

# **Chapter 4**

## **HOUSING**

### **RESOURCES**

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This chapter analyzes the resources available for the development, rehabilitation, and preservation of housing in Kings County and the cities of Avenal, Corcoran, Hanford and Lemoore. This includes an evaluation of the regional housing needs allocation for each jurisdiction, the availability of land resources for new housing, the financial resources available to support housing activities, and the administrative resources available to assist in implementing their housing programs.

#### **A. Regional Housing Needs**

California law (Government Code, Section 65584) requires that each city and county, when preparing their State-mandated housing element, to develop local housing programs designed to address housing needs for all income groups in their community. This concept seeks to ensure that each jurisdiction, to the extent feasible and appropriate, plans for a variety of housing for population growth expected in the region as well as people who might reasonably be expected to reside within the jurisdiction were there available a variety of housing accommodations appropriate to their needs. This section describes and analyzes the regional housing needs allocation process in Kings County.

##### **1. Regional Housing Needs Allocation**

Every five years, the State Department of Housing and Community Development (HCD) estimates the amount of housing construction needed in the State of California to accommodate population growth. Projections of housing construction need is comprised of three basic parts – 1) the number of housing units needed to accommodate projected population and household growth; 2) an additional allowance for vacant units to ensure a healthy housing market; and 3) a further allowance to replace units that will be demolished, converted to non-housing uses or otherwise removed from the housing stock.

The first step is to derive the number of housing units needed to accommodate projected population and household growth from 2001-2008. HCD uses population forecasts produced by the Department of Finance for the period of 2001-2008. Population forecasts are developed using a standard cohort-component model which accounts for births, mortality rates, and migration. Population forecasts are converted to household growth based upon

standard household formation rates. The number of households expected to reside in Kings County roughly equals the total number of housing units needed in Kings County.

Once a region's basic housing need is determined, HCD then adjusts the amount of housing need upward, assuming that a certain number of housing units will be vacant. In the building industry, a vacancy allowance of 2 percent for ownership units and 6 percent for rental units is assumed to be a balanced housing market. A balanced market ensures that adequate housing units are available, provides sufficient choice for residents, and moderates housing prices and rents within a community. Higher vacancy rates are assumed to indicate excess supply and price depreciation, while lower vacancy rates trigger price escalation.

The third component is the housing replacement calculation. HCD assumes that a certain number of housing units will be removed from residential use due to demolition, conversion into commercial uses, or merger into larger units. HCD uses statewide surveys to determine that 0.2 percent of the region's housing stock will require replacement on an annual basis from 2001 thru 2008. HCD therefore increases the total number of housing units needed to ensure that the new construction represents a net increase in housing stock adequate to accommodate expected growth in the region.

Taken together, HCD allocated Kings County a housing production goal of 9,713 new units for a seven and one-half years period extending from January 1, 2001 through June 30, 2008. The vast majority of housing construction need in each jurisdiction (approximately 90 percent) is due to projected population and household growth. Using the 2000 Census income distribution, HCD also determines the affordability of housing units to be built according to the following groups:

- ◆ Very Low Income – The income of a four-person family does not exceed 50 percent of area median income of the County (\$17,875 and below).
- ◆ Low Income – Four-person family with income between 50 percent and 80 percent of the area median income (\$17,876 to \$28,599).
- ◆ Moderate Income – Four-person family with income between 80 percent and 120 percent of the area median income (\$28,600 to \$42,899).
- ◆ Above Moderate Income – Four-person family with income 120 percent or more of the area median income (\$42,900 and above).

Having received the State's determination of the region's need for new housing, the second step of the process allocates the regional housing need to the cities of Avenal, Corcoran, Hanford, Lemoore, and the unincorporated areas. In accordance with the planning considerations set forth in Government Code, Section 65584(c), KCAG and local jurisdictions developed a methodology to allocate housing production goals based on four factors:

- (1) **Growth Rate.** Population growth fuels housing demand and housing construction. The General Plans of each jurisdiction provided growth rates for each jurisdiction.

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Since population growth has the greatest impact upon new construction, growth rates represent 75 percent of the regional housing needs allocation for each jurisdiction.

- (2) **Building Permits.** Building permit activity is often a response to population growth, housing demand, speculation and development opportunities. The Kings County RHNA compiled development activity by jurisdiction (1997-2000) as a percent of countywide activity and applied a 10 percent weighting factor for each city's RHNA.
- (3) **Market Demand.** The RHNA allocated housing goals based on market demand for new housing. Market demand for housing was based on historical housing sales, type and tenure of housing, loss of assisted units, the LNAS housing demand, and various other factors. Market demand represents 10 percent of each jurisdiction's RHNA.
- (4) **Other Factors.** The RHNA allocated housing goals based on a variety additional factors, including employment and commuting patterns, as well as the availability of suitable housing sites and infrastructure. This factor represents 5 percent of the total RHNA for each jurisdiction in Kings County.

The final step was to assign a housing affordability distribution to each community. Kings County jurisdictions decided that each jurisdiction should provide the same percentage of housing by affordability level. Thus, each community's housing production goals include the following: 24 percent very low income units, 20 percent of low income units, 16 percent for moderate income housing, and 40 percent for above moderate income housing.

Unincorporated land within each City's Primary Sphere of Influence, as determined by the Local Agency Formation Commission of Kings County, was attributed to each respective City in determining jurisdiction housing allocations. This approach was taken because Urban Service Policies of Kings County requires that any new residential development, except for single family residences on an existing lot, must connect to the nearest City or Community Services Districts for water and sewer services. Therefore, City annexations of land within their respective primary sphere of influence, as defined at the date of this plan, are not considered a qualifying event that transfers allocations between the County and Cities.

Incorporations and annexations beyond the present City Primary Sphere of Influence boundaries are not anticipated to occur during this document's planning period. For any jurisdictional changes that are not considered under the context of this plan's determination, the transfer of housing allocations is governed by Government Code Section 65584(c)(5).

**Chart 4-1** summarizes the regional housing need allocation for each jurisdiction in the County. This is the total number of new housing units the jurisdictions must plan for during the January 1, 2001 to June 30, 2008 planning period.

CHART 4-1  
REGIONAL HOUSING NEEDS ALLOCATION  
KINGS COUNTY, 2001-2008

Jurisdiction	Housing Affordability Levels				Total
	Very Low	Low	Moderate	Above Moderate	
Avenal	139	116	93	232	580
Corcoran	205	171	137	341	854
Hanford	1,059	883	706	1,766	4,414
Lemoore	723	602	481	1,204	3,010
Unincorporated	205	171	137	342	855
<b>Total</b>	<b>2,331</b>	<b>1,943</b>	<b>1,554</b>	<b>3,885</b>	<b>9,713</b>

Source: Regional Housing Needs Plan, 2003, Housing Production Reports, 2003

## 2. Credits toward the RHNA

HCD allows cities to take the following three credits toward meeting their housing production goals. This section describes the applicability of the rehabilitation/preservation and new construction credits, while latter sections discuss the availability of land to address the remaining production goals.

- **Rehabilitation/Preservation.** Under State law, cities can also count up to 25 percent of their RHNP for the lower income units using the rehabilitation of qualified substandard units. Cities may also count a portion of the affordable units which would otherwise revert to market rents but are preserved through committed assistance from the jurisdiction.
- **New Construction.** Since the RHNA uses the January 1, 2001 as the baseline for growth projections for the Housing Element planning period of 2003-2008, jurisdictions may count the number of new units built or issued certificates of occupancy since January 1, 2001 toward their RHNP.
- **Available Land for Development.** Because the planning period extends seven and one-half years to 2008, cities may also count potential housing production on suitable vacant and underutilized sites within the community. Cities must document how zoning and development standards on the sites facilitate housing.

Many jurisdictions are undergoing substantial housing rehabilitation and preservation projects within their respective communities. However, the provisions in State law pursuant to AB438 for crediting such projects toward the regional housing needs sites requirement are too stringent. As a result, stringent regulations disqualify and in fact

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provide a disincentive for pursuing many noteworthy projects, even though such projects improve the quality of life for many residents with low income and special housing needs.

Therefore, jurisdictions are relying on new housing construction from January 2001 to July 2003 to address the RHNA. Information is derived from the County assessor records with respect to building permits and issued and finalized. **Chart 4-2** shows the amount of housing projects since 2001 for each jurisdiction and the affordability level of the units. The affordability of the units is derived from actual market surveys of new residential developments in each of the respective jurisdictions.

**CHART 4-2**  
**BUILDING ACTIVITY IN KINGS COUNTY,**  
**JANUARY 2001 - JULY 2003**

Jurisdictions	Affordability of Housing (Units)				Total
	Very Low	Low	Mod	Upper	
Avenal	65	16	12	0	93
Corcoran	81	21	20	0	122
Hanford	0	0	482	480	962
Lemoore	0	0	262	261	523
Unincorporated	42	28	219	218	507
<b>Total</b>	188	65	995	959	2,207

Source: Kings County Building Permit records, January 2001 to June 2003

**Avenal:** Within Avenal, 93 housing units have been constructed since January 2001, including 12 single-family units and 81 multi-family units. The 12 single-family homes are market-rate developments, which are affordable to moderate income households in the City based on the rents and sales prices shown earlier in Charts 2-15 and 2-17. The 81-unit project, El Palmar, is a tax credit project affordable to low and very low income households.

**Corcoran:** Within Corcoran, 20 housing units have been constructed since January 2001. All 20 of the housing units are single-family homes, which are affordable to moderate income households based on the rents and sales prices indicated in Charts 2-15 and 2-17. The City also has approved for construction two apartment projects financed with tax credits, which will provide 102 units affordable to very low and low income households.

**Hanford:** In the late 1990s, Hanford experienced a significant amount of multi-family housing construction. Since 2001, 962 residential units have been constructed in Hanford. All have been single-family residences. Since home prices in Hanford are among the highest in the County, (Chart 2-15), the analysis assumes half of the units are affordable to moderate income households and half are affordable to above-moderate income households.

**Lemoore:** Since 2001, 523 single-family units have been developed in Lemoore. No multi-family complexes were built in the last two years. Since Lemoore had the highest home prices in the County (see Chart 2-15), it is assumed that approximately half of the units are affordable to moderate income households and the other half are affordable to above-moderate income households.

**Kings County:** Since 2001, 163 single-family residences were built in the unincorporated areas, including 28 mobile homes. Twelve of the units were developed by Self-Help Enterprises and are affordable to very low income households. In addition, the Verdegall project underway will provide 344 single family units, 30 of which are affordable to very low income households via a density bonus. According to the affordability discussion in Chapter 2, single-family homes are affordable to moderate and above moderate income households, while mobile homes are affordable to lower income households. Thus, approximately half of the single-family units were credited each to moderate and above moderate income households, while the mobile homes were credited to low income households.

**Chart 4-3** below summarizes the City's status on the number of housing units remaining in their respective regional housing needs allocation, after accounting for housing production since January 2001. The next section discusses how jurisdictions will address this need.

**CHART 4-3  
REMAINING REGIONAL HOUSING NEEDS,  
JANUARY 2003- JULY 2008**

	Affordability of Housing (Units)				Total
	Very Low	Low	Moderate	Above-Moderate	
Avenal	74	100	81	232	487
Corcoran	124	150	117	341	732
Hanford	1,059	883	224	1,286	3,452
Lemoore	723	602	219	943	2,487
Unincorporated	154	143	(82)	124	339
<b>Total</b>	<b>2,134</b>	<b>1,878</b>	<b>559</b>	<b>3,088</b>	<b>7,497</b>

Source: Kings County Building Permit records; Regional Housing Needs Plan, 2003

## B. Inventory of Sites

To address the remaining RHNA, cities can show how sites within their respective community can accommodate housing at a variety of prices and affordability levels. To that end, a parcel-by-parcel inventory was conducted using the County’s Geographic Information System (GIS). The inventory consisted of vacant sites with infrastructure in place and undeveloped sites lacking infrastructure, which could include roads, water, or sewer service. Sites with Farmland Security Zones and Williamson Act contracts were eliminated from the analysis. Development capacity on undeveloped sites was reduced by 30 percent to account for the infrastructure (e.g., streets, right-of-way, parks, etc) required for these sites. The following shows the results of the analysis and evaluation of housing sites in each jurisdiction.

### 1. Avenal Sites Inventory and RHNA

Avenal has 211 parcels that could support new residential development. Unlike other Kings County jurisdictions, all residential sites are located within the City. To ensure site feasibility, all of the residential sites exceed the minimum lot size required by the Zoning Ordinance. All housing sites are free from environmental constraints that would limit residential development, such as flood plains, earthquake zones, slopes, wetlands, and contamination. However, infrastructure and service extension would be necessary for undeveloped sites.

Residentially zoned sites can accommodate 2,444 new housing units in Avenal. Generally residential sites in Avenal are large. In particular, multi-family zoned sites range from 7,000 square feet to 20 acres, and usually exceed 1/3 acre in size. However, potential housing capacity is conservative: development capacity for 426 acres of AE-zoned sites in Kettleman Hills is excluded due to significant environmental constraints to development. Shown below, **Chart 4-4** lists the potential sites that could accommodate residential development in Avenal.

**CHART 4-4  
AVENAL SITES INVENTORY**

Zoning District	Developable Parcels	Residential Zoned Acreage			Development Capacity
		Vacant	Undeveloped	Total	
A-E	12	0	426.2	426.2	-0-
Rural Residential *	5	0	68.3	68.3	137
R-1	176	29.5	243.2	272.7	1,909
R-2	4	1.9	1.0	2.9	35
R-2 (PO)	10	2.9	-0-	2.9	35
R-3	4	0.0	23.5	23.5	329
<b>Total</b>	<b>211</b>	<b>34.3</b>	<b>761.2</b>	<b>796.5</b>	<b>2,444</b>

\* Rural residential includes the R-A, R-E, RRE, and R-1-20 zones

Source: Kings County GIS System, 2003

**Relationship of Sites to Affordable Housing**

As shown in **Chart 4-5**, the 2,444 potential units in the City far exceed the remaining RHNA allocation of 487 housing units. However, the City must also show that sufficient sites, combined with zoning and development standards, can facilitate affordable housing commensurate with the RHNA. Recent development activity in the community, coupled with market sales prices and rents, provides the basis for demonstrating such capacity.

Chapter 2 provided a survey of market rents and sales prices of homes. This survey demonstrated that single-family homes are generally affordable to moderate-income households, with a few affordable only to above-moderate income households. Single-family homes are the predominant housing type built within the A-1, R-E, and R-1 zoning districts in Avenal. Therefore, development capacity in the A-1, R-E and R-1 zones was assumed to be single-family residences affordable to moderate and above-moderate income categories.

Surveys of apartments in Avenal show that rents are affordable to low income households. Apartments are typically built in either the R-2 or R-3 zoning districts. Housing units affordable to very low income households typically require public subsidies. Avenal has a history of facilitating subsidized housing for very low income households, having recently completed an 81-unit tax credit project in the R-2 zone of the City. Thus, sites in the R-2 and R-3 zones are assumed to have the capacity to accommodate lower income units.

As summarized in **Chart 4-5**, the City has the capacity to accommodate 399 additional units in the R-2 and R-3 zones. This capacity exceeds the remaining allocation of 174 units for very low and low income groups. The remaining sites will facilitate the development of 2,025 potential units affordable to moderate and above-moderate income households. This exceeds the 313 units allocated to these income groups. Therefore, the potential sites are adequate to meet the RHNA allocation, with a significant surplus of sites.

**CHART 4-5  
DEVELOPMENT CAPACITY COMPARED WITH REMAINING RHNA,  
CITY OF AVENAL**

Housing Affordability Group	Remaining RHNA Allocation	Housing Capacity (Units)			Remaining Need (RHNA Need – site capacity)
		Within City	Within Sphere	Total	
Very Low	74	399	-0-	399	-0-
Low	100				
Moderate	81	2,025	-0-	2,025	-0-
Above Moderate	232				
<b>Total</b>	<b>487</b>	<b>2,424</b>	<b>0</b>	<b>2,424</b>	<b>-0-</b>

Source: Kings County GIS System, 2003; Regional Housing Needs Plan

## 2. Corcoran Sites Inventory and RHNA

Corcoran can accommodate 4,301 new housing units within the City and 1,349 new units within the Sphere of Influence. In selecting these sites, the land inventory contains only sites which meet the minimum lot size required by the Zoning Ordinance. All potential housing sites are also completely free from environmental constraints that would limit residential development, such as flood plains, earthquake zones, slopes, wetlands, and contamination. However, infrastructure and service extension would be necessary for undeveloped sites.

Corcoran has 314 parcels that could support new residential development. The 182 parcels in the City's Sphere can accommodate 1,350 single-family units. Within the City, available sites can accommodate 4,300 units, of which 2,050 are comprised of multi-family housing. Thirty multi-family zoned sites include nine sites smaller than ¼ acre, nine sites from ¼ to ½ acres, two sites from ½ to 1 acre, and 6 sites between 1 and 5 acres. **Chart 4-6** summarizes the potential sites suitable for residential development in Corcoran.

**CHART 4-6  
CORCORAN SITES INVENTORY**

Zoning District	Acreage In City				Within Sphere	
	Parcels	Vacant	Undeveloped	Housing Capacity	All Acres	Housing Capacity
AL-10	8	0	-	-	891.1	624
Rural Residential*	55	2.0	4.9	14	45.9	64
R-1-10	23	0.7	0.5	5	48.3	135
R-1-6	197	19.8	299.1	2,232	107.4	526
RM-3	10	4.2	6.1	144	-	-
RM-2.5	8	1.4	103.5	1,783	-	-
RM-2	10	2.3	3.3	124	-	-
ND	3	-	11.5	-	-	-
<b>Total</b>	<b>314</b>	<b>30.2</b>	<b>428.9</b>	<b>4,301</b>	<b>1,092.6</b>	<b>1,349</b>

\* Rural residential includes the R-A, and R-E zones

Source: Kings County GIS System, 2003

As shown above in **Chart 4-6**, the 4,301 potential units in the City far exceed the remaining RHNA allocation of 854 housing units. However, the City must also show that sufficient sites, combined with zoning and development standards, can facilitate affordable housing commensurate with the RHNA. Recent development activity in the community, coupled with market sales prices and rents, provides the basis for demonstrating such capacity.

**Relationship of Sites to Affordable Housing**

Chapter 2 provided a survey of market rents and sales prices of homes. According to the affordability discussion, housing in Corcoran is among the most affordable in the County, with single-family homes typically affordable to moderate income households. Single-family homes are the predominant housing type built within the A-1, R-E, and R-1 zoning districts in Corcoran. Therefore, development capacity in these rural residential zones was assumed to be single-family residences affordable to moderate and above-moderate income categories.

Surveys of apartments in Corcoran show that rents are affordable to low income households. Apartments are typically built in either the R-2 or R-3 zoning districts. Housing units affordable to very low income households typically require public subsidies. Two tax credit projects totaling 102 very low income units are under construction in the City. No development standard modifications were required. Thus, remaining sites in the R-2 and R-3 zones are assumed to have the capacity to accommodate lower income units.

As summarized in **Chart 4-7**, the capacity for 2,050 multi-family units in the City's incorporated boundaries far exceeds the remaining allocation of 274 units for the very low and low income groups. Similarly, the remaining 2,250 potential single-family units within the City's incorporated boundary far exceeds the remaining RHNA allocation of 458 moderate and above-moderate income units. Taken together, the City has adequate sites to accommodate its RHNA for 2003-2008 and in fact has a significant surplus of available sites.

**CHART 4-7  
DEVELOPMENT CAPACITY COMPARED WITH REMAINING RHNA,  
CITY OF CORCORAN**

Housing Affordability Group	Remaining RHNA Allocation	Housing Capacity			Remaining Need (RHNA Need – site capacity)
		Within City	Within Sphere	Total	
Very Low	124				
Low	150	2,050	-0-	2,050	(1,776)
Moderate	117				
Above Moderate	341	2,250	1,349	3,599	(3,141)
<b>Total</b>	<b>732</b>	<b>4,300</b>	<b>1,349</b>	<b>5,649</b>	<b>(4,917)</b>

Source: Kings County GIS System, 2003; Regional Housing Needs Plan, 2003-2008.

### 3. Hanford Sites Inventory and RHNA

Hanford can accommodate 5,610 new housing units within the City and 987 new units within the Sphere of Influence. These sites are suitable for development because all exceed the minimum lot size required by the Zoning Ordinance. Moreover, all potential housing sites are also completely free from environmental constraints that would limit residential development, such as flood plains, earthquake zones, slopes, wetlands, and contamination. However, infrastructure and service extension would be necessary for undeveloped sites.

Hanford has 671 parcels within the City's corporate limits alone which can accommodate new residential development. Of this total, 117 sites are zoned for multi-family development, 90% of the sites are vacant, and such sites can accommodate 2,008 apartments. The size distribution of such sites is as follows: 54 sites are smaller than ¼ acre, 25 sites are ¼ to ½ an acre, 12 sites are ½ to 1 acre, and the remaining 26 sites are larger than 1 acre. **Chart 4-8** summarizes the sites suitable for residential development in Hanford.

Hanford has additional sites which can accommodate residential development. Sites zoned Office-Residential or Downtown Commercial also allow for housing. However, given the surplus of residentially zoned sites, the housing potential for OR and DC-zoned sites is not included below nor is necessary to address the RHNA. In addition, many sites within the Sphere of Influence have a general plan land use designation of medium and high density residential, but the housing potential of such sites is not included for the same reason.

**CHART 4-8  
HANFORD SITES INVENTORY**

Zoning District	In City			Within Sphere	
	Vacant Acres	Undeveloped Acres	Housing Capacity	All Acres	Housing Capacity
AL-10	-	-	-	375.0	525
Rural	31.4	39.5	142	187.6	263
R1-12	0.9	46.6	143	13.6	29
R1-8	23.3	93.0	581	1.8	6
R1-6	52.9	337.9	2,736	23.3	114
RM-3	30.0	81.3	1,558	5.1	50
RM-2	-	20.5	450	-	-
ND/UR	0.4	9.7	-	2,702.3	-
OR	-	1.9	-	-	-
DC	7.5	-	-	-	-
Total	146.5	630.3	5,610	3,308.7	987

Rural residential includes the R-A, R-E, RRE, and R-1-20 zones

Source: Kings County GIS System, 2003

**Relationship of Sites to Affordable Housing**

Hanford’s remaining development capacity of 5,610 units within corporate limits exceeds the remaining RHNA allocation of 3,452 units. Sites within the Sphere of Influence or the City’s downtown (O-R and D-C zones) are not included in the analysis, since they are not needed to address the very low, low, moderate, or above moderate income requirements of the RHNA. Recent development activity in the community, coupled with market sales prices and rents, provides the basis for demonstrating such capacity.

According to the affordability discussion in Chapter 2, single-family homes are typically affordable to moderate and above-moderate households. Single-family homes are the predominant housing type built within the R-1 zoning districts in Hanford. Therefore, development capacity in these zones was assumed to be single-family residences affordable to moderate and above-moderate income categories.

Surveys of apartments in Hanford show that rents are affordable to low income households. Housing affordable to very low income households will require subsidies. Apartments are a permitted use by right in either the high density residential districts (RM-2 or RM-3) or commercial districts (O-R and D-C). In recent years, Hanford has seen three tax credit projects for very low income households built in these zones. Thus, remaining sites in the RM-2 and RM-3 district have capacity to accommodate lower income units.

**Chart 4-9** shows the comparison of sites to the RHNA allocation by income group. The 2,208 units allocated to very low and low income households exceeds the RHNA allocation of 1,942, while the 3,594 units allocated to moderate and above moderate income households exceeds the allocation of 1,510 for these income groups. Therefore, the City has adequate sites to meet the RHNA allocation, with a surplus of 2,102 units.

**CHART 4-9  
DEVELOPMENT CAPACITY COMPARED WITH REMAINING RHNA,  
CITY OF HANFORD**

Housing Affordability Group	Remaining Need	Development Capacity			RHNA Need-site capacity
		Within City	Within Sphere	Total	
Very Low	1,059	2,008	50	2,058	-0-
Low	883				
Moderate	224	3,601	937	4,538	-0-
Above Moderate	1,286				
<b>Total</b>	<b>3,452</b>	<b>5,609</b>	<b>987</b>	<b>6,596</b>	<b>-0-</b>

Source: Kings County GIS System, 2003  
Regional Housing Needs Plan, 2003-2008.

#### 4. Lemoore Sites Inventory and RHNA

Lemoore has 282 parcels that could support new housing; 236 parcels are within the City. The 46 parcels in Lemoore’s Sphere are zoned AL-10, rural residential, or are undesignated. All sites analyzed below meet the minimum lot size required under their zoning district. All potential housing sites are free from environmental constraints that would limit residential development, such as flood plains, earthquake zones, slopes, wetlands, and contamination. However, infrastructure and service extension would be necessary for undeveloped sites.

Hanford has 236 parcels within the City’s corporate limits alone which can accommodate new residential development. Of this total, 34 sites are zoned for multi-family development, 50% of the sites are vacant, and all multi-family zoned sites together can accommodate a total of 2,577 apartments. The size distribution of multi-family zoned sites is as follows: 12 sites are smaller than 1/2 acre, 11 sites are 1 to 5 acres, and 11 sites are larger than 5 acres. **Chart 4-10** summarizes the sites suitable for residential development in Hanford.

**CHART 4-10  
LEMOORE SITES INVENTORY**

Zoning District	Developable Parcels	In City			Sphere of Influence	
		Vacant Acres	Undeveloped Acres	Housing Capacity	Acreage	Housing Capacity
AL-10	27	0.0	0.0	0	200.9	141
Rural Residential*	45	3.0	104.0	214	21.3	30
R-1-10	22	2.8	39.4	295	0.0	0
R-1-7	131	17.3	688.9	4,943	0.0	0
RM-3	18	0.8	102.9	1,452	0.0	0
RM-2.5	11	3.8	10.3	309	0.0	0
RM-2	6	1.6	35.5	816	0.0	0
Not Designated	16	0.0	173.8	0	146.6	0
UR	6	0.0	121.9	0	0	0
<b>Total</b>	<b>282</b>	<b>29.3</b>	<b>1,276.4</b>	<b>8,029</b>	368.8	<b>171</b>

\* Rural residential includes the R-A20, R-A40 and R-RE

Source: Kings County GIS System, 2003

As shown above in **Chart 4-10**, the 8,029 potential units in the City far exceed the remaining RHNA allocation of 3,010 housing units. However, the City must also show that sufficient sites, combined with zoning and development standards, can facilitate affordable housing commensurate with the RHNA. Recent development activity in the community, coupled with market sales prices and rents, provides the basis for demonstrating such capacity.

**Relationship of Sites to Affordable Housing**

Chapter 2 provided a survey of market rents and sales prices of homes. Based on the affordability discussion, some single-family homes are affordable to moderate-income households, with the remainder affordable only to above moderate-income households. Rental units are generally affordable to low income households. Very low income households require subsidized units in order to maintain a reasonable level of cost burden.

Lemoore has a history of facilitating the production of subsidized affordable housing. Most recently, the City granted expedited processing to an 80-unit tax credit project located within a RM-2.5 zoning district. Since Lemoore has an active redevelopment agency committed to assisting in the development of affordable housing, it is reasonable to assume that agency assistance will be extended to other projects during the time frame of this housing element. The RM zone can best accommodate very low and low income units. Potential units in the single-family zones are allocated to moderate and above moderate income households.

**Chart 4-11** shows the affordability breakdown of the potential sites, as well as the comparison of sites to the RHNA allocation. RM-zoned sites can accommodate 2,577 units affordable to very low and low income households – exceeding the RHNA allocation of 1,325 for this income group. The remaining sites can facilitate 5,452 units affordable to moderate and above moderate-income households, which exceed the 1,162 moderate and above moderate income units in the RHNA. Therefore, the housing sites are adequate to meet the allocation for each income group in the RHNA with a considerable surplus.

**CHART 4-11  
DEVELOPMENT CAPACITY COMPARED WITH REMAINING RHNA,  
CITY OF LEMOORE**

Income Group	Remaining Need	Development Capacity			Remaining Need - site capacity
		Within City	Within Sphere	Total	
Very Low	723	2,577	-0-	2,577	-0-
Low	602				
Moderate	219	5,452	171	5,623	-0-
Above Moderate	943				
<b>Total</b>	<b>2,487</b>	<b>8,029</b>	<b>171</b>	<b>8,200</b>	<b>-0-</b>

Source: Kings County GIS System, 2003  
Regional Housing Needs Plan, 2003-2008.

## 5. Kings County Sites Inventory and RHNA

**Chart 4-12** shows the amount of vacant and undeveloped sites within the unincorporated County that could accommodate new housing. Kings County has 214 parcels located within six community service districts that are zoned for residential uses. As shown in the chart, the potential for 1,934 new units exists. All sites, except in Kettleman City, meet the minimum lot size required by the Zoning Ordinance and are free from flood plains, earthquake zones, slopes, wetlands, and contamination that would limit residential development. However, infrastructure and service extension would be necessary for undeveloped sites.

Of the high density residential sites zoned R-M which could accommodate multi-family housing, approximately 29 acres are located in Armona Community Service District (CSD), 6 acres are located in Stratford CSD, 6 acres are situated in Home Gardens CSD, and the remaining 4 acres are in Kettleman City. Armona and Home Gardens, both just west of Hanford, are likely to experience multi-family development and are areas unconstrained by infrastructure and environmental constraints. Of the total number of multi-family residentially-zoned sites, 5 sites are ¼ to 1 acre and 9 sites are larger than 1 acre.

**CHART 4-12  
KINGS COUNTY SITES INVENTORY**

Zoning District	Underutilized Acres	Vacant Acres	Total Acreage	Total Development Capacity
AL	0.7	0.0	0.7	1
AL10	150.0	7.0	157.0	220
R-1-12	0.3	3.0	3.3	7
R-1-20	39.0	6.5	45.5	64
R-1-6	144.0	9.2	153.2	750
R-1-8	5.6	1.5	7.2	25
RM-1.5	2.2	0.0	2.2	34
RM-2	6.8	1.7	8.5	88
RM-3	36.5	0.8	37.3	360
RRA	36.6	8.8	45.4	64
RRE	189.8	39.4	229.1	321
Grand Total	611.5	77.9	689.4	1,934

Source: Kings County GIS System, 2003

**Relationship of Sites to Affordable Housing**

The 1,934 residential sites in unincorporated areas exceed the 855-unit RHNA allocation; however, the sites must address the RHNA allocations for each income group. Single-family homes are affordable to moderate income households; however, the County has a history in facilitating affordable housing. In 2000, a 104-unit subdivision with a density bonus provision was completed, resulting in nine very low income units. Another 344 subdivision with a density bonus was approved, providing an additional 30 very low income units.

Single-family zones typically support the development of housing affordable to moderate income households. However, rural residential areas also support mobile homes affordable to lower income households. Since 2001, 28 mobile homes were developed in the County. Assuming a similar rate of development over the remaining years of the housing element period, an additional 75 mobile homes can be expected in the County. The sites analysis assumes that these mobile homes will be constructed on undeveloped Rural Residential sites.

New market rate apartments in the County are usually affordable to low income households. Assuming that land costs are lower in unincorporated areas and that development standards are equivalent in comparison with nearby jurisdictions, the high density zones should be able to accommodate affordable housing for lower income households. Kings County also has a history of facilitating subsidized affordable housing. A Section 515 project and a public housing project located in Armona provide 44 very low income units, while a Section 515 project in Kettleman City provides 27 units affordable to very low income households.

Taken together, the 523 unit capacity in the high density zones exceeds the 297 RHNA allocation for very low and low income units. The remaining lower density residential sites which can facilitate 1,451 new units affordable to moderate/above moderate income households also exceed the 206-unit RHNA allocation. Therefore, sites in the unincorporated areas are adequate to meet the allocations to each income group, resulting in a surplus.

**CHART 4-13  
DEVELOPMENT CAPACITY COMPARED WITH REMAINING RHNA,  
KINGS COUNTY**

<b>Income Group</b>	<b>Remaining Need</b>	<b>Total Units</b>	<b>Remaining Need (Surplus)</b>
Very Low	154	523	0
Low	143		
Moderate	82	1,451	0
Above Moderate	124		
<b>Total</b>	<b>503</b>	<b>1,974</b>	<b>0</b>

Source: Kings County GIS System, 2003  
Regional Housing Needs Plan, 2003-2008.

## C. Financial and Administrative Resources

Kings County has access to a variety of funding sources to assist in the production of affordable housing for very low, low and moderate income households. Sources include local, state, federal, and private resources. In addition, various nonprofit and for-profit agencies may have the administrative capacity to help the jurisdictions further their housing goals. The following section describes the largest housing funding sources currently used in the County and the agencies that can help the jurisdictions achieve their housing goals.

### 1. Financial Resources

**Home Investment Partnership (HOME):** The federal HOME Program offers funding for local jurisdictions to improve and/or expand the supply of affordable housing opportunities for lower income households. All projects funded with HOME funds must be targeted to very low and low income households and must have matching funds from non-federal resources equal to 25 percent of the requested funds. Given the population of the jurisdictions, none qualifies to receive HOME funds directly from HUD. Instead, the jurisdictions must apply to HCD on a competitive basis. Recently, the cities of Avenal, Corcoran, Hanford and Lemoore received HOME grants for first time homebuyer loans and housing rehabilitation loans.

**Community Development Block Grant (CDBG):** The CDBG program is designed to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, especially for persons with low and moderate income. CDBG funds can be used for a variety of activities, including housing acquisition, housing rehabilitation, new construction, public works, and community facilities. Each year, jurisdictions may apply for up to \$800,000 under both the General Allocation and Economic Development components of the CDBG programs. The maximum amount per application is \$500,000. In addition, grants of up to \$35,000 per year from the General Planning and Technical Assistance allocation and \$35,000 per year for the Economic Development Planning and Technical Assistance are awarded and do not count toward the \$800,000 cap.

**Redevelopment Set-Aside:** Jurisdictions with redevelopment agencies are required allocate 20 percent of tax increment funds each year into a housing fund, which is used to assist in the development of low and moderate income housing. Among the jurisdictions, Avenal, Corcoran, Hanford, and Lemoore have redevelopment agencies. Each agency must complete a redevelopment implementation plan, which details the total funds available in the housing fund and the projected expenditure of these funds. Housing developed under this program must remain affordable to the targeted income group for at least 55 years for rentals and 45 years for ownership units.

CHART 4-14  
REDEVELOPMENT SET-ASIDE PROJECTIONS AND PLANNED USES

Jurisdiction	2003-2008 Set-Aside Projection	Planned Uses
Avenal	\$90,000 annually	Retirement of bond for infrastructure improvements
Corcoran	\$45,487 annually	Rehabilitation (minor and substantial), homebuyer assistance
Hanford	\$1,075,484 annually	Rehabilitation, home buyer assistance, neighborhood conservation, developer incentives
Lemoore	\$610,000 annually	Rehabilitation, home buyer assistance

Source: Redevelopment Implementation Plans for each jurisdiction

**Proposition 46:** California voters recently approved a record \$2.1 billion bond (Proposition 46, the Housing and Emergency Shelter Trust Fund Act of 2002) to address the State's affordable housing crisis. According to the Department of Housing and Community Development (HCD), the housing bond will create up to 22,000 permanently affordable homes for rent; enable more than 65,000 families to purchase their own homes; provide housing assistance for 12,000 to 24,000 farmworker families; and underwrite 20 million shelter bed days for homeless people. These bond funds will be available on a competitive basis for the entire state and represent a major opportunity for the City to leverage local monies in support of affordable housing. Specifically, the bond will be allocated as follows:

- \$910 million for the Multi-family Housing Program;
- \$195 million for the Emergency Housing Assistance Program;
- \$195 million for Supportive Housing;
- \$200 million for Farm Worker Housing;
- \$290 million for the California Homebuyer Downpayment Assistance Program;
- \$100 million for the Jobs-Housing Balance Incentives Program; and
- \$ 5 million for Code Enforcement.

**USDA Rural Development Programs:** USDA operates several programs to assist in the development of affordable housing in rural areas. The Section 514 and Section 516 programs provide funds for farm labor housing, while the Section 515 program provides funds for rental housing. Within Kings County, 11 projects have been built through the Section 515 program. In addition to the funds for housing development, USDA Rural Development offers programs to assist individual families with the purchase of a home. The Section 502 program provides a household a reduced interest rate direct loan, or acts as the guarantor of a loan. In addition, the Section 523 program offers funds for self-help housing developments, while the Section 504 program provides loans and grants for home repairs.

**Low Income Housing Tax Credits:** The Low Income Housing Tax Credit Program (LIHTC) was created by the Tax Reform Act of 1986 to help offset the loss of incentives due to the 40 year depreciation schedule for low income rental housing, as opposed to 15 years prior. It was the only production program to replace the Section 8 New Construction program terminated in the early 1980s. Within Kings County, many developers have used tax credits to construct affordable housing. Currently, eight tax credit projects providing 496 affordable units are located in the County.

Under the LIHTC, developers of rental housing must meet certain affordability tests: 1) one-fifth of the units must rent at 50 percent of area median income; and 2) two-fifths at 60 percent of area median income. If the standards are met and approval is granted in advance of the project, investors receive a ten year stream of federal tax credits. The value of these credits is usually converted into equity in the project, thereby resulting in reduced debt and more affordable rents. In practice, many tax credit projects are undertaken with 100 percent of the units at 60 percent of median. The minimum affordability period is fifteen years.

## 2. Administrative Resources

Described below are the major public and non-profit agencies that have been involved in housing activities or are interested in housing activities in Kings County. These agencies play important roles in meeting the housing needs of the community. In particular, they are involved in the improvement of the housing stock, provision of affordable housing, homeownership assistance, and rental assistance to households in need.

**Self Help Enterprises:** Incorporated in 1965, Self-Help Enterprises is a non-profit housing developer that assists low income residents of rural areas with housing and related services. "Self-help" housing refers to housing built in part by the future occupants of the home by allowing families to use their "sweat equity" as the down payment on the new home they might otherwise not be able to afford. Self-Help Enterprises of Visalia is actively involved in helping farm laborers and other low income families in becoming homeowners through both training and supervision as self-help builders, and assembling public and private funds in support of new construction. Self-Help Enterprises also develops multi-family housing. Self Help Enterprises administers housing programs for all jurisdictions in Kings County.

**Housing Authority of Kings County (HAKC):** The Housing Authority's mission is to promote decent, safe, and affordable housing and economic opportunity to low-income families. The Housing Authority operates three public housing projects providing 339 units of affordable housing. The Housing Authority also manages 688 Section 8 units and seven single-family homes. Finally, the Authority manages two farm labor housing projects, a Rental Housing Construction program apartment complex, a CHRP-R senior citizen project, and two transitional housing projects. Chapter 2 lists all subsidized affordable housing rental projects.