City of Gustine *Housing Element*

HCD Review Draft

November 11, 2019

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1.0 Introduction

The City of Gustine is located in the northwest portion of Merced County on the western side of the San Joaquin Valley. The community is made up of an estimated population of 5,842 and is surrounded by dairies, orchards, and farmland.

This Housing Element is a comprehensive assessment of current and future housing needs for all segments of the City's population, as well as a program for meeting those needs. In the last decade, significant economic and demographic changes in Merced County have challenged the ability of local jurisdictions and the private sector to construct adequate and affordable housing. Since 2008, the housing market has collapsed, reversing the prolonged trend of escalating home prices that was the norm in the early 2000s. Now in ~~2017~~2019, the housing construction market is showing signs of growth. Despite housing market adjustments, providing adequate housing—especially extremely low- and low-income housing—remains a significant challenge to both local governments and the private sector.

The City of Gustine Housing Element serves as a policy guide to address these issues, as well as the comprehensive housing needs of the City during the 2014 to 2023 planning period and beyond. The provision of decent, safe, sanitary and affordable housing for current and future residents of the City of Gustine is the primary focus of the Housing Element. Additionally, the Housing Element places special emphasis on certain segments of the population, such as the elderly, the disabled, female headed single-parent households, large families, farmworkers, overcrowded households, residents of group quarters, and the homeless; as these groups may have more difficulty in finding decent and affordable housing due to their special needs. The purpose of the Housing Element is to:

- Determine the existing and projected housing needs of residents of the City of Gustine;
- Establish goals, objectives, policies, and action programs that guide decision-making to address housing needs; and
- Implement actions that encourage the private sector to build housing, while ensuring that governmental policies do not serve as a constraint to housing production.

The Housing Element is designed to incorporate various assumptions about housing and development trends in City of Gustine. These planning assumptions include:

- Housing demand, especially for affordable housing, will remain high;
- The need to maintain and preserve the City's existing housing stock;
- The need for long-term preservation of productive and potentially-productive agricultural lands;
- The need to conserve natural resources and reduce greenhouse gases.

This Housing Element is designed to have the Policy Document which contains the City's housing Goals, Policies, Implementation Programs and Quantifiable Objectives, adopted and integrated into the General Plan. The bulk of information will be adopted separately as a Background Report that may be updated as necessary without limitations to the number of times as established by State law.

1.1 The City's Summary Housing Goal

Attainment of a suitable, affordable and satisfactory living environment for every present and future resident in the City of Gustine, regardless of race, age, religion, sex, marital status, ethnic background, source of income, or personal disability.

An array of special housing needs is related to the following general housing needs: a suitable home, an affordable home, and a satisfactory environment. A housing unit is suitable if its condition is standard, it is not overcrowded and if it provides special amenities for special needs. An affordable housing unit is one for which the owner can meet reasonable financial obligations toward mortgage, property taxes and insurance. For the renter, an affordable housing unit is one for which reasonable financial obligations can be met toward contract rent.

A satisfactory living environment is one in which residents are beneficially influenced by services such as adequate public facilities, access to employment opportunities, transportation, compatible adjacent land uses and convenient access to commercial uses. All of the housing needs, outlined above, are discussed in detail in the following chapters.

1.2 Housing Element Law

Each local government in California is required to adopt a comprehensive, long-range General Plan for the physical development of the city or county. General Plans must include seven mandated elements, one of which is the Housing Element. The Housing Element differs from other required elements in that the State requires that it include specific information and analyzes of population and housing trends and has a mandated update deadline. In addition, it is also the only element that must be submitted to the California State Department of Housing and Community Development (HCD) for review and certification.

As required by State law, the Housing Element consists of the following major components:

Review of Previous Housing Element: The City must review the actual results of policies, programs, and quantified objectives adopted in the previous Housing Element and analyze the effectiveness, appropriateness, and progress made toward their implementation.

Housing Needs Assessment: The Housing Element must analyze the City's population and demographic trends, the existing housing stock condition, household tenure, and housing affordability. The City must also consider special housing needs of the community, such as seniors, large families, female-headed households, farmworkers, and the homeless.

Housing Constraints: The Housing Element Update must identify and analyze constraints to housing for all income levels including for persons with disabilities, and efforts to remove those constraints to meeting housing needs. Constraints can be governmental such as land-use controls; codes and enforcement; on/off site improvements; fees and extractions; processing and permit procedures or nongovernmental constraints such as; the availability of financing, price of land, and the cost of construction.

Adequate Sites Inventory: The City must compile a detailed inventory of sites to accommodate the City's projected housing needs as determined by the Merced County Association of Governments (MCAG) in the 2015 Regional Housing Needs Assessment (RHNA). The inventory must provide assessor parcel numbers (APN), zoning, acreage, land use designation, allowed density, and the realistic development capacity of each site; taking into consideration available infrastructure and development standards.

Goals, Policies, Implementation Programs, and Quantifiable Objectives: The Housing Element must outline the City's housing goals, policies, and quantifiable objectives. The City must develop

implementation programs to ensure the execution of the housing policies and goals. These implementation programs must be measurable, realistic, and time specific.

The State recognizes that each locality is best capable of determining what efforts are required by it to contribute to the attainment of the State housing goal, provided such a determination is compatible with the State housing goal and regional housing needs. In carrying out this responsibility, each local government also has the responsibility to consider economic, environmental, and fiscal factors and community goals set forth in the General Plan and to cooperate with other local governments and the State in addressing regional housing needs.

Purpose of This Update

State Housing Element Law requires that Housing Elements throughout the State be updated by the local jurisdiction every four to eight years. This fifth cycle for the Housing Element update and certification by State HCD for compliance with State Housing Law was to be by December 31, 2015, but this ~~. Due to economic downturn of the housing market, continual change of city staff, and State of California economic crisis, the~~ 2015 deadline was not achieved. Therefore, Gustine is now required by State law to complete a four-year Housing Element update, and this update is due to be completed by March 2020.

Previous Housing Elements

The City of Gustine's previous Housing Element was adopted in April ~~2011~~2019, and California Department of Housing and Community Development (HCD) certified the Housing Element on October 8, 2019. A report on the City's accomplishments and non-accomplishments in implementing its ~~2011~~ 2015-2019 Housing Element is provided starting on Page 65.

Housing and Local Government

The City of Gustine, in cooperation with State and federal governments, has the power to influence the housing delivery system. If local housing goals are set, a variety of local public policies can be identified to create conditions under which goals can be met. These policies represent commitments on the part of the City to reach its housing goals.

However, the housing delivery system is essentially a private sector challenge and system. The production, exchange and management of the housing stock is largely in private hands and influenced by many factors beyond those in which Gustine's city government plays a part. This means that the implementation of public policies related to housing goals must rely on the housing industry, financial institutions, and community groups interested in housing.

Nevertheless, the City government continuously touches and influences the housing delivery system on a variety of fronts. Virtually every area of local government responsibility (i.e., public safety, community infrastructure, education, roads, health and human services) has implications for housing development and availability. Policies directly related to land development, property taxation, utility extension and zoning may be the most relevant to housing, but they are only part of the total range of local governmental relationships to housing. The relationship of local government to any housing unit begins before it is constructed and continues until it is demolished. In the long run, the impact of local government is far greater than that of the developer, financing agency, owner or the Federal government. The City government's challenge is to ensure that there is sufficient revenue generated for initial infrastructure support as a result of new development and equally as important a revenue stream to offset the long-term maintenance and operational costs required to support the new development and the growing population anticipated.

1.3 Consistency with General Plan

"In construing the provisions of this article, the Legislature intends that the general plan and elements and parts thereof comprise an integrated, internally consistent and compatible statement of policies for the adopting agency." **Government Code Section 65300.5**

"…means by which consistency will be achieved with other general plan elements and community goals." **Government Code Section 65583 (c) (7)**

The Housing Element is one of the elements of the City's General Plan and builds upon the other General Plan elements and is consistent with the policies set forth in those elements. The City will ensure ongoing consistency between the Housing Element and other General Plan elements so that policies introduced in one element are consistent with other elements. At this time, the Housing Element does not propose significant changes to any other element of Gustine's General Plan. However, if it becomes apparent that changes to any element are needed, the Planning Commission and City Council will propose such changes for consideration. The City will review the Housing Element for internal consistency when any amendments are made to safety, conservation, and land use elements, based on the requirements of Government Code Section 65302. This review may require amendments to the Housing Element.

1.4 Regional Housing Need Assessment

The City's share of the projected housing needs is shown in Table 1-A. The Merced County Association of Governments (MCAG) in its 2015 Merced County Regional Housing Needs Assessment determined these numbers.

Table 1-A
Regional Housing Needs Allocation
January 1, 2014 – June 30, 2023

Regional Housing Needs Allocation						
Jurisdiction Name	Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
Atwater	--	429	307	281	748	1,765
Dos Palos	--	71	27	47	128	273
Gustine	**31**	**30**	**56**	**51**	**136**	**304**
Livingston	--	249	178	163	435	1,025
Los Banos	--	604	431	396	1,049	2,480
Merced	--	1,351	966	886	2,348	5,551
Balance of County	--	1,085	775	711	1,885	4,456
Merced County	**31**	**3,819**	**2,740**	**2,535**	**6,725**	**15,854**

Source: Regional Housing Needs Allocation Plan for Merced County, June 2015

2.0 Public Participation

"…The local government shall make a diligent effort to achieve pubic participation across all economic segments of the community in the development of the housing element, and the program shall describe this effort" **Government Code Section 65583 (c) (7)**

During the process of updating the housing element, the City of Gustine has, and will continue to make a diligent effort to achieve public participation across all economic segments of the population living and working within Gustine. This chapter illustrates the City's commitment to public involvement in the development of the updated housing element; it describes the community outreach effort and how public input was, and will be, considered and incorporated in the element.

Strengths and Opportunities

Public input, comments and concerns helped form the base in the development of this Housing Element. Some of the strengths voiced by the community are Gustine's family-oriented atmosphere, the quality of schools and its small-town character. Other features of the City that are considered beneficial by its residents include: a wide range of housing types; clean and safe neighborhoods; and the quality of homes.

The public views as potential opportunities for the City of Gustine its geographic location, the proximity to the University of California, Merced Campus, the airport, and its ability to incorporate good planning for the future.

Areas of Concern

Since 2011, growth in Gustine has been very slow at less than ½ percent annually, so that concerns related to urban growth that were prominent in the 2011 were not raised at the Housing Element workshop held in April 2017 nor in April 2019. In development of the 2011 Housing Element, the public identified the pressures of rapid growth in the surrounding area as having a negative impact on the City. Of special concern was the effects this growth may have on the School District, storm water runoff, water supply, circulation both local and regionally, and wastewater treatment capacity. In addition, there was anticipation that along with that growth would be increased congestion and a deterioration of area roads. Additional issues of concern raised in 2011 included water quality, air quality, loss of businesses and the overall quality of life. Of particular concern was the limited resources available to the senior residents including recreation and health care needs. At the present time, the closest hospitals are located in Los Banos, Turlock, Merced and Modesto. These hospitals are at least 30 miles away and could pose a problem when a senior is in need immediate of assistance.

The primary concern raised at the 2017 Housing Element workshop involved housing affordability. For the first time in many years, the City of Gustine is working to annex a master plan area for residential development. As this new growth occurs, there is an interest in a wider variety of housing forms that include smaller single-family houses, tiny houses, and zero-lot-line development. Overall the residents of Gustine remain concerned with retaining small-town character, maintaining the community's roots in agriculture, and providing affordable housing opportunities for seniors living in Gustine. In 2019, the primary point of discussion was the numerous changes to State Housnig Law that could affect Gustine.

Public Workshop

A The Planning Commission held a public workshop was held on Tuesday, April 4, 2017Thursday, October 24, 2019 from 3:00 pm to 4:30 pm to receive comments on the 2017 Four-Year Housing Element update. A slide show was prepared for those who were to attend. Prior to the workshop the bilingual flyers were posted in City Hall's bulletin board, placed in the carousal adjacent to the receptionist, and posted at the Building Division's office (See Appendix A for the flyer in both English and Spanish). The primary means of distribution of information and public involvement includes posting of information at City Hall, local newspaper advertisement as well as City Council and Planning Commission meetings.

In addition to the public notices, email invitations were also sent to the following groups for this workshop:

- California Rural Legal Assistance
- Gustine Chamber of Commerce
- Aspiranet
- Housing Authority of Merced County
- Homeless Shelter Directory
- The Red Cross—Merced County
- Merced County Community Action Agency

The focus of the workshop was to receive public input on housing issues facing the City and to receive comments and ideas of how the City should proceed in addressing affordable housing.

At the public workshop, interest was expressed in promoting smaller homes that would be less expense and serve as starter homes for many of the young people starting out in the community. Concern was expressed by others that if smaller housing was to be promoted that it be allowed in areas that would be compatible with existing housing or in new areas altogether. Implementing Program 1Q (Small Unit Development) was added in response to these comments. The new program encourages the City to explore the feasibility of amending its General Plan and/or Zoning Ordinance to promote the development of small housing units for small households with modest incomes.

On a different note, one speaker inquired about when the next Housing Element update would be required, given that the City was late adopting its 2015 planmost of the time was spent discussing recent changes in state law that affect housing development, including changes to statutes affecting accessory dwelling units, permit streamlining, and housing element certification.

Public Hearing

Public Hearings were held during regular scheduled Gustine Planning Commission and City Council meetings. The Planning Commission on December 13, 2017_____ by Resolution No. PC-2017-XX_____ recommended to the City Council adoption of the Housing Element and to accept the Negative Declaration as the appropriate environmental document. The City Council on December 4, 2018_____ by Resolution No. CC-2018-XX_____ accepted the Negative Declaration, adopted the Housing Element and directed staff to submit the Housing Element to the State of California for the final review and certification. On April 2, 2019_____, the City Council made final revisions suggested by HCD to achieve Housing Element certification.

3.0 Housing Needs Assessment

Housing Element Law requires: ***"…An analysis of population and employment trends and documentation of projections and a quantification of the locality's extremely low-income households…"*** **Government Code Section 65583 (1) and** ***"…An analysis and documentation of household characteristics, including level of payment compared to ability to pay, housing characteristics, including overcrowding, and housing stock conditions."*** **Government Code Section 65583 (2)**

This chapter provides an assessment of existing housing needs in the City of Gustine. It includes an analysis of population and employment trends, household characteristics, overcrowded households, existing housing stock condition and documentation of projections and a quantification of the County's existing and projected housing needs for all income levels, including extremely low-income households. In addition, an analysis of those groups considered as special needs households including minority households, persons with disabilities, the elderly, large households, farmworkers, single heads of households, teen pregnancy housing needs, displaced households, and the homeless. Finally, it includes a breakdown of existing assisted housing projects at-risk of converting to market rate and an examination of opportunities for energy conservation in residential developments. The housing goals, policies and programs set forth in this Housing Element are based upon a thorough analysis of these factors. This chapter references many resources and over several time periods. This update relies on the 2010 Census, reports from the Department of Finance, the United State Department of Housing and Urban Development and local information.

3.1 Population Trends

Growth

The City of Gustine has exhibited a pattern of steady and consistent population growth. Since 1970 the average annual growth rate was 1.0 percent or lower. The total population in the City of Gustine on January 1, 2016 was estimated at 5,842 according to the Department of Finance (Table 3-A).

Table 3-A
Population Growth Trends

		Numerical Change	Percent Change	Average Annual Growth Rate
1970	2,793			
1980	3,142	349	12.5%	1.2%
1990	3,931	789	25.1%	2.3%
2000	4,698	767	19.5%	1.8%
2010	5,520	822	17.5%	1.6%
2016	**5,842**	**322**	**5.83%**	**0.9%**

Source: 1970, 1980, 1990 and 2000 US Census, DOF, E-5 Population and Housing Estimates, 1/1/2015

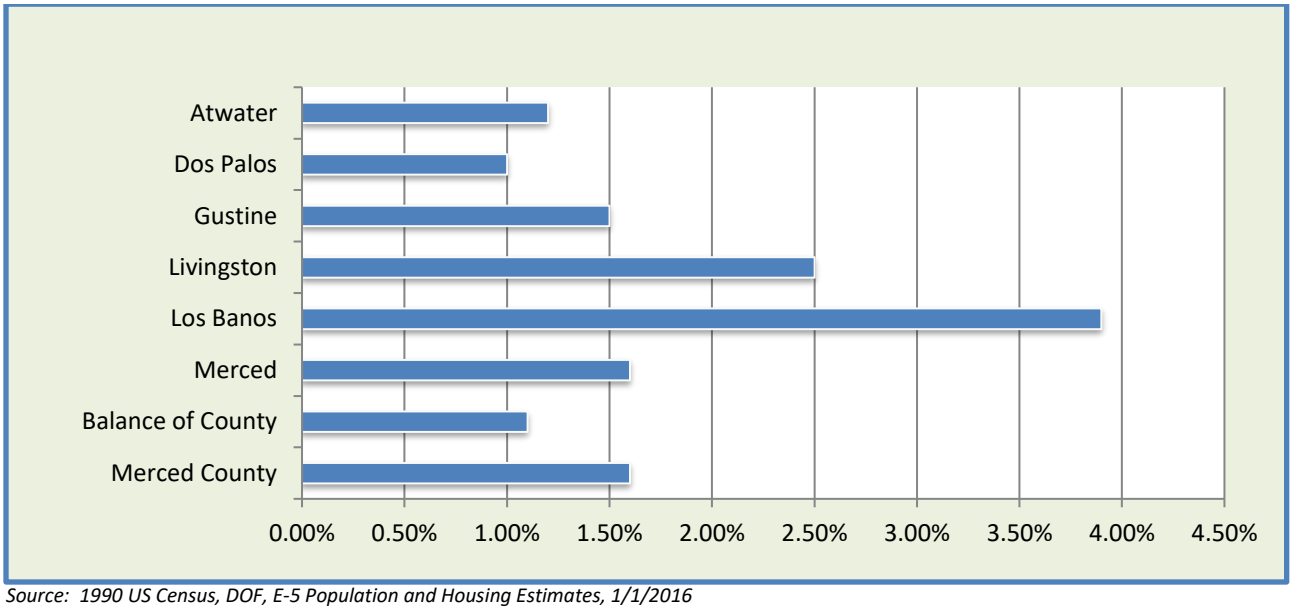
The City of Gustine is second to the smallest of the six cities in Merced County, only slightly larger than Dos Palos. All jurisdictions experienced strong population growth between 1990 and 2009 but slow growth between 2009 and 2016; the County's total population grew by 52% (Table 3-B). However, while growing a healthy 49% during the previous 26 years, the City of Gustine did not experience the explosive growth (Chart 1) that occurred in other regional cities such as Los Banos (171%) or Livingston (89%). Since 1990, the City of Gustine has experienced an annual growth rate of 1.5%.

Table 3-B
Population Trends – Neighboring Jurisdictions

Jurisdiction Name	Years		Change (1990 – 2016)	
	1990	2016	Number	Percent
Atwater	22,282	30,061	7,779	34.9%
Dos Palos	4,196	5,378	1,182	28.2%
Gustine	3,931	5,842	1,911	48.6%
Livingston	7,317	13,845	6,528	89.2%
Los Banos	14,519	39,359	24,840	171.1%
Merced	56,216	83,962	27,746	49.4%
Balance of County	69,942	93,128	23,186	33.2%
Merced County	178,403	271,575	93,172	52.2%

Source: 1990 US Census, DOF, E-5 Population and Housing Estimates, 1/1/2016

Chart 1
Annual Population Growth Rate, 1990 - 2016



Source: 1990 US Census, DOF, E-5 Population and Housing Estimates, 1/1/2016

Diversity

Between 1990 and 2010, the City of Gustine has seen an increase in the overall diversity of its population (Table 3-C). According to the 2010 Census, persons who categorized themselves as Hispanic represented 50.2% of the City's population. This is an increase from 1990 Census when the Hispanic population was estimated to be 19.8%. In terms of actual numbers, the Hispanic population more than tripled in 20 years from 779 in 1990 to 2,769 in 2010 (Table 3-D).

Table 3-C
Population by Race

City of Gustine	1990		2010	
	Number	Percent	Number	Percent
White	3,484	88.6%	3,875	70.2%
Black	27	0.7%	73	1.3%
American Indian, Eskimo, or Aleut	15	0.4%	54	1.0%
Asian	56	1.4%	95	1.7%
Pacific Islander	7	0.2%	8	0.1%
Other and/or two or more races	342	8.7%	1,415	25.6%
Total	3,931	100.0%	5,520	100.0%

Source: 1990, 2010 US Census

Table 3-D
Hispanic Origin

City of Gustine	1990		2010	
	Number	Percent	Number	Percent
Not of Hispanic origin	3,152	80.2%	2,751	49.8%
Hispanic origin	779	19.8%	2,769	50.2%
Mexican	576	14.7%	2,552	46.2%
Puerto Rican	16	0.4%	22	0.4%
Cuban	1	0.0%	0	0.0%
Other Hispanic	186	4.7%	195	3.5%
Total Population	3,931	100.0%	5,520	100.0%

Source: 1990, 2010 US Census

The City continues to benefit from its ethnic diversity and traditions. Persons of Hispanic and Portuguese ancestries represent the two largest ethnic groups in Gustine. The seven largest ethnic groups are listed in Table 3-E on the next page.

Table 3-E
Ancestry

City of Gustine	2015	
	Number	Percent
Hispanic	3,037	53.7%
Portuguese	1,025	18.1%
German	526	9.3%
Italian	184	3.3%
Irish	125	2.2%
English	135	2.4%
Other	624	11.0%
Total	5,656	100.0%

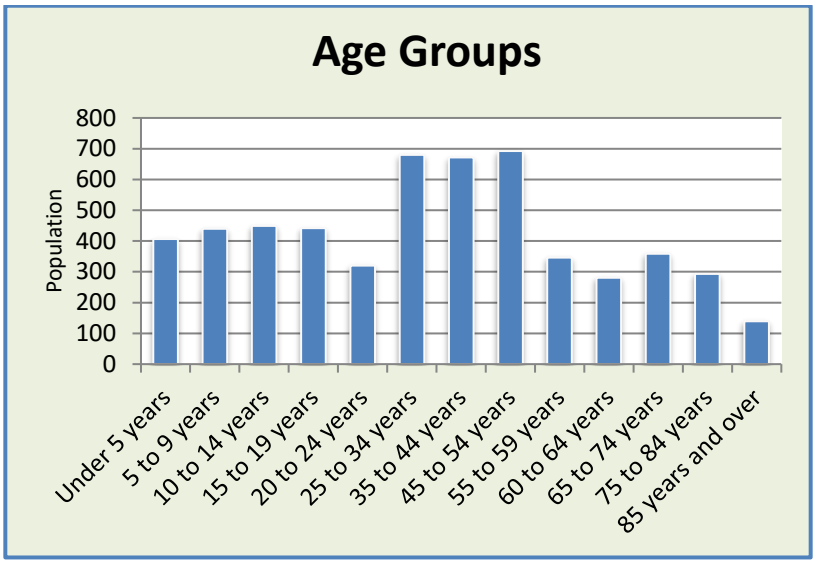
Source: 2011-2015 American Community Survey (DP02)

Age Characteristics

According to the 2010 Census, the 45–54, the 25–34, and the 35–44, age groups represent the largest age groups in the City, respectively. The senior population, age 65 and over represents over 19% of the population in 2010. In addition, a strong proportion of the population—over 31%—is under the age of 20 (see Chart 2). This implies in the future there will be continued demand for a variety of housing types within Gustine. Over the last decade, with the exception of the ages 65–74, there has been an increase

in every age group. The 45–54 age group experienced the largest numerical growth since the 1990 Census, followed by the 15-19 and 55-59 age groups respectively (Table 3-F).

Chart 2
Population by Age Category



Source: 2010 US Census

Table 3-F
Population by Age

Age Group	1990		2010	
	Number	Percent	Number	Percent
Under 5 years	309	7.9%	407	7.4%
5 to 9 years	300	7.6%	440	8.0%
10 to 14 years	292	7.4%	449	8.1%
15 to 19 years	259	6.6%	442	8.0%
20 to 24 years	225	5.7%	320	5.8%
25 to 34 years	538	13.7%	680	12.3%
35 to 44 years	617	15.7%	672	12.2%
45 to 54 years	296	7.5%	692	12.5%
55 to 59 years	176	4.5%	346	6.3%
60 to 64 years	213	5.4%	281	5.1%
65 to 74 years	436	11.1%	359	6.5%
75 to 84 years	223	5.7%	293	5.3%
85 years and over	47	1.2%	139	2.5%
Total	3,931	100.0%	5,520	100.0%

Source: 1990, 2010 US Census

Population Conclusions

The City of Gustine is the smallest cities in Merced County but over the last 25 years grew faster than Atwater, Dos Palos, or unincorporated Merced County. The City's population characteristics continue to change, and the City's housing needs are more diverse. The City has a growing population with Hispanic origins and continues to embrace its Portuguese heritage and traditions. The data on population age groups suggests a growing demand for housing for young adults who currently have limited housing choices within the City.

3.2 Employment and Income Trends

Employment Opportunities

The residents of Gustine work in a number of different occupations. Nine hundred and sixty-five people, who represent over 42 percent of the City's labor force, have an occupation in sales/office or management/profession work (Table 3-G). Much of area's employment opportunities have traditionally come from the agriculture industry, and with over 22 percent of the workforce laboring in industries such as dairy production and processing, this industry is still vital to the local economy.

In recent years, Gustine has experienced a more diverse range of employment potential, with significant gains in agriculture. Between 2000 and 2010 there were some reductions in the manufacturing sector, but retail trade and manufacturing remain the largest industries (Table 3-H) in the city.

Table 3-G
Employment by Occupation

Occupations	2015	
	Number	Percent
Management, professional and related	455	19.8%
Service	383	16.7%
Sales and office	510	22.2%
Natural Resources, Construction, extraction, and maintenance	518	22.6%
Production, transportation, and material moving	427	18.6%
Employed persons 16 years and over	2,293	100.0%

Source: 2011-2015 American Community Survey 5-Year Estimates

Table 3-H
Employment by Industry

Industry Type	2000		2015	
	Number	Percent	Number	Percent
Agriculture, forestry, fisheries, and mining	178	9.3%	423	18.4%
Construction	63	3.3%	101	4.4%
Manufacturing	229	12.0%	204	8.9%
Wholesale trade	142	7.5%	69	3.0%
Retail trade	305	16.0%	371	16.2%
Transportation	195	10.2%	206	9.0%
Information	25	1.3%	37	1.6%
Finance, insurance, and real estate	84	4.4%	101	4.4%
Professional, scientific, and management, and administrative and waste management services	242	12.7%	163	7.1%
Educational services	208	10.9%	305	13.3%
Arts, entertainment and recreation services	107	5.6%	181	7.9%
Other professional and related services	75	3.9%	87	3.8%
Public administration	52	2.7%	45	2.0%
Employed persons 16 years and over	1,905	100.0%	2,293	100.0%

Source: 2000 US Census; 2011-2015 American Community Survey 5-Year Estimates

The City's labor force has been increasing at a rate greater than that of the total population. Between 1990 and 2015 there has been an increase of 1,378 people added to the labor force (Table 3-I). In 1990, the labor force represented 38 percent of the population and by 2015 the labor force now represents 51 percent of the total population. This indicates more people within households are now working, out of either necessity or desire.

Table 3-I
Percentage of Population in Labor Force

Year	Total Population	Labor Force	Percentage
1990	3,931	1,493	38%
2000	4,698	1,905	41%
2010	5,520	2,043	37%
2015	5,618	2,871	51%

Source: 1990, 2000 US Census, 2006-2010 and 2011-2015 American Community Survey 5-Year Estimates

Income Levels

According to the California Employment Development Department (EDD), per capita income in 2013 (latest data published) for Merced County was $31,935. Table 3-J includes annual EDD labor market wage data for occupations representative of those within the City's labor force.

Table 3-J
Typical Wages

Occupation	2016 Mean Wage
Elementary/Secondary School Teacher	$ 29,328
Physicians' Offices	$ 52,000
Supermarkets and Groceries	$ 24,856
Office and Administrative Support	$ 37,336
Nut Tree Farming	$ 26,260
Skilled Nursing Facilities	$ 27,248

Source: California Employment Development Department Labor Market Information, 1st Quarter 2016

Table 3-K
Unemployment Rate

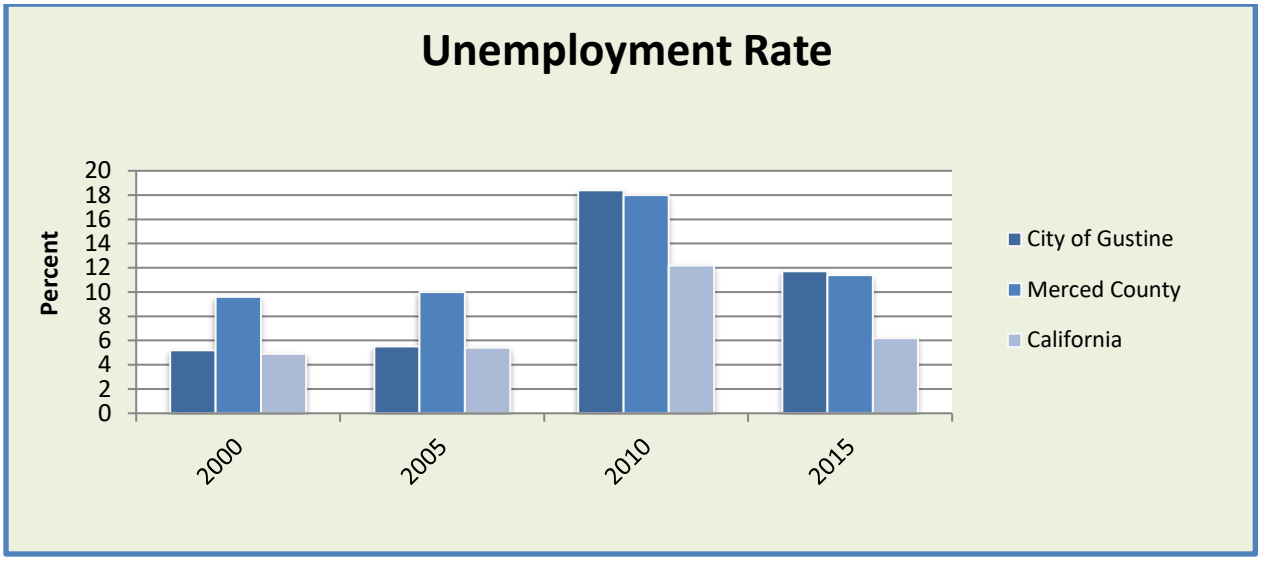
Year	City of Gustine	County of Merced	State of California
2000	5.2	9.6	4.9
2005	5.5	10.0	5.4
2010	18.4	18.0	12.2
2015	11.7	11.4	6.2

Source: California Employment Development Department Labor Market Information, February 2017

Unemployment Rate

According to the EDD (Table 3-K), the 2015 unemployment rate for the California was 6.2 percent, the County of Merced was at 11.4 percent and the City of Gustine rate was 11.7 percent. The City has the lowest unemployment rate of the six cities located within Merced County. Between 2010 and 2015, the City's unemployment rate was slightly higher than for Merced County as a whole (Chart 3).

Chart 3
Unemployment Rate Trends – Gustine, Merced County and California



Source: California Employment Development Department Labor Market Information, 2000 thru 2015

Commuting Patterns

According to the 2015 American Community Survey (US Census Bureau) of the working residents in the City of Gustine; 1,848 drove to their job by themselves, 283 participated in carpools, and 61 walked to their job. The percentage of people who reside in Gustine and commute to work outside of the City and even outside of Merced County has been increasing (Table3-L). Commuting times are getting longer; in 1990 over 66 percent commuted less than 15 minutes and by 2015 only 50 percent of commutes were under 15 minutes. The percentage of persons with longer commutes (60 minutes or more) are increasing at an even greater rate; in 1990 only 132 people or 8.9 percent of workers commuted over 60 minutes and by 2015 the number of people commuting over 60 minutes had increased to 292 or 13.3 percent of Gustine's workers.

Table 3-L
Commuting Patterns

City of Gustine	1990		2000		2015	
	Number	Percent	Number	Percent	Number	Percent
Worked in Gustine	686	46.5%	655	35.2%	592.65	27%
Worked outside Gustine	790	53.5%	1,206	64.8%	1,602	73%
Worked in Merced Co	945	64.0%	1,142	61.4%	1,350	62%
Worked outside Merced Co	531	36.0%	719	38.6%	845	39%
Commute Time to Work						
0-14 Minutes	978	66.3%	768	41.3%	1,089	49.6%
15-29 Minutes	169	11.4%	293	15.7%	452	20.6%
30-44 Minutes	90	6.1%	216	11.6%	257	11.7%
45-60 Minutes	93	6.3%	164	8.8%	105	4.8%
60 or more Minutes	132	8.9%	326	17.5%	292	13.3%
Worked at Home	14	0.9%	94	5.1%	--	--

Source: 1990, 2000, US Census; 2015 American Community Survey

Employment Conclusions

Employment trends indicate Gustine's increasingly diversified employment opportunities and an increasing number of people commuting to the Bay Area have helped cushion unemployment rates of the City's population versus surrounding jurisdictions. However, the growing labor force indicates a strong need for moderate- and lower-income housing to support the housing needs of persons employed by the retail and health services industries within the City. These jobs ordinarily do not provide the income needed to buy a new home in the City. In addition, a larger percentage of the population joining the labor force indicates a potential increasing need for childcare and adult daycare opportunities.

3.3 Household and Affordability Trends

Household Formation

Household formation can be influenced by population growth, adult children leaving home, through divorce, and with the aging of the population. Between 1990 and 2000, the City of Gustine increased by 160 households or 10.5 percent (Table 3-M). Currently, the State Department of Finance (DOF) estimates there are 1,923 households in the City. The City's June 2009 Housing Conditions Survey (detailed in Section 3.4) concludes there are 1,851 households. However, for consistency, DOF estimates will be used unless noted otherwise. ~~If current growth rates remain consistent (1.38 percent annual household growth 1990-2009), the City of Gustine is projected to have an additional 152 households for a total of 2,075 households by 2014.~~

Table 3-M
Household Growth Trends

Year	Households	Numerical Change	Percent Change	Average Annual Growth Rate
1990	1,523			
2000	1,683	160	10.51	1.00%
2010	1,879	196	11.65	1.11%
2016	1,971	92	4.90	0.48%

Source: 1990, 2000 US Census, California Department of Finance E-5 City/County 2017

Households by Type

There are many types of households within the City of Gustine; understanding the special characteristics of the various types of households that make up the overall community is vital to guiding the City in developing appropriate housing policies and programs. Table 3-N shows Households by Type in the City according to the 2010 US Census.

Table 3-N
Households by Type

Type	Number	Percent
Family households (families)	1,370	72.9
With own children under 18 years	665	
Married-couple family	1,025	
With own children under 18 years	521	
Female householder, no husband present	227	
With own children under 18 years	146	
Nonfamily households	509	27.1
Householder living alone	437	

Source: 2010 US Census

Average Household Size

In 2016, according to the California Department of Finance the average household size in the City is 2.96 persons. This is a slight increase from the 2000 US Census which indicated an average of 2.80 persons per household. Gustine has the smallest average household size of any of the surrounding communities. In fact, the average household size is approximately 11 percent smaller than the 3.34-person average for Merced County.

Median Family Incomes and Standard Income Groups

Median Family Incomes (MFI) and Income Group Limits are estimated and published annually by the U.S. Department of Housing and Urban Development (HUD). Income group limits, consistent with government codes, are based on a Metropolitan Statistical Area (MSA) or County MFI and adjusted for Census Current Population and American Community Surveys and Bureau of Labor Statistics data. The HUD MFI and

Income Limits Tables are used to determine eligibility for all government housing assistance programs nationwide. The City of Gustine is in the Merced MSA, which covers the County of Merced. The 2015 MFI for the Merced County MSA was $57,900, based on a 4-person household.

The established standard Income Groups are generally defined as follows:

- Extremely Low: * households earning less than 30 percent of the median income
- Very Low households earning between 30 – 50 percent of median income
- Low: households earning between 50 – 80 percent of the median income
- Moderate: households earning between 80 – 120 percent of the median income
- Above Moderate: households earning over 120 percent of the median income

**Extremely Low is a new income group for this planning cycle and consists of 50 percent of those that would have been included in the "old" Very Low-Income Group – less than 50 percent of median income.*

Based on the 2015 HCD household Income Limits Table, 60 percent of the households in Gustine are classified as moderate or above moderate income while 40 percent of the City's households are classified as low, very low and extremely low.

Table 3-O
Households by 2015 Income Categories

Income Category	Income Range	Percent
Extremely Low	Less than $17,370	11.5%
Very Low	$17,370 - $28,950	11.5%
Low	$28,950 – $46,320	17.0%
Moderate	$46,320 – $69,480	19.0%
Above Moderate	Greater than $69,480	41.0%

Source: HUD, MCAG 2016 Regional Housing Needs Assessment

Rental Affordability and Costs

~~This housing market recovery has led to lower rental prices. According to the American Community Survey (US Census Bureau), median rent was $897 per month in 2015, up from $651.00 per month in 2007 but down from $992 per month peak in 2011, when rents were higher due to the 2008 collapse of the housing sales market.~~According to the website "Trulia" (https://www.trulia.com/for_rent/Gustine,CA/), the median price for rentals in Gustine in 2019 was $1,178. The family of four earning the median family income of $57,900 and spending 30 percent of its income on housing could afford approximately $1,450 in monthly rent. Table 3-P shows rental affordability for all income groups in Gustine.

Table 3-P
Rental Affordability
Merced County

	HCD Annual Income Limit[1]	Affordable Monthly Rent[2]
Extremely Low Income (up to 30%)	$24,250	$606
Very Low Income (Up to 50%)	28,950	724
Low Income (50% to 80%)	46,300	1,158
Median (80% to 100%)	57,900	1,448
Moderate (100% to 120%)	$69,500	$1,738

Notes: [1]*Income limit for a four-person family as defined by HCD in 2015*
[2]*Assumes 30 percent of monthly income*
Sources: *ZeroCity; California Department of Housing and Community Development*

Ownership Affordability and Costs

According to ~~redfin.com~~Zillow (https://www.zillow.com/gustine-ca/home-values/), the median sales price of homes in the City of Gustine was $~~236,000~~285,100 as of ~~March 2017~~November 2019, recovering from a low of $76,000 in 2011. Likewise, the price per square foot has increased from a low of $65 to a current $152. The family earning the median family income of $57,900 and spending 30 percent of its income on housing can afford a median priced house of $236,000 house. Table 3-Q shows ownership affordability for Gustine.

Table 3-Q
Ownership Affordability
Merced County

Median Housing Price (2017) = $236,000

% Area Median Income	HCD Annual Income Limit[1]	Mortgage[2]	Monthly Payment[3]	Price of Affordable House[4]
Extremely Low Income (up to 30%)	$24,250	$88,712	$606	$98,569
Very Low Income (Up to 50%)	28,950	$105,906	$724	$117,673
Low Income (50% to 80%)	46,300	$169,376	$1,158	$188,196
Median (80% to 100%)	57,900	$211,812	$1,448	$235,346
Moderate (100% to 120%)	$69,500	$254,247	$1,738	$282,497

Notes: [1]*Income limit for a four-person family as defined by HCD in 2015*
[2]*Assumes 30 percent of income for house expense, 2.85 percent interest rate, 15-year fixed-rate mortgage*
[3]*Assumes 30% of average monthly income*
[4]*Assumes a 10 percent down payment*
Sources: *California Department of Housing and Community Development; Coastplans*

Households Overpaying for Housing

In 2015, 54.1 percent of renters and 35.9 percent of owners were overpaying for housing. Overpaying is defined by paying more than 30% of household income on monthly rent or mortgage. Overall 743 households (379 owners and 364 renters) or 43.0 percent were overpaying (Table 3-R).

Table 3-R
Overpayment by Income Category – City of Gustine

Household	Extreme Low	Very Low	Low	Moderate	Above Moderate	Total
Ownership Households	214	109	274	199	261	1,056
Overpaying owner households	110	48	95	96	30	379
Percent overpaying owners	51.6%	44.4%	34.6%	48.2%	11.5%	35.9%
Renter Households	242	197	159	45	29	673
Overpaying renter households	196	112	56	0	0	364
Percent overpaying renters	81.0%	57.0%	34.9%	0.0%	0.0%	54.1%
Total Households	456	305	433	244	290	1,728
Overpaying households	307	160	150	96	30	743
Percent overpaying households	67.2%	52.5%	34.7%	39.3%	10.3%	43.0%

Source: 5th Housing Element Data Package Merced County

Household Tenure

Tenure, or the ration between homeowner and renter households, can be affected by many factors, such as housing costs (including interest rates, economics, land supply, and development constraints), housing type meaning single-family versus multifamily units, housing availability, income status, job availability and consumer preference. Both renter and owner households have experienced numeric increases between 1990 and 2000; however, the owner proportion is increasing and represented 68 percent of all households in 2000 (Table 3-S).

Table 3-S
Households by Tenure

	1990		2000		2012	
	Number	Percent	Number	Percent	Number	Percent
Owner	991	65%	1,143	68%	1,184	61%
Renter	532	35%	540	32%	745	39%
Total	1,523	100%	1,683	100%	1,929	100%

Source: 1990, 2000 US Census; 5th Housing Element Data Package Merced County

3.4 Special Housing Needs

Certain types of households have special housing needs. These households generally consist of low-income owner occupants or tenants. Households especially susceptible to low-income are generally characterized as the elderly, large families, families living in overcrowded conditions, single heads of household, persons living in group homes, farmworkers, the physically or mentally disabled, households displaced by governmental actions, and the homeless. An analysis of groups that fall into these categories follows. Individuals and families that fall into these categories often deal with discrimination, a higher cost of living, have trouble accessing goods and services, and are often not able to secure affordable housing. By identifying individuals who fall into these categories, appropriate programs can be developed to assist in providing adequate housing types.

The Elderly

In order to maintain a satisfactory quality of life, residents of Gustine must have access to housing which suits their varying needs during each stage of their lives. As people age, they often find themselves facing additional housing problems they may not have had to cope with previously. Senior households have special housing needs primarily due to three major concerns; physical disabilities/limitations, income and health care costs.

According to the 2010 census, 14 percent of the City's population of 5,520 were age 65 years or older (Table 3-F). In addition, 25 percent of all households include a person age 65 years or older. The majority of Gustine's elderly population, 82% of those over 65 years live in owner-occupied housing, while 18% are renters.

Gustine Garden Apartments are a 35-unit senior citizen housing development built by private enterprise with the use of a 515 Federal loan through Farmer's Home Administration. These duplexes, designed for the elderly are a tremendous asset to the City and there will be an increasing demand for more of these types of units in the future. It is interesting to note that there are a significant number of people in Gustine who live alone. The following table (Table 3-T) displays characteristics of the elderly population of the City. There currently is no convalescent or assisted care facility located in Gustine; however, the City would benefit from this type of development. The City will support and encourage the development of this type of housing facilities to help meet the growing demand of the elderly population (Policy 1J).

Table 3-T
Housing Characteristics of Elderly

	Number	Percent
Total Households	1,929	100%
Households with individuals 65 and over	483	25%
Renter-Occupied 65 and over	87	18%
Owner-Occupied 65 and over	396	82%
Householder living alone 65 and over	253	13%

Source: 2010 US Census

Extremely Low-Income Households

Extremely low-income (ELI) is defined as households with less than 30 percent of area median income. In 2015, the area median family income was $57,900. The Department of Housing and Urban Development

(HUD) sets income limits for housing programs. Based on HUD's limits, the Department applies the higher state "non-metropolitan" median figure to Merced County. For extremely low-income households, this results in an income of $24,250 or less for a four-person household or $12,150 or less for a one-person household (Table 3-U). Extremely low-income households are more likely to be renters, to overpay for housing, to live in overcrowded circumstances and/or to live in substandard dwellings.

Table 3-U
~~2015~~ 2019 Income Category Limits – Merced County

Median Income	2009 Income Limit Category	1 Persons	2 Persons	3 Persons	4 Persons
$57,900	Extremely Low	~~$12,150~~$13,650	~~$15,930~~$16,910	~~$20,090~~$21,330	~~$24,250~~25,750
	Very Low	~~$20,300~~$22,700	~~$23,200~~25,950	~~$26,100~~29,200	~~$28,950~~$32,400
	Low	~~$32,450~~36,300	~~$37,050~~$41,500	~~$41,700~~46,700	~~$46,300~~$51,850

Source: FY ~~2015~~ 2019 HUD Income Limits, Merced County

In 2011, approximately 456 extremely low-income households resided in the City of Gustine, representing 26.4 percent of the total households. Most (53.1 percent) extremely low-income households are renters and experience a high incidence of housing problems (Table 3-V). For example, 95.3 percent of extremely low-income households renting paid more than 50 percent of their income toward housing costs, compared to 20.1 percent for all households.

Table 3-V
Housing Problems for Lower Income Households – City of Gustine

Housing Problems For Low, Very Low, and Extremely Low Income Households			
	Total Renters	Total Owners	Total Households
Household Income <=30% MFI	215	105	320
% with any housing problems	95.3%	61.9%	84.4%
% Cost Burden >30%	95.3%	66.7%	83.1%
% Cost Burden >50%	95.3%	52.4%	78.5%
Household Income >30% to <=50% MFI	40	155	195
% with any housing problems	62.5%	58.1%	59.0%
% Cost Burden >30%	60.0%	58.1%	56.4%
Household Income >50% to <=80% MFI	260	145	405
% with any housing problems	67.3%	51.7%	61.7%
% Cost Burden >30%	67.3%	51.7%	63.0%

Source: State of the Cities Data Systems: Comprehensive Housing Affordability Strategy (CHAS) Data

To calculate projected housing need, the City assumed 50 percent of its very low-income regional housing need is extremely low-income households. As a result, from the very low-income need of 61 units, the City of Gustine has a projected need for 30 additional housing units for extremely low-income households (rounded down). That would indicate a total of 350 extremely low-income households in the City by 2023. Many extremely low-income households will be seeking rental housing and most likely facing an overpayment, overcrowding or substandard housing condition. Some extremely-low income households could be with mental or other disabilities and special needs.

Large Families

U.S. Census Bureau defines large family households as households containing five or more persons. Due to the limited supply of adequately sized units to accommodate large family households, large families face an above-average level of difficulty in locating adequately-sized, affordable housing. Even when larger units are available, the cost is generally higher than that of smaller units. The lack of supply, compounded with the low-incomes of larger families, results in many large families living in overcrowded conditions.

According to the 5th Housing Element Data Package Merced County, 14 percent of all households within the City have large family households (Table 3-W). The percentages are greater for families that are renters; over 17 percent are considered to be large families. Currently, five (5) percent of the rental housing stock in the City has four (4) or more bedrooms (Table 3-X), which results in overcrowded situations. There is a need for additional rental units with three, four or more bedrooms and the City encourages the development of larger rental housing units to accommodate these large families (Policy 1I).

Table 3-W
Household Size by Tenure

	1-4 Persons		5 or more Persons		Total	
	Number	Percent	Number	Percent	Number	Percent
Owner	1,039	88%	145	12%	1,184	100%
Renter	545	83%	108	17%	653	100%
Total	1,584	86%	253	14%	1,837	100%

Source: 5th Housing Element Data Package Merced County

Table 3-X
Tenure by Bedrooms

Bedrooms	Owner Households		Renter Households		All Households	
	Number	Percent	Number	Percent	Number	Percent
0 BR	0	0.0%	31	5.4%	31	1.7%
1 BR	46	3.6%	140	24.6%	186	10.1%
2 or 3 BR	863	67.6%	373	65.4%	1,236	66.9%
4 + BR	367	28.8%	26	4.6%	393	21.3%
Total	1,276	100.0%	570	100.0%	1,846	100.0%

Source: 2010 US Census

Overcrowded Households

The Census defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens). Units with more than 1.5 persons per room are considered severely overcrowded. Overcrowding increases health and safety concerns and stresses the condition of the housing stock and infrastructure. Overcrowding is strongly related to household size, particularly for large households and especially very large households and the availability of suitably sized housing. Overall, 7.8 percent of all households in 2012 were considered to be overcrowded, 1.0 percent were severely overcrowded. Overcrowding impacts both owners and renters; however, renters are generally more significantly impacted. In 2012, 10.9 percent of renter households in the City were overcrowded, none were considered to be severely overcrowded. Meanwhile, 5.9 percent of owner households were overcrowded and 1.6 percent were considered severely overcrowded. This solidifies the need for housing with three, four or more bedrooms and the City encourages the development of large rental housing units to help alleviate overcrowded conditions (Policy 1L).

Female Heads of Households

In 2010, 25.2 percent of all family households in the City of Gustine were headed by a single parent (345 households). This is an increase from 1990, when single parents headed 12.5 percent of all households in the City. Of the 345 single-parent headed households, 34.2 percent were female-headed households. Out of a total of 1,400 families residing in the City, 186 families were living below the poverty level. In other words, 13.3 percent of the families living in the Gustine had incomes below the poverty level and 54.3 percent of those families were female-headed households (Table 3-Y). In 2000, 38.0 percent of female-headed family households were living under the poverty level while no male single-parent households lived below the poverty level.

Table 3-Y
Female-Headed Households

Householder Type	Number	Percent
Total Family Households	1,400	100%
Total Female Headed Family Householders	255	18.2%
with related children under 18	175	12.5%
without related children under 18	80	5.7%
Total Families Under the Poverty Level	186	13.3%
Female Headed Households Under the Poverty Level	101	7.2%

Source: Census Bureau (2000 Census SF 3: P10 and P90)

In 2000, there were 171 female-headed family households and by 2010 that figure had increased to 255; a 49 percent increase in the number of female-headed family households between 2000 and 2010. The proportion of those households living under the poverty level has remained fairly constant, increasing from 38.0 percent to 39.6 percent; however, the total number of such families has increased from 65 in 2000 to 101 by 2010, a 55.4 percent increase.

As in much of the surrounding area, female-headed family households with children are one of the groups most in need of public assistance. The status of such families has planning implications for housing, childcare, recreation programs, schools and other social services. Gustine recognizes the need for these families to have both affordable housing and the supportive service needs of female-headed households

addressed; the City of Gustine encourages the development of additional multifamily rental housing, including three and four-bedroom units that are appropriately sized to accommodate the needs of these families (Policy 1I). In addition, the City supports incorporating alternative development designs that might include childcare facilities to allow single mothers to secure gainful employment outside the home.

Group Quarters

Group quarters refer to two types of living arrangements: a living situation where unrelated persons share a kitchen and perhaps bath facilities such as a boarding house and the other situation applies to units in which people are cared for and includes facilities such as hospitals, convalescent homes, boarding schools, and prisons.

There are currently no group quarters type housing located within the City of Gustine. However, this could change in the next five years as an aging population could benefit by the development of a convalescent home or an assisted living facility. The City will support and encourage the development of this type of housing facilities to help meet the growing demand of the elderly population (Policy 1J).

Farmworkers

According to the 2010 Census, there were 423 people employed in agriculture living in the City, an increase of 245 persons from the 178 persons in 2000. Not all agricultural employment falls into the farmworker category. However, counting the true number of farmworkers during past censuses has been a challenge and the consensus is farmworkers have been historically undercounted. During the summer and early fall; there is a large migrant farmworker population in Gustine. The size and needs of this group are difficult to gauge because of its transient nature and the fact that some of these workers are undocumented aliens.

The availability of housing for farm laborers is impacted by the influx of better paid packing shed workers who compete for short-term housing. What often happens is that farm laborers “double up” or live in “non-housing” units.

The 2012 Ag Census estimates that there were 17,265 workers employed in agriculture in Merced County, and increase of 10,736 workers from the 6,529 workers in 2000. This figure includes farmers and members of their families who were unpaid; regular and seasonal hired domestic workers; and agricultural workers brought to California under contract from outside the United States.

Farmworkers have the lowest annual household income of any occupation surveyed by the US Census. The problem of low hourly wages is compounded by the seasonal nature of agricultural employment, resulting in farmworkers’ inability to compete for housing on the open market. The Housing Authority of the County of Merced manages four migrant housing centers in the county, totaling 255 units, which are available in the summer season only. These units are reserved for farmworkers only. The centers are located:

- 62 units, Atwater/Livingston
- 50 units, Merced
- 56 units, Los Banos
- 87 units, Planada (unincorporated Merced County)

Since the Regional Housing Needs Plan concentrates on determining a needed increase in housing available for year-round occupancy; it is assumed that seasonal and migrant workers will continue to be housed in non-year-round units. For regional planning purposes, this means that no net increase in

seasonal or migrant housing is calculated in the 2014 RHNA. However, the City of Gustine recognizes that during the seasonal influx of farmworkers, there is a need for adequate seasonal housing.

Homeless

According to the Merced County 2017 Homeless Count and Survey, the number of homeless in Merced County was estimated to be 454 in 2017. In the City of Gustine, the survey counted one (1) homeless person. The Police Department, in cooperation with the Salvation Army, works to find temporary lodging for destitute persons and families. The County Social Services Department and local churches and services organizations provide additional emergency housing and longer-term support. However, the City is supportive of emergency shelters and other transitional housing programs that assist the homeless and other persons and families in need of temporary lodging as described in Policy 1E. The City has included Implementation Program 1-E to amend the City's zoning ordinance in accordance with SB2, to identify at least one zone where emergency shelters are allowed "by-right" or by the means of a multi-jurisdictional agreement, if it is determined that the need for emergency shelters can be better with such an agreement.

Emergency Shelters

State law requires jurisdictions to provide for a variety of housing types including emergency shelters and transitional/supportive housing. Senate Bill 2 of 2007 requires all jurisdictions to allow emergency shelters by-right in at least one zone and stipulates that transitional and supportive housing is a residential use subject only to the same standards and procedures for other residential uses of the same type in the same zone. The City's Zoning and Subdivision Code did not comply with the requirements of SB 2, and to address this shortcoming, a new Implementation Program 1-E was included in this Housing Element in 2011. The program committed the City to revise its Zoning and Subdivision Code to conform to the requirements of SB2. The program targeted the M (Manufacturing) Zone for amendment to include emergency shelters as a permitted use subject to appropriate development standards as permitted under SB2. The M Zone was selected as the appropriate zone to allow emergency shelters because of a sufficient amount of vacant and/or underutilized land contained in the zone designation.

The M Zone encompasses approximately 21 acres and is generally located along transportation routes, near commercial services, and provides the capacity for at least one emergency shelter. While the M Zone allows manufacturing, it also permits a wide variety of uses, including live/work units, single family dwellings, child day cares, transit stations, convenience stores, fitness or health facilities, restaurants, cafes, and coffee shops, compatible with the development of emergency shelters. In addition~~,~~ there are no known environmental constraints or other conditions on land within the M Zone that could render it unsuitable for residential or emergency shelter uses.

The City implemented Implementation Program 1-E in 2017, prior to adoption of this Housing Element Update, so the City's Zoning and Subdivision Code now adequately addresses transitional and supportive housing.

Displaced Households

Households that are forced to relocate due to public domain activities (redevelopment projects, street widening or construction of new street, code enforcement programs and flood control projects) are placed in circumstances that are unique because they were forced through actions taken by a local government to look for other accommodations. If these displaced residents or households are very low- to moderate-income households, they may experience great difficulty in locating suitable, affordable replacement housing. Fair prices from government for property of displaced homeowners are no

guarantee that they will be able to purchase suitable, affordable housing elsewhere. Renters who are displaced may also not be able to find suitable, affordable housing elsewhere. Therefore, the City of Gustine encourages and supports the Merced Housing Authority giving priority to low-income households that have been displaced by government actions (Policy 1H).

Persons with a Disability

Disabled is defined as a person with a disability, whether it be physical, mental, or sensory, which substantially limits one or more of the major life activities of the individual. Persons with disabilities have a number of housing needs related to accessibility of dwelling units; access to transportation; employment, and commercial services; and alternative living arrangements that include on-site or nearby support services.

According to the 2015 American Community Survey (US Census), the City of Gustine had 66 persons (1.7 percent of the total population) in the labor force with some sort of disability. There were also 391 persons (10.4 percent of the total population) not in the labor force with some sort of disability. Disabled persons need specific services and accommodations to live a normal life. Gustine has a high enough number of residents living with disabilities to plan for future housing projects and services to be offered for these individuals. Table 3-Z outlines the number of residents with disabilities in and outside of the labor force.

Table 3-Z
Disability by Employment Status

Employment Status by Disability Status	Number	Percent
Total	3,756	
Labor Force	2,805	74.7%
Employed	2,243	80.0%
With disability	25	1.1%
No Disability	2,218	98.9%
Unemployed	562	20.0%
With Disability	41	7.3%
No Disability	521	92.7%
Not in Labor Force	951	25.3%
With disability	391	41.1%
No Disability	560	58.9%

Source: 2015 American Community Survey (US Census)

The City recognizes that persons with disabilities require services and accommodations to live an ordinary life and the City has adopted a finding for reasonable accommodations in Chapter 4-52-060 of the Zoning and Subdivision Code to allow for a variance of site planning or development standards to accomplish a reasonable accommodation of the needs of persons with a disability. The City encourages the appropriate use of a finding for reasonable accommodations as indicated in Policy 1K and Implementation Program 1-G.

Persons with a Developmental Disability

In 2011, Senate Bill 812 took effect in California, requiring Housing Elements to include a focused evaluation of the special housing needs of persons with developmental disabilities. A "developmental disability" is defined as a disability that originates before an individual becomes 18 years old, continues, or can be expected to continue indefinitely, and constitutes a substantial disability for that individual. This includes mental retardation, cerebral palsy, epilepsy, and autism. The development of affordable and accessible homes is critical to expand opportunities for persons with developmental disabilities to live in integrated community settings. One of the biggest obstacles to living independently in the community is a lack of financial resources. Income is often limited and affordable housing where people can rent homes, apartments, duplexes, or mobile homes is crucial to the long-term stability of a person with developmental disabilities. In addition, access to various types of supported living services is critical for persons with developmental disabilities to live as independently as possible.

According to the California Department of Developmental Services, 51 of Gustine's residents had some sort of developmental disability. Table 3-AA summarizes data on people with developmental disability for Zip Code 95322.

Table 3-AA
People with Developmental Disabilities
Zip Code 95322

Residence Type	Number
Home of Parent/Family/Guardian	51
Independent Living	0
Community Care Facility	0
Immediate Care Facility	0
Foster Home	0
Other	0
	51

Source: California Department of Developmental Services, Quarterly Client Characteristics by County of Residence (March 2017)

3.5 Housing Conditions Survey

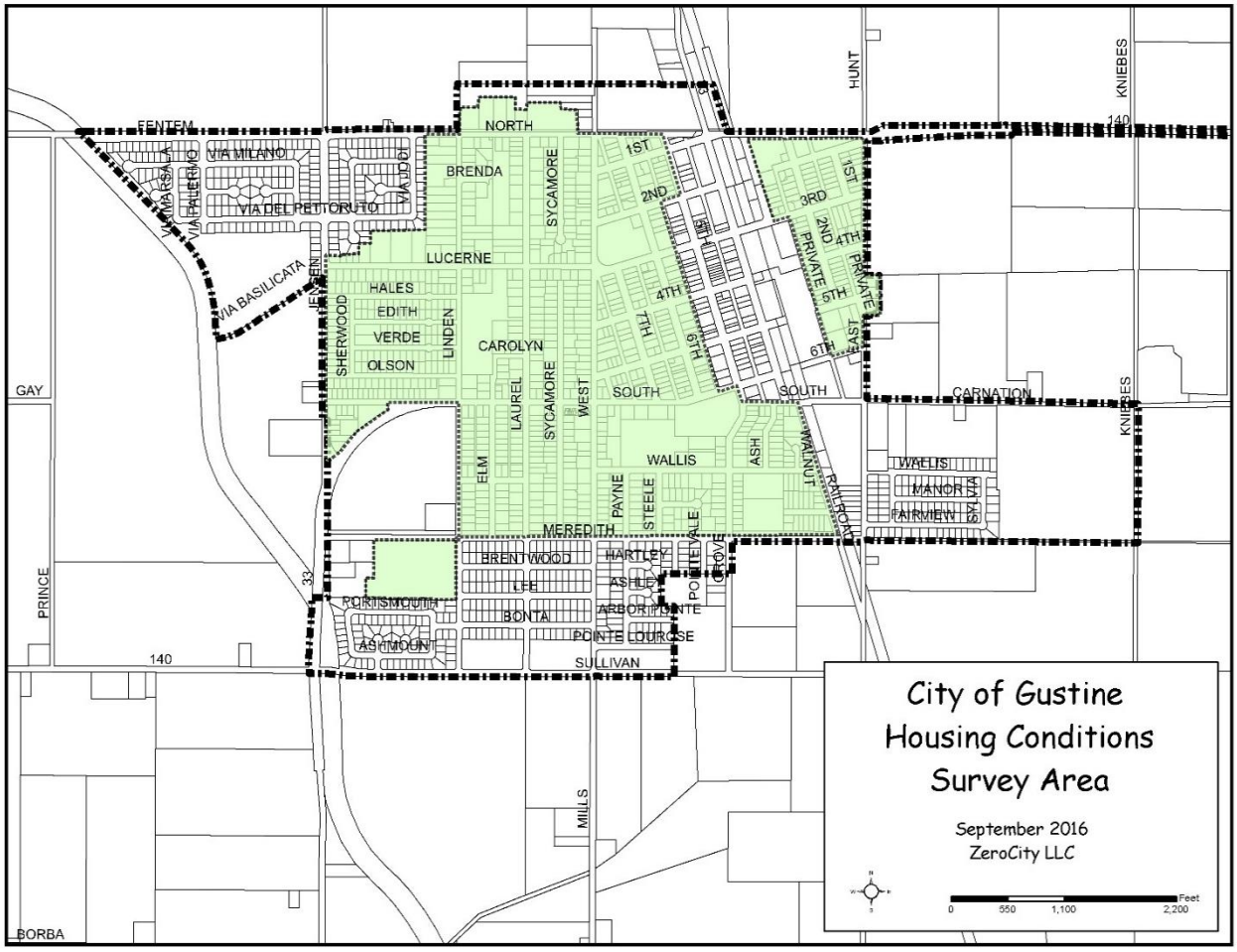
ZeroCity LLC conducted a windshield survey of housing conditions in support of the City of Gustine General Plan Housing Element's 2016 update. The survey was conducted over two days on September 13 and 14, 2016, and the survey instrument used was a modified version of a sample survey produced by the California Department of Housing and Community Development.

The windshield survey conducted does not allow for the inspection of interiors or foundations, which could have revealed serious problems not evident from the street. On the other side of the coin, many of the properties for which a survey form was completed were in need of only minor paint touch-up, and many of the roof tops noted could continue to serve well without immediate replacement.

Survey Area

The windshield survey was conducted in those neighborhoods of Gustine constructed primarily before 1980. The survey area contained 950 residential properties. Of these, 867 properties contained single family homes, 73 contained multi-family units (2 to 4 units), 9 contained multi-family units (5 or more), and one (1) contained a mobile home park. This survey area contains most of the pre-1980 housing stock in the city and represents approximately 58 percent of the total housing stock in the city. Map 1 shows the neighborhoods surveyed.

Map 1
Surveyed Neighborhoods



Source: ZeroCity LLC 2016; City of Gustine

Survey Results

Each of the 950 properties in the survey area were inspected from the street, and where any one of four categories of problems were detected—foundation, roofing, siding/stucco, and windows—a survey form was completed for the property. In all, 97 survey forms were completed. Table 3-BB summarizes the results of the survey.

Table 3-BB
Housing Conditions

Condition	Numerical Score	Number of Units	Percent of Total
Sound w/ no detectable problems	[No Form completed]	853 Units	90%
Sound w/ detectable problems	1 to 9 points	56 Units	6%
Minor problems	10 to 15 points	28 Units	3%
Moderate problems	16 to 39 points	13 Units	1%
Substantial problems	40 to 55 points	0 Units	--
Dilapidated	56 and over points	0 Units	--
TOTAL	[97 Forms Completed]	950 Units	100%

Source: ZeroCity LLC, 2016

Survey Conclusion

Gustine's housing stock in 2016 was in very good to excellent condition overall. The large majority of units surveyed had no detectable problems. In general, problems were scattered throughout the survey area, with clusters of minor problems only on the City's far west side (west of Linden Avenue) and on the City's far east side (west of Railroad Avenue). The City's multifamily housing complexes (e.g. Gustine Garden Apartments and Meredith Manor Apartment) and largest mobile home park (Green Acre Mobile Manor) were in excellent condition.

Many of the 950 units surveyed had old single-pane windows, which are energy inefficient. Survey points were not assigned to such units, but it is recommended that all single-pane windows in the residential housing stock be replaced with energy efficient double-pane windows over the course of the current housing element period. It is also likely (but not verified) that many houses have inadequate insulation. This too should be addressed in the coming years. Finally, with the exception of the newer neighborhoods that have LED lamps installed, street lighting is by relatively energy-inefficient sodium lamps. Attention to all of these measures would increase energy efficiency in Gustine's neighborhoods.

The results of this comprehensive housing conditions survey will be used as a vital tool helping establish the adequate sites inventory in Chapter 5. The City has included Policy 2A to seek Federal, State and other funding sources for the rehabilitation of substandard housing. In addition, the findings will help the City target those areas with the most need for redevelopment, rehabilitation, and infrastructure projects.

3.6 Vacancy Rates

Vacancy rates have tracked the recovery of the housing market. According to the California Department of Finance, housing vacancy rates in Gustine were 6.1 percent in 2016, recovering from a high of 10.0 percent in 2010. A community's vacancy rate provides a quantified measure of the health of the local housing market. A high vacancy rate indicates an overabundance of housing stock, which in this case is a

reflection of housing prices fell starting in 2008 with the housing market collapse. A low vacancy rate indicates a tight housing market with few choices and high rents. As a rule of thumb, a vacancy rate of 4.5 to 5.0 percent indicates a market reasonably well balanced between supply and demand. Table 3-CC shows vacancy rates between 2000 and 2016.

A search of homes for sale on Homes.com showed 74 homes for sale in April 2017. Of these, 15 homes were listed as foreclosures.

Table 3-CC
Housing Vacancy Rates

	Housing Units		
	Total	Occupied	Vacancy Rate
2000	1,763	1,683	4.5%
2005	2,015	1,869	7.2%
2010	2,087	1,879	10.0%
2016	2,100	1,971	6.1%

Source: California Department of Finance Tables E-8 and E-5

3.7 Housing Units by Type

Table 3-DD displays the distribution of housing units in Gustine based on data from the 5th Data Package Merced County, prepared by HCD. Mobile homes make up almost half (47 percent) of the city's multi-family housing stock. Mobile homes can offer a more affordable housing opportunity for many people.

Table 3-DD
Units in Structure

Units in Structure	Number	Percent of Total
Total	2,089	100%
1 unit detached	1,721	82.4%
1 unit attached	48	2.3%
2 to 4 units	85	4.1%
5 plus	84	4.0%
Mobile homes	151	7.2%

Source: 5th Data Package Merced County

3.8 Energy Conservation

Energy efficiency has a direct effect on affordable housing. Planning to maximize energy efficiency and the incorporation of energy conservation and green building features contribute to a reduction of energy costs for homeowners and renters in addition to promoting sustainable community design and reduced dependence on vehicles. Such planning and development standards can also significantly contribute to reducing greenhouse gases. High energy costs disproportionably effect low-income households that do

not have enough income or cash reserves to absorb higher energy cost increases and must choose between basic survival needs of food, clothing, and shelter.

The 2016 Gustine Housing Conditions Survey noted that many of the 950 units surveyed had old single-pane windows, which are energy inefficient, and recommended that all single-pane windows in the residential housing stock be replaced with energy efficient double-pane windows over the course of the current housing element period. The survey also noted that many houses probably have inadequate insulation, which should also be addressed. Finally, the survey noted that, with the exception of the newer neighborhoods that have LED lamps installed, street lighting is by relatively energy-inefficient sodium lamps. Attention to all of these measures would increase energy efficiency in Gustine's neighborhoods. The community has indicated that energy conservation is important and the City has therefore included a new housing goal and related policies that address conservation of energy and the natural environment (See Goal 3 and related policies/programs).

3.9 At-Risk Projects

According to Danielle M. Mazzella[1], Housing Policy Analyst at the California Housing Partnership, there are two affordable properties in Gustine. Neither of the properties are at risk of conversion to market rate. These two properties are:

Meredith Manor
385 Meredith Ave. Gustine, CA 95322
33 Low Income Units
34 Total Units

Gustine Gardens Apartments
394 Wallis Ave. Gustine, CA 95322
33 Low Income Units
34 Total Units

[1] Email correspondence from Danielle M. Mazzella dated May 2, 2017

4.0 Housing Constraints

Government Code Section 65583(a) requires ***"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…"***

This section of the Housing Element discusses potential constraints that impact the development, maintenance, and preservation of housing in the City of Gustine. Such constraints could hamper the City's ability to accommodate the development of affordable housing and meeting the Regional Housing Needs Allocation (RHNA). Constraints are separated into two distinct categories; 1) governmental constraints which the City has the power to control, and 2) nongovernmental constraints over which the City has little or no control.

4.1 Government Constraints

This section explores governmental constraints to housing development. These include, land use controls, building codes & enforcement, development standards, site improvement requirements, impact fees, and permit processing procedures.

Land-Use Controls

Gustine controls residential development through laws and policies, which are found in the Zoning and Subdivision Codes. State laws, such as the California Environmental Quality Act (CEQA), The Subdivision Map Act, and Planning, Zoning and Development laws, mandate many of the controls. Others are discretionary actions taken by the City. The State and the City have adopted these laws and controls for the public's general welfare. In an attempt to ensure that these controls benefit local residents, the City periodically reviews and amends the Municipal Code and updates its General Plan. The processing time varies depending upon the complexity of the proposal; a small sub-division can be approved rather quickly while a large project may take as long as one to two years. These time frames are well within professional planning and development standards.

In 2017, the State of California amended Government Code § 65583a(5) to require housing elements to include an analysis of any new local ordinance that may affect the supply of housing in the city. The City of Gustine has not adopted any ordinance that negatively affects the supply of housing in the city. In 2018, the City of Gustine adopted ordinances to bring the local code into compliance with State Housing Element Law, including code addressing reasonable accommodations, density bonus, second units, and priority service for affordable housing. None of this new local regulation negatively affects the supply of housing in the city.

Codes and Enforcement

State and local Law requires that builders of housing, non-residential structures, and infrastructure obtain building permits and pass inspections to ensure minimum standards of construction. The California Building Standards Commission approves and codifies minimum standards and specifications for structural soundness, safety, and occupancy into one state building standards code (California Code of

Regulations, Title 24). State law prohibits the imposition of building standards that are not necessitated by local geographic, climatic or topographic conditions, and requires that local governments making changes or modifications in building standards must report such changes to the Department of Housing and Community Development along with a finding with justification that the change is needed. The City of Gustine has adopted and enforces the 2007 California Building Codes and has no local amendments. The City contracts out with Precision Inspection for all of their building and code enforcement. All of the building code enforcement is done through scheduled inspection for all new construction, remodeling, and rehabilitation projects to ensure compliance with all health and safety regulations. Some inspections are also done in response to resident complaints or an inspector's observation that construction is occurring without proper permits. Building permits are handled administratively and fees are based on the UBC and the City's charges for sewer and water facility fees. Current building permit fee information is available at City Hall or on the City's website. Permit processing time is usually within 10 to 15 working days and inspections are usually performed the day after receiving a contractor's request.

Residential Development Standards

The intent of design standards is to ensure that proposed development is compatible with existing and future development on neighboring properties, and produces an environment of stable and desirable character, consistent with the City's General Plan and any applicable specific plan. Basic residential development standards for Gustine are summarized in Table 4-A. The table indicates the minimum lot size requirements, setbacks, height restrictions and coverage minimums that apply in each of the City's residential zoning districts. The City of Gustine has four residential base districts: R-E (Residential Estate), R-1 (Single Family Residential), R-2 (Medium Residential) and R-3 (Multiple Residential). The City of Gustine also has one specialized district, the R-4 (Residential-Professional), that allows all the residential uses allowed in the R-3 District, plus commercial and professional uses.

Table 4-A
Residential Zoning General Development Standards

Requirements by Zoning District					
Development Feature	**R–E Residential Estate**	**R–1 Single-Family Residential**	**R–2 Medium Density Residential**	**R–3 Multiple Residential**	**R-4 Residential-Professional**
Minimum Lot Size					
Area (net)	15,000 sq. ft.	7,500 sq. ft.	7,500 sq. ft.	7,500 sq. ft.	7,500 sq. ft.
Width					
Interior lot	100 ft.	60 ft.	60 ft.	60 ft.	60 ft.
Corner lot	100 ft.	65 ft.	65 ft.	65 ft.	65 ft.
Depth	*No less than 1.5 times the width nor more than 3 times the width.*				
Residential density	*Maximum number of dwelling units allowed in a project. The actual number of units allowed will be determined by the City through subdivision or planning permit approval, as applicable.*				
Maximum per GP	2 du/acre	6 du/acre	10 du/acre	20 du/acre	20 du/acre
Minimum density allowed	*Each legal parcel in a residential zoning district will be allowed one single-family dwelling regardless of lot area, in compliance with Section 9-22-040 D and 9-72-060*				
Setback	*Minimum and, where noted, maximum setbacks required. See Section 9-30-090 for exceptions to these requirements, and Chapter 9-42 for setback requirements that apply to specific land uses.*				
Front	30 ft.	20 ft.	20 ft.	20 ft.	20 ft.
Side-Interior	20 ft.	5 ft.	5 ft.	5 ft.	5 ft.
Side-Street side	25 ft.	15 ft.	15 ft.	15 ft.	15 ft.

Requirements by Zoning District					
Development Feature	R–E Residential Estate	R–1 Single-Family Residential	R–2 Medium Density Residential	R–3 Multiple Residential	R-4 Residential-Professional
Rear	20 ft.	10 ft.	15 ft.	15 ft.	15 ft.
Lot coverage	*Maximum percentage of total lot area that may by structures.*				
	35%	40%	50%	60%	60%
Height limit	*Maximum allowable height of structures. See Section 9-30-040 (Height Limits and Exceptions) for height measurement requirements, and height limit exceptions.*				
Max. height	30 ft.	30 ft.	30 ft.	35 ft.	35 ft.

Source: City of Gustine Zoning and Subdivision Code

Parking Requirements for Residential Uses

The City of Gustine recognizes that parking requirements may impose a constraint upon a variety of residential development. Therefore, the City has adopted parking standards that require fewer spaces for certain types of residential uses. Table 4-C shows the required vehicle parking spaces listed by residential use. In an effort to further reduce potential constraints and encourage affordable housing development; the City has included Implementation Program 1-M to reduce the parking requirements for studio and/or one-bedroom units in multifamily developments from the current two spaces per unit to only one space, and the City adopted this change in March 2018. This change made the required number of parking spaces consistent with multifamily development in mixed-use projects.

Table 4-B
Residential Parking Requirements

Parking Requirements by Land Use	
Land Use Type: Residential Uses	**Vehicle Spaces Required**
Live/Work unit	2 spaces
Mobile home Individual mobile home Mobile home park	 1 covered space for each unit 1 covered space for each unit plus 0.5 uncovered guest parking spaces and 0.25 parking spaces for each unit vehicle storage.
Multi-family dwelling	Studio or 1-bedroom unit - 1 space per unit 2 or 3-bedroom unit - 2 spaces per unit Guest parking - 1 space per each 4 units
Multi-family dwelling in a mixed-use project	Studio or 1-bedroom – 1 space per unit 2 or 3-bedroom unit – 2 spaces per unit Guest parking – 1 space per each 4 units
Organizational house	1 covered or uncovered space for each bedroom
Residential care homes Six or fewer clients Seven or more clients	2 covered spaces 1 space for each 2 residential units, plus 1 space for each 5 units for guests and employees
Rooming and boarding houses	1 covered or uncovered space for each bedroom
Second unit, carriage house	1 off-street, all-weather surface parking space, plus the off-street parking required for the main dwelling.
Senior housing project	1 space for each two units, with half the spaces covered, plus 1 guest parking space for each 10 units.
Single-family dwelling	2 permanently covered spaces

Source: City of Gustine Zoning and Subdivision Code

Gustine's residential development standards have not constrained housing development in the City nor have they been an obstacle to the development of affordable units. The densities generally match the General Plan land use categories. However, the City recognizes there are some inconsistencies between the City's adopted General Plan and its recently adopted Zoning Ordinance with regards to residential density allowed. Program 1-H has been included in this element to review and amend as appropriate the General Plan and/or the Zoning Ordinance to achieve consistency. The setback and height requirements relate well to the densities permitted. Minimum lot size requirements also are reasonable. Although some existing residential lots are substandard, pursuant to Section 4-22-040 D and 4-72-060 of the Zoning Ordinance their development is still allowed.

The City's zoning regulations are in place to achieve health and safety standards, and to assist in the maintenance of a high quality of life for City residents. These standards in Gustine are similar to those established for surrounding communities in the San Joaquin Valley, and do not pose a constraint to residential development. The City has tailored the standards to allow properties to achieve maximum permitted densities while retaining neighborhood character and amenities.

Although most of the City's housing potential is on sites that are residentially zoned, the City also allows housing development in non-residential zones. Table 4-C indicates the parameters for residential uses in the City's commercial and industrial zones.

Housing for Persons with Disabilities

Both the federal Fair Housing Act and the California Fair Employment and Housing Act impose an affirmative duty on local governments to make reasonable accommodations (i.e., modifications or exceptions) in their zoning laws and other land use regulations when such accommodations may be necessary to afford disabled persons an equal opportunity to use and enjoy a dwelling. Additionally, Section 65008 of the Government Code requires localities to analyze potential and actual constraints and include programs to accommodate housing for disabled persons.

The building codes adopted by the City of Gustine incorporate accessibility standards contained in Title 24 of the California Code of Regulations. Compliance with building codes and the Americans with Disabilities Act (ADA) may increase the cost of housing production and can also impact the viability of rehabilitation of older properties required to be brought up to current code standards. However, these regulations provide minimum standards that must be complied with in order to ensure the development of safe and accessible housing.

Because many homes in Gustine were built before modern accessibility standards, an important housing issue facing people with disabilities is retrofitting existing homes to improve access. For retrofitting homes, the City administratively permit unenclosed ramps to protrude into required setbacks without a variance. The property owner is allowed to build a ramp to allow people with disabilities access into a single-family home upon securing a building permit and payment of local building permit and inspection fees. The City also administers a Housing Rehabilitation Program that provides federally funded loans to eligible homeowners or rental property owners to make accessibility improvements.

Key planning requirements related to housing persons with disabilities are described below:

- Definition of Family – the City does not restrict occupancy of unrelated individuals in group homes and does not define family or enforce a definition in its zoning and subdivision code.
- Separation requirements – Group homes fall under the City zoning and subdivision code's definition of residential care facilities, which are a residential home providing non-medical care and supervision (also known as a "Transitional Home, including substance abuse recovery",

"Supported Housing", "Adult Residential Home", "Residential Care Facility for the Elderly or Handicapped", or "Foster Home." Group homes include state-licensed facilities as well as facilities that require no license from the State of California. The City's zoning and subdivision code does not impose any separation requirements between group homes or residential care facilities.

- Site planning requirements – The site planning requirements for residential care facilities are no different than for other residential uses in the same zone.
- Reasonable accommodations - Pursuant to Section 4-52-060 of the City's zoning and subdivision code, the Director of Planning and Development or applicable review authority may waive any City zoning ordinance requirements based on a finding that it is necessary to provide reasonable accommodations for persons with disabilities in compliance with federal and state fair housing laws and the Americans with Disabilities Act (ADA). –It is important that a reasonable accommodation procedure is unique from a conditional use permit or variance procedure and should provide exception to broader zoning and land-use for maintenance improvement and development of housing for persons with disabilities. Therefore, to create a process for making requests for reasonable accommodation to land use and zoning decisions and procedures regulating the siting, funding, development and use of housing for people with disabilities, the City ~~will~~ adopted a reasonable accommodation ordinance in 2019 and provides information to residents via public counters~~ as part of Program 1-G (Reasonable Accommodation~~(see Title 4, Chapter 2, Article 1 of the Gustine Municipal Code).

Zoning for a Variety of Housing Types

Accessory Dwelling Units

In order to promote the development of affordable housing, the City allows accessory dwelling units (e.g. second units and carriage houses) in all residential zoning districts. Local jurisdictions are not required to adopt an accessory dwelling unit ordinance, but jurisdictions are nonetheless required to comply with state standards for such units. As of January 1, 2017, these standards included:

- Unit is not intended for sale separate from the primary residence and may be rented.
- Lot is zoned for single-family or multifamily use and contains an existing, single family dwelling.
- Accessory dwelling unit is either attached to the existing dwelling or located within the living area of the existing dwelling or detached from the existing dwelling and located on the same lot as the existing dwelling.
- Increased floor area of an attached accessory dwelling unit does not exceed 50 percent of the existing living area, with a maximum increase in floor area of 1,200 square feet.
- Total area of floor space for a detached accessory dwelling unit dies not exceed 1,200 square feet.
- Passageways are not required in conjunction with the construction of an accessory dwelling unit.
- Setbacks are not required for an existing garage that is converted to an accessory dwelling unit, and a setback of no more than five feet from the side and rear lot lines are not required for an accessory dwelling unit that is constructed above a garage.
- (Local building code requirements that apply to detached dwellings are met, as appropriate.
- Local health officer approval where a private sewage disposal system is being used, if required.
- Parking requirements do not exceed one parking space per unit or per bedroom. These spaces may be provided as tandem parking on an existing driveway.

Source: HCD (December 2016), "Accessory Dwelling Unit Memorandum"

According to Section 4-44-140 of the City's Zoning and Subdivision Code (adopted September 2, 2008) a rentable second unit with a maximum of two bedrooms is allowed on a lot that is 5,000 square feet or greater in size. The Planned Community Overlay can also be used to encourage low-income housing development by allowing narrower streets, flexible setbacks and smaller lots and dwellings.

Transitional and Support Housing

In a memo dated April 24, 2014, the California Department of Housing and Community Development set forth guidance on new statutes that defined transitional housing and support housing and regulating the development and use of these forms of residential use. The new statutes required that transitional and supportive housing be permitted as a residential use, subject only to the restrictions that apply to other residential dwellings of the same type in the same zone. These newly defined residential uses fall outside the definitions for Residential Care Facilities (small or large) in that there are no occupancy limits imposed on these uses. So, for example, a large single-family dwelling capable of housing eight persons could be converted to transitional or supportive housing with no restrictions that would not also apply to the same large dwelling used solely as a single-family residence for a large family.

The City's Zoning and Subdivision Code did not address transitional and supportive housing types, and to address this shortcoming, a new Implementation Program 1-R has been included to this Housing Element. The new program commits the City to revise its Zoning and Subdivision Code to contain definitions for transitional and supportive housing and to accommodate these new uses in accordance with state statute. The City implemented this new program prior to adoption of this Housing Element Update, so the City's Zoning and Subdivision Code now adequately addresses transitional and supportive housing.

In 2018, AB 2162 was passed into law requiring permanent supportive housing by right where multifamily and mixed use are permitted, including non-residential zones permitting multifamily uses. The City's Zoning Ordinance is currently out of compliance with this new law, so a housing program has been included in this update to bring the Zoning Ordinance into compliance with the requirements of AB 2162 within one year (see Program ____, in Chapter __, below).

Government Code Section 65660 et seq. requires that local jurisdictions allow low barrier navigation centers by right in areas zoned for mixed use and non-residential zones permitting multifamily uses. A "low barrier navigation center" is a service-enriched shelter that focuses on moving people into permanent housing while providing temporary living facilities. The City's Zoning Ordinance is currently out of compliance with this law, so a housing program has been included in this update to bring the Zoning Ordinance into compliance with the requirements of Government Code Section 65660 et seq. within one year (see Program ___, in Chapter __, below).

Mobile Homes

A mobile home on a permanent foundation is included under the definition of "Single-Family Dwelling" in the Zoning Ordinance and is permitted in the R-E and R-1 zones subject to the following design and construction standards.

1. The exterior siding, trim, and roof shall be of the same materials and treatment found in conventionally built residential structures in the surrounding area and shall appear the same as the exterior materials on any garage or other accessory structure on the same site.
2. The roof shall have eave and gable overhangs of not less than 12 inches measured from the vertical side of the mobile home, and the roof pitch shall be no less than 5:12.
3. The mobile home shall be placed on a foundation system, subject to the approval of the Building Official; and

4. The mobile home shall be certified under the National Mobile Home Construction and Safety Standards Act of 1974 (42 USC Section 4401 et seq.), and has been constructed after January 1, 1989.

Manufactured Homes

The Zone Ordinance definition of "Single-Family Dwelling" includes factory-built, modular housing units, constructed in compliance with the Uniform Building Code (UBC), and mobile homes/manufactured housing units that comply with the National Manufactured Housing Construction and Safety Standards Act of 1974, placed on permanent foundations. Therefore, the City's Zoning Ordinance is in compliance with Government Code Section 6582.3(a) in allowing the installation of manufactured homes on lots zoned for conventional single-family dwellings.

Zoning appropriate for lower-income households

The R-3 and R-4 zone districts are the most appropriate for lower income households because they allow a wide variety of housing opportunities as outlined in Table 4-C. In 2018, the City revised its Zoning Code to allow a minimum of 20 dwelling units per acre in its R-3 and R-4 Zoning Districts. The revised districts, therefore, are appropriate for lower-income housing.

Recently, a 51 single-family-home subdivision being developed by Self Help and affordable to very low and low-income households was approved and is under construction. In the past, the multifamily developments of Gustine Gardens and Meredith Manor were built at densities of 15 units per acre and are affordable to lower income households. It should be noted all three developments are 100% affordable to lower income households.

Gustine is in a rural setting and compared to most of the suburban and metropolitan jurisdictions (as defined by Government Code Section 65583.2) land costs in Gustine are substantially lower. As a result of the relatively low cost of land and construction costs ($65-$75 per square foot), zones permitting densities of 20 units per acre can facilitate~~d~~ the development of housing affordable to lower income households.

Table 4-C
Allowances for Housing in Gustine's Residential and Non-Residential Zoning District

Allowed Residential Uses and Permit Requirements																
Residential Uses	R-E	R-1	R-2*	R-3	R-4	P-D	C-N	C-O	C-1	C-2	C-H	I	M	A-C	AP	P-1
Home Occupation	P	P	P	P	P	P(1)	P	P	P	P	P	-	-	P	-	-
Mobile home – In park	P	P	P	P	P	P(1)	-	-	-	-	-	-	-	-	-	-
Mobile home – Out of park	P	P	P	-	-	P	-	-	-	-	-	-	-	-	-	-
Mobile home park	-	-	UP	UP	UP	P	-	-	-	-	-	-	-	-	-	-
Multifamily housing, 2 units	-	-	P	P	P	P(4)	-	-	-	-	-	-	-	-	-	-
Multifamily, 3 or 4 units	-	-	UP	P	P	P(4)	-	-	-	-	-	-	-	-	-	-
Multifamily, 5 or more units	-	-	-	P	P	P(4)	-	-	-	-	-	-	-	-	-	-
Residential accessory use or structure	Now covered in Accessory Dwelling Unit															
Residential care facility, 6 or fewer	Now covered in Supportive and Transitional Housing															
Residential care facility, 7 +																
Residential care facility for the elderly																
Res. component of mixed-use project	-	-	-	UP	UP	P(1)	P	P	P	P	-	-	-	-	-	-
Rooming or boarding house	-	-	UP	UP	UP	-	-	-	-	-	-	-	-	-	-	-
Accessory dwelling unit	P	P	P	-	-	P(4)	-	-	-	-	-	-	-	-	-	-
Supportive and transitional housing	P(5)	P(5)	P(5)	P(5)	P(5)	P(4)	-	-	-	-	-	-	-	-	-	-
Single Family dwelling	P	P	P	-	-	P(1)	-	-	-	-	-	-	-	-	-	-
Emergency shelter	-	-	-	-	-	-	-	-	UP	UP	UP	-	P	-	-	UP
Live/work unit	-	-	-	-	-	-	P	P	UP	UP	-	-	UP	P(2)	-	-
Bed and Breakfast Inn	-	-	-	-	-	-	-	-	-	-	-	-	-	UP	-	-
Employee Housing, 6 or fewer clients	P	P	P	-	-	P(4)	-	-	-	-	-	-	-	-	-	-
Caretaker quarters	Now covered in Accessory Dwelling Unit															

Key to Zoning District Symbols	
R-E	Residential Estate
R-1	Single Family Residential
R-2	Medium Density Residential
R-3	Multiple Residential
P-D	Planned Development
C-N	Neighborhood Commercial
C-2	General Commercial
C-O	Office Commercial
C-H	Highway Commercial
C-1	Downtown Commercial
I	Controlled Industrial
M	Manufacturing
A-C	Agricultural Commercial
AP	Airport
P-I	Public/Institutional

Key to Allowed Uses	
P	Permitted Use
UP	Use Permit required
-	Use not allowed

Notes

(1)See Article 8 for land use definitions
(2) Architectural Review may also be required; see Section 4-52-020.
(3) Allowed without Zoning Clearance if use complies with all other applicable requirements of the Municipal Code
(4) Use allowed in the PD zoning district only when authorized through Planned Development Permit approval
(5) Use allowed only under conditions set forth in Sec. 4-44-190 (Transitional and Supportive Housing).

Note: There currently are no R-2 sites in the City of Gustine, and the City has no plans to re-zone any site to R-2 in the future.

Density Bonus Ordinance

The City has adopted a Density Bonus Ordinance, Chapter 4-32-Affordable Housing Incentives of the City's Zoning and Subdivision Code (adopted September 2, 2008) to offer incentives for the development of affordable housing projects. The Density Bonus Ordinance gives a density bonus for a housing development of 5 or more dwelling units that comply with and satisfy provisions of Section 4-32-020 of the Zoning and Subdivision Code. A bonus density of **at least a 25 percent increase** in the number of dwelling units normally allowed by the applicable General Plan designation and zoning district is granted, unless a lesser percentage is elected by the applicant.

A qualifying project shall also be entitled to at least one of the following concessions or incentives identified by Government Code Section 65915(b), in addition to the density bonus allowed;

- A reduction in the site development standards of this Zoning and Subdivision Code (e.g., site coverage limitations, setbacks, reduced parcel sizes, and/or parking requirements), or architectural design requirements that exceed the minimum building standards approved by the California Building Standards Commission in compliance with Health and Safety Code Section 18901 et seq.;
- Approval of mixed-use zoning not otherwise allowed by this Zoning and Subdivision Code in conjunction with the housing development, if non-residential land uses will reduce the cost of the housing development, and the non-residential land uses are compatible with the housing development and the existing or planned development in the area where the project will be located; and/or
- Other regulatory incentives or concessions proposed by the developer and agreed to by the City that will result in identifiable cost reductions.

To ensure consistency between State bonus density law and the City's Zoning and Subdivision Code, the Housing Element has included Implementation Program 1-I Density Bonus Ordinance Consistency that includes an annual review of updates to the State bonus density law and making amendments to the City's Zoning and Subdivision Code as appropriate.

Fees and Exactions

The financing of public facilities and services for new development in the City of Gustine is funded in part by fees and extractions levied against new development projects. The amount of these fees is determined based upon a proportional share of the anticipated costs to fund the necessary capital improvements. Table 4-E details development fees (per unit) for single family and multi-family development projects. Water and Sewer fees are based upon the diameter of the water meter (see Table 4-F). These fees were adopted in August 2008 after the City carefully balanced the need to offset the cost of public services while avoiding a fee structure that inhibits affordable housing development.

Table 4-D
Development Impact Fees

Residential Development Impact Fees (Land Use-Based)		
	Single Family	Multi-Family
General Government	$1,566	$1,433
Police	$548	$502
Fire	$1,796	$1,643
Parks	$3,902	$3,178
Storm Drain	$7,308	$3,178
School Impact Fee	$4,032	$2,688
Total Fee	$19,152	$12,622

Note: School impact fees are $3.36 per square foot; assume 1,200 sf for SFD and 800 sf for MFD
Source: City of Gustine

Table 4-E
Water and Sewer Impact Fees

Impact Fees (Meter Size-Based)		
Meter Size	Water	Sewer
5/8" x 3/4"	$3,205	$6,818
1"	$8,013	$17,044
1 1/2 "	$16,025	$34,089
2"	$25,641	$54,263
3"	$48,076	$102,267
4"	$80,127	$170,445
6"	$160,254	$340,890
8"	$256,407	$545,424

Source: City of Gustine

Site Improvement Requirements

For new housing developments, the City requires installation of curbs, gutters, sidewalks, and street lighting. Developments must also provide connections to water and sewer. Where roadways are not present, developers are required to construct all internal streets for a subdivision and provide connections to existing roadways. Subdivision Design and Improvement Requirements are found in Chapter 4-68 of the Zoning and Subdivision Code. The following list summarizes typical improvements.

Internal Streets

- Residential street width of 34' plus 5' for sidewalks and 4' for landscaping.
- Residential collector street width of 40'plus 5' for sidewalks and 10' for landscaping.

Onsite Landscaping and Open Space

- Front yard setback and lot coverage (see Table 4-A)
- Street trees; one per 30-foot length of right-of-way

Curb, Gutters, Sidewalk, Utilities

- Requires curb, gutters, sidewalks, and roads where they do not exist
- Connection to City water and sewer
- Fire hydrants and undergrounding of utilities

While site improvement requirements increase housing costs, they are typical for most jurisdictions. Moreover, site improvements are necessary to maintain the quality of life desired by residents and ensure the availability of needed public services and facilities. The City can mitigate the cost of these improvement requirements by assisting affordable housing developers in obtaining state and federal financing for their projects or providing regulatory and financial incentives. The Redevelopment Agency also plays an active role in financing the construction and improvement of infrastructure.

Development Review and Permit Processing

Development Fees

Development review and permit processing are necessary steps to ensure that residential construction proceeds in an orderly manner. However, the time and cost of permit processing and review can be a constraint to housing development if they place an undue burden on the developer. In Gustine, the review process takes approximately two to four weeks for a typical single-family project, six to eight for a typical multi-family project, and approximately 10 to 12 weeks for a planned unit development.

The City has worked to improve the permit process through implementation of a Pre-application conference. The purpose of this conference is generally to:

1. Inform the applicant in general of City requirements as they apply to the proposed project;
2. Review the City's approval process, possible project alternatives or modifications; and
3. Identify the information and materials the City will require with the application, and any necessary technical studies and information relating to the environmental review of the project.

The City collects fees to help cover the costs of processing, inspections and environmental review. The City has a two-part fee schedule. The first fee is intended as a Full Cost Recovery Estimate that is collected to off-set full time staff's costs for processing an application. The second fee is a Cost Recovery Deposit that is drawn upon due to time and effort of a Contract Planner, Contract Engineer, Contract Attorney, and other contracted services. The fee deposit is drawn upon as the Contracted person expends time and effort on the application. Should additional monies be needed and additional deposit is collected. Should monies remain after all work on the application is completed, the remaining balance is refunded. A list of current land use planning application fees (effective September 16, 2008) is included in Table 4-G.

Table 4-F
Planning Fee Schedule

City of Gustine Planning Application Fee Schedule effective September 16, 2008		
Zoning and current planning fee schedule Full Cost Recovery (FCR), plus consultant/contract service costs deposits		
	FCR	Deposit
Zone change map designation - less than 10 acres	$373.00 plus $500.00 for zoning map update	$2,000.00
Zone change map designation– 10 acres or larger	$373.00 plus $500.00 for zoning map update	$3,500.00
Zoning code text amendment	$373.00	$4,500.00
Zoning research letter:	$50.00	$100.00
Public hearing notice: display ad, regular ad	$450.00/$250.00	
mailing list:	$75 verification of	
Time extensions: development plan, conditional use permit	$194.00	$1.500.00
Zone modification ❑ By planning director ❑ By planning commission	 $143.00 $194.00	 $100.00 $250.00
Variance request Zoning ordinance Subdivision requirements	 $143.00 $143.00	 $500.00 $500.00
Ministerial site plan review	$30.00	0
Home occupation permits ❑ Staff action ❑ Planning commission action	 $143.00 $194.00	 0 $500.00
Master plans/specific plans/development plans	$1638.00	$5,000.00
Master plans/specific plans/development plans - revisions	$777.00	$2,500.00
Conditional use permit ❑ Minor: within residential zones and open space zones ❑ Major: within commercial zones, industrial zones, and public	 $301.00 $194.00	 $600.00 $1,300.00
Temporary mobile home permit ❑ Application ❑ Permit renewal	 $ 261.00 $94.00	 0 0
Planning monitoring program for applications where conditions, follow up review, mitigation measures, etc. Are placed on project approvals	$75.00	$500.00

City of Gustine Planning Application Fee Schedule effective September 16, 2008		
General Plan amendment fee schedule Full Cost Recovery (FCR), plus consultant/contract service costs deposits		
	FCR	Deposit
❑ General plan text amendment	$410.00	$ 3,000.00
❑ General plan maintenance (7 elements) fee – collected at building permit issuance	$100.00 for each dwelling unit and/or $200.00 for dwelling unit equivalent (per 1300 square feet or portion thereof for other than residential)	
❑ General plan land use designation map amendment	$410.00 Plus $500.00 for update of general plan map	$1,500.00
Tentative map and associated applications Full Cost Recovery (FCR), plus consultant/contract service costs deposits		
Parcel map	FCR	Deposits
❑ Tentative map submittal	$373.00	$ 2,500.00
❑ Tentative parcel map w/variance and/or exception	$373.00	$3,400.00
❑ Tentative parcel map waiver	$373.00	$900.00
❑ Parcel map – final	$373.00	$2,000.00
❑ Tentative parcel map revision	$373.00	$1,500.00
❑ Tentative map exception to standards	$90.00	$900.00
❑ Time extension – tentative parcel map	$143.00	$250.00
❑ Monitoring fee – compliance with conditions	$50.00	$250.00
❑ Improvement agreement – preparation	$200.00	$2,000.00
Tentative tract map	FCR	Deposits
❑ Tentative map submittal – up to 100 lots	$373.00	$5,500.00
❑ Tentative map submittal – 100 plus lots	$373.00	$4,000.00 plus $15.00 per lot
❑ Tentative map exception to standards	$143.00	$900.00
❑ Modifications or revisions of maps	$373.00	50% Tent Map
❑ Tract map final	$373.00	$2,500.00
❑ Tentative map revision	$143.00	$1500.00
❑ Tentative map time extension	$143.00	$1,000.00
❑ monitoring fee – compliance with conditions	$143.00	$1,000.00
❑ Subdivision improvement agreement – preparation	$373.00	$2,000.00
Reversion to acreage	$143.00	$75.00 per lot plus $500.00
Record of survey	$143.00	$850.00
Review of improvement plans for all maps (parcel and tract)	$143.00	1% of engineering estimates
Certificate of compliance – subdivision map act	$234.00	$1,500.00
Lot line adjustment	$373.00	$55.00 per lot plus $500.00
Base map maintenance fee when tentative map is approved	$500.00	
Utility map maintenance fee when tentative map is approved	$500.00	

Source: City of Gustine Zoning and Subdivision Code.

Land Use Review

Projects such as a Development Agreement, General Plan Amendment, Use Permit, Zone Map Amendment, Zoning & Subdivision Code Amendment, and Planned Unit Developments require public hearings and review by the Planning Commission and/or a public hearing and review by the City Council. The subdivision and land use review authority for the City of Gustine is outlined in Table 4-H.

Use Permit Review

A Use Permit provides a process for reviewing uses and activities that may be appropriate in the applicable zoning district, but whose effects on site and surrounding cannot be determined before being proposed for a specific site. Use Permits shall be approved or disapproved by the Planning commission only after first finding all of the following:

1. The proposed use is allowed within the applicable zoning district and complies with all other applicable provisions of the Zoning and Subdivision Code and the Municipal Code;
2. The proposed use is consistent with the General Plan and any applicable specific plan;
3. The design, location, size, and operating characteristics of the proposed activity are compatible with existing and future uses in the vicinity;
4. The site is physically suitable for the type, density, and intensity of use being proposed, including access, utilities, and the absence of physical constraints; and
5. Granting the permit would not be detrimental to the public comfort, convenience, health, interest, morals, safety, or welfare of the persons residing or working in the subject neighborhood, or materially detrimental or injurious to property or improvements in the vicinity and zoning district in which the property is located.

The Zoning and Subdivision Code requires a Use Permit for multifamily developments with three or more dwelling units. This additional approval process can impact the cost and supply of housing, particularly housing affordable to low- and moderate-income households. Therefore, the Housing Element has included Implementation Program 1-L (Reduce Requirements of Special Use Permits in R-3 Zoning District) which eliminates the requirement of obtaining a Use Permit for multifamily developments in the R-3 Zoning District.

Short-Term Rental Ordinance

The City does not currently have a short-term rental ordinance that regulates the use of housing in the city for short-term use. Given the City's rural Central Valley location, it is unlikely that short-term rentals would significantly affect the city's supply of housing.

Architectural Review

The Architectural Review is intended to ensure that the design of proposed development and new land uses assists in maintaining and enhancing the small-city historic, and rural character of the community. The review authority approves or disapproves an application for an Architectural Review concurrently with the approval or disapproval of any other planning permit required for the project. The Architectural Review of permitted uses is staff reviewed and Director approved. However, when a project requires a use permit the Planning Commission has review authority. The review evaluates each proposed project to ensure that the project:

- Provides architectural design compatible with the orderly and harmonious development of the community;
- Provides desirable site layout and design, including, setbacks, drainage, fences and walls, grading, lighting, and signs;
- Provides efficient and safe public access, circulation, and parking;
- Provides appropriate open space and landscaping, including water efficient landscaping;
- Is consistent with the General Plan

The architectural review is performed concurrent with the processing of any other planning permit required for the project; therefore, it does not impact and/or extend the typical timeframe for approval of a development project in the City. Architectural Review approval requires the review authority find the project, as proposed or with changes resulting from the review process, will comply with the review criteria listed above. Architectural Review is required for all proposed single-family and multi-family projects, nonresidential development and new land uses within the City. The review is meant to ensure that a project complies with applicable City standards. There are no inflexible design guidelines; the review is made to ensure the project does not adversely affect community health, safety, or natural resources. The cost is nominal and the review acts as a means to providing greater certainty for developers. It does not create an additional constraint as to timing, cost and/or approval of the development of housing within the City of Gustine.

However, some review criteria could be modified to promote certainty and objectivity for the applicant. For example, criteria such as “orderly and harmonious” could be subjectively. As a result, the City has proposed Program 1-N to review and address this potential constraint.

Table 4-G
Subdivision and Land Use Review Authority

Type of Decision	Role of Review Authority (1)			
	Director (2)	City Engineer	Planning Commission	City Council
Subdivision				
Tentative Map	Recommend		Recommend	Decision
Parcel Map	Recommend			Decision
Final Map	Recommend			Decision
Certificate of Compliance	Decision			Appeal
Lot Line Adjustment	Decision			Appeal
Parcel Merger	Decision			Appeal
Reversion to Acreage	Recommend	Decision		Appeal
Administrative and Legislative				
Development Agreement	Recommend		Recommend	Decision
General Plan Amendment	Recommend		Recommend	Decision
Interpretation	Decision		Appeal	Appeal
Zoning Map Amendment	Recommend		Recommend	Decision
Zoning & Subdivision Code Amendment	Recommend		Recommend	Decision
Planning permit or other development approval				
Architectural Review (Permitted)	Decision		Appeal	Appeal
Architectural Review (Use Permit)	Recommend		Decision	Appeal
Home Occupation Permit	Decision		Appeal	Appeal
Limited Term Permit	Decision		Appeal	Appeal
Master Sign Permit	Decision		Appeal	Appeal
Planned Development Permit	Recommend		Recommend	Decision
Sign Permit	Decision		Appeal	Appeal
Use Permit (UP)	Recommend		Decision	Appeal
Variance	Recommend		Decision	Appeal
Zoning Clearance	Decision		Appeal	Appeal

Notes:

(1) "Recommend" means that the review authority makes a recommendation to a higher decision-making body; "Decision" means that the review authority makes the final decision on the matter; "Appeal" means that the review authority may consider and decide upon appeals to the decision of an earlier decision-making body, in compliance with Chapter 4-64 (Appeals).

(2) The Director may defer action and refer the request to the Commission, so that the Commission may instead make the decision

Cumulative Fees for Typical Projects

The typical fees associated with residential development are shown in Table 4-I. The first column is for a 1,200-sq. ft. typical single-family dwelling and the second column shows the per unit fees for a typical four-unit multifamily project containing 800 sq. ft. units. Fees do not present a constraint in the City as per unit fees for a multifamily unit is significantly less than for a single-family unit. It should be noted that as indicated earlier, water and sewer fees are based upon the water meter size. In the example shown below, the single-family home is assumed to have a ¾" water meter while the multifamily project has a 2" water meter.

Table 4-H
Cumulative Fees for Typical Projects

Per Unit Fees for Typical Single Family and Multifamily Projects		
	Single Family 1,200 sq. ft. unit	Multifamily Four Unit Project 800 sq. ft. unit
Building Fees		
Building Permit	$1,658	$1,254
Plan Check Fee	$922	$680
Sub-total	$2,580	$1,934
Impact Fees		
General Government	$1,566	$1,433
Police	$548	$502
Fire	$1,796	$1,643
Parks	$3,902	$3,178
Storm Drain	$7,308	$3,178
Sub-total	$15,120	$10,328
Water	$3,205	$3,205
Sewer	$6,818	$6,818
Sub-total	$10,023	$10,023
Total per Unit Fees	**$27,723**	**$22,285**

Source: City of Gustine

Conclusion

While any fee or land use restriction can be considered a constraint, the City has put forth a good effort to encourage the development of affordable housing and has put into practice those policies and procedures that will help level the playing field and reduce and/or eliminate government constraints that inhibit the development of affordable housing. As the previous table indicates, on a per unit basis the development fees are lower for multiple family projects. In addition, the City encourages affordable housing through implementation of the Bonus Density Ordinance, allowing second units in all residential zones and affords reasonable accommodations to persons with disabilities. In addition, Implementation Programs have been added to this Housing Element to reduce and/or eliminate potential governmental constraints.

4.2 Nongovernmental Constraints

Government Code Section 65583(a)(6) requires ***"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."***

The availability of housing is strongly influenced by market factors over which local government has little or no control. State law requires that the housing element contain a general assessment of these constraints. This assessment can serve as the basis for actions which local governments might take to

offset the effects of such constraints. The primary market constraints to the development of new housing are the costs of constructing and purchasing new housing. These costs can be broken down into four categories: materials, labor, land, and financing. Gustine can be considered as part of a very broad general housing market that includes the Central Valley area. For the most part, housing cost components in Gustine are comparable to those in other parts of the general market area. Residential construction costs are currently approximately $110 to $115 per square foot. The following paragraphs briefly summarize these components vis-à-vis the local market and the statewide market.

Material Costs

A major component of the cost of housing is the cost of building materials, such as wood and wood-based products, cement, asphalt, roofing materials, and plastic pipe. Prices for these goods are affected primarily by the availability and demand for such materials.

Because the Central Valley is served by such a well-developed regional transportation network and because many of the materials needed for construction are produced in the region, availability of materials is excellent. In addition, the land in Gustine which is most likely to be developed in the future for housing is well-suited for the kind of large projects which allow developers to realize economy-of-scale savings on materials.

The cost of building materials in the Central Valley in general and in Gustine in particular is relatively low and therefore does not constitute a constraint to the development of affordable housing.

Cost of Labor

Another major cost component of new housing is labor. Inflated labor costs due to high wage rates significantly increase the overall cost of housing in some markets. The cost of labor in Gustine is, however, relatively low for a number of reasons. Overall, the Central Valley's cost of living is relatively low; wage scales in the area, therefore, tend to be somewhat lower than in markets with higher living costs, such as the San Francisco Bay Area. Also, labor is generally less costly because the area is predominantly non-union. Labor in highly unionized markets is typically more expensive.

Land Costs

Costs associated with the acquisition of land include the market price of raw land and the cost of holding land throughout the development process. These costs can account for as much as half of the final sales prices of new homes in very small developments or in areas where land is scarce. Among the variables affecting the cost of land are its location, its amenities, the availability of public services, and the financing arrangement made between the buyer and seller. According Stephens & Borrelli Real Estate,[2] the typical single-family lot (6,000 to 8,000 square feet) with improvements is currently selling for $49,000.

Cost and Availability of Financing

The cost and availability of capital financing affect the overall cost of housing in two ways: first, when the developer uses capital for initial site preparation and construction and, second, when the homebuyer uses capital to purchase housing.

[2] Phone conversation with Doug Borrelli on January 12, 2016

The capital used by the developer is borrowed for the short-term at commercial rates, which are considerably higher than standard mortgage rates. Commercial rates nonetheless fluctuate when the overall interest rates fluctuate, so overall interest rates have an effect on housing construction. The typical homebuyer uses capital financing in the form of long-term mortgage loans, and the ability to obtain this kind of financing is very sensitive to interest rates. While interest rates are currently (April 2017) low, interest rates can fluctuate significantly during the course of the Housing Element planning period, and as interest rates go, buyer power decreases.

Typical Development Time Frame

The ability of development companies to move from full entitlements and permits to construction can affect housing affordability. If the typical development time frame exceeds one year, this can increase holding costs and drive up the cost of housing construction.

According to City staff, the typical timeframe between entitlements/permits and construction is nine to 14 months in Gustine, roughly within the suggested one-year timeframe. This timeframe will be re-evaluated in the next Housing Element update, but for now, no new housing program is provided.

Environmental and Physical Constraints

The following potential physical and environmental constraints may affect housing development in Gustine by limiting the development potential and/or adding mitigation costs to a project. The three major constraints in this area are flooding, noise impacts from highways and railroads, and endangered species.

Flood Zones

New development that is being constructed with a potential for flooding, as identified by the Federal Insurance Rate map (FIRM) are required to be constructed at or above the base flood elevation and follow the regulations in the County's "Flood Damage Prevention Ordinance." With this requirement, it significantly increases the cost of construction in cases where a structure must be placed on special supports or additional fill is necessary to elevate a development site. If the property owners can provide proof that the FIRM map is not accurate for a specific site, an exception from the requirement may be granted. As flood control projects are completed, the areas that historically have been subject to flooding have been reduced.

Noise

The Santa Fe and Southern Pacific railroads, State Highways 140 and State Highway 33 pass through the City of Gustine and Interstate 5 is passes relatively close to the west of the City of Gustine. Any residential development that is within the 65-75 or higher dBA range must mitigate the impact by incorporating noise reduction materials into the construction of new housing units.

The production of noise is an inherent part of many industrial, commercial and agricultural processes, even when the best available noise control technology applied. Noise production within industrial or commercial facilities is controlled indirectly by Federal and State employee health and safety regulations (OSHA and Cal-OSHA), but exterior noise emissions from such operations have the potential to exceed locally acceptable standards at nearby noise-sensitive land uses.

Stationary noise sources were studied during the development of the City's Noise Element. Noise exposure information was developed from operational data obtained from source operators (when available) and noise level measurements conducted at reference locations around the noise source. Only

existing noise levels were described since there are too many variables and unknown conditions to predict future noise exposure.

The Noise Element contains a discussion providing generalized information concerning the relative noise impacts of each source, and identifies specific noise sources, which should be considered in the review of development proposals where potential noise conflicts could result. Not all industrial noise sources in the City are discussed. Unidentified industries or other major noise sources may exist, which could generate significant noise levels and result in noise-related land use conflicts. Generalized 50 and 55 dBA hourly L_{eq} noise contours were prepared for major stationary noise sources where it was determined that such contours would be located off the property occupied by the source.

Endangered Species

The existence of endangered species has been a significant development issue in this area for a number of years. Currently, the species that are most prominent on the endangered list in the Merced County include the Fresno kangaroo rat, San Joaquin Kit Fox, and blunt nosed leopard lizard. The U.S. Fish & Wildlife Service has the authority and backing of the Federal Government to limit new development from encroaching into the habitat of these species. The constraints include the designation of corridors to allow movement of the species, exclusion of new development, and the requirement of an environmental impact report for certain projects to determine what impacts there may be to the habitat of these endangered species.

Requests to Develop Below Density

In 2017, the State of California amended Government Code § 65583a(6) to require housing elements to include an account of requests to develop at densities below those anticipated in the analysis of adequate housing inventory. The City if Gustine added 33 units of housing between January 1, 2015 and January 1, 2018, and all of these new houses were single family residences.[3] According to City records, each of these housing units were built on lots previously subdivided and zoned for R-1, Single Family Residential, and the land used for developing these single-family residences was identified in Table 5-B: Adequate Sites Inventory List, under the category: "R-1 Vacant Sites." The anticipated density for these sites was five (5) dwelling units per gross acre, and the single-family development density achieved on these sites was five (5) dwelling units per acre or greater.

[3] California Department of Finance, Table 2: City/County Population and Housing Estimates

5.0 Adequate Sites Inventory

Government Code Section 65583(a)(3) requires ***"an inventory of land suitable for residential development, including vacant sites and sites having the potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites."*** **And Government Code Section 65583.2 (a) requires that** ***"a city's inventory of land of land suitable for residential development pursuant to paragraph (3) of subdivision (a) of Section 65583 shall be used to identify sites that can be developed for housing within the planning period and that are sufficient to provide for the jurisdiction's share of the regional housing need for all income levels pursuant to Section 65584."***

5.1 Vacant Residential Sites by Income Category

In addition to listing all vacant and underutilized sites by qualifying income category, a summary of sites within each category has been compared to the City RHNA to determine if the City of Gustine has adequate sites for all income categories. As demonstrated in the table below, the City has sufficient vacant, available, and appropriately zoned/designated sites to accommodate its Regional Housing Needs Allocation (RHNA) set by MCAG. Table 5-A summarizes the vacant land inventory by qualifying income category.

Table 5-A
Summary Table of Vacant and Underutilized Land
By Qualifying Income Category

	# of Sites	Number of Acres	Housing Potential	MCAG Allocation	Surplus
Extremely Low, Very Low, Low, and Moderate*	6	11.97	178	168	10
Market Rate	42	189.46	914	136	778
Total	38	201.43	1,092	304	788

*Note: *This includes Site #1, located in the Southeast Gustine Master Plan area, which is 6.207 acres in size and which was annexed and zoned for R-3 Multiple Residential in August 2018. This also includes Site #6, located adjacent to Highway 33, which is 2.204 acre in size and was re-zoned for R-3 Multiple Residential in September 2018.*
Source: ZeroCity LLC; City of Gustine; MCAG

The majority of market-rate housing potential for Gustine lies in the Southeast Gustine Master Plan Area, which was zoned for annexation in August 2018. This area is expected to yield 141 units of multi-family housing at R-3 densities (i.e., 15 du/acre), plus 788 single family units at PD densities (i.e., 5.3 du/acre). The master plan area is shown on the map of vacant and available sites in Map 2, below. As Sites # 1 and #6 were added as a necessary part of the City's inventory of vacant and available land after the close of the Housing Element planning period in December 2015, State Housing Element Law requires that this land be developed at a minimum 20 dwelling units per acre by right and that each development site be large enough to accommodate at least 16 units. The Gustine Zoning Ordinance was amended in spring 2019 to apply special development standards to each of these sites, so that they complied with state law.

5.2 Public Facilities and Services

Water

The Water Master Plan (2003) indicates the City of Gustine currently utilizes groundwater to meet 100 percent of the City's water demand. It was concluded in the groundwater study that pumping could approximately double; however, to meet the needs of the long-range General Plan growth and land use projections groundwater pumping will nearly triple. It is concluded that the City should continue to rely on groundwater in the near future, but it will be necessary to begin planning conversion to alternative sources of supply. However, none of the parcels in this site inventory list will require expansion of the system. In addition, the City has taken action to ensure an orderly and efficient expansion of public improvements to adequately meet the future domestic and economic needs of the community. Appropriate Development Impact Fees have been established to ensure that existing development and new development pays their proportionate share of needed improvements. In addition, new development will be required to establish funding mechanisms to pay for ongoing services. The City has sufficient existing water capacity to accommodate its share of the RHNA. In compliance with the provision of AB 1087, the City provides a copy of its current Housing Element to the water service provider.

Sewer

The Sewer Master Plan (2003) indicates capacity in the City is sufficient for current level of development and full build-out of the Southeast Gustine Master Plan Area. Residential development, as projected in the General Plan, is the primary driving force for sewer system expansion and improvements because of the spatial expansion and upstream nature of residential development. The sewer system will require upgrades and/or expansion to meet the needs of the long-range General Plan growth and land use projections. However, none of the parcels in this site inventory list will require expansion of the system. In addition, the City has taken action to ensure an orderly and efficient expansion of public improvements to adequately meet the future domestic and economic needs of the community. Appropriate Development Impact Fees have been established to ensure that existing development and new development pays their proportionate share of needed improvements. In addition, new development will be required to establish funding mechanisms to pay for ongoing services. Sufficient sewer capacity exists to accommodate the City's share of the Regional Housing Needs Assessment for this planning period. In compliance with the provision of AB 1087, the City provides a copy of its current Housing Element to sewer service provider.

Storm Drain

The Storm Drain Master Plan (2008) calls for new and expanded storm drain facilities to meet the needs of the long-range General Plan growth and land use projections. However, none of the parcels in this site inventory list will require expansion of the system. In addition, the City has taken action to ensure an orderly and efficient expansion of public improvements to adequately meet the future domestic and economic needs of the community. Appropriate Development Impact Fees have been established to ensure that existing development and new development pays their proportionate share of needed improvements. In addition, new development will be required to establish funding mechanisms to pay for ongoing services. Sufficient storm drain facilities exist to accommodate the City's share of the Regional Housing Needs Assessment for this planning period.

Orderly and Efficient Expansion

The City has experienced population growth creating an impact and additional demand for services to the existing infrastructure, facilities, and services and this trend is continuing. Furthermore, past infrastructure funding sources such as property taxes and Federal Revenue Sharing funding have been substantially reduced so that current funding sources are no longer adequate. Since new development generates a need for new public infrastructure. It has been determined that development should pay for the increased costs of this need and the City has implemented public facility impact fees. Particularly, the provisions of these fees were adopted for the following reasons:

- To provide an adequate and constant method for the financing of the non-funded portion of needed systems development costs throughout the city, reasonably related to projected community growth.
- To promote the orderly and efficient expansion of public improvements to adequately meet the domestic and economic needs of the community and to minimize adverse fiscal and environmental impacts of new development.
- To insure the continuation of necessary services including, but not limited to police and general administrative services.
- To establish equitable methods for minimizing public facility and service costs to the city associated with new development.

Environmental

There are no significant environmental features known to exist that would impact or preclude the development of the sites listed in the inventory. However, the City makes an environmental determination on every proposed development project as required by the California Environmental Quality Act (CEQA). If environmental impacts arise during the processing of an application, the City will endeavor to develop appropriate mitigation measures.

Conclusion

The City has concluded that there are no infrastructural and/or existing environmental constraints that would preclude the development of all sites in the inventory to occur within the planning period. All sites have sufficient water, sewer, and dry utilities—including the availability and access to distribution facilities—available for full development.

5.3 Adequate Site Inventory List

The City's inventory of land suitable for residential development can be viewed in Table 5-B. Each parcel is listed by APN, acreage, general plan designation, zone in which it is located, its realistic housing density per acre, and whether the site is adequate to accommodate lower-income housing, moderate-income housing, or above moderate-income housing. The realistic capacity of the single family residential zone is five (5) dwelling units per acre and high density residential is 15 units per acre. In 2019, the City revised its Zoning and Subdivision Code to allow up to 20 dwelling units per acre, up from the current maximum of 15 dwelling units per acre. Accordingly, the City's Zoning and Subdivision Code now adequately supports housing for lower income households. Therefore, the assumptions made in Table 5-B are considered conservative, as the higher densities could increase the possible number of allowable multi-family units by as much as one-third. Map 2 shows the location of available sites.

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Table 5-B
Adequate Sites Inventory List

Site No	Acres	Density (DU/AC)	Potential Units	APN	General Plan	Zoning	Intended Income Level*
R-3 Vacant Sites							
1	6.207	15.0	93	021-062-005	Med/High Density	R-3	LI
2	1.822	15.0	27	020-082-007	Med/High Density	R-3	MI
3	0.826	15.0	12	020-072-034	Med/High Density	R-3	MI
4	0.826	15.0	12	020-072-035	Med/High Density	R-3	MI
5	0.083	15.0	1	020-067-001	Med/High Density	R-3	MI
6	2.204	15.0	33	021-061-004	Med/High Density	R-3	LI
Subtotal	11.968		178				
R-1 Vacant Sites							
7	0.259	5.0	1	020-270-001	Low Density	R-1	MI, AMI
8	0.601	5.0	3	020-270-004	Low Density	R-1	MI, AMI
9	0.547	5.0	2	020-270-009	Low Density	R-1	MI, AMI
10	0.578	5.0	2	020-270-013	Low Density	R-1	MI, AMI
11	0.271	5.0	1	020-270-014	Low Density	R-1	MI, AMI
12	0.348	5.0	1	020-270-015	Low Density	R-1	MI, AMI
13	0.427	5.0	2	020-101-070	Low Density	R-1	MI, AMI
14	0.802	5.0	4	020-101-064	Low Density	R-1	MI, AMI
15	0.262	5.0	1	021-031-012	Low Density	R-1	MI, AMI
16	0.160	5.0	1	021-031-013	Low Density	R-1	MI, AMI
17	0.138	5.0	1	021-031-023	Low Density	R-1	MI, AMI
18	0.138	5.0	1	021-031-015	Low Density	R-1	MI, AMI
19	0.186	5.0	1	021-040-011	Low Density	R-1	MI, AMI
20	0.071	5.0	1	020-053-015	Planned Dev	R-1	MI, AMI
21	0.080	5.0	1	020-073-007	Planned Dev	R-1	MI, AMI
22	1.215	5.0	6	020-101-073	Low Density	R-1	MI, AMI

Site No	Acres	Density (DU/AC)	Potential Units	APN	General Plan	Zoning	Intended Income Level*
23	2.837	5.0	14	020-101-067	Low Density	R-1	MI, AMI
24	4.046	5.0	20	021-102-006	Low Density	R-1	MI, AMI
25	4.054	5.0	20	021-104-006	Low Density	R-1	MI, AMI
26	3.382	5.0	16	021-110-031	Low Density	R-1	MI, AMI
27	0.080	5.0	1	020-016-017	Low Density	R-1	MI, AMI
28	3.222	5.0	1	021-082-009	Planned Dev	R-1	MI, AMI
29	0.505	5.0	1	021-082-006	Planned Dev	R-1	MI, AMI
30	0.276	5.0	1	021-082-007	Planned Dev	R-1	MI, AMI
31	0.554	5.0	1	021-082-008	Planned Dev	R-1	MI, AMI
32	7.291	5.0	1	021-110-019	Planned Dev	R-1	MI, AMI
Subtotal	32.330		105				
Planned Development Vacant Sites (Southeast Gustine Master Plan)							
33	6.962	5.3	36	021-062-001	Planned Dev	Planned Dev	MI, AMI
34	4.772	5.3	25	021-062-002	Planned Dev	Planned Dev	MI, AMI
35	2.167	5.3	11	021-062-003	Planned Dev	Planned Dev	MI, AMI
36	2.074	5.3	10	021-062-004	Planned Dev	Planned Dev	MI, AMI
37	16.304	5.3	86	063-180-018	Planned Dev	Planned Dev	MI, AMI
38	15.548	5.3	82	063-180-015	Planned Dev	Planned Dev	MI, AMI
39	21.575	5.3	114	063-180-030	Planned Dev	Planned Dev	MI, AMI
40	0.947	5.3	5	063-180-019	Planned Dev	Planned Dev	MI, AMI
41	20.000	5.3	106	063-180-010	Planned Dev	Planned Dev	MI, AMI
42	20.147	5.3	106	063-180-029	Planned Dev	Planned Dev	MI, AMI
43	29.495	5.3	156	063-180-023	Planned Dev	Planned Dev	MI, AMI
44	0.992	5.3	5	063-180-022	Planned Dev	Planned Dev	MI, AMI
45	8.861	5.3	46	063-180-011	Planned Dev	Planned Dev	MI, AMI
Subtotal	149.844		788				

Site No	Acres	Density (DU/AC)	Potential Units	APN	General Plan	Zoning	Intended Income Level*
R-E Vacant Sites							
46	2.796	3.0	8	020-191-015	Residential Estate	R-E	AMI
47	1.742	3.0	5	020-191-001	Residential Estate	R-E	AMI
48	2.750	3.0	8	020-191-019	Residential Estate	R-E	AMI
Subtotal	7.288		21				
TOTAL	201.430		1,092				

*Note: *LI = Lower Income; MI = Moderate Income; AMI = Above-Moderate Income. The median sales price of homes in the City of Gustine was $236,000 as of March 2017, and the maximum price of a house affordable to the moderate-income household was $282,497. Therefore, new R-1 sites may in selected circumstances be affordable to moderate-income households.*

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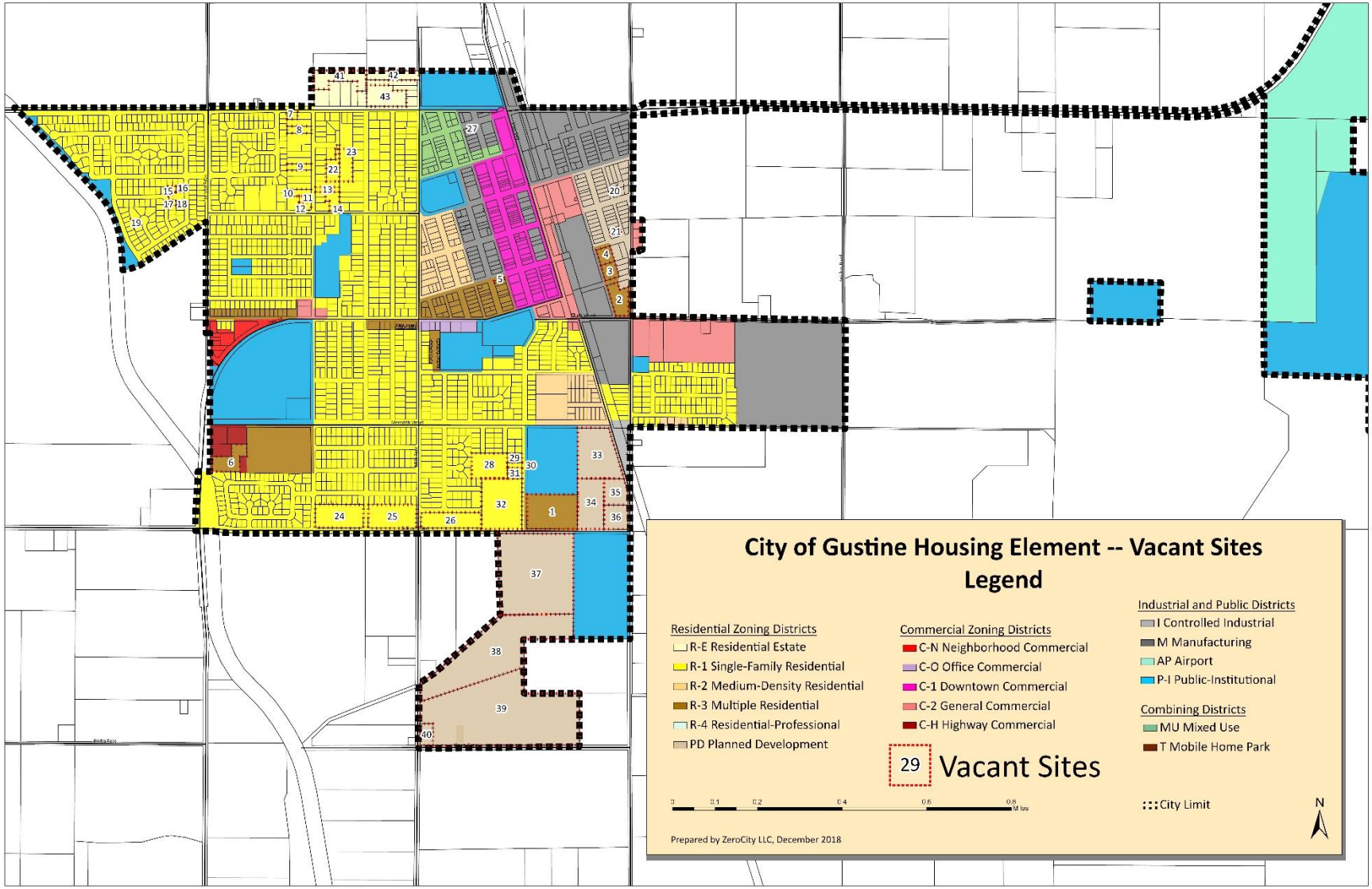
Map 2
Adequate Site Inventory Map



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6.0 Progress, Review and Revision

The previous Housing Element was adopted on ~~July 26, 2011~~April 2, 2019, and the Department of Housing and Community Development (HCD) certified the element in a letter dated ~~August 3, 2011~~October 8, 2019. ~~While housing activity was, in general, slow due to the housing market collapse that started in 2008,~~ Gustine has made significant progress in implementing its ~~2011~~ 2015-2019 Housing Element. This chapter will review and highlight those steps, which the City has taken to address the housing needs of all economic segments of its population.

6.1 Evaluation of Previous Housing Element

The goals, policies, action programs and quantifiable objectives have been evaluated for effectiveness, appropriateness, and implementation. An evaluation of Housing Action Programs is contained in Table 6-A, and an evaluation of quantified objectives is contained in Table 6-B.

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Table 6-A
Effectiveness, Appropriateness, and Implementation
2015-19 Housing Element Action Plans

Progress Toward Meeting 2015-19 Housing Element Goals and Objectives				
Implementation Program	**Objective**	**Result**	**Evaluation**	**Continue/Modify/ Delete**
Maintain a Sufficient Supply of a Wide Range of Housing Types				
1-A: Adequate Sites for a Variety of Housing Types. Ensure adequate land is available for a wide range of housing types at all income levels by continuing to verify the availability of appropriately zoned and designated land, including the rezoning of land as necessary and ensure consistency between the General Plan land use designations and the zoning applied to those lands by amending the General Plan as appropriate.	Timing: Ongoing To provide sufficient vacant and available sites for a wide range of housing types at all income levels	Completed process to annex 200 acres for housing development (Southeast Gustine Master Plan Area) Rezoning program also complete	Program objectives met	Continue program
1-B: **Information on Affordable Housing Programs.** Make information on affordable housing issues and programs, when applicable, in the City of Gustine available to city residents, developers, and local lenders, by placing program brochures, copies of city documents, and other pertinent information in the city libraries, on the City website and at City Hall. In addition, this information identified will be available to community-based groups serving lower income residents. Maximize public visibility for housing programs by encouraging representatives of the local media to cover affordable housing as an important community issue in need of community-wide attention and response.	Timing: Ongoing To ensure that information on affordable housing is made available to the public	City has continually made information available on its electronic marquee, at City Hall, at City libraries, and to local media	Program objectives met	Continue program

Progress Toward Meeting 2015-19 Housing Element Goals and Objectives				
Implementation Program	**Objective**	**Result**	**Evaluation**	**Continue/Modify/ Delete**
1-C: Variety of Sources for Grants and Loans Actively investigate a variety of sources for grants and low interest loan programs that can be used by the City, its residents, developers and nonprofit organizations to purchase, maintain, improve and expand the supply of affordable housing in the City. When identified, make this information readily available to the public through the website, at the City Library and at City Hall. As part of this program, the City will specifically seek or support applying for funding programs that target the development of housing affordable to extremely low-income households and establish special incentives and concessions (beyond what is already required through density bonus law) or other mechanisms such as priority processing to encourage the development of housing affordable to extremely low income households.	Timing: w/in 2 years; Ongoing To investigate sources of funding for affordable housing development	City is on track to implement this program	Achievement of Program objectives pending	Continue program
1-D: Review Procedures and Fees Periodically review the City's procedures and fees for processing applications, inspections, environmental review, building permits and development fees so that such procedures and fees will not inhibit the development of affordable housing.	Timing: Annually To ensure that permit process and fees do not inhibit development of affordable housing	The City reviews permit fees annually	Program objectives met	Continue program
1-E: Development of Rental Units with 3, 4 or more Bedrooms. In an effort to increase the supply of rental housing units with three or more bedrooms and make progress in meeting the needs of female headed family households, large families and to help alleviate overcrowded conditions; the City will encourage development of these type projects by promoting the Affordable Housing Incentives as detailed in Chapter 4-32 of the Zoning and Subdivision Code.	Timing: Ongoing To increase supply of housing for large families and females-headed families	This program has been dormant due to lack of housing development activities	This program met objectives but was largely unused in the last housing element period	Continue program

Progress Toward Meeting 2015-19 Housing Element Goals and Objectives				
Implementation Program	**Objective**	**Result**	**Evaluation**	**Continue/Modify/ Delete**
1-F: Water and Sewer Priority The City of Gustine shall adopt an ordinance that establishes specific procedures to grant priority service to housing with units affordable to lower-income households whenever capacity is limited.	Timing: W/in 1 year To place priority on the development of affordable housing	This program was implemented in 2019	Program objectives met	Delete program
1-G: Flood Hazard Land Management. The City of Gustine shall review its General Plan Land Use, Safety, and Conservation Elements to ensure that they include an analysis and policies addressing flood hazards and flood management, including a review of areas subject to flooding and a flood plain map.	Timing: W/in 1 year To ensure housing is developed in areas safe from flooding	City is on track to implement this program	Achievement of Program objectives pending	Continue program
1-H: Small Unit Development. The City of Gustine shall explore the feasibility of revising its General Plan Land Use Element and/or Zoning Ordinance to promote the development of smaller, less expensive housing units for small households with modest incomes (e.g., first-time homebuyers without children and/or senior citizens).	Timing: W/in 3 year3 To provide a variety of forms of affordable housing	City is on track to implement this program	Achievement of Program objectives pending	Continue program
1-I: Annexation of Southeast Gustine Master Plan Area. The City of Gustine shall complete annexation of the Southeast Gustine Master Plan Area, and within this Master Plan Area, the City of Gustine shall designate and zone the 6.2-acre Tosta Property as Medium/High Density and R-3, respectively, subject to the following special development requirements: 1) the property shall be used exclusively for multifamily housing, 2) at least 4.3 acres of the site shall be developed at a minimum density of 20 dwelling units per acre; and 3) development of this site shall not be subject to any further discretionary review or approval (i.e., multifamily by right)	Timing: W/in 1 year To provide adequate sites for housing	This program was implemented in 2019	Program objectives met	Delete program

Progress Toward Meeting 2015-19 Housing Element Goals and Objectives				
Implementation Program	**Objective**	**Result**	**Evaluation**	**Continue/Modify/ Delete**
after the annexation is complete and the Southeast Gustine Master Plan Area has been formally adopted.				
1-J: Mobile and Manufactured Homes in R-2 and PD Zones. The City of Gustine shall revise its Zoning and Subdivision Code to allow mobile and manufactured homes in the same districts that single-family homes are allowed, subject to the same development standards as apply to a conventional single-family home on the same lot. Accordingly, the R-2 and PD Zoning Districts shall be revised to allow mobile and manufactured homes, subject only to the restrictions that apply to other residential dwellings of the same type in the same zone.	Timing: W/in 1 year To remove government constraints and on the development of mobile and manufactured homes	This program was implemented in 2019	Program objectives met	Delete program
Preservation and Rehabilitation of Existing Housing Stock				
2-A: Seek Grant Funds. Encourage Federal and State governments to increase the level of funding for improvements and/or expansion of the public infrastructure serving the residents of the City. The City will actively seek CDBG and other grant funds to upgrade streets, sidewalks and other public improvements in areas of the City with the greatest need.	Timing: W/in 1 year; Ongoing To improve public infrastructure	This program has been dormant due to lack of development activities	This program met objectives but was largely unused in the last housing element period	Continue program
2-B: Section 504 Loans. Encourage homeowners to apply for USDA Rural Development 504 Program Loans of up to $20,000 to make repairs to homes of low-income rural residents. The interest rate on the loan is 1% and the term of the loan, which may be up two 20 years, varies depending on the borrower's ability to repay. Grants of up to $ 7,500 are available for the same purposes to elderly (62 years or older) households if they are unable to afford to repay a loan. The Rural Housing Repair and Rehabilitation Loans are funded directly by the	Timing: W/in 1 year; Ongoing To assist in housing rehabilitation	This program was not implemented	This program did not meet objectives due to lack of staff resources	Continue program; prepare and distribute information flyer in 2020

Progress Toward Meeting 2015-19 Housing Element Goals and Objectives				
Implementation Program	**Objective**	**Result**	**Evaluation**	**Continue/Modify/ Delete**
Government to help very low income owners of modest single family homes repair those homes. Loan funds are available to improve or modernize a home, make it safer or more sanitary, or remove health and safety hazards. The City will market the Section 504 Loans to eligible households by use of inserts and/or notices on monthly utility statements, posting the information on the City website and distributing brochures about Section 504 Loans at City Hall and the Gustine Library.				
2-C: HOME Funds. To encourage rehabilitation, new construction, and acquisition of single-family and multifamily housing projects that benefit lower-income households, both renters and owners, the City will apply for HOME Investment Partnership Program (HOME) and other funds.	Timing: W/in 1 year; Ongoing To assist in rehabilitation and new construction	The City applies for HOME funds every year	Program met objectives	Continue program
Opportunities for Energy Conservation and Reduction Greenhouse Gases				
3-A: Weatherization Programs. Encourage and promote the public awareness and participation in weatherization programs available through utility companies. The City will work cooperatively with participating utility companies making available company provided informational brochures at the library and other public facilities. In addition, a link to utility company's weatherization programs will be placed on the City's website. Maximize public visibility by encouraging representatives of the local media to cover utility company's weatherization programs that aim to make a home more comfortable and energy efficient at no-cost to eligible renters and homeowners. Some measures taken are: weather-stripping, caulking, replacement of broken glass, attic insulation, and furnace inspection.	Timing: Ongoing To promote energy efficiency in new and existing construction	This program was not implemented	This program did not meet objectives due to lack of staff resources	Continue program; add PG&E weatherization program information to City's website in 2020

Progress Toward Meeting 2015-19 Housing Element Goals and Objectives				
Implementation Program	**Objective**	**Result**	**Evaluation**	**Continue/Modify/ Delete**
3-B: Solar Design Ordinance. The City of Gustine Zoning and Subdivision Code adopted in 2008 establishes the requirement for new residential developments of five (5) or more units to include solar design to reduce long term residential energy costs to the homeowner.	Timing: Ongoing To promote solar development in new residential construction	The City adopted its solar design ordinance in 2008	Program met objectives	Continue program
Equal Housing Opportunities				
4-A: Discourage Housing Discrimination. Actively discourage housing discrimination based upon race, religion, sex, marital status, ancestry, national origin, family status, disability or any other arbitrary basis. The City will make available at City Hall, the Gustine Branch of the Merced County Public Library and on the City website informational brochures in both Spanish and English from State and Federal agencies regarding fair housing law and refer inquiries regarding housing discrimination to the Fresno district office of the Department of Fair Employment and the Central California Legal Services.	Timing: Ongoing To maintain consistency with state law governing density bonus	The City provides information on housing discrimination at City Hall and in the public library	Program met objectives	Continue program, and expand to add housing-related information on the City's website
Implementation Monitoring				
5-A: Review Housing Element. To insure accountability to the Housing Element's goals, objectives, policies and action programs and to ensure the Housing Element is responsive to changing needs, the City will conduct an annual review and evaluation. The review shall be conducted in conjunction with the City's annual General Plan Report to the State of California and results by program; summary of success towards meeting stated targets, and an update on progress towards longer-range goals. Recommendations for revisions and/or specific program alteration may also be submitted for approval.	Timing: Annually To track progress on implementation of housing programs	The City undertakes a review of its General Plan annually	Program met objectives	Continue program

Progress Toward Meeting 2015-19 Housing Element Goals and Objectives				
Implementation Program	**Objective**	**Result**	**Evaluation**	**Continue/Modify/ Delete**
5-B: Housing Condition Survey. To encourage and promote the efficient implementation of the Housing Element's goals, objectives, policies and implementation programs and to ensure the Housing Element is responsive to changing needs, the City will conduct a housing condition survey with every Housing Element update, unless such an update is required on a four-year schedule, in which case the survey will be undertaken for every second Housing Element update.	Timing: Annually To track housing conditions in the city	City is on track to implement this program	Achievement of Program objectives pending	Continue program
5-C: Coordinate with County and Cities Coordinate with Merced County and the Merced County Association of Governments (MCAG) to periodically review and update policies and programs to ensure consistency and explore opportunities for cooperative efforts in attaining the Housing Element's goals, objectives and policies.	Timing: Ongoing	The City undertakes regional coordination on a regular basis	Program met objectives	Continue program

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Table 6-B
Review of Previous Quantified Objectives for Housing
2014 to 2023

Quantified Housing Objectives January 1, 2014 – June 30, 2023						
	Income Category					
Housing Objectives	Extremely Low Objective/ (actual)	Very Low Objective/ (actual)	Low Objective/ (actual)	Moderate Objective/ (actual)	Above Moderate Objective/ (actual)	Total Objective/ (actual)
New Construction	30 (__)	30 (__)	52 (__)	48 (__)	136 (___)	296 (___)
Rehabilitation	2 (_)	2 (_)	4 (_)	4 (_)		12 (__)
Conservation/Preservation	0 (_)	0 (_)	0 (_)	0 (_)		0 (_)
Total Housing Units	32 (__)	32 (__)	56 (__)	52 (__)	136 (__)	308 (___)

Source: City of Gustine; DOF

6.2 Summary of 2015-19 Housing Element Review

The City took important steps to implement its 2015-19 Housing Element, including the annexation of 200 acres for residential development (Southeast Gustine Master Plan Area) and a number of regulatory changes needed to remove government constraints.

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7.0 Goals, Policies, Programs and Quantified Objectives

Government Code Section 65583 requires ***"A statement of the community's goals, policies, quantified objectives, financial resources, and scheduled programs for the preservation, improvement, and development of housing.***

This chapter sets forth the goals, policies, implementation programs and quantified objectives for the maintenance, improvement and development of housing within the City of Gustine. This Housing Element includes a Summary Housing Goal and four goal statements. Under each goal statement, the element sets out policies that amplify and support each goal statement. Implementation programs are listed at the end of the corresponding group of policies and describe briefly the proposed action, the responsible department for carrying out the program, the funding source and the time frame for accomplishing the program.

The following definitions explain the nature of the statements of goals, policies, implementation programs and quantified objectives as they are used in this Housing Element:

- A goal represents the ultimate purpose of an effort stated in a way that is general in nature and immeasurable.
- A policy statement implies a clear commitment to a specific guiding action or process, which must be undertaken to achieve goals and objectives.
- An implementation program specifies the actions, procedures, or techniques that carry out policy. Implementation programs also specify primary responsibility for carrying out the action and an estimated time frame for its accomplishment. The time frame indicates the fiscal year in which the activity is scheduled to be completed. These time frames are general guidelines and may be adjusted based on the City's staffing and budgetary considerations. In addition, many programs are ongoing and continuous in nature and do not have a completion date.
- A quantified objective is the number of housing units that the City expects to be constructed, conserved, or rehabilitated; or the number of households the City expects will be assisted through Housing Element programs based on general market conditions during the time frame of the Housing Element.

For purposes of its housing planning and programming efforts, the State of California has adopted the following broad statewide housing goal of "decent housing and a suitable living environment for every California family".

The City of Gustine both subscribes to this goal and obtains direction from it in formulating its own goals. Additionally, HCD has established the following four primary goals:

- The provision of new housing
- The preservation of existing housing and neighborhoods
- The reduction of housing costs

- The improvement of housing conditions for special needs groups

Government Code Section 65583 recognizes total identified housing needs may exceed available resources and the City's ability to satisfy these needs. Therefore, the quantified objectives of the housing element need not be identical to the identified housing need, but should establish the maximum number of housing units that can be constructed, rehabilitated and conserved; or households assisted over the five-year time frame of the element.

7.1 Goals, Policies, and Implementation Programs

The City has added and expanded programs to specifically assist in the development of a variety of housing types that meet the needs of extremely low income households (ELI). The City has specifically added ELI households in a number of its housing goals, policies and implementation programs including but not limited to the addition of new implementation programs such as Program1-E Emergency Shelter Zoning to allow shelters by-right in the M Zone, Program 1-G Reasonable Accommodation, Program 1-I Bonus Density Ordinance Consistency, Program 1-J Farm Employee Housing, Program 1-K that eliminates the requirement of obtaining a special use permit for multifamily housing developments in the R-3 Zone, Program 1-L that increases the density in the R-3 Zone, Program 1-M that lower parking requirements for studio and 1 bedroom units. In summary, the City has included many programs in the Housing Element that make regulatory concessions to encourage the development of housing types which address the needs of extremely low income households.

City of Gustine's Summary Housing Goal

Attainment of a suitable, affordable and satisfactory living environment for every present and future resident in the City of Gustine, regardless of race, age, religion, sex, marital status, ethnic background, source of income or personal disability.

Maintain a Sufficient Supply of a Wide Range of Housing Types

With the City's diversifying population it is vital to provide for a variety of housing types to accommodate the housing needs across all social and economic segments of the population including extremely low income (ELI) households. The development of new affordable housing projects provides excellent opportunities to meet the City's regional housing need, while at the same time providing the ability to incorporate a diverse mix of land uses and smart growth techniques.

Goal 1
Maintain a sufficient supply and wide range of housing types that meet the economic and social needs of present and future residents of the City, particularly persons with special needs, including but not limited to low and extremely low income (ELI) households, the elderly, persons with disabilities, female headed households, large families, farmworkers, and persons in need of emergency shelter.

Policy 1A Support and encourage improved housing opportunities for affordable housing in a wide range of housing types throughout the City including types to meet the needs of extremely low (ELI) income households.

Policy 1B Endeavor to maintain an adequate supply of land in appropriate land use designations and zoning categories to accommodate Gustine's fair share of the Regional Housing Needs Allocation Plan.

Policy 1C Encourage and support programs that assist and help meet the housing needs of special needs groups, including but not limited to the elderly, persons with disabilities, female headed households, large families, extremely low income (ELI) households, farmworkers and persons in need of emergency shelter.

Policy 1D Promote and encourage that housing needs of migrant and non-migrant farmworkers (and their families), are met with a suitable, affordable and satisfactory living environment.

Policy 1E Promote and encourage emergency shelters and other transitional housing programs that assist the homeless and others in need.

Policy 1F Endeavor to ensure the City's regulations, procedures and fees do not inhibit the development of affordable housing.

Policy 1G Improvement fees are applied in an equitable manner to new development projects.

Policy 1H Encourage and support the Merced Housing Authority to give priority to low-income households that have been displaced by government action.

Policy 1I Encourage the development of rental units that meet the needs of large families (e.g., three and four bedroom units).

Policy 1J Encourage and support the development of convalescent and assisted living facilities to serve the elderly population of the City.

Policy 1K Support and encourage equal access to housing by providing reasonable accommodation for individuals with disabilities. The City will provide a process for individuals with disabilities to make requests for reasonable accommodation in regard to relief from the City's various land use; zoning; or building laws, rules, policies, practices, and/or procedures.

Implementation Program 1-A
Adequate Sites for a Variety of Housing Types

Ensure adequate land is available for a wide range of housing types at all income levels by continuing to verify the availability of appropriately zoned and designated land, including the rezoning of land as necessary and ensure consistency between the General Plan land use designations and the zoning applied to those lands by amending the General Plan as appropriate. The City will track developments on parcels identified in the Site Inventory (Table 5B) and every two years review the inventory to ensure that there are sufficient sites to accommodate the Regional Housing Needs Assessment.

Timing:	**At time of Housing Element update**
Reasonable agency:	**Community Development**
Related Policies:	**Policy 1B**
Funding source:	**General fund**

Implementation Program 1-B
Information on Affordable Housing Programs

Make information on affordable housing issues and programs, when applicable, in the City of Gustine available to city residents, developers, and local lenders, by placing program brochures, copies of city documents, and other pertinent information in the city libraries, on the City website and at City Hall. In addition, this information identified will be available to community-based groups serving lower income residents. Maximize public visibility for housing programs by encouraging representatives of the local media to cover affordable housing as an important community issue in need of community-wide attention and response. Information on affordable housing programs will be provided in both English and Spanish.

Timing:	**Ongoing**
Reasonable agency:	**Community Development**
Related Policies:	**Policy 1C**
Funding source:	**General fund**

Implementation Program 1-C
Variety of Sources for Grants and Loans

Actively investigate a variety of sources for grants and low interest loan programs that can be used by the City, its residents, developers and nonprofit organizations to purchase, maintain, improve and expand the supply of affordable housing in the City. When identified, make this information readily available to the public through the website, at the City Library and at City Hall.

As part of this program, the City will specifically seek or support applying for funding programs that target the development of housing affordable to extremely low-income households and establish special incentives and concessions (beyond what is already required through density bonus law) or other mechanisms such as priority processing to encourage the development of housing affordable to extremely low income households.

Timing:	**Review of all possible funding options timed to coincide with w/ annual CDBG application; priority processing for extremely low-income housing; within two (2) years of HCD certification of the Housing Element**
Reasonable agency:	**Community Development**
Related Policies:	**Policy 1A, 1C**
Funding source:	**General fund**

Implementation Program 1-D
Review Procedures and Fees

Periodically review the City's procedures and fees for processing applications, inspections, environmental review, building permits and development fees so that such procedures and fees will not inhibit the development of affordable housing.

Timing:	**Annually (Fees); with Housing Element Update (Procedures)**
Reasonable Agency:	**Community Development**
Related Policies:	**Policy 1F, 1G**
Funding source:	**General fund**

Implementation Program 1-E
Development of Rental Units with 3, 4 or more Bedrooms

In an effort to increase the supply of rental housing units with three or more bedrooms and make progress in meeting the needs of female headed family households, large families and to help alleviate overcrowded conditions; the City will encourage development of these type projects by promoting the Affordable Housing Incentives as detailed in Chapter 4-32 of the Zoning and Subdivision Code.

Timing:	**Ongoing**
Reasonable Agency:	**Community Development, City Council**
Related Policies:	**Policy 1I**
Funding Source:	**General fund**
Quantified Objective:	**Two (2) units per year**

Implementation Program 1-F
Water and Sewer Priority

The City of Gustine shall adopt an ordinance that establishes specific procedures to grant priority service to housing with units affordable to lower-income households whenever capacity is limited.

Timing:	**Within 1 year of HCD certification of the Housing Element**
Reasonable Agency:	**Community Development, City Council**
Related Policies:	**Policy 1-C**
Funding Source:	**General fund**

Implementation Program 1-G
Flood Hazard Land Management

The City of Gustine shall review its General Plan Land Use, Safety, and Conservation Elements to ensure that they include an analysis and policies addressing flood hazards and flood management, including a review of areas subject to flooding and a flood plain map.

Timing:	**Within 1 year of HCD certification of the Housing Element**
Reasonable Agency:	**Community Development, City Council**
Related Policies:	**Policy 1-B**
Funding Source:	**General fund**

Implementation Program 1-H
Small Unit Development

The City of Gustine shall explore the feasibility of revising its General Plan Land Use Element and/or Zoning Ordinance to promote the development of smaller, less expensive housing units for small households with modest incomes (e.g., first-time homebuyers without children and/or senior citizens).

Timing:	**Within 3 years of HCD certification of the Housing Element**
Reasonable Agency:	**Community Development, City Council**
Related Policies:	**Policy 1-A, 1-B, 1-C**
Funding Source:	**General fund**

~~**Implementation Program 1-I**~~
~~**Annexation of Southeast Gustine Master Plan Area**~~

~~The City of Gustine shall complete annexation of the Southeast Gustine Master Plan Area, and within this Master Plan Area, the City of Gustine shall designate and zone the 6.2-acre Tosta Property as Medium/High Density and R-3, respectively, subject to the following special development requirements: 1) the property shall be used exclusively for multifamily housing, 2) at least 4.3 acres of the site shall be developed at a minimum density of 20 dwelling units per acre; and 3) development of this site shall not be subject to any further discretionary review or approval (i.e., multifamily by right) after the annexation is complete and the Southeast Gustine Master Plan Area has been formally adopted.~~

~~*Timing:*~~	~~**Within 1 year of HCD certification of the Housing Element**~~
~~*Reasonable Agency:*~~	~~**Community Development, City Council**~~
~~*Related Policies:*~~	~~**Policy 1-B**~~
~~*Funding Source:*~~	~~**General fund**~~
~~*Quantified Objective:*~~	~~**Two (2) units per year**~~

~~**Implementation Program 1-J**~~
~~**Mobile and Manufactured Homes in R-2 and PD Zones**~~

~~The City of Gustine shall revise its Zoning and Subdivision Code to allow mobile and manufactured homes in the same districts that single-family homes are allowed, subject to the same development standards as apply to a conventional single-family home on the same lot. Accordingly, the R-2 and PD Zoning Districts shall be revised to allow mobile and manufactured homes, subject only to the restrictions that apply to other residential dwellings of the same type in the same zone.~~

~~*Timing:*~~	~~**Within 1 year of HCD certification of the Housing Element**~~
~~*Reasonable Agency:*~~	~~**Community Development, City Council**~~
~~*Related Policies:*~~	~~**Policy 1-F**~~
~~*Funding Source:*~~	~~**General fund**~~

Implementation Program 1-I
Supportive Housing by Right

The City will streamline and expedite the approval of supportive housing to better address the need of its residents experiencing homelessness, as required by AB 2162 adopted in 2018.

Accordingly, the City will revise its Zoning Ordinance to allow supportive housing by right in zones where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses. This revision will also address any other changes to the Zoning Ordinance required by AB 2162.

Timing: **Within 1 year of HCD certification of the Housing Element**

Reasonable Agency: **Community Development, City Council**

Related Policies: **Policy 1-E and 1-F**

Funding Source: **General fund**

Implementation Program 1-J
Low Barrier Navigation Centers

The City will accommodate the approval of low barrier navigation centers to better address the need of its residents experiencing homelessness, as required by Government Code 65660 et seq. Accordingly, the City will revise its Zoning Ordinance to allow low barrier navigation centers by right in zones where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses. This revision will also address any other changes to the Zoning Ordinance required by Government Code 65660 et seq.

Timing: **Within 1 year of HCD certification of the Housing Element**

Reasonable Agency: **Community Development, City Council**

Related Policies: **Policy 1-E and 1-F**

Funding Source: **General fund**

Preservation and Rehabilitation of Existing Housing Stock

In addition to encouraging development of new affordable housing, reinvestment in the City's existing supply of housing is equally important. Based on the 2009 housing condition survey, there is a concentration of substandard housing in the area of Hwy 140 and South Ave. and additionally in the area east of Railroad Ave. and south of Carnation Road. These areas are also lacking in one or more infrastructure such as curbs, gutter, sidewalk, and/or in need of street maintenance. Areas of substandard multifamily units are identified along Hwy 140 and South Ave. and south of Hwy 140 and west of East Ave.

Goal 2
Maintaining, preserving and rehabilitating the existing housing stock to provide healthy and safe housing opportunities for the population residing within the City limits.

Policy 2A Seek Federal, State and other funding sources for the rehabilitation of substandard housing.

Policy 2B Encourage the maintenance and preservation of housing in order to provide a safe and satisfactory living environment.

Policy 2C Endeavor to attain adequate infrastructure maintenance, upgrades and expansion to support existing and future residential development.

Implementation Program 2-A
Seek Grant Funds

Encourage Federal and State governments to increase the level of funding for improvements and/or expansion of the public infrastructure serving the residents of the City. The City will actively seek CDBG and other grant funds to upgrade streets, sidewalks and other public improvements in areas of the City with the greatest need.

Timing: **Within 1 year of HCD certification of the Housing Element, and continuous going forward**

Reasonable Agency: **City Manager/Public Works/Planning Director**

Related Policies: **Policy 2C**

Funding Source: **CDBG and other grant funds**

Implementation Program 2-B
Section 504 Loans

Encourage homeowners to apply for USDA Rural Development 504 Program Loans of up to $20,000 to make repairs to homes of low-income rural residents. The interest rate on the loan is 1% and the term of the loan, which may be up two 20 years, varies depending on the borrower's ability to repay. Grants of up to $ 7,500 are available for the same purposes to elderly (62 years or older) households if they are unable to afford to repay a loan. The Rural Housing Repair and Rehabilitation Loans are funded directly by the Government to help very low income owners of modest single family homes repair those homes. Loan funds are available to improve or modernize a home, make it safer or more sanitary, or remove health and safety hazards. The City will market the Section 504 Loans to eligible households by use of inserts and/or notices on monthly utility statements, posting the information on the City website and distributing brochures about Section 504 Loans at City Hall and the Gustine Library.

Timing: **Within 1 year of HCD certification of the Housing Element, and continuous going forward**

Reasonable Agency: **Community Development**

Related Policies: **Policy 2A & 2B**

Funding Source: **U.S.D.A. Rural Development**

Quantified Objective: **Five (5) loans per year**

Implementation Program 2-C
HOME Funds

To encourage rehabilitation, new construction, and acquisition of single-family and multifamily housing projects that benefit lower-income households, both renters and owners, the City will apply for HOME Investment Partnership Program (HOME) and other funds.

Timing: **Within 1 year of HCD certification of the Housing Element, and continuous going forward**

Reasonable Agency: **Community Development**

Related Policies:	**Policy 2A & 2B**
Funding Source:	**U.S. Department of Housing and Urban Development (HUD)**
Quantified Objective:	**Five (5) loans per year**

Opportunities for Energy Conservation and Reduction Greenhouse Gases

Energy efficiency has a direct effect on affordable housing. Planning to maximize energy efficiency and the incorporation of energy conservation and green building features contribute to a reduction of energy costs for homeowners and renters in addition to promoting sustainable community design and reduced dependence on vehicles. Such planning and development standards can also significantly contribute to reducing greenhouse gases. High energy costs disproportionably effect low-income households that do not have enough income or cash reserves to absorb higher energy cost increases and must choose between basic survival needs of food, clothing, and shelter

Goal 3

Development, redevelopment and preservation projects that are environmentally sustainable, using strategies to reduce greenhouse gas emissions manage water and energy resources and make use smart growth principles to create a more livable community.

Policy 3A Encourage developments that maximize energy conservation opportunities and contribute to the reduction of greenhouse gases.

Policy 3B Enforce the 2008 Building Energy Efficiency Standards once these new standards go into effect on January 1, 2010.

Policy 3C Promote public awareness regarding the need for energy conservation.

Policy 3D Promote and encourage the development of multi-family housing along transportation corridors, including the City's bike route.

Policy 3E City Ordinances and Code shall promote and encourage residential energy conservation.

Policy 3F Promote energy conservation by providing information about utility company weatherization programs.

Implementation Program 3-A
Weatherization Programs

Encourage and promote the public awareness and participation in weatherization programs available through utility companies. The City will work cooperatively with participating utility companies making available company provided informational brochures at the library and other public facilities. In addition, a link to utility company's weatherization programs will be placed on the City's website. Maximize public visibility by encouraging representatives of the local media to cover utility company's weatherization programs that aim to make a home more comfortable and energy efficient at no-cost to eligible renters and homeowners. Some measures taken are: weather-stripping, caulking, replacement of broken glass, attic insulation, and furnace inspection.

Timing:	**Ongoing**
Reasonable Agency:	**Community Development**
Related Policies:	**Policy 3F**
Funding source:	**General fund**
Quantified Objective:	**Five (5) units per year**

Implementation Program 3-B
Solar Design Ordinance

The City of Gustine Zoning and Subdivision Code adopted in 2008 establishes the requirement for new residential developments of five (5) or more units to include solar design to reduce long term residential energy costs to the homeowner.

Timing:	**Ongoing**
Reasonable Agency:	**Community Development**
Related Policies:	**Policies 3A & 3E**
Funding source:	**General fund**

Equal Housing Opportunities

All households have the right to rent or purchase housing without discrimination. The City of Gustine has continued to ensure equal housing opportunity through fair housing practices and the dissemination of fair housing information throughout the community.

Goal 4
To provide equal housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, family status, disability, or any other arbitrary basis.

Policy 4A Promote equal housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, family status, disability, or any other arbitrary basis.

Policy 4B The City will further the cause of fair housing and encourage compliance with fair housing laws.

Policy 4C The City will cooperate with community–based organizations that provide services or information to victims of housing discrimination.

Implementation Program 4-A
Discourage Housing Discrimination

Actively discourage housing discrimination based upon race, religion, sex, marital status, ancestry, national origin, family status, disability or any other arbitrary basis. The City will make available at City Hall, the Gustine Branch of the Merced County Public Library and on the City website informational

brochures in both Spanish and English from State and Federal agencies regarding fair housing law and refer inquiries regarding housing discrimination to the Fresno district office of the Department of Fair Employment and the Central California Legal Services.

Timing: **Ongoing**

Reasonable agency: **Community Development**

Related Policies: **Policy 1C**

Funding source: **General fund**

Implementation Monitoring

The City of Gustine is committed to addressing the housing needs of its citizens as described in this Housing Element. Open communication between City departments, local nonprofit organizations and the general public is needed to ensure that the policies and programs are implemented to the greatest extent possible.

Goal 5
To ensure that Housing Element programs are implemented in a timely manner and progress of each program is monitored and evaluated annually.

Policy 5A The City will continually work to carry out the implementation of Housing Element programs.

Policy 5B The City will conduct a housing condition survey at a minimum of every five years to provide vital information for the Housing Element and its implementation.

Policy 5C Coordinate with Merced County and the Merced County Association of Governments (MCAG) to ensure consistency and explore opportunities for cooperative efforts.

Implementation Program 5-A
Review Housing Element

To insure accountability to the Housing Element's goals, objectives, policies and action programs and to ensure the Housing Element is responsive to changing needs, the City will conduct an annual review and evaluation. The review shall be conducted in conjunction with the City's annual General Plan Report to the State of California and results by program; summary of success towards meeting stated targets, and an update on progress towards longer-range goals. Recommendations for revisions and/or specific program alteration may also be submitted for approval.

Timing: **December of each year - Annually**

Reasonable Agency: **Community Development, Planning Commission & City Council**

Related Policies: **Policy 5A**

Funding source: **General fund**

Implementation Program 5-B
Housing Condition Survey

To encourage and promote the efficient implementation of the Housing Element's goals, objectives, policies and implementation programs and to ensure the Housing Element is responsive to changing needs, the City will conduct a housing condition survey with every Housing Element update, unless such an update is required on a four-year schedule, in which case the survey will be undertaken for every second Housing Element update.

Timing:	**December of each year/then combined report by December 2015**
Reasonable Agency:	**Community Development**
Related Policies:	**Policy 5B**
Funding source:	**CDBG Planning/Technical Assistance Grants**

Implementation Program 5-C
Coordinate with County and Cities

Coordinate with Merced County and the Merced County Association of Governments (MCAG) to periodically review and update policies and programs to ensure consistency and explore opportunities for cooperative efforts in attaining the Housing Element's goals, objectives and policies.

Timing:	**Ongoing**
Reasonable Agency:	**Community Development**
Related Policies:	**Policy 5C**
Funding source:	**General fund**

7.2 Quantified Objectives

The City has a sufficient supply of adequate sites to accommodate its share of the regional housing need (see Chapter 5). With the uptick in housing construction starts that began in 2015, it is reasonable to expect that quantified objectives for housing will be met in all income categories. Table 7-A outlines the quantified housing objectives the City views as realistic and attainable through the implementation programs previously outlined in this chapter.

Table 7-A
Quantified Objectives

Quantified Housing Objectives January 1, 2014 – June 30, 2023						
	Income Category					
Housing Objectives	Extremely Low	Very Low	Low	Moderate	Above Moderate	Total
New Construction	30	30	52	48	136	296
Rehabilitation	2	2	4	4		12
Conservation/Preservation	0	0	0	0		0
Total Housing Units	32	32	56	52	136	308