



CITY OF UKIAH HOUSING STRATEGY OVERVIEW

The City of Ukiah will develop programs and tools designed to stimulate the Ukiah housing market. Through a two-part strategy, the City will deploy new funding, analyze zoning policy for regulatory relief, and continue the utilization of successful incentives to encourage additional housing production for affordable (“low- and moderate-income”) and middle-income households. Key components of this strategy are presented below.

1. Affordable Housing Strategy

Ukiah’s affordable housing strategy is targeted at households with incomes of no more than 80% of Area Median Income. Central to this strategy is the creation of a housing trust and revolving loan fund- the Ukiah Housing Trust Fund.



Picture of Sun House Senior Apartments – PEP Housing, October 2017

A. Ukiah Housing Trust Fund (UHTF)

The UHTF will serve as the umbrella for all affordable housing activities, including new and existing housing grants and programs. This provides a centralized and recognizable resource for participating households and affordable housing developers.

Principal funding for the UHTF and its corresponding revolving loan fund is derived from former Redevelopment Agency housing bond proceeds. A majority of this funding is expected to be awarded to affordable housing developers in the form of below market interest rate loans and grants towards the production of housing units. Federal and state programs operated through the UHTF will largely focus on individual households.

B. Activities Funded by the UHTF

Activities funded are expected to include, but may not be limited to, the following:

1. Creation of new affordable units;
2. Purchase of vacant and underutilized land (land assembly) for the purpose of facilitating future affordable housing production

3. Assistance with multi-family housing rehabilitation projects;
4. Conversion of market rate units to affordable housing units;
5. Preservation of existing affordable housing;
6. Construction of accessory dwelling units;
7. First time homebuyer loans;
8. Single-family housing rehabilitation loans; and
9. Predevelopment assistance to non-profit and for-profit developers with project feasibility and preliminary design studies for potential affordable housing projects.

C. UHTF Guidelines and Deployment Allocations

Prior to the launching of the new Housing Trust Fund, Staff will develop UHTF guidelines for City Council review and approval. Included will be recommended deployment allocations for each of the major activities of the UHTF.

D. Marketing and Engagement

Housing Division Staff will design a marketing and engagement approach aligned with existing *Visit Ukiah* and other City of Ukiah marketing strategies. The approach is expected to include the development of marketing materials like informational flyers and handouts and the creation of a new Housing Division webpage. It is anticipated that existing Community Development and Planning Department webpages will be updated during the drafting of the new Housing Division webpage so that Department programs and resources are more synergized.

Included in the marketing and engagement strategy will be a highlight of existing incentives and tools such as the Fee Deferral Program, Title 24 Rebate Program and other energy rebates available to developers.

2. Middle-Income Housing Strategy

Ukiah's Middle-Income Strategy seeks to remove impediments to housing development through regulatory relief and innovative zoning practices.

A. Regulatory Relief Analysis

Staff will investigate zoning ordinances and Ukiah City Code for possible relief and present a report with recommendations to Council. Specific areas of analysis will include the following:

- By-right residential uses in other zoning districts
- Reduction of parking and setback requirements
- Development of an offsite mitigation bank for Low Impact Development (LID)

B. Community Benefit Zoning

This is perhaps the most experimental approach in the City's Housing Strategy. Staff will research possible regulations and policies to establish incentive-based zoning towards encouraging additional housing opportunities affordable to middle income households. A report of findings, with recommendations, will be presented to the Planning Commission for input prior to being presented to City Council. Included will be a short feasibility analysis into utilization of a Neighborhood Pilot Program and Middle Income Citizen Advisory Board.