

Summary Table of Housing Accomplishments (1992-2001)

Housing Program	Program Action/Objective	Accomplishment/Continued Appropriateness
<b>GOAL 1: MATCH HOUSING SUPPLY WITH NEED</b>		
<b>Policy 1a Establish and/or support programs to supply below market housing for very-low, low- and moderate-income households, as well as market rate housing.</b>		
1a.1	<p><b><u>Affordable Housing Catalog</u></b></p> <p><b>Program Description – Existing:</b> Aggressively explore the variety of potential financial housing assistance programs from both the public and private sector to provide more affordable housing units. Update the Village One Affordable Housing Catalog (A.H.C.); which highlights all available local, state, federal and private affordable housing programs; to include citywide programs for new housing as well as programs that assist in the conservation and/or rehabilitation of existing housing. This catalog should include ways to leverage additional funds to provide an even greater number of affordable housing units.</p>	<p>The City has been actively exploring and utilizing a variety of financial and housing assistance programs, including grant funding, federal, state, and local assistance programs, coordination with developers, use of redevelopment funds, and other mechanisms to support affordable housing goals. Funding sources utilized include CDBG, HOME, RDA Set -Aside, and Mortgage Revenue Bonds. The Village One A.H.C. has not been updated, and has not served as a primary tool for encouraging affordable housing in Modesto.</p>
1a.2	<p><b><u>Citywide Housing Trust Fund</u></b></p> <p><b>Program Description – New:</b> The City shall seek to establish a Citywide Housing Trust Fund whose purpose would be to provide financial support to various housing programs, and to increase the supply of housing affordable to very-low, low- and moderate-income households. The Housing Trust Fund should also seek to improve the neighborhoods and housing conditions of the City’s residents who are at or below 80% of the area median income, as established by HUD.</p>	<p>The City has in past years combined various funding sources, including HOME and Low-Mode Set -Aside funds, in order to increase affordable housing opportunities. While this is not currently in operation, the establishment of such a fund may again prove useful in the future, and this program should continue to be considered for use. The Updated Housing Element will address the continued appropriateness of this program.</p>
1a.3	<p><b><u>Community Housing Coalition</u></b></p> <p><b>Program Description – New:</b> Consider the establishment of a local community housing coalition that may include the following: Realtors, developers, business leaders, environmentalists, low-income housing producers and social service providers. This coalition could meet on a semi-annual basis to discuss and exchange information on successful affordable housing programs that can be implemented on a community-wide basis.</p>	<p>A community housing coalition, the Stanislaus Housing and Support Services Collaborative, was formed in 2000 to address housing issues within the entire County. This group holds monthly meetings, with representation by more than 40 involved agencies, to discuss housing policy, homelessness issues, and coordination within the County.</p>

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1a.4	<p><b><u>Community Reinvestment Act</u></b></p> <p><b>Program Description – New:</b> The City shall seek to establish a program to work with local Community Reinvestment Act lenders. This program could be the development of a resource list for interested developers/builders, as well as commercial lenders interested in funding construction loans for low-income housing. As a result of the passage of the Community Reinvestment Act, many commercial lenders have developed an interest in funding low-income projects, within their local community.</p>	<p>Modesto does not currently monitor the affordable housing lending activities of local financial institutions under the Community Reinvestment Act. CRA monitoring is done at the national level by the Office of the Comptroller of the Currency, under the U.S. Department of the Treasury. Establishing programs with high ranking CRA lenders will continue to be a program priority for the City. As part of the City's Housing Element Update, the City will evaluate the availability of mortgage lending and other lenders in the community using the Home Mortgage Disclosure Act (HMDA) data.</p>
1a.5	<p><b><u>Comprehensive Housing Affordability Strategy (CHAS)</u></b></p> <p><b>Program Description – New:</b> HUD requires communities to develop a CHAS in order to apply for certain housing assistance programs. 1991 was the first year in which CHAS was required. The development of the 1992 CHAS shall be consistent and reflect the policies and programs of the Housing Element. Preparation of a CHAS acts as a jurisdiction's "notice of intent" to participate in applying for program funding offered by HUD.</p>	<p>The City prepared its final CHAS shortly after the 1992 Housing Element was adopted. The CHAS was replaced in 1993 by HUD with the Consolidated Plan, which has a broader scope and better summarizes housing activities and approaches. Modesto has prepared the 2000-2005 Consolidated Plan consistent with the adopted Housing Element for HUD funding purposes.</p>
1a.6	<p><b><u>Density Bonus</u></b></p> <p><b>Program Description – Existing:</b> Continue to grant density bonuses for the provision of affordable housing units as required by state law. The units shall remain affordable for a minimum of 10 years. For those granted additional incentives, the units must remain affordable for 30 years.</p>	<p>The City continues to offer density bonuses to developers of affordable and senior housing, as required by Government Code section 65915. Municipal Code section 10-3.103 provides density bonuses for all developers meeting the minimum requirements of the City. One project in the City received a density bonus during the previous housing cycle. Projects meeting the minimum requirements must remain affordable for a minimum of 10 years, while projects receiving incentives beyond the minimum bonus must remain affordable for at least 30 years. The City will continue to comply with the State density bonus provisions.</p>

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1a.7	<p><b><u>Land Banking</u></b></p> <p><b>Program Description – New:</b>                      The City shall work toward establishing a land banking program for very-low, low- and moderate-income housing. In this program, the City’s Nonprofit Housing Corporation, or Redevelopment Agency would purchase land for affordable housing where there is a reasonable expectation that development will occur there in the short -term future. (The establishment of a Citywide Nonprofit Housing Corporation is listed under Program 1a.10.)</p>	<p>The City has utilized land banking once in its provision and support of affordable housing. Several lots in the airport neighborhood were acquired by the City and made available to the affordable housing developer DLA. These lots were not developed by DLA for financial reasons. The City will continue to consider use of land banking for promoting affordable housing opportunities. HOME regulations allow for holding of land for no more than two years, so careful consideration of what funding sources are used in the land banking program is essential to the success of the program.</p>
1a.8	<p><b><u>Low- and Moderate -Income Housing Fund</u></b></p> <p><b>Program Description – Existing:</b>                      State law (AB265) required all redevelopment project areas in the state to set aside 20% of tax increment revenues for increasing and improving the community’s supply of low- and moderate-income housing. Furthermore, Chapter 1140, Statutes of 1989 amended the Housing Element Law to require the housing program of an Element to include a description of the use of moneys in the Redevelopment Agency’s Low- and Moderate-Income Housing Fund. This fund was established with the adoption of an expanded project area in 1991. It is estimated that over the next five years there will be one million dollars accumulated in this fund. It has not yet been determined how these funds will be used. However, this Housing Element proposed several programs (e.g. 1a.11, 1a.13 and 1b.3) that could assist the Redevelopment Agency in increasing and improving the community’s supply of low- and moderate-income housing.</p>	<p>The Redevelopment Agency sets aside 20% of tax increment financing revenue for use in the Low and Moderate Income Housing Fund. Until late in 2000, the Low-Mod Fund was combined with HOME funds for use on low-income housing projects throughout the City. These funds were fully expended each year. Since 2000, the Redevelopment Agency has been pooling monies in the fund to promote a coordinated downtown development project with a substantial amount of low-income housing. These funds are expected to be distributed in 2003.</p>

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1a.9	<p><b><u>Multi-Family Mortgage Revenue Bonds (MFMRB's)</u></b></p> <p><b>Program Description – Existing:</b> Continue to participate in mortgage revenue bond programs when market conditions stimulate developer participation. MFMRB's provide tax-exempt low-cost financing to developers of projects who provide a portion of rental units at rents affordable to lower income households.</p>	<p>The City has not issued any new Multi-Family Mortgage Revenue Bonds. The City considers bond refinancing requests from time to time.</p>
1a.10	<p><b><u>Nonprofit Housing Development Corporation</u></b></p> <p><b>Program Description – New:</b> Establishment of a Nonprofit Housing Development Corporation to promote, assist and or sponsor housing developments in the City of Modesto for lower income families. The City will establish a Nonprofit Housing Development Corporation. The City will develop a citywide publicly-assisted program to be administered by the nonprofit. This present program does not prohibit the City from working with STANCO or other nonprofit housing agencies, nor does it require the creation of a new agency. When this program is implemented, the most effective agency structure will be determined at that time.</p>	<p>STANCO is currently the only locally designated Community Housing Development Organization located in Modesto. The City has provided support to STANCO and DLA (a now-defunct low-income developer) during the previous housing cycle through land dedication and financial assistance. The City continues to seek out new groups interested in forming a nonprofit housing development corporation, and will continue its support of all groups working towards affordable housing goals.</p>
1a.11	<p><b><u>Relocation Assistance Program</u></b></p> <p><b>Program Description – Existing:</b> This program assists residents who may need relocation assistance because of the Redevelopment Agency actions. If relocation is necessary, this program helps to minimize relocation as much as possible by implementing the Agency's relocation guidelines.</p>	<p>The Agency adopted a relocation assistance ordinance as part of the Implementation Plan. Due to a lack of displacement activity by the Redevelopment Agency, no action has been taken under the program. The City will continue to comply with the relocation assistance ordinance should future redevelopment activities result in displacement of existing residents.</p>

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1a.12	<p><b><u>Section 8 Certificate Program</u></b></p> <p><b>Program Description – Existing:</b> Under this program, eligible participants pay a maximum of 30 percent of their income for rent. The program then pays the difference between the rent the participants pay and total (market rate) rent of the unit.</p>	<p>The Stanislaus County Housing Authority has a current total of 3,995 Section 8 vouchers allocated to residents of the County, as of October 2002. In addition, there is a long waiting list for these vouchers. Overall, this program is very successful in assisting very low-income households in obtaining affordable housing. The City will continue to participate in this program to expand affordable housing opportunities for City residents.</p>
1a.13	<p><b><u>Support Nonprofit Housing Sponsors</u></b></p> <p><b>Program Description – Existing:</b> Support nonprofit corporations such as the Stanislaus County Affordable Housing Corporation in their efforts to make housing more affordable to lower- and moderate-income households.</p>	<p>The City has assisted STANCO and DLA with CHDO (Community Housing Development Organization) grants, developed partnerships for affordable housing projects, and provided assistance for the Stanislaus Housing Authority, Habitat for Humanity, Community Housing and Shelter Services, the Children’s Crisis Center, Hutton House, and the Haven.</p>
1a.14	<p><b><u>Very-low Income Renters Assistance Program</u></b></p> <p><b>Program Description – New:</b> Establish a Renters Assistance Program to assist very-low income households seeking new rental housing in Village One. Possible very-low-income households needing assistance: senior citizens (Senior housing will be provided in the Village Center, as described in the Village One Specific Plan). If this program proves successful, consideration will be made to establish a program of this nature citywide.</p>	<p>The City has not adopted a Renters Assistance Program in Village One. There have been no affordable housing projects completed or approved in the Village One planning area during the previous housing cycle, thus there has not been a need to utilize such a program. Renter’s Assistance is provided by CHSS for renters throughout the City, including for potential future developments in Village One.</p>

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1a.15	<p><b><u>Village One Housing Trust Fund/Equity Sharing Program</u></b></p> <p><b>Program Description – New:</b>                      The City shall draft and adopt an ordinance establishing a Housing Trust Fund/Equity Sharing Program, which will be supported by a developer fee based on single-family homes built in excess of 800 square feet. This program will assist eligible low- and moderate-income households with “gap financing”, with the City taking equity share in the home. The funds collected from the Equity Sharing Program will go into the Housing Trust Fund. The program represents the best utilization of local resources and was developed by the Village One Affordable Housing Task Force. In addition, should State or Federal government funds become available; the City will consider applying for these funds to assist in the implementation of this program.</p>	<p>A Housing Trust Fund was proposed and authorized for the Equity Sharing Program in Village One. However, the fund and program were eliminated by the City Council in the mid 1990s during the recession and housing construction slow-down in Modesto. The intent of the Council in eliminating the program was to remove a regulatory barrier to housing to facilitate new construction of housing units</p>
1a.16	<p><b><u>HOME Consortium Program</u></b></p> <p><b>Program Description – New:</b>                      The City of Modesto will explore participating in the formation of a Consortium for the purpose of seeking increased federal funding under the HOME program. The formation of the Consortium should include other incorporated cities and the County, along with the Stanislaus County Housing Authority. It is assumed that this Consortium could potentially increase the entitlement funding for all members, including the City.</p>	<p>The County of Stanislaus, along with the cities of Modesto and Turlock, entered into talks to form a HOME Consortium in the early 1990s. A Consortium was formed, but the City of Modesto elected not to participate. Since then, the City has become an entitlement jurisdiction under the HOME Program. This status offers the City much greater local control over the program and therefore the City is not likely to join the consortium in the near future.</p>
<p><b>Policy 1b Work to supply housing for the unmet needs of lower income special needs groups, including the disabled, elderly, homeless and large families (families with five or more persons).</b></p>		
1b.1	<p><b><u>Federal Low-Income Tax Credits</u></b></p> <p><b>Program Description – Existing, but limited source of funding:</b>                      Encourage the use of Federal Tax credits for the production of low-income housing. City staff will research the use of Federal Tax Credits and request application packets from the Mortgage Bond Allocation Committee; prepare an information summary to inform prospective users of the program.</p>	<p>There have been a number of successful projects in the City of Modesto that utilized LIHTCs. Woodstone Apartments, Ashwood Village, Gateway Apartments, and Sherwood Home were all financed in part by these tax credits, and resulted in a total of 262 units. This financing tool is well known in the industry, and the City promotes its use for affordable housing projects.</p>

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1b.2	<p><b><u>Handicapped Accessible Housing</u></b></p> <p><b>Program Description – Existing:</b> The City shall continue to comply with the 1988 Fair Housing Access Act, which requires access requirements for disabled and physically handicapped persons for public and multi-family housing.</p>	<p>The City complies with the 1988 Fair Housing Access Act through building inspections, as well as the Disabled Access Assistance Program. Standards from the Fair Housing Access Act were written into the Uniform Building Code, and are enforced by building inspectors. In addition, as part of this Housing Element Update, the City will assess constraints to the provision of housing for persons with disabilities pursuant to SB 520 (effective January 1, 2002).</p>
1b.3	<p><b><u>Single Room Occupancy</u></b></p> <p><b>Program Description – New:</b> The City shall develop an ordinance that will encourage the development of single-room occupancy housing units. These units can serve primarily the lower income tenant, and should be located in close proximity of existing social services, such as within the City’s urban transitional zones. Development of this program would include the identification of, and the elimination of, any present development regulations that would preclude construction of single-room occupancy projects.</p>	<p>The City does not have an ordinance specifically endorsing or prohibiting SRO units. There has been no specific development regulations identified as impediments to development of SRO units. The City will encourage the creation of this development type in areas consistent with zoning and general plan designations, specifically in urban transitional areas.</p>
1b.4	<p><b><u>Coordination with Agencies Serving the Homeless</u></b></p> <p><b>Program Description – Existing:</b> The City shall continue to work with agencies such as the County Social Services Department, the Community Temporary Shelter Services Coalition (CTSSC), United Way, and the Modesto Gospel Mission on developing housing and employment programs for the homeless.</p>	<p>A communitywide housing group, the Stanislaus Housing and Support Services Group, was formed in 2000 to coordinate and discuss ideas for addressing homelessness and related housing issues. In addition, the City continues to provide financing and information for each of the homeless service providers in the County, as well as pursuing programs when appropriate.</p>

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1b.5	<p><b><u>State Bond Programs</u></b></p> <p><b>Program Description – New:</b>                      In general, the City shall seek to secure state bond financed funds, such as Proposition 84 and 107 Bond funds, which provide financing for several affordable housing programs. One such program makes low interest deferred payment loans to public and private developers to develop affordable rental housing. Prop. 107, the “Housing and Homeless Bond Act of 1988”, provides funding for the following: emergency shelters and transitional housing for homeless persons; the development of new rental housing that meets the needs of the elderly and disabled; the purchase and/or rehabilitation of residential hotels; and provides home purchase assistance for first-time homebuyers.</p>	<p>The City has continually applied for all applicable state financing for use in the promotion of affordable housing. This practice will continue in the future. The Parks, Recreation, and Neighborhoods Department monitors funding sources annually to ensure that the City is seeking all available funds. As part of the Housing Element Update, the City will evaluate the potential new state funding sources to generate additional affordable housing.</p>
1b.6	<p><b><u>Transitional Housing Program</u></b></p> <p><b>Program Description – Existing:</b>                      The City shall continue to work with HUD and the Community Temporary Shelter Services Coalition in providing transitional shelter (single family residences), and counseling services to homeless families.</p>	<p>Transitional housing is provided primarily by Community Housing and Shelter Services, STANCO and the Center for Human Services who operate the Hutton House, Laura’s House, and Samaritan House. The City continues to support the provision of transitional housing by the use of Community Development Block Grant and Emergency Shelter Grant funds.</p>

<b>Policy 1c Work to supply entry-level housing as well as "step-up" housing.</b>		
1c.1	<p><b><u>First-time Homebuyer Program</u></b></p> <p><b>Program Description – New:</b> Develop a Citywide program to assist first-time homebuyers of low- and moderate-income with down payment assistance. Work with local groups such as the Association of Realtors, Mortgage Lenders Association, Building Industry Association (BIA), Modesto Chamber of Commerce Affordable Housing Task Force, and others to establish a first-time homebuyers program.</p>	<p>Modesto passed Resolution #95-563 in 1995 creating the Down Payment Assistance Program to serve this need. It is funded annually from CDBG allocation, and provides up to \$25,000 in down payment assistance to first-time homebuyers meeting income restrictions. This program has utilized 100% of its funds in each year of operation and assists approximately 33 households annually.</p>
1c.2	<p><b><u>Mortgage Credit Certificates</u></b></p> <p><b>Program Description – New:</b> Mortgage Credit Certificates allow first-time homebuyers to take 20 percent of their annual mortgage interest as a dollar-for-dollar tax credit against their federal income tax. Certificates are issued by a local agency (e.g. Housing Authority) and are most applicable for moderate-income households.</p>	<p>The City has partnered with the County of Stanislaus to provide MCCs for the purchase of homes by low and moderate-income residents of Modesto. The annual average of these certificates issued by the Housing Authority is _____. (pending Info from Housing Authority)</p>
1c.3	<p><b><u>New Construction: Moderate and Above Moderate Units</u></b></p> <p><b>Program Description – Existing:</b> Past results revealed that private sector residential construction activity produced an estimated 9,155 new moderate- and above moderate-income housing units between 1984-1989. It is expected that the building activity in these income categories will continue, although not as many as in the previous years.</p>	<p>During the previous housing cycle of 1992-2001, the City of Modesto produced 7,192 housing units, an average of 719 per year. The recession of the mid 1990s drastically reduced the number of units constructed in the City, which has only once (2000) had a production year greater than the 1984-1989 average of 1,526 units per year. The majority of the housing units constructed were single-family homes, affordable primarily to moderate and above-moderate income households.</p>
1c.4	<p><b><u>Single Family Mortgage Revenue Bonds (SFMRB's)</u></b></p> <p><b>Program Description – Existing:</b> Continue to encourage the participation in Single Family Mortgage Revenue Bond programs, when market conditions stimulate developer participation. SFMRB's provide tax-exempt financing to first-time homebuyers.</p>	<p>No Single-Family Mortgage Revenue Bonds have been issued within the City of Modesto for construction of affordable housing during the most recent housing cycle.</p>

<p><b>Policy 1d Promote the development of affordable housing on surplus, underused or vacant public lands, where appropriate and where compatible with existing uses.</b></p>		
<p>1d.1</p>	<p><b><u>Identification of Public Surplus Lands</u></b></p> <p><b>Program Description – New:</b>                      Establish a program to identify and monitor surplus public lands suitable for residential development. The surplus land could possibly be purchased by the city’s Nonprofit Housing Corporation or other housing providers to develop affordable housing. The program will consist of a listing of providers as well as other agencies interested in the development of affordable housing.</p>	<p>No public lands have yet become available that are suitable for residential development. Four private parcels in the airport neighborhood were purchased by the City and made available to a local low-income developer. Monitoring of public and private properties suitable for development continues by the City.</p>
<p><b>GOAL 2: MAXIMIZE HOUSING CHOICE THROUGHOUT THE COMMUNITY</b></p>		
<p><b>Policy 2a Promote equal opportunity for all residents to reside in the housing of their choice.</b></p>		
<p>2a.1</p>	<p><b><u>Manufactured Housing</u></b></p> <p><b>Program Description – Existing:</b>                      Continue to allow manufactured housing/mobile homes in all residential districts provided that it meets the same standards as conventional housing and is placed on a permanent foundation.</p>	<p>Manufactured Housing is allowed in all residential zoning districts as long as it is placed on permanent foundations, consistent with State Law. This will continue to be a policy of the City.</p>
<p>2a.2</p>	<p><b><u>Second Units/Accessory Units</u></b></p> <p><b>Program Description – Existing:</b>                      Continue to encourage the use of second units in single-family residential areas where additional parking for the second unit is provided, and where the second unit neither adversely affects nor alters the character of the surrounding single-family residence.</p>	<p>Second residential units are allowed in the R-1 residential zoning district with a plot plan, consistent with State law. City staff encourages development of these units. The City will continue to comply with State law requiring that second residential units be allowed in single-family residential districts.</p>

<p><b>Policy 2b Continue to make a strong commitment to the issue of fair housing practices, as well as ensure that fair housing opportunities prevail for all City residents regardless of age, sex, religion, ancestry, marital status, family status, income or source of income, race, creed, national origin or disabilities.</b></p>		
<p>2b.1</p>	<p><b><u>Community Housing Resources Board (CHRB)</u></b></p> <p><b>Program Description – Existing:</b>                      The Federal Department of Housing and Urban Development in conjunction with the Association of Realtors recommends the establishment of a local fair housing education board. This board, appointed by HUD, is comprised of local people in the community interested in fair housing and acts as a referral group.</p>	<p>A HUD appointed Fair Housing Board has not been created in the City. Project Sentinel provides fair housing services and counseling for the community, working to eliminate discrimination based on age, sex, disability, income, and all other protected categories. As part of the City’s CDBG and HOME programs, the City offers affirmative marketing of housing choices and works to remove any potential impediments to fair housing choice in the City. In compliance with HUD regulations, the City completed an Analysis of Impediments to Fair Housing Choice in 1996.</p>
<p>2b.2</p>	<p><b><u>Human Relations Commission</u></b></p> <p><b>Program Description – Existing:</b>                      Support the work of the Human Relations Commission, which acts a conduit for fair housing complaints and referral to enforcement agencies. The Commission acts as the first line of referral, in conjunction with the State Department of Fair Employment and Housing. Informational brochures and copies of complaint forms are available throughout the community. The complaint referral process is publicized through the Modesto Bee, the County Library, local schools, and through local housing advocacy groups. The goal of this Commission is to ensure that fair housing opportunities prevail for all City residents.</p>	<p>The City continues to support the Human Relations Commission in its activities to promote fair housing opportunities. This seven-member advisory group meets bi-monthly to promote good human relations in the community. This agency is a valuable tool in promoting fair housing and providing a central agency for issues of human relations in housing.</p>

<p><b>Policy 2c Work to establish programs to assist in the removal of constraints to the production of housing, where feasible.</b></p>		
<p>2c.1</p>	<p><b><u>Annual Report of General Plan</u></b></p> <p><b>Program Description – New:</b>                  In accordance with State Law, an annual review of all elements in the General Plan must be reviewed by the City Council. This review must include the progress of the Housing Element in meeting its share of the regional housing needs, along with updates of 1990 Census data, where applicable. In order to fulfill this requirement with regards to the Housing Element, the City will monitor this element yearly to:</p> <ul style="list-style-type: none"> <li>• check on program implementation</li> <li>• update 1990 Census data in sections (such as Overpayment and Income Figures)</li> </ul> <p>After the Annual General Plan Report is reviewed by the City Council, the City will send a copy of this report to the HCD, within 30 days, so that they may review the Housing Element Section. Beyond this review, the City will make any necessary amendments to the General Plan to correct any inconsistencies that are found.</p>	<p>The City Planning Commission has not annually assessed the progress and implementation of programs within the General Plan. Staff is in the process of creating the General Plan Annual Report for 2002, which will summarize General Plan programs and information, including the housing element. The findings of this Annual Report will be used in the creation of the 2003 Housing Element Update by City staff, ensuring that the Housing Element maintains consistency with the other elements of the General Plan.</p> <p>The legal requirement to create the Annual Report remains in place, thus the program remains necessary to comply with State Law.</p>
<p>2c.2</p>	<p><b><u>Multi-family Developer Incentive Program</u></b></p> <p><b>Program Description – Existing:</b>                  The Stanislaus County Housing Authority and nonprofit sponsors of housing for very-low-income households are exempt from Capital Facilities Fees (developer fees). For multi-family projects with density bonuses, a certain percentage of the projects must serve very-low or low-income households. For these projects, developer construction fees are levied by deferring payment of Capital Facility Fees with twenty percent required down and five years to pay. Fee waivers or deferrals pertain to only the city’s fees and do not refer to school district fees.</p>	<p>The City regularly defers or exempts low-income housing developments from payment of Capital Facilities Fees. The amount of deferral or exemption is determined on an individual case basis, depending on the number of low-income units provided and the financing situation. Between 1992 and 2001, the City exempted fees for 237 units and deferred fees for 97 more, representing \$804,240 of total incentives to low-income housing developers.</p>
<p>2c.3</p>	<p><b><u>Priority Processing for Affordable Housing Projects</u></b></p> <p><b>Program Description – New:</b>                  Time is a very important factor in the cost of a housing project. It is especially important to the economic feasibility of very-low, and low-income housing, thus, the City will give such projects priority in application processing. This priority will extend to building inspections carried out during various phases of the construction process. This priority program will be reviewed by the City Attorney to ensure the legality of such a program.</p>	<p>The City complies with the State mandated Permit Streamlining Act, which ensures timely processing of planning development applications. Building permit inspections and review have a minimal turnaround time, thus negating the need for prioritization. Staff has found no extensive delays in the processing of affordable housing projects. Existing laws and practices are sufficient to ensure expedient processing of project applications and permits.</p>

2c.4	<p><b><u>Reduction of Parking Standards</u></b></p> <p><b>Program Description – Existing:</b> The City of Modesto allows a reduction in parking standards for senior citizen housing developments. The objective is to match parking standards with need to reduce costs.</p>	<p>The Community Development Department allows a reduction in parking standards for senior housing projects. The amount of reduction is determined on an individual project basis, with cost reduction considered in the determination.</p>
2c.5	<p><b><u>Streamline Application Process</u></b></p> <p><b>Program Description – Existing:</b> Continue efforts to streamline and improve the development -review process, as well as eliminate any unnecessary delays and restrictions in the processing of permits for applications and projects submitted.</p>	<p>The City complies with the provisions of the Permit Streamlining Act, which limits the amount of time the City may spend reviewing a project. The City will continue to look for provisions of the development review process, which can be improved, as well as remove unnecessary restrictions or delays that are identified within the system.</p>
<p><b>Policy 2d Work to promote energy conservation activities in all residential neighborhoods.</b></p>		
2d.1	<p><b><u>Energy Conservation and Efficiency</u></b></p> <p><b>Program Description – Existing:</b> Continue to encourage development and construction standards that encourage energy conservation in residential buildings. The City of Modesto Housing Program Office, and agencies such as P.G.&amp;E., and the Modesto Irrigation District, provide no cost or low-cost weatherization and other energy efficient programs to low-income residential households. Public service announcements and brochures are provided to reach the widest possible audience.</p>	<p>The City of Modesto supports the provision of no-cost or low-cost weatherization for low-income homes under the EHRP/DAAP programs. In addition, the City provides literature and information on programs for increasing energy efficiency in residential structures. This program continues to be relevant to the housing goals of the City, and helps ensure that the available programs are utilized to the greatest extent possible.</p>
<p><b>GOAL 3: PROVIDE SAFE AND DECENT HOUSING</b></p>		
<p><b>Policy 3a Maintain the supply of safe, decent and sound affordable housing in the City of Modesto through the conservation and rehabilitation of the City’s existing housing stock.</b></p>		
3a.1	<p><b><u>California Housing Rehabilitation Program</u></b></p> <p><b>Program Description – Existing:</b> This program offers housing rehabilitation loans as low as three percent to low-income owner/occupants; with a maximum loan amount of \$10,000.</p>	<p>The City offers federal CDBG funded housing rehabilitation loans up to a maximum of \$10,000 for qualified homeowners as part of the CDBG program. This continues to be a useful tool in improving the quality of existing housing stock within the community.</p>

<p>3a.2</p>	<p><b><u>Distribution of Energy Saving Devices</u></b></p> <p><b>Program Description – Existing:</b> The City will continue to distribute smoke detectors, water heater blankets, and anti-siphon backflow devices for hose bibs, free of charge for rehabilitation clients. Also, to continue the maintenance of safe and decent housing and by contributing to energy savings and safety.</p>	<p>This program continues to be administered by the City to promote energy efficiency and safety in existing homes. As part of the property rehabilitation program, homeowners are informed about potential energy saving devices and programs that are available in the City.</p>
<p>3a.3</p>	<p><b><u>Education of Available Rehabilitation Programs</u></b></p> <p><b>Program Description – Existing:</b> Continue to educate and inform all major ethnic groups and groups representing handicaps in the community of available rehabilitation programs through neighborhood and community organizations, and by using the most effective media.</p>	<p>Numerous community service providers offer information on the City programs, and the City promotes rehabilitation programs through handouts, the City website, and information posted at libraries and City offices.</p>
<p>3a.4</p>	<p><b><u>Housing Condition Survey</u></b></p> <p><b>Program Description – Existing:</b> Continue to maintain a current housing condition survey of all housing units within the City. Also, an updated number of units in need of rehabilitation or replacement should be included.</p>	<p>The City completed a housing survey of the three redevelopment target neighborhoods in 1993. A Citywide housing conditions survey has not been completed yet, although staff is currently seeking options to perform such a survey. This survey, when completed, will help staff better monitor housing conditions in the community, better target rehabilitation and loan programs, and improve housing strategies.</p>
<p>3a.5</p>	<p><b><u>Rental Rehabilitation Program</u></b></p> <p><b>Program Description – Existing:</b> The City’s Housing Program Office provides financial assistance to owners of rental property to rehabilitate substandard units, in order to ensure that rental units are affordable to low- and moderate-income families.</p>	<p>The City completed 49 Rental Rehabilitation Loans between 1992 and the end of the program in 1997. The older program was replaced by a Property Enhancement Rebate available to rehabilitate rental properties in the low-income areas of the City. This program serves to spur rehabilitation and improvement of owner-occupied and rental housing within targeted areas. Rebates are available in seven categories, for a maximum total of \$1,350 per rental property.</p>

<p>3a.6</p>	<p><b><u>Water Conservation Program</u></b></p> <p><b>Program Description – New:</b> The City will consider the initiation of a water conservation program. The purpose of this program would be to install and encourage the use of water conservation devices and measures in all houses rehabilitated under the City’s housing rehabilitation programs.</p>	<p>The City has established a Water Conservation Program to promote the sound management of water resources in Modesto. Water conservation devices are included with rehabilitation loans for residential properties. Building inspections by the City ensure that the devices are installed and used properly, further ensuring the success of the program.</p>
<p><b>Policy 3b Focus the use of City resources for housing rehabilitation and assisted housing on those neighborhoods and residents having the greatest need for housing assistance.</b></p>		
<p>3b.1</p>	<p><b><u>Emergency Home Repair Program</u></b></p> <p><b>Program Description – Existing:</b> Low interest loans, to repair immediate critical hazards for Modesto residents with very-low incomes, are available through the City’s Housing Program Office.</p>	<p>The Recreation and Neighborhood Serviced Division operates the Emergency Home Repair Program, eligible to all residential homeowners outside of the target areas. This program offers low-interest loans up to \$25,000 for emergency safety repairs or modifications to make the home handicapped accessible. Since 1992, 105 of these loans have been made.</p>
<p>3b.2</p>	<p><b><u>Handicapped Barrier Removal Program</u></b></p> <p><b>Program Description – Existing:</b> This program provides free technical advice on removing mobility barriers from home or property. Low interest financing is also available to handicapped homeowners living in Modesto, to assist them with removing mobility barriers from their home or property.</p>	<p>The Handicapped Barrier Removal Program (HBRP) was formally discontinued in 1996, not having assisted any households in the City. It was replaced by the Disabled Access Assistance Program (DAAP), which provides low-interest loans for removing barriers to housing accessibility for disabled homeowners. Information on this program, home inspections, and technical advice on modifications are available free from the Modesto Building Department. A total of 4 DAAP loans have been made from this program since 1996.</p>

<p>3b.3</p>	<p><b><u>Home Emergency Loan Program (H.E.L.P.)</u></b></p> <p><b>Program Description – Existing:</b> This program is designed to correct substandard housing conditions and eliminate health and safety hazards. How interest loans are available through the City’s Housing Program Office for homeowners with incomes that fall into the 50-80% median area income, as determined annually by HUD.</p>	<p>This program completed only one loan for \$37,650 in 1993. The H.E.L.P. program was replaced by the Emergency Home Repair Program (EHRP). It provides for low-interest loans to low-income residents to correct health and safety hazards within the home. This program is well utilized within the City and continues to aid in the provision of safe, affordable housing for all residents of the community. As stated in 3b.1, this program has completed 105 loans since 1992.</p>
<p>3b.4</p>	<p><b><u>Housing Maintenance Program</u></b></p> <p><b>Program Description – Existing:</b> This program is designed to eliminate health and safety hazards within neighborhoods targeted for rehabilitation within the City of Modesto. The City’s Housing Program Office provides technical and financial assistance to property owners required to make repairs ordered by the City’s Building Inspection Division. This program is mandatory to ensure that an entire neighborhood, not just a few select properties, would undergo revitalization to meet requirements of the City’s Housing Code.</p>	<p>The Housing Maintenance Program provides low-interest loans to property owners within the designated target areas for home improvements. The Neighborhood Services Division implements this program, which revitalizes entire project areas at a time. The program calls for revitalization of all homes within target areas, to ensure that property values for the entire neighborhood rise and that each house in the area meets minimum safety and health standards. The program has rehabilitated 353 units since 1992, and more than 2,100 since its inception in 1976.</p>
<p><b>Policy 3c The City of Modesto should make a maximum effort to preserve, for its lower-income households, the units in assisted housing developments that are eligible to change to non- lower-income uses, due to terminations of subsidy contracts, mortgage prepayment, or expiration of use restrictions.</b></p>		
<p>3c.1</p>	<p><b><u>Coordination with HUD to Monitor At-Risk Projects</u></b></p> <p><b>Program Description – Existing:</b> The City of Modesto will continue to work with HCD, to ensure that any notifications of potential sales of at-risk units are forwarded to the City. Any owners of projects at-risk of conversion must notify HUD of any impending sales or conversion and if they plan to prepay their mortgages and/or if they decide not to renew their Section 8 contracts.</p>	<p>The Parks, Recreation, and Neighborhood Department is the responsible agency for monitoring at-risk housing units within the City. The City will continue to work with HCD and HUD to minimize conversion of affordable housing units to market rate. The City will also work with property owners who have indicated their intention to make such a conversion in an effort to preserve the units as affordable. As part of the Housing Element Update, the City will assess the at-risk status of existing affordable-housing units and develop a program to assess the preservation of such units in the City.</p>

<p>3c.2</p>	<p><b><u>Coordination with Other Agencies to Monitor At-Risk Projects</u></b></p> <p><b>Program Description – Existing:</b> The City of Modesto Housing Program Office will continue to work with the California Housing Partnership Corporation (CHPC). The CHPC provides support to localities and nonprofit housing corporations in addressing a wide range of preservation opportunities.</p>	<p>There has not been a substantial amount of coordination between the Housing Program Office and the CHPC regarding at-risk housing units. In future discussions regarding policies and strategies to deal with conversion issues, including identification of units, the City will seek out the CHPC for inclusion and to make recommendations.</p>
<p>3c.3</p>	<p><b><u>Monitor At-Risk Projects</u></b></p> <p><b>Program Description – Existing:</b> The City of Modesto Housing Program Office shall continue to monitor the at-risk assisted housing projects on an annual basis. The City will keep in touch with the necessary agencies and sources, such as the Housing Authority, the owners of the at-risk units, HCD and HUD. This contact is essential and will help the City to be aware of any situation where assisted units are in danger of converting to non-low-income housing uses. The City will annually monitor the status of the Section 8 renewal contracts and HUD assisted units. The City will also continue to work with the Stanislaus County Housing Authority to develop contingency plans as needed if contracts are not renewed.</p>	<p>The City of Modesto does not have an adopted contingency plan to deal with potential conversions of low-income property to market rate. The City has indicated a desire to work more closely with HCD and HUD to monitor at-risk projects, and to ensure that strategies and techniques used to limit such conversions are current and applicable. As part of the Housing Element Update, the City will assess the at-risk status of existing affordable-housing units and develop a program to assess the preservation of such units in the City.</p>