

4.1 Introduction

State Housing Law (Government Code Section 65580 et seq.) requires an assessment of housing needs and an inventory of resources and constraints relevant to meeting those needs. This report is an update of the Housing Element previously adopted in 1995.

The assessment and inventory must include all of the following:

- Analysis of population and employment trends and documentation of projections and a quantification of the locality's existing and projected housing needs for all income levels. Such existing and projected needs shall include the locality's share of the regional housing need in accordance with Government Code Section 65584.
- Analysis of any special housing needs, such as those of the seniors, persons with disabilities, large households, single-headed households, farmworkers, and the homeless.
- Analysis and documentation of household characteristics, including level of payment compared to ability to pay, housing characteristics, including overcrowding, and housing stock condition.
- An inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment, and an analysis of the relationship of zoning, public facilities, and public services to these sites.
- Analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including land use controls, building codes and their enforcement, site improvements, fees and other exaction's required of developers, and local processing and permit procedures.
- Analysis of potential and actual non-governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the availability of financing, the price of land, and the cost of construction.
- Analysis of opportunities for energy conservation with respect to residential development.

The Background Report of the Housing Element identifies the nature and extent of the County's housing needs, which in turn provides the basis for the County's response to those needs in the Policy Document. In addition to identifying housing needs, the Background Report presents information on the setting in which the needs occur, which provides an understanding of the community and facilitates planning for housing.

METHODS

Background information for the Lake County Housing Element was obtained from U.S. Census Reports, State Employment Development Department (EDD), U.S. Social Security Administration, California Department of Finance (DOF), Lake County Housing Conditions Survey (2002), Lake County Special Housing Needs Assessment (2002), Lake County Regional Housing Needs Plan (2002), Lake County Comprehensive Economic Development Strategy (1999), and Lake County staff.

KEY TERMS

Dwelling Unit. One or more rooms, designed, occupied or intended for occupancy as separate living quarters, with cooking, sleeping, and sanitary facilities provided within the unit for the exclusive use of a single family maintaining a household.

Household. According to the census, a household is all persons living in a dwelling unit whether or not they are related. Both a single person living in an apartment and a family living in a house are considered households.

Income Categories. Four categories for classifying households according to income based on the median income for each County. The categories are very low (0-50% of County median), low (50-80% of County median), moderate (80-120% of County median), and upper (over 120% of County median).

Median Income. The annual income for each household size that is defined annually by the Federal Department of Housing and Urban Development. Half of the households in the region have incomes above the median and half are below.

Overcrowding. As defined by the census, a household with greater than 1.01 persons per room, excluding bathrooms, kitchens, hallways, and porches. Severely overcrowded households are those with greater than 1.51 persons per room.

Second Unit. An attached or detached residential unit on the same parcel or parcels as the primary unit that provides complete, independent living facilities for more than one or more persons.

Special Needs Groups. Those segments of the population that have a more difficult time finding decent affordable housing because of special circumstances. Under State planning law, the following special needs groups are required to be addressed in the Housing Element: elderly, handicapped, large families, female-headed households, farm workers, and the homeless.

4.2 Housing Needs Assessment

The existing (1995) Lake County Housing Element was an update to the Housing Element previously adopted in 1987, and updated in 1995. The analysis in the 1995 Housing Needs Assessment relied primarily upon 1990 U.S. Census data. The analysis in this Housing Element includes both 1990 Census data and newly released Census 2000 data. Along with Census data, this section also summarizes population, housing and employment data published by the California Department of Finance (DOF).

The data for Lake County are presented wherever possible alongside comparable data for the cities of Lakeport and Clearlake, the state of California, and in certain instances, surrounding counties. This facilitates an understanding of the County's characteristics by illustrating how the County is similar to, or differs from, the County's two incorporated cities, the surrounding counties, and the state in various aspects related to demographic characteristics and housing conditions and needs.

DEMOGRAPHIC AND EMPLOYMENT CHARACTERISTICS AND TRENDS

The purpose of this discussion is to establish the baseline population and employment characteristics for Lake County.

Table 4-1 documents the fairly rapid growth of Lake County over the last six decades. Between 1970 and 1980 the population nearly doubled, with another 39 percent increase occurring between 1980 and 1990. During those same two decades, California's population increased 18.6 percent and 25.7 percent respectively. This growth was the result of in-migration, particularly of retirees, rather than a natural increase due to birthrate. The County experienced a relatively low rate of growth between 1990 and 2000, an increase of just 15.2 percent, about equal to the overall state growth rate.

Table 4-1 Historic Population (Lake County and California)

Year	Lake County			California		
	Population	Population Change	Percent Change	Population	Population Change	Percent Change
1940	8,069	--	--	6,907,387	--	--
1950	11,481	3,412	42.3%	10,586,223	3,678,836	53.3%
1960	13,786	2,305	20.1%	15,717,204	5,130,981	48.5%
1970	19,548	5,762	41.8%	19,953,134	4,235,930	27.0%
1980	36,366	16,818	86.0%	23,667,902	3,714,768	18.6%
1990	50,631	14,265	39.2%	29,760,021	6,092,119	25.7%
2000	58,309	7,678	15.2%	33,871,648	4,111,627	15.8%

Source: U.S. Census Bureau

Table 4-2 (on the following page) compares Lake County with the cities of Lakeport and Clearlake, and California for the 1990 and 2000 U.S. Census for population, household, and housing unit growth.

Lake County experienced a 1.42 percent annual average population growth rate from 1990 to 2000, which is significantly higher than experienced by the cities of Lakeport (0.94 percent) and Clearlake (1.08 percent), and slightly higher than experienced by California (1.30 percent) as a whole. The total number of households and the number of housing units also increased at a slightly higher annual rate than was the case with California.

Lake County’s median age of 42.7 years in 2000 is also much higher than the California median of 33.3 years, and slightly higher than Lakeport’s median of 40.8 years and Clearlake’s 41.1 years.

Average household size is a function of the number of people living in households divided by the number of occupied housing units in a given area. In Lake County, the 2000 average household size was 2.39 persons, significantly lower than the statewide average of 2.87 persons, but higher than Lakeport’s average of 2.36 persons and Clearlake’s average of 2.19 persons. Average household size from 1990 to 2000 actually decreased slightly from 2.43 to 2.39, which was contrary to the state’s increase during that same time period.

This trend in decreasing household size in Lake County is likely attributable to the large number of retirees moving into Lake County.

Table 4-2 Population and Household Trends for Lake County, 1990-2000

	Lakeport			Clearlake			Lake County (Total)			California		
	1990	2000	Average Annual Growth Rate: 1990-2000	1990	2000	Average Annual Growth Rate: 1990-2000	1990	2000	Average Annual Growth Rate: 1990-2000	1990	2000	Average Annual Growth Rate: 1990-2000
Population	4,390	4,820	0.94%	11,804	13,142	1.08%	50,631	58,309	1.42%	29,760,021	33,871,648	1.30%
Median Age	-	40.8	-	-	41.1	-	-	42.7	-	-	33.3	-
Total Households	1,824	1,967	0.78%	5,179	5,532	.66%	20,805	23,974	1.43%	10,381,206	11,502,870	1.03%
Household Population	4,155	4,646	1.18%	11,736	13,023	1.05%	49,592	57,220	1.54%	29,008,161	33,051,894	1.31%
Group Quarters Population	235	174	-2.96%	68	119	5.76%	1,039	1,089	0.47%	751,860	819,754	0.87%
Persons Per Household	2.28	2.36	-	2.27	2.19	-0.36	2.43	2.39	-	2.79	2.87	-
Housing Units	2,145	2,394	1.10%	7,315	7,605	0.39%	28,822	32,528	1.22%	11,182,882	12,214,549	0.89%

Sources: 1990 U.S. Census (STF 1A); U.S. Census 2000, Table DP-1 Profile of General Demographic Characteristics: 2000

Table 4-3 compares 1990 and 2000 Census data for Lake County for a variety of demographic characteristics, including age distribution, sex, ethnicity, household type, and household tenure.

Between 1990 and 2000, the proportion of Lake County's population in the 45 to 54 age group grew most rapidly, increasing its share from 9.8 to 15.3 percent of the total. The group with the greatest decline in share of population was 65 to 74 year olds, which declined from 13.9 to 10.5 percent.

Females and males accounted for 50.6 percent and 49.4 percent, respectively, of the population in Lake County in 2000. These percentages changed only slightly from 1990.

In terms of race, 86.2 percent of the population was white in 2000, down slightly from 91.8 percent in 1990. Persons of Hispanic origin (an ethnic category independent of race) increased the most from 20.6 percent in 1990 to 32.7 percent in 2000.

The U.S. Census divides households into two different categories, depending on their composition. Family households are those that consist of two or more related persons living together. Non-family households include persons who live alone or in groups composed of unrelated individuals. As shown in Table 4-3, the share of family households and non-family households remained virtually the same between 1990 and 2000.

Table 4-3 Lake County Age, Sex, Race and Ethnicity, Household Type, and Housing Tenure, 1990-2000

	1990		2000	
	Number	Percent	Number	Percent
Age distribution				
Under 5	4,117	8.1%	3,074	5.3%
5-9	2,894	5.7%	3,966	6.8%
10-14	3,437	6.8%	4,467	7.7%
15-19	2,551	5.0%	3,749	6.4%
20-24	1,982	3.9%	2,309	4.0%
25-34	6,250	12.3%	5,342	9.2%
35-44	7,314	14.4%	8,405	14.4%
45-54	4,984	9.8%	8,904	15.3%
55-59	2,454	4.8%	3,567	6.1%
60-64	3,179	6.3%	3,167	5.4%
65-74	7,046	13.9%	6,102	10.5%
75-84	3,607	7.1%	4,075	7.0%
85+	819	1.6%	1,182	2.0%
Total	50,634	100.0%	58,309	100.0%
Median Age		-	42.7	-
Sex				
Male	24,780	48.9%	28,796	49.4%
Female	25,851	51.1%	29,513	50.6%
Race/ Ethnicity				
White	46,486	91.8%	50,289	86.2%
Black	933	1.8%	1,233	2.1%
Am. Indian	1,159	2.3%	1,772	3.0%
Asian or Pacific Islander	475	0.9%	575	1.0%
Other	1,578	3.1%	4,440	7.6%
Total	50,631	100.0%	58,309	100.0%
Hispanic	10,413	20.6%	19,084	32.7%
Household Type				
Families	14,257	64.5%	15,370	64.1%
Non-Families	7,861	35.5%	8,604	35.9%
Total	22,118	100.0%	23,974	100.0%
Household Tenure				
Owner	14,822	71.2%	16,914	70.6%
Renter	5,983	28.8%	7,060	29.4%
Total	20,805	100.0%	23,974	100.0%
Source: U.S. Census, 1990 and 2000				

Table 4-4 shows the DOF-estimated population and housing units for Lake County for each year from 1991 to 1999. The 1990 and 2000 data are actual U.S. Census results. While the DOF figures are estimates, the U.S. Census figures are based on actual population counts. As indicated in this table, Lake County has had a slow but steady increase in population since 1990, with a total increase of 7,945 between 1990 and 2000. This represents an annual average increase of 1.42 percent. The County has also experienced a similar pace in the growth of its housing stock during that same period.

Table 4-4 Department of Finance Yearly Estimates Lake County Population and Housing Units, 1990-2000

Year	Population			Housing Units		
	#	Change	% Change	#	Change	% Change
1990	50,634	-	-	28,822	-	-
1992	51,795	1,164	2.3%	29,474	652	2.3%
1992	53,032	1,237	2.4%	30,132	658	2.2%
1993	53,937	905	1.7%	30,695	563	1.9%
1994	54,529	592	1.1%	31,157	462	1.5%
1995	54,857	328	0.6%	31,442	285	0.9%
1996	55,007	150	0.3%	31,613	171	0.5%
1997	55,011	4	0.0%	31,745	132	0.4%
1998	55,085	74	0.1%	31,837	92	0.3%
1999	55,269	184	0.3%	31,910	73	0.2%
2000	55,691	422	0.8%	32,080	170	0.5%

Source: California Department of Finance (DOF), *City/County Population and Housing Estimates, 2000, 2000 U.S. Census*

Table 4-5 shows the distribution of households according to their 1999 incomes for Lake County and California. As the table shows, Lake County has a much lower income profile than California as a whole.

In 2000, Lake County had a median household income (\$29,627), which was \$17,866 less than the California median household income (\$47,493).

Table 4-5 Household Income Distribution for Lake County and California (2000)

	Lake County		California	
	Households	Percent	Households	Percent
Less Than \$5,000	3,521	14.7	967,089	8.4%
\$5,000-\$9,999	2,221	9.3	648,780	5.6%
\$10,000-\$14,999	4,438	18.5	1,318,246	11.5%
\$15,000-\$24,999	3,645	15.2	1,315,085	11.4%
\$25,000-\$34,999	3,780	15.8	1,745,961	15.2%
\$35,000-\$49,999	3,324	13.9	2,202,873	19.1%
\$50,000-\$74,999	1,747	7.3	1,326,569	11.5%
\$75,000-\$99,999	926	3.9	1,192,618	10.4%
\$100,000-\$149,999	170	0.7	385,248	3.3%
\$150,000 or more	212	0.9	409,551	3.6%
Total Households		100.0%		100.0%
Median Household Income	\$29,627	-	\$47,493	-

Source: 2000 U.S. Census

Table 4-6 shows the employment by major sector for Lake County in 2000. As shown in the table, government and retail trade are the major employment sectors for the County, comprising a 27 percent and 21 percent share of the County's employment, respectively. Retail trade remains a prominent industry sector due in part to the strong role of tourism and recreation activities in the County. Although, agriculture makes up only approximately six percent of the County's employment, it still remains an important industry as well.

Table 4-6 Employment by Major Sector for Lake County, 2000

Industry	Jobs	Share
Agriculture	810	5.9%
Construction and Mining	700	5.1%
Manufacturing	540	3.9%
Transportation/Public Utilities	550	4.0%
Wholesale Trade	330	2.4%
Retail Trade	2,870	21.0%
Finance, Insurance, Real Estate	510	3.7%
Government	3,700	27.0%
Total Jobs	10,010	100%

Source: California Employment Development Department (EDD), *County Snapshot*, 2000

Government and services each account for about 27 percent of the employment, while retail trade provides about 21 percent of the employment. According to the California Department of Employment Development, employment in the services industry is projected to grow by 60 percent by 2007. EDD also projects overall employment in the County to continue to increase. Unemployment in the County, while fluctuating, continues to decline and is presently about 8 percent.

HOUSING STOCK CHARACTERISTICS

Table 4-7 presents comparative data on the housing stock in the cities of Lakeport and Clearlake, unincorporated portions of the County, and California. The table breaks out the total housing stock in each area according to the type of structures in which units are located, total occupied units, and vacancy rates.

Table 4-7 Housing Stock by Type and Vacancy for Lake County and California, 1990-2000

DOF Estimates	Total	Single- family		Multifamily		Mobile Homes	Occupied	Vacant %	
		Detached	Attached	2 to 4	5 Plus				
Lakeport									
Units	1990	2,145	1,303	120	138	215	369	1,824	14.97%
Percentage		100.0%	60.7%	5.6%	6.4%	10.0%	17.2%	85.0%	-
Units	2000	2,308	1,444	120	151	215	378	1,963	14.95%
Percentage		100.0%	62.6%	5.2%	6.5%	9.3%	16.4%	85.1%	-
Clearlake									
Units	1990	7,315	3,333	91	237	341	3,313	5,179	29.20%
Percentage		100.0%	45.6%	1.2%	3.2%	4.7%	45.3%	70.1%	-
Units	2000	7,658	3,658	100	251	221	3,430	5,532	27.3%
Percentage		100.0%	47.7%	1.3%	3.3%	2.9%	44.8%	72.2%	-
Unincorporated									
Units	1990	19,362	12,281	265	421	441	5,954	13,802	28.72%
Percentage		100.0%	63.4%	1.4%	2.2%	2.3%	30.8%	71.3%	-
Units	2000	22,012	14,093	271	459	537	6,652	15,692	28.71%
Percentage		100.0%	64.0%	1.2%	2.1%	2.4%	30.2%	71.3%	-
California									
Units	1990	11,182,513	6,119,010	811,671	966,324	2,730,213	555,294	10,380,856	7.17%
Percentage		100.0%	54.7%	7.3%	8.6%	24.4%	5.0%	92.8%	-
Units	2000	12,242,576	6,853,693	840,801	1,012,613	2,950,373	585,096	11,335,419	7.41%
Percentage		100.0%	56.0%	6.9%	8.3%	24.1%	4.8%	92.6%	-

Source: California Department of Finance (DOF), City/County Population and Housing Estimates, 2000

As shown in Table 4-7, single-family detached housing units account for the majority of housing in Lakeport, unincorporated Lake County, and the state as a whole.

Unlike the situation in the rest of the state, in which multifamily housing makes up the second largest category, mobilehomes make up the second

largest category in Lake County. For the unincorporated portions of the County, a total of 30.2 percent of the total consists of mobile homes versus the state's 4.8 percent. A total of 33 percent of the state's total is multifamily units compared to the County's unincorporated area's 4.5 percent.

HOUSING CONDITIONS

In 2002, the County of Lake County completed a countywide survey of housing conditions, excluding those areas previously surveyed in June 2000. This survey involved a total of 3,325 housing units in the communities of Clearlake Oaks/Clearlake Unincorporated Area (UA), Cobb, Finley, Kelseyville, Lakeport, Lake Pillsbury, Loch Lomond, Lower Lake, Middletown, Whispering Pines, and Witter Springs. Clearlake Oaks and Clearlake UA were surveyed together as one area.

The study, carried out by Connerly & Associates, was funded by a Community Development Block Grant (CDBG) Planning & Technical Assistance Grant (00-STBG-1537). Fieldwork for this project was conducted between November 2001 and June 2002, using criteria outlined by the CDBG Program serving as the basis for the survey. Using the designations "Sound," "Minor," "Moderate," "Substantial," and "Dilapidated," the following results were obtained:

Approximately 67 percent of the units surveyed require some form of rehabilitation. The approximate breakdown of units needing repairs is as follows:

- 19 percent need minor repairs
- 23 percent need moderate repairs
- 14 percent need substantial repairs, and
- 11 percent are in dilapidated condition

Communities containing the units in highest need of repair are as follows: Whispering Pines 95.6 percent, Finley 82 percent, Cobb 81.5 percent, Lower Lake 80.3 percent, Loch Lomond 79.5 percent, Witter Springs 78.8 percent, and Lake Pillsbury 73.4 percent.

Table 4-8 consolidates the findings of the County 2002 Housing Conditions Survey and the June 2000 North Shore Housing Condition Survey.

Table 4-8 Lake County Housing Conditions, 2002

Community	Sound	Minor	Moderate	Substantial	Dilapidated	Total
2002 County Survey Results						
Clearlake Oaks/Clearlake UIA	164	153	42	19	16	394
Cobb	51	64	97	38	27	277
Finley	11	4	8	12	26	61
Kelseyville	144	55	106	52	78	435
Lake Pillsbury	24	7	33	16	10	90
Lakeport	284	127	144	80	58	693
Loch Lomond	35	31	41	45	19	171
Lower Lake	72	43	109	89	52	365
Middletown	296	126	155	54	52	683
Whispering Pines	4	11	24	26	25	90
Witter Springs	14	3	19	20	10	66
Total	1,099	624	778	421	373	3,325
2000 North Shore Survey Results						
Glenhaven/Clearlake Oaks (RD)	251	59	245	111	79	745
Lucerne	274	95	318	267	133	1,087
Nice	411	44	155	148	141	899
Upper Lake	55	21	39	84	51	250
Total	991	219	757	610	404	2,981
Source: Lake County Housing Conditions Survey, 2002						

Although this survey did not differentiate between owner occupied and renter occupied properties, additional research relevant to these issues indicates that absentee landlords (living outside Lake County) own more than one-half of the rental housing stock in Lake County. This is a significant indicator related to the lack of upkeep and maintenance of rental property. Additionally, many of the pre-1976 mobilehomes mentioned in this report are rental homes.

A total of 15 percent (512) of the units surveyed were mobile/modular homes, and only 15 percent of the mobile/modular units surveyed are in sound condition. The approximate breakdown of units needing repairs is as follows:

- 7 percent need minor repairs
- 16 percent need moderate repairs
- 26 percent need substantial repairs, and
- 36 percent are in dilapidated conditions

The table below summarizes the mobile/modular findings of the County 2002 Housing Conditions Survey and the June 2000 North Shore Housing Condition Survey.

Table 4-9 Lake County Mobile/Modular Home Conditions, 2002

Community	Sound	Minor	Moderate	Substantial	Dilapidated	Total
Clearlake Oaks/Clearlake UA	3	0	0	2	4	9
Cobb	2	1	10	2	5	20
Finley	1	0	1	4	7	13
Kelseyville	12	3	4	10	53	82
Lake Pillsbury	0	0	2	1	1	4
Lakeport	25	13	18	34	36	126
Loch Lomond	1	2	2	4	6	15
Lower Lake	17	11	39	72	46	185
Middletown	9	4	6	2	17	38
Whispering Pines	0	0	0	1	1	2
Witter Springs	6	0	1	3	8	18
2001 Total	76	34	83	135	184	512
2000 Survey						
Glenhaven/Clearlake Oaks (RD)	36	7	70	56	44	213
Lucerne	53	7	38	154	96	348
Nice	141	12	72	99	110	434
Upper Lake	11	2	3	5	17	38
2000 Total	241	28	183	314	267	1,033

Source: Lake County Housing Conditions Survey, 2002

Substandard residential dwellings, secondary structures such as travel trailers and campers connected by extension cords, abandoned buildings, substandard single-wide mobile homes, and lack of infrastructure such as sidewalks, curbs, and paved roads are the “norm” for rural Lake County. Based on physical inspections of Lake County’s housing supply and related properties, as well as the results of the data collected, there is a serious need for residential rehabilitation and/or replacement of a significant portion of the existing housing stock. The majority of repairs needed are health- and safety-related.

HOUSING COSTS COMPARED TO ABILITY TO PAY

The following section discusses current (as of January 2002) income levels and ability to pay for housing compared with housing costs. Housing is classified as “affordable” if households do not pay more than 30 percent of income for payment of rent (including monthly allowance for water, gas, and electricity) or monthly mortgage (including taxes). Since above moderate-income households do not generally have problems in locating affordable units, affordable units are frequently defined as those reasonably priced for households that are low- to moderate-income. Table 4-10 below shows the definition of housing income limits as they are applied to housing units in Lake County.

Table 4-10 Lake County Definitions of Housing Income Limits

<p>Very Low-Income Unit is one that is affordable to a household whose combined income is at or lower than 50% of the median income for Lake County as established by the U.S. Department of Housing and Urban Development (HUD). For 2002 a Lake County household of four is considered to be very low-income if its combined income is \$20,150 or less.</p> <p>Low-Income Unit is one that is affordable to a household whose combined income is at or between 50% to 80% of the median income for Lake County as established by HUD. A household of four is considered to be low-income in Lake County if its combined income is \$32,250 or less for the year 2002.</p> <p>Median-Income Unit is one that is affordable to a household whose combined income is at or between 81% to 100% of the median income for Lake County as established by HUD. A Lake County household of four is considered to be median income if its combined income is \$40,300 or less for the year 2002.</p> <p>Moderate-Income Unit is one that is affordable to a household whose combined income is at or between 101% to 120% of the median income for Lake County as established by HUD. In Lake County a household of four is considered to be moderate-income if its combined income is \$48,350 or less for the year 2002.</p> <p>Above Moderate-Income Unit is one that is affordable to a household whose combined income is above 120% of the median income for Lake County as established by HUD. A Lake County household of four is considered to be above moderate-income if its combined income exceeds \$48,350 for the year 2002.</p> <p>Affordable Units are units for which households do not pay more than 30% of income for payment of rent (including monthly allowance for utilities) or monthly mortgage and related expenses. Since above moderate-income households do not generally have problems in locating affordable units, affordable units are often defined as those that low- to moderate-income households can afford.</p>
<p>Source: Vernazza Wolfe Associates</p>

Table 4-11 shows the 2002 U.S. Department of Housing and Urban Development (HUD)-defined family income limits for Very Low-, Low-, Median- and Moderate-Income households in Lake County by the number of persons in the household. It also shows maximum affordable monthly rents and maximum affordable purchase prices for homes. For example, a four-person household is classified as Low-Income (80 percent of median) with annual income of up to \$31,350. A household with this income could afford to pay a monthly gross rent (including utilities) of up to \$784 or to purchase a house priced at \$97,557 or below.

Table 4-11 Lake County Ability To Pay For Housing For Very Low, Low, Median, and Moderate Income Households, 2002

Very Low-Income Households at 50% of 2002 Median Family Income						
	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	5 Bedroom
Number of Persons	1	2	3	4	5	6
Income Level	\$13,700	\$15,700	\$17,650	\$19,600	\$21,150	\$22,750
Max. Monthly Gross Rent (1)	\$343	\$393	\$441	\$490	\$529	\$569
Max. Purchase Price (2)	\$42,633	\$48,856	\$54,925	\$60,993	\$65,816	\$70,795

Low-Income Households at 80% of 2002 Median Family Income						
	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	5 Bedroom
Number of Persons	1	2	3	4	5	6
Income Level	\$21,950	\$25,100	\$26,200	\$31,350	\$33,850	\$36,400
Max. Monthly Gross Rent (1)	\$549	\$628	\$655	\$784	\$846	\$910
Max. Purchase Price (2)	\$68,306	\$78,108	\$81,531	\$97,557	\$105,337	\$113,272

Median-Income Households at 100% of 2002 Median Family Income						
	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	5 Bedroom
Number of Persons	1	2	3	4	5	6
Income Level	\$27,450	\$31,350	\$35,300	\$39,200	\$42,350	\$45,450
Max. Monthly Gross Rent (1)	\$686	\$784	\$883	\$980	\$1,059	\$1,136
Max. Purchase Price (2)	\$85,421	\$97,557	\$109,849	\$121,985	\$131,788	\$141,435

Moderate-Income Households at 120% of 2002 Median Family Income						
	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	5 Bedroom
Number of Persons	1	2	3	4	5	6
Income Level	\$32,950	\$37,650	\$42,350	\$47,050	\$50,800	\$54,600
Max. Monthly Gross Rent (1)	\$824	\$941	\$1,059	\$1,176	\$1,270	\$1,365
Max. Purchase Price (2)	\$102,536	\$117,162	\$131,788	\$146,414	\$158,083	\$169,908

Source: HUD FY 2002 Income Limits (January 31, 2002) and Vernazza Wolfe Associates, Inc.

Notes: (1) Assumes that 30% of income is available for monthly rent, including utilities.
(2) Assumes that 30% of income is available to cover mortgage payment, taxes, mortgage insurance, homeowners insurance; 95% loan @ 7%, 30-year term

Table 4-12 shows HUD-defined fair market rent levels (FMR) for Lake County for 2002 and 2003. In general, the FMR for an area is the amount that would be needed to pay the gross rent (shelter rent plus utilities) of privately owned, decent, safe, and sanitary rental housing of a modest (non-luxury) nature with suitable amenities. FMRs are estimates of rent plus the cost of utilities, except telephone. FMRs are housing market-wide estimates of rents that provide opportunities to rent standard quality housing throughout the

geographic area in which rental housing units are in competition. The rents are drawn from the distribution of rents of all units that are occupied by recent movers. Adjustments are made to exclude public housing units, newly built units, and substandard units.

Table 4-12 Lake County Fair Market Rent, 2002 and 2003

	Bedrooms in Unit				
	STUDIO	1 BR	2 BR	3 BR	4 BR
Fair Market Rent (2002)	\$360	\$458	\$611	\$770	\$1,002
Fair Market Rent (2003)	\$373	\$475	\$635	\$799	\$1,041

Source: Department of Housing and Urban Development

As noted above, a four-person household classified as Low-Income (80 percent of median) with an annual income of up to \$31,350 could afford to pay \$784 monthly gross rent (including utilities). The FMR for a three-bedroom unit is \$799, which is only slightly above the affordable rent. Thus it appears that a low-income household could afford a unit renting at the FMR level, assuming such a unit is available in the County. However, a four-person household classified as Very Low-Income with an annual income of up to \$19,600 could afford to pay only \$490 monthly gross rent and thus could not afford the FMR rent of \$799. The same would hold true for households with incomes below 50 percent of median, who would have even less income to spend on rent.

Table 4-13 is an abbreviated list of occupations and annual incomes for Lake County residents such as County employees, employees of the Middletown Unified School District, retired individuals, and minimum wage earners. The table shows the amounts that households at these income levels could afford to pay for rent as well as the purchase prices that they could afford to pay to buy a home.

Table 4-13 Affordable Rents And Housing Prices And Incomes For Selected Families And Occupations, Lake County, 2002

Category	Annual Income	Monthly Affordable Rent (1)	Affordable House Price (2)
General (Median Wage)			
Retail Salesperson	\$16,360	\$409	\$ 50,910
Maid/Housekeeping	14,520	363	45,184
Retail Supervisor	27,300	683	84,954
Registered Nurse	41,380	,035	128,769
Lake County			
Secretary	\$22,028	\$551	\$ 68,548
Heavy Equipment Auto Mechanic	28,331	708	88,163
Social Worker III	31,968	799	99,480
Deputy Sheriff I	37,797	945	117,621
District Attorney Investigator II	45,441	1,136	141,406
Middletown Unified School District			
Teacher (beginning)	\$34,000	\$850	\$105,804
Teacher (5 years of experience)	42,000	1,050	130,699
Two Wage Earners			
Secretary and Retail Salesperson	\$38,388	\$960	\$119,459
Social Worker III and Heavy Equip. Auto Mechanic	60,299	1,507	187,644
Deputy Sheriff I and Retail Supervisor	54,600	1,365	169,908
Retired - Average Social Security			
One person household with only SS	\$11,960	\$299	\$37,218
Two person household - both retired - only SS	23,920	598	74,436
Minimum Wage Earners (\$6.75 per hour)			
Single Wage Earner	\$13,500	\$338	\$42,010
Two Wage Earners	27,000	675	84,021
SSI (Aged or Disabled)			
One person household with only SSI	\$8,544	\$214	\$26,588
HUD-Defined Income Groups (4-person HH)			
Extremely Low Income (below 30%)	\$11,750	\$294	\$ 36,564
Very Low-Income (below 50%)	19,600	490	60,993
Low-Income (below 80%)	31,350	784	97,557
Moderate Income (below 120%)	47,050	1,176	146,414

Table 4-14 shows the average and median sale prices for homes in unincorporated Lake County that sold from January 2001 through November 2002. The sales are from the Multiple Listing Service (MLS) and are primarily resales of existing housing. As indicated in the table, the median sale price was \$150,000 and the average, \$170,797. The MLS also includes statistics on the sale of mobile homes and manufactured homes. During the 2001-02 time period there were 411 mobile home sales, with an average price of \$53,224. There were 121 sales of residential manufactured homes, with an average price of \$108,039.

Table 4-14 Average And Median Sale Prices For Homes In Lake County And Selected Communities, 2001-2002

Area	No. of Sales	Average	Median
Unincorp. Lake County	1,732	\$170,797	\$150,000
Cobb	119	169,402	159,900
Middletown	40	294,304	285,500
Upper Lake	39	248,846	189,900
Nice	49	136,880	100,000
Kelseyville	94	199,799	169,500
Hidden Valley	337	211,555	199,900
Lower Lake	32	215,875	186,625
Lucerne	103	110,282	110,500
Clear Lake Riviera	183	162,085	186,625

Source: Lake County Board of Realtors, *Multiple Listing Service*, Jan. 2001–Nov. 2002, and Vernazza Wolfe Associates, Inc.

These home prices are not affordable to most of the workers whose salaries are shown on Table 4-13. For example, in most areas of the County the sales prices are significantly above the amounts that a retail supervisor (\$84,950), a deputy sheriff (\$117,600), or registered nurse (\$128,700) could afford to pay. Even in the case of families that have two wage earners the prices are barely affordable as demonstrated in the table. For example, a deputy sheriff and a retail supervisor with a combined income of \$54,600 could afford to pay up to \$169,900 for a house, which is just below the overall average for the Lake County area.

SPECIAL HOUSING NEEDS

Within the general population there are several groups of people who have special housing needs. These needs can make it difficult for members of these groups to locate suitable housing. The following subsections discuss the special housing needs of six groups identified in State Housing Element Law (Government Code, Section 65583(a)(6)). Specifically, these include senior households, persons with disabilities, large households, single-headed households, homeless persons, and farmworkers. Where possible, estimates of the population or number of households in Lake County (either the unincorporated area only or the entire County) falling into each group are presented.

Senior Households

Senior households are defined as households with one or more persons over the age of 65 years. The ready access to recreational activities and the relatively low cost of housing have historically made Lake County attractive to senior households and retirees. Because of these recreational amenities and the high percentage of homes owned and held for occasional use by

residents outside the area, it appears reasonable to conclude that Lake County will continue to be attractive as a retirement destination.

Table 4-15 below presents information on the number of persons over the age of 65 years in unincorporated Lake County as well as the number of households in which a person over the age of 65 resides. Approximately 23 percent of all households included one or more senior individuals, and 19 percent of all persons living in unincorporated Lake County are seniors. This is nearly double the statewide average of 10.6 percent. There are 677 seniors 85 years and older, the frail elderly, or 8.8 percent of the senior population. According to the 2000 Census data, 1,993 seniors live alone (26.4 percent of the senior population).

Table 4-15 Seniors In Unincorporated Lake County, 2000

Number of Persons 65 years and over	7,672
Seniors as a Percentage of the Total Population	19.0%
Percentage Male	48.1%
Percentage Female	51.9%
Percentage Living Alone	26.4%
Percentage 85 Years and Older	8.8%
Number of Households with Individuals 65 Years and Over	5,500
Percentage of All Households	22.9%
Source: 2000 U.S. Census.	

The overwhelming majority of households headed by an elderly person in Lake County are homeowners. Of the 5,053 housing units occupied by an elderly householder, 4,512 are owner-occupied.

According to statistics from the Social Security Administration, as of December 2000, there were 1,257 Supplemental Security Income (SSI) recipients 65 years and over in Lake County (including Lakeport and Clearlake). (Note that this figure includes seniors who may have qualified for SSI before age 65 because of a disability.) SSI is a needs-based program that pays monthly benefits to persons who are 65 or older, blind, or have a disability. Seniors who have never worked or have insufficient work credits to qualify for Social Security disability often receive SSI benefits. In fact, SSI is the only source of income for a number of low-income seniors. With a maximum monthly benefit of \$712 as of January 2002, non-homeowner SSI recipients are likely to have difficulty in finding housing that fits within their budgets since they can afford to pay only \$214 for rent, which is far below the average rent for a one-bedroom unit or even a studio unit in Lake County.

Within the unincorporated area of the County there is only one subsidized housing development for seniors. North Shore Villas, with 31 units for very low-income seniors, was developed by Rural Communities Housing Development Corporation under the HUD Section 202 program and thus is able to provide deep subsidies to those seniors who need them.

Seniors often face unique housing problems. While many may own their homes outright, fixed retirement incomes may not always be adequate to cover rising utility rates and insurance costs. The County’s 2002 housing conditions survey also documented that many housing units are in immediate need of basic repairs, and the subsequent household needs survey demonstrated that the elderly who did not have sufficient savings to finance the necessary repairs often owned these dwellings.

Persons with Disabilities

There is limited data available on persons with disabilities in Lake County. Table 4-16 presents information from the 2000 U.S. Census on the disability status of persons 21 year and older. As shown, approximately 29 percent of population in the unincorporated area who are 21 to 65 years of age had a disability. The percentage of seniors (65 years and older) with a disability is much larger, 43 percent.

Table 4-16 Disability Status; Unincorporated Lake County – Persons 21 Years And Older, 1990

Age	21-64 years		65 years and older	
	Number	Percent	Number	Percent
With a disability	6,333	29.1%	3,314	42.9%
With no disability	15,439	70.9%	4,411	57.1%
Total Persons	21,772	100.0%	7,725	100.0%

Sources: 1990 U.S. Census; Vernazza Wolfe Associates, Inc.

The statistics for the SSI program also provide information on the number of persons with disabilities who may have housing needs because of their low incomes. As of December 2000, there were 3,385 SSI recipients in Lake County (including Lakeport and Clearlake) who were receiving benefits because they are blind or disabled.

While this information may provide some measurement of the population with various disabilities, it does not reveal that proportion of the population that may require specially adapted housing to accommodate their disabilities. In addition to mobility and self-care limitations, there are also developmental disabilities, such as mental illness and retardation. While accessibility may be of concern, supportive services are equally critical.

Of particular concern to the persons with disabilities is the question of whether their housing has living arrangements that are adaptable to their needs—adequate access to their individual dwelling units as well as common areas for those with physical disabilities, access to social services for those with mental and/or emotional disabilities, and a multiplicity of supportive living arrangements for all disabled individuals. It is also important that persons with disabilities have ready access to public transportation, shopping

and medical facilities and that such housing be affordable because most are on low, fixed incomes.

The Housing Act of 1988 and the Americans with Disabilities Act require that local building and housing codes incorporate requisite regulations to accommodate the needs of the disabled. Therefore, newly constructed housing will at least meet minimum standards for disabled access. With respect to older housing units, however, the need for retrofitting is crucial.

Large Households

The housing problems that confront large families include an absence of units of sufficient size and within affordable price ranges for such families. Large families face numerous problems, including poverty income levels and having little choice other than living in dwellings that are in need of rehabilitation, as has been confirmed by the County's 2002 Housing Condition Survey.

The most critical housing need of large families is access to a larger supply of units with more bedrooms than the customary three-bedroom dwelling. Although such units are occasionally available, they are not available in the price or rental range affordable to the "special needs" large family market. In general, housing for families should provide safe outdoor play areas for children and should be located to provide convenient access to schools and child-care facilities. These types of needs can pose problems particularly for large families that cannot afford to buy or rent single-family houses because apartment and condominium units are most often developed with childless, smaller households in mind.

The U.S. Department of Housing and Urban Development (HUD) defines a large family as one with five or more members. To determine the distribution of large households among owner and renter households, it is necessary to use data for all households, including non-family households. In 1990, there were 682 large households, of which 475 (60.4 percent of all large households) were owner households and 207 (30.4 percent) were renter households. Since the overall percentage of households that rented in 1990 was 23 percent, this indicates that large households were slightly more likely to be renters.

This situation creates a problem for those renters who live in multifamily housing, since multifamily rental housing units generally provide one or two bedrooms and not the three or more bedrooms that are required by large families. For the large families that are unable to rent single-family houses, it is likely that these large renter households are overcrowded in smaller units. When planning for new multifamily housing developments, therefore, the provision of three-and four-bedroom units is an important consideration due to the likely demand for affordable, larger multifamily rental units.

Single-Headed Households

According to the U.S. Census Bureau, a single-headed household contains a household head and at least one dependent, which could include a child, an elderly parent, or non-related child. The 2000 Census indicates that there are 1,600 households headed by a female, representing 9.7 percent of all households in the unincorporated area of Lake County. The majority (63.5 percent) of these female-headed households (1,016) have children living in them who are under 18 years of age. According to the Census, there were 762 single-headed households headed by males in 2000.

Due to lower incomes, single-headed households often have more difficulties finding adequate, affordable housing than families with two adults. Also, single-headed households with small children may need to pay for childcare, which further reduces disposable income. This special needs group will benefit generally from expanded affordable housing opportunities. More specifically, the need for dependent care also makes it important that housing for single-headed families be located near childcare facilities, schools and youth services.

Homeless Persons

As elsewhere in the nation, homelessness is usually the end result of multiple factors that converge in a person's life. The combination of loss of employment, inability to find a job because of the need for retraining, and high housing costs lead to some individuals and families losing their housing. For others, the loss of housing is due to chronic health problems, physical disabilities, mental health disabilities or drug and alcohol addictions along with an inability to access the services and long-term support needed to address these conditions.

A 1997 survey conducted for the California Department of Housing and Community Development by the University of California at Berkeley Institute for Urban and Regional Development estimated that more than 360,000 persons, or 1.1 percent of Californians, were homeless on an average day in 1996-1997. The 1990-1997 *State Housing Plan Update* acknowledged that this figure was likely a minimum estimate. The estimate for Lake County was a homeless population of 2.3 percent, or approximately 900 individuals based on the 2000 population in the unincorporated area. The survey estimated that 50 percent of the homeless were in families. This percentage is similar to that which is found in most rural counties in California.

Those who are homeless or at-risk of becoming homeless have varying housing needs. Some require emergency shelter, while others require other assistance to enable them to become productive members of society. Some are just passing through Lake County, while others are long-time residents. Often, there is crossover between one population group of "special needs" and another. For example, farm workers may become homeless due to

seasonal employment or female heads of household, due to domestic violence. In each instance, the point of contact for addressing their homelessness is the problem that made them homeless.

The Lake County Community Action Agency provides temporary assistance to the homeless and reports that all 25 available temporary housing units are occupied, with a waiting list of over 50 families. According to the Treatment Program Manager of the Drug Abuse Alternatives Center (DAAC), there are 30 women participating in their program. Eight of these women reside at the DAAC Transitional Living Center with their children and there is a waiting list of 17 women, many of whom are homeless or in a “non-healthy living situation.”

Farmworkers

Farm workers are often faced with the problem of overpaying for housing as well as overcrowded conditions. Furthermore, most of the housing that is available is in a severely dilapidated condition. Middletown is the only community within the unincorporated area of Lake County that provides housing for migrant workers. Farmworker housing located near urban services is a critical need of farmworkers and their families. Although Farm Bureau members provide units for farmworkers on their farms and ranches, there is more demand than supply. As soon as a unit is vacant, it is immediately reoccupied by another family. Despite the passage of a County zoning ordinance to facilitate the development of farmworker housing on farmlands, Farm Bureau members report that the process continues to be cumbersome and fraught with delays and red tape.

Farmworkers accounted for 2.9 percent of the employed persons living in unincorporated Lake County in 2000. The 2000 Census reported a total of 439 residents who were employed in farming, forestry, and fishing occupations. Note that this figure does not include seasonal workers.

REGIONAL HOUSING NEEDS ALLOCATION

In addition to the existing needs identified in the previous section (e.g., housing conditions, overcrowding, housing costs, overpayment), the housing element must document projected housing needs. A draft housing need allocation plan has been prepared by Lake County-City Area Planning Council (APC) in coordination with the California Department of Housing and Community Development (HCD) to define the magnitude of future housing needs. As of December 2002, the plan was under review by HCD, as well as the cities of Lakeport and Clearlake and Lake County. The Plan may be modified prior to final approval.

As shown in Table 4-17, unincorporated Lake County is allocated 70 percent of the total countywide housing need, for a total of 3,849 housing units for the period January 1, 2001, through June 30, 2008. The allocation is

equivalent to an annual need of 513 housing units for the 7½-year time period for the unincorporated County. The housing needs are broken down by four income categories: very low (0-50% of area median income), low (50-80% of area median income), moderate (80-120% of area median income), and above median (above 120% of area median income).

Table 4-17 Unincorporated Lake County Regional Housing Needs Allocation by Income, January 2001 – June 2008

Income Category	Housing Units	Percentage
Very Low	1,207	31
Low	697	18
Moderate	404	10
Above Moderate	1,541	40
TOTAL	3,849	100
Source: Lake County – City Area Planning Council, December 2002		

4.3 Resource Inventory

AVAILABILITY OF LAND AND SERVICES

Survey of Available Land

Housing Element Law requires an inventory of land suitable for residential development (Government Code Section 65583(a)(3)). An important purpose of this inventory is to determine whether a jurisdiction has allocated sufficient land for the development of housing to meet the jurisdiction’s share of the regional housing need, including housing to accommodate the needs of all household income levels.

This section provides an analysis of the land available within unincorporated Lake County for residential development. In addition to assessing the quantity of land available to accommodate the county’s total housing needs, this section also considers the availability of sites to accommodate a variety of housing types suitable for households with a range of income levels and housing needs.

Description of Criteria for Identifying Housing Sites

The County provided Mintier & Associates, the Housing Element consultant, with an ArcView GIS (geographic information system) database identifying all the parcels within the county and the existing General Plan designations. In addition, the County provided Mintier & Associates with the County Assessor’s database, which contains the structure/improvement value for parcels. Based on this background data, the Consultants identified vacant/underdeveloped parcels as potentially suitable for residential development by applying the following criteria:

- Parcel is designated to allow a residential land use.
- Parcel is considered underdeveloped if the structure value is less than \$23,000 (A structure with a value of less than \$23,000 will most likely be a secondary structure such as a barn, shed, or a house in dilapidated condition).
- Parcel is considered vacant if improvement value is less than \$1,000.

Upon the application of this criteria, the identified vacant/underdeveloped parcels were identified, and parcel acreage by land use designation were calculated using GIS.

The General Plan includes the following seven residential land use designations: Rural Land (RL), Rural Residential (RR), Suburban Residential (SR), Suburban Residential Reserve (SRe), Urban Reserve (UR), Medium Density Residential (MDR), and High Density Residential (HDR).

Inventory of Vacant and Underdeveloped Sites

Table 4-18 provides a summary of estimated developable land within Lake County for all residential land use designations as of December 2002. It also shows the holding capacity for residential units based on the minimum and maximum density for each designation. As shown in the table, there is a total holding capacity of 6,534 units based on the minimum density and a total holding capacity of 24,104 units based on the maximum density. Due to various service and environmental constraints, such as water and sewer service availability and excessive slope, it is not likely that development could reach capacity under the maximum density.

Table 4-18 Summary of Vacant and Underutilized Land Inventory by General Plan Designation

General Plan Designation		# of Parcels	Acreage	Density Range	Dwelling Units Potential (Minimum Density)	Dwelling Units Potential (Maximum Density)
RL	Rural Lands	2,653	79,782.2	1.0 unit/20-40 gross acres	1,995	3,989
RR	Rural Residential	2,993	5,029.9	1.0 unit/5-20 gross acres	251	1,006
SR	Suburban Reserve	9,596	2,898.7	1.0-4.0 units/gross acre	2,899	14,494
SRe	Suburban Residential Reserve	7,059	2,101.4	1.0 unit/gross acre	420	2,101
UR	Urban Residential	238	45.3	1.0 to 20.0 units/gross acre	45	905
MDR	Medium Density Residential	280	79.6	6-9 units/gross acre	478	716
HDR	High Density Residential	101	44.6	10-20 units/gross acre	446	893
Total		22,920	89,982.7		6,534	24,104

Source: Lake County GIS database (August 2002)

Total Residential Holding Capacity vs. Projected Needs by Housing Type and Income Group

Lake County has a total residential capacity between 6,534 units and 24,104 units, which exceeds the County’s net allocation by 2,685 units under the minimum allowed density and 20,255 under the maximum allowed density. However, as stated earlier, it is unlikely that the County can accommodate these numbers due to environmental and service constraints.

Beyond demonstrating that the aggregate holding capacity exceeds the County’s total housing need, the Housing Element must demonstrate that there are sufficient sites to accommodate the housing needs of Very Low-, Low-, and Moderate-income households. The California Department of Housing and Community Development (HCD) assumes, in general, that the higher the density, the more affordable the housing. It is HCD’s position that local jurisdictions can facilitate and encourage affordable housing development by allowing development at higher densities, which helps to reduce per unit land costs. When totaling the available land designated for both Urban Residential (up to 20 unit per acre) and High Density Residential (10 to 20 units per acre), the County has a capacity between 1,351 and 1,798 high-density units. This falls short of the 2,308 affordable units (Very Low, Low, and Moderate) required under the Regional Housing Needs Allocation. This means the County may need greater subsidies to narrow the

affordability gap. However, since there has been historically a high number of mobilehomes in the county, many of the units in the Low and Moderate category can be met in the lower density designations.

Adequacy of Public Facilities and Infrastructure

Roads

The Lake County Department of Public Works is responsible for maintenance of county roads. Many local roads require widening, intersection improvements, paving, or other measures to safely accommodate projected growth. A number of older, undeveloped subdivisions lack adequate roads. The County has assisted property owners in these areas with the formation of road improvement assessment districts. The basic standard for county roads is two lanes.

Water

Water supply for domestic use in Lake County includes both groundwater and surface water. While several water distribution systems buy Clear Lake water from the Yolo County Flood Control and Water Conservation District, most use groundwater. The Lake County Health Department regulates over 100 water distribution systems. Of these systems, only 15 have 200 or more connections. The majority of systems, which have less than 100 connections, typically include smaller subdivisions, mobilehome parks, and resorts. A combination of depleting groundwater supplies and increased treatment standards have resulted in the failure of a few systems. The County has completed an 11 million-dollar water project in the north Lakeport area that replaced about 30 private water systems.

Sewer

The County owns and operates the Northwest and Southeast Regional Wastewater systems at each end of Clear Lake. It also operates local systems in Kelseyville and Middletown. The regional systems have been expanded in the last few years. The Kelseyville system is currently nearing capacity. In addition to County-operated facilities, the Clearlake Oaks County Water District operates its own sewer system. The remainder of the county uses septic systems.

INVENTORY OF LOCAL, STATE, AND FEDERAL HOUSING AND FINANCING PROGRAMS

Current Programs

Lake County utilizes local, State, and Federal funds to implement its housing strategy. Because of the cost of new construction and the competition for available funds, more than one source of public funds is required to construct an affordable housing development. The County does not act as a developer

in the production of affordable units, but relies upon the private sector to develop new units with the assistance of available State and Federal sources.

The County has limited financial resources of its own to allocate for housing. The County competes for limited Community Development Block Grant (CDBG) funds, both planning and technical assistance grants and general grants through the statewide program administered by the Department of Housing and Community Development (HCD) as well as HOME funds. In 1999 the County formed the Lake County Redevelopment Agency, which will be a source of funds in the future.

Lake County Housing

Under contract to the County, Connerly & Associates administers the County's housing programs. The firm staffs the Lake County Housing Commission's office in Lower Lake and administers the Housing Commission's HUD-funded rental assistance program for the entire county, including the cities of Clearlake and Lakeport. As of the end of November 2002, 224 households in Lake County were receiving rental assistance. Approximately 46 percent of the participants in the program live in the unincorporated area of the county. According to program staff, some participants have difficulties finding units to rent and end up having to pay more than 30 percent of their incomes for rent.

There are 100 households on the waiting list, which has been closed for four years. The Housing Commission reopened the waiting list in late November but only for seniors and persons with disabilities who are extremely low-income (30 percent of median or less). The income limit for the County's Housing Choice Voucher program is 50 percent of median income. However, the assistance is targeted to extremely low-income households (30 percent or below of median income), with 75 percent of the vouchers designated for this group.

CDBG and HOME Programs

Connerly & Associates also prepares CDBG funding applications for the County and administers the grants and programs. Current (2002) programs include the following:

Owner-Occupied Rehabilitation Program – The purpose of this program is to improve the condition of owner-occupied properties in Lake County. This program provides up to a \$50,000 rehabilitation loan at 3 percent interest for a 15-year term (extendable to 30 years). Eligibility is limited to households at or below 80 percent of median income. The program is funded with CDBG funds.

Rental Rehabilitation Program. The purpose of this program is to improve the condition of rental properties in Lake County. It is targeted to rental properties with units for households at or less than 60 percent of median income. The maximum loan is \$15,000 or \$20,000 per unit, 4 percent interest, and 15-year term. Affordability restrictions are in effect during the term of the loan.

Tenant Based Rental Assistance Program. The goal of this program is to prevent homelessness by providing deposit assistance to low-income renters. The program provides a one-time grant to cover required security deposits an/or utility deposits. The tenant's income must be at or less than 80 percent of median. However, at least 90 percent of the assisted households must have incomes at or below 60 percent of median.

First Time Home Buyer Program. The goal of this program is to promote home ownership in Lake County. Participants must be first-time buyers and have incomes at or below 80 percent of median. The program works in conjunction with CalHFA, local banks, and mortgage institutions and provides a deferred second mortgage (simple interest of 2 percent for a 30-year term). Currently, the maximum value of the home cannot exceed \$121,296.

Table 4-19 below summarizes participation in these County housing programs.

Table 4-19 Housing Programs in Lake County, 1995-November 2002				
Source	First Time Homebuyer	Owner Occupied Rehab	Rental Rehab	Tenant Based Rental Assistance
Current Programs				
99-HOME-0353	4	-	-	9
99-HOME-0379	11	-	-	-
00-HOME-0447	-	-	4	-
Prior Programs				
95-STBG-0904	-	10	-	-
95-HOME-0151	23	-	-	-
96-HOME-0210	14	-	-	-
CDBG Revolving Loan Fund	-	9	1	-
HOME Program Income Fund	7	-	1	33
Total	59	19	6	42

Source: Lake County Housing Department

Lake County Redevelopment Agency

The Lake County Redevelopment Agency was formed in 1999. The Agency then created the Northshore Redevelopment Project Area, which consists of four sub-areas (Upper Lake, Nice, Lucerne and Glenhaven/Clearlake Oaks). While the Project Area has just begun to generate tax increment revenues, the annual amount will increase as redevelopment activities proceed. This, in turn, will result in funds set aside for low and moderate-income housing. The Agency is required to spend at least 20 percent of its tax increment revenues for affordable housing. Table 4-20 shows the projected housing set-aside revenues, which are expected to total almost \$700,000 through 2006/07.

Table 4-20 Projected Housing Set-Aside Revenues

Year	HSA Revenues
2001/02	\$30,289
2002/03	62,092
2003/04	95,485
2004/05	130,548
2005/06	167,364
2006/07	206,020
Total	\$691,796

Source: Lake County Housing Department

The Agency plans to use its housing set-aside funds to implement and fund the following programs and activities during the first five years of the Redevelopment Plan:

Rehabilitation Loan and/or Grant Program. The Agency is planning and implementing a rehabilitation program to conserve existing housing, rehabilitate dilapidated housing and reconstruct mobile homes in the Project Area. The Agency expects to make loans or grants for up to ten homeowners.

Development of Affordable Housing. The Agency plans to develop a strategy and plan for marketing and attracting developers of new low and moderate income housing to the community and providing assistance for the development of affordable units. The Agency has funded a feasibility study for a large parcel in Nice that could result in development of 50 townhouse units, with 20 percent of the units affordable.

In addition, the Agency plans to use tax increment funding in Nice and Lucerne to consolidate small irregularly shaped parcels under multiple ownership in what are referred to as paper subdivisions. The Agency will acquire some of the parcels, merge them and then sell them for development.

Affordable Housing Projects in Lake County

Affordable housing projects in the unincorporated area of Lake County are summarized in Table 4-21. Many the affordable housing projects in the County are located in the Cities of Clearlake or Lakeport and are not included here. As shown in the table, there is only one development in the unincorporated area that is specifically for seniors, North Shore Villas (31 units) developed by Rural Communities Housing Development Corporation (RCHDC) under the HUD Section 202 program. Three family rental projects (Orchard Garden, Nice Village and Middletown Garden) were developed with financing from the USDA Section 515 program as well as the Low Income Tax Credit program.

In addition to the projects included in the table, there are two projects that are in process (as of December 2002). Harmony Park is a 31-unit self-help subdivision being developed by RCHDC in Upper Lake. Over 200 households applied for the opportunity to purchase the three and four bedroom units. Eleven units are under construction and are expected to be complete by mid-2003, to be followed by the 20 remaining units. CDBG funds were used to develop the infrastructure for the homes, which are reserved for households with incomes at 80 percent of median or below. Some of the participants are also receiving deferred second mortgages as part of the County's First Time Homebuyer program.

RCHDC will also break ground soon on Oak Hill, a 40-unit farmworker housing development in Kelseyville. The project is being developed with funding from USDA and the State Farmworker Housing Grant Program.

Other Funding Programs

There are several local, State, and Federal funding programs that can be used to assist first-time homebuyers, build affordable housing, and help special needs groups, such as seniors and large households. In most cases other entities, including for-profit and non-profit developers apply for funds or other program benefits. For example, developers apply directly to USDA for Section 515 or to HUD for Section 202 and Section 811 loans or to the California Tax Credit Allocation Committee (TCAC) for low-income tax credits.

The County can help sponsor grant and loan applications, provide matching funds, or furnish land at below-market cost. However, there are also programs, such as CalHFA's HELP program, to which the County applies directly. Finally, there are a few programs, such as the Mortgage Credit Certificate (MCC) Program or the Lease Purchase Program, to which individual households apply.

County financial support of private sector applications for funding to outside agencies is very important. Funding provided by the County can be used as matching funds required of some programs. Local funding is also used for leverage. County support of private sector applications enhances the competitive advantage of each application for funds.

ENERGY CONSERVATION OPPORTUNITIES

State Housing Element Law requires an analysis of the opportunities for energy conservation in residential development. Energy efficiency has direct application to affordable housing because the more money spent on energy, the less available for rent or mortgage payments. High energy costs have particularly detrimental effects on low-income households that do not have enough income or cash reserves to absorb cost increases and many times must choose between basic needs such as shelter, food, and energy.

Energy price fluctuations in the late 1990s and energy price increases in early 2001, combined with rolling electricity blackouts, have led to a renewed interest in energy conservation. Pacific Gas and Electric (PG&E) provides electricity services for Lake County. Private companies provide propane service.

Table 4-21 Assisted Housing Projects In Lake County, 2002

Name of Development	Year Built	Sponsor/ Manager	Total Units	Number of Affordable Units	Type of Units	Target Group(s)	Funding Source(s)	Expiration Date	Waiting List (December 2002)
Family Rental Housing									
Orchard Garden Apartments 5025 Gaddy Ct. Kelseyville	1987	CBM Property Management	34	34	12 one-bdrms, 20 two-bdrms, and 2 three-bdrms	Sliding scale for Very Low Income, Low Income and Moderate Income	USDA Section 515, Tax Credits	2006	3 months to 1 year
Nice Village Apartments 6620 Collier Ave Nice	1988	Nice Associates (Owner Investment Group) CBM	28	25	12 one-bdrms, 12 two-bdrms and 4 three-bdrms	Family Housing, 2 disabled units; Sliding Scale for Very Low Income and Low Income	USDA Section 515, Tax Credits	2007	45 people, about 1 year
Aytch Plaza (H-Plaza) 4440 Cruickshank Rd. Kelseyville									
Middletown Garden Apartments 15750 Knowles Lane Middletown	1995	CBM Property Management	36	34	20 one-bdrms, 12 two-bdrms, and 4 three-bdrms	Family and Seniors, Very Low Income	USDA Section 515, Tax Credits	2028	Six months
Subtotal			98	93					
North Shore Villas 5860 E. Hwy 20 Lucerne	1991	Rural Communities Housing Development Corporation	31	31	8 efficiency, 23 one-bdrms	Seniors 62 years and over and people with mobility impairment; All Very Low Income units	HUD Section 202 with Project Rental Assistance (PRAC)	2011	Fewer than 15 people
Subtotal			31	31					
TOTAL			129	124					

Sources: Lake County staff, project managers/developers and Vernazza Wolfe Associates, Inc.

Notes: Very Low-Income=50% Median Income or below; Low-Income=51% to 80% and Moderate-Income=80% to 120% Median-Income.

All new buildings in California must meet the standards contained in Title 24, Part 6 of the California Code of Regulations (Energy Efficiency Standards for Residential and Nonresidential Buildings). These regulations were established in 1978 and most recently updated in 1998 (effective date of July 1, 1999). Local governments, through the building permit process, enforce energy efficiency requirements. All new construction must comply with the standards in effect on the date a building permit application is made.

The California Subdivision Map Act (Government Code Sections 66473-66498) allows local governments to provide for solar access as follows:

For divisions of land for which a tentative map is required, pursuant to Government Code Section 66426, the legislative body of a city or county may by ordinance require, as a condition of the approval of a tentative map, the dedication of easements for the purpose of assuring that each parcel or unit in the subdivision for which approval is sought shall have the right to receive sunlight across adjacent parcels or units in the subdivision for which approval is sought for any solar energy system.

4.4 Potential Housing Constraints

POTENTIAL GOVERNMENT CONSTRAINTS

Local governments have little or no influence upon the national economy or Federal monetary policies, which influence it. Yet these two factors most significantly impact the overall cost of housing. The local housing market, however, can be encouraged and assisted locally. Part of the housing element's purpose is to require local government to evaluate its past performance in this regard. By reviewing local conditions and regulations that may impact the housing market, the local government can prepare for future growth through actions that protect the public's health and safety without unduly adding to the cost of housing production.

General Plan Designations and Zoning

As shown in Table 4-22 below, the General Plan land use designations that allow residential development include seven residential designations that permit a range of residential development types.

Table 4-22 General Plan Land Use Designations Permitting Residential Development

General Plan Designation	Residential Use	Density Range	Corresponding Zoning Districts
Urban Residential	Single family units, mobilehomes, townhomes, apartments	1.0 to 20.0 units/gross ac	R1 R2 R3 R1(MH)
Medium Density Residential	Duplexes, triplexes, or mobile home parks	6-9 units/gross acre	R1 R2 R1(MH)
High Density Residential	Multi-family units	10-20 units/gross acre	R1 R2 R3 R1 (MH)
Suburban Residential	Single family units	1.0-4.0 units/ gross acre	SR
Suburban Residential Reserve	Single family units	1.0 unit/ gross acre	SR RA (B)
Rural Residential	Single family units	1.0 unit/ 5-20 gross acres	RK
Rural Lands	Single family units	1.0 unit/ 20-40 gross acres	RL

Source: Lake County General Plan, 1981

Land Use Controls – Zoning

The current Lake County Zoning Ordinance was adopted in 1986, although several minor revisions have since occurred. It is a typical ordinance in that it establishes districts that allow particular uses either by right or by discretionary permit. Within each district, certain requirements are established regarding lot coverage, construction height and setbacks, and minimum parking standards.

As shown in Table 4-23 below, there are seven residential zoning districts in Lake County. The table shows the residential uses permitted in each district, as well as the minimum lot sizes for each district.

Table 4-23 Residential Zoning Districts

Zoning District		Minimum Lot Size
R1	Single Family Residential	6,000 sf
R2	Two Family Residential	8,000 sf
R3	Multi-Family Residential	10,000 sf
RL	Rural Lands	20 acres
RR	Rural Residential	5 acres
PDR	Planned Development Residential	Na
SR	Suburban Reserve	40,000 sf
Source: Lake County Zoning Ordinance		

Residential development is a permitted use in most districts, although a residence must be accessory to an on-site business within a commercial district. A single residence also is permitted in the “Agricultural” district, although an additional residence for another family member or for farm labor is allowed by right when certain criteria are met regarding the property’s size and/or use.

Overlay Zoning Districts

A series of “overlay” districts can vary the required residential development standards. In most of the unincorporated county, a single residence must include a minimum of 720 square feet living area and one covered parking space (carport permissible). A minimum width of fifteen feet also is imposed, which ensures that a manufactured home will be a double-wide unit. If the “Mobile Home” overlay is attached to the base district (example: “R1-MH”), the minimum requirements drop to 560 square feet living area and a twelve-foot exterior width, allowing a single-wide manufactured home. On the other hand, attachment of “Residential Design” to the base zoning (as in “R1-RD”) bumps the minimum living area to 1,000 square feet. A two-car garage also is required within the “RD”. However, the “RD” overlay district is used only in subdivisions where requested by the homeowners association, and is adopted subsequent to the required public hearings.

Manufactured Homes

Manufactured homes certified under the National Manufactured Home Construction and Safety Standards Act of 1974 may be utilized wherever a residence is permitted, subject only to the minimum development standards of the zoning district. Older mobile homes occasionally are permitted for special uses by special permit. Lake County, however, does not regulate the placement of mobiles within its State-licensed mobile home parks.

Second Units

All residentially-zoned lots also may include, by right, a second unit. If the lot has at least twice the land area required by the zoning district’s and general

plan density's minimum standards, a second unit which meets the typical development standards can be constructed. "Granny" units not exceeding 640 square feet living area can be constructed on any residentially-zoned lot, regardless of lot area, as long as other standards can be met and when the unit will be utilized for no more than two persons, one of which must be 60 years of age or older. The County is currently (2002) drafting modifications to the second unit provisions to conform to State law.

Multi-family Units

Multi-family residences (other than attached second units on single-family lots) are permitted by right in the "R2" and "R3" zoning districts. The allowed number of units is based upon the size of the lot and the General Plan's allowed density. Projects exceeding 20 units in size, or those requesting a density bonus and/or reduction in development standards are subject to the approval of a use permit. Affordable housing projects are expedited through the approval process. Alternative design projects, such as clustered housing, can use the discretionary "Planned Development Residential" procedure, which permits customized development standards. The County does grant density bonuses, reduction or alteration of standards, fee waivers or other incentives to projects, which provide affordable, senior, energy-saving and/or innovative design housing. Because of Lake County's often mountainous terrain and a surplus of older subdivision lots created prior to any local regulation, many properties are difficult to develop in accordance with the normal zoning standards. Therefore, the 1986 Zoning Ordinance included special provisions that allow reduced setbacks by right when certain conditions exist, such as substandard lot size or width, substantial slope, or for infill in an older neighborhood. Where one of the special provisions does not apply, a setback reduction of not more than 25 percent now may be approved through a "minor use permit" provision. Since the Planning Director is designated as the public hearing officer, this procedure is faster and less expensive than the previously required variance from the county's Planning Commission. The state-mandated variance findings, which often are difficult to make, also are unnecessary in approving a minor use permit.

Bonus Densities and Inclusionary Zoning

According to the Lake County Zoning Ordinance, a developer who plans to construct a residential development with one of the following conditions will be granted a density bonus and an additional incentive or financial equivalent incentive as determined by the County.

- 25 percent or more of the total units are for low or moderate income; or
- 10 percent of the units are for lower income households; or
- 50 percent of the units are for qualifying residents (seniors)

The density bonus entails a density increase of at least 25 percent over the otherwise allowable residential density under the zoning district and General Plan Land Use Element. The density bonus only applies to multifamily development with five or more units, and cannot be included when determining the number of housing units, which is equal to 10 or 25 percent of the total.

Other incentives that the County may consider include reduced improvement standards, development standards, and performance standards.

AB 1866 was passed by State legislature in 2002, and will become effective January 1, 2003. As a result, the following changes will affect density bonus practices:

- Local governments will not be able to apply development standards (i.e., parking and setbacks) to low and moderate income or senior housing that make it difficult to build housing at the established density.
- If determined by local government that density bonus is not needed to make a new development affordable, the finding must be based on a written and objective analysis.
- Developers of moderate-income developments, such as condominiums, may apply for a density bonus.

Temporary Housing

Lake County permits by right use of a temporary housing unit, such as a recreational vehicle, on a site where a permanent home is being constructed. Under certain conditions the temporary unit can be used for up to three years. This provision is most often used by persons who are personally constructing their own home, saving in both construction and rental costs.

Growth Controls/Growth Management

Lake County has not adopted any growth control/growth management policies, programs, or ordinances.

Site Development Standards and Performance Standards

Through its Zoning Ordinance, the County enforces minimum site development standards for new residential uses. These include: maximum number of dwelling units; minimum lot size and width, setbacks, and lot coverage; maximum building height; and minimum parking standards. These standards are comparable to those in other counties and do not pose any undue constraints to the development of housing in the County.

Lake County requires a minimum of two parking spaces per unit for single-family dwellings. For multi-family dwellings, one covered parking space and one uncovered parking space per unit is required. In addition, 1 recreational space per 5 units is required.

The Lake County Board of Supervisors is considering requiring garages, and possibly porches, for all new residential construction. On December 10, 2002, the Board directed staff to research the matter and report findings and recommendations to the Planning Commission.

Open Space and Park Requirements

Lake County follows Quimby Act requirements (Government Code Section 66447, et seq.) for parkland dedications in new subdivisions. Neither the amount of open space set aside in the General Plan nor the County's park dedication requirements represent excessive constraints on residential development. The County's Subdivision Ordinance includes a requirement for a park in lieu fee based on household population multiplied by the appraised value of a residential lot divided by 200. These requirements would not impede the County's ability to meet its overall share of the region's housing needs.

Building Codes and Enforcement

Enforcement of the Uniform Building Code (UBC) is the responsibility of the County Building and Safety Division and is carried out through the plan check process, as well as at the time of site or building inspection. All work for which a building permit is issued must be inspected at the time of completion or at specified stages of construction.

New construction in Lake County must comply with the 1997 Uniform Building, Plumbing, Mechanical Codes and the 1997 National Electric Codes. The codes are also enforced through the Lake County Abatement Code (Chapter 13 of the Lake County Ordinance Code), and the 1998 International Property Maintenance Code, as amended by County Ordinance.

On/Off Site Improvement Requirements

Lake County requires that developers complete both on and off site improvements for new residential subdivisions. The requirements include proper grading, road frontage improvements, main line extensions for water and/or sewer service when necessary, offer of off-site roadway dedication when necessary, and typical on-site improvement requirements for drainage and roads with curb, gutter, and, in smaller lots subdivisions, sidewalks. Any sewage disposal systems must meet County Health Department and State Regional Water Quality Control standards. Water systems must meet County Health Department requirements. All standards and requirements are typical

of and similar to other California counties and do not adversely affect the provision of affordable housing in Lake County.

Development Fees and Other Exaction's Required of Developers

Typical building permit fees (2002), including zoning clearance, plan check, and permit fees, for a site-built dwelling are \$1.40 per square foot of living area (which includes the garage and a typically-sized deck or porch). Fees for a typical 1,500-square-foot house with a two-car garage and 10 X 20 front porch would be \$2,940. The average building permit fees for installation of a manufactured home are \$400, however the fees can range up to \$800 if a garage is included.

School and fire district impact fees are required for new residential development. The typical school impact fee is \$2.00 per square foot, based on living area. The fire district impact fees range from \$.35 to \$.46 per square foot for all floor space under roof. These fees would amount to about \$3,600 for the typical 1,500-square-foot house described above.

Sewer capacity expansion fees are also required for residential development within the service areas of Northwest and Southeast Regional Wastewater Treatment facilities. The current fee in the Northwest service area is \$2,170 per residential unit; the fee in the Southeast service area is \$3,460 per residential unit. In addition, \$500 plus \$20 per lineal foot is charged to extend lateral service from the sewer mainline to a property line in all county sewer service areas.

The County also requires fees for processing development applications. The fees are based on the average cost of processing an application. The current (2002) fees include the following:

Tentative Parcel Map	\$1,187
Tentative Subdivision Map	\$1,987 plus \$60 per lot
Rezoning	\$1,257
General Plan Amendment	\$1,557
Minor Use Permit	\$401
Major Use Permit	\$1,314
Initial Study	\$200

Processing and Permit Procedures

Permit processing can have a significant impact on the cost of housing. All private divisions of land are subject to the requirements of the Subdivision Map Act and the Lake County Subdivision Ordinance, with environmental review under the California Environmental Quality Act (CEQA). Minor subdivisions (four or fewer lots) are processed as tentative parcel maps and are typically subject to lesser development standards than are major subdivisions. The above regulations along with the States Permit Streamlining Act include time limits under which the County operates. An application

submitted with all the information necessary to determine compliance with the applicable regulations typically takes substantially less time to process through the County system than what is permitted by law. Between 1991 and 2000, there were 1,049 permits issued for site built houses. During the same period, 429 permits for new manufactured homes were granted.

POTENTIAL NON-GOVERNMENTAL CONSTRAINTS

Environmental Features

Land in some areas of Lake County is unavailable for development because of environmental features. These features either pose a hazard to those who may otherwise choose to develop in the area or diminish valuable natural resources. As a result, housing developers avoid these areas, because they understand the danger or potential loss involved or do not wish to incur the added cost of building in these areas.

The Lake County General Plan identifies environmental features that may influence housing development potential. These features include:

Geologic Hazards. The State has identified several areas in Lake County with significant seismic activity potential. Within these Alquist-Priolo Act earthquake zones, geotechnical studies identifying hazard potential and necessary construction requirements are required prior to any land subdivision.

Erosion Hazards. Some areas of the county contain soils that will erode heavily when disturbed by development. As a result, they may be unstable for building construction or add considerable cost to correct the problem. In addition, erosion may degrade water quality of nearby watercourses or bodies.

Severe Septic Tank Limitations. The ability of the soil to accept septic tank filter fields outside sewer service areas is an important determinant of rural housing development. Impermeable surfaces or steep slopes can prevent septic systems from working properly and can foreclose the possibility of residential development in these areas. Several areas in the County, including lands in the vicinity of Upper Lake, Clear Lake, and Lakeport, have experienced problems with septic tank failures.

Excessive Slope. In areas of 30 percent slope, improvements for accessibility, site preparation, and sewage disposal are very difficult. Development on steep slopes also can result in erosion problems. Consequently, these areas are generally avoided for residential development.

Flood Hazards. Development in flood hazard areas can result in property damage and loss of life. Flood hazards in Lake County are most significant adjacent to Clear Lake and Scotts Creek, Cache Creek, Adobe Creek, Putah

Creek, Cole Creek, and Kelsey Creek. Development in flood prone areas is either discouraged or additional construction measures are required. Development within the floodplain, which is designated by the "Floodway Fringe" overlay district, requires an additional three feet in height for finished floor elevation of all development.

Availability of Financing

In the early 1990s there was much discussion in the regional and national press of a "credit-crunch" that made it difficult for developers to obtain financing for new real estate projects. In fact, financial institutions did reduce lending activity in response to more stringent federal regulations. However, these reforms addressed lending abuses associated primarily with very risky projects that were conceived with little relation to project economics and underlying market conditions. Bankers and regulators assert that financing is available for well-planned projects that are financially sound and target a demonstrated market demand. One current aspect of financing that does differ from the early 1990s is that lending institutions generally require greater contributions of equity from developers to ensure that developers share in project risk by committing their own money. In this respect, financing is less likely to be available to developers who are not financially sound and lack appropriate contribution of their own capital.

For credit-worthy projects, residential construction loan rates, as of November 2002 are at relatively low levels due to the low inflation levels that have prevailed over the last several years. Expectations of continued low inflation should keep financing rates at reasonable levels for the remainder of the Housing Element planning period (i.e., through 2008). This is a benefit to homebuilders, who can take advantage of the interest savings on construction financing to reduce their overall cost of developing new housing.

Land Costs (2002)

Land costs vary widely in Lake County, depending on location and availability of services. Land near Clear Lake and in established communities tend to be more expensive than other outlying, more remote areas. According to local real estate publications, unimproved 1/3 acre lots with water and sewer in the City of Clearlake are available for as little as \$10,000 to \$17,000. Lakeview lots south of the city of Lakeport start at \$11,500. Other lots, without sewer and water, are available for \$5,000. The cost of lakefront lots or view lots can be considerably higher.

Development Costs (2002)

Site Improvement Costs: Upon securing the raw land, a residential developer would have to make certain improvements to "finish" the lot before a home could actually be built on the property. Improvements required include proper grading, installation of water and sewer systems, storm water drainage, and streets.

Construction Costs: Construction costs in the county vary widely due to site constraints, such as steep slopes or expansive soils, and type of home. Manufactured homes, which are common in Lake County, range in cost from about \$27 per square foot for used homes to \$36 - \$41 per square foot for new homes.

4.5 Status and Evaluation of Existing Programs/Element

The following section reviews and evaluates the County's progress in implementing the 1995 Housing Element. It reviews the results and effectiveness of programs, policies and objectives for the previous Housing Element planning period. It also analyzes the difference between projected housing need and actual housing production.

Tables 4-24 and 4-25 provide an evaluation of the Lake County Housing Element (1995) policies and implementation programs.

Table 4-24 Evaluation of Existing Lake County Housing Element Policies

Policy	Status	Evaluation	Recommendations for Updated Housing Element
<p>I. Ensure an adequate number and variety of housing units to meet the needs of all citizens.</p>	<p>Ongoing</p>	<p>Administered by the Community Development Department through the building permit and planning process, by the recently established Redevelopment Agency policies, by the Department of Social Services and by an outside consultant, Connerly & Associates, contracted to act as the Lake County Housing Authority.</p> <p>The most recent figures estimate a growth rate of 1.6%. An additional 3,633 to 4488 units are needed in the unincorporated areas through 2010. (See Draft Lake County Regional Housing Need Plan, 10/29/2002)</p> <p>Recently approved projects include Shady Oaks Subdivision (22 lots in Middletown, finalized 1995), Oak Park Estates (36 lots in Lakeport, tentatively approved 2001), Harmony Park (30 affordable housing lots in Upper Lake, finalized 2001), Middletown Manor Apartments (50 apartment units in Middletown, finalized 1998), Middletown Gardens (20 senior and 16 low income apartments in Middletown, finalized 1994). Oak Hill Apartments (40 farm labor housing units in Kelseyville, approved 2001). Grant funding is also available for an 11-unit farm labor rehab project in Kelseyville.</p>	
<p>II. Encourage and support affordable housing for all economic segments within all communities.</p>	<p>Ongoing</p>	<p>There are four County programs funded by the HOME Grant program:</p> <ul style="list-style-type: none"> (1) Tenant Based Rental Assistance (homelessness avoidance) (2) Owner Occupied Rehab (income qualified at 80% of median income or less) (3) Rental Rehab (owner agrees to rent to low income tenants), (4) First Time Home Buyer (income qualified 2% low interest loans) 	
<p>III. Ensure that there are adequate sites and facilities available to support future housing needs.</p>	<p>Ongoing</p>	<p>As area plans are developed and updated, housing needs are assessed for the area and appropriate land use designations and zoning districts are assigned to meet projected needs. The County actively supports housing projects in appropriate zoning districts where public services and facilities are available.</p>	
<p>IV. Encourage, support and supply housing units to serve special needs</p>	<p>Ongoing</p>	<p>See I and II. Special needs includes single head of households with children, homeless, disabled and seniors.</p>	

Policy	Status	Evaluation	Recommendations for Updated Housing Element
V. Work diligently towards the rehabilitation of the existing housing stock and strive to replace housing units where necessary	Ongoing	See program II.(2) and (3) above. The adoption of a Redevelopment Plan for the Northshore Communities in July 2001 is a first step toward being able to provide additional funds for abatement, rehabilitation and replacement of housing stock in economically depressed areas of the county. A housing conditions survey is prepared and presented periodically to the Board of Supervisors by the housing coordinator.	
VI. Encourage regular maintenance of housing as a means of conserving existing housing stock.	Ongoing	See II.(2) and (3) above.	
VII. Develop strategies and actions to increase home ownership opportunities through economic development.	Ongoing	The County is the primary funding source for BORT (Business Outreach & Response Team) and the primary contractor for CDS (Community Development Services). CDS is contracted by the County to manage its loan programs, write grant applications and prepare a biannual Overall Economic Development Plan (OEDP). In the Redevelopment District, 20% of the gross increment income is set aside for housing programs. The remainder is set aside for community projects and programs to increase the local economy and infrastructure. Community Development Block Grants are also used to assess community needs and to develop infrastructure to support economic growth.	
VIII. Assist citizens in need of short term emergency housing.	Not Accomplished	These programs are primarily in the hands of NGO's such as Sutter Lakeside Community Services (battered women's shelter), Lake County Community Action Center (8 unit emergency shelter in Clearlake donated by the County), Redwood Children's Center and United Way programs.	
IX. Prevent discrimination in housing.	Ongoing	This is not actively pursued by the County except to the extent that all housing loans and contracts administered by the County include the mandatory terms and conditions for equal opportunity requirements.	
X. Require citizen participation as part of the housing element preparation and revision process and maintain consistency among all policies of its General Plan.	Ongoing?	The Housing Element remains consistent with the policies of the General Plan.	

Source: Lake County Planning Department

Table 4-25 Accomplishments Under Existing Lake County Housing Element Implementation Programs

Implementation Program/ Summary of Program	Status	Evaluation	Recommendations for Updated Housing Element
<p>1.1 The Planning Department will regularly review its permit procedure to reduce the cost and time of processing permits.</p>	<p>Accomplished & Ongoing</p>	<p>Most planning clearances for single-family residences may be obtained over the counter at the time of application for a fee of \$50 included in the building permit application. Some types of projects require additional permits from simple zoning permits to minor and major conditional use permits. The minor use permit category was created as a mid-level project review at 1/3 of the cost and processing time of the major use permit. Other procedures have been implemented to reduce processing time of lot line adjustments and voluntary mergers. Permit procedures are regularly reviewed and occasionally downgraded or upgraded based on past experience. Multi-unit projects are encouraged to participate in pre-development planning in order to streamline the permit process.</p> <p>Planning application costs were last adjusted in 1993, and are probably too low at this time.</p>	
<p>1.2 The Building Department shall not impose requirements for construction other than those mandated by state law or those necessary to maintain the health and safety of its citizens.</p>	<p>Accomplished</p>	<p>The Building Division requires that housing construction meet the National Uniform Building Code, the 1998 Amended California Code and California Title 24 requirements or HCD requirements for manufactured housing. The Building Division imposes no additional requirements.</p>	
<p>1.3 The Planning Department shall encourage pre-application conferences with developers to assist them in identifying suitable sites and understanding permit procedures. The Planning Department shall also encourage pre-hearing conferences between developers and the residents of the area where new large-scale housing projects are proposed.</p>	<p>Ongoing</p>	<p>Multi-agency Predevelopment Planning meetings are held regularly on the third Wednesday of every month. Additionally, County funded and/or contracted agencies such as BORT (Business Outreach and Response Team), CDC (Community Development Services) and the RDA (Redevelopment Agency) are available to assist developers in locating suitable sites.</p> <p>Pre-hearing conferences have sometimes been encouraged for larger projects with a great deal of success such as the Cruickshank Road Farm Labor housing project in Kelseyville and Harmony Park in Upper Lake.</p>	

Implementation Program/ Summary of Program	Status	Evaluation	Recommendations for Updated Housing Element
<p>2.1 The County shall encourage, support and assist with staff time, including grants search and writing, non-profit and for-profit groups and individuals to apply for funds from available state and federal programs which provide for low to moderate income housing.</p>	<p>Not accomplished</p>	<p>The housing consultant provides these services to groups and individuals. The HOME grant programs are offered to individuals. Groups providing low income housing, such as Rural Communities Housing Development Corporation (RCHDC), are assisted with grant and loan programs by the housing consultant and CDS.</p>	
<p>2.2 The county housing coordinator shall maintain current information regarding federal state and local affordable housing programs availability and requirements, disseminate this information where appropriate, and brief the Planning Commission and Board of Supervisors periodically on the county's progress towards meeting its housing goals.</p>	<p>Ongoing</p>	<p>The housing consultant provides these services to the County through a marketing program and operation of a Housing Agency office in Lower Lake. The consultant reports housing data annually to the Board of Supervisors. This year's annual report is scheduled on the Board agenda for December 3, 2002.</p>	
<p>2.3 The county shall actively pursue funding of a regular staff person for the newly established housing authority.</p>	<p>Not accomplished</p>	<p>A five person Housing Department was established at one time. It was dissolved in November, 1999. These services are now contracted to be provided by an outside consultant (Connerly & Associates) funded by the Department of Social Services and County Administration Office.</p>	
<p>2.4 The county shall amend the zoning ordinance to comply with current' state regulations regarding the use and size of "granny" units.</p>	<p>Ongoing</p>	<p>The zoning ordinance allows the use of "granny" units. A new amendment is currently being drafted by the Planning Division to modify the size and age limitations to conform with state law.</p>	
<p>2.5 The county shall continue to allow second residential units when consistent with the general plan's land use designation and when in compliance with the appropriate health and safety requirements.</p>	<p>Ongoing</p>	<p>This is administered through the Community Development Division building and zoning permit processes.</p>	

Implementation Program/ Summary of Program	Status	Evaluation	Recommendations for Updated Housing Element
<p>2.6 The housing coordinator shall monitor local progress in Implementing the Community Reinvestment Act and shall seek to encourage county/institution cooperation through joint programs and efforts including partnership in refinancing and rehabilitation of existing units.</p>	<p>Not accomplished</p>	<p>Unknown program.</p>	
<p>2.7 The county shall offer all surplus property to non-profit housing developers prior to open market notice of land availability.</p>	<p>Not accomplished</p>	<p>No appropriate sites have become available.</p>	
<p>3.1 The community and area plans prepared in conformance with the county's general plan shall continue to guarantee the availability of suitable sites, with appropriate zoning and densities to allow projected housing needs and a variety of housing types.</p>	<p>Ongoing</p>	<p>A housing element is included in each area plan to address projected needs. Land use designations and zoning districts are assigned as appropriate to meet current housing estimates.</p>	
<p>3.2 The county shall continue to pursue the construction and extension of public sewer and water systems in areas appropriate for higher residential densities.</p>	<p>Ongoing</p>	<p>Extensions of water and sewer lines are project driven. If new development is proposed within 200-feet of a main water or sewer line, the developer is required to pay for a main line extension to connect the project to the public system.</p> <p>Water and Sewer connections are at times limited by the capacity of treatment plants and water availability. Capacity has been expanded for a number of systems.</p> <p>The Northwest and Southeast Treatment Plants both reached original design capacity. The Southeast plant has been upgraded. The Northwest plant upgrade project is pending and connections are limited. There are also treatment plants in Kelseyville, Middletown, Clear Lake Oaks and Lakeport. There is no system currently available for some areas of the county, such as the Coyote Valley Area (near Hidden Valley Lakes).</p>	

Implementation Program/ Summary of Program	Status	Evaluation	Recommendations for Updated Housing Element
3.3 The county shall give capacity priority to affordable housing projects required to connect to public sewer and/or water.	Not accomplished	Water and sewer connections are provided by Lake County Special Districts and public water companies on a first come/first serve basis at the time of construction.	
3.4 The county shall pursue funding to finance the study of existing private water companies capacity and expansion capability.	Not accomplished		
3.5 The county shall maintain site inventories with maps which can provide developers with information regarding suitable potential higher density housing site locations.	Ongoing	Area plan zoning and land use maps can provide some of this information if a specific area is selected. The BORT is able to provide additional assistance to developers in locating suitable sites. Site inventories are not yet available. As part of the Economic Development Project, a new database system is being developed which should be able to provide developers with this information.	
4.1 The county shall continue to seek funding to expand the existing housing rehabilitation program for lower income households. Money returned to the county from loan paybacks shall be reused for additional rehabilitation projects.	Not accomplished	\$100,000 per year is budgeted for the Housing Revolving Loan funds for the four county programs funded by HOME and CDBG grants (see II above). The county has not sought to expand funding since demand has never approached the total budgeted amount.	
4.2 The county shall continue to utilize the Uniform Housing Code as its standard in the inspection of housing rehabilitation work.	Ongoing	This is administered by the Building Division through the Building Permit process.	
4.3 The county shall continue to allow the replacement of legal, non-conforming residences on private lots.	Ongoing	This is permitted by the zoning ordinance, and is administered by the Planning Division through the Building Permit process.	
4.4 The county shall assist in the relocation of households which are displaced due to any county project or enforcement actions.	Not accomplished	There is an anti-displacement program and procedure in place. However, this service has never been required. It is anticipated that the program may be activated in the near by Redevelopment Agency actions. The housing consultants would then assist in household relocation.	

Implementation Program/ Summary of Program	Status	Evaluation	Recommendations for Updated Housing Element
4.5 The county shall guarantee the long-term affordability to lower income households of any housing unit rehabilitated with public funds.	Ongoing	The HOME grant program contracts include affordability covenants which are capped at 10-15 years depending on the amount of the loan. Jurisdictions that have required long-term affordability covenants (45-50 years) have not been successful in promoting these programs.	
4.6 The county shall waive permit fees, where appropriate for all housing rehabilitation projects conducted by non-profit agencies for the benefit of lower income households.	Ongoing	The Board of Supervisors waives fees for the owner occupied rehabilitation program and may waive fees for other projects on a case by case basis. Recently, the Board waived \$20,000 of permit fees for the Harmony Park affordable housing development, which amounted to about one-third of the total permit fees due.	
5.1 The county shall amend the zoning ordinance to require review and monitoring for any mobile home park conversion or closure to ensure conformance with all applicable state laws.	Not accomplished	There have not been any applications for conversion or closure. Conversions would nonetheless be governed by the State Subdivision Map Act requirements.	
5.2 The county shall not approve discretionary projects which result in a net loss of affordable housing without consideration of possible mitigation measures or project alternatives.	Ongoing	This is assessed on a case by case basis as part of the initial study of environmental review for potentially significant impacts. A large number of the existing "affordable" housing units are older substandard structures that could be considered potential targets for abatement actions. The Redevelopment Plan and Upper Lake/Nice area plan include policies for removal of these substandard units and mitigation measures for replacement units.	
5.3 The county shall promote voluntary code compliance by providing technical assistance to individuals who intend to make their own housing unit repairs.	Ongoing	The Building Division provides technical assistant owner/builder projects upon request. Additional information is also available through the four HOME grant programs (See II above).	
5.4 The county shall assist, including through the provision of staff time for grants writing and in searching for non-profit sponsors, towards mobile home park or other multi-unit housing project purchase by lower income residents.	Not Accomplished	No interest has been expressed in pursuing this program.	

Implementation Program/ Summary of Program	Status	Evaluation	Recommendations for Updated Housing Element
6.1 The county shall encourage, support and actively assist with staff time, including grants search and writing, non-profit and for-profit groups and individuals who wish to supply special needs housing.	Ongoing	The County encourages and supports special needs housing projects such as those provided by People Services. However, staff time is not specifically provided for grants search and writing.	
6.2 The county shall seek the funding necessary to pursue assessment of special needs groups, such as the disabled and the elderly.	Ongoing	There is a study funded by a CDBG Planning and Technical Assistance grant in progress. It is due to be completed in December 2002. (See also 9.2 below.)	
6.3 The housing coordinator shall maintain a list of both householders and housing seekers who desire to share units.	Not accomplished	This is not available. The housing consultant maintains a list of available Section 8 housing only.	
6.4 The county shall amend the zoning ordinance to provide for a density bonus for projects providing units designed to meet the needs of disabled persons and to allow use of "granny units" by these individuals.	Not Accomplished	There is no provision for a density bonus for disabled housing units per Section 27.13(l) of the Zoning Ordinance. The zoning ordinance currently permits hardship guest houses for disabled persons with a major use permit per Section 27.3(i)(9). This zoning ordinance is in the process of being amended to eliminate the age restriction on granny units. Occupancy of granny units by disabled persons will then be allowed.	
6.5 The county shall actively seek the construction of farmworker housing which meets the needs of both the migrant and the permanent resident workforce, through staff participation with developers in project design, grants application and funding, public participation, the reduction or waiving of fees, and whenever else possible and appropriate.	Ongoing	The County actively supports the efforts of RCHDC for construction of farmworker housing. A major project was recently approved in Kelseyville for 40 housing units as a result of staff and public participation in project design. The 30-unit Harmony Park subdivision in Upper Lake was originally planned for farmworker housing, although it is now a self-help home ownership program not restricted to farm workers.	

Implementation Program/ Summary of Program	Status	Evaluation	Recommendations for Updated Housing Element
7.1 The county shall continue to provide density bonuses of up to 25 percent for innovative energy-efficient housing projects.	Ongoing	Density bonuses for energy efficiency are permitted per Section 27.13(l) of the zoning ordinance.	
7.2 The county shall require, where appropriate, energy efficient site planning in newly proposed land divisions to take advantage of the sun's natural heating abilities.	Not accomplished	The County encourages energy efficient site design through the development review process, density bonus provisions and planned development codes. However, the County does not require energy efficient site design beyond those requirements imposed by State law (Title 24).	
8.1 The county shall identify sufficient sites with its community and area plans where new industries can be located with a minimum of delay in complying with environmental regulations.	Ongoing	As the area plans are developed and updated, appropriate sites are identified for industrial and planned commercial development land use designations and zoning. The County is the primary funding source for the Business Outreach & Response Team (BORT), a non-profit agency that assists businesses in locating in Lake County.	
8.2 The county shall continue to actively support the use of state and federal economic development incentives towards the provision of additional, better-paying local jobs.	Ongoing	The County is the primary funding source for BORT (Business Outreach & Response Team) and the primary contractor for CDS (Community Development Services). CDS is contracted by the County to manage its loan programs, write grant applications and prepare a biannual Overall Economic Development Plan (OEDP).	
8.3 The county shall pursue funding of a Section 8 Family Self-Sufficiency Program which includes job training and education opportunities for the assisted households.	Ongoing	This program is administered by Lake County Social Services Department.	
8.4 The county shall assist high employment industries wishing to locate locally to secure loan guarantees or other forms of assistance from state and federal agencies.	Ongoing	This program is administered by CDS, BORT and the recently formed Redevelopment Agency.	
8.5 The county shall develop and adopt an overall economic development plan.	Ongoing	The County participates and helps to fund the biannual preparation of an Overall Economic Development (OED) report by CDS.	

Implementation Program/ Summary of Program	Status	Evaluation	Recommendations for Updated Housing Element
9.1 The county shall amend the zoning ordinance to allow emergency/ homeless shelters within the "C1", "C2" and "CH" zoning districts as permitted uses.	Ongoing	Emergency/homeless shelters are only permitted in the "C2" zoning district. Existing non-conforming shelters in "CH" zoning districts have been a problem issue. CH zoning is generally along the lakefront. The shelters have tended to be located in structures designed for transient occupancy, and the use is incompatible with adjacent tourist related services and public access to the lakefront. The zoning ordinance does not permit shelters in CH zoning.	
9.2 The county shall seek funding to conduct a homeless needs assessment.	Ongoing	There is a study funded by a CDBG Planning and Technical Assistance grant in progress. It is due to be completed in December 2002. (See also 6.2 above.)	
9.3 The county shall apply to expand the Section 8 Housing Assistance Program which grants priority to displaced households.	Not Accomplished	The program was once increased by 50 vouchers. The County program has remained at 224 vouchers for sometime, although the overall number of families in the program has increased due to "port-ins" from other jurisdictions. There is a long waiting list to enter the program.	
9.4 The county shall waive development and construction fees where appropriate for projects which will serve households in need of emergency housing.	Ongoing	The Board of Supervisors considers the waiver of development fees on a case-by-case basis upon application.	
10.1 The county housing coordinator shall continue to serve as community liaison in questions of housing discrimination. Information regarding fair housing laws, etc., shall be disseminated through written materials and the media as appropriate.	Not accomplished	This is not being done since the elimination of the County Housing Division. Fair housing issues are referred to the State Office in Santa Rosa. The County is an equal opportunity housing lender. This information is included in the marketing materials for Section 8 housing and the HOME and CDBG grant programs.	
10.2 The county shall adopt an Equal Housing Opportunity Plan meeting federal guidelines, which will actively pursue fair housing law compliance.	Ongoing	A plan was adopted. Section 504 coordination is handled by the County Personnel Office.	

Implementation Program/ Summary of Program	Status	Evaluation	Recommendations for Updated Housing Element
<p>11.1 The county shall adopt a citizen participation plan which provides for full representation of all economic segments, ethnic groups or other possibly impacted persons in any public discussion of possible county actions. This plan shall provide for advance public notice by mail and/or in the media, and will provide for early opportunities for review of documents and materials. Public meetings and/or hearings shall be conducted as provided by law and prior to all significant actions or decisions impacting housing.</p>	<p>Ongoing</p>	<p>Public noticing for housing projects and policy changes is administered by the Community Development Department, Planning Division as provided by law. Community Action Committees are formed to provide input on area plans, housing element updates and the general plan update.</p>	
<p>11.2 The county shall maintain internal general plan consistency when taking action amending any portion of the general plan, including land use designations, or when approving any discretionary project which requires the prior determination of general plan consistency.</p>	<p>Ongoing</p>	<p>This is administered by the Community Development Department, Planning Division. Public and private projects, zoning amendments, general plan amendments, area plan updates and public policy changes are subject to review by the Planning Division for general plan consistency.</p>	

Source: Lake County Planning Department

Note: Table just includes a summary of the program text.