



# Rancho Cordova Housing Element Update

**Community Workshop  
August 26, 2020**

*a fresh take.*

**RANCHO CORDOVA**  
CALIFORNIA



# Project Team

## » PlaceWorks Team

- Jennifer Gastelum – Principal In Charge
- Cynthia Walsh – Project Manager
- Julia Schnell – Project Planner

## » City of Rancho Cordova Staff

- Stefan Heisler – Housing Manager

# How to Participate?

## » **SUBMIT COMMENTS/QUESTIONS DURING THE MEETING:**

- Send a Chat Message to **Questions** in drop down chat menu

# Zoom Meeting Controls (Desktop)

Zoom Meeting ID: [redacted]

Speaker View

Participants (22)

Find a participant

Janet Chang (Me)

Tammy Seale (Host)

GR Grant R

SC Sloan Campi

MT Mark Teague (Co-host)

Zoom Group Chat

Type Message Here

To: Host

Type message here...

Unmute Stop Video Invite Participants Share Screen Chat Record Reactions Leave Meeting

Hover over your name and select "More" -> "Rename" to change your display name, if needed

**Participant list**  
View meeting participant list

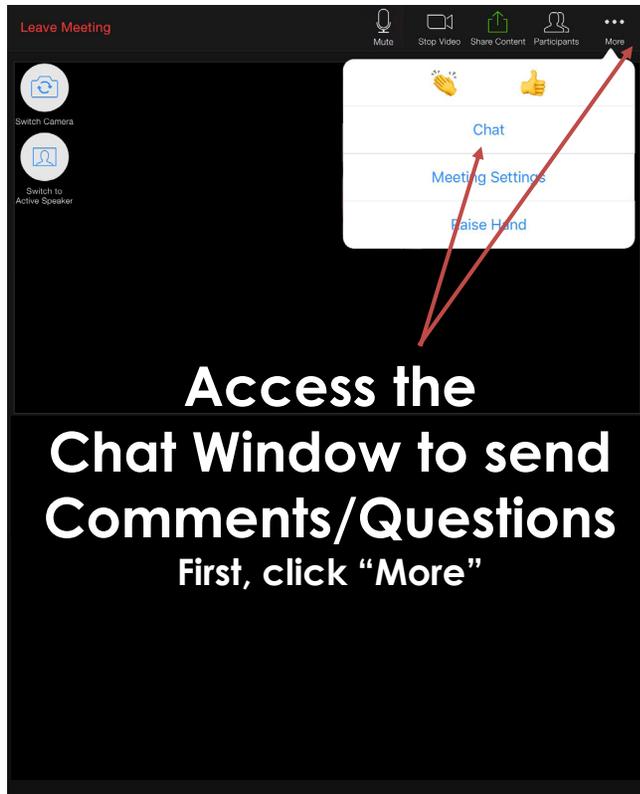
**Use chat window**  
Chat with Meeting Co-host to send comments/questions

Choose Comments/Questions in drop-down menu

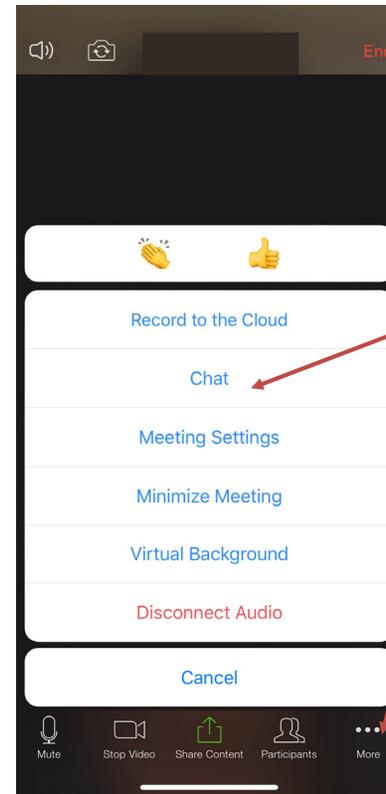


**Comment/Questions?  
Send a Chat Message to  
Questions**

# Zoom Meeting Controls (Tablet & Smart Phone)



Tablet



Smart Phone

Access the  
Chat Window to send  
Comment/Questions  
First, click "More"



**Comment/Questions?**  
Send a Chat Message to  
**Questions**

# Workshop Agenda

## » Introductions

## » Housing Element:

- Housing Element Overview
- Background
- Regional Housing Needs Assessment (RHNA)
- Sites Inventory

## » Schedule

## » Questions & Answers

# Housing Element



# Housing Element Overview

- » Adoption Deadline: May 15, 2021
- » Required Element of the General Plan
- » State-mandated update schedule
- » Review and certified by State Housing and Community Development (HCD) Dept. for compliance with State law
- » Plan for accommodating a jurisdiction's fair share of the regional housing need.



*Send input by chat to **Questions**  
in chat drop down list*



# Housing Element Contents

- » Analysis of existing and projected housing needs
- » Inventory of available land for housing
- » Analysis of potential constraints on housing (e.g., permit-processing procedures, fees)
- » Evaluation of previous housing element
- » Goals, policies, and implementation programs



Housing Element of the General Plan  
2013–2021  
Adopted  
December 16, 2013

# Regional Housing Needs Allocation (RHNA)

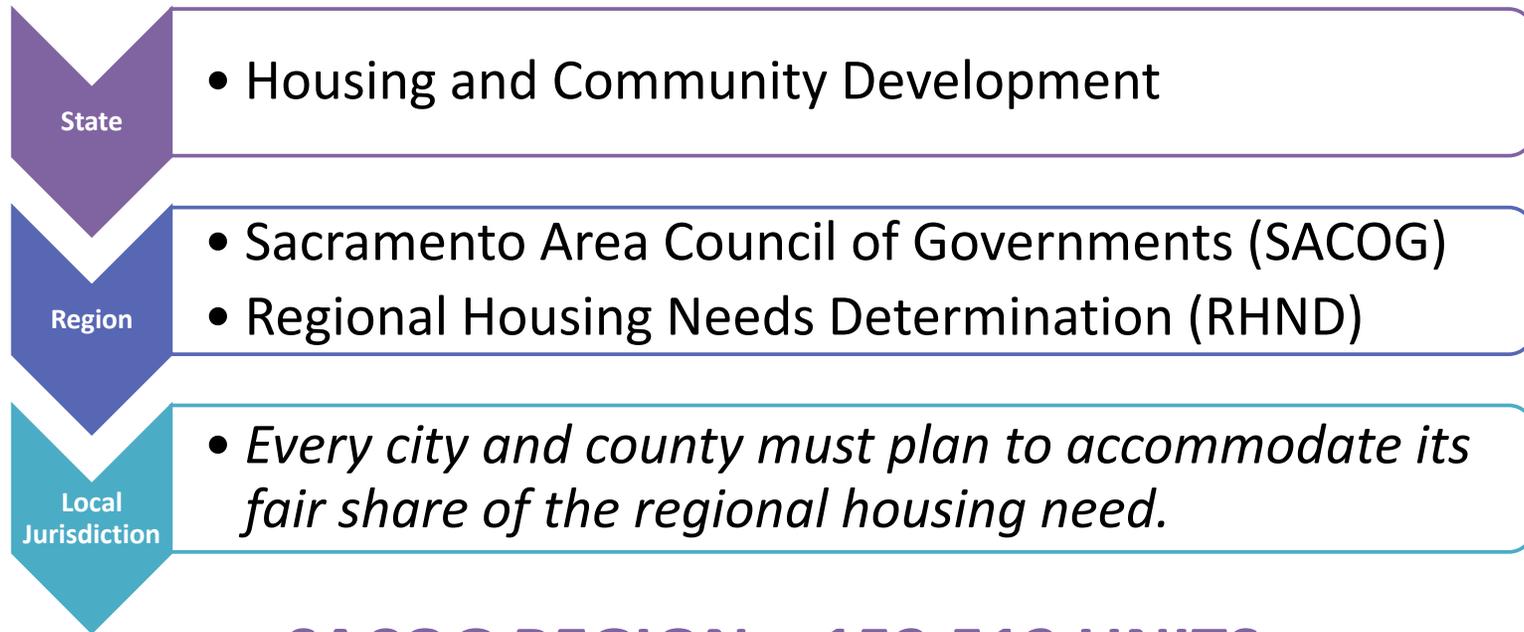


# What is the Regional Housing Needs Allocation (RHNA)?

- » State-required process
- » Seeks to ensure local jurisdictions are planning for enough housing to accommodate all economic segments
- » Three steps
  - Regional determination
  - RHNA methodology
  - Housing Element updates

Income Category	Household Income (based on area median income)
Very Low Income	<50%
Low Income	51-80%
Moderate Income	81-120%
Above Moderate Income	121%+

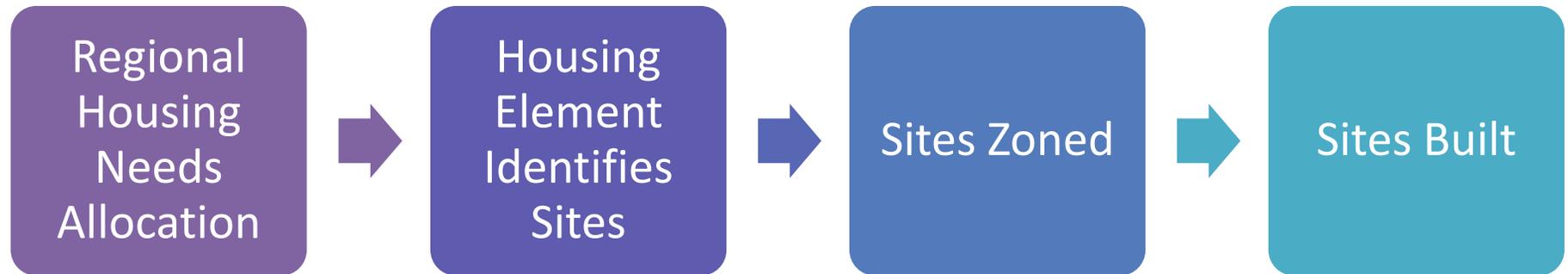
# Regional Housing Needs Allocation (RHNA)



**SACOG REGION = 153,512 UNITS**

**CITY OF RANCHO CORDOVA = 9,067**

# Steps to Housing Development



# Rancho Cordova's 2021-2029 Allocation

## » What does Rancho Cordova need to plan for?

Income category	Units needed	% of total	Zoning required to meet need	
<b>Very Low Income</b>	2,115	23%	High-density residential (30 units/acre minimum)	} <b>3,389 units</b>
<b>Low Income</b>	1,274	14%	High-density residential (30 units/acre minimum)	
<b>Moderate Income</b>	1,684	19%	Any residential density	
<b>Above Moderate Income</b>	3,994	44%	Any residential density	
<b>TOTAL</b>	<b>9,067</b>			

# Meeting the RHNA

## How does the City implement RHNA?

- » Primarily done by zoning specific sites to accommodate various housing types and income levels

## Does the City have to build housing?

- » Short answer: No
- » Focus is on encouraging housing production through zoning appropriate land and removing development constraints
- » Responsibility to help incentivize and facilitate
- » Construction still rests with private developers

## RHNA Sites Status

- » Relying on Specific Plans/Special Planning Areas
- » Vacant infill sites
- » Underutilized infill sites
- » Accessory Dwelling Units

# Background



# What does Low-Income mean?

- » State and HUD define affordability level
- » Affordability levels are countywide

Income category	Percent of median income	2020 Annual income (4-person household)	Monthly affordable housing cost
<b>Extremely low-income</b>	30%	\$26,200	\$655
<b>Very low-income</b>	50%	\$43,150	\$1,079
<b>Low-income</b>	80%	\$69,050	\$1,726
<b>Median-income</b>	100%	\$86,300	\$2,158
<b>Moderate-income</b>	120%	\$103,550	\$2,589

Sources: 2020 HCD Income Levels. Monthly affordable housing costs assumes 30% of monthly income is spent on housing.

# Who is considered Low-Income?

- » State and HUD define affordability level
- » Affordability levels are countywide – **Median Income is \$86,300 (4-person household)**
- » ***Approximately 49% of households in the city fall into the lower income category***

Income category	Percent of median income	Typical occupations
<b>Extremely low-income</b>	30%	Food service workers, retail clerks, manicurists, home care aides
<b>Very low-income</b>	50%	Preschool teachers, bank tellers, security guards, landscapers, truck drivers, data entry workers, medical assistants
<b>Low-income</b>	80%	EMT/paramedics, teachers, mail carriers, admin assistants, maintenance workers, auto mechanics

Sources: 2020 HCD Income Levels, 2012-2016 CHAS

# How affordable is Rancho Cordova?

- » Median List Price, Jan. 2020: **\$437,000**
- » Affordable Home Sale Prices, 4-Person Household:
  - Very Low-Income: \$166,800
  - Low-Income: \$267,000
  - Moderate Income: \$400,300
- » Homeowner Households Overpaying:
  - 30-50% of their Income: **17.2%**
  - More than 50% of their Income: **11.4%**



Sources: Zillow.com, 2012-2016 CHAS, Image via Realtor.com

Affordable home price assumes 5% downpayment, 4.5% interest rate, 30-year mortgage, 1.5% property tax rate, and primary mortgage insurance

# Is renting more affordable than buying?

## » Median rent

- 1BR: \$1,270
- 2BR: \$1,495
- 3BR: \$1,645
- 4BR: \$2,350

## » Estimated Monthly Mortgage Payment, Median List Price

- \$2,103
- Affordable to moderate-income households

## » Affordable Monthly Housing Costs, Four-Person Household

- Extremely Low: \$655
- Very Low: \$1,079
- Low: \$1,726
- Moderate: \$2,589



Sources: Data Zillow.com; image via EveryAptMapped.org

# Housing Element basic assumption: **Density = Affordability**



Must demonstrate enough **vacant land** zoned at **appropriate densities** to accommodate the projected new housing units for each income category.

# What is causing increasing unaffordability?

- » Strong demand for housing
- » Rising costs of building homes
  - Construction labor and materials
  - Land costs and development fees
- » Shortage of construction labor
- » Large lot/home size
  - Many homes recently sold have been 1,700+SF

Source: Redfin.com, Zillow.com



Recently constructed home, photo from Zillow.com  
3BD/2BA, 1,932 sq ft, priced \$457,952

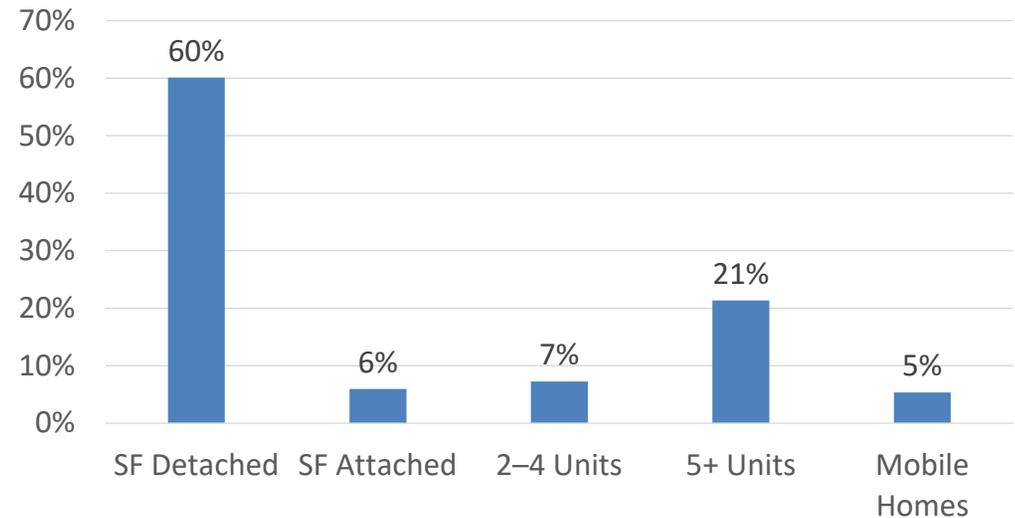
# New Developments – Main Developers

Woodside Homes	Eucalyptus at Cypress	<ul style="list-style-type: none"> <li>• 1,657 – 2,065 SF</li> <li>• 3-4 BR</li> <li>• Currently listed for \$441,705 - \$493,918</li> </ul>
	Cottonwood at Cypress	<ul style="list-style-type: none"> <li>• 1,726 – 1,922 SF</li> <li>• 3-4 BR</li> <li>• Currently listed for \$436,992 - \$455,360</li> </ul>
Cresleigh Homes	Brighton Station	<ul style="list-style-type: none"> <li>• 2,054 – 3,501 SF</li> <li>• 3-4 BR</li> <li>• Currently listed for \$495,500 - \$621,740</li> </ul>
	Mills Station at Cresleigh Ranch	<ul style="list-style-type: none"> <li>• 1,932 – 2,317 SF</li> <li>• 3BR</li> <li>• Currently listed for \$457,952 - \$473,976</li> </ul>
Elliott Homes	Veranda at Stone Creek	<ul style="list-style-type: none"> <li>• 1,452 – 1,930 SF</li> <li>• 3-4 BR</li> <li>• Currently listed for \$369,660 - \$411,680</li> </ul>
Lennar	Ciara at Anatolia	<ul style="list-style-type: none"> <li>• 3,033 SF</li> <li>• 4 BR</li> <li>• Currently listed for \$561,990 – \$565,990</li> </ul>

# Housing types in the community

- » **76%** more than 30 years old
  - May require maintenance or rehabilitation
- » **55%** are owner occupied
- » **45%** are renter occupied
- » **4%** gross vacancy rate
  - 3.9% rental vacancy rate
  - 0.6% homeowner vacancy rate

Percentage of Total Housing by Type  
City of Rancho Cordova



Sources: 2014-2018 ACS 5-Year Estimates. Source: California Department of Finance, Table e-5, 2019;; California Department of Finance, Table e-5, 2020



# What special housing needs should we consider?

249 Residents  
Experiencing  
Homelessness

12% of Residents  
are Seniors

15% of Residents  
Ages 18-64 have a  
Disability

24% of Family  
Households are  
Female-Headed

15% of Households  
are Extremely-Low  
Income

Source: Comprehensive Housing Affordability Strategy (CHAS) database, 2012-2016, Sacramento Steps Forward Point in Time (PIT) Survey 2019, American Community Survey 2014-2018, American Community Survey 2018

# Project Schedule



# Project Schedule



# How to Participate?

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## » **SUBMIT COMMENTS/QUESTIONS AFTER THE MEETING:**

- Stefan Heisler, City of Rancho Cordova – [sheisler@cityofranchocordova.org](mailto:sheisler@cityofranchocordova.org)
- Jennifer Gastelum, PlaceWorks – [jgastelum@placeworks.com](mailto:jgastelum@placeworks.com)
- Cynthia Walsh, PlaceWorks – [cwalsh@placeworks.com](mailto:cwalsh@placeworks.com)

## » **PROJECT SPECIFIC QUESTIONS:**

- Planning Department Contact - **916-851-8750** or [planningservices@cityofranchocordova.org](mailto:planningservices@cityofranchocordova.org)

# Thank you

