

## 5 • HOUSING NEEDS

Compared to many other areas of California, land and development costs are still relatively low in Firebaugh in relationship to the ability of households to afford housing. Yet, there are still a number of households in the community that have difficulty obtaining affordable, safe and decent housing in the community.

Housing need is a complex issue, consisting of at least three major components:

- housing affordability,
- housing quality, and
- housing quantity

In addition, certain segments of the population have traditionally experienced difficulty in obtaining adequate housing, including the elderly, the handicapped, female heads of household, the large family, homeless, extremely low income households, and farm workers. Housing element law requires specific analysis and planning for these special groups.

### Housing Affordability

State housing policy recognizes that cooperative participation of 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 a decent home in a satisfying environment that is affordable. The private sector generally responds to the majority of the community's housing needs through the production of “market-rate” housing – by definition, residential dwellings that are affordable to households making 120 percent or more of the county's median household income.

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***A primary State goal is the provision of a decent home and a satisfying environment that is affordable***

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There are many components involved in housing costs. Some of these factors can be controlled at the local level, like development impact fees. Other factors, such as interest rates or the cost of building materials cannot be controlled at the local level. It is a primary goal of Firebaugh to adopt local policies and procedures that do not unnecessarily add to already escalating housing costs. However, it is vital that the fees

associated with new housing development pay for the additional expenses incurred by the City as a result of the new housing.

Some of the effects or problems that result from increased housing costs include the following:

- **Rate of Homeownership:** As housing prices climb, fewer people can afford to purchase homes. Households with moderate incomes who traditionally purchased homes, compete with less advantaged households for rental housing. The expected outcome is lower vacancy rates for apartment units and higher rents. Fortunately in Firebaugh a number of new single family homes have been developed in recent years. This has opened the market for homebuyers, and reduced pressure on available multi family units.
  
- **Overpayment:** The cost of housing eventually causes fixed-income, elderly and lower income families to use a disproportionate percentage of their income (over 30 percent of their adjusted gross income) for housing. This causes a series of other financial challenges often resulting in a deteriorating housing stock because the costs of maintenance must be sacrificed for more immediate expenses (e.g., food, clothing, medical care and utilities). Firebaugh's efforts in facilitating the construction of new housing, using state grants, tax credits, and RDA funds, has helped to mitigate this potential housing problem. Even persons who are agricultural field workers have affordable housing opportunities in Firebaugh through

## Understanding Income Categories

The State of California has established five household income categories that are used in housing policy and planning. These categories are based on the median income for each County. In Fresno County, the median income in 2008 for a family of four was \$53,800. The income categories are further refined by the number of persons in the household. For each income category below, an example of a four-person household in Firebaugh is provided.

**Extremely Low Income:** A household that earns less than 30% of the median County income. Example: \$16,150 maximum yearly income for family of four.

**Very Low Income:** A household that earns less between 30% and 50% of the median County income. Example: \$26,900 maximum yearly income for family of four.

**Low Income:** A household that earns between 51% to 80% of County median income. Example: \$43,050 maximum yearly income for family of four.

**Moderate Income:** A household that earns between 81% and 120% of County median income. Example: \$64,600 maximum yearly income for family of four.

**Above Moderate Income:** A household earning more than 120% of the County median income. Example: more than \$64,560 yearly income for family of four.

public housing units operated by the Fresno County Housing Authority, as well as the use of Section 8 vouchers provided by the Authority.

- **Overcrowding:** As housing prices climb, lower income households must be satisfied with less house for the available money. This can result in overcrowding, which places a strain on municipal infrastructure. Further, it does not provide a satisfying living environment, and eventually can cause conditions that contribute to both deterioration of the housing stock and neighborhoods. Firebaugh has attempted to mitigate this problem through its Redevelopment Agency's low income housing funds and the City's facilitation of new residential development.

### Median Home Prices

The 2000 U.S. Census determined that the median home value in Firebaugh was \$80,900; in Fresno County, \$104,900; and in California, \$194,300. Firebaugh's year 2000 median home price is up from \$69,700 in 1990. Since the year 2000, median home prices have increased significantly statewide, including Firebaugh. Recent information indicates the median home price in 2008 at about \$160,000. However this figure has decreased from a median “high” home price that approached \$300,000 in Firebaugh in 2006 and 2007.

According to the 2000 Census, median rents in Firebaugh were \$517, up from a median rent of \$289 in 1990. This compares with median rents of \$534 and \$434 in Fresno County for the years 2000 and 1990, respectively. By comparison, median rents in California were \$747 in 2000 and \$620 in 1990. More recent data indicates the median rent in Firebaugh is at \$763 in 2008 – a significant increase since 2000.

### Overpayment

While Firebaugh's median mortgages and rent are below county and state figures, the test of housing affordability in a community is measured by the number of local households overpaying for shelter. In Firebaugh, a large number of households overpay for shelter. These monies could be spent on goods and services as well as basic housing upkeep.

Based on data from the 2000 U.S. Census, the following conclusions can be made about households in Firebaugh that “overpay” for shelter:

#### **“Overpayment” Defined**

*The State of California considers a household that is spending more than 30% of its income for housing to be “overpaying”.*

*According to the 2000 Census, nearly 40% of all households in Firebaugh were paying more than 30% of their income for housing.*

- 36 percent of owner-occupied households were overpaying for shelter
- 43 percent of renter-occupied households were overpaying for shelter

Given the significant increase in median home prices and median rents observed since 2000 (coupled with stagnant incomes) it is expected that these figures have only gotten worse. The City will need to review the 2010 Census data when it becomes available and update this information.

**Table 5-1**  
***Households Spending Over 30 percent of their Gross Income for Housing***

	Owner-Occupied Households	Renter-Occupied Households
Total Households	666	591
Households paying more than 30 percent for shelter	239	252
Percent Overpaying	36%	43%

Source: 2000 U.S. Census.

The housing affordability problem has been addressed through various means - by the City and its Redevelopment Agency through its first-time home-buyer's program, the private sector through a variety of means, including use of State tax credit funds, and by the Fresno County Housing Authority, which owns and operates five housing complexes in Firebaugh with a total of 152 units, including a 30-unit complex reserved for elderly. In addition there is a 98-unit migrant farmworker housing complex. The Housing Authority provides rental housing for very low and low-income families. The Authority also assists families in renting private dwellings through its Section 8 voucher program. Currently, the Authority has 12 Section 8 units in the city. A Section 8 certificate allows a qualified lower income family to receive rental assistance from the Housing Authority.

In addition, the City's Redevelopment Agency has been actively assisting housing projects through its Low-Moderate Income (LMI) fund. Most recently the Agency has provided financial assistance to the Greenlining Foundation for construction of its 21-unit affordable single family housing project – The San Joaquin Villas, located on the east side of State Highway 33, north of Clyde Fannon Road. The agency provided a \$240,000 grant as well as a \$150,000 low interest loan. The project is under construction as this Housing Element was being prepared.

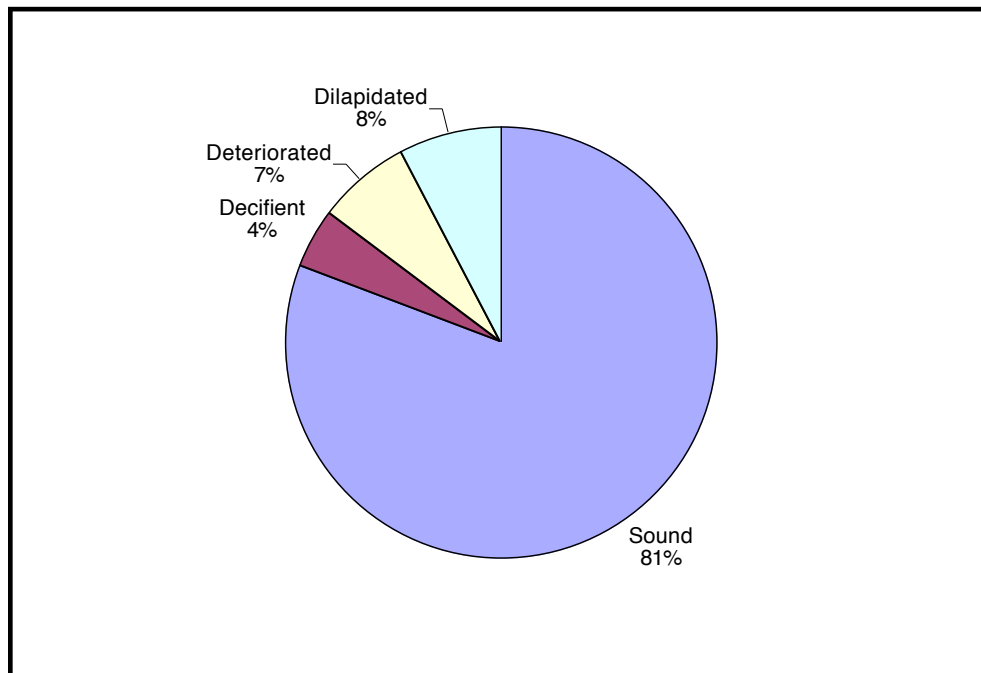
Housing Quality

A housing condition survey was conducted in 2006 to determine the quality of Firebaugh's housing stock. In this survey, each dwelling unit was evaluated for its physical condition and appearance. The housing condition survey was conducted using the four definitions listed below:

- 1) **Sound Structure:** a well maintained structure in good condition with no or very few defects of minor consequence.
- 2) **Deficient Structure:** a structure in relatively good condition, but in need of more than a few minor repairs and in general maintenance.
- 3) **Deteriorated Structure:** a structure in need of several minor repairs including plumbing and electrical work and roof repairs.
- 4) **Dilapidated Structure:** a structure in need of more than two major repairs and/or a high number of minor repairs which makes the rehabilitation of the structure economically unfeasible.

The results of the survey are summarized in Chart 5-1.

**Chart 5-1**  
*Housing Quality Survey*



The survey revealed that a 19 percent of Firebaugh’s dwelling units were rated either "deficient" "deteriorated" or "dilapidated". Of the 1,754 housing units sampled, 134 were rated as dilapidated (8 percent); 124 were rated deteriorated (7 percent) and 76 units (4 percent) were rated deficient. The balance of the units (81 percent) were rated sound.

Overcrowding

The Bureau of Census defines overcrowded housing units as those having more than one person per room (excluding kitchens, bathrooms, hallways, etc.).

About 36 percent of the housing units in Firebaugh were overcrowded in 2000, according to the Census. In terms of tenure, about 34 percent of owner-occupied units were overcrowded; over 39 percent of renter-occupied units were overcrowded. In Fresno County, the percentage of overcrowded units was 19 percent.

Table 5-2  
Residential Overcrowding: 1990 - 2000

	Owner-Occupied		Renter-Occupied	
	<u>Overcrowded</u>	<u>All Units</u>	<u>Overcrowded</u>	<u>All Units</u>
1990	213 (42%)	627	263 (39%)	672
2000	286 (34%)	836	233 (39%)	591

Source: US Census, 1990 – 2000

The City will need to examine data from the year 2010 Census when it becomes available, and update information on overcrowding. It is also expected that overcrowding worsens during peak harvest times when seasonal farmworkers are seeking shelter in valley communities.

Overcrowding is typically reflective of one of three conditions:

1. A family or household is living in too small a dwelling;
2. A family is required to house extended family members (i.e. grandparents or grown children and their families living with parents); or
3. A family is renting inadequate living space to non-family members (i.e. families renting to migrant farm workers).

Whatever the cause of overcrowding, there is a direct link between overcrowding and housing affordability. Examples of this condition include the following:

- Homeowners/renters with large families are unable to afford larger dwellings.
- Older children wishing to leave home who cannot qualify for a home loan or are unable to make rental payments.
- Grandparents on fixed incomes are unable to afford suitable housing or have physical handicaps that force them to live with their children.
- Families with low incomes will permit overcrowding to occur in order to derive additional income, or there is an insufficient supply of housing units in the community to accommodate the demand.

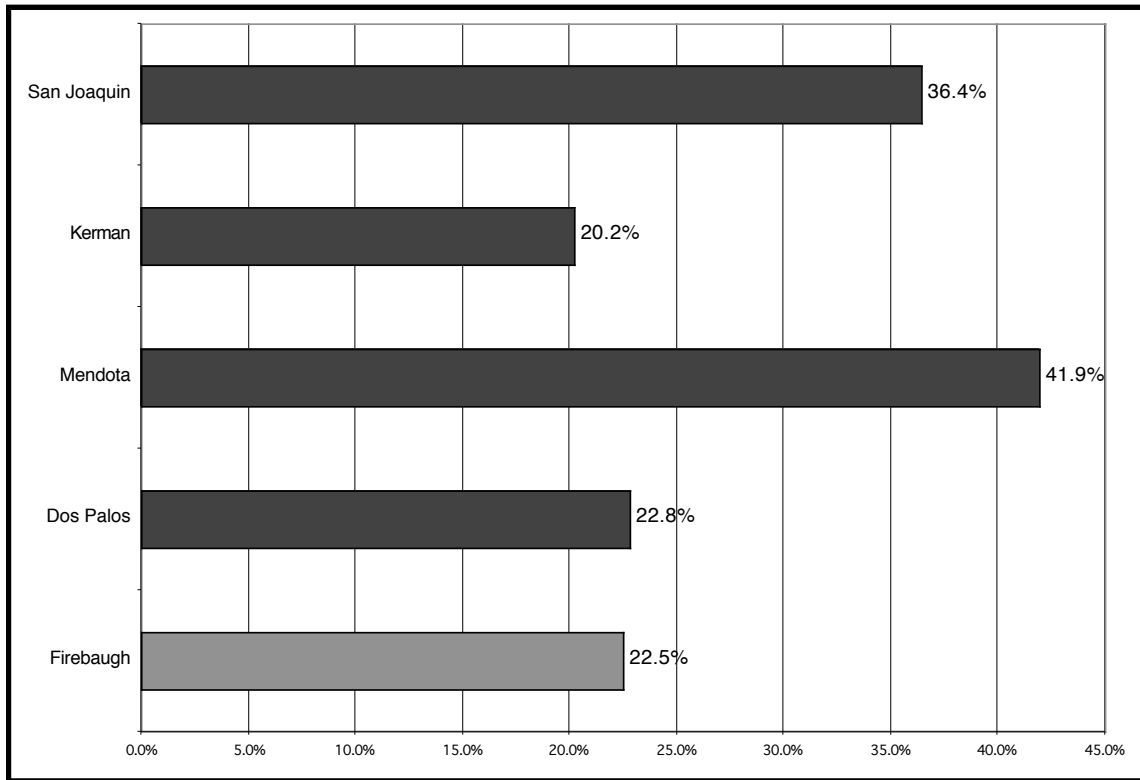
Overall, renters are more likely to live in overcrowded conditions than homeowners. This problem is closely related to Firebaugh's nature as an agricultural community. Not surprisingly, many units become overcrowded during peak harvest times.

There are a number of ways to address this problem, including the addition of bedrooms to existing units, rehabilitation of uninhabitable units and construction of new rental units.

### **Poverty and Unemployment**

An important measure of the ability to afford decent housing is the poverty level. In 2008, 22.5 percent of Firebaugh residents had income levels at or below the poverty level. Firebaugh compares favorably with some neighboring cities, but the poverty rate is certainly much higher than desired. Chart 5-2 displays poverty rates for Firebaugh and neighboring communities.

**Chart 5-2**  
*Area Cities Poverty Rate – 2008*

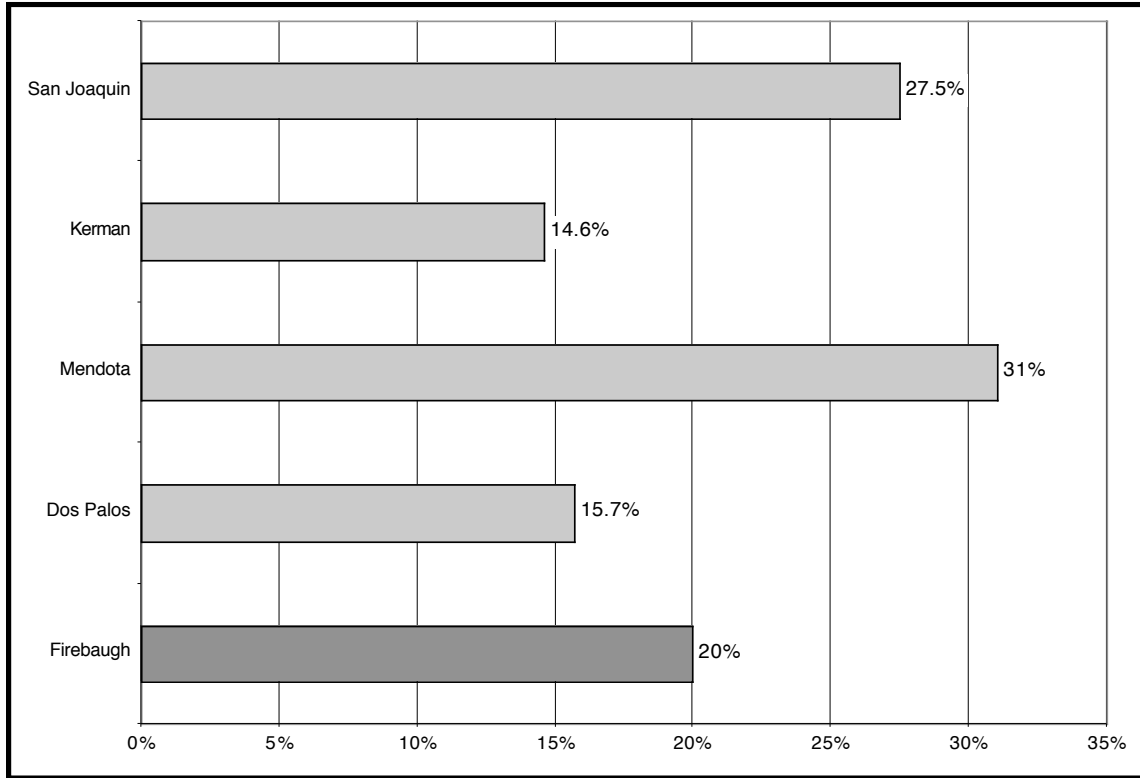


Source: Employment Development Department, 2008.

Another measure of prosperity (or lack thereof) is the City's unemployment rate. Unemployment rates in communities that are heavily dependent on agriculture can vary significantly during the year. Chart 5-3 displays Firebaugh's unemployment rate in October, 2008 along with that of surrounding communities



**Chart 5-3**  
***Unemployment Rates – October, 2008***



Source: Employment Development Department, 2008

### **Special Needs Groups**

The State Housing Law requires that the housing needs of specified groups be addressed in the Housing Element, including:

- the elderly;
- the disabled;
- large families;
- female heads of household;
- farm workers; and
- extremely low-income residents.

### Elderly Persons

The special housing needs of the elderly are an important concern of Firebaugh since they are likely to be on fixed incomes and/or have low incomes. Some elderly are also disabled. The elderly also have special needs related to housing construction and location. The elderly often require ramps, handrails and lower cupboards and counters, to allow greater access and mobility.

In addition, the elderly have special needs based on location. They need to have access to shopping, medical offices, and public transit. In many instances, the elderly prefer to stay in their own home rather than relocate to a retirement community, and therefore may need assistance to make home repairs.

The 2000 Census showed that 289 residents, or 5 percent of the total population, were 65 years of age or older – a decrease from 6.3 percent in 1990.

The 2000 Census also indicated that almost 20 percent of the households in Firebaugh were occupied by one or more persons that were 65 or older. In terms of tenure, approximately 34 percent of Firebaugh's elderly households were owner-occupied; 3.3 percent of renter-occupied households were elderly. In Firebaugh, the Fresno County Housing Authority operates a 30-unit housing complex for low income seniors (Firebaugh Elderly Apartments).

The City of Firebaugh offers a utility discount program for seniors. In addition, the City operates a senior citizen's center, located on the east side of Clyde Fannon Road at Thomas Conboy Avenue. In addition to a variety of activity programs, the center provides low cost meals for senior citizens.

### Persons with Disabilities

There are many types of disabilities and definitions can be problematic. Local government utilizes the definition of "handicapped" person as contained in Section 22511.5 of the California Administrative Code for vehicle and building code enforcement. This definition generally includes those persons with certain levels of impairment related to vision, cardiovascular health, respiratory systems, and use of extremities.

Handicapped persons often require specially-designed dwellings to permit free access not only within the dwelling, but to and from the site. Special modifications to permit free access are very important. The California Administrative Code Title 24 requirements mandate that public buildings provide for wheelchair access. Ramp ways, larger door widths, restroom modifications, and other improvements, enable better access to the

handicapped. Such standards are not mandatory of new single family or multi-family residential construction that have fewer than ten units.

Like the elderly, the handicapped have special needs based on location. Many desire to be located near public facilities, and especially near public transportation facilities that provide service to the handicapped.

According to the 2000 Census, 17.4 percent of Firebaugh's population listed some type of disability, up from 12 percent in 1990. This figure is significant and points to a need for future development to include handicap-accessible units. Of the City's population over 65 years of age, almost 60% listed a disability.

The City has analyzed its codes and policies to determine whether any of these may pose a constraint to the production of housing for the disabled. In terms of permit requirements, new single family dwellings require a building permit. The City's building department plan review typically requires two to three weeks, while site inspection generally can occur the day after a request is made.

Multi-family housing (in the R-2, R-3 (multi-family residential zones) and M-U-C (Mixed Use Commercial zone) requires processing of a Site Plan Review, followed by a building permit. Details of this process are described further in Chapter 7 of this Housing Element. Multi-family dwellings are also permitted by Conditional Use Permit in the C-2 (Central Trading) and C-3 (General Commercial) zones.

The City permits the establishment of group homes for up to seven individuals by right. Group homes larger than that are permitted by Conditional Use Permit.

In general, the City's codes and policies do not pose significant constraints for the production of housing for disabled residents, however, several issues have been identified that need to be addressed, including:

- Amend the Zoning Ordinance to reduce parking requirements for disabled housing projects.
- Amend the Zoning Ordinance to allow reductions in setbacks for housing retrofits and new construction for disabled access improvements, such as wheelchair ramps. In fact this was a goal of the previous Housing Element that was not completed. The City is undertaking an action plan to adopt a "Reasonable Accommodations" ordinance by the first quarter of 2009.
- Consider utilizing Redevelopment funds to assist disabled residents with housing rehabilitation and retrofit projects.

These strategies will be covered in further detail in Chapter 8 of the Housing Element.

### Large Family Households

The State of California classifies “large families” as those with five or more members.

Large families are indicative not only of those households that require larger dwellings to meet their housing needs, but also are reflective of a large number that live below the poverty level.

Building records indicate that a large number of single family dwellings constructed in Firebaugh have only three bedrooms. These size homes are often inadequate to serve the needs of large family households. An increase in the number of homes with four or more bedrooms would work to help alleviate overcrowding problems experienced by large families.

The 2000 U.S. Census indicated that about 35 percent of families in Firebaugh had five or more persons, up from about 33.7 percent in 1990. This compares to about 26.4 percent of all households for Fresno County as a whole.

The 2000 Census indicated that there were over 38 percent of owner-occupied households that fell into the “large household” category; about 33 percent of renter-occupied households were “large households”. These data indicate a need to construct larger dwellings in the future.

### Female Heads of Household

Families with female heads of household are more likely to experience a higher incidence of poverty than other households. Table 5-3 lists the numbers and percentages of those female-headed households in which at least one child is present. In 2000, nearly 15 percent of Firebaugh's households were female-headed. This figure is slightly less than the figure for Fresno County as a whole.

Since the female's time may be limited to taking care of basic household chores, earning income, and caring for their children, they may have little time to spend on maintaining their home. A high poverty level often results in poorly maintained dwellings since income is more apt to be spent on more immediate needs such as food, clothing, transportation and medical care.

**Table 5-3**  
***Female Heads of Household***

	<u>Total</u> <u>Households</u>	<u>Female Headed</u> <u>Households</u>	<u>% of Total</u> <u>Households</u>
Firebaugh	1,418	209	14.7%
Fresno County	252,940	38,569	15.2%

Source: U.S. Bureau of Census, 2000.

### Homeless

The problem of homelessness is a growing concern in many major metropolitan areas in California; however, it has historically been a relatively minor problem in Firebaugh. Interviews conducted with building and police officials indicated that there are very few, if any homeless persons living in Firebaugh. These officials did indicate that from time to time individuals or families that are migrant farmworkers will have difficulty securing housing. However, in most cases, they will move into existing living quarters with other persons that are also migrant farmworkers. These living units that are occupied by more than one individual or family include privately owned single and multiple residential units, and farm labor housing units.

Some communities provide for the needs of homeless persons by allowing transitional housing and/or emergency shelters. The Firebaugh Zoning Ordinance currently does not list transitional housing or homeless shelters as a permitted use. The ordinance should be amended to allow these uses, and allowances could be provided for reduced site development standards (such as parking).

The City has received no requests or inquiries regarding the development of this type of housing in recent memory, but is ready to facilitate the production of such housing in the event an application is submitted.

### Emergency Housing Needs

Recent amendments in Housing Element law require the City to analyze the needs of families and persons in need of emergency shelters, and plan for those needs. Emergency shelters are typically geared toward providing housing for homeless families and individuals.

There are three categories of this type of housing that are recognized by State law: Emergency Shelters, Transitional Housing and Supportive Housing. State law defines

**Emergency Shelters** as *housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person. No individual or household may be denied emergency shelter because of an inability to pay.*

Closely related to emergency shelters is the category of **Transitional Housing**, defined as *buildings configured as rental housing developments, but operated under program requirements that call for the termination of assistance and recirculation of the assisted unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six months.*

**Supportive Housing** is defined as *Housing with no limit on length of stay, that is occupied by the target population as defined in subdivision (d) of Section 53260 (of the State Housing code) and that is linked to onsite or offsite services that assist the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community.*

Interviews with local officials reveals that there are currently no known emergency shelters, transitional housing or supportive housing facilities in the City of Firebaugh. Currently the City's zoning ordinance does not list these types of housing facilities as permitted or subject to a Conditional Use Permit. Chapter 8 of this Housing Element will contain an action plan directing the City to amend the Zoning Ordinance to allow for emergency shelters, transitional housing and supportive housing, without the requirement for a Conditional Use Permit, along with specifications for basic development standards.

#### Extremely Low Income Households

Housing Element law has been amended to require cities to analyze and plan for the housing needs of Extremely Low Income households, which are defined as households earning less than 30 percent of the County median income. In 2008, a family of four earning less than \$16,150 per year would be classified as extremely low income.

Households in the extremely low income category are likely to have a variety of critical housing situations and needs. Most families receiving public assistance (such as social security insurance or disability insurance) are considered extremely low income households. Persons that depend on minimum wage jobs may also be in this income category. It is estimated that twelve percent (or 170) of Firebaugh's households are in the extremely low income category. It is expected that most of these households are renters, and likely many of them are experiencing severe overpayment problems.

In terms of future needs, the housing demand for extremely low income households can best be met through housing rental opportunities and the cost to rent must be supplemented by a variety of housing programs, including the Section 8 program.

### Farm Workers

Fresno County has historically been the nation's number one agricultural county, in terms of the value of farm products sold. The county's farm-based economy makes each of its cities a prime location for households that depend on agriculture as a source of income.

In Firebaugh, approximately 26 percent of the population was employed in agricultural occupations, according to the 2000 Census. While significant, this number was less than several other nearby cities.

During the height of the harvest season, it is estimated that the farm worker labor force may swell by about 25 to 30 percent. These individuals and families usually crowd into existing housing units in the community. Because they are migrant farm workers, these persons will also live on a temporary basis in non-traditional living quarters, such as trailers, garages, storage sheds, and mobile homes. They may also occupy a room with two or three other individuals.

Some generalizations can be made about the housing situation for farmworkers. Many farm workers are plagued by low incomes and live in unsanitary, overcrowded housing conditions, often doubling and tripling up in a single bedroom in a residential dwelling unit.

### Seasonal Farm Workers

Many farm workers are classified as seasonal farm workers. The State of California defines seasonal employees as individuals are employed less than 150 consecutive days by the same employer. Obviously, this group of workers can encounter special problems in finding housing. Some landlords may not be willing to rent to migrants because of the short length of their stay, coupled with the fact that farm workers sometimes overcrowd affordable housing units. As a result of these circumstances, many farm workers often take whatever shelter is available, even if this means sleeping in garages, sheds, vehicles or trailers.

Estimates of the number of seasonal farmworkers that reside in Firebaugh are difficult to come by. The previous Housing Element noted that domestic inflows at the City's wastewater treatment plant increase by about 30% during peak harvest season. This peak flow is still being observed in Firebaugh. Given the current population, this would indicate a seasonal farmworker population of around 2,000 persons.

To meet the need of farm workers, the Fresno County Housing Authority operates 98 units of housing at the Maldonado Plaza Migrant Family Housing Center, located on Thomas Conboy Avenue, east of Clyde Fannon Road. This is one of only two such

migrant housing facilities in the County. The Housing Authority reports that these units are generally fully occupied during the peak harvest season.

New farm worker housing is permitted as a multi-family residential use in the R-3, R-2 (Residential Multi-Family) and M-U-C (Mixed Use Commercial) zone districts. Processing requires the developer to process plans through the city's Site Plan Review process – this typically involves review by the Planning Commission – a public hearing is not required.

Development standards are those required under the R-2 and R-3 (Multiple Family Residential zones). Additional information on these standards is provided in Chapter 7 of the Housing Element. The City has not received any inquiries about developing farmworker housing in at least the past five years but remains ready to facilitate this type of project if an application is submitted.

The City Redevelopment Agency would also likely consider financial assistance for a qualified farmworker housing project.

The City has recently entered discussions with the Fresno County Housing Authority which is interested in rehabilitating and reconstructing their properties in Firebaugh. Part of this redevelopment could include the creation of additional units, including farmworker housing units. At the time of writing of this housing element no specific plans had been established, however the City is committed to working with the Housing Authority to realize their redevelopment plans – which would likely occur during the planning period of this housing element.

### **Projected Housing Needs**

Information presented in Chapters 2 and 3 documented the recent growth in the population and housing stock in Firebaugh. Between 1980 and 2000, the population has increased by over 54 percent, while the total number of housing units has grown by 43 percent. Long-range projections indicate that the population of Firebaugh will expand from 6,680 in 2005 to a potential “low” population of 10,435 and a “high” of 16,570 by the year 2030. The Regional Housing Needs Allocation Plan, prepared by the Fresno County Council of Governments, projects that Firebaugh’s population will grow to 7,674 by the year 2013 – the end of the planning period for this housing element.

### **Market Demand For Housing**

Market rate housing is that housing affordable to persons earning more than 120 percent of the county median income. Given the data available on income, housing prices, and employment, the demand for market-rate housing in Firebaugh is not considered



significant. However, the City is very interested in attracting developers of this type of housing to better balance the local housing market and economy.

Projected Housing Demand for All Income Levels

The *2007 Regional Housing Needs Allocation Plan (RHNA)*, prepared by the Fresno County Council of Governments (COG), calculated the projected new construction need for the period January 1, 2006, to June 30, 2013. It should be mentioned that the RHNA planning period does not directly correspond to the Housing Element’s planning period of July 1, 2008 through June 30, 2013.

The "new housing" need is the number of new dwelling units that must be constructed between July 1 2008 and June 30, 2013 to provide housing for the anticipated population growth of Firebaugh. This projected housing need takes into account the projected number of households, vacancy factors, housing market removals, and existing housing units in Firebaugh.

Table 5-4 shows the new construction need allocation for the City of Firebaugh. The table shows that the "above-moderate" income group will constitute the greatest demand for new housing in the community, during the planning period. However, this does not diminish the importance of providing housing for the other lower income groups.

**Table 5-4**  
*New Construction Need by Income Group, July 1, 2008 – June 30, 2013*

<b>Income Group</b>	<b>Units Needed</b>	<b>Percent of total</b>
Extremely Low	50	13%
Very Low	51	13%
Low	80	21%
Moderate	77	20%
Above Moderate	122	32%
<b>Total</b>	<b>380 units</b>	<b>100%</b>

Source: Regional Housing Needs Allocation Plan, Fresno County Council of Governments, 2007

**Preservation of Assisted Housing**

There are several residential projects in Firebaugh which were constructed or are otherwise subsidized using government funding in the form of low-interest loans or other subsidies. In return for these subsidies, the developers have been required to agree to restrict rental of some or all of the units to persons of lower income. However, these

rental restrictions are required to remain in effect only during the term required by the funding agency. After that point, the owner of the project may charge market rate rents - essentially whatever the market will bear.

There are a number of government programs that can incur rent restrictions of the type mentioned above. These include:

- Development loans, such as the Farmer's Home Administration 515 program that can be used to develop low income rental projects.
- Section 8 rent certificates. These are certificates issued to qualified low income individuals that permit them to receive rent subsidies. Property owners contract with Fresno County Housing Authority to provide rental housing to Section 8 certificate holders.
- Local density bonus. A municipality may grant an increase above the number of units that a developer would normally be permitted to build in exchange for the developer agreeing to reserve a certain number of the units for rental to various lower income groups or the elderly.

State Housing Element law (Section 65583) requires that cities determine whether any subsidized rental units are at risk of converting to market rate units within the next ten years, and if there are any, to formulate a program to preserve the affordability controls that are currently in place.

In terms of federally and state assisted projects, the City contacted several sources, including HCD, USDA Rural Development, California Housing Finance Agency (CHFA), the publication *Federally Assisted Multifamily Housing Inventory and Risk Assessment* and Fresno County Housing Authority. Information received indicates that there are no subsidized units at risk of conversion in Firebaugh during the next ten years.

Units in Firebaugh have been subsidized by several programs, including Farmers Home 515 program, CHFA rental programs, Section 8 contracts and various subsidies from the Firebaugh Redevelopment Agency (FRDA).

The Housing Element is required to list entities that are interested in participating in California's first right of refusal program. These entities would be notified when a project becomes eligible for conversion to market-rate rents - to give the entity the opportunity to "step in" to provide funds or other measures to preserve the affordability of the units. Three organizations are listed on HCD's website as being interested in the First Right of Refusal Program in Fresno County. These are listed in Table 5-5, below.

**Table 5-5**  
***Entities Interested in Participating in California's***  
***First Right of Refusal Program in Fresno County***

<b>Name</b>	<b>Address</b>	<b>City</b>	<b>State</b>	<b>ZIP</b>	<b>Phone</b>
ACLC, Inc	42 N. Sutter St., Ste. 206	Stockton	CA	95202	(209) 466-6811
Affordable Homes	P.O. Box 900	Avila Beach	CA	93424	(805) 773-9628
Christian Church Homes of Northern California, Inc.	303 Hegenberger Road, Ste. 201	Oakland	CA	94621-1419	(510) 632-6714
Community Housing Developers, Inc.	255 N. Market St, Ste. 290	San Jose	CA	95110	(408) 279-7676
Foundation for Affordable Housing, Inc.	2847 Story Rd	San Jose	CA	95127	(408) 923-8260
Fresno Co. Economic Opportunities Commission	3120 W. Nielsen Ave., Ste. 102	Fresno	CA	93706	(559) 485-3733
Fresno Housing Authority	P.O. Box 11985	Fresno	CA	93776	(559) 443-8475
Housing Assistance Corp	P.O. Box 11863	Fresno	CA	93775	(559) 445-8940
Self-Help Enterprises	P.O. Box 351	Visalia	CA	93279	(559) 651-1000

Source: State of California, Department of Housing and Community Development, 2008

There is also an extensive list of entities that list themselves as interested in preserving affordable projects statewide, including Fresno County. This list is available from the State of California, Department of Housing and Community Development