

Appendix B to this report contains a listing by address and community of over 1,100 properties in Lake County identified as being suitable for the provision of moderate income housing. This is nearly double the number of units, 694, identified as being needed over the planning period by RHNA. This listing by no means represents an exhaustive list of all available lands suitable for moderate income housing in Lake County. Identified properties were determined using the following criteria: lot size of 6,000 to 8,000 square feet with less than \$3,000 of improvement value. Additionally, identified lots are located within identified community growth boundaries near transit corridors and basic community services. All identified sites have ready access to basic infrastructure and contain no environmental constraints.

Appendix B contains a listing of properties by address and community with parcel size and land use designation information showing residential uses are permitted. Appendix B also includes mapping of the over 1,100 identified moderate income housing sites by Community.

#### **Description of Criteria for Identifying Low and Very Low Income Housing Sites**

County Staff also prepared an inventory of medium and high density sites that have the potential to accommodate moderate-, low-, and very low-income households. County Staff examined Community Plans along with aerial photographs and other pertinent county documents to conduct a parcel-by-parcel analysis of the sites to identify their availability. County staff field-verified all of the sites within the County designated and zoned for development of low and very low income housing. The County considered the following factors and assumptions in its analysis: A GIS database was compiled of all parcels designated for Medium or High Density Residential development by the General Plan. This database was then merged with parcel specific information from the Lake County Assessor's Office for ownership and improvement value.

Parcels less than one acre in size were initially eliminated, unless a number of contiguous parcels existed under the same ownership that totaled at least one acre. These properties are listed in Appendix A under the same Site # and would need to be merged together for a housing project. Voluntary mergers and/or lot line adjustments of parcels to reconfigure the property boundaries between vacant and developed lots are common in Lake County. Applications are approved by the Community Development Department without public hearings and generally within 30-days.

Properties properly designated for Medium or High Density development, but with substantial existing improvements per the Assessor's database and Community Development records were not included in the inventory. However, some large properties with a high improvement value were included because they are mobile home parks with a large amount of vacant acreage that could accommodate new residential development.

Sites included in Table 2-6, designated Medium Density Residential (MDR), were determined to be appropriate for low income housing development with the certification of the previous Housing Element, certified in 2004. While the maximum density allowed

in this designation (9 DU/acre), excluding any density bonuses, is less than that typically considered by HCD to be valid for affordable housing, County staff believe that this designation remains valid for purposes of providing for low income housing in Lake County. This is because property values remain comparatively lower here than in most other areas of California, and because most of the available MDR sites inventoried are large, located near major transit corridors and can easily support larger developments. An example of an affordable housing project that was developed in Lake County within the MDR designation is the Cruickshank Road RCHDC project completed in 2004. This site comprises 10 acres, and 40 units of affordable housing were constructed. The project area was clustered on a portion of the site, but the density when averaged for the entire 10 acre parcel is only four (4) dwelling units per acre. When only considering the developed 3-acre portion of this site the density equals thirteen (13) dwelling units per acre. This site has fifty (50) units of remaining density available for future expansion of affordable housing. Coincidentally, Staff has had preliminary discussions with California Human Development Corporation, an affordable housing developer out of Santa Rosa, CA concerning a possible future expansion at this site. Regardless of the remaining density available this site is not included within the site inventory listed in Table 2-6 due to State density requirements and the fact that Staff did not want to add any additional MDR designated sites beyond those that were approved as part of the 2004 Housing Element.

Discussions between County staff and local affordable housing developers, such as RCHDC and the California Human Development Corporation reveal that despite the nine (9) dwelling unit per acre maximum allowed density in the unincorporated areas of Lake County, affordable housing developers would not exclude lands designated as MDR in their search for new affordable housing development sites. Land costs in Lake County are significantly lower than those of the Bay Area and Sacramento Region, thus the number of units necessary to allow an affordable housing development project to achieve economies of scale is much smaller than that of surrounding urbanized areas.

The primary concern of affordable housing developers when choosing project sites in Lake County are concerned less with density of a potential site and more with closeness of the location to established communities and access to basic infrastructure such as water and sewer. All sites identified within the County's inventory of lands suitable for very low- and low-income affordable housing, including designated MDR sites, are already served by, or located directly adjacent to public water and sewer services. In addition to lower land costs, development permitting fees in Lake County tend to be significantly less than surrounding urban areas. This includes construction permitting fees as well as costs associated with securing other necessary entitlements.

Other important considerations taken into account by affordable housing developers is sites located above, or containing developable area above the 100-year floodplain. A vast majority of affordable housing developments are dependent upon grants or other sources of outside funding from public, non-profit and private sources, who condition the prohibition of development within floodplains. Although some of the sites listed in the very low- and low-income housing inventory (Table 2-6) contain portions of the parcels

within the 100-year floodplain, Community Development Staff was very thorough in excluding these areas from development potential estimates. All sites within the listed inventory contain adequate land outside of constrained areas, whether constrained by slope or flood plain, to meet the development projection estimates provided.

According to Linda Hedstrom, Housing and Economic Development Manager with California Human Development Corporation out of Santa Rosa, CA, the recent trend in affordable housing development in Northern California is to pursue smaller affordable housing projects where feasible. First off, smaller developments, such as a single four-plex unit is more consistent with local, state and federal objectives aimed at scattering affordable housing within a community rather than concentrating it all in one location. Secondly, the development of smaller projects allows for substantial cost savings in areas such as engineering and larger necessary costs associated with compliance with State building code requirements for structures of more than two-stories in height. In many locations throughout Northern California these cost savings are often outweighed by the need to intensify density on a site to allow for cost recovery of high land costs. Substantially lower land costs make the density allowance of a site in Lake County a lower order concern, making MDR designated sites no less desirable than HDR designated sites.

Table 2-6 includes 14 sites designated Medium Density Residential that are earmarked for low income housing development. The majority of these sites can easily accommodate 20 units or more without reaching maximum density. In fact, the estimated yields for the larger sites listed were under-estimated at approximately 60% of maximum potential density (without including density bonuses). Also, only net parcel size was used even though density is based upon gross parcel size which includes half-width of road frontages and open space areas. Even with these lower yield estimates, these sites can accommodate 950 low income households or nearly 50% more than is needed according to the 2008 Regional Housing Needs Plan. In addition, the County encourages clustering of development and allows density transfers within parcels to accommodate more concentrated housing developments. When affordable housing projects occur on large parcels, the density can simply be used on a small portion of the parcel and the remaining property retained by the original owner or even transferred via a boundary line adjustment. This clustering of development assures that site development and infrastructure expenses remain reasonable.

None of the affordable housing development projects that have been constructed or approved/pending construction in Lake County over the past 20 years have exceeded 50 units. This is not a result of density restrictions or site availability, but is reflective of the capacity of the organizations that construct and manage low and very low income housing projects to fund and manage these projects. Eleven (11) out of the fourteen (14) MDR designated sites listed in Table 2-6 can accommodate a project the size of the Eskaton Senior Housing 22-unit project, recently constructed in Clearlake Oaks. A development such as the recently approved 50-unit Collier Avenue project in Nice could be accommodated on four (4) of these listed MDR sites without applying density bonuses, and if a 35% density bonus were applied a total of seven (7) of these listed

sites could accommodate such a project. It is also worth noting that the MDR designation can provide additional flexibility for allowing self-help owner-built and occupied housing projects.

Program HE-66 includes a requirement that the County shall allow density bonuses of up to 35% on the MDR and HDR designated sites listed in Table 2-6 that have been determined to be appropriate for low and very low income housing development. This will increase the density of the MDR sites to 12 DU/acre. This program, coupled with the ability to work with developers beginning with the Pre-application Development Review process, will allow the County to continue to help assure that creative solutions are found for any potential density constraints associated with the 14 MDR sites deemed suitable for low- and very low-income housing development. Through the years Lake County has demonstrated its support for affordable housing projects by approving several projects that were not even designated as affordable housing sites at the time, by quickly amending the land use and zoning maps to accommodate the proposed projects. Additionally, the Community Development Department continues to use its discretion to reduce parking standards and other regulatory constraints for affordable housing projects at the Department level.

All proposed sites were reviewed through the GIS system for constraints such as flood zones, conflicting zoning and land use designations, substantial existing development, oak woodlands, etc. and cross checked with other Community Development records for permits. All sites not meeting the threshold for feasible development were eliminated. Potential yield was then adjusted accordingly. All potential sites were field verified by Community Development staff that the Departments information was accurate and the development potential exists.

### **Inventory of Vacant and Underdeveloped Sites – Medium/High Density Designations**

Due to a lack of available GIS data for various service and environmental constraints such as water and sewer service availability, road access, and excessive slope, the County conducted a more thorough analysis of the county's medium and high density sites that could accommodate affordable housing units (see Table 2.6 Vacant and Underutilized Land Inventory for a complete list of available sites). Maps of these sites can be found in Section 2.4, Vacant/Underutilized Land Maps, of this report. The county has a total capacity for 2,025 medium and high density units in the communities of Clearlake Oaks, Kelseyville, Lower Lake, Middletown, Nice, North Lakeport and Upper Lake, as shown in Table 2-4 below. Of the 2,025 units, there is a capacity of 850 low income units and 1,175 very low income units, demonstrating that the number of sites available in unincorporated Lake County exceeds the Regional Housing Needs Allocation projections as shown in Table 2-1 for the planning period.