

Implementation Status of the Housing Element
November 1, 2002

NOTE: The Program Narratives, exactly as printed in the Housing Element, are presented in boxes. The status and the accomplishments of each Program are presented below each box.

1. Affordable Housing Catalog

Program Description: Existing. Aggressively explore the variety of potential financial housing assistance programs from both the public and private sector to provide more affordable housing units. Update the Village One Affordable Housing Catalog; which highlights all available local, state, federal and private affordable housing programs; to include citywide programs for new housing as well as programs that assist in the conservation and/or rehabilitation of existing housing. This catalog should include ways to leverage additional funds to provide an even greater number of affordable housing units.

Time Frame: Ongoing, Update Annually

Quantified Objective: None

Status:

Completed The State of California annually publishes a catalog (Loan and Grant Program Directory) and the City relies on it.

Accomplishments:

Although the Catalog was not updated, the City relied on the State's catalog and pursued funding from housing programs that would augment the City's housing fund allocations.

In 1995, the City attempted to form a consortium of private lenders to pool financial resources that would be applied as gap financing to housing development projects (see Program 4 for additional details).

In 1995, the City researched the establishment of a citywide housing trust fund (see Program 2 below for additional information).

In 2001, the City of Modesto designated the Stanislaus Housing and Support Services Collaborative as the planning and coordinating agency for homeless issues in Stanislaus County. This served to strengthen applications that were made to the McKinney Homeless competitive

3. **Community Housing Coalition**

Program Description: New. Consider the establishment of a local community housing coalition that may include the following: Realtors, developers, business leaders, environmentalists, low-income housing producers and social service providers. This coalition could meet on semi-annual basis to discuss and exchange information on successful affordable housing programs that can be implemented on a community-wide basis.

Time Frame: 1993-1994
Quantified Objectives: None.

Status:

Completed In 2000, a collaborative of housing related agencies formed the Stanislaus Housing and Support Services Collaborative. The Collaborative is composed of affordable housing developers, housing service providers, local government staff, interested residents, homeless individuals and advocates, and interested agencies. The Collaborative meets once a month to identify and address the housing needs of the county's homeless and low-income residents. The Collaborative also serves to strengthen the communication network of local housing service providers.

Accomplishments:

The Collaborative completed several tasks including: an analysis of service gaps to persons that are homeless, a comprehensive survey of the homeless and their needs, the formation of several standing subcommittees that address the issues associated with the homeless population, an the investigation to establish a day center for the homeless. The City of Modesto has set aside \$150,000 to assist in the acquisition of property that could eventually be used for homeless day facility site.

The Collaborative's subcommittees will focus on reviewing grant proposals, analyzing the needs of special needs populations, serve as a clearinghouse for identifying and receiving private and public funds, serve as an information gathering and disseminating body, serve as a performance and evaluation group, and be the region's lead in addressing the needs and issues surrounding the homeless population.

The participating agencies of the Collaborative will continue to better coordinate the delivery of their services. The following strategies have been identified by the collaborative as key elements in order to deliver an integrated and coordinated system of services:

- Delivery of prevention and support services
- Outreach and education on available services
- Collaborative integration of health and social services
- Expand on existing collaborative efforts and develop additional supportive housing
- Provide vocational and employment-readiness training
- Address the diverse needs of homeless persons and families
- Establish a local board that will ensure implementation of the Continuum of Care
- Consider the needs of the homeless on a regional and interagency basis.

4. Community Reinvestment Act

Program Description: New. The City shall seek to establish a program to work with local Community Reinvestment Act lenders. This program could be the development of a resource list for interested developers/builders, as well as commercial lenders interested in funding construction loans for low-income housing. As a result of the passage of the Community Reinvestment Act, many commercial lenders have developed an interest in funding low-income projects, within their local community.

Time Frame: 1992-93

Quantified Objectives: None

Status:

Completed Although the City sought to establish this program, there is no active lenders' program at this time.

Accomplishments:

In 1995 the City attempted to form a lenders' consortium to collectively share risk and lend on affordable housing and small business loans. The larger banks would not commit, having made statewide commitments, and the smaller local banks did not see the benefit. The consortium never developed. Modesto does not currently monitor the affordable housing lending activities of local financial institutions under the Community Reinvestment Act. CRA monitoring is done at the national level by the Office of the Comptroller of the Currency, under the U.S. Department of the Treasury.

5. Comprehensive Housing Affordability Strategy (CHAS)

Program Description: New. HUD requires communities to develop a CHAS in order to apply for certain housing assistance programs. 1991 was the first year in which a CHAS was required. The development of the 1992 CHAS shall be consistent and reflect the policies and programs of the Housing Element. Preparation of a CHAS acts as a jurisdictions "notice of intent" to participate in applying for program funding offered by HUD.

Status:

Completed However, the CHAS is no longer required.

Accomplishments:

The City prepared its final CHAS shortly after the 1992 Housing Element was adopted. The CHAS was replaced, in 1993 by HUD, with the Consolidated Plan, which has a broader scope and better summarizes housing activities and approaches. Modesto has prepared the 2000-2005 Consolidated Plan consistent with the adopted Housing Element for HUD funding purposes. The Consolidated Plan has a number of affordable housing related components in it and requires annual performance reports to be filed with the U.S. Department of Housing and Urban Development (HUD).

6. Density Bonus

Program Description: Existing. Continue to grant density bonuses for the provision of affordable housing units as required by state law. The units shall remain affordable for a minimum of 10 years. For those granted additional incentives, the units must remain affordable for 30 years.

Quantified Objective: 500 new multi-family density bonus units between 1992 and 1997 (or an average of 100 units per year, with rents affordable to those in the lower income categories).

Time Frame: Ongoing

Quantified Objective: 100 new density bonus units per year

Status:

Completed The City adopted Density Bonus provisions as part of its Municipal Code

Accomplishments:

The City continues to offer density bonuses to developers of affordable and senior housing, as required by Government Code section 65915. Municipal Code section 10-3.103 provides density bonuses for all developers meeting the minimum requirements of the City. Only one project applied for and received a density bonus between 1992 and 2001. The following project was approved.

Ashwood Village Apartments

2800 Rumble Road

120 total apartment units all low-income accessible,

14 density bonus units.

7. Land Banking

Program Description: New. The City shall work towards establishing a land-banking program for very-low, low- and moderate-income housing. In this program, the City's Nonprofit Housing Corporation, or Redevelopment Agency would purchase land for affordable housing where there is a reasonable expectation that development will occur there in the short-term future. (The establishment of a Citywide Nonprofit Housing Corporation is listed under Policy 10.)

Time Frame: 1993 - 1997

Quantified Objectives: None

Status:

Completed

Accomplishments:

The City has utilized land banking once in its provision and support of affordable housing. The City purchased four properties in the Airport Neighborhood. The properties consisted of vacant lots or lots that contained burned and abandoned structures. The properties were subsequently made available to a local non-profit housing developer to build affordable housing units. The properties included:

1. 634 S. Conejo Avenue.
2. Vacant lot at the northeast corner at Monterey Avenue & S. Conejo Ave.
3. 730 Benson Avenue
4. 742 Kerr Avenue

8. Low- and Moderate-Income Housing Fund

Program Description: Existing. State law (AB 265) required that all redevelopment project areas in the state, to set aside 20% of tax increment revenues for increasing and improving the community's supply of low- and moderate-income housing. Furthermore, Chapter 1140, Statutes of 1989 amended the Housing Element Law to require the

Status:

Completed This action program refers to the Redevelopment Agency's Set-Aside housing funds required by State Law.

Accomplishments:

The Agency adopted an Implementation Plan in 1994 and another in 2000. It identifies goals and various housing programs that can be funded. Until late in 2000, the Low-Mod Fund was combined with HOME funds for use on low-income housing projects throughout the City. These funds were fully expended each year. The Redevelopment Agency provided funding for the following housing projects between 1992 and 2001.

1. Down Payment Assistance Program (67 loans, including sweat equity homes).
2. Housing Feasibility Study for 620 Paradise Apartments
3. Stanislaus Apartments (4 unit rehabilitation project)
4. Gateway Village (48 units new construction)
5. Ricardo Way Home (1 home for transitional Housing)
6. Ashwood Village Apartments (120 unit new construction)
7. Woodstone Apartments (56 units New Construction)

9. Multi-Family Mortgage Revenue Bonds (MFMRB's)

Program Description: Existing. Continue to participate in mortgage revenue bond programs when market conditions stimulate developer participation. MFMRB's provide tax-exempt low-cost financing to developers of projects who provide a portion of rental units at rents affordable to lower income households.

Time Frame: Re-evaluate Annually

Quantified Objective: None

Status:

Completed Tax-exempt bonds and tax allocation bonds, both of which are controlled by the California Debt Limit Allocation committee, have replaced them. The City has generally used tax credits or CHFA financing for affordable housing financing, but bonds remain an important tool. .

Accomplishments:

No new apartments were developed using Multi-family Mortgage Revenue Bonds. Some of the existing bonds were refinanced.

10. Nonprofit Housing Development Corporation

Program Description: New. Establishment of a Nonprofit Housing Development Corporation to promote, assist and or sponsor housing developments in the City of Modesto for lower income families. The City will establish a Nonprofit Housing Development Corporation. The City will develop a citywide publicly-assisted program to be administered by the nonprofit. This present program does not prohibit the City from working with STANCO or other nonprofit housing agencies, nor does it require the creation of a new agency. When this program is implemented, the most effective agency structure will be determined at that time.

Time Frame: 1992-1993

Quantified Objective: None

Status:

Completed

Accomplishments:

The City took an active role in the support of two new affordable housing non-profits – Stanislaus County Affordable Housing Corporation (STANCO) and Desarrollo-Latino-Americano (DLA). Both were designated as Community Housing Development Organizations (CHDO) under the HOME program, making them eligible for special set-aside of HOME funds. Both organizations received HOME funding in terms of loans for housing development as well as grants for operating costs.

11. Relocation Assistance Program

Program Description: <u>Existing</u> . This program assists residents who may need relocation assistance because of the Redevelopment Agency actions. If relocation is necessary, this program helps to minimize relocation as much as possible by implementing the Agency's relocation guidelines.	
Time Frame:	Ongoing
Quantified Objectives	None

Status:

Completed The Redevelopment Agency adopted a relocation assistance ordinance as part of the Implementation Plan. The City also provides relocation assistance with CDBG and HOME funds. .

Accomplishments:

The Redevelopment Agency assisted with the relocation of downtown businesses as part of the development of the new civic center (Tenth Street Place).

The City relocated 14 households whose properties were affected by 1997 flood of the Tuolumne River. This permanent relocation was funded by a special HUD grant (Disaster Relief Grant Program).

The City also administers a Tenant Based Rental Assistance Program utilizing HOME funds. The program assists individuals who meet both of the following criteria:

- 1). Their household income does not exceed 60% of median area income.
- 2). They are currently experiencing one of the following rental situations:
 - * they occupy substandard housing (as declared by the City),
 - * they are being forced to move due to city building code enforcement action,
 - * they currently pay more than 50% of their income toward rent

The City provided temporary relocation assistance to 181 households that were displaced because of housing code enforcement of Prescott Estates. Selected rental units must pass a Housing Quality Standard inspection. The program will then pay up to \$1,200 directly to the landlord/manager/property owner to cover the tenant's first month's rent and security deposit.

Fiscal Year

Households Assisted

Funding Utilized

FY 01-02:	158	\$174,264 expended
FY 00-01:	21	\$25,000 expended
FY 99-00:	no activity	
FY 98-99:	no activity	
FY 97-98:	2	\$2,000
FY's 92-96:	no activity	

12. Section 8 Certificate Program

Program Description: Existing. Under this program, eligible participants pay a maximum of 30 percent of their income for rent. The program then pays the difference between the rent the participants pay and the total (market rate) rent of the unit.

Time Frame: Ongoing

Quantified Objective: 250 certificates issued (or 50 per year) between 1992-1997, to assist those households in the very-low-income category.

Status:

Completed The Housing Authority County of Stanislaus administers this Program.

Accomplishments:

In 1999, the Housing Authority received its first new allocation of certificates (800) in this decade. As of November 2002, the Housing Authority has a total of 3,995 Section 8 Certificates for countywide use, with approximately 50 certificates re-issued annually.

13. Support Nonprofit Housing Sponsors

Program Description: Existing. Support non-profit corporations such as the Stanislaus County Affordable Housing Corporation in their efforts to make housing more affordable to lower- and moderate-income households.

Time Frame: Ongoing

Quantified Objectives: None

Status:

Completed The City partnered with several nonprofit housing developers to develop additional affordable housing units. The City's assistance consisted of providing operating grants, low interest loans, deferred loans, and the relief of development fees.

Accomplishments:

The City collaborated with the following agencies:

- Self-Help Enterprises,
- Housing Authority County of Stanislaus
- Homes 2000
- Habitat for Humanity
- Stanislaus County Affordable Housing Development Corporation
- Desarrollo-Latino-Americano
- Community Housing and Shelter Services.
- The Center for Human Services,
- The Haven

14. Very-low Income Renters Assistance Program

Program Description: New. Establish a Renters Assistance Program to assist very-low-income households seeking a new rental housing in Village One. Possible very-low-income households needing assistance: senior citizens (Senior housing will be provided in the Village Center, as described in the Village One Specific Plan). If this program proves successful, consideration will be made to establish a program of this nature citywide.

Time Frame: 1993-1996

Quantified Objectives: Provide assistance to 138 Very-low income households.

Status:

Incomplete.

Accomplishments:

The City has not adopted a Renters Assistance Program in Village One. There have been no affordable housing projects completed or approved in the Village One planning area during the

previous housing cycle, thus there has not been a need to utilize such a program. Also, the City may not use federal funds for rental assistance to individuals; the only such program is the Section 8 program run by the Housing Authority and the Renter's Assistance program provided by CHSS for renters throughout the City.

15 Village One Housing Trust Fund/Equity Sharing Program

Program Description: New. The City shall draft and adopt an ordinance establishing a Housing Trust Fund/Equity Sharing Program, which will be supported by a developer fee based in the single family homes built in excess of 800 square feet. This program will assist eligible low- and moderate-income households with gap financing, with the City taking an equity share in the home. The funds collected from the Equity Sharing Program will go into the Housing Trust Fund. The program represents the best utilization of local resources and was developed by the Village One Affordable Housing Task Forcer. In addition, should State ort Federal governments funds become available, the City will consider applying for these funds to assist in the implementation of this program.

Time Frame: 1992-994
Quantified Objective 101 Low Income and 322 Moderate Income first-time homebuyers.

Status:

Incomplete. The “Village One Housing Trust Fund/Equity Sharing Program” was deleted by the Modesto City Council on March 18, 1997 (Resolution No. 97-137).

Accomplishments:

None. (Also see comments under program activity number 2.)

16. HOME Consortium Program

Program Description: New. The City of Modesto will explore participating in the formation of a Consortium for the purpose of seeking increased federal funding under the HOME program. The formation of the Consortium should include other incorporated cities and the County, along with the Stanislaus County Housing Authority. It is assumed that this Consortium could potentially increase the entitlement funding for all members, including the City.

Time Frame: 1992-1993
Quantified Objectives: None

Status:

Completed A HOME Consortium was established and includes Stanislaus County and the City of Turlock. The City of Modesto is not part of the Consortium.

Accomplishments:

The County of Stanislaus, along with the cities of Modesto and Turlock, entered into talks to form a HOME Consortium in the early 1990s. A Consortium was formed, but the City of Modesto elected not to participate. Since then, the City has become an entitlement jurisdiction under the HOME Program. This status offers the City much greater local control over the program.

17. Federal Low-Income Tax Credits

Program Description: Existing, but limited source of funding. Encourage the use of Federal Tax credits for the production of low-income housing.

City staff will research the use of Federal Tax Credits and request application packets from the Mortgage Bond Allocation Committee; prepare an information summary to inform prospective users of the program.

Time Frame: Prepare List by 1993.
 Quantified Objective: None.

Status:

Completed The California Tax Credit Allocation Committee awards tax credits on a competitive basis. The City did not prepare an informational packet.

Accomplishments:

There have been a number of successful projects in the City of Modesto that utilized LIHTCs. Tax credits were used in the development of the following housing developments:

<u>Project Name</u>	<u>Date</u>	<u>Tax Credit</u>	<u># of Units</u>
Sherwood Manor,	(9/94)	\$1,005,000	38 units
Gateway Village	(9/97)	\$2,77,770	48 units
Ashwood Village	(12/98)	\$2,467,815	120 units
Woodstone Apartments	(7/00)	\$1,904,872	56 units.

Several other developments applied unsuccessfully. This will continue to be an essential tool in the construction of affordable housing.

18. Handicapped Accessible Housing

Program Description: <u>Existing</u> . The City shall continue to comply with the 1988 Fair Housing Access Act, which requires access requirements for disabled and physically handicapped persons for public and multi-family housing.	
Time Frame:	Ongoing.
Quantified Objectives:	None.

Status:

Existing. The City complies with the 1988 Fair Housing Access Act through building inspections, as well as the Disabled Access Assistance Program. Standards from the Fair Housing Access Act were written into the Uniform Building Code, and are enforced by building inspectors.

Accomplishments:

There is no information available to report, as building permits do not track handicap accessibility improvements. The loans through the City's Disabled Access Assistance Program are reported together with the Emergency Home Repair Program (see activity number 44).

19. Single Room Occupancy

Program Description: <u>New</u> . The City shall develop an ordinance that will encourage the development of single-room occupancy housing units. These units can serve primarily the lower income tenant, and should be located in close proximity of existing social services, such as within the City's urban transitional zones. Development of this program would include the identification of, and the elimination of, any present development regulations, which would preclude construction of single-room occupancy projects.	
Time Frame:	1992-1997
Quantified Objective:	10 new units per year; or an average of 50 new units between 1992 and 1997; which will provide housing to lower income residents.

Status:

Incomplete. The City did not develop nor adopt a Single Room Occupancy Ordinance. However, Single Room Occupancy projects can currently receive approval through the Planned Development Zone process, there are no development regulations precluding such approval.

Accomplishments:

No new Single Room Occupancy projects have ever been constructed in Modesto.

20. Coordination with Agencies Serving the Homeless

Program Description: Existing. The City shall continue to work with agencies such as the County Social Services Department, the Community Temporary Shelter Services Coalition (CTSSC), United Way and the Modesto Gospel Mission on developing housing and employment programs for the homeless.

Time Frame: Ongoing
Quantified Objectives: None

Status:

Completed. The City works very closely with agencies serving the homeless.

Accomplishments:

A regional collaborative was formed to update and further the goals of the Continuum of Care Plan. This collaborative, the Stanislaus Housing and Supportive Services Collaborative, is comprised of local government representatives, non-profit service providers, advocates for homeless persons, neighborhood representatives, and business groups.

In adherence to the Continuum of Care model, the City of Modesto continued to address the needs of homeless persons and families by funding local nonprofit agencies that provide direct services to the homeless. Assistance is provided through the Emergency Shelter Grant (ESG) and CDBG programs. Agencies also receive assistance through FEMA funds administered by United Way.

The Collaborative completed several tasks including: an analysis of service gaps to persons that are homeless, a comprehensive survey of the homeless and their needs, the formation of several standing subcommittees that address the issues associated with the homeless population, an the investigation to establish a day center for the homeless. The City of Modesto has set aside \$150,000 to assist in the acquisition of property that could eventually be used for homeless day facility site.

The Collaborative's subcommittees will focus on reviewing grant proposals, analyzing the needs of special needs populations, serve as a clearinghouse for identifying and receiving private and public funds, serve as an information gathering and disseminating body, serve as a performance and evaluation group, and be the region's lead in addressing the needs and issues surrounding the homeless population.

The participating agencies of the Collaborative will continue to better coordinate the delivery of their services. The following strategies have been identified by the collaborative as key elements in order to deliver an integrated and coordinated system of services:

- Delivery of prevention and support services
- Outreach and education on available services
- Collaborative integration of health and social services
- Expand on existing collaborative efforts and develop additional supportive housing
- Provide vocational and employment-readiness training
- Address the diverse needs of homeless persons and families
- Establish a local board that will ensure implementation of the Continuum of Care
- Consider the needs of the homeless on a regional and interagency basis.

21. State Bond Programs

Program Description: New. In general, the City shall seek to secure state bond financed funds, such as Proposition 84 and 107 Bond funds, which provide financing for several affordable housing programs. One such program makes low interest deferred payment loans to public and private developers to develop affordable rental housing. Prop. 107, the "Housing and Homeless Bond Act of 1988", provides funding for the following: emergency shelters and transitional housing for homeless persons; the development of new rental housing that meet the needs of the elderly and disabled; the purchase and or rehabilitation of residential hotels; and provides home purchase assistance for first-time homebuyers.

Time Frame: Apply Annually
 Quantified Objectives: None

Status:

No longer an active program. Tax-exempt bonds and tax allocation bonds, both of which are controlled by the California Debt Limit Allocation Committee, have replaced them. The City has generally used tax credits or CHFA financing for affordable housing financing, but bonds remain an important tool.

Accomplishments:

The City has continually applied for all applicable state financing for use in the promotion of affordable housing. However, no new bonds were issued. If approved by the voters in the November 2002 election, new bonds may be issued to provide funding for multi-family housing.

22. Transitional Housing Program

Program Description: Existing. The City shall continue to work with HUD and the Community Temporary Shelter Services Coalition in providing transitional shelter (single family residence), and counseling services to homeless families.

Time Frame: Ongoing

Quantified Objectives: Seek to provide three more single-family residences between 1992-1997 for families in need of transitional housing shelter.

Status:

Complete. The City has provided financial assistance through the Community Development Block Grant and Emergency Shelter Grant Programs to STANCO, the Center for Human Service and Community Housing Shelter Services to provide both transitional housing and counseling to help people transition into permanent housing.

Accomplishments:

The City lease repossessed houses from HUD for transitional housing services. The City also provided funding to STANCO and CHSS to purchase houses that would be used for transitional housing. A total of 19 units were made available at some time from 1992 through 2001.

The City through the use of CDBG and ESG funds funded several transitional housing services and programs by local agencies. The City assisted a total of 814 households, consisted of 29,346 shelter nights between 1992 through 2001.

23. First-time Homebuyer Program

Program Description: New. Develop a Citywide program to assist first-time homebuyers of low- and moderate-income with down payment assistance. Work with local groups such as the Association of Realtors, Mortgage Lenders Association, Building Industry Association (BIA), Modesto Chamber of Commerce, Affordable Housing Task Force, and others to establish a first-time homebuyers program.

Time Frame: 1992-1993
Quantified Objective: None

Status:

Completed. This program was initiated in 1994 and was funded with Redevelopment Set-Aside funds and HOME funds. Since that time, Redevelopment funds were re-directed to new construction and rehab programs in 1998. Currently CDBG funds provide the money for this very successful program

Accomplishments:

The City and the Redevelopment Agency administered a down payment assistance program for first time homebuyers. The program was subsequently amended to be accessible to households that did not own a home.

The Redevelopment Agency administered the program from 1995 to 1997 and approved 67 DPAP loans. The City has funded 201 loans with CDBG and HOME funds since its inception through fiscal year 00/01. Since 1994, 268 households have received assistance for down payments and closing costs to purchase homes in Modesto.

The City also partners with Pacific Housing and Financing Agency to promote a lease to own home ownership program. A total of ___ loans were made through this program. (Pending information from the Parks, Recreation and Neighborhoods Department)

24. Mortgage Credit Certificates

Program Description: New. Mortgage Credit Certificates allow first-time homebuyers to take 20 percent of their annual mortgage interest as a dollar-for-dollar tax credit against their federal income tax. Certificates are issued by a local agency (e.g. Housing Authority) and are most applicable for moderate-income households.

Time Frame: 1992

Status:

Complete. The Housing Authority County of Stanislaus administers this program.

Accomplishments:

The Housing Authority issued 367* MCC's countywide between 1992 and 1999. The program has been cut back extensively by the State CDLAC and the allocation to the County has been reduced from \$15 million per year to \$1.1 million per year .

(* Pending final totals from the Housing Authority.)

25. New Construction: Moderate and Above Moderate Units

Program Description: Existing. Past results revealed that private sector residential construction activity produced an estimated 9,155 new moderate- and above moderate-income housing units between 1984-1989. It is expected that the building activity in these income categories will continue, although not as many as in the previous years.

Time frame: 1992-97

Quantified Objective: 1,000 new market-rate housing units per year.

Status:

Complete. During the early 1990 recession, the pace of new housing growth development was well below the 1,000-unit expectation.

Accomplishments:

During the previous housing cycle of 1992-2001, the City of Modesto produced 7,192 housing units, an average of 719 per year. The recession of the mid 1990s drastically reduced the number of units constructed in the City, which has only once (2000) had a production year greater than the 1984-1989 average of 1,526 units per year. The majority of the housing units constructed were single-family homes, affordable primarily to moderate and above-moderate income households.

26. Single Family Mortgage Revenue Bonds (SFMRB's)

Program Description: <u>Existing</u> . Continue to encourage the participation in Single Family Mortgage Revenue Bond programs, when market conditions stimulate developer participation. SFMRB's provide tax-exempt financing to first-time homebuyers.	
Time Frame:	Re-evaluate Annually
Quantified Objective:	None.

Status:

Complete. Tax-exempt bonds and tax allocation bonds, both of which are controlled by the California Debt Limit Allocation Committee, have replaced them. The City has generally used tax credits or CHFA financing for affordable housing financing, but bonds remain an important tool. Requires developers to hire outside consultants to package applications.

Accomplishments:

No activity to report.

27. Identification of Public Surplus Lands

Program Description: <u>New</u> . Establish a program to identify and monitor surplus public lands suitable for residential development. The surplus land could possibly be purchased by the City's Nonprofit Housing Corporation or other housing providers to develop affordable housing. The program will consist of a listing of suitable surplus lands. This listing will be available to local nonprofit housing providers, as well as other agencies interested in the development of affordable housing.	
Time Frame:	1992-1994
Quantified Objective	None

Status:

Completed

Accomplishments:

This was been completed by the City Property Agent in 1997. However, suitable public lands have not become available for residential development. In addition, in 1998, the former

Housing and Neighborhoods office completed inventory of private residentially zoned vacant lots.

The City also administered a property acquisition program in the Airport neighborhood. Privately-owned, vacant and abandoned properties were identified and inquired for the possible sale to the City for the development of affordable housing units. Four properties were purchased by the City and made available to local non-profits through a Request For Proposals. Desarrollo-Latino-Americano (DLA), a local housing development agency was awarded the properties, but was unable to develop housing on the units. The properties are now being foreclosed and being offered to another agency.

28. Manufactured Housing

Program Description: Existing. Continue to allow manufactured housing/mobile homes in all residential districts provided that it meets the same standards as conventional housing and is placed on a permanent foundation.

Time Frame:	Ongoing
Quantified Objective:	10 units per year

Status:

Completed

Accomplishments:

The City currently has provision to allow manufactured housing to be sited on any single-family lot on a permanent foundation within the City, without restriction. There has been little demand for this option. However, the City encourages this form of affordable housing

There are nine mobile home developments within the Modesto city limits. The last mobile home park was developed in 1989. There have been a few manufacturing-housing units installed, but the housing units are counted as permanent single-family homes.

29. Second Units/Accessory Units

Program Description: Existing. Continue to encourage the use of second units in single-family residential areas where additional parking for the second unit is provided, and where the second unit neither adversely affects nor alters the character of the surrounding single-family residence.

Time Frame:	Ongoing.
Quantified Objective:	10 units per year.

Status:

Completed. Second residential units are allowed in the R-1 residential zoning district with a plot plan, consistent with State law. City staff encourages development of these units.

Accomplishments:

The City approved 5 plot plan permits for accessory units between 1992 through 2001. The following properties applied and were approved an accessory housing unit.

1. 1503 Hillview Glen
2. 1512 Mamilane
3. 1539 West Roselawn Avenue
4. 502 laurel Avenue
5. 148 Frances Avenue

30. Community Housing Resources Board (CHRB)

Program Description: Existing. The Federal Department of Housing and Urban Development in conjunction with the Association of Realtors, recommends the establishment of a local fair housing educational board. This board, appointed by HUD, is comprised of local people in the community interested in fair housing and acts as a referral group.

Time Frame: Ongoing
Quantified Objective: None

Status:

Incomplete. A HUD appointed Fair Housing Board has not been created in the City. These duties have been taken over by Project Sentinel, a non-profit with whom the City contracts to provide Fair Housing services.

Accomplishments:

Project Sentinel provides fair housing services and counseling for the community, working to eliminate discrimination based on age, sex, disability, income, and all other protected categories.

In compliance with HUD regulations, the City completed an Analysis of Impediments to Fair Housing Choice in 1996. The City also conducted one class on Tenant Rights and Responsibilities. Furthermore, the City conducted six seminars for landlords and property

managers to address illegal activity in rental units. Several hundred participants attended the seminars.

31. Human Relations Commission

Program Description: Existing. Support the work of the Human Relations Commission, which acts a conduit for fair housing complaints and referral to enforcement agencies. The Commission acts as the first line of referral, in conjunction with the State Department of Fair Employment and Housing. Informational brochures and copies of complaint forms are available throughout the community. The complaint referral process is publicized through the Modesto Bee, the County Library, local schools, and through local housing advocacy groups. The goal of this Commission is to ensure that fair housing opportunities prevail for all City residents.

Time Frame: Ongoing

Quantified Objective: None

Status:

Complete. Project Sentinel, a fair housing service provider, administers local fair housing responsibilities.

Accomplishments:

Although Project Sentinel took over this responsibility, City staff met with the Commission on several occasions to review the City’s various housing goals, programs and concerns. The City continues to support the Human Relations Commission in its activities to promote fair housing opportunities. This seven-member advisory group meets bi-monthly to promote good human relations in the community. This Commission exists and is staffed by City Manager’s Office.

Project sentinel processed 530 complaints regarding fair housing issues of which 3 were settled in court.

Community development Committee after public. City staff also conducted three study sessions with the Planning Commission on the topic of affordable housing.

33. Multi-family Developer Incentive Program

Program Description: Existing. The Stanislaus County Housing Authority and nonprofit sponsors of housing for very-low-income households are exempt from Capital Facilities Fees (developer fees). For multi-family projects with density bonuses, a certain percentage of the projects must serve very-low or low-income households. For these projects, developer construction fees are levied by deferring payment of Capital Facility Fees with twenty percent required down and five years to pay. Fee waivers or deferrals pertain to only the City's fees and do not refer to school district fees.

Time Frame: Ongoing

Quantified Objectives: 100 lower-income multi-family units per year.

Status:

Complete.

Accomplishments:

A number of incentives have been developed and are currently available to multifamily developers including Density Bonuses, Capital Facility Fees (CFF) Waivers and deferrals as well as financial assistance to multifamily developers under the Affordable Housing program.

A total of 334 units have received deferrals or waivers under the CFF program since 1992. The City issued a total of 237 Capital Facilities Fees waivers and 97 deferrals between 1992 and 2001. The County matches City decision to waive or defer their Public Facility Fees. In addition, Modesto City Schools will waive fees for affordable housing for senior citizens.

34. Priority Processing for Affordable Housing Projects

Program Description: New. Time is a very important factor in the cost of a housing project. It is especially important to the economic feasibility of very-low, and low-income housing, thus, the City will give such projects priority in application processing. This priority will extend to building inspections carried out during various phases of the construction process. This priority program will be reviewed by the City Attorney to ensure the legality of such a program.

Status:

Completed.

Accomplishments:

The City complies with the State mandated Permit Streamlining Act, which ensures timely processing of planning development applications. Building permit inspections and review have a minimal turnaround time, thus negating the need for prioritization. Staff has found no extensive delays in the processing of affordable housing projects. Existing laws and practices are sufficient to ensure expedient processing of project applications and permits.

35. Reduction of Parking Standards

Program Description: Existing. The City of Modesto allows a reduction in parking standards for senior citizen housing developments. The objective is to match parking standards with need to reduce costs.

Time Frame: Ongoing
Quantified Objective: None

Status:

Existing.

Accomplishments:

The Community Development Department allows a reduction in parking standards for senior housing projects. The amount of reduction is determined on an individual project basis, with cost reduction considered in the determination.

36. Streamline Application Process

Program Description: Existing. Continue efforts to streamline and improve the development-review process, as well as eliminate any unnecessary delays and restrictions in the processing of permits for applications and projects submitted.

Status:

Completed. The Development Services Manager reports that development application processes are under continuous review for streamlining.

Accomplishments:

The City complies with the provisions of the Permit Streamlining Act, which limits the amount of time the City may spend reviewing a project. The City will continue to look for provisions of the development review process that can be improved, as well as remove unnecessary restrictions or delays that are identified within the system.

37. Energy Conservation and Efficiency

Program Description: Existing. Continue to encourage development and construction standards that encourage energy conservation in residential buildings.

The City of Modesto Housing Program Office, and agencies such as P.G. & E., and the Modesto Irrigation District, provide no cost or low-cost weatherization and other energy efficient programs to low-income residential households.

Public service announcements and brochures are provided to reach the widest possible audience.

Time Frame: 1992-1997

Quantified Objective: Assist 50 housing units annually

Status:

Programs Exists.

Accomplishments:

The City of Modesto supports the provision of no-cost or low-cost weatherization for low-income homes under the EHRP/DAAP programs. In addition, the City provides literature and information on programs for increasing energy efficiency in residential structures. Those items are automatically included and required in all housing rehabilitation jobs. In addition, HUD has certain energy efficiency requirements for new construction assisted with HUD financing.

38. California Housing Rehabilitation Program

Program Description:	<u>Existing</u> . This program offers housing rehabilitation loans as low as three percent to low-income owner/occupants; with a maximum loan amount of \$10,000.
Time Frame:	Seek funds annually
Quantified Objective:	10 units per year, or an average of 50 units between 1992-1997. Note: This objective may be achieved in conjunction with funding from other programs.

Status:

State Program Expired This program has not been funded or active for several years. In addition, as an entitlement community, Modesto is ineligible to apply for State administered programs funded by HUD.

Accomplishments:

Although the City does not participate in the California Housing Rehabilitation Program, The City offers federal CDBG funded housing rehabilitation loans up to a maximum of \$10,000 for qualified homeowners as part of the CDBG program. See Action Programs 44 and 45.

39. Distribution of Energy Savings Devices

Program Description:	<u>Existing</u> . The City will continue to distribute smoke detectors, water heater blankets, and anti-siphon backflow devices for hose bibs, free of charge to rehabilitation clients. Also, to continue the maintenance of safe and decent housing and by contributing to energy savings and safety.
Time Frame:	Ongoing
Quantified Objective:	Installation of 20 devices per year (1992-1997).

Status:

Completed. This program continues to be administered by the City to promote energy efficiency and safety in existing homes. As part of the property rehabilitation program, homeowners are informed about potential energy saving devices and programs that are available in the City.

Accomplishments:

The City provided the following items to low-income residents. No totals were available.

- water heater blankets
- smoke detectors
- smaller, more efficient toilets
- low flow water shower heads and faucets
- Fluorescent lighting
- Energy efficient windows, some with low E glazing
- Roof color selection
- Attic and wall insulation
- Exterior door weather stripping
- Proper ventilation systems for attic areas
- Energy efficient HVAC systems

40. Education of Available Rehabilitation Programs

Program Description: Existing. Continue to educate and inform all major ethnic groups and groups representing handicaps in the community of available rehabilitation programs through neighborhood and community organizations, and by using the most effective media.

Time Frame: Ongoing
Quantified Objective: None

Status:

Ongoing effort.

Accomplishments:

The Housing and Neighborhoods Division continually advertises its rehabilitation programs through a variety of means – brochures, advertisements, utility bill inserts, paid media – as well as appearing at numerous community events. In addition, we have actively helped develop neighborhood associations that work closely with the housing rehabilitation program.

41. Housing Condition Survey

Program Description: Existing. Continue to maintain a current housing condition survey of all housing units within the City. Also, an updated number of units in need of rehabilitation or replacement should be included.

Time Frame: Ongoing, update monthly
Quantified Objective: Applies to all housing units within the City of Modesto.

Status:

Partially complete. The City completed a housing survey of the nine potential revitalization target neighborhoods in 1993. A comprehensive citywide housing conditions survey has not been completed yet.

Accomplishments:

In 1993, Housing staff conducted a condition survey of nine neighborhoods in preparation for Council consideration of new target areas. There is no program of on-going housing condition surveys, other than the one done as part of the Census. Staff has provided options to the City Council on Housing Code enforcement, some of which contemplate comprehensive inspections of housing units. No such program has been adopted however.

42. Rental Rehabilitation Program

Program Description: Existing. The City's Housing Program Office provides financial assistance to owners of rental property to rehabilitate substandard units, in order to ensure that rental units are affordable to low-and moderate-income families.

Time Frame: Ongoing
Quantified Objective: 10 low- to moderate-income rental units per year

Status:

The program was discontinued in 1997. .

Accomplishments:

The City has 49 Rental Rehabilitation Loans on the books. The loans require annual inspections of the units, and are written off over a period of ten years. The City does make loans on rental property however - through the Housing Maintenance program and the Affordable Housing program.

43. Water Conservation Program

Program Description: New. The City will consider the initiation of a water conservation program. The purpose of this program would be to install and encourage the use of water conservation devices and measures in all houses rehabilitated under the City's housing rehabilitation programs.

Time Frame: 1992-1997

Quantified Objective: When program is established, assist 250 households with water conservation devices.

Status:

Completed

Accomplishments:

The City has adopted and implemented a relatively aggressive water conservation program Citywide. The State has adopted various amendments to the Uniform Building Code relative to water conservation.

44. Emergency Home Repair Program

Program Description: Existing. Low interest loans, to repair immediate critical hazards for Modesto residents with very-low incomes, are available through the City's Housing Program Office.

Time Frame: Ongoing

Quantified Objective: None

Status:

Existing Program. The City adopted and implemented this program in 1980.

Accomplishments:

The Recreation and Neighborhood Serviced Division operates the Emergency Home Repair Program, eligible to all residential homeowners outside of the target areas. This program offers low-interest loans up to \$25,000 for emergency safety repairs or modifications to make the home handicapped accessible. Since 1992, 105 of these loans have been made.

45. Handicapped Barrier Removal Program

Program Description: Existing. This program provides free technical advice on removing mobility barriers from home or property. Low interest financing is also available to handicapped homeowners living in Modesto, to assist them with removing mobility barriers from their home or property.

Time Frame: Ongoing
Quantified Objective: None

Status:

Ongoing effort. Established in 1977, the program was renamed the Emergency Home Repair/Disabled Access Assistance program.

Accomplishments:

HBRP (Handicap Barrier Removal Program) did not assist any households in 1992 and on. The CAPER reflects that the money was used for community handicap accessibility projects. On 12/18/1996, it was formally discontinued and combined with the EHRP to make the Emergency Home Repair Program/Disabled Access Assistance Program. A total of 4 loans were made for Disabled Access Assistance applicants.

46. Home Emergency Loan Program (H.E.L.P)

Program Description: Existing. This program is designed to correct substandard housing conditions and eliminate health and safety hazards. Low interest loans are available through the City's Housing Program Office for homeowners with incomes that fall into the 50-80% median area income, as determined annually by HUD.

Time Frame: Ongoing
Quantified Objective: none

Status:

This is essentially the same program as the Emergency Home Repair Program (see #44).

Accomplishments:

This program completed only one loan for \$37,650 in 1993. The H.E.L.P. program was replaced by the Emergency Home Repair Program (EHRP). It provides for low-interest loans to low-income residents to correct health and safety hazards within the home. This program is well utilized within the City and continues to aid in the provision of safe, affordable housing for all residents of the community.

47. Housing Maintenance Program

Program Description: Existing. This program is designed to eliminate health and safety hazards within neighborhoods targeted for rehabilitation within the City of Modesto. The City's Housing Program Office provides technical and financial assistance to property owners required to make repairs ordered by the City's Building Division. This program is mandatory to ensure that an entire neighborhood, not just a few select properties, would undergo revitalization to meet requirements of the City's Housing Code.

Time Frame: Ongoing
Quantified Objective: Annually Assist 120 very low and low-income target households with rehabilitation assistance, for a total of 600 units between 1992 and 1997.

Status:

Ongoing Effort. This is one of the mainstays of the Affordable Housing program.

Accomplishments:

The Housing Maintenance Program provides low-interest loans to property owners within the designated target areas for home improvements. The Neighborhood Services Division implements this program, which revitalizes entire project areas at a time. The program calls for revitalization of all homes within target areas, to ensure that property values for the entire neighborhood rise and that each house in the area meets minimum safety and health standards. The program has rehabilitated 353 units since 1992, and more than 2,100 since its inception in 1976. Currently, there are two mandatory housing rehabilitation target areas still underway.

48. Coordination with HUD to Monitor At-Risk Projects

Program Description: Existing. The City of Modesto will continue to work with HUD, to ensure that any notifications of potential sales of at-risk units are forwarded to the City.

Any owners of projects at-risk of conversion must notify HUD of any impending sales or conversion and if they plan to prepay their mortgage and/or if they decide not renew their Section 8 contracts.

Quantified Objective: During 1992 to 1997, there are 513 Federally subsidized units potentially "at-risk" of converting to non-low-income uses. These projects will be closely monitored.

Status:

Ongoing Effort.

Accomplishments:

The Parks, Recreation, and Neighborhood Department is the responsible agency for monitoring as-risk housing units within the City. The City will continue to work with HCD and HUD to minimize conversion of affordable housing units to market rate. The City will also work with property owners who have indicated their intention to make such a conversion in an effort to preserve the units as affordable.

49. **Coordination with Other Agencies to Monitor At-Risk Projects**

Program Description: Existing. The City of Modesto Housing Program Office will continue to work with the California Housing Partnership Corporation (CHPC). The CHPC provides support to localities and nonprofit housing corporations in addressing a wide range of preservation opportunities.

The time frame below reflects a listing of Federally subsidized projects monitored by the CHPC. Policy 48 lists the number of projects "at-risk" of conversion from 1992 to 1997.

Status:

Incomplete

Accomplishments:

There has not been a substantial amount of coordination between the Housing Program Office and the CHPC regarding at-risk housing units. In future discussions regarding policies and strategies to deal with conversion issues, including identification of units, the City will seek out the CHPC for inclusion and to make recommendations.

50. **Monitor At-Risk Projects**

Program Description: Existing. The City of Modesto Housing Program Office shall continue to monitor the at-risk assisted housing projects on annual basis. The City will keep in touch with the necessary agencies and sources, such as the Housing Authority, the owners of the at-risk units, HCD and HUD. This contact is essential and will help the city to be aware of any situation where assisted units are in danger of converting to non-low-income housing uses. The City will annually monitor the status of the Section 8 renewal contracts and HUD assisted units. The City will also continue to work with the Stanislaus County Housing Authority to develop contingency plans as needed if contracts are not renewed.

Status:

Incomplete.

Accomplishments:

The City of Modesto does not have an adopted contingency plan to deal with potential conversions of low-income property to market rate. The City has indicated a desire to work more closely with HCD and HUD to monitor at-risk projects, and to ensure that strategies and techniques used to limit such conversions are current and applicable. As part of the Housing Element Update, the City will assess the at-risk status of existing affordable-housing units and develop a program to assess the preservation of such units in the City.