



## Corning Planning Department

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**To: Planning Commissioners & Public**

**From: John L. Brewer, AICP; Planning Director**

**Date: March 5, 2007**

**Re: Supplemental Information-Salado Orchard Apartment Project**

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At the February 20, 2007 meeting, the Planning Commission opted to postpone action on the Salado Orchard Apartment project pending receipt of additional info regarding:

1. Affordable Housing effects on area Property Values;
2. Other Projects developed by the applicant Pacific West Communities;
3. Information regarding any possible correlation between increased crime and affordable housing projects;

Attached for your review and consideration are the following documents:

1. *"Myths and Facts about Affordable & High Density Housing"*, a report prepared by the California Department of Housing and Community Development in 2002. This report deals with the property value issue as well as crime data and other issues that often surface in relation to affordable housing applications.
2. A Study titled *"Low Income Housing Tax Credit Housing Developments and Property Values"* prepared by the Center for Urban Land Economics Research at the University of Wisconsin in 2002. This study is particularly on point because it deals specifically with "Tax Credit" financed projects, like the proposal.
3. One Page sheet listing Property Management Companies that Pacific West Communities utilizes.
4. A One-Page list of existing Pacific West Communities Housing projects throughout the west.
5. A Two-Page document titled *"Who Needs Affordable Housing"*. This document was prepared to address affordable housing issues in the Bay Area, so the numbers are proportionately inflated, but the examples of people who need housing is true whether in San Jose or here in Corning.
6. A Report titled *"Addressing Community Opposition to Affordable Housing Development-A Fair Housing Toolkit"* prepared by the Housing Alliance of Pennsylvania. This is a valuable resource, but some info is not applicable to California.
7. A One-Page sheet titled *"Anti-Nimby (Not in My Backyard) Tools"*, prepared by the California Housing Law Project.
8. Police Chief Cardenas is unavailable until next week. We expect him to provide a written summary of Corning crime statistics, comparing the "per-residence" Police responses to multi-family housing projects to responses to typical single-family residences. The Chief's verbal summary concluded that multi-family housing does not generate police responses in excess of that from standard single-family housing.



MYTHS

FACTS

*About Affordable & High Density*

HOUSING

*A Report by*  
California Planning Roundtable  
California Department of Housing & Community Development

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**I**N THE PAST 30 YEARS, CALIFORNIA'S HOUSING PRICES HAVE STEADILY OUTPACED ITS RESIDENTS' INCOMES. Housing production hasn't kept up with job and household growth within the State.<sup>1</sup> The location and type of new housing does not meet the needs of many new California households. As a result, only one in five households can afford a typical home, overcrowding doubled in the 1990's, and more than three million California households pay more than they can afford for their housing.<sup>2</sup>

Meanwhile, the federal government has dramatically cut back programs that used to help local governments accommodate new growth. Voter-imposed property tax and spending freezes have further constrained local governments from responding effectively to new growth. And affordable housing development, while still funded in part by the federal government, requires a larger local commitment than ever before.

Against this backdrop, it should surprise no one that many communities no longer accept population growth with open arms. When anyone proposes the development of affordable or multifamily housing, ambivalence about growth often shifts to hostility. Hostility feeds and strengthens certain myths, and deep emotional perceptions of how the world works. *Myths—important sources of meaning in all societies—provide shared rationales for community members to behave in common ways, having a strong moral component, with clear lines between right and wrong.* Although myths are sometimes positive, they can also serve as shields for deeper and uglier motivations: racism, fear of outsiders, and/or greed. When people argue against new high-density and affordable housing, often myths are used to convince decision-makers that the new development and its residents don't belong there. Traffic will be too heavy; schools will become

overcrowded; buildings will clash with existing neighborhoods; people won't fit in; and maybe even a criminal element.

Opponents often believe these myths. But it's essential to counter these myths with facts. California desperately needs new affordable housing to reverse recent increases in overcrowding and overpayment. We also need new high-density housing to support economic stability and prosperity. We need housing to accommodate new workers and their families and to economize on infrastructure costs, while preserving open space and reducing the distance between homes and jobs.

Fortunately, the facts of California's recent experiences with high-density and affordable housing often contradict the myths. We can now begin to rely on this recent experience to reassure concerned residents that the myths don't have to come true.

## Myth #1

**High-density housing is affordable housing; affordable housing is high-density housing.**

## Fact #1

**Not all high density housing is affordable to low-income families.**

**T**his myth expresses an essential truth: more units per acre mean lower land costs per unit, especially if local governments allow builders meaningful density bonuses; smaller units cost less to build than larger ones. To encourage housing affordability, California cities do need to promote higher densities.

But we also know from experience and observation that not all high-density housing is affordable to low-income families. San Francisco's Nob and Telegraph Hills, Los Angeles' Wilshire Corridor, and high-rises in

downtown San Diego are all examples of upper-income areas where housing densities are quite high. Similarly, most Californians know that low-density neighborhoods often accommodate people of modest means. The residents of these neighborhoods often moved in shortly after the homes were built (several decades ago) —and before the huge escalation in California's home values that began in the early 1970's. With assistance, many families with limited incomes will continue to buy homes in these neighborhoods. Many other low-income

households will continue to rent single-family homes because they offer more space in low-density neighborhoods.

For the most part, of course, low-density neighborhoods offer more expensive housing than high-density areas. Detached homes cost much more than most apartments and condominiums. Among new units, the difference is even more striking; new high-density units are much more likely to be affordable than new single-family units.

Density is not always enough, however. To ensure affordability, local governments must intervene with programs and additional concessions if the new high-density units are also to be affordable. For a list of resources on affordable housing techniques, see *Resources: Making Housing More Affordable*, at the end of this report.

## Myth #2

High-density and affordable housing will cause too much traffic.

## Fact #2

People who live in affordable housing own fewer cars and drive less.

*In many high-density neighborhoods, and in most neighborhoods with a mix of housing types, traffic isn't a big problem.*

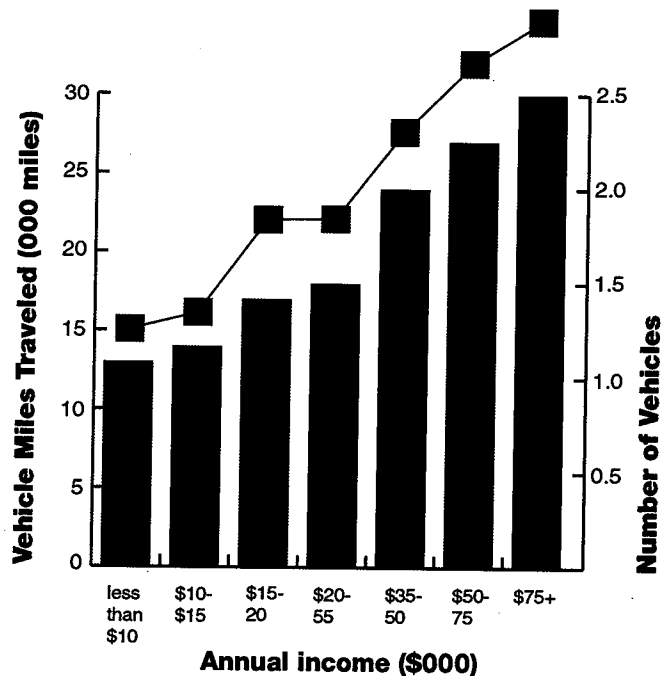
In California's six largest metropolitan areas, two-thirds of renters and over three-fourths of the households living below the poverty line own no vehicles or only one car, compared to 54 percent of all households and 44 percent of homeowner households.<sup>3</sup> With lower car ownership rates come fewer trips, and fewer single occupant auto commutes. According to the National Personal Transportation Survey in 1995, low-income households make 40 percent fewer trips per household than other households. Recent traffic growth owes much to existing development.

In many high-density neighborhoods, and in most neighborhoods with a mix of housing types, traffic isn't a big problem. Fewer auto trips occur in higher-density areas. In a neighborhood of 15 homes to the acre, one-third fewer auto trips occur, compared to a standard suburban tract.<sup>4</sup> A 1990 survey by the Sierra Club's Transportation Committee found that for every doubling of neighborhood density, vehicle miles traveled are reduced by 20 to 30 percent.

Car ownership rates are less in higher density areas. According to recent American Housing Survey data, multifamily developments have lower car ownership rates than single-family home tracts.

*To encourage housing affordability, California cities need to promote higher densities.*

## Low-income households own fewer cars, drive less



Source: U.S. Energy Information Administration, Residential Transportation Energy Consumption Survey, Household Vehicles Energy Consumption, 1994

High-density housing can encourage nearby retail development, along with ease of walking and transit use. Mixing housing with commercial development is ever more crucial for traffic control, since non-work trips constitute the largest number of trips.

Over three-fourths of trips in Southern California are non-work trips. With high-density

housing, stores serving neighborhood residents move in, allowing residents to walk to buy groceries or to the dry cleaner instead of driving.

Transit connections also become more common when neighborhood density increases, as transit is only cost-effective at densities above eight or 10 units per acre.<sup>5</sup>

