



EDMUND F. SOTELO
City Manager

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RECEIVED
VENTURA COUNTY SUPERIOR COURT

SEP 18 2006

OFFICE OF THE
PRESIDING JUDGE

August 28, 2006

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OCT 10 2006

VENTURA COUNTY
GRAND JURY

Honorable John R. Smiley, Presiding Judge
Superior Court of California, Ventura County
Hall of Justice, # 2120
800 South Victoria Avenue
Ventura, CA 93009

SUBJECT: Grand Jury Report
Affordable Housing in Ventura County Cities

Dear Judge Smiley:

The City of Oxnard's response to the Grand Jury's report, "Affordable Housing in Ventura County Cities" is described in the enclosed attachment.

Please feel free to contact me if the Grand Jury requires clarification, elaboration, or additional information.

Attachment

Sincerely,

Edmund F. Sotelo
City Manager

Ventura County 2005-2006 Grand Jury Report

“Affordable Housing in Ventura County Cities”

Response of the City of Oxnard

Grand Jury’s Findings

The City of Oxnard concurs for the most part with the Grand Jury’s findings. Finding F-06 and F-08 are not applicable to the City of Oxnard.

Findings

F-01. Affordable housing is acknowledged as a serious challenge in the County and in all ten cities.

Concur.

F-02. Each of the cities is currently addressing the challenge of Affordable Housing within the constraints of state law, local land use regulations and their unique city needs.

Concur.

F-03. Very Low Income limits for families of four average \$40,300, and Low Income limits average \$64,500. Many professional entry-level salaries, including those teachers and nurses, fall into the Very Low Income range.

Concur.

F-04. To date, efforts have fallen short of the need to provide housing for Very Low Income and Low Income level residents, with the greatest need in the Very Low Income level.

Concur in part.

It is true that the greatest need is for Very Low Income families, because of the large subsidies required. However, Oxnard will have exceeded its Low Income Goals by July 2008, the date the new Housing Elements must be submitted to the state Department of Housing and Community Development. Therefore, our efforts will not have fallen short for Low Income units, at least as far as goals that have been established by the Regional Housing Needs Assessment (RHNA).

- F-05. Some cities are constrained in their efforts to provide Affordable Housing because of local public opposition.

This may be true in cities other than Oxnard. The City of Oxnard has not experienced any local public opposition to Affordable Housing projects during the term of the existing Housing Element. It is true that neighborhood opposition can create difficulties for an affordable housing project. It is our practice in Oxnard to instruct developers to work closely with the local neighborhood councils near which an affordable housing project is located. We have found that developers which follow this practice are normally able to win support for their project. In addition, the Planning and Environmental Division schedules public meetings for projects before they go before the Planning Commission. This helps to work out any remaining issues that haven't been resolved

- F-06. The City of Port Hueneme has a unique problem. The City has limited open space for new housing and currently focuses only on programs that provide financial assistance using existing housing units.

Not applicable.

- F-07. Lack of Affordable Housing inhibits the Region's ability to attract new business and industry as well as qualified employees to the area.

Concur

- F-08. Specialized program and organizations within the County, including the Housing Authorities (both Area and in cities); the Ag Futures Alliance Farm Worker Housing Task Force; Habitat for Humanity; Senior Concerns; and private groups with other specialized interests, assist low income families. These organizations were not addressed in this study.

Not applicable.

Recommendations

- R-01.** Each city should increase efforts to work with businesses and developers to actively pursue solutions to the social, economic, and environmental problems associated with the issues of Affordable Housing. (C-03)

(C-03). Continued lack of Affordable Housing and failure by cities to solve the needs of Very Low Income and Low Income residents will cause increasing adverse economic challenges. (F-07)

(F-07). Lack of Affordable Housing inhibits the region's ability to attract new business and industry, as well as qualified employees to the area.

Response

Oxnard is now and has been for many years been working to pursue solutions to the issues of Affordable Housing.

As indicated in the Grand Jury report the role of cities is to provide incentives to private developers, non-profit housing corporations, and local housing authorities to remove regulatory barriers which inhibit the development of affordable housing. It is not necessarily the role of cities to be directly involved in the construction of affordable housing.

The City of Oxnard has put into place several incentives designed to encourage the production of Affordable Housing. The City has also diligently worked at removing all unnecessary regulatory barriers that would prevent or discourage the production of Affordable Housing.

In June 2005, the City of Oxnard received from the U.S. Department of Housing and Urban Development the Robert L. Woodson, Jr. Award. This is HUD's Affordable Communities award provided to local governments in recognition of outstanding work to reduce regulatory barriers to affordable housing.

Oxnard's award was based on the following innovative programs:

1. In-Fill Program. City Council adopted Ordinance 2535 which allowed City Council to waive or reduce development fees on in-fill lots of three acres or less in six low income neighborhoods.
2. Deferred Development Fees Program. City Council adopted Ordinance 2590 which allows City Council to defer or waive development fees in exchange for a developer agreeing to set aside 10% or 20% of housing units for very low and low income families.
3. Affordable Housing and In-Lieu Fee Program. City Council adopted Ordinance No. 2506 which established a inclusionary requirement that 10% of a housing subdivision or apartment project should be available at prices or rents affordable to low and very low income families. Under certain circumstances a developer may pay an in-lieu fee in place of providing units. City Council may use these fees to support gap financing for affordable projects, second mortgages for low income buyers, down payment and closing cost grants, and rehabilitation loans and grants for units available to low income households.
4. Density Bonus and Developer Incentive Program. City Council adopted Ordinance No. 2505 which provided a 25% density bonus to developers providing 10% or 20% of housing units for very low or low income households. Lower regulatory standards are offered as an inducement to provide affordable units.

In addition to reducing regulatory barriers and providing incentives to developers, the City has also assisted housing developers with the issuance of multi-family housing revenue bonds and provided direct gap financing from federal HOME funds, redevelopment set aside funds, and in-lieu fees.

- R-02. Each city should educate its residents on how local services (education, police, health care, etc.) depend upon the availability of Affordable Housing. (C-04)
- C-04. Local opposition to Affordable Housing impacts the ability of government and business to employ those who provide services desired by local residents. (F-05, F-07)
- F-05. Some cities are constrained in their efforts to provide Affordable Housing because of local opposition.
- F-07. Lack of Affordable Housing inhibits the region's ability to attract new business and industry as well as qualified employees to the area.

Response

Oxnard is and has been working with its residents on how local services depend upon the availability of Affordable Housing.

The education aspect of Affordable Housing works both ways: The City of Oxnard has in place several methods for keeping residents informed of affordable housing needs, plans, policies, programs, and developments. But the City also has in place methods by which it has learned from its residents about their housing and community development needs and expectations.

Each Affordable Housing project is reviewed by the neighborhood council or councils which are impacted by the project. For example, City and Cabrillo Economic Development Corporation staff met numerous times with the Cypress Neighborhood Council concerning Villa César Chávez, a 52 unit farmworker apartment complex. Staff of the Housing Department are conducting an extensive outreach program in the community, with neighborhood councils, and with project residents regarding the redevelopment of the public housing project, identified as "The Courts".

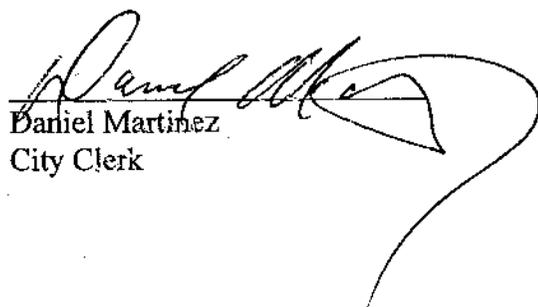
All Affordable Housing projects are brought before City Council either to approve the project plans, to provide funding or both. The intent and benefits of these projects are explained in full view of a broad television audience which reaches beyond the neighborhood in which the project is located.

The commitment of the City Council toward providing residents with Affordable Housing that meets the needs of service providers is demonstrated by the strides made in meeting the Affordable Housing goals of the City's Housing Element and the allocation of \$13.8 million toward sales and rental housing since 2000.

STATE OF CALIFORNIA)
COUNTY OF VENTURA) ss.
CITY OF OXNARD)

I, Daniel Martinez, City Clerk of the City of Oxnard, do hereby certify the foregoing to be a draft copy of minutes of the City Council at a regular meeting held on September 12, 2006 regarding the "Response to Grand Jury Report on Affordable Housing in Ventura County". The original minutes will be on file in the City Clerk's Office after approval by the City Council.

DATED this 13th day of September, 2006.


Daniel Martinez
City Clerk