



Chapter 8. 2014–2021 Housing Element (5th Cycle)

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INTRODUCTION

Purpose and Function

The purpose of the Housing Element is to provide a framework of housing opportunities designed to meet the specific needs of Highland's existing and future residents. This document provides residents and local government officials with a greater understanding of local housing needs and guidance in matters relating to housing. The Housing Element is a reflection of the City's dedication to creating quality living environments affordable to all economic segments of the community.

The Housing Element provides programs created to address housing needs, reduce constraints to housing for all, and set aside land and financial resources for residents and developers. To the agencies and departments entrusted with its implementation, the Housing Element functions as a guidebook for alleviating housing problems and serves as a resource for those seeking housing opportunities and assistance.

Consistency with State Planning Law

The State of California recognizes that an adequate supply of housing for all income levels is a fundamental need for all communities. To achieve that goal, it is critical that local governments share in the responsibility of implementing solutions to address local and regional housing needs. To that end, all California local governments are required to prepare a Housing Element that specifies how the community will plan for its existing and future housing needs.

This Housing Element was prepared in conformance with state housing law (Government Code Sections 65580–65589) and following the California Department of Housing and Community Development's Building Blocks for Effective Housing Elements. This document provides residents of the community and local government officials with a greater understanding of the housing needs in Highland and guidance in matters relating to housing.

State law requires that the City periodically review the Housing Element in order to evaluate:

- The appropriateness of the housing goals, objectives, and strategies in contributing to the attainment of the state housing goal;
- The effectiveness of the Housing Element in attainment of the community's housing goals and objectives; and



- The progress of the City in implementing the Housing Element.

The City of Highland's housing goals, policies, and programs are based on an analysis of existing and projected housing needs, an evaluation of potential constraints to housing, and a statement of goals, policies, quantified objectives, financial resources, and scheduled programs for the preservation, improvement, and development of housing for households of all income levels. An evaluation of the previous programs identifies progress and areas in need of improvement.

General Plan Consistency

Section 65300.5 of the Government Code states that the general plan shall comprise an integrated and internally consistent set of policies. The structure of this element is built on the same foundation upon which all other elements of the plan were formed. In addition, the Housing Element goals complement those found in the other elements of the General Plan. Cohesive housing policies that are appropriate to Highland were designed through this coordination.

The City of Highland will maintain consistency as future General Plan amendments are processed by evaluating proposed amendments for consistency with all elements of the General Plan. Per Government Code 65400, the General Plan requires an annual review and report to examine amendments and implementation status.

In line with the other General Plan elements, the goals of the Housing Element are to:

- Meet existing housing needs;
- Plan for future growth;
- Protect and enhance Highland's neighborhoods; and
- Provide new housing opportunities.

Regional Housing Needs Assessment

California's housing element law requires that each city and county develop local housing programs designed to meet its existing and projected housing needs for all income groups in their community and share of the region's need for housing through the 2014 to 2021 planning period. Given the fundamental importance of housing to quality of life, all communities are required to affirmatively address the existing and future housing needs in their community.

Some housing-related needs include facilitating the development of affordable housing, addressing special needs of certain residents; rehabilitating existing homes and neighborhoods; strengthening the



local economy and contribute to economic development goals; and to support other general plan efforts to improve and maintain the quality of life in Highland.

California law requires cities to meet the future housing needs of those who might reasonably be expected to reside in Highland due to population, household, and employment growth. Every eight years, the Southern California Association of Governments (SCAG) adopts growth projections predicting the need for housing throughout the region. SCAG then disaggregates the growth for every city in the region, and these projections include housing at all income levels. This share of the housing need is referred to as the Regional Housing Needs Assessment (RHNA).

The City of Highland’s share of the region’s housing need for the June 30, 2014, through January 1, 2021 planning period is 1,500 units divided into four income categories, as shown in Table 8.1.

Contrary to popular belief, city governments are not required to construct the housing units. However, state law does require cities to create opportunities for the potential for the growth to occur between 2014 and 2021. Cities plan for this growth by identifying available land at a variety of densities and instituting programs to encourage and facilitate new housing.

Table 8.1: Highland 2014–2021 RHNA

<i>Income Category</i>	<i>Units</i>	<i>Percentage</i>
Very Low (0–50% of median) ¹	349	23.3%
Low (51–80% of median)	246	16.4%
Moderate (81–120% of median)	280	18.7%
Above Moderate (120% of median)	625	41.7%
Total	1,500	100%

Source: SCAG 2012

1: Half of the very low income RHNA, 174, is assumed to represent extremely low income households (0–30% of median).

Housing Element Organization

Section 65583 of the Government Code requires that the housing element include an evaluation of existing programs, housing trends, housing needs and constraints, and include creation of housing programs to respond to those needs and reduce those constraints.

This Housing Element is organized into two sections:

Housing Plan

The Housing Element includes the Housing Plan and Housing Element Technical Report. The Housing Plan contains the following three sections:



- Introduction – a summary of the law and planning context, including public outreach and results.
- Housing Strategy– the City’s housing goals, policies, and programs to address its housing needs during the 2014–2021 planning period.
- Appendix A: Land Resources – a detailed description of vacant and underutilized land resources available for future housing development.
- Appendix B: Evaluation of the Previous Housing Program – an assessment of the previous Housing Element’s effectiveness.

Housing Technical Report

The Technical Report is an essential companion to the Housing Plan and contains the information necessary to understand the City’s housing needs, its constraints and opportunities. Specifically, it contains:

- Demographic Profile – a summary of Highland’s population, household, and employment trends.
- Housing Profile – a summary of Highland’s housing stock, tenure, affordability, and special needs.
- Future Housing Needs – an analysis of the future housing needs of the projected population.
- Housing Constraints– an analysis of government, market, and environmental constraints to and resources for future housing development.

Public Participation

California law requires that local governments include public participation as part of the housing element. Specifically, Government Code 65583(c)(7) states “that the local government shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the program shall describe this effort.” State law does not specify the means or methods for participation; however, it is generally recognized that the participation must be inclusive.

One Housing Element update workshop was held early in the process to collect public, stakeholder, and decision-maker input. The workshop was held at City Hall on Tuesday, May 15, 2012. The City thoroughly advertised the workshop through several mediums including local newspapers, postings at City Hall and other public



buildings, and notices were mailed to over 115 stakeholders. These stakeholders represent a variety of housing interests. Recipients included nonprofit service providers, affordable housing developers, market rate developers, property owners; special needs program managers, major employers, regional housing agencies, faith-based organizations, and San Bernardino County departments.

Staff presented potential land use changes to the Planning Commission at a Housing Element workshop on Tuesday, August 7, 2012. The meeting was noticed in local newspapers, at City Hall and other public buildings, and on the City's website. The land use changes presented were designed to help the City accommodate higher density housing and meet the 2014–2021 Regional Housing Needs Assessment in appropriate locations. The Planning Commission felt that the changes were appropriate. Although there were several residents in attendance, none of them made comments about the sites.

City staff reached out to several property owners and developers in the area and received feedback that economic development and the quality of residential areas are important. Programs for single-family rehabilitation, rental rehabilitation, and code enforcement activities were drafted in response to this concern.

A draft of the Housing Element update, including potential land use and program changes, was presented to the Planning Commission at a regularly scheduled public hearing on Tuesday, September 18, 2012 and the City Council on November 13, 2012. The City Council determined that several program updates were appropriate to reflect the dissolution of the Redevelopment Agency. The City Council also determined that no unnecessary changes should be made to the land inventory because the Housing Element land inventory was certified by the California Department of Housing and Community Development (HCD) in 2010. At this meeting, a representative from the Building Industry Association requested that the City study development fees and amend the Municipal Code to reflect the findings of the study, if necessary, before submitting the Housing Element to HCD. The City Council responded to this request with a program directing the Public Works/City Engineering Department to prepare a study of Development Impact Fees after the budget cycle. Another program was created to direct the Planning Department to prepare a study of the Inclusionary Housing In-Lieu Fee and present findings to the City Council before the end of the 4th Cycle planning period. The City Council determined that the timing suggested by the speaker was infeasible due to staff, budget, and other limitations, including the October 15, 2013 Housing Element adoption deadline.

The meetings were noticed in local newspapers, on the City's website, and at the required public facilities. These public hearings offer the community additional opportunities to participate in program development and raise their concerns about the future of housing in Highland.



HOUSING RESOURCES

The City of Highland has been allocated a RHNA of 1,500 housing units for the 2014–2021 planning period. An effective strategy to address this need must reflect a diversity of housing types and affordability levels. A variety of land resources and multifaceted strategies are needed to comprehensively accommodate the RHNA and meet Highland’s other housing goals. The City of Highland is taking several steps to identify land resources that will exceed the housing production goals assigned by the RHNA. A detailed land inventory is provided in the Appendix A.

High Density Special Overlay

The High Density Special Overlay was first adopted by the City of Highland in 2011 to meet State requirements for facilitating and encouraging housing to meet a variety of public needs. The Residential High Density Special Overlay accommodates residential products between 20 and 30 units per acre, such as apartments, lofts, condominium, other high-density attached products, or a combination of such uses. These uses are permitted by right.

The High Density Special Overlay in the Golden Triangle Policy Area includes 74 vacant and 5 underutilized acres. The Golden Triangle Policy Area is generally bound by Greenspot Road on the south, Eucalyptus Avenue on the north, Boulder Avenue on the east, and the City Creek wash basin on the west. Environmental analysis (including a traffic study) has shown that this area is suitable for higher density development. The sites within this Policy Area are designated Planned Development, the City’s most flexible district, created to encourage innovative design concepts in specific plans. However, the City applied the HDS Overlay in 2011 to ensure greater certainty to meet state housing requirements. The Land Use and Development Code permits up to 650 units between 20 and 30 units per acre by right. The land is readily available for development, has access to existing utilities and other infrastructure, and a developer has chosen to initiate a specific plan to develop the site.

Vacant Land Resources

Vacant land is the City’s critical resource for accommodating the RHNA. Vacant land at a variety of densities has the ability to facilitate housing development that can meet different affordability targets. The recent downturn of the market significantly reduced housing prices throughout Highland. Typically the gap between market-rate and what lower and moderate income households can afford is large for single-family detached development. However, sales prices in 2012 have shown that single-family detached housing in Highland is readily affordable to moderate income households. As in previous planning



periods, lower income households in Highland will benefit from rental housing opportunities, especially in buildings supported by public financing. Many state and federal housing development assistance programs generously fund new projects and rehabilitation efforts that only target lower income households.

Based on 2012 home sales prices, the vacant land inventory assumes that densities less than 10 units per acre only yield homes that are affordable to above moderate income households, densities between 10 and 19 units per acre yield homes that are affordable to moderate income households, and densities of 20 to 30 units per acre yield product types that are affordable to lower income households. Following these density and affordability assumptions, the vacant sites described in Table 8.3 have the potential to accommodate 720 above moderate income units, 639 moderate income units, and 1,207 lower income units. All of the vacant sites identified in the land inventory are infill sites adjacent to existing development and within existing wet and dry utility and transportation networks.

The vacant land development potential does not include units planned in Harmony, a proposed specific plan that could add over 700 new single-family homes to Highland between 2014 and 2021. The development potential for above moderate income housing during the planning period will significantly increase upon adoption of the specific plan.

A summary of the potential identified in the vacant land inventory is provided in Table 8.3 on the following page. A site-specific inventory is provided in Appendix A.

Table 8.3: 2014–2021 Vacant Land Summary

Zoning	General Plan Land Use	Acres	Assumed Density	Assumed Yield			
				VL/L	M	AM	Total
AG	AG/EQ	67.6	2	0	0	135	135
R-1	LD	115.9	5	0	0	580	580
R-2	MD	4.5	10	0	45	0	45
R-2C	MD	9.4	10	0	94	0	94
R-3	HD	0.2	16	0	3	0	3
R-4	HDS	27.3	25	682	0	0	682
MU	MU	10.4	16	0	83	0	83
PD	PD	34.5	12	0	414	0	414
HDS ¹	PD	47.2	25	525	0	0	525
VR	VR	1.1	5	0	0	5	5
Total				1,207	639	720	2,567

Source: City of Highland, 2012.

Note: VL/L, M, and AM, stand for lower income, moderate income, and above moderate income units, respectively.

Moderate income affordability assumptions reflect densities between 10 and 19 units per acre. Lower income affordability assumptions reflect densities between 20 and 30 units per acre.

1: The HDS Overlay permits up to 650 multifamily units by-right; however some of the sites within this area are underutilized. The development potential was divided into 525 on vacant sites and 125 on underutilized sites.



Underutilized Land Resources

The City of Highland recognizes that the recycling of previously developed sites can be an important resource for new housing, particularly in older areas of the community. In addition to vacant lands, the City has identified several underutilized properties with the potential to recycle for new residential uses during the 2014–2021 planning period. Underutilized sites are properties that are marginally developed but could accommodate greater densities and a higher quality of development when reused. These sites were selected through a collaborative process between staff, the Planning Commission, and City Council to ensure that the sites listed reflect a broad understanding of recent development trends, recent market conditions, existing uses, and incentives.

The City's underutilized land inventory only includes infill properties. The market has shown that infill development in Highland has proven to be more cost-effective than developing new neighborhoods on raw land. Over the last several years numerous infill projects have been proposed in Highland. The majority of these projects are located in the oldest part of the community, western and central Highland. Infill projects have built-in financial incentives because of existing infrastructure such as roads, sidewalks, water and sewer access, and public facilities. For reuse or infill projects the City requires access improvements only if needed to ensure public safety, rather than substantial street improvements or the creation of new streets that are typically necessary for greenfield development. The fewer improvements needed reduces the overall cost of the project, a savings that is reflected in the sales price or asked rent. Two common forms of infill projects proposed in Highland's recent history are small-lot single-family detached homes and condominiums. These units are readily affordable to low and moderate income households, based on 2012 State Income Limits for households of three and four persons.

Existing conditions in Highland provide an environment ripe for redevelopment and reinvestment. Numerous underdeveloped properties in areas with existing infrastructure have buildings that are no longer economically viable or adequate for habitation. The development community has approached the City about opportunities in several of the underutilized sites as well as several adjacent vacant sites. Assembling properties provides several cost-saving advantages, such as more design flexibility, accessibility options, larger number of housing units, and increasing construction efficiency.

Marginal uses such as dilapidated homes on large lots and abandoned commercial properties offer significant opportunities for new multifamily and high density attached housing types. All of the underutilized sites except for one are zoned R-4 or within the High Density Special Overlay and will permit development between 20 and 30 units per acre.



Potential environmental constraints such as topography and floodways were taken into consideration during site selection. None of the parcels identified in the vacant and underutilized land inventory are located in areas of topographic constraint or have known environmental hazards. The sites identified are adjacent to existing urbanized development and are within service hook-up distance of existing water and sewer systems. The City has already traffic calculations based on residential development for the underutilized sites and determined that it would not result in any significant impacts on levels of service.

As shown in Table 8.4, the City’s high density underutilized lands could accommodate 804 lower income units at the midrange density of 25 units per acre. Approximately 27 acres are zoned R-4 and 5 acres are Planned Development, but within the HDS Overlay. The City’s low density underutilized site could accommodate 5 above moderate income units as an assumed density of 5 units per acre. These underutilized sites are described in detail and mapped in Appendix A. A lot consolidation priority program is proposed to incentivize the consolidation of underutilized parcels to support larger housing projects.

Table 8.4: 2014–2021 Underutilized Land Inventory Summary

Zoning	General Plan Land Use	Acres	Assumed Density	Assumed Yield			
				VL/L	M	AM	Total
R-1	LD	1.0	5	0	0	5	5
R-4	HDS	27.2	25	679	0	0	679
HDS ¹	PD	5.1	25	125	0	0	125
				804	0	5	809

Source: City of Highland, 2012.

Note: VL/L, M, and AM, stand for lower income, moderate income, and above moderate income units, respectively.

Moderate income affordability assumptions reflect densities between 10 and 19 units per acre. Lower income affordability assumptions reflect densities between 20 and 30 units per acre.

1: The HDS Overlay permits up to 650 multifamily units by-right; however some of the sites within this area are underutilized. The development potential was divided into 525 on vacant sites and 125 on underutilized sites.

Summary of Land Resources

The City of Highland has a long history of attracting high quality, single-family detached development. This trend will undoubtedly continue into the planning period. As such, the City has made a significant effort to encourage and facilitate the development of a diverse range of housing types including townhomes, condominiums, second units, and multifamily buildings. The RHNA for lower, moderate, and above moderate income households will be met



through vacant and underutilized land at various densities. Furthermore, several different types of housing are expected to be constructed through the specific plan process.

Table 8.5 summarizes the potential for accommodating new housing during the planning period by income category. The City has provided a surplus of sites to maintain adequate capacity throughout the long duration of the planning period. A surplus of sites is an important tool to protect the City from having inadequate capacity to meet the RHNA and reduce the need for amendments.

Table 8.5: Summary of Land Resources

<i>Resource</i>	<i>Lower</i>	<i>Moderate</i>	<i>Above Moderate</i>	<i>Total</i>
Vacant Land	1,207	639	720	2,567
Underutilized Land	804	0	5	809
Total	2,012	639	725	3,375
RHNA	595	280	625	1,500
Surplus	+1,417	+359	+100	+1,875

Source: City of Highland, 2012.

The land resources intentionally exceed the RHNA to help protect the City from shortfalls during the 2014–2021 planning period. In addition, the Harmony Specific Plan is expected to be adopted in 2013 and will increase the residential development potential during the planning period by over 700 units. Upon adoption, this Specific Plan will help ensure that Highland has a large surplus of sites for the above moderate income RHNA.

The City will continue to support and assist lower and moderate income households and special needs populations through a variety of programs. A comprehensive approach is important for improving the City’s existing neighborhoods, attracting high quality new development, and continuing Highland’s reputation as a good place to call home.



HOUSING STRATEGY

The City of Highland’s vision is to be a high quality community of which residents are proud to call home. This Housing Element outlines the City’s approach to achieving this vision by improving existing neighborhoods, ensuring a diversity of housing types and prices, increasing opportunities for lower and moderate income households to afford suitable housing, and promote services for persons with special housing needs. The following section provides housing goals, policies and programs for the City of Highland.

GOAL 8.1

Preserve and enhance the quality and character of Highland’s housing stock and existing residential neighborhoods.

Policies

- 1) Provide neighborhood improvement and unit rehabilitation programs that offer financial and technical assistance to lower income single-family homeowners and owners of rental housing.
- 2) Encourage housing improvement and rehabilitation and the replacement of substandard housing as a means to enhance quality of life in Highland. Ultimately the health of the City’s existing neighborhoods has great influence over who selects to reside, build, work, or start a business in Highland.
- 3) Support housing and neighborhood quality through rigorous enforcement of building and property maintenance standards, the education of landlords and tenants, and the inspection of properties.



1. Single-Family Rehabilitation

1a. Seek funding resources to continue to implement single-family rehabilitation programs that provided lower and moderate income home owners with rehabilitation grants and loans (formerly funded by the Redevelopment Agency). Repairs include—but are not limited to—room additions, septic systems, paint and stucco, acoustic ceilings, roofing, and pest control.

- Timing/Objective: Identify funding by 2016
- Responsible Agency: Community Development Department
- Funding Source: Grants, Inclusionary Housing In-Lieu Fees, and other alternatives will be explored

1b. Continue to participate in the “World Changers” Program which rehabilitates homes for low to moderate income residents.

- Timing/Objective: Approximately 5 homes per year
- Responsible Agency: Community Development Department
- Funding Source: General Fund

2. Rental Rehabilitation

2a. The City of Highland has a significant number of rental properties in certain areas of the community that are in disrepair and in need of rehabilitation. The City’s current rehabilitation programs focus on ownership units but do not extend to rental units. Working in tandem with the rental inspection program, a rental-oriented program could greatly improve the condition of the existing housing stock and quality of life for Highland’s renter community. Therefore, the City will develop a program to assist the rehabilitation of single- and multifamily rental housing.

- Timing/Objective: Adopt program guidelines by March 2014. Seek funding in fiscal year 2014/2015.
- Responsible Agency: Community Development Department
- Funding Source: General Fund, Grants, Inclusionary Housing In-Lieu Fees, and other alternatives will be explored

2b. Continue rental inspection program to ensure a high level of rental property maintenance. Refer violators to the rental rehabilitation program that will be created as stated above.

- Timing/Objective: Ongoing 2014–2021.
- Responsible Agency: Code Enforcement Division
- Funding Source: General Fund



3. Code Enforcement

3a. Work with the State Franchise Tax Board in order to enforce the provisions of California Revenue and Taxation Code Section 17299 and 24436.5, which prohibit owners of substandard housing from claiming depreciation, amortization, mortgage interest, and property tax deductions on State income tax.

- **Timing/Objective:** Initiate coordination with Tax Board by December 2014 and establish program by June 2015.
- **Responsible Agency:** Community Development Department
- **Funding Source:** General Fund

3b. Perform annual windshield surveys to identify areas with substandard housing. A proactive approach will increase the ability of Code Enforcement staff to protect the City's existing housing stock from deterioration.

- **Timing/Objective:** Commence annual windshield surveys and identify services to assist the target areas within six months of adopting the Housing Element.
- **Responsible Agency:** Building & Safety Division
- **Funding Source:** General Fund

3c. Continue to enforce the City's Property Maintenance Ordinance HMC Section 15.52 (minimum standards for exterior property maintenance). Owners of a property that does not meet the minimum requirements will be notified in writing by the Building Inspector or Code Compliance Officer and given a reasonable period of time to achieve compliance. Code violators will be provided with information on the Neighborhood Pride Grant program to assist them in completing repairs.

- **Timing/Objective:** Ongoing 2014–2021. Achieve 85% compliance rate.
- **Responsible Agency:** Code Enforcement Division
- **Funding Source:** General Fund



4. Neighborhood Quality

4a. Continue the Code Enforcement, Police, and Fire for Multi-Family Housing program to provide a multi-department, comprehensive approach to resolving problems associated with deteriorating housing developments.

- Timing/Objective: Ongoing 2014–2021
- Responsible Agency: Code Enforcement Division
- Funding Source: General Fund

GOAL 8.2

Facilitate the development of housing suitable for the diverse needs of current and future Highland residents.

Policies

- 1) Bolster the City's affordable housing supply through regulatory tools that encourage the development of or funding for quality lower and moderate income housing development.
- 2) Provide a transparent, timely and cost-effective regulatory review process that facilitates the development housing opportunities for all income levels.
- 3) Ensure new residential projects are adequately served by park and recreation, libraries, transportation, public safety, and other public services and facilities.
- 4) Encourage the development of a range of housing types in targeted areas of the City, such as inventoried vacant residential sites, Planned Development districts, Mixed Use districts, and special Policy Areas identified in the Land Use Element.
- 5) Encourage the use of innovative site development and allow the use of construction materials and techniques that reduce the cost of housing and its impact on the environment.
- 6) Provide adequate regulatory tools to preserve the City's factory-built housing stock.



5. Inclusionary Housing and Fees

5a. An Inclusionary Housing Ordinance requiring all new housing construction in the City to provide affordable units on-site, off-site (in special circumstances), or pay an in-lieu fee of \$3,750 per unit into the City's housing fund for the preservation and construction of affordable housing was adopted in 2006.

- Timing/Objective: Ongoing 2014–2021.
- Responsible Agency: Community Development Department
- Funding Source: Development community

5b. Review the in-lieu fee established for the Inclusionary Housing Ordinance to ensure it remains appropriate. Explore opportunities to use the in-lieu fee to fund lower income rehabilitation programs previously funded by the Redevelopment Agency.

- Timing/Objective: Present review of the fee to City Council by December 2014; and biannually thereafter
- Responsible Agency: Community Development Department
- Funding Source: General Fund

5c. Evaluate Development Impact Fees to ensure that such fees are the minimum necessary to cover actual costs, implement the General Plan, and to ensure protection of public health, safety, and welfare. Also monitor permit processing times to identify areas in which the City can streamline development review.

- Timing/Objective: Review bi-annually after the budget cycle.
- Responsible Agency: Public Works/City Engineering Department
- Funding Source: General Fund



5d. Assist in the development of adequate housing to meet the needs of lower and moderate income households by providing a comprehensive menu of opportunities. The City will specifically target service providers with experience in assisting extremely low income households. These opportunities include, but are not limited to using housing in-lieu fees to support affordable housing projects, offering density bonuses, making Housing Choice Voucher referrals, redevelopment activities to build new affordable housing and subsidize existing housing, encouraging the development of second units, and facilitating the development of emergency shelters, transitional housing, permanent supportive housing, and single room occupancy units.

- Timing: Various timeframes for individual projects throughout 2014–2021
- Responsible Agency: Community Development Department
- Funding Source: General Fund, Inclusionary Housing In-Lieu Fees, and other resources if available

6. Regulatory Relief

6a. Continue to encourage the development of multifamily housing types by permitting such units by right in multifamily-zoned sites identified in the Housing Element (R-4 and HDS), pursuant to GC Section 65583.2 (h) and (l).

- Timing/Objective: Maintain the permitted multifamily uses within R-4 and HDS zones as needed to exceed the RHNA for lower income households
- Responsible Agency: Community Development Department
- Funding Source: General Fund

6b. Continue to update the Land Use and Development Code to address updates to density bonus laws as needed.

- Timing/Objective: Ongoing 2014–2021
- Responsible Agency: Community Development Department
- Funding Source: Community Development Department Budget



6c. Incentivize lot consolidation for high density multifamily projects by expediting the process for sites identified in the Housing Element as having the potential to accommodate densities at or above 20 units per acre (shown in Appendix A).

- **Timing/Objective:** Codify expedited processing for lot consolidation applications including multifamily sites identified as having potential to accommodate lower income housing in the Housing Element for the purpose of facilitating larger multifamily projects by December 2014
- **Responsible Agency:** Community Development Department
- **Funding Source:** General Fund

7. Developer Outreach

7a. Continue to offer an optional pre-application conference and advertise the benefits through the City's website and the "Come Home to Highland" website. A pre-application conference allows the applicant to receive invaluable comments from City staff prior to submitting a plan, thus reducing the time and cost associated with permit processing.

- **Timing/Objective:** Ongoing 2014–2021
- **Responsible Agency:** Community Development Department
- **Funding Source:** General Fund

7b. Conduct an annual citywide analysis to assess and document the City's housing activities in an annual report to HCD.

- **Timing/Objective:** Ongoing 2014–2014
- **Responsible Agency:** Community Development Department
- **Funding Source:** General Fund

7c. Continue to offer the City's brochure on zoning, development requirements, development fees, and permitting procedures in City Hall and online.

- **Timing/Objective:** Ongoing 2014–2021
- **Responsible Agency:** Community Development Department
- **Funding Source:** General Fund



7d. Continue to utilize a digital database to track development applications and periodically post summaries of this information in development activity reports on the City's website.

- Timing/Objective: Ongoing 2014–2021
- Responsible Agency: Community Development Department
- Funding Source: General Fund

8. Innovative and Efficient Housing

8a. Encourage development on sites identified in the land resources section of the Housing Element by providing the inventory of the City's website.

- Timing/Objective: Provide information on the City's website within three months of Housing Element adoption.
- Responsible Agency: Community Development Department
- Funding Source: General Fund

8b. Discuss mixed-use housing development opportunities with property owners in the Planned Development and Mixed-Use districts.

- Timing: Conduct discussions by December 2015.
- Responsible Agency: Community Development Department
- Funding Source: General Fund

8c. Explore opportunities for incentivizing residential green building and renovation efforts.

- Timing: This City Council goal was established for the 2009/2010 fiscal year. Ongoing 2014–2021.
- Responsible Agency: Community Development Department
- Funding Source: General Fund



8d. Continue to allow flexibility in design and development standards through the Planned Development (PD) district, Mixed Use district, and through policies provided in the Community Design Element of the General Plan. The PD zone facilitates more efficient use of the land and design superior to that which could be achieved through the application of conventional development standards.

- Timing/Objective: Ongoing 2014–2021
- Responsible Agency: Community Development Department
- Funding Source: General Fund

8e. Contact Southern California Edison (SCE) and The Gas Company to obtain latest information on energy efficient building technology. Make this information available at City Hall and on the City's website.

- Timing/Objective: Provide information by January 2014
- Responsible Agency: Community Development Department
- Funding Source: General Fund

8f. Reduce energy waste by reviewing all residential buildings for compliance with Title 24, State of California Energy Standards.

- Timing/Objective: Ongoing 2014–2021
- Responsible Agency: Building & Safety Division
- Funding Source: General Fund



GOAL 8.3

Identify land uses and available land resources appropriate for accommodating a variety of housing types.

Policies

- 1) Establish higher density nodes with new housing opportunities intended to serve all income levels.
- 2) Provide a variety of home building opportunities for a range of housing types.
- 3) Expand the affordable housing stock and provide homeowners with an additional source of income by facilitating the construction of second dwelling units.

9. Residential High Density Special Overlay (HDS)

9a. The City will continue the Residential High Density Special Overlay in the Golden Triangle Policy Area, which accommodates up to 650 multifamily units.

- Timing/Objective: Ongoing
- Responsible Agency: Community Development Department
- Funding Source: General Fund



9b. The City will continue to implement a formal ongoing monitoring procedure to ensure sufficient residential capacity for units affordable to lower income households is maintained on sites identified to accommodate the RHNA. Where an approval of a development (residential, commercial, or other) on a site identified as having lower-income potential in Appendix A results in a reduction of potential affordable units below the residential capacity needed to accommodate the RHNA, the City will identify and designate additional sites to accommodate the shortfall. The City will report on the status and implementation of the Housing Element including development occurring on identified sites, to determine whether development is occurring at densities consistent with the buildout projections described in Appendix A (in accordance with Government Code Section 65583 (a)(3) and 65583.2(h) and (I). As necessary, the City will identify alternate sites or densities to ensure that higher density multifamily housing remains a realistic and viable development strategy.

- **Timing/Objective:** Establish a Housing Element Site Monitoring Program concurrently with amendments to the Land Use and Development Code and Zoning Map as detailed in Program action 9a.
- **Responsible Agency:** Community Development Department
- **Funding Source:** General Fund

10. Town Center, Base Line Corridor, and Victoria Avenue Corridor Policy Areas

10a. The City of Highland supports regional efforts for an improved public transportation network and greater linkages between transportation land use, and housing. In August 2012, the City completed a Southern California Association of Governments Compass Blueprint Demonstration Project that explored bringing bus rapid transit to the Town Center, Base Line Corridor, and Victoria Avenue Corridor Policy Areas of Highland. The City will continue to work with SCAG, San Bernardino Associated Governments, Omnitrans, and neighboring communities to encourage transit oriented development in the Inland Empire.

- **Timing/Objective:** Ongoing 2014–2021. Continue to collaborate with SCAG, SANBAG, Omnitrans, and Policy Area property owners
- **Responsible Agency:** Community Development
- **Funding Source:** General Fund (original project funding was provided through SCAG via grants from the U.S. Department of Transportation)



10b. The Compass Blueprint Demonstration Project involved creating 3-D models and videos of the Base Line corridor and what it could look like after residential, mixed use, and commercial infill development and multimodal transit improvements. The City will leverage this digital resource to attract new residential and mixed use development to the area and inspire existing property owners to reinvest in their housing structures.

- Timing/Objective: Post videos online and share them with the Chamber of Commerce and other interested parties by 2014
- Responsible Agency: Community Development
- Funding Source: General Fund (original project funding was provided through SCAG via grants from the U.S. Department of Transportation)

11. Second Units

11a. Continue to encourage the development of attached or detached second units in accordance with HMC Section 16.44.180 Second Units Ordinance.

- Timing/Objective: Maintain advertisement of the Second Unit Ordinance on the City's website and the "Come Home to Highland" website
- Responsible Agency: Community Development Department
- Funding Source: General Fund



GOAL 8.4

Assist in the provision of adequate and affordable housing for all Highland residents.

Policies

- 1) Improve quality of life for lower and moderate income Highland residents through providing homeownership assistance and promoting County homeowner and renter assistance opportunities.
- 2) Provide regulatory and financial incentives to encourage the development of affordable single- and multifamily housing.
- 3) Prohibit housing discrimination and other related discriminatory actions in all aspects affecting the sale or rental of housing based on race, religion, or other arbitrary classification.

12. Homeowner Assistance Programs

12a. Provide additional homeownership resources to Highland residents by providing information on County homeowner assistance programs at City Hall and on the City's website.

- Timing/Objective: Update website in January 2014
- Responsible Agency: Community Development Department
- Funding Source: General Fund

13. Renter Assistance

13a. Support the Housing Authority's Housing Choice Voucher program (Section 8 vouchers) by providing program information at City Hall and on the City's website. The Housing Choice Voucher program pays rental subsidies directly to rental property owners to benefit lower income households.

- Timing/Objective: Ongoing 2014–2021
- Responsible Agency: Community Development Department
- Funding Source: General Fund



14. Priority Services

14a. Provide the Housing Element to the City's water and sewer service providers and assist them in drafting policies to provide priority water and sewer service to affordable housing projects.

- Timing/Objective: Provide housing element and offer assistance upon adoption
- Responsible Agency: Community Development Department
- Funding Source: Community Development Department Budget

15. Fair Housing Mediation

15a. Increase awareness of the City's partnership with the Inland Fair Housing & Mediation Board (IFHMB) by providing a link to their website (www.ifhmb.com) on the City's website and include an article regarding IFHMB services in the City's annual newsletter. The City will make fair housing brochures available at Highland City Hall, Highland Senior Center, Highland Library, Highland Family YMCA, and the Police Station. The City will continue to refer Highland residents, tenants, landlords, and property owners to IFHMB to assist in resolving fair housing issues.

- Timing/Objective: Update website and provide brochures by January 2014
- Responsible Agency: Community Development Department
- Funding Source: General Fund

15b. Contribute to the regional evaluation of discriminatory housing practices by participating in the County of San Bernardino Analysis of Impediments to Fair Housing. The Analysis of Impediments to Fair Housing identifies regulations or practices that may create an unequal housing environment in San Bernardino County communities.

- Timing/Objective: Complete according to the County's schedule
- Responsible Agency: Community Development Department
- Funding Sources: General Fund



16. Housing Preservation Program

16a. Subprime lending practices have resulted in numerous foreclosures throughout Highland. The City seeks to reduce foreclosures by providing educational information to its residents. The City will provide educational homeownership brochures and refer concerned homeowners and homebuyers to nonprofits such as Neighborhood Housing Services of the Inland Empire, Inc. and the Homeownership Preservation Foundation. Information will be made available at City Hall and on the City's website.

- Timing/Objective: Provide information by January 2014
- Responsible Agency: Community Development Department
- Funding Source: General Fund

16b. The affordability covenant at Raintree Apartments is expected to expire in 2020. The City will establish a program to provide outreach to owners of affordable projects, such as this one, to ensure that they understand ways to ensure affordability, such as partnering with or selling to the City or an affordable housing organization. The program will include providing owners of affordable projects with a list of affordable housing developers and organizations. An informative letter will be issued to relevant affordable housing organizations.

- Timing/Objective: Establish program and provide information by January 2016
- Responsible Agency: Community Development Department
- Funding Source: General Fund

16c. In the event that the affordability covenants at Raintree Apartments are planned to expire, the City will notify local affordable housing entities in an effort to attract interest and resources for preserving the units. The California Department of Housing and Community Development maintains a list of qualified entities. These organizations are leaders in obtaining, maintaining, and managing affordable housing developments and are logical partners for the City, the property owner, and other interested nonprofits.

- Timing/Objective: Reach out to qualified entities, if needed, by 2018.
- Responsible Agency: Community Development Department
- Funding Source: General Fund



GOAL 8.5

Facilitate the development of a broad range of housing types to meet the special needs of Highland residents.

Policies

- 1) Provide the regulatory framework necessary to facilitate special needs housing in Highland.
- 2) Encourage development of accessible housing for the disabled through regulatory relief.
- 3) Creation of a continuum of care for the homeless in Highland through establishing a housing plan for the homeless including zoning districts allowing emergency shelter, transitional housing, and permanent supportive housing.
- 4) Support innovative public, private, and nonprofit efforts in the development and financing of affordable, special needs housing.

17. Housing for Disabled Persons

17a. Enact a process for disabled individuals, including persons with developmental disabilities, or those acting on their behalf to make requests for reasonable accommodation in regard to relief from the various land use, zoning, or building laws, rules, policies, practices, and/or procedures of the City. This process will include a review of the zoning code for compliance with fair housing laws and procedures for assisting those making the request, and a procedure for appeals.

- Timing/Objective: February 2013
- Responsible Agency: Community Development Department
- Funding Source: General Fund

17b. Provide informational materials on Southern California Edison's Customer Assistance Program at City Hall. The program is designed to help persons with disabilities, including developmental disabilities, control their energy use. The program also targets low income, senior citizens, and non-English speaking customers.

- Timing/Objective: Ongoing 2014–2021
- Responsible Agency: Building & Safety Division
- Funding Source: General Fund



17c. Refer individuals and families with developmental disabilities to the Inland Regional Center in San Bernardino. The Inland Regional Center is the largest nonprofit, state-funded social service facility in the state that focuses on persons with developmental disabilities. Provide a link to the Inland Regional Center's website on the City's website.

- Timing/Objective: Ongoing 2014–2021
- Responsible Agency: Community Development Department
- Funding Source: General Fund

18. Residential Care Facilities

18a. Update the zoning code to differentiate between residential care facilities serving six or fewer residents and those serving seven or more residents. Create separate definitions and permitting processes for the two types of residential care facilities, and permit those serving 6 or fewer persons by right in all residential zones.

- Timing/Objective: Amend the Land Use and Development Code by January 2013
- Responsible Agency: Community Development Department
- Funding Source: General Fund

19. Emergency Shelters, Transitional Housing, and Permanent Supportive Housing

19a. Address the urgent shelter needs of the homeless by updating the Land Use and Development Code to permit emergency shelters in the Business Park district, which has the capacity to provide at least one year-round shelter for the City's 112 homeless persons. Address transitional housing needs by permitting transitional housing and permanent supportive housing by right of zone.

- Timing/Objective: Amend the Land Use and Development Code by January 2013
- Responsible Agency: Community Development Department
- Funding Source: General Fund



19b. The City has established an emergency shelter, transitional housing, and permanent supportive housing subcommittee to prepare a study evaluating model ordinances, case studies, zoning districts, and development standards to encourage and facilitate these forms of special needs housing (including single room occupancy units) in accordance with Senate Bill 2. The subcommittee is preparing a plan to meet Highland's emergency shelter, transitional housing, and permanent supportive housing needs. The plan will include amending the Land Use and Development Code to permit emergency shelters without discretionary approval in the Business Park district, conditionally permit single room occupancy units in the Business Park district, and permit transitional and permanent supportive housing as residential uses subject to the same approval process and restrictions as similar residential uses in the same zone (based on unit type).

- Timing: Amend the Land Use and Development Code by January 2013
- Responsible Agency: Community Development Department
- Funding Source: General Fund

20. Affordable Housing Preservation

20a. Continue to monitor existing publicly assisted affordable housing and provide technical assistance for those that might convert to market rents and displace extremely low, very low, low, and moderate income tenants.

- Timing/Objective: Ongoing 2014–2021
- Responsible Agency: Community Development Department
- Funding Source: General Fund

20b. Update contact list of housing advocacy groups, public agencies, and non-profit organizations to have available in the event of opportunities for purchasing or managing lower income housing projects.

- Timing/Objective: Update contacts annually, ongoing 2014–2021.
- Responsible Agency: Community Development Department
- Funding Source: Community Development Department Budget



20c. Continue to update a list of all available lower and moderate income housing assistance programs and make the list available on the City's website and during developer pre-application conferences.

- Timing/Objective: Ongoing 2014–2021
- Responsible Agency: Community Development Department
- Funding Source: Community Development Department Budget

21. Mobile Home Preservation

21a. Based on the provisions of Government Code Section 65863.7, require the submission of a report detailing the impacts of any proposed mobile home park conversion with the filing of any discretionary permit.

- Timing/Objective: Require a report for each proposed conversion.
- Responsible Agency: Community Development Department
- Funding Source: General Fund

21b. Require all condominium and mobile home conversion applicants to relocate displaced residents to the extent required by law.

- Timing/Objective: Implement on a project-by-project basis throughout the planning period.
- Responsible Agency: Community Development Department
- Funding Source: General Fund

21c. Define and distinguish manufactured housing from mobile homes and travel trailers, as set forth in current HUD codes, and define the process for approving or disapproving such uses to comply with state law.

- Timing/Objective: Adopt definitions and permitting procedures by January 2014.
- Responsible Agency: Community Development Department
- Funding Source: General Fund



22. Collaborative Partnerships

22a. The City has administered funds for a variety of affordable housing needs such as construction costs, rent subsidies, and home improvement grants. Working in collaboration with other entities will help the City’s resources go farther and meet the needs of additional lower income households. The City will contact local affordable housing service providers to discuss partnering and continue to seek financial assistance from other agencies.

- Timing/Objective: Ongoing 2014–2021
- Responsible Agency: Community Development Department
- Funding Source: Community Development Block Grants, HCD Emergency Housing Assistance Program, and Federal Emergency Shelter Grants and others

Quantified Objectives 2014–2021

State housing law requires that each jurisdiction establish quantified objectives for the number of housing units that will be constructed, rehabilitated, and preserved during the Housing Element planning period.

The quantified objectives for new construction are conservative and reflect a slowly improving housing market during the planning period. The objective for lower income housing construction is 15 percent of the total lower income development potential shown in the land inventory; moderate income is 25 percent, and above moderate income is 50 percent. The objectives for rehabilitation and preservation are based on City of Highland programs. Table 8.6 provides a summary of quantified objectives by income category.

Table 8.6: Quantified Objectives 2014–2021

<i>Resource</i>	<i>Extremely Low</i>	<i>Very Low</i>	<i>Low</i>	<i>Moderate</i>	<i>Above Moderate</i>	<i>Total</i>
New Construction	0	251	252	160	366	1,029
Rehabilitation	5	10	20	35	0	70
Preservation	15	15	31	31	0	92

Source: City of Highland, 2012.



Housing Technical Report

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INTRODUCTION

The Housing Technical Report for the City of Highland is a description and analysis of demographic, employment, and housing characteristics that influence housing demand, housing affordability, and housing needs. The Technical Report includes an evaluation of existing and projected housing needs and the potential constraints to meeting them. The findings in this report are the foundation for establishing meaningful goals, policies, and programs in the City's Housing Element.

Overview

Incorporated in 1987, the City of Highland has strived to become a high quality community for families to call home. Highland boasts historic neighborhoods, master planned communities, mountain views, and a rich history dating back to the late-1800s.

The City of Highland has seen significant changes in its housing market and housing conditions during the last decade. Housing prices soared in the early 2000s and quickly declined with the market downturn. Housing and apartment rents have decreased over the last few years. Although Highland has only been a City for 25 years, much of the housing stock on the west side predates incorporation so the revitalization of housing is also a local concern.

The Housing Technical Report recognizes the community's housing needs directs the establishment of goals, policies, and programs designed to address the following issues:

- Adapting to changing housing market conditions.
- Meeting state-mandated regional housing needs goals.
- Furthering quality housing and neighborhoods.
- Accommodating social and economic diversity.
- Assisting residents with special housing needs.

The Housing Technical Report provides the foundation for the Housing Element to address each of these planning issues in Highland.

DEMOGRAPHIC PROFILE

A successful strategy for improving housing conditions must be based on an assessment of existing and future housing needs. An evaluation of Highland's demographic characteristics provides insight into the



City's population that will influence the development of responsive housing goals, policies, and programs.

Population Growth

According to the Census, the City of Highland's population was 34,962 in 1990 and 44,605 in 2000, a 29 percent increase. Although a major local employment center, Norton Air Force Base, closed in 1994, Highland's population has continued to grow due to the development of former orchards in east Highland. The City's population grew an additional 21 percent through the 2000s, reaching 53,733 by 2012.

Without nearby military employment hubs, new population growth in Highland and other Inland Empire communities is in part due to the availability of more affordable home prices. Individuals and families priced out of expensive Los Angeles and Orange Counties often relocate to the Inland Empire for home ownership opportunities. As the City pursues infill development and continues to develop remaining vacant land in the east, population growth will continue to occur, but at a slower rate than in decades past. SCAG estimates the City's population will grow to 58,600 by 2020, a 9 percent increase from 2012. Table 8.1 summarizes these population estimates for Highland from 1990 to 2020.

Table 8.1: Highland Population Growth 1990–2020

1990	2000	2012	2020
34,621	44,605	53,733	58,600
--	+28.8%	+20.5%	+9%

Source: Claritas, Inc. 2012, SCAG Draft 2012 RTP Growth Forecast.

Age Characteristics

Age distribution is an important factor in determining the size, type, and tenure of housing needed in a community. Claritas projections for 2012 indicate that although the under 18 population has declined; this age group will continue to be the largest cohort in the City. The decline in children is potentially related to the decline in number of individuals in the family-forming age group. This trend is projected to continue through 2017. Unlike most cities without a 4-year university, Highland has experienced a slight increase in college-age residents. This may be the result of local students staying at home and commuting to school rather than relocating closer to campuses, such as California State University, San Bernardino and University of Redlands, or young persons joining the workforce rather than leaving for higher education.

Reflective of the baby boom generation, the middle-aged group is the fastest growing group. Middle-aged residents typically create a high



demand single-family detached homeownership opportunities and as children leave, they may begin seek lower maintenance housing types such as condominiums. Although the senior population is growing, its share of Highland residents is projected to remain under 10 percent through 2012 and 2017.

Table 8.2: Age Characteristics 2000–2012

Age Group	2000		2012		Change 00–12
	Number	Percent	Number	Percent	
Children and Youth (under age 18)	15,875	35.6%	17,543	32.7%	-2.9
College Age (Ages 18–24)	4,013	9.0%	5,739	10.7%	1.7
Family-Forming Adults (Ages 25–44)	13,377	30.0%	14,163	26.4%	-3.6
Middle Age Adults (Ages 45–64)	8,453	19.0%	12,309	30.0%	3.9
Senior Adults (Ages 65+ and above)	2,887	6.5%	3,979	7.4%	0.9
Total	44,605	100%	53,733	100%	--
Median Age	27.9		30.1		2.2

Source: US Bureau of the Census 2000; Claritas, Inc. 2012.

Highland’s age profile suggests a need for single-family home ownership opportunities and family-sized rentals. The family-forming and middle-aged groups typically create demand for housing in units large enough to accommodate children (two or more bedrooms). These prime working age groups tend to have higher incomes and larger household sizes than their younger and older cohorts. With 10 percent of residents between 18 and 24 years, there may be demand for multifamily rental housing and second units.

Race and Ethnicity

Like much of southern California, Highland is becoming more racially and ethnically diverse. In 2012 the majority of Highland residents reported being White, but the number of Hispanic residents (who may be of any race) is increasing. The most growth projected through 2017 is in the Hispanic Origin and Asian and Pacific Islander groups, similar to race and ethnic changes projected for San Bernardino County as a whole. Table 8.3 shows Highland’s racial and ethnic trends from 2000 and 2012.



Table 8.3: Ethnicity 2000–2012

	2000		2012		Change 00–12
	Number	Percent	Number	Percent	
White	25,089	56.2%	27,462	51.1%	-6.0
Black	5,403	12.1%	6,115	11.4%	-0.7
American Indian	581	1.3%	514	1.0%	-0.3
Asian/Pacific Islander	2,892	6.5%	4,224	7.9%	1.4
Other Alone	8,307	18.6%	12,424	23.1%	4.5
Two or more races	2,333	5.2%	2,994	5.6%	0.4
Total	44,605	100%	53,733	100%	
Hispanic Origin ¹	16,342	36.6%	26,636	49.6%	13.0

Source: 2000 US Bureau of the Census; Claritas Inc. 2012.

1: Persons of Hispanic origin may be of any race or multiple races.

Employment Characteristics

Estimates for 2010 identify 36,394 people aged 16 and older in the labor force, a slight increase from 2000 (see Table 8.4). The increase in employed persons may correlate to the City’s growing middle-aged population and the development of industrial spaces and offices in Highland and throughout the Inland Empire. Overall, the City’s general labor force characteristics and unemployment rate have changed little since 2000.

Table 8.4: Employment Status for Highland Residents over 16 2000–2010

Labor Force	2000		2010		Change 00–10
	Number	Percent	Number	Percent	
In Armed Forces	27	0.1%	14	0.04%	-0.1 %
Civilian–Employed	17,058	56.4%	21,349	58.66%	2.3%
Civilian–Unemployed	1,978	6.5%	2,570	7.06%	0.6%
Not in Labor Force	11,204	37.2%	12,461	34.24%	-3.0%
Total	30,267	100%	36,394	100%	--

Source: US Bureau of the Census 2000; American Community Survey 2010 5-Year Estimates.

According to the Bureau of Labor Statistics, in 2010 the majority of Highland residents, approximately 90 percent, were employed outside of the city. As shown in Table 8.5, the largest percentage of Highland’s population was employed in health care and social assistance industries, followed by educational services and retail trade. The largest percentage of jobs offered in Highland are in the health care and social assistance industries, followed by accommodation and food service and other services. Several medical facilities are located in the area, including Patton State Hospital and Community Hospital of San Bernardino Adult Day Care Center, and associated supportive services. Approximately 10 percent of San Bernardino County residents that work in Highland reside in the city. The majority of



employees (61 percent) of Highland businesses reside in San Bernardino County and 18 percent reside in Riverside County.

Table 8.5: Highland Employment Profile 2010

Industry	Jobs held By Residents		Jobs Offered in City	
	Number	Percent	Number	Percent
Health Care/Social Assistance	3,032	16.6%	843	19.9%
Educational Services	2,141	11.7%	408	9.6%
Retail Trade	1,917	10.5%	456	10.7%
Public Administration	1,626	8.9%	63	1.5%
Accommodation & Food Service	1,366	7.5%	500	11.8%
Manufacturing	1,107	6.1%	299	7.0%
Other Services	839	4.6%	478	11.3%
Transportation and Warehousing	819	4.5%	77	1.8%
Wholesale Trade	812	4.5%	103	2.4%
Construction	720	3.9%	282	6.6%
Professional, Scientific & Technical Services	698	3.8%	109	2.6%
Arts, Entertainment & Recreation	650	3.6%	45	1.1%
Finance & Insurance	471	2.6%	90	2.1%
Information	235	1.3%	18	0.4%
Real Estate, Rental & Leasing	233	1.3%	44	1.0%
Management of Companies & Enterprises	219	1.2%	41	1.0%
Utilities	165	0.9%	23	0.5%
Agriculture, Forestry, Fishing & Hunting	158	0.9%	1	0.0%
Mining, Quarrying, Oil & Gas Extraction	12	0.1%	2	0.0%

Source: US Bureau of Labor Statistics Longitudinal Employment and Household Dynamics 2010.

American Community Survey income data from 2010 indicates that more than half of employed Highland residents have relatively low-paying jobs that could result in challenges to affording adequate housing, depending on the incomes of other household members (if other household members are wage earners). Approximately 6 percent of employed residents earn annual incomes of \$14,999 or less, and approximately 50 percent earn between \$15,000 and \$49,999. Some generally low-wage earning occupations such as medical assistant, teaching aide, sales clerk, and cashier are common in the industries primarily employing Highland residents—health care, educational services, and retail trade.

Household Type and Size

A household consists of all persons residing in a dwelling unit, regardless of relationship. Household type and size affect the type of



housing and number of bedrooms per unit demanded in the community.

Families comprise the majority of the households in the City of Highland. As shown in Table 8.6, 2012 Claritas estimates reported that 70 percent of family households consist of two to four members. These small families range from couples of any age to families with children, and therefore could be served by a variety of housing types. In Highland, families typically create demand for single-family rentals and ownership opportunities in single-family detached units or amenity-rich single-family attached projects.

An estimated 30 percent of Highland’s family households are large families of five or more persons. Large families, particularly those with children, typically seek homeownership opportunities in single-family detached homes for the space and financial investment benefits. However, since more income is needed to support more people, many large families face financial hardship in affording adequately sized housing, a topic discussed later in this report.

Nonfamily households, which often consist of individuals living alone or with unrelated persons, make up 20 percent of Highland’s total households. The majority of nonfamily households, 73 percent, are one-person households. One-person households generally seek small housing units, such as apartments, second units, and condominiums.

Table 8.6: Highland Household Size 2012

Household Size	Family		Nonfamily	
1 Person	0	0.0%	2,292	73.1%
2 Person	3179	25.3%	637	20.3%
3 Person	2860	22.8%	111	3.5%
4 Person	2739	21.8%	55	1.8%
5 or More Persons	3,770	30.0%	42	1.3%
Total	12,548	100%	3,137	100%
Average Household Size	3.41			

Source: Claritas, Inc. 2012.

Comparisons to 2012 data and 2017 projections indicate that the City’s household types and sizes will remain at the same proportion through the planning period. As a result, the composition of housing (e.g., large versus smaller units) will likely remain unchanged based on the population aging within the community.

Household Income Trends

Household income is a critical factor in determining housing opportunity. As shown in Table 8.7, estimates provided by Claritas show Highland’s 2012 median income is \$50,874, which is lower than the San Bernardino County median of \$63,300, pursuant to the State



of California Income Limits. The City’s median income is projected to increase to \$53,081 by 2017. The most growth is expected in the households earning annual incomes ranging from \$100,000 to \$149,999. These upper income households have access to the greatest variety of housing types, sizes, and amenities. However, the largest percentage of Highland households is projected to remain in the less than \$25,000 category, followed closely by those earning between \$25,000 and \$49,999. These households are likely to face difficulty in affording housing regardless of household size.

Table 8.7: Highland Household Income 2012 and 2017

Household Income	2012		2017 Projection ¹		Change 00–12
	Number	Percent	Number	Percent	
Less than \$25,000	3,961	25.2%	3,997	24.4%	-0.8%
\$25,000 – \$49,999	3,794	24.2%	3,828	23.4%	-0.8%
\$50,000– \$74,999	2,759	17.6%	2,881	17.6%	0.0%
\$75,000 – \$99,999	1,945	12.4%	2,025	12.4%	0.0%
\$100,000 – \$149,999	2,108	13.4%	2,321	14.2%	0.8%
\$150,000 – \$199,000	613	3.9%	695	4.2%	0.3%
\$200,000 or more	514	3.3%	613	3.7%	0.5%
Total	15,694	100%	16,360	100%	--
Median Income	\$50,874		\$53,081		--

Source: Claritas, Inc., 2012.

1: Forecasts are expressed in current dollars and include an adjustment for inflation.

With regard to income by household type, married families without children under 18 earn the highest median income, presumably because in many families both adults are wage earners. Family households with children generally earn less, likely due to one parent staying at home or working part-time, or perhaps both parents working part time, in order to tend to children. Other families and nonfamilies typically earn the lowest incomes. These households often consist of single parents, unrelated young adults sharing living quarters, and persons living alone, including seniors on fixed incomes.

HOUSING PROFILE

This section describes and evaluates housing characteristics to identify existing trends and potential needs. These characteristics include housing growth, housing age and condition, housing prices and rents, tenure, and vacancy. Understanding housing trends can indicate the City’s ability to meet future housing needs.

Housing Growth

The amount and type of housing available within a community reflects the existing housing stock’s ability to serve expected population growth and a range of incomes, lifestyles, and family types and sizes.



Highland’s housing stock was shaped by the City’s history as an agricultural area. In the 1940s, large citrus groves gave way to suburban neighborhoods in west Highland. Housing growth moved east, eventually stopping at City Creek. Housing development east of City Creek primarily occurred decades later, spurred by the development of the East Highlands Ranch community in the 1980s. This pattern of housing growth resulted in two Highlands; the west side has established neighborhoods and the east side has master planned communities.

Recent housing growth primarily consists of single-family neighborhoods in planned unit developments. Infill development opportunities are located in west Highland. Larger development opportunities are generally on the east side. Two specific plans in progress on the east side will offer a range of housing types from single-family detached homes to multifamily units.

As shown in Table 8.8, according to Department of Finance estimates the City grew to an estimated total of 15,884 units in 2010, representing a 6.43 percent increase from 2000. The largest portion of Highland’s housing stock consists of single-family detached units, comprising 74.7 percent of the City’s housing stock. Between 2000 and 2010 most of the City’s housing growth occurred in single-family detached and attached units. Mobile homes also increased during the past ten years.

Table 8.8: Composition of the Housing Stock

	2000		2010		% Change
	Number	Percent	Number	Percent	
Single-Family	11,312	76.1%	13,113	78.5%	15.9%
Detached	10,800	72.7%	12,558	75.2%	16.3%
Attached	512	3.4%	555	3.3%	8.4%
Multifamily	2,741	18.4%	2,727	16.3%	-0.5%
2-4 Units	612	4.1%	598	3.6%	-2.3%
5+ Units	2,129	14.3%	2,129	12.7%	0.0%
Mobile Homes	809	5.4%	861	5.2%	6.4%
Total	14,862	100%	16,701	100%	12.4%

Source: California Department of Finance, 2000 and 2010.

The increase in single-family detached and attached housing reflects development trends from the early 2000s that favored single-family housing in this area. In recent years, developers have proposed a wider variety of housing types, reflecting emerging market trends that favor rental housing. During the Housing Element planning period, single-family and multiple-family dwellings are expected to be constructed on infill sites and through ongoing specific plans.



Age of the Housing Stock

Providing safe and attractive housing improves quality of life for residents as well as the City’s image. One measure of housing condition is age. As shown in Table 8.9, the City experienced a boom in housing construction during the 1970s, 1980s, and early 1990s. Units constructed 30 years ago often require minor rehabilitation to comply with new safety standards and repair signs of inadequate maintenance. Housing units over 50 years of age are more likely to be in need of substantial rehabilitation. According to Claritas estimates, 23 percent of the City’s housing stock is between 30 and 50 years of age, and 27 percent was built over 50 years ago. Based on the City’s west-to-east development pattern, it is assumed that these older units are primarily in west Highland.

Code enforcement activities have been effective in reducing the number of units needing substantial rehabilitation. The City estimates that approximately 200 units, only 1.2 percent of the housing stock, may be in need of substantial rehabilitation. Most of the remaining units needing substantial rehabilitation are older single-family units in west Highland.

Table 8.9: Age of Housing Stock

Year Built	Number	Percent
2000 or later	1,623	10.2%
1990 to 1999	3,106	19.6%
1980 to 1989	3,167	19.9%
1970 to 1979	1,820	11.5%
1960 to 1969	1,842	11.6%
1950 to 1959	2,638	16.6%
1940 to 1949	959	6%
1939 or Earlier	729	4.6%
Total	15,884	100%

Source: US Census Bureau, 2010.

Tenure and Vacancy

Ownership rates reflect the ability of the housing stock to meet the needs of households looking for investment or those not ready for the responsibilities, cost, or permanence of home ownership.

As shown in Table 8.10, tenure in Highland has remained stable. There has only been a one percent change in rental versus home ownership numbers between 2000 and 2012. During the 1990s, owner-occupancy rates in Highland increased as more single-family homes were built. This development trend resulted in a relatively high percentage of owner-occupied units. Although the type of housing primarily developed in Highland favors homeownership, in recent



years the single-family detached housing stock has begun to provide renter opportunities in the form of second units and homes available for lease.

Table 8.10: Occupied Units

Tenure	2000		2010	
	Number	Percent	Number	Percent
Owner-Occupied	8,980	66.6%	9,479	65.1%
Renter-Occupied	4,498	33.4%	5,068	34.9%
Total	13,478	100%	14,547	100%

Source: US Census Bureau, 2008 – 2010.

The vacancy rate is a strong indicator of the housing market and the ability for the housing stock to accommodate changing housing needs. A high vacancy rate can contribute to more affordable housing, while a low vacancy rate indicates a tighter market with fewer opportunities. A vacancy rate of 4 to 6 percent in a mature community generally indicates a stable housing market. Lower rates imply a market in which housing demand exceeds supply, while higher rates indicate an excess supply of units.

According to 2011 American Community Survey estimates, only 5 percent of owned units are vacant and an estimated 10.4 percent of rental units are vacant in Highland. According to the Department of Finance, the 2010 overall vacancy rate in Highland is 9.29 percent. In comparison, San Bernardino County’s vacancy rate is much higher (11.6 percent). Highland’s vacancy rate indicates that the existing housing stock slightly exceeds demand. Demand is affected by employment opportunities in the area. These vacancy rates also relate to the downturn of the housing market in which there is a greater supply of homes available in the Inland Empire than there are qualified buyers, which may result in many single-family homes being turned into rentals.



Housing Price and Affordability

Highland has undergone unprecedented changes to its housing costs for ownership and rental units that have improved the affordability of housing for low, moderate, and above-moderate income residents. The following describes the affordability of the City’s housing.

Home Purchase Price

Historically, Highland has attracted residents for its quality and affordable housing prices and rents. Like other cities in the Inland Empire, there was a period in the early 2000d when housing prices soared in Highland. Much of the appreciation was due to rising housing demand throughout the region, the availability of lower interest loans, and the desirability of new housing products on the market.

With the downturn in the California economy and collapse of the housing market, home sales prices have adjusted to reflect the oversupply of single-family detached homes and shortage of qualified buyers. There are extensive causes for the decrease in home prices, including the proliferation of adjustable rate mortgages in the early 2000s, the reduction in income and down payment required by financial institutions, subprime lending practices and the resulting increase in home foreclosures. The affordability of housing is determined by market prices and current residents’ ability to pay. Maximum affordable purchase prices by income category for two-person and four-person households were calculated based on 2012 state income limits. The figures shown in Table 8.11 are meant as a guideline to compare to the current market.

Table 8.11: Maximum Affordable Price and Rent

Household Size	Very Low	Low	Moderate	Above Moderate
Homeowner				
2-Person	\$105,729	\$174,573	\$266,364	>\$266,364
3-Person	\$120,001	\$197,573	\$300,616	>\$300,616
4-Person	\$134,386	\$220,423	\$335,139	>\$335,139
Renter				
2-Person	\$633	\$1,013	\$1,520	>\$1,520
3-Person	\$712	\$1,139	\$1,709	>\$1,709
4-Person	\$791	\$1,266	\$1,899	>\$1,899

Note: Annual income limits based on California State income limits for 2012; acceptable expenditure for rental housing calculated as 30 percent of income divided by 12 months assumes set-asides for utilities; acceptable expenditure for ownership housing was calculated as 35 percent of income and includes 10 percent down payment provided by the owner and assumes set-asides for utilities, real estate taxes, and homeowners insurance. Various local, state, and federal housing programs may require different calculations of maximum affordable rent or purchase prices.



The median owner-occupied sales price in the City in 2011 was \$176,000, higher than the San Bernardino County median of \$150,000. According to DataQuick, the median single-family detached home sales price in August 2012 was \$178,000 for a single-family detached home and \$47,000 for a condominium. These median home sales prices and how they compare to a year ago are shown in Table 8.12.

A new trend in housing is emerging from the foreclosure crisis—smaller and relatively more affordable units. Detached small-lot projects have been constructed in Highland during this difficult time. For example, a small-lot detached home project built in 2007 sold for an average price of \$160,000. This home sales price is readily affordable to moderate income households and even can be afforded by low income families

Table 8.12: Highland Home Sales Prices 2012

Housing Type	Median Price	Change Since 2010
Single-Family Detached	\$178,000	-6.8%
Condominium	\$47,000	21.6%

Source: DataQuick, August 2012.

Rental Prices

Rental housing serves many needs, such as young adults not ready for the cost or responsibilities of homeownership, seniors seeking less costly and lower maintenance dwellings, and families who benefit from the lower cost of rental housing and on-site amenities such as tot lots and swimming pools. Very low income households are often on fixed incomes and are best served by rental housing. Overall, the rental market provides affordable housing opportunities to a great range of household sizes and incomes.

An internet survey provided asking prices for multifamily, single-family attached and single-family detached rentals in August 2012. As shown in Table 8.13, single-family homes rent at prices affordable to low and moderate income households. Multifamily units in Highland are affordable to very low income households able to expend slightly more than 30 percent of their income on housing. This snapshot in time survey shows that the rental housing stock in Highland is generally affordable to lower and moderate income households.



Table 8.13: Highland Asking Rents

Unit Size	Multifamily	Single-Family Attached	Single-Family Detached
1 Bedroom	\$650	--	--
2 Bedroom	\$774	\$841	\$886
3 Bedroom	\$1,050	\$1,500	\$1,504
4 Bedroom	--	\$1,932	\$1,821
5 Bedroom	--	--	\$1,899

Source: Trulia rental database search, July 2012.

Overcrowding

Lower income households sometimes settle for smaller, less adequate housing. This may result in overcrowding. Overcrowding places a strain on physical facilities and does not provide a satisfying living environment. While some families with low incomes may opt for overcrowding to deduce spending, many lower-income residents often have no choice but to live in overcrowded housing. Overcrowded housing occurs when there are more persons than habitable rooms.

According to the American Community Survey, there are approximately 1,500 overcrowded units in Highland, representing 10.5 percent of all households. In Highland, overcrowding is more prevalent in renter households; 19.7 percent of renter households compared to 6.1 percent of owner households meet the definition of overcrowded. The existing rental housing stock may not meet the unit size and affordability needs of a portion of Highland’s lower income households.

Overpayment

An important factor in determining existing housing need is the affordability of housing. One measure of housing affordability is the percentage of a household's gross income needed to meet monthly mortgage payments. According to SCAG and the United States Department of Housing and Urban Development (HUD), housing costs should not exceed 30 percent of a household's gross income.

Households expending more than 30 percent for housing are overpaying, thus limiting their ability to afford other important expenses. This may cause a series of related financial problems, which may result in a deterioration of housing stock because costs associated with maintenance must be sacrificed for more immediate expenses such as food, clothing, health care, and utilities. It may also result in the selection of inappropriately sized units that do not suit the space or amenity needs of the household.

According to the American Community Survey data used in the SCAG RHNA Methodology, 58.6 percent of renter households and 39.5



percent of owner households overpay. Of these households, 36.0 percent of renters and 16.8 percent of home owners severely overpay, expending 50 percent or more of their income on housing. Ownership households generally have higher incomes and equity for loans that enable them to expend less of their annual income on housing.

Special Needs Groups

Individuals and families in certain subpopulations face significant challenges to finding and affording adequate housing. As determined by state housing element law, subpopulations with special circumstances affecting housing include disabled persons, elderly persons, large households, farmworkers, female-headed households, and the homeless.

Persons with Disabilities (Including Developmental Disabilities)

Disabled persons often have special housing needs with regard to accessibility, location, and transportation. Disabled persons often face employment hardships and many may rely on fixed incomes, therefore reducing their ability to afford adequate housing. The breadth and variety of disabilities presents a range of challenges for meeting the needs of disabled persons, including persons with developmental disabilities.

The American Community Survey and 2010 Census did not track disabilities. According to the 2000 Census, approximately 19.6 percent of Highland residents over 5 years of age had a disability. The 2000 Census reports on several categories of disabilities:

- Employment disabilities that restrict a person's ability to work outside the home
- Go-outside-home conditions that restrict a person's ability to go outside the home without assistance
- Mental conditions lasting over 6 months that impair memory or concentration
- Physical disabilities that limits basic activities like walking or reaching
- Self-care disabilities that restrict a person's ability to feed, dress or bath themselves
- Sensory disabilities like blindness, deafness or other severe vision and hearing impairments



The 2000 Census identified 7,979 individuals in Highland with one or more disabilities. Of those disabled persons, 6,580 are under 65 years of age. Persons with an employment disability represent the largest share of disabled people at 46.2 percent, followed by physical disabilities at 39.2 percent and going outside the home disabilities at 34.9 percent. Persons with mental disabilities comprise 27.8 percent of the community's disabled population. Lastly, sensory and self-care disabilities account for 17.5 and 14.1 percent of disabled residents, respectively. The City of Highland is working with a property owner that intends to provide mental health services housing within an existing apartment complex in the City.

There are also disabilities that are not tracked by the Census. For example, the Census does not record persons or households affected by developmental disabilities, including autism spectrum disorders. Federal law defines developmental disability as a severe, chronic disability that:

- Is attributable to a mental or physical impairment or a combination of mental and physical impairments;
- Is manifested before the individual attains age 22;
- Is likely to continue indefinitely;
- Results in substantial functional limitations to three or more of the following areas of major life activities; self-care, receptive and expressive language, learning, mobility, self-direction, capacity for independent living, and economic self-sufficiency; and
- Reflects the individual's need for a combination and sequence of special, interdisciplinary, or generic services, supports, or other assistance that is of lifelong or extended duration and is individually planned and coordinated, except that such term, when applied to infants and young children means individuals from birth to age 5, inclusive, who has substantial developmental delay or specific congenial or acquired conditions with a high probability of resulting in developmental disabilities if services are not provided.

The U.S. Administration of Developmental Disabilities estimates that 1.5 percent of a community's population may have a developmental disability. The City's population estimate for 2012 is 53,733, indicating that there could be approximately 800 persons with developmental disabilities in Highland.

Some residents with developmental disabilities may live comfortably without special accommodations, but others require a supervised living situation such as group housing or an assisted living facility. Highland residents with developmental disabilities can seek assistance from the Autism Society Inland Empire in Corona or at the Inland Regional Center in San Bernardino, the largest regional



developmental disability support center in the State of California. Some people with disabilities may require modifications that allow freedom of movement to/from and within a housing unit. California Code of Regulations Title 24 sets forth accessibility and adaptability requirements for public buildings. There are also state and federal minimum standards for multifamily housing. However, as these standards are not mandatory for single-family homes, so in-home accessibility can be an issue for people with disabilities. The City of Highland permits encroachments into setbacks for any accessory structure (such as a wheelchair ramp) and is in the process of adopting a reasonable accommodation ordinance (expected in early 2013). A reasonable accommodation ordinance establishes a clear process for approving adjustments to development standards to address a special need for a disabled person.

Elderly Persons

Elderly persons often seek housing based on affordability, proximity to services, proximity to public transportation, and accessibility. Senior households may reside on fixed incomes, resulting in limited housing opportunities and sensitivity to market increases in housing costs. According to the SCAG RHNA methodology, of the City of Highland's renter households, 392 are age 65 and above (8 percent of all renters). An estimated 1,335 senior households owned their homes (14 percent of all owners).

Disabilities also create special housing needs for the elderly. Limited mobility or sensory abilities make accessible, barrier-free housing and proximity to public transportation a priority for some senior households. According to the 2000 Census, 24 percent of all Highland residents aged 65 years and over suffer from one type of disability, while 23 percent suffer from two or more disabilities. Physical and self-care disabilities are particularly prevalent, making senior care housing an important need. Moreover, elderly residents seeking to remain independent benefit from programs that help them rehabilitate and improve their home. The City's Neighborhood Repair Grant program provides up to \$25,000 for home improvement projects, including accessibility improvements.

The City of Highland is developing a reasonable accommodation ordinance to provide disabled seniors a clear process for removing impediments to fully accessible housing.

Jeffrey Court provides 60 very low income and 124 low income apartments to seniors. For seniors requiring assisted care, the City has three residential care facilities for the elderly serving 17 residents and 13 adult residential care facilities with the capacity to serve 71 residents. The Highland Senior Center and Highland District Council on Aging, Inc. provides seniors with social events, planned trips, enrichment classes, transportation assistance, and a visitors and phone pal program for homebound seniors.



Large and Single-Parent Families

Increasing living costs have placed an additional hardship on lower and moderate income large families, defined as five or more members. Large families are considered a special needs group due to the limited supply of housing adequately sized to accommodate a large family without overcrowding. Single-parent households face additional challenges. Single-parent households have lower incomes than two-parent households, yet must afford housing and childcare on one income. Based on income statistics, female-headed households and female single-parents are considered to have a special housing need due to relatively low incomes.

According to the SCAG RHNA methodology, in 2011 3,770 large families resided in Highland, representing 24.0 percent of all households. Of these large families, 1,346 were renters and 2,094 were owners. According to the SCAG RHNA methodology, of Highland's female-headed households, 1,491 were renters and 1,045 were owners.

In 2012, the number of single-parent households with children under the age of 18 was 2,521, representing 16 percent of the City's households. There were 1,667 female-headed households with children under the age of 18, representing 20.1 percent of the City's households. Single-parent household incomes tend to be lower than their two-parent counterparts, potentially because the parent may have to take part time employment due to child care needs.

Single-family detached rentals and multifamily housing with child-oriented amenities, such as playgrounds and onsite childcare, would help meet the housing needs of Highland's large family and single-parent households. Affordable attached housing, such as condominiums, can also help meet the needs of female-headed and single-parent households in Highland.

Farm Workers

The economy in Highland was once driven by the citrus industry. As orchards turned into neighborhoods the number of farm workers employed in Highland decreased. According to the Bureau of Labor Statistics, in 2010 approximately 157 Highland residents reported employment in agricultural, forestry, fishing, or hunting industries in other cities. Only one person reported having agricultural or related employment located in Highland. Farm workers have special housing needs because they generally move based on seasons, earn lower incomes, and are known to double up in order to afford housing. In agriculture-dependent areas, affordable seasonal or permanent housing is an important component of the special needs housing stock. Housing targeted specifically to farm workers is unnecessary in Highland.



Extremely Low Income Households

Extremely low income (ELI) households earn annual incomes that are 30 percent or less of the area median income. Based on state income limits for 2012, a four-person, ELI household earns no more than \$20,100 and can afford \$502 per month for rent (expending 30 percent of annual income on housing). These households are generally living paycheck-to-paycheck and could be at risk of homelessness in the event of unemployment or a large expense such as medical treatment.

Households with extremely low incomes often experience severe overpayment and overcrowding. The relatively affordable rental housing stock in Highland provides ELI households with more options than they would have elsewhere, but they typically spend more than 30 percent of their income on housing.

Utilizing American Community Survey data, the Southern California Association of Governments estimates that there are 1,857 ELI households in Highland (13.8 percent of all households). Small extremely low income households can often be accommodated through second units and single room occupancy units, however, large ELI households may face greater difficulty in finding affordable housing. Subsidized housing appropriate for extremely low income families can be provided in many forms including affordable rental multifamily units, townhomes, or condominiums.

The City's Residential High Density Special land use permits housing between 20 and 30 units per acre; densities that could potentially accommodate housing for lower income households. Higher density multifamily projects may serve as a future resource for the City's extremely low income population. The Housing Plan puts forth a policy to contact non-profits that serve ELI households to explore potential opportunities in the City of Highland.

Homeless Persons

The homeless are the community's most vulnerable residents. The homeless often face chemical dependency, mental health problems, domestic violence, and other life-threatening conditions. Individuals and families experience homelessness for a variety of reasons, and therefore a homeless population may have a variety of needs. A homeless person may need medical care, childcare assistance, credit counseling, substance abuse treatment, job training, and/or English language education, among other services.

The Community Action Partnership of San Bernardino County conducted a countywide housing needs assessment and provided the results for each city in 2007. More recent studies were only reported at the countywide level so data specific to the City of Highland was not available. The data collected in February 2007 includes a point-in-time homeless persons count and an evaluation of the homeless



population and their needs through homeless peer interviews. Homeless service providers, formerly homeless persons, and some currently homeless persons were trained to collect the data.

The point-in-time survey reported 95 unsheltered homeless individuals, a sheltered 4-person family, and 13 persons living in cars, RVs, or encampments for a total of 112 homeless persons in Highland. This represents approximately 1.5 percent of the county's homeless population. The City's extremely low income families and individuals are potentially at risk of homelessness.

There are a variety of emergency and transitional housing service providers in the Highland area to address a range of needs (see Table 8.14). Facilities in Highland provide air-conditioned rest areas in dangerously hot weather, emergency food provisions, employment assistance, marriage counseling, psychiatric evaluation and counseling, and transitional housing with supportive services. The Frazee Community Center operates the Palm House in Highland, a transitional housing facility offering a range of life-improvement services including substance abuse treatment for women and women with children. This facility has the capacity to serve 20 homeless women and children. Other nearby communities offer additional resources for the homeless.



Table 8.14: Local Resources for Homeless and At-Risk of Homeless Persons

Name	Location	Services	Target Population
Cedar House	Bloomington	Substance abuse rehabilitation (131 beds)	Individuals
Bethel Christian Fellowship	Fontana	Emergency food, clothing, counseling, and referrals	All
Employment Development Department	Fontana	Job training and employment assistance	All
Peace in the Valley Rehab Center	Fontana	Substance abuse rehabilitation (6 beds)	Individuals
Set Free	Fontana	Emergency food and clothing, residential care for substance abusers undergoing rehabilitation	All
Transitional Assistance Department	Fontana	Motel vouchers, permanent housing, and utility deposits	All
Frazer Palm House	Highland	Transitional housing with substance abuse treatment (approximately 20 beds)	Women (w/ or w/o children)
Patton State Hospital Senior Center	Highland	Air conditioned facilities during dangerously hot weather	All
Saint Adelaide Catholic Church	Highland	Emergency food, employment and marriage counseling	All
Vista Guidance Centers of Highland	Highland	Psychiatric evaluation and counseling and referral services	All
Inland Temporary Homes	Loma Linda	Transitional housing and case management	Families
Jerry L. Pratts Memorial Veterans Affairs Medical Center	Loma Linda	Clothing, substance abuse treatment, job training, transportation, and case management	Veterans
Saint Joseph the Worker	Loma Linda	Food on Saturday mornings	All
Abundant Living Outreach Center	Rancho Cucamonga	Food, clothing, and hygiene products	All
Family Services Association	Redlands	Motel vouchers, emergency food, clothing, counseling, and case management	All
Family Services Association Home Again Project	Redlands	Self-sufficiency training, child care, food, and counseling	All
First Assembly of God	Redlands	Emergency food	All
Salvation Army	Redlands	Emergency food, counseling, and utility assistance	All
Help Unlimited Outreach, Inc.	Rialto	Staff training and outreach	All
House of Mercy	Rialto	Miscellaneous assistance	Pregnant women
Bienstar Human services	San Bernardino	Substance abuse treatment, counseling, and case management	All
Catholic Charities	San Bernardino	Motel vouchers, emergency food, and utility assistance	All
Central City Lutheran Mission	San Bernardino	Cold weather shelter and food (November to April)	Men
Central City Lutheran Mission	San Bernardino	Transitional and emergency housing, motel vouchers, food, clothing, counseling, and youth programs	Men with HIV/AIDS
Children's Fund	San Bernardino	Education First school, clothing, and furniture	Youth
Community Action Partnership of San Bernardino County Energy Conservation Program	San Bernardino	No-cost home weatherization services and utility assistance	All
Community Action Partnership of San Bernardino County Family Development Program	San Bernardino	Motel vouchers, rental assistance, food, miscellaneous family self-sufficiency supportive services	Families
Cornerstone Compassion Center	San Bernardino	Emergency food and clothing	All
Department of Behavioral Health Homeless Program	San Bernardino	Supportive permanent housing and counseling services	Mentally ill persons
Faith, Inc.	San Bernardino	Sober living program (6 beds for women, 6 for men)	Individuals
Foothill Family Shelter	San Bernardino	Transitional housing (8 units) and case management	Families

Table 8.14: Local Resources for Homeless and At-Risk of Homeless Persons

Name	Location	Services	Target Population
Frazer Community Center	San Bernardino	Emergency and transitional shelter with supportive services	All
Hase and Associates Systems, Inc.	San Bernardino	Prevention education, Hispanic outreach program, outpatient substance abuse treatment, employment assistance, and DUI program	All
Hernandez Community Center	San Bernardino	Food distribution and youth activities	All
Inland AIDS Project	San Bernardino	Emergency, transitional, and permanent housing, emergency rent and utility assistance, and residential care for chronically ill	Persons with HIV/AIDS
Inland Behavioral and Health Services	San Bernardino	Case management and various emergency services	All
Knotts Family Agency	San Bernardino	Transitional housing	Youth
Mary's Mercy Center	San Bernardino	Emergency food, clothing, and showers	All
New House Women with Children	San Bernardino	Substance abuse rehabilitation	Women with Children
New House, Inc.	San Bernardino	Substance abuse rehabilitation (39 beds)	Individuals
Operation Grace	San Bernardino	Emergency and transitional shelter	Female individuals
Our Lady of Fatima	San Bernardino	Emergency food	All
Our Lady of Hope	San Bernardino	Emergency food and clothing	All
Priscilla's Helping Hand	San Bernardino	Case management and housing, education, and employment assistance	Emancipated foster youths
Rolling Start, Inc.	San Bernardino	Advocacy, housing and personal assistance referrals, and independent living skills training	Disabled persons
Salvation Army	San Bernardino	Emergency shelter (70 beds)	All
Salvation Army ARC	San Bernardino	Alcohol abuse treatment program (65 beds)	Individual males
San Bernardino City Mission	San Bernardino	Emergency food and clothing	All
San Bernardino County Department of Veterans Affairs	San Bernardino	Assistance with benefits and pension claims	Veterans and dependents
San Bernardino Sexual Assault Services	San Bernardino	Counseling, hospital, and court accompaniment	Victims of sexual assault
Set Free Christian Fellowship	San Bernardino	Substance abuse transitional living (35 beds)	Individuals
Taft T. Newman, Inc.	San Bernardino	Substance abuse rehabilitation and case management	All
Veterans Alcoholic Rehab Program (VARP) Harris House	San Bernardino	Substance abuse rehabilitation	Veterans
VARP Gibson House for Women	San Bernardino	Substance abuse rehabilitation	Female veterans
Veronica's Home of Mercy	San Bernardino	Christian transitional housing (14 beds)	Women
Veterans Alcoholic Rehabilitation Program (VARP) Gibson House for Men	San Bernardino	Substance abuse rehabilitation	Male veterans
Veterans Counseling Center	San Bernardino	Individual and group counseling	Veterans
Victory Outreach	San Bernardino	Substance abuse rehabilitation (10 beds)	All
Vista Guidance Center	San Bernardino	Drop-in center with clothing and laundry facilities	All
Westside Community Center	San Bernardino	Motel vouchers, food, clothing, and rent/utility assistance	All

Source: Community Action Partnership of San Bernardino County 2012.



FUTURE HOUSING NEEDS

Regional Housing Needs Assessment

Under state guidelines, SCAG is required to identify regional housing needs by income category. This housing need provides the basis for distributing fair-share housing allocations among jurisdictions in order to accommodate population and employment growth from June 30, 2014, to January 1, 2021.

The City of Highland's share of the region's housing need for the 2014–2021 planning period is 1,500 units divided into income categories: 349 very low, 246 low, 280 moderate, and 625 above moderate income units. Accordingly, 39.7 percent are collectively allocated to the very low and low income households (referred to as lower income households), 18.7 percent to moderate income, and 41.7 percent to above moderate income households.

The City assumes that one-half of its very low income RHNA is equivalent to the number of projected extremely low income households. With a Regional Housing Needs Assessment (RHNA) of 349 very low income households, an estimated 174 are projected to be extremely low income (earning up to 30 percent of the area median income).

In the 2006–2014 Housing Element the City committed to rezoning selected sites to accommodating the lower income RHNA. The City of Highland successfully implemented the rezoning program and therefore does not have to carry any unmet RHNA over from the previous cycle. The RHNA for the 2014–2021 planning period is listed in Table 8.15.

Table 8.15: Highland 2014–2021 RHNA

Income Category	Units	Percent
Very Low (0–50% of median) ¹	349	23.3%
Low (51–80% of median)	246	16.4%
Moderate (81–120% of median)	280	18.7%
Above Moderate (120% above median)	625	41.7%
Total	1,500	100%

Source: Southern California Association of Governments, 2012.

1: Half of the very low income RHNA, 174, is assumed to represent extremely low income households (0–30% of median).



Preservation of At-Risk Affordable Housing Units

At-risk affordable projects are those that could convert to market rents within 10 years from the planning period. Affordable units may convert to market rate prices due to prepayment of HUD mortgages, opt-outs, and expiration of Section 8 contracts, and expiration dates established by other funding sources.

City records identified that one project is at risk of converting to market rate during the planning period. According to the County of San Bernardino Department of Community Development and Housing, the assisted units at Raintree Apartments are the only housing units in Highland restricted through County tax-exempt bond financing. Raintree Apartments currently provides 61 units affordable to low income households and 31 units affordable to moderate income households. All of the units have one or two bedrooms. The affordability covenant was scheduled to expire June 15, 2015. Amendments to the loan agreement extended the affordability covenant to August 2020.

Upon affordability expiration, the City may pursue subsidizing the units, purchasing Raintree Apartments and placing a long-term affordability covenant on the units, or constructing replacement units. If the property owner does not extend the affordability covenant, the City will reach out to numerous qualified entities determined by HCD as having the ability to purchase and manage the property for continuous affordable housing.

The County of San Bernardino currently owns and operates 12 public housing units in Highland. There is no expiration date for the affordability of these units. The County Housing Authority also issues approximately 405 Housing Choice Vouchers in Highland. Program participants may use their vouchers throughout San Bernardino County. There are no Section 8 restricted buildings in Highland. Table 8.16 provides an inventory of the City’s restricted affordable housing.

Table 8.16: Restricted Affordable Units in Highland

Unique Identifier	Very Low	Low	Moderate	Expiration Date
Senior Housing				
Jeffrey Court	60	124	0	March 2053
Family Housing				
Habitat for Humanity	0	3	0	July 2032
Raintree Apartments	0	61	31	June 2020
E. 9 th Street Apartments	12		0	N/A

Source: City of Highland Planning Division, 2012.

1: The E. 9th Street Apartments are owned and operated by the County Housing Authority. The County Housing Authority reports that there is no affordability expiration date.



Preservation Costs

The financial cost of replacing rent subsidies depends on the rent for the apartment and the income level of the tenant. Raintree Apartments includes 61 units affordable to low income households and 53 affordable to moderate income households. The maximum affordable rents are higher than current market rents in the City of Highland, as shown in 8-17, below (additional rental market information is provided in Table 8-13).

Table 8.17: Affordable vs Market Rents

Income Category	Affordable Rent 1 Person	Affordable Rent 2 Person	Affordable Rent 3 Persons	Average Market Rent
Low Income	\$886	\$1,013	\$1,139	\$650/\$744
Moderate Income	\$1,329	\$1,520	\$1,709	

Source: City of Highland Planning Division, 2012, and Trulia rental database search, July 2012.
 Note: Annual income limits based on California State income limits for 2012; acceptable expenditure for rental housing calculated as 30 percent of income divided by 12 months assumes set-asides for utilities.

Typically, the amount of subsidy needed is the difference between what a household can afford to pay (no more than 30 percent of annual income) and the fair market rent for the unit. Fair market rents are competitive and affordable to lower and moderate income households; thus, no subsidies are needed to maintain affordability at Raintree Apartments. Long-term trends in rental housing prices in Highland indicate that rental units will continue to be affordable to moderate and lower income households throughout the planning period. For example, apartment rents in Highland remained affordable during the subprime mortgage crisis in which foreclosures and changes in lending practices forced more households into the rental market.

Given this ongoing market trend, the City would not need to subsidize the expiring Raintree Apartment units because market rents are affordable to low and moderate income households. However, if the units were improved and rents were significantly increased, a financial resource would be necessary to pay the difference between the higher rents and the market rents to maintain affordability.

Preservation Resources

The City of Highland is committed to working with affordable housing property owners for solutions to prevent the expiration of affordability covenants. In the event that the City cannot make an agreement with a property owner, the City will notify qualified entities to spur interest in preserving the units through outside resources. Qualified entities are housing nonprofits that have been approved by the Department of Housing and Community Development. To qualify, an entity must be able to manage the project, maintain affordability for at least 30 years



or the remaining term of assistance, preserve the existing occupancy profile, maintain rents at a predetermined level of affordability, and agree to renew subsidies if available.

Here are some local housing developers and managers that the City may contact:

- BRIDGE Housing Corporation,
- California Housing Partnership Cooperation,
- Jamboree Housing Corporation,
- LINC Housing,
- Mercy Housing,
- Neighborhood Housing Services of the Inland Empire, and
- National Core

Highland is a member of the San Bernardino County Urban County Consortium and participates in countywide efforts to receive federal housing and community development funds. These funds are potential resources for affordable housing construction, rehabilitation, and preservation. The San Bernardino County Consolidated Plan is an assessment of existing affordable housing and community development needs that informs the U.S. Department of Housing and Urban Development as part of a federal fund awarding process granted to participating jurisdictions like Highland to create and rehabilitate affordable housing for lower income households.

Multifamily Mortgage Revenue Bonds administered by the County of San Bernardino provides below-market interest rate loans for development of new multifamily rental units, or acquisition and rehabilitation of existing multifamily rental units within the county and its cooperating cities. San Bernardino County currently administers contracts for more than 1,000 units of bond-funded affordable housing in incorporated cities.

Low Income Housing Tax Credits (LIHTC) is another financial resource to preserve and create new affordable housing. A nonprofit housing corporation could purchase the at-risk project, rehabilitate it using tax credits, and extend affordability controls. The California Tax Credit Allocation Committee oversees the application and allocation process for all LIHTC project. Applicants compete for the funds, which are prioritized based on location, affordability terms, housing needs, and project amenities.

A shorter term solution to affordable housing stock limitation is the County's Housing Choice Voucher program provides rent subsidies to extremely low- and very low-income households with a housing cost burden, or who are at risk of becoming homeless or being displaced. Voucher recipients rent housing from private landlords and pay a portion of their income toward rent (usually up to 30% of their



income). The County Housing Authority subsidizes the difference in monthly payments to the owner. The Housing Authority receives funding for more than 8,000 housing vouchers on an annual basis. In 2012, 405 vouchers were used in Highland.

Replacement Unit Cost

Another option is to replace lost affordable units with new construction. The final cost of constructing deed-restricted affordable housing units depends on whether the developer needs to purchase land or whether the City can transfer the land at a subsidized price, and how well the private developer's initial financial contribution can be leveraged with other funding sources.

Based on one- and two-bedroom multifamily affordable housing developments built in a nearby city, the replacement unit cost is estimated to be \$150,000 per unit for a 100-unit project in which half of the units have two bedrooms. This construction cost is higher than multifamily housing in Highland. Adjustments made to reflect the local Highland market indicate that replacement units could cost up to \$120,000 per unit over the 8-year planning period. This cost estimate is greater than the per unit cost of typical apartment development due to the desire to create highly amenitized apartments that will be welcome in any neighborhood.

HOUSING CONSTRAINTS

Various factors influence the City's ability to meet its housing goals. These include governmental constraints, such as land use regulations, and nongovernmental constraints, such as market and environmental factors. This section provides the requisite analysis of potential and actual market, governmental, and environmental constraints to the production, maintenance, and improvement of housing pursuant to state law.

Governmental Constraints

The General Plan Land Use Element sets forth land use designations to guide the location, type, and intensity or density of permitted uses of land. The Land Use and Development Code implements the General Plan by providing specific direction and development standards within each of the use categories. These land use controls can facilitate or limit certain types of development.

General Plan

State law requires that each city have a General Plan that establishes policy guidelines for future development. The City of Highland adopted a comprehensive update of the General Plan in 2006. The



Land Use Element describes the land use policies and designations used to guide physical development of the City through the location, distribution, and density of uses. Predominately a residential community, over 60 percent of the City’s 11,948 acres of land is planned for residential development.

As shown in Table 8.18 the Land Use Element describes seven land uses allowing housing, including a historic preservation district and one mixed commercial, office, and residential land use. The Planned Development (PD) designation allows flexibility in development standards to encourage creativity and site-specific design. The PD district is an opportunity for master planning without a specific plan, potentially providing a cost savings to the developer, buyer, and renter.

Table 8.18: Residential General Plan Land Uses

Land Use Designation	Acres	Description
Agricultural/Equestrian	899	Rural and equestrian-oriented residential development at a maximum density of 2 units per acre
Low Density	2,460	Single-family detached homes, including mobile homes, at a maximum density of 6 units per acre.
Medium Density	179	Small lot single-family detached or attached housing, mobile homes, and multifamily housing at a maximum density of 12 units per acre.
High Density	46	Multifamily housing at a maximum density of 18 units per acre.
High Density Special	59	Multifamily housing between 20 and 30 units per acre.
Village Residential	32	Low density residential development within the Historic Village District at a maximum density of 6 units per acre.
Mixed Use	58	Horizontal and vertical mixed-use housing types at a maximum density of 18 units per acre.
Planned Development	3,455	Specific plan areas in which housing types and densities may vary, but typically range from 5 to 12 units per acre.

Source: City of Highland GIS database, 2012.

The program provided by the General Plan Land Use Element establishes 15 goals for future development within the City. These goals are intended to:

- Plan for future growth;
- Provide clarity in land use guidance;
- Maintain a mix of development with urban, suburban, and rural character;
- Create places for people to live, shop, work, learn, and recreate;
- Protect and enhance Highland’s neighborhoods;



- Provide new housing opportunities;
- Strengthen commercial opportunities;
- Expand the employment base;
- Ensure land use compatibility; and
- Preserve natural resources.

The land use controls provided in the General Plan and Land Use and Development Code guide the development of new housing to meet existing and future needs, maintain the existing character, and improve neighborhoods and the housing stock. A new land use, Residential High Density Special (R-4), was established as part of the implementation of the 2006–2014 Housing Element. This land use allows densities between 20 and 30 units per acre to facilitate the development of multifamily and high density attached housing types.

Land Use and Development Code

Zoning regulations are intended to ensure that development does not negatively affect community health, safety, and welfare. The City's Land Use and Development Code regulates housing opportunities by establishing permitted uses and development standards. Several zoning districts respond to specific existing conditions, such as compatibility with the historic development in the original Highland Townsite, and appropriate design for busy transportation corridors.

Residential uses allowed in Highland are listed by Zoning District in Table 8.19. Uses permitted by right are indicated by the "P," conditionally permitted are indicated by the "C," and permitted uses that may require staff approval are indicated by "SR."



Table 8.19: Residential Uses Permitted by Zoning District

Use	Agricultural Equestrian (A/EQ)	Single-Family Residential (R-1)	Two-Family Residential (R-2)	Multifamily (R-3)	Multifamily (R-4)	Residential High Density Special (HDS)	Village Residential (VR)	Corridor Residential (R-2C)	Mixed Use (MU)
Single-Family Detached (2–4 units/parcel)	P	P	SR	■	■	■	P	SR	SR
Single-Family Detached (5+ units/parcel)	■	■	C	C	SR	■	■	C	SR
Second Unit	P	P	P	P	P	P	P	P	P
Single-Family Attached	■	■	SR	SR	■	■	■	SR	C/SR ¹
Multifamily Attached	■	■	C	C	SR	SR	■	C	C/SR ¹
Mobile Home Subdivisions	SR	SR	C	C	■	■	■	■	■
Mobile Home parks	■	C	C	C	■	■	■	■	■
Mobile Home on Foundation	SR	SR	SR	SR	■	■	■	■	■
Group homes, boarding or rooming houses (3+ persons)	■	C	C	C	C	C	C	C	■
Residential Care Facility (7+ persons)	■	■	C	C	C	C	■	C	■
Senior Independent Living	SR	SR	C	C	C	C	SR	C	C
Senior Congregate Care/ Assisted Living	■	■	C	C	C	C	■	C	C
Convalescent Care	■	■	C	C	C	C	■	C	C
Emergency Shelter ²	■	■	■	■	■	■	■	■	■
Transitional Housing ²	■	■	■	■	■	■	■	■	■
Permanent Supportive Housing ²	■	■	■	■	■	■	■	■	■

Source: City of Highland Land Use and Development Code, 2012.

Note: Assisted living, live/work, multifamily dwellings, residential accessory structures, senior housing, single-family dwellings, and townhomes are permitted by right in Planning Area 2 – Residential Villages and Planning Area 3 – Village Center of the draft Greenspot Village and Marketplace Specific Plan.

1: Single-family attached and multifamily housing are conditionally permitted in attached mixed use structures and permitted by staff review in separate multiple use projects.

2: Emergency shelters will be permitted in the Business Park district and transitional and permanent supportive housing will be permitted by right of zone, in accordance with SB 2. Amendments expected in January 2013.

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Permitting Process

Development review is the primary way that to ensure that the construction of projects contributes in a positive manner to the community and quality of life. Residential development projects typically undergo several types of approvals. This section outlines the development review process for various types of housing.

Single-Family

Single-family detached homes are the most common housing type in Highland, making up approximately three-quarters of the entire housing stock. Single-family detached housing is permitted by right in three zoning districts (A/EQ, R-1, and VR), and permitted following Staff Review in two districts (R-2 and R-2C). Single-family attached housing, such as condominiums, is permitted in the R-2, R-2C, and R-3 zones with a Staff Review Permit. Large single-family detached and single-family attached projects that require tract maps are ultimately reviewed by the Planning Commission. In 2009, the City of Highland merged the former Design Review Board with the Planning Commission in order to reduce the amount of time spent on design issues and streamline the project approval process without diminishing quality. The Planning Commission now performs design review at the same time as other reviews that may be necessary depending on the permit at hand.

In the case of a hypothetical 25-unit single-family detached project, the City's Planning Division will coordinate a pre-application meeting between the Applicant and the Project Review Committee, which consists of members of the City's Planning Division, Building & Safety Division, Engineering & Public Works Department, and Fire Department. The pre-application meeting provides the Applicant an early opportunity to present their project to the City before submitting a development application(s) and it provides the City an opportunity to inform the Applicant of all the City's requirements. This initial step has proven to be successful in the past because it discloses infrastructure or other issues that are more cost-effective to address early in the project design phase. Identifying potential issues prior to submitting a development application saves developers a significant amount of time and money.

The applications required for this hypothetical project are a Tentative Tract Map Application (for the subdivision of lots) and a Design Review Application (for the housing product). After the Planning Division determines the applications to be complete, they are routed to the Project Review Committee for their formal review and comments. Applications are also routed to utility companies and outside responsible agencies that have requested to be notified. Project notices are mailed to surrounding property owners within 300 feet of the subject project to solicit comments as well. At this time, the Planning Division also starts the California Environmental Quality Act



process to determine any environmental impacts and the appropriate environmental document needed to approve the project (i.e. exemption, negative declaration, mitigated negative declaration, or environmental impact report). Once the project's environmental review and public comment process have been completed, the Planning Division provides a copy of all the comments to the Applicant for review and discussion with the City's Project Review Committee. Once the comments have been reviewed by all parties, a public hearing before the City's Planning Commission is scheduled and the tract map plans and housing product design plans are packaged into a single staff report to the Planning Commission. The Applicant is provided with a copy of the public hearing notice and staff report with condition and findings of facts for their review. The conditions clearly outline all the requirements needed to record a final map, as well as any conditions related to the construction of the housing units. Common conditions include sidewalk installation, precise grading plans, and type and location of landscaping and lighting. These conditions ensure public safety.

The decision of the Planning Commission is final unless appealed to the City Council within 10 calendar days. The final step for the Applicant is complying with all their conditions of approval, recording a final map, submitting construction plans for grading and building permits.

The same process applies to single-family attached projects. The only distinct difference is that an attached project will require a different type of map and the application asks questions pertinent to attached structures.

Second Units

Second dwelling units may be detached from or attached to the primary single-family dwelling unit. Second units are capable of providing housing below market prices and often meet the special needs of young persons, seniors, and disabled persons. In accordance with Assembly Bill 1866 (Government Code Section 65852.2), the City amended the Land Use and Development Code to make permitting a second unit in single-family zones a ministerial action; which does not require public notice, public hearing, or discretionary approval. Understanding that second units provide opportunities for affordable housing without changing the City's small-town character; Highland facilitates the development of attached and detached second dwelling units by permitting them in all residential zones.

Second units may be developed on parcels of no less than 7,200 square feet that contain an existing or proposed primary dwelling unit. To avoid compatibility and privacy issues, second units shall be one story, not to exceed 16 feet in height, and subject to the same side and rear yard setbacks as the primary dwelling(s). Highland's parking standards for second units are more lenient than in other cities. One



uncovered parking space is required per bedroom and can be tandem and/or located in the front building setback.

Existing development standards for second units do not constrain the development of this form of housing. From 2006 to mid-2012, the City approved 25 second units. Based on this record, the City assumes that 30 second units could be permitted during the planning period. As the City's senior and college-age population increases, as projected for the planning period, the City expects to process more second unit applications per year. Second units in Highland rent for less than \$1,000 per month and can be an important housing resource for small lower income households.

Multifamily Housing

Multifamily housing makes up approximately 17 percent of the City's housing stock. Multifamily housing is currently conditionally permitted in the three multifamily zones, R-2, R-2C, R-3 and permitted by-right in the R-4 zone and High Density Special Overlay (HDS). The conditional use permit (CUP) process is the City's opportunity to ensure compatibility with surrounding uses and this review can occur concurrently with Major Design Review. In the case of the R-4 and HDS, only a Design Review Process is required.

The permitting procedure for a multifamily housing project is similar to that for a large single-family detached or attached project. In the case of a hypothetical 50-unit multifamily project, the City's Planning Division will coordinate a pre-application meeting between the Applicant and the Project Review Committee to identify potential issues that should be considered early in the planning and design process.

The by-right-of zone approach streamlines the permitting process for projects that are most likely to meet the needs of the City's lower and moderate income households. Residential projects in the R-4 and HDS districts are required to be reviewed for design adequacy. Compatibility with design standards, such as setbacks, landscaping, and other basic aspects of project design for multifamily projects permitted by right of zone would be reviewed by the Planning Commission like other uses. The intent of this process is to ensure high quality design, and is not a substitute for the review of the use itself.

Manufactured Housing

California Government Code specifies that permanently sited manufactured homes that are built to the HUD Code may generally not be excluded from lots zoned for single-family homes (unless more than 10 years old) and are subject to the same rules as site-built homes, except for certain architectural requirements. A city may not require an administrative permit, planning or development process,



or other requirement not imposed on a conventional single-family dwelling.

Single mobile home units placed on a permanent foundation, certified under the National Mobile Home Construction and Safety Standards Act of 1974 and constructed after October, 1976, are permitted in AQ/E, R-1, R-2, and R-3 zones following Staff Review approved by the Community Development Director. The review ensures that the units comply with state and local standards of the underlying zoning district.

The Highland Land Use and Development Code broadly defines manufactured housing to include three related uses—a mobile home, a manufactured home, or travel trailer. This creates confusion as to whether certain uses can or cannot be permitted and whether design regulations can be required. The Housing Plan specifies a program to define and distinguish manufactured housing from mobile homes and travel trailers, as set forth in current HUD codes, and define the process for approving or disapproving such uses in a manner compliant with state law.

Special Needs Housing

Group Homes

State law prevents cities from imposing overly restrictive regulations on community care facilities. The Health and Safety Code (§§ 1500 et seq.) requires that group homes serving six or fewer persons be (1) treated the same as any other residential use, (2) allowed by right in all residential zones, and (3) be subject to the same development standards, fees, taxes, and permit procedures as those imposed on the same type of housing in the same zone.

According to the City's Land Use and Development Code, a residential care facility is a state-authorized, certified, or licensed facility that provides non-medical residential care, day treatment, rehabilitative care, and adult day care, residential care for the elderly, transitional housing placement, substance abuse recovery, or foster family agency services. According to the permitted uses table in the Land Use and Development Code, residential care facilities serving seven or more persons are conditionally permitted in multifamily zones (R-2, R-2C, R-3, R-4, and HDS).

To comply with the intent of fair housing laws and ensure clarity in the permitting process, the Housing Element contains a program to differentiate between residential care facilities serving six or fewer residents and those serving seven or more residents. The City has developed separate definitions and will approve permitting processes for the two types of residential care facilities, and permit those serving six or fewer persons by right in all residential zones (expected in January 2013). This will ensure that licensed facilities are



appropriately permitted in a manner consistent with the Government Code and fair housing law.

Boarding Houses

Although a boarding or rooming house may provide housing to unrelated individuals, it is not considered a community care facility. Highland's Land Use and Development Code defines a boarding or rooming house as a residence or portion thereof, other than a hotel, to accommodate three or more unrelated individuals for compensation. A boarding or rooming house does not provide on- or off-site supportive services. Boarding and rooming houses are conditionally permitted in all residential zones other than the A/EQ district and may not be located within 500 feet of the same use. Furthermore, to prevent a concentration of parolees, no more than one federal, state or youth authority parolee shall be allowed to live in boarding or rooming house at any one time. If a boarding or rooming facility includes ten or more units, then there may be one additional parolee for every ten units. The location and parolee restrictions were enacted in response to public concerns about boarding and rooming housing affecting community safety and welfare.

Senior Housing

As the City's middle age and senior populations are expected to grow during the planning period, it is important that a range of housing types are available to serve their special needs such as smaller and more affordable units (including second dwelling units), senior housing, and various forms of care housing. Care housing that assists special needs seniors include senior independent living projects, residential care homes for the elderly, congregate care, and convalescent care. Senior independent living projects are permitted with a Staff Review Permit in the A/EQ, R-1, and VR zones and conditionally permitted in multifamily zones. Congregate care and convalescent care homes are conditionally permitted in multifamily and commercial zones. Residential care facilities for the elderly, serving seven or more persons, are conditionally permitted in multifamily zones (R-2, R-2C, R-3, R-4, and HDS). Smaller facilities will be permitted by right following a Land Use and Development Code amendment in 2013.

Emergency Shelters, Transitional Housing, and Permanent Supportive Housing

Recent legislation provides direction in the ways in which local governments address housing for the homeless or those at-risk of homelessness. Senate Bill 2 was passed to address the need for a continuum of housing for homeless people, including emergency shelter, transitional housing, and permanent supportive housing.

Emergency shelters are the first step in a homeless continuum of care program designed to allow homeless people a temporary place of stay.



Transitional housing accommodates homeless people for up to two years as they stabilize their lives. Supportive housing is affordable housing with on- or off-site services that help a person with barriers to a stable living situation. SB 2 requires jurisdictions to identify a zone where emergency shelters will be permitted by right and the zone must have sufficient capacity to accommodate one year-round emergency shelter. Transitional and supportive housing must also be permitted like any other single- or multifamily residential project.

The City of Highland is in the process of adopting an ordinance to comply with SB 2. The intent is to allow emergency shelters by right in the Business Park (BP) district. There are approximately 250 acres designated BP (116 of which are vacant), generally located along the southwestern city boundary. The average lot size is 20,800 square feet and could accommodate a multi-service facility for all of the City's 112 homeless persons. The BP designation allows for light industry, research and development, office uses, and business and commercial uses that support the employees and clients of the area. The Land Use and Development Code is on track to be amended in January 2013.

Should an emergency shelter be provided in the BP district, residents would benefit from access to public transit, retail uses, and regional employment growth in nearby businesses. Residents will also be connected to other areas of the community and adjacent cities by buses. The local bus transit service provider, Omnitrans, operates two routes that serve this area (Route 8 and Route 15).

Single Room Occupancy Units

Another potential source of housing for the homeless or formerly homeless are single room occupancy (SRO) units. SRO units are very small-attached units intended for no more than one or two people. An agency or organization generally oversees the project and provides ongoing supportive services to promote self-sufficiency. The City permits single room occupancy units in the BP zoning district.

Facilitating Affordable Housing

Residential High Density Special Land Use Designation

The Residential High Density Special (HDS) and R-4 zoning district accommodates residential products between 20 and 30 units per acre. A conditional use permit is not be required for multifamily uses on R-4, HDS. This by-right of zone use is intended to streamline the permitting process for projects in areas expected to assist the City's higher density housing needs, per State law.



Residential High Density Special Overlay

The City established a High Density Special Overlay on approximately 35 acres zoned as Planned Development (PD) within the General Plan Golden Triangle Policy Area. The Overlay area is generally bound by Greenspot Road on the south, Eucalyptus Avenue on the north, Boulder Avenue on the east, and the City Creek wash basin on the west. The Overlay allows the permitting of up to 650 multifamily units (by right) at a minimum density of 20 units per acre and a maximum density of 30 units per acre.

Lot Consolidation Incentives

Lot consolidation can increase the efficiency of land use and create the critical mass needed for a quality multifamily housing project. The City has identified numerous vacant and underutilized parcels that have the potential to accommodate multifamily projects. Their development potential could be improved through lot consolidation. Although the development community is aware of the inherent benefits of acquiring larger sites, the City seeks to promote this process. Through the implementation of the Housing Plan, the City is committing to providing expedited processing for the consolidation of lots identified in Appendices A and B as having the potential to accommodate lower income households.

Inclusionary Housing Ordinance

The City's Land Use and Development Code facilitates the development of affordable housing. Part of the Land Use and Development Code, the Inclusionary Housing Ordinance, provides guidelines for the development of restricted units, payment of an in-lieu fee, or dedication of land for affordable housing.

All new residential development projects within the City must dedicate at least 15 percent of the units for affordable housing. Restricted for sale units must be sold at prices affordable to low and moderate income households. Rental projects must rent at least 10 percent of the units to very low income households, with the remaining affordable units rented to low or moderate income households. In exchange for the construction of affordable units the City allows unit size reduction and different interior finishes for affordable units, as long as they are of durable quality and consistent with the current building code.

In lieu of constructing all or any the affordable units on site, a developer can pay an affordable housing in-lieu fee of \$3,750 per unit to the City. In lieu of building inclusionary units, the developer may also choose to dedicate land within the city to the City. Dedicated parcels must be suitable for the construction of inclusionary units and equivalent to greater in value than what would be produced by applying the City's in-lieu fee to the project. All in-lieu fees are



deposited in an inclusionary housing fund to be spent on affordable housing development and programs.

The City provides regulatory relief for developers of sites that cannot accommodate affordable units. If the City determines that providing on-site inclusionary housing is infeasible, the developer may construct affordable units on another site within the City prior to constructing the market rate project.

Should a developer provide more affordable units than required by the inclusionary obligation, but fewer than required by state density bonus law, they may request a density bonus through the City or may transfer credit for those affordable units to their next project in Highland.

Density Bonus

A density bonus is an entitlement to build additional residential units above the maximum number of units allowed per the Municipal Code in exchange for providing affordable housing specified by as Government Code Section 65915-65918.

Jurisdictions must grant concessions or incentives reducing development standards, depending on the percentage of affordable units. Concessions and incentives include reductions in zoning standards, other development standards, design requirements, and other incentives that may reduce costs for the developer. Any project that meets the minimum criteria for a density bonus is entitled to at least one concession and may be entitled to as many as three concessions depending on the amount of affordable housing provided:

- One incentive or concession for projects including at least 10 percent of the total units for lower income households, at least 5 percent for very low income households, or at least 10 percent for moderate income households
- Two incentives or concessions for projects including at least 20 percent of the total units for lower income households, at least 10 percent for very low income households, or at least 20 percent for moderate income households
- Three incentives or concessions for projects that include at least 30 percent of the total units for lower income households, at least 15 percent for very low income households, or at least 30 percent for moderate income households.

The City's Municipal Code permits a density bonus of 20 percent above the maximum permitted density if a development provides at least 5 percent of the units at rates that are affordable to very low income households or 10 percent of the units at rates that are affordable to low income households. If 10 percent of condominium or planned development units are affordable to moderate income



households, then the project is eligible to receive a 5 percent density bonus.

In addition, a sliding scale requires additional density bonuses above the 20 percent threshold (up to a maximum density bonus of 35 percent):

- an additional 2.5 percent density bonus for each additional increase of 1 percent very low income units above the initial 5 percent threshold;
- a density increase of 1.5 percent for each additional 1 percent increase in low income units above the initial 10 percent threshold; and
- a 1 percent density increase for each 1 percent increase in moderate income units above the initial 10 percent threshold.

Density bonus projects also qualify for reduced parking requirements. These numbers are inclusive of guest parking and handicapped parking and may be tandem or uncovered (but cannot be on-street). Parking requirements are one on-site parking space for zero to one-bedroom units; two on-site parking spaces for two to three bedroom units; and two and one-half on-site parking spaces for four or more bedroom units.

Dissolution of Redevelopment Agencies

The City of Highland Redevelopment Agency played an important role in facilitating the development and preservation of affordable housing. In 2012, the State of California dissolved all redevelopment agencies, changing the ability of the City of Highland to fund housing programs for lower and moderate income households. The dissolution of redevelopment agencies is a new constraint that is not within the City of Highland's control.

Assembly Bill X1 26 (AB X1 26) and Assembly Bill X1 27 (AB X1 27) were signed by the Governor on June 29, 2011, making certain changes to the distribution of tax increment collected by Redevelopment Agencies. The California Redevelopment Association and League of California Cities filed a lawsuit in the Supreme Court of California alleging that AB X1 26 and AB X1 27 are unconstitutional. On December 29, 2011, the Supreme Court issued its opinion largely upholding AB X1 26, invalidating AB X1 27, and holding that AB X1 26 may be severed from AB X1 27 and enforced independently. As a result of the Supreme Court's decision, on February 1, 2012, all redevelopment agencies were dissolved and successor agencies were mandated to wind down all outstanding redevelopment projects.

By virtue of law, Highland's physical housing assets previously owned by its Redevelopment Agency were transferred to the Highland Housing Authority. The housing assets include loans made to the



owners of Jeffrey Court and loans and grants made to various homeowners who participated in the City's Neighborhood Pride Grant Program and Down Payment Assistance Programs. Also transferred were 13 residential lots adjacent to Highland Community Park and a single residential lot south of Jeffrey Court. The Housing Authority is mandated to continue monitoring activities, but has no long-term funding source.

While the physical assets may continue to be managed by the Highland Housing Authority, all monetary assets including the unencumbered housing fund balance will be remitted to the State for redistribution to other taxing agencies. The fate of housing funds collected in conjunction with bond sales remains uncertain.

Given the dissolution of the Highland Redevelopment Agency, the City has little ability to provide funding for the construction, preservation or rehabilitation of lower and moderate-income housing. Highland has suspended its Neighborhood Pride Grant Program for rehabilitation of single-family residences and Down-Payment Assistance Program, but is seeking alternative sources of funding.

Residential Development Standards

The General Plan Land Use Element establishes where housing can be located in Highland and the maximum density. The Land Use and Development Code provides more specific residential development standards that determine building height, density, setbacks, parking, etc. Development standards tailored to each zoning district and certain specific uses are provided to ensure quality design to protect the health, safety, and welfare of the public as well as enhance the appearance of the community. Development standards improve the quality and livability of housing development in Highland.

Table 8.20 lists the minimum acceptable standards for development within the City's residential districts to assure safe and attractive development without hindering the production of housing.



Table 8.20: Residential Development Standards

Standard	A/EQ	R-1	R-2	R-3	R-4	HDS	VR	R-2C
Maximum Density (units per acre)	2.0	6.0	12.0	18.0	30.0	30.0	6.0	9.0
Minimum Building Site (net area in so)	20,000	7,200	7,200	10,000	43,560 (1 acre) ¹	43,560 (1 acre) ¹	7,200	43,560 (1 acre) ¹
Minimum Lot Width	100 ft.	60 ft.	60 ft.	100 ft., 110 ft. for corner lots	None	None	100 ft.	22 ft.
Minimum Lot Depth	120 ft.	100 ft.	100 ft.	100 ft.	None	None	100 ft.	40 ft.
Minimum Front Setback	35 ft., but 65 ft. from street centerline	25 ft., but 55 ft. from street centerline	20 ft.	25 ft.	15 or 25 ft.	15 or 25 ft.	15	15 ft. at any given point, but an average minimum of 20 ft.
Minimum Interior Setback ²	10% of lot width	5 ft. and 10 ft.	5 ft. and 10 ft.	10 ft.–15 ft.	15 ft.	15 ft.	An aggregate of 15 ft. compatible with adjacent setbacks	0 ft. for attached units and 3 ft. for detached units
Minimum Street Side Setback ²	15% of lot width	15 ft.	15 ft.	20 ft.	15 ft.	15 ft.	15 ft.	15 ft. at any given point, but an average minimum of 20 ft.
Minimum Rear Setback	35 ft.	20 ft.	20 ft.	15 ft.–20 ft.	15 ft.	15 ft.	20 ft.	10 ft. for 1- or 2-story units
Maximum Lot Coverage	30%	40%	40%	60%	None	None	30%	40%
Maximum Height	35 ft. or 2 ½ stories, whichever is greater	35 ft. or 2 ½ stories, whichever is greater	35 ft. or 2 ½ stories, whichever is greater	35 ft. or 2 ½ stories, whichever is greater	55 ft.	55 ft.	Compatible with surrounding buildings	35 ft. or 2 stories, whichever is greater
Minimum Building Separation ³	15 ft.	10 ft.	10 ft.	15 ft.	Per Uniform Building Code	Per Uniform Building Code	10 ft.	0 ft. for attached units and 3 ft. for detached units

Table 8.19: Residential Development Standards

Standard	A/EQ	R-1	R-2	R-3	R-4	HDS	VR	R-2C
Minimum Dwelling Unit Size (sf)	800	800	800	800	Studio: 425 1 bedroom: 650 2 or more bedrooms: 800	Studio: 425 1 bedroom: 650 2 or more bedrooms: 800	800	800

Source: City of Highland Land Use and Development Code, 2012.

- 1: R-2C parcels smaller than one acre in size may be developed if they cannot be consolidated with adjacent parcels and are either bordered on all sides by property zoned for non-R-2C uses; or bordered on three sides by roadways.
- 2: Except for development in the R-2C District, a minimum 10-foot setback shall be maintained for all two-story or higher elements.
- 3: Minimum distance between buildings includes main dwellings and accessory structures. Within a planned development, building separations may be reduced to zero feet, provided that fire walls are to UBC standards and subject to review and approval of the Forestry and Fire Warden Department.



Parking Requirements

Parking requirements must relate to the housing type to provide adequate and appropriately located parking facilities. Parking spaces reduce the amount of land available for housing, but are a necessary part of development. Adequate parking for residential projects contributes to the value of a project, the safety of residents, its appearance, and livability. However, excessive parking standards that do not reflect actual parking demand can unduly increase development costs and reduce the potential land availability for project amenities or additional units.

Highland's parking requirements are similar to other cities and are not considered a constraint to affordable housing development. Rather, reductions in parking requirements are made possible through parking studies for senior housing types and the Community Development Director may approve reduced parking requirements for projects that incorporate affordable units but do not qualify for density bonus incentives. Table 8.21 displays City residential parking requirements.



Table 8.21: Residential Parking Standards

Use	Minimum Off-Street Requirements
Single-Family Detached ¹	Resident parking: 2 enclosed garage spaces Guest parking: If guest parking is not permitted on the street, then one visitor space per unit is required within 100 ft. of each unit's frontage and cannot be tandem
Second Units	Resident parking: 1 additional off-street parking space, tandem allowed, allowed in the front yard setback
Single-Family Attached and Multifamily(R-2, R-2c, R-3) ^{2,3}	Resident Parking Studio: 1 covered or garage space assigned to each unit 1 bedroom: 1 covered or garage space, and .5 uncovered space 2 or more bedrooms: 1 covered or garage space and 1 uncovered space Guest parking: On-street parking can count for visitor parking if the spaces are within 250 feet of each unit's frontage, otherwise .5 uncovered space per unit is required
Multifamily(R-4) ^{6,7}	Resident Parking Studio and 1 bedroom: 1.5 per unit (at least 1 space within a garage or carport) 2 bedrooms: 1.9 per unit 3 bedrooms: 2.1 per unit 4 bedrooms: 2.4 per unit Guest parking: 0.3 spaces per unit
Group, Boarding, or Rooming Homes	Parking requirements identical to those for the housing product (single-family detached, single-family attached, or multifamily)
Senior Housing	Resident parking: 1 covered space per unit Guest parking: .25 uncovered space per unit
Senior Congregate Care ⁴	Resident parking: 5 covered spaces per unit or as determined by the Planning Commission. For multiple-family units, the parking shall be within 150 feet of the dwelling it serves Guest parking: .25 uncovered space per unit
Mobile Home Parks and Subdivisions	Resident parking: 2 spaces per unit, tandem allowed Guest parking: 1 space for each 5 units or fraction thereof
Model Home Complexes ⁵	3 spaces per model home plus 1 space per salesperson

Source: City of Highland Land Use and Development Code, 2012.

- 1: Within the VR district no more than a two-car space and no less than a one-car space shall be provided within a garage, and the exterior garage door shall be a minimum of 45 ft. from the front property line.
- 2: For R-2 and R-2C districts, covered spaces may be required to be provided in an enclosed garage. If it is not adjacent, the garage shall be within 150 feet of the unit being served.
- 3: Covered spaces for apartment buildings are garage spaces.
- 4: Applicant shall submit a parking study for reduced parking standards.
- 5: On-street parking adjacent to the model home complex may be counted toward the parking requirement if it is found that on-street parking will not impact residential parking and will not obstruct traffic flow.
- 6: Minimum of one parking space shall be covered within a garage or carport
- 7: Guest spaces may be uncovered



Building Codes

Building and safety codes regulate construction and design methods to protect public health, safety, and welfare. However, these codes have the potential to increase the cost of housing construction and rehabilitation. Highland has adopted the 2010 California Building Code Series. Except for seismic standards and some additional requirements for fire hazards, the City's Building Codes do not impose additional requirements that would materially raise the cost of housing. These types of improvements are common for all cities in San Bernardino County. Therefore, these on- and off-site improvement standards would not make it less financially feasible to build housing in one jurisdiction over another.

Code enforcement is a critical component of retaining quality neighborhoods and residential structures. The City employs full-time building inspectors and code enforcement officers to examine properties in response to a complaint or as part of an ongoing proactive program to identify substandard housing. The City's proactive rental inspection program ensures rental housing is well-maintained, safe, and adequate for habitation. The City assigns one code enforcement staff to annually inspect and monitor all rental units (including single-family units).

On- and Off-Site Improvements

The City of Highland requires that adequate access, landscaping, lighting, water, and sewer improvements accompany residential development or the expansion of existing residential projects. Typical off-site improvements include curb, gutter, and sidewalk installation and the undergrounding of existing overhead utility lines. As a condition of approval, the City may require the construction of reasonable on- and off-site improvements to serve the project. These types of improvements are common for all cities in San Bernardino County. Therefore, these on- and off-site improvement standards would not make it less financially feasible to build housing in one jurisdiction over another.

Streets

All residential projects must provide appropriate roadways consistent with the City's Circulation Element and adopted road standards. Collector streets are 44 feet, curb-to-curb, within 66 foot rights-of-ways. Residential local streets generally require a 36-foot right-of-way. The City does not require infill projects to provide road improvements beyond those necessary for safe access. This reduces the cost of infill housing development, a savings that may be passed on to the future buyer or renter. For any area of the City, additional improvements, easements, and other dedications may be identified during site plan review.



Curbs, Gutters, and Sidewalks

While much of west Highland is developed with curbs, gutters, and sidewalks, there are some infill sites without such amenities. Greenfield sites on the eastside are also often in need of such improvements. All new residential development is required to provide a public sidewalk system with curbs and gutters unless deemed unnecessary by the Planning Commission. Public sidewalks are adjacent to public streets and have a minimum width of 5 feet. Interior walkway systems may have varying widths, with a minimum width of 4 feet. The cost of these improvements increases the cost of development, but is necessary to facilitate pedestrian access and movement in urban areas of the City.

Water, Sewer, and Storm Drain

Consistent with state law, all projects must demonstrate the ability to meet water, sewer, and drainage requirements consistent with San Bernardino Flood Control District's comprehensive plan. Fees and infrastructure requirements are established by the East Valley Water District and similar for all communities in the region. Careful site design and location can reduce or mitigate the associated cost of these improvements. For example, vacant land in an infill area could provide affordable housing where there is existing and adequate water, sewer, and drainage infrastructure.

Infrastructure

The City of Highland contains both developed and largely undeveloped residentially zoned areas. In developed areas, the existing infrastructure system is sufficient to support Highland's population, but curbs, gutters, sidewalks, water and sewer, and streetlights are limited in undeveloped areas within the City. Infrastructure in currently un-served areas will be planned and constructed as necessary to serve new development. These improvements are typically dedicated to the City, which is then responsible for maintenance and/or improvement.

The City of Highland is primarily served by the East Valley Water District (EVWD). The EVWD also maintains Highland's sewer system and has a joint powers agreement with the City of San Bernardino to accept all sewage generated within the District's boundaries. The existing sewer system can adequately serve the sites identified in the land inventory.

All development plans in Highland must be coordinated with the EVWD to meet wastewater disposal and treatment requirements established by the California Department of Health Services. Development impact fees will allow the water and wastewater districts to provide necessary connections and services.



Development Fees

A variety of fees and assessments are charged by the City and other agencies to cover the cost of processing development permits and providing local services. These fees are necessary to ensure quality project review and to cover costs associated with the impact of new housing. Development fees and exactions increase the cost of development. These costs are passed down to the homeowner and renter, reducing the affordability of housing.

Community development and engineering fees are established to cover the cost of staff review. Without entitlement processing fees, the City would be unable to provide quality review of each project, resulting in inappropriate or inadequate development. These fees offset the City's development review costs and are not designed to increase the cost of development. The affordable housing fee is a per-unit fee that may be paid by the applicant in lieu of providing affordable housing as discussed in the Inclusionary Housing Ordinance section.

When processing a Major Design Review and CUP concurrently, the city provides relief to the applicant by only charging one deposit upfront. The City takes a deposit for the CUP only and applies any unused funds from the CUP deposit to cover the design review. This prevents the applicant from spending a financial resource earlier than necessary.

Development impact fees are charged on a per-unit basis to provide funds to offset the anticipated impacts of population growth. New housing, and therefore more Highland residents, may result in an increase in vehicle trips, park usage, school enrollment, and emergency service calls. Development impact fees are carefully created to ensure that quality services and facilities are provided to Highland residents without unduly burdening development. The City annually reviews its development impact fees to ensure the fees are fair and adequate. In 2012 the City Council approved a Development Impact Fee reprieve of 23.306% for commercial and residential projects. This reduction fosters development activity and reduces the cost of developing in the City of Highland. The reasoning behind the reprieve was to keep the 2012 Development Impact Fee the same as 2011. Table 8.22 displays fees charged for new housing projects in Highland.



Table 8.22: Residential Development Fees

Fee	Single-Family	Single-Family Attached/ Multifamily
Minor Project (no more than 3 units)		
Community Development Fees		
Inclusionary Housing	\$3,750.00	\$3,750.00
Staff Review Permit	No Fee	No Fee
Minor Design Review	\$2,505.00	\$2,505.00
Engineering Fees¹		
Parcel Map Review(≤4 lots)	\$2,420.00	\$2,420.00
Impact Fees		
Law Enforcement	\$173.90	\$275.00
Fire Suppression	\$617.66	\$200.46
Local Circulation System	\$2,338.77	\$1,561.11
Regional Circulation System	\$8,238.77	\$5,500.17
Regional Flood Control	\$545.19	\$233.29
General Facilities, Vehicles & Equipment	\$771.00	\$771.00
Library	\$709.32	\$682.76
Community Center	\$884.09	\$850.68
Park Land Acquisition & Park Facilities Development	\$2,879.26	\$2,770.47
Total Fees Per Unit	\$25,832.56	\$21,519.94
Major Project (more than 3 units)		
Community Development Fees		
Affordable Housing	\$3,750.00	\$3,750.00
Major Design Review Deposit	\$7,400.00	\$7,400.00
Major Conditional Use Permit Review Deposit	\$9,400.00	\$9,400.00 ²
Engineering Fees¹		
Parcel Map Review (≥5 lots)	\$2,420.00	\$2,420.00
Final Tract Map Review (≥5 lots) ²	\$2,255.00	\$2,255.00
Impact Fees		
Law Enforcement	\$173.90	\$275.00
Fire Suppression	\$617.66	\$200.46
Local Circulation System	\$2,338.77	\$1,561.11
Regional Circulation System	\$8,238.37	\$5,500.17
Regional Flood Control	\$545.19	\$233.29
General Facilities, Vehicles & Equipment	\$771.00	\$771.00
Library	\$709.32	\$682.76
Community Center	\$884.09	\$850.68
Park Land Acquisition & Park Facilities Development	\$2,879.26	\$2,770.47
Total Fees Per Unit	\$39,962.56	\$35,649.94

Source: City of Highland Planning Division, 2012.

1: Some engineering fees not included, such as grading plan check and grading inspection, because fee is based on project specifics such as a dollar amount per cubic yard of soil moved.

2: Major Conditional Use Permit Review Deposit will not be needed for multifamily projects on multifamily sites identified in the Housing Element as having potential to accommodate the RHNA

3: Final tract map review engineering fee is \$2,255 plus \$40 per lot.



Permit Approval Process

Highland’s permitting process is designed to ensure high quality and aesthetically pleasing development that is compatible with adjacent uses and the City’s rural charm. Development and design review fees, as well as the time these processes take, increase the cost of constructing new housing or rehabilitating existing units. To ensure that the permit approval process is not overly burdensome, the City established the “Come Home to Highland” program, which commits the City to being an active partner in providing housing. The program is intended to:

- Improve and enhance Highland through the promotion of its residential lifestyle and family-oriented community;
- Encourage housing maintenance, rehabilitation, development, and occupation;
- Encourage cooperation between City government, local service providers, and residents in facilitating responsible growth; and
- Increase staff accountability through the preparation of housing project status reports for the City Council every six months.

Three levels of decision-making bodies in the City govern the development review process: the Community Development Department, the Planning Commission, and the City Council.

Applicants are encouraged to meet with City staff to discuss a project prior to submitting an application. This process provides the applicant with an opportunity to make changes that will ultimately save time and money by having a complete application from the start. When an application is determined complete (within 30 days, as required by the Permit Streamlining Act), the Planning Division indicates whether or not a use requires discretionary review. The Come Home to Highland program guarantees that any request for an entitlement that requires approval by the Planning Commission be presented to the necessary body within 90 days of the application being deemed complete (excluding time for CEQA review). This practice reduces the impact of design review and other forms of discretionary review. There are several types of review necessitated by certain project characteristics.

Staff Review Permit

Staff Review Permit (SR) is a review of the project use to ensure compatibility with the City’s land uses and development standards. Approval is determined by the Community Development Director or his designee (typically the City’s Planning Technician). The SR permit is processed concurrently with the Minor Design Review process when applicable. The SR approval by Community Development Director or



designee is final unless appealed to the Planning Commission. The Planning Commission's determination is appealable to the City Council.

Minor Design Review

The Planning Division provides this form of administrative design review for permitted housing projects of fewer than three units to ensure compliance with City's land use and development standards. The Planning Division makes standard findings regarding project design, which include compliance with adopted residential design standards and consistency with the City's General Plan Land Use Element and Community Design Element. Small (three units or less) multifamily projects permitted by right-of-zone due to site identification in the Housing Element will be subject to Minor Design Review, but not a conditional use permit. Approval is determined by the Community Development Director or designee and is deemed final unless appealed to the Planning Commission. The Planning Commission's determination can then be appealed to the City Council.

Major Design Review

The Major Design Review (Major DR) applies to new housing projects consisting of four or more units. Major DR used to be performed by the Planning Commission (PC). Major DR provides the Planning Commission with an opportunity to assess the project for potential conflicts with the goals, policies, and objectives in the General Plan Land Use Element and Community Design Element, and identify potential design issues that may detract from the aesthetics, health, and safety of neighborhoods. Multifamily projects on multifamily sites will not be subject to a conditional use review. These projects will be reviewed for consistency with the design and development standards provided in the Land Use and Development Code, General Plan Land Use Element, and Community Design Element. Planning Commission review takes place during the time period the development application is routed for agency comments and/or the CEQA process; thus, minimizing overall processing time for the project. Planning Commission approval is final unless appealed to City Council.

Conditional Use Permit

The existing Land Use and Development Code requires a conditional use permit for multifamily projects, with the exception of single-family attached units which are permitted by right or by SR permit and multifamily uses on multifamily sites identified in the Housing Element.



Multifamily projects will be subject to meeting the basic design and development standards provided in the Land Use and Development Code, General Plan Land Use Element, and Community Design Element.

The Planning Commission is responsible for reviewing all applications that require a CUP and the design review of a project. Typical findings for CUP approval include consistency with the goals, policies, and objectives of the General Plan, suitability of the site for the proposed use or development, and adequacy of water, sanitation, and utilities.

Design review is based on criteria included within the General Plan Land Use Element and Community Design Element. The CUP (with Major DR) process typically takes four or five weeks, not including the time required by CEQA if an EIR is necessary.

General Plan Amendment/Zone Change

Projects requiring a General Plan Amendment or zone change require review by the Planning Commission and approval by the City Council, regardless of proposed use. However, the City typically reduces the timeframe for this legislative step by processing, where feasible, the discretionary permits at the same time.

Processing Time

Developmental review is the primary way to ensure that new residential projects reflect the community's goals and contribute to improving local quality of life. The time it takes to obtain permits from the City can affect overall project cost and therefore impact the cost of housing and the success of development in the community.

Highland values the time and money of its development applicants. The City reduced its processing times through enforcement of the "Come Home to Highland" program, which commits the City to refund remaining development entitlement deposits to the applicant within 30 days of the project's conclusion. The program also commits the City to establishing fixed fees for several forms of review and ensures that a discretionary permit application are brought to the appropriate review body within 90 days of the application completeness determination. Administratively permitted projects are reviewed within 30 working days of application completion. In Calendar Year 2011, the average time for a discretionary review approval was 36 days. Table 8.23 shows the average processing times for various project applications and reviews.



Table 8.23: Permit Processing Times

Type of Application	Timeframe (Average Number of Weeks)
Zone Change	18
Tentative Tract or Parcel Map	12
Conditional Use Permit	4
Variance Review	4
Lot Line Adjustment	4
Staff Review (Design/Use)	1
Minor Design Review	1
Major Design Review	4

Source: City of Highland, 2012.

Housing for Persons with Disabilities

Effective on January 1, 2002, Senate Bill 520 amended housing element law and Government Code Section 65008 to require localities to analyze the constraints on housing for persons with disabilities. The City’s adopted building codes (including the Uniform Building Code, adopted in 2007) require that new residential construction comply with the Federal Americans with Disabilities Act (ADA). Highland has the authority to enforce state accessibility laws and regulations (California Code of Regulations Title 24) when evaluating new construction requests. ADA provisions include requirements for a minimum percentage of units in new development to be fully accessible to the physically disabled.

Reasonable Accommodation

The City of Highland understands the importance of reducing barriers to adequate housing for disabled persons. However, the Land Use and Development Code does not provide any specific information regarding housing or housing modification permitting or other reasonable accommodations for persons with disabilities. A reasonable accommodation refers to actions that a city takes to modify land use and zoning regulations affecting housing for people with disabilities. A reasonable modification is typically a structural change made to existing premises so that a disabled person can fully utilize the premises.

The City has not received any requests for accommodation, and if a request were made to place a ramp or other accessibility structure in a setback, the City has an unofficial policy to be flexible in those instances. The Land Use and Development Code allows a maximum three-foot projection into front- and rear-yard setbacks and one-half of a required side yard setback.

The City is in the process of adopting an ordinance to enact a formal process for disabled individuals or those acting on their behalf to



make requests for relief from the various land use, zoning, or building laws, rules, policies, practices, and/or procedures of the City (expected February 2013). The City will make information regarding reasonable accommodation available at City Hall, on the City's website, and its 'Come Home to Highland' program website.

The City's parking requirements for handicapped spaces are intended to be identical to the requirements established by the state of California. Residential projects providing handicapped spaces are required to locate the spaces as close to building entrances as possible and follow citywide regulations in terms of size, striping, and signage. Disabled parking standards for residential uses are not different from parking standards for other uses.

Group Homes

Group homes, boarding houses, and residential care facilities are often a resource for disabled persons in need of special care. The City conditionally permits boarding and rooming houses for three or more unrelated individuals in all residential zones except the A/EQ zone and all commercial zones (includes homes with six or more residents). According to the state Community Care Licensing Division, in 2008 there are three licensed group homes operating in Highland. The City does not have any occupancy restrictions based on relatedness or family ties in any land uses or zoning designations. Residential care facilities may provide safe living environments for special needs adults and children. The Land Use and Development Code conditionally permits residential care facilities serving seven or more residents in multifamily zones.

The City is in the process of adding such facilities serving six or fewer residents to the code. The Housing Plan provides a program to define and permit residential care facilities serving six or fewer residents, as mandated by state law.

Senior Group Homes and Facilities

Other forms of housing that may assist disabled persons include senior independent living projects, residential care homes for the elderly, congregate care homes, and convalescent care. Senior independent living projects are permitted through staff review in the A/EQ, R-1, and VR zones. They are conditionally permitted in all multifamily zones. Congregate care and convalescent care homes are conditionally permitted in multifamily and commercial zones. The City's regulations do not pose a constraint to the provision of group homes and similar facilities for seniors.



MARKET CONSTRAINTS

Market constraints to the development of residential housing include the cost of land, the cost of construction, and financing. Unlike past years when the housing market was experiencing a bubble effect, market factors now pose fewer constraints to the development of new housing. Changes in the financial markets, changes in construction material costs, and other factors have all affected the feasibility of developing new housing in Highland. This section discusses land costs, construction costs, and financing issues.

Land Costs

Land costs, when compared with projected rents and sales prices of housing, affect the feasibility of construction. The cost of land is typically a major factor in determining the cost of developing housing. Land costs are influenced by many variables, including supply, demand, location, site constraints, and the availability of public utilities and other infrastructure. In recent years, many developers have purchased overvalued land based on the historic increase in housing prices. With the housing downturn and economic recession, many developers overpaid for the land and can no longer develop the site and make a profit with forecasted sales or rents.

According to August 2012 vacant single-family land sales prices such land in Highland, on average, sells for \$2.85 per square foot. Vacant multifamily land sells, on average, for \$2.93 per square foot. These land prices are in-line or lower than in other cities in San Bernardino County and much lower than typical residential land in Los Angeles and Orange counties.

In addition to the basic cost of land, the holding cost is also a consideration in the price of housing. Holding costs vary depending on interest rates for acquisition and development loans. Interest rates are beyond the control of local jurisdictions. However, land holding costs can be lessened by reducing processing times for building permits in most jurisdictions.

Construction Costs

Construction costs are influenced by the cost of materials. As the softening of the housing market decreases the amount of homes being constructed throughout southern California, the cost of many construction materials have decreased, reflecting the lack of demand. Construction costs will also vary based on the type of material used, structural features present, and project characteristics such as the type and quality of the unit. For example, the increasing worldwide demand for steel has made wood-frame construction significantly



more affordable than steel. The quality and cost of framing and finishing materials may affect the types of development pursued.

Housing construction costs constitute about half the cost of a single-family home. The square footage cost of new housing averages approximately \$110 per square foot for a single-family detached unit and an average of \$60 per square foot for a stacked flat single-family unit (does not include the cost of providing a garage). Apartments of three stories or less achieve an economy of scale, provided that the building has typical amenities and no structured parking. Mobile homes are significantly less expensive, as are precision or factory-built housing products.

Labor costs are generally two to three times the cost of construction materials. With the slowdown in the housing market, however, real wages have also depressed and are significantly more affordable than in the early 2000s. As wage levels are relatively uniform across the Inland Empire, wages are not considered a constraint to the development of housing.

Financing

Construction financing costs also affect the feasibility of building new housing. During the housing boom of the late 1980s, it was not uncommon for developers to receive construction loans for 100% or more of a project's estimated future value. Following the housing market downturn of the early 1990s, however, financial institutions tightened regulations for construction loans, often requiring developers to put up at least 25% of the project value.

This cycle has repeated itself with the housing market boom of the early 2000s. Relaxed lending rules allowed developers to secure a loan with only a nominal equity contribution, interest rates varied from 5 to 7 percent, and downpayments ranged from 0 to 10 percent. With the downturn, however, expected housing prices have significantly declined, lending practices have become more conservative, and interest rates have decreased.

Although there is no hard threshold for how much required upfront equity is too much before a residential project would be infeasible, the higher the proportion of equity required, the more unlikely that a developer would proceed with the project. Not only would it require more up-front cash, but higher equity contribution means a project must be able to achieve an even higher value at completion in order to generate the cash flow needed to meet acceptable cash-on-cash returns. These trends are anticipated to continue during the planning period.



ENVIRONMENTAL CONSTRAINTS

Environmental hazards affecting housing development and resident safety include fire, seismic activity, and flooding. These hazards provide the greatest threat to the built environment. Development should be carefully controlled in potentially hazardous areas. The City of Highland Land Use and Safety Elements, which provide policy guidance about environmental constraints, were adopted in 2006 and cover all of the areas within the land inventory.

Earthquake

Like the entire southern California region, the City of Highland is within an area of high seismic activity. It can be expected, therefore, that a significant seismic event will occur in the City. The timing and magnitude of such an event cannot be predicted, although planning efforts for emergency response must be predicated on the certainty of such an event. North and south branches of the San Andreas Fault, a known active fault, run through Highland. The San Jacinto Fault is approximately 4.5 miles southwest of the City. The City's Safety Element requires residential development to be set back a minimum of 50 feet from active and potentially active fault lines. The Safety Element includes other policies to increase mitigation measures and further study possible geologic- and seismic-related hazards.

Fire

The City of Highland's building codes require new housing to include fire sprinkler systems to protect residents and property. Wildland fires are a present threat, as there large expanses of undeveloped hillsides in and adjacent to Highland. Precautions such as fuel modification zones and vegetation maintenance help protect Highland's natural and developed areas from wildfire. The California Department of Forestry and Fire Protection (CDF) provides fire prevention and suppression services to the City and unincorporated areas east of the City. Additional wildland fire protection services are provided by the US Forest Service on National Forest Lands adjacent to the City.

Flooding

Several areas of Highland are within 100- and 500-year floodplains. Property owners in 100-year floodplains may receive insurance from the Federal Emergency Management Agency's National Flood Insurance Program (NFIP). In return for NFIP offering coverage, the City of Highland regulates new development in flood prone areas to ensure public safety and protection of property. Highland has adopted special standards, such as minimum building elevations, flood proofing, and anchoring, for development in flood-prone areas. Any housing sites identified in the Housing Plan that may be located in a



100- or 500-year floodplain, or other flood hazard zone, will be developed in accordance with strict regulations to properly mitigate flooding hazards.

Energy Conservation

Rising energy costs, dependence on fossil fuels, and increasing evidence of the adverse impacts of global warming have provoked the need in California and nationwide to improve energy management strategies. Although California has always been a leader in energy conservation, recent regulations specifically target energy independence and Greenhouse Gas emissions. In 2006, the State Legislature adopted the Global Warming Solutions Act of 2006, which created the first comprehensive, state regulatory program to reduce GHG emissions to 80% below 1990 levels by 2050. Promoting energy conservation has become a consistent theme in California's regulations.

Highland understands that energy efficiency can greatly reduce the impact of residential development and provide cost savings for its residents. On a regulatory level, the City enforces the State Energy Conservation Standards (California Code of Regulations Title 24). These standards incorporated into the City's Building Code provide a great deal of flexibility for individual builders to achieve a minimum "energy budget" with various performance standards. These requirements apply to all new residential and commercial construction and to remodeling and rehabilitation construction only where square footage is added. Compliance with Title 24 of the California Administrative Code on the use of energy-efficient appliances and insulation has reduced energy demand stemming from new residential development.

Residential development in Highland is evaluated for energy efficiency during the plan review process. Every residential project must submit calculations per model showing compliance with Title 24. The applicant must describe the type of heating system and maximum capacity and provide the make, size, and model number for all air conditioning units, furnaces, and water heating equipment. More energy efficiency could be encouraged through an incentives program.

The City of Highland educates the development community and residents through informative materials made available in public buildings, the City's website, and the General Plan Open Space and Conservation Element. Part of this effort is promoting energy efficiency in existing structures through rehabilitation and appliance replacement and in new development through incentive programs provided by utility companies. The City also has policies that encourage energy conservation and housing objectives. For example, infill development discussed in the Housing Element and Land Use



For additional information on energy conservation, please visit the following websites:

- Southern California Edison – www.sce.com
- The U.S. Department of Energy – www.eere.energy.gov/
- Power Protection – www.powerprotectiononline.org
- The California Energy Commission – www.consumerenergycenter.org
- Energy Star Program – www.energystar.gov
- The Energy Commission – www.energy.ca.gov/efficiency/index.html
- Flex Your Power Official Site – www.flexyourpower.ca.gov
- Southern California Gas Company – www.socalgas.com
- American Institute of Architects – www.aia.org/cote



Element encourage housing development opportunities without creating sprawl. The General Plan update also resulted in the creation of the Corridor Residential (R-2C) zone, a residential district to facilitate the development of midblock infill housing along the City's thoroughfares. The 2006–2014 Housing Element update resulted in the creation of two high density housing designations, permitting housing by-right between 20 and 30 units per acre. These development types are consistent with State goals to encourage compact, walkable, and energy-efficient neighborhoods.

Appendix A: Land Inventory



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LAND INVENTORY

The majority of sites in the Land Inventory are vacant infill sites. However, there are approximately 33 acres of underutilized sites that are available for residential redevelopment.

Underutilized sites 27, 37, 38, 46, 48, and 49 include 7.0 acres of R4 land near Sterling Avenue and 9th Street. The existing uses include two single-family homes built in 1915 and 1952 (of no historic significance), a 10-unit multifamily complex constructed in 1956, a church structure that is no longer in use, and abandoned commercial building. These existing uses are considered ripe for recycling because the scale and quality of the buildings do not reflect the development potential permitted under the current or proposed zoning, and interest from the development community has been brought forward to the City to develop multifamily housing in the southern portion of the site. The owner of sites 46 and adjacent vacant sites has contacted the City and about multifamily housing.



Underutilized sites 66, 75, 84, 86, 87, 148 and 152 consist of 13.6 acres of R4 land near Pacific Avenue and Miller Lane. The existing structures are barns and homes primarily constructed in the 1950s. None of the buildings are of any historic significance. The owners of sites 75, 148, 152, and two adjacent vacant properties have been in contact with the City about higher density residential development opportunities. Surrounding uses include Interstate 210 to the north, single-family residential to the east and south, single-family residential to the west, and is within walking distance of San Andreas High School and a community garden.



Underutilized sites 127, 130, and 134 consist of 6.6 acres of R4 land near Central Avenue and 10th Street. The properties are large lots with decaying single-family homes built in the 1920s. The homes do not have any historical significance. A developer approached the City with a proposal for attached housing on site 127, but did not pursue the project due to the downturn of the housing market.

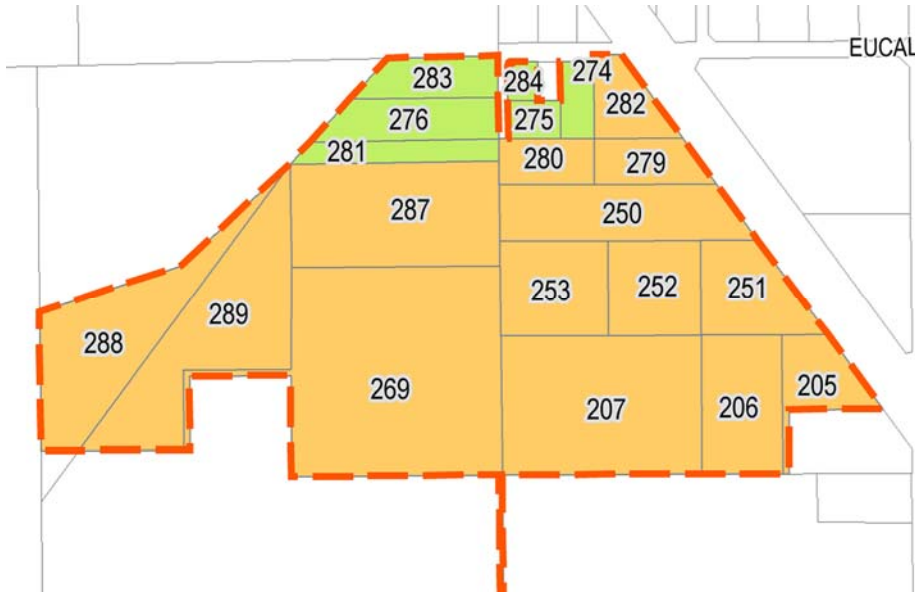


Underutilized sites 274, 275, 276, 281, 282, 283, and 284 include 5.1 acres within the 79-acre High Density Special Overlay in the Golden Triangle Policy Area. The Overlay is generally bound by Greenspot Road on the south, Eucalyptus Avenue on the north, Boulder Avenue on the east, and the City Creek wash basin on the west. The Overlay



8. HOUSING ELEMENT

allows up to 650 multifamily units at a minimum density of 20 units per acre. The Overlay allows multifamily uses permitted by right, without a CUP, specific plan, planned unit development, or other similar discretionary action.



Underutilized site 52 is 1.0 acre zoned for R1. The underutilized parcel was once developed with a drinking and dining establishment that is no longer in use. The structure is required to be demolished through code enforcement proceedings. Adjacent uses include vacant residential to the east and west, single-family residential to the south, and an elementary and junior high school to the north.



Table 8.1A: Land Inventory

<i>Map ID</i>	<i>Acres</i>	<i>Zoning Current/Proposed</i>	<i>General Plan Land Use Current/Proposed</i>	<i>Assumed Density</i>	<i>VL/L</i>	<i>M</i>	<i>AM</i>	<i>Unit Yield</i>
1	0.28	R-1	LD	5	0	0	1	1
2	0.33	R-1	LD	5	0	0	2	2
3	1.04	R-1	LD	5	0	0	5	5
4	0.17	R-1	LD	5	0	0	1	1
5	0.23	R-1	LD	5	0	0	1	1
6	0.21	R-1	LD	5	0	0	1	1
7	0.11	R-1	LD	5	0	0	1	1
8	0.23	R-1	LD	5	0	0	1	1
9	0.25	R-1	LD	5	0	0	1	1
10	0.24	R-1	LD	5	0	0	1	1
11	0.22	R-1	LD	5	0	0	1	1
12	1.00	R-2	MD	10	0	10	0	10
13	0.69	R-1	LD	5	0	0	3	3
14	0.52	R-1	LD	5	0	0	3	3
15	0.21	R-1	LD	5	0	0	1	1
16	0.20	R-1	LD	5	0	0	1	1
17	1.33	R-1	LD	5	0	0	7	7
18	0.23	R-1	LD	5	0	0	1	1
19	0.01	R-1	LD	5	0	0	1	1
20	1.14	R-1	LD	5	0	0	6	6
21	2.21	R-1	LD	5	0	0	11	11
22	2.27	R-1	LD	5	0	0	11	11
23	0.24	R-1	LD	5	0	0	1	1
24	5.86	R-1	LD	5	0	0	29	29
25	0.30	R-1	LD	5	0	0	2	2
26	0.17	R-1	LD	5	0	0	1	1
27	0.22	R-4	RHS	25	6	0	0	6
28	0.33	R-2C	MD	10	0	3	0	3
29	0.12	R-2C	MD	10	0	1	0	1
30	0.21	R-2C	MD	10	0	2	0	2
31	0.13	R-2	MD	10	0	1	0	1
32	3.06	R-4	RHS	25	98	0	0	98
33	0.09	R-1	LD	5	0	0	1	1
34	0.23	R-1	LD	5	0	0	1	1
35	0.23	R-4	RHS	25	8	0	0	8
36	0.45	R-1	LD	5	0	0	2	2
37	3.80	R-4	RHS	25	141	0	0	141

Table 8.1A: Land Inventory

<i>Map ID</i>	<i>Acres</i>	<i>Zoning Current/ Proposed</i>	<i>General Plan Land Use Current/ Proposed</i>	<i>Assumed Density</i>	<i>VL/L</i>	<i>M</i>	<i>AM</i>	<i>Unit Yield</i>
38	0.82	R-4	RHS	25	31	0	0	31
39	1.76	R-4	RHS	25	68	0	0	68
40	0.21	R-2	MD	10	0	2	0	2
41	0.45	R-1	LD	5	0	0	2	2
42	0.23	R-1	LD	5	0	0	1	1
43	0.11	R-1	LD	5	0	0	1	1
44	4.24	R-4	RHS	25	187	0	0	187
45	0.23	R-1	LD	5	0	0	1	1
46	0.71	R-4	RHS	25	33	0	0	33
47	0.32	R-1	LD	5	0	0	2	2
48	0.31	R-4	RHS	25	15	0	0	15
49	1.10	R-4	RHS	25	54	0	0	54
50	0.20	R-1	LD	5	0	0	1	1
51	0.53	R-4	RHS	5	0	0	3	3
52	0.93	R-4	RHS	5	0	0	5	5
53	0.97	R-4	RHS	5	0	0	5	5
54	0.21	R-4	RHS	5	0	0	1	1
55	0.21	R-4	RHS	5	0	0	1	1
56	0.21	R-4	RHS	5	0	0	1	1
57	0.41	R-4	RHS	5	0	0	2	2
58	0.40	R-2	MD	10	0	4	0	4
59	0.16	R-1	LD	5	0	0	1	1
60	0.17	R-1	LD	5	0	0	1	1
61	0.17	R-1	LD	5	0	0	1	1
62	0.25	R-1	LD	5	0	0	1	1
63	0.07	R-1	LD	5	0	0	1	1
64	0.18	R-1	LD	5	0	0	1	1
65	0.55	R-2	MD	10	0	6	0	6
66	0.76	R-4	RHS	25	19	0	0	19
67	0.16	R-1	LD	5	0	0	1	1
68	0.09	R-1	LD	5	0	0	1	1
69	1.51	R-1	LD	5	0	0	8	8
70	0.15	R-1	LD	5	0	0	1	1
71	0.21	PD	PD	12	0	2	0	2
72	0.21	PD	PD	12	0	2	0	2
73	0.17	R-1	LD	5	0	0	1	1
74	0.23	R-1	LD	5	0	0	1	1



Table 8.1A: Land Inventory

<i>Map ID</i>	<i>Acres</i>	<i>Zoning Current/ Proposed</i>	<i>General Plan Land Use Current/ Proposed</i>	<i>Assumed Density</i>	<i>VL/L</i>	<i>M</i>	<i>AM</i>	<i>Unit Yield</i>
75	1.32	R-4	RHS	25	33	0	0	33
76	0.36	VR	HVD	5	0	0	2	2
77	0.22	R-1	LD	5	0	0	1	1
78	0.09	VR	HVD	5	0	0	1	1
79	0.16	R-1	LD	5	0	0	1	1
80	0.09	R-1	LD	5	0	0	1	1
81	0.58	R-2	MD	10	0	6	0	6
82	0.67	R-4	RHS	25	17	0	0	17
83	0.71	R-4	RHS	25	18	0	0	18
84	0.71	R-4	RHS	25	18	0	0	18
85	0.14	VR	HVD	5	0	0	1	1
86	0.35	R-4	RHS	25	9	0	0	9
87	0.66	R-4	RHS	25	16	0	0	16
88	0.41	R-4	RHS	25	10	0	0	10
89	1.98	R-4	RHS	25	49	0	0	49
90	0.35	R-1	LD	5	0	0	2	2
91	0.19	VR	HVD	5	0	0	1	1
92	0.13	R-1	LD	5	0	0	1	1
93	0.30	R-4	RHS	25	8	0	0	8
94	0.15	R-1	LD	5	0	0	1	1
95	0.22	R-1	LD	5	0	0	1	1
96	0.24	R-1	LD	5	0	0	1	1
97	0.21	R-1	LD	5	0	0	1	1
98	0.22	R-1	LD	5	0	0	1	1
99	0.21	R-1	LD	5	0	0	1	1
100	0.17	R-1	LD	5	0	0	1	1
101	0.14	R-1	LD	5	0	0	1	1
102	0.22	R-1	LD	5	0	0	1	1
103	0.23	R-1	LD	5	0	0	1	1
104	0.25	R-1	LD	5	0	0	1	1
105	4.56	R-4	RHS	25	114	0	0	114
106	0.10	R-1	LD	5	0	0	1	1
107	4.57	MU	MU	16	0	37	0	37
108	0.44	R-2	MD	10	0	4	0	4
109	0.16	R-1	LD	5	0	0	1	1
110	0.15	R-1	LD	5	0	0	1	1
111	0.18	R-1	LD	5	0	0	1	1

Table 8.1A: Land Inventory

<i>Map ID</i>	<i>Acres</i>	<i>Zoning Current/ Proposed</i>	<i>General Plan Land Use Current/ Proposed</i>	<i>Assumed Density</i>	<i>VL/L</i>	<i>M</i>	<i>AM</i>	<i>Unit Yield</i>
112	0.15	R-1	LD	5	0	0	1	1
113	0.15	R-1	LD	5	0	0	1	1
114	4.94	R-2C	MD	10	0	49	0	49
115	1.82	R-4	RHS	25	45	0	0	45
116	1.90	R-2C	MD	10	0	19	0	19
117	0.40	R-1	LD	5	0	0	2	2
118	0.16	R-1	LD	5	0	0	1	1
119	0.47	R-1	LD	5	0	0	2	2
120	0.23	R-1	LD	5	0	0	1	1
121	0.12	R-1	LD	5	0	0	1	1
122	2.16	R-1	LD	5	0	0	11	11
123	0.21	R-1	LD	5	0	0	1	1
124	0.25	R-1	LD	5	0	0	1	1
125	0.29	R-1	LD	5	0	0	1	1
126	0.17	R-1	LD	5	0	0	1	1
127	1.74	R-4	RHS	25	43	0	0	43
128	0.69	R-1	LD	5	0	0	3	3
129	0.22	R-2	MD	10	0	2	0	2
130	2.14	R-4	RHS	25	54	0	0	54
131	0.19	R-2C	MD	10	0	2	0	2
132	0.18	R-2C	MD	10	0	2	0	2
133	0.18	R-2C	MD	10	0	2	0	2
134	2.70	R-4	RHS	25	67	0	0	67
135	0.17	R-1	LD	5	0	0	1	1
136	0.18	R-2C	MD	10	0	2	0	2
137	0.18	R-2C	MD	10	0	2	0	2
138	0.09	R-2C	MD	10	0	1	0	1
139	0.22	R-1	LD	5	0	0	1	1
140	0.18	R-1	LD	5	0	0	1	1
141	0.19	R-1	LD	5	0	0	1	1
142	0.16	R-1	LD	5	0	0	1	1
143	0.16	R-1	LD	5	0	0	1	1
144	0.16	R-1	LD	5	0	0	1	1
145	0.18	R-1	LD	5	0	0	1	1
146	0.17	R-1	LD	5	0	0	1	1
147	0.40	R-1	LD	5	0	0	2	2
148	4.91	R-4	RHS	25	123	0	0	123



Table 8.1A: Land Inventory

<i>Map ID</i>	<i>Acres</i>	<i>Zoning Current/ Proposed</i>	<i>General Plan Land Use Current/ Proposed</i>	<i>Assumed Density</i>	<i>VL/L</i>	<i>M</i>	<i>AM</i>	<i>Unit Yield</i>
149	0.17	R-3	HD	16	0	3	0	3
150	0.17	VR	HVD	5	0	0	1	1
151	0.12	VR	HVD	5	0	0	1	1
152	4.92	R-4	RHS	25	123	0	0	123
153	0.23	R-2	MD	10	0	2	0	2
154	0.32	R-1	LD	5	0	0	2	2
155	1.21	R-1	LD	5	0	0	6	6
156	0.70	R-1	LD	5	0	0	4	4
157	1.78	R-1	LD	5	0	0	9	9
158	0.15	R-1	LD	5	0	0	1	1
159	0.15	R-1	LD	5	0	0	1	1
160	22.97	PD	PD	12	0	276	0	276
161	0.25	R-1	LD	5	0	0	1	1
162	0.25	R-1	LD	5	0	0	1	1
163	0.17	R-1	LD	5	0	0	1	1
164	1.38	R-1	LD	5	0	0	7	7
165	0.71	R-1	LD	5	0	0	4	4
166	2.75	A/EQ	AG/EQ	2	0	0	5	5
167	1.88	R-4	RHS	25	47	0	0	47
168	0.33	R-1	LD	5	0	0	2	2
169	0.13	R-1	LD	5	0	0	1	1
170	2.93	R-1	LD	5	0	0	15	15
171	0.15	EHV	LD	5	0	0	1	1
172	0.18	EHV	LD	5	0	0	1	1
173	0.16	R-1	LD	5	0	0	1	1
174	6.96	R-1	LD	5	0	0	35	35
175	0.18	R-1	LD	5	0	0	1	1
176	0.27	R-1	LD	5	0	0	1	1
177	0.21	R-1	LD	5	0	0	1	1
178	0.21	R-1	LD	5	0	0	1	1
179	1.95	R-1	LD	5	0	0	10	10
180	1.27	R-1	LD	5	0	0	6	6
181	2.41	PD	PD	12	0	29	0	29
182	0.57	R-1	LD	5	0	0	3	3
183	9.87	A/EQ	AG/EQ	2	0	0	20	20
184	0.17	R-4	RHS	25	4	0	0	4
185	0.16	R-4	RHS	25	4	0	0	4

Table 8.1A: Land Inventory

<i>Map ID</i>	<i>Acres</i>	<i>Zoning Current/ Proposed</i>	<i>General Plan Land Use Current/ Proposed</i>	<i>Assumed Density</i>	<i>VL/L</i>	<i>M</i>	<i>AM</i>	<i>Unit Yield</i>
186	0.16	R-4	RHS	25	4	0	0	4
187	0.56	PD	PD	12	0	7	0	7
188	0.18	R-1	LD	5	0	0	1	1
189	0.15	R-1	LD	5	0	0	1	1
190	0.14	R-2C	MD	10	0	1	0	1
191	0.17	R-2C	MD	10	0	2	0	2
192	4.49	MU	MU	16	0	36	0	36
193	0.17	R-2C	MD	10	0	2	0	2
194	0.81	R-4	RHS	25	20	0	0	20
195	0.17	R-4	RHS	25	4	0	0	4
196	0.17	R-4	RHS	25	4	0	0	4
197	0.42	R-2C	MD	10	0	4	0	4
198	0.16	R-1	LD	5	0	0	1	1
199	0.98	PD	PD	12	0	12	0	12
200	0.15	R-1	LD	5	0	0	1	1
201	0.32	R-1	LD	5	0	0	2	2
202	0.15	R-1	LD	5	0	0	1	1
203	0.16	R-1	LD	5	0	0	1	1
204	1.35	MU	MU	16	0	11	0	11
208	10.04	A/EQ	AG/EQ	2	0	0	20	20
209	9.97	A/EQ	AG/EQ	2	0	0	20	20
210	8.95	A/EQ	AG/EQ	2	0	0	18	18
211	9.88	A/EQ	AG/EQ	2	0	0	20	20
212	4.94	A/EQ	AG/EQ	2	0	0	10	10
213	4.94	A/EQ	AG/EQ	2	0	0	10	10
214	4.75	R-1	LD	5	0	0	24	24
215	0.17	R-1	LD	5	0	0	1	1
216	1.42	R-1	LD	5	0	0	7	7
217	0.22	R-1	LD	5	0	0	1	1
218	0.21	R-1	LD	5	0	0	1	1
219	0.75	R-1	LD	5	0	0	4	4
220	0.22	R-1	LD	5	0	0	1	1
221	0.22	R-1	LD	5	0	0	1	1
222	0.17	R-1	LD	5	0	0	1	1
223	0.11	R-1	LD	5	0	0	1	1
224	0.29	R-1	LD	5	0	0	1	1
225	0.30	R-1	LD	5	0	0	2	2



Table 8.1A: Land Inventory

<i>Map ID</i>	<i>Acres</i>	<i>Zoning Current/ Proposed</i>	<i>General Plan Land Use Current/ Proposed</i>	<i>Assumed Density</i>	<i>VL/L</i>	<i>M</i>	<i>AM</i>	<i>Unit Yield</i>
226	0.30	R-1	LD	5	0	0	2	2
227	0.16	R-1	LD	5	0	0	1	1
228	0.15	R-1	LD	5	0	0	1	1
229	0.20	R-1	LD	5	0	0	1	1
230	2.00	PD	PD	12	0	24	0	24
231	0.17	R-1	LD	5	0	0	1	1
232	0.66	R-1	LD	5	0	0	3	3
233	0.17	R-1	LD	5	0	0	1	1
234	0.17	R-1	LD	5	0	0	1	1
235	3.06	A/EQ	AG/EQ	2	0	0	6	6
236	0.18	R-1	LD	5	0	0	1	1
237	0.27	R-1	LD	5	0	0	1	1
238	0.26	R-1	LD	5	0	0	1	1
239	0.26	R-1	LD	5	0	0	1	1
240	4.46	R-1	LD	5	0	0	22	22
241	0.37	R-4	RHS	25	9	0	0	9
242	0.44	R-1	LD	5	0	0	2	2
243	2.44	R-4	RHS	25	61	0	0	61
244	1.66	A/EQ	AG/EQ	2	0	0	3	3
245	1.18	R-1	LD	5	0	0	6	6
246	4.19	PD	PD	12	0	50	0	50
247	1.23	R-4	RHS	25	31	0	0	31
248	1.52	A/EQ	AG/EQ	2	0	0	3	3
249	1.00	PD	PD	12	0	12	0	12
254	3.35	R-1	LD	5	0	0	17	17
255	0.19	R-1	LD	5	0	0	1	1
256	0.19	R-1	LD	5	0	0	1	1
257	0.19	R-1	LD	5	0	0	1	1
258	0.19	R-1	LD	5	0	0	1	1
259	0.19	R-1	LD	5	0	0	1	1
260	0.19	R-1	LD	5	0	0	1	1
261	0.19	R-1	LD	5	0	0	1	1
262	0.19	R-1	LD	5	0	0	1	1
263	0.19	R-1	LD	5	0	0	1	1
264	0.19	R-1	LD	5	0	0	1	1
265	0.19	R-1	LD	5	0	0	1	1
266	0.19	R-1	LD	5	0	0	1	1



8. HOUSING ELEMENT

Table 8.1A: Land Inventory								
<i>Map ID</i>	<i>Acres</i>	<i>Zoning Current/ Proposed</i>	<i>General Plan Land Use Current/ Proposed</i>	<i>Assumed Density</i>	<i>VL/L</i>	<i>M</i>	<i>AM</i>	<i>Unit Yield</i>
267	1.62	R-1	LD	5	0	0	8	8
268	0.19	R-1	LD	5	0	0	1	1
270	10.29	R-1	LD	5	0	0	51	51
271	1.96	R-1	LD	5	0	0	10	10
272	0.21	R-1	LD	5	0	0	1	1
273	1.04	R-1	LD	5	0	0	5	5
277	0.88	R-1	LD	5	0	0	4	4
278	10.20	R-1	LD	5	0	0	51	51
285	0.35	R-2	MD	10	0	3	0	3
286	0.37	R-2	MD	10	0	4	0	4
290	0.24	R-1	LD	5	0	0	1	1
291	0.24	R-1	LD	5	0	0	1	1
292	0.19	R-1	LD	5	0	0	1	1
293	0.19	R-1	LD	5	0	0	1	1
294	0.19	R-1	LD	5	0	0	1	1
295	0.19	R-1	LD	5	0	0	1	1
296	0.19	R-1	LD	5	0	0	1	1
297	0.19	R-1	LD	5	0	0	1	1
298	0.19	R-1	LD	5	0	0	1	1
299	0.20	R-1	LD	5	0	0	1	1
300	0.18	R-1	LD	5	0	0	1	1
301	0.18	R-1	LD	5	0	0	1	1
302	0.18	R-1	LD	5	0	0	1	1
303	0.24	R-1	LD	5	0	0	1	1
304	0.24	R-1	LD	5	0	0	1	1
305	0.24	R-1	LD	5	0	0	1	1
306	0.24	R-1	LD	5	0	0	1	1
307	0.25	R-1	LD	5	0	0	1	1
308	0.20	R-1	LD	5	0	0	1	1
309	0.20	R-1	LD	5	0	0	1	1
205	1.35	PD/HDS	PD					
206	2.54	PD/HDS	PD					
207	6.29	PD/HDS	PD					
250	3.05	PD/HDS	PD					
251	2.00	PD/HDS	PD					
252	2.00	PD/HDS	PD					
253	2.34	PD/HDS	PD	25	650	0	0	650



Table 8.1A: Land Inventory

<i>Map ID</i>	<i>Acres</i>	<i>Zoning Current/Proposed</i>	<i>General Plan Land Use Current/Proposed</i>	<i>Assumed Density</i>	<i>VL/L</i>	<i>M</i>	<i>AM</i>	<i>Unit Yield</i>
269	10.39	PD/HDS	PD					
274	0.58	PD/HDS	PD					
275	0.45	PD/HDS	PD					
276	1.63	PD/HDS	PD					
279	1.10	PD/HDS	PD					
280	1.00	PD/HDS	PD					
281	0.98	PD/HDS	PD					
282	1.10	PD/HDS	PD					
283	1.19	PD/HDS	PD					
284	0.26	PD/HDS	PD					
287	4.95	PD/HDS	PD					
288	4.11	PD/HDS	PD					
289	5.00	PD/HDS	PD					
Total	351.26	--	--	--	2,012	639	725	3,375

Source: City of Highland, 2012.

Note: Gray italicized text denotes underutilized properties.

Sites 205–207, 250–253, 269, 247–276, 279, 280–284, and 287–289 are in the HDS Overlay, which allows up to 650 units between 20 and 30 units per acre to be developed anywhere within the 52.3-acre Overlay.