

December 19, 2007

Cathy Creswell  
Department of Housing and Community Development  
Housing Policy Division  
1800 Third Street; Suite 430  
Sacramento, CA 95814

HOUSING POLICY  
DEVELOPMENT, HCD

DEC 26 2007

RE: King City Annual Progress Report (2006)

Dear Ms. Creswell,

Please find enclosed the 2006 Annual Progress Report on Implementation of the Housing Element for King City. Sorry for the delay. The City will submit the 2007 Annual Progress Report by April 2008.

Thank you in advance for your time in reviewing the Report. If you have any questions or comments, please do not hesitate to contact me.

Sincerely,

Cynthia McCormick  
Assistant Planner, Community Development Department  
(831) 386-5934

Cc: Governor's Office of Planning and Research

# King City

## 2006 Annual Progress Report on Implementation of the Housing Element

Government Code Section 65400 requires planning agencies to submit reports on the jurisdiction's progress in implementing the housing element. The following report covers the 2006 calendar year (January 1, 2006 to December 31, 2006) and details King City's progress towards meeting its regional housing needs allocation (RHNA) by income level; implementation of the housing element programs; and mitigation of identified constraints.

### A. PROGRESS IN MEETING REGIONAL HOUSING NEED

The following section includes the total number of new housing permits issued; the number of those units that were deed restricted as affordable housing units; and the number of affordable housing allocated to the regional housing need requirement by income category (very low, low, moderate, and above moderate).

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

In 2006, 91 building permits were issued for 84 single family dwellings and seven (7) multi-family buildings (including 24 apartment units).

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

None of the units permitted in 2006 were deed restricted for affordable housing units.

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

The following table includes the Regional Housing Need Assessment (RHNA) target numbers for 2000 – 2007 for King City, as adopted by the Association of Monterey Bay Area Governments (AMBAG). The table includes the number of units in 2006 that were allocated towards the RHNA.

Income Level	Target RHNA for 2000-2007	Actual RHNA units allocated in 2006
Very Low	140 units	None
Low	142 units	None
Moderate	204 units	None
Above Moderate	305 units	None
<b>Total</b>	<b>791 units</b>	None

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### B. THE EFFECTIVENESS OF THE HOUSING ELEMENT IN ATTAINMENT OF THE COMMUNITY'S HOUSING GOALS AND OBJECTIVES

The following section includes a status report for each program in the housing element including a description of actions taken to implement each program and an assessment of the effectiveness of actions and outcomes.

#### 1) Provision of Future Sites Program:

There are several large tracts of land that are currently being developed or being planned for development. Current projects include the Royal Coach Development, the Creekbridge Arboleda Development, and the Woodman Mills Ranch Development. Future development includes the Downtown Addition project, the Silva Project, and the Smith-Monterey Eastern-Extension Project. The following table represents current and proposed development in King City for the above projects over the next several years.

Project Name	Housing Units Proposed	Affordable Units Proposed	%	Development Timeframe
Royal Coach	400	145 low and moderate	36%	Under Construction
Creekbridge Arboleda	400	30 low 30 moderate	15%	Under Construction
Woodman Mills Ranch	400	40 low-mod	10%	Under Construction
Downtown Addition	650	98 low-mod 39 low-very low	21%	Break ground 2009
Silva	2,400	360 low-mod	15%	Break ground 2009
Smith-Monterey	320	48 low-mod	15%	Break ground 2020
<b>Total:</b>	<b>4570 units</b>	<b>790 units</b>		

Of the 84 single family residential building permits issued in 2006, 82 were for new subdivisions, including nine (9) single family units in the Royal Coach Development, 42 single family units in the Creekbridge Development, and 31 single family units in the Mills Ranch Development.

Effectiveness of actions and outcomes of the Future Sites Program in 2006 was high. In working towards the City's **Five-year Objective**, King City will continue to cooperate with project proponents to develop a variety of housing types and prices. The City is working with potential developers, the Monterey County Local Agency Formation Commission, and the Association of Monterey Bay Area Governments to ensure that sufficient land for residential development is available, agricultural land is preserved, and the appropriate infrastructure and services are available to meet the City's future housing needs.

#### 2) Infill Development Program:

Underutilized lots continue to represent an additional opportunity for housing. In 2006, 9 building permits were issued for infill development, including two (2) single family dwellings and seven (7) multi-family buildings (including 24 apartment units).

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Effectiveness of actions and outcomes of the Infill Development Program in 2006 was high. In working towards the City's *Five-year Objective*, King City will continue to encourage the development of underutilized parcels by providing information to developers and other interested parties on vacant land in King City.

#### 3) **Redevelopment Assistance Program:**

Thirty percent of everything the Redevelopment Agency generates must go to affordable housing. The Redevelopment Agency encourages all types of affordable housing units including senior housing and farm worker housing.

Effectiveness of actions and outcomes of the Redevelopment Assistance Program in 2006 was low, given no progress towards this program. In working towards the City's *Five-year Objective*, the City is in the process of amending the Redevelopment Plan to generate additional tax increment for the City's Housing Set-Aside and for projects and programs to increase the supply of affordable housing to very low, low, and moderate income households in King City.

#### 4) **Density Bonus Program:**

The City's Inclusionary Housing Ordinance allows density bonus incentives that may encourage developer participation or may offset the costs of developer participation, as set forth in city resolution(s) or state law.

Effectiveness of actions and outcomes of the Density Bonus Program in 2006 was low, given no progress towards this program; however there were no requests for density bonuses in 2006. In working towards the City's *Five-year Objective*, King City will continue to encourage development by providing information to developers and other interested parties on density bonus incentives in King City.

#### 5) **Limitations on Multi-family Housing Program:**

While multi-family housing has been discouraged in the past, new developments have been governed by the Specific Plan process, implementing new multi-family housing in the City. Two developments in particular (Mills Ranch and Creekbridge Homes) are proposed to bring in approximately 140 new multi-family units, including townhouses, carriage apartments and courtyard apartments over the next several years. Infill development also represents an opportunity for multi-family housing.

Effectiveness of actions and outcomes of the Multi-family Housing Program in 2006 was high, given the addition of 24 new apartment units in the City. In working towards the City's *Five-year Objective*, the City continues to approve new and infill development of multi-family housing.

#### 6) **Code Enforcement Program:**

Code enforcement is an important means to ensure that the character and quality of neighborhoods and housing is maintained.

Effectiveness of actions and outcomes of the Code Enforcement Program in 2006 was satisfactory. In working towards the City's *Five-year Objective*, the Community Development and Building Departments continue to work with the Police Department and the community to remedy code violations. In 2006, the City purchased a new records management system to track code enforcement issues and citations. In 2007, the City adopted an administrative citation and hearing process to improve program effectiveness and cost recovery.

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### 7) Residential Rehabilitation Assistance Program:

Many homes within the City's older residential neighborhoods and in the Downtown area have been identified by the City's redevelopment plan as needing substantial repairs and rehabilitation.

Effectiveness of actions and outcomes of the Residential Rehabilitation Assistance Program in 2006 was low, given no progress towards this program.

### 8) Redevelopment Project Area Program:

The City adopted a Redevelopment Project Area consisting of two non-continuous areas, totaling 677 acres. The City is in the process of amending its Redevelopment Plan for the King City Redevelopment Project Area. Goals, policies, and strategies have been designed to eliminate blight, improve pedestrian and vehicle circulation, improve commercial viability and expand the community's supply of low and moderate income housing.

Effectiveness of actions and outcomes of the Redevelopment Project Area Program in 2006 was low, given no progress towards this program.

### 9) Section 8 Rental Assistance Program:

The Monterey County Housing Authority administers the Section 8 Rental Assistance program for King City. The number of persons receiving Section 8 Rental Assistance fluctuates monthly. In November 2006, 85 households were provided Section 8 Rental Assistance in King City.

Effectiveness of actions and outcomes of the Section 8 Rental Assistance Program in 2006 was high. In working towards the City's *Five-year Objective*, the City continues to support the Section 8 rental assistance program.

### 10) Homeownership Program:

King City recognizes that as prices for new homes have escalated in the community in recent years, low and moderate income households need assistance in purchasing their first home.

Effectiveness of actions and outcomes of the Homeownership Program in 2006 was low, given no progress towards this program.

### 11) Involvement of Public Agencies and Non-Profits Program:

Non-profit housing providers, such as CHISPA and the Monterey County Housing Authority have provided a number of affordable and special need housing opportunities within King City.

Effectiveness of actions and outcomes of the Involvement of Public Agencies and Non-Profits Program in 2006 was satisfactory. In 2006, the City participated in the South County Housing Collaborative, a collection of cities in the Salinas Valley. In working towards the City's *Five-year Objective*, the City will continue to cooperate and support public agencies and non-profit housing organizations in mutual efforts to provide affordable housing.

### 12) Farm Worker Housing Program:

The agricultural industry is a major employer in King City.

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Effectiveness of actions and outcomes of the Farm Worker Housing Program in 2006 was low, given no progress towards this program.

### 13) Inclusionary Housing Program:

Ensuring sufficient amounts of affordable housing in King City is important given the City's low median household income, high overpayment, and significant overcrowding. Continual high home prices have limited the number of homeownership opportunities for moderate-income households. The City's Inclusionary Housing Ordinance requires 15% of new projects with 30 or more units to be affordable to low and moderate income households.

Effectiveness of actions and outcomes of the Inclusionary Housing Program in 2006 was low. In working towards the City's *Five-year Objective*, the City will continue to implement the Inclusionary Housing program through new Development in the City

### 14) Second Units and Granny Flats Program:

Second units and granny flats can provide additional housing opportunities for many special needs groups, including seniors, farm workers, and other groups.

Effectiveness of actions and outcomes of the Second Units and Granny Flats Program in 2006 was low.

### 15) Siting of Emergency and Transitional Shelters Program:

The King City Zoning Ordinance does not directly address transitional housing and emergency shelters. The conditional use permit process will facilitate compatibility of such facilities with adjacent land uses and require the same findings as other special needs housing.

Effectiveness of actions and outcomes of the Emergency and Transitional Shelters Program in 2006 was low, given no progress towards this program.

### 16) Housing for Disabled Persons Program:

The City's Zoning Code allows second residential housing for disabled persons in any residential area that meets and conforms to the requirements of Section 17.47.015(3).

Effectiveness of actions and outcomes of the Disabled Persons Program in 2006 was low, given no progress towards this program.

### 17) Fair Housing Program:

The City works with fair housing providers to disseminate appropriate materials including landlord/tenants rights and responsibilities, contacts for fair housing assistance, and other appropriate educational materials.

Effectiveness of actions and outcomes of the Fair Housing Program in 2006 was low, given no progress towards this program.

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### C. PROGRESS TOWARD MITIGATING GOVERNMENTAL CONSTRAINTS IDENTIFIED IN THE HOUSING ELEMENT

Local policies and regulations can impact the price and availability of housing. Land use controls, site improvements, fees and exactions, permit processing procedures, and other issues may present potential constraints to the maintenance, development and improvement of housing. The following section includes information on actions taken to mitigate identified governmental constraints.

#### 1. Land Use Controls

The Housing Element identified a constraint in the Land Use Element of the General Plan (Policy 6.1.2) that states "The Specific Plan for any Urban Reserve/Agriculture area .... shall not designate additional "R-4" High Density residential land, nor shall any "R-3" Medium-High Density residential area be designated for areas larger than 2.5 acres, or any "R-2" Medium Density residential area for areas larger than 4 acres." This policy would ensure that the majority of new housing development in King City would remain single-family detached or attached products.

This constraint was addressed and mitigated in the Inclusionary Housing Ordinance, which was adopted in 2003, to insure more affordable multi-family housing will be built in developments that require a specific plan. This has been successful, as the Mills Ranch and Creekbridge Developments, described above, have proposed 100 new affordable units.

#### 2. Provisions for a Variety of Housing Types

King City's Zoning Code accommodates and promotes a wide range of housing types that meet the needs of all economic segments of the community.

#### 3. Residential Development Standards

Generally, building standards in King City are relatively comparable to other communities in rural south Salinas Valley. According to survey respondents (in Appendix B of the Housing Element), King City's building and zoning standards are fairly typical for the region and do not present a significant constraint to development.

#### 4. Development Review Process

King City's process for reviewing housing proposals depends on the type and complexity of the project, and whether a major variation in development standards, land use, or operating conditions is requested.

#### 5. Building Codes and Site Improvements

The California Building Code, the American Disabilities Act, and code enforcement all affect the standards of maintenance and development of housing. The City enforces state, federal and local codes in order to maintain a quality living environment for King City residents. The intent of the regulations is to provide structurally sound, safe, and energy-efficient housing, and as such, building codes and site improvement requirements do not present an unreasonable constraint to development.