

A. Housing Needs

Appendix A includes an analysis of demographic, economic, housing and special needs characteristics and trends in Barstow. The Analysis is intended to identify issues that affect the City’s existing and future housing needs.

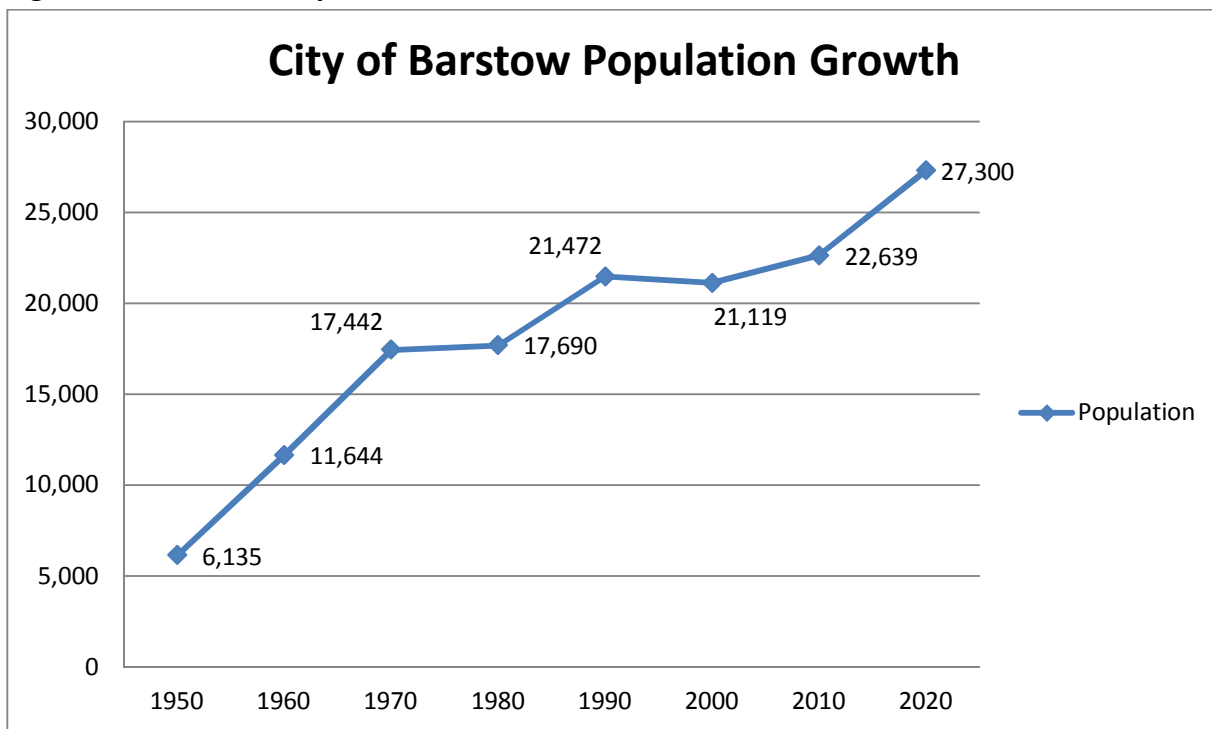
1. Demographic Trends

Population Growth

The City of Barstow is the 17th largest city in San Bernardino County, with a population estimate of 22,639 according to the 2010 Census Bureau. Over the past 60 years, the City’s population has fluctuated tremendously, with an 89.8% increase from 1950 to 1960, and -1.6% from 1990 to 2000. Historically, the population growth has followed ebb and flow of activities at Fort Irwin. More recently, the recession affected the City’s potential for new housing.

According to the Southern California Association of Governments’ forecasts, the City of Barstow’s population is projected to increase to 27,300 by the year 2020 (See Figure A-1). This growth estimate is larger than is anticipated under the revised General Plan (@26,000 in 2020)

Figure A-1: Barstow Population Growth, 1950-2020



Sources: U.S. Census (1950-2010) and SCAG 2012-2035 Regional Transportation Plan

Age Characteristics

Barstow's housing needs are influenced by the age characteristics of residents. Different age groups have different lifestyles, family types, and income levels that affect their preference and ability to afford housing. Typically, younger adults occupy apartments that are more affordable. Middle-aged adults tend to choose larger homes to accommodate children, and seniors may begin to downsize to smaller homes that are easier to maintain. Understanding changes in age characteristics provides insight into present and future housing needs.

The state and the nation are in the midst of demographic change, with significant increases in age due to the aging of the baby boom generation. These trends are evident in Barstow. Despite modest population growth during the 2000's, Barstow's median age of residents actually dropped to 31.1 years in 2010 from 32.1 in 2000 (US Census). Mirroring national changes, Barstow's baby boom (middle age) age adults also was the fastest growing segment of Barstow's population. Middle-aged adults (45-64 years) increased 53% between 2000 and 2010. In contrast, most of the younger generation decreased with the exception of those under 5 years of age (which increased 11%). The senior population decreased approximately 7%. All other age groups remained relatively the same. See Table A-1 below.

Changes in age distribution are also due to local housing market factors. Barstow is known for relatively lower housing prices and apartment rents that are easier for younger households to afford. As such, Barstow is an attractive community for seniors and lower income adults. The nationwide trend, an increase in the resident age, is a market that needs to be addressed for Barstow at least as much as affordable housing. Some of the specific housing needs include those for seniors as well as move-up and above median income residences. As Table A-1 below reflects, the age cohort most typically associated with move-up housing (ages 45-64) had the largest population change of all age groups, and while the 65+ reflects a minor change, the age group of 75+ reflected no change. Although the 65+ age group saw a slight reduction, there is still an unmet demand for senior housing, with current supply limited primarily to mobile home parks and convalescent hospitals.

According to the demographic and building indicators, several trends appear likely, most likely including continued development of apartments for low-income housing, single-family homes for first-time homebuyers, move-up and custom homes for executive homes. In addition, over the next five to ten years, it can be expected that more people will look to retire as they approach the 65+ age group, necessitating an increase in senior housing.

Table A-1: Age Characteristics in Barstow

Age Category	Number of Residents		Population Change	
	2000	2010	2000-2010	Percent
0-19 (dependent)	7,175	6,903	-272	-4%
20-24 (household forming)	1,520	1,596	76	5%
25-44 (family forming)	5,789	5,781	-8	0%
45-64 (move up housing)	4,086	6,239	2,153	53%
65+ (retirement years)	2,549	2,361	-188	-7%
Total:	21,119	22,880	1,761	8%

Source: U.S. Census, 2000-2010

Race and Ethnicity

Barstow is known for its diverse population. The population boom before the 20th century included Chinese and Mexican workers on the railroads. Over time, the area became home to Latino residents – a pattern existing today. Housing needs and preferences are sometimes influenced by cultural preferences, but typically the issue of race and ethnicity and housing has more to do with fair housing opportunities and incomes.

Although population totals have changed little during the prior decade, Barstow saw significant change in the race and ethnic composition of its residents. As shown in Table A-2, the number of White (Caucasian) residents increased slightly during the 1990’s, but declined between 2000 and 2010. Hispanics also increased by a substantial amount of approximately 1,000 residents from 1990 to 2000, but doubled that increase to nearly 2,000 residents between 2000 and 2010 (a 26% increase). African Americans only had a moderate increase between 1990 and 2000, but had a substantial 35% gain between 2000 and 2010 (an increase of 863 compared to 330 between 1990 and 2000). The three largest ethnicities are White, African American and Hispanic.

Although Barstow has become more integrated, some areas have a concentration of residents of one to two race/ethnicities. A commonly accepted definition of “concentration” is when one race or ethnic group in a neighborhood comprises a higher percentage of that neighborhood than their overall proportion of the population countywide. Under this definition, African Americans and Hispanics are more concentrated in the northeast portion of Barstow, north of the Burlington Northern/Santa Fe, and east of Yucca Avenue, commonly referred to as the Riverside Drive area. Hispanics also are concentrated in other areas such as Section 7 (Township 9 North, Range 2 West), a section of land located primarily south of Interstate 15 on both sides of Barstow Road.

According to the U.S. Census Bureau, approximately 22.6% of Barstow's households speak a language other than English at home. A household is considered linguistically isolated if all members 14 years and older have at least some difficulty in speaking English. In accordance with the Census Bureau, approximately 8.1% of households are linguistically isolated. Of this total, 2.2% are households that speak Asian and Pacific Island languages, 18.9% are Spanish-speaking households, and 1.1% speak Indo-European languages.

Table A-2: Race and Ethnicity Trends in Barstow

Race/Ethnicity	Number of Residents			2000-2010	Percent
	1990	2000	2010		
White	11,550	12,059	11,840	-219	-2%
African American	2,120	2,450	3,313	863	35%
American Indian/Alaskan Native	365	510	477	-33	-6%
Asian*		650	723	73	11%
Native Hawaiian/Pacific Islander*	667	200	278	78	39%
Some Other Race	44	3,886	4,242	356	9%
Two or More Races*		1,364	1,766	402	29%
Total:	21,472	21,119	22,218	1,099	5%
Hispanic	6,726	7,708	9,700	1992	26%

Source: U.S. Census, 1990-2010

* Asian/Pacific Islander combined in 1990 data, Alaskan Native not accounted for in 1990 data, Native Hawaiian and Two or More Races not accounted for in the 1990 data.

Household Characteristics

Barstow's housing needs also differ depending on household characteristics. This includes family size, single versus double income, and physical ability. Families with young children often seek the living space and the financial investment that homeownership offers. In contrast, single-person households tend to desire apartments that are easier to afford, maintain, and offer greater mobility. These patterns underscore the need for a diversity of housing types and prices for different households in the City.

National trends reveal several key changes in the composition and type of households since 1990. These include a declining share of families with children and a continued increase in the number of single person households. These changes are due to many factors, including the aging of the baby boomer generation (many of whose have children who have left home), single people choosing to wait longer to marry and have children, the changing race and ethnic

mix of the population, and many other factors. Subgroups of families have also changed, but to generally a lesser degree.

During the 2000's, the number of households living in Barstow increased by 8%, but population only increased by 7%. This pattern was due to a decline in married families with children (15% decline), a 4% decline in married couples with no children, and a 9% increase in single persons. At the same time, the average household size increased to 2.7 persons. In Barstow, single-person households now comprise about 22% of households, a slight increase from prior years.

Looking forward, whether these trends continue depends on the housing market and demographic change. If development patterns in apartments continue or demographic trends continue, Barstow may then see a corresponding decline in household size for the foreseeable future. Table A-3 summarizes changes in household composition in Barstow.

Table A-3: Household Trends in Barstow

Household Types	Number of Households			Household Change	
	1990*	2000	2010	2000-2010	Percent
Population	21,472	21,119	22,639	1,520	7%
Total Households	8,509	9,123	9,867	744	8%
Married with Children	5,535	1,626	1,416	-210	-15%
Married with No Children		1,845	1,766	-79	-4%
Other Families		2,395	2,672	277	10%
Single Persons	1,700	1,981	2,174	193	9%
All Others	416		2,231		
Average Size	2.79	2.71	2.75	0.04	1%

Source: U.S. Census, 1990-2010

* The 1990 Census Data is formatted different than the 2000 and 2010 Data.

Employment Growth and Change

Economic trends play an important role in defining housing needs. This relationship includes: 1) the impact of job growth on the City's share of future housing needs; 2) the wage levels associated with employment growth; 3) the housing demand associated with new workers desiring to live in Barstow; and 4) the mobility and land use decisions and environmental mitigations that must be made to accommodate housing or employment growth. The City of Barstow is addressing the relationship of these complex issues through the update of the Land Use Element.

The City of Barstow serves as a major employment center for the Fort Irwin Army National Training Center and the Marine Corps Logistic Bases (Nebo and Yermo Annex) as well as

transient services for the many travelers along Interstates 15 and 40, and Highway 58. This transient influence accounts for nearly 42% of the local jobs, with education and health services comprising 22% of local jobs. With 12,492 people (2011-2015 ACS 5-Year Estimate) eligible to work (ages 20-64), there is a deficit of nearly 3,700 jobs. This does not address those that commute to work, which greatly affects the identified numbers. For instance, SCAG (using U.S. Census Bureau, 2017, LODES Data; Longitudinal-Employer Household Dynamics Program) estimates that only 23.9% (1,866 people) work locally, indicating that a large proportion of local residents commute out of the City, while a number of people commute to Barstow to work.

Looking forward, Barstow is projected to experience employment growth in most sectors throughout the remainder of the 2014-2021 housing element planning period. Projected employment growth is inferred from economic studies as part of the update to the General Plan Land Use Element. In summary, retail trade and other services are projected for higher growth rates, with the highest growth rate in Education and Health Services. All other growth projections are 3% or less. Barstow has been very active in attempting to recruit jobs to the community, but current economic conditions, as well as the State regulatory environment, have affected the City's ability to bring such jobs to the City. In addition, with only 2,267 of the population working locally, additional efforts need to be made to keep jobs local.

Table A-4: Employment in Barstow

Economic Sector	Trends in Growth			
	2015	2021	Change	%
Agriculture & Mining	9	13	4	0%
Construction	185	329	144	2%
Manufacturing	111	98	-13	0%
Wholesale Trade	138	156	18	0%
Retail Trade	1,726	1,816	90	1%
Transportation and Warehousing, and Utility	628	765	137	1%
Information	129	184	55	2%
Financial Activity	212	357	145	2%
Professional and Business Services	462	618	156	2%
Education and Health Services	2,077	2,710	633	7%
Leisure and Hospitality	1,883	1,838	-45	0%
Other Services	397	777	380	4%
Public Administration	1,265	750	-515	-6%
Total Employment	9,222	10,411	1,179	13%

Source: California Employment Development Department, 2016; InfoGroup; and SCAG

Note:

Public Administration-includes government and schools

HOUSEHOLD INCOME

Household income affects the type and price of housing that can be afforded. In 2010, the City's median household income was approximately \$40,266, 14.6% higher than \$35,069 in 2000 and slightly higher than the median household income for San Bernardino County. In 2016, the median household income was approximately \$42,263 (Nielsen Co., 2016). This is nearly 5% higher than the median household income in 2010, but nearly 29% lower than the median household income for San Bernardino County (Ref.: Profile of the City of Barstow, Southern California Association of Governments (SCAG)/Nielsen Co. (2017)).

The State of California Department of Housing and Community Development (HCD) surveys households in each county on an annual basis to determine the median income. The median income is also adjusted for households of different sizes. Households are then grouped into four income groups for purposes of determining the need for assistance. Based on 2010 categories, these income groups and thresholds are:

- Extremely low: households earning up to 30% of the county median family income (CMFI), or a maximum of \$16,030 for a household of four.
- Very low: households earning 31% to 50% of CMFI, or maximum income of \$26,717 for a household of four.
- Low: households earning 51% to 80% of CMFI, or a maximum of \$42,746 for a household of four.
- Moderate: households earning 81% to 120% of CMFI, or a maximum of \$64,120 for a household of four.
- Above moderate: households earning above 120% of CMFI, which is more than \$64,120 for a household of four.

Ref.: *Comprehensive Housing Affordability Strategy (CHAS) data, 2010-2014 ACS*

Table A-5 provides a summary of Barstow's households by income group. The majority of households earn lower incomes (50%), yet another 41% of all Barstow households above moderate incomes. This is due in part to the affordability of land and the current housing market. Due to low land prices, houses were able to be built during the housing boom from 2006 to 2008, and the devalued land after the housing crash lowered housing costs. At this time the City of Barstow has not had to implement any policies to keep housing affordable. The high degree of housing affordability in the city has been market-driven.

Table A-5: Household Income in Barstow

Income Category	Total Households	
	Number of Households	Percent of Total Households
Extremely Low Income	1,725	27.75%
Very Low Income	1,235	15.57%
Low Income	1,045	13.18%
Moderate Income	665	8.39%
Above Moderate Income	3,260	41.11%
Total	7,930	100%

Source: Southern California Association of Governments, 5th Cycle RHNA Final Allocation Plan, 1/1/2014-10/1/2021 and 2010-2014 American Community Survey (ACS) 5-Year Estimates

Note: As the recorded household income is established at "set" amounts, they do not coincide specifically with Barstow's income ranges for the various Household Income Categories. Therefore, the Category was rounded up or down to the nearest compatible "recorded" household income pursuant to the ACS.

2. Housing Trends

This section describes housing characteristics and trends to provide a basis for assessing the match between the demand and supply of available housing in Barstow. These include housing growth, housing characteristics, age and condition of housing, housing prices and rents, and homeownership rates.

Housing Composition

Barstow has an exceptional range of housing opportunities reflective of its diverse community. Approximately 68.2% of the housing stock is single-family homes and 31.8% is multi-family units. (Ref.: 2017 California Department of Finance)

In the past decade, developers have concentrated on building single-family residential units. Developers during the housing boom were geared towards introductory housing (i.e., first-time homebuyers) and move-up housing. In neither case, is there much disposable income for higher-end housing. As noted above, there is nearly an equal percentage of above moderate, and the collective lower income groups (41% and 50%, respectively). Some custom homes were built during this timeframe, and it can be reasonably assumed that many of the 41% above moderate income households already have purchased their homes. This does not address the need for executive housing for new executive positions due to job growth. There is some anecdotal evidence that the lack of sufficient executive housing has deterred companies from locating in Barstow.

Looking forward through 2020, Barstow anticipates continued residential development for lower income households, with some active senior housing opportunities (another market that is not adequately served). As of the writing of this element, no housing projects are in the pipeline. However, there are two senior projects under consideration (one being 60 units, the other not disclosed yet) and one large-family, affordable housing complex proposed, creating 73 units. A second large-family, affordable housing complex is on-hold (72 units), has been placed on hold. In addition to the above, the City also has an exclusive negotiating agreement with Eagle Barstow 55, LLC, for affordable senior housing. This agreement was renewed on August 21, 2017. According to SCAG growth projections, the City of Barstow will have about 12,430 housing units by 2040. This projection is too far out for the City to speculate on its accuracy. However, the City has worked with SCAG to develop the figures based on the City's projection of development to 2020.

Table A-6: Housing Composition in Barstow

Housing Products	2000		2010		2017	
	Number of Units	Percent of Units	Number of Units	Percent of Units	Number of Units	Percent of Units
Single-Family Units						
- Single-Family Detached	5,042	57%	5,446	57%	5,532	57%
- Single-Family Attached	252	3%	202	2%	202	2%
Multi-Family Units						
- Multi-Family (2-4 units)	1,096	12%	1,330	14%	1,326	14%
- Multi-Family (5 or more)	1,488	17%	1,742	18%	1,742	18%
Mobile Homes	965	11%	835	9%	854	9%
Total	8,843	100%	9,555	100%	9,656	100%
Sources: California Department of Finance, 2000, 2010 and 2017						

Housing Tenure

Housing tenure refers to whether a household owns or rents a home. Ample homeownership and rental opportunities allow people of all incomes and household sizes to choose the type of housing and location best suited to their needs and preferences. Housing vacancy rates, in combination with housing tenure, also affect the prices and rents charged for housing units.

Tenure Rates

The American dream is often intertwined with homeownership, which brings with it independence, wealth, housing security and safety, and quality of life. Homeownership commits the owner to a long-term economic relationship with the home, typically resulting in

increased investment into the property, which in turn increases property values within a neighborhood. Home investment and the physical presence of homeowners are thought to also improve the quality and stability of residential neighborhoods.

In the City of Barstow, a slight majority of households (50.7% or 4,322) rent a home while 49.3% (4,203 households) own a home (Nielsen Co., 2016). Barstow's homeownership rate has decreased since the 2000 Census, when ownership was 54.1% (4,139 households) and renter occupied units were 45.9 (3,508 households). In San Bernardino County Total County Area ownership is 63% (383,573 households) while renter occupy 37% of all households (228,045). The unincorporated areas of San Bernardino County experienced higher homeownership (69%, or 64,589 own and 31%, or 29,496 rent). Homeownership rates are largely a function of the price of housing relative to household income, although homeownership rates have clearly fluctuated in recent years due to the highest foreclosure rates across the southland in generations.

Vacancy Rates

Housing vacancies are a measure of how well the supply of housing matches the demands for specific types of housing. Typically, housing vacancy rates of 5% to 6% for apartments and 1% to 2% for homes is considered optimal. This amount of housing vacancies ensures that consumers have sufficient choices for different types of housing products, that prices are generally moderated because a balanced supply is available, and that developers have a financial incentive to continue building housing. Higher vacancy rates lead to price depreciation. Lower vacancy rates are also not desirable; they indicate a tight market and cause housing rents and prices to increase.

According to the 2010 Census, the City of Barstow's housing vacancy rate is estimated at 5.0% for homeowners and 16% for rentals. The total vacancy rate for 2010 was 15.4% (1,470 units). This included those for rent, rented but not occupied, for sale, sold but not occupied, seasonal/recreational/occasional use, and all other vacant households. The total County Area experienced a vacancy rate of 3.7% for owners, and 8.7 for rentals, while the unincorporated County Area experienced 4.3% for owners, and 9.5% for rentals. Housing vacancy rates do not generally include foreclosures, unless the unit is unoccupied and for sale. According to Trulia.com, the City of Barstow has approximately 44 foreclosures (as of August 17, 2017) currently offered for sale within the City, with an additional 23 in the adjacent county areas. This statistic makes it difficult to determine the actual number of vacant units at any given point in time.

Housing Age and Condition

Barstow's housing is predominantly older, with 53.3% built before 1970 (or older than 40 years). Residential units generally begin to show age after 30 years and require some level of maintenance, such as roof repair, painting, landscaping, and exterior finishes. Homes between 30 and 50 years require more significant maintenance and renovation, and older homes may need more substantial repairs.

Another concern related to the age of housing is lead-based paint hazards. Homes built prior to 1978 typically contain lead-based paint, which can cause a number of hazardous health conditions for children (specifically developmental delays). Health hazards occur when the paint chips and is inhaled by residents, particularly children. Since 1978, the federal government has banned the use of lead-based paint. Still, older homes may need to paint over lead-based paint or remove peeling paint.

Generally, Barstow's housing is in good condition, and most residential neighborhoods are maintained. However, a number of structures need repair. The Census provides a limited assessment of housing conditions. According to the 2011-2015 ACS, approximately 1.6% of all housing units lack complete kitchens and/or 1.3% complete plumbing. This translates to approximately 231 substandard units in Barstow. Estimates for substandard housing do not include units lacking heating. Many of these conditions are concentrated in lower to moderate income areas of Barstow. However, according to SCAG Regional Housing & Households, Barstow has 524 units lacking kitchen facilities, although no household owners were without kitchens, and only 90 rental units lacked kitchens. Out of 206 homes lacking plumbing, 13 were home owners and 71 no rental units lacked plumbing. Based on these figures, the majority of homes lacking kitchen and/or plumbing are unoccupied units.

To address housing condition issues, City Code Compliance actively patrols the City for exterior violations. Any interior issues are complaint-driven, typically by dissatisfied tenants. In prior years, Barstow had rehabilitation programs through the Redevelopment funding. However, since the state dissolved the Redevelopment Agencies, no more funding is available by this mechanism. Although the state offers loan programs for such improvements, they do not seem to be attractive to Barstow residents and are seldom pursued. Table A-7 summarizes the age of housing units in Barstow.

Table A-7: Age of Housing

Decade Built	Housing Age	
	Number of Units	Percent of Units
2014 or later	0	0%
2010-2013	57	0.6%
2000-2009	723	7.7%
1990-1999	705	7.5%
1980-1989	1,240	13.3%
1970-1979	1,749	18.7%
1960-1969	1,873	20%
1950-1959	2,602	27.8%
1940-1949	212	2.3%
1939 or earlier	197	2.1%
Total	9,358	100%

Source: U.S. Census, 2011-2015 5-Year American Communities Survey

Housing Prices

The last decade has been characterized by volatility in the housing market. This volatility in the market caused record-high housing prices, followed by a plummet. Housing costs in Barstow have dropped to pre-2000 levels.

Homeownership

Barstow experienced unprecedented changes in housing prices around the mid 2000's. From 2000 to 2006, the median home price nearly tripled, from the low \$60,000s to a high of \$182,000s, perhaps in part as a result of anticipation of the proposed casino development. However, as the recession deepened in the later 2000s, median housing prices plummeted through 2010. Prices have begun to recover only recently, within the last few years, with Trulia.com indicating median sales price from May 14, 2014 through August 14, 2014 at \$78,000. This is up from the 2012 yearly median price of \$53,000 (MDA Data Quick, 2012). This would equate to a 47% increase in the median home prices were the data from these two sources comparable. In actuality, the increase in home prices from 2012 to 2014 was probably significantly lower. In June 2017, the median housing price was \$117,000, a 2.5% decrease from June 2016 (CoreLogic/Data Quick, 2017), but 50% higher than in May 2014.

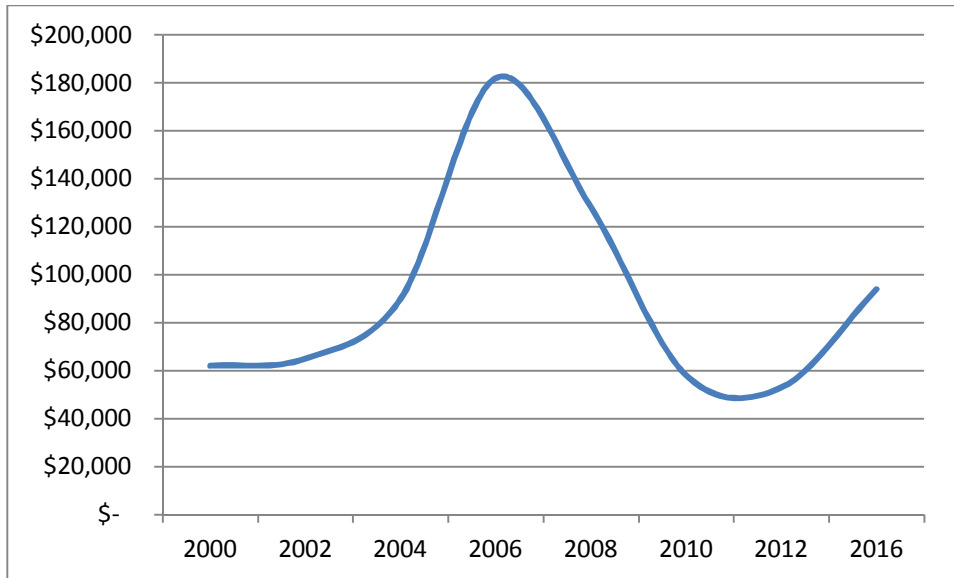


Figure A-2: Barstow Average Housing Price, 2000-2016

Sources: MDA Data Quick, 2012 and Profile of the City of Barstow, Southern California Association of Governments (SCAG)/Nielsen Co. (2017)

Table A-8 below shows the average price based on sales from August 24 2016 through August 24 2017.

Table A-8: Housing Prices in Barstow

Number of Sales and Average Prices	
Single-Family Homes	Average Price
78	\$114,442

Source: Redfin.com, sales search for 8/2016-8/2017

Rental Units

Apartment rents have not increased as dramatically as the sales prices of single-family homes. A combination of data was used throughout the time between 2000 and 2012, including the 2000 Census, and three American Community Surveys (ACS) prepared by the Census Bureau. As shown below, there is a significant increase from 2000 to the 2005-2009 ACS, increasing from \$504 to \$784 (a 51% increase). After that, the rental prices have stabilized with slight increases for the timelines that followed (\$21 or 3%, then an additional \$7 or 1%). Although the rental prices peaked similarly to the housing prices (but substantially less of an increase), the prices stabilized, with minor increases the following years. While the latest data (2010-2014 ACS) reflects a 7% drop in rental prices, recent website (July 2017) searches for apartments in the area reflect an increase in rent for local apartments by as much as \$450 (4 bedroom house).

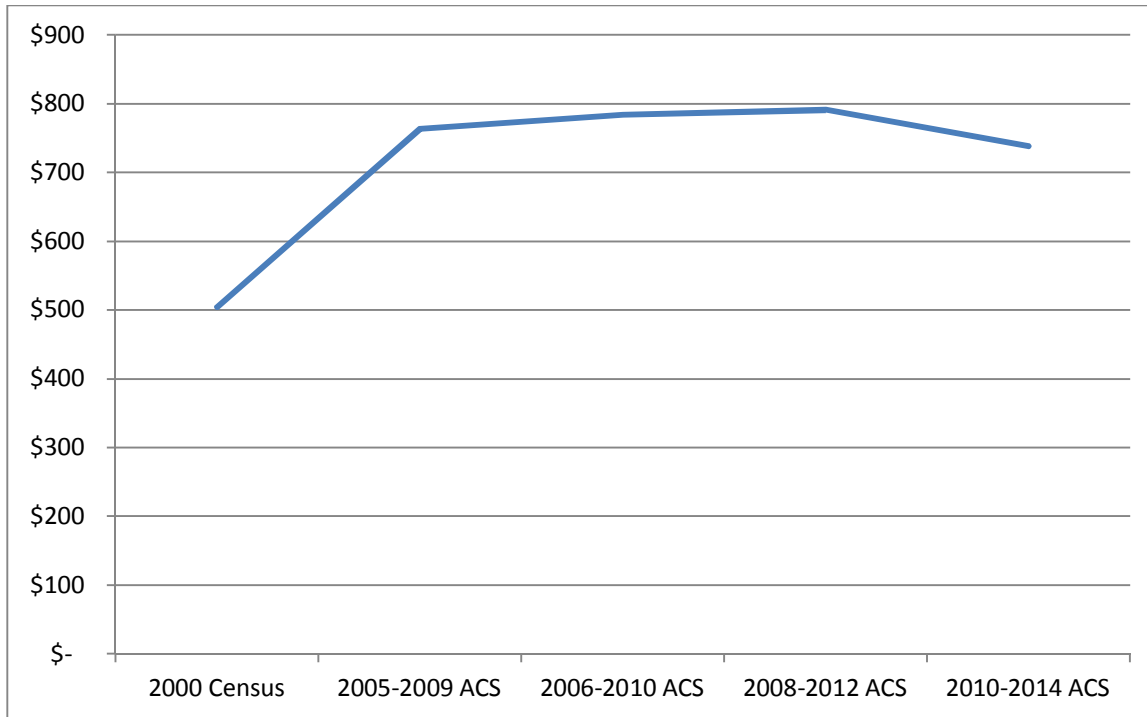


Figure A-3: Barstow Median Housing Rents, 2000-2014

Source: USA.com

Housing rents vary by the age of the structure, surrounding neighborhood, and property amenities. The Census Bureau does not provide rents separately for different types of housing (e.g., apartments versus single-family homes), making the comparison difficult. However, single-family housing rents typically command a higher price than apartments. The median rents are listed below in Table A-9.

Table A-9: Housing Rents in Barstow

Barstow Median Contract Rents		
First Quartile	Median	Third Quartile
\$323.00	\$418.00	\$518.00

Source: www.city-data.com (2015)

Housing Affordability

Housing affordability refers to how much a household can afford to pay each month in rent or mortgage for an apartment, townhome, or single-family home. Typically, housing affordability is defined as the ratio of housing expenses to income, referred to as a “cost burden.” It is assumed that households should not spend more than a certain portion of income towards housing expenses; otherwise, they are deemed to be overpaying. Overpaying for housing makes it difficult to afford other basic necessities.

The housing industry assumes the “affordable” payment for a homeowner should range from 30-40% of gross monthly income, with the latter figure from the California Association of Realtors’ first-time homebuyers’ index. A mortgage payment typically includes several components – loan principal, interest, taxes, and insurance. For purposes of calculating affordability, we assume a conventional 30-year, FHA-insured loan at 5% interest rate. For renters, the appropriate cost burden also varies from 30-40%, with the latter being used under the federal housing choice voucher program.

With such a range in affordability criteria, this housing element uses a midpoint estimate of 35% cost burden for ownership (since many expenses are tax deductible) and 30% cost burden for rental housing as the thresholds. These two benchmarks of housing affordability are consistent with thresholds cited under the Health and Safety Code; however, individual cities may adopt a different affordability threshold depending on the housing program. Table A-10 shows the amount that households can afford for housing costs.

Table A-10: Affordability of Housing in Barstow

Income Category ¹	Household			
	2-Person	3-Person	4-Person	5-Person
Maximum Affordable Home Price²				
Extremely Low	\$40,000.00	\$45,000.00	\$50,000.00	\$54,000.00
Very Low	\$69,000.00	\$77,500.00	\$86,000.00	\$93,000.00
Low	\$110,000.00	\$124,000.00	\$137,000.00	\$148,500.00
Moderate	\$165,000.00	\$186,000.00	\$206,500.00	\$223,000.00
Maximum Affordable Rent³				
Extremely Low	\$245.13	\$275.77	\$306.41	\$330.92
Very Low	\$422.63	\$475.46	\$528.29	\$570.55
Low	\$676.21	\$760.73	\$845.26	\$912.88
Moderate	\$1,014.31	\$1,141.10	\$1,267.89	\$1,369.32

Source: HUD Income Limits FY 2013 and FHA Mortgage Calculator (www.usmortgagecalculator.org)

¹ Income category based upon Nielson Co., 2016 report median income of \$42,263, multiplied by maximum percentage of each income category.

² Monthly affordable mortgage assumes 30-year fixed mortgage, 5% down payment, 5% interest rate, standard expenses, and maximum payment of 35% of income toward housing.

³ Monthly affordable apartment rent based on monthly payments of up to 30% of gross household income, not including the cost of utilities.

Housing Affordability by Income Level

The general affordability of rental and ownership housing to different income groups can be derived by comparing household income and housing costs from earlier sections and data presented in Tables A-8, A-9 and A-10. This analysis will be used later in this housing element to determine how the City of Barstow will meet its regional housing needs assessment requirements.

The affordability of housing in Barstow is summarized below:

- **Extremely Low/Very Low Income.** For four-person households, extremely low-income households can afford a home priced up to \$50,000 and very low-income households can afford up to \$86,000. Most single-family homes sell for prices above these thresholds. However, nearly 27% were within this threshold. A very low-income household could afford \$422 to \$570 in rent. Nearly one-half of the rental stock is estimated as affordable to very low income households, although the majority is assumed to be financially assisted apartments (such as TCAC), or housing units that accept vouchers. In addition, some apartments rent for as low as \$350 a month, without any form of assistance.
- **Low Income.** Lower income households can afford to buy a single-family home priced up to \$137,000 (4 person household). According to current home sales prices, 65% of single-family homes sold within this price range. Low-income households can afford \$676 to \$913 for an apartment. These rents are available for Barstow for the majority of the apartments and some rental single-family units.
- **Moderate Income.** Moderate-income households have the greatest housing opportunities; they can afford a single-family home from \$165,000 to \$223,000. Over the past year (August, 2013 to August, 2014), nearly 85% of all standard sale homes sold for less than the maximum threshold price for a moderate income family, but these homes are predominantly older units. With respect to apartments, moderate income households can afford from \$1,014 to \$1,369 per unit and would be able to afford most, if not all, apartments available.
- **Above Moderate Income.** Above moderate income households include households earning above 120% of the median family income. Ironically, the Barstow market has fewer homes available for this cohort than any other income category, accounting for the City's 0.56: 1 jobs/housing ratio, indicating that a large proportion of the workforce commutes to jobs located outside of the community. The City is slightly better than the region average of 0.51:1.

Sales Source: Redfin.com, Single-family home sales from August 2016 to August 2017.

Jobs/Housing Ratio Reference: 2016 High Desert Workforce Report/Buxton Co., 2015 Demographics Estimates

Household Problems

Housing problems refer primarily to overpayment and overcrowding. Housing overpayment and overcrowding most often occur when a household cannot afford suitably sized and priced rental and ownership housing. In other cases, life changes (retirement, children moving back home, loss of job, etc.) can also cause housing problems. In these situations, a household can choose to either overpay for housing or double-up with others into too small a unit in order to afford housing, which can result in overcrowding. Table A-11 and the following text show the prevalence of housing problems in Barstow according to the 2005-2009, 2007-2011, and 2009-2011 American Community Surveys.

- **Overcrowding.** Overcrowding occurs where a household has more members than habitable rooms in a house. Moderate overcrowding refers to 1.0 to 1.5 persons per room, and severe overcrowding is anything higher. In Barstow, 3% of owners and 7% of renters live in overcrowded situations. This is below county averages of 5% and 11.8%, respectively. The overcrowding rate has declined since the 2000 census.
- **Overpayment.** Housing overpayment refers to paying more than 30% of income towards housing. Moderate overpayment refers to paying 30% to 49% of income towards housing, and severe overpayment is anything higher. In Barstow, 24% of owners and 48% of renters overpay for housing. The overpayment of owners is less than the County averages, while the overpayment of renters is slightly greater (48% versus 47.3%). Whereas many communities overpayment has increased around 9 percentage points since 2000, Barstow's increased by more than 13 percentage points (ref.: 2000 Census, 2007-2011 ACS).
- **Housing Needing Repair or Replacement.** According to the 2009-2011 ACS, 11.47% of rental housing and 0.39% of ownership units lack complete kitchens and/or complete plumbing – equaling 461 substandard units. However, in staff's estimates, this figure should actually be around 200 in light of the fact that over half of the City's substandard units are vacant/abandoned. City staff estimates that 5% of all single-family units and 3.5% of multiple units need repairs (rehabilitation work) and 0.57 percent of all housing requires demolition. This translates into 55 housing units.

Table A-11: Housing Problems

Housing Problem	2005-2009 ACS		2007-2011 ACS		2009-2011 ACS	
	Overpayment ¹		Overcrowding ²		Substandard Housing ³	
	Renters	Owners	Renters	Owners	Renters	Owners
None	2,052	3,013	3,729	4,087		
Moderate	1,088	688	178	136		
Severe	854	262	134	0		
Total	3,994	3,963	4,041	4,223	3852	4832
None	51%	76%	92%	97%	88.53%	99.61%
Moderate	27%	17%	4%	3%		
Severe	21%	7%	3%	0%	11.47%	0.39%
Total	100%	100%	100%	100%	100.00%	100.00%

Source: American Community Survey, 2005-2009¹, 2007-2011² and 2009-2011³

* Substandard housing did not include units lacking heating and air conditioning.

Notes:

Overpayment had 255 renters and 10 owners not accounted for.

Lower Income Households

Housing problems occur significantly more frequently among lower income households (defined as households earning less than 80% of the median family income adjusted for household size) and among special needs groups. According to the 2006-2010 CHAS, of the 700 lower income owners, 301 households or 43% overpay for housing. Among the 1,690 lower income renters, 1,166 households or 69% overpay for housing. The CHAS estimates are higher than SCAG's estimate, because SCAG did not adjust for household size, whereas the CHAS dataset includes that adjustment.

Further, the housing problems facing extremely low-income households, defined as those earning below 30% of the median family income, are greater. The subset earns income that is nearly equivalent to the federal poverty line. According to the 2010-2014 CHAS, Barstow has approximately 1,725 extremely low-income households, including 1,315 renter and 410 owner households. The vast majority face a high incidence and severity of housing problems, defined as a cost burden greater than 30% of income, and/or overcrowding, and/or without complete kitchen and plumbing facilities.

As shown below in Table A-12, a significant percentage of renter households overpaid for housing. Renters overpaying for housing include 59% of other low income, 66% of very low income, and 76% of extremely low-income households. Among owner households, 41% of other low income, 34% of very low income, and 24% of extremely low income overpaid for housing. Table A-12 highlights the housing problems facing these income groups.

Furthermore, certain subgroups (i.e., seniors, large families, etc.) tend to have an even higher prevalence of housing problems than other groups.

Table A-12: Housing Problems for Lower Income Households

Housing Problems by Household Income Level ¹	Total Households		
	Renters	Owners	Total
Income <30% of MFI	1315	410	1725
Percent with Cost Burden > 30%	76%	24%	100%
Income 30-50% of MFI	820	415	1235
Percent with Cost Burden > 30%	66%	34%	100%
Income 50-80% of MFI	615	430	1045
Percent with Cost Burden > 30%	59%	41%	100%
Total Lower Income 0-80% of MFI	2750	1255	4005
Percent with Cost Burden > 30%	69%	31%	100%

Source: Comprehensive Housing Affordability Strategy (CHAS) Data; 2010-2014.

¹ The 2010-2014 CHAS is derived from the 2010-2014 American Community Survey (ACS). Unlike prior Census counts, the ACS has a wide margin of error for individual counts. These estimates should be used with caution as they may not be comparable to other estimates produced by SCAG and may not be comparable with previous censuses.

3. Special Housing Needs

Certain households in Barstow have greater difficulty finding decent, affordable housing due to their special circumstances. Special circumstances typically relate to one's income-earning potential, family characteristics, physical or mental disabilities, age-related health issues, homelessness, and other factors that make it more difficult to secure and maintain housing. These groups often have lower incomes and higher rates of overpayment or overcrowding. As a result, these household groups are considered to have special housing needs relative to the general population.

State housing element law defines "special needs" groups narrowly to include senior households, disabled persons, large households, female-headed households, farmworkers, and people who are homeless. In keeping with state law and the City's priority for a socially and economically diverse population, this section provides a summary of needs for each group and the availability of resources to address their needs.

Shown below, Table A-13 compares numeric changes in the magnitude of special needs groups in Barstow from 2000-2010.

Table A-13: Trends in Special Needs Group

Special Needs Group	2000		2010	
	Number	Percent of Residents	Number	Percent of Residents
Senior Residents	2,549	12.07%	2,419	10.69%
Large Families	1,088	5.15%	3,521	15.55%
Single Parents w/Children*	1,352	6.40%	2,064	9.12%
Persons with a Disability	4,106	19.44%	4,432	19.58%
Homeless People	50	0.24%	99	0.44%
Farmworkers	113	0.54%	22	0.10%

Sources: U.S. Census, 2000 and 2010 Census Reports; Desert Manna Ministries, 2014

Notes:

* 2000 estimate was Female-headed Households

Senior Citizens

Seniors are defined as persons 65 years or older, although for housing purposes the age may be as low as 55 years. Barstow has 2,467 residents 65 or older, representing about 10.6% of the population (2011-2015 ACS). Senior citizens are considered a special needs group, because their limited income, higher health costs, and physical disabilities make it difficult to find suitable and affordable housing. Though Barstow had a slight drop between 2000 and 2010 (130 seniors), current trends throughout the nation indicate this population is expected to increase as the baby boom generation approaches retirement.

Barstow's senior population is comprised of primarily three ethnic groups as follows: white (69%) with Hispanic/Latino at 29% and Black or African American at 15%. Other ethnic groups comprise a combined total of 21%. Seniors also comprise nearly 1,500 households, or nearly one in 6 households (2009-2011 ACS). Of that total, 76% own a home, and 24% rent housing. Approximately 41% are older than 75 years. Each group requires a different strategy to address health, transportation, and housing needs.

Some key issues include:

- **Disabilities.** The majority of seniors will eventually have a disability that may limit one or more life activities. Whereas some disabilities may limit mobility, others may make it difficult to take care of personal needs. This underscores a need for accessible housing and supportive services.

- **Limited Income.** Seniors have limited or fixed incomes in retirement. Although data are not readily available, it is reasonable to assume that many of Barstow's senior renters and homeowners are on fixed incomes and earn lower incomes. As a result, these seniors pay a larger share of their income towards housing.
- **Overpayment.** For seniors with extremely low incomes, more than 73% of renters and 68% of homeowners overpay for housing, leaving less income for other living expenses. Very low-income seniors fared much better with 15.2% of renters and 31.2% of owners overpaying, and low-income seniors experienced 1.5% and 7.9% of owners overpaying. However, it is expected to be worse now as these data are from 2000, and the cost of living has since increased. This underscores the importance of affordable housing options, including programs to repair homes.
- **Special Housing Needs.** As seniors gradually age, there is often an increased demand for a broader type of senior living arrangements, from independent age-restricted housing for more active lifestyles to assisted living for those requiring more supportive services.
- **Service Needs.** In addition to housing, seniors rely on supportive services. Services can include transportation, health care, home maintenance assistance, low cost loans or grants for rehabilitating homes, referral services, and many other services that can improve the lives of seniors.

Barstow faces the challenge of how to accommodate the needs of its residents. With a growing baby boom population and aging of residents, a comprehensive strategy for housing seniors is an important housing challenge for Barstow over the next decade. With the dissolution of the Redevelopment Agency, there are no City funds available to assist seniors in housing costs and the necessary support services. Therefore, these must come from the county, state and federal agencies for funding. The City is assisting in other ways by proposing land write-downs to achieve affordable housing for active seniors, as well as assisted living units. Additionally, the City provides rent-free space to the Barstow Senior Center that provides a range of supportive services to senior residents.

Farmworkers

Farmworkers are traditionally defined as persons whose primary incomes are earned through permanent or seasonal agricultural labor. Permanent farm laborers work in the fields, processing plants, or support activities on a generally year-round basis. When workload increases during harvest periods, the labor force is supplemented by seasonal workers, often supplied by a labor contractor. For some crops, farms may hire migrant workers, defined as those whose travel prevents them from returning to their primary residence every evening.

The primary agriculture in the Barstow area is hay and alfalfa, both of which have become mechanized over the years, requiring little labor.

While California accounted for approximately 45% of the demand for labor-intensive crop agriculture in 2012 (California Institute for Rural Studies, *The Status of Farm Labor Housing*, March 6, 2015), that number was not reflective for Barstow where farmworkers declined during the years from 2000 to 2010, experiencing a reduction of 91 farmworkers. However, this estimate may not be accurate as the 5 year ACS reflected that the agricultural industry in this area was approximately 48 employees, not 22. There are few farms or agricultural fields remaining in the Barstow area. This is primarily due to the extended drought that California has been experiencing, as well as some of the water pollution that has occurred over the years (Chromium 6 and more recently, Perchlorate), in addition to the cost of water, and the cost of electricity to pump the water. Other factors that detract this area from most agriculture is the extreme heat in the summer, the cold in the winter, and the excessive winds. The High Desert is not suitable for most commodities that require a mild climate for crops. This decline is reflective in San Bernardino County overall, that according to the USDA/NASS, 2012 Census of Agriculture, seen a slight decrease in the number of farms from 2007 to 2012, most of which were 50 acres or larger.

The remaining agriculture in Barstow is limited to the City ran alfalfa field irrigated with reclaimed water. The adjacent community of Hinkley includes the bulk of the fields in this area, and there is one dairy farm (B & E Dairy) located on Community Boulevard, and a second one located on Mountain Road north of Old Highway 58 (Desert View Dairy). These farms likely employ the majority of the farmworkers in the area.

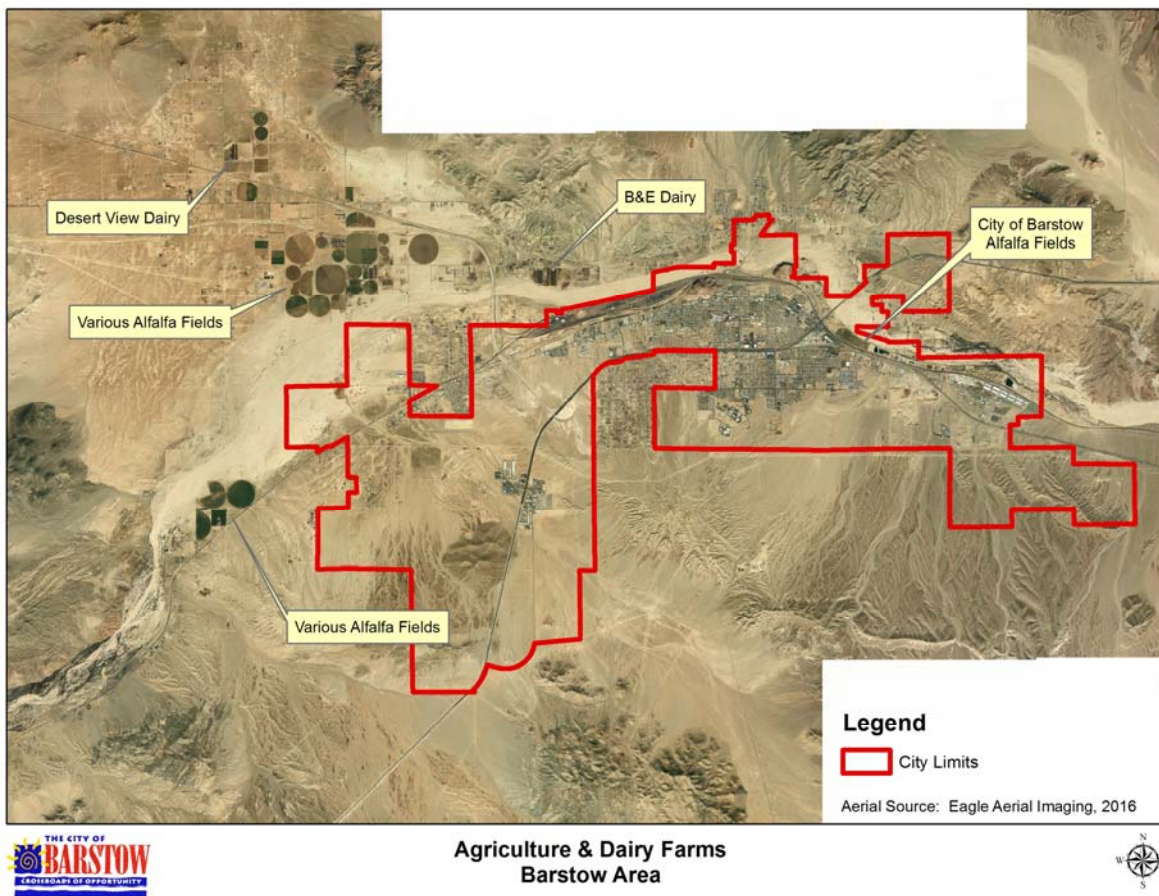
Identification of Needs

Farmworkers are generally considered to have special housing needs because of their limited income and often unstable nature of their employment (i.e., having to move throughout the year from one harvest to the next). While no local surveys are available which document the specific needs of farm labor in the City of Barstow, Statewide surveys provide some insight into the demographic characteristics and housing needs of farmworkers. Among the major findings are:

- **Limited Income:** Farmworkers typically fall within extremely low-income groups. According to the North American Industry Classification System (NAICS) code indicates that the average annual earnings for farmworkers was just \$17,500 (2015). However, the California Employment Development Department indicated the annual salary was \$8,443 for farmworkers (agriculture) in 2015. While farmworkers are typically paid California's minimum wage rate, the work is seasonal and fewer hours.

- **Overcrowding:** Because of their very low incomes, farmworkers have limited housing choices and often forced to double-up to afford rents. A report from the California Institute for Rural Studies (*The Status of Farm Labor Housing*, March 6, 2015) included a 2005-2007 study (Kandel, 2008) indicates that overcrowding is prevalent and a significant housing problem exists among farmworkers, identifying an average of 3.9 persons per household, and 1.4 families per household (California Institute for Rural Studies,).
- **Substandard Housing Conditions:** Many farmworkers live in overcrowded conditions and occupy substandard housing, including in formal shacks, illegal garage units, and other structures generally unsuitable for occupancy. This is due to their low wages, and seasonal and transient occupation.

Exhibit A-1: Existing Farmland



Zoning for Farmworker Housing and Programs Related to the Needs of Farmworkers

With the decline in farmworkers in the Barstow area, it is not anticipated that a need is present for farmworker housing. The City of Barstow has some of the most affordable housing in

California due in part to its remote location. The existing farmworkers are likely occupying an older residence or an apartment. Currently, the farmworkers comprises approximately 0.1 percent of the population (California Employment Development Department, 2016). The entire high desert region has a labor force of 1,086 for the agriculture (includes forestry, fishing and hunting) labor force industry, only 0.9% of the entire high desert labor force for all industries, 54 of which are inflow, or within the region (OnTheMap, US Census Bureau, 2014). This demand can easily be accommodated with the existing available housing whether single-family or multiple-family residential units (See Table C-2: Inventory of Housnig Sites, page HE-C-4), and there is no need for specific zoning to address farmworker housing. However, in 2018 the City will be amending the Municipal Code to address employee housing pursuant to the Employee Housing Act, Health and Safety Code sections 17021.5 and 17021.6 (See program #23, page HE-44).

Housing Accommodations

The City recognizes the goal of providing services to enable seniors to “age in place,” that is, to maintain their current residences for as long as possible. Achieving that goal involves providing a range of supportive services. The City provides low cost or free transit services, referrals to service providers and other services when resources become available. Approximately three-quarters of Barstow’s seniors reside in single-family homes, and nearly one-quarter in rental units. In addition to traditional housing, the following housing options for seniors are available shown below:

- **Senior Apartments.** The Housing Authority of the County of San Bernardino has an independent living senior housing project on East Williams Street that is comprised of 40 units. In addition, the Veterans Home of California, Barstow, offers independent living and assisted living quarters for veterans age 55 and older (in addition to disabled veterans).

Although not available at this time, the City is working with a developer to provide a senior housing. The City has entered into an exclusive negotiations agreement to pursue an affordable senior housing development on land currently owned by the City.

- **Age-Restricted Mobile Home Park.** The Holiday Homes Mobile Home Park is an age-restricted, independent living park. The park currently has 264 lots with room for expansion. Upon sufficient demand, the park will expand.
- **Residential Care Facility.** Residential care facilities for the elderly serve persons 60 years of age or older who may have a disability but typically serve people in need of extended care services. However, the City’s one such facility, Barstow Retirement Plaza, has been sold and

is being planned for conversion to market-rate, non-age restricted, apartments. This removes a valuable component of senior housing from the local inventory.

As indicated above, the Veterans Home of California has a facility near the College off of Barstow Road/Route 247. This facility opened in February of 1996, providing care for up to 400 elderly or disabled California veterans. There are two levels of care at this facility, one is Independent Living, and the other is Intermediate Care.

- **Life-Care Facilities.** Barstow only has access to one such facility located in the adjacent County area. This is a convalescent hospital serving those recovering from ambulatory surgeries, but also provides medical care for seniors.

Table A-14: Housing for Seniors

Housing Options	Senior Housing		
	Number of Projects	Number of Housing Units	Affordability
Age-Restricted Senior Apartments ¹	1	40	Public housing set-aside for affordable senior housing (part of the 219 public housing units).
Age-Restricted Mobile Home Park ²	1	264	Privately owned mobile home park on Montara Road.
Veterans Home of California, Barstow ³	1	400 Occupants	Residential facility with both Independent Living/limited to California resident Veterans only.
Housing Vouchers for Seniors	0	0	Excludes senior who are veterans housed through the VASH Program
Residential Care Facilities for Elderly	0	0	(See Veterans Home of California above)
Life Care Senior Housing	0	0	

Source: ¹ Housing Authority of the County of San Bernardino

² City of Barstow

³ County of San Bernardino Department of Veterans Affairs (website: hss.sbcounty.gov/va/ContactVHBarstow.html)

Family Households

The City currently has two apartment complexes that are TCAC funded. The Suncrest and Riverview Apartments complexes total 160 units. Additionally, the Housing Authority of the County of San Bernardino provides 261 vouchers (161 Housing Choice and 100 Project Based) in addition to 219 public housing units.

As previously noted, the majority of the market rate rental units in Barstow are priced within the cost limitations for extremely low, very low, low and moderate income households. Many single-family units are also within the range of affordability. As identified under **Household Income** (Page HE-A-7) of this appendix, the median family income is between \$16,030 and \$42,746 (extremely low to low income households). The affordability index (Table A-10, page HE-A-15) indicates household affordability at \$51,000 to \$190,000 (extremely low to low income households) and rent from \$307 to \$845 per month. All figures based on four-person households. As Figure A-2 identifies, housing costs are currently above 2000 levels but well below the 2005-2008 levels, and rent has stabilized, with the median below \$800.

Two subsets of families with children have more difficulty securing housing.

- **Single-parent households.** The City of Barstow has 1,350 single-parent households with children, comprising more than 16% of all households (2010 Census). Of those families, a female householder heads nearly 74% of single-parent families with children. Poverty rates are also higher among single-parent families. According to the 2009-2011 ACS, 18% of single-parent families are at or below the poverty level. Of those, nearly 75% are female heads of household, compared to less than 1.6% with men as heads of household. Whereas the poverty rate for male single-parent households is lower than the rate for all families, the female single-parent household rate is significantly higher than the rate for all families.

Single-parent families typically have the same costs as any other families, but must rely on less income to cover normal life expenses. According to one website, the day care costs for one child, 40 hours per week, average \$4,700 per year, per child (care.com 9/1/2017). For single-parent families, this is a significant portion of annual income, leaving less for housing, medical care, and other expenses. The financial burden is especially difficult for younger people, those who lack steady jobs, or those who are under-employed.

- **Large Families.** The City of Barstow is home to an estimated 1,303 large families with five or more members, or 16% of all occupied households in the community (Neilson Co., 2012). With respect to tenure, less than ½ of these homes are owned by the occupants. Given the costs associated with large families, it is expected that more than ½ of all large families rent as opposed to own their home. According to the CHAS, large families encounter unique housing conditions in that many of the lower income large family renters and owners have at least one housing problem defined as overcrowding, overpayment, or living in substandard housing.

The high prevalence of housing problems among lower income large families is due to the housing market. Barstow, like many other communities, has relatively fewer apartments with three or more bedrooms that can reasonably accommodate children. Because of this, family apartments are typically more expensive. According to the 2008-2012 ACS, 1,240 rental units rent for \$1,000 or more per month. Most of these are anticipated to be 3 bedroom single-family residences as most apartments are less than \$1,000 per month. Most of these units are affordable only to moderate and above income households.

Housing Accommodations

The City of Barstow recognizes the importance of addressing the needs of families. With the dissolution of the Redevelopment Agency, no money is available to offset the cost of new construction for large-family, affordable housing units. However, the City supports those that are proposed, such as the TCAC apartments. Two such apartments have been built, with one more proposed. The City has not implemented an inclusionary housing ordinance as many homes and apartments are currently available at market rates; moreover, the virtual absence of builder interest in residential construction in Barstow would be exacerbated by implementation of such an ordinance. Rental housing vouchers are offered by the Housing Authority of the County of San Bernardino, and homeownership programs are no longer available (because of the dissolution of the Redevelopment Agency and associated funding).

With respect to affordable housing, Barstow residents have the following available housing options for families, which are summarized in Table A-15.

- **Affordable Apartments.** According to City records, Barstow has two TCAC apartment buildings providing 160 units for large-families. In addition, the County provides 75 vouchers provided by HUD and up to 219 Public Housing units.
- **Single-Family Homes.** Barstow residents have access to 100 units that are set-aside for Project Based Vouchers.
- **Housing Vouchers.** Housing Choice Vouchers (Section 8 housing) are available to qualifying Barstow residents, providing 257 housing units for lower income households. These vouchers are provided by the Housing Authority of the County of San Bernardino.

Table A-15: Housing for Families

Affordable Housing	Family Housing		
	Number of Projects	Affordable Units	Affordability
Family Affordable Apartments*	3	235	75 units as HUD vouchers (Section 8) and 160 units that are state assisted (Tax Credit Allocation Committee funded projects).
Market Rate Housing for Families*	Undetermined	3,691	Apartments (duplex and above) and mobile homes are typically affordable to moderate, low and very low-income families. This number does not include the 235 financially assisted units above.
Public Housing	2	219	The Housing Authority of the County of San Bernardino provides public housing in two locations within the City.
Single-Family Units	Undetermined	100	The City has 100 units set-aside for Project Based Vouchers.
Housing Choice Vouchers (HCV)	Undetermined	257	HCV is housing commonly known as Section 8 Housing and is a form of financial housing assistance from the Housing Authority of the County of San Bernardino.

Source: Housing Authority of the County of San Bernardino; Regional Housing Needs Assessment; California Department of Finance, 2014; City of Barstow

* Does not include 219 public housing units provided by the Housing Authority of the County of San Bernardino.

Disabled People

Physical, mental, and/or developmental disabilities are impairments that substantially limit life activities and make it difficult to care for one's self. Because of that, disabled persons have special needs for accessible housing. The Census Bureau defines a disability as a long-lasting physical, mental, or emotional condition that makes it difficult for a person to perform activities such as walking, climbing stairs, dressing, bathing, learning, or remembering. Barstow has 3,220 disabled residents, constituting roughly 14 percent of the population (CHAS 2008-2010).

The major categories of disability are listed below. It should be noted that many individuals have multiple disabilities; therefore, these totals should not necessarily be added together.

- With a hearing and/or vision disability: 1,335 (16%)
- With a cognitive difficulty: 1,415 (17%)
- With an ambulatory difficulty: 1,655 (20%)
- With a self-care/ independent living difficulty: 1,230 (15%)

Physical Disability

The majority of Barstow residents will at some time experience a physical disability. Injury, illness or simply advanced age will limit an individual's physical ability to perform work, read, and eventually care for themselves. For those living in single-family homes, residents can benefit from wider doorways and hallways, access ramps, larger bathrooms with grab bars, lowered countertops, and other features common to "barrier-free" housing. Location is also important for disabled people because they often rely on public transit to travel to services like grocers or medical offices.

To assist physically disabled individuals living in the community, the City of Barstow implements a Reasonable Accommodations Ordinance that is designed to offer flexibility in municipal code requirements to expand opportunities for people to build and rent housing that is accessible to people with disabilities.

Recently, one of the City's Building Inspectors became a Certified Access Specialist (CASP), inspecting new construction for ADA compliance. In addition, the Engineering Department requires all street improvements be ADA accessible (i.e., driveways, sidewalks, street corner access) to allow those with a physical disability to travel to local businesses.

Developmental Disability

According to the California State Council on Developmental Disabilities, it is estimated that 1.8% of Californians have a developmental disability. This would indicate that Barstow has approximately 419 persons with some form of a developmental disability (2014 Department of Finance estimates). These disabilities include cerebral palsy, autism, mental retardation, epilepsy, and other similar conditions that begin early in life.

Many developmental disabled people can live and work independently within a conventional housing environment. More severely disabled individuals may require group quarters where supervision is provided or where medical needs and physical therapy are provided. However, because developmental disabilities occur before adulthood, the first issue in supportive housing is to transition from the person's living situation at home to an appropriate level of independence as an adult.

The primary agency serving this population in Barstow is B.E.S.T. Opportunities, Inc. B.E.S.T. Opportunities is an Adult Development Center (ADC) that works with adults with one or more developmental disabilities, teaching them life skills necessary to survive on their own, including but not limited to social and physical skills, money management, survival skills, basic housekeeping, voting, shopping and various forms of employment. In December 2013, B.E.S.T. Opportunities had roughly 150 individuals enrolled in their adult development center program.

Mental Health/Substance Abuse

According to the National Institute of Mental Health, an estimated one in four adults – suffers from a diagnosable mental disorder in a given year. Even though mental disorders are widespread, the main burden of illness is typically concentrated in a much smaller proportion – or 1 in 17 people – who suffer from serious mental illness. A smaller percentage of those with severe mental illness have difficulty maintaining adequate and affordable housing.

People with mental illnesses face multiple problems when looking for decent, affordable housing. People with serious and persistent mental illness often live in poverty, have unstable employment, and are unable to afford decent housing. This group may also require support services to live successfully in the community. Financial and housing resources available for those experiencing severe mental illness or for those caring for such individuals are limited, and NIMBY concerns are present in every community.

According to the National Center on Addiction and Substance Abuse, one in four people may also have an alcohol or drug problem sometime in their life. Although many of these issues will be episodic rather than chronic, substance abuse can affect the ability to secure and maintain employment, housing, and productive relationships. The appropriate housing option is largely dependent on the severity of the condition, but can include long-term residential care, short-term rehabilitation facilities, or services independent of housing.

Housing Accommodations

Barstow's housing vision is consistent with the ADA legislation to facilitate the most integrated setting appropriate for people with disabilities to reside, receive services, and participate in community life. The City's strategy for addressing the various needs of people with disabilities is centered on three core goals: independence, productivity, and integration.

Barstow's housing options for disabled people are described below.

- **Residential Care Facilities.** These facilities serve persons ages 19-59 who may be physically handicapped, developmental disabled, and/or mentally disabled. Barstow does not have any such facility within the City limits.
- **Specialized Housing Facilities.** These facilities are dedicated solely for the occupancy of people with a disability, whether physical, mental, or developmental. Currently, the City does not have any such facility within the City limits.
- **Housing Vouchers.** Housing Vouchers are provided through the Housing Authority of the County of San Bernardino.
- **Substance Abuse/Mental Illness.** These facilities are California licensed facilities providing residential stays for people who are recovering from alcohol and drug addictions. Presently, the San Bernardino County Department of Behavioral Health offers services on an outpatient basis. The City has some sober living units in various parts of the town. However, they are typically six and fewer occupants, regulated by the state and exempt from local processes. Therefore, the exact number of such facilities is unknown.

The City of Barstow has been impacted with the dissolution of the Redevelopment Agency. With this dissolution, the City's ability to financially assist in any development has been severely impacted. Until a substitute funding mechanism is developed, it is not likely that the City will be able to assist in such development with the exception of land write-downs and possibly fee waivers.

Homeless People

Barstow has a somewhat unique situation regarding the homeless population. Many people traveling along the interstates become stranded here, and seek shelter, or assistance to be able to move onto their destination. Homeless persons are defined as those who lack a fixed and adequate residence. Desert Manna has indicated a growth in the number of single parents with kids as well as veterans among their clientele. Homeless people may be chronically homeless (perhaps due to substance abuse) or situationally homeless resulting from job loss, family strife, incarceration, or violence. Homeless people face critical housing challenges due to their very low incomes and lack of appropriate housing. Thus, state law requires cities to plan to help meet the needs of their homeless population.

Counting the homeless population is problematic due to their transient nature, different definitions of homelessness, and political and funding issues. According to the Desert Manna Ministries (who operate the homeless shelter), they processed between 32 and 46 people a month between December 2016 and May 2017. The 32-36 bed facility tends to fill at the end of each month, indicating that many of the clients seem to have difficulty managing their money due to mental health issues. This facility only shelters homeless individuals that have ID, are

sober, mentally able to follow rules, do not have pets and have no violent convictions. Because of this, it presumably leaves some homeless people on the streets. However, they did not provide data regarding the number of people turned away. This makes it difficult to obtain more accurate numbers, and it does not take into consideration those that opt not to use the shelters. According to the 2010 Census, Barstow had 99 homeless people; but the San Bernardino County Homeless Management Information System identified 142 homeless individuals between 12/1/2010 and 5/1/2011.

Housing Accommodations

With the dissolution of the Redevelopment Agency, the City of Barstow has no funding mechanism to provide any housing accommodations. However, the City has assisted some of the non-profit agencies by means of low rent (\$1 a year for Desert Manna and the City purchased \$1 homes that are currently being used by New Hope, Too!). These agencies provide housing for the homeless, with New Hope Village acquiring a new property with the help of funding from the City of Barstow's Community Development Block Grant allocation, which has implemented a "Housing First" approach to addressing the housing and supportive needs of Barstow's homeless population. Under this model, non-chronic and chronic homeless individuals and families are immediately transitioned into housing and provided wrap-around services to ensure longer-term housing stability. This is contrasted with a "housing readiness" model that focuses on individuals successfully addressing substance abuse or mental health issues or "graduating" through case management in a shelter/transitional home to become "housing ready."

Although the City's preference is for rapid reentry into permanent housing, Barstow recognizes that a full continuum of housing options is needed to meet the needs of homeless people at various stages of recovery. The following housing options are provided in Barstow for homeless people.

- **Emergency Shelter.** Barstow currently has one shelter, Desert Manna. The City of Barstow, through Desert Manna, has 32-36 beds available for applicable homeless persons. In addition, Desert Manna has worked with the City and others to attempt to acquire a new site to increase the capacity and to be able to serve more people. However, financing for such a venture has not been forthcoming.

In addition to the Desert Manna, another important segment is the housing for families of domestic violence. These families are essentially made homeless to remove themselves from an abusive relationship. Desert Sanctuary/Haley House provides a sanctuary for these women and their children. In addition to providing a safe household, food and clothing are

also provided to help get them on their feet. The number of women and their children that Desert Sanctuary/Haley House helps varies from year to year. In 2016, they helped 18 women and 44 children. This is a significant increase over the prior year of 37 women and children. Beginning January 2018, additional facilities will become available for their use. Desert Sanctuary/Haley House anticipates the future will see more of an increase.

- **Residential Rehabilitation.** A residence that provides housing for up to six months and provides specialized treatment and active rehabilitation for alcoholism and other drug-related issues on-site. Presently, Barstow has no such facility. New Hope Village has embarked on a contract with the Department of Behavioral Health, and are currently certified as a Sober Living Environment (SLE) through the California Consortium of Addiction Programs and Professionals (CCAPP). Clients must be enrolled in an Intensive Outpatient Program (IOP) at Barstow Counseling or an Outpatient Program (OP) at High Desert Center. Clients may stay between 3 months to up to one year. New Hope Village maintains a House Manager on site.
- **Rapid Re-housing.** This refers to an approach of moving chronically homeless people immediately off the street to permanent supportive housing that allows an environment conducive to stabilization. New Hope Village has acquired a new location providing 10 residential units for transitional and rapid re-housing. Their prior location, rented from Desert Manna, converted to market-rate housing upon their relocation. However, this is still an increase of 4 units from prior years.
- **Transitional Housing.** A residence that provides a stay of up to two years, during which residents are provided case management services that prepare them to obtain and maintain housing and live self-sufficiently. New Hope Village is operating a transitional-housing facility (10 units), and has implemented rapid re-housing.
- **Permanent Supportive Housing.** A residence that provides permanent housing linked with ongoing support services designed to allow residents to live at the place of residence on an indefinite basis. Several years ago, the City acquired properties under the HUD's Dollar Homes Program. This program helps local governments to foster housing opportunities for low to moderate income families and address specific community needs. The City leases these homes to New Hope, Too! to provide permanent supportive housing.

Table A-16 summarizes the City's housing options for homeless people. Currently, the City's unmet need is to house 19 people (San Bernardino County 2013 Homeless County and Subpopulation Survey: Final Report, May 2013). However, this is anticipated to be low as a Point-in-Time survey conducted in January 2017 resulted in 44 homeless individuals.

Table A-16: Housing for Homeless People

Need Category	Shelter Status			2010 Census Estimate
	Emergency Shelter	Transitional Shelter	Not Sheltered	
Adults and Families (adults and children)	32-36	10 Units (Approx. 25 persons)	38-42	99

Source: Desert Manna Ministries and New Hope Village
City of Barstow

Note: No hard figures are provided for those that are not sheltered. However, the 2010 Census estimates 99 homeless people for the City of Barstow. In addition, as the transitional shelter is based on number of units, a figure of 2.7 people per household was considered. This, and the maximum capacity of Desert Manna (emergency shelter), were subtracted from the Census estimate to identify the number not sheltered. The figures above do not include the permanent supportive housing provided by New Hope, Too!, providing residence to up to 6 people.

It should be noted that a more recent study, the “San Bernardino County 2013 Homeless Count and Subpopulation Survey: Final Report” (May 2013) indicates that the City has a total of 61 homeless people, 19 of whom are unsheltered, 31 in an emergency shelter, and 11 in transitional housing. This reflects a drop in the homeless population by 38 people in three years. However, with recent economic conditions here in California, ranging from increases in state taxes to rent increasing in Los Angeles, it is likely that the homelessness will increase above the 61 homeless people identified in the San Bernardino County 2013 Homeless County.

Housing Construction Needs

California law requires cities to plan for the accommodation and employment growth by implementing responsive housing programs. To assist in that effort, the Southern California Association of Governments (SCAG) prepares housing construction needs goals for each city as part of the Regional Housing Needs Assessment (RHNA). Total housing construction need comprises three primary factors, described below.

Population and Job Growth

The first component of construction need represents the number of units needed to accommodate new households forming because of population and employment growth. Barstow’s housing need is based on SCAG’s regional growth forecast in the 2012 Regional Transportation Plan, with slight adjustments for the Regional Housing Need Allocation (RHNA). The household growth component is determined by calculating the expected population and employment growth that will occur in Barstow from 2014 to 2021.

- **Population Growth.** The City’s population is expected to increase about 843 residents from 2014 to 2021. This growth will gradually occur as development projects are approved, completed and occupied.

- **Employment Growth.** Employment levels are project to continue modest growth, increasing by as much as 2.62% per year through 2040 (2016-2040 RTP). This equates to a job growth of 2,267 people between 2012 (base year) to 2021. Between 2010 and 2015, the employment growth was 0.84%, increasing the employment by 1521 jobs (California Employment Development Department, 2016; InfoGroup; and SCAG).
- **Household Growth.** Because of population growth, the number of households is expected to increase by approximately 1.65%, or 1,293 households by 2021. This equates to an increase of 3,492 residents, and is in excess of the RHNA number of 843 residents. The reason for this difference is that the RTP took into account potential development projects while RHNA is based upon the historic growth rate. As potential development does not always occur, the City expects it to fall somewhere between the two figures, such as an increase of 1,200 to 1,500 residents.

Housing Factors

The RHNA goal for new construction incorporates additional units to accommodate two factors in the housing market. First, the housing market requires a certain number of vacant units to allow sufficient choice for consumers, maintain rents and prices at adequate levels, and encourage normal housing maintenance and repair. In the southern California region, SCAG assumed a regional housing vacancy factor of 3.5%, which assumes a 1.5% ownership vacancy and 4.5% rental vacancy.

The RHNA model also adjusts the construction need goal to replace housing units lost from residential uses. Over time, all cities can expect that a certain number of housing units will be lost due to demolition, fire, conversion to nonresidential uses, recycling to other uses, or a variety of other reasons. In Barstow, the demolition rate is typically one to three units per year. New construction is varied, with some years having no residential development. However, during the housing boom in 2006-2008, more than 6,000 new homes were proposed, in addition to a 25,000 home sub-city called Waterman Junction. The housing market crash resulted in a small fraction of the homes being built. The RHNA figures took into account the housing market crash and recovery for the 2014-2021 Housing Element 5th Cycle.

Fair Share Factor

State law requires that the formula used to distribute the RHNA avoid overconcentration of income groups in any given community. The goal is to use the RHNA process to foster the production of an increasing supply and mix of housing types, tenure, and affordability in an equitable manner across the region. In practice, the idea is to require jurisdictions with a smaller proportion of lower income units to provide a larger share of lower income units as part

of their construction need to compensate for other jurisdictions that already accommodate more than their fair share.

SCAG has adopted a regional “fair share” policy that each community move 110% toward the respective county’s household income distribution in each income category. So if a particular jurisdiction has a higher or lower percentage of lower, moderate, or above moderate income households than the County as a whole, the new construction goal is adjusted accordingly. For communities still growing, this will tend to reduce the differences in household income distributions among communities in the region. The Southern California Association of Governments provides a website with greater detail on the calculations for the Regional Housing Needs formula.

Regional Housing Needs Share

With the above criteria in mind, the City of Barstow has a regional housing needs allocation (RHNA) of 843 units for the 2014-2021 planning period. The RHNA also determines the number of units by household income and level of affordability as follows: 94 units each affordable to extremely low and very low income households, 138 housing units affordable for low income households, 154 housing units affordable for moderate income households, and 363 housing units affordable for above moderate income households. These housing targets are summarized below in Table A-17.

Table A-17: Regional Housing Needs Allocation

Housing Affordability		Allocation	
Household Income Level	Definition of Category	Housing Units	Percentage of Units
Extremely Low Income*	Households earning less than 30% of CMFI**	94	11.15%
Very Low Income	Households earning 30-50% of CMFI	94	11.15%
Low Income	Households earning 51-80% of CMFI	138	16.37%
Moderate Income	Households earning 81-120% of CMFI	154	18.27%
Above Moderate Income	Households earning above 120% of CMFI	363	43.06%
	Total	843	100.00%

Source: SCAG 5th Cycle RHNA Final Allocation Plan, 1/1/2014-10/1/2021

* SCAG did not provide data for the Extremely Low Income Group as the Very Low Income group (for RHNA data) is 50% or less of CMFI. Therefore, it is assumed that the Extremely Low Income is approximately 1/2 of the Very Low Income level.

** CMFI: California Median Family Income.

4. Affordable Housing At Risk Of Conversion

In prior years, the City had experienced significant growth in its multi-family housing stock, with over 900 apartment units constructed prior to 1990. Construction of multi-family housing in the City has continued, albeit at a slower pace with 367 units constructed during the 1990-2000 period. There were 391 units constructed from 2000-2007. Since then, no apartments have been built. This continued growth in apartment units has resulted in some incentives being



necessary to attract renters, but rents have increased with the growth in the cost of living, and stabilized during the housing crash and the current economic conditions. Location is a key variable in the price of an apartment in Barstow. Apartments in newer sections of Barstow command higher prices than the same type of unit in an older section of the City. The competitive prices of many rental homes in Barstow have led some renters to choose homes over apartments. Bedroom size is a key consideration in apartments or single-family homes providing for sufficient living space for the household unit. Above all, location appears to be a key factor in both the prices and the likelihood that the unit is rented.



Publicly subsidized affordable housing provides the largest supply of affordable housing in most communities. The City of Barstow has two privately owned affordable housing projects that receive public subsidies in return for long-term affordability controls. Typically, these residential projects provide units affordable to extremely low, very low and low-income households, including persons with special needs. Over time, certain affordable housing units

are eligible to change from lower income housing to market rate housing within the planning period. The two projects mentioned are the Suncrest and Riverview Apartments. The Suncrest Apartments is an 81 unit (including managers unit) comprised of 36 very low, and 44 low income households. The Riverview Apartments also has 81 units (including managers unit).

A third, 75 unit apartment project (Virginia Terrace), receives HUD Vouchers. Although currently eligible to go market rate in 2023, it is unlikely to do this due to the guarantee of funding from the vouchers. Two more proposals (one 72 units, the other 73) are also under consideration, though one (73 units) may not be viable and is no longer being pursued by the developer.

The County also offers Project Based Vouchers. These are tied to an individual unit. If the individual/family moves, they lose this assistance. Two apartment complexes utilize the Project Based Vouchers, as follows:

Sunrise Vista Apartments – 50 project based vouchers allocated to the site of 156 units.

Sunset Pointe Apartments – 50 project based vouchers allocated to the site of 144 units.

In addition to the above mentioned apartments, the County maintains 219 conventional public housing units for low income housing. To define a set-number for the extremely low, very low, and low-income units that are provided is difficult because most of the units are set-up for all affordable qualified tenants, essentially paying their appropriate portion based upon their income.

California law requires that all housing elements include an analysis of “assisted multi-family housing” projects as to their eligibility to change from low-income housing to market rates. At-risk units are multi-family rental housing projects that receive federal, state, and/or local financial assistance and may change from low income to market rate rents by 2024. If units are at risk, the element must include a detailed inventory and analysis.

The inventory must list:

- Each development by project name and address
- Type of governmental assistance received
- Earliest possible date of change from low-income use
- Total elderly and nonelderly units that could be converted
- An analysis of costs of preserving and/or replacing these units
- Resources that could be used to preserve the at-risk units
- Program for preservation of at-risk units and quantified objectives

Table A-18 is a list of all multi-family rental projects that have received public assistance and are deed restricted as affordable.

Table A-18: Publicly Assisted Multi-Family Housing

Project Name and Address	Project Characteristics						
	Target Group	Year Built	Total Units/ Bedroom Mix		Property Owner	Project Funding Sources	Expiration Date of Covenants
Suncrest Apartments 201 N. Yucca Ave.	Family	2003	80 + managers	2 bd: 34 du 3 bd: 23 du 4 bd: 24 du	Simpson Housing Group	TCAC	2058
Riverview Apartments 200 N. Yucca Ave.	Family	2006	80 + managers	2 bd: 16 du 3 bd: 48 du 4 bd: 16 du	Simpson Housing Group	TCAC	2061
Virginia Terrace 615 E. Virginia Way	Family	1981	75	1 bd: 13 du 2 bd: 47 du 3 bd: 15 du	Lincoln Properties	HUD Voucher Program	2023
Conventional Public Housing Various locations.	Family Senior	Varies	179 40	NA	San Bernardino County Housing Authority	County	Perpetuity

Note:

TCAC: Tax Credit Allocation Committee

At-Risk Status

Barstow currently has two deed restricted properties as identified in Table A-20 above. A third property (Virginia Terrace) takes advantage of vouchers through HUD. This site converted to market rate in 2001. Although they are no longer considered a subsidized facility, they have been accepting HUD vouchers and have entered into a contract until April 30, 2023 to accept HUD Vouchers.

The two deed restricted units have rental units available in two bedroom through four bedroom configurations. The rents on these units are established on the income of the tenants. The Suncrest Apartments have two bedroom units ranging from \$398 to \$549, three bedroom units range from \$624 to \$730 and four bedroom units at \$795. The Riverview Apartment rates range from \$323 to \$650 for two bedroom units, \$359 to \$730 for three bedroom units and \$381 to \$770 for four bedroom units.

To analyze the cost of the replacement of the at-risk apartments, the per-acre cost was estimated based on current land values of apartments for sale (as of January 2015) of the closest similar project (\$61,956.52 per acre). The Development Impact Fees (\$15,965.40/unit) were then calculated based upon the number of units, and the construction costs (\$71,160.00/unit). The estimated replacement cost is \$6,766,741.95 (final cost of \$90,223.23/unit). This information was used because of the lack of sales data for undeveloped property suitable for apartment development.

To purchase an existing apartment building, the City compared the assessed value and the sale price of the closest comparable complex currently for sale (a 48-unit complex). A per-unit cost was established and then calculated based on the number of units. The replacement cost would range from \$1,044,400 (final cost of \$21,758.33 per unit)(based upon San Bernardino Assessor's assessed value) to \$2,350,000 (final cost of \$48,958.33 per unit)(based upon requested sales price/Redfin search, multi-family listing, 9/2017). This is considerably less expensive than building a new project (min. 45% less). In addition, the California Department of Housing and Community Development maintains a list of qualified entities that are interested in purchasing government-subsidized multifamily housing projects available at <http://www.hcd.ca.gov/community-development/preserving-existing-affordable-housing/docs/hpd00-01.xlsx> (file HDP 00-01). Upon notification of the at-risk conversion, the city should consult this list for possible acquisition of the property or equivalent.

In 2014, the City was once again approached by one of two proposed TCAC projects. On July 21, 2014, the city was notified by the Committee giving us an opportunity to comment on this proposed 72-unit project (Calico Family Apartments). On August 4, 2014, the City commented

in support of the project. This project remains as a potential substitute for the potential conversion of the Virginia Terrace apartment complex in 2023. In addition, it is anticipated that the 75 vouchers would be utilized elsewhere at other apartment complexes.

Global Premier Development Inc. (Global Premier), proposing the above project, also has a second proposed 73 unit affordable family project located near the Calico Family Apartments. A recent email indicated that while the above project (Calico Family Apartments) is still being considered, this second site is no longer viable at this time. Under the new General Plan, the Calico Family Apartments can build up to 100 units without a density bonus.

5. September 2017 Assembly and Senate Bills

On September 29, 2017, Governor Jerry Brown signed six Senate bills and nine Assembly bills intended to promote the development of affordable housing and make significant changes to the state housing law. The 15 bills include:

SB 2 (Atkins)	AB 72 (Santiago/Chiu)
SB-3 (Beall)	AB 73 (Chiu)
SB 35 (Wiener)	AB 571 (E. Garcia)
SB 166 (Skinner)	AB 678 (Bocanegra)
SB 167 (Skinner)	AB 879 (Grayson)
SB 540 (Roth)	AB 1397 (Low)
	AB 1505 (Bloom/Bradford/Chiu/Gloria)
	AB 1515 (Daly)
	AB 1521 (Bloom/Chiu)

A brief overview of each bill is provided below, and how it affects the Housing Element.

SB 2 (Atkins)

This bill establishes a permanent funding source for affordable housing through a \$75 fee on real estate transaction documents (i.e., real estate instrument, paper, or notice required or permitted by law to be recorded; except for home sales). The recording fee is expected to generate approximately \$200-\$300 million per year for affordable housing. Fees collected will begin January 1, 2018. For the first year, 50% of the deposits shall be made available to local governments to update planning documents and zoning ordinances in order to streamline housing production, including, but not limited to, general plans, community plans, specific plans, sustainable communities strategies, and local coastal programs. Eligible uses also include environmental analyses that eliminate the need for project-specific review and local process updates that improve and expedite local permitting. Five percent of the 50% will be available for technical assistance to jurisdictions updating specified planning documents. The Office of Planning and Research (OPR) shall provide technical assistance. The additional 50% shall be made available to the department to assist persons experiencing at risk of homelessness, including but not limited to, providing rapid rehousing, rental assistance, navigation centers, and the new construction, rehabilitation, and preservation of permanent and transitional rental housing. After the first year, the monies are allocated differently and allocated to different programs.

As no monies have been collected yet, it is difficult to ascertain its impact on the City. However, this may be an opportunity to fund the next General Plan, but it would need to be part of the 2018 allocated funds, as the following years it does not appear to be available for any planning documents. The City’s general plan is for the years 2015-2020, falling within the timeline of these funds.

SB 3 (Beall)

Authorizes \$4 billion in general obligation bonds for affordable housing programs and a veteran’s home ownership program, which must be approved by voters in November. This bill allocates:

- \$1,500,000,000 To be expended to assist in the new construction, rehabilitation, and preservation of permanent and transitional rental housing for persons with incomes of up to 60% of the area median income.
- \$150,000,000 for the development or facilitating the development of higher density uses within close proximity to transit stations that will increase public transit ridership.
- \$300,000,000 Infill Incentive Grant Program of 2007 for infill incentive grants to assist in the new construction of infrastructure that supports high-density affordable and mixed-income housing in locations designated as infill, including but not limited to: (1) park creation, development or

	rehabilitation to encourage infill development, (2) water, sewer, or other public infrastructure costs associated with infill development, (3) transportation improvements related to infill development projects, and (4) traffic mitigation.
\$150,000,000	Self-Help Housing Fund, for the home purchase assistance program.
\$300,000,000	for the construction or rehabilitation of housing for agricultural employees and their families or for the acquisition of manufactured housing as part of a program to address and remedy the impact of current and potential displacement of farmworker families from existing labor camps, mobile home parks, or other housing.
\$300,000,000	to fund competitive grants or loans to local housing trust funds that develop, own, lend, or invest in affordable housing and used to created pilot programs to demonstrate innovative, cost-saving approaches to creating or preserving affordable housing.
\$300,000,000	to provide direct, forgivable loans to assist development projects involving multiple home ownership units, including single-family subdivisions, for self-help mortgage assistance programs and for manufactured homes.

As this bill requires a vote of the people, the monies may or may not be available. No action is required at this time.

SB 35 (Wiener)

The objective of this bill is to streamline the ministerial approval process for any large housing project, under the following circumstances: (1) the proposed development is (i) a multifamily housing development (ii) affordable, and (iii) meets object zoning and design review standards; (2) the proposed site is (i) zoned for residential uses and (ii) within or adjacent to an urban area; and (3) the city (i) failed to issue building permits for its share of the regional housing needs assessment, pro-rated to that point in the reporting period, or (ii) failed to submit its annual Housing Element report. The bill is intended to allow for a streamlined ministerial approval for multifamily projects, in particular those that have committed to affordable housing for no less than 30 years. There are certain exceptions from SB 35. These include: (1) coastal zones, (2) farmland, (3) wetlands, (4) specific mapped very high and high fire hazard severity zones, (5) hazardous waste sites, (6) earthquake fault zones, (7) flood plains, (8) floodways, (9) habitat for protected species, or (10) lands under a conservation easement or part of a natural community conservation plan, among others. It is not anticipated that this bill exempts the projects from the CEQA process. Therefore, the city will determine the appropriate process and work within the time constraints of the Permit Streamlining Act and the provisions of this bill.

If the developer’s application fails to meet the specifications for streamlined approval, the city must provide written documentation to the developer regarding which standards the proposed

development conflicts with, within the specified periods of time. If the city does not meet those deadlines, the development shall be deemed approved. This bill is automatically repealed on January 1, 2026.

The city is responsible for preparing an annual report on the status and implementation of the General Plan and Housing Element, where the items noted above will be addressed. No further action is necessary at this time.

SB 166 (Skinner)

Government Code Section 65863 prohibits cities from reducing residential density to a point below the density that was utilized by HCD in reviewing the Housing Elements, with some exceptions via substantial findings. This bill requires that if a city permits a development with fewer units by income category than identified in the city's Housing Element, the city must make written findings supported by substantial evidence as to whether the remaining sites identified in the Housing Element are adequate to meet the RHNA requirements. If the approvals result in fewer units, the city has 180 days to identify and rezone sufficient land to make available additional adequate sites, which does not trigger CEQA review. The city has an abundance of properties available for residential development. It is not anticipated this would be a problem for many years to come, and that by that time the economy will return to prior years and the need for the lower income housing will be reduced, and this bill will no longer be required.

No action is required at this time. This bill is not desirable for cities as the density of the development is dependent upon the developer as to whether they wish to build to maximum density. Historically, most developments are based upon applicant submittal, as long as they do not exceed the maximum density. In addition, staff has added information in Appendix C (Page HE-C-3) of the Housing Element that includes the potential (maximum) development of each land use district, and the realistic development of each district.

SB 167 (Skinner)

This bill is to strengthen the "Anti-NIMBY law," by prohibiting the city from disapproving, or conditioning the approval in a manner that renders infeasible, an application for an affordable housing development project or an emergency shelter. An exception does exist, where a city makes specified written findings based upon substantial evidence in the record that a housing development project or emergency shelter is inconsistent with both the zoning ordinance and general plan. The determination is generally upheld unless the court determines that the city acted arbitrarily, capriciously, or without evidentiary basis, a very deferential standard. This bill thereby limits the city's discretion to deny an application or condition a project to reduce its

density by increasing the city's burden of proof for denial of certain projects compliant with the applicable General Plan objectives and zoning standards. To deny such a project, the city's findings must be based on a preponderance of the evidence, instead of substantial evidence, a higher evidentiary burden. In addition, the city cannot deny a project if the general plan or zoning were changed after the application was made and deemed complete.

No action is necessary at this time. This does not require any amendment, but is more of a policy that limits the city's ability to deny projects without just cause, or places conditions that make an affordable residential project infeasible.

SB 540 (Roth)

As with AB 73 (below), this bill is geared toward streamlining the development of affordable housing by eliminating project-specific environmental review and providing loans and grants within locally created zones or districts. This bill authorizes cities to establish a Workforce Housing Opportunity Zone ("WHOZ") within an area contiguous, or non-contiguous parcels, identified on a city's inventory of land as suitable for residential development. Once a city establishes a WHOZ, it must ministerially approve a complete development application within 60 days, over the course of the next five years. See table under AB 73 for comparison.

No action is necessary at this time. There have been no recent projects that have requested work force housing. At the time of such a request, the city will consider a Workforce Housing Opportunity Zone. However, the city has the Diverse Use and Human Services zones that allow both commercial and residential uses.

AB 72 (Santiago/Chiu)

This bill requires HCD to review any city action (or inaction) determined to be inconsistent with the following: (1) an adopted Housing Element; (2) its inventory of sites suitable to accommodate the locality's regional housing needs assessment; and (3) a program to rezone sites to meet the locality's RHNA. In addition, HCD will report its findings to the city, and the city has 30 days to respond, and HCD may revoke any former finding that the city was in compliance with the state law if an inconsistency is discovered. In addition, under AB 1397, during the rezoning, the requirement under existing law that the sites shall be zoned to permit owner-occupied and rental multifamily residential use by right is limited to developments that are 20% affordable to lower-income households.

Staff does not foresee a problem with this bill as the city permits housing in accordance with the General Plan Land Use and Zoning Maps. As the various elements of the General Plan are required to be consistent (as is the zoning with the General Plan land use), it is, by default,

following the Housing Element. Further, the City has adequate available land and does not anticipate any required zone change. Any such zone change would be developer initiated.

AB 73 (Chiu)

As with SB 540, this bill is to streamline the development of affordable housing. AB 73 authorizes cities to adopt a Housing Sustainability District (“HSD”) within an “eligible location,” defined as an area within one-half mile of public transit and served by existing infrastructure and utilities. A complete development application for a project within an HSD must be ministerially approved within 120 days, during the 10-year term of an HSD. The city may deny a project where there is substantial evidence in the record that a physical condition exists to the site of the development that was not known and could not have been discovered within reasonable investigation at the time the application was submitted that would have a specific, adverse impact upon health or safety, and that there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact.

	SB 540: WHOZ	AB 73: HSD
Method of Adoption	Specific Plan	Ordinance
Requires HCD Approval	No	Yes & Requires Annual Certificate of Compliance
Ministerial Issuance of Permit	Yes	Yes
Financial Incentives Provided by HCD	Grant or No-Interest Loan	Zoning Incentive Payment
Application Approval Deadline	60 Days	120 Days
EIR Required to Approve Zone/District	Yes	Yes
EIR Required to Approve Housing Development in Zone/District	No	No
Development Project Within Zone/District Requires Prevailing Wages	Yes	Yes
Percentage of Development Dedicated to Affordable Housing	At Least 50% of Units (30% for Moderate-Income; 15% for Low; 5% for Very Low)	At Least 20% of Units
Percentage of City’s RHNA That May be Included in Zone/District	50%	100%
Limitation on Development	100-1,500 units	15% of City’s total land area for a single district; 30% of

		City's total land area for all districts
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In staff's opinion, the prevailing wages portion of a HSD is not desirable for developers. It is undetermined if the zoning incentive payment would sufficiently offset the additional cost of prevailing wages. As this bill authorizes cities to adopt an ordinance with this district designation, it is not mandatory. No action required at this time.

AB 571 (E. Garcia)

Makes it easier to develop farmworker housing by easing qualifications for Farmworker Housing Tax Credit.

As the city has no large commercial farming within the City limits, there is no need for farmworker housing.

AB 678 (Bocanegra)

This bill is substantially the same as SB 167. No action is necessary at this time. The bill addresses policy issues for approvals of housing projects for very low, low-, or moderate-income households or an emergency shelter.

AB 879 (Grayson)

This bill is focused on constraints, whether they are governmental or non-governmental (private financing price of land, etc.). Constraints include ordinances that directly impact the cost and supply of residential development, requests to lower densities, the length of time between applying for building permits and receiving approval and local efforts to remove nongovernmental constraints to development projects. The city has amended and adopted ordinances to reduce the governmental constraints. The nongovernmental constraints are beyond the control of the city, with the largest constraint on financing. With the dissolution of the Redevelopment Area, the state removed funding that would otherwise be available to assist development of affordable housing. With few housing being built, there is a lack of comparable home sales for the lending institutions to provide financing. This bill also expands the scope of the reporting requirements by requiring: (1) the number of housing development applications received in the prior year; (2) the number of units in all development applications in the prior year; (3) the number of units approved and disapproved in the prior year; and (4) a listing of the sizes rezoned to accommodate that portion of the city's share of the regional Housing Element's site inventory. As part of SB 540, the report must also include the number of housing units approved within a Workforce Housing Opportunity Zone. SB 35 also requires listing the number of units of net new housing, including rental housing and for-sale housing, issued a completed entitlement, building permit, or certificate of occupancy.

No action is necessary as this bill pertains mainly to the annual report on the status and implementation of the Housing Element.

AB 1397 (Low)

Adopted to restrict the city's ability to list sites that do not have a realistic capacity for development. This bill (1) establishes higher standards and requires a robust analysis before allowing sites with existing uses to be considered suitable for residential development; (2) limits reliance on sites that are too large (over ten acres) or too small (under one acre); (3) limits reliance on sites that have been recycled across multiple Housing Elements without developing as housing; and (4) requires that the inventory of land be available, in addition to being suitable, for residential development. This bill also requires that the parcels included in the inventory have sufficient water, sewer, and dry utilities available and accessible to support housing development or be included in an existing plan that will provide sufficient utilities. Overall, the City of Barstow has an excess of available land within one-mile of infrastructure. This land, even if developed at less density than reasonably possible, will provide in excess of the RHNA estimate for Barstow.

This bill also requires the description of listed sites to specify the number of units that can be accommodated on each site and whether the site is adequate to accommodate affordable housing for each income level. It also requires the methodology used to explain the development potential of sites to consider a city's (1) past experience with converting existing uses to higher density residential development, (2) the current demand for the existing use, and (3) an analysis of existing leases or other contracts that would perpetuate the existing use or otherwise prevent development. In staff's opinion, this is something that is not reasonable as the City has too many parcels available for development. The city has not seen a significant residential development for some time, with the largest recent development occurring in 2008 right before the housing market decline. The current demand, while present, is pending developers who are committed to build. Further, the only leases or contracts the city would have knowledge about are limited to current, city owned property.

Staff anticipates that this may be more appropriately addressed in the next Housing Element cycle.

AB 1505 Bloom/Bradford/Chiu/Gloria)

This bill gives HCD the authority to review inclusionary housing ordinances that (1) were adopted or amended after September 15, 2017, (2) require more than 15% affordable housing, and (3) for which the city has met less than 75% of its RHNA, measured over at least a five year

period or has failed to submit the annual Housing Element report for two consecutive years. HCD may require, upon review, the city to undertake an economic feasibility study to prove the ordinance does not unduly constrain the production of housing. Should the economic feasibility study fail to support the required findings, HCD may require the city limit the applicability of its inclusionary housing ordinance and may cap the ordinance's required affordability percentage.

As a precautionary measure, should the city find the need to prepare an inclusionary ordinance, the city will consult with HCD, or require that affordable housing does not meet or exceed 15%.

AB 1515 (Daly)

This bill limits the city's discretion by requiring a city find a project or shelter is consistent with the zoning ordinance and general plan, and possibly local plans, programs, policies, ordinances, standards, requirements, or similar provisions, when "there is substantial evidence that would allow a reasonable person to conclude that the housing development project or emergency shelter is consistent." This creates an objective evidentiary standard and to reduce the traditional judicial deference afforded to cities in making consistency findings.

No ordinance is necessary at this time, as the city will follow the requirements of AB 1515. The city does not treat affordable housing or emergency shelters any differently than any other project.

AB 1521 (Bloom/Chiu)

Gives experienced housing organizers a first right of refusal to purchase affordable housing developments in order to keep the units affordable. Requires appraisers to be certified by HCD.

The only properties the City owns that is used for any such service is the building where Desert Manna is (emergency shelter) and a two-unit residential parcel leased to New Hope, Too!
There is no action required at this time.