

**2013 - 2021
HOUSING ELEMENT**

CITY OF BANNING

DRAFT

SEPTEMBER 12, 2013

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A. Introduction

The Housing Element is the City's primary policy guide for the maintenance, improvement and development of housing within the City of Banning. The Element provides an indication of the need for housing in the community in terms of affordability, availability, adequacy, and accessibility. It provides a strategy to address housing needs and identifies a series of specific housing program actions to meet community needs. A detailed Housing Needs Assessment, Constraints Analysis, and Resources Summary was prepared as part of the Housing Element update and serves as the technical background document to the Housing Element. Together, the two documents comprise the complete Housing Element.

PURPOSE OF THE HOUSING ELEMENT

The Housing Element is the City's official response to the need to provide housing for all economic segments of the community, as well as a legal requirement that housing policy be included as a part of the planning process. The Housing Element provides City officials, residents and other stakeholders the opportunity to plan for the existing and future housing needs in the community. This Housing Element has been prepared in compliance with the 2013-2021 planning cycle for cities in the Southern California Association of Governments (SCAG) region, and identifies strategies and programs that focus on: 1) conserving and improving existing affordable housing; 2) providing adequate housing sites; 3) assisting in the development of affordable housing; 4) removing governmental and other constraints to housing development; 5) promoting equal housing opportunities; and promoting energy conservation.

SCOPE AND CONTENT OF THE HOUSING ELEMENT

The Housing Element consists of two documents: 1) the Housing Policy Plan, which contains goals, policies, programs and quantified objectives; and 2) the Housing Element Technical Report, which contains the Needs Assessment, Constraints, and Resources chapters. Appendix A of the Technical Report provides an Evaluation of the previous Housing Element and Appendix B includes the detailed Residential Land Inventory for evaluating the City's ability to accommodate its assigned share of regional growth needs for this planning period.

The State Legislature recognizes the role of local general plans, and particularly the Housing Element, in implementing statewide housing goals to provide decent housing and a suitable living environment for all persons. Furthermore, the Legislature stresses continuing efforts toward providing affordable housing for all income groups.

The major concerns of the Legislature with regards to the preparation of Housing Elements are:

- Recognition by local governments of their responsibility in contributing to the attainment of State housing goals;

- Preparation and implementation of City and County Housing Elements that are coordinated with State and federal efforts to achieve State housing goals;
- Participation by local jurisdictions in implementation efforts to attain State housing goals; and
- Cooperation between local, regional and state agencies to address housing needs.

The State Department of Housing and Community Development (HCD) sets forth specific guidelines regarding the scope and content of housing elements.

A number of local and regional plans and programs relate to the Housing Element. A brief description of these plans and programs follows.

RELATED PLANS AND PROGRAMS

REGIONAL HOUSING NEEDS ASSESSMENT (RHNA)

State Housing Element Law requires SCAG to prepare a Regional Housing Needs Assessment (RHNA) every eight years to identify existing and future housing needs. For the projection period of January 1, 2014 through October 31, 2021, the RHNA allocation for Banning is 3,792 units. The RHNA process and how the City intends to address this requirement is discussed further in the Resources section of the Technical Report.

RELATIONSHIP TO OTHER GENERAL PLAN ELEMENTS

The Banning General Plan was comprehensively updated in 2006 and is comprised of 21 elements grouped in four major components:

- *Community Development*
- *Environmental Resources*
- *Environmental Hazards*
- *Public Services and Facilities*

The Housing Element is part of the *Community Development* component of the General Plan, which also includes the Land Use, Economic Development, Circulation, and Parks and Recreation Elements.

As required by state law, internal consistency is maintained among the various elements of the General Plan. For example, the framework for residential development established in the Land Use Element is reflected in the land inventory analysis of the Housing Element. The Land Use Element identifies residential land use designations at various densities that will facilitate the provision of a wide range of housing types for all income groups. The Circulation Element supports the Land Use and Housing Elements by identifying roadways, transit, pedestrian, and bicycle facilities that are needed to provide access and mobility for residents. Other elements that address public safety or

infrastructure issues help to ensure that adequate public services and facilities will be available to support residential developments. Whenever one element of the General Plan is amended, the other elements are reviewed and modified, as necessary, to ensure consistency.

Government Code Sec. 65302 requires amendments to the Safety and Conservation elements to include analysis and policies regarding flood hazard and management information upon each revision of the Housing Element. If necessary, amendments to the Housing Element will be processed concurrently in order to maintain consistency between elements.

State law also requires that water and sewer providers grant service priority to new developments with units that are affordable to lower-income households. The Housing Element will be transmitted to these providers upon adoption of the element to ensure that they have up-to-date information regarding the housing needs and objectives in Banning.

Senate Bill 244 of 2011 amended the *Government Code* and *Water Code* to require cities and counties to analyze unincorporated island, fringe and legacy communities and amend the Land Use Element of the General Plan prior to or concurrent with the next update of the Housing Element. This bill also imposes requirements on Local Agency Formation Commissions (LAFCOs) regarding annexations and the analysis of municipal services in disadvantaged unincorporated communities (DUCs). According to Riverside County LAFCO, there are no DUCs within the Banning area.

COMMUNITY PARTICIPATION

Section 65583(c)(5) of the Government Code states that “the local government shall make diligent efforts to achieve public participation of all the economic segments of the community in the development of the Housing Element, and the program shall describe this effort.”

The City’s efforts to encourage public participation along with a summary of the comments received during the update process are presented in **Appendix C** of the Technical Report.

During the required HCD review period, copies off the Draft Housing Element were made available to interested parties on the City’s website, at City Hall, the Banning Library and the Community Center. In addition, a public meetings and hearings to review the draft Housing Element were held by the Planning Commission and City Council. Notification was published in the local newspaper in advance of each hearing, and direct notices were mailed to interested individuals.

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Housing Plan

The purpose of the Housing Plan is to formulate a set of Housing Element Action Programs that will guide the City of Banning and all of its housing stakeholders toward the preservation, improvement and development of housing. The City intends to create a municipal climate that encourages a variety of housing types and affordability levels to meet the needs of residents at all income levels.

The programs described below establish specific actions, time frames and objectives consistent with the City's housing goals. Department/agency responsibilities and funding sources are also indicated.

A. GOALS AND POLICIES

CONSERVE AND IMPROVE AFFORDABLE HOUSING

Substandard and deteriorating housing units, in addition to the obvious problems of blight and appearance, can expose occupants to a variety of hazards ranging from electrical fire to toxic substances and materials used in construction. A number of factors affect the life expectancy of a housing unit, such as quality of workmanship, age of structure, location, type of construction, and degree of maintenance. As a city with a large number of older housing units, it is important that on-going maintenance programs are implemented in Banning. In addition to rehabilitation efforts, conservation of the existing stock of affordable housing is also important, as the cost to preserve existing affordable housing is often lower than replacing the units.

Housing Goal 1: Conserve, improve, and rehabilitate existing housing.

Policy 1.1: Develop and foster activities to increase the health, safety, and property values of the City's existing housing stock.

Policy 1.2: Preserve existing single-family neighborhoods.

Policy 1.3: Encourage continued and new investments in established communities.

Policy 1.4: Monitor the status of at-risk multifamily rental housing units, work with potential nonprofit purchasers/managers as appropriate, and explore funding sources available to preserve the at-risk units.

ADEQUATE HOUSING SITES FOR NEW HOUSING DEVELOPMENT

Economic forces are driving jobs and housing development eastward in Riverside County, which will result in increased pressure in Banning for new housing opportunities. Although the recent housing market downturn has interrupted this pattern of rapid growth, history suggests that the pause will be temporary and the long-term prospect for the Inland Empire is continued economic expansion.

To keep pace with future growth, the Southern California Association of Governments (SCAG) has identified a need for 3,792 new housing units in Banning during the January 1, 2014 through October 31, 2021 planning period. New housing developments should provide a range of housing types and price levels to allow for the upward mobility of Banning residents, as well as affordable housing opportunities for households of modest means.

Housing Goal 2: Provide adequate sites for new residential construction to meet the needs of all segments of the community without compromising the character of the City.

Policy 2.1: Provide adequate sites for a range of new housing construction to meet the Regional Housing Need Assessment (RHNA) for Banning of 3,792 units during the 2014-2021 planning period.

FACILITATE DEVELOPMENT OF AFFORDABLE HOUSING AND HOUSING FOR PERSONS WITH SPECIAL NEEDS

New construction is a major source of housing for prospective homeowners and renters. However, the cost of new construction can be high in comparison to housing preservation programs. In addition, market-rate new construction may not provide housing that is affordable, or adequate, for special needs populations such as the elderly, persons with disabilities, and homeless. Incentive programs such as density bonuses offer a cost-effective means of promoting affordable housing development. Public sector assistance can also promote the construction of affordable housing that meets the needs of all segments of the community. Banning is fortunate in that the cost of land is relatively low in comparison to much of Southern California, which increases the feasibility of affordable housing development.

Housing Goal 3: Assist in the development of housing that is affordable to all segments of the community.

Policy 3.1: Support the development of housing affordable to all income groups by utilizing a variety of public and private efforts.

Policy 3.2: Assist the development of housing that targets the needs of special populations, including the elderly, persons with disabilities, and homeless.

Policy 3.3: Promote the development of attractive and safe housing to meet community needs.

REMOVE GOVERNMENTAL CONSTRAINTS TO HOUSING PRODUCTION AND AFFORDABILITY

Under current State law, the Housing Element must address, and where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing.

Housing Goal 4: *Remove governmental constraints to the provision of housing to the greatest extent feasible and legally permissible.*

Policy 4.1: Promote efficient and creative alternatives to help reduce governmental constraints.

Policy 4.2: Provide incentives and regulatory concessions for affordable and senior housing.

Policy 4.3: Streamline the City's development review and approval process to facilitate housing construction while also ensuring that new development meets all applicable standards.

EQUAL HOUSING OPPORTUNITIES

Housing should be made available to all persons regardless of race, religion, sex, family size, marital status, national origin, color, age, disability, or income. To make adequate provisions for the housing needs of all segments of the community, the City should promote equal and fair housing opportunities for all residents.

Housing Goal 5: *Promote equal opportunity for housing throughout the City of Banning.*

Policy 5.1: Support efforts to eliminate discrimination in the sale or rental of housing with regard to race, religion, disability, gender, family size, marital status, national origin, or income.

Policy 5.2: Continue to further fair housing choices by actively expanding housing opportunities and removing impediments to fair housing.

Policy 5.3: Encourage the development or renovation of residential units that are accessible to disabled persons or are adaptable for conversion to residential use by disabled persons.

Policy 5.4: Accommodate housing for persons with special needs, including emergency shelters and transitional housing, in compliance with applicable State law.

ENERGY CONSERVATION AND SUSTAINABLE RESIDENTIAL DEVELOPMENT

Energy conservation can reduce development cost as well as ongoing utility bills for residents. City housing policies can also promote long-term sustainability through efficient land use and transportation planning to reduce fuel usage and travel cost.

Housing Goal 6: *Promote residential energy conservation and sustainable development.*

Policy 6.1 Support energy conservation and sustainable residential development through construction technology and land use planning.

B. HOUSING PROGRAMS

This section describes the programs that will implement Housing Element goals and policies. The housing programs define the specific actions the City will undertake in order to achieve the goals for the current planning period.

1. Code Enforcement

The City will identify potential code violations, utilize property maintenance inspections and work with property owners to resolve code and property maintenance issues to maintain the quality of housing units in the City. The City has brought Code Enforcement and Building Inspection staff under one department, and engaged in a cross-training effort to more actively and efficiently address code violations and improve communication with owners of properties in need of improvement.

Program Objectives: Decrease the number of unresolved code violations within the City and increase the number of improved properties.

Responsible Agency: Community Development Department

Funding Source: Community Development Department budget.

Schedule: Continuous throughout the planning period.

2. Housing Rehabilitation Program

The City will continue to pursue grant programs such as the Riverside County Home Improvement Program to provide loans to eligible lower-income families for necessary home repair and rehabilitation work, including room additions to alleviate overcrowding. The City will continue to publicize assistance offered by the County, including flyers available at the City Planning counter and information posted on the City's website. The City will prioritize funding as it becomes available to target projects

benefitting extremely-low-income households. To the extent feasible, projects may also be eligible for deferral or waiver of City application and processing fees.

Program Objectives:	Reduced number of substandard properties.
Responsible Agency:	Community Development Department.
Funding Source:	Grant funds
Schedule:	Continuous throughout the planning period.

3. Conservation of Existing and Future Affordable Units

Banning has several assisted affordable housing developments, although none is at risk of conversion to market rate during the current planning period. The City will monitor the status of these projects and take steps to preserve affordability should any become at-risk of conversion in the future.

Program Objectives:	Monitor the status of assisted projects.
Responsible Agency:	Community Development Department, U.S. Department of Housing and Urban Development (HUD), the California Department of Housing and Community Development (HCD), and the Housing Authority of Riverside County (HARIVCO)
Funding Source:	HUD Section 8 vouchers, other funding sources as available.
Schedule:	Throughout the planning period

4. Section 8 Rental Assistance

The Section 8 Rental Assistance Program provides rental subsidies to very-low-income (up to 50 percent of areawide median income – [AMI]) family and elderly households who spend more than 30 percent of their income on rent. The subsidy represents the difference between 30 percent of monthly income and the actual rent. Section 8 assistance is issued to the recipients as vouchers, which permit tenants to choose their own housing and rent units beyond the federally determined fair market rent in an area, provided the tenants pay the extra rent increment.

Program Objectives:	Continue to support the HARIVCO's applications for additional Section 8 allocations and efforts to provide vouchers for lower-income residents.
Responsible Agency:	Housing Authority of Riverside County
Funding Source:	Federal HUD Section 8 program
Schedule:	Throughout the planning period

5. Adequate Sites for Residential Development

The General Plan Land Use Element and the Zoning Code establish the regulatory framework for residential development. The Land Use Element provides for a variety of residential types, ranging from lower-density single-family houses to higher-density apartments and condominiums and mixed-use development. A significant portion of the inventory of sites for higher-density housing is located in large planned developments. In some cases, large parcels must be subdivided to create suitable building sites prior to construction. When large sites must be divided into smaller parcels prior to development, the City facilitates this process through pre-application meetings to clarify procedures, concurrent priority processing of subdivision maps with any other required approvals, and incentives such as density bonus and modified development standards when the project includes affordable housing. The City has a successful track record of facilitating development applications, and will continue to work cooperatively with developers to streamline the permit process for large parcels requiring subdivisions.

The City will continue to ensure that adequate sites are available throughout the planning period to accommodate the City's share of regional housing need identified in the Regional Housing Needs Assessment.

Program Objectives:	Maintain adequate residential sites with appropriate zoning to accommodate Banning's regional housing needs.
Responsible Agency:	Community Development Department
Funding Source:	Community Development Department budget
Schedule:	Throughout the planning period

6. Facilitate Development of Affordable and Special Needs Housing

In order to facilitate the development of housing for low- and moderate-income households and persons with disabilities (including developmental disabilities), the City will implement the following actions:

- Provide administrative assistance to developers seeking available state and federal funding and/or tax credits for the construction of low- and moderate-income housing
- Facilitate projects that incorporate affordable units and accessible units by granting modifications to development standards, expedited processing, or financial incentives consistent with state law.
- Affordable housing developers will be contacted each year to solicit interest and apprise them of available assistance programs.

- Targeted assistance will be prioritized for special needs housing and extremely-low-income (ELI) units through density bonuses and/or regulatory incentives, modified development standards and fee deferrals, when feasible.
- Coordinate with the Inland Regional Center regarding the needs and assistance programs targeted for persons with developmental disabilities, and make information available on the City website.

Program Objectives: Facilitate affordable housing development commensurate with the RHNA and the production of accessible and supportive housing for persons with disabilities.

Responsible Agency: Community Development Department

Funding Source: Community Development Department budget

Schedule: Contact affordable housing developers and the Inland Regional Center annually; assist developers with applications for funding assistance upon request.

7. Infill and Mixed-Use Housing Development

Infill housing and mixed-use development helps to promote investment in older neighborhoods while also contributing to meeting the community's housing needs. The City has targeted the Downtown Commercial (DC) area for special incentives for multi-family, SRO and mixed-use development to stimulate revitalization. The downtown area is particularly well-suited to affordable and special needs housing due to the availability of employment, services and transit.

Since many parcels in the downtown are relatively small, the City will encourage consolidation of adjacent parcels to enhance development feasibility by providing a lot consolidation density incentive of 5% when two or more parcels totaling at least 0.5 acre are consolidated, and 10% when two or more parcels totaling at least 1.0 acre are consolidated. This density incentive will be in addition to the density bonus currently allowed. City incentives will also include consolidated permit processing, reduced fees for parcel mergers or lot line adjustments, density bonus and modified development standards.

The DC district zoning regulations will also be amended to increase allowable base densities to 24 units/acre for any project that meets the minimum affordability standards under state Density Bonus law (e.g., 5% very-low- or 10% low-income units). The City will also provide administrative and technical assistance with grant applications for affordable or special needs housing developments in the downtown area.

In recent years the City has facilitated infrastructure upgrades such as water lines and electrical service in the downtown. In order to incentivize development in the downtown area, the City will prioritize future Capital Improvement Program funds for downtown infrastructure improvements, if feasible.

- Program Objectives:** Facilitate development of multi-family and mixed-use development in the downtown area, with special emphasis on housing affordable to low- and moderate-income households or persons with special needs.
- Responsible Agency:** Community Development Department
- Funding Source:** Grant funds; CIP Budget
- Schedule:** Zoning amendment by June 2014.
Publicize development opportunities by contacting affordable housing developers annually.

10. Mortgage Credit Certificate Program

A Mortgage Credit Certificate (MCC) entitles qualified home buyers to reduce the amount of their federal income tax liability by an amount equal to a portion of the interest paid during the year on a home mortgage. This tax credit allows the buyer to qualify more easily for a loan by increasing the effective income of the buyer. The Riverside County MCC Program provides for a 15% rate which can be applied to the interest paid on the mortgage loan. The borrower can claim a tax credit equal to 15% of the interest paid during the year. Since the borrowers taxes are being reduced by the amount of the credit, this increases the take-home pay by the amount of the credit. The buyer takes the remaining 85% interest as a deduction. When underwriting the loan, a lender takes this into consideration and the borrower is able to qualify for a larger loan than would otherwise be possible. The City will provide referral information regarding the MCC program on the City website, at City Hall and other public locations.

- Program Objectives:** Provide information regarding the MCC Program to eligible home buyers.
- Responsible Agency:** Riverside County Economic Development Agency (EDA) and participating lenders
- Funding Source:** Federal tax credits and EDA
- Schedule:** Throughout the planning period

11. Fair Housing Services

Banning is not an “entitlement city” and works cooperatively with the County of Riverside, which provides fair housing services to all unincorporated areas of the county and non-entitlement cities. Fair housing services offered through the County include counseling and information on potential discrimination and landlord/tenant problems; special assistance for ethnic minorities and single-parent households; and bilingual housing literature. Information regarding available services from the County will be provided at City Hall, on the City website, and at other governmental offices within the city. In addition, the City will work cooperatively with the County of Riverside to distribute fair housing information annually.

- Program Objectives:** Continue to work with the County of Riverside to provide fair housing services to residents of Banning.
- Responsible Agency:** Riverside County
- Funding Source:** Riverside County; Community Development Department budget
- Schedule:** Throughout the planning period

12. Reasonable Accommodation in Housing for Persons with Disabilities

Both the Federal Fair Housing Act and the California Fair Employment and Housing Act require local governments to make reasonable accommodations (i.e. modifications or exceptions) in their zoning laws and other land use regulations to allow disabled persons an equal opportunity to use and enjoy a dwelling. The Zoning Code establishes administrative procedures for reviewing and approving such requests in conformance with state law. The City will continue to implement this ordinance.

- Program Objectives:** Continue to process requests for reasonable accommodation in conformance with state law and the Development Code.
- Responsible Agency:** Community Development Department
- Funding Source:** Community Development Department budget
- Schedule:** Throughout the planning period

13. Residential Energy Conservation

With the adoption of AB 32, California's greenhouse gas legislation, energy conservation is a growing concern. In addition to helping to mitigate greenhouse gas emissions, residential energy efficiency can reduce home heating and cooling costs.

- a. Support the use of innovative building techniques and construction materials for residential development, such as energy efficient buildings that utilize solar panels and sustainable building materials that are recyclable.
- b. Encourage maximum utilization of Federal, State, and local government programs, such as the County of Riverside Home Weatherization Program and the Western Riverside Council of Governments (WRCOG) HERO Program, that assist homeowners in providing energy conservation measures.
- c. Maintain and distribute literature on energy conservation, including solar power, additional insulation, and subsidies available from utility companies, and encourage homeowners and landlords to incorporate these features into construction and remodeling projects.

- d. Encourage energy conservation devices including but not limited to lighting, water heater treatments, solar energy systems for all residential projects.

Program Objectives: Work cooperatively with property owners, utility companies and other government agencies to reduce energy use in residential developments.

Responsible Agency: Community Development Department

Funding Source: Community Development Department budget; grant programs, as available

Timeline: Throughout the planning period

C. QUANTIFIED OBJECTIVES

The City's quantified objectives for the development, rehabilitation and conservation of housing during the 2013-2021 planning period are summarized in the following table. The accomplishment of these objectives will depend on general economic conditions and the availability of funding assistance.

Income Category	New Construction	Rehabilitation	Conservation/ Preservation**
Extremely-Low	272	*	-
Very Low	271	*	-
Low	593	*	-
Moderate	685	*	-
Above Moderate	1,642	-	-
Totals	3,792	*	-

Notes:

*depending on available funding to replace lost redevelopment revenues

**No assisted units at risk (see Technical Report Table 18)

**2013-2021
HOUSING ELEMENT
TECHNICAL REPORT**

CITY OF BANNING

DRAFT

SEPTEMBER 12, 2013

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I. Introduction

A successful strategy for improving housing conditions and expanding housing opportunities must be preceded by an assessment of the housing needs of the community and region. This Housing Element Technical Report for the City of Banning discusses the major components of assessing housing needs, including trends in population, households, and types of housing available in Banning.

The technical report examines the following topics:

- Population, employment, household, and housing characteristics;
- Constraints on housing production; and
- Available housing resources.

This Housing Element Technical Report serves as a foundation for the policies and programs presented in the Housing Plan for the 2013-2021 planning period.

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II. Housing Needs Assessment

This section of the Housing Element Technical Report examines general population and household characteristics and trends, such as age, race and ethnicity, employment, household composition and size, household income, and special needs. Characteristics of the existing housing stock (e.g., number of units and type, tenure, age and condition, costs) are also addressed. Finally, the City's projected housing growth needs based on the 2014-2021 Regional Housing Needs Assessment (RHNA) are examined. This analysis provides the basis for developing a successful housing strategy that meets the needs of the community.

The Housing Needs Assessment utilizes the most recent data from the U.S. Census, the California Department of Finance (DOF), the California Employment Development Department (EDD), the Southern California Association of Governments (SCAG) and other relevant sources. Supplemental data were obtained through field surveys and from private vendors.

Community Profile

The City of Banning is located in the San Geronio Pass area adjacent to US Interstate 10 in west-central Riverside County. The City was incorporated in 1913, and encompasses approximately 23.2 square miles. During the 2013-2021 planning period residential growth is expected to occur on land within the existing City limits as well as on adjacent areas within the Sphere of Influence as it is annexed.

Riverside County is part of the "Inland Empire," which provides less expensive housing options for many people who work in Los Angeles and Orange counties and are unable to afford the higher housing costs in those coastal counties.

To avoid serving simply as "bedroom" communities for adjacent counties, Riverside County jurisdictions, including Banning, are working to attract new businesses to provide employment opportunities for local residents. This also helps promote a more balanced jobs/housing ratio, reduces the need for long commutes, and improves the local air quality and quality of life in general.

Population Characteristics

Population Growth Trends

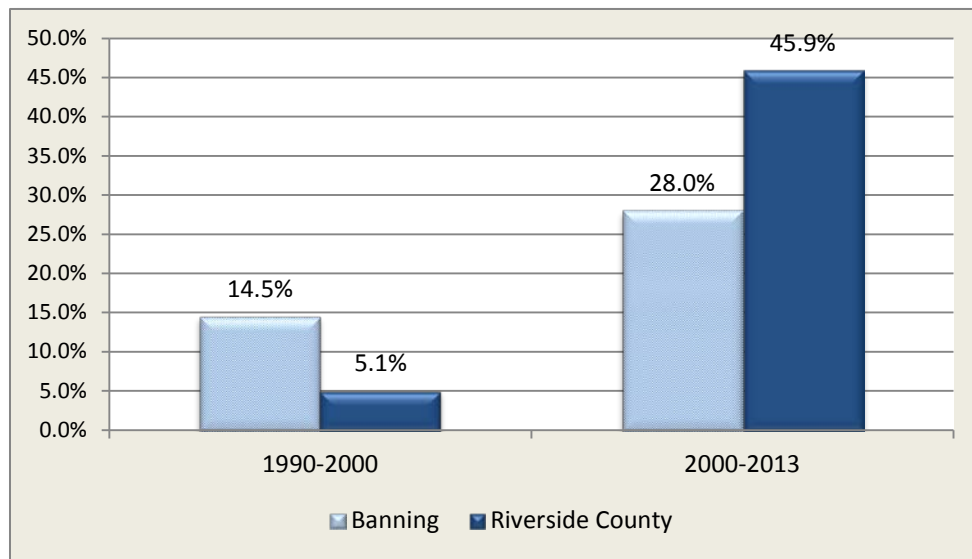
According to the Census Bureau, Banning's population increased from 20,572 in 1990 to over 30,000 in 2013 (see Table 1 and Figure 1). Although the City has continued to experience strong growth in the past decade, its rate of growth has been significantly lower than for Riverside County as a whole since 2000. The city's 2013 population of 30,170 represented only 1.3% of the county's total population of 2,255,059.

Table 1
Population Trends, 1990-2013 –
Banning vs. Riverside County

	1990	2000	2013	Growth 1990-2000	Growth 2000-2013
Banning	20,572	23,562	30,170	14.5%	28.0%
Riverside County	1,470,413	1,545,387	2,255,059	5.1%	45.9%

Source: U.S. Census, California Dept. of Finance Table E-5 (2012)

Figure 1
Population Growth 1990-2013 –
Banning vs. Riverside County





Age Characteristics

Housing needs are influenced by the age characteristics of the population. Different age groups require different accommodations based on lifestyle, family type, income level, and housing preference. Traditionally, both the young adult population (20-34) and the elderly population (65+) tend to require low to moderate cost, smaller units. Persons between 35 to 54 years old usually reside in more expensive, larger units because they typically have higher incomes and larger households.

Table 2 provides a comparison of the city’s and county’s population by age group in 2010. This table shows that Banning has a substantially larger proportion of senior citizens than Riverside County as a whole. Persons age 65 and older comprise about 26% of the city’s population while these groups represent less than 12% countywide. The median age of the city’s population is

42.3 years compared to 32.7 years for the county as a whole. This age profile suggests a greater need for senior housing in Banning than many other portions of the county.

Table 2
Age Distribution –
Banning vs. Riverside County

Age Group	Banning		Riverside County	
	Persons	%	Persons	%
Under 5 years	1,840	6.2%	162,438	7.4%
5 to 9 years	1,839	6.2%	167,065	7.6%
10 to 14 years	1,942	6.6%	177,644	8.1%
15 to 19 years	2,009	6.8%	187,125	8.5%
20 to 24 years	1,877	6.3%	154,572	7.1%
25 to 29 years	1,784	6.0%	143,992	6.6%
30 to 34 years	1,514	5.1%	138,437	6.3%
35 to 39 years	1,397	4.7%	143,926	6.6%
40 to 44 years	1,353	4.6%	149,379	6.8%
45 to 49 years	1,621	5.5%	152,722	7.0%
50 to 54 years	1,603	5.4%	140,016	6.4%
55 to 59 years	1,559	5.3%	114,765	5.2%
60 to 64 years	1,604	5.4%	98,974	4.5%
65 to 69 years	1,713	5.8%	78,495	3.6%
70 to 74 years	1,710	5.8%	62,103	2.8%
75 to 79 years	1,747	5.9%	49,003	2.2%
80 to 84 years	1,346	4.5%	36,793	1.7%
85 years and over	1,145	3.9%	32,192	1.5%
Total	29,603	100%	2,189,641	100%
Median age	42.3		32.7	

Source: 2010 Census, Table DP-1

Race/Ethnicity Characteristics

The racial and ethnic composition of the city differs from the county in that a slightly lower percentage of city residents are Hispanic/Latino, and a higher percentage of city residents are non-Hispanic white (Table 3). Approximately 41% of city residents are Hispanic/Latino contrasted with 46% for the county as a whole. Non-Hispanic white residents comprise 43% of the city's population compared with 40% of the county's residents.

Table 3
Race/Ethnicity –
Banning vs. Riverside County

Racial/Ethnic Group	Banning		Riverside County	
	Persons	%	Persons	%
Not Hispanic or Latino	17,422	58.9%	1,194,384	54.5%
-White	12,858	43.4%	869,068	39.7%
-Black or African American	2,023	6.8%	130,823	6.0%
-American Indian/Alaska Native	365	1.2%	10,931	0.5%
-Asian	1,510	5.1%	125,921	5.8%
-Native Hawaiian/Pacific Islander	34	0.1%	5,849	0.3%
-Other races or 2+ races	632	2.1%	51,792	2.4%
Hispanic or Latino (any race)	12,181	41.1%	995,257	45.5%
Total	29,603	100%	2,189,641	100%

Source: 2010 Census, Table DP-1

Employment Characteristics

Occupation and Labor Participation

According to recent Census estimates, approximately 44% of Banning residents were in the civilian labor force compared to 62% for the county as a whole (Table 4). (The labor force includes employed and unemployed persons aged 16 years and above.) This smaller labor force percentage reflects the larger proportion of retirement-age residents in Banning.

Table 4
Labor Force –
Banning vs. Riverside County

Labor Force Status	Banning		Riverside County	
	Persons	%	Persons	%
Population 16 years and over	23,289	100%	1,571,629	100%
In labor force	10,279	44%	978,372	62%
Civilian labor force	10,279	44%	974,178	62%
Employed	9,299	40%	865,088	55%
Unemployed	980	4%	109,090	7%
Armed Forces	0	0%	4,194	0%
Not in labor force	13,010	56%	593,257	38%

Source: Census 2006-2010 ACS, Table DP3

As shown in Table 5, occupations of Banning residents were fairly evenly distributed among occupation categories, with sales/office representing the largest group with 28% of residents and management/business with 25% of residents.

**Table 5
Employment by Occupation**

Occupation	Banning	
	Persons	%
Civilian employed population 16 years and over	9,299	100%
Management, business, science, and arts occupations	2,314	25%
Service occupations	1,845	20%
Sales and office occupations	2,559	28%
Natural resources, construction, and maintenance occupations	1,149	12%
Production, transportation, and material moving occupations	1,432	15%

Source: U.S. Census 2006-2010 ACS, Table DP3

Job Location

According to recent Census data, approximately 81 percent of employed Banning residents worked in Riverside County, and approximately 31 percent were employed within the city limits (Table 6).

**Table 6
Job Location for Banning Residents**

Workplace Location	%
Worked in state of residence	99.9%
Worked in county of residence	80.9%
Worked in place of residence	31.0%
Worked outside county of residence	19.0%
Worked outside state of residence	0.1%

Source: Census 2006-2010 ACS, Table S0801



Household Characteristics

Household Composition and Size

Household characteristics are important indicators of the type of housing needed in a community. The Census defines a household as all persons who occupy a housing unit, which may include families related through marriage or blood, unrelated individuals living together, or individuals living alone. People living in retirement or convalescent homes, dormitories, or other group living situations are not considered households.

According to the 2010 Census, husband/wife families represented 47% of Banning households compared to 55% for the County as a whole. About 29% of Banning households were persons living alone – a much larger proportion than the entire County with just 19%. Nearly half of all households in the city included someone 65 years of age and older, compared to just 27% for Riverside County. The average household size was 2.61 persons compared to 3.14 for the County as a whole.

Table 7
Housing by Type –
Banning vs. Riverside County

Household Type	Banning		Riverside County	
	Households	%	Households	%
Family households:	7,186	66.3%	510,241	74.4%
Husband-wife family	5,106	47.1%	376,381	54.8%
With own children under 18 years	1,517	14.0%	185,194	27.0%
Male householder, no wife present	592	5.5%	42,845	6.2%
With own children under 18 years	294	2.7%	22,059	3.2%
Female householder, no husband present	1,488	13.7%	91,015	13.3%
With own children under 18 years	737	6.8%	49,824	7.3%
Nonfamily households:	3,652	33.7%	176,019	25.6%
Householder living alone	3,092	28.5%	132,494	19.3%
Households with individuals under 18 years	3,083	28.4%	294,200	42.9%
Households with individuals 65 years and over	5,268	48.6%	187,484	27.3%
Total households	10,838	100%	686,260	100%
Average household size	2.61		3.14	

Source: 2010 Census, Table DP-1

Household Income and Overpayment

Household income is a primary factor affecting housing needs in a community – the ability of residents to afford housing is directly related to household income. According to recent Census data, the median household income in Banning was \$37,373, which was less than two-thirds the Riverside County median income of \$58,365 (Table 8). This large difference may be at least partly explained by the higher proportion of senior citizens in Banning.

Table 8
Median Household Income –
Banning vs. Riverside County

Jurisdiction	Median Income	% of County Median Income
Banning	\$37,373	64%
Riverside County	\$58,365	100%

Source: U.S. Census, 2007-2011 ACS

The income earned by a household is an important indicator of the household's ability to acquire adequate housing. While upper income households have more discretionary income to spend on housing, lower- and moderate-income households are more limited in the range of housing that they can afford. Typically, as household income decreases, the incidence of overpayment and overcrowding increases.

The following income categories are used in Housing Element analyses:

- **Extremely-low-income households** earn 30% or less of the Area (county) Median Income (AMI), adjusted for household size;
- **Very-low-income households** earn between 31% and 50% of the AMI, adjusted for household size;
- **Low-income households** earn between 51% and 80% of the AMI, adjusted for household size;
- **Moderate-income households** earn between 81% and 120% of the AMI, adjusted for household size; and,
- **Above-moderate-income households** earn over 120% of the AMI, adjusted for household size.

State and federal standards consider a household as overpaying for housing if it spends more than 30% of its gross income on housing. A household spending more than it can afford for housing has less money available for other necessities and emergency expenditures. Very-low-income households overpaying for housing are more likely to be at risk of becoming homeless than other households. Renter households overpay more often than owner households because of their typically lower incomes. Compared to renters, overpayment by owners is less of a concern because homeowners have the option to refinance the mortgage, or to sell the house and move into rentals or buy a less expensive home.

Recent Census data reported that about 52% of lower-income owners and 88% of lower-income renters in Banning overpaid for housing (Table 9). Overpayment was most prevalent among extremely-low-income households.

Table 9
Overpayment by Income and Tenure

Income Category	Owners		Renters	
	Households	Percent	Households	Percent
Extremely low households	370		405	
Households overpaying	350	94.6%	405	100.0%
Very low households	1,355		1,215	
Households overpaying	730	53.9%	1,055	86.8%
Low households	1,985		545	
Households overpaying	830	41.8%	445	81.7%
Subtotal: All lower-income households	3,710		2,165	
Subtotal: Households overpaying	1,910	51.5%	1,905	88.0%
Moderate households	1,900		265	
Households overpaying	450	23.7%	80	30.2%
Above moderate households	2,240		595	
Households overpaying	355	15.8%	0	0.0%

Source: U.S. Department of Housing and Urban Development, CHAS, based on the 2006-2008 ACS. Table 15.

Extremely Low Income Households

Following the passage of AB 2634 in 2006, state law requires quantification and analysis of existing and projected housing needs of extremely low-income (ELI) households. Extremely-low-income is defined as less than 30% of area median income, adjusted for household size. As of 2013 the area median income in Riverside County is \$65,000¹. For extremely-low-income households, this results in an income of \$19,500 or less. Households with extremely low-incomes have a variety of housing problems and needs.

Existing Needs

As noted in Table 9, recent Census data estimated that there are 370 ELI owner households and 405 ELI renter households in Banning. Of these, 95% of owners and 100% of renters were reported as overpaying for housing.

Projected Needs

The projected housing need for extremely-low-income households is assumed to be 50% of the very-low-income regional housing need of 872 units. As a result, the City has a projected need for 436 new extremely-low-income units during the 2014-2021 planning period. The resources and programs to address this need are the same as for other lower-income housing in general, and are discussed elsewhere in the Housing Element and Technical Report. Because the needs of extremely-low-income households overlap extensively with other special needs groups, further analysis and resources for these households can be found in the Housing Needs Assessment/

¹ California Department of Housing and Community Development, [State Income Limits for 2013, 2/25/2013](#)

Special Needs Populations and Housing Constraints/Provision for a Variety of Housing discussions in this Technical Report.

Overcrowding

An overcrowded household is defined by the Census Bureau as more than one person per room, excluding bathrooms, kitchens, hallways, and porches. A severely overcrowded household is defined as more than 1.5 persons per room. Overcrowding results from a lack of affordable housing and/or a lack of available housing units of adequate size. Table 10 summarizes overcrowding for the City of Banning and Riverside County.

Table 10
Overcrowding –
Banning vs. Riverside County

Occupants per Room	Banning		Riverside County	
	Units	%	Units	%
Owner occupied units	8,623	100%	467,086	100%
1.01 to 1.50	185	2%	15,586	3%
1.51 to 2.00	89	1%	3,952	1%
2.01 or more	21	0.2%	1,021	0.2%
Renter occupied units	3,248	100%	199,820	100%
1.01 to 1.50	220	7%	18,488	9%
1.51 to 2.00	85	3%	5,685	3%
2.01 or more	0	0%	1,852	1%

Source: Census 2006-2010 ACS, Table B25014

According to recent Census data, overcrowding was more prevalent among renters than owners. Approximately 10% of the City’s renter-occupied households were overcrowded compared to 3% of owner-occupied households. Overcrowding is slightly less prevalent in Banning than the County as a whole.

Special Needs Populations

Certain segments of the population may have more difficulty in finding decent, affordable housing due to their special circumstances or needs. These “special needs” populations include elderly persons, agricultural workers, single-parent households, persons with disabilities, large households, and the homeless. Many of these households also fall under the category of extremely-low-income.

A variety of City policies and programs described in the Housing Element address the needs of extremely-low-income households, including those in need of residential care facilities and persons with disabilities. However, it must be recognized that the development of new housing for the lowest income groups typically requires large public subsidies, and the level of need is

greater than can be met due to funding limitations, especially during these times of declining public revenues.

Elderly

The special needs of the elderly are often a function of lower fixed incomes and/or disabilities. Housing for the elderly often requires special attention in design to allow greater access and mobility. Housing located within vicinity of community facilities and public transportation also facilitates mobility of the elderly in the community.

As seen previously in Table 2, Banning's population is older than Riverside County as a whole. According to recent Census estimates, well over half of owner households but only 12% of renter households in Banning were headed by someone age 65 or older (Table 11). Elderly residents are more likely to have a disability, which may require special housing design.

Table 11
Elderly Households by Tenure

Householder Age	Owner		Renter	
	Households	%	Households	%
Under 65 years	3,912	45%	2,866	88%
65 to 74 years	2,106	24%	206	6%
75 to 84 years	2,083	24%	117	4%
85 years and over	522	6%	59	2%
Total Households	8,623	100%	3,248	100%

Source: U.S. Census 2006-2010 ACS, Table B25007

Finally, many elderly live on fixed incomes and occupy older homes. These factors may make paying for needed home repairs and maintenance difficult. The City's programs to increase senior affordable housing opportunities help to address this issue.

Agricultural Workers

Agriculture is a major industry in Riverside County although large-scale farming is not prevalent in the Pass area. Recent Census estimates reported 48 Banning residents employed in farming, forestry, fishing and mining occupations². Agricultural workers face various housing issues due to their typically lower incomes and the seasonal nature of their work.

The City's zoning regulations allow agricultural employee housing with up to 12 units or 36 beds as an agricultural use, consistent with state law.

² 2006-2010 ACS, Table DP-3

Single-Parent Families

Single-parent families with children often require special attention due to their needs for affordable childcare, health care, and housing assistance. Female-headed families with children tend to have lower incomes, thus limiting housing availability for this group. According to recent Census data, about 9% of owner households and 28% of renter households in Banning were headed by single-parents (Table 12). Banning’s housing programs aimed at increasing the supply of affordable housing help to assist single-parent families.

Table 12
Household Type by Tenure

Household Type	Owner		Renter	
	Households	%	Households	%
Married couple family	4,556	53%	1,143	35%
Male householder, no wife present	182	2%	227	7%
Female householder, no husband present	645	7%	671	21%
Non-family households	3,240	38%	1,207	37%
Total Households	8,623	100%	3,248	100%

Source: U.S. Census 2006-2010 ACS, Table B11012

Persons with Disabilities

According to recent Census estimates, approximately 18% of Banning residents reported having a disability. Among the elderly population (65+) 36% reported some type of disability.

Physical and mental disabilities can hinder a person’s access to traditionally designed housing units (and other facilities) as well as potentially limit the ability to earn income. Housing that satisfies the design and locational requirements of disabled persons are limited in supply and often costly to provide.

Housing opportunities for disabled persons can be addressed through the provision of affordable, barrier-free housing. In addition to the development of new units, housing rehabilitation assistance programs can also be provided to disabled residents to make necessary improvements to remove architectural barriers of existing units. As noted in the Constraints section, the City has procedures in place for reviewing and approving requests for reasonable accommodation in housing for persons with disabilities in accordance with state law.

Developmentally Disabled

Section 4512 of the California Welfare and Institutions Code defines a "Developmental disability" as a disability that originates before an individual attains age 18 years, continues, or can be expected to continue, indefinitely, and constitutes a substantial disability for that individual which includes mental retardation, cerebral palsy, epilepsy, and autism. This term also includes disabling conditions found to be closely related to mental retardation or to require

treatment similar to that required for individuals with mental retardation, but shall not include other handicapping conditions that are solely physical in nature.

Many developmentally disabled persons can live and work independently within a conventional housing environment. More severely disabled individuals require a group living environment where supervision is provided. The most severely affected individuals may require an institutional environment where medical attention and physical therapy are provided. Because developmental disabilities exist before adulthood, the first issue in supportive housing for the developmentally disabled is the transition from the person's living situation as a child to an appropriate level of independence as an adult. The State Department of Developmental Services (DDS) currently provides community based services to approximately 243,000 persons with developmental disabilities and their families through a statewide system of 21 regional centers, four developmental centers, and two community-based facilities. The Inland Regional Center is one of 21 regional centers in the State of California that provides point of entry to services for people with developmental disabilities. The center is a private, non-profit community agency that contracts with local businesses to offer a wide range of services to individuals with developmental disabilities and their families.

Currently, nearly 600 Inland Regional Center staff members provide services to more than 25,000 people with developmental disabilities and their families in San Bernardino and Riverside counties. Once a consumer is found eligible, he/she is paired with a Consumer Services Coordinator (CSC) who becomes their primary contact at the center. They will meet on an ongoing basis to develop an annual Individual Program Plan (IPP) that lists specific, agreed upon goals and objectives that will enhance opportunities to live more closely in line with the core values of the agency. To better meet the needs of consumers, Inland Regional Center designed programs according to age, specialization, and geographic location. Categories include Early Start/Prevention 0-3; School Age 3-15; Transition 16-22; Adult 23-59; and Senior 60+.

Large Households

Large households are defined as those with five or more persons. Recent Census data estimated that 7% of owner households and 10% of renter households in Banning had five or more members (Table 13). Typically, the availability of adequately-sized and affordable housing units is an obstacle facing large households. The issue for large households is often related to affordability, particularly among renters. However, since the vast majority of Banning households are comprised of three or fewer persons, the need for large units is less than in many communities.

Table 13
Household Size by Tenure

Householder Age	Owner		Renter	
	Households	%	Households	%
1 person	2,813	33%	911	28%
2 persons	3,802	44%	1,031	32%
3 persons	621	7%	624	19%
4 persons	685	8%	334	10%
5 persons	295	3%	240	7%
6 persons	212	2%	70	2%
7 persons or more	195	2%	38	1%
Total Households	8,623	100%	3,248	100%

Source: U.S. Census 2006-2010 ACS, Table B25009

Homeless

The homeless population refers to persons lacking consistent and adequate shelter. Homelessness is a continuing problem throughout California and urban areas nationwide. During the past two decades, an increasing number of single persons have remained homeless year after year and have become the most visible of all homeless persons. Other persons (particularly families) have experienced shorter periods of homelessness. However, they are often replaced by other families and individuals in a seemingly endless cycle of homelessness.

The 2013 Riverside County Point-in-Time Homeless Survey estimated that there were a total of 2,978 sheltered or unsheltered homeless persons countywide at the time of the survey. This represented a 31% decrease compared to the 2011 homeless count. The 2013 count identified 42 homeless persons in Banning, all of whom were unsheltered and 40% were considered chronically homeless.

Inventory of Homeless Facilities

In response to the growing needs of the homeless population in Riverside County, a Continuum of Care (COC) process began in 1994 in order to provide the delivery of facilities and services to the homeless population at each step of the transition from living on the street, to permanent and sustained, independent living. The COC consists of four components:

1. Outreach and Assessment;
2. Emergency Shelters with Supportive Services;
3. Transitional Housing with Supportive Services; and
4. Permanent and Affordable Housing.

There are 19 emergency shelters, 19 transitional housing facilities, and 11 permanent supportive housing facilities in Riverside County. There are currently no homeless shelters in Banning.

HELP Services, the primary homeless service provider in Banning, provides meals to homeless persons.

Senate Bill (SB) 2 of 2007 strengthened local planning requirements for emergency shelters and transitional housing. In compliance with SB 2, the City’s zoning regulations allows emergency shelters by-right in the Airport Industrial zone.

Housing Stock Characteristics

Table 14 shows the change in Banning’s housing stock from 2000 to 2013 compared to Riverside County. The City’s housing stock increased by approximately 24% during this period compared to 39% for the County as a whole. The majority (80%) of the existing housing stock in Banning consisted of single-family detached and attached homes. The remaining 20% of units were almost equally divided between multi-family units and mobile homes.

Table 14
Housing by Type –
Banning vs. Riverside County

Structure Type	2000		2013		Growth	
	Units	%	Units	%	Units	%
Banning						
Single-family	7,575	77.6%	9,670	79.6%	2,095	87.7%
Multi-family	1,030	10.6%	1,336	11.0%	306	12.8%
Mobile homes	1,156	11.8%	1,143	9.4%	-13	-0.5%
Total units	9,761	100%	12,149	100%	2,388	100%
Riverside County						
Single-family	398,752	68.2%	602,898	74.2%	204,146	89.7%
Multi-family	103,034	17.6%	130,314	16.0%	27,280	12.0%
Mobile homes	82,888	14.2%	79,022	9.7%	-3,866	-1.7%
Total units	584,674	100%	812,234	100%	227,560	100%

Source: Cal. Dept. of Finance, Tables E-5 & E-8

Tenure and Vacancy Rates

Table 15 illustrates the tenure (owner vs. renter) of occupied housing in Banning and the County as a whole. The table shows that Banning has a homeownership rate of 61% compared to 58% for the County as a whole. It is noteworthy that 3% of units were vacant but not for sale, for rent or held for occasional use. It is assumed that many of those units were foreclosures held by lending institutions.

Table 15
Housing Tenure – Banning vs. Riverside County

Housing Type	Banning		Riverside County	
	Units	%	Units	%
Occupied housing units	10,838	89%	686,260	86%
Owner-occupied housing units	7,412	61%	462,212	58%
Average household size of owner-occupied units	2.37		3.10	
Renter-occupied housing units	3,426	28%	224,048	28%
Average household size of renter-occupied units	3.12		3.22	
Vacant housing units	1,306	11%	114,447	14%
For rent	424	3%	23,547	3%
Rented, not occupied	26	0.2%	1,107	0.1%
For sale only	320	3%	18,417	2%
Sold, not occupied	54	0.4%	3,255	0.4%
For seasonal, recreational, or occasional use	134	1%	50,538	6%
All other vacants	348	3%	17,583	2%
Homeowner vacancy rate (%)	4.1		3.8	
Rental vacancy rate (%)	10.9		9.5	
Total housing units	12,144	100%	800,707	100%

Source: 2010 Census, Table DP-1

Vacancy rate is a measure of housing availability in a community. A vacancy rate of 2% for ownership housing and 5% for rental housing generally indicates an adequate supply of vacant housing to allow mobility. According to recent Census data, both owner and renter vacancy rates were 3%, very similar to Riverside County as a whole.

Housing Stock Age and Condition

The age of housing is commonly used as an indicator of need for major repairs. In general, housing units over 30 years old are likely to exhibit signs of rehabilitation needs, such as new roofing, foundation work, or plumbing.

As depicted in Table 16, about 58% of the housing units in Banning were built after 1979 and most are likely to be in good condition. Approximately 42% of units are over 30 years of age and may be in need of major repairs or even replacement.

Table 16
Age of Housing Stock –
Banning vs. Riverside County

Year Built	Banning		Riverside County	
	Units	%	Units	%
Built 2005 or later	285	2%	69,098	9%
Built 2000 to 2004	1,848	14%	130,497	17%
Built 1990 to 1999	2,802	21%	131,438	17%
Built 1980 to 1989	2,761	21%	179,429	23%
Built 1970 to 1979	1,332	10%	123,182	16%
Built 1960 to 1969	1,112	9%	65,589	8%
Built 1950 to 1959	1,558	12%	51,864	7%
Built 1940 to 1949	863	7%	16,139	2%
Built 1939 or earlier	511	4%	15,880	2%
Total units	13,072	100%	783,116	100%

Source: Census 2006-2010 ACS, Table DP-4

Based on discussions with the City’s code enforcement and Building Department staff, it is estimated that approximately 500 units may be in need of substantial repair or replacement. Other code enforcement issues in Banning include weed abatement, which is concentrated on rental properties with absentee landlords, as well as vehicle abandonment.

Housing Costs and Affordability

This section discusses current real estate market trends in Banning, both for-sale and rental. It must be emphasized that real estate markets are cyclical, and in recent years a sharp downturn in sales volumes and property values has occurred in the Inland Empire (Riverside and San Bernardino Counties), in large part due to the “sub-prime” mortgage crisis. While such downturns result in lower prices and more affordable housing opportunities, the corresponding increase in foreclosure rates and softening job market, combined with the rapid escalation in gasoline prices, has hit Banning and other Riverside County communities particularly hard. The following discussion should be viewed in recognition of recent events, and with the understanding that market conditions will change over time.

Housing Affordability

Housing affordability is determined by the ratio of income to housing costs. According to the HCD guidelines for 2013, the area median income (AMI) for a family of four in Riverside County is \$65,000. Based on state guidelines, income limits for a four-person family along with rents and estimated sales prices generally considered to be “affordable” are shown in Table 17.

An affordable housing payment is considered to be no more than 30% of a household’s gross income. For rental units, this includes rent plus utilities. Assuming that a potential homebuyer

within each income group has acceptable credit, a typical down payment (5% to 10%), and other housing expenses (taxes and insurance), the maximum affordable home price can be estimated for each income group, as seen in Table 17. Based on the current home prices described below, both low- and moderate-income households would generally be able to purchase a home with a sufficient number of bedrooms to avoid overcrowding. Very-low-income households may be able to purchase a home, but it would most likely be a smaller, older unit or a condominium or mobile home.

Table 17
Income Categories and Affordable Housing Costs – Riverside County

2013 Areawide Median Income = \$65,000	Income Limits	Affordable Rent	Affordable Price (est.)
Extremely Low (<30% AMI)	\$20,100	\$503	--
Very Low (31-50% AMI)	\$33,500	\$838	\$150,000
Low (51-80% AMI)	\$53,600	\$1,340	\$250,000
Moderate (81-120% AMI)	\$78,000	\$1,950	\$350,000
Above moderate (120%+ AMI)	\$78,000+	\$1,950+	\$350,000+

Assumptions: --Based on a family of 4
 -30% of gross income for rent or PITI
 -10% down payment, 4.5% interest, 1.25% taxes & insurance
 Source: Cal. HCD; J.H. Douglas & Associates

Ownership Housing

According to DataQuick Information Systems, the calendar year 2012 median resale single-family home price for Banning was \$129,000, which was significantly lower than the median price of \$205,000 for Riverside County as a whole (Table 18). The median resale price for condos in Banning was \$116,000, well below the county median of \$157,000.

Table 18
House and Condo Median Sales Prices, 2012

Zip Code	SFD	Condo
Banning	\$129,000	\$116,000
Riverside County	\$205,000	157,000

Source: DataQuick Information Systems, 2013

A 2013 market survey found no new home developments currently active in Banning. However, in the City of Beaumont, which is immediately adjacent to the west, one new development (K. Hovnanian's Four Seasons³) was selling single-family detached homes at prices ranging from \$220,159 to \$367,550.

³ <http://www.newhomesource.com/yahoorealestate/homedetail/specid-985337> (accessed 9/2/2013)

Based on the estimated affordable prices (Table 17) and home prices presented above, housing affordability is currently considered excellent in Banning. Sales prices for new single-family housing are within the affordability range for moderate-income households, and even some lower-income households. The current recession, while creating severe hardship for many, has resulted in much improved affordability in the housing market.

Rental Housing

The rental housing market in Banning includes apartments, townhomes, and single-family homes. The results of a recent internet rental survey are shown in Table 19.

Table 19
Rental Market Data –
Banning

Unit Size	Rent
1-bedroom apartment	\$655
2-bedroom apartment	\$810
3-bedroom SF house	\$1,250

Source: Forrent.com⁴

Since no apartment complexes have been built in Banning in recent years, a review of newer apartments in the nearby city of San Jacinto was conducted. Willowcreek Meadows at 1555 S. Santa Fe Street, a gated 52-unit market-rate townhome apartment project with 2-car attached garages, is built at a density of 13.7 units/ acre and offers 2-bedroom units for \$1,050-1,150/month and 3-bedroom units for \$1,200-1,300/month⁵. Based on the affordability levels shown in Table 17 (page 19), all of these units are affordable to lower-income households. It should be noted that this project is less than 10 years old and represents the “high end” of the rental market in San Jacinto, and most (if not all) other apartment projects in the vicinity are expected to have lower rents.



Based on Riverside County income limits and current rental rates, most very-low-, low-, and moderate-income households can afford market rents in Banning. However, households with extremely-low incomes face an “affordability gap.” Programs to facilitate development of new assisted rental housing and Section 8 vouchers can help to address this gap, and are discussed in the Resources section and the Housing Plan.

⁴ www.forrent.com (accessed 9/1/2013)

⁵ <http://www.rent.com/california/san-jacinto-apartments/willowcreek-meadows-4-664903> (accessed 9/1/2013)

Assisted Housing At-Risk of Conversion

State Housing Element law requires cities to prepare an inventory of assisted multi-family rental units that are eligible to convert to market rate due to termination of subsidy contract, mortgage prepayment, or expiring use restrictions. Under Housing Element law, this inventory is required to cover the ten-year period from 2013 to 2023.

Table 20 summarizes the inventory of assisted rental housing projects in Banning. Three assisted developments are located in the City. None of these projects is at-risk of conversion during the current planning period.

Table 20
Inventory of Assisted Rental Housing

Development Name	Total Units	Funding Source	Expiration of Affordability Covenants
Cherry Valley Healthcare	132	223(a)(7)/223(f)	2039
Westview Terrace	75	HFDA/8 NC	2066
Windscape Village Apartments	128	207/223(f)	2040

Sources: SCAG, CHPC, City of Banning, 2013.

Growth Needs 2014-2021

Overview of the Regional Housing Needs Assessment

The Regional Housing Needs Assessment (RHNA) is a key tool for local governments to plan for anticipated growth. The RHNA quantifies anticipated need for housing within each jurisdiction for the period from January 2014 through October 2021. Communities then determine how they will address this need through the process of updating the Housing Elements of their General Plans.

The current RHNA was adopted by the Southern California Association of Governments (SCAG) in October 2012. The future need for housing is determined primarily by the forecasted growth in households in a community. Each new household, created by a child moving out of the parent's home, by a family moving to a community for employment, and so forth, creates the need for a housing unit. The housing need for new households is then adjusted to maintain a desirable level of vacancy to promote housing choice and mobility. An adjustment is also made to account for units expected to be lost due to demolition, natural disaster, or conversion to non-housing uses. The sum of these factors – household growth, vacancy need, and replacement need – determines the construction need for a community. Total housing need is then distributed among four income categories on the basis of the county's income distribution, with adjustments to avoid an over-concentration of lower-income households in any community.

2014-2021 Banning Growth Needs

The total housing growth need for the City of Banning during the 2014-2021 period is 3,792 units. This total is distributed by income category as shown in Table 21. While the RHNA did not address the needs of the extremely-low-income category, state law requires jurisdictions to analyze this segment. As allowed by state law, the extremely-low category is assumed to be one-half of the very-low-income need.

Table 21
Regional Housing Growth Needs 2014-2021

Very Low	Low	Moderate	Above Moderate	Total
872*	593	685	1,642	3,792
23.0%	15.6%	18.1%	43.3%	100%

*50% of the Very Low category is assumed to be in the Extremely Low Income category
Source: SCAG 2012

How the City's growth needs will be accommodated is discussed in Section 4 – Housing Resources.

III. Housing Constraints

Governmental, infrastructure, environmental and market factors can pose constraints to the provision of housing. These constraints may result in housing that is not affordable to low- and moderate-income households, persons with special needs, or may render residential construction economically infeasible for developers. This chapter analyzes these potential constraints and where necessary, identifies steps the City can take to alleviate them.

Governmental Constraints

Governmental regulations, while intentionally controlling the characteristics of development in the community can also have the unintended effect of increasing the cost of housing. Potential governmental constraints include land use plans and regulations, building codes and their enforcement, site improvement standards, fees and other exactions required of developers, and local development processing and permit procedures.

Land use regulations limit the amount or density of development, potentially increasing the cost per unit. On-site and off-site improvements such as roads, traffic signals, water or wastewater systems may increase an individual project's costs of development. Processing and permit requirements may delay construction, increasing financing and/or overhead costs of a development. The following describes potential governmental constraints and analyzes the extent to which they may affect the cost and supply of housing in Banning.

General Plan

The Banning General Plan was adopted in 2006. The state-mandated Land Use Element of the General Plan is contained in Chapter III - Community Development⁶. The General Plan describes a range of residential types dispersed throughout the City in the following land use categories and densities:

- Ranch/Agriculture Residential (RAR) – 1 unit/10 acres
- Ranch/Agriculture Residential - Hillside (RAR-H) – 1 unit/10 acres
- Rural Residential (RR) – Up to 1 unit/ acre
- Rural Residential - Hillside (RR-H) – Up to 1 unit/ acre
- Very Low Density Residential (VLDR) – Up to 2 units/acre
- Low Density Residential (LDR) – Up to 5 units/acre
- Medium Density Residential (MDR) – Up to 10 units/acre
- High Density Residential (HDR) – 11 to 18 units/acre
- Very High Density Residential (VHDR) – 19 to 24 units/acre
- Mobile Home Park (MHP)

In addition to these residential land use categories, mixed-use or exclusive residential development is allowed in the Downtown Commercial (DC) land use category at densities up to

⁶ <http://www.ci.banning.ca.us/DocumentCenter/Home/View/663>

18 units/acre. In the previous planning period, some of the larger sites in the Downtown Commercial area were designated affordable housing candidate sites with allowable densities of up to 20 units/acre.

Zoning Regulations and Residential Development Standards

The City of Banning regulates the type, location, density, and scale of residential development primarily through the Zoning Code. Development regulations are designed to protect and promote the health, safety, and general welfare of residents as well as implement the policies of the General Plan. The residential land use districts set forth in the Zoning Code are the same as those described in the General Plan Land Use Element. The City's residential development standards, which include density, lot area, coverage, height, and setbacks, are shown in Table 22. These development standards are similar to those of other jurisdictions in the same market area and do not create an unreasonable constraint to the cost and supply of housing.

In addition to "conventional" zoning designations, Specific Plan districts allow customized development standards and design criteria. Such techniques may include clustering of units, density transfer within the project, or variations in lot orientation, layouts, and development standards. Specific plans are normally used for large-scale master planned developments and involve a high level of public review.

Table 22
Development Standards for RM, RMH, RH, and RVH Zones

Zone District	Maximum Building Height	Minimum Lot Width	Minimum Yard Setback			Minimum lot size (sq. ft.)	Allowable Density (units/acre)	Floor Area Ratio		Maximum Building Coverage (%)
			Front	Side	Rear			One Story	Multi Story	
R/A	35' or 2-story	600	50	25	50	10 acres	1/10 acre	0.10	0.20	10
RAR-H	35' or 2-story	600	50	25	50	10 acres	1/10 acre	0.10	0.20	10
RR	35' or 2-story	150	50	25	35	40,000	0-1	0.15	0.30	15
RR-H	35' or 2-story	150	50	25	35	40,000	0-1	0.15	0.30	15
VLDR	35' or 2-story	100	35	15	35	20,000	0-2	0.15	0.30	15
LDR	35' or 2-story	70	20	10	15	7,000	0-5	0.35	0.60	40
MDR	45' or 3-story ¹	50	15	5	10	5,000	0-10	0.40	0.70	40
HDR/HDR-20	60' or 4-story	150	15	5	10	7,000	11-18 ²	0.40	0.70	40
VHDR	60' or 4-story	150	15	5	10	7,000	19-24 ³	0.40	0.70	40
MHP	25' or 1-story	150	10	5	10	N/A	9-18	0.50	N/A	50

Source: City of Banning Municipal Code, Chapter 17.08

1. Maximum height only permitted if Fire Department provides written verification that they can serve

2. Allowable density is 20 units/acre for HDR-20 sites

3. Allowable base density is 20 units/acre for qualifying affordable housing developments

Standards for Multi-Family Housing

Chapter 17.08 of the Zoning Code establishes standards for multi-family housing and PUD-type developments. All developments with more than ten units must provide 30% useable open space for active and passive recreational uses, excluding: rights of way; parking areas; areas adjacent to or between any structures less than 15 feet apart; setbacks; detention basins or any use whose primary purpose is not intended for recreation; patio or private yards; or areas with a slope greater than eight percent. Every dwelling unit must also have a patio or balcony not less than 300 square feet in area or 25% of the dwelling unit size, whichever is less. All multi-family developments must provide recreational amenities within the site, such as swimming pool, clubhouse, tot lot with play equipment, or day care facilities, according to the following schedule:

Number of Units	Number of Amenities
Up to 10	1
11 - 50	2
51 - 100	3
101 - 200	4
201 - 300	5
More than 300	One additional amenity for each additional 100 units

These standards are typical of most higher-density developments in Southern California, and do not pose an unreasonable constraint to housing supply or affordability.

Density Bonus

Under current law, applicants are eligible for a range of density bonuses up to 35 percent based on the percentage of affordable units in a development. Applicants are also eligible for a land donation density bonus. The City is required to offer one to three regulatory incentives based on the percentage of affordable units in a development. Reduced, waived, or partially paid fees are possible incentives associated with applications for density bonuses. The law also limits parking requirements that localities may impose. The City's density bonus regulations are in conformance with current state law.

Off-Street Parking Requirements

Table 23 depicts the off-street parking requirements for residential uses in Banning, as required by Chapter 17.28 of the Zoning Code. These requirements are typical for Southern California cities and are not considered an unreasonable constraint to the production of housing. The City offers reduced parking requirements as an incentive associated with applications for density bonuses in compliance with state law.

**Table 23
Off-Street Parking Requirements**

Residential Unit Type	Number of Required Parking Spaces
Single family dwellings	Two covered spaces within an enclosed garage.
Multi-family residential:	
Studio and one bedroom	One covered parking space per unit, plus one uncovered guest parking space for every 4 units.
Two bedrooms	Two covered parking spaces per unit, plus one uncovered guest parking space for every 4 units.
Three or more bedrooms	Three covered parking spaces per unit, plus one uncovered guest parking space for every 4 units.
Planned unit developments including single family dwellings and condominiums	Two covered spaces within an enclosed garage per unit, and one uncovered off street guest parking space for every five units.
Residential day care	Two spaces in addition to those required for the primary residence.
Senior citizen apartments	One covered space for each unit, plus one uncovered space, and one space for each three units for guest parking.
Senior congregate care	One covered space for each unit.
Mobile home parks	Two covered parking spaces within an enclosed Garage, which may be tandem, and one uncovered guest space for each unit.

Provisions for a Variety of Housing Types

Housing Element law specifies that jurisdictions must identify adequate sites to be made available through appropriate zoning and development standards to encourage the development of a variety of types of housing for all income levels and for persons with special needs, including mobile homes, congregate care facilities, senior housing, emergency shelters, and transitional housing. Table 24 summarizes the various housing types that are permitted within Banning’s residential zone districts.

**Table 24
Permitted Residential Uses by Zoning District**

Housing Types Permitted	Zoning District							
	RA	RR	VLDR	LDR	MDR	HDR*	VHDR	MHP
Single Family Dwelling	P	P	P	P	C	C	C	X
Condo/Townhouse	X	X	C	C	P	P	P	X
Multi-Family Dwellings	X	X	X	C	P	P	P	X
Mobilehome Park/Subdivision	X	X	X	X	C	C	C	P
Agricultural Employee Housing	P	X	X	X	X	X	X	X
Second Dwelling Unit	P	P	P	P	X	X	X	X
Single Room Occupancy facilities	X	X	X	X	X	C	C	X
Transitional & Supportive Housing	P	P	P	P	P	P	P	P
Congregate Care Facilities	X	X	X	P	P	P	P	X
Residential Care Facility (licensed/6 or less residents)	P	P	P	P	P	P	P	P
Residential Care Facility (unlicensed/6 or less residents)	X	X	X	X	C	C	C	X
Residential Care Facility (7 or more residents)	X	X	X	X	C	C	C	X

Source: City of Banning Zoning Code, 2013.
*Includes HDR-20

P= Permitted, C=Conditionally Permitted, X=Not Permitted

Housing Affordable to Lower-Income Persons: As noted previously in the Needs Assessment, housing in Banning is much more affordable than many metropolitan areas of Southern California. While the current recession has caused increased unemployment and financial strain for some families, it has also brought about a significant decline in home prices and rents. The City's General Plan and zoning regulations facilitate development of affordable housing by providing a balance of land use designations with densities up to 24 units/acre (excluding density bonus) in the Very High Density Residential district. Typical multi-family housing developments (both market-rate and affordable) in the Banning market area have been at densities in the range of 16-20 units/acre. This density can be accommodated in both the HDR and VHDR districts even without density bonus. When state-mandated density bonus incentives are included, allowable densities of 24 – 30 units/acre may be achieved in the HDR and VHDR zones. Discussions with affordable housing developers have indicated that the densities and development standards currently allowed by the City's zoning regulations are appropriate for this market area and facilitate the construction of lower-income housing.

Mixed Use: Mixed-use development (residential and non-residential combined on the same parcel) is permitted in the Downtown Commercial (DC) and General Commercial (GC) zones, and is conditionally permitted in the Highway Serving Commercial (HSC), Professional Office (PO) and Business Park (BP) zones. A primary policy objective for the 2013-2021 planning period is to encourage higher-density affordable housing in the Downtown Commercial area as a means of stimulating economic investment in underutilized properties while also accommodating a substantial portion of the City's assigned share of lower-income regional housing need. Zoning regulations currently allow residential densities of up to 18 units/acre on smaller sites and 20 units/acre on larger sites of at least 0.8 acre. In order to provide an incentive for affordable multi-family and mixed-use development, Program 7 in the Housing Plan includes a proposal to amend the DC zoning regulations to increase the allowable base density to 24 units/acre for projects that meet the minimum affordability standards under state Density Bonus law (e.g., 5% very-low- or 10% low-income units). Development standards in the DC zone currently allow a height limit of 60 feet and 4 stories.

Second Units: Second units can provide additional opportunities for affordable housing while also providing a source of income for homeowners. As shown in Table 24, second units are permitted uses in all single-family zones. Standards for second units are provided in Section 17.08.100 of the Zoning Code pursuant to California *Government Code* Section 65852.2 and include the following requirements:

- The minimum lot size on which an attached residential second unit may be located shall be 7,000 square feet. The minimum lot size on which a detached residential second unit may be located shall be 10,000 square feet.
- The floor area of attached second unit shall not exceed 30% of the existing living area.

- The total area for a detached second unit shall not exceed 1,200 square feet.
- A residential second unit shall comply with all development standards for the applicable zoning district, including, but not limited to, standards for front, rear and side yard setback requirements for a primary unit under the regulations of the applicable zoning district.
- The owner of the lot shall reside on the lot, either in the primary unit or in the residential second unit, and the residential second unit shall not be sold, or title thereto transferred separate from that of the property.
- A minimum of one off-street parking space shall be provided per bedroom of the residential second unit.
- The minimum gross floor area of an attached residential second unit shall be 400 square feet.
- An attached residential second unit may have a separate entrance; provided, however, in no event shall any external stairwell be placed within the side yard setback.
- A residential second unit shall contain separate kitchen and bathroom facilities, and shall be metered separately from the primary dwelling for gas, electricity, communications, water, and sewer services.
- A residential second unit shall have no more than two bedrooms.
- The design of second unit shall be architecturally compatible with the primary unit on the same parcel with the predominant architecture of the area.

These standards ensure that new second units will not adversely impact the surrounding community and do not unreasonably constrain the development of second units.

Mobilehomes and Manufactured Housing: Mobilehome subdivisions and parks provide an important affordable housing source for residents of Banning, with mobile homes comprising nearly 10% of the housing stock. The Zoning Code allows mobilehome parks and subdivisions as a permitted use in the MHP zones. Manufactured housing units on permanent foundations are permitted in the same manner as single-family homes consistent with building code requirements.

Housing for Persons with Disabilities: The Zoning Code allows licensed Residential Care Facilities for six persons or less in all residential zones by-right. Small unlicensed care facilities and large care facilities (7+ residents) are permitted subject to a conditional use permit in the MDR, HDR and VHDR residential zones, as well as the Highway Serving Commercial zone.

Definition of “Family”

Zoning Code §17.04.070 defines “family” as a “single housekeeping unit”, as follows: “Single Housekeeping Unit is one or more individuals, whether related by blood, marriage, legal adoption or not, jointly occupying a dwelling unit, including the joint use of and responsibility for common areas, and sharing

household activities and responsibilities such as meals, chores, household maintenance, and expenses, and where, if the unit is rented, all adult residents have chosen to jointly occupy the entire premises of the dwelling unit, under a single written lease with joint use and responsibility for the premises, and the makeup of the household occupying the unit is determined by the residents of the unit rather than the landlord or property manager.” This definition is consistent with state law.

Separation Requirements

There is no City requirement for minimum separation distance between small licensed care facilities other than as may be provided in state law. Unlicensed care facilities must maintain a minimum separation of 1,000 feet from any other unlicensed care facility, boarding house, SRO, elementary or secondary school or day care center (Zoning Code §17.08.201).

Parking Standards

For boarding house type uses, one parking space is required for each room or two beds, whichever is greater. For senior congregate care facilities, two parking spaces per three units is required.

Supportive Services

There are no limitations on supportive services in group homes or care facilities.

Reasonable Accommodation for Persons with Disabilities

Reasonable accommodation refers to the City’s procedures for reviewing and approving requests from disabled and special needs residents to alter their homes to allow for mobility and use. Chapter 17.42 describes City procedures for processing requests for reasonable accommodation for persons with disabilities and special housing needs in conformance with state law.

Emergency Shelters: State law (Senate Bill 2 of 2007) requires that emergency shelters be allowed by-right (i.e., without discretionary review such as a conditional use permit) in at least one zoning district. Emergency shelters are permitted by-right in the Airport Industrial (AI) zone. Approximately 135.8 acres of land is within the AI zone, of which approximately 94 acres is vacant. This area has ample capacity to accommodate the development of at least one homeless shelter. Portions of the AI zone are within one-quarter mile from the downtown core and nearby central business district, within easy walking distance from services available in the downtown.

Transitional and Supportive Housing: “Transitional and supportive housing” means a residential facility that provides temporary accommodations, typically for six months to two years, to low- and moderate-income persons and families or persons with special needs, and which also may provide meals, counseling, and other services, as well as common areas for residents of the facility. SB 2 of 2007 requires that transitional and supportive housing be considered a residential use that is permitted under the same procedures and requirements as for

other residential uses of the same type in the same zone. The Zoning Code allows transitional and supportive housing subject to the same standards and procedures as for other residential uses of the same type in the same zone in conformance with SB 2.

Farmworker Housing: State law⁷ provides that employee housing for six or fewer workers shall be considered a single-family use and no conditional use permit, zoning variance, or other zoning clearance shall be required of employee housing that serves six or fewer employees that is not required of a family dwelling of the same type in the same zone. State law further provides that any employee housing consisting of no more than 36 beds in a group quarters or 12 units or spaces designed for use by a single family or household shall be deemed an agricultural land use designation, and no conditional use permit, zoning variance, or other zoning clearance shall be required of this employee housing that is not required of any other agricultural activity in the same zone. The Zoning Code allows agricultural employee housing by-right in zones where agriculture is a permitted use consistent with state law.

Single Room Occupancy: Single room occupancy (SRO) facilities are small studio-type apartment units, typically intended for very-low- or extremely-low-income persons. SRO facilities are allowed with a Conditional Use Permit in the High Density Residential (HDR) and Very High Density Residential (VHDR) districts, as well as in the Downtown Commercial (DC) and Highway Serving Commercial (HSC) Districts.

Development and Planning Fees

After the passage of Proposition 13 and its limitation on local governments' property tax revenues, cities and counties have faced increasing difficulty in providing public services and facilities to serve their residents. One of the main consequences of Proposition 13 has been the shift in funding of new infrastructure from general tax revenues to development impact fees and improvement requirements on land developers. In order to ensure public health and safety, the City requires developers to provide on-site and off-site improvements necessary to serve their projects. Such improvements may include water, sewer and other utility extensions, street construction and traffic control device installation that are reasonably related to the project. Dedication of land or in-lieu fees may also be required of a project for rights-of-way, transit facilities, recreational facilities, and school sites, consistent with the Subdivision Map Act.

State law limits fees charged for development permit processing to the reasonable cost of providing the service for which the fee is charged. Various fees and assessments are charged by the City and other public agencies to cover the costs of processing permit applications and providing services and facilities such as schools, parks, and infrastructure. These fees are typically assessed through a pro rata share system, based on the magnitude of the project's impact or on the extent of the benefit that will be derived.

While the cost of planning and development impact fees may be viewed as a constraint to housing supply and affordability, local governments and service providers have little discretion

⁷ *Health and Safety Code* §17021.5 and §17021.6.

in this matter due to the state's legal and budgetary framework established under Proposition 13 and other related laws.

Banning charges various fees and assessments to cover the cost of processing permits and providing certain services and utilities. Under state law, these fees are limited to the actual cost of providing these services. Table 25 depicts current development fees for residential development. The City derives its building permit fees based on building valuation and fee data established by International Congress of Building Officials (ICBO).

Table 25
Development Fees

Fee Type	Single Family Unit	Multi-Family Unit
Permit processing	\$660* (1,500 sq ft unit)	\$316 (1unit or 1,000 sq ft.)
Fire	\$1,335	\$1,335
Police	\$823	\$913
Traffic Control	\$250	\$172
General Plan	\$75	\$75
Parks	\$1,955	\$1,187
General City	\$478	\$530
Energy Conservation	\$45	\$45
New Electrical Service	\$1,400	\$1,400
Water Connection (per d.u.)	\$7,232	\$7,232
Sewer/Wastewater (per d.u.)	\$2,786	\$2,786
School Fees	\$2.97 or \$3.69** per sq ft.	\$2.97 or \$3.69** per sq ft.
T.U.M.F	\$10,046	\$7,054
M.S.H.C.P.	\$1,008-\$1,938***	\$1,008-\$1,938***
Total (per unit)	\$34,558	\$28,673

Notes: T.U.M.F refers to the Transportation Uniform Mitigation Fee

MSHCP refers to the Multi-Species Habitat Conservation Plan

* Permit cost for production phase 1,500 sq ft. dwelling unit as per City Fee table.

**Cost varies on school district jurisdiction, Banning District used to estimate total fees.

*** Cost varies based on dwelling units per acre.

Source: City of Banning, 2013

Building Codes and Enforcement

Banning has adopted the 2010 version of the California Building Codes. The California Building Code is considered to be the minimum necessary to protect the public health, safety, and welfare, and is used by most jurisdictions in the state. Code violations are investigated on both a complaint basis and on a proactive basis as code enforcement officers patrol the city. Code enforcement officers work cooperatively with property owners to expedite remedial actions and advise them about any assistance programs that may be available to help bring properties into compliance. The City currently (2013) has one Code Enforcement staff. Prior to the recession that began in 2008, there were three Code Enforcement personnel.

Local Processing and Permitting

The City of Banning encourages the ongoing construction, maintenance, and improvement of housing by decreasing, to the extent possible, the time and uncertainty involved in gaining approvals for various development permits. This section outlines the City's development permit procedures. The Community Development Department currently (2013) has one staff planner assigned to processing planning applications.

Concurrent Processing

State law requires that all communities work toward improving the efficiency of their building permit and review processes by providing concurrent processing, thereby eliminating the unnecessary duplication of effort. Moreover, Assembly Bill 884 (passed in 1978) helped reduce governmental delays by 1) limiting processing time in most cases to one year, and 2) by requiring agencies to specify the information needed to complete an acceptable application. The following summarizes the existing approximate time frame and review procedures for single-family and multi-family projects.

Single-Family and Multi-Family Projects of Four Units or Less

Single-family or multi-family residential developments on legally established lots are permitted by-right and are approved by the Community Development Director. If a subdivision is proposed, review and approval by the Planning Commission and City Council is required pursuant to the state Subdivision Map Act.

Single-Family and Multi-Family Projects of Five or More Units

Developments with 5 or more units are subject to the Development Review process. Development review entails review by the Land Development Task Force (LDTF) that includes representatives from the Engineering, Community Services, Planning, Electric, Fire, and Police Departments. The purpose of the LDTF is to identify issues early in the planning process so that applicants can avoid costly revisions and project delays. At the conclusion of the LDTF meeting, the applicant is provided with preliminary conditions of approval, an estimate of processing costs associated with each development application/entitlement for each department, as well as an anticipated total development "package" cost. Applicants are also given an estimated processing time to a final decision, including Planning Commission and City Council hearings, if applicable. Every attempt is made on the part of the City to provide applicants with early feedback in order to minimize processing time and cost.

Design Review

Design review requirements are established in Chapter 17.56 of the Zoning Code. Prior to making a determination, the review authority shall determine that the project adequately meets adopted City performance standards and design guidelines, based upon the following findings:

- A. The proposed project is consistent with the General Plan.

- B. The proposed project is consistent with the Zoning Ordinance, including the development standards and guidelines for the district in which it is located.
- C. The design and layout of the proposed project will not unreasonably interfere with the use and enjoyment of neighboring existing or future development, and will not result in vehicular and/or pedestrian hazards.
- D. The design of the proposed project is compatible with the character of the surrounding neighborhood.

Design review for residential developments with four or fewer units is approved administratively by the Community Development Director. Projects with five or more units are approved by the Planning Commission or City Council, depending on whether other approvals are also required (e.g., specific plan).

Planned Unit Developments

Chapter 17.92 of the Zoning Code establishes procedures and criteria for Planned Unit Developments (PUD). PUDs provide flexibility in the application of the development standards for the underlying zoning district in order to encourage more efficient use of land. For example, a PUD can allow lot sizes that are smaller than the minimum for the zoning district in order to provide additional open space or preserve valuable environmental features of the site such as creeks, rock outcroppings, etc. PUDs may include exclusive residential or mixed uses. PUDs are approved by the Planning Commission unless it is part of an application package that requires City Council approval (e.g., zone change or development agreement).

Specific Plans

Government Code Sections 65451 and 65452 establish the legal framework for Specific Plans. Chapter 17.96 of the Zoning Code establishes the City's procedures for the adoption of Specific Plans. A Specific Plan application must include a text and a diagram(s) containing all of the required components outlined in state law. A Specific Plan is an alternative to conventional zoning regulations that establishes detailed standards and procedures governing development for a particular property. Like PUDs, Specific Plans may establish alternate development standards that are tailored to the characteristics of the property. Specific Plan districts allow for the use of special design criteria for maximum utility of the site and also allow for maximum design flexibility within density limitations. Techniques include clustering of units, or other unique lot orientation, layouts, and varying development standards. Specific Plans often include an infrastructure component that establishes a framework for the installation of utilities and other improvements needed to serve the development. Adoption of a Specific Plan is a legislative act subject to approval by the City Council.

The following table summarizes the approval process for different types of residential developments.

Table 26
Development Review Summary

Development Type	Review and Approval Process		
	CD Director	Planning Commission	City Council
Single-family detached			
Individual house	D		
Subdivision (2 - 4 lots)	R	R	D
Subdivision (5 lots or more)	R	R	D
Multi-family apartments			
2 – 4 units	D		
5 or more	R	D	
PUD or Specific Plan	R	R	D

R=recommendation D=decision

Environmental Protection

The California Environmental Quality Act requires environmental review of proposed discretionary projects (e.g., subdivision maps, use permits). Costs resulting from fees charged by local government and private consultants needed to complete the environmental analysis, and from delays caused by the mandated public review periods, are also added to the cost of housing and passed on to the consumer. However, environmental review is required by state (and in some cases federal) law and these regulations help to preserve the environment and ensure environmental safety for the City’s residents.

Infrastructure and Environmental Constraints

Water Supply. The City of Banning provides water service to all residential areas within the City. In addition, the City owns and operates wells, reservoirs, and a distribution line system to deliver domestic water. Projected capacity is sufficient to accommodate the level of growth anticipated in the General Plan.

Wastewater Treatment. The City provides sewage treatment at the Banning Water Reclamation Plant located at 2242 East Charles Street. The City sewer system contains 15-inch and 24-inch trunk lines, which are located within major City public right-of-ways. The present plant has a design flow capacity of 3.6 million gallons per day (MGD) and is currently (2013) operating at approximately 2.1 MGD.

Drainage and Flood Control Facilities. The Banning Canyon is located in several drainage basins and floodplains on the valley floor, subjecting the area to floods. The San Bernardino and San Jacinto Mountains within the Banning Canyon area are very steep and consists of rock that is fairly impermeable. Consequently, little infiltration of rainwater results in flows across the surface as runoffs and down the slopes as overland flows. These overland flows feed in fluvial streams in the drainage basins of the San Gorgonio Valley. Most of the 100-year flood plain is located in Banning Canyon area, which is not anticipated for residential development. This area has been designated as open space, due in part to its location in a flood plain, and in part to the

natural habitat of the area. The potential sites for residential development shown in the land inventory (Appendix B) are not within this flood plain. All new developments are required to install drainage improvements to serve the property consistent with applicable engineering standards.

Market Constraints

Development and Financing Costs

Banning is fortunate in that the cost of vacant land for residential development is relatively affordable, especially when compared to the adjacent counties of Orange, Los Angeles, and San Diego. Land prices are highly variable and depend on the density of development allowed, whether the site has environmental constraints, and whether an existing use must be removed. Construction costs vary according to the type of development, with multi-family housing generally less expensive to construct than single-family homes. However, there is wide variation within each construction type, depending on the size of unit and the number and quality of amenities provided, such as fireplaces, swimming pools, and interior fixtures among others. The City has no influence over materials and labor costs, and the building codes and development standards in Banning are not substantially different than most other cities in Riverside County.

A reduction in amenities and the quality of building materials (above a minimum acceptability for health, safety, and adequate performance) could result in lower sales prices. In addition, prefabricated factory-built housing may provide a lower-priced alternative by reducing construction and labor costs. Another factor related to construction costs is the number of units built at one time. As the number increases, overall costs generally decrease as builders can benefit from economies of scale.

Cost and Availability of Financing. Housing affordability is also largely determined by interest rates. First-time homebuyers are most impacted by financing requirements. Currently (2013) mortgage interest rates for new home purchases are at historically low levels of approximately 4-1/2% for a 30-year fixed-rate mortgage, which increases housing affordability. Although rates are currently low, they can change significantly and impact the affordability of the housing stock. The recent economic crisis has also resulted in a tightening of lending standards, as compared to the “easy credit” practices in recent years. Thus, a critical factor in homeownership involves credit worthiness. Lenders consider a person’s debt-to-income ratio, cash available for down payment, and credit history when determining a loan amount. Many financial institutions are willing to significantly decrease down payment requirements and increase loan amounts to persons with good credit rating. Persons with poor credit ratings may be forced to accept a higher interest rate or a loan amount insufficient to purchase a house.

IV. Housing Resources

Land Resources

In accordance with *Government Code* §65584, projected housing needs for each city and county in the Southern California region are prepared by the Southern California Association of Governments (SCAG) under a process known as the Regional Housing Needs Assessment (RHNA). SCAG's Regional Council adopted the final Regional Housing Need Allocation in 2012. The RHNA allocation for Banning was discussed previously in the Housing Needs Assessment section of this Technical Report.

An important component of the Housing Element is the identification of sites for future housing development, and evaluation of the adequacy of this site inventory in accommodating the City's share of regional housing growth need. A parcel-specific vacant residential site analysis has been completed (see Appendix B) and Table 27 summarizes potential housing development that could be accommodated on the City's vacant and underutilized land.

Table 27
Residential Land Inventory Summary vs. RHNA

	Income Category			
	Lower	Mod	Above Mod	Total
♦ Approved Projects (Table B-3)				
♦ Approved projects – R-A			30	30
♦ Approved projects – Very Low Density Residential			1,036	1,036
♦ Approved projects – Low Density Residential			3,032	3,032
♦ Approved projects – Medium Density Residential		2,607		2,607
♦ Approved projects – High Density Residential		1,213		
♦ Subtotal – Approved Projects	0	3,820	4,098	6,705
♦ Vacant parcels (Table B-4)				
♦ Vacant parcels – Low Density Residential			513	513
♦ Vacant parcels – Medium Density Residential		1,088		1,088
♦ Vacant parcels – High Density Residential		395		395
♦ Vacant parcels – High Density Residential-20	1,942			
♦ Vacant parcels – Very High Density Residential	520			
♦ Subtotal – Vacant Parcels	2,462	1,483	513	1,996
♦ Underutilized Parcels (Table B-5)				
♦ Downtown Commercial parcels	86			
♦ Potential second units	5			5
♦ Total land inventory	2,553	5,303	4,611	8,706
♦ RHNA 2014 - 2021	1,465	685	1,642	3,792
♦ Adequate Sites?	Yes	Yes	Yes	Yes

Source: City of Banning, 6/2013

As shown in Table 27 and Appendix B, there are adequate sites in all income categories to accommodate the City's share of regional housing need during this planning period. However, some parcels are large and require subdivision prior to development. In order to facilitate development of large sites, Program 5 includes actions such as expedited processing and incentives for subdivisions to create sites for affordable multi-family housing.

Financial Resources

State and Federal Resources

Section 8 - The Housing Choice (Section 8) voucher program is the federal government's major program for assisting very low-income families, the elderly, and the disabled to rent decent, safe, and sanitary housing in the private market. Since the rental assistance is provided on behalf of the family or individual, participants are able to find and lease privately owned housing, including single-family homes, townhouses and apartments from landlords who accept vouchers. Eligible households pay 30% of their income toward rent with the balance paid by HUD. The Housing Authority of Riverside County (HARIVCO) coordinates and administers Section 8 rental assistance on behalf of the City of Banning.

Community Development Block Grant (CDBG) Program – Federal funding for housing programs is available through the Department of Housing and Urban Development (HUD). The CDBG program is very flexible in that the funds can be used for a wide range of activities. The eligible activities include, but are not limited to, acquisition and/or disposition of real estate property, public facilities and improvements, relocation, rehabilitation, and construction (under certain limitations) of housing, homeownership assistance, and clearance activities. Banning receives its CDBG funding through the County of Riverside.

HOME Investment Partnership Program – The HOME Program is designed to improve and/or expand a jurisdiction's affordable housing stock. Unlike the CDBG program, HOME funds can only be used for affordable housing activities. Specifically, HOME funds can be used for the following activities which promote affordable rental housing and lower-income homeownership: building acquisition, new construction, reconstruction, moderate or substantial rehabilitation, homebuyer assistance, and tenant-based assistance.

There are fairly strict requirements governing the use of the funds. Two major requirements are that the HOME funds must be: 1) used for activities that target certain income groups (lower-income families in particular) and 2) matched 25% by non-federal sources.

The City of Banning is eligible to receive HOME funds as a participating city in the Riverside County program as applicants apply for HOME-qualified projects.

Low-Income Housing Tax Credit Program - The Low-Income Housing Tax Credit Program was created by the Tax Reform Act of 1986 to provide an alternate method of funding low-and moderate-income housing. Each state receives a tax credit, based upon population, toward funding housing that meets program guidelines. The tax credits are then used to leverage private

capital into new construction or acquisition and rehabilitation of affordable housing. Limitations on projects funded under the Tax Credit programs include minimum requirements that a certain percentage of units remain rent-restricted, based upon median income, for a term of 15 years.

Local Resources

Redevelopment Housing Set-Aside Fund – In 2012 the state abolished all redevelopment agencies in California, therefore this tool for community revitalization and affordable housing assistance is no longer available.

Non-Profit Housing Providers

The following are housing providers that have been involved with development of affordable housing in the Banning area and may be interested in developing and/or preserving additional affordable housing in the future.

- Coachella Valley Housing Coalition
45-701 Monroe Street, Suite G
Indio, CA 92201
(760) 347-3157
- Habitat for Humanity – San Gorgonio Pass Area
P.O. Box 269
Banning, CA 92220
951-769-7600
- Jamboree Housing Corporation
2081 Business Center Drive, Suite 216
Irvine, CA 92612
(949) 263-8676
- Affirmed Housing
200 East Washington Avenue, Suite 208
Escondido, CA 92025
(619) 738-8401
- The Olson Company
30200 Old Ranch Pkwy, #250
Seal Beach, CA 90740
(562) 596-4770
- Southern California Housing Development Corporation
8265 Aspen Street, Suite 100
Rancho Cucamonga, CA 91730
(909) 481-0172

- RC Hobbs Company
1110 E. Chapman Ave., Suite 206
Orange , CA 92866
(888) 633-4622
- LINC Housing Corporation
110 Pine Avenue, Suite 500
Long Beach, CA 90802
(562) 684-1100
- Palm Desert Development Company
P.O. Box 3958
Palm Desert, CA 92261
(760) 568-1048
- Riverside Housing Development Corporation
4250 Brockton Avenue
Riverside, CA 92501

Energy Conservation Opportunities

As residential energy costs rise, the subsequent increasing utility costs reduce the affordability of housing. As new development and infill development and rehabilitation activities occur, the City will have an opportunity to directly affect energy use within its jurisdiction.

State of California Energy Efficiency Standards for Residential and Nonresidential Buildings were established in 1978 in response to a legislative mandate to reduce California's energy consumption. The standards are codified in Title 24 of the California Code of Regulations and are updated periodically to allow consideration and possible incorporation of new energy efficiency technologies and methods. California's building efficiency standards (along with those for energy efficient appliances) have saved more than \$56 billion in electricity and natural gas costs since 1978. It is estimated the standards will save an additional \$23 billion by 2013⁸.

Title 24 sets forth mandatory energy standards and requires the adoption of an “energy budget” for all new residential buildings and additions to residential buildings. Separate requirements are adopted for “low-rise” residential construction (i.e., no more than 3 stories) and non-residential buildings, which includes hotels, motels, and multi-family residential buildings with four or more habitable stories. The standards specify energy saving design for lighting, walls, ceilings and floor installations, as well as heating and cooling equipment and systems, gas cooling devices, conservation standards and the use of nondepleting energy sources, such as solar energy or wind power. The home building industry must comply with these standards while localities are responsible for enforcing the energy conservation regulations through the plan check and building inspection processes.

⁸ California Energy Commission (<http://www.energy.ca.gov/title24>).

Examples of techniques for reducing residential energy use include the following:

- **Glazing** – Glazing on south facing exterior walls allows for winter sunrays to warm the structure. Reducing glazing and regulating sunlight penetration on the west side of the unit prevents afternoon sunrays from overheating the unit.
- **Landscaping** – Strategically placed vegetation reduces the amount of direct sunlight on the windows. The incorporation of deciduous trees in the landscaping plans along the southern exposure of units reduces summer sunrays, while allowing penetration of winter sunrays to warm the units.
- **Building Design** – The implementation of roof overhangs above southerly facing windows shield the structure from solar rays during the summer months.
- **Cooling/Heating Systems** – The use of attic ventilation systems reduces attic temperatures during the summer months. Solar heating systems for swimming pool facilities saves on energy costs. Natural gas is conserved with the use of flow restrictors on all hot water faucets and showerheads.
- **Weatherizing Techniques** – Weatherization techniques such as insulation, caulking, and weather stripping can reduce energy use for air-conditioning up to 55% and for heating as much as 40%. Weatherization measures seal a dwelling unit to guard against heat gain in the summer and prevent heat loss in the winter.
- **Efficient Use of Appliances** – Appliances can be used in ways that increase their energy efficiency. Unnecessary appliances can be eliminated. Proper maintenance and use of stove, oven, clothes dryer, washer, dishwasher, and refrigerator can also reduce energy consumption. New appliance purchases can be made on the basis of efficiency ratings.

The Western Riverside Council of Governments (WRCOG) also sponsors a program called “HERO” intended to help reduce residential energy consumption. The HERO Program is offered through a partnership between WRCOG and Renovate America, Inc. The Program’s purpose is to provide relatively low interest rate financing to spark the local economy by creating jobs and reducing utility costs, and to reduce greenhouse gas emissions. The Program provides HERO Financing for permanently affixed energy efficiency, water efficiency, and renewable energy products (Eligible Products). HERO Financing is repaid through an assessment on the owner’s property tax bill over 5 to 20 years, based on the useful life of the products, and upon sale of the property, the balance generally stays with the property.

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Appendix A – Evaluation of the 2008-2013 Housing Element

Section 65588(a) of the *Government Code* requires that jurisdictions evaluate the effectiveness of the prior Housing Element, the appropriateness of goals, objectives and policies, and the progress in implementing programs for the previous planning period. The previous Housing Element covered the 2008-2013 planning period.

Table A-1 summarizes the programs contained in the previous Housing Element along with the City's accomplishments and implications for future policies and actions.

Table A-2 summarizes the City's progress toward the quantified objectives for construction, rehabilitation and conservation in the prior period.

**Table A-1
Housing Element Program Evaluation 2008-2013**

Program	Program Objectives	Accomplishments and Future Actions
<i>Objective 1: Housing Opportunities and Accessibility</i>		
1-1. The City shall amend the Zoning Ordinance to define Transitional and Supportive Housing in accordance with the Health and Safety Code, Sections 50675.14 and 50675.2, and also specify that both types of housing shall be treated as residential uses of property, subject to the same restrictions/regulations as other types of housing in the same zoning district.	Increased opportunities to develop both types of housing, thereby increasing homeless services and supportive capabilities in the community for those transitioning from homelessness to self-sufficiency. Zoning Ordinance Amendment to be completed by August, 2013	Zoning amendments were adopted on August 13, 2013 (Ord No. 1467). This program is no longer necessary for the 5 th cycle.
1-2. In order to provide a wider variety of residential development opportunities in Banning for households of all income levels, in accordance with the Regional Housing Needs Assessment (including the unaccommodated need from the 3rd cycle), zoning amendments will be processed for parcels totaling at least 104 acres to allow multi-family rental or owner-occupied developments of at least 16 units by-right at a density of 20 units/acre. Parcels to be rezoned shall be selected from those listed in Appendix H, Table H-6 and shall have the realistic capacity to accommodate at least 2,079 units.	Rezoned sites will ensure that adequate capacity is available to accommodate the City's affordable housing needs, including lower-income (and extremely low-income) households as identified in the Regional Housing Needs Assessment.	Zoning amendments for all of the parcels listed in Table H-6 were approved by the City Council on August 13, 2013 (Ord No. 1466). This program is no longer necessary for the 5 th cycle.
1-3. Continue to update elements of the General Plan, as needed.	Assurance that land is designated for residential development needs through 2014.	This program is redundant and will not be carried forward in the 5 th cycle.
1-4. The Share Housing programs operated by Riverside County assist low-income individuals, including seniors and farmworkers, to locate roommates to share existing housing in the community; the majority of the program's applicants are senior citizens. Services offered include information and referral, outreach, client counseling, placement and follow-up. Shared housing provides an affordable housing alternative for many single-person households. The City will publicize the program on the City web site and also by producing a flyer to be placed at the front counter.	Affords additional options and availability of affordable housing to residents in the City that may otherwise be forced to overpay for housing.	This program has been discontinued and will not be carried forward in the 5 th cycle.
1-5. Coordinate with homeless service providers and law enforcement agencies in the City of Banning and Riverside County to monitor the number of homeless persons residing in Banning, and facilitate finding housing for those in need of shelter. The City will fund an active public relations campaign (community flyers and web site	Will promote the awareness and availability of services for homeless persons, therefore, decreasing the number of persons without shelter. First public notice and mailer due by July 2009, Annual campaign thereafter through	The City has no staff or funding for this program and it will not be carried forward in the 5 th cycle.

Program	Program Objectives	Accomplishments and Future Actions
postings) to actively market the City’s programs.	2014	
<p>1-6. The City Zoning Ordinance currently permits Single Room Occupancy hotels (SRO’s) in the GC and HSC Commercial zoning designations. To further demonstrate the City’s commitment to housing opportunities, particularly for those in the extremely low income (ELI) category, Single Room Occupancy (SRO’s) developments shall be encouraged and facilitated through identification of potential locations and through city assistance with grant writing for the development of SRO projects. The City shall prepare and maintain a map of suitable sites to be kept on file in the Community Development Department to facilitate developers in finding suitable sites for such projects. In accordance with Program 5-4, projects, including SRO’s targeted to extremely low income households, will be eligible for a reduction or waiver of City of Banning application and processing fees.</p>	<p>Increased affordable housing opportunities for extremely low income persons.</p> <p>Creation of map by December 2009, annual updates thereafter, through 2014</p>	<p>SROs are permitted with a CUP in the HDR zone. Banning Hotel SRO was approved in the prior planning period.</p> <p>The City will continue to implement SRO regulations and no changes are needed in the 5th cycle.</p>
<p>1-7. Establish a Homeownership Education Program (HEP) for prospective homebuyers as well as for renters (potential future purchasers). This educational program will assist those considering purchasing a home in understanding the process and helping them decide if the timing is right to make a home purchase.</p>	<p>By offering education about the home buying process, eliminating myths, and providing clear, factual information, the City will help insulate itself and prospective home buyers, as well as renters, from default, or other financial difficulties in the long term.</p> <p>Program and procedures identified by July 2010, and On-going thereafter, 2008-2014.</p>	<p>The City has no staff or funding for this program and it will not be carried forward in the 5th cycle.</p>
<p>1-8. Create incentives and reporting procedures that can be implemented to encourage and monitor the development of housing opportunities for special needs housing.</p>	<p>Will better streamline policies and procedures, thus making development of special needs housing more accessible.</p> <p>Procedures identified by July 2010, and On-going thereafter, 2008-2014.</p>	<p>The City will continue to provide incentives for special needs housing.</p>
<p>1-9. The City will actively work with interested developers to identify sources of funding for affordable multifamily housing, including: tax-exempt mortgage revenue bonds; HOME funds; HCD’s Multifamily Housing Program; and tax credits. Affordable housing projects shall include projects to address the needs of large families in Banning. The City shall offer assistance such as priority processing to developers for projects that include units with 4 or more bedrooms for large families, including new construction and room additions. In addition, the City shall provide letters of support for funding applications to further increase the chances for funding awards.</p>	<p>Increased opportunity for the development of affordable multi-family projects in the City.</p> <p>A list of available funding sources shall be generated by the Planning Department and updated on an annual basis. The list shall be completed by July 2013 and be made available continuously on the City’s web site.</p>	<p>The City will continue to work with developers to facilitate production of affordable housing.</p>
<p>1-10. Riverside County has two programs to assist qualified families to purchase a home: First-</p>	<p>Increased opportunity for the development of affordable rental and for-sale single</p>	<p>The City will continue to refer residents to these</p>

Program	Program Objectives	Accomplishments and Future Actions
Time Home Buyer Program and the Mortgage Credit Certificate program. The City will assist potential homeowners identified under the HEP program, and provide them with the information to access the County's programs.	family housing. Continuous and On-going, 2008-2014	County programs through a link provided on the City website.
1-11. The County of Riverside has initiated a Mortgage Credit Certificate Program for first time homebuyers. The City will continue to promote potential first time homebuyers to the County for approval, with the goal of funding 10 First Time Homebuyer applications per year, for a total of 60 during the housing element period. Additionally, the City will assist applicants with filling out the applications or other technical assistance.	Facilitate mortgages for first-time homebuyers. Continuous and On-going	The City will continue to refer residents to this County program through a link provided on the City website.
1-12. To ensure that the City building codes, and development ordinances comply with the provisions of SB 520 (Chapter 671 of the Government Code), the City will the revise the zoning ordinance to allow by right State licensed group homes, foster homes, residential care facilities, and similar state-licensed facilities in a residential zoning district, pursuant to state and federal law.	Provision of foster homes, residential care facilities, and similar facilities. Zoning Ordinance revision to occur by July 2009, annually thereafter through 2014.	Zoning Ordinance amendment adopted in 2013. The City will continue to implement these Code provisions.
1-13. To better assess the need for farm worker housing, the City will determine, in partnership with farm owners and labor providers, the number of farm workers who may be in need of housing in the area surrounding Banning. The City will identify sites suitable for farm worker housing.	The City, in conjunction with local developers will identify potential sites and/or provide or seek financial assistance to prospective developers of housing for farm labor through the Joe Serna Farm worker Grant Program and other state programs. Identify sites by December 2009; annual updates 2008-2014.	The City has no staff or funding for this program and it will not be carried forward in the 5 th cycle.
1-14. Revise the City's Zoning Ordinance to ensure compliance with Employee Labor Housing Act, specifically H & S 17021.5 and 17021.6. Employee housing for six or fewer persons shall be considered a residential use of property.	Zoning Ordinance amendment.	Zoning Ordinance amendment adopted in 2013 (Ordinance No. 1467). The City will continue to implement the provisions of the Code.
1-15. Continue to use zoning and other land use controls to ensure the compatibility of residential areas with surrounding commercial and other non-residential uses.	Creation and maintenance of desirable living areas for all. Current and ongoing through 2014	This program is standard procedure and will not be carried forward in the 5 th cycle.
1-16. Monitor the availability of vouchers and the waiting list for assistance under the Riverside County Housing Authority (RCHA) to meet the growing demand for public housing units and rental assistance. The City will continue to assist the authority by promoting the program with fliers and	Increased awareness of benefits to the program to increase opportunities for lower income housing, including extremely low-income. Continuous and On-going 2008-2014	The City will continue to refer residents to the County Housing Authority and provide a link to RCHA on the City website but has no staff

Program	Program Objectives	Accomplishments and Future Actions
applications at City Hall, along with program information on the City’s website.		or funding to monitor vouchers.
1-17. Adopt procedures as part an update to the Zoning Ordinance to provide reasonable accommodation for persons with disabilities that allow for administrative approval of handicapped accessible features.	Specified procedure that clearly outlines the handling of requests for reasonable accommodation in housing for persons with disabilities.	A Reasonable Accommodation Ordinance (No. 1462) was adopted by the City Council on March 12, 2013. The City will continue to implement this ordinance.
1-19. The City will provide technical assistance to property owners and developers in support of lot consolidation including identifying opportunities for potential consolidation and providing available funding and incentives to encourage consolidation of parcels as appropriate. For example, the Planning Department will utilize design, development, impact fee, processing and streamlining incentives, such as reduction in setbacks, parking requirements, and other standards, deferral or lowering of development fees if feasible to encourage densities, residential uses and lot consolidation, and to promote more intense residential development in the Downtown Specific Plan area. Information on these financial and regulatory incentives will be made available at City Hall.	Promote development of one mixed use project for lower and moderate-income households. Ongoing 2008-2014; Sites will be made available during the 2008-2014 planning period.	The City will continue to assist developers with both lot consolidation and subdivision of large sites in order to facilitate the creation of suitable building sites for affordable housing.
Objective 2: Maintenance and Preservation		
2-1. The City will continue to pursue grant programs, such as HOME and CDBG for the rehabilitation of lower income, including extremely low income owner/renter occupied housing units in Banning. The City is committed to prioritizing funding as it becomes available to target projects benefitting extremely-low-income households. In accordance with the limitations outlined in Program 5-4, projects may be eligible for the deferral and/or waiver of Banning application and processing fees.	More efficient and productive use of land zoned for residential purposes. Continuous and ongoing, 2008-2014	This activity will be continued in the 5 th cycle.
2-2. The Riverside County Community Development Department administers a Home Improvement Program to provide loans to eligible lower income families for necessary home repair and rehabilitation work, including room additions to alleviate overcrowding. The City will continue utilizing a public notification program to publicize assistance offered by the County. The program consists of flyers available at the City Planning counter, a bi-annual mailer, and a notice on the City’s web site	Improved awareness of and participation in the County program. Continuous and On-going, 2008-2014.	The City will continue to publicize this County program by providing a link on the City website.

Program	Program Objectives	Accomplishments and Future Actions
<p>2-3. The Banning Redevelopment Agency has established the Housing Exterior Rehabilitation Assistance Program (ERA), funded with Redevelopment Agency set-aside funds. The current program assists households with minor rehabilitation activities, mostly exterior improvements, paint, and windows. The City will expand the ERA program to include substantial rehabilitation work, including but not limited to, roof repair, foundation repair, electrical upgrades, and major appliances. The program will also be expanded to include energy efficiency improvements (see Program 4-3).</p>	<p>To increase the number of rehabilitated dwellings to maintain housing stock affordable to lower income families, including extremely low income, preventing the displacement of residents from their homes. The target is four (4) projects per year.</p> <p>Program guidelines to be established by July, 2009; continuous thereafter, throughout Housing Element period, 2008-2014</p>	<p>After the dissolution of the RDA, no funding is available for this program and it will not be continued.</p>
<p>2-4. The City will identify potential code violations on a proactive basis, utilize property maintenance inspections, and also work with property owners to resolve code and property maintenance issues to maintain the quality of housing units in the City. The City has brought Code Enforcement and Building Inspection staff under one department, and engaged in a cross-training effort to more actively and efficiently address code violations and also to improve communication, and facilitate the flow of funding to properties in need of improvement.</p>	<p>Decrease the number of unresolved code violations within the City and increase the number of improved properties.</p> <p>Cross training established by July, 2009; On-going thereafter through Housing Element period, 2008-2014</p>	<p>This activity will be continued to the extend funding is available.</p>
<p>2-5. The City shall pursue participation in the HUD sponsored Neighborhood Stabilization Plan Grant program to assist with the purchase of foreclosed homes at a discount.</p>	<p>Decrease the number of dilapidated housing units, increased supply of affordable housing, and improve neighborhood quality.</p> <p>On-going, 2008-2014, upon release of NOFA (typically twice per year).</p>	<p>NSP funding is no longer available, therefore this program will not be continued.</p>
<p>2-6. The City of Banning will continue to pursue State and Federal funding sources such as the HOME and MHP to assist at-risk units in the City. The City shall continue to be the source for information and technical assistance to potential purchasers and tenants of properties that could potentially convert to market rate. Within one year of the adoption of the Housing Element, the City will contact area non-profits to develop a preservation strategy so that both the City and developers are prepared to act quickly upon notice of units becoming at risk. The City will monitor the owners of at-risk projects on an ongoing basis, at least every three months, in coordination with other public and private entities to determine their interest in selling, preparing, terminating, or continuing participation in a subsidy program. The City will also actively engage property owners to take advantage of deferred loan programs for rehabilitation, mortgage refinancing, and acquisition to keep units affordable long term</p>	<p>Preservation of the identified 35 lower income rental units that are at risk of converting to market rate housing within the next 10 years; as other units are identified, the City will also actively engage property owners to take advantage of deferred loan programs for rehabilitation, mortgage refinancing, and acquisition to keep units affordable for a long term (typically 50 years).</p> <p>The City will develop a preservation strategy by July 2013; active coordination continuous and on-going thereafter through 2014.</p>	<p>The City will continue to work in partnership with other agencies to facilitate the preservation of at-risk properties.</p>

Program	Program Objectives	Accomplishments and Future Actions
(typically 55 years).		
Objective 3: Remove Constraints		
<p>3-1. Require active participation in an annual meeting of local lending institutions to foster high performance with regard to the Home Mortgage Disclosure Act (HMDA) and the Community Reinvestment Act (CRA). A meeting shall be hosted annually by the City to encourage progress and participation, the first meeting to occur by July, 2009.</p>	<p>Assurance that conventional financing is available to all economic segments of the community.</p> <p>Biennial review of HMDA/CRA statements, annual meeting throughout Housing Element period, 2008-2014.</p>	<p>The City has no staff or funding to continue this activity.</p>
<p>3-2. Periodically reexamine the Zoning Ordinance (i.e. every 2 years) for possible amendments to reduce housing construction costs without sacrificing basic health and safety considerations.</p>	<p>Utilization of codes that do not unnecessarily add to the cost of housing, while reflecting technological advances and changing public attitudes.</p> <p>Every two (2) years.</p>	<p>This activity will be continued on an as-needed basis. The City does not have staff or funding to conduct a comprehensive evaluation of the Zoning Code every 2 years.</p>
<p>3-3. Periodically survey (i.e., every 2 years) development fees of other cities in the Riverside County area to ensure that the City’s local development fees are reasonable in comparison.</p>	<p>Assurance that local development fees are reasonable and do not unnecessarily contribute to the cost of housing. First survey to be completed by July 2009, then every 2 years thereafter through 2014.</p>	<p>The City does not have staff or funding to conduct surveys of other jurisdictions every 2 years. This program will not be continued.</p>
<p>3-4. The City shall continue to encourage developers to take advantage of concurrent processing of entitlement projects offered by the City to reduce costs and processing times. Department staff will notify applicants upon project submittal of the City’s LDTF policy and place public notice of the City’s policies on the web site.</p>	<p>Reduction in overall development processing time, resulting in greater time and cost savings to applicants.</p> <p>Continuous and on-going through 2014</p>	<p>This is standard operating practice and therefore this program is no longer needed.</p>
<p>3-5. The City shall adopt streamlined permit processing procedures and a “one-stop shopping” counter to expedite the development of affordable housing projects, as such developments come under the consideration of the City.</p>	<p>The one stop shopping counter to be established by December 2009, continuous and ongoing thereafter through Housing Element Period, 2008-2014.</p>	<p>This is standard operating practice and therefore this program is no longer needed.</p>
<p>3-6. Prepare a Zoning Ordinance to implement a reduced parking requirement for residential projects serving lower income groups, including extremely low-income groups and special needs groups, and/or which is located close to public transportation or commercial services. On a case-by-case basis, projects targeting extremely low income (ELI) households may eliminate up to a maximum of 90% of the otherwise required off-street parking, excluding the need for employee and guest parking. The total amount of parking waived shall be determined by the number of units</p>	<p>Zoning Ordinance amendment.</p>	<p>The City Council adopted Ordinance 1467 to allow reduced parking standards for affordable housing on August 13, 2013. This program is no longer needed.</p>

Program	Program Objectives	Accomplishments and Future Actions
affordable to extremely low income persons.		
<p>3-7. Monitor the Design Review process to ensure it does not constrain residential development, particularly for projects containing five (5) or more units, including multifamily housing affordable to low and moderate income households. The planning department will complete an annual review to evaluate application processing and analyze processing times and the impact of conditions of approval to determine whether the Design Review process acts as a significant constraint on residential development. The review will be presented in an annual staff report to the Planning Commission and made publicly available.</p> <p>If the Design Review process is found to adversely constrain large (5 or more units) residential projects, the City will take action to amend Design Review or establish guidelines and other mechanisms to reduce processing times to the extent feasible by State law, or to develop alternate procedures as may be necessary. The review will be conducted as part of the City’s Housing Element Annual Report submitted to the state.</p>	<p>Monitoring results to be prepared as part of the 2013 Housing Element implementation report and annually thereafter. Fast-track development review was implemented in July 2009 and is ongoing. The fast-track development review allows builders to submit for design review and building plans at the same time to reduce overall processing time.</p>	<p>The Design Review process is not considered an unreasonable constraint to housing development; however this issue will be reviewed as part of the annual Housing Element implementation report.</p>
<i>Objective 4: Environment, Conservation and Community Sensitivity</i>		
<p>4-1. To encourage developers/property owners to incorporate energy conservation techniques into the siting and design of proposed residences, the City will augment the current design guidelines by either adopting a set of sustainable design guidelines, or incorporating guidelines into a City-wide design book. In order to encourage the use of the new guidelines, the City will provide user friendly access and links to information about energy friendly techniques.</p>	<p>Supplemental design guidelines to be adopted by December 2010.</p>	
<p>4-2. Regularly examine new residential construction methods and materials, and upgrade the City’s residential building standards as appropriate.</p>	<p>Annually through 2014</p>	<p>This is a routine activity and the City adopts revised building codes when they are updated by the state. This program is not required.</p>
<p>4-3. Expand existing energy program guidelines to allow energy conservation measures as improvements eligible for assistance under the City’s residential rehabilitation program. Additional measures could include, but would not be limited to, a minimum SEER 13 air conditioning efficiency in all retrofits, the use of R-10 insulation in exterior walls, incorporation of dual glazed windows, and the use of R-38 insulation for ceiling. Reduced costs available through the rehabilitation program, and lower long-term energy</p>	<p>Reduction in energy consumption in existing residences.</p>	<p>The guidelines were adopted in August 2009; then ongoing through 2014.</p>

Program	Program Objectives	Accomplishments and Future Actions
costs, will encourage homeowners to install energy efficient measures.		
4-4. The City shall continue to require that, at a minimum, all new residential development comply with the energy conservation requirements of Title 24 of the California Administrative Code.	Compliance with State energy efficiency requirements.	This is a routine code requirement and will not be continued as a program.
4-5. To promote future in energy efficient priorities, the City shall prepare a sustainable PRD set of standards or an addition to the PRD Ordinance for sustainable projects early in the housing element period. The standards shall use the criteria established by LEED and/or recognized Green Building codes addressing the following conservation areas of focus.	Long-term increases in energy efficient projects and reduced energy costs. <ul style="list-style-type: none"> • Sustainable site development • Water savings; • Energy efficiency; • Material selection; and • Indoor environmental quality. 	The Green Building Code was adopted in January 2010, and future updates will be adopted by the City as they become available.
<i>Objective 5: Housing Availability and Production</i>		
5-1. The City will update the inventory of vacant land on an annual basis or as projects are constructed. In addition, as projects are approved the City will update the website to show current projects.	Keep the residents and potential developers informed of projects currently being planned or proposed in the City. Continuous and On-going through 2014.	This program is appropriate and will be continued.
5-2. Inform residents of the below market interest rate mortgage programs operated by the California Housing Finance Agency (CalHFA) and direct interested property owners to CalHFA, as a means to facilitate homeownership for low and moderate income households. The City’s Redevelopment Agency will provide an annual direct mailing to all citizens through the utility billing notices, advertising the CalHFA program.	Production of new, affordable housing for purchase by low and moderate income, first-time homebuyers. Annual mailing, current and on-going through 2014.	After the state’s elimination of redevelopment agencies there is no funding for this program and it will not be continued.
5-3. The City will work with non-profit and for-profit developers of affordable housing to apply for available funding sources such as MHP, Joe Serna Farmworker Housing Grant Program, CalHome, Low Income Housing Tax Credits, tax-exempt bonds, and Proposition 1-C funds. The City will offer incentives to expedite processing and approvals for affordable housing projects, including offering the waiver of processing fees for projects that include `affordable units. In instances where affordable projects include units targeted to extremely low income households, on a case-by-case basis, the City will waive the payment of processing fees, as an additional incentive. The City will also provide letters of support for funding applications during the application process to increase the chances of a project being awarded	Increase the supply of affordable housing for large families, for extremely low-income households, and for special needs households including seniors and farmworker households. Current and On-going through 2014.	This program is appropriate and will be continued.

Program	Program Objectives	Accomplishments and Future Actions
funds.		
<p>5-4. To increase opportunities for a wider range of housing production in the City of Banning, and to provide additional avenues for the production of housing affordable to lower income households in higher density areas, the City shall adopt, as an amendment to the existing Zoning Ordinance, a new overlay district to be used in conjunction with the Downtown Commercial designation. The new Mixed Use Downtown Commercial (MUDC) designation will apply within the existing defined area of the Downtown Commercial district, in conformance with the intent of the General Plan. The permitted density range in the MUDC overlay zone will be no less than 16 units per acre (UPA), up to a maximum of 30 UPA.</p>	<p>By establishing an opportunity for high quality mixed development projects, including high density residential, in conjunction with commercial uses, the City will create additional development opportunities and increase the production of housing across all income ranges.</p>	<p>On July 23, 2013 the City Council approved Ordinance 1466 allowing multi-family development at 20 units/acre by-right on three parcels in the DC district identified in Table H-6.</p>
<p>5-5. In order to encourage and facilitate development of mixed use residential, as well as other allowed uses in the Mixed Use Downtown Commercial (MUDC) district, the City shall install infrastructure upgrades and public facilities (street, curb, gutter, sidewalk, drainage facilities, and utilities) to stimulate private investment in the district.</p>	<p>The City hopes to establish a high quality base condition in the MUDC district that will lead to increased investment downtown and encourage the development of mixed use commercial and residential projects, including units affordable to lower income households.</p>	<p>This program is appropriate and will be continued, to the extent funding allows.</p>
<p>5-6. To further incentivize the development of affordable housing for low and moderate-income households, the City will offer financial incentives to properties located within the MUDC district that offer specified affordability levels in residential projects. Subject to funding availability, the City will offer below interest rate loans for construction financing and/or permanent financing. Funding participation levels will be evaluated on a project-by-project basis, and will be dependent on the level and extent of affordability offered.</p>	<p>Encourage the development of additional affordable housing units by offering financial incentives to developers utilizing higher affordability levels.</p> <p>The City will continue to research state and federal grant funding opportunities on a semi-annual basis.</p>	<p>This program will be continued to the extent funding is available.</p>
<p>5-7. The City shall work to establish partnerships with developers for the construction of affordable multi-family projects, including, but not limited to developers/builders with a proven track record of success in the Inland Empire. To the extent possible, City staff will assist developers in identifying and applying for regional, state or federal grants to support affordable housing and infrastructure improvements. In anticipation of funding participation, the City will ensure that funding mechanisms and policies are in place to facilitate City financial participation in future projects. The level of City funding participation will be evaluated on a project-by-project basis.</p>	<p>Increased City visibility and role in working to develop affordable housing projects in the City. Establish the groundwork enabling the City to act in a partnering role financially in the development of additional affordable housing projects in the City.</p> <p>While the City’s ability to provide funding assistance is uncertain due to the dissolution of the Redevelopment Agency, staff will identify and solicit interest from developers active in the region by July 2013 to discuss bringing affordable housing to Banning.</p>	<p>This program will be continued, although after the dissolution of the redevelopment agency, funding is extremely limited.</p>
<p>5-8. The City shall annually apply for or support development and rehabilitation applications for</p>	<p>Securing of funding for expansion of affordable housing within the City of</p>	<p>The City will continue to work cooperatively with</p>

Program	Program Objectives	Accomplishments and Future Actions
<p>State and Federal funding for affordable housing, including the following funding sources:</p> <p>Pursue Key Federal Affordable Housing Funding Sources: Successful implementation of housing programs to create affordable housing depends on a community’s ability to pursue additional funding sources. This program focuses on the six funding sources that are most pertinent to Banning: CDBG and HOME, and Section 523.</p> <p>Community Development Block Grant (CDBG): The State Department of Housing and Community Development (HCD) administers the federal CDBG program for non-entitlement cities and counties. Banning is eligible to apply to HCD for CDBG funding.</p> <p>HOME: Under the HOME program, HUD will award funds to localities on the basis of a formula that takes into account the tightness of the local housing market, inadequate housing, poverty, and housing production costs. HOME funding is provided to jurisdictions to assist either rental housing or homeownership through acquisition, construction, reconstruction, and/or rehabilitation of affordable housing. Also possible is tenant-based rental assistance, property acquisition, site improvements, and other expenses related to the provision of affordable housing and for projects that serve a group identified as having special needs related to housing. The local jurisdiction must make matching contributions to affordable housing under HOME.</p> <p>USDA Section 523 Mutual Self-Help Housing Program: Technical assistance and site grants are provided to homeowners who complete at least 65 percent of the work to build his or her own home through “sweat equity”. Once accepted into the Self Help program, each individual enrollee generally applies for a Single-Family Housing Direct Loan (Section 502).</p>	<p>Banning to the maximum extent feasible. In addition, the applications for additional/continual funding would serve to counterbalance issues within the City related to the overpayment of rent through the expansion of affordable housing and increase the availability of funding.</p> <p>Twice annually and on-going 2008-2014.</p>	<p>developers to support affordable housing funding applications.</p>
<p>5-9. The Zoning Ordinance shall be revised to incorporate updated Density Bonus provisions, with options, as per SB 1818.</p>	<p>Compliance with State density bonus law.</p>	<p>The ordinance was adopted by the City Council on March 12, 2013 (Ord. 1461).</p>
<p>5-10. Annually review the Housing Element for consistency with the General Plan as part of its General Plan progress Report.</p>	<p>Ensuring the most up-to-date information is available enabling the City to make better decisions.</p> <p>Annually (due to State of California by April 1st of each year).</p>	<p>This program is appropriate and will be continued.</p>
<p>5-11. Continue to utilize the City’s General Plan and Zoning Ordinance to prevent the encroachment of incompatible uses into established</p>	<p>Protection of established residential neighborhoods from incompatible land</p>	<p>This is standard practice and a program is not needed in the Housing</p>

Program	Program Objectives	Accomplishments and Future Actions
residential areas.	uses. Current and On-going through 2014	Element.
<p>5-12. To ensure adequate sites are available throughout the planning period to meet the City’s RHNA, the City will continue to annually update an inventory that details the amount, type, and size of vacant and underutilized parcels to assist developers in identifying land suitable for residential development and that also details the number of extremely low-, very low-, low-, and moderate-income units constructed annually. If the inventory indicates a shortage of available sites, the City shall rezone sufficient sites to accommodate the City’s RHNA.</p> <p>To ensure sufficient residential capacity is maintained to accommodate the RHNA need, the City will develop and implement a formal ongoing (project-by-project) evaluation procedure pursuant to Government Code Section 65863. Should an approval of development result in a reduction of capacity below the residential capacity needed to accommodate the remaining need for lower-income households, the City will identify and zone sufficient sites to accommodate the shortfall pursuant to AB 2292.</p>	<p>Ensure availability of adequate sites for development commensurate with the RHNA throughout the planning period.</p> <p>The sites inventory will be updated annually and reviewed on a project-by-project basis to ensure compliance with Government Code Sec. 65863.</p>	<p>This program is appropriate and will be continued.</p>
<p>5-13. The City shall revise the Zoning Ordinance to adopt a new Second Unit Ordinance that satisfies the provisions found under the amended Gov’t Code Section 65852.2 which requires that second units be ministerially reviewed and approved.</p>	<p>Reduced constraints on the development of residential second as an additional source of affordable housing.</p>	<p>The Second Unit Ordinance was adopted on January 26, 2010 (Ord. 1414).</p>
<p>5-14. In order to further encourage and facilitate the development of Second Units to increase affordable housing opportunities, the City shall prepare and adopt standard “second unit” building plans for use by applicants at a reduced cost or no cost.</p>	<p>Increases ease of use for applicants desiring to build second units and facilitates applicants/property owners getting through the process faster and at less cost.</p> <p>Standard second unit plans to be available before the end of Fiscal Year 2013-2014 if staffing is available, Continuous and Ongoing thereafter, throughout Housing Element Period, 2008-2014.</p>	<p>The City does not have staffing or funding resources for this program and it will not be continued.</p>
<p>5-16. The City shall amend the Zoning Ordinance to identify one zoning district that will allow the development of homeless shelters by-right, without the need for discretionary approvals. The City will designate the AI, Airport Industrial district as the appropriate zoning district to accommodate emergency shelters by right. The City shall also ensure that the capacity exists to develop one shelter within the next year.</p>	<p>Increased opportunity for the development of homeless shelters, addressing the needs of the homeless population.</p> <p>Zoning Ordinance amendment to be completed by July 2013.</p>	<p>Ordinance No. 1467 was adopted by the City Council on August 13, 2013. This program is no longer needed.</p>

Program	Program Objectives	Accomplishments and Future Actions
<i>Objective 6: Provide Housing Free from Discrimination</i>		
6-1. Conduct annual meetings with all recipients of locally administered housing assistance funds to assure their understanding of fair housing law and affirm their commitment to the law.	First meeting by July 2009, annually thereafter through 2014.	This program is implemented by the County on behalf of participating cities.
2. Provide fair housing materials to residents, including all pertinent resource, posters and information available through the Department of Fair Employment and Housing (DFEH) and Housing and Urban Development (HUD) to educate on a variety of fair housing issues. Develop information flyers and brochures that highlight (1) disability provisions of both federal and state fair housing laws and (2) familial status discrimination. Distribute fair housing materials, brochures and flyers at outreach events, including school fairs, health fairs, and City sponsored events. Collaborate with service agencies to distribute educational materials.	First fliers to be created by July 2009, then annually thereafter through 2014.	This program is implemented by the County on behalf of participating cities. The City will provide referral information to the County on its website and at City Hall.
3. Maintain active dialogue with the State Fair Employment and Housing Commission who will work with the Community Development Director to resolve complaints of housing discrimination.	Continuous and On-going through 2014.	This program is implemented by the County on behalf of participating cities.

**Table A-2
Progress in Achieving Quantified Objectives**

Program Category	Quantified Objective	Progress 2008-2013
New Construction*		
Extremely Low	436	
Very Low	437	55
Low	618	50
Moderate	705	44
Above Moderate	1,645	22
Total	3,841	181
Rehabilitation		
Extremely Low	2	6
Very Low	3	8
Low	4	14
Moderate	5	2
Above Moderate	10	
Total	24	30
Conservation**		
Extremely Low	26	
Very Low	9	43
Low	-	31
Moderate	-	
Above Moderate	-	
Total	35	74

*Quantified objective and progress for new construction reflect the 2006-2013 period, consistent with the previous RHNA cycle

**Westview Terrace Apartments

Appendix B

Residential Land Inventory

This Appendix summarizes the realistic potential development capacity of vacant and underutilized parcels that are suitable for residential development. The assumptions regarding affordability and realistic capacity of vacant sites are described below.

Affordability Assumptions for Vacant Sites

Housing Element law (AB 2348 of 2004) provides “default densities” that are assumed to be adequate to facilitate the production of lower-income housing. For most cities in metropolitan counties, including Banning, the default density is 30 units/acre. Banning is located in an area of Riverside County where prices and rents are typically lower than areas in the far western part of the county (e.g., Corona, Riverside) which are close to major job markets in Orange and Los Angeles counties, or the more expensive resort areas of the Coachella Valley (e.g., Palm Springs, Indian Wells). Unlike those areas, Banning has very low land cost that makes virtually all market-rate multi-family housing affordable to lower-income households. Due to the recession, no multi-family developments have been built in Banning in the past several years, therefore examples of development in other nearby cities were reviewed. For comparison, in the City of San Jacinto (which is immediately south of Banning) every new multi-family or condominium project built in recent years, regardless of density (including market-rate projects such as Willowcreek Meadows, with a density of 13.7 units/acre) has been affordable at low-income prices and rents. In fact, even new single-family detached homes are selling at prices affordable at low-income levels. Non-profit housing developers familiar with this market area indicate that densities of 16-18 units/acre are desirable for affordable multi-family projects (see Table B-1).



Based on these local conditions, potential new units in the land inventory are allocated to income categories as follows:

- **Lower income:** Based on market conditions described in Section II (Housing Needs Assessment), the land inventory analysis assumes that sites allowing a density of 20 units/acre are suitable for lower-income housing. Potential second units are also included in the low-income category.
- **Moderate income:** High Density Residential (11-18 units/acre) and Medium Density Residential (up to 10 units/acre) are assigned to the moderate-income category.
- **Above-moderate income:** Rural and Low Density Residential single-family parcels are assigned to the above-moderate category.

**Table B-1
Recent Affordable Housing Developments**

Development Name	Total Units	Density (du/ac)	Household Type	Deed-Restricted?	Funding Source
Willowcreek Meadows S. San Jacinto Ave, San Jacinto	52	13.7	Non-restricted	No \$999 (2-bd) \$1,300 (3-bd)	Market-rate
Graciela Court (SFD) San Jacinto	9	8.5	Non-restricted	No \$1,200 (3-bd)	Market-rate
Tract 32276 (Small lot SFD) San Jacinto	22	12.1	Non-restricted	No Sold for \$80-90k	Market-rate
San Jacinto Garden Apartments 324 E. Shaver Street, San Jacinto	97	9.7	Family	Yes	USDA 515-RRH
San Jacinto Manor 1672 S. Santa Fe Street, San Jacinto	65	15.0	Seniors and Mobility Impaired	Yes	USDA 515-RRH
Manzanita Gardens 537 N. Ramona Blvd, San Jacinto	36	14.1	Family	Yes	USDA 515-RRH
San Jacinto Senior Apartments 633 E. Main Street, San Jacinto	45	17.1	Seniors	Yes	USDA 515-RRH
San Jacinto Village Apartments 700 Idyllwild Drive, San Jacinto	38	16.2	Family	Yes	USDA 515-RRH
San Jacinto Villas Apartments 1692 S. Santa Fe Ave., San Jacinto	80	17.6	Family	Yes	RDA, HOME, LIHTC, Tax- exempt bonds

Realistic Capacity

The following density assumptions were used to estimate the realistic capacity of potential development sites:

- Low-Density Residential – 3 units/acre
- Medium Density Residential – 6 units/acre
- High Density Residential – 11 units/acre

These assumptions are based on recent projects approved in the city.

Land Inventory Summary

The following tables show the City’s land inventory for the current planning period. Table B-2 summarizes the City’s land inventory compared to the remaining need. Table B-3 shows approved projects while Table B-4 contains a parcel-specific inventory of vacant residential sites based on current zoning designations and the realistic capacity assumptions noted above. Figures B-1 through B-3 show the locations of vacant parcels in the HDR, HDR-20, VHDR and DC zones that are suitable for low- and moderate-income residential development.

**Table B-2
Land Inventory vs. RHNA**

	Income Category			
	Lower	Mod	Above Mod	Total
Approved Projects (Table B-3)				
Approved projects – R-A			30	30
Approved projects – Very Low Density Residential			1,036	1,036
Approved projects – Low Density Residential			3,032	3,032
Approved projects – Medium Density Residential		2,607		2,607
Approved projects – High Density Residential		1,213		
Subtotal – Approved Projects	0	3,820	4,098	6,705
Vacant parcels (Table B-4)				
Vacant parcels – Low Density Residential			513	513
Vacant parcels – Medium Density Residential		1,088		1,088
Vacant parcels – High Density Residential		395		395
Vacant parcels – High Density Residential-20	1,942			
Vacant parcels – Very High Density Residential	520			
Subtotal – Vacant Parcels	2,462	1,483	513	1,996
Underutilized Parcels (Table B-5)				
Downtown Commercial parcels	86			
Potential second units	5			5
Total land inventory	2,553	5,303	4,611	8,706
RHNA 2014 - 2021	1,465	685	1,642	3,792
Adequate Sites?	Yes	Yes	Yes	Yes

Source: City of Banning, 6/2013

**Table B-3
Approved Residential Projects**

APN	Project	GP/Zone	Specific Plan	Acres	Approved Units	Constraints
531-240-008, 009, 010	Tahiti Group	R-A		32.62	30	None
Total R-A				32.62	30	
543-150-001 (need replaced parcel(s))	Carri Construction	VLDR		7.42	13	None
535-020-004, 016, 024, 535-030-039	Fiesta Dev.	VLDR		158.5	303	None
543-030-002-3	Haiem	VLDR		10	17	None
538-272-001	Martin	VLDR		4.08	6	None
537-150-005-7, 537-170-002-3, 537-190-001-5, 537-190-019-021	Rolling Hills Ranch	VLDR		145	213	None
543-020-021, 543-030-004, 543-040-001-2, 543-050-001-3	C. W. Teft	VLDR		452.51	484	None
Total VLDR				777.5	1,036	
531-080-010, 406-170-002, 406-200-004, 419-020-008-9, 006, 021,	Pardee-Deutsch	LDR	X	537.2	2,230	None
531-060-014-017, 032, 033-34, 531-070-002, 004, 006-9, 012-19, 535-060-002	Banning Bench/Loma Linda	LDR	X	13.1	53	None
531-060-014-017, 032, 033-34, 531-070-002, 004, 006-9, 012-19, 535-060-002	Banning Bench/Loma Linda	LDR	X	29.4	125	None
531-060-014-017, 032, 033-34, 531-070-002, 004, 006-9, 012-19, 535-060-002	Banning Bench/Loma Linda	LDR	X	11.3	48	None
531-060-014-017, 032, 033-34, 531-070-002, 004, 006-9, 012-19, 535-060-002	Banning Bench/Loma Linda	LDR	X	25.5	108	None
535-180-002-5	Charter Mgmt/Galleher	LDR		2.83	9	None
534-183-014, 534-200-004, 008, 047	CitiCom/William Fox Homes	LDR		40.5	41	None
541-122-010	CTK Inc.	LDR		2.37	7	None
534-253-006-7	HLCD	LDR		6.42	26	None
541-082-016-18	Labastida	LDR		3.31	10	None
535-070-008	Madrid	LDR		19	53	None
534-152-022-025	Rifai	LDR		4.87	19	None

APN	Project	GP/Zone	Specific Plan	Acres	Approved Units	Constraints
535-110-002, 006, 011, 012, 535-311-006-23, 535-312-001-24, 535-070-014	Gilman-St. Boniface	LDR		73	186	None
534-283-011, 014	TMS Homes, LLC.	LDR		7.083	23	None
535-070-004, 006	Madrid	LDR		16.48	44	None
535-030-038 (need replaced parcel(s))	Nordquist	LDR		6.3	19	None
534-171-008, 015, 534-172-002, 004	Vic Seth Const.	LDR		7.98	31	None
Subtotal LDR				807.4	3,032	
531-080-010, 406-170-002, 406-200-004, 419-020-008-9, 006, 021,	Pardee-Deutsch	MDR	X	325.4	1,961	None
531-060-014-017, 032, 033-34, 531-070-002, 004, 006-9, 012-19, 535-060-002	Banning Bench/Loma Linda	MDR	X	24.2	127	None
531-060-014-017, 032, 033-34, 531-070-002, 004, 006-9, 012-19, 535-060-002	Banning Bench/Loma Linda	MDR	X	20.8	109	None
531-060-014-017, 032, 033-34, 531-070-002, 004, 006-9, 012-19, 535-060-002	Banning Bench/Loma Linda	MDR	X	25.9	136	None
531-060-014-017, 032, 033-34, 531-070-002, 004, 006-9, 012-19, 535-060-002	Banning Bench/Loma Linda	MDR	X	12.3	68	None
531-060-014-017, 032, 033-34, 531-070-002, 004, 006-9, 012-19, 535-060-002	Banning Bench/Loma Linda	MDR	X	23.5	170	None
540-250-006	Barbour Villas	MDR			36	None
Subtotal MDR				419.8	2,607	
531-080-010, 406-170-002, 406-200-004, 419-020-008-9, 006, 021,	Pardee-Deutsch	HDR	X	73.8	1,196	None
419-140-062	Careage Dev.	MDR (senior)		1.43	17 (32 beds)	None
Subtotal HDR				75.22	1,213	

*Note: W/WW infrastructure availability present for all approved project sites. Service subject to the payment of City hookup fees and installation/extension.

**Table B-4
Residential Vacant Land Inventory**

Zoning District / APN	Parcel Size (acres)	Permitted Density (units/ac)	Assumed Density (units/ac)	Units by Income Category		
				Lower	Moderate	Above Moderate
Low Density Residential						
532080001	29.63	0-5	3.75			111
532080004	40.91	0-5	3.75			153
532080006	41.96	0-5	3.75			157
537110007, 009	24.73	0-5	3.75			92
Total LDR						513
Medium Density Residential						
532080004	0.95	0-10	6		5	
532080004	19.28	0-10	6		115	
532080005	21.00	0-10	6		126	
537110003	24.83	0-10	6		148	
537110003, 007, 008	27.08	0-10	6		162	
537110007, 008	18.91	0-10	6		113	
537110007, 009, 011	39.63	0-10	6		237	
537110008	28.54	0-10	6		171	
538101027	0.24	0-10	6		1	
538150014	0.54	0-10	6		3	
538165005	0.23	0-10	6		1	
538173010	0.44	0-10	6		2	
540130025, 026	0.75	0-10	6		4	
Total MDR					1,088	
High Density Residential						
419034008	0.40	11-18	11		4	
534161008	0.42	11-18	11		4	
534161009	0.67	11-18	11		7	
537110003, 005, 006, 008	33.86	11-18	11		372	
540082006 thru 008	0.56	11-18	11		6	
540151021 - 022	0.27	11-18	11		2	
Total HDR					395	
High Density Residential-20						
537-120-034	21.12	20	20	422		
540-083-002	3.02	20	20	60		
541-110-013	1.73	20	20	34		
532-080-004	55.8	20	20	1,116		
419-140-059	3.31	20	20	66		
534-161-010	0.9	20	20	18		
537-110-008	9.75	20	20	195		
541-110-009	1.58	20	20	31		
Total HDR-20				1,942		
Very High Density Residential						
537-190-018	26	19-24	20	520		
Total VHDR				520		
TOTALS – RESIDENTIAL SITES				2,462	1,483	513

**Table B-5
Underutilized Land Inventory**

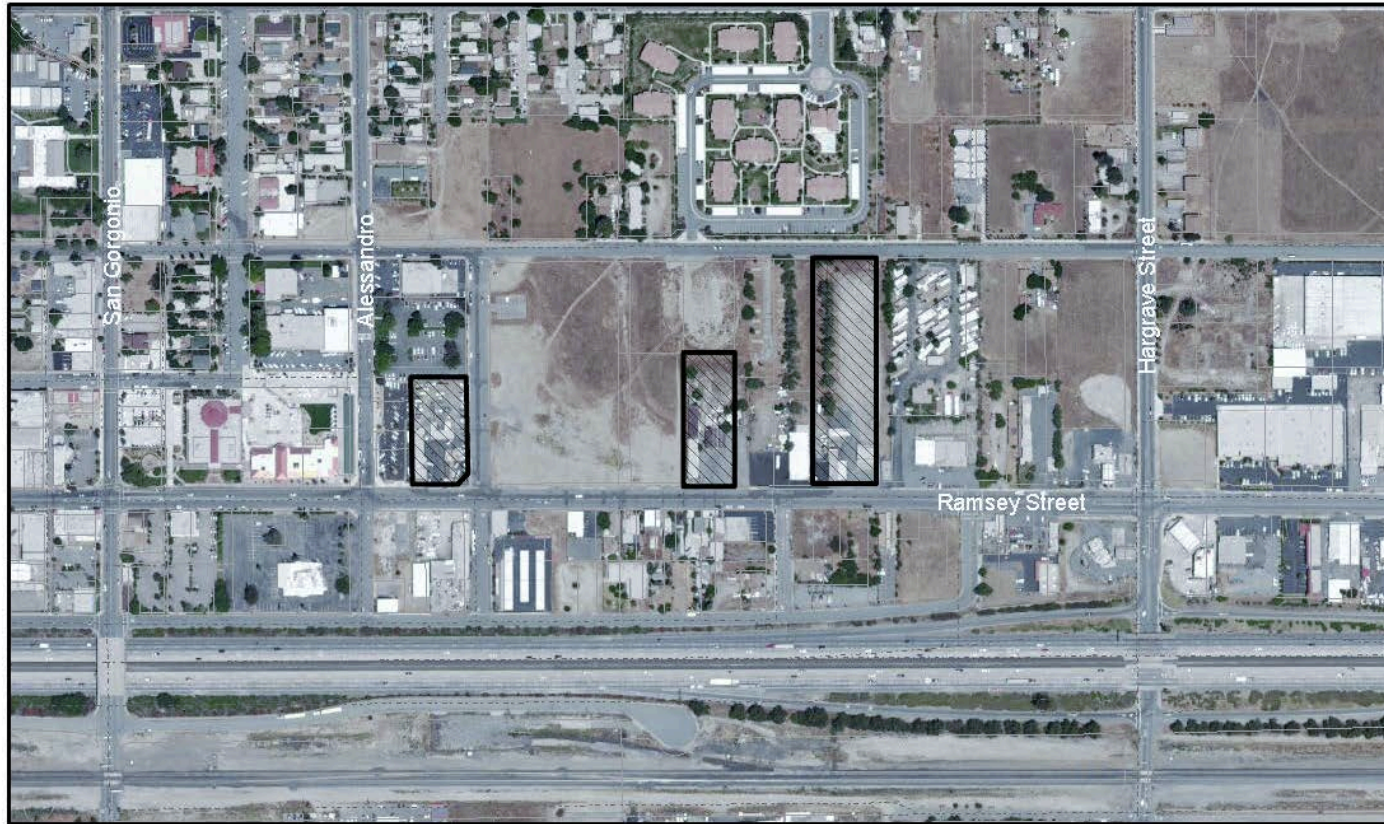
APN	Address	GP/ Zoning	Parcel size (acres)	Potential Units @ 20 du/ac	Existing Use
541-145-012	255 E Ramsey St	DC/DC	0.8	16	Commercial
541-150-004	447 E Ramsey St	DC/DC	1.3	26	Commercial
541-150-010	553 E Ramsey St	DC/DC	2.2	44	Vacant building
Totals			4.3	86	



**Figure B-1
HDR-20 Parcels**

**Figure B-2
HDR-20 Parcels**

**Figure B-3
VHDR Parcels**

**Figure B-4
DC Parcels**



1" = 376 ft	255, 447, & 553 E. Ramsey Street	06/26/2013		
<p>This map represents a visual display of related geographic information. Data provided hereon is not a guarantee of actual field conditions. To be sure of complete accuracy, please contact Banning staff for the most up-to-date information.</p>				

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Appendix C

Public Participation Summary

This update to the Banning Housing Element has provided residents and other interested parties with opportunities to review draft documents and proposed policies, and to provide recommendations for consideration by decision-makers. Public notices of all Housing Element meetings and public hearings were published in the local newspaper in advance of each meeting, as well as by direct mail to interested parties and posting the notices on the City’s website. The draft Housing Element was made available for review at City Hall and posted on the City’s website.

As part of the public review process, the following public meetings were held to review the draft Housing Element.

September 30, 2013	Planning Commission Study Session
_____	City Council Study Session
_____	Planning Commission Hearing
_____	City Council Hearing

Table C-1 provides a list of persons and organizations that were sent direct mail notice of all public meetings on the Housing Element while Table C-2 summarizes comments received and how those comments were addressed.

**Table C-1
Public Notice List**

Coachella Valley Housing Coalition
45-701 Monroe Street, Suite G
Indio, CA 92201

Habitat for Humanity-San Gorgonio Pass
Area
PO Box 269
Banning, CA 92220

Jamboree Housing Corporation
17701 Cowan Ave. Suite 200
Irvine, CA 92614

Affirmed Housing Group
13520 Evening Creek Dr. North, Ste. 160
San Diego, CA 92128

The Olson Company
30200 Old Ranch Pkwy, #250
Seal Beach, CA 90740

So. Calif. Housing Development Corp.
8265 Aspen Street, Suite 100
Rancho Cucamonga, CA 91730

RC Hobbs Company
1110 E. Chapman Ave., Suite 206
Orange, CA 92866

LINC Housing Corporation
110 Pine Avenue, Suite 500
Long Beach, CA 90802

Palm Desert Development Company
Dan Horn
P.O. Box 3958
Palm Desert, CA 92261

Riverside Housing Development Corp.
Bruce Kulpa
4250 Brockton Ave.
Riverside, CA 92501

Inland Fair Housing and Mediation Board
10681 Foothill Blvd, Suite 101,
Rancho Cucamonga, CA 91730

HDSI Management
Noel Sweitzer
3460 S. Broadway
Los Angeles, CA 90007

City of Beaumont
Planning Director
550 East 6th Street
Beaumont, CA 92223

Riverside Co. Economic Develop. Agency
1325 Spruce Street, Suite 400
Riverside, CA 92507

Corporation for Better Housing
15303 Ventura Boulevard, Suite 1100
Sherman Oaks, CA 91403

Table C-2
Summary of Public Comments

Comment	Response

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