

SECTION 7.00

QUANTIFIED OBJECTIVES

7.00 INTRODUCTION

This section projects the quantified objectives while recognizing severe, broad-based, economic factors that may continue through the planning period. All of these factors are beyond the control of the City. To illustrate this point, there were 164 dwelling units approved or constructed during the 2001-2008 planning period. This constituted 82 percent of the Regional Housing Needs Allocation (RHNA). During this time there were a total of 91 units constructed or 46 percent of RHNA allocation. It would be hard to imagine that even though the 2009-2014 housing allocation is reduced that the City will increase the percentage of dwelling unit approvals or construction. This is largely because the cost of new construction dramatically exceeds the sales price of existing homes. Due to the economy, this situation will not be reversed in the near future.

In accordance with Section 6, Goals, Objectives, Policies and Programs, the City is committed to expanding its land use planning program as a major component of this Housing Element update. The program improvements realized now during a down economy will position landowners to pursue market rate building activities to construct new dwellings while rehabilitating the existing housing stock.

7.05 ISSUES AND TRENDS

The following is a summary of housing trends in Nevada City:

- Over the last Housing Element period, the Nevada City Housing Program was effective in meeting a portion of its identified RHNA goals, in the Very Low, Low and Moderate income categories. The number of units (approved and constructed) in the Above Moderate category exceeded the allocation.
- During the 2001-2008 planning period, 91 new units were constructed in the City, 16 were rated as affordable to the low-income category, 12 in the moderate income category, and 63 in the above-moderate income category.
- With a viable General Plan and consistent zoning, the City has available housing to accommodate its fair share of the regional growth projections beyond this planning period.
- Currently, there are an estimated 1,414 households in Nevada City. Over the next five years, according to the State Department of Finance, this number is projected to increase by 27 households to 1,441 (based on a projected 55 new people [Table 3.00-3] and a 2.04 [Table 3.00-8] average household size). This growth projection appears to be at odds with the RHNA housing allocation needs.
- According to the 2000 Census, 31.3 percent of households were in overpayment situations. The median sales price for single-family homes (five units) sold for \$260,785 between 2006 and 2008. For condominiums (nine units) the median sales price was \$355,000.

- A new 1,600 square foot home would cost a total of \$303,807 (Table 5.00-9) without factoring in land costs. A newly developed lot could cost approximately \$14.00/sq. ft. or about \$180,000 for a .3 acre (18,300 sq. ft.) lot.
- Currently, 87 percent of the Nevada City's housing stock is in good condition, 9 percent is in need of some sort of rehabilitation, and less than 1 percent was found to be dilapidated (Table 3.00-21).
- There are no known apartment complexes that are at risk of being sold or converted to ownership. There are only five Section 8 vouchers in Nevada City.
- There are two mobilehome/trailer parks in Nevada City. Neither is known to be at risk for converting to ownership or an alternative land use.
- There are no limitations with the City's wastewater treatment system or its water supply system. All collectors and arterial roads within the City operate at a high level of service. Infill projects within the City rarely have to perform any road or street frontage improvements.

7.10 GOALS AND QUANTIFIED OBJECTIVES

The goals, objectives, and programs of the 2003 City of Nevada City Housing Element focused on addressing inclusionary housing policies and programs. The current update focuses on adequate site issues, particularly the adoption of the R3, High Density Multiple family Residential zone. It will also strive to obtain a variety of grants to assist with home rehabilitation and first time home buyers. In addition, assistance will be provided to non-profit builders seeking to develop multiple family projects.

Due to the economic and credit crisis, the quantified new construction objectives in this update reflect lower numbers than the Sierra Planning Organization RHNA housing allocation. While the quantified objectives are lower, the City will accommodate its adequate sites requirements based on the RHNA allocation for each income group. There are no policy or program features in the Housing Element that would interfere with the attainment of the RHNA allocation.

The City of Nevada City has nine broad housing priorities:

1. Assist in the development of housing opportunities and accessibility for all economic levels in the City through an expanded land use planning program.
2. Remove constraints that hinder the production of affordable housing projects through the adoption and zoning of adequate sites for the Very Low and Low income categories through the new R3, High Density Multiple Family Residential (15 units per acre) zone.

3. Provide and maintain an adequate supply of sites for the development of housing for all income categories.
4. Preserve, rehabilitate and enhance existing housing and neighborhoods through the attainment of housing rehabilitation grants, the City's architectural review standards and code enforcement program.
5. Ensure that housing and programs are available without discrimination on the basis of race, color, religion, sex, national origin, ancestry, marital status, age, household composition or size, or any other arbitrary factor.
6. Encourage and enhance intergovernmental, public, and private coordination and cooperation to achieve an adequate supply of housing for all residents of the community.
7. Over the next planning period, it is the City's goal to see 90 new units, approved and/or constructed, of which 25 will be for very-low and low-income households. In addition, through the Community Development Block Grant (CDBG) housing rehabilitation program, the goal is to help 5 low income families fix-up their homes over the course of the planning period. It is expected that 10 additional units will have some rehabilitation done through private funding. Given more favorable market conditions, this projection could be much more optimistic.
8. Carefully monitor the on-going viability of the two mobilehome/trailer parks to ensure this source of affordable ownership housing.
9. Utilize fee waivers as the City's financial contribution to affordability for new second units and possibly other new units with recordation of a 30-year affordability deed restriction for Low and below households.

7.15 NEW CONSTRUCTION, REHABILITATION AND CONSERVATION

New Construction Table 4.00-1 reflects a total of 86.53 acres of vacant and under-utilized land currently zoned residential (RR, R1 and R2) in Nevada City. These lands could accommodate up to 240 new housing units, well in excess of the 131 units specified by the City's current Regional Housing Needs Assessment for the 2009-2014 Housing Element period. Together these lands will generally fulfill the four primary income categories. Together with the newly amended second unit ordinance, the new R3 zone and the rezoning of appropriate sites, the City will ensure that there will be adequate sites for both Very Low and Low income households. The possible conversion of existing motel units may provide housing opportunities for Extremely Low income persons and/or seniors. The City will also lend its assistance and support for non-profit builders with housing grant applications through HCD.

Rehabilitation With an adopted Housing Element, the City will pursue housing rehabilitation grants to assist homeowners with weatherization, home improvement and to improve accessibility for

disabled residents. Over the years, private funds have been and will continue to be used to rehabilitate and improve the older housing stock.

Conservation Conservation of the housing stock is very important to Nevada City. In addition to monitoring the continued viability of the two mobilehome/trailer parks, the City relies on its anti-demolition ordinance to ensure that older and smaller residences are retained and rehabilitated when possible. There are no subsidized housing developments that are at risk of conversion, although there is one sweat equity project built in the late 1980's. This project was developed on Perseverance Mine Court and contains 12 single family homes. Each home required the owner to participate in the construction of the 12 homes in exchange for a zero down payment. Each unit contains a deed restriction precluding re-sale to only qualified buyers within HUD's Median Family household category.

**TABLE 7.1
QUANTIFIED OBJECTIVES**

Income Category	New Construction	Rehabilitation	Conservation/ Preservation
Extremely Low	0	0	10 ³
Very-Low	10	0	10 ³
Low	15	5 ¹	26 ³
Moderate	20	5 ²	12
Above Moderate	45	5 ²	
TOTALS	90	15	48

¹ Through CDBG funding

² Market based rehabilitation

³ Existing mobile homes in established mobilehome/trailer parks