

APPENDIX 5

2009-2014 Housing Element CITY OF NEVADA CITY

Italicized text constitutes the City's responses to HCD Findings

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).*

The City has a regional housing need of 131 housing units, of which 49 are for lower-income households. To address this need, the element relies on vacant and underdeveloped sites, capacity for second units, and candidate sites for rezoning to a new R3 district. However, to demonstrate the adequacy of these sites and strategies to accommodate the City's regional housing need, the element must include analyses, as follows:

Non-Vacant Sites: The element lists some non-vacant sites with existing residential units (Tables 4.00-1 through 4.00-4) but does not analyze the extent to which existing uses may impede additional residential development within the planning period. For example, the element could describe structural conditions or other circumstances and trends demonstrating the potential to redevelop to more intense residential uses.

City Response

- *Exhibit A includes revisions to "Vacant R2 zoned sites" in Table 4.00-1. All vacant R2 zoned sites have all been eliminated since none of the sites could yield 16 units.*
- *The "Under-utilized R2 zoned sites" (non-vacant) in Table 4.00-1 have been revised to remove all map location sites except for location 1.*
 - *These sites are too small and existing single family dwellings on these three sites may preclude re-use or redevelopment.*
 - *Site 7 is also removed because it is one of the City's designated R3 sites.*
 - *These changes would result in the potential for 18 multiple family units on the remaining site at map location 1*
- *The existing single family home on map location site 1 would not result in impediments to additional development. The home is an older residence and there is adequate land area to add additional development with or without removal of the existing dwelling. Site 1 is a classic infill site that is bordered on three sides with more intense/dense residential development.*
- *In the current economy and the relative buildout of the historic town, redevelopment of existing properties where land costs have already been absorbed, can be viable for development of multiple family residences. There appear to be some new trends emerging with re-use of existing non-vacant sites as follows:*
 - *The recently approved Gracie Commons project (annexation, general plan amendment, rezone, tentative map) is one that resulted in site redevelopment. A barn in very good structural condition is proposed to be converted into four residential condominiums as part of a 16 unit mixed residential development project.*
 - *A pre-application review of a clustered project at 315 Clay Street would utilize an existing single family dwelling and add three new ones.*

- *The owner of 646 Searls Avenue has been selected as a candidate site for the new R3 zone. The site is currently developed with a single-family dwelling. Preliminary plans by the owner include retention of the existing single-family home and the addition of up to 15 additional multiple family dwellings.*

Realistic Capacity: The element does not address this requirement. It must estimate the number of units that can be accommodated on each site in the inventory. The element should describe the methodology for determining capacity including any adjustments to account for the imposition of land-use controls and site improvements. The City could utilize typically built densities to assist in addressing this requirement. In estimating residential capacity of non-vacant sites, the methodology must account for the extent to which existing uses impede development in the planning period. Projected residential development capacity should not, for example, assume all non-vacant sites will redevelop in the planning period.

City Response

- *See Exhibit A which explains “realistic capacity” in revisions to Section 4.15, Site Inventory.*
- *Exhibit A provides a further explanation that addresses the extent to which existing uses impede development in the planning period and will be added to Section 4.15, Site Inventory.*

2. *Analyze potential and actual governmental constraints upon the maintenance, improvement, and development of housing for all income levels, including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures (Section 65583(a)(5)).*

Land-Use Controls: The element identifies various residential development standards (page 5-3), then generally concludes the standards are not a constraint. However, the element must include an analysis of their potential impacts on the cost and supply of housing. This analysis is particularly important since the element indicates some development standards could impede the ability to achieve maximum densities (page 5-2). The element should include programs as appropriate to address and remove or modify identified constraints. See the *Building Blocks*' website at http://www.hcd.ca.gov/hpd/housing_element2/CON_landuse.php.

City Response

- *Additional analysis of residential development standards and standards that may impede development of maximum densities.*

There are no standards that regularly impede the ability for R2 zoned properties to achieve the maximum densities allowed in the zone. It appears that the HCD comment mistakenly relies on the following statement on page 5-2 for that contention: “Some development standards applicable to the R2 zone could impede attaining maximum development for a higher density multiple family zone, however. These development standards include parking lot landscaping, maximum impervious lot coverage, parking spaces and possibly building setback standards. These site development standards would need to be evaluated when establishing the new R3 zone.”

In order to clarify that statement, the following discussion will be added to Section 5.05, Land Use Controls (See Exhibit B): “As noted above, the R3 zone will include its own set of development standards that would facilitate the development of multiple family dwellings at a

density of a minimum 16 units per acre (See Program 25 in Section 6).”

Exhibit B also includes a more detailed evaluation of how the City’s various residential zones accommodate development to the maximum density.

- *Section 5.05, Land Use Controls (Exhibit B) indicates that none of the City’s development standards reflected in the individual zoning districts unnecessarily impedes or constrains a landowner’s ability to develop his/her land to achieve maximum density. To the extent that they could due to site constraints, variances and PD development can overcome them such that maximum use can be achieved.*

Inclusionary Housing: While the housing element describes Nevada City’s inclusionary ordinance, it must include an analysis of the ordinance for impacts on the cost and supply of housing. For example, the element should include a complete description and analysis of the types of incentives available to encourage and facilitate compliance with inclusionary requirements and what options are available for developers to meet the requirements.

City Response

- *The primary incentive for a subdivision to include inclusionary housing requirements is the right to develop one’s land. Approval cannot be achieved unless inclusionary requirements are met. The inclusionary standards are required by City ordinance and are only applied to ownership projects developed pursuant to the State Subdivision Map Act.*
- *City-wide incentives as provided below are applicable to every project including those with inclusionary requirements.*
 - *Existing sewer and water service to all parcels in the City*
 - *Established road system that rarely requires on-site or off-site improvements.*
 - *Lower administrative processing fees than surrounding jurisdictions (See Section 5.30)*
 - *Mitigation fees based on 1990 cost levels (Section 5.35)*
 - *Comparatively lower water connection fees as follows (Section 5.35) (See Exhibit C, Revision and Addition of Tables 5.00-7, Mitigation Fees)*
 - *Comparatively lower sewer connection fees as follows (Section 5.35) (See Exhibit C, Revision and Addition of Tables 5.00-7, Mitigation Fees)*
 - *Density Bonus provisions (See Program 37, Section 6)*
- *Programs 5 and 6 in Section 6 include various inclusionary programs applicable to subdivisions providing housing for individual ownership.*
- *Section 5 of the Housing Element addresses Constraints on housing. Nevada City’s development standards, administrative fees, mitigation fees and water and sewer connection fees are low by comparison to other cities in the immediate region. For a small City, Nevada City generally provides full services in the form of water, sewer and roads to all lands within the City limits (See Sections 5.15, 5.20 and 5.25 and Appendix 1 and 2 in the General Plan Background Data Report). It is rare for any project to require line extensions in order to develop other than for individual connections (water, sewer, site driveways, etc).*
- *Table 5.00-7 is incorrect and gives an inflated cost for water and sewer connection fees for an individual multiple-family unit. This table has been corrected to eliminate the misleading multiple family total (See Exhibit C). That total was intended to reflect the total connection fees for a per unit fee amount rather than for a four-plex .*

Processing and Permit Procedures: The element generally discusses required permits, permit processing times and indicates multifamily is subject to design and discretionary review (pages 5-12 to 5-14). However, the element must specifically describe and analyze the level of discretionary action required and address decision-making criteria,

such as approval findings, particularly for multifamily, for impacts on approval certainty. The analysis should also address design review procedures and guidelines, including identifying standards and guidelines and analyzing the impact on housing costs and approval certainty. See the sample analysis on the *Building Blocks*' website at http://www.hcd.ca.gov/hpd/housing_element2/CON_permits.php.

City Response

- *Multiple family decision making criteria*

Generally, all multiple family residential projects proposed in the R2 zone require discretionary review. Each such project requires a Site Plan and review by the Planning Commission. Section 17.88.010 of the City Zoning Code identifies the content requirements for filing a site plan. All such information is needed to demonstrate conformance with the site development requirements to the zoning ordinance. Generally, those requirements are presented in Tables 5.00-1 and 5.00-2. Additional standards are specifically required for parking design and landscaping. It is noted, that the City does not require covered parking for multiple family dwellings. The absence of covered parking requirement is a major cost reduction incentive toward the provision of affordable housing. This has assisted the development of the 18 unit Nevada City Cottages multiple family rental project (See Appendix 2) during the last planning period.

Once completed and after environmental review is completed, the Site Plan along with design review is presented to the Planning Commission at a duly noticed public hearing. In most cases site plan and design review approval is accomplished in one meeting. The approval standards for Site Plan review are "to assure that the requirements of this title and the general plan are complied with in a manner that will not substantially depreciate property values in the vicinity, or unreasonably interfere with the lawful use and enjoyment of other properties in the vicinity, or endanger the public health, safety and welfare." Architectural review conducted by the Planning Commission is limited to the standards included in Section 17.88.040 of the zoning code and the City's September 18, 1995, Design Review Guidelines. These standards make it very clear as to the type of design projects are expected to meet.

In reviewing multiple family residential projects, the City Planning Commission is directed to "...review each application on its own merit and in the context of the neighborhood...where no existing neighborhood sets the tone for the architectural style, the architecture shall be reviewed for general compatibility shall be reviewed for general compatibility with Nevada City's style of architecture...modern building materials can be used ...outside the historical district...Generally, Nevada City architecture is characterized by many of the design features of the Mother Lode era: steep roofs with pitches between 6:12 and 12:12, overhanging roofs with gable ends, covered porches and entries, multi-pane, vertical and bay windows, and the use of horizontal painted rustic siding..."

Site plan review is based on the city's adopted development standards, any mitigation measures resulting from the environmental review process and the Design Review Guidelines.

Housing for Persons with Disabilities: While the element describes the City accommodates requests for retrofits and requirements for group homes (page 5-14), it must include a complete analysis of potential constraints on the development, maintenance, and improvement of housing for persons with disabilities. 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 should be analyzed include: (1) any definitions of family in the zoning code; (2) spacing or concentration requirements; and, (3) whether

the City has an adopted reasonable accommodation policy or procedure for providing exception in zoning and land-use. Refer to the Department's memo and the *Building Blocks'* sample analysis at http://www.hcd.ca.gov/hpd/housing_element2/CON_disabilities.php.

City Response

- *Analysis of potential constraints on the development, maintenance and improvement of housing for disabled persons.*

An expanded analysis is included in Section 5.50. See attached Exhibit D.-

- *The definition of family will be amended to conform to Fair Housing Law by removing the number/cap of unrelated individuals living together as one housekeeping unit (See Program 16 in Section 6).*
- *The City does not have any spacing or concentration requirements that would limit the development of housing for disabled persons.*
- *The City does not have a reasonable accommodation policy or procedure for providing exceptions to overcome housing barriers for persons with disabilities to zoning and land use standards, but will work with FREED to address it as part of Program 13 in Section 6.*

3. *Analyze any special housing needs, such as those of families and persons in need of emergency shelter (Section 65583(a)(7)).*

Homelessness: The element notes a recent count of homeless and includes preliminary results for Western Nevada County (page 3-27). However, the element must include an estimate of homeless needs in Nevada City. The City could utilize information from organizations listed in the element such as Hospitality House, Nevada County Human Services, and Odyssey House. The analysis should estimate the number and type of existing shelter beds and assess the degree of unmet homeless needs. Refer to the sample analyses on the *Building Blocks'* website at http://www.hcd.ca.gov/hpd/housing_element2/SHN_shelters.php.

City Response

- *An extensive effort was undertaken to interview Cindy Maple, Executive Director of Hospitality House in developing the draft Housing Element. She operates the only homeless shelter program of any kind east of Roseville. A complete discussion was provided in Sections 3.55. In responding to HCD's comments, a second interview was conducted with Cindy Maple on May 28, 2009. Ms. Maple confirmed that a homeless survey was conducted on January 23, 2009, and that due to staffing shortages and time constraints that survey has not been completed as of this date. She also indicated the survey would not result in determining how many people are homeless in Nevada City or any other jurisdiction for that matter.*
- *There is not an accurate method to estimate of the number of homeless individuals in Nevada City. Nevada City is not a large city that lends itself to being defined as a single social environment. Nevada City and Grass Valley share a larger region with a variety of communities and large neighborhoods in western Nevada County. Due to proximity, Nevada City, Grass Valley and the surrounding area operate as one when it comes to social services. The two cities are relatively close to one another, public transportation between the two towns is regular. As a result, homeless individuals are able to easily move back and forth depending on their need. As an example, most of the social services offered by the*

County are provide in the County seat of Nevada City. Hospitality House provides a welcome center for homeless people and is located in Grass Valley. During the winter season they provide a nomadic shelter through various faith based organization, of which a few are based in Nevada City. The program is very structured. Each individual wanting access to nightly services must arrive at the Welcome center. All individuals are alcohol; and drug screened before they may receive services.

- Both communities have a variety of short and mid-term transitional housing facilities that meet a wider range of social needs, many including the homeless. A homeless person must first be found to have another need (substance abuse, domestic violence, mental health problems or are in crisis for a variety of different reasons).
- Hospitality House has filed for \$200,000 grant to extend by two months the amount of time that seasonal guest services are provided. Hospitality House is the only homeless shelter program provided east of Roseville. As a result, it is not unusual for homeless individuals to migrate to Hospitality House when the season nomadic shelter is open for overnight guests.
- *Transitional facilities*
The Behavioral Health Department reports that Odyssey House is a 10-bed mental health treatment facility operated as a residential transitional facility. Guests normally stay and receive treatment for approximately two months, but some are housed for longer periods of time up to one year or more. Since there is a high incidence of mental health with people of little financial means, it's not unusual for homeless individuals to receive care at Odyssey House. As a county program, individuals throughout the county are treated at this facility as an alternative to hospitalization.

The County Behavioral Health Department also owns operates another transitional residential care facility in Nevada City. The Progress House is a 19 bed facility whose purpose is to treat those individual with substance abuse additions. Progress House is operated by an outside provider that is funded by Behavioral Health. There are several Progress Houses in the region, all of which have the same mission. All of the Progress House facilities can accept guests from other counties. Guests are expected to fund their treatment. The county will provide funding for those indigent and/or homeless individuals if they are county residents.

- *Homeless estimate*
As a means of identifying the number of homeless individuals in Nevada City, Lou Trovato, City Police Chief provided an estimated homeless count based on actual police contacts with homeless individuals. All such contacts are accounted for in police records. Some result in arrests, others are non-arrest that may result in the provision of assistance. Based on official contact records, Chief Trovato projects that at any time there are approximately five to seven permanent homeless individuals in the City. This count is based on frequent and repeated interaction with these individuals. He also indicated that due to Nevada City's role as the county seat (courts, jail, etc.) and a variety of other reasons, there could be an unknown number of transient individuals who do not stay long or are just passing through.
- *Conclusion:*
 - Nevada City and Grass Valley largely function as one social environment, neither of which can be fully isolated from the other.
 - There are two transitional housing facilities in Nevada City that provide services to individuals who might be homeless and there are several other such facilities in the Grass Valley area
 - At any one time, there are an estimated five to seven homeless individuals who are associated with Nevada City
 - There are numerous large single family homes in Nevada City that would make ideal transitional or supportive housing units.

4. *Analyze the opportunities for energy conservation with respect to residential development (Section 65583(a)(8)).*

While the element includes Program 39 to adopt a sustainability ordinance, including green building techniques, the City could also consider adopting measures to facilitate complying with the ordinance. For example, Program 39 could commit to identify incentives and funding to assist with green building or could assign a point of contact or other technical assistance to facilitate meeting green building requirements. Program 39 should also be revised to address energy conservation opportunities for the existing housing stock, such as promoting the various programs listed (page 3-33) and facilitating retrofits upon resale of homes. Additional information on potential programs to address energy conservation objectives is available in the *Building Blocks*' technical assistance tool at http://www.hcd.ca.gov/hpd/housing_element2/SIA_conservation.php and the Department's *Green Building and Sustainability Resources* bibliography at http://www.hcd.ca.gov/hpd/green_build.pdf.

City Response

- *See revision to Section 3.70 attached as Exhibit E*
- *Nevada City has only one planner. Due to daily workload requirements it would be overwhelming at this time for the City Planner to develop expertise in energy conservation and green building. Fortunately, there are other knowledgeable resources available. Individuals can be referred to locally available expertise, which is becoming increasingly abundant.*
- *Nevada City is becoming one of the foremost leaders in community based energy efficiency. On October 22, 2008, the Nevada City Council adopted Resolution 2008-58 that recognizes the long term costs of continued reliance on petroleum and natural gas fuels. It further promotes projects that will reduce its dependence on oil, natural gas and other non-local energy sources. This resolution formed a task force that is charged with developing energy reliance strategies to be reviewed by the City and adopted where appropriate*
- *There are a number of local energy conservation organizations in Nevada County that have emerged over the past few years that provide public outreach, education and assistance to individuals wanting to build new or retrofit existing buildings. A new organization "APPLE (Alliance for Post Petroleum Local Economy) Center for Sustainable Living" will be opening in downtown Nevada City (one block from City Hall) in July 2009. This organization will have as its mission the goal of public outreach and education in all aspects of sustainable living, green building, energy conservation, etc. It will also make individuals aware of builders and suppliers having the needed expertise. Energy efficient appliance recommendations will also be available. The city will direct all inquiries to this non-profit community based organization. The City will make brochures and pamphlets available to all those expressing interest in various energy efficient and building sustainability concepts.*
- *The city permits roof mounted solar systems subject to administrative design review consistent with state law.*
- *According to Mali Dyck, executive director, the APPLE Center for Sustainable Living will partner with the City to prepare an AB 811 grant to acquire solar voltaic panels for city residents. AB 811 allows payments to be placed on the property tax bill. Other energy conservation partnerships will also be pursued.*
- *The City will also make such energy efficient and sustainable building information available in utility billings at least once per year.*
- *Program(s) 44 & 46 identifies incentives to provide energy efficiency and green building. It also recognizes the APPLE Center for Sustainable Living as the primary point of contact to assist with green building and energy efficient building opportunities*

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 the emergency shelters. 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)).*

As noted in finding A1, the element does not include a complete site analysis and may need to add or revise programs based on the outcomes of the analysis. In addition:

Adequate Sites: The element identifies a shortfall of sites to accommodate the City's housing needs for lower-income households (37 units) and an unaccommodated need of 39 units from the prior planning period for a total of 76 units for lower-income households. To address the shortfall and unaccommodated need, the element identifies several candidate sites (page 4-20) and Programs 18 and 19. Pursuant to Government Code Sections 65583(c)(1), and 65583.2(h) and (i), adequate sites programs must allow a minimum of 16 units per site and require a minimum density of 16 units per acre. Some identified sites allow less than 16 units per site and cannot be utilized toward the identified shortfall. Programs should also be revised to:

- include reference (i.e., parcel number) to actual sites being rezoned;
- add sites and capacity to address the total need for 76 units described above; and
- describe proposed development standards for the new R3 district to ensure standards will facilitate achieving maximum densities and encourage the development of housing for lower-income households.

City Response

Adequate sites for unaccommodated need of 39 units from prior planning period

- *The method for dealing with the identified 39 unit shortfall from the 2001-2008 planning period is included in Exhibit F. It is also noted that the City did not account for two mixed use apartments in its original count, so the deficit has been adjusted accordingly to 37 units.*

Adequate sites for lower-income households for 2009-2014 planning period

- *Revised Table 4.00-4 provides a list of sites (including Assessor parcel numbers and/or addresses that the City Council intends to rezone to R3 (Exhibit G).*
 - *These sites could accommodate up to 75 dwelling units depending on the amount of acreage to be zoned. This unit count would also provide a comfortable surplus as recommended by HCD (See Program 26, Section 6).*
- *Together with the 12 second units allocated to the 2009-2014 planning period there are more than enough adequate sites to meet the default needs for VL and L income households (See Program 23, Section 6)..*

Summary Default multiple family residential development standards.

- *The City will enact a new general plan land use designation and zoning district to accommodate a minimum density of 16 units per acre to satisfy the default density required by Section 65583.2(h) and (i) (See Program 25, Section 6)*
- *Minimum density of 16 dwelling units per acre*

- *Use Permit requirement for any project that generates less than 16 dwelling units per acre*
- *Unit sizes and mixture of sizes as follows: Each multiple family development project developed in accordance with this chapter shall include a mixture of unit types including at least one Studio and/or one bedroom unit, two bedroom units and three or more bedroom units.*
- *Site development and basic architectural standards included in R3 zone district*
- *Ministerial approval process subject to building, sign, landscape and lighting design review by the Architectural Review Committee (Planning Commission)*
- *Specific site development and other standards applicable to each property to be rezoned*

Program 7 (Emergency Shelters and Transitional and Supportive Housing): *For emergency shelters*, the program proposes to amend the Light Industrial zone to permit emergency shelters by-right. However, the element should clarify “by right” is consistent with Chapter 633, Statutes of 2007 (SB 2), to permit shelters without discretionary action. The program should also commit to only subject shelters to the same development and management standards that apply to other allowed uses within the identified zone. *For transitional and supportive housing*, the Program appears to limit transitional and supportive housing to the Light Industrial and Public-Quasi Public zones. Transitional and supportive housing are unique and separate uses from emergency shelters. Pursuant to SB 2, the program should be revised to amend zoning to permit supportive and transitional housing as residential uses and only subject to those restrictions that apply to other residential uses of the same type in the same zone.

City Response

Emergency Shelters

- *The City will amend its program to allow emergency shelters in the LI zone to clarify that it will be in conformance with SB2 and in particular the “by right” provisions. (See Program 8, Section 6)*

Transitional and Supportive housing

- *Nevada City currently has two transitional homes within its borders. Progress House is a 19 bed facility that provides services and treatment to individuals who are undergoing substance abuse treatment, many of whom can be homeless. This program is funded by the Nevada County Behavioral Services Department. Odyssey House provides mental health treatment for up to 10 individuals, many of whom can be homeless. This program is also funded by Nevada County Behavioral Health Department.*
- *Transitional Housing and Supportive housing to meet longer term housing need of homeless individuals shall be accommodated in al residential zones as a use by right in accordance with section 65583(a)(5) of the Government Code (Program 8, Section 6).*

Second Units: Since Nevada City relies on second units to accommodate its housing needs for lower-income households, the element should include a program to monitor the affordability of second units.

City Response

- *On an annual basis, the City will query the local property management businesses to verify rental rates for second dwellings within the City of Nevada City. Program 24 has been added to Section 6.*

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 65583(c)(2)).*

The element must include specific actions to assist in the development of housing for lower-income households. The element contains Program 1 (Pursue Funding for Rehabilitation and First-time Homebuyers) and Program 30 (Density Bonus). However, the element should include additional actions to assist in the development of housing for lower income households, including renter households. For example, the element should include programs to describe when and how often the City will initiate contact with developers and list subsequent steps Nevada City will take to facilitate development of rental housing. See the Department's *Financial Assistance Program Directory* at http://www.hcd.ca.gov/fa/LG_program_directory.pdf. Additional program actions could include priority processing, promoting the density bonus ordinance and fee deferrals or waivers.

In addition, pursuant to Chapter 891, Statutes of 2006 (AB 2634), existing programs should either be revised 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 target 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 single-room occupancy (SRO) units, which address the needs of this income group. For example, Program 3 could be revised to describe how and when the City will encourage and provide financial incentives to facilitate SRO developments.

City Response

- *Nevada City is cautious about over-extending or over-committing to actively participate in housing assistance programs when there is very little demand from builders. It has a very limited staff with one city planner whose everyday duties are all consuming. When such inquiries surface, individuals are referred to the Nevada County Department of Social Services and the Nevada County Housing Development Corporation.*
 - *Nevada City staff is available to meet with and assist non-profit and market rate builders to assist in expediting the permit process (See Program 18, Section 6).*
 - *The City has added Program 2 to Section 6 committing assistance and support for the adoption of City resolutions and other forms of support for affordable housing developments.*
 - *For individuals requesting first time home mortgage assistance, individuals are referred to local mortgage companies who specialize in first time and lower income household financing.*
 - *The City has a history of expeditious processing of conversions of existing motels into Single Room Occupancy (SRO) units. As an example the request by Northern Queen motel to convert 40 motel rooms into 25 senior units was handled in less than three months. While Use Permits are required, all such conversions are exempt from environmental review. (See Program 4, Section 6)*
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 A2, the element requires analysis of potential governmental constraints. Depending upon the results of that analysis, the City may need to add or revise programs and address and remove or mitigate any identified constraints.

City Response

- *After additional explanation to item A2 above, there aren't any additional new programs needed to eliminate or remove governmental constraints.*
- *As noted throughout, Nevada City's infrastructure is available to all parcels such that new development is rarely required to make any improvements. It's administrative, mitigation and connection fees are the lowest of all small cities in the immediate region.*