

***Program #4 Status***

	<b>2000 – 2005 Objective</b>	<b>2004 – 2005 Actual</b>	<b>Cumulative Total - Actual</b>
<b>4. Increase Home Ownership Opportunities</b>			
A. Condominium Conversion Ordinance	The City will consider mortgage assistance write downs on converted units.	0 units	0 units
B. Mortgage Assistance Program	85 units	2 unit	26 units
C. Home Ownership Education, Counseling & Marketing	Establish a program.	230 participants  7 classes (including Spanish & Armenian language classes)	1,224 participants  35 classes (including Spanish & Armenian language classes)

***Program # 5 Housing Services***

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At the time of the development of the Housing Element, the City of Glendale offered housing services targeted at Glendale’s largest special needs group, the elderly. A set of programs proposed to expand this focus to include housing services for lower income households and the homeless. The City provides case management services to elderly residents in their homes and at the City’s Adult Recreation Center. Homeless Services are also provided to the homeless persons in Glendale. A significant expansion of high quality services is now provided to the homeless and those who are at risk of becoming homeless, through the Glendale Continuum of Care as described below. Services generally fall into 3 categories: Outreach and Assessment; Permanent Housing; and Homeless Prevention

**Program #5      Status**

	<b>2000 – 2005 Objective</b>	<b>2004 – 2005 Actual</b>	<b>Cumulative Total - Actual</b>
<b>5. Housing Services</b>			
A. Care Management Services	250 senior persons served annually	153 senior persons served	1,081 senior persons served
B. Homeless Services	Support existing programs with proven effectiveness through the Continuum of Care.  Add 15 units of transitional and/or permanent supportive housing for individuals with disabilities.	<u>Outreach and assessment</u> teams served 720 homeless persons, 51 mentally ill homeless persons, 88 homeless veterans in 1 <sup>st</sup> 6 months of the year; 1,126 received <u>intake services</u> ; 936 received <u>shelter beds</u> , 1 received <u>project permanent housing</u> ; 200 received <u>case management</u> ; 111 received <u>eviction prevention</u>	1,212 served with <u>outreach and assessment</u> ; 7,203 served with <u>intake services</u> ; 3,872 received <u>shelter beds</u> , 21 received <u>project permanent housing</u> ; 1,142 received <u>case management</u> ; 590 received <u>eviction prevention</u>

**Program # 6      Fair Housing**

	<b>2000 – 2005 Objective</b>	<b>2004 – 2005 Actual</b>	<b>Cumulative Total - Actual</b>
<b>6. Fair Housing</b>			
Fair Housing Plan	Implement 1997 Analysis of Impediments to Fair Housing Choice  Contract with Fair Housing Council to provide fair housing services to residents	Completed 2005 – 2010 Analysis of Impediments – adopted by Housing Authority and City Council.  Contracted with Fair Housing Council to provide fair housing services to residents	n/a  n/a

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

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The City of Glendale has identified several governmental constraints in the "2000-2005 Housing Element." The constraints are as follows:

- Land use controls/land use compatibility,
- Second unit prohibition,
- Fees and improvements,
- Building codes and enforcement, and
- Local processing and permit procedures.

***1. The Land Use Element*** of the City has estimated 6,860-9,680 new residential units that could be developed in Glendale under build-out of the Land Use Element which is more than the 6,099 units estimated by the Southern California Association of Governments (SCAG). Therefore, the Land Use controls do not constrain the production of housing in the City.

Some Zoning Code changes have been implemented to encourage housing development, smart growth policies, and encourage more affordable housing development.

- *East Broadway Zoning Changes* – The City recently approved significant changes to the zoning code in the neighborhood near downtown Glendale to encourage housing development in the area. The changes relaxed certain zoning standards, which resulted in increased density on some parcels and density bonuses for affordable housing development.
- *San Fernando Road Area Zone Changes* - The City Council approved changes to the Zoning Code that greatly increase the potential for housing development in the area along San Fernando Road. Residential and mixed use commercial-residential uses are now permitted in many areas where previously no residential uses were permitted. In addition, the permitted residential density was increased to the highest in the city, with additional density bonuses for senior projects or affordable housing developments.

***2. The Second Unit prohibition***- In 1996, the Glendale City Council enacted an ordinance prohibiting second dwelling units. In enacting this ordinance, the City made several findings in support of the action. Many of the City residential streets are in hillside areas and are too narrow, steep and curving to support additional dwellings. Many of these hillside residential areas are also subject to high fire danger and adding residences in these areas would compromise the safety of the neighborhood. However, the city allows guest houses to accommodate elderly relatives or friends. A zoning variance

procedure is available for processing individual requests for second dwelling units. The City's second unit prohibition ordinance is still in place.

**3. Fees and Improvements**- Various fees and assessments are charged by the City and other agencies to cover the costs of processing permits and providing services and facilities, such as utilities, schools, and infrastructure that are associated with building housing. However, the majority of the City is highly urbanized with most of its necessary infrastructure, such as streets, sewers electrical and water facilities, already established. As a result, the cost of land improvements in these areas is generally less. Past fee surveys conducted by the City have indicated that Glendale's plan check and building permit fees for residential development are substantially lower (10-20 percent) than those of the Cities of Los Angeles, Burbank or Pasadena. Glendale's fees, therefore, do not appear to be unreasonable nor a significant constraint to development.

**4. Building Codes and Enforcement** - The City of Glendale's building codes are based upon the State Uniform Building, Housing, Plumbing, Mechanical and Electrical Codes. These codes are considered to be the minimum necessary to protect the public health, safety and welfare. The local enforcement of these codes does not add significantly to the cost of housing.

**5. Local Process** - The evaluation and review process required by City procedures contributes to the cost of housing. The holding costs incurred by developers during this process are ultimately reflected in the unit's selling price.

*Recent Processing Improvements* have been adopted to encourage residential and affordable housing development:

- *Streamline the local processing of development applications with regard to environmental guidelines.* These amendments have decreased the processing time for many development applications. In addition, the Planning Department conducts a yearly review to ensure that development fees are appropriate.
- *Condominium Conversion Review*– The City continued its commitment to review condominium conversions and/or new condominium development at the Planning Commission level as opposed to requiring City Council approval; and
- *Pre-Application Process* – The City continued a pre-application process for development projects. This process allowed the City and developers to receive comments on the projects from different agencies before preparing working drawings for plan check.
- *Addition of an Affordable Housing Chapter in the Zoning Code* - This clarifies and streamlines the processes and requirements for affordable housing in applicable redevelopment areas in the city. The chapter gives developers and the city more options in the production of

affordable housing, including joint development between the city and private developers.

- *Pre-Application Process* – The City continued a pre-application process for development projects. This process allowed the City and developers to receive comments on the projects from different agencies before preparing working drawings for plan check.
- *Fast track processing*;
- *Streamlining of exhibit requirements* – especially for new condominium developments;

**6. Parkland Dedication and/or Fee Requirements** - The City has approved the drafting of an ordinance to require a library impact fee and a park impact fee. The exact amount of fees are not yet determined, hence the magnitude of impact on development is unknown.

**7. Other Public Policies to Reduce Costs for Affordable Housing Development** as described in the City's Affordable Housing Strategy to reduce the costs involved in developing affordable housing:

- Density bonuses for affordable condominiums which allow for additional density of up to 25% with no variance hearing if a specific project meets other zoning code standards;
- Density bonuses for rental projects which allow for additional density of up to 25% and zoning modifications related to the affordable units;
- Flexibility of parking design;
- Fire requirement options;
- Financial incentives for affordable rental projects related to density bonuses;
- Incentives for senior housing – allowing smaller units and less parking than required by code; and
- Additional density bonuses can be negotiated with staff for rental housing.
- The City is a member and participant in two affordable housing advocacy groups – the Southern California Association of Non-Profit Housing and the California Housing Consortium.