



## 1.0 OVERVIEW: HOUSING RESOURCES

This section evaluates the potential opportunities for various types of residential development for all income levels and energy and water conservation within such developments. The analysis primarily looks at development that could occur based upon the Chula Vista General Plan and Zoning Ordinance.

*Opportunities for development in the City include vacant and underutilized residential sites.*

More specifically, this section discusses the following:

- An inventory of available vacant and underutilized land for residential development to accommodate the City's Regional Share Goals;
- Financial resources available to assist in providing housing opportunities; and,
- Opportunities for energy and water conservation.



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## 2.0 | LAND AVAILABILITY

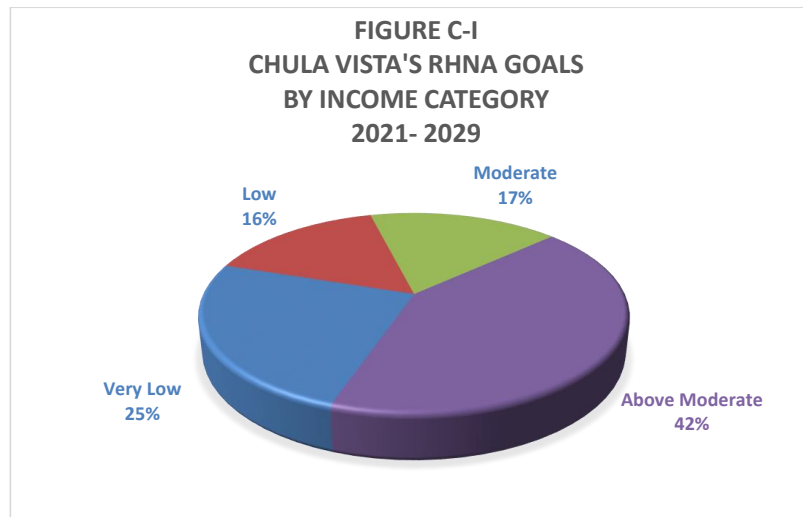
State Housing Element Law mandates that a jurisdiction must show that it has adequate sites that will be made available through appropriate zoning and development standards and with the required public services and facilities for a variety of housing types and incomes. This evaluation of adequate sites represents a planning goal and not a goal for the actual production of housing within the five-year period. The City must demonstrate that it has the capacity, or adequate sites, to accommodate the projected need for housing. The projected need for housing used for this evaluation is defined as the City's share of the region's housing needs for 2021-2029.



### 2.1 Regional Housing Needs Assessment 2021-2029

State Housing Element Law requires that each jurisdiction, in preparing its Housing Element, develop local housing programs designed to meet its share of existing and future regional housing needs for all income groups. This requirement ensures that each jurisdiction accepts responsibility for the housing needs of its current and anticipated future residents, particularly lower-income households, and plans for a variety of housing choices.

In March 2018 the State Housing and Community Development (HCD) Department prepared a draft Regional Housing Needs Assessment (RHNA) for the San Diego Region using population forecast from Department of Finance (DOF), projected number of new households formed, vacancy rate in existing housing stock, and percentage of renter households that are overcrowded, and housing replacement needs. HCD in consultation with SANDAG calculated the housing need for the region and determined that for the period beginning April 15, 2021 to April 15, 2029 (an 8-year period) Chula Vista's share of the region's housing needs is a total of 11,105 new housing units. Of the 11,105 housing units, 2,750 units are to be set-aside for very-low income households (25 percent), 1,777 units for low income households (16% percent), 1,911 moderate income households (17% percent), and 4,667 above moderate-income households (42 percent).



Source: Regional Housing Needs Assessment, SANDAG 2020

As required by State Housing Law, the City must plan for its share of the region's new housing needs in all income categories by identifying an adequate supply of land zoned at the appropriate density levels to accommodate each income category. The RHNA goals do not represent a requirement for actual housing production, but rather seek to ensure the City has, or plans to add, zoning capacity to accommodate new housing growth.

To address the City's needs for very low-and low-income housing, Chula Vista must demonstrate that it has an adequate supply of land for higher density housing (30 or more dwelling units per acre). Although zoning land for higher density development does not guarantee the construction of housing that is affordable to low- and moderate-income families, without such higher density zoning, the opportunity to use subsidies and implement affordable housing programs for such families is diminished.





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## 2.2 Capacity to Meet Regional Share Goals

Due to the diverse nature of eastern and western Chula Vista, the analysis of available sites for housing has been customized to each area.

Most of the vacant land is in eastern Chula Vista, within Master Planned communities and will be developed under the approved Sectional Planning Area (SPA) Plans. These Master Planned communities have the capacity to accommodate 8,802,910 dwelling units as shown in Table C-43.

The City of Chula Vista General Plan Land Use and Transportation Element identifies six residential land use designations. The availability of land suited to accommodate the various income levels is based upon the allowed density.

Table C-1 GENERAL PLAN RESIDENTIAL LAND USE DESIGNATIONS		
Income Level	Land Use Designations	Density
Very Low & Low   Moderate & Above Moderate	Urban Core Residential	27.1 to 60 units per acre
	High Residential	18.1 to 27 units per acre
	Medium High Residential	11.1 to 18 units per acre
	Medium Residential	6.1 to 11 units per acre
	Low-Medium Residential	3.1 to 6 units per acre
	Low Residential	0 to 3 units per acre

Opportunities outside of Master Planned Communities are primarily in western Chula Vista which encompasses the older, mostly developed portion of the City. While there is significant capacity throughout western Chula Vista, infill capacity is focused on areas of change within the Urban Core Specific Plan, Bayfront and Southwest.

Chula Vista has significant development capacity of residential land to meet the projected regional housing needs of the various income categories over the 2021-2029 planning period. Consistent with HCD's guidelines, appropriate densities based on RHNA affordability levels area as follows:

- Very Low and low-income: Minimum of 30 dwelling units/acre



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- Moderate and Above moderate-income: 0 to 30 dwelling units/acre

Table C-2 provides a summary of development capacity, based on affordability levels.

**Table C-2  
ADJUSTED RHNA HOUSING NEED VS.  
DEVELOPMENT CAPACITY<sup>1</sup>**

Affordability Level	Adjusted RHNA Units	Density Range	Estimated Development Capacity
Very Low and Low	4,527	30+ dwelling units/acre	4,829,527 units
Moderate and above	6,578	Up to 30 dwelling units/acre	8,253,301 units
<b>Total</b>	<b>11,105</b>		<b>13,082,828 units</b>

Notes:

<sup>1</sup> Development capacity includes all estimated units in listed Planning Areas for densities exceeding 30 dwelling units/acre.

Source: City of Chula Vista, 2020

### 2.2.1 Realistic Capacity

As identified in Appendix H, properties in Western Chula Vista that are, or will be, available for development or redevelopment are primarily within the Urban Core Specific Plan (V-1, V-2, V-3, V-4, UC-1, UC-2, UC-3, UC-4, UC-5, UC-6, UC-7, UC-8, UC-10, UC-12, UC-13, UC-14, UC-15, UC-16, UC-18, UC-19, C-1, C-2 and C-3 Zones) which permits maximum Floor Area Ratios (FARs) between 1.0 and 6.0. Given a typical unit size assumption of 1,350 square feet, this equates to between 32.3 to 193.6 units per acre. A sample of recent development and approved projects identified in Table C-3 shows that non-senior housing projects, ~~without a density bonus,~~ in western Chula Vista are exceeding the ~~developing within the middle reaches of~~ these maximum permitted densities, at an approximate average of 10654% of the permitted density.



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**Table C-3**  
**Recent Development and Approvals in Western Chula Vista**

Address	Zone	Parcel Size	No. of Units	Units Permitted by Zone	Project Density	Max Permitted Density	Max FAR	% of Max Density
201 Third Ave	V-3	0.23	23	33	100.0	145.2	4.5	<u>70</u>
9999 E Street*	V-3	0.57	52	83	91.2	145.2	4.5	<u>63</u>
240 Landis	V-3	0.54	33	78	61.1	145.2	4.5	<u>42</u>
986 Broadway**	CCP	2.48	83	<u>80</u>	33.5	<u>32.3</u> <del>80</del>	1.0	<u>104</u>
288 Center Street	V-1	0.57	43	36	75.4	<u>64.5</u> <del>148.4</del>	2.0	<u>119</u>
316 K Street**	C-1	1.10	46	35	41.8	<u>32.3</u> <del>55</del>	1.0	<u>131</u>
<u>260-270 Broadway</u>	<u>UC-13</u>	<u>1.45</u>	<u>62</u>	<u>140</u>	<u>42.7</u>	<u>96.8</u>	<u>3.0</u>	<u>44</u>
<u>230 Church Street**</u>	<u>V-1</u>	<u>0.26</u>	<u>31</u>	<u>16</u>	<u>119.2</u>	<u>64.5</u>	<u>2.0</u>	<u>194</u>
<u>252 Church Avenue**</u>	<u>V-1</u>	<u>0.28</u>	<u>31</u>	<u>18</u>	<u>110.7</u>	<u>64.5</u>	<u>2.0</u>	<u>172</u>
<u>795 Third Ave*</u>	<u>C-1</u>	<u>1.05</u>	<u>142</u>	<u>34</u>	<u>135.2</u>	<u>32.3</u>	<u>1.0</u>	<u>418</u>
<u>9999 Bonita Glen Drive**</u>	<u>CCP</u>	<u>5.3</u>	<u>140</u>	<u>171</u>	<u>26.4</u>	<u>32.3</u>	<u>1.0</u>	<u>82</u>

\*Senior Projects

\*\* Density Bonus Projects

As shown in Appendix H, based on typical development of similar parcels in western Chula Vista the estimated potential units for each parcel has been dramatically reduced, by 50-~~to 75~~%, to create a healthy buffer and conservative capacity estimate. These projects represent typical redevelopment in the City of Chula Vista and include the replacement of commercial and residential structures with development that significantly increases the number of units on the



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project site. Commercial structures within the City are typically one-story and well over 30 years old. Replacing older commercial structures has resulted in projects with densities between 33.5 and 145.2 units per acre. Typical residential redevelopment replaces residential units that are well over 30 years old with new residential units at a minimum ratio of 1:2, and as high as 1:20.

In Eastern Chula Vista, most properties have been entitled and have specific unit counts permitted within each neighborhood within the applicable Sectional Planning Area (SPA) Plan. In addition, development of most properties is protected under Development Agreements that ensure the property owners right to develop at certain densities. In order to create a healthy buffer in eastern Chula Vista, parcels that have been entitled for densities greater than 30 dwelling units per acre (du/ac) have been reduced to 30 du/ac.

#### 2.2.2 Nonvacant Site Analysis

Over the past cycle, the City has seen increased interest in higher density residential projects and mixed-use development within both the eastern and western portions of the City. The City expects this trend to continue and has identified additional residential and mixed-use properties with potential for new development or redevelopment. The following criteria were used:

- Parcel is currently vacant (which is much of the land identified in eastern Chula Vista); or
- If the parcel is not vacant:
  - Estimated land value is greater than improvement value
  - Current structure on property was more than 30 years old
  - Redevelopment can at least double the number of units existing on site
  - Parcel has similar characteristics (such as parcel size, types of units and potential yield) as parcels where projects have been recently developed.

As identified in Appendix H, a total of approximately ~~150330~~ parcels meet these criteria primarily in western Chula Vista, with a few vacant residential and mixed-use parcels. Parcels that cannot yield projects that are similar to recent redeveloped projects have been removed from this inventory. The approximately ~~150330~~ parcels can yield approximately ~~4,2802,918~~ units in western Chula Vista, assuming development at 25 to 50% of maximum densities. Most of the parcels identified are greater than 0.5 acres in size and are feasible to facilitate a mixture of low, moderate and above moderate housing.

#### 2.2.3 Availability of Sites in Eastern Chula Vista





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**Table C-4** lists the currently remaining residential development capacity on available vacant land sites within eastern Chula Vista master planned communities in accordance with the associated General Plan gross density classifications. As can be seen, 3,024,031 units (34%) of the 8,801,910 total units will be high density (above 30 dwelling units per acre). As discussed below, since these areas have been subject to varying levels of subsequent planning, these gross densities have been refined, and actual development on individual sites is occurring at somewhat higher net density levels. **Figure C-1** presents a key map showing the location of each of the master planned communities listed on **Table C-4**, and **Figures C-1 through C-8** present the Site Utilization Plans from the associated SPA Plans that depict the specific residential development sites and their new densities.

Table C-43 has been divided into the following two subsets to reflect the level of entitlements and status of implementation:

- **Approved Sectional Planning Area (SPA) Plan** – The SPA Plan effectively serves as the tailored zoning document for a master planned project. It identifies specific development sites, land use types and densities, and associated property development standards. Typically, a subdivision map and/or design review are necessary prior to building permits. Projects with approved SPA Plans will typically commence construction within an 18-month to 3-year window, and these projects will complete housing units within the timeframe of this Housing Element.
- **Developments Being Implemented** – This includes projects that have achieved SPA and subdivision map approvals and are actively under construction. Building permit activity changes daily, and these projects will be fully completed within the timeframe of this Housing Element.

Table C-4						
MASTER PLANNED COMMUNITY						
RESIDENTIAL CONSTRUCTION REMAINING CAPACITY						
September 2020						
Project				Below 30 du/ac	Above 30+ du/ac	Totals
APPROVED SPA PLANS						
OR Village 4				350		350



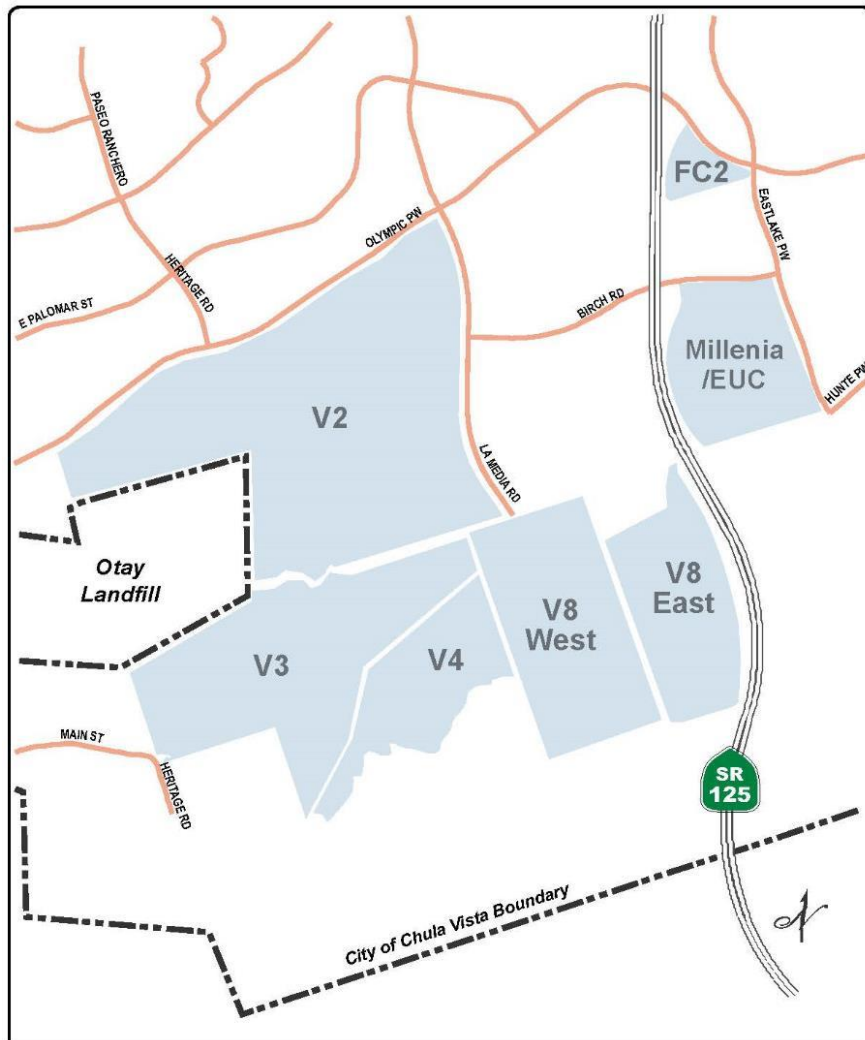
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Table C-4  
MASTER PLANNED COMMUNITY  
RESIDENTIAL CONSTRUCTION REMAINING CAPACITY  
September 2020

OR Village 8 West				1,492 <del>50</del> ±	591	2,083 <del>92</del>
OR Village 8 East				944	1,665	2,609
DEVELOPMENTS BEING IMPLEMENTED						
OR Village 2				2,047 <del>10</del> ±		2,047 <del>10</del> ±
OR Village 3				360		360
OR EUC Millenia				58 <del>5</del> 4	455	1,039
OR PA 12 FC-2					313	313
TOTALS:				5,778 <del>84</del> 0	3,024	8,802 <del>64</del>

Source: City of Chula Vista, Planning Department, 2020



**Figure C-1 – Otay Ranch GDP Villages**



Figure C-2 Village Two

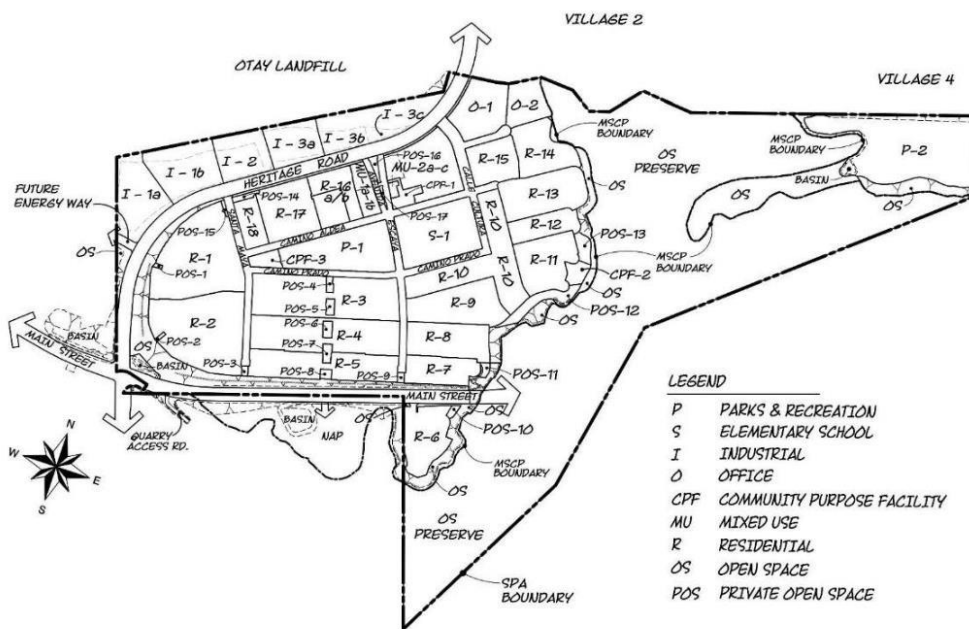


Figure C-3 - Village Three

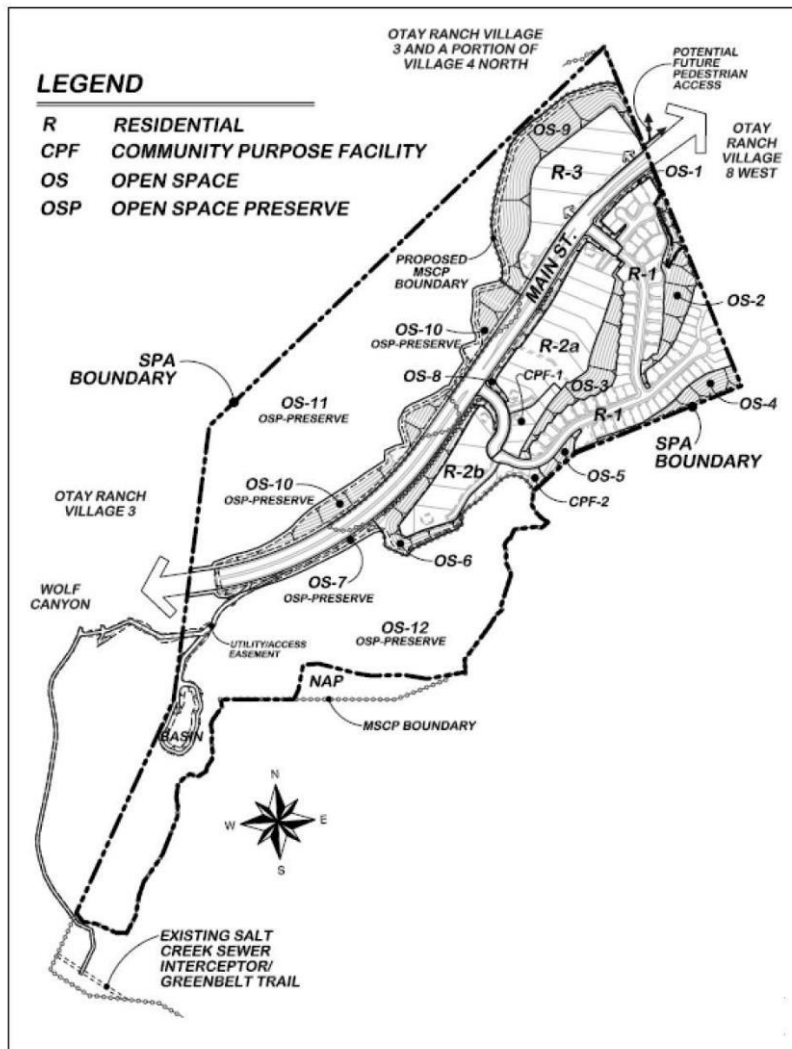


Figure C-4 - Village Four

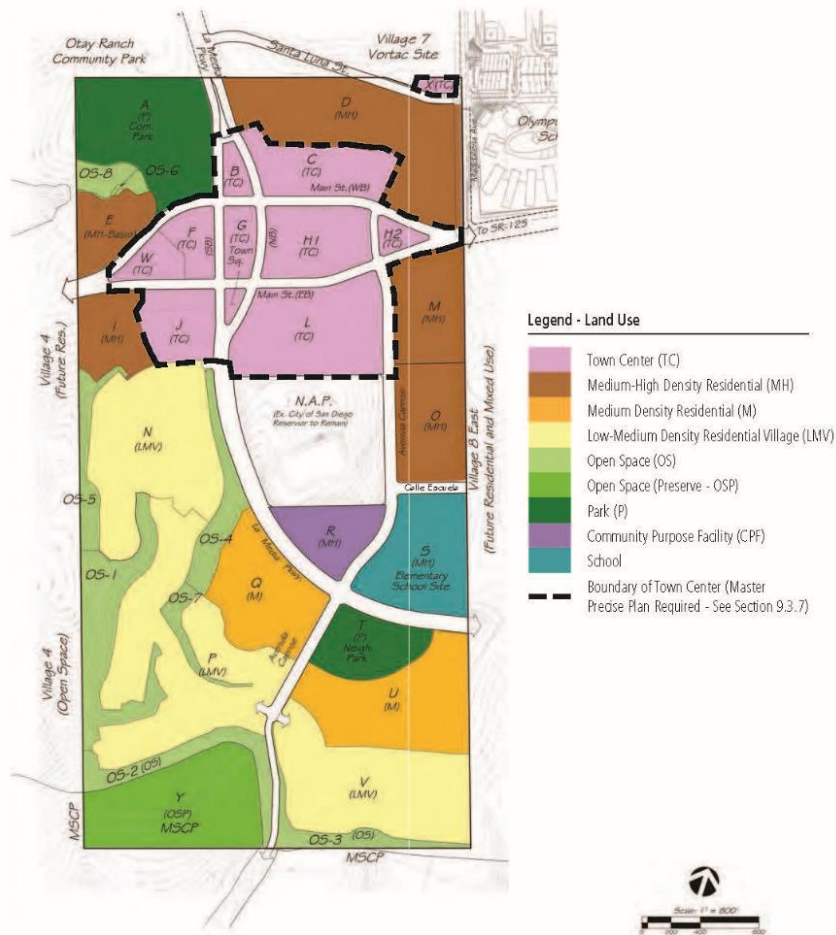
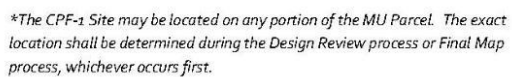


Figure C-5 - Village 8 West





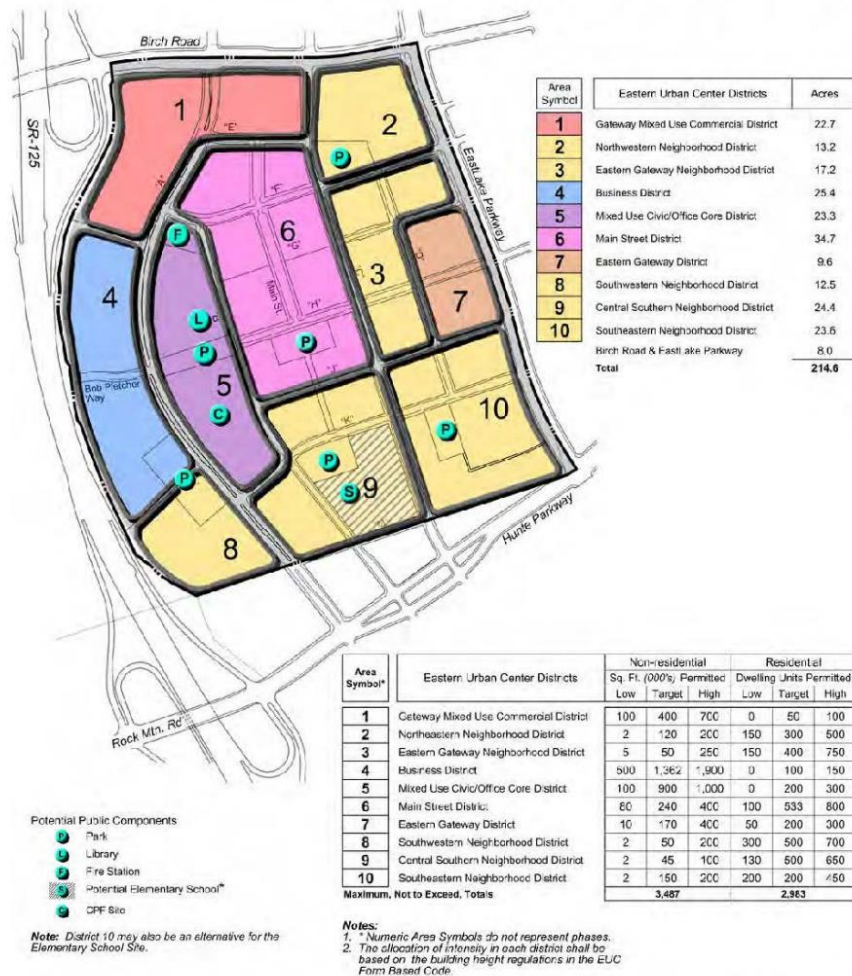
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**Figure C-7 - EUC Millenia**

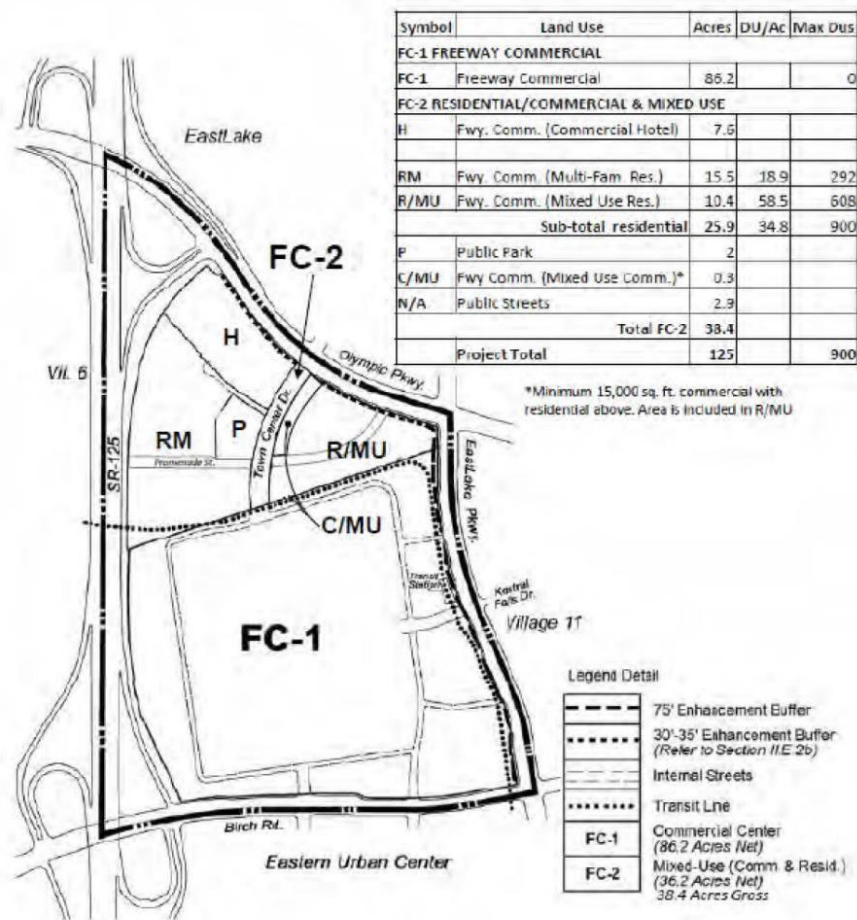


Figure C-8 - PA 12 FC-2



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The eastern Chula Vista area provides for significant development potential for market rate units and a significant number of units above the 30 dwelling units per acre threshold, as indicated by the density standards indicated in Table C-4

Although a significant level of market rate units can be accommodated in the eastern area, the City of Chula Vista desires an equitable distribution of affordable housing throughout the City. To provide for this, the City initiated an inclusionary requirement for all development exceeding 50 dwelling units, Housing Element Policy H 5.1.

The City requires all projects of 50 or more units to provide ten percent of the housing for low- and moderate-income household, with five percent affordable to low-income households. It is the master planned communities, as shown in Table C-3, which are primarily affected by this requirement.



### 2.2.2 Availability of Sites Outside of Master Planned Communities

Future intensification opportunities are primarily in the eastern portion of the City within the Master Planned Communities. Opportunities outside of Master Planned Communities are primarily in western Chula Vista which encompasses the older, mostly developed portion of the City. When looking at Western Chula Vista, the discussion is segmented into two parts: infill/intensification of developed properties under current zoning, and the “focused areas of change” whose development capacities were increased in the 2005 General Plan Update.

#### Infill/ Intensification Under Existing Zoning

There are a number of properties within the western Chula Vista that are zoned today for higher residential densities but are under-built, with an additional development capacity of up to ~~4,281~~<sup>2,918</sup> units. To determine the infill capacity of these units, each parcel was evaluated based on existing built units, compared to allowable zoning capacity per the Zoning Code. The net difference reflects the infill capacity potential based on existing land entitlements. A comprehensive summary of these potential infill/intensification units is provided in Appendix H.

#### Focused Areas of Change

The Land Use Element of the General Plan identifies the City’s desire to increase urban vitality and pursue infill/redevelopment for the western Chula Vista Area to enhance its emergence as a dynamic hub of south San Diego County. To this end, the City has made significant revisions to the General Plan Land Use Element to allow for residential and mixed use development in the City’s key corridor and activity centers, identified as “focused areas of change.”

The Land Use Element distributes more intensive residential and mixed use development to these designated areas where higher density and higher intensity development will establish mixed use urban environments that are oriented to transit and pedestrian activity.

- **General Plan Update** – One of the major General Plan Land Use Element changes was to add new land use classifications including Mixed-Use Residential and Urban Core Residential, whose allowable gross densities range from 28-60 dwelling units/acre in order to promote compact development and aid future affordability.

Given the broad nature of General Plans, the identification and analysis of associated future residential and other development capacity was conducted at a “district” level. **Figures C-9 and C-10** show the names and locations of each of those districts (within the Northwest and Southwest Planning Areas respectively), along with the net additional residential capacities within each. **Table C-4** identifies the densities associated with that capacity.

Given that the street grid is already established in western Chula Vista, the capacities in Table C-7 were based largely on new land area, and multiplied by maximum densities of 28, 40 or 60 dwelling units per acre dependent upon the district. This approach also enabled better identification of cumulative potential public facility and service demands and environmental impacts. In the case of Mixed-Use areas, yields were calculated using only that portion of the area assumed for residential development. As General Plan level densities, these are assumed as an average across the district, and it is possible through subsequent zoning that individual projects on particular sites may exceed these.

- **Urban Core Specific Plan (UCSP)**– Consistent with the vision and densities of the 2005 General Plan, the City has adopted the Urban Core Specific Plan (UCSP) that establishes the zoning, development standards, and design guidelines necessary for development to proceed within the Urban Core area. **Figure C-11** shows the zoning districts affecting properties within the Urban Core. **Table C-5** summarizes the more intensive zoning standards what will allow the General Plan densities to be realized.

**Palomar Gateway Specific Plan (PGSP)** –Currently the City is sponsoring the development of the Palomar Gateway Specific Plan (PGSP) (**Figure C-12** that includes a Mixed-Use Transit Focus Area (TFA) directly west of the Palomar Trolley Station, higher residential intensity, a neighborhood park and retail to the south of the TFA. The goal of the PGSP is to provide for additional housing and mixed-uses that take advantage of a major transit station within walking distance of residents.

With regard to estimated housing production in western Chula Vista within this Element’s timeframe, a thorough land use analysis was conducted as part of the General Plan Update process to evaluate the development potential for these focus areas of change. The methodology utilized to conduct this analysis included a detailed site analysis of the properties within the City’s UCSP and PGSP. The UCSP and PGSP were identified as the areas within Chula Vista with the greatest potential for growth. The methodology



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evaluated infrastructure availability, current market interest in high-density residential development, recent development applications and the existence of older commercial developments that currently are inconsistent with market demands.

**Table C-5  
WESTERN CHULA VISTA PLANNING AREAS  
DEVELOPMENT CAPACITIES<sup>1</sup>**

District/Focus Area	Density Range			Potential Units <sup>2</sup>
	Below 30 du/ac	Above 30 du/ac		
UCSP and PGSP Areas	<del>1,257</del> <del>1,874</del> <del>2,087</del>	<del>906</del> <del>1,049</del> <del>835</del>		<del>2,163 units</del> <del>2,922 Units</del>
Transit Focus Areas	<del>438</del> <del>874</del>	<del>489</del> <del>656</del> <del>219</del>		<del>489 units</del> <del>1,093 units</del>
Current Projects	165	101		266 units
Totals	<del>1,422</del> <del>3,126</del>	<del>1,496</del> <del>1,155</del>		<del>2,918 units</del> <del>4,281 units</del>

**Notes:**

<sup>1</sup> Planning Areas are defined in the City of Chula Vista General Plan, Chula Vista Vision 2020, adopted December 2005, UCSP 2007, and PGSP 2013.

<sup>2</sup> Potential units represent development potential based upon land use designations and existing development with each Planning Area.

Source: City of Chula Vista, 2005, 2007 & 2013

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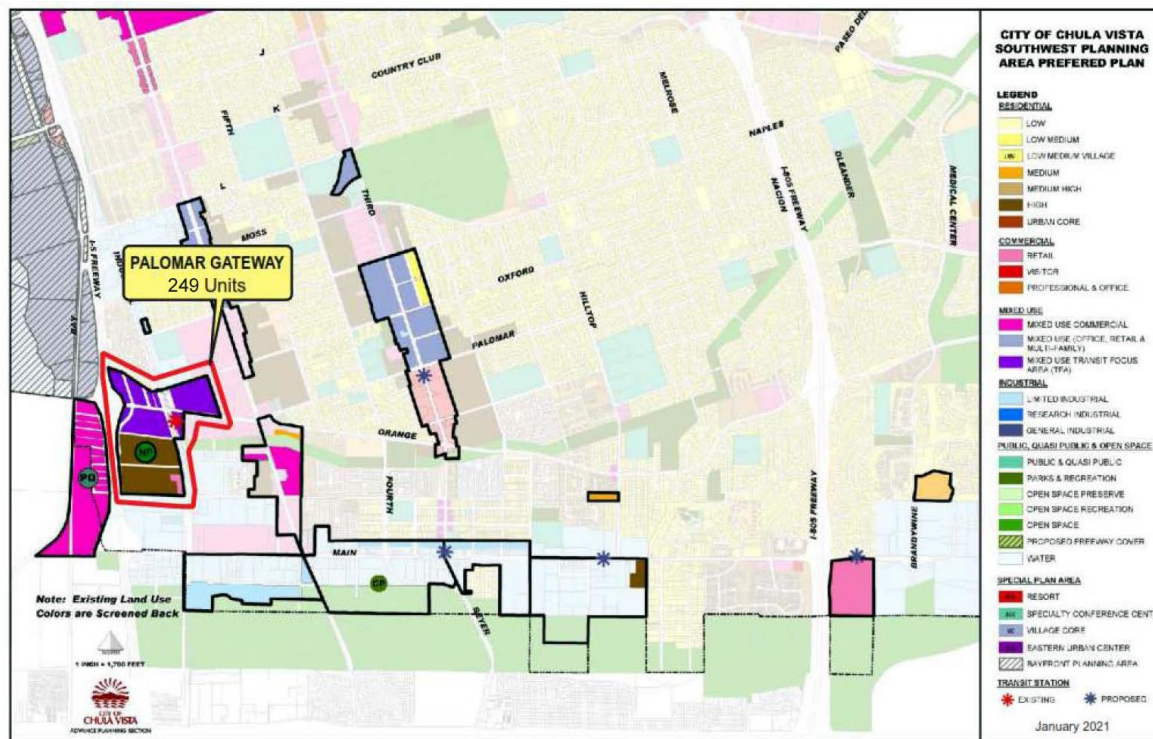


Figure C-9

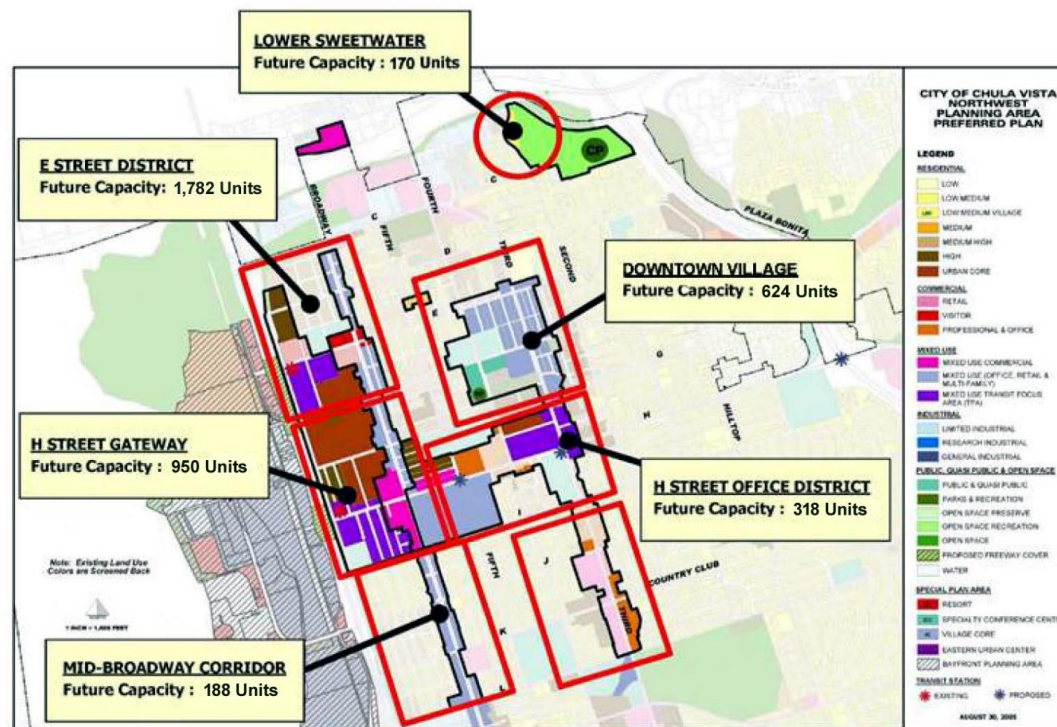


Figure C-10



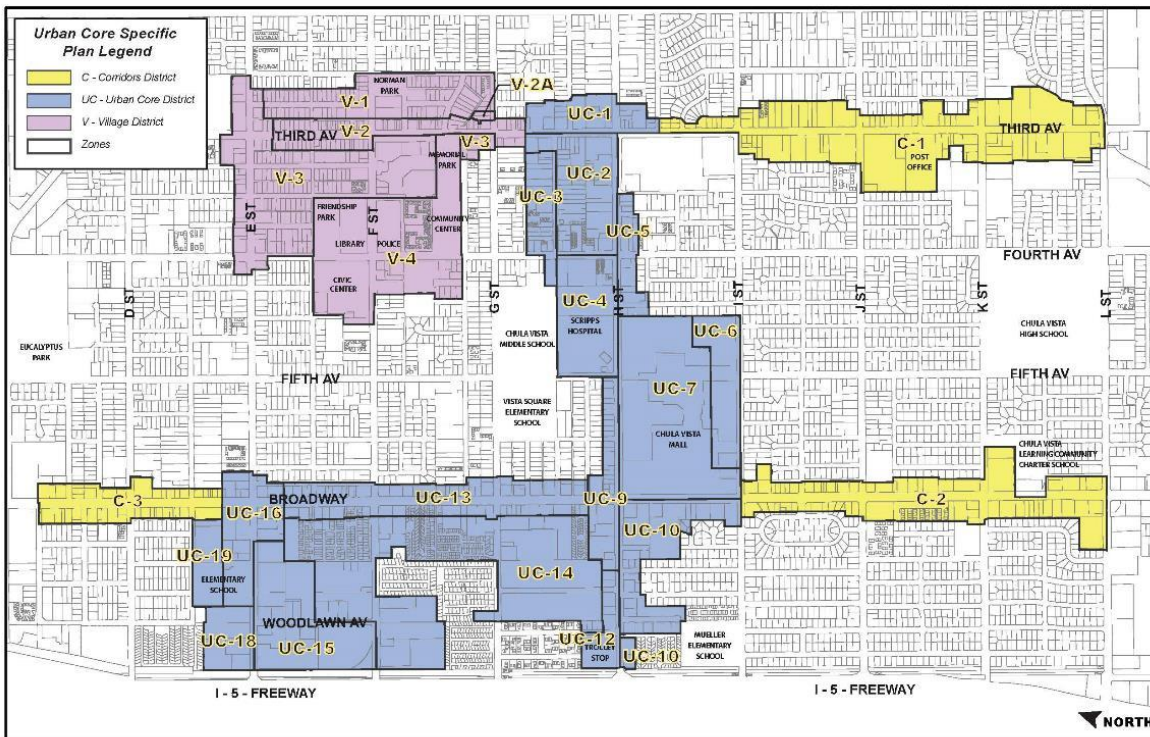
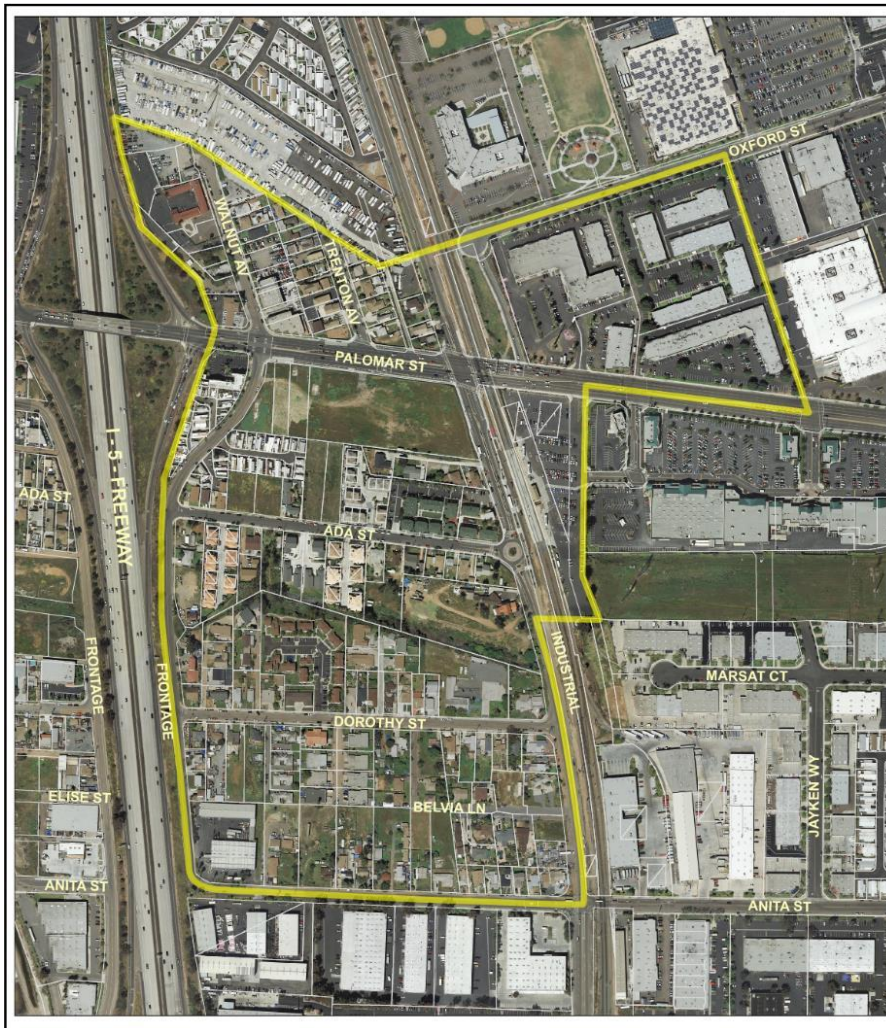


Figure C-11 Urban Core Specific Plan



**Figure C-12 Palomar Gateway Specific Plan**



### **2.3 Availability of Public Services and Facilities**

At the core of the City of Chula Vista's Growth Management Program, lie Threshold Standards imposed to assure adequate infrastructure and services are in place as development occurs, and to control the rate of growth. Therefore, prior to the approval of future residential development, the provision of adequate infrastructure is a required finding. Chula Vista currently has adequate public services and facilities to serve all new residential development that may occur throughout the City. Additionally, fees are collected for new and infill development to maintain Threshold Standards.





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#### 2.4 Fair Housing & Adequate Sites

Potential sites for lower income housing have been identified throughout the City based predominantly on existing Sectional Planning Areas and zoning. The General Plan's strategy, which focuses growth in mixed-use activity centers that are pedestrian-friendly, centers of community, and linked to the regional transit system, master planned communities, and the Climate Action Plan (CAP) aimed at substantially reducing the City's greenhouse gas emissions, have guided and continue to guide updates to the City's planning documents.

Fair housing opportunities and fair access to opportunity and resources are also important planning considerations, in order to support the well-being of the citizens of Chula Vista and the City as a whole. The City has mapped its adequate sites inventory in comparison to the following fair housing-related information:

- Minority concentration areas (block groups with 50 percent or more minority population);
- Poverty concentration areas (tracts with population of persons below the poverty level of 26.9 percent or more);
- 2019-2021 California Tax Credit Allocation Committee (CTCAC) high and highest resource areas; and,
- Deed-restricted affordable housing sites

The terms "minority concentration areas," "poverty concentration areas," and "racially and ethnically concentrated areas of poverty (R/ECAP)" are defined and discussed in detail in the San Diego County Regional Analysis of Impediments to Fair Housing Choice. In determining areas of R/ECAP, as defined, the highest rate of poverty for Chula Vista is 30.37%, which does not exceed a 40% poverty rate or three times the average poverty rate for the San Diego metro area (10.3%) at 30.9%. Therefore, there are no census tracts within Chula Vista that meet the criterion for R/ECAP. HUD defines a R/ECAP as a tract with a non-White population of 50 percent or more with a poverty rate that exceeds 40 percent or is three times the average tract poverty rate for the metropolitan/micropolitan area. HUD has identified one R/ECAP in Chula Vista located in the northwestern corner of the City.

The methodology used by CTCAC for its 2019-2021 Opportunity Mapping, which is the source for the high and highest resource areas data, can be found here: <https://www.treasurer.ca.gov/ctcac/opportunity/2021-hcd-methodology.pdf> <https://www.treasurer.ca.gov/ctcac/opportunity/final-opportunity-mapping-methodology.pdf>.

Table C-6 summarizes the data shown on the maps found in this section, comparing the adequate sites for lower income to fair housing-related information.

Table C-6  
Adequate Sites & Fair Housing Considerations

	Total Units	Minority Concentration Areas	Poverty Concentration Areas	R/ECAP Areas	CTCAC High and Highest Resource Areas
Low Income Adequate Sites	<u>4,527</u> <u>4,857</u> <u>4,955</u>	<u>1,496</u> <u>4,089</u> <u>4,950</u>	<u>1,320</u> <u>1,762</u> <u>2,626</u>	<u>N/A</u> <u>406</u>	<u>3,031</u> <u>768</u>
Percentage	100%	<u>33.8</u> <u>84%</u> <u>100%</u>	<u>29.3</u> <u>36%</u> <u>13%</u>	<u>N/A</u> <u>8%</u>	<u>67%</u> <u>16%</u>

Source: City of Chula Vista Development Services

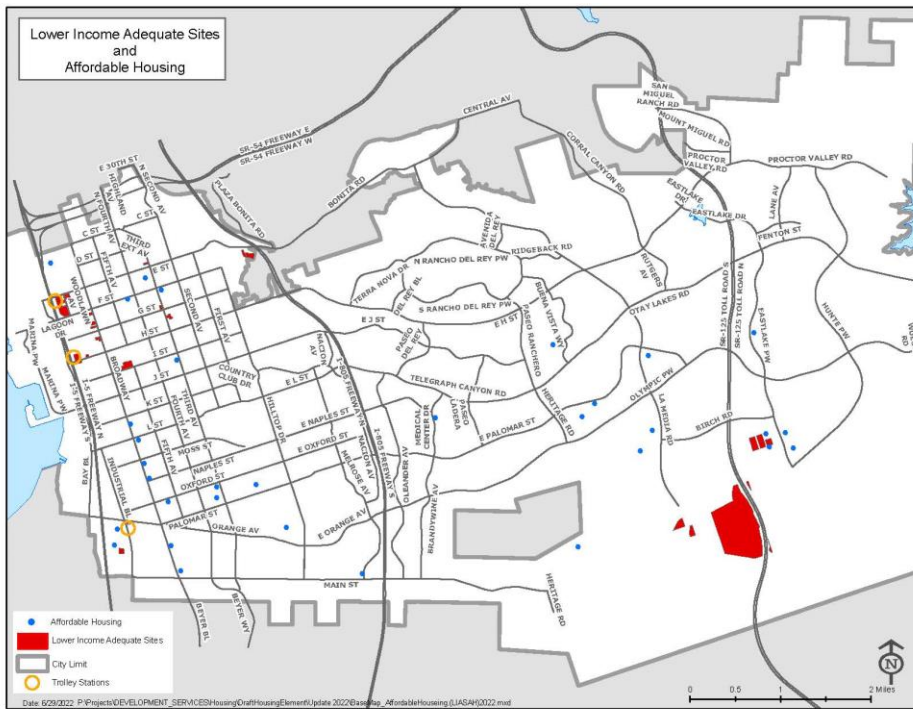
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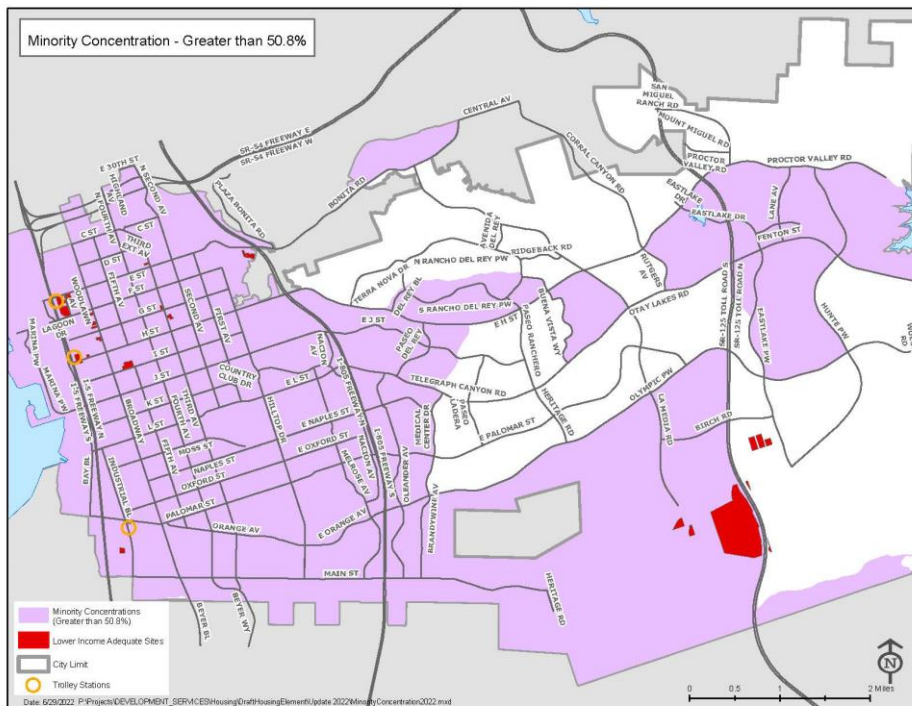
Housing that has been deed restricted for occupancy and affordability of lower income households are located throughout the City. Affordable housing developments have been and will continue to be built within the eastern areas of the City as a result of the City's Balanced Communities policy of the Housing Element, which seeks to incorporate a mix of housing for various economic groups within larger, new residential developments. The eastern area of the City is also identified as CTCAC High and Highest Resources Areas

**Figure C-13: Lower Income Adequate Sites and Affordable Housing:**



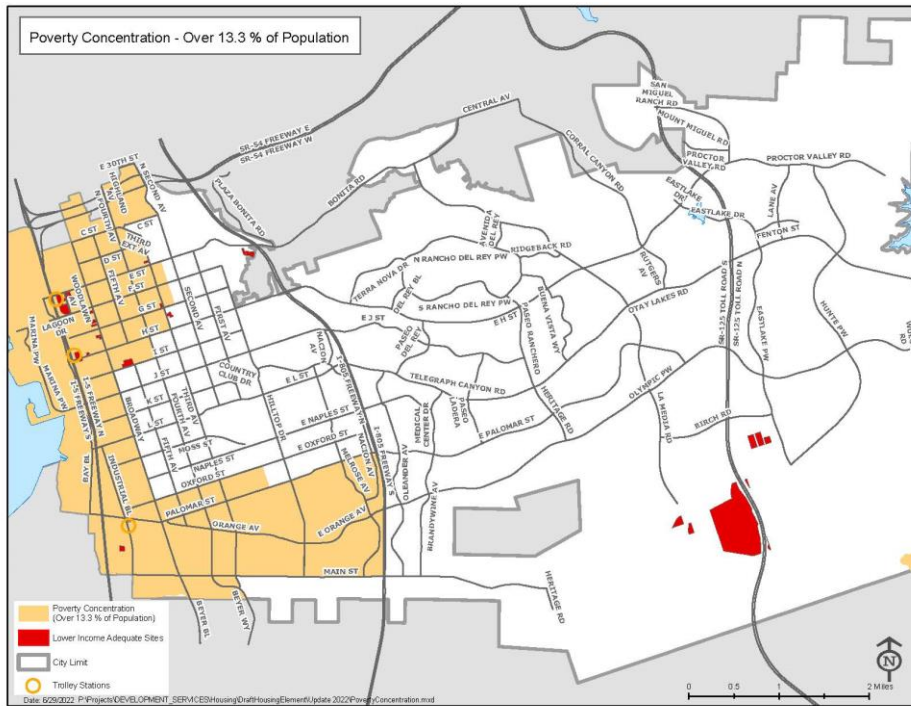
The City's Inventory for Low Income and Fair Housing located in Minority Concentration Areas are thirty-three percent of the total units. These concentrations are mostly located in the western side of Chula Vista where the majority of low-income families reside within the city.

**Figure C-14: Minority Concentration Area and Lower Income Adequate Sites**



The City's inventory of adequate sites for lower income housing and located in Poverty Concentration Areas is twenty-nine percent of the total inventory of units. These concentrations are located in the western area of Chula Vista where housing is older and consequently more affordable.

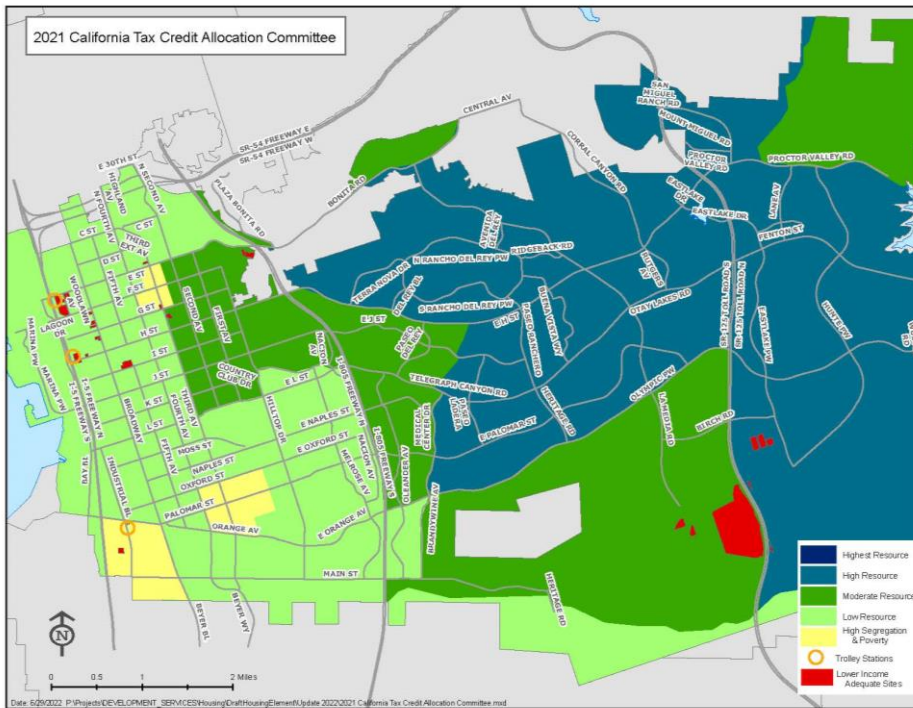
**Figure C-15: Poverty Concentration Areas and Lower Income Adequate Sites**





The City's Inventory for Low Income and Fair Housing located in CTCAC High and Highest Resources Areas (East Chula Vista) are substantially high at sixty seven percent of the total units. These concentrations are due to resulting opportunities from the availability of vacant and large sized parcel.

**Figure C-16: CTCAC High and Highest Resource Areas**





## 3.0 | FINANCIAL RESOURCES

Providing for an adequate supply of decent and affordable housing requires layering of funding from various sources. The City of Chula Vista has access to a variety of existing and potential funding sources available for affordable housing activities. The following section describes the key local, state, County and federal resources currently used in Chula Vista to fund affordable housing programs as well as social and community development activities within the city.

### 3.1 Federal Resources

Federal resources available to support development, rehabilitation, and subsidy of affordable housing in Chula Vista include:

#### ***Community Development Block Grant (CDBG) Funds***

The CDBG program provides funds for community development activities. The program is flexible in that the funds can be used for a range of activities. The eligible activities include, but are not limited to, acquisition and/or disposition of real estate or property, public facilities and improvements, relocation, rehabilitation of housing, homeownership assistance, and clearance activities.

The City of Chula Vista is an entitlement jurisdiction for CDBG funding. Annually, the City receives approximately \$2,000,000; however, appropriations for many domestic programs, such as CDBG, are subject to change each year. Typically, the City expends CDBG funds for public services, landlord tenant assistance, fair housing services, residential rehabilitation, capital improvement projects, and administration.

#### ***HOME Funds***

The HOME Investment Partnerships Act (HOME) program is a flexible grant program, which is awarded to the City on a formula basis for housing activities and takes into account local market conditions, inadequate housing, poverty, and housing production costs. Its purpose is to expand the supply of decent, safe, sanitary, and affordable housing for very-low and low-income families



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and households. Eligible activities include acquisition, construction, reconstruction and/or rehabilitation of affordable rental or for-sale housing. Tenant based rental assistance, property acquisition, site improvements, and other expenses relation to the provision of affordable housing and/or special needs housing may also qualify under the HOME program.

The City of Chula Vista is an entitlement jurisdiction for HOME funding. Annually, the City receives approximately \$900,000; however, appropriations for many domestic programs, such as HOME, are subject to change each year. In the recent past, HOME funds have been used to fund the following services:

- New construction of rental housing;
- Down payment assistance; and,
- Tenant based rental assistance.

#### ***Emergency Solution Grants.***

This federally funded program is for use by states, metropolitan cities, and urban counties for the rehabilitation or conversion of buildings for use as emergency shelters and for homeless prevention activities. The City of Chula Vista is an entitlement jurisdiction for ESG funding and receives approximately \$90,000 annually. Appropriations for many domestic programs, such as ESG, are subject to change each year. The City provides funding to South Bay Community Services and its operation and services of emergency housing.

#### ***Section 8 Housing Choice Voucher***

The Section 8 Housing Choice Voucher program is a Federal government program to assist very low-income families, the elderly, and the disabled with rent subsidy payments in privately owned rental housing units. Section 8 participants are able to choose any housing that meets the requirements of the program and are not limited to units located within subsidized housing projects. They typically pay 30 to 40 percent of their income for rent and utilities. The County of San Diego administers Section 8 Housing Choice vouchers within the City of Chula Vista.





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### 3.2 State and Local Resources

There are a variety of state and local resources that have been used for housing development and rehabilitation for homeowners and renters as well as community development programs. With the dissolution of redevelopment in February 2012 and shrinking of governmental funds, fewer resources will be available in the future to accomplish the Housing goals, policies and programs set forth in this Housing Element. Two of those resources are described in more detail below.

#### ***Redevelopment Set-Aside Funds***

In accordance with AB X1 26, as of February 1, 2012, redevelopments agencies in California are dissolved and revenues were returned to the State of California through successor agencies. Previously, Redevelopment Agencies were required to direct a minimum of 20 percent of all gross tax increment revenues generated within its Project Areas to a separate fund to be used exclusively for the preservation, improvement, and expansion of the low and moderate income housing supply within the community. Redevelopment Set-Aside funds represented the primary funding source for local jurisdictions to provide for affordable housing for low and moderate income households within their community. On an annual basis, approximately \$3 million was deposited by Chula Vista's Redevelopment Agency into the Low-Moderate Income Housing Fund for eligible housing activities.

The Housing Authority, as a successor housing agency, receives repayment on any loans outstanding from the Low and Moderate Income Housing Set-Aside funds. Outstanding loan obligations total approximately \$27 million. Loans provided for the development of the affordable housing developments will be repaid as stipulated within the associated loan agreements and are expected to be paid over the life of the loans, typically 55 years. Loan repayments will be used by the Housing Authority to enforce and monitor existing terms and conditions associated with the loan and to create new housing opportunities as funds allow.

#### ***Permanent Local Housing Allocation (PLHA) Program***

In September 2017, the California Legislature approved Senate Bill 2 (SB 2), known as the Building Homes and Jobs Act (Act), which established a \$75 recording fee on real estate documents to increase the supply of affordable housing, with priority for those households at or below 60 percent of the AMI. The Act establishes the Permanent Local Housing Allocation (PLHA) program administered by the California Department of Housing and Community Development (HCD). The



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PLHA provides a permanent source of funding to cities and counties to help meet the unmet need for affordable housing and increase the supply of affordable housing units.

Under the PLHA, funding is provided through formula grants to entitlement jurisdictions based on the formula prescribed under federal law for the Community Development Block Grant (CDBG) program over a five-year funding period, as well as through a competitive grant program to non-entitlement jurisdictions. The City of Chula Vista is an entitlement jurisdiction and is eligible to receive an estimated \$5,000,000 or approximately \$1 million annually, over the five-year funding period beginning in FY 2019/2020. It is important to note that this is only an estimate since annual PLHA amounts are subject to change. This is because funding for the PLHA is generated through a fee on real estate transactions, which may fluctuate from year to year.

#### ***Affordable Housing Fund***

The City has an Affordable Housing Fund using revenues primarily generated from the City's Balanced Communities Policy. The City's Balanced Communities Policy provides the opportunity to a developer to pay a fee in lieu of providing affordable units on site, as last resort option when units cannot be newly constructed and/or acquired. The per-unit in-lieu fee is calculated on a case-by-case basis, depending on the market conditions at the City. The affordable housing funds collected are then applied and/or leveraged with additional funding sources to create affordable housing in other locations. As of June 30, 2020, the City has a balance of approximately \$1.1 million in the Affordable Housing Fund. However, this fund is inadequate to provide the "gap financing" required to subsidize an affordable housing project. The lack of a local funding source is probably the biggest obstacle to construction of affordable housing in Chula Vista.

#### ***Chula Vista Housing Authority***

The Chula Vista Housing Authority (CVHA) was formed in 1993 to provide a vehicle for the City to finance the creation and maintenance of affordable housing for lower income households. The CVHA serves as the conduit bond issuer of tax-exempt Multifamily Housing Revenue Bonds/Notes on behalf of private developers of qualifying affordable rental apartment projects. The advantages of tax-exempt financing to developers include below-market interest rates, longer loan terms, and access to Low-income Housing Tax Credits (Tax Credits) – features that are not available with typical conventional multifamily housing mortgage loans.

Utilizing the CVHA's tax-exempt borrowing status, the lower tax-exempt interest rate financing (and making Federal four percent Tax Credits available) is passed on to developers of affordable rental housing. The CVHA's ability to issue tax-exempt bonds/notes is limited under the U.S. Internal Revenue Code.



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### **Nonprofit and For-Profit Housing Developers**

The City partners with a number of nonprofit and for-profit housing developers to provide permanent affordable housing in the community. These include:

- Chelsea Investment Corporation
- Wakeland Housing and Development Corporation
- Meta Housing
- South Bay Community Services (SBCS); and
- MAAC Project.

### ***California Department of Housing and Community Development (HCD)***

Grants and loans are available from HCD to create rental and homeownership opportunities for Californians from all walks of life, including veterans, seniors, young families starting out, people with disabilities, farmworkers, and individuals and families who are experiencing homelessness. For a listing of active programs offered through HCD, visit their website at:



<https://www.hcd.ca.gov/grants-funding/active-funding/index.shtml>.



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## 4.0 | SUSTAINABILITY & CONSERVATION

The City of Chula Vista has been a nationally-recognized local government leader in promoting environmental sustainability within its municipal operations and throughout the community. The City's diverse sustainability initiatives include policies and programs focusing on energy and water conservation, materials management and recycling, storm water pollution prevention, alternative transportation, habitat preservation, environmental education, and "green" economic development. These sustainability initiatives, developed in partnership with other public agencies and local stakeholder groups, provide numerous community co-benefits such as utility savings, better air and water quality, reduced traffic congestion, local job creation, and improved quality of life. The City's Sustainability Commission provides a forum for ongoing public input and transparency for the sustainability initiatives' implementation as well.

Energy in its various forms (electricity, natural gas, transportations fuels, etc.) and water are necessary to maintain our quality of life. They are used for drinking, cooking, landscaping, transportation, lighting, water heating, appliances and space heating and cooling. But their costs and high impacts of use demand that efforts be taken to reduce or minimize the overall level of consumption while utilizing local renewable sources wherever possible. Conservation is an important step in reducing the use of non-renewable fuels and imported water to maximize local renewable resources. There are also several benefits associated with energy and water conservation including improved air quality, lower energy costs, and increased local economic development.

The City's sustainability goals, stated in the Environmental Element of the General Plan, make significant efforts to conserve resources in the City, thus reducing dependence on fossil fuels, minimizing costs of renewable energy, and reducing the use of imported water. The City's policies related to sustainability include encouragement of the use of carbon free energy systems, compact and complete urban design that minimizes the need for transportation trips, and promotion of energy and water conserving standards and requirements for new construction and significant remodels or additions. The City promotes energy efficiency, environmental stewardship, and sustainability by requiring graywater stub outs in new Single-Family Homes and streamlined permits (simplified the application or online submittal and reduced application turn-around time) for solar photovoltaic systems, solar water heating home systems, and electric vehicle supply equipment for home charging.





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#### Climate Action Plan

In particular, Chula Vista has been successfully implementing a Climate Action Plan since 2000 to address the threat of climate change to the local community. The most recent Climate Action Plan was adopted by City Council in 2017 and includes 11 additional climate “mitigation” measures designed to reduce greenhouse gas emissions. This plan built off the progress of the 2000, 2011 and 2008 plans. The 11 climate actions, which are outlined below, include measures to improve energy and water efficiency, expand renewable energy systems, mitigate urban heat island effects, convert to more fuel efficient and alternative fuel vehicles, and design transit-friendly, walkable communities. These efforts also align with state legislation such as Assembly Bill 32 (Global Warming Solutions Act of 2006) and its companion bill, Senate Bill 375.

Climate Action Plan Strategies	
Water Education & Enforcement	Energy Efficiency Upgrades
Water Efficiency Upgrades	Robust Urban Forests
Water Reuse Plan & System Installations	Complete Streets & Neighborhoods
Zero Waste Plan	Transportation Demand Management
Energy Education & Enforcement	Alternative Fuel Vehicle Readiness
Clean Energy Sources	-----

Energy and water conservation are a core component to the City’s Climate Action Plan. Both resources are vital to maintaining and improving the community’s quality of life and economic development. As outlined within the Housing Element, the City promotes the efficient use of energy and water to reduce long term operational costs of housing. By reducing operational costs, housing becomes more affordable to the property owner and/or residents. Until more stringent Climate Action Plan actions/measures are adopted, the City will enforce Title 24 Building Energy Standards. The City will continue strict enforcement of local and state energy regulations for new residential construction and continue providing residents with information on energy and water efficiency.

The following programs are implemented by the City and/or its regional partners to support the Housing Element’s sustainability goals:



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#### **Utility Programs**

In an effort to increase the amount of local control and renewable energy, the City has joined a Community Choice Aggregator called San Diego Community Power (SDCP). SDGP is expected to begin serving customers in 2021 and has a goal to provide 100% clean electricity by 2035. Unless SDGP applies to administer CPUC energy efficiency programs, their customers will still be eligible for SDG&E programs.

SDG&E offers various energy focused programs to promote energy efficiency. One popular program is the Energy Savings Assistance Program that offers income-qualified households assistance to:

- Install improvements to help make the home more energy efficient;
- Help understand the best ways to save energy around the home; and
- Determine whether some of their appliances are eligible for free repairs or replacement.

Examples of free home improvements offered by SDG&E include attic insulation; door weather-stripping and caulking; low-flow showerheads and faucet aerators; water heater blankets; energy efficient lighting; and assistance in selecting energy-efficient appliances. Additionally, SDG&E also provides the SDG&E Marketplace where residents and businesses can learn about energy efficient appliances and applicable rebates.

The City helps publicize all utility programs, such as rebates and financing, on the City website, in newsletters, on social media and in other outreach such as the Chula Vista Climate Action Challenge. As SDG&E continues its process of transitioning the management of energy efficiency programs to third party implementers, the City looks forward to partnering with those program administrators in our community to ensure successful program roll out and implementation in Chula Vista.

#### **SoCal WaterSmart Program**

This program, administered by the Metropolitan Water District and supported by local water districts, provides rebates to residential and commercial properties that complete water efficiency upgrades. Eligible indoor and outdoor efficiency upgrades include, but are not limited to, high-efficiency clothes washers, rotating spray nozzles, and water-based irrigation controllers.



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