

AGENDA
NEWMAN CITY COUNCIL/REDEVELOPMENT AGENCY
REGULAR MEETING OCTOBER 27, 2009
CITY COUNCIL CHAMBERS, 7:00 P.M., 1200 MAIN STREET

1. Call To Order.
2. Pledge Of Allegiance.
3. Invocation.
4. Roll Call.
5. Declaration Of Conflicts Of Interest.
6. Ceremonial Matters.
7. Items from the Public - Non-Agenda Items.
8. Consent Calendar
 - a. Waive All Readings Of Ordinances And Resolutions Except By Title.
 - b. Approval Of Warrants.
 - c. Approval Of Minutes Of The October 13, 2009 Regular Meeting.
9. Public Hearings
 - a. Appeal of Use Permit No. 09-05 Conditional Approval.
 - b. General Plan Amendment No. 09-01 Housing Element Formal Adoption.
10. Regular Business
 - a. Adopt Resolution #2009- Supporting The San Joaquin Valley Clean Energy Partnership Led By The San Joaquin Valley Air Pollution Control District And The San Joaquin Valley Clean Energy Organization And Authorize The San Joaquin Valley Clean Energy Partnership To Apply For And Administer The City Of Newman's Energy Efficiency And Conservation Block Grant (EECBG) Allocation.
 - b. Authorize Staff To Submit A CMAQ Application For The Purchase Of A CNG Aerial Vehicle And Adopt Resolution No. 2009- , A Resolution Authorizing The Appropriation Of Local Transportation Funds And Authorize The City Manager Or His Representative To Sign All Documents, Assurances, And Statements For The Purchase Of One CNG Aerial Truck.

11. Items From District Five Stanislaus County Supervisor.

12. Items From The City Manager And Staff.

13. Items From City Council Members.

14. Adjourn To Closed Session

- a. Public Employment - Police Chief - G.C. 54957.
- b. Public Employment - Finance Director - G.C. 54957.
- c. Return To Open Session.

15. Adjournment.

Calendar of Events

October 27 - City Council - 7:00 P.M.

November 3 - Election Day

November 9 - Baseball Board Meeting - 6:00 P.M.

November 10 - City Council - 7:00 P.M.

November 11 - Veteran's Day - City Offices Closed

November 12 - Recreation Commission - 7:00 P.M.

November 16 - Two-On-Two Meeting With The School Board - 4:30 P.M.

November 18 - Mayors Meeting - 6:00 P.M. - Newman

November 19 - Planning Commission - 7:00 P.M.

November 24 - City Council - Canceled

November 25 - City Furlough Day - City Offices Closed

November 26-27 Thanksgiving Holiday - City Offices Closed

Date.: Oct 23, 2009
Time.: 12:41 pm
Run by: EMILY M. FARIA

CITY OF NEWMAN
CASH DISBURSEMENTS REPORT

Page.: 1
List.: NEW1
Group: PYCPDP

Ck #	Check Date	CK Amount	Vendor Name	Description
036478	09/22/09	48776.78	BERTOLOTTI DISPOSAL	GARBAGE SERVICE FOR JAN 2009
036561	10/09/09	550.00	CITY OF NEWMAN-PETTY CASH	ANIMAL CLINIC/10-10-09/PD
036562	10/20/09	1000.00	RESERVE ACCOUNT	RE-SET POSTAGE METER
036563	10/23/09	434.70	AECOM USA, INC	IMPROVEMENT STANDARDS PROFESSIONAL SERVICES
036563	10/23/09	713.88	AECOM USA, INC	GENERAL ENGINEERING SERVICES/8/1 TO 9/4/09
036563	10/23/09	14831.73	AECOM USA, INC	2008 STREET REPAIR PROFESSIONAL SERVICES
036564	10/23/09	191.66	ARROWHEAD MOUNTAIN SPRING	BOTTLED WATER DELIVERIES/SEPT 2009
036565	10/23/09	331.68	AT&T MOBILITY	WIRELESS ACCESS/PD/9/3/09 TO 10/02/09
036566	10/23/09	64.79	AT&T	MONTHLY CHARGES FOR 668-3946 10/1 TO 10/31/09
036567	10/23/09	1205.36	BASIC CHEMICAL SOL./INC.	465 GALLONS SODIUM HYPOCHLORITE/WELLS
036568	10/23/09	507.13	JAMES J. BELL	CONTRACT SERVICES/EVIDENCE CLERK/10/1 TO 10/15/09
036569	10/23/09	157.12	NOEL T. BORDEN, II	REIMBURSEMENT FOR BIKE PARTS/BORDEN
036570	10/23/09	55.35	BUSINESS CARD	LANDCASTLE BIO FUEL MTG/KELLY/HOLLAND
036570	10/23/09	885.13	BUSINESS CARD	SUPPLIES/LABELS/CAMERA/CARWASHES/LOCKER/MEALS/PD
036571	10/23/09	23.96	ELAINE COLLISON (NT)	REIMBURSE SUPPLIES FOR ANIMAL CLINIC
036572	10/23/09	367.32	CRESCENT SUPPLY CO. #1	UNIFORM SUPPLIES FOR CSO OFFICER
036572	10/23/09	921.13	CRESCENT SUPPLY CO. #1	PO #10-20
036573	10/23/09	741.90	CROWN AWARDS	300 SOCCER MEDALS
036574	10/23/09	5883.05	DEPARTMENT OF HEALTH SERV	AB 2995 WATER SYSTEM FEES/7/1/08 TO 6/30/09
036575	10/23/09	1196.40	D J ROCHA TRUCKING, INC	PURCHASE AND DELIVERY BASE ROCK/WWTP
036576	10/23/09	2160.00	ENERPOWER	ELECTRIC ENERGY SERVICES 7/10/09 TO 8/08/09
036577	10/23/09	590.00	FGL ENVIRONMENTAL, INC	INORGANIC/ORGANIC ANALYSES/WWTP
036577	10/23/09	618.00	FGL ENVIRONMENTAL, INC	INORGANIC/BACTI/ORGANIC ANALYSES/WWTP
036578	10/23/09	44.95	FIREHOUSE MAGAZINE	MAGAZINE SUBSCRIPTION/FD

Date.: Oct 23, 2009
Time.: 12:41 pm
Run by: EMILY M. FARIA

CITY OF NEWMAN
CASH DISBURSEMENTS REPORT

Page.: 2
List.: NEW1
Group: PYCPDP

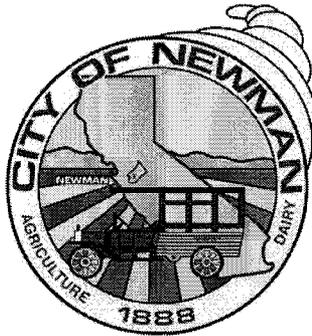
Ck #	Check Date	CK Amount	Vendor Name	Description
036580	10/23/09	938.50	GEOANALYTICAL LAB, INC.	WEEKLY BACTIS/QRTLY WELL MONITORING/BOD/TSS/SEP 09
036581	10/23/09	1930.00	CITY OF GUSTINE	ANIMAL CONTROL SERVICES/SEPT 2009
036582	10/23/09	9615.00	JOE'S LANDSCAPING &	LIGHTING & LANDSCAPE SERVICES/SEPT 2009
036583	10/23/09	61.36	McDONOUGH, HOLLAND, ALLEN	PROFESSIONAL SERVICES RENDERED THRU 9/30/09
036584	10/23/09	67.78	MERCED COUNTY ASSESSOR	PROPERTY TAX 054-040-002-000/09-2010
036584	10/23/09	440.96	MERCED COUNTY ASSESSOR	PROPERTY TAX 054-040-009-000/09-2010
036584	10/23/09	3519.22	MERCED COUNTY ASSESSOR	PROPERTY TAX/054-040-012-000/09-2010
036584	10/23/09	695.66	MERCED COUNTY ASSESSOR	PROPERTY TAX 054-040-013-000/09-2010
036584	10/23/09	741.91	MERCED COUNTY ASSESSOR	PROPERTY TAX 54-220-001/09/10
036585	10/23/09	1534.34	MID VALLEY IT, INC	MONTHLY IT CONTRACT SERVICES/NOV 2009
036586	10/23/09	2267.07	NBS	ADMIN FEES/LLD 10/1/09 TO 12/31/09
036587	10/23/09	1492.03	NEXTEL COMMUNICATIONS	CELL PHONE USAGE/SEPT 2009
036588	10/23/09	140.00	PAPA	PESTICIDE SEMINAR/PERRY/MUTOZA/11/19/09
036589	10/23/09	660.00	CITY OF PATTERSON	VIDEO REIMBURSEMENT/SEPT 2009
036590	10/23/09	200.00	ROGER PAULETTO	REFUND MEM BLDG DEPOSIT/PAULETTO
036591	10/23/09	124.39	P G & E	NATURAL GAS FOR CNG VEHICLES 09/3/09 TO 10/06/09
036592	10/23/09	6566.58	PRECISION INSPECTION, INC	Bldg Reg Inspec BLDG REGU
036593	10/23/09	101030.53	RAMINHA CONSTRUCTION, INC	WWTP STORAGE BASIN PROGRESS PAY #4
036594	10/23/09	75.00	LYDIA RENTERIA	REFUND MEM BLDG DEPOSIT/CORRAL/RENERIA
036595	10/23/09	6.19	SALIDA FIRE PROTECTION DISTRIC	20% AGENCY'S SHARE OF 1 PORTABLE RADIO W/ CHARGER
036596	10/23/09	34.00	SAN JOAQUIN VALLEY AIR	09/10 ANNUAL PERMIT/WWTP 500 GAL GAS TANK
036597	10/23/09	1081.00	SELF HELP ENTERPRISES	LOAN SERVCING FEE/SEPT 2009
036598	10/23/09	79.94	BRETT SHORT (NT)	REIMBURSE SUPPLIES FOR CITIZEN ACADEMY/SHORT
036599	10/23/09	511.00	STATE OF CALIFORNIA	FINGERPRINTS/FBI/FIREARMS
036600	10/23/09	48.92	STAPLES BUSINESS ADVANTAGE	3 HP INK CARTRIDGES

Date.: Oct 23, 2009
Time.: 12:41 pm
Run by: EMILY M. FARIA

CITY OF NEWMAN
CASH DISBURSEMENTS REPORT

Page.: 3
List.: NEW1
Group: PYCPDP

Ck #	Check Date	CK Amount	Vendor Name	Description
036600	10/23/09	57.80	STAPLES BUSINESS ADVANTAGE	COIN TRAY/PAPER/BATTERIES/BINDERS
036600	10/23/09	47.77	STAPLES BUSINESS ADVANTAGE	FOLDERS
036600	10/23/09	122.66	STAPLES BUSINESS ADVANTAGE	RULED PAD/FOLDERS/RECEIPT BOOKS/TYPEWRITTER RIBBON
036600	10/23/09	17.57	STAPLES BUSINESS ADVANTAGE	POUCH/PD
036601	10/23/09	167.45	UNIFIRST CORPORATION	TOWELS/MAT RENTALS
036601	10/23/09	394.92	UNIFIRST CORPORATION	UNIFORM CLEANING/MOP HEADS/MATS
036602	10/23/09	4725.00	URBAN FUTURES, INC	PROFESSIONAL SERVICES/RDA PLAN AMENDMENT
036603	10/23/09	173.19	USA BLUEBOOK	SOLBERG ELEMENT FILTER/WWTP
036604	10/23/09	88.00	UNITED STATES POSTMASTER	2 ROLLS POSTAGE STAMPS/PD
036605	10/23/09	11.91	VALLEY PARTS SERVICE	DEXCOOL
036605	10/23/09	3.07	VALLEY PARTS SERVICE	NAPA NONDETERGENT OIL/PRESSURE WASHER
036605	10/23/09	6.56	VALLEY PARTS SERVICE	LAMP BULB
036606	10/23/09	1185.60	MATTOS NEWSPAPERS, INC.	EMP ADS/FORMS/OLM AD/FALL FESTIVAL AD/LEGAL ADS
036606	10/23/09	25.00	MATTOS NEWSPAPERS, INC.	ANNUAL NEWSPAPER SUBSCRIPTION/CITY HALL
036607	10/23/09	574.74	WESTSIDE ANIMAL CLINIC	EUTHASASIA/HEALTH EXAMS/BOARDING/CREMATION
036608	10/23/09	332.09	YANCEY LUMBER COMPANY	MISC PLUMBING/FIELD MARKER/LUMBER/EDGER BLADE/
Sub-Total:		225366.73		
Grn-Total:		225366.73		
Count:		66		



**City of Newman
City Manager's Office
Memorandum**

**Date: October 21, 2009
To: City Council
From: Michael E. Holland**

Subject: Agenda Item No. 9.a. – Appeal of Use Permit No. 09-05 Conditional Approval.

At their meeting of September 17th, the Planning Commission conditionally approved Use Permit No. 09-05 extending a model home permit within the Sherman Ranch subdivision. As a condition of approval, the developer was required to pay a \$100 per lot fee to be used towards development of the dog park. Said condition was part of the original staff report and conditions of approval.

As a result of the conditional approval, the applicant has filed an appeal of condition No. 4, the proposed dog park fee. Upon further consideration and discussion with legal counsel, staff recommends the Council uphold the appeal and remove condition No. 4.



77613-35899

Rod A. Attebery

509 WEST WEBER AVENUE
FIFTH FLOOR
STOCKTON, CA 95203

POST OFFICE BOX 20
STOCKTON, CA 95201-3020

(209) 948-8200
(209) 948-4910 FAX

FROM MODESTO:
(209) 577-8200
(209) 577-4910 FAX

September 29, 2009

City of Newman Planning Department
1162 Main Street
Post Office Box 787
Newman, California 95360

Re: Request for Appeal of September 17, 2009 Planning Commission Decision:
Use Permit #09-05 - Extension of SCM Modular Sales Office

Dear Planning Department:

On behalf of our client, SCM Sierra Creek, LLC, we hereby appeal the decision of the Planning Commission on Use Permit #09-05 rendered on September 17, 2009 imposing Condition No. 4, as part of the approval for a conditional use permit extending the time for operation of a modular sales office. We respectfully request to be placed on the City Council Agenda for the October 27, 2009 meeting, at which time SCM Sierra Creek will request that the City Council remove the Condition No. 4.

Justification for Appeal:

Reasonable Relationship - Nexus

On September 17, 2009 the Planning Commission granted SCM Sierra Creek, LLCs (“SCM”) request for a conditional use permit which provides a one-year extension for the SCM modular sales office located on the corner of Red Lion Way and Cinnamon Teal Way. As part of the approval of the conditional use permit (“CUP”), the Planning Condition adopted several conditions of approval including Condition No. 4, which is the subject of the appeal. Condition No. 4 provides:

Developer shall pay a dog park fee of \$100.00 per unit for all units not finalized as of September 18, 2009; said fee shall be paid prior to final inspection of each unit.

As SCM has previously indicated in a letter dated September 17, 2009, attached hereto, the imposition of a dog park fee is unrelated to the extension of time allowed for operation of an existing modular sales office. The staff report correctly identified that the “slowing economy and the existing housing market” made the extension necessary. The modular sales office acts as a necessary tool to facilitate the sale of the remaining lots in



the subdivision. There is no impact of any kind created by the extension of time allowed for the structure.

The law has long established that an “essential nexus” must exist between a condition imposed on development and the impact of the development the condition is intended to address. The required degree of connection between the exaction and the projected impact of the development must be related both in nature and extent to the development’s impacts.

In addition California’s Mitigation Fee Act (Govt.Code § 66000 *et seq.*) provides that a “reasonable relationship” must exist between the fee and the impacts that the fee is intended to mitigate.

Condition of approval No. 4 relates to “all units” within the subdivision although the CUP grants an extension of time for an existing, temporary modular sales office. The extension of time for operation of the sales office has no relationship to permanent residents of the subdivision maintaining dogs and thus has no impact to a dog park. The “essential nexus” or “reasonable relationship” required by both case law and statute is missing and fails to pass the constitutional threshold. Furthermore, the lack of a “reasonable relationship” between the fee imposed and the impact the fee is intended to mitigate makes the fee appear arbitrary and discriminatory. This is particularly true when you take into account that SCM donated the land for the dog park.

Recorded Development Agreement - Vesting

The subdivision is the subject of a recorded Development Agreement (Ordinance No. 2004-03, October 14, 2004). The Development Agreement conveys statutory vested rights to SCM and limits the power of the City of Newman to apply newly enacted ordinances, rules, regulations or fees on the project. Only those rules, regulations, and fees in effect and agreed to at the time the Development Agreement was executed are valid.

Pursuant to Section 7 of the Development Agreement all development entitlements, including fees, are vested and only the fees listed therein are applicable. Section 7.01(A) specifically provides:

With regard to development fees on the Subdivision, Developer shall be responsible for payment of only those Municipal Fees, City-wide Services and other Fees as identified herein. For single family residential units, this sum shall be the same shown on Exhibit “F”. All other uses shall be the sum shown in the “total” column of *Exhibit “F”* (“Base Fees”). Fees under this section shall be paid at either Final Map, Building Permit, or Certificate of Occupancy in accordance with the timing provided in Exhibit “F.”

The dog park fee imposed pursuant to Condition No. 4 is not listed in the Development Agreement or associated exhibits. Therefore, the Planning Commission has no authority to impose the dog park fee on the units subject to the Development Agreement.

Conclusion

Condition No. 4 cannot stand and must be removed as the units that are the subject of the dog park fee are subject to statutorily vested fees pursuant to the Development Agreement and there is no reasonable relationship or nexus between the extension of time granted under the CUP for the modular sales office and a dog park.

Based on the above, we respectfully request, on behalf of our client, SCM Sierra Creek, LLC, that this appeal be placed on the City Council Agenda for consideration at the October 27, 2009 meeting. At that time we request that the City Council remove Condition No. 4.

Very truly yours,



Rod A. Attebery
Attorney at Law

Enclosures



77594-34807

ROD A. ATTEBERY

509 WEST WEBER AVENUE
FIFTH FLOOR
STOCKTON, CA 95203

POST OFFICE BOX 20
STOCKTON, CA 95201-3020

(209) 948-8200
(209) 948-4910 FAX

FROM MODESTO:
(209) 577-8200
(209) 577-4910 FAX

September 17, 2009

VIA E-MAIL & U.S. MAIL

BAMHMOD@AOL.COM

Thomas P. Hallinan
Attorney at Law
Bush, Ackley, Milich, Hallinan & Risner
801 10th Street, Fifth Floor, Suite 109
Modesto, CA 95354

Re: UP # 09-05
Extension SCM Modular Sales Office

Dear Tom:

On behalf of SCM Sierra Creek LLC, please accept this letter for the record and in consideration of UP # 09-05.

SCM Sierra Creek LLC respectfully requests condition #4 be removed in its entirety. Condition #4 reads:

Developer shall pay a dog park fee of \$100.00 per unit for all units not finalized as of September 18, 2009; said fee shall be paid prior to final inspection of each unit.

This condition is unrelated to the extension of an existing modular sales office. There is no related impact of any kind to extending this existing structure. As the staff report correctly identifies these "slowing economy and the existing housing market" has made this extension necessary. The modular sales office is a necessary tool to complete sales of the Sierra Creek residents.

The condition of approval #4 appears to relate to "all units" although this is an extension for only one temporary modular sales office. This approval will have no permanent residents maintaining dogs thus no impact to a dog park. The condition of approval under #4 has no reasonable relationship on nexus. The approval being considered and should be removed.

As for the other residential units impacted by this condition they are subject to a Recorded Development Agreement (Ordinance No. 2004-03, October 14, 2004). All fees per paragraph 7.0 *et seq* are vested and only fees as listed therein are applicable.

Thomas P. Hallinan
September 17, 2009
Page 2

The dog park fee as indentified in condition #4 is not so listed in the Development Agreement and is therefore not applicable and has no authority for units within Sierra Creek.

As the units are subject to vested fees and there is no reasonable relationship or nexus between a dog park and the extension of a modular sales office the condition #4 for UP 09-05 must be removed.

Very truly yours,



Rod A. Attebery
Attorney at Law

cc: Planning Commission (Hand Delivery)

Honorable Mayor and Members
of the Newman City Council

City Council Meeting
of October 27, 2009

**FORMAL APPROVAL OF GENERAL PLAN AMENDMENT #09-01
(HOUSING ELEMENT UPDATE) FOR HCD SUBMITTAL PURPOSES.**

RECOMMENDATION:

Formal approval of General Plan Amendment #09-01 for the purpose of HCD submittal.

BACKGROUND:

State law requires each city and county to adopt a general plan containing at least seven elements including housing. In December 2003, the City of Newman adopted an updated Housing Element and in April 2007 the City adopted its updated general plan. Unlike the other mandatory general plan elements, the housing element is required to be updated every five years.

The draft Housing Element update was presented to the Planning Commission for review and comment on March 19, 2009. All comments received were reviewed and addressed/identified in the document. On April 16, 2009, the Planning Commission held a Housing Element workshop to discuss the update, comments received and legal requirements. On May 21, 2009; the Planning Commission conceptually approved the draft Housing Element document and recommended said document to Council. On May 26, 2009; the City Council conceptually approved of General Plan Amendment #09-01 for the purpose of HCD review.

On August 13, 2009; the City received comments from HCD regarding its draft Housing Element submittal. During August/September 2009, Coastplans and City staff reviewed said comments, prepared a formal response to HCD and revised the draft Housing Element document. On October 15, 2009; the Planning Commission formally approved the revised Housing Element and recommended approval of General Plan Amendment #09-01 to the Council.

ANALYSIS:

Housing element law mandates that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community. Housing elements are subject to detailed statutory requirements and in general, a housing element must at least include the following components:

- | | |
|--|--------------------------|
| 1. A Housing Needs Assessment | 4. Housing Programs |
| 2. A Sites Inventory and Analysis | 5. Quantified Objectives |
| 3. An Analysis of Constraints on Housing | |

Housing element law also requires the Department of Housing and Community Development (HCD) to review local housing elements for compliance with State law. To meet these requirements, the attached draft final Housing Element includes the following:

- | | |
|---|--|
| 1. Progress Since Last Housing Element Update | 9. Housing Programs |
| 2. Population Profile | 10. RDA Funds |
| 3. Housing Stock Characteristics | 11. Analysis of Existing Assisted Housing |
| 4. Employment and Income Data | 12. Publicly Owned Surplus Land |
| 5. Affordability, Housing Costs and Overpayment | 13. Energy Conservation Opportunities |
| 6. Housing Needs | 14. Public Participation |
| 7. Availability of Services and Land | 15. Housing Goals, Policies, Programs and Objectives |
| 8. Governmental and Nongovernmental Constraints | |

Agenda Item: **9.b.**

In response to comments received by HCD, the following revisions have been made to the draft Housing Element:

1. The revision of Page H-40 (Farmworkers)
2. The revision of Page H-48 (Public Services)
3. The revision of Page H-58 (General Plan and Public Workshops/Hearings)
4. The revision of Page H-59 (Zoning)
5. The revision of Page H-61 (Single Room Occupancy & Manufactured Housing)
6. The revision of Program H-7 (Disability Accommodation)
7. The revision of Program H-8 (Development of Affordable Housing Programs)
8. The revision of Program H-17 (Emergency Shelters)
9. The addition of Program H-19 (Transitional and Supportive Housing)
10. The addition of Program H-20 (Extremely-Low Income Housing)
11. The addition of Program H-21 (Density Bonus Ordinance)
12. The revision of Table II-22 (Vacant and Underutilized Land Summary)

FISCAL IMPACT:

None

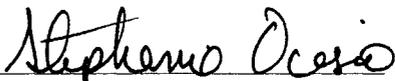
CONCLUSION:

Staff recommends formal approval of General Plan Amendment #09-01 for the purpose of HCD submittal.

ATTACHMENTS:

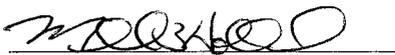
1. Exhibit A - HCD Response Letter
2. Exhibit B - Draft Final Housing Element Update

Respectfully submitted,



Stephanie Ocasio
Assistant Planner

REVIEWED/CONCUR



Michael Holland
City Manager



Coastal Plans
Land Use and Housing Plans
Transportation Plans
Environmental Reports

DATE: October 8, 2009
TO: Stephanie Ocasio, Assistant Planner
FROM: Martin Carver, AICP
SUBJECT: Response to HCD Comments on Draft Housing Element

The following is a point-by-point response to HCD comments on the City of Newman Public Review Draft Housing Element.

HCD Comment:

A. Housing Needs, Resources, and Constraints

- 1. Include 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 (Section 65583 (a)(3)). The inventory of land suitable for residential development shall be used to identify sites that can be developed for housing within the planning period (Section 65583.2).*

Newman has a regional housing need allocation (RHNA) of 421 housing units, of which 167 are for lower-income households. To demonstrate the adequacy of vacant sites identified in Table 11-21 and strategies to accommodate the City's RHNA, the element must include complete analyses, as follows:

Progress in Meeting the RHNA: The element proposes to credit some units in the approved Park Villas Project (Site 4) toward the City's RHNA for lower-income households, but provides no information documenting how the affordability of the units was determined. Based on conversations with City staff, the Department understands this phased condominium project has completed units which have been sold and a second phase is currently under construction. As you know, the City's RHNA may be reduced by the number of new units built or approved since January 1, 2007. For units constructed, the element must demonstrate affordability based on

actual sales prices. For units approved but not yet built, the jurisdiction must demonstrate the units can be built within the remaining planning period and demonstrate affordability to very low- or low-income households based on projected sale prices or other mechanism ensuring affordability in the planning period.

Response to HCD

The analysis of vacant and available housing sites contained in Table II-21 will be revised to move the 144 Park Villas units from the “Extremely Low, Very Low, and Low Income” category and place them instead in the “Moderate-Income (No action needed)” category. Figure II-5 in the Housing Element (the map showing the location of the sites) will be revised accordingly. Also Table II-22 of the housing Element will be revised for consistency as shown below.

As one can see from the table below, the City still has sufficient vacant sites to accommodate its RHNA after moving the Park Villas units into the Moderate Income category. This eliminates any doubt about the appropriateness of their assigned income category, as these are condominium-like units on separate small lots (referred to as a “pull-apart”). The largest of these units is currently selling for \$157,900, and even when the market rebounds it is expected that these units would still sell well below \$300,000, which is the upper limit of affordability for the moderate-income family (see Table II-14 in the Housing Element). Thirty-two units of this 144-unit project have already been constructed started in early 2007, and it is expected that this project will be completed before 2014.

Table II-22
 Summary Table of Vacant and Underutilized Land
 By Qualifying Income Category

	Number of Sites	Number of Acres	Housing Potential	StanCOG Allocation	Surplus
Extremely Low, Very Low and Low	6	11.413	192	167	25
Moderate (no action needed)	6	49.295	401	81	320
Moderate (action needed)	13	34.003	405	--	405
Market Rate	12	130.001	393	174	219
Total	37	224.712	1,391	422	969

Source: Coastplans; City of Newman; StanCOG

HCD Comment:

Infrastructure: The element indicates the City's water service is at capacity and that funds will be budgeted for the development of a new well (page H-48). The element must clarify whether sufficient total water capacity is available to accommodate Newman's share of the regional housing need.

Response to HCD

The section on Public Services on Page H-48 will be revised as follows:

The City of Newman provides water service to areas within the City through a system of municipal wells and distribution pipes, which provide water to all areas of the city. According to the Community Development Director, the City is currently at capacity for water services. ~~The City has immediate plans to include funds in the FY 09/10 budget for the development of one new well to address existing fire-flow deficiencies. The FY 09/10 budget will also include funds for a rate study to reset the basis for providing water service to new development in the coming years.~~ According to the Newman Public Works Director, the City has budgeted in its FY 09-10 budget to begin test holes for a new well. It expects to install the well in the next two years (by FY 11-12). The City has budgeted for a rate study in its FY 09-10 budget. Accordingly, the City expects to be able to provide water service to all new development within its current primary urban service area.

HCD Comment:

Sites with Zoning for a Variety of Housing Types

Emergency Shelters: The element includes Program H-17 to amend zoning to allow emergency shelters "by-right in at least one zoning district". However, pursuant to Chapter 633, Statutes of 2007 (56 2), the element must identify the potential zone or zones and demonstrate the appropriateness of the zone and sufficient capacity for at least one new emergency shelter in the planning period. For additional information and assistance in addressing these requirements refer to the Department's SB 2 technical assistance memo at http://www.hcd.ca.gov/hpd/sb2_memo050708.pdf.

Transitional and Supportive Housing: The element does not address this requirement. Pursuant to SB 2, transitional and supportive housing must be permitted as a residential use and only subject to those restrictions that apply to other residential uses of the same type in the same zone. The element must demonstrate compliance with this requirement or include programs as appropriate.

Single-Room Occupancy (SRO): The element does not address this statutory requirement. The element should describe if and where SROs are allowed and the processes for approving them.

Manufactured Housing: The element did not address this statutory requirement. The element should describe where manufactured housing is allowed in the zoning code, including any design/architectural guidelines, approval process and identification of zones where manufactured housing will be permitted. Please note, Government Code Section 65852.3(a) requires that with the exception of architectural requirements, local governments shall only subject manufactured homes to the same development standards which apply to conventional single-family residential dwellings.

Housing for Agricultural Employees: The element indicates permanent housing for farmworkers is a permitted use in all residential zones and short-term rooming or boarding houses are conditionally permitted in R-2 and R-3 zones (page H-40). However, the element must include a more specific analysis describing how existing zoning and development standards encourage and facilitate a variety of housing types for farmworkers. In addition, the element should address whether the City's zoning is consistent with the Employee Housing Act (Health and Safety [H&S] Code 17021). Specifically, H&S Code 17021.5 and 17021.6 generally requires employee housing to be permitted by-right, without a conditional use permit (CUP), in single-family zones for less than six persons and in agricultural zones with no more than 12 units or 36 beds.

Response to HCD

The section on emergency shelters and transitional housing will be revised as follows:

Emergency Shelters and Transitional and Supportive Housing

The Newman Zoning Ordinance allows emergency shelters, transitional housing, and short-term farmworker housing as conditional uses in the R-3 Zoning District. The ordinance contains no special conditions for these uses but allows the imposition of any of the following conditions to ensure that required findings can be made in favor of the project:

- ✓ *Special setbacks, landscape buffers, screening, fences and/or walls*
- ✓ *Lighting*
- ✓ *Regulation of hours*
- ✓ *Regulation of points of ingress and egress*
- ✓ *Regulation of displays, noise, vibration, and/or odors*
- ✓ *Provision of public improvements, easements, and/or dedications*
- ✓ *Any other such conditions as will facilitate the orderly and efficient development in conformity with the intent and purposes set forth in this title and the General Plan.*

To respond to the new requirements imposed by SB2, the City has included a new housing program (Program H-17) to amend the New Zoning Ordinance to allow emergency shelters in the M Light Industrial/Business Park district. According to the Newman 2030 General Plan, there are a total of 320 acres of land designated for light industrial use. Of this, 250 acres are vacant and available for development. This district currently conditionally allows multi-family residential use with the same standards that apply in the R-3 District, and there are many areas where this district abuts residential districts. Accordingly, there is ample opportunity for developing an emergency shelter in this district.

With regard to transitional and supportive housing, the following text will be added starting on page H-60:

Transitional housing is defined in Section 50675.2 of the Health & Safety Code as rental housing for stays of at least six months but where the units are re-circulated to another program recipient after a set period. Transitional housing may be designated for a homeless individual or family transitioning to permanent housing. This housing can take several forms, including group housing or multifamily units, and may include supportive services to allow individuals to gain necessary life skills in support of independent living. Supportive housing as defined at Section 50675.14 of the Health & Safety Code has no limit on the length of stay, is linked to onsite or offsite services, and is occupied by a target population as defined in Health & Safety Code Section 53260 (i.e., low income persons with mental disabilities, AIDS, substance abuse or chronic health conditions or persons whose disabilities originated before the person turned 18). Services typically include assistance designed to meet the needs of the target population in retaining housing, living and working in the community, and/or improving health and may include case management, mental health treatment, and life skills.

SB 2 provides that transitional and supportive housing constitute a residential use. SB 2 requires zoning to treat transitional and supportive housing as a proposed residential use and subject only to those restrictions that apply to other residential uses of the same type in the same zone. For example, if the transitional housing is a multifamily use proposed in a multifamily zone, then zoning should treat the transitional housing the same as other multifamily uses proposed in the zone.

To respond to the new requirements imposed by SB2, the City has included a new housing program (Program H-19) to amend the New Zoning Ordinance to ensure that transitional and supportive housing is treated appropriately in all residential zoning districts.

With regard to Single-Room Occupancies (SROs), the following text will be added on page H-61:

The C-1 Retail Business District allows residential uses that are compatible with the Retail Business District such as residential uses in buildings previously used for residential purposes, owner-occupied residential uses located in the rear of buildings or above the ground floor. Accordingly, SROs are allowed in this district, and in fact, there exists numerous such units in the Downtown area. Approval of such units requires a conditional use permit.

With regard to manufactured housing, the following text will be added starting on page H-61:

The Newman Zoning Ordinance allows the establishment and combination of the R-M, Mobile Home Park District, with any other zoning district in the City. This district, once established and combined, allows manufactured housing by right. An R-M Zoning District may be established and combined with any other zoning district of the City where it is determined that the lots or parcels within such district are compatible with a residential manufactured housing use.

General development standards for residential manufactured housing are those set forth for the zoning district with which the R-M Zoning District is combined. The following supplemental standards shall be applied to the R-M District generally:

1. Minimum development site required: Five acres.
2. Minimum average lot width: 100 feet for interior lots and/or corner lots.
3. Minimum Street Frontage. The City Planning Commission shall be responsible for determining the minimum street frontage based on the buildable area of the lot, access requirements and good design. However, in no case shall the Planning Commission approve lots having less than 35 feet of street frontage.
4. Minimum lot area per unit: 2,400 square feet of lot per dwelling unit.
5. Minimum front yard site setback: 25 feet from property line.
6. Minimum rear yard site setback: 10 feet from property line.
7. Minimum side yard site setbacks: 10 feet from the property line.
8. Maximum allowable lot coverage: 60 percent by all structures exclusive of parking areas; 20 percent to be dedicated, preserved and maintained as usable open space for parks, playgrounds and similar uses.
9. Maximum building height: 30 feet.

The following supplemental standards are applied to all R-M Zoning Districts combined with or adjacent to any R Zone to assure compatibility with surrounding residential uses.

1. Minimum front yard setback: 25 feet from any R zoned property line.
2. A six-foot high visual screen, as approved by the Planning Commission, shall be provided around all sides of a mobile home park which abuts an established residential use or R zoned district. (Ord. 97-17, 10-28-1997)

With regard to housing for agricultural employees, the following text on page H-40 will be revised as follows:

Farmworkers

As in the case for most low-income households, housing needs of farm workers far exceeds government's ability to provide assistance. The Farmer's Home Administration (FmHA) is the most important provider of permanent housing for farm workers, but FmHA assistance suffers from its own income qualifying standards and a shortage of staff and funds. The State HCD and Office of Migrant Services also supplies housing assistance for farm workers. Because farm workers are usually low-income and their employment status is often tenuous, they are unable to compete for housing on the open market. The housing that is available is often of substandard condition and located in areas of the community lacking adequate services. In relation to their low incomes, farm workers often overpay for substandard housing and live in crowded conditions.

Throughout Stanislaus County, farm workers are housed predominately in farm labor camps owned and operated by the Stanislaus County Housing Authority and camps privately owned in the unincorporated areas. Housing in these camps consists of both permanent residential buildings and mobile homes. Within areas in the county, permits are issued with the stipulation that the occupant be employed on a full-time basis in conjunction with the farming operation. Both Mobile homes, modest single family homes, multi-family housing, and farm labor camps and other group housing, provide important housing for seasonal or year round workers who may otherwise have a difficult time obtaining housing at an affordable price and within close proximity to their jobs. Within the City of Newman, permanent housing for agricultural workers is a permitted use in all residential zoning districts, and short-term rooming or boarding houses are allowed as a conditional use in the R-2 and R-3 Zoning Districts. Per Health and Safety Code §17021.5, employee housing for six or fewer employees is considered a single family use, and single family uses are allowed by right in all residential zoning districts in the City. There are no special permit conditions that apply specifically to farmworker housing in the City

of Newman. The City of Newman solicits input regarding farmworker housing needs from a wide variety of social service, homeless, and housing advocate organizations during its housing element update process every five years.

While in the past there was evidence that housing shortages existed during peak seasonal labor periods, StanCOG reports a general trend toward a decreasing number of farm laborers in the county. Figure II-4 shows farm labor trends in Stanislaus County between 1983 and 2001. . . .

HCD Comment

- 2. Analyze potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the types of housing identified in paragraph (1) of subdivision (c), and for persons with disabilities as identified in the analysis pursuant to paragraph (7), including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures. The analysis shall also demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need in accordance with Section 65584 and from meeting the need for housing for persons with disabilities, supportive housing, transitional housing, and emergency shelters identified pursuant to paragraph (7) (Section 65583(a)(5)).*

Processing and Permit Procedures: The element indicates the City uses design and architectural review processes (page H-58). The element should include a complete description and analysis of the design review process, including identifying requirements and approval procedures and analyzing the impact of the process on housing costs and approval certainty.

Response to HCD

The text on page H-58 will be revised as follows:

Newman has defined a community identity in its older areas and its desire to maintain the character of the historic districts. The community design element defines the importance of new and rehabilitated structures that are compatible with existing neighborhood scale and character. These provisions provide guidance to developers and contractors at the preliminary planning stage of their projects so that design features reflect the scale and character of adjacent uses. The design review is incorporated into the standard project review process to avoid delays in the expeditious processing of projects. Limitations on architectural style are

central to the maintenance of the fabric and character of the neighborhood which make it an asset to the community and a desirable living environment.

According to the Newman Zoning Ordinance (Section 5.25.040 NMC), architectural and site plan review is required for projects that could result in the development of new single or multi-family residences (including in-fill projects and new subdivisions). When considering a site plan review application, the Planning Commission evaluates:

1. The elevation of the proposed buildings or structures;
2. The location of all the proposed buildings, structures, facilities and open spaces;
3. The location of all on-site vehicular and pedestrian circulation;
4. The location of all on-site parking, garages and/or carports;
5. The location of all land to be dedicated to or reserved for public use;
6. The location and extent of street improvements;
7. The location of all garbage and refuse facilities;
8. All dimensions required by any applicable provision of this code;
9. The landscaping and irrigation plan;
10. Compliance with standards and requirements of this title and the General Plan;
11. Other information as may be deemed necessary.

The ordinance allows the Planning Commission to deny, approve, or approve with modification, any application before it, based on the following findings:

1. That the architectural and general appearance of the structures and grounds shall have architectural unity and be in keeping with the character of the neighborhood as not to be detrimental to the orderly and harmonious development of the City, or to the desirability of investment or occupation in the neighborhood.
2. That the site plan is consistent with all adopted City plans, documents, and ordinances, including but not limited to this title, any applicable specific and/or master plans, any adopted development standards and design guidelines, and the General Plan.

While the latitude provided in the ordinance has some potential for abuse (i.e., used to deny unwanted projects), according to the Newman Planning Director, such review has never

resulted in the denial of a residential project or in the retraction of an application due to unsustainable financial burdens resulting from attached conditions. Therefore, the ordinance as it has been used in Newman has not posed an undue constraint on the development of housing in the community.

HCD Comment

Constraints on Persons with Disabilities: The element includes Program H-7 to "establish a procedure for applicants to request a reasonable accommodation in the application of zoning laws". The analysis should address zoning, development standards, building codes, and approval procedures for the development of housing for persons with disabilities. Examples of standards and requirements that could be analyzed include: (1) any definitions of family in the zoning code; (2) spacing or concentration requirements; and, (3) any conditions or use restrictions on licensed residential care facilities with greater than six persons or group homes that will be providing services on-site.

Response to HCD

Program H-7 will be revised as follows:

Program H-7 The City shall amend its Municipal Code to create a procedure wherein persons with disabilities seeking equal access to housing may request reasonable accommodation in the application of zoning laws and other land use regulations, policies, and procedures. The amendment shall be based on an analysis that addresses zoning, development standards, building codes, and approval procedures for the development of housing for persons with disabilities. Examples of standards and requirements to be analyzed include: (1) the definition of family in the zoning code; (2) spacing or concentration requirements; and, (3) any restrictions on licensed residential care facilities with greater than six persons or group homes that will be providing services on-site.

Timeframe: Within one (1) year of Housing Element certification (FY 10-11)

HCD Comment

B. Housing Programs

1. *Identify adequate sites which will be made available through appropriate zoning and development standards and with public services and facilities needed to facilitate and encourage the development of a variety of types of housing for all income levels, including rental housing, factory-built housing, mobilehomes, and emergency shelters*

and transitional housing. Where the inventory of sites, pursuant to paragraph (3) of subdivision (a), does not identify adequate sites to accommodate the need for groups of all household income levels pursuant to Section 65584, the program shall provide for sufficient sites with zoning that permits owner-occupied and rental multifamily residential use by-right, including density and development standards that could accommodate and facilitate the feasibility of housing for very low- and low-income households (Section 65583(c)(1)).

Addressing Unaccommodated Need from the Previous Planning Period: The element includes Program H-1 to rezone sites to address the unaccommodated need from the previous planning period pursuant to Chapter 614, Statutes of 2005 (AS 1233). This program is critical in demonstrating compliance with the adequate sites requirement from the previous planning period. The City should therefore take necessary actions early to ensure the sites are rezoned within the first year of the 2009-2014 planning period.

As noted in Finding A-1, the element does not include a complete site analysis and therefore, the adequacy of sites and zoning were not established. Based on the results of a complete sites inventory and analysis, the City may need to add or revise programs to address a shortfall of sites or zoning available to encourage a variety of housing types. Specifically, if the inventory does not identify adequate sites, the element must include a program to provide sites with zoning that allows owner-occupied and rental multifamily uses by-right sufficient to accommodate the remaining need for lower-income households and allow:

- a minimum of 16 units per site; and
- at least 50 percent of the lower-income need must be accommodated on sites designated for residential use only.

"By-right", pursuant to 65583.2(i), means local government review must not require a CUP, planned unit development or other discretionary review or approval.

In addition, the element should be revised as follows:

Program H-8: When and what specific actions will the City take to include housing developers in the development of programs for affordable housing?

Program H-17: Pursuant to S8 2, the Program must be revised to commit to identifying a zone(s) within one year of adoption of the housing element and to permit emergency shelters without a CUP or other discretionary action (please see also Finding A-1).

In addition, the element may need to include a program to amend zoning to permit transitional and supportive housing as residential uses and only subject to those restrictions that apply to other residential uses of the same type in the same zone as required SB 2.

Response to HCD

With regard to addressing unaccommodated need from the previous planning period, please note that Program H-1 commits the City to rezoning three specified sites within one year of Housing Element certification.

With regard to Program H-8, this program will be revised as follows:

Program H-8 ~~The City shall continue to work with housing developers to prepare development programs for affordable housing on vacant sites identified in this Housing Element and to provide technical assistance. proactively build relationships with the building community, including non-profits like the Corporation for Better Housing, and establish an array of regulatory and financial tools to assist in the development of affordable housing, including utilizing local trust funds and other local financial resources, donating land, supporting funding applications, assisting entitlements and expediting permit processing.~~

Time Frame: FY 09-10 through FY 13-14 ongoing

With regard to program H-17, this program will be revised as follows (see the discussion above for more information):

Program H-17 ~~The City shall amend the Newman Zoning Ordinance to add emergency shelters as an allowed use by right (i.e., no conditional use permit required) in at least one zoning district within the City the M Light Industrial/Business Park district.~~

Time Frame: Within ~~three (3) years~~ one (1) year of Housing Element certification (FY 10-11)

With regard to a new program addressing transitional and supportive housing, the following new program has been added:

Program H-19 The City shall revise the Newman Zoning Ordinance to allow transitional and supportive housing in all residential zones subject only to those restrictions that apply to other residential uses of the same type in the same zone.

Timing: Within one (1) year of Housing Element certification (FY 10-11)

HCD Comment

2. *The housing element shall contain programs which "assist in the development of adequate housing to meet the needs of extremely low-, low- and moderate-income households (Section 85583(c)(2))."*

Pursuant to Chapter 831, Statutes of 2006 (AS 2634), existing programs should either be expanded or programs added to specifically assist in the development of a variety of housing types to meet the housing needs of extremely low-income (ELI) households. To address this requirement, the element could revise programs to prioritize some funding for the development of housing affordable to ELI households, and/or offer financial incentives or regulatory concessions to encourage the development of housing types, such as SRO units, which address the needs of this income group.

In addition, the prior element included Program III-8 to amend the second-unit ordinance and Program III-18 to revise the density bonus ordinance, but indicates the programs were not implemented. The Programs should be revised to promote more effective and timely implementation.

Response to HCD

To respond to the need of extremely low income residents, a new housing program (Program H-20) will be added as follows:

Program H-20 The City shall require that all Low and Moderate-Income Housing Fund grant recipients target at a minimum 18 percent of project units for extremely low income families.

Timing: Within three (3) years of Housing Element certification (FY 12-13)

With regard to the 2nd unit ordinance, the City has chosen to leave this un-amended and defer instead to state statute as relevant applications arise. This assures that the City will always be acting in accordance with the most recent changes in state law and alleviates the need to make repeated ordinance revisions.

Finally with regard to density bonus, a refurbished program has been added for early implementation (within the first year after certification) as follows:

Program H-21 The City shall amend its density bonus ordinance (Section 5.14 NMC) to be consistent with recent changes in State statute.

Timing: Within one (1) year of Housing Element certification (FY 10-11)

HCD Comment

3. *The housing element shall contain programs which "address, and where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing" (Section 65583(c)(3)).*

As noted in Finding A-2, the element requires a complete analysis of potential governmental constraints. Depending upon the results of that analysis, the City may need to revise, or add programs to address and remove or mitigate any identified constraints.

Program H-7: The prior element included Program III-11 to develop a reasonable accommodation procedure for persons with disabilities, but indicates the Program was not implemented. This Program was not implemented yet is continued without change for the current planning period. The element must be revised to demonstrate how the Program will be more effectively and expeditiously implemented within the current planning period.

Response to HCD

The timing for implementation of Program H-7 will be moved up to be part of the first wave of zoning changes called for in this housing element. See response above.

HCD Comment

C. Public Participation

1. *Local governments shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the element shall describe this effort (Section 65583(c)(6)(B)).*

The element generally describes efforts to solicit community input in the update of its General Plan and the planning commission scoping meeting to gather comments on housing needs (page H84-85). However, the element did not describe how the City made or will make a diligent effort to achieve the involvement all economic segments of the community in the development

of the element. While the element notes various agendas were contacted, it does not describe the success of those efforts or how input was incorporated as appropriate into the element.

Response to HCD

The section entitled: "Public Workshop and Hearings" on page H-85 has been revised as flows:

In January 2009, the City of Newman held two public meetings on the Housing Element update. The first meeting was a Housing Stakeholders Roundtable discussion held on the afternoon of January 20, 2009. The roundtable discussion was attended by eight persons. The second was an evening workshop on the same day that was attended by five community members. At the roundtable discussion, concerns were expressed about the impacts of foreclosures on property maintenance, the decreasing ability to find lending for affordable housing projects, increasing rental prices, dramatic reductions in sales prices for new housing being constructed, and a new federal neighborhood stabilization program. At the public workshop, further concerns were expressed about the impacts of foreclosure on property maintenance, the need for property management standards, and the need for community education to protect homebuyers from unethical lending practices.

As a result of the input received from the roundtable discussion and public workshop, new programs were developed to provide standards for property maintenance (see Program H-14), to take advantage of the federal neighborhood stabilization program (see Program H-16), and to better educate the consumers about home buying and mortgages (see Program H-15).

In April 2009, the Newman Planning Commission held a noticed public hearing and recommended adoption of the Housing Element to the Newman City Council. In May 2009, the Newman City Council gave conceptual approval to the Housing Element for the purpose of HCD and public review. In October 2009, the Newman Planning Commission and City Council held noticed public hearings to formally adopt the Housing Element with final changes recommended by HCD.

HCD Comment

D. Water and Sewer Priority to Developments with Units Affordable to Lower-Income Households

Program H-3: The Program notes the City will adopt an ordinance to "establish specific procedures to grant priority service housing with units affordable to lower-income households when capacity is limited." The element indicates the City's water service is at capacity and that funds will be budgeted for the development of a new well (page H-48). For your information,

Government Code Section 65589.7 requires water and sewer providers to establish specific procedures and grant priority water and sewer service to developments with units affordable to lower-income households.

Response to HCD

Comment noted.

HCD Comment

E. Consistency with General Plan

1. *The housing element shall describe the means by which consistency will be achieved with other general plan elements and community goals (Section 65583(c)(7)).*

As you are aware, Government Code Section 65302 requires cities and counties in California to amend the safety and conservation elements of their general plan to include analysis and polices regarding flood hazard and flood management information upon the next revision of the housing element on, or after, January 1, 2009. Government Code Section 65302 also requires cities and counties in California, effective January 1, 2008, to annually review the land-use element for those areas subject to flooding identified by flood plain prepared by the Federal Management Agency or the State Department of Water Resources (DWR).

Any amendments to the safety, conservation, and land-use elements, based on the requirements of Government Code Section 65302, will require a review of the housing element for internal consistency, which may in turn, require amendments to the housing element. Local jurisdictions should contact DWR's Floodplain Management Branch for assistance in obtaining the most current floodplain mapping information needed for the analysis.

Response to HCD

The City of Newman recently completed a comprehensive update of its General Plan in April 2007, and the Safety Element contained therein addresses flood hazards and flood management pursuant to Government Code §65302. The Land Use Element, however, contains no information on flood hazards or management, as also required by Government Code §65302. The City is taking steps to correct this deficiency, but this is viewed as more a matter of form than of substance. The City is well aware of flooding hazards (as they are detailed in the Safety Element), and any new projects will be subject to measures that ensure new development is fully protected from flood hazards. No changes to the Land Use Diagram are expected to result from review of the Land Use Element with regard to flood hazards and management. Accordingly, no inconsistencies are expected to arise between the Land Use Element and the Housing Element.

Newman 2030 General Plan Housing Element

Adopted Final



City of Newman | October 2009



COAST PLANS

Coastal Plans
Land Use and Housing Plans
Transportation Plans
Environmental Reports

Table of Contents

TABLE OF CONTENTS	I
INTRODUCTION	1
PROGRESS SINCE 2003	1
2009 ECONOMIC CRISIS	2
POPULATION PROFILE	5
HISTORIC POPULATION GROWTH	5
RECENT ARRIVALS	6
COMMUTER PATTERNS	7
RACE AND ETHNICITY	8
POPULATION AGE STRUCTURE.....	9
PROJECTED POPULATION GROWTH	10
HOUSEHOLD COMPOSITION.....	10
HOUSING STOCK CHARACTERISTICS	12
HOUSING STOCK GROWTH AND COMPOSITION	12
AGE AND CONDITION OF HOUSING STOCK.....	14
HOUSING TENURE.....	22
VACANCY RATES	23
LACK OF OVERCROWDING	24
EMPLOYMENT AND INCOME	24
UNEMPLOYMENT	24
HUD INCOME LIMITS AND NEWMAN’S MEDIAN FAMILY INCOME.....	25
AFFORDABILITY, HOUSING COSTS, AND OVERPAYMENT	26
RENTAL AFFORDABILITY AND COSTS	27
OWNERSHIP AFFORDABILITY AND COSTS	27
OVERPAYMENT AND OTHER HOUSING PROBLEMS.....	30
HOUSING NEEDS	32
SUMMARY OF DEMOGRAPHIC AND HOUSING RESEARCH	32
NEWMAN’S SHARE OF REGIONAL HOUSING NEEDS	33
SPECIAL HOUSING NEEDS	34
AVAILABILITY OF SERVICES AND LAND	48
PUBLIC SERVICES.....	48

VACANT AND UNDERUTILIZED RESIDENTIAL SITES.....	48
VACANT RESIDENTIAL SITES BY INCOME CATEGORY.....	54
FUTURE GROWTH AREAS.....	55
GOVERNMENTAL CONSTRAINTS	57
GENERAL PLAN.....	57
ZONING.....	59
BUILDING AND HOUSING CODES.....	65
PLANNING AND DEVELOPMENT FEES.....	66
PERMIT PROCESSING PROCEDURES AND TIMES.....	70
ON- AND OFF-SITE IMPROVEMENTS.....	72
LOCAL EFFORTS TO ACCOMMODATE DISABLED PERSONS.....	74
CONCLUSION.....	74
NONGOVERNMENTAL CONSTRAINTS.....	74
MATERIAL COSTS.....	75
COST OF LABOR.....	75
LAND COSTS.....	75
COST AND AVAILABILITY OF FINANCING.....	76
HOUSING PROGRAMS IN NEWMAN.....	78
STANISLAUS COUNTY HOUSING AUTHORITY.....	78
HUD NEIGHBORHOOD STABILIZATION PROGRAM.....	79
STANISLAUS COUNTY COMMUNITY DEVELOPMENT BLOCK GRANT CONSORTIUM.....	80
REDEVELOPMENT AGENCY FUNDS.....	82
ANALYSIS OF EXISTING ASSISTED HOUSING.....	82
PUBLICLY-OWNED SURPLUS LAND.....	83
OPPORTUNITIES FOR ENERGY CONSERVATION.....	83
EXISTING RESIDENTIAL ENERGY USE IN NEWMAN.....	84
IMPLICATIONS OF ENERGY USE.....	84
THE CALIFORNIA SOLAR INITIATIVE.....	85
THE U.S. DEPARTMENT OF ENERGY (DOE).....	86
ENERGY CONSERVATION DESIGN FOR NEW RESIDENTIAL DEVELOPMENTS.....	86
GENERAL PLAN CONSISTENCY.....	88
PUBLIC PARTICIPATION AND CONTACTS.....	88
TELEPHONE CONTACTS.....	88

PUBLIC WORKSHOP AND HEARINGS89

HOUSING GOALS, POLICIES, PROGRAMS, AND OBJECTIVES.....90

GOALS AND POLICIES.....90

HOUSING PROGRAMS93

QUANTIFIED OBJECTIVES.....98

APPENDIX A: ANALYSIS OF 2003 HOUSING ELEMENT101

APPENDIX B: SPECIAL HOUSING REQUIREMENTS.....107

Introduction

Under the requirements of state law, every city and county in California must prepare a housing element as part of its general plan. The housing element must document in detail existing conditions and projected needs. It must also contain goals, policies, programs, and quantified objectives that address housing needs over the planning period. Progress made by the City of Newman in implementing its 2003 Housing Element and a summary of the extraordinary market conditions that exist today in 2009 are discussed below.

PROGRESS SINCE 2003

The City of Newman made substantial progress in implementing its 2003 Housing Element. Numerous affordable housing projects have been completed or are under construction, including:

- In 2004, the purchase/conservation of the Valley Manor Apartments by the Stanislaus County Housing Authority, which contained 48 affordable housing units at risk of conversion.
- In 2005, construction of Rolling Hills, a 52-unit Section 8 project developed by Self-Help Enterprises;
- In 2007, construction of Park Villas, a 144-unit high-density project (condo-style, pull-apart), which are currently selling in the \$125,000 to \$165,000 range;
- In 2008, construction of Valley Oaks Apartments, a 23-unit high-density project with three price restricted units; and

- In 2008, approval of Newman Family Apartments, a 72-unit tax credit project. This project was made possible when the City successfully re-designated 4.003 acres of land from Medium Density Residential (MDR) to High Density Residential (HDR) and collaborated with the Corporation for Better Housing (Sherman Oaks).

While the City of Newman made substantial progress in accommodating lower-income housing, it failed to rezone 6.610 acres of land that were slated for rezoning from R-1 to R-3. It is likely that the City would have initiated action to rezone the targeted sites had the property owners come forward with proposals for higher-density housing. (This was the impetus behind the successful redesignation of three sites for the Newman Family Apartments project, a 72-unit affordable housing complex currently being developed by the Corporation for Better Housing.) In any event, as a result of its inaction, the City was unable to provide all the sites necessary to accommodate its 2003 Regional Housing Needs Allocation. A complete analysis of progress made in implementing the 2003 Housing Element is presented in Appendix A.

2009 ECONOMIC CRISIS

This Housing Element has been prepared and adopted in a time of unprecedented economic, financial and credit market challenges in California and across the country. The economy has been in the throes of a severe recession with collapsing stock market prices and extensive job losses. Newman and all of California have been experiencing a sharp downward trend in housing prices stoked by a wave of foreclosures. Housing construction has essentially ground to a halt. Financing has been often unavailable, and the banking sector has been paralyzed by insolvencies.

Because of the present conditions and future uncertainty as to how and when the economy and housing sector will recover, this is not a time of "business-as-usual" for communities and for Housing Elements. Clearly, housing policy and programs may need to change in response to conditions. While predicting exactly how trends will play out is impossible, it is safe to say that in light of the present crisis, Newman will need to be prepared to modify and adapt its housing strategies and policies during the period of the 2007-2014 Housing Element.

At the time of publication, the following conditions and trends are noted for the purpose of establishing a starting point for future monitoring, analysis and adaptation of policy on the part of the City.

Foreclosures

There are currently 312 properties in Newman that are in some state of foreclosure as of April 2009 —110 properties in default and 202 bank-owned properties (source: (<http://www.realtytrac.com>)). Together, these properties represent 9.6 percent of the total housing stock in the city.

It appears that troubled properties are slowly being resold. In March 2009, there were 343 properties in some state of foreclosure, which means that 30 units (about nine percent) were resold between March 14 and April 14, 2009. If this pace continues, it would take about a year to deal with the foreclosed properties. It is more likely that re-absorption could take somewhat longer—somewhere between one and three years.

Housing prices have dropped dramatically from their high in 2005 (from \$420,000 to approximately \$140,000), and it is likely that the vast majority of recently purchased or refinanced homes have mortgages that significantly exceed the current home value.

Affordability

In theory at least, the housing market collapse has improved affordability. Lower median prices have made more housing available and affordable to more people in the short-term, assuming that mortgage financing is available. More market-rate housing has been in reach of low and moderate income households, essentially putting past assumptions about housing assistance programs and approaches in limbo.

Demand

In the short-term, demand for housing has weakened despite gains in affordability. In the longer term, however, if regional population continues to grow without concurrent increases in housing supply, demand will once again increase, possibly wiping out much of the improvement in affordability. At the same time, persistently high unemployment could exacerbate homelessness and increase the need for emergency and/or short term housing.

Homeownership

The credit crisis in combination with extensive foreclosures could hamper home ownership recovery and lead to a shift in tenure toward rental demand. Nonetheless, people who once owned but had to shift to renting may retain a strong desire to return to home ownership status.

There will be a need to rebuild confidence among homebuyers, and households will have to improve their financial fitness in order to obtain credit for home purchases.

Housing Viability and Product

New construction will be extremely limited and largely deferred until prices rebound to a point of profitability. With lower housing prices come lower-to-nonexistent profit margins in new housing development. Construction costs, while lower, have not dropped to the same extent. Lower prices also mean that new construction will be less able to carry costs of infrastructure and/or high amenity levels and fees. In response, new construction is likely to be geared toward smaller homes, reversing the decades long trend toward ever-larger homes. The standard for new single family homes can be expected to revert more towards the 1,200-1,800 square foot range, and away from the 2,500-3,000 square foot home standard. Even more to the point, new housing projects will need to feature a greater diversity of housing products and types, moving away from the homogeneous single family subdivision.

Aging Population

Overall the housing market will need to increasingly adapt to the reality of an aging population. Implications include a greater need for improved accessibility in housing, and more single story homes or “universal design” features such as putting master suites on the ground floor of two story housing. Neighborhood zoning will need to be more accommodating of facilities for aging populations. This could mean allowing more health care facilities and service commercial within residential areas, along with congregate housing and retiree-oriented housing and assisted living projects.

Commercial Re-Use

Bankruptcies and retrenchments by major retailers are having the effect of leaving many commercial shopping centers with high vacancy rates and/or facing complete shut-down conditions. Failed or struggling suburban-style shopping areas may rely on housing to recover, thus leading to complete makeovers and re-use with mixed uses including housing. Auto-oriented shopping centers may see parts of their parking areas replaced with pedestrian scale streets and housing.

Summary of 2009 Economic Crisis

The current crisis signals an acceleration of change in housing. Cities that are most responsive and flexible in their housing policies and land use planning will fare better in successfully navigating the evolving conditions. Newman can be well-served by monitoring conditions and working closely with other governments, and with housing producers in the private and non-profit sectors to understand emerging trends and adjust policy accordingly.

Population Profile

This section summarizes information about Newman's current and future population. The information in this section comes from the U.S. Census Bureau (Census 2000), the California Department of Finance (DOF), and the Stanislaus County Council of Governments (StanCOG).

HISTORIC POPULATION GROWTH

Newman is a small community that is experiencing a relatively high rate of growth. Since the last Housing Element Update adopted in 2003, Newman added 907 housing units. During the same period, Newman's population grew at an annual average rate of growth of 6.4 percent, adding 2,823 persons. Since the last Housing Element Update, Newman's person per household rate decreased from 3.448 to 3.395. Table II-1 shows historical population and housing growth in Newman.

Table II-1

Historical Population Growth
1980 to 2008

Annual Average Growth Rate (2003 to 2008) = 6.4 Percent

	Population			Housing Units		Persons per Household
	Total	Households	Group Quarters	Total	Occupied	
1980	2,785	2,785	0	1,049	1,007	2.700
1990	4,158	4,158	0	1,523	1,347	3.087
1998	5,849	5,849	0	1,968	1,741	3.360
2000	7,093	7,027	66	2,176	2,079	3.380
2003	7,763	7,697	66	2,336	2,232	3.448
2005	9,108	9,042	66	2,756	2,634	3.433
2008	10,586	10,520	66	3,243	3,099	3.395

Source: California Department of Finance

RECENT ARRIVALS

Of course, adding approximately 2,800 persons in the last five years means that Newman has a lot of newcomers. According to the U. S. Census Bureau, almost a third of Newman's residents moved to the city since 1995. This is higher than Stanislaus County as a whole and represents a modest increase in newcomers in Newman since 1990. Table II-2 summarizes information on recent arrivals in Stanislaus County and Newman.

Table II-2
Recent Arrivals in Stanislaus County and Newman
1990 and 2000

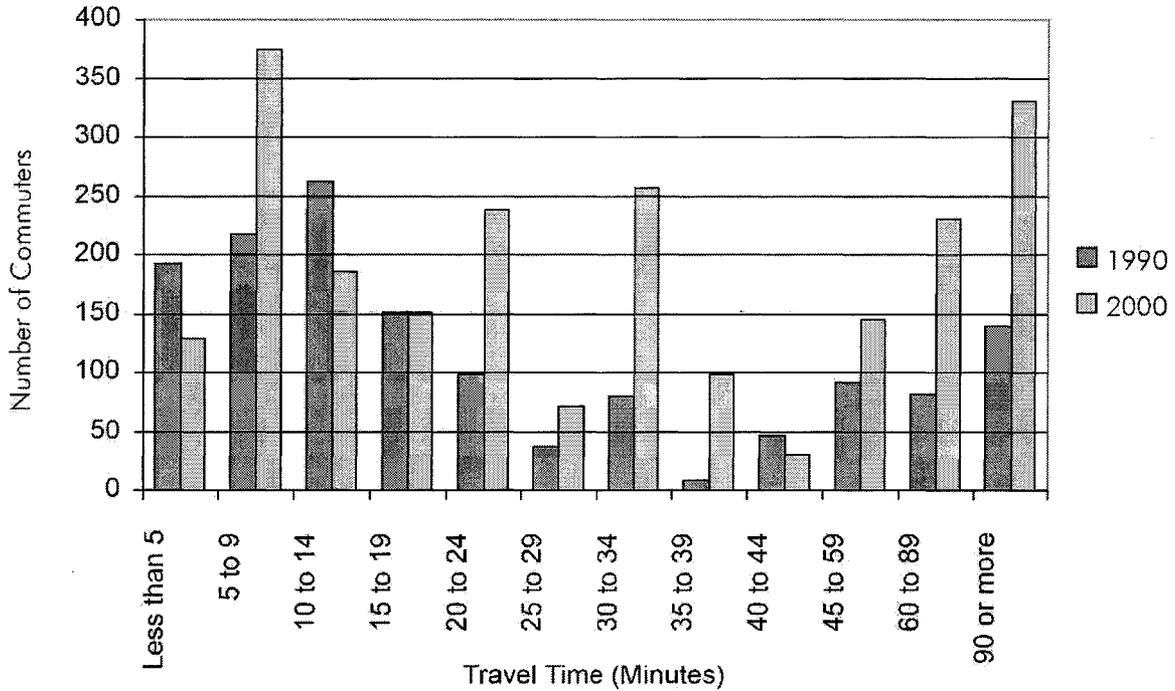
	1990		2000	
	Stanislaus County	Newman	Stanislaus County	Newman
Total (Residents Over 5 Years in Age)	336,746	3,764	411,833	6,425
Lived in Same Place 5 Years Ago	140,708	1,867	280,503	4,127
Lived Elsewhere 5 Years Ago	91,333	1,127	120,324	2,156
Percent Who Lived Elsewhere	27.1%	29.9%	29.2%	33.6%

Source: U.S. Census Bureau; Coastplans

COMMUTER PATTERNS

Many Newman residents are traveling longer distances to get to work. According to an analysis of travel time to work using 1990 and 2000 Census data, approximately half of Newman's workforce was traveling more than 15 minutes to work in 1990. In 2000, this percentage increased to approximately 70 percent. Much of the increased travel time to work is attributable to employment opportunities within Stanislaus or Merced Counties (less than one hour to work). But there is also evidence of significant increases in travel to more distant employment centers, probably Santa Clara Valley (greater than one hour to work). Figure II-1 shows the change in travel time to work by Newman residents.

Figure II-1
Changes in Travel Time
1990 and 2000



RACE AND ETHNICITY

According to the U.S. Census Bureau, slightly more than half (51.4 percent) of Newman's population was Latino in 2000, up from 42.4 percent in 1990. This is significantly more than the percent of total population for Stanislaus County, which was 31.7 percent Latino in 2000, up from 21.6 percent in 1990. Table II-3 shows the racial and ethnic composition of Newman and Stanislaus County in 2000.

Table II-3
Racial Composition in 2000
City of Newman and Stanislaus County

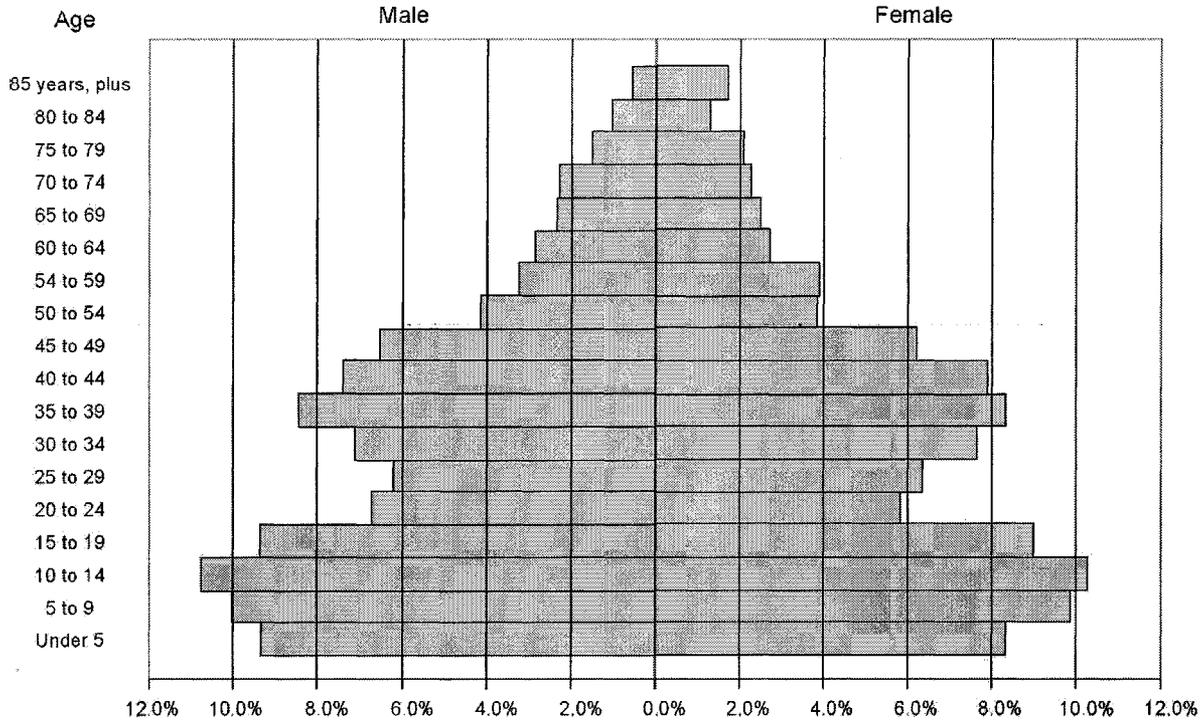
	City of Newman		Stanislaus County	
	Number	Percent	Number	Percent
White	4,310	60.76%	309,901	69.33%
Black	89	1.25%	11,521	2.58%
American Indian	94	1.33%	5,676	1.27%
Asian	131	1.85%	18,848	4.22%
Pacific Islander	5	0.07%	1,529	0.34%
Other Single Race	2,051	28.92%	75,187	16.82%
Two or More Races	413	5.82%	24,335	5.44%
Total	7,093	100.0%	446,997	100.0%
Hispanic (of any race)	3,648	51.4%	141,871	31.7%
Non Hispanic	3,445	48.6%	305,126	68.3%

Source: U.S. Census Bureau, *Coastplans*

POPULATION AGE STRUCTURE

Another interesting aspect of Newman's changing population is the out-migration of an increasingly broad segment of Newman's young people. According to the U.S. Census, there has been a noticeable reduction in population in the age cohorts of 25 to 29 and 30 to 34. Approximately 10 percent of Newman's population was in these age cohorts in 1990, but by 2000, this percentage had dropped to approximately seven percent. This reduction added to an already constricted population in the age cohort 20 to 25 years that was evident in 1990. Figure II-2 shows the population pyramid for Newman in 2000.

Figure II-2
Newman Population Pyramid
2000



Source: U.S. Census Bureau; Coastplans

PROJECTED POPULATION GROWTH

According to the *Newman 2030 General Plan* (October 2006), Newman expects to add 8,773 new housing units at buildout. StanCOG estimates Newman's 2030 population to be 38,582 persons, growing at a 5.7 percent annual average growth rate. Newman's actual growth rate since the last Housing Element update (i.e., 2003 to 2008) was 6.4 percent.

HOUSEHOLD COMPOSITION

Newman is a traditional family city. According to the U.S. Census Bureau, approximately 63 percent of all households in Newman are headed by a married couple. This compares to 57 percent for Stanislaus County as a whole. Newman also has a lower percentage of single-parent

households and persons living alone than Stanislaus County as a whole. Table II-4 shows household composition for Newman and Stanislaus County. It is likely that household composition has changed since 2000, with a greater proportion of married couple families. This is because new homes are typically purchased by families with two incomes (e.g., married couples), and most of the new residents in Newman are there because they recently purchased a new house.

Table II-4
Household Composition
Stanislaus County and Newman
2000

	Newman		Stanislaus County	
	Number	Percent	Number	Percent
Family households				
Married-couple family	1,323	63.3%	82,930	57.1%
Other family				
Male householder, no wife present	110	5.3%	8,201	5.7%
Female householder, no husband present	242	11.6%	18,982	13.1%
Non-family households				
Male householder				
Living alone	122	5.8%	11,465	7.9%
Not living alone	63	3.0%	4,194	2.9%
Female householder				
Living alone	189	9.0%	16,723	11.5%
Not living alone	41	2.0%	2,651	1.8%
Total	2,090	100.0%	145,146	100.0%

Source: U.S. Census Bureau; Coastplans

Housing Stock Characteristics

This section describes Newman's housing stock characteristics, with comparisons to surrounding cities and Stanislaus County. The information in this section comes primarily from the U.S. Census Bureau, the California Department of Finance, and StanCOG, and the City of Newman.

HOUSING STOCK GROWTH AND COMPOSITION

Newman's housing stock is predominantly single family, with approximately 11 percent of all housing stock being multi-family (down from 14 percent in 2003). Newman's growth in dwelling units since the 2003 Housing Element Update (908 dwelling units) represents a 39 percent increase in the number of dwelling units in the city (an annual average rate of growth of 6.8 percent). During this time, the proportion of single family dwellings increased to 88 percent (from 86 percent in 2003).

When compared to other Stanislaus County jurisdictions, Newman's housing stock has a larger proportion of single family housing than the county as a whole (88 percent v. 79 percent) and a corresponding lower proportion of multi-family housing (11 percent v. 16 percent). When compared with California as a whole, the slight disparity widens for single family housing (88 percent v. 64 percent) and for multi-family housing (11 percent v. 31 percent). Table II-5 compares Newman's housing stock to that of other Stanislaus County jurisdictions and to California.

Table II-5
Comparison of Housing Stock Composition
Stanislaus County Jurisdictions
2008

Jurisdiction	Total	Single Family		Multiple Family		Mobile Homes	Percent of Total
		Single Family	Percent of Total	Multi Family	Percent of Total		
Ceres	13,279	10,753	81.0%	1,814	13.7%	712	5.4%
Hughson	1,937	1,641	84.7%	207	10.7%	89	4.6%
Modesto	74,700	56,795	76.0%	15,854	21.2%	2,051	2.7%
Newman	3,243	2,853	88.0%	364	11.2%	26	0.8%
Oakdale	7,227	5,776	79.9%	1,208	16.7%	243	3.4%
Patterson	5,999	5,656	94.3%	214	3.6%	129	2.2%
Riverbank	6,447	5,792	89.8%	366	5.7%	289	4.5%
Turlock	23,993	17,575	73.3%	5,814	24.2%	604	2.5%
Waterford	2,623	2,245	85.6%	349	13.3%	29	1.1%
Unincorporated	37,174	30,626	82.4%	1,389	3.7%	5,159	13.9%
Incorporated	139,448	109,086	78.2%	26,190	18.8%	4,172	3.0%
County Total	176,622	139,712	79.1%	27,579	15.6%	9,331	5.3%

Source: California Department of Finance, Coastplans

If the single family dwelling category is broken down into attached and detached units and compared with other jurisdictions, it becomes evident that Newman has developed proportionately fewer of the more affordable forms of attached single family housing, such as the halfplex and other types of zero-lot-line development, than any of its neighboring Stanislaus County cities. On average, 5.5 percent of the single family housing stock in incorporated communities in Stanislaus County is attached housing. Table II-6 compares attached and detached housing in Stanislaus County jurisdictions.

Table II-6
Attached and Detached Single Family Dwelling Units
Stanislaus County Jurisdictions
2008

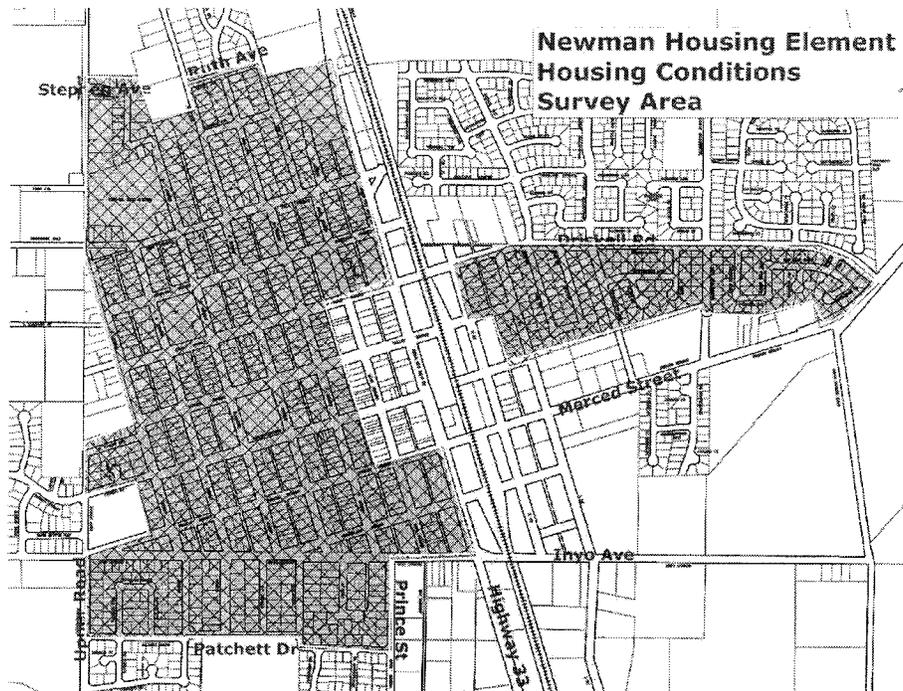
Jurisdiction	Total SFD	Detached	Percent of Total	Attached	Percent of Total
Ceres	10,753	10,406	96.8%	347	3.2%
Hughson	1,641	1,576	96.0%	65	4.0%
Modesto	56,795	52,785	92.9%	4,010	7.1%
Newman	2,853	2,777	97.3%	76	2.7%
Oakdale	5,776	5,520	95.6%	256	4.4%
Patterson	5,656	5,466	96.6%	190	3.4%
Riverbank	5,792	5,605	96.8%	187	3.2%
Turlock	17,575	16,614	94.5%	961	5.5%
Waterford	2,245	2,181	97.1%	64	2.9%
Unincorporated	30,626	29,029	94.8%	1,597	5.2%
Incorporated	109,086	102,930	94.4%	6,156	5.6%
County Total	139,712	131,959	94.5%	7,753	5.5%

Source: California Department of Finance, Coastplans

AGE AND CONDITION OF HOUSING STOCK

Newman's housing stock is relatively new and in good condition. A windshield survey was conducted in those neighborhoods of Newman identified in the *Newman 2030 General Plan* as "mature residential neighborhoods" constructed primarily in the 1940s through the 1970s. The survey area contained 952 housing units—most of the pre-1980 housing stock in the city—which represents approximately 30 percent of the total housing stock in the city. Figure II-3 shows the neighborhoods surveyed.

Figure II-3
Surveyed Neighborhoods



Source: Coastplans; City of Newman

Survey Results

Each of the 952 houses in the survey area were inspected from the street, and where any one of four categories of problems was detected—foundation, roofing, siding/stucco, and windows—a survey form was completed for the property. In all, 47 survey forms were completed (see “Newman 2030 General Plan Housing Element, Housing Conditions Survey).” Table II-7 summarizes the results of the survey.

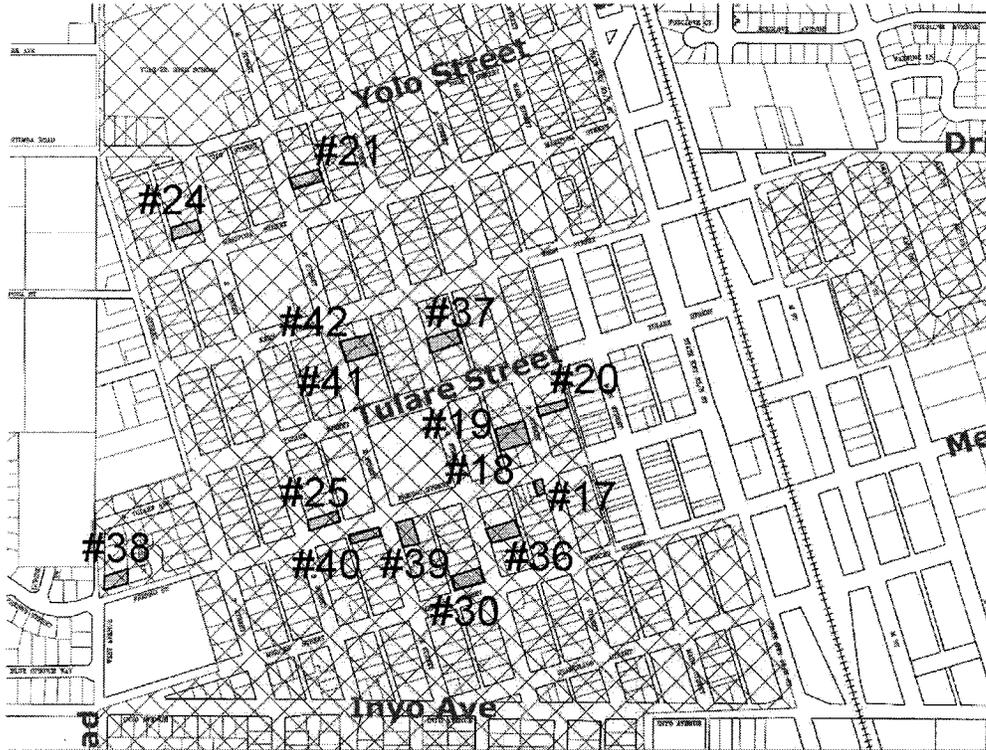
Table II-7
Housing Conditions Survey Results

Number of Units	Numerical Score	Condition
930 Units	9 or less	Sound
905 Units	[No form completed]	Sound w/ no detectable problems
25 Units	[Form completed]	Sound w/ detectable problems
11 Units	10 to 15 points	Minor problems
7 Units	16 to 39 points	Moderate problems
3 Units	40 to 55 points	Substantial problems
1 Units	56 and over points	Dilapidated

Source: Coastplans, 2008

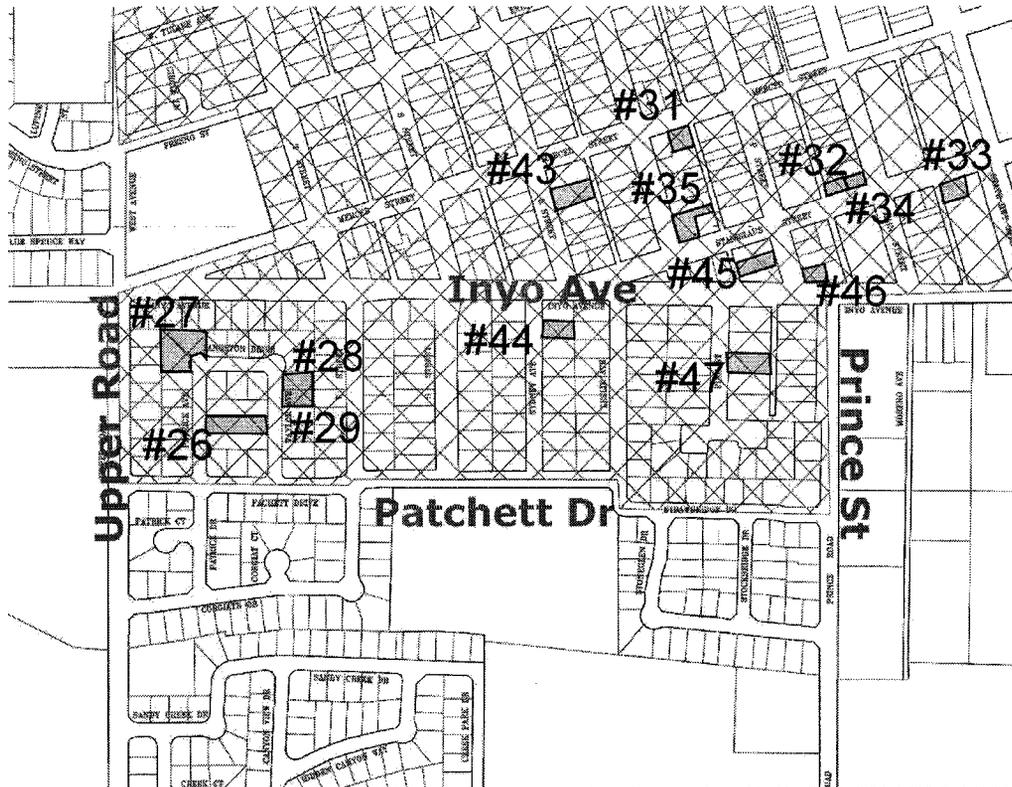
Figures II-4 through II-7 show more detailed maps of the survey area and indicates which properties had units for which a survey form was completed (the numbers on the map correspond to the survey sheet numbers). In general, problems were scattered throughout the survey area, with no pronounced cluster of problem houses.

Figure II-6
West of Downtown



Source: Coastplans, 2008

Figure II-7
Inyo Avenue Area



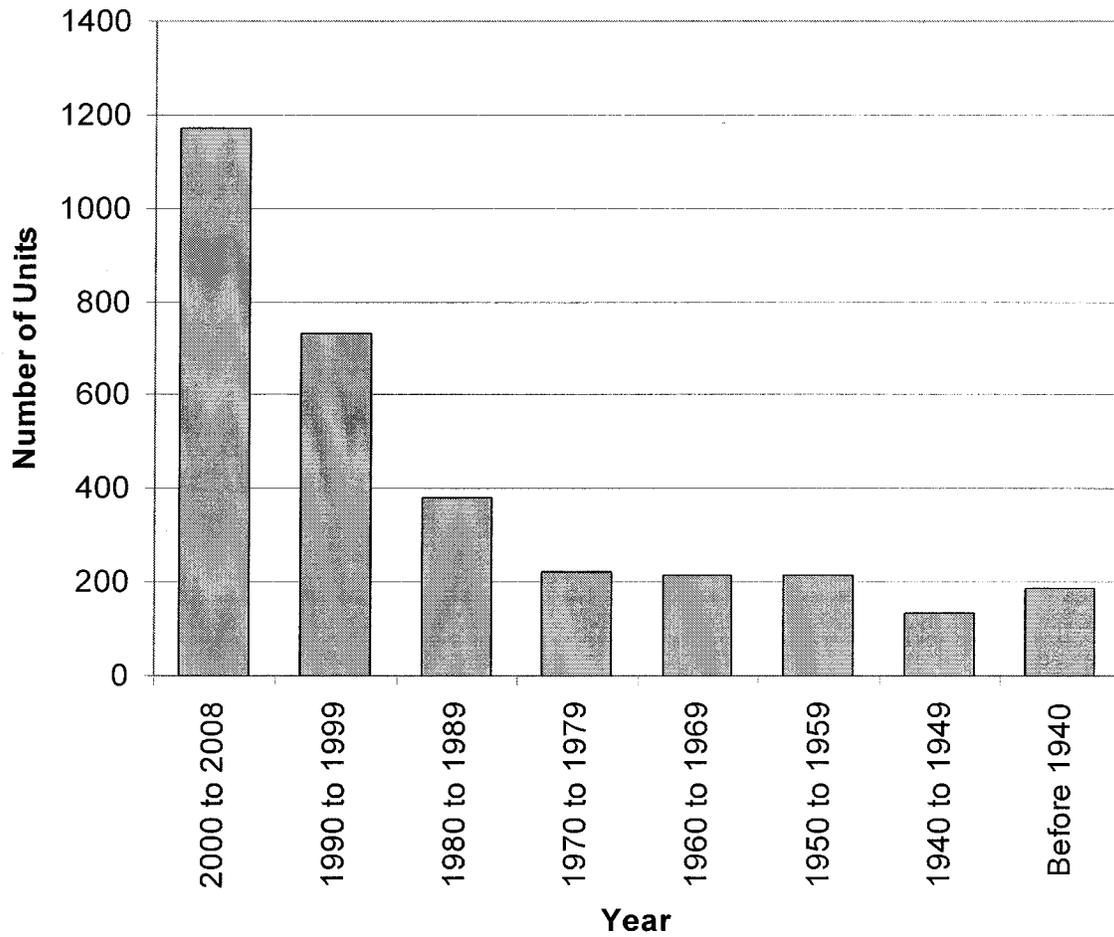
Source: Coastplans, 2008

Finally as noted below, vacancy rates in Newman have remained essentially constant between 2003 and 2008 indicating that the higher demand for housing noted in 2003 has continued. As occupied units are more likely to be regularly maintained, this trend reinforces the data on housing rehabilitation activity and suggests that housing conditions continue to improve in Newman. According to the U.S. Census Bureau, in 2000 the median year in which Newman's housing stock was constructed was 1983. A decade ago, the median year built for Newman's housing was 1969. This data was updated using California Department of Finance housing data for the years

2000 through 2008. With this new data factored in, the median year is now approximately 1990. Figure II-8 summarizes information on the age of Newman’s housing stock.

Figure II-8
Year Structure Built
City of Newman
2008

Median Year Built \approx 1990



Source: Coastplans; California Department of Finance; U.S. Census Bureau

HOUSING TENURE

Newman has a high percentage of homeownership. Approximately 28 percent (595 units) of Newman's housing units were occupied by renters in 2000. This is down from approximately 33 percent in 1990 and is significantly less than Stanislaus County's 2000 housing stock as a whole, 38 percent of which is occupied by renters. Table II-8 shows tenure by housing type for Newman.

Table II-8
Housing Tenure by Type
City of Newman
2000

Type of Unit	Total Occupied Units	Owner Occupied	Renter Occupied	Percent Renter Occupied
SFD Detached	1,757	1,409	348	19.8%
SFD Attached	77	55	22	28.6%
2	40	0	40	100.0%
3 or 4	81	13	68	84.0%
5	44	0	44	100.0%
10 to 19	21	0	21	100.0%
20 to 49	24	0	24	100.0%
50 plus	20	0	20	100.0%
Mobile Home/Other	26	18	8	30.8%
Total	2,090	1,495	595	28.5%

Source: Census 2000; Coastplans

VACANCY RATES

While vacancy rates in Newman dropped significantly between 1990 and 2003 (from 11.56 to 4.45 percent), they have remained essentially constant between 2003 and 2008 (from 4.45 to 4.44 percent) indicating that the higher demand for housing noted in 2003 has continued. 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 is often in need of rehabilitation; 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. Newman's vacancy rate is higher than other Stanislaus County jurisdictions, except the unincorporated county. Table II-9 shows vacancy rates for Stanislaus County jurisdictions from 1990 through 2008.

Table II-9
Comparative Vacancy Rates
Stanislaus County Cities
1990 to 2008

	1990	1995	2000	2003	2005	2008
Ceres	5.44	5.43	3.14	3.13	3.14	3.13
Hughson	5.33	5.33	2.32	2.37	2.34	2.37
Modesto	4.80	4.80	3.30	3.30	3.31	3.30
Newman	11.56	11.54	4.46	4.45	4.43	4.44
Oakdale	4.01	4.00	3.36	3.35	3.35	3.35
Patterson	5.07	5.07	3.56	3.57	3.57	3.60
Riverbank	3.95	3.96	3.28	3.26	3.26	3.26
Turlock	4.62	4.61	3.60	3.59	3.60	3.60
Waterford	3.02	3.04	4.33	4.34	4.33	4.31
Unincorporated	5.59	5.59	5.03	5.03	5.03	5.03
Incorporated	4.86	4.86	3.38	3.38	3.38	3.38
County Total	5.04	5.03	3.75	3.74	3.74	3.73

Source: California Department of Finance, Table E5 and E5a

LACK OF OVERCROWDING

Newman does not suffer from overcrowding. An overcrowded dwelling unit is defined as one in which more than 1.01 persons per room resides (excluding kitchen and bath). According to U.S. Census Bureau, approximately 18 percent of all dwelling units in Newman were overcrowded in 2000. This is only slightly more than the rate of overcrowding in Stanislaus County and California as a whole. This finding is consistent with the healthy vacancy rates discussed above and the relatively normal persons per household rate (3.448 persons per household) shown in Table II-1. Table II-10 summarizes data on overcrowding in 2000.

Table II-10
Overcrowding
Newman, Stanislaus County and California
2000

	Total Occupied Units	Overcrowded (Owner Occupied)	Overcrowded (Renter Occupied)	Total Overcrowded	Percent of Total
Newman	2,090	237	137	374	17.89%
Stanislaus County	145,146	8,202	11,918	20,120	13.86%
California	11,502,870	562,016	1,186,336	1,748,352	15.20%

Source: U.S. Census Bureau; Coastplans

Employment and Income

UNEMPLOYMENT

Like many communities located in agricultural areas, Newman suffers from a high unemployment rate. According to the California Economic Development Department (EDD), Newman's unemployment rate was slightly less than Stanislaus County as a whole but considerably higher

than California's in 2008 (15.1 percent and 7.6 percent, respectively). Table II-11 shows employment statistics for selected Stanislaus County places in 2008.

Table II-11
Annual Average Employment and Unemployment
Stanislaus County Jurisdictions
2008

Area Name	Labor Force	Employment	Unemployment	
			Number	Rate
Stanislaus County	243,500	217,800	25,700	10.6%
Ceres	18,900	16,400	2,500	13.3%
Denair (CDP)	2,100	2,000	100	5.1%
Hughson	2,200	1,900	300	12.8%
Keyes (CDP)	2,000	1,600	400	17.8%
Modesto	105,500	95,900	9,600	9.1%
Newman	3,400	2,900	500	15.1%
Oakdale	9,000	8,200	800	9.3%
Patterson	6,200	5,300	900	14.5%
Riverbank	8,900	7,500	1,400	15.6%
Salida (CDP)	7,000	6,500	500	7.2%
Turlock	30,000	27,600	2,400	7.9%
Waterford	3,700	3,300	400	9.7%

Source: California Economic Development Department (Preliminary 2008) <http://www.labormarketinfo.edd.ca.gov>.

HUD INCOME LIMITS AND NEWMAN'S MEDIAN FAMILY INCOME

Each year the California Department of Housing and Community Development (HCD) publishes income limits (based on data from U.S. Department of Housing and Urban Development) to be

used in conjunction with state and federal housing programs. State housing law requires housing developers to use these income limits when defining income for various housing programs (Health and Safety Code § 50079.5). The median family income for a family of four in Stanislaus County was \$59,600 in 2009. Since the 2003 Housing Element, the California Department of Housing and Community Development (HCD) has added an income category called: "Extremely Low Income," which represents 30 percent of area median income. Table II-12 shows HCD income limits for Stanislaus County in 2009.

Table II-12
2009 Income Limits
Stanislaus County

Median Family Income = \$59,600

	1 Person	2 Person	3 Person	4 Person
Extremely Low Income (up to 30% of Median)	\$12,550	\$14,300	\$16,100	\$17,900
Very Low Income (30% to 50% of median)	20,850	23,850	26,800	29,800
Lower Income (50% to 80% of median)	33,400	38,150	42,950	47,700
Median (80% to 100% of median)	41,700	47,700	53,650	59,600
Moderate (100% to 120% of median)	\$50,050	\$57,200	\$64,350	\$71,500

Source: Department of Housing and Community Development

In 2003, Newman's median family income (\$44,703) was approximately 93 percent of that of Stanislaus County (\$48,000). With the influx of new home owners, Newman's median family income has probably increased to something between 93 percent and 100 percent of that of Stanislaus County as a whole. Therefore, the price established by HCD for a dwelling unit affordable to any particular income group (say very-low-income families) should generally be affordable for families in Newman.

Affordability, Housing Costs, and Overpayment

The following section reviews affordability, housing costs, and overpayment.

RENTAL AFFORDABILITY AND COSTS

Rental housing in Newman is generally affordable. According to classified advertisements in the West Side Index, Newman's weekly newspaper (<http://www.westsideconnect.com/>), rents for three-bedroom, two-bath houses ranged from \$900 to \$1,200 per month in October 2008. Two-bedroom apartments were \$600 to \$800 per month. The family earning the County median family income of \$59,600 and spending 30 percent of its income on housing could afford approximately \$1,500 in monthly rent. Table II-13 shows rental affordability for all income groups in Newman.

Table II-13
Rental Affordability
Stanislaus County

	HCD Annual Income Limit ¹	Affordable Monthly Rent ²
Extremely Low Income (up to 30%)	\$17,900	\$448
Very Low Income (Up to 50%)	29,800	745
Low Income (50% to 80%)	47,700	1,193
Median (80% to 100%)	59,600	1,490
Moderate (100% to 120%)	71,500	1,788
Above Moderate (120% plus)	\$71,500+	\$1,788+

Notes: ¹Income limit for a four-person family as defined by HCD in 2009

²Assumes 30 percent of monthly income

Sources: Coastplans; California Department of Housing and Community Development

OWNERSHIP AFFORDABILITY AND COSTS

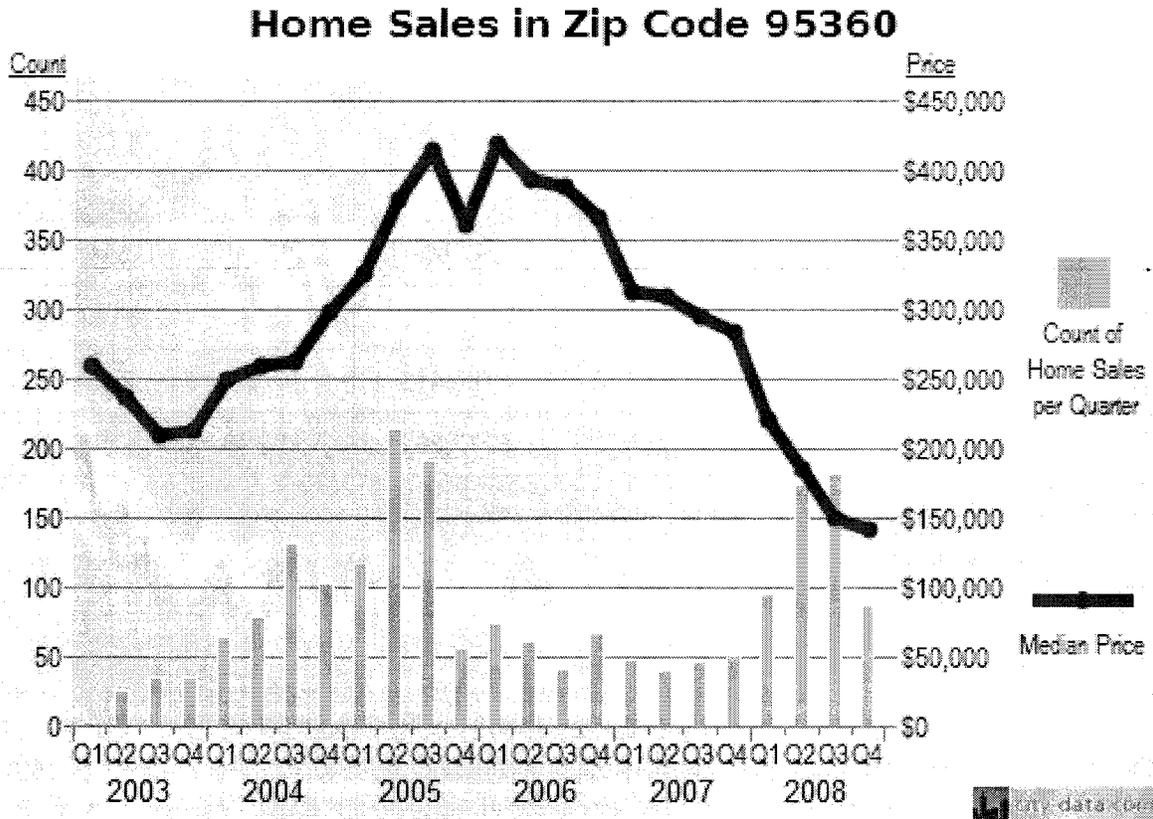
The upheaval in the housing market that began in early 2008 and the financial crisis that the country is currently embroiled in has injected a high degree of uncertainty into the local housing markets. Housing prices have come down dramatically—from a high \$420,000 in 2005 to the

current low of approximately \$140,000 (March 2009)¹—but a high number of foreclosures has resulted in a tight credit market and wary consumers. According to Realtytrac (<http://www.realtytrac.com>), there were 343 houses in some state of foreclosure in Newman as of March 18, 2009. So while housing is more affordable than it has been in years, qualifying for a mortgage can be very challenging. A new house in one of Newman’s developing subdivisions start at \$125,000 in Park Villa.

The family earning the County median family income of \$59,600 and spending 30 percent of its income on housing can afford a \$308,000 house. Figure II-9 shows the median price of homes sales in the Newman Area between 2003 and 2008. Table II-14 shows ownership affordability for Newman.

¹ According to City-data.com (<http://www.city-data.com/real-estate/NEWMAN-CA-95360.html>), the median sales price for a house in the 95360 zip code area was approximately \$190,000 in the second quarter 2008.

Figure II-9
Median Sales Price
Zip Code 95360



Source: City-Data.com

Table II-14
Ownership Affordability
Stanislaus County

Median Housing Price (2009) = \$140,000

% Area Median Income ¹	HCD Annual Income Limit	Mortgage ²	Monthly Payment ³	Price of Affordable House ⁴
Extremely Low Income (~15%)	\$8,940	\$41,634	\$224	\$46,260
Very Low Income (~40%)	\$23,840	\$111,025	\$596	\$123,361
Low Income (~65%)	\$38,740	\$180,415	\$969	\$200,462
Moderate (100%)	\$59,600	\$277,562	\$1,490	\$308,402

Notes: ¹Income limit for a four-person family as defined by HCD in 2009

²Assumes 30 percent of income for house expense, 6.00 percent interest rate, 30-year fixed-rate mortgage

³Assumes a 10 percent down payment

Sources: City-Data.com; California Department of Housing and Community Development; Coastplans

The 2003 Housing Element reported that housing prices ranged from \$175,000 to \$235,000 with new houses ranging from an entry level of \$220,000 to an upscale \$300,000. Housing prices in 2008 have collapsed to 2003 levels and lower. Again, uncertainty in the financial markets and low consumer confidence has brought much of the housing market to a standstill, so at least for the foreseeable future, consumers will not benefit from the lower prices.

OVERPAYMENT AND OTHER HOUSING PROBLEMS

As a rule of thumb, housing is considered affordable if less than 30 percent of household income is spent on rent or mortgage. According to the State of the Cities Data Systems, approximately 69 percent of Newman's lower-income owner households and 68 percent of lower-income renter households paid more than 30 percent of their income in 2000. There were 223 extremely low income households (i.e., those households making less than 30 percent of median family income) in 2000, which represented 46 percent of all very low income households. Table II-15 shows overpayment and other housing problems in Newman.

Table II-15
Overpayment and Other Housing Problems
City of Newman
2000

Household by Type, Income, & Housing Problem	Total Renters	Total Owners	Total Households
Household Income <=50% MFI	189	296	485
Household Income <=30% MFI	95	128	223
% with any housing problems	78.9	69.5	73.5
% Cost Burden >30%	68.4	69.5	69.1
% Cost Burden >50%	47.4	31.3	38.1
Household Income >30% to <=50% MFI	94	168	262
% with any housing problems	84	70.2	75.2
% Cost Burden >30%	84	58.3	67.6
% Cost Burden >50%	21.3	41.7	34.4
Household Income >50 to <=80% MFI	168	257	425
% with any housing problems	50	59.5	55.8
% Cost Burden >30%	23.8	47.9	38.4
% Cost Burden >50%	0	15.2	9.2
Total Households	596	1,496	2,092
% with any housing problems	49	40.6	43.0
% Cost Burden >30	30.9	29.7	30.0
% Cost Burden >50	10.9	10	10.2

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

Housing Needs

This section describes Newman's housing needs, with comparisons to surrounding cities and Stanislaus County. The information in this section comes primarily from StanCOG, the California Department of Housing and Community Development, the California Department of Finance, the U.S. Census Bureau, the Stanislaus County Housing Authority, social service providers, and the City of Newman.

SUMMARY OF DEMOGRAPHIC AND HOUSING RESEARCH

The results of demographic and housing research, which are presented in the sections above, paint a picture of a small Central Valley town increasingly influenced by the Bay Area economy.

- ✓ Newman is experiencing a relatively high rate of growth. Since the last Housing Element Update adopted in 2003, Newman's population grew at an annual average rate of growth of 6.4 percent, adding approximately 2,800 persons.
- ✓ Most of this new population was attracted by the availability of new housing.
- ✓ Almost a third of Newman's residents moved to the city since 1995.
- ✓ Newman has been hit hard by the collapse of the housing market; there were approximately 343 houses in some stage of foreclosure in 2009.
- ✓ Many Newman residents are traveling longer distances to get to work. Approximately half of Newman's workforce was traveling more than 15 minutes to work in 1990; this percentage increased to approximately 70 percent in 2000.
- ✓ Newman is experiencing the out-migration of an increasingly broad segment of its young people. When analyzing changes in Newman's age structure between 1990 and 2000, there is a noticeable reduction in population in the age cohorts of 25 to 29 and 30 to 34.
- ✓ Newman is a traditional family city. Approximately 63 percent of all households in Newman are headed by a married couple compared to 57 percent for Stanislaus County as a whole. Newman also has a lower percentage of single-parent households and persons living alone than Stanislaus County as a whole.

- ✓ Newman's housing stock is predominantly single family, with approximately 11 percent of all housing stock being multi-family.
- ✓ Newman's housing stock is relatively new and in good condition. A recent survey found only 11 units with moderate to substantial rehabilitation needs. One unit was dilapidated.
- ✓ Newman has an increasing percentage of homeownership. Approximately 28 percent (595 units) of Newman's housing units were occupied by renters in 2000. This is down from approximately 33 percent in 1990 and is significantly less than Stanislaus County's 2000 housing stock as a whole, 38 percent of which is occupied by renters.
- ✓ Newman's vacancy rate remained about the same since 2003 at a healthy 4.44 percent.
- ✓ Like many communities located in agricultural areas, Newman suffers from a high unemployment rate. Newman's unemployment rate was slightly less than Stanislaus County as a whole but considerably higher than California's in 2008 (15.1 percent and 7.6 percent, respectively).
- ✓ Newman's median family income is comparable to that of Stanislaus County, so the price for an affordable dwelling unit suggested by HUD income limits should generally be affordable for families in Newman.
- ✓ Rental housing in Newman is generally affordable. Rents for three-bedroom, two-bath units ranged from \$900 to \$1,200 per month between January and June 2008. Smaller two-bedroom units ranged from \$600 to \$800 per month. The median income family can afford approximately \$1,400 in monthly rent.
- ✓ For-sale housing in Newman is generally affordable. While the median sales price rose as high as \$420,000 in 2005, since then prices have collapsed to 2003 levels and lower. The median income family can afford a \$261,000 house.
- ✓ There is a lower incidence of overpayment for housing in Newman than in Stanislaus County as a whole.

NEWMAN'S SHARE OF REGIONAL HOUSING NEEDS

Newman's share of regional housing needs originates with the California Department of Housing and Community Development (HCD). HCD first estimates a statewide need for housing, which is

broken down into regions, each of which then has an assigned share of estimated housing needs. The Stanislaus County Council of Governments (StanCOG) is the local agency mandated by California Government Code §65554(a) to distribute the "Fair Share Allocation" of the regional housing need to each jurisdiction in Stanislaus County. The "Fair Share Allocation" of housing is a specific number of residential units, in different price ranges, assigned to each local jurisdiction including Newman.

Because this allocation applies to the period starting on January 1, 2007, dwelling units built in Newman since that time must be deducted from the total to determine the number of units needed for the balance of the planning period. Table II-16 shows the official StanCOG allocation and the number of units built since January 1, 2007.

Table II-16
Newman's Housing Needs Allocation
StanCOG
2007-2014

	Percent	StanCOG RHNA
Extremely Low Income ¹	10.7%	45
Very Low Income	12.6%	53
Low Income	16.4%	69
Moderate Income	19.2%	81
Above Moderate Income	41.1%	174
Total Units	100.0%	422

Note: ¹This represents 46% of very low income households (see Table II-15 above)

Source: Stanislaus County Council of Governments; Coastplans

SPECIAL HOUSING NEEDS

An assessment of the housing needs of individuals that may have special needs within the community is a required part of a Housing Element as mandated by State HCD. Special Need individuals are defined in the following categories:

- ✓ Elderly persons over 65 years of age,
- ✓ Persons with disabilities,
- ✓ Families with female heads of households,
- ✓ Large families,
- ✓ Families or persons in need of emergency shelter or transitional housing; and
- ✓ Farmworkers.

Based on US Census Bureau 2000 data, the total number of persons in Newman within each of the Special Needs categories is shown in Table II-17.

Table II-17
Summary of Special Needs Housing
2000

Special Needs Category	Number
Households with Elderly (65+ years) Living Alone	151
Households with Elderly (65+ years) Living with Someone	275
Persons Living in Institutional Care (Nursing Home)	66
Large Households (6+ persons) Living in Owner-Occupied Unit	210
Large Households (6+ persons) Living in Renter-Occupied Unit	36
Female Householder (no husband present)	242
Male Householder (no wife present)	110
Families Living Below Poverty Level	166
Persons Visibly Living in Street Locations	15
Disabled Persons (mobility or self-care limitation)	1,160
Persons in Agriculture Industries	333

Source: U.S. Census Bureau

Disabled Persons

The term "disabled" refers to a disability (physical, mental, or sensory) which prevents or precludes a person from doing work either in or outside of the home. The number of disabled persons in a community has important implications for providing certain social services, in the removal of barriers to facilities, and in developing housing which has specialized access for disabled residents.

According to the 2000 Census, 733 of Newman's residents aged 16 to 64 had work disabilities. This represented 11.5 percent of the work force. A person with a work disability may have a health condition which limits the kind or amount of work which he or she can do or which prevents working at a job or business altogether. A work disability may also be defined as a health condition which limits the choice of jobs. Table II-18 shows work disability information for Newman, Stanislaus County, and California according to the 2000 Census.

Table II-18
 Work Disability Status Ages 16 to 64
 Newman, Stanislaus County and California
 2000

	Newman		Stanislaus County		California	
	No.	Percent	No.	Percent	No.	Percent
5 to 15 years:	1,638	25.8%	89,270	21.9%	5,813,105	18.8%
With a disability	75	1.2%	5,138	1.3%	277,503	0.9%
No disability	1,563	24.6%	84,132	20.6%	5,535,602	17.9%
16 to 64 years:	4,122	64.8%	274,326	67.2%	21,570,148	69.9%
With a disability:	733	11.5%	61,605	15.1%	4,180,265	13.5%
Employed	258	4.1%	28,814	7.1%	2,250,371	7.3%
Not employed	475	7.5%	32,791	8.0%	1,929,894	6.3%
No disability:	3,389	53.3%	212,721	52.1%	17,389,883	56.4%
Employed	1,990	31.3%	140,625	34.4%	12,020,189	39.0%
Not employed	1,399	22.0%	72,096	17.7%	5,369,694	17.4%
65 years and over:	599	9.4%	44,639	10.9%	3,469,810	11.2%
With a disability	352	5.5%	20,948	5.1%	1,465,593	4.8%
No disability	247	3.9%	23,691	5.8%	2,004,217	6.5%
Total	6,359		408,235		30,853,063	

Source: U.S. Bureau of the Census, 2000

The Census also identified those residents with mobility and self-care limitation disabilities. As Table II-19 indicates, 20.1 percent of Newman's residents aged 16 and over (476 persons) had a go-outside-home disability in 2000.

Table II-19
Disability Type by Age Group
Newman, Stanislaus County, and California
2000

	Newman		Stanislaus County		California	
	No.	Percent	No.	Percent	No.	Percent
Total disabilities	2,360	100.0%	159,757	100.0%	10,592,411	100.0%
Total disabilities 5 to 15 years	93	3.9%	6,647	4.2%	373,407	3.5%
Sensory disability	20	0.8%	963	0.6%	51,855	0.5%
Physical disability	7	0.3%	890	0.6%	54,991	0.5%
Mental disability	48	2.0%	4,065	2.5%	205,676	1.9%
Self-care disability	18	0.8%	729	0.5%	60,885	0.6%
Total disabilities 16 to 64 years	1,454	61.6%	111,007	69.5%	7,241,881	68.4%
Sensory disability	93	3.9%	7,488	4.7%	430,965	4.1%
Physical disability	282	11.9%	22,267	13.9%	1,183,313	11.2%
Mental disability	202	8.6%	14,264	8.9%	777,304	7.3%
Self-care disability	108	4.6%	6,109	3.8%	361,699	3.4%
Go-outside-home disability	298	12.6%	22,472	14.1%	1,718,472	16.2%
Employment disability	471	20.0%	38,407	24.0%	2,770,128	26.2%
Total disabilities 65 years and over	813	34.4%	42,103	26.4%	2,977,123	28.1%
Sensory disability	169	7.2%	7,009	4.4%	501,450	4.7%
Physical disability	226	9.6%	13,970	8.7%	985,115	9.3%
Mental disability	135	5.7%	5,858	3.7%	423,518	4.0%
Self-care disability	105	4.4%	5,013	3.1%	345,113	3.3%
Go-outside-home disability	178	7.5%	10,253	6.4%	721,927	6.8%

Source: U.S. Bureau of the Census, 2000

Special needs of disabled persons vary depending upon the particular disability of the person. For example, the needs of a blind person differ greatly from those of persons confined to wheelchairs. Special facilities such as ramps, elevators, or specially designed restrooms necessary for wheelchair access are architectural features needed to make dwellings suitable for wheelchairs. Special features needed by ambulatory persons constrained by other disabilities may not be

architectural. Instead, these might be simple alterations to conventional dwelling units for furnishing and appliances which make ordinary tasks of housekeeping and home life simpler. In families, the needs of the disabled person, in terms of special features, are fewer than those of a single person. Nevertheless, a disabled person in a family does have special needs. Special architectural features could be valuable in giving this person a greater independence, dignity, and quality of life.

Elderly

The percentage of senior citizens in Newman fell between 1990 and 2000, so that while Newman had a slightly higher percentage of senior citizens in 1990 than Stanislaus County or California as a whole, it now has a significantly lower percentage. The 2000 Census indicated that 11.6 percent of the city's population was 60 years and older, the 1990 Census indicated the percentage was 14.7 percent. These percentages are now lower than for Stanislaus County, where 13.7 percent of the population (14.4 percent in 1990) was over 60. They are also lower than statewide, where 14.0 percent of the population (14.2 percent in 1990) was at least 60.

While older residents are still drawn to Newman because of the city's overall low cost of living, the stability of the area, and its warm year-round climate, an influx of younger newcomers has lowered the overall percentage of senior citizens in the community. Nonetheless, many of the senior citizens that live in Newman have mobility limitations which restrict their access to other services, such as public transportation, shopping facilities, and senior citizens. Although the West Side Dial-a-Ride will arrange door-to-door pickup, the service provides only limited service to Modesto. The Westside Shopping Center, which contains a Nob Hill store, pharmacy, video store, and other shopping is centrally located on Highway 33, and provides easy access for seniors with transportation difficulties. The Golden Valley Health Center at 637 Merced Street, Newman, provides medical services for the Newman community.

Large Households

Household size is an important consideration when it comes to planning for housing. Very simply, areas which have large concentrations of small households (i.e., less than five persons) or single-person households need to plan for smaller units, and areas with concentrations of large households (i.e., five persons or more) need to assure that units large enough to accommodate such households are available.

The number of large households in Newman increased between 1990 and 2000, and this influx of large households is weighted toward owner-occupied housing units. The 2000 Census indicated

that 24.5 percent of households in Newman were large families, compared with only 20 percent in 1990. Twenty-seven percent of owner-occupied housing (20 percent in 1990) was occupied by large households, and 18 percent of renter-occupied housing (20 percent in 1990) was occupied by large households. The fact that the housing construction industry has favored large houses in recent years and has moved away from constructing multi-family housing in many market areas has probably influenced this trend.

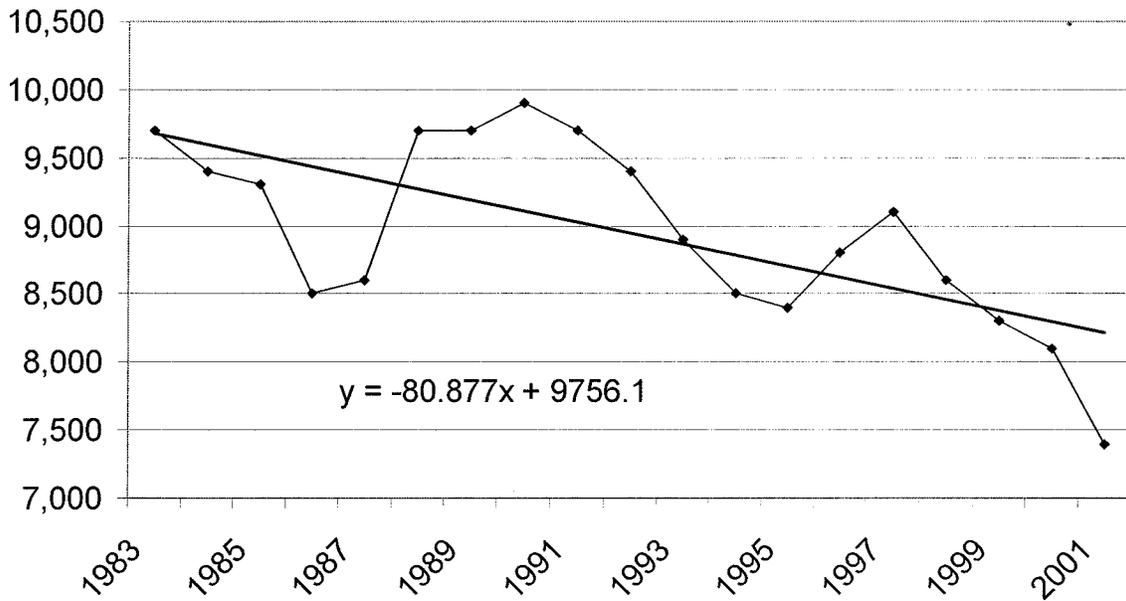
Farmworkers

As in the case for most low-income households, housing needs of farm workers far exceeds government's ability to provide assistance. The Farmer's Home Administration (FmHA) is the most important provider of permanent housing for farm workers, but FmHA assistance suffers from its own income qualifying standards and a shortage of staff and funds. The State HCD and Office of Migrant Services also supplies housing assistance for farm workers. Because farm workers are usually low-income and their employment status is often tenuous, they are unable to compete for housing on the open market. The housing that is available is often of substandard condition and located in areas of the community lacking adequate services. In relation to their low incomes, farm workers often overpay for substandard housing and live in crowded conditions.

Throughout Stanislaus County, farm workers are housed predominately in farm labor camps owned and operated by the Stanislaus County Housing Authority and camps privately owned in the unincorporated areas. Housing in these camps consists of both permanent residential buildings and mobile homes. Within areas in the county, permits are issued with the stipulation that the occupant be employed on a full-time basis in conjunction with the farming operation. Mobile homes, modest single family homes, multi-family housing, and farm labor camps and other group housing, provide important housing for seasonal or year round workers who may otherwise have a difficult time obtaining housing at an affordable price and within close proximity to their jobs. Within the City of Newman, permanent housing for agricultural workers is a permitted use in all residential zoning districts, and short-term rooming or boarding houses are allowed as a conditional use in the R-2 and R-3 Zoning Districts. Per Health and Safety Code §17021.5, employee housing for six or fewer employees is considered a single family use, and single family uses are allowed by right in all residential zoning districts in the City. There are no special permit conditions that apply specifically to farmworker housing in the City of Newman. The City of Newman solicits input regarding farmworker housing needs from a wide variety of social service, homeless, and housing advocate organizations during its housing element update process every five years.

While in the past there was evidence that housing shortages existed during peak seasonal labor periods, StanCOG reports a general trend toward a decreasing number of farm laborers in the county. Figure II-4 shows farm labor trends in Stanislaus County between 1983 and 2001.

Figure II-4
Farm Labor
Stanislaus County
1983 to 2001



Source: StanCOG, 2003

The Stanislaus County Housing Authority maintains an inventory of farm labor and migrant housing, and this inventory is summarized in Table II-20 below.

Table II-20
Farm Labor and Migrant Housing
Stanislaus County Housing Authority Inventory
2003

Location of Farm Labor Housing	Number of Units	Percent of Units
Westley – FmHA Units	85	22.61%
Westley – Mobile Homes/Trailers	20	5.32%
Ceres	104	27.66%
Modesto	91	24.20%
Patterson	76	20.21%
Total	376	100.00%

Source: Stanislaus County Housing Authority

Families Headed by Single Females

The incidence of families headed by single females with children under the age of 18 fell between 1990 and 2000 and is below that of Stanislaus County as a whole. The 2000 Census indicated that 7.9 percent of Newman's families were headed by single females with children under 18, compared to 11.0 percent in 1990. The California Department of Housing and Community Development identifies the following distinguishing characteristics for female householder families:

- ✓ Low homeownership rate
- ✓ Younger householder
- ✓ Children present
- ✓ Low incomes and a high poverty rate
- ✓ Overcrowded
- ✓ High percentage of household income spent for housing

The incidence of poverty in families headed by single females with children under 18 also fell between 1990 and 2000. The 2000 Census indicated that 25.3 percent of female-headed households with children were below poverty, compared to 50.0 percent in 1990. Countywide, 8.4 percent of households were headed by single female parents (10.8 percent in 1990), and 38.6 percent of these households were below poverty (37.4 percent in 1990).

Persons Needing Emergency Shelter and Transitional Housing

Throughout California, homelessness has become a major concern. Factors contributing to the increase in homeless persons and families, and those in need of transitional housing, include:

- ✓ The lack of housing affordable to very-low- and low-income persons
- ✓ Increases in unemployment or underemployment
- ✓ Reductions in government subsidies
- ✓ Deinstitutionalization of the mentally ill
- ✓ Domestic violence
- ✓ Drug addiction
- ✓ Dysfunctional families

According to Chief Adam McGill, at the Newman Police Department, there are approximately 15 homeless persons living in Newman during the course of the year. Some of these persons work on a part-time basis, and most have drug or alcohol problems but are generally not visible on the street. The Police Department receives a few complaint calls periodically but the problem is minor. In addition, the Newman Family Resource Center reported that they are seeing an increase in the need for assistance in paying monthly utility bills. They also reported that they have not seen any increase the need for emergency shelter.

As with all communities, Newman has youth that for one reason or another have chosen to runaway from home. According to Valrie Thompson at Hutton House, a youth shelter located in Modesto, there were approximately 40 youth from Newman sheltered at Hutton House in 2007

and about the same number in 2006. The numbers vary widely from year to year, however, with as few three runaways from Newman in 2003.

The City of Newman posts notices (in English and Spanish) in city hall of shelter services offered by Community Housing and Shelter Services on the first and third Wednesdays in nearby Patterson at the Westside Resource Center.

Agencies Offering Emergency Housing Assistance

Salvation Army, Social Services Program: Under this program, energy bill assistance, as well as housing information and referral are provided to low-income families. In conjunction with the Salvation Army, the Newman Police Department offers limited emergency assistance to very-low to low income residents.

Stanislaus County Housing Authority: The Stanislaus County Housing Authority is located at 1701 Robertson Road, Modesto. The Housing Authority develops and operates subsidized housing facilities in Stanislaus County (with the exception of Riverbank, which has its own Housing Authority), for very low and low-income families, including the elderly, handicapped and disabled families. The Authority also operates housing rehabilitation programs and offers counseling for rent delinquency and mortgage delinquency at no charge, under license from the U.S. Department of Housing and Urban Development.

Emergency and Transitional Shelter Needs: The housing needs of those seeking emergency shelter and/or transitional shelter have dramatically increased in the last ten years. The fastest growing population in need of shelter is families with children. The reason for this increase can be partially attributed to rising unemployment and the decline in affordable housing. A large percentage of mentally ill persons are homeless due to the relaxing of guidelines for state mental health care institutions. Others in need are homeless persons with drug and alcohol problems, battered women and children, teenage runaways, and evicted tenants.

Agencies Providing Emergency Shelter

The following programs offer cash or vouchers to homeless individuals and families for securing temporary shelter:

Santa Fe Project (Inter-Faith Ministries): Located at 120 Kerr Avenue, Modesto, this 109 beds facility, which opened in December 2008, provides emergency winter shelter to homeless families with minor children. The project is open from December 1, through March 31. Families will work with a case manager to work towards the goal of moving into permanent housing.

Community Housing and Shelter Services: Since 1981, the Community Housing and Shelter Services (CHSS) has provided services for those seeking shelter. CHSS provides temporary shelter to those with immediate need. CHSS assists families with dependent children and mentally ill homeless. Stay is temporary, in motels or shelters, until more permanent shelter can be found. CHSS contracts with the Stanislaus County Department of Social Services to find temporary shelter for AFDC Homeless Assistance Program. CHSS receives block grant funding to find shelter for the Mentally Ill Homeless Program. The Program is administered by the Stanislaus County Mental Health Department. The Program provides shelter for stays of three to seven days, based on need and then many individuals are placed in board and care facilities.

The Modesto Men's Gospel Mission and Women's Mission: The Men's Gospel Mission, located at 1400 Yosemite Street, Modesto, is Stanislaus County's primary emergency shelter. The Women's Mission, also located at 1400 Yosemite Boulevard, provides temporary shelter to house single women and women with children for a maximum stay of fourteen days. Over 15,000 meals are served each month, and more than 2,500 men, women, boys and girls are given shelter each year.

In 1997 the Mission completed a \$3 million expansion campaign that brought churches, civic organizations, businesses, foundations and individuals together to address a problem facing communities across America. The new facilities are at 1400 Yosemite Blvd, in one of Stanislaus County's most disadvantaged neighborhoods. A father and children's shelter opened in 2000, and a medical clinic in 2001.

Both Missions require that those seeking shelter participate in religious activities, (this requirement also exempts the Missions from receiving any Federal or State funding assistance.) Thus, the missions must rely strictly on donations from local churches and the community. In addition to the basic needs of food, clothing and shelter, the Mission offers New Life Programs, Education and Employment Programs, Children's Safe Zone, Medical and Dental Programs, Addiction Recovery, Resource Counseling and Referral, Spiritual Counseling, and a hand of love to everyone who comes for help.

Hutton House: The Hutton House, which is located at 201 Jennie Street, Modesto, provides temporary shelter for up to six teenagers that may be involved in a family crisis or a conflict situation. Hutton House also provides individual, family and group counseling to its clients. The facility is currently (June 2003) being upgraded to serve a total of eight kids. According to Bonnie Romero, counselor at Hutton House, the facility serves between 20 and 30 kids each month, with a maximum stay of 14 days. Hutton House served three or four kids from the Gustine/Newman area last year.

Agencies Providing Transitional Housing

The Stanislaus County Affordable Housing Corporation (STANCO): STANCO has 40 homes within Stanislaus County utilized for families and individuals with special needs. These include eleven family houses, one house for four unrelated mentally ill homeless adults, one house for two battered women households and their children, and one house for unrelated persons with HIV/AIDS. STANCO is responsible for the program and property management and case management to these families and individuals.

Agencies Providing Shelter and/or Services and/or Meals

The Salvation Army: The Salvation Army, located at 625 I Street, Modesto, serves lunches to about 200 to 220 people per day. Currently, the Salvation Army is seeing an increase of people needing food and clothing. According to the commanding officer for the Modesto Corps, the recent economic downturn, coupled with high unemployment rates and higher energy bills, has increased demand Salvation Army services.

Adult Protective Services: This is a function of the County's Welfare Department and they provide information and act as a referral agency for those in need of help for emergency housing, money, food, mental problems and alcoholism. Their primary function is to access a person's immediate problems and link that person with the appropriate agency for further help.

Mentally Ill Homeless: The Sunshine Place administered by the Stanislaus County Department of Social Services is a drop-in center that provides recreation and socialization for the mentally ill homeless. This center is open five days a week and provides an adult outreach team to work with the mentally ill homeless population. The Sunshine Place is also open two days a week to the general adult homeless population. On the average day, 240 people visit the Sunshine Place. The Department of Social Services also contracts with

the Community Housing and Shelter Services to provide emergency shelter and transportation. As noted above, the STANCO also provides one transitional house to four unrelated adult mentally ill homeless.

Homeless Veterans: In 1996, after a large turnout of homeless veterans in Stanislaus County for the annual Stand Down program; a planning group supported the expansion of the Central Valley Homeless Veteran's program, under the direction of Marvis Hood, Executive Director, to provide transitional housing for homeless veterans. The Central Valley Homeless Veterans, Inc. provides the only annual Stand Down program where homeless veterans within Stanislaus County receive medical, dental, mental health, clothing, nutrition, hygiene, employment, non felonious criminal justice issues assistance and housing placement services on site during the three day "Stand Down".

The Stanislaus County Department of Aging and Veteran's Services: The Mental Health Adult Outreach Team and the Homeless Health Project Outreach Worker refer homeless veterans to the shelter providers and services available within the County. Stanislaus Department of Veterans Services also provides Benefit Counseling and the Medi/Van Program to transport veterans and their families to medical appointments, VA Hospitals, and other hospitals in the Bay Area.

Local Assistance to Homeless Persons

Newman Family Resource Center: The Newman Family Resource Center, which is located at 1300 Patchett Drive, in Newman, provides clothing, food referrals, referrals for social service agencies, immunization clinics, and other family services. Healthy Start acts as an extension service for the Salvation Army, whose main office is located in Modesto.

Newman Police Department: The Police Department is allocated funds through the Salvation Army to assist indigent and homeless persons. Typically, these funds are used to pay for food or gas for persons who become stranded in the Newman area. Local churches also provide clothing and assistance if needed. The Police Department will also arrange transportation for homeless persons to shelters in Modesto, where the Stanislaus County Housing Authority provides temporary shelter (overnight). Motels in western Stanislaus County that offer weekly and monthly rates also serve as a source of transitional housing.

Availability of Services and Land

This section evaluates the availability of public services and facilities and the potential for residential development in Newman.

PUBLIC SERVICES

The City of Newman provides water service to areas within the City through a system of municipal wells and distribution pipes, which provide water to all areas of the city. According to the Community Development Director, the City is currently at capacity for water services. According to the Newman Public Works Director, the City has budgeted in its FY 09-10 budget to begin test holes for a new well. It expects to install the well in the next two years (by FY 11-12). The City has budgeted for a rate study in its FY 09-10 budget. Accordingly, the City expects to be able to provide water service to all new development within its current primary urban service area.

With regard to sanitary sewer service, the City of Newman maintains a sanitary sewer system that includes a sewer treatment plant and collection system. The City of Newman is currently permitted to treat up to 1.69 MGD and has sufficient capacity to serve areas within the existing city limits. According to the Public Works Director, the City is expected to make treatment plant capacity improvements within the next two years that include a new storage basin and improvements to the aeration system. Additional treatment plant improvements and collection system expansion will depend on the pace of new development.

VACANT AND UNDERUTILIZED RESIDENTIAL SITES

According to a survey completed by Coastplans in March 2009, Newman has approximately 218 acres of vacant and underutilized land currently zoned for residential use which can accommodate approximately 1,286 units. Vacant sites for extremely low-, very low-, and low-income units are in each case an actual approved project, and the assigned development densities reflect approved project plans. Vacant sites for moderate-income units have been broken down into two categories—1) sites that are currently zoned to accommodate moderate-income housing and 2) sites that require rezoning to accommodate moderate-income housing. Assigned development densities for the first group represent actual approved project plans, and densities for the latter category represent the low end of what these types of project have historically achieved in Newman (i.e., 12 dwelling units per gross acre). The Newman Zoning Ordinance allows

development up to 23 dwelling units per gross acre (i.e., 29 dwelling units per net acre) in the R-3 Zoning District and 12 dwelling units per gross acre (15 dwelling units per net acre).

For the purpose of this analysis, residential sites that are designated HDR in the *Newman 2030 General Plan* were categorized for extremely low-, very low- or low-income housing. MDR sites and selected mixed-use sites (i.e., D and CR land use designations) were categorized as potential sites for moderate income housing. LDR sites and the balance of the mixed use sites were categorized as potential sites for market rate housing.

Of the 218 acres, approximately 11.4 acres are available for extremely low-, very low-, and low-income housing; approximately 49.3 acres are available for moderate-income housing without any action required on the part of the City to rezone or redesignate the sites; another approximately 34 acres are available for moderate-income housing with some rezoning or redesignation required; and approximately 130 acres are available for market-rate housing. The development potential for these sites is shown in Table II-21, which lists Newman's vacant and underutilized housing sites. Figure II-5 shows the location of each vacant or underutilized site in Newman.

Table II-21
Vacant and Available Sites
2009

Map No.	APN	Size (Acres)	Zoning	GP	Density	Units	Comments
Extremely low, Very Low, and Low Income							
1 ¹	128-060-010	1.580	R-1	HDR	20	25	Needs action
2 ¹	026-041-004	2.500	R-1	HDR	20	40	Needs action
3 ¹	026-041-058	2.530	R-1	HDR	20	40	Needs action
4	128-020-003	0.468	R-3	HDR	18	72	Newman Family Apartments 2008
	128-020-002	2.010	R-3	HDR	--	--	Part of Site #5
	128-020-001	1.525	R-3	HDR	--	--	Part of Site #5
5	128-022-016	0.800	R-3	HDR	16	12	Vacant; senior housing to north
6	026-041-060	--	PD	MDR	12	3	Townhomes built in 2008 -- 3 income restricted \$732 (1 VL, 2 L)
Subtotal		11.413				192	
Moderate Income -- No Action Required							
6	026-041-060	1.573	PD	MDR	12	20	Part of Site #7; Townhomes built in 2008
7	049-040-008	10.000	R-3	HDR	20	144	Park Villas built starting Feb 2007
8	049-059-006	10.590	R-2	MDR	6.5	69	Heritage Collection; approved project (includes other APNs)
9	26-016-049 Part	13.873	R-2	MDR	12	106	Mattos Ranch; approved project
10	049-041-016	4.259	R-2	MDR	12	22	6 permits issued in 2007; 16 remain to be issued

Map No.	APN	Size (Acres)	Zoning	GP	Density	Units	Comments
11	026-0410-46	9.000	PD	MDR	12	40	Undeveloped -- approved PD for 40 starter homes
Subtotal		49.295				401	
Moderate Income -- Action Required or Small Size							
12	128-008-021	0.258	R-3	CR	12	3	Vacant; small size limits potential
13	128-009-024	0.131	C-1	D	12	1	Mixed use upper floor only
14	128-009-073	0.086	C-1	D	12	1	Mixed use upper floor only
15	128-022-010	1.680	I	MDR	12	20	Requires rezoning
16	128-050-016	0.189	R-1	MDR	12	2	Vacant; requires rezoning
17	128-060-011	0.880	R-1	MDR	12	10	Underutilized; requires rezoning
18	128-060-021	0.870	R-1	MDR	12	10	Vacant (City owned); adjacent to senior and low income apartments; requires rezoning
19	049-050-044	1.930	R-1	MDR	12	23	Underutilized; requires rezoning
20	049-050-045	0.750	R-1	MDR	12	9	Vacant; requires rezoning
21	026-015-014	4.000	--	MDR	12	48	Requires annexation
22	026-015-013	15.709	--	MDR	12	188	Requires annexation
23	026-040-007	2.520	--	MDR	12	30	Underutilized; requires annexation
24	026-040-008	5.000	--	MDR	12	60	Underutilized; requires annexation
Subtotal		34.003				405	
Total Moderate Income		73.298				662	

Map No.	APN	Size (Acres)	Zoning	GP	Density	Units	Comments
Market Rate Units							
25	049-040-010	106.000	R-1	PMR	2	235	Underutilized; also includes 049-040-008 and 049-041-017
26	026-056-058	4.970	R-1	LDR	5	24	Underutilized
27	026-059-070	2.020	R-2	LDR	5	10	Underutilized
28	049-042-001	12.800	R-3	LDR	8	104	Underutilized
29	128-003-031	0.258	R-1	CR	5	1	Vacant
30	128-003-033	0.234	R-1	CR	5	1	Vacant
31	128-006-047	0.172	R-1	CR	5	1	Vacant
32	128-006-066	0.259	R-1	CR	5	1	Vacant
33	128-013-017	0.185	R-1	CR	5	1	Vacant
34	128-013-018	0.185	R-1	CR	5	1	Vacant
35	128-013-019	0.167	R-1	CR	5	1	Vacant
36	026-043-019	2.750	R-1	LDR	5	13	Underutilized; odd shaped; poor access; next to RR tracks
Subtotal		130.001				393	
Total All Unit Types		218.102				1,286	

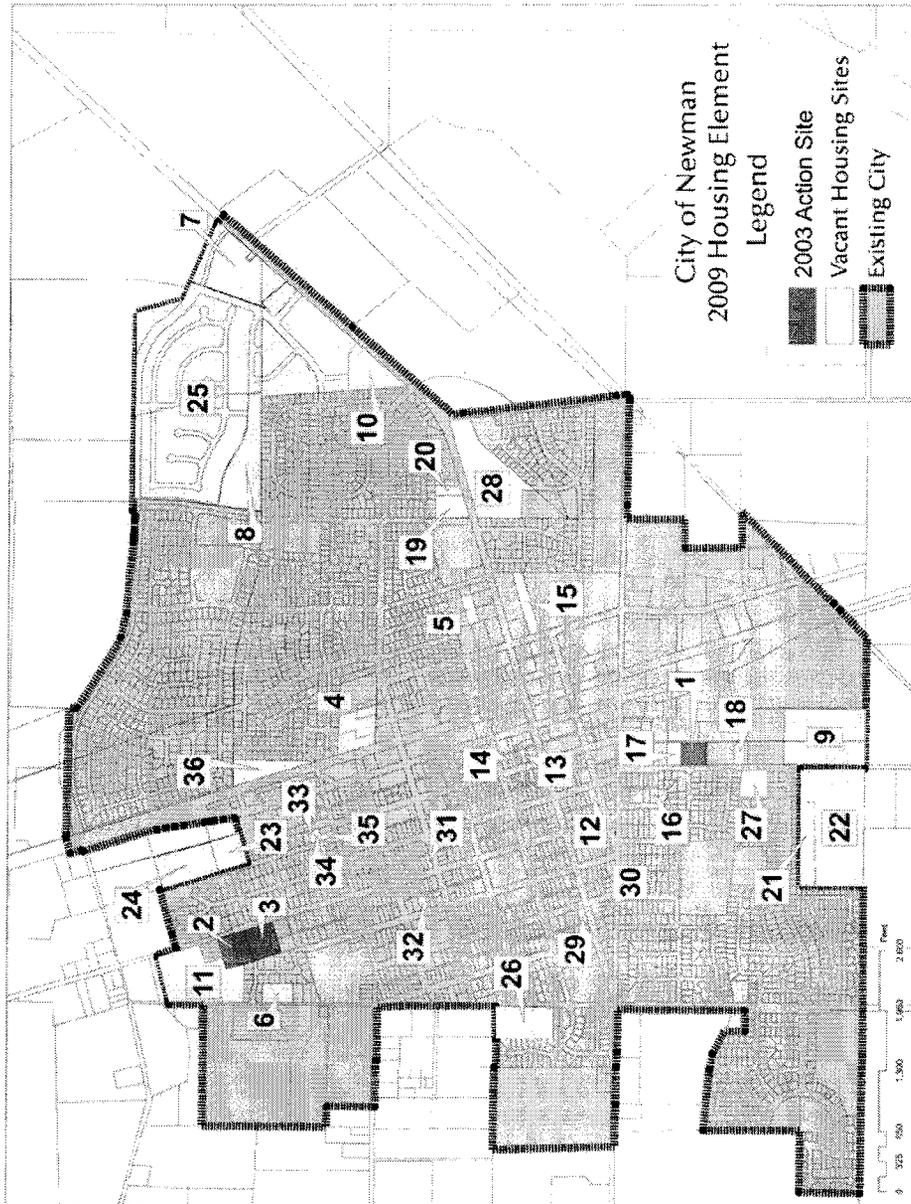
Note: ¹These sites were identified in 2003 as available for low and very low-income housing with rezoning; action now required per AB1233 (2005).

²This site needs rezoning to R-3 and re-designation to HDR

³This density represents average density to be obtained in the area designated PMR in the Newman General Plan (8,773 units ÷ 1,835 ac); (see GP page 4.11-7 and Figure LU-4)

Sources: Coastplans, City of Newman, County of Stanislaus Assessor

Figure II-5
Vacant and Underutilized Residential Sites
City of Newman



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 Newman has adequate sites for all income categories.

As demonstrated in Table II-21, the City currently has vacant, available, and appropriately zoned/designated sites to accommodate its Regional Housing Needs Allocation (RHNA) set by StanCOG. In addition, the City has other sites (listed in the moderate-income category) that with some action by the City would be available for moderate-income housing.

While the City has adequate sites to meet its RHNA for the 2007-2014 period, the City has a residual obligation from its 2003 Housing Element to provide adequate very low- and low-income sites. As set forth in AB 1233 (Jones 2005), which is now codified in Government Code §65584.09, the City failed to implement its adequate sites program to make sites available within the 2000-2007 planning period. The City was responsible for providing 17.345 acres with a potential for 276 very low- and low-income housing units. The City failed, however, to rezone three sites totaling 6.610 acres. This shortfall is the subject of a new housing program (set forth below in the section entitled: Goals, Policies, and Programs, and Objectives).

Table II-22 summarizes the vacant land inventory by qualifying income category.

Table II-22
Summary Table of Vacant and Underutilized Land
By Qualifying Income Category

	Number of Sites	Number of Acres	Housing Potential	StanCOG Allocation	Surplus
Extremely Low, Very Low and Low	6	11.413	192	167	25
Moderate (no action needed)	6	49.295	401	81	320
Moderate (action needed)	13	34.003	405	--	405
Market Rate	12	130.001	393	174	219
Total	37	224.712	1,391	422	969

Source: Coastplans; City of Newman; StanCOG

FUTURE GROWTH AREAS

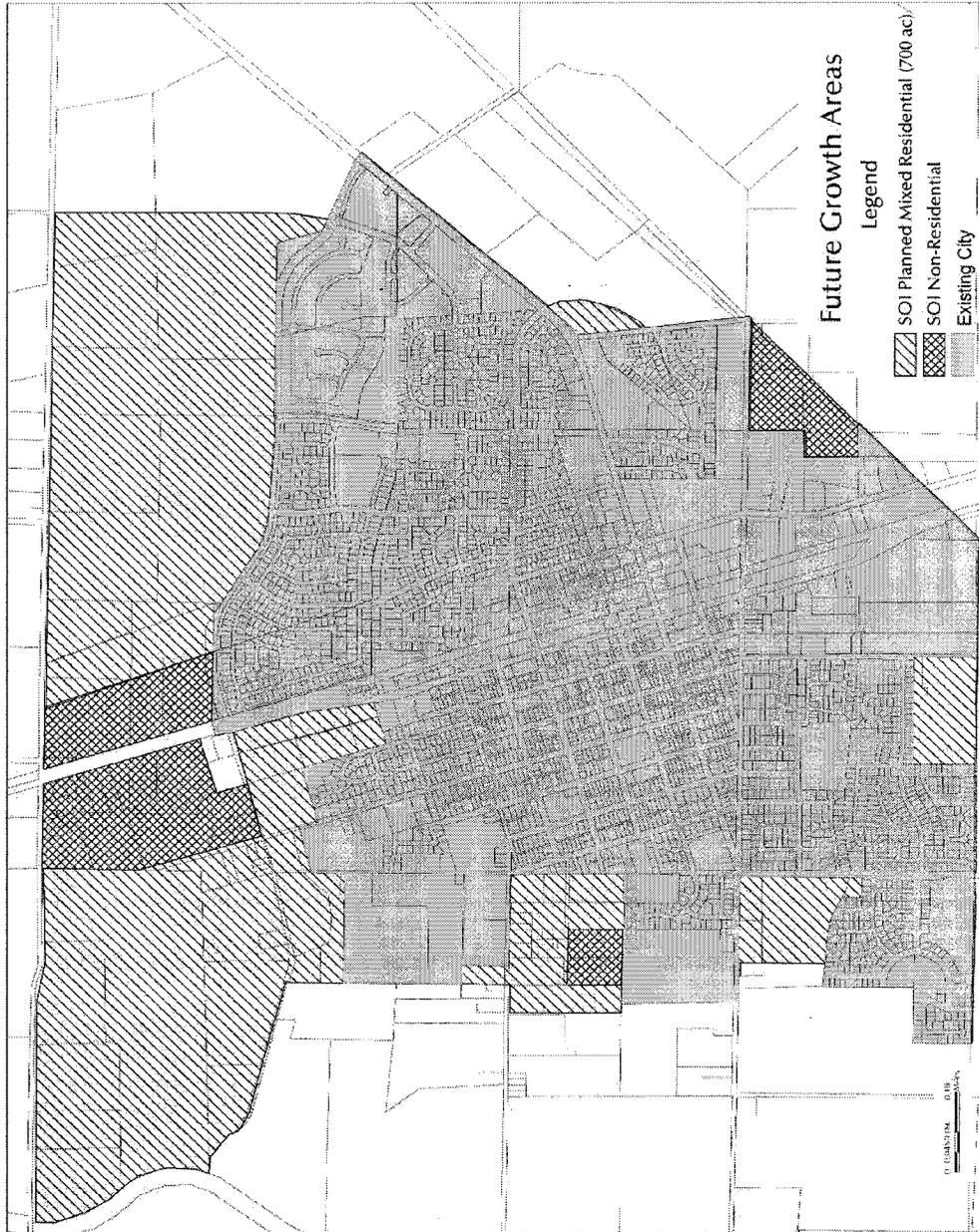
In addition to sites that are vacant (or underutilized) and available for residential development, the City of Newman has 693 acres of land outside its city limits but within its LAFCO primary sphere of influence that is designated Planned Mixed Residential (PMR) and available for residential development upon annexation. The *Newman 2030 General Plan* requires that no more than 75 percent of units developed in the PMR designation develop at densities less than six dwelling units per gross acre and that at least 10 percent be developed at a density of at least 12 units per gross acre. In addition, at least 10 percent of the units built at six dwelling units an acre or less must have at least two dwelling units per lot (either as a duplex or as a house with a second unit). Using these parameters as guidance, Table II-23 presents one possible scenario that would result in the minimum number of higher density units being built. The future growth area (primary sphere of influence only) is shown in Figure II-6.

Table II-23
Housing Potential in Future Growth Area
Primary Sphere of Influence Only

	Acres	Density ¹	Units	% of Total
Planned Mixed Residential				
Low Density	566	4	2,266	68%
Low Density 2 nd Units	28	8	227	7%
Medium Density	70	7	489	15%
High Density	28	12	340	10%
Subtotal	693		3,321	100%

Notes: ¹These are sample densities that fit within the parameters set forth in Newman 2030 General Plan
Sources: Newman 2030 General Plan; Coastplans

Figure II-6
Additional Residential Land Available for Annexation
2009



Governmental Constraints

While local governments have little influence on such market factors as interest rates, their policies and regulations can affect both the amount of residential development that takes place and the affordability of housing. Since governmental actions can constrain development and affordability of housing, state law requires the housing element to "address and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing" (*Government Code § 65583(c)(3)*). The City's primary regulations affecting residential development and housing affordability include the *Land Use Element of its General Plan*, the *Zoning Ordinance*, and the City's processing procedures, standards, and fees related to development.

GENERAL PLAN

Discretionary control over land use in Newman is currently exercised by the Planning Commission, City Council, and the City's Planning Department through the *Newman 2030 General Plan*, *Zoning Ordinance*, and other implementing ordinances. These documents and ordinances are described in Chapter I, Land Use.

The City of Newman's development standards for new residential development are meant to ensure compatibility between land uses and to maintain the livability and safety of its neighborhoods. The City has included policies and programs in its zoning regulations and development standards that address the community's interest in preserving and expanding its affordable housing stock. Development standards include parking standards, building setback requirements, and construction of certain on-site and off site improvements such as curbs, gutters, and sidewalks. These standards are considered the minimum standards designed to protect the public health, ensure compatibility between adjacent land uses, and to maintain as well as to enhance the livability of Newman's neighborhoods. Further, the density bonus provisions provide the opportunity for flexibility in the development standards when units of affordable housing are being included in a plan. This allows for evaluation of alternatives and reduces constraints that may otherwise exist for the development of housing.

As mentioned above, the *Newman 2030 General Plan* requires that no more than 75 percent of units developed in the Primary Sphere of Influence (designated as Planned Mixed Residential or PMR) develop at densities less than six dwelling units per gross acre and that at least 10 percent be developed at a density of at least 12 units per gross acre. In addition, at least 10 percent of the

units built at six dwelling units an acre or less must have at least two dwelling units per lot (either as a duplex or as a house with a second unit).

Newman has defined a community identity in its older areas and its desire to maintain the character of the historic districts. The community design element defines the importance of new and rehabilitated structures that are compatible with existing neighborhood scale and character. These provisions provide guidance to developers and contractors at the preliminary planning stage of their projects so that design features reflect the scale and character of adjacent uses. The design review is incorporated into the standard project review process to avoid delays in the expeditious processing of projects. Limitations on architectural style are central to the maintenance of the fabric and character of the neighborhood which make it an asset to the community and a desirable living environment.

According to the Newman Zoning Ordinance (Section 5.25.040 NMC), architectural and site plan review is required for projects that could result in the development of new single or multi-family residences (including in-fill projects and new subdivisions). When considering a site plan review application, the Planning Commission evaluates:

1. The elevation of the proposed buildings or structures;
2. The location of all the proposed buildings, structures, facilities and open spaces;
3. The location of all on-site vehicular and pedestrian circulation;
4. The location of all on-site parking, garages and/or carports;
5. The location of all land to be dedicated to or reserved for public use;
6. The location and extent of street improvements;
7. The location of all garbage and refuse facilities;
8. All dimensions required by any applicable provision of this code;
9. The landscaping and irrigation plan;
10. Compliance with standards and requirements of this title and the General Plan;
11. Other information as may be deemed necessary.

The ordinance allows the Planning Commission to deny, approve, or approve with modification, any application before it, based on the following findings:

1. That the architectural and general appearance of the structures and grounds shall have architectural unity and be in keeping with the character of the neighborhood as not to be detrimental to the orderly and harmonious development of the City, or to the desirability of investment or occupation in the neighborhood.
2. That the site plan is consistent with all adopted City plans, documents, and ordinances, including but not limited to this title, any applicable specific and/or master plans, any adopted development standards and design guidelines, and the General Plan.

While the latitude provided in the ordinance has some potential for abuse (i.e., used to deny unwanted projects), according to the Newman Planning Director, such review has never resulted in the denial of a residential project or in the retraction of an application due to unsustainable financial burdens resulting from attached conditions. Therefore, the ordinance as it has been used in Newman has not posed an undue constraint on the development of housing in the community.

As with the issue of compatibility of new units in older neighborhoods, the community has also defined value in the appearance of its gateways and circulation corridors. Landscaping is proposed to enhance these areas and the overall appearance of the community with potential provision of a citywide maintenance district to maintain the areas. These amenities may serve as a constraint on the development of affordable housing, depending on the extent of the improvements and cost to maintain them. The plan does identify means to minimize maintenance costs through the selection of materials and irrigation systems. The zoning ordinance affords opportunity for developers to have density bonuses and other incentives which can off set the cost of the amenity improvements.

ZONING

In accordance with state law, cities and counties have broad latitude in establishing zoning standards and procedures. Outside of a general requirement for open space zoning and several specific requirements governing residential zoning, state law establishes only broadly the scope of zoning regulations and sets minimum standards for its adoption and administration.

Base Residential Districts

Newman's Zoning Ordinance has four base residential zoning districts, which allow up to a maximum of 29 dwelling units per net acre. Table II-24 summarizes residential development regulations contained in the Newman Zoning Ordinance.

Table II-24
Synopsis of Regulations for Base Residential Districts
March 2009

Item	R-1 Single-Family Residential District	R-2 Duplex Residential District	R-3 Multiple- Residential District	R-M Mobile Home Park (Combining) District
Maximum Allowable Density (Units/Net Acre)	7 du/net ac	15 du/net ac	29 du/net ac	18 du/net ac
Minimum Area/Unit	6,000 sq. ft.	3,000 sq. ft.	1,500 sq. ft.	2,400 sq. ft.
Permitted Residential Uses	Single Family Dwellings	Single Family Dwellings, Duplex and Halfplex	Apartment, Duplex, Halfplex, Single Family Dwelling, and Triplex	Residential Manufacturing Housing
Conditionally Permitted Residential Uses	Duplex, Halfplex, Guesthouse, and Accessory Dwelling Unit*	Triplex, Condominium, Apartment, Dwelling Group, Boardinghouse, Guesthouse, and Accessory Dwelling Unit	Dwelling Group, Rooming, and Boardinghouse	Conditional uses allowed in base district
Front Yard Setback	20 ft.	15 ft.	15 ft.	25 ft.
Side Yard Setback	5 ft.	5 ft.	5 ft.	5 ft.
Rear Yard Setback	10 ft.	15 ft.	15 ft.	15 ft.
Lot Coverage	40 percent	60 percent	80 percent	60 percent
Building Height	30 ft.	35 ft.	35 ft.	30 ft.
Parking				
SFDs	2 spaces	2 spaces	2 spaces	2 spaces
MFDs •2	n/a	2 spaces	2 spaces	2 spaces
MFDs •3	n/a	2 plus 1 per 5 units	2 plus 1 per 5 units	2 plus 1 per 5 units
Architectural Review	Yes	Yes	Yes	No

Notes: *Duplex and Halfplex units require 3,000 square feet of lot per dwelling unit
Source: City of Newman Zoning Ordinance

Emergency Shelters and Transitional and Supportive Housing

The following sections discuss emergency shelters and transitional and supportive housing.

Emergency Shelters

The Newman Zoning Ordinance allows emergency shelters, transitional housing, and short-term farmworker housing as conditional uses in the R-3 Zoning District. The ordinance contains no special conditions for these uses but allows the imposition of any of the following conditions to ensure that required findings can be made in favor of the project:

- ✓ Special setbacks, landscape buffers, screening, fences and/or walls
- ✓ Lighting
- ✓ Regulation of hours
- ✓ Regulation of points of ingress and egress
- ✓ Regulation of displays, noise, vibration, and/or odors
- ✓ Provision of public improvements, easements, and/or dedications
- ✓ Any other such conditions as will facilitate the orderly and efficient development in conformity with the intent and purposes set forth in this title and the General Plan.

To respond to the new requirements imposed by SB2, the City has included a new housing program (Program H-17) to amend the New Zoning Ordinance to allow emergency shelters in the M Light Industrial/Business Park district. According to the Newman 2030 General Plan, there are a total of 320 acres of land designated for light industrial use. Of this, 250 acres are vacant and available for development. This district currently conditionally allows multi-family residential use with the same standards that apply in the R-3 District, and there are many areas where this district abuts residential districts. Accordingly, there is ample opportunity for developing an emergency shelter in this district.

Transitional and Supportive Housing

Transitional housing is defined in Section 50675.2 of the Health & Safety Code as rental housing for stays of at least six months but where the units are re-circulated to another program recipient after a set period. Transitional housing may be designated for a homeless individual or family transitioning to permanent housing. This housing can take several forms, including group housing or multifamily units, and may include supportive services to allow individuals to gain necessary life skills in support of independent living. Supportive housing as defined at Section 50675.14 of the Health & Safety Code has no limit on the length of stay, is linked to onsite or offsite services, and is occupied by a target population as defined in Health & Safety Code Section 53260 (i.e., low income persons with mental disabilities, AIDS, substance abuse or chronic health conditions or persons whose disabilities originated before the person turned 18). Services typically include assistance designed to meet the needs of the target population in retaining housing, living and working in the community, and/or improving health and may include case management, mental health treatment, and life skills.

SB 2 provides that transitional and supportive housing constitute a residential use. SB 2 requires zoning to treat transitional and supportive housing as a proposed residential use and subject only to those restrictions that apply to other residential uses of the same type in the same zone. For example, if the transitional housing is a multifamily use proposed in a multifamily zone, then zoning should treat the transitional housing the same as other multifamily uses proposed in the zone.

To respond to the new requirements imposed by SB2, the City has included a new housing program (Program H-19) to amend the New Zoning Ordinance to ensure that transitional and supportive housing is treated appropriately in all residential zoning districts.

Single-Room Occupancies (SROs)

The C-1 Retail Business District allows residential uses that are compatible with the Retail Business District such as residential uses in buildings previously used for residential purposes, owner-occupied residential uses located in the rear of buildings or above the ground floor. Accordingly, SROs are allowed in this district, and in fact, there exists numerous such units in the Downtown area. Approval of such units requires a conditional use permit.

Manufactured Housing

The Newman Zoning Ordinance allows the establishment and combination of the R-M, Mobile Home Park District, with any other zoning district in the City. This district, once established and combined, allows manufactured housing by right. An R-M Zoning District may be established and combined with any other zoning district of the City where it is determined that the lots or parcels within such district are compatible with a residential manufactured housing use.

General development standards for residential manufactured housing are those set forth for the zoning district with which the R-M Zoning District is combined. The following supplemental standards shall be applied to the R-M District generally:

1. Minimum development site required: Five acres.
2. Minimum average lot width: 100 feet for interior lots and/or corner lots.
3. Minimum Street Frontage. The City Planning Commission shall be responsible for determining the minimum street frontage based on the buildable area of the lot, access requirements and good design. However, in no case shall the Planning Commission approve lots having less than 35 feet of street frontage.
4. Minimum lot area per unit: 2,400 square feet of lot per dwelling unit.
5. Minimum front yard site setback: 25 feet from property line.
6. Minimum rear yard site setback: 10 feet from property line.
7. Minimum side yard site setbacks: 10 feet from the property line.
8. Maximum allowable lot coverage: 60 percent by all structures exclusive of parking areas; 20 percent to be dedicated, preserved and maintained as usable open space for parks, playgrounds and similar uses.
9. Maximum building height: 30 feet.

The following supplemental standards are applied to all R-M Zoning Districts combined with or adjacent to any R Zone to assure compatibility with surrounding residential uses.

1. Minimum front yard setback: 25 feet from any R zoned property line.

2. A six-foot high visual screen, as approved by the Planning Commission, shall be provided around all sides of a mobile home park which abuts an established residential use or R zoned district. (Ord. 97-17, 10-28-1997)

Residential Uses in "Non-Residential" Districts

In addition to the base residential zoning districts described above, the Newman Zoning Ordinance allows limited residential use in the following "non-residential" zones:

C-1, Retail Business District	Residential uses that are compatible with the district such as residential uses in buildings previously used for residential purposes and owner-occupied residential uses located at the rear of buildings or above the ground floor.
C-2, General and Service Commercial District	Residential uses in accordance with the standards of the R-3, Multiple-Family Residential District
M, Light Industrial/Business Park District	Residential, as listed in, and in accordance with, the standards of the Multi-Family Residential Zoning District
I, Controlled Manufacturing District	Residential uses only when accessory to a permitted or conditional use

Planned Development District

The Newman Zoning Ordinance contains a floating Planned Development (PD) District that can be applied to any property in the city of two acres or greater. The PD District, which requires the submittal of a development plan, allows design flexibility and a mix of densities and/or uses within the parameters of the General Plan. The PD designation and development plan must be adopted by the Newman Planning Commission.

Historical/Cultural Resource District

The Newman Zoning Ordinance contains a combining Historical/Cultural Resource (H-C) District designed to maintain the character of Newman's historic neighborhoods. The H-C District requires review of development plans by the Architectural Review Committee to ensure the project

will not adversely affect the historical value of an existing structure or create an incompatibility with surrounding historic properties.

Density Bonus Overlay District

The Newman Zoning Ordinance contains a Density Bonus Overlay (DBO) District, which implements state law regarding density bonus incentives for affordable housing. The DBO District provides a density bonus for projects with at least 20 percent lower-income housing units, ten percent very-low-income housing units, or 50 percent senior-citizen units.

BUILDING AND HOUSING CODES

Building and housing codes establish minimum standards and specifications for structural soundness, safety, and occupancy. The State Housing Law requires cities and counties to adopt minimum housing standards based on model industry codes.

Code enforcement and inspection services within Newman are contracted out by the City. The City relies on the following uniform codes: the *Uniform Building Code*, *Mechanical Code*, *Uniform Plumbing Code*, and *Code for Abatement of Dangerous Buildings*, and *National Electrical Code*. The City has not adopted amendments to these uniform codes that operate as a significant constraint on the production of housing.

Code enforcement for existing buildings focuses primarily on nuisance abatement and condemnation of unsafe structures. Cities and counties pursue code enforcement in several ways, including:

Complaint-Response: The City may inspect buildings for deficiencies only upon receipt of complaints by neighbors or tenants.

Change of Occupancy for Rental Properties: A city may issue occupancy permits that require inspection and code compliance at time of turnover.

Systematic: Code enforcement on a systematic basis with provision for financial assistance is especially appropriate in areas where strong and supportive neighborhood groups exist, the majority of homes are owner-occupied, housing is relatively sound, and income levels are moderate-income or above.

Pre-Sale and "Truth in Sale": Pre-sale enforcement would require code inspection and violation abatement prior to sale of a home. A "truth in sale" ordinance would require information concerning code violations, zoning status, and property taxes to be provided to the buyer.

Concentrated Code Enforcement: Code inspections may be conducted on a systematic basis through certain areas or for specific properties (such as rental or multi-unit residences).

The City's enforcement activities are divided among three responsibility groups: new construction, maintenance, and nuisance abatement. New construction enforcement, as its name implies, applies to new buildings or construction projects for which building permits are required. Maintenance enforcement applies primarily to commercial and industrial projects and is conducted in conjunction with the granting of business licenses. Nuisance abatement is generally conducted on a "complaint-response" basis and typically concerns such problems as unsanitary conditions and unsafe structures. Primarily because of the lack of adequate replacement housing, the City has not been aggressive in its efforts to enforce housing-related codes as they apply to existing buildings.

PLANNING AND DEVELOPMENT FEES

Residential developers in Newman are required to pay permit processing fees charged by the City of Newman and impact/development fees charged by both the City of Newman and Stanislaus County. Each of these is discussed below.

Local Permit Processing Fees

State law requires that permit processing fees charged by local governments not exceed the estimated actual cost of processing the permits. Table II-25 lists the fees charged by the City of Newman for processing various land use permits. These fees have not changed since 2003.

Table II-25
City of Newman Planning Fees
2008

Planning Item	Cost
General Plan Amendment	\$510
Specific Plan	Actual cost
Rezone	\$550
Rezone to Planned Development (PD)	\$825 ¹
Tentative Subdivision Map	\$590 ²
Final Subdivision Map	\$375
Tentative Parcel Map	\$275
Final Parcel Map	\$75
Lot Line Adjustment	\$175
Certificate of Compliance	\$190
Use Permit	\$185
Variance	\$340
Environmental Review	\$75
Neg. Dec/Environmental Impact Report	Actual cost
Annexation and Pre-Zone	\$850
Site Plan Review	\$340

Source: City of Newman, Ordinance No. 89-18

Notes: ¹\$275 refunded if project is completed. Otherwise will be used to zone property back to original zoning designation

²Plus actual cost by City Engineer

City and County Development Fees

In addition to the fees that the City assesses to process planning related permits, it also charges various fees related to actual development of projects. Development fees in 2008/09 are approximately 20 percent higher than fees in 2003/04. School fees (as set by the State Allocation Board) have increased approximately 45 percent (from \$2.05 to \$2.97/sf) since 2003. Table II-26 lists Newman's development fees.

Table II-26
City of Newman Development Fees, plus School Fees
Per Housing Unit
2008 – 2009

	March 2008 thru Feb 2009			Vesting Maps as of March 2009		
	Low Density	Med Density	High Density	Low Density	Med Density	High Density
Water	\$959.86	\$468.60	\$292.88	\$959.86	\$453.63	n/a
Traffic	\$3,480.92	\$3,100.97	\$2,448.14	\$2,063.42	\$1,680.82	n/a
Storm	\$1,595.67	\$779.03	\$486.89	\$1,036.12	\$505.84	n/a
Sewer	\$652.07	\$318.35	\$198.97	\$652.07	\$318.35	n/a
Park	\$4,479.69	\$4,425.61	\$4,023.29	\$2,404.57	\$1,923.65	n/a
Municipal	\$2,422.62	\$2,389.41	\$2,171.23	\$2,079.69	\$1,871.33	n/a
TOTAL	\$13,590.83	\$11,481.97	\$9,621.40	\$9,195.73	\$6,753.62	n/a
School	--- \$2.97/sf ---					n/a

Source: City of Newman; Coastplans

Newman's development impact fees are generally lower than surrounding communities. For example, in the City of Los Banos, fees are approximately \$28,000 per unit for low-density residential development. In Patterson, fees are \$35,000 per unit, and in Turlock, fees are as high as \$40,000 per unit.

In addition to City development fees, Stanislaus County levies development fees on residential and non-residential development on a countywide basis, including development that takes place in incorporated cities. Countywide fees fund roads, jails and courts, library, parks, public health, and other costs. These fees have increased by approximately 5 percent since 2003. Table II-27 lists the countywide development fees for residential uses.

Table II-27
Countywide Development Fees
City of Newman
2008

Fee	Single Family	Multi-Family	Senior Housing
Intercity Roads	\$2,030.31	\$1,360.31	\$812.12
Jails	875.65	875.65	268.99
Justice	80.64	80.64	25.51
Library	281.16	281.16	92.79
Parks Fee	932.24	932.24	307.67
Public Health	275.76	275.76	91.02
Emergency Services	17.06	17.06	5.63
Animal Services	40.72	40.72	13.44
BHRS	233.01	233.01	76.90
Other Facility	796.95	796.95	263.02
Admin. Fee	139.09	122.34	49.45
Total Fee	\$5,702.61	\$5,015.86	\$2,027.65

Source: County of Stanislaus, as of February 14, 2005

Summary of Fees on New Residential Development

In the City of Newman, planning, development, and school district fees amount to \$25,632 per SFD unit (up 20 percent from \$21,270 in 2003) and \$17,782 per MFD unit (up 18 percent from

\$15,037 in 2003). Table II-28 summarizes fees for single family and multi-family residential development in Newman.

Table II-28
Summary of Fees
Typical Single Family and Multi-Family
Residential Development
(Per Unit)

	25-Unit Single Family Subdivision	45-Unit Multi-Family Development
Planning Fees	\$400	\$175
City Development Fees	\$13,590	\$9,621
County Development Fees	\$5,702	\$5,016
School District Fees*	\$5,940	\$2,970
Total	\$25,632	\$17,782

Note: *This assumes a 2,000 square foot SFD and a 1,000 square foot MFD, each at \$2.97 per square foot
Source: City of Newman; Coastplans; State Allocation Board

PERMIT PROCESSING PROCEDURES AND TIMES

The planning and building permit process for a large single family subdivision typically takes six months to a year to process and involves preparation of a negative declaration or environmental impact report, approval of tentative and final subdivision maps, and issuance of building permits and certificates of occupancy for each dwelling unit. This length of time involved in completing this process varies widely, depending on the degree to which plan submittals conform to city standards and the complexity of environment issues that are present on a particular site. These processing times are typical for Central Valley cities. Infill projects are simpler and quicker because they typically require only a tentative parcel map (or no subdivision at all) and may be exempt from the California Environmental Quality Act. The planning and building permit process for multi-family projects typically less than a single family subdivision requiring three to six months. This is because multi-family development does not typically require subdivision or parcel maps, which eliminates the need for Planning Commission review and City Council approval.

The time lines with which the City processes the various permits and applications necessary for residential development can affect the overall cost of housing. The minimum processing time for residential development project applications in Newman is determined by state requirements for environmental review and public notice and by the meeting schedules of the Planning Commission and the City Council. The maximum time for processing residential development permits is set by state law (California Government Code §65929 et seq). The statutory time limit for completion of environmental review and approval or denial of a permit application starts when an application is accepted by the lead agency (i.e., the City) as complete. The lead agency then has one year in which to approve or disapprove a project for which an EIR will be prepared or six months for projects for which no EIR is prepared.

The City currently processes residential development applications in the shortest possible time, given requirements for environmental review, public notice, and the schedules of the Planning Commission and City Council. Table II-29 summarizes permit processing times in the City of Newman.

Table II-29
City of Newman Permit Processing Times
2008

Planning Item	Processing Time
General Plan Amendment	3 months
Specific Plan	6 months to 1 year
Rezone	3 months
Rezone to Planned Development (PD)	3 to 6 months
Zoning Ordinance Amendment	3 months
Tentative Subdivision Map	6 months to 1 year
Final Subdivision Map	1 month
Tentative Parcel Map	3 months
Final Parcel Map	1 month
Lot Line Adjustment	2 months
Certificate of Compliance	2 weeks
Use Permit	3 months
Home Occupation Use Permit	2 weeks
Variance	3 months
Environmental Review	2 weeks
Neg Dec/Environmental Impact Report	2 months to 1 year
Time Extension	n/a
Appeal	1 month
Annexation and Pre-zone	1 to 3 years

Source: City of Newman

ON- AND OFF-SITE IMPROVEMENTS

Like all cities, the City of Newman requires new development to provide a variety of on- and off-site improvements. Improvements required by the City of Newman are standard for California

cities and do not pose an extraordinary constraint to residential development. Table II-30 summarizes typical improvements for residential development.

Table II-30
Required Improvements for Residential Development
2008

Subject	Project-Related Improvements and Fees
Street Improvements	<ul style="list-style-type: none"> ✓ Provide all on-site streets, curbs, gutters, sidewalks, fire hydrants, and street lighting. The typical city street has a 50- to 60-foot right-of-way with a 40-foot pavement area, a five-foot sidewalk with attached vertical curb, and on the 60-foot right-of-way, a five-foot utility corridor on each side. ✓ If existing street network does not provide adequate access or circulation to accommodate project, provide necessary off-site streets, curbs, gutters, sidewalks, and street lighting consistent with the design standards and standard specifications adopted by the City of Newman to adequately accommodate project.
Parks	<ul style="list-style-type: none"> ✓ Provide five acres of park space for every 1,000 residents ✓ Dedication of land, dedication of improvements, in-lieu fees, or a combination of these, as determined acceptable by the City
Landscaping	<ul style="list-style-type: none"> ✓ New subdivisions are required to install street trees. The City requires 15-gallon trees one per house (40' intervals on corner lots). ✓ All sections of a lot not devoted to buildings, decks, patios, sidewalks, lighting, signing, trash collection, parking, and/or driveway improvements shall be landscaped
Public Services	<ul style="list-style-type: none"> ✓ Provide all on-site water, sewer, and storm drain infrastructure improvements to accommodate project. ✓ If existing infrastructure system does not have capacity to serve project, provide necessary off-site water, sewer, and storm drain infrastructure to adequately accommodate project
Miscellaneous	<ul style="list-style-type: none"> ✓ Sound walls are required for new development when an environmental analysis has determined that there is a significant noise impact that could be mitigated by the construction of a sound wall. ✓ The City does not require public art.

Source: City of Newman

LOCAL EFFORTS TO ACCOMMODATE DISABLED PERSONS

State housing law requires a Housing Element to contain an analysis that demonstrates local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need and from meeting the need for housing for persons with disabilities. This requirement came about in 2001 legislative session (SB 520) and supplements the provisions of the Federal Fair Housing Amendments Act of 1988.

The 2003 Housing Element identified a few shortcomings in the Newman Zoning Ordinance and set forth three programs III-12 (Offering Optional Design), III-13 (Analyze Development Regulations), and III-14 (Reasonable Accommodation Ordinance), to bring the City into compliance. While projects that benefit from CDBG funds must comply with ADA requirements, the City has not completed its efforts to provide reasonable accommodation.

CONCLUSION

Much of the regulation and fees that accompany the development of housing act to increase the cost of housing and constrain the availability of affordable housing. Yet these regulations and fees are needed to protect city residents from the otherwise externalized effects and costs of development. With the exception of procedures for making reasonable accommodations for disabled persons, the City's regulations do not pose any unnecessary constraints to the production of affordable housing. Regarding reasonable accommodations for disabled persons, the City should redouble its efforts to provide reasonable accommodation and ensure that it is in compliance with the Fair Housing Act and the Americans with Disabilities Act.

Nongovernmental Constraints

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. Newman 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 Newman are comparable to those in other parts of

the general market area. 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. The demand for building materials is also very high because there is so much housing development occurring in the area. The result of the combination of excellent supply and high demand is a very competitive market and, therefore, relatively low prices. In addition, the land in Newman 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 Newman 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 Newman 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 to Stephens & Borrelli Real Estate, the cost for improved land in Newman has declined from \$40,000 to \$50,000 per typical 6,000 square foot lot in 2006 to something in the \$25,000 to \$30,000 range (or less) in 2009.

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.

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. Due to the current financial crisis, construction financing is currently scarce for both affordable and market-rate housing projects. Furthermore, the value of tax credits (a major source of financing for affordable housing projects) has decreased by 10 to 15 percent, according to a representative from Corporation for Better Housing.

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 (October 2008) low, interest rates can fluctuate significantly during the course of the Housing Element planning period, and as interest rates go, buyer power decreases. Table II-32 shows the price of a house affordable to the moderate-income family in Newman at various interest rates.

Table II-32
Fluctuation in Buying Power
Price of House Affordable to the Median-Income Family
By Interest Rate

Median Income for a Four-Person Family = \$56,500¹

Interest Rate	Mortgage	Down Payment	Buying Power
5.00%	\$263,123	\$29,236	\$292,359
5.50%	\$248,772	\$27,641	\$276,413
6.00%	\$235,593	\$26,177	\$261,770
7.50%	\$202,012	\$22,446	\$224,458
8.00%	\$192,500	\$21,389	\$213,889
8.50%	\$183,701	\$20,411	\$204,112

Notes: ¹Up to 100 percent of median family income

²Assumes a 30-year fixed-rate mortgage term

³Assumes down payment is 10 percent of price

Source: Coastplans; California Department of Housing and Community Development

Interest rates are currently (February 2009) at 5.00 percent for a 30-year fixed-rate mortgage and 5.25 percent for a 15-year fixed-rate mortgage. The effective rate for adjustable rate mortgages is approximately 5 percent. At these interest rates, the moderate-income family of four with an annual income of \$56,500 can afford a house priced over \$290,000. Should interest rates increase during the next few years, however, buying power will decrease significantly. As shown in the table above, an increase in mortgage interest rates from 5.5 percent to 8.5 percent decreases the buying power of a moderate-income family by over 25 percent. It is currently hard to get home financing, except for the most credit worthy customers.

Potential homebuyers must also meet other financial requirements in order to purchase of home, including a down payment, insurance, and taxes. Down payment requirements can limit the ability of first-time homebuyers to purchase a home, even with an adequate annual income.

Table II-33
 Typical Housing Costs
 (\$200,000)

Item	Cost
Sales Price	\$200,000
Down Payment (10%)	\$20,000
Approximate Closing Costs	\$4,500
Total Up-Front Cash Layout	\$24,500
Mortgage Balance (w/o closing costs included)	\$180,000
Annual Principal and Interest (5%; 30 years)	\$12,884
Approximate Insurance	\$780
Approximate Taxes	\$2,500
Total Annual Carrying Costs	\$16,164
Required Annual Income @ 30% of Gross	\$53,879

Source: *Coastplans*

Regarding evidence of income groups that may be under-served by financial institutions, discussions with city staff indicate that there is no evidence of redlining in any of Newman's neighborhoods.

Housing Programs in Newman

Programs to support the development and provision of affordable housing in Newman are generally sponsored by the Stanislaus County Housing Authority and through state Community Development Block Grants.

STANISLAUS COUNTY HOUSING AUTHORITY

The Stanislaus County Housing Authority administers the Section 8 Rental Subsidy program in Stanislaus County. In February 2009, there were 42 Section 8 Voucher program participants in Newman out of a total of 3,928 Vouchers countywide. Total program capacity is 3,995 vouchers.

The Stanislaus County Housing Authority also owns and operates two projects in Newman—16 conventional low-income housing units on Merced Street and 48 project-based Section 8 units on Driskell Avenue. This latter project, called Valley Manor Apartments, was privately-owned affordable housing that was due to convert to conventional housing. The Housing Authority purchased the units in 2004 to preserve affordability.

HUD NEIGHBORHOOD STABILIZATION PROGRAM

The Neighborhood Stabilization Program (NSP) provides grants to every state and certain local communities to purchase foreclosed or abandoned homes and to rehabilitate, resell, or redevelop in order to stabilize neighborhoods and stem the decline of house values of neighboring homes.

Background

Funded under the Housing and Economic Recovery Act, 2008 (HERA). HERA provides \$3.92 billion to assist states & localities in redevelopment efforts. Funds are considered a special allocation of 2008 Community Development Block Grant (CDBG) funds.

HUD Allocations

Allocation based on number and percent of the following:

- Home foreclosures in each state or unit of local government (ULG)
- Homes financed by a sub-prime-mortgage-related loan in each state or ULG
- Homes in default or delinquency in each state or ULG

Table II-34 shows the allocation of NSP funds in Stanislaus County.

Table II-34
 Neighborhood Stabilization Program Allocations
 Stanislaus County

Jurisdiction	Allocation
County of Stanislaus	\$3,764,000
City of Ceres:	\$1,126,500
City of Newman:	\$1,002,000
City of Oakdale:	\$ 841,000
City of Patterson:	\$1,608,500
City of Waterford:	\$1,144,000
Weed & seed/mod pockets	\$ 258,482
Total	\$9,744,482

Source: Draft Neighborhood Stabilization Program, Stanislaus County, November 2008

Eligible uses for NSP funds include:

- Establishment of financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties, combined with the purchase and rehabilitation of homes/residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop;
- Establishment of land banks for homes that have been foreclosed upon;
- Demolition of blighted structures; and
- Redevelopment of demolished or vacant properties

STANISLAUS COUNTY COMMUNITY DEVELOPMENT BLOCK GRANT CONSORTIUM

In 2002, Stanislaus County formed the Stanislaus County Community Development Block Consortium. The Consortium, which consists of the Cities of Ceres, Newman, Oakdale, Patterson, Waterford and the unincorporated areas of Stanislaus County, annually receives entitlement

Community Development Block Grant (CDBG) and Emergency Shelter Grant (ESG) Funds from the United States Department of Housing and Urban Development (HUD).

The main objective of the CDBG program is to develop viable communities by providing decent housing and a suitable living environment and by expanding opportunities for persons of low and moderate-income. A portion of the Consortium's CDBG entitlement allocation is designated under the "Public Service" category. The Public Service program provides funds to non-profit organizations, through a competitive application process, to provide essential public service programs throughout the participating CDBG Consortium jurisdictions. The Emergency Shelter Grant Program is part of the public Service program.

The remaining funds are distributed among the Consortia jurisdictions, via a formula that represents poverty and population census data, to address community infrastructure needs. These needs may include, but are not limited to, sidewalks and storm drainage to community facilities. CDBG funds are used to address infrastructure improvement needs, which in turn improve the quality of life promoting safe and healthy communities.

Emergency Shelter Grant Program

The Emergency Shelter Grants (ESG) program is designed to be the first step in a continuum of assistance to prevent homelessness and to enable homeless individuals and families to move toward independent living. ESG is a formula-funded program that uses the CDBG formula as the basis for allocating funds to eligible jurisdictions, including states, territories, and qualified metropolitan cities and urban counties for:

- Rehabilitation/Renovation/Conversion
- Essential Services
- Operational Costs
- Homeless Prevention Activities
- Administrative Costs

The ESG Program is to supplement State, local and private efforts to improve the quality and number of emergency shelters and transitional facilities for homeless people. The purpose is to help operate these facilities, to provide essential support services to residents, and to help prevent

at-risk families or individuals from becoming homeless. Four (4) nonprofit homeless service provider agencies were awarded \$104,215 to address homeless needs. Over 1,500 individuals were assisted with these funds.

Redevelopment Agency Funds

The City of Newman created a Redevelopment Agency to assist in the elimination of blighting conditions in Newman and to ensure that the City's economic base would grow through the provision of public improvements, commercial and economic development, and affordable housing. The City created its sole Redevelopment Project Area in 1992, which consists of 610 acres. Under state law, the Newman Redevelopment Agency is required to set aside 20 percent of gross tax increment revenues to establish a Low and Moderate-Income Housing Fund (Housing Fund). Table II-35 summarizes RDA revenues since FY 03-04.

Table II-35
RDA Housing Fund Revenues
FY 03/04 through FY 07/08

Fiscal Year	Gross Tax Increment ¹	Housing Fund (20%)	Other Income	Total Housing Fund	Unencumbered Balance
FY03/04	607,962	121,592	2,141	123,733	253,616
FY04/05	739,680	147,936	2,081	150,017	289,359
FY05/06	812,615	162,523	6,942	169,465	411,639
FY06/07	1,031,230	206,246	23,736	229,982	539,585
FY07/08	891,320	\$178,264	20,974	199,238	622,739

Source: Newman RDA Annual Reports to HCD, Schedules A and C

Analysis of Existing Assisted Housing

Pursuant to Government Code § 65583, an analysis of assisted housing was conducted for Newman to determine which, if any, assisted housing projects are eligible to change from low-

income housing uses during the next 10 years due to termination of subsidy contracts, mortgage prepayment, or expiration of restrictions on use.

There are three assisted projects in Newman – Valley Manor Apartments, Westside Village Senior Apartments, and Merced Street Apartments.

- Valley Manor Apartments, which contains 48 assisted housing units, was completed in March 1982 with FHA 221 (D)(4) and Section 8 program assistance. The Stanislaus County Housing Authority purchased the property in 2004, and the units will be held as assisted units for the life of the project.
- Westside Village Senior Apartments, which contains 40 assisted senior apartments, was completed in 2001 under a tax credit contract, which requires 55 years of income restrictions. One and two-bedroom apartments are available with prices ranging from \$295 to \$455 per month. Termination of subsidies cannot occur until 2056.
- The Merced Street Apartments, which contains 16 low-income units, is owned by the Stanislaus County Housing Authority and will be held as assisted units for the life of the project.

Publicly-Owned Surplus Land

According to state law, all public agencies intending to dispose of surplus land must first send a written *offer* to any local agencies within whose jurisdiction the land lies offering to sell or lease the land for the following purposes: recreation or open-space uses; enterprise zone uses; schools; or development of low- and moderate-income housing. In the event that the agency disposing of the land receives more than one offer, it shall give first priority to the entity which agrees to use the site for development of low- or moderate-income housing, unless the land is already being used for park or recreation uses, in which case the entity offering to continue these uses shall receive priority (*California Government Code §54220 et seq*). There is no publicly-owned surplus land in Newman suitable for residential development.

Opportunities for Energy Conservation

As mandated by Government Code §65583(a)(7), each housing element must include an analysis of energy conservation opportunities in residential development. Such analysis must include a

discussion of the subsidies and incentives that are available from public and private sources for energy conservation. An assessment of any changes that could be made to local building codes to increase energy conservation is also required while not placing undue constraints on affordable housing in the form of increased costs associated with building code changes.

EXISTING RESIDENTIAL ENERGY USE IN NEWMAN

According to 2000 US Census Bureau statistics, the predominant method for household heating fuel in Newman is natural gas, with 77.5 percent of the households reporting use of this method. Electricity was the second most common type of heating fuel used in Newman with 20.0 percent of the population reporting.

In comparison to the State-wide level, Newman's predominant use of gas and electricity as home heating fuel nearly mimics that of on the statewide level with 70 percent of statewide residents using utility gas and 22 percent using electricity.

IMPLICATIONS OF ENERGY USE

Growing concern about climate change due to greenhouse gas emissions has placed energy use and conservation at the legislative forefront in California. Residential heating, cooling and water consumption account for a significant portion of the nation's energy consumption and greenhouse gas emissions. Therefore the need to understand fuel consumption and the opportunities for energy conservation are never more pressing.

To place home fuel consumption in perspective, the Local Government Commission (LGC) a non-profit organization promoting sustainable and livable communities recently noted that the average California household's annual use of electricity produces the same amount of smog as the average car when driven across the country from Los Angeles to New York. In addition, the LGC notes that most electricity in the U.S is produced from coal, nuclear or natural gas plants. Production of electricity from these sources generates approximately two-thirds of the nations emissions associated with global warming, one-third of the pollution that causes acid rain and smog, and one-half of the nuclear waste in this country.

With the high number of households in Newman using both gas and electricity as fuel for their homes, and with electricity use on the rise, it is important to note several approaches available to the residents of Newman to reduce energy costs and consumption. Among the opportunities for

energy conservation are subsidies and incentive programs offered on the state level, as well as implementation of ordinance revisions to encourage energy efficiency within new residential developments in Newman.

THE CALIFORNIA SOLAR INITIATIVE

The following description is from the Go Solar California webpage at <http://www.gosolarcalifornia.org/csi/index.html>.

The California Solar Initiative is part of the Go Solar California campaign and builds on 10 years of state solar rebates offered to customers in California's investor-owned utility territories: Pacific Gas & Electric (PG&E), Southern California Edison (SCE), and San Diego Gas & Electric (SDG&E). The California Solar Initiative is overseen by the California Public Utilities Commission.

Since 1998, rebates for small solar energy systems were managed under the Emerging Renewables Program (ERP) at the California Energy Commission. In 2001, a second program that covered rebates for larger systems—over 30 kW—was assigned to the California Public Utilities Commission (CPUC) through the Self-Generation Incentive Program (SGIP). In August 2004, Governor Schwarzenegger affirmed his support for solar energy, and announced the Million Solar Roofs program. In January 2006, the CPUC collaborated with the Energy Commission to develop the framework of the California Solar Initiative Program through 2016.

In January 2007, the State of California launched Go Solar California, which included two new solar incentive programs, with slightly modified program requirements compared to the older programs. The Energy Commission provides incentives to energy efficient new home construction under the New Solar Homes Partnership (NSHP). The NSHP provides financial incentives and other support to home builders, encouraging the construction of new, energy efficient solar homes that save homeowners money on their electric bills and protect the environment.

The new framework also included a major shift in the way solar incentives were calculated – away from a system that funded solar incentives based only on nameplate capacity and towards one where incentive levels are based on performance factors such as installation angle, tilt, and location. This performance framework ensures that California is generating clean solar energy and rewarding systems that can provide maximum solar generation.

The CPUC developed the program rules for the California Solar Initiative through a public rulemaking process. Among the major policy decisions made by the CPUC's rulemaking were

how to organize and adjust the incentive levels, how to provide performance based incentives, how to require metering, and how to develop program rules in the form of a Program Handbook. The rulemaking also decided issues related to low income solar program development, marketing and outreach, research, development and demonstration (RD&D), program measurement and evaluation, and the Self Generation Incentive Program, which provides incentives to wind and fuel cells.

THE U.S. DEPARTMENT OF ENERGY (DOE)

DOE has a program oriented towards assisting low income persons with energy efficiency. Under the Low Income Heating Energy Assistance (CAL-LIHEAP) program, there are three separate programs including the Weatherization Program that provides assistance to qualifying households to replace inefficient appliances such as refrigerators, electrical water heaters, microwaves with efficient appliances. The program also assists with attic insulation, weather stripping and home repairs to make a home more energy efficient.

ENERGY CONSERVATION DESIGN FOR NEW RESIDENTIAL DEVELOPMENTS

There are several relatively simple and yet proven community design techniques that can significantly improve not only the energy efficiency of a home but can contribute to the livability of a home and neighborhood. Such design techniques should be implemented through ordinance revisions or as required design guidelines for specific plan areas. Those design techniques include the following:

Street and Subdivision Patterns for Maximum Solar Access

Residential streets laid-out to maximize southern exposure can increase the exposure to solar radiation and provide warmth for the home in the winter months. Such an orientation also provides a better opportunity to create a "grid" of streets that, in turn, help to interconnect a community, making it more pedestrian and neighbor friendly.

Home Design

There are many home design techniques that can significantly enhance residential energy efficiency. These include:

- Incorporating passive solar design techniques, such as maximizing the area of south-facing windows for solar gain in the winter, combined with the addition of large roof overhangs, such as broad porches to provide much needed cooling shade in the summer, into home design. Proper placement of operable windows and skylights for cross-ventilation and natural lighting, and the use of light-colored roofing material to deflect summer heat-gain, can similarly make homes more comfortable and reduce the need for mechanical cooling and lighting.
- Use of energy efficient materials and construction techniques, such as enhanced insulation in walls, floors and ceilings, installation of energy efficient windows, and tightly sealing openings for doors, windows, ducts and electrical systems to reduce infiltration.
- Use of building materials which have been produced in an energy efficient and sustainable manner, such as recycled building materials, materials with recycled content, or materials that are derived from sustainable or rapidly renewable sources.
- Installation of efficient home heating and cooling systems, water heaters, appliances and lighting, as well as water conserving plumbing fixtures.
- Installation of solar panels for renewable energy production

While some of these techniques for increasing home energy efficiency may have higher front-end costs, they will result in cost savings over the long-term through reduced energy costs.

Sustainable Landscape Design

Use of drought-tolerant and native plants and efficient irrigation systems can significantly reduce water and energy use associated with landscape maintenance. In addition, careful placement of deciduous trees to provide summer shading can dramatically cool the residence by as much as 10 to 15 degrees. In the winter, when deciduous trees are dormant and leafless, maximum solar access is provided to the home.

Energy Efficiency beyond the Residence

In addition to the simple residential design techniques for energy efficiency, Newman can broaden energy conservation and livability goals by requiring the placement of new homes in close, walkable proximity to schools, parks and commercial land uses, thus reducing dependence on air-polluting autos for short-distance vehicle trips.

General Plan Consistency

The 2009 Housing Element includes goals, policies, programs, and objectives that are consistent with the *Newman 2030 General Plan*. The provision of vacant and available sites neither requires expansion of the Primary Sphere of Influence nor changes the location or timing of new development envisioned in the *Newman 2030 General Plan*.

Public Participation and Contacts

Pursuant to Government Code § 65583(c), the City of Newman must make a diligent effort to achieve public participation of all economic segments of the community in the development of the Housing Element. Newman's public participation strategy involved extensive contacts with social service agencies, contacts with City officials, contacts with non-profit housing providers, and conversations with members of the public. In a many instances, the advice of the people contacted became the basis for new housing policies and implementation measures.

TELEPHONE CONTACTS

- ✓ William Fagen, Executive Director of the Stanislaus County Housing Authority
- ✓ Gabe Juarez, Housing Director, Stanislaus County Housing Authority
- ✓ Linh Luong, Finance Director, Stanislaus County Housing Authority
- ✓ Vince Harris, Executive Director of STANCOG
- ✓ Michael Holland, City Manager, City of Newman
- ✓ Stephanie Ocasio, Associate Planner, City of Newman
- ✓ Chief Adam McGill, Newman Police Department
- ✓ Karen Cosner, Executive Director, Community Housing and Shelter Services of Stanislaus County
- ✓ Vern Deatherage, D. Min., Executive Director, Modesto Gospel Mission

- ✓ Barbara Deatherage, PhD, Administrator and Director of Programs, Modesto Gospel Mission
- ✓ Valrie Thompson, Program Manager, Hutton House
- ✓ Major Darvin A. Carpenter, Salvation Army
- ✓ Denise Fletcher, Program Director, Self-Help Enterprises
- ✓ Susan Atkins, Assistant Program Director, Self-Help Enterprises
- ✓ Anita Hellam, Executive Director, Habitat for Humanity

PUBLIC WORKSHOP AND HEARINGS

In January 2009, the City of Newman held two public meetings on the Housing Element update. The first meeting was a Housing Stakeholders Roundtable discussion held on the afternoon of January 20, 2009. The roundtable discussion was attended by eight persons. The second was an evening workshop on the same day that was attended by five community members. At the roundtable discussion, concerns were expressed about the impacts of foreclosures on property maintenance, the decreasing ability to find lending for affordable housing projects, increasing rental prices, dramatic reductions in sales prices for new housing being constructed, and a new federal neighborhood stabilization program. At the public workshop, further concerns were expressed about the impacts of foreclosure on property maintenance, the need for property management standards, and the need for community education to protect homebuyers from unethical lending practices.

As a result of the input received from the roundtable discussion and public workshop, new programs were developed to provide standards for property maintenance (see Program H-14), to take advantage of the federal neighborhood stabilization program (see Program H-16), and to better educate the consumers about home buying and mortgages (see Program H-15).

In April 2009, the Newman Planning Commission held a noticed public hearing and recommended adoption of the Housing Element to the Newman City Council. In May 2009, the Newman City Council gave conceptual approval to the Housing Element for the purpose of HCD and public review. In October 2009, the Newman Planning Commission and City Council held noticed public hearings to formally adopt the Housing Element with final changes recommended by HCD.

Housing Goals, Policies, Programs, and Objectives

This section sets forth updated goals, policies, programs, and quantified objectives for housing in the City of Newman for the period between adoption and the next housing element update (expected in 2014). Appendix A contains a review of the 2003 Housing Element and its effectiveness in implementing Newman's housing programs.

GOALS AND POLICIES

HOUSING

Goal H-1: To promote development of a balanced range and mix of housing types for all economic segments of the community.

Policies:

- H-1.1 The City shall promote the provision of housing for all economic segments of the community and while doing so, seek to ensure the highest quality in all new residential development.
- H-1.2 The City shall endeavor to maintain an adequate supply of residential land in appropriate land use designations and zoning categories to accommodate Newman's fair share of projected regional growth, maintain normal residential vacancy rates, and keep downward pressure on residential land costs.
- H-1.3 The City shall seek to maintain an overall mix of 75 percent single family and 25 percent multi-family units in its housing stock.
- H-1.4 The City shall actively promote residential use in and adjacent to Downtown as a means of reinforcing Newman's Downtown Revitalization Program.
- H-1.5 Housing affordable to very low-, low- and moderate-income families shall be dispersed throughout the community and incorporated into new development to promote social and economic integration. Where possible, the City shall promote homeownership in new housing constructed for low- and moderate income households.

- H-1.6 The City shall pursue available state and federal funding assistance that is appropriate to Newman's needs to develop housing that is affordable to low- and moderate-income households. As appropriate, the City shall work with other local jurisdictions and agencies to take advantage of state and federal funding programs.
- H-1.7 Consistent with other City objectives, the City shall ensure that its policies, regulations, and procedures do not add unnecessarily to the costs of producing housing.
- H-1.8 The City shall provide for the development of secondary residential units, as required by state law, while protecting the single-family character of neighborhoods. Development of secondary residential units fronting on alleys shall be encouraged.
- H-1.9 Where single family residential units that are required to sell or rent at below-market-rates are included within a housing development, such units shall be interspersed within the development, and to the extent reasonable, shall be visually indistinguishable from market-rate units.
- H-1.10 The City shall work with the Stanislaus County Housing Authority, local nonprofit housing agencies, and the California Housing Partnership, in accordance with the Low Income Housing Preservation and Resident Homeownership Act of 1990, to preserve lower income housing units threatened with conversion to market-rate housing through prepayment of subsidized mortgages.

Goal H-2: To promote the maintenance, improvement, and rehabilitation of the city's existing housing stock and residential neighborhoods.

Policies:

- H-2.1 The City shall promote private reinvestment in older residential neighborhoods and private rehabilitation of housing.
- H-2.2 The City shall pursue available state and federal funding assistance that is appropriate to Newman's needs to rehabilitate housing. Housing rehabilitation efforts targeted to ensure that foreclosed properties do not fall into disrepair shall be given priority.

- H-2.3 The City shall support the revitalization of older neighborhoods by keeping streets and other municipal systems in good repair.
- H-2.4 The City shall promote the continued upkeep of existing mobile homes.
- H-2.5 The City shall require abatement of unsafe structures, giving property owners ample opportunities to correct deficiencies.
- H-2.6 Existing housing occupied by very-low- or low-income households shall not be demolished without assurance of the availability of suitable alternative housing.
- H-2.7 The City shall promote the preservation of architecturally- and historically-significant residential structures.

Goal H-3: To encourage energy efficiency in both new and existing housing.

Policies:

- H-3.1 As required by state law, the City shall require the use of energy conservation features in the design of all new residential structures. The City shall also promote incorporation of energy conservation and weatherization features in existing homes.

Goal H-4: To ensure the provision of adequate services to support existing and future residential development.

Policies:

- H-4.1 The City shall work with the Newman-Crows Landing Unified School District to ensure the availability of adequate school facilities to meet the needs of projected households in Newman.
- H-4.2 The City shall support the use of CDBG funds for upgrading streets, sidewalks, and other public improvements.
- H-4.3 The City shall ensure that new residential development pays its fair share in financing public facilities and services.

H-4.4 Through the *Citywide Services Master Plan*, the City shall strive to ensure that necessary public facilities and services are available prior to occupancy of residential projects.

Goal H-5: To promote equal opportunity to secure safe, sanitary, and affordable housing for all members of the community regardless of race, religion, sex, marital status, national origin, or color.

Policies:

H-5.1 The City shall give special attention in affordable housing programs to the needs of special groups, including the physically and mentally disabled, large families, farm-workers, the elderly, and families with lower incomes.

H-5.2 The City shall make available to the public information on the enforcement activities of the State Fair Employment and Housing Commission.

H-5.3 The City shall continue to work with the County and surrounding jurisdictions to address the needs of the homeless on a regional basis.

H-5.4 The City shall cooperate with community-based organizations which provide services or information regarding the availability of services to the homeless.

HOUSING PROGRAMS

Program H-1 The City shall amend its Zoning Map to rezone identified sites (Sites #1, 2, and 3 as specified in Figure II-5) to R-3 for low- and very low-income housing consistent with the 2003 RHNA, per the requirements of Government Code §65584.09.

Time Frame: Within one (1) year of Housing Element certification (FY 09-10)

Program H-2 The City shall forward the certified Housing Element to public utilities providing gas, electricity and telephone and cable services and to the Newman Unified School District, to ensure that public utilities and school facilities are made available to meet the expected housing growth in those areas where development is planned.

Time Frame: Immediately upon Housing Element certification (FY 09-10)

Program H-3 The City 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.

Time Frame: Within one (1) year of Housing Element certification (FY 09-10)

Program H-4 The City shall create an incentive program to encourage the development of upper story housing on suitable Downtown sites. Such housing should be consistent with the historical character of neighborhoods adjacent to Downtown and reinforce Newman's Downtown Revitalization Program.

Time Frame: Within three (3) years of Housing Element certification (FY 11-12)

Program H-5 The City shall, when applicable, include in all subdivision approvals after January 1, 2004, a notice as part of the conditions, covenants and restrictions (CC&Rs) that multi-family housing is planned for adjacent property.

Time Frame: Ongoing

Program H-6 The City shall promote the use of "Universal Design" in new housing to better accommodate persons with disabilities and the elderly.

Time Frame: Ongoing

Program H-7 The City shall amend its Municipal Code to create a procedure wherein persons with disabilities seeking equal access to housing may request reasonable accommodation in the application of zoning laws and other land use regulations, policies, and procedures. The amendment shall be based on an analysis that addresses zoning, development standards, building codes, and approval procedures for the development of housing for persons with disabilities. Examples of standards and requirements to be analyzed include: (1) the definition of family in the zoning code; (2) spacing or concentration requirements; and, (3) any restrictions on licensed residential care facilities with greater than six persons or group homes that will be providing services on-site.

Timeframe: Within one (1) year of Housing Element certification (FY 10-11)

Program H-8 The City shall continue to proactively build relationships with the building community, including non-profits like the Corporation for Better Housing, and

establish an array of regulatory and financial tools to assist in the development of affordable housing, including utilizing local trust funds and other local financial resources, donating land, supporting funding applications, assisting entitlements and expediting permit processing.

Time Frame: FY 09-10 through FY 13-14

Program H-9 The City shall continue to post and distribute information on currently available weatherization and energy conservation programs.

Time Frame: Ongoing

Program H-10 The City shall adopt the California Green Building Standards Code, whose provisions will be mandatory in January 2010. The standards include a 50 percent increase in landscape water conservation and a 15 percent reduction in energy use compared to current standards.

Time Frame: FY 10-11

Program H-11 The City shall monitor the status of subsidized housing projects at risk of conversion to market-rate housing. If a Notice of Intent or Plan of Action pursuant to the Low Income Housing Preservation and Resident Homeownership Act of 1990 is filed, the City shall actively participate in obtaining financial assistance to preserve such units.

Time Frame: Ongoing

Program H-12 The City shall continue to disseminate information on fair housing, whereby the City publicizes the complaint referral process through the local media, schools, libraries, post office, housing advocacy groups, or other appropriate institutions and organizations. This information shall be provided in both Spanish and English.

Time Frame: Ongoing

Program H-13 Provide information sheets at City Hall about the new 211 phone system, which provides phone assistance to persons in need of emergency shelter.

Time Frame: Ongoing

Program H-14 The City shall adopt standards for the design, maintenance, and operation of multi-family housing to ensure that a basic level of quality is achieved and sustained for this important type of housing. Such standards shall be drafted to be non-discretionary (e.g., to ensure that they cannot become the basis for disapproving a multi-family housing project).

Time Frame: Within three (3) years of Housing Element certification (FY 11-12)

Program H-15 The City shall collaborate with fair housing advocates to promote first-time homebuyer education and help protect homebuyers from unwise lending practices.

Time Frame: Within one (1) year of Housing Element certification (FY09-10) and then ongoing

Program H-16 The City shall develop a program to use Federal Neighborhood Stabilization Program funds to do one or more of the following:

- Establishment of financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties, combined with the purchase and rehabilitation of homes/residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop;
- Establishment of land banks for homes that have been foreclosed upon;
- Demolition of blighted structures; and/or
- Redevelopment of demolished or vacant properties

Time Frame: Within one (1) year of Housing Element certification and then ongoing

Program H-17 The City shall amend the Newman Zoning Ordinance to add emergency shelters as an allowed use by right (i.e., no conditional use permit required) in the M Light Industrial/Business Park district.

Time Frame: Within one (1) year of Housing Element certification (FY 10-11)

Program H-18 The City shall, as staffing resources allow, participate in the annual census of homeless persons in collaborate with Stanislaus County Housing Authority.

Time Frame: Annually

Program H-19 The City shall revise the Newman Zoning Ordinance to allow transitional and supportive housing in all residential zones subject only to those restrictions that apply to other residential uses of the same type in the same zone.

Timing: Within one (1) year of Housing Element certification (FY 10-11)

Program H-20 The City shall require that all Low and Moderate-Income Housing Fund grant recipients target at a minimum 18 percent of project units for extremely low income families.

Time Frame: Within three (3) years of Housing Element certification (FY 12-13).

Program H-21 The City shall amend its density bonus ordinance (Section 5.14 NMC) to be consistent with recent changes in State statute.

Time Frame: Within one (1) year of Housing Element certification (FY 10-11)



QUANTIFIED OBJECTIVES

As explained in the introduction to this Housing Element, this plan has been prepared and adopted in a time of unprecedented economic, financial challenges. The economy has been in the throes of a severe recession with collapsing stock market prices and extensive job losses. Newman and all of California have been experiencing a sharp downward trend in housing prices stoked by a wave of foreclosures. Housing construction has essentially ground to a halt. Financing has been often unavailable, and the banking sector has been paralyzed by insolvencies.

Due to these current conditions, quantitative objectives depend on very modest housing construction activity in the coming period. On the up side, the substantial drop in housing prices and the number of houses in foreclosure has created a unique opportunity for low-income households to purchase their first home. Currently the median price is below \$190,000, which is affordable to low-income families. In effect, a portion of the city's market-rate housing, which now serves as a new supply of lower-income housing. This new low-income housing is not represented in the table below, but is nonetheless a tangible addition to the city's affordable housing stock.

These objectives represent a reasonable expectation for the construction of new housing units and the rehabilitation of existing housing units based on the policies and programs set forth in this General Plan Housing Element, the General Plan Land Use Element, and general market conditions. Table II-36 presents the quantified objectives for the City of Newman for the period 2007 through 2014.

Table II-36
Quantified Objectives for Housing
2007 to 2014

Item	Adjusted Regional Housing Needs Allocation ¹	New Construction	Rehabilitation	Conservation/Preservation ⁷
Extremely Low	45	36 ²	0	0
Very Low	53	37 ³	0	0
Low	69	146 ⁴	0	0
Moderate	81	257 ⁵	0	0
Above Moderate	174	0	0	0
Total	422	476	0	0

Notes: ¹The planning period for the Housing Element is January 1, 2007 through January 1, 2014.

²This represents half of the Newman Family Apartments project currently being constructed by the Corporation for Better Housing.

³This represents the other half of the Newman Family Apartments, plus one unit from Site #7

⁴This represents the 144 units from Park Villas, plus two units from Site #7.

⁵This represents all of the moderate-income units identified in Table II-21 that require no action. All have been approved, and some are under construction.

Appendix A: Analysis of 2003 Housing Element

The goal of the 2003 housing element was to provide an adequate supply of sound, affordable housing in a safe and satisfying environment for all residents of the City of Newman. This goal was supported by housing objectives, policies, and implementation programs. This section reviews the effectiveness of the 2003 housing element in accomplishing its implementation programs.

- 2003-III-1. The City shall amend its General Plan Land Use Diagram to re-designate approximately 4.003 acres of land (identified as sites 9, 10, and 11 in Figure II-5) from Medium Density Residential (MDR) to High Density Residential (HDR) in order to accommodate housing for persons of all income categories as prescribed by the 2002 StanCOG fair share housing allocation. (Time Frame: FY 03-04).

Status: Completed. The City of Newman re-designated the identified sites as High Density Residential as part of its General Plan update program completed in 2007.

- 2003-III-2. The City shall amend its Zoning Map to rezone sites as specified in Figure II-5 to achieve consistency between the Zoning Map and General Plan Land Use Diagram and provide adequate housing sites for persons of all income categories. (Time Frame: FY 03-04).

Status: Partially Completed. The City of Newman rezoned sites identified as 9, 10, and 11 in Figure II-5 from R-1 to R-3 on February 12, 2008 (Zoning Change 07-02). This zoning change (and the corresponding General Plan re-designation referenced in Program III-1) was required in the 2003 Housing Element to provide an addition 4.003 acres of land for very low and low-income housing, thereby providing sufficient sites for this income category. As a result of these actions, a new multi-family project entitled: "Newman Family Apartments" is now being developed on these parcels.

Three other properties (1, 3, and 4) totaling 6.610 acres, which were already designated for High Density Residential in the General Plan but which needed rezoning from R-1 to R-3, have not been rezoned. The recent General Plan update continued the High Density Residential designation on these sites. The net result of this activity was to leave the

City short 6.610 acres of the available sites needed for very low and low-income housing during the planning period.

With regard to sites for moderate-income housing, the City rezoned two sites (19 and 20) totaling 22.873 acres to PD to accommodate medium density housing. Site 19 was rezoned from no zone designation to PD on June 13, 2006 (Zoning Change 04-01), and site 20 was rezoned from R-1 to PD on October 14, 2003 (Zoning Change 03-02). Six other sites (12, 13, 14, 15, 17, and 22) totaling 4.841 acres, which needed rezoning to from R-1 to R-2, have not been rezoned. Also, site 16, which is 2.697 acres, was re-designated to Downtown Commercial in the recent General Plan update and therefore lost as a possible site for moderate-income housing.

The net result of this activity was to provide 31.09 acres of available sites for moderate-income housing, which has the capacity to accommodate approximately 298 new housing units. As the City regional fair share housing allocation for this income group was 189 units, the City provided more than was needed during the planning period.

No rezoning was required for the above moderate-income group.

- 2003-III-3. The City shall, in cooperation with the Stanislaus County Housing Authority, place a measure on the local ballot that, if passed, would authorize public agencies such as the Housing Authority to develop low-rent housing projects in the City of Newman (referred to as an Article 34 vote). The ballot measure shall limit the size of any single low-rent housing project to 50 units or less, and in no case shall such low-rent housing constitute more than one percent of the total housing units existing in the city on January 1 of the year in which the housing is to be built (as reported by the California Department of Finance) (Time Frame: FY 04-05).

Status: Not Completed

- 2003-III-4. The City shall undertake an inventory of Downtown sites that are suitable for townhouse-style and/or second-story housing. Such housing should be consistent with the historical character of neighborhoods adjacent to Downtown and reinforce Newman's Downtown Revitalization Program (Time Frame: FY 03-04 through FY 08-09).

Status: Not Completed

- 2003-III-5. The City shall include in all specific plans and neighborhood plans adopted after January 1, 2004, provisions that, in addition to meeting the requirements to include a range of density types as specified in the General Plan Land Use Element, require that 6.4 percent of the single family units be attached single family housing (Time Frame: FY03-04 through FY 08-09).

Status: Policy in effect; no specific plans have been adopted since 1-1-04

- 2003-III-6. The City of Newman shall include in all specific plans and neighborhood plans adopted after January 1, 2004, provisions that ensure that all multi-family housing prescribed by the plan is constructed concurrently with any single family housing being constructed in the plan area. The specific plan shall also contain a provision requiring property owners to tender an irrevocable offer to sell the multi-family property to the Stanislaus County Housing Authority at 50 percent of appraised value in the event that the subject property owner is unable or unwilling to construct the multi-family housing concurrently with other housing. For the purpose of this program, "concurrently" shall mean: "within one year of filing the first final map for any housing project in the plan area" (Time Frame: FY 03-04 through FY 08-09).

Status: No specific plans have been adopted since 1-1-04

- 2003-III-7. The City shall, when applicable, include in all subdivision approvals after January 1, 2004, a notice as part of the conditions, covenants and restrictions (CC&Rs) that multi-family housing is planned for adjacent property (Time Frame: FY 03-04 through FY 08-09).

Status: Policy in effect, not yet been applicable

- 2003-III-8. The City shall amend its second unit provisions contained in Section 5.23.040, Second Residential Units, of the Newman Zoning Ordinance to make them consistent with new state law (AB1866 2002) that governs processing of permits for second housing units. The revised sections shall make approval of second units a ministerial act (Time Frame: FY 03-04).

Status: Not completed, currently under review for revisions.

2003-III-9. In approving subdivision plans, the City shall require developers to offer an optional design to homebuyers whose household has one or more disabled person (Time Frame: FY 03-04 through FY 08-09).

Status: Not completed

2003-III-10. The City shall apply for Community Development Block Grant funds to analyze City development regulations for compliance with the Fair Housing Act and the Americans with Disabilities Act and for consistency with any proposed City ordinance setting forth procedures for requesting reasonable accommodations for disabled persons (Time Frame: FY 04-05).

Status: The City currently receives CDBG funding through the Stanislaus County CDBG Consortium and requires that CDBG funded projects follow all ADA requirements.

2003-III-11. The City shall amend its Municipal Code to create a procedure wherein persons with disabilities seeking equal access to housing may request reasonable accommodation in the application of zoning laws and other land use regulations, policies and procedures (Time Frame: FY 03-04 through FY 08-09).

Status: Not Completed

2003-III-12. The City shall work with local nonprofit housing developers to prepare development programs for affordable housing on vacant sites identified in this Housing Element and to provide technical assistance. In August 2004, the City shall assist in the preparation of an application for state funds from the Multifamily Housing Program, which has increased funds available due to the passage of Proposition 46. (Time Frame: FY 04-05).

Status: In 2008, the City of Newman facilitated the development of Newman Family Apartments, a 72-unit affordable housing project being developed by the Corporation for Better Housing (Sherman Oaks)

2003-III-13. The City shall continue to support Self-Help Enterprises' housing rehabilitation program with local, state, and federal funding sources as available for the rehabilitation of housing for very-low and low income households. [see III-13, III-14, and III-15] (Time Frame: FY 03-04 through FY 08-09).

Status: Completed, funding through/for Self-Help Enterprises ended in FY 06/07.

- 2003-III-14. The City shall continue to post and distribute information on currently available weatherization and energy conservation programs (Time Frame: FY 03-04 through FY 08-09).

Status: Policy is in effect, any information that the City receives will be made available to the public.

- 2003-III-15. The City shall continue to enforce state requirements, including Title 24 requirements, for energy conservation in new residential projects (Time Frame: FY 03-04 through FY 08-09).

Status: Completed, the Newman 2030 General Plan identifies this requirement.

- 2003-III-16. The City shall monitor the status of subsidized housing projects at risk of conversion to market-rate housing. If a Notice of Intent or Plan of Action pursuant to the Low Income Housing Preservation and Resident Homeownership Act of 1990 is filed, the City shall actively participate in obtaining financial assistance to preserve such units (Time Frame: FY 03-04 through FY 08-09).

Status: Policy is in effect, no activities have triggered City action.

- 2003-III-17. The City shall continue to promote equal housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, or color. To this end, the City shall continue to disseminate information on fair housing, whereby the City publicizes the complaint referral process through the local media, schools, libraries, post office, housing advocacy groups, or other appropriate institutions and organizations. This information shall be provided in both Spanish and English. (Time Frame: FY 03-04 through FY 08-09).

Status: The City shall continue to promote fair housing

- 2003-III-18. The City shall provide information to developers to help them become aware of the 2001-08 Fair Share Housing Allocation in Newman and to encourage the provision of housing affordable for lower-income households and in particular, units for large families. The information shall include a summary of adopted density bonus provisions which assists in increasing densities and development incentives

available when affordable units are provided. In addition, the City shall revise its density bonus ordinance (Chapter 5.14 NMC) to offer an additional five percent density bonus (from 25% to 30%) for qualified housing projects where 25 percent of the required affordable units have three or more bedrooms (Time Frame: FY 03-04 through FY 08-09).

Status: Incentive information is available to developers; however, the NMC has not been revised.

2003-III-19. In conjunction with the Stanislaus County Affordable Housing Corporation (STANCO) and local lenders, City of Newman Redevelopment Agency shall continue to support the Down Payment Assistance Program that has been established to assist very low, low and moderate income households in purchasing a home within the City of Newman (Time Frame: FY 03-04 through FY 08-09).

Status: As applicable funding is available, the City shall continue providing a down payment assistance program.

2003-III-20. The Newman Redevelopment Agency shall offer relocation assistance to assist in the development of underutilized high-density residential sites that receive Redevelopment Agency assistance (Time Frame: FY 03-04 through FY 08-09).

Status: This policy is in effect, but there have been no applicable projects since 2003.

2003-III-21. The City of Newman shall work with the Housing Authority and Non-Profit housing developers to obtain funding for farmworker housing through the Joe Serna Jr. Farmworker Housing Grant Program (Time Frame: FY 03-04 through FY 08-09).

Status: Not Completed

Appendix B: Special Housing Requirements

In addition to requiring each city and county adopt a housing element, the California Legislature has enacted some very specific requirements to ensure that local regulatory procedures do not constrain housing development. This chapter summarizes these special housing mandates.

Second Units and Density Bonuses (§ 65583.1 and § 65852.2 – AB 1866 of 2002)

The Planning and Zoning Law permits the Department of Housing and Community Development to allow a city or county to identify adequate sites by a variety of methods. This new law authorized HCD to also allow a city or county to identify sites for 2nd units based upon relevant factors, including the number of 2nd units developed in the prior housing element planning period.

The Planning and Zoning Law authorizes a local agency to provide by ordinance for the creation of 2nd units on parcels zoned for a primary single-family and multifamily residence, as prescribed. This new law requires, when a local agency receives its first application on or after July 1, 2003, that the application shall be considered ministerially without discretionary review or hearing, notwithstanding other laws that regulate the issuance of variances or special use permits. The new law also authorizes a local agency to charge a fee to reimburse the agency for costs it incurs as a result of these provisions.

The Planning and Zoning Law also requires, when a developer of housing proposes a housing development within the jurisdiction of the local government, that the city, county, or city and county provide the developer with incentives or concessions for the production of lower income housing units within the development if the developer meets specified requirements. Existing law requires the local government to establish procedures for carrying out these provisions. This new law revises those provisions to refer to an applicant who proposes a housing development and would recast them to, among other things, revise criteria for making written findings that a concession or incentive is not required, add criteria for continued affordability of housing in a condominium project, authorize an applicant to request a meeting on its proposal for a specific density bonus, incentive, or concession or for the waiver or reduction of development standards, and exempt developments meeting certain affordability criteria from specified laws. By increasing the duties of local public officials, the bill would impose a state-mandated local program.

The new law also authorizes an applicant to initiate judicial proceedings if the city, county, or city and county refuses to grant a requested density bonus, incentive, or concession in violation of

these provisions, and would require the court to award the plaintiff reasonable attorney's fees and costs of suit. It would authorize a local agency to charge a fee to reimburse it for costs that it incurs as a result of these provisions.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This new law provides that no reimbursement is required by this act for a specified reason.

Provisions to Provide Flexibility in Identifying Adequate Sites

Housing element law requires an identification of sites to facilitate the development of housing commensurate with the jurisdiction's share of the regional housing need for all income levels. Where sufficient sites have not been identified, the element must include a program to provide the necessary sites. Chapter 796, by adding Government Code §65583.1(c), provides alternative program options to address the adequate sites requirement. Specifically, local governments may meet up to 25 percent of their site requirement by substituting existing units which will be made available or preserved through the provision of committed assistance to low and very-low-income households at affordable housing costs or affordable rents. To use this provision of the law, the housing element must include a program to do all of the following:

- Identify the specific, existing source of funds to be used to provide committed assistance and dedicate a portion of the funds for this purpose.
- Describe the number of units to be provided for low- and very low-income households and demonstrate that the amount of funds dedicated is sufficient to provide the units at affordable costs or rent.

Only units to be substantially rehabilitated, converted from non-affordable to affordable by acquisition of the units or the purchase of affordability covenants, or preserved at affordable housing costs by the acquisition of the units or purchase of affordability covenants are eligible, and must be identified in the program description.

Two recent changes in state law have significantly changed how jurisdictions must address adequate sites. In 2004, the State legislature passed AB 2348 (Mullin, 2004), which required more detailed inventory of sites to accommodate projected housing needs and provide greater development and housing element review certainty. The next year, the State legislature passed AB 1233 (Jones, 2005), which required local governments to zone or rezone to for adequate sites

within one-year of update (in addition to new projected need), if the prior element failed to identify or implement adequate sites.

Provision of Services to Affordable Housing Sites

In 2005, the State legislature passed SB 1087 (Florez, 2005), which required closer coordination between local jurisdictions and services providers. The new law:

- Required local governments to IMMEDIATELY forward adopted housing element to water and sewer providers
- Required water and sewer providers to establish specific procedures to grant priority service to housing with units affordable to lower-income households
- Prohibited water and sewer providers from denying or conditioning the approval of, or reducing the amount of service for an application for development that includes housing affordable to lower-income households unless specific written findings are made

Extremely Low Income Housing: (AB 2634 of 2006)

In 2006, the State legislature required quantification and analysis of existing and projected housing needs of extremely low-income households. This new law also required Housing Elements to identify zoning to encourage and facilitate supportive housing and single-room occupancy units.

General Plans and Residential Density: (AB 2292 of 2002)

The Planning and Zoning Law requires a city, county, or a city and county to adopt a general plan that consists of a statement of development policies and a diagram or diagrams and text setting forth objectives, principles, standards, and plan proposals, including a land use element that sets forth a statement of the standards of population density and building intensity recommended for districts and other territory covered by the plan. The act also requires that the maximum allowable residential density be consistent with the applicable zoning ordinance and the adopted general plan.

This new law prohibits a city, county, or a city and county, by administrative, quasi-judicial, or legislative action, from reducing, requiring, or permitting the reduction of the residential density for any parcel to a lower residential density that is below the density that was utilized by the Department of Housing and Community Development in determining compliance with housing element law, unless the city, county, or city and county makes written findings supported by

substantial evidence that the reduction is consistent with the adopted general plan, including the housing element, and the jurisdiction's share of the regional housing need, as specified.

The new law also requires, until January 1, 2007, a court to award attorney's fees and costs of suit to specified plaintiffs or petitioners if the court finds that an action of a city, county, or city and county is in violation of these provisions, except as specified.

Disapproval of Low- and Moderate-Income Housing Projects

A local agency shall not disapprove a housing development project affordable to low- or moderate-income households or condition approval in such a manner which renders the project infeasible unless it finds one of the following:

- The jurisdiction has an adopted housing element and the project is not needed to meet its share of the regional housing need for low-income housing;
- The project would have a specific, adverse impact upon the public health or safety which could not be mitigated without rendering the project unaffordable to low- and moderate-income households;
- The denial is required in order to comply with specific state or federal law
- The approval would increase the concentration of lower-income households in a neighborhood that already has a disproportionately high number of lower income households and there is no alternative site on which the project could be developed without rendering the project unaffordable to low- and moderate-income households;
- The project is proposed on land zoned for agriculture or resource preservation which is surrounded on at least two sides by land being used for agriculture or resource preservation;
- The development is inconsistent with the jurisdiction's general plan land use designation, and the jurisdiction has an adopted housing element.

(Government Code §65589.5)

In 2006, the State Legislature passed AB 2511 (Jones, 2006), which amended several sections of general plan and housing laws as follows:

Housing Element Reports

AB 2511 (Jones) put teeth into the obligation of local jurisdictions to annually report to HCD their progress in implementing their housing elements. The bill provided that the deadlines in the statute are mandatory and mandates courts to order jurisdictions that fail to comply to comply within 60 days, and it authorized the court to grant sanctions.

Permit Streamlining

The Permit Streamlining Act requires local approvals of certain affordable housing developments within 90 days rather than the 180 days required for other developments. The law, however, does not specify what constitutes affordable housing. AB 2511 (Jones) clarified that applicants are entitled to the shorter 90 day time period if at least 49 percent of the units are affordable to low and very low income households. In addition, some localities routinely ignore the deadlines in Permit Streamlining Law, and AB 2511 provided that the deadlines in the law are mandatory.

Downzonings

AB 2511 (Jones) made mostly technical, clarifying changes to existing law that required that localities make findings before reducing the density of a proposed development below the zoned density. The bill largely made the law consistent with housing element legislation enacted in 2004.

Discrimination in Planning

Government Code Section 65008 prohibits discrimination by local governments in their planning and zoning activities. AB 2511 (Jones) clarified that the discrimination prohibited by Government Code §65008 is not just discrimination pursuant to zoning and planning law but pursuant to any law.

Land Use Mediation

AB 2511 (Jones) removed the 2006 sunset date on current law providing for a voluntary mediation process for land use cases.

Index of Planning Laws

The Legislature has enacted a number of laws that are intended to streamline the affordable housing approval process and provide incentives for affordable housing production but those laws

are spread throughout the Planning and Zoning laws and may be overlooked by many local governments and other practitioners. AB 2511 (Jones) highlights those laws in one place in Planning and Zoning law, Government Code §65582.1.

Anti-Nimby Law

AB 2511 (Jones) renamed what is popularly known as state “Anti-Nimby” law, the “The Housing Accountability Act,” affirmatively emphasizing the accountability of local governments for their fair share of housing.

Allowing Multi-Family Housing By Right

Where a city's inventory of residential sites does not identify adequate sites to accommodate the need for groups of all household income levels, the Housing Element shall provide for sufficient sites with zoning that permits owner-occupied and rental multi-family residential use by right, including density and development standards that could accommodate and facilitate the feasibility of housing for very low- and low-income households (*Government Code §65583*).

Emergency Shelters

In 2007, the State legislature passed SB2 (Cedillo, 2007), which clarified and strengthened housing element law to ensure zoning encourages and facilitates emergency shelters and limits the denial of emergency shelters and transitional and supportive housing under the Housing Accountability Act.

Findings on Housing Limits

Any city or county adopting or amending its general plan in a manner that limits the number of units that may be constructed on an annual basis must make specified findings concerning the efforts it has made to implement its housing element and the public health, safety, and welfare considerations that justify reducing the housing opportunities of the region (*Government Code § 65302.8 and § 65863.6*).

Housing Disapprovals and Reductions

When a proposed housing development complies with applicable local policies and regulations in effect at the time the application is determined to be complete, the local agency may not disapprove the project or reduce its density unless it makes specified findings (*Government Code § 65589.5*).

Solar Energy Systems

Cities and counties may not enact zoning provisions that effectively prohibit or unnecessarily restrict the use of solar energy systems, except for the protection of public health or safety. Allowable "reasonable restrictions" include those that do not significantly increase the cost of the solar system or significantly decrease its efficiency and those that allow for an alternative system of comparable cost and efficiency (*Government Code § 65850.5*).

Secondary Residential Units

To encourage establishment of secondary units on existing developed lots, cities and counties are required to either (1) adopt an ordinance based on standards set out in the law authorizing creation of second units in residentially zoned areas; or (2) where no ordinance has been adopted, allow second units by use permit if they meet standards set out in the law. Local governments are precluded from totally prohibiting second units in residentially zoned areas unless they make specific findings (*Government Code § 65852.2*).

Mobilehomes in Single-Family Zones

Cities and counties shall allow the installation of mobilehomes on permanent foundations on lots zoned for conventional single-family dwellings. Cities and counties shall only subject mobilehomes to the same development standards that apply to single-family dwellings. Any architectural requirements, however, shall be limited to roof overhang, roofing material, and siding material and shall not exceed those which would be required of a single-family dwelling constructed on the same lot. Any area considered to be of special historical interest may be exempted from this provision (*Government Code § 65852.3*).

Mobilehome Parks

Health and Safety Code § 18300 preempts local authority to regulate mobilehome parks except in regards to a very limited set of powers, and vests the responsibility with the California Department of Housing and Community Development. Local authorities can assume responsibility for enforcement of regulations from the department upon 30 days written notice to the department. Whether or not the local authority assumes enforcement powers from the state, it retains the power to:

- Establish certain zones for mobilehome parks and to prohibit mobilehome parks from non-residential zones;

- Establish types of mobilehome uses including family mobilehome parks, adult mobilehome parks, mobilehome condominiums, mobilehome subdivisions, or mobilehome planned unit developments;
- Adopt rules and regulations prescribing park perimeter walls or enclosures on public street frontage, signs, access, and vehicle parking;
- Prohibit certain uses for mobilehome parks;
- Regulate the construction and use of equipment and facilities located outside of a mobilehome unit;
- Regulate the density of a mobilehome park provided the density is not less than that allowed for other residential uses within that zone;
- Require recreational facilities, recreational areas, etc., to the extent that such facilities or improvements are required for other types of residential developments containing a like number of residential units.

A mobilehome park is deemed by state law to be a permitted use on all land general planned and zoned for residential use (*Government Code § 65852.7*).

Mobilehome Park Conversions

Any subdivider filing a tentative or parcel map to be created from the conversion of a mobilehome park to another use must prepare and file a report on the impact of the conversion on the displaced mobilehome park residents. The subdivider shall make a copy of the report available to each resident of the mobilehome park at least 15 days prior to the public hearing. The city or county with jurisdiction must consider the impact report at a public hearing and may require as a condition of approval of the conversion that the project sponsor mitigate the impacts of displacement. These provisions also apply when closure of a mobilehome park is the result of a decision by a local government entity or planning agency (*Government Code § 65863.7 and § 66427.4*).

Notification on Mobilehome Park Conversions

A city or county that has received an application for a mobilehome park conversion must notify the applicant at least 30 days prior to any hearing or action of state and local requirements for

applicant notification or mobilehome owners and park residents concerning the proposed change. No action may be taken on the application until the applicant has satisfactorily verified that mobilehome owners and park residents have been properly notified (*Government Code § 65863.8*).

Limitations on Development Permit Fees

Fees charged by local public agencies for zoning changes, variances, use permits, building inspections, building permits subdivision map processing, or other planning services may not exceed the estimated reasonable cost of providing the service for which the fee is charged. Fees may exceed this limit only with a two-thirds vote of the electorate (*Government Code § 54990 and § 65909.5*).

Residential Zoning

Cities and counties must zone a sufficient amount of vacant land for residential use to maintain a balance with land zoned for non-residential use (e.g., commercial and industrial) and to meet the community's projected housing needs as identified in the housing element of the general plan (*Government Code § 65913.1*).

Residential Subdivision Standards

Cities and counties may not impose standards for design and improvement for the purpose of making the development of housing for any and all economic segments of the community infeasible. Furthermore, it shall consider the effect of ordinances adopted and actions taken with respect to the housing needs of the region in which the local jurisdiction is situated (*Government Code § 65913.2*).

Coordinated Permit Processing

Each city and county must designate a single administrative entity to coordinate the review and decision making and provision of information regarding the status of all applications and permits for residential, commercial, and industrial developments (*Government Code § 65913.3*).

Density Bonuses

When a developer agrees to construct at least 20 percent of the total units in a housing development for lower income households, 10 percent of the total units for very low income households, or 50 percent of the total units for qualifying senior citizens, the city or county must

either grant a density bonus and at least one other concession or incentive, or provide other incentives of equivalent financial value. The developer must agree to ensure continued affordability for all lower income units for 30 years (10 years under particular circumstances). The density bonus must increase by at least 25 percent the other maximum allowable density specified by the zoning ordinance and the land use element of the general plan. Each city or county must set up procedures for carrying out these provisions (*Government Code § 65913.4 and § 65915*).

Density Bonuses for Condominium Conversions

When a developer proposing to convert apartments to condominiums agrees to provide at least 33 percent of the total units in the proposed condominium project for low or moderate income households, at least 15 percent of the total units for lower income households, the city or county must either grant a density bonus or provide other incentives of equivalent financial value. The density bonus must increase by at least 25 percent over the number of apartments to be provided within the existing structure proposed for conversion (*Government Code § 65915.5*).

CEQA and Density Reductions

Cities and counties may deny or reduce the density set forth by the general plan for a housing project only as a mitigation measure for a specific adverse impact upon public health or safety pursuant to the California Environmental Quality Act and only when there is no other feasible mitigation that would achieve comparable density results (*Public Resources Code § 21085*).

Residential Energy Conservation

Cities and counties are required to adopt energy conservation standards for new residential dwellings (excluding apartment houses with four or more stories and hotels); (*Public Resources Code § 25402.1*).

Redevelopment Replacement Housing

Every redevelopment plan must contain provisions that provide replacement housing on a "one-for-one" basis for low and moderate income persons displaced by redevelopment activity within four years of demolition (*Health and Safety Code § 33413(a)*).

Redevelopment Inclusionary Housing

Redevelopment agencies that develop affordable housing must develop at least 30 percent of all new or rehabilitated dwelling units to be affordable to low- and moderate-income families, at

least half of which must be for, and occupied by, very low-income households (*Health and Safety Code § 33413(b)(1)*).

Redevelopment agencies must ensure that at least 15 percent of all new or rehabilitated dwelling units privately developed in a redevelopment project area will be affordable to low- and moderate-income households, of which 40 percent must be for, and occupied by, very low-income households (*Health and Safety Code § 33413(b)(2)*).

Conservation of Affordable Housing in Redevelopment Project Areas

Redevelopment agencies must require all affordable units to remain affordable for "the longest feasible time, as determined by the agency, but not less than the period of the land use controls established in the redevelopment plan" (*Health and Safety Code § 33413(c)*).

Redevelopment Agency Funds for Housing

Redevelopment agencies must use at least 20 percent of tax increment revenues generated by a redevelopment project to increase and improve the community's supply of housing for persons of low and moderate income. Certain findings may be made by the agency to set aside less than 20 percent if no need exists for such housing, if less than 20 percent is required to meet the need, or if a substantial effort to meet the needs is being made (*Health and Safety Code § 33334.2*).

Community Care Facilities

A residential facility which serves six or fewer persons shall be considered a residential use of property, and the residents and operators of the facility shall be considered a family. No conditional use permit, zoning variance, or other zoning clearance shall be required which is not required of a family dwelling of the same type in the same zone (*Health and Safety Code § 1566.3 and § 1567.1*).

Community Care Facilities for the Elderly

A residential facility for the elderly which serves six or fewer persons shall be considered a residential use of property, and the residents and operators of the facility shall be considered a family. No conditional use permit, zoning variance, or other zoning clearance shall be required which is not required of a family dwelling of the same type in the same zone (*Health and Safety Code § 1569.84*).

Homes for Mentally Disordered, Handicapped Persons, or Dependent and Neglected Children

A state-authorized, certified, or licensed family care home, foster home, or group home serving six or fewer mentally disordered, or otherwise handicapped persons, or dependent and neglected children shall be considered a residential use of property. Such homes shall be a permitted use in all residential zones (*Welfare and Institutions Code § 5116*).



Lee Higgins, PG
Environmental Project
Manager

**Chevron Environmental
Management Company**
6111 Bollinger Canyon Road
BR1Y/3484
San Ramon, CA 94583
Tel (925) 543-2365
Fax (925) 543-2323
leehiggins@chevron.com

October 26, 2009

Stakeholder Correspondence—City of Newman
Community Development and Building Department

Ms. Stephanie Ocasio
Assistant Planner
City of Newman
1162 Main Street, Post Office Box 787
Newman, California 95360

Subject: **Comments for the Newman 2030 General Plan Housing Element**
Chevron Environmental Management Company
Historic Pipeline Alignment—Bakersfield to Richmond

Dear Ms. Ocasio:

Chevron Environmental Management Company (CEMC) recently became aware of the Newman 2030 General Plan Housing Element. The purpose of this letter is to notify stakeholders of the City of Newman Community Development and Building Department as to the location of formerly active crude-oil transportation pipelines located in the City of Newman (Figure 1). The intent is that the pipeline location information will be incorporated into future development and environmental documents associated with the Housing Element.

In the early 1900s, Tidewater Associated Oil Company (TAOC) and Standard Oil (Standard) built pipeline systems to transport heavy crude oil from oilfields in the southern San Joaquin Valley to refineries in the San Francisco Bay Area. These pipelines were operated until the early 1970s when they were decommissioned. Currently, CEMC manages work associated with these historic pipelines.

Evidence of historic releases associated with the formerly active pipelines is sometimes identified during the course of underground utility work and other subsurface construction activities near the pipeline right of ways. Generally, residual weathered crude oil associated with TAOC's and Standard's historical pipeline operations can be observed visually; however, analytical testing is necessary to confirm that the likely source of the affected material is associated with these former pipelines. Analytical results from human health risk assessments performed by CEMC at several known historical pipeline release sites confirm that soil affected by the historic release of product from the pipelines is non-hazardous, and does not pose significant health risks.

CEMC's experience indicates that the potential exists for subsurface soil along and near the former TAOC and Standard alignments to be affected by undocumented residual weathered crude oil; however, encountering affected soil from these former pipelines should not delay the progress of City of Newman construction projects. Figure 1 shows that the former TAOC and Standard pipelines either transect or are

Ms. Stephanie Ocasio – City of Newman Assistant Planner
October 26, 2009
Page 2

adjacent too the following vacant housing sites and proposed developments identified in the Newman 2030 General Plan Housing Element:

- Site #4: Proposed Newman Family Apartments development.
- Site #8: Proposed Heritage Collection development (approved residential project that includes other tax assessor's parcel numbers).
- Site #10: Residential development (six permits issued in 2007; 16 remain to be issued).
- Site #36: Residential land use designation with no specific development plans presented.

CEMC requests the current status of these projects, and to be informed of future planned construction and development projects in the vicinity of the former TAOC and Standard alignments.

For more information regarding the Historical Pipeline Portfolio–Bakersfield to Richmond, please visit <http://www.hppinfo.com/>. If you have any questions, require additional information, or would like to request more detailed maps, please call SAIC consultants Tom Burns at (916) 979-3748 or Daniel Anzelon at (858) 826-3316.

Sincerely,



Lee Higgins,

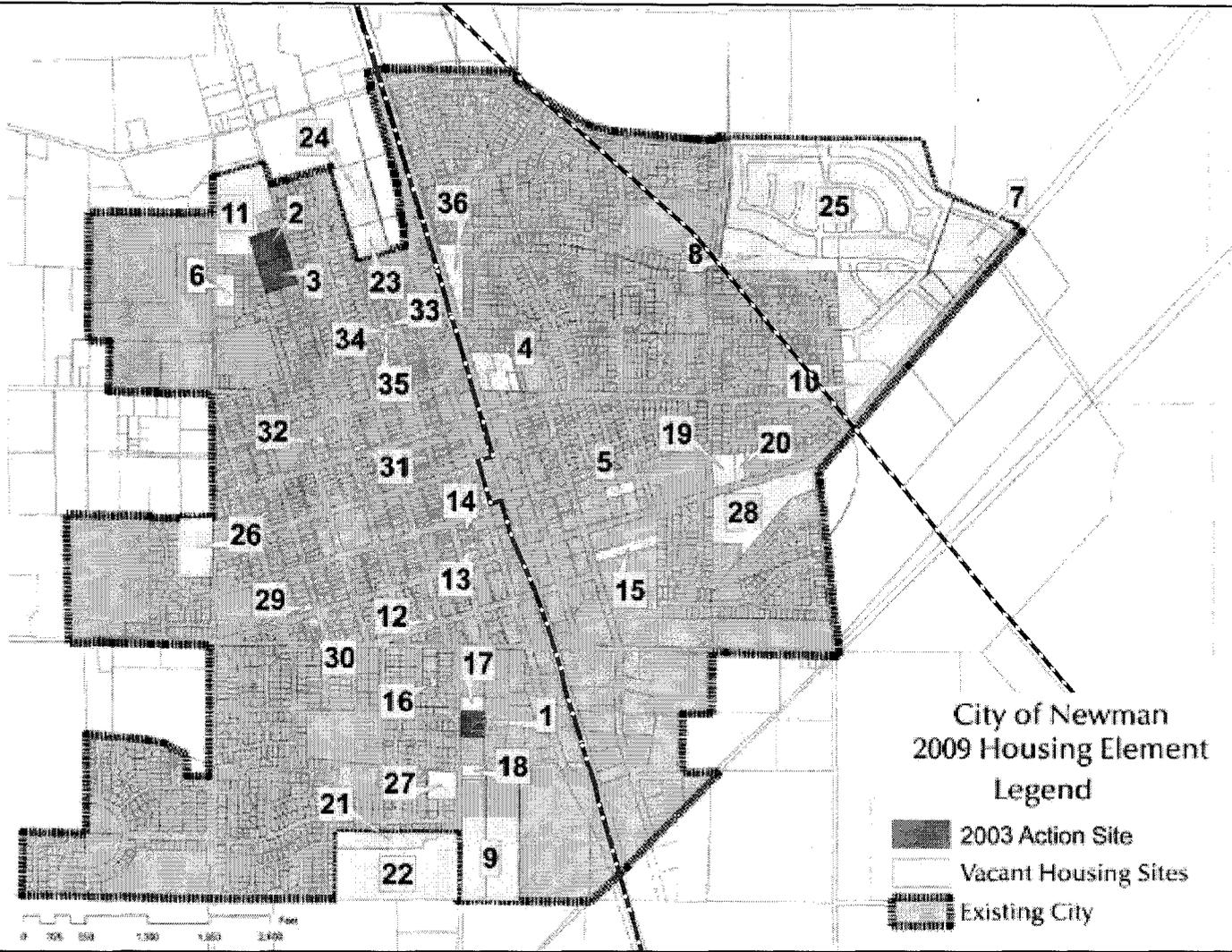
LPH/klg

Enclosures:

Figure 1. Historical Pipeline Alignments – 2009 Housing Element Update, Newman, California

cc: Mr. Tom Burns – SAIC
3800 Watt Avenue, Suite 210, Sacramento, California 95821
Mr. Mike Jenkins – SAIC (letter only)
3800 Watt Avenue, Suite 210, Sacramento, California 95821
Mr. Mohamed Ibrahim – SAIC
3800 Watt Avenue, Suite 210, Sacramento, California 95821

FILE: \\SACGIS\GIS\ADMIN\PROJECTS\STANISLAUS COUNTY\TTH\PPMS_NEWMANHOUSINGELEMENT_FIG1_2009_10.MXD



Map is a relative representation of current and historical data and should be verified for exact legal or underground work.



CALIFORNIA LOCATION MAP

- Historical Standard Oil Pipeline
- Historical Tidewater Associated Oil Company (TAOC) Pipeline

HISTORICAL PIPELINE ALIGNMENTS

2009 HOUSING ELEMENT UPDATE
Newman, California

DATE: 10/26/2009 ANALYST: WHELANMC

FIGURE:



1

Honorable Mayor and Members
of the Newman City Council

ADOPT RESOLUTION NO. 2009- , SUPPORTING THE SAN JOAQUIN VALLEY CLEAN ENERGY PARTNERSHIP LED BY THE SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT AND THE SAN JOAQUIN VALLEY CLEAN ENERGY ORGANIZATION AND AUTHORIZE THE SAN JOAQUIN VALLEY CLEAN ENERGY PARTNERSHIP TO APPLY FOR AND ADMINISTER THE CITY OF NEWMAN'S ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT (EECBG) ALLOCATION.

RECOMMENDATION:

Adopt Resolution No. 2009- supporting the San Joaquin Valley Clean Energy Partnership led by the San Joaquin Valley Air Pollution Control District and the San Joaquin Valley Clean Energy Organization to maximize access, services, and resources from the Energy Efficiency and Conservation Block Grant Program through the California Energy Commission.

BACKGROUND:

The San Joaquin Valley Clean Energy Organization (SJVCEO) is a non-profit organization dedicated to helping the 8-county region of the San Joaquin Valley significantly increase its use and reliance on clean energy. SJVCEO was launched with a seed grant from the California Partnership for the San Joaquin Valley and now derives its support from private sector donations, grants, and service delivery.

Energy Efficiency and Conservation Block Grant Highlights:

- The CEC published guidelines for the EECBG program on July 31st proposing to allocate about \$30 million to eligible cities and counties based on population. Allocations are \$5 per capita plus an “adder” for unemployment based on the county unemployment rate.
- Cities with populations under 35,000 and counties with populations under 200,000 in unincorporated areas are eligible under this program. There are 45 eligible cities and 6 eligible counties in the San Joaquin Valley.
- Eligible jurisdictions have a choice on how they can apply for EECBG grants; they can apply either:
 - a) directly, or
 - b) through an eligible third party.

What the San Joaquin Valley Clean Energy Partnership Offers

- Jurisdictions participating in the Partnership will receive information and access to a greater array of financial and technical resources, without the administrative burden, than if the jurisdiction applied directly.
- Three service packages will be offered.
 - **Administrative Services Package** to apply for and administer the grant, make arrangements for assessments, develop RFPs and contracts, manage projects and make payments to vendors, and report to the CEC
 - **Energy Retrofit Service Package** including energy assessments and retrofit services in at least one of the following sectors - municipal, commercial and residential sector
 - **Capacity Building Service Package** including strategies to establish an on-going energy function in jurisdictions, strategies on financing mechanisms for energy retrofits, climate action planning assistance, and education and training.
- Jurisdictions can choose one or more packages within their allocation and specific projects and areas of focus. The total value of the packages selected will equal the total amount of the jurisdiction’s allocation. Each participating jurisdiction will be expected to provide guidance and direction, remain informed and in control over the types of projects conducted within their borders.

Agenda Item: 10.a.

- Service providers will be pre-screened and selected to provide Valley based retrofit services. Preference will be given to Valley-based businesses to maximize job creation in the Valley. Firms will be selected once the final offerings in each service package has been determined.

ANALYSIS:

The City of Newman is eligible for an Energy Efficiency and Conservation Block Grant (EECBG) of \$58,212.55 through the California Energy Commission (CEC). EECBG funds can only be used for energy efficiency projects and activities that meet the CEC's cost effectiveness criteria. There are also extensive administrative and reporting requirements.

The San Joaquin Valley Clean Energy Organization (SJVCEO) and the San Joaquin Valley Air Pollution Control District (Air District) formed the San Joaquin Valley Clean Energy Partnership to help eligible jurisdictions maximize the benefits of their EECBG allocations. The San Joaquin Valley Clean Energy Partnership will submit an EECBG application to the CEC on behalf of eligible jurisdictions that are participating in the Partnership. Each participating jurisdiction will receive services equal to the amount of their EECBG allocation. The San Joaquin Valley Clean Energy Partnership will also handle administration and reporting on behalf of participating jurisdictions.

The San Joaquin Valley Clean Energy Partnership offers economies of scale without the administrative burden. It provides a simplified one-stop point of access to leverage additional energy efficiency services and resources from utilities and the Air District. Participating jurisdictions will be part of a network that will pursue additional funding and resources to serve the clean energy needs of jurisdictions.

Staff believes the most effective way to apply for and use the City of Newman's EECBG allocation is through the San Joaquin Valley Clean Energy Partnership.

FISCAL IMPACT:

Positive, the City of Newman is eligible to receive \$58,212.55.

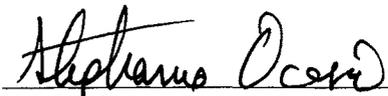
CONCLUSION:

Staff recommends adoption of Resolution No. 2009- , authorizing the San Joaquin Valley Clean Energy Partnership to apply for and administer the City of Newman's Energy Efficiency and Conservation Block Grant allocation.

ATTACHMENTS:

1. Exhibit A - Resolution No. 2009-

Respectfully submitted,



Stephanie Ocasio
Assistant Planner

REVIEWED/CONCUR



Michael Holland
City Manager

RESOLUTION NO 2009 -

A RESOLUTION OF THE CITY OF NEWMAN DECLARING SUPPORT FOR THE “SAN JOAQUIN VALLEY CLEAN ENERGY PARTNERSHIP” LED BY THE SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT AND THE SAN JOAQUIN VALLEY CLEAN ENERGY ORGANIZATION TO MAXIMIZE ACCESS, SERVICES, AND RESOURCES FROM THE ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT PROGRAM THROUGH THE CALIFORNIA ENERGY COMMISSION.

WHEREAS, the California Energy Commission (CEC) has been allocated \$49.6 million for the Energy Efficiency and Conservation Block Grant (EECBG) program for cities with populations of less than 35,000 and counties with unincorporated populations of less than 200,000;

WHEREAS, EECBG funds are allocated to jurisdictions on a non-competitive per-capita block grant basis;

WHEREAS, EECBG funds can be used to implement energy efficiency projects that will reduce energy costs and contribute to a more sustainable community;

WHEREAS, energy efficiency programs enhance our environment by improving air quality, reducing greenhouse gases and other pollution, and conserving natural resources; and

WHEREAS, the San Joaquin Valley Air Pollution Control District (“SJVAPCD”) and the San Joaquin Valley Clean Energy Organization (“SJVCEO”) have created the “San Joaquin Valley Clean Energy Partnership” to provide regional benefits and economies of scale to help participating jurisdictions maximize the benefits of their EECBG allocations;

WHEREAS, the San Joaquin Valley Clean Energy Partnership will prepare and submit an EECBG application to the CEC on behalf of all participating jurisdictions and assist the participating jurisdictions with implementation of energy efficiency projects and activities;

WHEREAS, the San Joaquin Valley Clean Energy Partnership has tailored packages of services to meet the needs of each individual participating jurisdiction and each jurisdiction will receive services equal to the amount of their EECBG allocation;

WHEREAS, the San Joaquin Valley Clean Energy Partnership will provide participating jurisdictions with a simplified “one stop” point of access to additional utility and Air District resources to ensure applicable rebates and incentives are leveraged with EECBG funds;

WHEREAS, jurisdictions that participate in the San Joaquin Valley Clean Energy Partnership will be relieved of the administrative burden of applying for and reporting on EECBG projects and activities while benefitting from the economies of scale in scope of services, outreach efforts, and vendor selection, as well as more rapid deployment of efficiency of services;

WHEREAS, jurisdictions that participate in the San Joaquin Valley Clean Energy Partnership will be part of a regional network that can apply for additional American Recovery and Reinvestment Act funding opportunities to benefit the Valley

NOW, THEREFORE, BE IT RESOLVED by the City of Newman as follows:

1. That the above recitations are true and correct.
2. That the City of Newman will participate in the San Joaquin Valley Clean Energy Partnership and authorizes the Partnership led by the SJVAPCD and the SJVCEO to apply for the Energy Efficiency and Block Grant funding on its behalf from the CEC.

3. That the City of Newman supports and endorses the Partnership as an effective way to apply for and implement energy efficiency projects and activities under the EECEBG program to help meet long-term regional economic and environmental goals.

4. That the City of Newman will name one key staff member as the Partnership's point of contact for coordination and implementation of the jurisdiction's EECEBG projects and activities.

5. That the City of Newman authorizes Michael Holland, its City Manager to enter into a Memorandum of Understanding with the SJVAPCD and/or SJVCEO as may be required by the CEC to enable the San Joaquin Valley Clean Energy Partnership to apply for and administer EECEBG funds on behalf of the jurisdiction.

The foregoing resolution was introduced at a regular meeting of the City Council of the City of Newman held on the 27th of October, 2009 Council Member _____, who moved its adoption, which motion was duly seconded and it was upon roll call carried and the resolution adopted by the following roll call vote:

AYES:
NOES:
ABSENT:

APPROVED:

Mayor of the City of Newman

ATTEST:

Deputy City Clerk of the City of Newman

Honorable Mayor and Members
of the Newman City Council

Agenda Item: **10.b.**
City Council Meeting
of October 27, 2009

**REPORT ON CONGESTION MITIGATION AND AIR QUALITY (CMAQ)
IMPROVEMENT PROGRAM CALL-FOR-PROJECTS**

RECOMMENDATION:

It is recommended that the Newman City Council:

1. Authorize staff to submit a CMAQ application for the Purchase of a CNG Aerial Vehicle.
2. Adopt Resolution No. 2009- , authorizing the appropriation of Local Transportation Funds (LTF) and authorize the City Manager or his representative to sign all Documents, Assurances, and Statements for the purchase of one CNG Aerial Truck.

BACKGROUND:

CMAQ program funding is made available to regions that are in air basins designated non-attainment by EPA. These funds are to be used to implement transportation improvement projects that help regions achieve federal ambient air quality standards by reducing emissions generated by motor vehicles. Projects that are eligible for CMAQ funding include transportation control measures from the applicable regional air quality plan, projects that promote the use of alternatives to the single occupant vehicle, traffic flow improvements that reduce idling and create smooth speeds, clean fuel technology, and other innovative projects that result in the generation of fewer emissions. Eligible projects include the purchase of compressed natural gas vehicles.

ANALYSIS:

Public Works has a 1995 aerial truck that is in need of replacement. By utilizing the CMAQ program we will be able to purchase a new fully functional aerial truck under the gross polluter trade program, and will be saving the City the full cost of the vehicle which is \$162,000. In addition, this vehicle purchase will eliminate the need to rent an aerial truck during the holidays, which will result in an annual savings of approximately \$2,500.00.

The call-for-projects for CMAQ has been issued with applications due by close of business November 20, 2009. The estimated purchase price of the CNG Aerial Truck is \$162,000.00. The CMAQ funding the City is requesting for FFY 10/11 is \$143,418.00 with a required local match of \$18,582.00. The total amount of CMAQ Target Funds allocated to the City of Newman is \$100,000.00; therefore the City is short \$43,418.00. The City has been informed by StanCOG that there are discretionary funds available in the amount of \$500,000.00 that are allocated on a "first come, first served basis" by StanCOG and this project is eligible for these additional funds, provided the application is submitted in time and the funds are available.

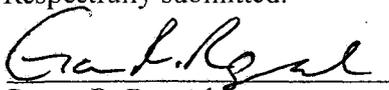
FISCAL IMPACT:

Total Project Cost \$162,000.00 LTF Match \$18,582.00

CONCLUSION:

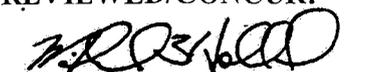
Staff recommendation is for City Council to authorize staff to submit an application to StanCOG for CMAQ targeted funds with an additional funding request for the purchase of a CNG Aerial Vehicle, and Adopt Resolution No. 2009- , authorizing the appropriation of Local Transportation Funds (LTF) and authorize the City Manager or his representative to sign all Documents, Assurances, and Statements for Construction for the purchase of one CNG Aerial Truck.

Respectfully submitted:



Garner R. Reynolds
Public Works Director

REVIEWED/CONCUR:



Michael E. Holland
City Manager

RESOLUTION NO. 2009-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEWMAN AUTHORIZING THE APPROPRIATION OF LTF FUNDS AND AUTHORIZING THE CITY MANAGER OR HIS REPRESENTATIVE TO SIGN ALL DOCUMENTS, ASSURANCES AND STATEMENTS FOR THE PURCHASE OF ONE CNG AERIAL TRUCK FOR FISCAL YEAR 2010/2011

WHEREAS, the City of Newman desires to submit an application for funding under the Congestion Mitigation and Air Quality (CMAQ) Improvement Program for the purchase of one CNG Aerial Truck; and

WHEREAS, the City of Newman hereby approves the use of Local Transportation Funds (LTF) in the amount of \$18,582.00 to be used as the City's local cash match for this project; and

WHEREAS, the Stanislaus Council of Governments (StanCOG) requires certain documents, assurances and statements signed in a timely manor by an Administering Agency Representative to receive funding.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Newman does hereby authorize the City Manager or his representative to submit an application for the CMAQ Improvement Program and sign all documents, assurances, and statements in connection therewith for and on behalf of the City of Newman.

The foregoing resolution was introduced at a regular meeting of the City Council of the City of Newman held on the 27th day of October, 2009 by Council Member _____, who moved its adoption, which motion was duly seconded and it was upon roll call carried and the resolution adopted by the following roll call vote:

AYES:
NOES:
ABSENT:

APPROVED:

Mayor of the City of Newman

ATTEST:

Deputy City Clerk of the City of Newman