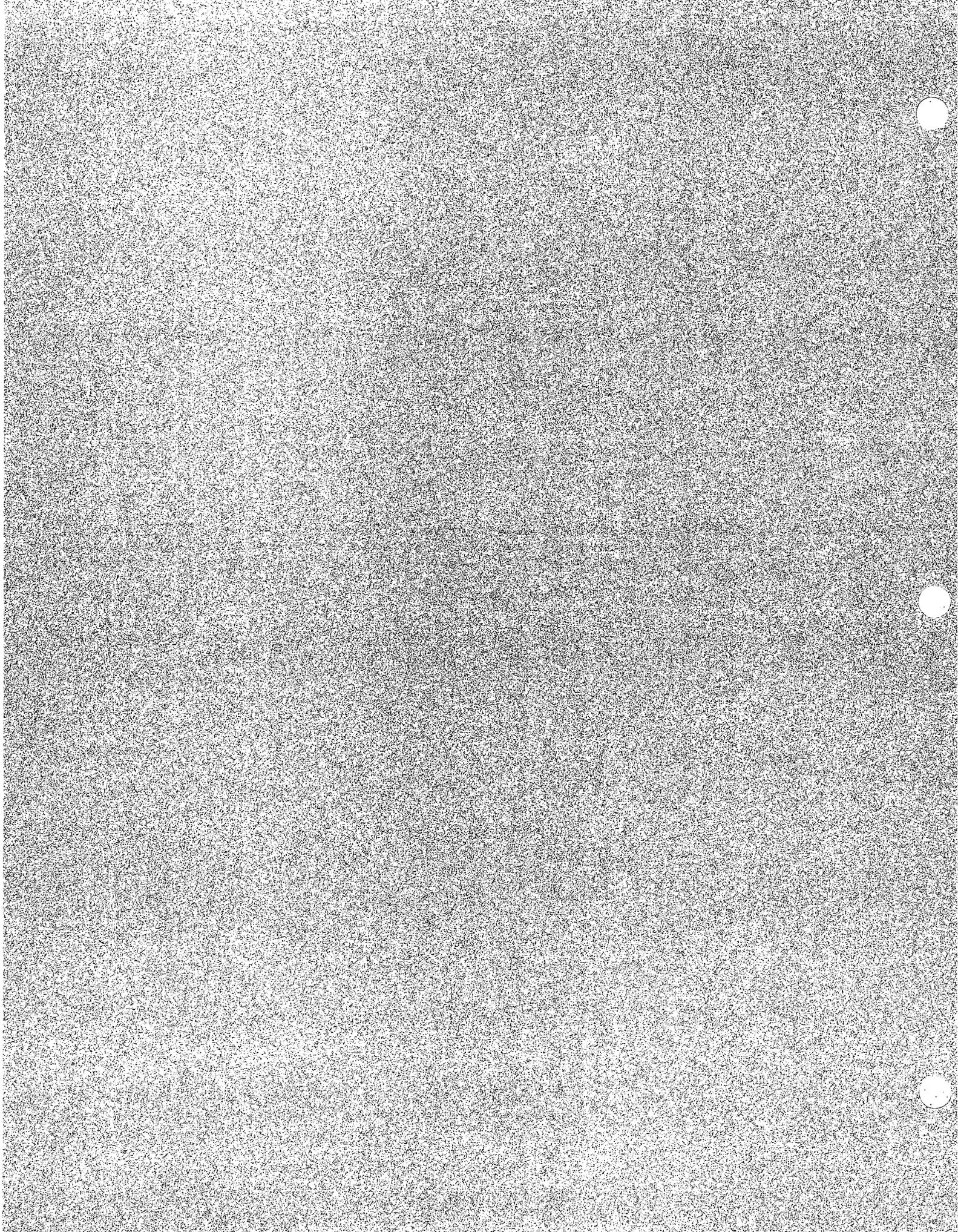
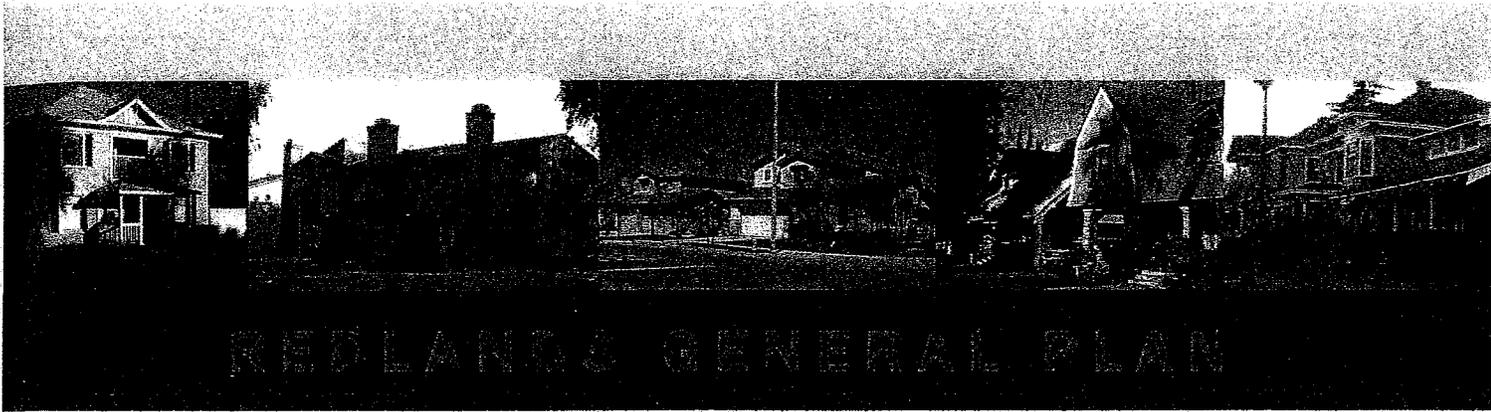


6.0 HOUSING ELEMENT SUMMARY

REDLANDS GENERAL PLAN





HOUSING ELEMENT

CITY OF REDLANDS

Adopted
April 6, 2010

Certified by HCD
May 25, 2010

CITY OF REDLANDS

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April 2010

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1 Introduction

1.1 PURPOSE AND SCOPE OF THE HOUSING ELEMENT

The Housing Element, a component of The City of Redlands' General Plan, presents a comprehensive set of housing policies and actions for the years 2006 through 2014. It builds on an assessment of the City's housing needs, and provides an evaluation of housing programs, available land and constraints on housing production. New initiatives proposed to address housing production and affordability in Redlands include:

- Rezoning housing sites in Downtown to allow for higher density and facilitate the development of units affordable to very low- and low-income households;
- Launching a second unit public awareness campaign;
- Exploring mixed-use development possibilities for Redlands passenger rail stations; and
- Starting a historic rehabilitation program that could benefit lower income households.

The State requires an update of a jurisdiction's Housing Element every five years. However, the Office of Housing and Community Development (HCD) granted the Southern California Association of Governments (SCAG) a two-year extension. Thus, this Housing Element spans eight and a half years, from January 1, 2006 to June 30, 2014.

Redlands' previous Housing Element was written to cover the years 1998 through 2005 to comply with State law and the Regional Housing Needs Assessment (RHNA) published by the SCAG. The RHNA quantifies the need for housing in each jurisdiction in a six-county area, including the City of Redlands. The next RHNA should be published by the SCAG sometime in 2013 and will take effect July 1, 2014.

The housing element is required by State law to include:

- An assessment of existing housing needs—with an analysis of housing affordability, conditions, special needs and affordable units at-risk of converting to market-rate—as well as projected needs as laid out in the RHNA;
- A detailed sites inventory and analysis that evaluates the jurisdiction's ability to accommodate its RHNA;
- An analysis of constraints on housing in the jurisdiction;
- Housing programs that identify adequate sites to accommodate the city's share of the regional housing need; assisting in the development of housing for very low- and low-income households; removing or mitigating governmental constraints to affordable housing; conserving and improving the existing affordable housing stock; promoting equal housing opportunity; and, preserving the at-risk units identified; and
- Quantified objectives that estimate the maximum number of units, by income level, to be constructed, rehabilitated and conserved over the planning period of the element.

Please see Appendix A for a complete summary of State law requirements and where these requirements are addressed in this Housing Element.

1.2 RELATIONSHIP TO OTHER GENERAL PLAN ELEMENTS

The housing element must be consistent with the other elements in a City's General Plan. Redlands' first comprehensive General Plan was adopted in 1995, and has been amended several times since. The Housing Element has been comprehensively updated as part of the SCAG cycles. This Housing Element is consistent with the other elements in the City's current General Plan.

A comprehensive update of the General Plan was recently initiated, and is expected to take about three years to accomplish. The update may result in changes to land use designations and potentially provide additional sites for residential development; if necessary, the housing sites inventory in the Housing Element will be updated at the time of adoption of the new General Plan to ensure internal consistency.

1.3 INFORMATION SOURCES

The information for this Housing Element Update came from a variety of sources. These include: the U.S. Census (2000), the American Community Survey (2006), the California Department of Finance, the California Housing Partnership Corporation, and various City databases and other sources.

1.4 PUBLIC OUTREACH

Outreach for the Housing Element (and other General Plan elements) began in October 2006. This involved engaging the community in identification of planning issues and goals that the City seeks to achieve in the next 20 years. Involving a diversity of people in Redlands in the planning process was accomplished using a multi-pronged public participation program, including:

- Two workshops with the City Council and the Planning Commission;
- Stakeholder interviews involving 66 people—representing residents, local businesses and employers, institutions, open space advocates, neighborhood associations, residential developers, homeless advocates, and historic and environmental concerns—who participated in focused meetings on planning topics;
- A public workshop attended by approximately 60 community members, conducted on March 22, 2006, 7:00 – 9:00 p.m. at the Joslyn Senior Center; and
- A mail-in survey—sent to one in four residential addresses—allowing participation by people unable to attend the public workshop or other meetings. A total of 670 completed surveys were returned, representing a response rate of ten percent.

The results of these efforts were compiled in the Report on Redlands Community Vision, created by the consulting firm Dyett & Bhatia for the City. In terms of housing, residents and

stakeholders expressed a desire to see new multi-family housing in Downtown as part of mixed-use, transit-oriented development. In fact, stakeholders saw this “downtown revitalization” as integral to the City’s economic development strategy. Some stakeholders expressed concern regarding the dwindling supply of housing affordable to middle-income households and the effect this has on younger residents’ ability to continue to live in Redlands. Employers pointed to the lack of affordable housing as the primary impediment to employee attraction and retention. In these housing discussions, people talked about the necessity of having a variety of housing to meet the community’s diverse resources and needs. Comments received during the public participation process were used to identify housing element priorities and identify new programs, as well as tailor existing programs, to better serve the community.

The City has posted the revised Draft Element on its website, and has sent a mailer to interest groups and housing advocates. Hearings to adopt the Housing Element have also been advertised.

FURTHER HOUSING OUTREACH

From January to March 2008, planners from Dyett & Bhatia conducted further interviews with housing and homeless service providers in San Bernardino County and in Redlands. Staff from the Housing Authority of San Bernardino County (which runs the public housing and Section 8 Housing Choice Voucher programs), the Family Service Association of Redlands, the Inland Empire United Way, and Neighborhood Housing Services were consulted.¹ Some spoke of the need for more emergency shelters in the county, as well as more services for the homeless. Given the housing foreclosure crisis that started in 2007, service providers and advocates described how many residents in the county are in danger of losing their homes, or have already lost them. For this reason, some providers advocated for homeownership education and assistance to those in danger of losing their homes. Given current conditions, at least for the next few years, and possibly longer, affordable housing and homeless services will likely be in even greater demand in Redlands and the county as a whole.

¹ Email with Cheryl Heesen, Executive Director, Redlands Family Service Association (1-31-08); Email with Alison Crawford, Director, Administrative Services, Housing Authority of San Bernardino County (2-1-08); Email and phone conversation with Gary Madden, 2-1-1 Director, Inland Empire United Way (2-29-08), and Phone conversation with Helen Moore, Executive Director, Neighborhood Housing Services (3-4-08).

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2 Housing Needs Assessment

2.1 POPULATION AND DEMOGRAPHICS

POPULATION GROWTH

Since its incorporation in 1888, Redlands has grown rapidly, along with the surrounding areas of San Bernardino County. As shown in Table 2.1-1, Redlands' population grew by steady double digits each decade through most of the twentieth century, and has more than tripled since 1950. This rapid growth coincides with the conversion of former citrus groves to residential and other uses and, in turn, a shift in the economic base of the community from predominantly agricultural to service-related industries. As of 2006, it is estimated that Redlands' population was 73,273, according to a U.S. Census Bureau estimate,¹ or about 3.7 percent of the San Bernardino County population in that year. An alternative estimate by the California Department of Finance (DOF) estimated the city's population to be 71,375 as of July 1, 2007.²

Table 2.1-2 compares recent population growth in Redlands and San Bernardino County since 1980. Overall, the county's population growth rate has far exceeded that of the city's, due primarily to its larger scale and amount of developable land. For a variety of reasons, including general economic conditions and the urbanizing character of western San Bernardino County, the rate of growth in both areas slowed significantly during the 1990s, particularly in the city of Redlands. But according to American Community Survey estimates, the city's rate of population growth since 2006 (about 16%) is much closer to the growth rate in the county (about 17%).

¹ The 2006 estimate from the U.S. Census Bureau's new annual American Community Survey (ACS) is based on responses to a questionnaire administered to a small, but scientific sample of households. It provides point estimates, but within error margin ranges that are larger than the error margins around decennial census counts. For example, the error margin around the Redlands population estimate for 2006 is +/- 7,255. Despite its relatively large error margins, the ACS data are the best source of post-2000 census data that are available at this time.

² The DOF estimate is based on net changes in housing stock as reported by the City of Redlands, combined with assumptions about vacancy rate and persons per household. The DOF estimates are adjusted retroactively once the next U.S. census is conducted. For consistency with other data that are available from the 2006 American Community Survey, the ACS population estimate for the city is used in this report rather than the DOF estimate.

Table 2.1-1: Redlands Population Since Incorporation 1888-2007

<i>Year</i>	<i>Population</i>	<i>Percent Increase</i>
1888 ¹	1,000	N/A
1900	4,797	379.7
1910	10,440	117.6
1920	9,874	(5.4)
1930	14,162	43.4
1940	14,324	1.1
1950	18,429	28.7
1960	26,829	45.6
1970	36,355	35.5
1980	43,619	20.0
1990	60,394	38.5
2000	63,591	5.0
2007	73,573	15.7

1. Date of Incorporation for City of Redlands.

Sources: U.S. Census, each decade; 2006 American Community Survey.

Table 2.1-2: City and County Population Trends 1980-2006

<i>Jurisdiction</i>	<i>1980</i>	<i>1990</i>	<i>Percent Increase 1980-90</i>	<i>2000</i>	<i>Percent Increase 1990-00</i>	<i>2006</i>	<i>Percent Increase 2000-06</i>
City of Redlands	43,619	60,394	38.5	63,591	5.3	73,573	15.7
San Bernardino County	895,016	1,418,380	58.5	1,709,648	20.5	1,999,332	16.9

Sources: 1980, 1990 and 2000 U.S. Census; American Community Survey, 2006.

RACE AND ETHNICITY

Table 2.1-3 shows that the racial and ethnic characteristics of Redlands have remained essentially the same since 2000, the only recent time periods for which census categories are defined in the same way.³ Whites comprise just over three-quarters (76%) of Redlands' population, whereas this group represents just under two-thirds (62%) of the San Bernardino population. Compared to Redlands, the county also has a higher percentage of Blacks/African-Americans (9% vs. 4%) and those identifying as other races (18% vs. 10%). More significantly, the county has just over twice the proportion of its population who are Hispanic/Latino than the city (46% vs. 22%).

Table 2.1-3: Redlands Race & Ethnicity, 2000 and 2006; San Bernardino County, 2006¹

<i>Race/Ethnicity</i>	<i>Redlands, 2000</i>		<i>Redlands, 2006</i>		<i>San Bernardino County, 2006</i>	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
American Indian/Alaskan Native	597	0.9	505	0.7	16,230	0.8
Asian	3,257	5.1	4,357	5.9	117,622	5.9
Black/African-American	2,739	4.3	2,987	4.1	180,523	9.0
Native Hawaiian/Other Pacific Islander	146	0.2	48	0.1	5,682	0.3
White	46,858	73.7	55,911	76.0	1247,259	62.4
Other	7,204	11.3	7,424	10.1	365,931	18.3
Two or More Races	2790	4.4	2,341	3.2	66,085	3.3
Total	63,591	100.0	73,573	100.0	1,999,332	100.0
Hispanic/Latino ²	15,304	24.1	16,388	22.2	918,706	45.9

¹Estimates based on a scientific sample with error margins that exceed those in the decennial census counts.

²Persons of Hispanic/Latino ethnicity may be of any race.

Sources: 2000 U.S. Census; 2006 American Community Survey.

³ Significant changes were made between the 1990 and 2000 regarding how the Census Bureau asked people to report their race and ethnic origin. While the Bureau asked people to report their race and whether or not they were Spanish, Hispanic, or Latino in 1990, in 2000, this question was moved to a more prominent place in the census. Furthermore, whereas people could only mark one race in the 1990 Census, the 2000 Census allowed people to mark one or more races.

"Census 2000 Brief: Overview of Race and Hispanic Origin." March 2001.
<http://www.census.gov/prod/2001pubs/cenbr01-1.pdf>

AGE CHARACTERISTICS

The city's combined pre-school (0-4 years old) and school-age (5-19 years old) population percentage remained about the same between 1990 and 2006 (about 30%), as did its young adult population (20-24 years old) at about seven percent, as shown in Table 2.1-4. In 2006, the 25-34 year-old percentage of the population declined to about 29 percent of the population from 33 percent in 1990. Forty-five to 64 year-olds increased their percentage (to 24% in 2006 from 17% in 1990), though the percentage of those age 65 and older declined about 2 percent between 1990 and 2006.

Overall, the median age of the city's population increased by about one year between 1990 and 2000 (to 35 from 34 years old). Given the general aging of the U.S. population, the apparent decline in the median age in 2006 (to about 33) may be a statistical artifact. Whether the city's population will continue to get older on average depends, in part, on the desire of current residents to remain in the city as they age and the availability of housing and support services that meet their changing needs. It should be noted that in recent years many senior housing and assisted living developments have been built in the city (see Chapter 3).

Table 2.1-4: Redlands Population Age Characteristics 1990, 2000 and 2006

Age Range	1990		2000		2006	
	Number	Percent	Number	Percent	Number	Percent
0-4	4,573	7.6	3,964	6.2	4,788	6.5
5-14	9,166	15.2	9,698	15.3	10,347	14.1
15-19	4,369	7.2	5,231	8.2	7,440	10.0
20-24	4,720	7.8	4,554	7.2	4,873	6.6
25-34	10,199	16.8	8,254	13.0	10,129	13.8
35-44	9,613	16.2	9,498	14.9	11,034	15.0
45-54	6,472	10.1	9,043	14.2	10,627	14.4
55-64	4,433	7.2	5,368	8.4	7,033	9.6
65 +	7,115	11.9	7,981	12.6	7,302	9.9
Total	60,394	100.00	63,591	100.0	73,573	100.0
Median Age		34.0		35.1		33.8

¹Estimates based on a scientific sample with error margins that exceed those in the decennial census counts.

Sources: 1990 and 2000 U.S. Census; 2006 American Community Survey.

EDUCATIONAL ATTAINMENT

As of 2006, about 9 in 10 (92%) Redlands residents age 25 and older had graduated from high school and just under 4 in 20 (39%) had a bachelor's degree or higher. These rates of educational attainment are much higher than in San Bernardino County as a whole, where 77 percent were at least high school graduates and 17 percent had a bachelor's degree or higher. These educational attainment statistics are shown in Table 2.1-5.

Table 2.1-5: Educational Attainment in Redlands and San Bernardino County, 2000 and 2006

Education Received	Redlands, 2000		Redlands, 2006		San Bernardino County, 2006	
	Number	Percent	Number	Percent	Number	Percent
Less than 9th Grade	1,974	4.9	883	1.9	126,279	10.7
9th-12th Grade, no diploma	3,409	8.5	2,743	5.9	150,170	12.7
High School Graduate	7,344	18.2	9,736	21.1	337,838	28.7
Some College, No Degree	10,292	25.6	9,873	21.4	264,655	22.5
Associate's Degree	3,071	7.6	4,806	10.4	95,201	8.1
Bachelor's Degree	7,586	18.8	11,404	24.7	138,357	11.7
Graduate/Professional Degree	-	-	-	-	-	-
Total, Age 25 and Older	40,274	100.0	46,125	100.0	1,178,619	100.0
High School Graduate or Higher	34,891	86.6	42,499	92.1	902,170	76.5
Bachelor's Degree or Higher	14,184	35.2	18,084	39.2	204,476	17.3

Sources: 2000 U.S. Census; 2006 American Community Survey.

SCHOOL ENROLLMENT

Total school enrollment in Redlands in 2006 was 25,343, including both public and private schools. Nursery and pre-schools accounted for seven percent of the total, kindergartens about four percent, elementary/middle schools about 32 percent, high schools about 25 percent and colleges and graduate schools about 33 percent. By comparison, as shown in Table 2.1-6, the county as a whole had somewhat lower percentages in nursery and pre-schools (about 5%) and in college or graduate schools (23%), but somewhat higher percentages in kindergartens (5%) and in elementary/middle schools (43%).

Table 2.1-6: School Enrollment in Redlands and San Bernardino County, 2000 and 2006

<i>School Level</i>	<i>Redlands, 2000</i>		<i>Redlands, 2006</i>		<i>San Bernardino County, 2006</i>	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
Nursery/Pre-School	1,027	5.0	1,764	7.0	30,202	4.8
Kindergarten	770	3.8	889	3.5	30,621	4.9
Elementary School (grades 1-8)	8,021	39.3	8,085	31.9	268,102	42.9
High School (grades 9-12)	3,983	19.5	6,277	24.8	150,795	24.1
College or Graduate School	6,584	32.3	8,328	32.9	145,573	23.3
Population Age 3 or Older and Enrolled in School	20,385	100.0	25,343	100.0	625,293	100.0

Sources: 2000 U.S. Census; 2006 American Community Survey.

POPULATION STABILITY

Table 2.1-7 shows that about half of the population in Redlands occupied the same house for the five years preceding the 2000 Census, and about half moved to Redlands from another location during that time period. Of the in-movers from elsewhere in the U.S., about two-thirds (65%) moved from another location within San Bernardino County, about one-quarter (23%) moved from somewhere else in California, and the remainder (11%) moved from another part of the U.S. About two percent moved from outside the U.S. In San Bernardino County as a whole, a somewhat lower proportion remained in the same house (48%), and a higher percentage relocated from elsewhere in California (30%). Comparable data for 2006 are not available.

Table 2.1-7: Residence in 1995 vs. 2000 in Redlands and San Bernardino County, 2000

<i>Location of Residence in 1995</i>	<i>Redlands, 2000</i>		<i>San Bernardino County, 2006</i>	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
Same House in 1995	30,298	50.8	756,283	48.2
Different House in the U.S. in 1995	28,013	46.9	769,914	49.1
Same County	18,278	30.6	468,659	29.9
Different County	9,735	16.3	301,255	19.2
Same State	6,528	10.9	229,707	14.6
Different State	3,207	5.4	71,548	4.6
Elsewhere in 1995	1,384	2.3	42,528	2.7
Population Age 5 and Older	59,695	100.0	1,568,725	100.0

Sources: 2000 U.S. Census; 2006 American Community Survey.

2.2 HOUSEHOLD AND FAMILY TYPES

HOUSEHOLD TYPES

In 2006, there were 25,909 households in Redlands, representing an 8.9 percent increase in the number of households since 2000, as shown in Table 2.2-1. Families made up two-thirds (67%) of Redlands' households in 2006, which is about the same percentage as in 2000 (68%). "Families" include married couples (49% of households in 2006) and other family types, such as single parents with children (18% of households in 2006).

Non-family households accounted for the other one-third of all households in the city in 2006. Most of the non-family households were single-person households (25% of all households) and about eight percent were households with more than one person in which the household members were unrelated to one another. In the county as a whole in 2006, there was a larger percentage of family households (77%) and a smaller percentage of single-person households (18%). This could be due to the presence of the University of Redlands and the resulting student population residing in the city.

About 41 percent of Redlands households included people age 18 or younger and about 17 percent included some age 65 or older. In the county, the corresponding percentages were 49 percent (children) and 19 percent (seniors).

Table 2.2-1: Household Composition in Redlands and San Bernardino County, 2000 and 2006

Household Type	Redlands, 2000		Redlands, 2006		San Bernardino County, 2006	
	Number	Percent	Number	Percent	Number	Percent
Families	16,027	67.9	17,286	66.7	456,647	77.1
Married Couple	11,933	50.6	12,719	49.1	323,913	54.7
Other Families	4,094	17.4	4,567	17.6	132,734	22.4
Non-Family Households	7,566	32.1	8,623	33.3	136,003	22.9
Living Alone	6,143	26.0	6,547	25.3	107,230	18.1
Other Non-Family Households	1,423	6.0	2,076	8.0	28,773	4.9
Households with Children <18	8,704	36.9	10,636	41.1	291,544	49.2
Households with Individuals 65+	5,505	23.3	4,444	17.2	109,657	18.5
Total Households	23,593	100.0	25,909	100.0	592,650	100.0
Average Household Size	2.61	NA	2.73	NA	3.30	NA
Average Family Size	3.18	NA	3.34	NA	3.75	NA

Sources: 2000 U.S. Census; 2006 American Community Survey.

HOUSEHOLD AND FAMILY SIZES

As also shown in Table 2.2-1, the average non-family household size in Redlands was 2.73 in 2006, which is an increase of four percent since 2000, when the average was 2.61. By comparison, the average household size in San Bernardino County in 2006 was 3.30. The

average family household size in Redlands in 2006 was 3.34, which is a five percent increase from 2000. In the county, the average family size in 2006 was 3.75.

OVERCROWDING

The U.S. Census Bureau defines an “overcrowded” household as one in which there is more than 1.01 persons per room; a household with 1.50 or more people per room is considered severely overcrowded. While these definitions do not take cultural and other considerations into account, they do provide a basic standard of analysis. By these definitions, only 786 (3%) of Redlands’ households were overcrowded in 2006, and only 49 severely overcrowded (0.2%). This appears to represent an improvement over conditions in 2000, when 1,669 units were determined to be overcrowded. The county as a whole had a larger percentage of overcrowded units in 2006 (8%). These patterns are shown in Table 2.2-2.

Table 2.2-2: Household Overcrowding in Redlands and San Bernardino County, 2000 and 2006

Occupants per Room	Redlands, 2000		Redlands, 2006		San Bernardino County, 2006	
	Number	Percent	Number	Percent	Number	Percent
Less than 1.0	22,000	92.9	25,123	97.0	545,203	92.0
1.01 to 1.50	873	3.7	737	2.8	37,594	6.3
1.51 or More	796	3.4	49	0.2	9,853	1.7
Total Households	23,669	100.0	25,909	100.0	592,650	100.0

Sources: 2000 U.S. Census; 2006 American Community Survey.

2.3 EMPLOYMENT CHARACTERISTICS

LABOR FORCE SIZE AND DISTRIBUTION

The city’s “labor force” is the number of residents who are age 16 or older who are employed or unemployed, but actively seeking work. They include residents who may be employed in Redlands or elsewhere. The members of the labor force who are employed in non-military jobs are referred to as the “civilian labor force.”

Table 2.3-1 summarizes the Redlands and San Bernardino County labor force characteristics. It shows that the city had a larger labor force participation rate in 2006 (68%) than the county as a whole (63%), and that the city had nearly all of its labor force in the civilian sector rather than in the military. About five percent of both the city’s and the county’s civilian labor force was unemployed. Females accounted for just over one-third (36%) of the city’s labor force and about one-quarter (27%) of the county’s labor force, and in both cases their respective unemployment rates were higher than for the overall labor force (7% in the city and 8% in the county).

Table 2.3-1: Labor Force Characteristics in Redlands and San Bernardino County, 2000 and 2006

	<i>Redlands, 2000</i>		<i>Redlands, 2006</i>		<i>San Bernardino County, 2006</i>	
	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>	<i>Number</i>	<i>Percent</i>
In the Labor Force	32,031	65.2	38,739	68.4	931,725	63.1
Civilian Labor Force	31,985	65.1	38,665	68.2	920,594	62.4
Employed	29,942	61.0	35,592	62.8	853,493	57.8
Unemployed	2,043	4.2	3,073	5.4	67,101	4.5
Armed Forces Employment	46	0.1	74	0.1	11,131	0.8
Not in the Labor Force	17,068	34.8	17,919	31.6	543,731	36.9
					1,475,456	
Total Age 16 and Older	49,099	100.0	56,658	100.0	6	100.0
Females Age 16 and Older	26,567		32,995		743,405	
Females in the Labor Force	15,416	31.4	20,467	36.1	401,938	27.2
Female Civilian Labor Force	15,394	31.4	20,467	36.1	401,330	27.2
Employed	14,286	29.1	19,082	33.7	367,846	24.9
Unemployed	1,108	2.3	1,385	2.4	33,484	2.3

Sources: 2000 U.S. Census; 2006 American Community Survey.

CIVILIAN EMPLOYMENT PROFILE

The occupational profile of the city's civilian labor force is significantly different from the county labor force, as shown in Table 2.3-2. For example, about 45 percent of employed residents in Redlands work in management, professional and related occupations, 17 percent in sales and office occupations, and 14 percent in service occupations. In the county, the top three occupations are sales and office (27%), management, professional and related (17%) and service occupations (17%). Redlands also has a larger percentage of its civilian labor force employed in the public sector, and thus a smaller percentage of private wage earners than in the county as a whole. Consistent with the occupational profile, Redlands' labor force is more heavily concentrated in the professional, scientific, management and administrative industry sectors of the economy (33%) than is the county's labor force (20%). On the other hand, the county has larger percentages of its civilian labor force in manufacturing (11%), construction (10%), and transportation and warehousing (8%) than does the city.

Table 2.3-2: Civilian Labor Force Employment Characteristics in Redlands and San Bernardino County, 2000 and 2006

Characteristics	Redlands, 2000		Redlands, 2006		San Bernardino County, 2006	
	Number	Percent	Number	Percent	Number	Percent
Occupations						
Mgmt., Professional, Related	13,719	45.8	16,160	45.4	227,142	26.6
Services	4,290	14.3	5,024	14.1	141,166	16.5
Sales and Office	7,167	23.9	9,511	26.7	229,578	26.9
Farming, Fishing & Forestry	26	0.1	-	0.0	1,556	0.2
Construction	2,097	7.0	2,303	6.5	109,765	12.9
Production and Transportation	2,643	8.8	2,594	7.3	144,286	16.9
Total Civilian Labor Force	29,942	100.0	35,592	100.0	853,493	100.0
Class of Worker						
Private Wage & Salary Workers	20,682	69.1	24,480	68.8	655,825	76.8
Government Workers	7,028	23.5	8,460	23.8	138,104	16.2
Self-employed Workers	2,105	7.0	2,652	7.5	58,466	6.9
Unpaid Family Workers	127	0.4	-	0.0	1,098	0.1
Industry Sector						
Agriculture, Forestry & Fishing	237	0.8	199	0.6	4,838	0.6
Construction	1,645	5.5	2,480	7.0	82,395	9.7
Manufacturing	1,952	6.5	1,323	3.7	94,835	11.1
Wholesale Trade	814	2.7	1,155	3.2	35,343	4.1
Retail Trade	2,946	9.8	4,011	11.3	109,057	12.8
Transportation & Warehousing	1,474	4.9	1,682	4.7	69,919	8.2
Information	643	2.1	433	1.2	15,905	1.9
Finance, Insurance, etc.	1,570	5.2	2,093	5.9	52,533	6.2
Professional, Scientific, etc.	3,250	10.9	2,922	8.2	66,186	7.8
Education, Health & Soc. Services	10,363	34.6	11,665	32.8	166,086	19.5
Arts, Entertainment, Recreation	2,016	6.7	3,184	8.9	68,473	8.0
Other Services	1,134	3.8	1,553	4.4	40,698	4.8
Public Administration	1,898	6.3	2,892	8.1	47,225	5.5

Sources: 2000 U.S. Census; 2006 American Community Survey.

According to the 2000 Census, about one-third (35%) of the city’s labor force worked within the city and therefore about two-thirds (65%) commuted to work locations outside Redlands, as shown in Table 2.3-3. Since about 82 percent of the city’s labor force worked within San Bernardino County, most of those working outside the city were employed elsewhere in the county (47%). About 18 percent worked in another California county and the balance (0.7%) worked outside the state. No comparable data for 2006 are available.

Table 2.3-3: Redlands Workers Job Locations, 2000

<i>Place of Work</i>	<i>Number</i>	<i>Percent</i>
Redlands	10,236	34.9
Other San Bernardino Co.	13,669	46.6
Sub-total San Bernardino Co.	23,905	81.5
Other California	5,229	17.8
Outside California	200	0.7
Total Employed Workers ¹	29,334	100.0

1. Number of employed workers differs slightly from Table 2-10 (29,942) due to variation in Census Bureau data sets.

Sources: 2000 U.S. Census.

While the majority of the city’s workforce still may work outside of the city, this is likely to change. City employment has grown significantly since 1998, according to a December 2005 report completed by John Husing, Ph. D, an economist with extensive work experience in Southern California. Utilizing California Employment Development Department data, Husing identified a gain in jobs from 1991 to 2004 of 8,898 (a 45.2% increase). This trend has continued through 2007, improving the jobs/housing balance in Redlands. This should result in a greater percentage of those living in Redlands, working in Redlands.

2.4 INCOME AND HOUSING COSTS

Affordable housing is key to the economic, social, and cultural vitality of any city. Therefore, one of the principal purposes of the Housing Element is to provide a picture of housing affordability for households of all income levels. It is important to distinguish between the cost of rental versus ownership housing in determining where the greatest housing need exists.

The U.S. Census Bureau is this Housing Element’s primary source of data on household income as well as other characteristics relating to housing, such as rental vs. ownership, deficiencies, and length of residence. The last Census occurred in 2000 and the next long-form census will be taken in 2010. The Census Bureau began the American Community Survey (ACS) in 1996 as a way of providing communities with more detailed information in years when the census is not taken. Today the survey is conducted in all U.S. counties and covers geographies of at least 65,000 people. Unlike the decennial census, the ACS does not survey every household and therefore provides estimates instead of total counts. However, its large sample size—three million households— provides statistically valid results.

INCOME

Household Income

Median household income represents the mid-point in income for all households in the city, with half earning more and half earning less. According to the 2000 U.S. Census, the median household income for the City of Redlands in 1999 was \$48,155. In comparison, San Bernardino County had an overall median household income of \$42,066, meaning that the median household income in Redlands was 14 percent higher. According to the 2006 American Community Survey, the median household income in Redlands was \$63,463 (32% more than in 2000). In comparison, in 2006 the County had an overall median household income of \$52,941, meaning Redlands had a 20 percent higher median household income. Therefore, the ACS data suggests that Redlands is becoming wealthier in both an absolute and a relative sense.

To determine eligibility for housing programs, both federal and state governments categorize households according to their income, in comparison to the area median income (AMI). The AMI is the median household income for a defined geographic area. AMI is determined by the United States Department of Housing and Urban Development (HUD). The following income groups are the standard categories used:

- Extremely low-income = 30 percent median or less;
- Very low-income = 31 to 50 percent;
- Low-income = 51 to 80 percent;
- Moderate-income = 81 to 120 percent; and
- Above moderate-income = 120 and over.

California only began requesting analysis of households defined as extremely low-income since the adoption of the previous Housing Element. While a city is not obligated to include a separate category of sites designated for extremely low-income households in its suitable sites inventory, the housing element as a whole must analyze the obstacles and needs for this category and include proposed actions and programs to meet those needs.

Table 2.4-1 shows the percent of city and county residents by income category. Within Redlands, the 2000 Census counted 2,347 extremely low-income households, 2,106 very low-income households, and 3,419 low-income households—these made up 10, 9, and 14 percent, respectively of the households in the city. Moderate income households comprised 19 percent of the city's households and almost half of the households (48%) were above moderate income. In comparison, the county had a higher proportion of extremely low- to low-income residents (39 percent) and a lower proportion of above moderate income residents (42 percent) than the city (33 and 48 percent, respectively).

Table 2.4-1: Households by Income Group, 2000

<i>Income Group</i>	<i>Income Criteria</i>	<i>Redlands</i>	<i>San Bernardino County</i>
Extremely low	Less than \$12,620	2,347 10%	66,064 12%
Very low	\$12,621- \$21,033	2,106 9%	57,423 11%
Low	\$21,034 - \$33,653	3,419 14%	85,520 16%
Moderate	\$33,654 - \$50,479	4,453 19%	99,646 19%
Above Moderate	Over \$50,479	11,266 48%	220,186 42%
Total	--	23,590 100%	528,839 100%

Source: 2000 U.S. Census.

INCOME LIMITS FOR HOUSING ASSISTANCE

The California Office of Housing and Community Development releases income limits for every county in the state. The limits correspond to the income categories introduced above, categorized by ranges of household income. These income limits are the same as those used by HUD and help determine what kind of housing assistance a household is eligible to receive. The income limits vary depending on the number of people in a household.

Income limits for San Bernardino County as of 2007 are shown in Table 2.4-2.

Table 2.4-2: HUD Income Limits for San Bernardino County

<i>Income Category</i>	<i>Number of Persons per Household</i>							
	1	2	3	4	5	6	7	8
Extremely Low	12,450	14,200	16,000	17,750	19,150	20,600	22,000	23,450
Very Low	20,700	23,700	26,650	29,600	31,950	34,350	36,700	39,050
Low	33,150	37,900	42,600	47,350	51,150	54,950	58,700	62,500
Median	41,400	47,400	53,300	59,200	63,900	68,700	73,400	78,100
Moderate	49,700	56,800	63,900	71,000	76,700	82,400	88,000	93,700

Source: "Memorandum: Official State Income Limits for 2007," California Department of Housing and Community Development, April 18, 2007.

Ability to Pay for Housing

In general, housing expenses (rent or mortgage payments, plus utilities) should not exceed 30 percent of a household's income in order to be considered affordable by the federal government. Households that pay over 30 percent of their income on housing are considered "overpaying" and may experience difficulty in paying for other basic necessities. For example, a household making the city's estimated 2006 median income of \$63,463 that spent more than \$1,262 a month on housing (30% of income, divided by 12 months) may be paying more for housing than it can afford.

To truly evaluate housing affordability, individual circumstances and factors must be taken into account. These include long-term debt, mortgage interest rates, the number of children in a household, and other large, ongoing expenses (such as medical bills). Also, some households choose to pay over 30 percent of their income for various reasons, such as location, aesthetics, or other features. However, it is assumed that households will aim to minimize their housing costs whenever they can. Since it is impossible to take each household's individual circumstances into account, the 30 percent rule-of-thumb provides a general measure of housing affordability for the average household.

Table 2.4-3: Overpayment for Housing by Income Category, 1999

Income Group	Renters			Owners		
	Total Renters	Renters who Pay >30%	Percent who Overpay	Total Owners	Owners who Pay >30%	Percent who Overpay
Extremely low	1,311	1,254	96	539	439	81
Very low	1,355	1,174	87	549	304	55
Low	1,776	883	50	1,211	574	47
Moderate	2,295	470	20	1,921	893	46
Above Moderate	2,300	38	2	8,569	962	11
Total (computed)	9,037	3,819	42	12,788	3,171	25
Not computed	353			63		
Total ¹	9,390			12,851		

Note: The 2000 U.S. Census uses income ranges that do not correspond exactly to the income categories. The numbers in the table were derived through interpolating the Census data.

¹These numbers total 22,242. The universes for these figures are "specified renter- and owner-occupied units." This is different than the universe for Table 2-12 "Households by Income Group, 1999" (23,590) which has "households" as its universe. This difference accounts for why these figures are similar but not the same.

Source: 2000 U.S. Census.

Table 2.4-3 shows the number of Redlands households overpaying for housing as of 1999. In general, the higher a household's income, the smaller the percentage spent on housing. Also, extremely low- and very low-income households who own their home have lower rates of overpayment, while moderate and above-moderate income households who own tend to have higher rates of overpayment for housing. Overall, about 6,990 households in Redlands, or 32 percent, are considered to be overpaying for housing.

HOUSING COSTS

Ownership Housing

The value of housing in Redlands has gone up dramatically since 2000. According to the 2006 American Community Survey (ACS), the median value of owner-occupied housing units in Redlands was \$435,700. In comparison, the same value in the 2000 U.S. Census was \$159,300, meaning a 274 percent increase in the median home value (in nominal dollars) between 1999 and 2006.

The last Housing Element reported the median sale price of previously owned homes in Redlands to be \$149,500 in October 1999, according to the California Association of Realtors.

At the time, median sale prices for houses ranged from \$123,000 to \$399,000, depending on the number of bedrooms.

By November 2007, the median home sale price in Redlands had risen to \$359,500. Median home prices in nearby cities ranged from \$281,750 in San Bernardino to \$401,500 in Loma Linda. In Yucaipa, the median price of a home was \$372,000 and in Highland it was \$348,000 (Table 2-15).

Although these home sale prices are much higher than they were in 1999, the foreclosure and credit crises that began in 2007 has had a negative effect on housing prices in Redlands and surrounding areas. According to DQNews, a company that compiles real estate data, in November 2007, the median sale price for a home in Redlands was \$359,500, a 12.5 percent decrease from the median sales price one year earlier (\$411,000). Median home sale prices dropped similar amounts from November 2007 to November 2006 in Redlands, San Bernardino, Highland, and Yucaipa, while the median price of a home in Loma Linda dropped about twice as much during the same time period, as shown in Table 2.4-4. While long-term housing prices may continue to increase as San Bernardino County grows, they may stabilize or fall during the period covered by this Housing Element.

Table 2.4-4: Median Home Sale Prices in Nearby Communities

<i>City</i>	<i>Nov-07</i>	<i>Nov-06</i>	<i>Percent Change</i>
San Bernardino	\$281,750	\$325,000	-13.3
Highland	\$348,000	\$400,000	-13.0
Redlands	\$359,500	\$411,000	-12.5
Yucaipa	\$372,000	\$414,500	-10.3
Loma Linda	\$401,500	\$535,000	-25.0

Source: DQNews.com.

To get a better sense of the dramatically fluctuating home sale prices over the last five years, it is useful to break down housing sales by number of bedrooms. Table 2.4-5 shows the median home sale prices in Redlands in 2003, 2005, and 2007.

Table 2.4-5: Redlands Median Home Sales, 2003, 2005, 2007

<i>Number of Bedrooms</i>	<i>Year</i>		
	<i>2003</i>	<i>2005</i>	<i>2007</i>
Condominiums			
1	\$100,000	\$236,000	\$160,000
2	\$249,500	-	\$255,500
3	\$225,000	\$215,000	\$290,000
4	NA	NA	NA
5	NA	NA	NA
6+	NA	NA	NA
Single-Family Homes			
1	\$187,000	\$250,000	\$382,500
2	\$153,000	\$250,000	\$325,000

Table 2.4-5: Redlands Median Home Sales, 2003, 2005, 2007

Number of Bedrooms	Year		
	2003	2005	2007
3	\$220,000	\$305,000	\$380,000
4	\$207,000	\$487,000	\$431,750
5	\$610,000	\$949,500	\$635,000
6+	\$2,000,000	-	\$1,075,000

Sources: First American Real Estate Solutions (from County Assessor Data); HR&A, Inc.

For example, the median price of a three-bedroom single family home in 2003 was \$220,000. Two years later, by 2005, the median price of this home was \$305,000, a nearly 39 percent increase. By 2007, the median price for a three-bedroom single family home was \$380,000, another 25 percent increase. For housing units of other sizes, instead of constantly increasing over this time period, prices have risen and then fallen. In 2003, the median price of a one-bedroom condominium unit was \$100,000. By 2005, this price had risen to \$236,000, a staggering 136 percent increase in two years. However, by 2007, another two years later, the price of a one-bedroom condo had fallen to \$160,000 (a drop of nearly 48 percent in two years).

Moreover, the volatility of the housing market in recent years makes it difficult to predict housing sales in the years to come.

Rental Housing

In 2006, the American Community Survey (ACS) reported that the estimate median gross rent for housing in Redlands was \$1,054. In comparison, the 2000 U.S. Census reported a median gross rent of \$689, signifying a general rent increase of 53 percent (in nominal dollars) between 1999 and 2006. Consumer prices in the Los Angeles Metropolitan Statistical Area increased by 26 percent in the period, or less than half the rate of rent increase. This is a major increase in such a short time, although much less than the rate of increase in homeownership prices. Notably, this data is not differentiated by type of housing or number of bedrooms. Table 2.4-6, below, compares rents in Redlands to those in nearby cities.

Table 2.4-6: Median Gross Rents in Nearby Cities

City	2006 ACS	2005 ACS	2000 Census
San Bernardino	\$850	\$769	\$563
Highland	-	-	\$574
Redlands	\$1,054	\$1,019	\$689
Loma Linda	-	-	\$660
Yucaipa	-	-	\$610
Countywide	\$965	\$899	\$648

Sources: 2006 and 2005 ACS; 2000 Census.

While ACS data is not available for Highland, Loma Linda, and Yucaipa because these cities are too small to be included in the ACS, it is possible to compare Redlands to the county as a whole and to neighboring San Bernardino. In 2006, the median gross rent in Redlands was

about 9 percent higher than in the county and about 24 percent higher than in San Bernardino. A year prior, in 2005, the margin was 13 percent between Redlands and the county and 33 percent between Redlands and San Bernardino, thus rents in Redlands have increased at a slower rate than those in both the county and San Bernardino. However, the current gap of 9 percent between Redlands and the county as a whole is still larger than it was in 2000, when median gross rents in Redlands were only about 6 percent higher than those in the county.

While rental statistics are not tracked in the same way as housing sales, it is possible to get a sense of current rents by looking through rental listings. Table 2.4-7 shows rental prices as posted on Craigslist in December 2007 and January 2008. These figures represent asking rents, not actual rents, and not all available rental units are listed on Craigslist. Still, many residents do use Craigslist to find housing.

Table 2.4-7: Craigslist Rental Survey, December 2007/January 2008

<i>Number of Bedrooms</i>	<i>Rent Range</i>	<i>Median Rent</i>
Studio	\$695-880	\$788
One	\$850-1,055	\$900
Two	\$700-\$1,650	\$1,050
Three	\$1,195-2,100	\$1,750
Four	\$1,550-2,200	\$1,900
Five	\$2,700-3,500	\$2,800

Source: Craigslist, Inland Empire; sample of 52 apartments in between December 5th and January 2nd.

Table 2.4-8, shows rental prices as posted on ApartmentHunterz.com in January 2008. Like the Craigslist data, these figures are asking prices, not actual rents. Furthermore, there may be overlap between the apartments listed on Craigslist and those listed on ApartmentHunterz. Still, the median rents compare well between the two sources.

Table 2.4-8 ApartmentHunterz, January 2008

<i>Number of Bedrooms</i>	<i>Rent Range</i>	<i>Median Rent</i>
Studio	\$600-1,450	\$830
One	\$750-1,150	\$940
Two	\$750-1,600	\$1,050
Three	\$1,100-2,100	\$1,685
Four	\$1,595-2,800	\$1,988
Five	-	-

Source: apartmenthunterz.com; search results from 1/16/2008, all Redlands apartments.

Mobile Home Rentals

As of January 2008, Redlands had 1,101 mobile homes, comprising less than 5 percent of all the housing units in the city. One year earlier, there were 919 mobile homes reported by the Department of Finance. There are nine mobile home parks in the city, with three mobile home parks containing about 45 percent (500 units) of the mobile units in the city; these are Orange Grove Mobile Estates (209 units), Sylvan Mobile Estates (118 units), and Lugonia Fountains

Mobile Home Estates (173 units—183 spaces, 10 vacant). In February 2004, Lugonia Fountains received approval for an expansion to add 18 additional units, 8 of which have been added. Space rentals range from \$250 to \$495 per month at Sylvan Mobile Estates, \$398 to \$650 per month at Orange Grove Mobile Estates, and \$398 to \$645 per month at Lugonia Fountains Mobile Home Estates depending on the type of space rented.

AFFORDABILITY OF HOUSING

Households earning the 2006 median income for Redlands (\$63,463) could afford to spend up to \$19,093 a year, or \$1,587 per month, on housing without being considered “overpaying.” For renters, this is a straightforward calculation, but home ownership costs are less transparent. A household can typically qualify to purchase a home that is 2.5 to 3.0 times the annual income of that household, depending on the down payment, the level of other long-term obligations (such as a car loan), and interest rates. In practice, the interaction of these factors allows some households to qualify for homes priced at more than three times their annual income, while other households may be limited to purchasing homes no more than two times their annual incomes. Indeed, as can be seen in Table 2.4-9 below, there is not a steady relationship between a household’s annual income and the maximum affordable price of a home it can afford. Rather, while a household making only 30 percent of the county median can only afford a home that is about two times its annual income, a household making 120 percent of the county median can afford a home well over three times its household income.

Table 2.4-9: Maximum Funds Available for Housing, by Income Category

<i>Household Income Category</i>	<i>Annual Income¹</i>	<i>Maximum Affordable Rent²</i>	<i>Maximum Affordable Purchase Price³</i>
30 percent of county median	\$17,750	\$444	\$37,000
50 percent of county median	29,600	740	99,000
80 percent of county median	47,350	1,184	191,000
100 percent of county median	59,200	1,480	253,000
120 percent of county median	71,000	1,775	315,000

¹HUD's 2007 Limits. Assumes a four-person household.

² Assumes 30 percent of income available for housing cost.

³ Assumes monthly payments equal to the amounts shown in the "Maximum Affordable Rent" column, assuming a down payment of 20%, an annual interest rate of 6%, and average property taxes and home insurance for California.

Source: "Memorandum: Official State Income Limits for 2007," Department of Housing and Community Development, April 18, 2007; the Bank of America mortgage calculator was used to find maximum affordable purchase prices.

As noted earlier, the median purchase price of a home in Redlands in November 2007 was \$359,500. This purchase price is too high for any of the household income categories listed in Table 2.4-9 to afford. Indeed, households must have an income that is about 135 percent of the county median (around \$80,000) to afford the median home price. This makes sense given that over 42 percent of renters in Redlands spend more than 30 percent of their income on housing (see Table 2.4-10).

Ownership Housing

The California Association of Realtors' (CAR) July 2005 Housing Affordability index (HAI) reported that only 19 percent of the households in the Riverside-San Bernardino region could afford a home selling for the region's median price of \$384,910.⁴ The indices for the Los Angeles area, Orange County, and the state as a whole showed affordability levels of 14, 11, and 16 percent respectively, demonstrating that in 2005 housing in the Riverside-San Bernardino area was more affordable housing than in nearby regions and the state as a whole.

The CAR stopped publishing the HAI in December of 2005, replacing it with a first-time home buyer index, with plans to later issue a repeat buyer index as well. According to the first-time homebuyer housing affordability index, in the third quarter of 2007, the affordability of housing in the Riverside-San Bernardino region had increased significantly, with 39 percent of first-time buyers being able to afford a median priced home. This compared to affordability rates in Los Angeles, Orange County, and the state as a whole of 20, 24, and 24 percent, respectively. Thus, at least for first-time homebuyers, the latest data suggests the Riverside-San Bernardino region continues to remain more affordable than California as a whole.

Home sale prices in Redlands, however, are still out of the affordable range for many families. In 2007, the median home sale price was \$325,000 for a two bedroom home and \$380,000 for a three bedroom home (Table 2.4-5). According to Table 2.4-9, a family of four earning 120 percent of area median income (AMI) would almost be able to afford the two-bedroom home. Therefore, although Redlands is perhaps more affordable than some surrounding communities, those families earning less than 120 percent of AMI could find it quite difficult to afford a home in Redlands.

Rental Housing

For households that rent, the 2006 ACS estimated the proportion of household income spent on rent. As shown in Table 2.4-10, over half of renting households in Redlands (57.8%) pay 30 percent or more of their income on rent. In comparison, the 2000 U.S. Census reported the same proportion to be 40.7 percent, meaning there was a 70 percent increase in the number of renting households possibly overpaying for housing between 2000 and 2006. This is likely strongly linked to the 53% increase in the median rent over the same time period.

⁴ CAR's analysis assumes that households can make a 20 percent down payment on the median-priced home and that they pay 30 percent of their income per month for housing. The HAI uses the national average effective mortgage interest rate on all fixed and adjustable rate mortgages closed for the purchase of previously occupied homes as reported monthly by the Federal Housing Finance Board.

Table 2.4-10: Rent as a Percentage of Household Income, 2006

	<i>Number of Households</i>	<i>% of Population</i>
Less than 15.0 percent	812	8.80
15.0 to 19.9 percent	641	6.90
20.0 to 24.9 percent	1,113	12.00
25.0 to 29.9 percent	1,169	12.60
30.0 to 34.9 percent	1,084	11.70
35.0 percent or more	4,267	46.10
Not computed	162	1.80
Total	9,248	100.00

Source: 2006 American Community Survey.

Assuming that a four person household would require at least a two or three bedroom apartment, the average of the Craigslist and ApartmentHunterz median rents of \$1,050 for a two-bedroom unit and \$1,718 for a three bedroom unit would only be considered affordable to residents whose incomes were at least 80 percent of Area Median Income (AMI). The least costly apartment listed on either of the two websites was \$600 per month for a studio apartment. Though a family of four would be considered “overcrowded” in this apartment, an extremely low-income family would not even be able afford this rent. Moreover, there may be no market rate units that are available to many very and extremely low-income families.

Thus, while Redlands has comparably more affordable rents than surrounding communities, it is still a challenge for extremely low-, very low-, and low-income households to find affordable rental units in the city.

2.5 HOUSING CHARACTERISTICS

Although the characteristics of individual residents are important to understanding the growth and evolution of a city, the more useful unit for analysis concerning housing needs is the household. The U.S. Census Bureau considers all people living in the same dwelling unit to be a household, whether or not they are related. A dwelling unit is defined as “a house, an apartment, a group of rooms, or a single room, occupied as separate living quarters, or if vacant, intended for occupancy.”

The 2006 American Community Survey (ACS) indicates that Redlands has 25,909 households, up from the 2000 US Census report of 23,593 households plus 1,966 people in group quarters.⁵ While this was increase over the city’s 22,130 households in 1990, the persons per household decreased from 2.71 to 2.61 from 1990 to 2000, but up to 2.76 in 2006. However, in many other parts of San Bernardino County, average household size continues to exceed three persons per household.

⁵ The ACS did not estimate the number of people living in group quarters, although it is likely similar to the 2000 Census.

Table 2.5-1 identifies households by type and quantifies the number of people living in group quarters. Family households vastly outnumber non-family households, which is characteristic of a city like Redlands. According to both the 1990 and 2000 censuses, families (defined as related people living together) made up around 68 percent of the city's households. Non-family households are typically single males or females living alone, or households of more than two with no family relation or children. People who live other living situations are not considered households, but rather are considered to live in "group quarters." People under formally authorized, supervised care or custody—such as patients or prison inmates—are considered "institutionalized," in contrast to those in other group situations, such as college dormitories, retirement homes, and halfway houses.

Table 2.5-1: Household Type and Group Quarters Population

<i>Household Type</i>	<i>Households</i>
Family Households	16,027
Non-Family Households	7,566
Total Households	23,593
<i>Group Quarters</i>	<i>People</i>
Institutionalized Population	541
Non-Institutionalized Population	1,425
Total In Group Quarters	1,966

Source: 2000 U.S. Census.

Table 2.5-2 provides a breakdown of households by marital type and whether they include related children under age 18. In total, 40 percent of Redlands households have children, similar the 2000 countywide rate of 44 percent.⁶ Most children live with married parents, but 32 percent of children live with a single parent and the great majority of those live in a single mother household.

Table 2.5-2: Household Type and Presence of Children Under Age 18, 2006

<i>Household Type</i>	<i>Households with Children</i>	<i>% of Household Type</i>	<i>% of all Households</i>
Married Couple	6,411	68	25
Male-Headed Family Household	630	7	2
Female-Headed Family Household	2,365	25	9
Total	9,406	100	40

Source: 2006 American Community Survey.

About 11 percent of households in Redlands had five or more persons in 2000, the overwhelming majority of which were families (only 16 of 2,735 total large households were

⁶ Countywide data is not available in the 2006 ACS.

non-family households). Table 2.5-3 shows that a slight majority of large households (59%) own their home. As discussed in Chapter 3 however, many large families have low or moderate incomes and may not be able to afford housing of sufficient size.

Table 2.5-3: Large Households

<i>Number of Persons in Household</i>	<i>– Owner Occupied</i>	<i>– Renter Occupied</i>
5	1,000	625
6	379	202
7+	237	230
Total	– 1,616	– 1,057

Source: 2000 U.S. Census.

HOUSING TYPE

As shown in Table 2.5-4, two- and three-bedroom units represented the majority of housing types in the City, though four-bedroom units are also prevalent. Units with five bedrooms or more are very uncommon, comprising just 3.1 percent of the housing stock.

Table 2.5-4: Housing Units by Number of Bedrooms

<i>Number of Bedrooms</i>	<i>Number of Units</i>	<i>Percent of Total Occupied Housing Units</i>
Studio	623	2.6
One bedroom	3,137	13.3
Two bedrooms	6,718	28.4
Three bedrooms	7,236	30.6
Four bedrooms	5,214	22.0
Five or more bedrooms	741	3.1
Total	23,670	100.0

Source: 2000 U.S. Census.

TENURE

Table 2.5-5 describes the tenure and the type according to the 2000 Census of the 24,878 housing units in Redlands. The overall tenure pattern in the city was 57 percent owner-occupied, 38 percent renter-occupied, and 5 percent vacant. By 2006, according to ACS estimates, there were 27,078 housing units in the city, an increase of almost 9 percent.

In 2000, there were 16,783 detached and attached single-family units, and 13,149 of these (78%) were owner-occupied. Single-family homes accounted for almost 64 percent of the total housing units in the city. Duplexes and three to four unit buildings comprised 1,887 (9.5 percent) of the total units, and buildings of five or more units (4,818) made up 19.4 percent of the total. Dwellings in buildings with five or more units dominated the multi-family share, accounting for 71.9 percent. SCAG considers 2.3 percent to be the minimum ideal vacancy rate for ownership housing and 5 percent to be the minimum ideal vacancy rate for rental housing.

These rates are ideal because they allow for a healthy amount of market turnover and availability. While not identical, the single family home vacancy rate can serve as a proxy for the ownership vacancy rate since they make up the vast majority of owner-occupied homes. Likewise, the multi-family home vacancy rate (duplexes, 3-4 and 5+ bedrooms) can serve as a proxy for the rental vacancy rate given the high proportion of rental homes found in this housing type. In 2000, the vacancy rate was 3.6 percent for ownership (single-family) housing, which is above the 2.3 percent vacancy rate considered by SCAG to be the minimum needed for a healthy market. The rental (multi-family) vacancy rate was 8.3 percent, again above the minimum rate considered by SCAG to be necessary for the rental housing market (5 percent). However, according to the ACS, by 2006 the ownership vacancy rate was only 1.6 percent, and the rental vacancy rate was only 2.2 percent—well below the healthy minimum. This is not surprising given the well-documented housing affordability crisis that the entire country, especially California, has faced in recent years.

Table 2.5-5: Characteristics of Redlands Housing Stock, 2000

<i>Type and Tenure</i>	<i>Number of Units</i>	<i>Percent of Total Units</i>
Single-Family Detached	15,880	63.8
Owner-Occupied	12,664	50.9
Renter-Occupied	2,634	10.6
Vacant	582	2.3
Single-Family Attached	903	3.6
Owner-Occupied	485	1.9
Renter-Occupied	396	1.6
Vacant	22	0.1
Duplex	535	2.2
Owner-Occupied	20	0.1
Renter-Occupied	482	1.9
Vacant	33	0.1
3 to 4 Units	1,834	7.4
Owner-Occupied	132	0.5
Renter-Occupied	1,474	5.9
Vacant	228	0.9
5+ Units	4,818	19.4
Owner-Occupied	204	0.8
Renter-Occupied	4,320	17.4
Vacant	294	1.2
Mobile Homes	896	3.6
Owner-Occupied	753	3.0
Renter-Occupied	93	0.4
Vacant	50	0.2
Other	12	0.0
Owner-Occupied	0	0.0
Renter-Occupied	12	0.0

Table 2.5-5: Characteristics of Redlands Housing Stock, 2000

<i>Type and Tenure</i>	<i>Number of Units</i>	<i>Percent of Total Units</i>
Vacant	0	0.0
Total	24,878	100.0
Owner-Occupied	14,258	57.3
Renter-Occupied	9,411	37.8
Vacant	1,209	4.9

Source: 2000 U.S. Census.

Table 2.5-6: Characteristics of Redlands Housing Stock, 2006 ACS Estimates

<i>Unit Type</i>	<i>Number of Units</i>	<i>Percent of Total Units</i>
Single-Family Detached	18,335	67.7
Single-Family Attached	1,011	3.7
Duplex	727	2.7
3 to 4 Units	2,858	10.6
5+ Units	3,563	13.2
Mobile Homes	584	2.2
Other	0	0.0
Total	27,078	100.0

Source: 2006 ACS.

An analysis of the 2000 Census data shows that the majority of both owner- and renter-occupied units (85 and 73 percent respectively) were occupied by Whites (Table 2.5-7). Blacks rented 659 units, but owned only 261. Native Americans rented fewer units than they owned, with 69 rented and 96 owned units. Those who identified as “Some other race,” were about as likely to own or to rent (898 and 864 units, respectively), but those of “Two or more races” were less likely to own than to rent (316 versus 404 units).

Whites, Asian/Pacific Islanders owned more units than they rented, but only accounted for 4 percent of all owners and 5 percent of all renters. Similarly in the County, a higher percentage of Whites, Asian/Pacific Islanders, and those of “Some other race,” and those of “Two or more races” owned than rented units, while a higher percentage of Blacks rented than owned. There were about a thousand more Native American owner-occupied units than renter-occupied units.

Table 2.5-7: Tenure by Race in 2000

<i>Race</i>	<i>City</i>	<i>Percent</i>	<i>County</i>	<i>Percent</i>
Owner-Occupied Units				
White	12,052	85	243,381	71
Black	261	2	21,238	6
Native American	96	1	3,138	1
Asian/Pacific Islander	635	4	15,379	5
Some other race	898	6	45,839	13
Two or more races	316	2	11,985	4
Renter-Occupied Units				
White	6,917	73	106,580	57
Black	659	7	25,558	14
Native American	69	1	2,263	1
Asian/Pacific Islander	500	5	8,168	4
Some other race	862	9	36,292	19
Two or more races	404	4	9,100	5

Source: 2000 U.S. Census.

The highest percentage of owner-occupied units in Redlands was owned by people between the ages of 35 and 44, while the highest percentage of units was rented by people between the ages of 25 and 34. People age 45 and over owned nearly three times as many units as rented. Table 2.5-8 compares the number of owner-occupied and renter-occupied units in the City of Redlands and San Bernardino County. There were similar ownership and renter trends in the city and county, although a higher percentage of elderly people rent in Redlands (13%) than in the county (9%). Therefore, the demand for senior rental units in Redlands is likely to be higher than the county as a whole.

Table 2.5-8: Tenure by Age of Householder, 2000

Age	City	Percent	County	Percent
Owner-Occupied Units				
15 to 24	89	1	4,887	1
25 to 34	1,243	9	44,013	13
35 to 44	2,765	19	87,053	26
45 to 54	3,761	26	81,529	24
55 to 59	1,596	11	28,727	8
60 to 64	1,152	8	22,536	7
65 to 74	1,773	12	40,618	12
75 and over	1,879	13	31,651	9
Renter-Occupied Units				
15 to 24	947	10	21,591	12
25 to 34	2,649	28	55,221	29
35 to 44	2,345	25	49,489	26
45 to 54	1,477	16	29,200	16
55 to 59	398	4	8,063	4
60 to 64	336	4	5,805	3
65 to 74	397	4	9,591	5
75 and over	862	9	8,620	5

Source: 2000 U.S. Census.

VACANT UNITS

In 2000, Redlands had a total of 24,878 housing units; 1,209 of which were vacant. About half (562) of these were for rent, while less than a third (324) were for sale. The balance consisted of units that were rented or sold but not occupied (94), for seasonal recreational, or occasional use (88), or vacant for some other reason (141). The Census reported that Redlands had no vacant units available specifically for migrant workers.

Table 2.5-9: Vacancy Status, 2000

	Total Vacant Units
For rent	562
For sale only	324
Rented or sold, not occupied	94
For seasonal, recreational, or occasional use	88
For migrant workers	0
Other vacant	141

Source: 2000 U.S. Census.

By 2006, Redlands had a total of 27,078 housing units; 1,169 of which were vacant. The homeownership vacancy rate was 1.6 percent and the rental vacancy rate was 2.2 percent. Therefore, while the total number of housing units increased by almost 9 percent, the proportion vacant units decreased from 4.9 percent to 4.3 percent. This decreased vacancy rate,

as discussed in the Tenure section, is likely to have adversely affected the affordability of housing in Redlands.

AGE OF HOUSING STOCK

According to the 2006 ACS, approximately 41 percent of the housing stock in Redlands was built before 1970, and 61 percent was built before 1980. The ACS estimates that 3,331 homes in Redlands were built before 1950 (12.3 % of the total).

Table 2.5-10: Age of Housing Units

<i>Year Unit Built</i>	<i>Number of Units</i>	<i>Percent of Total Units</i>
Built 2005 or later	636	2.3
Built 2000 to 2004	1,477	5.5
Built 1990 to 1999	1,246	4.6
Built 1980 to 1989	7,096	26.2
Built 1970 to 1979	5,614	20.7
Built 1960 to 1969	2,890	10.7
Built 1950 to 1959	4,788	17.7
Built 1940 to 1949	869	3.2
Built 1939 or earlier	2,462	9.1
Total	27,078	100.0

Source: 2006 ACS.

CONDITION OF HOUSING

An overwhelming majority of homes in Redlands are fairly new and do not lack critical features such as plumbing. However, basic maintenance, such as roof repair, new paint, and cleanliness will need to be continuously encouraged, particularly as a substantial portion of housing units are older than 30 years. Deferred maintenance such as old paint, roof sheathing that has outlasted its useful life, localized wood rot, and similar concerns do not typically result in units being boarded up, although such conditions do contribute to neighborhood deterioration.

Features

Adequate utilities within a housing unit are another measure of a housing unit's ability to provide people with decent housing. According to the 2000 Census, of the 23,669 occupied housing units in the city, 36 owner-occupied and 60 renter-occupied units lacked complete plumbing facilities. The Census Bureau defines complete plumbing facilities as including (1) hot and cold piped water, (2) a flush toilet, and (3) a bathtub or shower. Furthermore, all three facilities must be located inside the dwelling unit. Heating fuel for occupied housing units ranged from gas and electricity to wood and solar energy. Of the occupied housing units in the City, 19,952 had utility gas, 277 had tank gas, 3,284 had electricity, 17 used fuel oil or kerosene, 41 were fueled by wood, 13 used solar energy, 16 used some other fuel, and 69 units had no heating fuel.

Housing units can also offer a variety of features, or can be inadequate in terms of size and amenities. As of 2000, almost all housing units in Redlands had complete kitchen and

plumbing facilities, although at least 311 units lacked an adequate kitchen and 122 units had incomplete plumbing facilities. Of the occupied units with incomplete plumbing facilities, 36 were owner-occupied and 60 were renter-occupied. Of the units that lacked complete plumbing facilities, 55 were occupied by Whites, 14 were occupied by Asians, 27 were occupied by people who self-identified as some other race, and 53 were occupied by people identifying as Hispanic or Latino—most of whom are probably included in the 55 people who identified as White.

Because the overwhelming majority of housing units have complete plumbing and kitchen facilities, and are served by utilities, it is unlikely that housing conditions represent a problem that requires government action.

Rehabilitation Need

The percentage of units built before 1960 can be used to estimate the city's maximum rehabilitation need. According to the 2006 ACS, in Redlands almost 30 percent of housing units were built before 1960. In comparison, only about 20 percent of housing units in the county as a whole were built before 1960.

However, according to the City's Building and Safety Division, many of the older homes in Redlands are in better condition than would be predicted based on age alone, partly because of interest by owners in fixing up historic homes. Many of the city's historic homes are in the south area, and most are in good condition because of maintenance provided by their owners. The majority of repair work is needed in the north area, with a number of units in need of either light repair—such as painting, re-roofing, and landscaping—or significant reconstruction. The Neighborhood Initiative Program (NIP) is a HUD-based economic development program that offers grants to rehabilitate properties. A NIP project was initiated by the City on the north side in 2000, and completed in 2004. During this four-year period, \$265,644 was invested in grants in the neighborhood.

In August 2007, the Redlands Redevelopment Agency commissioned Urban Futures to conduct a building conditions inventory of the redevelopment area in the north side of the city. Parcels were evaluated for 40 different blight indicators ranging from “boarded occupied” to “unsafe stairways or walkways.” About 85 percent of the parcels were suffering from at least one type of blight. The average number of blight indicators per parcel was three and a little less than 19 percent of parcels had five or more indicators. The top three occurring blight indicators were inoperable vehicles/inadequate vehicle storage (22%), bars on doors/windows (18%) and paint-related issues (11%).⁷ The inventory, therefore, documented the need for rehabilitation and public investment in the northern part of the city.

The City operates a repair grant program using Community Development Block Grant (CDBG) funds for low-income residents and senior citizens. Housing Preservation Programs under the City's Neighborhood Initiative Program include the Great Neighborhoods Program, First Time Home Buyer/Shared Equity Program, Home Paint Program, and the Emergency Repairs Program. All of these programs are funded through Redevelopment set-aside funds. For more information, please see Section 2.7: Financing and Subsidy Resources.

⁷ GIS files provided by the Redlands Community Development Department from the building conditions inventory conducted by Urban Futures in August 2007.

2.6 ASSISTED HOUSING

Assisted housing projects in the City can alleviate the financial hardships low-income households may face. Assisted housing projects are those that offer financial aid or provide extra services for people in need of financial or basic living assistance. There are a variety of programs, each focusing on a specific need or with a specific goal to eliminate unmet housing needs in the community.

PUBLIC HOUSING

The San Bernardino County Housing Authority operates 209 units of conventional public housing in Redlands (the Authority also owns an additional 45 affordable units in the city). All conventional units are rented to households with an income of 80 percent or less than the median for the Riverside-San Bernardino Standard Metropolitan Statistical Area (SMSA). Most units are multiple units although five units are single-family homes. Sizes range from one to five bedrooms. There are 11 units set aside for the disabled and 20 units for the elderly.

As of January 2008, public housing units were 98 percent occupied. The wait for a unit in Redlands can last between six months and one year, depending on availability. Applicants in 2008 included 699 for one-bedroom units, 916 for two, 273 for three, 29 for four, and 0 for five-bedroom units. The Housing Authority currently is co-applicant with the non-profit Housing Partners I in development of the 71 unit senior housing project on Webster at Lugonia. City staff have also had preliminary discussions with the Housing Authority about redeveloping its project at the northeast corner of Orange and Lugonia.

SECTION 8 CERTIFICATES AND VOUCHERS

In addition to operating public housing, the Housing Authority administers the HUD Section 8 Housing Choice Voucher Program. Formerly, the County operated both a Section 8 voucher and certificate programs. However, as of 1999, the certificate program ended. Under the Section 8 Housing Choice Voucher Program, subsidy payments are made by the Housing Authority to property owners on behalf of the family. The program uses a Payment Standard to determine the maximum amount of assistance that will be paid on behalf of the family. The family's portion will be a minimum of 30% of their adjusted gross monthly income up to a maximum of 40% if they choose. The Housing Authority administers over 8,000 Section 8 HCV to low income households (80% or below) throughout the county. Complexes under this program are Casa de la Vista (74 units) and Citrus Arms (60)-the remaining units are scattered around the city. As of January 2008, there were 289 Section 8 participants residing in the city of Redlands.⁸

⁸ Information on public housing and Section 8 was provided via email from Alison Crawford, Director, Administrative Services, Housing Authority of San Bernardino (2-1-08).

As mentioned above, the Section 8 Voucher Program pays the difference in rent between 30 (or 40) percent of a household's income and fair-market rent for the unit. Payment Standards effective October 1, 2007, for the voucher program are as follows:

- | | |
|-----------------|---------|
| • Studio | \$825 |
| • One bedroom | \$905 |
| • Two bedroom | \$1,005 |
| • Three bedroom | \$1,500 |
| • Four bedroom | \$1,750 |

The above rents assume the owner pays utilities. If not, the rent ceiling could be reduced by up to \$192, depending on the size of the unit.

OTHER PROGRAMS

The City of Redlands has pursued several programs for constructing housing units affordable to low- and very low-income households. These include the granting of density bonuses and the issuing of Mortgage Revenue Bonds (MRBs). Since 1981, 153 density bonus units have been built, with 75 affordable to very low-income households and the rest to low- and moderate-income households. Two senior housing projects that have yet to be built with a total of 231 units received density bonuses in 2007.

Additionally, the City pursued and obtained federal Section 202 funding through the Developer's Assistance Category to purchase land and assist in improvements and fees for a 75-unit low-income senior apartment project managed by American Baptist Homes of the West. This project, Casa de la Vista, opened its doors in November 1990 and currently has a 100-percent occupancy rate for its 74 units. American Baptist Homes prepared an expansion to the project which added additional low-income senior apartments. The City approved funds for purchase of adjacent property in order to construct this expansion. Funds were distributed in March 1995 and escrow closed immediately thereafter. This project, known as Fern Lodge with 62 units, was funded through HUD and the City's set-aside funds. Fern Lodge was completed in 2000 and is now occupied.

Furthermore, the City has recently approved the following three senior housing projects:

- 340-unit and 30 cottage senior care facility/assisted living on the northeast corner of 5th and Wabash (under construction)
- 160-unit senior housing project on Orange Avenue at Kansas Street (received approval)
- 71-unit senior housing project on Webster Street at Lugonia Avenue (received approval)

These projects make up a total of 571 units of new senior housing.

For information on the Community Development Block Grant Program and the HOME Investment Partnership Program, see Section 2.7 Financing Resources.

2.7 FINANCING AND SUBSIDY RESOURCES

The City, the County, and the County Housing Authority all provide funding and subsidies for the construction, acquisition, and rehabilitation of housing units for lower-income households in Redlands. Many of these programs capture funding from the state and the federal governments and administer the money for local tenants, owners, and developers of affordable housing.

CITY OF REDLANDS

Mobile-home Rent Stabilization

Mobile home parks built prior to October 1, 1981 are subject to rent stabilization, according to City Municipal Code Chapter 5.48. This policy covers three mobile home parks: Sylvan Mobile Estates, Orange Grove Mobile Estates, and Lugonia Fountains. Taken together, 500 housing units are covered.

City of Redlands Redevelopment Agency

The Redevelopment Agency (the RDA) adopted a Five Year Implementation Plan and Ten Year Housing Compliance Plan in August 2006. The City has a redevelopment project designated for a portion of the city immediately south of I-10, running roughly from SR-30 to Church Street and bordered on the south by Brookside Avenue and Citrus Avenue, including the Tri-City Center and Redlands Mall.

The RDA plans to continue setting aside 20% of its tax increment revenues into its Low and Moderate Housing Fund and aims to construct 76 affordable housing units between 2005 and 2009, and a further 235 affordable units between 2010 and 2015. As of June 2006, the Low-Mod Housing Fund had a balance of \$10,988,284. The RDA expects to assist in paying the construction costs for 70 to 80 new affordable units between 2005 and 2010, for an average expenditure of about \$73,000 to \$83,500 per unit, with the units restricted to lower income levels for 45 years. In addition, the RDA funds a number of programs to support the construction of new affordable units, purchase of housing by lower income households, and rehabilitation of existing affordable units.

First Time Home Buyer/Shared Equity Program. Low- and moderate-income first time home buyers are provided up to \$75,000 in loans at interest rates below market rates to go toward the down payment on a house. The RDA has enough funding to support at least ten households.

Great Neighborhoods Program. The Redevelopment Agency provides loans and grants to low- and moderate-income homeowners to make repairs, correct code deficiencies, and maintain their property. The RDA offers \$30,000 loans for repairs, and up to \$45,000 for rehabilitation that exclusively corrects code deficiencies. The Agency expects to assist a total of 57 households between 2005 and 2010.

See Table 2.7-1 on the following page for a program activity summary during the previous planning period.

Table 2.7-1: Great Neighborhoods and First Time Homebuyer Programs, 1998-2005

	Number of Households Assisted (by income level)				Total
	Extremely Low	Very Low	Low	Moderate	
Great Neighborhoods	23	81	71	26	201
Expenditure	\$156,162.00	\$543,234.00	\$493,525	\$164,756	\$1,357,676
First Time Homebuyer		2	29	68	99
Expenditure		\$12,900	\$327,648	\$808,456	\$1,149,004

Source: Redlands Redevelopment Agency.

The RDA also has a Home Paint Program (HPP) and an Emergency Repairs Program (ERP), which provide grants to low-income households. These programs got underway in 2006 and since then, 16 very low- and low- income households have been assisted by HPP and 11 very low- and low-income households have been assisted by ERP.

SAN BERNARDINO COUNTY

Despite the City's eligibility for direct receipts of HUD money, the City passes much of its federal and state funding to the County for administration and distribution. The County works with the City in directing the use of these funds. For example, the County is currently helping fund the Vista del Sol senior housing project, which had its groundbreaking in mid-August 2008. From the County, this project has received \$1.7 million in HOME funds and \$1 million in Neighborhood Initiative funds, with the Redlands RDA investing another \$4 million. For programs that provide assistance to eligible households who apply, such as rental and repair aid, the County relies on the City to advertise and direct local households to these programs.

Community Development Block Grant Programs

The County's Department of Community Development and Housing (CDH) administers grants from the federal Community Development Block Grant (CDBG) program for much of the county, including the City of Redlands. However, in 2009, management of CDBG funds will be transferred to the Redlands Redevelopment Authority. CDBG funds are provided by the federal Department of Housing and Urban Development (HUD) and are meant to be a flexible way of providing communities with the resources to provide suitable housing, improve livability, and enhance economic opportunity, with the provision of affordable housing being one of the program's major goals. Eligible activities include acquisition, rehabilitation, homebuyer assistance, economic development, homeless assistance and public services.

CDH initiatives funded by CDBG include the Fair Housing Program, Single Family Home Improvement Loan Program (which provides loans at interest rates below market rate to finance home repairs for owner-occupied housing), and the Senior Home Repair Program (which provides grants to homeowners above 60 years of age to correct code violations or other health and safety problems).

With a population over 50,000, Redlands is a federal entitlement city and is designated a set amount of CDBG funds by HUD. The City passes these funds directly to the County for its

administration, although, as mentioned, the City will assume management responsibilities in 2009. In fiscal year 2006-07, Redlands was allocated \$680,000 in CDBG funds.

In comparison, according to the County's 2004-05 Consolidated Annual Performance and Evaluation Report (CAPER), which reports on its housing and community development programs, from July 1, 2004 to June 30, 2005, the County received \$9,584,000 in CDBG funds, providing it with a total of \$31,493,136 of CDBG funds. Of these funds, \$12,991,880 (41%) was spent in the fiscal year 2004-05, with a remaining balance of 18,501,266. Planning and administrative costs for FY 2004-05 took up \$2,130,878 (17%) of the available CDBG funds.

Mortgage Revenue Bond Program

San Bernardino County sells bonds to finance the construction of affordable rental units throughout the county. Proceeds from the sale of the tax-free bonds are used to provide loans at interest rates below market rate for the construction or rehabilitation of affordable rental units.

In recent years, this program has not been used much due to the low interest rates available in the marketplace, removing much of the cost benefit of using tax-exempt bonds. However, an increase in interest rates or in tax rates would likely increase usage of the program. The CDH estimates that market interest rates need to rise above 5.5-6.0 percent for tax-exempt bonds to be attractive.⁹ Past usage of the program has resulted in 100 multi-family units supported by the bonds built in Redlands.

Emergency Shelter Grant program

ESG funds are used to provide shelter and related services to the homeless. The County distributes funds to agencies that operate shelters or provide hotel vouchers. Family Services Association of Redlands, which helps people stay in their homes by helping pay utilities, is one of the recipients of ESG grants.

According to the 2004-05 CAPER, the County received \$331,410 in ESG funds in fiscal year 2004-05. CDH provided funding to eleven agencies, including Family Services Association of Redlands, which received \$55,000 from CDH in FY 2004-05.

HOME Investment Partnership Program

The County administers these HUD grants, which can be used for various housing activities that assist lower income households. According to the 2004-05 CAPER, the County received \$5,132,797 in HOME funds in fiscal year 2004-05.

The County uses HOME funds toward five different programs:

1. *Community Housing Development Organization (CHDO) Program.* CHDO's are funded by the HOME Program, which is obligated to reserve 15 percent of its annual funding to support housing construction, acquisition, or rehabilitation projects by

⁹ Phone conversation with Tom Ramirez, San Bernardino County Housing Division, 18 December 2007.

certified CHDO's. Redlands has two active CHDO's: Housing Partners I and Redlands Christian Home.

2. *Rental Property Acquisition and Rehabilitation Assistance Program*. This program provides low-interest loans to developers of rental properties, in order to allow them to acquire or rehabilitate existing housing units and make them available to low-income households.
3. *Homeownership Assistance Program (HAP)*. HAP covers certain home purchase costs for moderate and low-income households—such as closing costs and gap financing—through a deferred loan.
4. *American Dream Downpayment Initiative (ADDI)*. This provides grants to help homebuyers with downpayment and closing costs. The focus is on low income households who are also first-time homebuyers, and can be used to supplement funds from HAP.
5. *Tenant Based (Rental) Assistance Program (TBA)*. The TBA Program assists qualifying households earning less than 50 percent of the AMI with rent payments on an ongoing basis, and may also provide one-time assistance toward a security deposit.

The County estimates that between 2002 and 2007, around 40 Redlands households took advantage of programs to assist with rent, repairs, or homeownership costs.¹⁰

Neighborhood Initiative Program

This HUD-based economic development program consists of grants assigned to specific entities by the Congress. The County previously used a Neighborhood Initiative grant to purchase approximately 121 properties in Redlands from the Federal Housing Administration after the properties had been foreclosed on, and rehabilitate and sell them at market rates, but specifically to households making 115 percent or less of area median income.¹¹

HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO

Section 8 Rental Assistance

The Section 8 program is a rental assistance program that helps very low income families to live in market-rate housing units rather than public housing. Households are provided with vouchers that are paid to private market-rate landlords, who are then reimbursed by HUD. As of January 2008, there were 289 Section 8 participants residing in the city of Redlands. See Section 2.6 for more information.¹²

¹⁰ Phone conversation with Tom Ramirez, San Bernardino County Housing Division, 18 December 2007.

¹¹ Email from Tom Ramirez, December 19, 2007.

¹² Information on Section 8 was provided via email from Alison Crawford, Director, Administrative Services, Housing Authority of San Bernardino (2-1-08).

Home Ownership Preparation and Education (HOPE) Program

Administered by the Housing Authority of the County of San Bernardino (HACSB), families receiving rental assistance from more than one year can apply for HOPE, which includes classes and aid toward assisting with home ownership. Subsidies include a voucher to help meet monthly home ownership expenses and a deduction on mortgage loan interest.

2.8 AT-RISK HOUSING

In 1989, the California Government Code was amended to include a requirement that localities identify and develop a program in their housing elements for the preservation of assisted, affordable multi-family units. Section 65583(a)(8) requires an analysis of existing housing units that are eligible to change from low-income housing uses during the next 10 years due to termination of subsidy contracts, mortgage prepayment, or expiration of restrictions on use

CONVERSION RISK

Assisted housing units are those that offer financial aid or provide extra services for people in need of financial or basic living assistance. Subsequent amendments have clarified the scope of the analysis to also include units developed pursuant to inclusionary housing and density bonus programs. In the preservation analysis, localities are required to provide an inventory of assisted, affordable units that are eligible to convert to market rate within ten years. As part of the analysis, an estimation of the cost of preserving versus replacing the units is to be included, as well as a discussion of programs designed to preserve affordable units.

The California Housing Partnership Corporation (CHPC) assists nonprofit and government housing agencies to create, acquire, and preserve housing affordable to lower income households. CHPC lists three federally-assisted rental housing projects containing 196 rental units in the City of Redlands. Casa de la Vista and Citrus Arms Apartments are both listed as “at-risk,” while Fern Lodge is listed as “lower risk.” However, in the context of this Housing Element update, assisted units are considered “at-risk” of conversion to market rate if the expiration date of their financing program is between 2008 and 2016 (i.e. 10 years from the beginning of the housing element planning period—2006).

Table 2.8-1: Housing Developments At-Risk of Conversion

Name	Address	Type	Number of Units			Date to Change
			VL	L	Total	
Fern Lodge	460 E. Fern Ave. Redlands, CA 92373	HUD Financed Section 8, 202/8	61		61	6/30/2008
Casa De La Vista	440 Redlands Blvd., Redlands, CA 92373	HUD Financed, Section 8, 202/8	74		74	9/30/2010
Citrus Arms Apartments	151 Judson Street, Redlands, CA 92374	HUD Financed, Section 8, 221(d)(4)	60		61	9/17/2008

Source: California Housing Partnership Corporation, January 2008.

Almost all of the units in these developments are dedicated to very low-income seniors (people age 62 and over). One (1) of the 75 Casa de la Vista units is used by a development administrator and two (2) are occupied by people with disabilities who are not seniors. One (1) of the 61 Citrus Arms units is also used by a development administrator. While all of the other units are occupied by seniors currently, six (6) of the units can accommodate a wheelchair and with proper documentation, people with disabilities who are under 62 can live in these units. Finally, all 61 Fern Lodge units are dedicated to seniors.

Fern Lodge, Casa de la Vista, and Citrus Arms are subsidized through the federal Section 8 program. Property owners who accept Section 8 can opt to terminate the Section 8 contract (opt-out), or renew the contract for another year. The primary incentive for Section 8 property owners to opt-out is the higher rent that would be paid for these units at market value.

In order for the property owner to successfully opt-out of the Section 8 contract, the owner must satisfy certain procedural requirements. A Notice of Intent (NOI) must be filed with HUD one year before the termination date that indicates the owner's intent to convert the units to market rate. Failure to file an NOI within the specified timeframe, or follow the other procedures to opt-out of the Section 8 contract, results in an automatic contract roll-over for five years.

Upon filing of an NOI, HUD may offer several incentives to property owners to remain in their contracts, including re-financing the property mortgage and establishing higher rents charged for the projects.

Pursuant to Section 65863.10 of the Government Code, the property owner of a Section 8 contract must also provide six months advanced notification to each tenant household if the property owner intends to terminate the Section 8 contract. The notice must indicate the anticipated date of conversion and the anticipated rent increase. The property owner is also required to serve notice to the City.

In addition to the federally-financed assisted developments listed in Table 2.8-1, the City of Redlands uses 20 percent tax increment set-aside funds to help produce affordable housing. The Redlands Redevelopment Agency (RDA) enters into regulatory agreements with property owners who agree to build and maintain affordable housing units. In exchange for financial assistance, these property owners must keep units affordable at specified levels until the agreement with the City expires. Four of these agreements are set to expire during the next ten years (Table 2.8-2)

Table 2.8-2: RDA Funded At-Risk Units

Owner	Address	Number of Units			Date to Change
		VL	L	Total	
RSB Harbinger	1028 Lombard Drive Redlands, CA 92374	4		4	9/19/2010
Steve & Aggie Morse	200 Craig Court Redlands, CA 92374	2	1	3	8/6/2016
Housing Authority ¹	725 Brockton Avenue Redlands, CA 92474	4	4	8	6/28/2010
Housing Authority ²	1027 Lombard Drive Redlands, CA 92374	4		4	6/28/2010

¹Managed by Beacon Management.

²Beacon had been charging market rate for these units, but will fix this error.

Source: Redlands Redevelopment Agency.

While like the federally-financed properties, these housing units are set to expire during the course of the next ten years, none of the owners intend to seek market rate rents for their properties.¹³ In total, these 19 units are made up of 18 two-bedroom units and 1 three-bedroom unit.

Fair market rents for the San Bernardino County area in fiscal year 2007 are provided in Table 2.8-3 below.

Table 2.8-3: Fair Market Rents for Existing Housing in San Bernardino County

Studio	One Bedroom	Two Bedroom	Three Bedroom	Four Bedroom
\$765	\$835	\$974	\$1,383	\$1,617

Source: Federal Register, HUD, FY 2007.

The rental market is very good right now, threatening to induce owners of affordable units to convert those units to market rate. However, the managers of the three federally-funded developments listed in Table 2.8-1 were each surveyed regarding their intentions of remaining affordable. All said they would renew their annual contracts with HUD for the next ten years.¹⁴ Given that Fern Lodge, Casa de la Vista, and Citrus Arms Apartments were designed for senior (and disability) housing, their risk to conversion during the next 10 years seems minimal. Likewise, the managers of the properties listed in Table 2.8-2 indicated their intention to maintain the affordability of these units. It should be noted that because of an oversight by the

¹³ Information provided in the following telephone conversations: 2/13/2008 with Thomas Knight of Beacon Property Management (for the 725 Brockton Avenue and 1027 Lombard Drive properties), 2/22/08 with Margaret Barnett of RSB Harbinger (for the 1028 Lombard Drive property), and 2/22/2008 with Aggie Morse (for the 200 Craig Court property). It should be noted that the 200 Craig Court property is paid off and therefore no longer subject to affordability restrictions. Nevertheless, the owners do intend to keep the units affordable for at least the next ten years.

¹⁴ Information provided in a telephone conversation on 2/15/2008 by Grace Crisostomo of American Baptist Homes of the West for Casa de la Vista and Fern Lodge. Information provided in a telephone conversation on 2/19/2008 by Cary Glenn of GNK Management for Citrus Arms Apartments.

previous property manager, the two properties managed by Beacon are currently being rented at market rate. However, Beacon is in the process of rectifying this mistake—all of the units should be reserved for those making 50 percent or less of area median income.¹⁵

COST OF REPLACEMENT VS. PRESERVATION

In Redlands, the cost of conserving assisted units is estimated to be significantly less than that required to replace the units through new construction. The difference between extremely/very low-income and market rate rents requires the most subsidy; preserving low- and moderate-income units does not require as much subsidy. Since land prices and land availability are generally the limiting factors to development of low-income housing, it is estimated that subsidizing rents to preserve assisted housing is more feasible and economical than new construction.

There are three methods of assisting low-income tenants living in at-risk units: 1) providing monthly rental subsidies in the private market, 2) acquiring and preserving the presently subsidized units, and 3) constructing comparable replacement units.

Table 2.8-4, below, estimates the total annual subsidy that would be needed to assist very low- and low-income households in acquiring housing on the private market. The City's at-risk developments are listed, along with the number of units broken down by size.

Fern Lodge, Casa de la Vista, and Citrus Arms almost entirely house very low-income seniors (federally defined as age 62 and over), though Casa de la Vista currently has two non-senior tenants with disabilities. It was assumed that studio and one-bedroom apartments (the entirety of the at-risk units in Redlands) are occupied by one very-low income person. The San Bernardino County income limit for a very low-income household of one is \$20,700. The other properties are 2-bedroom units with the exception of the 200 Craig Court property, which includes one 3-bedroom unit. It was assumed that 2-bedroom units had three occupants and that 3-bedroom apartments were occupied by a family of four. This assumption was made because very low-income and low-income families are often made up of a single parent and children. The income limit for a very low-income three-person household is \$26,650.

¹⁵ Information provided in a telephone conversation on 2/25/2008 with Thomas Knight of Beacon Property Management.

Table 2.8-4: Cost of Preserving At-Risk Housing for Very Low- and Low-Income Households

Units	Fern Lodge		Casa de la Vista		Citrus Arms		1028 Lombard		1027 Lombard		200 Craig		725 Brockton	
	VL	L	VL	L	VL	L	VL	L	VL	L	VL	L	VL	L
Studio	0		18		0		0		0		0		0	
1 BR	61		56		60		0		0		0		0	
2 BR	0		0		0		4		4		1	1	8	
3 BR	0		0		0		0		0		1		0	
Total	61		74		60		4		4		3		8	
Total Fair Market Monthly Rent	\$50,935		\$60,530		\$50,100		\$3,896		\$3,896		\$4,305		\$7,792	
Total Max. Affordable Monthly Rent	\$31,568		\$38,295		\$31,050		\$2,664		\$2,664		\$2,471		\$5,330	
Total Annual Subsidies Required	\$232,404		\$266,820		\$228,600		\$14,784		\$14,784		\$22,005		\$29,544	
Average Monthly Subsidy Per Unit	\$318		\$318		\$318		\$308		\$308		\$611		\$308	
Average Annual Subsidy Per Unit	\$3,816		\$3,816		\$3,816		\$3,696		\$3,696		\$7,332		\$3,696	

1. Calculations assume that all studio and 1-bedroom units are occupied by 1 person, all 2-bedroom units are occupied by 3 people, and all 3-bedroom units are occupied by 4 people.
2. Based on HUD fair market rents and affordable rents (Table 2.4-9).
3. Fern Lodge, Casa de la Vista, and Citrus Arms contain very low-income senior units whereas the other properties contain low-income units. This is why the aforementioned developments would require an annual subsidy, while the others would not.

Source: HUD 2007 Fair Market Rents; the managers of the properties listed.

One of the three Craig Court apartments is a 3-bedroom unit, while the other two are 2-bedroom units. One of the three is low-income, reserved for a household making less than 80 percent of AMI, while the other two are reserved for very low-income households making less than 50 percent of AMI. While the property owners are no longer obligated to provide affordable housing because they have paid-off their loan with the City, they nevertheless plan on keeping these units affordable. However, the owners do not wish to disclose the rents of the properties (to protect their tenants' privacy), and so it is not possible to determine which property is reserved for a low-income household, and which two are reserved for very low-

income households.¹⁶ Therefore, the assumption was made that one of the very-low income units was a 2-bedroom while the other was a three bedroom. Therefore, the third unit was assumed to be a 2-bedroom low-income unit. The income limit for a low-income 3-person household is \$42,600, while the income limit for a very low-income 4-person household is \$29,600 (Table 2.8-4).

Maximum affordable rent is assumed to be 30 percent of a household's annual income. Moreover, in total, the annual subsidy required to support all households in the three at-risk developments is \$808,941. The present value of providing this level of subsidy over a 30-period (assuming an annual inflation rate of 4%) is nearly \$14 million.

According to Table 2.4-5: Redlands Median Home Sales in Section 2.4, the median price for a 1-bedroom condominium in Redlands has fluctuated substantially since 2003. In 2003, the median price was \$100,000. By 2005, it had more than doubled to \$236,000, and by 2007, it was down to \$160,000. This being said, it is difficult to predict how much 1-bedroom condos (or other sizes and types of housing) will cost in the future. However, if the median price of a 1-bedroom condo is \$160,000, then the cost of acquiring 196 units would be about \$31.4 million. While data isn't available for the median price of a 2-bedroom condominium in 2005, the price difference between 2003 and 2007 was not that great (\$249,500 v. \$255,500). If it is assumed that the average of these numbers, \$252,500, is the median price over this five year period, then the cost of acquiring 18 units would be about \$4.5 million. The median price of a 3-bedroom unit between 2003 and 2007 was \$225,000. Therefore, in total, it would cost \$40.4 million to acquire these 215 units market rate.

Of the three options for addressing the potential loss of subsidized, at-risk rental units, the payment of monthly rental subsidies to very low- and low-income households over a 30-year period would cost about \$26.4 million less in present dollars than the cost of acquiring 215 comparable rental units in the local housing market (depending on assumptions). Still, although this option would guarantee that the same number of very low-income renters were assisted as the number of subsidized rental units that could be lost, the payment of subsidies does not preserve the affordability of rental units or replace affordable rental units lost. Thus, the City must continually emphasize the creation and maintenance of affordable housing.

QUALIFIED ENTITIES

The California Department of Housing and Community Development (HCD) keeps a current list of all of the qualified entities across the state. A "qualified entity" is a nonprofit or for profit organization or individual that agrees to maintain the long-term affordability of [housing] projects. The qualified entities that HCD lists for San Bernardino County are in Table 2.8-5.

¹⁶ Telephone conversation with Aggie Morse, 2/22/2008.

Table 2.8-5: Qualified Entities, San Bernardino County (2007)

<i>Organization</i>	<i>City</i>	<i>Phone Number</i>
Los Angeles Center for Affordable Tenant Housing	Los Angeles	(323) 656-4410
BUILD Leadership Development Inc.	Newport Beach	(949) 720-7044
Century Housing Corporation	Culver City	(310) 642-2007
Century Pacific Equity Corporation	Los Angeles	(310) 208-1888
Coachella Valley Housing Coalition	Indio	(760) 347-3157
Coalition for Economic Survival	Los Angeles	(213) 252-4411
Community Partnership Dev. Corp	Sun Valley	(818) 503-1548
DML & Associates Foundation	Tarzana	(818) 708-2710
East Los Angeles Community Corporation	Los Angeles	(323) 269-4214
Foundation for Quality Housing Opportunities, Inc.	North Hollywood	(818) 763-0810
Housing Authority of the City of Los Angeles	Los Angeles	(213) 252-2701
Housing Corporation of America	Laguna Beach	(323) 726-9672
Jamboree Housing Corporation	Irvine	(949) 263-8676
Keller & Company	San Diego	
Long Beach Affordable Housing Coalition, Inc	Long Beach	(562) 983-8880
Los Angeles Housing Partnership, Inc	Los Angeles	(213) 629-9172
Los Angeles Low Income Housing Corp. (LALIH)	Los Angeles	(323)954-7575
Neighborhood Housing Svcs. of the Inland Empire, Inc.	San Bernardino	(909) 884-6891
Nexus for Affordable Housing	Orange	(714) 282-2520
Orange Housing Development Corporation	Orange	(714) 288-7600x 25
Poker Flats LLC	Los Angeles	
San Diego County SER-Jobs for Progress, Inc.	Oceanside	(760) 754-6500
Shelter For The Homeless	Midway City	(714) 897-3221
Southern California Housing Development Corp	Rancho Cucamonga	(909) 483-2444
Southern California Presbyterian Homes	Glendale	(818) 247-0420
The East Los Angeles Community Union (TELACU)	Los Angeles	(323)721-1655

Source: California Department of Housing and Community Development, 2007.

However, given the fact that the owners of all of the housing units listed in Table 2.8-5 intend to continue to renew their financing programs with HUD, the need for qualified entities to acquire these properties does not exist.

FINANCING AND SUBSIDY RESOURCES

The housing element must identify all federal, State, and local financing and subsidy programs that are available as preservation resources. The following table shows the amount of funds that are available under each program which have not been legally obligated for other purposes and therefore could be used to preserve at-risk, assisted housing units. Funds for the years 2009-2014 are estimates or projections since it is not certain exactly how much money will be

available in the future. Also see Section 2.7: Financing and Subsidy Services for additional information.

The housing set-aside funds are allocated across six distinct programs: the Great Neighborhoods Program (GNP), the First Time Homebuyers Program, the Emergency Repairs Program, the Home Paint Program, the Land Acquisition Program, and the Housing Partners/OPA.

The Great Neighborhoods Program (GNP) provides loans of up to \$30,000 to do repair work to single family owner-occupied homes. The program is for low-income residents of the city. The First Time Homebuyers Program (FTHB) is designed to assist low- and moderate-income people purchase their first home by providing secondary financing to income-qualified households. The Emergency Repairs Program (EPP) provides grants for emergency repairs to single-family homes and mobile homes for very low-income families. The Home Paint Program (HPP) provides low-income single family homeowners with financial assistance of up to \$5,000 for exterior paint improvements. The financial assistance provided by all of these programs is on a first come, first serve basis. The Land Acquisition Program is specifically for the purchase of vacant land for building affordable housing. Under this program, the Redevelopment Agency purchases vacant parcels and prepares them with entitlements to make them available to developers. Developers then enter a regulatory agreement to build affordable housing. The Housing Partners/Owner Participation Agreement (OPA) requires the Housing Authority of San Bernardino County to provide a total of 42 units of low-income and 11 units of very low-income rental units (the Vista del Sol development).

Both CalHome and HOME are competitive grant programs administered by the HCD. CalHome, a \$50 million dollar initiative provided by the passage of Proposition 1c, the Housing and Emergency Shelter Trust Fund Act of 2006, funds local public agencies and nonprofit corporations. Specifically, CalHome funds can be used for first-time homebuyer mortgage assistance and owner-occupied rehabilitation. HOME, or Home Investment Partnerships Program, assists cities, counties, and nonprofit community housing development organizations (CHDOs) to create and retain affordable housing. HOME funds can be used for new construction, rehabilitation, and acquisition of rental projects and homes for first-time homebuyers.

Table 2.8-6: Financing Resources for At-Risk Housing: January 1, 2006 - June 30, 2014

	2006	2007	2008	2009	2010	2011	2012	2013	2014	Total
Local										
20% Housing Set-Aside Funds (tax increment)	\$7,700,000	\$6,820,000	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000	\$63,520,000
Administrative Fees										
State										
State HOM	0	0	0	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,200,000
Federal										
HOME Funds ¹	\$173,100	\$442,000	\$1,702,591	\$55,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$3,372,691
CDBG Funds ²	\$20,000	\$20,000	\$20,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$360,000
Total										\$68,452,691

¹Through the State of California competitive grant process

²In 2009-2010, the City will be eligible to receive CDBG funds directly from HUD as a Participating Jurisdiction. Currently, San Bernardino County administers CDBG funds for Redlands. As a Participating Jurisdiction, the City will receive more CDBG funding. Note: if HOME funds are awarded in full, no portion of CDBG funds may be necessary to augment housing acquisition and rehabilitation programs.

Source: City of Redlands, Redevelopment Agency.

2.9 OPPORTUNITIES FOR ENERGY CONSERVATION

There are many opportunities for conserving energy in new and existing homes. Construction of energy efficient buildings does not lower the purchase price of housing. However, housing with energy conservation features should result in reduced monthly occupancy costs as consumption of water and energy is decreased. Similarly, retrofitting existing structures with energy-conserving features can result in a reduction in utility costs. Examples of energy conservation opportunities include weatherization programs and home energy audits; installation of insulation; installation or retrofitting of more efficient appliances, and mechanical or solar energy systems; and building design and orientation that incorporates energy conservation considerations.

BUILDING DESIGN AND CONSTRUCTION

Many modern design methods used to reduce residential energy consumption are based on proven techniques that have been known to humans since the earliest of days of collective settlement. These methods can be categorized in three ways:

1. Building design that keeps natural heat in during the winter and keeps natural heat out during the summer. Such design reduces air conditioning and heating demands. Proven building techniques in this category include:
 - Locating windows and openings in relation to the path of the sun to minimize solar gain in the summer and maximize solar gain in the winter;
 - Use of “thermal mass,” earthen materials such as stone, brick, concrete, and tiles that absorb heat during the day and release heat at night;
 - “Burying” part of the home in a hillside or berm to reduce solar exposure or to insulate the home against extremes of temperature;
 - Use of window coverings, insulation, and other materials to reduce heat exchange between the interior of a home and the exterior;
 - Locating openings and using ventilating devices to take advantage of natural air flow; and
 - Use of eaves and overhangs that block direct solar gain through window openings during the summer but allow solar gain during the winter.

2. Building orientation that uses natural forces to maintain a comfortable interior temperature. Examples include:
 - North-south orientation of the long axis of a dwelling;
 - Minimizing the southern and western exposure of exterior surfaces; and
 - Location of dwellings to take advantage of natural air circulation and evening breezes.
 - Use of landscaping features to moderate interior temperatures. Such techniques include:
 - Use of deciduous shade trees and other plants to protect the home;

- Use of natural or artificial flowing water; and
- Use of trees and hedges as windbreaks.

In addition to natural techniques that have been used for millennia, a number of modern methods of energy conservation have been developed or advanced during the present century. These include:

- Use of solar energy to heat water;
- Use of solar panels, photovoltaic technology, and other devices to generate electricity;
- Window glazing to repel summer heat and trap winter warmth;
- Weather-stripping and other insulation to reduce heat gain and loss; and
- Use of energy efficient home appliances.

STATE BUILDING CODE STANDARDS

The California Energy Commission was created in 1974 by the Warren-Alquist State Energy Resources Conservation and Development Act (Public Resources Code 25000 et seq.). Among the requirements of the new law was a directive for the Commission to adopt energy conservation standards for new construction. The first residential energy conservation standards were developed in the late 1970s (Title 24, Part 6 of the California Code of Regulations) and have been periodically revised and refined since that time—standards for building energy efficiency were last updated in 2005 with fourth quarter revisions occurring in May 2006. These standards are currently being updated with new standards expected to be in place in 2009.

Residential site design and construction techniques that can reduce the amount of energy used for space cooling would significantly reduce overall energy demand. As discussed above, a number of traditional and modern techniques can decrease energy used for space cooling, including:

The orientation of buildings and windows with respect to the path of the sun;

- Landscaping to shade and insulate buildings;
- Insulation in walls and ceilings;
- Thermal mass to absorb solar energy during the day and release it at night; and
- Window treatments to reduce solar gain during the day.

The city's abundant sunshine provides an opportunity to use solar energy techniques to generate electricity, heat water, and provide space heating during colder months, as well. Natural space heating can be substantially increased through the proper location of windows and thermal mass.

PUBLIC UTILITY PROGRAMS

Electricity

Southern California Edison (SCE) is the electricity provider for much of Southern California, including Redlands. SCE offers a range of programs designed to assist residential consumers with energy conservation.

The Home Energy Efficiency Rebates (HEER) Program offers rebates on a first-come first-serve basis to residential customers for energy efficient cooling systems, water heaters and pumps, as well as appliances

The California Solar Initiative (CSI) offers SCE consumers rebates on fixed and tracking photovoltaic systems.

Edison SmartConnect is a smart metering system that facilitates energy efficiency by communicating directly with appliances and reducing the burden on the electric system as a whole during peak electricity usage.

Southern California Edison also offers several programs with the potential to assist low-income residents with their electricity costs, including those that do so through energy conservation.

The Energy Management Assistance (EMA) Program helps income-qualified households conserve energy by covering the purchase and installation costs of energy-efficient appliances and equipment. To qualify, SCE customers must receive service through a residential electric meter and have an SCE service account, as well as meet income qualifications (Table 2.9-1).

Table 2.9-1: EMA Income Qualifications

<i>Maximum Household Income</i>	
<i>Number of Persons/Household</i>	<i>Household Income</i>
1 to 2	up to \$29,300
3	\$29,301-\$34,400
4	\$34,401-\$41,500
5	\$41,501-\$48,600
6	\$48,601-\$55,700
each additional person	\$7,100

Source: SCE website:
<http://www.sce.com/RebatesandSavings/incomequalified/EMA/>

Assistance is available to both owners and renters, though renters must obtain their landlord's permission. Customers may only receive EMA services once every ten years.

The Multifamily Energy Efficiency Rebate (MEER) Program offers property owners and managers of existing multifamily properties incentives on a broad spectrum of energy efficiency improvements in lighting, HVAC, insulation and window categories. While MEER is available to all multifamily developments—even those without especially high proportions

of affordable housing—it would be particularly helpful to low-income people, who are more likely to live in multifamily rental housing.

Gas

The Southern California Gas Company (SCGC) provides gas for heating and cooking purposes to Redlands, and many other communities in the southern part of the state. The following are a list of energy efficiency programs offered by the utility:

Home Energy Efficiency Rebate (HEER) Program offers cash rebates on qualifying energy efficiency upgrades and improvements made on single family homes, condominiums, or attached residential units (maximum of four);

Multifamily Energy Efficiency Rebate (MEER) Program offers cash rebates for the installation of qualified energy-efficient products in apartment dwelling units and in the common areas of apartment and condominium complexes, and common areas of mobile home parks.

The Southern California Gas Company also offers the Direct Assistance Program (DAP) which provides no-cost weatherization services such as ceiling and pipe insulation and water heater blankets as well as furnace repair and replacement to qualified low-income customers. The income qualifications are the same as those listed previously to qualify for Southern California Edison's EMA Program.

Water

The City of Redlands Municipal Utilities Department provides residents with water audits upon request to help assist in water conservation.

CITYWIDE STRATEGIES

On October 16, 2007, Redlands endorsed the U.S. Mayors Climate Protection Agreement, effectively establishing City policy to pursue environmental stewardship pertaining to a broad array of environmental programs and initiatives. The City has committed to exceed the target of reducing global warming pollution levels to seven percent below 1990 levels. The green policy initiatives that will be necessary to achieve this goal include land use policies that promote walkable communities, preserve open space and reduce sprawl; amenities that promote alternative transportation such as public transit, bicycle use, etc; use of alternative sources of energy and energy efficiency; sustainable building practices such as Leadership in Energy and Environmental Design (LEED) development; increased recycling rates; and the promotion of healthy urban forests and shade trees.

- The City has implemented several other programs and actions to reduce energy use, increase efficiency and reduce waste:
- Electrical generation from landfill gas: the City installed a landfill gas (LFG) collection system and constructed a cogeneration facility for electricity generation from the LFG. This system currently generates approximately 700 KW to provide approximately 60-70 percent of the electrical demand of the Wastewater Reclamation Facility. Since November 2007, the City has saved \$454,000 in

electricity costs and eliminated 3.3 million pounds of methane and 8.2 million pounds of carbon dioxide emissions.

- Conversion of the Solid Waste fleet to liquefied natural gas/compressed natural gas (LNG/CNG) alternative fuel: The City has replaced 21 of its 32 trucks with CNG and LNG alternative fuel trucks.
- Expansion of City recycling programs: As a result of expanded programs, the City's generated waste at the California Street Landfill has remained fairly constant for the last six years despite large increases in the City's waste stream.
- Ride share: The City promotes ride sharing among its employees through the Ride Share Time Off program. A total of 146 employees participate.
- LED streetlights: the Public Works Department installed LED lights in all existing traffic signals in the city and has established specifications for requiring LED lights in all new traffic signals. This action resulted in a 90 percent reduction in energy usage with a 3.7 year payback for the cost of installation.
- Conversion of park irrigation controllers to SMART Controllers: In addition to saving water through changes in the park irrigation control system, the City is also working with the school district to implement similar irrigation practices. It is anticipated that this effort will reduce water requirements in parks by about 20 percent.
- Adoption of Climate Action Program and endorsement of the Green Valley Initiative: The City Council adopted a Climate Action Program endorsed by the Green Valley Initiative on April 15, 2008. The Program calls for augmenting the City's recycling procurement policy and practices, incorporating greening opportunities in all RDA projects, and direction to adopt a drought tolerant landscape ordinance among other actions.¹⁷

Furthermore, the Climate Action Committee, formed by the Mayor, is charged with bringing an expanded set of recommendations related to energy conservation and climate protection to the City Council for consideration in fall 2009.

This Housing Element and the General Plan can support this City effort through promoting infill development; siting housing near transit, jobs, and services; requiring greenscaping; and encouraging the use of green building standards. The City recently adopted Ordinance 2672, which amends the residential development points system to include additional points for energy conservation, sustainable development, and LEED. In addition, in November 2007, the City passed Resolution 6662, which streamlines the permit processing phase for LEED projects. Furthermore, through the imminent revised Downtown Specific Plan, the City is pursuing infill and transit-oriented development. For example, Krikorian, a developer, has already expressed interest in taking advantage of the 25 percent density bonus program offered by the State for transit-oriented development (Article 8.5 of the Planning and Zoning Laws) on a site in the downtown ("Group 5" on page 4-5) within a ¼ mile of a transit station.

¹⁷ "Summary of Action Items" Climate Action Committee, revised 04/21/2009.