

CITY OF POINT ARENA

2014-2019 HOUSING ELEMENT UPDATE

DRAFT
DECEMBER 2015



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City of Point Arena

2014-2019 Housing Element Update

Draft

December 2015

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SECTION 1: INTRODUCTION

1-1. History and Values

The first regional inhabitants were the Bokeya Pomo, a small Native American group. In 1542 Spaniards arrived, naming the Point Arena headland “Cabo de Fortuna” (Cape of Fortune), in recognition of their difficult journey. The Point served as a prominent navigational site (Oliff, Steve and Carlstedt, Cheri. *The Early Days of Point Arena*. Olyoptics, 2005. Print.). In the 1850s, Mexican homesteaders arrived in Mendocino County, although some Pomo tribes remained. The first Point Arena land purchase by a US citizen, 640 acres, occurred in 1852 and first building erected in 1859.

In the 1860s, Point Arena became the “busiest town between San Francisco and Eureka,” producing 200,000 board feet of lumber a day and serving as the main Mendocino coast agricultural products shipping port. Much of Point Arena was leveled, in the 1906 San Francisco earthquake. After the earthquake, Point Arena was rapidly rebuilt and became home to the region’s ranch hands, foresters, and fishermen. The City incorporated on July 3, 1908, in order to establish greater political freedom from the County of Mendocino, inspired by a controversy over whether Point Arena could sell alcohol or go “dry.” By incorporating the City secured its ability to remain “wet”. In 1927, a fire in the Grand Hotel spread and most of the City was again destroyed. By the 1930s, the City had been rebuilt. Some of the Art Deco and Art Modern style buildings of that era are still standing today.

That independent spirit that prompted Point Arena to go its own way and twice rebuild itself in less than thirty years remains. Today, residents of Point Arena continue to value the rural character that comes from being located amongst the open fields and spectacular vistas along the Pacific Ocean. During a public meeting held on October 1, 2009 on this Housing Element update, residents spoke to the importance of maintaining the “small town feel” while promoting infill to develop a more walkable downtown. Indeed the subject of growth—the quantity and quality of it—is important to the community. Residents of the City took pride in the fact that the community is self-contained and can meet their needs without reliance on big outside corporations. With its wharf, monumental lighthouse and abundant natural beauty, Point Arena is a place that continues to draw in visitors. For its citizens, Point Arena is more than a wide place in the road. It is a unique place with unique flavor inhabited by unique people.

1-2. Point Arena Today

As of 2010, Point Arena was estimated to have 449 residents within the City limits and a number of commercial establishments located primarily along State Route 1 and adjacent to the harbor. Point Arena, by virtue of its small population and compact footprint, has a number of basic services available within walking distance of many residents and a short drive away for the rest. These services include schools, public transit stop, basic medical care facility, banking, convenience and small grocery stores as well as other employment opportunities. Areas along State Highway 1 have the best pedestrian accessibility compared to other locations within the City.

1-3. The Housing Element

The Housing Element is an integral part of Point Arena's General Plan. A major objective of State housing law and the housing element preparation requirements is to encourage each City and county to do its "fair share" in providing for the housing needs of the State, particularly the needs of extremely low-, low- and moderate-income persons and families. This updated housing element has been prepared according to the guidelines issued by the California State Department of Housing and Community Development (HCD).

In order to understand and address the housing needs of the City of Point Arena, many aspects were analyzed, including population demographics, employment and income data, as well as the quantity, quality, and affordability of the housing stock, and the community's future housing development potential. From this analysis, housing goals, policies, programs, and actions were developed to assist Point Arena in meeting the housing allocation targets established in the Regional Housing Needs Assessment, as well as overcome any other shortcomings identified within the Housing Element. A full listing of housing goals, policies and actions can be found in Section 2.

1-4. Data Sources

This Housing Element update utilizes data from the U.S. Census Bureau, forecasts by the State Department of Finance (DOF), data from the State Employment Development Department (EDD) and the current Mendocino County Regional Housing Needs Plan, in addition to input from the community of Point Arena.

Please note that the most up-to-date data from the Census Bureau was derived from Census2000, which is now nine years old. The information should therefore be used to represent trends rather than demonstrate exact numerical facts. The assumptions and trends were reviewed and substantiated by the City of Point Arena. The next Housing Element revision, scheduled for 2014, will have full access to up-to-date information.

In general, there have been few noticeable changes in the overall population and housing characteristics of Point Arena since the adoption of the 2009 - 2014 Housing Element. Demographic, household, and housing unit information are discussed in Sections 3 - 6.

Likewise, there have been few significant changes in Point Arena's regulatory provisions that could potentially affect the housing supply of all types since 2009 - 2014. These regulations are discussed in greater depth in Section 7.

1-5. General Plan Consistency

The Point Arena General Plan/Local Coastal Plan has been reviewed during the Housing Element Process and the 2014-19 Housing Element is consistent with plan elements. This revision is consistent in all respects.

1-6. Public Participation

Several actions were taken during the preparation of the 2014-2019 Point Arena Housing Element to provide opportunities for public participation, in order to better understand and

address the housing needs of the residents of Point Arena. Those efforts are described in detail below. The insight gained from the public participation was incorporated into the policies, programs, and actions, listed in Section 2.

Housing Element Update Public Input Session

Date: _____

Time: 6:00 p.m. – 8:00 p.m.

Location: VFW Hall, 451 School St., Point Arena

Staff in Attendance: Council and staff

City Manager Shoemaker gave an overview of the Housing Element update process and the necessity of having a Housing Element. Mayor Koogle commented on the different components of the Housing Element. Participants were then provided an opportunity to discuss unique characteristics of Point Arena and to identify housing issues, needs, and opportunities for Point Arena’s residents. Input from meeting participants were considered and incorporated into the Housing Element update where appropriate.

Housing Element Update City Council Study Session

Date: _____

Time: 6:00 p.m. – 8:00 p.m.

Location: VFW Hall, 451 School St., Point Arena

Staff in Attendance: Council and staff

City Manager Shoemaker gave an overview of the Housing Element update process and the necessity of having a Housing Element. Mayor Koogle commented on the different components of the Housing Element. Participants were then provided an opportunity to discuss unique characteristics of Point Arena and to identify housing issues, needs, and opportunities for Point Arena’s residents. Input from meeting participants were considered and incorporated into the Housing Element update where appropriate.

SECTION 2: HOUSING GOALS, POLICIES, AND PROGRAMS

Regional Housing Needs Allocation (RHNA) Determination

The Mendocino County Council of Governments (MCOG) prepares and updates the Mendocino County Housing Needs Plan to assist local governments in making future housing needs projections. The Plan objective, mandated by State law, is to ensure local governments do their “fair share” in meeting regional housing needs. When accepted by HCD, the MCOG projections become the criteria for meeting local housing needs. The MCOG Plan was adopted June 3 2013. MCOG’s approach was to consider several different allocation scenarios before settling on an allocation roughly based on the existing population distribution with an increased assignment of low and very low income residential units to the incorporated cities. In exchange, the unincorporated County received a larger share of the moderate and above moderate income housing units. Due to its small size, Point Arena received an allocation of just one unit or 1% of the total RHNA for the 2014-19 time frame.

Table 2.1: Mendocino County Regional Housing Needs Allocation, 2013:

Jurisdiction	Income Group				Total Units	Percent
	Very Low	Low	Moderate	Above Moderate		
Point Arena	0	0	0	1	1	0.4%
Fort Bragg	5	3	3	9	20	8.1%
Willits	3	2	2	6	13	5.3%
Ukiah	11	7	7	20	45	18.2%
County	40	27	27	74	168	68.0%
County Totals	59	39	39	110	247	100.00%
Source: Mendocino Council of Governments, Regional Housing Needs Plan, 2013.						

GOAL 1: Provide housing to meet present and future needs of residents of all income groups, and provide a fair share of Mendocino County market area housing needs.

Policy 1: *Promote and facilitate housing unit construction for all income groups.*

Programs

1.1 Adapt the vacant and underutilized housing inventory into a housing development resource guide with parcel size, zoning regulations, and estimated number of units that could be constructed on each site. Describe available incentives, such as density bonuses, as well as the City’s main affordable and in-fill housing objectives. Make information available to the public, private and non-profit developers and County agencies on availability of vacant land developable for all housing types.

Responsibility: City

Time Frame: Within six months of housing element adoption

Funding: General Fund

- 1.2 Work with owners of large vacant or underutilized parcels to facilitate residential development, particularly on those vacant lands near the downtown core area. Make market and funding information (such as Proposition 46 funds) available.

Responsibility: City

Time Frame: Ongoing

Funding: General Fund

Policy 2: Promote development in or near the downtown core areas.

Programs

- 2.1 Work with vacant or underutilized lot owners in the urban core to develop low to moderate income rental units at higher densities (i.e., greater than 7.5 units per acre with applicable density bonuses). Provide property owners with housing information packet including City's in-fill housing policy, particularly for extremely low- to moderate-income renters, and possible sources of assistance, such as non-profit developers, funding, and Section 8 rental assistance. Include map identifying prime infill and 2nd unit locations. Post to website.

Responsibility: City

Time Frame: Within one year of housing element adoption

Funding: General Fund

Policy 3: Promote development of a variety of affordable housing options.

Programs (Responsibility, Time Frames, and Funding combined)

- 3.1 Promote 2nd units, granny units, manufactured homes on single family lots and live/work units where permitted by informing residents about these housing types and changing City's Second Unit Ordinance to comply with State regulations.
- 3.1.1 Maintain a list of all properties that have the potential for the addition of granny units, 2nd units, manufactured homes, and/or live/work units. Provide property owners housing information packet, biannually, with unit requirements, City application and possible financial assistance.
- 3.1.2 Provide allowances, regulations, and incentives for 2nd units, granny units, and live/work units on the City's website.
- 3.1.3 Implement Ordinance 166, 8.12.1997, which allows for 2nd units to be conditionally permitted in SR ½, SR 1, RA 2, AE & UR zoning districts. A Second Unit may be approved for coastal development permit applications without a hearing in UR, SR & RA zones.
- 3.1.4 Amend Zoning Ordinance to allow live/work spaces in HWC Zoning District. Include Transitional and supportive housing as subject to the same zoning regulations apply to similar housing types in the same zone. Amended Zoning Ordinance to comply with Chapter 633, Statutes of 2007 (SB 2) requirements.

Responsibility: City

Time Frame: Within one year of housing element adoption

Funding: General Fund (staff time)

3.2 Continue to access revolving loan fund for small unit financing, where feasible.

Responsibility: City

Time Frame: Within one year of Housing Element Adoption

Funding: General Fund (primarily staff time)

3.3 Promote multifamily unit development and management through developers outreach and permit process monitoring.

3.3.1 Contact for-profit and non-profit affordable multifamily housing developers to disclose potential sites and approval process. Provide prioritized application processing and no-cost pre-application meetings, encourage proposals to property owners and community outreach assistance.

3.3.2 Monitor the Conditional Use Permit (CUP) process for multifamily applications in HWC zone. Evaluate potential CUP process impacts on multifamily applications. If CUP process causes delays, increases cost or reduces supply, adopt mitigations or replace with alternative process.

3.3.3 Monitor City multiple family housing design standards and design review process to assure that the guidelines and/or review process are not unnecessarily hindering unit development. If standards or process found to be hindering multiple-family unit development in a manner inconsistent with the General Plan, remove any unnecessary development constraints related to multifamily housing projects

Responsibility: City

Time Frame: Ongoing

Funding: General Fund

GOAL 2: To preserve existing housing in safe and sound condition, particularly rental units.

Policy 4: Conserve existing housing units.

Programs

4.1 Discourage housing unit conversion to other uses by amending Zoning Ordinance requiring one for one replacement of units demolished or converted to a non-residential use, other than “coastal dependent” or “coastal related” uses.

Responsibility: City

Time Frame: Next Zoning Ordinance update

Funding: General Fund

4.2 Continue to implement the City’s Revolving Loan Fund, including a system for determining amounts and collection procedures for in lieu fees in place of developing low-income housing units, to be used with the inclusionary housing program as well as for implementation of item 4.1 above, regarding replacement of low-income housing units. Use the Housing Fund to supplement the development of housing for affordable and special needs housing.

Responsibility: City

Time Frame: Ongoing
Funding: General Fund

Policy 5: *Assist property owners in maintaining their property.*

Programs

5.1 Conduct a visual survey of properties, noting those that appear to be deteriorating from deferred maintenance or from encroaching or adjoining uses that contribute to neglect and deterioration, especially those units with absentee owners. Send information about resources available for improving their properties to all occupants and owners of units identified as being in need of repair.

Responsibility: City
Time Frame: Annually
Funding: General Fund

5.2 Assemble list of possible financing sources for energy conservation, inspection services, erosion control, and other measures designed to keep structures safe, energy efficient, and durable and include it in both brochures and online.

Responsibility: City
Time Frame: TBD
Funding: General Fund

5.3 Seek additional Federal, State, and County funding for City rehabilitation loan fund. Apply for available funding with the objective for 5-10 rehabilitation loans in the planning period. Prioritize units in greatest need of rehabilitation, as identified by the housing conditions survey, or by other means of identification.

Responsibility: City
Time Frame: Within the five year planning period
Funding: General Fund

5.4 Encourage rental property owners to apply for low interest rehabilitation loans allowing for cap on rent and/or income to preserve housing accessible to low-income households.

Responsibility: City
Time Frame: Annually
Funding: General Fund

GOAL 3: Maintain housing supply meeting diverse needs of City, including special needs.

Policy 6: *Facilitate the improvement of housing situations for special needs populations.*

Programs

Seniors:

6.1 Work with Senior Community Services organizations, such as Coastal Seniors, to conduct home safety assessments and assist with obtaining funding for retrofits for safe living environments and preserving housing units.

Responsibility: Senior Community Services organizations, such as Coastal Seniors

Time Frame: TBD

Funding: TBD

- 6.2 Increase housing opportunities for seniors by assisting persons or groups interested in developing senior housing or group housing by identifying suitable sites permissible under zoning ordinance and identify possible sources of financial or technical assistance.

Responsibility: Senior Community Services organizations, such as Coastal Seniors

Time Frame: Ongoing

Funding: City (Sites inventory included in Housing Element Update Appendices)

- 6.3 Encourage group housing, particularly senior housing, by working with interested groups to combine efforts to find sponsors and sources of financing.

Responsibility: Senior Community Services organizations

Time Frame: Ongoing

Funding: TBD

Disability Access:

- 6.4 Improve accessibility for persons with disabilities by:

- Amending Zoning Ordinance to accommodate persons with disabilities, including code deviations, to comply with 1988 Federal Fair Housing Amendments Act and California's Fair Employment and Housing Act.
- Develop and implement an outreach process for identifying residents with disabilities that need accessibility retrofits and provide them with referrals to resources to assist with constructing the needed upgrades.

Responsibility: Community Services organizations

Time Frame: Within one year of certification

Funding: City

Large Families:

- 6.5 Increase housing opportunities for large families of five or more persons by amending Zoning Ordinance to require that planned developments include low and moderate-income units and provide some units for 4+ person households.

Responsibility: Community Services organizations

Time Frame: Within one year of certification

Funding: City

Homeless:

- 6.6 Monitor homelessness to assure that the needs are being met with available resources. If found that there are increased resources and assistance needs, the City shall work with pertinent County agencies and other support groups within neighboring communities to expand homeless assistance.

Responsibility: Community Services organizations, Mendocino County Homeless Services Committee

Time Frame: Ongoing

Funding: Community Services organizations

GOAL 4: Increase housing opportunities for low-income households.***Policy 7:*** Give priority to low-moderate income housing supply development**Programs**

7.1 Employee Housing

Allowances for residential unit development also exist for AE and HC zones for providing farmworker housing and owners and/or managers of visitor serving facilities, respectively Per EHA, H&SC §§17021.5 and 17021.6., amended 2013.

Responsibility: City

Time Frame: Ongoing

Funding: City (primarily in the form of technical assistance)

Policy 8: Expand and maintain housing opportunities for low- and extremely low-income households through code provisions and services.**Programs**

8.1 Develop Inclusionary Housing Ordinance to include units for low-income households and to meet GC §65590 (d), which requires housing development projects in Coastal Zone to include low-income units.

Responsibility: City

Time Frame: Within one year

Funding: General Fund

8.2 Encourage developers of low-income units to include units for extremely low-income households and assist with exploring means of making the inclusion of such units more economically feasible.

Responsibility: Community Services organizations

Time Frame: TBD

Funding: General Fund

8.3 Inform Point Arena Water Works (PAWW) of water service priority for low-income household units, per GC §65589.7. Give low-income housing projects priority for sewer services.

Responsibility: City

Time Frame: Within one year

Funding: General Fund

8.4 Investigate extremely-low income housing development on vacant, underutilized or abandoned sites, and pursue developers able to carry out such projects. When reviewing potential sites consider if site is coastal dependent visitor servicing facilities (VSF) and review VSF constraints to housing conversion.

Responsibility: Community Services organizations

Time Frame: TBD

Funding: TBD

8.5 Assist with identification of and application for funding for housing development

projects that include low-income and multiple-family housing.

- Develop and maintain a list of grants and financial resources available to low-income and multi-family development projects.
- Pursue undeveloped lot development; by assisting with identifying potential resources for development projects to be economically feasible.

Responsibility: Community Services organizations

Time Frame: TBD

Funding: TBD

8.6 Continue to allow Shared-Living Facilities permitted in SR with a Conditional Use Permit and MR as a Principally Permitted Use, for six individuals or fewer, , in order to comply with the California Health and Safety Code §1566.3.

Responsibility: Community Services organizations

Time Frame: TBD

Funding: TBD

8.7 Update Municipal Code for Employee Housing Act compliance. Make residential unit development allowances in AE and HC zones for farmworker and VSF owner and/or manager housing. Check Zoning Ordinance compliance with Employee Housing Act, specifically H&SA §§ 17021.5 and 17021.6 amended in 2012.

Responsibility: City

Time Frame: Ongoing

Funding: General Fund

Policy 9: Increase the ability of low income persons to afford available housing.

Programs

9.1 Encourage limited equity housing amongst available housing units by providing information through the City's housing outreach program and contacting non-profit agencies interested in utilizing available State funds for this purpose.

- Assist low income persons with rent assistance (i.e., Section 8 vouchers, and low interest loans for owner improvement equity).
- Maintain a list of persons interested in and qualified for low-moderate rent housing or work with group or agency that already maintains such a list.

Responsibility: City

Time Frame: Ongoing

Funding: General Fund

GOAL 5: Promote energy and water conservation in residential development.

Policy 10: Promote energy conservation through education and enforcement.

Programs

10.1 Provide energy efficiency information, to reduce utility costs, on the City website along with energy conservation and efficiency resource links.

Responsibility: City
Time Frame: Ongoing
Funding: General Fund

10.2 Identify energy conservation measures available to renters and assist with identifying measures to reduce energy and water consumption and/or refer renters to sources, such as PG&E, local “Community Chest”, and North Coast Energy Services (NCES), providing weatherization and other energy and water conservation assistance.

- Encourage owners to increase insulation, install more efficient appliances, and other utility cost reduction measures. Provide owner’s with City’s revolving loan program and other energy-efficiency retrofit programs information to defray improvement costs.

Responsibility: City
Time Frame: Ongoing
Funding: PG&E and North Coast Energy Services Home Energy Assistance Program (HEAP), and California Alternate Rates for Energy (CARE)

10.3 Request updates from NCES, and other energy conservation organizations on energy conservation program offerings.

Responsibility: North Coast Energy Services
Time Frame: At least twice per year,
Funding: North Coast Energy Services utility assistance and weatherization programs

Policy 11: Promote energy-conserving, green building and sustainable practices.

Programs

11.1 Encourage construction of new houses in or near downtown core area to reduce the need City utility extension and reduce vehicle miles traveled (VMT) by:

- Encouraging development projects near or adjacent to the urban core to fund off-site pedestrian and bicycle facilities for non-vehicular access to downtown.
- Encouraging development of new clustered or attached housing for efficient land, materials and energy use, and for a more sustainable community.
- Permit solar power and water heating, water conservation devices, and energy-saving construction materials. Promote grid-tie solar system use.
- Promote energy efficiency measures in new developments such as building siting, energy efficient windows and doors, and drought tolerant landscaping. Review applications for compliance when such provisions are adopted.

Responsibility: PG&E and North Coast Energy Services
Time Frame: Ongoing
Funding: PG&E and North Coast Energy Services

GOAL 6: Assure housing policy and program implementation.

Policy 12: Remove affordable housing development constraints to extent possible.

Programs

12.1 Evaluate effect zoning, development standards, permit procedures, and CUP process have on affordable and multi-family housing development and, minimize constraints by amending standards and improving permitting processes.

Responsibility: City

Time Frame: Ongoing

Funding: City (primarily staff time)

12.2 Amend the Zoning Ordinance to remove low-income housing development constraints, assure that a pertinent housing development information, such as allowable uses and densities, are contained in one place for increased clarity.

Responsibility: City

Time Frame: First amendment within one year of Housing Element adoption

Funding: City (primarily staff time)

Policy 13: Develop and maintain a City administered Housing out-reach Program, which includes Households and Developers assistance information

Programs***Information and Assistance for HOUSEHOLDS***

13.1 Disseminate housing policy, program, regulation, opportunity and resource information to existing and prospective residents through brochures, newspaper articles, other outreach measures, and other measures electronically on the City's website. This will include:

- Preparing housing and energy saving policies and programs brochure, including financing sources, assistance, legal reference concerning discrimination, and disabled and handicapped persons' rights.
- Advertising brochure availability through community outlets, and City and County web sites.
- Distributing housing outreach program brochure, with assistance contacts; include the information on the City's website as well.

Responsibility: Area realtors

Time Frame: Least once every two years

Funding: Area realtors

13.2 Provide housing information and assistance, upon request, including referrals to other agencies in the County offering needed services.

Responsibility: City

Time Frame: Ongoing

Funding: City

Information and Assistance for DEVELOPERS

13.4 Prepare and disseminate available housing development sites information and City's policies on allowances and regulations for development in brochure made available to realtors, developers, and County and State agencies, and posted

to the City's website.

Responsibility: City

Time Frame: Within two years of element adoption

Funding: City

13.5 Collect annual local housing information, and report to City Council at the presentation on the Annual Housing Report including:

- sales records of land or structures and affordability levels of new units;
- documentation of possible property development;
- increased or decreased rental units;
- County issued building permits and other information that may be pertinent to keeping track of housing related issues or actions in the surrounding area;

Responsibility: City

Time Frame: Annually in City Housing Report

Funding: City

13.6 Establish an ongoing liaison with County and State agencies and officials in other communities in the region to gather information on possible sources of assistance and possible cooperative efforts to achieve housing goals.

Responsibility: City outreach to County and State agencies

Time Frame: Ongoing

Funding: City, with County and State agency assistance

Policy 14: Make development of housing for households of all incomes a top City priority.

Programs

14.1 Prepare Annual Housing Report, as part of General Plan progress report, GC §65400 with residential development and other pertinent information.

Responsibility: City

Time Frame: At least annually

Funding: City

SECTION 3: POPULATION AND EMPLOYMENT CHARACTERISTICS

This section discusses the demographics of Point Arena, providing the needed detail to better understand the City's population. Information covered includes details on population growth, racial/ethnic breakdown, age, educational attainment and employment status. Unlike other sections in this housing element that deal with housing and household issues, this one focuses strictly on individuals.

3-1. Population and Growth

From 2000 to 2010, the City population decreased 5.3% but grew 5.9% overall since 1980.

Table 3.1: Population Growth and Projections, 1970 - 2020

Jurisdiction	Year						% County Pop in 2010
	1970 ¹	1980 ¹	1990 ¹	2000 ¹	2010 ¹	2030 ²	
Point Arena	424	425	407	474	449	473	0.5%
Total County	51,101	66,738	80,345	86,265	87,841	93,577	100%

Sources:

1. U.S. Census, 1970, 1980, 1990, 2000, and 2010.
2. County population total for 2030 from DOF Report P-3 2014 Table. Sub-county estimates based on the 2015 population share.

This population decrease is unique to the overall County's and the other three cities in Mendocino County. By contrast, Mendocino County increased from 86,265, in 2000, to 87,841 people in 2010, or 1.8%, and grew by and 31% since 1980.

The DOF projects the County's population will increase 5.3%, from 88,884 to 93,577 people, between 2015 and 2030. Population projections for sub-county jurisdictions, such as Point Arena are not routinely made by the DOF. The County's 2030 estimate was increased by the City population level commensurate with the overall population increase. However it should be pointed out that the approval of a single, substantially sized development (25 units) in a City the size of Point Arena could greatly alter the 2030 population estimate.

3-2. Race and Ethnicity

In 2010, the White population comprised roughly two-thirds of Point Arena's population.

Table 3.2: Race and Ethnicity

Race/Ethnicity	2010	
White (alone)	305	68%
Hispanic	150	33%
All other ethnicities	3	.6%
Total	449	100%
Source: Census 2010		

The Hispanic population made up 33%. All other ethnicities comprised less than 1% of the City's population. Compared to the overall County in 2010, Point Arena had a slightly smaller percentage of White individuals and greater than 10% more of Hispanic people.

3-3. Age Structure

The age breakdown of a community provides important information, as an individual's age is a factor in housing demand.

More than one-quarter of City's small population is comprised of those 19 and under. This rate is similar to the overall county's percentage. The largest difference between Point Arena and Mendocino County is the 35-49 age bracket at a difference of 7%. The remaining age brackets are within a 5% difference.

Table 3.3: Point Arena Age Distribution

Age Group	2010 Point Arena		<i>2010 County Percentage</i>
19 and under	127	28%	25%
20 to 34	59	13%	18%
35 to 49	111	25%	18%
50 to 64	94	21%	24%
Over 65	58	13%	15%
Total	449	100%	100%
Source: Census2010			

The relatively high number of individuals under age 18 compared to the overall county makes it more important to review the Large Family (Table 4.2) and Overcrowding (Table 4.3) data to better determine housing needs for this group. Table 5.2 has more information on over-65 age group. It's possible that the relatively low over-65 percentage is due to non-residential factors such as distance to medical care.

3-4. Educational Attainment

Income typically rises with education level. According to the 2013 U.S. Census American Community Survey, an overwhelming majority of City residents aged 25 and older, had a high school diploma or some college education. Approximately 37% had a college degree

(associate or bachelor degree) and 6% had a graduate degree. However, as shown in **Table 3.4**, a significant percentage of residents (20%) did not attain a high school diploma or GED.

Low educational attainment often will result in low paying jobs that directly affect how affordable housing will be to that household. Improving one's education may help individuals find better paying occupations, but only if those jobs are available.

Table 3.4: Educational Attainment by Age 25 and Older

Education	Persons	Percent
No High School Diploma	61	20%
High School Diploma / GED	112	37%
Some College and or Associate's Degree	94	31%
Bachelor's Degree	18	6%
Graduate or Professional Degree	18	6%
Total	303	100%

Source: Census 2013 American Community Survey 5-year Estimates

3-5. Occupations

Of the estimated 232 employed individuals living in the City of Point Arena in 2013, the most commonly cited occupation was "Service" followed by "Sales and Office," and "Natural Resources" occupations. Less than 2% earned a living from health related occupations such as health diagnosing and health technologies.

Table 3.5: Point Arena Resident Occupations

Occupation	Number	Percent
Management, business, science, and arts	28	12%
Service	108	47%
Sales and office	35	15%
Natural resources, construction, and maintenance	35	15%
Production, transportation, and material moving	26	11%
Total	232	100%

Source: Census 2013 American Community Survey 5-year Estimates

Sales, services and farming/fishing occupations typically have lower incomes than those in managerial, professional and certain office professions. Individuals engaged in production, construction and transportation activities can earn on average middle to above middle level incomes but are more directly affected by seasonal fluctuations and economic downturns.

3-6. Employment by Industry

In 2013, Point Arena residents were employed in a wide variety of industries. Two of the largest sectors, recreation/accommodation/food services and education/health care,

collectively employ 43% of the City’s workforce. The first sector is also amongst the lowest paid on average, according to 2015 EDD Occupational Employment Statistics (OES) data, which can lead to financial hardships for households solely dependent on this income source. It would also make housing costs comparatively less affordable as opposed to those employed in higher paying industries.

With seasonally fluctuating economic activity, some households could be dependent on jobs that pay minimally or not at all during the “off-season.” In addition to the service sector referenced above, the construction and fishing/farming/forestry sectors can also be seasonal in nature. These seasonal employment fluctuations could lead to households with variable incomes having difficulty affording housing during the off-season.

Table 3.6: Employment and Average Earnings by Industry

Industry	Employed	Median Earnings
All Industries	232	\$20,313
Agriculture, forestry, fishing, and hunting, and mining	23	\$25,625
Construction	19	\$26,458
Manufacturing	4	\$20,000
Wholesale trade	14	Not given
Retail trade	22	\$17,917
Transportation and warehousing, and utilities	3	Not given
Information	2	Not given
Finance and insurance, real estate, rental and leasing	1	Not given
Professional, scientific, and management, and administrative and waste management services	26	\$11,786
Educational services, health care and social assistance	49	\$31,458
Arts, entertainment, and recreations, and accommodation and food services	52	\$13,214
Public administration	6	Not given
Other services, except public administration	11	\$6,750
Source: U.S. Census 2013 American Community Survey for Point Arena		

The data in **Table 3.6** was collected in 2013. Since then economic conditions have affected the resource-dependent sectors of the local economy. Some of those lost resource industry jobs may have been replaced by service sector jobs. If households previously dependent on higher-paying industries found themselves working in lower paying sectors this would affect affordability. For **household** income distribution information see **Table 4.4**.

3-7. Unemployment Rate

Point Arena has had an unemployment rate that has historically remained below the county, state, and national averages (Unemployment ranges for CA: 7.3% in 2008 to 12.2% in 2010. US Rate: 5.8% to 9.6% for the same time frame. Mendocino County annual average range:

2.4% in 2008 to 10% in 2009. Prior to 2015, the data reflects seasonal variations between the January and September levels. Since 2008, unemployment rates rose as the recession affected the local job market, and then started dropping since 2010.

Table 3.7: Unemployment Rates

Year	Rate		
	January	September	Annual
2008	2.5	2.1	2.4
2009	4.0	3.6	10.0
2010	10.8	9.1	9.9
2011	10.9	8.8	9.6
2012	9.4	7.2	8.4
2013	8.4	6.0	6.7
2014	6.9	4.7	5.6
2015	6.0	4.6	--

Source: Employment Development Department

3-8. Jobs / Housing Balance

Where people live and work is an important factor to consider in a housing element. This issue—also called the jobs/housing balance—is key to determining to what extent the City's workforce will have to travel to work and where workers that are employed in the community reside. A community that has sufficient housing units to meet the workforce needs of the local economy will have fewer commuters. This is important as households that have lengthy commutes can have less disposable income to meet other financial needs.

According to Census 2013 American Community Survey data, 53% of the employed individuals that live in Point Arena work outside of the City. Approximately 20% of those commuters that leave the City travel more than 30 minutes for work. At the same time, around 230 individuals commute to Point Arena from other locations for work (US Census Bureau Longitudinal Employer-Household Dynamics). Although commuting is relatively high in both directions, the data indicates more people travel to the City for work than leave.

SECTION 4: HOUSEHOLD CHARACTERISTICS

This section describes the household characteristics within the City of Point Arena. Unlike the preceding section that dealt with individuals, this section deals with households and provides information on the types, sizes, and income levels of community households.

4-1. Household by Type

There were an estimated total of 190 occupied households residing within the City of Point Arena, according to Census 2013 American Community Survey data as expressed in **Table 4.1**. In addition, 38% of households had children, 13.7% were headed by single parents, the majority of which were single mothers (9%). Householders living alone made up 42% of all households. The remaining households were made up of either married couples or other non-family households.

Table 4.1: Household by Type

Household Type	2013	
	#	%
<i>Family Households</i>	91	47.9%
Married Households	65	34.2%
Other Household	26	13.7%
<i>Non-Family Households</i>	99	52.1%
Householders Living Alone	80	42.1%
Other Non-Family Households	19	10%
Total Households	190	100%
Source: Census 2013, American Community Survey		

4-2. Comparison of Household and Unit Size

Table 4.2 below compares household size with the size of housing units, by tenure. Households with only one person consist of 37% of the homeowner households, whereas only 6% of the owner occupied housing units are studio or one-bedroom units.

Table 4.2: Household Unit Size Comparison

Household Size ¹	Number	Percent	Bedroom Size ²	Units	Percent
Owner			Owner		
1 person	32	37%	Studio / 1-br	5	6%
2-3 people	42	48%	2-bedrooms	19	22%
4-5 people	11	13%	3-bedrooms	50	59%
6+ people	2	2%	4+ bedrooms	11	13%
Total Owner Households	87	100%	Total Owner Occupied Units	85	100%
Renter			Renter		
1 person	39	37%	Studio / 1-br	30	29%
2-3 people	42	40%	2-bedrooms	62	59%
4-5 people	17	16%	3-bedrooms	13	12%
6+ people	7	7%	4+ bedrooms	0	0%
Total Renter Households	105	100%	Total Renter Occupied Units	105	100%
Source: ¹ U.S. Census 2010, ² Census 2013 American Community Survey.					

The absence of smaller units points to a possibility of single-person households overpaying for housing. A similar situation exists for small households with 2-3 individuals as there are 42 of these smaller households and only 19 2-bedroom owner-occupied housing units. This could demonstrate a potential need for additional numbers of smaller units for homeowners. Examples of housing unit types that could address this need are described in Section 7-10.

4-3. Large-family households

Large family households are defined as having five or more persons. Large families typically require housing units with three or more bedrooms. For example, a five-person household would typically need a three-bedroom unit while a seven-person household would need a five to six-bedroom unit to avoid overcrowding as defined in Section 5-4. Large family households have special housing needs due to the lack of adequately sized and affordably priced units, resulting in overcrowding and/or overpayment.

According to the 2010 U.S. Census, and 2013 American Community Survey there were a sufficient number of adequately sized units to serve large-family homeowner households. However, approximately 25% of renter households had four or more people, yet only 12% of renter-occupied housing units had three bedrooms or greater and none had four bedrooms or more. This demonstrates an additional rental housing need for larger families.

According to the Comprehensive Housing Affordability Strategy (CHAS) data (**Table 4.6**, p. 21), no large-family households fell within the extremely low-income category, having household incomes that were less than 30% of Median Family Income (MFI). This is an improvement from previous years which previously had households in this category. This

situation makes it exceptionally difficult for large-families to afford housing large enough to prevent overcrowding.

4-4. Overcrowding

The U.S. Census Bureau considers “overcrowding” more than one person per room in a housing unit (excluding bathrooms, kitchens, halls and unconditioned space). Overcrowding may be due to low income levels, preventing households from being able to afford housing better suited to spatial needs, or due to lack of appropriately sized housing units. **Table 4.3** shows that 10 households, or 5%, had slight overcrowding. None of which, had greater than 1.51 persons per room. A majority of households experiencing overcrowding were renter households, with little overcrowding experienced by homeowners.

Table 4.3: Overcrowding

Occupants per Room	Housing Units
1.00 or less	180
1.01 to 1.50	10
1.51 or more	0

Source: Census 2013, American Community Survey

4-5. Household Income distribution

Compared to Mendocino County as a whole, Point Arena’s income distribution in 2013 was clustered in the lower and mid income categories with a majority of households earning less than the county’s median income.

Table 4.4: Household Income, Point Arena in 2013

Income Level	Point Arena		Mendocino County	
	Households	Percent	Households	Percent
Less than \$10,000	41	21%	2,355	7%
\$10,000 to \$14,999	12	6%	3,096	9%
\$15,000 to \$24,999	21	11%	4,856	14%
\$25,000 to \$34,999	28	15%	4,037	12%
\$35,000 to \$49,999	38	20%	4,600	14%
\$50,000 to \$74,999	32	17%	6,586	20%
\$75,000 to \$99,999	10	5%	3,306	10%
\$100,000 to \$149,999	3	2%	3,528	10%
\$150,000 to \$199,999	2	1%	801	2%
\$200,000 or more	3	2%	713	2%
Median Household Income	\$30,625		\$43,469	
California State Median Household Income: \$61,094				
Source: Census2013 American Community Survey				

4-6. Low Income Households

A low income level is often a reason that some households have special housing needs. According to the 2013 U.S. Census American Community Survey, Point Arena's population included approximately 23 families with related children under 18 years of age, living "below poverty level." **Table 4.5** and **Table 4.6** provide additional data on lower income households.

Table 4.5: Lower Income Categories, Point Arena in 2013

INCOME CATEGORY	PERCENT OF MFI	HOUSEHOLDS	
Very Low	<50	53	28%
<i>Extremely Low</i>	<30	40	21%
Low	51-80	21	11%
Moderate and above	81+	116	61%
Note: MFI = Median Family Income. Source: CHAS data, derived from Census 2012 ACS.			

4-7. Extremely Low Income Households

Extremely low income households, those making less than 30% of the MFI, face many challenges in securing adequate housing. These individuals and families can often be one step ahead of homelessness and often are marginally employed or collecting small amounts of government assistance such as Social Security. The CHAS from the United States Department of Housing and Urban Development (HUD) compiled raw census sample data, not available to public on the Census Bureau's website, to build a better picture of the

nation's housing situation for lower income households. Due to the number of different tables the CHAS data draws from, the household counts do not match either the 100% count or sample count figures found in Census2010 Summary Files.

Table 4.6: Housing Situation for Extremely Low Income Rental Households

Household by Type, Income, & Housing Problem	Elderly 1 & 2 member households	Small (2 to 4 persons) Related Households	Large (5 or more people) Related Households	All other Extremely -low Income Household Types	All Extremely -low Income Renters
Household Income <30% MFI	0	20	0	20	40
% Cost Burden >30% - 50%	0%	0%	0%	0%	0%
% Cost Burden >50%	0%	100%	0%	40%	70%

Source: CHAS data, from Census 2008-2012 ACS data.

In 2012 the data revealed that 44 households fell into the extremely low-income category (<30% MFI), with an overwhelming percentage (40 of the 44 households) being renters. Rental households in this category are shown in **Table 4.6** above. Seventy-eight percent of the rental households in this income category are comprised of employment-age individuals. Employment for those in the extremely low-income category can typically consist of seasonal or sporadic jobs as well as those who are self-employed. Other households subsist with unemployment, welfare and disability payments. Almost 90% of extremely low-income renters pay more than a third of their income for housing and two-thirds pay over half.

Only four households categorized as "Extremely Low" in the City were identified as owner-occupied (not shown in Table 4.6). According to the CHAS data, all four extremely low-income home-owning households were categorized as other household type (non-elderly, non-family). All four households reported paying more than 30% of their income for housing.

4-8. Overpayment

Housing is generally considered affordable if a household spends no more than 30% of their monthly income on housing costs. **Table 4.7** shows that, as of the year 2012, 62% of home owners in the City of Point Arena were living in housing that was not considered affordable to them and almost 80% of the renters did not have affordable housing, with 61% of renters paying more than 50% of their monthly income on rent. Of all households that overpay for housing, 88% are in the low, very low and extremely-low income categories (CHAS data).

Table 4.7: Overpayment by Households by Income Group in the City of Point Arena

Overpayment	Household Income <50% of MFI	Household Income 50% -80% of MFI	Household Income >80% of MFI	All Income groups
All Owner-occupied Households	14	15	20	45
Those that spend >30% of their Income on housing.	4	0	8	12 (27% of all owners)
Those that spend >50% of their income on housing.	4	8	4	16 (36% of all owners)
All Rental Households	70	20	0	90
Those that spend >30% of their Income on housing.	0	16	0	16 (18% of all renters)
Those that spend >50% of their income on housing.	55	0	0	55 (61% of all renters)
Source: CHAS data, from Census 2008-2012 ACS data.				

4-9. Housing Affordability Mismatch

Having housing units present in a community that are affordable to all household income categories is only part of the issue. In many cases households in a higher income category occupy those units affordable to lower-income households. When this happens it decreases the number of units available to those lower income households, increasing the chance that the displaced lower income household will displace an even lower-income household or overpay for housing elsewhere. It may also increase overcrowding as a result of a household moving into a unit that is too small or taking in additional working-age adults to help make the rent or mortgage payment. This problem is known as the Housing Affordability Mismatch. **Table 4.8** provides additional information on this subject.

Table 4.8: Housing Affordability Mismatch for Rental Units, Point Arena

	Extremely Low <30% of MFI	Very Low 30-50% of MFI	Low 50-80% of MFI
Number of households per Income Category	40	30	20
<i>Households that overpay for housing</i>	28	27	16
<i>Households that do not over pay for housing</i>	8	4	0
Total number of units affordable to this household income category	20	4	35
<i>Number of units occupied by higher income households</i>	24	16	50
Source: CHAS data, from Census 2008-2012 ACS data.			

Note: see Section 6.5 (page 31) more about affordability levels.

According to the data, few extremely low, very low, and low income households live in rental units that are affordable to them, even though a number of such units do exist within the City. Two important factors that could explain the mismatch between lower income households and the units affordable to them could include:

- Property owners renting to higher income households based on a real or perceived notion that they are more likely to be better tenants
- Homeowners letting other family members or personal friends live in the unit for free or steeply discounted rents regardless of their actual ability to pay.

SECTION 5: SPECIAL HOUSING NEEDS

Various segments of the population have special housing needs due to income level, age, disability, or other factors. As a result, they may have greater difficulty in finding housing. Special need groups identified by State law (GC §65583) include the elderly, persons with disabilities, female-headed households, large families (found in Section 4), farmworkers, the homeless, and those needing emergency housing. In addition, federal law recognizes Native Americans as a special needs group requiring a separate housing program designed to meet their unique needs. The following discussion provides information on the special needs populations within the City of Point Arena and their housing needs.

5-1. Large families

Large families have special needs in that they are often in need of larger housing units which may not be available or affordable to them. For more detailed analysis of the housing needs of large families in Point Arena, please see Section 4-3 on page 19.

5-2. Single-Parent Households

According to Census data, 17 female-headed and 9 male-headed households with children lived in the City of Point Arena in 2010. Single-parent households generally have a higher ratio of expenses to income compared to two-parent households. Single-parent households with children must balance housing and family responsibilities, which may include childcare expenses, on one income. Female-headed households with children under the age of 18 have a much higher incidence of poverty, approximately 76% percent of which had incomes below the poverty level, according to Census2013 ACS data. Therefore, the greatest special need of single-parent households is affordable housing proximate to childcare, health care, and other supportive services.

5-3. Persons with Disabilities

Persons with disabilities include those with physical mobility or self-care limitations, mental illness, developmental disabilities, and psychological disorders. Within the City of Point Arena there were 55 individuals reporting some sort of disability, representing about 21% of the total population. This figure includes individuals of all age groups and disability types. **Table 5.1** breaks down disability types for the three principal age groups for the City of Point Arena.

Table 5.1: Disability by Age and Type for Point Arena

Age Group	Total	Sensory	Physical	Mental	Self-care	Go-outside-home	Employment*
5 to 17 year olds	4	4	0	0	0	-	-
	<1%	<1%	0%	0%	0%	-	-
18 to 64 year olds	32	8	25	13	17	15	21
	7%	2%	5%	3%	4%	3%	5%
Over 65	19	8	2	6	4	6	-
	4%	2%	<1%	1%	<1%	1%	-
All Ages	55	20	27	19	24	21	21
	12%	4%	6%	4%	5%	5%	5%

Source: Census2013 American Community Survey
 *Employment is only recorded for those of working age (16-64 years in age)

Existing provisions for those with Disabilities

Of the 27 units in the Village Apartments, 2 are fully compliant with the Americans with Disabilities Act (ADA). Point Arena uses the standard Uniform Building Code used elsewhere in the County and meets the provisions outlined in the ADA.

The current Zoning Ordinance (separate from the Building Code) does not have specific provisions or procedures in the code that allows for the reasonable accommodation of requests made by disabled or handicapped individuals to deviate from existing land use or zoning codes when needed to eliminate barriers to housing opportunities. This is needed to fully comply with the Federal Fair Housing Amendments Act of 1988 and California's Fair Employment and Housing Act. As a consequence, the City will need to review and revise its ordinances as outlined on Action 6.5.a of Section 2, page 7 to comply with these changes.

Transportation services are available on a limited basis for those with disabilities through County agencies. For persons on Medicare, meal delivery and at-home health care services are provided as needed by local and county agencies.

Shared housing may be a viable living situation for some persons with disabilities. According to City zoning code, such uses are allowed by right in the MR zone and conditionally permitted in the SR 1 and ½ acre zoning classifications in the City. However, State Health and Safety Code 1566.3 requires that all shared housing for six or fewer people must be treated no differently than single family structures. As a consequence, the City will need to amend its zoning code to comply with state law.

Developmental Disabilities (Senate Bill 812)

SB 812 requires the City to include in the special housing needs analysis, needs of individuals with a developmental disability within the community. A developmental disability is a disability that:

- Occurs before an individual reaches 18 years of age;

- Is expected to continue indefinitely;
- Constitutes a substantial handicap.

Developmental disabilities include:

- Mental retardation;
- Cerebral palsy;
- Epilepsy;
- Autism;
- Disabling conditions closely related to mental retardation or requiring similar treatment to that required for mentally retarded individuals.

Redwood Coast Regional Center

Redwood Coast Regional Center serves individuals and their family who have a developmental disability, or who are at risk for developing a disability, and individuals who are at risk of having a child with a disability.

The term developmental disability refers to a severe and chronic disability that is attributed to a mental or physical impairment that originates before the individual's 18th birthday and poses a substantial handicap for the individual in three or more major life areas. These disabilities include mental retardation (intellectual disability), cerebral palsy, epilepsy, autism, and disabling conditions closely related to mental retardation or requiring similar treatment.

Infants and toddlers (birth to 36 months) who are at "high risk" for a developmental disability may also qualify for services. High risk for a developmental disability exists when a child has two or more factors that require intervention services. Such factors may include, but are not limited to, problems associated with low birth weight, prematurity, prenatal exposure to drugs, alcohol, or environmental hazards, feeding or muscle tone problems, or severe medical problems, and children whose parents have a developmental disability.

In addition, individuals at risk of having a child with a developmental disability may be eligible for prenatal diagnostic services, counseling, and other prevention services.

Applying for Services

Any resident of Del Norte, Humboldt, Lake, or Mendocino County who is interested in receiving services from Redwood Coast Regional Center (RCRC) may call the local RCRC office and ask for information about eligibility for services. The receptionist will connect the caller to the most appropriate intake specialist. Formal application must be made by an adult applicant, parent, conservator, or guardian. Community members and service providers may request services for another person with permission from the potential applicant to do so.

Once connected with the intake specialist, an initial review will take place within 15 working days with the referred individual and their parent or legal representative, as applicable. At that time, the intake specialist will provide information about the Redwood Coast Regional Center and community resources, obtain written authorization to receive all available

developmental assessments, medical and school records, and begin developing a psychosocial assessment of the individual's unique history and situation. If necessary, the intake specialist will arrange for further diagnostic assessments to be completed by one or more of the RCRC's contracted specialists.

Within 120 days of the initial intake (45 days for the Early Start Program or 60 days for the Prevention Program), all of the information secured during the intake process will be used to determine eligibility for regional center services. This process of eligibility determination is accomplished through a multidisciplinary team comprising at least one physician, psychologist, and social worker. There is no charge for the diagnosis and eligibility assessment.

If determined eligible for regional center services, the referred individual will be assigned to a service coordinator who, through a person-centered planning process, will assist in developing and implementing an individualized program plan for services. For individuals 36 months of age or older, this plan is known as the Individual Program Plan. For infants and toddlers, under 36 months of age and who are eligible for the Early Start Program, the plan is known as an Individualized Family Service Plan. For infants and toddlers under 36 months of age and who are eligible for the Prevention Program, this plan is known as the Prevention Program Plan.

Services

Redwood Coast Regional Center provides a variety of services to eligible residents of Del Norte, Humboldt, Lake or Mendocino County. Although most services provided by a regional center are free of charge, the California Department of Developmental Services established the Family Cost Participation Program for the purpose of assessing cost participation to parents of children who receive three specific regional center services: day care, respite, and/or camping. Additionally, the Parental Fee Program assesses a fee to parents of children under the age of 18 who receive 24-hour out-of-home services purchased with state funds through a regional center.

In order to fulfill the diverse needs of persons from infancy to end of life, some of the services and supports provided by RCRC include:

- Information and referral;
- Assessment and diagnosis;
- Prenatal diagnostic services;
- Early intervention supports and services;
- Lifelong individualized planning and service coordination;
- Behavioral support;
- Employment and day services;
- Health and medical services;
- Family support;
- Residential care;
- Transportation.

In the year 2012, it was confirmed that the Redwood Coast Regional Center provides services to 8 residents in Point Arena.

5-4. Elderly

In the year 2010, there were 58 individuals in Point Arena that were older than 65 years of age while 43 households were identified as an elderly household. The majority of those over-65 households, 25 own their own homes, and 18 were rental households.

Table 5.2: Elderly Households in the City of Point Arena in 2010

Age	Rental	Owners	Total
Age 65 to 74	11	11	22
Age 75 to 84	3	11	14
Age 85+	4	3	7
Total Elderly	18	25	43

Source: Census2010

Elderly households may have several housing needs due to fixed or limited incomes, increased health care costs, or physical limitations. As people age, mobility often decreases necessitating housing adaptations to make life easier and the structure more accessible. At the same time senior households tend to live in structures that are also increasing in age and may need minor or major repairs. Both types of renovations are essential to keeping housing for seniors accessible and affordable (e.g. lowered energy costs), yet these repairs may be beyond the reach of households on fixed incomes or of limited means. Programs such as the City's Revolving Loan program and others, such as the County's Housing Rehabilitation Loan Program could be helpful in addressing those needs. This program assists lower-income households, including elderly homeowners, with housing improvements, repairs, and modifications to make homes more accessible by providing deferred-payment loans in target areas of the County.

Beyond retrofitting, having affordable units that are accessible to elderly and located closer to the City's services would be ideal. Both planning for senior-only housing as well as subsidies for existing units could accomplish this task. The Community Development Commission of Mendocino County administers rental assistance programs for lower-income elderly households. Residential care facilities, which allow elderly individuals needing limited assistance to live in a group setting can also be helpful. Residential care units are allowed in the SR 1, SR 1/2, UR and RA-2 zones with a conditional use permit.

Finally, non-housing related services can also make life better for Point Arena seniors. The South Coast Senior Center serves the residents of the City of Point Arena and the surrounding area. The Center provides limited meal delivery service to elderly in need, monthly food bank services, and transportation (through Mendocino County agencies) to medical appointments. Additionally the Center provides Home-safety assessments for senior and has

assisted in identify needed home repairs as well as providing occasional assistance with needed repairs utilizing local contractors. The Center currently has very limited resources for this program and needs additional resources in order for this program to fully meet the needs of the community. The South Coast Senior Center has a Senior Center at the Point Arena City Hall providing meals, recreational, and healthcare services,

5-5. Seasonal and Migratory Employment

Although Point Arena as well as Mendocino County as a whole was historically dependent upon the resource industries of agriculture, fishing, forestry and mining, the percentage of individuals engaged in those activities have decreased markedly. Currently fishing provides few jobs in the Point Arena area and, according to the “Assessment of the Demand for Farmworker Housing and Transportation in Mendocino County” study conducted in 2007 by the California Institute for Rural Studies, there were no farmworkers identified as living in or near Point Arena. Construction is to some extent also seasonal as well.

Today there are few, if any, migratory workers in Point Arena. Some employment however is seasonal, such as hotels and restaurant jobs, thus providing greater employment opportunities in the spring, summer, and autumn, that are not available in the winter months when tourism is lower. This situation results in a need for increased low-income housing to meet the needs of those without year round work that reside in the community year round. Additionally this group may benefit from some of the energy subsidies and conservation measures offered by PG&E and NCES to offset winter heating costs when income is lower. For more information on employment please refer to Tables 3.5 and 3.6.

5-6. Native Americans

Native Americans are recognized by federal law as a special need group requiring a separate housing program designed to meet their unique needs (Native American Housing Assistance and Self-Determination Act of 1996). However, it should be noted that there were no Native Americans living in Point Arena (Census2010 SF1 data).

5-7. Homeless

Homeless individuals and families have a range of special housing needs described in Mendocino County’s Continuum of Care Plan, including emergency shelter, transitional housing, and permanent supportive housing. Emergency shelters provide immediate short-term housing, typically limited to less than six months. Transitional housing provides housing between six-months and two years, often coupled with intensive case management which may include alcohol and drug abuse assessment and treatment, mental health treatment, life skills and employment training, and assistance with credit worthiness. Permanent supportive housing offers a stable residential environment with mental health counseling, job training, and case management among other services to reinforce the advancements of formerly homeless persons up the ladder of the continuum of care.

At the present time, there is not a major need for homeless services in Point Arena, though occasionally, there are transient persons in emergency situations that need temporary shelter. Mendocino County’s HHS conducts a *Point-in-Time Homeless Population Count* throughout the county every two years, however it did not consider Point Arena separately

from the rest of the coast. HHSA estimates that, if there are any homeless people in the City of Point Arena, the population is not likely greater than 5-8 homeless people, but HHSA does not have any data to back this estimate. Based on local homeless service providers, City estimates 15 homeless individuals in Point Arena.

There is no permanent housing for homeless or transient persons in Point Arena. In the past, local churches have provided temporary shelter and funds to persons seeking help, including transportation to agencies that offer more extensive assistance. Additionally coastal, churches take turns in a rotation providing emergency services to homeless individuals.

The Action Network and the Coast Crisis Line, operating out of neighboring community Gualala provide limited services for homeless individuals, including operating a food bank that is open weekly, as well as providing gas vouchers to assist the occasional stranded homeless individuals in getting to emergency shelters, the nearest of which are within the Cities of Fort Bragg or Ukiah. The City also has a Community Chest fund that contains contributions from local business and fund-raising events that can be used to provide assistance to homeless individuals in emergencies.

As long as the local churches and service groups continue to provide some emergency services and referral information, the occasional need for emergency shelter and services can be met. If the problem of homelessness were to become perennial, as in some cities, a more permanent solution would have to be found. If such a need were to arise, the zoning allowances are already in place to allow for development of shelters. The General Plan and the Zoning Ordinance provide for the accommodation of transitional housing and emergency shelters which are permitted by right, without discretionary review, in the HWC zone and conditionally allowed in the C zone as well. A review of undeveloped parcels indicates that there is sufficient HWC zoned land available to accommodate shelter development if needed.

SECTION 6 – HOUSING CHARACTERISTICS

6-1. Housing Supply

Table 6.1 describes the range of housing types within Point Arena in 2009 and 2015, according to the DOF. The vast majority of housing units, 69% in 2015, were single-family units, with multiple-family units making up 20% and mobile homes making up 11%.

Table 6-1: Housing Supply: Housing Units by Type, 2009 and 2015

Housing Unit Type	2009		2015		Percent Change
	Units	Percent	Units	Percent	
Single-Family					
<i>Detached</i>	149	64%	145	64%	-3%
<i>Attached</i>	7	3%	11	5%	57%
Total Single-Family	156	67%	156	69%	0%
Multi Family					
<i>2-4 Units</i>	45	20%	34	15%	-34%
<i>5+ Units</i>	13	6%	11	5%	-15%
Total Multi-Family	58	25%	45	20%	-22%
Mobile Homes	19	8%	25	11%	32%
Total Units	233	100%	226	100%	-3%
Source: DOF Table E-5, January 2009 & 2015					

A 2009 to 2015 housing unit comparison shows a slight overall decrease in residential growth within that period. No additional single family units were added, a decline occurred in multi-family housing, and mobile homes were the only unit type with an increase. Because multiple-family units and mobile homes are generally considered to be more affordable than single family units, the distribution of housing unit types points to a need for increased numbers of more affordable units.

6-2. Vacancy and Tenure

Table 6.2 shows that the majority of Point Arena residents were renters in the year 2010; approximately 55% of the occupied housing units were rental units. Vacancy rates for owner-occupied units and rental units were quite different, with only a 4.4% vacancy rate for owner-occupied homes, whereas rental units had a vacancy rate of 8.7%, showing a larger supply of available rental units. Of the total rental units, 29 are specifically dedicated to accommodate low-and-moderate-income renters, 26 multiple family units in Point Arena Village and 3 single-family structures.

Table 6.2: Housing Unit Tenure and Vacancy Rates in 2010 for the City of Point Arena

Tenure	Number of units	Percentage of all units	Vacancy Rate
Owner Occupied	87	45%	4.4%
Rental Units	105	55%	8.7%
All Occupied Housing Units	192	100%	--

Source: Census2010. Not included in the figures above are 15 units identified by the Census Bureau as being "Seasonal, recreational or occasionally occupied"

6-3. Owner-occupied Housing Costs and Home Values

According to the US Census, the estimated median value of owner-occupied housing in Point Arena in the year 2013 was \$291,700. The cost to purchase a house in Point Arena has fluctuated substantially since 2000. According to Bay Area Real Estate Services, Inc. the average purchase price increased in the Point Arena market area (which includes Manchester) from \$255,150 in 2003 to \$655,741 in 2006 before falling back to \$335,000 in 2008. Since then, prices have steadily decreased slightly until a slight trend upwards starting in late 2014. For the third quarter of 2015 (July-October) the median sales price for housing in the area from Trulia.com was utilized. As of November 2015, the median sale price was \$307,000 for Point Arena. Asking prices are substantially higher than sale prices within the City and range between \$399,500 and \$1,425,000 (Trulia). Due to the very small nature of the Point Arena housing market, the median sales price is subject to wider swings in value than compared to the County of Mendocino as whole.

Like many places in the US, housing values in Point Arena were subject to the same macroeconomic forces that drove up prices elsewhere between 2000 and 2006. Those forces were primarily the easing of credit and regulatory oversight of the housing market. Point Arena has historically had lower housing prices when compared to other coastal areas, such as the Town of Mendocino, but higher when compared to certain inland areas, like Ukiah.

6-4. Renter Occupied Housing Costs

Table 6.3 provides an overview of rental rates for all unit types countywide and how rent has increased in each classification. Compared to housing prices, rents increased gradually between 2009 and 2015. Specific rental averages for Point Arena were not available from local sources. Sub-county "fair market" rent estimates from the HUD Department were not available for Point Arena.

Table 6.3: Fair Market Rents For 2009 and 2015, Countywide

Bedroom Size	2009 Rents	2015 Rents
Studio	\$627	\$811
1-Bedroom	\$774	\$869
2-Bedroom	\$940	\$1,147
3-Bedroom	\$1,283	\$1,580
4-Bedroom	\$1,649	\$1,910

Source: HUD, Fair market rent survey.

6-4. Housing Affordability

Tables 6.4 and 6.5 below display maximum affordable housing payment or rent based on household income and size. Point Arena affordability levels were established by the State of California using Mendocino County income data and applied to the City, even though the City has a significantly lower median income (\$30,625) than the County as a whole (\$43,469).

Table 6.4: Rental Affordability for Mendocino County - 2015

Income Group	Annual Income	Maximum Affordable Payment
<i>Extremely Low</i>		
One Person	\$12,200	\$309
Small Family	\$20,090	\$418
Medium Family	\$24,250	\$442
Large Family	\$28,410	\$477
<i>Very Low</i>		
One Person	\$20,300	\$516
Small Family	\$26,100	\$663
Medium Family	\$29,000	\$736
Large Family	\$31,350	\$795
<i>Low</i>		
One Person	\$32,500	\$619
Small Family	\$41,800	\$795
Medium Family	\$46,400	\$884
Large Family	\$50,150	\$954
<i>Moderate</i>		
One Person	\$49,500	\$1,134
Small Family	\$63,650	\$1,457
Medium Family	\$70,700	\$1,620
Large Family	\$76,350	\$1,749

Source: HCD, 2015 Income Limits

Comparing Rental Housing affordability, it appears that housing is only affordable to moderate-income households. The extremely low and very low -income households are primarily limited to Section 8 rental housing or other subsidized rental housing complexes, or some other subsidized rental or assistance type.

Table 6.5: Owner Housing Affordability for Mendocino County - 2015

Income Group³	Annual Income¹	Maximum Affordable Payment²	Principal & Interest⁴	Taxes & Insurance⁴	Maximum Affordable Price⁴
<i>Extremely Low</i>					
One Person	\$12,200	\$309	\$229	\$73	\$40,860
Small Family	\$20,090	\$418	\$377	\$120	\$67,410
Medium Family	\$24,250	\$442	\$455	\$145	\$81,270
Large Family	\$28,410	\$477	\$534	\$170	\$95,310
<i>Very Low</i>					
One Person	\$20,300	\$516	\$381	\$121	\$68,040
Small Family	\$26,100	\$663	\$490	\$156	\$87,570
Medium Family	\$29,000	\$736	\$545	\$174	\$97,290
Large Family	\$31,350	\$795	\$589	\$188	\$105,120
<i>Low</i>					
One Person	\$32,500	\$619	\$611	\$195	\$108,990
Small Family	\$41,800	\$795	\$785	\$250	\$140,220
Medium Family	\$46,400	\$884	\$872	\$278	\$155,610
Large Family	\$50,150	\$954	\$942	\$301	\$168,300
<i>Moderate</i>					
One Person	\$49,500	\$1,134	\$930	\$297	\$166,050
Small Family	\$63,650	\$1,457	\$1,196	\$382	\$213,570
Medium Family	\$70,700	\$1,620	\$1,329	\$424	\$237,240
Large Family	\$76,350	\$1,749	\$1,435	\$458	\$256,140
Notes:					
1. Annual income based on HCD's 2015 Income Limits for each category.					
2. Maximum affordable payment based on CA Health & Safety Code § 50052.5.					
3. Small Family - 3 persons, Medium Family - 4 persons, Large Families - 5 + persons.					
4. Principle & Interest, Taxes & Insurance, and Maximum Affordable Price based on 10% down payment, 30-year mortgage, 5.38% fixed interest rate, and monthly gross household income.					
Source: HCD, <i>2015 Income Limits</i> , Mendocino County, 2015; and www.mortgage101.com .					

When evaluating the range of maximum affordable prices in the Owner Housing Affordability Table above, it appears that the median purchase price (Bay Area Real Estate Service Inc. Multiple Listing Service) for Point Arena is affordable only to households in the above moderate income category. When the entire range of housing prices are considered, some units are also available to moderate-income households. In order for households in the lower

income categories to have an opportunity to own their own homes, a down payment assistance program or self-help housing project with income restrictions may be required.

Both **Tables 6.4** and **6.5** above demonstrate that, according to what the State of California considers to be the maximum affordable payment based on income level and family size for Mendocino County, housing is generally not affordable to low-income households within Point Arena. In order for low-income households to acquire housing that is affordable to them, housing assistance programs will be needed.

6-5. Housing Stock Age

Age is an important factor in the condition of a housing unit. Housing gradually deteriorates over time and, like other infrastructure, regular maintenance of the housing stock is necessary. Typically, after 30 years most housing shows signs of deterioration and needs reinvestment to maintain its condition. Without proper maintenance, housing that is over 50 years requires major reinvestment to maintain its quality and appearance. Homeowners with limited incomes living in older units may require assistance to upgrade conditions or such units will become substandard for use by homeowners or renters and may eventually be unsuitable for occupancy.

Table 6.6: Age of Housing Stock City of Point Arena

Age	Units	%
< 6 Years	3	1.6%
6-15 Years	17	8.9%
16-35 Years	34	17.9%
36-55 Years	59	31.1%
56-75 Years	24	12.6%
75+ Years	53	27.9%
Total	190	100%

Source: U.S. Census 2013 ACS

A majority of Point Arena housing units, 71%, are more than 30 years old, with 40% greater than 50 years old. Age alone is not indicative of a unit's habitation suitability. Of greater concern is the property owner's ability to pay for upkeep needed to maintain their structures. A homeowner on a fixed or limited income is less likely to be able to afford the maintenance expenses that an older house will entail. It is important to consider both the homeowner's income along with the housing unit's age when developing and implementing rehabilitation assistance programs and other housing conservation measures.

6-6. Housing Conditions

Conditions of existing residential units were categorized into 4 groups, ranging from Class 1- Sound Condition to Class 4- Dilapidated/Major Repairs Required. A windshield survey was conducted in October, 2015, looking at a total of 96 units (**Table 6.7**). Of this survey, five were found to be substantially dilapidated, while 22 required moderate repairs.

Table 6.7: Housing Conditions Survey Findings City of Point Arena, 2015

Condition category	Units	Percentage
Category 4 – Dilapidated/Major Repairs Required	5	5%
Category 3 – Deteriorated/Moderate Repairs Required	22	23%
Category 2 – Sound/Minor Repairs Required	41	43%
Category 1 – Sound Condition	28	29%
Total Units Categorized	96	100%
Source: City of Point Arena		

In order to facilitate the upgrades of the homes in need, the City offers a Revolving Loan Fund. The City is currently in the process of retuning its loan package to make it easier for applicants to understand and request loans from these funds.

Table 6.8: Revolving Loan Fund, Current Loan Distributions, 2010

Type	Amount
Business	\$166,104.29
Low Income Housing	\$189,966.12
Bad debt (business)	\$10,208.75
Business Notes Paid off since 2006	\$47,006
Source: City of Point Arena	

Table 6.9: Revolving Loan Fund, Loan Payments 2006-2009, City of Point Arena

Year	Payment type	Business Loans	Mortgage Loans	Total Loans
2006-2007	Interest	3,406	2,897	6,303
	Principle	3,782	7,214	10,996
	Total	7,188	10,111	17,299
2007-2008	Interest	1,901	5,633	7,534
	Principle	1,828	6,394	8,222
	Total	3,729	12,027	15,756
2008-2009	Interest	735	7,807	8,542
	Principle	1,572	6,408	7,980
	Total	2,307	14,215	16,522
2009-2010	Interest	652	11,465	12,117
	Principle	9,352	7,125	16,477
	Total	10,004	18,590	28,594
2010-2011	Interest	706	9,993	10,699
	Principle	1,948	7,482	9,430
	Total	2,654	17,475	20,129
2011-2012	Interest	523	10,495	11,018
	Principle	2,052	7,500	9,552
	Total	2,575	17,995	20,570
2012-2013	Interest	308	9,724	10,032
	Principle	2,182	18,857	21,039
	Total	2,490	28,581	31,071
2013-2014	Interest	216	9,382	9,598
	Principle	1,665	4,658	6,323
	Total	1,881	14,040	15,921
Source: City of Point Arena				

6-7. Utility Expenditures

Utilities are an additional cost incurred by households on a monthly basis. On average, utilities in Point Arena range from \$200 to \$370 per month, depending on seasonal heating needs. Utilities, shown in **Table 6.1o**, include water and sewer services, waste disposal, electricity, and heating fuel. It should be noted that these utility expenditure estimates may be lower than what Point Arena residents experience as they may include homes in use only part-time, which would skew the average downward. According to the Point Arena City Council, estimates for expenses may be closer to \$300 to \$500 per month for utility costs.

Table 6.10: Average Monthly Utility Costs, City of Point Arena

Water	\$51
Sewer*	\$49
Electricity**	\$50
Propane	\$30 -\$200
Waste Disposal***	\$23-38
Sources: PAWW, PG & E, City of Point Arena, AmeriGas, Suburban Propane, Pacific Coast Disposal. * Sewer fees are billed through property taxes **Does not include electric heating ***Approximately 2/3 of households have waste disposal service.	

PG&E provides electrical service to Point Arena residents. The heating needs of the community are generally met with liquefied petroleum gas while a more limited number use passive solar design, wood, or electricity for some or all home-heating needs. Water is provided by PAWW, and the sewer services are provided by the City of Point Arena.

6-8. Energy Conservation Opportunities

Energy conservation measures can help reduce a household's overall housing costs. Weatherization and appliance upgrades, use of solar energy, and the use of "green" or sustainable building materials can help increase efficiency and lower energy consumption.

The condition of the housing unit plays a big role in determining the added burden of utility costs. For newer or recently retrofitted homes that have more efficient insulation and fenestration, the heating costs will be dramatically lower than older, draftier homes. A majority of homes in Point Arena are older than 30 years, hence the need for weatherization improvements, which increase the energy efficiency of the home, is likely quite high.

For households that can afford to retrofit their homes for increased energy efficiency, the benefits will be immediately felt in the form of lowered utility costs as well as an overall increase in comfort. For lower-income households however, there may be a need for financial assistance to weatherize their homes. For renters the challenge is greater as there is often not the same financial incentive to weatherizing a home that they will not necessarily reside in long enough to see the full financial payback from their investments.

Renters who pay their own utilities also face the challenge of convincing land owners to retrofit homes as there is no financial incentive to invest in increased energy efficiency when the owner will not experience the benefits of increased utility savings or comfort. To assist with overcoming these challenges, weatherization programs and the development of an AB 811 program, currently being explored in Mendocino County, will be helpful tools.

PG&E offers several residential programs designed to improve household energy efficiency, including rebates on energy efficient appliances. PG&E also has several programs designed to assist lower-income households with weatherization, energy efficiency improvements, and assistance with utility costs.

PG&E's Energy Partners Program provides free weatherization for low-income households. Weatherization services are provided on behalf of PG&E by NCES. NCES contractors work with low-income customers to make their homes more energy efficient. Weatherization assistance provided by NCES is available to households with incomes less than 75% of the California State Median Household Income. According to 2013 Census ACS data over 60% of Point Arena households made less than 75% of the state Median Household Income at that time (Table 4.4). Ostensibly the majority of households within Point Arena qualify for the weatherization program offered by NCES. By pairing, weatherization by NCES with Revolving Loan Funds for things the weatherization program does not cover may allow residents to maximize the benefits that each program has to offer and thus accomplish more with the available resources.

Energy rating systems, such as the Home Energy Rating System program (<http://www.energy.ca.gov/HERS/index.html>) and the GreenPoint Rated (<http://www.builditgreen.org/greenpoint-rated>) program provide a mechanism for evaluating the efficiency of homes. Additionally, utilizing the rating system may assist homeowners in identifying the most cost-effective energy efficiency measures when weatherizing or rehabilitating their homes. Rating systems may also assist prospective buyers in identifying homes that are more energy efficient, thus resulting in lower utility costs over the years, and help realtors to increase the marketability of energy efficient homes.

6-9. Utility Financial Assistance

In addition to programs that facilitate energy conservation, there are also programs to assist low-income households reduce their utility expenditures.

PG&E's primary assistance program is the California Alternate Rates for Energy (CARE) program. CARE is a discount program for low-income households and housing facilities, which provides a 20 percent discount on monthly bills. CARE consists of four programs to address different housing needs:

- *CARE Residential Single Family Program*: provides a 20 percent discount to single-family, low-income customers who have their own accounts.
- *CARE Sub-Metered Tenant Program*: provides a 20 percent discount to low-income tenants who are metered or billed by their landlord—including residents of mobile home parks, sub-metered apartments, and marinas.
- *CARE for Qualified Nonprofit Group Living Facilities Program*: provides a 20 percent discount to tax-exempt non-profit group living facilities serving low-income groups such as homeless shelters, hospices, and women's shelters.
- *CARE for Qualified Agricultural Employee Housing Facilities Program*: provides a 20 percent discount to privately owned and licensed employee housing, nonprofit migrant housing, and migrant farmworker housing owned and operated by the State Office of Migrant Services (OMS).
- *CARE for Migrant Farm Worker Housing Centers Program*: provides a 20 percent discount for Migrant Farmworker Housing Centers.

The State's Low Income Home Energy Assistance Program (LIHEAP) Block Grant also provides funding for low-income households to offset the costs of heating and cooling their dwellings as well as having their dwellings weatherized to make them more energy efficient. The U.S. Department of Agriculture's Rural Development division also assists low-income seniors with weatherization needs. In addition, Community Development Block Grants (CDBG) may be used to rehabilitate infrastructure and make other home improvements that improve energy efficiency.

SECTION 7: AVAILABILITY OF LAND AND SERVICES

Governmental Constraints

Residential development is regulated or overseen by multiple state and local jurisdictions. While a certain amount of oversight is required, it can also constrain development and thus, increase the cost of housing. Government constraints are comprised of two general types; some constraints limit the number of units, the density or location of new housing developments (e.g. Coastal Zone limitations, Land Use controls, zoning codes and environmental/service limitations); the remaining constraints affect the cost of development through the assessment of fees and/or requiring extra layers of review (e.g. building codes, permit fees, and processing requirements). This section will discuss both general types of governmental constraints, assess to what degree these policies and regulations contribute to higher housing costs and if feasible, suggest ways these regulatory measures could be reduced or offset.

7-1. Point Arena General Plan

The Point Arena General Plan is the comprehensive statement of the City's environmental preservation, economic development, land use, public safety, housing, and development goals, policies, and programs. It is intended to have a fifty year planning horizon, although it will be updated and reassessed on an ongoing basis. The General Plan includes the seven state-mandated components (land use, housing, open space, conservation, circulation and noise) along with two additional elements (coastal and economic development). The two General Plan elements with the greatest land use impact, in terms of residential development restrictions are the Coastal and Land Use and Development Elements.

7-2. Local Coastal Program / Coastal Element

The entire area of Point Arena, including recent annexations, is located within the Coastal Zone and under the jurisdiction of the CCC. As such, the City is required to prepare a Local Coastal Program (LCP) that incorporates Coastal Act policies. These policies are more detailed and specific than what would be covered in a typical general plan, covering topics such as coastal access. The City of Point Arena defines its LCP within the Coastal Element of the General Plan. In that element, the City identifies that the LCP is a combined document that incorporates its General Plan (excluding the Housing Element) and subsequent Zoning Ordinances (and associated maps). In addition to providing the legal definition of the LCP, the Coastal Element focuses on the following topic areas: public access, recreation, marine environment, Environmentally Sensitive Habitat Areas (ESHA), agricultural lands and locating new development.

The policies and programs in the Coastal Element ESHAs and Agricultural Lands sections can limit the location of new residential development through exclusions or buffers. The policies and programs under the Locating New Development section set limitations on when and under what conditions certain areas can develop. The entire LCP is administered by the City with CCC oversight. The City is responsible for issuing Coastal Development Permits on a wide variety of uses, however decisions within the appeal area can be appealed to the CCC.

Because the City is located entirely within the Coastal Zone, when 3 or more dwelling units, occupied by lower- or moderate-income households, are either demolished or converted to a non-residential use that is neither a "coastal dependent" nor "coastal related" use (as defined in Public Resources Code Sec. 30101), they must be replaced with low- or moderate-income dwelling units, within 3 years of commencement of demolition (GC §65590 (b)). In order to comply with the requirement, as well as preserve housing units within the community, the City will amend the Zoning Ordinance; Policy 4, program 4.1) for details.

Although the Coastal Development Permit process (discussed in 7-20) does add a level of complexity and expense to development proposals, the LCP and Coastal Element themselves do not constrain residential development to the point where it becomes impractical, infeasible or impossible. In the Locating New Development section of the Coastal Element the City of Point Arena estimates that it would take more than four hundred years at the existing rate of growth to fully build out according to the adopted General Plan.

The Point Arena Local Coastal Program was accepted by the CCC in 2006, including revisions to the General Plan, Land Use Diagram and other General Plan maps, Ordinance 179 (Zoning Ordinance and Zoning Maps) and Ordinance 166 (Second Dwelling Units).

7-3. Land Use Controls

Land use is controlled by the Point Arena Land Use and Development Element (which is a component of the Point Arena General Plan), local zoning codes (which must be consistent with General Plan) and the subdivision ordinance.

Land use designations identify the location, density, and development type for different City areas. The Zoning Ordinance defines the type of development and the development standards for specific residential uses on property throughout the City.

In addition to the restrictions specified in the land use classifications and the zoning classifications, the Point Arena General Plan contains provisions for the requirement of open space in new Planned Residential Developments of 10 acres or more, and an "Opportunities and Constraints Map," the purpose of which is the protection and preservation of open space, creeks and stream beds, riparian areas, natural habitats, view corridors and view areas, and to provide seismic safety provisions.

7-4. Site Development and Architectural Review

Requirements for Site Development and Architectural Review are contained within the Zoning Ordinance, Section 5.15, intended to minimize visual impacts of development and to preserve the rural, natural beauty and coastal character of Point Arena. The review applies to the rehabilitation of the exterior of existing structures as well as to new structures. Included in the review is determination of conformity to specified design criteria, including the use of color and form that are deemed to be compatible with the natural surroundings. Any single-family residence may be subject to this review and multi-unit structures are subject to this review. The review, which is conducted by the Design Review Board (appointed by the City Council) at a public hearing, adds to the time it takes to issue permits for projects subject to the review. The CCC must also approve all projects within the appeal

zone that are reviewed under this provision.

Additionally, Section 5.15 of the Zoning Ordinance establishes floor area limitations for residential development of 2,000 square feet for single-family units and 4,000 square feet for Multiple-family buildings, beyond which the units *“shall be considered out of scale with the community unless they are designed and situated in such a way that their bulk is not obtrusive”*. This provision may negatively impact the development of multiple-family projects.

Provisions for the preservation of historic buildings are set out in the Zoning Ordinance, Section 5.16. The ordinance contains a listing of 18 buildings on or near Main Street that are included in the Main Street Historic Commercial District, which are also listed in the National Register. While some of these historic structures may be ideal locations for live/work space, the cost of maintaining the integrity and preservation of these structures could be prohibitive in terms of providing low or moderate rent alternatives.

The requirements and restrictions described above are intended to preserve and protect the historic, rural, coastal character and natural habitat of the community, however these restrictions may also preclude construction or rehabilitation of houses on some sites and increase the cost of new residential development on vacant land.

7-5. Planned Residential Development

The Planned Residential Development (PRD) process, described in the City’s Zoning Ordinance, is an “over-lay” zoning technique intended to provide greater flexibility in application of development standards and to *“encourage innovative mixtures of permissible land uses, building types, and site layouts.”* (Point Arena GP, Section III. Land Use) The PRD process applies to all parcels that are either 10 acres or greater or where two or more contiguous parcels under one ownership are cumulatively greater than 10 acres and that are zoned SR, MR, UR. Additionally, owners of parcels that are less than 10 acres may also use the PRD process.

The PRD requirements are to be applied in conjunction with underlying zoning designation requirements, allowing all permissible uses within the underlying zone. As a requirement of the PRD Process a Comprehensive Development Plan must be prepared.

7-6. Comprehensive Development Plans

Comprehensive Development Plans are prepared for all development requiring the use of the PRD process, mixed use development—including live/work units—located within the Commercial zoning district, as well as residential development proposed in the HWC zone.

The City may have some flexibility with zoning regulations such as setbacks, building heights, and minimum lot size requirements, if it can be demonstrated that modifications are in the public interest and that coastal resources, including visual resources, will be protected.

7-7. Phasing of Hay Annexation Property

The annexation of 156 acres of undeveloped land in 1990 increased the area of Point Arena

to approximately 828 acres. This land, which has been used primarily for agricultural purposes, was included in the comprehensive rezoning of Point Arena in 1997. This annexation and rezoning has greatly increased the amount of residential land within the City's boundaries, from very low density to high density.

This annexation, conditionally approved by the CCC, included a "phased" development requirement. Phase I of development includes 13 acres of UR, 3 acres of MR, and 20 acres of SR-1 land. Phase I was to commence upon City Council approval. Phase II includes 10 acres of SR-½, 32.6 acres of SR-1, and 62 acres of RA-2. Phase II is to commence no sooner than 2 years after the commencement of Phase I and only after the developer can verify that at least 50% of Phase I sites have been sold.

7-8. Residential Zoning

There are several zoning classifications within the City of Point Arena that allow various types and densities of residential development. The allowances and regulations for development within each zone are described in the City's Zoning Ordinance, and below in **Table 7.1**. Additionally, a limited amount of residential development is permitted in the C and HWC, though their primary use is intended to be commercial.

Table 7.1: Residential Land Use and Zoning, City of Point Arena

General Plan Designation	Zoning	Typical Residential Use
Residential Agriculture	RA-2	Low density single-family homes on larger lots of 2 acres or more, suitable for limited agriculture.
Suburban Residential-1 Acre	SR-1	Low density single-family homes on lots of 1 acre or more.
Suburban Residential- ½ Acre	SR-½	Low density single-family homes on lots of ½ acre or more.
Urban Residential	UR	Medium density single-family homes and live/work units on as infill near downtown core lots of 8,625 ft ² (0.19 acres) or more.
Multi-family Residential	MR	Medium-density multifamily development or mixed residential uses on lots of 5800 ft ² (0.12 acres) or more.
Source: City of Point Arena Zoning Ordinance and General Plan		

Table 7.2: Residential Development Standards City of Point Arena

Standards	Residential Zoning Districts						
	RA-2	SR-1	SR-1/2	UR	MR	HWC	C
Min. Lot Area	2 acres	1 acre	1/2 acre	8,625 sq. ft.	5,800 sq. ft.	10,000 sq. ft.	None
Max. Density	1 du/2 acres	1 du/acre	1 du/ 1/2 acre	1 du/8,625 sq. ft.	1 du/5,800 sq. ft.	15 du/acre	None
Min. Lot Width	250 ft.	125 ft.	125 ft.	60 ft.	60 ft.	100 ft.	None
Max. Lot Depth	750 ft.	375 ft.	375 ft.	180 ft.	180 ft.	100 ft.	None
Setbacks:							
Front	20 ft.	20 ft.	20 ft.	20 ft.	20 ft.	20 ft.	None*
Rear	15 ft.	15 ft.	15 ft.	15 ft.	10 ft.	15 ft.	15 ft.
Side	10 ft.	10 ft.	10 ft.	10 ft.	5 ft.	10 ft.	None*
					15% for open space		
Max. Bldg. Height	35 ft.	35 ft.	35 ft.	35 ft.	35 ft.	45 ft.	35 ft.

Source: City of Point Arena Zoning Ordinance and General Plan
*except where frontage/side is partially in/adjacent to residential zone, same as residential zone's front setback requirements

7-9. Parking Requirements

In addition to the above regulations, residential development also needs to provide space for parking. Two off-street parking spaces are required for single- and two-family dwellings located in a residential district and multi-family dwellings with three or more bedrooms located in a residential district. One and one-half off-street parking spaces are required for each multi-family dwelling unit with two or fewer bedrooms located in a residential district. One off-street parking space for each single- or multiple-family dwelling as a secondary use located in a commercial district.

7-10. Dwelling Unit Types and Zones in which they are Permitted

The current land use and zoning regulations provide for multiple dwelling types, including single family dwellings, manufactured homes, mobile homes, multiple-family units, second units and granny units, live/work units, co-housing, and employee housing. The details of what types of units are allowed in each of the zoning categories are listed below in **Table 7.3**. For all parcels greater than 10 acres or if the sum of adjacent parcels under one ownership is greater than 10 acres, a PRD is required in order to encourage flexibility in site design, ensure that open space and natural features are preserved, and to ensure that proposed large projects are evaluated comprehensively.

7-11. Zones Appropriate for Multifamily Development for Lower Income Households Multifamily Residential Zone (MR)

The MR zoning designation is intended to provide suitable land for the development of medium-density apartments or a mixture of residential building types, in order to meet the City's need for a variety of affordable housing types. The maximum residential density for the MR zone is 7.5 units per acre.

Highway Commercial Zone (HWC)

The intent of the HWC zone is to promote commercial development requiring maximum exposure along Highway One on larger lots, with ease of access and all parking provided on site. The HWC zone also allows a variety of residential uses, including multifamily and mobile home parks, which require a conditional use permit. The maximum residential density within the HWC zone is 15 units per acre. The higher density multifamily structures allowed in the HWC zone are intended to encourage lower development costs per unit and increase housing opportunities affordable to persons with lower incomes. Additionally nursing homes and convalescent hospitals are allowed with a conditional use permit and emergency shelters and transitional housing are permitted by right within the HWC zone.

A Comprehensive Development Plan is required for all conditionally permitted residential development within the HWC zone. Up to 25% of the area may be used for residential development, on no more than 40% of the lot, and must be situated at the rear of the property. Fifteen percent of the residential project area must be set aside for open space and additionally driving areas, parking, and yard setbacks must also be provided. An exception is made for the mobile home parks which require a minimum lot area of 7,500 square feet and are not restricted to placement on the rear 40% of the property. There is less density with a mobile home park than would be permitted with a multifamily development, however a mobile home park may occupy the entire HWC lot. Residential development regulations are described in greater detail in **Table 7.2** above.

Core Commercial Zone (C)

The C zone also allows for residential development of any type and mixture, except mobile homes, thus providing multifamily and other affordable housing opportunities, however the primary intent of the C zone is to designate land for the provision of goods and services. Any residential development that would include a mixture of uses on the same parcel, including live/work units, would require a Comprehensive Development Plan.

7-12. Second Units

A *second unit* is a separate dwelling unit that is secondary to the main single-family dwelling unit, which may be attached or detached, and may be rented, but not sold. The size of the second unit may not exceed 30% of the living area of the main dwelling unit and may be no larger than 1200 square feet in size; total lot coverage of all units shall not exceed 50% or that which is allowed by the zoning district, whichever is smaller. A *granny unit* is a second unit that may be occupied by no more than two persons age 62 years or older.

The provision for second units was enacted as a separate ordinance in July 1997 in order to permit and encourage greater utilization of existing farmhouses. The allowance of second

and granny units may also increase the amount of housing affordable to lower income households within the community. Based on previously recorded rental rates of \$500 to \$800 per month for existing second units, noted in the 2005 Housing Element, these units are most likely affordable to lower income households.

Second units or granny units are currently conditionally permitted in the SR 1/2, SR 1, RA-2, AE, UR, and C zones. Over the past several years, the City had permitted approximately 1-2 second units per year, however only one second unit has been developed during the past five years of the 2005 Housing Element planning period.

The listing of Second Units as permitted with the issuance of a conditional use permit is out of compliance with CA GC §65852.2, which requires application for second units to be considered ministerially. The Zoning Code and Second Unit ordinances need to be amended to reflect this requirement in order to bring them into compliance with the GC. The City anticipates approximately 7-10 second units over the planning period affordable to lower income households.

7-13. Live-Work Units

According to Point Arena's Zoning Ordinance, a Live-Work unit is *"a studio, workroom or loft, together with a living space including a kitchen and bath, which space is not necessarily divided into separate rooms and is intended for those whose art or craft is conducted in a joint living and working environment"*. By allowing this unit type, the residents of the units can find savings in their monthly expenses because they may pay just one rent for their working and living space, rather than having to pay rent for both housing and an additional studio space. Live-work units are principally permitted in the MR zone and conditionally permitted in the SR1, SR1/2, UR, C, and RA-2 zones.

7-14. Co-housing

Co-housing is defined as *"an owner-occupied residential project combining the benefits of private housing with the advantages of communal living whereby each owner has a home, often with a yard, while also co-owning and sharing common spaces and facilities with fellow residents"*. Co-housing allows for reduced housing costs for residents as some of the resources and expenses may be shared. Co-housing is principally permitted in the MR and C zones within Point Arena.

7-15. Shared Living

In addition to the residential uses listed above, Point Arena allows for Shared Living, which is defined as not more than six persons, from more than one family, living together in one dwelling unit. This residential use is intended to allow for a reduction of living expenses and provide mutual assistance and support, both economically and socially. The City's Zoning Code allows for Shared Living as a principally permitted use in the MR zone and as a conditionally permitted use in the SR1, SR1/2, , and C zones. However, the California Health and Safety Code §1566.3 states that living situations with no more than 6 unrelated persons in one dwelling unit *"...shall be considered a family for the purposes of any law or zoning ordinance..."* and that *"no conditional use permit, zoning variance, or other zoning clearance shall be required of a residential facility which serves six or fewer persons which is not required"*

of a family dwelling of the same type in the same zone.” Thus, the City’s Zoning Ordinance is out of compliance with this provision of the Health and Safety Code and needs to be amended to bring it into compliance.

7-16. Employee Housing

Allowances for residential unit development also exist for AE and HC zones for purpose of providing housing for the farmers and/or farm employees and visitor serving facilities owners and/or managers, respectively. **Table 7.3** below shows variety of dwelling unit types allowed in the different zoning categories.

Table 7.3: Zoning for Residential Development, City of Point Arena

Unit Type	SR1	SR½	UR	MR	AE	RA-2	C	HWC	HC
Single Family	P	P	P	P	P ¹	P	C ²		C ⁴
Shared Living	C	C		P			C ²		
Second Unit	C	C	C		C ¹	C	C ²		
Granny	C	C	C			C	C ²		
Multifamily				P			C ²	C ³	
Co-housing				P			C ²		
Live/work	C	C	C	P		C	C ²		
Mobile Home	P	P	P		C ¹	P			
Mobile Home Park								C	
Residential Care Facility	C	C	C			C			
Emergency Shelters & Transitional housing							C ²	P	

Source: Point Arena Zoning Ordinance

Note: P = Principally Permitted C = Conditionally Permitted

1. Only for use by farmers or farm employees

2. Mixing of residential uses with any other use types requires a Comprehensive Development Plan

3. Requires a Comprehensive Development Plan

4. Only for use by owner or manager of a visitor serving facility, i.e. Inn, campground, etc.

7-17. Infrastructure, Water and Sewer Services

The City of Point Arena receives its water from PAWW, a privately owned water company with a single well from Garcia River underflow. Up to 100 acre feet may be withdrawn annually under existing water rights. The water company has requested rights for an additional 50 acre-feet from the Division of Water Rights. That request is currently being challenged due to potential fish and wildlife impacts.

PAWW owns and operates the treatment, storage and most of the distribution network within the City. The City of Point Arena owns several water mains that it has installed over the years, with the water company assuming maintenance responsibilities for those lines. Although the company’s infrastructure is in relatively good shape, water storage and insufficient fire-flow problems were identified in a 2004 report, the Water System Master

Plan and Feasibility Analysis. Currently PAWW serves 191 customers. According to recent discussions with the district, they appear able to serve another 487 customers, for a total of 676 water connections. While this is short of the theoretical build out of the City, it is well in excess of both the RHNA allocations and what the historical rate of growth for this area would demand. It should be further noted, that not all zoning classifications are expected to be served by the water company. The larger lot sizes of the AE and SR-1 permit the use of well water.

The City-owned sewer system was designed to accommodate 129,000 gallons per day (GPD), dry weather flow. The current summer months' flow averages 35,000 GPD. According to the Point Arena sanitation department, the system operates roughly at 27% of its capacity, a figure that has not changed significantly over the past few decades.

The extension of roads and utilities for new development would be a condition of approval for any subdivision and the cost would be borne by the developer. Section 5.25 of the zoning ordinance requires that priority for development goes first to developed lots where direct water and sewer connections are available; second, to undeveloped lots where direct water and sewer connections are available; third, to developed lots that require the extension of sewer and water; fourth, to undeveloped lots that require the extension of sewer and water service. It should be noted here that wells and septic are conditionally permitted for residential development on parcels in the SR1 zone along with those parcels greater than one acre in the SR½ zone. SR½ parcels less than one acre must connect to water and sewer however. Point Arena's existing water and sewer services are sufficient for the build-out of available parcels, which is far in excess of the City's RHNA allocation of 19 additional units.

7-18. Environmental Protection Requirements

In addition to restrictions imposed by the CCC, Point Arena has policies to limit construction near creek beds and riparian rights-of-way where development might intrude on or adversely affect view corridors, public open space, and natural habitat areas. Permits for grading must include measures to protect both the short-term and the long-term interest of the public from harmful erosion, pollution, or unnecessary removal of natural vegetation and soil. Enforcement of environmental protection measures may add to the cost of constructing housing.

7-19. Building Codes

Point Arena has a contractual agreement with Mendocino County to conduct building and health inspections to comply with the California Building Codes (CBC) and other building regulations required by State and Federal government. These codes exist to ensure proper safety and health standards are met in all new construction and renovations. The City of Point Arena does not have building codes that supersede or augment the CBC, which potentially could increase the cost to new housing development. Code enforcement is administered on a complaint basis. If violations are found, occupants and owners are provided with information about resources available to assist them with repairing their properties.

7-20. Permit Processing

Permit processing has the potential for adding time and cost to housing development projects, depending on their size, location, and complexity. Most new residential construction and some remodeling and retrofit projects in the City of Point Arena require Design Review and all require a Coastal Development Permit (due to the entire City being located within the Coastal Zone). Design review is conducted by the Design Review Board which is charged with providing recommendations to the Planning Commission. It should be noted that Design Review is only a recommendation and can be overruled or modified by the Planning Commission. Once a design recommendation has been made, the project can be brought to the Planning Commission for a Coastal Development Permit as well as for any other permit that may be required (e.g. a rezoning).

The Coastal Development Permit (CDP) process includes Design Review. The City Council hears the application, makes findings and a CEQA determination and takes action to approve or deny. (A hearing is not required for Second units in the UR, SR and RA zones). Once approved, the City is responsible for filing a Notice of Final Action (NOFA) with the CCC.

If approved, building plans may be submitted to Mendocino County Planning and Building Services for review and approval. The County then issues building permits and conducts building inspections.

According to the City website, processing times for simple projects (requiring only design review and a CDP) that are exempt from the California Environmental Quality Act (CEQA) will take approximately 90 days. More complex projects, such as those that necessitate planning permits (e.g. subdivision permit, conditional use permit or rezoning) would be subject to CEQA and could take up to 180 days if a Negative declaration is required. Projects that require an Environmental Impact Report can easily take more than a year. Once approved by the City of Point Arena, the applicant may submit building plans to the Mendocino County Planning and Building Services. The County typically takes 2-3 weeks to issue building permits.

7-21. Fees

The fees for permit processing have not been modified since 1995 and are very low compared to most other jurisdictions.

Table 7.4 Point Arena Fee Schedule

	Type	Amount
1	Coastal Development Permit	\$150.00
2	Environmental Impact Report	cost plus \$400.00 Adm. Fee
3	Focused or Single Impact Review	cost plus \$300.00 Adm. Fee
4	Subdivisions:	
	A. Minor*	\$100.00 plus \$25.00/parcel, plus City Engineer's review billed at cost
	B. Major*	\$200.00 plus \$10.00/parcel, plus City Engineer's review billed at cost
5	Lot Line Adjustment	\$150.00 plus City Engineer's review billed at cost
6	Reversion to Acreage	\$0.00
7	Use Permit (does not include Coastal Dev. review)	\$150.00
	A. Request for Extension	\$50.00
8	Variance Permit*	\$150.00
9	Encroachment Permit*	\$75.00
10	Building Permit Plan Check Fee (not associated with Coastal Dev. Permit)	\$30.00
11	Engineer's Service	Billed at Cost
12	Annexation Fee	\$250.00 plus \$10.00/acre with a deposit of \$800.00
13	General Plan/LCP Amendment	\$600.00
14	Agenda Mailing	\$15.00 (annually)
15	Requested Mailings (hearing notices)	\$12.00 (annually)
16	Local Coastal Plan (copy)	\$8.00
17	Copies (each page)	\$0.25
18	Building Permit:	
	A. for a typical 2 bedroom house	\$2,300.00
	B. for a typical 3 bedroom house	\$2,800.00
	C. for a typical manufactured home	\$1,500.00
	D. for a typical ten 10-unit MF structure (2br/1ba units)	\$7,230.00
19	School Impact Fees:	
	A. Residential (per sq. ft.)	\$2.40
	B. Senior Residential (per sq. ft.)	\$0.34
20	PAWW Residential Water Connect Fee	\$64,000.00+
21	Sewer Connect Fee (per residence)	\$4,400

NOTE: Fees 1 through 4 cover environmental assessments ranging from Categorical Exemptions to Environmental Impact Reports (EIRs) and represent a starting point. EIRs incur an additional administrative fee that is billed at \$25.00 per hour. Building permits and plan checks are conducted separately by Mendocino County Planning and Building Services and are represented by Fees 18 A through D above. Building inspections are included in the permit cost. Developers

of subdivisions must pay for all improvements within the subdivision including parks, open space, pedestrian over crossings, and other facilities as may be required in the subdivision map and agreement. In addition, the City will impose a one-time fee of \$4,400 per unit for connection to City sewer services. Off-site costs to a developer may include construction of bridges, pedestrian crossings over City streets, and in-lieu fees for required park dedication, and, possibly, school classroom additions. No developer fees have been paid to the City of Point Arena over the past few years.

7-22. Effect of Fees on Housing Costs

Fees of all types add to the final cost of housing in Point Arena. The extent to which they affect housing costs depends greatly on what permits are required and the size and number of units in the development. These variables make it difficult to create a *single citywide* average percentage of housing costs attributable to fees. Instead, seven different fee scenarios are included **Table 7.5**.

The seven scenarios described below are commonly sought by individuals seeking housing permits. These scenarios are for development costs only and do not factor in the purchase price of vacant land. Other alternatives are possible as well. However it is readily apparent from Table 7.5 that fees comprise a minor portion of housing costs when compared to the overall construction costs for each type of housing unit. Fees make up on average 3-4% of single family housing development costs, just over 7% for apartment units and almost 9% of manufactured home costs.

The fact that fees comprise a higher percentage of costs for multiple family units and manufactured homes does not imply that fees may be excessive. Rather, it simply reflects the fact that the cost per unit of these types of dwelling units is lower, making the fees (equivalent or lower as compared to single family units) a higher percentage of the total cost of development.

Non-Governmental Constraints

Non-governmental constraints are those that limit the availability of affordable housing and over which local government has little or no control. These constraints, some of which are discussed in more detail include: price of land, construction costs and financing.

7-23. Land Prices

On the Mendocino County Coast, lot prices vary substantially depending on location but, as a rule, are significantly higher than inland properties. Non-ocean view, in-town lots are often half the price of those with an ocean view. Compared to other Mendocino Coast communities, land prices in the Point Arena area are lower than in the towns nearest to it—Gualala to the south and Mendocino and Fort Bragg to the north. This is due in large part to the fact that most of the developable land in Point Arena does not front the ocean.

7-24. Construction Costs

Construction costs exhibit a high degree of variability depending on the type of amenities included. Custom homes are generally more expensive than tract home development. According to North Coast Builders Exchange, the average cost for housing development is

\$200 per square foot for single family units and \$150 per square foot for multiple family units. Terra Partners, an affordable-housing developer in Sonoma County estimates that it can build more inexpensive single family units ranging from \$100 to \$120 by reducing the number of amenities and using lower-cost building materials. Utilizing self-help programs, which require the future homeowner to help build the house, single-family unit construction costs can be reduced to \$90 to \$110 per square foot.

Multiple family units using Low-Income Housing Tax Credit Program financing can range from \$130 to \$170 and higher per square foot. Furthermore, larger developments or higher-density projects can reduce the per-unit cost of construction due to economies of scale. One tool that can lessen the cost of affordable housing is to use redevelopment funds to write down the cost of land, cover connection fees or aid in construction.

The City also permits manufactured homes on single-family lots with a foundation. These units are approved ministerially in accordance with GC §65852.3. In the past, the City has permitted approximately one or two a year. Most recent average land costs of \$48,000 (for an 8,000 sq. ft. lot) and manufactured home prices ranging between \$96,000 and \$120,000, these units could cost \$168,000 before fees.

Costs	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5	Scenario 6	Scenario 7
County Building Permit Fees	1,500	2,300	2,800	2,800	2,800	2,800	3,990
Coastal Development Permit	150	150	150	150	150	150	150
Use Permit	0	0	0		0	0	150
General Plan / LCP Amendment	0	0	0	600	0	600	0
Minor Subdivision / Major Subdivision ¹	0	0	0	0	200	300	0
Environmental Impact Report	0	0	0	0	0	400	0
Water Works Connection	2,000	2,000	2,000	2,000	2,000	2,000	20,000
City Sewer Connection	2,000	2,000	2,000	2,000	2,000	2,000	20,000
School District Impact Fees	3,840	2,880	3,840	3,840	3,840	3,840	10,672
Miscellaneous City Permit Fees ²	135	135	135	135	135	135	135
<i>Development Costs</i> ^{3 4}	<i>98,000</i>	<i>240,000</i>	<i>320,000</i>	<i>320,000</i>	<i>320,000</i>	<i>320,000</i>	<i>720,000</i>
Subtotal Fees/Exactions	9,625	9,465	10,925	11,525	11,125	12,225	55,097
Total Costs	107,625	249,465	330,925	331,525	331,125	332,225	775,097
FEES AS % OF HOUSING COST	8.94%	3.79%	3.30%	3.48%	3.36%	3.68%	7.11%
¹ Includes the \$25 per-parcel fee for minor subdivisions and \$10 per parcel fee for major subdivisions. ² Encroachment Permit, City of Point Arena Plan Check Fee, mailing and copy fees. ³ Manufactured Home costs courtesy of B&C Manufactured Home Sales, Ukiah. Manufactured Home costs generally range between \$60 and \$75 per square foot. Optional and luxury amenities can raise the cost to \$90 per square foot. The total also includes a \$2000 CHP escort fee that is included with the final cost billed to the customer. ⁴ Building costs are based on 2009 Building Industry Association figures of \$200 per square foot for single family, \$150 per square foot for multiple family construction.							

Housing Fee Scenarios

1. Manufactured home (3bed/2bath) placed on vacant land and **no other** planning permits are required.
2. Single Family Unit (2bed/1bath) with no planning permits required.
3. Single Family Unit (3bed/2bath) with no planning permits required.
4. Single Family Unit (3bed/2bath) requiring a General Plan Amendment.
5. Single Family Unit (3bed/2bath) in a four-unit minor subdivision with no General Plan or LCP Amendment required.
6. Single Family Unit (3bed/2bath) in a ten-unit major subdivision requiring a General Plan Amendment and EIR.
7. A ten-unit multiple family unit in (2br/1ba) requiring a use permit.

7-25. Availability of Financing

Financing issues impact sales prices or rental payments in three ways. The first is the interest rate charged for construction loans. Developers pass on the cost of carrying construction loans, (usually equal to or one point above the prime rate) to the consumer in the form of a higher selling price.

The second way interest rates affect the prospective buyer or renter is the rate charged for a long-term mortgage, usually over 30 years. While rates have fluctuated between 4 and 10 percent over the past 10 years, rates are currently at 5 percent, plus loan origination fees and other closing costs. The second component is the amount financed. Although interest rates decreased, the total amount financed reached record levels during the period of the last housing element. By 2006 the average cost of housing reached \$655,741 lifting average monthly (fixed) mortgage costs well beyond what most in the City could afford. Prices have fallen by almost 50% since then to \$335,000 in 2008 and continue to fall into 2009 (Bay Area Multiple Listing Service). Combined with low mortgage rates and federal incentives, housing affordability rates have improved dramatically.

In the last year, a third financing-related issue has dramatically affected both affordability and access to housing and that is the access to credit itself. While interest rates affect affordability, the rate at which credit is extended to both developers and homeowners is very important. During the timeframe of the last housing element, the availability of loans (at any interest rate) fluctuated widely. From 2004 to early 2007, access to home mortgages (and refinancing) was greatly eased to the point where nearly anyone could qualify for a loan. The loans themselves grew more favorable to borrowers with low payments in the first few years. The result was a dramatic increase in home prices as more people bid on a limited number of units. Then in 2007, lending standards began to tighten, cutting off many borrowers who previously qualified. Lending activity dropped steeply in 2008 as the global Credit Crunch left banks deprived of capital to lend out. The result was a sharp decline in the number of mortgages being written as banks limited lending to only the most creditworthy. For multiple family properties, the financial crisis has almost completely cut off access to the necessary financing to develop such projects.

7-26. Vacant Land Suitable for Residential Development to Meet Point Arena's Share of the Regional Housing Need

A existing housing stock, survey was conducted documenting housing stock conditions, existing land uses, and residential development potential.

Residential development potential calculations took into account several constraints on development including setbacks, ESHAs, hazard areas, access, and for underutilized parcels, current usage, hence the numerical findings are conservative, more accurately reflecting realistic development potential. Though the development potential was calculated in 2006, the data is still representative of current conditions as little growth has occurred since then.

The summarized development potential has been organized below by zoning category for vacant and underutilized parcels in **Tables 7.6** and **7.7**.

Table 7.6: Residential Development Potential on Vacant Land, , 2006

Zone	Acres	Unit Potential
Multiple Family Residential (MR)	6.66	29
Highway Commercial (HWC)	8.27	37
Urban Residential (UR)	3.93	21
Suburban Residential - ½ Acre (SR ½)	4.04	6
Suburban Residential - 1 Acre (SR 1)	37.11	23
Total	61.01	116
Source: Housing Stock Survey 2006, prepared by the Sewer/Wastewater Impact Fee Strategy Committee.		
Note: Includes only vacant lands for which residential development potential was calculated.		

Evaluating just the vacant lands within Point Arena, there is found to be a total of 116 future residential units possible, showing that the RHNA of a total of 19 units, may be fully met with the currently vacant lands. Because Multiple Family housing is generally more affordable to lower-income households, the residential development potential in the Multiple Family Residential zone may be considered available to meet the housing needs of the extremely low-, very low-, and low-income households. With a potential to develop 29 units on the vacant MR lands, the City has more than enough land available to meet the RHNA of 8 units for low-income households.

In addition to lands currently vacant, some developed yet underutilized lands may yield additional residential development potential. **Table 7.7** shows a summarized list of underutilized land that was found by the working group to have the potential of expanding residential development. Some of these sites currently contain residential units and allow for an increase in density, where as other sites are commercially zoned and would allow for residential development with a mixing of uses or even a replacement of a use, such as with the old motel site, which would further increase the variety of unit types available to all income levels, including the extremely-low income households.

Table 7.7: Residential Development Potential on Underutilized Land

Zone	Acres	Unit Potential
Multiple Family Residential (MR)	8.14	32
Highway Commercial (HWC)	11.22	14
Core Commercial (C)	9.40	54
Urban Residential (UR)	17.55	56
Suburban Residential - ½ Acre (SR ½)	15.42	26
Suburban Residential - 1 Acre (SR 1)	21.43	20
Agricultural Exclusive (AE)	6.73	4
Public Facilities (PF)	29.84	56
Total	119.73	262
Source: Housing Stock Survey 2006, prepared by the Sewer/Wastewater Impact Fee Strategy Committee.		
Note: This does not include vacant lands		

The results of the working group development potential summarized in the **Tables 7.6** and **7.7** above, clearly demonstrate that Point Arena does have more than adequate available land to meet the RHNA as well as providing for a variety of housing types within the City.

SECTION 8: ANALYSIS OF "AT-RISK" HOUSING UNITS

The following analysis of Point Arena housing units that have been financed in some manner with loans or grants from public sources and carry some income eligibility restrictions has been prepared pursuant to GC §65583. Units that were financed for the purpose providing housing affordable to low- to moderate-income households are identified and discussed in this section. The purpose is to identify units that may be "at risk" of converting to market rents or resale prices due to the termination of restrictions that kept the units available to low income individuals. The analysis covers the ten-year period between 2010 and 2020.

8-1. Housing Units Subject to "At Risk" Analysis

The following inventory includes units that have some form of government assistance attached and that may "convert" within the next five years, i.e., lose rent controls and other restrictions that may have been imposed at one time to assure availability to low-moderate income persons:

Existing Units:

- 1) Point Arena Village: 26 units low-moderate income housing constructed in 1990 with Rural Housing Service assistance.

Status: All units are designated for rental to eligible low/moderate income tenants, including those with Section 8 housing vouchers. The nonprofit management agency for the complex (CBM Management, Auburn, CA) will maintain, indefinitely, all the units for low/moderate income tenants.

- 2) No single-family units were constructed with loans from the City's CDBG revolving loan funds (2009-2014).

There is a 35 year Loan period and resale restrictions for financed structures. Existing owners may sell before loan is paid off with 90-day written notice to City of intent to sell. The housing unit would then be sold to another creditworthy low income individual or family, who must occupy the home as their primary residence.

Conclusions:

No new price-restricted affordable housing units were constructed between 2009 and 2014. Additionally, no existing affordable units are at risk of conversion to market status.

APPENDICES

Vacant Sites Inventory, City of Point Arena

LAND USE	ZONE	APN	Acres	USE	Current	Future Units	Code Max	Con-straints	Water	Sewer
HWC	HWC	027-061-02	2.86	vacant	8	8	17	Wetland	NA	N
HWC	HWC	027-061-18	1.40	vacant				None	P	N
HWC	HWC	027-061-21	1.29	vacant				None	P	N
HWC	HWC	027-061-19	0.73	vacant				None	P	N
HWC	HWC	027-061-22	1.29	vacant				None	P	N
HWC	HWC	027-061-20	0.59	vacant				None	P	N
MR	MR	027-111-33	0.19	vacant	1	1	1	Slope	NA	N
MR	MR	027-121-31	0.14	vacant	1	1	1	none		Y
MR	MR	027-121-36	0.5	vacant	3	3	3	none		N
MR	MR	027-131-13	0.38	vacant	2	2	2	PA Crk; US; FP	NA	N
MR	MR	027-131-28	0.22	vacant						
MR	MR	027-131-29	0.30	vacant						
MR	MR	027-131-03	5.45	vacant	22	22	27	Fault Haz bluff, no 2nd units	NA	N
SR 1	SR 1	027-101-06	5.67	vacant	2	5	10	US	NA	N
SR 1	SR 1	027-221-04	21.47	vacant	2	17	42	Steep	P	N
SR 1	SR 1		9.97	vacant	2	1	1	Harper Agrmt	NA	N
SR 1/2	SR 1/2	027-061-14	1.11	vacant	2	2	4	Access	NA	N
SR 1/2	SR 1/2	027-061-15	1.23	vacant	2	2	4	Access	NA	N
SR 1/2	SR 1/2	027-061-17	1.7	vacant	2	2	6	Access	NA	N
UR	UR	027-082-26	0.49	vacant	2	4	4	none	NA	N
UR	UR	027-082-37	0.38	vacant	2	2	2	none	NA	N
UR	UR	027-082-40	0.21	vacant	2	2	2	small	NA	N
UR	UR	027-082-46	0.28	vacant	2	2	2	easement	W	N
UR	UR	027-091-10	0.5	vacant	2	3	4	none	NA	N
UR	UR	027-091-14	0.5	vacant	2	3	4	none	NA	N
UR	UR	027-092-24	0.91	vacant	1	1	2	Topo	NA	N
UR	UR	027-121-05	0.33	vacant	2	2	2	none	NA	N
UR	UR	027-131-06	0.33	vacant	2	2	2	None	NA	N
SR ½ & RA	SR ½ & RA	027-291-23	92.74	Vacant						

Source: "Current" -Zoning Ordinance 179 "Future"- Housing Stock Survey 2006, updated by 2015 site survey. Due to the limited amount of growth, this analysis of housing development potential is still accurate to date. Notes: Current is the maximum allowable development based upon the current zoning allowance. For sites

where the “future” development potential, which takes into account environmental constraints, was *below* that of the current condition, the lower number was taken to represent realistic development potential.

Future- Calculation comes from the 2006 Housing Stock Survey and represents future build out within the limitations of identified constraints. In order to achieve these build-out projections, some sites would require Planned Residential Development and/or subdivision.

Code Max- Calculation comes from the 2006 Housing Stock Survey and represents maximum potential build. In order to achieve these build-out projections, some sites would require Planned Residential Development and/or subdivision. KEY: US – Unstable Soils; FP – Flood Plain

P - Public Water; W - Well water; NA - No Availability; PAMB - Point Arena Mountain Beaver area;

Available Land for Residential Development

Underdeveloped Sites Inventory									
LAND USE	ZONE	APN	Acres	USE	“Future” Res. Units	Code Max	Constraints	Water	Sewer
AE	AE	027-141-01	6.73	Residence and Amerigas tank	4	5	None	P	Y
C	C	027-122-29	1.58	Coast Community Library	8	11	10' eas	P	Y
C	C	027-122-30	3.87	Think Visual Photography Gallery	23	29	Fault line	NA	Y
C	C	027-122-31	3.95	Dental building	23	29	Fault line, Haz bluff, steep	NA	Y
HWC	HWC	027-061-05	3.97	House in the Country	4	4	Steep, Crk	W	N
HWC	HWC	027-061-07	1.63	CDF Station	2	--	State-owned		Y
HWC	HWC	027-061-10	1.96	Double D/Eastwood barber/Residence	3	3	None	W	N
HWC	HWC	027-081-19	0.83	Residence	1	1	Non Conf	P	N
HWC	HWC	027-081-20	0.97	Pirate's Cove	1	1	None	P	N
HWC	HWC	027-122-21	1.01	Sea Shell Inn	1	11	Creek, unstable soil	P	Y
HWC	HWC	027-141-07	0.43	Commercial bldg. (vacant)	1	1	Creek	P	N
HWC	HWC	027-141-08	0.42	Commercial bldg. (vacant)	1	1	Creek	P	N
MR	MR	027-111-01	0.9	Residences	2	6	Exist Bldg	P	Y
MR	MR	027-111-02	1.94	Residences	4	14	Unstable soil	P	Y
MR	MR	027-111-30	0.91	Assembly of God Residence	4	6	10' eas	P	N

Underdeveloped Sites Inventory

LAND USE	ZONE	APN	Acres	USE	"Future" Res. Units	Code Max	Constraints	Water	Sewer
MR	MR	027-111-37	1.36	Residence	8	10	none	P	Y
MR	MR	027-121-34	0.73	vacant	5	5	30" storm drain		N
MR	MR	027-121-38	0.38	Residence	1	2	none	P	Y
MR	MR	027-131-02	1.39	Assembly of God	5	7	Fault line, Haz bluff, steep, no granny units	NA	N
MR	MR		0.53	Residence	3	4	none	P	Y
PF	PF	027-221-07	29.84	Mendocino County Yard	56	140	Unstable soils	NA	N
SR 1	SR 1	027-081-13	18.43	Residence	18	36	Unstable soil, Devil's cutoff (steep), wet, PAMB	W	N
SR 1	SR 1	027-101-02	3	Residence	2	6	Arch Site, access, slope	W	
SR 1/2	SR 1/2	027-061-16	1.46	Residence	3	4	Access	W	
SR 1/2	SR 1/2	027-081-03	1.11	Residence	1	4	Slope	P	N
SR 1/2	SR 1/2	027-081-04	8.28	Residence	15	32	Slope	P	N
SR 1/2	SR 1/2	027-081-05	0.78	Residence	1	2	Non Conf	P	N
SR 1/2	SR 1/2	027-081-06	0.6	Residence	1	2	Non Conf	P	N
SR 1/2	SR 1/2	027-081-07	1.48	Residence	3	4	PAMB, slope	P	Y
SR 1/2	SR 1/2	027-081-09	0.72	Residence	1	2	Non Conf	P	N
SR 1/2	SR 1/2	027-081-10	0.99	Residence	1	2	Non Conf	P	N
UR	UR	027-082-05	0.44	Residence	2	4	none	W	Y
UR	UR	027-082-18	0.53	Residence	2	4	None	W	Y
UR	UR	027-082-21	0.65	Residence	3	6	None	W	Y
UR	UR	027-082-22	0.91	Jehovah's Witness	2	8	Eas	P	N
UR	UR	027-082-23	0.48	Residence	2	4	none	P	Y

Underdeveloped Sites Inventory

LAND USE	ZONE	APN	Acres	USE	"Future" Res. Units	Code Max	Constraints	Water	Sewer
UR	UR	027-082-28	0.49	Residence	1	4	None	P	Y
UR	UR	027-082-38	0.47	Residence	3	4	none	W	Y
UR	UR	027-082-39	0.77	Residence	2	3	none	P	Y
UR	UR	027-082-41	0.38	Residence	1	2	small	P	Y
UR	UR	027-082-45	1.03	Residence	1	10	Sub/eas	W	N
UR	UR	027-082-47	1.44	Residence	2	8	none	W	Y
UR	UR	027-082-48	0.18	Residence	1	2	none	P	Y
UR	UR	027-091-02	0.39	Residence	1	4	none	W	Y
UR	UR	027-091-03	0.37	Residence	1	2	none	P	Y
UR	UR	027-091-13	0.45	Residence	2	4	ROW	W	Y
UR	UR	027-091-15	0.47	Residence	2	4	none	P	Y
UR	UR	027-091-16	0.44	Residence	1	4	none	P	Y
UR	UR	027-091-21	0.41	Residence	1	4	ROW	P	Y
UR	UR	027-092-04	0.11	Residence	1	2	none	NA	N
UR	UR	027-092-06	1.13	Residence	3	10	Soil, steep	P	Y
UR	UR	027-092-10	0.51	Residences	1	4	steep	P	Y
UR	UR	027-092-13	0.18	Residence	1	2	Haz Bluffs	P	Y
UR	UR	027-092-22	0.58	Vacant	2	2	none	NA	N
UR	UR	027-092-23	0.33	Residence	1	2	none	P	Y
UR	UR	027-101-08	1.55	Residence	7	14	soils, slope	P	Y
UR	UR	027-121-04	0.2	Residence	1	2	none	P	Y
UR	UR	027-121-06	0.2	Residence	1	2	none	P	Y
UR	UR	027-121-07	0.28	Residence	1	2	none	P	Y
UR	UR	027-122-18	0.31	Residence	1	2	none	P	Y
UR	UR	027-122-19	0.39	Residence	1	2	none	P	Y
UR	UR	027-131-05	0.26	Vacant	2	2	none	P	N
UR	UR	027-131-07	0.39	Residence	1	2	none	P	Y
UR	UR	027-131-08	0.37	Residence	1	2	none	P	Y
UR	UR	027-131-15	0.46	Residence	1	4	Creek	P	Y

Source: Housing Stock Survey 2006, prepared by the Sewer/Wastewater Impact Fee Strategy Committee. According to the City of Point Arena, due to the limited amount of growth since the inventory, this analysis of housing development potential is still accurate to date.

Future- Calculation comes from the 2006 Housing Stock Survey and represents future build out within the limitations of identified constraints. In order to achieve these build-out projections, some sites would require subdivision and/or Planned Residential Development.

Code Max- Calculation comes from the 2006 Housing Stock Survey and represents maximum potential build. In order to achieve these build-out projections, some sites would require Planned Residential Development

Underdeveloped Sites Inventory

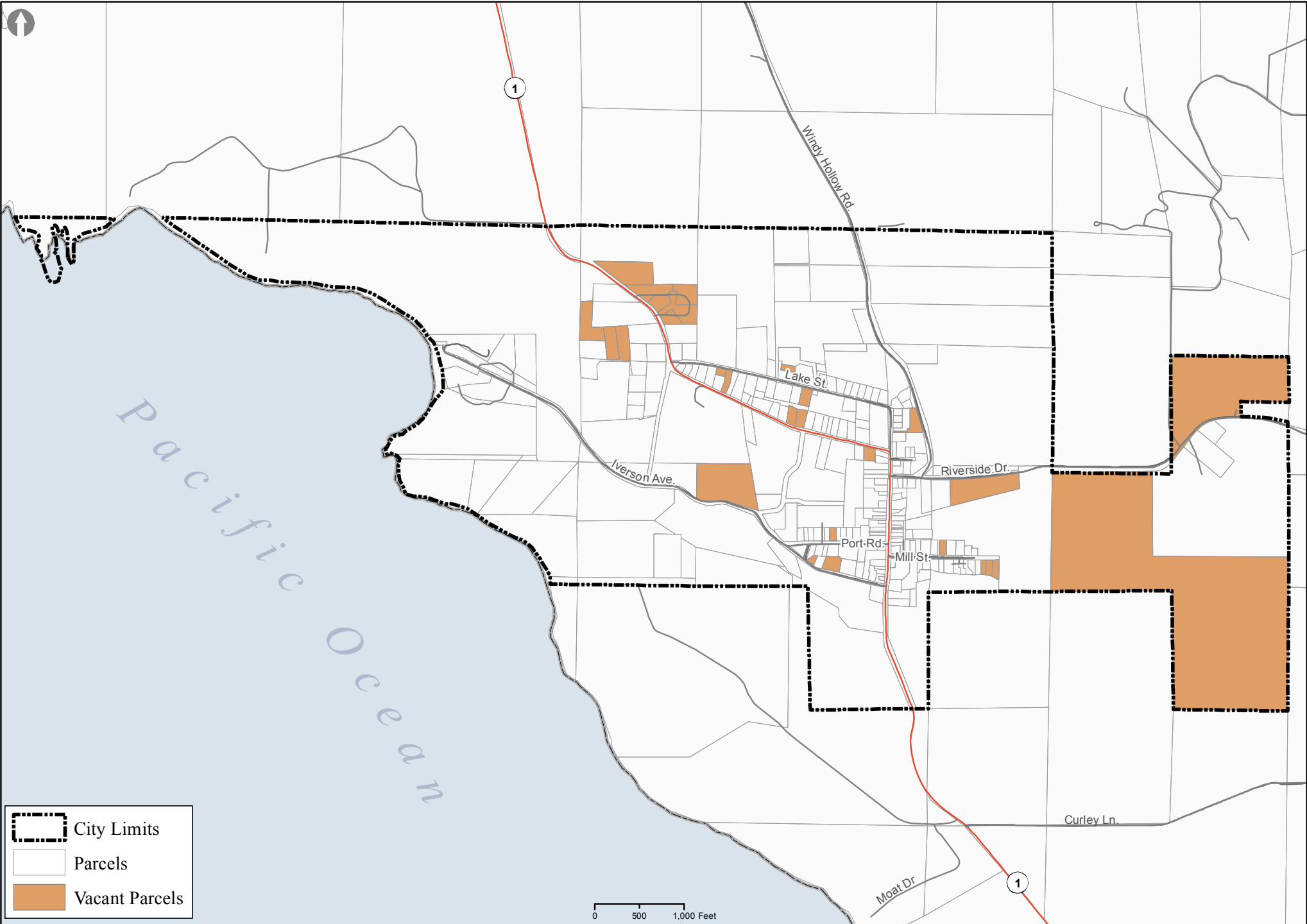
LAND USE	ZONE	APN	Acres	USE	"Future" Res. Units	Code Max	Constraints	Water	Sewer
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and/or subdivision.

P - Public Water; W - Well water; NA - No Availability; PAMB - Point Arena Mountain Beaver area.

Summarized Underdeveloped Sites Inventory City of Point Arena		
Zone	Acreage	Future
AE	6.73	4
C	9.4	54
HWC	11.22	14
MR	8.14	32
PF	29.84	56
SR1	21.43	20
SR ½	15.42	26
UR	17.55	56
Total	119.73	262

Summarized Vacant Sites Inventory City of Point Arena			
Zone	Acreage	Current	Future
HWC	8.27	37	37
MR	6.66	29	29
SR1	37.11	6	23
SR ½	4.04	6	6
UR	3.93	17	21
Total	60.01	95	116



Point Arena Vacant Parcels

Vacant parcels were determined using aerial photo interpretation with the 2014 NAIP imagery.

Prepared for
Mendocino
LAFCo by: **PLANWEST**
PARTNERS, INC. 

Date: 12/4/2015

Sources: Boundaries - Mendocino County CDSD, Roads - US Census TIGER.

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