CITY OF MORGAN HILL

Regular Meeting Agenda

Planning Commission

MALISHA KUMAR	-	*CHAIR*
LAURA GONZALEZ-ESCOTO	-	*VICE-CHAIR*
LIAM DOWNEY	-	*PLANNING COMMISSIONER*
WAYNE TANDA	-	*PLANNING COMMISSIONER*
JOSEPH MUELLER	-	*PLANNING COMMISSIONER*
MOHAMMAD HABIB	-	*PLANNING COMMISSIONER*

Tuesday, March 8, 2022 7:00 PM

Virtual Meeting

VIRTUAL MEETING GUIDELINES AND PUBLIC COMMENT

In accordance with Executive Order N-25-20 and guidance from the California Department of Public Health on gatherings, remote public participation is allowed. Physical meetings will not be in the City Council Chamber until further notice.

Planning Commission meetings will be live streamed on Channel 17, on the City's website and on the City's Facebook page. Those members of the community that would like to participate in the meetings remotely may do so by join the virtual meeting at: https://bit.ly/PlanningCommissionMtg or by calling in to: (669) 900-9128, then enter the webinar ID#: 862 0324 6251.

Public comment may be provided in the following ways:

- Join the virtual Planning Commission meeting via the link above, when public comment is opened, raise your virtual hand and be called upon to speak for up to 3 minutes
- Join the virtual meeting by calling in to the number above, dial *9 to raise your hand and *6 when called upon to speak for up to 3 minutes
- Send public comments in writing to the Minutes Clerk at pcpubliccomment@morganhill.ca.gov

* Please note that comments made on Facebook are not considered public comment.

CALL TO ORDER

ROLL CALL ATTENDANCE

DECLARATION OF POSTING AGENDA

Pursuant to Government Code Section 54954.2

PLEDGE OF ALLEGIANCE

PUBLIC COMMENT

Members of the public are entitled to address the Planning Commission concerning any item within the Morgan Hill Planning Commission's subject matter jurisdiction. Public comments are limited to no more than three minutes. Except for certain specific exceptions, the Commission is prohibited from discussing or taking action on any item not appearing on the posted agenda. (See additional noticing at the end of this agenda)

ORDERS OF THE DAY

MINUTES APPROVAL

1. February 22, 2022 Meeting Minutes

Recommendation:

1. Approve Minutes

PUBLIC HEARINGS

None.

OTHER BUSINESS

2. Housing Element Update - Review Prior Housing Element

Recommendation:

1. Accept presentation by Staff regarding the Evaluation of Past Performance for the City's 2023-2031 Housing Element Update process.

DIRECTOR'S REPORT/ANNOUNCEMENTS

ADJOURNMENT

NOTICE

Any documents produced by the City and distributed to the majority of the Planning Commission less than 72 hours prior to an open meeting, will be made available for public inspection at the front counter at City Hall located at 17575 Peak Avenue, Morgan Hill, CA, 95037 and at the Morgan Hill Public Library located at 660 West Main Avenue, Morgan Hill, California, 95037 during normal business hours. (Pursuant to Government Code 54957.5)

PUBLIC COMMENT

Members of the Public are entitled to directly address the Planning Commission concerning any item that is described in the notice of this meeting, before or during consideration of that item. If you wish to address the Planning Commission on any issue that is on this agenda, please complete a speaker request card located in the foyer of the Council Chambers and deliver it to the Minutes Clerk prior to discussion of the item. You are not required to give your name on the speaker card in order to speak to the Planning Commission, but it is very helpful. When you are called, proceed to the podium and the Chair will recognize you. If you wish to address the Planning Commission on any other item of interest to the public, you may do so during the public comment portion of the meeting following the same procedure described above. Please limit your comments to three (3) minutes or less.

Please submit written correspondence to the Minutes Clerk, who will distribute correspondence to the Planning Commission.

Persons interested in proposing an item for the Planning Commission agenda should contact a member of the Commission who may plan an item on the agenda for a future Commission meeting. Should your comments require Planning's action, your request may be placed on the next appropriate agenda. Planning Commission discussion or action may not be taken until your item appears on an agenda. This procedure is in compliance with the California Public Meeting Law (Brown Act) Government Code §54950.

City Council Policies and Procedures (CP 03-01) outlines the procedure for the conduct of public hearings. Notice is given, pursuant to Government Code Section 65009, that any challenge of Public Hearing Agenda items in court, may be limited to raising only those issues raised by you or on your behalf at the Public Hearing described in this notice, or in written correspondence delivered to the Commission at, or prior to the Public Hearing on these matters.

The time within which judicial review must be sought of the action by the Commission, which acted upon any matter appearing on this agenda is governed by the provisions of Section 1094.6 of the California Code of Civil Procedure.

For a copy of Commission Policies and Procedures CP 97-01, please contact the City Clerk's office (408) 779-7259, (408) 779-3117 (fax) or by email cityclerk@morganhill.ca.gov.

AMERICANS WITH DISABILITIES ACT (ADA)

In compliance with the Americans with Disabilities Act, if you are a disabled person and you need a disability-related modification or accommodation to participate in this meeting, please contact the City Clerk's Office at (408)779-7259, (408)779-3117 (fax) or by email cityclerk@morganhill.ca.gov. Requests must be made as early as possible and at least two-full business days before the start of the meeting.

DRAFT

CITY OF MORGAN HILL

Meeting Minutes

Planning Commission

MALISHA KUMAR	-	*CHAIR*
LAURA GONZALEZ-ESCOTO	-	*VICE-CHAIR*
LIAM DOWNEY	-	*PLANNING COMMISSIONER*
WAYNE TANDA	-	*PLANNING COMMISSIONER*
JOSEPH MUELLER	-	*PLANNING COMMISSIONER*
MOHAMMAD HABIB	-	*PLANNING COMMISSIONER*

Tuesday, February 22, 2022 7:00 PM

Virtual Meeting

CALL TO ORDER

Chair Kumar called the meeting to order at 07:00 p.m.

ROLL CALL ATTENDANCE

Minutes Clerk Jenna Luna called the roll at 07:00 p.m.

STATUS	ATTENDEE
REMOTE	Malisha Kumar, Joseph Mueller, Wayne Tanda, Mohammad Habib, Liam Downey
ABSENT	Laura Gonzalez-Escoto

DECLARATION OF POSTING AGENDA

Minutes Clerk Luna declared the posting of the agenda at 07:00 p.m.

PLEDGE OF ALLEGIANCE

Planning Commissioner Downey led the Pledge of Allegiance at 7:01 p.m.

PUBLIC COMMENT

Chair Kumar opened the Public Comment Period at 7:02 p.m. Hearing no requests to speak, the Public Comment Period was closed.

ORDERS OF THE DAY

No changes made.

MINUTES APPROVAL

1. February 8, 2022 Meeting Minutes

Recommendation:

1. Approve Minutes

MOTION:

Approve meeting minutes.

RESULT:	Passed
MOVER:	Planning Commissioner Tanda
SECONDER:	Planning Commissioner Mueller
AYES:	Kumar, Mueller, Tanda, Habib, Downey
NAYS:	None
ABSTAIN:	None
ABSENT:	Gonzalez-Escoto

PUBLIC HEARINGS

None.

OTHER BUSINESS

2. Site Inventory for the 2023-2031 Housing Element Update

Recommendation:

1. Accept presentation by Staff regarding the City's 2023-2031 Housing Element Update Site Inventory process.

Principal Planner Adam Paszkowski gave a presentation at 7:03 p.m.

Chair Kumar opened the Public Comment Period at 8:25 p.m. The following individuals addressed the Planning Commission:

- Joe Baranowski
- Scott Murray

Hearing no further requests to speak, the Public Comment Period was closed 8:29 p.m.

No action taken. The Planning Commission discussed and accepted the presentation.

DIRECTOR'S REPORT/ANNOUNCEMENTS

Community Development Director Jennifer Carman made an announcement at 8:44 p.m.

ADJOURNMENT

There being no further business to discuss, Chair Kumar adjourned the meeting at 8:45 p.m.

MINUTES PREPARED BY:
Jenna Luna, Minutes Clerk

1.3 CURRENT HOUSING ELEMENT REVIEW AND ACCOMPLISHMENTS

1.3.1 ACCOMPLISHMENTS OF THE CURRENT HOUSING ELEMENT

This section highlights some of the key accomplishments during the previous Housing Element cycle, from 2007 to 2014. This Housing Element builds upon the success of the previous Housing Element since the City completed many of the implementing action programs set out in that document. While in some cases, limited resources, the dissolution of the Redevelopment Agency (RDA), and the economic recession hindered the accomplishment of some programs, most programs have been implemented. For a full review of the previous Housing Element, see Appendix A.

Overall, a significant number of housing units have been built, particularly for seniors. Morgan Hill achieved its quantified housing production objectives for total units and above moderate income units. The City did not accomplish its objectives for extremely low, very low and low income housing during the previous Housing Element cycle. Contributing to this was the dissolution of Morgan Hill's Redevelopment Agency, which had assisted in the production of over 750 affordable ownership and rental units from 1999 until its dissolution in 2011.

In the absence of the Redevelopment Agency, the City continues to encourage and support affordable housing. The City has responded to the difficulty of creating new rental housing complexes by establishing a separate set-aside in the City's Residential Development Control System (RDCS) selection process to allow apartment complexes to have their own competition, adjusting scoring criteria further to facilitate multi-family development, adopting the Downtown Specific Plan, and facilitating Measure A, which exempts 500 units from the RDCS restrictions. The City is also supporting Senate Bill 391, the California Homes and Job Act, which, if enacted, will provide funding for affordable housing statewide.

TABLE 1-3 QUANTIFIED OBJECTIVES (2007-2014) COMPARED TO ACTUAL ACCOMPLISHMENTS

	Extremely Low Comp/Obj	Very Low Comp/Obj	Low Comp/Obj	Moderate Comp/Obj	Above Moderate Comp/Obj	Total Comp/Obj
New Construction	9 / 66	89 / 158	100 / 249	36 /246	1,027 / 500	1,261 / 1,219
Rehabilitation	5 / 56	36 / 56	9 / 56	0 / 56	N/A	50 / 224
Conservation	0 / 176	59 / 213	35 / 51	N/A	N/A	94 / 440

Note: comp = completed; obj = objective.
Source: City of Morgan Hill, 2013.

Some of the particularly noteworthy accomplishments of the current Housing Element include the following:

1. **Met Moderate and Above-Moderate Housing Objectives.** Provided for the orderly creation of new housing, with 1,261 new housing units created since 2007. Approximately 16 percent of the units built have been affordable to very low and low income residents. In the previous housing cycle the City more than met its objectives in all income categories with the help of its active Redevelopment Agency. The affordable units that have been built during the most recent cycle are largely attributable to the City's work establishing affordable and special needs housing as a high priority in the City's RDCS.
2. **Maintained an Active Redevelopment Agency Until its Dissolution.** The Morgan Hill Redevelopment Agency provided housing set-aside funds and applied for funds from State programs to assure sufficient funding for affordable housing projects, helping finance over 750 units and allocating over $32 million for housing. Some of these include the Viale Teacher Housing development on the Northwest corner of Watsonville Road; Calle Sueno; Jasmine Square; Royal Court; Madrone Plaza Phase I, a 95-unit ownership project with 71 units affordable to low and moderate income households; The Crossings, a 24-unit rental apartment acquisition and rehabilitation project; and Horizons, a 49-unit senior apartment project. The Redevelopment Agency was dissolved in 2011. Its Successor Agency has transferred its remaining properties to the City.
3. **Annually Reviewed the Residential Development Control System (RDCS) to Ensure Its Effectiveness.** Recent changes include creating a multi-family rental competition to encourage a more diversified housing stock, incorporating green building/sustainable incentives, variable pricing for BMR units by housing types/zoning, and a senior housing competition.
4. **Provided Downpayment Assistance** to **Homebuyers.** Downpayment assistance was provided to 40 households through the City's Downpayment Assistance Program, although this program has now been defunded due to Redevelopment Agency dissolution.
5. **Provided Assistance to Acquire, Rehabilitate, or Preserve 144 Housing Units, Ensuring They Remain Affordable.** Since 2010, the City has assisted the Horizons, EAH Housing, and Crest

Avenue Rehabilitation projects, as well as the Crossings, a 24 unit acquisition and rehabilitation project. In Fiscal Year 2010-2011, there were five rehab loans totaling $155,780. Since that time, the Rehabilitation Loan Program has been disbanded because Redevelopment funding has ended.

1.3.2 HOUSING ELEMENT PROGRAM REVIEW

The goals, policies, and programs contained in the current Morgan Hill Housing Element remain current as the City moves forward during the next planning period (2015-2023). The overview below focuses primarily on those programs implemented by the Housing Division of the City of Morgan Hill and Santa Clara County to address housing problems in Morgan Hill.

1.3.2.1 CITY OF MORGAN HILL PROGRAMS

Although the goals, policies, and programs remain current, accounting for the updating of dates and quantified objectives, the viability of funding for Morgan Hill's housing programs is uncertain. During the first part of the previous housing cycle, the Morgan Hill Redevelopment Agency provided housing set-aside funds for affordable housing projects, including housing rehabilitation loans, senior housing and mobile home repair grants, below market rate housing, and new development/major rehabilitation/special programs. In 2011, Redevelopment Agencies were dissolved at the State level, and as a result, many of these programs are now unfunded and have been placed on hold. The City is seeking other funding sources. In the meantime, there is $4 million in housing funds remaining from the former Redevelopment Agency, and another $6 million in Supplemental/Educational Revenue Augmentation Funds (SERAF/ERAF) funds will come back to the city from the former agency.

The following descriptions discuss both programs that are currently in operation and those that are currently unfunded and on hold while the City searches for sources of funding to replace the funding eliminated with the dissolution of the Redevelopment Agency. In addition to the remaining $10 million mentioned above, one hope for a continuing source of funding is Senate Bill 391, the California Homes and Jobs Act, which would provide statewide funding for affordable housing.

1.3.2.2 ONGOING PROGRAMS

The *Below Market Rate Housing (BMR) Homeownership Program* helps qualifying buyers obtain affordably priced homes. The homes are typically provided by developers based on Development Agreement commitments they make as part of the annual building allotment competitions, resulting from the City's Residential Development Control System approved by voter initiative in November 1977 and subsequently extended and amended in 1990, 2004, 2006 and 2009. Between 1990 and 1997, 185 new BMR housing units were produced in Morgan Hill, of which 93 were lower income, 86 were median income, and six were moderate income units. Since 1998, 67 units were constructed under the BMR program including 61 lower income units and six median income units. A total of 252 units have been constructed under this program since 1990. The City currently has over 500 first time homeowners in the program.

Participating homebuyers must be income eligible and be pre-approved to be able to financially qualify for a fixed-rate, fixed-term mortgage, and must have a minimum 3 percent down payment from their own funds in order to purchase a home. Eligible applicants are placed on a waiting list until the opportunity to purchase a unit becomes available either through new construction or resale of an existing unit. Priority on the waiting list is provided for buyers who live or work within the city limits. This program helps low and moderate income households purchase homes that are affordable and adequate to their needs. It also prevents affordable homes from being sold to persons with little or no income obstacles, maintaining a larger base of affordable homes in the area. Home prices range from $264,000 for a low income, two-bedroom home to $439,000 for a moderate income, four-bedroom home. At the time of sale, properties will have a resale/owner occupancy/option to purchase restriction recorded on the title in order to preserve the long term affordability of the unit.

Without a funding source to potentially preserve BMR units via acquisition, as was the practice when there were funds available from the Redevelopment Agency, more units with affordability covenants will be lost from the program. The City currently receives approximately $300,000 annually in loan repayments, which can serve to fund new loans and help fund loan administration with the City's remaining funds.

In addition to the BMR Homeownership Program, the City offers the *Below Market Rate Housing (BMR) Rental Program,* which provides rental assistance to lower income households. The BMR Rental Program currently has 45 units, in addition to over 1,300 affordable rental units created through RDCS competitions. Like the City's BMR Ownership program, the BMR rental units result from developments that have obtained allocations from the RDCS competitions. BMR Rental Program applicants must be income eligible and be a resident of Santa Clara County or employed in Morgan Hill. Eligible participants are placed on a waiting list and referred to rental complexes when a BMR rental unit becomes available. Eligible participants must also meet the individual leasing requirements of the participating apartment complexes to receive housing. These requirements may include a credit check, a criminal background check, a security deposit (first and last months' rent), references, etc. to assure the owner/property manager that a potential tenant is responsible.

Referred tenants must be re-certified annually. Current BMR rental rates range from $625-$818 for a one-bedroom unit rented to a very low income household, to $1,475 to $1,519 for a four-bedroom unit rented to a lower income household. Most rents include utilities.

As with the BMR Homeownership Program, the City is required to administer the program. The City is searching for other funding sources to sustainably fund the costs of administration.

To replace the *Blight Busters* program that was defunded due to the dissolution of the Redevelopment Agency, the City is starting a *Below Market Rate Rehabilitation Program*, expected to be operational in Spring of 2014. This program will provide assistance to BMR homeowners and seniors who need help with repairs.

1.3.2.3 PROGRAMS WITH UNCERTAIN FUNDING

The City has historically offered a *Housing Rehabilitation Loan Program* in order to maintain and improve housing conditions and Morgan Hill's stock of affordable housing. This program provided loans to lower income owner-occupants of single-family dwellings and owners of rental housing with income-qualified renters. The loans were available to qualifying homeowners and owners of rental properties in which at least 51 percent of the rental units were occupied by lower income tenants. Loans could be used for accessibility upgrades, emergency repairs, plumbing and heating, electrical and lighting work, earthquake retrofitting, fire prevention, security and safety items, roofing, handicapped accessibility, termite and dry rot repair, and other improvements approved by the City. Loans typically ranged up to $40,000 without separate City Council approval of individual projects, depending on the work needed and the type of unit being repaired. Interest rates typically ranged from 3.0 percent to 7.0 percent. The maximum loan term was typically 55 years, and could be amortized or deferred.

Before and After Examples of Rehabilitation Projects

Jasmine Square | **Villa Ciolino** | **Royal Court**

Before

Jasmine Square before Redevelopment

Villa Ciolino before Redevelopment

Royal Court before Redevelopment

After

Jasmine Square after Redevelopment

Villa Ciolino after Redevelopment

Royal Court after Redevelopment

Rehabilitation loans were financed through Redevelopment Agency 20 Percent Set-Aside Funds and CDBG monies. Five loans were granted in the amount of $155,780 during Fiscal Year 2010/2011, the last year that the program was in operation. The housing rehabilitation loan program has been effectively eliminated due to the dissolution of the Redevelopment Agency.

The *Minor Home Repair Grant Program* was broken into two subprograms: the *Senior/Special Needs Housing Repair Program* and the *Mobile Home Repair Program*. The Business Assistance and Housing Services Department administered both programs. Although eligibility requirements differ slightly, both programs allowed eligible applicants to receive a home repair grant of up to $7,500. Eligible persons were required to meet homeownership, age, disability, and income requirements for the Senior/Special Needs Housing Repair Program or mobile home ownership and income limits for the Mobile Home Repair Program. Eligible repair work included: accessibility upgrades, emergency repairs, plumbing and heating, electrical and lighting work, earthquake retrofitting, fire prevention, security and safety items, roofing, termite and dry rot repair, and other improvements approved by the City.

The Redevelopment Agency's Affordable Housing Set-Aside Funds funded approximately 828 grants for mobile home and senior home repair, and clean-up/paint. This program has been defunded due to dissolution of the Redevelopment Agency.

1.3.2.4 SANTA CLARA COUNTY HOUSING PROGRAMS

The Housing Authority of Santa Clara County administers the Section 8 Housing Assistance Payments Program (Section 8). This program links landlords with tenants eligible for rental assistance. Section 8 guarantees landlords fair market rent while providing subsidies for tenants in rental properties. Section 8 tenants are those elderly, handicapped, or very low or extremely low income families needing help to secure decent housing. Morgan Hill is participating in this program to encourage landlords to accept Section 8 vouchers, and will be on the list of cities in the rent subsidy program. The County has four Federal grant programs to assist eligible persons seeking permanent, transitional, or emergency housing-related services. Currently, 272 Morgan Hill households use Section 8 housing choice vouchers. There are 252 households on the waiting list for vouchers from Morgan Hill. However, this number underestimates need because the waiting list was last opened in 2005 for one week.

Community Development Block Grants (CDBG)

Morgan Hill participates in the **Santa Clara County CDBG Urban County Program** that provides funding to urban county cities and nonprofit agencies to enable them to offer housing and housing-related services to eligible lower income persons including seniors, persons with disabilities, the homeless, and battered spouses. The program provides approximately $130,000 annually in funding for each participating city for the acquisition, construction, or rehabilitation of affordable housing, public facilities, and services for lower income persons. Each of the Urban County cities develops its own local funding priorities based on the overall community needs and goals documented in the County's Consolidated Plan. In previous years, the CDBG loan program has been used to assist with home improvements for applicants who meet the income guidelines.

HOME Program (Home Investment Partnership Act)

The federal **HOME Program** is administered by the County Office of Affordable Housing and provides loans and grants to nonprofit organizations to assist with financing to develop permanently affordable housing through acquisition, construction, or rehabilitation.

Shelter Plus Care

Shelter Plus Care (S+C) is another Housing Authority program that provides a five-year rent subsidy to homeless/disabled individuals and their families to assist them in securing permanent affordable rental housing. Applicants must be currently homeless and must be diagnosed with one of the following disabilities: mental illness, HIV/AIDS, or a drug and/or alcohol dependency. In addition to rent subsidy, the program also arranges for various treatment services and case management. S+C clients are required to pay 30 percent of their monthly income towards rent; S+C pays the balance.

1.5 HOUSING GOALS, POLICIES, AND ACTIONS

Goal HE-1 Adequate new housing to meet the full range of future community housing needs, including affordability and accessibility.

Policy HE-1a: ***Adequate Land for New Development.*** *Ensure that an adequate amount of land is available for new residential development, zoned for a range of residential densities.*

Action HE-1a-1: Evaluate Land Availability Annually. Evaluate annually the amount of land available for development and the projected eight-year need, and adjust the General Plan and zoning as necessary to accommodate the City's regional housing allocation.

Policy HE-1b: ***Capital Improvement Programming.*** *Give high priority in the annual Capital Improvement Program to providing adequate public facilities for residentially zoned land needed to accommodate the City's ABAG projected regional housing needs allocation (RHNA).*

Policy HE-1c: ***RDCS Allocations.*** *Encourage the allocation of the maximum possible number of housing units under RDCS allocations.*

Action HE-1c-1: Annual RDCS Objectives. Establish annual objectives under the RDCS allocation process for affordable housing based on past production and future needs.

Action HE-1c-2: Annually Evaluate RDCS Allocations. Annually evaluate the outcome of the allocation process to determine if further adjustments to the system are advisable to ensure that the annual allocations are maximized for both market rate and affordable housing. Points to consider include the RDCS's impacts on cost, supply and affordability of housing, as well as the timing of the process. Ensure that there are sufficient allocations to meet the Regional Housing Need Allocation (RHNA). Include results in the annual progress report submitted to HCD.

Policy HE-1d: ***Variety of Housing.*** *Encourage a variety of housing types and densities within the community.*

Policy HE-1e: ***New Housing (30 Percent Multi-Family).*** *Continue to ensure that an average of at least 30 percent of all new housing allocations are designated for multi-family units.*

Policy HE-1f: ***New Multi-Family Housing (30 Percent Rentals).*** *Ensure that a minimum of 30 percent of new multi-family units are rentals. Any of the 600 units in the Downtown Area exempted from the RDCS under Measures A and F that are developed as rentals may be counted toward this requirement. Continue to include a separate rental set-aside in future RDCS competitions, as appropriate.*

Policy HE-1g: ***Minimum Densities.*** *Require development of property designated as multi-family to occur at a density no less than the minimum density prescribed by the General Plan.*

Policy HE-1h: ***Affordable Housing Strategy Implementation.*** *Encourage the creation of rental housing, including housing for extremely low income households, through available funds, banked land and community partnerships.*

Action HE-1h-1: **RDCS Refinement.** Continue to develop and implement varied RDCS standards for different types of developments. For example, consider if senior or multi-family developments should have different scoring criteria than single-family developments.

Action HE-1h-2: **Review Height Limits.** Review the Zoning Ordinance to ensure that height limits allow for a desirable design at the intended density.

Action HE-1h-3: **Review Design Standards.** Review design guidelines and standards to ensure that housing developments, particularly in higher density designations, provide adequate privacy, open space and other amenities.

Policy HE-1i: ***Flexible Housing.*** *Allow flexibility to encourage alternative housing solutions that support affordable and intergenerational housing, including attached or detached accessory dwelling suites, home sharing and cohousing.*

Policy HE-1j: ***New Market Rate Developments.*** *Promote and encourage provision of housing within new market rate development that is affordable to extremely low, very low, low, median, and moderate income households.*

Action HE-1j-1: **Monitor and Implement RDCS in New Projects.** Continue to monitor and ensure that an appropriate percentage of all new market rate housing be affordable to lower, median, and moderate income households. The

Planning Commission and City Council shall annually review proposed RDCS allocation procedures to ensure that developers will maximize points in the RDCS by providing sufficient affordable units.

Policy HE-1k: ***Density Bonuses and Other Incentives.*** *Continue to provide density bonuses and other incentives consistent with State law and Chapter 18.47 of the Zoning Code for those projects committing to provide appropriate amounts of below market rate units, including extremely low income units. Other incentives may include: (a) exceptions to design and development standards on a case by case basis that reduce the cost of producing housing units without sacrificing the objectives for which these standards were adopted; (b) payment of fees from former Redevelopment Agency tax increment housing set-aside funds and other appropriate funding sources; (c) priority permit processing to ensure that project funding is not jeopardized; and, (d) assistance in accessing funding by applying to, or supporting applications to, State, federal, and private agencies.*

Policy HE-1l: ***Incentives for Affordable Developments.*** *Provide incentives through the RDCS for Below Market Rate (BMR) and other affordable projects that provide a high percentage of affordable units.*

Action HE-1l-1: **RDCS Points for BMR Housing.** On an annual basis, when the City Council updates RDCS scoring criteria, ensure that provisions are retained within the RDCS that award points for developments that voluntarily reserve a percentage of the proposed housing for below market rate units.

Policy HE-1m: ***Housing Fees.*** *Allow small projects (fewer than 16 units) to voluntarily pay a housing fee when it is not feasible to provide affordable housing on site.*

Policy HE-1n: ***Local Needs.*** *Provide local residents and local employees preferential access to housing programs, as permitted by relevant law.*

Policy HE-1o: ***75 Percent Affordable Projects.*** *Reserve a portion of the annual RDCS housing allocations for projects with 75 percent affordable housing.*

Policy HE-1p: ***RDCS Reservation of Building Allotments.*** *Continue to reserve a minimum of 20 percent of the annual RDCS building allotments for projects that are 75 percent affordable or a level established by City Council policy. Ensure that these developments meet the full spectrum of needs associated with all income groups.*

Policy HE-1q: ***Affordable Housing.*** *Encourage the production and preservation of affordable housing units.*

Action HE-1q-1: New Funding Sources. Monitor and consider new sources of funding for affordable housing development and rehabilitation; continue to regularly apply for grant funding such as CalHOME.

Policy HE-1r: ***Funds for Affordable Units.*** *When available, continue to make housing funds available to finance affordable projects, including housing for extremely low income households. Consider assistance to below market rate ownership housing where a financing gap can be demonstrated.*

Action HE-1r-1: Partnership for Tax Credits. Continue to support applications for Low-Income Housing Tax Credits either by acting as co-applicant with the developer or providing them with matching funds.

Policy HE-1s: ***Rental Housing Incentives.*** *Continue to assist market rate and nonprofit developers in developing affordable rental housing.*

Policy HE-1t: ***Acquisition of Existing Housing by Nonprofits.*** *Continue to work with nonprofit housing agencies to acquire older, substandard market-rate rental units for conversion to a mix of market-rate and affordable units.*

Policy HE-1u: ***Housing for Larger Households.*** *Encourage the production of multi-family units appropriate for larger households.*

Policy HE-1v: ***Provision of Larger Rental Units.*** *Ensure that new affordable BMR rental units assisted with City housing funds provide a specified percentage of three- and four-bedroom units.*

Policy HE-1w: ***Provision of Larger Ownership Units.*** *Ensure that new BMR ownership units continue to offer an appropriate percentage of three- and four-bedroom units in consideration of the proportion of large, low income families in relation to the population as a whole.*

Policy HE-1x: ***Mobile Homes and Manufactured Housing.*** *Allow mobile homes and manufactured housing where appropriate.*

Policy HE-1y: ***Allowances for Manufactured Housing.*** *Retain provisions in the Zoning Ordinance that permit manufactured housing on single-family lots by right in residential zoning districts so long as the manufactured homes are placed on permanent foundations and meet all other City requirements.*

Policy HE-1z: ***Mobile Home Parks and Subdivisions.*** *Continue to allow mobile home parks as conditional uses in the R-2 zone and manufactured home subdivisions within single-family residential zones as permitted uses.*

Policy HE-1aa: ***Environmental Sustainability.*** *Promote environmental sustainability in new construction.*

Policy HE-1bb: ***Evaluate Street Requirements.*** *Continue to evaluate street requirements and look for opportunities to conform to green streets and complete streets guidelines (e.g., alternate ways of handling storm water or making streets more walkable).*

Action HE-1bb-1: **Solar Energy Assessment District.** Study the possibility of forming a voluntary (opt-in) solar energy assessment district to provide loans to offset the initial cost of installing solar panels or other efficiency improvements. Loans would be paid for by a municipal bond and paid back by an increase in the participating household's property taxes for the life of the loan.

Policy HE-1cc: ***Secondary Units.*** *Encourage development of secondary dwelling units.*

Action HE-1cc-1: **R-2 Zoning.** Modify the R-2 zoning standards (Chapter 18.55 of the Zoning Code) to explicitly state that second units are an allowed use.

Action HE-1cc-2: **Secondary Unit Information.** Develop resources to help educate homeowners, architects, and builders about secondary dwelling units. Potential actions include producing handouts and fact sheets and hosting "How To" workshops.

Policy HE-1dd: ***Ministerial Approval of Second Units.*** *Continue to allow staff to approve secondary dwelling units ministerially when appropriate.*

Action HE-1dd-1: **Secondary Unit Fees.** Reduce per-unit impact fees for secondary dwelling units to reflect smaller household sizes and lesser impacts.

Policy HE-1ee: ***RDCS Incentives for Second Units.*** *Continue to incentivize secondary dwelling units in the RDCS scoring criteria.*

Action HE-1ee-1: **Secondary Unit Ordinance.** Study and revise the secondary dwelling unit ordinance to ensure it follows standard best practices. Points to consider include:

- Clarify the ordinance to ensure properties are not subdivided and second units sold as separate units.
- Utilize window design techniques to reduce impact on adjacent property for two-story second units.

- Increase the maximum permitted second unit size to 50 percent of primary dwelling or 750 square feet, whichever is smaller.
- Reduce parking requirements to one space for a two-bedroom second unit, or allow tandem parking for the two spaces.
- Reduce or eliminate the minimum lot size for second units.
- Have second units governed by the same land use controls as other buildings (setbacks, lot coverage, etc.).
- Review and revise the zoning ordinance to allow second units in additional zoning districts, including certain multi-family and mixed use districts such as CC-R and CL-R, where some existing lots developed with single-family uses could accommodate greater density in a second unit configuration.

Policy HE-1ff: ***Programs Providing Very Low and Low Income Housing.*** *Participate in programs that assist very low and low income households to secure adequate housing.*

Policy HE-1gg: ***Santa Clara Housing Programs.*** *Continue participating in and publicizing programs such as the County's Mortgage Credit Certificate program, Housing Trust Fund of Santa Clara County, CalHFA, etc.*

Policy HE-1hh: ***Relocation Assistance.*** *Require relocation assistance when privately funded redevelopment displaces extremely low, very low, low, or moderate income residents.*

Policy HE-1ii: ***Rental Assistance Programs.*** *Encourage landlords to utilize rental assistance programs, such as housing vouchers and Section 8 vouchers administered by the Housing Authority of Santa Clara County.*

Action HE-1ii-1: **Rental Assistance Programs.** Undertake the following: (1) Refer rental property owners to the Santa Clara County's Housing Authority's waiting list; (2) When in contact with rental property owners, inform them of the Housing Authority's vouchers program; and, (3) Promote the availability of vouchers for use in the rental rehabilitation program.

Policy HE-1jj: ***Leverage Funding.*** *Leverage housing assistance funds wherever possible by combining them with funds from State, federal, and other sources.*

Policy HE-1kk: ***Use of Local Housing Funds.*** *Use local housing funds to leverage the maximum amount of additional financing for affordable housing projects.*

Policy HE-1ll: ***Work with Local Legislators.*** *Continue to work with local legislators and provide input to the State Legislature to ensure that State programs and legislation meet local housing needs and support local housing programs.*

Action HE-1ll-1: Update Funding Information. Update, as needed, directories of State and federal housing and community development programs that provide financial assistance. Annually identify State and federal programs that are most applicable to Morgan Hill and have the greatest potential for funding affordable housing in the city.

Policy HE-1mm: ***Housing Assistance Funds.*** *Provide housing assistance funds in the form of loans wherever possible so that the funds will eventually return to the City for future use.*

Policy HE-1nn: ***Home Improvement Loans.*** *Continue to provide home improvement loans through the City's Housing Rehabilitation programs to very low, low, median, and moderate income homeowners.*

Action HE-1nn-1: Housing Rehabilitation of Rental Properties. Provide financial assistance for substantial housing rehabilitation to rental property owners with extremely low, very low or low income tenants in exchange for long term affordability (as required by the funding source).

Action HE-1nn-2: First-Time Homebuyer Program. Provide a first-time homebuyer downpayment assistance program targeted to low and moderate income residents and employees.

Action HE-1nn-3: Promote Extremely Low Income Housing. Provide priority funding consideration for extremely low income housing developments.

Policy HE-1oo: ***Annual Monitoring.*** *Monitor housing development and housing needs annually to ensure that goals and quantified objectives are being met.*

Action HE-1oo-1: Update City's Affordable Housing Strategy. Continue to update the City's Affordable Housing Strategy with the most current Census data. Identify methods to create housing affordable to extremely low income households.

Action HE-1oo-2: Review Housing Objectives Annually. Review housing objectives annually and recommend program modifications if annual housing objectives are not being met.

Policy HE-1pp: ***Review Potential Governmental Constraints to Housing.*** *Continue to review potential governmental constraints, such as public works standards (including Chapter 12 of Morgan Hill's Municipal Code and standards for private streets), to ensure that they do not pose an undue impediment to the provision of new housing or the rehabilitation of existing housing.*

Policy HE-1qq: ***Sales Prices and Rental Rates.*** *Continue to have developers report initial sales price and rents of new units prior to occupancy approval.*

Policy HE-1rr: ***Below Market Rate (BMR) Housing.*** *Continue the BMR program as a source of affordable housing.*

Policy HE-1ss: ***BMR Occupancy.*** *Require all BMR units to be restricted to use as affordable housing as required by funding source.*

Policy HE-1tt: ***BMR Deed Restrictions.*** *Continue to require the recordation of deed restrictions for all affordable units except as secondary dwelling units.*

Action HE-1tt-1: **Term of BMR Units.** Review the term of affordability for ownership housing units.

Action HE-1tt-2: **BMR Equity.** Develop opportunities for owners of BMR units to build equity/wealth, while protecting the public investment of resources.

Policy HE-1uu: ***Preserve At-Risk Units.*** *Preserve as many at-risk below market rate ownership and rental units as possible.*

Policy HE-1vv: ***Affordability Controls.*** *Continue to extend the affordability restrictions as part of the next sale to eligible purchasers and, if necessary, exercise the City's right of first refusal to purchase BMR units to ensure they remain affordable.*

Action HE-1vv-1: **Annual Monitoring of Potential At-Risk Units.** Annually monitor the status of at-risk assisted rental housing units. Contact current property owners of at-risk projects to determine their financial objectives and appropriate financial assistance needed to meet those objectives (rehabilitation assistance, operating subsidies, additional Section 8 vouchers, etc.).

Policy HE-1ww: ***Assist Nonprofits in Acquisition of At-Risk Units.*** *Assist nonprofit housing organizations in acquiring and/or rehabilitating existing affordable rental housing through the provision of financial assistance in exchange for extending the affordability period as required by the applicable funding source.*

Policy HE-1xx: ***Condominium Conversions.*** *Regulate the amount and timing of condominium conversions.*

Policy HE-1yy: ***Condominium Conversion Restrictions.*** *Continue the City's program to restrict conversion of rental units to condominiums if the rental vacancy rate is less than five percent, and to restrict the conversion of projects that have received allotments under the "Rental" category.*

Action HE-1yy-1: Semi-Annual Survey of Rental Vacancies. Conduct a semi-annual survey of rental housing vacancies to determine the applicable vacancy rate for implementing the condominium conversion ordinance.

Policy HE-1zz: ***Housing Discrimination.*** *Work to eliminate discrimination in housing based on race, color, religion, sex, age, family size, marital status, or national origin.*

Action HE-1zz-1: Housing Discrimination. Refer discrimination complaints to Project Sentinel or other organizations that combat housing discrimination.

Policy HE-1aaa: ***Support for Fair Housing Programs.*** *Continue to contract with organizations that provide Fair Housing services or support programs and have a demonstrated track record of effectiveness, as available funds allow.*

Policy HE-1bbb: ***Equitable Buyer Selection Procedures.*** *Maintain an equitable buyer selection procedure through a waiting list process for low, median, and moderate income units.*

Policy HE-1ccc: ***Publicity for City Programs.*** *Continue to publicize and broaden understanding and acceptance of City housing programs, including the discrimination complaints procedure, through public presentations, publications, news items, advertisements in newspapers such as the Morgan Hill Times and Gilroy Dispatch, public service announcements on the City's local access television channel, and by posting flyers at City Hall, City parks, and at various local houses of worship on a continuing bases. Make special outreach efforts to the non-English speaking community and underserved/underrepresented populations.*

Policy HE-1ddd: ***Integration of Affordable and Market Rate Housing.*** *Integrate below market rate and other affordable "set aside" units into existing or proposed developments.*

Policy HE-1eee: ***RDCS and Neighborhood Context.*** *Retain provisions within the RDCS that give higher ratings to projects that create neighborhoods and residential developments of ethnic and economic diversity.*

Policy HE-1fff: ***Creative Approaches to Mixing Housing Types.*** *Continue allowing developers the flexibility to develop creative approaches for mixing various housing types and affordability levels* *within the boundaries of an entire development in order to achieve their voluntary BMR set-aside commitments.*

Policy HE-1ggg: ***RDCS Flexibility.*** *Provide flexibility in the RDCS system where possible.*

Policy HE-1hhh: ***Modifications to Approved Projects.*** *Allow developers to propose changes to their approved but not built projects, assuming that the modifications do not cause a net loss of RDCS points, promote affordability, and are in the best interest of the City.*

Goal HE-2 Preservation and rehabilitation of the existing housing supply.

Policy HE-2a: ***City Housing Stock.*** *Maintain and conserve the city's existing housing stock.*

Policy HE-2b: ***Rehabilitation Loan Program.*** *As funds allow, continue the Housing Rehabilitation Loan Program, which provides home improvement and rehabilitation assistance using CDBG or other housing funds.*

Policy HE-2c: ***Code Enforcement.*** *Continue City's code enforcement programs with emphasis on rental units, assistance in maintaining affordability, and non-displacement of existing tenants.*

Policy HE-2d: ***Renovations under the Downtown Specific Plan.*** *Encourage the renovation of buildings consistent with the Downtown Specific Plan.*

Policy HE-2e: ***Home Repairs.*** *When funds are available, continue to provide funding for mobile home repair, senior home repair programs, neighborhood clean-up and paint, and rental lighting and security grant programs.*

Action HE-2e-1: **Resale and Rental Inspection.** Research and evaluate creating a resale and rental inspection program to maintain and improve the quality of the housing stock.

Policy HE-2f: ***Preserve Existing Residential Neighborhoods.*** *Promote and encourage the preservation of existing residential neighborhoods.*

Policy HE-2g: ***Capital Improvement Program.*** *Coordinate the planning and funding of neighborhood infrastructure improvements by integrating the Capital Improvement Program with the goals and policies of the Housing Element and Affordable Housing Strategy, which is updated annually.*

Policy HE-2h: ***Loans for Improvements Related to Code Enforcement.*** *Support neighborhood code enforcement programs with technical assistance to homeowners and low-cost loans when funds are available. (See Policy 2a regarding City programs for housing rehabilitation, code enforcement, and neighborhood improvement).*

Policy HE-2i: ***Public Information on Rehabilitation Loans.*** *When Rehabilitation Loan funding is available, continue public information efforts to encourage property owners in target neighborhoods to participate in the rehabilitation loan program.*

Policy HE-2j: ***Overcrowding.*** *Continue to permit the addition of bedrooms and other expansions as an eligible rehabilitation activity to alleviate overcrowding.*

Policy HE-2k: ***Nonprofit Acquisition of Substandard Housing.*** *Continue to work with nonprofit housing organizations to identify and acquire dilapidated or substantially substandard housing units for the purpose of rehabilitating or replacing these housing units. The City shall monitor progress, coordinate with the nonprofits as they complete these projects, and report to the State Housing and Community Development Department on the financing and construction in compliance with State Government Code Section 65583.1(c)(4).*

Policy HE-2l: ***Mobile Home Parks.*** *Preserve and protect existing mobile home parks.*

Policy HE-2m: ***Rent Stabilization Ordinance.*** *Maintain the City's rent stabilization ordinance for mobile home parks.*

Action HE-2m-1: **Work with Mobile Home Interest Groups.** Work with mobile home residents and nonprofit groups, as opportunities and interests arise, to explore the purchase of existing mobile home parks to preserve or enhance their affordability. Options include providing funding for feasibility studies, assisting in accessing state and federal programs (such as the California Mobilehome Park Resident Ownership Program), and using available local affordable housing funds as gap funding.

Policy HE-2n: ***Environmental Sustainability.*** *Promote environmental sustainability in the existing housing stock.*

Action HE-2n-1: Energy Audits/Weatherization. Partner with local organizations for energy audits/weatherization programs. Typical projects include energy audits, energy efficiency rebate applications, weatherization (reducing air leakage, etc.), window replacement, appliance swaps, etc.

Policy HE-2o: ***Rehabilitation and Sustainability.*** *Ensure that all housing units rehabilitated with City assistance are environmentally friendly and energy-efficient. The City has adopted the latest version of Title 24 and can include funding for required updates as part of the assistance package. Typical projects include replacing traditional water heaters with tankless models, new windows, etc.*

Goal HE-3 Adequate housing for groups with special needs.

Policy HE-3a: ***RDCS Incentives for Large Families.*** *Provide incentives through the RDCS for the production of affordable housing for large families.*

Policy HE-3b: ***RDCS Incentives for Large Families.*** *Continue to implement RDCS criteria that provide additional points for the production of housing for large families in the "Housing Needs" and "Housing Types" sections of the criteria.*

Policy HE-3c: ***Homeless.*** *Meet the needs of residents who are homeless or at risk for homelessness.*

Policy HE-3d: ***Housing First.*** *Adopt a Housing First model that recognizes the unique characteristics of Morgan Hill as a small suburban city. Study how to best implement the policy to meet the needs of Morgan Hill residents. Through the Housing First policy, Morgan Hill will emphasize permanent affordable housing. When appropriate and feasible, Morgan Hill will try to make support services accessible.*

Policy HE-3e: ***Support of Homeless Shelter and Services Agencies.*** *Continue to support the effort of agencies providing emergency shelter for homeless Morgan Hill residents. When appropriate and possible, provide funding.*

Policy HE-3f: ***Work with Santa Clara County Agencies.*** *Continue engagement with other Santa Clara County agencies and nonprofits to address homelessness and other housing or community service related issues.*

Policy HE-3g: ***Religious Institutions Shelters.*** *Allow religious institutions to operate small emergency shelters and transitional facilities as an ancillary part of their regular operations with no additional local permitting requirements.*

Policy HE-3h: ***Housing for Persons with Disabilities.*** *Promote housing that is appropriate for and accessible to persons living with disabilities.*

Policy HE-3i: ***State and Federal Accessibility Requirements.*** *Continue to enforce State and federal requirements for accessibility to the disabled in new multi-family units.*

Action HE-3i-1: **Low Interest Loans for Accessibility.** When funds are available, provide low interest rehabilitation loans to make existing residences accessible to the disabled.

Action HE-3i-2: **Housing for Mentally Impaired Homeless Adults.** Work with nonprofit organizations (Community Solutions and South County Housing are two examples of nonprofits with which the City has relationships) to evaluate the need for additional units in Morgan Hill for mentally impaired homeless adults.

Action HE-3i-3: **Housing for Developmentally Disabled Adults.** Coordinate with North Bay Regional Center to integrate their clients into affordable housing. Consult with North Bay Regional Center on new affordable development projects to ensure that new units are built that support adults with developmental disabilities to live lives integrated with the rest of the community.

Policy HE-3j: ***Housing for Seniors.*** *Assist in providing housing for seniors.*

Action HE-3j-1: **Locations for Senior Housing.** Identify criteria and locations within the city that are appropriate for senior housing developments and assist developers as appropriate.

Policy HE-3k: ***RDCS Allocation for Senior Housing.*** *Continue exempting specified types of senior housing from the RDCS.*

Policy HE-3l: ***Smaller Senior Units on Single-family Lots.*** *Allow small senior units on single-family lots.*

Action HE-3l-1: **Reduced Impact Fees for Senior Housing.** Reduce per-unit impact fees for small senior housing units to reflect smaller household sizes and lesser impacts.

Policy HE-3m: ***Services for Special Needs Populations.*** *Assist in providing housing related services to groups with special needs.*

Policy HE-3n: ***Work with Other Agencies.*** *Continue to work with outside agencies and organizations to maximize housing opportunities for the full spectrum of housing needs.*

Policy HE-3o: ***Use CDBG and Other Funding.*** *Continue to use CDBG and other available funds to support the provision of housing related services for groups with special needs such as the elderly, single parents with children, and battered women.*

Policy HE-3p: ***Domestic Violence Facilities.*** *Continue to fund upgrades at facilities for people leaving domestic violence as appropriate.*

Policy HE-3q: ***Preferential Handling of Special Needs Populations.*** *Include preferential handling of special needs populations, such as domestic violence cases, youth aging out of foster care, the developmentally disabled, single parents, etc., in the management plans and regulatory agreements of funded projects.*

Action HE-3q-1: **Emergency Voucher Program.** Consider implementing a one-time emergency voucher program to assist residents displaced by criminal activity, natural disasters or other emergencies. Coordinate with social service providers.

Goal HE-4 **A range of housing types for all age groups, served by transit, recreational amenities, shopping, and health and personal services, that allow residents to age in place.**

Policy HE-4a: ***Downtown Development.*** *Provide for a vibrant mix of residential and commercial development downtown.*

Policy HE-4b: ***Implement Downtown Specific Plan****. Continue implementing provisions of the Downtown Specific Plan, and encourage development in the nearby Central Commercial Residential (CC-R) zoning district. Examples of incentives include City payment of sewer connection fees, RDCS exemptions, down payment assistance, etc. Monitor and track new housing developments, paying particular attention to affordability, adjusting strategy where appropriate.*

Action HE-4b-1: **Impact Fees for Downtown Housing.** Reduce per-unit impact fees for small downtown housing units, to reflect smaller household sizes and lesser impacts.

Policy HE-4c: ***Impact Fee Credits for Previous Uses.*** *Continue to allow projects being developed on previously developed parcels to receive a credit of impact fees, based on the previous uses, to be applied toward any impact fees owed.*

Policy HE-4d: ***Parking Flexibility in the Downtown.*** *Consider reducing parking minimum standards for smaller housing units in the Downtown Area, and allow flexibility for developers to purchase parking in other areas of the Downtown instead of providing it on site.*

Policy HE-4e: ***Adequate Land for Multi-Family Housing.*** *Provide an adequate supply of land for multi-family housing located convenient to shopping, services, and transportation routes.*

Policy HE-4f: ***Adequate Higher Density Multi-Family Zoned Sites.*** *Maintain an adequate supply of land zoned land for multi-family use to accommodate the City's ABAG assigned regional housing allocation for lower income households. This will be reviewed annually as part of the RDCS process.*

Policy HE-4g: ***Site Multi-Family Zones Near Services.*** *When rezoning sites for multi-family housing, locate sites near amenities to increase affordable housing projects' eligibility for tax credit financing.*

Policy HE-4h: ***Land Acquisition for Affordable Housing.*** *Continue to pursue opportunities for land acquisition for future affordable housing development in areas zoned for multi-family or commercial that permit mixed projects, either through acquisition of suitable sites by the City or by assisting a nonprofit housing developer to acquire land for future development. The City accomplishes this by maintaining close relationships with for profit and nonprofit developers, monitoring local real estate conditions, etc.*

Policy HE-4i: ***Transit Corridors Development.*** *Continue to promote smart growth development along identified transit corridors. Downtown is the primary transit corridor; see the Downtown Specific Plan for implementation information.*

Policy HE-4j: ***Facilitate Land Assembly.*** *Facilitate assembling smaller parcels to develop residential projects large enough to yield multi-family and affordable units by making the Available Land Inventory available to developers.*

Policy HE-4k: ***Variety of Single-family Homes.*** *Provide for a variety of single-family lot sizes.*

Policy HE-4l: ***Single-family High Zoning.*** *Maintain the Single-family High category; R-1-4,500 zoning district, with the goal of accommodating market rate affordable homes. Infill sites seeking a change to the Single-family High land use designation should be a minimum of 30,000 square feet and result in development that is compatible with existing surrounding development. This land use designation is meant to serve as a transition between single-family and multi-family land use. Ensure that the homes are an appropriate size and scale for the lot.*

Policy HE-4m: ***New Residential Development Locations.*** *Encourage new residential development in appropriate residential and commercial areas.*

Policy HE-4n: ***Mixed Use Development.*** *Continue to maintain the mixed residential and commercial uses classification on sites designated mixed-use.*

Policy HE-4o: ***Work with Affordable Housing Developers to Identify Sites.*** *Continue to work with for-profit and nonprofit affordable housing developers to identify appropriate sites through regular contacts with such organizations and maintenance of a site inventory for the benefit of nonprofits.*

Policy HE-4p: ***Work with Affordable Housing Developers to Encourage Universal Design.*** *Encourage universal design and maximize visitability, building on Title 24.*

Action HE-4p-1: Increased Awareness of Universal Design Principles. Increase awareness of universal design principles. Educate the Planning Commission about universal design. Make information available at Development Services Center.

Action HE-4p-2: Universal Design Ordinance. Study and, if appropriate, adopt a universal design ordinance or policies to encourage the inclusion of universal design features in new construction. Options include identifying minimum, cost-effective amenities for all new construction and offering points in the RDCS for homes that provide a more extensive selection of universal design features.

Policy HE-4q: ***Aging In Place. Assist seniors to stay in their homes and neighborhoods***

Policy HE-4r: ***Rehabilitation Loans for Seniors.*** *Continue to fund the Home Rehabilitation Program, when possible. Maintain priority for eligible improvements related to health, safety or other essential repairs.*

Policy HE-4s: ***Senior-Friendly Design.*** *Encourage new housing to be senior friendly where possible (for example, have a bedroom and bathroom on the ground floor, or have the entire unit contained within a single floor), particularly in Single-family High and all Multi-Family land use designations.*

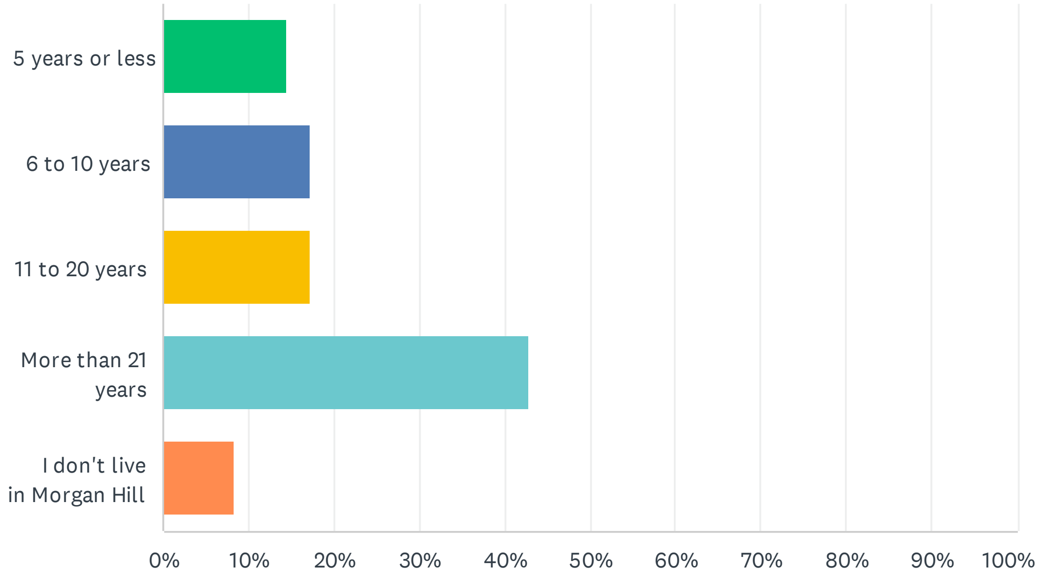
Policy HE-4t: ***Complete Intergenerational Neighborhoods.*** *Design for complete neighborhoods for all ages*

Policy HE-4u: ***Mix of Housing Near Services****. Encourage a mix of housing types in each neighborhood located convenient to shopping, services, recreation, and transit routes.*

Policy HE-4v: ***Housing Coordinated with Transportation.*** *Coordinate new housing development with improvements to pedestrian and bicycle routes and amenities.*

Q1 About how long have you lived in Morgan Hill?

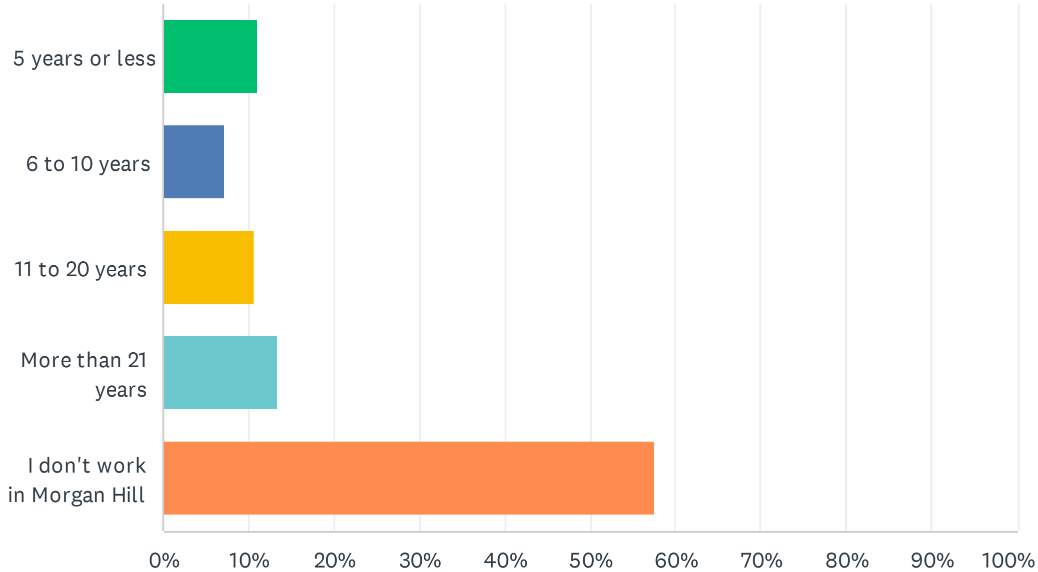
Answered: 290   Skipped: 0



ANSWER CHOICES	RESPONSES	
5 years or less	14.48%	42
6 to 10 years	17.24%	50
11 to 20 years	17.24%	50
More than 21 years	42.76%	124
I don't live in Morgan Hill	8.28%	24
TOTAL		290

Q2 How long have you worked in Morgan Hill?

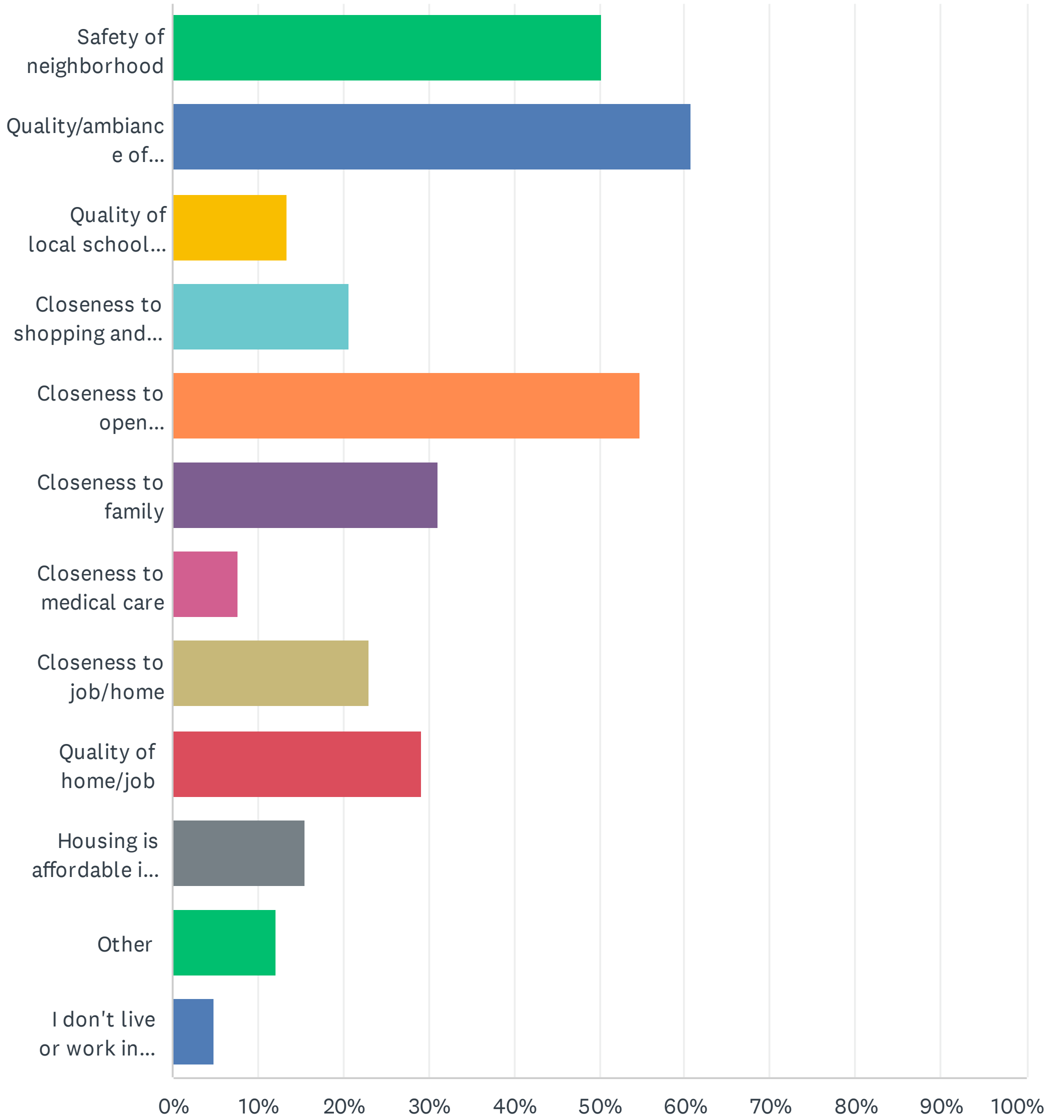
Answered: 290 Skipped: 0



ANSWER CHOICES	RESPONSES	
5 years or less	11.03%	32
6 to 10 years	7.24%	21
11 to 20 years	10.69%	31
More than 21 years	13.45%	39
I don't work in Morgan Hill	57.59%	167
TOTAL		290

Q3 Select the reason(s) why you live or work in Morgan Hill.

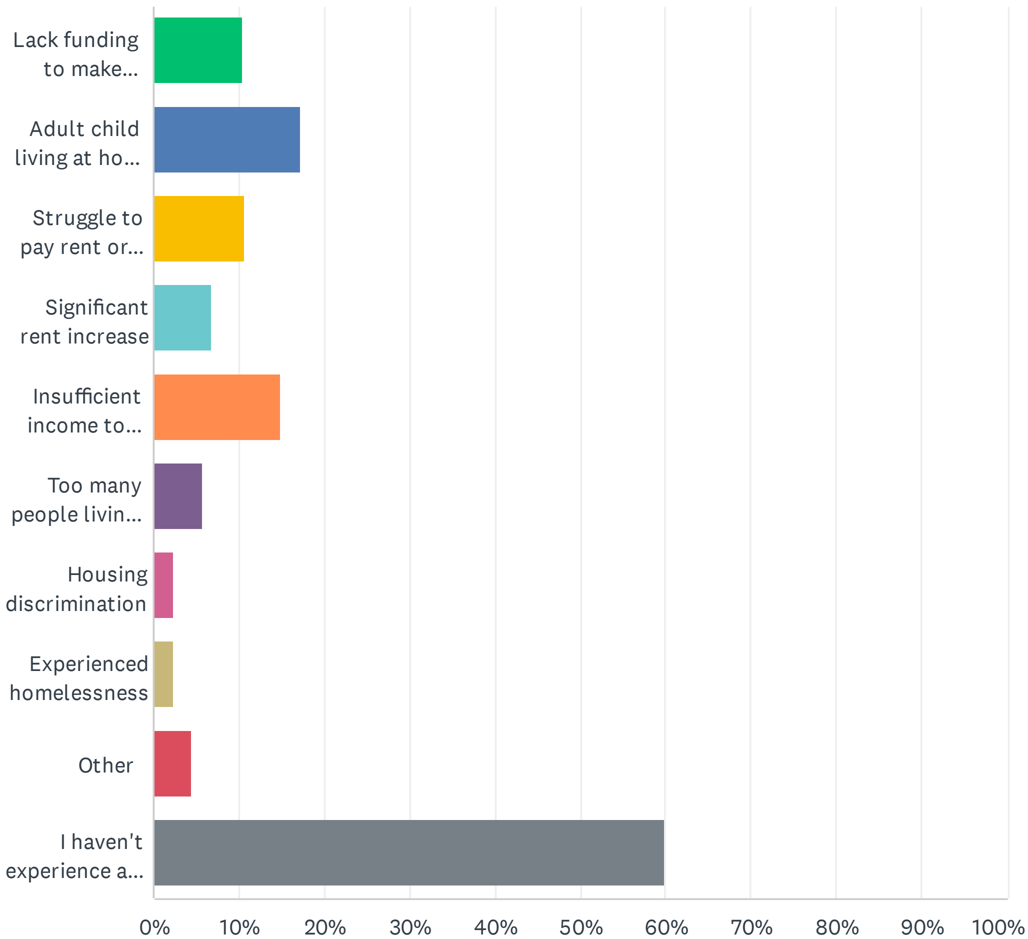
Answered: 290 Skipped: 0



ANSWER CHOICES	RESPONSES	
Safety of neighborhood	50.34%	146
Quality/ambiance of neighborhood	60.69%	176
Quality of local school system	13.45%	39
Closeness to shopping and services	20.69%	60
Closeness to open space/recreational areas	54.83%	159
Closeness to family	31.03%	90
Closeness to medical care	7.59%	22
Closeness to job/home	23.10%	67
Quality of home/job	29.31%	85
Housing is affordable in Morgan Hill	15.52%	45
Other	12.07%	35
I don't live or work in Morgan Hill	4.83%	14
Total Respondents: 290		

Q4 Within the past two years, have you experienced any of the following housing issues? (select all that apply)

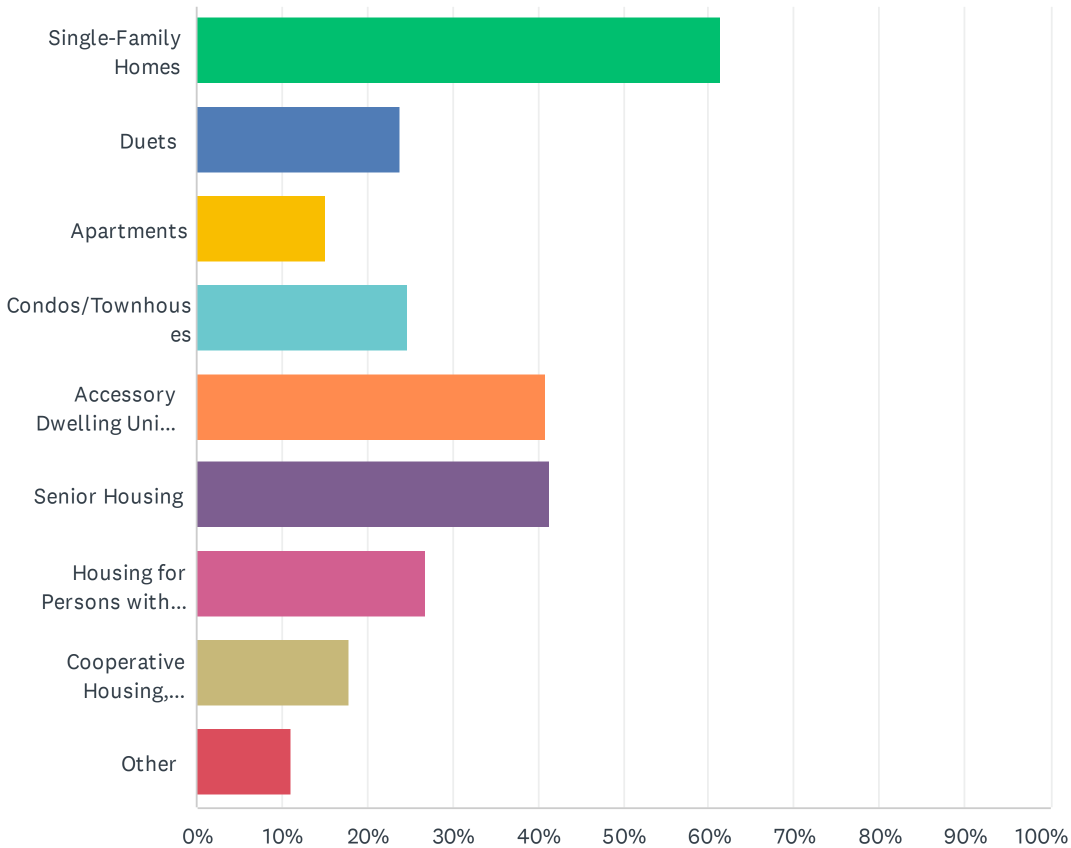
Answered: 290   Skipped: 0



ANSWER CHOICES	RESPONSES	
Lack funding to make necessary home repairs	10.34%	30
Adult child living at home due to inability to afford housing	17.24%	50
Struggle to pay rent or mortgage	10.69%	31
Significant rent increase	6.90%	20
Insufficient income to afford living in Morgan Hill	14.83%	43
Too many people living in one home (overcrowding)	5.86%	17
Housing discrimination	2.41%	7
Experienced homelessness	2.41%	7
Other	4.48%	13
I haven't experience any housing issues	60.00%	174
Total Respondents: 290		

Q5 What types of housing would be a good addition to Morgan Hill's housing? (choose all that apply)

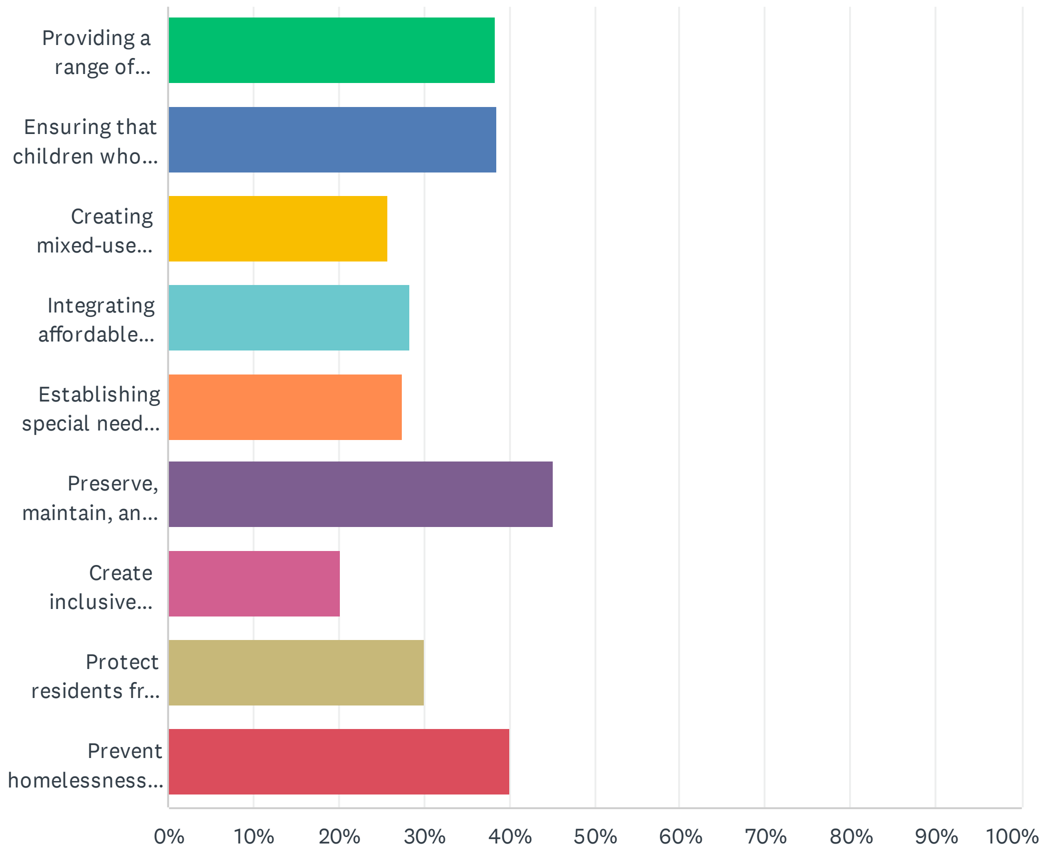
Answered: 290 Skipped: 0



ANSWER CHOICES	RESPONSES	
Single-Family Homes	61.38%	178
Duets	23.79%	69
Apartments	15.17%	44
Condos/Townhouses	24.83%	72
Accessory Dwelling Units (granny flats, in-law units, secondary units, tiny homes, etc.)	41.03%	119
Senior Housing	41.38%	120
Housing for Persons with Disabilities	26.90%	78
Cooperative Housing, Intergenerational, or Foster Family Housing	17.93%	52
Other	11.03%	32
Total Respondents: 290		

Q6 Please indicate which of the following housing priorities are most important for Morgan Hill.

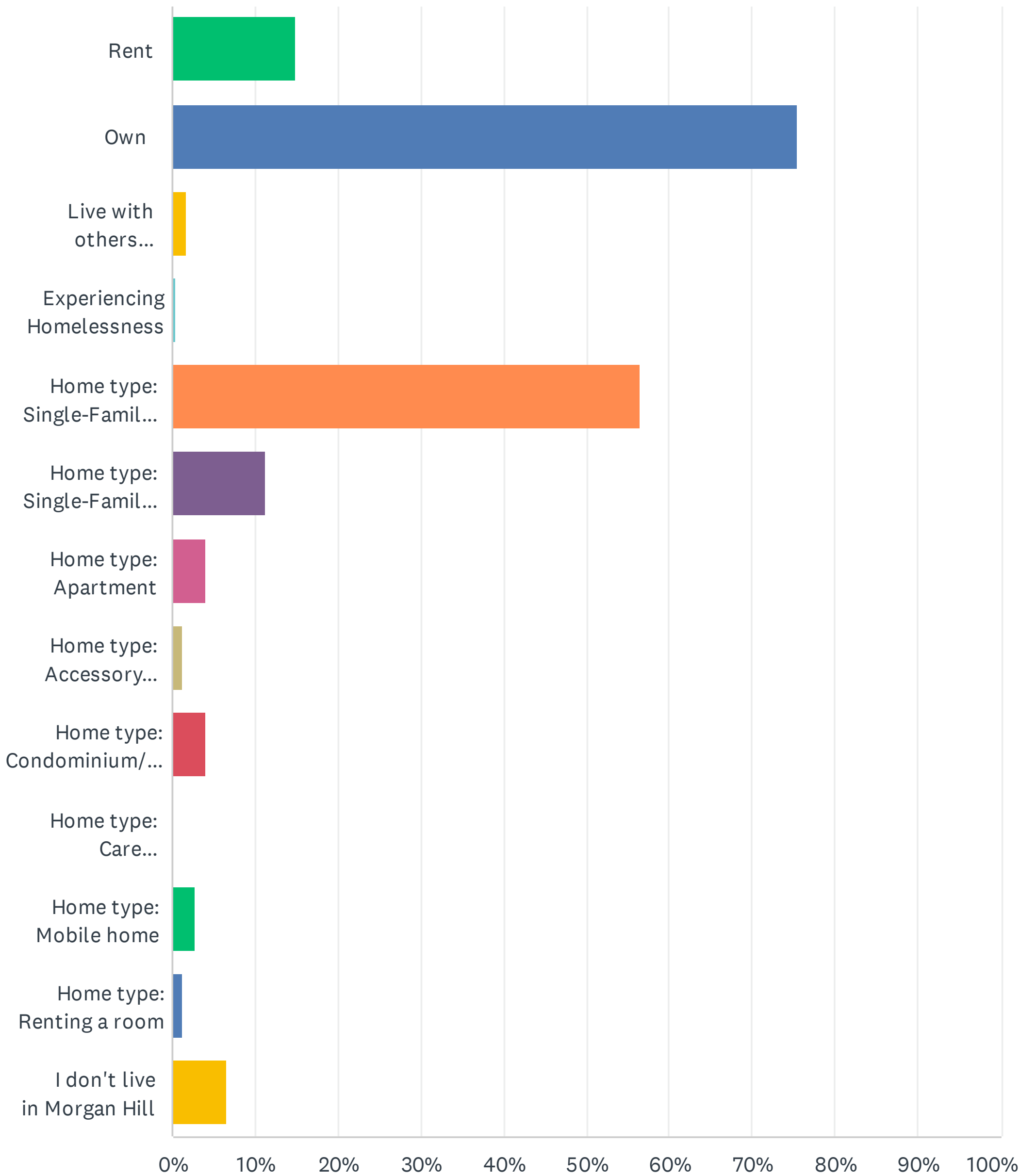
Answered: 290 Skipped: 0



ANSWER CHOICES	RESPONSES	
Providing a range of housing opportunities affordable to Morgan Hill workforce	38.28%	111
Ensuring that children who grew up in Morgan Hill have housing options so they can live in Morgan Hill as adults	38.62%	112
Creating mixed-use (commercial/office and residential) projects that encourage walkable neighborhoods and reduce tendency on automobiles	25.86%	75
Integrating affordable housing throughout the community to create mixed-income neighborhoods avoiding concentrations in any one neighborhood	28.28%	82
Establishing special needs housing for seniors, persons with disabilities, and/or veterans	27.59%	80
Preserve, maintain, and rehabilitate existing housing to ensure neighborhood livability and promote continued housing affordability	45.17%	131
Create inclusive neighborhoods, connecting residents to jobs, schools, and services	20.34%	59
Protect residents from displacement by economic pressures by keeping people in their homes/communities	30.00%	87
Prevent homelessness and address the housing needs of people experiencing homelessness	40.00%	116
Total Respondents: 290		

Q7 If you live in Morgan Hill, what best describes your current home? (Please indicate if you rent or own and the type of home you live in)

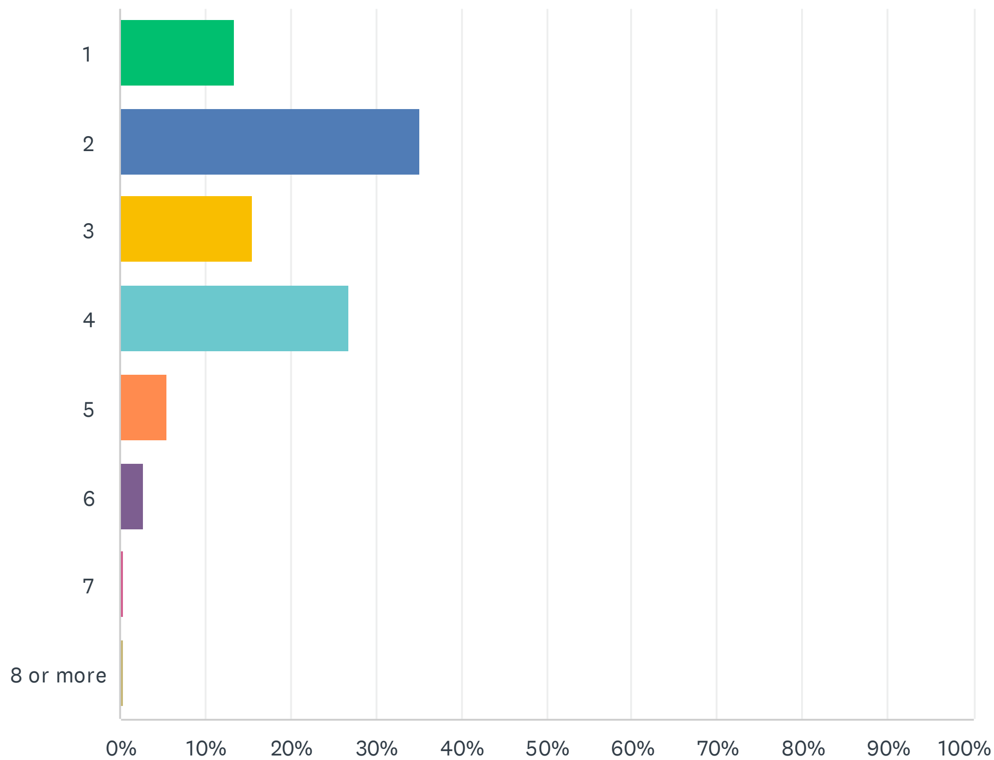
Answered: 290 Skipped: 0



ANSWER CHOICES	RESPONSES	
Rent	14.83%	43
Own	75.52%	219
Live with others (family/friends) with no rent	1.72%	5
Experiencing Homelessness	0.34%	1
Home type: Single-Family Detached House	56.55%	164
Home type: Single-Family Attached House	11.38%	33
Home type: Apartment	4.14%	12
Home type: Accessory Dwelling Unit	1.38%	4
Home type: Condominium/Townhome	4.14%	12
Home type: Care Facility/Assisted Living	0.00%	0
Home type: Mobile home	2.76%	8
Home type: Renting a room	1.38%	4
I don't live in Morgan Hill	6.55%	19
Total Respondents: 290		

Q8 What is your household size?

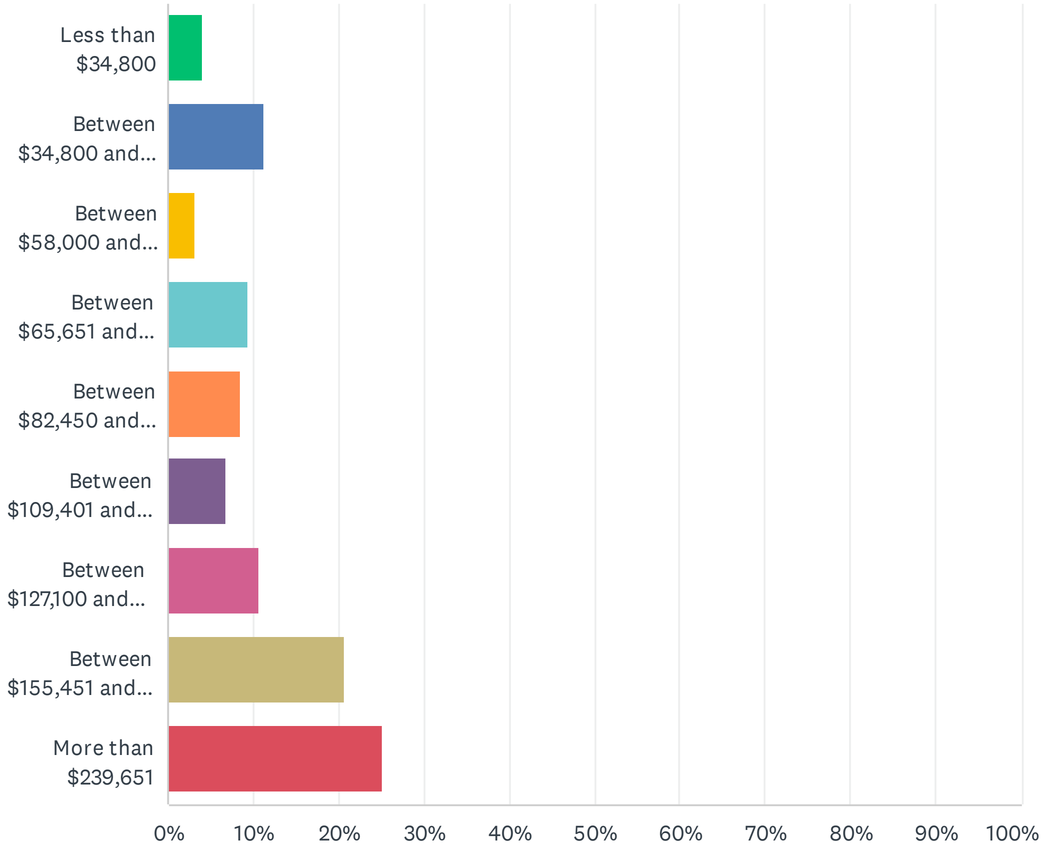
Answered: 290 Skipped: 0



ANSWER CHOICES	RESPONSES	
1	13.45%	39
2	35.17%	102
3	15.52%	45
4	26.90%	78
5	5.52%	16
6	2.76%	8
7	0.34%	1
8 or more	0.34%	1
TOTAL		290

Q9 What is your annual household income range?

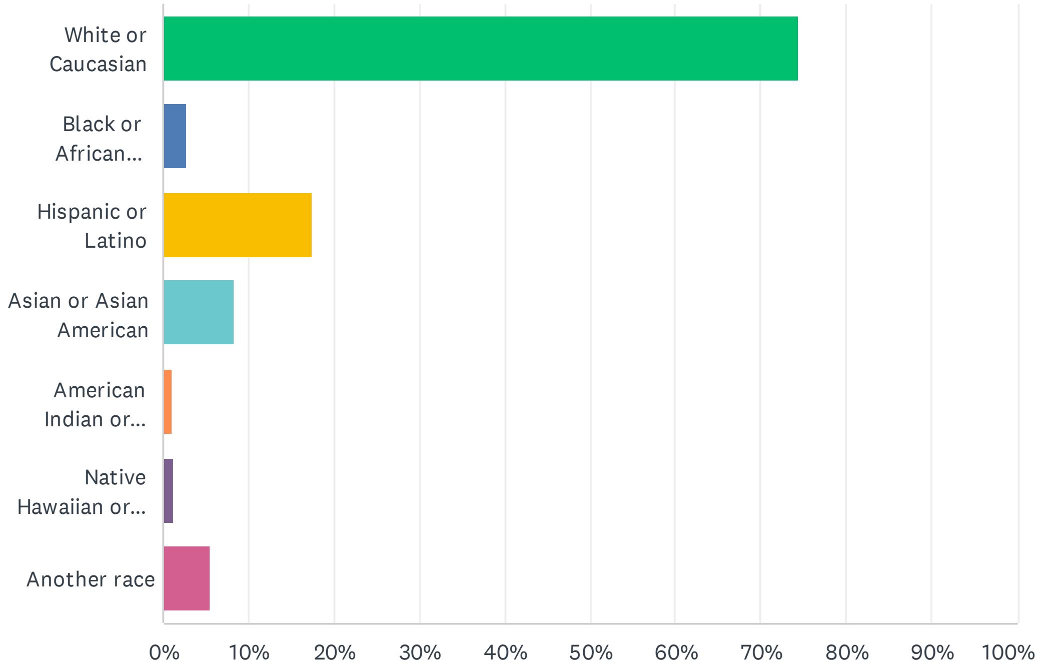
Answered: 290 Skipped: 0



ANSWER CHOICES	RESPONSES	
Less than $34,800	4.14%	12
Between $34,800 and $57,999	11.38%	33
Between $58,000 and $65,650	3.10%	9
Between $65,651 and $82,449	9.31%	27
Between $82,450 and $109,400	8.62%	25
Between $109,401 and $127,099	6.90%	20
Between $127,100 and $155,450	10.69%	31
Between $155,451 and $239,650	20.69%	60
More than $239,651	25.17%	73
TOTAL		290

Q10 Please specify your race/ethnicity (choose all that apply)

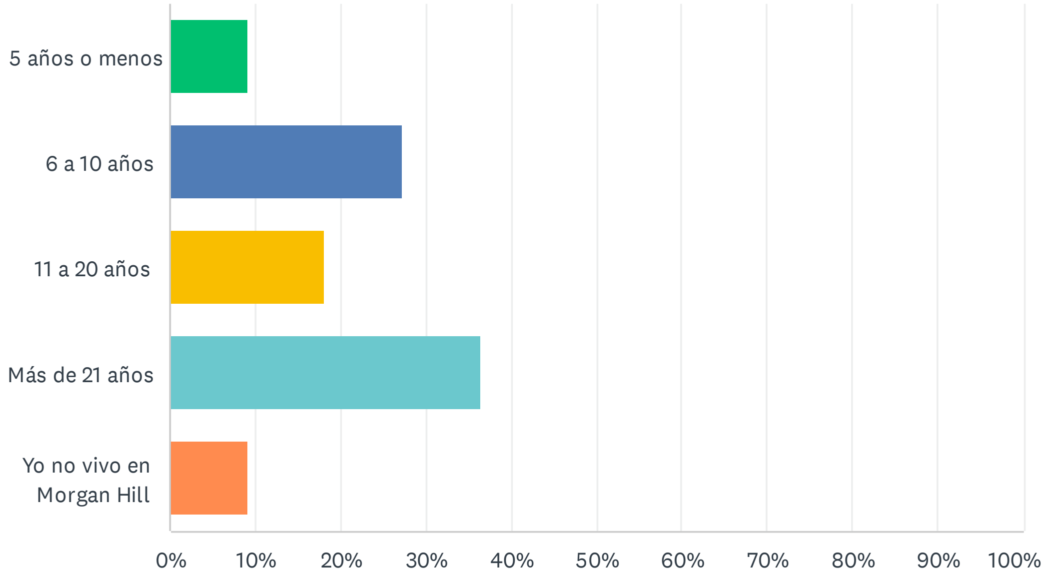
Answered: 290 Skipped: 0



ANSWER CHOICES	RESPONSES	
White or Caucasian	74.48%	216
Black or African American	2.76%	8
Hispanic or Latino	17.59%	51
Asian or Asian American	8.28%	24
American Indian or Alaska Native	1.03%	3
Native Hawaiian or other Pacific Islander	1.38%	4
Another race	5.52%	16
Total Respondents: 290		

Q1 ¿Cuánto tiempo hace que vive en Morgan Hill?

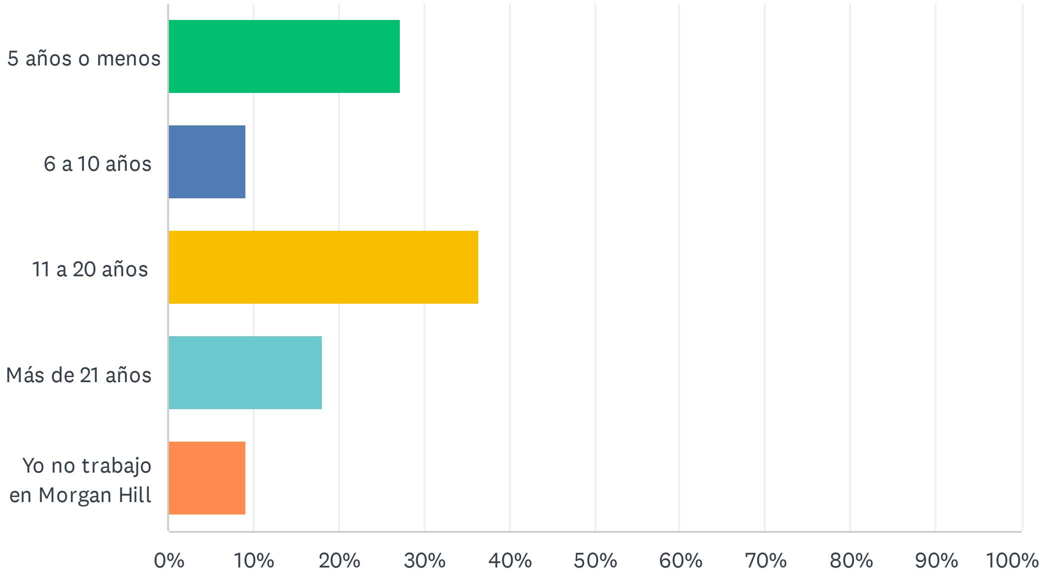
Answered: 11 Skipped: 0



ANSWER CHOICES	RESPONSES	
5 años o menos	9.09%	1
6 a 10 años	27.27%	3
11 a 20 años	18.18%	2
Más de 21 años	36.36%	4
Yo no vivo en Morgan Hill	9.09%	1
TOTAL		11

Q2 ¿Cuánto tiempo ha trabajado en Morgan Hill?

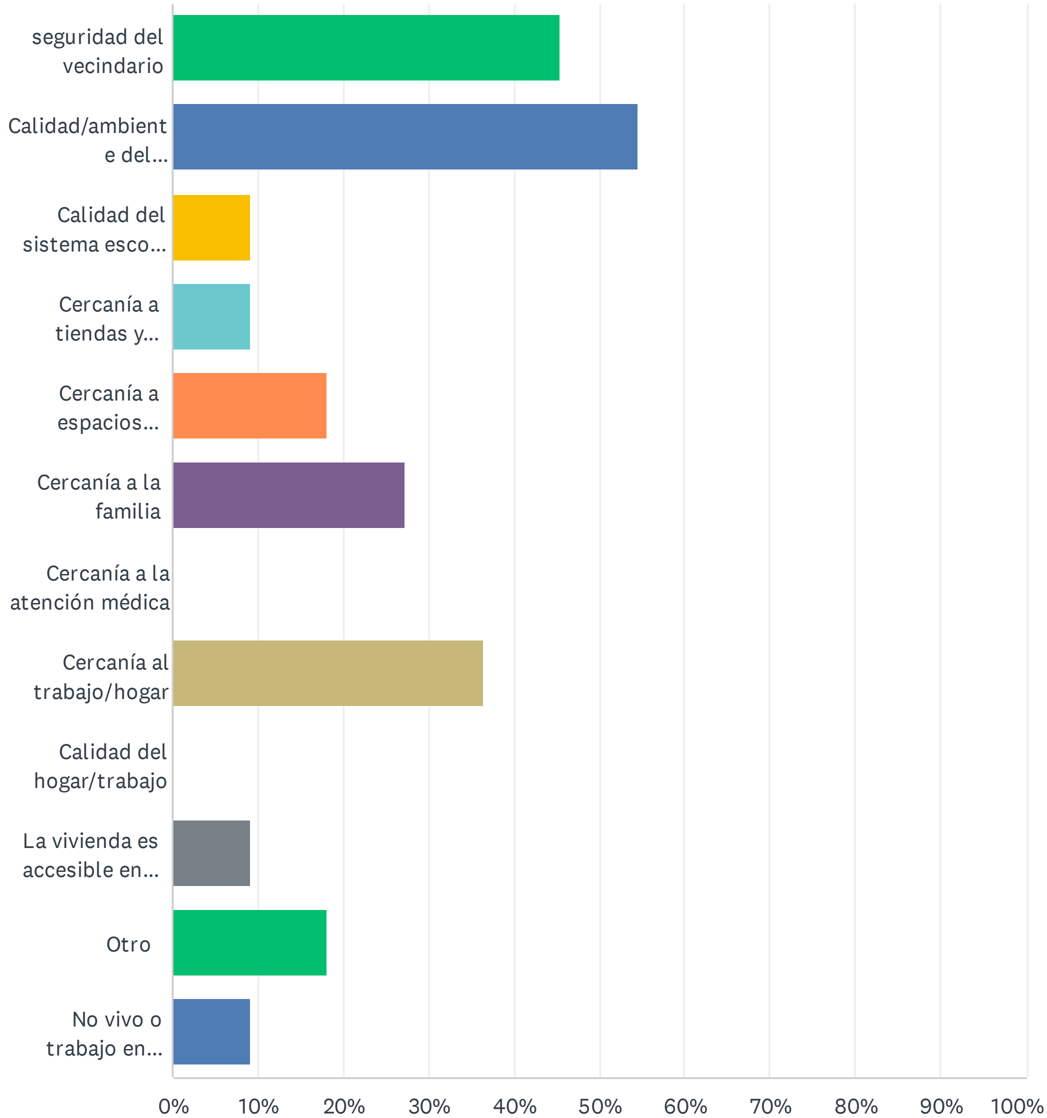
Answered: 11 Skipped: 0



ANSWER CHOICES	RESPONSES	
5 años o menos	27.27%	3
6 a 10 años	9.09%	1
11 a 20 años	36.36%	4
Más de 21 años	18.18%	2
Yo no trabajo en Morgan Hill	9.09%	1
TOTAL		11

Q3 Seleccione las razones por las que vive o trabaja en Morgan Hill.

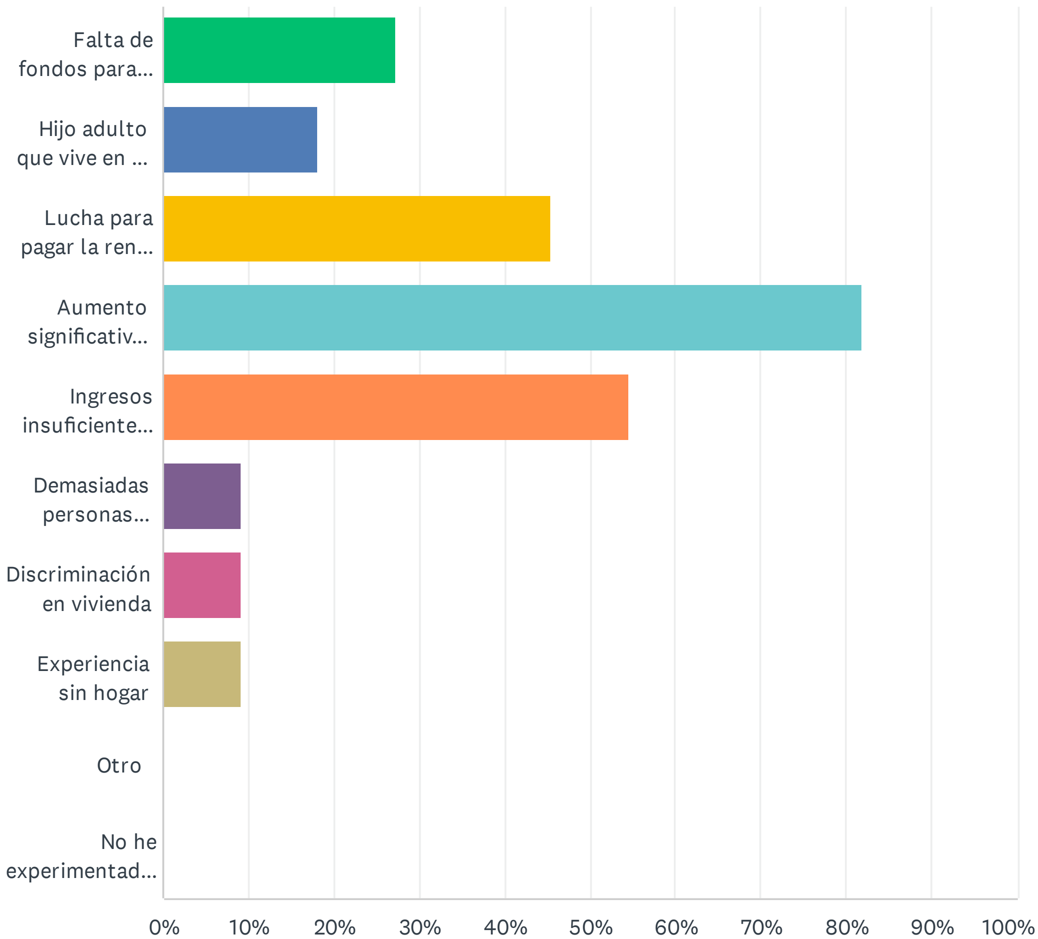
Answered: 11 Skipped: 0



ANSWER CHOICES	RESPONSES	
seguridad del vecindario	45.45%	5
Calidad/ambiente del vecindario	54.55%	6
Calidad del sistema escolar local	9.09%	1
Cercanía a tiendas y servicios	9.09%	1
Cercanía a espacios abiertos/áreas recreativas	18.18%	2
Cercanía a la familia	27.27%	3
Cercanía a la atención médica	0.00%	0
Cercanía al trabajo/hogar	36.36%	4
Calidad del hogar/trabajo	0.00%	0
La vivienda es accesible en Morgan Hill	9.09%	1
Otro	18.18%	2
No vivo o trabajo en Morgan Hill	9.09%	1
Total Respondents: 11		

Q4 En los últimos dos años, ¿ha experimentado alguno de los siguientes problemas de vivienda? (seleccione todas las que correspondan)

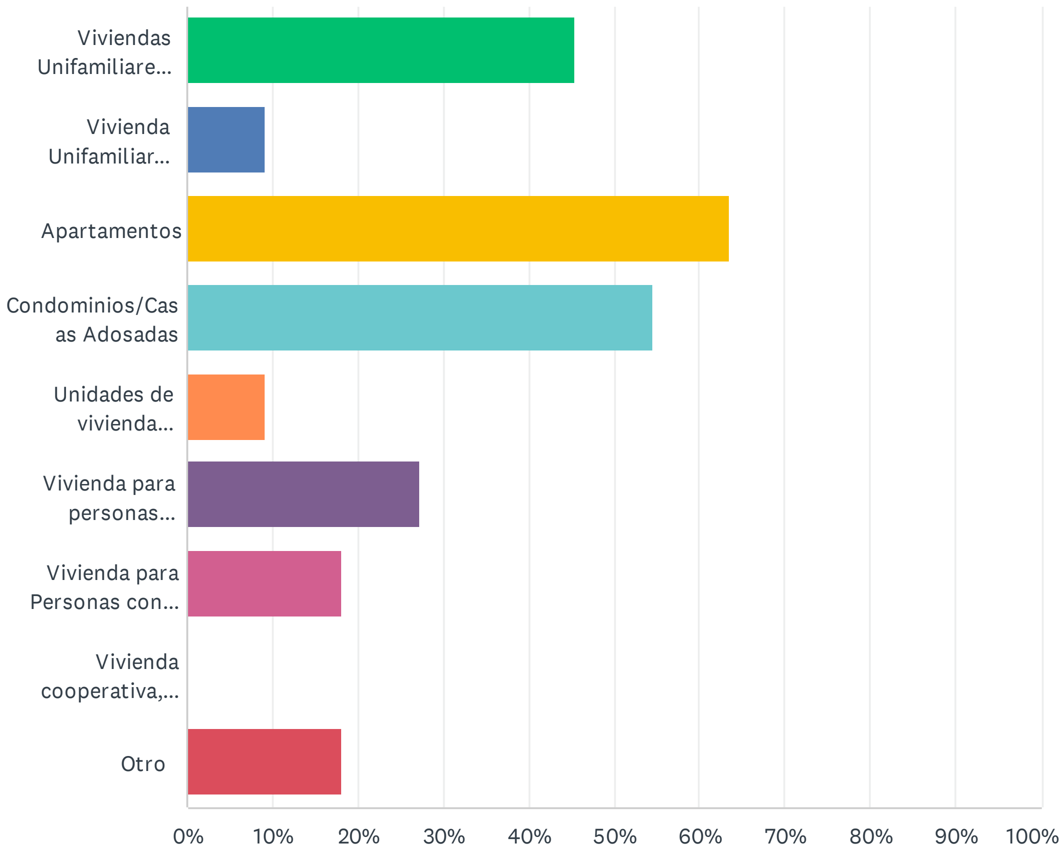
Answered: 11 Skipped: 0



ANSWER CHOICES	RESPONSES	
Falta de fondos para hacer las reparaciones necesarias en el hogar	27.27%	3
Hijo adulto que vive en el hogar debido a la incapacidad de pagar una vivienda	18.18%	2
Lucha para pagar la renta o préstamo de casa	45.45%	5
Aumento significativo de la renta	81.82%	9
Ingresos insuficientes para vivir en Morgan Hill	54.55%	6
Demasiadas personas viviendo en una casa (superpoblación)	9.09%	1
Discriminación en vivienda	9.09%	1
Experiencia sin hogar	9.09%	1
Otro	0.00%	0
No he experimentado ningún problema de vivienda	0.00%	0
Total Respondents: 11		

Q5 ¿Qué tipo de vivienda sería una buena adición a la vivienda de Morgan Hill? (elija todo lo que corresponda)

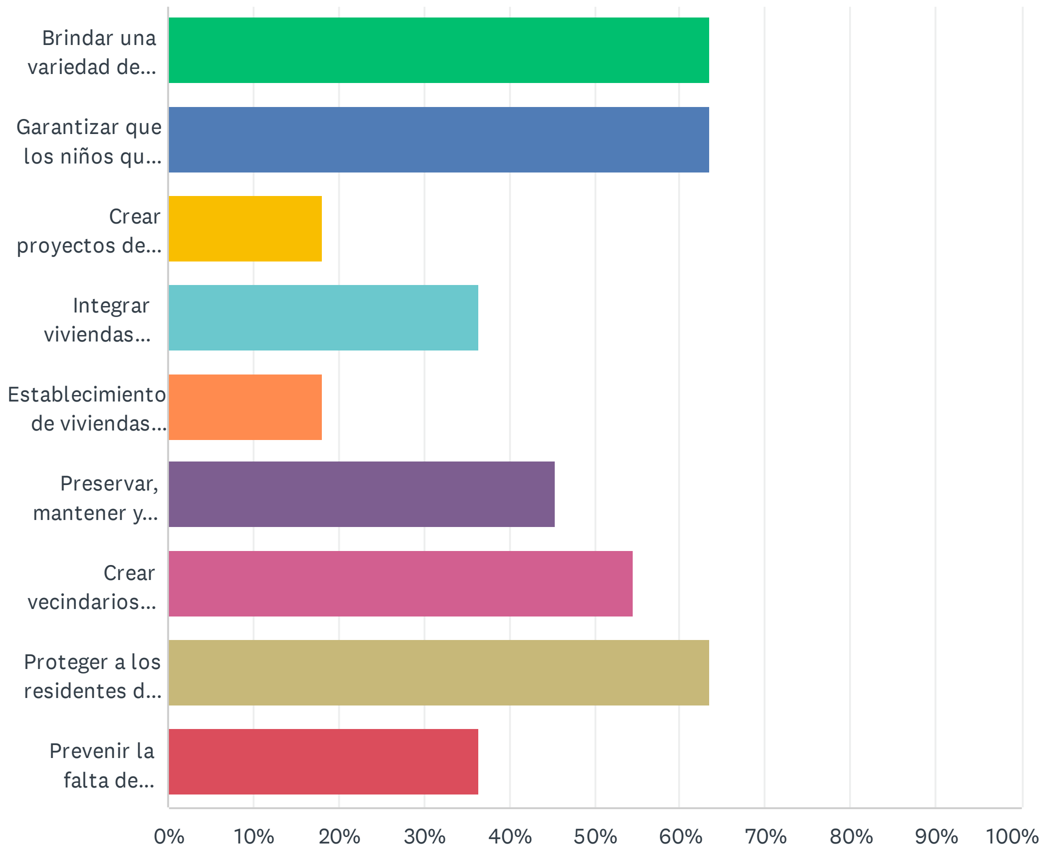
Answered: 11 Skipped: 0



ANSWER CHOICES	RESPONSES	
Viviendas Unifamiliares Aislada	45.45%	5
Vivienda Unifamiliar Pareada	9.09%	1
Apartamentos	63.64%	7
Condominios/Casas Adosadas	54.55%	6
Unidades de vivienda accesoria (pisos de abuela, unidades para suegros, unidades secundarias, casas pequeñas, etc.)	9.09%	1
Vivienda para personas mayores	27.27%	3
Vivienda para Personas con Discapacidad	18.18%	2
Vivienda cooperativa, intergeneracional o viviendas de familia adpotivas	0.00%	0
Otro	18.18%	2
Total Respondents: 11		

Q6 Indique cuáles de las siguientes prioridades de vivienda son las más importantes para Morgan Hill.

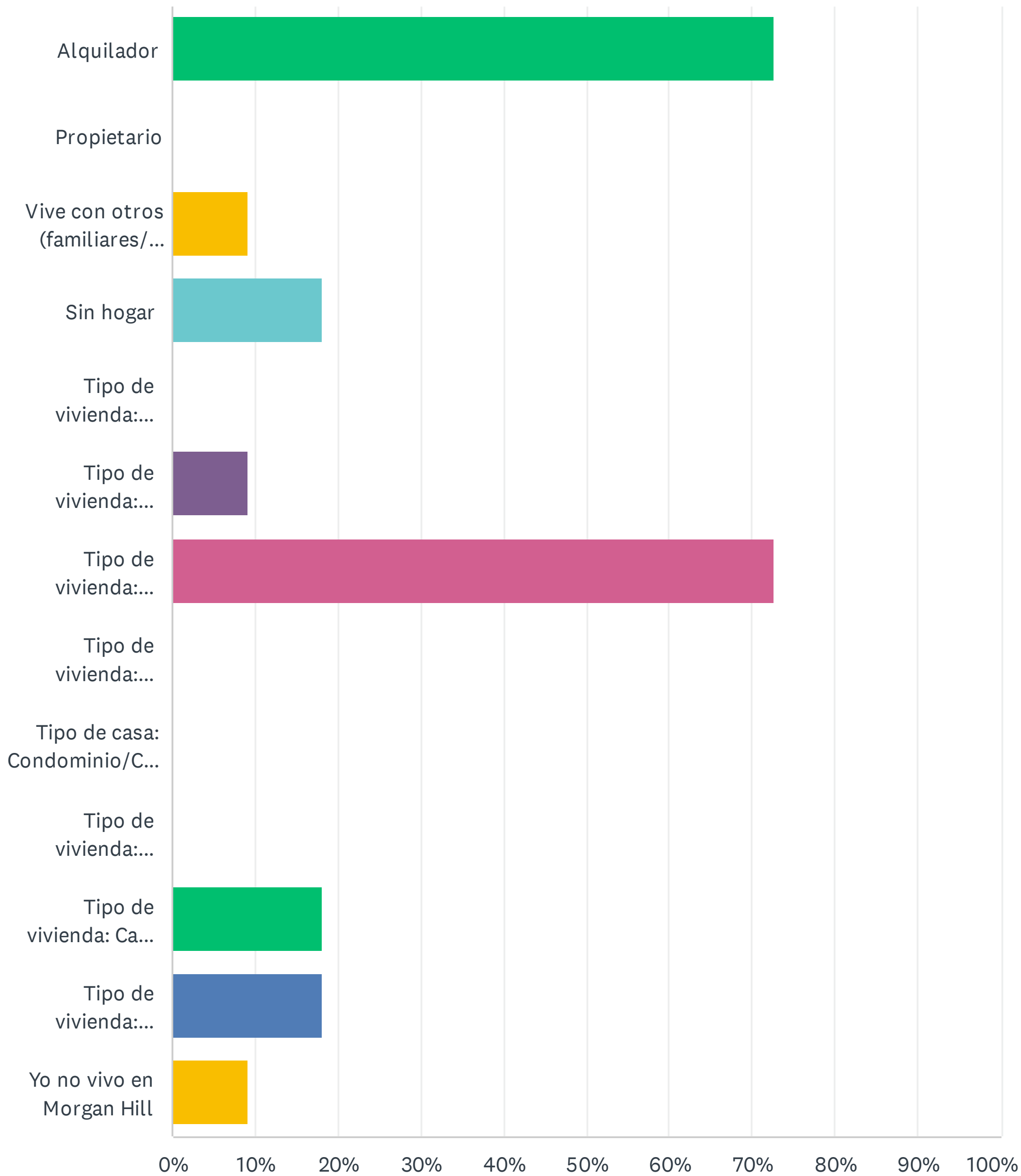
Answered: 11 Skipped: 0



ANSWER CHOICES	RESPONSES	
Brindar una variedad de oportunidades de vivienda accesible para la fuerza laboral de Morgan Hill	63.64%	7
Garantizar que los niños que crecieron en Morgan Hill tengan opciones de vivienda para que puedan vivir en Morgan Hill como adultos	63.64%	7
Crear proyectos de uso mixto (comercial/oficina y residencial) que fomenten vecindarios transitables y reduzcan la tendencia a los automóviles	18.18%	2
Integrar viviendas accesible en toda la comunidad para crear vecindarios de ingresos mixtos evitando concentraciones en un solo vecindario	36.36%	4
Establecimiento de viviendas con necesidades especiales para personas mayores, personas con discapacidades y/o veteranos	18.18%	2
Preservar, mantener y rehabilitar las viviendas existentes para garantizar la habitabilidad del vecindario y continuar promoviendo la accesibilidad de viviendas	45.45%	5
Crear vecindarios inclusivos, conectando a los residentes con trabajos, escuelas y servicios	54.55%	6
Proteger a los residentes del desplazamiento por presiones económicas manteniendo a las personas en sus hogares/comunidades	63.64%	7
Prevenir la falta de vivienda y abordar las necesidades de vivienda de las personas sin hogar	36.36%	4
Total Respondents: 11		

Q7 Si vive en Morgan Hill, ¿qué describe mejor su hogar actual? (Indique si es propietario o alquilador y el tipo de vivienda en la que vive)

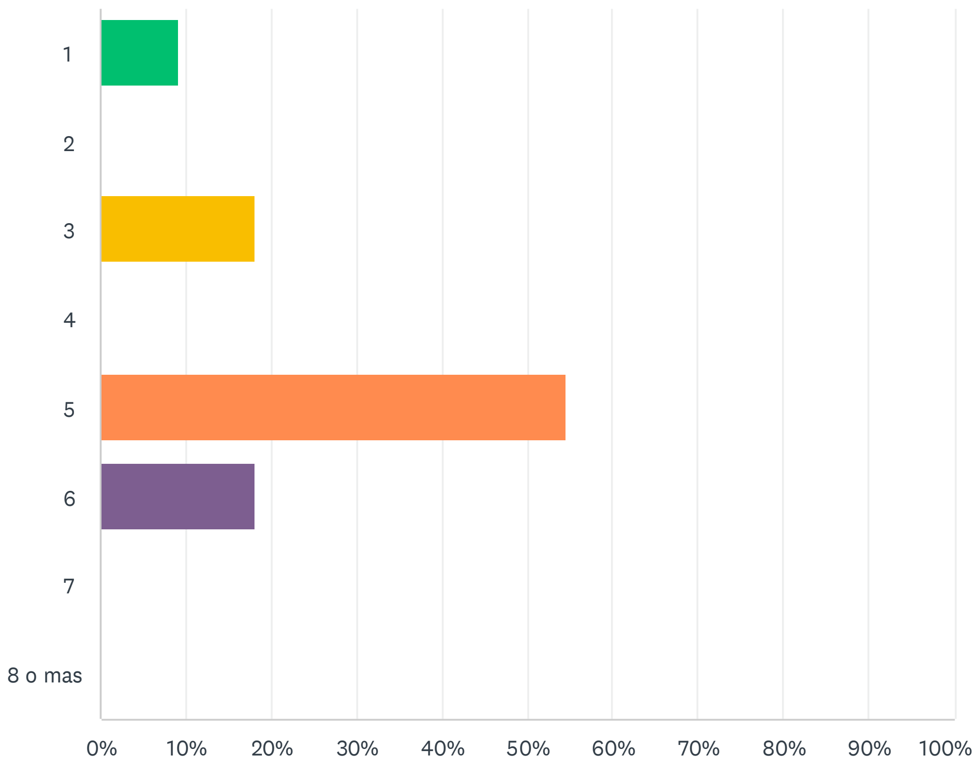
Answered: 11 Skipped: 0



ANSWER CHOICES	RESPONSES	
Alquilador	72.73%	8
Propietario	0.00%	0
Vive con otros (familiares/amigos) sin renta	9.09%	1
Sin hogar	18.18%	2
Tipo de vivienda: Vivienda Unifamiliar Aislada	0.00%	0
Tipo de vivienda: Vivienda Unifamiliar Pareada	9.09%	1
Tipo de vivienda: Apartamento	72.73%	8
Tipo de vivienda: Unidad de Vivienda Accesoria	0.00%	0
Tipo de casa: Condominio/Casa adosada	0.00%	0
Tipo de vivienda: Centro de atención/vivienda asistida	0.00%	0
Tipo de vivienda: Casa móvil	18.18%	2
Tipo de vivienda: Alquilar una habitación	18.18%	2
Yo no vivo en Morgan Hill	9.09%	1
Total Respondents: 11		

Q8 ¿Cuál es el tamaño de su hogar?

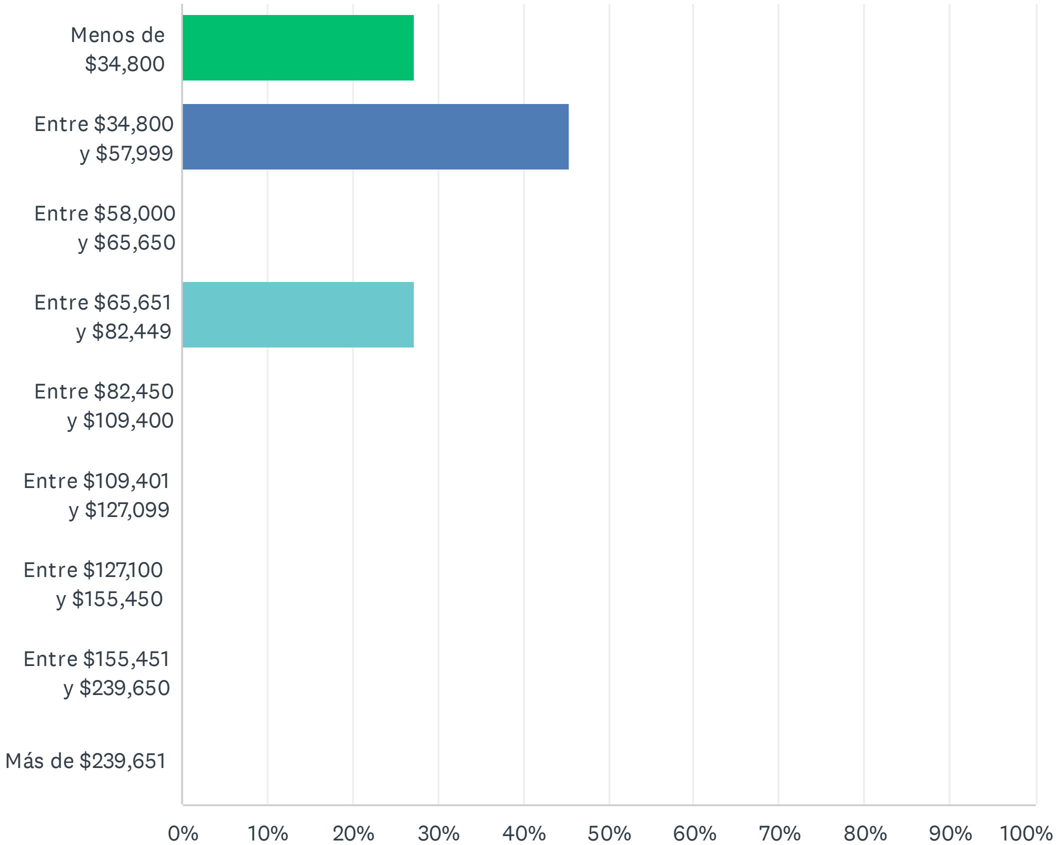
Answered: 11 Skipped: 0



ANSWER CHOICES	RESPONSES	
1	9.09%	1
2	0.00%	0
3	18.18%	2
4	0.00%	0
5	54.55%	6
6	18.18%	2
7	0.00%	0
8 o mas	0.00%	0
TOTAL		11

Q9 ¿Cuál es el rango de ingresos anuales de su hogar?

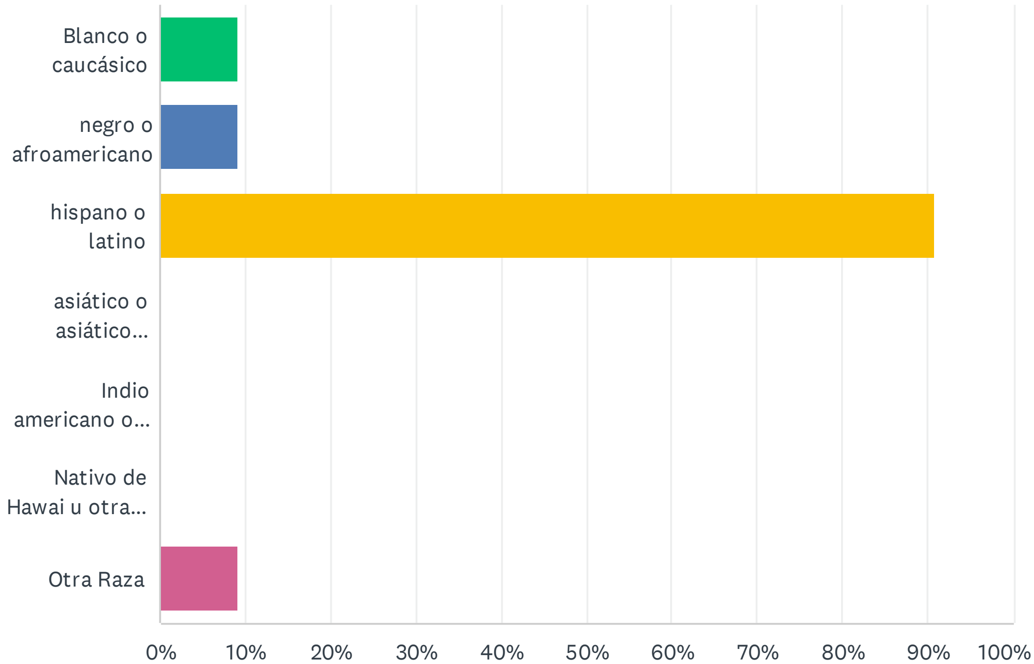
Answered: 11 Skipped: 0



ANSWER CHOICES	RESPONSES	
Menos de $34,800	27.27%	3
Entre $34,800 y $57,999	45.45%	5
Entre $58,000 y $65,650	0.00%	0
Entre $65,651 y $82,449	27.27%	3
Entre $82,450 y $109,400	0.00%	0
Entre $109,401 y $127,099	0.00%	0
Entre $127,100 y $155,450	0.00%	0
Entre $155,451 y $239,650	0.00%	0
Más de $239,651	0.00%	0
TOTAL		11

Q10 Especifique su raza/origen étnico (elija todas las que correspondan)

Answered: 11 Skipped: 0



ANSWER CHOICES	RESPONSES	
Blanco o caucásico	9.09%	1
negro o afroamericano	9.09%	1
hispano o latino	90.91%	10
asiático o asiático americano	0.00%	0
Indio americano o nativo de Alaska	0.00%	0
Nativo de Hawai u otra isla del Pacífico	0.00%	0
Otra Raza	9.09%	1
Total Respondents: 11		