City of Needles

Draft 2021-2029 Housing Element



Lead Agency:

CITY OF NEEDLES

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PURPOSE

This section of the Housing Element presents the City of Needles' goals, quantified objectives, and policies relative to the development, improvement, and maintenance of housing within the incorporated areas of the City, during the period of 2021 to 2029.

Needles' housing goals are ideals that have been determined by the citizens as desirable and deserving of community time and resources to obtain. Statements of objectives are more specific and shorter range. They provide the opportunity to evaluate the progress made toward the realization of the long-range goals. In conformance with state law, objectives have been quantified. Policy statements are more specific still and provide well-defined guidelines for decision making. Program actions are intended to carry out the goals, objectives, and policies.

The element's goals, objectives, policies, and programs establish close coordination between the City, the County of San Bernardino, other local and regional organizations involved with providing housing and housing services, the State of California, and federal agencies, so that the City's residents can be assured of a safe, adequate place to live. It is necessary to establish ties at all levels of government because of the interdependence of these agencies for programs, funding, and technical assistance.

Background

The Housing Element functions as an integral part of a comprehensive growth plan. While managing development, the City must balance the need to ensure adequate housing for all current and future members of the community against the need to provide and support existing and anticipated levels of public services and facilities. The Housing Element, therefore, directly relates to the amount and location of commercial and industrial development, the type and intensity of land uses, and the amount of housing Element relates to the availability of adequate roadways, pedestrian facilities, and transit routes established in the Circulation, Transportation and Scenic Highways Elements, and the protection of sensitive receptors established in the Hazards Element.

The Housing Element includes descriptions of existing housing types, the condition of existing units, and discussions on overcrowding, overpayment, homelessness, and special needs housing, and the demand for affordable housing in the City. The element also includes an analysis of the progress made since the drafting of the last Housing Element and projections of needs for the next eight years (2021-2029).

California Law

California Government Code requires that every city and county prepare a housing element as part of its general plan. In addition, state law contains specific requirements for the preparation and content of housing elements. In Government Code Section 65580, the legislature has found that:

a) The availability of housing is of vital statewide importance, and the early attainment of decent housing and a suitable living environment for every California family is a priority of the highest order.

- b) The early attainment of this goal requires the cooperative participation of government and the private sector in an effort to expand housing opportunities and accommodate the housing needs of Californians of all economic levels.
- c) The provision of housing affordable to low-and moderate-income households requires the cooperation of all levels of government.
- d) Local and state governments have a responsibility to use the powers vested in them to facilitate the improvement and development of housing to make adequate provision for the housing needs of all economic segments of the community.
- e) The Legislature recognizes that in carrying out this responsibility, each local government also has the responsibility to consider economic, environmental, and fiscal factors and community goals set forth in the general plan and to cooperate with other local governments, and the state, in addressing regional housing needs.

Section 65581 of the Government Code states that the intent of the Legislature in enacting these requirements is:

- a) To assure that local governments recognize their responsibilities in contributing to the attainment of the state housing goal.
- b) To assure that cities and counties prepare and implement housing elements which, along with federal and state programs, will move toward attainment of the state housing goal.
- c) To recognize that each locality is best capable of determining what efforts are required by it to contribute to the attainment of the state housing goal as well as regional housing needs.
- d) To ensure that each local government cooperates with other local governments to address regional housing needs.

Government Code Section 65583, as amended, outlines the required content of all housing elements, including identification and analysis of existing and projected housing needs, and a statement of goals, policies, quantified objectives, and scheduled programs for the preservation, improvement, and development of housing. Specific requirements include:

- (1) An assessment of housing needs and an inventory of resources and constraints relevant to the meeting of these needs. The analysis should include the following:
 - a. Population and employment trends and projections;
 - b. Existing and projected housing needs for all income levels including the determined local share of the regional housing needs;
 - c. Analysis of household characteristics such as cost compared to ability to pay, overcrowding and housing condition;

- d. Inventory of land suitable for residential development including vacant land and property suitable for redevelopment as well as the public services availability;
- e. Potential and actual governmental and nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels and for persons with special needs including persons with disabilities. Such analysis should include current land use controls, building codes, enforcement, site improvement requirements and fees and other exactions required of developers, permit processing procedures and availability of financing, and any efforts by the local government to reduce such constraints;
- f. An analysis of special housing needs including both presently existing and projected needs;
- g. An analysis of opportunities for energy conservation with respect to residential development; and
- h. An analysis of existing housing, if any, that is eligible to change from low income during the next ten years due to termination of subsidy contract or other factors.
- (2) A statement of the community's goals, objectives, and policies relating to maintenance, preservation, improvement, and development of housing.
- (3) A program which sets forth an eight-year schedule of actions the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the Housing Element.

General Plan Consistency

California law requires that all elements of the General Plan, including the Housing Element, be internally consistent. The City periodically reviews both its Housing Element and other elements of the General Plan and proposes General Plan amendments, as allowed by law, when a change in one element could cause inconsistencies in others. This procedure will continue to be undertaken on a regular basis by the City.

In addition, the City has been awarded \$160,000 in SB2 grant funding through Caltrans to update the Land Use Element and for the initiating of housing-related zoning ordinance text amendments. The City has also been awarded \$65,000 in Local Early Action Planning (LEAP) grant funds to update the Housing Element. All of this work is currently underway.

PUBLIC PARTICIPATION

The California Government Code states that "the local government shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the program shall describe this effort."

Community Workshops

The City held two community workshops, on July 21, 2021, and July 28, 2021, at 1111 Baily Avenue in the City of Needles. The purpose of the workshops was to engage the community and give residents the opportunity to provide input on the unmet housing needs in Needles. Both meetings were held via in-person and remote attendance via Zoom internet service. Information on the community workshops was placed in the local newspaper, on the City's website, and posted at City Hall, at the City Council chamber facility, and other conspicuous locations throughout the City at least two weeks prior to the event. The events appeared in the newspaper twice, one week with an announcement and the next week with a full article about the purpose and details about the planned workshops. Invitations to the workshops were also emailed to key stakeholders, including members of the City's boards and commissions, representatives from the local hospital, real estate agents, and school representatives, and announced at a school event. Information was provided to the local school's superintendent's office with a "broadcast" to student households announcing the meeting.

Of the two meetings held, three residents formally attended the first workshop meeting followed by three residents remotely attending the second workshop meeting. No translation services were needed for anyone attending the workshops.

The following themes emerged from the discussion:

- The inability to purchase a home in the City.
- Substandard quality of homes within the City.
- Lack of access to nearby grocery stores.
- Not enough available housing, short in supply of housing and immediately sold when houses come on the market.
- Median prices for homes as shown on Zillow.com appear skewed too high in price.
- Employment concerns. Difficulty in finding or hiring teachers at Needles schools due to unavailability of affordable, desirable housing within the City.
- Most people who have jobs in Needles are moving to Arizona (i.e., Bullhead City).

During the community workshop, discussion included the need for more public amenities and services, senior community development, and the desire to continue the renewable energy requirements.

PREVIOUS HOUSING ELEMENT EVALUATION

The City last revised its Housing Element in 2019. The element was adopted by the City Council and subsequently certified by the California Department of Housing and Community Development (HCD). The following section examines the goals of that element and the progress the City has made toward meeting those goals.

Table 1: Summary of Progress Toward 2013-2021 Housing Element Goals, Policies and Programs

2013-2021 Housing Element Goals, Policies and Programs	Achievement	Continue/ Amend/ Delete in 2021-2029 Housing Element
Goal 1.0 Allow every resident of the City of Needles the opport regardless of age, sex, marital status, ethnic background, incon		environment
Policy 1.1 Continue to provide information and incentives for the assisting in the production of housing contiguous to current despecial needs households.		
Program 1.1.1 Continue to disseminate brochures outlining the information and incentives and distribute them to contractors, developers, and public and private agencies. The City has regular participation at community meetings, as well as meetings with developers, construction vendors, and visitors, who receive information via flyers, pamphlets, and bound books on programs the City has implemented, or is in the process of developing, properties that have completed the code abatement process and are available for receivership, rehabilitation, etc. City staff also participates in off-site meetings related to economic development activity in the City and provides written information to anyone attending these events. The information is also made available on the City's website, as well as in the lobby of City Hall.	A variety of brochures are provided to residents and non-residents interested in low- to moderate- income housing programs at the City. The Housing Authority of the City of Needles is the agency in the city that oversees the majority of low- and moderate-income housing units and markets them to potential tenants.	Continue
<u>Target Date:</u> Update brochures at least twice during the planning period and ongoing.		
Responsible Agency: Development Services Department		
Funding Source: General Fund		
Program 1.1.2 Contact local real estate and contractor's boards and advise them of the opportunities for incentives to developing housing in the city.	The City continually reaches out to real estate and homebuilders' associations regarding opportunities and incentives for developing housing in the city.	Continue
Target Date: Make contact at least once annually		
Responsible Agency: Development Services Department		
Funding Source: General Fund		
Program 1.1.3 Continue to offer incentives aimed at production of new housing within the City of Needles. Such incentives include offering vacant surplus sites for construction at little or no cost to the developer if the project is compatible with the needs of the community and this	The City provides a variety of brochures to anyone interested in low- to moderate-income housing programs. The City is constantly reaching out to homebuilders' associations who can provide low- to moderate-income	Continue

2013-2021 Housing Element Goals, Policies and Programs	Achievement	Continue/ Amend/ Delete in 2021-2029 Housing Element
element. Other incentives include fee reductions and waivers for infrastructure. <u>Target Date:</u> Ongoing; once every two years consider other incentives that could be offered	housing. Since 2013, building permits have been issued for 38 units within the city: 2 very low-income, 20 moderate- income and 16 above moderate-income units.	
<u>Responsible Agency:</u> Development Services Department <u>Funding Source</u> : General Fund		
Quantified Objective: 40 units incentivized		
Policy 1.2 Improve and conserve existing residential neighborh	oods.	
Program 1.2.1 Continue code enforcement efforts aimed at rehabilitation and maintenance of properties.Target Date: OngoingResponsible Agency: Code Enforcement/Development Services DepartmentFunding Source: General Fund	The City has continued code enforcement efforts. The City has increased code enforcement staffing to two individuals. In addition, a catalog of uninhabited for-sale properties has been created and is being distributed to developers.	Continue
Program 1.2.2 Adopt the most recent version of the International Building Code. Target Date: June 30, 2020	The City has adopted the most recent version (2019) of the California Building Standards Code.	Delete
Responsible Agency: City Council <u>Funding Source</u> : General Fund		
 Program 1.2.3 The City will work to reduce the potential conversion to market rate of the 234 assisted affordable housing units in Needles during the current planning period. None of the assisted units are considered at risk. However, the City will implement the following actions if needed to comply with state law (AB 1521): Monitor the status of affordable projects in Needles. Should the property owners indicate the desire to convert properties, consider providing technical and financial assistance, when possible, to ensure long-term affordability. If conversion of units is likely, work with local service providers as appropriate to seek funding to subsidize the at-risk units in a way that mirrors the HUD Housing Choice 	The City has not initiated zoning code revisions or other actions to reduce the potential conversion of low-income rental units to market rate since there are no at-risk units in the context of this Housing Element update. The earliest date at which existing low-income rental units could potentially covert to market rate is 2055, followed by 2067 and 2068. The City will revisit actions that may need to be taken to preserve the affordability of these units in conjunction with future Housing Element updates.	Delete
 Voucher (Section 8) program. Funding sources may include state or local funding sources. Per state law, owners of deed-restricted affordable projects are required to provide notice of restrictions that are expiring after January 1, 2021, to all prospective tenants, existing tenants, and the City within three years, one year, and six months (three separate times) of the scheduled expiration of rental restrictions. Owners shall also refer tenants of at-risk units to educational resources regarding tenant rights and conversion procedures and information regarding Section 8 		

		Continue/ Amend/ Delete in 2021-2029
2013-2021 Housing Element Goals, Policies and Programs	Achievement	Housing Element
rent subsidies and any other affordable housing opportunities in the city.		
If a development is offered for sale, HCD must certify persons or entities that are eligible to purchase the development and to receive notice of the pending sale. Placement on the eligibility list will be based on experience with affordable housing.		
<u>Target Date</u> : Revision of Zoning Codes by December 2020 to require notification by owners consistent with state law; ongoing communication with owners, service providers, and eligible potential purchasers		
Responsible Agency: Development Services Department		
Funding Source: General Fund		
Program 1.2.4 Promote the expanded participation of local landlords in rental housing rehabilitation programs. The City will disseminate the City's rehabilitation grant program brochures on the city website, at community meetings, at school sites, at city-sponsored Board meetings, Planning Commission meetings, developer meetings, at off-site meetings promoting economic development within the City, and in the City Hall lobby area.	The City has been unable to offer a rental housing rehabilitation program. The City has neither the staffing nor financial resources to operate such a program. Until it can secure such resources, the operation of such a program is unrealistic and should be deleted. Going forward, all housing	Delete, but re- initiate rental housing rehabilitation as a component of an expanded Neighborhood Beatification
Target Date: 2020	rehabilitation activities will be	Program when
<u>Responsible Agency</u> : Housing Authority	consolidated under a recently established and funded Neighborhood	funding permits (See Proposed
Funding Source: General Fund	Beautification Program.	Program 1.5.9).
Policy 1.3 Assist in education for the reduction of residential en conserve the resource.	l lergy use within the City to help decrease ho	using costs and
Program 1.3.1 Continue advocating energy saving programsand keeping the residents advised of such programs throughflyers included with their utility bills. This may includeforming a program to assist homeowners to identify areas intheir home or practices that waste energy.Target Date:Distribute flyers annually and ongoingResponsible Agency:Utility DepartmentFunding Source:General Fund	City residents are constantly contacted about the energy saving programs the City has which are marketed to them. The City recently won the small utility company energy efficiency award in the state of California. The City participates in numerous programs to provide Energy Star appliances, solar screens, HVAC systems, toilet replacement, windows and doors.	Continue
Policy 1.4 Promote the provision or rehabilitation of an adequa moderate-income households within the City.	te number of rental units that are affordable	e to low and
Program 1.4.1 Reach out to local contractors and advise them of incentives for the creation of low- to moderate-income rental units.	City staff has created a catalog of uninhabited for-sale properties and provides it to developers and parties interested in rehabilitation of housing	Continue
Target Date: Reach out every two years	inventory. The surplus City-owned	
<u>Responsible Agency:</u> Development Services Department <u>Funding Source</u> : General Fund	property is constantly marketed as for sale. The City has approximately 207 acres of land available for sale to develop homes. An economic	

2013-2021 Housing Element Goals, Policies and Programs	Achievement	Continue/ Amend/ Delete in 2021-2029 Housing Element
	development incentive program has been initiated to pay for fees and off- site improvements for homebuilders.	
Program 1.4.2 Work with the Housing Authority to develop guidelines for loan and grant assistance and to act as a conduit for housing funds so that they can be leveraged for the creation or rehabilitation of affordable housing. Determine eligibility requirements and plans for types of loans and repayment plans. Consider establishing a program similar to the Palm Desert BEGIN Program where loans are offered to lower- and moderate-income first-time homebuyers. Once the program is established, conduct outreach to the public to make the community aware of the program. <u>Target Date:</u> Establish program and conduct outreach by	The City has elected to devote its limited staffing and financial resources to the establishment of a Neighborhood Beautification Program rather than a First-Time Homebuyer Program. This new program will address a highly prioritized need for the elimination of substandard housing conditions through the correction of code violations.	Delete, but carry housing rehabilitation component forward under new Neighborhood Beautification Program. (See Proposed Proposed Program 1.5.9.)
2020		
Responsible Agency: Development Services Department		
<u>Funding Source</u> : State and federal grants, San Bernardino County, General Fund (LMIHAF)		
Program 1.4.3 Fund loans for rehabilitating homes in the City of Needles to preserve existing affordable housing.	The City has established and funded a Neighborhood Beautification Program	Amend and refer to as
<u>Target Date:</u> October 2021	that offers financial assistance for the rehabilitation of affordable housing. As a	Neighborhood Beautification
Responsible Agency: Development Services Department	new program recently initiated in April 2021, no properties have been	Program going forward. (See
Funding Source: Grants and General Fund	rehabilitated to date.	Proposed Program C-8)
Quantitative Objective: Rehabilitate at least five homes Policy 1.5 Continue to uphold the requirements of the Fair Hou	sing Act to oncure equal housing enperturit	
residents regardless of age, sex, race, marital status, ethnic bac		
Program 1.5.1 Continue to disseminate materials to inform the public of Fair Housing laws by displaying them with the materials at the Housing Authority, public library, and City Administrative offices. Materials will include all of the programs available through the city's community organizations, non-profits, as well as the County organizations with offices in Needles. The content will include program contact persons, descriptions of the program contents, hours of operation, and emergency contact information. In the materials disseminated, include information of the agency to contact if a violation of fair housing is contended - the Inland Fair Housing and Mediation Board (IFHMB). The materials will be added to the City's website, and disseminated at community events and community meetings the City attends.	The City works with the Housing Authority to spread materials. The materials are available at the library and City Hall administrative offices.	Continue
<u>Target Date</u> : Ongoing; update materials every two years if needed		
Responsible Agency: Development Services Department		
Funding Source: General Fund		

2013-2021 Housing Element Goals, Policies and Programs	Achievement	Continue/ Amend/ Delete in 2021-2029 Housing Element
Program 1.5.2 Review the City regulations to analyze and determine whether there are potential constraints on the development, maintenance, and improvement of housing intended for persons with disabilities (including developmental disabilities), the elderly, large families, extremely low-income households, farmworkers, female-headed households, and homeless persons in need of emergency shelter. This analysis will include an evaluation of existing land use controls, permit and processing procedures, and building codes. If any constraints are found in these areas, the City will initiate actions to address these constraints. In addition, the City will proactively encourage and facilitate the development of affordable housing for lower income households through actions such as providing regulatory incentives, reducing or waiving development fees, and outreaching to nonprofits and affordable housing developers to assist in the application for state and federal funding sources.	The City has initiated an SB 2 funded review of its land use controls that will result in various housing-related Zoning Code amendments.	Continue and amend to extend target completion date to June 2022.
<u>Responsible Agency:</u> Development Services Department <u>Funding Source:</u> General Fund and HOME funds. In addition, the City will consult with HCD annually and refer to the NOFA calendar to determine other potential funding sources.		
Program 1.5.3 The City shall review its zoning code to determine whether updates to zoning are needed to comply with the state Employee Housing Act (Health and Safety Code Sections 17021.5 and 17021.6). The Act calls for the zoning ordinance to treat employee housing (including farm worker housing) that serves six or fewer persons as a single-family structure and permitted in the same manner as other single-family structures of the same type in the same zone (Section 17021.5). The zoning ordinance must also treat employee housing consisting of no more than 12 units or 36 beds as an agricultural uses in the same zone (Section 17021.6) in zones where agricultural uses are permitted.	The City is working on completing this program. This program is one of a number of housing-related Zoning Code amendments that are being undertaken using SB 2 grant funds.	Continue and amend to extend target completion date to June 30, 2022.
<u>Target Date:</u> If determined to be necessary, revise zoning code by June 30, 2020		
<u>Responsible Agency:</u> Development Services Department <u>Funding Source</u> : General Fund		

2013-2021 Housing Element Goals, Policies and Programs	Achievement	Continue/ Amend/ Delete in 2021-2029 Housing Element
Program 1.5.4 Per state law, City staff will amend the zoning code to establish care facilities for seven or more persons as an allowed use in appropriate areas, in compliance with the General Plan, and with a review of the parking standards and other applicable standards. These facilities may be allowed with or without discretionary review.	The City is working on completing this program. This program is one of a number of housing-related Zoning Code amendments that are being undertaken using SB 2 grant funds.	Continue and amend to extend target completion date to June 30, 2022.
Target Date: Revise zoning code by June 30, 2020		
Responsible Agency: Development Services Department		
Funding Source: General Fund		
Program 1.5.5 The City shall review its zoning code to ensure compliance with AB 2162 related to allowing supportive housing. The zoning code will be reviewed to assess whether supportive housing is allowed without discretionary review in all zones that allow multifamily housing or mixed-use development, including nonresidential zones as applicable. If it is determined that the allowed uses in the zoning code are not in compliance with AB 2162, the City will revise the allowed uses along with corresponding development standards as detailed in AB 2162.	The City is working on completing this program. This program is one of a number of housing-related Zoning Code amendments that are being undertaken using SB 2 grant funds.	Continue and amend to extend target completion date to June 30, 2022.
Target Date: Revise zoning code by December 31, 2020		
Responsible Agency: Development Services Department		
Funding Source: General Fund		
Program 1.5.6 The City shall amend its zoning code to allow transitional and supportive housing in the C-1 and C-2 zones in the same way the same type of residential uses are allowed in those zones. <u>Target Date:</u> Revise zoning code by December 31, 2020	The City is working on completing this program. This program is one of a number of housing-related zoning code amendments that are being undertaken using SB 2 grant funds.	Continue and amend to extend target completion date to June 30, 2022.
<u>Responsible Agency:</u> Development Services Department		
Funding Source: General Fund		
Program 1.5.7 The City shall review its zoning code to ensure compliance with Senate Bill 2 (2007) related to allowed operational standards regarding distance between emergency shelters. State law allows local zoning to regulate distance between emergency shelters provided that emergency shelters are not required to be more than 300 feet apart.	The City is working on completing this program. This program is one of a number of housing-related zoning code amendments that are being undertaken using SB 2 grant funds.	Continue and amend to extend target completion date to June 30, 2022.
Target Date: Revise zoning code by December 31, 2020		
Responsible Agency: Development Services Department		
Funding Source: General Fund		

2013-2021 Housing Element Goals, Policies and Programs	Achievement	Continue/ Amend/ Delete in 2021-2029 Housing Element
Program 1.5.8 Per AB 101 (2019) the City will review its zoning ordinance and make revisions if necessary to allow low barrier navigation centers for the homeless per Government Code 65660-65668.	The City is working on completing this program. This program is one of a number of housing-related Zoning Code amendments that are being undertaken using SB 2 grant funds.	Continue and amend to extend target completion date to June 30, 2022.
<u>Target Date:</u> Review zoning by 2020. Make revisions by June 30, 2021.		2022.
Responsible Agency: Development Services Department		
Funding Source: General Fund		
Program 1.5.10 The City will establish a written policy or procedure and other guidance as appropriate to specify the SB 35 streamlining approval process and standards for eligible projects, as set forth under GC Section 65913.4. Target Date: June 30, 2022	The City is working on completing this program. This program is one of a number of housing-related Zoning Code amendments that are being undertaken using SB 2 grant funds.	Continue and amend to extend target completion date to June 30, 2022.
		2022.
Responsible Agency: Development Services Department		
<u>Funding Source</u> : General Fund Goal 2.0 Encourage sound growth in the City by designating sui		
Policy 2.1 Require that the current residentially zoned areas republic built to the density set forth for such zones. Policy 2.2 Promote a mixture of housing and commercial land u	ises in downtown Needles to provide housin	g with access to
commercial services for special needs households, particularly	elderly households and small business owne	rs.
Program 2.2.1 Rezone the downtown area to allow for mixed uses and taller buildings. Specifically require that the new construction in the downtown area supply shops for commercial uses and/or office spaces on the ground floor with residential uses on the upper floors. <u>Target Date</u> : June 2021	The City has recently released an RFP for a mixed-use project in the downtown area. The anticipated project will have an increased height of 44 feet and office and commercial will be on the ground floor with residential above. The City is in the process of amending the zoning code to provide mixed use bousing in	Continue and amend to extend target completion date to June 30, 2024
<u>Responsible Agency:</u> Development Services Department	code to provide mixed-use housing in the downtown area. The City is selling	
<u>Funding Source</u> : General Fund	the piece of land to a mixed-use developer for a development in the downtown and is in negotiations.	
Program 2.2.2 Adopt an inclusionary zoning ordinance to require new development to participate in the provision of affordable housing.	The City is working to initiate a new program to adopt inclusionary zoning.	Continue and amend to extend target completion
Target Date: June 2021		date to June 30, 2022
Responsible Agency: Development Services Department		
Funding Source: General Fund		

2013-2021 Housing Element Goals, Policies and Programs	Achievement	Continue/ Amend/ Delete in 2021-2029 Housing Element
Policy 2.3 Encourage development of residential areas to coinc development be built only in areas with adequate public service		by ordinance that
Program 2.3.1 The City will work to extend water and wastewater services to North Needles.	The City posted a RFP bid for design of this work. Actual work should occur in the post year (2022) The City just did a	Continue and amend to extend
<u>Target Date:</u> June 30, 2021.	the next year (2022). The City just did a water and sewer master plan in 2020 to	target completion date to June 30,
<u>Responsible Agency:</u> Development Services Department	guide this work that will be adopted at an appointed Council meeting (TBD).	2022
Funding Source: General Fund	an appointed council meeting (TBD).	
Policy 2.4 Encourage the development of larger unit sizes in mu family lots in order to alleviate overcrowding.	Itifamily rental projects and accessory dwe	ling units on single-
Policy 2.5 Review all new subdivisions pursuant to the requirem require mitigation of any significant impacts.	nents of the California Environmental Qualit	y Act (CEQA), and
Policy 2.6 Minimize housing construction in environmentally se	nsitive areas.	
Policy 2.7 Encourage the construction of developments on sites City's RHNA for the different income categories.	s that allow housing without discretionary re	eview to meet the
Goal 3.0 Improve and conserve existing residential neighborhood	ods.	
Policy 3.1 Provide information and incentives for the private se the production of housing contiguous to current development, needs households. Encourage development of those areas to c	particularly lower- and moderate-income h	
Program 3.1.1 Assist with funding opportunities and education as well as increasing economic development in general within the City.	The City is still working on completing this program.	Continue
<u>Target Date:</u> Seek funding opportunities at least once annually		
<u>Responsible Agency:</u> Development Services Department and Housing Authority		
Funding Source: Grants and General Fund		
Program 3.1.2 Continue programs to grant low-interest loans or other programs to encourage the repair of substandard residences.	The City has established and funded a Neighborhood Beautification Program. This new program addresses the	Delete and consolidate with other housing
Target Date: Apply for funding annually and ongoing	elimination of substandard housing conditions through the correction of	rehabilitation activities under
<u>Responsible Agency:</u> Development Services Department	code violations. As a new program	the new Preservation and
Funding Source: CDBG, BEGIN	recently initiated in April 2021, no properties have been rehabilitated to	Rehabilitation
Qualified Objective: Assist 15 homeowners	date.	Program.
Program 3.1.3 Disseminate information on loans and grants that are available through the County and the State.	The City works with the County using Community Development Block Grants. The City is working on a program to disseminate information on other loans and grants that are available through	Continue and amend to extend
<u>Target Date</u> : Ongoing; update materials annually as applicable		target completion date to June 30, 2022
Responsible Agency: Development Services Department	the County and the State.	
Funding Source: General Fund		
Quantitative Objective: Process at least 15 loans and grants		

2013-2021 Housing Element Goals, Policies and Programs	Achievement	Continue/ Amend/ Delete in 2021-2029 Housing Element
Goal 4.0 Continue efforts to make the City a nice place to work	and live.	
Policy 4.1 Work with local community action groups and volunt	eers to obtain assistance in cleaning up the	community.
Policy 4.2 Continue efforts to amend the zoning code with an a preservation, signage, landscaping requirements, etc., without hinder the creation of housing.	·	
Policy 4.3 Strengthen efforts to provide jobs, shopping, and rec therefore developers.	reation areas to make Needles more attract	ive to residents and
Policy 4.4 Encourage community involvement in projects to cle	an up the City.	
Program 4.4.1 Continue Code Enforcement efforts with an aim toward repair over demolition whenever possible.	The City has continued code enforcement efforts. The City has	Continue
Target Date: Ongoing	increased code enforcement staffing to two individuals. In addition, a catalog of	
<u>Responsible Agency:</u> Development Services Department and Code Enforcement	uninhabited for-sale properties has been created and is being distributed to	
Funding Source: General Fund	developers.	
Goal 5.0 Create Programs to Conserve Energy to assist in the re	duction of housing costs.	
Policy 5.1 Make all City buildings energy efficient.		
Program 5.1.1 All new City buildings shall be constructed to meet or exceed the energy conservation standards in force at the time of their construction. The City shall strive to make all City-owned buildings as energy efficient as possible.	The City will implement this program when new City buildings are constructed.	Continue
Target Date: When new City buildings are constructed		
<u>Responsible Agency:</u> Building Department, Utility Department		
Funding Source: General Fund		
Program 5.1.2 The City will actively pursue all viable new sources of energy.	In 2019, the City won the small utility company energy efficiency award in the	Continue
Target Date: Ongoing	state of California. The City participates in numerous programs to provide	
<u>Responsible Agency:</u> Utility Department <u>Funding Source</u> : General Fund	Energy Star appliances, solar screens, HVAC systems, toilet replacement, windows and doors.	

DEMOGRAPHIC INFORMATION

This section of the Housing Element Update contains relevant demographic, household, and socioeconomic data. This information is primarily based on data provided in the U.S. Census Bureau's American Community Survey 5-Year Estimates from 2005 to 2009 and 2014 to 2018. Other data sources include the California Department of Housing and Community Development (HCD) data as well as the U.S. Department of Housing and Urban Development's (HUD) Comprehensive Housing Affordability Strategy (CHAS) 2012-2016 data sets.

Population Characteristics

Historic and Current Population

The following table tracks the growth of the individual population in Needles between 2010 and 2021. Within the last eleven years, there has been an increase in population of approximately 10.5 percent:

Table 2: Population Growth, 2010–2021

Jurisdiction	Total Po	Total Population		wth
Junsaicuon	2010	2021	Total	Percentage
Needles	4,844	5,353	509	10.5%

Source: California Department of Finance, E-5 City/County Population and Housing Estimates, January 1, 2021, and April 1, 2010.

Population by Age Group

In 2009, the American Community Survey (ACS) found that the median age in the city was 42.2. The current median age is 42.3, as determined by the 2019 ACS. Table 3 Shows the age distribution in Needles as of the 2019 ACS.

	20	019
Age Group	Number	Percentage
0-9 years	880	16.5%
10-19 years	688	12.8%
20-24 years	152	2.8%
25-34 years	485	9.1%
35-44 years	654	12.2%
45-54 years	672	12.6%
55-59 years	398	7.4%
60-64 years	312	5.8%
65-74 years	761	14.2%
75-84 years	273	5.1%
85+ years	73	1.4%
Median Age	42.3	N/A

Table 3: Population by Age, 2019

Source: 2019 American Community Survey 5-Year Estimates, Table S0101.

Projected Population Growth

Growth forecasts prepared by the Southern California Association of Governments (SCAG) estimate that Needles' population could surpass 6,000 people sometime between 2020 and 2035. At this rate, the population is expected to grow by less than 1 percent per year. Table 4 shows the projected population growth for the City.

Table 4: Projected Population Growth, 2012–2040

Jurisdiction	2012	2020	2035	2040	Average Annual Growth Rate
Needles	4,900	5,600	6,800	7,000	0.81%

Source: Southern California Association of Governments, 2020-2045 Regional Transportation Plan, Data/Map Book for the City of Needles.

Household Characteristics

Household Type and Size

As of 2019, the average household size had increased slightly to 2.43 persons from the 2005-2009 ACS at 2.41 persons. Table 5 shows the data on household characteristics in Needles.

Table 5: Household Characteristics, 2019

			Average	Percentage of Households		
Jurisdi	iction	Households	Average Household Size	Families	Families with Children Under 18	Non-family
Nee	dles	2,188	2.43	36.7%	9.1%	54.2%

Source: 2019 American Community Survey 5-Year Estimates, Table DP02.

As of 2019, there were 2,188 housing units in the City of Needles. There were similar numbers of owneroccupied and renter-occupied units in Needles, though there were slightly more owner-occupied units. Table 6 shows the data regarding household tenure in Needles.

Table 6: Household Tenure, 2019

Household Type	Number	Percentage
Owner-Occupied Units	1,150	52.6%
Renter-Occupied Units	1,038	47.4%
Total	2,188	100.0%

Source: 2019 American Community Survey 5-Year Estimates, Table DP04.

Income and Earnings

Household Income

Each year, HCD establishes the income limits for each county in the state for use in assessing eligibility for assisted housing programs in that county. The 2021 income limits are listed in Table 7 for each income category according to household size in Needles. These income limits are based on a median income of \$77,500 for a family of four in San Bernardino County.

• Extremely Low Income: Up to 30 percent of area median income (AMI) (\$0-\$26,500)

- Very Low Income: 31–50 percent of AMI (\$26,501–\$39,500)
- Low Income: 51–80 percent of AMI (\$39,501–\$63,200)
- Moderate Income: 81–120 percent of AMI (\$63,201–\$93,000)
- Above Moderate Income: Above 120 percent of AMI (\$93,001 or more)

Income Category	Persons per Household								
income category	1	2	3	4	5	6	7	8	
Extremely Low	\$16,600	\$19,000	\$21,960	\$26 <i>,</i> 500	\$31,040	\$35,580	\$40,120	\$44,660	
Very Low	\$27 <i>,</i> 650	\$31,600	\$35 <i>,</i> 550	\$39 <i>,</i> 500	\$42,700	\$45 <i>,</i> 850	\$49,000	\$52,150	
Low	\$44,250	\$50,600	\$56 <i>,</i> 900	\$63 <i>,</i> 200	\$68 <i>,</i> 300	\$73 <i>,</i> 350	\$78 <i>,</i> 400	\$83,450	
Median	\$66 <i>,</i> 550	\$62,000	\$69 <i>,</i> 750	\$77 <i>,</i> 500	\$83,700	\$89 <i>,</i> 900	\$96,100	\$102,300	
Moderate Income	\$79,850	\$74,400	\$83,750	\$93,000	\$100,450	\$107,900	\$115,300	\$122,750	

Table 7: Median Household Income by Size of Household, 2021

Source: California Department of Housing and Community Development, State Income Limits, April 26, 2021.

The following table tracks the growth of the median household incomes in Needles.

Income	20	009	2019		
Income	Estimate	Percent	Estimate	Percent	
< \$15,000	642	29.1%	491	22.4%	
\$15,000-\$24,999	322	14.6%	363	16.6%	
\$25,000-\$34,999	286	13.0%	273	12.5%	
\$35,000-\$49,999	239	10.8%	263	12.0%	
\$50,000-\$74,999	306	13.9%	390	17.8%	
\$75,000–\$99,999	169	7.7%	127	5.8%	
\$100,000-\$149,999	179	8.1%	186	8.5%	
>\$150,000	60	2.7%	95	4.3%	
Total	2,203	100%	2,188	100%	
Earning \$24,999 or less	964	43.7%	854	39.0%	

Table 8: Household Income Trends, 2009–2019

Source: 2009 and 2019 American Community Survey 5-Year Estimates, Table S2503.

As of 2019, the largest income group was households earning \$15,000 or less per year, followed by households earning between \$50,000 to \$74,999, then those earning between \$15,000 to \$24,999. Between 2009 and 2019, the number of households earning less than \$25,000 declined by 11.4 percent, and the number of households earning between \$35,000 to \$49,999 increased by 10 percent.

Earnings

Most jobs in Needles do not pay high monthly earnings. Approximately 75 percent of all jobs in Needles pay employees between \$1,251 to \$3,333 per month (\$15,000 to \$39,996 annually). Nearly one in four jobs in Needles pays employees an income of more than \$3,333 per month (greater than \$39,996 annually). Table 9 shows the City's jobs by earnings.

Table 9: Jobs by Earnings, 2018

Income	Count	Share
\$1,250 per month or less	426	28.4%
\$1,251 to \$3,333 per month	701	46.8%
More than \$3,333 per month	372	24.8%

Source: US Census Bureau, Longitudinal Employer-Household Dynamics, OnTheMap application, 2018.

Overcrowded Households

Overcrowding occurs when there is more than one person per room (excluding bathrooms and kitchens). Overcrowding is often a result of an inadequate supply of basic housing that is affordable. As of 2019, there were very few overcrowded households in Needles. Only 31 households out of all 2,034 households were overcrowded, or 1.5 percent of all Needles households. Severe overcrowding results when there are more than 1.51 persons per room. In Needles, there were 47 severely overcrowded households, or 2.3 percent of all households. Table 10 shows the level of overcrowding in Needles.

Persons per Room	Number	Percentage of Total Units
Owner-Occupied	1,080	53.1%
1.00 or less	1,027	50.0%
1.01 to 1.50	29	1.4%
1.51 or more	24	1.2%
Renter-Occupied	954	46.9%
1.00 or less	929	45.7%
1.01 to 1.50	2	0.1%
1.51 or more	23	1.1%
Total Occupied Housing Units	2,034	100.0%
Total Owner Overcrowded	29	1.4%
Total Renter Overcrowded	2	0.1%
Total Overcrowded	31	1.5%
Total Owner Severely Overcrowded	24	1.2%
Total Renter Severely Overcrowded	23	1.1%
Total Severely Overcrowded	47	2.3%

Table 10: Overcrowded Households, 2019

Source: 2013-2019 American Community Survey 5-Year Estimates, Table S2501.

Overpayment

Overpayment is narrowly defined as the number of lower-income households that spend more than 30 percent of their income for housing (either mortgage or rent), including cost of utilities, property insurance, and real estate taxes, as defined by the federal government. Table 11 shows the numbers of households overpaying for housing in Needles. As of 2017, 624 households were overpaying for housing, or 29.6 percent of all households in the City. Of these, 390 of the households (18.5 percent) were renters, and 234 (11.1 percent) were overpayined households. This is a relatively low rate of overpayment compared with many other areas of California.

Total Households Characteristics	Number	Percent of Total Households
Total Occupied Unit Households (HH)	2,110	100.0%
Total renter households	910	43.2%
Total owner households	1,200	57.0%
Total Lower Income (0-80% of HAMFI) Households	1,285	61.0%
Lower income renters (0-80%)	700	33.3%
Lower income owners (0-80%)	585	27.8%
Extremely low-income renters (0-30%)	420	20.0%
Extremely low-income owners (0-30%)	150	7.1%
Income by Cost Burden (Owners and Renters) with cost burden greater than 50% and with HH income of less than 30% HAMFI	225	10.7%
Renter HH income of less than 30% HAMFI	180	8.6%
Owner HH income of less than 30% HAMFI	45	2.1%
Income by Cost Burden (Owners and Renters) with cost burden greater than 30%) and with HH income of less than 30% HAMFI	355	16.9%
Renter HH income of less than 30% HAMFI	260	12.4%
Owner HH income of less than 30% HAMFI	95	4.5%
Owner and Rental HH with cost burden greater than 50% and with income between 30%-50% HAMFI	65	3.1%
Owner and Rental HH with cost burden greater that 50% and with income between 50%-80% HAMFI	0	0 %
Lower Income Households Paying More Than 30%	725	34.4%
Lower income renter HH overpaying	445	21.1%
Lower income owner HH overpaying	280	13.3%
Extremely low-income (0-30%)	355	16.8%
Income between 30%-50%	160	7.6%
Income between 50%-80%	85	4.0%
Income by cost burden (Owners and Renters) with cost burden greater than 30%	624	29.6%
Total Renter Households	390	18.5%
Total Owner Households	234	11.1%
Total Households with cost burden of greater than 30% and between 30%-50% HAMFI	160	7.6%
Total Households with cost burden of greater than 30% and greater than 50% HAMFI	109	5.2%

Table 11: Housing Cost as a Percentage of Household Income by Tenure, 2017

Source: 2006-2017 CHAS Data Sets, https://www.huduser.gov/portal/datasets/cp.html#2006-2017_query Notes: HH = Household; ELI = Extremely Low Income; HAMFI = HUD Area Median Family Income.

Extremely Low-Income Households

According to the 2006-2017 CHAS data sets, there were 420 extremely low-income, renter-occupied households, approximately 20.0 percent of all households in Needles, and 150 extremely low-income, owner-occupied households, approximately 7.1 percent of all households in the City.

Employment Trends

Employment by Industry

As of 2019, there were 1,511 employees aged 16 or older in Needles. The largest employment sector, *Educational services, and health care and social assistance*, employed 323 people, or approximately 21 percent of the City's workforce. Table 12shows the number of employees in each employment sector and the percentage of the City's workforce that each sector employs. Between 2009 and 2019, the job market in Needles changed substantially. All agricultural jobs that existed in 2009 were eliminated by 2017, and nearly all existing manufacturing and wholesale trade jobs in 2009 were similarly reduced by 2019. The only

employment sector to experience significant gains since 2009 were public administration jobs, which grew by more than 94 percent in Needles over the same time frame. In addition, the City has noted that 485 jobs have been added in the cannabis industry in the City as of April 2021, which is not fully reported in the data in the table below.

Employment Sector	Number	of Jobs	Percentage Change	Percentage of Jobs, 2019
	2009	2019	2009–2019	JUDS, 2019
Civilian employed population 16 years and over	1,838	1,511	-18%	100.0%
Agriculture, forestry, fishing and hunting, and mining	12	0	-100%	0.0%
Construction	96	45	-53%	3%
Manufacturing	144	20	-86%	1.3%
Wholesale trade	35	3	-91%	0.2%
Retail trade	153	137	-10%	9.1%
Transportation and warehousing, and utilities	281	274	-2%	18.1%
Information	48	52	8%	3.4%
Finance and insurance, and real estate and rental and leasing	70	64	-9%	4.2%
Professional, scientific, and management, and administrative and waste management services	150	79	-47%	5.2%
Educational services, and health care and social assistance	308	323	5%	21.4%
Arts, entertainment, and recreation, and accommodation and food services	404	251	-38%	16.6%
Other services, except public administration	60	114	90%	7.5%
Public administration	77	149	94%	9.9%

Table 12: Employment by Industry, 2009–2019

Source: 2005-2009, 2013-2019 American Community Survey 5-Year Estimates, Table DP03.

There are no major employers in Needles listed in the Employment Development Department's data for San Bernardino County. The nearest employer with at least 1,000 employees is St. Mary's Medical Center in Apple Valley, approximately 150 miles to the west. All other major employers in the region are in the urban region of southwestern San Bernardino County. Some of the larger major employers employing between 5,000 to 9,999 people are the institutions of the Loma Linda University Medical Center and the Ontario International Airport. Table 13 shows the major employers in San Bernardino County that employ 1,000 or more people.

Employer Name	Location	Industry	Number of Employees
Loma Linda University Medical Center	Loma Linda	Schools-Universities & Colleges Academic	5,000-9,999
Loma Linda University Health Board	Loma Linda	University/College-Governing Body/Regent/Trustee	5,000-9,999
Ontario International Airport	Ontario	Airports	5,000-9,999
Amazon Fulfillment Center	Redlands	Mail Order Fulfillment Service	1,000-4,999
Amazon Fulfillment Center	San Bernardino	Mail Order Fulfillment Service	1,000-4,999
Arrowhead Regional Medical Center	Colton	Hospitals	1,000-4,999
Burlington Coat Factory Warehouse	San Bernardino	Department Stores	1,000-4,999
California State University, San Bernardino	San Bernardino	Schools-Universities & Colleges Academic	1,000-4,999
Environmental Systems Research Institute	Redlands	Geographic Information Systems	1,000-4,999
FedEx	Bloomington	Delivery Service	1,000-4,999
Inland Empire Health Plan	Rancho Cucamonga	Health Services	1,000-4,999
Kaiser Permanente Fontana Medical Center	Fontana	Hospitals	1,000-4,999

Table 13: Major Employers near Needles and San Bernardino County, 2019

Employer Name	Location	Industry	Number of Employees
National Orange Show Event Center	San Bernardino	Halls & Auditoriums	1,000-4,999
Ontario Montclair School District	Ontario	School Districts	1,000-4,999
Patton State Hospital	Patton	Hospitals	1,000-4,999
Redlands Community Hospital	Redlands	Hospitals	1,000-4,999
San Antonio Community Hospital	Upland	Hospitals	1,000-4,999
San Bernardino County School Superintendent	San Bernardino	Schools & Educational Services NEC	1,000-4,999
San Bernardino County Sheriff	San Bernardino	County Government-General Offices	1,000-4,999
St Bernardine Medical Center	San Bernardino	Hospitals	1,000-4,999
St. Mary's Medical Center	Apple Valley	Hospitals	1,000-4,999
Transportation Department	San Bernardino	Government Offices-State	1,000-4,999
US Veterans Medical Center	Loma Linda	Hospitals	1,000-4,999
YRC Freight	Bloomington	Trucking-Motor Freight	1,000-4,999

Source: Employment Development Department, 2019 Major Employers in San Bernardino County.

Commute Trends

As of 2019, most Needles residents who are employed travel no more than half an hour to their place of work. As shown in Table 14, less than 9 percent spend half an hour to an hour traveling to work, and less than 4 percent more spend at least an hour getting to their work site. This data indicates that most employed Needles residents live and work in or near Needles.

Table 14: Travel Time to Work, 2019

Travel Time to Work	Percentage
Less than 30 minutes	87.5%
30 to 59 minutes	8.7%
60 or more minutes	3.8%
Total	100%

Source: 2013-2019 American Community Survey 5-Year Estimates, Table B0801.

Housing Stock Characteristics

Housing Type

In Needles, 1,929 housing units are single-family, detached homes, or 67 percent of all housing units in Needles. There are 394 mobile homes, or approximately 14 percent of all housing units in Needles, making them the second most-common type of housing in the City. Attached single-family and multifamily units combined make up the remaining 19 percent of units in the City. Table 15 shows the numbers of housing units by type in Needles for 2021.

Housing Unit Type Number Percentage Single-Family, Detached 1,929 67.2% Single-Family, Attached 60 2.1% Multifamily, 2-4 Units 266 9.3% Multifamily, 5+ Units 218 7.6% Mobile Homes or Other Type 394 13.7% 100% Total 2,867

Table 15: 2019 Housing Units by Type, 2021

Source: California Department of Finance, E-5 Population and Housing Estimates for Cities, Counties and the State, January 1, 2021.

Vacancy Rates

In 2019, there was a vacancy rate of approximately 29 percent. This is similar to the vacancy rate almost 10 years prior in 2009, which was reported to be approximately 28 percent. Table compares the vacancy rates from 2009 and 2019. The City's high overall vacancy rate has to do with seasonal units which are considered vacant as well as the units that need maintenance and rehabilitation.

Table 16: Residential Vacancy Rate, 2009–2019

Type of Vacancy Rate	2009	2019
Ownership Vacancy Rate	-	1.3%
Rental Vacancy Rate	-	7.8%
Total Needles Vacancy Rate	27.8%	29.2%

Source: 2005-2009, 2013-2019 American Community Survey 5-Year Estimates, Tables DP04.

Age of Housing Stock

Residents' quality of life can be deeply affected by their housing conditions. Over time, housing ages and begins to deteriorate. If not properly maintained, structures can become dilapidated, which could discourage future community investment, depress neighborhood property values, and even pose a hazard to public health. The year a structure is built can be used to determine its general condition. Generally, any housing more than 30 years old likely needs some degree of rehabilitation, ranging from repairs to plumbing, roof replacements, or foundation work.

In Needles, 25.3 percent of housing is less than 30 years old, and nearly 75 percent is at least 30 years old. In other words, almost 8 in 10 homes in Needles most likely require some degree of repair. Table 17 shows the age of Needles' housing stock.

Between January 2020 and May 2021, the City issued 139 citations for properties that violated the Needles Municipal Code. The City's code enforcement department compiled a list of available residential housing units in the City, identifying 127 units. Of the 127 units, half can be categorized as dilapidated and out of compliance with the Needles Municipal Code.

Year Built	Number	Percentage
2014 or later	5	0.2%
2010–2013	14	0.5%
2000–2009	322	11.2%
1990–1999	386	13.4%
1980–1989	491	17.1%
1970–1979	526	18.3%
1960–1969	290	10.1%
1950–1959	328	11.4%
1940–1949	115	4.0%
1939 or earlier	395	13.8%
Total	2,872	100%

Table 17: Age of Housing Stock, 2019

Source: 2013-2019 American Community Survey 5-Year Estimates, Table DP04.

Housing Problems

HUD maintains a list of households in each community in the country that tracks the number of housing problems, including incomplete kitchens, incomplete plumbing, more than one person per room, or cost burdens greater than 30 percent of household income. These problems are cross-referenced with the householder's income to help determine if any householders with housing problems might need special assistance.

In Needles, there are significant numbers of householders with at least one housing problem earning an income 50 percent or less than the median family income (\$77,500) for Needles. The majority of these are renter householders earning a household income 30 percent or less than the median family income. Table 18 shows the numbers and percentages of households with a housing problem in Needles and cross-references the householder's income with the household tenure. A substantially larger percentage of renters (91.0 percent) in Needles have at least one housing problem.

Table 18: Housing Problems for All Households, 2017

	Total Renters	Total Owners	Total Households
Household income \leq 30% MFI with any housing problem	310	100	410
Household income >30% to \leq 50% MFI with any housing problem	95	75	170
Percentage of households (\leq 50% MFI) with any housing problem	39	105	1,190

Source: CHAS 2013-2017ACS Dataset, https://www.huduser.gov/portal/datasets/cp.html#2006-2017.

Housing Cost and Affordability

Rental Rates

Based on market trends for the City of Needles, which was based on a point-in-time survey conducted over several weeks in spring and summer 2019, average rent per month was \$718. Table 19 shows a point-in-time analysis of the rental prices in Needles from 2019. Data was queried on several dates but did not yield a large number of available rental listings; thus no data is shown for some of the unit sizes.

Category	Average Monthly Rent per Category	Median Monthly Rent	Renta	l Price	Range
Loft/studio	no data	no data	no data	to	no data
1 bedroom	\$601.75	\$492.50	\$475.00	to	\$947.00
2 bedrooms	\$659.00	\$587.50	\$515.00	to	\$1,114.00
3 bedrooms	\$894.40	\$800.00	\$650.00	to	\$1,322.00
4+ bedrooms	no data	no data	no data	to	no data

Table 19: City of Needles Rental Prices, May 2019

Source: Realtor.com, May 22, 23, 28, 2019; direct calls to property owners, August 2019

Sales Prices

Based on market trends for the City of Needles, the median price for all home sales is \$168,000, and the average price was approximately \$311,750. Home sales prices ranged from as low as \$59,000 to as high as \$639,000. Table 20 shows the home sales prices from 2019.

Bedrooms	Number on Market	Median Price	Average Price	Home S	ales Pri	ce Range
1 bedroom	2	\$117,495	\$117,495	\$117,495	to	\$117,495
2 bedrooms	1	\$59,000	\$59,000	\$59,000	to	\$59 <i>,</i> 000
3 bedrooms	4	\$334,000	\$356,500	\$119,000	to	\$639 <i>,</i> 000
4 bedrooms	0	no data	no data	no data	to	no data
5+ bedrooms	0	no data	no data	no data	to	no data
Homes Total	7	\$158,000	\$245,000	\$59,000	to	\$639,000

Table 20: City of Needles Home Sales Prices, May 2019

Source: Zillow.com, May 22, 2021.

Housing Affordability

Each year, the HCD establishes the income limits for each county in the state for use in assessing eligibility for assisted housing programs in that county. The 2021 income limits are listed in Table 21 for each income category according to household size.

Housing affordability depends upon a householder's income and the cost of housing. According to the HCD state income limits for 2021, the AMI in San Bernardino County is \$77,500 for a family of four. Based on this median income, the income limits for a four-person household are:

- Extremely Low Income: Up to 30 percent of AMI (\$0-\$26,500)
- Very Low Income: 31–50 percent of AMI (\$26,501–\$39,500)
- Low Income: 51–80 percent of AMI (\$39,501–\$63,200)
- Moderate Income: 81–120 percent of AMI (\$63,201–\$93,000)

Assuming that the potential homebuyer in each income group has sufficient credit and down payment (10 percent) and maintains affordable housing expenses (i.e., spends no more than 30 percent of their income on the mortgage, taxes, and insurance), the maximum affordable home prices can be determined. Table 21 shows the purchasing power of the income groups as defined by HCD.

Table 21: Housing Affordability

Table 21. Hoasing Anoradonicy				
Extremely Low-Income (Households at 30% of Median Inc	come)			
Household Size	1	2	3	4
Annual Income Limit	\$16,600	\$19,000	\$21,960	\$26,500
Monthly Income	\$1,383.33	1,583\$	\$1,830	\$2,208
Maximum Purchase Price ¹	\$25,294	\$37,331	\$56,161	\$79,169
Very Low-Income (Households between 31% and 50% of	Median Income)			
Household Size	1	2	3	4
Annual Income Limit	\$27,650	\$31,600	\$35,550	\$39,500
Monthly Income	\$2,304	\$2,633	\$2,962	\$3,291
Maximum Purchase Price ¹	\$81,236	\$101,249	\$121,259	\$141,184
Low-Income (Households between 51% and 80% of Medi	an Income)		· ·	· ·
Household Size	1	2	3	4
Annual Income Limit	\$44,250	\$50,600	\$56,900	\$63,200
Monthly Income	\$3,688	\$4,217	\$4,742	\$5,267
Maximum Purchase Price ¹	\$165,281	\$197,398	\$229,320	\$261,187
Moderate-Income (Households between 81% and 120% of	of Median Income)		· ·	· ·
Household Size	1	2	3	4
Annual Income Limit	\$65,100	\$74,400	\$83,700	\$93,000
Monthly Income	\$5,425	\$6,200	\$6,975	\$7,750
Maximum Purchase Price ¹	\$270,177	\$317,248	\$364,274	\$411,438

Source: Zillow Affordability Calculator, 2019; California Department of Housing and Community Development, State Income Limits for 2021, April 26, 2021.

1. Calculations based on 30-year fixed loan with a 10% down payment at a 4.00% annual interest rate.

Special Needs Groups

This section presents the current special housing needs of marginalized groups in Needles. Part of this Housing Element's objective is to assist the City in providing opportunities for affordable housing and to reduce barriers faced by those groups, whose needs are not generally fulfilled by the business-as-usual housing production market. Special needs households may find themselves in situations compounded by multiple problems, such as having a lower or fixed income or having only a sole income earner.

Persons with Disabilities

The City of Needles has a large population of persons who are disabled for various reasons. There are many categories of disabled, including sensory, mentally, physically, etc. Many disabled persons are not physically disabled, but may be unable to work due to mental or self-care disabilities. The City places no zoning constraints on housing for the disabled, and does require that all new construction comply with the Americans with Disabilities Act. The City will review its regulations and analyze the potential constraints on housing for persons with disabilities as one of the programs to complete (see Program E-2).

Table 22 and Table 23 show the numbers of people in Needles living with some sort of disability relative to the rest of the City's population as of 2019. Currently, the majority of those with a disability are between the ages of 5 to 64. This is consistent with the proportions of people living with disabilities during the 2000 US Census, although the population with disabilities skews slightly older as of 2019. The overall number of people with disabilities relative to the rest of the population, however, has dramatically decreased. In 2000, nearly half of the population was living with some form of disability, but the number of people living with a disability has decreased to a little more than one in four (or 25.3 percent) of the overall population as of 2019.

The County of San Bernardino, through its office in the City of Needles, provides programs to support the disabled, including access to the public guardian/public guardian conservator program, the elderly nutrition program that provides food for the disabled as well as seniors, and the In Home Supportive Services Program, as well as Adult Protective Services.

	Number	Percentage
Persons Age 5–64 with a Disability	810	60%
Persons Age 65 + with a Disability	544	40%
Total Persons with a Disability (Age 5+)	1,354	100%
Total Population	5,343	-

Table 22: Persons with Disability, 2019

Source: 2013-2019 American Community Survey 5-Year Estimates Table S1810.

Table 23: Disabled Persons by Type of Disability, 2019

	Number ²	Percent
Hearing disability	241	4.5%
Vision disability	233	4.4%
Cognitive disability	435	8.6%
Self-care disability	156	3.1%
Ambulatory disability	887	17.6%
Independent living disability	495	12.7%
Total Persons with a Disability	1,354	25.3% ¹
Total Population	5,343	-

Source: 2019 American Community Survey 5-Year Estimates, Table S1810.

Notes:

1. Percent of total persons with a disability.

2. Disability categories are not mutually exclusive since many persons are living with multiple disabilities.

Persons with Developmental Disabilities

SB 812 requires the City's special housing needs analysis to include the needs of individuals with a developmental disability in the community. A developmental disability is a disability that occurs before an individual reaches 18 years of age, is expected to continue indefinitely, and constitutes a substantial handicap. Developmental disabilities include mental retardation, cerebral palsy, epilepsy, autism, and disabiling conditions closely related to mental retardation or requiring similar treatment.

Table 24. Persons with Developm	ental Disabilities by Age and Zip Coo	le (2018) San Bernardino County
Table 24. Tersons with Developing		c (2010), San Dernaramo County

Zip Code	0–1 7 years	18+ years	Total
92363	9	17	26

Source: American Community Survey, 2019 5-Year, Disability Characteristics, Table S1810

Homeless

Persons who are experiencing homelessness have the most immediate housing need of all special needs groups. This group's needs are challenging to address as a result of the complex causes of homelessness and the other compounding problems that these individuals may be simultaneously experiencing. As required by California law, housing elements estimate the need for emergency shelter for persons experiencing homelessness. In 2020, the San Bernardino County Point-in-Time count identified 3,125 individuals without homes across the county. Twenty-nine of these people were living in Needles without any shelter.

The nearest homeless shelter that is not religion-based is about 150 miles away. Needles' homeless population is fairly small and mostly migratory. All of the necessary state studies and reports and plans that must be done to make the City eligible for funding for emergency shelter have not been possible. The City previously had a religion-based recovery home for men run by Calvary Church, but it was disbanded approximately 12 years ago. In the City of Needles, there are several churches that provide services to the homeless, including residential short-term housing, as well as regular meals distributed at various locations in the City. The City's "Women's Club" provides clothing needs to the homeless for the weather extremes experienced in the City, i.e., very hot or very cold, as well as various sundries for good hygiene. At this time, the City does not currently participate in homeless assistance. The County receives and administers the City's share of CDBG funds that may be available for this use. The County will provide emergency shelter for those that qualify in the City of Needles, if desired. Most people do not desire to go 150 miles away to obtain emergency shelter, and most do not have the transportation to do so. The City plans on investigating the availability of grants for such purpose, as soon as it can obtain certification of this plan. The City approved an amendment to its zoning ordinance in July 2019 to allow emergency shelters without discretionary review in the Light Manufacturing (M-1) and General Manufacturing (M-2) zones and to allow transitional and supportive housing in all residential zones and the Commercial Residential Resort (CRR) zone.

Farmworkers

There is no need for farmworker housing in the City since there are neither agricultural jobs nor cultivated lands in Needles. The City has included Program E-3 to review its zoning ordinance for compliance with the Employee Housing Act related to agricultural employee housing as well as housing for other types of employees. Table 25 shows the numbers of farms and farmworkers in San Bernardino County. As of 2017, there were approximately five farmworkers for every farm in the county.

Table 25: Number of Farmworkers, San Bernardino County, 2017

Hired Farm Labor	Number
Farms	409
Workers	2,246

Source: USDA Census of Agriculture, 2017.

Table 26 shows the number of farms and farmworkers in San Bernardino County by the length of farmworker work period. Most farms in the county operate for 150 days or more, and most farms employ more than 10 farmworkers during a single period.

Table 26: Number of Farmworkers by Days Worked, San Bernardino County, 2017

150 Days or More	Number			
Farms	409			
Workers	2,246			
Farms with 10 or More Workers				
Farms	60			
Workers	1,256			
Fewer Than 150 Days				
Farms	253			
Workers	667			

Source: HCD Data Packet, USDA Census of Agriculture, 2017.

Seniors

Many seniors have some type of special housing need due to a variety of factors, including having a disability, special health care needs, or living on a fixed income. Maintaining and repairing a home using a fixed retirement income can be especially challenging.

Since 2009, the senior population of Needles has increased, though most of the increase has been among younger seniors. As of 2019, there were 1,033 seniors living in Needles, the majority of whom were younger seniors between the ages of 65 to 74. Older seniors make up a decreasingly smaller proportion of the total senior population. Table 27 shows the number of seniors living in Needles by age group. There is a senior center in Needles and a bus available to provide rides to local seniors.

Table 27: Senior Population, 2009–2019

Age Group	2009	2019
Ages 65–74	427	710
Ages 75–84	293	252
Ages 85+	41	71
Total	761	1,033

Source: 2005-2009, 2013-2019 American Community Survey 5-Year Estimates, Tables DP05, S0101.

Large Families

Large households are defined as having more than five persons. They are considered a special needs group because there is usually a limited supply of adequately sized housing to accommodate their needs. The more persons in a household, the more rooms required to accommodate that household. More specifically, a five-person household would require three or four bedrooms; a six-person household would require four bedrooms; and a seven-person household would require four to six bedrooms. In certain instances where the housing market does not meet the housing needs of large households, overcrowding may result. Overcrowding occurs when there are more than 1.01 persons per room.

As of 2019, Needles had 385 households consisting of families with four or more members. Of these, 228 households (59 percent) lived in owner-occupied households, and 157 households (approximately 41 percent) lived in renter-occupied households. The rate of overcrowding in Needles is less than 4 percent and is not a significant issue in the City.

Female Heads of Household

Female-headed households tend to have special needs, ranging from affordability of housing to the presence and accessibility of services such as childcare, health care, and housing assistance. Female-headed households generally have lower incomes, which limits their choice in housing options.

The City of Needles attempts to assist female heads of household by providing extended recreational opportunities at the City Parks and Recreation Department to assist with day care needs. When and if sufficient commercial development takes place in the City, it will consider a plan to have commercial developers also assist with day care needs.

Women make up a substantial portion of the City's heads of household—787, or 36 percent, of Needles's heads of household are women. Less than a third of these, 227, live with their children. Compared to other families

in Needles, less than half of family households living in poverty are female-headed households. Specifically, 19 percent of Needles households represent any type of family household living in poverty, and 8 percent of Needles households are female-headed households living in poverty. Table 28 presents the numbers of family and female-headed households in Needles.

Household Type	2019			
	Number	Percentage		
Total Householders*	2,188	100.0%		
Female-Headed Householders	787	36.0%		
Female-headed households without children	560	25.6%		
Female-headed households with own children	227	10.4%		
Total Families**	1320	100.0 %		
Total Families under the Poverty Level	257	19.5%		
Female-headed householders under the poverty level	173	13.1%		

Table 28: Female-Headed Households, 2019

Source: * 2019 American Community Survey 5-Year Estimates, Table S1101.

**2019 American Community Survey 5-Year Estimates, Table S1702.

Assisted Units at Risk of Conversion

Existing Affordable Housing

In the City of Needles, four multifamily projects with 234 affordable units are currently being subsidized by either state or federal agencies for lower-income residents (see Table 29). Tenants wishing to lease affordable units have the ability to rent from those sources. None of the four projects' subsidies are scheduled to expire within 10 years after the end of the current planning period, or 2021-2029 so none of the projects are considered at risk. The City will continue to work with property owners and monitor these developments throughout the planning period per its program regarding preservation of at risk units. In addition to these assisted housing developments, the City of Needles Housing Authority owns and manages 52 units of conventional public housing located at 908 Sycamore Drive. Collectively, these low-income rental units comprise 10 percent of the city's total housing stock."

Name of Development	Address	Funding Sources	Total Assisted Units	Expiration of Affordability
River Garden Apartments	1970 Clary Drive, Needles, CA 92363	LIHTC	80	2055
Riverview Terrace Apartments	1933 Erin Drive, Needles, CA 92363	LIHTC/USDA Sec 515	58	2067
Mesa Grande	1600 Lillyhill Drive, Needles, CA 92363	LIHTC/USDA Sec 515	45	2068
Lilly Hill Apartments	1001 Lillyhill Drive, Needles, CA 92363	LIHTC/USDA Sec 515/HUD PBRA	51	2068
Housing Authority	908 Sycamore Drive, Needles, CA 92363	HUD	52	2068
Total			286	

Table 29: Assisted Housing Developments, 2019

Source: California Housing Partnership Corporation, 2019. Needles Housing Authority, 2021.

HOUSING OPPORTUNITIES AND RESOURCES

This section provides an overview of the sites selection and the resources and opportunities that assist with the construction of new housing in Needles. These resources include vacant sites suitable for housing and financial resources for affordable housing development, rehabilitation, and preservation.

Regional Housing Need

The City's future housing need is based on population and employment growth projections over the 2021-2029 period. Based on these projections, HCD assigns each region in California a Regional Housing Needs Allocation (RHNA), which requires regions to address housing issues and needs (California Government Code Section 65584). Through HCD, the state of California establishes the total housing unit needs for each region. The local council of governments determines the share of the regional housing need for each city and county within its jurisdiction, consistent with Government Code Section 65584(a) and with the advice of HCD.

The Southern California Association of Governments (SCAG) developed the RHNA for the City of Needles. SCAG allocates to each jurisdiction its "fair share" of the projected housing need, based on household income groupings over the eight-year planning period. The RHNA also identifies and quantifies the existing housing needs for each jurisdiction. The quantification in this Housing Element is for the 6th cycle RHNA allocation and is based on a RHNA cycle from January 1, 2022, to October 1, 2029. This RHNA time period addresses the housing element planning period from October 2021 to October 2029. SCAG drafted and adopted the 6th cycle RHNA allocation plan on March 4, 2021. It was then followed by HCD approval on March 22, 2021, which covers the planning period from October 2021 through October 2029.

The intent of the RHNA is to ensure that local jurisdictions not only address the needs of their immediate areas but also address their share of housing needs for the entire region. Additionally, a major goal of the RHNA is to ensure that every community provides an opportunity for a mix of housing affordable to all economic segments of its population. The RHNA jurisdictional allocations are made to ensure that adequate sites and zoning are provided to address existing and anticipated housing demands during the planning period and that market forces are not inhibited in addressing the housing needs for all facets of a particular community. Table 30 shows the RHNA target for the time period from 2021 to 2029 for each of the five household income groups for the City of Needles. The City has a total of 87 units for its RHNA.

Income Group	Number of Units	Percentage
Extremely Low*	5	5.7%
Very Low	5	5.7%
Low	11	12.7%
Moderate	16	18.4%
Above Moderate	50	57.5%
Total	87	100.0%

Table 30: City of Needles 2021-2029 RHNA

Source: Southern California Association of Governments, 6th Cycle Final RHNA Allocation Plan 2021.

*The extremely low-income allocation is assumed to be 5 units based on the HCD-accepted methodology of assuming 50 percent of the very lowincome allocation for households of extremely low income.

No Net Loss Buffer

Recent changes to State law (Senate Bill 166 – 2017) have required cities to continually maintain adequate capacity in their sites inventories to meet their RHNA for all income levels. In the event that a site is developed below the density projected in the Housing Element, or at a different income than projected, the City must have adequate sites available to accommodate the remaining balance of the RHNA. If the City does not have any additional capacity within the existing zoning, it must identify and rezone for new sites that can accommodate the remaining need. For these reasons, the City is including an additional buffer of at least 20 percent above the RHNA in each category, as shown in Table 34.

Table S1. City of Needles of Cycle Rink plus buller							
	Extremely Low*	Very Low	Low	Moderate	Above Moderate	Total	
RHNA	5	5	11	16	50	87	
RHNA +20% Buffer	6	6	13	19	6 0	1 04	

Table 31: City of Needles 6th Cycle RHNA plus Buffer

Source: City of Needles

Note: *The extremely low-income allocation is assumed to be 5 units based on the HCD-accepted methodology of assuming 50 percent of the very low-income allocation for households of extremely low income.

Realistic Capacity

Realistically, sites tend to be developed with fewer than the maximum number of allowable units due to setbacks, development standard requirements, and environmental and other constraints. For the purposes of this analysis, a realistic capacity is used, which is calculated as 80 percent of the maximum allowable densities of low and moderate income sites.

As shown in Exhibit 2, the proposed RHNA sites are all within 500 feet of sewer and potable water infrastructure (refer to Appendix C). The exception to this is a few approved single-family lots in the above moderate category that are already subdivided and graded. All of these lots are part of recently approved subdivision including new roads and water and sewer infrastructure. No sites were identified in the northern portion of the City as there is currently no sewer service infrastructure available and limited water service is available only within close proximity of the Interstate 40 freeway.

The selected above-moderate sites include 62 parcels that were recently subdivided into single-family building lots and graded in preparation for development. As such, the realistic capacity for these parcels is one unit per parcel, regardless of parcel size.

Available Sites

The City of Needles has ample vacant sites and zoned land to meet and well exceed the RHNA. Table 32 reflects vacant land available for residential use and the number of possible units in Needles from a 2019 inventory of vacant land. The City has almost 3,000 vacant acres in the R-2 zone. The R-2 zone has a maximum of 17 units per acre. This yields a realistic capacity of 40,052 units. The City has over 1,000 acres in the R-3 zone, at a maximum 30 dwelling units per acre, indicating capacity for 25,106 low-income units at 80 percent of the maximum allowed density. The vacant land inventory includes a realistic capacity for 65,175 units across the City.

It is noted that the entire vacant land inventory does not have adequate access to infrastructure services. The vacant land inventory in 2019 estimated that approximately 41,177 of the calculated realistic capacity units have the ability to access services in the City.

Zone	Number of Parcels	Acres	Maximum Density (units/acre)	Maximum Units	Realistic Units (80% of Maximum Allowed)
R-1	11	3.1	7	21	17
R-2	215	2,945	17	50,065	40,052
R-3	74	1,046.1	30	31,383	25,106
Total	306	3,994.2	N/A	81,469	65,175

Table 32: Potential of Vacant Residentially Zoned Land

Source: City of Needles, 2019

In 2021, an inventory found that there were 25.55 vacant acres of residentially zoned land within 500 feet of existing sewer and water and with no flood risk, as shown in Table 32. These sites would allow a realistic potential at 80 percent of the maximum density of 355 dwelling units.

Zone	Number of Parcels	Acres	Assumed Maximum Density	Maximum Potential Units	Realistic Units (80% of Maximum Allowed)
R-1	5	1.11	7 units/acre	6	5
R-2	81	19.45	17 units/acre	290	232
R-3	3	4.99	30 units/acre	148	118
Total	91	25.55	N/A	444	355

Table 33: Vacant Sites (Water & Sewer Access; No Flood Risk), 2021

Source: Calculations performed by Michael Baker International and Housel & Levine GIS Department, 2021.

There have been no vacant sites developed since adoption of the 2013-2021 Housing Element. There are no vacant sites included in the RHNA that were included in the last two consecutive previous housing element cycles.

Sites to Accommodate the Regional Housing Needs Allocation

Table 34 shows the 66 sites selected to meet the RHNA. Additional information on each of the sites is provided in Appendix B. All parcels included to meet the RHNA are currently vacant sites. The RHNA sites were selected based on their proximity to available existing infrastructure (sewer and potable water), absence of identified flood risk, and readiness to be developed. Additionally, all of the low and moderate income RHNA sites are in close proximity to resources such as the Needles Regional Senior Center, social services, and healthcare services.

The low- and moderate-income sites are adjacent to recently developed multi-family housing, demonstrating a demand for and viability of similar development.

The above moderate-income sites selected consist of 62 subdivided and graded building lots throughout Needles. These sites were selected based on their readiness to be developed. As the sites are already subdivided and graded, they are primed for single-family home development. They include some vacant lots in an already developed single-family neighborhood.

Table 34: RHNA Sites Summary

Zone	# of Parcels	Acres	Assumed Density	Maximum Units	Assumed Units (80% of maximum)	RHNA + 20% Buffer	Excess Capacity
Low-Inco	Low-Income						
R-2	1	1.53	30 units/acre	45	36	25	11
Moderate	Moderate-Income						
R-2	3	3.43	17 units/acre	57	44	19	25
Above M	Above Moderate-Income						
R-2	62	12.97	8 units/acre	62	62*	60	2
TOTALS	66			164	142	104	38

Source: City of Needles, 2021.

Notes:* Above moderate sites are subdivided and graded building lots that allow 1 unit per parcel.

As shown in Exhibit 3, most of the sites identified have nearby access to water and sewer (within 500 feet), as well as the availability of electrical and internet service (Refer to Appendix C). Exhibit 4, illustrates suitable sites for RHNA development in proximity to flooding constraints (Refer to Appendix C). None of the proposed RHNA sites are situated in areas subject to flash flooding or both.

Based on an analysis of vacant land, the City has sufficient sites to meet its RHNA under the 6th cycle. There is more than sufficient land with City services available, some of which could be used to build additional affordable housing, senior housing projects, and multifamily housing if there is sufficient demand for these units.

Local governments can employ a variety of development strategies to meet their RHNA housing production goals, as established in Government Code Section 65583(c)(1)). Through a combination of sites for higherdensity multifamily development and the use of a variety of housing types, such as manufactured homes, accessory dwelling units, and mixed-use development, the City will be able to address all of the need for sites to support housing affordable to lower-income households. The most difficult challenge is facilitating the development of housing affordable to extremely low- and very low-income households. While the City has sufficient availability of appropriately zoned land with adequate infrastructure, the availability of subsidies and incentives to make the housing feasible for developers is lacking.

The Current Goals, Objectives, Policies, and Programs section of this document contains a variety of programs to facilitate the development of housing units affordable to lower-income households. These include expedited processing and technical assistance, as well as other incentives.

To comply with SB 1087, the City will immediately forward the 6th Cycle Housing Element (once adopted by the City Council) to its water and wastewater department so it can grant priority for service allocations to proposed developments that include units affordable to lower-income households.

Financial Resources

Listed here are existing programs available for assistance in buying, building, or repairing a home. Some are grants, and some are low-interest loans. This list is based on information provided prior to any budget cuts resulting at the state level.

• **The Senior Home Repair Program.** Administered by the County of San Bernardino, Department of Economic and Community Development, this program provides repair grants to homeowners over 60

years of age or persons of any age who are permanently disabled, for leaking faucets, water heater replacement, construction of wheelchair ramps, grab bars for the handicapped, and other minor repairs.

- The Home Improvement Loan Program. Administered by the San Bernardino County, Department of Economic and Community Development, this program provides rehabilitation loans to qualifying low-income homeowners at or below market interest rates.
- HAP (Homeownership Assistance Program). Administered by the County of San Bernardino and funded by the HOME funds from the State of California, this program assists low-income persons to purchase a home by providing a deferred loan, secured by a second trust deed with 0 percent interest and no payments. This loan is repaid at the time of sale or refinance of the property.
- **ADDI (American Dream Down Payment Initiative).** This program is funded through the HOME funds from the State of California, administered through the County of San Bernardino.
- **Multifamily Rental Property Rehabilitation/Refinance Program.** Funded through the HOME funds from the State of California, administered through the County of San Bernardino, this program provides loans to assist nonprofit owners of affordable multifamily rental housing with rehabilitation loans at very low interest.
- The California Housing Rehabilitation Program. HCD offers low-interest loans for the rehabilitation of rental housing, including residential hotels. Loan limits range from \$15,000 for rehabilitation of residential hotel units to \$35,000 for three or more bedroom units. These loans are given only to maintain or convert to assisted units.
- Energy Conservation. With temperatures ranging from the low 30s to above 115 in Needles, energy is in high demand for heating and cooling, making conservation measures an important issue. The electric utility is City-owned and is aggressively pursuing alternate sources from which to purchase or generate power in order to control costs for City residents. In addition, the City has established a "Responsible Resource Home" program, which encourages the construction of energy-efficient homes. Homes built under this program surpass Title 24 standards by 10 percent. Persons who purchase or build such a home can expect to reduce electric bills by up to 15 percent. The program also focuses on water conservation methods and technologies. Needles in 2019 won the California Small Utility Company Energy Efficiency Award. The City participates in numerous programs to provide Energy Star appliances, solar screens, HVAC systems, toilet replacement, and windows and doors.
- Energy Audits. The City Utility office offers low-cost evaluation of homes to determine the major sources of energy loss.
- Multi-Family Mortgage Revenue Bond Program. This program is administered by the San Bernardino County, Department of Economic and Community Development, and funds are provided by the state. The program provides below-market interest rate loans for development of new multifamily rental units with a minimum of 30 units. At least 40 percent of the units must be preserved for households with incomes at or below 60 percent of the county median, and 20 percent of the units must be reserved for households with incomes at or below 50 percent of the county median. Participants in this program can be individuals, partnerships, and profit and nonprofit corporations, and loans will be amortized over 30-year terms and due in 12 to 15 years.

- **Developer Incentives.** In 2018, the City reduced its Development Impact Fees for both North and South Needles for residential housing development. Development impact fees as of mid-year 2021 currently remain unchanged and the City has not increased its entitlement fee. The City has initiated the sale of vacant surplus property to generate revenue. The City has also initiated an economic development incentive program that would pay for fees and off-site infrastructure for homebuilders. To date, the City has been successful in selling off its inventory of commercial parcels resulting in the development of a new hotel (Hampton Inn) and a proposed 73-unit mixed-use development. The City is continuing to offer the sale of additional commercial parcels.
- State Housing Programs. HCD provides loans that are administered by the County of San Bernardino until such time as the City has "opted out" and formed its own programs. One of the City's goals is to set up such a program and administer such funds under its own program, set by state guidelines.
- **County Housing Programs.** These include first-time buyer programs, home improvement loan programs, senior home repair, etc.
- Outreach.
 - The City of Needles is working with the media to make its residents aware of many programs available to assist with homeownership or rehabilitation, through various public and private agencies.
 - To anyone interested in low- to moderate-income housing programs and fair housing laws, a variety of brochures are provided at the library and City Hall Administrative offices. The Housing Authority of the City of Needles is the agency in the City that oversees the majority of low- and moderate-income housing and markets it to potential tenants.
 - The City is constantly reaching out to homebuilders' associations who can provide low- to moderate-income housing. City staff have created a catalog of uninhabited for-sale properties and provides it to developers and parties interested in rehabilitation of housing inventory. The City constantly markets its surplus City-owned property for sale. The City has 29.91 acres of land for sale to develop homes. An economic development incentive program has been initiated to pay for fees and off-site improvements for homebuilders.
 - Through community groups (Needles Downtown Business Association, Needles Chamber, Development Services Department), the City promotes the expanded participation of local landlords in rental housing rehabilitation programs.

HOUSING CONSTRAINTS

Nongovernmental Constraints

The City of Needles recognizes the need to ensure that there is adequate housing which is affordable to all income groups. There are a number of constraints in any jurisdiction that can impede achievement of this goal. These potential constraints and whether they are an issue in Needles are discussed herein.

Economic Constraints

Extensive development of vacant land throughout Southern California in the past couple of decades led to an increased demand for land, which resulted in a rapid rise in land values and higher housing costs. Land values in Needles, however, have remained relatively affordable in comparison to most other areas of Southern California.

Land Costs

The price of land was assessed by analyzing appraisals of four subject parcels in the City from 2016 to 2019. These four subject parcels ranged in size from 1.52 acres to 28.21 acres of vacant or improved land. Recent purchases from similar, nearby sales were analyzed when considering appropriate sale prices. The price of vacant land ranged from \$0.33 to \$0.50 per square foot, and improved developed residential land ranged from \$87.00 to \$309.00 per square foot.¹

Land costs differ depending on the lot's location within the City. Land costs are higher in North Needles and along the Colorado River as opposed to South Needles, with typical land prices of \$70,000 for a 1.3-acre lot in North Needles and \$81,000 for a 2.3-acre in South Needles. The cost difference is partially because North Needles is limited to one-acre minimum lot sizes for homes, and South Needles parcels are less than half an acre, due to septic system and well constraints, as discussed further below under the Zoning discussion in Governmental Constraints section. However, a one-acre parcel in South Needles is approximately \$14,880, which is still significantly less than North Needles land prices.

Although the City has little control over market demands and thus cannot determine the price of land, City land use policies, which regulate the allowable densities of residential uses, can influence the ultimate cost of the dwelling unit. The City's zoning ordinance standards also influence the ultimate cost of constructing a home. Land use policies and zoning ordinance standards are further discussed below under Governmental Constraints, subsections "General Plan" and "Zoning."

Construction Costs

Labor and material are major costs other than land and have a direct impact on the cost of housing. Singlefamily dwelling construction costs can vary greatly depending on the size of the unit and whether it is a custom home or part of a larger subdivision. At the present time, the cost of labor and materials is not a hindrance to

¹ Developed residential home property values per square foot obtained from Zillow, accessed June 3, 2021; https://www.zillow.com/.

the production of relatively low-cost housing in the City. With building costs estimated at approximately \$167,172 for a single-family home,² the cost of construction is relatively low in the City. Due to the hot climate, central heating and cooling systems were accounted for in the cost estimate, but all other amenities in the estimate were assumed to be basic. Combined with soft costs, including architecture and engineering costs, permits and utilities, insurance, final cleanup, and contractor markup, the total cost of housing construction is approximately \$338,300 per unit. Significant increases in these costs, which the City has no direct control over, can directly affect the affordability of housing.

Multifamily housing construction costs are estimated at about \$95 to \$100 per square foot, and with the cost of land remaining low, the estimated cost for a single-family dwelling is estimated at approximately \$138 per square foot.

Mortgage and Rehabilitation Financing

Financing costs can impact the ability of potential homebuyers to make a purchase. As a result of more lenient lending practices during the early to mid-2000s, changing economic conditions in the late 2000s, and falling home prices, many homeowners faced difficulties in making their mortgage payments and have been unable to refinance their home loans or sell their homes to pay off their mortgages. In response, lenders tightened their loan standards, returning to practices that prevailed prior to 2000. This has led to an increase in loan denials as lenders more closely scrutinize household income, credit history, and the overall risk of the loan. Thus, while interest rates have not climbed dramatically, access to home financing has reduced the pool of buyers able to purchase a home. Furthermore, the lack of credit not only affects homebuyers and homeowners but developers and property owners who want to improve their properties. In particular, financing for projects perceived as "higher risk" by financial institutions, including housing projects, has become harder to obtain since 2008.

In 2006, the average 30-year fixed mortgage was approximately 6.4 percent, before declining to historic lows due to the housing crisis in 2008 and subsequent economic recession. In 2013, the average rate for a 30-year fixed rate was 4 percent. Since 2013, interest rates have remained relatively low, with an average of 2.5 to 3.1 percent for a 30-year fixed mortgage in 2021.³ However, tighter loan standards and the availability of financing continues to affect a potential homebuyer's ability to purchase a home.

Home loan mortgages backed by the Federal Housing Administration (FHA) have increased as a result of the shoring up of available credit and more stringent loan requirements. Currently, many lending institutions require a 20 percent down payment in addition to meeting income and credit history requirements. Lenders' stricter adherence to mortgage qualifications has decreased the opportunity for people to take out loans on those terms, and FHA-backed loans have become a popular alternative. In fiscal year 2016-2017, the California Housing Finance Agency (CalHFA) funded 7,259 loans totaling \$1.86 billion for the California Homebuyer's Down Payment Assistance Program, marking the largest-ever number of loans and assistance in the program's history. FHA-backed mortgages typically require a lower down payment (recent figures cite as little as 3.5

² Total home building costs comprising purchase of land, building fees, utility fees, school fees, home construction (\$90 per square foot) and closing costs.

³ *Mortgage News Daily, Daily Mortgage Rates*, accessed May 28, 2021; http://www.mortgagenewsdaily.com/mortgage_rates/daily.aspx.

percent), and a good credit score is not essential. However, the approval process for FHA-backed mortgages is longer, costlier, and more intensive than conventional home loans, causing most condominiums to bypass the process of gaining FHA approval. Therefore, most condominiums do not qualify for FHA financing unless the complex or building is FHA approved. With the City of Needles housing stock consisting largely of single-family homes (69.1 percent), this is a less prevalent concern for most buyers, since FHA financing is more accessible for single-family home purchases.

The North Needles area, zoned Commercial Resort Residential (CRR), averages two units per one acre on a parcel, because the minimum parcel size is one acre and allows for this type of density. For Needles' residentially zoned areas located in the mid-section of the City and included on the sites inventory list, R-1 "Single family residential" zoned sites are typically smaller lots created for one single-family residential unit. Throughout the central Needles area, there is the R-2 "Two-family residential" zone, typically having a built density of 11 units per acre, and the R-3 "Multiple family residential" zone, typically having a built density of 6 units per acre. The City's policy on approval of entitlements and submittal of building plans allows both to occur in parallel with each other, to ensure that project timelines are reasonable and minimize lag time. When a builder waits for building permit submittal until after entitlements are approved, the developer typically submits within a couple of weeks after receiving approval of entitlements.

Governmental Constraints

Land Use Controls

General Plan

The General Plan for the City of Needles establishes a basis for allowable uses and densities for each residential zone. There are more than 3,900 acres of land which are presently zoned for residential uses that have access to existing municipal services or could install septic, with a potential for 65,000 dwelling units using the lowest density range possible for each zone. There are currently three residential land designations and one resort-focused mixed-use designation in the City of Needles General Plan to accommodate a wide variety of housing types. With densities of one to thirty units per acre, the General Plan Land Use designations are not a constraint to development, although in order to encourage infill, a general mixed-use designation must be adopted to accommodate mixed uses outside of resort-focused areas, which is recognized as necessary for healthy growth of the City (see Program A-4).

The General Plan encourages infill development prior to expansion of the City into nonurbanized lands and provides for economic incentives for such infill development. Other policies support ongoing rehabilitation and preservation of existing neighborhoods.

Since the City of Needles is presently in a "pro-growth" stage of development, all reasonable governmental restraints on development have been removed. The City does not have growth controls outside of zoning on residential development, which are minimal and do not impede the ability to achieve the maximum density within any given zoning district. Processing times are short to assist developers, and requirements have been kept minimal. However, the City will not accept developments that do not have paved streets, sewer, and other utilities; do not meet HUD requirements; or are not on a permanent foundation. At the present time, impact fees are applied to circulation system improvements, water sources, storage and distribution facilities, wastewater collection system facilities, and park and open space land acquisition and parkland development,

and application fees are reasonably priced. Building permits are based upon 2019 Uniform Building Code Standards. The next revision for the City to adopt with be in 2022.

Zoning

As discussed above, the three residential zones in the City that directly parallel the City's land use designations do not involve overly restrictive residential development standards, and provide substantial opportunities for the development of a full range of affordable housing. The densities range from 2 units per lot (accessory dwelling units) to up to 30 units per net acre in an R-3 zone. Greater density can be allowed with density bonuses. The City's zoning ordinance also includes provisions for increases in density of 25 to 100 percent for affordable and senior projects, respectively. The City of Needles allows densities of 20 units per acre or more on a large number of sites, which is adequate to allow the development of affordable rental housing. Additionally, much of the City's vacant land is under the R-2 and R-3 zoning designations.

Nonconforming Lots

In the central part of town, which was the original town of Needles, many lots are now of insufficient size to meet the requirements for the building of a residential structure. The City does permit those older homes to be remodeled or refurbished and will encourage new structures to replace the existing structures for residential use in a mixed-use zone, provided the City's parking standards can be met. Since the lots are mostly too small to allow desired parking and garages, until two lots are available side by side (for parcel merging), developers and homebuilders are generally not interested in new construction in this part of town.

Development Review

Site Plan Review

The City of Needles utilizes the site plan review process in the zoning ordinance to promote the health, safety, and general welfare of residents as well as implementing the policies of the General Plan. These site plan review guidelines regulate height, bulk, and area of buildings; colors and types of buildings and other structures; physical and architectural relations with existing and proposed structures; height, materials, and variations in boundary walls, fences, or screening planting; landscaping, lighting and open space requirements; and parking standards. The site plan review requirements are processed concurrently with subdivision or other permit requirements, do not add to the processing time for an application, and do not unreasonably restrict the construction of the homes to make them less affordable.

Architectural and Design Standards

Architectural and design standards in the City of Needles are minimal. No distinction is made that would require any greater responsibilities for manufactured housing or other forms of low-cost housing construction. In reality, if low-cost housing is being constructed that meets the state guidelines for affordable housing, higher densities may be granted to the developer through affordable housing bonuses. The development standards are reflected in the chart below.

		R-2 Zone	D 2 Zana	CDD Zana
	R-1 Zone	R-2 Zone	R-3 Zone	CRR Zone
Max. Density	1-7 U/Acre	8-17 U/Acre	18-30 U/Acre	1-30 U/Acre
Min. Side Setbacks	5'-15' (corner lots)	5'-15' (corner lots)	5'-15' (corner lots)	5'-15' (corner lots)
Min. Front Setbacks	20'	15'	15′	20'
Min. Rear Setbacks	20'	10'-15' (on alley)	10'-15' (on alley)	10'-15' (on alley)
Lot Coverage	70% max	70% max	70% max	70% max
Min. Lot Size	7,500 sq ft	7,500 sq ft	7,500 sq ft	7,500 sq ft
Parking	2 per Unit	2 per Unit	1 ½ Per Unit	1 ½ Per Unit
Height Max.	35'	35'	35' firefighting limit	35' firefighting limit

Table 35: Basic Zoning Standards

Source: City of Needles, 2021.

Parking Standards

The City's parking requirements are based on unit type and size. As shown in Table 36, parking requirements are typically two spaces per single-family residential unit. Multifamily residential units have a reduced requirement based on the size of unit, but generally average two spaces per unit after accounting for guest parking. Reductions in the number of parking spaces are enacted for uses that serve tenants with low vehicle-ownership rates, rooming homes, residence clubs, and fraternity and sorority houses.

Table 36: Parking Standards

Residential Land Use	Parking Required				
Single-family dwellings, duplexes	2 stalls per unit; 1 of which shall be a covered carport or garage.				
Accessory dwelling units ¹	One (1) on-site parking space shall be required for each bedroom of the proposed Accessory dwelling unit.				
Multifamily	1.5 stalls per dwelling unit or 2 stalls for each unit having 3 or more bedrooms, plus 1 stall for every 4 units for guests. 1 stall for each unit shall be covered with a garage or carport.				
Rooming houses, residence clubs, fraternity and sorority house	1 stall for every 2 occupants plus an additional 4 stalls.				

Source: City of Needles, 2021.

Note: 1. All parking spaces for accessory dwelling units are required in addition to the parking spaces required for the primary residence.

Septic Ordinance in North Needles

The City's Wastewater Department operates 19.25 miles of sewer line, 3.6 miles of force main, 4 lift stations, and 390 manholes in Needles. However, the system does not extend throughout the entire City; it runs from Victory Drive and Cherry Drive in South Needles up to Pashard Avenue in North Needles. Many residences in North Needles are required to use septic systems due to the lack of nearby sewer connections. Reliance upon septic systems limits potential North Needles are limited to one acre with one septic system and well per acre. The high septic demand in North Needles increases the cost of development relative to the rest of Needles. None of the sites in the land inventory in this Housing Element are subject to this ordinance.

Provisions for a Variety of Housing

Allowed Land Uses

Table 37 summarizes the housing types permitted in the community by zoning district. Each use is designated by a letter noting whether the use is permitted by right (Z), requires a special use permit (S) via Planning Commission approval, or is conditionally permitted (C) by City Council. Note that some uses required by state

law are included in this table, despite the City's zoning code providing no direction on the allowance. Programs are included in this Element to address these uses not currently addressed by the City's zoning code.

Usuale a Tress				Z	lone			
Housing Type	R-1	R-2	R-3	CRR	C-1	C-2	M-1	M-2
Single-Family Attached	Z	Z	Z	Z	Z	-	-	-
Single-Family Detached	Z	Z	Z	Z	Z	-	-	-
Duplexes	-	Z	Z	S	-	S	-	-
Multifamily (5+ units)	-	-	Z	С	-	S	-	-
Mobile Homes		С	С	S		-	-	-
Manufactured Homes	Z	Z	Z	Z	Z	-	-	-
Accessory Dwelling Units	Z	Z	Z	Z	Z	-	-	-
Emergency Shelters	-	-	-	-	-	-	Z	Z
Transitional Housing	Z	Z	Z	Z	-	-	-	-
Supportive Housing	Z	Z	Z	Z	-	-	-	-
Single-Room Occupancy Units	С	С	С	С	С	С	-	-
Residential Care Facilities (6 or fewer people)	С	С	S	С	С		-	-
Residential Care Facilities (7 or more persons)	-	-	-	-	-	-	-	-
Employee Housing	-	-	-	-	-	-	-	-

Table 37: Housing Types Permitted by Zoning District

Source: City of Needles, 2021.

Notes: Z=Permitted, C=Conditionally Permitted; S=Specially Permitted.

Conventional Housing

Single-family homes are permitted by right in all three residential zones, the R-1 zone, R-2 zone, and R-3 zone. Single-family homes are also permitted in some mixed-use and commercial zones, including by right in the CRR zone and the C-1 zone. Multifamily housing is permitted by right in the R-3 zone. Multifamily housing is allowed with a conditional use permit in the mixed-use CRR zone.

Manufactured Homes and Mobile Homes

Mobile and manufactured homes offer an affordable housing option to many low- and moderate-income households. A mobile home is defined in the zoning code as a transportable, factory-built home designed as a year-round residential dwelling and permitted in all residential zoning districts in the City, according to the same development standards applied to site-built single-family homes. The City does not allow mobile homes built prior to enactment of the Federal Manufactured Housing Construction and Safety Standards Act of 1974. Pursuant to state law, manufactured housing placed on a permanent foundation is considered a single-family dwelling and is permitted in all zoning districts that allow single-family housing subject to architectural review. Both manufactured homes and mobile homes are permitted by right in all three residential zones and in some mixed-use and commercial zones, specifically the CRR and C-1 zones.

Mixed-Use Development

The City allows mixed-use development via the CRR zone in several areas of Needles. As identified in the City of Needles Zoning Code, the intent of the CRR zone is to provide for a variety of uses along the Colorado River, including apartments, hotels, motels, restaurants, boat clubs, marinas, specialty and gift shops, convenience services, and goods and supplies for boat owners, water skiers, scuba divers, and the visiting public using marina and aquatic recreational facilities. Depending on the nature of the developments, this zone can support

a full range of residential and commercial densities as appropriate per the zoning code. This zone allows sufficient diversity of land use types while avoiding the dangers of overcrowding and a haphazard mixing of land uses and providing new employment and housing opportunities for residents. The City provides a program describing its efforts to develop mixed-use standards for the downtown.

Single-Room Occupancy Units

Single-room occupancy facilities contain housing units that may have kitchen and/or bathroom facilities and are guest rooms or efficiency units as defined by the California Health and Safety Code. Each housing unit is occupied by no more than two persons and is offered on a monthly rental basis or longer. Single-room occupancy facilities are allowed with a conditional use permit in all three residential zones (R-1, R-2, and R-3) as well as the CRR zone, C-1 zone, and C-2 zone.

Accessory Dwelling Units

Accessory dwelling units are permitted in all residential zones. An accessory dwelling unit must meet specified development standards consistent with Government Code Section 65852.2. They may be either attached to the primary dwelling or separate from the primary dwelling. A manufactured or modular unit placed on a permanent foundation may also be used as an accessory unit. Accessory dwelling units may be rented separately unless the primary dwelling is rented, and the sale of an accessory dwelling unit separate from the primary unit is prohibited. The City processed a zoning code amendment to comply with recent changes to Government Code Section 65852.2 in July 2019.

Housing for Farmworkers

California law (Government Code Section 65583(c)(1)(C)) requires the adequate provision of sites to accommodate the housing needs of farmworkers. Housing elements should ensure that local zoning, development standards, and permitting processes comply with Health and Safety Code Sections 17021.5 and 17021.6. Section 17021.5 generally requires employee housing for six or fewer persons to be treated as a single-family structure and residential use. A jurisdiction cannot require any conditional use permit, zoning variance, or other zoning clearance for this type of employee housing that is not required of a family dwelling of the same type in the same zone. Section 17021.6 generally requires employee housing consisting of not more than 36 beds in group quarters or 12 units or less designed for use by a single family or household to be treated as an agricultural use. A jurisdiction cannot require a conditional use permit, zoning variance, or other zoning clearance for this type of employee the same type a single family or household to be treated as an agricultural use. A jurisdiction cannot require a conditional use permit, zoning variance, or other zoning clearance for this type of employee housing that is not required activity in the same zone. The City has provided a program that addresses the requirements of the Employee Housing Act.

Emergency Shelters

California Health and Safety Code Section 50801 defines an emergency shelter as "housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person. No individual or households may be denied emergency shelter because of an inability to pay."

Legislation (SB 2 [Cedillo, 2007]) requires jurisdictions to allow emergency shelters without a conditional use permit in at least one zone or sufficiently sized site in the city to meet the city's homeless need. The City of Needles updated its zoning ordinance in July 2019 to allow emergency shelters in the M-1 and M-2 zones. There are 1,552 acres of vacant land available in the two zones. These zones are centrally located with proximity to goods and services. The typical uses in the zones include commercial and industrial uses with no

heavy industrial. The City will implement a program to comply with AB 139 to set parking requirements on the number of staff rather than the service capacity.

Supportive and Transitional Housing

Supportive housing is defined by Health and Safety Code Section 50675.14 as housing with linked on-site or off-site services with no limit on the length of stay and that is occupied by a target population as defined in Health and Safety Code Section 53260 (i.e., low-income persons with mental disabilities, AIDS, substance abuse or chronic health conditions, or persons whose disabilities originated before the age of 18). Services linked to supportive housing usually focus on retaining housing, living and working in the community, and/or health improvement.

Transitional housing is defined in Health and Safety Code Section 50675.2 as rental housing for stays of at least six months but where the units are recirculated to another program recipient after a set period. It may be designated for a homeless individual or family transitioning to permanent housing. This housing can take many structural forms, such as group housing and multifamily units, and may include supportive services to allow individuals to gain necessary life skills in support of independent living.

Pursuant to SB 2, transitional and supportive housing types are required to be treated as residential uses and subject only to those restrictions that apply to other residential uses of the same type in the same zone. In addition, pursuant to Assembly Bill (AB) 2162, supportive housing is a use by right in zones where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses. To ensure consistency with state law, the City amended its zoning ordinance in July 2019 to allow transitional and supportive housing consistent with SB 2. A program has been included to address the new AB 2162 requirements.

Short-Term Rental Regulations

The City updated its short-term rental regulations in 2013. These regulations can be found in Chapter 12 of the Needles Municipal Code. The code provides regulations for owners renting more than three short-term rental units in the City. The regulations include limits on the number of occupants of a short-term rental, rules regarding noise and other nuisance issues, and a business license requirement. Short-term rentals are most frequently located near the Colorado River. This is different from the areas of the City where longer-term rental housing is sought. Short-term rentals in the City are not seen as a constraint to development of long-term rental housing.

Density Bonus

Density bonuses are permitted in the City of Needles when affordable or elderly housing is included. The density bonus percentage cannot exceed the percentage of affordable housing units in the development. For example, if the development includes 15 percent affordable housing units, then the density bonus cannot exceed a 15 percent increase. The bonus extends to allow up to a 25 percent increase in density and requires that the affordable units be constrained to affordability restrictions for at least 15 years. In elderly housing developments, the bonus allows up to a 100 percent increase in density. When the density bonus exceeds 25 percent for elderly housing developments, those additional units are required to remain available to elderly households for at least 15 years.

Numerous legislative actions have been passed since 2008 that amended the state density bonus program, including AB 2280, AB 2222, and AB 744. The City's zoning requirements were updated to be consistent with the most current state laws in July 2019.

On- and Off-Site Improvements

Existing vacant residential parcels require sewage disposal, water, and access. Single-home builders are required to improve streets and put in curb, gutter, and sidewalks along property lines. Residential developments are required to complete on-site improvements that are necessary to extend the sewer, water, and power lines to the property lines if not already available to the site. In addition, there is a requirement to connect to sewer if the parcel is within 200 feet of City services.

Most sites have such services already available. Residential subdivisions must comply with City street and pedestrian standards for minimum street widths, setbacks, lighting, curbs and gutters, water and sewer connections, and pedestrian circulation, if appropriate. For instance, local residential streets typically have a 60-foot right-of-way and a 40-foot curb-to-curb width. Collectors have a 66-foot right-of-way with a curb-to-curb width of 44 feet. Although the City code allows the imposition of all of the above improvements, the staff will assess the particular property and determine the level of improvements that are necessary. For instance, depending upon the stormwater flow during a rain event, curbs may be required to be straight-back curbs, or if the runoff is less, rolled curbs may be allowed. These may impact the cost of housing but are necessary to the project to set a minimum standard for improvements in Needles.

Development Fees

The City charges various fees and assessments to cover the costs of processing permits and providing services. Impact fees are also charged to cover the cost of providing municipal services or mitigating project impacts, while general fees and exactions ensure that project proposals are reviewed and permitted in accordance to the zoning code. Total fees to develop projects are shown in Table 38.

Impact Fees

Development impact fees to fund public facilities and infrastructure are reasonably related to impacts on the City from residential development and other development, as more fully described in "Amendment to the 2006 Development Impact Fee Calculation and Nexus Report for the City of Needles, California," dated August 2018, including the "Summary Amendment to the 2006 Development Impact Fee Nexus Report for the City of Needles, California," dated August 2018, and "Amendment to the 2006 Master Facilities Plan for the City of Needles, California," dated August 2018, and "Amendment to the 2006 Master Facilities Plan for the City of Needles, California," dated August 2018. The reports justify the imposition of each development fee on new construction by analyzing the Master Facility Plans, assigning the costs on a fair share basis to the various types of new development, and assigning the resulting fee per dwelling unit and/or commercial/industrial square footage based on the anticipated burden of such new dwelling unit and/or commercial/industrial area on City facilities and infrastructure and the need created by such dwelling unit and/or commercial/industrial area for new and expanded facilities and infrastructure. Impact fees in the areas where vacant sites have been identified for this Housing Element include:

- Detached Dwellings
 - Circulation: \$106 per unit

- Water Source Storage and Distribution Facilities: \$2,087 per unit
- Wastewater Collection System: \$1,208 per unit
- Parkland Acquisition and Facilities Development: \$726
- Attached Dwellings
 - Circulation: \$71 per unit
 - Water Source Storage and Distribution Facilities: \$1,132 per unit
 - Wastewater Collection System: \$629 per unit
 - Parkland Acquisition and Facilities Development: \$549

The current Development Impact Fees for the Needles Unified School District are \$3.48 per square foot for residential and \$0.56 per square foot for commercial. Due to new interest in growth north of the Needles central district, a study is now underway to determine the cost of extending City services into areas that are not presently being served by City water and sewer systems.

Fees and Exactions

Fees in the City of Needles are relatively low and do not pose a constraint to residential development. The City Council has developed a grant program that assists applicants in off-setting fees for business development. Table 38 displays the fee amounts in force at this time. The reason for the cost per square foot being greater for multifamily units is due to higher land cost. Land costs are greater for multifamily development because additional space is often needed to accommodate to common areas, on-site parking, building separation, and amenities (i.e., office, clubhouse, pool/spa, laundry room). The multifamily example sites, as shown in Table 39 below, are on 1-acre sites that cost \$15,000/acre. The single-family sites, also shown in Table 39, are of smaller in size and have a typical cost of \$6,017/acre.

Description	Fee				
Site Plan Development Review	\$1,033				
Conditional Use Permit	\$791				
Tentative Tract Map Application	\$1,719 (Per application plus deposit for City engineer plus \$40 per lot for each lot over 10 and any outside contractor's charges)				
CEQA	Between \$240 and \$771 unless full EIR/EIS required.				
EIR/EIS Review	\$1,948 (Deposit plus actual amount of employee's time at fully burdened hourly rate and any outside contractor's charges)				
Hotel conversion to SRO	\$2,292 (Per application plus employee's time at fully burdened hourly rate)				

Table 38:	Fees a	nd Exactions
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Source: City of Needles, 2021

Note: See Table 40 for Permit Processing Timeline per entitlement...

Local developer records provided estimates of the total development costs charged on new housing projects. As mentioned above, construction costs are polarized between North Needles and South Needles due to parcel constraints in North Needles. Therefore, the total fees for both single-family homes and multifamily projects are divided into individual estimates for these regions, as shown in Table 39. Fees range from approximately \$16,100 to \$32,500 per unit. Both single-family units and multifamily units in North Needles having significantly higher fees, approximately \$10,000 more than their South Needles counterparts, are due to the area's large lot size requirements.

Description	Total Fees	Estimated Development Cost	Estimated Proportion of Fees to Development Costs		
North Needles					
Single Family Unit ¹	\$26,549	\$208.09 per square foot	\$53.09 per square foot		
Multifamily Unit ²	\$32,510	\$211.30 per square foot	\$104.64 per square foot		
South Needles					
Single Family Unit ¹	\$16,119	\$182.78 per square foot	\$27.78 per square foot		
Multifamily Unit ²	\$22,080	\$205.48 per square foot	\$98.82 per square foot		

Table 39: Total Processing and Impact Fees

Source: City of Needles, 2021.

1 Based on a 2,150-square-foot home including garage and patio

2 Based on a one-bedroom, 600-square-foot apartment

On October 9, 2018, the City of Needles adopted Ordinance 607-AC, which amended Ordinance No 483-AC amending the Development Impact Fee report and master facilities plan, and adopted the necessary findings for the establishment of Development Impact Fees to finance public improvements and facilities. The City considered the specific projects to be funded by the Development Impact Fees and the cost estimates contained in the Development Impact Fee Report, Summary Amendment, and Master Facilities Plan. The City Council approved deleting certain impact fees which are no longer necessary and/or projects that have already been completed or will be funded by developers as part of the condition of development or other means, and determined that the remaining facilities are both necessary and reasonable to handle growth into the future. The removal of Development Impact Fees for Animal Control Facilities, Fire Suppression Facilities, Storm Drainage Facilities, Wastewater Treatment Facilities, Electric Generation and Distribution System, Public Meeting Facilities, and Aquatic Center Facilities for North and South Needles reduced the City's impact fees by half. Being on the border of Arizona, the City of Needles directly competes with cities in Arizona that do not have Development Impact Fees. The City of Needles has found that Development Impact Fees in general are a constraint to development but are necessary to finance public improvements and facilities for future growth. However, in the context of California development, the City's multifamily Development Impact Fees have not been a constraint to multifamily development in Needles. Compared to other cities in California, the City of Needles Development Impact Fees are competitive and do not create a constraint for the City's growth.

Building Codes and Code Enforcement

The City of Needles relies on the 2012 International Building Code and 2019 California Building Code, enforced through the City's Code Enforcement Officer. No local amendments have been made to the International Building Code. Code enforcement is complaint based. The code enforcement process is an area of regulation that has the potential to result in the loss of affordable units. Since much of the affordable housing, like much of the rest of the housing in Needles, is old and in poor repair, code enforcement is a necessary tool to keep housing habitable. Code enforcement officers bring nuisance abatement actions regularly and attempt to work with the property owners to rehabilitate older housing units. They refer owners to various sources to obtain financing to do the repairs. Unfortunately, many owners are absentee owners, who either would not qualify for any loans or do not have the necessary motivation to make the attempt. This leaves the City with the choice of removing the tenants and tearing down the home or leaving it as it is. The City has in the past chosen to demolish the units, and vacant lots now exist within the City. The City would like to begin a housing program to make low interest loans to rehabilitate homes in disrepair for low- to moderate-income owners and/or to owners who agree to rent only to qualified low- or moderate-income renters for a period of ten years.

Local Processing and Permit Procedures

Permit	Review Phase ¹	Planning Commission and/or City Council Review
Site Plan ²	1 week	No
Tentative Map Review ³	9 months	Yes
Site Plan Review ²	5 weeks	No
Conditional Use Permit	3.5 months	Yes
Specific Plan ³	4 months	Yes
Planned Residential Development ³	4 months	Yes
Zone Change ³	4 months	Yes
General Plan Amendment ³	4 months	Yes
Environmental Impact Report certification ³	4 months	Yes

Table 40: Permit Processing Timeline

Source: City of Needles, 2019.

Note: All time frames reflect City staff work periods only; applicant work periods or delays may lengthen these schedules. All time frames also reflect calendar days, not working days.

1 Time frame depends on complexity of project (e.g., degree of deviation from current development standards, potential environmental effects, degree of off-site improvements required).

2 Assumes Categorical Exemption.

3 May be subject to CEQA-mandated timelines, altering the typical review timeline.

The City does not have growth controls beyond zoning and those imposed by reducing density if sewer connections are not available. The permit process can have a significant impact on the timely and cost-effective production of new housing. Lengthy review periods and excessive development fees can discourage new construction. The time required to process residential development varies according to the scope of the proposal. The City's review of building plans is expeditious and not unduly burdensome. Plans can be reviewed and permits issued in approximately one week for most single-family projects that are in a zone in which the use is permitted.

In the case of multifamily projects and larger subdivisions, which require further permitting and environmental documentation, the application processing will take from five weeks to nine months, depending on the extent of environmental analysis required. If the property is properly zoned and does not require a Use Permit, most multifamily or larger single-family developments require a Site Plan review, which takes approximately 20 days. Multifamily projects with less than five units also require a Site Plan Review, typically taking about five weeks total to process and review. Typically requiring the most review and processing, subdivisions require a Tentative Map Review, including approval by the Planning Commission and City Council and take approximately nine months to process.

In addition to conditional uses, the following actions must be approved by both the City Council and Planning Commission and may be subject to CEQA mandated timelines, but can generally be completed within four months:

- Mobile Home Park Special Use Permits. As conditions of approval, these permits require that there be no substantial adverse impacts to surrounding property or property values and proof of adequate open space, trees and recreational areas, and parking. In addition, rules must be implemented to ensure the appearance of the mobile home park remains compatible with surrounding uses.
- Specific Plans
- Planned Residential Developments

- Zone Changes
- General Plan Amendments
- Environmental Impact Report certification

Housing for People with Disabilities

California law requires jurisdictions to analyze potential and actual constraints on housing for persons with disabilities, demonstrate efforts to remove impediments, and include programs to accommodate housing designed for disabled persons. Review of the zoning ordinance, permitting procedures, development standards, and building codes revealed the following findings.

Land Uses and Housing

The City complies with the requirements of the ADA. This allows for the creation of units for disabled residents. In looking over the requirements for residential units, it does not appear that any regulations increase the cost or delay the timing of the creation of residential units, with the exception of the added cost required by the ADA.

Development Regulations

The Lanterman Development Disabilities Services Act declares that mentally and physically disabled persons are entitled to live in normal residential surroundings. A state-authorized, certified, or licensed family care home, foster home, or group home serving six or fewer disabled persons or dependent and neglected children on a 24-hour-a-day basis is considered a residential use that is permitted in all residential zones. No local agency can impose stricter zoning or building and safety standards or require variances on these homes than those required for homes in the same district. In addition to being permitted by right in the R1, R2, and R-3 zones, care facilities with six or fewer persons are also permitted by right in the CRR zone and C-1 zone. The City's zoning doesn't have any distance requirements between group homes. The City's Zoning Code contains the following definition of family:

• Family. A "family" is one (1) or more persons living together as a single housekeeping unit.

Process for Reasonable Accommodation

To provide exceptions in zoning and land use for development for persons with disabilities, the City previously utilized either a variance or the use permit process, if required, to accommodate requests such as special structures or appurtenances (e.g., access ramps or lifts) needed by persons with physical disabilities. The City adopted a reasonable accommodation procedure into its zoning ordinance in July 2019 to provide an exception in zoning and land use for housing for persons with disabilities. This procedure is a ministerial process, with minimal or no processing fees, and applies the following decision-making criteria:

- The request for reasonable accommodation will be used by an individual with a disability protected under fair housing laws.
- The requested accommodation is necessary to make housing available to an individual with a disability protected under fair housing laws.
- The requested accommodation would not impose an undue financial or administrative burden on the City.

• The requested accommodation would not require a fundamental alteration in the nature of the City's land use and zoning program.

The City provides information to all interested parties regarding accommodations in zoning, permit processes, and application of building codes for housing for persons with disabilities.

Energy Conservation Opportunities

Introduction

Greenhouse gas emissions from human activities such as electricity production, motorized transportation, and livestock production are contributing to global climate change. The effects of global climate change are potentially drastic and may result in severe flooding, droughts, heat waves, and other weather-related effects which may in turn cause property damage, negatively impact agriculture, and cause a loss of biodiversity. New housing development contributes to greenhouse gas emissions, but specific choices related to site design, building architecture, and materials specification can significantly reduce these emissions. In addition, these increases in efficiency can reduce both housing costs and automobile dependence. Energy efficiency has direct application to affordable housing because if more money is spent on energy, less money is available for rent or mortgage payments. High energy costs have particularly detrimental effects on low-income households that do not have enough income or cash reserves to absorb cost increases and must choose between basic needs such as shelter, food, and energy. State housing element law requires an analysis of the opportunities for energy in existing homes as well as in new residential construction. The factors affecting energy use, conservation programs currently available in Needles, and examples of effective programs used by other jurisdictions are discussed.

Factors Affecting Energy Use

The factors that affect residential energy use must be understood in order to identify opportunities for conservation. One such factor is the size of the population. At any given time, the larger the population, the more electricity is consumed. But over time, new conservation mandates and technological advances decrease the per capita consumption of energy. This means that the total energy use increases at a slower rate than population. A greater density of development can offer the economies of scale that increase efficiencies in energy systems, as well as the need for water and sewer infrastructure. Land use planning and zoning practices can help to conserve energy. For example, if the general plan and zoning ordinance encourage residential subdivision in a relatively isolated area, far from commercial facilities such as grocery stores, residents must travel longer distances to take care of their daily shopping and service needs. Keeping housing and jobs in balance and near each other helps to reduce energy use for commuting. Longer trips usually necessitate using an automobile rather than walking or cycling. Changing the land use pattern can also change energy use patterns. In addition to the effects of land use patterns on energy use patterns, the price of energy itself often plays a role in its consumption. The price of energy has a significant effect; the more expensive it becomes, the more incentive people have to conserve. Pricing energy at higher levels encourages alternative consumption patterns in the community. Residential water heating and heating/cooling are major sources of energy consumption. With the application of energy-efficient design and the use of solar power systems, home heating and cooling can be operated on a more efficient and sustainable level. Encouraging energy-efficient building design and green energy systems through incentives and other measures contributes to reduced energy consumption across the community at large.

The local climate has a large effect on residential energy use. In general, Needles has extreme seasons, with mild winters and hot, dry summers. The City experiences extreme heat during the summers, routinely reaching 120 degrees in late July and early August, and winters are comfortable and mild. Prolonged periods of hot weather cause increased energy use for space cooling. This situation is particularly true if homes are not well insulated. Landscaping can mitigate this effect. For example, deciduous trees near a home can shade it from sun in the summer and allow the sun's rays to reach it in the winter. The City recently implemented a "Water Efficient Landscape" policy to ensure the use of water-efficient plants and trees for areas requiring landscaping, and provided a streamlined permitting process with reduced fees. The City is also known for moderate to locally severe thunderstorms during the monsoon season and humid conditions, but generally does not experience more than 23 days of measurable rainfall annually.

The efficiency of household appliances also affects energy use. Older appliances may not operate as efficiently as when they were new, and many older appliances were built when energy conservation was not considered important. Significant energy-efficient design advances have been made in refrigerators, stoves, and furnaces.

Existing Conservation Programs

The City of Needles Public Utilities Department services 2,478 residential customers, where the median household income is far lower than the statewide median and the housing stock dates back to as early as the late 1940s. Therefore, many Needles households have older and less efficient appliances, heating/cooling equipment, and structural issues within the home that allow for energy waste. The following energy conservation programs are implemented in Needles to conserve energy:

- The California Building Standards Code (specifically Title 24) requires that all new residential development comply with several energy conservation standards. The standards require ceiling, wall, and concrete slab insulation, vapor barriers, weather-stripping on doors and windows, closeable doors on fireplaces, no continuous burning gas pilot lights, insulated heating and cooling ducts, water heater insulation blankets, swimming pool covers and timers, certified energy-efficient appliances, etc. All new construction in Needles must comply with Title 24. Updates to the standards are issued every three years.
- The City of Needles' Energy Efficiency Low Income/Senior Program is designed to reduce extreme summer peak demands, increase the annual load factor, and provide energy affordability for lowincome customers. The program enables qualified customers of the Needles Public Utility Authority to apply for HVAC installation, solar screens, Energy Star appliances, replacement of old windows and doors with energy-efficient substitutes, and other services at no cost to the homeowners. This program received the "Best Energy Program – Small Utility" from the California Municipal Utilities Association in 2019.

CURRENT GOALS, OBJECTIVES, POLICIES, AND PROGRAMS

The goals, policies, and quantified objectives for the Housing Element have been developed recognizing the community needs and resources. Where appropriate, these key housing guidelines have been developed consistently with other elements of the General Plan, as well as other planning and policy documents for the City.

Housing Preservation and Improvement

Preservation and improvement of the existing housing stock, particularly housing that is affordable to low- and moderate-income households, is an essential element of meeting the housing needs of the community. It is important to the health, safety, and welfare of the City's residents that their dwellings be maintained. Proper maintenance helps preserve and protect the home while providing a decent and suitable living environment. The following goals, policies and quantified objectives shall guide the on-going preservation and improvements of the City's existing housing stock.

GOAL 1.1 PRESERVE AND IMPROVE THE EXISTING AFFORDABLE HOUSING STOCK

GOAL 1.2 PRESERVE AND IMPROVE THE RESIDENTIAL NEIGHBORHOOD ENVIRONMENTS THAT PROVIDE A HIGH QUALITY OF LIFE FOR ALL NEEDLES RESIDENTS

- **Policy 1.1** Reduce the amount of substandard housing units through measures such as rehabilitation, code enforcement, and new construction.
- **Policy 1.2** Actively engage in identifying substandard and deteriorating housing and take appropriate actions to ensure correction of these deficiencies, such as initiating rehabilitation, maintenance, or replacement programs.
- **Policy 1.3** Protect viable housing and the continued maintenance and stabilization of healthy neighborhoods.
- **Policy 1.4** Encourage and/or stimulate conservation of existing residential areas and, where possible, minimize or prevent the intrusion of incompatible uses into the neighborhoods.
- **Policy 1.5** Promote rehabilitation which maximizes the utility of the existing housing stock.
- **Policy 1.6** Provide or assist in obtaining rehabilitation loans and grants, counseling and other follow-up services as needed.
- **Policy 1.7** Support revisions of income and property tax laws to encourage housing stock rehabilitation and to discourage the continuation of substandard housing.
- **Policy 1.8** Encourage private, and as appropriate, public investment in existing housing through home improvements that expand and enhance the functionality and beauty of the home as well as extend the life of the home.
- **Policy 1.9** Encourage a full range of public improvements and services to provide for the needs of all residential neighborhoods.

- **Policy 1.10** Maintain existing liberal regulations concerning non- conforming buildings and setbacks to encourage low-cost expansion of existing housing.
- **Policy 1.11** Maintain and refurbish the City's hardscape and landscape in order to preserve and enhance neighborhood ambiance and safety.
- **Policy 1.12** Maintain and ensure the continued existence of valuable amenities which provide beauty, identity and form to the City and all neighborhoods within the community.

Housing Development

In adopting these goals, policies and objectives, the City is communicating to both the community at large and the home building industry the guidelines in developing new housing within the City. The goals and policies for housing development have been refined and updated to reflect current resources and constraints. The adopted goals and policies for housing development reflect the community's desires for the City relative to the development of housing in numbers, type, density, and other qualities of importance to the residents of this community.

- GOAL 2.1 DEVELOP HOUSING TO MEET THE IDENTIFIED LOCAL HOUSING NEEDS OF THE COMMUNITY WHILE MAINTAINING AND PROVIDING A HIGH QUALITY OF LIFE FOR ALL NEEDLES RESIDENTS.
- GOAL 2.2 DEVELOP THE MAXIMUM NUMBER OF NEW HOUSING UNITS POSSIBLE TO MEET NEEDLES'S FAIR SHARE OF REGIONAL HOUSING NEEDS AS IDENTIFIED IN THE SCAG REGIONAL HOUSING NEEDS ASSESSMENT.
- GOAL 2.3 ACHIEVE COMPLIANCE WITH ENERGY CONSERVATION MEASURES TO BE INCLUDED IN NEW HOUSING DEVELOPMENTS.

GOAL 2.4 PROVIDE SUITABLE SITES FOR HOUSING DEVELOPMENT

- **Policy 2.1** New housing construction should be oriented to both the ownership and rental markets and should strive towards meeting Needles's housing needs.
- **Policy 2.2** Attain new housing construction over a range of prices and rents in accordance with projected housing demand.
- **Policy 2.3** Encourage development under the provisions of the zoning regulations.
- **Policy 2.4** Encourage a variety of housing arrangements and densities, each appropriately located with reference to traffic circulation, community facilities, and aesthetic considerations.
- **Policy 2.5** Assure that new housing development has design and appearance consistent with standards established by the City's development review process.
- Policy 2.6 Encourage the remodeling of and additions to existing housing as a means of providing "new" housing in existing subdivisions.

- **Policy 2.7** Insist that all new housing units have those qualities and amenities that will continue to make them competitive on the private market and compatible with the community.
- **Policy 2.8** Encourage a balance of housing in a variety of types which provide a range of housing affordable to households at all economic levels. The balance of housing promoted would include townhouses, cluster developments, condominiums, apartments, and single-family dwellings.
- **Policy 2.9** Encourage and increase the variety and supply of housing available and at costs affordable to the various income levels of the population.
- **Policy 2.10** Encourage continued and new investment in the established communities of Needles.
- **Policy 2.11** Encourage the assemblage and consolidation of existing small parcels in areas which permit higher density. Larger parcels can better accommodate increased density housing, through a more efficient use of space, while allowing for aesthetic amenities and greater use of open space.
- **Policy 2.12** Encourage the consolidation of multiple land ownership by private or public means into single ownership. This will facilitate the use of contemporary planning techniques in providing multiple-family residences with greater amenities and enhance the quality of life for the citizens of Needles.
- **Policy 2.13** Cooperate with private housing producers wherever justifiable to reduce the overall cost of housing units.
- **Policy 2.14** Support efforts to develop and implement cooperative ownership and other nonprofit mechanisms as a means of reducing construction, selling, and reselling housing costs.
- **Policy 2.15** Encourage the design and construction of new homes and rehabilitation of existing homes in accordance with energy saving criteria.

Housing Assistance

The inclusion of programs designed to provide housing assistance is an integral component of the Housing Element. The City of Needles recognizes that there are unmet housing assistance needs within the community and will continue to focus efforts in providing housing assistance to the City residents.

GOAL 3.1 PROVIDE HOUSING ASSISTANCE NEEDS OF NEEDLES RESIDENTS

- Policy 3.1Make provisions for low-income families to receive or to be advised of the existence of any of
a variety of special housing subsidies which are now available or are expected to be available
in the future. Maximum advantage will especially be taken of home ownership programs.
- **Policy 3.2** Urge private developers to include the maximum number of publicly-assisted housing units determined to be economically and socially feasible within all future development programs.
- **Policy 3.5** Encourage the production of a sufficient number of assisted and market rate large-size housing units to meet reasonable projections for large-size families.

- **Policy 3.6** Develop elderly housing throughout the City. Where both publicly-assisted family and elderly housing may be developed, elderly housing should have priority, since site locations available for this kind of household are limited.
- Policy 3.7Meet resident housing needs to the maximum extent possible, with appropriate emphasis on
the special needs of elderly, persons with disabilities, and disadvantaged population.
- **Policy 3.8** Encourage and enable others to provide assistance and necessary support services to residents and persons with special needs to successfully function as full members of the community.

Equal Housing Opportunity

Equal opportunity housing addresses fair housing issues and addresses the ability of all people, regardless of race, color, ethnicity, national origin, sex, or marital status to obtain housing. The following goal and shall guide the City in the area of equal opportunity housing.

GOAL 4.1 PROMOTE HOUSING OPPORTUNITIES FOR ALL PERSONS REGARDLESS OF RACE, COLOR, ETHNICITY, NATIONAL ORIGIN, RELIGION, SEX OR MARITAL STATUS

- **Policy 4.1** Cooperate with the City's Housing Authority's efforts to provide a comprehensive community education program on fair housing issues and laws and counseling pertaining to fair housing and landlord-tenant issues.
- Policy 4.2Increase accessibility of planning documents and meetings by including materials and
presentations in multiple languages, multiple times, and various areas of the City.

A. Housing Production

Number	Title	Action	Responsible Party	Funding Source	Timeline
A-1	Incentives for Production	 Offer incentives aimed at production of new housing in the City of Needles. Such incentives include: Assist developers with the costs associated with infrastructure improvements, fees, and costs that encourage housing development 	DSD	Economic Development Fund	Incentives offered on an ongoing basis as funds are available. Evaluate incentive performance annually.
A-2	No Net Loss Monitoring	 To ensure that the City monitors its compliance with SB 166 (No Net Loss), the City will develop a procedure to, and will, track: Unit count and income/affordability assumed on parcels included in the sites inventory. Actual units constructed and income/affordability when parcels are developed. Net change in capacity and summary of remaining capacity in meeting remaining RHNA. 	DSD	General Fund	Within two years of Housing Element adoption
A-3	Surplus Lands/ Affordable Housing on City-Owned/Successor Agency Sites	Assess City-owned properties for their potential redevelopment or development for residential uses that include housing for extremely low- income households and those with special needs such as seniors and persons with disabilities. Implement the Surplus Lands Act to annually review city-owned parcels and provide affordable housing developers the first right of refusal for designated surplus lands.	DSD	General Fund	Annual review in conjunction with the review of Surplus Lands.
A-4	Downtown Mixed-Use Development	Rezone the downtown area to allow for mixed uses and taller buildings. Permit mixed uses both horizontally and vertically.	DSD	General Fund	Within four years of Housing Element Adoption
A-5	Minimum Density	Amend the Zoning Ordinance to establish minimum densities to ensure that parcels are developed close to their maximum densities (at 75%) to prevent substantial net loss of any residential units and encourage higher density/more affordable building typologies.	DSD	General Fund	Within two years of Housing Element adoption
A-6	Inclusionary Housing Ordinance	Conduct an inclusionary zoning feasibility study to identify appropriate inclusionary requirements that will not constrain housing production. Develop and amend the Zoning Ordinance to establish inclusionary housing requirements so that new developments reserve up to 15 percent of the total units for lower- and moderate-income households.	DSD	General Fund	Within three years of Housing Element adoption

Number	Title	Action	Responsible Party	Funding Source	Timeline
A-7	ADU Tracking and Monitoring	Continuously track the City's progress for ADUs. Track and analyze the affordability of ADUs built in the City. Within the Housing Element period, assess whether additional strategies are necessary to increase ADU production.	DSD	General Fund	Maintain tracker as ADU permits are submitted. Review strategies annually as part the Annual Progress Report process

B. Constraint Removal

Number	Title	Action	Responsible Party	Funding Source	Timeline
B-1	Permit Streamlining	Establish and implement expedited permit processing for affordable housing projects, including projects that qualify for density bonuses (in compliance with SB 35 and SB 330). Advertise the expedited permit process on the City's website and circulate a notice with the Building Industry Association and Chamber of Commerce.	DSD	General Fund	Within two years of Housing Element adoption
B-2	Density Bonus Updates	Amend the Zoning Ordinance to update density bonuses to meet current state requirements (AB 2345, SB 1763, SB 1227).	DSD	General Fund	Within one year of Housing Element adoption
B-3	Objective Standards	Pursuant to SB 330, review and amend the Zoning Ordinance and DRB handbooks for to ensure development standards, design guidelines, and findings are objective, promote certainty in the planning and approval process.	DSD	General Fund	Within one year of Housing Element adoption
B-4	Development Standards Review and Revision	Study and revise development standards in multi-family districts to facilitate the development of properties at their maximum densities. Specifically amend: Minimum Parking Standards Height Limits Lot Coverage (Elderly and Disabled Housing) ADA Unit Location Requirements (Elderly and Disabled Housing)	DSD	General Fund	Within three years of Housing Element Adoption
B-5	Efficiency Units and Minimum Unit Sizes	Amend the Zoning Ordinance to revise the minimum required unit area for multi- family units. Ensure that provisions for efficiency units are consistent with AB 352 (2017).	DSD	General Fund	Within three years of Housing Element Adoption
B-7	ADU Ordinance Update to Meet State Law	Amend the Zoning Ordinance to address multiple changes to state law regarding ADUs (including AB 587, AB 671, AB 68, and SB 13). Monitor state law on an annual basis and revise the Zoning Ordinance as appropriate.	DSD	General Fund	Within one year of Housing Element adoption, and annually thereafter
B-8	Preapproved ADU Plans	Create and make available to the public a set of Preapproved Plans for ADUs to facilitate production and ADUs available to lower-income households by reducing costs to applicants.	DSD	General Fund LEAP Grant	Within three years of Housing Element adoption

Number	Title	Action	Responsible Party	Funding Source	Timeline
B-9	Utility Availability	Continue to expand the reach of water and wastewater services to North Needles	PWD	General Fund, Grant funding	June 30, 2023
B-10	Public Fees, Standards, and Plans Online	Pursuant to AB 1483, the City will compile all development standards, plans, fees, and nexus studies in an easily accessible online location. The City will update its zoning and general plan maps to provide a high quality, parcel-specific reference.	DSD	General Fund	Within three months of Housing Element adoption
B-11	By-Right Projects	Encourage the construction of developments on sites that allow housing without discretionary review to meet the City's RHNA for the different income categories.	DSD	General Fund	Upon adoption of the Housing Element
		For vacant sites used in two previous housing element cycles, the City will allow ministerial review for a project that provides 20% lower-income units.			
B-12	Roadway Widening and Dedication Relief	Identify which substandard streets and alleys contain fire hydrants, utility poles, catch basins and similar impediments, the relocation of which would otherwise cause a development to be economically infeasible, and prepare a code amendment providing relief from dedication requirements under those situations.	DSD	General Fund	Within three years of Housing Element adoption

C. Housing Preservation and Improvement

Number	Title	Action	Responsible Party	Funding Source	Timeline
C-1	Energy and Resource Conservation Program	 The City shall work to establish the Owner-of-Home Alternative Energy and Resource Conservation Program. The Program shall: Encourage and provide homeowners with an incentive reimbursement for the installation of photovoltaic (PV) solar paneling, solar water heating systems and appliances certified under the Leadership in Energy and Environmental Design (LEED). Provide pamphlet literature of this program and shall be made available for new arrival and existing residents at the City Hall, the City's website, the City of Needles Library and at Community-Held Events. Establish educational training program workshops directed towards teaching homeowners how to install and of the cost-efficient advantages of installing PV solar paneling and heating systems and LEED appliances. 	DSD, PWD	General Fund	Upon adoption of the Housing Element
C-2	California Building Code	Adopt the most recent version of the California Building Code	DSD / Building Department	General Fund	June 30, 2022
C-3	Preservation of At-Risk Housing	 Implement strategies to reduce the potential conversion to market rate of the 234 assisted affordable housing units in Needles during the current planning period. None of the assisted units are considered at risk. However, 	DSD, Housing Authority	General Fund	Revision of zoning code by June 2022 to require notification by

Number	Title	Action	Responsible Party	Funding Source	Timeline
		 the City will implement the following strategies to comply with state law (Assembly Bill 1521): Monitoring project status annually. Notify property owners annually about compliance with the extended noticing requirement (three year, one-year, and 6 month Notice of Intent) under state law. Include preservation as an eligible use in Notices of Funding Availability. If below-market rate units appear to be at risk of conversion, work with qualified operators, HCD, and the property owners to preserve the housing for lower-income households. Per state law, owners of deed-restricted affordable projects are required to provide notice of restrictions that are expiring after January 1, 2021, to all prospective tenants, existing tenants, and the City within three years, one year, and six months (three separate times) of the scheduled expiration of rental restrictions. Owners shall also refer tenants of at-risk units to educational resources regarding tenant rights and conversion procedures and information regarding Housing Choice Voucher rent subsidies and any other affordable housing opportunities in the City. If a development is offered for sale, HCD must certify persons or entities that are eligible to purchase the development and to receive notice of the pending sale. Placement on the eligibility list will be based on experience with affordable housing. 			owners consistent with state law; ongoing communication with owners, service providers, and eligible potential purchasers.
C-4	CDBG Allocations	 When allocating CDGB funding, consider use of the funds for at-risk units, if and when it becomes necessary. 	DSD	CDBG	Ongoing, annual CDBG allocation
C-5	Displacement Prevention Ordinance	 Pursuant to SB 330, ensure that when existing housing is demolished, at least an equivalent number of units at the same affordability are created as replacements. 	DSD	General Fund	Ongoing, as needed
C-6	Enhanced Code Enforcement	• The City's Code Enforcement officials will continue to investigate potential code violations, and work with property owners to resolve violations or unsafe conditions. As a part of the enhanced code enforcement program, community representatives will notify them of tenants' rights, and provide assistance in resolving the code violation.	Code Enforcement	General Fund	Ongoing
C-7	Neighborhood Preservation Program	 Focus CDBG funding on deteriorating or dilapidated areas throughout the City to preserve and improve the City's environmental quality. 	DSD	CDBG	Annually
C-8	Preservation and Rehabilitation of Housing Stock	 Coordinate with the Housing Authority to develop guidelines for the funding of low interest loans and grant assistance, and to act as a conduit for housing funds to leverage in the creation of new affordable housing. 	DSD, Housing Authority	State and Federal Grants (CDBG), San	Establish the program and initiate outreach by December 2022.

Number	Title	Action	Responsible Party	Funding Source	Timeline
	Comprehensive Program	 Continue to maintain the Low and Moderate Income Housing Asset Fund (LMIHAF) for the preservation of existing affordable housing through established rehabilitation and landscaping protocol through the adopted Neighborhood Beautification Program. As a component of the Neighborhood Beautification Program, the City will promote the expanded participation of local landlords in rental housing rehabilitation programs. The City will disseminate the City's rehabilitation grant program brochures on the City website, at community meetings, at school sites, at City- sponsored Board meetings, Planning Commission meetings, developer meetings, at off-site meetings promoting economic development within the City, and in the City Hall lobby area. 		Bernardino County, General Fund (LMIHAF),	Enroll 8 landlords in the Housing Rehabilitation Program. Rehabilitate at least 5 homes in the planning period.

D. Housing Assistance

Number	Title	Action	Responsible Party	Funding Source	Timeline
D-1	Housing Choice Vouchers	 Continue to assist eligible, low-income households in receiving Housing Choice Voucher assistance. Market housing vouchers and inform landlords that discrimination based on source of income (including vouchers) is prohibited. 	DSD	LIHTC CalCHA bonds CHFA HOME	Continuous and ongoing
D-2	Affordable Housing and Services Funds. Funding strategies for affordable housing and supportive services includes	 Issue Notice of Funding Availability (NOFA) in an equitable manner for affordable housing development, acquisition, rehabilitation, and/or supportive services. Pursue funding sources for affordable housing through LIHTC, CalCHA bonds, CHFA, HOME Investment Partnership Program, etc. for affordable housing. 	DSD	LIHTC CalCHA bonds CHFA HOME	Continuous and ongoing
D-3	Landlord - Tenant Mediation	 Continue to contract with a fair housing specialist to provide fair housing and landlord/tenant mediation services. Distribute information about these services to tenants through a variety of media and online outlets, namely the City website and paper materials at the Civic Center. 	DSD	Fair Housing Specialist General Fund	Continuous and ongoing

E. Special Housing Needs

Number	Title	Action	Responsible Party	Funding Source	Timeline
E-1	Fair Housing Education and Counseling	 Provide education and literature on fair housing, resolving disputes; providing Health, Safety and Building referrals; distributing landlord/tenant guidebooks printed by the Department of Consumer Affairs; provide Housing Choice Voucher Assistance referrals; providing counseling and resolution of housing discrimination complaints. 	DSD, Fair Housing service provider	General Fund, CDBG	Continuous and ongoing
E-2	Housing for the Elderly and Persons of Disabilities Program	 Allow housing for the elderly, disabled, and developmentally disabled with reduced and flexible development standards. Amend the Zoning Ordinance to allow licensed adult care facilities by right. Review CUP standards for residential care facilities to ensure that the standards are objective and focused on protecting the health, safety, and welfare of the residents of these facilities. 	DSD	General Fund	Within one year of Housing Element adoption
E-3	Farmworker Housing	• The City shall review its zoning code to determine whether updates to zoning are needed to comply with the state Employee Housing Act (Health and Safety Code Sections 17021.5 and 17021.6). The Act calls for the zoning ordinance to treat employee housing (including farmworker housing) that serves six or fewer persons as a single-family structure and permitted in the same manner as other single-family structures of the same type in the same zone (Section 17021.5). The zoning ordinance must also treat employee housing consisting of no more than 12 units or 36 beds as an agricultural use and permitted in the same manner as other agricultural uses in the same zone (Section 17021.6) in zones where agricultural uses are permitted.	DSD	General Fund	Within two years of Housing Element Adoption
E-4	Emergency Shelters	 Amend the Zoning Ordinance to modify the parking requirements for emergency shelters to ensure that they are only based on the number of staff. Amend the emergency shelters code to ensure that shelters are not subject to standards that do not apply to other uses in the same zone, including but not limited to a 500 foot residential buffer. 	DSD	General Fund	Within one year of Housing Element adoption
E-5	Low Barrier Navigation Centers	 Pursuant to SB 48, amend the Zoning Ordinance to establish provisions for low-barrier navigation centers (LBNCs). Allow LBNCs that meet specific objective requirements by-right in areas zoned for mixed-uses. 	DSD	General Fund	Within one year of Housing Element adoption
E-6	Transitional and Supportive Housing	 Pursuant to AB 2162 and AB 2988, supportive housing meeting certain criteria must be permitted by-right where residential uses are permitted, including mixed-use and nonresidential zones. Review AB 2162 and amend Zoning Ordinance to ensure compliance. 	DSD	General Fund	Within one year of Housing Element adoption

Number	Title	Action	Responsible Party	Funding Source	Timeline
E-7	Residential Care	 Update its code to expressly permit the development of residential care facilities (6 or fewer residents) in residential zones. Adopt objective standards for residential care homes with 7 or more individuals in residential zones. 	DSD	General Fund	Within one year of Housing Element Adoption
E-8	Priority Water and Sewer Service for Affordable Housing Developments	 Pursuant to Government Code 65589.7, work with public service providers to ensure prioritization of services to housing developments serving lower-income households. 	DSD, PWD, Utilities	General Plan	Within one year of Housing Element adoption

F. Affirmatively Furthering Fair Housing

Number	Title	Action	Responsible Party	Funding Source	Timeline
F-1	Place-Based Community Improvements - Park Renovations	• Develop programs and strategies to create place-based investments in areas of concentrated segregation and poverty, including investments in infrastructure, services, etc. that contribute to community revitalization. Focus investments and programs in south Needles to facilitate revitalization and healthy living conditions.	DSD PWD	CDBG General Fund CalOES Grants	Within six years of Housing Element adoption.
F-3	Analysis of Impediments Programs	 Implement programs identified in the 2020-2024 County Analysis of Impediments. Improve housing mobility by providing homeowner assistance, incentives for affordable housing development, coordinating with local lenders to expand mortgage access. Provide fair housing services to tenants, and continually investigate potential violations of fair housing law. 	DSD Fair Housing Specialist	CDBG General Fund	Continuous and on- going
F-4	Environmental Justice and Expanded Access to Opportunity	 Adopt and implement a new Environmental Justice Element in the General Plan. Through the Environmental Justice Element, address areas with disproportionate pollution and health impacts and facilitate healthy living conditions for Needles residents. In particular, use the Environmental Justice Element to create targeted investments and improve health in south Needles. 	DSD	General Fund Leap Funds	Within two years of Housing Element adoption.
F-5	Fair Housing Outreach and Enforcement	 Provide fair housing enforcement, landlord-tenant mediation, and fair housing information to residents and property owners. Advertise the City's fair housing specialist as a resource to resolve disputes and reports of discrimination. Increase outreach in east Needles, an area identified as having disproportionate housing needs. 	DSD Fair Housing Specialist	General Fund	Continuous and on- going
F-6	Transit Improvements Program	 Provide housing projections and other information so that Needles Area Transit (NAT) continues to provide needed transportation services to Needles. 	DSD PWD	General Fund	Continuous and on- going

G. Public Education

Number	Title	Action	Responsible Party	Funding Source	Timeline
G-1	Housing Information	 Continue to improve and expand the use of the various media to inform and promote the use of Needles's housing programs to its residents and developers by creating a dedicated webpage on the City's website. 	DSD	General Fund	Establish webpage within one year of Housing Element adoption; On-going and continuous publishing of information in the digital magazine
G-2	ADU Education	 Develop and implement a comprehensive marketing program to advertise the ability of homeowners to create ADUs. 	DSD	General Fund	Develop marketing plan within one year of Housing Element adoption; implement marketing program within two years of Housing Element adoption
G-3	Source of Income Protection	 Coordinate with the Housing Authority to conduct outreach to inform landlords and tenants of recent changes to state law that prevent source of income discrimination. Ensure that it is known that HCVs are allowed to establish a renter's financial eligibility. 	DSD Housing Authority	General Fund	Continuous and on- going
G-4	Energy Cost Savings	 Develop a program to assist residents in identifying areas in their home, or practices, that waste energy. 	Utility Department	General Fund	Develop program by December 2023
G-5	Incentives to Build Housing	 Disseminate brochures outlining information about available incentives and distribute them to contractors, developers, real estate and contractors boards, and public and private agencies. The City has regular participation at community meetings, as well as meetings with developers, construction vendors, and visitors, and distributes information via flyers, pamphlets, and bound books on programs that have been implemented or are in the process of being developed, properties that have completed the code abatement process and are available for receivership, rehabilitation, etc. City staff also participates in off-site meetings related to economic development activity in the City and provides written information to anyone attending these events. The information is also made available on the City's website, as well as in the lobby of City Hall. 	DSD	General Fund	The City will initiate at least two of the meetings described in the program per year and will update brochures at least twice during the planning period.

Appendices

Appendix A: Fair Housing Assessment

1.0 INTRODUCTION AND OVERVIEW OF AB 686

On July 16, 2014, the United States Department of Housing and Urban Development (HUD) released the Affirmatively Further Fair Housing (AFFH) Final Rule, which required HUD program participants to develop an Assessment of Fair Housing (AFH). An AFH includes robust community input, an analysis of housing data, and identification of fair housing issues and contributing factors to set fair housing priorities and goals. In 2018, HUD reversed the 2015 AFFH rule, which prompted the California legislature to pass Assembly Bill (AB) 686. AB 686 established new fair housing guidelines that require all California jurisdictions (counties and cities) to ensure that local laws, programs, and activities affirmatively further fair housing.

Under California state law, affirmatively furthering fair housing means "taking meaningful actions, in addition to combatting discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics" (Government Code Section 8899.50). These characteristics can include, but are not limited to, race, religion, sex, marital status, ancestry, national origin, color, sexual orientation, gender identity and gender expression, medical condition, source of income, genetic information, or physical or developmental disability.

This AFH has been prepared to assist the City of Needles (City) in planning and implementing fair housing goals to comply with AB 686 and affirmatively further fair housing. This report includes a high-level analysis of the fair housing issues within the City; specifically, it includes an analysis of fair housing enforcement actions and outreach, integration and segregation patterns between different protected groups (including race/ethnicity, income, familial status, and disability), racially or ethnically concentrated areas of poverty (R/ECAPs), disparities in access to opportunity (including education, employment, transportation, and environmental health), and disproportionate housing needs (including cost burden, overcrowding, substandard housing, homelessness, and displacement). This AFH also identifies contributing factors that lead to fair housing issues and identifies housing element programs to address them.

Additionally, the report utilizes community feedback from the City's prior housing element and the San Bernardino County Analysis of Impediments (AI) to Fair Housing Choice to add regional context and local knowledge to the analysis. The AI is a planning process for local governments and public housing agencies to take meaningful actions to overcome historical patterns of segregation, promote fair housing choice, and foster inclusive communities that are free from discrimination. The City of Needles participated in the community engagement process for, and the preparation of, the *San Bernardino County Analysis of Impediments to Fair Housing Choice Program Years 2020-2025* (dated April 21, 2020) as a participating agency. A detailed account of the community engagement component is provided in Section 2.1, *Fair Housing Enforcement and Outreach Capacity*, below.

This report also makes reference to regional AFFH data collected and distributed by the San Bernardino County Transportation Authority. The following are selected goals from the regional AFFH that have relevancy to Needles:

- 1. Pursue grant funding to build affordable housing.
- 2. Adopt rental protections and control.
- 3. Connect residents to programming to increase homeownership (e.g., first-time homebuyer programs, down-payment assistance).
- 4. Sweat equity people help build their own houses over a time period of 2-3 years;
- 5. Provide opportunities for alternative building practices (e.g., straw housing, mini housing, etc.)
- 6. Adopt a vacancy tax on all unoccupied rental units;
- 7. Adopt an inclusionary housing ordinance;

SITES OVERVIEW

The AFFH section also considers the effects that the RHNA sites may have on fair housing. The sites inventory for the City contains 66 vacant sites selected based on their proximity to infrastructure including sewer and potable water, proximity to resources, and readiness to be developed. As the sites are all vacant, they are not expected to cause any adverse impact on fair housing concerns.

The RHNA sites are all located in the central portion of the City. No sites were identified in the northern portion of the City as there is currently no sewer service infrastructure available. Needles has ample land capacity for growth. There are only two census tracts in Needles. As such , Needles has little geographic variation throughout in regards to fair housing concerns. Rather, the fair housing concerns in Needles affect the City as a whole.

2.0 ASSESSMENT OF FAIR HOUSING ISSUES

2.1 FAIR HOUSING ENFORCEMENT AND OUTREACH CAPACITY

Assistance in the enforcement of fair housing law is carried out through HUD's Office of Fair Housing and Equal Opportunity (FHEO), the California Department of Fair Employment and Housing (DFEH), and other fair housing service organizations working to assist and protect households from discrimination through education and legal assistance. The Inland Fair Housing and Mediation Board (IFHMB) is the fair housing service provider serving the County of San Bernardino and cities in the region, including the City of Needles. The FHEO, DFEH, and IFHMB investigate complaints from households claiming discrimination. The City is also served by its own fair housing services provider, the Needles Housing Authority.

The FHEO and DFEH provide the quantity and types of fair housing complaints filed for each of its participating jurisdictions. Existing complaint data available for the 2015 to 2020 time period indicates that no complaints have been filed specifically within the City of Needles.

As discussed in the "Public Participation" section of the Housing Element update (HEU), the City held two community workshops on July 21, 2021, and on July 28, 2021, at 1111 Baily Avenue in the City of Needles. The purpose of the workshops was to engage the community and give residents the opportunity to provide input on the unmet housing needs in Needles. The following themes emerged from the discussion:

- The inability to purchase a home in the City.
- Substandard quality of homes within the City.
- Lack of access to nearby grocery stores.
- Not enough available housing, short in supply of housing and immediately sold when houses come on the market.
- Median price for home as shown on Zillow.com appears skewed too high in price.
- Employment concerns. Difficulty in finding or hiring teachers at Needles schools due to unavailability of affordable, desirable housing within the City.
- Most people who have jobs in Needles are moving to Arizona (i.e., Bullhead City).

In addition, during previous community engagement efforts conducted for the AI for which the City was a participating agency, the following input was received from the community in Needles relative to impediments to fair housing choice:

- Needles needs better access to groceries. Currently a 50-minute round-trip to a grocery store.
- Huge need for affordable housing, and rental housing in particular (current wait lists are about 6-9 months). But before trying to locate more Section 8 housing city, there needs to be some consideration of the existing gaps in mental health and human services that would only be exacerbated with an increase in lower-income residents.
- Landlords will rent to the first person who qualifies; no regard for anyone's background.
- If a fair housing concern was raised, the best referral would be to the Inland Fair Housing and Mediation Board (IFHMB). But it is seldom that an issue is alleged.

- Public investment in local resources is pretty equal. If Council hears of or knows about a need, they will address it.
- Council members all serve citywide, so no particular interest in any one neighborhood over another.
- Anyone can address Council directly at regular City Council meetings.
- The City and School System work well together. The community puts children first.

2.2 INTEGRATION AND SEGREGATION

This section analyzes patterns of segregation by racial/ethnic groups, income, familial status, and persons with disabilities, and how they have changed over time. It also identifies areas with high levels of segregation. Indicators for both the City of Needles and the County of San Bernardino overall have been included as a basis of comparison. It should be noted that the City falls within the "North Desert" subregion of San Bernardino County, which is one of six identified subregions, i.e., East Valley, West Valley, High Desert, North Desert, Mountain, and Morongo Basin.

According to the San Bernardino County AI, population distribution patterns in certain municipalities throughout the County (specifically, Big Bear Lake, Yucca Valley, Joshua Tree, Twentynine Palms, Yucaipa, and Needles) indicate an overrepresentation and concentration of White residents compared to other parts of the County. These areas all had White population shares of 60 percent or more in 2010, indicating a higher level of segregation, whereas other municipalities (specifically, Adelanto, Colton, and Montclair) had White population shares under 20 percent, indicating a lower level of segregation. The White population share in San Bernardino County overall fell from 2000 to 2010, and population shares in each municipality declined as well. However, two areas—Needles and Twentynine Palms—had consistently large White population shares, showing little decline over the decade.⁴

2.2.1 Race/Ethnicity

The racial/ethnic distribution in the City and the County for years 2010 and 2019 are shown in Table A-1. The most substantial increase in the City's population between 2010 and 2019 was the population identifying as "two or more race, non-Hispanic" with an increase from 40 to 137 people (243 percent). There was a moderate increase in the Hispanic population from 751 to 947 people (26 percent). All other race/ethnicity categories— White, Black, American Indian/Alaskan Native, Asian, and Native Hawaiian/Other Pacific Islander—experienced a decrease in population, ranging from a low of a 4 percent decrease (White, non-Hispanic) to a high of a 100 percent decrease (Native Hawaiian/Other Pacific Islander). Of note, the City had a minor increase in its total population of 1 percent from 2010 to 2019, specifically, from 4,938 residents to 4,965 residents.

In comparison, the County overall saw decreases in the White population from 695,292 to 613,066 people (12 percent) and the Black population from 170,492 to 169,340 people (1 percent) from 2010 to 2019. The American Indian/Alaskan Native population remained static at 0 percent (from 7,821 to 7,783 people). The Asian, Native Hawaiian/Pacific Islander, and Hispanic populations all increased from 2010 to 2019. Specifically, the Asian population increased from 120,343 to 150,165 people (25 percent); the Native Hawaiian/Pacific

⁴ San Bernardino County. 2020. San Bernardino County Analysis of Impediments to Fair Housing Choice.

Islander population increased from 5,417 to 6,160 people (14 percent), and the Hispanic population increased from 960,138 to 1,145,874 people (19 percent).

Race/Ethnicity	2010	2019	Percent Change
City of Needles			
Total Population	4,938	4,965	1%
White, non-Hispanic	3,447	3,306	-4%
Black, non-Hispanic	180	145	-19%
American Indian and Alaskan Native, non-Hispanic	452	406	-10%
Asian, non-Hispanic	60	24	-60%
Native Hawaiian and Other Pacific Islander, non-Hispanic	8	0	-100%
Some other race alone, non-Hispanic	-	-	-
Two or more race, non-Hispanic	40	137	243%
Hispanic	751	947	26%
County of San Bernardino			
Total Population	2,005,287	2,149,031	7%
White, non-Hispanic	695,292	613,066	-12%
Black, non-Hispanic	170,492	169,340	-1%
American Indian and Alaskan Native, non-Hispanic	7,821	7,783	0%
Asian, non-Hispanic	120,343	150,165	25%
Native Hawaiian and Other Pacific Islander, non-Hispanic	5,417	6,160	14%
Some other race alone, non-Hispanic	5,715	3,624	-37%
Two or more race, non-Hispanic	40,069	53,019	32%
Hispanic	960,138	1,145,874	19%

Table A-1: Race/Ethnicity, 2010-2019

Source: 2013 and 2019 American Community Survey 5-Year Estimates; U.S. Census Bureau, Table B03002

In addition, a predominant racial/ethnic majority map for the City for the current year (2021) obtained from the HUD AFFH Tool is provided in Figure A-1 below. As shown in this figure, this demographic map reflects only a White majority population defined as "sizeable" (a gap of 10 to 50 percent), with no other ethnic/racial predominance within the City.

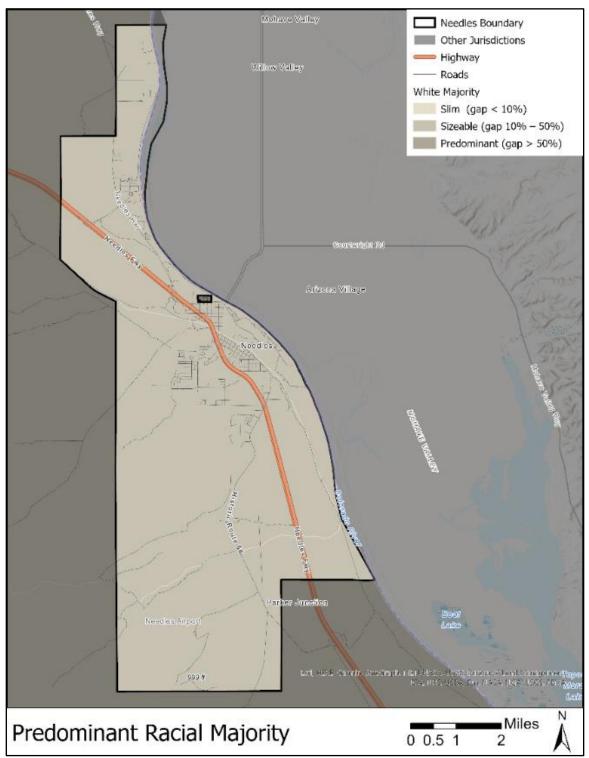
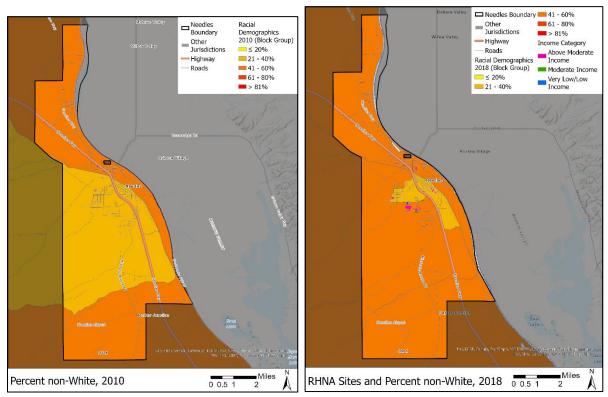
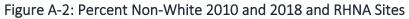


Figure A-1: Predominant Race/Ethnicity, 2010

Figure A-2 shows the RHNA sites by income level and their distribution throughout the City in comparison to distribution of the non-White population. From 2010 to 2018, the non-White population in Needles increased in the central City, though there remains little variation throughout the City. The central areas of the City are 38 and 35 percent non-White, close to the adjacent western block group that is 40 percent non-White. All sites are in or around the area with the lowest percent of the population that is non-White. The RHNA sites will likely not cause any disproportionate concentrations of any ethnicity.





Source: AFFH Data Viewer

Racial/Ethnic Dissimilarity Index

The Dissimilarity Index, or DI, is an indicator that measures segregation across a defined geographic boundary. Level of segregation is determined by assessing what percentage of residents of a census block would have to move for each block to have the exact same population of said group. An increase in DI means an increase in segregation. The DI ranges from 0 to 100, where 0 is perfect integration and 100 is complete segregation. It is important to note that the DI provided by HUD uses non-Hispanic White residents as the primary comparison group. Consequently, for the purposes of this report, the DI values compare racial and ethnic groups against the distribution of non-Hispanic White residents. To find this data index online, go to: https://egis.hud.gov/affht/.

DI values are grouped in the following categories:

• 0 and 39 = low segregation

- 40 and 54 = moderate segregation
- 55 and 100 = high segregation

Table A-2 below, shows the DI for the City and the County from 2013 to 2019. Highlighted cells represent high levels of segregation. The City had a low level of segregation in 2013 between the White population and all racial/ethnic categories, except for the Black population, with DI values ranging from a low of 8.89 (Hispanic) to a high of 30.53 (Asian). There was a high level of segregation (DI = 72.52) between the White population and the Black population. However, this indicator was reduced to a moderate level in 2019 with a DI value of 43.90. In 2019, the DI value between the White and Asian population remained at a moderate level (increasing slightly from 30.53 to 39.87), and the DI value between the White and Hispanic population increased from 8.89 to 32.56, representing the largest DI increase. However, this indicator remained at a low level from 2013 to 2019.

In comparison with San Bernardino County, the City tends to have lower segregation levels, although the County did not have any segregation levels considered to be high in either 2013 or 2019. All DI values in the County fell into the moderate category with the lowest DI being 40.93 in 2013 between the White population and the Non-White, non-Hispanic population group, and the highest DI being 54.69 in 2013 between the White and Asian populations. Of note, all DI values decreased slightly from 2013 to 2019 (with the exception of the slight DI increase of 0.77 between the White and Black populations), indicating a slight decrease in segregation Countywide.

Race/Ethnicity	2013	2019	Change
City of Needles			
Non-White, non-Hispanic and Hispanic/White, non-Hispanic	18.92	26.42	7.50
Hispanic/White, non-Hispanic	8.89	32.56	23.67
Black, non-Hispanic/White, non-Hispanic	72.52	43.90	-28.62
Asian, non-Hispanic/White, non-Hispanic	30.53	39.87	9.34
County of San Bernardino			
Non-White, non-Hispanic and Hispanic/White, non-Hispanic	42.80	40.93	-1.87
Hispanic/White, non-Hispanic	46.70	44.90	-1.80
Black, non-Hispanic/White, non-Hispanic	52.75	53.52	0.77
Asian, non-Hispanic/White, non-Hispanic	54.69	52.96	-1.73

Table A-2: Racial/Ethnic Dissimilarity, 2013–2019

Source: 2013 and 2019 American Community Survey 5-Year Estimates; U.S. Census Bureau, Table B03002.

2.2.2 Income

Table A-3 below, shows the median income for the City and County from 2010 to 2019. The median income in the City increased 8 percent from \$31,226 in 2010 to \$33,717 in 2019. The median income in the County overall increased 13 percent from \$55,845 in 2010 to \$63,362 in 2019. An approximately 5 percent difference in the increase of the median income between the City and County occurred during these years. Additionally, the County continues to have a moderately higher median income than the City, with a nearly \$30,000 difference, in 2019.

Table A-3: Median Income, 2010–2019

	2010	2019	Change
City of Needles	\$31,226	\$33,717	8%
County of San Bernardino	\$55,845	\$63 <i>,</i> 362	13%

Source: 2010 and 2019 American Community Survey, 5-Year Estimates; US Census Bureau, Table S1901.

Figure A-3, displays the percent of the population in each block group that is low-moderate income and the distribution of RHNA sites by income level. There is little variation across Needles of low-moderate income population, with the entire City having greater than 50 percent of the population low-moderate income. The low and moderate income sites are not located in the area of the City with the highest low-moderate income population, east of the I-40. The dispersion of sites is not expected in increase any concentration of low-moderate population in Needles.

Figure A-4 and Figure A-5 display the poverty status and median income in Needles from 2010 – 2014 and 20150 – 2019, respectively. The level of poverty in Needles stayed constant over the time period. As a basis of comparison, according to HCD, the state median income in 2014 and 2019 was \$71,400 and \$87,100, respectively. As shown in these figures, the entire City was identified as being located in an area with a median income of \$40,000 or less in 2014. In 2019, most of the City was identified as being located in an area with a median income of \$55,000 or less, with a small portion of the City along its southern boundary located in the \$30,000 or less category. Both sets of data indicate the median income in the City falls well below the state median incomes of \$71,400 in 2014 and \$87,100 in 2019.

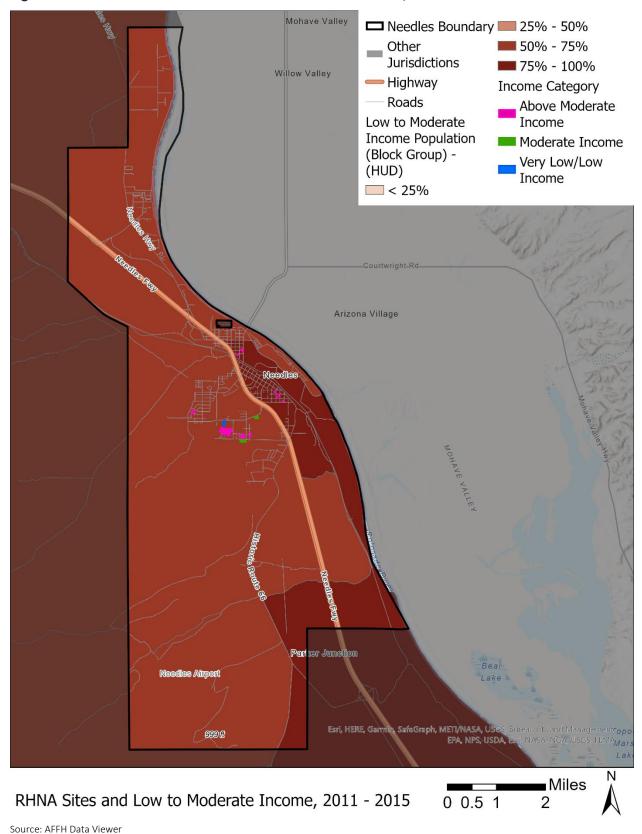
Income Dissimilarity Index

Table A-4, *Income Dissimilarity*, below, shows the income DI for the City and County from year 2017. The City falls within the "low segregation" category for income dissimilarity with a DI of 31.15 (refer to Section 2.2.1, *Race/Ethnicity* above, for categorization of DI values). The County also falls within the "low segregation" category for income dissimilarity with a DI of 38.42. The DI differential between the City and County is 7.27.

Table A-4: Income Dissimilarity, 2017

	Low and Moderate Income/Above Moderate Income
City of Needles	31.15
County of San Bernardino	38.42

Source: US Department of Housing and Urban Development, accessed July 9, 2021, <u>https://www.hudexchange.info/programs/acs-low-mod-summary-data</u>.





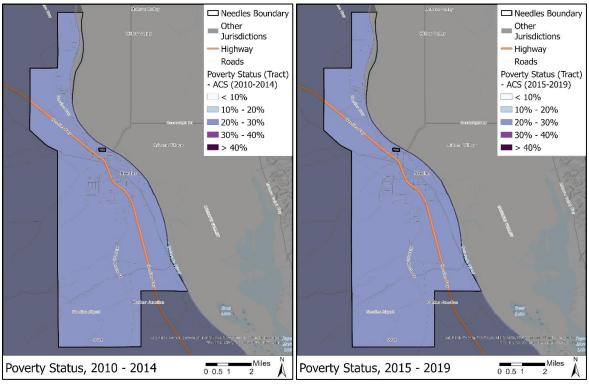
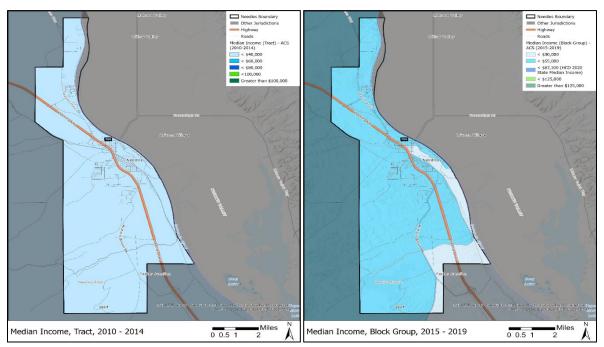


Figure A-4: Poverty Status, 2010 – 2014 and 2015–2019

Source: AFFH Data Viewer

Figure A-5: Median Income, 2010–2014, 2015-2019



2.2.3 Familial Status

Familial status refers to the presence of children under the age of 18 and the marital status of the head of households. Single-parent households are protected by fair housing law. In addition, female-headed households with children tend to require special consideration and assistance because of a greater need for affordable housing and accessible day care, health care, and other supportive services.

Table A-5 below, shows the number and percentage increase from 2010 to 2019 in the City and the County of households with children and single-parent households. As shown in Table A-5, the City experienced a moderate 11 percent increase in the number of households with children from 536 to 595 households. However, there was a slight decrease of 2 percent in the number of single-parent households from 258 to 254 households. Similarly, the County had a moderate 9 percent increase in the number of households with children from 243,880 to 266,636 households from 2010 to 2019. The County also had a decrease —although a more substantial decrease than the City—of 30 percent in the number of single-parent households from 74,789 to 52,232 households from 2010 to 2019.

Table A-5: Familial Status, 2010–2019

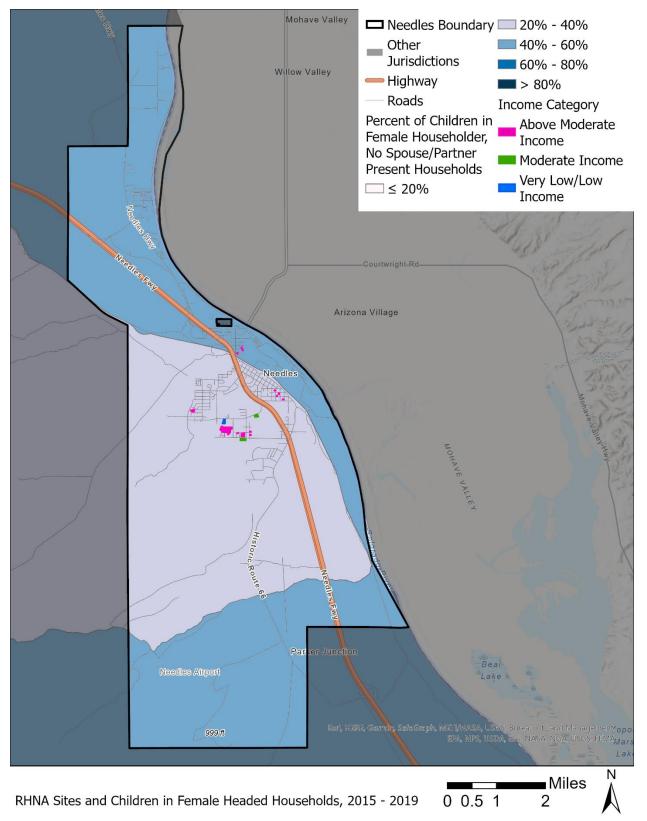
Jurisdiction	Familial Status	2010	2019	Change
City of Needles	Households with Children	536	595	11%
City of Needles	Single-Parent Households	258	254	-2%
County of San	Households with Children	243,880	266,636	9%
Bernardino	Single-Parent Households	74,789	52,232	-30%

Source: 2010 and 2019 American Community Survey 5-Year Estimates; US Census Bureau, Table DP05.

In addition, familial status maps for the City for year 2021 obtained from the HUD AFFH Tool are provided in Figure A-6 and Figure A-7. As shown in Figure A-6, the City has a fairly even proportion of the low and moderate categories that include children living in homes with female householders. The majority of the central portion of the City contains a 20 to 40 percent incidence of such households, whereas the northern and southern areas of the City tend to have a higher percentage of such households in the 40 to 60 percent category. Almost all RHNA sites are located in the area where 32.3% of children are in female-headed households, while a select few above moderate sites are in a tract where 49.6% of children are in female-headed households.

As shown in Figure A-7, the entirety of the City falls within the 20 to 40 percent category of children living in married couple households, which is considered to be a low incidence of such households.

Figure A-6: RHNA Sites and Percent of Children in Female Householder, No Spouse/Partner Present Households, 2019



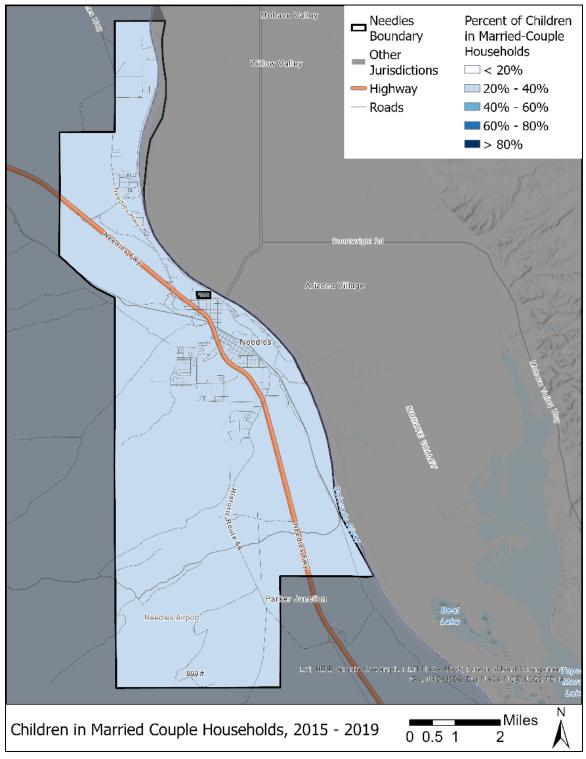


Figure A-7: Percent of Children in Married-Couple Households, 2015 – 2019

2.2.4 Persons with Disabilities

Table A-6 shows the number and percentage increase in the City and County from 2012 to 2019 of persons with disabilities. As shown in Table A-6, the City has experienced a 15 percent increase in the number of persons with a disability from 2012 to 2019, whereas the County's increase was approximately 8 percent. The most substantial increase in disability type in the City was in persons with a vision difficulty with a 71 percent increase, compared to the County's increase at 6 percent. The increase in cognitive, ambulatory, and independent living difficulties between the City and County were similar, ranging in between 6 and 7 percent, with a decrease of 6 percent in the City for those with an independent living difficulty. However, there was a substantial decrease in the population living with a self-care difficulty in the City of 51 percent, whereas there was a slight increase in the same population in the County of 3 percent.

The City recently adopted a reasonable accommodations procedure in 2019.

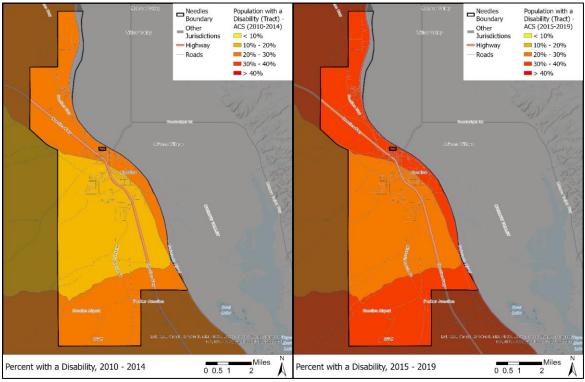
Туре	2012	2019	Change	
City of Needles	·			
Persons with Disability	1,103	1,272	15%	
Percent of Population with Disability	22.6%	25.6%		
Hearing Difficulty	236	238	1%	
Vision Difficulty	130	222	71%	
Cognitive Disability	397	421	6%	
Ambulatory Difficulty	814	818	6%	
Self-Care Difficulty	303	148	-51%	
Independent Living Difficulty	506	478	-6%	
County of San Bernardino				
Persons with Disability	214,146	230,644	8%	
Percent of Population with Disability	10.7%	10.9%		
Hearing Difficulty	54,500	60,022	10%	
Vision Difficulty	42,864	45,431	6%	
Cognitive Disability	83,514	88,556	6%	
Ambulatory Difficulty	115,033	122,915	7%	
Self-Care Difficulty	49,134	50,608	3%	
Independent Living Difficulty	81,362	86,420	6%	

Table A-6: Disability Status, 2012–2019

Source: 2012 and 2019 American Community Survey 5-Year Estimates US Census Bureau, Table S1810.

In addition, disability status maps for the City for years 2014 and 2019 obtained from the HUD AFFH Tool are provided in Figure A-8. The percentage of the population with a disability has increased throughout the City from 2014 to 2019. In 2014, the same portion of the City that fell within the 10 to 20 percent category changed to the 20 to 30 percent category in 2019. The portion of the City that fell within the 20 to 30 percent category at 30.6 percent.

The RHNA sites are not expected to cause any concentration of persons with disability as it is roughly even throughout the City. RHNA sites are located in close proximity to social and healthcare services in Needles.





2.3 RACIALLY AND ETHNICALLY CONCENTRATED AREAS OF POVERTY (R/ECAPS) AND RACIALLY CONCENTRATED AREAS OF AFFLUENCE (RCAAS)

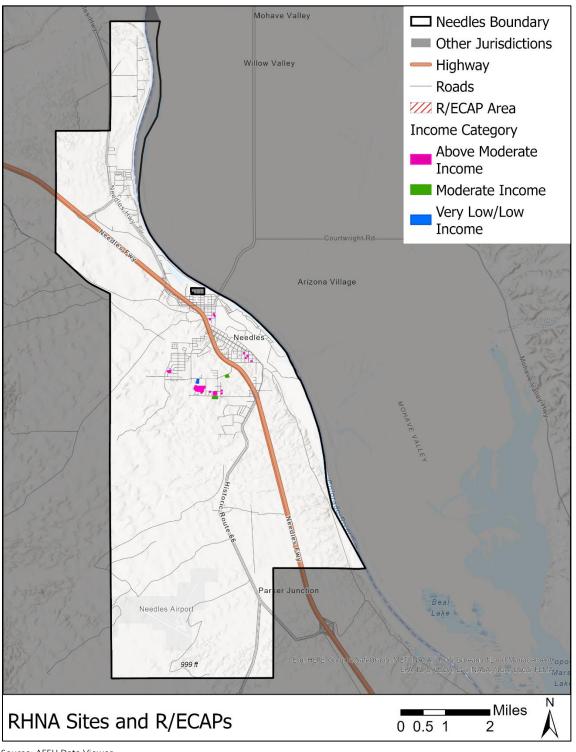
This section identifies areas considered to be racially/ethnically concentrated areas of poverty (R/ECAPs) and racially concentrated areas of affluence (RCAAs). Indicators for both the City of Needles and the County of San Bernardino overall have been included as a basis of comparison.

As there are no R/ECAPs or RCAAs in the City, no sites are located within a R/ECAP or RCAA. Sites are not expected to contribute to the creation of a R/ECAP or RCAA.

2.3.1 Racially and Ethnically Concentrated Areas of Poverty (R/ECAPs)

In order to identify R/ECAPs, HUD has identified census tracts with a majority non-White population (greater than 50 percent) and with a poverty rate that exceeds 40 percent or is three times the average census tract poverty rate for the metro/micro area, whichever threshold is lower. Regionally, within San Bernardino County, nine census tracts are currently designated as R/ECAPs, which combined contain 34,661 people, accounting for about 5 percent of the County's total population. Latino residents constitute the majority (57.5 percent) of the population in R/ECAP communities. These R/ECAPs are concentrated in the southwest quadrant of the County (including in the cities of Victorville, San Bernardino, Ontario and Fontana): one census tract in Barstow, two in the Adelanto/El Mirage area, one in the Grand Terrace area, and others in and around Highland. Many of the R/ECAP census tracts are located along the boundaries shared with the City of San Bernardino.

No R/ECAP census tracts have been identified in or adjacent to the City of Needles as shown in Figure A-9.





2.3.2 Racially Concentrated Areas of Affluence (RCAAs)

RCAAs are predominantly White, non-Hispanic and high-income census tracts. As of publication of this report, HCD has not released RCAA maps for use in AFHs. However, the HCD AFFH Guiding Document provides one method to identify RCAAs as census trats with where greater than 80 percent of the population is white, and the median household income is \$125,00 or greater.⁵ The City of Needles does not have any tracts that meet either one of those qualifiers. As such, there are no RCAAs in Needles.

2.4 DISPARITY IN ACCESS TO OPPORTUNITY

This section examines the extent to which members of protected classes in the City experience disparities in access to opportunity, as measured by access to education, employment, transportation, and healthy neighborhoods. The analysis includes data from HUD, HCD, and other governmental entities, local and regional needs assessment, and findings from the community engagement process. As discussed in Section 2.1, *Fair Housing Enforcement and Outreach Capacity*, above, community engagement participants shared their experiences and perspectives related to indicators of healthy neighborhoods and measures of access to opportunity, including quality schools, transportation, and employment.

To measure economic and educational conditions at a neighborhood level, HUD developed a methodology to quantify the degree to which a neighborhood provides such opportunities. For each block group in the U.S., HUD provides a score on several "opportunity dimensions," including school proficiency, poverty, labor market engagement, jobs proximity, transportation costs, transit trips, and environmental health. For each block group, a value is calculated for each index and results are then standardized on a scale of 0 to 100 based on relative ranking with the metro area. For each opportunity dimension, a higher index score indicates more favorable neighborhood characteristics (San Bernardino County 2020).

The analysis in this section identifies and discusses California Tax Credit Allocation Committee (TCAC) maps. The TCAC administers the low-income housing tax credit program to encourage private investment in affordable rental housing for households meeting certain income requirements. Credits are available for new construction projects or existing properties undergoing rehabilitation.

2.4.1 Education

To determine educational quality per census tract, TCAC education opportunity scores were used. The TCAC education score map for the City obtained from the HUD AFFH Tool is provided in Figure A-10. This index combines math and reading proficiency scores, high school graduation rates, and student poverty data to measure outcomes and quality of education systems in an area. According to TCAC educational scores, the entire City falls within the score category of less than 0.25 (less positive education outcome).

Compared to the region, access to proficient schools among block groups varies throughout the County. Several census tracts in the western and southwestern portions of the County have some of the highest scores, including the Redlands, Mentone, Lake Arrowhead, and Crestline areas, along with block groups north of Rancho Cucamonga and those in and around Hinkley. However, other block groups in the San Bernardino Valley

⁵ https://www.hcd.ca.gov/community-development/affh/docs/affh document final 4-27-2021.pdf

(the population center of the County) have some of the County's lowest school proficiency scores, including those in the Colton, Bloomington, Highland, and San Bernardino areas. Scores are also relatively low in Adelanto and areas to the west of Victorville and Hesperia, and two large block groups in southeast San Bernardino County bordering Arizona also have low school proficiency scores (San Bernardino County 2020).

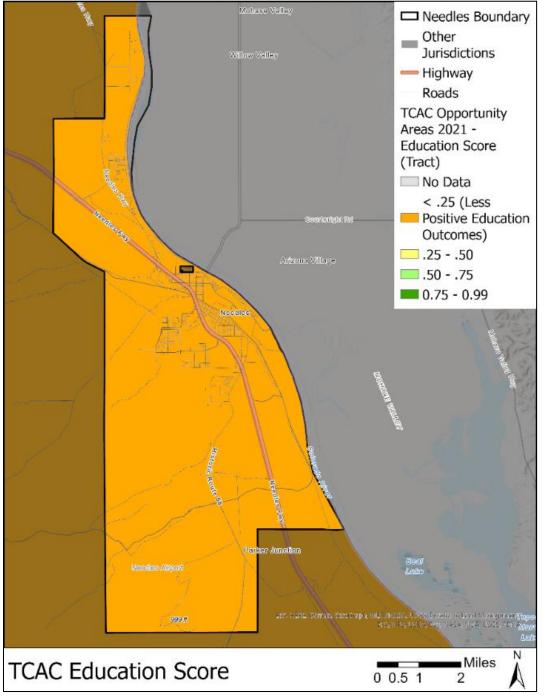


Figure A-10: TCAC Opportunity Areas – Education Score

2.4.2 Employment

To determine employment and economic opportunity, TCAC economic opportunity scores were used. The TCAC uses the following to measure economic opportunity in a census tract: poverty rates, population of adults with a bachelor's degree or higher, employment, proximity to jobs, and median home value. The TCAC economic score map for the City obtained from the HUD AFFH Tool is provided in Figure A-11. As shown in this figure, the majority of the City falls within the score category of less than 0.25 (less positive economic outcome) with a small portion of the City also falling within the higher score category of 0.25 to 0.50, indicating an area with a somewhat more positive economic outcome.

Compared to the region, there is a concentration of jobs and economic opportunity in the southwestern portion of the County, in the East and West Valleys; however, there is significant variation within the Valley subregions. As one moves farther away from the Valley subregions and into the Desert and Mountain subregions of the County, economic opportunity decreases.

Another indicator of economic opportunity includes the HUD Jobs Proximity Index. The HUD Jobs Proximity Index quantifies the accessibility of a given residential neighborhood as a function of its distance to all job locations within a Core-Based Statistical Area with larger employment centers weighted more heavily.⁶ As seen Figure A-12, the central portion of the City contains a large area that falls within the "furthest proximity" category with an index of less than 20. Another large area in the central portion of the City falls within an area with an index of 60 to 80. The northern and southern portions of the City fall within the "closest proximity" category with an index of greater than 80.

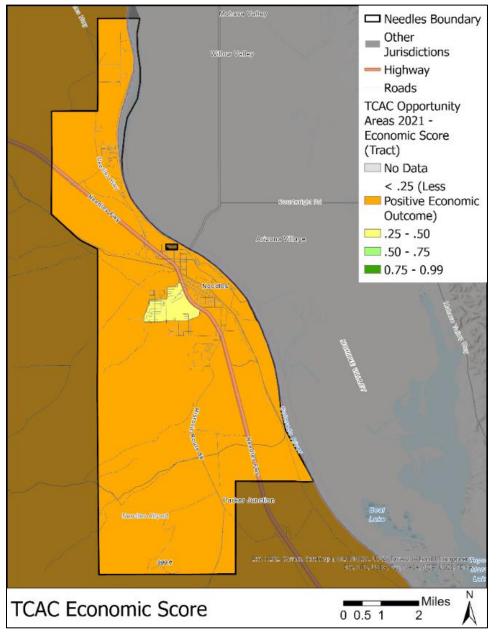
In the overall region, jobs are farther away for those living in the High Desert, North Desert, and Morongo Basin subregions. The cities ranked as farthest away from jobs include Hesperia, Apple Valley, Barstow, Victorville, and Adelanto. Within the East and West Valley subregions, proximity to jobs is highly dependent on city and census tract. While some cities, namely Rancho Cucamonga, Chino, and some parts of Ontario in the West Valley, and Loma Linda in the East Valley, are closest in proximity to jobs, other areas in the region are farther away from employment opportunities. The areas in the central portions of the East and West Valleys, Rialto, and portions of the City of San Bernardino are the farthest away from jobs.

It is worth noting that the jobs and economic opportunity trends tend to mirror those found in the HUD AFFH poverty status maps for the City and County. Typically, those areas with lower access to jobs and lower economic opportunity have higher poverty rates. Regionally, census tracts with a poverty rate over 40 percent are located throughout the County, with areas of note being within the City of San Bernardino, the western edge of the Morongo Basin, and multiple tracts in the High Desert region. A poverty map for the City for year 2021, obtained from HUD AFFH Tool, is provided in Figure A-4. As seen in this figure, the entire City falls within the 20 to 30 percent category for poverty, relative to census tracts in the City.

Further discussion of employment trends in the City is provided in the City's most recent HEU, to which this AFFH analysis is appended. As discussed in the HEU, as of 2019, there was a total of 1,511 employees aged 16 or older in Needles. Refer to Table 12: Employment by Industry, 2009–2019, in the HEU for a breakout of the number of employees in each employment sector and the percentage of the City's workforce that each sector

⁶ US Department of Housing and Urban Development. N.d. *Jobs Proximity Index.* Accessed on July 27, 2021, at <u>https://hudgis-hud.opendata.arcgis.com/datasets/jobs-proximity-index</u>

employs. It should also be noted that concerns regarding employment were raised during community engagement for the HEU, with residents stating that it is difficult to find or hire teachers at Needles schools due to the unavailability of affordable, desirable housing within the City.





Source: AFFH Data Viewer

HUD has developed a series of indices for fair housing analysis to assist cities in identifying disparities in access to opportunity. The indicators are scored on a scale from zero to 100. The following indicators are provided:

• Low Poverty Index: The low poverty index captures poverty at the census tract level. The higher the score, the less exposure to poverty.

- School Proficiency Index: The school proficiency index uses the performance of fourth grade students on state exams to describe which areas have higher and lower performing schools. The higher the score, the higher the school system quality.
- Labor Market Index: The labor market index measures the relative intensity of labor market engagement and human capital. The index is calculated using employment levels, labor force participation, and education attainment. The higher the score, the higher the labor market participation in a neighborhood.
- **Transit Index**: The transit index is based on estimates of transit trips taken by a three-person, singleparent family with income at 50 percent of the median income for renters for the region. The higher the index, the more likely that the residents use public transit.
- Low Transportation Cost Index: The low transportation cost index is calculated based on estimates for a three-person, single-parent family with income at 50 percent of the median income for renters for the region. The higher the index, the lower the cost of transportation.
- Jobs Proximity Index: The jobs proximity index quantifies the accessibility of a given residential neighborhood as a function of its distance to all job locations within a region. Larger employment centers are more heavily weighted. The higher the index, the better access to employment opportunities.
- **Environmental Health Index**: The environmental health index summarizes potential exposure to a variety of toxins that are harmful to human health. The higher the index, the less exposure to toxins.

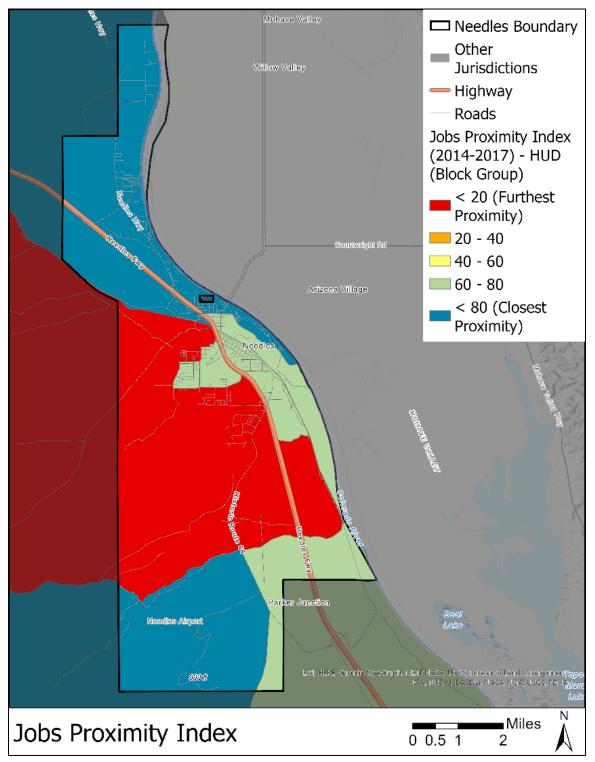
Opportunity indicators for San Bernardino County are in Table A-7. There were no opportunity indicators available for the City of Needles in the HUD tool. There were no opportunity indicators available for the area of Arizona on the other side of the State border of Needles for a cross-state regional comparison.

(San Bernardino County, CA CDBG) Jurisdiction	Low Poverty Index	School Proficiency Index	Labor Market Index	Transit Index	Low Transportation Cost Index	Jobs Proximity Index	Environmental Health Index
White	42.99	41.34	29.82	38.63	41.36	40.16	60.62
Black	31.14	27.95	20.86	51.30	47.67	48.07	48.47
Hispanic	31.86	29.10	21.34	54.36	47.33	52.38	40.79
Asian	48.49	41.96	39.59	56.34	49.16	60.94	38.41
Native American	31.43	31.33	20.49	40.29	42.85	42.89	58.20

Table A-7: Opportunity Indicators, San Bernardino County

Source: HUD AFFH Data Tool

Figure A-12: Job Proximity Index



2.4.3 Transportation

Local transit service to and within the Needles area is provided by Needles Area Transit (NAT). The City of Needles administers the NAT and a dial-a-ride program for seniors and persons with disabilities; the NAT system transports approximately 34,000 riders each year. NAT provides deviated fixed-route service on a single route within Needles. The service operates hourly, 7 a.m. to 7 p.m., Monday through Friday and for 4 hours on Saturday.

Further discussion of employment trends in the City is provided in the City's HEU. As discussed in the HEU, as of 2019, most Needles residents travel no more than half an hour to their place of work. Less than 9 percent spend half an hour to an hour traveling to work, and less than 4 percent spend at least an hour getting to their work site. Refer to Table 14: Travel Time to Work, 2019, in the HEU for a breakout of travel times to work for Needles residents.

A brief discussion of transportation trends is provided in the City's Local Profile prepared by the Southern California Association of Governments (SCAG). According to the most recent (2019) Local Profile, approximately 78 percent of commuters drive alone to work, while approximately 11 percent of commuters carpooled to work. The remaining 11 percent of commuters used either public transit or alternative transportation (bicycling and/or walking) or worked from home. Relative to vehicle ownership, approximately 13 percent of Needles households do not own a vehicle. Approximately 46 percent of Needles households own one vehicle, while nearly 41 percent of households own two or more vehicles.⁷

2.4.4 Healthy Environment

To measure environmental health, the TCAC utilizes the State of California's Office of Environmental Health Hazard Assessment's (OEHHA) CalEnviroScreen 3.0, which uses 10 factors to measure environmental health impacts and pollution burden. These factors are broken down into exposure (levels of ozone, particulate matter, diesel, water quality, pesticide use, traffic density, and toxic releases) and environmental (cleanup sites, groundwater threats, hazardous waste generators and facilities, impaired water bodies, and solid waste sites and facilities) effects. Since many of these environmental effects are byproducts of population centers, San Bernardino County has poor environmental quality in many areas of the more heavily populated areas in the region.

The TCAC environmental score map for the City obtained from the HUD AFFH Tool is provided in Figure A-13. As shown in this figure, the central portion of the City contains a large area that falls within the "more positive environmental outcomes" category with an index range from 0.75 to 1.0, while the northern and southern portions of the City fall within a lower index range of 0.50 to 0.75. With Needles' current minimal number of residents of just over 5,300 residents, the sparse population may account for the higher environmental scores as compared to the more densely populated areas of the County overall, which tend to have lower environmental scores.

The updated Cal EnviroScreen 4.0 scores for Needles are shown in Figure A-14 along with the identified RHNA sites. The percentile scores for the two census tracts in Needles are 62 and 70. Needles generally scores higher

⁷ Southern California Association of Governments. 2019. *Local Profile for the City of Needles*.

in the socioeconomic indicators and lower in the exposure indicators. There is little variation between the two tracts. As such, there are no RHNA sites located in areas with disproportionate environmental concerns.

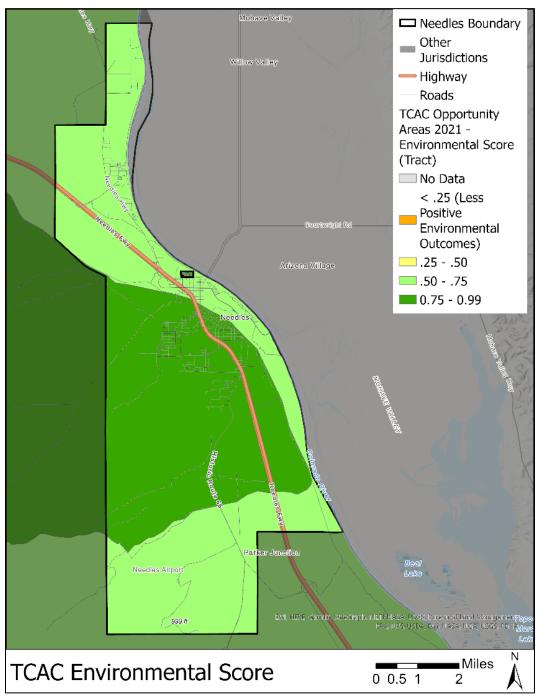
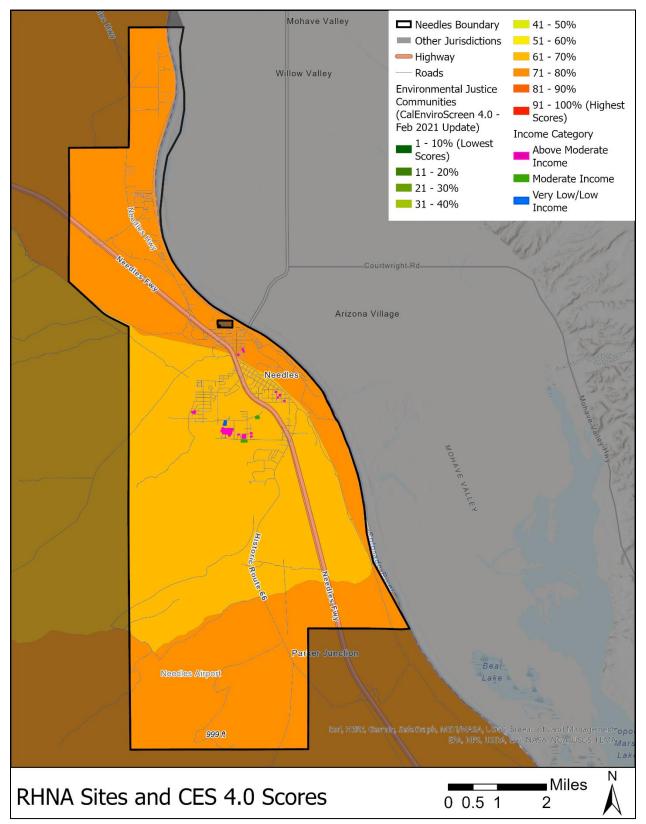


Figure A-13: TCAC Opportunity Areas – Environmental Score



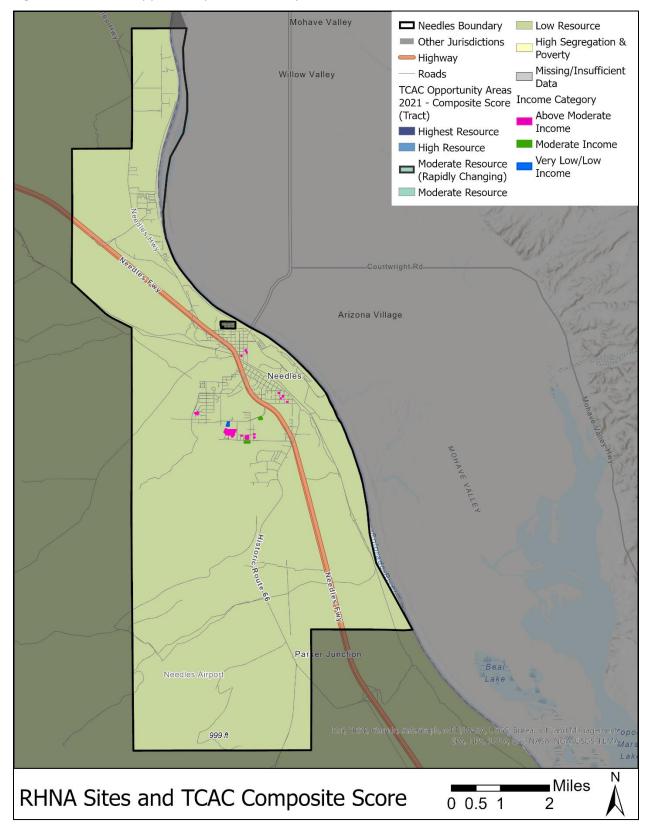


2.4.5 Composite Score

The TCAC composite score is a measure of indicators (high access to opportunities and resources) that have been shown to support positive economic, educational, and health outcomes for low-income families, especially long-term outcomes for children.⁸ The TCAC composite score map for the City obtained from the HUD AFFH Tool is provided in Figure A-15. As shown in this figure, the entire City falls within an area designated as having "low resources."

RHNA sites are also shown in Figure A-15 by their income level. As the entire City is in the low resource category, tall RHNA sites are also in areas that are categorized as low resource. The RHNA sites were selected based on their proximity to some resource sin the City including the Needles Regional Senior Center, social services, and healthcare services.

⁸ California Fair Housing Task Force. 2020. Methodology for the 2021 TCAC/HCD Opportunity Map.





2.5 DISPROPORTIONATE HOUSING NEEDS

The purpose of a disproportionate housing needs and displacement analysis is to identify how access to the housing market differs for members of protected classes—and to determine if such differences are related to discriminatory actions or effects.

The AFFH rule defines "disproportionate housing needs" as "a condition in which there are significant disparities in the proportion of members of a protected class experiencing a category of housing needs when compared to the proportion of members of any other relevant groups or the total population experiencing that category of housing need in the applicable geographic area."

2.5.1 Cost Burden

Housing costs for ownership and rental units have increased dramatically in the last decade for the County overall. Figure A-16 illustrates the median average home sales price for the City since 2012. In less than 10 years, the median home sales price has risen from approximately \$80,000 in 2012 to \$143,000 at present. The graph illustrates that, in 2015 and 2017, prices returned to the same 2012 level of \$80,000 during the economic recovery that followed the recession of 2008, followed by a steady rise upward beginning in 2019. Since January 2021 to the present, prices have risen dramatically.

In comparison with the median home sales prices for the County overall, the City's current home sales price is approximately 32.5 percent of that of San Bernardino County as a whole. As shown in Figure A-17, less than 10 years, the median home sales price for the County has risen at a rate of just over 150 percent, from approximately \$175,000 in 2012 to \$439,000 at present. The graph illustrates that prices rose significantly in 2013 during the economic recovery that followed the recession of 2008, followed by a steady rise upward from 2014 up until late 2020. From January 2021 to the present, prices have dramatically risen.

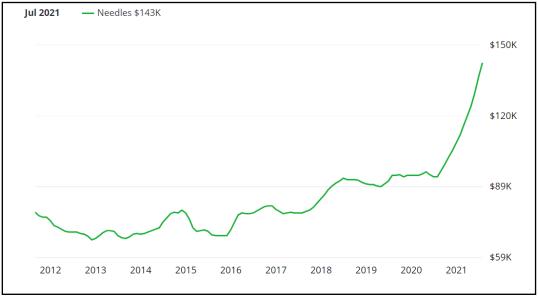


Figure A-16: Needles Median Homes Sales Price (unadjusted for inflation)

Source: Zillow Needles Home Values, 2021.

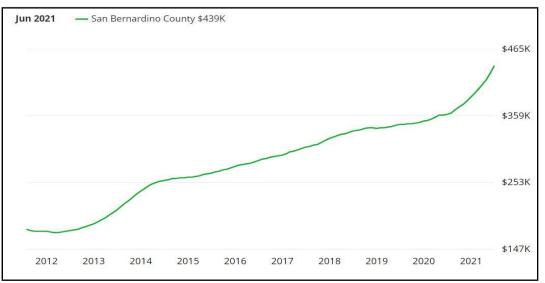


Figure A-17: San Bernardino County Median Home Sales Price (unadjusted for inflation)

Source: Zillow San Bernardino County Home Values, 2021.

Illustrative examples of overpayment are provided in the corresponding maps showing areas of overpayment by homeowners and renters for years 2014 and 2019, obtained from HUD AFFH Tool. These are provided in Figure A-18: Overpayment by Homeowners, 2010-2014, 2015-2019

Overpayment by homeowners and renters from 2010 – 2014 and 2015 – 2019 are shown in Figure A-18 and Figure 19, respectively. As shown in these figures, the City has generally experienced a decrease in homeowner overpayment percentages (percentage of all homeowners per census tract experiencing overpayment) for a majority of its area, whereas rental overpayment percentages experienced an increase in overpayment in census tract areas. Specifically, for homeowners in 2014, the majority of the City fell within the 20 to 40 percent range, with the central portion of the City falling within the 40 to 60 percent range; in 2019, the entire City fell within the 20 to 40 percent range. For renters, that trend was reversed; in 2014, the entire City fell within the 20 to 40 percent range, but in 2019, the central portion of the City fell within the 40 to 60 percent range with the rest of the City remaining within the 20 to 40 percent range.

Renter vs. Owner Households

The cost burden and severe cost burden impacts for renter households have steadily increased countywide, including in the City of Needles, although at a slower rate in Needles than in the County overall. As indicated in Table A-8, the overall number of renter households experienced a slow but steady increase of 4 percent from 2010 to 2017, with the overall increase in owner households having a slightly higher rate of increase of 6 percent.

Homeownership trends in the County overall indicate a slight decrease of 5 percent in homeownership from 2010 to 2017 and a moderate increase of 22 percent in renters.

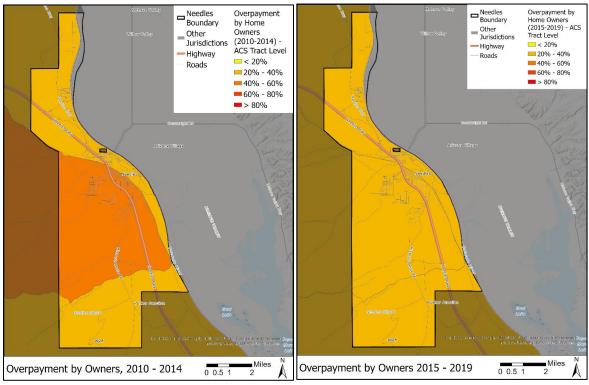
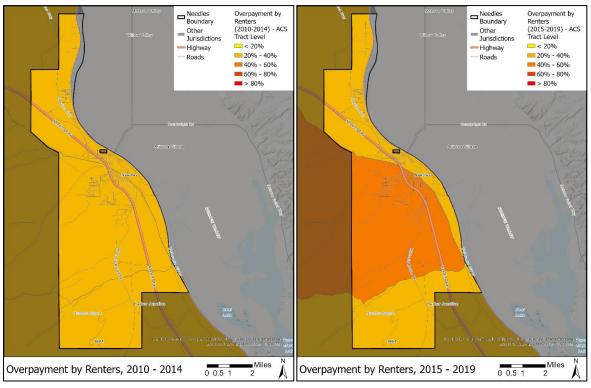


Figure A-18: Overpayment by Homeowners, 2010-2014, 2015-2019





Source: AFFH Data Viewer

Race/Ethnicity

Tenure data for the City broken out by race/ethnicity, as shown in Table A-8, indicates the following: the White population in the City had a decrease of 12 percent in renters but a slight increase of 3 percent in homeowners; the Black population in the City had a decrease of 14 percent in renters but a substantial decrease of 44 percent in homeowners; the American Indian/Alaskan Native population in the City had a sharp decrease of 40 percent in renters and a moderate increase of 26 percent in homeowners (representing the greatest homeowner increase of the racial/ethnic distribution); the Asian population in the City had no change in renters but a drastic decrease of 71 percent in homeowners (representing the greatest homeowner decrease of the racial/ethnic distribution in the City had a moderate increase of 25 percent in renters, as well as an increase of 19 percent in owners. There were no changes for both the Native Hawaiian/Other Pacific Islander and Other categories.

As compared to San Bernardino County overall, households of color are less likely than White households to own their homes. Within the County, Black households have the lowest home ownership rate (33.1 percent), which is less than half of the White ownership rate of 68.7 percent. Hispanic and Native American home ownership is also significantly lower (55.4 percent and 49.8 percent, respectively) than the home ownership rate for White households. Asian and other non-Hispanic households have homeownership rates closer to those of White households (62.4 percent and 60.1 percent, respectively). By geography, the largest concentration of renters is near military bases, such as Fort Irwin and the Marine Corps Air Ground Combat Center in Twentynine Palms, which is located approximately 90 miles southwest of Needles (San Bernardino County 2020).

	2010		20	17	% Change		
	Renters	Owners	Renters	Owners	Renters	Owners	
Total	883	1,142	915	1,206	4%	6%	
White, non-Hispanic		<u> </u>				·	
<= 30% of HAMFI	225	75	265	140	18%	87%	
>30% to <=50%	180	110	130	125	-28%	14%	
>50% to <=80%	105	190	65	150	-38%	-21%	
>80% to <=100%	20	45	35	114	75%	153%	
>100%	70	470	35	390	-50%	-17%	
Total	600	890	530	919	-12%	3%	
Black, non-Hispanic		•		•	-	•	
<= 30% of HAMFI	0	15	30	4	0%	-73%	
>30% to <=50%	0	15	0	0	0%	-100%	
>50% to <=80%	35	0	0	0	-100%	0%	
>80% to <=100%	0	0	0	15	0%	0%	
>100%	0	4	0	0	0%	-100%	
Total	35	34	30	19	-14%	-44%	
American Indian and Al	askan Native,	non-Hispanic					
<= 30% of HAMFI	50	12	14	0	-72%	-100%	
>30% to <=50%	14	10	4	14	-71%	40%	
>50% to <=80%	0	4	0	30	0%	650%	
>80% to <=100%	25	10	0	4	-100%	-60%	
>100%	0	10	35	10	0%	0%	
Total	89	46	53	58	-40%	26%	
Asian, non-Hispanic							
<= 30% of HAMFI	0	0	10	0	0%	0%	
>30% to <=50%	0	0	0	4	0%	0%	

Table A-8: Tenure – Renter/Owner by Ethnicity

	20	10	20	17	% Ch	ange
	Renters	Owners	Renters	Owners	Renters	Owners
>50% to <=80%	0	0	0	0	0%	0%
>80% to <=100%	0	4	50	0	0%	-100%
>100%	0	10	0	0	0%	-100%
Total	0	14	60	4	0%	-71%
Native Hawaiian and O	ther Pacific Isla	ander, non-His	panic		•	
<= 30% of HAMFI	0	0	0	0	0%	0%
>30% to <=50%	0	0	0	0	0%	0%
>50% to <=80%	0	0	0	0	0%	0%
>80% to <=100%	0	0	0	0	0%	0%
>100%	4	0	0	0	0%	0%
Total	4	0	0	0	0%	0%
Other (including multip	le races, non-	Hispanic)				
<= 30% of HAMFI	0	0	0	10	0%	0%
>30% to <=50%	0	0	28	0	0%	0%
>50% to <=80%	0	0	0	0	0%	0%
>80% to <=100%	0	0	0	4	0%	0%
>100%	0	0	20	4	0%	0%
Total	0	0	48	18	0%	0%
Hispanic		<u>.</u>			•	
<= 30% of HAMFI	50	29	105	4	110%	-86%
>30% to <=50%	10	59	25	14	150%	-76%
>50% to <=80%	50	20	30	105	-40%	425%
>80% to <=100%	0	0	24	40	0%	0%
>100%	45	50	10	25	-78%	-50%
Total	155	158	194	188	25%	19%

Table A-8, continued

Source: HUD User, US Department of Housing and Urban Development Consolidated Planning/CHAS/Data, 2010-

2.5.2 Overcrowding

Large households are defined as having more than five persons. They are considered a special needs group because there is usually a limited supply of adequately sized housing to accommodate their needs. As discussed in the "Special Needs Groups" discussion of the HEU, as of 2019, Needles had 385 households consisting of families with four or more members. Of these, 228 households (59 percent) lived in owner-occupied households, and 157 households (approximately 41 percent) lived in renter-occupied households. The rate of overcrowding in Needles is less than 4 percent and is not a significant issue in the City. This is substantiated by Figure A-20, which shows the entire City falling within a less 8.2 percent incidence of overcrowded households, which is the threshold for the statewide average.

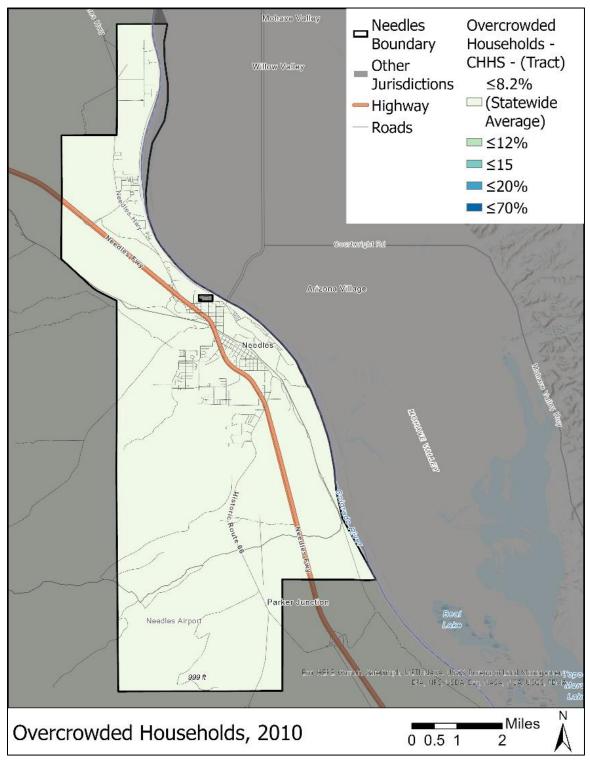


Figure A-20: Overcrowded Households, 2010

2.5.3 Substandard Housing

HUD defines substandard housing as "housing which was dilapidated, without operable indoor plumbing or a usable flush toilet or bathtub inside the unit for the family's exclusive use, without electricity or with inadequate or unsafe electrical service, without a safe or adequate source of heat, and should but does not have a kitchen, or has otherwise been declared unfit for habitation by the government."

According to the Comprehensive Housing Affordability Strategy (CHAS) data, the following four housing problem definitions are used to make the determination of substandard housing. A household is said to have a housing problem if it has any one or more of these four problems:

- 1. Housing unit lacks complete kitchen facilities
- 2. Housing unit lacks complete plumbing facilities
- 3. Household is overcrowded
- 4. Household is cost burdened

As indicated in Table A-9, Needles experienced a 9 percent decrease from 2010 to 2017 in the number of households having one or more of the above-listed substandard housing conditions. This represents a slight improvement over the 5 percent decrease experienced by the County overall in the same time period. The ethnicities that experienced an improvement, i.e., a decrease in the percentage of housing problems, from 2010 to 2017 were White; Black; American Indian/Alaskan Native; and Native Hawaiian/Other Pacific Islander. The ethnicities that experienced a degradation, i.e., an increase in the percentage of housing problems, from 2010 to 2017 were Asian, Hispanic, and Other.

		2010		2017				
	Number of Households	Has 1 or more of the 4 housing unit problems	% with Housing Problems	Number of Households	Has 1 or more of the 4 housing unit problems	% with Housing Problems		
Total	2,015	793	39%	2,116	628	30%		
White, non-Hispanic	1,490	615	41%	1,449	404	28%		
Black, non-Hispanic	69	30	43%	53	15	28%		
American Indian/Alaskan Native, non-Hispanic	135	54	40%	111	28	25%		
Asian, non-Hispanic	14	0	0%	64	10	16%		
Native Hawaiian/Other Pacific Islander, non-Hispanic	4	4	100%	0	0	0%		
Other (including multiple races, non-Hispanic)	0	0	0%	62	18	29%		
Hispanic	303	90	30%	377	153	41%		

Table A-9: Housing Problems

Source: HUD Consolidated Planning/CHAS Data, 2010 and 2017.

2.5.4 Homelessness

Homelessness is becoming an increasing issue of concern countywide due to the increase of homelessness within urban areas of the County. As indicated in the County's 2019 *Homeless Count and Subpopulation Survey*

Final Report, approximately 2,607 persons were registered homeless with 687 being sheltered and 1,920 unsheltered. This accounts for a 12 percent increase in the overall homelessness population as compared to approximately 2,321 persons registered in year 2013.⁹

Data from the San Bernardino County Homeless Partnership 2013 and 2019 Point In Time Counts specific to Needles are presented in Table A-10, below. As shown in Table A-10, the number of homeless in Needles has increased from 5 persons to 29 persons between 2013 and 2019, a 480 percent increase. With Needles' total population being just over 5,300 residents, the current number of homeless represents 0.5 percent of the City's total population. All 29 homeless persons are reportedly unsheltered. The majority of the homeless are White males, and over half are chronically homeless. Eleven out of the 29 homeless reported being substance users. Relative to age, none of the homeless are youth under the age of 18 and none are unaccompanied women.

Туре	2013	2019	Change
Total Homeless	5	29	480%
Sheltered/Unsheltered Status			
Sheltered			%
Transitional Housing			%
Unsheltered	5	29	480%
Sex			
Male	4	18	350%
Female	1	4	300%
Transgender		1	
Chronic Homeless	4	18	350%
Families (Including Chronically Homeless Families)	1	4	300%
Persons with Mental Health Problems		1	
Persons w/HIV/AIDS			
Substance Users	1	11	1,000%
Unaccompanied Women			
U.S. Veterans		3	
Victims of Domestic Violence		1	
Youth Under 18			
Youth 18 to 24	3	1	-67%
Persons Released from Prisons & Jails During Past 12 Months	0	2	
Race/Ethnicity			
White, non-Hispanic	4	19	375%
Black, non-Hispanic			
American Indian and Alaskan Native, non-Hispanic		2	
Asian, non-Hispanic			
Native Hawaiian and Other Pacific Islander, non-Hispanic		2	
Multiple Races or Other			
Don't Know/Refused			
Hispanic/Latino	1	3	200%

Table A-10: Homelessness Characteristics

Source: San Bernardino County Homeless Partnership, 2013 and 2019 Point In Time Counts.

⁹ San Bernardino County. 2019. Homeless Count and Subpopulation Survey Final Report.

https://wp.sbcounty.gov/dbh/sbchp/wp-content/uploads/sites/2/2019/05/2019-homeless-count-and-survey-report.pdf; 2013 Homeless Count and Subpopulation Survey Final Report. http://www.sbcounty.gov/Uploads/DBH/SBCHP/Content/pitc/2013-PITC-Methodology.pdf.

2.5.5 Displacement

Displacement can happen in many ways: direct displacement, in which residents are forced to move out because of rent increases, building rehabilitation, or a combination of both; exclusionary displacement, in which housing choices for low-income residents are limited; and finally, displacement pressures, when the entire neighborhood changes and the services and support system that low-income families rely on are no longer available to them. Overpayment is a main factor contributing to displacement, which continues to be an issue of concern within all areas of the County.

Rental Overpayment

Overpayment of rental expenses among low-income households presents an increased probability of displacement resulting from the need to relocate to an area where affordable housing and non-overpayment of rental expenses is available. As discussed in Section 2.5.1, *Cost Burden*, and illustrated in the associated figures (Figure A-18 and Figure 19), rental overpayment percentages experienced an increase in census tract areas. For renters, the trend was reversed from that of homeowners. Specifically, in 2014, the entire City fell within the 20 to 40 percent rental overpayment range, but in 2019, the central portion of the City fell within the 40 to 60 percent rental overpayment range with the rest of the City remaining within the 20 to 40 percent range.

Owner Overpayment

Correlating with the County overall, in which all areas experienced a moderate decrease in owner overpayment percentages from 2014 to 2019, the City's owner overpayment data indicates a similar trend as shown in Figure A-18and Figure 19. For homeowners in 2014, the majority of the City fell within the 20 to 40 percent range with the central portion of the City falling within the 40 to 60 percent range; in 2019, the entire City fell within the 20 to 40 percent range.

2.6 OTHER CONTRIBUTING FACTORS

2.6.1 Location on State Border

The location of Needles on the border with Arizona is an additional contributing factor to possible fair housing concerns. Public outreach and local knowledge indicate that many individuals in the region prefer to live across the Colorado River in Arizona. This may be due to combination of financial, political, social, and economic considerations, including legislation at the state level beyond jurisdictional control. Needles will continue to work with cities across the border to establish a working relationship throughout the border region.

3.0 SUMMARY OF FAIR HOUSING ISSUES

INTEGRATION AND SEGREGATION

Overall, there are not many concentrated trends within the City, as the small population results in trends persisting throughout the area. While the City does have a white majority, most of the City is 40-60% non-White, with the exception of the central tract. Segregation is generally low, both by race and by income. While poverty throughout the City has stayed consistently in the 20-30% of the population range throughout the City, and the median income is overall rising.

RACIALLY AND ETHNICALLY CONCENTRATED AREAS OD POVERTY AND AFFLUENCE

No R/ECAPs or RCAAs are in or adjacent to the City of Needles.

DISPARITIES IN ACCESS TO OPPORTUNITIES

Due to a number of economic, political and other factors, many people who work in needles choose to live across the state border in Arizona. The City has less positive economic opportunity and job proximity, which will be remedied by programs aiming to increase job and social opportunities within the City, to increase desirability and housing choice in the City.

DISPROPORTIONATE HOUSING NEEDS

While overcrowding is not a concern in the City, 30 percent of households experience one or more of the four identified housing problems. Generally, overpayment in the City is slightly higher among renters than owners, but remains low.

Table A-11 displays the identified fair housing issues form the assessment, their contributing factors and programs to address them.

CONTRIBUTING FACTORS

Table A-11 displays the identified fair housing issues form the assessment, their contributing factors and programs to address them.

Identified Fair Housing Issue	Contributing Factor	Action
Inadequate supply of affordable housing (Disproportionate Housing Needs)	 Existing housing is not in adequate living condition Lack of services or utilities in specific neighborhoods Land use and zoning laws. The availability of affordable units in a range of sizes. Community opposition to new housing development. 	 Incentives for Production (A1) Inclusionary Housing Ordinance (A6) Utility Availability Program (B9) Neighborhood Preservation Program (C7) Preservation and Rehabilitation of Housing Stock Comprehensive Program (C8)
Increase in unsheltered homeless person population (Disproportionate Housing Needs)	 The City does not currently participate in homeless assistance. Lack of rental relief programs for people at risk of homelessness. 	 Emergency Shelters (E4) Low Barrier Navigation Centers. (E5)
Concerns regarding employment (Access to Opportunities)	 It is difficult to find or hire teachers at Needles schools due to the unavailability of affordable, desirable housing within the City. Many residents who work in Needles are moving to Arizona. 	 Increase recreational opportunities in Needles to make the area more attractive. (Policy 4.3) Downtown Mixed Use Development (A4) Place-Based Community Improvement – Park Renovations (F1)
Increase in rental overpayment	Lack of renter protections.Existing housing is not in adequate living condition	Inclusionary Housing Ordinance (A6)
No Fair Housing Provider (Outreach)	• Lack of contract with a fair housing provider	 Preservation and Rehabilitation of Housing Stock Comprehensive Program (C8) Landlord Tenant Mediation (D3)

Table A-11: Fair Housing Issues and Contributing Factors

Used in Used in Max Publicly Parcel Size Fourth Cycle Fifth Cycle Zip Zoning Existing Income Total APN Address Density Code Code Use/Vacancy Housing Housing (acres) Owned Category Capacity (du/ac) Element? Element? Above 0 30 du/ac Moderate 018510813 110 Walnut Street R-3 0.21 Vacant No No Yes 1 Income Above 2201 Casa Del Sol 17 du/ac 018535160 92363 R-2 0.19 Vacant No Yes Moderate 1 No St Income Above 2207 Casa Loma 018535136 92363 R-2 17 du/ac 0.19 1 Vacant No No Yes Moderate St Income Above Mixed 0 30 du/ac 018510908 212 N K St R-3 0.14 No No No Moderate 1 Residential Income Above 2212 Casa Del Sol 018535155 92363 R-2 17 du/ac 0.17 Vacant No No Yes Moderate 1 St Income Above 018511163 92363 30 du/ac 0.17 Moderate 211 Spruce St R-3 Vacant No No Yes 1 Income No address Above 018531112 available (vacant 8 du/ac 0 R-2 0.17 Vacant No No Yes Moderate 1 subdivision) Income Above 018531113 92363 R-2 8 du/ac 0.17 Moderate 1 2040 Cartyway Vacant No No Yes Income Above 8 du/ac Moderate 018531116 2052 Cartyway 92363 R-2 0.19 Vacant No No Yes 1 Income 0 Villa Bella Above 018541128 Ct.(vacant 92363 R-2 17 du/ac 0.23 Yes Moderate 1 Vacant No No subdivision Income

Appendix B: Sites Inventory and Mapbook

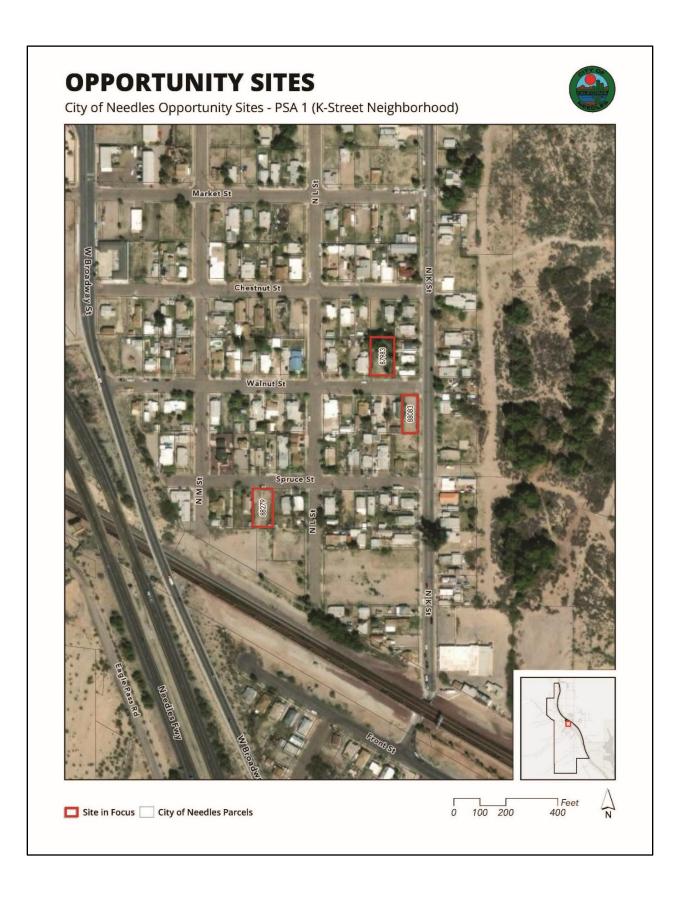
APN	Address	Zip Code	Zoning Code	Max Density (du/ac)	Parcel Size (acres)	Existing Use/Vacancy	Publicly Owned	Used in Fourth Cycle Housing Element?	Used in Fifth Cycle Housing Element?	Income Category	Total Capacity
018543104	2229 Paseo Del Rey	92363	R-2	17 du/ac	0.17	Vacant	No	No	Yes	Above Moderate Income	1
018535162	2221 Casa Del Sol	92363	R-2	17 du/ac	0.17	Vacant	No	No	Yes	Above Moderate Income	1
018535156	2022 Casa Del Sol	92363	R-2	17 du/ac	0.17	Vacant	No	No	Yes	Above Moderate Income	1
018531125	No address available (vacant subdivision)	0	R-2	8 du/ac	0.17	Vacant	No	No	Yes	Above Moderate Income	1
018614508	A St	92363	R-2	8 du/ac	0.16	Vacant	No	No	Yes	Above Moderate Income	1
018535157	2032 Casa Del Sol	92363	R-2	17 du/ac	0.17	Vacant	No	No	Yes	Above Moderate Income	1
018615304	307 Bazoobuth St	0	R-2	8 du/ac	0.12	Vacant	No	No	No	Above Moderate Income	1
018535164	2241 Casa Del Sol	92363	R-2	17 du/ac	0.17	Vacant	No	No	Yes	Above Moderate Income	1
018535158	2242 Casa Del Sol	92363	R-2	17 du/ac	0.17	Vacant	No	No	Yes	Above Moderate Income	1
018615305	305 Bazoobuth St	92363	R-2	8 du/ac	0.12	Vacant	No	No	Yes	Above Moderate Income	1
018615314	519 A St	92363	R-2	8 du/ac	0.13	Vacant	No	No	Yes	Above Moderate Income	1
018618208	612 Quivera St	92363	R-2	8 du/ac	0.14	Vacant	No	No	Yes	Above Moderate Income	1

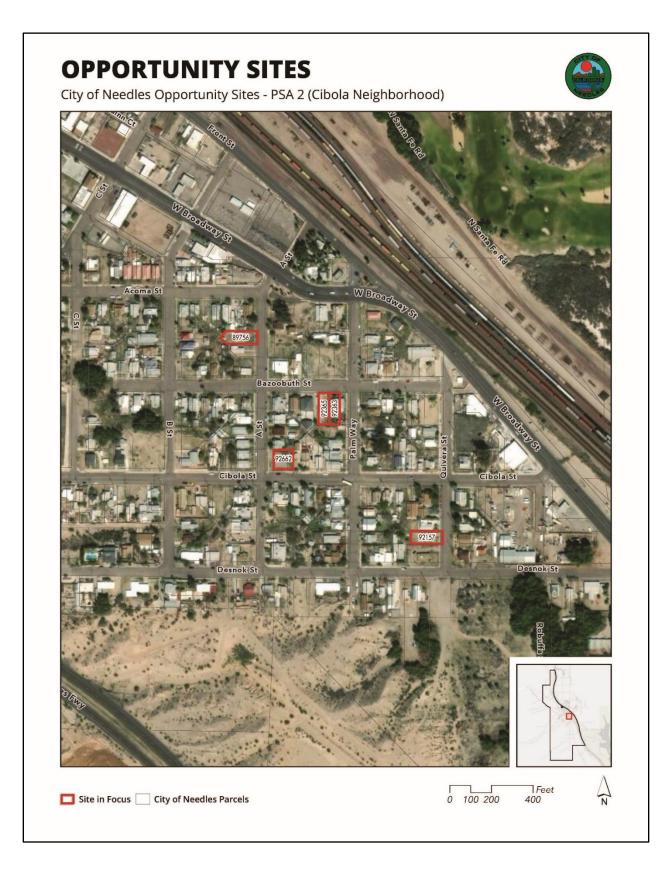
APN	Address	Zip Code	Zoning Code	Max Density (du/ac)	Parcel Size (acres)	Existing Use/Vacancy	Publicly Owned	Used in Fourth Cycle Housing Element?	Used in Fifth Cycle Housing Element?	Income Category	Total Capacity
018540103	0 Calle Hernandez (vacant subdivision)	92363	R-2	17 du/ac	0.24	Vacant	No	No	Yes	Above Moderate Income	1
018540114	0 Calle Hernandez (vacant subdivision)	92363	R-2	17 du/ac	0.17	Vacant	No	No	Yes	Above Moderate Income	1
018540113	0 Calle Hernandez (vacant subdivision)	92363	R-2	17 du/ac	0.17	Vacant	No	No	Yes	Above Moderate Income	1
018535112	No address available (vacant subdivision)	92363	R-3	30 du/ac	1.01	Vacant	Yes	No	Yes	Moderate Income	17
018535111	No address available (vacant subdivision)	92363	R-3	30 du/ac	1.04	Vacant	Yes	No	Yes	Moderate Income	18
018540112	0 Calle Hernandez (vacant subdivision)	92363	R-2	17 du/ac	0.17	Vacant	No	No	Yes	Above Moderate Income	1
018540111	0 Calle Hernandez (vacant subdivision)	92363	R-2	17 du/ac	0.17	Vacant	No	No	Yes	Above Moderate Income	1
018540110	0 Calle Hernandez (vacant subdivision)	92363	R-2	17 du/ac	0.17	Vacant	No	No	Yes	Above Moderate Income	1
018540104	0 Calle Hernandez (vacant subdivision)	92363	R-2	17 du/ac	0.26	Vacant	No	No	Yes	Above Moderate Income	1
018540108	0 Calle Hernandez (vacant subdivision)	92363	R-2	17 du/ac	0.17	Vacant	No	No	Yes	Above Moderate Income	1
018540107	0 Calle Hernandez (vacant subdivision)	92363	R-2	17 du/ac	0.19	Vacant	No	No	Yes	Above Moderate Income	1
018540106	0 Calle Hernandez (vacant subdivision)	92363	R-2	17 du/ac	0.18	Vacant	No	No	Yes	Above Moderate Income	1

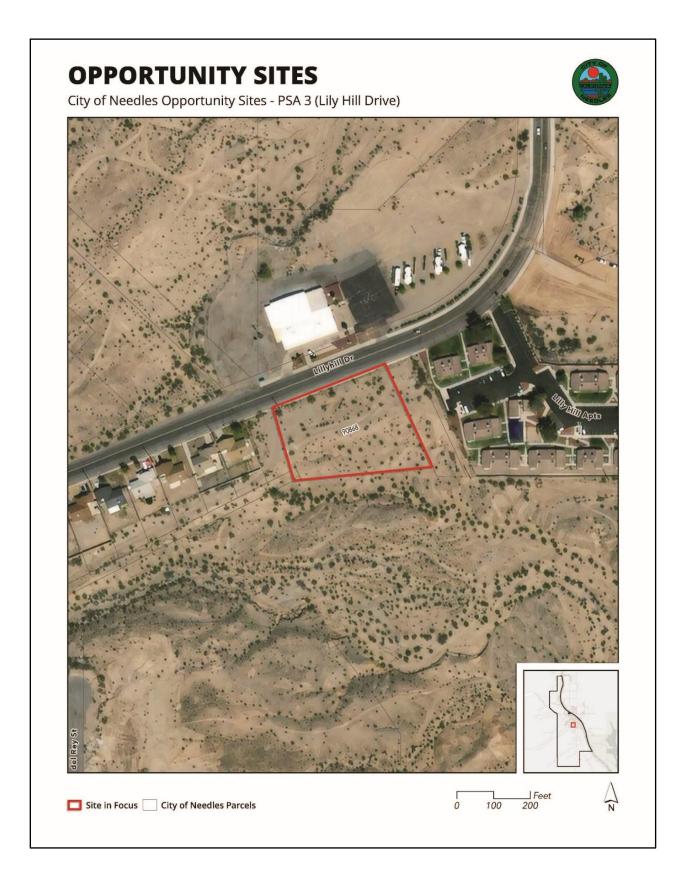
APN	Address	Zip Code	Zoning Code	Max Density (du/ac)	Parcel Size (acres)	Existing Use/Vacancy	Publicly Owned	Used in Fourth Cycle Housing Element?	Used in Fifth Cycle Housing Element?	Income Category	Total Capacity
018540105	0 Calle Hernandez (vacant subdivision)	92363	R-2	17 du/ac	0.18	Vacant	No	No	Yes	Above Moderate Income	1
018540118	0 Tierra Seca (vacant subdivision)	92363	R-2	17 du/ac	0.17	Vacant	No	No	Yes	Above Moderate Income	1
018540119	0 Tierra Seca (vacant subdivision)	92363	R-2	17 du/ac	0.17	Vacant	No	No	Yes	Above Moderate Income	1
018540120	0 Tierra Seca (vacant subdivision)	92363	R-2	17 du/ac	0.17	Vacant	No	No	Yes	Above Moderate Income	1
018540121	0 Tierra Seca (vacant subdivision)	92363	R-2	17 du/ac	0.17	Vacant	No	No	Yes	Above Moderate Income	1
018540122	0 Tierra Seca (vacant subdivision)	92363	R-2	17 du/ac	0.17	Vacant	No	No	Yes	Above Moderate Income	1
018540123	0 Tierra Seca (vacant subdivision)	92363	R-2	17 du/ac	0.17	Vacant	No	No	Yes	Above Moderate Income	1
018540124	0 Tierra Seca (vacant subdivision)	92363	R-2	17 du/ac	0.19	Vacant	No	No	Yes	Above Moderate Income	1
018540125	0 Tierra Seca (vacant subdivision)	92363	R-2	17 du/ac	0.18	Vacant	No	No	Yes	Above Moderate Income	1
018540126	0 Tierra Seca (vacant subdivision)	92363	R-2	17 du/ac	0.18	Vacant	No	No	Yes	Above Moderate Income	1
018540127	0 Tierra Seca (vacant subdivision)	92363	R-2	17 du/ac	0.29	Vacant	No	No	Yes	Above Moderate Income	1
018540128	0 Tierra Seca (vacant subdivision)	92363	R-2	17 du/ac	0.39	Vacant	No	No	Yes	Above Moderate Income	1

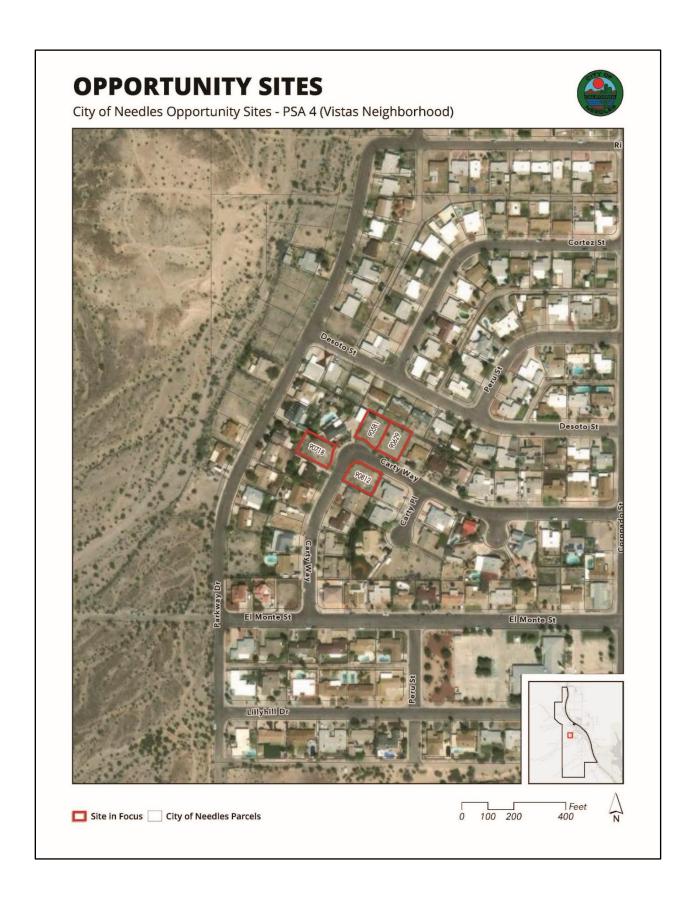
APN	Address	Zip Code	Zoning Code	Max Density (du/ac)	Parcel Size (acres)	Existing Use/Vacancy	Publicly Owned	Used in Fourth Cycle Housing Element?	Used in Fifth Cycle Housing Element?	Income Category	Total Capacity
018541109	0 Tierra Seca (vacant subdivision)	92363	R-2	17 du/ac	0.18	Vacant	No	No	Yes	Above Moderate Income	1
018541108	0 Tierra Seca (vacant subdivision)	92363	R-2	17 du/ac	0.18	Vacant	No	No	Yes	Above Moderate Income	1
018541107	0 Tierra Seca (vacant subdivision)	92363	R-2	17 du/ac	0.18	Vacant	No	No	Yes	Above Moderate Income	1
018541106	0 Tierra Seca (vacant subdivision)	92363	R-2	17 du/ac	0.18	Vacant	No	No	Yes	Above Moderate Income	1
018541105	0 Tierra Seca (vacant subdivision)	92363	R-2	17 du/ac	0.18	Vacant	No	No	Yes	Above Moderate Income	1
018541104	0 Tierra Seca (vacant subdivision)	92363	R-2	17 du/ac	0.19	Vacant	No	No	Yes	Above Moderate Income	1
018541101	0 Tierra Seca (vacant subdivision)	92363	R-2	17 du/ac	0.26	Vacant	No	No	Yes	Above Moderate Income	1
018541103	0 Tierra Seca (vacant subdivision)	92363	R-2	17 du/ac	0.18	Vacant	No	No	Yes	Above Moderate Income	1
018541102	0 Tierra Seca (vacant subdivision)	92363	R-2	17 du/ac	0.18	Vacant	No	No	Yes	Above Moderate Income	1
018543107	2199 Paseo Del Rey	92363	R-2	17 du/ac	0.19	Vacant	No	No	Yes	Above Moderate Income	1
018541114	0 Villa Bella	92363	R-2	17 du/ac	0.32	Vacant	No	No	Yes	Above Moderate Income	1
018541115	0 Villa Bella	92363	R-2	17 du/ac	0.19	Vacant	No	No	Yes	Above Moderate Income	1

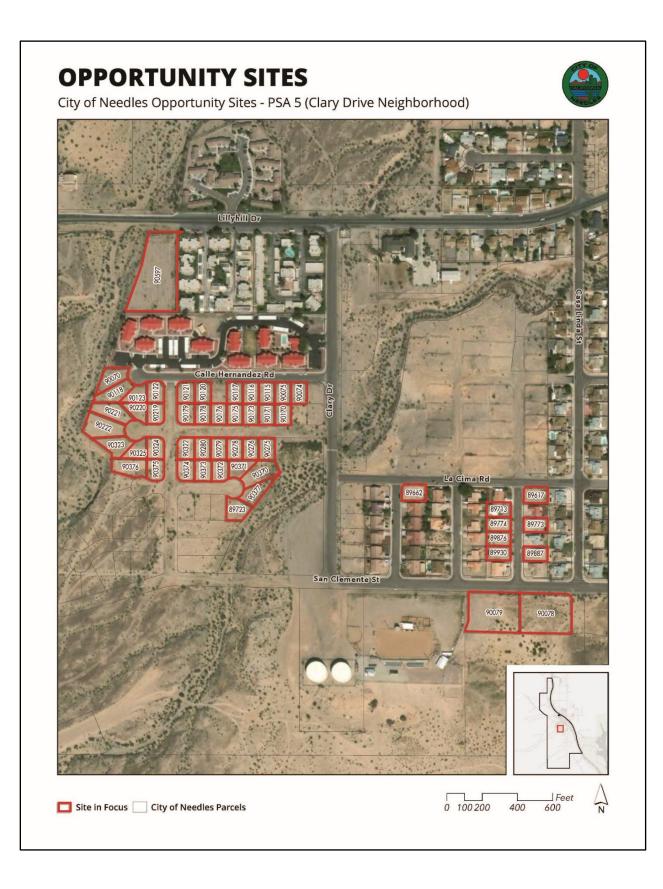
APN	Address	Zip Code	Zoning Code	Max Density (du/ac)	Parcel Size (acres)	Existing Use/Vacancy	Publicly Owned	Used in Fourth Cycle Housing Element?	Used in Fifth Cycle Housing Element?	Income Category	Total Capacity
018541116	0 Villa Bella	92363	R-2	17 du/ac	0.18	Vacant	No	No	Yes	Above Moderate Income	1
018541117	0 Villa Bella	92363	R-2	17 du/ac	0.18	Vacant	No	No	Yes	Above Moderate Income	1
018541118	0 Villa Bella	92363	R-2	17 du/ac	0.19	Vacant	No	No	Yes	Above Moderate Income	1
018541119	0 Villa Bella	92363	R-2	17 du/ac	0.18	Vacant	No	No	Yes	Above Moderate Income	1
018541120	0 Villa Bella	92363	R-2	17 du/ac	0.30	Vacant	No	No	Yes	Above Moderate Income	1
018541113	0 Villa Bella	92363	R-2	17 du/ac	0.24	Vacant	No	No	Yes	Above Moderate Income	1
018540129	No address available (vacant subdivision) South of Lilyhill Drive and west of Terrace View Apartments	92363	R-3	30 du/ac	1.53	Vacant	No	No	No	Low Income	46
018523414	0 Lily Hill Dr	92363	R-2	17 du/ac	1.38	Vacant	No	No	Yes	Moderate Income	23











Appendix C: RHNA Site Maps

EXHIBIT 1: SITES INVENTORY MAP

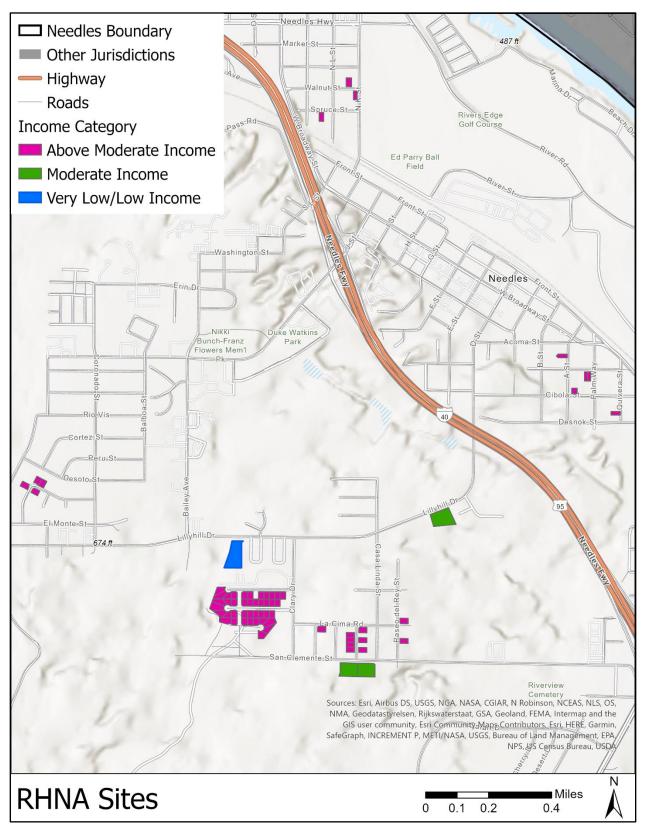


EXHIBIT 2, OPPORTUNITY SITES OVERVIEW

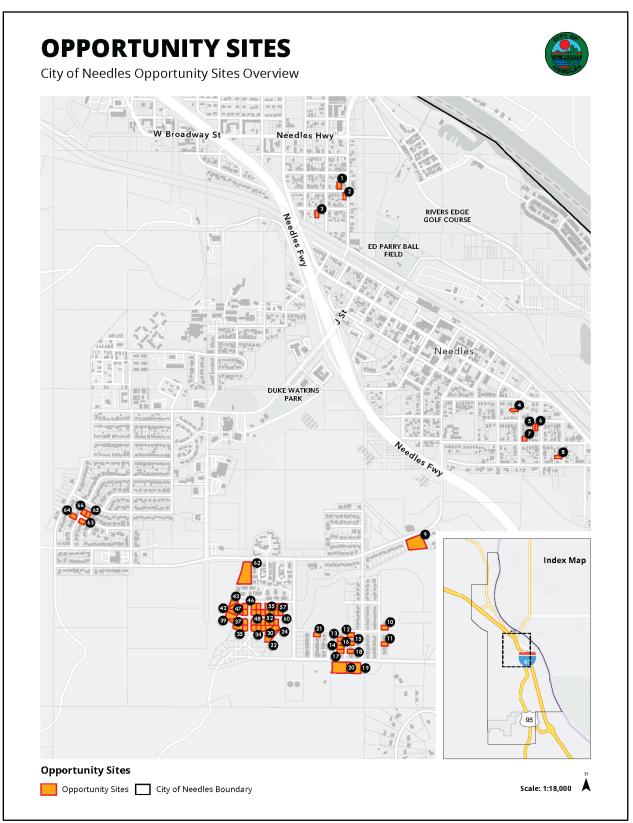


EXHIBIT 3, OPPORTUNITY INFRASTRUCTURE

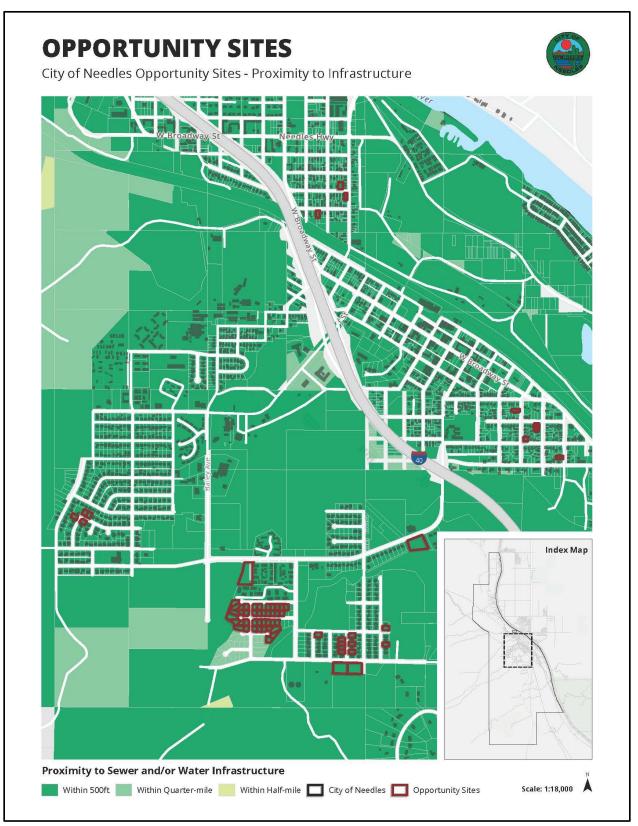


EXHIBIT 4, FLOODING CONSTRAINTS

