



City of Murrieta

2008-2014 Housing Element

Prepared For:

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June 2011



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Introduction

Section I

1.1 - Housing Element Purpose

The Housing Element as part of the Murrieta General Plan is developed to ensure that the City establishes policies, procedures and incentives in its land use planning and redevelopment activities that result in the maintenance and expansion of the housing supply to adequately accommodate households currently living and expected to live in Murrieta. The Housing Element institutes policies that will guide City decision-making, and establishes an action program to implement housing goals through the year 2014.

The Housing Element has been designed to address key housing issues in the City. Foremost among these issues is ensuring a balance of housing types, at a variety of costs is available to meet the needs of all economic segments found within Murrieta. Consequently, the Housing Element makes provisions for affordable and accessible housing for special needs groups in the community, and is designed to provide guidance in the maintenance of existing affordable housing. These commitments are an expression of the statewide housing goal of “early attainment of decent housing and a suitable living environment for every Californian”, as well as an expression of the City of Murrieta’s goal for the attainment of a suitable living environment for every household.

1.2 - New State Legislation

The Housing Element addresses new State legislation, which mandates that the following reforms be included in the Housing Element update to facilitate and expedite the construction of affordable housing. This new legislation targets four specific areas including: emergency shelters, extremely-low-income households, reasonable accommodation and a detailed land inventory and analysis.

1.2.1 - Emergency Shelters

California Senate Bill 2, Chapter 633 requires jurisdictions to identify a zone or zones where transitional housing and emergency shelters will be allowed as a permitted use without a conditional use permit or other discretionary permit. The Housing Element addresses this issue and recommends a new implementation action within the Housing Plan that will ensure the City’s Zoning Ordinance is consistent with this statute.

1.2.2 - Extremely Low-Income Households

State housing element law requires jurisdictions to quantify the existing and projected housing need for residences of all income levels. A new provision within this legislation requires localities to take into consideration the number of extremely low-income households living in their jurisdiction. An extremely low-income household is defined as those earning between 0-30 percent of the Area Median Income for the Riverside-San Bernardino Metro area. The Background Technical Report includes extremely low-income households in its analysis.

1.2.3 - Reasonable Accommodation

As part of the governmental constraints analysis, the City must analyze potential and actual constraints upon the development, maintenance and improvement of housing for persons with disabilities and demonstrate local efforts to remove governmental constraints to help meet the housing needs for persons with disabilities established in the Federal Fair Housing Act. The Housing Element includes a discussion on the establishment of reasonable accommodation procedures such as modifications to processes, materials, and procedures to enable an individual with a disability to fully participate in activities which will provide them equal housing opportunities.

1.2.4 - Land Inventory and Analysis

Assembly Bill 2348 (Chapter 724) amended housing element law to include more specific requirements for the content of the land inventory and analysis section. The land inventory must specifically include a parcel-specific listing of available sites including the parcel number, address or other “unique” reference. The Housing Element should also include a map showing the location of sites. The General Plan and Zoning designations, along with parcel size, shall be provided for each site. The analysis must identify which sites in the inventory are available and suitable to accommodate affordable housing and must also demonstrate that the inventory can provide for a variety of housing types. The Housing Resources Section of the Housing Element provides maps of vacant and underutilized lands that could potentially be used to accommodate affordable housing in Murrieta.

1.3 - Citizen Participation

California Government Code requires that local governments make a diligent effort to achieve public participation from all economic segments of the community in the development of the housing element. In the preparation of the Housing Element Update, a number of organizations and agencies that provide housing, or housing related services, were contacted. Stakeholder groups that have been identified as influential to the development of housing and the provision of services in the community are:

- Riverside County Housing Authority
- Riverside County Economic Development Agency
- Affirmed Housing Group
- St. Martha’s Catholic Church
- Single Mom’s Life Skills Program

The City held two workshop meetings with Planning Commission prior to the submittal of this Housing Element draft to HCD for informal review. The first meeting with the Commission took place in June 25, 2008 and was intended to provide Commissioners and the public with general information regarding the Housing Element (i.e. contents, process and information on the RHNA). A second workshop with the Planning Commission occurred in January 28, 2009 and was focused more on the specific sections included in the draft Housing Element update (i.e. the Housing Plan, Land Inventory and technical background reports.) For both meetings the Housing Element workshop was noticed in the local paper, at City Hall, and in other public places such as the Senior Center. Despite the City’s efforts to engage the public, no public comments were made at either Planning Commission meeting regarding the Housing Element. Prior to final submittal of the Housing Element to HCD a workshop was held with the Planning

Commission on August 26, 2009, and the City Council on September 1, 2009. Similar to the meetings with the Planning Commission, no public comments were made during the regularly scheduled meeting regarding the Housing Element.

On October 29, 2010, the State Department of Housing and Community Development issued confirmation that the Housing Element was found to be in compliance with State law. The City held another workshop with the Planning Commission on December 8, 2010 to review the final draft. Comments from the public focused on specific sites in the inventory, affordability, and density.

The City plans to hold final hearings on the Housing Element with the Planning Commission in May 2011 and the City Council in June 2011. These meetings will be noticed and open for public comment on the final Housing Element draft.

1.4 - Consistency with State Planning Law

The Housing Element is one of the seven General Plan elements mandated by the State of California. Sections 65580 to 65590 of the California Government Code contain the legislative mandate for the housing element. State law requires that the City's Housing Element consist of "an identification and analysis of existing and projected housing needs and a statement of goals, policies, quantified objectives, financial resources, and scheduled programs for the preservation, improvement and development of housing" (Section 65583). In addition, the housing element shall identify adequate sites for housing, including rental housing, factory-built housing, and mobile homes, and shall make adequate provision for the existing and projected needs of all economic segments of the community.

1.5 - Detailed Components of the Housing Element

There is no single approved format for a Housing Element. Instead, State law defines of the issues that must be addressed. A housing element should clearly identify and address, at a minimum, each component listed below:

1. Review of the existing Housing Element.
2. An assessment of existing and projected housing and employment trends to assess a locality's housing needs for all income levels.
3. An inventory of resources relevant to meeting housing needs.
4. An inventory of constraints relevant to the meeting of these needs.
5. A statement of the community's goals, quantified objectives, and policies relative to the maintenance, preservation, improvement and development of housing.
6. A program that sets forth a five-year schedule of actions the local government is undertaking or intends to undertake to implement the policies and achieve the goals and objectives of the housing element.

1.6 - General Plan Consistency

The Housing Element is one of seven elements of the Murrieta General Plan. The goals, policies, actions and programs within this element relate directly to, and are consistent with, all other elements. The City's Housing Element identifies programs and resources required for the preservation, improvement and development of housing to meet the existing and projected needs of its population. Through the regulation of the amount and variety of open space and recreation areas, acceptable noise levels in residential areas, and programs to provide for the safety of the

residents, policies contained in General Plan elements directly affect the quality of life for all Murrieta citizens.

The Housing Element is affected by development policies contained in the Land Use Element, which establishes the location, type, intensity and distribution of land uses throughout the City, and defines the land use build-out potential. In designating residential development, the Land Use Element places an upper limit on the number and types of housing units constructed in the City. The acreage designated for a range of commercial and office uses creates employment opportunities for various income groups. The presence and potential for jobs affects the current and future demand for housing at the various income levels in the City.

The Circulation Element of the General Plan also affects the implementation of the Housing Element. The Circulation Element establishes policies for a balanced circulation system in the City. Consequently the Housing Element must include policies that take into account the types of infrastructure essential for residential housing units in addition to mitigating the effects of growth in the City.

The Housing Element utilizes the most current data available, and includes 2008 California Department of Finance data when possible, 2000 Census data and the 2005-2007 American Community Survey. All figures represented in the Housing Element are consistent with existing and projected population, employment and housing figures presented by county, State, national and non-profit agencies.

The Housing Element has been reviewed for consistency with the City's other General Plan elements, and the policies and programs in this Element are consistent with the policy direction contained in other parts of the General Plan. As portions of the General Plan are amended in the future, the Housing Element will be reviewed to ensure that internal consistency is maintained.

1.7 - Housing Element Organization

This Housing Element updates the Housing Element drafted by the City in 2001. The Housing Element is designed to meet several key objectives. These include provisions to: ensure internal consistency with the recently adopted General Plan; meet recently enacted statutory requirements; introduce updated housing, population and needs analysis; and incorporate the suggested staff responses to HCD comments.

Housing Plan

Section 2

The Housing Plan presented in this section includes goals, policies, and programs focused specifically on housing in the City of Murrieta. The general goal of the Housing Element is to ensure that all residents have decent, safe, sanitary and affordable housing regardless of income. In order to achieve this general goal, five specific goals have been established to guide the development, redevelopment and preservation of a balanced inventory of housing to meet the needs of present and future residents of the City. Murrieta's housing goals address the following five major areas:

1. Increased opportunities for affordable housing;
2. Conservation of the City's existing housing stock;
3. Removal of constraints to the construction of affordable housing;
4. Equal housing opportunity; and
5. Identification of adequate sites to achieve a variety and diversity of housing.

For each of the five goals identified, specific policies and programs are also summarized within the Housing Plan. Individual policies and actions included in this element are intended to provide a wide variety of programs and tools to implement the City's General Plan goals. The housing plan includes programs currently in existence as well as new actions which have been added to address the City's unmet housing need. Actual programs will be implemented at the discretion of the City in order to meet established objectives. It should be noted that the listing of a potential funding source of a particular program and/or action does not signify that money has been allocated or appropriated as a source of funding for such a program and/or action.

Goal 1: Provide adequate housing opportunities throughout the City of Murrieta.

Murrieta strives to achieve a balanced community, with housing units available for all income segments of the population. The existing housing stock is in good condition, with majority of the units constructed during or after the 1980's, providing a variety of affordable housing options. The intent of this goal is to assist in the provision of adequate housing that continues to meet the needs of the community, including both renter and owner households.

- Policy 1.1: Provide a range of residential development types in Murrieta, including low density single-family homes, moderate density townhomes, higher density multifamily units, and residential/commercial mixed use in order to address the City's share of regional housing needs.
- Policy 1.2: Continue to use redevelopment set-aside funds, when possible, to purchase properties and land in order to construct affordable housing or to purchase covenants to create new affordable units.
- Policy 1.3: Facilitate development of senior and low-income housing through use of financial and/or regulatory incentives.
- Policy 1.4: Provide homeownership assistance to low- and moderate-income households.
- Policy 1.5: Design new higher-density residential projects at a scale, (number of units, height, etc.) that are compatible in design with adjacent residential areas.
- Policy 1.6: Encourage lot consolidation in the Historic Murrieta Specific Plan area in order to more cohesively redevelop larger areas of the City.

Actions and Programs

Action 1.1 – General Plan Review

The City of Murrieta recognizes that the General Plan and City's Zoning Ordinance are crucial tools that guide development in the City. These tools can also create barriers if they are not reviewed and updated to reflect the needs of the community. To address and prevent development barriers the City will periodically review the Land Use Element of the General Plan, as well as the Zoning and Subdivision Ordinances, to ensure that housing opportunities for all income groups are provided. The City is currently in the process of updating the General Plan and should complete the process during the planning period. Within the General Plan update process any barriers to affordable housing will be identified and where appropriate, removed. The City typically reviews their Zoning Code on a biannual basis, periodically correcting inconsistencies that may exist; however, the City will also review the Zoning Code as part of the General Plan update in order to ensure that the Zoning Code and General Plan are consistent.

- *Responsible Agency: Murrieta Planning Division*
- *Timeframe: 2009-2014*

- *Potential Funding Source: General Fund and Redevelopment set-aside funds*
- *Objective: Complete a General Plan update and continue to review the Zoning Code for inconsistencies and standards that may prevent the development of affordable housing.*

Action 1.2 – Land Use Database

Throughout the City of Murrieta there are a number of vacant parcels ranging in size that provide opportunities for the development of affordable and market rate housing. In order to monitor and more carefully plan residential development in the City, Murrieta will maintain, on an ongoing basis, the comprehensive land use database identifying parcels and/or structures suitable for residential development and/or redevelopment. This will allow the City to direct affordable housing developers to areas in the City with the appropriate zoning and acreage to develop an affordable housing project.

- *Responsible Agency: Murrieta Planning Division*
- *Timeframe: Ongoing, 2008-2014*
- *Potential Funding Source: General Fund*
- *Objective: Provide information on development opportunities to interested developers online, at City Hall and in other public places.*

Action 1.3– First-Time Home Buyer Assistance Program

In addition to the First-Time Home Buyer Program offered by the County of Riverside the City of Murrieta will establish and promote a City operated first-time homebuyer program. The City's program will provide up to 20 percent down payment assistance to qualified home buyers. The City may establish this program to coincide with Action 1.4, Land and Property Acquisition Program, so that as the City purchases properties and assists in the development of affordable housing, residents can seek assistance in purchasing the affordable units that are developed. The City anticipates allocating \$400,000 in redevelopment set-aside funds to the program throughout the planning period.

- *Responsible Agency: Murrieta Redevelopment Agency*
- *Timeframe: 2010-2011 to establish the program*
- *Potential Funding Source: Redevelopment set-aside funds*
- *Objective: This action is intended to assist 10 units during the planning period. The City will also establish the program and provide information at City Hall, on the City's website and in other public places to increase awareness.*

Action 1.4– Land and Property Acquisition Program

Consistent with State law, the Redevelopment Agency must allocate not less than twenty percent of its gross tax increment to the housing fund for the purpose of increasing, improving and preserving the supply of housing to very low, low and moderate-income households. The City of Murrieta recognizes that one of the most significant barriers to affordable housing is the acquisition of the property on which

to construct affordable housing. The City has budgeted approximately \$4.8 million in redevelopment set-aside funds to purchase properties in and around the Historic Murrieta Specific Plan area in order to construct 302 low-income units. The City recently purchased a 2 acre site at the corner of Jefferson Avenue and Juniper Avenue known as “Monte Vista II” for approximately \$1.3 million. This site is expected to yield 60 units, with a minimum density of 30 units per acre. The City also recently closed on a 6.2 acre property on Adams Avenue using \$3.5 million in redevelopment set-aside funds, and on a 2.09 acre site on the south side of Jefferson Avenue known as “Jefferson South”. With a minimum density of 30 units per acre, the Adams Avenue property is expected to yield 62 units and the Jefferson South property is expected to yield 180 units. To facilitate the development of the Monte Vista II property, Murrieta planning and housing staff are currently negotiating a Disposition and Development Agreement (DDA) with Affirmed Housing Group for the project at Jefferson and Juniper. Development on the Adams Avenue property and the Jefferson South property will be facilitated at a later date.

In addition to purchasing land the City of Murrieta Redevelopment Agency intends to provide gap financing and/or land write downs for the construction of multifamily developments that are constructed with established affordability covenants. Applications will be reviewed on a case by case basis to determine whether a developer qualifies for assistance from the Redevelopment Agency. The City will also provide information on affordable housing financing at City Hall. The City shall also encourage the Redevelopment Agency to work with affordable housing developers to utilize a portion of set-aside funds for development of housing affordable to extremely low-income households.

- *Responsible Agency: Murrieta Redevelopment and Housing Division*
- *Timeframe: Ongoing 2008-2014*
- *Potential Funding Source: Redevelopment set-aside funds, Riverside County HOME funds*
- *Objective: Allocate \$4.8 million in set aside funds to purchase three properties totaling 10.09 acres of land in order to construct 302 affordable units.*

Action 1.5 - Lot Consolidation Program

Parcels located in downtown Murrieta as well as the Historic Murrieta Specific Plan area tend to be smaller and in some cases, narrow and/or shallow in size, adding an additional constraint to the development of housing. In order to encourage the development of residential and mixed-use projects, the City will establish a lot consolidation program which offers incentives such as a reduction in development standards (i.e. lot size, parking, and open space requirements). The City, with assistance from Riverside County, may also offer to subsidize a portion of development fees to encourage lot consolidation and to promote more intense residential and mixed use development on vacant and underutilized sites within the downtown Murrieta region.

- *Responsible Agency: Murrieta Redevelopment and Housing Division*
- *Timeframe: 2010-2011 to establish the program*
- *Potential Funding Source: General Fund with Redevelopment set-aside funds used to assist individual projects.*
- *Objectives: The City will promote the program at City Hall, on its website and will evaluate requests for funding on a case by case basis*

Action 1.6 – Large Sites Program

Most assisted housing developments utilizing State or federal financial resources include 50 to 150 units on parcels ranging from 3-7 acres in size. To facilitate the subdivision of larger parcels (>15 acres) located in the TOD Overlay Program area, the City will provide incentives and technical assistance to facilitate and encourage development of a variety of housing types and affordability consistent with typical developments affordable to lower income households. The City will offer on a case-by-case basis the following incentives for the development of affordable housing including but not limited to: priority processing for subdivision maps that include affordable housing units, expedited review for the subdivision of larger sites into buildable lots where the development application can be found consistent with the General Plan, applicable Specific Plan and master environmental impact report, financial assistance (based on availability of federal, State, local foundations, and private housing funds, and modification of development requirements, such as reduced parking standards for seniors, assisted care and special needs housing. To determine the effectiveness of this program monitor the number of large sites available to be developed for a variety of income groups the City will monitor this program and assess its effectiveness on a bi-annual basis.

- *Responsible Agency: Murrieta Redevelopment and Housing Division*
- *Timeframe: Ongoing, as projects are submitted by Murrieta Planning Division*
- *Potential Funding Source: General Fund*
- *Objectives: The City will promote the program at City Hall, on its website and will evaluate requests for funding on a case by case basis. Monitor the program bi-annually.*

Action 1.7 – Housing for Extremely Low Income Families

The City shall apply for State and federal funds for direct support of low-income housing construction and rehabilitation. The Redevelopment Agency shall continue to monitor and access potential funding sources, when available, such as, but not limited to, the Community Development Block Grant (CDBG), and HOME. The City shall also seek State and federal funding specifically targeted for the development of housing affordable to extremely low-income households, such as the Local Housing Trust Fund program, Proposition 1-C funds, Emergency Housing and Assistance Program (EHAP), Federal Emergency Shelter Grant Program (FESG), Housing Assistance Program (HAP) and the Multifamily Housing Program (MHP & MHP-SH). The City shall promote the benefits of this program to the development community by posting information on its web page and creating a handout to be distributed with land development applications.

- *Responsible Agency: Murrieta Redevelopment and Housing Division*
- *Timeframe: Ongoing, depending on funding programs; promotional material will be prepared and utilized within six months after adoption of the Housing Element; meet with developers to identify opportunity at least annually*
- *Potential Funding Source: Redevelopment set-aside funds*
- *Objectives: The City will promote the program at City Hall, on its website and will evaluate requests for funding on a case by case basis.*

Goal 2: Conserve and enhance the quality of existing housing and residential neighborhoods in Murrieta.

Continued maintenance and preservation of the existing housing stock in Murrieta is crucial to ensure quality neighborhoods. Housing programs focused on the achievement of this goal include rehabilitation of single- and multifamily housing units, code enforcement, and efforts to preserve assisted housing units at risk of converting to market-rate housing. Through code enforcement, neighborhood, and home improvement programs, the City is able to maintain the condition of existing housing units.

- Policy 2.1: Using Redevelopment Agency funds continue and/or create programs to maintain or improve the character and quality of existing housing and neighborhood environments.
- Policy 2.2: Assist in the preservation of all units “at-risk” of converting from affordable housing to market rate.
- Policy 2.3: Encourage energy efficient design in existing and new residential units and promote sustainability upgrades in existing and proposed residential complexes.
- Policy 2.4: Encourage property owners to maintain and make improvements to their properties by taking advantage of programs offered by the City and County.

Actions and Programs

Action 2.1 –Property Maintenance Enforcement

Enforce and expand where necessary, the property maintenance provisions embodied in the Uniform Building Code and the Zoning Ordinance in order to conserve and improve the quality of the housing units in the City. The City’s housing stock is generally in good condition as majority of the units were constructed during or after the 1980’s. Consequently, potential code violations are identified by complaints reported to the City and are addressed by the City’s police department and when appropriate Community Development staff. These efforts are intended to result in the continued maintenance of housing units throughout the City. If a property requires significant repairs or maintenance, code enforcement officials will inform property owners of any rehabilitation loans or grants provided through Riverside County that are be available to address such issues.

- *Responsible Agency: Murrieta Police Department and Code Enforcement*
- *Timeframe: Ongoing, 2008-2014*
- *Potential Funding Source: General Fund*
- *Objective: Maintain the quality of the existing housing stock by addressing code violations as they are reported. Refer eligible property owners to Riverside County programs if property maintenance funding is needed.*

Action 2.2 – Monitor Affordable Units

The City of Murrieta currently has three affordable housing complexes, one rental and two ownership developments, with 118 deed restricted units that do not expire until 2050 and 2051. In order to determine how effective the City’s housing programs have led to the development and maintenance of affordable housing, the City will monitor these affordable units to ensure that the rent payments charged are consistent with levels appropriate for the identified income category. The City has posted their Redevelopment Agency AB 987 Affordable Housing Database on its website and will continue to track affordable housing units citywide through the annual certification process. In addition, as the City develops additional affordable units these properties will be added to the table and will be monitored annually to ensure they meet affordability requirements.

- *Responsible Agency: Murrieta Redevelopment and Housing Division*
- *Timeframe: Ongoing 2008-2014*
- *Potential Funding Source: Redevelopment set-aside funds*
- *Objective: Maintain a list of affordable units throughout the City including affordability information to ensure property owners are compliant with deed restrictions and to preserve affordable units.*

Action 2.3– Purchase Housing Covenants

Existing housing units throughout the residential areas of the City are generally in good condition as most were constructed during or after the 1980’s. The Redevelopment Agency plans to acquire 55 year affordability covenants on existing multifamily rental units, focusing on residences that may be in need of minor rehabilitation. The City of Murrieta Redevelopment Agency will dedicate approximately \$20-30,000 in redevelopment set-aside funds per unit, totaling \$200,000-\$300,000 during the planning period to purchase affordability covenants on 10 units in market rate multifamily developments. The Agency will target multifamily complexes with 4-16 units, located around or in the redevelopment area, but if necessary will also purchase covenants in developments outside of the redevelopment area.

- *Responsible Agency: Murrieta Redevelopment Agency and Planning Division*
- *Timeframe: Ongoing 2008-2014*
- *Potential Funding Source: Redevelopment set-aside funds*
- *Objective: The City will budget \$200,000-300,000 during the planning period to allow for the creation of 10 affordable units within the planning period.*

Action 2.4 –Neighborhood Stabilization Program

The City of Murrieta does not currently have direct access to Neighborhood Stabilization Program funds; however they are able to support local organizations receiving funds through the County of Riverside. The City provides letters of support for participating organizations such as: Habitat for Humanity and the Housing Authority of Riverside to ensure that these organizations have funding to assist the City with foreclosure property rehabilitation and the resale of units to moderate and low-income homebuyers.

- *Responsible Agency: Murrieta Redevelopment Agency*
- *Timeframe: Ongoing, 2008-2014*
- *Potential Funding Source: Redevelopment Set-aside fund, Riverside County*
- *Objective: Support local organizations to ensure their continued ability to provide services to residents.*

Action 2.5– Energy Efficient Design

The City will review ordinances and recommend changes where necessary to encourage energy efficient housing design and practices that are consistent with state regulations. The City will periodically distribute literature or post information on their website regarding energy conservation, including solar power, energy efficient insulation, and subsidies available from utility companies, and encourage homeowners and landlords to incorporate these features into construction and remodeling projects. When possible the City will encourage energy conservation devices including, but not limited to lighting, water heater treatments, and solar energy systems for all residential projects. The Planning and Housing divisions will encourage maximum utilization of Federal, State, and local government programs, such as the County of Riverside Home Weatherization Program, that assist homeowners in providing energy conservation measures. Additionally as part of the economic stimulus package offered by the federal government, the City of Murrieta is eligible for \$881,500 in Energy Efficiency Community Development Block Grants (EECDBG). The City intends to apply for this funding in order to focus on sustainability, energy efficiency and greenhouse gas emission analysis in the General Plan update.

- *Responsible Agency: Murrieta Planning and Redevelopment and Housing Divisions*
- *Timeframe: Ongoing, 2008-2014*
- *Potential Funding Source: EECDBG funds*
- *Objective: Apply for \$881,500 in funding to focus on energy efficiency and sustainability in the General Plan update.*

Action 2.6 – Riverside County Partnership Program

As a means of further leveraging housing assistance, the City will cooperate with the Riverside County Economic Development Agency (EDA) and Riverside County Housing Authority to promote resident awareness and application for County run housing assistance programs. These programs include:

- Home Repair Program,
- Senior Home Repair Program,
- Home Weatherization Program,
- First-time Home Buyer Down Payment Assistance Program, and
- Mortgage Credit Certificate Program.

The County offers a variety of housing assistance programs that can supplement the City's current housing programs. As the City has little control over how the County's programs are administered the City will be responsible for providing program information on the City's website and at City Hall.

- *Responsible Agency: Murrieta Planning and Redevelopment and Housing Divisions*
- *Timeframe: Ongoing, 2008-2014*
- *Potential Funding Source: Redevelopment set-aside funds*
- *Objective: Increase resident awareness about housing programs offered by the County by providing information at City Hall and on the City's website.*

Goal 3: Minimize the impact of governmental constraints on housing production and affordability.

- Policy 3.1: Provide developer incentives, such as a density bonus or flexibility in development standards, to facilitate the development of quality housing that is affordable to lower and moderate-income households.
- Policy 3.2: Periodically review and revise the City's development standards, if necessary, to facilitate quality housing that is affordable to all income levels.
- Policy 3.3: When feasible, consider reducing, subsidizing, or deferring development fees and offering faster permitting time periods to facilitate the provision of affordable housing.
- Policy 3.4: Support innovative public, private and non-profit partnership efforts for the development of affordable housing.
- Policy 3.5: Encourage the development of rental units with three or more bedrooms to provide affordable housing for large families.

Actions and Programs

Action 3.1 – Density Bonus Ordinance

The City of Murrieta will revise the density bonus ordinance to be consistent with State law, which includes decreasing the number of affordable units a developer must provide to receive a density bonus and allowing up to three regulatory concessions. This action is intended to facilitate the development of housing for low and very low-income households that is restricted for a period of no less than 45-55 years. The City will promote the use of the density bonus ordinance in Redevelopment Project Areas, in conjunction with mixed-use projects, senior housing, and within Specific Plans. Information on the ordinance will be provided at City Hall and online at the City's website to promote the application of ordinance for the development of affordable units.

- *Responsible Agency: Murrieta Planning and Redevelopment and Housing Divisions*
- *Timeframe: Ongoing 2008-2014 as projects are received*
- *Potential Funding Source: Redevelopment set-aside fund*
- *Objective: Provide information about such incentives at City Hall, on the City's website and in other public places to increase awareness. Encourage the construction of 10 units over the planning period.*

Action 3.2 – Permit Processing Time

Continue to implement permit streamlining, which includes monitoring the development plan review process to reduce any identified impediments to affordable housing. Additionally, the processing time of applications for new construction or rehabilitation of housing for lower and moderate-income households and seniors will be prioritized.

- *Responsible Agency: Murrieta Planning Division*
- *Timeframe: Ongoing 2008-2014*
- *Potential Funding Source: General Fund*
- *Objective: Provide information about permit streamlining at City Hall, on the City's website and in other public places to increase awareness.*

Action 3.3 – Fee Subsidies for Extremely Low-Income Households

On an affordable housing transaction basis, the City shall adopt a resolution subsidizing up to 100 percent of the application processing fees for developments in which five percent of units are affordable to extremely low-income households. To be eligible for this fee subsidy, the units shall be affordable by affordability covenant (no less than 45 years for owner-occupied units and not less than 55 years for rental units). The subsidy or reduction of fees may also be considered when an alternative funding source is identified to pay these fees. The City may use either redevelopment set-aside funds or the Housing Trust Fund to subsidize fees for housing affordable to extremely low-income households. The City shall promote the benefits of this program to the development community by posting information on its web page and creating a handout to be distributed with land development applications.

- *Responsible Agency: Murrieta Planning and Redevelopment and Housing Divisions*
- *Timeframe: Promotional materials will be prepared and utilized within six months after adoption of the Housing Element*
- *Funding: General Fund, Redevelopment set-asides, Housing Trust Fund*

Action 3.4 – Incentives for Large Multifamily Units

It is crucial that affordable units constructed in the City are available for families as well as the other special needs groups; however, larger units are often more costly to develop. The City will provide incentives to developers to encourage the inclusion of units with three or more bedrooms to accommodate low-income large family households. Incentives may include utilizing the density bonus, fast track processing, fee reductions, waiving of specific development standards, etc. The City has previously developed affordable units with three bedrooms in Monte Vista and anticipates that the second phase of Monte Vista located on City-purchased at Jefferson and Juniper Avenues will also have units with three or more bedrooms. Individual projects will be evaluated to determine if they qualify for any incentives on a case by case basis.

- *Responsible Agency: Murrieta Planning and Redevelopment and Housing Divisions*

-
- *Timeframe: Ongoing 2008-2014*
 - *Potential Funding Source: General Fund and Redevelopment set-aside funds*
 - *Objective: Aim to construct 16 multifamily rental units with three or more bedrooms in the planning period.*

Action 3.5 – Residential Development Standards

In conjunction with Action 1.1, City staff will specifically review the development standards for the residential zones to identify standards that may constrain the development of affordable housing and housing for special groups such as disabled individuals. Within the Housing Element there are several standards, such as lot coverage, parking requirements and minimum parcel size, which may in some instances be interpreted to be a constraint. While the City is flexible and is committed to working with developers to build affordable units, resulting in modifications to these standards, the City will further review these standards and alter them as necessary to ensure no constraints to affordable housing exist. In conjunction with the current General Plan update, Staff will also review requirements such as the minimum unit size, property line setbacks, parking requirements, height restrictions, etc. to ensure that they are necessary and pertinent. The City is committed to address any constraints identified in Chapter 6, Housing Constraints, during the General Plan update process. In the interim, staff will, on a case by case basis, identify ways that standards can be relaxed if it is determined that such requirements are in any way impeding the development of affordable housing or housing for disabled residents. The City will also continue to provide development standard modifications, fast track processing for applications related to the creation of affordable housing and will offer fee modifications for projects including affordable units that are required to apply for variations to the existing development standards.

- *Responsible Agency: Murrieta Planning Division*
- *Timeframe: Within 1-2 years of Housing Element adoption and address all constraints identified in Chapter 6 of the Housing Element.*
- *Potential Funding Source: General Fund and Redevelopment set-aside funds*
- *Objectives: Review development standards to identify constraints and remove or offset constraints where possible.*

Action 3.6 – Second Unit Ordinance

The City recognizes that second units are a unique opportunity to provide affordable units in residential areas particularly for elderly residents. Consequently, Staff will review the second unit ordinance to ensure that it complies with State law and plans to amend the second unit ordinance to ensure that no constraints exist to the development of second units in the City. In addition to any revisions that occur, the City will continue to administer their existing second unit ordinance and will promote the ordinance online and at City Hall.

- *Responsible Agency: Murrieta Planning Division*
- *Timeframe: Ongoing 2008-2014*
- *Potential Funding Source: General Fund and Redevelopment set-aside funds*

- *Objective: Construct 5 units over the planning period*

Action 3.7 – Water and Sewer Service Providers

In accordance with Government Code Section 65589.7 as revised in 2005, immediately following City Council adoption, the City must deliver a copy of the 2008 Housing Element to all public agencies or private entities that provide water or sewer services to properties within the City of Murrieta.

- *Responsible Agency: Murrieta Planning and Redevelopment and Housing Divisions*
- *Timing of Implementation: By August/September 2011*
- *Funding Source: Redevelopment set-aside fund*
- *Objective: Ensure that water and sewer providers are aware of the City's intentions for residential development throughout the City.*

Action 3.8 - Flood Management

In accordance with Government Code Section 65302, as part of the current General Plan update process the City shall review and revise where appropriate the Conservation and Safety Elements to consider flood risks when making land use decisions. Specifically, the City shall upon the next revision of the housing element on or after January 1, 2009, the Conservation Element shall identify rivers, creeks, streams, flood corridors, riparian habitats, and land that may accommodate floodwater for purposes of groundwater recharge and storm water management.

Upon the next revision of the housing element on or after January 1, 2009, the Safety Element shall identify information regarding flood hazards, including, but not limited to flood hazard zones, National Flood Insurance Program maps published by FEMA, information about flood hazards, designated floodway maps, dam failure inundation maps, areas subject to inundation in the event of the failure of levees or floodwalls, etc. as listed in Section 65302(g)(2) and establish a set of comprehensive goals, policies, and objectives for the protection of the community from the unreasonable risks of flooding.

- *Responsible Agency: Murrieta Planning Division*
- *Timing of Implementation: Consistent with the current General Plan update (2011)*
- *Funding Source: General Funds and Redevelopment set-aside fund*
- *Objective: Ensure that flood risks are considered when making land use decisions*

Goal 4: Promote equal housing opportunity for all residents.

To fully meet the community's housing needs, the City must assure that housing is accessible to all residents, regardless of race, religion, family status, age, or physical disability. The City, through a partnership with Riverside County Economic Development Agency, refers residents with fair housing concerns to the Fair Housing Council.

- Policy 4.1: Continue to enforce fair housing laws prohibiting discrimination in the building, financing, selling, or renting of housing on the basis of race, ethnicity, ancestry, national origin, religion, sex, disability, age, marital status, familial status, source of income, sexual orientation, or any other arbitrary factor.
- Policy 4.2: Cooperate with the Riverside County Fair Housing Council in the enforcement of fair housing laws and in the review of violations of applicable Federal and State fair housing laws
- Policy 4.3: Address households at-risk of foreclosure to prevent abandonment and limit the impact on neighborhoods.
- Policy 4.4: Assess the social service needs of the community and provide a wide variety of social service programs to City residents.

Actions and Programs

Action 4.1 – Reasonable Accommodation

The purpose of this program is to ensure that sufficient provisions are provided by the City to facilitate a resident's request for "reasonable accommodation." This means that Murrieta will ensure that the established development requirements do not place an undue burden on disabled persons living or moving into the City. For example, a household with a handicapped family member may require modifications to the housing unit to accommodate that family member. These include the installation of wheel chair ramps (both interior and exterior), wider doorways, and installation of wheelchair elevators in units containing multiple-levels, and the installation of handrails and modified plumbing fixtures in bathrooms.

The City has currently adopted the Universal Design Standards and will develop further procedures for reasonable accommodation in accordance with fair housing and disability laws. To accomplish this, the City will amend the Municipal Code to provide for clear rules, policies, procedures, and fees for reasonable accommodation in order to promote equal access to housing. Policies and procedures will clearly indicate the qualifying individuals who may request a reasonable accommodation (i.e., persons with disabilities, family-members, landlords, etc.) along with any specific procedures that must be followed. The City staff will also focus on eliminating or modifying those land use, zoning, regulations, and fees that may constrain the housing needs of persons of disabilities. The City will provide information on the City website and at public counters to inform residents of the procedures for requesting reasonable accommodation.

- *Responsible Agency: Murrieta Planning Division*
- *Timeframe: Ongoing 2008-2014*
- *Potential Funding Source: General Fund*
- *Objective: Provide information about reasonable accommodation at City Hall, on the City's website and in other public places to increase awareness.*

Action 4.2 – Fair Housing

The City will continue to receive fair housing services through the County of Riverside's program for participating cities. The City will ensure that information about the Fair Housing Council of Riverside County, Inc., and its programs is available to all City residents. As part of this program the City will also revise the definition of family in the Zoning Code to ensure compliance with federal and State housing laws. The definition shall not distinguish between related and unrelated persons and not impose numerical limitations on the number of persons that constitutes a family.

- *Responsible Agency: Murrieta Planning Division*
- *Timeframe: Ongoing 2008-2014 for services. The City will revise the definition of family within one year of Housing Element adoption.*
- *Potential Funding Source: Riverside County CDBG*
- *Objective: Cooperate as needed with the Fair Housing Council of Riverside County, Inc., to mediate housing issues involving Murrieta residents. Provide information about tenant and landlord housing rights at City Hall, on the City's website and in other public places to increase awareness.*

Action 4.3– Homeless Assistance Program

According to the Riverside County Homeless Count and Survey there are approximately 5 homeless individuals that have been identified in the City of Murrieta. Regardless, the City will continue to assist local nonprofit organizations that have expertise in assisting homeless persons and families in applying for funding from the Riverside County CDBG program. Currently, organizations apply to the City and the City is responsible for reviewing applications and recommending specific organizations receive funding. Organizations that have received funding in the past include: St. Martha's Catholic Church and the Single Mom's Life Skills Program. The City will continue to assist local organizations in applying for CDBG funding through the County, allowing them to provide irreplaceable services to extremely low-income families in the community.

- *Responsible Agency: Murrieta Redevelopment Agency and Police Department*
- *Timeframe: Ongoing 2008-2014*
- *Potential Funding Source: Riverside County CDBG*
- *Objective: Provide referrals to the appropriate organizations. Also provide information about tenant and landlord housing rights at City Hall, on the City's website and in other public places to increase awareness.*

Action 4.4 – Foreclosure Prevention Program

Like most southern California communities, Murrieta is experiencing an increase in foreclosures in the community. To mediate the situation, the City currently contracts with the Fair Housing Council of Riverside County to provide foreclosure prevention counseling and mediation services to homeowners who are experiencing financial hardship and mortgage delinquencies. The City allocated \$24,000 in funding in fiscal year 2008/2009 to increase foreclosure counseling services. The City recently enacted two ordinances requiring homeowners to register abandoned properties and allowing the City to assess higher penalties for property maintenance violations. In addition to the City's efforts, a foreclosure hotline has also been established by the Homeownership Preservation Foundation to assist homeowners in the early stages of the process and a citizen group has been established to maintain the exterior appearance of abandoned residences in the community. Information on foreclosure assistance is available at City Hall. The City's partnership with the County has also led to discussions of how CDBG funds may be used to create additional services to prevent additional foreclosures.

- *Responsible Agency: Murrieta Redevelopment Agency and Murrieta Planning Division*
- *Timeframe: Ongoing 2008-2014*
- *Potential Funding Source: Redevelopment set-aside funds*
- *Objective: Provide information on the City's website, at City Hall and in other public places regarding organizations and programs that address how to prevent and address foreclosure if it does occur.*

Goal 5: Identify adequate sites to achieve housing variety.

Meeting the housing needs of all residents of the community requires the identification of adequate sites for all types of housing. By capitalizing on the allowances in the Development Code and continuing to maintain an inventory of potential sites, the City will assure that adequate residentially-zoned and mixed-use sites are available.

- Policy 5.1: Identify vacant and/or underutilized parcels, throughout the City, that can accommodate a variety of housing types for all socioeconomic segments of the community.
- Policy 5.2: Support the construction of new affordable housing by rezoning vacant and underdeveloped parcels to allow for higher density development.
- Policy 5.3: Allow for and encourage the provision of emergency shelters and temporary housing.
- Policy 5.4: Maintain zoning regulations that permit by right, in designated zones, housing that meets temporary and short-term housing needs for individuals and families.
- Policy 5.5: Require that housing constructed expressly for low- and moderate-income households not be concentrated in any single portion of the City.

Actions and Programs

Action 5.1 – Ensure Adequate Sites to Accommodate Allocated Regional Housing Growth

Based on units developed and approved, the City has met a portion of its RHNA, with a remaining RHNA of 3,002 housing units, including 1,568 units for very low-income households, 1,063 units for low-income households, and 371 units for above moderate-income households. To accommodate the remaining RHNA allocation, the City of Murrieta has both vacant residentially zoned land and three sites consisting of four (4) parcels of approximately 10 acres that require rezoning as identified in Section 7.4 of the Housing Resources section available. However, legislation passed since adoption of the last Housing Element codified in Section 65583.2 of the California Government Code, requires that cities the size of Murrieta must permit residential development at a density of 30 dwelling units per acre to accommodate low and very-low units.

To accommodate the default density of 30 dwelling units per acre, the City has identified three sites (four parcels totaling 10 acres) in the land inventory exclusively for residential uses. The City will through consequent zone changes, create a new high density multifamily land use designation and zone, known as Multi-Family 3, with a minimum development density of 30 units per acre. Upon the creation of this zone, all of the parcels identified in the sites inventory will be rezoned to Multi-Family 3, allowing for a minimum density of 30 units per acre. The City will complete the following zone changes within the General Plan update schedule with the goal of rezoning the identified properties by December 31, 2011. The sites will be selected from the parcel listings in Table A-6 of Appendix A, and will have the capacity for at least 16 units, and will be available for development in the planning period where water and sewer can be provided. The City will follow the requirements of subdivision (h) of Section 65583.2 of the Government Code and will ensure that owner-occupied and rental multifamily residential development is allowed by right in accordance with subdivision (f) of Section 65589.5 of the Government Code.

The City will establish and implement a new “Transit Oriented Development (TOD) Overlay Program” to provide for and allow a mixture of residential and non-residential development, in close proximity to transit. The area identified is adjacent to Interstate 15 and 215, two major transportation routes. The TOD Overlay Program will permit by right 30 dwelling units per acre and will accommodate approximately 2,340 units as it will initially apply to 78 acres as shown Exhibit 7-4 which identifies the boundary of the TOD Overlay Program area.

To facilitate development of affordable housing and to accommodate the remaining RHNA of 2,631 very low and low-income households, as mentioned above, the City has identified approximately 10 acres to be rezoned to Multi-Family 3, and will designate approximately 78 acres of underutilized and vacant land within TOD Overlay Program area, at a minimum density of 30 units per acre, for a combined total of 88 acres. At least 50 percent of the remaining very low and low-income need (1,315 units) will be accommodated on sites designated for exclusively residential uses. These sites will be selected from the parcel listings in Table A-6 and Table A-7 of Appendix A.

The City will report on the progress of this rezone and the TOD Program in its annual progress reports required pursuant to Government Code Section 65400 and due on April 1st of each year.

- *Responsible Agency: Murrieta Redevelopment & Housing Division, and the Murrieta Planning Division*
- *Timeframe: Rezoning will be complete by December 31, 2011.*
- *Funding Source: General Fund*
- *Objectives: Continue to provide appropriate land use designations and maintain an inventory of suitable sites for residential development. Make the vacant and underutilized residential sites inventory available on the City’s website to non-profit and for-profit housing developers.*

Action 5.2 – Provide Emergency and Transitional Housing

Extremely low-income households and households with special needs have limited housing options in Murrieta. Housing types appropriate for these groups include: emergency shelters, transitional housing, supportive housing, and single-room occupancy (SRO) units. To accommodate this population group the City will amend the Zoning Code so that the Community Commercial zone permits SRO units by right without a Conditional Use Permit or other discretionary action. The City will also revise the Zoning Code to permit emergency shelters by right without a Conditional Use Permit or other discretionary action in the Mixed-Use-2 (MU-2) and/or Business Park (BP) zones and will ensure that a proposed shelter is subject to only the same development standards required for other uses permitted in the zone. These zones are appropriate to accommodate emergency shelters as they are typically located along major arterial roadways with access to employment centers and near stores and other services. There are currently 281 acres of vacant land zoned for MU-2 and 376 acres of vacant land zoned BP, including sites between 2 and 5 acres, in size that are appropriate and able to accommodate a shelter of approximately 20 beds if one is proposed. It is estimated that there are approximately 17 sites zoned Business Park and 29 sites zoned MU-2 between 2 and 5 acres in size, which is more than sufficient to accommodate at least one emergency shelter. To better accommodate emergency shelters in the City, specific siting standards and conditions for approval will be developed in accordance with State Law.

The City will also amend the Zoning Code to permit transitional and supportive housing as a residential use, subject only to those regulations that apply to other residential dwelling units of the same type in the same zone. As mentioned in Program 4.3, the City also partners with homeless assistance service providers and will continue to do so throughout the planning period.

- *Responsible Agency: Murrieta Planning Division*
- *Timeframe: City Council action within one year of the adoption of the Housing Element*
- *Potential Funding Source: General Fund*
- Objectives: Ensure that the housing need of all residents is met by providing opportunities for transitional housing, emergency shelters and SRO units to be accommodated within the City.



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Table 2-1: Summary Housing Plan

	Housing Program	Responsible Agency	Funding Source & Amount	Time Frame	Total Objective
Goal 1: Provide adequate housing opportunities throughout the City.					
1.1	General Plan Review	Planning	RDA set-aside/GF	2009-2011	Complete a GP update/Review of ZC
1.2	Land Use Database	Planning	GF	Ongoing	Provide information
1.3	First Time Homebuyer Program	RDA	RDA set-aside, \$400,000/pp	2010-2011	Assist 20 HH/pp
1.4	Land/Property Acquisition Program	Housing/RDA	RDA set-aside, \$4,800,000/pp	Ongoing	Purchase land to build 100 low-income units
1.5	Lot Consolidation Program	Planning/RDA	GF/RDA set-aside/case by case	2010-2011	Case by Case basis
1.6	Large Site Program	Housing/RDA	GF	Ongoing	Provide information
1.7	Housing for ELI Households	Housing/RDA	RDA set-aside	Ongoing	Provide information
Goal 2: Conserve and improve the existing affordable housing stock.					
2.1	Property Maintenance Enforcement	Police Dept	GF	Ongoing	Address complaints as necessary
2.2	Monitor Affordable Units	Housing	RDA set-aside, as needed	Ongoing	Continue to maintain existing table
2.3	Purchase Land Covenants	Planning/RDA	RDA set-aside, combined \$225,000/pp	Ongoing	Create 10 affordable units
2.4	Neighborhood Stabilization Program	Housing/RDA	GF, Riverside Co.	Ongoing	Support organizations receiving funds
2.5	Energy Efficient Design	Planning/Housing	EECDBG	Ongoing	Apply for \$881,500 in funding
2.6	Riverside County Partnership	Housing	RDA set-aside, as needed	Ongoing	Provide information
Goal 3: Removal of constraints to new affordable housing construction.					
3.1	Density Bonus Ordinance	Planning/RDA	RDA set-aside, as available	Ongoing	Provide 10 units/planning period
3.2	Permit Processing Time	Planning	GF, Case by Case Basis	Ongoing	Provide information
3.3	Fee Subsidies for ELI Households	Planning/RDA	RDA set-aside/GF, as available	Ongoing	Provide information
3.4	Incentives for Large Multi-Family Units	RDA	RDA set-aside, combined \$225,000/pp	Ongoing	Provide 16 units/planning period
3.5	Residential Development Standards	Planning	RDA set-aside/GF	Ongoing	Address constraints identified in Chapter 6
3.6	Second Unit Ordinance	Planning	GF	Ongoing	Provide 10 units/planning period
3.7	Water & Sewer Providers	Planning	RDA set-aside, as needed	9/1/2011	Provide final draft to providers
3.8	Flood Management	Planning	RDA set-aside/GF	Ongoing	Complete update to Conservation & Safety Elements
Goal 4: Promote equal housing opportunity for all residents.					
4.1	Reasonable Accommodation	Housing/Planning	GF	Ongoing	Provide information
4.2	Fair Housing	Housing/Planning	CDBG	Ongoing	Case by Case basis
4.3	Homeless Assistance Program	RDA/Police	GF, CDBG	Ongoing	Assist organizations applying for funding
4.4	Foreclosure Prevention Program	Housing/RDA	RDA set-aside, \$24,000/year as needed	Ongoing	Provide information
Goal 5: Identify adequate sites to achieve housing variety.					
5.1	Rezone Sites to Meet the RHNA	Planning/Housing	GF	12/31/2011	Accommodate remaining RHNA units
5.2	Provide Emergency and Transitional Housing	Planning	GF	2011	Amend ZC to permit emergency housing
Notes: 1. All funding amounts provided are approximate.					
2. HH = households, RDA = Redevelopment Agency, RDAs = Redevelopment Set Aside Funds, GF = General Fund, pp = planning period, ZC = Zoning Code,					



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Quantified Objectives

Section 3

California Housing Element Law requires jurisdictions to estimate the number of affordable housing opportunities that will be created over the planning period. The quantified objectives for the 2008-2014 Housing Element presents the anticipated and potential affordable housing development for the planning period starting on July 1, 2008 and ending June 30, 2014.

It is important to note that while the goal of the quantified objective section is to show how the City will meet its remaining RHNA allocation, and based on the premise that the City intends to make every effort to achieve these goals, Murrieta cannot guarantee that these needs will be met given limited financial and staff resources, and the increasing gap in affordability of housing resources and incomes. Satisfaction of the City's regional housing needs will partially depend on the cooperation of private funding sources and resources of the State, Federal and County programs that are used to support the needs of the extremely low-, very low-, low-, and moderate-income households. Additionally, outside economic forces heavily influence the housing market. State law recognizes that a locality may not be able to accommodate its regional fair share housing need.

Table 3-1 presents the City's quantified objectives in three categories: construction of new affordable units, program assistance and the conservation of affordable housing. New affordable units are broken down into two sub categories: city assisted developments and units accommodated in the Transit Oriented Development (TOD) Overlay Program area. The first subcategory references four parcels (Sites One, Two, and Three in the land inventory - Section 7.4.2), that were purchased by the Murrieta Redevelopment Agency for the purpose of developing 302 affordable housing units. The second subcategory shows the City's efforts to accommodate its remaining RHNA units (2,340 units) on parcels within the TOD Overlay Program area as described in Section 7.4.2.D. It is important to note that this subcategory assumes optimum conditions for the production of housing and does not take into account how environmental, physical and market conditions influences the timing, type and cost of housing production in a community. The parcels with densities appropriate to accommodate multifamily housing and affordable units are shown in Tables A-4, A-5, A-6, and A-7.

In addition to new construction, the City anticipates that approximately 25 units will be assisted through programs, such as the First-Time Homebuyers Program and the City's Density Bonus ordinance as outlined in Section 2, *Housing Plan*. Also as indicated in the third category, the City has allocated funds to purchase covenants on 10 units to preserve their affordability. In total, the City anticipates that 302 affordable units will be accommodated on City owned land, 25 units will be assisted by City administered programs, 10 units will be preserved through purchasing covenants, 371 moderate units will be accommodated on vacant residentially zoned sites and vacant non-residentially zoned sites that allow residential uses (such as mixed-use), and 2,340 units (excluding the City owned sites) will be accommodated on vacant and underutilized land within the TOD Overlay Program area which will allow for higher density development.

Below is an estimate quantified objectives for the number of housing units, broken down by income category, over the 2008-2014 timeframe.

**Table 3-1:
Quantified Objectives 2008-2014**

	Income Category					Total
	Extremely Low	Very Low ^(c)	Low	Moderate	Above Moderate	
New Affordable Units						
City Assisted Developments(a)	75	76	151	--	--	302
Units Accommodated by TOD Overlay Program and Vacant Sites(b)	585	585	1170	--	371	2,711
Program Assistance						
First Time Homebuyer Program	--	--	5	5	--	10
Density Bonus Ordinance	2	3	5	--	--	10
Second Unit Ordinance	--	--	5	--	--	5
Conservation/Preservation						
Purchase Covenants	2	3	5	--	--	10
Total	664	667	1341	5	371	3,048

Notes:

(a) This objective represents construction that has been proposed by the City of Murrieta on City owned land (Sites One, Two, and Three in Section 7.4.2, *Housing Resources*) that will realistically be developed during the planning period. These sites are shown in Table A-6.

(b) This objective represents the City's construction capacity based on the vacant sites identified in Tables A-1, A-2, A-3, A-4, and A-5 and on the vacant and underutilized sites within the TOD Overlay Program area (Table A-7). Construction on these parcels assumes optimum conditions for the production of housing and does not consider constraints that are outside of the City's control (i.e. financial and market constraints).

(c) In accordance with State law, the City has determined that approximately fifty percent of its very low-income units (664 units) are designated to accommodate the need of extremely low-income households.

Community Profile

Section 4

Introduction

The housing needs of the City are determined by the demographic characteristics of the population (age, household size, employment, income levels), the characteristics of its housing (number of units, age of units, tenure, size, cost), and the nature or type of community (suburban, industrial, agricultural, resort/tourism, high tech, schools, parks, transportation). The local housing market is seldom static, and is constantly changing based on dynamic social and economic factors. As City demographics and household socio-economic conditions change, different housing opportunities arise and/or must be created to meet demand. This section explores the characteristics of the existing and projected demographics and housing stock in order to define the extent of unmet housing needs in Murrieta. This information is critical in providing direction to update the City's Housing Element goals, policies, programs, and actions.

Housing Assistance Summary

Several factors will influence the degree of demand, or "need," for new housing in Murrieta in coming years. The four major needs categories considered in this Element include:

- Housing needs resulting from population growth in the City and the surrounding region;
- Housing needs resulting from the overcrowding of units;
- Housing needs that result when households pay more than they can afford for housing; and
- Housing needs of "special needs groups" such as elderly, large families, female-headed households, households with a disabled person, farm workers, and the homeless.

In identifying specific housing needs within the City, it appears that assistance for first-time homebuyers will continue to be critical for the low- and moderate-income households. Lower income groups will need the most assistance in meeting the higher cost burdens associated with owning a home. Although, new homes are for the most part, above the financial attainment of lower income households, there are homeownership opportunities for moderate-income households with the City's existing stock of older resale homes. In terms of rental households, there appears to be a need for additional rental resources with three or more bedrooms at rates affordable to lower income households.

Table 4-1 below summarizes the housing assistance needs of all households (categorized by income percentage of the Riverside County Area Median Income) in Murrieta by household tenure (renter/owner), household type (elderly, small/large families, other), and "housing problems." This count of households with "housing problems" includes those who: 1) occupy units with physical defects, such as lacking complete kitchen or bathroom; 2) live in overcrowded conditions (housing units with more than one person per room); 3) have a housing cost burden exceeding 30% of gross income; or 4) have a severe housing cost burden exceeding 50% of gross income.

**Table 4-1:
Housing Assistance Needs of Income Groups by Tenure**

Household by Type, Income, & Housing Problem	Total Renters	Total Owners	Total Households
Extremely Low-Income (0-30% AMI)	283	344	627
% with any housing problems	84.1	70.9	76.9
% cost burden >30%	82.7	70.9	76.2
% cost burden >50%	79.2	68.0	73.0
Very Low-Income (31-50% AMI)	444	463	907
% with any housing problems	91.0	77.3	84.0
% cost burden >30%	88.7	76.5	82.5
% cost burden >50%	51.8	50.8	51.3
Low-Income (51-80% AMI)	539	1,037	1,576
% with any housing problems	79.8	64.3	69.6
% cost burden >30%	73.7	59.5	64.3
% cost burden >50%	13.5	38.5	29.9
Moderate-Income (80-120% AMI)	1,575	9,638	11,213
% with any housing problems	25.7	25.8	25.8
% cost burden >30%	14.9	24.7	23.3
% cost burden >50%	1.9	3.0	2.8
Total Households	2,841	11,482	14,323
% with any housing problems	52.0	32.7	36.5

Source: HUD Comprehensive Housing Affordability Strategy (CHAS) Databook, 2008

According to the Comprehensive Housing Affordability Strategy Databook, nearly 36% of all households in the City of Murrieta experienced some form of housing problem. The percentage of households that experienced some type of housing problem was greater among owners than renters within all income categories, and for each household type. This is because there are more single-family homes than multifamily units in the City. The statistics as identified in Table 4-1 indicate that housing cost burden is a contributing factor to housing problems.

Data Sources

The sources used in this needs assessment include the 1990 and 2000 U.S. Census, California Department of Finance (DOF) 2009 Population and Housing Estimates, the Census Bureau 2005-2007 American Community Survey (ACS), and various other sources. For demographic data, estimates are used to show changes in conditions since the 2000 U.S. Census. Many of these estimates (such as data from the Department of Finance and American Community Survey) are shown solely as percentages, as the raw numbers carry a significant margin of error, especially for smaller jurisdictions such as counties or cities. Nonetheless, the percentages presented give a general indication of population and employment trends.

Additional information has been drawn from the Comprehensive Housing Affordability Strategy (CHAS), which is drawn from 2000 Census data. Comprehensive Housing Affordability Strategy data is based on special tabulations for the U.S. Department of Housing and Urban Development (HUD) from sample Census data. Thus, the number of households in each category often deviates slightly from the 100% count due to extrapolations to the total household level. Because of this, interpretations of

Comprehensive Housing Affordability Strategy data should focus on proportions and percentages, rather than on precise numbers.

Data contained in tables in this Needs Assessment are derived from two Census data sources: Summary File 1 (SF-1) and Summary File 3 (SF-3). Summary File 1 contains the 100% data, which is the information compiled from the questions asked of all people and about every housing unit. Summary File 3 contains the sample data, which is the information compiled from the questions asked of a sample of all people and housing units. Summary File 3 data has a sampling error that occurs because only part of the population is contacted directly. Therefore, differences are likely to exist between the characteristics of the sampled population and the larger group from which the sample was chosen. As a result, tables using SF-1 data are likely to have different population and housing totals than tables using SF-3 data.

4.1 - Population Trends and Characteristics

4.1.1 - Growth

The City of Murrieta was incorporated July 1, 1991 and encompasses 33.6 square miles. Since 2000, the City of Murrieta has been one of the largest housing markets in western Riverside County. The California Department of Finance estimated the population of Murrieta to be 100,714 in 2009; compared to the 2000 Census population of 44,282. From 2000 to 2009, Murrieta grew at a faster rate (126%) than nearby Temecula (75%) and Riverside County (35%).¹ Murrieta's growth can be attributed to many factors, including an increased supply of affordable housing when compared to higher prices in other nearby housing markets such as those in Los Angeles, Orange and San Diego Counties, and the 2002 annexation of the 3,200 acres Hot Springs area with a population of approximately 12,000. From 2006 to 2009, Murrieta grew from an estimated 92,933 to 100,714, or about 7.7%.

**Table 4-2:
Regional Population Growth Comparisons 2000 and 2009**

Area	2000	2008	Numeric Increase	Percentage Increase
Murrieta	44,282	100,714	56,432	127%
Temecula	57,716	101,057	43,341	75%
Riverside County	1,545,387	2,088,322	542,935	35%

Source: 2000 Census; 2009 California Department of Finance

4.1.2 - Age of Population

According to the 2005-2007 American Community Survey, the median age in Murrieta is 31.5 years old. The largest segments of the City's population is the 35-64 age bracket (36%) and the under the age of 19 bracket (34.0%). The young adult and senior populations make up the remainder 30 percent of the population. Age plays an important role in determining housing needs. For example, younger adults require more affordable housing as they begin their careers as compared to adults that are established in the

¹ California Department of Finance and Census 2000 Summary File 1 (SF 1) 100% Data

work force as do the elderly who require affordable units due to their age and retirement status.

**Table 4-3:
Population by Age 2007**

Age Group	Total	Percentage of Population
Under age 19	31,112	34.0%
20-34 years	19,065	20.8%
35-64 years	32,804	35.9%
Age 65 or older	8,538	9.3%
<i>Total</i>	<i>91,519</i>	<i>100%</i>

Source: 2005-2007 American Community Survey

4.1.3 - Race

The racial majority in Murrieta is White, comprising approximately 75% of the population according to the 2005-2007 ACS. Asians comprised 10% of the population while the Black population accounts for 7%. Approximately 8% of the population classified themselves as “Other”.² Of the total percentage of residents, approximately 23% of the population consider themselves to be ethnically, Hispanic.

**Table 4-4:
Population by Race 2007**

Race	Percentage of Population
White	75.4%
Asian	10.4%
Black	6.7%
Other	7.5%
<i>Total</i>	<i>100%</i>
Hispanic ¹	23.3%

¹ Those reporting that they are of Hispanic origin may be of any race and are, therefore, included in one of the race categories.

Source: 2005-2007 American Community Survey

4.1.4 - Employment Characteristics

Murrieta residents are employed in diverse industries, with the largest percentage (17.5%) of the population employed in the Service sector, which includes educational and healthcare services. The second most common sector of work is Retail Trade, with 13.6%, followed by Construction, at 10.8%. The retail sector is important to consider when assessing housing affordability as salaries tend to be lower, which decreases the amount of income available for housing. Generally, the retail sector does not offer health and other employment benefits, further increasing economic strain.

² The term “Other” refers to the races of American Indian and Alaska Native, Native Hawaiian and Other Pacific Islander, some other race, and two or more races.

**Table 4-5:
Employment by Sector 2007**

Employment Sector	Percentage of Total Employment
Health, Education & Social Services	17.5%
Retail Trade	13.6%
Construction	10.8%
Entertainment	10.3%
Manufacturing	10.2%
Management	8.6%
Finance	8.5%
Public Administration	5.5%
Other Services	4.4%
Transportation	3.9%
Wholesale Trade	3.6%
Information	2.4%
Agriculture	0.7%
TOTAL	100%

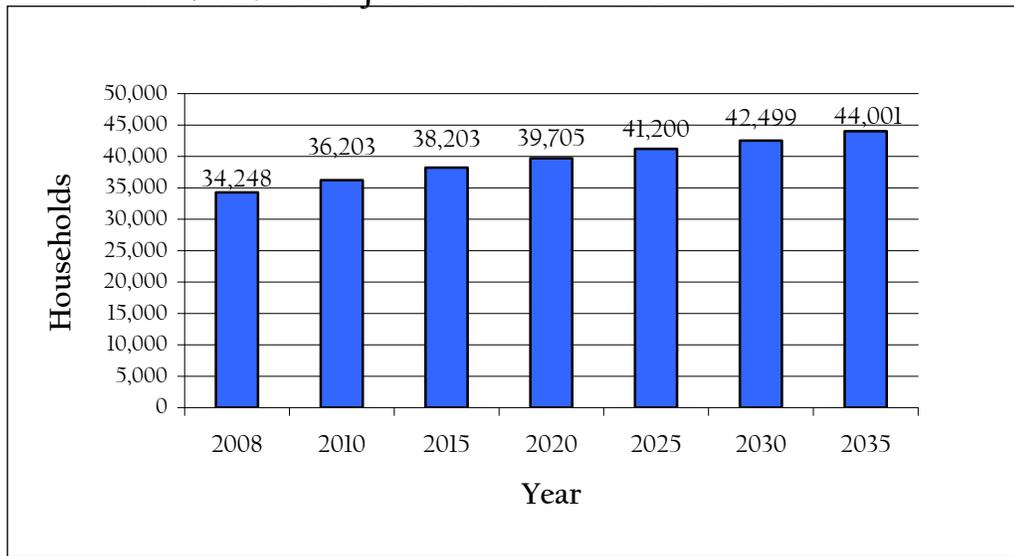
Source: 2005-2007 American Community Survey

As of January 2006, the largest non-retail employer in the City is the Murrieta Valley Unified School District (1,579 employees). The second and third largest employers are Southwest Healthcare (1,200) and the City of Murrieta (356). Analysis of employment data indicates that the vast majority of Murrieta's households have one or two wage earners who commute to jobs outside the City, while the jobs provided within the jurisdiction tend to be in the lower-paying service, retail trade and manufacturing sectors. In Riverside County, unemployment rates are expected to reach 7.1% in 2008, while unemployment in Murrieta is expected to be 2.5% lower than that of Riverside County, by approximately 4.6%. Existing employment and the direction of the City's economic growth have important implications for both the type of housing supplied and the balance between services required and income derived. The City's jobs to housing ratio is currently estimated at 0.63, whereas the City goal is to achieve a jobs to housing ratio of 1.0.

4.2 - Household Characteristics

A household is defined by the Census as all persons occupying a housing unit. Families are a subset of households and include all persons living together who are related by blood, marriage or adoption. Single households include persons living alone in housing units, but do not include persons in group quarters such as convalescent homes, dormitories, or rehabilitation facilities. Other households are unrelated people living together, such as roommates.

Exhibit 4-1: Projected Households 2008-2035



Source: Department of Finance, 2009.

The California Department of Finance estimated the number of households in 2009 has increased to 34,293, a 130% increase over the 2000 Census estimate of 14,921. The Riverside County Center for Demographic Research projections suggest further growth, with a forecast growth of 36,203 households in 2010 and 39,705 households in 2020.³ Similarly, the City of Murrieta Planning Department anticipates the City will grow to include a total of 39,340 units by June of 2010.

In 2007, the American Community Survey estimated that the City of Murrieta had 28,838 households. Out of this total, 76% (22,002 households) were family households and 24% (6,836 households) were non-family households. Table 4-6 provides detailed information on the demographics of the family and non-family households.

**Table 4-6:
Household Types 2007**

Type of Family	Total
<i>Families</i>	<i>22,002</i>
Married couples	18,258
Male-headed households	1,622
Female-headed households	2,122
<i>Non-families</i>	<i>6,836</i>
Singles	5,446
Other	1,390
Total Households	28,838

Source: 2005-2007 American Community Survey

³ Riverside County Center for Demographic Research

4.2.1 - Household Type

Household composition and size are often two interrelated factors. Communities containing a large number of families with children tend to have a larger average household size. Such communities have a greater need for larger units with adequate open space and recreational opportunities for children. The household size in Murrieta is an average of 2.9 persons per household, which is similar, but slightly higher than Riverside County in general. The County average household size by comparison was 2.7 persons per household, according to the Department of Finance in 2009.⁴

4.2.2 - Tenure

Tenure in the housing industry typically refers to the occupancy of a housing unit based on whether the unit is owner-occupied or renter-occupied. Tenure preferences are primarily related to household income, composition, and age of the householder. The tenure distribution of a community's housing stock influences several aspects of the local housing market. Residential mobility is influenced by tenure with ownership housing showing a lower turnover rate than rental housing.

In 2007, the City had a total of 28,838 occupied housing units out of which 22,177 (77%) were owner-occupied and 6,661 (23%) were renter-occupied. Since 2000, the total of occupied housing units increased 94% from 11,407 owner-occupied units to 22,177 owner-occupied units. Likewise, renter-occupied housing units have increased 2,913 units in 2000 to 6,661 units in 2007, an increase of 128%.

Typically, multifamily units allow a community to meet a wider range of affordable housing needs. Murrieta offers programs to increase the housing options available for lower income families. The City has a number of programs that are designed to increase the number of affordable housing units in the City and to maintain the existing affordable housing stock, while still staying within the parameters of the goals of the Land Use Element.

4.2.3 - Household Income

The Census Bureau defines household and family incomes differently. Household income is defined as any income earners within a residence combining their income, while family income is defined as households with two or more persons related through blood, marriage or adoption combining their income.⁵ The 2005-2007 American Community Survey indicates that the City experiences higher household and family median incomes of \$74,775 and \$85,439 respectively, than the 2007 Riverside County medians of \$55,881 and \$62,430.

⁴ California Department of Finance, File E-5, 2008

⁵ United States Census Bureau

**Table 4-7:
Income Distribution 2007**

Annual Income Ranges	Households
Less than \$10,000	641
\$10,000-\$14,999	1,062
\$15,000-\$24,999	1,565
\$25,000-\$34,999	2,253
\$35,000-\$49,999	3,810
\$50,000-\$74,999	5,138
\$75,000-\$99,999	4,813
\$100,000-\$149,999	6,269
\$150,000-\$199,999	1,989
\$200,000 or more	1,298
<i>Total</i>	<i>28,838</i>

Source: 2005-2007 American Community Survey

Typically, payment assistance is needed from local, State, or Federal government agencies to assist lower-income households in securing adequate housing because lower income households require housing with rents or payments lower than market rates. The City will continue to utilize available programs administered through the County (Mortgage Credit Certificate Program, Home Repair Program, First-time Homebuyer Program) and in conjunction with non-profit organizations (Habitat for Humanity) to provide residents with affordable housing. The City will also continue to utilize Federal Programs (Community Development Block Grant, HUD 202 Grant, and Section 8) and State Programs (Home Mortgage Purchase Program, Low-Income Housing Tax Credits) to further implement affordable housing in the City.

4.3 - Housing Stock Characteristics

Before current housing problems can be fully identified and future needs anticipated housing occupancy characteristics need to be examined within the City. The following is an analysis of household type, age of housing stock, and other housing stock characteristics that may affect access to and demand for housing and housing programs.

The Census Bureau defines a housing unit as a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied (or, if vacant, is intended for occupancy) as separate living quarters. Separate living quarters are those in which the occupants live separately from any other individuals in the building and which have direct access from outside the building or through a common hall.

In 2009, the California Department of Finance estimated that the City of Murrieta had 34,293 housing units. Between 2000 and 2009, the total amount of housing units increased by 19,327 units, or 130%. In 2009 the majority of housing units in Murrieta are single-family detached units (71%).⁶ Out of the total units that were constructed between 2000 and 2009, majority, 71% or 11,986 units were single-family detached units.

⁶ 2008 California Department of Finance

**Table 4-8:
Housing Type 2000 and 2009**

Housing Type	2000		2009	
	No. of Units	Percentage of Total	No. of Units	Percentage of Total
<i>Single-Family</i>				
Detached	12,505	83.8%	24,516	71.0%
Attached	211	1.4%	559	1.6%
<i>Multifamily</i>				
2-4 Units	147	1.0%	830	2.4%
5+ Units	1,522	10.2%	6,683	20.0%
Mobile Homes	540	3.6%	1,705	5.0%
Total Housing Units	14,925	100%	34,293	100%
Total Vacant Units	601	4.0%	1,584	4.6%

Source: 2009 California Department of Finance

In addition to Single-Family detached homes, multifamily developments with 5 or more units make up 20% of the total housing units in Murrieta while complexes with 2 to 4 units are only 1% of the total. Finally, mobile home units, typically classified separately from single-family detached units, round out the City's housing stock with 3.6% of total units in the City. Between 2000 and 2008, an additional 7,489 multifamily units of varying affordability levels were constructed.

4.3.1 - Vacancy Rate

The vacancy rate of a community's housing supply is a key indicator of whether an appropriate number of units are available in the City. If the vacancy rate is too high, this can have negative impacts on the community and the investment potential of a neighborhood. If the vacancy rate is too low, it may indicate that there are not enough units for any one income category to meet existing market demands, and that a portion of the population may be denied housing opportunities. The State Department of Housing and Community Development has determined that the "healthy" vacancy rate for ownership is between 2% and 3% and 5% to 6% for rental complexes. This ensures the continued upkeep of rental properties and keeps housing costs down.

The 2007 American Community Survey reported that the vacancy rate for ownership housing in the City was 3.6% while the rate for rental units was 7.4%. Vacancy rates for both ownership and rental housing are not within the "healthy" range established by HCD; however they are only slightly higher than the target rates. These percentages suggest that there is a surplus of owner and renter housing, especially renter occupied units. This may be related to a high turnover of rental units as residents' transition from rental to ownership housing in the City.

Beginning in the latter half of 2007 through spring of 2009 there were a record number of foreclosures in California. Information obtained online indicated that approximately 11,714 Notices of Default processed for single-family homes and condominiums in

Riverside County. Notices of Default are recorded at county recorders offices and mark the first step of the formal foreclosure process. This marked a 161% increase in the total of Notices of Default processed from the first quarter of 2007.⁷ Based on information from Foreclosure Radar, approximately 1,144 properties in Murrieta were in pre-foreclosure in July 2009; meaning either a Notice of Default or Lis Pendens (pending lawsuit) against the borrower/owner has been processed.⁸ In addition, there were an additional 447 bank owned properties and 796 properties set to go to auction. In July 2009 there were approximately 2,387 properties in some stage of foreclosure. Consequently the City has established a variety of ordinances and efforts to assist homeowners as outlined in Action 4.4 of the Housing Plan.

4.3.2 - Condition of Housing Stock

Age is one measure of housing stock condition and a factor for determining rehabilitation or replacement need within the City. Without proper maintenance, housing units deteriorate over time. Units that are older are more likely to be in need of repairs (e.g. a new roof or plumbing). In general, houses 40 years or older are considered aged and are more likely to generate major repairs. In addition, older homes may not be built to current housing standards for fire and earthquake safety. The units of general concern are those that were constructed prior to 1959.

Majority of the City's current housing stock (96%) was constructed after 1980. Since 1980, housing construction has continued to rise.⁹ The 2005-2007 ACS showed that Murrieta has only 198 units that were constructed prior to 1959, or 0.6% of the total housing stock. Table 4-9 provides information on the number of units constructed by decade. In addition to age, a lack in infrastructure and utilities often serves as an indicator of substandard conditions. According to the 2007 ACS, there were only 81 units lacking complete plumbing facilities, and 123 units lacking complete kitchen facilities in the City. Due to the low number of units built prior to 1959 and low number of units lacking utilities, the housing stock in the City is less likely in need of major repair.

The City provides resources through the County of Riverside for the rehabilitation of housing units for lower income households; however the City does not provide direct funding for this program. The City offers information about the rehab program on their website, through City newsletters, local newspapers, and at public counters at City Hall.

⁷ Dataquick News "California Mortgage Default Filings Drop Amid Procedural Change" October 23, 2008.
< <http://www.dqnews.com/News/California/CA-Foreclosures/RRFor081023.aspx>>. Retrieved Jan 20, 2009.

⁸ RealtyTrac.com. Murrieta Pre-Foreclosure Data. Retrieved Jan 20, 2009.

⁹ American Community Survey, 2005-2007.

**Table 4-9:
Age of Housing Stock**

Year Built	No. of Units	No. of Units
1939 or earlier	43	0.1%
1940-1949	23	0.1%
1950-1959	132	0.4%
1960-1969	53	0.2%
1970-1979	1,190	3.7%
1980-1989	7,510	23.7%
1990-1999	8,919	28.1%
2000-2007	13,883	43.7%
<i>Total</i>	<i>31,753</i>	<i>100%</i>

Source: 2005-2007 American Community Survey

4.4 - Housing Costs

This section discusses new home prices and resale costs of existing housing, as well as the average rental prices in the City. The information provided was obtained from reliable real estate industry data sources, the 2000 Census, 2005-2007 American Community Survey, 2009 California Department of Finance, the Riverside County Center for Demographic Research, and data provided by the City.

4.4.1 - Ownership Housing

Table 4-10 lists the value of existing ownership units in the City in 2007. The 2005-2007 ACS documents a median housing unit value of \$472,500 in Murrieta which is \$77,400 above the County median of \$395,100 in the same year. The increase in home prices for Murrieta is a significant increase from an average value of \$190,700 in 2000. In addition to the large increase in home values Table 4-10 also indicates that 88.5% of homes in Murrieta were valued between \$300,000 and \$1,000,000.

The overall increase of home prices in Murrieta may be attributed to the City's proximity to other major cities in Orange, Los Angeles, and San Diego Counties. Despite the fact that home prices in Murrieta were increasing the City was still more affordable and in commuting distance to all three of the identified urban areas. In comparison to Murrieta the median home price in 2007 for Orange, Los Angeles, and San Diego Counties were \$656,600, \$550,000, and \$559,400 respectively. This makes Murrieta a more affordable option for above moderate-income homebuyers that cannot afford a home in Orange, Los Angeles, or San Diego Counties.

**Table 4-10:
Housing Prices 2007**

Price Range	No. of Units	Percentage of Total
Less than \$50,000	230	1.0%
\$50,000-\$99,999	93	0.4%
\$100,000-\$149,999	111	0.5%
\$150,000-\$199,999	477	2.2%
\$200,000-\$299,999	1,632	7.4%
\$300,000-\$499,999	10,421	47.0%
\$500,000 or more	9,213	41.5%
<i>Total</i>	<i>22,177</i>	<i>100%</i>
Median Value	\$472,500	

Source: 2005-2007 American Community Survey

Following the large increase in housing prices from 2000 to 2007 the Murrieta housing market has more recently been affected by the housing market collapse and economic downturn that is affecting most cities across the nation. Nationally, housing prices have declined from the peak reached in 2006. According to Data Quick, from November 2007 to November 2008, the median home price decreased 29 percent from \$348,750 to \$246,500.¹⁰ From November 2008 to June 2009 the average sales price had continued to decline to \$237,785.¹¹ These figures have decreased enough that they are affordable even to moderate-income households, who are more likely than low and very low-income households to have a down payment available. For households that are able to afford purchasing a home, Table 4-11 shows the monthly house payment calculated for the average priced existing and new home. This information is useful in determining the affordability of home purchases. In calculating the payments, 10% down and a 30-year mortgage were assumed. The prevailing mortgage rate of 5.5% was used in the calculation.

**Table 4-11:
Owner-Occupied Housing Expenses 2009**

Purchase Price	\$230,000.00	\$375,000.00	\$500,000.00
Interest Rate	5.5%	5.5%	5.5%
Down Payment	10%	10%	10%
Loan Amount	\$207,000.00	\$337,500	\$450,000
Monthly Housing Expense	\$1,175	\$1,916	\$2,555
Required Monthly Income	\$3,877	\$6,322	\$8,431
Required Yearly Income	\$46,530	\$75,873	\$101,178

Source: Bankrate.com and Data Quick June 2009.

¹⁰ DataQuick, April 2008.

¹¹ DataQuick, June 2009.

The income required to afford a new or existing home requires an annual salary that exceeds a low-income households' ability to pay as determined by HCD 2008 California Income Limits shown in Table 4-13. Existing and new housing is however now affordable to moderate-income households earning between 80-120% AMI. Moderate-income households may also utilize the County of Riverside First-Time Home Buyers Program which is designed to assist households to bridge the gap in affordability between sales price and maximum income restrictions as shown in Table 4-11. This program provides qualified buyers with down payment assistance up to 20% of the purchase price of the home. In addition the City of Murrieta has also outlined in the Housing Plan an action to initiate a first-time home buyers program to be run through the City's Redevelopment Agency. These programs along with other programs administered through the County can be used to assist households in affording homes; however, previously high home prices kept many applicants from using the First-Time Home Buyers Program.

4.4.2 - Renter Housing

According to the 2007 American Community Survey, 23% of Murrieta households lived in rental housing. The median rent was \$1,265 in 2008, a 50% increase from the 2000 median rent of \$842. In 2008, rents in Murrieta ranged from \$770 to \$1,595 for a studio or one bedroom apartment, \$987 to \$1,650 for a two bedroom apartment, and \$1,290 to \$1,880 for a three bedroom apartment. Generally, these rents fell within the range established by the HUD fair market rents for the County of Riverside as shown in Table 4-12.

**Table 4-12:
Riverside County Fair Market Rents 2009**

Studio	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
\$867	\$954	\$1,125	\$1,583	\$1,846

Source: HUD User 2009

A survey of homes in Murrieta for rent on Realtor.com revealed that home rental prices vary by size of the home, number of bedrooms, and location. Predominantly, three and four bedroom home rents range from \$2,000 to \$4,000 per month. Because four bedroom apartments are rare, many large families would need to rent a Single-Family home in order to avoid overcrowded conditions.

4.4.3 - Housing Affordability

Table 4-13 identifies maximum affordable rents and purchase prices by income category for one person, small family, four person family, and large family. Comparing housing costs and maximum affordable prices for low-income households shows that many households are being priced out of the Riverside County rental and ownership market. Given the median home prices presented in Table 4-10, single-family home ownership is beyond the reach of all low-income households. For home rental, most moderate-income households may be able to afford a condominium or town home.

**Table 4-13:
Housing Affordability by Income Group
Riverside County 2009**

Income Group	AMI adjusted by size	Affordable Payment		Housing Costs		Maximum Affordable Price	
		Renter	Owner	Utilities	Tax	Home	Rental
Extremely Low (0-30% AMI)	30% AMI						
One Person	\$14,000	\$338	\$338	\$50	\$80	\$33,385	\$288
Small Family	\$18,000	\$435	\$435	\$100	\$90	\$38,930	\$335
Four Person Family	\$20,000	\$483	\$483	\$125	\$95	\$41,333	\$358
Large Family	\$23,200	\$561	\$561	\$175	\$100	\$37,901	\$386
Very Low (30-50% AMI)	50% AMI						
One Person	\$23,300	\$564	\$564	\$85	\$115	\$58,649	\$479
Small Family	\$29,950	\$726	\$726	\$125	\$130	\$77,500	\$601
Four Person Family	\$33,300	\$806	\$806	\$175	\$140	\$79,487	\$631
Large Family	\$38,650	\$870	\$935	\$200	\$145	\$93,700	\$670
Lower (50-80% AMI)	60%AMI						
One Person	\$27,090	\$677	\$790	\$100	\$165	\$86,800	\$577
Small Family	\$34,080	\$774	\$1,015	\$150	\$190	\$111,600	\$624
Four Person Family	\$38,700	\$967	\$1,128	\$200	\$210	\$116,250	\$767
Large Family	\$44,880	\$1,122	\$1,309	\$250	\$220	\$121,745	\$872
Moderate (81-120% AMI)	110% AMI						
One Person	\$49,665	\$1,241	\$1,449	\$100	\$215	\$190,960	\$1,141
Small Family	\$63,855	\$1,596	\$1,862	\$150	\$260	\$244,800	\$1,346
Four Person Family	\$70,950	\$1,773	\$2,069	\$200	\$280	\$262,308	\$1,573
Large Family	\$82,280	\$2,089	\$2,399	\$250	\$300	\$283,292	\$1,839

Notes:

1. Small Family = 3 persons; Large Family = 6 persons
2. Property taxes and insurance based on averages for the region
3. Calculation of affordable home sales prices based on a down payment of 10%, annual interest rate of 6.5%, 30-year mortgage, and monthly payment 30% of gross household income
4. Based on Riverside County AMI \$64,500 and 2009 HCD State Income Limits
5. Monthly affordable rent based on payments of no more than 30% of household income

In 2009, the starting price for a rental unit in the City was around \$690 per month for a one bedroom unit. Rental housing in the City can generally be considered affordable for those families annually earning 50% of the Riverside County median income limit (\$64,500) and above. This was determined by multiplying 50% of the AMI (\$32,250) by 30% which is HUD's affordability limit for housing costs. The resulting monthly payment affordable to households earning 50% or more of the AMI is \$806 a month.

4.4.4 - Existing Affordable Developments

There are currently eleven known developments that offer affordable housing options for residents in Murrieta. As shown in Table 4-14, there are a total of 118 deed restricted affordable units for very low-, low and moderate-income households that were constructed between 2000 and 2009. Of the total, 6 units are for extremely low-income, 64 units are for very low-income, 10 are for low-income and 38 are restricted for moderate-income. An additional 1,911 units are not deed restricted, but are considered to be affordable for moderate-income households.

**Table 4-14:
Existing Complexes with Affordable Units**

Multifamily Complex	Year	Extremely Low	Very Low	Low	Moderate	Above Moderate
Camden Vineyards Total Units = 264 units	2001				270	
Madison Park Total Units = 284 units	2002- 2003				284	
Crescent Heights Total Units = 184 units	2003				184	
Eagle Glen Total Units = 320 units	2004				308	12
Reserves at Madison Park Total Units = 248 units	2004		13 (DR)		24 (DR) 211	
Monte Vista Total Units = 64 units	2005	6 (DR)	46 (DR)	6 (DR)	5 (DR)	
Sonoma at Mapleton Total Units = 193 units	2005				183	10
Amber Walk at Ivy Total Units = 93 units	2005		5 (DR)		9 (DR)	79
Hilltop at Winchester Total Units = 175 units	2006				106	69
Grande Isle Senior Apartments Total Units = 453 units	2007				453	
3 rd Street Homes Total Units = 4 Houses	2008			4 (DR)		
<i>Total</i>		6 (DR)	64 (DR)	10 (DR)	38 (DR) 1,999	170

Note: Italicized numbers indicate units not having a deed restriction.

Source: City of Murrieta, 2009



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Housing Needs

Introduction

The housing needs section provides an analysis of current housing conditions in the City, focusing on the demographics outlined in the previous section and housing concerns related to the various population groups of Murrieta. Several factors are projected to influence the degree of demand, or "need," for new housing in the City in coming years. In this element the housing needs of four groups are taken into consideration. These groups include:

- New population growth, both in the City and the surrounding region;
- Residents living in overcrowded units;
- Households paying more than they can afford for housing; and
- "Special needs groups" including the elderly, large families, female-headed households, households with a disabled person, farm workers, and the homeless.

Analysis of demographic and market conditions indicates that the number of households at the high and low ends of the income spectrum will continue to grow, while the traditional middle income segments' participation in the housing market will continue to decline. Consequently analysis of specific housing needs and the necessary assistance for first-time homebuyers will become critical to assist low and moderate-income population in achieving home ownership. Lower income groups will require the most assistance in order to meet the increasing cost burden associated with owning a home. While many new homes are for the most part above the financial attainment of lower income households, there are limited homeownership opportunities for low and moderate-income households with the City's existing stock of older resale homes. In regards to rental households, there appears to be a need for additional rental resources of all sizes at rates affordable to lower income households.

Summary of Special Needs Groups

Table 5-1 below summarizes the housing assistance needs of lower income households (less than 80% of the AMI) for special needs groups in Murrieta by household tenure (renter/owner), household type (elderly, small/large families), and "housing problems." This count of households with "housing problems" includes those who: 1) occupy units with physical defects (lacking complete kitchen or bathroom); 2) live in overcrowded conditions (housing units with more than one person per room); 3) have a housing cost burden exceeding 30% of gross income; or 4) have a severe housing cost burden exceeding 50% of gross income.

**Table 5-1:
Housing Assistance Needs of Households by Tenure 2008**

Household by Type, Income, & Housing Problem	Renters			Owners		
	Elderly	Small Families	Large Families	Elderly	Small Families	Large Families
Extremely Low-Income (030% AMI)	140	39	24	135	110	24
% with any housing problems	92.9	100.0	100.0	85.2	50.0	100.0
% cost burden >30%	92.9	89.7	100.0	85.2	50.0	100.0
% cost burden >50%	85.7	89.7	100.0	77.8	50.0	100.0
Very Low-Income (31-50% AMI)	239	120	40	200	175	54
% with any housing problems	91.6	100.0	100.0	70.0	91.4	81.5
% cost burden >30%	91.6	91.7	100.0	70.0	91.4	74.1
% cost burden >50%	46.0	62.5	75.0	35.0	74.3	46.3
Low-Income (51-80% AMI)	107	240	32	390	344	248
% with any housing problems	72.9	79.2	100.0	39.7	72.4	91.9
% cost burden >30%	69.2	68.8	87.5	39.7	69.5	75.8
% cost burden >50%	13.1	10.4	12.5	21.8	53.8	41.9
Total Extremely Low, Very Low, and Low-Income Households	486	399	96	725	629	326
% with any housing problems	87.8	87.4	100.0	56.5	73.7	90.7
Total Households (all income levels)	596	1,129	411	2,685	5,939	2,174
% with any housing problems	73.3	46.4	61.1	28.1	31.7	37.0

Source: HUD Comprehensive Housing Affordability Strategy (CHAS) Databook

Table 5-1 indicates that within special needs groups, renters experience more housing problems than homeowners. For both renters and owners, more than 50% of all special needs households experienced a housing problem. The highest percentage of lower income households experiencing housing problems were large family renter and owner households. One-hundred percent of renter households and 90% of owner households experience a housing problem. These percentages demonstrate that large family renter households are at the greatest need for housing programs to assist in rehabilitating their homes.

5.1 - Existing Need

State housing policy recognizes that cooperative participation between the private and public sectors is necessary to expand housing opportunities to all economic segments of the community. A primary State goal is the provision of decent housing and suitable living environment for Californians of all economic levels. Historically, the private sector has responded to the majority of the community's housing needs through the production of market-rate housing. However, the percentage of the population on a statewide basis who can afford market rate housing is declining. Special needs groups are consequently experiencing additional housing challenges associated with their unique characteristics.

The following subsections analyze the households in Murrieta, which experience some type of problem in their housing situation: overcrowding; overpayment; and special needs groups including the elderly, large-families, female headed households, the disabled, the homeless and farm workers.

5.1.1 - Overpayment

A primary State goal is the provision of decent housing and a suitable living environment for Californians of all economic levels. State housing policy recognizes that cooperative participation of the private and public sectors are necessary to expand housing opportunities to all economic segments of the community.

Consistent with HUD’s “threshold of overpayment” definition, California’s housing administration has determined that, “Affordable housing costs with respect to extremely low-, very low-, and low-income households shall not exceed 30% of gross household income and 35% of gross household income for moderate-income households.”¹² That is, when households must exceed 30% of their incomes for rent or mortgage payments, they are left with insufficient funds for other necessities, such as food, health care, clothing, and utilities.

Exceeding 30% of income for rent or mortgage may cause a series of related financial problems, and can result in a deterioration of housing stock, because costs associated with maintenance must be sacrificed for more immediate expenses (e.g. food, clothing, medical care, and utilities). Overpayment also promotes overcrowding, which leads to a variety of problems, from accelerating the rate of deterioration to code enforcement issues. The State recognizes, however, that upper-income households are generally more able to secure housing within their budgets, and are more capable of paying a larger proportion of their income for housing. Therefore, housing overpayment estimates usually focus on lower income groups.

**Table 5-2:
Overpaying Households by Tenure 2007**

Tenure	Households Overpaying
Renter	3,760
Owner	11,541
<i>Total</i>	<i>15,301</i>

Source: 2005-2007 American Community Survey

The 2005-2007 American Community Survey identifies housing overpayment for lower income households. Table 5-2 displays total housing units overpaying for housing based on tenure. The majority of households overpaying (75%) were owner-occupied units.

5.1.2 - Overcrowding

In response to higher housing prices, lower-income households must often be satisfied with smaller, less adequate housing for their available income. This may result in overcrowding which places a strain on physical facilities and does not provide a healthy living environment. Overcrowding is defined by the Census as a unit occupied by 1.01 persons or more per room (excluding bathrooms and kitchens). Units with more than 1.50 persons per room are considered severely overcrowded. Overcrowding is often reflective of one of three conditions:

¹² Health and Safety Code, Section 50052.9

1. Either a family or household is living in too small a dwelling;
2. Familial households includes extended family members (i.e. grandparents or grown children and their families living with parents, termed doubling); or
3. A family is renting living space to non-family members.

In 2007, overcrowding affected 320 units, or 1.1% of all households in Murrieta. Additionally, 404 housing units (1.4%) were classified as severely overcrowded.¹³ In comparison to Riverside County, Murrieta was significantly below the County percentages of 5.4% and 1.7% respectively.¹⁴ Typically, very low-income rental households experience the most overcrowding. This is because very low-income residents are often unable to afford the month rent required to secure a unit with an adequate number of bedrooms to meet the needs of their household. In 2007, 79 lower income owner-occupied units and 114 lower income renter-occupied units were considered to be overcrowded.¹⁵

According to Comprehensive Housing Affordability Strategy data, 3,110 lower income households were overpaying for rental or owner housing. Out of this total, 627 extremely low-income households overpaid for housing. Table 5-3 displays that 59% of owner-occupied households experienced more overpayment than renter households; the highest total occurring in low-income households.

**Table 5-3:
Overpayment by Income Level 2008**

Tenure by Household	Extremely Low-Income	Very Low-Income	Low-Income	Total Overpaying
Renter	283	444	539	1,266
Owner	344	463	1,037	1,844
<i>Total</i>	<i>627</i>	<i>907</i>	<i>1,576</i>	<i>3,110</i>

Source: HUD Comprehensive Housing Affordability Strategy (CHAS) Databook, 2009

5.2 - Special Needs Groups

State Housing Law requires that the special needs of certain disadvantaged groups be addressed within the Housing Element. These households typically experience difficulty in securing decent, affordable housing, and are not maintained under market conditions. The needs of the elderly, handicapped, large families, female heads of household, the homeless and farm workers are addressed below.

5.2.1 - Elderly

The special housing needs of the elderly are an important concern in Murrieta. Many of the elderly resident in the City are retired and living on a fixed low-income, which puts them at greater risk of impaction, or housing overpayment. In addition, the elderly maintain special needs related to housing construction and location. The elderly often

¹³ 2005-2007 American Community Survey

¹⁴ 2005-2007 American Community Survey

¹⁵ 2005-2007 American Community Survey

require ramps, handrails, lower cupboards and counters to allow greater access and mobility. In terms of location, because of limited mobility, the elderly typically need access to public facilities (i.e., medical and shopping) and public transit facilities. Finding a reliable means of transportation to medical appointments, senior activity and meal sites remains a serious problem for seniors. Many seniors lack private transportation due to physical or financial limitations. Because of this, the Riverside Transit Agency provides a dial-a-ride shuttle service that can be used by the elderly for transportation.

As reported in the 2007 American Community Survey, 8,538 City residents, or 9% of the total population, were 65 years old or older. In terms of tenure, 2,528 owner-occupied and 497 renter-occupied units were headed by occupants 65 years old or older.¹⁶

Many elderly persons have limited income potential, as they are most often retired and have fixed income. Table 5-1 revealed that 84% of lower income senior households (62 years old or older) paid more than 30% of their income on housing, experiencing a housing cost burden. While the vast majority of seniors are homeowners, the percentage of lower income senior renters who overpaid (84%) was higher than senior homeowners (65%) who overpaid. Lower income renter senior households experienced a greater percentage of housing problems (73%) than lower income senior homeowners (28.1%) as shown in Table 5-1.

In 2000, 62% of the elderly population was disabled. Despite the large number of seniors who have disabilities, 36% live alone, according to the Census. However, the vast majority of elderly own their home, estimated at 50% in 2000.¹⁷

5.2.2 - Disabled Household Needs

Access and affordability are the two major housing needs of disabled persons. Access is particularly important for the physically disabled. Physically disabled persons often require specially designed dwellings to permit access within the unit, as well as to and from the site. The California Administrative Code Title 24 sets forth access and adaptability requirements for the disabled. These regulations apply to public buildings such as motels, employee housing, factory built housing, and privately funded newly constructed apartment houses containing five or more dwelling units. The regulations also require that ramp-ways, larger door widths, and restroom modifications, be designed which enable access to the disabled. Such standards, however, are not mandatory of new single-family residential construction.

The disabled, like the elderly, have special needs with regard to location. There is typically a desire to be located near public facilities, and especially near public transportation facilities that provide service to those who rely on them. The needs for residents with mobility limitations are currently being met by the Riverside Transit Agency through a dial-a-ride service with specialized transportation vehicles for those who are not able to provide their own transportation or reach established boarding areas for the City bus routes.

¹⁶ Census 2000 Summary File 3 (SF 3) – Sample Data

¹⁷ Census 2000 Summary File 3 (SF 3) – Sample Data

Table 5-4 reflects that 7,844 persons 16 years and older in the City of Murrieta had a disability in 2000. A disability with a self-care limitation does not necessarily translate into a need for specially constructed housing units; therefore it makes it difficult to estimate the number of disabled persons in need of housing. Out of the total disabled persons, 1,971 persons had a disability that either prevented them from working or made it difficult to work; while 1,520 individuals had a disability that hindered their mobility. For this reason, the need for programs to assist disabled households on a fixed income is important.

**Table 5-4:
Disabled Residents 2000**

<i>Persons with Disabilities 16 to 64</i>	4,753
Self-Care Disability	181
Mobility Disability	756
Sensory Disability	415
Physical Disability	882
Mental Disability	548
Employment Disability	1,971
<i>Persons with Disabilities 65 Years and Over</i>	3,091
Self-Care Disability	314
Mobility Disability	764
Sensory Disability	544
Physical Disability	1,018
Mental Disability	451

Source: Census 2000 Summary File 3 (SF 3) – Sample Data

Currently there is no direct source that provides information on the number of housing units in the City equipped to handle the needs of disabled citizens. The City, therefore, needs to have programs to ensure that all affected households have the means to be able to provide the necessary improvements on an as-needed basis. Through the Riverside County Economic Development Agency and Office on Aging, the County is able to offer assistance to qualifying low-income households to provide the necessary improvements that will make their homes accessible as needed.

5.2.3 - Large Family Household Needs

The 2000 Census reported 2,592 households in the City of Murrieta with five or more persons. Large family households require special consideration because they require larger dwellings with sufficient bedrooms to meet their housing needs, without overcrowding.

Difficulties in securing housing large enough to accommodate all members of a household are heightened for renters, because multifamily rental units are typically smaller than single-family units. Apartment complexes in the City offering three- and four-bedroom models are few. Large families in Murrieta, therefore, may satisfy their housing needs mostly through the rental and ownership of single-family units, for which there appears to be sufficient stock. However, as shown previously in the Housing Costs Section, the larger single-family rental stock is generally not affordable to the majority of lower income households.

Table 5-5 reveals tenure of housing units by number of persons in the unit. The table shows that there are more owner-occupied units than renter-occupied units housing large families. Owner-occupied units account for 84% of the large households in the City, representing about 9% of all owner-occupied housing; while 16% of large households occupy rental units in the City.

**Table 5-5:
Large Households by Tenure 2000**

Number of Persons in Unit	Owner-Occupied	Renter-Occupied	Total
Five	1,425	242	1,667
Six	440	109	549
Seven or more	312	64	376
<i>Total</i>	<i>2,177</i>	<i>415</i>	<i>2,592</i>

Source: Census 2000 Summary File 3 (SF 3) – Sample Data

5.2.4 - Female Head of Household

The primary concern in this segment of the population is households where, for one reason or another, there is only one parent. This creates conflicts between the economic needs of the home and the daycare needs of the family. Historically, females in this situation have earned less income than the rest of the population, restricting their ability to provide for both housing and daycare. According to the 2007 ACS, there were 2,122 female-headed households in the City; 1,432 (67%) of which had children under 18 years old. Of the female headed households, with children under 18 years old, were below the federally established poverty level; compared to the County where the percentage is 15.1% of the total.

With existing housing programs, female-headed households can be eligible to qualify for housing assistance, such as Section 8 vouchers, based on income level. One program available to single parent households is the CalWORKs Greater Avenues for Independence (GAIN) program, which is a program of the Riverside County Department of Public Social Services. This program assists applicants and recipients of temporary assistance to become self-sufficient. This program provides child care and transportation assistance.

5.2.5 - Farm Worker Housing

In the 2007 American Community Survey, approximately 303 people were classified as working in the agriculture industry sector. Although Murrieta and Riverside County contain a number of major employers in southern California, this growth is not tied to an agricultural base. Although some land in the City remains for agricultural use, most land previously used for agricultural uses is currently developed or designated for commercial or residential development. Majority of the lower density land in the City is not used for agriculture, but rather for equestrian purposes with some land remaining for personal farming in comparison with commercial farm operations. Consequently, the estimated 303 individuals identified as working in the agricultural sector are likely to be employed in nurseries, stables, and not in traditional agricultural production. The demand for housing generated by farm workers in the City is thus estimated to be extremely low. The City does allow for second dwelling units to be constructed in the rural and estate residential zones which can provide units for employees working in these areas. The City

also has a number of affordable multifamily units that also provide housing for employees in the sector.

5.2.6 - Homeless Persons

The RHNA produced by SCAG defines homelessness as:

1. Persons who are living or staying in emergency shelters;
2. Persons who sleep outside, in a makeshift shelter, in cars, or transportation areas such as bus or train terminals;
3. Persons who are considered “at risk” (i.e., doubled up, in marginal circumstances, motel population with limited stay or general relief recipients whose payments have been canceled due to “no forwarding address”).

Enumerating the homeless population is difficult due to the transient nature of the population, as well as the existence of hidden homeless or persons that move between housing situations (e.g. doubling up with another household). However, according to the 2007 County of Riverside Homeless Assessment, there were an estimated 4,508 homeless persons on any given day in Riverside County. There were an additional number of homeless person who were not known and therefore not counted. More recently according to the Riverside County Homeless Count and Survey there were 5 homeless individuals identified in the City of Murrieta by service providers.

The trends largely responsible for homelessness include: a shortage of affordable housing, combined with a simultaneous growth in the population of low-income renters, which has correlated with high demand and limited supply of affordable units. Each of these factors could potentially exacerbate any of the traditional conditions, but may increasingly become stand-alone causes of homelessness. The numbers of homeless people, the cost of housing, and the number of people living in poverty combine to create a potential for homelessness.

Currently, the Murrieta Zoning Code does address transitional and emergency housing. As outlined in Action 5.2 the City will amend the development standards for the Multiple Use-2 (MU-2) and Business Park (BP) zoning districts to allow emergency shelters by right, without a Conditional Use Permit or other discretionary action, and will ensure that a proposed shelter is subject to only the same development standards required for other uses permitted in the same zone. The MU-2 and BP zones are appropriate to accommodate emergency shelters as they are typically located along major arterial roadways with access to employment centers and in close proximity to commercial and retail stores as well as social services. There are currently 281 acres of vacant land zoned for MU-2 and 376 acres of vacant land zoned BP, including approximately 46 sites between 2 and 5 acres in size that are appropriate and able to accommodate a shelter of approximately 20 beds if one is proposed. To better accommodate emergency shelters in the City, specific siting standards and conditions for approval will be developed in accordance with State Law.

The City will also amend the Zoning Code to permit transitional and supportive housing as a permitted residential use without a CUP, subject only to those regulations that apply to other residential dwelling units of the same type in the same zone. Further, Section 16.44.200 will be added to the Development Code detailing the conditions and requirements for operations of such housing and shelters. Although no homeless shelters

exist in Murrieta due to the limited number of homeless persons, the City does provide support to shelters located near Murrieta located in Wildomar and Lake Elsinore.

Another means of assisting the homeless is through community outreach programs sponsored by non-profit organizations. King's Hall is a shelter for the homeless located at March Air Reserve Base approximately 20 miles from Murrieta. The shelter is run by the Path of Life Ministries and uses volunteers from the Calvary Chapel in Murrieta to maintain the shelter. King's Hall is a transitional housing program for homeless women with children, single men with children, complete families, and chronic homeless women. Also, the Community Food Pantry and Second Hand Treasures of Murrieta distribute food to needy families while providing families the opportunity to purchase clothing, furniture, and household items at discounted prices. This community outreach program is sponsored by St. Martha's Catholic Church in Murrieta.

5.3 - Assisted Housing At-Risk of Conversion to Market Rate Housing

State housing law requires an inventory and analysis of government-assisted dwellings units eligible for conversion from low-income housing to market rate housing during the next ten years, or until 2018 for this at-risk planning period. Reasons for potential conversion may include expiration of subsidies, mortgage pre-payments or pay-offs, and concurrent expiration of affordability restrictions. A review of the assisted housing inventory maintained by HUD indicates that no assisted units are subject to the expiration of affordability restrictions in the next planning period or within the next ten years.¹⁸ To ensure continued affordability, four complexes were constructed between 2000 and 2008 that have deed restricted units maintained through an affordability covenant. The following table lists 10 apartment complexes that were built between 2000 and 2008, and the amount of units in each complex that were allocated for each income level. Units that are deed restricted are identified with "DR".

¹⁸ California Housing Partnership Corporation (List of at-risk properties filing notices with HCD); Department of Housing and Urban Development; City of Murrieta

**Table 5-6:
Multifamily Affordability 2000-2006**

Multifamily Complex	Year	Extremely Low	Very Low	Low	Moderate	Above Moderate
Camden Vineyards Total Units = 264 units	2001				270	
Madison Park Total Units = 284 units	2002-2003				284	
Crescent Heights Total Units = 184 units	2003				184	
Eagle Glen Total Units = 320 units	2004				308	12
Reserves at Madison Park Total Units = 248 units	2004		13 (DR)		24 (DR) 211	
Monte Vista Total Units = 64 units	2005	6 (DR)	46 (DR)	6 (DR)	5 (DR)	
Sonoma at Mapleton Total Units = 193 units	2005				183	10
Amber Walk at Ivy Total Units = 111 units	2005		5 (DR)		9 (DR)	79
Hilltop at Winchester Total Units = 175 units	2006				106	69
Grande Isle Senior Apartments Total Units = 453 units	2007				88 (DR) 365	
3 rd Street Homes Total Units = 4 Houses	2008			4 (DR)		
<i>Total</i>		6 (DR)	64 (DR)	10 (DR)	126 (DR) 1,911	170

Note: Italicized numbers indicate units not having a deed restriction.

Source: City of Murrieta, 2008.

As Table 5-6 displays, 118 units were constructed between 2000 and 2008 that have deed restrictions. The deed restrictions range from 30 to 55 years ensuring these deed restrictions will not expire during the upcoming planning period. Since these deed restrictions are not set to expire in the upcoming planning period and there are no at-risk units in the City, further analysis of costs and programs for preserving such units is not necessary.

5.3.1 - Public Agencies and Non-Profit Corporations

The analysis of existing assisted living developments must “identify public and private non-profit corporations known to the local government which have legal and managerial capacity to acquire and manage these housing developments.” The State HCD has compiled a list of entities interested in a “right of first refusal” in connection with the possible acquisition of assisted housing projects. The entities that have expressed an interest in Riverside County properties are listed below:

- Valley Housing Coalition
- Southern California Presbyterian Jamboree Housing Corporation
- Long Beach Affordable Housing Coalition, Inc

- Los Angeles Community Design Center
- Neighborhood Housing Services of the Inland Empire, Inc
- St. Vincent de Paul Village, San Diego
- San Diego Interfaith Housing Foundation
- Southern California Housing Development Corp

These local public agencies, public or private non-profit corporations, and for-profit organizations identified have the legal and managerial capacity to acquire and manage at-risk projects.

5.4 - Regional Housing Needs Assessment

California’s State Housing Element law requires that each city and county develop local housing programs designed to meet its “fair share” of existing and future housing needs for all income groups. This effort is coordinated by the jurisdiction’s Council of Governments (The City of Murrieta is in the Western Riverside Council of Governments) when preparing the State-mandated Housing Element of its General Plan. This “fair share” allocation concept seeks to ensure that each jurisdiction accepts responsibility for the housing needs of not only its resident population, but for all households who might reasonably be expected to reside within the jurisdiction, particularly lower income households. This assumes the availability of a variety and choice of housing accommodations appropriate to their needs, as well as certain mobility among households within the regional market.

5.4.1 - Overview of the SCAG Fair Share Allocation Process

The fair share allocation process begins with the State Department of Finance’s projection of statewide housing demand for a five year period, which is then apportioned by HCD among each of the State’s official regions. The regions are represented by an agency typically termed a Council of Government (COG). In the six county southern California region, which includes Murrieta and all other incorporated cities and unincorporated areas of Riverside County, the agency responsible for assigning these fair share goals to each jurisdiction is the Southern California Association of Governments (SCAG).

A local jurisdiction’s “fair share” of regional housing need is the number of additional dwelling units that will need to be constructed during a given seven-year planning period. SCAG estimates each jurisdiction’s future housing need in terms of four factors:

- 1) The number of units needed to accommodate forecasted household growth;
- 2) The number of units needed to replace demolitions due to attrition in the housing stock (i.e., fire damage, obsolescence, redevelopment and conversions to non-housing uses);
- 3) Maintaining an ideal vacancy rate for a well-functioning housing market; and
- 4) An adjustment to avoid an over-concentration of lower-income households in any one jurisdiction.

The new construction need must be allocated to four household income categories used in Federal and State programs: very low-, low-, moderate-, and above moderate-income, defined operationally as households earning up to 50% , 80% , 120%, and more than 120% of the Riverside County median income, respectively. The allocations are further adjusted to avoid an over-concentration of lower income households in any one

jurisdiction. The fair share allocation must also consider the existing “deficit” of housing resulting from lower income households that pay more than 30% of their incomes for housing costs. As discussed earlier, this is the threshold used by HUD to determine housing affordability. The 2006-2014 Regional Housing Needs Assessment for the City of Murrieta is:

**Table 5-7:
Fair Share Housing Needs 2006-2014**

Very Low	Low	Moderate	Above Moderate	Total Adjusted Need
1,568	1,067	1,171	2,497	6,303

¹ The 7 ½ year planning period is January 1, 2006 to June 30, 2014
 Source: *Regional Housing Needs Assessment, SCAG July 12, 2007*

Thus, Murrieta’s “fair share” allocation is 6,303 units. According to Housing Element Law Section 65583, local agencies shall calculate the subset of very low-income households that qualify as extremely low-income households (30% or less of the Riverside County median income) by using available Census data to calculate the percentage of very low-income households that qualify as extremely low-income households.

The 2005-2007 ACS reported that there were 2,266 households (7.9%) earning less than 30% of the 2008 Riverside County Area Median Income of \$62,000. The 2006 SCAG RHNA projected 1,568 very low-income households in the upcoming planning period. To determine the RHNA allocation of extremely low-income households, HCD recommends assuming that 50 percent of very low-income households are actually extremely low-income. This means that with a RHNA allocation of 1,568, the City should allocate 784 units for extremely low-income and the remaining 784 units for very low-income. The Housing Plan in Section 2 describes policies and programs that the City can utilize towards implementing this housing needs allocation.

Housing Constraints Analysis

Pursuant to State law, a Housing Element shall provide an analysis of existing and potential governmental and non-governmental constraints on the improvement, maintenance, and development of the housing stock. This analysis must include housing for all segments of the population including all income levels and persons with special needs (such as the homeless, disabled, and elderly). Governmental and non-governmental constraints are discussed in this section.

6.1 - Governmental Constraints

Local policies and regulations can affect the availability of housing and in particular, the provision of affordable housing. Land use controls, site improvement requirements, fees and exactions, permit processing procedures, and other factors can affect the maintenance, development, and improvement of housing.

State, Federal and Regional regulations, which the City has no control over, also affect the availability of land for housing and the cost of producing housing. Regulations related to environmental protection, building codes, and other topics have significant, often adverse impacts on housing cost and availability. While constraints exist at other levels of government, this section emphasizes policies and regulations that are under the control of the City.

Key Policies and Regulations Affecting Housing Costs	
City of Murrieta Controlled	Non-City Controlled
Zoning /Development Standards	MSHCP Requirements and Fees
Density / Open Space	TUMF Fees
Site Improvements	Environmental Impact Analysis
Impact Fees and Exactions	Building Codes
Permit Processing Time	Availability of Capital for New Construction
Parking	School Impact Fees

It is important to note that the City of Murrieta’s intent is to find a balance between implementing community standards and quality for new residential development, and maintaining a development review process and appropriate regulations that do not unreasonably constrain new residential construction. The City of Murrieta has been successful in achieving that balance as evidenced by: (1) the construction of approximately 11,160 new residential units since 2003, including 4,800 multiple-family units; and (2) the affordability of many newer market-rate multiple-family units (rental and ownership) for moderate-income households. Consequently, the number and cost of many newer residences is a clear indicator that the constraints outlined in this chapter are not hindering the construction of affordable and market-rate housing in the City of Murrieta.

6.1.1 - Land Use Designations, Standards and Procedures

Land use controls take a number of forms which affect the development of housing. One example of a land use control is the City's General Plan, which establishes the overall character and development of the community. The Murrieta Land Use Element of the General Plan and Title 16 of the Murrieta Municipal Code (Development Code) identify eight residential land use designations/zoning districts. Table 6-1 below specifies the following land use designations and allowable density ranges for residential uses.

**Table 6-1:
General Development Requirements for Residential Zoning Districts**

Land Use Designation	Minimum Lot / Site Size	Allowable Density Range
Rural Residential (RR)	2.5 acres	0.1 – 0.4 du/ac
Estate Residential 1 (ER -1)	1 acre	0.4 – 1.0 du/ac
Estate Residential 2 (ER-2)	0.5 acre	1.1 – 2.0 du/ac
Estate Residential 3 (ER-3)	10,000 s.f.	2.1 – 3.0 du/ac
Single-Family 1 (SF-1)	7,200 s.f.	2.1 – 5.0 du/ac
Single-Family 2 (SF-2)	5,000 s.f. (detached) 5 acre site (attached)	5.1 – 10.0 du/ac
Multiple-Family 1 (MF-1)	5 acres	10.1 – 15.0 du/ac
Multiple-Family 2 (MF-2)	5 acres*	15.1 – 18.0 du/ac

Source: City of Murrieta Title 16 Development Code and General Plan Land Use Element, 2006.

**For previously established and recorded lots, the minimum lot size may be less and the requirement is not applicable.*

Density is a critical factor in the development of affordable housing. Maintaining low density detached dwellings typically increases the cost of construction per unit, while higher density attached development lowers the per-unit land cost and facilitates improved construction efficiency. The Murrieta General Plan and Development Code currently allow for the development of housing up to a density of 18 dwelling units per acre. Of the housing developments constructed in the previous decade, the City has encouraged and approved housing for a variety of income levels that meet their established density requirements. In addition to the multifamily residential designations, the City has also established a density bonus that allows developers to go above the established densities; however developers offered the bonus have not chosen to take advantage of the opportunity.

Within the City's existing land use designations, the Multi-Family 2 (MF-2) and Multiple Use-3 (MU-3) designations offer the most feasible opportunity for the development of affordable housing. Several affordable housing complexes have already been constructed within these two designations. While affordable housing developments have been constructed in the City within the existing designations, the City plans to establish a new high density zone and land use designation that would allow up to 30 dwelling units an acre in a multi-family residential zone (MF-3). The City anticipates that this new designation will help to facilitate the development of additional housing for very low- and low-income families as they meet and exceed the State's established default densities.

6.1.1.A - Minimum Lot Size Requirements

Large-lot zoning (minimum 5 acres per lot) is currently required for multifamily zones including the MF-1 and MF-2 zones. This requirement does not pertain to any existing and recorded lots, which applies to the majority of the City. The SF-1 zone requires a minimum of 7,200 square feet per lot. This minimum requirement is typical in suburban communities and is not excessive or burdensome in that it does not exclude most lots from developing residential uses at an achievable maximum density assumed under these zones. The minimum lot size requirement for an SF-2 zoned parcel, however, is reduced to 5,000 square feet.

The bulk of sites in Murrieta, as shown in the sites inventory in Chapter 7 of the Housing Element, are larger than 5 acres, which resulted in the creation of Action 1.6, a large lot subdivision program in the Housing Plan, as required by HCD. While the City primarily contains large sites, Staff has historically worked with affordable housing developers to construct affordable units on sites that are smaller than 5 acres. Murrieta is currently working with an affordable housing developer to construct a 40 unit, deed-restricted, development on 2 acres of land with all units affordable for extremely low, very low and low income families. The City will continue to offer flexible development standards in instances where affordable units will be created. It is rare that a developer would not meet the minimum lot size requirements; however in the event that it is a constraint to affordable housing, Action 3.5 will assure that the City addresses the standard and will work with the developer to alter the standard to produce affordable units.

6.1.2 - Development Code

The City of Murrieta Development Code establishes specific development standards, allowable uses and other limitations, and must be consistent with the community's standards as set forth in the General Plan. Zoning regulations control development by establishing requirements related to height, density, lot area, yard setbacks, and minimum parking spaces. Site development standards ensure a quality living environment for all households groups in the City, including special needs groups, and low- and moderate-income households. Differences in development standards are just one factor of many that can affect the relative affordability of housing.

Approximately 71% of residential units in Murrieta are single-family detached homes.¹⁹ Some of these units are located in the RR, ER and SF zones, although a majority of residential areas in the City are zoned SF-1. Single-family subdivisions are the primary use in this designation. Developments in the single-family residential zones range in density from 2 to 10 dwelling units per acre and have uniform lot patterns, with a minimum lot size of 7,200 square feet. Cluster developments with smaller lot sizes of 5,000 to 6,000 square feet are possible within the Master Plan Overlay district, so long as

¹⁹ 2008 California Department of Finance

the size is justified through the provision of significant open space, recreational facilities, and/or other public amenities.

In comparison to single-family units, multifamily attached units make up approximately 23% of the total housing stock in Murrieta in 2008. These units are often constructed in the multifamily zones which allow for between 10 and 18 dwelling units per acre. The City has identified that developments should occur on parcels between 5 to 15 acres in size; however, City Staff will work with developers to design affordable housing complexes on smaller sites when feasible. The City may encourage lot consolidation or will discuss density bonus opportunities in order to increase the number of units on-site.

Table 6-2 provides a summary of development standards permitted residential uses for each zoning district, along with development standards for each, including setbacks, lot coverage, and maximum building height.

**Table 6-2:
Summary of Residential Zoning Districts**

Development Standard	RR Zone	ER-1 Zone	ER-2 Zone	ER-3 Zone	SF-1 Zone	SF-2 Zone	MF-1 Zone	MF-2 Zone	MU-3 Zone
Lot coverage	25%	25%	25%	35%	35%; 45% for single story	50%	35%	35%	None
Minimum Width Dimensions	100 ft.	100 ft.	100 ft.	70 ft.	70 ft.	55 ft.	100 ft.	100 ft.	None
Minimum Setback: Front Yard	20 ft.	20 ft.	20 ft.	20 ft.	20 ft.	20 ft.	10 ft.	10 ft.	25 ft.
Minimum Setback: Side Yard (interior)	20 ft.	20 ft.	20 ft.	10 ft.	10 ft.	7.5 ft.	10 ft.	10 ft.	None*
Minimum Setback: Side Yard (street side)	20 ft.	20 ft.	20 ft.	20 ft.	20 ft.	10 ft.	10 ft.	10 ft.	25 ft.
Minimum Setback: Rear Yard	20 ft.	20 ft.	20 ft.	20 ft.	20 ft.	20 ft.	10 ft.	10 ft.	None*
Maximum Building Height	40 ft.	40 ft.	40 ft.	35 ft.	35 ft.	35 ft.	50 ft.	50 ft.	50 ft.

*Twenty (20) feet if adjacent to residential zoning district and twenty-five (25) feet if adjacent to a freeway
Source: City of Murrieta Title 16 Development Code



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In general, the development standards found in the City of Murrieta Development Code are comparable to those of jurisdictions in the surrounding area including the County of Riverside Zoning Code. The setbacks, minimum lot sizes and minimum lot dimensions are similar if not the same. The building heights allowed by the City of Murrieta are lower than those of the County, however the City’s standard still allows for the development of a multi-story structure without requiring a variance.

Within the City’s Development Code there are two standards that are not addressed in Table 6-2 that may create constraints to the development of affordable housing in the City. These standards include: parking requirements and open space requirements. To minimize constraints and maintain incentive for affordable housing developers, the City relies primarily on the application of Density Bonuses and Specific Plans or a reduction in the required standards. The City may consider additional concessions to offset developer costs by providing waivers or modifying development fees to make low-income and senior housing units more economically feasible.

6.1.2.A - Parking Requirements

The City’s parking standards for residential developments are tailored to the vehicle ownership patterns associated with different residential uses. All single-family residential homes must have two spaces within an enclosed garage. However, parking requirements for multiple-family units vary depending on the number of bedrooms in each unit. Guest parking is based on a percentage of the total number of units. To facilitate the development of affordable units, the City will consider an incentive, reduction or elimination of the garage requirement, which will reduce the constraint on the development of affordable housing. Parking standards for residential developments in Murrieta are shown in Table 6-3.

**Table 6-3:
Residential Parking Requirements**

Residential Type	Required Parking
Single-Family	Two spaces in a fully enclosed garage.
Duplex	Two spaces for each unit, with at least one space in a fully enclosed garage.
Multifamily Rental	<u>Studio and one bedroom units:</u> 1.5 spaces for each unit, with one space for each unit in a fully enclosed garage, plus guest parking. <u>Two bedrooms or more:</u> 2 spaces for each unit, plus 0.5 additional spaces for each bedroom over 2, with one space for each unit in a fully enclosed garage, plus guest parking equal to 25% of the total number of units.
Multifamily Ownership	<u>Studio, one bedroom and two bedroom units:</u> Two covered spaces for each unit, with one space for each unit in a fully enclosed garage, plus guest parking. <u>Three bedrooms or more:</u> Two spaces for each unit with one space for each unit in a fully enclosed garage; plus 0.5 additional spaces for each bedroom over 2; plus guest parking equal to 33% of the total number of units evenly spread throughout the entire project.

Source: City of Murrieta Title 16 Development Code

While the City's parking requirements could be viewed as a constraint to the construction of multifamily affordable housing, the City offers developers the option to utilize a density bonus, which also permits the construction of carports in lieu of enclosed garages. Recently, the City worked with Affirmed Housing, the developer of Monte Vista Apartments in Murrieta, to approve an affordable housing complex that did not require the construction of garages. This example illustrates how the City is willing to work with developers to promote the development of affordable units through the modification of development standards. The City of Murrieta is determined and historically has been successful in addressing specific development constraints and has created Action 3.5 to ensure that any residential development standards that may constrain the future development of affordable housing are removed.

6.1.2.B - Open Space Requirements

To improve the living environment of residential neighborhoods, communities typically require housing to have a required amount of common and private open space, such as yards, patios and landscaping areas. For single-family homes, open space is achieved through setbacks and lot coverage limits. For multifamily projects open space is more important due to the fact that residents do not have their own yard. Therefore, private and common open space requirements ensure that multifamily units have adequate open space for landscaping and recreation.

Both multifamily zoning districts require 60 square feet of private open space if on upper floor(s) and 100 square feet of private open space if on the ground floor. Additionally, 200 square feet of common open space is required for each unit. Open space requirements could constrain the development of housing in terms of having land available that provides sufficient open space to satisfy the City's requirements. However, the City's open space requirements are considered standard for most cities in southern California and do not act as a considerable constraint to housing development.

6.1.3 - Mixed Use Zones

The City of Murrieta recognizes the importance of locating affordable housing near services. The City currently has 3 mixed use zones, one of which allows for a mix of residential and commercial development. Specifically, as part of the General Plan update the City has committed to establishing a General Plan policy with performance standards to ensure that the sites zoned for mixed use are developed to be truly mixed use projects with a required residential component.

Within the Development Code there are currently no other requirements limiting the placement or design of a project that includes both residential and commercial uses.

6.1.4 - Density Bonus

Chapter 16.20 of the City's Development Code addresses affordable housing incentives and density bonus provisions. State law mandates that all cities and counties shall adopt an ordinance that specifies how the city/county intends to comply with Government Code Section 65915 regarding density bonus opportunities. In order to be eligible for a density bonus and other incentives, a proposed residential project shall consist of five or more dwellings and must provide at least one of the following:

- Twenty percent of the total number of proposed dwellings is for lower-income households.
- Ten percent of the total number of proposed dwellings is for very low-income households.
- Fifty percent of the total number of proposed dwellings is for residents with incomes between 80% and 120% of the Riverside County AMI for a family of four, which is currently \$64,500.

The density bonus provided to developers who incorporate affordable housing will allow them to construct 25% more residential dwelling units than normally allowed by the zoning district and General Plan designation applicable to the parcel. In the City of Murrieta's MF-2 zone, the maximum density would increase from 18 units per acre to 22.5 units per acre with a 25% density bonus.

The City plans to amend its density bonus as indicated in Program 3.1 of the Housing Plan and will also allow density bonus regulations also include incentives and concessions. A developer can receive an incentive or concession based on the proportion of affordable units for target groups. Developers may seek a waiver or modification of development standards that have the effect of precluding the construction of a housing development meeting the density bonus criteria. The developer must show that the waiver or modification is necessary to make the housing units economically feasible.

Incentives or concessions may include, but are not limited to, the modification of development standards such as a reduction in setback and square footage requirements, height limits, and/or parking requirements.

6.1.5 - Secondary Dwelling Unit Requirements

In response to State mandated requirements and local needs, the City of Murrieta allows for the development of attached secondary dwelling units in specified Single-Family residential zoning districts. Prior to July 1, 2003, secondary units required the approval of a Conditional Use Permit. For applications received after July 1, 2003, State law requires that secondary units must be considered a ministerial action without discretionary review or public hearing. Secondary units shall have a minimum area of the underlying zoning district and the parcel shall be developed with only one existing owner occupied single-family detached main dwelling unit. Only one secondary unit is allowed on a single-family parcel. The second unit must share a common wall with the main structure and have separate kitchen, bathroom and parking facilities. The City plans to amend the second unit ordinance as part of Action 3.4 of the Housing Plan to ensure that the ordinance is consistent with State law.

6.1.6 - Environmental Review (CEQA)

The environmental review requirements of the California Environmental Quality Act (CEQA) are perhaps the most potentially significant government regulation that constrains new housing development. The key elements of CEQA review can affect the affordability of new housing development by extending the time frame for completing the project review, plus the direct costs to prepare the necessary technical studies of potential impacts. The time constraint to new housing development includes mandatory public review and comment periods, delays in preparing the needed technical studies,

implementation of required mitigation measures and the potential for post-approval litigation. In addition, technical studies of potential impacts such as traffic, biological resources, air quality, surface runoff water quality, archaeological resources and noise can cost several thousands of dollars each, the cost of which is passed in the sale price or rental cost.

6.1.7 - Codes and Enforcement

Building and safety codes regulate new construction, alteration, and rehabilitation of buildings and are intended to protect occupants from unnecessary risk of fire, structural collapse, unsanitary conditions, and injury or loss of life. While building and safety codes are adopted for the purposes of preserving public health and safety, and ensuring the construction of safe and decent housing, they have the potential to increase the cost of housing construction and/or maintenance. The City of Murrieta's building codes are based on regulations necessary to protect the public health, safety and welfare of its residents.

The City has adopted into its Codes and Ordinances the 2007 California Building, Plumbing, Mechanical, Fire and Electrical Codes. These Codes establish construction standards for all residential buildings. Enforcement of building code standards does not constrain the production or improvement of housing in Murrieta, but instead serves to maintain the safety and condition of the City's neighborhoods.

6.1.8 - On- and Off-Site Improvements

Development in Murrieta requires site improvements that vary by size and location. These improvements may include, but are not limited to, reservation of sites for public parks and trails, landscaping, irrigation, exterior lighting, storm water drainage, streets and roads and vehicle and pedestrian access including curb cuts. Site improvements are required to ensure that there is adequate structure and access to a site. Site improvements also help in making the project more compatible with surrounding neighborhoods.

On- and off-site improvements are generally provided directly by developers when building a new subdivision and are regulated by the Subdivision Ordinance (Title 16) of the Municipal Code. Specifically, Chapter 16.108 specifies the improvement requirements to be performed and fees to be collected prior to approval of the final map. Typical requirements include:

- City standard street widths (curb-to-curb): Private Residential Road – 36-40 feet; Local Street – 40 feet; Collector Street – 44 feet; Secondary Street – 64 feet; Major Arterial– 86 feet.
- Streetlights and street trees
- Drainage and water system facilities
- Traffic Signals

Private residential roads and local street classification are the typical requirement for housing development in the City. Most of the City's on- and off-site improvements are provided through the payment of fees, which have been accounted for under development fees. Outside of subdivision development, new development under

established zones pays its prorated share for on/off-site improvements, if found to be required, as a part of the standard fee schedule.

The City recognizes that improvements can create barriers to the development of affordable housing. When possible, the City has indicated that they will use redevelopment set-aside funds, grant money or other available funding, when available, to offset the cost of on- and off-site improvements in order to assist affordable housing developers in the production of units. In the recent development of the Monte Vista Apartments, the City was able to complete the street, curb, gutter and sidewalk upgrades required to complete the complex. In completing the required improvements for Monte Vista, the City contributed \$250,000 toward the development of the project. Additionally, through its density bonus ordinance (Action 3.1 of the Housing Plan) the City will continue to provide incentives, such as assistance with on- and off-site improvements whenever possible.

6.1.9 - Fees and Exactions

The City and other agencies charge various fees to cover the cost of processing development permits and providing local services. These fees help ensure quality development and the provision of adequate public services. In addition, developer fees and exactions imposed on new development can help to minimize impacts on existing infrastructure and enable required upgrades of infrastructure consistent with demands of the new development. State law requires that these fees be reasonably related to the mitigation of the identified impact, and that they be proportionate to the extent of impact associated with any given development project. These development fees are typically passed on to renters and homeowners in the cost of housing, and thus affect housing affordability.

The City's Planning Department fees Schedule are outlined in Table 6-4. City fees are comparable to other local jurisdictions such as the City of Temecula and the County of Riverside.

**Table 6-4:
Development Services / Planning Fee Schedule 2008-2009**

Application Type	Set Fee	Actual Cost / Deposit
Annexations		\$10,000.00
Addressing / Street Names		\$500.00
Appeals	\$500.00	
City Attorney		Reimburse City Costs
Conditional Use Permit (Major)		\$8,000.00
Conditional Use Permit (Minor)		\$4,000.00
Development Agreement, Master Development Plan		\$10,000.00
Development Code Amendment		\$4,000.00
Development Plan Permits (Administrative; Director's Hearing)		\$1,500.00
Development Plan Permit (Planning Commission)		\$4,000.00
Environmental Assessment; Exemption; Negative Declaration; MND; Mitigation Monitoring; HANS Determination.		\$2,000.00
Environmental Impact Report Processing		\$15,000.00
Extension of Time		\$2,000.00
Fish & Game Dept. Environmental Review	Neg. Dec. = \$1,500. EIR Processing = \$15,000	
General Plan Amendment		\$5,000.00
General Plan Update	\$50.00 per application	
Historic Commission Review		\$2,000.00
Landscape Inspection	\$375.00	
Landscape Plan Check	\$275.00 per sheet	
Large Family Day Care; Second Living Unit		\$1,000.00
Parcel Merger of Revision		\$2,000.00
Phasing Plan		\$1,000.00
Pre Application Review		\$1,000.00
Public Hearing Charge (4 hours)	\$776.60	
Public Hearing Noticing; Publication; Mailing		Reimburse City Costs
Sign Permit		\$100.00
Specific Plan		\$50,000.00
Specific Plan Amendment / Substantial Conformance		\$8,000.00
Substantial Conformance or Revised Permit		\$3,000.00
Temporary Use		\$1,000.00
Tentative Parcel Map or Tract Map		\$8,000.00
Variance (Minor)		\$1,500.00
Variance (Major)		\$4,000.00
Vesting Tentative Parcel Map or Tract Map		\$10,000.00
Zone Change		\$5,000.00
Zoning Letter; Zoning Clearance; Special Research	\$150.00	

Source: City of Murrieta Planning Department, 2008-2009

6.1.9.A - Development Fees for Residential Projects

In addition to the fees identified in the fee schedule, the City is able to anticipate on average the typical fees that will be charged for a single-family home and a multifamily unit. Table 6-5 provides the average per unit fees that are charged by the City for new residential development. Of the fees a developer will incur these fees will vary depending on the jurisdiction.

**Table 6-5:
Typical Plan Check Fees for Residential Projects**

Fees	Single-Family	Multi-Family (per unit)
Development Plan Permit	\$1,500	\$40
Development Fees	\$1,800	\$229
Building Inspection Fees	N/A	\$219
Landscape Plan Check	\$825	\$28
Landscape Inspection	\$375	\$2
Initial Environmental Study	N/A	\$10
TOTAL	\$4,500	\$528

On average for a single-family unit a developer will pay \$4,500 in plan check fees to complete the necessary plan checks and inspections required by the City. In comparison a developer will pay on average \$528 per unit for a multifamily unit. The cost for each multifamily unit was calculated for a 200 unit project. For the entire multifamily residential project, a developer would pay approximately \$105,600 in fees. In comparison to other jurisdictions in the surrounding area, such as Temecula, the City's fees are slightly higher; however, the City has provided other financial resources to help offset any additional fees that maybe be charged. For example, the City has historically purchased land and essentially donated it to affordable housing developers, which is often a more significant cost (and barrier) to the development of affordable units.

6.1.9.B - City-based Development Impact Fees

Once a project has completed the plan check phase, the City will assess development impact fees that are typically paid when the applicant applies for development permits. Development Impact Fees are charged to offset the cost of installing necessary facilities and infrastructure to serve the needs of new development. A discussion of the anticipated fees will, however, usually occur in the planning process. The City of Murrieta's Development Impact Fees are allocated to law enforcement, fire suppression, streets and bridges, traffic signals, freeway access, storm drainage, general government, public libraries and meeting spaces, aquatics facilities, park lands and park facilities, and the purchase of public open space. Impact fees are another source of expense to developers and can act as a constraint to the supply of affordable housing. Table 6-6, provides the average fee charged for public services for both a single-family and multifamily unit.

**Table 6-6:
Development Impact Fees**

Fees	Single-Family	Multifamily
Police	\$ 231.57/unit	\$ 240.06/unit
Fire	\$ 668.31/unit	\$ 988.44/unit
Parks	\$3,828.92/unit	\$ 2,412.23/unit
Streets & Minor Bridges	\$ 782.09/unit	\$ 497.05/unit
Traffic Signals	\$ 133.33/unit	\$ 82.90/unit
Storm Drainage	\$ 1,530.49/unit	\$ 457.71/unit
General Facilities	\$ 269.49/unit	\$ 269.49/unit
Bridge/Freeway/Ramps	\$ 1,902.47/unit	\$ 1,208.93/unit
Open Space Acquisition	\$ 529.33/unit	\$ 103.89/unit
Community Center	\$ 210.61/unit	\$ 133.34/unit
Public Library	\$ 210.60/unit	\$ 133.33/unit
TOTAL	\$10,297.21/unit	\$6,527.37/unit

In comparison to other jurisdictions in the surrounding area, such as Temecula, the City's fees are comparable for both single-family and multifamily units. While these fees should not constrain development, the City does attempt to assist affordable housing developments by completing infrastructure improvements when funds are available. The types of improvements, the City can or has assisted with historically include parks, open space acquisition, streets, signals and storm drainage.

6.1.9.C - Countywide Development Fees

In addition to the fees shown above, Table 6-7 provides additional development impact fees that are not controlled by the City, but may apply to development. These fees include:

- the Riverside County Multiple Species Habitat Conservation Program (MSHCP), which is a criteria-driven Habitat Conservation Plan intended to create a network of permanent open space;
- Transportation Uniform Mitigation Fee (TUMF) fees, intended to fund the mitigation of cumulative regional transportation impacts resulting from future development;
- Stevens Kangaroo Rat Mitigation Fees, to replace and preserve habitat for the species that may be affected by new development;
- School Impact Fees, which are determined by district to maintain healthy schools throughout the County; and
- Area Wide Drainage Fees, which were established to maintain and upgrade the City's drainage system as new development occurs.

**Table 6-7:
Countywide Development Fees**

Fee Type	Fee Amount
Western Riverside County Multiple Species Habitat Conservation Program (MSHCP) Fees	Less than 8.1 dwelling units per acre = \$1,938.00 per dwelling unit Between 8.1 and 14.0 dwelling units per acre = \$1,241.00 per dwelling unit Greater than 14.0 dwelling units per acre = \$1,008.00 per dwelling unit
Transportation Uniform Mitigation Fee (TUMF)	Single-Family Residential = \$10,046.00 per single-family residential unit Multifamily Residential = \$7,054.00 per multifamily residential unit
Kangaroo Rat Mitigation Fee	< 0.5 ac. = \$250 / lot > 0.5 ac. = \$500 / acre
School Impact Fees	\$3.80 per square foot for each single-family and multiple-family dwelling
Area Wide Drainage Fee	<u>Lots < 1 acre</u>
	Murrieta Valley = \$4,139.00 per acre Temecula Valley = \$2,291.00 per acre Santa Gertrudis Valley = \$1,179.00 per acre Warm Springs Valley = \$677.00 per acre
	<u>Lots > 1 acre</u>
	Murrieta Valley = \$4,139.00 per lot Temecula Valley = \$2,291.00 per lot Santa Gertrudis Valley = \$1,179.00 per lot Warm Springs Valley = \$677.00 per lot

Source: City of Murrieta Mitigation Fee Schedule 2007

The fees identified in Table 6-7 were not established by the City of Murrieta, but rather, for example, by the Riverside County Board of Supervisors or the school district. The City does not have the authority to waive or modified these fees; however, these fees are often examined and/or waived for affordable housing developments. For example, TUMF fees are not applied to affordable housing complexes and kangaroo rat fees are reduced for multifamily developments. These fees should not be viewed as a constraint because they are required for all new development and are often not applied to affordable development. In addition, as mentioned previously, the City does attempt to help lower development cost by assisting with infrastructure improvements and by purchasing land.

6.1.10 - Processing and Permit Procedures

Development review and permit processing are necessary steps to ensure that residential construction proceeds in an orderly manner. However, the time and cost of permit processing and review can be a constraint to housing development if the agency does not complete its review in a timely manner or otherwise delays the start of construction. In general the City's processing times are consistent with the time frames for processing applications in nearby Temecula and Riverside County. The City understands that a lengthy processing time frame can increase design, financing and other costs, which, in turn, impact the final price of housing. Consequently, the City has worked to improve their permitting process by providing public counter services Monday through Friday in addition to establishing a streamlined permit processing system. The reduction in processing time results in a shorter holding time for the developer, which translates to cost savings that should be reflected in the prices or rents for the residential units. The City will continue to assess policies, procedures, and fees to remove unnecessary delays or expenses to projects that may help to lower housing costs.

6.1.10.A - Permit Processing for Single-Family Construction

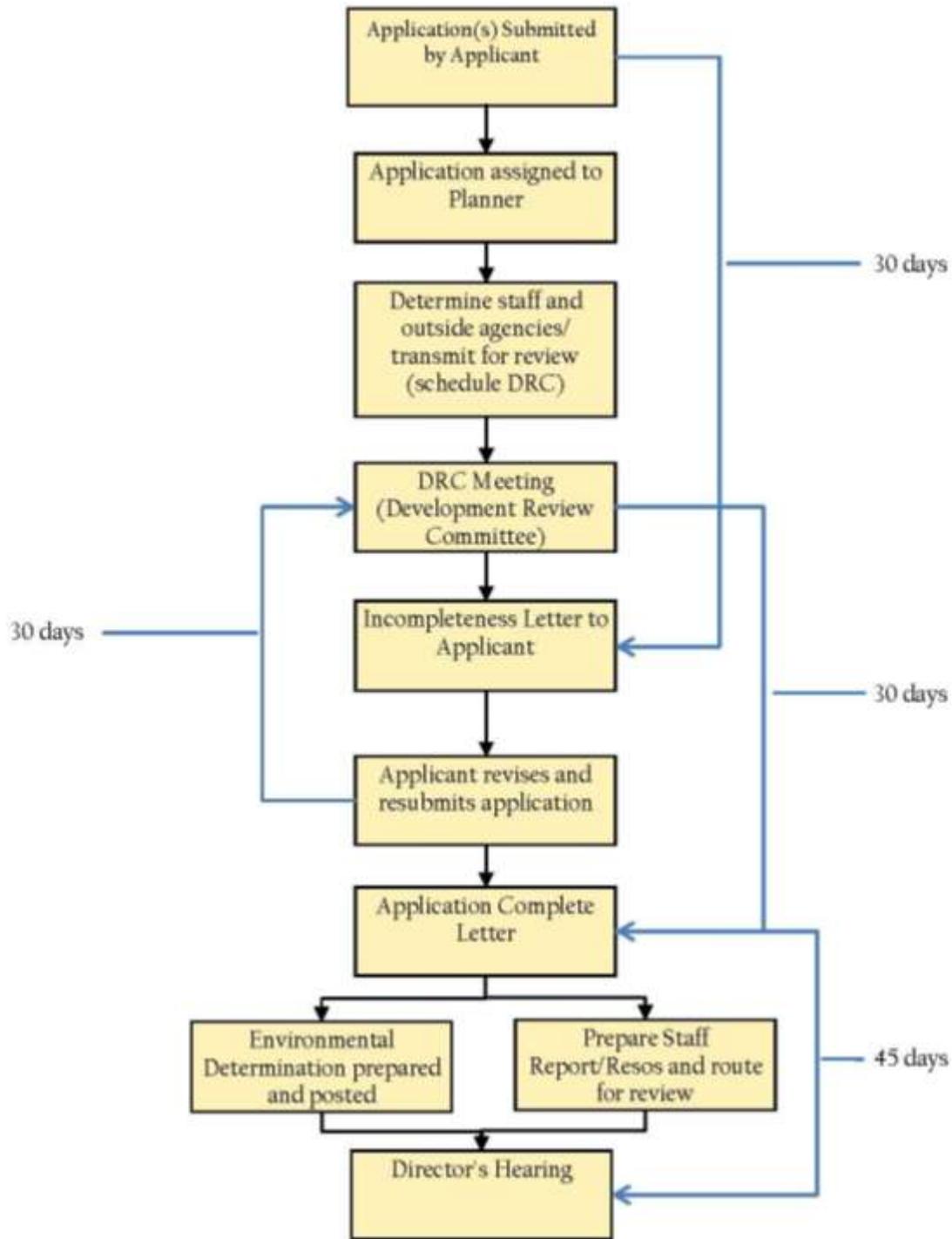
The permitting approval process for a residential project depends on the number of units requested by the applicant. If a property owner applies for permits to construct a Single-Family home the permitting process on average takes two to eight weeks. Once the applicant submits their plans and plan check fees the planning department begins their review for completeness. The more information an applicant provides and the quicker they correct any revisions on their plans, the shorter the permit processing time.

6.1.10.B - Permit Processing for Multifamily Construction

For a multifamily residential project the permitting procedure can be more complex and consequently can result in longer and more variable processing times. The City currently has two different processes for multifamily developments; one for projects with four or fewer units and another for projects with four or more. For projects with four or fewer units the plans are approved through a process known as Administrative Development Plan Review. Once the applicant submits their application and plans, an appointment is scheduled with the City's Development Review Committee (DRC) which is composed of City Staff. The DRC reviews the plans for completeness as well as assessing comments made by the various other City departments including, fire, public works and building. Once the plans have been approved by the DRC the City notifies the applicant that the project will be approved by the Planning Director. The Administrative Development Review Process typically takes between 8 to 12 weeks however the processing time is often dependent on how efficient the applicant is at revising and resubmitting plans if corrections are required.

For a multifamily development with four or more units the development review process requires approval by the Planning Commission. Upon submitting an application and development plans, the project is reviewed by the DRC initially for completeness and then to determine if any conditions of approval including required improvements are necessary to complete the project. Conditions of approval typically protect the health, safety and welfare of the public and ensure a project's consistency with established architectural design guidelines. Upon completing their review the DRC's conditions of approval are sent to the applicant. At the applicant's request a meeting can be scheduled to discuss the conditions of approval if necessary. If the applicant understands and accepts the DRC's findings and conditions the project is sent as a public hearing item before the Planning Commission. Findings and conditions do not exceed the limits and requirements of the State law. Any finding or conditions are provided primarily to ensure that the project is consistent with the City's General Plan, the Zoning Code and Health and Safety codes. Typical findings for a multifamily housing project includes analysis of street improvements, fire suppression, and water quality. In most cases a project would then be approved by the Planning Commission and permits would be issued soon after. The processing time for a multifamily development with four or more units typically takes between 14 to 18 weeks. Similar to the process for the projects with four or fewer units, the processing time is often dependent on how efficient the applicant is at revising and resubmitting plans if corrections are required.

Development Review Process for Multi-family Project



6.1.11 - Variance

In some instances, a property owner or applicant may apply for a variance allowing for reduced set backs, increased building height or a reduction in other development standards. The purpose of the variance is to provide a discretionary permit process that allows for deviations from applicable standards of the Zoning Code, provided very specific findings can be made pursuant to State law. The Planning Commission may approve or deny the variance based on the determination that there are compelling physical constraints which affect the ability of the property to meet the zoning requirements. The decision of the Planning Commission is final unless appealed to the City Council. The variance procedure does not burden housing development because the City's discretion in granting variances is tied to the limitations established by State law. A variance may take four to eight weeks for review, and an additional four weeks if appealed to City Council

6.2 - Housing for Disabled Persons

State law requires localities to analyze potential and actual constraints upon housing for persons with disabilities, demonstrate efforts to remove governmental constraints, and include programs to accommodate housing designed for people with disabilities. The City has no special zoning or land use restrictions including minimum distance requirements that regulate the location of housing for persons with disabilities. There are no requirements, standards or regulations that present constraints to the development of housing for disabled individuals. The City has adopted "Universal Design" standards for new residential construction, which provides for the features intended to assist disabled or frail persons in remaining in their own homes. These regulations require 15% of all units to have universal design features, such as first floor accessibility and cooking facilities, and wider door and hallways.

In accordance with State law, Murrieta permits State-licensed residential care facilities serving six or fewer persons in all of its residential zoning districts. Residential care facilities serving seven or more persons are a conditional use in all residential zoning districts. To accommodate disabled persons in public facilities, the City defers to Title 24 of the California Handicap Accessibility Code.

The City's housing rehabilitation programs are designed to meet the needs of persons with disabilities who may require wheelchair ramps, wider doors, grab bars, and lower counter tops. These types of improvements are eligible under the City's housing rehabilitation loan programs.

6.2.1 - Americans with Disabilities Act

Building codes require that new residential construction and rehabilitation construction comply with the Federal Americans with Disabilities Act (ADA). ADA provisions include requirements for a minimum percentage of units in new development to be fully accessible to the physically disabled. Unlike the Uniform Building Code, enforcement of ADA requirements is not at the discretion of the City, but is mandated under Federal law. Compliance with building codes and ADA increases the cost of housing production, and can potentially delay the rehabilitation of older properties required to be brought up to current standards. However, these regulations provide minimum standards that must be complied with in order to ensure the development of safe and accessible housing.

6.2.2 - Reasonable Accommodation

The Fair Housing Act requires that cities and counties provide reasonable accommodation to rules, policies, practices, and procedures where such accommodation may be necessary to afford individuals with disabilities equal opportunity to housing. The City's Senior Residential Overlay Zoning District and Universal Design requirements help facilitate reasonable accommodation by creating a process for making requests for reasonable accommodation to land use and zoning decisions and procedures regulating site locations, funding, development and use of housing for the elderly with disabilities. Within Action 4.1 of the Housing Plan, the City has established a reasonable accommodation program to assist persons with a disability and will provide information for residents at City Hall and the City website.

6.3 - Non-Governmental Constraints

The production and availability of housing may be constrained both by government regulations and by non-governmental factors, such as natural hazards, construction costs, global climate change and interest rates on home mortgages.

6.3.1 - Natural Hazards

Natural hazards include geologic and seismic conditions that provide the greatest threat to the built environment. The City has identified areas where land development should be carefully controlled. The following hazards may impact future development of residential units in the City.

6.3.1.A - Seismic Hazards

Two active faults are located within the City of Murrieta. The Elsinore Fault passes through the City to the west of Interstate 15 and the Wildomar Fault runs northwest/southeast through the City west of Interstate 15. Portions of these areas, especially along the Wildomar Fault, are subject to liquefaction. Liquefaction occurs when a mass of soil collapses from a sudden loss of cohesion due to an earth tremor or to a sudden increase in groundwater from an external source. The greatest potential danger due to earthquakes and liquefaction is the collapse of older residential units constructed from un-reinforced building materials.

The Alquist-Priolo Earthquake Fault Zoning Act of 1972 is used in California to prevent the construction of buildings used for human occupancy on the surface trace of active faults. The Act prohibits new construction of houses within these zones unless a comprehensive geologic investigation shows that the fault does not pose a hazard to the proposed structure. Areas along the Wildomar Fault are within a "Special Studies Zone" as designated under the Act, which would affect housing production.

6.3.1.B - Flood Hazards

Many areas of the City are within the 100-year flood zones, and there has been a history of severe flooding associated with overflow from Murrieta Creek and its tributaries. The flood zones in the City are primarily located between Jefferson Avenue and Hayes Avenue along Murrieta Creek and portions of Warm Springs

Creek. Portions of the City are subject to potential dam inundation zones associated with Lake Skinner and Diamond Valley Lake.

6.3.1.C - Wild Fires

Undeveloped hillside areas in and adjacent to the City can present a serious hazard due to the potential for large-scale wild fires. The threat is particularly significant during dry summer months and when there are strong “Santa Ana” winds. To mitigate the threat of wild fires, the Murrieta Fire Department, along with the California Department of Forestry, has initiated special response protocols to prevent and combat wild fires.

6.3.1.D - Hazardous Waste

Murrieta has a number of businesses that use hazardous materials or generate hazardous waste. There are also a numbers of sites in the City which have contamination associated with underground tanks used to store petroleum products. These sites are located in commercial and industrial zones. The City does not consider hazardous waste an overwhelming concern or constraint to the development of housing.

6.3.2 - Infrastructure Constraints

Site improvements and property dedications are important components of new development and contribute to the creation of decent and affordable housing. Residential development in Perris requires site improvements that vary by size and location. These improvements may include, but are not limited to:

- Separate and adequate distribution lines for domestic water supply
- Sewage collecting system where main lines of an adequate disposal system are available
- Adequate grading and surfacing of streets, highways, and alleys
- Concrete curbs and gutters
- Concrete sidewalks
- Fire hydrants at locations designated by the City engineer and Fire Department
- Traffic control devices
- Necessary barricades and safety devices
- Utility facilities including, but not limited to, wires, cables and ducts for distributing electricity, communication, and cable television
- Fees for, or dedication of, parks and recreation facilities
- Roadway widening
- Street lighting
- Median islands

Site improvements are required to ensure that there is adequate infrastructure for and access to a site. Site improvements also help in making the project more compatible with surrounding neighborhoods; however, these site improvements can act as a constraint on the development of housing due to the significant commitment in cost for the developer, which in turn this cost is carried over into the purchase price of the home by the developer. To encourage the development of affordable housing many of these requirements and dedications can be waived by the City to help mitigate cost impacts. The City has also historically completed road, curb and

sewer improvements to allow an affordable housing developer to more easily development their project. In addition, Murrieta also attempts to offset the overall cost of development by purchasing land and donating it for an affordable housing project, which is typically a significant cost barrier when combined with infrastructure and construction costs. A brief summary of the principal infrastructure systems serving the City follows:

6.3.2.A - Water

Water is supplied to the City by the four water districts: Western Municipal Water District, Eastern Municipal Water District, Rancho California Water District, and Elsinore Valley Municipal Water District. Each district determines residential water backup charges, which are assessed on a sliding scale, according to zone. A water deposit and water meter fees are charged upon application for a residential building permit. It is difficult to anticipate the fees associated with water infrastructure as the cost varies greatly depending on the size of the project and the location of the site in the City. Table 6.8 illustrates the fees for each of the four districts. The availability of water in Murrieta is largely reflective of the resources available in the region as a whole including western Riverside County. The City is currently evaluating its available water resources as part of the General Plan update and will likely establish mitigation measures to ensure that adequate water is available for existing and future development.

**Table 6-8:
Water District Fees**

Eastern Murrieta Water District	\$300/unit+ \$234 (for 5/8"line)+sewer treatment plant capacity (is this per unit or per subdivision?);sewer financial participation, water financial participation	If more than 1 bedroom cost is 1 EDU* per Bedroom (\$330 * # of bedrooms) 1 bedroom is calculated at .75*1 EDU. *EDU = Equivalent Dwelling Unit
Rancho California Water District New service installation (meter installation deposit and capacity fee)	Plan check & inspection = \$6,000 for 1 st 1,000 linear feet; \$4/linear feet thereafter (deposit). \$125/page of plans for as built/archive. ¾ inch line \$1,685 drop in installation; \$5,287 full installation in Rancho Div. ¾ inch line \$2,508 drop in installation; \$6,110 full installation Santa Rosa Div.	Plan check & inspection = \$6,000 for 1 st 1,000 linear feet; \$4/linear feet thereafter (deposit). Detector check, submittal, plan check, and inspection = \$4,000 \$125/page of plans for as built/archive. Drop in installation Rancho: 1" meter \$2,774 1 ½" meter \$5,479 Full installation in Rancho: 1" meter \$6,291 1 ½" meter \$9,035 Drop in installation Santa Rosa: 1" meter \$4,146 1 ½" meter \$8,220 Full installation Santa Rosa: 1" meter \$ 7,663 1 ½" meter \$11,776
Western Municipal Water District	Meter Service Installation = \$2,100 Drop in fee/¾" meter \$ 380 DIF/meter \$1,932 DIF/gross acre \$2,045 Conservation/meter \$50 Annexation MWD/acre \$3,671 Annexation processing fee \$500 Backflow inspection/meter \$ 35 Plan check deposit = 5% of project cost Inspection deposit = quote based on quantity of pipe installed & various other factors. Mapping & recorded docs. = quote	Meter Service Installation = \$2,100 Drop in fee/1" meter \$ 425 Drop in fee/1 ½" meter \$ 640 Drop in fee/2" meter \$ 790 DIF/gross acre \$2,045 Conservation/meter \$ 50 Annexation MWD/acre \$3,671 Annexation processing fee \$ 500 Backflow inspection/meter \$ 35 Plan check deposit = 5% of project cost Inspection deposit = quote based on quantity of pipe installed & various other factors. Mapping & recorded docs. = quote
Rancho California-Santa Rosa Water Reclamation/Western Municipal Water District	Wastewater/Sewer Connection Fees = \$5,583 per *EDU *EDU = Equivalent Dwelling Unit	\$5,583 x .90 for projects with individual laundry \$5,583 x .85 for projects with common laundry facilities.

6.3.2.B - Sewer

The City's sewer system is maintained by the above mentioned water districts. The City has identified that there is existing sewer capacity to accommodate the development of residential units as allocated by the 2008-2014 RHNA. Recently, the Western Municipal Water District has initiated the removal of septic tanks and installed a new sewer system in Historic Downtown Murrieta.

6.3.2.C - Flood Control

The City of Murrieta is divided into four drainage areas: Murrieta Valley; Temecula Valley; Santa Gertrudis Valley; and Warm Springs Valley. A drainage fee is determined by the size of the development based on acreage and which drainage area the development is located in. Fee amounts were shown previously in Table 6-7. The drainage fee is paid prior to final map approval, or if associated with a development plan, prior to the issuance of a building permit.

6.3.3 - Construction Costs

Construction costs are the total costs to developers exclusive of profit, but including fees, materials, labor and financing. Construction costs for housing can vary significantly, depending on the type of housing, such as single-family detached homes, townhomes, and multiple-family apartments. However, even within a particular building type, construction costs vary by unit size and amenities. Furthermore, neighborhood resistance to some developments lengthens development time, driving up the holding costs. The difficulty of developing awkward infill sites can also add to costs. The permitted residential uses within the RR, ER, and SF residential zoning districts are primarily low-density single-family detached units. Development Plan approval for higher density development may also add to costs.

The cost of labor is based on a number of factors, including housing demand, the number of contractors in an area and the unionization of workers, but it is generally two to three times the cost of materials. Thus, the cost of labor represents an estimated 17% to 20% of the cost of building a unit, which is a substantial portion of the overall cost of construction.²⁰

In the State of California, all projects utilizing public funds must pay prevailing wages to all workers employed on the project. This includes any residential or commercial project that is funded federal funds or assisted residential projects controlled or carried out by an awarding body. The prevailing wage rate is the basic hourly rate paid on publicly funded projects to a majority of workers engaged in a particular craft, classification, or type of work within the locality and in the nearest labor market area.

Twice a year, prevailing wage rates are determined by the director of the California Department of Industrial Relations. A prevailing wage ensures that the ability to get a publicly funded contract is not based on paying lower wage rates than a competitor, and requires that all bidders use the same wage rates when bidding on a publicly funded

²⁰ International Code Council, 2008. Retrieved January 2009.

project. The California Department of Industrial Relations provides link to the current prevailing wages for a journeyman craft or classification for each county in California. Prevailing wages may constrain construction of affordable housing because they are often higher than normal wages.²¹

6.3.3.A - International Code Council

Residential construction cost estimates established by the International Code Council (ICC) in summer 2008 indicate average costs of labor and materials between \$89.32 and \$123.28 per square foot for multifamily residential depending on the type of construction.²² Single-family residential costs range between \$96.83 and \$123.28 per square foot, depending on the type of construction. Construction costs may vary based on the type of material used, location of development, structural features present, and other factors.

The data indicates that construction costs in the Murrieta vicinity can constitute approximately 40% of the cost of a single-family detached housing unit. These figures are even more noteworthy considering that the cost of raw land constitutes only four to 14% of the cost of a housing unit. Typically, in the private sector market, the development of residential units is a business and investment venture. Therefore, developers seek the greatest return for their investment. As with most businesses, a constraining factor in the area of profitability continues to be the market place where developers sell their products. To a great extent, the market place sets the upper end of the profit margin with overhead costs for construction constituting the lower parameter of profit.

The construction cost of housing affects the affordability of new housing and can be a constraint to the creation of affordable housing in the City and greater Riverside County region. Particularly with the tightening of mortgage lending standards and increases in current rates, homebuilders may be slowing down on the construction of new homes, which could potentially effect the provision of affordable housing. A reduction in construction costs can be brought about in several ways. One such method involves a reduction in amenities and quality of building materials in new homes (still above the minimum acceptability for health, safety and adequate performance), which may result in lower sales prices. State Housing Law provides that local building departments can authorize the use of materials and construction methods if the proposed design is found to be satisfactory and the materials or methods are at least equivalent to that prescribed by the applicable State building codes.

6.3.4 - Land Costs

Residential land prices contribute significantly to the cost of new housing. Location factors such as proper zoning, proximity to freeway access, public facilities, and intangible factors such as image and quality of life contribute to the demand and price of land. As fewer parcels become available for new development, the price for land increases.

²¹ California Department of Industrial Relations

²² International Code Council, 2008. Retrieved January 2009.

Due to the current economic downturn there is variation in land prices throughout the region. In general, land prices in Riverside County are more affordable than the Los Angeles, Orange, and San Diego markets; in fact, the lack of inexpensive residential land in Los Angeles, Orange, and San Diego Counties was a major impetus for the development of the Inland Empire, including Murrieta. Land prices along with home prices in Murrieta have become more affordable; however property acquisition remains one of the largest barriers to affordable housing development. Land cost may vary depending on whether the site is vacant or has an existing use that must be removed. Similarly, site constraints such as environmental issues (e.g. steep slopes, soil stability, seismic hazards or flooding) can also be factored into the cost of land.

While the City can not control or influence the cost of land, Staff has indentified in the Housing Plan that the City will purchase properties in order to facilitate the development of affordable housing. The City has spent \$4.8 million on two properties totally 8 acres that are intended for the development of affordable housing. A developer has already been identified for one of the parcels while the other will be developed in the near future. The City will continue to identify and purchase properties when funding is available to further reduce land cost as a barrier to the development of affordable housing.

6.3.5 - Financing

The availability of financing affects a resident's ability to purchase or improve a home and the cost of borrowing money for residential development is incorporated directly into the sales price or rent. Interest rates are determined by national policies and economic conditions and there is very little a local government can do to affect these rates. In June 2009, the posted interest rate on resale single-family homes was 5.34% on a 30-year fixed-rate loan with a 20% down payment.²³

First-time homebuyers tend to be the group most directly impacted by financing requirements. Mortgage interest rates for new home purchases ranged from 5% to 7% for a fixed rate 30-year loan in 2008/2009. Lower initial rates may be available with Graduated Payment Mortgages (GPM), Adjustable Rate Mortgages (ARM), and Buy-Down Mortgages.²⁴ However, variable interest rate mortgages on affordable homes may increase to the point that interest rates exceed the cost of living adjustments, which is a constraint on affordability. Although interest rates are currently low, they can change significantly and substantially impact the affordability of the housing stock. Given the economic downturn interest rates have been lowered but fewer first-time homebuyers are being approved for 30 year mortgages.

Interest rates in 2008-2009 are not a direct constraint to affordable housing; however higher interest rates could pose a constraint to affordable housing. A change by one percentage point can make a monthly payment out of reach for many lower income households. Financing for long term mortgages is generally available in Murrieta, subject to normal underwriting standards.

²³ U.S. Federal Reserve

²⁴ U.S. Federal Reserve

A more critical impediment to homeownership involves both the affordability of the housing stock and the ability of potential buyers to fulfill down payment requirements. Typically, conventional home loans will require 80% loan-to-value and represents the largest constraint to homebuyers. Other programs, such as those for first-time homebuyers, can find down payment requirements between 5% and 20%. Also, the availability of financing for developers poses a constraint on development outside of the City's control.

The greatest impediment to home ownership, however, is credit worthiness. According to the Federal Housing Authority, lenders consider a person's debt-to-income ratio, cash available for down-payment, and credit history, when determining a maximum loan amount. Many financial institutions are willing to significantly decrease down-payment requirements and increase loan amounts to persons with good credit rating.

Persons with poor credit ratings may be forced to accept a higher interest rate or a loan amount insufficient to purchase a house. Poor credit rating can be especially damaging to lower-income residents, who have fewer financial resources with which to qualify for a loan. The FHA is generally more flexible than conventional lenders in its qualifying guidelines and allows many residents to re-establish a good credit history.

Under the Home Mortgage Disclosure Act (HMDA), lending institutions must disclose information on the disposition of loan applications by the income, gender, and race of the applicants. This applies to all loan applications for home purchases and improvements, whether financed at market rate or through government assistance. HMDA data can be used to evaluate lender compliance with anti-discrimination laws and other consumer protection laws. The anti-discrimination laws include the Equal Credit Opportunity Act (ECOA) and the Fair Housing Act (FHA). These laws prohibit discrimination in home mortgage lending, among other things, on several bases such as race, national origin, sex, and age.

Table 6-9 presents the outcome of home purchase loan applications in 2007 by income of the applicants from HMDA data. The data is the most recent data for the Riverside-San Bernardino-Ontario Metropolitan Statistical Area (MSA) and for the purchase of single-family, duplexes, and manufactured homes. Over 80% of the loan applications were received from above moderate-income households (earning greater than 120% of the AMI). Moderate-income households (80% to 120% of the AMI) and lower-income households (less than 80% of the Riverside AMI) accounted for approximately 12% and 4%, respectively.²⁵ The average loan origination rate was 46% and this rate was significantly lower for lower income households earning below 80% AMI. These rates can be expected to contract further as a recent national survey conducted by the Federal Reserve found that more than half of banks responding reported they had tightened their lending standards for sub-prime mortgages.

²⁵ Please note that there is a slight margin of error in the percentage calculations because the sum of the total applications for each income category does not equal the actual total count.

**Table 6-9:
Disposition of Conventional Home Purchase Loan Applications
Riverside County**

Applicant Income	Total Applications	Percent Originated ¹	Percent Denied	Percent Other ²
Lower-Income (<80% AMI)	15,506	42%	33%	25%
Moderate-Income (80-120% AMI)	43,971	49%	25%	26%
Upper-Income(>120% AMI)	293,065	47%	25%	28%
Totals/Averages	352,542	46%	28%	26%

Notes: (1) "Originated" refers to loans approved by the lender and accepted by the applicant.
 (2) "Other" includes applications approved but not accepted, files closed for incompleteness, and applications withdrawn.
 (3) The total applicants for each income category do not sum to equal the total due to unavailability of income data for some applicants.

Source: Home Mortgage Disclosure Act (HMDA), Reported 2008.

6.3.6 - Home Purchase Costs

Another constraint that affects the ability of a person, family, or household to purchase a home is the cost of the house itself and the costs that are associated with the purchase. In June 2009, the median sales price of a home was reported to be \$237,780.²⁶ While this price is moderate for the southern California region, it often exceeds what is considered affordable to the homebuyer. Other factors in home purchasing can constrain a buyer's ability to qualify for a buyer's loan such as high escrow costs, mortgage processing, title acquisition, realtor fees, etc. Factors such as homeowner associations, increased tax bills due to special assessment districts, and Mello-Roos districts also affect a potential homebuyer's ability to qualify for a loan.

²⁶ Data Quick, June 2009. Retrieved on July 21, 2009.



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Housing Resources

Section 7

This section summarizes the land, financial, and administrative resources available for the development and preservation of housing in Murrieta. The analysis provided includes an evaluation of the availability of land resources for future housing development; the City's ability to satisfy its share of the region's future housing needs, the financial resources available to support housing activities, and the administrative resources available to assist in implementing the City's housing programs and policies.

7.1 - Regional Housing Needs Allocation (RHNA)

Murrieta's Regional Housing Needs Allocation (RHNA) for the 2008-2014 planning period has been determined by SCAG to be 6,303 housing units, including 1,568 units for very low-income households, 1,067 units for low-income households, 1,171 units for moderate-income households, and 2,497 units for above moderate-income households.

7.1.1 - Progress toward the RHNA

For the Housing Element planning period of 2008-2014, January 1, 2006 is identified as the baseline for growth projections. Consequently, a jurisdiction may count newly constructed residential units or approved building permits for housing since January 1, 2006 toward its current RHNA obligation. Within the City of Murrieta, 2,588 housing units have been constructed or approved since January 2006. Table 7-1 indicates the number of new units that fall within each income category. It is important to note that the income categories have been determined based on the AMI and definitions from HUD for each income level, while the affordability of the unit is based on the sales or rental price of the complex or unit.

**Table 7-1:
2008-2014 RHNA Allocation**

Income Category	RHNA Allocation	Units Constructed or Approved*	Remaining RHNA
Very low-income	1,568	0	1,568
Low-income	1,067	4	1,063
Moderate-income	1,171	1,434	0**
Above moderate-income	2,497	2,126	371
Total	6,303	3,564	3,002

*Units Constructed or Approved from January 1, 2006 to July 2008.

**Although 1,434 moderate-income units have been provided, the City may only be credited for the required allocation for each income category.

Note: AB 2634 mandates that localities calculate the subset of the very low-income regional need that constitutes the communities need for extremely low-income housing. As an alternative to calculating the subset, local jurisdictions may assume that 50 percent of the very low-income category (629 units) is represented by households of extremely low-income (less than 30 percent of the AMI).

7.2 - Projects Credited towards the RHNA Allocation

Of the 2,588 units approved or constructed in the City, there are three specific projects that have been approved for development of multifamily units. These three multifamily projects will ultimately result in the addition of 976 multifamily units in the City, providing crucial housing opportunities for the residents of Murrieta. It is unlikely that these projects will be deed restricted; however, each offers a variety of housing opportunities that may be able to accommodate both moderate and above moderate-income families. The three approved projects are:

1. Plaza de Murrieta Specific Plan yielding 330 units on a 52 acre site (average density of 8.7 du/ac);
2. Creekside Village Specific Plan yielding 246 units on 10.14 acres (approximately 25 du/ac);
3. Adessa Landing yielding 400 units on 24.2 acres of land (average density of 17 du/ac).

7.2.1 - Plaza de Murrieta Specific Plan

The Plaza de Murrieta Specific Plan area is a comprehensive planned community intended to provide housing, recreational and commercial/retail uses within five (5) Planning Areas. The Plaza de Murrieta Specific Plan occupies 52.25 acres (46.5 net acres) on the east side of Jefferson Avenue, west of Interstate 15, and north of Lemon Street in the City of Murrieta. The Specific Plan has five planning areas. The planning areas include: 100 single-family homes to be built on about 18 acres, with an average of 5.54 units per acre; 140 two-story townhouses across 14 acres with an average of 10 units per acre; approximately 90 three-story townhouses/live-work units on 6 acres with an average density of 15 units per acre, an 80,600-square-foot complex of shops, restaurants and neighborhood services on 7.66 acres and 3.8 acres of open space to be preserved. The total number of proposed residential units includes up to three hundred thirty (330) units. At this time deed restrictions or covenants have not been established and the project has been credited toward the City's above moderate RHNA allocation.

7.2.2 - Creekside Village Specific Plan

Creekside Village Specific Plan is a planned residential community located in the southeastern section of the City. The Specific Plan was designed to include five neighborhoods interconnected by 30 ft. wide greenways running along the collector streets. These greenways culminate in a Village Green with an amphitheater, which in turn connects to an elementary school. The school district recently discovered that the elementary school site is no longer needed as a public facility site and will instead accommodate 246 units on 10.14 acres of land yielding a density of approximately 25 dwelling units per acre at 80 percent capacity. At this time deed restrictions or covenants have not been established and the project has also been credited toward the City's above moderate RHNA allocation.

7.2.3 - Adessa Landing

Located along the east side of Interstate-215, the Adessa Landing project site includes approximately 37.6 acres in the northern quadrant of the City. The project area is

currently surrounded by Single-Family residential development, Vista Murrieta High School and the future Loma Linda University Medical Center Murrieta. The site is currently vacant with 28.4 acres zoned Community Commercial and 10.1 acres zoned for residential uses. Upon rezoning the entire site will be zoned Multi-Family 2. The Murrieta City Council recently approved a workforce housing project on the site with approximately 400 units developed on 24.2 acres at an average density of about 17 units per acre. The remaining 13.4 acres will be preserved as open space and utilized for street improvements. It is anticipated that this housing will be affordable to a mix of low, moderate and above moderate-income residents.

7.2.4 - Remaining RHNA

The City has a considerable portion of its RHNA remaining after credits are applied for units approved or constructed since January 1, 2006. With these credits the City has a remaining RHNA of 3,002 housing units, which includes 1,568 units for very low-income households, 1,063 units for low-income households, and 371 units for above moderate-income households. The following section will address potential sites to accommodate the remaining housing need.

7.3 - Zoning Appropriate to Accommodate Lower Income Housing

Density is a critical factor in the development of affordable housing. In theory, maintaining low densities typically increases the cost of construction per unit, while higher density development lowers the per-unit land cost and facilitates construction in an economy of scale. In addition to potential for density bonus provisions, more intense residential development is achieved through a number of mechanisms, including clustering of residential development, and zero lot line development, subject to City development standards. Clustering of housing can produce higher densities on a portion of land while creating space for amenities, and retaining the overall density assignment of the entire property. This method is effective when portions of the property not utilized for residential development can be developed with compatible uses, such as open space/recreation, parks, schools, public facilities, and support commercial. The City's High-Density Residential designation (15-18 du/ac) provides the best opportunity for the development of affordable housing.

The State Housing and Community Development Department (HCD) have deemed affordability as correlated with density. Consequently, HCD has established "default densities" that by definition are considered sufficient to provide market-based incentives for the development of housing for lower-income households. For jurisdictions with a population greater than 25,000, and located within a Metropolitan Statistical Area (MSA) with a population of more than 2 million, the default density is 30 dwelling units per acre (or higher). Murrieta has a population greater than 25,000 and is within the Riverside MSA. Thus, HCD has determined that Murrieta's default density is 30 dwelling units per acre. However, the City's Zoning Code does not currently allow for the default density of at least 30 dwelling units per acre. Consequently, the City's affordability analysis must demonstrate that the identified zone/densities encourage and facilitate the development of housing for lower-income households by considering: (1) market demand and trends, (2) financial feasibility, and (3) information based on residential project experience within a zone(s) where the densities facilitated the development of housing for lower-income households.

A number of lower income housing developments have been constructed in the City since the year 2000. Affordable units have been created in the following three zones: Multi-Family 2 (MF-2), Multiple Use-3 (MU-3), and specific plan areas. It is important to note that many of the

projects with affordable units have utilized the City's density bonus incentives. The majority of the affordable units constructed in the City are zoned MF-2, which allows for a density of up to 15-18 dwelling units per acre. A total of three (3) projects with 1,046 moderate-income units have been created at this density. The MF-2 zone is valuable in that it allows developers to provide units that are affordable to moderate-income households without requiring them to establish deed restrictions which can be a barrier for some developers. The MU-3 zone which allows up to 18 dwelling units has also facilitated the creation of affordable housing. Four complexes with a total of 118 affordable units with deed restrictions and 770 non deed restricted units have been constructed in the MU-3 zone. In addition to the MU-3 and MF-2 zones, specific plan areas (SP) have also allowed for the development of affordable units. In the Historic Murrieta Specific Plan as well as the Murrieta Highlands Specific Plan, 13 deed restricted units and 183 unrestricted units have been constructed. Table 7-2 provides information about the affordable housing developments in the City that have been constructed since the year 2000.

The City of Murrieta, like many jurisdictions in western Riverside County, is in a unique situation to be able to provide affordable units in developments that are below the default densities established by the State. The cost of land, materials and development has always been lower than other counties such as Los Angeles, Orange, and San Diego. This, in turn, has resulted in a lower median home price that is typically affordable to low and moderate income families. The City has formed a strong partnership with Affirmed Housing Group (AHG). AHG was established in 1994, and develops and owns affordable apartment communities throughout California. Their current portfolio includes 23 apartment communities with over 2,200 units, and they currently have more than 600 new units in the development pipeline. In 2005, AHG completed the Monte Vista Apartments which includes 64 affordable units and is located on Jefferson Avenue in Murrieta. Over the past two years they have been actively pursuing development of a second affordable housing project in Murrieta.

For their second affordable housing project, AHG analyzed multiple sites in Downtown Murrieta, in the general vicinity of Jefferson and Juniper, ranging in size from 2 – 6 acres. The letter and proforma provided in Appendix B illustrates a potential development recently analyzed by AHG. Based on current property values, AHG states that projects can be underwritten at Murrieta's current multifamily zoning (MF-2) density standard of 18 dwelling units per acre, and do not necessarily require the 1.35 density bonus allowable by SB1818 to be financially viable.

To the extent property values do not increase significantly, AHG also states that the City's existing maximum density of 18 DU/acre will continue to be sufficient to allow for development of affordable apartments, and the available 1.35 density bonus will extend the viability of this density restriction even with moderate increases in property acquisition costs. Significant increases in property costs will likely require an increase in per-unit contribution by the City. For developments on City owned property, affordable developments will remain viable at an 18DU/acre density.

Please see Appendix B for the affordable housing density feasibility letter from Affirmed Housing Group and their proforma recently completed for a 36 unit proposed development on 2.02 acres affordable to extremely low-, very low- and low-income households.

In the last decade, City Staff has recognized that facilitating higher density developments can benefit both the housing developer and low income families if units are constructed. Consequently, Staff began to encourage developers by offering incentives, in an effort to assist in the development of higher density projects. Staff's efforts were resisted however; as developers

expressed that the existing densities (up to 18 units per acre in the MF-2 and MU-3 zones) are conditions that are not only feasible, but economically favorable for them to develop housing. The resistance by developers to the build at densities above 18 dwelling units per acre may be explained by the development history of the City. Murrieta only recently experienced a surge in their total population and is still transitioning from a rural to a suburban community. Unlike many existing, older jurisdictions in more densely populated areas, Murrieta still has vacant land available that is relatively inexpensive by comparison. While the City has continued to plan for the future, by encouraging developers to utilize the existing density bonus ordinance and establishing new higher density zones, it is appropriate to allow the densities of the existing MF-2 and MU-3 zone to be considered in order to accommodate the remaining very low- and low-income RHNA allocation.

**Table 7-2:
Existing Complexes with Affordable Units**

Multifamily Complex	Zoning/ Max. Density	Year	Extremely Low	Very Low	Low	Moderate	Above Moderate
Camden Vineyards Total Units = 264 units	MF-2 15-18 du/ac	2001				270	
Madison Park Total Units = 284 units	MF-2 15-18 du/ac	2002- 2003				284	
Crescent Heights Total Units = 184 units	MF-2 15-18 du/ac	2003				184	
Eagle Glen Total Units = 320 units	MF-2 15-18 du/ac	2004				308	12
Reserves at Madison Park Total Units = 248 units	MU-3 18 du/ac	2004		13 (DR)		24 (DR) 211	
Monte Vista Total Units = 64 units	MU-3 18 du/ac	2005	6 (DR)	46 (DR)	6 (DR)	5 (DR)	
Sonoma at Mapleton Total Units = 193 units	SP Varies	2005				183	10
Amberwalk Total Units = 111 units	SP Varies	2005		5 (DR)		9 (DR)	97
Hilltop at Winchester Total Units = 175 units	MU-3 18 du/ac	2006				106	69
Grande Isle Senior Apartments Total Units = 453 units	MU-3 18 du/ac	2007				453	
3 rd Street Homes Total Units = 4 Houses	SP Varies	2008			4 (DR)		
<i>Total</i>			6 (DR)	64 (DR)	10 (DR)	38 (DR) 1,999	188

Note: Italicized numbers indicate units not having a deed restriction.

Abbreviations: MF-2 = MultiFamily-2, MU-3 = Multiple Use-3 and SP refers to a Specific Plan

Source: City of Murrieta, 2008.

This table reflects that, historically, the City of Murrieta has been successful in the development of affordable housing, including very low- and low-income housing, within its existing zoning designations which currently limit density to a maximum of 18 dwelling units per acre. The City recognizes that in rezoning land to allow for higher densities there is even greater potential for the development of affordable units; however, Table 7-2 reflects that even without increasing the density of the current designations, historically very low- and low-income units have been

produced with the assistance of the City's affordable housing development incentives and the density bonus ordinance.

7.4 - Availability of Sites for Housing

State law requires that a community provide an adequate number of sites to allow for, and facilitate production of the City's fair share of regional housing. To determine whether the City has sufficient land to accommodate its fair share allocation for each income group, the City must identify "adequate sites." Under State law (California Government Code section 65583 c.l.), adequate sites are those with appropriate zoning and development standards, with services, and facilities, that allow and encourage the development of a variety of housing for all income levels. Land considered suitable for residential development includes:

- Vacant residentially zoned sites;
- Vacant non-residentially zoned sites that allow residential uses (such as mixed-use);
- Underutilized residentially zoned or non-residentially zoned sites that can be rezoned or are capable of being developed at a higher density or with greater intensity;

An important component of the Murrieta Housing Element is the identification of sites and future housing development opportunities in the 2008-2014 planning period. The majority of sites that are identified in the Sites Inventory section are either vacant residentially zoned sites or vacant residentially zoned sites that will be rezoned to accommodate higher density development. In calculating their total unit capacity an 80% development potential is assumed and applied to the acreage, meaning that for a 5 acre parcel, only 4 acres are considered developable with the remaining acre available for infrastructure, right-of-ways and open space. Additionally, for each parcel with a density provided as a range, the maximum development density was assumed. For example, the Multi-Family 1 designation allows for between 10 and 15 units per acre, meaning that 15 units per acre will be used to determine the total unit capacity. In accordance with the Housing Plan the rezoning of properties identified in the tables below will occur within one to two years of the adoption of the Housing Element.

7.4.1 - Vacant Residentially Zoned Land

Within the sites inventory the City has determined that vacant residential land zoned Single-Family-1 and Single-Family-2 is appropriate to accommodate the remaining RHNA allocation of 371 above moderate units. SF-1 allows for a density between 2.1 to 5 dwelling units per acre and SF-2 allows for between 5.1 and 10 dwelling units an acre. These zones typically allow for lower density development including single-family homes, condominiums, and town homes that would require significant assistance from the City in order to make them affordable to very low and low-income families. The City has identified 76 acres of vacant land zoned SF-1 and 15 acres zoned SF-2. This land at 80 percent development capacity and the maximum allowable densities can accommodate over 425 units which is almost double the remaining above moderate allocation of 371.

In addition to completing the vacant sites inventory, the City has shown, as outlined in section 7.3 above, that the Multi-Family 2 and Multiple Use-3 zones, both allowing between 15 and 18 dwelling units per acre are appropriate to accommodate a portion of the City's 2,631 remaining very low- and low-income units. The City has identified 30 acres of vacant land zoned MF-2 and 108 acres of vacant land zoned MU-3. If the land zoned MF-2 is developed at 80 percent capacity and the maximum allowable density,

approximately 438 units can be accommodated. Vacant land zoned MU-3 was calculated at 40 percent capacity, as allowed by the City’s Development Code and the maximum allowable density of 18 units per acre, resulting in a total of 780 units. When combined, the number of units that can be accommodated on vacant land zoned MF-2 and MU-3 total 1,218 units. However, legislation passed since adoption of the last Housing Element codified as Section 65583.2 of the California Government Code, requires that cities the size of Murrieta must permit residential development at a density of at least 30 dwelling units per acre to accommodate low and very low income units. There are consequently 2,631 very low- and low-income units remaining that will be accommodated by rezoning three sites and implementing a new Transit Oriented Development (TOD) Overlay Program as described below.

**Table 7-3:
Units Accommodated on Vacant Residentially Zoned Land**

	Very Low/Low	Moderate	Above Moderate	TOTAL
RHNA after credits	2,631	0	371	3,002
Units Accommodated on Vacant Residentially zoned land	0	0	425*	1,589
Total remaining units	2,631	0	0	2,631
*Although 425 above moderate-income units have been provided, the City may only be credited for the required allocation for each income category.				

Table 7-3 shows that the City can accommodate its above moderate need of 371 units on land that is vacant and already zoned for residential development. Consequently, the City has a remaining need of 2,631 very low- and low-income units that will be accommodated by rezoning three sites and implementing a new TOD Overlay Program. A map showing all vacant residentially zoned sites and a table providing parcel numbers, the area of each site and other development information is provided in Appendix A.

7.4.2 - Vacant Land to be Rezoned

After analyzing the vacant land available, the City has determined that in order to accommodate their remaining RHNA allocation they will create a new high density multifamily zone. A minimum density of 30 dwelling units per acre has been established for this zone. This zone will be created as outlined in Action 5.1 of the Housing Plan and will be referred to as the Multi-Family 3 zone (MF-3). In addition to creating the new MF-3 zone, the City has identified three sites that will be rezoned and a Transit Oriented Development (TOD) Overlay Program area to accommodate the remaining 2,631 very low and low-income units. These sites are described in detail in the following sections.

In identifying areas available to accommodate their remaining units, the City wants to ensure that multifamily units are not concentrated in any one area of the City. Consequently, the sites selected are scattered throughout the jurisdiction near existing residential uses or services to support new development. The following proposed sites or alternative sites of equivalent acreage will be evaluated for rezoning as part of a City of Murrieta General Plan update.

7.4.2.A - Site One – Jefferson South Property

Site One is located in the western half of the City, in close proximity to Interstate - 15. The site includes two contiguous vacant parcels totaling approximately 2.09 acres. Site One is bordered by Jefferson Avenue to the north with no official street boundaries to the south, west or east. The site is located within the Jefferson Avenue multi-modal, retail corridor and is currently zoned Multiple Use – 3. The City purchased the site with the intention of developing housing where services and jobs are available.

Following a zone change, both parcels will be rezoned to Multi-Family 3 requiring a minimum 30 dwelling units per acre. If developed at approximately 100% of its development potential, and at a density of 30 dwelling units per acre, Site One could accommodate 62 new units. This site is an appropriate area to rezone, as the parcels are located in close proximity to existing multifamily homes developed in a Multi-Family 1 zone and retail services. The City anticipates that the remaining vacant parcels surrounding this site will also primarily include residential uses; consequently rezoning the parcels would simply extend the multifamily zone and create a more balanced mix of densities in the area. There is also existing infrastructure that could be extended to provide services to the site. The City will offer a density bonus incentive, development concessions, site improvement assistance, RDA and/or HOME funding when available and fast track processing to encourage the development of affordable units. Funding opportunities and development incentive opportunities will be prioritized for projects that include units for extremely low- and very-low income households.

Exhibit 7-1 illustrates the boundaries and location of Site One, while Appendix A includes the specific parcels identified as part of the site.

Exhibit 7-1: Site One



7.4.2.B - Site Two – Monte Vista II

Site Two is located in the western half of the City, in close proximity to Interstate-15 and is adjacent to Murrieta City Hall. Site Two is a 2 acre parcel currently zoned Multiple Use-3, owned by the City of Murrieta Redevelopment Agency. The parcel is located at the northeast corner of Jefferson Avenue and Juniper Street. Although Site Two is smaller than the recommended size site for the development of affordable housing, the parcel is located next to an existing multifamily affordable housing complex called Monte Vista. The City purchased the site with the intention of developing a second phase of Monte Vista including low- and very low-income units. The City is also proposing to develop units with three or more bedrooms for large families.

Following a zone change, Site Two will be zoned Multi-Family 3 with a minimum density of 30 dwelling units per acre. If developed at approximately 100% of its development potential and at a density of 30 dwelling units per acre, Site Two could accommodate 60 new units. This site is located in close proximity to downtown Historic Murrieta and close to the Civic center where services are offered at City Hall, the library, and the City’s senior center. The site is served by infrastructure that can support additional residential development. The City will offer a density bonus incentive, development concessions, site improvement assistance, RDA and/or HOME funding when available and fast track processing to encourage the development of affordable units. Funding opportunities and development incentive opportunities will be prioritized for projects that include units for extremely low- and very-low income households.

Exhibit 7-2 illustrates the boundaries and location of Site Two, while Appendix A includes the specific parcels identified as part of the site.

Exhibit 7-2: Site Two



7.4.2.C - Site Three – Adams Avenue Property

Site Three is a 6 acre parcel located in the western half of the City in the Historic Murrieta Specific Plan area. The site is located northeast of the intersection of Adams Avenue and Ivy Street and is also in close proximity to Civic Center. Site Three is currently zoned Village Residential, and is also owned by the City of Murrieta Redevelopment Agency. The City purchased the site with the intention of developing an affordable housing development in the downtown where services and jobs are available. Site Three is also in close proximity to Amberwalk, an existing affordable housing complex, suggesting that affordable housing is appropriate and supported by the neighborhood. The site is currently served by infrastructure that can support additional residential development.

Following a zone change, Site Three will be zoned Multi-Family 3 with a minimum density of 30 dwelling units per acre. If developed at approximately 100% of its development potential and at a density of 30 dwelling units per acre, Site Three could accommodate 180 new units. In addition to a zone change, the City will also amend the Historic Murrieta Specific Plan to allow for residential development up to 30 dwelling units per acre on this parcel. The City will offer a density bonus incentive, development concessions, site improvement assistance, RDA and/or HOME funding when available and fast track processing to encourage the development of affordable units. Funding opportunities and development incentive opportunities will be prioritized for projects that include units for extremely low- and very-low income households.

Exhibit 7-3 illustrates the boundaries and location of Site Three, while Appendix A includes the specific parcels identified as part of the site.

Exhibit 7-3: Site Three



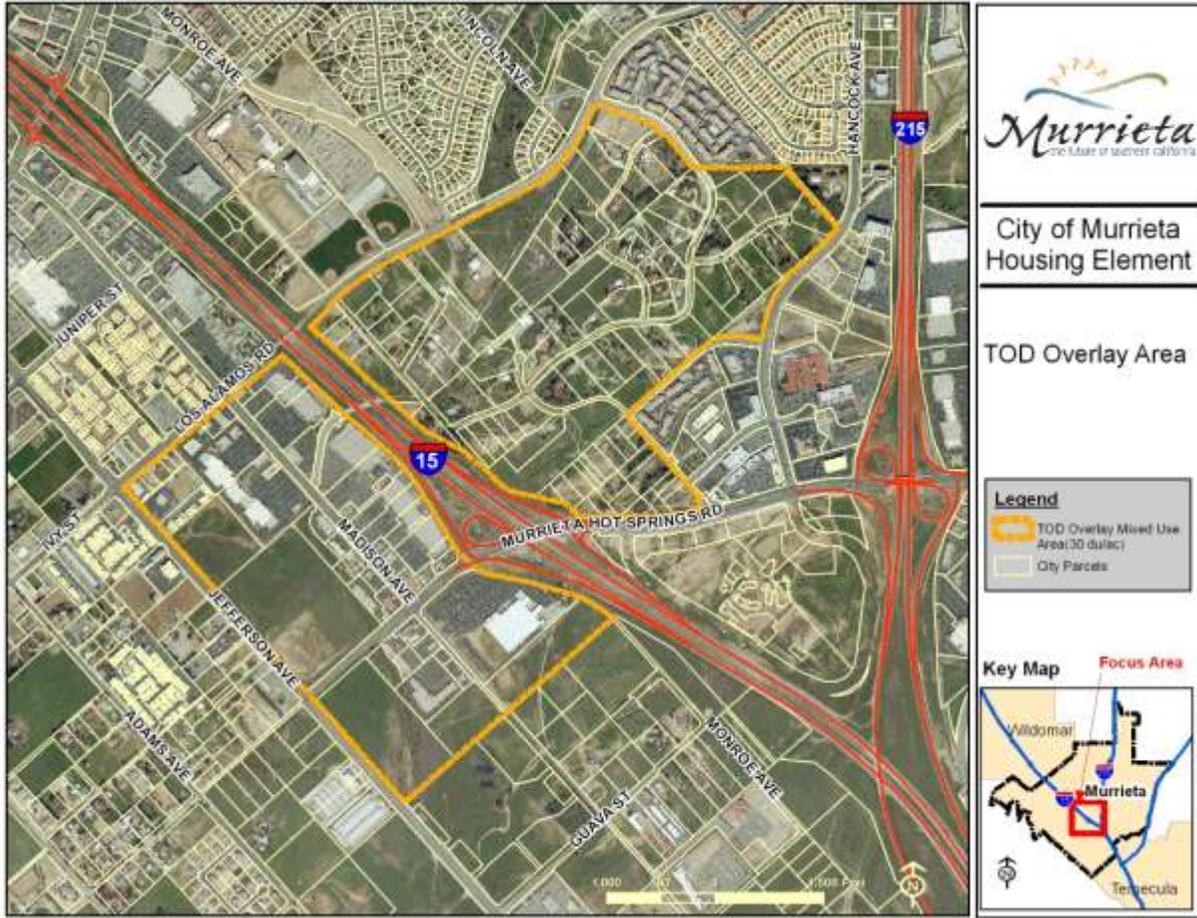
7.4.2.D - TOD Overlay Program

To accommodate a portion of the remaining low and very-low RHNA allocation, the City will also establish and implement a new, “Transit Oriented Development (TOD) Overlay Program” to allow a mixture of residential and non-residential development in close proximity to transit. A new TOD Overlay Program area will be established and will consist of approximately 78 acres and encompasses land on either side of Interstate 15 (I-15) and will be bounded by Los Alamos Road to the north, Jefferson Avenue to the west, Vista Murrieta and Hancock to the east, and just north of Guava and Murrieta Hot Springs Road to the south. This area is also uniquely situated adjacent to the convergence of two freeways (I-15 and I-215) and along the route of the proposed High Speed Rail. The City is working with the cities of Temecula, Lake Elsinore, and Wildomar to establish Jefferson Avenue as a multi-modal transit corridor, connecting all the cities and provide smart growth opportunities, including a mixture of residential and non-residential uses. The area to the west of I-15 includes an older commercial district, which provides opportunities for redevelopment. The commercial buildings are showing age and properties are underutilized to their full potential. In addition, several vacant parcels exist, which are situated along Murrieta Hot Springs Road, a major east/west thoroughfare and a connection for I-15 and I-215, and is ideal for TOD and high density housing. The area on the east side of I-15 is comprised of vacant and underutilized parcels that include a range of single-family home types, sizes, and ages. Development has been gradually encroaching around its perimeters, making this section no longer viable as a single-family rural area. The underlying zoning is a mix of Multiple-Use 1 and Multiple-Use -3, Multi-Family 2, Community Commercial, and Regional Commercial indicating that affordable housing is appropriate and supported by the area. In addition, most of the TOD Overlay area is located within a Redevelopment Project Area, which provides additional opportunities for redevelopment investment. The TOD Overlay Program will permit by right 30 dwelling units per acre, and if developed at 100% of its development potential could accommodate approximately 2,340 units.

The State has determined that most assisted housing developments utilizing State or federal financial resources include 50 to 150 units. As indicated in Action 1.6 of the Housing Plan, the City will provide incentives and technical assistance through the processing of subdivision or larger parcels located in the TOD Overlay Program area to facilitate development of a variety of housing types and affordability consistent with typical developments affordable to lower income households. The existing infrastructure from Jefferson Avenue and Los Alamos Road can support residential development. The City will offer a density bonus incentive, development concessions, site improvement assistance, RDA and/or HOME funding when available and fast track processing to encourage the development of affordable units. Funding opportunities and development incentive opportunities will be prioritized for projects that include units for extremely low- and very-low income households.

Exhibit 7-4 illustrates the boundaries and location of the TOD Overlay Program area.

Exhibit 7-4: TOD Overlay Program Area



7.5 - Summary of Available Sites

After taking into account the number of units approved and constructed since 2006, the City's remaining RHNA allocation is 3,002. As outlined in Section 7.4, the City has identified vacant land to accommodate 371 above moderate-income units based on the City's existing zoning and allowable densities. After identifying vacant residentially zoned land the City has a remaining RHNA of 2,631 very low- and low-income units. These 2,631 remaining very low- and low-income units are accommodated as shown in the sites inventory by rezoning three sites and implementing a new TOD Overlay Program to allow for higher density projects to be developed.

**Table 7-4:
Unit Capacity Analysis for Selected Sites**

Site	Acres	Current Zoning	Proposed Zoning	Proposed Density	Unit Capacity
Site One					
909-030-032	1.05	Multiple Use-3	Multi-Family 3	30 du/ac	31
909-030-033	1.04	Multiple Use-3	Multi-Family 3	30 du/ac	31
Site Two					
949-600-030	2.00	Multiple Use-3	Multi-Family 3	30 du/ac	60
Site Three					
906-080-018	6.00	Village Residential	Multi-Family 3	30 du/ac	180
TOD Overlay Program Area					
TOD Overlay	78.00	Various	TOD Overlay	30 du/ac	2340
TOTAL	88.09				2642

In accordance with Action 5.1 of the Housing Program the three sites identified in the inventory will be rezoned from their existing zoning to the newly created Multi-Family 3 zone, which allows for densities of 30 dwelling units per acre. Following the implementation of Action 5.1, approximately 2,642 lower income units can be accommodated. Table 7-4 shows by site the City's efforts to accommodate their remaining RHNA allocation of 2,631 very low- and low-income units, including the acreage and realistic unit capacity for each site. In addition, the City will also establish and implement a new "Transit Oriented Development (TOD) Overlay Program" which will permit by right 30 dwelling units per acre and will accommodate approximately 2,340 units as it will apply to 78 acres. Based on Table 7-5, shown below, the City is more than able to accommodate their remaining RHNA of 2,631 units, when Program 5.1 of the Housing Plan is completed and the three sites identified above are rezoned to their proposed density.

**Table 7-5:
Accommodation of the RHNA**

	Very Low/Low	Moderate	Above Moderate	TOTAL
RHNA after credits	2,631	0	371	3,002
Units accommodated on vacant residentially zoned land	0	0	-425*	-371
Units accommodated on rezoned sites & TOD Overlay Program area	-2,642	0	0	-2,642
Total remaining units	0	0	0	0

As discussed previously in Section 7.2, the City of Murrieta has been successful in providing affordable housing within their current zoning designations, which currently allows densities up to 18 units per acre. The City anticipates that with the creation of a higher density zone, the development of affordable housing may be more easily facilitated. Allowing for a variety of units in various areas of the City at different densities is crucial to ensuring that affordable units are not concentrated in one specific area. It is also necessary to ensure that units of varying sizes, product types and styles can be developed. Based on the City's history of providing affordable units and the sites identified in Section 7.4 the City has identified opportunities for the production of affordable housing.

7.6 - Constraints

7.6.1 - Environmental Constraints

Potential environmental constraints to future development of sites identified include the MSHCP and seismic and flooding hazards, which are addressed in the Non-Governmental Constraints Section of the Housing Element. Locations identified in the Sites Inventory were compared with all hazards maps included in the City's Safety Element; none were found to be within areas that have development restrictions due to risk of damage from disasters (such as floods, wildfires, or seismic events). The sites inventoried have a land use designation which was determined based on surrounding land uses and has already examined potential environmental constraints. Aside from the constraints mentioned above, there are little additional constraints that would impede the development of new housing units in the future on the identified sites.

7.6.2 - Infrastructure

The City's five year Capital Improvement Plan has identified expenditures of City funds used for public improvement projects, including infrastructure. The City understands that improvements can be achieved with a comprehensive approach that includes reviewing infrastructure plans for each application for discretionary approval of General Plan amendments, tentative parcel or tentative tract maps, or development proposals that includes extension of an exiting street or construction of a new street. The City requires that project applications for new development be reviewed for adequate infrastructure. Applications are evaluated on a case-by-case basis to ensure there is the capacity to service new developments. Infrastructure requirements and costs are also discussed in the Non-Governmental Constraints Section of the Housing Element.

7.7 - Resources

7.7.1 - Financial Resources

A variety of Federal, State, and local programs are available to create and/or maintain rental and purchase affordability for lower income households and for persons with special needs. These programs are also available to other jurisdictions for potential acquisition, subsidy, or replacement of units at-risk. The following summarizes financial resources available to the City, private, and non-profit parties to preserve/create housing that is affordable.

Programs that may be of use in Murrieta are listed below. Information related to these programs will be updated annually and made available by the City of Murrieta.

7.7.2 - Federal Programs

- Community Development Block Grant Program (CDBG) – This program is available and can be used to enhance and preserve the City’s affordable housing stock. Funds are applied for through Riverside County. Eligible activities include acquisition, rehabilitation, economic development, and public services. CDBG grants benefit primarily households with incomes not exceeding 80 percent of the County area median income.
- Section 8 Rental Assistance Program – This program provides rental assistance payments to owners of private market-rate units on behalf of very low-income tenants.
- Section 811/202 Program – Non-profit organizations and consumer cooperatives are eligible to receive no interest capital advances from HUD for the construction of very low-income rental housing for senior citizens and disabled persons. Project-based assistance is also provided in conjunction with this program. Section 811 can be used to develop group homes, independent living facilities, and intermediate care facilities. Eligible activities include acquisition, rehabilitation, new construction, and rental assistance.

7.7.3 - State Programs

- California Housing Finance Agency (CalHFA) – CalHFA sells tax exempt bonds for below market rate loans to first-time homebuyers. The program operates through participating lenders who originate loans for CalHFA purchase.
- Low-Income Housing Tax Credits – Tax credits available to individuals and corporations that invest in low-income rental housing. Tax credits sold to people with high tax liability, and proceeds are used to create housing.
- Multifamily Housing Program (MHP) – Deferred payment loans for new construction, rehabilitation, and preservation of rental housing. Administered by HCD.

7.7.4 - Local Programs

- Redevelopment Housing Set-Aside Funds – Twenty percent of Agency tax increment funds are set-aside for affordable housing activities within the Redevelopment Area. The City has project the set-aside fund accruals for each fiscal year through 2014 to include:
 - Fiscal Year 2009/2010: \$1,898,632
 - Fiscal Year 2010/2011: \$1,933,604
 - Fiscal Year 2011/2012: \$1,969,276
 - Fiscal Year 2012/2013: \$1,990,469
 - Fiscal Year 2013/2014: \$2,011,904

By the end of the planning period, the redevelopment set-aside fund is estimated to total approximately \$9,803,885. As shown in the Housing Plan approximately \$7,542,222 in redevelopment funding will be spent during the planning period, including \$4,800,000 to purchase land to be conveyed for affordable housing development, \$2,222,222 to subsidize the construction of new units, \$400,000 to fund the City's First Time Homebuyer Program and \$24,000 annually to fund the Foreclosure Prevention Program. The remaining funding will be used to develop and post informational materials on services and programs available to residents, and to provide fee waivers, on/off-site improvements, fast track processing, and other incentives to affordable housing developers as projects are presented, and when funding is available.

- Riverside County Mortgage Credit Certificate Program (MCC) – Income tax credits available to first-time homebuyers for the purchase of new or existing single-family housing. Local agencies make certificates available.
- Riverside County Mortgage Revenue Bond – Bonds used to finance the development of multifamily housing for lower- and moderate-income households.
- Home Improvement Grant – Run by Riverside County, funding is available for exterior and/or interior repairs and improvements costing up to \$10,000 for homeowners that are over age 62, or households where the head of household or spouse are handicapped or disabled.

7.7.5 - Administrative Resources

- City of Murrieta Planning Department – The primary responsibility of the Planning Department is the long-range planning and physical development of the City to promote livability and appearance. The department ensures the City's viability through enforcement of land use, construction, health, safety, and environmental regulations. This involves land use and development standards, building codes, economic vitality, and adherence to the General Plan. It is also responsible for the administration of the General Plan and implementation of the Zoning Ordinance and Specific Plans.
- City of Murrieta Redevelopment Agency – The Redevelopment Agency is responsible for the City's redevelopment, business, retention and attraction of commercial and industry, and affordable housing activities. Redevelopment staff manages the CDBG, and Redevelopment Housing Set-Aside funds, including the filing of grant applications and administration of funds made available for City programs. The Agency is also responsible for projects involving affordable housing development through new construction and acquisition/rehabilitation.

Progress Report

Section 8

The Progress Report reviews the previous Housing Element's programs, objectives, and actions that were to be implemented during the previous planning period. The City of Murrieta's Housing Element identified five programs, labeled "A" through "E", that the City anticipated to implement during the previous planning period. Each program has specific policies that were to be achieved in order to facilitate the construction of affordable housing and to maintain the existing affordable housing stock. Each policy has specific actions and quantified objectives that were to be implemented to accomplish the goal of the program. Each of the actions and objectives had a timeframe for completion along with a responsible agency to monitor the program.

The accomplishments are listed on the right column of the table and display the progress, effectiveness, and appropriateness of the program. Pursuant to Government Code Section 65588 local governments shall review their Housing Element and evaluate the following:

- 1) The progress of the City or County in implementation of the housing element.
- 2) The effectiveness of the housing element in attainment of the community's housing goals and objectives.
- 3) The appropriateness of the housing goals, objectives, and policies in contributing to the attainment of the State housing goal.

The following table reviews the continued progress in implementation, the effectiveness of the Housing Element, and the appropriateness of the City's housing goals since 2001. Table 8-1 provides a summary of housing programs that have been achieved, partially achieved or not achieved.



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Program A. Identification of Adequate Sites for Housing.	
A1. Land Use Element and Zoning Ordinance	
Program	Accomplishments
<p>Action: Monitor the Land Use Element and Development Code to ensure adequate sites with appropriate development standards, public facilities and services are available for the development of a variety of housing types, sizes, and prices to meet the future housing needs of Murrieta. The land use designation within the Land Use Element of the General Plan, combined with the standards of the Zoning and Subdivision Ordinances, affect the availability of housing for households of all socio-economic levels.</p> <p>Objective: The objective of the City is to ensure that land use designations and zoning development standards enable the City to achieve the future housing needs of all socio-economic groups within Murrieta, as determined by SCAG. Based upon the Vacant and Underdeveloped Land Analysis, there is a build-out potential to create an additional 20,152 units within the City limits. Much of the future growth is expected to occur within approved or proposed specific plan areas.</p> <p>Timing: Ongoing; Annual review each December throughout the planning period.</p> <p>Responsibility: Planning; Engineering</p>	<p>Progress: This objective primarily deals with allowing the market to function in a way which provides housing opportunities for all socio-economic groups. The City's Development Code has been amended as proposed in the Housing Element along with the 2006 update of the Land Use Element. Further, the City has accepted, processed and entitled residential development projects serving various economic groups, including single-family homes of varying price ranges, condominiums, apartments and low- to moderate-income housing.</p> <p>Effectiveness: Between 2000 and 2005, 16,782 total residential units were constructed. This total includes the annexation of Murrieta Hot Springs in 2002. Of this total, 11,894 new single-family homes were constructed, along with 4,888 multifamily units. As of July 2006, there were an additional 2,183 multifamily rental units that were pending, approved or under construction, and another 894 multifamily ownership units pending, approved or under construction.</p> <p>Appropriateness: The considerable growth and development throughout the City has required a complete re-evaluation of the existing housing opportunities and potential housing opportunities for all income groups within the City. The City will continue to ensure that land use designations and zoning development standards enable the City to achieve the future housing needs for all socio-economic groups.</p>
A2: Residential Land and Economic Data Base	
Program	Accomplishments
<p>Action: Maintain a comprehensive land use survey identifying parcels and/or structures suitable for residential development, redevelopment and use for all income categories. Monitor rents, home sales, and land prices quarterly.</p> <p>Objective: Continually assess the potential for future residential development through the monitoring of a comprehensive land and economic data base to identify housing sites suited to all income categories.</p> <p>Timing: Ongoing; Quarterly review of data base.</p> <p>Responsibility: Planning</p>	<p>Progress: Monitoring has not been done to the extent it was proposed, specifically as it relates to monitoring rents, home sales and land prices on a quarterly basis.</p> <p>Effectiveness: The City has monitored development sites and identified the availability of land for single-family and multifamily development for the projects which have been approved as well as those which have been proposed. This information is available at City Hall as well as through the City's website. The City will continue to re-evaluate the effectiveness of this program.</p> <p>Appropriateness: The City will continue to monitor development sites and identify available land suitable for single-family and multifamily development. The City is analyzing the feasibility of establishing a Housing Division which will oversee all the housing programs, and monitor housing rents, sales, and other housing costs within the City.</p>

A3. Re-designation, Re-zoning, and Amendments	
Program	Accomplishments
<p>Action: To support new construction of affordable housing by re-designing or re-zoning existing vacant or underdeveloped land and amend existing city policies to permit higher density residential development.</p> <p>Objective (1): Amend the Multiple Use-3 (MU-3) zoning district to increase the percentage of residential development allowed from 30 percent to 40 percent of total acreage, and increase maximum density from 12 dwelling units per acre to 18 dwelling units per acre.</p> <p>Objective (2): Re-zone approximately 70 acres within the City to Multi-Family 2 (MF-2), allowing for development at maximum 18 dwelling units per acre.</p> <p>Timing: City Council action by March 2002</p> <p>Responsibility: Planning</p>	<p>Progress: The City is in compliance with this provisions dealing with the MU-3 zoning district. The City was successful in rezoning a minimum 70 acres to MF-2 zoning district, which currently allows up to 18 dwelling units per acre. In rezoning a significant amount of land to accommodate high density residential, the City was also successful in developing a number of affordable multifamily housing developments.</p> <p>Effectiveness: Subsequent to the adoption of the Housing Element, the City Council amended the MU-3 Zoning Standards to allow for 40 percent of the land to be used for residential uses at a maximum of 18 dwelling units per acre.</p> <p>Appropriateness: The City will continue to pursue analysis of amending the MU-2 zoning district to allow multifamily residential uses as part of a multiple use development.</p>
A4: Transitional Housing/Emergency Shelter Assistance	
Program	Accomplishments
<p>Action: Allow for and encourage the provision of emergency and transitional housing. Transitional housing provides housing assistance to families and/or individuals that, for various reasons, have lost the ability to house themselves. Emergency shelters provide temporary housing for people in need during emergency situations such as cold weather, storms or natural disaster, as well as victims of social misfortunes such as domestic violence.</p> <p>Objective (1): Commit annual funding of no less than \$4,000 to Riverside County Department of Public Social Services to Support the Emergency Cold Weather Shelter program.</p> <p>Objective (2): Commit annual funding of no less than \$10,000 to provide shelter services to victims of domestic violence and other social emergencies.</p> <p>Objective (3): Amend Development Code to allow transitional housing and emergency shelters in Community Commercial and Regional Commercial zoning districts. Include criteria in Section 16.44 for evaluating such uses which will encourage and facilitate their review and approval.</p> <p>Timing: Annually throughout the planning period; City Council action by December 2002</p> <p>Responsibility: Development Services; Planning</p>	<p>Progress: While the City has not consistently allocated this level of funds for the Emergency Cold Weather Shelter for victims of domestic violence, the City has used its allocation of Community Development Block Grant (CDBG) funds to provide assistance in these areas.</p> <p>Effectiveness: The City Council has amended the development standards for the Community Commercial (CC) and Regional Commercial (RC) zoning districts to allow transitional housing and emergency shelters with approval of a conditional use permit. Further, Section 16.44.200 has been added to the Development Code detailing the conditions and requirements for operations of such housing and shelters.</p> <p>Appropriateness: The City will continue to allow emergency and transitional shelters with the approval of a conditional use permit. However, California Senate Bill 2 will require Murrieta to identify a zone or zones where transitional housing and emergency shelters will be allowed as a permitted use without a conditional use permit or other discretionary permit.</p>

Program B: Assistance to the development of housing for very low-, low-, and moderate-income households.	
B1: Density Bonus	
Program	Accomplishments
<p>Action: The City will utilize their density bonus incentive program to facilitate the development of housing for very low- and low-income households. These units will be income restricted for a period of time no less than twenty years.</p> <p>Objective: The City will develop informational materials which explain this incentive program and make these materials available to developers of low-income and multifamily housing. These materials will assist in the creation of 62 additional housing units (31 very low-income units and 31 low-income units).</p> <p>Timing: Construct 62 units over the planning period.</p> <p>Responsibility: Planning</p>	<p>Progress: Section 16.20 of the Development Code provides for density bonuses pursuant to the provisions of State law. While no formal informational material (i.e. brochures, etc.) have been developed, the City staff does make the Code provisions available to those developers seeking a density bonus and actively supports these bonuses when they are in compliance with the State law and the Development Code.</p> <p>Effectiveness: A total of 106 affordable units have been developed using the density bonus or development incentive provisions of the Development Code. Another 450 senior citizen units are currently under construction, also utilizing the density bonus or development incentive provisions of the Code and another 50 senior units are currently being processed and are under staff review. It is anticipated that 135 units will be affordable.</p> <p>Appropriateness: The City will continue to use a density bonus as an incentive to encourage the development of affordable housing.</p>
B2: Second Unit Development	
Program	Accomplishments
<p>Action: Continue to administer and promote the Secondary Dwelling Unit Ordinance. The City currently provides for secondary dwelling unit development as long as adequate land area, facilities, and parking are available. Secondary dwelling units can be an effective way of encouraging development of additional affordable housing units to serve the needs of the elderly population.</p> <p>Objective: Construct 10 units (very low-income) over the planning period.</p> <p>Timing: Ongoing</p> <p>Responsibility: Planning</p>	<p>Progress: The City amended the Development Code to remove the requirement for a conditional use permit to construct a secondary dwelling unit for those applications received after July 1, 2003. This encourages the construction of such units, as required by State law.</p> <p>Effectiveness: All secondary dwelling units must be issued a building permit and must conform to the provisions of 16.44.160 of the Development Code. The City does not maintain records that indicate how many secondary dwelling units were constructed.</p> <p>Appropriateness: The City will continue utilize secondary dwelling units to meet the housing needs of the City, especially for seniors.</p>

B3: Manufactured Housing	
Program	Accomplishments
<p>Action: Encourage the provision of affordable housing by allowing manufactured housing (including mobile homes) in single-family residential zoning districts subject to certain conditions consistent with State law.</p> <p>Objective: Construct 10 units (moderate-income) over the planning period.</p> <p>Timing: Ongoing</p> <p>Responsibility: Planning</p>	<p>Progress: The City has undertaken an initiative in regard to manufactured housing. Such housing, including mobile homes as primary dwelling units on single lots are specifically permitted within the following single-family zoning districts:</p> <ul style="list-style-type: none"> • Rural Residential (RR) • Estate Residential 1 (ER-1) • Estate Residential 2 (ER-2) • Estate Residential 3 (ER-3) • Single-Family 1 (SF-1) <p>Effectiveness: Various building permits have been issued for the development of manufactured housing or to place mobile homes on permanent foundations within the Historic District. Mobile home parks are allowed with a conditional use permit in all residential zoning districts, including multifamily zoning districts. The City has a program to encourage the placement of existing single lot mobile homes on permanent foundations. This program waives building permit fees. To date, 85 such fee waivers have been approved.</p> <p>Appropriateness: The City will continue to permit affordable housing in the form of manufactured homes and mobile homes in single-family residential zoning districts.</p>
B4: Tax Increment Bonds	
Program	Accomplishments
<p>Action: A mortgage revenue increment bond program totaling \$4 million has been proposed by the City's Redevelopment Agency. Bond funds in the amount of \$1 million are expected to be available in April 2002. The Agency will use these funds to lower the land costs of proposed projects to the point where the development of very low-income units is feasible. The funds could be used for the outright purchase of sites, which are then sold to developers at a discounted price, or could be used to construct the on- and off-site public infrastructure required for a project.</p> <p>Objective: To subsidize the construction of 150 very low-income housing units.</p> <p>Timing: 2002, then ongoing</p> <p>Responsibility: Planning; Redevelopment Agency</p>	<p>Progress: In 2002, the Redevelopment Agency issued Tax Increment Bonds of which 20 percent were set-aside to provide low- to moderate-income housing opportunities.</p> <p>Effectiveness: In 2005, a second series of tax increment bonds were issued and again 20 percent of the proceeds were set-aside for the provision of low- to moderate-income housing. These funds have been used in a variety of ways to assist in the development of low- to moderate-income housing. The City used this program to construct the Monte Vista Apartments, which is a 64-unit apartment complex where 100 percent of the units are affordable. An additional affordable apartment complex that will have approximately 48 units is proposed to be completed in 2009. Both complexes are located on City purchased property.</p> <p>Appropriateness: The City will continue to utilize Tax Increment Bonds to provide affordable housing opportunities.</p>

B5: Land Improvement Projects	
Program	Accomplishments
<p>Action: Open up potential for both public and private sectors to develop affordable housing in the Redevelopment Project Areas by constructing off-site improvements and physical infrastructure as Capital Improvement Projects.</p> <p>Objective: Construction of infrastructure improvements which will assist in the development of five very low- and five low-income housing units.</p> <p>Timing: Ongoing; construction by 2005</p> <p>Responsibility: Development Services</p>	<p>Progress: With the expansion and adoption of new redevelopment projects areas during 2005, the City and Redevelopment Agency have financed and are currently involved in the preparation of traffic and other infrastructure improvement studies needed for the build-out of these redevelopment project areas. The infrastructure studies are expected to be completed in 2007.</p> <p>Effectiveness: The City has identified in its 2005-2009 Implementation Plan specific infrastructure improvements in Historic Murrieta. The City completed street and infrastructure improvements in the Historic Downtown and continues with other street and infrastructure improvements within the area. Funding through the Environmental Protection Agency was used to replace septic systems with a new sewer system in the Historic Downtown along with \$5 million allocated for neighborhood improvements to the Historic Downtown. The City has initiated or completed the following capital improvements:</p> <ul style="list-style-type: none"> • New City Hall • Increased capacity at the Town Square parking lot • Street Widening • Drainage Improvements • New decorative pieces added to traffic signals in the Historic Downtown • Replacement of sewer system underneath the Historic Downtown • New neighborhood park with a community center and picnic area • Room additions to the existing fire station • Initiated a “historic street theme” along Second Avenue for the relocation and preservation of historic structures and houses <p>Appropriateness: The City will continue to allocate funds for capital improvements in the City by expanding and replacing necessary infrastructure and City service facilities. Once the infrastructure studies are completed, the City can utilize these studies to plan and program future Capital Improvement Projects.</p>

B6: Redevelopment Project Areas Assistance Program	
Program	Accomplishments
<p>Action: Facilitate development of affordable housing by private development in the Redevelopment Project Areas. Facilitation will be accomplished by expediting application review and granting fee waivers for projects filed.</p> <p>Objectives: Facilitate construction of 131 affordable units in the Redevelopment Project Areas (51 very low-, 40 low- and 40 moderate-income units) by the end of the planning period.</p> <p>Timing: Ongoing; construction by 2005</p> <p>Responsibility: Development Services</p>	<p>Progress: The City has entered into development agreements and has conditioned residential developments within the Redevelopment Project Area with requirements to provide a minimum of 15 percent of the constructed units as affordable housing, as required under State Redevelopment Law. These agreements have and/or will provide for the development of 656 units, including the Grand Isle senior housing complex that will provide 453 senior units. It is anticipated that approximately 135 of these units will be affordable.</p> <p>Effectiveness: The above mentioned developments were granted expedited application review.</p> <p>Appropriateness: The City will continue to utilize incentives such as waiving of fees and expediting application reviews to facilitate the development of affordable housing by private developers.</p>
B7: Housing Loan Fund	
Program	Accomplishments
<p>Action: Encourage the development of low-income housing by promoting the use of the Riverside County Housing Loan fund which issues loans up to \$500,000 for the development of low-income housing units.</p> <p>Objective: Development Services will provide informational materials to the public which explain the loan program. This will assist in the development of 10 low-income housing units within the planning period.</p> <p>Timing: Construction by 2005</p> <p>Responsibility: Fund reserves; loan paybacks</p>	<p>Progress: The City has cooperated with Riverside County in funding programs for affordable housing. In Fiscal Year (FY) 2005-2006 the City and County partnered with the Riverside County Economic Development Agency to provide first-time homebuyer financing. In addition, the Redevelopment Agency has entered into agreements with the California Housing Finance Agency to provide below-market mortgage financing for very low- to moderate-income borrowers.</p> <p>Effectiveness: To date, the City has not received funding for a first-time homebuyers program. However, the City has entered into an agreement with the Riverside County Economic Council to provide such a program. Staff is anticipating that the First-Time Homebuyers Program will help bridge the gap in affordability between sales price and maximum income restrictions.</p> <p>Appropriateness: The First-Time Homebuyers Program will provide homebuyers with down payment assistance up to \$20,000. This program will become an essential program in assisting first-time homebuyers.</p>

Program C: Removal of Governmental Constraints	
CI: Review of Development Guidelines and Requirements, General Plan and Zoning	
Program	Accomplishments
<p>Action: At least every three years, systematically review existing requirements, land use designations and zoning classifications in order to ensure that these documents provide adequate opportunities to develop a housing mix which is balanced to the needs of the community.</p> <p>Objective (1): Amend Section 16.16 of the Murrieta Development Code to allow for a Planned Residential Development Overlay which raises densities by reducing allowable lot sizes and therefore, increasing opportunities for more affordable single-family detached housing.</p> <p>Objective (2): Amend Land Use Element and Development Code to remove the target density requirement in all residential use categories.</p> <p>Timing: Study complete by July, 2001; City Council action by September, 2001</p> <p>Responsibility: Planning</p>	<p>Progress: Based on the adoption of the existing Housing Element in 2001, this review should have taken place in either FY 2004-2005 or in FY 2005-2006. This review was not done. However, this progress report is such a review as is required by this provision.</p> <p>Effectiveness: Section 16.16 of the Development Code currently authorizes the reduction in lot sizes below the minimum allowed in the underlying zoning districts between 2,750 and 4,000 square feet (depending on the configuration of the development). None of the residential zoning districts any longer incorporate overall target densities, but rather simply require density ranges, as is standard in zoning provisions. Also, the Land Use, Circulation, and Economic Development Elements of the General Plan were updated in 2006.</p> <p>Appropriateness: The City will continue to re-evaluate the Development Code to analyze ordinances that promote a diversified mix of housing and do not constrain the production of housing in the City. The required periodic update of the General Plan and Housing Element ensures that the City offers programs, policies, and implementation actions to facilitate and assist in the production of housing for all socio-economic levels.</p>

C2: Waiver of Fees	
Program	Accomplishments
<p>Action: Encourage the development of affordable housing units (low- and very low-income) by permitting waivers, or reductions of selected City zoning and development processing fees, for new affordable residential housing developments that incorporates 25 percent, or more, affordable units within the development.</p> <p>Objective: Encourage the development of 20 very low-income housing units by waiving selected fees.</p> <p>Timing: Construct 25 units by end of planning period</p> <p>Responsibility: Development Services</p>	<p>Progress: The City has entered into several agreements requiring affordable housing. In these development agreements, fees have been waived and/or tax revenues have been shared with the developer(s) in return for the development of the affordable housing units. Other financial incentives have also been provided such as assistance with off-site improvements.</p> <p>Effectiveness: In 2006, the City of Murrieta conditioned two developers within the City's RDA to provide 15 percent of the units constructed to be set-aside, 18 for very low- and 33 for moderate-income, for a total of 51 affordable units. These developments had certain fees waived.</p> <p>Appropriateness: The City will continue to grant these incentives to developers of affordable housing on a case-by-case basis.</p>
Program D: Conservation and Improvement of the Existing Affordable Housing Stock	
D1: Historic Downtown Street Improvement Project	
Program	Accomplishments
<p>Action: The City will take the lead and coordinate with other involved agencies to improve the quality of existing very low-income units in the older, eastern portion of the City by increasing fire fighting capabilities, eliminating flooding problems and improving access and safety for vehicles and pedestrians.</p> <p>Objective: Commit nearly \$750,000 in funding to improve the habitability of 10 units and conserve/rehabilitate five homes.</p> <p>Timing: Commitment to funding in 2000-2001; project completion by 2002</p> <p>Responsibility: Development Services</p>	<p>Progress: In fiscal year 2005-2006 the City initiated or completed various improvement projects in the historic downtown area.</p> <p>Effectiveness: Several projects have directly benefited the lower-income housing in the area, including the 2005 downtown clean up that removed approximately 427 tons of debris; the downtown sewer system; sidewalk and drainage improvements on Plum, Juniper and "C" Street; and the widening of Ivy Street. All work was in compliance with State law and the Historic Downtown Specific Plan.</p> <p>Appropriateness: The City has taken action to address key issues of property owners in the area. The City has begun to allocate funding to infrastructure improvements in the area to improve safety and access for property owners in the older portions of the community.</p>

D2: Capital Improvement Program	
Program	Accomplishments
<p>Action: Improve conditions for approximately 100 existing single-family very low- and low-income units in the older, central portion of City with street improvements and storm drains. This project will service existing single-family lots and over 70 units in the Mission Hill and Warm Springs mobile home parks.</p> <p>Objective: Commit \$10-\$15,000,000 in funds.</p> <p>Timing: Project completion by 2005</p> <p>Responsibility: Riverside County Housing Authority, Redevelopment Agency</p>	<p>Progress: In Fiscal Year 2005-2006 the City initiated or completed several major improvement projects that benefited owners and residents in the older area of the City</p> <p>Effectiveness: The total capital improvement program in the downtown central area is approximately \$16-20 million. Projects include the Line E/Ivy Street Storm drain (\$6.8 million); improvements to Washington Street (\$4.5 million); widening of Jefferson Avenue (\$3.5 million); Interstate 15 / California Oaks interchange improvements (\$2 million); and improvements to Adams Street (\$1 million).</p> <p>Appropriateness: The City will continue capital improvements through the allocation of CDBG funding and rehabilitation program funds.</p>
D3: Housing Rehabilitation Program	
Program	Accomplishments
<p>Action: Make available Community Development Block Grant (CDBG) funds for rehabilitation loans to qualified single-family homeowners. Priority will be given to low-income senior applicants. Program loan amount limit is \$25,000.</p> <p>Objective: Rehabilitate two substandard units per year.</p> <p>Timing: Ongoing; 10 units by end of planning period</p> <p>Responsibility: Development Services</p>	<p>Progress: The County of Riverside Economic Development Agency (EDA) offers a Home Repair Program to qualified low-income households. The EDA covers the cost of repairs, such as repainting walls and roof repair up to a total of \$6,000 with no loan or payback requirement if you meet the program guidelines.</p> <p>Effectiveness: As of June 30, 2004, no affordable housing units have been substantially rehabilitated in the City. This is most likely due to the young age of most of the housing stock in the City. The City does provide resources through the County of Riverside for the rehabilitation of housing units for lower income households, but does not provide direct funding for this program.</p> <p>Appropriateness: The City will continue to distribute packets, brochures, and applications to property owners that are interested in applying for this County program.</p>

D4: Building Code Enforcement	
Program	Accomplishments
<p>Action: Enforce and expand, where necessary, the property maintenance provisions embodied in the Uniform Building Code and Land Use Ordinance in order to conserve and improve the quality of the housing units in the City. The majority of complaints involve requests for relatively minor rehabilitation or maintenance.</p> <p>Objective: With addition of second officer, become proactive in improving conditions. Maintain at least the current level of enforcement activity, 1,000 calls per year.</p> <p>Timing: Ongoing</p> <p>Responsibility: Building and Safety; Police</p>	<p>Progress: The Police Department operates the Code Enforcement Program. Code enforcement officers inspect residences to make sure they are in compliance with the California Building Code and the City's Municipal Code. If tenants complain about maintenance problems, Code Enforcement will investigate the complaint and send violation notices if necessary.</p> <p>Effectiveness: The City currently allocates funds for one senior code enforcement officer, three full time code enforcement officers, and a part-time code enforcement officer. At any time, the program has two code enforcement officers on duty. This program will increase in its effectiveness in the future as the age of the housing stock increases.</p> <p>Appropriateness: The City will continue to use the Code Enforcement Program to regulate property maintenance and compliance with the California Building Code and the City's Municipal Code.</p>

D5: Preservation of “at-risk” affordable housing units.	
Program	Accomplishments
<p>Action: Assist in the permanent preservation of all units “at-risk” of converting from affordable housing to market rate housing.</p> <p>Objective: To preserve units affordable to low- and very low-income household “at-risk” of converting to market rate.</p> <p>Timing: Ongoing</p> <p>Responsibility: Planning</p>	<p>Progress: “At-Risk” affordable units are those which had previously been developed and subsidized, but whose covenants requiring affordability are due to expire. Presently, the City has no such at-risk units.</p> <p>Effectiveness: To ensure continued affordable rents for lower income residents, four multifamily complexes were constructed between 2000 and 2006 with affordability requirements. These apartment complexes are:</p> <ul style="list-style-type: none"> • The Reserves at Madison Park Condominiums • Monte Vista Apartments • Amber Walk Condominiums • Silverado Apartments <p>These four apartment complexes offer 232 units that have deed restrictions. They are broken down into the following income categories:</p> <ul style="list-style-type: none"> • 100 very low-income units • 12 low-income units • 120 moderate-income units <p>Construction was completed on the Monte Vista Apartments, a 64 unit apartment complex, where 100 percent of the units are affordable. An affordable apartment complex that will have approximately 48 units is proposed to be completed in 2009. Both complexes are located on City property. The deed restrictions are not set to expire until 2042.</p> <p>Appropriateness: Affordable housing in the City will remain affordable through deed restrictions. An inventory of affordable units will be kept up-to-date by the RDA to monitor affordable units that may be at-risk of converting to market-rate housing. Many of the market-rate units in these projects already meet the affordability threshold for moderate-income residents.</p>

Program E: Improvement of Housing Opportunities and Accessibility	
E1: Fair Housing Council	
Program	Accomplishments
<p>Action: Maintain educated staff and referral information for the County Fair Housing Council and make available to all City residents in need. Information regarding fair housing issues and the availability of assistance will be provided by the City.</p> <p>Objective: Maintain contract with the Riverside County Fair Housing Council to mediate fair housing issues involving Murrieta residents.</p> <p>Timing: Coordinate with the Fair Housing Council so that the program is available within one year.</p> <p>Responsibility: Planning; Riverside Fair Housing Council</p>	<p>Progress: The City maintains close contact with the Riverside County Fair Housing Council. The City promotes residents to file complaints with the Fair Housing Council to eliminate housing discrimination. The Fair Housing Council also distributes fair housing pamphlets for Riverside County cities to disseminate to the public.</p> <p>Effectiveness: A staff person has been identified as the contact person for these programs and will provide information to those who contact the City seeking such assistance. The City has pamphlets available at City Hall regarding information about fair housing. The City will work cooperatively with the Fair Housing Council to actively pursue any complaints of housing discrimination within the City.</p> <p>Appropriateness: The City will continue to be involved with the Fair Housing Council to eliminate housing discrimination and distribute information to the public about how they can report housing discrimination.</p>
E2: First-time Homebuyer Assistance Program	
Program	Accomplishment
<p>Action: Promote the HOME – First-Time Homebuyer Program. This Program increases opportunities for home ownership for very low- and low-income families through down payment assistance.</p> <p>Objective: Assist very low- and low-income rental households in purchasing homes (five very low-income, five low-income).</p> <p>Timing: Ongoing</p> <p>Responsibility: Planning</p>	<p>Progress: The City participates in the HOME program through Riverside County, which is an additional program to the Community Development Block Grant program.</p> <p>Effectiveness: To date, the City has not received funding for a first-time homebuyers program through the County. Therefore, the City did not meet its objective of assisting five very low- and five low-income households. The City has entered into an agreement with the Riverside County Economic Council to provide such a program. Staff is anticipating that the First-Time Homebuyers Program will help bridge the gap in affordability between sales price and maximum income restrictions.</p> <p>Appropriateness: The First-Time Homebuyers Program will provide homebuyers with down payment assistance up to \$20,000. This program will become an essential program in assisting first-time homebuyers. The amount of the City's annual receipt of CDBG funds from the City varies, but is always significantly below what it is anticipated the City would receive if it were its own applicant and recipient directly from the Federal Government. Because of the City's needs to ensure that it controls and targets available resources to its own needs, it is recommended that the City remove itself from the Riverside County CDBG program and apply directly to HUD for its appropriate entitlement of CDBG funds.</p>

E3: Silent Second Mortgage Program	
Program	Accomplishment
<p>Action: Conserve home ownership potential by providing silent second mortgage funding to qualified home buyers. This second mortgage will reduce mortgage costs to very low-income households and will not become due until property transfers ownership. This second mortgage, in effect, decreases the debt load of the buyer. Loan amounts up to \$5,800.</p> <p>Objective: Assist 5 very low-income households in acquiring second mortgage loans.</p> <p>Timing: Ongoing; 5 loans by 2005</p> <p>Responsibility: Development Services</p>	<p>Progress: The City has entered into an agreement with the California Housing Finance Authority to provide silent second mortgages to very low- and moderate-income homebuyers.</p> <p>Effectiveness: Since this agreement was recently formed, no homebuyers have received silent second mortgages. The City also entered into an agreement to provide a First-Time Homebuyers Program to help bridge the gap in affordability between sales price and maximum income restrictions. This program provides homebuyers with down payment assistance up to \$20,000.</p> <p>Appropriateness: The City will continue to partner with the California Housing Finance Authority to provide silent second mortgages to qualified very low- and moderate-income homebuyers.</p>
E4: Section 8 Housing Assistance Program	
Program	Accomplishments
<p>Action: Support the Riverside County Housing Authority in promoting the Section 8 Housing Assistance Program which provides rent subsidies to very low-income households and landlords wishing to participate in the program.</p> <p>Objective: To provide assistance to low-income households within Murrieta that presently pay more than 30 percent of their income for housing. Ten additional households within the five year period will be assisted with Section 8 funding.</p> <p>Timing: Ongoing; 10 additional households by 2005</p> <p>Responsibility: Riverside County Housing Authority</p>	<p>Progress: The City utilizes Section 8 housing vouchers administered through the Riverside County Housing Authority to assist eligible City residents.</p> <p>Effectiveness: No Section 8 vouchers were administered to eligible City residents during this planning period. However, the City used other programs to assist lower income residents. The City uses deed restrictions to maintain affordable rents and used RDA set-aside funds to provide affordable units in the Monte Vista apartments.</p> <p>Appropriateness: The City will continue to participate with the Riverside County Housing Authority to provide Section 8 housing vouchers to eligible residents.</p>

Table 8-1: Summary of Housing Program Provisions and Achievement			
Program/Objective	Achieved	Partially Achieved	Not Achieved
Program A: Identification of Adequate Sites for Housing			
A1. Land Use Element and Zoning Ordinance	X		
A2. Residential Land and Economic Data Base		X	
A3. Re-designation / Rezoning / Amendments		X	
A4. Transitional Housing / Emergency Shelter Assistance		X	
Program B. Assistance to the Development of Housing for Very Low-, Low-, and Moderate-Income Households			
B1. Density Bonus	X		
B2. Second Unit Development	X		
B3. Manufactured Housing	X		
B4. Tax Increment Bonds	X		
B5. Land Improvement Projects	X		
B6. Redevelopment Project Areas Assistance Program	X		
B7. Housing Loan Fund	X		
Program C. Removal of Governmental Constraints			
C1. Review of Development Guidelines and Requirements, General Plan and Zoning	X		
C2. Waiver of Fees	X		
Program D. Conservation and Improvement of the Existing Affordable Housing Stock			
D1. Historic Old Town Street Improvement Project	X		
D2. Capital Improvement Projects	X		
D3. Housing Rehabilitation Program	X		
D4. Building Code Enforcement	X		
D5. Preservation of "at risk" Affordable Housing Units	X		
Program E. Improvement of Housing Opportunities and Accessibility			
E1. Fair Housing Council	X		
E2. First-time Homebuyer Assistance Program	X		
E3. Silent Second Mortgage Program	X		
E4. Section 8 Housing Assistance Program	X		

Appendix A

Appendix A provides supplemental data for the Housing Resources section. Included are tables providing detailed information about the vacant sites inventory for both vacant residentially zoned sites as well as the six sites identified to be rezoned. In addition, Exhibit A-1 provides a map showing the vacant residentially zoned land and its location in the City. A legend is provided indicating the existing zone for each parcel.

**Table A-1:
Sites Inventory of Vacant Sites Zoned SF-1**

Single Family-1 (SF-1)								
ID	APN	ACRES	ZONING	Z ABBREV	DENSITY	UNIT CAPACITY	CURRENT USE	WATER/SEWER
1	384260020	4.4	Single-Family 1, Residential	SF-1	2.1-5 du/ac	18	Vacant	EMWD
2	384260030	4.2	Single-Family 1, Residential	SF-1	2.1-5 du/ac	17	Vacant	EMWD
4	906140049	4.7	Single-Family 1, Residential	SF-1	2.1-5 du/ac	19	Vacant	WMWD
5	906140070	9.2	Single-Family 1, Residential	SF-1	2.1-5 du/ac	37	Vacant	WMWD
6	910080001	4.9	Single-Family 1, Residential	SF-1	2.1-5 du/ac	20	Vacant	EMWD
7	910080002	1.0	Single-Family 1, Residential	SF-1	2.1-5 du/ac	4	Vacant	EMWD
8	910080003	1.3	Single-Family 1, Residential	SF-1	2.1-5 du/ac	5	Vacant	EMWD
9	910080004	0.6	Single-Family 1, Residential	SF-1	2.1-5 du/ac	2	Vacant	EMWD
10	910080005	1.0	Single-Family 1, Residential	SF-1	2.1-5 du/ac	4	Vacant	EMWD
11	910080006	1.0	Single-Family 1, Residential	SF-1	2.1-5 du/ac	4	Vacant	EMWD
12	910080007	1.0	Single-Family 1, Residential	SF-1	2.1-5 du/ac	4	Vacant	EMWD
13	910080008	0.5	Single-Family 1, Residential	SF-1	2.1-5 du/ac	2	Vacant	EMWD
14	910080009	0.3	Single-Family 1, Residential	SF-1	2.1-5 du/ac	1	Vacant	EMWD
15	910080010	0.5	Single-Family 1, Residential	SF-1	2.1-5 du/ac	2	Vacant	EMWD
16	910080011	0.2	Single-Family 1, Residential	SF-1	2.1-5 du/ac	1	Vacant	EMWD
17	910080012	0.2	Single-Family 1, Residential	SF-1	2.1-5 du/ac	1	Vacant	EMWD
18	910080013	0.3	Single-Family 1, Residential	SF-1	2.1-5 du/ac	1	Vacant	EMWD
19	910080014	0.5	Single-Family 1, Residential	SF-1	2.1-5 du/ac	2	Vacant	EMWD
20	910080015	0.5	Single-Family 1, Residential	SF-1	2.1-5 du/ac	2	Vacant	EMWD
21	910080016	0.5	Single-Family 1, Residential	SF-1	2.1-5 du/ac	2	Vacant	EMWD
22	910080017	0.5	Single-Family 1, Residential	SF-1	2.1-5 du/ac	2	Vacant	EMWD
23	910080018	0.5	Single-Family 1, Residential	SF-1	2.1-5 du/ac	2	Vacant	EMWD
24	910080019	0.5	Single-Family 1, Residential	SF-1	2.1-5 du/ac	2	Vacant	EMWD
25	910080020	0.3	Single-Family 1, Residential	SF-1	2.1-5 du/ac	1	Vacant	EMWD
26	910080021	1.8	Single-Family 1, Residential	SF-1	2.1-5 du/ac	7	Vacant	EMWD
27	910080022	0.5	Single-Family 1, Residential	SF-1	2.1-5 du/ac	2	Vacant	EMWD
28	910080023	0.5	Single-Family 1, Residential	SF-1	2.1-5 du/ac	2	Vacant	EMWD
29	910080024	0.9	Single-Family 1, Residential	SF-1	2.1-5 du/ac	4	Vacant	EMWD
31	916241015	5.2	Single-Family 1, Residential	SF-1	2.1-5 du/ac	21	Vacant	EMWD
32	916241016	1.0	Single-Family 1, Residential	SF-1	2.1-5 du/ac	4	Vacant	EMWD
33	948210005	2.4	Single-Family 1, Residential	SF-1	2.1-5 du/ac	10	Vacant	EMWD
34	948210007	2.5	Single-Family 1, Residential	SF-1	2.1-5 du/ac	10	Vacant	EMWD
35	949130016	2.5	Single-Family 1, Residential	SF-1	2.1-5 du/ac	10	Vacant	EMWD
36	949130017	5.0	Single-Family 1, Residential	SF-1	2.1-5 du/ac	20	Vacant	EMWD
37	949130018	2.1	Single-Family 1, Residential	SF-1	2.1-5 du/ac	8	Vacant	EMWD
38	949130019	3.0	Single-Family 1, Residential	SF-1	2.1-5 du/ac	12	Vacant	EMWD
39	949130020	2.7	Single-Family 1, Residential	SF-1	2.1-5 du/ac	11	Vacant	EMWD
40	949130021	2.9	Single-Family 1, Residential	SF-1	2.1-5 du/ac	11	Vacant	EMWD
41	949130055	0.2	Single-Family 1, Residential	SF-1	2.1-5 du/ac	1	Vacant	EMWD
42	949130056	0.2	Single-Family 1, Residential	SF-1	2.1-5 du/ac	1	Vacant	EMWD
43	949130057	0.3	Single-Family 1, Residential	SF-1	2.1-5 du/ac	1	Vacant	EMWD
44	949130058	1.3	Single-Family 1, Residential	SF-1	2.1-5 du/ac	5	Vacant	EMWD
45	949130062	0.3	Single-Family 1, Residential	SF-1	2.1-5 du/ac	1	Vacant	EMWD
46	949130064	0.3	Single-Family 1, Residential	SF-1	2.1-5 du/ac	1	Vacant	EMWD
47	949130066	1.7	Single-Family 1, Residential	SF-1	2.1-5 du/ac	7	Vacant	EMWD
TOTAL		76.0				304		

Table A-2:
Sites Inventory of Vacant Sites Zoned SF-2

Single Family-2 (SF-2)							
ID	APN	ACRES	ZONING	DENSITY	UNIT CAPACITY	CURRENT USE	WATER/SEWER
48	916070019	1.3	Single-Family 2, Residential	5.1-10 du/ac	11	Vacant	EMWD
49	910100001	13.7	Single-Family 2, Residential	5.1-10 du/ac	110	Vacant	EMWD
TOTAL		15.1			121		

Table A-3:
Sites Inventory of Vacant Sites Zoned MF-1

Multifamily Residential-1 (MF-1)							
ID	APN	ACRES	ZONING	DENSITY	UNIT CAPACITY	CURRENT USE	WATER/SEWER
50	908360004	6.1	Multi-Family 1, Residential	10-15 du/ac	73	Vacant	EMWD
51	906020013	4.9	Multi-Family 1, Residential	10-15 du/ac	59	Vacant	WMWD
52	906020086	4.5	Multi-Family 1, Residential	10-15 du/ac	54	Vacant	WMWD
53	906020012	4.9	Multi-Family 1, Residential	10-15 du/ac	59	Vacant	WMWD
TOTAL		20.4			244		

Table A-4:
Sites Inventory of Vacant Sites Zoned MF-2

Multifamily Residential-2 (MF-2)							
ID	APN	ACRES	ZONING	DENSITY	UNIT CAPACITY	CURRENT USE	WATER/SEWER
54	910430006	5.5	Multi-Family 2, Residential	15-18 du/ac	80	Vacant	EMWD
55	913160040	10.1	Multi-Family 2, Residential	15-18 du/ac	146	Vacant	EMWD
56	949090026	7.6	Multi-Family 2, Residential	15-18 du/ac	109	Vacant	WMWD
57	949090035	7.1	Multi-Family 2, Residential	15-18 du/ac	103	Vacant	WMWD
TOTAL		30.4			438		

**Table A-5:
Sites Inventory of Vacant Sites Zoned MU-3**

Mixed Use-3 (MU-3)							
ID	APN	ACRES	ZONING	DENSITY	UNIT CAPACITY	CURRENT USE	WATER/SEWER
58	392290010	5.7	Multiple Use, Area 3	15-18 du/ac	41	Vacant	EMWD
59	392290011	1.9	Multiple Use, Area 3	15-18 du/ac	14	Vacant	EMWD
60	392290015	4.7	Multiple Use, Area 3	15-18 du/ac	34	Vacant	EMWD
61	392290022	5.6	Multiple Use, Area 3	15-18 du/ac	40	Vacant	EMWD
62	392380069	2.4	Multiple Use, Area 3	15-18 du/ac	18	Vacant	EMWD
63	906040015	3.3	Multiple Use, Area 3	15-18 du/ac	24	Vacant	WMWD
64	906040021	0.8	Multiple Use, Area 3	15-18 du/ac	6	Vacant	WMWD
65	906040026	4.9	Multiple Use, Area 3	15-18 du/ac	35	Vacant	WMWD
66	906040091	0.7	Multiple Use, Area 3	15-18 du/ac	5	Vacant	WMWD
67	906040092	2.5	Multiple Use, Area 3	15-18 du/ac	18	Vacant	WMWD
68	906040093	2.2	Multiple Use, Area 3	15-18 du/ac	16	Vacant	WMWD
69	906040094	1.4	Multiple Use, Area 3	15-18 du/ac	10	Vacant	WMWD
70	906040095	2.6	Multiple Use, Area 3	15-18 du/ac	19	Vacant	WMWD
71	906060049	0.2	Multiple Use, Area 3	15-18 du/ac	2	Vacant	WMWD
72	906070092	3.9	Multiple Use, Area 3	15-18 du/ac	28	Vacant	WMWD
73	906070093	0.6	Multiple Use, Area 3	15-18 du/ac	4	Vacant	WMWD
74	909020048	0.8	Multiple Use, Area 3	15-18 du/ac	6	Vacant	WMWD
75	909040001	0.8	Multiple Use, Area 3	15-18 du/ac	6	Vacant	WMWD
76	909040002	0.2	Multiple Use, Area 3	15-18 du/ac	2	Vacant	WMWD
77	909040020	0.5	Multiple Use, Area 3	15-18 du/ac	3	Vacant	WMWD
78	909170004	0.6	Multiple Use, Area 3	15-18 du/ac	4	Vacant	WMWD
79	909170005	0.8	Multiple Use, Area 3	15-18 du/ac	6	Vacant	WMWD
80	909170006	0.3	Multiple Use, Area 3	15-18 du/ac	2	Vacant	WMWD
81	909170007	26.8	Multiple Use, Area 3	15-18 du/ac	193	Vacant	WMWD
82	909170008	1.0	Multiple Use, Area 3	15-18 du/ac	7	Vacant	WMWD
83	909170009	0.2	Multiple Use, Area 3	15-18 du/ac	1	Vacant	WMWD
84	909170012	1.8	Multiple Use, Area 3	15-18 du/ac	13	Vacant	WMWD
85	909170013	2.1	Multiple Use, Area 3	15-18 du/ac	15	Vacant	WMWD
86	909170014	1.7	Multiple Use, Area 3	15-18 du/ac	12	Vacant	WMWD
87	909170015	2.7	Multiple Use, Area 3	15-18 du/ac	20	Vacant	WMWD
88	913210032	2.8	Multiple Use, Area 3	15-18 du/ac	20	Vacant	EMWD
89	949110008	1.7	Multiple Use, Area 3	15-18 du/ac	12	Vacant	WMWD
90	949110009	1.7	Multiple Use, Area 3	15-18 du/ac	12	Vacant	WMWD
91	949110010	1.7	Multiple Use, Area 3	15-18 du/ac	12	Vacant	WMWD
92	949110011	1.6	Multiple Use, Area 3	15-18 du/ac	12	Vacant	WMWD
93	949110035	5.7	Multiple Use, Area 3	15-18 du/ac	41	Vacant	WMWD
94	949110036	6.6	Multiple Use, Area 3	15-18 du/ac	48	Vacant	WMWD
95	949220057	0.4	Multiple Use, Area 3	15-18 du/ac	3	Vacant	EMWD
96	949670009	2.2	Multiple Use, Area 3	15-18 du/ac	16	Vacant	EMWD
TOTAL		108.3			780		

**Table A-6:
Inventory of Sites to be Rezoned and TOD Overlay Program Area**

PROPOSED INVENTORY OF SITES TO BE REZONED AND TOD OVERLAY AREA								
ID	APN or OVERLAY AREA	ACRES	PROPOSED ZONING	DENSITY	UNIT CAPACITY	CURRENT USE	WATER/ SEWER	FLOOD/ FAULT
SITE ONE (Jefferson South Property)								
1	909-030-032	1.05	Multi-Family 3, Residential	30 du/ac	31	Vacant	WMWD	No/Yes
1	909-030-033	1.04	Multi-Family 3, Residential	30 du/ac	31	Vacant	WMWD	No/Yes
Subtotal		2.09			62			
SITE TWO (Monte Vista II)								
2	949-600-030	2.0	Multi-Family 3, Residential	30 du/ac	60	Vacant	WMWD	No/Yes
Subtotal		2.0			60			
SITE THREE (Adams Avenue)								
3	906-080-018	6.00	Multi-Family 3, Residential	30 du/ac	180	Vacant	WMWD	No/Yes
Subtotal		6.00			180			
TOD Overlay Program Area								
	TOD Overlay	78.00	TOD Overlay	30 du/ac	2340	Vacant and Underutilized	WMWD	No/Yes
Subtotal		78.00			2340			
TOTAL		88.09			2642			

**Table A-7:
Inventory of Sites in TOD Overlay Program Area**

APN	ACRES	CURRENT ZONING	UNIT CAPACITY (BASED ON 30 DU/ACRE DENSITY)	EXISTING USE/STRUCTURE		WATER/SEWER	FLOOD/FAULT
949-230-021	1.26	Civic/Institutional	0	Vacant	Flood Channel	WMWD	NO/NO
949-210-071	2.06	Community Commercial	62	Business and Underutilized	Retail	WMWD	NO/NO
910-410-008	4.71	Community Commercial	141	Business and Underutilized	Retail	WMWD	NO/NO
910-140-074	19.02	Community Commercial	571	Business and Underutilized	Retail	WMWD	NO/NO
949-670-002	1.35	Community Commercial	41	Business and Underutilized	Retail	WMWD	NO/NO
910-410-002	0.98	Community Commercial	29	Business and Underutilized	Retail	WMWD	NO/NO
910-410-006	0.37	Community Commercial	11	Business and Underutilized	Retail	WMWD	NO/NO
910-410-004	0.77	Community Commercial	23	Business and Underutilized	Retail	WMWD	NO/NO
949-670-003	0.96	Community Commercial	29	Business and Underutilized	Retail	WMWD	NO/NO
949-210-058	2.13	Community Commercial	64	Business and Underutilized	Retail	WMWD	NO/NO
949-670-004	1.42	Community Commercial	43	Business and Underutilized	Retail	WMWD	NO/NO
949-670-006	1.08	Community Commercial	32	Business and Underutilized	Retail	WMWD	NO/NO
949-210-070	2.21	Community Commercial	66	Business and Underutilized	Retail	WMWD	NO/NO
910-410-003	1.09	Community Commercial	33	Business and Underutilized	Retail	WMWD	NO/NO
949-670-005	0.69	Community Commercial	21	Business and Underutilized	Retail	WMWD	NO/NO
949-670-007	0.84	Community Commercial	25	Business and Underutilized	Retail	WMWD	NO/NO
910-410-001	1.02	Community Commercial	31	Business and Underutilized	Retail	WMWD	NO/NO
949-210-059	5.30	Community Commercial	159	Business and Underutilized	Retail	WMWD	NO/NO
910-410-007	0.78	Community Commercial	23	Business and Underutilized	Retail	WMWD	NO/NO
949-210-072	0.52	Community Commercial	16	Business and Underutilized	Retail	WMWD	NO/NO
949-180-034	2.30	Community Commercial	69	Residential and Underutilized	Mobile Home	EMWD	NO/NO

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APN	ACRES	CURRENT ZONING	UNIT CAPACITY (BASED ON 30 DU/ACRE DENSITY)	EXISTING USE/STRUCTURE		WATER/SEWER	FLOOD/FAULT
949-670-008	1.63	Community Commercial	49	Vacant	Vacant	WMWD	NO/NO
910-140-044	10.21	Community Commercial	306	Vacant	Vacant	WMWD	NO/NO
910-410-011	17.99	Community Commercial	540	Vacant	Vacant	WMWD	NO/NO
949-180-007	1.96	Community Commercial	59	Vacant	Vacant	EMWD	NO/NO
910-410-009	6.07	Community Commercial	182	Vacant	Vacant	WMWD	NO/NO
949-180-036	2.23	Community Commercial	67	Vacant	Vacant	EMWD	NO/NO
910-410-005	1.46	Community Commercial	44	Vacant	Vacant	WMWD	NO/NO
949-220-048	9.03	Multi-Family 2	271	Vacant	Vacant	WMWD	NO/NO
949-200-025	2.51	Multiple Use 1	75	Residential and Underutilized	Mobile Home	EMWD	NO/NO
949-200-013	1.77	Multiple Use 1	53	Residential and Underutilized	Storage Yard	EMWD	NO/NO
949-200-011	0.93	Multiple Use 1	28	Residential and Underutilized	Mobile Home	EMWD	NO/NO
949-180-021	0.99	Multiple Use 1	30	Residential and Underutilized	Single-Family Home	EMWD	NO/NO
949-180-018	0.92	Multiple Use 1	28	Residential and Underutilized	Single-Family Home	EMWD	NO/NO
949-190-021	2.42	Multiple Use 1	73	Residential and Underutilized	Single-Family Home	EMWD	NO/NO
949-180-011	2.38	Multiple Use 1	71	Residential and Underutilized	Single-Family Home	EMWD	NO/NO
949-180-024	1.90	Multiple Use 1	57	Residential and Underutilized	Single-Family Home	EMWD	NO/NO
949-180-012	2.39	Multiple Use 1	72	Residential and Underutilized	Single-Family Home	EMWD	NO/NO
949-180-015	1.49	Multiple Use 1	45	Residential and Underutilized	Single-Family Home	EMWD	NO/NO
949-170-030	1.31	Multiple Use 1	39	Residential and Underutilized	Single-Family Home	EMWD	NO/NO
949-170-016	2.03	Multiple Use 1	61	Residential and Underutilized	Single-Family Home	EMWD	NO/NO
949-200-017	2.58	Multiple Use 1	77	Residential and Underutilized	Single-Family Home	EMWD	NO/NO
949-180-016	0.81	Multiple Use 1	24	Residential and Underutilized	Single-Family Home	EMWD	NO/NO
949-180-025	2.37	Multiple Use 1	71	Residential and Underutilized	Single-Family Home	EMWD	NO/NO
949-180-014	2.18	Multiple Use 1	65	Residential and Underutilized	Single-Family Home	EMWD	NO/NO
949-170-015	1.56	Multiple Use 1	47	Residential and Underutilized	Single-Family Home	EMWD	NO/NO

APN	ACRES	CURRENT ZONING	UNIT CAPACITY (BASED ON 30 DU/ACRE DENSITY)	EXISTING USE/STRUCTURE		WATER/SEWER	FLOOD/FAULT
949-190-020	2.35	Multiple Use 1	71	Residential and Underutilized	Single-Family Home	EMWD	NO/NO
949-170-017	2.00	Multiple Use 1	60	Residential and Underutilized	Single-Family Home	EMWD	NO/NO
949-200-018	9.25	Multiple Use 1	278	Residential and Underutilized	Metal Building	EMWD	NO/NO
949-180-020	1.04	Multiple Use 1	31	Residential and Underutilized	Mobile Home	EMWD	NO/NO
949-180-023	2.35	Multiple Use 1	71	Residential and Underutilized	Mobile Home	EMWD	NO/NO
949-190-010	3.66	Multiple Use 1	110	Residential and Underutilized	Mobile Home	EMWD	NO/NO
949-200-010	1.20	Multiple Use 1	36	Residential and Underutilized	Mobile Home	EMWD	NO/NO
949-210-022	1.40	Multiple Use 1	42	Residential and Underutilized	Mobile Home	EMWD	NO/NO
949-170-036	3.17	Multiple Use 1	95	Residential and Underutilized	Vacant	EMWD	NO/NO
949-190-002	2.28	Multiple Use 1	68	Residential and Underutilized	Metal Building	EMWD	NO/NO
949-200-023	2.13	Multiple Use 1	64	Residential and Underutilized	Mobile Home	EMWD	NO/NO
949-190-023	2.27	Multiple Use 1	68	Residential and Underutilized	Mobile Home	EMWD	NO/NO
949-180-022	1.18	Multiple Use 1	35	Residential and Underutilized	Single-Family Home	EMWD	NO/NO
949-190-008	2.45	Multiple Use 1	74	Residential and Underutilized	Mobile Home	EMWD	NO/NO
949-200-027	0.87	Multiple Use 1	26	Residential and Underutilized	Vacant	EMWD	NO/NO
949-170-035	1.91	Multiple Use 1	57	Residential and Underutilized	Mobile Home	EMWD	NO/NO
949-200-029	2.87	Multiple Use 1	86	Residential and Underutilized	Vacant	EMWD	NO/NO
949-200-012	1.11	Multiple Use 1	33	Residential and Underutilized	Mobile Home	EMWD	NO/NO
949-180-019	0.90	Multiple Use 1	27	Residential and Underutilized	Single-Family Home	EMWD	NO/NO
949-190-018	2.18	Multiple Use 1	65	Residential and Underutilized	Single-Family Home	EMWD	NO/NO
949-200-020	4.83	Multiple Use 1	145	Residential and Underutilized	Metal Building	EMWD	NO/NO
949-180-010	2.27	Multiple Use 1	68	Residential and Underutilized	Mobile Home	EMWD	NO/NO
949-200-019	0.45	Multiple Use 1	14	Residential and Underutilized	Metal Building	EMWD	NO/NO
949-200-028	1.39	Multiple Use 1	42	Residential and Underutilized	Mobile Home	EMWD	NO/NO
949-190-007	2.40	Multiple Use 1	72	Residential and Underutilized	Single-Family Home/Metal Building	EMWD	NO/NO

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APN	ACRES	CURRENT ZONING	UNIT CAPACITY (BASED ON 30 DU/ACRE DENSITY)	EXISTING USE/STRUCTURE		WATER/SEWER	FLOOD/FAULT
949-200-022	2.07	Multiple Use 1	62	Residential and Underutilized	Mobile Home	EMWD	NO/NO
949-210-019	1.16	Multiple Use 1	35	Residential and Underutilized	Mobile Home	EMWD	NO/NO
949-210-018	1.00	Multiple Use 1	30	Residential and Underutilized	Mobile Home	EMWD	NO/NO
949-190-009	2.16	Multiple Use 1	65	Residential and Underutilized	Mobile Home	EMWD	NO/NO
949-180-029	0.93	Multiple Use 1	28	Residential and Underutilized	Mobile Home	EMWD	NO/NO
949-190-004	2.35	Multiple Use 1	71	Residential and Underutilized	Mobile Home	EMWD	NO/NO
949-190-006	1.96	Multiple Use 1	59	Residential and Underutilized	Mobile Home	EMWD	NO/NO
949-190-001	2.25	Multiple Use 1	68	Residential and Underutilized	Single-Family House	EMWD	NO/NO
949-200-014	2.05	Multiple Use 1	62	Residential and Underutilized	Mobile Home/Metal Bldg	EMWD	NO/NO
949-210-020	3.35	Multiple Use 1	101	Residential and Underutilized	Mobile Home	EMWD	NO/NO
949-190-019	2.22	Multiple Use 1	67	Residential and Underutilized	Mobile Home	EMWD	NO/NO
949-200-009	1.38	Multiple Use 1	41	Residential and Underutilized	Mobile Home	EMWD	NO/NO
949-180-026	2.17	Multiple Use 1	65	Residential and Underutilized	Single-Family Home	EMWD	NO/NO
949-190-005	2.43	Multiple Use 1	73	Residential and Underutilized	Single-Family Home	EMWD	NO/NO
949-180-017	0.84	Multiple Use 1	25	Residential and Underutilized	Mobile Home	EMWD	NO/NO
949-190-022	2.28	Multiple Use 1	68	Residential and Underutilized	Mobile Home	EMWD	NO/NO
949-210-017	1.01	Multiple Use 1	30	Vacant	Vacant	EMWD	NO/NO
949-190-012	1.37	Multiple Use 1	41	Vacant	Vacant	EMWD	NO/NO
949-180-013	2.44	Multiple Use 1	73	Vacant	Vacant	EMWD	NO/NO
949-190-017	9.18	Multiple Use 1	275	Vacant	Vacant	EMWD	NO/NO
949-190-015	1.82	Multiple Use 1	55	Vacant	Vacant	EMWD	NO/NO
949-180-006	2.02	Multiple Use 1	61	Vacant	Vacant	EMWD	NO/NO
949-170-014	2.44	Multiple Use 1	73	Vacant	Vacant	EMWD	NO/NO
949-190-003	2.48	Multiple Use 1	74	Vacant	Vacant	EMWD	NO/NO
949-190-016	2.68	Multiple Use 1	80	Vacant	Vacant	EMWD	NO/NO
949-200-024	2.88	Multiple Use 1	86	Vacant	Vacant	EMWD	NO/NO
949-170-025	2.26	Multiple Use 1	68	Vacant	Vacant	EMWD	NO/NO
949-190-013	0.90	Multiple Use 1	27	Vacant	Vacant	EMWD	NO/NO
949-190-024	2.19	Multiple Use 1	66	Vacant	Vacant	EMWD	NO/NO
949-210-021	0.44	Multiple Use 1	13	Vacant	Shed	EMWD	NO/NO
949-200-026	2.33	Multiple Use 1	70	Vacant	Vacant	EMWD	NO/NO
949-180-030	0.96	Multiple Use 1	29	Vacant	Vacant	EMWD	NO/NO
949-200-021	9.59	Multiple Use 1	288	Vacant	Vacant	EMWD	NO/NO
949-190-014	0.91	Multiple Use 1	27	Vacant	Vacant	EMWD	NO/NO
949-170-013	2.52	Multiple Use 1	76	Vacant	Vacant	EMWD	NO/NO

APN	ACRES	CURRENT ZONING	UNIT CAPACITY (BASED ON 30 DU/ACRE DENSITY)	EXISTING USE/STRUCTURE		WATER/SEWER	FLOOD/FAULT
949-180-031	1.13	Multiple Use 1	34	Vacant	Vacant	EMWD	NO/NO
949-180-028	2.09	Multiple Use 1	63	Vacant	Vacant	EMWD	NO/NO
949-190-011	0.91	Multiple Use 1	27	Vacant	Vacant	EMWD	NO/NO
949-200-006	1.67	Multiple Use 1	50	Vacant	Vacant	EMWD	NO/NO
949-220-055	3.21	Multiple Use 3	96	Business and Underutilized	Retail	WMWD	NO/NO
949-220-054	7.43	Multiple Use 3	223	Business	Retail	WMWD	NO/NO
949-220-053	0.21	Multiple Use 3	6	Business	Retail	WMWD	NO/NO
949-220-047	0.73	Multiple Use 3	22	Business and Underutilized	Retail	WMWD	NO/NO
949-220-050	9.16	Multiple Use 3	275	Business	Retail	WMWD	NO/NO
949-220-026	1.39	Multiple Use 3	42	Business	Retail	WMWD	NO/NO
949-224-015	0.01	Multiple Use 3	0	Business	Office	WMWD	NO/NO
949-224-018	0.03	Multiple Use 3	1	Business	Office	WMWD	NO/NO
949-224-002	0.02	Multiple Use 3	1	Business	Office	WMWD	NO/NO
949-224-009	0.03	Multiple Use 3	1	Business	Office	WMWD	NO/NO
949-224-008	0.03	Multiple Use 3	1	Business	Office	WMWD	NO/NO
949-224-006	0.03	Multiple Use 3	1	Business	Office	WMWD	NO/NO
949-224-016	0.02	Multiple Use 3	1	Business	Office	WMWD	NO/NO
949-224-019	0.03	Multiple Use 3	1	Business	Office	WMWD	NO/NO
949-224-004	0.02	Multiple Use 3	1	Business	Office	WMWD	NO/NO
949-224-001	0.02	Multiple Use 3	1	Business	Office	WMWD	NO/NO
949-224-011	0.03	Multiple Use 3	1	Business	Office	WMWD	NO/NO
949-224-013	0.02	Multiple Use 3	1	Business	Office	WMWD	NO/NO
949-224-007	0.03	Multiple Use 3	1	Business	Office	WMWD	NO/NO
949-224-003	0.02	Multiple Use 3	1	Business	Office	WMWD	NO/NO
949-224-010	0.03	Multiple Use 3	1	Business	Office	WMWD	NO/NO
949-224-017	0.03	Multiple Use 3	1	Business	Office	WMWD	NO/NO
949-224-012	0.03	Multiple Use 3	1	Business	Office	WMWD	NO/NO
949-224-021	1.95	Multiple Use 3	59	Business	Office	WMWD	NO/NO
949-220-051	0.24	Multiple Use 3	7	Business	Bank	WMWD	NO/NO
949-224-005	0.03	Multiple Use 3	1	Business	Office	WMWD	NO/NO
949-224-014	0.02	Multiple Use 3	1	Business	Office	WMWD	NO/NO
949-220-031	0.34	Multiple Use 3	10	Residential and Underutilized	Office	WMWD	NO/NO
949-224-020	0.03	Multiple Use 3	1	Business	Office	WMWD	NO/NO
949-220-014	0.62	Multiple Use 3	19	Residential and Underutilized	Office	WMWD	NO/NO
949-220-032	0.37	Multiple Use 3	11	Residential and Underutilized	Barn	WMWD	NO/NO
949-220-056	0.16	Multiple Use 3	5	Vacant	Vacant	WMWD	NO/NO
949-670-009	26.82	Multiple Use 3	805	Vacant	Vacant	WMWD	NO/NO
949-220-013	0.48	Multiple Use 3	14	Vacant	Barn	WMWD	NO/NO
949-180-035	0.16	Open Space	5	Vacant	Vacant	EMWD	NO/NO
949-180-037	0.16	Open Space	5	Vacant	Vacant	EMWD	NO/NO
910-250-008	2.65	Professional Commercial	80	Vacant	Vacant	EMWD	NO/NO
949-230-026	2.28	Regional Commercial	68	Business and Underutilized	Retail	WMWD	NO/NO

Appendix A

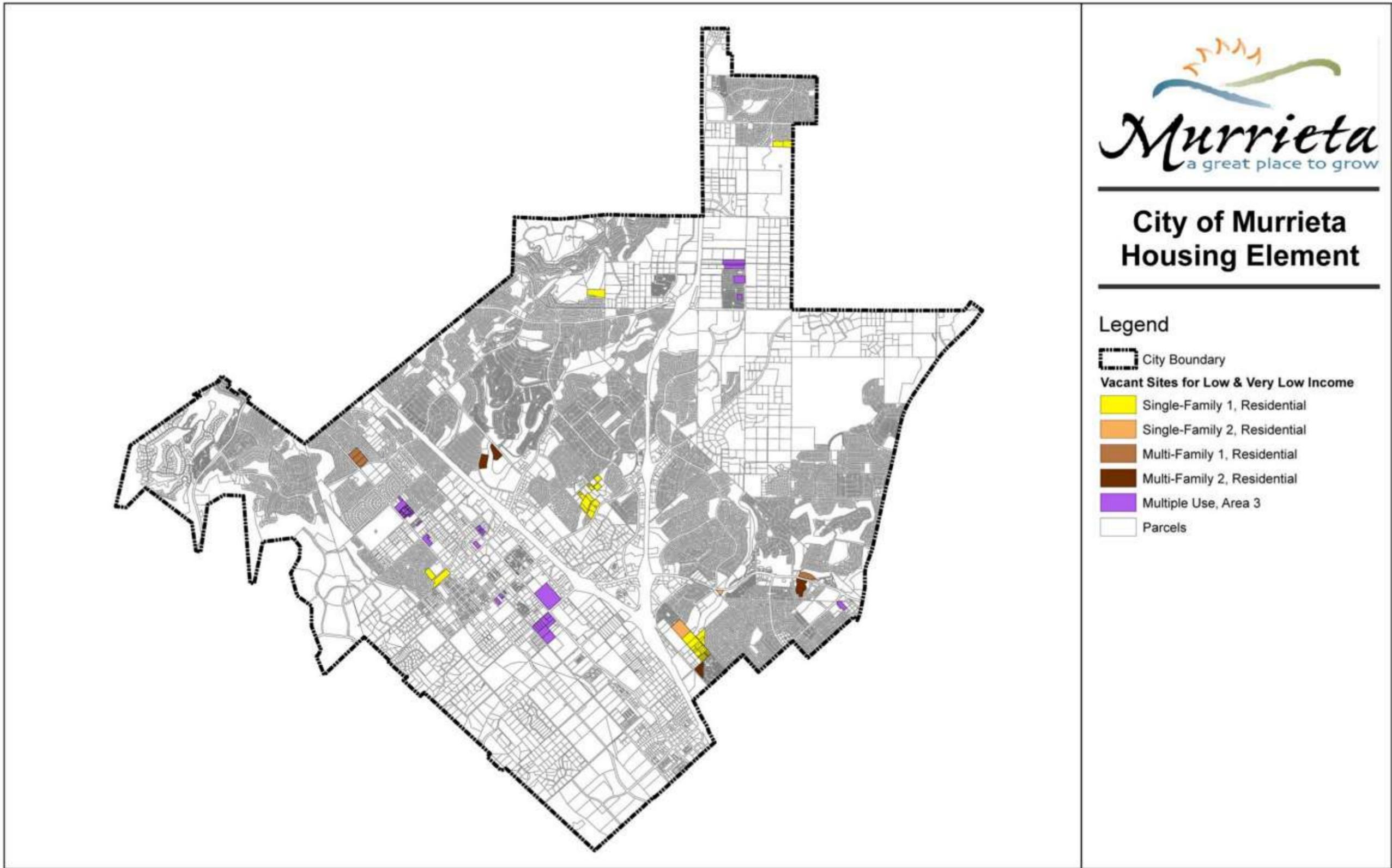
APN	ACRES	CURRENT ZONING	UNIT CAPACITY (BASED ON 30 DU/ACRE DENSITY)	EXISTING USE/STRUCTURE		WATER/SEWER	FLOOD/FAULT
949-240-034	1.86	Regional Commercial	56	Business and Underutilized	Retail	WMWD	NO/NO
949-240-031	0.58	Regional Commercial	17	Business and Underutilized	Retail	WMWD	NO/NO
949-240-028	0.80	Regional Commercial	24	Business and Underutilized	Retail	WMWD	NO/NO
949-240-027	0.72	Regional Commercial	22	Business and Underutilized	Retail	WMWD	NO/NO
949-230-020	4.56	Regional Commercial	137	Business and Underutilized	Retail	WMWD	NO/NO
949-240-033	0.48	Regional Commercial	14	Business and Underutilized	Retail	WMWD	NO/NO
949-240-036	1.40	Regional Commercial	42	Business and Underutilized	Retail	WMWD	NO/NO
949-230-027	2.60	Regional Commercial	78	Business and Underutilized	Retail	WMWD	NO/NO
949-230-001	4.81	Regional Commercial	144	Business and Underutilized	Retail	WMWD	NO/NO
949-240-035	0.17	Regional Commercial	5	Business and Underutilized	Retail	WMWD	NO/NO
949-230-031	0.47	Regional Commercial	14	Business and Underutilized	Retail	WMWD	NO/NO
949-240-032	3.10	Regional Commercial	93	Business and Underutilized	Retail	WMWD	NO/NO
949-230-029	0.54	Regional Commercial	16	Business and Underutilized	Retail	WMWD	NO/NO
910-031-022	0.49	Regional Commercial	15	Vacant	Vacant	EMWD	NO/NO
910-031-024	1.03	Regional Commercial	31	Vacant	Vacant	EMWD	NO/NO
910-031-023	1.04	Regional Commercial	31	Vacant	Vacant	EMWD	NO/NO
910-031-002	0.51	Regional Commercial	15	Vacant	Vacant	EMWD	NO/NO
910-031-011	0.50	Regional Commercial	15	Vacant	Vacant	EMWD	NO/NO
910-031-003	0.99	Regional Commercial	30	Vacant	Vacant	EMWD	NO/NO
910-031-018	1.00	Regional Commercial	30	Vacant	Vacant	EMWD	NO/NO
910-031-006	0.50	Regional Commercial	15	Vacant	Vacant	EMWD	NO/NO
910-031-020	1.42	Regional Commercial	43	Vacant	Vacant	EMWD	NO/NO
910-031-004	1.01	Regional Commercial	30	Vacant	Vacant	EMWD	NO/NO
910-031-008	1.01	Regional Commercial	30	Vacant	Vacant	EMWD	NO/NO
910-031-001	0.50	Regional Commercial	15	Vacant	Vacant	EMWD	NO/NO
910-031-021	0.81	Regional Commercial	24	Vacant	Vacant	EMWD	NO/NO
910-031-017	1.00	Regional Commercial	30	Vacant	Vacant	EMWD	NO/NO
910-031-010	0.50	Regional Commercial	15	Vacant	Vacant	EMWD	NO/NO
910-031-025	0.76	Regional Commercial	23	Vacant	Vacant	EMWD	NO/NO
910-031-015	0.94	Regional Commercial	28	Vacant	Vacant	EMWD	NO/NO
910-031-026	0.86	Regional Commercial	26	Vacant	Vacant	EMWD	NO/NO
910-031-009	2.03	Regional Commercial	61	Vacant	Vacant	EMWD	NO/NO
910-031-007	0.51	Regional Commercial	15	Vacant	Vacant	EMWD	NO/NO
910-031-005	0.99	Regional Commercial	30	Vacant	Vacant	EMWD	NO/NO

* At least 50 percent of the remaining very low and low income need will be accommodated on sites designated exclusively for residential uses.



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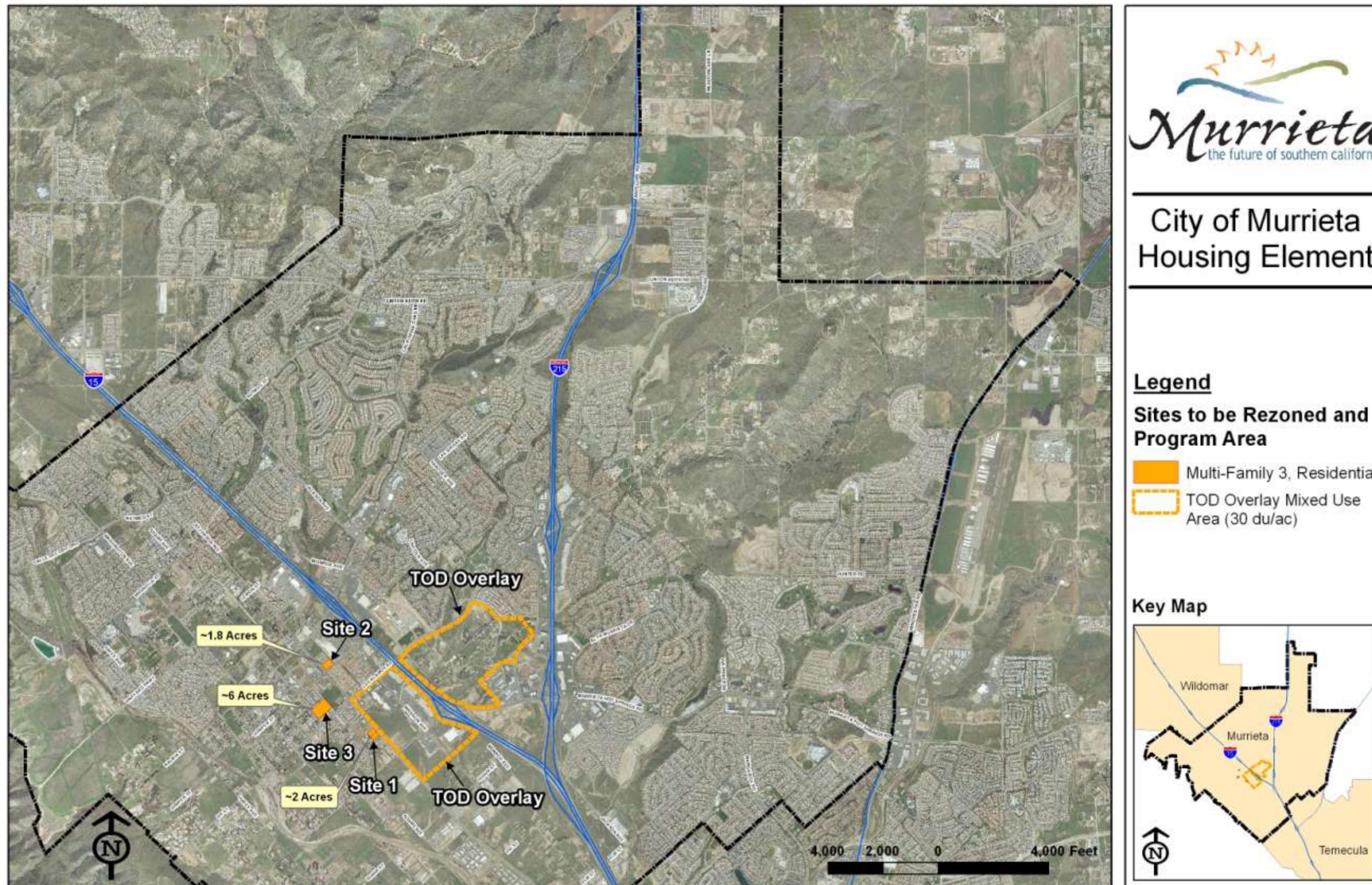
Exhibit A-1: Vacant Residentially Zoned Sites to Accommodate the RHNA





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Exhibit A-2: Sites to be Rezoned and TOD Overlay Program Area to Accommodate the RHNA





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Appendix B

Appendix B includes a letter from Affirmed Housing Group (AHG) addressing densities appropriate to develop affordable housing in the City of Murrieta. AHG states that the current maximum density of 18 dwelling units allowed in the MF-2 and MU-3 zones is sufficient to build not only very low- and low-income units but also units for extremely low-income households. The Appendix also includes a sample pro forma that was completed for 36 multi-bedroom units on 2 acres of land in Downtown indicating that the organization will still make a profit by constructing at 18 dwelling units per acre.



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April 1, 2010

Dorothy Farmer
Senior Management Analyst
Community Development Department
City of Murrieta
24601 Jefferson Avenue
Murrieta, CA 92562

Re: Affordable Development Feasibility at 18DU/acre

Dear Dorothy:

Affirmed Housing Group (AHG), established in 1994, develops and owns affordable apartment communities throughout California. Our current portfolio includes 23 apartment communities and over 2,200 units, and we currently have more than 600 new units in the development pipeline. In 2005, we completed our 64 unit Monte Vista Apartments on Jefferson in Murrieta, and over the past two years we have been actively pursuing development of our second affordable project in Murrieta.

AHG has analyzed multiple sites in the general vicinity of Jefferson and Juniper, ranging in size from 2 – 6 acres. The attached proforma illustrates a potential development recently analyzed by AHG. Based on current property values, projects can be underwritten at the current multi-family zoning density standard of 18 dwelling units per acre, and do not necessarily require the 1.35 density bonus allowable by SB1818 to be financially viable.

To the extent property values do not increase significantly, the 18 DU/acre density will continue to be sufficient to allow for development of affordable apartments, and the available 1.35 density bonus will extend the viability of this density even with moderate increases in property acquisition costs. Significant increases in property costs will likely require an increase in per-unit contribution by the City. For developments on City owned property, affordable developments will remain viable at an 18DU/acre density.

Please do not hesitate to contact me if further clarification of this issue is needed.

Cordially,

A handwritten signature in blue ink, appearing to read 'Lindsay Quackenbush', is written over a printed name and title.

Lindsay Quackenbush
Vice President of Development

Proposed Family Apartments - 36 Units
9% + RDA +County + Land + Def Dev Fee

SOURCES

		Per Unit	Percent Total
Conventional Permanent Loan	\$ 1,020,001	\$ 28,333	9.6%
Murrieta RDA	\$ 2,000,000	\$ 55,556	18.9%
County of Riverside	\$ 968,000	\$ 26,889	9.2%
Low Income Housing Tax Credits	\$ 5,268,882	\$ 146,358	49.8%
City Land Contribution	\$ 1,320,000	\$ 36,667	12.5%
Deferred Developer Fee	\$ -	\$ -	0.0%
TOTAL SOURCES	\$ 10,576,883	\$ 293,802	100.0%

USES

		Per Unit	Percent Total
Land Acquisition	\$ 1,320,000	\$ 36,667	12.5%
Demolition	\$ -	\$ -	0.0%
On & Off Site Work	\$ 756,000	\$ 21,000	7.1%
Direct Construction	\$ 4,545,280	\$ 126,258	43.0%
Construction & Soft Cost Contingency	\$ 367,970	\$ 10,221	3.5%
Architecture	\$ 505,000	\$ 14,028	4.8%
Civil Engineer	\$ 350,000	\$ 9,722	3.3%
Construction/predev. Loan Interest & Fees	\$ 282,000	\$ 7,833	2.7%
Site Security	\$ 72,000	\$ 2,000	0.7%
Capitalized Reserves	\$ 89,633	\$ 2,490	0.8%
Taxes & Insurance	\$ 85,000	\$ 2,361	0.8%
Escrow & Title	\$ 20,000	\$ 556	0.2%
Legal Fees	\$ 40,000	\$ 1,111	0.4%
Development Impact Fees & Permits	\$ 828,000	\$ 23,000	7.8%
Tax Credit Fees	\$ 48,000	\$ 1,333	0.5%
Environmental Consultants	\$ -	\$ -	0.0%
Misc. Soft Costs (Accounting, Appraisal, Furnishin	\$ 93,000	\$ 2,583	0.9%
Developer Fee	\$ 1,175,000	\$ 32,639	11.1%
TOTAL USES	\$ 10,576,883	\$ 293,802	100.0%

RDA contribution per affordable unit: \$ 57,143
Tiebreaker 65.68%

INCOME

Type	Qty.	Subtotal	% AMI	Rental Income		
				Gross	Net	Total
1BR	2		30%	\$ 374	\$ 328	\$ 656
1BR	2		40%	\$ 499	\$ 453	\$ 906
1BR	6		50%	\$ 624	\$ 578	\$ 3,468
1BR	2	12	60%	\$ 749	\$ 703	\$ 1,406
2BR	1		30%	\$ 435	\$ 376	\$ 376
2BR	1		40%	\$ 599	\$ 540	\$ 540
2BR	8		50%	\$ 726	\$ 667	\$ 5,336
2BR	2		60%	\$ 871	\$ 812	\$ 1,624
2BR Mgr	0	12	n/a	\$ -	\$ -	\$ -
3BR	1		30%	\$ 484	\$ 412	\$ 412
3 BR	1		40%	\$ 692	\$ 620	\$ 620
3BR	4		50%	\$ 806	\$ 734	\$ 2,936
3BR	6	12	60%	\$ 968	\$ 896	\$ 5,376
TOTAL	36	36		TOTAL	\$ 23,656	\$ 23,656
					Annual Residential Income	\$ 263,872
					Other Income	\$ 5,706
					Vacancy	\$ (14,479)
					ANNUAL INCOME	\$ 275,099

EXPENSES

	per unit	
General Admin. (security, office equip., accounting)	\$ 472	\$ 17,000
Management Fee	\$ 473	\$ 17,032
Utilities (water, sewer, gas, electric)	\$ 556	\$ 20,000
On-Site Manager & Maintenance Payroll	\$ 944	\$ 34,000
Property Taxes & Prop./Liab./Earthquake Ins.	\$ 250	\$ 9,000
Maintenance & Grounds	\$ 528	\$ 19,000
Partnership Management	\$ 417	\$ 15,000
Resident Services	\$ 278	\$ 10,000
Replacement Reserves	\$ 250	\$ 9,000
Property Taxes	\$ 694	\$ 25,000
ANNUAL EXPENSES	\$ 4,862	\$ 175,032