



MEMORANDUM

TO: Nephele Barrett, Senior Planner, MCOG
FROM: Ignacio Gonzalez, Interim Director, Planning and Building Services
SUBJECT: Regional Housing Needs Assessment (RHNA) Allocation: Statement of Constraints for Mendocino County
DATE: August 10, 2018

The Mendocino Council of Governments' (MCOG) process for distributing its Regional Housing Needs Assessment (RHNA) has resulted in an allocation of 1,349 housing units to the unincorporated areas of Mendocino County. After collaborative and cooperative discussion with MCOG partners, this figure is reflects the County's "fair share" proportion for the upcoming 2018 Regional Housing Needs Determination as conveyed by the California Department of Housing and Community Development (HCD).

This determination, however, is incompatible with regional planning doctrine and impractical given the land-constraints that challenge residential development in unincorporated Mendocino County. Housing an increasingly diverse population requires strategies more innovative than simply assigning units based upon a formulaic assessment. From a regional planning perspective, housing strategies must do more than guarantee people a place to live; they must also ensure that where people live reflects sound principles of growth and social equity. The impractical nature of this assigned determination preempts the County's ability to plan a practical solution with our regional partners. The Department of Planning and Building Services can provide the necessary analysis, the requisite communitywide reflection and education, as well as the momentum required to respond to these housing challenges, but not when forced to adhere to such a rigid time-line.

While it is recognized that this allocation is significantly lower than the originally assigned distribution, we implore MCOG, as well as HCD, to recognize the limitations that continue to impede the County's efforts in complying with its apportionment. Anticipated constraints are discussed in greater detail below:

Water Infrastructure: Compared to other parts of California, major development of water resources has not occurred in Mendocino County. Normally, the County receives substantial wintertime precipitation, but relies on groundwater during the hot summer months. A number of unincorporated communities are built over "fractured hard rock," which stores groundwater in limited amounts, making residents especially susceptible to water shortages in dry years.

There are many water service providers in Mendocino County, including the cities, special districts, and private water purveyors. Many, however, have limited additional capacity, and some have maintained moratoriums in the past to restrict access. The Redwood Valley County Water District exemplifies many of these infrastructure limitations. Presently, when developing accessory residential structures, Redwood Valley applicants cannot obtain a domestic water connection for an accessory dwelling unit, due to a moratorium on second-residential connections.¹

In 2018, it is expected that the Brooktrails Township Communities Services District, one of the County's larger unincorporated communities, will offer only two dozen new connections. Additionally, Brooktrails is further challenged by the lack of adequate transportation access in the event of an evacuation or disaster. Therefore, while opportunities for limited in-fill development exist, large-scale residential construction as

¹ Redwood Valley County Water District. (Water Rates) Domestic Water Rates. 06.10.18: <http://www.rvcwd.org/html/rates.html>

required by HCD would necessitate substantial improvements to numerous water supply and distribution systems.

Sewer Infrastructure: Public sewer systems in Mendocino County are provided by cities, special districts, and some private water purveyors. There are 13 major wastewater systems in the county, four of which primarily serve the incorporated cities, but also serve some unincorporated areas. Sewage disposal in the remainder of the county is generally handled by private onsite facilities, primarily septic tank and leach field systems, although alternative engineered wastewater systems may be used. In past planning documents, the County Division of Environmental Health cites the lack of sites for disposal of wastewater pumped from onsite systems as a countywide issue that constrains residential development.

Wastewater infrastructure, or lack thereof, has also imposed potential limits on development in some areas. Septic system constraints are an issue in the Anderson Valley, as well as the community of Laytonville. The community of Laytonville is currently served by individual septic systems, but a high water table and high annual rainfall are contributing to septic system problems, which has led to the community studying the feasibility of a waste water treatment plant. Similar to water constraints, opportunities for limited in-fill development do exist, but large-scale residential construction as required by HCD will necessitate substantial improvements to wastewater systems and sewer infrastructure.

MCOG Allocation Methodology: The overall breakdown for the County based on unit affordability and household income was “very low” (607), “low” (372), “moderate” (368) and “above moderate” (1465). While there was collaborative and cooperative discussion between MCOG partners, the methodology statement and assigned breakdown still creates an unrealizable burden for the County.

We believe that conventional planning principles require a reconsideration of the methodology used to allocate these numbers in the future, and that a much higher percentage of “very low” (607), and “low” (372) be assigned to our incorporated partners, who are better able to facilitate this form of residential development.

Funding constraints typically dictate that new stock of “low” and “very low” income housing units be produced at higher residential densities and where public services and infrastructure exist. By contrast, limited services and infrastructure in unincorporated areas substantially prohibit higher density residential development. Commonly, grants needed to construct these housing opportunities require proximity to a myriad of services, including public transportation.

Additionally, a portion of this RHNA determination is based on the expected increase of elderly-households in Mendocino County. It is agreed that elderly households may have special housing needs due to fixed or limited incomes, increased health care costs, or physical limitations. Many elderly persons have limited funds for housing, housing repairs or modifications, or assistance for everyday living. As some elderly may require proximity to health care or supportive services, Mendocino County prioritizes housing opportunities in more urbanized areas, where those services and transportation opportunities are more readily available. As of 2015, no assisted senior complexes are located in the unincorporated area, though several, such as Duncan Place and Lenore Senior Housing, are located in Fort Bragg, Willits, and Ukiah.

From a sound planning perspective, it would thus seem appropriate to have a greater proportion of “low” or “very low” income units allocated to the incorporated, or urbanized, areas of the County. While it is understood that the County and regional partners have a shared obligation to provide housing commiserate with anticipated countywide population growth, the MCOG allocation should take these development constraints with regard to services and infrastructure into account.

Coastal Zone Constraints: Residential communities which lie within the Coastal Zone are subject to an additional layer of constraints due to development restrictions found within the County’s Local Coastal Program (LCP) and maintaining overall compliance with the California Coastal Act. On top of the noted water and sewer constraints, a restriction on “second units” within the Coastal Zone adds to the difficulties of “low” and “very low” income households in finding affordable housing opportunities in these areas.

Another of the factors listed within the adopted RHNA Methodology was “availability of appropriately zoned land,” which is also an issue along the coastal regions of the County. Extensive areas along the County’s coast consist of Environmentally Sensitive Habitat Areas (ESHA) which dramatically impact the County’s ability to rezone additional land for increased density. For appropriately zoned land, the highly discretionary nature of coastal development, in general, and permitting requirements that would likely accompany multi-family type development, in particular, only adds to the challenge of increasing housing stocks within these areas.

Flood & Other Hazards: Unfortunately, substantial proportions of vacant or underutilized lands surrounding Willits and Ukiah, perhaps the most conducive areas for higher density residential development, are located either in a flood zone or situated near a fault zone. The combining zones created by these environmental settings require special conditions or building requirements, which must be satisfied before a structure can be built or substantially remodeled.

In general, major floods within Mendocino County have resulted from extended periods of winter rainfall produced by winter storms from the Pacific Ocean. Generally, these storms affect the region from early November until the end of March. From a sound planning perspective, it would seem appropriate to recognize the constraints created by flood plains as identified by the Federal Emergency Management Agency (FEMA). Several areas within the County are particularly prone to flooding. These include:

- State Route 128 at State Route 1, Navarro River
- State Route 175 at the Russian River Bridge
- State Route 1 at the Garcia River
- Talmage Court - east side of the Ukiah Valley
- City of Ukiah - eastern side along/near the Russian River
- Little Lake Valley near the City of Willits sewage treatment plant

The County has established a "Flood Plain Combining District" (FP) in its Inland and Coastal Zoning Ordinances. The FP zone applies to floodplain areas as delineated on Flood Insurance Rate Maps prepared by Federal Emergency Management Agency (FEMA). Certain development within the combining district is prohibited, while other development is subject to standards designed to reduce flood hazards. While the cost of housing in these areas may be increased and subsequently limited, these measures are necessary to protect life and property.

The County’s Zoning Ordinances also includes special districts for seismically active areas. Mendocino County is also subject to seismic safety standards for the design and construction of buildings within *Seismic Zone 4* as identified in the Uniform Building Code (UBC). The County’s Building Division ensures that structures in the County comply with the UBC and the zoning ordinances. The San Andreas Fault traverses the southwest corner of the County and continues offshore north of Manchester. The Maacama fault extends from northern Sonoma County to north of Laytonville in Mendocino County. Both of these faults have established Earthquake Fault Zones. In total, five active or potentially active faults traverse Mendocino County.

Fire Hazards and Recovery: Forests and grasslands are located throughout the County, along with residences and unincorporated small communities. Widespread areas of the County have high fire risk, and many areas can be classified as wildland/urban interfaces (WUI). Wildland fires are a major risk to housing development and pose a substantial constraint with regard to new housing development. The State Board of Forestry has adopted "fire safe" regulations that apply to State Responsibility Areas (SRAs) as a means of reducing pre-fire fuel loads. Within SRAs, the State has the primary financial responsibility for preventing and suppressing fires. Much of the unincorporated County is within SRAs.

The statewide fire safe regulations include:

- Road standards for emergency access and evacuation, including width, surface, and grade
- Standards for signs identifying streets, roads, and buildings
- Minimum water supply reserves for emergency fire use

- Fuel breaks (i.e., "defensible space") around structures and greenbelts around new subdivisions

All new construction and subdivisions within SRA's must meet State Board of Forestry standards as set out in Title 14 of the California Code of Regulations. Only within the County's limited valley areas which are also served by local districts are the State fire regulations not applicable.

During the tragic fires of October 2017, approximately 349 homes were lost within Mendocino County. To date, only 80 building permits have been issued to replace destroyed homes. Unfortunately, the need to clean-up and rebuild, further limits potential housing development within the region, and creates a challenge meeting our assigned determination. In our rural area, there are few construction and development entities able to accommodate complex residential construction activities. Construction of the magnitude required by the Department of Housing and Community Development would require support from regional neighbors.

Given the damage sustained in Sonoma, Napa and Lake Counties, however, resources are likely to be limited for the foreseeable future. Given that the County's stated priority is to expeditiously focus on the reconstruction of houses lost by fire, the demand for contracts, labor and materials, will be challenged just to complete replacement of the destroyed homes during this RHNA cycle. The high risk of fires in rural Mendocino County, create the probability that additional structures will be lost in the years to come.

Moving forward, an expected constraint includes the difficulty of obtaining home-owner insurance for fire damage and destruction. Most major insurance companies require a home to be located within five miles or less of a fire station in order to qualify for homeowner's insurance. For homes located outside this range or with a high Insurance Services Office (ISO) rating (8 or 9), homeowner insurance may not be available or may be prohibitively expensive. In order to address this concern, the County, should encourage residential uses in areas with adequate water infrastructure and fire service, and unburdened by seismic or flood constraints, which as described by this memorandum are limited.

Conclusion: As it moves forward, we strongly recommend that MCOG reexamine its methodology and allocation with particular regard to "low" and "very low" income housing units for unincorporated Mendocino County. Additionally, we hope that the constraints presented in this memorandum, alongside those prepared by our regional partners, are considered by the California Department of Housing and Community Development (HCD), resulting in another reduction of required units.

*Cc: Carmel Angelo, County Executive Officer (CEO)
Steve Dunncliff, Deputy CEO*