

5.0

HOUSING ELEMENT

5.1 INTRODUCTION

5.1.1 Regional Location

The City of Delano (population 39,489) is located in the southern portion of San Joaquin Valley, in the northern part of Kern County just south of Tulare County. Delano is within a short driving distance of several metropolitan areas. To the north are the Cities of Fresno (75 miles), Sacramento (240 miles), and San Francisco (250 miles). To the south are the Cities of Bakersfield (30 miles) and Los Angeles (140 miles).

Agricultural fields and open space, a typical characteristic of towns in the San Joaquin Valley, physically separate Delano from these neighboring communities. Irrigated agriculture, the signature characteristic of the valley, is found throughout the valley on its highly fertile alluvial soils.

5.1.2 Background and Purpose of the Element

Many Californians with average or less than average incomes find it difficult to secure adequate housing they can afford. Since the early 1980s, the problem of finding adequate housing for lower-income groups has been compounded by high housing costs, lack of readily developable land in many communities, and the decreased ability of the State and Federal governments to fund housing programs.

Although general plan housing elements were mandated by State legislation enacted in 1967, the State undertook a major revision of housing element law in response to rapidly increasing housing prices. As a result, each city and county must analyze local housing needs, and provide a realistic set of programs to meet those needs. The State housing policy that sets forth this requirement includes the following:

- a. *“...The availability of housing is of vital Statewide importance, and the early attainment of decent housing and a suitable living environment for every California family is a priority of the highest order.” (Section 65580, State of California Government Code.)*
- b. *“... The early attainment of this goal requires cooperative participation of government and private sectors in an effort to expand housing opportunities and to accommodate the housing needs of Californians of all economic levels.” (Ibid.)*

c. “... Local and State governments have a responsibility to use the powers vested in them to facilitate the improvement and development of housing to make adequate provision for the housing needs of all economic segments of the community.” (Ibid.)

d. “... in carrying out this responsibility, each local government also has the responsibility to consider economic, environmental, and fiscal factors and community goals set forth in the General Plan and to cooperate with other local governments and the State in addressing regional housing.” (Ibid.)

The City of Delano is therefore required to:

- Identify and analyze the current and projected housing needs of “all economic segments of the community;”
- Evaluate current and potential constraints to meeting those needs, due both to marketplace and government operations;
- Assess the availability of land suitable for residential use and opportunities for energy conservation in residential development;
- Set forth objectives, policies, and programs that set forth a 5-year schedule of actions to meet identified housing needs,¹ and to remove governmental and non-governmental constraints on the production of housing, the administration of land use and development controls, provision of regulatory concessions and incentives, and the utilization of appropriate federal and State financing and subsidy programs and, when available, funds in a low and moderate income housing fund of a redevelopment agency; and
- Address needs for emergency shelter for the homeless.

5.1.3 Citizen Participation

The legislature requires that local housing elements be prepared with the participation of all economic segments of the community. The preparation of the Housing Element included the following citizen participation activities:

1. A workshop with local affordable housing providers and housing/ farm worker interests with a Spanish/English interpreter provided;
2. Public notices and announcements in both English and Spanish; and
3. Public hearings, including the Planning Commission and City Council.

To ensure that all economic segments of the community, including lower income individuals and organizations, would be involved in the development of the Housing Element, the City of Delano

¹ “Identified housing needs” includes production of new housing to meet the needs of new households of all economic segments of the community, conservation of existing sound housing, improvement of existing substandard housing, protection of existing housing affordability, promotion of equal housing opportunities, and meeting the needs of identified “Special needs” groups (e.g., elderly, homeless, large families, farm workerfarm workers, one parent households, handicapped). The needs of the homeless are also required to be addressed in municipal housing elements.

encouraged the following organizations to attend the community workshop by inviting these groups directly. Additionally, notices of these public workshops were posted in both English and Spanish at the senior and recreation centers, library, City Hall, and throughout the community in public places.

Housing Authority of the County of Kern	Self Help Enterprises
Delano Assoc. for the Developmentally Disabled	Bingley Homes
Delano Community Connections	Workman Brothers
Center for Race Poverty and the Environment	Bethany Homeless Center
County of Kern Planning Department	United Farm Workers
Community Development Program Department	California Rural Assistance League
Proteus	Bank of America
Scott Townsend	San Joaquin Bank
Wells Fargo Bank	Union Bank
Washington Mutual	

Prior to the public hearing on the draft Housing Element, the document will be sent to the above organizations.

5.1.4 Definitions

Several terms are used throughout the Housing Element that have particular meanings under California law. The following presents definitions of key terms to facilitate understanding of the Housing Element. Words appearing in italics in a definition are defined elsewhere in this section.

Existing (Housing) Need The unmet potential demand for affordable housing in a community; assumed to be the number of very low- and low- income households that are *overpaying* for housing (spending more than 30 percent of their gross income on housing costs).

Family A *household* consisting of two or more persons who are related by blood or marriage or who constitute a single bona fide housekeeping unit.

Future (Housing) Need New construction needed to provide housing for all income groups that will accommodate new households (growth), replace housing inventory lost to demolition or other causes, and achieve a vacancy rate that will allow the housing market to operate efficiently and provide mobility opportunities.

Goal A statement describing the desired condition that should exist in the housing environment. A goal is typically not stated in quantitative terms, in contrast to an *objective*.

Household All the persons who occupy a single dwelling unit, such as a detached house, townhouse, or apartment. A household may consist of one person, unrelated individuals, or a *family*.

Housing Production Needs See *existing need* and *future need*.

Objective The numerical target for some measurable outcome to be achieved by the end of the planning period (2005). Objectives must be stated for the rehabilitation, conservation, and development of housing.

Overcrowding A household living in a housing unit that lacks sufficient space to meet basic needs of daily living. It is measured by the ratio of persons to rooms in a housing unit (excluding bathrooms, kitchens, and halls). A unit is considered overcrowded if the number of persons exceeds the number of rooms.

Overpayment A household that is paying more for housing than it can reasonably afford, given other life necessities such as food, transportation, health care, and child care. The rate of overpayment is measured by the proportion of households spending more than 30 percent of their gross income on housing costs. The problem of overpayment by very low- and low- income is often cited as an indicator of housing assistance needs.

Policy A broad statement, consistent with a *goal*, that guides and shapes actions in order to achieve an *objective* under that goal.

5.1.5 Consistency with Other General Plan Elements

The proposed goals and policies of the Housing Element have been reviewed for consistency with the other elements of the updated General Plan. As a result, the Housing Element is internally consistent with the balance of the General Plan.

5.1.6 Format of the Housing Element

The Delano Housing Element is organized into four chapters in addition to this introductory chapter and the Executive Summary.

Section 5.2 includes a discussion of the appropriateness and effectiveness of the previously prepared Housing Element (adopted by the City Council in 1992), and the City's progress in implementing the goals and policies of the previous Element.

Section 5.3 provides a detailed analysis of housing needs, resources, and constraints in the City of Delano. Included in this analysis is an inventory of population, households, and housing characteristics, including an evaluation of housing affordability.

Section 5.4 sets forth an analysis of housing opportunities and constraints. The discussion of housing opportunities focuses on an evaluation of land available for the development of new housing within Delano. The discussion of housing constraints addresses those factors that serve as barriers to the construction of affordable housing. These include both governmental and market constraints to the production of housing.

Section 5.5 presents housing goals, policies, and action programs to address the housing needs of existing and future residents of the City. While goal and policy statements are general in nature, the housing programs are specific actions necessary to achieve the goals and policy statements adopted in principle. The City's quantified objectives for construction, rehabilitation, and preservation follow the discussion of housing actions.

5.2 PROGRESS REPORT

5.2.1 Introduction

Section 65588(a) of the Government Code requires that each city shall review its housing element as frequently as necessary to evaluate all of the following:

- (1) The appropriateness of the housing goals, objectives, and policies in contributing to the attainment of the State housing goal.
- (2) The effectiveness of the housing element in attainment of the community's housing goals and objectives.
- (3) The progress of the city in implementation of the Housing Element.

The City of Delano's existing Housing Element was adopted in January 1992. Because of revisions to State law, a new update of the Housing Element was not required until 2002. The purpose of this Chapter is to evaluate the effectiveness of Delano's Housing Element, the progress in the implementation of the existing Housing Element, and the appropriateness of existing Housing Element goals, objectives, policies, and programs.

5.2.2 Appropriateness and Effectiveness of the Existing Housing Element's Goals, Objectives, Policies, and Implementation Programs

This section evaluates the effectiveness of the goals, objectives, policies, and actions of the 1992 Housing Element. There were many factors that affected the City's ability to meet the goals and objectives it established in 1992, including the effects of an ongoing recession, the availability of State and Federal funding, and staffing needs. Since the adoption of the 1992 Housing Element, several programs and projects have been completed. Between 1992 and 2002, 2,467 dwelling units were issued permits for construction within the City.

The following provides a review of each action program defined in the 1992 Housing Element. The review summarizes the success or failure of each program. If a program was unsuccessful, a summary of the reasons has been provided.

a. Programs To Conserve And Improve Existing Housing

Code Enforcement. The existing Housing Element sets forth a code enforcement program to ensure the health and safety of the City's residents. No quantified objective was adopted. Since adoption of this program, the City of Delano has hired a new Code Enforcement Officer to aggressively identify and respond to complaints about substandard housing conditions. Violations are promptly identified

and action initiated to require property owners to correct the situation prior to issuing citations into court.

Recommendation. Continue the existing code enforcement program.

Neighborhood “Clean-up/Fix-up” Campaigns. This program is related both to the prevention of neighborhood deterioration through the encouragement of continued home maintenance and to the stimulation of housing rehabilitation activities. This program consists simply of the periodic designation of a “neighborhood clean-up/fix-up” day or weekend. The City sponsored these designated days to demonstrate the commitment of the public to the objective, and to encourage trash elimination, tree pruning, yard cleaning, fence painting, and similar minor fix-up activities. The City will cooperate with neighborhood groups, civic organizations, and others willing to assist in program publicity and to help the elderly and disabled, who might be unable to perform minor maintenance tasks themselves. Since the adoption of this program, the Police Department has staged three “City Pride” neighborhood clean up campaigns per year, where residents have been involved in cleaning up litter and debris, including large household discard items. A high level of resident interest and participation has been achieved in these efforts.

Recommendation. Continue the program.

Rehabilitation Programs – Owner and Renter Programs. Through Self Help Enterprises, a non-profit corporation, the City participates in a homeowner rehabilitation and reconstruction program. The program has been funded for \$300,000 for two years, and third year funding in the same amount is pending. Supplemental funding is provided by the City’s Redevelopment Agency. The eligibility limit for participating households is no more than 80 percent of the current regional income. Eight units have been funded for rehabilitation loans from the first year’s funding, while additional funding applications are in process for subsequent years.

The City administers a rental rehabilitation loan program for low and moderate-income units. Funding is set for \$500,000 per year over a two year span. This program has gone through its start up stage and inquiries have been made. No projects have yet been initiated. Funding for the owner and renter rehabilitation and reconstruction program is provided through a combination of federal Block Grant funding allocation, and federal HOME funds, which are allocated at the state level.

b. Affordability Conservation

Low-Rent Public Housing Program. This program is administered and carried out by local public housing authorities which develop, own, and operate low-rent public housing, which is subsidized by the U.S. Department of Housing and Urban Development (HUD). The Housing Authority of the County of Kern administers this program in the Delano area. The voters must authorize public low-rent housing in the State of California. The Housing Authority of the County of Kern is the regional agency authorized to construct publicly owned housing for the benefit of households in need within the City. The Authority is constrained in its ability to produce new units by the funding allocated by federal and state housing agencies. The Housing Authority has recently undertaken the conversion of approximately 15 agency-owned rental units into ownership status available for purchase by its

residents. In 2001, the City granted approval for an 84 detached unit rental project with community facilities, in the south part of the City. Construction is expected to begin within 1-2 years.

Recommendation. Continue the program.

Section 8 Rental Assistance. At the time of the 1992 Housing Element, a total of 209 households were assisted with Section 8 Rental Assistance. Of these 42 were for elderly households. The existing Housing Element calls for continued assistance to those 209 households. The Housing Authority of the County of Kern administered Section 8 certificates/vouchers for 25 households in Delano, of which 6 were elderly households, as of October 1992. Currently, there are 24 Section 8 vouchers in effect in the City of Delano. This includes nine vouchers for disabled households with Social Security income. The number of Section 8 vouchers in Delano has been consistent since 1992. The Housing Authority of the County of Kern is the implementing agency for both the voucher and agency-owned programs. The continued provision of certificates and vouchers to Delano households is dependent upon continued federal funding levels for this specific program.

Recommendation. Continue the program.

Rental Housing Production. This is one of several model programs under the National Affordable Housing Act of 1990. An allocation of HOME funds will be utilized by HUD to make repayable advances to public or private sponsors for up to 50 percent of the cost of construction, acquisition, or substantial rehabilitation of affordable rental housing.

Interest payments of up to 3 percent on the advances would start one year after project completion. Principal and any accrued interest are repayable from “surplus cash” (to be defined in regulations) on an annual basis.

HUD is to establish criteria to be used by participating jurisdictions to select projects. Specific requirements may include addressing a shortage of rental housing for lower income families in the area; the extent to which large families with children will be served; and/or the extent to which the project provides congregate services to the elderly or persons with disabilities, among others.

Since the adoption of the existing Housing Element, Redevelopment Agency funds have been used to develop the Jasmine Heights Apartment complex, which includes 128 rental units that are tied to income criteria, based on an agreement with the redevelopment agency and Casa Hernandez complex, which includes 80 senior citizen units, with an emphasis on farm worker/farm worker needs. Additionally, the State Tax Credit Allocation Program has been used to fund the Villa Santa Fe complex, which includes 81 family rental units that are either 3- or 4-bedroom units. This complex was approved in 2001 and is now under construction.

Recommendation. Continue the program.

Infrastructure Improvement Program. While the use of this program will be somewhat limited, funds could be used to assist in the preservation of neighborhoods by upgrading selected public

improvements. In order to meet the intent of the law, a nexus would be required linking the improvements to the preservation of housing units for lower and moderate-income households.

Recommendation. Implement/continue the program.

Compensating Balance Program. This proposed rehabilitation program is a traditional amortized loan program, the maximum loan amount being \$15,000 per unit, but in no case exceeding more than 25 percent of the appraised value of the property. This bank program would be implemented in association with a lending institution and is known as a “Compensation Balance” program. This program is unique because it allows the Agency to leverage its residential housing set-aside funds to enable these loan funds to be borrowed at below-market rates and still replenish the initial original outlay of capital by the City of Delano Redevelopment Agency through the establishment of a revolving pool of funds.

Initially under this program, the Agency would establish an interest-bearing account or accounts, the amount to be determined by the Agency, at a qualified financial institution. Each time a loan is funded by the financial institution at an interest rate determined by the Agency, according to the yet to be established “General Program Guidelines,” a specified percentage of the total loan amount is taken out of the interest-bearing account. The City/Agency bears no liability if a borrower defaults on a loan, since it is the financial institution that finally approves the loan and assumes the risk of recapturing its loan investment. The borrower will incur costs associated with normal loan processing charges.

Recommendation. Implement/continue the program.

Deferred Payment Loan Program. The Deferred Payment Loan (DPL) Program is designed so that lower-income, single family homeowners may borrow money for needed home repairs. No repayment, however, is made until the real property is sold, assigned or transferred or the financial situation of the borrower has improved. The term of the DPL is three years. When the term is near expiration, the borrower must go through a reapplication process to determine if he or she is still eligible under the “General Program Guidelines.” If the borrower is still eligible, the DPL will be renewed for another three years and so on until there is a change in title to the property. If the borrower is no longer eligible for this program at the end of one of these three-year renewal terms, the borrower has the following options:

1. Pay off the loan balance in full.
2. Apply to the bank to borrow the necessary outstanding balance at the market rate for such a loan.
3. Arrange to borrow the money from a lender or source of his or her choice.

This program is structured to assist only lower-income participants and, unless a transfer of the property occurs, the Agency, depending on the circumstances of the loan, could have an interest in the real property for a period longer than 15 years. Both the Compensating Balance and Deferred Loan Program would require recordation of the appropriate interests in the subject properties.

Recommendation. Implement/continue the program.

Substantial Rehabilitation Loan Programs. This program is designed to cover those properties that have deteriorated to a point where the funding limit of the above-described rehabilitation loan programs is inadequate to cover the cost of needed repairs and rehabilitation. The costs of repairs to properties under this program would exceed 25 percent of the appraised value of the property and would be considered substantial rehabilitation under the provisions of California Community Redevelopment Law. Owner-occupied units rehabilitated under this program would be required to be available at affordable housing costs to persons and families of Very Low, Low, or Moderate Income for a minimum period of no less than 30 years or for as long as is feasible. These restrictions would have to be recorded, run with the land and be enforceable against the original owner and successors by the Agency. This requirement would be longer should the Agency consider a merger of its two redevelopment plans due to a recent change in State law.

Sales of owner-occupied units in this program, occurring prior to the expiration of the restricted period, would result in the Agency sharing in sales proceeds in excess of an Agency-adopted program. The substantial rehabilitation loan program would be available for lower and moderate income persons and would be administered as a deferred loan program, payable at the time of transfer of title or forgiven at the end of the restricted period.

Recommendation. Implement/continue the program.

Older Resident Rehabilitation Grant Program. Under this program, older residents identified as possessing Very Low and Low Incomes who are owner-occupants of single family housing units would be eligible for qualified home repairs and rehabilitation efforts. This would be a grant program, with no repayment to the Agency. The program would have a maximum grant limit of \$2,500. Restrictions are related to program participant's income and would require a structural review of each real property to provide evaluation of total need and a subjective evaluation of additional referral services. This grant program is envisioned as a mechanism to allow seniors within the community to correct minor defects in their living environments and enhance the physical quality of their home environments. The use of a nonprofit community organization or organizations may be helpful in implementing this program.

Recommendation. Implement/continue the program.

Redevelopment Agency Rental Assistance Programs. The City of Delano Redevelopment Agency might own, lease or contribute the value of a piece of property in exchange for a certain percentage of units to be rented to Very Low and Low Income seniors or families. In addition, the Agency may want to issue multifamily mortgage revenue bonds, which would provide first trust deed monies at below market interest rates. In exchange for issuing the bonds, at least 20 percent of the units would have to be set aside for Very Low and Low-Income individuals or families.

In certain instances, the Agency might wish to rehabilitate existing rental housing units. Low-cost loans can be made to multifamily unit owners if said owners will reserve a certain number of units

for Very Low and Low-Income families. Variations of the rental housing programs can be developed should the Agency so desire.

Recommendation. Implement/continue the program.

Low Income Tax Credit Programs. The Low Income Tax Credit Program provides for a 9 percent annual tax credit for a 10-year period of time, based upon the total development cost (TDC). In other words, a developer can get a 90 percent return on its TDC investment if it agrees to lower and maintain rents at affordable rates as prescribed by the State Tax Credit Allocation Committee.

Recommendation. Implement/continue the program.

c. Assist in Low/Moderate Income Housing Development

Density Bonus Ordinance and Implementation. The existing Housing Element includes a program for adopting a density bonus ordinance. This ordinance was adopted by the City Council in 1990. The density bonus ordinance has been utilized several times within the City. In February 1995, within the Almond Tree Village development, 69 density bonus units were approved. In April 1999, within a multiple family development near the intersection of 12th Street and Ellington 72 density bonus units were approved.

Recommendation. Implement/continue the program.

California Self-Help Housing Program. The California Self-Help Housing Program utilizes the self-help concept to assist families to build and rehabilitate their homes. The program consists of mortgage assistance for new construction and rehabilitation technical assistance may be available.

Recommendation. Implement/continue the program.

Supportive Housing for the Elderly. The HUD Section 202 program has been available for many years, primarily to build housing for seniors and to provide long-term rental subsidies for these units. Assistance to the elderly is given in the form of non-interest bearing capital advances and contracts for rental assistance. Assistance need not be repaid as long as the housing remains available for Very Low-Income households, which are those 50 percent below the County's median household income.

Recommendation. Implement/continue the program.

Mello-Roos and/or 1913 Act Programs. City of Delano Redevelopment Agency housing has set-aside funds, which could be utilized to reduce the cost of assessments or special taxes for a selected number of housing units designated for lower and moderate-income homebuyers within a new subdivision.

Recommendation. Implement/continue the program.

Infill Housing Write-Down Program. City of Delano Redevelopment Agency housing set-aside funds could be utilized as follows:

1. To purchase a selected number of lots from a developer or property owner for sale at a “below-market” price to qualified lower and moderate-income homebuyers.
2. To purchase completed homes from a developer for sale at a “below-market” prices to qualified lower and moderate-income homebuyers.

Recommendation. Implement/continue the program.

Mortgage Loan Interest Write Down Program. Through this program, the City of Delano Redevelopment Agency would use a portion of its housing set-aside fund to subsidize conventional mortgage interest rates for qualified program participants for a given period of time, thus making it easier for a homebuyer to qualify for a mortgage.

Recommendation. Implement/continue the program.

Tax Exempt Bond Program – Single-Family. The Tax Exempt Bond Program for single-family housing provides below-market mortgage rates for first-time homebuyers in certain income groups. This program can “take out” a developer from his construction loans and provide first-time homebuyers with affordable financing.

Recommendation. Implement/continue the program.

Tax Exempt Bond Financing – Rental Construction. Tax Exempt Bond Financing for rental construction is a developer-driven program. The purpose of this financing is to provide below-market “take out” financing for developers of affordable rental property. Basic requirements are that 20 percent of the units must be made affordable to lower and moderate income persons. Presumably, the remaining 80 percent can be at market rate, thus carrying the development. This type of financing has been made more difficult since the 1986 Tax Reform Act but the use of this program is still viable in some cases.

Recommendation. Implement/continue the program.

HUD Construction Program. Although HUD new construction programs are not at present strongly funded and take a minimum of two to three years to plan, if time is not a major consideration, a HUD new construction program (such as the Section 202 Program for the Elderly) may be a desirable program.

Recommendation. Implement/continue the program.

Equal Housing Opportunities Program. The Fair Housing Division is funded through the U.S. Department of Housing and Urban Development's Community Development Block Grant (CDBG) program and serves all of unincorporated Kern County and all CDBG non-entitlement municipalities. The State Fair Employment and Housing Department enforces fair employment and housing laws, educates the general public of its housing rights, and informs the public of the various courses of action which are available in the event of an alleged violation of fair housing laws.

The Kern County Fair Housing Division implements various outreach and marketing programs to inform the public of fair housing and to assist with housing-related problems where appropriate. The Division distributes 200 informational flyers per month to housing providers. The Division advertises its toll-free telephone number throughout the County; in 1992, the Division received over 4,200 telephone calls. The Division has prepared a housing resource guide containing information pertaining to all housing-related services provided throughout Kern County. The guides are "regionalized" and distributed throughout the various portions of the County.

Recommendation. Implement/continue the program.

d. Other Housing Programs

In addition to the preceding activities outlined in the existing Delano Housing Element, the City has undertaken a number of housing programs, which are described below.

Mortgage Credit Certificate Program. The Mortgage Credit Certificate (MCC) Program, authorized by Congress in the Tax Reform Act of 1984, is a means of providing financial assistance to "first time homebuyers" for the purchase of new or existing single family housing. The MCC Program provides qualified homebuyers with a Federal income tax credit. Income tax credits reduce an individual's tax payments by an amount equal to the credit. Under the MCC Program, the maximum tax credit available is equal to 20 percent of the annual interest paid on the borrower's mortgage.

In 1985, the State of California adopted legislation authorizing local agencies to make MCCs available in California. The MCC Program is a "non-cost" housing ownership program currently being utilized throughout the State. This program could be implemented through the utilization of City of Delano Redevelopment Agency housing set-aside funds. The authority of the MCC Program comes from the Federal Government. The MCC Program is easy to administer and is highly cost-effective in that it delivers a direct subsidy to a homeowner.

While the enabling legislation for the program potentially expires this year, many officials in Washington, D.C. feel it will be extended for at least another two years. While the tax credit authority comes from the Federal Government, the issuance of MCCs comes under the jurisdiction of the State. MCCs are allocated on a first-come, first-serve basis in California.

The chief advantage to the Redevelopment Agency would be that the cost of this program is a simple one percent deposit fee placed with the State Mortgage Allocation Committee. For example, if the

Agency wished to subsidize 100 homes at \$80,000, the cost to the Agency would be a deposit of \$80,000, fully refundable upon origination of the certificates.

First-Time Home Buyer Loan Program. This program is designed to provide prospective homeowners with a matching down payment equal to the down payment of the borrower, not to exceed \$15,000, through the utilization of City of Delano Redevelopment Agency housing set-aside funds. Applicants under this program must be fully qualified to make mortgage payments to the funding institution of their choice. Such payments, including principal, interest, taxes, association dues, repayment to the Redevelopment Agency, and other requirements must meet the lending criteria of the lending institution. The Agency contribution would assume a second position to the holder of the first lien and the Agency would be reimbursed if the dwelling were sold or transferred during the first 10 years of occupancy. No monthly payment would be due the Agency during the initial five years of the loan. Payment would be due to the Agency in the sixth year but only on 50 percent of the Agency loan. The other 50 percent would be forgiven if the dwelling remained occupied by the original owners for a minimum of five years. The Agency position and the amount of the monthly repayment schedule must be within the acceptable guidelines of the lending institution selected by the applicant. This program could be funded from the proceeds of a taxable note as the potential exists that note proceeds could be treated as a loan.

Silent Second Trust Deed Program. This program is similar to the First Time Home Buyer Loan Program except that the City of Delano Redevelopment Agency provides 100 percent of the required down payment and secures its position through a “silent” second trust deed. Depending upon the objective of the Agency, payback of the second trust deed can be postponed until the unit is sold, or a portion could be forgiven based upon the number of years the unit is occupied by the owner.

Homeless Shelter/Transitional Housing Zone Amendment. In order to accommodate any present and future needs of the homeless in Delano, the City of Delano will amend its zoning ordinance to allow for homeless shelters and transitional housing within General Services Commercial (G-S) districts. There is a sufficient supply of available sites within the existing G-S zoned areas in Delano. G-S districts are located within reasonable access to local community services, including government offices and transportation services, and will not require unusually high site development costs. The zoning ordinance will be amended to permit the development of, or conversion to, a homeless shelter or transitional housing without undue special regulatory approval.

Homeless Shelter/Transitional Housing Incentives. The City of Delano established administrative processing guidelines to encourage the development of, or conversion to, a homeless shelter or transitional housing through various reductions in development requirements and fees. The incentives to be available to qualified developers of homeless shelters and transitional housing projects will include reduced development impact fees, reduced parking requirements, and reduced utility connection fees.

Migrant Farm worker Housing. The special housing needs of many farm workers stem from the generally low wages and the instability associated with the agricultural industry. The northern Kern County area is economically based in agricultural production. Farm workers comprise a significant portion of Delano's population. In 1990, 2,697 Delano residents (35% of employed persons 16 years and older) were employed as farm workers, nearly all of whom are likely to have affordable housing needs

Due to the magnitude of the farming industry in the Delano area, large numbers of migrant farm workers are employed during the various harvest seasons. However, no migrant farm worker housing is available in the Delano area. The nearest migrant farm worker housing is located in the City of Shafter, approximately 20 miles southwest of Delano. This complex is owned and managed by the Kern County Housing Authority. In order to accommodate the housing needs of migrant farm workers, migrant farm worker housing should be established in the Delano area.

The Housing Authority of the County of Kern (HACK) would be the appropriate entity to establish migrant farm worker housing in the Delano area. HACK should investigate potential siting and funding for a migrant farm worker housing project in the Delano area.

5.3 NEEDS ASSESSMENT

5.3.1 Introduction

Section 65583(a) of the California Government Code requires the Housing Element to include an assessment of housing needs and an inventory of resources and constraints relevant to the meeting of these needs. The assessment and inventory must include the following:

- (1) An analysis of population and employment trends and documentation of projections and a quantification of the locality's existing and projected housing needs for all income levels. These existing and projected needs shall include the locality's share of the regional housing need.
- (2) An analysis and documentation of household characteristics, including level of payment compared to ability to pay, housing characteristics, including overcrowding, and housing stock condition.
- (3) An inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites.
- (4) An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures. The analysis shall also demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need.

- (5) An analysis of potential and actual nongovernmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the availability of financing, the price of land, and the cost of construction.
- (6) An analysis of any special housing needs, such as those of the handicapped, elderly, large families, farm workers, families with female heads of households, and families and persons in need of emergency shelter.
- (7) An analysis of opportunities for energy conservation with respect to residential development.
- (8) An analysis of existing assisted housing developments that are eligible to change from low-income housing uses during the next 10 years due to termination of subsidy contracts, mortgage prepayment, or expiration of restrictions on use.

5.3.2 EMPLOYMENT AND POPULATION CHARACTERISTICS

a. Total Population

Between April 1990 and January 2000, the population of Delano increased from 23,467 to 39,489, an average of 1,602 persons per year (6.8 percent, annually). During the same period, the housing stock increased from 6,236 to 8,830 units, an average of 259 units per year (4.2 percent). The California Department of Finance estimates that population within the City of Delano was 40,292 and there was a total of 8,935 housing units in January of 2001. Table 5.3.A shows population and housing growth in Delano between 1990 and 2000.

Table 5.3.A - City of Delano Population, 1990 - 2000

	Population	Increase	Housing	Increase
1990	23,467		6,236	
1991	24,150	683	6,572	336
1992	25,800	1,650	6,786	214
1993	27,000	1,200	6,992	206
1994	31,350	4,350	7,220	228
1995	32,850	1500	7,371	151
1996	33,800	950	7,557	186
1997	35,250	1450	7,875	318
1998	37,150	1900	8,201	326
1999	37,850	700	8,411	210
2000	39,489	1639	8,830	419

Source: California Department of Finance, *City/County Population and Housing Estimates 1991-2000 with 1990 U.S. Census* and U.S. Census. Data for 1990 and 2000 are from the U.S. Census; data from 1991 to 1999 is from Department of Finance.

b. Population Projections

The most recent growth projections adopted by the Kern Council of Governments (COG) indicates that population growth in Delano will be greater than occurred in the 1990s (1,602 persons annually or 6.8%). Kern COG's population projections show the City growing by approximately 3,668 persons annually through 2020, more than double the average annual population growth of the 1990s. Additionally, the City's population growth includes the growth of the prison population within the City. The number of housing units will also increase accordingly (930 housing units annually or 10.5 percent), as shown in Table 5.3.B.

Table 5.3.B - City of Delano Projected Population, 2000 - 2020

Year	Population	Housing
2000	39,400	8,830
2010	75,188	18,297
2020	112,750	27,436

Source: Kern Council of Governments, Regional Transportation Plan, 2000

c. Age Distribution

Understanding age distribution in the community is important because it affects the housing market. A declining number of young children can result in a change in the types of housing units being sought. Childless adults tend to have a higher combined income and prefer certain amenities, increasing the demand for condominiums or units in planned unit developments. An elderly population creates a demand for units with common recreation facilities and easy access to commercial, medical, and transportation facilities. Inflationary pressures within the housing market can create disadvantages for the elderly on fixed incomes.

It is typical that small rural communities, such as Delano, which are designed for and attract young families experience a particular demographic cycle. As the community matures, its school-age children grow up and begin forming their own households. Often, mature communities that emphasized single-family housing during their growth phases do not have a sufficient supply of housing that is affordable to these emerging households. Thus, a generation of new adults is sometimes forced to move away from its community in order to seek starter (often rental) housing.

In addition, such rural communities find that the types of housing that were well suited to families are not particularly well suited to seniors and empty nesters (non-senior adults whose children have grown and started their own households). Thus, seniors and empty nesters often look to sell their homes, and move into housing that is smaller and better suited to their needs. Sometimes suitable housing for such older adults is not available in the community where they made their homes, and they are forced to move to other areas. Typically, a new generation of young families moves into the community. School-age population increases, and the community once again has many young families in residence.

As noted above, not only does a community's demographic makeup change over time, so does its housing needs. If it is important to the community to retain its youth and elderly populations, it is important that a variety of housing types and styles of residential development be provided,

including rental and starter housing, as well as housing for young growing families, empty nesters, and the elderly.

In 2000, over one-third of Delano’s population was under the age of 19, while 7.5 percent of the population was 65 years old or over (Table 5.3.C). This indicates that Delano is still within its “growth” stage, attracting young families. Population growth projections for the City indicate that this trend toward attracting young families will continue for the next 20 years.

Table 5.3.C - City of Delano Age Distribution, 2000

	City of Delano		Kern County	
	Number	Percent	Number	Percent
Under 5 years	3,537	9.1%	55,707	8.4%
5-9 years	3,711	9.6%	61,659	9.3%
10-14 years	3,396	8.7%	59,544	9.0%
15-19 years	3,321	8.6%	55,224	8.3%
20-24 years	3,481	9.0%	46,811	7.1%
25-34 years	6,689	17.2%	93,251	14.1%
35-44 years	6,010	15.5%	103,676	15.7%
45-54 years	3,617	9.3%	76,557	11.6%
55-59 years	1,144	2.9%	26,239	4.0%
60-64 years	1,019	2.6%	20,923	3.2%
65-74 years	1,578	4.1%	34,287	5.2%
75-84 years	997	2.6%	21,310	3.2%
85 years and over	324	0.8%	6,457	1.0%
Total	38,824	100.0%	661,645	100%

Source: 2000 Census

d. Ethnicity

Table 5.3.D provides the 1980, 1990 and 2000 Census breakdowns of the racial and ethnic distribution of the City of Delano by percentage of the population. As shown in the table, there are some differences in the way that ethnicity was tabulated in the censuses, primarily in the tabulation of “Hispanic.” In the 1980 and 1990 Censuses, “Hispanic” was treated as an ethnic characteristic, separate from the racial characteristics being tabulated. Thus, in 1980 and 1990, “Hispanic” residents were also categorized as being a member of the “white,” “black,” “Native American,” “Asian,” or “other” race. In the 2000 Census, “white,” “black,” “Native American,” “Asian,” and “other” are treated as ethnicities. Thus, in the 2000 Census, “Hispanic” residents are not also categorized by race.

Table 5.3.D - City of Delano Ethnicity, 1980, 1990, and 2000

	1980		1990		2000	
	Number	Percent	Number	Percent	Number	Percent
White	6,750	40.9%	5,521	24.3%	10,157	26.2%
Hispanic	-	-	-	-	18,198	46.9%
Black (African American)	505	3.1%	534	2.3%	2,193	5.6%
Native American	134	0.8%	134	0.6%	352	1.0%
Asian, Pacific Islander	2,418	14.7%	4,903	21.5%	6,187	15.9%
Other Race	6,684	40.5%	11,670	51.3%		
Two or More Races	-	-	-	-	1,737	4.4%
Total	16,491	100%	22,762	100%	38,824	100%
Hispanic Origin (any race)	9,464	57.4%	14,214	59.3%	-	-

Source: 1980, 1990, 2000 Census

e. Employment Characteristics

The California Employment Development Department (EDD) identified the total labor force within the City of Delano as of February 2002 to be 12,780. The total employment was 8,960, which left 3,820 unemployed (29.9%). This percentage is not adjusted for seasonal farm worker unemployment. This percentage is typical compared to other farming communities within the San Joaquin Valley. For instance, McFarland had an unemployment rate of 34.5 percent and Arvin had an unemployment rate of 28.2 percent, as of February 2002. Communities within the San Joaquin Valley that do not rely on farming have lower unemployment rates that do not reflect the seasonal fluctuation. For instance, Bakersfield had an unemployment rate of 9.4 percent and Taft had a rate of 8 percent. Kern COG states that in 2000 there were 13,138 jobs within the City of Delano. The job projections for the year 2020 within Delano are 22,258, this is an increase of 456 jobs per year (or 3.5% increase per year). Thus, Delano’s jobs-to-household ratio is projected to decrease from 1.52 in 2000 to 0.81 in 2020.

While the City’s economy is heavily oriented towards agriculture, it is not solely dependant upon agriculture. The employment industries in the Delano area are very diverse. The EDD breaks down the employment statistics by Metropolitan Statistical Area (MSA). The City of Delano is included in the Bakersfield MSA. Table 5.3.E depicts the diversity of employment opportunities within the Delano area. The industry sectors of Government, Services, Trade, and Farming are almost even in the quantity of people that each industry employs.

Table 5.3.E - Industrial Employment in the Bakersfield MSA

Industry	Percentage
Farm	18.3%
Mining	3.4%
Construction	4.9%
Manufacturing	3.9%
Trade	18.7%
Finance, Insurance, Property	2.9%
Services	20.2%
Government	2.3%
Transportation	4.7%
Total	100%

Source: EDD, November 2001

In November of 1991, the City of Delano was officially designated as an Enterprise Zone by the State Department of Commerce. This designation will be in effect for a 15-year period. The Enterprise zone program provides numerous State and local incentives and benefits to businesses that expand or locate within the Zone during this period. Since receiving Enterprise Zone designation, the City has attracted several large businesses. These include North Kern State Prison, Sears Logistics Services, and Paramount Farms. These new businesses have created approximately 2,200 new jobs.

5.3.3 Household Characteristics

a. Average Household Size

The 2000 Census reports that there were 8,409 households in the City of Delano, with an average household size of 4.02. Of these households, it is estimated that 7,245 (86.2%) were family households, while only 912 households (10.8%) were individuals living alone. The balance of Delano's households were non-family households with more than one occupant.

Delano's existing population per household as identified in the 2000 Census (4.02) is high, relative to Kern County (3.03) and the Southern California region (3.13). Whereas Kern County's population per household is projected to decrease slightly from 3.03 to 2.63 by 2020, Delano's population per household is projected to increase from 4.02 to 4.11 by 2020. This is much higher than the County or the regional average, and indicates Delano's continuing popularity for families, including large families.

b. Income

The Kern COG 2000 Regional Housing Allocation Plan breaks the County into nine different planning areas. The City of Delano is included in Planning Area 3, which consists of census tracts 39, 40 through 44, and 46 through 50. Four incorporated cities are in the area Delano, McFarland, Shafter, and Wasco.

Planning Area 3 has the lowest family income of all the planning areas in the County. Median family incomes were more than \$10,000 below that of Kern County as a whole. Table 5.3.F shows that low and very low-income families represent nearly 60 percent of families in Planning Area 3. This indicates that the City provides housing for a much higher percentage of low and moderate-income households than do other communities in the County. Table 5.3.F illustrates the differences in income distribution between the City of Delano and Kern County. The City currently provides its “fair share” housing for lower income households.

Table 5.3.F - Comparison of Area 3 and Kern County Household Income, Based upon 1990 Census Data

Median Family Income	Area 3		Kern County	
	Number	Percent	Number	Percent
	\$21,627		\$31,633	
Very Low Income <\$15,826	4,573	33%	30,633	23%
Low Income \$15,816-25,306	3,562	26%	23,301	17%
Moderate Income \$25,306-37,690	2,583	19%	27,115	20%
Above Moderate Income >\$37,690	3,152	23%	54,929	40%
Total	13,870	100%	135,978	100%

Source: 2000 Regional Housing Allocation Plan, Kern COG.

c. Housing Tenure

According to the 2000 Census, of the 8,830 households in Delano, 59.4 percent are owner-occupied, and 40.6 percent are renter occupied. Additionally, the City has a low homeowner vacancy rate of 1.1 percent.

d. Overcrowding

According to both California and Federal standards, a housing unit is considered overcrowded if it is occupied by more than one person per room (excluding kitchens, bathrooms and halls). Occupancy by more than 1.5 persons per room constitutes “severe” overcrowding. The incidence of overcrowding was significant in Delano, in 1990, with 42.3 percent of renter households and 25.1 percent of owner households defined as overcrowded. The 2000 Census states that the average household size is 4.02 and the average family size is 4.27. These are both much higher than the Kern County and regional averages. Factors contributing to the rate of overcrowding in Delano include housing costs, an increase in the number and proportion of large family households, and an inadequate supply of large family rental and ownership units. Overpayment of housing is an additional problem within the City. According to the 2002 Comprehensive Housing Affordability Strategy Report (CHAS Report), 1,647 renters and 786 owners overpay for housing within the very low-income household needs group.

As discussed in Chapter 5, the City of Delano is implementing several programs to lower the rate of overcrowding. These programs are designed to ensure available residential sites to meet the needs of the larger household, obtain grants to assist in housing large households, prioritize building inspections and funding opportunities, and increase the number of affordable housing units in the city, which will lower the occurrence of families doubling up within residential units.

e. Special Housing Needs

Disabled Persons. Disabled persons often have special housing needs. Depending on the type of disability, these may include close proximity to transit, retail and commercial services, and their workplaces. Other needs may involve modifications to the housing unit itself: ramps, lowered sinks, grip bars, and wider doorways. Curb cuts, ramps, and elevators in multistory buildings assist persons with walkers, crutches, and wheelchairs in gaining access to their living units, common areas, and the street. A variety of housing types, both rental and owner-occupied, should be made available that are suitable for disabled persons.

As of the time of this writing, 2000 census data on disabilities was not available. Delano had 2,583 residents aged 16 or over with disabilities in 1990, comprising 16 percent of Delano’s 16 and over population. Of these 2,583 persons with a work disability and/or a mobility/self-care limitation, 1,283 were males and 1,300 were females. Based on the rate of population growth since 1990, the number of persons with disabilities in Delano today is probably close to 4,339. Table 5.3.G compares the percentage of adults in Delano who have a work disability or a mobility limitation to the same figures for Kern County as a whole.

Table 5.3.G - Persons With Work Disabilities or Mobility Limitations, 1990

	Delano		Kern County	
	Number	Percent	Number	Percent
Persons aged 16-64	13,268	100.0%	321,866	100.0%
With a work disability	1,207	8.5%	31,235	9.7%
Prevented from working	712	4.6%	18,172	5.6%
With a mobility limitation	327	2.2%	7,969	2.5%
Persons 65 and over	2,365	100.0%	51,060	100.0%
With a mobility limitation	414	30.6%	8,369	16.4%
With a self-care limitation	374	15.6%	5,840	11.4%

Source: 1990 Census

Single-Parent Households, Including Those with Female Heads of Household. The number of single-parent families, especially those headed by a female, has increased in recent decades. These families often have special housing needs, including a strong demand for affordable housing because of the income limitations of single-earner households. Of the 8,409 households within the City of Delano, 5,068 were married couple households (60.3%) and 1,547 were headed by single females (18.4%).

The Elderly and Households Headed By The Elderly. As of 2000, 7.5 percent of Delano’s residents were age 65 or older. The percentage of older residents in Delano is lower than that of Kern County (9.4%). In addition, 1,982 or 5.4 percent of households, had an individual over 65 years old. Most of these individuals are living in owner-occupied housing units (70%), which is 19.7 percent of the total number of owner-occupied housing units in the City of Delano. Thus, 12.6 percent of the elderly are living in rental units. This percentage reflects 12.6 percent of the total rental housing within the City.

Housing affordability is an important consideration for the elderly, as they are typically on fixed incomes. Housing designed specifically for the elderly is typically made up of apartments with one or two bedrooms. Housing projects for the elderly are often constructed at higher densities than other types of housing, and often include some units designed for handicapped residents. The primary considerations in evaluating sites for elderly housing are proximity to shopping, social services, public transportation, and health care; compatibility with adjacent land uses; and cost. Secondary considerations involve proximity to recreation and churches, special amenities such as trees and views, and the absence of detrimental conditions such as traffic, noise, and industrial land use. There are two senior citizen rental projects in the City of Delano. These include the Cecil Avenue Apartments and the Cara Hernandez Apartments.

Large Families. According to 2000 Census data, Delano had 3,125 households consisting of five or more persons, representing 37.2 percent of the City’s households. Table 5.3.H shows the number of households of different sizes in Delano. The share of large households (five or more persons) is considerably higher in Delano than the Kern County average, 18.8 percent. Among large families, the proportion that is renting is higher in Delano than it is Countywide (36.0% vs. 7.5%). This figure has increased from 30 percent in 1990. Delano, therefore, has a disproportionate demand for large rental units. Policies were established in 1992, as identified in Chapter 2, to encourage the development of 3+ bedroom units, since this policy was implemented, a total of 112 attached multiple family rental units with 3+ bedrooms have been issued permits for construction.

Table 5.3.H - Delano Household Size by Housing Tenure, 2000

Household Size	Owner Occupied	Renter Occupied	Total Households	Percent of Total Households
1	432	480	912	10.8%
2	905	558	1463	17.4%
3	722	614	1336	15.9%
4	932	641	1573	18.7%
5	797	496	1293	15.4%
6	552	282	834	9.9%
7 or more	653	345	998	11.9%
Total	4993	3416	8409	100.0%

Source: Census, 2000.

Group Quarters. In 2000, Delano had 5,057 residents living in group quarters, representing 13 percent of City residents. Of the residents identified as living in group quarters, 4,982 were identified as being “institutionalized.” Those institutionalized include the population of the North Kern Correctional Facility and the Community Correctional Facility (CCF).

Farm workers. Agricultural employment continues to be a significant economic activity in Kern County. A precise count of the number of agricultural workers in Delano is currently unavailable due to seasonal and annual variation. However, the 1990 and 2000 Census demonstrates that the percentage of people living in Delano and employed as farm workers has declined. The 1990 census

identified 35 percent of residents 16 years and older employed as farm workers; while the 2000 census identified 25.8 percent (2,407) residents 16 years and older employed as farm workers.

Problems associated with farm worker housing typically include severe overcrowding and substandard living conditions. Specific programs identified in Section 5, Implementing Program 2.1.1, identifies grant programs for farm workers. There is typically a particular need for housing units that can accommodate large families.

The Kern County Housing Authority owns and manages six affordable housing complexes in the Delano area that accommodate farm workers. Complexes are located immediately outside of the City limits of Delano within the unincorporated area of Kern County.

Due to the seasonal changes in the farming industry, large numbers of migrant farm workers are employed during the harvest seasons. However, no migrant farm worker housing exists in the Delano area. The nearest migrant farm worker housing is located near the City of Shafter, approximately 20 miles southwest of Delano. This complex is owned and managed by the Kern County Housing Authority. In order to accommodate the housing needs of migrant farm workers in the Delano area, migrant farm worker housing should be established in the Delano vicinity. A housing program pertaining to the establishment of migrant farm worker housing in the Delano area by the Housing Authority of the County of Kern is included in this Housing Element.

Persons and Families in Need of Emergency Shelter. Due to the transient nature of the homeless, the precise number of homeless individuals in Delano is difficult to determine. Shelter assistance for the homeless is not available in Delano; however, there are several homeless shelters located in Bakersfield, approximately 30 miles south of Delano. No shelter beds, hotel/motel vouchers, or units of transitional housing are currently available in Delano.

Social service agencies located in Bakersfield include Kern Linkage, Bethany Services Bakersfield Homeless Center, and the Bakersfield Rescue Mission. Kern Linkage serves Kern County's mentally disabled homeless. Their assistance consists of information referral, case management, counseling, and a variety of other services to the homeless mentally ill.

The Bethany Services Bakersfield Homeless Center serves a large number of people from the Delano area. The Center provides over 12,000 meals monthly and provides shelter for up to 166 people daily. Overnight stays for a month or longer can be accommodated by the Center. The Center provides medical and dental care, clothes and supplies, and a school program for children.

The Bakersfield Rescue Mission serves single men and adult women. The Mission serves over 18,000 meals and sleeps 8,000 people per month. The Mission has a one-year program for people who are trying to make substantial changes in their lives. In this program the participants live in the Mission for one year and are provided both mental and physical assistance. The Mission provides for medical, dental, and nutritional needs; in addition to drug and alcohol classes, parenting classes, financial accountability classes, and job finding assistance.

Assisted Housing At Risk. State law requires an analysis and a program for preserving federally assisted housing developments eligible for conversion to market rents (“at risk” units). The purpose of this analysis is to identify programs that the City can implement to preserve federally assisted housing units that will prevent or minimize tenant displacement and will preserve the local affordable housing stock.

The following assisted housing projects within the City of Delano, are administered by the Housing Authority of the County of Kern. According to the Housing Authority of the County of Kern all of the listed projects will continue to be funded for the next ten years, therefore they will continue to retain their affordability.

Valle Vista: 62-unit complex was built in 1951 and consists of 10 one-bedroom, 34 two-bedroom, 12 three-bedroom, and 6 four-bedroom units.

Homer Harrison Homes: This 50-unit project was built in 1991 and consists of 46 three-bedroom and four-bedroom units.

Rancho Algodon: This 62-unit project was built in 1983 under the State’s Rental Housing Construction Project (RHCP) and consists of 50 three-bedroom and 12 four-bedroom units.

International Village: This 54-unit Farmers Home Administration (FMHA) project was built in 1987 and consists of 32 two-bedroom, 18 three-bedroom and 12 four-bedroom units.

The following assisted housing projects within Delano, are administered by HUD. According to HUD and the individual property owners, all of the listed projects will continue to be funded for the next ten years, therefore they will continue to retain their affordability.

Delano Gardens: This 76-unit complex was built in 1972.

Valley View: This 90-unit complex was built in 1982.

Cecil Avenue Apartments: This 43-unit complex is specifically designed to meet the needs of senior citizens. The complex consists of 42 one-bedroom apartments and one two-bedroom apartment.

5.3.4 HOUSING CHARACTERISTICS

a. Housing Inventory

As shown in Table 5.3.I, the California Department of Finance identifies 8,667 dwelling units within the City of Delano. A total of 70 percent of these units are detached single-family homes. Over 14 percent are located in structures of five or more units. This mix reflects the community’s small town character and agricultural heritage.

b. Housing Conditions

In March of 2000, a housing condition analysis was prepared for the City of Delano. All of the residential zoned parcels were surveyed and given a housing condition. Approximately 37 percent of

the residences were classified as needing little or no repair. Approximately 37 percent of residences were noted as needing very minor or only cosmetic repairs to maintain the unit. Units that needed moderate to major repairs or units that started to show significant deteriorating problems comprised approximately 20 percent of units within the City of Delano. Units that required an extensive amount of repairs or visible major structure problems represented 5 percent of the total dwelling units. There were only 50 units that were determined to be uninhabitable, which accounted for less than 1 percent of the total housing units surveyed.

Table 5.3.I - Composition of the Housing Stock, 2000

Housing Type	City of Delano		Kern County	
	Number of Units	Percentage	Number of Units	Percentage
Single Family, Detached	6,065	70.0%	154,615	65.9%
Single Family, Attached	257	3.0%	7,850	3.3%
2 to 4 Unit Structure	735	8.5%	21,061	9.0%
5 or More Unit Structure	1,223	14.1%	23,935	10.2%
Mobile Home	387	4.5%	27,026	11.6%
TOTAL	8,667	100%	234,487	100%

Source: California Department of Finance, *City/County Population and Housing Estimates*, January 1, 2000.

The dwelling units that require an extensive amount of repairs and those that were determined to be uninhabitable are primarily concentrated in two large regions. The first region is located just west of State Highway 99, between 11th Avenue and Garces Highway. The second region is located just east of State Highway 99, which also extends from 11th Avenue to Garces Highway. This second region is slightly larger, and there are more concentrations of deteriorating and dilapidated dwellings along the eastern side of State Highway 99.

c. Housing Cost and Rents

Housing costs in Delano are slightly lower than the Kern County average. According to the California Association of Realtors, the median price for a home in Delano in January 2002 was \$89,000, compared to \$97,250 Countywide. These figures are similar to comparable figures from the 1990 census. With conventional financing and current interest rates (about 7% on a 30-year conforming mortgage), the monthly payment on a \$90,000 mortgage would be \$599. Comparison with the figures in Table 5.3.J shows that moderate-income households, and even some low-income households, can afford the median home price in Delano.

Rental housing is often a lower cost alternative for lower-income households. Based on a review of newspaper advertisements, a two-bedroom apartment in Delano can be currently rented for \$385 to \$490 per month, with three-bedroom units now renting for approximately \$450 to \$570 per month. Allowing 30 percent of gross income for housing costs, a Delano household would have to earn \$16,000 to \$19,500 annually to afford the average two-bedroom rental unit and \$18,000 to \$23,000 to afford the average three-bedroom rental unit in Delano at current market rates. Thus, the average two-bedroom rentals are affordable to very low-income, three-member households, and the average three-bedroom rental is affordable to very low-income, four-member households. The above numbers reflect current market conditions within the City of Delano; they do not represent the future cost of housing within the City.

Table 5.3.J - Kern County Median Income and Income Limits by Household Size

	Household Size			
	1	2	3	4
County Median Income:	\$28,200	\$32,250	\$36,250	\$40,300
Income Group				
Very Low	\$14,100	\$16,100	\$18,150	\$20,150
Low	\$22,550	\$25,800	\$29,000	\$32,250
Moderate	\$33,850	\$38,700	\$43,500	\$48,350

Source: California Department of Housing and Community Development, *Income Limits*, January 2002.

5.3.5 EXISTING HOUSING NEEDS

a. Income Groupings

State law requires that housing needs be determined in such a way as to ensure that the shelter requirements of all income groups be identified, not just those household with incomes high enough to compete effectively in the private marketplace. Housing need is distributed into four income categories related to the County median household income: very low, low, moderate, and above moderate income (Table 5.3.K).

The terms “moderate income” and “low income” are commonly misunderstood as they apply to municipal housing elements. Moderate income is often thought of as applying to those with less than average incomes, and that, roughly translated, “moderate” income includes the “working poor” – those working people who are just above the poverty line. “Low” income, thus, is typically perceived as those who are below the poverty level. From these perceptions spring a wide variety of negative stereotypes. “Low income” residents are sometimes unfairly stereotyped as being unemployed, on welfare, and prone to crime. In short, they are often wrongly perceived as being an undesirable element in the community, rather than being working people.

However, as used in State housing law, “very low,” “low,” “moderate,” and “above moderate” income are based on the *County’s* median income: “moderate” income means average income for the County, and “low” income is simply below average. State law requires that four income levels must be considered in determining future housing needs. The income levels that are defined in relation to the median income in the county are identified in Table 5.3.K.

Table 5.3.K - Household Income Groupings

Income Group	Percent of County Median Income
Very Low	<50%
Low	50% - 80%
Moderate	80% - 120%
Above Moderate	>120%

The annual household income limit for each income group is determined by applying the above percentages to the Kern County median income, as reported by the California Department of Housing and Community Development. Because Kern County has a relatively low median household

income, a family of four with a household income of \$32,240 to \$48,360 is considered to be of “moderate” income, while a family of four with a household income of \$20,150 to \$32,240 is considered to be “low” income in Kern County. Table 5.3.K shows the median income and income limits for each income group for household of one to four persons in Kern County.

Because large numbers of households have two or more wage earners, it is often overlooked that many single-wage earner households often fall into low- or moderate-income categories. Thus, households with a single wage earner who is employed, for example, as a cook, file clerk, or bank teller, would likely fall into the very low income category. Similarly, households with a single wage earner who is employed as a teacher, truck driver, nurse or secretary would likely fall into the low income category, while a household with a single wage earner who is employed as a police officer, accountant, or engineer would likely fall into the moderate income category.

b. Housing Affordability

The monthly housing payment that a household is considered to be able to afford is determined by its household income. For purposes of housing affordability planning, a household is expected to be able to spend up to 30 percent of its monthly income on housing. Table 5.3.L shows the monthly payments that households in each income group within Kern County are able to afford. Table 5.3.M translates those maximum-housing payments into purchase prices for a four-person household.

Table 5.3.L - Affordable Monthly Housing Payment by Household Size

Income Group	Household Size			
	1	2	3	4
Very Low	\$326	\$403	\$454	\$504
Low	\$564	\$645	\$725	\$806
Moderate	\$846	\$968	\$1,088	\$1,209

Table 5.3.M - Housing Affordability in Kern County for a Household of Four

Income Category	Purchase Price at 7% Interest Rate	Monthly Rent
Very Low (\$20,150 or less)	Less than \$75,755	Less than \$504
Low (\$20,150 - \$32,250)	\$75,755 - \$121,148	\$504 - \$806
Moderate (\$32,250 - \$48,350)	\$121,148 - \$181,722	\$806 - \$1,209
Above Moderate (More than \$48,350)	More than \$181,722	More than \$1,209

The criteria defined for ownership affordability assumes one-third of annual income is available for housing, less 10 percent of housing cost for taxes and insurance, a fixed-rate 30-year mortgage at 7 percent interest. Rental housing affordability assumes a two-bedroom apartment and that 30 percent of annual income is available for payment of annual rent.

As can be seen from these tables, because of Kern County’s relatively low median income, housing that is affordable to “lower income” groups has relatively low sale prices and rental rates. For example, a new home that is offered for sale at \$130,000 in Delano is considered to be affordable to a moderate-income household, while a rental unit offered for \$600/month is considered to be affordable to a low-income household. Thus, within Delano, the housing market is producing new,

four-bedroom homes at prices that are affordable to moderate-income residents. In addition, the housing market is producing rental units that are affordable to low-and very low-income residents.

However, there is still an affordability issue facing the City of Delano. The 2000 Census demonstrates that 35.7 percent of home owners and 44 percent of renters within the City of Delano are paying more than 30 percent of their gross income on housing costs.

5.3.6 FUTURE HOUSING NEEDS

a. Regional Housing Needs

Section 65584 of the Government Code requires that the appropriate council of governments determine each locality’s share of the region’s existing and future housing needs. Kern COG, which is responsible for cities and unincorporated areas within Kern County, adopted a Regional Housing Allocation Plan in May 2001. This document identifies future housing needs through the Kern COG region. “Future housing need” is defined as the number of additional housing units that are needed to meet projected increases in the number of Delano households between 2000 and 2007 to:

- Accommodate projected growth in the number of very low, low, moderate, and above moderate income households;
- Compensate for housing demolitions and other inventory losses; and
- Achieve a vacancy rate at the end of 2007 that allows the market to operate efficiently (4 to 6%).

According to Kern COG, Delano’s projected need for new housing construction between 2000 and 2007 is 1,628 units. This projected need of 1,628 units represents a much larger growth rate than has historically occurred within the City of Delano. The vast majority of these units are needed to accommodate growth in the number of households; less than 5 percent is needed for each of the purposes of compensating for housing units that have been lost and maintaining a vacancy rate which facilitates choice in the housing market. Table 5.3.N shows the housing need for each income category, as determined by Kern COG.

Table 5.3.N - Housing Needs by Income Category, 2000 - 2007

Income Category	Number of Units	Percentage
Very Low	374	23%
Low	277	17%
Moderate	326	20%
Above Moderate	651	40%
Total	1,628	100%

Source: Kern COG, 2000 Regional Housing Allocation Plan.

b. Avoidance of Impaction

State housing law requires that in allocating future housing needs by income level, the local Council of Governments (Kern COG) avoid further “impaction,” which is the concentration of lower income

households. Cities with a percentage of lower income households that is higher than the regional average are called “impacted” jurisdictions. Kern COG’s Regional Housing Allocation Plan deals with the “avoidance of impactation” within cities by reducing projected needs for housing affordable to lower income households and increasing projected needs for housing units that are affordable to higher income households that are allocated to impacted jurisdictions. The opposite adjustment is made in the allocation to non-impacted jurisdictions.

According to Kern COG’s assessment, 59 percent of Planning Area 3 households are in the very low- and low-income categories. By comparison, in Kern County as a whole, 40 percent of households are in these categories. Regionally, the figure is 25 percent. Thus, Delano is impacted as defined in State law. As shown in Table 5.3.N, 40 percent of Delano’s identified new housing needs were allocated by Kern COG to Delano to very low- and low-income households.

c. New Housing Already Constructed

Since the beginning of the period covered by the Regional Housing Allocation Plan (April 2000) through the end of February 2002, 326 housing units for moderate-income households and 133 units for low-income households have been constructed in the City of Delano. The affordability of these new dwelling units and remaining housing needs are presented in Table 5.3.O. The numbers listed in Table 5.3.O are based on the average sales price compared to income. Housing sales prices were determined by estimates from City building records, anecdotal information, and, when provided, information from developers at the time of sale. The 326 housing units for moderate-income households being constructed meet the needs of low and moderate-income groups, with a range of purchase price from \$82,950 to \$149,950. All of the 133 units are apartments within multifamily residential structures and have been constructed. They meet the needs of the low-income group. As stated previously, two- and three-bedroom apartments in Delano can be rented for approximately \$385-\$570 per month. Because of Kern County’s relatively low median income, a rental unit offered for \$600/month is considered to be affordable for low-income households and thus the rental rate of these 133 apartments is affordable for low-income households.

Table 5.3.O - Remaining New Housing Construction Needs as of 3/1/2002

Income Group	Housing Need	Units Constructed	Remaining Need
Very Low	374		374
Low	277	133	144
Moderate	326	326	0
Above Moderate	651		651
Total	1,628	459	1,169

5.4 HOUSING RESOURCES AND CONSTRAINTS

5.4.1 INTRODUCTION

Chapter 5.4 contains data and analysis pertaining to the resources and constraints affecting the maintenance, improvement, and development of housing in Delano. The analysis focuses on four major topics:

- Availability of sites for residential development (vacant land study/developable acres).
- Potential and actual governmental constraints on housing (e.g., land use controls, fees, etc.).
- Potential and actual non-governmental constraints on housing (e.g., land prices, construction costs, and the availability of financing).
- Opportunities for energy conservation with respect to new development.

5.4.2 AVAILABILITY OF SITES FOR RESIDENTIAL DEVELOPMENT

a. Physical/Environmental Constraints

Areas of Steep Slopes. Landslides and slope stability do not affect the City of Delano since it is flat in topography.

Fault Zones. No faults have been mapped immediately near Delano, but several major faults can be found in Kern County. Therefore, the City is not designated in a special study zone under the Alquist-Priolo Act.

Agricultural and Open Space Issues. In general, most of the area within the existing City limits is not in agricultural production. Some agricultural parcels in unincorporated lands surrounding the City are currently under Williamson Act contract, which precludes their development until such time as the contracts expire.²

b. Inventory of Land Suitable for Residential Development

State law requires that an inventory of lands that are suitable for the development of housing be undertaken in the resources and constraints portion of a community's Housing Element. The objective of this analysis is to demonstrate that the community is capable of accommodating its "fair share" of regional housing growth, as expressed in the Regional Housing Needs Assessment.

As shown in Table 5.4.A, currently residentially zoned property within Delano's City limits has the capacity for 1,393 additional housing units. As previously noted, Kern COG's Regional Housing Needs Assessment indicates that there is a remaining need for 1,169 dwelling units within the City of Delano through the end of this Housing Element period (2005), as shown in Table 5.3.O.

² Contracts are for a ten-year period and are automatically renewed each year unless a notice of non-renewal is filed with the managing governmental agency. In that case, the land use restrictions remain in effect until the remaining nine years of the contract have elapsed.

Table 5.4.A - Development Potential of Vacant Lands that are Currently Zoned Residential

Residential Land Use Category	Current Zoning	Acres	Existing General Plan	
			Density (Dwelling Units/NET Acre)	Housing Capacity
Estate Residential	Residential Rural	160	1/2.5	40
Low Density	Residential Low	31	5	155
Medium Density	Residential Medium	3	7	21
Medium-High Density	Residential Medium/High	18	21	378
High Density	Residential High	23	29	667
Specific Plan	Specific Plan	120		480
TOTAL		343		1,382

Density and capacity of rural parcels are expressed based on maximum allowable development potential. The actual build out of these areas depends on the specific physical characteristics of individual sites.

As indicated in Table 5.4.A there are 23 acres of vacant land that is designated high density. It is important to note that the 23 acres are broken down into 8 parcels. The sizes of these parcels range from 18 acres to 0.14 acre and the number of units that can be developed on each parcel ranges from 522 units to 4 units.

Table 5.4.B identifies the vacant land that has a potential for zone change increasing the acreage available for housing existing in the Delano City limits. These areas have the ability to be rezoned and utilized to increase the land availability for very-low and low-income households.

Table 5.4.B - Vacant Land for Potential Zone Changes

Current Zoning	Potential Zoning	Acres	Density	Housing Capacity
Limited Manufacturing	Medium density	19	7 du/acre	133
Community Retail Center	Medium density	20	7 du/acre	140
Limited Commercial	Medium density	23	7 du/acre	161
Professional Office	Medium density	4	7 du/acre	28
Neighborhood Convenience	Medium density	2.4	7 du/acre	17
Total				479

The City is evaluating three potential annexation sites. Of these sites one is currently developed, with a 56-unit duplex project constructed by the Kern County Housing Authority, and a tract of 125 homes affordable to moderate-income households. At the time of development, about 20 years ago, this tract was allowed to develop without annexing into the City of Delano, although the City does provide water and sewer services to this area.

Annexation of this site would increase the supply of low and medium housing units within the City by 180 units. This would not result in the production of new housing units, but existing residents could benefit from City maintenance services. Also, existing homeowners and tenants could then become eligible to participate in City administered housing rehabilitation loan programs financed through the City’s participation in Block Grant programs and HOME funds.

Table 5.4.C identifies the anticipated breakdown of housing by economic group that would result from build out of the existing Delano City limits. This breakdown is based on the following criteria.

- Rural density housing will likely be affordable only to above moderate-income households.
- Most low-density (single-family) housing will also be affordable to above-moderate income households, but some (30 percent) will be affordable to moderate-income households. This appears to be a conservative estimate, since the median home price in Delano is \$89,000. As shown in Table 5.3.M, a four-person family at the upper end of the low-income range in Kern County can afford up to a \$104,823 home, and a family in the moderate-income range can afford up to a \$157,235 home. Delano Redevelopment Agency offers programs to assist first time in the very low- to moderate-income households. The Down Payment Assistance program is useful for those households, which may not otherwise be able to afford to accumulate sufficient income to afford a house. Also, FHA and VA loans are available at a lower interest rate and smaller down payments, which would, in turn, increase the mortgage. Other programs that help first time home buyers include density bonus given to developers within new housing tracts, which allow developers to construct smaller units to attract the first-time buyer.
- Medium and medium-high density housing will be affordable to primarily low- and moderate-income housing. This type of attached dwelling unit with zero lot lines substantially reduces the cost of the home as compared to the typical detached single-family home.

Table 5.4.C - Distribution of Housing Affordability by Residential Density

	Estate	Low	Medium / Medium-High	High	Specific Plan
Very Low				50%	
Low			30%	40%	50%
Moderate		30%	50%	10%	50%
Above Moderate	100%	70%	20%		

Table 5.4.D, below, shows that by applying these criteria, Delano can meet its need for low- and moderate-income housing using available capacity under existing zone within the City limits. The Specific Plan is currently producing new homes ranging from about \$80,000 for 3-bedroom models to \$147,000 for a two-story, 3- or 4-bedroom model. Based on these price ranges, it is estimated that about 50 percent of these new single-family homes are affordable to low-income households, and 50 percent are affordable to moderate-income households. No new models are priced at \$157,000 or higher, which is the threshold for above-moderate income households as indicated in Table 5.3.M.

Within the current City limits, there is a shortage of land for very low-income households. The development capacity numbers in Table 5.4.D are an accurate portrayal of the quantity of units that can be developed on vacant lands within the City of Delano under the current zoning ordinance. The density used to calculate the development capacity is net acres, which includes any infrastructure improvements required to the vacant parcels.

**Table 5.4.D - Distribution of Available Development Capacity within the City of Delano
(based on 2000 General Plan)**

	Very Low	Low	Moderate/Above Moderate	Total
Estate			40	40
Low			155	155
Medium/Medium-High		189	189	378
High	154	123	31	308
Specific Plan		240	240	480
Total	154	552	655	1,366
Remaining Need (per Table 5.3.O)	374	193	602	1,332
Surplus/ (Deficit)	-220	359	53	

In addition, the City of Delano allows for homeless shelters in residential zones R-2, R-3 and R-4 multiple family zones and are subject to the approval of a Conditional Use Permit. Transitional housing for the homeless can be placed in all motels, hotels, and churches. Farm worker housing is permitted in R-A, R-2, R-3 and R-4 zones and also requires a Conditional Use Permit, per Section 20.12 of the Zoning Ordinance. The Conditional Use Permit procedure is identical to the Conditional Use Permit review required for second units on single-family lots; or for more than one single-family and/or multi-unit structure in the R-2, R-3, and R-4 zones requiring Conditional Use Permit approval.

Essentially, the Conditional Use Permit procedure in multiple-family zones is the same as a site plan review process whereby the City reviews the proposal for compliance with City standards and adequacy as to building setbacks, parking landscaping and development standards set forth in the zoning ordinance. No differentiation in procedures or standards is made as to whether the residential proposal is multiple-family, more than one single-family structure on a parcel, designated farm worker housing, emergency shelter, or transitional housing.

The City is in the process of an ordinance amendment that would re-designate the conditional use permit procedure in multiple-family zones as a “site plan review” process. The focus of the new procedure would not be on a discretionary review of permitted uses, but would center on encouraging an effective and attractive design for projects. There would be no difference in architectural or design standards applied to farm worker housing, transitional housing and homeless shelters as compared with standard apartment residential construction.

In an attempt to minimize governmental constraints on housing for persons with disabilities, the City of Delano allows for group homes for persons with disabilities in all residential zones. Delano requires development pursuant to the Uniform Building Code, and does not maintain additional building requirements that would hinder the development of housing for disabled residents. Also, the City facilitates the development of housing for persons with disabilities by being able to waive development standards for ADA retrofit projects.

c. Limits to Physical Expansion of the City of Delano

The ultimate limits to Delano’s legal boundaries and urban expansion within its Planning Area are dependent upon local political factors and geological characteristics.

The City of Delano is surrounded by lands that are currently under County jurisdiction. Only some of this land is suitable for annexation.

Delano's Sphere of Influence, established by Kern County's Local Agency Formation Commission (LAFCO) marks the City's projected ultimate boundary. The Sphere of Influence is primarily a planning tool that helps communities and public agencies project future service needs. The City has no direct land use control within those portions of the Sphere of Influence that are outside of the City limits.

The existing City Limit of Delano includes 6,467 acres (10.1 square miles). The City of Delano has an urban area boundary, this is the ultimate development boundary for the community and the area in which the City may comment on development proposals which are proposed by the County, and it is the potential annexation area for the community. The Urban Boundary Element of the Delano General Plan has several policies to control and direct growth. The City of Delano has adopted the following policies:

1. First priority shall be given to development of vacant, underdeveloped, and/or redevelopable land where urban services are or can be made available. Parcels should be substantially contiguous to existing development.
2. Identify and use natural and man-made edges, such as local roadways, as urban development limits for growth phasing lines.
3. Utilize low density and estate residential land uses as a buffer and transition between long-term agricultural uses and high-density urban development.
4. Prohibit the premature conversion of agricultural lands where agricultural preserves are present.
5. Encourage the use of parks and open space to enhance gateways to the City.

5.4.3 LAND USE CONTROLS

The City of Delano exercises a number of land use controls that directly affect the development of housing. Some of these programs place certain restrictions on housing development, while others encourage housing production. It is the purpose of this section to evaluate the extent to which these standards may facilitate or hinder the development of housing for all economic segments of the community.

a. Density Bonus

The City adopted a density bonus ordinance in accordance with the existing provisions of State law. The ordinance provides for a 25 percent density bonus for housing development that will meet one of the following qualifications:

- Housing Development for Lower Income Households: At least 20 percent of the units must be for lower income households.

- Housing Development for Very Low Income Households: At least 10 percent of the units must be for very low-income households.
- Housing Developments for Senior Citizens: At least 50 percent of the units must be for qualifying senior citizen residents.

The ordinance states that a development will be given either a density bonus of 25 percent over the otherwise maximum allowable residential density under the General Plan and zoning ordinance or the City will provide other incentives of equivalent financial value based upon the land cost per dwelling unit. Density bonuses are negotiated on a case-by-case basis between the City of Delano and the developer. Where a development meets these qualifications, the ordinance requires the City to provide at least one other regulatory concession and/or incentive, unless a finding is made that the additional concession and/or incentive is not required to provide the affordable housing.

b. Development Requirements

The City of Delano's requirements for off-site improvements are standard for small communities within Kern County. The off-site improvements within and adjacent to housing tracts include standard street widths, curbs, gutters, and sidewalks and are in compliance with standards as defined in the General Plan Circulation Element and the City's Municipal Code. Water and sewer lines from the development are required to be connected to the nearest city water and sewer main lines. Within the City of Delano there are no infrastructure issues that would hinder residential development. Required on-site improvements for residential development are determined largely by the zoning of the property. There are four basic residential zoning districts in the City of Delano, corresponding to General Plan land use designations:

- Estate Residential;
- Low Density;
- Medium Density; and
- High Density.

The Zoning Ordinance establishes lot dimension and setback requirements for structures in each residential zoning district. The required front setback is 20 feet to the garage and 15 feet to the front of the house. Table 5.4.E shows the Zoning District Development Standards for Residential Zones in the City. Table 5.4.F shows the Zoning District Development Standards for Commercial Zones in the City. Table 5.4.G shows parking requirements for residential units as established by the Zoning Ordinance. Delano's requirements for on-site improvements as expressed in the Zoning Ordinance are typical of California communities, and are not considered to be unusually restrictive as a constraint on the development of housing.

Table 5.4.E - Zoning District Development Standards (Residential Zones)

Land Use Activity	Rural R-A	Low R-1	Low R-1-5	Medium R-2	Medium/High R-3	High R-4
Maximum Units Net/Acre	1 du/2.5ac	5 du/ac	6 du/ac	7 du/ac	21 du/ac	29 du/ac
Lot Area (sq. ft.)	108,900	6,000	6,000	6,000	6,000	6,000
Lot Area per Dwelling Unit	108,900	6,000	5,000	3,000	2,000	1,500
Lot Width (feet)	200	60	50	60	60	60
Front Setback Main Structure (feet)	25	15	15	15	15	15
Front Setback Street Facing Garage (feet)	25	20	20	20	20	20
Rear Setback (feet)	25	10	10	10	10	10
Side Setback (each)	25	5	5	5	5	5
Side Setback (street side)	25	10		10	10	10
Structural Parcel Coverage (maximum)	20%	30%	30%	60%	65%	70%
Distance Between Main Structures (feet)	N/A	N/A	N/A	20	20	20
Distance Between Accessory Structures (feet)	5	5	5	5	5	5
Main Building/ Structure Height (Maximum)	50 foot Rural, 30 feet all other zones					
Accessory Building/ Structure Height (Maximum)	50 foot Rural, 16 feet all other zones					

Table 5.4.F - Zoning District Development Standards (Commercial Zones)

Land Use Activity	Limited Commercial C-2	Community Retail Commercial C-R-C
Maximum Allowable Height	Fifty (50) Feet	Fifty (50) feet
Minimum Building Site Area	N/A	No less than 10 acres
Minimum Width Requirement	Fifty (50) Feet	Fifty (50) Feet
Maximum Building Site Coverage by Building or Structures	No Requirements provided that all yard, setback, parking, loading and landscaping requirements are met.	One hundred (100) percent except for parking, yards and landscaping requirements.
Minimum Yards Required	Front Yard – not less than fifteen feet Side Yard – no side yard required Rear Yard – no rear yard required	N/A
Fences and Walls	Not required unless it is adjacent to “R” District	Required when adjacent to residential or agricultural purposes.
Off-Street Parking Required	Retail - 1 parking space for each 300 square feet of net floor area. Churches – 1 space for every 4 seats. Hotels & Motels 1 space for every room.	Retail - 1 parking space for each 300 square feet of net floor area. Churches – 1 space for every 4 seats. Hotels & Motels 1 space for every room.

*Transitional housing for the homeless can be placed in all motels, hotels, and churches, which are permitted in C-2 and C-R-C Commercial Zones.

Table 5.4.G - Residential Off-Street Parking Standards

Residential Type	Off-Street Parking Standard
Single-family detached	2 spaces w/one a garage
Mobile home parks	2 spaces for each unit
Multifamily residential	One and one-half parking spaces per dwelling unit

c. Building Codes

Building codes are not a serious constraint to residential development. Building inspections in Delano are conducted by the City’s building inspectors, for approval of new construction for occupancy, and to respond to specific complaints. New construction is required to meet the standards of the Uniform Building Code, which was last revised in 1997.

d. Minimum Size Requirements for Dwelling Units and Rooms

The City of Delano maintains minimum size requirements for dwelling units. There are no local amendments added to the Uniform Building Code. The minimum size for dwelling units is measured on the outside of walls, and excludes basements, garages, carports, exterior courtyards, and porches. These are modest requirements and are substantially smaller than what is currently being produced in market rate housing. Minimum dwelling unit sizes are as follows.

- Single-family detached homes: 800 square feet
- Dwelling units within a multifamily structure:
 - 1 Bedroom..... 650 square feet
 - 2 Bedrooms 800 square feet
 - For each additional Bedroom in excess of 2 120 square feet

“Efficiency” apartments (450 square feet) are permitted in areas designated in the General Plan for “Medium,” “Medium High,” and “High” density residential development.

The City’s minimum room size standards are as follows:

<u>Room</u>	<u>Minimum Room Size</u>
Bedroom	100 square feet
Full bath (tub, toilet, and lavatory).....	50 square feet
Three-quarter bath (stall shower toilet, and lavatory)	35 square feet
Half bath (toilet and lavatory)	25 square feet

These standards are modest, and do not unreasonably add to the cost of housing within the City.

e. Mobile Home and Manufactured Housing Development Standards

The City of Delano permits manufactured dwellings to be used as single-family residences outside of designated mobile home parks if the home is certified under the National Mobile Home Construction and Safety Act of 1974, and if it meets the following standards:

- Front yard. No building structure or vehicle, except a recreation building, erected on or moved onto a lot shall have a height greater than one story or which exceeds 15 feet.
- Rear yard. There shall be a rear yard depth of not less than 5 feet, or 15 feet when adjacent to any residential zone.
- Roofed area. The total roofed area including mobile home and accessory buildings or structures shall not exceed 60 percent of the net area of the lot.
- Side yard. There shall be a side yard of at least five feet on both sides, or 15 feet when adjacent to any residential zone.
- Access. The subdivision shall have at least two means of ingress or egress leading to a public street.

These standards permit the placement of mobile homes that comply with federal HUD standards to be sited on single-family lots upon permanent foundations. The intent of the ordinance is to ensure that mobile home units are structurally safe and conform to (but not to exceed) the design standards of the neighborhood.

f. Second Dwelling Units

Within Rural (R-A), Low (R-1, R-1-5), and Medium (R-2) density residential zoning districts, the City permits an additional dwelling unit to be sited on a parcel subject to approval of a Conditional Use Permit and the following standards:

- The conversion of a portion of a single-family unit whereby cooking facilities are not shared in common.
- The addition of a separate unit onto the existing single-family unit.
- The creation of a separate detached unit on the lot or parcel in addition to the existing single-family unit.
- A detached mobile home or manufactured housing unit may be used as a second unit provided it is placed on a permanent foundation and meets all the requirements of Division 3, Chapter 7 of the Delano Zoning Ordinance.
- The second unit shall clearly be a subordinate part or accessory to the existing single-family dwelling located on the lot or parcel. The second unit shall not be more than 60 percent of the existing single-family dwelling nor shall it ever exceed 1,200 square feet in size or contain more than 2 bedrooms. The minimum size for a second dwelling unit is 300 square feet of living area.
- The second unit must maintain the scale of adjoining residences and blend into the existing setting by use of appropriate building form, height, materials, colors and landscaping appropriate to that setting.
- No more than one second unit may be created within a single-family dwelling.

- One additional paved off-street parking space shall be provided for the second unit, which is in addition to the off-street parking requirements for the principal single-family home.
- The additional dwelling is required to be metered separately from the main unit for gas, electricity, and water/sewer services.

g. Processing and Permit Procedures

Development review also affects housing costs. Because of holding costs, the longer it takes for a development proposal to be approved, the higher the development costs. For ministerial permits there is a site plan check by the senior planner. Additionally, a plan check and fee assessment by the Building Inspector takes place. This process typically takes less than 30 days. In the City of Delano, an application for a residential project containing about 20 units typically requires a processing time (from filing of the initial application to Final Map approval) of 90 to 120 days. However, actual processing time varies according to the size and scope of the project, as well as the time taken by the developer to prepare the final map, improvement plans, and other project-related documents. While the City attempts to process development applications in a timely and efficient manner, some delays are outside the control of the City. Delays in processing can occur if environmental review, pursuant to California Environmental Quality Act (CEQA), requires an EIR to be prepared. At times, approval from State or other agencies may also be required for certain types of projects. The typical application procedure for both single and multi-family residential units is as followed:

Single-Family Dwellings:

- Floor plans, construction plans and Site or Plot Plan is submitted to the Building Permit Technician with a \$100 plan check fee deposit.
- Site Plan is sent to Planner for Zoning compliance review; either stamped approved or sent back for corrections.
- Approved site plan is sent to Building Division; after corrections are submitted and approved, the technician collects and verifies payment of school fees, development impact fees per Ordinance, utility connections, and issues construction permit upon payment of permit fees.
- Permit is valid for six months, if no work commenced and inspections requested, the permit approval expires and re-application and issuance of new permit is required if work is to continue.

Multiple-Family (attached) Dwellings:

- Construction and Site Plans are submitted to the Building Permit Technician with a \$250 plan check fee deposit.
- Prior to plan check, the proposal is sent to Planning to determine CEQA status; if not exempt, an Initial Study is generally required for projects containing more than six units or two or more residential structures.
- A conditional use permit is required in all R-2, R-3 and R-4 zones for residential projects containing more than five units in a single structure or more than one structure.
- Project plans are circulated to all City departments and County Fire Department.

- Planning Commission approval or denial, or any condition of approval or environmental determination, may be appealed to the City Council upon payment of an appeal fee.
- Total processing time for a conditional use permit without an appeal is generally one to two months.

5.4.4 GOVERNMENTAL FACTORS

a. Funding Availability

The City of Delano does not have the financial resources or sufficient staff to undertake major housing assistance programs without substantial backing by Kern County, the State, and Federal agencies. Existing funding for Federal and State programs is not sufficient to meet Statewide demand, which, in turn, limits the City’s ability to meet its needs. Therefore, the limitations on availability of outside assistance programs acts as a constraint to the provision of affordable housing.

b. Public Services and Facilities

The provision of public services (especially water, sewers, and flood control) does not constrain the production of new housing below the number projected by the current Regional Housing Allocation Plan. Currently, State laws governing municipal funding limit the ability of cities to provide infrastructure out of ongoing revenues. As a result, new development is generally required to “pay its own way” with regard to public facilities such as water, sewer, drainage, parks, and roadway facilities. In accordance with AB 1600, the City has enacted a development impact fee program to ensure new development pays only for its impacts and not for existing deficiencies caused by prior development.

The City of Delano, like many communities, has determined that its public works systems must not be overburdened by new development. The City’s Wastewater Treatment Plant is at capacity, but expansion is currently under way and will be completed within two years. Expansion of the City is contingent upon the continued upgrading of the Wastewater Treatment Plant and system wide utility upgrades. A 20-year capital improvements program that identifies and prioritizes such needs as water main replacement, flood control, water storage, and sewage treatment plant expansion, as well as parks, streets, and sidewalk replacement, provides a guide for allocating public funds in the most productive directions.

c. Fees and Exactions

The fees and exactions required of a development to pay for the public facilities associated with the residential development pose a potential constraint to housing production. Two types of fees are charged by the City of Delano, and discussed below: development impact fees and planning processing fees. Table 5.4.H identifies the applicability of impact fees and Table 5.4.I lists the fee amounts for each category. A comparison of planning fees to those charged in other Kern County cities is found in Table 5.4.J.

Table 5.4.H - Development Impact Fee Applicability for Residential Projects

Dwelling Unit	Park ¹	Public	Sewer	Storm Drain	Transportation	Water
New Unit	O	X	X	X	X	X
Second Unit/Granny Flat	O	X	X	O	X	X
Replacement Unit (no new connections)	O	O		O	O	O
Addition to Existing Unit	O	O	O	O	O	O
Remodel	O	O	O	O	O	O
Connect Existing Unit to Water and Sewer	O	O	X	O	O	X
Change Size of Existing Water Meter	(Pay difference in cost of meters)					
Annex Existing Unit to City ²	--	--	O	--	--	O
Move Unit into or Within City	X	X	X	X	X	X

Notes: X = Fee required.

O = No fee required.

¹ Park Fees are only assessed on new lots in residential subdivisions per the Quimby Act Provisions.

² Existing unit annexed into the City are assessed for only water and sewer impacts and meter fees if connections to the City services are made.

Table 5.4.I - Residential Development Impact Fees (as of 2002)

1. Drainage Mitigation Fees:					
a.	Single-family and Multifamily			\$4,292/acre	
2. Service Mitigation Fees					
	Land Use	Unit	Police	Fire	Government
a.	Single-Family	Dwelling unit	\$94.00	\$207.00	\$125.00
b.	Multi-family	Dwelling unit	\$231.00	\$77.00	\$125.00
3. Traffic Signalization Fees					
	Land Use	Unit	Quad I	Quad II	
a.	Estate	By acreage	\$57.00	\$69.00	
b.	Low Density	By acreage	\$282.00	\$345.00	
c.	Medium Density	By acreage	\$558.00	\$683.00	
d.	High Density	By acreage	\$635.00	\$801.00	
4. Sewer Mitigation Fees					
	Land Use	Unit	West of Hwy 99	East of Hwy 99	
a.	Single-family	Dwelling Unit	\$2,741.00	\$3,171.00	
b.	1-Bedroom Apt	Bedroom	\$1,178.00	\$1,364.00	
c.	Motel Room w/Kitchen	Room	\$1,178.00	\$1,364.00	
d.	RV Park	Space	\$1,178.00	\$1,364.00	
e.	Nursing Homes	Bed	\$2,741.00	\$3,171.00	

Table 5.4.J - Comparison of Planning Fees

Fee Type	Delano	Wasco	Shafter
Annexation	\$2,000	\$1,500	\$1,678 + LAFCO fees of \$825
General Plan Amendment	\$750 + \$10/acre	\$500	\$574
Conditional Use Permit	\$450	\$400	\$540
Zone Change	\$600	\$500	\$574
Specific Plan	Cost + \$500	\$400	\$520 + Actual Cost
Variance	\$150	\$275	\$570
Tentative Tract Map	\$1,500 + \$15/lot	\$500 up to 600 lots + \$4.00/additional lot	\$1,850 + \$25/lot
Tentative Parcel Map	\$1,500 + \$15/lot	\$500 up to 600 lots + \$4.00/additional lot	\$1,850 + \$25/lot
Environmental Fees	Exemption - \$30 IS & Draft NegDec \$350 EIR Cost + 15% for Administrative Overhead		Exemption \$100 NegDec \$50 EIR \$2,800 deposit + actual costs

A comparison of Delano’s typical residential planning fees in relation to nearby communities is shown in Table 5.4.J. Delano, Wasco, and Shafter are small residential communities. It can be seen from Table 5.4.J that Delano’s planning fees are generally comparable to other small cities in its vicinity. Thus, fees and exactions do not pose a constraint on new residential development.

5.4.5 NON-GOVERNMENTAL FACTORS

a. Land Costs

The price of land is a significant ingredient in the total cost of housing. Developed land costs typically account for about one-quarter of the total cost of a home. Land costs in Southern California and Kern County have consistently been increasing since World War II as a result of inflation, increased demand due to population immigration, and decreasing land supply. This increase has an adverse effect on the ability of households, particularly low- and moderate-income households, to pay for housing.

Land costs of single-family residential lot in the City of Delano, as of 2001, typically are \$12,000 to \$40,000, depending on the size of the parcel and the extent of improvements contained on the lot. According to the most recent information available from the California Association of Realtors, resales of typical single-family home prices in the City are priced at around \$89,000. Based on these estimates, land costs in the City represent from about one-quarter to one-third of the selling price of a home. In addition, the housing market is capable of producing three-bedroom rental units that are affordable to very low and low-income residents.

b. Construction Costs

Construction cost increases, like land cost increases, affect the ability of consumers to pay for housing. Construction cost increases occur due to the cost of materials, labor, and higher government imposed standards (e.g., energy conservation requirements). Current construction costs for a single-family home are roughly \$55 to \$65 per square foot. This is typical for Southern

California, and does not present a significant constraint to the production of housing within Delano. As noted above, the development community is currently producing market rate for-sale housing that is affordable to moderate-income households and rental housing that is affordable to low-income households.

c. Availability of Financing

The availability of capital to finance new residential development is a significant factor that can impact both the cost and the supply of housing. There are two types of capital involved in the housing market: (1) capital used by developers for initial site preparation and construction, and (2) capital for financing the purchase of units by homeowners and investors.

In general, financing for new residential development in Delano at the present time (2002) is readily available at reasonable interest rates. The current low interest rates have proven to be a benefit to the production of housing by facilitating affordable construction financing and mortgage rates.

Local Banks. There are seven local banks in Delano. As a result, there a variety of single-family and multiple family home loans available in the Delano area. Interest rates are currently competitive, and are similar to those available in other communities throughout the San Joaquin Valley. Interest rates for single-family and multiple family construction loans are variable.

VA, FHA, and conventional loans are available. The local banks do not currently have any programs specifically oriented toward the construction of affordable housing, other than those that are sponsored by governmental agencies, such as the Community Reinvestment Act.

As a result of relatively low interest rates, local banks report that refinancing of existing homes has been popular; however, such refinancing has not affected the availability of loans for home purchases.

d. Affordable Housing Financing

Funding for affordable housing currently requires financing for a first mortgage, second mortgage, and equity. An overview of each funding source is presented in the following paragraphs.

First Mortgage. Because of their low rents, affordable housing projects are financially capable of generating enough money to make monthly payments on only a relatively small first mortgage – often as low as 20 to 25 percent of total project cost. For the first mortgage lender, subordinated debt increases a project’s loan-to-value and debt coverage ratios to acceptable levels, reducing risk and increasing the likelihood of obtaining private debt financing. The amount of the first mortgage that can be supported is a function of the net operating income of the project. Tax-exempt bond proceeds are sometimes used for permanent financing of low-income housing projects.

Second Mortgage (Gap Financing). A second mortgage is frequently necessary to partially fill the gap between total project costs and the amount that can be supported by the first mortgage. A below-market second mortgage provided by State or local governments or philanthropic organizations, could be structured with a low interest rate, no interest deferred payments, or as a due-on-sale loan.

The maker of the second mortgage often prefers subordinated debt rather than a project grant even though the former entails added risk. The mortgage usually contains restrictions to ensure that the property serves low-income families; otherwise it becomes due and payable. Local funds are often used to provide “soft seconds” – mortgages whose principal and interest payments may be deferred until cash flow is available or the project is refinanced or sold.

Equity. Equity, which is the money or capital invested in the project, reduces the amount needed to be financed with a first and/or second mortgage. Although equity financing can be derived from several sources, affordable housing partnerships depend greatly on the syndication of low-income housing tax credits. Ownership of these projects is usually structured as limited partnerships; corporate or individual investors are the limited partners who rely on the tax credits for market returns.

Redevelopment Agency. The Redevelopment Agency has a City Council-approved budget of \$2,028,110 for 2001/2002 from expected “set-aside” funds. The projected expenditures throughout the next planning period are expected to be similar to the 2001/2002 approved budget. This will occur in several different programs: 1) the Housing Rehabilitation Program will spend \$100,000, 2) the First Time Home Buyers Program will spend \$500,000 dollars. The exact number of units to be rehabilitated with these funds depends of the number of applicants and the amount awarded to each applicant (see Table 5.4.K).

Thus, several funding sources are necessary as part of a financing package for a low-income housing development. In general, the following distribution per financing component as shown in Table 5.4.L is typical:

Table 5.4.K – Anticipated Redevelopment Funds/Capital Improvements, 2002-2007

Capital Improvement	2002/2003	2003/2004	2004/2005	2005/2006	2006/2007
First Time Homebuyers Program	500,000	510,000	520,200	530,604	541,216
Rental Rehabilitation Program	70,000	70,000	500,000	70,000	500,000
Housing Rehabilitation	100,000	102,000	104,040	106,121	108,243
Total Capital Improvement	670,000	682,000	1,124,240	706,725	1,149,459

Source: City of Delano, FY2001-02

Table 5.4.L - Distribution Per Financing Component

Financing Component	Percent of Financing	Sources of Financing (a)
First Mortgage	20 to 40 %	CCRC, SAMCO, Tax-exempt bonds, 501(c)(3) bonds
Second Mortgage	30 to 60 %	CDBG, RHCP, 20% set-aside
Equity	20 to 40 %	Tax Credits, Housing Trust Funds

5.4.6 OPPORTUNITIES FOR ENERGY AND WATER CONSERVATION

A discussion of energy conservation opportunities is required to be included in housing elements by the California Government Code Section 65583(a)(7). Utilities and related energy expenditures are a major component of a household’s total shelter costs. Within the City, 97.7 percent of all households have some form of space heating 99.8 percent have complete plumbing facilities, and 99.9 percent have electrical connection according to 2000 census data. As an integral part of providing housing, these utilities can represent a claim in household income ranging from 15 to 40 percent of total housing costs, or higher, considering current and anticipated increases in energy costs. Thus, efforts to reduce energy and water consumption can significantly benefit Delano households.

The most effective home conservation measures are those that reduce the biggest user of energy: space heating. Most utility companies agree that actions to reduce air infiltration are the most cost-effective ways of minimizing space-heating requirements. Weather-stripping, caulking, duct wrapping and attic and wall insulation are all ways to reduce such energy consumption. In addition, furnaces equipped with setback thermostats and electronic (“pilotless”) ignition can further reduce costs. This is now required in all new residential construction by the Uniform Building Code.

Water heating is another major energy user. Insulation blankets for water heaters, pipe insulation, and water saving showerheads are simple, add-on measures that can lower, both energy bills and water consumption. More elaborate measures include solar water heating systems that supplement the traditional water heater.

New housing construction is another area for ensuring efficient energy use. Homes that are sited to maximize solar and wind orientation can significantly reduce long-term energy needs. Further, such homes can be equipped with energy saving appliances which also lower energy and water consumption. A balance must be achieved between the short-term costs of building energy-efficient homes and the long-term benefits they provide. However, many design, construction, and landscaping techniques are available which help reduce energy consumption. Some add little or no cost to the housing unit, but have not been adopted by developers and contractors. Examples include avoiding east- and west-facing lots, reducing north-facing window areas, using drought-resistant landscaping, and employing paving materials that generate less heat.

Water conservation is a significant issue for both individual households and the City. Lower water consumption reduces monthly bills, and extends the capacities of municipal water wells and the local sewage treatment plant. More conservative landscape watering schedules and less wasteful watering systems make significant contributions to lower water demand. Inside the home, low-flow showerheads, low-flow toilets and efficient clothes and dishwashing appliances are useful in

stemming the need for water. However, by changing personal habits regarding water use (e.g., shorter showers, not pre-rinsing dishes, etc.), reductions in water use can be achieved at little or no cost.

Presently, Southern California Gas offers conservation programs for homeowners, renters, and landlords. Both companies participate in the State's Residential Conservation Service, and provide free energy audits to all households. Further, both companies offer cash rebates and low-interest financing to help offset the cost of many conservation measures. In 1990, the City Council adopted an ordinance requiring low-flow fixtures in all new development, and as a retrofit in certain remodels.

5.5 GOALS, QUANTIFIED OBJECTIVES, POLICIES, AND PROGRAMS

The intent of the Housing Element is to ensure that the housing needs of all economic segments of the community will be met through the year 2007. The housing goals and policies included in the Delano Housing Element, as well as the actions that the City will undertake to meet its housing needs, are discussed in this Chapter. A summary of actions, including identification of funding sources, responsible entities, and time frames for implementation, is also presented.

In evaluating the prior Housing Element, the City analyzed the programs it undertook, and evaluated why implementation of some programs was more successful than others. Accordingly, the City has included in this element those actions it believes can successfully be implemented and that reflect the best use of the City's limited resources.

Delano's quantified housing objectives are presented below, along with housing goals, policies, and implementing programs.

5.5.1 Quantified Objectives

The City of Delano has designed a number of implementing programs that will focus City resources on meeting its projected housing needs. The City recognizes that there are a number of factors impacting the provision of affordable housing, and will not be able to meet all projected needs during the planning period. Accordingly, the City of Delano has identified its quantified objectives for new construction and rehabilitation. Rehabilitation of existing units will be achieved through the City's efforts to link property owners with available financial assistance programs. Units that are rehabilitated are units that are converted from non-affordable to affordable by acquisition of the units or the purchase of affordability covenants. The City's conservation quantified objective is based upon projected activities of the Redevelopment Agency and City efforts to assist and cooperate with non-profit, private, and other public entities to preserve as well as provide additional affordable units. The conservation of dwelling units requires one-to-one replacement of any housing units demolished due to public or private action, the provision of stable zoning to preserve affordable housing, and the long-term affordability restrictions on assisted rental units.

The City has established its quantified objectives on the basis of Kern Council of Governments (Kern COG) regional housing needs projections for the City of Delano for the period of 2000-2007 (Table 5.5.A). Overall, it is the objective of the City of Delano that a sufficient number of market-rate housing projects take advantage of the affordable housing incentives offered to these projects to achieve 15 percent of the housing developed in the City being affordable to lower income households (5% very low income, 10% low income).

Table 5.5.A - Quantified Objectives 2000-2007

Program	Very Low	Low	Moderate/Above Moderate	Total
New Construction	374	277	977	1628
Rehabilitation	133	133	-	266
Conservation	125	125	-	250

Source: Kern COG, May 2001

5.5.2 Goals, Policies, and Implementing Programs

Goal 1

Provide a diversity of housing opportunities to enhance the City's living environment and to satisfy the shelter needs of Delano residents.

Policy 1.1

Provide adequate residential sites for the production of new for-sale and rental residential units for existing and future residents.

Implementing Programs

1.1.1 Biennial Evaluation: Conduct a biennial update of the City's inventory of available sites, and take appropriate action to ensure an ongoing supply of available sites at appropriate densities to meet projected housing needs. Actions to ensure an adequate supply of housing sites include changing the zoning on vacant parcels that are zoned non-residential. A list of these lands is included in Table 5.4.B.

Responsible Agency: Community Development Department.

Implementation Schedule: June 2003, and every two years thereafter.

Non-Quantified Objective: Maintenance of an inventory of available sites for use in discussions with potential developers.

Funding Source: General Fund/Redevelopment Agency.

1.1.2 Second Unit/Accessory Units: Actively encourage the use of second units in single-family residential areas in meeting the City's low- and moderate-income housing objectives where such second units would neither adversely affect nor alter the character of the surrounding single-family neighborhood. The City will encourage the use of second units by providing

information and forms that will inform the community of requirements for second units and help to facilitate the approval process.

Responsible Agency: Community Development Department.

Implementation Schedule: Ongoing with flyers available in December 2003 at the City's Senior Center, Library, Recreation Center, and City Hall.

Quantified Objective: Development of ten second units between 2000 and 2007.

Funding Source: No cost to the City.

Policy 1.2

Ensure the supply of safe, decent and sound housing for all residents.

Implementing Programs

1.2.1 Monitor At-Risk Projects: One year prior to each required Housing Element update, determine the status of financial incentives for assisted housing projects to determine whether income restrictions on such projects are "at risk" of being lifted, thereby terminating the "affordability" of the project. Where assisted housing projects are "at risk," develop strategies to preserve their affordability.

Responsible Agency: Community Development Department, based on HUD and HCD documents.

Implementation Schedule: June 2004.

Quantified Objective: Retention of existing affordable housing stock through early identification and action regarding "at risk" units.

Funding Source: CDBG.

1.2.2 Housing Rehabilitation Program: Assist applicants in accessing home rehabilitation loans for low- and moderate-income housing, and self-help housing projects. The City will assist applicants in accessing rehabilitation loans by creating brochures that identify what loans are available and the processes by which these loans are granted. In addition, City staff will provide technical review of forms to ensure that applicants have provided all essential information.

Responsible Agency: Community Development Department, Redevelopment Agency.

Implementation Schedule: Ongoing with flyers currently available (in English and Spanish) and distributed by the City in conjunction with Self-Help Enterprises at the Senior and Recreation Centers, City Hall, and Library.

Quantified Objective: Adequate assistance to meet the quantified objectives contained in Table 5.5.A.

Funding Source: General Fund, redevelopment funds, available housing programs.

- 1.2.3 Community Education Regarding the Availability of Rehabilitation Programs:** Provide information to very low- and low-income households and other special needs groups regarding the availability of rehabilitation programs through neighborhood and community organizations, and through the media.

Responsible Agency: Community Development Department.

Implementation Schedule: Prepare a brochure of available programs by June 2003. Update every two years thereafter.

Non-Quantified Objective: Through public education, the public's ability to use programs will be enhanced and other specific quantified objectives will be easier to achieve.

Funding Source: CDBG.

- 1.2.4 Housing Condition Survey:** Maintain a current housing condition survey of all housing units within the City. This survey should include the number of units in need of rehabilitation or replacement.

Responsible Agency: City Building Official.

Implementation Schedule: Ongoing with a comprehensive update one year prior to the next Housing Element update (2007).

Non-Quantified Objective: Maintenance of current information on housing conditions within the City to assist in targeting rehabilitation programs.

Funding Source: General Fund.

- 1.2.5 Rental Rehabilitation Program:** Provide financial assistance to owners of rental property to rehabilitate substandard units to enable such units to remain affordable following rehabilitation. The City will provide financial assistance by applying for CDBG and HOME funds and the redevelopment agency will allocate funds for rental rehabilitation. The use of these funds will ensure that rental properties will not deteriorate and still remain affordable.

Responsible Agency: Community Development Department and Redevelopment Agency.

Implementation Schedule: Annually with the city applying for CDBG and HOME funds in February 2003.

Quantified Objective: Provide financial assistance to owners of five rental properties to rehabilitate substandard units.

Funding Source: HOME Rental Rehabilitation Funds, CDBG, and Redevelopment Agency.

1.2.6 Code Enforcement: Provide ongoing inspection services to review code violations on a survey and complaint basis. Examples of code violations include families living in illegal units, such as garages and recreational vehicles, construction of illegal buildings, households living in unsafe buildings, abatement of vehicles, and water conservation violations.

Responsible Agency: Building Official.

Implementation Schedule: Ongoing.

Non-Quantified Objective: Elimination of code violations within Delano.

Funding Source: Redevelopment Agency.

Policy 1.3

Provide incentives for energy conservation measures in new housing.

Implementing Programs

1.3.1 Energy Conservation Program: In concert with Southern California Edison and The Gas Company, implement an energy conservation program.

Responsible Agency: City Building Official, in association with PG&E.

Implementation Schedule: Ongoing.

Non-Quantified Objective: Minimize costs of space heating and cooling in new and existing dwelling units.

Funding Source: General Fund, Southern California Edison and The Gas Company.

Goal 2

Provide housing that is affordable to all economic segments of the community.

Policy 2.1

Actively pursue and support the use of available County, State, and Federal housing assistance programs.

Implementing Programs

2.1.1 Affordable Housing Program Inventory; Pursue Available Projects. Explore and inventory the variety of potential financial assistance programs from both the public and

private sectors to provide more affordable housing units. The Housing Coordinator will provide assistance to the City in preparation of applications for potential financial assistance programs. Additionally, the Housing Coordinator, on an annual basis, will specify which programs will be applied for by the City. All available local, State, Federal, and private affordable housing programs for new housing and for the conservation and/or rehabilitation of existing housing will be pursued, including, but not limited to the following:

- ✓ California HCD Farmworker Housing Grant Program (for development or rehabilitation of for-sale and rental housing for farm workers).
- ✓ Calhome Program (to assist in the development of for-sale housing for lower-income households).
- ✓ FDIC Affordable Housing Program (assistance for rehabilitation costs and closing costs for lower income households).
- ✓ HELP Program (for preservation of affordable housing and rehabilitation of housing).
- ✓ Home Investment Partnerships Program (HOME) (for rehabilitation of lower income and senior housing).
- ✓ HUD Single-Family Property Disposition Program (for rehabilitation of owner-occupied housing).
- ✓ Loan Packaging Program (for development and rehabilitation of affordable housing for farm workers, lower-income households, and seniors).
- ✓ Low-Income Housing Tax Credit Program (for development of rental housing and preservation of existing affordable housing for large family units).
- ✓ McAuley Institute (for new housing or rehabilitation of housing for lower-income and farmworker households).
- ✓ Mercy Loan Fund (for new housing or for rehabilitation of housing for the disabled and lower-income households).
- ✓ Neighborhood Housing Services (for rehabilitation of housing for lower income households).
- ✓ Proposition 84 (for development or conversion and rehabilitation of existing facilities for migrant farmworker housing).
- ✓ Rural Community Assistance Corporation (for new rental housing or rehabilitation of apartments for farm workers and lower-income households).
- ✓ Section 8 Housing Assistance (rent subsidies for very low-income households).
- ✓ Section 223(f) Mortgage Insurance for Purchase/Refinance (for acquisition and development of new rental housing).
- ✓ Section 241(a) Rehabilitation Loans for Multi-Family Projects (for energy conservation and rehabilitation of apartments).
- ✓ World/BRIDGE Initiative (lower interest construction financing for lower-income and farm worker housing).

Responsible Agency: Redevelopment Agency.

Implementation Schedule: The City Housing Coordinator will apply for potential financial assistance two years from the adoption of the Housing Element to assist special needs groups.

Quantified Objective: The City Housing Coordinator will apply for the following grants for potential financial assistance as needed to meet the quantified objectives of the Housing Element: one project to assist in the provision of housing accessible for disabled residents (either new housing or retrofit of existing low-income housing), two grants to assist in the provision of housing for farm workers (permanent and migrant), one grant to assist the rehabilitation of existing low income housing, and two grants to assist the provision of housing for large families and reduce overcrowding.

Non-Quantified Objective: Maximize the City's and public ability to access governmental and private housing programs, and thereby facilitate achievement of other Housing Element objectives.

Funding Source: Redevelopment Agency.

Policy 2.2

Assist and cooperate with non-profit, private, and public entities to maximize opportunities to develop affordable housing.

Implementing Programs

2.2.1 Partnership Program: The City will meet regularly with non-profit, private and other public entities to examine opportunities for cooperative efforts to expand the City's supply of affordable housing.

Responsible Agency: Community Development Department and Redevelopment Agency.

Implementation Schedule: Conduct first meeting within one year of Housing Element adoption, annually thereafter.

Non-Quantified Objective: Familiarize non-profit, private and other public entities involved in the production of affordable housing with the City of Delano, and thereby facilitate interest on the part of these entities in developing affordable housing in Delano.

Funding Source: Private sources, Redevelopment Agency, CDBG.

2.2.2 Support Non-Profit Housing Sponsors: Support non-profit corporations in their efforts to make housing more affordable to very low and low-income households. This effort will include supporting grant applications, identifying available sites for housing development, and City involvement in the development of such sites.

Responsible Agency: Community Development Department and Redevelopment Agency.

Implementation Schedule: Ongoing.

Non-Quantified Objective: By supporting these entities in their efforts, increase the production of affordable housing to meet other objectives of the Housing Element.

Funding Source: Private sources, Redevelopment Agency, CDBG.

Policy 2.3

Review and modify all standards and application processes to ensure that City standards do not act to constrain the production of affordable housing units.

Implementing Programs

2.3.1 Maintain a Streamlined Application Process: Continue efforts to streamline and improve the development review process, as well as eliminate any unnecessary delays and restrictions in the processing of development applications.

Responsible Agency: Community Development Department, City Engineer, and Building Official.

Implementation Schedule: Conduct a review of permitting and review procedures by June 2003, and annually thereafter.

Non-Quantified Objective: Minimize the costs of residential development within Delano attributable to the time it takes to review development applications and plans.

Funding Source: General Fund.

2.3.2 Density Bonus Ordinance: Monitor statutory requirements for municipal density bonus requirements.

Responsible Agency: Community Development Department.

Implementation Schedule: Check currency of City density bonus provisions against State law in December 2002, and annually thereafter.

Non-Quantified Objective: Ensure that City density bonus provisions comply with State requirements.

Funding Source: General Fund.

2.3.3 Use of Density Bonuses: Grant density bonuses for the provision of affordable housing units as required by State law as needed to meet the quantified objectives of the Housing Element. The City will promote the use of density bonuses by providing information and brochures to developers, which explain the benefits and opportunities to both developers and residents in utilizing the density bonus program.

Responsible Agency: General Fund, Development Applicants.

Implementation Schedule: Ongoing as requests are made.

Non-Quantified Objective: Facilitate the achievement of Housing Element objectives for the provision of new housing for all economic segments of the community.

Funding Source: Redevelopment Agency, available housing programs.

- 2.3.4 Priority Building Inspections for Affordable Housing Projects:** The City will give priority to low, very low-income, and large rental unit housing projects meeting identified housing needs for the building inspections that are carried out during various stages of the construction process.

Responsible Agency: Building Official.

Implementation Schedule: Ongoing.

Non-Quantified Objective: Minimize the cost of providing affordable housing by reducing time waiting for inspections to be completed.

Funding Source: Building Permit Fees.

Policy 2.4

Facilitate the development of new housing for all economic segments of the community, including lower-income, moderate-, and above moderate-income households.

Implementing Programs

- 2.4.1 Community Information:** Undertake a program to provide information to the community about annual incomes for typical occupations and the equivalent “buying power” of these incomes in today’s housing market, including the annual income ranges of “very low,” “low,” and “moderate” incomes, and of the typical occupations that fall into these categories.

Responsible Agency: Community Development Department and Redevelopment Agency.

Implementation Schedule: Complete materials and initiate education program by January 2004.

Non-Quantified Objective: Promote community understanding of “affordable housing” and “low” and “moderate” income, thereby reducing potential community resistance to affordable housing development.

Funding Source: Redevelopment Agency.

- 2.4.2 Marketing Materials:** Prepare marketing materials to be provided to the building industry, outlining opportunities for the development of new above moderate-income single-family housing within Delano.

Responsible Agency: Community Development Department.

Implementation Schedule: Complete marketing materials by June 2003, and update annually thereafter.

Non-Quantified Objective: Promote development of needed above moderate-income housing to meet quantified objectives for new housing to meet the needs of that income group.

Funding Source: General Fund.

- 2.4.3 Meet with Potential Developers:** Actively seek out, prepare and distribute informational materials and conduct an annual meeting with potential developers of downtown infill sites, as well as potential developers of above moderate-income housing as a means of generating interest on their part to undertake residential projects within the City.

Responsible Agency: Community Development Department, City Manager.

Implementation Schedule: Hold first meeting by the end of December 2002, set up schedule, and meet annually thereafter.

Non-Quantified Objective: To create interest on the part of potential developers of downtown infill sites and of above moderate-income housing as a means of facilitating achievement of quantified objectives for the development of housing for these income groups.

Funding Source: General Fund.

- 2.4.4 Housing for Existing Very Low- and Low-Income Residents:** Utilize CDBG funds for infrastructure improvements and available Federal, State, and local housing development programs to undertake development of housing project for Delano's existing very low- and low-income households who are living in dwellings that are in need of replacement.

Responsible Agency: Community Development Department, Redevelopment Agency.

Implementation Schedule: Ongoing.

Quantified Objective: Housing assistance to 150 existing very low- or low-income Delano residents.

Funding Source: CDBG and redevelopment funds.

Goal 3

Provide equal housing opportunities for all residents of Delano.

Policy 3.1

Encourage and support the enforcement of laws and regulations prohibiting discrimination in lending practices and in the sale or rental of housing.

Implementing Programs

3.1.1 Cooperative Association: Continue to refer cases and questions to HACK for enforcement of prohibitions on discrimination in lending practices and in the sale or rental of housing. Additionally, the City will create a brochure for submitting complaints and will be available at City Hall in the Community Development Department.

Responsible Agency: Community Development Department, Redevelopment Agency.

Implementation Schedule: Ongoing with information on fair housing laws in English and Spanish to be posted at the Senior and Recreation Centers, City Hall, and Library.

Non-Quantified Objective: City assistance to eliminate housing discrimination within the community.

Funding Source: General Fund.

Policy 3.2

Assure the provision of housing opportunities for those residents of the City who have special housing needs, including farm workers, the elderly, disabled, large families, and the homeless.

3.2.1 Housing Opportunities for Special Needs Groups: Provide housing opportunities to meet the special housing needs of farm workers (see also Program 3.2.4), elderly, disabled, large families, and the homeless (see also Program 2.1.1) by giving priority funding to development projects that include a component for special needs groups in addition to other lower-income households. The City will implement priorities based on community needs; to ensure adequate housing for all residents within special needs groups. The City will also prioritize redevelopment funds based upon the needs of the community.

Responsible Agency: Community Development Department.

Implementation Schedule: Ongoing.

Non-Quantified Objective: Maximize opportunities to address the housing needs of special needs groups within the City.

Funding Source: State and Federal housing funds, Redevelopment Funds, CDBG (specific programs listed previously).

- 3.2.2 Coordination with Agencies serving the Homeless:** The City shall cooperate with public and private agencies to develop housing (including transitional housing), family counseling, transportation programs and employment programs/job referrals for the homeless.

Responsible Agency: Community Development Department, Kern County Housing Authority, private assistance agencies.

Implementation Schedule: Ongoing.

Non-Quantified Objective: Develop housing self-sufficiency for those who are currently homeless by working with appropriate agencies to implement housing and employment programs.

Funding Source: FEMA, HUD, HCD, CDBG, and private funds.

- 3.2.3 Remove Constraints on the Production of Housing for Disabled Residents:** The City will analyze and determine whether its development policies and ordinances create any constraints on the development, maintenance and improvement of housing intended for persons with disabilities, consistent with Senate Bill 520, which was enacted January 1, 2002. The analysis will include an evaluation of existing land use controls, permit and processing procedures and building codes. If any constraints are found in these areas, the City will initiate actions to address these constraints, including removing the constraints or providing reasonable accommodation for housing intended for persons with disabilities.

Responsible Agency: Community Development Department.

Implementation Schedule: Complete analysis within 6 months of the adoption of the Housing Element, and initiate any needed policy or ordinance provisions within three months after completion of the analysis.

- 3.2.4 Coordination with Agencies serving the Farm workers:** The City shall cooperate with public and private agencies to develop housing (including transitional housing), family counseling, transportation programs, and employment programs/job referrals for the farm workers (permanent and migrant). All available local, State, Federal, and private affordable housing programs for new housing and for the conservation and/or rehabilitation of existing housing will be pursued, including, but not limited to the following:

- ✓ California HCD Farm worker Housing Grant Program (for development or rehabilitation of for-sale and rental housing for farm workers).
- ✓ Loan Packaging Program (for development and rehabilitation of affordable housing for farm workers, lower-income households, and seniors).
- ✓ McAuley Institute (for new housing or rehabilitation of housing for lower-income and farm worker households).

- ✓ Proposition 84 (for development or conversion and rehabilitation of existing facilities for migrant farm worker housing).
- ✓ Rural Community Assistance Corporation (for new rental housing or rehabilitation of apartments for farm workers and lower-income households).
- ✓ World/BRIDGE Initiative (lower interest construction financing for lower-income and farm worker housing).

Responsible Agency: Redevelopment Agency.

Implementation Schedule: The City Housing Coordinator will apply for potential financial assistance no later than two years from the adoption of the Housing Element to assist farm workers.

Quantified Objective: The City Housing Coordinator will apply for the following grants for potential financial assistance: one project to assist in the provision of housing accessible for disabled residents (either new housing or retrofit of existing low-income housing), two grants to assist in the provision of housing for farm workers (permanent and migrant), one grant to assist the rehabilitation of existing low-income housing, and two grants to assist the provision of housing for large families and reduce overcrowding.

Non-Quantified Objective: Develop housing self-sufficiency for farm workers (permanent and migrant) by working with appropriate agencies to implement housing programs.

3.2.5 Remove Constraints on the Production of Housing for Multifamily Residential: The City will complete an ordinance text amendment to replace the Conditional Use Permit approval requirement for development of multiple family dwellings in R-2, R-3, and R-4 zones by a staff-administered Site Plan Review process, whereby development standards contained that are contained in the ordinance and those that are normally applied through the conditional use permit process will be applied by staff through a ministerial process. There would be no difference in architectural or design standards applied to farm worker housing, transitional housing and homeless shelters as compared with standard apartment residential construction. All project reviews will be conducted in accordance with CEQA requirements as provided by State law, including associated public and agency review and comment procedures.

Responsible Agency: Community Development Department.

Implementation Schedule: December 2003.

Non-Quantified Objective: The City will work with and conduct annual meetings with local non-profit organization (i.e. Self-Help Enterprises) to facilitate and encourage the development of housing for farm workers and emergency and transitional housing facilities by removing the constraint of the Conditional Use process.