



Appendix B: City of Atwater

2024-2032 Merced County Multi-Jurisdictional Housing Element Update

Table of Contents

B1	Review of Past Accomplishments	B1-1
B1.1	Effectiveness in Addressing Special Needs	B1-1
B1.2	Quantified Objectives	B1-1
B1.3	Review of Past Accomplishments	B1-2
B2	Public Participation	2-1
B2.1	Pop-up Events	B2-1
B2.2	Community Workshops	B2-1
B2.3	Survey.....	B2-2
B2.4	Stakeholder Interviews	B2-2
B2.5	Additional Outreach.....	B2-3
B2.6	Response to Community Input	B2-4
B2.7	Public Review	B2-6
B2.7.1	May 2024 Public Review	B2-6
B2.7.2	September 2024 Public Review	B2-6
B2.7.3	February 2025 Public Review	B2-6
B2.7.4	Public Review Comment Matrix	B2-6
B2.7.5	March/April 2026 Public Review	B2-6
B3	Housing Needs Assessment	B3-1
B3.1	Population Characteristics	B3-1
B3.2	Population Growth.....	B3-1
B3.3	Age Characteristics.....	B3-1
B3.4	Race and Ethnicity.....	B3-2
B3.5	Economic Characteristics	B3-3
B3.6	Household Characteristics	B3-8
B3.7	Large Households.....	B3-9
B3.8	Overcrowding.....	B3-9
B3.9	Special Needs Groups	B3-10
B3.10	Housing Stock Characteristics	B3-23
B3.11	Distribution of Owner-Occupied Units	B3-30
B3.12	Housing Rents	B3-31
B3.13	Housing Affordability	B3-32
B3.14	Assisted Housing Units.....	B3-36
B4	Housing Constraints Analysis.....	B4-1
B4.1	Summary of Local Housing Constraints	B4-1
B4.2	Non-Governmental Constraints	B4-1
B4.2.1	Land Costs.....	B4-2

	B4.2.2	Construction Costs.....	B4-3
	B4.2.3	Availability of Financing.....	B4-4
	B4.2.4	Requests for Lower Development Densities	B4-6
B4.3		Governmental Constraints.....	B4-6
	B4.3.1	Land Use Controls.....	B4-6
	B4.3.2	Residential Development Standards	B4-9
	B4.3.3	Provision of a Variety of Housing Types	B4-14
	B4.3.4	Planning and Development Fees	B4-27
	B4.3.5	Permit Types.....	B4-29
	B4.3.6	Permit Procedures and Processing Times	B4-33
	B4.3.7	Transparency in the Development Review Process	B4-36
	B4.3.8	Short-Term Housing Rentals.....	B4-36
	B4.3.9	Code Enforcement.....	B4-36
B4.4		Environmental Constraints	B4-37
	B4.4.1	Agricultural Lands	B4-38
	B4.4.2	Seismic Zones.....	B4-38
	B4.4.3	Flood	B4-38
	B4.4.4	Climate Change.....	B4-38
	B4.4.5	Site Contaminants.....	B4-39
	B4.4.6	Wildland/Urban Fire Hazards	B4-39
B5		Affirmatively Furthering Fair Housing (AFFH).....	B5-1
	B5.1	Introduction	B5-1
	B5.2	Data Sources	B5-1
	B5.3	Methodology.....	B5-1
	B5.4	Local Setting.....	B5-4
	B5.5	Summary of AFFH Analysis Findings	B5-12
	B5.6	Fair Housing Resources	B5-12
	B5.7	Ability to Address Complaints.....	B5-16
	B5.8	Segregation and Integration Patterns and Trends.....	B5-16
	B5.9	Disparities in Access to Opportunities	B5-37
	B5.10	Disproportionate Housing Needs.....	B5-51
	B5.11	Local Area Knowledge.....	B5-60
	B5.12	Housing Site Inventory Analysis.....	B5-66
	B5.13	Contributing Factors and Meaningful Actions	B5-80
	B5.14	Meaningful Actions to Address Fair Housing Issues	B5-82
B6		Housing Resources and Site Inventory Analysis	B6-1
	B6.1	Regional Housing Needs Allocation	B6-1
	B6.2	Meeting the RHNA	B6-2
	B6.2.1	RHNA Credits	B6-2

B6.3	Summary of RHNA Credits	B6-6
B6.4	Methodology.....	B6-6
B6.4.1	Suitable Sites for Affordable Housing.....	B6-6
B6.5	Nonvacant Sites	B6-7
B6.5.1	Adequacy of Nonvacant Sites	B6-7
B6.6	Development Trends.....	B6-13
B6.6.1	Realistic Development Capacity	B6-13
B6.6.2	Likelihood of 100 percent Nonresidential Uses on Sites	B6-15
B6.7	Large Sites for Lower-Income Units	B6-17
B6.7.1	Subdivision Process for Large Sites.....	B6-19
B6.8	Site Inventory	B6-20
B6.8.1	Rezone Sites.....	B6-34
B6.8.2	Sites used in Previous Planning Periods	B6-40
B6.8.3	Adequacy of Residential Site Inventory in Meeting RHNA	B6-40
B6.9	Availability of Infrastructure and Services	B6-41
B6.9.1	Wastewater System.....	B6-41
B6.9.2	Potable Water System	B6-41
B6.9.3	Storm Water and Drainage	B6-42
B6.9.4	Dry Utilities	B6-43
B6.10	Environmental Considerations.....	B6-43
B6.11	Opportunities for Energy Conservation	B6-44
B7	Housing Plan	B7-1
B7.1	Goals and Policies	B7-1
B7.2	Implementing Programs	B7-3
B7.3	AFFH Actions Summary.....	B7-24
B7.4	Quantified Objectives	B7-51

Tables

Table B1-1	Quantified Housing Objective and Achieved Accomplishments.....	B1-2
Table B1-2	Review of Past Accomplishments	B1-2
Table B2-1	Summary of Comments and Responses	B2-6
Table B3-1	Population Change (2000 - 2021)	B3-1
Table B3-2	Population by Age Group (2021).....	B3-2
Table B3-3	Population by Race.....	B3-2
Table B3-4	Employment by Industry (2021)	B3-3
Table B3-5	Major Employers in Merced County (2024).....	B3-4
Table B3-6	Occupational Employment and Wages by Major Occupational Group, Merced Metropolitan Area (2023)	B3-5
Table B3-7	HUD Income Limits by Person per Household	B3-6

Merced County Association of Governments
Merced County Multi-Jurisdictional Housing Element (2024-2032)

Table B3-8	State of California Income Categories.....	B3-6
Table B3-9	Median Household Income by Race/Ethnicity (dollars).....	B3-7
Table B3-10	Cost Burdened Households by Tenure.....	B3-8
Table B3-11	Overpayment by Tenure (dollars).....	B3-8
Table B3-12	Households by Type	B3-9
Table B3-13	Large Households by Tenure.....	B3-9
Table B3-14	Overcrowding Severity by Tenure.....	B3-10
Table B3-15	Senior Households by Tenure	B3-10
Table B3-16	Overpayment by Tenure Among Senior Households, Atwater.....	B3-11
Table B3-17	Cost Burdened Senior Households.....	B3-12
Table B3-18	Population by Number of Disabilities	B3-12
Table B3-19	Disability by Age for the Total Population	B3-13
Table B3-20	Developmental Disability by Age	B3-13
Table B3-21	Developmental Disability by Residence	B3-13
Table B3-22	Large Households by Tenure.....	B3-14
Table B3-23	Large Households and Units	B3-15
Table B3-24	Single Female-Headed Households with Own Children.....	B3-15
Table B3-25	Female-Headed Family Households by Tenure	B3-16
Table B3-26	Extremely Low-Income Households by Tenure	B3-17
Table B3-27	Extremely Low-Income Households Overpaying by Tenure	B3-17
Table B3-28	Inventory of Public Assisted Complexes, Atwater	B3-18
Table B3-29	Farmworker Population	B3-19
Table B3-30	Farmworkers in Merced County by Days Worked (2017).....	B3-20
Table B3-31	Unhoused Individuals by Type (2023).....	B3-21
Table B3-32	Unhoused Individuals by Ethnicity, Merced County (2023).....	B3-22
Table B3-33	Total Housing Units Over Time (1980 to 2020).....	B3-23
Table B3-34	Total Housing Units by Type	B3-24
Table B3-35	Housing Units by Tenure.....	B3-25
Table B3-36	Vacancy Status by Type for Total Vacant Units.....	B3-26
Table B3-37	Housing Unit Size	B3-27
Table B3-38	Total Occupied Housing Units by Year Built.....	B3-28
Table B3-39	Substandard Housing Units.....	B3-29
Table B3-40	Median Housing Value Over Time (1980 to 2020).....	B3-29
Table B3-41	Median Housing Value from 2017 to 2021	B3-30
Table B3-42	Owner Occupied Units by Race.....	B3-31
Table B3-43	Median Gross Rent Over Time, Atwater	B3-32
Table B3-44	Median Rent by Number of Bedrooms	B3-32
Table B3-45	Housing Affordability Matrix – Atwater (2021)	B3-33
Table B3-46	Cost Burdened Owner-Occupied Households Over Time.....	B3-35

Table B3-47	Cost Burdened Renter-Occupied Households Over Time.....	B3-35
Table B3-48	Cost Burden by Income and Tenure.....	B3-35
Table B3-49	Inventory of Public Assisted Complexes – Atwater	B3-37
Table B4-1	Listed Land Prices – Atwater	B4-2
Table B4-2	Sold Land Prices – Atwater.....	B4-2
Table B6-3	Estimated Construction Cost – City of Atwater	B4-3
Table B4-4	Site Area Per Dwelling Unit.....	B4-8
Table B4-5	Residential Development Standards.....	B4-9
Table B4-6	Residential Parking Requirements.....	B4-11
Table B4-7	Residential Use Matrix	B4-15
Table B4-8	Emergency Shelter Capacity Analysis.....	B4-22
Table B4-9	Emergency Shelter Capacity Analysis in Commercial Thoroughfare Zone (C-T).....	B4-23
Table B4-10	Residential Development Planning Fees.....	B4-27
Table B4-11	Residential Development Fees.....	B4-28
Table B4-12	Residential Development Fee Comparison.....	B4-29
Table B4-13	Timelines for Permit Procedures	B4-34
Table B4-14	Typical Processing Procedures by Project Type	B4-34
Table B5-1	Population by Racial Group (City of Atwater)	B5-16
Table B5-2	Employment Status by Disability Status (City of Atwater).....	B5-23
Table B5-3	Tenure by Household Type and Presence of Children (City of Atwater)	B5-25
Table B5-4	Demographics of RCAA	B5-33
Table B5-5	Domains and List of Indicators for Opportunity Maps	B5-37
Table B5-6	Opportunity Map Scores and Categorization for Atwater	B5-38
Table B5-7	Cost Burden by Income Category (2015-2019).....	B5-52
Table B5-8	Large Households (City of Atwater)	B5-53
Table B5-9	Race/Ethnicity of Homeless Population and Overall Population (City of Atwater).....	B5-57
Table B5-10	Proposed Housing Units by Resource Area.....	B5-67
Table B5-11	Site Inventory by Census Tract Characteristics	B5-78
Table B6-1	Atwater 2024-2032 RHNA.....	B6-1
Table B6-2	Pipeline Projects.....	B6-4
Table B6-3	Remaining Share of RHNA.....	B6-6
Table B6-4	Nonvacant Sites.....	B6-7
Table B6-5	Redevelopment Trends on Sites with Operational Agriculture	B6-11
Table B6-6	Atwater Development Trends.....	B6-13
Table B6-7	Realistic Capacity of Sites by Zoning District.....	B6-14
Table B6-8	Residential Projects in Zones that allow 100 percent Nonresidential Uses	B6-16
Table B6-9	Large Sites with Lower-Income Units.....	B6-17
Table B6-10	Summary of Recent Developments on Large Sites in San Joaquin Valley	B6-18

Table B6-11	Atwater Site Inventory – Opportunity Sites.....	B6-25
Table B6-12	Proposed Rezone Sites to Accommodate RHNA Shortfall	B6-35
Table B6-13	Annexation Sites	B6-39
Table B6-14	Sites Used in Previous Planning Periods	B6-40
Table B6-15	Adequacy of Residential Site Inventory	B6-40
Table B7-1	Quantified Objectives 2024-2032	B7-51

Figures

Figure B3-1	Median Household Income.....	B3-7
Figure B3-2	Unhoused Households by Type Over Time, Merced County	B3-21
Figure B3-3	Unhoused Individuals by Type by Race (2023)	B3-22
Figure B3-4	Median Contract Rent.....	B3-31
Figure B5-1	Atwater Neighborhoods.....	B5-3
Figure B5-2	Atwater Zoning Map	B5-6
Figure B5-3	Renter-Occupied Concentration	B5-7
Figure B5-4	Atwater Aerial View	B5-8
Figure B5-5	Atwater Population Density	B5-9
Figure B5-6	Percentage of Housing Built Before 1990	B5-10
Figure B5-7	Median Gross Rents	B5-11
Figure B5-8	Percent of Total Non-White Population (City of Atwater).....	B5-18
Figure B5-9	Predominant Populations (City of Atwater).....	B5-19
Figure B5-10	Racial Segregation and Integration (City of Atwater)	B5-20
Figure B5-11	Disability by Type (City of Atwater).....	B5-21
Figure B5-12	Percent of Population with a Disability (City of Atwater).....	B5-22
Figure B5-13	Percent of Population with a Disability and Residential Care Facilities (City of Atwater)	B5-24
Figure B5-14	Female-Headed Households with Children Present, No Spouse/Partner Present and Child Care Centers (City of Atwater)	B5-27
Figure B5-15	Female-Headed Households with Children Present, No Spouse/Partner Present (City of Atwater).....	B5-28
Figure B5-16	Married Couple Households with Children Present (City of Atwater).....	B5-29
Figure B5-17	Median Household Income (City of Atwater)	B5-30
Figure B5-18	Low- and Moderate-Income Population (City of Atwater)	B5-31
Figure B5-19	Poverty Status (City of Atwater)	B5-34
Figure B5-20	Racially Concentrated Areas of Affluence (City of Atwater).....	B5-35
Figure B5-21	Housing Choice Vouchers.....	B5-36
Figure B5-22	Atwater TCAC Opportunity Areas	B5-39
Figure B5-23	TCAC Opportunity Areas – Education Outcomes (City of Atwater)	B5-43
Figure B5-24	TCAC Opportunity Areas - Economic (City of Atwater).....	B5-44
Figure B5-25	Existing Bus Transit Services	B5-45

Figure B5-26	Walkability Index (City of Atwater)	B5-46
Figure B5-27	CalEnviroScreen 4.0 Percentile Scores (City of Atwater)	B5-48
Figure B5-28	TCAC Opportunity Areas - Environmental (City of Atwater).....	B5-49
Figure B5-29	SB 535 Disadvantaged Communities (City of Atwater).....	B5-50
Figure B5-30	Overpayment by Home Owners (City of Atwater).....	B5-54
Figure B5-31	Overpayment by Renters (City of Atwater)	B5-55
Figure B5-32	Overcrowded Households (City of Atwater)	B5-56
Figure B5-33	Displacement Risk (City of Atwater)	B5-59
Figure B5-34	City of Atwater Zoning Map	B5-65
Figure B5-35	Housing Opportunity Sites by TCAC Resource Area.....	B5-68
Figure B5-36	Housing Opportunity Sites by Income Population.....	B5-70
Figure B5-37	Housing Opportunity Sites by Overcrowding.....	B5-71
Figure B5-38	Housing Opportunity Sites by Overpayment by Renters	B5-72
Figure B5-39	Housing Opportunity Sites by Total Non-White Population.....	B5-74
Figure B5-40	Housing Opportunity Sites by Displacement Risk	B5-75
Figure B5-41	Housing Opportunity Sites by CalEnviroScreen Percentile Score	B5-76
Figure B6-1	Pipeline Projects.....	B6-5
Figure B6-2	Atwater Site Inventory (Current Zoning)	B6-23
Figure B6-3	Atwater Site Inventory (Proposed Zoning)	B6-24

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B1 Review of Past Accomplishments

To develop appropriate programs to address the housing issues identified in the 2024-2032 Housing Element (6th cycle), the City of Atwater has reviewed the housing programs adopted in the 2015-2022 Housing Element (5th cycle) and evaluated the effectiveness of these programs in delivering housing services and assistance. Table B1-1 summarizes the City's progress toward the previous Regional Housing Needs Allocation (RHNA) and Table B1-2 provides a detailed program level assessment of housing accomplishments over the 5th cycle planning period. Programs that are routine staff functions with no specific actions and no direct City involvement are not continued as housing programs in the 6th Cycle Housing Element.

B1.1 Effectiveness in Addressing Special Needs

The City was not successful in facilitating the development of housing for special needs groups during the 5th Cycle Housing Element. Programs developed for the 5th cycle identified specific solutions to housing for special needs groups such as seniors, homeless, low-income households, and/or persons with disabilities. Goal H-5 focuses on accommodating housing for special needs groups, including Program H-5a, which promotes senior housing, and Program H-5f, which implemented zoning for supportive and transitional housing. In addition, Program H-3f focuses on collaborating with nearby jurisdictions and housing assistance groups to implement special housing and homeless needs workshops. Program H-5c has also removed constraints for persons with disabilities to find accessible housing, as the City currently follows the California Building Code and its requirements for accessible living properties.

No housing units for special needs groups were developed during the 5th cycle, resulting from factors beyond the City's control such as market conditions and financial barriers. Limited staffing and resources posed significant challenges to program implementation to support special housing needs. However, the City has taken several steps to address special needs housing. It participated in a regional workshop focused on housing and homelessness in collaboration with other jurisdictions and the Merced County Continuum of Care. The City adopted an ordinance allowing emergency shelters in its M-1 and M-2 zoning districts to comply with state legislation. Additionally, in 2019, Atwater amended its Zoning Code to permit supportive and transitional housing. These actions demonstrate the City's commitment to expanding housing options for individuals experiencing homelessness and other vulnerable populations.

Communitatively, these programs effectively addressed issues related to housing for persons with special needs. However, limited staffing and resources posed significant challenges to program implementation. Programs in the 6th Cycle Housing Element build on these past accomplishments to further encourage the development and accessibility of housing for special needs.

B1.2 Quantified Objectives

Table B1-1 summarizes the City's progress toward meeting the previous 5th Cycle Housing Element RHNA, as well as objectives to rehabilitate and conserve/preserve existing housing stock. The City of Atwater did not reach its 5th cycle RHNA goals in the Extremely Low, Very Low-, Low-, and Moderate-Income categories.

Table B1-1 Quantified Housing Objective and Achieved Accomplishments

	New Construction		Rehabilitation		Preservation (At-Risk Units)	
	RHNA (2016-2024)	Actual	Objectives	Actual	Objectives	Actual
Extremely Low-Income	-	-	-	-	-	-
Very Low-Income	429	-	-	-	-	-
Low-Income	307	-	-	-	-	-
Moderate-Income	281	-	-	-	-	-
Above Moderate-Income	748	427	-	-	-	-
Total	1,765	427	-	-	-	-

B1.3 Review of Past Accomplishments

Table B1-2 provides a detailed program-level assessment of housing accomplishments during the 5th Cycle Housing Element planning period.

Table B1-2 Review of Past Accomplishments

Program	Program Objectives	Progress and Continued Appropriateness
Goal H-1 – Provide suitable and adequate sites for residential development.		
Program H-1a: Vacant and Non-Vacant Underutilized and Site Inventory Program	The objective of this program is to assist developers in finding suitable infill and underutilized sites to meet a portion of the City's new housing construction needs.	The City has been contacted by multiple interested developers. The existing land use and zoning maps are in the process of being re-evaluated for General Plan amendment and zone change. <u>Effectiveness: Partially implemented</u> Continued Appropriateness: Program H-1a is ongoing and will be incorporated into the 6 th Cycle Housing Element as Program 2.
Program H-1b: Creation of Larger Parcels through Site Consolidation	The objective of this program is to facilitate creation of larger parcels for more efficient development of multifamily housing and assist developers in finding suitable vacant infill and non-vacant underutilized sites to meet a portion of the City's new housing construction needs.	The City is re-evaluating program H-1b, as developers are ~~non-desiring~~ reluctant to pursue of a multi-parcel approach <u>due to the complexities it introduces infor</u> segmented financing. <u>Effectiveness: Not implemented due to market constraints</u> Continued Appropriateness: Program H-1b will be discontinued in the 6 th Cycle Housing Element, as developers have not shown interest in this development approach.
Program H-1c: Creation of Larger Parcels through Right-of-way Abandonment	The objective of this program is to make additional land available adjacent to existing developed or underutilized land to facilitate more efficient development of five high density residential units (Low to Very Low Income).	The City <u>is re-evaluating program H-1c, as developers are reluctant to pursue the creation of larger parcels through right-of-way abandonment. is currently reviewing has an application for a mixed-use development and annexation, adding to the land available for development.</u> <u>Effectiveness: Not implemented due to market constraints Successfully implemented</u> Continued Appropriateness: Program H-1c will be discontinued in the 6 th Cycle Housing Element, as ~~no identified sites will be rezoned to accommodate high density residential housing~~ developers have not shown interest in this development approach.

Program	Program Objectives	Progress and Continued Appropriateness
Program H-1d: Ferrari Ranch Annexation	The objective of this program is to bring additional low and medium density residential land into the City limits for an estimated net gain of 82 total units, including 80 low density units (Above Moderate and Moderate Income) and two medium density units (Low Income).	The Ferrari Ranch annexation has been completed, ~~and the project is currently undergoing an amendment to the Parcel Map.~~ However, no development has occurred at the site. Additionally, the area is not designated for future residential development. However, other lands immediately north of Ferrari Ranch, outside the city limits, are proposed to be designated for residential development in the General Plan update. Effectiveness: ~~Successfully implemented~~ Not implemented due to land use designations. Continued Appropriateness: Program H-1d ~~is complete and~~ will not be carried forward in the 6 th Cycle Housing Element.
Program H-1e: Western Residential Land Annexations	The objective of this program is to bring additional residential land into the City limits. At the planned densities, the two identified annexation areas would accommodate up to 1,813 additional units, including 1,010 low density (Above Moderate and Moderate Income), 360 medium density (Low Income), and 443 high density units (Very Low Income).	The City's ~~sphere of influence~~ General Plan land use map is being re-evaluated and a recommended boundary map adjustments will be proposed in conjunction with the General Plan update that is currently underway. Effectiveness: Not implemented due to city boundary changes the upcoming General Plan update. Continued Appropriateness: Program H-1e will be revised and incorporated into Program 2 to rezone properties to accommodate high-density. residential housing.
Program H-1f: Residential Specific Plans	The objective of this program is to expedite residential development opportunities on annexed lands, ensure desired mix and arrangement of land uses, and ensure provision and financing of adequate infrastructure and public services.	The City ~~is researching legislative extensions on map projects and creating an ordinance to amend Title 16~~ is proposing a mix of high-, medium-, and low-density residential land use designations in future annexation areas in the General Plan update. Effectiveness: Partially implemented Continued Appropriateness: Program H-1f will be revised and incorporated into Program 2 to rezone properties to accommodate high-density. residential housing. discontinued in the 6 th Cycle Housing Element, as no identified sites will be annexed during the 6 th Cycle.
Program H-1g: Developer Resources	The objective of this program is to assist developers in locating appropriate sites for housing.	This program is ongoing and there has been renewed developer interest in Atwater. Effectiveness: Successfully implemented Continued Appropriateness: Program H-1g ongoing and will be incorporated into the 6 th Cycle Housing Element as Program 2.

Merced County Association of Governments
Merced County Multi-Jurisdictional Housing Element (2024-2032)

Program	Program Objectives	Progress and Continued Appropriateness
Program H-1h: General Plan Amendment and Rezone of Buhach Road	The objective of this program is to increase the supply of R-3 land in a location with demonstrated demand.	~~The 10.1-acre parcel was not rezoned and is still zoned Planned Development. However, The City is in discussions with developers about a future project at the southwest corner of Buhach Road and Juniper. The site has an approved Tentative Parcel Map for 73 single-family units and is in the process of submitting for approval for the Final Map. The City plans to accomplish rezone efforts directly after the Housing Element Update. A budget is currently being established, and outreach with property owners is ongoing. This program was not implemented. The City reevaluated this program and determined it was unnecessary as the RHNA can be met through the Site Inventory. other areas in the sites inventory suffice to reach the regional housing needs assessment goal.~~ Effectiveness: Not implemented Continued Appropriateness: ~~While Program H-1h was used to accommodate extremely low- and very low-income units, the rezone is not needed to accommodate the shortfall of appropriately zoned sites for the 6th Cycle RHNA and is no longer applicable. This program will not be incorporated into the 6th Cycle Housing Element. However, Program 2 ensures that the City will rezone properties to provide additional opportunities up to 2,581 units, and Program 3 ensures the City will amend the Zoning Ordinance to address by-right approval requirements pursuant to Government Code section 65583.2, subdivisions (h) and (i). This program will not be incorporated into the 6th Cycle Housing Element. Program 2 will replace Program H-1h to ensure there is sufficient supply of sites to support additional housing development.~~
Goal H-2 – Accommodate a range of housing options by type, size, location, price, and tenure.		
Program H-2a: Designate Land for a Mixture of Housing Types	The objective of this program is to allow and encourage a mix of housing types and a range of housing densities throughout the community.	The program is currently in practice. A General Plan update to allow for a range of densities and housing types is currently underway. Effectiveness: Successfully implemented Continued Appropriateness: Program H-2a will be refined and incorporated into the 6th Cycle Housing Element as Program 2.
Program H-2b: Encourage Innovative Subdivision and Housing Design	The objective of this program is to increase local awareness and acceptance of alternative housing designs and increase the range of housing choices available to low- and moderate-income households.	~~The City has not yet initiated the program. However, two new housing projects have been introduced to the City. One has been approved and the other is in process. Both have alternative design approaches. Additionally, a mixed-use development located at Redwood and Bellevue Road will add approximately 52 residential units above commercial retail. This program was implemented during the planning and successful approval process in August 2024 for Sunset Apartments, a two-story, high-density residential project that was approved in Summer 2024.~~

Program	Program Objectives	Progress and Continued Appropriateness
		<u>Effectiveness: ~~Not yet~~ Successfully implemented</u> Continued Appropriateness: Program H-2b will be discontinued in the 6th Cycle Housing Element but incorporated into <u>policiesProgram 8 to accommodate a greater mix of dwelling types.-</u>
Program H-2c: Evaluate Residential Uses and Development Standards	The objective of this program is to ensure that innovative housing types are accommodated within the City and that alternative housing designs can be achieved on appropriate residential lots within the City, while protecting community aesthetic values.	<u>The City has adopted alternative housing design guidelines. The City is now taking steps to amend the Zoning Code to allow a variety of housing types, and will begin comprehensive updates to the residential design guidelines that have already been adopted by the City. The City adopted Residential Design Guidelines in 2011. Some of the language included is subjective; however, the City only enforces objective standards included in the Residential Design Guidelines. Additional efforts to accommodate alternative housing designs include updating the City's Accessory Dwelling Unit (ADU) ordinance in 2024 to streamline the approval for ADUs and amending development standards to comply with state law.</u> <u>Effectiveness: Successfully implemented</u> Continued Appropriateness: Program H-2c was completed <u>in 2018 2019</u> and will not be continued into the 6th Cycle Housing Element. <u>Program 7 will update the Residential Design Guidelines to remove subjective language and replace it with objective standards.</u>
Goal H-3 – Increase the supply of affordable housing in the city.		
Program H-3a: Promote Homeownership for Low- and Moderate- Income Households	The objective of this program is to assist 15 moderate and 15 low-income first-time homebuyers.	<u>The City continues to partner with the Housing Authority of Merced County and Self-Help Enterprises to provide first-time homebuyer assistance. The City has not yet implemented the program. The City has published a flyer advertising the First-Time Homebuyers Program on the City website and posted flyers and advertisements about the program. While residents have shown interest in the program, the City has observed that residents have difficulty meeting the program's qualification requirements. Therefore, the City has expanded the eligibility requirements to make it easier for First-Time Homebuyers to access the program.</u> <u>Effectiveness: Successfully implemented</u> Continued Appropriateness: Program H-3a will be refined <u>to pursue additional homeownership assistance opportunities</u> and incorporated into the 6th Cycle Housing Element as Program 10.

Merced County Association of Governments
Merced County Multi-Jurisdictional Housing Element (2024-2032)

Program	Program Objectives	Progress and Continued Appropriateness
Program H-3b: Affordable Housing Requirements and First Tier Affordable Housing Incentives	The objective of this program is to establish affordable housing requirements and incentives to be applied citywide. Assuming 1,500 total units constructed under this program, the program would result in 30 low income units and 30 moderate income units.	~~A new project, currently in the application review process, will use affordable housing incentives established under this program. Under this program, 120 units affordable to low- to moderate income households are in development. The City~~ ~~This program was not implemented due to insufficient funds. does not have sufficient funds to establish an affordable housing program that includes monetary incentives.~~ Effectiveness: ~~Partially~~Not implemented Continued Appropriateness: Program H-3b will be discontinued in the 6th Cycle Housing Element.
Program H-3c: Density Bonus Program	The objective of this program is to incentivize development of affordable housing by providing density bonuses to developers meeting certain criteria for housing projects, consistent with state law.	The City has not yet implemented the program. ~~Due to limited staffing City has not adopted a density bonus program and is not in compliance with state density bonus law.~~
		Effectiveness: ~~Not yet implemented due to staffing constraints~~
		Continued Appropriateness: Program H-3c is incomplete and will be refined and incorporated into 6 th Cycle Housing Element as Program 7.
Program H-3d: Pursue State and Federal Funding for Affordable Housing	The objective of this program is to accommodate housing for 3 extremely low, 7 very low; and 10 low income units.	The City has applied to the following grants to fund affordable housing: - HOME grant - First-Time Homebuyer Grant - PLHA Grant
		Effectiveness: Successfully implemented
		Continued Appropriateness: Program H-3d is in progress and the City will continue to apply for funding to support housing opportunities for extremely low-, very low-, and low-income households during the 6 th cycle.
Program H-3e: Rental Assistance	The objective of this program is for the ~~County~~ City to assure that lower income households find rental housing assistance.	~~The~~ Due to limited staffing and resources, the City has not yet implemented the program.
		Effectiveness: ~~Not yet implemented due to staffing constraints~~
		Continued Appropriateness: Program H-3e is incomplete and will be refined and incorporated into 6 th Cycle Housing Element as Program ~~7~~ 10.
Program H-3f: Collaborate with Nearby Jurisdictions and Housing Assistance Groups	The City will participate in one special housing and homeless needs workshop on an annual basis.	The City has held the first meeting. The City is currently collaborating with nearby jurisdictions on housing needs for the 6 th Cycle Housing Element.
		Effectiveness: Partially implemented
		Continued Appropriateness: Program H-3f will be refined and incorporated into 6 th Cycle Housing Element as Program 1.

Program	Program Objectives	Progress and Continued Appropriateness
Program H-3g: Self-Help Housing	The objective of this program is to establish development of 40 additional ownership housing units: 5 extremely low, 10 very low-income and 25 low-income.	The City has begun discussion with Habitat for Humanity. Effectiveness: <u>Partially implemented</u> Continued Appropriateness: Program H-3g is incomplete and will be refined and incorporated into 6 th Cycle Housing Element as Program 7 to incentivize affordable housing development.
Program H-3h: Water and Sewer Service Priority	The objective of this program is to establish policy prioritizing water and sewer provision to lower income housing developments.	The City has not yet implemented the program. Effectiveness: <u>Not yet implemented due to staffing constraints</u> Continued Appropriateness: Program H-3h is incomplete and will be refined and incorporated into the 6 th Cycle Housing Element as Program 11.
Program H-3i: Mobile Home Park Development Incentives	The objective of this program is to facilitate development of vacant land zoned for mobile home park use and maximize utilization of the land.	The City <u>has not yet implemented this program due to staffing constraints</u> ~~is in negotiations with property owners.~~ Effectiveness: <u>Partially implemented</u> Continued Appropriateness: Program H-3h is incomplete and will be refined and incorporated into the 6 th Cycle Housing Element as Program 6.
Goal H-4 – Maintain, conserve, and rehabilitate existing housing stock.		
Program H-4a: Adopt Updated Building Codes	The objective of this program is to ensure that newly constructed housing is as safe and well-built as possible.	The City’s building codes are in compliance with state building codes and are updated every three years. Effectiveness: <u>Successfully implemented</u> Continued Appropriateness: Program H-4a is complete and will not be carried into the 6 th Cycle Housing Element.
Program H-4b: Conduct Housing Condition Survey	The objective of this program is to establish baseline and maintain updated information on housing conditions to better target rehabilitation efforts.	Implementation of this program will be accomplished during the General Plan Update, which has begun. Effectiveness: <u>Not yet implemented</u> Continued Appropriateness: Program H-4b is incomplete and will not be carried forward in the 6 th Cycle Housing Element as Program 9.
Program H-4c: Housing Rehabilitation Loan Program	The objective of this program is to pursue CDBG funds on an annual basis to support the Housing Rehabilitation Loan Program and rehabilitate approximately 3 low and 2 very low income homes per year.	The City did not receive CDBG funds during the 5 th Cycle. However, as of ~~2023~~ 2026, the City has received both CDBG and HOME funds for owner-occupied rehabilitation programs. Effectiveness: <u>Partially implemented</u> Continued Appropriateness: Program H-4c is incomplete and will be refined and incorporated into the 6 th Cycle Housing Element as Program 9.
Program H-4d: Home Energy Renovation Opportunity (HERO) Program	The objective of this program is to make the HERO Program available to residents and rehabilitate approximately 5 homes per year.	The City has not yet implemented the program due to a lack of resources. Effectiveness: <u>Not yet implemented due to resource constraints</u> Continued Appropriateness: Program H-4d is incomplete and will be incorporated into the 6 th Cycle Housing Element as Program 9.

Merced County Association of Governments
Merced County Multi-Jurisdictional Housing Element (2024-2032)

Program	Program Objectives	Progress and Continued Appropriateness
Program H-4e: Manufactured Home Preservation	The objective of this program is to preserve the condition and affordability of larger mobile home parks containing approximately 400 spaces; provide relocation assistance to residents of parks that are not feasible to preserve.	The present conditions have been deemed acceptable. <u>Effectiveness: Successfully implemented</u> Continued Appropriateness: Program H-4e is complete and will not be incorporated into the 6th Cycle Housing Element.
Program H-4f: Improve the Condition of Rental Housing	The City's objective in requiring long-term affordability is to ensure that substantially rehabilitated or reconstructed housing units increase the stock of affordable rental housing. The City will also ensure that the property owner provides relocation assistance to current tenants and allows these tenants a right of first refusal to re-occupy their former rental units, or another equivalent unit, after the rehabilitation or reconstruction has been completed. Rehabilitate 25 very low and 25 low-income rental housing units.	The City has not yet implemented the program due to a lack of staff resources to audit rental properties and the ~~ability, housing inventory that is available, and~~ ability to compete for available funding. <u>Effectiveness: Not yet implemented due to resource constraints-</u> Continued Appropriateness: Program H-4f is incomplete and will not be carried forward in the 6th Cycle Housing Element
Program H-4g: Address Unsafe Building Conditions	The objective of this program is to improve substandard residential buildings condition and rehabilitate or upgrade two units per year.	<u>While the City has an active Code Enforcement program, the City has not yet implemented a program to improve substandard residential buildings due to a lack of staff resources. The City is currently in discussions with Habitat for Humanity to cooperatively lead effort.</u> <u>Effectiveness: Partially</u> ~~Not yet implemented due to staff constraints~~ Continued Appropriateness: Program H-4g is ongoing and will be incorporated into the 6 th Cycle Housing Element as Program 9.
Goal H-5 – Accommodate housing for special needs groups.		
Program H-5a: Promote Senior Housing	The objective of this program is to identify funding sources for the development of senior housing, and facilitate senior housing development through the density bonus program, streamlined permit processing, identification of suitable development sites, and through other development incentives such as reduced parking requirements.	This program had limited community interest and lack of resources. <u>Effectiveness: Not implemented due to resource constraints and community interest</u> Continued Appropriateness: Program H-5 is incomplete and will not be carried forward. Program 10 is included in the 6th Cycle Housing Element to incentivize senior housing.
Program H-5b: Accommodate Housing for Persons with Disabilities	The objective of this program is to improve housing accessibility for persons with disabilities by providing exceptions to building and zoning standards when those exceptions will facilitate accessibility.	The City currently does not have any City-owned residential single family or multifamily homes. All tenant improvements and new construction projects are required to meet ADA requirements. <u>Effectiveness: Not implemented</u> Continued Appropriateness: Program H-5b will not be carried forward. Program 10 <i>Lower-Income and Special Needs Housing</i> will address housing needs for persons with disabilities in 6th Cycle Housing Element

Program	Program Objectives	Progress and Continued Appropriateness
Program H-5c: Remove Constraints to Persons with Disabilities	The objective of this program is to revise development standards and community care provisions of the Zoning Ordinance to better accommodate persons with disabilities and put procedures in place to allow accommodation of persons more easily with disabilities.	The City ~~currently follows~~ <u>has adopted and enforces</u> the <u>2025</u> California Building Code and its requirements for accessible living properties. <u>However, the City has not adopted written procedures or guidelines for reasonable accommodation requests in the Zoning Code Ordinance due to limited staffing.</u> In 2023, the City adopted the ADA Transition Plan to improve accessibility standards in the City. Effectiveness: <u>Partially implemented</u> Continued Appropriateness: Program H-5c is <u>partially</u> complete and will ~~not~~ be <u>refined and</u> carried over into the 6th Cycle Housing Element <u>as Program 6. Under Program 6, the City will revise the Zoning Code to establish reasonable accommodation procedures for persons with disabilities, consistent with fair housing law</u>
Program H-5d: Zoning for Farmworker Housing	The objective of this program is to remove zoning constraints that would preclude provision of farmworker housing at appropriate locations within the City.	No such provisions currently exist and therefore the program has not yet been implemented. Effectiveness: <u>Not yet implemented</u> Continued Appropriateness: Program H-5d is incomplete and will not be carried forward. Program 10 will incentivize farmworker housing in the 6th Cycle Housing Element.
Program H-5e: Promote the Development of Smaller and Larger Rental Units	The objective of this program is to promote the development of a more diverse rental market within the City by encouraging a variety of unit sizes.	In 2019, the City approved mixed-use buildings in the C-G zone (Resolution No PC 0124-19). Effectiveness: <u>Successfully implemented</u> Continued Appropriateness: Program H-5e is ongoing but will not be carried into the 6th Cycle Housing Element.
Program H-5f: Zoning for Supportive Housing and Transitional Housing	The objective of this program is to remove zoning constraints that would preclude provision of supportive and transitional housing at locations within the City's residential districts.	In 2019, the City adopted amendments to its Zoning Code to allow supportive and transitional housing in compliance with SB 2 (Resolution No. PC 106-19). Effectiveness: <u>Successfully implemented</u> Continued Appropriateness: Program H-5f is complete and will not be carried over into the 6th Cycle Housing Element.
Program H-5g: Zoning for Emergency Shelters	The objective of this program is to remove zoning constraints that would preclude provision of homeless shelters within the R-T district.	The City has adopted amendments to its Zoning Code in compliance with SB 2. As a correction, SB 2 compliance was targeted for the M-1 and M-2 zones. Effectiveness: <u>Successfully implemented</u> Continued Appropriateness: Program H-5g is complete and will not be carried over into the 6th Cycle Housing Element.

Merced County Association of Governments
Merced County Multi-Jurisdictional Housing Element (2024-2032)

Program	Program Objectives	Progress and Continued Appropriateness
Program H-5h: Facilitate Shelters, Supportive Housing, and Transitional Housing	The objective of this program is to identify a site and funding for an emergency shelter or transitional housing facility to meet local needs.	The City has adopted an ordinance for the M-1 and M-2 zones to allow emergency shelters in accordance with SB-2. <u>Effectiveness: Successfully implemented</u> Continued Appropriateness: Program H-5h is complete and will not be carried over into the 6th Cycle Housing Element. .
Program H-5i: Zoning for Community Care Facilities	The objective of this program is to remove zoning constraints that would preclude provision of community care facilities at appropriate locations within the City.	The program has not yet been implemented. <u>Effectiveness: Not yet implemented</u> Continued Appropriateness: Program H-5i is incomplete. This program will be refined and incorporated as part of Program 6 to address community care facilities, consistent with state law.
Program H-5j: Zoning for Single Room Occupancy	The objective of this program is to provide affordable housing options by removing zoning constraints that would preclude provision of single resident occupancy units at appropriate locations within the City.	No such provisions currently exist and therefore the program has not yet been implemented. <u>Effectiveness: Not yet implemented</u> Continued Appropriateness: Program H-5j is incomplete and will be refined and incorporated into 6 th Cycle Housing Element as Program 7 which directs the City to permit single-occupancy units in zones allowing hotel and motel uses.
Goal H-6 – Minimize the impact of governmental constraints on housing construction.		
Program H-6a: Zoning ordinance amendments	The objective of this program is to remove zoning constraints that would preclude provision of manufactured housing, mobile home parks, and secondary housing units at appropriate locations within the City.	This program was completed, but recent changes in state law require further modifications to the City's zoning ordinance to facilitate manufactured housing and accessory dwelling units. <u>Effectiveness: Partially implemented</u> Continued Appropriateness: Program H-6a will be updated and incorporated into 6 th Cycle Housing Element as Program 8.
Program H-6b: Amendments to Planned Development District	The objective of this program is to increase the use of the City's planned development option as a tool to provide affordable housing.	The City will begin analysis of revising the P-D definitions in Chapter 17. <u>Effectiveness: Not yet implemented</u> Continued Appropriateness: Program H-6bis incomplete and will not be carried into the 6 th Cycle Housing Element.
Goal H-7 – Promote energy efficiency in housing development.		
Program H-7a: Energy Conservation Regulation for New Construction	The objective of this program is to reduce residential energy consumption and reduce energy costs, especially for low-income residents.	The City will continue to adopt and enforce state energy efficiency requirements for new residential construction. <u>Effectiveness: Successfully implemented</u> Continued Appropriateness: Program H-7a is ongoing and will be revised and incorporated into the 6 th Cycle Housing Element as Program 9.

Program	Program Objectives	Progress and Continued Appropriateness
Program H-7b: Energy code awareness promotion	The objective of this program is to reduce residential energy consumption and reduce energy costs, especially for low-income residents.	The City will continue to update its website and Building division information materials. The City will also work with alternative electrical energy providers. Effectiveness: <u>Successfully implemented</u> Continued Appropriateness: Program H-7b is ongoing and will be incorporated into the 6 th Cycle Housing Element as Program 13.
Program H-7c: Weatherization and energy conservation for existing dwelling units	The objective of this program is to reduce residential energy consumption and reduce energy costs, especially for low-income residents.	The City will continue to post and distribute information on current available weatherization and energy conservation programs. Effectiveness: <u>Successfully implemented</u> Continued Appropriateness: Program H-7c is ongoing and will be incorporated into the 6 th Cycle Housing Element as Program 9.
Program H-7d: Promotion of energy efficient land use planning	The objective of this program is to reduce costs associated with transportation, especially for low-income residents, and make less costly transportation alternatives available and feasible.	This program has not been implemented other than to promote and encourage projects that are pedestrian friendly to areas of convenience. Effectiveness: <u>Partially implemented</u> Continued Appropriateness: Program H-7d is incomplete and will be revised and incorporated into the 6 th Cycle Housing Element as Program 1.
Program H-7e: Promotion of water conservation	The objective of this program is to reduce costs associated with water use, especially for low-income residents.	The City has installed ~~approximately 500~~ water meters <u>throughout the City</u> to help prevent water waste by residents and prevent overwatering. Continued Appropriateness: Program H-7e will be refined and incorporated into 6 th Cycle Housing Element as Program 9.
Goal H-8 – Ensure fair and equal housing opportunities for all.		
Program H-8.1: Fair Housing Services	The objective of this program is to promote fair housing in Atwater and reduce incidences of discrimination.	~~Due to limited staffing and resources this program was not implemented.~~ The City <u>will</u> continue to ensure fair and equal housing opportunities for all. Effectiveness: <u>Not yet implemented due to resource constraints</u> Continued Appropriateness: Program H-8.1 is ongoing and will be <u>refined and</u> incorporated into the 6 th Cycle Housing Element as Program 13.

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B2 Public Participation

This section documents the efforts the City of Atwater made to engage the public and gather input to inform development of this Housing Element update. The Housing Element must reflect the values and preferences of the community. Government Code Section 65583(c)(8) states that the local government must make “a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element.” This process not only includes community members, but also participation from local stakeholder groups. Accordingly, there were various public engagement efforts conducted at a regional level, including a community survey and stakeholder interviews, in the development of the regional Housing Element. These efforts are described in Chapter 1, *Introduction and Regional Collaboration*. Feedback from the City of Atwater’s outreach events helped shape the priorities and objectives of the Housing Element Update and are summarized in this Appendix as follows.

B2.1 Pop-up Events

City staff set up a tabling event at the Atwater Town Hall at the Atwater Community Center on May 30, 2023. Additionally, City staff handed out flyers with links to project website and survey to increase community awareness of the Housing Element process and encourage participation.

B2.2 Community Workshops

Flyers advertising the workshops were posted on City of Atwater’s website in advance of the workshop series to encourage public attendance and participation. The flyers provided meeting details (dates, times, locations, zoom links), the Housing Element Update website and email list, and were bilingual (English and Spanish).

A workshop on the Housing Element was hosted in Atwater on August 28, 2023. The workshop consisted of an informative PowerPoint presentation on housing sites, a questionnaire about the proposed sites, and a Q&A and public discussion period. The workshop activities invited participants to share their opinions on what makes their neighborhood great and their experience finding housing, take part in a sticker activity to rank the most effective housing programs, and reasons it is difficult to find housing in their communities. Participants were also asked to weigh in on the selected housing opportunity sites. The PowerPoint presentation was available in Spanish via written translation. Live Spanish translation was available upon request.

Atwater’s participants voiced their concerns regarding housing affordability and lack of housing due to strict development regulations. Participants hope to see greater development near places of work and essential resources.

Key findings from the workshops are as follows:

- Off-site improvement requirements make housing development expensive.
- High prices, lack of affordable housing, and cost of building housing make it difficult to find housing.
- Residents would like housing in proximity to schools, job opportunities, and parks.
- Residents’ ability to maintain their home helps improve a neighborhood.

- Rent-restricted affordable housing development, a variety of new housing, and fair housing services were the most voted programs for effectively addressing needs in Atwater with 3 votes each. This was followed by the development of rental housing for large households, housing for special needs housing development, and housing rehabilitation and repair with 2 votes each. Renter protection and support and homelessness prevention and housing each received one vote.

B2.3 Survey

The City conducted a community survey to inform the 6th Cycle Housing Element update. The survey was advertised and made available online from March 27, 2023, through December 22, 2023. The survey was also made available during various community outreach events, including the Town Hall Pop-Up event on May 30, 2023, and the community workshop on August 28, 2023, in an effort to engage various groups and populations of the community. The survey consisted of 16 questions and used different formats for questions: checkbox, ranking, and open-ended questions. A total of 172 people responded to the survey. Of the responses, 18 participants, or roughly 10 percent of responders, either live, work, attend school, or own a business or property in Atwater.

The input provided by the participants included the following major themes:

- Affordability was the most important aspect when looking for new housing, followed by close to resources such as commercial, medical facilities, and work and school. Safe neighborhoods were also noted as important when searching for housing. Participants want housing near public transit stops, employment, and shopping centers.
- The largest barriers to affordable desirable housing are cost of housing and the limited supply of housing, particularly affordable housing. Respondents also noted the lack of good paying jobs to be able to afford housing.
- In addition to affordability and availability of housing, respondents noted that homelessness and housing quality were also urgent issues in the Merced Region.
- Respondents would like to see programs related to housing vouchers, landlord/tenant mediation services and home rehabilitation assistance.
- Housing with three or more bedrooms, housing with one or two bedrooms, and efficiency homes are the most needed housing in the region.
- In Atwater, participants suggested areas for housing development on Main Street and on vacant lots throughout the city.

Full survey results can be found in Appendix 1 to the Regional Housing Element, *Community Survey Results*.

B2.4 Stakeholder Interviews

The City also participated in a series of stakeholder interviews with service providers, residents, and housing developers held between August 8, 2023, and August 23, 2023, as part of the greater regional public participation efforts. Housing groups and service providers that service the needs of Atwater residents included Project Sentinel, Faith in the Valley, United Way of Merced County, and Merced County Workforce Investment. Much of the discussion was focused on countywide needs and issues, including low-income residents, seniors, persons with disabilities, and renters. A

complete summary of the stakeholder interviews can be found in Chapter 1, *Introduction*, to the Regional Housing Element. Key findings included:

- Service providers stated there is a need for affordable housing throughout the county with access to resources.
- Residents expressed that rental units need maintenance and repair.
- Additional housing services are needed throughout communities in the county include transitional housing, rental assistance, first-time homebuyer assistance, and education on tenants' rights.
- Residents expressed concern over the high cost of housing, particularly for renters.
- Residents identified a need for more community engagement efforts that allow residents to participate in a meaningful way, including workshops and translation services during outreach events.

B2.5 Additional Outreach

The City held a virtual stakeholder interview on December 18, 2024, jointly with the cities of Dos Palos, Gustine, Livingston, and Los Banos.

The meeting consisted of a discussion on housing needs and fair housing issues, with specific emphasis on low-income and special needs households, to support the fair housing analysis and refine policies and programs within the Housing Plan. The questions asked to participants included:

- What are specific housing needs for lower-income and special needs households within the community?
- Are there special needs groups/populations within the jurisdiction that are lacking affordable housing/support services?
- What barriers do residents in low-income neighborhoods face when trying to access affordable housing?
- What services are most requested by renters? Homeowners?
- What additional supportive services (e.g., job training, mental health support, childcare) are most needed in the jurisdiction to help residents maintain stable housing and improve their quality of life?

The City invited 15 participants from various fair housing services, agencies, and developers. Four participants attended, consisting of a property owner, pro-housing advocate from Visionary Home Builders, a representative from a nonprofit affordable housing company, and a representative from the Merced County Continuum of Care.

Participants stated that there are not enough resources to support developers and property owners to construct affordable housing in Atwater, despite help from the City and various funding sources. To this point, similar issues of lack of rental subsidies or project vouchers to competitively apply for funding opportunities, such as Project HomeKey, are constraints to affordable housing development in the City.

The representative from the Continuum of Care noted that there are 47 persons experiencing homelessness in the city, which require more behavioral health and substance abuse resources than currently available. The aging population in Atwater (persons over the age of 60) has a projected growth of 11 percent during the 6th Housing Element cycle. This population relies of fixed income,

and needs further rental assistance and connections to City or County mental health services. Childcare assistance was deemed to be another important request from the community during a regional homelessness summit.

B2.6 Response to Community Input

During community outreach, community members identified the following overarching themes regarding housing in Atwater. Below is a summary of how each theme is addressed in the Housing Element.

Need more affordable housing for both renters and buyers.

The City will accommodate at least 2,0733,088 units affordable to very low-, low-, and moderate-income households. The City will accommodate these units on sites that are currently vacant or underutilized, including 2936 sites that will be rezoned to allow higher residential densities.

At least 67 39 percent of units assumed to be affordable to moderate- and above moderate-households will be on sites that support multi-family housing, encouraging the development of townhomes and condominiums for more affordable homeownership opportunities.

Housing Program 5 includes actions to encourage the development of at least 10 accessory dwelling units (ADUs) during the planning period by creating standard plans and streamlining the permit process. ADUs often provide relatively affordable rental options.

Through Housing Program 7, the City will expand opportunities for multi-family housing development by contacting non-profit and private developers to facilitate the production of affordable housing as well as pursue funding opportunities available at the local, regional, state and federal levels. Multi-family development provides affordable housing options to add into the City's housing stock.

The City has 35 housing units that are deed-restricted as affordable housing for lower-income households. Although these are not at immediate risk of conversion to market-rate units, under Program 8, the City will work to preserve these units as affordable housing and will proactively monitor all other units to encourage continued affordability beyond existing covenants and work proactively with owners of affordable units to assist in rehabilitation needs.

Support for transit-oriented development and increasing density in areas with existing services.

Housing opportunity sites were prioritized by location, including proximity to transit, job centers, and community services. Site selection focused heavily on infill development of vacant and nonvacant sites along strategic corridors and in neighborhoods with existing services.

Housing Program 1 directs the City to collaborate with other jurisdictions on housing efforts, including funding opportunities, best practices, and other efforts to address housing, transit, economic development, and homeless issues in Merced County. This Program includes participation in the Merced County Association of Governments (MCAG) to manage and implement regional transit services, including an annual community workshop to identify transportation needs for Atwater residents.

Housing Program 12 directs the City to create a well-maintained city infrastructure to provide a safe and accessible urban environment. The City will collaborate with Merced County Transit (the Bus) to determine locations of bus stops to serve new developments in annexed neighborhoods. The city will also partner with local employment organizations to connect Atwater residents with job opportunities such as collaborating with the Bus to provide free bus passes to residents attending job fairs and interviews.

Need for rental assistance for low-income families and rent-restricted housing.

Housing Program 10 directs the City to assist in the development of housing to meet the needs of extremely low, very low- and low-income households and special needs households. The City will continue to work with Housing Authority of the County of Merced to provide housing choice vouchers, public housing, project-based vouchers, and migrant housing centers. The City was allocated Permanent Local Housing Allocation funds and will promote the availability of these funds on the City's website with the goal of assisting eight households through this program.

Need to increase the variety of available rental and for sale housing types, including apartments and townhomes, and more options for three-bedroom units.

In order to facilitate a variety of housing types, especially housing for lower-income households and those with special needs, the City will remove constraints to housing development by amending the Zoning Code through Housing Program 6.

Through Housing Program 7, the City will expand opportunities for multi-family housing development by contacting non-profit and private developers to facilitate the production of affordable housing and pursuing funding opportunities at the local, regional, state and federal levels. Multi-family housing will increase the variety of available rental and for-sale housing types.

Need for housing rehabilitation services homeowners with aging housing stock and those with flood damage.

Housing Program 9 directs the City to utilize various programs and community partnerships to encourage the rehabilitation of housing units, as well as maintaining the supply of affordable housing. The City will work with non-profits in their community to assist with rehabilitation, annually research funding opportunities, with a goal to assist with five rehabilitation projects over eight years.

Need increased education on housing rights and legal resources for tenants and landlords.

Under Housing Program 13 the City works with the Merced County Housing Authority to provide fair housing information and resources to residents and housing providers. Educational flyers and factsheets will be distributed and shared on the City's website, and annual staff trainings will start in 2026~~5~~ on how to refer residents for fair housing complaints.

B2.7 Public Review

B2.7.1 May 2024 Public Review

The Draft Multi-Jurisdictional Housing Element was available for public review for the required 30 days, from May 13 to June 12, 2024. The City notified interested parties via email and the complete document was posted on the project website (<https://mercedmjhe.com/>) and it was printed and put out for review at the City’s Community Services Event on May 29, 2024. The City received one comment letter during the Public Review Period, summarized in Table B2-1, below.

B2.7.2 September 2024 Public Review

Following the formal submittal to HCD on July 1, 2024, the City received preliminary comments from HCD on the Draft Housing Element. The City revised the Draft Housing Element based on HCD’s preliminary comments and posted the revised Draft Housing Element from September 17 through September 24 on the project website, City’s website, and notified interested parties via email. The City received no comments.

B2.7.3 February 2025 Public Review

The City Revised the Draft Housing Element to address HCD’s formal comment letter. The 2nd Revised Draft Housing Element was available for public review from February 24, 2025 to March 3, 2025. The City notified interested parties via email and the complete document was posted on the project website (<https://mercedmjhe.com/>). The draft Housing Element was also published on the City’s website. The City received one comment letter during the Public Review Period, summarized in Table B2-1, below.

B2.7.4 Public Review Comment Matrix

A comment matrix with comments received and City responses is provided in Table B2-1 below.

Table B2-1 Summary of Comments and Responses

Comment Theme	Comment	Response
Affordability	Comment regarding scarcity of affordable housing at all income levels	This comment is acknowledged and programs are intended to increase affordability
Resources	Comment regarding resident education and access of resources	This comment is acknowledged and programs are intended to help residents find housing resources

B2.7.5 March/April 2026 Public Review

The City Revised the Draft Housing Element to address HCD’s formal comment letter. The 3rd Revised Draft Housing Element was available for public review from March 31, 2026 to April 7, 2026. The City notified interested parties via email and the complete document was posted on the project website (<https://mercedmjhe.com/>). The draft Housing Element was also published on the City’s website. The City did not receive any comments.

B3 Housing Needs Assessment

This chapter provides an individual assessment of housing needs for the City of Atwater. This section summarizes demographic, employment, and housing characteristics. The main source of the information is the pre-approved data package for jurisdictions approved by the California Department of Housing and Community Development (HCD). This data is primarily sourced from the United States (U.S.) Census, the U.S. Department of Housing and Urban Development's Comprehensive Housing Affordability Strategy (CHAS), and American Community Survey (ACS) 2017-2021 five-year estimates. Tables and figures also include comparable data for Merced County and California where it is found most useful.

B3.1 Population Characteristics

Population characteristics, such as growth rate, age, and income levels, affect the type and amount of housing needed in a community. Residents' age and income, employment trends, and other factors influence the type of housing needed and the community's ability to afford housing. The following section analyzes the city of Atwater's population characteristics and trends.

B3.2 Population Growth

Table B3-1 analyzes population change from 2000 to 2021. Atwater grew by 21.9 percent from 2000 to 2010, and 11.5 percent from 2010 to 2021. This was higher than both countywide and statewide population growth during both time periods.

Table B3-1 Population Change (2000 - 2021)

Jurisdiction	2000	2010	2021	Percent Change	Percent Change
				2000-2010	2010-2021
Atwater	23,113	28,168	31,401	21.9%	11.5%
Merced County	210,554	255,793	279,150	21.5%	9.1%
California	33,971,648	37,253,956	39,455,353	9.7%	5.6%

Source: U.S. Census Bureau, Census 2000, 2010; Social Explorer tables for Census 2021.

B3.3 Age Characteristics

Table B3-2 shows population by age group and each group's percentage of the total population. The age groups include preschool (under five years), school-age students (five to 17 years), college-age students (18 to 24 years), young adults (25 to 44), middle-aged adults (45 to 64), and seniors (65 and over). In Atwater, the largest age group is the young adult category, representing 27.5 percent of the total population, similar to the county (27.0 percent) and state (28.6 percent). The second largest group in Atwater is middle-aged adults at 22.8 percent. The smallest population by age are preschoolers at 6.0 percent, which is generally consistent with the county (7.5 percent) and slightly higher than the state (6.0 percent).

Table B3-2 Population by Age Group (2021)

Jurisdiction	Under 5 years (Preschool)	5 to 17 years (School-age Students)	18 to 24 years (College-age Students)	25 to 44 (Young Adults)	45 to 64 (Middle-aged Adults)	65 years and over (Seniors)	Total Population
Atwater	1,898	6,983	2,838	8,626	7,157	3,899	31,401
Percent	6.0%	22.2%	9.0%	27.5%	22.8%	12.4%	-
Merced County	20,969	61,609	31,111	75,342	59,131	30,988	279,150
Percent	7.5%	22.1%	11.1%	27.0%	21.2%	11.1%	-
California	2,350,335	6,642,097	3,665,851	11,282,671	9,844,520	5,669,879	39,455,353
Percent	6.0%	16.8%	9.3%	28.6%	25.0%	14.4%	-

Source: U.S. Census Bureau, ACS 2017-2021 (5-year Estimates), Table B01001.

B3.4 Race and Ethnicity

Table B3-3 shows race and ethnicity data for residents in Atwater, Merced County, and California. In Atwater, the majority of the population identifies as white at 51 percent, higher than the county (46.2 percent) and similar to the state (52.1 percent). The second largest population group is Some Other Race representing 30.2 percent of the total population in Atwater. This is similar to Merced County (33.7 percent), but much higher than the state (15.3 percent). In Atwater, 55.3 percent of the population identifies as Hispanic or Latino (of any race), which is lower than the county (61.2 percent) and higher than the state (39.5 percent).

Table B3-3 Population by Race

Jurisdiction	White Alone	Black or African American Alone	American Indian and Alaska Native Alone	Asian Alone	Native Hawaiian and Other Pacific Islander Alone	Some Other Race Alone ¹	Two or More Races ²	Hispanic or Latino, Any Race	Total
Atwater	16,026	1,252	250	1,611	257	9,475	2,530	17,360	31,401
Percent	51.0%	4.0%	0.8%	5.1%	0.8%	30.2%	8.1%	55.3%	-
Merced County	128,897	8,057	3,267	20,945	797	93,978	23,209	170,730	279,150
Percent	46.2%	2.9%	1.2%	7.5%	0.3%	33.7%	8.3%	61.2%	-
California	20,553,732	2,233,258	360,607	5,887,396	148,278	6,036,865	4,235,217	15,593,787	39,455,353
Percent	52.1%	5.7%	0.9%	14.9%	0.4%	15.3%	10.7%	39.5%	-

(1) Note: "Some other race alone" includes all other responses not included in the "white alone", "Black or African American alone", "American Indian and Alaska Native alone", "Asian alone" and "Native Hawaiian and Other Pacific Islander alone" race categories

(2) Note: "Two or more races" includes responses from all individuals who identify themselves as two or more of the aforementioned race groups. If an individual responded with both "two or more races" and "some other race," their response was only included under "two or more races."

Source: U.S. Census Bureau, ACS 2017-2021 (5-year Estimates), Table B02001; U.S. Census Bureau, ACS 2017-2021 (5-year Estimates), Table B03001.

B3.5 Economic Characteristics

Employment

Understanding employment and occupation patterns can provide insight into present housing needs. Table B3-4 shows employment by industry. Educational Services, Health Care, and Social Assistance is the most common industry in Atwater, representing 25.4 percent of all industries. This is also the most common industry countywide (22 percent) and statewide (21.4 percent). The second largest industry in Atwater is Manufacturing with 11.5 percent, which is similar to the county and state. Of the major employers in Merced County, two are within Atwater. These include Western Marketing and Sales and Walmart Supercenter.¹

Table B3-4 Employment by Industry (2021)

Industry	Atwater	Percent	Merced County	Percent	California	Percent
Educational Services, and Health Care and Social Assistance	3,352	25.4%	23,797	22.0%	3,990,094	21.4%
Manufacturing	1,516	11.5%	11,778	10.9%	1,676,715	9.0%
Retail Trade	1,455	11.0%	11,804	10.9%	1,919,513	10.3%
Agriculture, Forestry, Fishing and Hunting, And Mining	1,231	9.3%	12,326	11.4%	394,881	2.1%
Construction	1,064	8.1%	8,623	8.0%	1,235,586	6.6%
Transportation And Warehousing, And Utilities	1,036	7.9%	7,626	7.1%	1,071,181	5.7%
Professional, Scientific, and Management, and Administrative, and Waste Management Services	806	6.1%	7,146	6.6%	2,612,859	14.0%
Arts, Entertainment, and Recreation, and Accommodation and Food Services	698	5.3%	7,682	7.1%	1,835,141	9.8%
Wholesale Trade	549	4.2%	4,036	3.7%	501,378	2.7%
Finance and Insurance, and Real Estate, and Rental and Leasing	514	3.9%	3,075	2.8%	1,107,961	5.9%
Public Administration	502	3.8%	5,058	4.7%	864,476	4.6%
Other Services, Except Public Administration	409	3.1%	4,275	4.0%	927,253	5.0%
Information	58	0.4%	968	0.9%	539,683	2.9%

Source: U.S. Census Bureau, ACS 2017-2021 (5-year Estimates), Table C24050.

According to the California Bureau of Labor Statistics, the unemployment rate in Atwater as of September 2024 is 7.7 percent, which is lower than the long-term average of 8.25 percent over the previous two years. Since 2020, Bureau of Labor Statistics Data indicates that unemployment rates

¹ <https://labormarketinfo.edd.ca.gov/majorer/countymajorer.asp?CountyCode=000047>

have decreased significantly in Atwater and California. Atwater’s unemployment rate is lower than Merced County as a whole (9.1 percent) but is higher than the statewide average (5.3 percent).

Table B3-5 shows the major employers in Merced County, with the number of employees and type of industry. The majority of large employers are located in the City Merced, which is the county’s largest city and the County seat. The largest employers in Atwater include Walmart Supercenter (250-499 employees) and Western Marketing Sales (500-999 employees). Atwater does not anticipate any significant changes in employment trends and is not aware of any new large-scale employers coming to Atwater during the planning period.

Table B3-5 Major Employers in Merced County (2024)

Employer Name	Number of Employees	Location	Industry
Costco Wholesale	100-249	Merced	Wholesale Clubs
County-Merced-Behavioral Hlth	100-249	Merced	Clinics
Dignity Health-Mercy Med Ctr	1,000-4,999	Merced	Hospitals
Foodmaxx	100-249	Merced	Grocers-Retail
Foster Farms	1,000-4,999	Livingston	Poultry Processing Plants (mfrs)
Golden Valley Health Ctr	500-999	Merced	Pharmacies
Golden Valley Health Ctr	100-249	Merced	Clinics
Hilmar Cheese Co Inc	500-999	Hilmar	Cheese Processors (mfrs)
J Marchini & Son Inc	500-999	Le Grand	Farming Service
Liberty Packing Co	250-499	Los Banos	Packing & Crating Service
Live Oak Farms	250-499	Le Grand	Fruits & Vegetables-Growers & Shippers
Livingston Union School District	250-499	Livingston	School Districts
Malibu Boats Inc	250-499	Merced	Boats-Manufacturers
Memorial Hospital Los Banos	100-249	Los Banos	Hospitals
Mental Health Svc For Merced	250-49	Merced	Mental Health Services
Merced County Human Svc	500-999	Merced	Government Offices-County
Quad/Graphics Inc	500-999	Merced	Printers (mfrs)
Scholle	100-249	Merced	Packaging Materials-Manufacturers
Sensient Natural Ingredients	250-499	Livingston	Dehydrating Service (mfrs)
University of CA Merced	500-999	Merced	Schools-Universities & Colleges Academic
Walmart	250-499	Merced	Department Stores
Walmart Supercenter	250-499	Atwater	Department Stores
Weaver Union School District	100-249	Merced	School Districts
Western Marketing & Sales	500-999	Atwater	Farms
Yosemite Wholesale Warehouse	100-249	Merced	Warehouses

Source: California Employment Development Department, Major Employers in Merced County. Accessed 2024
<https://labormarketinfo.edd.ca.gov/majorer/countymajorer.asp?CountyCode=000047>

Table B3-6 shows the employment estimates, average hourly wage and average annual wage for employment industries in the Merced Metropolitan Statistical Area (MSA), as of May 2023. The occupations offering the lowest wages are food preparation and serving related, healthcare support,

farming, fishing, and forestry. Occupations offering the highest wages include Management, Legal, and Healthcare Practitioners.

The largest percentage of employed civilians in Atwater are in health care, manufacturing/production, and retail. While healthcare practitioners' average higher annual salaries (\$107,806) than Merced County's Area Median Income (AMI), which was \$69,106 in 2021, Healthcare Support salaries (\$36,900) average approximately 53 percent of the AMI. Additionally, average salaries for Production (\$45,760) and Sales and other related occupations (\$45,261) fall short of the AMI as well. Compared to the annual income limits shown on Table B3-6, it can be assumed that the majority of healthcare practitioners fall in the Above Moderate-income category, Production and Sales workers fall into the Low-income category, and Healthcare Support workers fall into the Very Low-income category.

Table B3-6 Occupational Employment and Wages by Major Occupational Group, Merced Metropolitan Area (2023)

Major Occupational Group	Mean Hourly Wage	Mean Annual Wage
Total, all occupations	\$27.45	\$57,096
Management	\$58.77	\$113,073
Business and financial operations	\$37.87	\$78,770
Computer and mathematical	\$43.64	\$90,771
Architecture and engineering	\$43.00	\$89,440
Life, physical, and social science	\$36.22	\$75,338
Community and social service	\$28.81	\$59,925
Legal	\$54.16	\$112,653
Educational instruction and library	\$36.71	\$76,357
Arts, design, entertainment, sports, and media	\$28.59	\$59,467
Healthcare practitioners and technical	\$51.83	\$107,806
Healthcare support	\$17.74	\$36,900
Protective service	\$29.50	\$61,360
Food preparation and serving related	\$17.87	\$37,170
Building and grounds cleaning and maintenance	\$20.78	\$43,222
Personal care and service	\$19.05	\$39,624
Sales and related	\$21.76	\$45,261
Office and administrative support	\$23.71	\$49,317
Farming, fishing, and forestry	\$17.98	\$37,398
Construction and extraction	\$30.48	\$63,398
Installation, maintenance, and repair	\$30.43	\$63,294
Production	\$22.00	\$45,760
Transportation and material moving	\$22.02	\$45,802

Source: U.S. Bureau of Labor Statistics. Occupational Employment and Wages in Merced (May 2023)
https://www.bls.gov/regions/west/news-release/occupationalemploymentandwages_merced.htm

Income Definitions and Income Limits

The state and federal governments classify household income into several categories based upon the relationship to the county area median income (AMI), adjusted for household size. The U.S. Department of Housing and Urban Development (HUD) estimate of AMI is used to set income limits for eligibility in federal housing programs. The income categories include:

- Acutely low-income households, which earn up to 15 percent AMI;
- Extremely low-income households, which earn up to 30 percent AMI;
- Very low-income households, which earn between 31 and 50 percent AMI;
- Low-income households, which earn between 51 and 80 percent AMI; and
- Median-income households, which earn 100 percent AMI.

For all income categories, income limits are defined for various household sizes based on a four-person household as a reference point. Income limits for larger or smaller households are calculated by HUD (see Table B3-7). According to HUD, the AMI for a four-person household in Merced County was \$80,300 in 2022.

Table B3-7 HUD Income Limits by Person per Household

Household Size:	1	2	3	4	5	6	7	8
Acutely Low-Income	\$8,450	\$9,650	\$10,850	\$12,050	\$13,000	\$14,000	\$14,950	\$15,900
Extremely Low-Income	\$16,350	\$18,700	\$23,030	\$27,750	\$32,470	\$37,190	\$41,910	\$46,630
Very Low-Income	\$27,300	\$31,200	\$35,100	\$38,950	\$42,100	\$45,200	\$48,300	\$51,450
Low-Income	\$43,650	\$49,850	\$56,100	\$62,300	\$67,300	\$72,300	\$77,300	\$82,250
Median-Income	\$56,200	\$64,250	\$72,250	\$80,300	\$84,730	\$93,150	\$99,550	\$106,000
Moderate-Income	\$67,450	\$77,100	\$89,700	\$96,350	\$104,050	\$111,750	\$119,450	\$127,200

Source: U.S. Department of Housing and Urban Development (HUD), 2022.

The California Department of Housing and Community Development (HCD) uses the income categories shown in Table B3-8 to determine eligibility for state housing programs. HCD's methodology for calculating AMI is slightly different from HUD's methodology, and therefore the AMI and income limits vary.

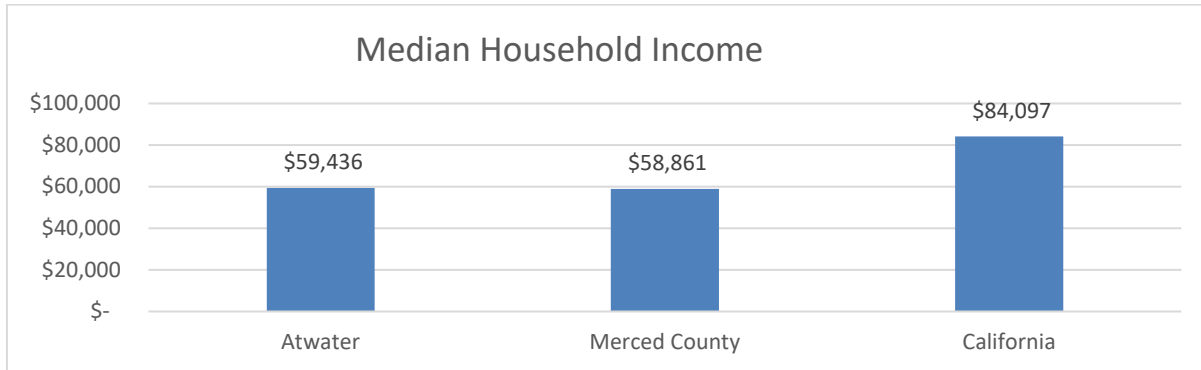
Table B3-8 State of California Income Categories

Income Category	Percent of County AMI
Extremely Low	0-30% AMI
Very Low	31%-50% AMI
Low	51%-80% AMI
Moderate	81%-120% AMI
Above Moderate	120% AMI or greater

Source: California, CA Health & Safety Code Section 50093.

Figure B3-1 shows median household income in Atwater as reported by the 2017-2021 ACS. This median income is for all households, regardless of household size. The median household income in Atwater was \$59,436 in 2021, which was slightly higher than in Merced County (\$58,861) and significantly lower than in California (\$84,097).

Figure B3-1 Median Household Income



Source: U.S. Census Bureau, ACS 2017-2021 (5-year Estimates), Table B19013.

Table B3-9 compares the median household income by race in 2021. In Atwater, Asian and Native Hawaiian/Other Pacific Islander households had the highest median incomes at \$73,381, followed by Some Other Race households at \$61,324. This is generally consistent with the county and state numbers, where Asian and Native Hawaiian/Other Pacific Islander households' income are on the higher end. American Indian and Alaskan Native households had the lowest median income in Atwater, which is generally consistent with the county and state.

Table B3-9 Median Household Income by Race/Ethnicity (dollars)

Jurisdiction	White, alone	Black or African American, alone	American Indian and Alaskan Native, alone	Asian, alone	Native Hawaiian and Other Pacific Islander, alone	Some Other Race, alone	Two or More Races, alone	Hispanic or Latino, Any Race
Atwater	59,386	46,010	26,823	73,365	73,381	61,324	60,909	58,679
Merced County	60,918	45,573	50,214	71,829	125,500	55,083	56,355	54,635
California	88,616	58,958	66,904	108,477	87,066	63,975	79,777	67,327

Source: U.S. Census Bureau, ACS 2017-2021 (5-year Estimates), Table B19013.

Overpayment and Housing Cost Burdens

Table B3-10 lists the number of households overpaying for housing by tenure. Generally, renters are more affected by overpayment than owners. As shown, overpaying renter-occupied households account for 21.6 percent of households in Atwater, which is consistent with the county and state. Overpaying renter occupied households comprise 11.3 percent of households in the city, which is comparable to the county (11.8 percent) but less than in California (14.4 percent).

Table B3-10 Cost Burdened Households by Tenure

Jurisdiction	Owner-Occupied Overpaying	Renter-Occupied Overpaying	Total Overpaying
Atwater	1,162	2,231	3,393
Percent	11.3%	21.6%	32.9%
Merced County	9,611	17,470	27,081
Percent	11.8%	21.4%	33.2%
California	1,904,162	3,030,934	4,935,096
Percent	14.4%	22.9%	37.3%

Source: U.S. Census Bureau, ACS 2006-2010, 2011-15, 2017-2021 (5-year Estimates), Table B25091 and B25070

CHAS data provided by HUD provides information on cost burden based on the HUD Area Median Family Income (HAMFI). This data is included in Table B3-11 below. While the totals do not align exactly with 2021 ACS data presented above, the CHAS data identifies the level at which cost burdened households are overpaying for housing. As shown, 19.4 percent of cost burdened households are paying between 30 percent and 50 percent of their income on housing costs. Further, 14.3 percent of households are spending more than 50 percent of their income on housing. Based on CHAS data, Atwater has slightly higher rates of moderate and severe cost burden than Merced County, but a lower rate of moderate and severe cost burden than the state.

Table B3-11 Overpayment by Tenure (dollars)

Jurisdiction	Moderate Cost Burden >30% to <=50%	Severe Cost Burden >50%	Total Households
Atwater	1,780	1,314	9,160
Percent	19.4%	14.3%	100.0%
Merced County	14,710	12,285	80,010
Percent	18.4%	15.4%	100.0%
California	2,632,205	2,427,660	13,044,265
Percent	20.2%	18.6%	100.0%

Source: U.S. Department of Housing and Urban Development, CHAS 2015-2019 (5-Year Estimates), Table 7.

B3.6 Household Characteristics

Table B3-12 provides information on household types. Of the 10,309 households in Atwater, 5,096 are married-couple households with or without children, and 665 are cohabitating couple households with or without children. Approximately half the total households in Atwater, Merced County, and California are married-couple households.

Table B3-12 Households by Type

Jurisdiction	Married-Couple Household			Cohabiting Couple Household			Total Households
	Total	Children	No Children	Total	Children	No Children	
Atwater	5,096	2,192	2,904	665	350	315	10,309
Percent	49.4%	21.3%	28.2%	6.5%	3.4%	3.1%	-
Merced County	39,912	18,171	21,741	6,862	3,910	2,952	81,618
Percent	48.9%	22.3%	26.6%	8.4%	4.8%	3.6%	-
California	6,539,445	2,780,272	3,759,173	938,780	338,874	599,906	13,217,586
Percent	49.5%	21.0%	28.4%	7.1%	2.6%	4.5%	-

Source: U.S. Census Bureau, ACS 2017-2021 (5-year Estimates), Table B11012.

B3.7 Large Households

Large family households are defined by U.S. Census Bureau as households containing five or more persons. Table B3-13 provides information on large households by tenure. As shown, 17.8 percent of households in Atwater consist of five or more people, which is lower than the county average and higher than the state. In Atwater, owner-occupied five-person households (6.4 percent of total households), renter-occupied five-person households (6.3 percent) and renter-occupied six-person households (1.6 percent) make up the largest percentages of large households, while owner-occupied six person households make up the smallest percentage of large households. Additionally, Atwater and Merced County have higher percentages of renter-occupied five- person households than in California.

Table B3-13 Large Households by Tenure

Jurisdiction	Total Large Households	Owner-Occupied Large Households			Renter-Occupied Large Households		
		5-Person	6-Person	7-or-More Person	5-Person	6-Person	7-or-More Person
Atwater	1,835	658	107	141	651	169	109
Percent	17.8%	6.4%	1.0%	1.4%	6.3%	1.6%	1.1%
Merced County	17,710	4,737	1,952	1,649	5,380	2,184	1,808
Percent	21.7%	5.8%	2.4%	2.0%	6.6%	2.8%	2.2%
California	1,830,468	580,759	246,420	200,281	456,013	199,263	147,732
Percent	13.9%	4.4%	1.9%	1.5%	3.5%	1.5%	1.1%

Source: U.S. Census Bureau, ACS 2017-2021 (5-year Estimates), Table B25009.

B3.8 Overcrowding

The U.S. Census defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens). Units with more than 1.5 persons per room are considered severely overcrowded. Table B3-14 provides information on overcrowding by tenure in Atwater. There is a total of 715 overcrowded households in the city, of which 32.7 percent are owner-occupied households, and the remaining 67.3 percent are renter-occupied.

Table B3-14 Overcrowding Severity by Tenure

Jurisdiction	Owner-Occupied			Renter-Occupied		
	Total	1.0 to 1.5 Occupants per Room	More than 1.5 Occupants per Room	Total	1.0 to 1.5 Occupants per Room	More than 1.5 Occupants per Room
Atwater	5,366	158	76	4,943	349	132
Percent	52.1%	1.5%	0.7%	47.9%	3.4%	1.3%
Merced County	42,146	1,766	551	39,472	3,090	1,362
Percent	51.6%	2.2%	0.7%	48.4%	3.8%	1.7%
California	7,335,247	229,637	82,236	5,882,339	453,625	321,169
Percent	55.5%	1.7%	0.6%	44.5%	3.4%	2.4%

Source: U.S. Census Bureau, ACS 2006-2010, 2011-2015, 2017-2021 (5-year Estimates), Table B25014.

B3.9 Special Needs Groups

Within the general population there are several groups of people who have special housing needs. These needs can make it difficult for members of these groups to locate suitable housing. The following subsections identify and discuss these special housing needs groups.

Seniors

Table B3-15 identifies senior households in Atwater, Merced County, and California. The percentage row identifies the percent of the specified age range within all owner-occupied or renter-occupied household categories. There are far more owner-occupied senior households in Atwater (1,633 total), than renter-occupied senior households (816 total), which is like the county and state. As shown, seniors between the ages of 65 and 74 make up the largest percentages of owner and renter-occupied households (15.4 percent and 8.3 percent of total households, respectively), consistent with the county and state.

Table B3-15 Senior Households by Tenure

Jurisdiction	Owner-Occupied			Renter-Occupied		
	65 to 74	75 to 84	85 and over	65 to 74	75 to 84	85 and over
Atwater	826	545	262	409	302	105
Percent	15.4%	10.2%	4.9%	8.3%	6.1%	2.1%
Merced County	7,176	4,232	1,559	3,318	1,216	495
Percent	39.9%	23.5%	8.7%	18.4%	6.8%	2.8%
California	1,386,828	679,546	288,915	501,465	229,153	132,237
Percent	43.1%	21.1%	9.0%	15.6%	7.1%	4.1%

Source: U.S. Census Bureau, ACS 2017-2021 (5-year Estimates), Table B25007.

Table B3-16 shows the housing cost burdens by elderly family type and tenure in Atwater based on data extracted through HUD's CHAS (note that the CHAS data defines senior or elderly as age 62 and over, as opposed to the ACS that reports seniors as age 65 and older). Based on data in this table, of all elderly persons in lower-income categories (less than or equal to 80 percent HAMFI),

approximately 26.9 percent of all senior-owner households and 46.4 percent of all senior-renter households in Atwater had a housing cost burden of 30 percent or greater.

Table B3-16 Overpayment by Tenure Among Senior Households, Atwater

	Owners		Renters		Total
	Elderly Family	Elderly Non- family	Elderly Family	Elderly Non- family	
Household Income <= 30% HAMFI Extremely Low-Income					
TOTAL HOUSEHOLDS <= 30% HAMFI	45	135	25	105	310
Number w/ Cost Burden <= 30%	20	35	-	20	75
Number w/ Cost Burden > 30% to <= 50%	10	15	-	10	35
Number w/ Cost Burden > 50%	15	85	25	75	200
Percent with Cost Burden >30% HAMFI	56.0%	74.0%	100.0%	81.0%	76.0%
Household Income > 30% to <= 50% HAMFI Very Low-Income					
TOTAL HOUSEHOLDS > 30% to <= 50% HAMFI	30	150	40	45	265
Number w/ Cost Burden <= 30%	10	65	-	20	95
Number w/ Cost Burden > 30% to <= 50%	20	20	15	10	65
Number w/ Cost Burden > 50%	-	65	25	15	105
Percent with Cost Burden >30% HAMFI	67.0%	57.0%	100.0%	56.0%	64.0%
Household Income > 50% to <= 80% HAMFI Low-Income					
TOTAL HOUSEHOLDS > 50% to <= 80% HAMFI	155	150	145	60	510
Number w/ Cost Burden <= 30%	90	90	60	15	255
Number w/ Cost Burden > 30% to <= 50%	55	60	85	45	245
Number w/ Cost Burden > 50%	10	-	-	-	10
Percent with Cost Burden >30% HAMFI	42.0%	40.0%	59.0%	75.0%	50.0%
Household Income > 80% to <= 100% HAMFI					
TOTAL HOUSEHOLDS > 80% to <= 100% HAMFI	55	10	50	44	159
Household Income > 100% HAMFI					
TOTAL HOUSEHOLDS > 100% HAMFI	430	160	99	45	734
Total Income <80% HAMFI and Cost Burden > 30%	355		305		660
Percent Income <80% HAMFI and Cost Burden > 30%	26.9%		46.4%		33.4%
GRAND TOTAL HOUSEHOLDS	715	605	359	299	1,978

Elderly family constitutes 2 persons with either or both age 62 and over.

HAMFI = HUD Area Median Family Income

Source: HUD Consolidated Planning / Comprehensive Housing Affordability Strategy (CHAS) database, 2015-2019 estimates, Table 7, accessed 2023. <https://www.huduser.gov/portal/datasets/cp.html>

Table B3-17 summarizes cost burden data for units occupied by senior households. As shown, 63.7 percent of senior households in Atwater are cost burdened by less than or equal to 30 percent. Further, 20.4 percent are cost burdened by greater than 30 percent and less than or equal to 50 percent, while 15.9 percent are cost burdened by more than 50 percent. There is a higher percentage of senior households cost burdened in Atwater than in Merced County by over 30 percent.

Table B3-17 Cost Burdened Senior Households

Jurisdiction	Cost Burden <= 30%	Cost Burden >30% to <=50%	Cost Burden >50%	Total Senior Households
Atwater	1,260	403	315	1,978
Percent	63.7%	20.4%	15.9%	100.0%
Merced County	12,080	3,220	2,880	18,180
Percent	66.4%	17.7%	15.8%	100.0%
California	1,963,195	620,335	736,510	3,320,040
Percent	59.1%	18.7%	22.2%	100.0%

Source: U.S. Department of Housing and Urban Development, CHAS 2015-2019 (5-Year Estimates), Table 7.

Resources for Senior-Headed Households

The Merced County Housing Authority manages six senior housing complexes, none of which are in Atwater. As shown in Table B3-16, there are a total of 658 senior rental-occupied households in Atwater, of which 420 are lower-income. Based on this data, there is a significant gap between lower-income senior rental-occupied households and available units.

Persons with Disabilities (including Developmental Disabilities)

Individuals with disabilities, including developmental disabilities, may require special housing accommodations or assistance. Community members with ambulatory difficulties, self-care limitations, or cognitive conditions may require assisted living or financial assistance. Table B3-18 identifies the number of residents with one or more disabilities. In Atwater, 7.3 percent of the total population has one type of disability, while 6.9 percent report two or more disabilities, which is similar to the county (6.6 percent and 6.3 percent, respectively) but higher than the state (5.4 percent and 5.2 percent, respectively). Among those with a disability, 51.4 percent have one disability, while 48.6 percent have two or more types of disability.

Table B3-18 Population by Number of Disabilities

Jurisdiction	Total	With One Type of Disability	With two or More types of Disability	No Disability
Atwater	31,214	2,266	2,144	26,804
Percent	-	7.3%	6.9%	85.9%
Merced County	276,304	18,099	17,266	240,939
Percent	-	6.6%	6.3%	87.2%
California	38,946,377	2,108,406	2,037,095	348,000,876
Percent	-	5.4%	5.2%	89.4%

Source: U.S. Census Bureau, ACS 2017-2021 (5-year Estimates), Table C18108.

Table B3-19 summarizes the population with a disability by age. In Atwater, residents aged 18 to 64 years make up the largest proportion of disabled individuals at 6.4 percent of the total population. This is consistent with the county (6.8 percent) and higher than the state (5.1 percent). The under 18 years age group accounts for the smallest percent of those with a disability at 1.7 percent.

Table B3-19 Disability by Age for the Total Population

Jurisdiction	Total	Under 18 Years	18 to 64 Years	65 Years and Older
Atwater	31,214	523	2,005	1,882
Percent	-	1.7%	6.4%	6.0%
Merced County	276,304	3,666	18,311	13,388
Percent	-	1.3%	6.6%	4.9%
California	38,946,377	315,849	1,964,845	1,864,807
Percent		0.8%	5.1%	4.8%

Source: U.S. Census Bureau, ACS 2017-2021 (5-year Estimates), Table C18108.

Table B3-20 identifies residents with a developmental disability by age. In Atwater, most residents with a developmental disability are 18 years old and older, while the majority in both the state and county are under 18 years.

Table B3-20 Developmental Disability by Age

Jurisdiction	Under 18 Years	18 Years and Older	Total Population with a Disability
Atwater	232	246	478
Merced County	1,507	1,287	2,794
California	192,384	185,353	377,737

Source: California Department of Developmental Services, DDS Quarterly Consumer Report, December 2021.

Table B3-21 includes data summarizing the housing location of residents with developmental disabilities. A majority of residents with a developmental disability in Atwater live in the home of a parent, family member, or guardian (385). An additional 47 residents live in an independent/ supported living facility, 29 residents live in community care facilities, 11 residents live in intermediate care facilities, and less than 11 residents live in foster/family homes.

Table B3-21 Developmental Disability by Residence

Residence Type	City of Atwater	Merced County	California
Home of Parent/Family/Guardian	385	2,937	309,381
Independent/Supported Living	47	232	27,881
Community Care Facility	29	80	23,728
Intermediate Care Facility	11	60	6,188
Foster/Family Home	<11	<11	8,288
Other	<11	<11	4,792
Total	>472	>3,309	380,258

Source: California Department of Developmental Services, DDS Quarterly Consumer Report, January 2022.

The Supplemental Security Income (SSI) program, administered by the U.S. Social Security Administration, shows the number of persons with disabilities who may have housing needs because of their low incomes. As of December 2021, 10,190 SSI recipients in Merced County were receiving benefits because they were blind or disabled².

Resources for Persons with Disabilities

According to the 2016-2024 Atwater Housing Element, the California Department of Developmental Services currently provides community-based services to persons with developmental disabilities through a statewide system of 21 regional centers, four developmental centers, and two community-based facilities. Regional centers provide “point of entry” services to those that are developmentally disabled. The closest center to Atwater is the Central Valley Regional Center field office in Merced, approximately nine miles away. The Central Valley Regional Center is a non-profit community agency that contracts with local businesses to provide services to developmentally disabled persons and their families. While there are no specific public housing resources that are accessible to people with disabilities in Atwater, there are 35 total public housing units available to low and moderate-income families and individuals in the city. As shown in Table B3-19, there are more than 4,000 people with a disability in Atwater, illustrating a significant gap in housing resources for residents with a disability.

Large Households

Table B3-22 provides information on large households by tenure in Atwater, Merced County, and California. See section 6.2.7: *Large Households*, above, for more information. As shown, there are 906 owner-occupied large households and 929 renter-occupied large households. There is a smaller percentage of total large households in Atwater (17.8 percent) than the county (21.7 percent) and a larger percentage than the state (13.9 percent).

Table B3-22 Large Households by Tenure

Jurisdiction	Total Households	Owner-Occupied Large Households			Renter-Occupied Large Households		
		5-Person	6-Person	7-or-More Person	5-Person	6-Person	7-or-More Person
Atwater	10,309	658	107	141	651	169	109
Percent		6.4%	1.0%	1.4%	6.3%	1.6%	1.1%
Merced County	81,618	4,737	1,952	1,649	5,380	2,184	1,808
Percent		5.8%	2.4%	2.0%	6.6%	2.7%	2.2%
California	13,217,586	580,759	246,420	200,281	456,013	199,263	147,732
Percent		4.4%	1.9%	1.5%	3.5%	1.5%	1.1%

Source: U.S. Census Bureau, ACS 2016-2020 (5-year Estimates), Table B25009.

² Source: U.S. Social Security administration. SSI Recipients by State and County, 2021.

https://www.ssa.gov/policy/docs/statcomps/ssi_sc/2021/ca.html

Note: Although these figures can give a sense of the proportion of the population with different types of disabilities, a much smaller proportion of the population may actually require specially adapted housing to accommodate disabilities.)

Resources for Large Households

Units with four or more bedrooms are the primary housing resource for large households. Table B3-23 compares the number of large households to the number of large units. Units with five or more rooms provide housing options for large households and work to lessen overcrowding. As shown, there are 360 units in Atwater with five or more bedrooms but 1,835 large households, leaving a resource gap of more than 1,475 units. When considering all large units with four or more bedrooms (1,651) there is still a resource gap of more than 184 units. To help mediate the issue of overcrowding and large households, the City will implement Program 7.

Table B3-23 Large Households and Units

Jurisdiction	Total Households	Large Households (5 or more persons)	Total Units	Large Units (4 bedrooms)	Large Units (5 or more bedrooms)
Atwater	10,309	1,835	10,580	1,291	360
Percent		17.8%		12.5%	3.5%
Merced County	81,618	17,710	86,767	17,656	3,002
Percent		21.7%		21.6%	3.7%
California	13,217,586	1,830,468	14,328,539	2,373,268	596,588
Percent		13.8%		18.0%	4.5%

Source: U.S. Census Bureau, ACS 2017-2021 (Five-year Estimates), Tables DP04.

Female-Headed Households

Table B3-24 identifies single female-headed households with their own children under age 18. The table values do not include female-headed households with unrelated dependents. Atwater has a total of 1,050 single female-headed households with their own children under 18, representing 10.2 percent of total households. This is higher than the county (7.8 percent) and the state (4.7 percent).

Table B3-24 Single Female-Headed Households with Own Children

Jurisdiction	Total Households	Single Female-Headed Households*	Percent
Atwater	10,309	1,050	10.2%
Merced County	81,618	6,365	7.8%
California	13,217,586	614,747	4.7%

Notes: Single Female-Headed Households with own children under age 18, does not include unrelated dependents.

Source: U.S. Census Bureau, ACS 2017-2021 (5-year Estimates), Table B11012.

Table B3-25 compares female-headed households by tenure. As shown, there is a larger percentage of renter-occupied female-headed households (59.8 percent) than owner-occupied households (40.2 percent). Both the county and state follow a similar trend.

Table B3-25 Female-Headed Family Households by Tenure

Jurisdiction	Owner-Occupied	Renter-Occupied	Total
Atwater	806	1,201	2,007
Percent	40.2%	59.8%	
Merced County	4,569	10,129	14,698
Percent	31.1%	68.9%	
California	713,100	996,675	1,709,775
Percent	41.7%	58.3%	

Source: U.S. Census Bureau, ACS 2017-2021 (5-year Estimates), Table B17010.

Resources for Single-Parent and Female-Headed Households

Resources for lower-income female-headed households include existing affordable housing units in the city as well as rental assistance provided through the County's Housing Choice Voucher (HCV) program. Below is a list of local agencies dedicated to assisting parents:

- First 5 Merced County is dedicated to improving the lives of Merced County's young children, including Atwater, and their families through a comprehensive system of education, health services, and other crucial programs. The Strong Families programs enable families to raise their children in a safe, stable, and nurturing home. These programs work with families, educators, health, and social services providers to support parents and guardians. Below is a list of local agencies dedicated to assisting parents:
- Ace Overcomers Program, committed to helping teens and adults overcome the effects of adverse childhood experiences (ACEs).
- Merced County Office of Education, providing educational services to children and families including childcare subsidies to offset the costs of care.
- Sierra Vista Child and Family Services, committed to supporting the community by providing mental health services to children and youth ages 0 to 21.
- Maternal, Child, and Adolescent Health (MCAH) Services, providing information and services to mothers and children.

Extremely Low-Income Residents

Extremely low-income (ELI) households are defined as households with incomes under 30 percent of the AMI. ELI households typically consist of minimum wage workers, seniors on fixed incomes, the disabled, and farmworkers. This income group is likely to live in overcrowded and substandard housing conditions. Many ELI households overlap with other special housing needs groups such as seniors and people with disabilities, putting the group at a disproportionate need for affordable housing options. ELI households have specific housing needs that require greater government subsidies and assistance, housing with supportive services, single room occupancy (SRO) and/or shared housing, and/or rental subsidies or vouchers. In recent years, rising rents, higher income and credit standards imposed by landlords, and insufficient government assistance has exacerbated the problem. Without adequate assistance this group has a high risk of homelessness.

Table B3-26 identifies extremely low-income (ELI) households by tenure in Atwater. ELI households are households whose income is less than or equal to 30 percent of the AMI. Renter-occupied extremely low-income households account for 10.5 percent of total households in Atwater, significantly higher than owner-occupied extremely low-income households (4.0 percent). The

percentage of renter-occupied extremely low-income households in the city is similar to the rate in the county (10.7 percent) and the state (10.8 percent). The percentage of owner-occupied extremely low-income households in Atwater (4.0 percent) is slightly higher than in Merced County (3.7 percent), but lower than in California (4.5 percent). There are 1,329 total extremely low-income households in Atwater, comprising approximately 14.5 percent of total households in the city. This is similar to the county (14.3 percent) and slightly lower than the state (15.3 percent).

Table B3-26 Extremely Low-Income Households by Tenure

Jurisdiction	Income <=30% HAMFI			Total Households
	Owner-Occupied	Renter-Occupied	Total ELI Households	
Atwater	364	965	1,329	9,160
Percent	4.0%	10.5%	14.5%	100.0%
Merced County	2,940	8,540	11,480	80,010
Percent	3.7%	10.7%	14.3%	100.0%
California	592,010	1,427,405	2,019,415	13,217,586
Percent	4.5%	10.8%	15.3%	100.0%

Source: U.S. Housing and Urban Development, CHAS 2015-2019 (5-Year Estimates), Table 7.

Table B3-27 summarizes cost burden among extremely low-income households. As shown, in Atwater 289 of 364 extremely low-income owner-occupied households (79.4 percent) are experiencing moderate or severe housing cost burden. This is similar to the county (79.1 percent) and the state (80.1 percent). In addition, 895 of the 965 extremely low-income renter-occupied households (92.7 percent) are experiencing a housing cost burden of over 30 percent of the household income. This is higher than in both the county (87.4 percent) and the state (87.9 percent). Among extremely low-income households in Atwater, 56.8 percent are renter-occupied households with a severe cost burden. This is higher than in the county (51.7 percent) and the state (51.4 percent). ELI households also generally experience more housing problems compared to other income categories. Approximately 75 percent of total ELI households experience any housing problem, while approximately 60 percent of low-income households and approximately 18 percent of moderate- and above moderate-income households experience any housing problem.

Table B3-27 Extremely Low-Income Households Overpaying by Tenure

Jurisdiction	Owner-Occupied			Renter-Occupied			Total ELI Households
	Cost Burden <30%	Moderate Cost Burden 30%-50%	Severe Cost Burden >50%	Cost Burden <30%	Moderate Cost Burden 30%-50%	Severe Cost Burden >50%	
Atwater	75	95	194	70	140	755	1,329
Percent	5.6%	7.1%	14.6%	5.3%	10.5%	56.8%	100.0%
Merced County	615	595	1,730	1,075	1,530	5,935	11,480
Percent	5.4%	5.2%	15.1%	9.4%	13.3%	51.7%	100.0%
California	117,890	92,945	381,175	172,130	216,880	1,038,395	2,019,415
Percent	5.8%	4.6%	18.9%	8.5%	10.7%	51.4%	100.0%

Source: US Housing and Urban Development, CHAS 2015-2019 (5-Year Estimates).

Resources for Extremely Low-Income Households

The Housing Authority of the County of Merced currently administers the HCV Program, a federal rent subsidy program under the Department of Housing and Urban Development. The program provides rent subsidy to families in privately owned existing rental units in Merced County. The Housing Authority of the County of Merced currently administers 2,705 HCVs within the county.³

In addition to the HCV program, the Housing Authority also administers Emergency Housing Vouchers (EHV). In order to be eligible for an EHV, an individual must meet one of the four eligibility criteria:

1. Homeless;
2. At risk of homelessness;
3. Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking;
4. Recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability.⁴

Table B3-28 includes an inventory of affordable housing in Atwater. As shown, there are 35 affordable units in the city. These units serve households making less than 80 percent of the AMI. Based on the identified need (965 ELI rental households) there is a significant need for additional units affordable to ELI households in the city.

Table B3-28 Inventory of Public Assisted Complexes, Atwater

Name	Address	City	Zip	Affordable Units
Atwater Apartments - (Site A)	1191 Willow Street	Atwater	95301	35

Note: All locally assisted or restricted developments may not be included in this list.
Source: California Housing Partnership, 2023.

Farmworkers

Farmworkers and day laborers are an essential component of California's agriculture industry. Farmers and farmworkers are the cornerstone of the larger food sector, which includes the industries that provide farmers with fertilizer and equipment; farms to produce crops and livestock; and industries that process, transport, and distribute food to consumers. Farmworker households are often comprised of extended family members or single male workers. Farmworkers make up the majority of the agricultural labor sector and include individuals whose primary income is earned through either seasonal or permanent agricultural labor.

Farmworkers are traditionally defined as persons whose primary incomes are earned through permanent or seasonal agricultural labor. Migrant farmworkers as a group consist of individuals who travel not only across county lines but also from one major geographic region of California to another to find work. Travel for work prevents them from returning to their primary residence every evening. Many migrant farmworkers are single males, most of whom are married and migrate alone

³ Housing Authority of Merced County, *Housing Choice Voucher*, <http://www.merced-pha.com/housing-choice-voucher/> accessed June 2023.

⁴ Housing Authority of Merced County, *Emergency Housing Vouchers*, <http://www.merced-pha.com/emergency-housing-vouchers-ehv-frequently-asked-questions-faq/> accessed June 2023.

to support their families who live at home base. However, there are many migrant families who have more than one employed member.

When workloads increase during harvest periods, the labor force is supplemented by seasonal labor, often supplied by a labor contractor. Non-migrant seasonal farmworkers consist of individuals who work only during a harvest season, and who are able to return to their primary residence every evening. This group, which includes cannery workers, is fairly significant, and includes more than half of all farmworkers in the state. Permanent farmworkers comprise the smallest group of individuals employed in agriculture. Permanent farmworkers are employed year-round, usually by one employer in the agricultural industry. This group generally lives in rural areas in permanent housing provided by the grower. Providing migratory or seasonal farmworkers with affordable shelter has long presented a problem. Traditionally, growers offered some level of shelter to workers, yet the availability of grower-offered housing has dramatically decreased over the last twenty years. While housing for farmworkers is most convenient when located on or adjacent to farms, housing affordable at very low-income levels tends to be more feasible in cities. Housing in cities, with services located nearby, may also be more suitable for seasonal farmworkers whose families live with them. Increasingly, farmworkers are living in cities on a year-round basis, especially in existing single family rental units in older neighborhoods that offer relatively low-cost housing and its central location in relation to farmland.

According to a study conducted by the University of California, Merced, farmworker households frequently experience high poverty rates, severe overcrowding, and poor housing conditions, with a majority renting and living in substandard environments due to their typically lower incomes and face a disproportionate need for more affordable housing. These housing issues, combined with the demanding and poorly compensated nature of farmwork, often lead to negative health outcomes and exacerbate respiratory and infectious diseases.⁵

The U.S. Department of Agriculture provides countywide farmworker population data generated by the Census of Agriculture. The most recent Census of Agriculture data (2017) identified 15,566 farmworkers in the county.⁶

Table B3-29 provides 2017-2021 ACS data for the total population of residents working in the agriculture, forestry, fishing and hunting, and mining industries (including farmworkers) in Atwater and Merced County. Atwater had 1,231 workers in these categories in 2021, representing 10.0 percent of the total population of workers in these industries across the county. Please note that this number is not strictly farmworkers, as the ACS data does not identify numbers in subcategories.

Table B3-29 Farmworker Population

Jurisdiction	Population in Agriculture, Forestry, Fishing and Hunting, and Mining Industries (Including Farmworkers)
Atwater	1,231
Percent	10.0%
Total Merced County	12,326

Source: U.S. Census Bureau, ACS 2017-2021 (5-year Estimates), Table C24050.

⁵ Farmworker Health in California. UC Merced. August 2022.

https://cl.cucmerced.edu/sites/cl.cucmerced.edu/files/page/documents/fwhs_report_2.2.2383.pdf?_gl=1*1rg0e9w*_ga*MTU3Njc2MDMzNS4xNzA4OTk2Nzg*_ga_TSE2LSBDQZ*MTcwODk5Njc4MC4xLjAuMTcwODk5Njc4MC42MC4wLjA.

⁶ U.S. Department of Agriculture, Census of Agriculture, <https://www.nass.usda.gov/AgCensus/> accessed June 2023, accessed June 2023.

The USDA Census of Agriculture reported 1,397 farms with a total of 15,945 workers in Merced County (see Table B3-30). The majority of the farmworkers were seasonal, working fewer than 150 days per year.

Table B3-30 Farmworkers in Merced County by Days Worked (2017)

Farm Type	Number of Farms	Number of Workers
150 Days or More (Year-Round)		
Small Farms (less than 10 workers per farm)	512	1,535
Large Farms (10 or more workers per farm)	291	7,853
Subtotal	803	9,388
Fewer than 150 Days (Seasonal)		
Small Farms (less than 10 workers per farm)	438	1,346
Large Farms (10 or more workers per farm)	156	5,211
Subtotal	594	6,557
Total	1,397	15,945

Source: USDA. 2022 Census of Agriculture - County Data.

https://www.nass.usda.gov/Publications/AgCensus/2022/Full_Report/Volume_1,_Chapter_2_County_Level/California/st06_2_007_007.pdf

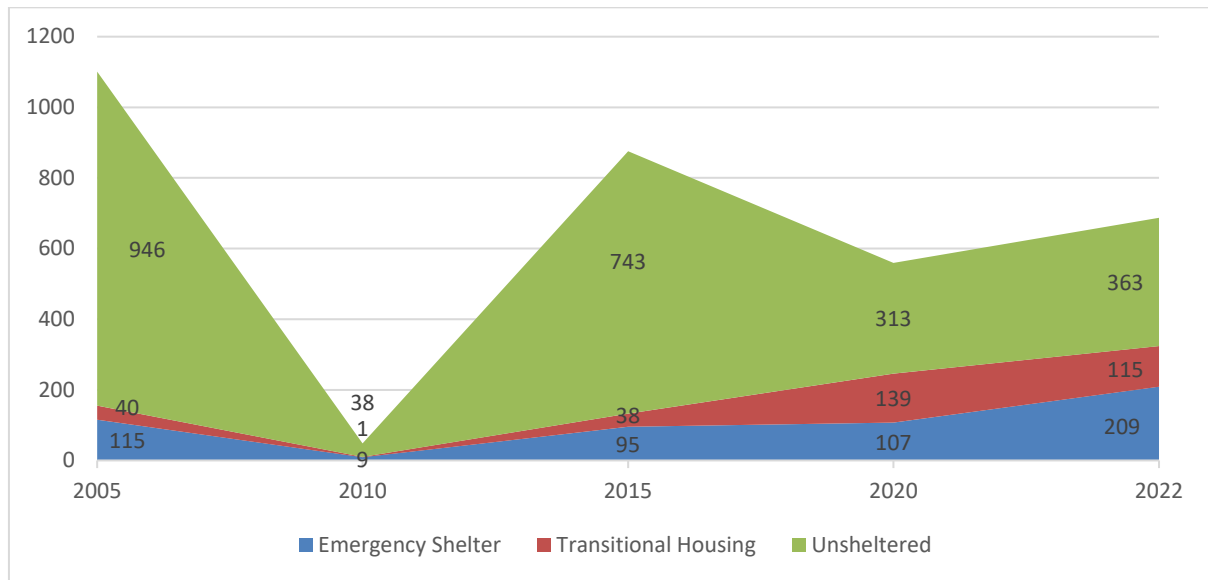
Resources for Farmworkers

The Housing Authority of Merced County funds four migrant housing centers, one of which is in Atwater. It contains 59 units that offer temporary housing from April through November. To be eligible for migrant housing, households must earn a minimum of \$5,752.50 annually from farm labor employment. The Atwater Migrant Center is located on W. Westside Boulevard, Atwater. As reported in Table B3-29 above, there were more than 1,231 farmworkers living in Atwater in 2021. Despite the housing opportunities listed above, there is a significant gap in housing resources for farmworkers in the city.

Unhoused Households

Figure B3-2 shows unhoused households by type between 2005 to 2022. As shown, 2005 had the highest reported number of unhoused households (1,101) by the Merced County Continuum of Care (CoC), the majority of which were unsheltered. Data for 2020 indicates that there were 559 unhoused households, including 313 of those counted as unsheltered. These numbers increased from 2020 to 2022, at which point over 680 households were unhoused in the county.

Figure B3-2 Unhoused Households by Type Over Time, Merced County



Source: U.S. HUD, CoC Homeless Populations and Subpopulations Reports (2005, 2010, 2015, 2020, 2022).

Point in time count data is reported by the CoC for Merced County, including Atwater. Table B3-31 provides the most recent (2023) point-in-time count for individual unhoused residents in the county. In 2023, there were a total of 784 unhoused people in Merced County, with 4.6 percent (36 people) living in Atwater.

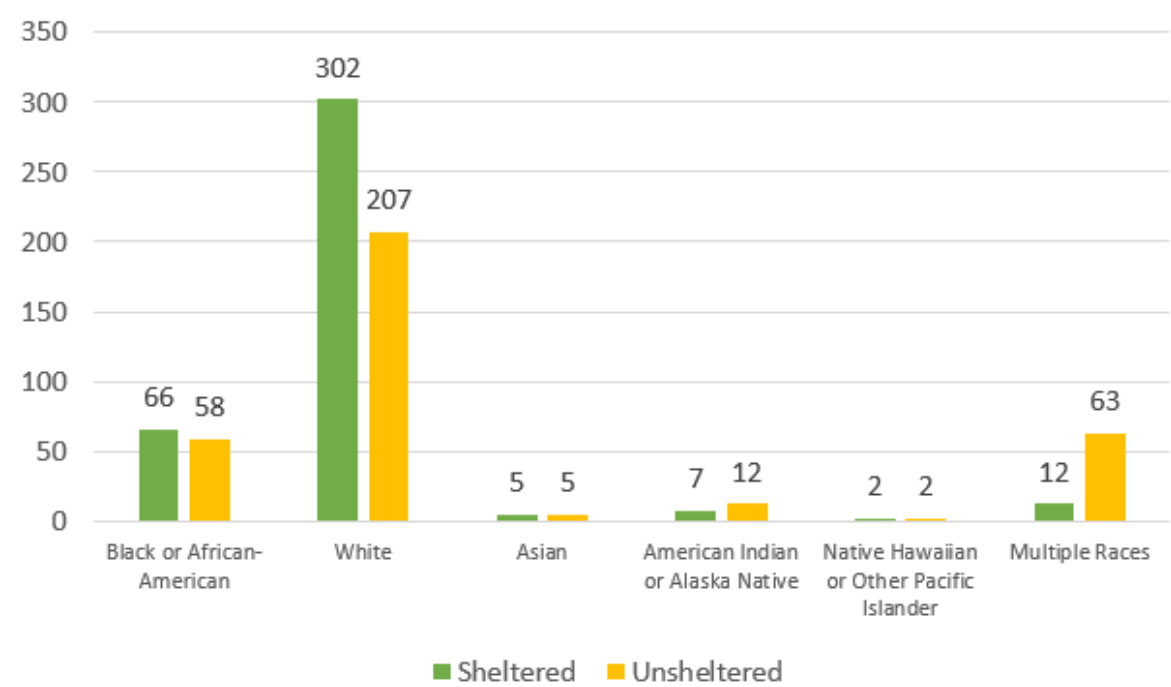
Table B3-31 Unhoused Individuals by Type (2023)

Jurisdiction	Sheltered	Unsheltered	Total
Atwater	9	27	36
Percent	2.3%	6.9%	4.6%
Total Merced County	394	390	784

Source: Merced City and County Continuum of Care, Point-in-Time Count (2022)

Figure B3-3 identifies unhoused individuals by type and race in Merced County for the year 2023. As shown, 53.2 percent of unhoused individuals countywide were reported as sheltered. In terms of race, 69 percent reported as white, 17 percent as Black or African American, one percent as Asian, three percent as American Indian or Alaska Native, less than one percent as Native Hawaiian or Other Pacific Islander, and 10 percent as multiple races.

Figure B3-3 Unhoused Individuals by Type by Race (2023)



Source: Merced City and County Continuum of Care, Point-in-Time Count (2023)

The 2023 Merced County CoC point in time count data also considers ethnicity, as shown in Table B3-32. Among those counted, 332 of 784 individuals (42.3 percent) identified as Hispanic/Latino.

Table B3-32 Unhoused Individuals by Ethnicity, Merced County (2023)

Jurisdiction	Sheltered	Unsheltered	Total
Hispanic/Latino (any race)	186	146	332
Percent	23.7	18.6	42.3
Not Hispanic/Latino	208	244	452
Percent	26.5	31.1	57.7

Source: Merced City and County Continuum of Care, Point-in-Time Count (2022).

The 2023 point-in-time count only provides specific demographic data for unsheltered residents in the cities of Merced and Los Banos.

Resources for Persons Unhoused Individuals

The City of Atwater has a transitional housing facility offered in the city. Operated by Community Social Model Advocate, the Tranquility Village is a women’s program offering eight family units with 57 total beds. It also houses women with children, offering treatment and child services. While Atwater does not have transitional housing for men, Community Social Model Advocate does operate a male program in Merced called the Hobie House. The facility is approximately nine miles from Atwater and offers 25 individual beds for those recovering from substance abuse.

There are no emergency shelters in the city. The lack of resources for the unhoused in Atwater indicates a need for more accessible housing for the unhoused population.

B3.10 Housing Stock Characteristics

A community's housing stock is defined as the collection of all housing units located within the jurisdiction. The characteristics of the housing stock, including growth, type, age, condition, tenure, vacancy rates, housing costs, and affordability are important in determining the housing needs for the community. The following sections detail the housing stock characteristics of Atwater to identify how well the current housing stock meets the needs of current and future residents.

Housing Growth

Table B3-33 summarizes the growth in the housing stock in Atwater by providing the total number of units constructed each decade from 1980 and 2020. The largest growth rate occurred between 1980 and 1990 with a 30.3 percent increase during this 10-year period. Between 1990 and 2000 the housing stock grew at a slower pace of 9.3 percent. Between 2000 and 2010, the number of housing units in the city increased by 20.4 percent, however in the 10 years from 2010 and 2020, production slowed again, with the number of housing units increasing by just 6.9 percent.

Table B3-33 Total Housing Units Over Time (1980 to 2020)

Jurisdiction	1980	1990	2000	2010	2020
Atwater	5,696	7,422	8,114	9,771	10,448
Percent Change		30.3%	9.3%	20.4%	6.9%

Source: U.S. Census Bureau, Census 1980 (STF1:T65), 1990 (STF1:H1), 2000 (SF1:H1); ACS 2016-2020 (5-year Estimates), Table B25001.

Housing Type and Tenure

Table B3-34 identifies the total housing units by type in Atwater, Merced County, and California. In Atwater, single detached homes make up most of the housing stock, with 66.3 percent of total units. This is a lower percentage than the county with 73.8 percent and but greater than the state with 57.6 percent. The second most common housing type are 2-unit complexes, providing 9.2 percent of the total units in the city. This is much higher than both the county (3.2 percent) and the state (2.4 percent). Other common housing types in Atwater are three-to-four-unit complexes, comprising 6.1 percent of the total units in the city. This is higher than in the county (4.8 percent) and the state (5.4 percent). In both Atwater and Merced County, 20 to 49 unit complexes account for less than one percent of the housing stock. This is significantly lower than in California where 20-to-49-unit complexes account for approximately five percent of the housing stock.

Table B3-34 Total Housing Units by Type

Jurisdiction	Total	1, Detached	1, Attached	2	3 or 4	5 to 9	10 to 19	20 to 49	50 or more	Mobile Home	Boat, RV, Van, etc.
Atwater	10,580	7,016	381	971	645	375	329	18	159	686	0
Percent		66.3%	3.6%	9.2%	6.1%	3.5%	3.1%	0.2%	1.5%	6.5%	0.0%
Merced County	86,767	64,045	1,908	2,785	4,172	3,876	1,634	801	1,649	5,775	122
Percent		73.8%	2.2%	3.2%	4.8%	4.5%	1.9%	0.9%	1.9%	6.7%	0.1%
California	14,328,539	8,248,814	1,031,608	340,666	777,600	842,158	721,058	713,636	1,121,470	514,764	16,765
Percent		57.6%	7.2%	2.4%	5.4%	5.9%	5.0%	5.0%	7.8%	3.6%	0.1%

Source: U.S. Census Bureau, ACS 2017-2021 (5-year Estimates), Table C24050.

Table B3-35 indicates housing units by tenure. In Atwater, 52.1 percent of units are owner-occupied compared to 47.9 percent renter occupied. The percentage of owner-occupied households in the city is similar to the county (51.6 percent owner-occupied) and the state (55.5 percent).

Table B3-35 Housing Units by Tenure

Jurisdiction	Total	Owner-Occupied	Renter-Occupied
Atwater	10,309	5,366	4,943
Percent		52.1%	47.9%
Merced County	81,618	42,146	39,472
Percent		51.6%	48.4%
California	13,217,586	7,335,247	5,882,339
Percent		55.5%	44.5%

Source: U.S. Census Bureau, ACS 2017-2021 (5-year Estimates), Table B25042.

Vacancy Rate

Table B3-36 provides data on vacancy status by type for the total vacant units. Of the total vacant units in Atwater (271), units for rent make up the largest percentage of total vacant units. These units make up 29.5 percent of total vacant units in the city, greater than the county (25.2 percent) and the state (21.7 percent). In Atwater, 8.5 percent of vacant units are used for seasonal, recreational or occasional use. By comparison, 10.8 percent of vacant units countywide and 33.4 percent in California fall into this category. There are no units in the city categorized as rented but not occupied or housing for migrant workers, illustrating that rental and farmworker housing are in high demand.

Table B3-36 Vacancy Status by Type for Total Vacant Units

Jurisdiction	Total Vacant Units	For Rent	Rented, Not Occupied	For Sale Only	Sold, Not Occupied	For Seasonal, Recreational, or Occasional Use	For Migrant Workers	Other Vacant
Atwater	271	80	0	40	58	23	0	70
Percent	2.6%	29.5%	0.0%	14.8%	21.4%	8.5%	0.0%	25.8%
Merced County	5,149	1,298	112	377	553	556	202	2,051
Percent	5.9%	25.2%	2.2%	7.3%	10.7%	10.8%	3.9%	39.8%
California	1,110,953	240,840	53,537	73,319	54,970	370,908	2,992	314,387
Percent	7.8%	21.7%	4.8%	6.6%	5.0%	33.4%	0.3%	28.3%

Source: U.S. Census Bureau, ACS 2017-2021 (5-year Estimates), Table B25004.

Housing Unit Size

Table B3-37 provides housing unit size data for Atwater, Merced County, and California. In Atwater, three-bedroom units (52.8 percent) are the most common housing type, followed by two-bedroom (22.6 percent) and four-bedroom units (12.5 percent). This is similar to the statewide housing unit size trend; however, there is a notably larger stock of three-bedroom units in Atwater and Merced County when compared to the state.

Table B3-37 Housing Unit Size

Jurisdiction	Total	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom	5 of More Bedroom
Atwater	10,309	237	648	2,331	5,442	1,291	360
Percent		2.3%	6.3%	22.6%	52.8%	12.5%	3.5%
Merced County	81,618	1,883	4,320	16,306	38,451	17,656	3,002
Percent		2.3%	5.3%	20.0%	47.1%	21.6%	3.7%
California	13,217,586	564,387	1,691,491	3,539,857	4,451,995	2,373,268	596,588
Percent		4.3%	12.8%	26.8%	33.7%	18.0%	4.5%

Source: U.S. Census Bureau, ACS 2017-2021 (5-year Estimates), Table B25042.

Age and Condition of Housing Stock

Table B3-38 provides data on the total occupied housing units by year built. The city experienced the most growth between 1970 and 1979. During this period, 2,531 units were constructed, representing 24.6 percent of the housing stock at the time. California indicated a similar result, with the largest percentage of units constructed in the 1970s, making up 17.4 percent of the total housing stock. In contrast, Merced County saw the biggest growth between 2000 to 2009 with 16,856 units. Notably, in Atwater, only 329 units have been constructed since 2010, which is the lowest increase in housing units in the city since 1939. Of the total 10,309 occupied units, 6,234 units are more than 40 years old. This accounts for over half (60.5 percent) of the total occupied housing units today.

Table B3-38 Total Occupied Housing Units by Year Built

Jurisdiction	Total	2020 or later	2010 to 2019	2000 to 2009	1990 to 1999	1980 to 1989	1970 to 1979	1960 to 1969	1950 to 1959	1940 to 1949	1939 or earlier
Atwater	10,309	0	329	1,464	752	1,530	2,531	1,129	1,537	819	218
Percent		0.0%	3.2%	14.2%	7.3%	14.8%	24.6%	11.0%	14.9%	7.9%	2.1%
Merced County	81,618	44	3,229	16,856	11,846	11,034	14,718	7,585	7,356	5,007	3,943
Percent		0.1%	4.0%	20.7%	14.5%	13.5%	18.0%	9.3%	9.0%	6.1%	4.8%
California	13,217,586	15,877	634,508	1,451,946	1,438,264	1,980,874	2,295,943	1,728,569	1,755,123	753,750	1,162,732
Percent		0.1%	4.8%	11.0%	10.9%	15.0%	17.4%	13.1%	13.3%	5.7%	8.8%

Source: U.S. Census Bureau, ACS 2017-2021 (5-year Estimates), Table B25036.

Table B3-39 provides information on substandard housing units. In Atwater 0.2 percent of units lack kitchen facilities (22 units). There are no units in the city that lack plumbing facilities. This is similar to both the state and county. By comparison, however, Atwater’s substandard housing units make up a lower percent of total units (0.2 percent) compared to Merced County (0.8 percent) and California (1.5 percent).

The City’s Code Enforcement Division estimates that approximately 50 units require major rehabilitation and fewer than 15 units citywide are beyond the point of repair. There are no concentrated areas of substandard housing in the city.

Table B3-39 Substandard Housing Units

Jurisdiction	Total	Lacking Plumbing Facilities	Lacking Kitchen Facilities
Atwater	10,309	0	22
Percent		0.0%	0.2%
Merced County	81,618	298	357
Percent		0.4%	0.4%
California	13,217,586	53,643	149,252
Percent		0.4%	1.1%
Source:			

Housing Costs

Median Home Sale Price

Table B3-40 provides information on the median housing value in Atwater from 1980 to 2020. As shown, prices rose steadily from 1980 to 1990, but experienced a much smaller increase in value from 1990 to 2000. Median home values increased by 114.8 percent from 2000 to 2010. A similar trend was seen across other jurisdictions in the county, where the smallest growth generally occurred between 1990 and 2000 and the largest growth occurred between 2000 and 2010. Increases in value have slowed since 2010, with growth between 2010 and 2020 at 14.5 percent. According to Zillow, the average house prices in Atwater were \$294,434 in 2020 and \$407,428 in 2024.

Table B3-40 Median Housing Value Over Time (1980 to 2020)

Jurisdiction	1980	1990	2000	2010	2020
Atwater	56,000	89,400	99,900	214,600	\$251,100
Percent Change		59.6%	11.7%	114.8%	14.5%
Dos Palos	44,300	66,900	88,500	179,800	\$232,700
Percent Change		51.0%	32.3%	103.2%	22.7%
Gustine	50,800	96,000	111,400	183,700	\$273,500
Percent Change		89.0%	16.0%	64.9%	32.8%
Livingston	43,400	71,900	92,300	244,900	\$231,100
Percent Change		65.7%	28.4%	165.3%	-6.0%
Los Banos	49,000	110,100	138,200	248,900	\$315,500
Percent Change		124.7%	25.5%	80.1%	21.1%

Jurisdiction	1980	1990	2000	2010	2020
Merced	57,700	90,300	103,200	223,500	\$251,500
Percent Change		56.5%	14.3%	116.6%	11.1%
Unincorporated County	53,100	90,100	110,900	241,000	\$268,800
Percent Change		69.7%	23.1%	117.3%	10.3%

Note: Data are not inflation-adjusted to 2022 dollars.

Source: U.S. Census Bureau, Census 1980(ORG STF1), 1990(STF3), 2000(SF3); ACS 06-10, 16-20 (5-year Estimates), Table B25077.

Table B3-41 provides information on the median housing value in Atwater over the past five years. As shown, housing values have steadily increased over this time period, with the greatest increase in value occurring between 2017 and 2018 (15.8 percent). The lowest growth occurred between 2020 and 2021 (5.6 percent). Jurisdictions throughout the county experienced a similar trend, where the highest median housing value growth occurred between 2017 and 2018, followed by significantly smaller gains between 2019 and 2020.

Table B3-41 Median Housing Value from 2017 to 2021

Jurisdiction	2017	2018	2019	2020	2021
Atwater	179,400	207,800	229,400	251,100	265,200
Percent Change	-	15.8	10.4	9.5	5.6
Dos Palos	134,000	183,500	194,500	232,700	252,800
Percent Change	-	36.9	6.0	19.6	8.6
Gustine	157,600	195,000	222,700	273,500	322,300
Percent Change	-	23.7	14.2	22.8	17.8
Livingston	187,500	222,400	229,900	231,100	242,400
Percent Change	-	18.6	3.4	0.5	4.9
Los Banos	226,700	265,500	293,400	315,500	340,800
Percent Change	-	17.1	10.5	7.5	8.0
Merced	185,700	212,100	237,500	251,500	268,600
Percent Change	-	14.2	12.0	5.9	6.8
Merced County	196,200	229,500	252,700	268,800	288,400
Percent Change	-	17.0	10.1	6.4	7.3

Note: Data are not inflation-adjusted to 2022 dollars.

Source: ACS 2017-2021 (5-year Estimates), Table B25077.

B3.11 Distribution of Owner-Occupied Units

Table B3-42 compares data on the number of owner-occupied housing units by race in Atwater, Merced County, and California. In Atwater, a majority of owner-occupied units are occupied by residents that identify as white (59.8 percent). This is similar to Merced County (59.4 percent) and slightly higher than in California (41.6 percent).

Considering ethnicity, 41.2 percent of all owner-occupied units are occupied by Hispanic/Latino residents of any race. This is lower than in Merced County (43.5 percent) but higher than in California (24.1 percent). Given that 55.4 percent of the entire population of Atwater identifies as Hispanic/Latino of any race, this group is underrepresented in the housing market.

Table B3-42 Owner Occupied Units by Race

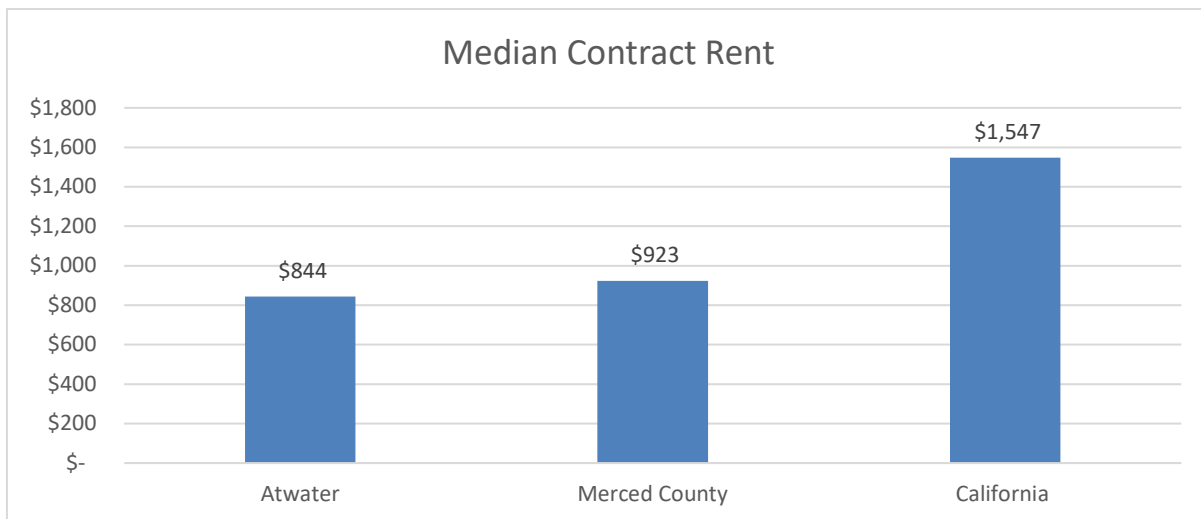
Jurisdiction	White	Black	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Some Other Race	Two or More Races	Hispanic/Latino of any Race
Atwater	3,210	272	49	294	11	1,123	407	2,212
Percent	59.8%	5.1%	0.9%	5.5%	0.2%	20.9%	7.6%	41.2%
Merced County	25,012	1,182	436	2,801	43	9,588	3,084	18,848
Percent	59.3%	2.8%	1.0%	6.6%	0.1%	22.7%	7.3%	43.5%
California	4,660,216	287,300	53,643	1,150,895	18,216	633,875	531,102	1,807,053
Percent	62.1%	3.8%	0.7%	15.3%	0.2%	8.4%	7.1%	24.1%

Source: U.S. Census Bureau, ACS 2017-2021 (5-year Estimates), Table B25003.

B3.12 Housing Rents

According to the 2017-2021 ACS, the median contract rent in Atwater was \$844 per month (Figure B3-4). This was lower than the median for the county at \$923 and significantly lower than the state median of \$1,547. Recent rental market trend data from Apartments.com shows that the average rent for a two-bedroom apartment in Atwater as of September 2024 was approximately \$1,078.⁷ The median rental price for all property types listed on Zillow.com was \$1,600.⁸

Figure B3-4 Median Contract Rent



Source: U.S. Census Bureau, ACS 2017-2021 (5-year Estimates), Table B25058.

⁷ Rental Market Trends. Apartments.com. Accessed September 2024. <https://www.apartments.com/rent-market-trends/atwater-ca>

⁸ Zillow Rental Manager: Atwater, CA Rental Market. Accessed September 2024. <https://www.zillow.com/rental-manager/market-trends/atwater-ca>

Table B3-43 below provides data on median gross rent from 1980 to 2020. Median gross rent has grown from \$254 per month in 1980 to \$1,044 in 2020. Between 2000 and 2010 rents in the city grew by 66.8 percent. From 2010 to 2020, rents grew at a slower rate of 20.1 percent.

Table B3-43 Median Gross Rent Over Time, Atwater

	1980	1990	2000	2010	2020
Atwater	\$254	\$446	\$521	\$869	\$1,044
Percent Change		75.6%	16.8%	66.8%	20.1%

Source: Source: U.S. Census Bureau, Census 1980 (ORG STF3), 1990 (STF3), 2000 (SF3); ACS 2006-2010, 2016-2020 (5-year Estimates), Table B25064

Table B3-44 below provides an overview of median rent for rental housing by number of bedrooms based on 2017-2021 ACS data. As shown, median rent prices for all unit sizes were slightly lower in Atwater than in the county except for 3-bedroom units. Average rent prices in California are higher than in Atwater and throughout the county.

Table B3-44 Median Rent by Number of Bedrooms

Jurisdiction	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Atwater	\$692	\$732	\$962	\$1,312	\$1,460
Merced County	\$708	\$795	\$989	\$1,234	\$1,548
California	\$1,293	\$1,450	\$1,737	\$1,938	\$2,326

Source: U.S. Census Bureau, ACS 2017-2021 (5-year Estimates), Table B25031.

B3.13 Housing Affordability

Housing affordability levels are calculated using the median household income. Affordable monthly housing costs are calculated by taking 30 percent of the annual income and dividing it by 12 months. The rental utility allowance is a fixed number provided for each household size by the Merced County Housing Authority. Taxes, insurance, and homeowners' association fees are calculated as 20 percent of the monthly affordable rent. Affordable monthly rent is calculated by subtracting affordable monthly housing costs and the rental utility allowance. Affordable home prices assume a 30-year fixed mortgage with a seven percent interest rate and 10 percent down payment. Taxes, insurance, and homeowners' association fees only apply to homeowners.

Table B3-45 shows the maximum amount that a household can pay for housing each month without incurring a cost burden (overpayment) for Atwater. A summary of each income category's ability to pay for housing is provided below the table.

Table B3-45 Housing Affordability Matrix – Atwater (2021)

	Annual Income Limits	Affordable Monthly Housing Costs	Rental Utility Allowance (2020)	Taxes, Insurance, Homeowners Association Fees	Affordable Rent	Affordable Home Price
Extremely Low-Income (0-30% AMI)						
1-Person (Studio)	\$13,000	\$325	\$192	\$27	\$133	\$43,422
2-Person (1 BR)	\$14,850	\$371	\$233	\$28	\$138	\$49,601
3-Person (2 BR)	\$16,750	\$419	\$236	\$37	\$183	\$55,948
4-Person (3 BR)	\$18,600	\$465	\$257	\$42	\$208	\$62,127
5-Person (4 BR)	\$20,100	\$503	\$279	\$45	\$224	\$67,137
Very Low-Income (30-50% AMI)						
1-Person	\$21,700	\$543	\$192	\$70	\$351	\$72,482
2-Person	\$24,800	\$620	\$233	\$77	\$387	\$82,836
3-Person	\$27,900	\$698	\$236	\$92	\$462	\$93,191
4-Person	\$31,000	\$775	\$257	\$104	\$518	\$103,545
5-Person	\$33,450	\$836	\$279	\$111	\$557	\$111,729
Low-Income (50-80% AMI)						
1-Person	\$34,700	\$868	\$192	\$135	\$676	\$115,904
2-Person	\$39,650	\$991	\$233	\$152	\$758	\$132,438
3-Person	\$44,600	\$1,115	\$236	\$176	\$879	\$148,972
4-Person	\$49,600	\$1,240	\$257	\$197	\$983	\$165,672
5-Person	\$53,550	\$1,339	\$279	\$212	\$1,060	\$178,866
Median-Income (80-100% AMI)						
1-Person	\$43,400	\$1,085	\$192	\$179	\$893	\$144,963
2-Person	\$49,600	\$1,240	\$233	\$201	\$1,007	\$165,672
3-Person	\$55,800	\$1,395	\$236	\$232	\$1,159	\$186,381
4-Person	\$61,950	\$1,549	\$257	\$258	\$1,292	\$206,923
5-Person	\$66,950	\$1,674	\$279	\$279	\$1,395	\$223,624
Moderate-Income (100-120% AMI)						
1-Person	\$52,050	\$1,301	\$192	\$222	\$1,109	\$202,832
2-Person	\$59,500	\$1,488	\$233	\$251	\$1,255	\$231,863
3-Person	\$66,950	\$1,674	\$236	\$288	\$1,438	\$260,895
4-Person	\$74,350	\$1,859	\$257	\$320	\$1,602	\$289,732
5-Person	\$80,300	\$2,008	\$279	\$346	\$1,729	\$312,918

Source: U.S. Census Bureau, ACS 2017-2021 (5-year Estimates), Table B19113.

Extremely Low-income Households

Extremely low-income households earn 30 percent or less of the county family median income. Extremely low-income households have an annual income of \$13,000 or below for a one-person household and \$20,100 or below for a five-person household. A very low-income household can generally afford homes offered at prices between \$43,422 and \$67,137, adjusting for household size. After deductions for utilities, a very low-income household can afford to pay approximately

\$133 to \$224 in monthly rent, depending on household size. Extremely low-income households cannot afford market-rate rental or ownership housing in Atwater.

Very- Low-income Households

Very low-income households earn between 31 and 50 percent of the county median income – up to \$21,700 for a one-person household and up to \$33,450 for a five-person household in 2022. A very low-income household can generally afford homes offered at prices between \$72,482 and \$111,729, adjusting for household size. After deductions for utilities, a very low-income household can afford to pay approximately \$351 to \$557 in monthly rent, depending on household size. Given the cost of housing in Atwater, very low-income households could not afford to purchase a home or rent an adequately sized unit.

Low-income Households

Low-income households earn between 51 and 80 percent of the county median income – up to \$34,700 for a one-person household and up to \$53,550 for a five-person household in 2022. A low-income household can generally afford homes offered at prices between \$115,905 and \$178,886, adjusting for household size. After deductions for utilities, a low-income household can afford to pay approximately \$676 to \$1,060 in monthly rent, depending on household size. Finding appropriately sized market-rate rental housing can be challenging to households in this income group.

Median-Income Households

Median-income households earn between 80 and 100 percent of the county's median income – up to \$43,400 for a one-person household and up to \$66,950 for a five-person household in 2022. The affordable home price for a median-income household ranges from \$144,963 to \$223,624. After deductions for utilities, a one-person median-income household could afford to pay up to \$893 in rent per month and a five-person low-income household could afford to pay as much as \$1,395. Finding appropriately sized market-rate rental housing can be challenging to households in this income group.

Moderate-Income Households

Moderate-income households earn between 100 and 120 percent of the county's median income – up to \$52,050 for a one-person household and up to \$80,300 for a five-person household in 2022. The maximum affordable home price for a moderate-income household is \$202,832 for a one-person household and \$312,918 for a five-person family. Moderate-income households in Merced County could afford to purchase the median priced home; however, finding an affordable adequately sized home could present a challenge for households earning incomes at the lower end of the middle/upper category. The maximum affordable rent payment for moderate-income households is between \$1,109 and \$1,729 per month. Appropriately sized market-rate rental housing is generally affordable to households in this income group.

Workforce Housing

Federal guidelines define workforce housing as housing that is affordable to households earning incomes within the range of 60 to 120 percent of the median income (in Atwater, that range is \$37,170 to \$74,340 for a household of four). A broader definition of workforce housing is housing that is affordable to people who work in the county. A four-person household with an annual

income of \$61,950 could afford monthly rent of \$1,292 for a three-bedroom housing unit and a home purchase price of \$206,923 without being burdened by housing costs. As noted in Table B3-44, the average monthly rental price for a three-bedroom unit is \$1,312, just above the median income in Atwater.

Cost Burden

Table B3-46 and Table B3-47 identify cost-burdened households by tenure over time in Atwater. There has been a decrease in the number of owner-occupied cost-burdened households from 1,446 households in 2010 to 1,104 in 2020. Cost-burdened renter-occupied households show different results, indicating noticeable increases from 1,415 in 2010 to 1,728 in 2020.

Table B3-46 Cost Burdened Owner-Occupied Households Over Time

Jurisdiction	1980	1990	2000	2010	2020
Atwater	350	456	673	1,446	1,104
Percent Change		30.3%	47.6%	114.9%	-23.7%

Note: Data are not inflation-adjusted to current 2022 dollars.

Source: U.S. Census Bureau, Census 1980 (ORG STF1), 1990 (STF3), 2000 (SF3); ACS 2006-2010, 2016-2020 (5-year Estimates), Table B25077.

Table B3-47 Cost Burdened Renter-Occupied Households Over Time

Jurisdiction	1980	1990	2000	2010	2020
Atwater	533	968	895	1,415	1,728
Percent Change		81.6%	-7.5%	58.1%	22.1%

Note: Data are not inflation-adjusted to current 2023 dollars.

Source: U.S. Census Bureau, Census 1980 (ORG STF1), 1990 (STF3), 2000 (SF3); ACS 2006-2010, 2016-2020 (5-year Estimates), Table B25077.

CHAS data provided by HUD provides information on cost burden by income category based on the HUD Area Median Family Income (HAMFI). This data is included in Table B3-48 below. While the totals do not align exactly with 2020 ACS data presented above, the CHAS data gives insight into which income categories are currently experiencing costs burdens in the city. As shown, extremely low- and very low-income households experience a high rate of cost burden greater than 30 percent, including 1,184 of 1,329 extremely low-income households and 870 of 1,198 very low-income households.

Table B3-48 Cost Burden by Income and Tenure

Row Labels	Owner occupied	Renter occupied	Grand Total
Household income is <= to 30% of HAMFI (extremely low-income)	364	965	1329
Housing cost burden is <= to 30%	75	70	145
Housing cost burden > 30% but <= to 50%	95	140	235
Housing cost burden is > 50%	194	755	949
Income is greater than 30% but <= to 50% of HAMFI (very low-income)	368	830	1198
Housing cost burden is <= to 30%	113	215	328
Housing cost burden is > 30% but <= to 50%	100	465	565
Housing cost burden is > 50%	155	150	305

Row Labels	Owner occupied	Renter occupied	Grand Total
Income is > 50% but <= to 80% of HAMFI (low-income)	760	1089	1849
Housing cost burden is <= to 30%	495	670	1165
Housing cost burden is > 30% but <= to 50%	205	419	624
Housing cost burden is > 50%	60	-	60
Income is > 80% <= to 100% of HAMFI (median-income)	455	503	958
Housing cost burden is <= to 30%	300	445	745
Housing cost burden is > 30% but <= to 50%	155	58	213
Housing cost burden is > 50%	-	-	0
Income is greater than 100% of HAMFI (moderate-income)	2849	884	3733
Housing cost burden is <= to 30%	2,755	835	3590
Housing cost burden is > 30% but <= to 50%	94	49	143
Housing cost burden is > 50%	-	-	0
Grand Total	4796	4271	9067

Source: U.S. Department of Housing and Urban Development, Comprehensive Housing Affordability Strategy (CHAS) dataset, 2015-2019 (5-Year Estimates), Table 6, Table 7.

B3.14 Assisted Housing Units

Assisted housing units are those that are restricted for use by occupants with limited household incomes. These units are assisted under federal, state, and/or local programs, including HUD programs, state and local bond programs, former redevelopment agency (RDA) programs, density bonus, or direct assistance programs.

At-Risk Housing Units

The California Housing Partnership maintains an affordable housing database to monitor changes in affordable housing and to identify units or housing developments that are at risk of converting to market-rate uses. Assisted units in the preservation data base are classified by the following risk categories:

- Low Risk: affordable housing units that are at-risk of converting to market rate in ten+ years and/or are owned by a large/stable non-profit, mission-driven developer.
- Moderate Risk: affordable housing units that are at-risk of converting to market rate in the next five to 10 years that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer.
- High Risk: affordable housing units that are at-risk of converting to market rate in the next one to five years that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer.

Table B3-49 shows assisted units in Atwater by estimated affordability end date. As shown, there are 35 assisted units in the city, and none of which are at risk of conversion by 2033.

Table B3-49 Inventory of Public Assisted Complexes – Atwater

Name	Address	City	Zip	Affordable Units	Total Units	Active Program(s)	Estimated Affordability End Year/Date	Risk Level
Atwater Apartments - (Site A)	1191 Willow Street	Atwater	95301	35	36	LIHTC; HUD	2070	Low

Note: All locally assisted or restricted developments may not be included in this list.

*These developments are owned by the Merced County Housing Authority and are at low risk of conversion.

Source: California Housing Partnership, Publicly Assisted Housing Units, 2023.

Funding Sources for Assisted Housing

Preservation of at-risk housing requires not only financial resources but also administrative capacity of nonprofit organizations. The following resources are available for assisted housing.

HUD Section 8 Program

Under the HUD Section 8 program, which is administered by the Housing Authority of the County of Merced, participating building owners are entitled to receive HUD Fair Market Rents (FMRs) for units with Section 8 contracts. For Section 8 units, HUD makes up the difference between 30 percent of a household's monthly income and the FMRs.

Low-Income Housing Tax Credit (LIHTC)

Created in 1986 by the Federal government, the LIHTC program offers tax incentives to encourage the development of affordable housing. The LIHTC is jointly administered by the IRS and State Housing Credit Agencies (HCA) and has funded over eight billion annual tax credit units nationwide. California's HCA is the State Tax Credit Allocation Committee (TCAC).

California Housing Finance Agency (CalHFA)

CalHFA uses approved private lenders and purchases loans that meet CalHFA standards to support very low, low, and moderate-income assisted units. CalHFA partners with jurisdictions, developers, and other organizations to provide a variety of resources including loan assistance programs for homebuyers and renters aimed at increasing housing opportunities for low- and moderate-income residents.

Housing Rehabilitation Program

The Housing Rehabilitation Program provides financing to repair income-eligible and owner-occupied homes in need of essential health and/or safety repairs. The Housing Rehabilitation program is funded by the State Department of Housing and Community Development grant programs. Common home repairs include roofing, plumbing, electrical, heating, cooling, insulation, foundation, windows, and handicap assessable modifications. Participating property must be owner-occupied and located within city limits.

B4 Housing Constraints Analysis

Constraints to the development of adequate and affordable housing include market, governmental, infrastructure, and environmental factors. These constraints may result in housing that is not affordable to low- and moderate-income households and may render residential construction economically infeasible for developers. Constraints to housing production significantly impact households with low and moderate-incomes and special needs.

According to Government Code Section 65583, local governments are required to analyze governmental and non-governmental constraints to the production, maintenance, and improvement of housing for persons of all income levels and those with special needs and, where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing as part of housing elements update. Where constraints to housing production are related to the City's regulations or land use controls, the City must identify appropriate programs to mitigate these constraints, particularly ones that impact the production of affordable housing or housing for special needs populations.

The following chapter outlines non-governmental, governmental, environmental and infrastructure constraints and was used in the development of specific policies and actions included in the Housing Plan to remove barriers to housing and to incentivize housing production, specifically targeting housing production at all income levels and housing for persons with special needs.

B4.1 Summary of Local Housing Constraints

- The costs associated with developing housing have increased 30 percent over the last 12 months and are expected to continue to rise over the next fiscal year. There is a lack of federal, state, and local funding and the funding that is available is increasingly competitive. The time and effort needed to identify, compete for, and layer affordable housing funds is a major constraint to development of affordable housing in Atwater.
- Although Atwater's development regulations allow for a variety of densities throughout the city, development standards are not sufficiently flexible. Height restrictions for multi-family developments, residential parking requirements for smaller units, and strict limitations on manufactured housing development all potentially constrain the development of a variety of housing types.
- Use permit regulations for group homes and residential care facilities could pose a constraint to housing for individuals with special needs and use permit regulations for emergency shelters and single-room occupancy (SRO) units in certain zones could pose a constraint on housing access for unhoused individuals. Additionally, the City's definition of "family" is a constraint.

~~Atwater's development review and impact fees are much higher than in other small cities in the region, which may be a constraint to development.~~

B4.2 Non-Governmental Constraints

The availability of housing is affected by a complex set of interrelated market factors including but not limited to cost of land, cost of construction, and availability of financing. These factors contribute to determining a new home's sale price or the rents required to make a project feasible.

Non-governmental constraints include factors outside of direct governmental control that directly impact housing prices. The cost of construction and the availability of financing contribute to the cost of housing and can hinder the production of housing. The following analysis accounts for these non-governmental constraints.

B4.2.1 Land Costs

The cost of land can impede the production of housing. Land costs are influenced by many variables, including land scarcity and developable density (both of which are indirectly controlled through governmental land use regulations), location, site constraints, availability of infrastructure improvements, and the availability of public utilities.

Table B4-1 provides the average price per acre for land listed for sale throughout Atwater in July 2023. The average price per acre is significantly higher for smaller lots (\$282,611.46), most of which are located in residential or commercial zones. The price per acre is less for larger lots, averaging \$34,919.99 per acre. Most of these larger properties are located in agricultural zones. The average price per acre for all plots is \$158,765.73.

Table B4-1 Listed Land Prices – Atwater

Lot Size	Average Price per Acre (Listed)
Less than 10 acres	\$282,611.46
10 or more acres	\$34,919.99
Average \$/acre	\$158,765.73

Source: Zillow, Inc., 2023.

Table B4-2 provides the average price per acre for land sold in 2022 in Atwater. The average price per acre for all land sales was \$245,557.50), higher than the average list price shown above. The average sales price per acre for larger lots averaged \$34,865.04, which is in line with the asking price for listed properties (\$34,919.99 per acre).

Table B4-2 Sold Land Prices – Atwater

Lot Size	Average Price per Acre (Listed)
Less than 10 acres	\$456,250.00
10 or more acres	\$34,865.04
Average \$/acre	\$245,557.50

Source: Zillow, Inc., 2023.

Conclusion

The housing market (vacant and developed land) in Atwater can vary depending on location, allowable density, availability of improvements, and proposed land use of the site. In general, entitled single-family subdivisions with infrastructure extension plans command higher prices than raw undeveloped land.

While land costs increase over time, these raw costs are not necessarily a constraint to housing. In general, land costs in Merced County are lower compared to coastal counties, and comparable in price to other nearby counties such as Madera and Fresno counties. As a result, raw land costs are not considered a constraint to the development of housing in Atwater.

Recommended Action

None required.

B4.2.2 Construction Costs

A major component of the cost of housing is the cost of building materials, including wood and wood-based products, cement, asphalt, roofing materials, and pipes. The availability and demand for such materials affects prices for these goods.

Another major cost component of new housing is labor. The cost of labor in Merced County is comparatively low because the area's cost of living is relatively low compared to other areas in California. However, labor for government subsidized housing work is additionally costly for the Central Valley, as wages are rooted in the required State Labor Standards based on higher northern and southern California prevailing wages.

Based on recent affordable multi-family projects, the cost of construction in the county is estimated to be between \$400,000 and \$675,000 per unit.¹ The estimate includes direct and indirect (e.g., insurance, permits, utilities, plans) construction costs, including material, labor, and equipment costs, the price of land, development impact fees, and administrative costs.

Table B6-3 shows the estimated typical development costs in Atwater for a single-family home, assumed to be 1,600 square feet, and a 10-unit multi-family development with 800 square foot units. This includes the price of land, site improvement costs, construction costs, and permit and development impact fees; however, this does not include financing or marketing costs by the developer. As shown in the table below, the typical cost of an individual single-family development is an estimated \$772,779, while the development cost of an apartment unit is an estimated \$367,556.

Table B6-3 Estimated Construction Cost – City of Atwater

Cost Type	Single-Family ¹	MultiFamily ²
Home Price ³	\$480,000	\$2,400,000
Site Improvement Cost	\$8,000	\$20,000
Construction Cost	\$267,790	\$1,198,400
Permit and Impact Fees	\$16,989	\$57,160
Total Cost	\$772,779	\$3,675,560
Cost per Unit	\$772,779	\$367,556

¹Assumed to be a 1,600 sq. ft. single-family home.

²Assumed to be a 10-unit multi-family complex of 800 sq. ft. units.

³Land price based on average price per square foot provided by the City at \$300 per square foot

The City of Atwater has conducted a polling of infrastructure related workers. The industry has experienced a 35 percent increase over the past ~~24~~three years~~months~~. Construction work consisting of windows mill work and similar work has experienced a 40 percent increase over the past 24 months.

¹ Central Valley Voice, City of Merced Affordable Housing Project Update, October 1, 2022, <https://centralvalleyvoice.com/2023/02/22/city-of-merced-affordable-housing-project-update/> accessed June 2023.

There is little that municipalities can do to mitigate the impacts of high construction costs, apart from reducing the number of local amendments to uniform building codes that unnecessarily increase construction costs without significantly adding to health, safety, or construction quality.

Conclusion

Although the cost of construction constrains housing development, construction costs are similar across jurisdictions in Merced County, illustrating that the constraints are market driven rather than an impact of local policy.

Recommended Action

None required.

B4.2.3 Availability of Financing

Mortgage interest rates have a large influence over housing affordability. Higher interest rates increase a homebuyer's monthly payment and decrease the range of housing that a household can afford. Lower interest rates result in a lower cost and lower monthly payments for the homebuyer.

When interest rates rise, housing prices typically fall to compensate. Similarly, when interest rates decrease, housing prices begin to rise. There is often a lag in the market, causing housing prices to remain high when interest rates rise until the market catches up. Lower-income households often find it most difficult to purchase a home during this time period.

Where financing is available, construction capital seems to be directed at the best transactions – those with large, established, and well-capitalized sponsors. Given recent trends of increasing interest rates, the availability of financing is likely to be more of a constraint on new housing construction during this Housing Element planning period than it has been in the recent past.

Market-Rate Development Financing

As discussed in Land Costs and Construction Costs, above, market-rate development is generally financed by investors, and the cost to build a project must be recovered by revenue from sales or rents, which drives up the ultimate rent or sales prices of new housing as the component costs increase. A market in which housing supply is limited and demand is high can support higher housing prices, but lower-income segments of the community are priced out. Therefore, it is difficult for the private sector, for-profit developers, and market-rate housing to meet the housing needs of all community members.

Affordable Housing Financing

A description of available funding sources for affordable development is provided in Chapter 3, *Regional Housing Needs Assessment*.

Mortgage and Rehabilitation Financing

The availability of financing affects the ability of residents to purchase or improve a home. Under the Home Mortgage Disclosure Act (HMDA), lending institutions are required to disclose information on the disposition of loan applications and the income, gender, and race of loan applicants. The primary purpose of reviewing the lending activity is to determine whether home financing is available to city residents. The data presented in this section includes the disposition of

loan applications submitted to financial institutions for home mortgages, home improvement, and refinance loans.

Lending activity data provides information regarding home financing availability for city residents. The most recent data set available for Merced County from 2022 shows that 10,760 households applied for a home financing loan which includes loans for home purchase, home improvement, and refinancing. As discussed in Chapter 3, *Regional Housing Constraints*, of the total applications received for home purchase 47.7 percent of the loans originated while 15.7 percent were denied.

Conventional loans are made by the private sector (banks, mortgage companies, etc.) and are not guaranteed or insured by the U.S. government. Conversely, government-backed loans, such as those issued by the Federal Housing Administration, Department of Veterans Affairs, and the Rural Housing Services/Farm Service Agency, are completely or partially insured by the U.S. government. Within the county, 8,028 of the applications received were for conventional loans and 2,732 were for government backed loans. As discussed in Chapter 3, *Regional Housing Constraints*, 37 percent of the conventional loans originated, and 12.6 percent of the applications were denied. Additionally, 10.7 percent of the government backed loans originated and 3.1 percent of the applications were denied.

County data shows that of the loans originated, Hispanic/Latino applicants comprised approximately 50 percent of approvals, white, non-Hispanic/Latino comprised approximately 30 percent, Asian American represented 16 percent, Black/African American applications represented three percent, and American Indian/Alaskan Native comprised less than one percent of approved applications. American Indian/Alaskan Native and Black/African American residents were the only racial populations that was representative for mortgage applications relative to proportion of population.

Hispanic/Latino residents were underrepresented for mortgage applications (50 percent of applications, 61 percent of population). White, Non-Hispanic residents were overrepresented for mortgage applications approvals relative to proportion of population (30 percent of approvals, 26 percent of population), as were Asian American residents (16 percent of approvals, eight percent of population). Of application denials, Black/African American residents were overrepresented in application denials (four percent of denials, three percent of the population).

Construction Financing Timing

The timing between project approval and requests for building permits affects project viability. Project delays may result from developers' inability to secure financing for construction. In Atwater, the average time between project approval and request for building permit is typically three to nine months, but varies by type of project. Some projects take years to pull building permits and secure financing. Single-family homes usually experience the least delay (three to nine months). Multi-family housing construction tends to be more complex and usually requires more time between entitlement and building permit issuance (six to nine months).

Conclusion

Although discrimination in mortgage lending is prohibited by the federal Fair Housing Act, other factors may contribute to a potential homebuyer's ability to secure safe financing, such as credit history, savings, and education regarding the home-buying process. Federal Financial Institutions Examination Council (FFIEC) HMDA data, by itself, does not provide insight into these other factors. Therefore, it is important that the City supports housing education and opportunities for all residents.

Recommended Action

The City shall continue to implement goals and policies to support homeownership opportunities and home-buying education, particularly for racial and ethnic groups underrepresented in the homebuying market. This includes maintaining existing local programs such as the Homebuyer Assistance Program as well as state and federal program funding. The City will implement Program 10 to identify resources and funding to assist moderate and lower-income homebuyers. Through this program, Atwater will promote the availability of Permanent Local Housing Allocation (PLHA) funds provide assistance for qualifying applicants includes help to cover costs of mortgage, rent, rental deposit, and/or utility expenses, with the goal of assisting eight households through these funds.

B4.2.4 Requests for Lower Development Densities

Due to the use of Planned Development zones/districts identified in the City of Atwater's Municipal Code, higher density yields are typical. The City has seen a demand for higher density housing in development applications and have not received any requests for lower densities than allowed.

B4.3 Governmental Constraints

Although local governments have little influence on market factors such as interest rates, local policies and regulations can still impact where, how much, and what type of residential development is built. Land use controls, site improvement requirements, fees and exactions, and permit processing procedures, among other policies and regulations, may constrain the maintenance, development, and improvement of housing.

B4.3.1 Land Use Controls

Land use controls provided in the General Plan and the Zoning Code influence housing production in various ways. Any permitted and conditionally permitted uses in each zone guide new development and provide both developers and the public with an understanding of how vacant land should be developed in the future. This includes the density of development that will occur within a particular zone, the compatibility of planned uses in each area, and the range and type of buildings and uses that will be located throughout Atwater.

B4.3.1.1 General Plan

The City of Atwater 2000 General Plan provides policies and programs to guide development in the city. The General Plan includes the provision of new residential neighborhoods, the development of policies that encourage mixed-use development in the downtown area and commercial areas, Zoning Code updates to accommodate residential and commercial areas, implementation of road safety measures, and the addition of an Environmental Justice element.

The Atwater General Plan contains the following residential land use designations:

- Very Low Density Residential: 0 to 3.0 units per acre.
- Low Density Residential: 3.1 to 7.0 units per acre.
- Medium Density Residential: 7.1 to 15.0 units per acre.
- High Density Residential: 15.1 to 35 units per acre

- Downtown Residential Mixed Use: 0 to 25 units per acre.
- Residential Transition: 0 to 21 units per acre.

Atwater is currently in the process of updating the General Plan, although it is unclear at this time if this update will change these residential land use designations.

Conclusion

The General Plan includes six residential land use designations with density ranges from 0 to 35 dwelling units per acre. These densities are sufficiently high to allow the development of affordable housing for all income levels. Minimum densities are included to maximize residential development on a limited supply of land as well as achieve a balance and variety of housing types.

Recommended Action

None required.

B4.3.1.2 Zoning Code

The City regulates the type, location, density, and scale of residential development primarily through the Zoning Code, as well as specific plan development codes. A zone is assigned to every parcel in the city and the Zoning Code identifies compatible uses. In general, the City's zoning regulations are designed to encourage a more appropriate use of land, conserve and stabilize the value of property, provide adequate open space, facilitate provision of adequate community utilities, encourage building development of pleasant design, promote health and safety, and provide economic and social advantages resulting in planned use of land resources. Additionally, development standards such as setbacks, height limits, lot coverage, open space requirements, and parking are identified for each zone. Some zones may allow similar uses but have different development standards. Development standards in Atwater may be considered a constraint to the development of housing units if they are too restrictive or reduce the development potential on a specific parcel.

The City's Zoning Code allows residential uses in the following zones:

- Agricultural Zones (A-P, A-R, R-R): The agricultural zones are intended to preserve lands best suited for agriculture from the encroachment of incompatible uses, as well as to protect lands designated for eventual urban development to ensure the orderly and beneficial conversion of these lands to nonagricultural use. The minimum site area is divided into three zones with varying minimum area requirements: Agricultural Preserve (A-P), Agricultural Residential (A-R), Rural Residential (R-R). The minimum site area is 10 acres for A-P, two acres for A-R, and one acre for R-R. All three zones permit single-family residences with a maximum of one unit per site.
- Residential Estate (R-E): The R-E zone is intended to provide living areas within the city limited to very low-density concentrations of single-family dwellings. The minimum site area is 16,000 square feet for permitted use. No more than one unit is allowed on each site in the R-E zone.
- Single-Family Residential (R-1): The R-1 zone is intended primarily to provide living areas at locations designated by the general plan for medium low and medium density including single-family dwellings. In the R-1 zone, no more than one dwelling unit is allowed on each site, except as provided under Section 17.26.030. Table B4-4 shows the minimum site area per dwelling unit in R-1 zones.

- **Two-Family Residential (R-2):** The R-2 zone is intended primarily for the development of two-family residential structures at densities consistent with policies in the general plan. The minimum lot area is 6,000 square feet for permitted uses. The R-2 zone allows for two single-family dwellings or one duplex per lot on each site.
- **Multiple-Family Residential (R-3):** The R-3 zone is intended to provide living areas within the city limited to medium and high-density concentrations of multi-family housing. This includes single-family dwellings, duplex, and multi-family structures, except as provided under Chapters 17.22 and 17.24 of Atwater’s municipal code.
- **Mobile home Park (R-M):** The R-M zone intends to set regulations regarding mobile home parks at locations designated by the general plan. The minimum lot area is five acres with a minimum of 20 mobile home spaces.
- **Residential Transition (R-T):** The R-T zone is established to create a transition between commercial areas and adjacent residential neighborhoods, as well as on land where mixed uses have been approved through re-zoning. It can be used for median density multi-family residential zones and commercial uses on the condition that the Planning Commission approves the commercial development after a public hearing.
- **Light Industrial Zone, Industrial Zone (M-1, M-2, respectively):** The M-1 and M-2 zone and the industrial zone are intended to provide sites to accommodate process-oriented industries with modern plant or retail facilities. This also includes emergency shelters for those experiencing homelessness.

In Atwater, minimum residential lot sizes are required in some zones. Table B4-4 provides the minimum lot area per dwelling unit standard by zone.

Table B4-4 Site Area Per Dwelling Unit

Zone	Lot Area
A-P	10 acres (0.1 units/gross acre)
A-R	2 acres (0.5 units/gross acre)
R-R	1 acre (1.0 unit/gross acre)
R-E	16,000 square feet (2.7 units/gross acre)
R-1-10	10,000 square feet (4.4 units/gross acre)
R-1-8	8,000 square feet (5.5 units/gross acre)
R-1-6	6,000 square feet (7.3 units/gross acre)
R-1-5	5,000 square feet (8.7 units/gross acre)
R-1-4	4,000 square feet (10.9 units/gross acre)
R-1-3	3,000 square feet (14.5 units/gross acre)
R-2	6,000 square feet (14.5 units/gross acre)
R-1-M	5,000 square feet/ unit (8.7 units/gross acre)
R-3-2	2,000 square feet/ unit (21.8 units/gross acre)
R-3-2.5	2,500 square feet/ unit (17.4 units/gross acre)
R-3-1	1,000 square feet/ unit (43.6 units/gross acre)
R-3-1.5	1,500 square feet/ unit (29.0 units/gross acre)
R-M	3,108 square feet/ unit (14.0 units/gross acre) [avg]

Zone	Lot Area
R-T	2,000 square feet/ unit (21.0 units/gross acre)
M	0.5 acre

Source: Atwater Zoning Code, Adopted October 2023.

Conclusion

The City's Zoning Code provides for a range of densities and is consistent with the General Plan land use designations.

Recommended Action

None required.

B4.3.2 Residential Development Standards

Table B4-5 shows the development standards for residential zones. The minimum parcel area for residential zones ranges from 3,000 square feet to five acres. Maximum site coverage is 70 to 75 percent of the lot area, depending on the zone.

~~The front setback requirement is 30 feet for all agricultural zones and five feet for all R zones, with the exceptions of R-E, R-1-10, R-1-8 zones, which have a 20-foot setback requirement. The side setback requirement is 10 feet for the agricultural, R-E, and R-1-10 zones, and five feet for the 11 remaining R zones and all RM zones. The rear setback requirement is 30 feet for agricultural zones; five feet for R-1-5, R-1-4, R-1-3; 15 feet for R-1-6, R-1-M, R-3-2.0, R-3-2.5; and 20 feet for the remaining six R zones. The setback requirements are shown in Table B4-5.~~

The maximum height requirements are 35 feet for all residential zones. Maximum height requirements for ADUs are between 16 to 25 feet in all zones, depending on if the unit is attached or detached from the primary residence. Maximum density ranges from 0.1 units per acre in the A-R zone to 43.6 units per gross acre in the R-3 zone.

Table B4-5 Residential Development Standards

Zone	Minimum Parcel Area	Minimum Setback (in feet)			Maximum Height (feet) ¹	Maximum Height (Accessory Structure)	Maximum Site Coverage (percent of lot)	Maximum Density (du/acre)
		Front (feet)	Side (feet)	Rear (feet)				
A-P	10 acres	30	10	30	35	35	-	0.1
A-R	2 acres	30	10	30	35	35	-	0.5
R-R	1 acre	30	10	30	35	35	-	1
R-E 2	14,300 sq. ft.	20	10	20	35	16	70	2.7
R-1-10-2	10,000 sq. ft.	20	10	20	35	16	70	4.4
R-1-8-2	8,000 sq. ft.	20	5	20	35	16	70	5.4
R-1-6	6,000 sq. ft.	20	5	15	35	16	70	7.3
R-1-5-2	5,000 sq. ft.	10	5	5	35	16	75	8.7
R-1-4-2	4,000 sq. ft.	10	5	5	35	16	75	10.9
R-1-3-2	2,400 sq. ft.	10	5	5	35	16	75	14.5

Zone	Minimum Parcel Area	Minimum Setback (in feet)			Maximum Height (feet) ¹	Maximum Height (Accessory Structure)	Maximum Site Coverage (percent of lot)	Maximum Density (du/acre)
		Front (feet)	Side (feet)	Rear (feet)				
R-2	6,000 sq. ft.	15	5	20	35	16	70	14.5
R-1-M	5,000 sq. ft.	15	5	15	35	16	70	8.7
R-3-2.0	10,000 sq. ft.	15	5	20	35	16	70	21.8
R-3-2.5	10,000 sq. ft.	15	5	20	35	16	70	17.4
R-3-1.0	10,000 sq. ft.	15	5	15	35	-	70	43.6
R-3-1.5	10,000 sq. ft.	15	5	15	35	-	70	29.0
R-M	5 acres	20	5	5	-	-	70	14
R-T	10,000 sq. ft.	10	5	5	35	16	-	21
M-1	0.5 acres	15	-	-	35	-	90	-
M-2	0.5 acres	15	-	-	35	6	90	-

Source: Atwater Zoning Code, Adopted ~~October-November 2025~~2023.

Conclusion

Development standards related to parcel area, setbacks, height of primary structures, site coverage, and density do not constrain residential development. Limiting maximum height to 35 feet in multi-family zones is a potential constraint to housing development, specifically in the high density residential zone R-3-1.0, where achieving maximum density with a maximum height of 35 feet might be difficult. The City should provide an opportunity for minor modifications to height restrictions for developments with an affordable component.

Recommended Action

Amend the Zoning Code to allow for increased height in the R-3-1.0 residential zone to four stories and at a maximum height of at least 40 feet in order to achieve maximum density. Amend the Zoning Code to allow minor modifications to height restrictions developments with an affordability component, this will be implemented through Program 6 which will amend the development standards in the city's Zoning Code.

B4.3.2.1 Parking

According to the Turner Center for Housing Innovation at UC Berkeley, parking can cost \$25,000 to \$75,000 per space to construct. However, given the age of data and the increased cost of land and construction costs discussed above, the costs per parking space are likely much higher.² Parking provided in underground or structured parking facilities, or if required to be covered or enclosed, can significantly increase the cost of housing and could affect the feasibility of various housing projects in the city. In addition, requirements for parking space locations and maximum distances from dwelling units may also increase the cost of housing and affect the feasibility of housing projects. Requiring less parking not only reduces the project budget but can allow for more space to build additional housing units.

² Turner Center for Housing Innovation at UC Berkeley, 2016. Available at: <http://turnercenter2.berkeley.edu/proforma/>

Atwater does not face any spatial constraints to parking provisions that would necessitate underground or structured parking facilities. However, covered or enclosed parking requirements contribute to increased housing costs in the city and potentially constrain affordable residential development.

Table B4-6 provides the residential parking requirements in Atwater.

Table B4-6 Residential Parking Requirements

Residential Use		Required Parking Spaces
Single-family units	Single-family units	2 per unit
	Single-family units financed under Farmers Home Administration	1 per unit
Multiple-family units	4 or less units	2 per unit
	5 or more units	1.5 per unit
Studio apartments		2 per unit
Senior citizen housing		2 per unit
Mobile Home Park		2.2 per unit

Source: Atwater Zoning Code, Adopted October 2023.

Conclusion

Residential parking requirements for smaller units, including mobile homes, senior citizen housing, studios (2 parking spaces required per unit) pose a potential constraint to housing development. Requiring more than one parking space for smaller units can be cost prohibitive for developers and may pose site design challenges.

Recommended Action

Revise the Zoning Code to require no more than one space per unit for mobile homes, senior citizen housing, studios, and one-bedroom units. Through Program 6, the Zoning Code will be updated to reduce parking requirements for the above housing types.

B4.3.2.2 Open Space and Park Requirements

Chapter 17.44.150.H of the Zoning Code outlines the City's requirements for open space. Atwater names two main types of open space: private open space for reserved land for the exclusive use of residents, customers, and workers, and common open space set aside for the general public. Open space may be used for a variety of functions, such as noise buffers, aesthetics, active or passive recreation, wildlife conservation, flood control, groundwater recharge, and pedestrian and bicycle trails. The municipal code does not outline specific zones where open space and parks are required.

The City has few requirements regarding open space and parks in planned developments, although they state that the amount of open space provided should be based on the amount needed to effectively perform the function for which is intended. For example, small pockets of open space are not adequate as active recreational areas; an area large enough to support a sports court is more appropriate to perform that function. Open space buffers should also be large enough to achieve the desired goal of reducing noise. In addition, open space for recreation or social activities should be of minimum slope (less than 10 percent), take advantage of available sunlight, and be buffered from the noise and traffic of adjacent streets or other incompatible uses. Valuable natural resources

such as waterways or trails and bike paths, that have been damaged or improperly used in the past, shall be restored.

In the Mobile Home Park Zone (R-M), all areas that are not occupied by mobile homes, accessory structures, and other buildings, paving or recreational facilities must be landscaped and maintained with lawn, ground cover, shrubbery or other ground materials approved by the Planning Commission. In addition, a minimum of 30 percent of the parcel must be landscaped or an open space recreation area, and each mobile home space must be provided with at least one tree with a preference towards shade trees. Open space recreation or common park areas should encompass at least eight percent of the total area of the mobile home park. For all zones in the medium density single-family zone, there is a minimum landscape and open space recreation requirement of 25 percent of the parcel. There are no other open space and park requirements for this zone.

Atwater's Zoning Code has also designated the Open Space Combining Zone (O-S) to protect and maintain land to be used for outdoor recreation, the maintenance of public safety, and to encourage proper and orderly growth of the city of efficiently utilize public services, and to enhance the environment. Development in the O-S zone that does not require a building permit includes parks and recreational facilities and playgrounds including structures strictly related to recreation, flood plains, airport clear zones, public utilities, roads, trails, bikeways, information and directional signs, and temporary uses such as carnivals, fairs, exhibits and contests.

Conclusion

The open space and park requirements for planned developments, mobile home parks, and medium density single-family zones in Atwater do not constrain housing development.

Recommended Action

None required.

B4.3.2.3 Density Bonus

California law requires local jurisdictions to provide density bonuses (generally ranging from five to 80 percent) and development incentives or concessions for housing developments that include housing units that are affordable to lower- and moderate-income households or senior housing or the donation of land for housing within the local jurisdiction (Government Code Section 65915-65918). Certain housing development projects may be granted unlimited density if they meet certain conditions, including projects where 100 percent of units are affordable units (including density bonus units) with no more than 20 percent of units for moderate-income households and the project is located within on-half mile of a major transit stop as defined by subdivision (b) of Section 21155 of the Public Resources Code. An unlimited density bonus means there is no cap on the total number of residential units per acre permitted on the site; however, there are other restrictions, such as height limits, that have a practical limiting effect on the number of units that can be built. Development incentives or concessions are reductions or modifications to site development standards or architectural design requirements that result in cost reductions, such as setbacks, parking requirements, and maximum building height.

Atwater's 2017 Housing Element included programs directing the City to amend the Zoning Code to adopt a density bonus policy and other incentives or concessions for residential projects that include affordable or senior housing. While the necessary changes were detailed in the 2017 Housing Element, this density bonus program has not yet been codified into the City's Zoning Code.

Inclusionary housing ordinances are implemented by local jurisdictions that require developers to reserve a certain percentage of units to further increase lower-income housing stock; however, Atwater does not have an inclusionary housing ordinance.

Conclusion

The Zoning Code does not address current density bonus standards and is not in compliance with State Density Bonus Law.

Recommended Action

Amend the Zoning Code to establish density bonuses for housing developments that include housing units affordable to very low-, low-, and moderate-income households or housing units for seniors and the donation of land for housing, consistent with current state laws and requirements. To facilitate the development of affordable housing, the City will implement Program 7 to establish density bonus standards and density increases by adopting a Density Bonus Ordinance. Under this program, the Zoning Code will be amended by January 31, 202~~6~~5, to establish density bonuses for the housing types listed above.

B4.3.2.4 On- and Off-Site Improvement Standards

The typical improvements required by local jurisdictions for subdivision and development of property include reasonable off-site and on-site improvements for the parcels being created, including those that are necessary for public health and safety and/or a necessary prerequisite for the orderly development of the surrounding area. As stated in the Department of Housing and Urban Development's (HUD) study of Subdivision Requirements as a Regulatory Barrier, such requirements can reasonably be considered regulatory barriers to affordable housing if Atwater determines that the requirements are greater (and hence, more costly) than those necessary to achieve health and safety requirements in the community.

Citywide Development Standards

The City's Zoning Code requires underground utilities for new residential development. Where possible, and feasible, joint use of trenching is encouraged. The City does not have the authority to require joint use of trenching by independent utility companies. Redevelopment projects and building permits proposing changes equal to more than 25 percent of the assessed value of the home, are required to bring street improvements up to City standards. In areas of the city that have previously been developed, funds for rehabilitation of substandard units have included provisions for street improvements. Street sections are designed to accommodate storm water drainage and to facilitate safe automobile, pedestrian, and bicycle circulation. Street improvements that provide sidewalks increase accessibility for persons with mobility impairments.

The City provides and operates water, sanitary sewer, and stormwater drainage services. Electricity, gas, communications, and garbage services are provided by outside entities. Utility companies that provide service to the City may require that between six and 10 feet of the area outside of the right-of-way be reserved as a utility easement for the placement of service lines.

Improvement Standards

The City requires curbs, gutters, and sidewalks on all residential streets, including access ramps at corners. The typical right-of-way for local streets is approximately 60 feet, 40 feet of which is for

pavement. The Municipal Code provides for a minimum right-of-way width of 60 feet for a subdivision. The Municipal Code also allows for private streets to deviate from the City standards, provided that future maintenance of the streets is assured by the developer. Streetlights and fire hydrants are required at regular intervals within the city to ensure an acceptable level of public health and safety.

The extension of necessary utilities is also a requirement for all development in Atwater. The City provides and operates water, sanitary sewer, and stormwater drainage services. Electricity, gas, communications, and garbage services are provided by outside entities. The City has adequate capacity to provide water and sewer service to future housing development, and only needs to extend service lines to development areas. The improvement requirements imposed by those agencies are outside the purview of the City. However, the City does require approval from those agencies prior to the approval of any subdivision map. Utility companies that provide service to the City may require that between 6 and 10 feet of the area outside of the right-of-way be reserved as a utility easement for the placement of service lines.

Conclusion

On- and off-site improvement standards for the City of Atwater are typical of small cities and comparable to surrounding jurisdictions. The City does not consider the requirements and associated cumulative development costs of on- and off-site improvement to be greater than necessary. Although improvements contribute to the overall cost of housing projects, developers have not expressed them to be a constraint to development. However, the City will monitor such impacts in the future. Street improvements that provide sidewalks increase accessibility for persons with mobility impairments. The provision of street improvements is not a constraint to the development of housing as these requirements are necessary to achieve health and safety requirements.

Recommended Action

While on- and off-site improvement standards are not a constraint to housing development, the City will implement Housing Program 7 through which the City will provide opportunities to assist affordable housing development on a case-by-case basis.

B4.3.3 Provision of a Variety of Housing Types

Housing Element law specifies that jurisdictions must identify adequate sites that are zoned to encourage the development of a variety of housing types available to all economic segments of the population. People and households of different ages, types, incomes, and lifestyles have a variety of housing needs and preferences that evolve over time and in response to changing life circumstances. This includes single-family homes, multi-family housing, accessory dwelling units, mobile homes, agricultural employee housing, homeless shelters, and transitional housing, among others. Table B4-7 summarizes the housing types permitted and conditionally permitted in the City of Atwater.

Table B4-7 Residential Use Matrix

Residential Use	A-R	R-E ¹	R-1 ²	R-1-M	R-2	R-3	R-M	P-D	R-T	M
Single-Family (1 per lot)	P	P	P	P						
Single-Family (2 per lot)					P					
Single-Family (Multiple)						P			P	
Duplex					P	P			P	
Multi-family						P			P	
Manufactured Housing		C	C	P		C			P	
Mobile home (1 per lot)				P						
Mobile home park							C	C		
Transitional Housing		P	P	P	P	P			P	
Supportive Housing		P	P	P	P	P			P	
Living Quarters for Others ³		A								
Community Care Facilities	C	A								
Second Unit	A	C								
Accessory Dwelling Unit		P	P			P				
Patio Homes			C							
Mixed Use									C	
Emergency Shelter										P
Nursing or Convalescent homes									C	

P= permitted use; A= accessory use; C= conditional use

¹ This section includes R-E, R-1-10, R-1-8, R-1-6, under low density residential zones.

² This section includes R-1-5, R-1-4, R-1-4, under medium-density single-family residential zones.

³ Chapter 17.16.030.E outlines this use as “living quarters for relatives, friends, or persons regularly employed on the premises, but not rented or otherwise conducted as a business, provided that no kitchen facilities are installed.”

Source: Atwater Zoning Code, Adopted 1984

B4.3.3.1 Manufactured Housing

State law mandates that manufactured homes must be permitted in the same manner and in the same zones where conventional single-family structures are permitted (Government Code Section 65852.3). Manufactured housing is permitted in the R-M (Mobile Home Parks) and R-1-M (Single-Family Residential-Mobile Home Zone) zones. They are also categorized as accessory dwelling units, meaning that conditional use of manufactured housing is permitted in R-E, R-1, and R-3 zones. Most of the City’s stock of manufactured housing is in mobile home parks. Although this housing type is allowed in the R-1-M zone, there is no land designated for the R-1-M zone.

Conclusion

Very few residential zones permit the construction of manufactured homes, which poses a constraint for the development of housing.

Recommended Action

The City will implement Program 6 to revise the Zoning Code to allow manufactured homes in all zones where single-family housing is permitted, subject only to the same requirements of conventional single-family housing.

B4.3.3.2 Accessory Dwelling Units

In recent years, several bills have added requirements for local governments related to accessory dwelling unit (ADU) regulation. Updates to state law in 2016 and 2017 included changes pertaining to the allowed size of ADUs, permitting ADUs by-right in at least some areas of a jurisdiction, and reduced parking requirements related to ADUs. More recent bills reduce the maximum allowable time to review and approve ADU applications to 60 days and remove lot size and replacement parking space requirements. AB 68 allows an ADU and a junior ADU (JADU) to be built on a single-family lot, if certain conditions are met. The State has also removed owner-occupancy requirements for ADUs, created a tiered permit fee structure for ADUs based on their size and location, and prohibits fees on units of less than 750 square feet. In addition, AB 671 requires the Housing Element to include plans to incentivize and encourage affordable ADU rentals.

In 2022, two laws were passed that affect ADU law. Both went into effect in 2023. SB 897 increases the existing height limit for attached and detached ADUs that meet certain conditions. AB 2221 clarifies existing ADU law to close procedural and permitting loopholes for approving ADUs, including the requirement for approving or denying applications within 60 days of application submittal and providing a full set of comments and remedies to applicants with denied applications. Additionally, AB 2221 adds front setbacks to the list of local development standards that local governments cannot impose if they would preclude construction of an attached or detached ADU of at least 800 square feet, that is at least 16 feet in height and that has at least four-foot side and rear yard setbacks.

On January 1, 2025, three new laws pertaining to ADUs went into effect. These laws were signed by the Governor in September 2024. AB 2533 addresses unpermitted ADUs and JADUs, SB 1211 includes replacement parking requirements and how many ADUs are permitted on multifamily properties, and SB 1077 directs the California Coastal Commission and the Department of Housing and Community Development to develop guidance regarding ADUs and JADUs in coastal areas.

ADUs and JADUs are permitted by-right in the R-E, R-1, and R-3 zones. ADUs and JADUs are permitted as a converted unit in an existing space or a limited detached unit to each lot. Single-family lots permit one ADU and multi-family lots allow for one or more converted ADUs and two limited detached ADUs. Nonconforming ADUs may be permitted with a conditional use permit. These units are subject to development standards and conditions outlined in Section 17.28.010 of the City's Zoning Code and included below:

- A. An ADU or JADU shall be either created in a residential or mixed-use zone with a building permit or in a single-family or multi-family zone with an ADU permit.
 - a. Height. A detached ADU created on a lot with a single-family or multi-family unit may not exceed 16 feet. It may be up to 18 feet in height if it is created on a lot with an existing or proposed single-family or multi-family dwelling unit that is located one-half mile walking distance of a major transit stop or transit corridor. The ADU may be up to 20 feet in height to accommodate a roof pitch on the ADU that is aligned with that of the primary dwelling unit. A detached ADU created on a lot with a multi-family unit with more than one story above grade may not exceed 18 feet in height.

- b. An ADU that is attached to a primary dwelling may not exceed 25 feet in height or the height limitation imposed by the underlying zone that applies to the primary dwelling, whichever is lower.
- B. Fire Sprinklers. The ADU shall require sprinklers if the primary residence requires them. The construction of an ADU may not trigger a requirement for fire sprinklers to be installed in the existing primary dwelling.
- C. Rental Term. No ADU or JADU may be rented for a term that is shorter than 30 days. This prohibition applies regardless of when the ADU or JADU was created.
- D. No Separate Conveyance. An ADU or JADU may be rented, but except as otherwise provided in Government Code Section 65852.26, no ADU or JADU may be sold or otherwise conveyed separately from the lot and the primary dwelling (in the case of a single-family lot) or from the lot and all of the dwellings (in the case of a multi-family lot).
- E. Septic System. If the ADU or JADU will connect to an on-site wastewater-treatment system, the owner must include with the application a percolation test completed within the last five years or, if the percolation test has been recertified, within the last 10 years.
- F. Owner Occupancy. All ADUs and JADUs permitted after January 1, 2025, are subject to an owner-occupancy requirement. A natural person with legal or equitable title to the property must reside on the property for ADUs and the primary dwelling or JADU for JADUs.
 - a. An ADU that is permitted after January 1, 2020, but before January 1, 2025, is not subject to any owner-occupancy requirement.
 - b. This requirement does not apply to a JADU if the property is entirely owned by another governmental agency, land trust, or housing organization.
- G. Deed Restriction. A deed restriction must be recorded against the title of the property in the County Recorder's office and a copy filed with the Community Development Department before a building permit is issued for an ADU/JADU. This restriction must run with the land and bind all future owners. The City outlines these provisions below:
 - a. Except as otherwise provided in Government Code section 65852.26, the ADU or JADU may not be sold separately from the primary dwelling.
 - b. The ADU or JADU is restricted to the approved size and to other attributes allowed by this section.
 - c. The deed restriction runs with the land and may be enforced against future property owners.
 - d. The deed restriction may be removed if the owner eliminates the ADU or JADU, as evidenced by, for example, removal of the kitchen facilities. To do so, an owner may make a written request to the Director, providing evidence that the ADU or JADU has in fact been eliminated. The Director may then determine whether the evidence supports the claim that the ADU or JADU has been eliminated. Appeal may be taken from the Director's determination consistent with other provisions of the Zoning Code. If the ADU or JADU is not entirely physically removed but is only eliminated by virtue of having a necessary component of an ADU or JADU removed, the remaining structure and improvements must otherwise comply with applicable provisions of this Code.
- H. The deed restriction is enforceable by the director or his or her designee for the benefit of the City. Failure of the property owner to comply with the deed restriction may result in legal action against the property owner, and the City is authorized to obtain any remedy available to it at

law or equity, including, but not limited to, obtaining an injunction enjoining the use of the ADU or JADU in violation of the recorded restrictions or abatement of the illegal unit. Income Reporting. In order to facilitate the City's obligation to identify adequate sites for housing in accordance with Government Code sections 65583.1 and 65852.2, the following requirements must be satisfied:

- a. The applicant must provide the City with an estimate of the projected annualized rent that will be charged for the ADU or JADU when filing a building-permit application.
 - b. Within 90 days after each yearly anniversary of the issuance of the building permit, the owner must report the actual rent charged for the ADU or JADU during the prior year. If the City does not receive the report within the 90-day period, the owner is in violation of this Code, and the City may send the owner a notice of violation and allow the owner another 30 days to submit the report. If the owner fails to submit the report within the 30-day period, the City may enforce this provision in accordance with applicable law.
- I. Building & Safety.
- a. The ADU/JADU units must comply with all local building code requirements.
 - b. There must not be a change of group occupancy under the local building code, unless the building official or Code Enforcement Division makes a written finding based on substantial evidence in the record that the construction could have a specific, adverse impact on public health and safety. This does not prevent the City from changing the occupancy code of a space that was uninhabitable space or that was only permitted for nonresidential use and was subsequently converted for residential use in accordance with this section.

The City also requires additional requirements for accessory dwelling units that require an ADU permit, outlined below:

- A. Maximum Size. A detached or attached ADU shall not exceed 850 square feet for a student or one-bedroom unit and 1,000 square feet for a unit with two or more bedrooms.
 - a. An attached ADU that is created on a lot with an existing primary dwelling is limited to 50 percent of the floor area of the existing dwelling.
 - b. The application of other development standards in Chapter 17.28.010.F of Atwater's municipal code might limit the size of the ADU, but it shall not require the ADU to be less than 800 square feet.
- B. Floor Area Ratio (FAR). No ADU subject to Chapter 17.28.010.F may cause the total FAR of the lot to exceed 45 percent.
- C. Setbacks. The ADU must conform to a four-foot side and rear-yard setback and 25-foot front yard setback, or 65 feet if it follows the provisions of Chapter 17.12.110 of Atwater's Municipal Code. However, no setback is required if the ADU is constructed in the same location and dimensions as an existing structure.
- D. Lot Coverage. No ADU subject to this section may cause the total lot coverage of the lot to exceed 50 percent.
- E. Minimum Open Space. No ADU subject to this section may cause the total percentage of open space of the lot to fall below 50 percent.
- F. Passageway. No passageway, as defined by Chapter 17.28.010.C.9 of Atwater's municipal code, is required for an ADU.

- G. **Parking.** Generally, one off-street parking space is required for each ADU, unless specified in Chapter 17.28.010.F.7.b of Atwater's Municipal Code listed below, where no parking is required:
 - a. The ADU is located within one-half mile walking distance of public transit.
 - b. The ADU is located within an architecturally and historically significant historic zone.
 - c. The ADU is part of the proposed or existing residence or an accessory structure under Chapter 17.28.010.F.7.a of Atwater's municipal code.
 - d. When on-street parking permits are required but not offered to the occupant of the ADU.
 - e. When there is an established car share vehicle stop located within one block of the ADU.
 - f. When the permit application to create an ADU is submitted with an application to create a new single-family or new multi-family dwelling on the same lot, provided that the ADU or the lot satisfies any other criteria listed above in subsections G.a-e.
- H. **Architectural Requirements.** The materials, colors, architectural design, and roof slope of the ADU should match that of the primary dwelling. The internal horizontal dimensions of the ADU must be at least 10 feet wide in every direction, with a minimum interior wall height of seven feet. The exterior lighting must be limited to down-lights or otherwise required by the building or fire code. The ADU must have an independent exterior entrance located on the side or rear of the building and not facing the public right-of-way. All windows and doors of the ADU may not have a direct line of sight to an adjoining residential property. Windows and doors in the ADU that are less than 30 feet from a property line that is not a public right-of-way line must either be (for windows) clerestory with the bottom of the glass at least six feet above the finished floor, or (for windows and for doors) utilize frosted or obscure glass.
- I. **Landscape Requirements.** Evergreen landscape screening must be planted and maintained between the ADU and adjacent parcels as follows:
 - a. At least one 15-gallon size plant shall be provided for every five linear feet of exterior wall. Alternatively, at least one 24-inch box size plant shall be provided for every 10 linear feet of exterior wall.
 - b. Plant specimens must be at least six feet tall when installed. As an alternative, a solid fence of at least six feet in height may be installed.
 - c. All landscaping must be drought tolerant.
 - d. All landscaping must be from the City's approved plant list.
- J. **Historical Protections.** An ADU that is on or within 600 feet of real property that is listed in the California Register of Historic Resources must be located so as to not be visible from any public right-of-way.

Conclusion

The City of Atwater's ADU Ordinance was last updated in 2023 and is in compliance with California Government Code sections 65852.2 and 65852.22. The ADU Ordinance does not comply with new state laws that went into effect January 1, 2025.

Recommended Action

The City shall amend the ADU Ordinance to be in compliance with the most recent state laws.

B4.3.3.3 Multi-Family

Multi-family housing is permitted by-right in the R-2, R-3-2.5, R-3-2.0, R-3-1.5, and R-3-1.0 zones. Multi-family development is not permitted in any other zone but can be incorporated into the R-T zone (residential transition) where a mix of two land uses has been approved over the years through re-zoning. Up to 21 dwelling units per acre may be allowed in the R-T zone, depending on environmental and site constraints.

Conclusion

Multi-family development requirements are not a constraint to residential development.

Recommended Action

None required.

B4.3.3.4 Group Homes/Residential Care Facilities

State law requires residential care facilities with six or fewer persons to be allowed by-right in all zones that allow residential uses in zones where single-family residential uses are allowed. Zoning Code section 17.06.174 defines a community care facility as any facility, place, or building which is maintained and operated to provide non-medical residential care or day care services for children, adults, or children and adults, including, but not limited to, the physically handicapped, mentally impaired, or incompetent persons. A community care facility which services six or fewer persons is considered a residential use of the property. The Zoning Code does not specify a unique set of performance standards for community care facilities. Zoning Code section 17.06.240 defines a family as an individual or two or more persons related by blood, marriage, or adoption, or a group of not more than five persons (excluding domestic employees) who need not be related by blood, marriage, or adoption, living together in a single-family dwelling unit. This definition could be considered a constraint in that it conflicts with state definitions allowing up to six unrelated persons within a residential context.

Community care facilities are permitted in agricultural (A-R) and low-density residential zones (R-E, R-1-10, R-1-8, and R-1-6) as accessory uses. For the A-R zone, the maximum occupancy is 12 persons, while the low-density residential zones don't restrict the number of residents served by the facility. The City currently has no provisions in the Zoning Code to allow the development of group homes in additional residential zones.

In 2018, AB 2162 required cities to change their zoning to provide a "by-right" process and to expedite review for supportive housing projects of 50 units or fewer. This law applies to sites in zones where multi-family and mixed uses are permitted, including in nonresidential zones permitting multi-family use. Additionally, AB 2162 prohibits local governments from imposing any minimum parking requirements for units occupied by supportive housing residents if the development is located within one-half mile of a public transit stop. AB 2162 requires 25 percent of the units (or a minimum of 12 units, whichever is greater) to be approved by-right with no minimum parking. If the development consists of fewer than 12 units, then 100 percent of the units, excluding managers' units, in the development shall be restricted to residents in supportive housing.

Conclusion

The City does not specify a detailed set of performance standards for community care facilities and only allows for such developments in two zones. The Zoning Code does not permit community care facilities with seven or more persons in all zones that permit housing, which constrains the development of these uses.

Recommended Action

The City will implement Program 6 to amend the Zoning Code to allow community care facilities serving six or fewer residents as a single-family use in all zones that permit housing and allow care facilities of seven or more residents in all zones that permit residential uses, with objectivity and approval certainty, subject only to the same restrictions imposed upon residential uses of similar type and form.

B4.3.3.5 *Emergency Shelters*

In 2019, AB 101 was passed requiring that a Low Barrier Navigation Center development be a use by-right in mixed use districts and nonresidential districts permitting multi-family uses. A Low Barrier Navigation Center is a low barrier, temporary, service-enriched shelter that helps homeless individuals and families obtain permanent housing. The City will need to amend its Zoning Code to explicitly allow the development of Low-Barrier Navigation Centers, by-right, in residential use and mixed-use districts, as well as nonresidential districts permitting multi-family uses.

AB 139, which went into effect on January 1, 2020, mandates that emergency shelters may only be subject to standards that apply to residential and commercial development within the same zone. AB 139 also states that there should be sufficient parking to accommodate all staff working in the emergency shelter.

AB 2339 was passed in 2022 and went into effect January 1, 2023. AB 2339 requires that jurisdictions identify zoning designations where emergency shelters are allowed to include sites that meet at least one of the following:

- Vacant and zoned for residential use;
- Vacant and zoned for nonresidential use and located near amenities and services for homeless individuals;
- Nonvacant and is suitable for use as a shelter in the current planning period.

Emergency shelters are allowed by-right in the M-1 and M-2 zones and are not allowed in any zone allowing residential uses. However, due to the wide unavailability of vacant parcels in the M-1 and M-2 zones, the City [also](#) allotted areas within the Business Park [\(B-P\)](#) zone for emergency shelters. The Zoning Code limits the maximum stay to six months or less. The definition of emergency shelter in the Zoning Code does not include interim interventions, (e.g., navigation centers, bridge housing, and respite or recuperative care), as required by AB 2339. The City's standards for emergency shelters include the following:

- An emergency shelter may have up to 60 beds.
- Emergency shelters shall have separation of at least 300 feet from residential zones, parks, and schools.

- Facilities shall establish and maintain set hours for client intake and discharge. The hours of operation shall be consistent with the services provided and shall be posted in a publicly visible and accessible location on a sign that is no larger than one square foot.
- Outdoor activity and intake areas shall be screened from public view and from the view of adjacent properties.
- A security plan shall be submitted to the Sheriff's Department for review and approval prior to operation and shall be reviewed annually.
- On-site lighting shall be provided in all parking, pedestrian paths, and entry areas.
- A minimum of one supervisory level staff member must be present on the site during hours of operation. Operator(s) must ensure that loitering does not occur on the property during non-shelter hours and must ensure that clients are not loitering, littering, or otherwise creating a nuisance to the neighborhood.
- The emergency shelter shall provide on-site parking for all staff plus one space per ten occupants allowed at the maximum capacity.
- The maximum length of stay shall be no longer than six months, as established by the California Health and Safety Code for emergency shelters.
- Operation of emergency shelters shall comply with all federal, state, and local requirements, and all applicable Building, Fire, and Health and Safety codes.

The Merced County Point-in-time count estimated that 855 unhoused individuals were residing in the county in 2022, including 59 in Atwater. Of that number, 15 are unsheltered and 44 are sheltered. As shown in Table B4-8, Atwater has the potential capacity for more than 6,326 individuals in emergency shelters in the M-1 and M-2 zones, which is significantly greater than the identified 59 individuals counted in 2022.

Table B4-8 Emergency Shelter Capacity Analysis

APN	Acreage	Realistic Capacity (beds)
001-146-018	3.95	860
001-146-019	17.5	3,811
056-021-010	7.6	1,655
Total	29.05	6,326

Source: City of Atwater, 2023

Emergency shelters must be permitted in zones that allow residential uses. While there is sufficient capacity in M-1 and M-2 zones, these zones do not permit any type of residential uses. ~~should~~ As a result, under Program 6, the City will amend the principal permitted uses in the Commercial Thoroughfare (C-T) zone to permit emergency shelters by-right, as well as mixed-use buildings that include residential uses. As shown in Table B4-9, Atwater has the potential capacity for 4371,410 individuals in emergency shelters on vacant parcels in the C-T R-3-zone, exceeding the identified 59 individuals experiencing homelessness in 2022. These vacant C-T parcels are well situated with access to public transit and essential services. The majority of these identified parcels ~~zoned R-3~~ are located near the Atwater Loop bus route, commercial services such as grocery stores, community organizations, and health clinics ~~the Merced County Human Services Agency and WIC of Merced County~~. The Winton Commuter bus route also provides connections from Atwater to the City of

Merced, where most countywide resources for persons experiencing homelessness are concentrated.

Table B4-9 Emergency Shelter Capacity Analysis in Commercial Thoroughfare Zone (C-T)

APN	Acreage	Realistic Capacity (beds)
<u>002-152-015</u>	<u>0.08</u>	<u>16</u>
<u>156-070-030</u>	<u>0.33</u>	<u>72</u>
<u>004-024-009</u>	<u>0.02</u>	<u>3</u>
<u>156-070-026</u>	<u>0.44</u>	<u>95</u>
<u>004-110-013156-070-027</u>	<u>1.500.63</u>	<u>327136</u>
<u>005-120-030156-070-024</u>	<u>1.050.53</u>	<u>228115</u>
<u>005-120-050</u>	<u>2.88</u>	<u>627</u>
<u>005-120-056</u>	<u>1.05</u>	<u>228</u>
Total	6.480.08	4371,410

Source: City of Atwater, 20263

Conclusion

Maximum stay requirements pose a constraint to housing access for residents experiencing homelessness. In addition, emergency shelters are not allowed in any residential zones. This is not consistent with state law which requires that low-barrier navigation centers be allowed by-right in areas zoned for mixed use and nonresidential zones permitting multi-family uses. Furthermore, interim interventions are not included in the Zoning Code definition of emergency shelter.

The City requires more parking than is required to accommodate staff. As stipulated by AB 139, this adds additional project costs and is a constraint to the development of emergency shelters. Additionally, the standard for design requirements related to views of adjacent properties and the requirement that emergency shelters have a separation of a minimum of 300 feet from residential zones, parks, and schools may also constrain development.

Recommended Action

The City will implement Program 6 to revise the definition of emergency shelter in the Zoning Code to remove maximum stay requirements, to include interim interventions, and to permit mixed-uses and emergency shelters by-right in C-N, C-C, C-T, and C-Gthe R-3 zones and to allow emergency shelters in any residential and/or residential mixed-use zone(s) subject to the same requirements for residential use of the same type in the same zone. Through Program 6, the Zoning Code will also be amended to define Low-Barrier Navigation Centers, consistent with state law and to explicitly allow by-right, in mixed-use and nonresidential districts permitting multi-family uses. The amendments to the Zoning Code under Program 6 will also ensure off-street parking requirements to provide parking spaces for staff only, remove maximum stay requirements, and remove the requirement to have a minimum 300 separation from residential zones, parks, and schools and the design requirements related to views of adjacent properties.

B4.3.3.6 Transitional and Supportive Housing

“Transitional housing” is defined as buildings configured as rental housing operating under program requirements that require the termination of assistance and recirculation of the assisted unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six months from the beginning of the assistance. Transitional housing units are residential uses subject only to those requirements and restrictions that apply to other residential uses of the same type in the same zone.

“Supportive housing” is defined as housing with no limit on length of stay that is occupied by the target population and that is linked to on-site or off-site services that assist the supportive housing resident in retaining permanent housing, health services, and employment, as needed. Supportive housing units are residential uses subject only to those requirements and restrictions that apply to other residential uses of the same type in the same zone. AB 2162, which went into effect on January 1, 2019, requires that cities allow supportive housing with up to 50 units by-right in multi-family and mixed-use zones and precludes cities from imposing parking requirements on supportive housing developments located within 0.5-mile of a public transit stop.

Transitional and supportive housing is allowed as permitted use in R-E, R-1, R-2, R-1-M, R-3, and R-T zones. R-3 zones and R-T zones also permit multi-family uses, in compliance with state law. The City does not impose additional requirements on transitional and supportive housing types beyond those that apply to residential uses.

Conclusion

The City allows transitional and supportive housing in zones allowing multi-family and mixed uses, in compliance with state law. However, the Zoning Code does not currently comply with AB 2162, whereby supportive housing that is within a half-mile of a transit line, no minimum parking spaces are required.

Recommended Action

Through Program 6, the City will update the Zoning Code to comply with AB 2162, whereby for supportive and transitional housing located within half-mile from transit, no minimum parking can be required.

B4.3.3.7 Farmworker Housing / Employee Housing

The Employee Housing Act (Health & Safety Code Section 17021.6) requires that any employee housing consisting of no more than 36 beds in group quarters or 12 units or spaces designed for use by a single family or household, shall be deemed an agricultural land use. No conditional use permit, zoning variance, or other zoning clearance shall be required of employee housing that is not required of any other agricultural activity in the same zone. The permitted occupancy in employee housing in a zone allowing agricultural uses shall include agricultural employees who do not work on the property where the employee housing is located. Health and Safety Code Section 17021.8 mandates that eligible agricultural employee housing developments are subject to a streamlined, ministerial approval process and not subject to a conditional use permit.

The Zoning Code does not allow the development of farmworker housing or employee housing in any residential or zone that permits agricultural uses. Further, there is no definition of farmworker housing or employee housing provided in the current Zoning Code.

Conclusion

The Zoning Code does not permit the development of farmworker and employee housing in any zone. The City's Zoning Code does not comply with state law regarding farmworker/employee housing.

Recommended Action

The City will implement Program 6 to revise the Zoning Code to permit employee housing for six or fewer employees as a single-family residential use in zones that permit agricultural uses, allow farmworker and employee housing with up to 36 beds in group quarters or up to 12 units or spaces designed for use by a single-family or household as an agricultural use, and to allow eligible agriculturally employee housing developments to be permitted ministerially to ensure compliance with the Employee Housing Act (Health & Safety Code Section 17021.6).

B4.3.3.8 Single-Room Occupancy Units

The City currently has no provisions in the Zoning Code to allow the development of single-room occupancy units (SROs).

Conclusion

Zoning Code standards do not permit the development of SROs, which constrains the production of a wide variety of housing types in the city.

Recommended Action

The City will implement Program 6 to revise the Zoning Code to allow the development of SROs in residential zones allowing multi-family uses (R-2, R-3) and/or in commercial zones allowing hotel and motel uses (C-C, C-T, DB-D, B-P). Additionally, the City will establish a procedure to encourage and facilitate SRO development in the allowable zoning districts.

Housing for Persons with Disabilities

California Government Code Section 65583 requires local jurisdictions to analyze potential and actual government constraints on the maintenance, improvement, and development of housing for persons with disabilities. This is to ensure that persons with either physical or mental disabilities are provided with reasonable accommodation for access to and the enjoyment of all facilities, including housing. Government Code Section 65583(c)(3) also requires housing elements to provide a program to "...address, and where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing for persons with disabilities."

This section analyzes if the zoning policies and permitting procedures in Atwater impose any constraints to persons with disabilities accessing appropriate and adequate housing in the city.

B4.3.3.9 Definition of Family

Local jurisdictions may restrict access to housing for households that do not meet the jurisdiction's definition for "family." A restrictive definition of "family" that limits the number of individuals living together may illegally limit the development and siting of group homes for persons with disabilities, but not for housing families that are similarly sized or situated.

The City of Atwater's definition of family is as follows:

- "Family" means an individual or two or more persons related by blood, marriage, or adoption, or a group of not more than five persons (excluding domestic employees) who need not be related by blood, marriage, or adoption, living together in a single-family dwelling unit.

Conclusion

The City's definition of "family" restricts the number of persons living together to five. This is a constraint to the development of group homes with six or more persons. Additionally, the Zoning Code should not distinguish between biologically related and unrelated persons.

Recommended Action

Revise the City's Zoning Code to remove the limit of number of persons residing in a dwelling unit as a "family" to comply with fair housing law. The City will implement Program 6 to amend the Zoning Code to revise the definition of "family" to comply with fair housing laws.

B4.3.3.10 Reasonable Accommodation Procedures

The federal Fair Housing Act and the California Fair Employment and Housing Act require that cities and counties provide reasonable accommodation where such accommodation may be necessary to afford individuals with disabilities equal housing opportunities. Cities and counties must also consider requests for accommodations related to housing for people with disabilities and provide the accommodation when it is determined to be "reasonable" based on fair housing laws and the case law interpreting the statutes.

Reasonable accommodation is one of the tools intended to further housing opportunities for people with disabilities. These accommodations require that local jurisdictions make modifications or exceptions in their zoning laws and other land-use regulations when accommodations are necessary to afford individuals with disabilities an equal opportunity to use and enjoy a dwelling. For example, it may be a reasonable accommodation to waive a setback requirement so that a paved path of travel can be provided to residents with mobility impairments.

Reasonable accommodation enables developers and providers of housing for people with disabilities a means of requesting from the local government flexibility in the application of land use and zoning regulations or, in some instances, even a waiver of certain restrictions or requirements because it is necessary to achieve equal access to housing.

The City enforces the California Building Code (Title 24 of the California Code of Regulations), which regulates the access and adaptability of buildings to accommodate person with disabilities (access standards, safety measures, braille sign standards, etc.). The City allows existing and new homes to be retrofitted or fitted for features that provide accessibility and independent living for persons with disabilities. Handicapped parking is not addressed in the City's parking requirements, but it is a provision in the California Building Code.

The City does not require special building code compliance or additional levels of review to build, improve, or convert housing for persons with physical disabilities. Requests for modifications to ensure disability housing access and accommodations do not require a building permit and many other accommodations can be permitted over the counter. Requests for reasonable accommodation can be made directly to the City's ADA coordinator contact as listed on the City website for ADA Information. Resolution of the issue or request will begin immediately. There are

no associated fees for requests for reasonable accommodation. Any person with disabilities or individuals representing such person can request permits for reasonable accommodations for disabled persons to City staff to allow modifications to facilitate access to housing for persons with disabilities, who use a standard entitlement process to ensure land use compatibility and sited facilities.

Conclusion

Atwater enforces state requirements related to reasonable accommodation. However, the City does not provide written procedures or guidelines for reasonable accommodations. This is a constraint for housing for persons with disabilities.

Recommended Action

The City should establish a written procedure for reasonable accommodation requests and provide the information on the City website.

B4.3.4 Planning and Development Fees

The development review process is intended to regulate all projects. Through this process, residential yard size and other open space uses are determined, which in turn control population density for conformance with the General Plan. Regulation is necessary to conserve and stabilize property values, provide adequate open space, diminish street congestion; facilitate adequate community utilities such as transportation, water, sewage, schools, parks, and other public facility requirements; and to safeguard public health, safety, and general welfare.

The City charges various fees and assessments to cover the cost of processing permits and providing certain services and utilities. Development impact fees in Atwater are reasonable in comparison to other jurisdictions in the state and region. Table B4-10 describes residential development planning fees for both single- and multi-family development.

Table B4-10 Residential Development Planning Fees

Fee Title	Single-Family Unit Cost
Annexation Application	\$3,063 plus \$115 per acre
Pre-zoning	Deposit \$2,041 + actual cost
Specific Plan Preparation	Actual Cost + 20%
General Plan Amendment Preparation	Deposit of \$2,031, Actual Cost + 20%
Site Plan Review	Deposit of \$1,029 + actual cost
Tentative Subdivision Map	Deposit of \$3,046 + \$61 per lot, Actual Cost + 20%
Tentative Parcel Map	Deposit \$1,876 + \$61 per lot, Actual Cost + 20%
Conditional Use Permit	Actual Cost. \$2,000 Minimum Deposit
Variance	Deposit \$993, Actual Cost + 20%
Zone Change	Deposit \$1847, Actual Cost + 20%
PD Zone: Master Plan Application	Deposit \$2242, Actual Cost + 20%
PD Zone: Final Development Plan Application	Deposit \$2242, Actual Cost + 20%
Environmental Assessment	Actual Cost + 20%
Source: City of Atwater, Miscellaneous Fee Schedule, Amended June 27, 2022.	

Table B4-11 shows development impact and permit fees for single-family and multi-family prototype developments. The total cost of development impact and permit fees for a typical 12,000 square foot single-family house on an existing lot is in excess of \$22,000, or about 10.5 percent of the median sales price of \$208,000 for such a home in Atwater. For a typical 800 square foot unit in a multi-family development, these fees are approximately \$14,000 per unit.

Table B4-11 Residential Development Fees

Impact Fees	Cost Per Unit	
	Single-Family	Multi-Family
Development Impact and Connection Fees		
Parks and Recreation	\$1,240	\$1,020 per unit
Sewer Connection	\$400	\$400 per unit
Sewer Capacity Fees	Dwelling Unit: \$3,667 Mobile Home: \$3,312	Dwelling Unit: \$3,667 per unit Mobile Home: \$3,312 per unit
Water Connection	\$400	\$400 per unit
Water Capacity Fees	Residential Estate: \$2,989 Detached Single-Family Residential: \$2,689	Med/High Density Residential: \$1,257 per unit
Government Building	\$949 per acre	\$949 per acre
Fire	\$1,038 per acre	\$1,038 per acre
Police	\$800 per acre	\$800 per acre
Traffic Circulation	\$3,684 per acre	\$3,684 per acre
Traffic Signals/Options	\$312 per acre	\$312 per acre
Subtotal	\$21,958	\$13,945
Development Permit Fees		
Building Inspection	Based on a Fee Type (Sq Footage)	Based on Fee Type (Sq Footage)
Building Plan Check	75% of project valuation or Based on 3 rd Party Hourly Rate	75% of project valuation or Based on 3 rd Party Hourly Rate
Site Improvement Inspection	3% of improvement value	3% of improvement value
Site Improvement Plan Check	Cost + 25%	Cost + 25%
Notes: Typical 6,000 sq. ft. residential lot and 1,500 sq. ft. single-family unit		
Source: City of Atwater, Schedule of Fees, 2023.		

Single-family development fees in Atwater are comparable to similarly sized cities in the same county. Fees for a single-family unit range are approximately \$21,958 in Atwater but range from \$12,326 to \$58,103 in the cities of Livingston, Dos Palos, Gustine, Los Banos, and Merced. Similarly, fees for multi-family are comparable, at approximately \$13,945 per multi-family unit in Atwater. Multi-family fees range from \$8,997 to \$47,550 per unit in other cities in the region. Table B4-12 shows a comparison of development fees in other Merced County jurisdictions.

Table B4-12 Residential Development Fee Comparison

Jurisdiction	Total Cost Per Unit	
	Single-Family	Multi-Family
Atwater	\$21,958	\$13,945
Dos Palos	\$12,435	\$12,435
Gustine	\$58,103	\$47,550
Livingston	\$20,804	\$5,561
Los Banos	\$32,961	\$26,197
Merced (City)	\$12,326	\$8,997
Merced (County)	\$30,996	\$26,423

The City typically collects entitlement fees at time of application submittal, and all appropriate development impact fees and building permit fees at the time of building permit issuance. For projects with entitlements (i.e. subdivision maps or conditional use permits), this puts fee payment well into the overall timeline. However, for already entitled properties, such as infill units on single lots, this process imposes potential financial impacts upon the developer, since the developer's recovery of those costs does not occur until such time as the individual units are sold. The postponement of these fees until a Certificate of Occupancy is issued could facilitate the development of additional housing. The City is currently deferring fee payment until the final construction inspection is complete. ~~In the past two years the City has reduced development impact fees as a measure to revive the housing market in the aftermath of the economic downturn.~~ The City does not currently waive development fees as a means of expediting the availability of housing for very low- and low-income households.

Conclusion

Planning and development fees are comparable to other cities in Merced County and are not considered a constraint to development.

Recommended Action

None required.

B4.3.5 Permit Types

The City of Atwater provides the full range of services relating to the development of property within its Sphere of Influence. Subdivision map processing, parcel maps, planned developments, special use permits, and building plans are all processed by the City. The City actively encourages developers to meet and confer with its planning staff prior to the formal submittal of an application as a means to facilitate the timely processing of the application. Pre-application conferences can resolve misunderstandings regarding zoning and development standards and processing procedures.

Several permitting processes may be required depending on the type of development proposal:

Subdivision and Merger

City requirements for these actions parallel State Subdivision Map Act requirements. For projects that require separate ownership parcels, a subdivision is required to establish the land division. The subdivision process is subject to Permit Streamlining Act requirements, but also usually requires CEQA review and can take up to a year to complete. Mergers would be accomplished through the filing of a new map creating a smaller number of parcels. The City follows the approval and disapproval findings of the Government Code section 66474. These are as follows:

- The subdivision must be consistent with applicable general and specific plans.
- The site must be physically suitable for the type of development and the proposed density of development.
- The design of the subdivision or the proposed improvements are not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat.
- The design of the subdivision or type of improvements is not likely to cause serious public health problems.
- The design of the subdivision or the type of improvements will not conflict with an easement. These findings are/are not considered subjective.

Permitted Uses

Permitted Uses, also known as “use by-right,” refer to uses that are permitted in a specific zoning district, and as a result are not subject to additional review or applied conditions for approval by the Planning Commission. Permitted Uses also generally will not cause an adverse environmental impact on surrounding uses. Permitted Uses must still acquire all necessary permits to proceed with development, however the process is much more streamlined than for projects requiring a Conditional Use Permit. Most residential development is allowed by-right in residential zones.

Site Plan Review

Projects subject to the City’s site plan and design review process (all applications for building permits, permitted uses, conditional uses other than agricultural residential, residential estate, and single-family residential buildings and minor structures for the conduct of a business which is to be conducted primarily in the open air outside of a structure) must be approved by the Community Development Director, or designee, to ensure consistency with the City’s Residential Design Guidelines or Commercial and Industrial Guidelines. Site Plans will be evaluated with their consistency with the General Plan and Zoning Code.

Atwater’s site plan review process consists of review and approval by the Community Development Director, or their designee. The Atwater Municipal Code outlines the specific requirements and guidelines for site plans in each zone. The City’s Uniform Development Application includes further guidelines and processes for Site Plan review, ensuring overall approval certainty for projects meeting such requirements. The applicant may appeal a denial from the Community Development Director, by filing an appeal to the Planning Department in writing and within ten calendar days. The appeal will be reviewed by the Planning Commission.

Conditional Use Permit

Many uses require the applicant to obtain a conditional use permit. The purpose of a conditional use permit is to allow the proper integration into the community of uses which may be suitable only in specific locations in the zone, or only if such uses are designed or laid out on the site in a particular manner. Conditional use permits are approved or denied by the Planning Commission and can be appealed to the City Council. A Planning Commission public hearing is to be set within 30 days of receipt of an application, although CEQA requirements could extend this time for some projects. Conditional use permit processing is subject to Permit Streamlining Act requirements.

The few residential uses that require a conditional use permit approval in Atwater are second units in the R-E and R-1 zones (but refer to Program 7 to permit second units by-right); mobile home parks; and apartments above the ground floor in the C-C and C-G zones. In approving a conditional use permit the Planning Commission must find that the proposed structure or use conforms to the requirements and the intent of the municipal code and the General Plan; that conditions of approval deemed necessary in the public interest will be met; and that the use will not constitute a nuisance or be detrimental to the public welfare of the community. For a mobile home park, the findings must indicate that dimensions, location, and layout of each mobile home space, buildings, other structures, garbage storage, parking areas, landscaping, fencing, signs, street lighting, and fire protection devices meet state, federal, and local requirements. The submittal requirements are not different than the development plans that would be required for any other approval route.

The Planning Commission may approve a proposed use as long as it conforms to the requirements of the Code and the General Plan, any additional conditions stipulated by the [Planning Community Development](#) Director as deemed necessary in the public interest will be met, or will not constitute a nuisance or be detrimental to the public welfare of the community. These findings are/are not considered subjective.

Planned Development

The purpose and benefits of a Planned Development (PD) zone are described above in the section on Flexibility in Development Standards. A Planned Development is optional; however, an application is usually submitted along with a tentative map application to subdivide the property of at least 10 acres. The purpose of a Planned Development district is to integrate land, buildings, and uses by flexible and innovative design, encourage mixed land uses, and ensure safe and efficient circulation throughout the project area.

A Planned Development proceeds in two stages: a conceptual plan is reviewed by staff, and a master plan is submitted concurrently with a PD zone change (if the site is not already zoned PD) for Planning Commission recommendation and City Council approval. The City approves both residential and commercial Planned Developments.

Following approval of a master plan, a detailed development plan is processed for development of all or portions of the site. The development plan is submitted for Planning Commission recommendation and City Council approval, typically concurrent with a tentative subdivision map. If approval of a zone change or general plan amendment is required for residential development, it may be processed concurrently or prior to either the master plan or the development plan. A Planned Development application also requires CEQA review and is likely to require a negative declaration or environmental impact report; this review would be incorporated with the environmental review already typically required for a subdivision map.

Planned Developments do not have set design standards that apply to development within a PD zone, the applicant submits a master plan for the desired standards of future development that are subject to two public hearings; one for the Planning Commission recommendation and another for City council approval. The Zoning Code states that the master plan shall conform to the approved development schedule but includes language that the project “will be exemplary in its design” and have “higher standard or quality of development than typically found in the other zones” which is subjective.

Because of the complexities, the Planned Development process can take a year or longer to complete. However, since the tentative map processing can run concurrently with the planned development process, there is usually a high level of efficiency, since the designs of the master plan, development plan, and tentative map are all aligned. Therefore, the conditional use permit process does not result in a constraint on development. Each non-legislative approval process is subject to Permit Streamlining Act requirements. For a 50-lot subdivision without a Planned Development, the application fees would be \$5,815. For that same subdivision, the additional application fees for a Planned Development including rezone would be \$5,303, or about \$106 per house. The additional steps required under a Planned Development are not generally expected to affect lower-income housing, since most Planned Developments are single-family residential in nature.

Residential and commercial developments in a PD zone would require a Master Plan and Development Plan. Allowed land uses within a PD zone are consistent with uses allowed by the underlying General Plan land use designation. For residential development in areas that have PD zoning and a commercial designation on the General Plan land use map, a General Plan amendment would be necessary which would increase the cost and certainty of development. ~~There are two Planned Development remainder parcels (PD-16 and PD-19) that are targeted for medium and high-density residential development.~~ The first stage of the Planned Development approval, including the re-zoning, is already complete on these sites, and the final master plan stage is the only remaining requirement. The master plan is comparable to the site plan that would be required for any development within R-3, so it will not result in additional effort that would constrain development of these sites. The City has recently amended the Zoning Code for PDs where the applicant keeps the existing master plan for existing Planned Development parcels, or rezones to Low Density Residential, to not require additional design at the entitlement stage.

Conclusion

Planned Development districts are not a constraint to housing development as they allow for flexible residential developments. Planned Development approvals do not have fixed design or development standards; however, the current language could be considered subjective, which could be a constraint to development. Site plan and permit approvals include subjective standards that require personal interpretation to determine compliance with standards. This is a constraint to development. Program 6 has been added to this Housing Element to reduce and/or eliminate potential governmental constraints related to subjectivity within the review process.

Recommended Action

The City will implement Program 6 to revise the Zoning Code to remove subjective language from Planned Development, site plan, and permit approval requirements as well as update the Residential, Commercial, and Industrial Design Guidelines.

B4.3.6 Permit Procedures and Processing Times

While permit processing and development review are necessary to ensure that development proceeds in an orderly manner, permit processing fees, the costs of studies, and implementation of conditions, as well as time consumed, can impact the cost of housing development.

The initiation of a development begins with the filing of an application with the City Community Development Department. The application is routed for review by the various City departments including the public works, engineering, and planning divisions. Typically, a three-week time frame is provided for these comments. This would apply to ministerial approvals, such as a house on a single lot, and assumes that no variance or special use request is being processed in conjunction with the permits. For discretionary projects~~At the same time~~, the environmental review process begins concurrently with application review. Assuming that there are no outstanding issues, a negative declaration is usually prepared. After City review, the project is publicly noticed and scheduled for Planning Commission hearing ~~by the Community Development and Resources Commission~~. For a project that requires circulation of a negative declaration, the total typical processing time is about six to nine months. For a project that requires an environmental impact report, a year or more may be required. For projects requiring CEQA clearance but not requiring public review of environmental documents, a time frame of approximately ~~two-four~~ to ~~three-six~~ months is estimated from the initial application to a ~~Community Development and Resources Commission~~Planning Commission hearing. ~~Both single-family and multi-family projects require two public hearings; one for the Planning Commission for the recommendation to City Council, and the second for the City Council to approve.~~

Housing projects requiring a conditional use permit require a public hearing before the Planning Commission. Projects involving a subdivision require two public hearings, one with the Planning Commission and one with the City Council. To approve a conditional use permit, the Planning Commission must find that the use complies with development standards, is consistent with the Atwater General Plan and other applicable plans, and will not create a nuisance or be detrimental to public welfare. Appeals to the City Council are typically scheduled for the next available meeting, which may vary from one to two weeks after the ~~Community Development and Resources Commission~~public hearing. The City's Health and Safety Code defines public nuisance, removing subjectivity and uncertainty in the approval process.

The City has not received any applications for multi-family development projects in recent years; therefore, processing and approval times for multi-family projects are not available. However, permit procedures and approval timeframes would be similar for both single-family and multi-family projects, assuming similar CEQA findings and requirements. To approve an application the City must find that ~~The required approval findings for both single-family and multi-family a~~ projects are is consistent with the General Plan and Zoning Code, and applicable development standards. Where required by CEQA, a project must undergo the appropriate level of a CEQA environmental review~~evaluation~~. The City does not impose additional approval findings beyond those already required to demonstrate consistency with the General Plan and underlying zoning district. Once a project complies with objective zoning and development standards, no Multi-family projects do not have to undergo ~~additional discretionary approvals, such as a design review~~ isare required, which reduces uncertainty, time and cost. ~~that are often in place in other jurisdictions and that add time to the approval process.~~

The time required to process a project varies greatly from one project to another and is directly related to the size and complexity of the proposal and the number of actions or approvals needed to

complete the process. Table B4-13 identifies the typical processing time most common in the entitlement process. It should be noted that each project does not necessarily have to complete each step in the process (i.e., small scale projects consistent with General Plan and zoning designations do not generally require EIRs, General Plan Amendments, Rezones, or Variances).

Table B4-13 Timelines for Permit Procedures

Type of Approval or Permit	Typical Processing Time	Approval Body
Site Plan Review/Design Plan Review	1 – 2 months	Director
Conditional Use Permit	1-3 months	Planning Commission
Variance	1-3 months	Planning Commission
Zone Change	2-3 months	City Council
General Plan Amendment	2-3 months	City Council
Architectural/Design Review - Minor	1 month	Director
Architectural/Design Review - Major	1 month	Director
Tentative Subdivision Map	3 months	Planning Commission
Final Subdivision Map	7 months	City Council
Tentative Parcel Map	3 months	Planning Commission
Final Parcel Map	7 months	City Council
Negative Declaration	6 - 9 months	Planning Commission
Environmental Impact Report	8 months to 1 year or more	Planning Commission
Single-Family Unit/Bldg. Permit Review	2 – 6 weeks	Building Inspector

Source: City of Atwater, 2023.

Table B4-14 shows the typical processing procedures by project type for Atwater.

Table B4-14 Typical Processing Procedures by Project Type

One Single-Family Unit (Weeks)	Subdivision (Weeks)	Multi-Family Units (Weeks)	Planned Unit Development (Weeks)
Design Review (2-4)	Design Review (2-4)	Design Review (2-4)	Design Review (2-4)
			Master Plan (12)
			Planned Development Final Development Plan (8-12)
Site Plan (6-8)	Site Plan (6-8)	Site Plan (6-8)	Site Plan (6-8)
	Tentative Map (6-9)	Conditional Use Permit (6-9)	Conditional Use Permit (6-9)
	Environmental Assessment (12)	Environmental Assessment (12)	Environmental Assessment (12)
	Final Map (10)		Final Map (10)
Total 8-12 Weeks	36-43 Weeks	26-33 Weeks	26-33 Weeks

Source: City of Atwater, 2023.

Building Permits

Building permit review timelines for all projects are as follows depending on complexity and scope of work:

- First review: 1 to 20 working days
- Second review: 1 to 15 working days
- Third review: 1 to 15 working days
- Fourth review: 1 to 10 working days
- Fifth review: 1 to 10 working days

Conclusion

Permit procedures and processing times are not considered a constraint to development.

Recommended Action

None Required.

State Streamlining

Under the 5th Cycle Housing Element reporting period (2015-2023), the City of Atwater has made insufficient progress toward its lower-income RHNA and is subject to SB 35 streamlining provisions for projects that include at least 50 percent affordability. SB 35 requires that eligible projects be reviewed for compliance and consistency with the City's objective standards and are not subject to discretionary processes, such as CEQA environmental review and public hearings. Eligible projects with 150 units or fewer must be approved within 90 days and projects with more than 150 units must be approved within 180 days. In addition, AB 1397 requires that 5th cycle opportunity sites re-used in the 6th cycle and identified to accommodate lower-income units (very low-income and low-income) be subject to by-right approval if projects include 20 percent affordable units for lower-income households on-site. The City has not adopted procedures for processing SB 35 applications, nor have they created a checklist for SB 35 applications. There have not been any projects approved through SB 35 ministerial approval in Atwater.

The Housing Crisis Act of 2019 (SB 330 and amended by SB 8) establishes a statewide housing emergency and creates new state laws focused on the production and preservation of housing. SB 330 and SB 8 aim to expedite and increase certainty in the development process with changes to the Housing Accountability Act and Permit Streamlining Act that will be in effect from January 1, 2020, to January 1, 2030. SB 330 also addresses the statewide housing shortfall with new protections for existing housing and restrictions on certain zoning actions that reduce the availability of housing. The legislation creates a preliminary application process, and housing developments will only be subject to those ordinances, fees, and policies in effect when the completed preliminary application is submitted. Like SB 35, SB 330 limits jurisdictions from imposing subjective design standards on housing developments. Objective standards are limited to design standards that involve no personal or subjective judgment by a public official. They must be verifiable by reference to an external and uniform benchmark available to both the applicant and the public official prior to application submittal.

Conclusion

The City is not in compliance with SB 35 as it has not adopted procedures for processing SB 35 applications, nor has the City created a checklist for SB 35 applications. Recommended Action

The City should amend the Zoning Code to address updates to SB 35 and SB 330 and create written procedures for the Streamlined Ministerial Approval Process, which will be implemented by Program 6. .

B4.3.7 Transparency in the Development Review Process

To increase transparency in the development process, the City's website publishes resources that help developers and homeowners navigate the residential development and home improvement processes. The City's Community Development webpage (<https://www.atwater.org/community-development/>) provides links to planning and building permit resources, including the City's zoning and land use maps, permit application forms, rate and fee schedule, and staff contacts.

Conclusion

The City's website provides all the necessary information and resources required by the State and is therefore in compliance with state law.

Recommended Action

None required.

B4.3.8 Short-Term Housing Rentals

The City of Atwater does not currently have a short-term housing rental program that regulates short-term vacation rentals in the city.

Conclusion

Short-term rentals are not considered a constraint.

Recommended Action

None required.

B4.3.9 Code Enforcement

The City of Atwater implements the California Building Code (CBC), 202~~52~~ Edition, which is based on the ~~2021-2024~~ International Building Code and is published by the California Building Standards Commission as Title 24 of the California Code of Regulations. The 202~~52~~ California Building Code is set forth to regulate and govern the conditions and maintenance of all property, buildings, and structures within the city by providing the standards for supplied utilities and facilities and other physical things and conditions essential to ensure that structures are safe, sanitary, and fit for occupation and use and providing for the condemnation and demolition of buildings and structures that are unfit for human occupancy and use.

The City has included three additions to the CBC:

1. Permits. No building or structure shall be used or occupied and no change in existing occupancy classification of a building or structure or portion thereof shall be made until the Building

Official has issued a certificate of occupancy therefore as provided in the 202~~52~~ Edition of the California Building Code, Division II Section 111. It shall be required to post the certificate of occupancy on the building or structure for which it was used.

2. Building Permits extensions. Notwithstanding the provisions of Section 105.5 Expiration, as contained in Division II, Scope and Administration of the 202~~25~~ Edition of the California Building Code the Building Official may grant in writing more than one extension to a building permit if it finds the delays due to economic conditions or other causes beyond the control of the applicant. Any request for extension must be received prior to the expiration of the original period or any extension thereof. If there has been a change in any City fees applicable to the project since the date of the original permit, the new fees shall be applicable to any extension.
3. Building permits fee refunds. As provided in Section 109.6 Refunds, of Division II Scope and Administration, of the 202~~52~~ Edition of the California Building Code, the Building Official is authorized to establish a refund policy provided no work has been done and the request for refund is filed prior to the expiration of the original permit period or any extension thereof. Additionally, the City Council may refund up to 100 percent of all other related fees, e.g., connection charges, park fee, etc.

The enforcement of building codes in the city starts with issuance of a warning notice from the Code Enforcement division. The Code Enforcement division takes a combination approach to code enforcement. The City addresses property maintenance issues by initiating enforcement action and investigation, issuing citations, and notices. The Code Enforcement manager is responsible for collecting and analyzing information and developing necessary educational programs in order to ensure compliance with code requirements. Additional noticing to the property owner follows, with incremental increases in fines per violation if compliance is not met. The City will work collaboratively with property owners to resolve problems and obtain compliance.

Conclusion

The City has adopted the most recent (202~~25~~) California Building Code. ~~The City has not implemented any amendments to the CBC.~~ The City's building codes are consistent with the codes applied in other jurisdictions throughout California and code enforcement efforts do not negatively impact the construction of affordable housing.

Recommended Action

None required.

B4.4 Environmental Constraints

A community's environmental setting affects the feasibility and cost of developing housing. Environmental issues range from the availability of water to the suitability of land for development due to potential exposure to seismic, flooding, wildfire, and other hazards. If not properly recognized and accommodated in residential design, these environmental features could potentially endanger lives and property. This section discusses potential environmental constraints to future housing development in Atwater.

B4.4.1 Agricultural Lands

Most of the undeveloped land surrounding the city is classified as Prime Farmland, Unique Farmland, or Farmland of Statewide Importance. Agriculture is an important economic sector in the County. Any annexation of land to support needed residential development would result in the loss of agricultural land, leading to potential land use conflicts. While preserving agricultural land is a priority for the City and County, this focus may constrain housing development in the city. In identifying land for annexation, the City should focus primarily on areas immediately adjacent to the city, in order to limit the loss of agricultural land.

The Williamson Act was passed by the State Legislature with the intent of preserving agricultural lands. Participants in a Williamson Act program agree under contract to keep their properties in agricultural production for a period of 10 years, with an automatic renewal each year until terminated. In return, the participants have their properties assessed based on agricultural use rather than market value, resulting in a lower property tax assessment. There are a few properties adjacent to the city that are under Williamson Act contracts, all of which are relatively small in size. The one exception is the area northwest of Atwater, where there is a substantial amount of Williamson Act land. Outside of this area, however, there are few constraints to future housing development due to Williamson Act contracts. If the City focuses on annexing lands adjacent to the City, as recommended above, developments on Williamson Act lands or other parcels with agricultural preservation restrictions could be avoided.

B4.4.2 Seismic Zones

No known faults are located within the City's sphere of influence. The closest mapped faults are located 20 miles to the northeast in the Sierra Nevada Mountains and 30 miles to the southwest in the Diablo Range. The nearest Alquist-Priolo Special Studies Zone is the Ortigalita fault zone in southwest Merced County, which is approximately 38 miles from the City. According to the General Plan EIR, seismic ground shaking is the seismic hazard most likely to occur in the city. Structures in the City are likely to sustain damage due to major seismic events and new buildings in the city must be designed for Seismic Design Category D1. Compliance with the California Building Code requirements will ensure that seismic ground shaking will not present a constraint to the development of housing in Atwater.

B4.4.3 Flood

The city is located within the San Joaquin Valley, which contains few elevated features. According to the General Plan EIR, no natural watercourses are located within the city. Most of the City is located outside of the 100-year floodplain zones, with the exception of areas in the southeast corner of the city bounded by Bellevue Road to the north and Buhach Road to the west. Housing development within the 100-year floodplain must comply with the development requirements in place for flood hazard areas, and this will ensure that risk of flooding will not present a constraint to the development of housing in the city.

B4.4.4 Climate Change

HCD has developed guidelines for addressing climate change, which are to be incorporated into the Housing Element and/General Plan update process. This effort provides an opportunity for jurisdictions to adopt programs and/or strategies that benefit both housing and affordability, while including energy and climate objectives to address climate change concerns. The City, through the

former Atwater Redevelopment Agency, adopted land-use policies and/or programs to encourage infill and mixed use within the City's former redevelopment areas. Continued promotion of higher density, in-fill housing along the City's transportation and transit corridors will contribute to the reduction of greenhouse gas emissions and promote energy conservation. Implementation of energy-conserving building designs will add initial cost to affordable housing but will over the long-term be cost effective by lowering monthly energy costs for residents.

B4.4.5 Site Contaminants

Most of the vacant sites in Atwater are already established as agricultural land and primarily low-density residential lots. No significant toxic contaminants are likely on vacant residential land. There is the potential for agricultural sites to have chemical contamination from pesticides. Remediation of this condition usually involves soil testing to identify locations above established standards, and removal of contaminated soils in those locations. This is typically done in conjunction with larger development proposals, such as subdivisions and Planned Developments, where larger agricultural sites are used, and the cost can be spread among a larger number of housing units. Some sites, which contain existing buildings, may have additional environmental hazards, including asbestos or lead which would require removal ahead of building demolition, or may have soils contamination from, primarily, petrochemical leaks.

B4.4.6 Wildland/Urban Fire Hazards

Fire hazard potential is largely dependent on the extent and type of vegetation, known as surface fuels, that exists within a region. Fire hazards are typically highest in heavily wooded, undeveloped areas as trees are a greater source of fuel than low-lying brush or grassland. Suburban, urban areas, or rocky barren areas have minimal surface fuels and therefore typically have the lowest fire hazard.

The California Department of Forestry and Fire Prevention (CAL FIRE) has designated most of Atwater as "Local Responsibility Area Unzoned" and small portions of the City designated as "Local Responsibility Area Moderate." None of the City or surrounding area is designated as a very high or high fire hazard severity zone.³

Conclusion

There are few environmental constraints on future development of lands for housing in the Atwater area. The greatest constraint is loss of agricultural land. The topography of the area is level, with no steep slopes or deep ravines. There are no identified sensitive natural communities in the vicinity, including wetland areas or other significant areas of protected habitat. Since most of the land identified for potential future housing is undeveloped or used for agriculture, there are no significant sites of hazardous materials contamination.

Recommended Action

None required.

³ County of Merced. 2021. Multi-Jurisdictional Hazard Mitigation Plan. <https://web2.co.merced.ca.us/pdfs/oes/MercedCounty-MJHMP-2021-2016.pdf>

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B5 Affirmatively Furthering Fair Housing (AFFH)

B5.1 Introduction

This section of the Housing Element analyzes issues relating to fair housing for the City of Atwater. This analysis is based on the directives from State Assembly Bill (AB) 686. Background information on AB 686, countywide fair housing services, data sources, and analysis of the regional Affirmatively Furthering Fair Housing (AFFH) issues are included in Chapter 4, *Regional Assessment of Fair Housing*.

B5.2 Data Sources

To conduct this analysis, the City utilized data from a variety of sources discussed in Chapter 4, *Regional Assessment of Fair Housing*. Additionally, the analysis includes a discussion of historic land use and segregation patterns and input from sources of local knowledge, including advocates for people with special needs, housing development and advocacy organizations, housing and social services providers, and low-income residents.

B5.3 Methodology

This local AFFH analysis evaluates fair housing issues on the following topics:

- Fair Housing Enforcement and Outreach Capacity
- Integration and Segregation Patterns and Trends
- Racially and Ethnically Concentrated Areas of Poverty
- Disparities in Access to Opportunity
- Disproportionate Housing Needs
- Other Relevant Factors, including limited English proficiency and housing stock type
- Analysis of Housing Site Inventory using AFFH indicators
- Local Area Knowledge, which includes a discussion of historic land use and segregation patterns and input from sources of local knowledge, including advocates for people with special needs, housing development and advocacy organizations, housing and social services providers, and low-income residents

This analysis identifies patterns and trends at the local scale. Where appropriate, the analysis refers to the regional AFFH analysis provided in Chapter 4, *Regional Assessment of Fair Housing*, which analyzes patterns and trends of the county and Northern San Joaquin Valley (SJV) Subregion comprised of San Joaquin, Stanislaus, and Merced Counties.

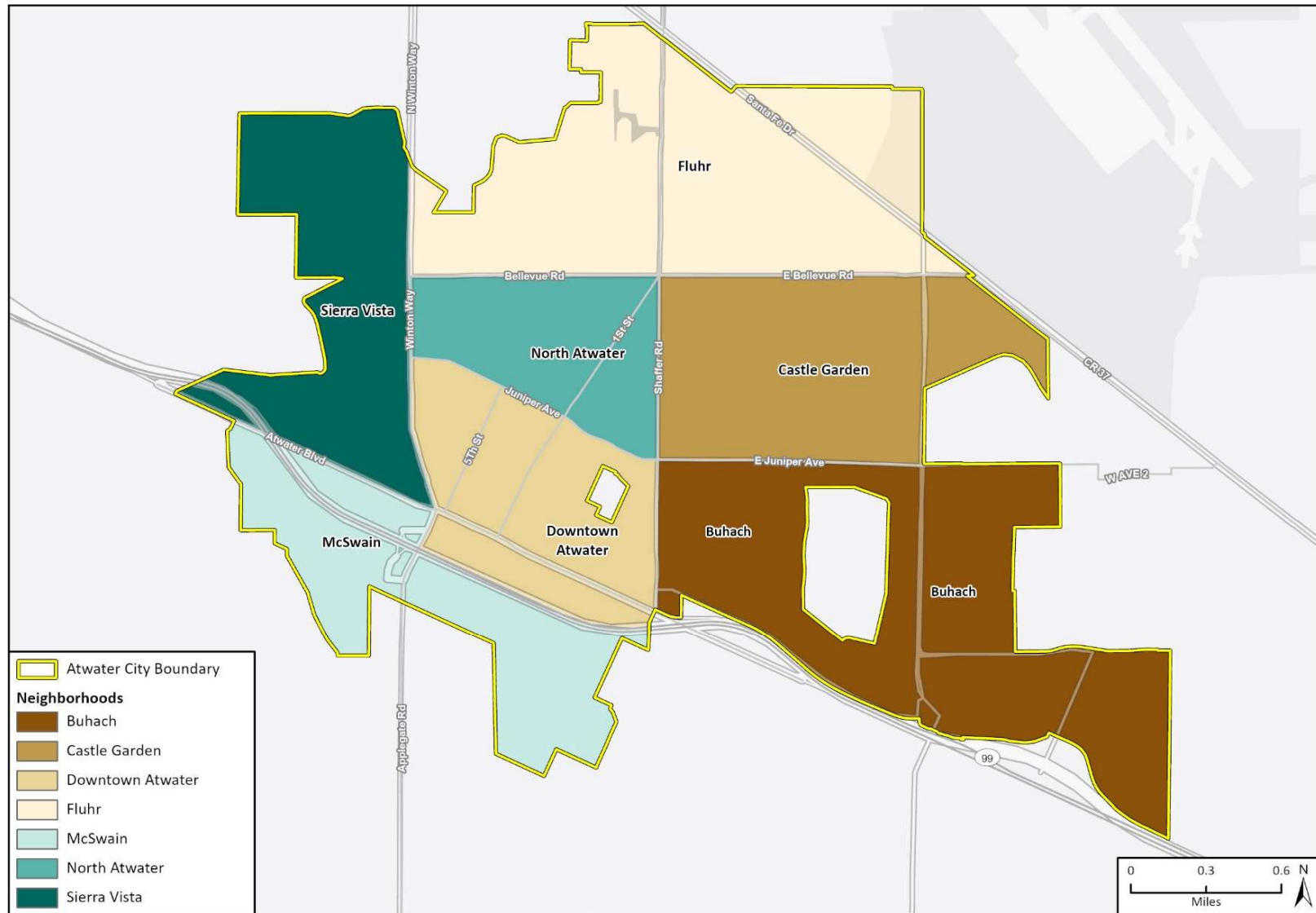
For the purposes of this analysis, the City is divided into seven neighborhoods, each with one or more census tracts: Buhach, Castle Garden, Downtown Atwater, Fluhr, McSwain, North Atwater, and Sierra Vista (Figure B5-1). These neighborhoods are based on the City's planning documents, including the General Plan, as well as local knowledge from City staff and are discussed further in Chapter B6, *Housing Resources*. Most of the geographic analysis of fair housing issues in Atwater is based on the California Housing and Community Development (HCD) AFFH Data Viewer described in

Chapter 4, *Regional Assessment of Fair Housing*. The AFFH Data Viewer relies on information provided by the Census and other data sources at the census tract and block group level.

A total of nine census tracts cover the city, with some tracts spanning areas outside of the city boundary. This can skew the data presented in the analysis; therefore, we have noted where this may apply. The neighborhoods and census tracts that make up Atwater include:

- **Buhach:** Consists of two census tracts that divide the neighborhood along Buhach Road, Census Tract 8.02 to the west and Census Tract 9.04 to the east. Census Tract 8.02 is contained within the city boundary, whereas Census Tract 9.04 is part of a much larger census tract. It should be noted that the portion of Census Tract 9.04 included within Buhach is only about four percent of the total census tract area. The data shown in Census Tract 9.04 may not accurately represent the eastern portion of Buhach and may better represent the areas outside of Atwater's city boundaries. The areas outside of the city's boundary included within Census Tract 9.04 include the Census Designated Place of Franklin and agricultural land.
- **Castle Garden:** Consists of one census tract, Census Tract 8.01, that only goes slightly out of the city boundary into primarily agricultural land that should not significantly influence the data presented in this report.
- **Downtown Atwater:** Consists of one census tract, Census Tract 7.01, that is contained within the city boundary.
- **Fluhr:** Consists of two census tracts that divide the neighborhood along Santa Fe Drive, Census Tract 6.03 which covers most of the neighborhood, and Census Tract 5.03 in the northeastern corner of the neighborhood. Census Tract 6.03 covers the majority of Fluhr and only goes slightly outside city boundaries into other residential land, which will not skew data in this portion of the neighborhood. On the other hand, Census Tract 5.03 spans an area nearly seven miles by eight miles and includes the Castle Airport, Cressey (a Census Designated Place), a United States Penitentiary, and many acres of agricultural land. The portion of Census Tract 5.03 that is included within the Atwater city boundary is about 140 acres, making up only about 0.5 percent of this tract. Due to this disproportion, the data in this portion of Fluhr will be heavily skewed by factors outside of Atwater and may not provide a complete picture of that portion of the neighborhood.
- **McSwain:** Consists of two census tracts, Census Tract 6.01 that covers all of the Sierra Vista neighborhood and Census Tract 7.02 that spans beyond the city boundaries. Census Tract 6.01 covers all of Sierra Vista and makes up a small portion of the neighborhood between Atwater Boulevard and Highway 99. The data in Census Tract 6.01 is likely to better represent the neighborhood of Sierra Vista than McSwain. Census Tract 7.02 makes up the majority of McSwain stretches beyond the city's boundaries and may better represent the population outside of McSwain. Census Tract 7.02 stretches from Highway 99 in the North to Highway 140 in the South, and Buhach Road to the east to Bret Crane Road to the west, covering an area of about three by three miles. Of the portion of Census Tract 7.02 that is included within the Atwater city boundary, only about 407 acres are in McSwain, making up only about seven percent of this tract. Within this census tract there are a high number of estate-style single-family residences and agricultural land.
- **North Atwater:** Consists of one census tract, Census Tract 6.02, that is contained within the city boundary.
- **Sierra Vista:** Consists of one census tract, Census Tract 6.01, that extends only slightly outside the city boundary into agriculture land. The portion of this census tract outside of the census tract will not have much of an influence on the data.

Figure B5-1 Atwater Neighborhoods



Fresno County Dept. PWP, Merced County Association of Gov, California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

22-13497-HE-AFFH-current
AFFH - Atwater City Basemap

Source: Rincon Consultants, 2023.

B5.4 Local Setting

Atwater originally developed as an agricultural hub in the late 1800s, with its growth driven by the railroad and the surrounding farmland. Early development focused on supporting agriculture, with small businesses, community services, and infrastructure built around the town center in what is now known as Downtown Atwater. By the early 20th century, irrigation advancements allowed the farming economy to expand, attracting more residents to the area.

A significant turning point came in 1941 with the establishment of Castle Air Force Base. The base brought a surge of residential and commercial growth, as the city developed housing and services for military personnel and their families just northeast Atwater (the neighborhood referred to as Fluhr). This marked the beginning of Atwater's suburbanization, with post-war suburban expansion further driving growth. The 1950s and 1960s saw the development of new residential subdivisions, particularly in the northwest, as single-family homes became the dominant housing type. Streets were designed to accommodate cars, with shopping centers and schools built to serve the growing suburban population.

When Castle Air Force Base closed in 1995, Atwater faced economic challenges, but the town continued to grow as a suburban community. Residential development continued, particularly on the city's periphery, where new subdivisions attracted families. The former airbase was repurposed as Castle Commerce Center, which brings opportunities for new businesses and industry to support the local economy. Today, Atwater remains a mix of suburban neighborhoods and agricultural uses, with suburban expansion continuing on its outskirts. The city has focused on developing housing and growing its commercial base, particularly along Highway 99, while still maintaining its connection to the farming economy.

In the early 2000s, the City received state funding from the Community Development Block Grant Program (CDBG) under the Planning and Technical Assistance Allocation (PTA) to conduct a Downtown Revitalization Study and prepare a plan to revitalize the Downtown Area. In 2009, the City Council adopted the Downtown Revitalization strategy. This type of activity is essential to help preserve the viability of the Downtown Core Area.

Land Uses and Development Trends

Atwater's historical development patterns have significantly shaped its current landscape. The city's land use distribution reflects a suburban character, with Single-Family Residential uses dominating at 40.3 percent of assessed land acreage (Figure B5-2). Multi-Family Housing comprises a smaller portion at 9.7 percent. Other major land uses include land designated Government (12.9 percent) and Vacant Land (9.0 percent). Despite the prevalence of single-family housing throughout Atwater, a significant portion of units are occupied by renters. Approximately 46 percent of the city's households are renters. As illustrated in Figure B5-3, renter units are concentrated in Castle Gardens, Downtown Atwater, and Sierra Vista. Buhach and McSwain have the lowest renter concentration.

Figure B5-4 illustrates Atwater's suburban and agricultural development. The city is primarily surrounded by agricultural land to the west and south. Developed areas, including Residential, Commercial, Business Park, and Aviation/Manufacturing uses, are concentrated in the central neighborhoods as well as in Fluhr near Winton and Castle Airport (Figure B5-2). Current zoning shows Commercial zones along major intersections and adjacent medium- and high-density uses. High-density development is primarily concentrated in Downtown Atwater.

As a result of these development patterns and land use zoning, population is concentrated in North Atwater and Downtown Atwater (Figure B5-5). Figure B5-6 also shows historical development patterns, with older housing primarily located in Sierra Vista, North Atwater, and Downtown Atwater. Newer developments are situated in McSwain and east Buhach.

Downtown Atwater serves as the city's historical core, featuring older, established homes and businesses. Its development reflects Atwater's early 20th-century origins, with smaller lots and single-story homes. Revitalization efforts are underway to preserve its charm while attracting new businesses. This is one of the most affordable rental areas in the city.

Sierra Vista is another area with some of the oldest single-family Housing in the city, though it has seen newer developments in recent decades. It remains connected to Downtown Atwater and its amenities. Sierra Vista is also one of the most affordable rental areas in the city.

Fluhr and Castle Garden, located near the former Castle Air Force Base, have a mix of older, post-World War II housing and industrial areas. This section was initially developed to support military families and includes the city's mobile home park areas. Castle Garden features a combination of single-family and multi-family residential uses. Fluhr is among the most affordable neighborhoods in the City.

Figure B5-2 Atwater Zoning Map

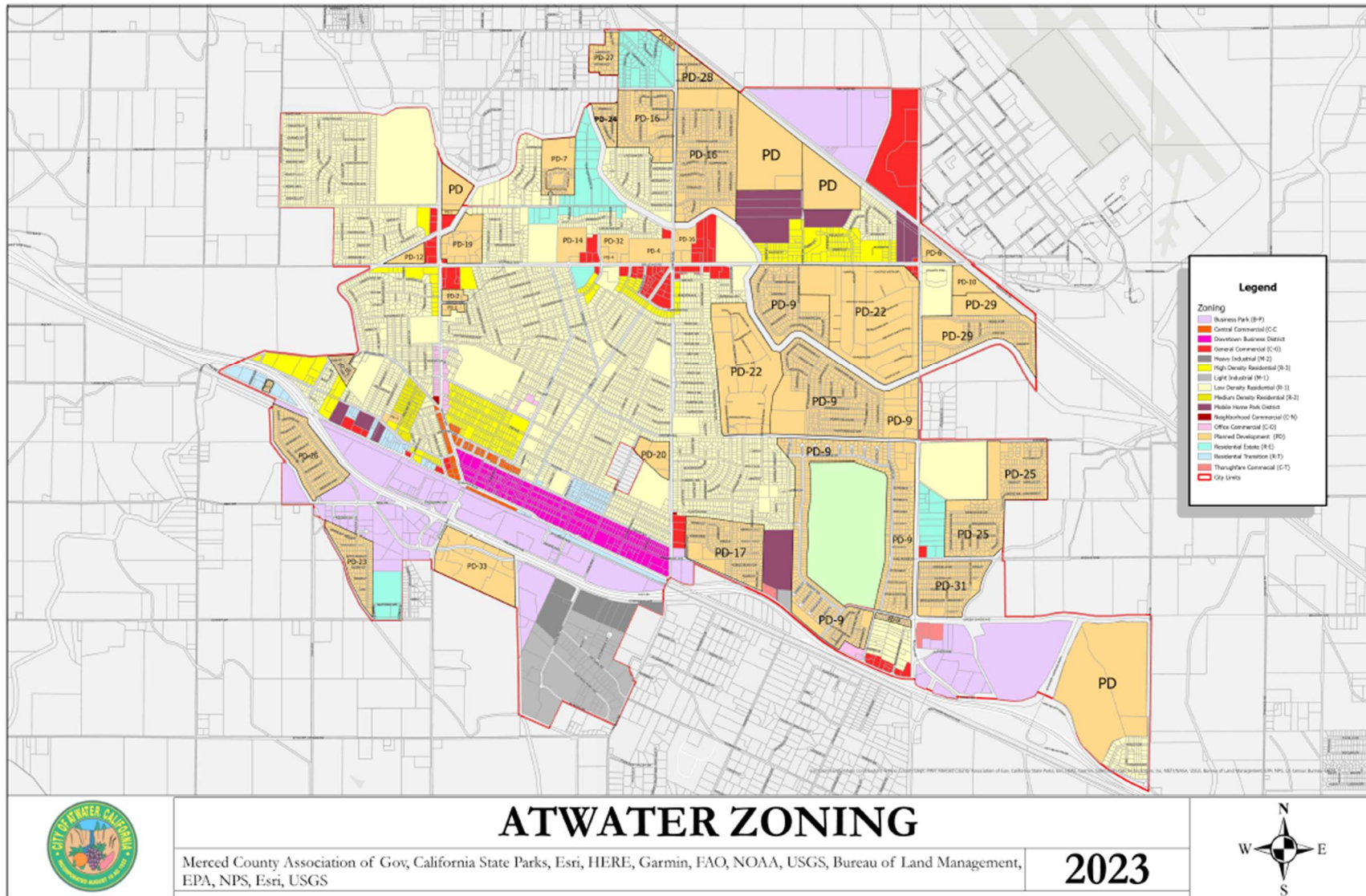


Figure B5-3 Renter-Occupied Concentration

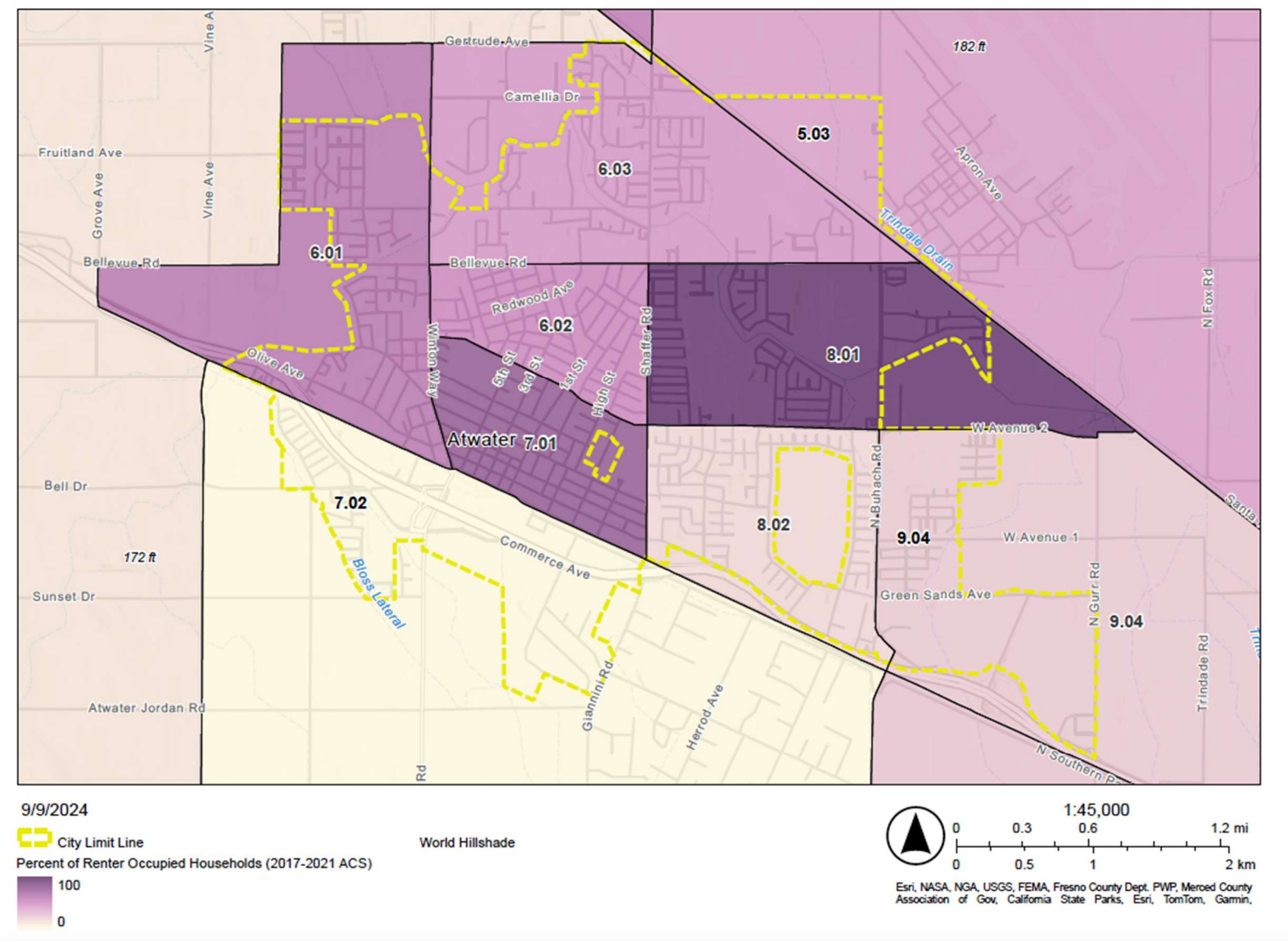


Figure B5-4 Atwater Aerial View

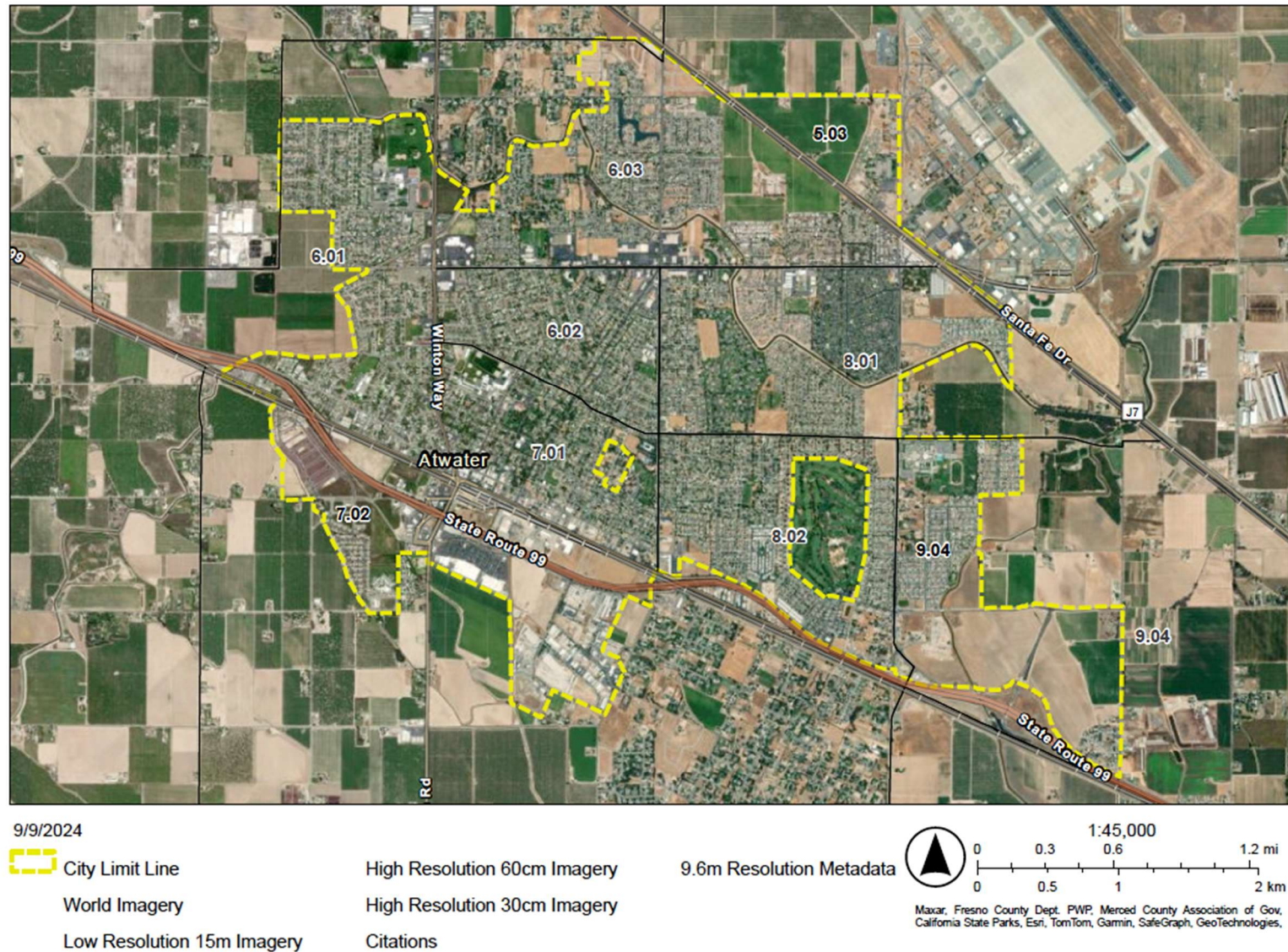


Figure B5-5 Atwater Population Density

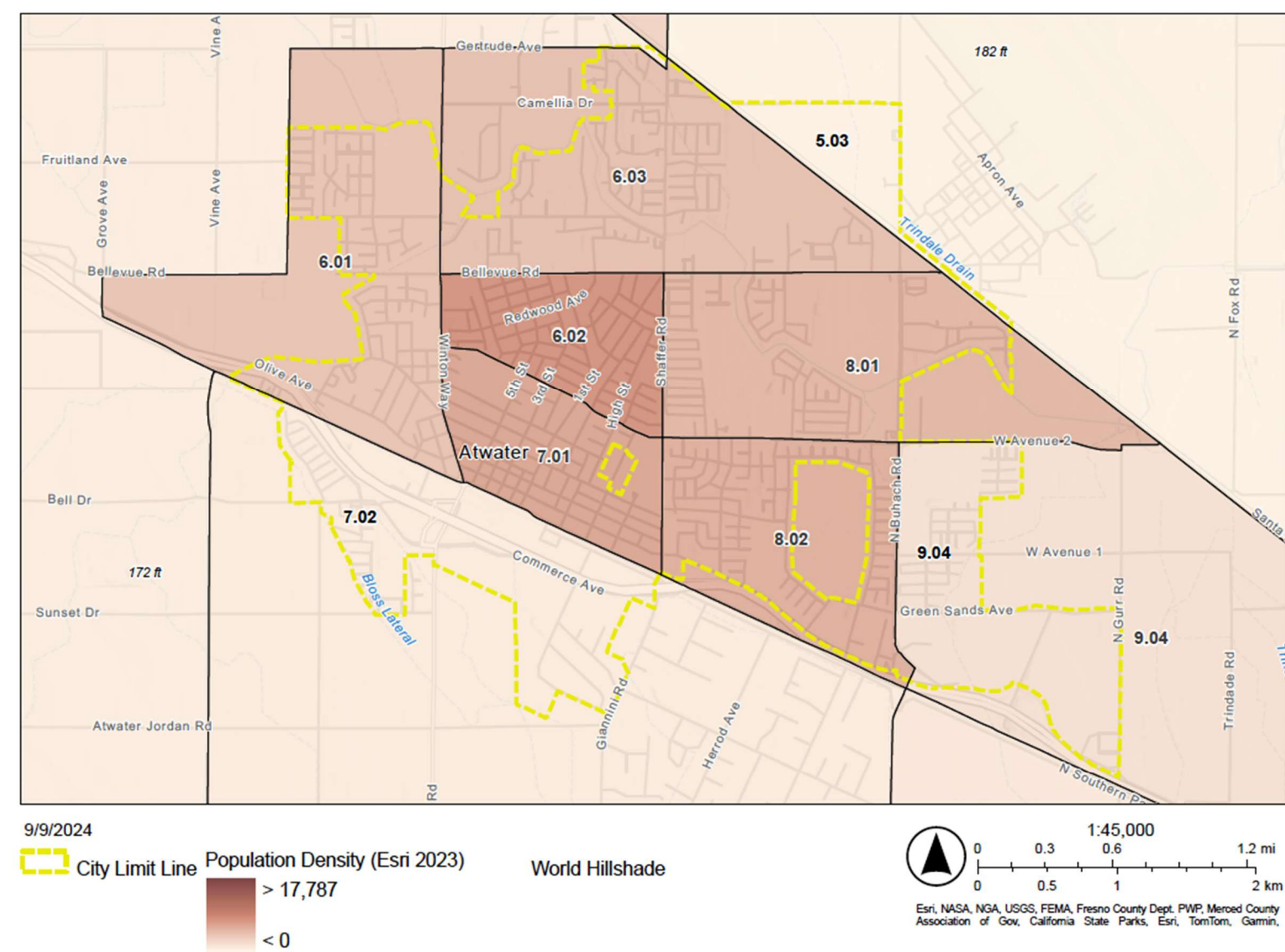


Figure B5-6 Percentage of Housing Built Before 1990

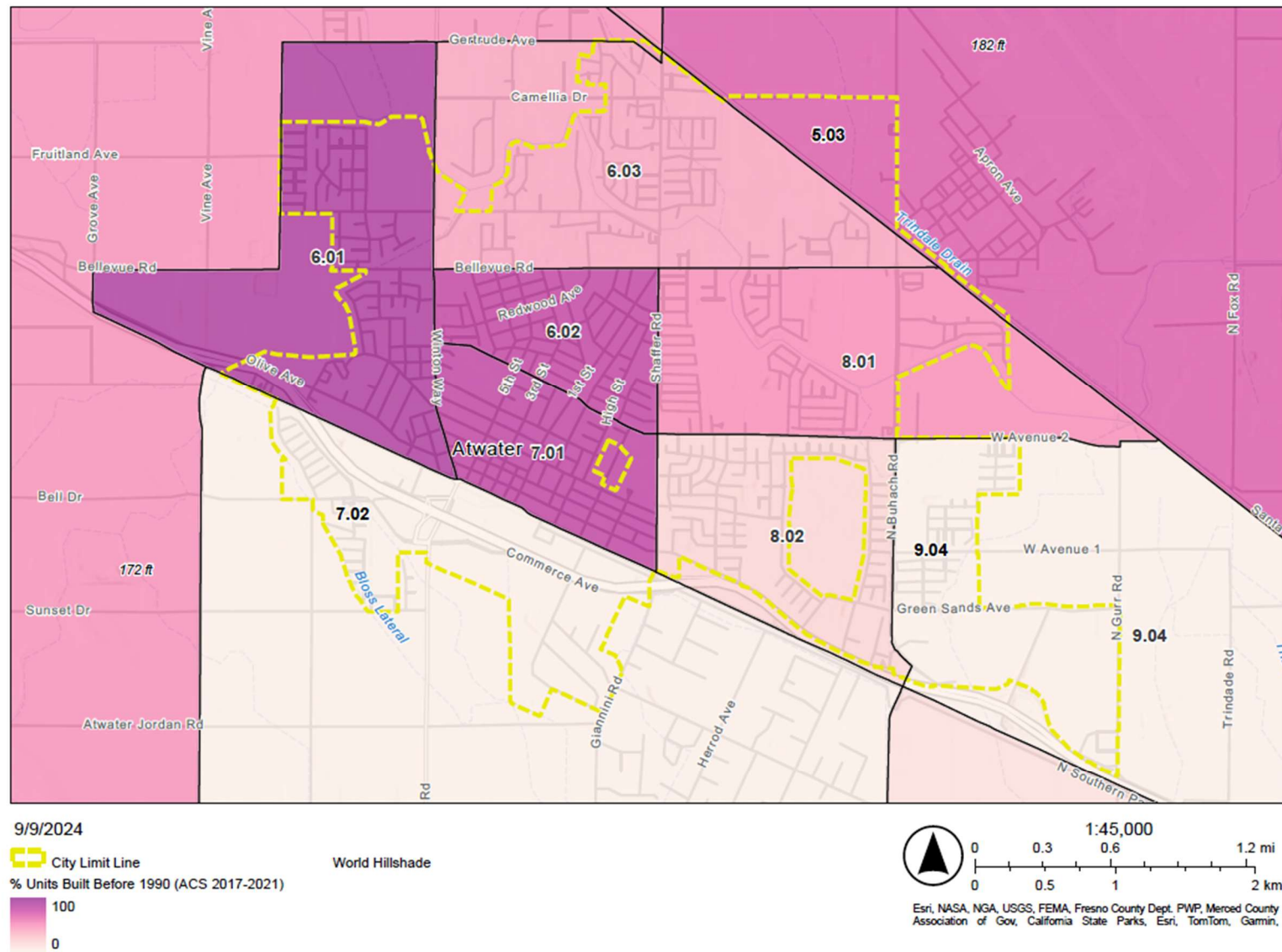
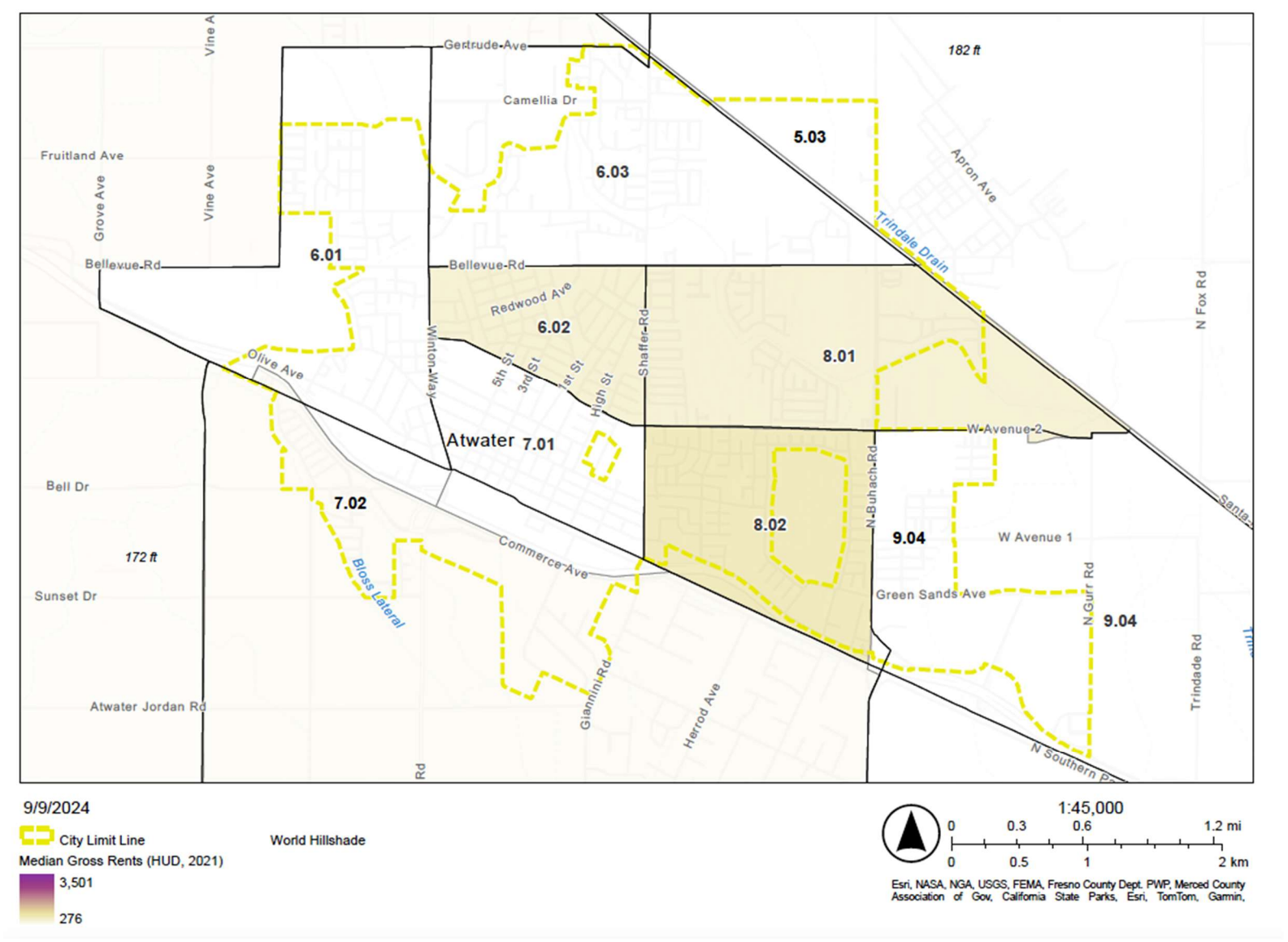


Figure B5-7 Median Gross Rents



B5.5 Summary of AFFH Analysis Findings

Atwater's racial and ethnic composition is predominantly Hispanic/Latino. The percentage of non-white population is lower than that of Merced County and the median incomes are slightly higher than the county. The city has moderate rates of poverty and a moderate percentage of Low- and Moderate-Income (LMI) residents. The city is characterized as moderate-, high-, and highest-resource, or characteristics that have been shown by research to support positive economic, educational, and health outcomes for low-income families, particularly long-term outcomes for children. There is very limited transit in Atwater, as well as a high pollution burden. A large percentage of renters in Atwater are experiencing housing cost burden (spending more than 30 percent of household income on housing costs) but are at low risk of displacement. Sierra Vista and Downtown have a higher concentration of LMI residents than other areas of the city. The eastern part of Fluhr, the eastern part of Castle Garden, East Buhach, the eastern part of North Atwater, Downtown, and portions of Sierra Vista have the highest concentration of non-white residents. Below is a summary of AFFH analysis findings by neighborhood in Atwater.

B5.6 Fair Housing Resources

Enforcement and Outreach Capacity

The City of Atwater refers fair housing inquiries to Central California Legal Services (CCLS), a nonprofit organization, that provides fair housing information and resources to residents and housing providers. The CCLS helps tenants in disputes with their landlords and bring cases to ensure local governments follow the law to provide low-income housing. They also refer individuals who are facing housing voucher discrimination to local organizations, including CCLS and Self-Help Enterprises. Fair housing complaints can also be reported directly to the City Manager's Office. The City works with Self-Help Enterprises, a nonprofit organization that operates throughout the Central Valley that serves low-income and households in need of housing assistance, to provide fair housing services to residents of Atwater. Organizations providing fair housing services throughout the county are discussed in Chapter 4, *Regional Assessment of Fair Housing*.

Currently, the City works with Self-Help Enterprises to distribute information on fair housing and housing resources through flyers, the City's website, and social media accounts. Self-Help Enterprises attends local events to advertise City housing programs. There are no active or recent fair housing lawsuits, settlements, or legal cases in the city of Atwater. Program 13 in the *Housing Plan* emphasizes the need for fair housing outreach and enforcement. Through this program the City of Atwater works with the Merced County Housing Authority to provide fair housing information and resources to residents and housing providers.

Fair Housing Laws

In an effort to end housing segregation, the United States Congress passed the Civil Rights Act of 1968, making housing discrimination based on race, color, national origin, or religion illegal. In 1974, Congress amended the Fair Housing Act to include sex as a protected category. Then in 1988, Congress again amended the Fair Housing Act by passing the Fair Housing Amendments Act, making housing discrimination against families with children and people with disabilities unlawful.¹ The Fair

¹ 42 U.S. Code §§ 3601 et. seq.

Housing Amendments Act also incorporated accessibility standards for new multi-family units and “reasonable accommodations” for people with disabilities into the Fair Housing Act.

In addition to prohibiting discrimination based on federal laws, the State of California has enacted a number of statutes that mirror and, in certain cases, extend federal fair housing protections. The Unruh Civil Rights Act of 1959 and subsequent court decisions require equal access to the accommodations, advantages, facilities, privileges, or services of all business establishments regardless of protected status.² The courts have interpreted this Act to prohibit any arbitrary discrimination based in any class distinction, regardless of whether or not that basis is enumerated in the Act.

The Fair Employment and Housing Act of 1963 is the primary state law that prohibits discrimination in the sale, rental, lease negotiation, or financing of housing based on race, color, religion, sex, marital status, national origin, and ancestry.³ The California Fair Housing Act of 1992 brought state laws into conformity with the Federal Fair Housing Act of 1988 and added protections for people with a “mental and physical disability” and “familial status.” The Act also requires that housing providers allow persons with disabilities to modify their premises to meet their needs.

The Ralph Civil Rights Act of 1976 provides that all persons have the right to be free from any violence, or intimidation by threat of violence, committed against their persons or property because of their race, color, religion, ancestry, national origin, political affiliation, sexual orientation, sex, age, disability, or position in a labor dispute. The Act prohibits violence or threat of the same in rental housing situations. The Banes Civil Rights Act also forbids interference by force or threat with an individual's constitutional or statutory rights in places of worship, housing, and private property.

The Federal protected classes include:

- Color
- Disability⁴
- Familial status
- National origin
- Race
- Religion
- Sex

The additional State of California protected classes include:

- Age
- Ancestry
- Arbitrary discrimination
- Gender
- Gender identity
- Gender expression
- Genetic information

² California Civil Code, §§ 51 and 52

³ California Government Code §§ 12900-12906

⁴ The Fair Housing Act uses the term ‘handicap,’ however, this analysis uses the term “person with a disability,” to represent this language of the Act.

- Marital status
- Sexual orientation
- Source of income

The City of Atwater strives to offer equal access for all to the housing opportunities. The City's Housing Element includes policies Goals, Policies, and Programs that facilitate and promote affirmatively furthering fair housing, including:

- Goal 7: Promote housing opportunities and access for residents regardless of age, race, religion, sex, marital status, ancestry, national origin, color, disability, or economic level in compliance with local, state, and federal fair housing laws.
 - Policy 7.1: Promote meaningful and informed participation of residents, community groups, and governmental agencies in all local housing and community development activities.
 - Policy 7.2: Comply with federal, state, and local fair housing anti-discrimination laws ensuring equal access to housing regardless of circumstances as protected by fair housing laws.
 - Policy 7.3: Provide fair housing services to city residents and ensure that residents are aware of their fair housing rights.
 - Policy 7.4: Provide residents with housing mobility options by facilitating the development of a variety of housing types and expanding access to housing services.
 - Policy 7.5: Protect tenants from discriminatory housing practices and displacement.
 - Policy 7.6: Promote the integration of affordable and special needs housing in existing and planned neighborhoods.

The City of Atwater is also taking meaningful actions to ensure compliance with SB 329 and SB 222, expanding the source of income protection to include “federal, state, or local public assistance and federal, state, or local housing subsidies.” Prior to these bills, source of income protection excluded public housing subsidies, such as the Housing Choice Vouchers, in the definition of income. Both bills went into effect on January 1, 2020. As stated in the AFFH Meaningful Actions Matrix in the Housing Element's Program section, the City will work to develop informational materials to expand outreach and education on SB 329 and SB 229 to promote the use and expand the locational choices for Housing Choice Vouchers.

The City of Atwater also reviewed its compliance with recent changes to Sections 65580-65589.8 that require local jurisdictions to address the provision of housing options for special needs groups, including transitional and supportive housing for persons, residential care facilities, and employee housing, among others. The City has included Program 6 to amend zoning regulations in conformance with state law.

The City does not have any pending lawsuits, enforcement actions, judgments, settlements, or findings related to fair housing and civil rights. As detailed in a later section, any complaints regarding fair housing are directed to the City Manager's office. The office forwards a record of the complaint to the California Civil Rights Department (CRD), formerly known as the Department of Fair Employment and Housing (DFEH).

The City complies with state and federal housing laws as follows:

- Fair Housing Act; Title VI of the Civil Rights Act of 1964 – the City complies by ensuring its actions related to housing are not discriminatory through City protocols, decision-making procedures, and adhering to non-discrimination requirements of federal funding programs.
- Rehabilitation Act of 1973 – see Fair Housing Act; also, the City complies through its accessibility protocols, administered and enforced by the City’s ADA Coordinator.
- American Disabilities Act – the City complies with the ADA through building permit review and issuance.
- California Fair Employment and Housing Act (FEHA) and FEHA Regulations – the City complies with FEHA and its regulations through established City protocols decision making, legal counsel and advisement.
- Government Code Section 65008 – the City Zoning Code is written to ensure that the City’s actions regarding the development of housing for persons and families of very low, low, moderate, and middle incomes, or emergency shelters for the homeless, are not discriminatory. Programs have been included in this Housing Element to remove constraints and facilitate housing for all households, including protected classes (e.g., programs regarding residential care facilities, emergency shelters, etc.)
- Government Code Section 8899.50 – This section documents compliance with Affirmatively Furthering Fair Housing requirements.
- Government Code Section 11135 et. seq. – the City complies with anti-discrimination requirements through the City’s Human Resources programs and the City’s procurement protocols.
- Density Bonus Law (Government Code Section 65915) – With Program 7, the City plans to update the Zoning Ordinance to comply with current state density bonus law.
- Housing Accountability Act (HAA) (Government Code Section 65589.5) – the City has documented compliance with the HAA as described in Section 6. The City’s website publishes resources that help developers and homeowners navigate the residential development and home improvement processes. The City’s Community Development webpage (<https://www.atwater.org/community-development/>) provides links to planning and building permit resources, including the City’s zoning and land use maps, permit application forms, rate and fee schedule, and staff contacts.
- No-Net-Loss Law (Government Code Section 65863) – the City has documented compliance with sufficient capacity for Regional Housing Needs Assessment (RHNA) and will ensure compliance with no-net-loss via required annual reporting to HCD.
- Least Cost Zoning Law (Government Code Section 65913.1) – the City includes programs in this Housing Element to ensure that sufficient land is zoned with appropriate standards to accommodate its RHNA.
- Excessive subdivision standards (Government Code Section 65913.2) – the City’s subdivision standards are typical or not excessive in compliance with the Government Code.
- Limits on growth control (Government Code Section 65302.8) – the City complies as it has no growth control measures
- Housing Element Law (Government Code Section 65583) – this Housing Element documents compliance with Housing Element law.

B5.7 Ability to Address Complaints

Any complaints regarding fair housing are directed to the City Manager’s office directly. From there, the office sends a record of the complaint to the California Civil Rights Department (CRD), formerly the Department of Fair Employment and Housing (DFEH), which maintains a record of housing discrimination complaints filed in local jurisdictions. HUD’s Office of Fair Housing and Equal Opportunity (FHEO) also collects fair housing complaint data. Fair housing complaints may be filed with either the CRD or FHEO, however, the FHEO may refer complaints to the state or local agency for investigation. According to the AFFH Data Viewer, between 2013 and 2022, a total of seven cases were filed with the FHEO in Atwater. Overall, racial discrimination comprised of two cases followed by familial status basis with one case. The seven cases filed in Atwater make up five percent of the total FHEO cases filed throughout Merced County between 2013 and 2022.

The City does not have sufficient staffing and financial resources to adequately address fair housing concerns. The City will collaborate with regional agencies, fair housing providers, organizations, and other jurisdictions within the county to address housing needs, including fair housing outreach and services, as specified in Housing Plan Programs 9 and 13.

B5.8 Segregation and Integration Patterns and Trends

Race and Ethnicity

Atwater is overall quite diverse with 41 to 80 percent of residents identifying as non-white (Figure B5-8). According to the U.S. Census Bureau, Hispanic/Latino residents comprise the largest racial/ethnic group in Atwater (approximately 55 percent). Areas with a higher percentage of non-white residents (61 to 80 percent) are in east Fluhr, east Castle Garden, East Buhach, east North Atwater, Downtown, and portions of Sierra Vista. The percentage of non-white residents in Atwater is similar to the racial/ethnic makeup across the Northern SJV region.

From 2011 to 2021, the racial/ethnic diversity in Atwater increased. During this time period, the percentage of white residents decreased four percent, the percentage of Hispanic/Latino residents increased by six percent, and the percentage of Asian American/Pacific Islander decreased by two percent (Table B5-1). Hispanic/Latino residents remained the largest racial/ethnic group in the county, equaling approximately one half (55 percent) of the total population in 2021.

Table B5-1 Population by Racial Group (City of Atwater)

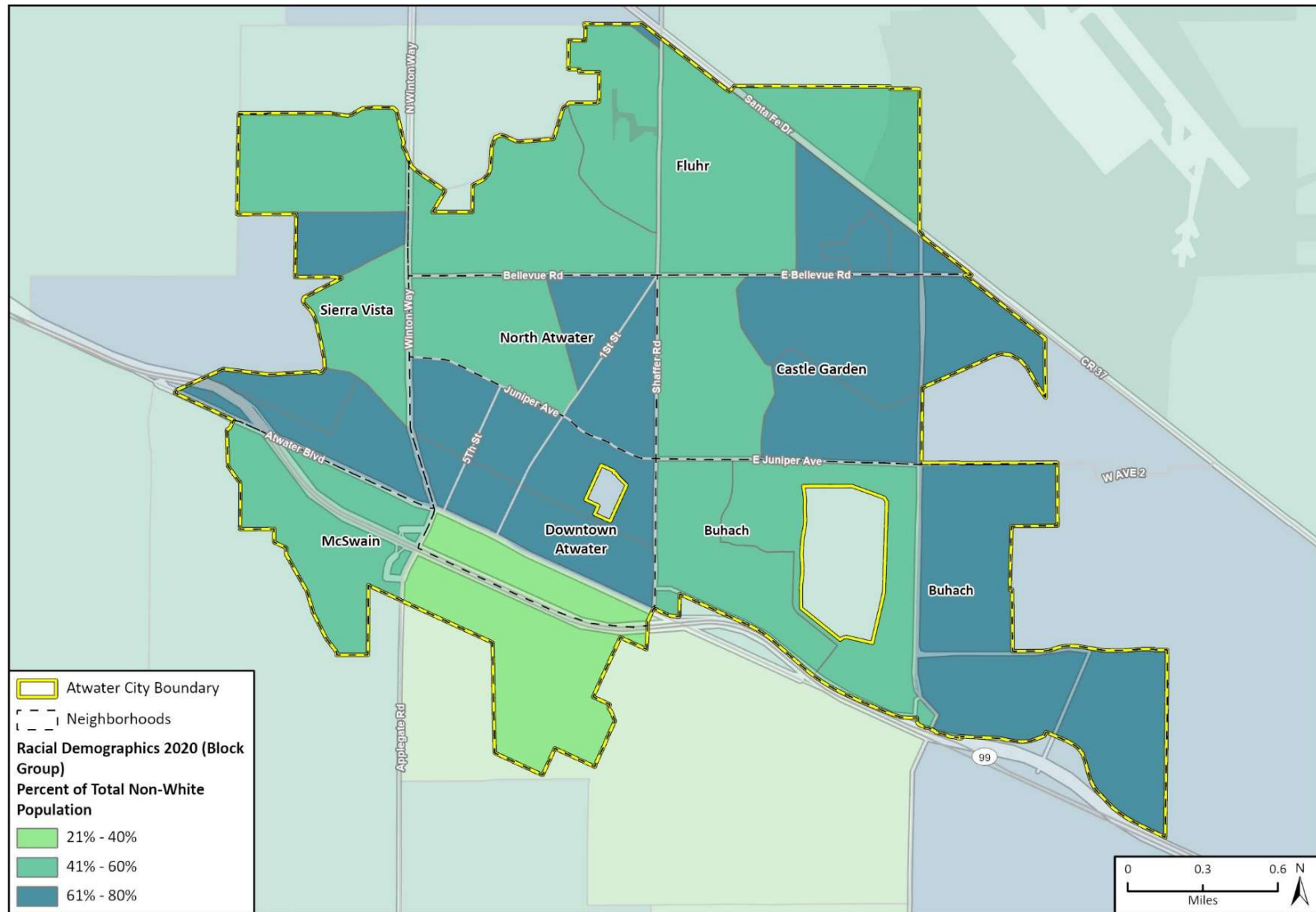
Race	Percent of Population	
	2011	2021
Hispanic/Latino (of any race)	49.2%	55.3%
Not Hispanic/Latino		
White	36.0%	31.9%
Asian American/Pacific Islander	7.4%	5.8%
Other or Multiple Races	3.0%	3.0%
Black/African American	4.3%	3.9%
Native American/Native Alaskan	0.2%	0.1%

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2007-2011, 2017-2021), Table DP05.

The HCD AFFH Data Viewer identifies the degree to which areas have a predominant racial/ethnic majority. The predominant racial/ethnic group in each census tract is that with the largest population. Most of the city is predominantly Hispanic/Latino residents. Only the McSwain area in the southern end of the city has a predominantly white population (Figure B5-9).

According to Othering and Belonging Institute (OBI) racial segregation/integration data, most neighborhoods within Atwater are racially integrated (Figure B5-10). The census tracts in the city that stretch beyond the city boundary show higher levels of segregation, with high white segregation in McSwain and high segregation among people of color in northeastern Fluhr. Since the data in these tracts is likely to reflect the population outside of Atwater, it may not accurately represent the breakdown of neighborhood segregation in those areas. This assumption has been anecdotally verified by the City.

Figure B5-8 Percent of Total Non-White Population (City of Atwater)

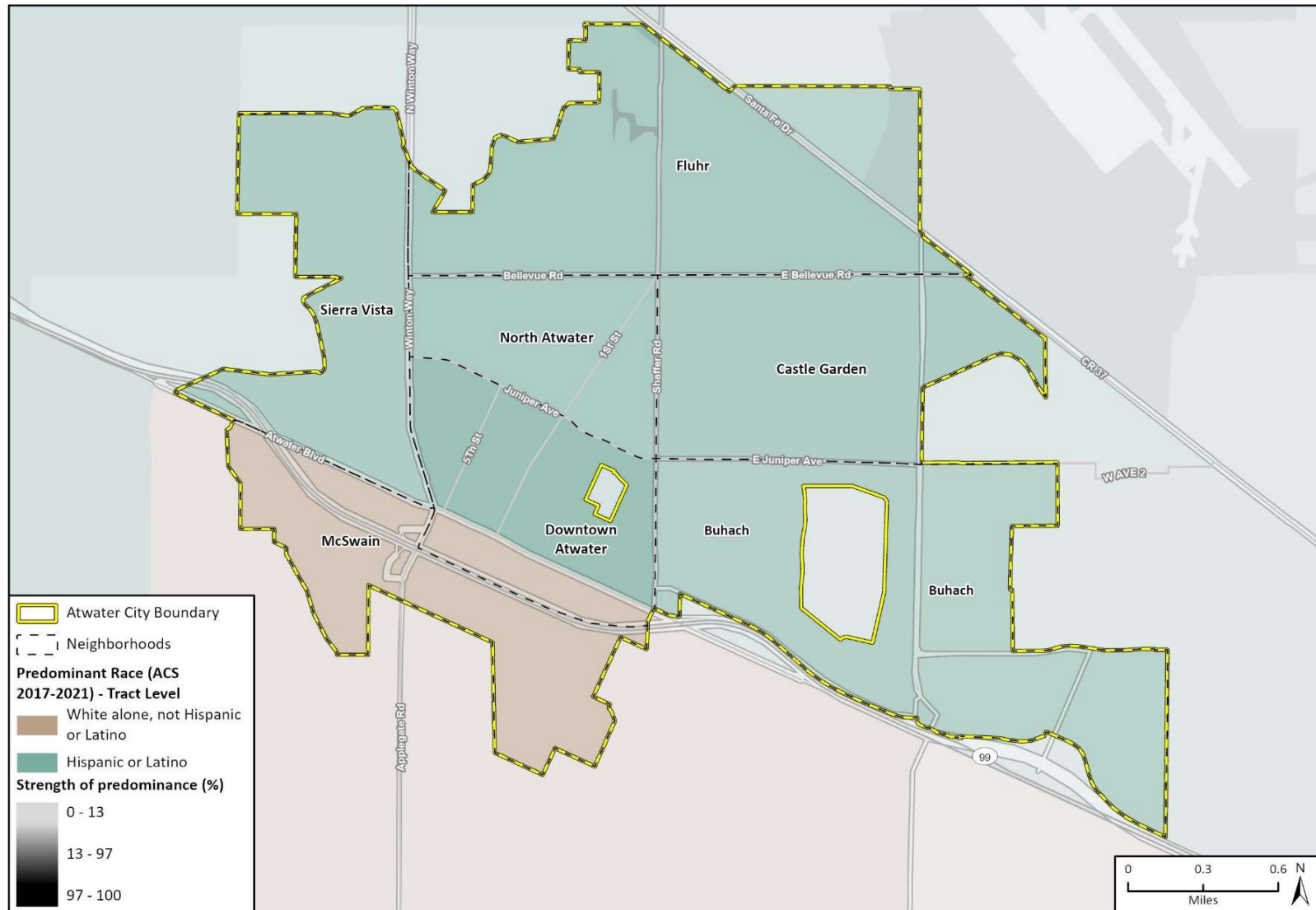


Fresno County Dept. PWP, Merced County Association of Gov, California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkeley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

22_13497_NE_AFFH
 AFFH - Atwater City Basemap

Source: AFFH Data Viewer, 2023.

Figure B5-9 Predominant Populations (City of Atwater)

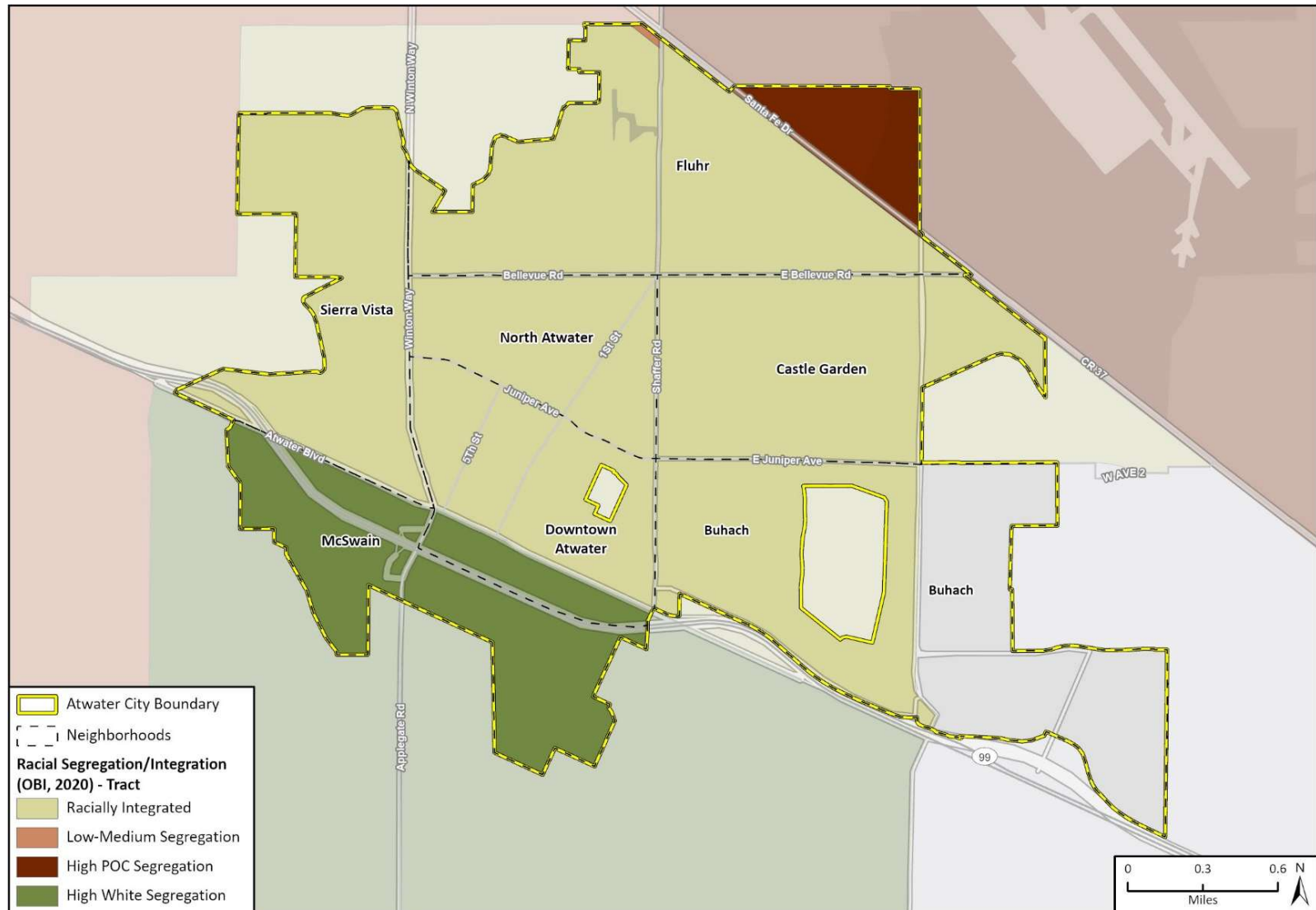


Fresno County Dept. PWR, Merced County Association of Gov, California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkeley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

22_13497_HE_AFFH_current
AFFH - Atwater City Basemap

Source: AFFH Data Viewer, 2023.

Figure B5-10 Racial Segregation and Integration (City of Atwater)



Fresno County Dept. PWP, Merced County Association of Gov, California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkeley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

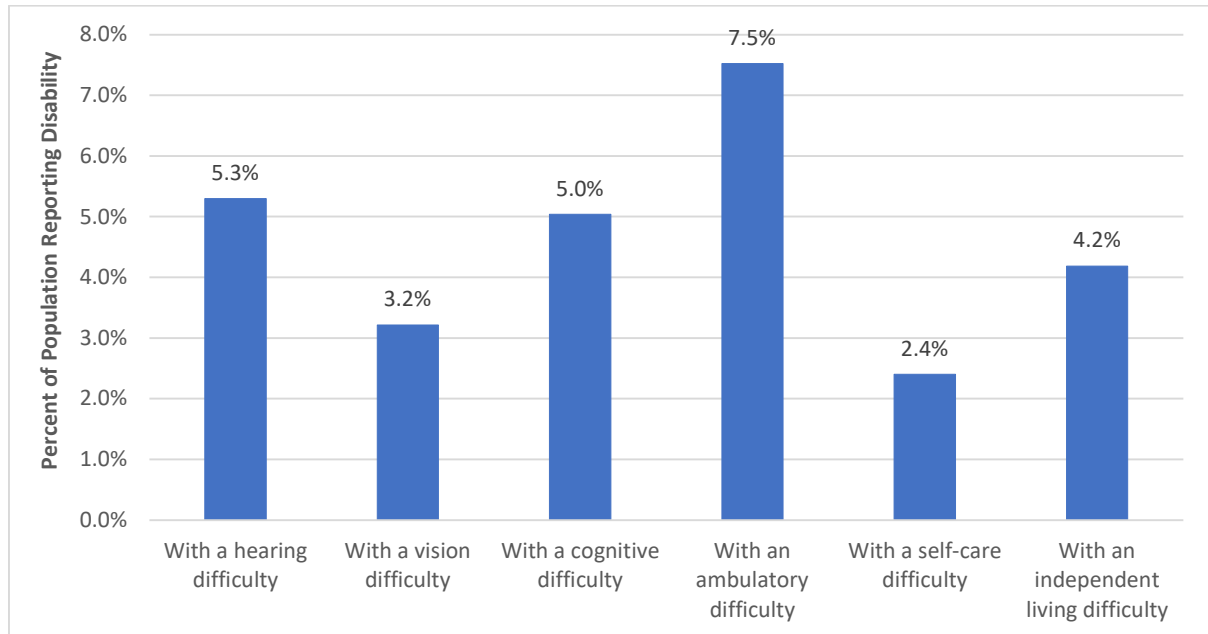
Source: AFFH Data Viewer, 2023.

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 AFFH - Atwater City Basemap

Persons with Disabilities

As referenced in Chapter 3, *Regional Housing Needs Assessment*, 14 percent of the total population in the city of Atwater (31,401 residents) is living with one or more disabilities. The most common disability in the city is ambulatory difficulty, followed by hearing difficulty (Figure B5-11). This is somewhat similar to the Northern SJV region with hearing difficulty being the most common disability across the region. Disabilities are most prevalent among senior residents. Approximately 49 percent of residents aged 65 and over are living with a disability.

Figure B5-11 Disability by Type (City of Atwater)



Notes: These disabilities are counted separately and are not mutually exclusive, as an individual may report more than one disability. These counts should not be summed.

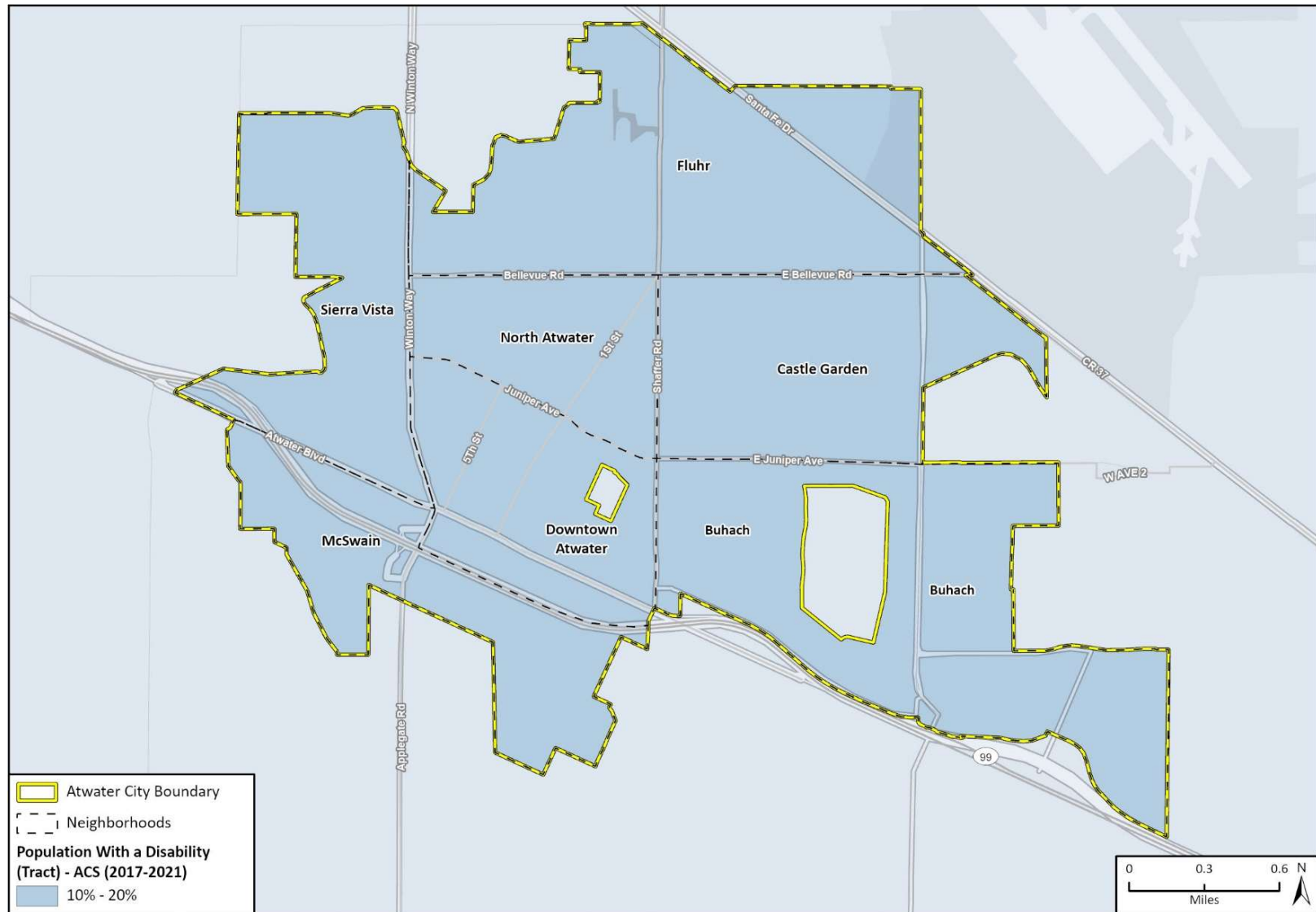
Source: U.S. Census Bureau, American Community Survey 5-Year Data (2017-2021), Table S1810.

In all areas of Atwater, 10 to 20 percent of the population have a disability. In most of Merced County, between five and 20 percent of the population have a disability. The northeastern part of the county has higher concentrations of persons living with a disability than the southern portion of the county. There is no evidence of segregation with individuals living with a disability shown within the city as seen in Figure B5-12.

Approximately five percent of the total employed population in Atwater have one or more disabilities, slightly below the nine percent seen in 2016. Eleven percent of the unemployed population had one or more disabilities, slightly up from 10 percent in 2016. Table B5-2 shows employment status by disability status estimates for Atwater, which has slightly decreased in the past five years.

Adult residential facilities and residential elderly care facilities are shown below. There are eight adult residential facilities in the city and two just outside the City boundaries. Additionally, there are two residential elderly care facilities in Atwater. Facilities are located throughout the City and are accessible citywide.

Figure B5-12 Percent of Population with a Disability (City of Atwater)



Fresno County Dept. PWP, Merced County Association of Gov, California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

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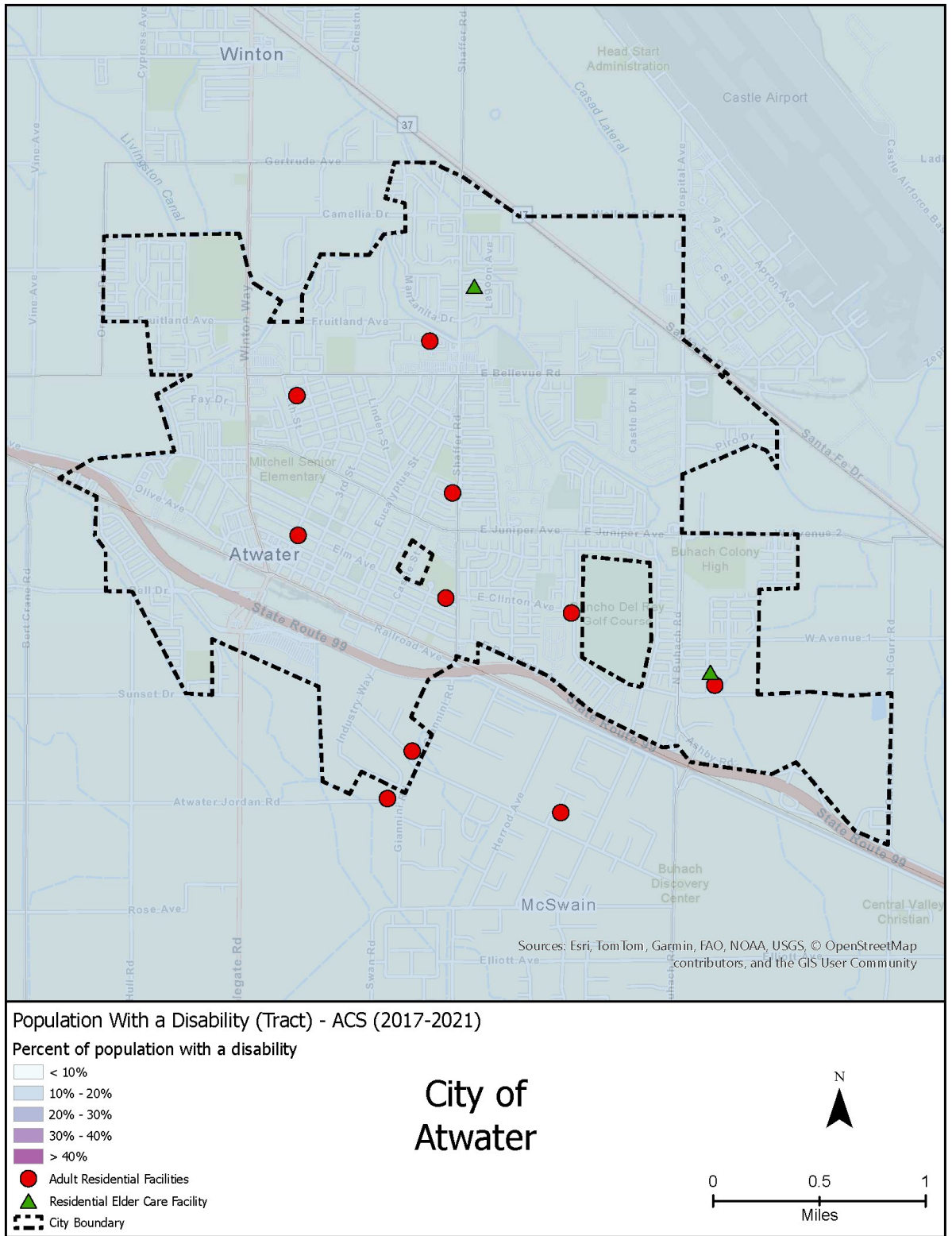
Source: AFFH Data Viewer, 2023.

Table B5-2 Employment Status by Disability Status (City of Atwater)

Disability Status	Employed 2012-2016 (Percent of Total Employed)	Unemployed 2012-2016 (Percent of Total Unemployed)	Employed 2017-2021 (Percent of Total Employed)	Unemployed 2017-2021 (Percent of Total Unemployed)
No Disability	9,381 91%	1,431 90%	12,010 95%	1,418 89%
With a Disability	980 9%	162 10%	697 5%	169 11%
Total	10,361	1,593	12,707	1,587

Source: U.S. Bureau of the Census, American Community Survey (ACS), Table C18120 Employment Status by Disability Status, 2012-2016, 2017-2021 Estimates.

Figure B5-13 Percent of Population with a Disability and Residential Care Facilities (City of Atwater)



Source: HCD AFFH Data Viewer, 2024 and Department of Developmental Services. 2024.

Familial Status

Familial status refers to the presence of children under the age of 18 and the marital status of the head of the household. Families with children may face housing discrimination by landlords who fear that children will cause property damage. Examples of differential treatment include limiting the number of children in an apartment complex or confining households with children to a specific location. These actions are potentially discriminatory. Single-parent households are protected by fair housing law.

Household composition of married couple families with children present in Atwater is similar to Merced County and the Northern SJV region. However, there is a higher percentage of single parent, female households in Atwater than Merced County and the Northern SJV region. Atwater had a total of 10,309 households in 2021. Households with children present comprised approximately 36 percent (3,693 households) of the total households. Married-couple families with children comprised the largest share of households with children (12 percent). Most single-parent households are female single-parent households (75 percent). Single-parent, female-headed households are more likely to rent than own, comprising approximately 17 percent of renter-occupied households but only eight percent of owner-occupied households (Table B5-3).

Table B5-3 Tenure by Household Type and Presence of Children (City of Atwater)

Household Type	Owner-Occupied	Percent of Total Owner-Occupied	Renter-Occupied	Percent of Total Renter-Occupied
Married Couple Family, with Children Present	1,140	21.2%	1,052	21.3%
Single-Parent, Male Householder, no Spouse Present	168	3.1%	92	1.9%
Single Parent, Female Householder, No Spouse Present	423	7.9%	818	16.5%
Total Households with Children Present	1,731	32.3%	1,962	39.7%
Total Households	5,366		4,943	

Source: U.S. Bureau of the Census, American Community Survey (ACS), Table B25115 Tenure by Household Type and Presence and Age of own Children, 2017-2021 Estimates.

In most of Atwater, less than 20 percent of households are those with children residing in female-headed, single-parent households (Figure B5-15). The neighborhoods of Castle Garden, Downtown Atwater, and Sierra Vista have higher percentages of children residing in female-headed, single-parent households (20-40 percent). This is similar to the rest of the region, except for the major cities in the urban areas, which have higher percentages of children residing in female-headed, single-parent households.

Approximately 21 percent of households in Atwater are married couples with at least one child under 18 years.⁵ As Figure B5-16 displays, 40-80 percent of Atwater households are comprised of married couples. In Castle Garden, North Atwater, and Downtown Atwater, 40-60 percent of households are married couple households. Across the rest of the city, 60-80 percent of households are married couple households. This is similar to regional trends.

⁵ U.S. Bureau of the Census, American Community Survey (ACS), Table DP1

As shown in Figure B5-14 below, there are six child care centers in Atwater and three just outside the City boundaries. Given the smaller footprint of the city, child care centers are accessible to all Atwater neighborhoods.

Household Income

Household income is directly connected to the ability to afford housing. Higher-income households are more likely to own rather than rent housing. As household income decreases, households tend to pay a disproportionate amount of their income for housing and the number of persons occupying unsound and overcrowded housing increases. To achieve fair housing objectives, people in low-income households must have a choice in housing opportunities—that is, when they are able to locate units that are affordable and well maintained in all parts of a jurisdiction and region.

This section identifies household income disparities using data based on median household income and LMI geographies. HUD defines an LMI area as a census tract or block group where over 51 percent of the population is LMI. The definition of low or moderate-income is based on HUD income definitions of up to 80 percent of the area median income (AMI). Data for this analysis is from the HUD Low- and Moderate-Income Summary based on the 2011-2015 American Community Survey (most recent available data).⁶

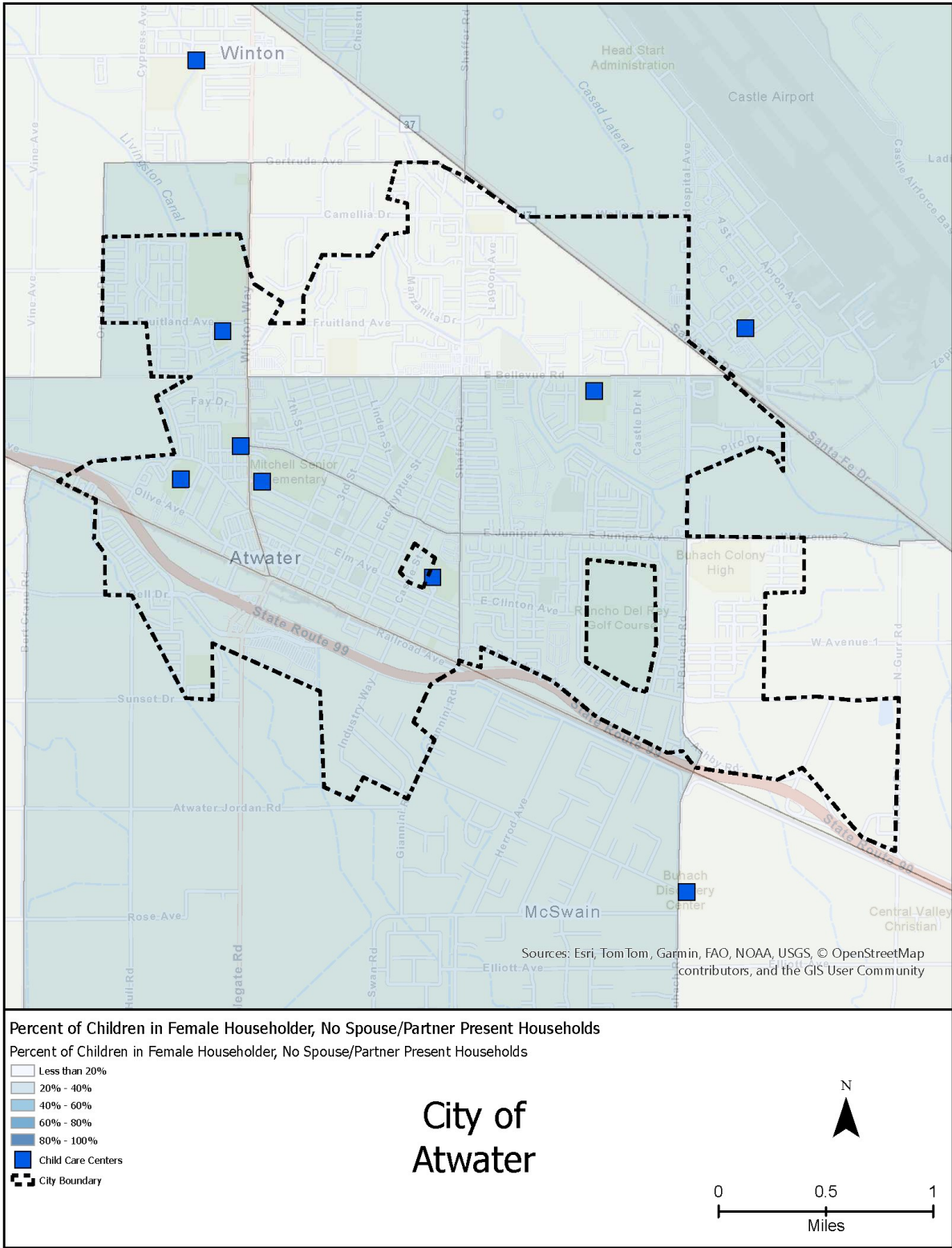
As of 2021 (most recent available data), the median household income in Atwater is \$59,436, which is slightly higher than the county's median income of \$53,992.⁷ Median household income is highest in the McSwain area and the western portion of Fluhr (Figure B5-17). In most other parts of the city, median household income is at or below the 2021 state median income of \$84,097. This is similar to the Northern SJV region, where most of the region's AMI is below the state median income. The southern part of Sierra Vista and southwestern portion of Fluhr have the lowest median incomes in the city, \$27,321 and \$21,550, respectively.

LMI populations are seen throughout Atwater, particularly in the western end of the city (Figure B5-18). Similar to the lowest income areas of the city, the southern part of Sierra Vista and southwestern portion of Fluhr have the highest occurrence of LMI households in the city. Approximately 50 to 75 percent of North and Downtown Atwater neighborhoods are LMI households.

⁶ HUD Exchange 2021: <https://www.hudexchange.info/programs/acs-low-mod-summary-data/>

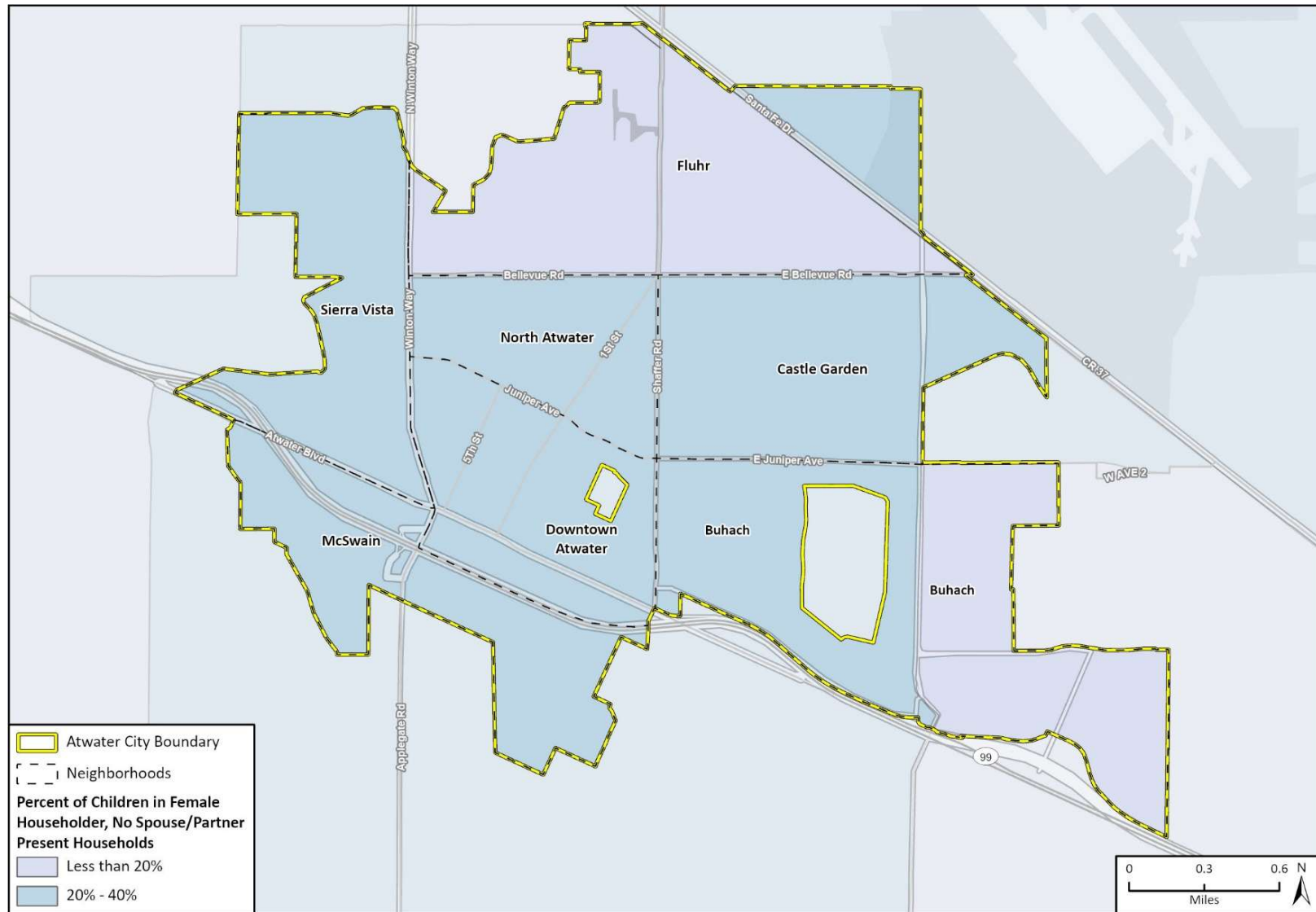
⁷ ACS 5 Year, 2017-2021, S1901: [https://data.census.gov/table?q=S1901:INCOME+IN+THE+PAST+12+MONTHS+\(IN+2021+INFLATION-ADJUSTED+DOLLARS\)&g=160XX00US0603162&tid=ACST5Y2021.S1901](https://data.census.gov/table?q=S1901:INCOME+IN+THE+PAST+12+MONTHS+(IN+2021+INFLATION-ADJUSTED+DOLLARS)&g=160XX00US0603162&tid=ACST5Y2021.S1901)

Figure B5-14 Female-Headed Households with Children Present, No Spouse/Partner Present and Child Care Centers (City of Atwater)



Source: HCD AFFH Data Viewer, 2024 and Department of Developmental Services. 2024.

Figure B5-15 Female-Headed Households with Children Present, No Spouse/Partner Present (City of Atwater)

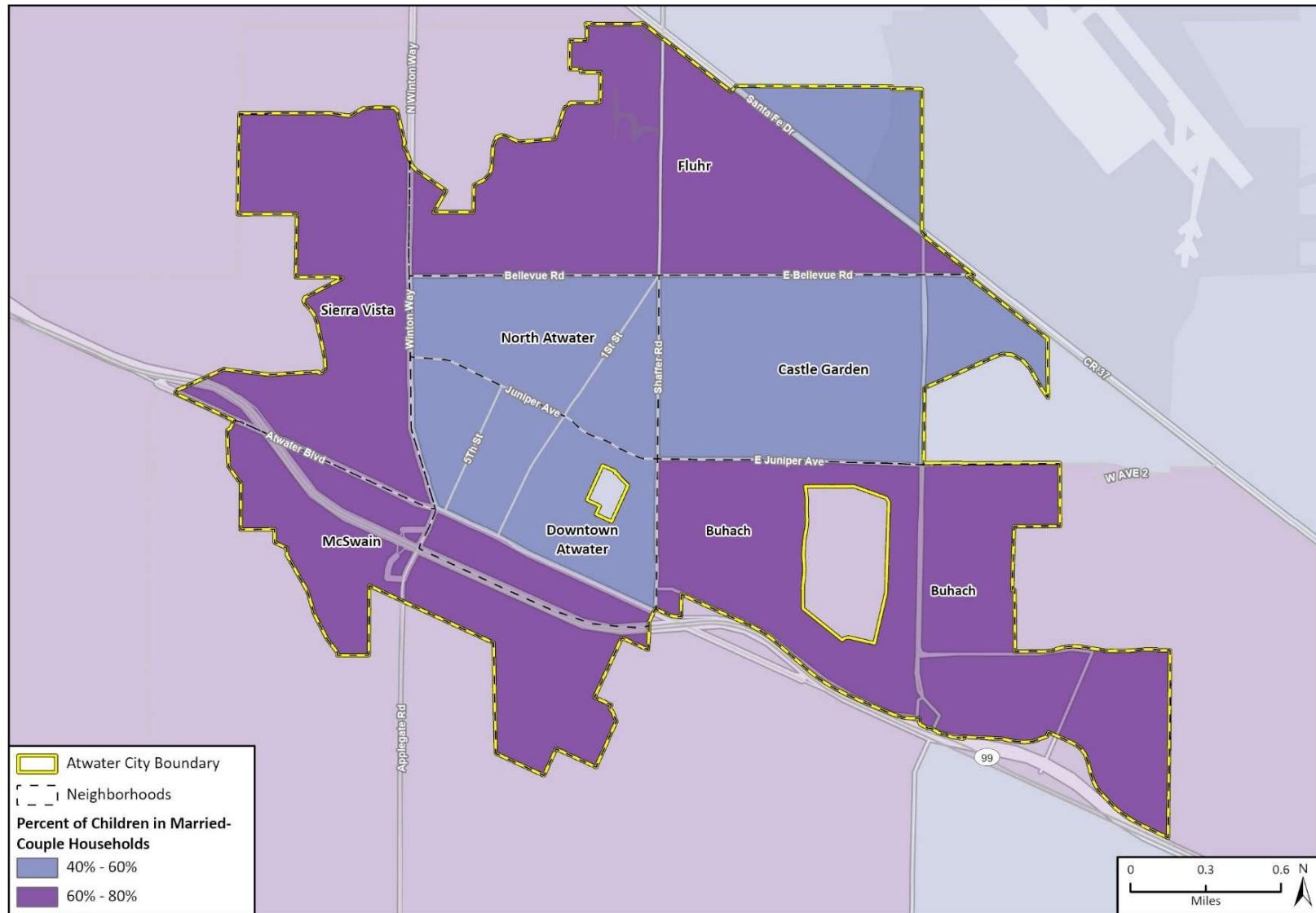


Fresno County Dept. PWP, Merced County Association of Gov, California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

22_13497_HF_AFFH
 AFFH - Atwater City Basemap

Source: AFFH Data Viewer, 2023.

Figure B5-16 Married Couple Households with Children Present (City of Atwater)

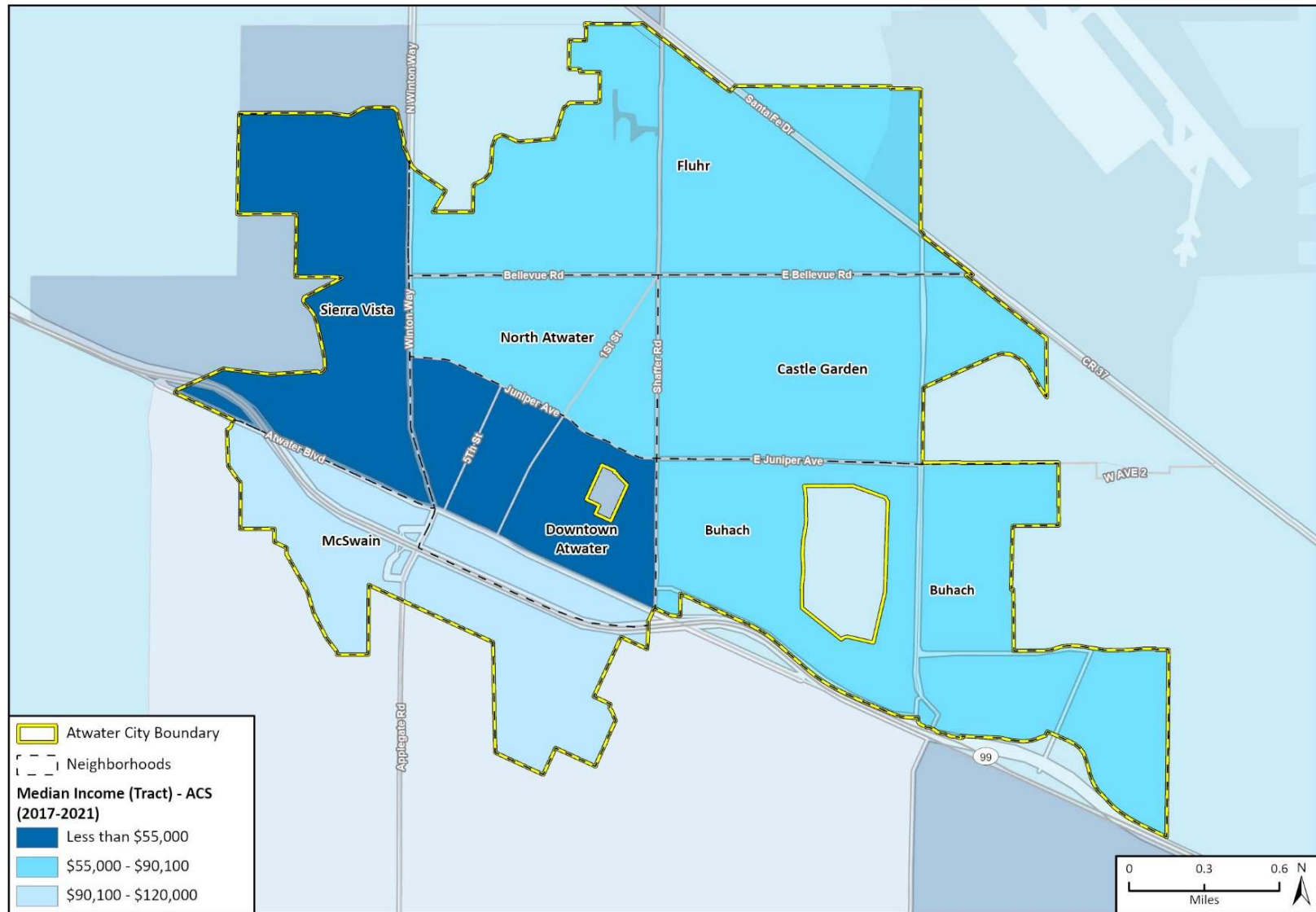


Fresno County Dept. PWP, Merced County Association of Gov, California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

22_13497_HF_AFFH
AFFH - Atwater City Basemap

Source: AFFH Data Viewer, 2023.

Figure B5-17 Median Household Income (City of Atwater)

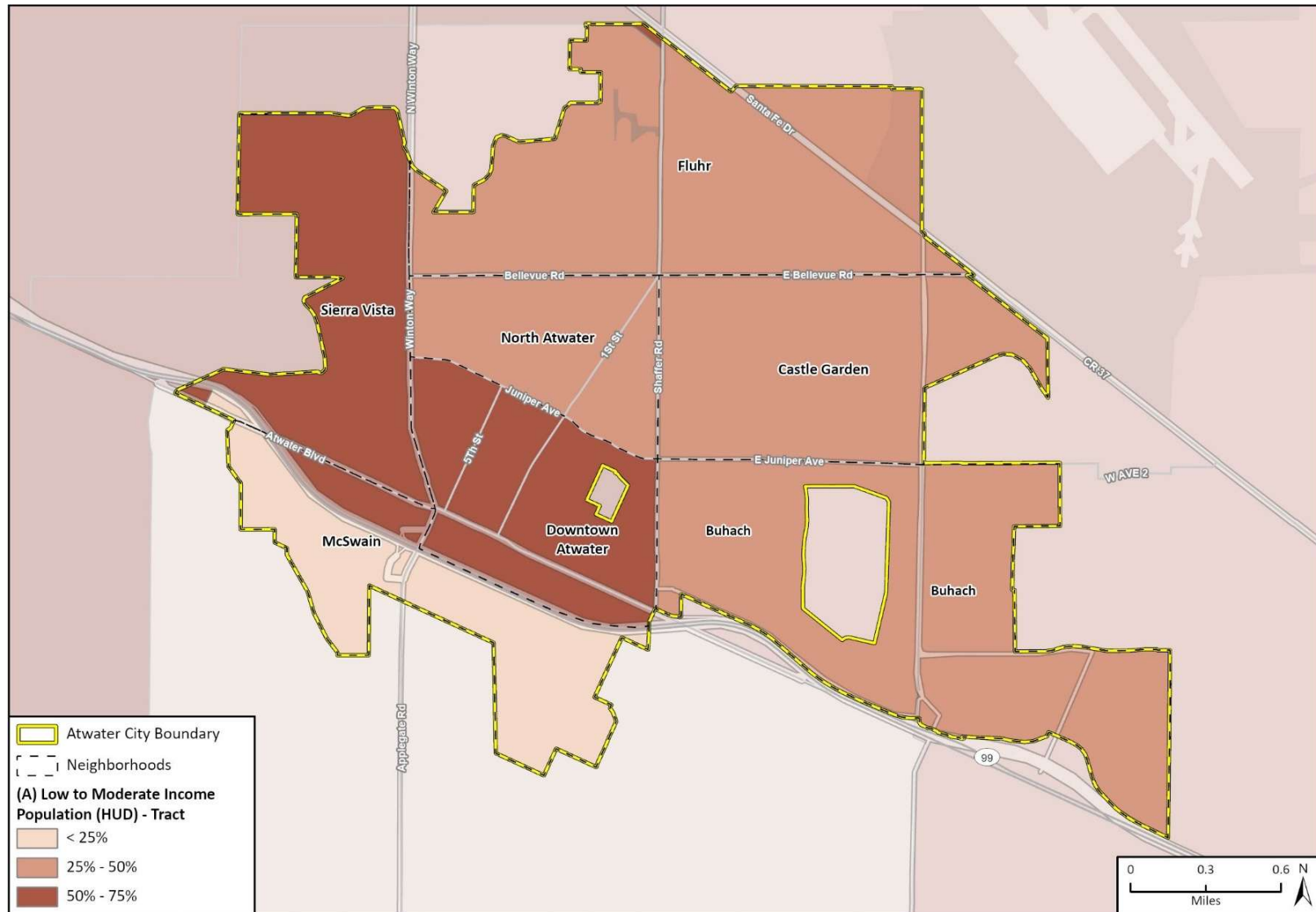


Fresno County Dept. PWP, Merced County Association of Gov, California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

22_13497_HF_AFFH
 AFFH - Atwater City Basemap

Source: AFFH Data Viewer, 2023.

Figure B5-18 Low- and Moderate-Income Population (City of Atwater)



Fresno County Dept. PWP, Merced County Association of Gov, California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA, ACS 2015-2019, HCD, PlaceWorks 2021, HUD Region 9 2021, UC Berkeley Urban Displacement Project, TCAC 2022, CalEnviroScreen 4.0, 2021

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AFFH - Atwater City Basemap

Source: AFFH Data Viewer, 2023.

Racially and Ethnically Concentrated Areas of Poverty

To identify racially and ethnically concentrated areas of poverty (known as R/ECAPs), the California Tax Credit Allocation Committee (TCAC) includes a poverty concentration and racial segregation filter that aligns with HUD's R/ECAP methodology but is intended to reflect the level of racial and ethnic diversity more effectively. TCAC categorizes census tracts that have both a poverty rate of over 30 percent and that are designated as being racially segregated (overrepresentation of people of color relative to the region) as areas of high segregation and poverty. Census tracts with 1.25 times the county's percentage of black/African American, Hispanic/Latino, Asian/Pacific Islander, or all people of color are designated as racially segregated areas.

There are no areas of high segregation and poverty in Atwater. However, in Downtown Atwater there is a higher percentage of non-white residents and an overall median income of less than \$55,000. The type of housing available in Downtown Atwater may contribute to the concentration of lower-income households. Most of the city is zoned for single-family residential uses, including the Downtown area. However, Downtown Atwater also has one of the largest areas zoned for high density residential uses in the city. Higher density housing units are typically more affordable to lower income households. The city's land use patterns are further discussed in Section B5.11. Additionally, the census tract encompassing Downtown Atwater has the largest proportion of housing units built prior to 1960 compared to all other tracts in the city. A discussion of substandard housing conditions is included in Section B5.10 and a brief history of Atwater is included in Section B5.11.

Poverty and Segregation

Poverty rates in Atwater are generally range 20 to 30 percent in the northern areas of the city (Figure B5-19). Downtown Atwater has the highest poverty rates in the city with 30 to 40 percent of the population living below the poverty line. The neighborhood of McSwain has the lowest percentage in the city, with less than 10 percent of residents living below the poverty line. This is likely due to this area being part of a much larger, more affluent census tract. The McSwain neighborhood is mainly comprised of business parks and industrial uses, with few residents, so the data may not be representative of residents living in this neighborhood.

Concentrated Areas of Affluence

HCD's AFFH Data Viewer identifies Racially Concentrated Areas of Affluence (RCAs), defined as white, affluent communities as census tracts that have a white population that is 1.25 times higher than the Council of Governments region and a household median income 1.5 times higher than the AMI. In Atwater, RCAs are only located in the McSwain neighborhood (Figure B5-20). It should be noted that McSwain is part of a much larger census tract which contains estate-style single-family residences, which could be the reasoning behind the RCA designation in this neighborhood. The portion of the census tract within city boundaries is zoned for business parks and industrial uses and has very few residents, so the RCA designation may not accurately reflect the population living in Atwater. RCAs in Atwater are predominantly white and primarily have household median incomes much greater than the county average of \$52,534.

Demographics of the census tract encompassing the McSwain neighborhood compared to demographics citywide are shown in Table B5-4. As discussed above, this tract is primarily comprised of owner-occupied households. The median income in this tract is \$99,676, significantly higher than the median income citywide. Similarly, this tract has a lower poverty rate and larger

non-Hispanic White population compared to the citywide trend. There are no public or subsidized housing units located in the McSwain neighborhood. This tract is a TCAC highest resource area, like the Buhach and Fluhr areas. Less than 5 percent of households are overcrowded in the RCAA tract and the rate of cost burdened owners in the area is consistent with most tracts citywide.

According to the 2006-2010 ACS, non-Hispanic White residents represented 69.5 percent of the population in the RCAA tract, indicating that the non-White population has grown in the neighborhood in recent years. In comparison, the non-Hispanic White population citywide represented 37.1 percent of the population during the 2006-2010 ACS. The proportion of residents below the poverty level in the RCAA area has also increased during this period. These trends indicate that the RCAA is becoming increasingly diverse with regards to racial/ethnic and income makeup. However, the housing suitable for lower income households in the RCAA may still be limited. As discussed above, the tract identified as an RCAA encompasses much of the unincorporated County area south of the City. Because most of the area within the City limits are zoned for business parks and industrial uses where few residents reside, many of the demographic trends in this tract can be attributed to the residential areas in the unincorporated County area.

Table B5-4 Demographics of RCAA

Area	% With Two or More Units	Median Income	Poverty Rate	% Renter Households	White
McSwain	3.2%	\$99,676	10.6%	20.7%	51.1%
Atwater (City)	29.4%	\$59,436	17.3%	47.9%	31.9%

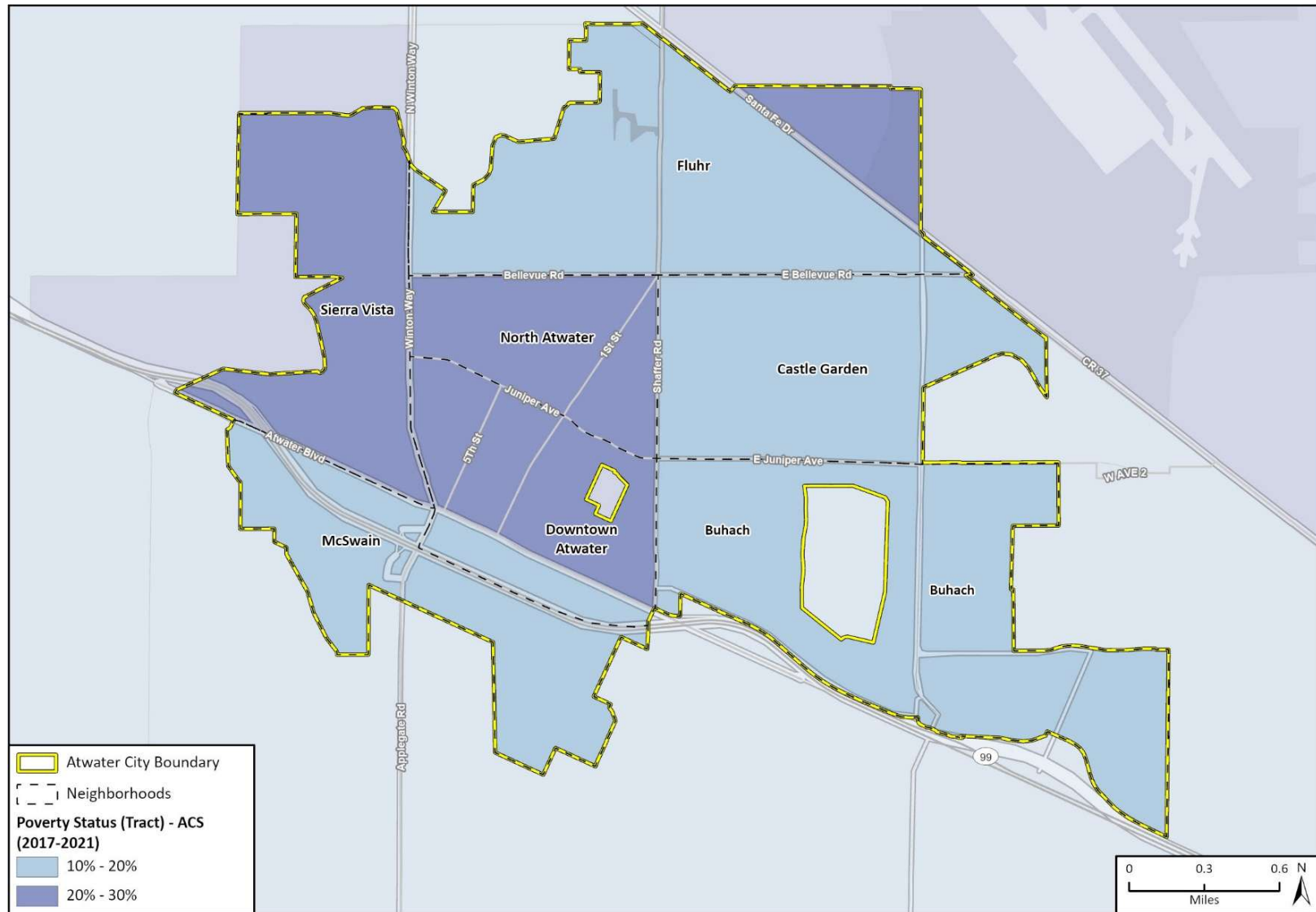
Source: HCD AFFH Data Viewer 2.0 and 2017-2021 ACS.

Subsidized Housing

Atwater has a range of publicly assisted rental housing affordable to lower and moderate-income households. Overall, there are 401 subsidized units in the city, 314 are assisted by HUD funding, 51 with Atwater Housing Authority support, and 36 with HUD project-based vouchers.

According to the AFFH Data Viewer, 186 housing choice vouchers (HCVs) were in use in Atwater in 2021. The Fluhr, Downtown Atwater, and eastern Buhach neighborhoods saw the highest percentage of renter-occupied units using HCVs (Figure B5-21)

Figure B5-19 Poverty Status (City of Atwater)

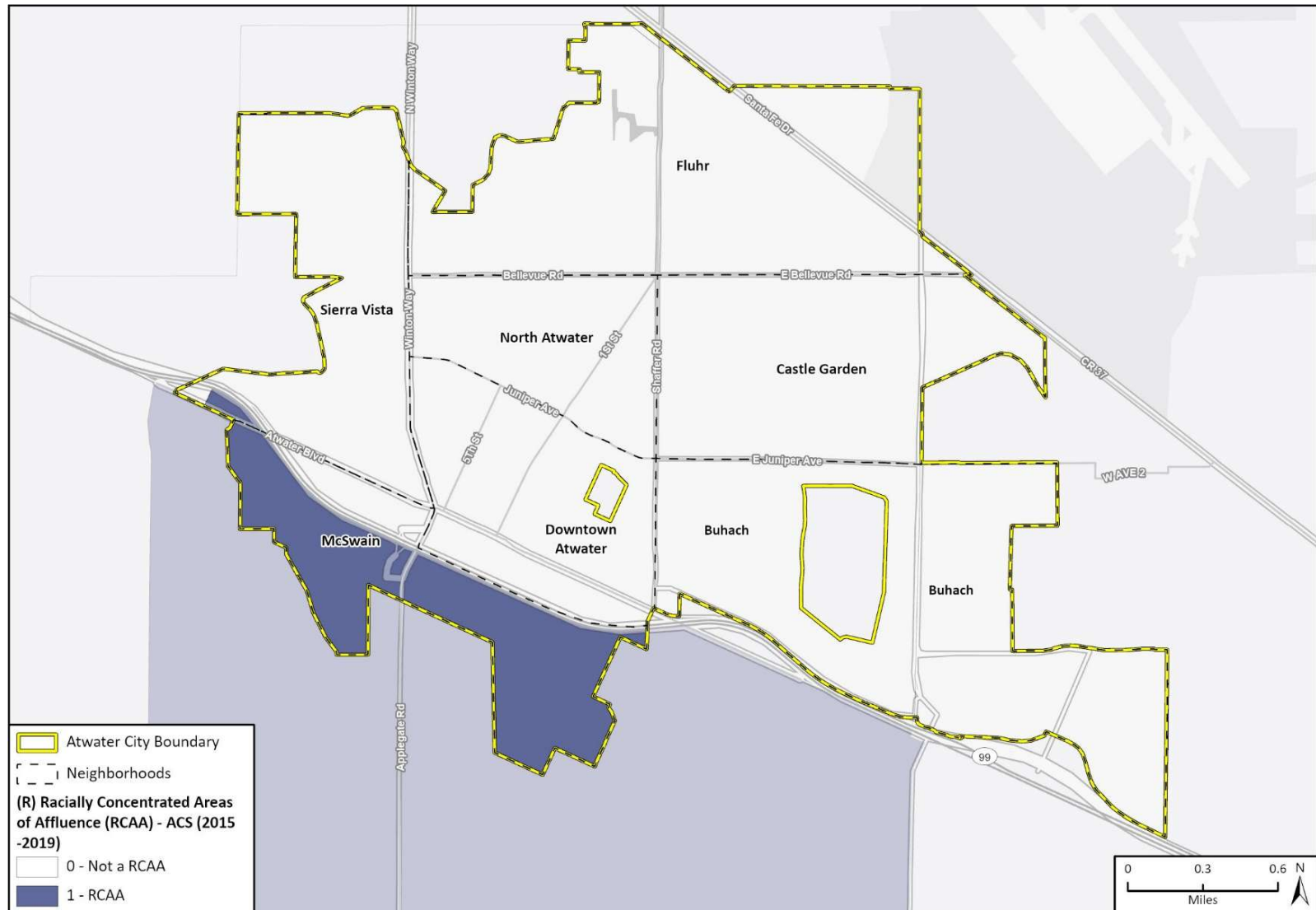


Fresno County Dept. PWP, Merced County Association of Gov, California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

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 AFFH - Atwater City Basemap

Source: AFFH Data Viewer, 2023.

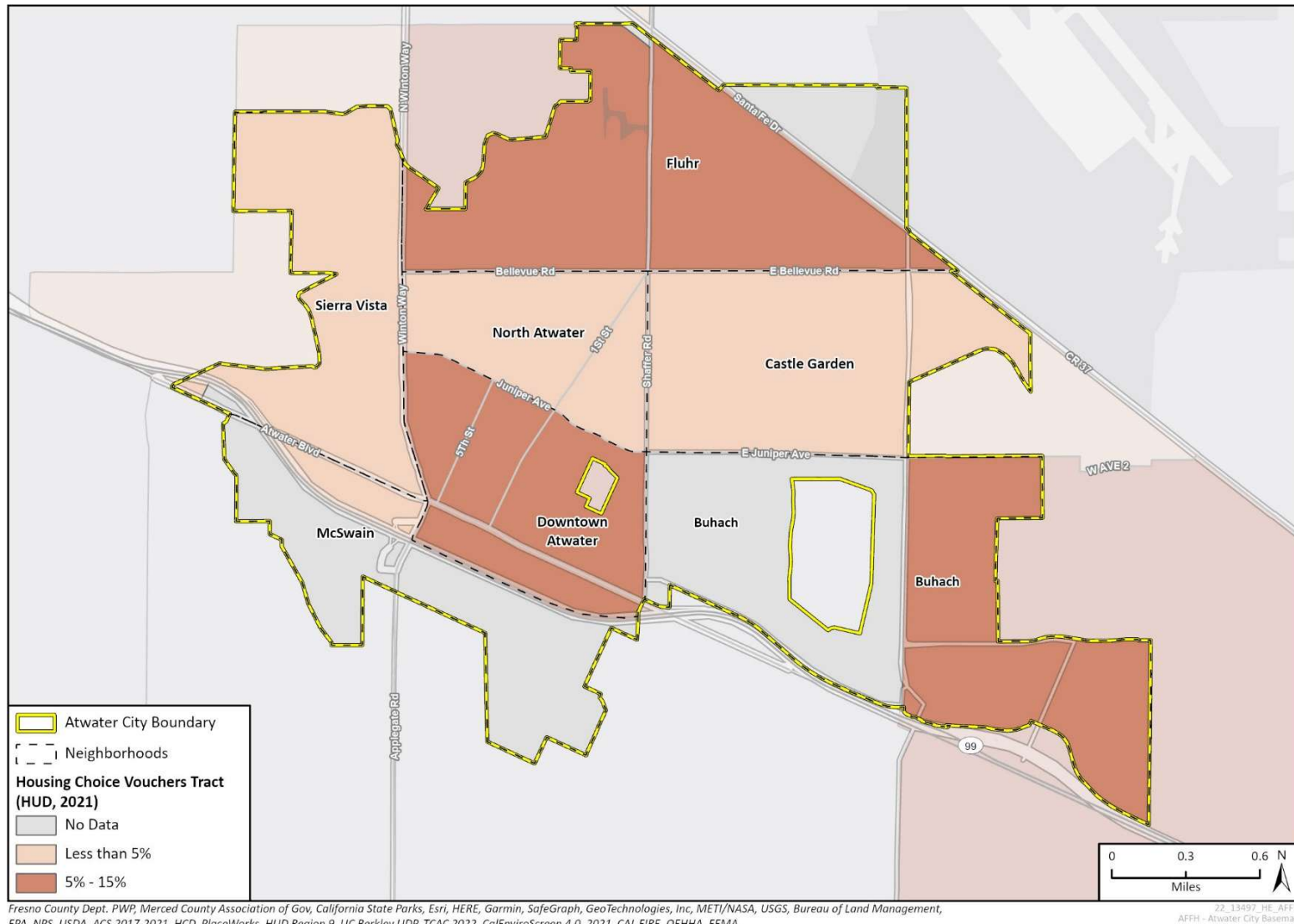
Figure B5-20 Racially Concentrated Areas of Affluence (City of Atwater)



Fresno County Dept. PWP, Merced County Association of Gov, California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA, ACS 2015-2019, HCD, PlaceWorks 2021, HUD Region 9 2021, UC Berkley Urban Displacement Project, TCAC 2022, CalEnviroScreen 4.0, 2021

Source: AFFH Data Viewer, 2023.

Figure B5-21 Housing Choice Vouchers



Conclusion

Atwater is predominantly Hispanic/Latino, with 55 percent of its population identifying as Hispanic/Latino. Most neighborhoods, except for McSwain, are also predominantly Hispanic/Latino. According to OBI's racial segregation/integration classification, McSwain has High White Segregation and is considered a RCAA. This neighborhood is one of the least developed in the city, primarily consisting of business parks and single-family planned developments. As discussed later, McSwain also has the highest concentration of resources.

In contrast, the areas north of Highway 99, including Downtown Atwater, Sierra Vista, and North Atwater, have the highest concentration of poverty in the city. These tracts also have some of the highest concentrations of minorities, renters, and older higher density housing. The stark differences between these two neighborhoods highlight the need for strategies to improve mobility into newer planned developments and to address the challenges faced by communities north of Highway 99.

B5.9 Disparities in Access to Opportunities

TCAC Opportunity Areas

To assess fair access to opportunities, HCD and TCAC convened in the California Fair Housing Task Force (Task Force) to “provide research, evidence-based policy recommendations, and other strategic recommendations to HCD and other related state agencies/departments to further the fair housing goals (as defined by HCD).” The Task Force has created Opportunity Maps to identify resource levels across the state “to accompany new policies aimed at increasing access to high opportunity areas for families with children in housing financed with nine percent Low Income Housing Tax Credits (LIHTCs).” These opportunity maps are made from scores of three different domains made up of a set of indicators related to economic, environmental, and educational opportunities and poverty and racial segregation. Based on these domain scores, tracts are categorized as Highest Resource, High Resource, Moderate Resource, Moderate Resource (Rapidly Changing), Low Resource, or areas of High Segregation and Poverty. Table B5-5 shows the full list of indicators.

Table B5-5 Domains and List of Indicators for Opportunity Maps

Domain	Indicator
Economic	Poverty
	Adult education
	Employment
	Job proximity
	Median home value
Environmental	CalEnviroScreen 3.0 pollution Indicators and values
Education	Math proficiency
	Reading proficiency
	High School graduation rates
	Student poverty rates
Poverty and Racial Segregation	Poverty: tracts with at least 30% of population under federal poverty line
	Racial Segregation: Tracts with location quotient higher than 1.25 for Blacks, Hispanics, Asians, or all people of color in comparison to the County
Source: California Fair Housing Task Force, Methodology for TCAC/HCD Opportunity Maps, December 2020.	

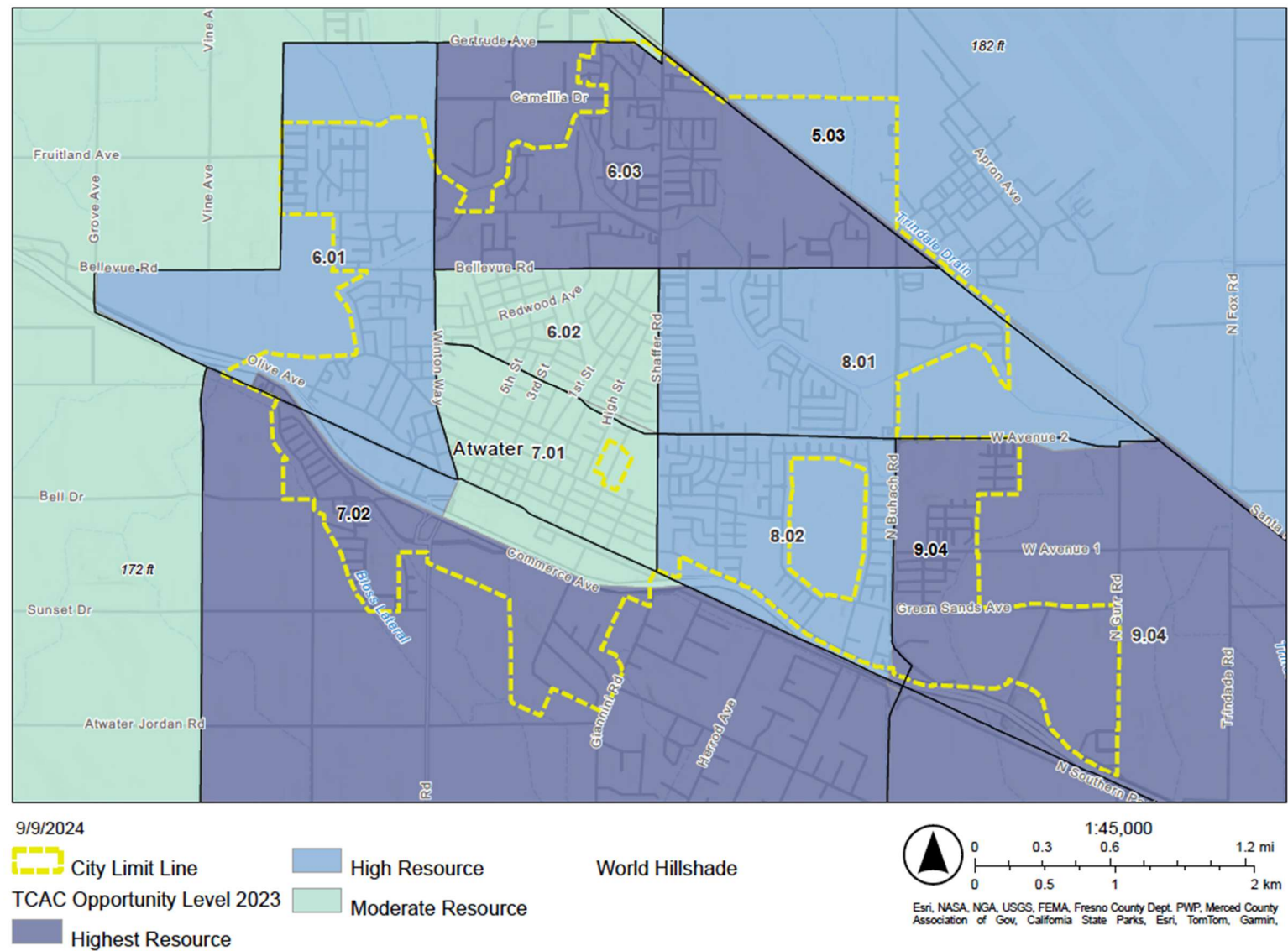
Opportunity map categorization and domain scores for Atwater census tracts are shown in Table B5-6. As seen in the table and Table B5-6, most tracts in the city are considered to be High Resource or Highest resource except for Census Tracts 6.01 (North Atwater) and 7.01 (Downtown Atwater). The education and economic scores are similar for in these two tracts, but Downtown Atwater has a notably lower environmental score. The next sections explore each domain in more detail.

Table B5-6 Opportunity Map Scores and Categorization for Atwater

Census Tract	Economic Score	Education Score	Environmental Score	Composite Score	Final Category/ Resource Level
6.01	0.54	0.71	0.29	4.0	High
6.03	0.79	0.93	0.35	5.0	Highest
5.03	0.67	0.92	0.13	4.0	High
6.02	0.41	0.65	0.52	3.0	Moderate
7.01	0.40	0.58	0.23	3.0	Moderate
7.02	1.0	0.58	0.58	5.0	Highest
8.01	0.63	0.67	0.36	4.0	High
8.02	0.75	0.50	0.46	4.0	High
9.04	0.64	0.90	0.48	5.0	Highest

Source: California Fair Housing Task Force, Methodology for the 2023 TCAC/HCD Opportunity Maps.

Figure B5-22 Atwater TCAC Opportunity Areas



Access to Quality Education

Educational outcomes are measured through the educational opportunity index, which measures the percentage of fourth-grade students testing proficient in reading and math within three miles of a census block group. Scores range from 0-1, with 1 being the most positive educational outcome, and 0 being the least positive educational outcome. Educational outcomes vary throughout Atwater, with most of the city within the 0.6 to 1 range. The Fluhr neighborhood and the eastern portion of Buhach had more positive education outcomes compared to the rest of the city (Figure B5-23).

There are two school districts in Atwater, the Atwater Elementary School District (10 schools) and the Merced Union High School District (two schools). According to Ed-Data, the Merced Union High School District had an overall graduation rate of 94.2 percent. Approximately 11.1 percent of students who are classified as English learners, and 77.9 percent are eligible for free or reduced-priced meals.⁸

The educational levels of an area's residents are a key driver of local economic potential. A more educated populace is likely to be associated with stronger economic conditions including higher household incomes and a lower unemployment rates. Atwater and Merced County show lower level of educational achievement than California overall, with lower proportions of high school graduates and less than half the percentage of adults with bachelor's degrees or higher. Nearly 30 percent of the city and county adults 25 or older have not completed high school, almost twice the statewide proportion. Improving educational outcomes for local students would likely provide more employment opportunities and an improved quality of life for those students as well as improving the City's attractiveness to the types of businesses that prioritize the educational attainment of the local workforce.⁹

Economic Outcomes

TCAC economic opportunities are measured by census tract. They consider poverty, adult education, employment, job proximity, and median home values. A higher economic index score reflects more positive economic outcomes. Economic outcomes vary across Atwater but most of the city is within 60 to 80 percent, similar to economic outcomes in the northern portion of Merced County (Figure B5-24).

Most of the land zoned for commercial and industrial uses in Atwater is in Downtown and McSwain. For example, the Walmart Supercenter and Western Marketing & Sales, the city's largest employers, are in McSwain. Despite its proximity to jobs, residents in Downtown Atwater are affected by lower levels of education (Figure B5-23) and higher levels of poverty (Figure B5-19). Like mentioned above, increasing educational achievement should be a priority to improve the resident's economic outcomes.

According to 2021 ACS estimates, Atwater had an employment rate of 64 percent, which is higher than the employment rate for Merced County (49 percent). The unemployment rate has dropped two percent since 2016. The largest industries in Atwater are educational services, health care, and social assistance (22 percent), manufacturing (13 percent), and transportation and warehousing, and utilities (11 percent). Educational services, health care, and social assistance and agriculture, forestry, fishing and hunting, and mining are also the largest industries in the county based on employment. According to the State's Employment Development Department's Labor Market

⁸ Ed-Data. Atwater Elementary. 2021-2022. <https://www.ed-data.org/district/Merced/Atwater-Elementary>

⁹ City of Atwater Existing Conditions Reports. April 2024. Prepared for the City of Atwater by the De Novo Planning Group. <https://atwater.generalplan.org/>

Information two of the major employers in Merced County are in Atwater: Walmart Supercenter and Western Marketing & Sales.¹⁰ While educational, healthcare, and social assistance services are the largest industries in Atwater, the city lacks a substantial number of these types of jobs. From 2017 to 2022, Atwater experienced rapid employment growth compared to Merced County and the state, primarily driven by agriculture, construction, retail trade, and accommodation and food services. These types of industries are located in Downtown Atwater, McSwain, and Fluhr.

However, the limited growth—and even loss of jobs—in “white-collar” sectors such as professional services highlights Atwater and Merced County’s challenges in diversifying their economies. This lack of diversification limits the availability of higher-paying, full-time jobs typically found in sectors like professional services, as opposed to the agriculture and service-related jobs dominating the area. Economic diversification should therefore be a key priority moving forward.

Atwater also shows an imbalance between workers and jobs, with more working residents than jobs. This is an indicator of net out-commuting from the city, with only approximately one job in Atwater for every two working residents. This information highlights the importance of local economic development, to create a better balance between the size of the local working population and the number of local employment opportunities.

Transit Access and Walkability

Transit service is limited in Atwater. “The Bus,” Merced County’s Regional Transit System, was formed from the consolidation of four former local public transit service providers in July 1996. Today The Bus is the single public transportation service provider for all of Merced County. The Bus operates 15 fixed routes throughout the region. The Bus offers veterans, seniors and Americans with Disabilities Act (ADA)-eligible passengers to ride for free on all services provided by The Bus throughout Merced County. There are several fixed routes that pass through Atwater, as well as other services through The Bus.

The Bus offers the following services in Atwater:

- Atwater Loop/Atwater Crosstown runs from 6:20 a.m. to 6:30 p.m. on the weekdays and from 8:49 a.m. to 6:05 p.m. on the weekends. This route consists of nine stops, with the ninth being an On Demand Stop¹¹ only. There are other stops along this route, but the Bus will only stop at these locations if a passenger is clearly visible.
- The Winton Way route runs from 6:18 a.m. to 7:04 p.m. on weekdays and from 8:32 a.m. to 5:34 p.m. on the weekends. This route consists of six stops, with the sixth being an On Demand Stop only. There are other stops along this route, but the Bus will only stop at these locations if a passenger is clearly visible.
- The Turlock Commuter runs from the city of Merced to Turlock, with one bus stop in Atwater (Atwater Transpo) and several bus stops in Livingston and Delhi. This route operates from 5:30 a.m. to 8:50 p.m. on weekdays and from 9:00 a.m. to 6:45 p.m. on weekends.

¹⁰ Major Employers in Merced County. State of California Employment Development Department. Labor Market Information Resources and Data. <https://labormarketinfo.edd.ca.gov/majorer/countymajorer.asp?CountyCode=000047>

¹¹ To be picked up at an ODS location, call the fixed route dispatch office during regular hours of operation at 209-725-3813. Tell the Customer Service Representative (CSR) which stop you are at and the general location you are traveling to. The CSR will let you know when the next available fixed route bus can come to that stop to pick you up. The CSR will then inform the bus operator on that route that they will need to go to and stop at that ODS location on the next available route. To be let off at an ODS location, clearly inform the bus operator when you board the bus that you would like to be let off at the ODS location.

- Paratransit is a curb-to-curb shared transit service for persons with a disability and seniors. Paratransit service is available in every city and community in Merced County and operates between 6:00 a.m. to 8:00 p.m. Monday through Friday and 8:00 a.m. to 6:00 p.m. on Saturday and Sunday.

Residents in Atwater have lower access to transit and lower transit ridership compared to larger cities in the region such as Merced and Turlock according to AllTransit. Atwater received an average AllTransit performance score of 3.2 which equates to a low combination of trips per week and number of jobs accessible by transit.¹² However, this score is higher than scores for cities in the western part of Merced County, such as Dos Palos (1.2) and Los Banos (1.0). As shown in Figure B5-25 only two routes serve the City, mostly along Highway 99 between Downtown Atwater and McSwain and up to Castle Commerce Center in northeast Atwater. The Commerce Center includes a general aviation airport and a developing multi-modal freight facility with rail service for local agricultural producers and industries. While the Airport and Commerce Center are outside city limits, the current and future facilities will provide jobs for city residents and generate economic activity within Atwater itself. The development of improved rail-related facilities will also provide environmental benefits by replacing multiple truck trips with fewer train trips, resulting in reduced emissions and improved local air quality.

Walk Score is a private company that offers a walkability index on its website which measures the pedestrian friendliness of a given location by analyzing walking routes to nearby amenities and examining population density and road metrics, including block length and intersection density, using data from various sources including Google, Factual, and the U.S. Census.¹³ Atwater received a walk score of 41 out of 100, which is considered “car dependent.” The most walkable areas in Atwater are in the neighborhoods of North Atwater (walk score of 75) and Downtown Atwater (walk score of 86) which are both considered “very walkable.”

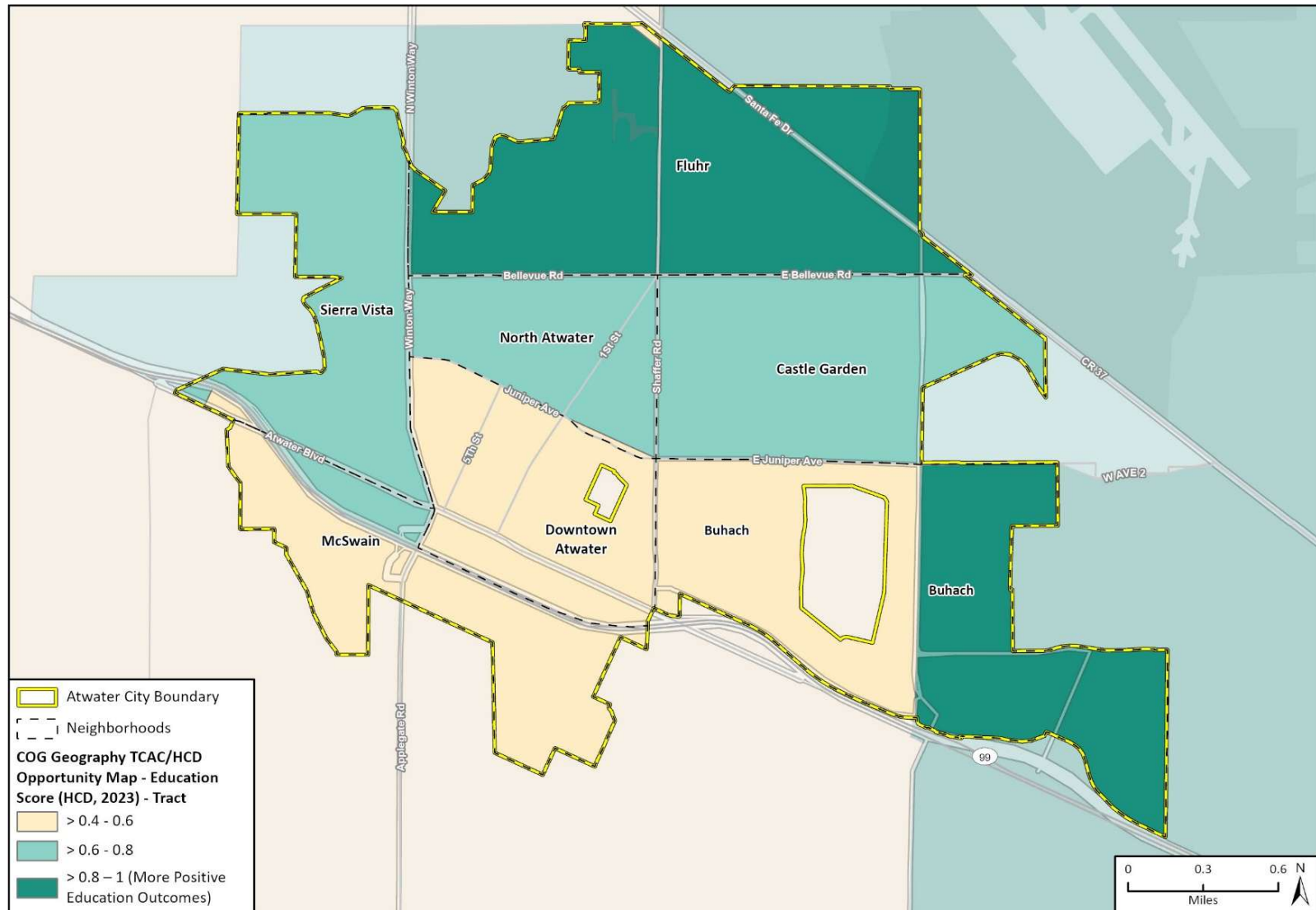
The Environmental Protection Agency (EPA) publishes the National Walkability Index that ranks block groups based on factors such as street intersection density, proximity to transit stops, and diversity of land uses, which are chosen for their ease of measurement and understanding, and each block group is ranked and assigned a score based on these variables.¹⁴ According to the National Walkability Index, most of Atwater is more walkable than the average community in the United States. North and Downtown Atwater are the most walkable (Figure B5-26). Areas along the border of the city are the least walkable, mainly in the southern portion of Atwater.

¹² AllTransit.Org, 2021. <https://alltransit.cnt.org/>

¹³ Walk Score, 2021. <https://www.walkscore.com/methodology.shtml>

¹⁴ EPA, 2021. <https://www.epa.gov/smartgrowth/national-walkability-index-user-guide-and-methodology>

Figure B5-23 TCAC Opportunity Areas – Education Outcomes (City of Atwater)

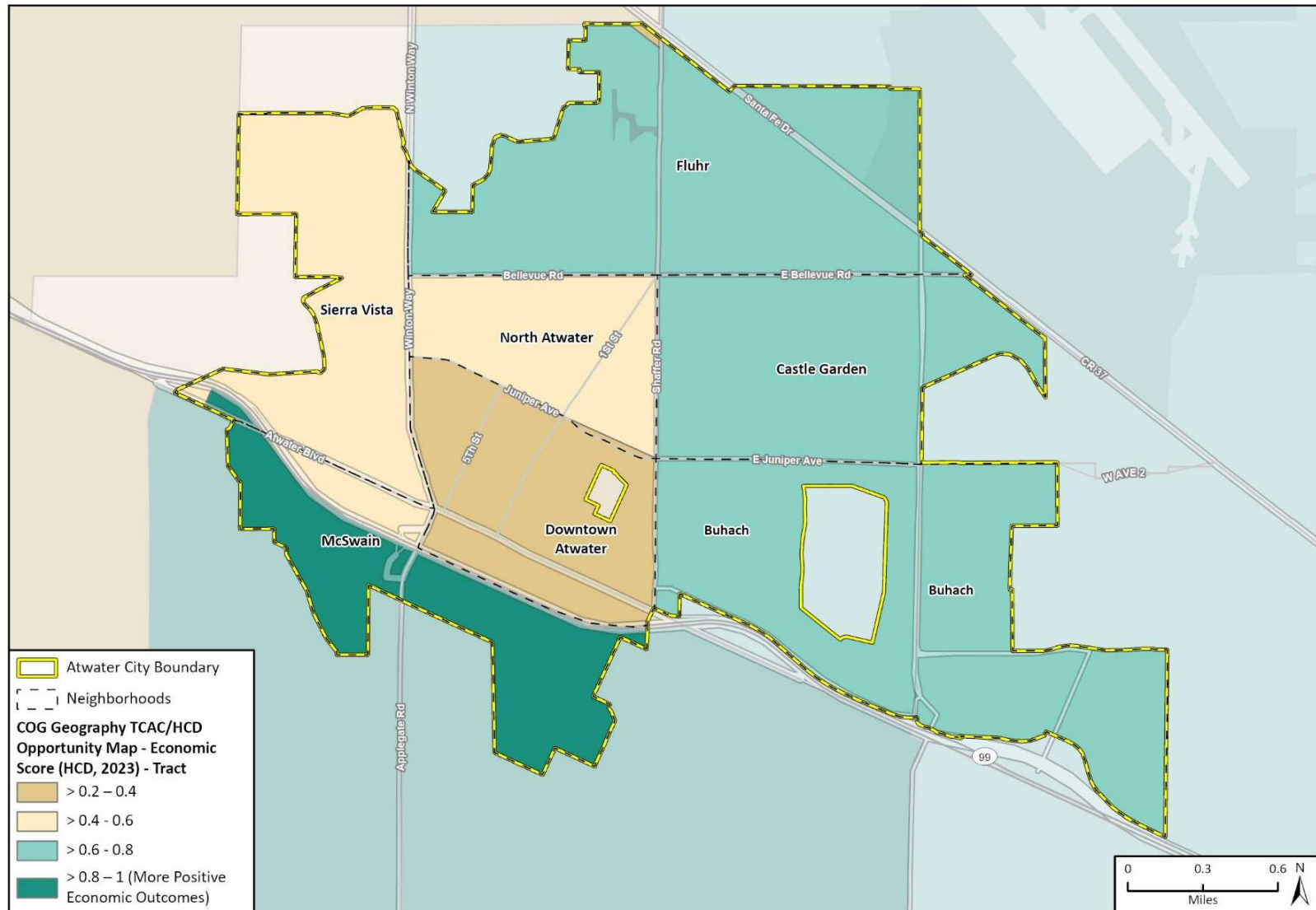


Fresno County Dept. PWR, Merced County Association of Gov, California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkeley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

22-13497_HE_AFFH_current
AFFH - Atwater City Basemap

Source: AFFH Data Viewer, 2023.

Figure B5-24 TCAC Opportunity Areas - Economic (City of Atwater)



Fresno County Dept. PWP, Merced County Association of Gov, California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

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 AFFH - Atwater City Basemap

Source: AFFH Data Viewer, 2023.

Figure B5-25 Existing Bus Transit Services

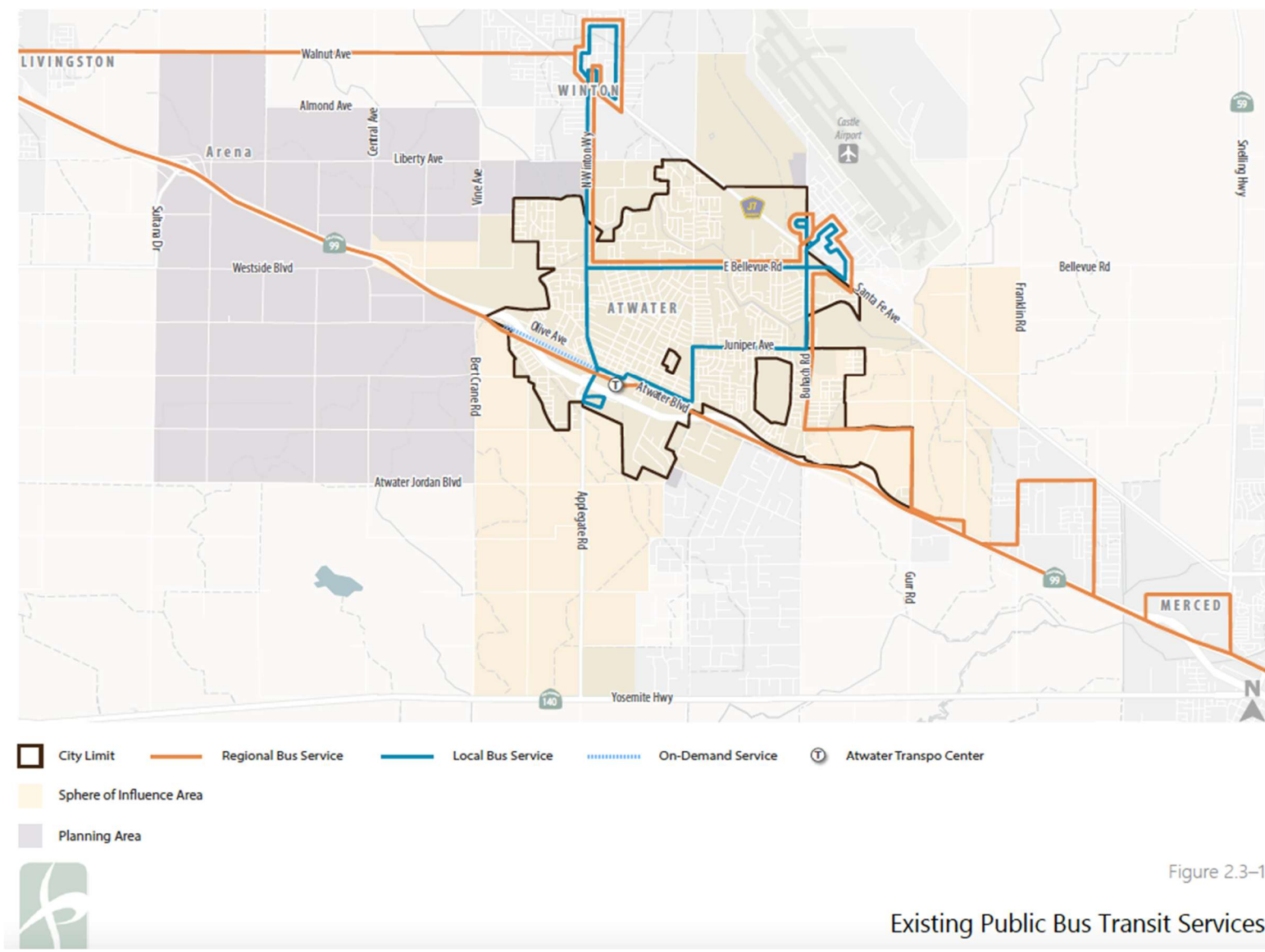
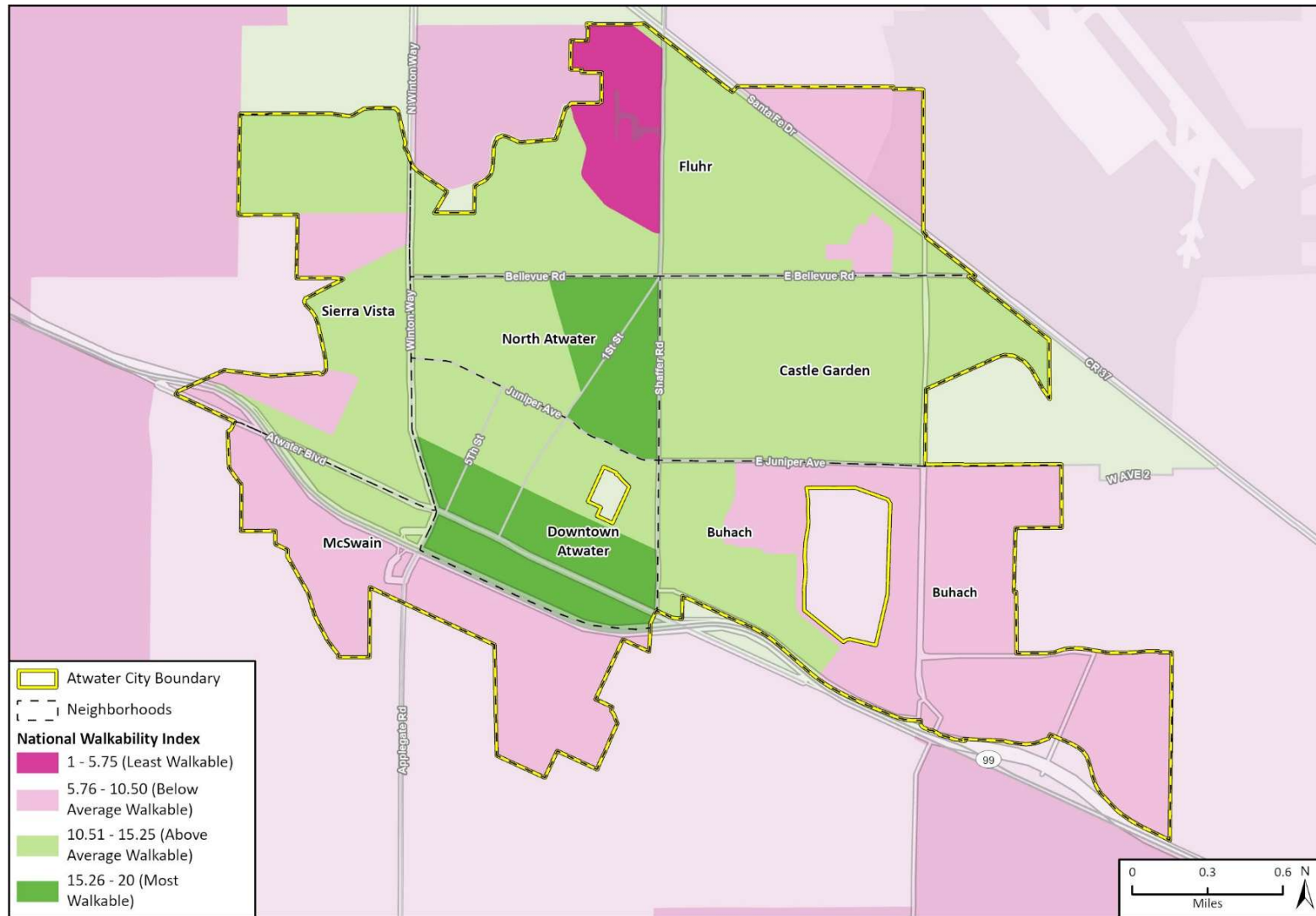


Figure B5-26 Walkability Index (City of Atwater)



Fresno County Dept. PWP, Merced County Association of Gov, California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA, ACS 2015-2019, HCD, PlaceWorks 2021, HUD Region 9 2021, UC Berkley Urban Displacement Project, TCAC 2022, CalEnviroScreen 4.0, 2021

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 AFFH - Atwater City Basemap

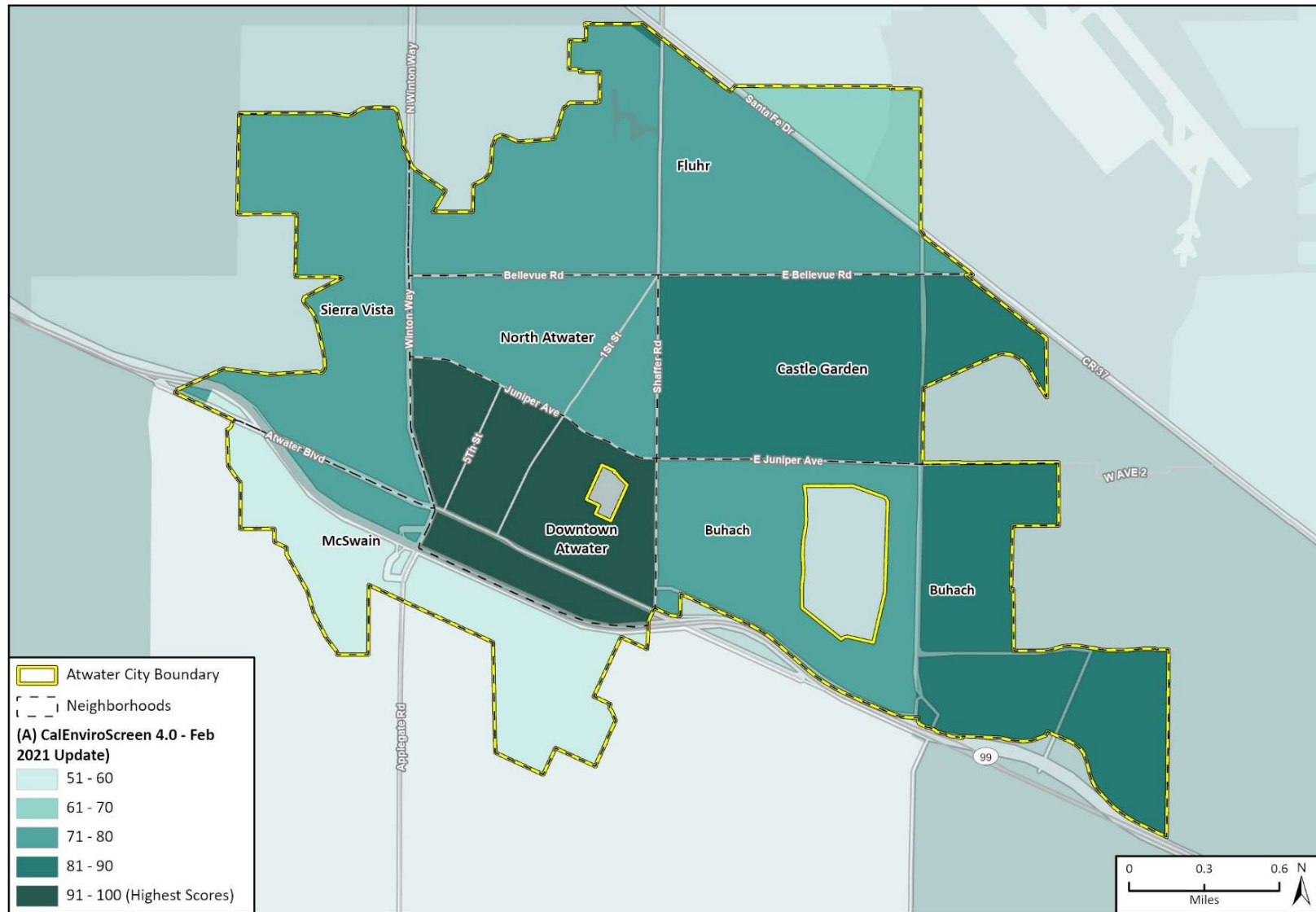
Source: National Walkability Index, 2023.

Healthy and Safe Housing Environment

The CalEnviroScreen map for the city of Atwater identifies the degree to which communities are considered burdened by pollution. CalEnviroScreen identifies the highest pollution burden in Downtown Atwater (Figure B5-27). Pollution burden caused by ozone and particulate matter (PM2.5) is relatively high throughout the entire city. Downtown Atwater likely experiences the highest pollution in the city due to its proximity to Highway 99 and to industrial uses that are in the southern portion of the neighborhood. The TCAC environmental opportunity map also identifies pollution burden, using CalEnviroScreen scores. However, unlike CalEnviroScreen, the TCAC map compares census tracts to other census tracts within the same council of government to show differences in pollution burden within the region. According to the TCAC opportunity map, environmental outcome scores in the eastern part of Fluhr closest to the airport are generally less positive, although this census tract may not reflect the immediate impacts in Atwater. The environmental outcomes throughout the rest of the city are in the moderate (0.2 to 0.6) range, with North Atwater, Buhach, and McSwain having the most positive environmental scores in the city (Figure B5-28).

Senate Bill (SB) 535 tasks the California Environmental Protection Agency with identifying disadvantaged communities. Disadvantaged communities are low-income areas that are disproportionately affected by environmental pollution and other hazards. Under SB 535, a minimum of 25 percent of funds from the Greenhouse Gas Reduction Fund, funded by revenue from the state's cap-and-trade emissions program, goes to projects that benefit disadvantaged communities. Most of the neighborhoods in Atwater are considered a disadvantaged community under SB 535 (Figure B5-29). SB 535 disadvantaged communities in Atwater include the neighborhoods of Buhach (the eastern portion of a large census tract), Castle Garden, Downtown Atwater, Fluhr, and Sierra Vista.

Figure B5-27 CalEnviroScreen 4.0 Percentile Scores (City of Atwater)

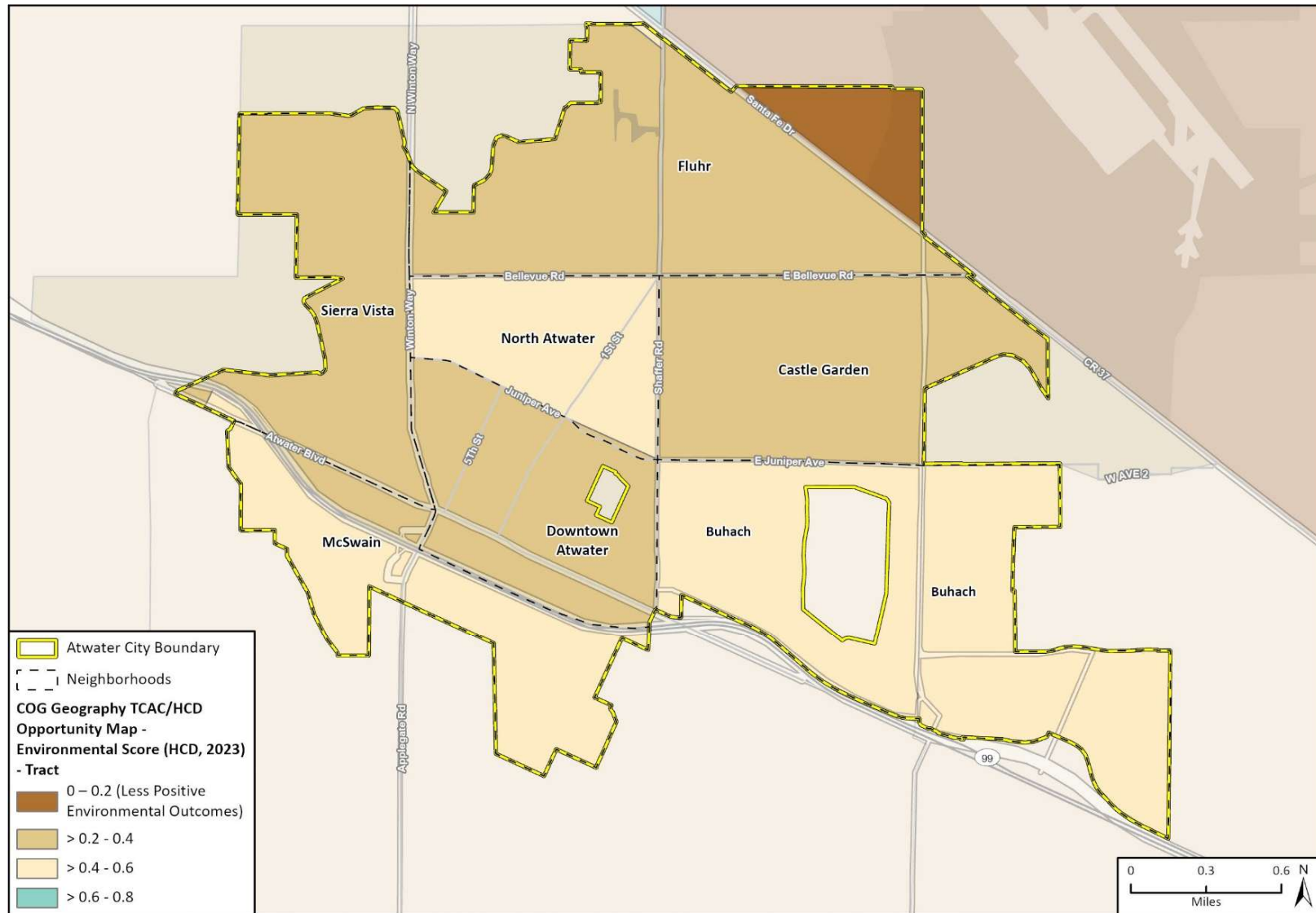


Fresno County Dept. PWP, Merced County Association of Gov, California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA, ACS 2015-2019, HCD, PlaceWorks 2021, HUD Region 9 2021, UC Berkeley Urban Displacement Project, TCAC 2022, CalEnviroScreen 4.0, 2021

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 AFFH - Atwater City Basemap

Source: AFFH Data Viewer, 2023.

Figure B5-28 TCAC Opportunity Areas - Environmental (City of Atwater)

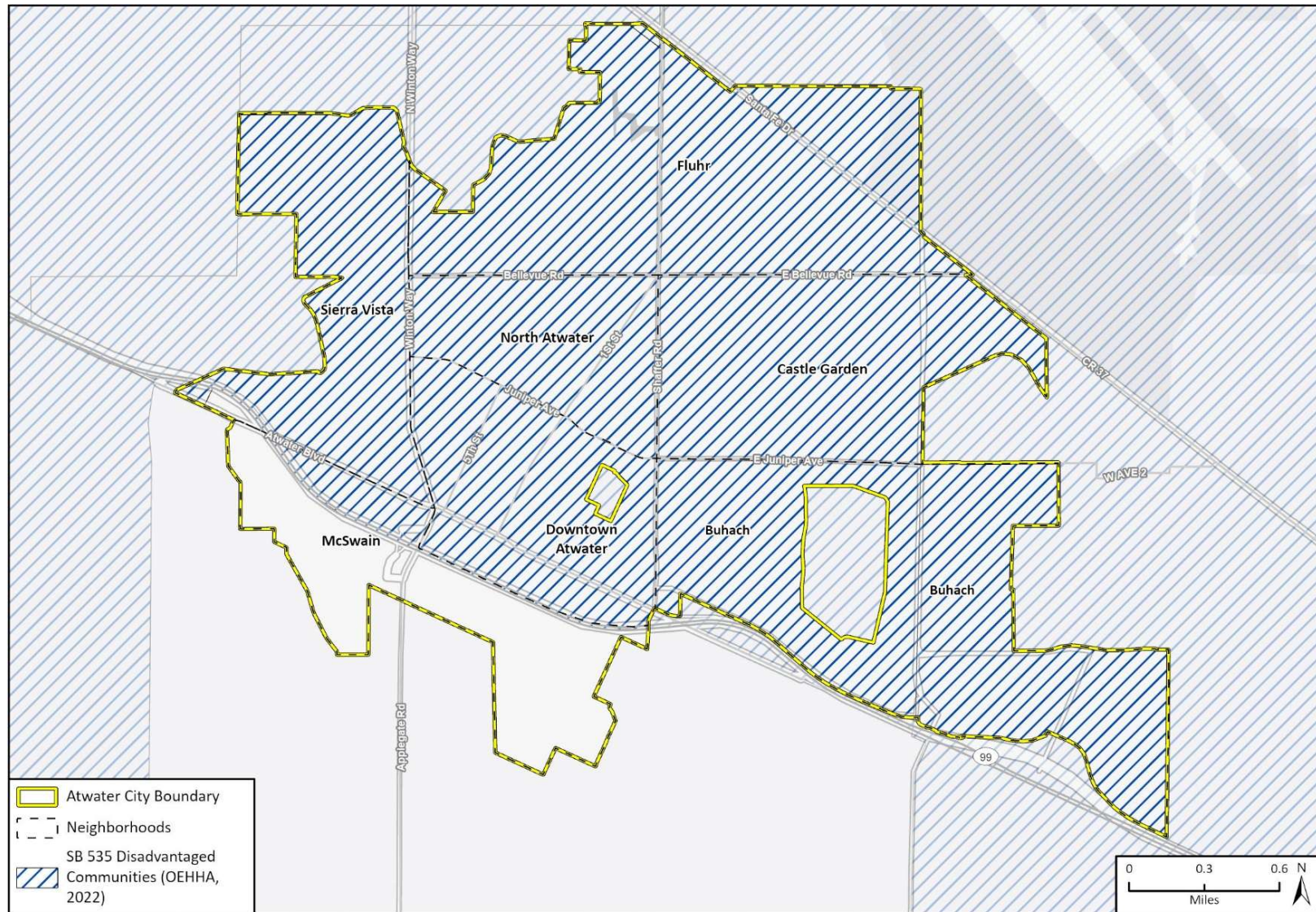


Fresno County Dept. PWP, Merced County Association of Gov, California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

22_13497_HE_AFFH_current
AFFH - Atwater City Basemap

Source: AFFH Data Viewer, 2023.

Figure B5-29 SB 535 Disadvantaged Communities (City of Atwater)



Fresno County Dept. PWP, Merced County Association of Gov, California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHA, FEMA

22_13497_HE_AFFH
 AFFH - Atwater City Basemap

Source: AFFH Data Viewer, 2023.

B5.10 Disproportionate Housing Needs

Disproportionate housing needs refers to a condition in which there are significant disparities in the proportion of members of a protected class experiencing a category of housing need, or the total population experiencing that category of housing need in the applicable geographic area. To analyze the extent of disproportionate housing needs, this section reviews HUD Comprehensive Housing Affordability Strategy (CHAS) data on housing cost burden, overcrowding, and substandard housing conditions (collectively known as “housing problems”); homelessness; and displacement risk.

Housing Problems

According to federal law, “housing problems” refers to any of four housing issues: cost burden and severe cost burden, overcrowding, and substandard housing conditions.

Approximately 39 percent of total households in Atwater experienced housing problems. About 22 percent of total households experienced severe housing problems.

Substandard Housing Conditions

HUD considers housing units to be “standard units” if they comply with local building codes, whereas housing units are considered “substandard” if they lack complete plumbing or kitchen facilities. According to 2017-2021 ACS estimates, all units within Atwater have complete plumbing facilities and 99.8 percent of units have complete kitchen facilities.

Approximately 75 percent of Atwater’s housing stock was constructed prior to 1990 and is more than 30 years old. These units are potentially in need of repair and improvements. According to the City, substandard housing units are not concentrated in one area of the city but occur throughout the city.

Housing Cost Burden

The rate of cost burden (spending more than 30 percent of household income on housing costs) among Atwater residents is higher than the county and Northern SJV averages. Cost burden among homeowners is lowest in Downtown Atwater, with less than 20 percent of homeowner households considered cost burdened. In almost all other parts of the city, between 20 and 40 percent of homeowners are cost burdened. The neighborhood of Sierra Vista had the highest percentage of cost burdened homeowner households (40 to 60 percent) (Figure B5-30).

Cost burden by renters is seen throughout Atwater, with 40 to 60 percent of renter households are cost burdened in the neighborhoods of Castle Garden, Buhach, Downtown Atwater, North Atwater, and Sierra. Fluhr and McSwain have lower percentages of renters overpaying, with McSwain and northeast Fluhr observing trends below 20 percent, however these two areas are located within tracts that stretch far beyond city boundaries and better reflect the population outside of Atwater (Figure B5-31).

Approximately 34 percent of households in Atwater are cost burdened and 14 percent of households are severely cost burdened (Table B5-7). Generally, a higher percentage of renter-occupied households are cost burdened across all income levels. Extremely low-, very low-, and low-income households experienced cost burden at disproportionately high rates compared to moderate and above moderate-income households, for both renter and owner households. Approximately 82 percent of all extremely low-income households experience cost burden, while

only eight percent of moderate- and above moderate-income households experience cost burden. The percentage of households experiencing cost burden generally increases as income decreases.

Table B5-7 Cost Burden by Income Category (2015-2019)

Household by Tenure, Income, and Housing Problem	Renters		Owners		Total Households	
	Total	Percent	Total	Percent	Total	Percent
Extremely low-income (0-30% AMI)	1,060		395		1,455	
With any housing problem	900	84.91%	295	74.68%	1,195	82.13%
With cost burden >30%	895	84.43%	300	75.95%	1,195	82.13%
With cost burden >50%	750	70.75%	200	50.63%	950	65.29%
Very low-income (31-50% AMI)	815		370		1,185	
With any housing problem	665	81.60%	270	72.97%	935	78.90%
With cost burden >30%	605	74.23%	260	70.27%	865	73.00%
With cost burden >50%	145	17.79%	160	43.24%	305	25.74%
Low-income (51-80% AMI)	1,090		760		1,850	
With any housing problem	595	54.59%	275	36.18%	870	47.03%
With cost burden >30%	425	38.99%	270	35.53%	695	37.57%
With cost burden >50%	0	0.00%	60	7.89%	60	3.24%
Moderate & Above Income (>80% AMI)	1,385		3,295		4,680	
With any housing problem	1,210	87.36%	410	87.41%	4,090	87.39%
With cost burden >30%	110	7.94%	245	7.44%	355	7.59%
With cost burden >50%	0	0.00%	0	0.00%	0	0.00%
Total Households	4,350		4,820		9,170	
With any housing problem	3,370	77.47%	3,720	77.18%	7,090	77.32%
With cost burden >30%	2,035	46.78%	1,075	22.30%	3,110	33.91%
With cost burden >50%	895	20.57%	420	8.71%	1,315	14.34%

Note: Housing Problems: There are four housing problems in the CHAS data: 1) housing unit lacks complete kitchen facilities; 2) housing unit lacks complete plumbing facilities; 3) household is overcrowded; and 4) household is cost burdened. A household is said to have a housing problem if they have any 1 or more of these 4 problems.

Cost burden: Monthly housing costs (including utilities) exceeding 30% of monthly income.

Severe cost burden: Monthly housing costs (including utilities) exceeding 50% of monthly income.

Source: HUD, CHAS ACS tabulation, 2015-2019 release

Overcrowding

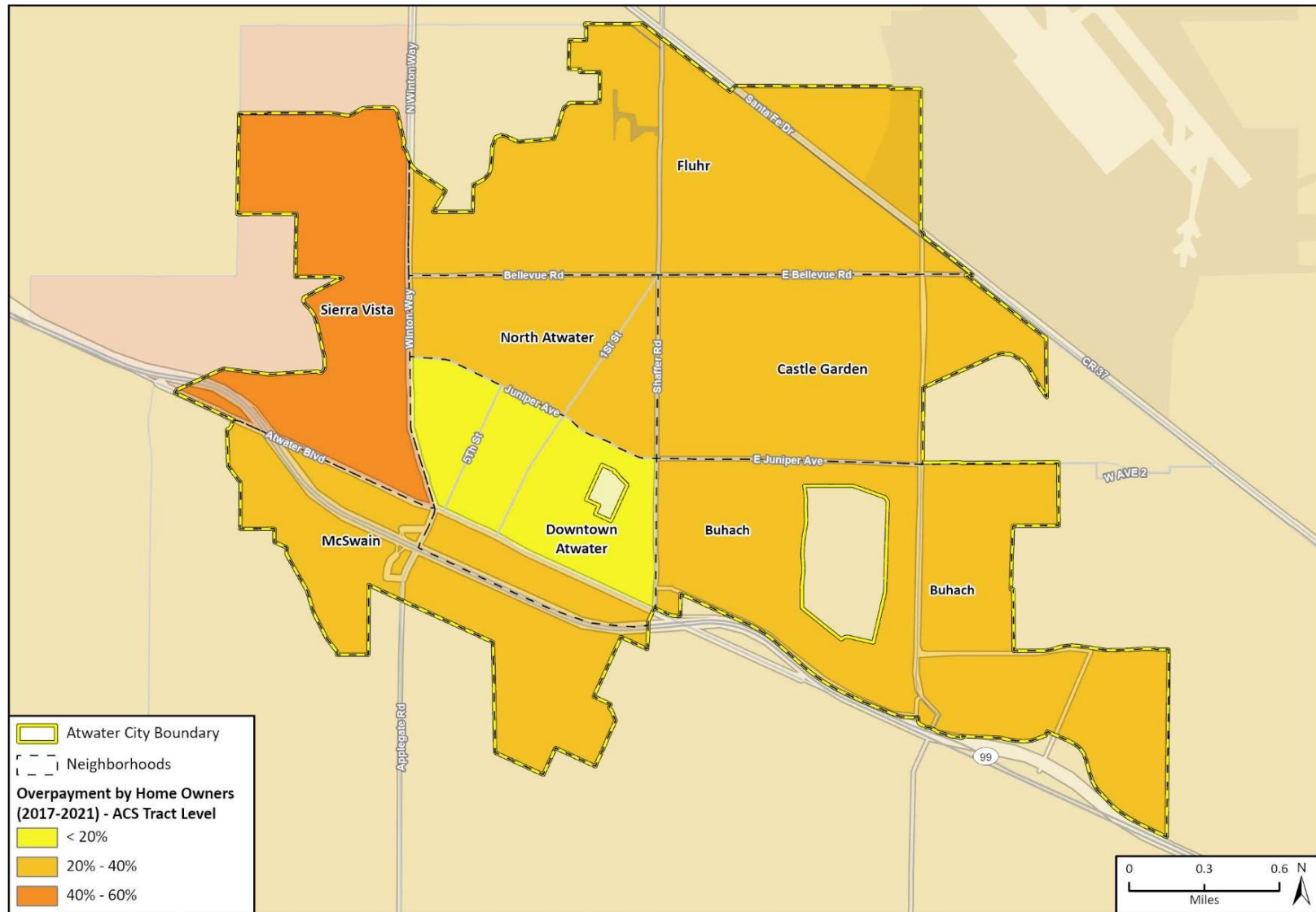
As discussed in Chapter B3, *Housing Needs Assessment*, Atwater has 1,835 large households (households with five or more people), comprising approximately 18 percent of total households, as shown in Table B5-8. This is four percent lower than the county (22 percent) and one percent higher than the Northern SJV region average (19 percent). A higher percentage of renter households (19 percent) are large households compared to owner households (17 percent).

Approximately five percent of households in Atwater are overcrowded (more than 1.0 persons residing per room) and four percent are severely overcrowded (more than 1.5 persons residing per room). Overcrowded housing is higher in the Fluhr, Sierra Vista, Buhach, and Downtown Atwater neighborhoods (five to 10 percent). (Figure B5-32).

Table B5-8 Large Households (City of Atwater)

	Number of Household	Percent of Households
Total Occupied Housing Units	10,309	100%
Total Large Households (5 or More Persons)	1,835	18%
5-Person Household	1,309	13%
6-Person Household	276	3%
7-or-More Person Household	250	2%
Source: U.S. Census Bureau, American Community Survey 5-Year Data (2017-2021), Table B25009.		

Figure B5-30 Overpayment by Home Owners (City of Atwater)

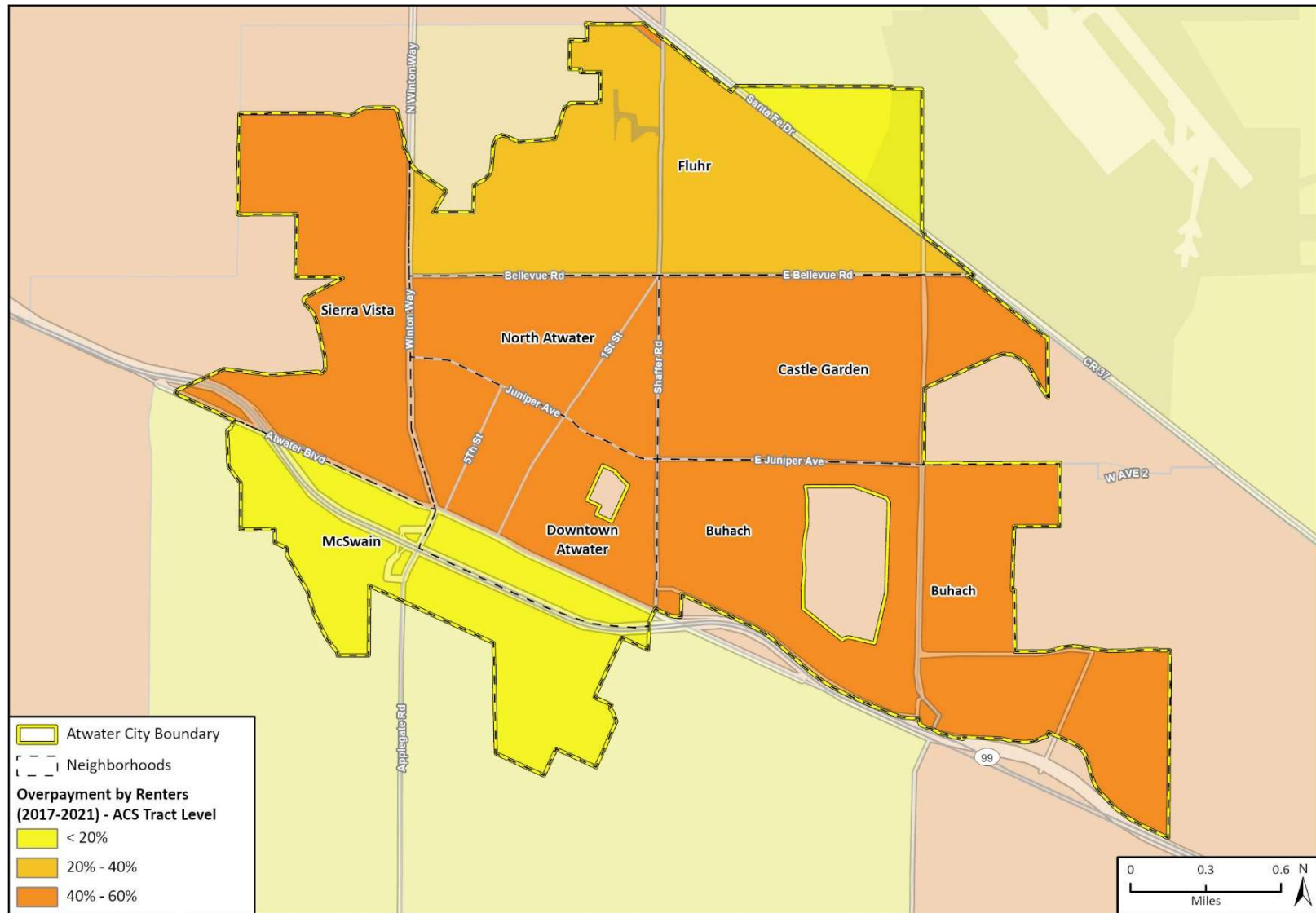


Fresno County Dept. PWP, Merced County Association of Gov, California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

22_13497_HF_AFFH
 AFFH - Atwater City Basemap

Source: AFFH Data Viewer, 2023.

Figure B5-31 Overpayment by Renters (City of Atwater)

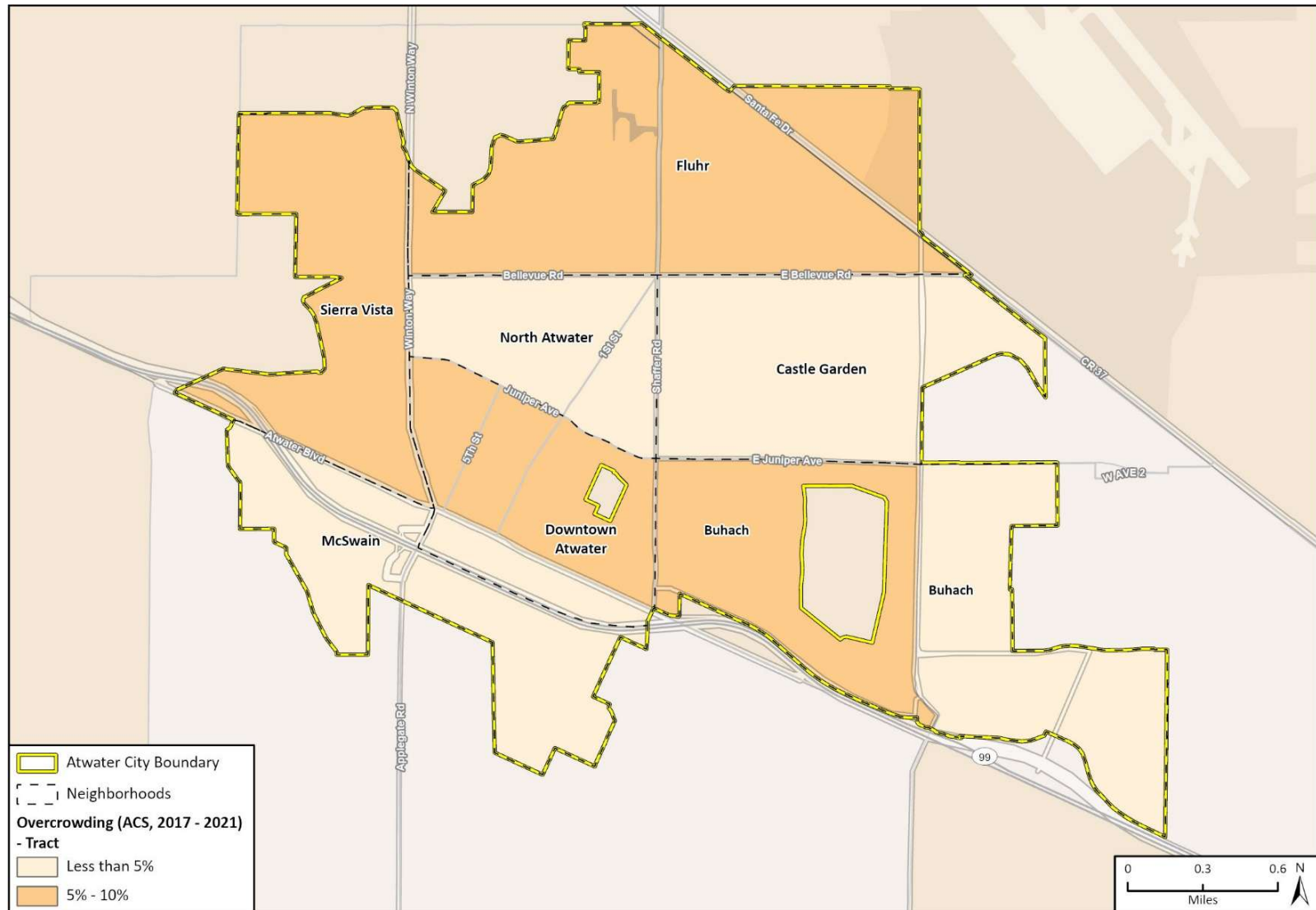


Fresno County Dept. PWP, Merced County Association of Gov, California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

22_13497_HF_AFFH
AFFH - Atwater City Basemap

Source: AFFH Data Viewer, 2023.

Figure B5-32 Overcrowded Households (City of Atwater)



Fresno County Dept. PWP, Merced County Association of Gov, California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkeley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

22_13497_NE_AFFH
 AFFH - Atwater City Basemap

Source: AFFH Data Viewer, 2023.

Homelessness

According to the 2022 Merced County Continuum of Care Point-In-Time (PIT) Count, 855 unhoused individuals were recorded in Merced County and its jurisdictions, representing a two percent increase since 2021.¹⁵ The PIT Count recorded 15 unhoused individuals in Atwater, representing an 11 percent increase since 2021.¹⁶ Factors contributing to the increase in unhoused persons may include social structural issues such as increases in rent, loss of job, and rising health care costs. Of the 15 unhoused persons identified during the 2022 count, two were chronically unhoused, which is defined as people who have been unhoused for at least a year (or repeatedly) while struggling with a disabling condition such as serious mental illness, substance use disorder, or physical disability. One individual had a chronic health condition, two had mental health problems, two had physical disabilities, and four had substance problems.

As Table B5-9 shows, the majority of unhoused persons are white (93 percent).

Table B5-9 Race/Ethnicity of Homeless Population and Overall Population (City of Atwater)

	Homeless Population	Total Population
White	93.33%	0.04%
Hispanic/Latino	0.00%	0.00%
Native American/Alaskan Native	0.00%	0.00%
Black/African American	0.00%	0.00%
Asian American/Pacific Islander	0.00%	0.00%
Multiple Races or Other	6.67%	0.00%

Source: Merced County Continuum of Care. 2022. Homeless Count and Survey Report

The City has observed encampments scattered throughout the city with the main concentration of ongoing encampments on the Atwater Boulevard corridor on private and Union Pacific property that borders the bus stop. Some unhoused individuals reside in their cars but change locations often. The PIT Count only identified individuals contacted in person and would not account for individuals who are absent from their encampments or mobile around town at the time of count. Therefore, it is likely that the PIT Count underestimates the number of unhoused individuals in Atwater.

The City's unhoused population consists mostly of males with an even mix of white and Hispanic/Latino residents. City staff noted that many unhoused individuals verbally admit to the use of narcotics and that a majority of unhoused have refused any placement services throughout the years of contact. Other cities within Merced County have experienced similar trends among the unhoused population where individuals refuse or are reluctant to receive services. For those that are interested in receiving assistance, there is a need for transportation to available services, all of which are located in the city of Merced. The City recently initiated its Permanent Local Housing

¹⁵ Merced City and County Continuum of Care. 2022. Point in Time.
<https://static1.squarespace.com/static/6149207801c5c134f32b280c/t/625605199113fa3f4be48dbe/1649875108255/Merced+County+COC+2022+Homeless+Count+and+Survey+Report+>

¹⁶ Merced County Continuum of Care. 2022. Homeless Count and Survey Report.
<https://static1.squarespace.com/static/6149207801c5c134f32b280c/t/625605199113fa3f4be48dbe/1649875108255/Merced+County+COC+2022+Homeless+Count+and+Survey+Report+>

Allocation program to help those at risk of becoming unhoused. All other programs and services for unhoused individuals are provided by Tulare County.

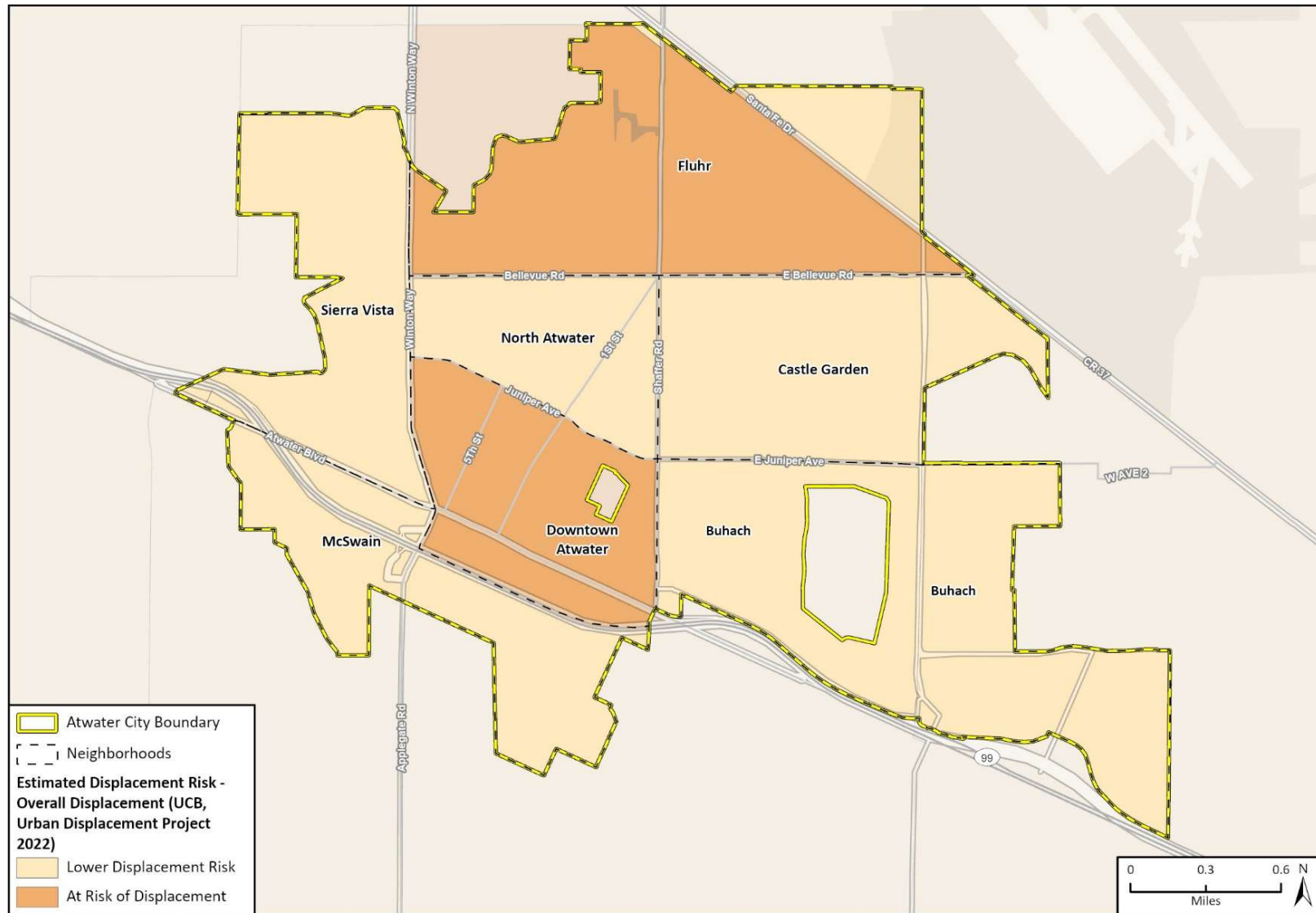
Displacement

The Urban Displacement Project (UDP) designates communities as at risk of displacement if the share of very low-income residents is greater than 20 percent and have any of the two following characteristics:

- The share of renters is above 40 percent
- The share of people of color is above 50 percent
- The share of very low-income households that are severely rent burdened is above the county median
- The percent change in rent is above the county median for rent increases

The UDP has identified two census tracts in Atwater that are considered at risk of displacement, in the neighborhoods of Fluhr and Downtown Atwater (Figure B5-33). The eastern portion of Fluhr and all of Downtown Atwater overlap with a higher percentage of LMI residents (Figure B5-17). Downtown Atwater may be at particular risk of displacement due to the higher percentage of its population that is low-income (52 percent). Home values and rents have increased significantly in Atwater over the past decade. Between 2016 and 2021, home values increased from \$160,200 to \$265,200 (66 percent increase) and median rent increased from \$897 to \$1,089 (21 percent increase) (2012-2016 and 2017-2021 ACS). In addition, about 34 percent of all households are cost burdened, meaning many households are paying too much for housing. While the UDP rates the City as having a low risk of displacement, these trends indicate cost burdened and low-income households may be at risk of displacement if the cost of housing continues to rise.

Figure B5-33 Displacement Risk (City of Atwater)



Fresno County Dept. PWP, Merced County Association of Gov, California State Parks, Esri, HERE, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA, ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, UC Berkley UDP, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA

22_13497_HB_AFFH
AFFH - Atwater City Basemap

Source: AFFH Data Viewer, 2023.

B5.11 Local Area Knowledge

The Northern Valley Yokuts were the first inhabitants of the San Joaquin Valley and area surrounding what is now known as Atwater. The Yokuts did not farm but were hunter-gatherers whose diet primarily consisted of acorns, berries, roots, deer, small mammals, birds, and fishing. Spanish and Mexican settlement and later the Gold Rush led to the decline of the Yokuts. Many Yokuts succumbed to diseases brought by the newcomers and were forcibly relocated to missions by the Spanish or driven off their lands by gold miners.¹⁷

As more people moved to California, its railroad system became more prominent, and towns became more established along the railroad routes. Atwater's population grew with the establishment of the railroad station and other transportation opportunities. As the town grew, farming and ranching became the primary economic driver. To this day the agricultural industry continues to play a large role in the economy and development patterns throughout Atwater and the region. Incorporation and annexation of land has continued to influence disparity due to the control over land use, decision-making, infrastructure budgeting, and the ability to address environmental concerns.

Stakeholder and Community Input

The City held a community workshop on August 28, 2023. During the workshop, participants expressed the desire for housing closer to work and essential services. Some of the major takeaways from this workshop were:

- Off-site improvement requirements made housing development expensive.
- High prices, lack of affordable housing, and cost of building housing make it difficult to find housing.
- Residents would like housing in proximity to schools, job opportunities and parks.
- The ability for people to maintain the upkeep of their home helps improve a neighborhood.
- Rent-restricted affordable housing development, a variety of new housing, and fair housing services were the most voted programs for effectively addressing needs in Atwater with three votes each. This was followed by the development of rental housing for large households, housing for special needs housing development, and housing rehabilitation and repair with two votes each. Renter protection and support and homelessness prevention and housing each received one vote.

The City also participated in a series of stakeholder interviews with service providers, community organizations, and affordable and market-rate housing developers held between August 8 and August 23, 2023. Community organizations identified the need for housing near medical facilities and public transportation. Additional housing needs include transitional housing and citywide and countywide rent control. Compared to larger cities in the region, smaller, rural areas have vastly fewer amenities and housing resources. According to market-rate housing developers, barriers to developing housing include high construction costs, limited resources offered for affordable housing within the Central Valley, and lack of subsidies for affordable housing units. Affordable housing developers described the need for more attainable zoning and entitlement approvals and the

¹⁷ Javier Powell. 2012. Those Before us: the Yokuts People. <https://losbanosenterprise.com/community/history/2023/those-before-us-the-yokuts-people/>

necessity of transit being near affordable housing locations. According to affordable housing developers, one way cities can address housing needs is by fostering strong relationships with affordable housing providers and maintaining knowledgeable staff to pursue grant opportunities for affordable housing.

An online community survey was available on the Merced County Association of Governments Housing Element website in both English and Spanish from March 27, 2023 to December 6, 2023. The survey asked participants about housing issues and the types and location of housing development they would like to see in their city. Respondents in Atwater identified homelessness, availability of desirable housing, and affordability of desired housing as the most urgent housing challenges. According to respondents in Atwater, the largest barrier to affording desirable housing in the city is the cost of quality housing is too high and the lack of housing. Housing needs identified by respondents in Atwater include more housing with three or more bedrooms. When asked about their preferences for the location of future housing development, respondents said they would like to see housing in areas near public transit stops, employment, and shopping centers.

Other Relevant Factors

Other factors to fair housing issues in Atwater that have not been previously discussed in this analysis include language barriers and access to home ownership. These contributing factors limit the accumulation of wealth and access to housing resources in historically marginalized communities.

Limited English Proficiency

Language barriers can lead to linguistic and cultural isolation. According to the 2017-2021 ACS, 47 percent of residents within Atwater speak a language other than English at home, and the majority of those speak Spanish.¹⁸

Housing Stock Type

The majority of Atwater's housing stock (67 percent) is made up of detached single-family homes, which may not be affordable to lower-income households.

Atwater had 1,835 large households (households with five or more people), or approximately 18 percent of total households. A higher percentage of renter households (19 percent) are considered large households compared to owner households (17 percent). Only 16 percent of all housing units contain four or more bedrooms which can accommodate large families without overcrowding.

Community Opposition

Atwater has experienced some opposition from residents towards affordable housing projects, as some residents do not want affordable housing in their neighborhood. Most recently, a group of residents objected to a 120-unit affordable housing project proposed in the Fluhr neighborhood, citing concerns over speeding, privacy, and crime.

¹⁸ U.S. Census Bureau, ACS 17-21 (5-year Estimates), Table S1601

Community Engagement

The City has faced challenges with engaging the community in fair housing matters. The City is actively working to enhance its community engagement efforts through increased social media notices, increased public noticing about events at public facilities, and adding noticing to the City's utility newsletter. In addition, the City makes public meetings widely available to the community. All meetings and workshops are held in person and virtually (broadband infrastructure is maintained throughout the city). As stated above, 47 percent of city residents speak a language other than English at home, indicating many residents may have difficulty participating in community outreach due to language barriers. The City has staff on hand to provide translation for non-English speakers at public meetings and provides housing materials on the City's website in English and Spanish. The City is working to expand access to community outreach efforts. The City is working on updating its software to make the website compliant with the Americans with Disabilities Act (ADA).

Land Use

The majority of assessed land acreage (40.3 percent) within the Atwater city limits is single-family residential uses. Other major land uses within the city include government (12.9 percent), and vacant (9.0 percent). Within the unincorporated portions within the Atwater Sphere of Influence (SOI), 84.8 percent of lands are agricultural uses. The City of Atwater is primarily surrounded by Agricultural land in the west and southern portions of the city. Developed uses including Residential, Commercial, Business Park and Aviation/Manufacturing uses within the northeast and northwest portion of the planning area near the Winton and the Castle Airport unincorporated areas.

In 1963, the State Legislature created a local agency formation commission (LAFCO) for each county, with the authority to regulate local agency boundary changes. Subsequently, the State has expanded the authority of a LAFCO. The goals of the LAFCO include preserving agricultural and open space land resources and providing for efficient delivery of services. The Merced LAFCO has authority over land use decisions in Merced County affecting local agency boundaries. Its authority extends to the incorporated cities, including annexation of County lands into a city, and special districts within the County. LAFCO has the authority to review and approve or disapprove the following:

- Annexations to or detachments from cities or districts.
- Formation or dissolution of districts.
- Incorporation or disincorporation of cities.
- Consolidation or reorganization of cities or districts.
- Development of, and amendments to, Spheres of Influence. The SOI is the probable physical boundary and service area of each local government agency. This may extend beyond the current service area of the agency.
- Extensions of service beyond an agency's jurisdictional boundaries.
- Provision of new or different services by districts.
- Proposals that extend service into previously unserved territory in unincorporated areas.

In addition to traditional General Plan land use designations (such as low density residential, commercial, etc.), the City has applied a Specific Plan Area 1, 2, and 3 overlay to a portion of the city. This overlay has been applied within the southwest portion of the City's 2000 proposed Sphere of Influence to indicate those locations where Specific Plans will be prepared to guide future growth and development. Lands within these areas will continue to be under the jurisdiction of the County

of Merced until the Specific Plans are adopted and future annexation is completed. Incorporation of these areas within the City's proposed Sphere of Influence will allow the City to review and comment on any development applications that are considered by Merced County in the interim, and provide opportunities for the establishment of uniform development standards and coordinated facilities planning.

The City's Zoning Map is presented in Figure B5-34. As mentioned above, Atwater is primarily zoned for single-family residential uses. The area south of Atwater Boulevard (McSwain) is zoned for Business Park and Planned Development uses. As discussed in Section B5.8, the tract encompassing the area south of Atwater Boulevard was identified as an RCAA.

While there are no TCAC areas of high segregation and poverty, the Downtown Atwater area a higher percentage of non-white residents and an overall median income of less than \$55,000. Downtown Atwater contains retail shops, restaurants, service businesses, and professional offices located along a four block expanse of Broadway. The Downtown Atwater area is zoned for a mix of uses including low density residential, high density residential, residential transition, and central commercial. The Downtown area contains one of the largest areas zoned for high density residential in the city. In general, higher density housing is more affordable to moderate and lower income households.

History of Atwater

Atwater is situated in Merced County, California, within the vast San Joaquin Valley. When American settlers first arrived, they encountered a landscape of rolling plains intersected by large rivers, which ultimately made the region ideal for agriculture.¹⁹ The area was initially home to various tribes of the Yokuts Indians, and later became part of Spanish land grants. However, the landscape and population began to shift significantly after the Treaty of Guadalupe-Hidalgo in February 1848. The 1849 gold discovery sparked a rush of fortune-seekers to California. Atwater's development was slow at first, with a population of only about 100 by the early 1900s. However, the town was fortunate to attract several visionaries and benefactors who invested in its future. Despite this slow beginning, Atwater eventually grew.

Atwater was incorporated into Merced County in 1922.²⁰ In 1872, as the Central Pacific Railroad extended through the San Joaquin Valley, local farmers Marshall D. Atwater and John Mitchell convinced the railroad to add a spur to Mitchell's warehouse, where Atwater stored his grain. This area came to be known as the "Atwater Switch." At this time, the town of Atwater was little more than a handful of farms and buildings, not yet even beginning to take shape as a town. The completion of the Lake Yosemite reservoir made intensive farming in Atwater possible. The city was laid out following the completion of the new irrigation system. Atwater would grow to have an extensive agricultural history, producing crops such as almonds, cotton, and tomatoes.

Marshall D. Atwater, John Mitchell and George Bloss, all made substantial contributions to the town of Atwater and other cities in the Merced region. The Bloss home is the headquarters of the Atwater Historical Society, and is a house museum. Bloss Mansion, located in the Downtown Atwater area, is the only property listed on the National Register of Historic Places. The census tract encompassing

¹⁹ History of Atwater, Atwater Historical Society. Accessed November 2024.

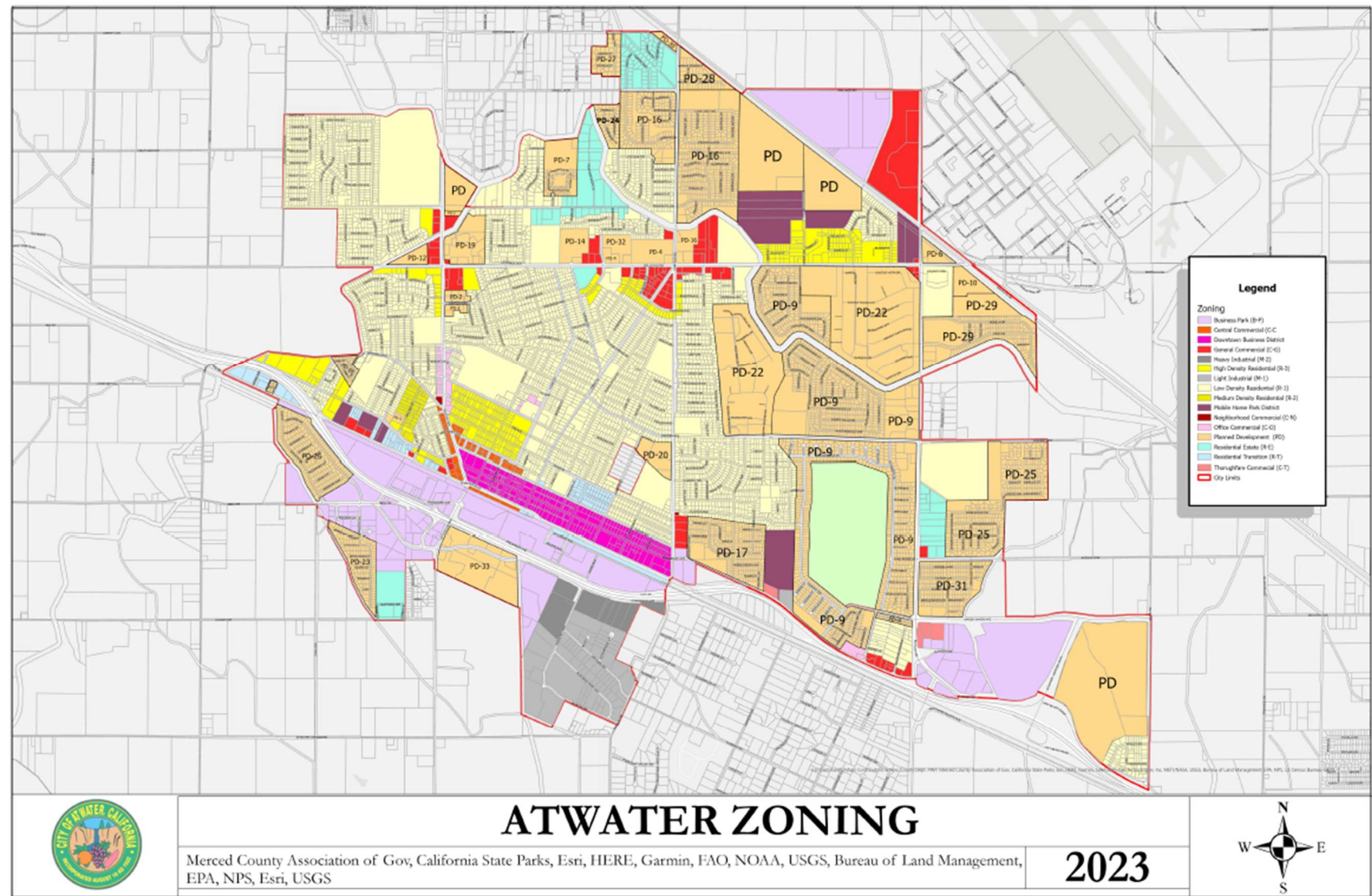
<http://www.atwaterhistoricalsociety.com/historyofatwater.html>.

²⁰ Atwater and Livingston at 100: What did these Valley cities have in common when founded? July 24, 2022. Merced Sun-Star (S. Lim). <https://www.mercedsunstar.com/living/liv-columns-blogs/sarah-lim-museum-notes/article263646638.html>.

the Downtown area has the largest proportion housing units built prior to 1960 compared to other Atwater tracts.

The Merced Army Air Field south of town was one of many small fields established in World War II for training flight personnel. It later became Castle Air Force Base, re-named for Frederick Castle, a Medal of Honor award winner after he was shot down in late 1944. In 1981, the Castle Air Museum opened next to the base. The base closed in 1995.

Figure B5-34 City of Atwater Zoning Map



B5.12 Housing Site Inventory Analysis

This portion of the AFFH analyzes the relation between the housing opportunity sites and AFFH-related issues. Government Code Section 65583(c)(10) requires the housing opportunity sites to be analyzed with respect to AFFH to ensure that sites designated for low-income households are dispersed equitably throughout the city rather than concentrated in areas of high segregation and poverty or low-resource areas that have historically been underserved, and conversely, that sites designated for above moderate-income households are not concentrated in areas of high resources. By comparing the sites inventory to the fair housing indicators in this assessment, this section analyzes whether the sites included in the Housing Element Site Inventory improve or exacerbate fair housing conditions, patterns of segregation, and access to opportunity.

Housing Sites by TCAC Opportunity Area

For purposes of evaluating fair housing, resource levels designated by TCAC/HCD denote access to economic and educational opportunities such as low-cost transportation, jobs, and high-quality schools and the quality of environmental factors in the area such as proximity to hazards and air quality. TCAC has a composite opportunity score for each census tract. Atwater has a mix of resources with most areas considered high resource. Downtown Atwater and North Atwater are moderate-resource areas, while Fluhr, parts of Buhach, and McSwain are highest-resource areas. The rest of the city consists of high-resource areas.

The City's Site Inventory can accommodate 4,6623,174 housing units on 157,7121 sites. Figure B5-35 shows the housing opportunity sites by TCAC designated resource area. The housing opportunity sites are designated by income category – whether the sites could accommodate housing appropriate for low-, moderate-, or above moderate-income households. The “appropriateness” of sites for various affordability levels is dictated by state housing element law and HCD guidance and includes allowable density, size of site, realistic capacity, existing use(s), and other factors. More information about the sites and income designations is available in Chapter B6, *Housing Resources*.

Most of the housing opportunity sites are in high- or highest-resource areas (97 percent of the proposed housing units), with the rest in moderate-resource areas (three percent of proposed housing units). The majority of the sites are located in Fluhr and McSwain, in part due to the availability of large vacant and underutilized parcels in these neighborhoods.

A small portion of the City's RHNA will be satisfied by planned and approved projects (172-25 of the total required 3,017 housing units). To understand the overall picture of housing development during the eight-year planning period, this analysis considers those units. Of the two planned and approved projects, both are in highest resources area. None of the planned and approved projects or housing opportunity sites identified on the Site Inventory are located in low resource areas or areas of high segregation and poverty.

Total Units by Resource Area

There are 155,99369 units planned in areas of moderate resource: 4-19two percent of the overall units. Of these, 743 twenty-two percent (71-218-30) units will be lower-income units, 3-29nine percent (24-2866 units) will be moderate-income units, and 3-4948 percent (60-48933 units) will be above moderate-income units. In contrast, 4,5072,181-3,105 units are planned in areas designated high/highest resource: 96-4641 percent of those units (1,7511,285 units) will be lower-income units,

97.13.8 percent (898,373,560 units) will be moderate-income units, and 97.41 percent (1,8581,146,206 units) will be above moderate-income units.

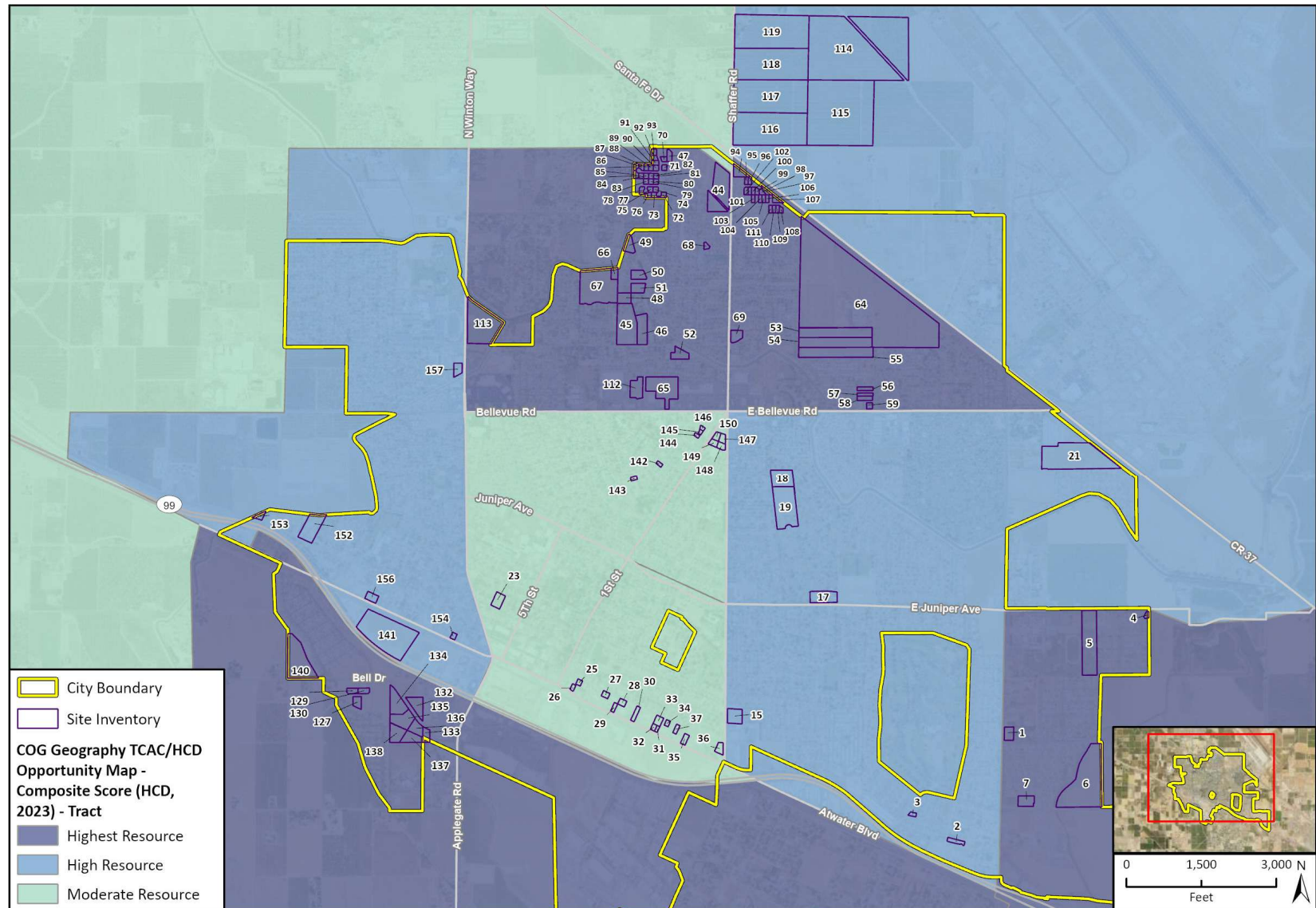
Table B5-10 shows the number of proposed housing units by income level in each resource area.

Table B5-10 Proposed Housing Units by Resource Area

Income Level	Lower-Income Units	Moderate-Income Units	Above Moderate-Income Units	Total Units
Areas of High Segregation and Poverty	0 units (0% of lower-income units)	0 units (0% of moderate-income units)	0 units (0% of above moderate-income units)	0 units (0% of total units)
Low-Resource Areas	0 units (0% of lower-income units)	0 units (0% of moderate-income units)	0 units (0% of above moderate-income units)	0 units (0% of total units)
Moderate-Resource Areas	71,210,218,30 units (41.52% of lower-income units)	24,6 units (34.31% of moderate-income units)	60,489,33 units (33.03% of above moderate-income units)	155,993,69 units (32.6% of total units)
High-/Highest-Resource Areas	1,751,285,1,285 units (96.8598% of lower-income units)	404,898,373,560 units (97.5799% of moderate-income units)	1,858,146,1,260 units (97.7098% of above moderate-income units)	3,105,804,4,507 units (97.7498% of total units)

The planned and approved projects, together with the housing opportunity sites, will add a higher percentage of units in all income categories in high-/highest resource areas. All proposed housing units are located in moderate and high /highest resource areas. Therefore, overall housing development during the planning period will not increase patterns of segregation but will increase integration by household income in terms of access to opportunity.

Figure B5-35 Housing Opportunity Sites by TCAC Resource Area



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 ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, American Community Survey, UC Berkley Urban Displacement Project, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA.

22_13497_HE_AFFH
 Site Inventory AFFH - Atwater

Source: AFFH Data Viewer, 2023.

Sites by Income Population

Census tracts with more than 50 percent LMI households are in two of the neighborhoods in Atwater and include a small percentage of the total opportunity sites. Figure B5-36 shows the housing opportunity sites by percentage of LMI populations. Approximately 11-1619 percent of the total housing units included in the opportunity sites are located in census tracts with more than 50 percent of households who are LMI due to the availability of underutilized sites in these areas and the potential for mixed-use, transit-oriented development within Downtown Atwater. Of the opportunity sites in these areas, approximately 28-sixeight percent of proposed units are appropriate for above moderate-income households, 24-2023 percent appropriate for moderate-income households, and 47-2529 percent for low-income households. These areas of Atwater will benefit from the mix of households of differing income levels. The Site Inventory will improve the mixture of housing opportunities by income level in the city and will not exacerbate segregation by income between neighborhoods. Program 9 focuses on the need for housing preservation and housing issues for residents, Program 10 directs the City to collaborate with other agencies to assist in the development of housing for lower-income residents, and Program 11 prioritizes the need for public infrastructure improvements specifically water and sewer services.

Sites by Overcrowded Households

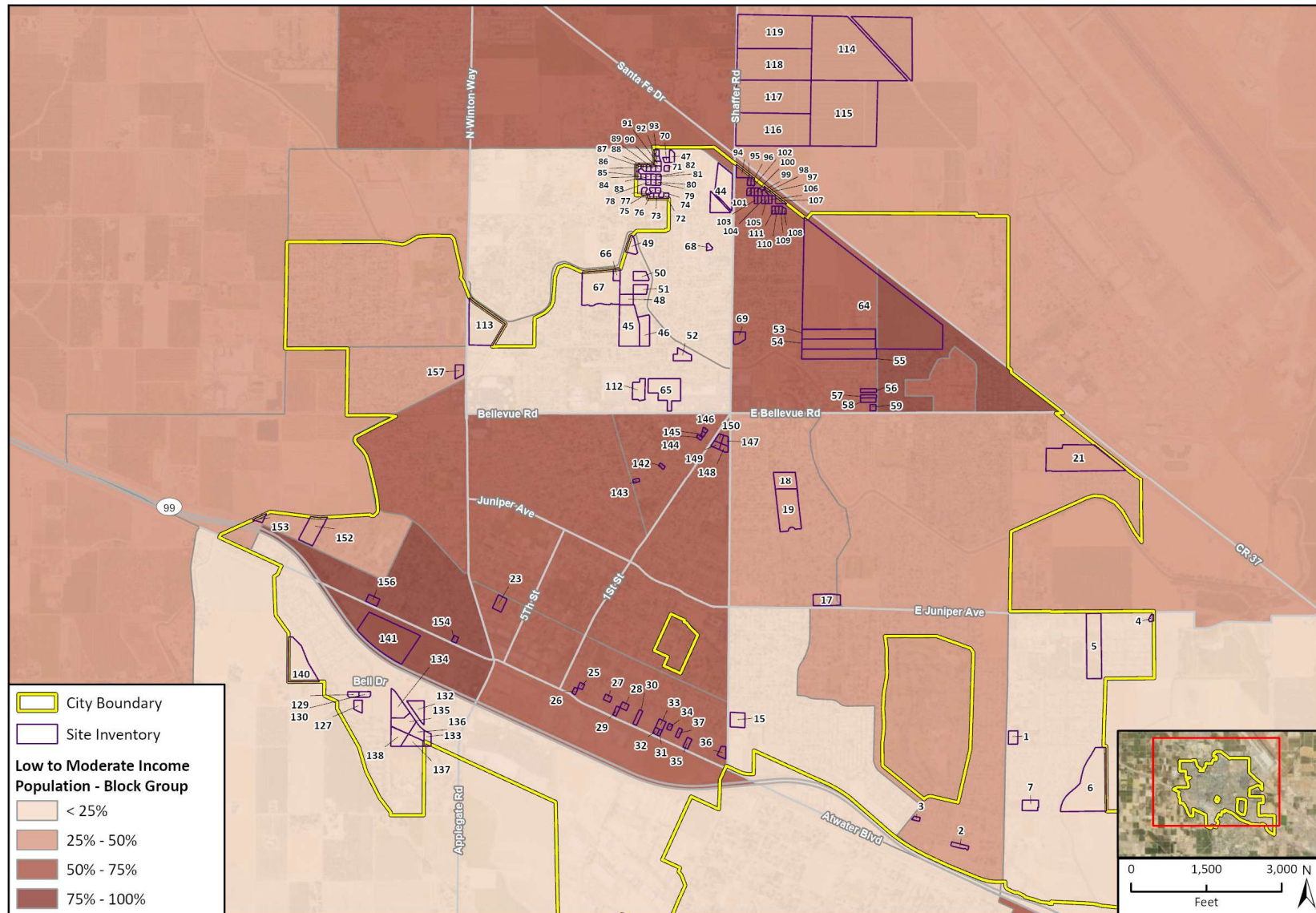
Overcrowding is low to moderate throughout Atwater, with most of the city having rates of five to 10 percent of overcrowding (Figure B5-37). The Site Inventory assumes that sites located within areas where rates of overcrowding range from five to 10 percent will accommodate 2,9662-7921,868 housing units. Of these units 992-995807 could accommodate lower-income households. This equates to approximately 21-2625 percent of the total housing units included in the Site Inventory. The Site Inventory will not exacerbate overcrowding conditions but will add new housing opportunities in areas that need them.

Sites by Overpayment by Renters

The percentage of overpayment by renters ranges between 40 to 60 percent in the majority of Atwater, including in the Buhach, Downtown, Sierra Vista, North, and Castle Garden neighborhoods as shown in Figure B5-38. Identified sites will provide housing opportunities for a mix of income levels in these neighborhoods, including 528-422 units appropriate for lower-income households, 234-141328 units appropriate for moderate-income households, and 572-375489 units appropriate for above moderate-income households. Most of these housing units will likely be rental units, based on trends in planning entitlements and developer interest. Program 7 aims to provide additional affordable housing units and to eliminate the disparity in the percentage of households in poverty within Atwater. Additionally, Program 10 provides assistance in finding affordable and subsidized housing options and seeking funds to construct affordable infill housing in Atwater.

According to the UDP, new market-rate construction in gentrifying areas neither worsens nor eases rates of people moving out of the area. It increases rates of people moving to an area across all socio-economic groups, particularly high-socio-economic residents. The UDP recommends subsidized housing construction and housing preservation to help existing residents stay in their neighborhood. Housing preservation and rehabilitation will be implemented in Atwater through Program 9. The mix of lower, moderate, and above moderate-income housing units in Buhach, Downtown, Sierra Vista, North, and Castle Garden will provide affordable housing options for existing lower-income residents as well as encourage higher-income households to move into the area. The Site Inventory will not exacerbate overpayment by renters but will add new housing opportunities in areas that need them.

Figure B5-36 Housing Opportunity Sites by Income Population

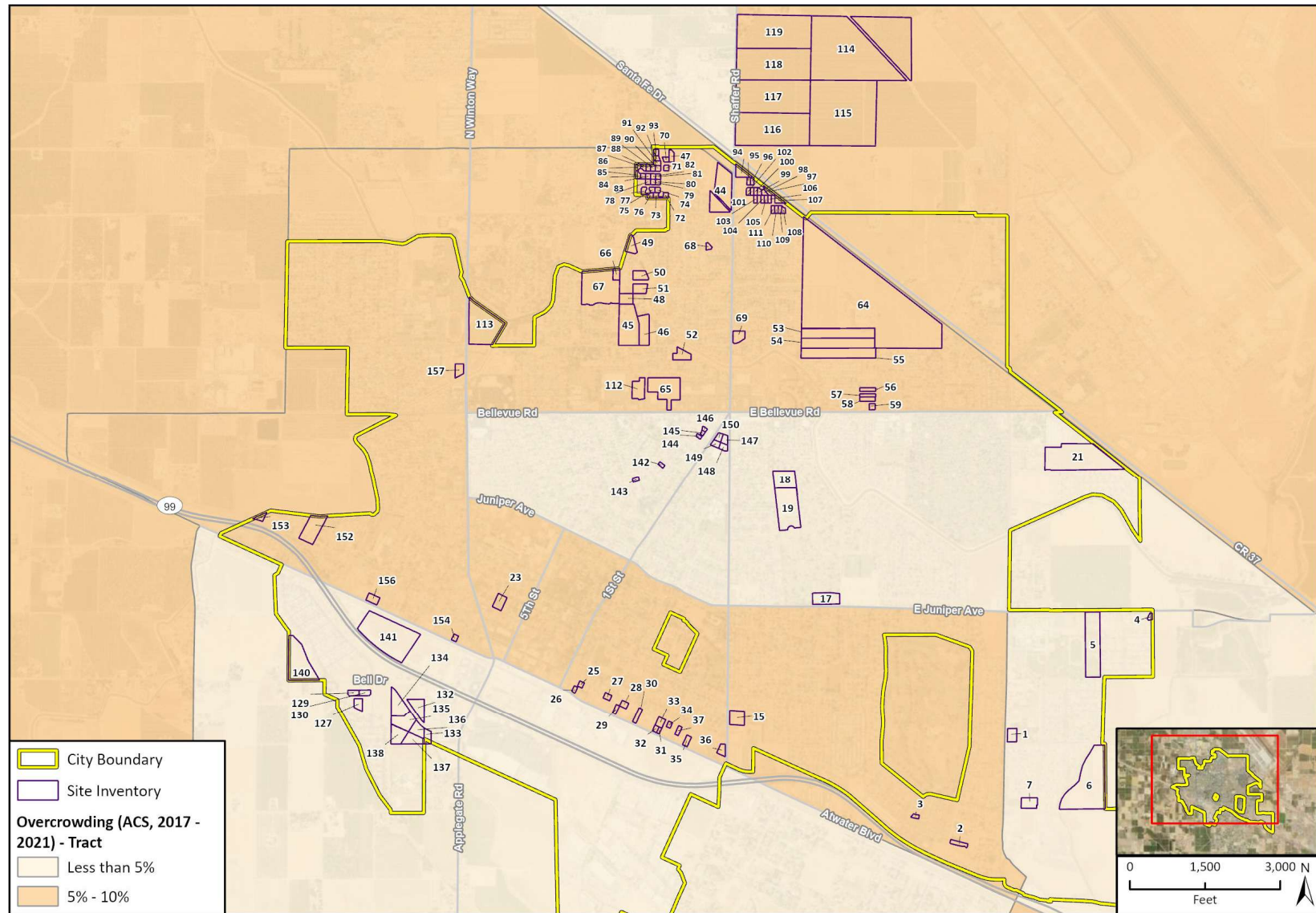


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 Site Inventory AFFH - Atwater

Source: AFFH Data Viewer, 2023

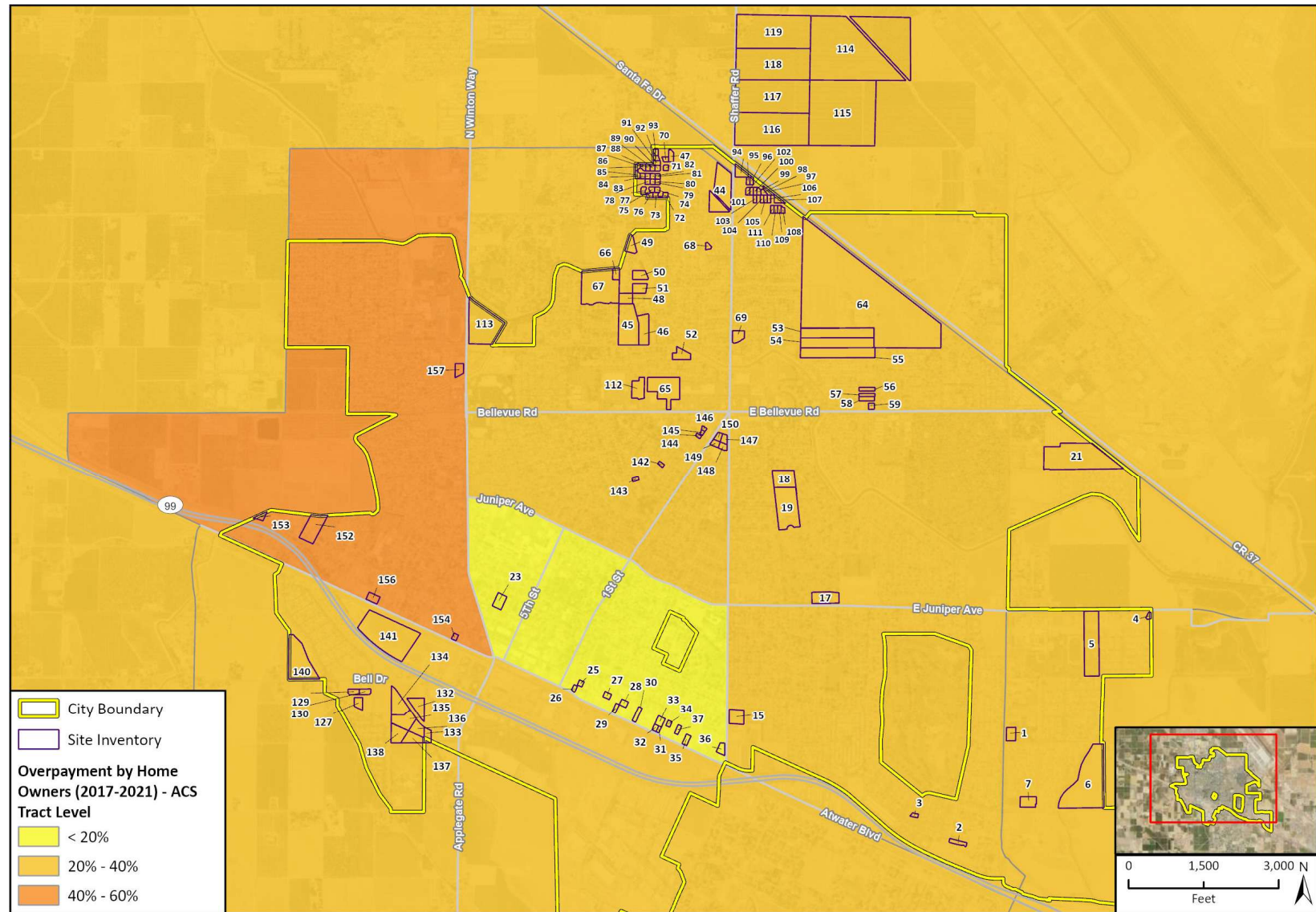
Figure B5-37 Housing Opportunity Sites by Overcrowding



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ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, American Community Survey, UC Berkley Urban Displacement Project, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA.

Source: AFFH Data Viewer, 2023

Figure B5-38 Housing Opportunity Sites by Overpayment by Renters



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 ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, American Community Survey, UC Berkeley Urban Displacement Project, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA.

Source: AFFH Data Viewer, 2023

Sites by Areas of Integration and Segregation

Atwater is racially integrated, yet a few neighborhoods have a higher percentage of non-white residents (over 50 percent) than other portions of the city. Housing opportunity sites in portions of Castle Garden, Downtown, North Atwater, and Sierra Vista accommodate a mix of income levels in areas that already have a diverse mix of ethnic and racial groups as shown in Figure B5-39.

Opportunity sites in these areas can accommodate 766-508 units appropriate for lower-income households, 252-141 units appropriate for moderate-income households, and 262-37567 units appropriate for above moderate-income households. The Site Inventory will not contribute to segregation based on race/ethnicity or income level.

As discussed in Chapter B3, *Housing Needs Assessment*, approximately seven percent of the population has one or more disabilities. For persons with disabilities who live independently or with other family members, independent living can be supported with special housing features, financial support, and in-home supportive services. The location of housing is also an important factor for people with mobility restrictions who rely on public transportation for travel. Although there isn't a concentration of population with a disability anywhere in Atwater, promoting more growth in areas of the city with greater walkability and in proximity to transit stops will allow more residents to live near transit and create housing opportunities for residents who are unable to drive. The City will implement housing Program 1 to identify active transportation needs and apply for funding to implement projects to meet the transit needs in the southern areas of the city by the end of the planning period.

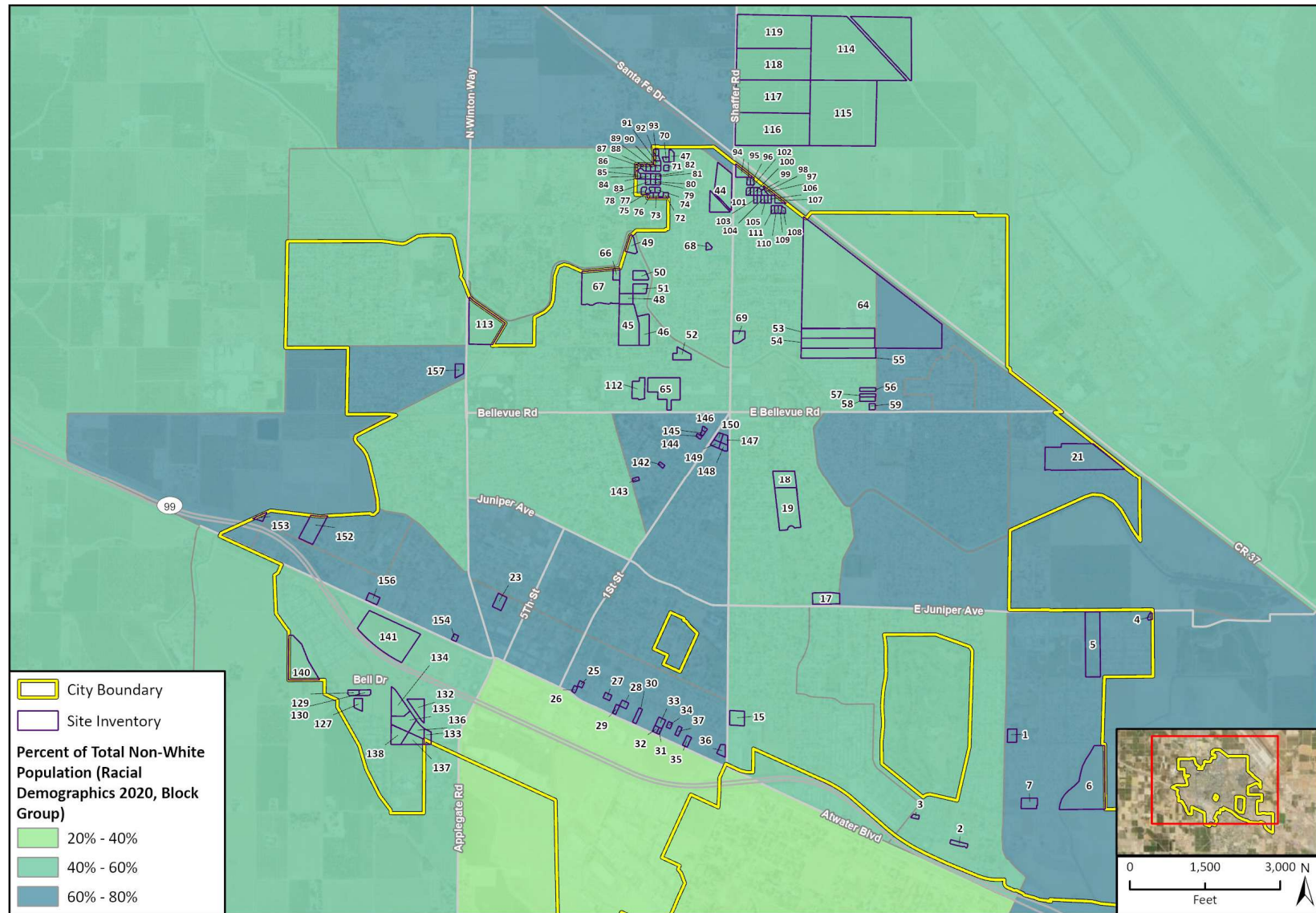
Sites by Communities Vulnerable to Displacement

Downtown and Fluhr are areas considered to be at risk of displacement by the UDP. All lower-income and moderate-income housing units proposed in these neighborhoods are in areas considered at risk of displacement. Figure B5-40 shows the housing opportunity sites in relation to the location of sensitive communities. The Site Inventory includes capacity for 384-415 units appropriate for lower-income households in ~~the Downtown and Fluhr neighborhoods~~ areas that are at risk of displacement, or approximately 20-2832 percent of the total number of the proposed lower-income units accommodated by the opportunity sites. These lower-income units will provide affordable housing options for existing very low and low-income residents at risk of displacement. To ensure that these housing units are not at risk of conversion, the city has Program 8 in place.

Sites by CalEnviroScreen Score

The majority of Atwater has high CalEnviroScreen scores, above the 71st percentile. The McSwain neighborhood has the lowest CalEnviroScreen score (58th percentile), while Downtown Atwater has the highest CalEnviroScreen score (93rd percentile). All housing units included on the Site Inventory outside of the McSwain neighborhood are located in census tracts with a CalEnviroScreen score greater than 71. A total of 1,6021,554-1,855 housing units (approximately 34-4158 percent of total proposed housing units) are located in census tracts with a CalEnviroScreen score greater than 80. Figure B5-41 shows the housing opportunity sites by CalEnviroScreen score. The Site Inventory would not concentrate lower-income units in areas of higher pollution burden.

Figure B5-39 Housing Opportunity Sites by Total Non-White Population



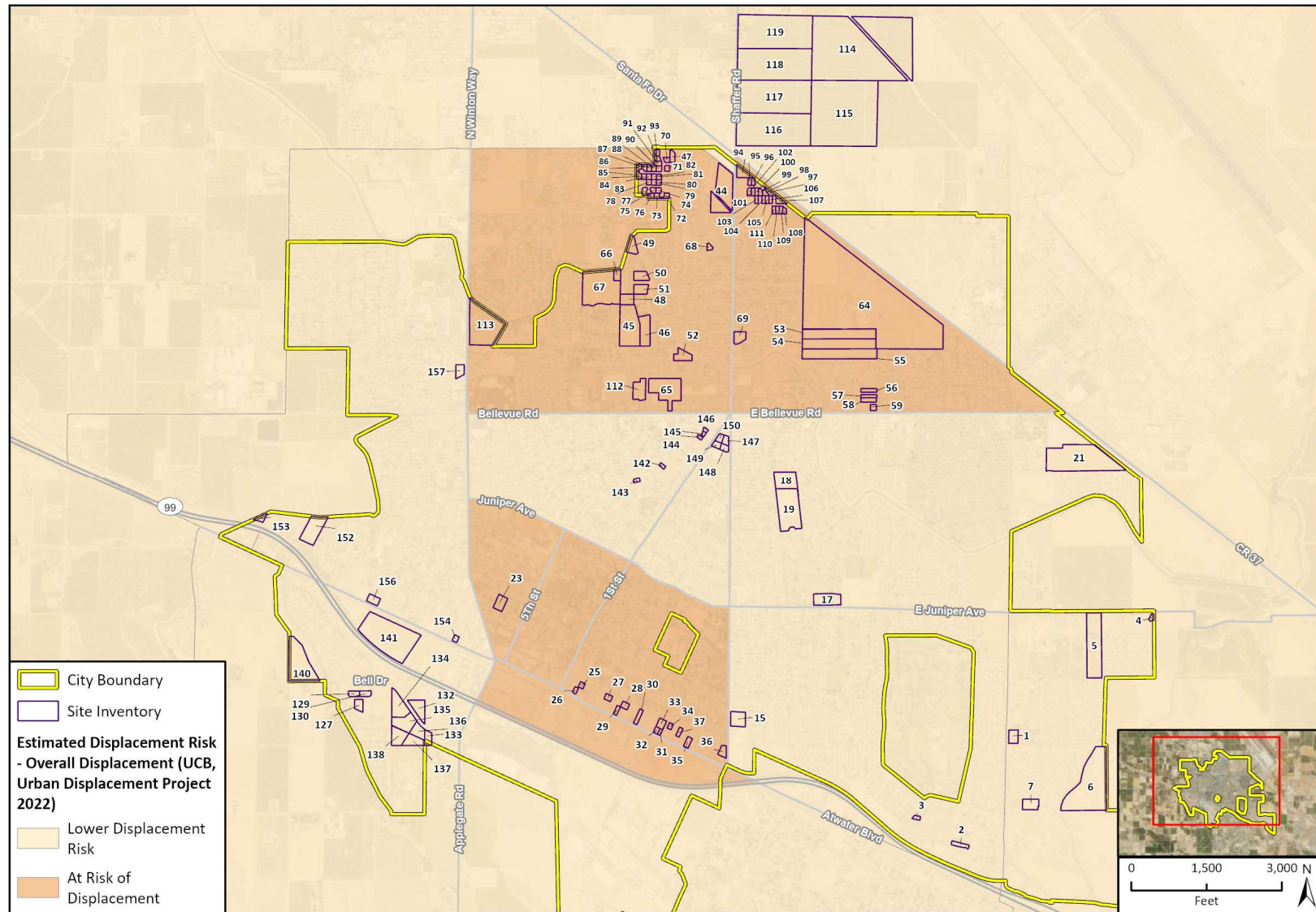
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ACS 2017-2021, HCD, PlaceWorks, HUD Region 9, American Community Survey, UC Berkley Urban Displacement Project, TCAC 2022, CalEnviroScreen 4.0, 2021, CAL FIRE, OEHHA, FEMA.

22_13497_HE_AFFH
 Site Inventory AFFH - Atwater

Source: AFFH Data Viewer, 2023

Figure B5-40 Housing Opportunity Sites by Displacement Risk

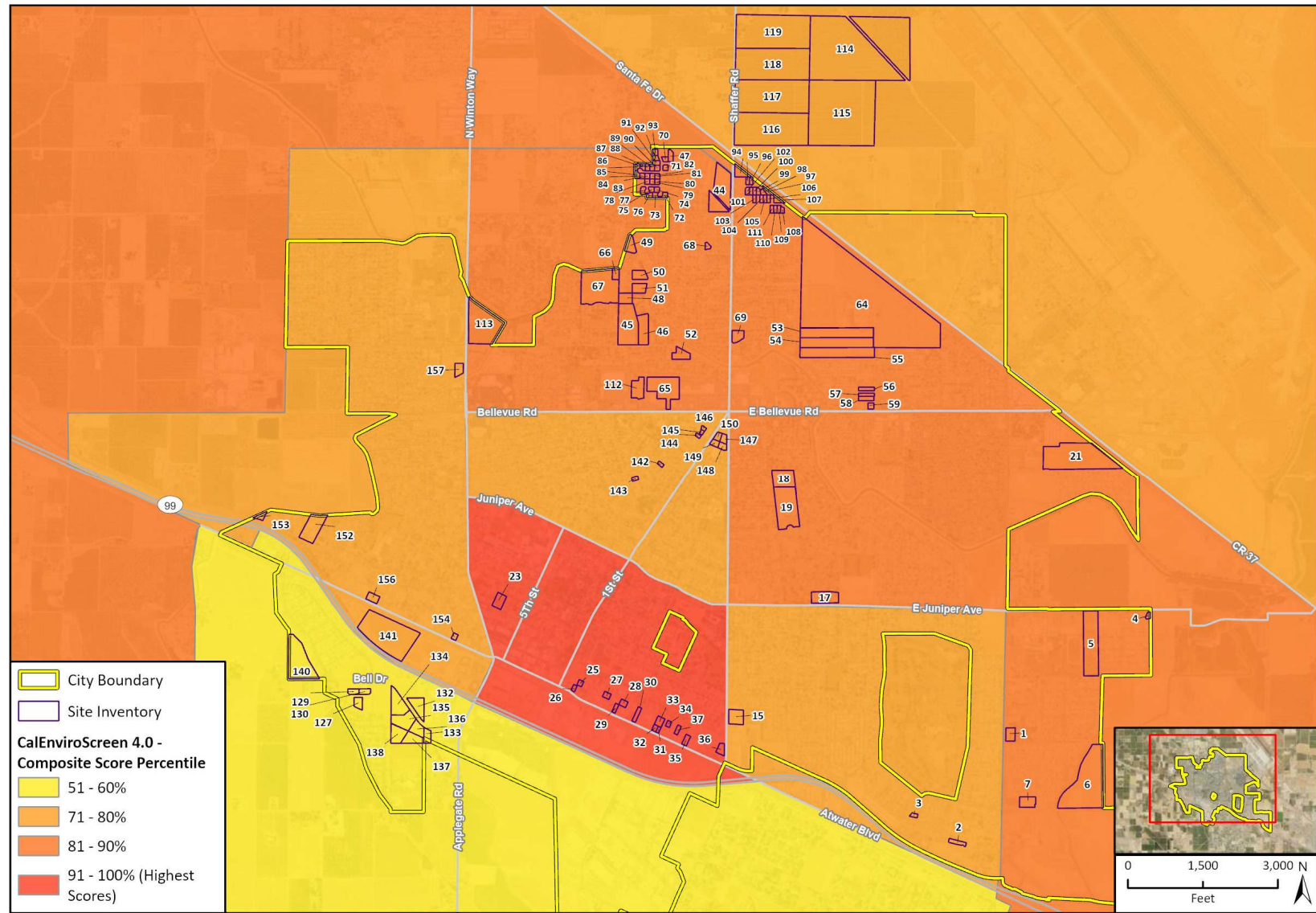


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22_13497 HE AFFH
Site Inventory AFFH - Atwater

Source: AFFH Data Viewer, 2023

Figure B5-41 Housing Opportunity Sites by CalEnviroScreen Percentile Score



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22_13497_HE_AFFH
 Site Inventory AFFH - Atwater

Source: AFFH Data Viewer, 2023

Sites Analysis Summary Data

Table B5-11 summarizes the Site Inventory by development priority area, sites, number of units by income level, and census tract characteristics. While most of the city consists of low resource areas and areas of high segregation and poverty, a majority of parcels in the Site Inventory are in high resource areas. In addition, housing opportunity sites throughout the city do not concentrate new housing in areas with a higher percentage of LMI residents, overcrowding, overpayment by renters, non-white residents, or areas with a higher risk of displacement.

Table B5-11 Site Inventory by Census Tract Characteristics

Census Tract Number	Number of Existing Households	Site Inventory Capacity (Units)			AFFH Indicators							CalEnviroScreen Percentile
		Lower-Income	Moderate-Income	Above Moderate-Income	Percent Non-White	Percent LMI Households	Median Household Income	TCAC Opportunity Area	Percent Overpayment by Renters	Percent Overcrowded Households	Displacement Sensitivity	
Buhach												
06047000802	1,494	43237	1189	9126	47%	28%	\$61,518	High-Resource	46%	5%	Lower Displacement Risk	77%
060470009042	1,487	0	187	251	38%	20%	\$81,696	Highest-Resource	41%	2%	Lower Displacement Risk	86%
Castle Garden												
06047000801	1,948	037	015	129157	41%	34%	\$58,750	High-Resource	50%	2%	Lower Displacement Risk	86%
Downtown												
06047000701	1,163	3044	69	3332	33%	63%	\$49,583	Moderate-Resource	44%	7%	At Risk of Displacement	93%
Fluhr												
06047000603	1,939	385340	97156	737675	42%	39%	61,277	Highest-Resource	30%	7%	At Risk of Displacement	80%
McSwain												
06047000702	1,647	508766	229141	11167	59%	17%	\$99,676	Highest-Resource	10%	1%	Lower Displacement Risk	59%
6047000601	1,954	309	88	44	41%	83%	\$42,206	High Resource	57%	5%	Lower Displacement Risk	75%
North Atwater												
06047000602	1,418	027	815	1528	41%	65%	\$59,426	High-Resource	43%	3%	Lower Displacement Risk	76%
Sierra Vista												
06047000601	1,954	4033	2829	815	41%	64%	\$42,206	High-Resource	57%	5%	Lower Displacement Risk	75%
Total		51,1831,822	566566922	1,2911,918								
Source: California Tax Credit Allocation Committee (TCAC)/California Housing and Community Development (HCD), Opportunity Maps (2023); U.S. Census Bureau, American Community Survey 5-Year Data (2017-2021)												

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B5.13 Contributing Factors and Meaningful Actions

AB 686 requires an identification and prioritization of contributing factors to fair housing issues based on all the previously required analysis (outreach, fair housing assessment, site inventory). This section lists contributing factors that create, perpetuate, or increase the severity of one or more fair housing issues that were identified in community outreach, and the analysis in this document. Contributing factors were prioritized based on their impact on fair housing issues as well as the City's ability to address the contributing factors. Chapter B7 provides meaningful actions the City will undertake to affirmatively further fair housing for special needs, racial/ethnic minority, and low-income residents.

Enforcement and Outreach

The City's website has limited information on fair housing and no information on fair housing rights and responsibilities for tenants and landlords. In addition, housing information on the City's website is limited to English.

Contributing factors to enforcement and outreach in Atwater include:

- Language Barriers (Medium): Forty-seven percent of the population of Atwater speaks a language other than English. Community Development information on the City's website is provided only in English.
- Lack of local public or private fair housing outreach and enforcement (High): The City does not provide its own fair housing outreach or enforcement, and does not provide information on partnering agencies or fair housing organizations to provide assistance to tenants and landlords.
- Lack of resources for fair housing agencies and organizations on the City's website. (High)
- Lack of local fair housing laws to support strong enforcement. (Low)
- Lack of sufficient distribution of fair housing information: The City's website does not provide housing information on the City's website. (High)
- Lack of fair housing testing. (Medium)
- Limited participation in fair housing outreach. (Medium)

Rationale: Resources to educate, investigate, and enforce fair housing complaints are key to ensuring fair housing protections are accessible and effective for protected classes. In addition, proactive interventions to fair housing issues prevent displacement.

Segregation and Integration Patterns and Trends

Atwater is a racially/ethnically diverse city with a moderate percentage of LMI residents and low median household incomes. In particular, Downtown and Sierra Vista have a higher percentage of LMI residents. Multi-family residential zones are concentrated in Downtown and Sierra Vista.

Contributing factors to segregation and integration patterns and trends in Atwater include:

- Displacement of residents due to economic pressures (Medium): Home values and rents have increased significantly in Atwater over the past decade. Between 2015 and 2021, home value increased from \$147,500 to \$265,200 (80 percent increase) and median rent increased from \$888 to \$1,089 (23 percent increase). In addition, about 34 percent of all households are cost burdened, meaning many households are paying too much for housing. While the UDP rates

most the city as having a low risk of displacement, the Fluhr and Downtown Atwater neighborhoods are at risk of displacement, these trends indicate cost burdened and low-income households may be at higher risk of displacement if the cost of housing continues to rise.

- Location and type of affordable housing (High): Stakeholders have stated that high prices, lack of affordable housing, and cost of building housing make it difficult to find housing. Affordable housing units are concentrated in Downtown Atwater. Land use and zoning laws (High): Most of Atwater is zoned for single-family residential uses with medium- and high-density residential zoning concentrated in Downtown Atwater.

Rationale: Efforts to deconcentrate segregation should focus on two key areas: increasing affordable housing in both high-poverty and low-poverty neighborhoods to facilitate mobility, and implementing measures to incentivize affordable housing development and expand opportunities in areas with higher resources.

Racially and Ethnically Concentrated Areas of Poverty

There are no areas of high segregation and poverty in Atwater. However, in Downtown Atwater there is an overlap with a higher percent of non-white population and an overall median income of less than \$55,000. About 69 percent of residents living in Downtown are Hispanic/Latino and 69 percent are low-income. This census tract also has the highest CalEnviroScreen score and is at risk of displacement.

Contributing factors to racially and ethnically concentrated areas of poverty in Atwater include:

- Displacement of residents due to economic pressures (Medium): High rates of cost burden and rising housing costs are placing low-income residents at risk of displacement.
- Land use and zoning laws (High): Most of Atwater is zoned for single-family residential uses with medium- and high-density residential zoning concentrated in Downtown Atwater.
- Location and type of affordable housing (High): Affordable housing units are concentrated in Downtown Atwater.

Rationale: Efforts to deconcentrate areas with a concentration of minorities and poverty should focus on two key areas: increasing affordable housing in both high-poverty and low-poverty neighborhoods to facilitate mobility, and implementing measures to incentivize affordable housing development and expand opportunities in areas with higher resources.

Disproportionate Housing Needs

Cost burden among renters is high throughout most of the city. Cost burden among homeowners is highest in Sierra Vista. Atwater has a moderate percentage of large households, approximately 18 percent of all households in the city. Overcrowding is highest in Sierra Vista, Downtown, Fluhr, and portions of Buhach. In addition to overcrowding and cost burden throughout the city, Downtown and North Atwater have an older housing stock than other areas of the city. Approximately 91 percent of housing units in Downtown Atwater are over 30 years old and 72 percent are over 50 years old. However, Downtown has the lowest household median incomes and high percentage of LMI residents, indicating that homeowners may not be able to afford to pay for repair and maintenance on their homes.

Contributing factors to disproportionate housing needs in Atwater include:

- Lack of affordable housing in a range of sizes (High): More than half of the housing stock (67 percent) is made up of detached single-family homes, which may not be affordable to lower-income households. Sixteen percent of all housing units contain four or more bedrooms which can accommodate large families without overcrowding.
- Cost of housing maintenance and repairs (Medium): Atwater's older housing stock may indicate that a significant number of housing units are in need of repair.

Rationale: The lack of affordable housing options can restrict individuals and families to a limited number of choices, forcing them to settle for substandard housing or pay a disproportionate amount of their income on rent. This can perpetuate cycles of poverty and limit upward mobility.

Disparities in Access to Opportunities

Most of Atwater is considered high or highest resource, however, Downtown and North Atwater are moderate-resource areas. This area has the highest pollution burden and lowest education and economic opportunity scores in the city.

Contributing factors to disparities in access to opportunities in Atwater include:

- The availability, type, frequency, and reliability of public transportation (Medium): There are only two fixed route public transit options in the city.
- Land use and zoning patterns (High): Types of zoning that accommodate land uses with employment opportunities, such as industrial and commercial, are concentrated in the portion of city closest to Highway 99. All medium and high-density housing zones are also concentrated in these areas. The remainder of the city is comprised of low-density residential zoning.
- High pollution burden (Medium): Atwater is ranked in the 71 up to the 100th percentile and for pollution burden by CalEnviroScreen.
- Lack of public and private investment (High): Without investment, businesses are less likely to locate in these areas, leading to a lack of jobs and economic growth. This can create a cycle of poverty, as residents struggle to find employment and generate income.

Rationale: Improving economic opportunities requires a range of policies designed to create jobs, develop the workforce, create housing closer to jobs and ensure that workers can get to jobs. More jobs and more affordable housing give residents more housing choices (type of housing and mobility).

B5.14 Meaningful Actions to Address Fair Housing Issues

The findings of this analysis were used to develop meaningful actions, metrics and milestones that promote inclusive communities, increase housing opportunities, and address racial/ethnic and economic disparities in the city. The contributing factors were prioritized to better formulate policies and programs and carry out meaningful actions to further fair housing. Meaningful actions to address fair housing issues are included in the housing programs located in Chapter B7, *Housing Plan*.

B6 Housing Resources and Site Inventory Analysis

This section documents the methodology and results of the Site Inventory analysis conducted to demonstrate the City of Atwater’s ability to meet its share of the 6th cycle Regional Housing Needs Allocation (RHNA). This section also discusses infrastructure, services, and financial and administrative resources that are available for the development, rehabilitation, and preservation of housing in the City of Atwater. Background information on regional development trends and analysis are included in Chapter 4, *Regional Housing Resources*.

The Site Inventory was developed through the analysis of development trends, the identification of available land, and community input. Community engagement events, including a community workshop held in Atwater on August 28, 2023, influenced the selection of opportunity sites.

B6.1 Regional Housing Needs Allocation

This Housing Element covers the planning period of January 2024 through January 2032 (also referred to as the 6th cycle). The Merced County Association of Governments (MCAG), as the metropolitan planning organization for the Merced County region, is responsible for preparing the RHNA for the region based on recent growth trends, income distribution, and capacity for future growth. This methodology must align with state objectives, including but not limited to:

- Promoting infill, equity, and environmental protection
- Ensuring jobs-housing balance
- Affirmatively furthering fair housing

Atwater must identify adequate land with appropriate zoning and development standards to accommodate its assigned share of the region’s housing need. Atwater’s share of the RHNA is 3,017 units, which is distributed among five income categories, as shown in Table B6-1.

Table B6-1 Atwater 2024-2032 RHNA

Income Category (Percent of Merced County Area Median Income [AMI])	Number of Units	Percent of Total Units
Extremely Low (< 30% of AMI)*	423	14.0%
Very Low (30 to 50% of AMI)	345	11.4%
Low (51 to 80% of AMI)	526	17.4%
Moderate (81% to 120% of AMI)	508	16.8%
Above Moderate (> 120% of AMI)	1,215	40.3%
Total	3,017	100%

*The RHNA does not project the need for extremely low-income units, but pursuant to Government Code (GC) Section 65583(a), the City must project its extremely low-income housing needs based on Census income distribution or assume 50 percent of the very low-income units required by the RHNA as extremely low-income units. The City’s very low-income requirement is 768 units. The number of extremely low-income units that the City must plan for shown here was projected using Census data. According to the Comprehensive Housing Affordability Strategy (CHAS), data developed by HUD, 28.8 percent of households in the city earned less than 50 percent of the AMI. Among these households, 55.1 percent earned incomes below 30 percent (extremely low). Therefore, the City’s RHNA allocation of 768 very low-income units was distributed as 423 extremely low (55.1 percent of the 768 very low-income units required by the RHNA) and 345 very low-income units. However, for purposes of identifying adequate sites for the RHNA allocation, state law does not mandate the separate accounting for the extremely low-income category.

Source: MCAG, 2022. Final Regional Housing Needs Plan.

B6.2 Meeting the RHNA

Each jurisdiction must identify adequate land with appropriate zoning and development standards to fulfill its share of the RHNA. Jurisdictions can use planned and/or approved projects, estimated accessory dwelling unit (ADU) production, and vacant and/or underutilized sites to accommodate the RHNA. In some cases, rezoning must occur to prepare sites for future residential development.

Once the City has demonstrated in the Housing Element that it has the development capacity to accommodate the RHNA, it has two implementation-related obligations during the planning period:

1. Maintain a “no net loss” policy of its residential development capacity over the housing element planning period, meaning that sites listed in the adopted Housing Element land inventory may not be down-zoned to a lower-density residential zone or rezoned to a nonresidential zone, unless the city up-zones or rezones alternative sites prior to the density reduction or rezone on the inventoried site.
2. Continue to allocate available funding resources to and facilitate the development of affordable housing.

B6.2.1 RHNA Credits

The City may use units in approved and/or permitted residential developments which will be completed within the planning period, and anticipated ADU production, as credit towards fulfillment of its RHNA.

Planned and Approved Projects

Residential developments approved and permitted, but not yet built (also called “pipeline projects”) can be credited towards the City’s RHNA provided it can be demonstrated that the units can be built by the end of the 6th cycle planning period. Similarly, units that are under construction but have not yet received a building permit as of June 30, 2023, can also be credited towards the RHNA.

Affordability (the income category in which the units are counted) is based on the actual or projected sale prices, rent levels, or other mechanisms establishing affordability of the units within the project. Pipeline projects that can count toward the City’s 6th cycle RHNA are listed in Table B6-2 and the locations of these projects are shown on Figure B6-1. For the purpose of this Housing Element, the city is divided into seven neighborhoods: Buhach, Castle Gardens, Downtown Atwater, Fluhr, McSwain, North Atwater, and Sierra Vista.

There ~~are is three one~~ multifamily pipeline projects in Atwater. The City anticipates a total of 172-25 units would be affordable to above moderate-income households.

Entitlements for a site plan usually take one to two months, while conditional use permits (CUPs) usually take three months. Issuing building permits to begin construction usually takes around two months (varies depending on how fast the applicant can address any changes). Construction typically begins around six months from permit issuance. Approximately 20 to-30 percent of projects result in an expired entitlement prior to the building permit stage primarily due to financial burdens. The City of Atwater has provisions in the Municipal Code to preserve entitlements during permit application and issuance. Based on the current status of these projects and given the City’s past trends of project approvals, all units are expected to receive Certificates of Occupancy during the 2024-2032 planning period. The Sunset Drive Development project has received Tentative Map approval and ~~are~~is in the process of obtaining Final Map approval. Following Final Map approval, both projects would need to submit building permit applications and obtain permit issuance before

beginning construction. There are no known barriers that would impede the completion of these projects. The City will continue to monitor these projects through Program 2 and identify alternative sites if necessary.

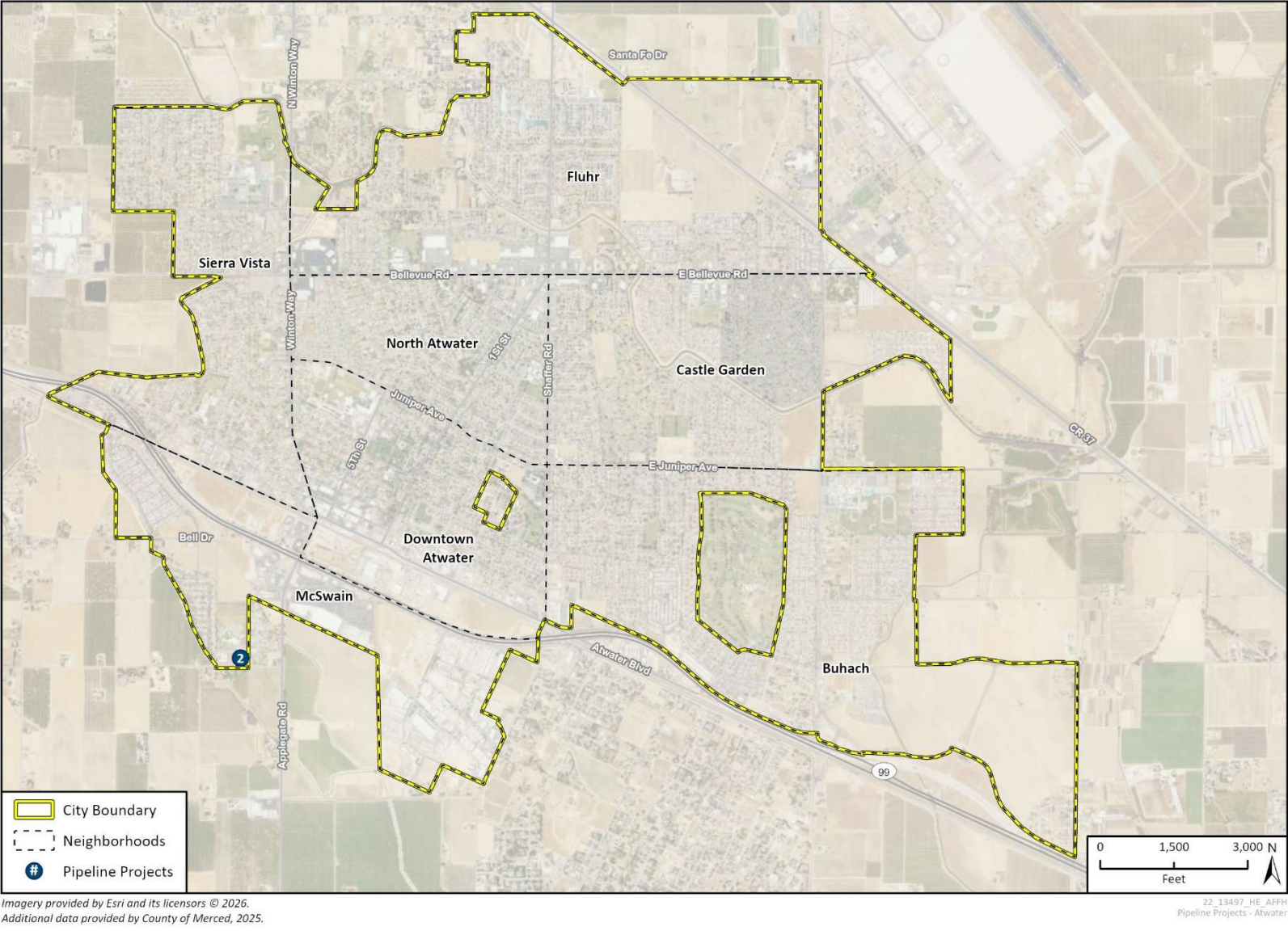
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Table B6-2 Pipeline Projects

Map ID	Project Name	Assessor's Parcel Number (APN) ¹	Very Low-Income Units	Low-Income Units	Moderate-Income Units	Above Moderate-Income Units	Total Units	Percent of Maximum Density Achieved	Status	Estimated Completion Date
~~1~~	~~Chelsea Investments Corporation~~	~~150-190-037~~	~~0~~	~~0~~	~~0~~	~~120~~	~~120~~	~~100%~~	~~Tentative map and zone change approved, construction to begin in late 2024~~	
~~2~~	~~Redwood Mixed-Use Development~~	~~150-190-037~~	~~0~~	~~0~~	~~0~~	~~52~~	~~52~~	~~52%~~	~~All but final map approved; Annexation is expected on the completion of the project. Following Final Map approval, developer to submit building permit application and City to issue permit before beginning construction.~~	
~~31~~	Sunset Drive Development	056-540-004	0	0	0	25	25	104%	All but final map approvedApplication is under review and planned to go to Planning Commission in January or February 2024 to seek approval. Following Final Map approval, developer to submit building permit application and City to issue permit before beginning construction.	<u>2027</u>
Total			0	0	0	~~7725~~	~~17225~~			

¹An assessor's parcel number is a series of digits used to identify property. Each parcel is assigned an APN that corresponds to a location on a page in a book of maps maintained by the County Assessor's Office.

Figure B6-1 Pipeline Projects



B6.3 Summary of RHNA Credits

The City can satisfy ~~six~~approximately one percent of its RHNA requirement with planned and approved units. Since no ADU permits were recorded during the previous planning period, ADUs are not assumed to contribute to the overall share of RHNA. To achieve the remaining RHNA, the City must demonstrate the availability of sites with appropriate zoning and development standards that allow and encourage the development of 2,8452,992 units. This unit count is broken down by household income level. As shown on Table B6-3, Atwater has a remaining RHNA of 768 units affordable to very low-income households, 526 units affordable to low-income households, 508 units affordable to moderate-income households, and 1,0431,190 units affordable to above moderate-income households.

Table B6-3 Remaining Share of RHNA

Affordability Category (Percent of AMI)	RHNA Allocation	Units Pending or Approved or under Construction	Estimated ADUs	Remaining RHNA
Very Low	768	0	0	768
Low	526	0	0	526
Moderate	508	0	0	508
Above Moderate	1,215	<u>17225</u>	0	<u>1,0431,190</u>
Total	3,017	<u>17225</u>	0	<u>2,8452,992</u>

B6.4 Methodology

B6.4.1 Suitable Sites for Affordable Housing

State law requires that jurisdictions demonstrate in the Housing Element that the land inventory is adequate to accommodate that jurisdiction's share of the regional growth. State law has established "default" density standards for the purpose of estimating potential units by income range. In a suburban jurisdiction, a density standard of 20 or more units per acre (primarily for higher density multi-family developments) would facilitate the development of housing in the lower-income category.

In addition to default density standards, the California Legislature established size requirements for parcels intended to support the development of lower-income units. Government Code Section 65583.2 establishes that sites between 0.5 and 10 acres in size which are zoned for residential development at greater than 20 units per acre are suitable for lower-income projects. Very small parcels, even when zoned for high densities, may not facilitate the scale of development required to access competitive funding resources. Conversely, typically lower-resource affordable housing developers may be unable to finance the scale of project necessitated by very large parcels. No standalone parcels smaller than 0.5 acres are assumed to accommodate lower-income units. The City assumed no more than 150 lower-income units on any individual site. For large parcels, the City will implement Program 2, to encourage and promote the development of large sites at the densities and affordability levels identified within the Housing Element.

B6.5 Nonvacant Sites

Nonvacant sites included on the Site Inventory have comparable predevelopment characteristics to developed residential projects in the region. As discussed in Chapter 4, *Regional Housing Resources*, residential development in Merced County has occurred primarily on vacant sites and sites occupied by agriculture.

The Housing Element must analyze the extent to which existing uses may impede additional residential development. The City's Site Inventory accommodates approximately ~~58-64~~ percent of its above moderate-income RHNA, and 100 percent lower and moderate-income RHNA on vacant sites. The remaining ~~42-36~~ percent above moderate-income RHNA is proposed on sites currently being occupied by agricultural uses.

B6.5.1 Adequacy of Nonvacant Sites

Of the ~~157-124~~ sites included in the Site Inventory, ~~146-113~~ are vacant and 11 are on operational agricultural land. The City anticipates development of these sites to accommodate low-, medium-, and high-density residential uses. Five of the nonvacant sites are located in the Fluhr and Buhach neighborhoods and are currently zoned for residential uses. Six of the nonvacant sites are located just outside city limits, north of Shaffer Avenue, and are proposed to be annexed and zoned low-, medium-, or high-density residential. None of the nonvacant sites are under Williamson Act Contract and there are no characteristics that would impede residential development

In considering sites, the City identified agricultural land to facilitate the development of a variety of housing types throughout the city. Housing development on nonvacant sites currently utilized as agricultural lands is discussed below. These sites were selected for their redevelopment potential and higher probability of turnover, as seen in Table B6-4. Of the nonvacant sites currently utilized as agricultural land, the average number of units that could be realized is 100 and the average acreage of each site is ~~17.57~~20.06.

Table B6-4 ~~Representative~~ Nonvacant Sites

<u>Site ID</u>	<u>Site Address</u>	<u>Description</u>	<u>Size (Acres)</u>	<u>Capacity (Units)</u>	<u>Achieved Density (du/ac)</u>
<u>53, 54, 55</u>	Crest Rd	~~This 6.61-acre parcel is~~ <u>These sites consist of a 6.61-acre, 6.68-acre, and 6.78-acre parcel, all currently utilized as agricultural land zoned high-density residential. <u>With their current zoning designations, the sites could accommodate 40 to 41 dwelling units, with an achieved density of 6.10 dwelling units per acre. All three sites are adjacent to residential subdivisions, mobile home parks, and agricultural uses.</u></u> Development trends with similar predevelopment characteristics: ~~Stocking Street: (previous use: agriculture, zoned low-density residential, similarly located adjacent to residential subdivisions and agricultural uses, parcel size: 9.83 acres, total units: 44), 44 units total, achieved density of 4.48 du/ac~~	~~6.61, 6.68, 6.78~~	~~40, 40, 41~~	<u>6.10</u>

Merced County Association of Governments
Merced County Multi-Jurisdictional Housing Element (2024-2032)

<u>Site ID</u>	<u>Site Address</u>	<u>Description</u>	<u>Size (Acres)</u>	<u>Capacity (Units)</u>	<u>Achieved Density (du/ac)</u>
		Villas at Sierra Meadows: previous use agriculture, zoned low-density residential, similarly located adjacent to single-family residences and agricultural uses, parcel size 12.31 ac, achieved density of 6.50 du/ac			
	Crest Rd	This 6.68-acre parcel is currently utilized as agricultural land zoned high-density residential. Development trends with similar predevelopment characteristics: Stocking Street (previous use: agriculture, parcel size: 9.83 acres, total units: 44)	6.68	40	
	Crest Rd	This 6.78-acre parcel is currently utilized as agricultural land zoned high-density residential. Development trends with similar predevelopment characteristics: Stocking Street (previous use: agriculture, parcel size: 9.83 acres, total units: 44)	6.78	41	
<u>64</u>	5451 N Crest	This ~~86.48~~<u>51.40</u>-acre parcel is currently utilized as agricultural land zoned low-density residential. <u>With its current zoning designation, the site could accommodate 438 dwelling units, with an achieved density of 5.08 dwelling units per acre. The site is adjacent to residential subdivisions and agricultural uses.</u> Development trends with similar predevelopment characteristics: - Manzanita: ~~(previous use: agriculture, parcel size: 51.33 acres, total units: 213)~~ previous use agriculture, zoned low-density residential, similarly located adjacent to residential subdivisions and agricultural uses, parcel size 51.33 ac, 213 units total, achieved density of 4.15 du/ac. - The Villas: ~~(previous use: agriculture, parcel size: 58.95 acres, total units: 231)~~ previous use agriculture, zoned low-density residential, similarly located adjacent to residential subdivisions and agricultural uses, parcel size 58.95 ac, 231 units total, achieved density of 3.92 du/ac. - Eagle Meadows: previous use agriculture, zoned low-density residential, similarly located adjacent to residential subdivisions and agricultural uses, parcel size 49.00 ac, 242 units total, achieved density of 4.94 du/ac.	~~86.48~~ <u>51.40</u>	~~264~~ <u>438</u>	<u>5.08</u>

<u>Site ID</u>	<u>Site Address</u>	<u>Description</u>	<u>Size (Acres)</u>	<u>Capacity (Units)</u>	<u>Achieved Density (du/ac)</u>
<u>6</u>	<u>Green Sands Ave</u>	This 16.40-acre parcel is currently utilized as agricultural land zoned low-density residential. <u>With its current zoning designation, the site could accommodate 83 dwelling units, with an achieved density of 5.08 dwelling units per acre. The site is adjacent to residential subdivisions and agricultural uses.</u> Development trends with similar predevelopment characteristics: ▪ <u>Sundance Village (previous use: agriculture, parcel size: 21.63 acres, total units: 97): previous use agriculture, zoned low-density residential, similarly located adjacent to residential subdivisions and agricultural uses, parcel size 21.63 ac, 97 units total, achieved density of 4.48 du/ac.</u> ▪ <u>Olivewood Estates: previous use agriculture, zoned low-density residential, similarly located adjacent to single-family residences and agricultural uses, parcel size 13.90 ac, 60 units total, achieved density of 4.32 du/ac.</u> ▪ <u>Villas at Sierra Meadows: previous use agriculture, zoned low-density residential, similarly located adjacent to single-family residences and agricultural uses, parcel size 12.31 ac, 80 units total, achieved density of 6.50 du/ac.</u>	<u>16.40</u>	<u>83</u>	<u>5.08</u>
<u>114</u>	<u>Shaffer Rd</u>	This 4.32-acre parcel is currently utilized as agricultural land. The site is proposed to be annexed and rezoned to high-density residential, and could accommodate 76 dwelling units, with an achieved density of 17.50 dwelling units per acre. The site is adjacent to single-family residences and agricultural uses. ▪ <u>Regency Court Apartments: previous use agriculture, similarly zoned with a maximum density of 30 du/ac, similarly located adjacent to single-family residences and near agricultural uses, parcel size 9.80 ac, achieved density 18.37 du/ac.</u> ▪ <u>Village at Shannon Parkway Apartments: previous use agriculture, similarly zoned multifamily residential with a maximum density of 30 du/ac, similarly located adjacent to single-family residences and near agricultural uses, parcel size 9.24 ac, achieved density 23.38 du/ac.</u>	<u>4.32</u>	<u>76</u>	<u>17.50</u>

Merced County Association of Governments
Merced County Multi-Jurisdictional Housing Element (2024-2032)

<u>Site ID</u>	<u>Site Address</u>	<u>Description</u>	<u>Size (Acres)</u>	<u>Capacity (Units)</u>	<u>Achieved Density (du/ac)</u>
<u>115</u>	<u>Shaffer Rd</u>	<u>This 4.88-acre parcel is currently utilized as agricultural land. The site is proposed to be annexed and rezoned to medium-density residential, and could accommodate 38 dwelling units, with an achieved density of 7.70 dwelling units per acre. The site is adjacent to single-family residences and agricultural uses.</u> <u>Villas at Sierra Meadows: previous use agriculture, similarly located adjacent to single-family residences and agricultural uses, achieved density of 6.50 du/ac.</u> <u>Brookside Subdivision: previous use agriculture, similarly located adjacent to single-family residences and agricultural uses, achieved density of 5.97 du/ac.</u>	<u>4.88</u>	<u>38</u>	<u>7.70</u>
<u>116</u>	<u>Shaffer Rd</u>	<u>This 22.12-acre parcel is currently utilized as agricultural land. The site is proposed to be annexed and rezoned to low-density residential, and could accommodate 77 dwelling units, with an achieved density of 3.50 dwelling units per acre. The site is adjacent to single-family residences and agricultural uses.</u> <u>Antelope Estates: previous use agriculture, similarly located adjacent to single-family residences and agricultural uses, achieved density of 3.89 du/ac.</u> <u>Villages at Stonecreek IX: previous use agriculture, zoned low-density residential, similarly located adjacent to single-family residences and agricultural uses, parcel size 19.40 ac, 72 units total, achieved density of 3.71 du/ac.</u> <u>Sundance Village: previous use agriculture, zoned low-density residential, similarly located adjacent to single-family residences and agricultural uses, parcel size 21.63 ac, 97 units total, achieved density of 4.48 du/ac.</u>	<u>22.12</u>	<u>77</u>	<u>3.50</u>
<u>117, 118</u>	<u>Shaffer Rd</u>	<u>These 22.34-acre and 21.40-acre parcels are currently utilized as agricultural land. These sites are proposed to be annexed and rezoned to medium-density residential, and could accommodate 172 and 165 dwelling units, with an achieved density of 7.70 dwelling units per acre. These sites are adjacent to single-family residences and agricultural uses.</u> <u>Villas at Sierra Meadows: previous use agriculture, similarly located adjacent to single-family residences and agricultural uses, achieved density of 6.50 du/ac.</u> <u>Brookside Subdivision: previous use agriculture, similarly located adjacent to single-family residences and agricultural uses, 229 units total, achieved density of 5.97 du/ac.</u>	<u>22.34, 21.40</u>	<u>172, 165</u>	<u>7.70</u>

Site ID	Site Address	Description	Size (Acres)	Capacity (Units)	Achieved Density (du/ac)
		Villages at Stonecreek IV: previous use agriculture, similarly located adjacent to single-family residences and agricultural uses, 160 units total, achieved density of 5.10 du/ac.			
119	Shaffer Rd	This 22.68-acre parcel is currently utilized as agricultural land. The site is proposed to be annexed and rezoned to high-density residential, and could accommodate 397 dwelling units, with an achieved density of 17.50 dwelling units per acre. The site is adjacent to single-family residences and agricultural uses. - Regency Court Apartments: previous use agriculture, similarly zoned with a maximum density of 30 du/ac, similarly located adjacent to single-family residences and near agricultural uses, parcel size 9.80 ac, achieved density 18.37 du/ac. - Village at Shannon Parkway Apartments: previous use agriculture, similarly zoned multifamily residential with a maximum density of 30 du/ac, similarly located adjacent to single-family residences and near agricultural uses, parcel size 9.24 ac, achieved density 23.38 du/ac.	22.68	397	17.50

Redevelopment Trends on Agriculture Sites

The Merced County region has primarily experienced residential redevelopment on sites previously utilized agricultural purposes. Regional examples of projects that were converted from operational agricultural uses to residential uses are listed on Table B6-5.

Table B6-5 Redevelopment Trends on Sites with Operational Agriculture

Jurisdiction	Project Name	Parcel Size (acres)	Total Units	Achieved Density (du/ac)
Tulare County				
Porterville	Villas at Sierra Meadows	12.31	80	6.50
Woodlake	Hillside Estates	28.5	75	2.2
Woodlake	Olivewood Estates	13.9	60	4.32
Woodlake	Antelope Estates	36.0	140	3.89
Woodlake	Rodeo Estates I	42.0	184	4.38
Woodlake	Rodeo Estates II	36.0	52	1.44
Visalia	Village at Shannon Pkwy. Apartments	9.24	216	23.38
Merced County				
Dos Palos	Stocking Street	9.83	44	4.48
Livingston	Manzanita	51.33	213	4.15
Livingston	Sundance Village	21.63	97	4.48
Los Banos	The Villas	58.95	231	3.92

Jurisdiction	Project Name	Parcel Size (acres)	Total Units	Achieved Density (du/ac)
Los Banos	Westbrook	37.81	162	4.28
<u>Merced</u>	<u>Regency Court Apartments</u>	<u>9.80</u>	<u>180</u>	<u>18.37</u>

The 11 sites currently used for operational agricultural purposes show similar predevelopment uses, including parcel size, realistic densities, and total units constructed. Existing agricultural operations on all of the nonvacant sites consists of row crops and orchards which would be relatively easy to clear and repurpose for development. Unlike agricultural processing or dairy uses, row crops and orchards typically do not require extensive infrastructure and the threshold is low for clearing land and converting the use. Furthermore, these sites are situated in an area that is desirable for residential development. None of the sites are under Williamson Act Contract and there are no conditions that would impede residential development of these sites. Given these redevelopment trends on operational agriculturally used sites, the City does not anticipate existing operational agricultural uses to impede conversion from agricultural land to residential development on the four sites included in the Site Inventory.

Market Demand

Demand for residential development of formerly agricultural land in the San Joaquin Valley is high, and driven by the critical need for more housing, necessity for less water-intensive land use, and the declining property values of agricultural lands due to constrained water resources. The Sustainable Groundwater Management Act (SGMA) has significantly impacted agricultural land use throughout California. Groundwater sustainability plans now require reductions in groundwater use, which could result in the fallowing of between 500,000 and 900,000 acres of cropland in the San Joaquin Valley. The conversion of agricultural land to urban development, which primarily occurs around existing communities, results in a much less water intensive use of land than cropland.¹ Counties throughout the San Joaquin Valley have noticed decreasing property values for agricultural lands in response to limited water supply.² Between 2016 and 2018, 74,641 acres of farmland and grazing lands were converted to other uses in California, including 37,583 acres of land that were urbanized.³ Approximately 44,942 acres were urbanized between 2014 and 2016.⁴

In Merced County, 3,968 acres of land were urbanized between 2010 and 2020.⁵ California Department of Conservation data from 1984 to 2022 shows land classified as farmland in and near the Fluhr and Buhach neighborhoods and land north of Shaffer Avenue just outside city limits has been converted to urban and built-up land.⁶ Trends illustrating local conversion of farmland to urban uses are further supported by recent development throughout Merced County and the region, where properties previously used for agricultural purposes were redeveloped with housing, shown in Table B6-5.

¹ Hanak, Ellen, et al. 2023. Managing Water and Farmland Transitions in the San Joaquin Valley. Public Policy Institute of California. <https://www.ppic.org/publication/managing-water-and-farmland-transitions-in-the-san-joaquin-valley/>

² Willis, Natalie. 2024. SGMA Breakdown of the 2024 Trends in Agricultural Land and Lease Values. <https://www.valleyagvoice.com/asfmra-conference-unveils-insights-into-agricultural-land-values/>

³ California Department of Conservation. 2023. California Farmland Conversion Report 2016-2018. https://www.conservation.ca.gov/dlrp/fmmp/Documents/fmmp/pubs/2016-2018/FCR/FCR_1618_Report.pdf

⁴ California Department of Conservation. California Farmland Conversion Report 2014-2016. https://www.conservation.ca.gov/dlrp/fmmp/Pages/2012-2014_Farmland_Conversion_Report.aspx

⁵ California Department of Conservation. Merced County Important Farmland Data Availability, Historic Land Use Conversion. 2020. <https://www.conservation.ca.gov/dlrp/fmmp/Pages/Merced.aspx>

⁶ California Department of Conservation. 2022. California Important Farmland: 1984-2022. <https://maps.conservation.ca.gov/dlrp/ciftimeseries/>

B6.6 Development Trends

As discussed in detail in Chapter 4, *Regional Housing Resources*, the development characteristics in the region indicate that most of the recently developed residential projects, or projects that are planned to be developed, are on vacant land. Out of the 17 projects identified, 13 are single-family developments, and four are multi-family developments. Approximately 12 percent of these projects include affordable units.

The densities of these projects range from 1.64 to 51.34 dwelling units per acre due to the various zoning requirements in each jurisdiction. Multifamily projects with affordable units, on average, achieve a density of approximately 37 dwelling units per acre, and these projects typically achieved a density of 135 percent of the maximum density allowed by the zoning district.

Projects located in low, medium, and high-density residential zones typically achieved a density of 67, 60, and 84 percent, respectively, of the maximum density allowed by the zoning district. Overall, the average achieved density is 8.8 dwelling units per acre, which is low. This can be attributed to the predominance of single-family residential developments in the region.

Of the projects discussed in Chapter 4, *Regional Housing Resources*, four projects used to determine regional development trends are in Atwater: Bell Crossing, Nebula Drive Planned Development, Sandstone Way Planned Development, and Pollitt Court Planned Development. Each project consists of market rate single-family units. These four projects have an average density of approximately four units per acre with an average achieved density of 77 percent of the maximum density allowed by the zoning district, as shown in Table B6-6.

Table B6-6 Atwater Development Trends

Project Name	Total Units	Acreage	Density	Zoning District	Zoning District Density (du/ac)	Number of Units Allowed	Percent Density Achieved
Bell Crossing	188	40.43	4.65	Single-Family (low density)	5.81	234.90	80%
Nebula Drive Planned Development	127	28.34	4.48	Single-Family (low density)	5.81	164.66	77%
Sandstone Way Planned Development	122	30.85	3.95	Single-Family (low density)	5.81	179.24	68%
Pollitt Court Planned Development	11	2.33	4.72	Single-Family (low density)	5.81	13.54	81%
Atwater Average			4.45				77%
Regional Average			8.80				70%

B6.6.1 Realistic Development Capacity

To create a realistic development assumption, the City assumes that the development capacity on each site will be less than the full development capacity allowed by the parcel's zoning or land use designation. Sites do not always develop to their full capacity potential due to factors such as site-specific conditions and development standards such as open space or parking requirements. To determine a realistic development achievement on the sites in the inventory, the City reviewed pipeline and recently developed projects in the region. On average, the pipeline projects in Atwater

(Table B6-2) achieved an average density of ~~76-92~~ percent of the maximum density allowed on the site based on the site's zoning and development standards. As discussed in Chapter 4, *Regional Housing Resources*, the average ~~achieved-density~~density achieved for projects collectively in the region is 70 percent. Based on the local and regional trends, the city conservatively assumes the realistic capacity of each site would be 70 percent of the maximum allowable density in each zone and 50 percent for nonresidential zones that allow residential uses (i.e., RT, CC, and GC).

The Site Inventory includes parcels in ~~eight-seven~~ zoning districts with varying allowable densities and development standards. The City's Zoning Code classifies each site into the following zones:

- Residential Estate (R-E): This district allows for very low density single-family residential uses with one unit per 16,000 square feet of lot area, equal to a maximum residential density of 2.72 dwelling units per acre.
- Low Density Residential (R-1-6): This district allows for single-family residential uses with one unit per 6,000 square feet of lot area, equal to a maximum residential density of 7.26 dwelling units per acre.
- Mobile Home Park District (R-M): This district allows for mobile home parks with a residential density of 8.71 dwelling units per acre.
- High Density Residential (R-3-2.5): This district allows for multi-family residential uses with one unit per 2,500 square feet of lot area, equal to a maximum residential density of 17.42 dwelling units per acre.
- Residential Transition (R-T): This district allows for apartment and mixed-use developments with a maximum residential density of 21 units per acre.
- ~~Central Commercial (CC): This district allows for residential uses above the ground floor through a Conditional Use Permit, the maximum density is 15 units per acre.~~
- General Commercial (GC): This district allows for residential uses above the ground floor through a Conditional Use Permit, the maximum density is 15 units per acre.
- Planned Development (PD): This district allows for a variety of housing types based on parcel's General Plan Land Use designation, densities range from 5.81 to 43.56 units per acre.

The distribution of income levels among sites was determined by zone district and parcel size. It is typical for units in single-family zones to be affordable only to above moderate-income households. Within multi-family zones that have a higher density, units are more likely to be affordable to lower- and moderate-income households. Table B6-7 details the realistic capacity of available sites by zoning district.

Table B6-7 Realistic Capacity of Sites by Zoning District

Zoning District	Total Acreage	Maximum Density	Realistic Density	Lower- Income Units	Moderate Income- Units	Above Moderate- Income Units	Total Units
R-E	~~1.28~~ <u>20.14</u>	2.72	1.90	0	0	~~37~~ <u>26</u>	~~37~~ <u>26</u>
R-1-6	2.49	7.26	5.08	0	0	12	12
R-M	20.07	8.71	6.10	0	0	121	121
R-3-2.5	4.03	17.42	12.19	0	46	0	46
R-T	~~7.5~~ <u>95.06</u>	21	10.50	~~44~~ <u>30</u>	0	~~29~~ <u>37</u>	~~73~~ <u>67</u>
~~CC~~	~~1.82~~	~~15~~	~~7.50~~	~~0~~	~~3~~	~~7~~	~~10~~
GC	~~9.5~~ <u>92.39</u>	15	7.50	0	~~298~~	~~38~~ <u>13</u>	~~67~~ <u>21</u>

Zoning District	Total Acreage	Maximum Density	Realistic Density	Lower- Income Units	Moderate Income- Units	Above Moderate- Income Units	Total Units
PD	~~20~~ 136.09	varies	varies	~~150~~ 120	190	669813	839933
Total	~~67~~191.41			~~194~~155	9755	9131,017	1,2041,225

B6.6.2 Likelihood of 100 percent Nonresidential Uses on Sites

The City identifies ~~150-88~~ units on ~~33-22~~ sites in the R-T, ~~C-C~~, and G-C, zones that allow for 100 percent nonresidential uses. In accordance with State law, the housing element must consider the likelihood of nonresidential development on sites that allow for nonresidential uses. To determine likelihood, the City reviewed development that has occurred in nonresidential zones within the last five years. During this time period, there have not been any residential developments constructed in the R-T, ~~CC~~, and GC zones. Elsewhere in the San Joaquin Valley, residential uses occurred on approximately 18 percent of projects in mixed-use zones in the City of Visalia between 2019 and 2022. During the 5th cycle in Fresno County, the City of Reedley saw development on 16 mixed-use sites included in their Site Inventory. Of these sites, three were developed with residential use. As a result, regional trends indicate that residential uses occur in nonresidential zones on less than one quarter of projects.

The Site Inventory accounts for the likelihood of nonresidential uses being developed in zones that allow both residential and nonresidential uses by providing an adequate buffer of units in all income categories. If 100 percent of the sites in the R-T, ~~CC~~, and GC zones were developed with 100 percent nonresidential uses, the Site Inventory would still maintain a ~~45-14~~ percent buffer of lower-income units, an ~~80-28~~ percent buffer of moderate-income units, and a ~~57-33~~ percent buffer of above moderate-income units. Additionally, the inventory conservatively assumes a realistic allowable density of 10.5 dwelling units per acre in the R-T zone, and 7.5 dwelling units per acre in the ~~CC and GC zones~~. A maximum of 21 units per acre is allowed in the R-T zone and 15 units per acre in the ~~CC and GC zones~~; 50 percent of the maximum density allowed in each zone.

Table B6-8 shows regional residential projects within the last five years (i.e. 2019 through 2024) that have occurred in zones that allow for 100 percent nonresidential uses. As shown on the table, residential projects have generally averaged much higher densities (26 units per acre) than what is assumed on in the Site Inventory (7.5 - 10.5 units per acre). Residential projects in the region also generally achieved nearly 100 percent of their maximum allowable capacity for each zone. Projects that are similar in size, density, and affordability to the identified sites include SPR20-006, Corvina Duplexes, and Duplex at Murray & Encina. The majority of the other projects achieve higher densities on parcels of similar or larger sizes. Given these trends, the City believes that the conservative assumptions on R-T, ~~C-C~~, and G-C zoned sites account for the lower frequency of residential projects developing regionally in mixed-use zones.

Table B6-8 Residential Projects in Zones that allow 100 percent Nonresidential Uses

Jurisdiction	Project Name	Acres	Total Units	Dwelling Units Per Acre	Percent of Max Capacity	Income Category
Merced County						
Merced City	Childs Court Apartments	4.01	119	29.68	No Max Density	Very Low, Low
Merced City	3136 E Gerard Ave	9.44	200	21.19	No Max Density	Above Moderate
Merced City	Andrade Co.	1.33	24	18.05	No Max Density	Above Moderate
Merced County	SPR20-006	0.18	8	44.44	135%	Low
Livingston	Tierrasanta Villas	3.98	80	20.10	No Max Density	Very Low, Low
Tulare County						
Visalia	Corvina Duplexes	0.5	8	16.00	46%	Low
Visalia	Lofts at Fort Visalia	1.46	80	54.79	No Max Density	Very Low, Low
Visalia	Duplex at Murray & Encina	0.19	2	10.53	No Max Density	Low
Visalia	Rancho Colegio Affordable Housing	3.47	80	23.05	66%	Very Low, Low
Visalia	Camino Del Rio	3.12	94	30.13	86%	Very Low
Visalia	Senior Housing at N Highland	2.06	70	33.98	97%	Very Low
Visalia	Caldwell/Lovers Apartments	11.41	342	29.97	86%	Very Low, Low
Visalia	Demaree/Houston Apartments	7.62	243	31.89	91%	Very Low, Low
Visalia	Lovers Tulare Apartments	2.78	32	11.51	No Max Density	Low
Visalia	Cameron Creek Garden Units	4.81	30	6.24	18%	Moderate
Visalia	S Stonebrook St & W Cameron Ave	11.77	276	23.45	156%	Moderate
Fresno County						
Reedley	Paseo 55	1.76	55	31.25	108%	Moderate
Reedley	Reedley I Mixed Use	4.25	80	18.82	127%	Low
Reedley	Kashian Mixed Use: Workforce Housing	2.11	70	33.18	115%	Extremely Low
Kingsburg	Stone Plaza Mixed Use Project	0.28	10	35.71	145%	Above Moderate
Average		3.82	95.15	26.20	98%	

Although residential development is not the prevailing trend in mixed-use zones, the City anticipates that the selected sites have high potential of residential development. All sites included in the R-T, ~~C-C~~, and G-C zones are vacant and do not have existing uses that would impede development. Additionally, ~~Sites-sites~~ are generally located along the ~~City's-city's~~ main arterials (e.g. Atwater Boulevard and Bellevue Road) and are located in a pedestrian friendly environment with a close proximity to goods, services, and transportation.

Under Program 7, the City commits to expand affordable housing options across all income categories through contacting non-profit and private developers to facilitate housing production and pursue funding opportunities. The City will continue to evaluate all future mixed-use development to determine how often development has a residential component edits look good and make adjustments, as necessary, to maintain adequate sites throughout the planning period.

B6.7 Large Sites for Lower-Income Units

The Site Inventory identifies two large vacant sites (larger than 10 acres) that are expected to offer affordable housing opportunities for lower-income households. Both of these sites are currently zoned for nonresidential uses with a proposed rezone to R-3-1 to facilitate high density residential development. As discussed in Chapter 4, *Regional Housing Resources*, Merced County shows strong trends of residential development on large sites. However, these trends support market-rate development, while affordable units have typically occurred on smaller parcels. ~~As a result, the City conservatively assumed no more than 150 lower-income units on each site, which is consistent with typical state and federal funded developments. Additionally, though the sites are larger than 10 acres, the City conservatively assumed no more than 10 acres of residential development on each site.~~

The two large parcels with lower-income units are shown on Table B6-9. The first site is 10.0320 acres, slightly larger than the 10-acre threshold. The second site is ~~15.13~~14.49 acres. For this site, the City assumes a realistic capacity of 20 ~~to 30~~ units per acre, ~~which Twenty units per acre~~ is the minimum allowable density in the R-3-1 zone and much lower than the realistic capacity assumption for other adequately sized sites in the inventory (30 dwelling units per acre). These sites would likely need to be subdivided into appropriate sizes to accommodate development similar to typically state and federally funded developments (e.g., 50 to 150 units). These sites assume a mix of incomes to support a variety of housing types.

Table B6-9 Large Sites with Lower-Income Units

Address	APN	Zone	Acres	Existing Use	Lower-Income	Moderate-Income	Above Moderate-Income	Total Units
N Winton Way	150130025	R-3-1	10.0320	Vacant	150218	7762	7731	104311
Sycamore Ave	001146019	R-3-1	15.1314.49	Vacant	150309	7788	7744	104441

A summary of recent developments on large sites in the San Joaquin Valley is listed on Table B6-10. Market rate projects on large sites range from 12 to 58 acres and average approximately 188 units per site. Alternatively, projects with deed restricted units range from 10 to 120 acres and average approximately 291 units per site. Projects like the Ben Maddox-K property (292 lower-income units on 10.8 acres) and the Lovers-Caldwell property (342 lower-income units on 11.4 acres) in Tulare County demonstrate that large sites can support large numbers of deed-restricted units and best represent the two large sites included in the inventory.

While the site at N Winton Way exceeds 10 acres (site is approximately 10.320 acres), the total capacity is reasonably similar to typically developed affordable housing and is consistent with some larger affordable developments (e.g. greater than 150 units) in the San Joaquin Valley. For example, the Ben Maddox-K property (292 lower-income units on 10.8 acres) and the Lovers-Caldwell property (342 lower-income units on 11.4 acres) are similar size to N Winton Way yet yield significantly more affordable units than what is assumed on the site. Given the wide range of

development trends on large sites in the region, the City anticipates that the assumed capacities on these large ~~the four large~~ sites are realistic.

Table B6-10 Summary of Recent Developments on Large Sites in San Joaquin Valley

Project	Acres	Deed-Restricted Units	Market Rate Units	Total Units
Merced County				
Bell Crossing	40.43	0	188	188
Nebela Drive	28.34	0	127	127
Sandstone Way	30.85	0	122	122
Manzanita	51.33	0	213	213
Sundance Village	21.63	0	97	97
The Villas	58.95	0	231	231
Westbrook	37.81	0	162	162
Stoneridge South	29.75	0	160	160
Yosemite Village Apartments	11.98	0	220	220
Bruno Apartments	10.73	0	164	164
Maracor Development, Inc.	13.50	0	396	396
Yosemite Crossing	21.50	0	96	96
Linc Housing	36.00	54	0	54
Merced Crossing Annexation (Pending)	28.60	65	455	520
Rogina Annexation	147.40	50	350	400
M Street Annexation	37.00	25	175	200
University Vista Annexation	290.60	44	306	350
Virginia Smith Trust (VST) Specific Plan (Merced County Project)	654.00	325	2,215	2,540
Average	86.13	31.28	315.39	347
Tulare County				
the Ben Maddox-K	10.80	292	3	295
Lovers-Caldwell	11.40	342	4	346
Cambria	12.80	0	144	144
Hillside Estates	28.50	0	75	75
Average	15.88	159	57	215
Fresno County				
Fancher Creek Town Center	91.00	420	240	660
The Vineyards	38.90	158	0	158
West Creek Village	120.0	120	135	255
Parc Grove Commons	24.00	213	2	215
Campus Pointe	27.50	0	550	550
Avalon Commons	17.80	104	1	105
Average	53.20	169	155	324
Regional Average	35.49	109	125	234

To facilitate and incentivize affordability units on these large sites, the City will implement Program 2 through the following actions:

- Provide technical assistance, incentives, and strategies as appropriate to facilitate development of affordable housing, including parceling at appropriate sizes or other site planning tools such as clustered development, allowing flexibility for the transferring of densities within the property.
- Promote the potential subdivision of large sites into multiple parcels for future development through technical assistance, incentives, and strategies during the development phases and when applications are submitted the City for the identified parcels.
- Annually meet with property owners and developers to encourage the development of mixed income housing with a mix of unit sizes, types, and prices.
- Promote the development of large sites at the densities and affordability levels identified within the housing element.
- Allow the development in phases within 8 years of the Housing Element planning period.
- Offer expedited processing and fee deferrals, reductions, or waivers for affordable units in development on large sites identified in the Site Inventory.

B6.7.1 Subdivision Process for Large Sites

To facilitate residential development on these sites, large parcels may be subdivided by utilizing the City's Tentative Subdivision Map entitlement process, as detailed in Title 16 of the City's Municipal Code. The review process requires a complete Uniform Development Application submitted to the Community Development Department. City requirements for these actions parallel State Subdivision Map Act requirements. For projects that require separate ownership parcels, a subdivision is required to establish the land division. The subdivision process is subject to Permit Streamlining Act requirements, but also usually requires CEQA review and can take up to a year to complete. The City follows the approval and disapproval findings of the Government Code section 66474. These are as follows:

- The subdivision must be consistent with applicable general and specific plans.
- The site must be physically suitable for the type of development and the proposed density of development.
- The design of the subdivision or the proposed improvements are not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat.
- The design of the subdivision or type of improvements is not likely to cause serious public health problems.

The City Planning Commission is designated as the "advisory agency" and is authorized to approve, conditionally approve, or disapprove tentative maps of subdivisions. The City Council may overrule or modify any ruling or determination of the Planning Commission in regard to a tentative map and may make conditional exceptions if special circumstances pertaining to the property involved justify a variance.

Program 2 will promote and incentivize the subdivision of large sites to create parcels at appropriate sizes to support affordable housing projects. Incentives would potentially include, expedited approval of lot splits or creation of new parcels; waiving of the public hearing requirement related to parcel maps; waiving of the public hearing requirement related to approval of large multifamily

uses (provided the project is affordable by deed-restriction), additional density bonus, lot coverage, or allowable height; and fee waivers, reductions, or deferral. By the end of 2027, if development of housing is not feasible on these large sites, within 6 months (by July 2028) the City will identify additional incentives and planning tools or alternative strategies if necessary to ensure adequate capacity for the RHNA.

B6.8 Site Inventory

The Site Inventory lists all sites or parcels that are intended to accommodate residential development in fulfillment of Atwater's RHNA. The inventory is broken up into seven distinct geographic areas of the city:

- Buhach
- Castle Garden
- Downtown Atwater
- Fluhr
- McSwain
- North Atwater
- Sierra Vista

The sites included in the inventory are listed in Table B6-11, Table B6-12, and . The following items are included for each site in the column heading order from left to right:

- Map Identification number (a unique reference number assigned by the city to reference the parcel on each map)
- Address or nearest cross street
- APN (Government Code Section 65583.2(b)(1))
- Size in acres (Government Code Section 65583.2(b)(2))
- General Plan land use designation (Government Code Section 65583.2(b)(2))
- Zoning designation (Government Code Section 65583.2(b)(2))
- Description of existing uses (Government Code Section 65583.2(b)(3))
- Minimum allowable density by zone
- Maximum allowable density by zone
- Inventoried income level (units appropriate for lower-, moderate-, above moderate-income households) (Government Code Section 65583.2(c))
- Total number of units realistically assumed on the site
- Opportunity category as designated by the California Tax Credit Allocation Committee (TCAC)⁷

The current zoning of the selected sites is shown geographically in Figure B6-2 and the proposed zoning of the selected sites is shown in Figure B6-3. There are no known barriers outside of financing that would preclude development of these parcels in the planning period.

⁷ Resource levels designated by TCAC/HCD denote access to economic and educational opportunities such as low-cost transportation, jobs, and high-quality schools and the quality of environmental factors in the area such as proximity to hazards and air quality. TCAC has a composite opportunity score for each census tract. Source: <https://www.treasurer.ca.gov/ctcac/opportunity/2023/methodology.pdf>

These sites are also assessed by TCAC Opportunity area which range from areas of High Segregation and Poverty to the Highest Resource areas. The more positive economic, educational, and health outcomes for low-income families—particularly long-term outcomes for children, the higher the score. The scores in each neighborhood are listed below and a breakdown of each opportunity category is discussed in Chapter A5, *Assessment of Fair Housing*.

Buhach

Buhach is bounded by East Juniper Avenue to the north, city boundaries to the south and east, and Shaffer Road to the west. This area primarily consists of low density residential and commercial zones. Buhach is in an area of minimal flood hazard⁸. This neighborhood can accommodate seven sites with an assumed capacity of 141 above moderate-income units. All sites are in an area of the city that has a TCAC designation of High or Highest Resource. Through rezoning ~~nine~~ onefour sites ~~from low-density, commercial and institutional, and business park to high-density, medium-density, and low-density~~ residential, Buhach can accommodate an additional ~~237~~ 43 lower-income units, ~~89~~ 11 ~~198~~ moderate-income units, and ~~122~~ five ~~119~~ above moderate-income units. Overall, this totals to ~~237~~ 43 low-income units, ~~89~~ 11 moderate-income units, and ~~263~~ 260 ~~146~~ above moderate-income units in this neighborhood.

Castle Gardens

Castle Gardens is bounded by East Bellevue Road to the north, East Juniper Avenue to the south, city boundaries to the east, and Shaffer Road to the west. This area primarily consists of single-family residential zone. Castle Gardens is in an area of minimal flood hazard. Castle Gardens can accommodate ~~five~~ four sites with an assumed capacity of ~~136~~ 129 above moderate-income units. All sites are in areas of the city that have a TCAC designation of High Resource. ~~Through rezoning one site from low-density to high-density residential, Castle Gardens can accommodate an additional 37 lower income units, 15 moderate income units, and 21 above moderate income units. Overall, this totals to 37 low income units, 15 moderate income units, and 157 above moderate income units in this neighborhood.~~

Downtown Atwater

Downtown Atwater is bounded by Juniper Avenue to the north, Highway 99 to the south, Shaffer Road to the east, and North Winton Way to the west. This neighborhood primarily consists of residential transition, high-density residential, and commercial zones. Downtown Atwater is in an area of minimal flood hazard. Downtown Atwater can accommodate ~~21~~ 14 sites with an assumed capacity of ~~44~~ 30 lower-income units, ~~9~~ 6 moderate-income units, and ~~32~~ 33 above moderate-income units. All sites are in areas of the city that have a TCAC designation of Moderate Resource.

Fluhr

Fluhr is bounded by city boundaries to the north and east, Bellevue Road to the south, and North Winton Way to the west. This neighborhood primarily consists of residential estates and single family residential zones. Fluhr is in an area of minimal flood hazard. Fluhr can accommodate ~~68~~ 64 sites with an assumed capacity of ~~150~~ 120 lower-income units, ~~66~~ 22 moderate-income units, and ~~585~~ 700 above moderate-income units. All sites are in areas of the city that have a TCAC designation of Highest Resource. Through rezoning two sites from commercial to high-density residential, Fluhr

⁸ The city has the Flood Hazard designation of "X". Zone X is the area determined to be outside the 500-year flood and protected by levee from 100- year flood.

can accommodate an additional ~~190-265~~ lower-income units, ~~90-75~~ moderate-income units, and ~~90-37~~ above moderate-income units. Overall, this ~~totals to~~ ~~totals~~ ~~340-385~~ lower-income units, ~~156-97~~ moderate-income units, and ~~675-737~~ above moderate-income units in this neighborhood.

McSwain

McSwain is bounded by Highway 99 and Atwater to the north, and city boundaries to the south, east, and west. This neighborhood primarily consists of business parks and single-family planned developments. McSwain is in an area of minimal flood hazard. ~~McSwain can accommodate one site with an assumed capacity of two above moderate-income units. All sites are in areas of the city that have a TCAC designation of Highest Resource.~~ Through rezoning ~~21-12~~ sites ~~from low density residential and~~ business park to high-density residential, McSwain can accommodate ~~an additional~~ ~~916-817~~ low-income units, ~~329-229~~ moderate-income units, and ~~337-111~~ above moderate-income units. ~~Overall, this totals to 916 lower-income units, 329 moderate-income units, and 339 above moderate income units in this neighborhood.~~

North Atwater

North Atwater is bounded by Bellevue Road to the north, Juniper Avenue to the south, Shaffer Road to the east, and North Winton Way to the west. This neighborhood primarily consists of single-family zones, with some commercial and high-density residential zones. North Atwater is in an area of minimal flood hazard. North Atwater can accommodate nine sites with an assumed capacity of ~~four~~ ~~eight~~ moderate-income units and ~~13-15~~ above moderate-income units. All sites are in areas of the city that have a TCAC designation of High Resource. ~~Through rezoning one site from low density residential to high density residential, North Atwater can accommodate an additional 27 lower-income units, 11 moderate income unit, and 15 above moderate income units. Overall, this totals to~~ ~~totals~~ ~~27 low-income units, 15 moderate-income unit, and 28 above moderate-income units in this neighborhood.~~

Sierra Vista

Sierra Vista is bounded by city boundaries to the north and west, Atwater Avenue to the south, and North Winton Way to the east. This neighborhood primarily consists of single-family residential zones, with some medium and high density and commercial zones closer to Highway 99. Sierra Vista is in an area of minimal flood hazard. Sierra Vista can accommodate ~~four~~ ~~three~~ sites with an assumed capacity of 18 moderate-income units and four above moderate-income units. All sites are in areas of the city that have a TCAC designation of High Resource. Through rezoning two sites from commercial to high-density residential, Sierra Vista can accommodate an additional ~~33-40~~ lower-income units, ~~11-10~~ moderate-income units, and ~~11~~ ~~four~~ above moderate-income units. Overall, this ~~totals to~~ ~~totals~~ ~~33-40~~ low-income units, ~~29-28~~ moderate-income units, and ~~15~~ ~~eight~~ above moderate-income units in this neighborhood.

Figure B6-2 Atwater Site Inventory (Current Zoning)

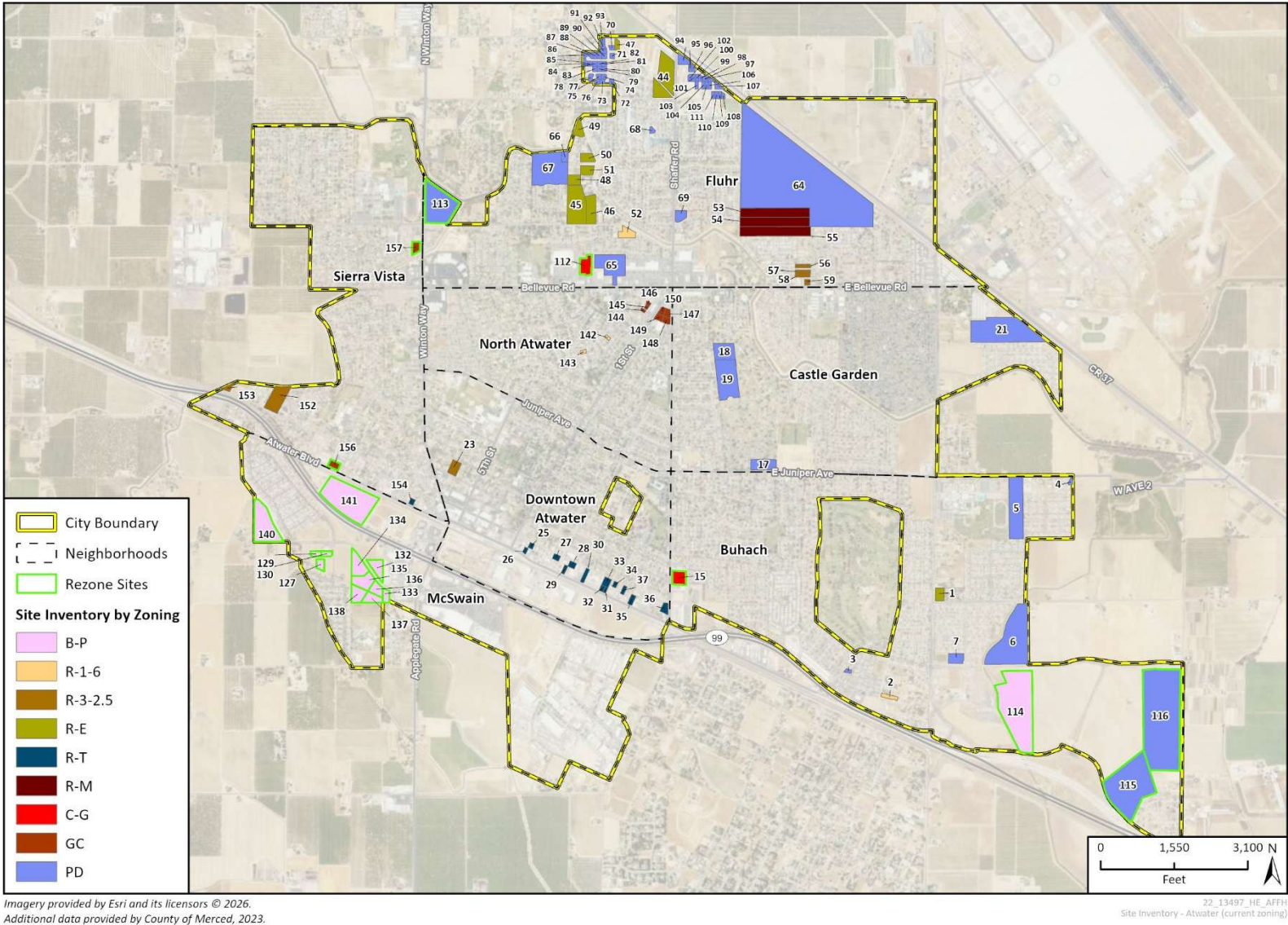
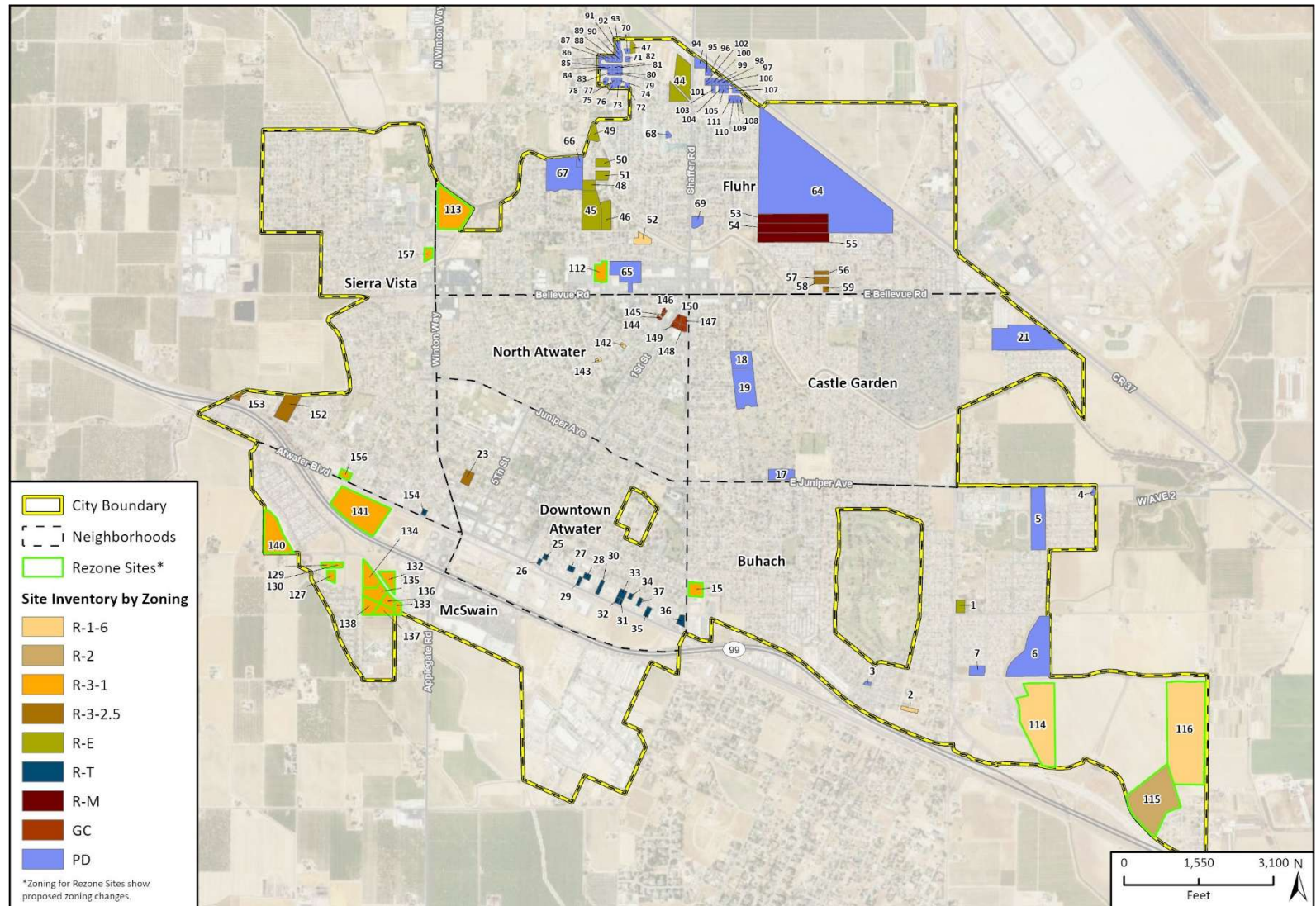


Figure B6-3 Atwater Site Inventory (Proposed Zoning)



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 Additional data provided by County of Merced, 2023.

22_13497_HE_AFFH
 Site Inventory - Atwater (proposed zoning)

Table B6-11 Atwater Site Inventory – Opportunity Sites

Map ID	Site Address or Street	APN	Acres	Land Use	Zoning	Current Use	Minimum Density	Maximum Density	Lower-Income Capacity	Moderate-Income Capacity	Above Moderate-Income Capacity	Total Capacity	TCAC Opportunity Category
Buhach													
1	1901 Avenue One	005410003	1.13	Very Low Density	R-E	Vacant	0	2.72	0	0	2	2	Highest Resource
2	5 Sherry Ln	004120011	0.63	Low Density	R-1-6	Vacant	0	7.26	0	0	3	3	High Resource
3	709 Rancho Vista Rd	004320038	0.25	Low Density	P-D(9)	vacant	4.36	7.26	0	0	1	1	High Resource
4	1840 De La Guerra Way	005442015	0.25	Low Density	P-D(25)	vacant	4.36	7.26	0	0	1	1	Highest Resource
5	W Avenue 2	005080039	8.74	Low Density	P-D(25)	vacant	4.36	7.26	0	0	44	44	Highest Resource
6	Green Sands Ave	005110038	16.40	Low Density	P-D(31)	Agriculture	4.36	7.26	0	0	83	83	Highest Resource
7	Green Sands Ave & Camrose St	005552011	1.38	Low Density	P-D(31)	Vacant	4.36	7.26	0	0	7	7	Highest Resource
Total			28.78						0	0	141	141	
Castle Garden													
17	Sierra Madre Dr & E Juniper Ave	004310006	2.81	Low Density	P-D(22)	vacant	4.36	7.26	0	0	14	14	High Resource
18	Cascade Dr	004310013	2.51	Low Density	P-D(22)	vacant	4.36	7.26	0	0	12	12	High Resource
19	421 Mojave Ct	004310011	6.00	Low Density	P-D(22)	vacant	4.36	7.26	0	0	30	30	High Resource
~~20~~	~~2274 Nebula Dr~~	~~005463010~~	~~1.11~~	~~Low Density~~	~~P-D(29)~~	~~vacant~~	~~4.36~~	~~7.26~~	~~0~~	~~0~~	~~5~~	~~5~~	~~High Resource~~
21	Nebula Dr	005070052	14.83	Low Density	P-D(29)	vacant	4.36	7.26	0	0	~~75~~ 73	~~75~~ 73	High Resource

Merced County Association of Governments
Merced County Multi-Jurisdictional Housing Element (2024-2032)

Map ID	Site Address or Street	APN	Acres	Land Use	Zoning	Current Use	Minimum Density	Maximum Density	Above			Total Capacity	TCAC Opportunity Category
									Lower-Income Capacity	Moderate-Income Capacity	Moderate-Income Capacity		
Total			27.262 6.15						0	0	136129	136129	
Downtown													
23	1601 Drakeley Ave	002182010	0.50	Residential Transition	R-3-2.5	Vacant	0	17.42	0	6	0	6	Moderate Resource
24	980 Cedar Ave	003071001	0.40	Residential Transition	R-T	vacant	0	21	0	0	4	4	Moderate Resource
25	Broadway Ave and First St	003074005	0.26	Downtown	R-T	vacant	0	21	0	0	23	23	Moderate Resource
26	Atwater Blvd and First St	003074018	0.22	Downtown	R-T	vacant	0	21	0	0	23	23	Moderate Resource
27	Broadway Ave and High St	003074033	0.37	Downtown	R-T	vacant	0	21	0	0	35	35	Moderate Resource
28	Broadway Ave and High St	003076006	0.42	Downtown	R-T	vacant	0	21	0	0	46	46	Moderate Resource
29	675 Atwater Blvd	003076010	0.30	Downtown	R-T	vacant	0	21	0	0	34	34	Moderate Resource
30	500 Broadway	003082002	0.54	Downtown	R-T	vacant	0	21	57	0	0	57	Moderate Resource
31	431 Atwater Blvd	003084007	0.17	Downtown	R-T	vacant	0	21	0	0	12	12	Moderate Resource
32	435 Atwater Blvd	003084008	0.26	Downtown	R-T	vacant	0	21	0	0	23	23	Moderate Resource
33	444 Broadway Ave	003084010	0.50	Downtown	R-T	vacant	0	21	57	0	0	57	Moderate Resource
34	400 Broadway Ave	003084012	0.23	Downtown	R-T	vacant	0	21	0	0	23	23	Moderate Resource
35	Atwater Blvd	003093018	0.50	Downtown	R-T	vacant	0	21	57	0	0	57	Moderate Resource

City of Atwater
Housing Resources and Site Inventory Analysis

Map ID	Site Address or Street	APN	Acres	Land Use	Zoning	Current Use	Minimum Density	Maximum Density	Lower-Income Capacity	Moderate-Income Capacity	Above Moderate-Income Capacity	Total Capacity	TCAC Opportunity Category
36	135 Broadway Ave	003093026	0.68	Downtown	R-T	vacant	0	21	~~79~~	0	0	~~79~~	Moderate Resource
37	358 Broadway Ave	003093029	0.32	Downtown	R-T	vacant	0	21	0	0	~~34~~	~~34~~	Moderate Resource
~~38~~	~~477 Atwater Blvd~~	~~003084001~~	~~2.14~~	~~Downtown~~	~~R-T~~	~~Vacant~~	~~0~~	~~21~~	~~22~~	~~0~~	~~0~~	~~22~~	~~Moderate Resource~~
~~39~~	~~Drakeley Ave & Seventh St~~	~~2201005~~	~~0.2~~	~~Downtown Residential~~	~~CC~~	~~vacant~~	~~0~~	~~15~~	~~0~~	~~0~~	~~1~~	~~1~~	~~Moderate Resource~~
~~40~~	~~Cedar Ave & 4th Street~~	~~2207004~~	~~0.32~~	~~Downtown Residential~~	~~CC~~	~~vacant~~	~~0~~	~~15~~	~~0~~	~~1~~	~~1~~	~~2~~	~~Moderate Resource~~
~~41~~	~~Broadway Ave & 5th St~~	~~2207007~~	~~0.44~~	~~Downtown Residential~~	~~CC~~	~~vacant~~	~~0~~	~~15~~	~~0~~	~~1~~	~~2~~	~~3~~	~~Moderate Resource~~
~~42~~	~~1039 ATWATER BLVD~~	~~2219010~~	~~0.38~~	~~Downtown Residential~~	~~CC~~	~~vacant~~	~~0~~	~~15~~	~~0~~	~~1~~	~~1~~	~~2~~	~~Moderate Resource~~
~~43~~	~~1298 ATWATER BLVD~~	~~3170004~~	~~0.22~~	~~Downtown Residential~~	~~CC~~	~~vacant~~	~~0~~	~~15~~	~~0~~	~~0~~	~~1~~	~~1~~	~~Moderate Resource~~
Total			~~9.375~~						~~4430~~	~~96~~	~~3233~~	~~8569~~	
Fluhr			~~27~~										
44	Gertrude Ave & Camellia Dr	150110021	7.18	Very Low Density	R-E	Vacant	0	2.72	0	0	13	13	Highest Resource
45	877 Fruitland Ave	150150007	3.50	Very Low Density	R-E	Vacant	0	2.72	0	0	~~63~~	~~63~~	Highest Resource
46	Heather Glen Ln & Fruitland Ave	150150025	2.85	Very Low Density	R-E	Vacant	0	2.72	0	0	~~53~~	~~53~~	Highest Resource
47	Caron Ct	150320044	0.53	Very Low Density	R-E	Vacant	0	2.72	0	0	1	1	Highest Resource
48	3177 Heather Glen Ln	150340001	1.32	Very Low Density	R-E	Vacant	0	2.72	0	0	~~21~~	~~21~~	Highest Resource

Merced County Association of Governments
Merced County Multi-Jurisdictional Housing Element (2024-2032)

Map ID	Site Address or Street	APN	Acres	Land Use	Zoning	Current Use	Minimum Density	Maximum Density	Lower-Income Capacity	Moderate-Income Capacity	Above Moderate-Income Capacity	Total Capacity	TCAC Opportunity Category
49	3277 Heather Glen Ln	150340006	1.22	Very Low Density	R-E	Vacant	0	2.72	0	0	~~21~~	~~21~~	Highest Resource
50	3216 Heather Glen Ln	150340008	1.19	Very Low Density	R-E	Vacant	0	2.72	0	0	~~21~~	~~21~~	Highest Resource
51	3196 Heather Glen Ln	150340010	1.21	Very Low Density	R-E	Vacant	0	2.72	0	0	~~21~~	~~21~~	Highest Resource
52	500 Fruitland Ave	150190010	1.46	Very Low Density	R-1-6	Vacant	0	7.26	0	0	7	7	Highest Resource
53	Crest Rd	156060002	6.61	High Density	R-M	Agriculture	0	8.71	0	0	40	40	Highest Resource
54	Crest Rd	156060003	6.68	High Density	R-M	Agriculture	0	8.71	0	0	40	40	Highest Resource
55	Crest Rd	156060004	6.78	High Density	R-M	Agriculture	0	8.71	0	0	41	41	Highest Resource
56	2815 Crest Rd	156070024	0.53	High Density	R-3-2.5	vacant	0	17.42	0	6	0	6	Highest Resource
57	2791 Crest Rd	156070026	0.44	High Density	R-3-2.5	vacant	0	17.42	0	5	0	5	Highest Resource
58	2775 Crest Rd	156070027	0.63	High Density	R-3-2.5	vacant	0	17.42	0	7	0	7	Highest Resource
59	991 E Bellevue Rd	156070030	0.33	High Density	R-3-2.5	vacant	0	17.42	0	4	0	4	Highest Resource
60	337 E Bellevue Rd	156060009	3.66	Commercial	GC	vacant	0	15	0	13	14	27	Highest Resource
61	E Bellevue Rd & Fruitland Ave	156060013	1.69	Commercial	GC	vacant	0	15	0	6	6	12	Highest Resource
62	255 E Bellevue Rd	156060014	1.00	Commercial	GC	vacant	0	15	0	3	4	7	Highest Resource

City of Atwater
Housing Resources and Site Inventory Analysis

Map ID	Site Address or Street	APN	Acres	Land Use	Zoning	Current Use	Minimum Density	Maximum Density	Lower-Income Capacity	Moderate-Income Capacity	Above Moderate-Income Capacity	Total Capacity	TCAC Opportunity Category
63	273 E Bellevue Rd	156060023	0.85	Commercial	GC	vacant	0	15	0	3	3	6	Highest Resource
64	5451 N Crest	156010002	~~51.408~~ 6.48	Low Density	P-D	Agriculture	4.36	7.26	0	0	~~261438~~	~~26143~~ 8	Highest Resource
65	Redwood Ave	150190038 *	6.20	High Density	P-D(4)	vacant	29.04	43.56	~~50120~~	~~190~~	~~190~~	~~18812~~ 0	Highest Resource
66	Champagne Dr	150150026	0.71	Low Density	P-D(7)	vacant	4.36	7.26	0	0	3	3	Highest Resource
67	Champagne Dr	150150027	11.00	Low Density	P-D(7)	vacant	4.36	7.26	0	0	55	55	Highest Resource
68	179 Crows Nest Ct	150280041	0.28	Medium Density	P-D(16)	vacant	8.71	14.52	0	0	2	2	Highest Resource
69	Shaffer Road & East Manzanita Drive	156131053	1.16	Medium Density	P-D(16)	vacant	8.71	14.52	0	0	~~114~~	~~114~~	Highest Resource
70	3580 Leah Way	150350002	0.26	Very Low Density	P-D(27)	vacant	0	5.81	0	0	1	1	Highest Resource
71	3570 Leah Way	150350003	0.26	Very Low Density	P-D(27)	vacant	0	5.81	0	0	1	1	Highest Resource
72	3520 Leah Way	150350008	0.27	Very Low Density	P-D(27)	vacant	0	5.81	0	0	1	1	Highest Resource
73	3521 Leah Way	150350009	0.27	Very Low Density	P-D(27)	vacant	0	5.81	0	0	1	1	Highest Resource
74	3531 Leah Way	150350010	0.26	Very Low Density	P-D(27)	vacant	0	5.81	0	0	1	1	Highest Resource
75	3530 Jenna Ct	150350011	0.26	Very Low Density	P-D(27)	vacant	0	5.81	0	0	1	1	Highest Resource
76	3520 Jenna Ct	150350012	0.26	Very Low Density	P-D(27)	vacant	0	5.81	0	0	1	1	Highest Resource

Merced County Association of Governments
Merced County Multi-Jurisdictional Housing Element (2024-2032)

Map ID	Site Address or Street	APN	Acres	Land Use	Zoning	Current Use	Minimum Density	Maximum Density	Lower-Income Capacity	Moderate-Income Capacity	Above Moderate-Income Capacity	Total Capacity	TCAC Opportunity Category
77	3531 Jenna Ct	150350013	0.33	Very Low Density	P-D(27)	vacant	0	5.81	0	0	1	1	Highest Resource
78	475 Joshua Ct	150350017	0.25	Very Low Density	P-D(27)	vacant	0	5.81	0	0	1	1	Highest Resource
79	465 Joshua Ct	150350018	0.25	Very Low Density	P-D(27)	vacant	0	5.81	0	0	1	1	Highest Resource
80	455 Joshua Ct	150350019	0.25	Very Low Density	P-D(27)	vacant	0	5.81	0	0	1	1	Highest Resource
81	454 Aaron Ct	150350020	0.25	Very Low Density	P-D(27)	vacant	0	5.81	0	0	1	1	Highest Resource
82	464 Aaron Ct	150350021	0.25	Very Low Density	P-D(27)	vacant	0	5.81	0	0	1	1	Highest Resource
83	474 Aaron Ct	150350022	0.25	Very Low Density	P-D(27)	vacant	0	5.81	0	0	1	1	Highest Resource
84	484 Aaron Ct	150350023	0.25	Very Low Density	P-D(27)	vacant	0	5.81	0	0	1	1	Highest Resource
85	494 Aaron Ct	150350024	0.32	Very Low Density	P-D(27)	vacant	0	5.81	0	0	1	1	Highest Resource
86	495 Aaron Ct	150350025	0.26	Very Low Density	P-D(27)	vacant	0	5.81	0	0	1	1	Highest Resource
87	485 Aaron Ct	150350026	0.27	Very Low Density	P-D(27)	vacant	0	5.81	0	0	1	1	Highest Resource
88	475 Aaron Ct	150350027	0.28	Very Low Density	P-D(27)	vacant	0	5.81	0	0	1	1	Highest Resource
89	465 Aaron Ct	150350028	0.28	Very Low Density	P-D(27)	vacant	0	5.81	0	0	1	1	Highest Resource
90	455 Aaron Ct	150350029	0.29	Very Low Density	P-D(27)	vacant	0	5.81	0	0	1	1	Highest Resource

City of Atwater
Housing Resources and Site Inventory Analysis

Map ID	Site Address or Street	APN	Acres	Land Use	Zoning	Current Use	Minimum Density	Maximum Density	Lower-Income Capacity	Moderate-Income Capacity	Above Moderate-Income Capacity	Total Capacity	TCAC Opportunity Category
91	3571 Leah Way	150350030	0.31	Very Low Density	P-D(27)	vacant	0	5.81	0	0	1	1	Highest Resource
92	3581 Leah Way	150350031	0.27	Very Low Density	P-D(27)	vacant	0	5.81	0	0	1	1	Highest Resource
93	3591 Leah Way	150350032	0.29	Very Low Density	P-D(27)	vacant	0	5.81	0	0	1	1	Highest Resource
94	Crest Dr. and Santa Fe Dr.	156010004	1.06	Low Density	P-D(28)	vacant	4.36	7.26	0	0	5	5	Highest Resource
95	131 Jeanna Ct	156160004	0.25	Low Density	P-D(28)	vacant	4.36	7.26	0	0	1	1	Highest Resource
96	141 Jeanna Ct	156160005	0.24	Low Density	P-D(28)	vacant	4.36	7.26	0	0	1	1	Highest Resource
97	180 Jeanna Ct	156160007	0.39	Low Density	P-D(28)	vacant	4.36	7.26	0	0	1	1	Highest Resource
98	170 Jeanna Ct	156160008	0.25	Low Density	P-D(28)	vacant	4.36	7.26	0	0	1	1	Highest Resource
99	160 Jeanna Ct	156160009	0.26	Low Density	P-D(28)	vacant	4.36	7.26	0	0	1	1	Highest Resource
100	150 Jeanna Ct	156160010	0.25	Low Density	P-D(28)	vacant	4.36	7.26	0	0	1	1	Highest Resource
101	140 Jeanna Ct	156160011	0.25	Low Density	P-D(28)	vacant	4.36	7.26	0	0	1	1	Highest Resource
102	130 Jeanna Ct	156160012	0.28	Low Density	P-D(28)	vacant	4.36	7.26	0	0	1	1	Highest Resource
103	151 Kelly Ct	156160015	0.25	Low Density	P-D(28)	vacant	4.36	7.26	0	0	1	1	Highest Resource
104	171 Kelly Ct	156160017	0.25	Low Density	P-D(28)	vacant	4.36	7.26	0	0	1	1	Highest Resource

Merced County Association of Governments
Merced County Multi-Jurisdictional Housing Element (2024-2032)

Map ID	Site Address or Street	APN	Acres	Land Use	Zoning	Current Use	Minimum Density	Maximum Density	Above				TCAC Opportunity Category
									Lower-Income Capacity	Moderate-Income Capacity	Moderate-Income Capacity	Total Capacity	
105	181 Kelly Ct	156160018	0.25	Low Density	P-D(28)	vacant	4.36	7.26	0	0	1	1	Highest Resource
106	191 Kelly Ct	156160019	0.25	Low Density	P-D(28)	vacant	4.36	7.26	0	0	1	1	Highest Resource
107	211 Kelly Ct	156160021	0.45	Low Density	P-D(28)	vacant	4.36	7.26	0	0	1	1	Highest Resource
108	230 Kelly Ct	156160023	0.22	Low Density	P-D(28)	vacant	4.36	7.26	0	0	1	1	Highest Resource
109	220 Kelly Ct	156160024	0.25	Low Density	P-D(28)	vacant	4.36	7.26	0	0	1	1	Highest Resource
110	210 Kelly Ct	156160025	0.25	Low Density	P-D(28)	vacant	4.36	7.26	0	0	1	1	Highest Resource
111	200 Kelly Ct	156160026	0.25	Low Density	P-D(28)	vacant	4.36	7.26	0	0	1	1	Highest Resource
Total			~~132.59~~ <u>125.39</u>						~~50~~ <u>120</u>	~~66~~ <u>22</u>	~~58~~ <u>5700</u>	~~80~~ <u>184</u> <u>2</u>	
McSwain													
~~120~~	~~Simon St~~	~~056540004~~	~~1.14~~	~~Very Low Density~~	~~R-E~~	~~Vacant~~	~~0~~	~~2.72~~	~~0~~	~~0~~	~~2~~	~~2~~	~~Highest Resource~~
Total			~~1.14~~						~~0~~	~~0~~	~~2~~	~~2~~	
North Atwater													
142	2336 Palm Ave	002242005	0.19	Low Density	R-1-6	Vacant	0	7.26	0	0	1	1	High Resource
143	2326 Linden St	002241019	0.21	Low Density	R-1-6	Vacant	0	7.26	0	0	1	1	High Resource
144	Fortuna Ave & Alabama St	2253034	0.16	Commercial	GC	vacant	0	15	0	0	1	1	High Resource
145	Fortuna Ave & Alabama St	2253035	0.14	Commercial	GC	vacant	0	15	0	0	1	1	High Resource

City of Atwater
Housing Resources and Site Inventory Analysis

Map ID	Site Address or Street	APN	Acres	Land Use	Zoning	Current Use	Minimum Density	Maximum Density	Lower-Income Capacity	Moderate-Income Capacity	Above Moderate-Income Capacity	Total Capacity	TCAC Opportunity Category
146	Fortuna Ave & Alabama St	2253036	0.17	Commercial	GC	vacant	0	15	0	0	1	1	High Resource
147	Elberta Ave & Shaffer Rd	3211009	0.5	Commercial	GC	vacant	0	15	0	~~12~~	~~23~~	~~35~~	High Resource
148	Elberta Ave & Shaffer Rd	3211010	0.49	Commercial	GC	vacant	0	15	0	~~12~~	~~23~~	~~35~~	High Resource
149	Fortuna Ave & 1st St	3211011	0.47	Commercial	GC	vacant	0	15	0	~~12~~	2	~~34~~	High Resource
150	2670 First St	3211012	0.46	Commercial	GC	vacant	0	15	0	~~12~~	2	~~34~~	High Resource
Total			2.79						0	48	~~13~~15	~~17~~23	
Sierra Vista													
152	2651 Olive Ave	001051003	1.14	Medium Density	R-3-2.5	Vacant	0	17.42	0	13	0	13	High Resource
153	Olive Ave & Wedel Ave	001054001	0.47	Medium Density	R-3-2.5	vacant	0	17.42	0	5	0	5	High Resource
154	1763 Atwater Blvd	001113017	0.29	Residential Transition	R-T	vacant	0	21	0	0	~~34~~	~~34~~	High Resource
~~155~~	~~1385 Winton Way~~	~~1104001~~	~~0.26~~	~~Commercial~~	~~CC~~	~~vacant~~	~~0~~	~~15~~	~~0~~	~~0~~	~~1~~	~~1~~	~~High Resource~~
Total			2.15						0	18	4	22	
Atwater Total									~~94~~150	~~97~~54	~~131~~,022	~~1,204~~1,226	

*Assuming no more than 150 lower-income units.

B6.8.1 Rezone Sites

To accommodate this shortfall of capacity, the City is obligated to rezone land suitable to facilitate the development of the listed rezone sites. The City of Atwater anticipates beginning the rezone process with outreach and public hearings for all properties included in the Sites Inventory following adoption of the Housing Element. The City anticipates adoption of the rezonings by ~~January 31, 2025~~ Spring 2026. Approximately ~~85,541~~ 85,541 acres of properties to accommodate ~~2,581,769~~ 1,948,647 housing units will be rezoned concurrently with the adoption of this Housing Element.

The Site Inventory includes ~~36,172~~ 36,172 sites that will be rezoned to facilitate additional residential development. The sites will be rezoned from low density residential, planned development, general commercial and business park zones to high-density, medium-density, and low-density residential with a maximum density of 43.56 dwelling units per acre. These sites encompass ~~85,541~~ 85,541 acres and can accommodate a total of ~~1,440,165~~ 1,440,165 lower-income units, ~~545,325~~ 545,325 moderate-income units, and ~~596,157~~ 596,157 above moderate-income units. Rezone sites are distributed among ~~six-four~~ neighborhoods, as seen in Figure B6-2. Table B6-12 summarizes the acreage and unit assumptions for sites proposed for rezoning per neighborhood.

The rezoned sites shall include the following components pursuant to Government Code §65583.2(i):

- Permit owner-occupied and rental multi-family uses by-right for developments in which 20 percent or more of the units are affordable to lower-income households. By-right means approval without discretionary review.
- Permit the development of at least 16 units per site.
- Establish a minimum density of 20 units per acre and a maximum density of at least 20 units per acre for all rezone sites to accommodate lower-income RHNA.
- Ensure that either: a) at least 50 percent of the shortfall of low- and very-low-income regional housing need can be accommodated on sites designated for exclusively residential uses; or b) if accommodating more than 50 percent of the low- and very-low-income regional housing need on sites designated for mixed uses, all sites designated for mixed uses must allow 100 percent residential use and require that residential uses occupy at least 50 percent of the floor area in a mixed-use project.

Table B6-12 Proposed Rezone Sites to Accommodate RHNA Shortfall

Map ID	Site Address or Street	APN	Acres	Existing Zoning District	Proposed Zoning District	Current Use	Minimum Density	Maximum Density	Lower- Income Capacity	Moderate- Income Capacity	Above Moderate- Income Capacity	Total Capacity	TCAC Opportunity Category
Buhach													
8	E Juniper Ave & N Buhach Rd	004440001	1.52	P-D(9)	R-3-1	Vacant	20	43.56	23	9	13	45	High Resource
9	N Buhach Rd	004440002	0.63	P-D(9)	R-3-1	Vacant	20	43.56	10	4	5	19	High Resource
10	N Buhach Rd	004440003	3.36	P-D(9)	R-3-1	Vacant	20	43.56	51	20	30	101	High Resource
11	N Buhach Rd	004440004	1.22	P-D(9)	R-3-1	Vacant	20	43.56	19	7	11	37	High Resource
12	N Buhach Rd	004440005	0.81	P-D(9)	R-3-1	Vacant	20	43.56	12	5	7	24	High Resource
13	E Juniper Ave & Augusta Ln	004440006	1.04	P-D(9)	R-3-1	Vacant	20	43.56	16	6	9	61	High Resource
14	311 E Broadway Ave	004110015	3.01	P-D(17)	R-3-1	Vacant	20	43.56	46	18	27	91	High Resource
15	1298 Shaffer Rd	004110003	1.95	C-G	R-3-1	Vacant	20	43.56	3543	1211	115	5859	High Resource
115	Green Sands Ave	005120045	20.69	P-D	R-2	Agriculture	0	14.5	0	126	84	210	High Resource
114	Green Sands Ave	005120045	23.14	B-P	R-1-6	Agriculture	0	7.3	0	23	11	34	High Resource
116	Gurr Rd	005120046	37.29	P-D	R-1-6	Agriculture	0	7.3	0	38	19	57	High Resource
16	Shaffer Rd & Broadway Ave	004110005	1.36	B-P	R-3-1	Vacant	20	43.56	25	8	9	52	High Resource
Total			83.071-951.90						43237	981189	195122	59448	
Castle Garden													
22	1900 Shaffer Rd	004052035	2.40	R-1-6	R-3-1	Vacant	20	43.56	37	15	21	73	High Resource
Total			2.40						37	15	21	73	
Fluhr													
112	Redwood Ave	150190037	2.19	C-G	R-3-1	Vacant	20	43.56	40	13	13	66	Highest Resource
113	N Winton Way	150130025*	10.00	P-D	R-3-1	Vacant	20	43.56	150	77	77	304	Highest Resource
Total			12.19						190	90	90	370	

Merced County Association of Governments
Merced County Multi-Jurisdictional Housing Element (2024-2032)

Map ID	Site Address or Street	APN	Acres	Existing Zoning District	Proposed Zoning District	Current Use	Minimum Density	Maximum Density	Lower- Income Capacity	Moderate- Income Capacity	Above- Moderate- Income Capacity	Total Capacity	TCAC Opportunity Category
Fluhr													
112	Redwood Ave	150190037	2.19	C-G	R-3-1	Vacant	20	43.56	47	13	6	66	Highest Resource
113	N Winton Way	150130025	10.20	P-D	R-3-1	Vacant	20	43.56	218	62	31	311	Highest Resource
Total			12.39						265	75	37	377	
McSwain													
121	Truckee Dr & Bell Dr	001134012	5.69	P-D(26)	R-3-1	Vacant	20	43.56	104	35	34	173	Highest Resource
122	Patriotic Dr & Bell Dr	056520001	2.67	B-P	R-3-1	Vacant	20	43.56	49	16	18	83	Highest Resource
123	Patriotic Dr & Peace Ct	056520002	1.00	B-P	R-3-1	Vacant	20	43.56	18	6	7	31	Highest Resource
124	Peace Ct	056520005	0.73	B-P	R-3-1	Vacant	20	43.56	13	4	4	21	Highest Resource
125	Patriotic Dr	056520007	0.55	B-P	R-3-1	Vacant	20	43.56	10	3	4	17	Highest Resource
126	Patriotic Dr & Freedom Ln	056520008	0.55	B-P	R-3-1	Vacant	20	43.56	10	3	3	16	Highest Resource
127	Freedom Ln	056520009	0.85	B-P	R-3-1	Vacant	20	43.56	~~15~~ 18	~~55~~	~~62~~	~~26~~ 25	Highest Resource
128	Freedom Ln	056520014	0.69	B-P	R-3-1	Vacant	20	43.56	13	4	5	22	Highest Resource
129	Freedom Ln	056520015	0.56	B-P	R-3-1	Vacant	20	43.56	~~10~~ 13	~~33~~	~~31~~	~~16~~ 17	Highest Resource
130	Freedom Ln	056520016	0.58	B-P	R-3-1	Vacant	20	43.56	~~13~~ 10	~~33~~	~~13~~	~~16~~ 17	Highest Resource
131	Bell Ln	001260001	2.62	B-P	R-3-1	Vacant	20	43.56	47	16	15	78	Highest Resource
132	Bell Ln	001260013	2.01	B-P	R-3-1	Vacant	20	43.56	~~37~~ 43	~~12~~ 12	~~126~~	~~64~~ 61	Highest Resource
133	Bell Ln	056320026	0.90	B-P	R-3-1	Vacant	20	43.56	~~16~~ 20	~~55~~	~~62~~	~~27~~ 27	Highest Resource
134	Bell Ln	056320049	3.03	B-P	R-3-1	Vacant	20	43.56	~~55~~ 65	~~18~~ 18	~~209~~	~~93~~ 92	Highest Resource
135	Bell Ln	056320050	2.79	B-P	R-3-1	Vacant	20	43.56	~~54~~ 60	~~17~~ 17	~~178~~	~~85~~ 85	Highest Resource
136	Bell Ln	056320051	1.48	B-P	R-3-1	Vacant	20	43.56	~~27~~ 32	~~99~~	~~94~~	~~45~~ 45	Highest Resource
137	Bell Ln	056320052	1.66	B-P	R-3-1	Vacant	20	43.56	~~30~~ 35	~~10~~ 10	~~115~~	~~54~~ 50	Highest Resource

City of Atwater
Housing Resources and Site Inventory Analysis

Map ID	Site Address or Street	APN	Acres	Existing Zoning District	Proposed Zoning District	Current Use	Minimum Density	Maximum Density	Lower-Income Capacity	Moderate-Income Capacity	Above-Moderate-Income Capacity	Total Capacity	TCAC Opportunity Category
138	Bell Ln	056320053	2.15	B-P	R-3-1	Vacant	20	43.56	~~394~~ 6	~~131~~ 3	~~136~~	~~656~~ 5	Highest Resource
~~139~~	~~Bell Ln~~	~~056320029~~	~~4.00~~	~~B-P~~	~~R-3-1~~	~~Vacant~~	~~20~~	~~43.56~~	~~73~~	~~24~~	~~24~~	~~121~~	~~Highest Resource~~
140	Bell Ln	056021010	7.62	B-P	R-3-1	Vacant	20	43.56	~~391~~ 63	~~464~~ 6	~~462~~ 3	~~312~~ 32	Highest Resource
141	Sycamore Ave	001146019*	~~10.00~~ 14.49	B-P	R-3-1	Vacant	20	43.56	~~503~~ 09	~~778~~ 8	~~774~~ 4	~~044~~ 41	High Resource
Total			~~52.13~~ 44.64						~~168~~ 17	~~329~~ 229	~~337~~ 111	~~11,157~~	
North Atwater													
~~151~~	~~N Winton Way~~	~~002290006~~	~~1.75~~	~~R-1-5~~	~~R-3-1~~	~~Vacant~~	~~20~~	~~43.56~~	~~27~~	~~11~~	~~15~~	~~53~~	~~High Resource~~
Total			~~1.75~~						~~27~~	~~11~~	~~15~~	~~53~~	
Sierra Vista													
156	2129 Atwater Blvd	001063061	0.85	GC	R-3-1	Vacant	20	43.56	~~16~~ 19	5	~~62~~	~~272~~ 6	High Resource
157	2901 Winton Way	150082014	0.92	GC	R-3-1	Vacant	20	43.56	~~172~~ 1	~~65~~	~~52~~	28	High Resource
Total			~~1.78~~ 77						~~334~~ 0	~~111~~ 0	~~114~~	~~555~~ 4	
Rezone Total			~~85.14~~ 71.08141.87						~~11,165~~	~~512~~ 325	~~1572~~ 71	~~6471,948~~	

* Assuming up to 10 acres of developable land. Assuming no more than 150 lower-income units.

B6.8.2 Annexation Sites

Annexation is the process by which a city adds land to its jurisdictional boundaries. Following annexation, the City extends its services, laws, and voting privileges to meet the needs of residents living in the annexed area. Typically, annexation takes place in areas that are adjacent to a municipality, where the population already has expanded to densities found in urban areas. Annexation encourages orderly growth and provides standardized services to those who live in the annexed area. The annexation process is a shared procedure between Merced County and the City of Atwater, overseen by the Merced Local Agency Formation Commission (LAFCo).

There are currently six sites located within one annexation area to the North that are anticipated to be made available for development during the 6th cycle. The City has worked with the property owners of these sites to commit a portion of the land to residential zoning, with an assumed 877-924 total units across these parcels. The City has initiated the annexation process with Merced LAFCo and it is anticipated that these parcels will be annexed to the City and developed with residential uses by the end of the planning period. To ensure these parcels are available for development during the planning period, the City will continue to work with property owners and Merced LAFCo to facilitate the annexation of these parcels.

An application to LAFCo was submitted September 2023 for the repurposing of approximately 449 acres of current farmland. The application proposes a mix of commercial, business park and single/multi-family residential uses. The project entitlements include annexation, general plan amendments, zoning amendments, development agreements and processing of a new specific plan.

Zoning across the annexed parcels will accommodate low-density residential, medium-density residential, and high-density residential development. Unit totals per income category were estimated based on the residential zoning densities anticipated for each site. In low density residential zones, above moderate income units were assigned. In medium and high-density zones, assumed units were split amongst all income categories. Table B6-13 shows the anticipated size and unit assumptions for each annexation and Figure B6-1 shows the locations of these annexation sites.

Table B6-13 Annexation Sites

Map ID	Site Address or Street	APN	Acres	Current Use	Existing Zoning	Proposed Zoning	Minimum Density	Maximum Density	Lower-Income Units	Moderate-Income Units	Above Moderate-Income Units	Total Units
114	Shaffer Rd	52180011	4.32	agriculture	A-1	R-3-1	20	25	38	15	2223	7576
115	Shaffer Rd	52180013	4.88	agriculture	A-1	R-3-2.5	0	11	0	18	2120	3938
116	Shaffer Rd	52180014	22.12	agriculture	A-1	R-1-6	0	5	0	0	77	77
117	Shaffer Rd	52180015	22.34	agriculture	A-1	R-3-2.5	0	11	0	86	8786	73172
118	Shaffer Rd	52180016	21.40	agriculture	A-1	R-3-2.5	0	11	0	82	83	165
119	Shaffer Rd	52180017*	22.68	agriculture	A-1	R-3-1	20	25	150	79	119168	48397
Total			97.74						188	280	409456	77924

* Assuming no more than 150 lower-income units.

~~B6.8.3~~B6.8.2 Sites used in Previous Planning Periods

In accordance with Government Code Section 65583, vacant parcels from both the 4th and 5th RHNA cycles and non-vacant parcels from the 5th RHNA cycle may be reused in this Housing Element to accommodate lower-income housing, provided they are rezoned to allow projects that have at least 20 percent of the units set aside as affordable for lower-income households, to be allowed by-right (i.e., can be approved administratively without requiring Planning Commission or City Council approval). A total of four sites included in the Site Inventory are subject to this by-right requirement and are within Downtown Atwater, as shown on Table B6-13.

Table B6-13 Sites Used in Previous Planning Periods

Address	APN	Acres	Land Use	Zoning	Existing Use	Total units
500 Broadway	003082002	0.54	Downtown	R-T	vacant	~~57~~
444 Broadway Ave	003084010	0.50	Downtown	R-T	vacant	~~57~~
Atwater Blvd	003093018	0.50	Downtown	R-T	vacant	~~57~~
135 Broadway Ave	003093026	0.68	Downtown	R-T	vacant	~~79~~
Total		2.22				21

~~B6.8.4~~B6.8.3 Adequacy of Residential Site Inventory in Meeting RHNA

The Site Inventory identifies ~~1,822~~1,503~~315~~ lower-income units, ~~922~~659~~566~~ moderate-income units, and ~~1,918~~1,635~~293~~ above moderate-income units on ~~157~~124~~121~~ sites.

Of the identified sites, ~~146~~113 are vacant while the remaining ~~11~~eight sites ~~are agriculture~~ are located on land currently occupied by agriculture. ~~All 36~~17 ~~identified rezone sites are to allow for high density residential.~~ Since the land is currently zoned for residential uses, the existing agricultural uses are not subject to the Williamson Act. Regional trends indicate a high likelihood of redevelopment of sites with agricultural uses to residential development.

With rezoning and annexation, the Site Inventory includes a surplus of ~~528~~209~~21~~ lower-income units, allowing a ~~41~~16~~two~~ percent buffer for this income category above the RHNA requirement as well as a surplus of ~~414~~151~~58~~ moderate-income for an ~~81~~30~~11~~ percent buffer, and a surplus of ~~875~~445~~103~~ above moderate-income for a ~~72~~37~~eight~~ percent buffer. The summary of the residential Site Inventory is presented by neighborhood in Table B6-14.

Table B6-14 Adequacy of Residential Site Inventory

	Lower-Income	Moderate-Income	Above Moderate-Income	Total
City's Share of RHNA	1,294	508	1,215	3,017
Planned and Approved Units	0	0	~~172~~ <u>25</u>	~~172~~ <u>25</u>
ADUs Anticipated	0	0	0	0
Remaining RHNA	1,294	508	~~1,043~~ <u>1,190</u>	~~2,845~~ <u>2,992</u>
Opportunity Sites (Buhach)	0	0	141	141
Opportunity Sites (Castle Garden)	0	0	~~136~~ <u>129</u>	~~136~~ <u>129</u>
Opportunity Sites (Downtown)	~~44~~ <u>30</u>	~~96~~	~~32~~ <u>33</u>	~~85~~ <u>69</u>
Opportunity Sites (Fluhr)	~~150~~ <u>120</u>	~~66~~ <u>22</u>	~~585~~ <u>700</u>	~~801~~ <u>842</u>

	Lower-Income	Moderate-Income	Above Moderate-Income	Total
Opportunity Sites (McSwain)	0	0	2	2
Opportunity Sites (North Atwater)	0	48	1315	1723
Opportunity Sites (Sierra Vista)	0	18	44	222
Rezone Sites	1404401,165	545325512	596157271	1811,647948
Annexation	188	280	409456	877924
Total Units on Sites	1221,503315	92265958	9181,635293	1623,797174
Total Unit Surplus	5282091	41415158	875445103	7817805182
Percent Buffer over RHNA	41162%	813011%	72378%	60276%

B6.9 Availability of Infrastructure and Services

The City's Public Works Department ensures the continued maintenance and improvement of the City's infrastructure. This includes seven divisions: Water, Streets, Sewers, Storm Drains, Sanitation, Equipment Maintenance and Wastewater Treatment. As such, the City will ensure adequate capacity of all infrastructure and utilities to accommodate the housing growth discussed in this housing element. All sites included in the inventory have existing and available infrastructure that can support residential development. Within one week of adoption, the City will provide a copy of the adopted 2024-2032 Housing Element to the City's Public Works Department, pursuant to Government Code Section 65589.7. All services in the City are sufficient to accommodate the number of units allocated by the RHNA.

B6.9.1 Wastewater System

The City of Atwater owns a wastewater treatment facility (WWTF) located in the southwest portion of the city which is operated by a private contractor, Veolia Water North America, West. Atwater's average daily load is 3.6 MGD and its peak daily load is 6 MGD. The WWTF is rated to operate at an average dry weather flow of 6 million gallons per day (MGD) and peak wet weather flow of 9.3 MGD. The facility has adequate capability to meet current demands. Atwater's sewer collection system consists of sewer pipelines ranging from 6-inch to 36-inch in diameter. The city-wide peak daily loading was 6.6 MGD.

Analysis conducted by MKN & Associates for Merced County Association of Governments indicates that Atwater's sewer collection system could accommodate approximately 8,812 additional housing units if growth occurred uniformly at all projected growth areas, which exceeds the RHNA total housing units target of 3,017.⁹ The report also recommends interim Capital Improvement Projects (CIPs) that will increase the system's capacity to 12 MGD. The City anticipates adequate wastewater capacity to accommodate development on these sites.

B6.9.2 Potable Water System

The City's water system has nine groundwater wells with a total well capacity of approximately 15,000 gallons per minute (gpm). According to the City's 2020 Urban Water Management Plan, the City supplied 8,559 AF of potable water in 2020. Potable water demands are projected to increase to 11,838 AF by 2040 due to increases in the city population. ~~Currently, the~~ The City is has recently

⁹ Merced County Infrastructure Capacity Assessment, June 2023

completed construction of Well 20A to replace ~~bringing~~ Well-20. Both Well 20 and Well 20A have an individual capacity of approximately 2,000 gpm each. Well-20A is ~~for supplies~~ potable water ~~use into~~ the City of Atwater's distribution system. ~~back online during the first quartersummer of 2025 an~~ Additionally, ~~the City~~ has acquired property for a new well within the Meridian remainder ~~at 709~~ Rancho Vista Drive, and plans were approved in September 2025. As of May 2026, ~~construction~~ has not started, but ~~There~~ are no known constraints that would impede completion of this improvement. The addition of Well 20A, along with ~~The City's water supply is projected to~~ sufficiently meet expected demands through 2040 through the Well-20 re-use and the installation of additional groundwater wells within the Meridian remainder ~~as part of the Urban Water Management Plan~~, is expected to help maintain the ability to meet existing water demand. However, even with these water supply improvements, available water supply is not anticipated to fully meet the expected demand associated with projected Housing Element growth.

To combat this issue, the City evaluates water supply capacity ~~with~~ as part of each development review to ensure adequate service levels are maintained and expands where needed. Additionally, the City has established a series of programs intended to improve coordination with water, support long-term infrastructure planning, and help facilitate residential development where feasible.

Program 11, Water and Sewer Service, commits the City to actively supporting these districts in planning and implementing improvements necessary to accommodate development on identified sites. This includes:

- Monitor infrastructure capacity and water availability by annually tracking water and sewer capacity, integrating findings into Housing Element reporting
- Align housing planning with groundwater sustainability by coordinating with the Merced Subbasin Groundwater Sustainability Agency, reviewing the Groundwater Sustainability Plan for consistency with planned growth, and adjusting housing assumptions as needed.
- Promote water conservation and alternative supply strategies through annual outreach campaigns, support for groundwater recharge, recycled water, and regional coordination among water agencies, developers, and stakeholders.
- Support infrastructure financing with grant applications, prioritizing disadvantaged unincorporated communities, evaluating Tax Increment Financing and EIFDs, and pursuing state infill infrastructure grants.
- Expedite permits for water and wastewater improvements that increase capacity in areas with housing sites.

B6.9.3 Storm Water and Drainage

The City's storm drainage system utilizes man-made irrigation and drainage canals to transport stormwater to the San Joaquin River. It also utilizes catch basins, pump stations, pipes, and a detention basin to collect, remove, and regulate the flow of stormwater, preventing flooding within the city.

The City of Atwater in conjunction with the County of Merced, the City of Merced, and Merced Irrigation District have formed a Storm Water Management Group. The Group partnered to develop a plan, and to share costs, to assure the continuity of program elements between agencies to fulfill the requirements set forth by the State Water Resources Control Board General Permit in accordance with the mandates of the Federal Clean Water Act.

B6.9.4 Dry Utilities

Dry utilities are defined as electricity, natural gas, cable, and telephone services. In Atwater, each dry utility has one provider: Pacific Gas & Electric (PG&E) or the Merced Irrigation Company (MID) and provides natural gas and electricity services, and AT&T provides telecom services. The City does not anticipate any issues with connecting these utilities to future residential development sites during the planning period.

B6.10 Environmental Considerations

As noted in Chapter A4, *Housing Constraints Analysis*, environmental constraints on future housing development in Atwater include the loss of agricultural land, risk of earthquakes, and potential site contaminants. The sites included in the Site Inventory are all located outside of the identified flood zones and do not present any constraint to development.

A city's environmental setting and characteristics can greatly affect the feasibility and cost of developing housing. As noted in Chapter A4, *Housing Constraints Analysis*, environmental factors in Atwater include potential impacts from wildfire, drought, flood, and the Williamson Act. There are no known barriers related to shape, access, contamination, property conditions, easements, conservation easements, overlays and airport or military compatibility that could impact housing development on identified sites in the planning period.

Wildfire

Atwater is located in an urbanized area and is not exposed to wildfire hazards, the surrounding area is also not designated as a very high or high fire hazard area. potential impacts of a wildfire would not preclude development of housing in Atwater.

Drought

During periods of drought, there will be minimal impact on the physical structures of buildings and facilities across Atwater, however there may be less reliability on infrastructure. The potential impacts of a drought would not preclude development of housing in Atwater.

Flood

Flood hazards are not constraint to development, as the City does not have any natural watercourses. Only the southeast corner of the city bounded by Bellevue Road to the north and Buhach Road to the west is located within the 100-year floodplain zones. If development occurred in that area, it must comply with the development requirements in place for flood hazard areas, and this will ensure that risk of flooding will not present a constraint to the development of housing in the city. No new development is planned within this area and is not a constraint to development.

Williamson Act

Potential residential annexation areas, where agricultural land is more prevalent, do not include land that has active Williamson Act contracts. The Williamson Act does not hinder development within this housing cycle. If the City focuses on annexing lands adjacent to the City in the future, developments on Williamson Act lands or other parcels with agricultural preservation restrictions could be avoided.

B6.11 Opportunities for Energy Conservation

The City has evaluated energy efficiency through housing construction, programming, and land use. Some techniques the city is using for energy reduction in housing construction include solar panels, high insulation levels, home orientation, and shade trees. Atwater provides the Home Energy Renovation Opportunity (HERO) program, a state-sponsored energy efficiency financing program that partners with local governments to provide affordable financing for energy-efficient, water-efficient, and renewable energy products to homeowners.

Atwater's General Plan uses land use and neighborhood design to incorporate energy-conserving features into new development to reduce reliance on automobiles and promote non-motorized transportation methods, thereby saving on transportation costs for low-income households. The plan includes policies that prioritize the installation of bikeways, pedestrian paths, solar orientation of buildings, and proximity of transit routes to residential areas. By encouraging pedestrian-centric development, Atwater aims to reduce reliance on motorized vehicles, leading to reduced energy consumption.

B7 Housing Plan

This eight-year Housing Plan (2024-2032) sets forth a strategy, including goals, policies, and programs, to address housing issues identified in the City of Atwater. The City plans to establish a Housing Division to assist in the implementation of this plan.

B7.1 Goals and Policies

Goal 1: Regional Collaboration	Work collaboratively with jurisdictions in the county to efficiently address housing issues and find regional solutions.
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Policy 1.1 Proactively coordinate with cities, Merced County, and other agencies and organizations to create effective policies and programs and respond to opportunities for achieving common housing goals.

Policy 1.2 Participate in, as appropriate, pursuit of state and federal housing funds to address regional housing issues.

Goal 2: Housing Development	Provide an adequate supply and range of housing types to meet the diverse needs of residents.
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Policy 2.1 Provide adequate sites for new housing development to accommodate the regional housing needs allocation (RHNA) throughout the planning period.

Policy 2.2 Facilitate a range of housing development that will meet the needs of all income levels including extremely low, very-low, low-, moderate- and above moderate households.

Policy 2.3 Encourage a range of housing types and sizes in large-scale development and annexations.

Policy 2.4 Promote infill development on vacant and underutilized sites within developed areas.

Policy 2.5 Encourage higher density and mixed-use residential development along major transportation and transit corridors and/or near existing or planned community facilities and services.

Policy 2.6 Enact programs that facilitate well-designed, energy efficient development and flexible standards to encourage high quality projects.

Policy 2.7 Expedite residential development opportunities on annexed lands, ensure desired mix and arrangement of land uses, and ensure provision and financing of adequate infrastructure and public services.

Goal 3: Affordable Housing Options

Facilitate the development of affordable housing and protect the existing supply of affordable housing to extremely low-, very low-, low- and moderate-income households.

- Policy 3.1** Provide a range of incentives and tools to encourage affordable housing for all lower-income households, including extremely low income.
- Policy 3.2** Support the Housing Authority of the County of Merced (HACM) by promoting Housing Choice Voucher (HCV) opportunities.
- Policy 3.3** Ensure permit processing procedures to ensure SB 35 streamlining is available for affordable housing development projects.
- Policy 3.4** Support the development of Accessory Dwelling Units (ADUs) as an affordable housing option.
- Policy 3.5** Promote home ownership for lower- and moderate-income households by pursuing grant funding for downpayment assistance and other homeownership loan programs.
- Policy 3.6** Monitor existing affordable housing developments and pursue preservation strategies to maintain their affordability.

Goal 4: Housing and Neighborhood Preservation

Maintain and improve the city's existing housing stock.

- Policy 4.1** Preserve existing residential neighborhoods by promoting balanced design and architecture.
- Policy 4.2** Support code enforcement efforts to work with property owners with repairs and rehabilitation of housing to preserve existing housing stock.
- Policy 4.3** Utilize Capital Improvement Programs for repairs and improvements of public infrastructure and facilities in existing neighborhoods.

Goal 5: Housing for Persons with Special Needs

Support and provide housing and services for people with special needs in the community. People with special needs include, but are not limited to, seniors, families with children, people with disabilities, single-parent families, farmworkers, and people who are experiencing homelessness or at risk of becoming homeless.

- Policy 5.1** Assist in local and regional efforts that address the housing needs of special needs residents.
- Policy 5.2** Provide reasonable accommodation for individuals with disabilities to access housing opportunities.
- Policy 5.3** Support the development of affordable housing units for farmworkers and farmworker families by encouraging the use of federal, state, and local resources.
- Policy 5.4** Coordinate with regional agencies and local developers on housing options and services for people who are experiencing homelessness or at risk of becoming homeless.

Policy 5.5 Proactively apply for and utilize available resources to provide and maintain housing for special needs groups.

Goal 6: Resource Conservation and Sustainable Development

Utilize energy conservation and sustainable measures for new and rehabilitated housing.

Policy 6.1 Support and, as appropriate, incentivize the use of green building techniques for new housing and rehabilitation.

Policy 6.2 Promote energy conservation and efficiency in residential developments.

Goal 7: Affirmatively Furthering Fair Housing

Promote housing opportunities and access for residents regardless of age, race, religion, sex, marital status, ancestry, national origin, color, disability, or economic level in compliance with local, state, and federal fair housing laws.

Policy 7.1 Promote meaningful and informed participation of residents, community groups, and governmental agencies in all local housing and community development activities.

Policy 7.2 Comply with federal, state, and local fair housing anti-discrimination laws ensuring equal access to housing regardless of circumstances as protected by fair housing laws.

Policy 7.3 Provide fair housing services to city residents and ensure that residents are aware of their fair housing rights.

Policy 7.4 Provide residents with housing mobility options by facilitating the development of a variety of housing types and expanding access to housing services.

Policy 7.5 Protect tenants from discriminatory housing practices and displacement.

Policy 7.6 Promote the integration of affordable and special needs housing in existing and planned neighborhoods.

B7.2 Implementing Programs

Program 1: Regional Collaboration

Collaborate with other jurisdictions in the region on housing efforts, including funding opportunities, best practices, and other efforts to address housing, transit, economic development, and homeless issues in Merced County.

Regional collaboration efforts can include, but are not limited to:

- Affordable housing development opportunities
- Regional housing programs and outreach efforts
- Economic development opportunities
- Creation of a regional Housing Trust Fund
- Coordination on funding applications and administration
- Identification of transit opportunities and access near new and established residential areas
- Development of environmental mitigation that can improve the quality of life for residents

- Efforts for the development of emergency shelters, low-barrier navigation centers, transitional and supportive housing as well as support services for persons experiencing homelessness or at risk of becoming homeless in the county.

Specific Actions, Objectives and Timelines	▪ Starting ~~2025~~2026, at least annually participate in regional meetings related to housing and homeless issues to pursue funding and coordination opportunities. Annually pursue funding opportunities for regional housing issues. ▪ Starting ~~2025~~2026, at least annually partner with the Merced County Human Services Agency and/or the Merced County Community Action Agency to proactively address shelter, housing and support services for people experiencing homelessness. ▪ ~~Continue to be an active participant with the Merced County Association of Governments (MCAG) and coordinate on regional planning and policy efforts to advance shared goals throughout Merced County~~Starting 2025, participate in the Merced County Association of Governments (MCAG) to manage and implement regional transit and services, while providing a public forum for cross-jurisdictional issues. ▪ Participate in all Transit Joint Powers Meetings with MCAG and address all needs and concerns. ▪ ~~Annually hold at least one community workshop in Atwater to identify transportation needs and apply for funding to implement projects using Measure V funds. Conduct targeted outreach to Downtown Atwater residents.~~ ▪ Work with the Merced Continuum of Care to update and implement the 10-Year Plan to End Homelessness during the planning period. ▪ Starting in ~~2025~~2026, annually collaborate and coordinate <u>regionally and</u> with the ~~Merced County Association of Governments (MCAG)~~ and California Department of Housing and Community Development to ensure the effective implementation of the Housing Element. This collaboration will include regular meetings (at least annually), and will include resource sharing, joint efforts with internal and external partners to address regional housing needs and achieve the goals outlined in the Housing Element, including affirmatively furthering fair housing and farmworker needs. ▪ Starting in ~~2025~~2026, ~~initiate participate in~~ a regional collaboration with ~~the Merced County Association of Governments (MCAG)~~, developers, and affordable housing advocates to support the development of housing and implementation of the Housing Element. ▪ By 2026, establish a working group that meets annually to identify regional housing challenges, including but not limited to affirmatively furthering fair housing efforts and farmworker housing, funding opportunities, and consider input from the working group to coordinate efforts to develop affordable housing and implement the housing element, including making adjustments as appropriate to better achieve the goals and objectives of the housing element.
Primary Responsible Departments	Planning Department <u>of Local Jurisdictions</u>
Funding Sources	General Fund; federal, state, and local grant funds
Relevant Policies	1.1, 1.2
AFFH Themes	▪ Outreach and Education ▪ Housing Mobility ▪ New Housing Opportunities in Areas of Higher Resources ▪ Anti-Displacement and Tenant Protection

AFFH Geographic Targeting	Citywide
AFFH Outcomes	N/A

Program 2: Adequate Sites for RHNA and Monitoring of No Net Loss

For the 6th cycle Housing Element, Atwater has been assigned a RHNA of 3,017 units, including:

- Very Low-Income: 768 units
- Low-Income: 526 units
- Moderate-Income: 508 units
- Above Moderate-Income: 1,215 units

The City is committed to ensuring that adequate sites at appropriate densities remain available during the planning period, as required by law. As of April 2024, the City has identified capacity for 197 units through projects under construction, approved, or permitted, that will be available during the RHNA projection period. Accounting for these units, the City has a remaining RHNA of 2,820 units (768 very low income, 526 low income, 431 moderate income, and 1,095 above moderate income) for which the City must identify adequate sites for potential development.

The City has identified vacant and nonvacant sites with potential for development/redevelopment, or adaptive reuse of existing uses over the next eight years. The City identified adequately zoned sites (i.e. Opportunity sites) with a capacity for 1, ~~204-226~~ units (~~194-150~~ low, ~~97-54~~ moderate, and ~~913-813~~ above moderate). This leaves the City with a shortfall of 1,616 units (1,100 lower income, 334 moderate income, and 182 above moderate income). Based on an average density of 30 units per acre, at least ~~54-135~~ acres of properties will need to be rezoned to high-density residential to accommodate the ~~1,616-766~~-unit shortfall.

The Site Inventory includes ~~36-20~~ sites that will be rezoned to facilitate additional residential development. The sites will be rezoned from low-density residential, planned development, general commercial and business park zones to high-density, ~~medium-density, and low-density~~ residential with a maximum density of 43.56 dwelling units per acre ~~(and a minimum density of 20 units per acre)~~. These sites encompass ~~85-135~~ acres and can accommodate a total of ~~1,440-165~~ low-income units, ~~545-512~~ moderate-income units, and ~~596-271~~ above moderate-income units. These rezoned sites have enough capacity to meet the shortfall ~~of 1,616-776~~ units.

~~The City has also identified six sites located within one annexation area to the North that are anticipated to be made available for development during the 6th cycle. Zoning across the annexed parcels will accommodate low-density residential, medium-density residential, and high-density residential development that has capacity for 924 units (188 lower income, 280 moderate income, and 409 above moderate income units). North Atwater Annexation area anticipated to be annexed into the City by December 2025. Planned Development for the annexation area at this time has not been identified. The project will be using a specific plan which is currently in development.~~

This program describes the actions the City will take to ensure that adequate sites are designated consistent with Government Code Section 65583c)(1)(A) and 65583.2. The rezoned sites shall include the following components pursuant to Government Code Section 65583.2(i):

- Permit owner-occupied and rental multi-family uses by-right for developments in which 20 percent or more of the units are affordable to lower-income households. By-right means approval without discretionary review.
- Permit the development of at least 16 units per site.

- Establish a minimum density of 20 units per acre and a maximum density of at least 20 units per acre for all rezone sites to accommodate lower income RHNA.
- Ensure that either: a) at least 50 percent of the shortfall of low- and very-low-income regional housing need can be accommodated on sites designated for exclusively residential uses; or b) if accommodating more than 50 percent of the low- and very-low-income regional housing need on sites designated for mixed uses, all sites designated for mixed uses must allow 100 percent residential use and require that residential uses occupy at least 50 percent of the floor area in a mixed-use project.

To ensure that the City complies with SB 166 (No Net Loss), the City will monitor the consumption of residential and mixed-use acreage to ensure an adequate inventory is available to meet the City's RHNA obligations. To ensure sufficient residential capacity is maintained to accommodate the RHNA, the City will develop and implement a formal ongoing (project-by-project) evaluation procedure pursuant to Government Code Section 65863. Should an approval of development result in a reduction in capacity below the residential capacity needed to accommodate the remaining need for lower and moderate-income households, the City will identify and if necessary, rezone sufficient sites to accommodate the shortfall and ensure "no net loss" in capacity to accommodate the RHNA.

The sites inventory for meeting the RHNA large sites (larger than 10 acres) that are expected to offer affordable housing opportunities for lower income households.

To facilitate the development of these large sites, the City will:

- Provide technical assistance, incentives, and strategies as appropriate to facilitate development of affordable housing, including parceling at appropriate sizes or other site planning tools such as clustered development, allowing flexibility for the transferring of densities within the property.
- Promote the potential subdivision of large sites into multiple parcels for future development through technical assistance, incentives, and strategies during the development phases and when applications come into the City for the identified parcels.
- Annually meet with property owners and developers to encourage the development of mixed income housing with a mix of unit sizes, types, and prices.
- Promote the development of large sites at the densities and affordability levels identified within the housing element.
- Allow the development in phases within 8 years of the Housing Element planning period.
- Offer expedited processing and fee deferrals, reductions, or waivers for affordable units in development on large sites identified in the sites inventory.

Specific Actions, Objectives and Timelines

- Facilitate the development of 3,017 units over 8 years (768 very low-income, 526 low-income, 508 moderate-income, and 1,215 above moderate-income units).
- Concurrent with the adoption of the Housing Element, rezone properties as outlined above and detailed in the Housing Resources section of this Housing Element to provide additional opportunities up to 2,5841,948 units (1,4401,165 lower income, 545-512 moderate, and 596271 above moderate-income units). Specifically, at least 54 135 acres of properties will need to be rezoned to high-density, medium-density, and low-density residential to accommodate the 1,616766-unit shortfall. As part of the rezoning, establish appropriate

	development standards (including parking, height, setback, lot coverage, etc.) to ensure maximum allowable densities at the respective zones can be achieved. ▪ Maintain an inventory of available vacant and prospective sites that can accommodate new housing and update annually. Make this inventory available to the public and interested developers on the City website. ▪ Annually meet with property owners and interested developers to pursue housing development in the city. ▪ Concurrent with the adoption of the Housing Element, develop a formal procedure to monitor no net loss in capacity pursuant to SB 166. ▪ By the end of ~~2025~~2026, establish objective development standards for development to facilitate large-site development in phases if appropriate. Annually promote objective development standards to developers active in the city. ▪ By the end of 2027, if development of housing is not feasible on these large sites, within 6 months (by July 2027) the City will identify additional incentives and planning tools or alternative strategies if necessary to ensure adequate capacity for RHNA. ▪ <u>Every other year, beginning in 2027, monitor the progress of pending projects counted towards the RHNA to ensure that development of housing units is occurring as projected. If development after consultation with developers that projects are not proceeding as planned and would result in a shortfall of RHNA sites, the City will identify alternative sites and strategies (including potential rezoning) to satisfy the RHNA within six months.</u>
Primary Responsible Departments	Planning Department
Funding Sources	General Fund
Relevant Policies	2.1, 2.2, 2.4, 3.1
AFFH Themes	▪ Housing Mobility ▪ New Housing Opportunities in Areas of Higher Resources
Geographic Targeting	N/A
AFFH Outcomes	N/A

Program 3: By-Right Approval

Pursuant to Government Code Section 65583.2, development on the following types of sites in the City's site inventory to fulfill the City's share of the lower-income RHNA is subject to by-right approval, exempt from CEQA and subject only to design review based on objective standards, when a project includes 20 percent of the units affordable to lower-income households and no subdivision is proposed:

Reuse Sites (No Rezoning Required):

- Vacant sites that were identified in the City's 4th and 5th Cycle Housing Elements as sites for lower-income RHNA; and
- Nonvacant sites that were identified in the City's 5th cycle Housing Element as sites for lower-income RHNA.

The by-right approval requirement of reuse sites is effective January 31, 2024.

Rezoning of sites past the statutory deadline of the Housing Element to meet the lower-income RHNA are subject to the by-right approval requirement. The by-right approval requirement of rezone sites is triggered by the rezoning.

By-right shall mean the local government’s review shall not require:

- A conditional-use permit
- A planned unit development permit
- Other discretionary, local-government review or approval that would constitute a “project” as defined in Section 21100 of the Public Resources Code.

This provision does not preclude local planning agencies from imposing design review standards. However, the review and approval process must remain ministerial, and the design review must not constitute a “project” as defined in Section 21100 of the Public Resources Code.

The Site Inventory does not include any sites that meet these criteria.

Specific Actions, Objectives and Timelines	▪ Concurrent with the Development Code update to provide adequate sites for the RHNA (see Program 2), update the Development Code to address the by-right approval requirements.
Primary Responsible Departments	Planning Department
Funding Sources	General Fund
Relevant Policies	2.1, 2.2, 3.1
AFFH Themes	▪ Housing Mobility ▪ New Housing Opportunities in Areas of Higher Resources
Geographic Targeting	Citywide
AFFH Outcomes	N/A

Program 4: Replacement Housing

Development on non-vacant sites with existing residential units is subject to replacement requirements, pursuant to AB 1397. Specifically, AB 1397 requires sites with a residential use within the last five years the replacement of units affordable to the same or lower income level as a condition of any development on a non-vacant site consistent with those requirements set forth in state Density Bonus Law.

Specific Actions, Objectives and Timelines	▪ By July ~~2025~~2026, amend the Zoning Code to address the replacement housing requirements.
Primary Responsible Departments	Planning Department
Funding Sources	General Fund
Relevant Policies	2.2, 3.6
AFFH Themes	▪ Housing Mobility ▪ New Housing Opportunities in Areas of Higher Resources ▪ Anti-Displacement and Tenant Protection
Geographic Targeting	Citywide
AFFH Outcomes	N/A

Program 5: Accessory Dwelling Units

ADUs provide an important affordable housing option in the city. The City of Atwater's ADU Ordinance was last updated in 2023 and is in compliance with state ADU Law. Atwater will periodically review the Zoning Code to ensure compliance with state laws.

The City will encourage the production of ADUs and work to provide affordable units for lower income households. The City has Permanent Local Housing Allocation (PLHA) program funds for loans up to \$40,000 for qualified applicants for ADUs. The City has requested REAP funding for technical assistance to develop ADU Guidebook, handouts, and to review and revise its ADU Ordinance.

Specific Actions, Objectives and Timelines	▪ Beginning in July ~~2025~~2026, facilitate the production of ADUs through efforts including, but not limited to: ▫ Create an ADU Guidebook and Handout. ▫ Update ADU webpage to include available resources for ADU development, such as grants for pre-development costs available to lower-income homeowners through California Finance Agency (CalHFA) and PLHA loans. ▫ Offer expedited reviews for ADU applications. ▫ Develop a Fair Housing factsheet to be included with the ADU application packet to inform property owners of their responsibility with state and federal fair housing laws. Publish fair housing guide with ADU applications. ▫ Develop an ADU application checklist and publish the checklist on the City's website. ▫ Add information on the ADU permitting process, as well as available resources and incentives, on the City's website. ▫ Adopt pre-approved ADU plans and publish on the City's website. ▪ During the planning period, conduct two educational workshops, campaigns, or outreach events to promote ADU development in the city to residents, with at least two events targeted to residents and developers in <u>Highest-Resource census tracts and higher income neighborhoods (Fluhr, Buhach, and McSwain).</u> ▪ Participate in regional collaboration efforts to create pre-approved ADU plans. ▪ Upon HCD's review of the City's Updated ADU Ordinance, the City will amend its ADU ordinance if necessary to be consistent with ADU law by the end of ~~2025~~2026. ▪ <u>Conduct a feasibility study and amend the possibility of the Zoning Code amendments to incentivize ADU production during the planning period, such as:</u> ▫ <u>Increasing the by-right ADU size to further incentivize ADU creation.</u> ▫ <u>Consider An allowance for an increase in the permitted height up to the height of the primary residence for ADUs built above a garage in single-family zones.</u> ▫ <u>Consider Allowances for reduced setback requirements where privacy is not compromised.</u>
Primary Responsible Departments	Planning Department
Funding Sources	General Fund
Relevant Policies	2.2, 2.3, 3.1, 3.4

AFFH Themes	▪ Outreach and Education ▪ Housing Mobility ▪ New Housing Opportunities in Areas of Higher Resources
Geographic Targeting	Citywide with emphasis on Highest Resource census tracts and higher income neighborhoods (Flurh, Buhach, and McSwain).
AFFH Outcomes	Support the development of at least 10 ADUs during the planning period, with at least six ADUs in the Highest-Resource neighborhoods identified in the Sites Inventory as Flurh, Buchach, and McSwain.

Program 6: Zoning Code Amendments

In order to facilitate a variety of housing types, especially housing for lower-income households and those with special needs, the City will remove constraints to housing development by amending the Zoning Code.

Specific Actions, Objectives and Timelines	Include the following Zoning Code Amendments by the ~~end of 2025~~ <u>second quarter of 2026</u> unless otherwise indicated: ▪ SB 35: Establish procedure for implementing SB 35 concurrent with adoption of the Housing Element. ▪ Development Standards: Concurrent with Housing Element adoption, amend the Zoning Code to allow minor modifications to height restrictions developments with an affordability component. <u>In order to facilitate the development of housing at maximum densities, allow heights of up to 48 feet (four stories) in the R-3-1.0 zone. Within one year of adoption of the Housing Element, explore the feasibility of increasing allowable heights in this zone to 48 feet.</u> ▪ Parking: Revise the Zoning Code to require no more than one space per unit for mobile homes, senior citizen housing, studios, and one-bedroom units. ▪ Mobile/Manufactured Housing: Revise the Zoning Code to allow for manufactured homes in all zones where single-family housing is permitted, subject only to the same requirements of conventional single-family housing. ▪ Group Homes/Residential Care Facilities: Amend the Zoning Code to allow community care facilities serving six or fewer residents as a single-family use in all residential zones and allow care facilities of seven or more residents in all zones that permit residential uses, with objectivity and certainty, and subject only to the requirements of residential uses of similar type and form. ▪ Emergency Shelters: Concurrent with Housing Element adoption, amend the Zoning Code to ~~explicitly~~ allow emergency shelters by-right, in ~~residential and/or residential~~ <u>commercial</u> mixed-use zone(s). <u>Specifically, allow mixed uses and emergency shelters without discretionary action in the C-T the R-3 zone.</u> Amend the Zoning Code to define Low-Barrier Navigation Centers, consistent with state law and to explicitly allow by-right, in mixed-use and nonresidential districts permitting multifamily uses. The City will also: ▫ Ensure the definition of emergency shelters complies with AB 2339 to include interim housing options such as bridge housing, navigation centers, and respite and recuperative care; ▫ Remove maximum stay requirements; ▫ Ensure parking standards to only require parking for staff, and in no cases require more than similar uses in that district; and
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	- Remove the requirement to have a minimum 300 separation from residential zones, parks, and schools. Transitional and Supportive Housing: Amend the Zoning Code to comply with AB 2162, such that supportive housing located within half-mile from transit may not be subjected to any minimum parking standard. Employee Housing: Revise the Zoning Code to allow employee housing for six or fewer as a single-family residential use to ensure compliance with the Employee Housing Act (Health & Safety Code Section 17021.5). Farmworker Housing: Revise the Zoning Code to allow farmworker housing with up to 36 beds in group quarters or up to 12 units or spaces designed for use by a single-family or household as an agricultural use and to allow a streamlined, ministerial approval process and not subject to a conditional use permit (CUP) to eligible agricultural employee housing developments to ensure compliance with the Employee Housing Act (Health & Safety Code Section 17021.6 and 17021.8). Single-Room Occupancy (SROs): Revise the Zoning Code to allow the development of SRO in zones allowing hotel or motel uses and establish a procedure to encourage and facilitate SRO development in the allowable zoning district(s), including development standards. Definition of Family: Revise the City’s definition of “family” to comply with fair housing laws. Site Plan Review and Permit Approvals: Site plan and permit approvals include subjective standards that require personal interpretation to determine compliance with standards. Concurrent with Housing Element adoption, the City will revise the Zoning Code to remove subjective language. Reasonable Accommodation: <u>Establish written procedures for reasonable accommodations requests, including approval findings and time parameters, and provide information regarding reasonable accommodations requests on the City website.</u>
Primary Responsible Departments	Planning Department
Funding Sources	General Fund
Relevant Policies	2.2, 3.1, 3.4, 5.2, 5.3, 7.4
AFFH Themes	- Housing Mobility - New Housing Opportunities in Areas of Higher Resources - Anti-Displacement and Tenant Protection
Geographic Targeting	Citywide
AFFH Outcomes	Facilitate the development of five units for special needs populations during the planning period-

Program 7: Facilitating Affordable Housing Development

The City is committed to expanding affordable housing options for households of all income levels using development tools such as density bonus provisions, waiving development fees and streamlining the application process. The City will contact local non-profit and private developers to facilitate the production of this housing as well as pursue funding opportunities available at the local, regional, state and federal levels.

On a case-by-case basis, the City will provide opportunities for public, private and non-profit groups to develop affordable housing by constructing off-site improvements and physical infrastructure as Capital Improvement Projects. Assistance provided by the City may include traffic, street, and sewer upgrades as well as other pedestrian and mobility improvements.

Specific Actions, Objectives and Timelines	▪ Starting in ~~2025~~2026, annually pursue funding at the local, regional, state, and federal levels such as CDBG, HOME, CalHome, PLHA, and Project Homekey funds to assist affordable housing production. ▪ Work with other jurisdictions in Merced County to create a regional list of affordable housing developers by July ~~2025~~2026. Annually conduct outreach to these developers with information on potential sites, available regulatory concessions and incentives, and potential funding opportunities <u>to construct homes that are affordable to low- and moderate-income households.</u> ▪ By the end of ~~2025~~2026, amend the Zoning Code establish density bonuses for housing developments that include housing units affordable to very low-, low-, and moderate-income households or housing units for seniors and the donation of land for housing, consistent with current state laws and requirements. ▪ Starting in ~~2025~~2026, facilitate the development of affordable housing by holding design review workshops, providing site location assistance, and assisting in the procurement of funding. ▪ Continue to facilitate the development of affordable housing for extremely low, very low- and low-income households and special needs households (e.g., elderly, homeless, farmworkers, persons with disabilities, female-headed households) through the provision of the following regulatory concessions and incentives: ▫ Density increases under the City’s Density Bonus Ordinance. ▫ Expedited and streamlined project application review involving any of the following housing categories; low- and very low-income households; large families; persons with disabilities or developmental disabilities; and farmworkers. ▫ Potential fee waivers/reductions/deferrals. ▪ <u>Review the General Plan, applicable Specific Plans, and Zoning Code, and Zoning Map to evaluate opportunities for removing barriers to housing production, adding housing capacity, and accommodating a greater mix of dwelling types and sizes households (e.g., duplexes, triplexes, fourplexes, townhouses, courtyard buildings), prioritizing opportunities and sites in Highest-Resource census tracts and higher income neighborhoods (Fluhr, Buhach, and McSwain). Review General Plan, Specific Plans, and Zoning Code, and Zoning Map by July 2026 and implement any changes by January 2027 (see Program 6).</u> ▪ <u>Review and update the Residential Design Guidelines. Remove all subjective language and replace with objective standards by January 2027.</u> ▪ <u>Beginning in 2026, and annually thereafter, apply for state and federal funds to facilitate the development of affordable housing, including housing for extremely low-income households and those with special housing needs. Partner with nonprofit housing developers to support the entitlement of at least 100 subsidized housing units affordable to extremely low-, very low-, and low-income households in the city during the planning period, prioritizing sites near services.</u>
Primary Responsible Departments	Planning Department
Funding Sources	Local, state, and federal resources; General Fund, CDBG

Relevant Policies	2.1, 2.2, 2.3, 3.1, 4.1, 4.3, 7.4
AFFH Themes	- Housing Mobility - New Housing Opportunities in <u>Areas of Higher-Highest Resources and higher income neighborhoods (Flurh, Buhach, and McSwain).</u>
Geographic Targeting	<u>Citywide with emphasis on Highest Resource census tracts and higher income neighborhoods (Flurh, Buhach, and McSwain).</u> <u>Citywide with emphasis on High Resource Tracts</u>
AFFH Outcomes	- Increase the percent of the city's housing stock that is multi-family from 23.6 percent to 27 percent by December 2030, using 2017-2021 ACS data as a baseline. <u>Approve building permits for 20 alternative dwelling types (duplexes, triplexes, fourplexes, townhouses, courtyard buildings).</u> - Decrease disparity between census tracts in Downtown Atwater/Sierra Vista and adjacent census tracts based on median income level. <u>Structure the City's regulations to allow for the entitlement of at least 100 subsidized housing units affordable to extremely low- very low-, and low-income households in the city during the planning period, including at least 30 units in higher income areas (Flurh, Buhach, and McSwain neighborhoods).</u>

Program 8: Preservation of At-Risk Housing

The City has 35 housing units that are deed restricted as affordable housing for lower-income households. No units are considered at risk of conversion during this Housing Element planning period. Nevertheless, the City will work to preserve these units and will proactively monitor all other units to encourage continued affordability beyond existing covenants and work proactively with owners of affordable units to assist in rehabilitation needs.

Specific Actions, Objectives and Timelines	- Monitor affordable units during the planning period. - Maintain annual contact with property owners of affordable housing regarding any change in status/intent or need for assistance, such as rehabilitation assistance. - Maintain the AB 987 database to include detailed information on all subsidized units, including those that have affordability covenants. Update annually. <u>By March 2027, conduct a feasibility study to explore and identify displacement strategies which may include but is not limited to the development of regulations that establish a "first right of return" for tenants displaced by redevelopment, rehabilitation, of properties with existing occupied residential units and other displacement pressures. This study will assess legal, financial, administrative, and equity considerations involved in conserving the existing housing stock for lower-income households and guaranteeing displaced tenants the opportunity to return to newly constructed or rehabilitated replacement housing units. The study will be presented to the City Council in a public forum by July 2027. The City will establish an overall displacement strategy which may include first-right-of-return program by July 2028.</u> <u>In partnership with Merced County, create a community stabilization handbook where residents can find resources for lower-income families to prevent displacement. Resources include homelessness assistance, housing rehabilitation programs, legal services, rental assistance, utility assistance, homeownership programs, fair housing resources, and affordable housing. Identify governmental and</u>
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	private/nonprofit service providers and include their contact information. Make the handbook available on the City's website by July 2027.
Primary Responsible Departments	Planning Department
Funding Sources	General Fund
Relevant Policies	3.6, 5.5
AFFH Themes	Anti-Displacement and Tenant Protection
Geographic Targeting	Citywide, with a focus on neighborhoods of Fluhr and Downtown Atwater neighborhoods.
AFFH Outcomes	Preserve all 35 affordable housing units.

Program 9: Housing Preservation and Rehabilitation

The City will work to maintain the affordable housing supply, particularly for extremely low-, very low-, and low-income households and special needs households (e.g., elderly, homeless, farmworkers, persons with disabilities, female-headed households). About 69 percent of the housing stock in Atwater is more than 40 years old. The City actively seeks and encourages the rehabilitation of housing units, utilizing various programs and community partnerships.

The City, in partnership with Self Help Enterprises, currently offers a Housing Rehabilitation Program to provide financial assistance to income-eligible homeowners. The Housing Rehabilitation Program provides financing to repair income-eligible and owner-occupied homes in need of essential health and/or safety repairs. The Housing Rehabilitation program is funded by the State Department of Housing and Community Development grant programs. Common home repairs include roofing, plumbing, electrical, heating, cooling, insulation, foundation, windows, and handicap assessable modifications. SHE currently has funding available to assist Atwater residents.

In addition, Atwater provides the Home Energy Renovation Opportunity (HERO) program, a state-sponsored energy efficiency financing program that partners with local governments to provide affordable financing for energy-efficient, water-efficient, and renewable energy products to homeowners.

Residents of Atwater are served by PG&E for electricity and natural gas. PG&E's Energy Savings Assistance Program provides free weatherization services to qualifying low-income households. The City utilizes the various residential programs PG&E offers, including:

- Rebates on energy-efficient appliances
- California Alternate Rates for Energy (CARE) Program, which provides assistance for lower income households
- Family Electric Rate Assistance (FERA) Program for larger households

Specific Actions, Objectives and Timelines	▪ Starting in 2025⁶, coordinate with Self-Help Enterprises, and/or Habitat for Humanity, and other state and regional nonprofits to expand in rehabilitation, weatherization, and preservation efforts in the City. ▪ Annually research funding opportunities and apply for funds when appropriate. Assist with eight rehabilitation projects over eight years, prioritizing areas with a concentration of substandard housing conditions and high displacement risk such as Downtown Atwater and Fluhr.
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	- Starting in 2026⁶⁵, advertise available rehabilitation grant programs on the City's website. Ensure that Code Enforcement has the information when addressing enforcement cases. <u>Beginning in January 2027, conduct outreach every other year to mobile home owners within the city to promote available rehabilitation, weatherization, and replacement programs, including through direct mailings and other communication methods.</u> - Publish resources on rehabilitation and weatherization assistance on the City's website by July 2025²⁰²⁶. - Consider rent stabilization policy for new developments of mobile home parks. - City staff will conduct a workshop with elected officials and the public to describe benefits to rent stabilization by the end of 2026 <u>Ensure tenants are properly noticed by the property owners should a Notice of Intent to opt out of low-income use is filed. Notices must be filed three years, one year, and six months in advance of conversion. Additionally, the City shall provide tenants with information about available resources and their tenant rights during the Notice of Intent period.</u> <u>In the event of potential conversion, conduct outreach to nonprofit housing providers to acquire projects opting out of low-income use. As funding permits, assist in funding the acquisition and support funding applications by nonprofit providers.</u> <u>Annually apply for funding to support housing rehabilitation in areas with a concentration of substandard housing conditions and in disadvantaged communities to encourage place-based revitalization and reduce displacement risk by improving housing conditions. Utilize additional funding (when available) to expand this program to become increasingly proactive.</u> <u>Continue to implement the Repeat Housing Code Violators Program to penalize rental property owners who demonstrate a pattern of neglect, unresolved violations, or unsafe conditions for tenants to preserve rental housing supply.</u>
Primary Responsible Departments	Planning Department, Code Enforcement
Funding Sources	General Fund
Relevant Policies	3.6, 4.1, 4.2, 4.3, 5.5
AFFH Themes	- Outreach and Education - Place-Based Strategy for Neighborhood Improvements
Geographic Targeting	Downtown Atwater <u>and Flurh</u>
AFFH Outcomes	Assist with <u>8</u> rehabilitation <u>of 15 units projects over 8 years. during the planning period, with at least eight units in the neighborhoods of Downtown Atwater and Flurh.</u>

Program 10: Lower-Income and Special Needs Housing

To assist in the development of housing to meet the needs of extremely low, very low- and low-income households and special needs households (e.g., elderly, homeless, farmworkers, persons with disabilities, female-headed households), the Housing Authority of the County of Merced (HACM) offers the following programs:

- Housing Choice Vouchers (HCVs):** Offers affordable, decent, and safe housing in open market rentals selected by voucher holders. The HCV program provides rent subsidies to families in existing privately owned rental units in Merced County.

- **Public Housing:** Provides rental assistance to low-income families and individuals. The Housing Authority of the County of Merced (Housing Authority) owns and manages 421 public housing units that consist of a variety of apartments, duplexes, and single-family homes, located in communities throughout Merced County.
- **Project-Based Voucher Program (PBVs):** The Housing Authority released a Request for Proposal (RFP) for the PBV Program in November 2023, seeking proposals from owners/developers who will commit up to 150 units of their rental housing to receive assistance through project-based vouchers.
- **Migrant Housing Centers:** The Housing Authority manages four migrant centers throughout the County. The migrant housing centers provide temporary housing to migrant farmworkers available to them during the peak growing and harvest season, which is typically April through November. Migrant centers managed by the Housing Authority are located in Atwater, Merced, Los Banos, and Planada.

The City will continue to work with HACM to obtain HCVs and provide the community with information about HACM's other available programs.

In addition, Permanent Local Housing Allocation (PLHA) funds provide assistance for qualifying applicants includes help to cover costs of mortgage, rent, rental deposit, and/or utility expenses. This program can assist with up to six consecutive months of mortgage, rent and/or utilities but is limited to \$5,000 per household.

Other resources aimed at increasing housing opportunities for low- and moderate-income residents include the Low-Income Housing Tax Credit (LIHTC) and California Housing Finance Agency (CalHFA). The LIHTC program offers tax incentives to encourage the development of affordable housing while CalHFA partners with jurisdictions, developers, and other organizations to provide a variety of resources including loan assistance programs for homebuyers and renters.

Specific Actions, Objectives and Timelines

- Over the 8-year planning period, subsequent to each Point-in-Time Count, conduct workshops for the Planning Commission and City Council to share the data from the count.
- Identify potential programs to aid homeownership opportunities and develop a list of resources by July 20252026. Apply for feasible funding opportunities by December 20252026.
- Develop an inventory of affordable housing, with contact information and the number of affordable units, and publish the inventory on the City's website by July 20252026.
- Connect low-income residents with housing assistance resources, including the HCV program.
 - Add information on the HCV Program and other financial assistance programs to the City's website by July 20252026.
 - Promote the availability of assistance programs through all City's social media pages starting July 20252026.
 - Starting in 20252026, attend at least one community events to spread awareness and distribute fact sheets on available financial assistance programs.
- Starting in 20252026, in collaboration with the Housing Authority, provide education to property owners and managers to expand awareness of the HCV program to increase acceptance of tenant-based HCVs and to facilitate mobility and provide choices for lower-income households throughout the city. Include education regarding

laws prohibiting source of income discrimination (Fair Employment and Housing Act). Identify and address challenges that property owners/managers have with existing or prospective HCV holders. Target outreach to landlords in high resource areas, such as the Fluhr neighborhood. Include education regarding laws prohibiting source of income discrimination (Fair Employment and Housing Act).

- Starting in ~~2025~~2026, annually conduct one workshop for landlords on the HCV program, for a total of seven workshops during the planning period, targeting property owners/managers in High Resource Tracts.
- Promote the availability of PHLA funds by posting information to City website by July ~~2025~~2026, and include in informational flyer/newsletter/etc., to be distributed at meetings and shared with non-profit organizations (See Program 13).
- Consistent with state law that mandates the provision of housing for ELI households, the City will prioritize processing and funding allocation for projects that include units for ELI households, especially farmworker housing.
- Consistent with state law that mandates the provision of housing for special needs households, the City will prioritize processing and funding allocation for projects that include units for special needs households.
- Beginning in ~~2025~~2026 and annually thereafter, pursue funding available at the state and federal levels for affordable housing development. Specifically, pursue funding programs that target the needs of extremely low and very low income households.
- Provide letters of support to funding applications by developers if the proposed projects are consistent with the goals and objectives of this Housing Element, as requested.
- * ~~The City and collaborative partners will make a specific and at least annual effort to assist in the development of housing for farmworkers and conserve and improve the existing housing stock. Efforts may include seeking seek federal and state housing finance programs that are occupationally restricted or advantage farmworker housing, working with and engaging farmworker stakeholders, farmworker housing proponents and the nonprofit community, or facilitating the development of intergenerational farmworker housing for multiple generations of farmworkers (retirees, working adults, and children) to create opportunities for mutual self-reliance, such as provision of childcare and elder care.~~
- Consistent with state law that mandates the provision of housing for special needs households, the City will prioritize processing and funding allocation for projects that include units for farmworker households. By the end of ~~2025~~2026, the City will ~~enhance its efforts to support farmworker housing by:~~
 - Beginning in 2026 and annually thereafter, engage farmworker stakeholders, housing advocates, and nonprofit organizations to identify farmworker housing needs.
 - Provide technical assistance to developers working on farmworker housing projects and conduct pre-application conferences and meet with farmworker housing developers at least annually and on an ongoing basis. Annually meet with farmworker housing developers to identify housing opportunities.
 - Post information, including includes a site inventory and available land, housing resources and grant information, on the Community and Economic Development Department website by June 2027

within one year of Housing Element adoption. Information includes a site inventory and available land, housing resources and grant information.

- Contact farmworker housing developers to determine interest and identify constraints to farmworker housing development within the city by the end of 2026 and annually thereafter. Advocate for the development of intergenerational farmworker housing for multiple generations of farmworkers (retirees, working adults, and children) to create opportunities for mutual self-reliance, such as provision of childcare and elder care.
- Beginning in 2026, Pprioritize the review and processing of farmworker housing applications on an ongoing basis.
- Beginning in 2026, aActively seek federal and state housing finance programs and support developers in securing funding for farmworker housing by providing letters of support to funding applications.
- Create and distribute informational materials by January 2027 to raise awareness about farmworker housing programs and opportunities.
- As part of the wWorking gGroup, described in Program 1, beginning in 2026, meet annually to discuss and identify efforts to address farmworker housing regionally.
- The City, County, and Merced regional collaboration partners will pursue a variety of strategies and funding to encourage the development, rehabilitation and conservation of housing for farmworkers such as such as funding development, integrating housing for farmworkers into development, developer identification, maintaining an inventory of suitable sites, site development, ensure zoning and development standards facilitate a variety of housing types for farmworker housing needs. The City and collaborative partners will make a specific and at least annual effort to assist in the development of housing for farmworkers and conserve and improve the existing housing stock for farmworkers, including but not limited to:
 - Contacting nonprofit developers at least every other year to identify opportunities for the development or improvement of housing for farmworkers.
 - Coordinating and participating with regional organizations, including non-profit, academic, and employers, to raise awareness, share and employ strategies, or target new resources.
 - Coordinating annually with organizations that represent or serve farmworkers.
 - Providing incentives and other strategies beyond state density bonus law to encourage housing for farmworkers, including setting aside housing for farmworkers within developments, supporting funding applications, prioritizing entitlements and establishing appropriate zoning and development standards.
 - Targeting code enforcement and other resources to the existing housing stock with the most need for rehabilitation and sanitary conditions that could be more likely to house farmworkers and work with regional or other organizations to improve living conditions for farmworkers.
- Perform outreach to religious institutions to provide information and educate them regarding the availability of SB 4 provisions to construct affordable housing units and to connect them with potential affordable

	<u>housing developers. Create an outreach and technical advisory program that includes the following actions:</u> ▫ <u>Conduct a workshop in 2027 and 2029 to explain recent legislation (SB 4 and AB 1851) and how it can apply to religious facility properties in Atwater.</u> ▫ <u>Invite religious facility owners and local nonprofit developers to participate.</u> ▫ <u>Provide informational materials to religious facility property owners on the development process.</u> ▫ <u>Provide technical assistance to religious facility property owners to assist with the project entitlements.</u> ▫ <u>Focus outreach in the Fluhr neighborhood.</u> ▪ <u>Partner with the Merced Gospel Mission Homes to provide transitional and permanent supportive housing to people and families experiencing homelessness. Facilitate the identification of an additional 30 units that can support the mission of providing transitional and permanent supportive housing.</u>
Primary Responsible Departments	Planning Department
Funding Sources	HUD, Self-Help Enterprise funding sources
Relevant Policies	3.2, 5.1, 5.4, 5.5, 7.4
AFFH Themes	▪ Outreach and Education ▪ Housing Mobility ▪ New Housing Opportunities in Areas of High Resources ▪ Anti-Displacement and Tenant Protection
Geographic Targeting	Citywide, targeting mobility to Highest Resource Tracts <u>and higher income neighborhoods (Fluhr, Buhach, and McSwain)</u>
AFFH Outcomes	▪ Assist two Atwater households through HCVs. ▪ Promote with the goal of expanding the use of HCVs in the city by 10 percent by December 2030, using 2023 data as baseline. ▪ <u>Assist eight households through the PHLA program, with at least six households that currently reside in the Fluhr and Downtown Atwater neighborhoods.</u> ▪ <u>Increase housing mobility options by facilitating the development of 100 housing units that serve low-income and special needs population through the planning period.</u> ▪ <u>Identify 30 units that can provide transitional and permanent supportive housing for people experiencing homelessness.</u>

Program 11: Water and Sewer Service

The City's Public Works Department is the provider of water, sewer, and sanitation services within city limits. The City confirms that adequate water and sewer services are available to fully accommodate the RHNA.

Pursuant to SB 1087, as the City's water/sewer service provider, the City has not adopted a policy to prioritize the allocation of water/sewer services to affordable housing projects.

Specific Actions, Objectives and Timelines

- By the end of ~~2026~~2027, complete update to water and sewer master plans to ensure there is sufficient capacity to accommodate sites identified in the site inventory. As part of the updates to the plans:-
- Include analysis of water and sewer services on sites identified in this Housing Element and identify strategies to address constraints to housing development on identified sites by February 2026.
- Conduct stakeholder outreach in 2026 to identify strategies to address infrastructure gaps.
- If water and sewer constraints are identified and would reduce the capacity or feasibility of development on inventory sites, identify alternative sites to ensure adequate capacity for development assumed in the site inventory by July 2026.
- By December 2026, draft a phased Infrastructure Improvement Strategy that identifies priority upgrades on RHNA sites that are aligned with available resources.
- Beginning in 2026, and annually thereafter, actively pursue state and federal funding required to complete wastewater system upgrades and other identified infrastructure improvements citywide. Financially assist at least one infrastructure project per year with awarded grant funding, prioritizing projects in moderate-resource areas (e.g., North and Downtown Atwater).
- Annually with the publication of the City's Annual Progress Report, monitor the availability of water to serve future projects on identified sites to accommodate the City's share of the RHNA.
- ~~The City has adequate capacity to provide water and sewer services to future housing development and only needs to extend service lines to development areas. The improvement requirements imposed by those agencies are outside the purview of the City. The City will continue to require approval from those agencies prior to the approval of any subdivision map.~~
- Annually, conduct outreach and education on water conservation measures through a social media campaign.
- Conduct a feasibility study to evaluate Implementing water conservation measures, such as landscape conservation incentives and residential plumbing retrofits by December 2027.
- By December 2026, apply for funding to implement bioswales, permeable pavements, and rain gardens on city-owned land to manage stormwater and reduce sewer load.
- Pursue/provide rehabilitation assistance that includes energy conservation and weatherization improvements as eligible activities.
- By the end of ~~2025~~2026, adopt a policy to prioritize the allocation of water and sewer services to affordable housing projects (SB 1087).
- Conduct a study to evaluate the infrastructure impact of single-family and multi-family homes and update the fee schedule by June 2026.
- Beginning in 2026, review the priority project list for infrastructure improvements after every project completion. In revising the list, give a scoring bonus consideration to moderate-resource areas with infrastructure need that can be met with available funding.
- Expedite permits for water and wastewater improvements that increase capacity in areas with housing sites.
- Coordinate with the Merced Subbasin Groundwater Sustainability Agency to align future affordable housing developments with the provisions of the groundwater sustainability plan, and track groundwater sustainability conditions, groundwater allocations, and

	<u>implementation actions relevant to planned housing development areas and community plan boundaries.</u> ▪ <u>Support and participate in regional efforts to expand groundwater recharge, recycled water use, or other alternative supplies intended to improve long-term groundwater sustainability in areas planned for housing. Organize an annual focus group, then as-needed periodic meetings and workshops, involving water resource agencies, developers, and stakeholders to discuss water management strategies for residential development. Hold at least one water and housing focus group annually.</u> ▪ <u>Assess the feasibility of Tax Increment Financing (TIF) Districts and/or Enhanced Infrastructure Financing Districts (EIFD) being used to fund infrastructure improvements to support housing development.</u> ▪ <u>Annually, beginning in 2026, apply for grant funding from agencies involved in the California Financing Coordinating Committee on an annual basis in accordance with the release of a Notice of Funding Availability. Pursue funding through the Infill Incentive Grant (IIG) Program, sponsored by HCD, to support infrastructure investments, including park creation; water, sewer, or other public infrastructure; transportation improvements; and traffic mitigation.</u>
Primary Responsible Departments	Planning Department
Funding Sources	General Fund
Relevant Policies	3.1, 4.4
AFFH Themes	N/A
Geographic Targeting	Citywide
AFFH Outcomes	<u>N/A Increased water and sewer capacity in moderate-resource areas, such as North and Downtown Atwater.</u>
AFFH Outcomes	N/A

Program 12: Community and Economic Development

Well-maintained infrastructure creates a safe and accessible urban environment, fostering a sense of community and belonging. Moreover, investing in such improvements attracts businesses and investments, contributing to economic growth and ensuring equal access to essential services. The City will implement the following actions to expand community and economic development citywide.

Specific Actions, Objectives and Timelines	▪ Starting in ~~2025~~2026, collaborate with Merced County Transit (the Bus) to determine location of bus stops to serve new developments in annexed neighborhoods by meeting at least annually. ▪ Starting in ~~2025~~2026, coordinate with the Public Works Department to review the City's Capital Improvement Projects (CIP) annually to ensure public facilities and infrastructure are supportive of the needs of underserved communities, especially in Downtown Atwater. ▪ Starting in ~~2025~~2026, seek funding and complete projects to improve the conditions in Downtown Atwater, a neighborhood with disproportionate needs and a concentration of minorities and poverty, including but not limited to: ▪ Pedestrian Improvements to Connect to Downtown Phase 2 - construction funded - to be completed 2024. ▪ Pedestrian Improvements to Connect to Downtown Phase 3 - only design funded - in progress.
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- Pedestrian Improvements to Connect to Downtown Phase 4 - only design funded - in progress.
- Citywide Traffic Signals Synchronization - construction funded - design and construction target completion 2024.
- New Traffic Signal at Atwater Blvd & First St (ACE Train Station Support Project) - construction in progress to be completed 2024.
- Bloss Parking Lot (ACE Train Station Support Project) - design funded and in progress, construction not funded.
- Parking Lot at Atwater Blvd & First St (ACE Train Station Support Project) - environmental clean closure in progress - design target completion 2024, construction not funded.
- ACE Train Station - design partially funded.
- Apply for funding beyond CIP annually.
- Hold at least one community workshop in Fluhr and Sierra Vista by December 2026 to identify active transportation needs and apply for funding to implement projects outlined in the Regional Active Transportation Plan by December 2027. Implement at least one active transportation project in Fluhr and Sierra Vista by the end of the planning period.
- Concurrent with Housing Element adoption, at least every other year, identify funding sources and apply for funding to address additional community development issues such as neighborhood revitalization, parks, safe routes to school, community facilities, or addressing pollution burdens, with the goal of securing funding for two additional community revitalization projects during the planning period.
- Advance environmental justice through community engagement, TOD, and affordable housing in the General Plan Update currently underway (expected to be adopted ~~May 2025~~ by the end of 2026).
- Starting in 2025, apply for and utilize cap and trade program funds from the Greenhouse Gas Reduction Fund (GGRF) for efforts such as tree planting and restoration, home energy efficiency, zero emission and plug-in hybrid vehicles, and affordable housing.
- Ensure engagement strategies consider linguistic isolation and target lower income and special needs households.
- Host an Economic Development Summit in October 2025 and implement the policy to increase the number of locations where economic incentives are available within the Atwater Planning area.
- Starting in 2025, partner with the Merced County Economic Development Division to host at least one event annually in Atwater to inform local business owners of available business assistance programs.
- Starting in 2025, partner with the local employment organizations to Host at least one employment workshop annually to connect Atwater residents with job opportunities and workforce training program opportunities to expand awareness of available employment assistance and job training programs. Workshops should also spread general awareness of available employment, training, and job preparation resources through Worknet Merced County.-
- ~~Partner with the Worknet Merced County to host an annual job fair and workforce training event in Atwater.~~
- Work with The Bus (Merced Transit Authority) to provide free bus passes to residents attending job fairs and interviews.
- Partner with the Chamber of Commerce, local business owners, and potential businesses to identify planning and infrastructure needs to support business development in Atwater.

	- Starting in 2026 and bi-annually, coordinate with Merced County and the San Joaquin Valley Air Pollution Control District to develop and implement a plan to reduce pollution burden throughout the city, targeting air quality, water quality, and pesticide use. Assess pollution burden in the city and create an action plan to reduce pollution burden and addressing proper remediation plans for cleanup sites and hazardous waste sites. -
Primary Responsible Departments	Planning Department
Funding Sources	General Funds
Relevant Policies	3.1, 4.4
AFFH Themes	Place-based Strategies for Neighborhood Improvement
Geographic Targeting	Downtown Atwater, North Annexation Area
AFFH Outcomes	- Support the completion of ~~Complete-5~~ <u>one</u> CIP projects <u>per year</u> during the planning period, <u>with a focus on projects in the Flurh and Downtown Atwater neighborhoods.</u> - Hold discussions with at least five potential business owners during the planning period. - Apply for additional funding for community revitalization projects with the goal of securing funding for <u>one two additional projects per year during the planning period.</u> - Improve CalEnviroScreen scores citywide by December 2031.

Program 13: Fair Housing Outreach and Enforcement

The City of Atwater works with the Merced County Housing Authority to provide fair housing information and resources to residents and housing providers. The Housing Authority contracts with Central California Legal Services (CCLS) to provide a local Fair Housing Information Program which includes distribution of educational materials to property owners, apartment managers, and tenants, and responding to complaints of discrimination (i.e., in-taking, investigation of complaints, and resolution) by referring the affected party to the appropriate agencies.

The City refers fair housing issues and complaints to Fair Housing Council of Central California (FHCCC) and the State Department of Fair Employment and Housing. The Department of Fair Employment and Housing (DFEH) maintains a record of housing discrimination complaints filed in local jurisdictions.

HATC refers fair housing issues and complaints to the U.S. Department of Housing and Urban Development (HUD). HUD's Office of Fair Housing and Equal Opportunity (FHEO).

Specific Actions, Objectives and Timelines	- By July ~~2025~~<u>2026</u>, create a Housing Resources and Fair Housing Information Flyer in English and Spanish that includes: - State and federal fair housing laws, specifically highlighting protected classes, including source of income protections - County and local rehabilitation and other housing resources (e.g., weatherization) - Tenant/landlord/lender rights and responsibilities - Fair Housing Complaint information and resources - List of affordable housing units available - State rent stabilization and state just cause eviction regulations - Implement an information dissemination plan including:
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	▫ In collaboration with Merced County Housing Authority and/or CCLS or other fair housing organization, hold at least one annual fair housing workshops or pop-up events during the planning period for residents about housing rights and resources, materials in English and Spanish, starting in <u>20252026</u>. ▫ Starting in <u>20252026</u>: – Biannually publish Fair Housing Flyer on housing rights and resources in the City Newsletter. – At least once annually, publish fair housing information flyer in the City’s utility letter. – At least once annually, publish fair housing information flyer on City’s social media. ▫ Update the City’s website to include information on fair housing flyer. Complete updates by July <u>20252026</u>. ▫ Starting in <u>20252026</u>, coordinate with non-profit organizations, local community groups, and service organizations to increase awareness of and access to housing resources and fair housing assistance by distributing fair housing flyers. ▫ Develop a Fair Housing factsheet to be included with the ADU application packet to inform property owners of their responsibility with state and federal fair housing laws. Publish fair housing guide with ADU applications on or before July <u>20252026</u>. ▫ Provide annual trainings for City staff on how to refer residents for fair housing complaints. Beginning in <u>20252026</u>, provide annual training to City staff on how to refer residents for fair housing complaints. ▪ Starting in <u>20252026</u>, participate in annual meetings with directors from other jurisdictions to discuss regional fair housing and housing resources for potential inclusion on the webpage or in the flyer.
t	Planning Department
Funding Sources	General Fund
Relevant Policies	3.1, 4.4
AFFH Themes	Enforcement and Outreach
Geographic Targeting	Downtown Atwater
AFFH Outcomes	▪ Assist at least five residents and landlords with fair housing services annually, throughout planning period.

B7.3 AFFH Actions Summary

Government Code Section 8899.50 requires “meaningful actions” well beyond combating discrimination to overcome patterns of segregation and foster inclusive communities. Actions to affirmatively further fair housing include:

- Enhancing housing mobility strategies
- Encouraging development of new affordable housing in high resource areas
- Increasing fair housing enforcement and fair housing outreach capacity
- Improving place-based strategies to encourage community conservation and revitalization, including preservation of existing affordable housing
- Protecting existing residents from displacement

Actions to affirmatively furthering fair housing are summarized below.

Program	Specific Commitment	Timeline	Geographic Targeting	Eight-Year Metrics
Fair Housing Enforcement and Outreach				
Program 13: Fair Housing Outreach and Enforcement	- Create a Housing Resources and Fair Housing Information Flyer in English and Spanish. - Implement an information dissemination plan outlined in Program 13. - Participate in annual meetings with directors from other jurisdictions to discuss regional fair housing and housing resources for potential inclusion on the webpage or in the flyer.	By July ~~2025~~ 2026 Annually	Citywide, with an emphasis in Downtown Atwater	Assist at least five residents and landlords with fair housing services annually, throughout planning period.
Housing Mobility				
Program 1: Regional Collaboration	<u>Starting 2026, at least annually participate in regional meetings related to housing and homeless issues to pursue funding and coordination opportunities. Annually pursue funding opportunities for regional housing issues.</u> <u>Starting 2026, at least annually partner with Upon HCD's review of the City's Updated ADU Ordinance the Merced County Human Services Agency and/or the Merced County Community Action Agency to proactively address shelter, housing and support services for people experiencing homelessness.</u> ~~Continue to be an active participant with the Merced County Association of Governments (MCAG) and coordinate on regional planning and policy efforts to advance shared goals throughout Merced County. Participate in the Merced County Association of Governments (MCAG) Authority to manage and implement regional transit and services, while providing a public forum for cross-jurisdictional issues.~~ <u>Annually hold at least one community workshop to identify transportation needs and apply for funding to implement projects using Measure V funds with residents from Downtown Atwater</u> <u>Participate in all Transit Joint Powers Meetings with MCAG and address all needs and concerns.</u> <u>Work with the Merced Continuum of Care to update and implement the 10-Year Plan to End Homelessness during the planning period.</u> <u>Starting in 2026, annually collaborate and coordinate regionally and with the California Department of Housing and Community Development to ensure the effective implementation of the Housing Element. This collaboration will include regular meetings (at least annually), and will include resource sharing, joint efforts with internal and external partners</u>	Annually, <u>beginning in 2026</u>	Downtown Atwater	Submit at least one project from the Downtown Atwater engagement workshop for funding. <u>Establish a working group that meets annually to identify regional housing challenges, funding opportunities, and coordinate efforts to develop affordable housing.</u>

Program	Specific Commitment	Timeline	Geographic Targeting	Eight-Year Metrics
	<u>to address regional housing needs and achieve the goals outlined in the Housing Element, including affirmatively furthering fair housing and farmworker needs.</u> - Starting in 2026, participate in a regional collaboration with developers and affordable housing advocates to support the development of housing and implementation of the Housing Element. - By 2026, establish a working group that meets annually to identify regional housing challenges, including but not limited to affirmatively furthering fair housing efforts and farmworker housing, funding opportunities, and consider input from the working group to coordinate efforts to develop affordable housing and implement the housing element, including making adjustments as appropriate to better achieve the goals and objectives of the housing element.			
Program 5: Accessory Dwelling Units	- Beginning in July 2026, facilitate the production of ADUs through efforts including, but not limited to: - Create an ADU Guidebook and Handout. - Update ADU webpage to include available resources for ADU development, such as grants for pre-development costs available to lower-income homeowners through California Finance Agency (CalHFA) and PLHA loans. - Offer expedited reviews for ADU applications. - Develop a Fair Housing factsheet to be included with the ADU application packet to inform property owners of their responsibility with state and federal fair housing laws. Publish fair housing guide with ADU applications. - Develop an ADU application checklist and publish the checklist on the City's website. - Add information on the ADU permitting process, as well as available resources and incentives, on the City's website. - Adopt pre-approved ADU plans and publish on the City's website. - During the planning period, conduct two educational workshops, campaigns, or outreach events to promote ADU development in the city to residents, with at least two events targeted to residents and developers in Highest-Resource census tracts and higher income neighborhoods (Fluhr, Buhach, and McSwain).	By July 2025/2026	Citywide with emphasis on Highest Resource census tracts and higher income neighborhoods (Fluhr, Buhach, and McSwain). High Resource tracts	Support the development of at least 10 ADUs during the planning period with at least six ADUs in the Highest-Resource neighborhoods identified in the Sites Inventory as Fluhr, Buchach, and McSwain.

Program	Specific Commitment	Timeline	Geographic Targeting	Eight-Year Metrics
	- Participate in regional collaboration efforts to create pre-approved ADU plans. - Upon HCD's review of the City's Updated ADU Ordinance, the City will amend its ADU ordinance if necessary to be consistent with ADU law by the end of 2026. - Conduct a study and amend Zoning Code amendments to incentivize ADU production during the planning period, such as: - Increasing the by-right ADU size to further incentivize ADU creation. - An allowance for an increase in the permitted height up to the height of the primary residence for ADUs built above a garage in single-family zones. - Allowances for reduced setback requirements where privacy is not compromised - Develop a Fair Housing factsheet to be included with the ADU application packet to inform property owners of their responsibility with state and federal fair housing laws. Publish fair housing guide with ADU applications. - During the planning period, conduct two educational workshops, campaigns, or outreach events to promote ADU development in the city to residents, with at least two events targeted to residents and developers in High Resource Tracts			
Program 10: Lower Income and Special Needs Housing	- Over the 8-year planning period, subsequent to each Point-in-Time Count, conduct workshops for the Planning Commission and City Council to share the data from the count. - Identify potential programs to aid homeownership opportunities and develop a list of resources by July 2026. Apply for feasible funding opportunities by December 2026. - Develop an inventory of affordable housing, with contact information and the number of affordable units, and publish the inventory on the City's website by July 2026. - Connect low-income residents with housing assistance resources, including the HCV program. - Add information on the HCV Program and other financial assistance programs to the City's website by July 2026. - Promote the availability of assistance programs through all City's social media pages starting July 2026.	By July 20252026 and annually thereafter	Citywide with emphasis on Highest Resource Tracts and higher income neighborhoods (Flurh, Buhach, and McSwain) High Resource tracts	Expand the use of HCVs in the city by 10 percent by December 2030, using 2023 data as baseline. - Assist two Atwater households through HCVs. - Assist eight households through the PHLA program Assist eight households through the PHLA program, with at least six households that currently reside in the Fluhr and Downtown Atwater neighborhoods.

Merced County Association of Governments
2024-2032 Multi-jurisdictional Housing Element Update

Program	Specific Commitment	Timeline	Geographic Targeting	Eight-Year Metrics
	- Starting in 2026, attend at least one community events to spread awareness and distribute fact sheets on available financial assistance programs. - Starting in 2026, in collaboration with the Housing Authority, provide education to property owners and managers to expand awareness of the HCV program to increase acceptance of tenant-based HCVs and to facilitate mobility and provide choices for lower-income households throughout the city. Include education regarding laws prohibiting source of income discrimination (Fair Employment and Housing Act). Identify and address challenges that property owners/managers have with existing or prospective HCV holders. Target outreach to landlords in high resources areas, such as the Fluhr neighborhood. Include education regarding laws prohibiting source of income discrimination (Fair Employment and Housing Act). - Starting in 2026, annually conduct one workshop for landlords on the HCV program, for a total of seven workshops during the planning period, targeting property owners/managers in High Resource Tracts. - Promote the availability of PHLA funds by posting information to City website by July 2026, and include in informational flyer/newsletter/etc., to be distributed at meetings and shared with non-profit organizations (See Program 13). - Consistent with state law that mandates the provision of housing for ELI households, the City will prioritize processing and funding allocation for projects that include units for ELI households, especially farmworker housing. - Consistent with state law that mandates the provision of housing for special needs households, the City will prioritize processing and funding allocation for projects that include units for special needs households. - Beginning in 2026 and annually thereafter, pursue funding available at the state and federal levels for affordable housing development. Specifically, pursue funding programs that target the needs of extremely low and very low income households. - Provide letters of support to funding applications by developers if the proposed projects are consistent with the goals and objectives of this Housing Element, as requested.			- Increase housing mobility options by facilitating the development of 30 housing units that serve low-income and special needs population through the planning period. - Identify 30 units that can provide transitional and permanent supportive housing for people experiencing homelessness.

Program	Specific Commitment	Timeline	Geographic Targeting	Eight-Year Metrics
	- Consistent with state law that mandates the provision of housing for special needs households, the City will prioritize processing and funding allocation for projects that include units for farmworker households. By the end of 2026, the City will: - Beginning in 2026 and annually thereafter, engage farmworker stakeholders, housing advocates, and nonprofit organizations to identify farmworker housing needs. - Provide technical assistance to developers working on farmworker housing projects and conduct pre-application conferences and meet with farmworker housing developers at least annually and on an ongoing basis. Annually meet with farmworker housing developers to identify housing opportunities. - Post information, including includes a site inventory and available land, housing resources and grant information on the Community and Economic Development Department website by June 2027 within one year of Housing Element adoption. - Contact farmworker housing developers to determine interest and identify constraints to farmworker housing development within the city by the end of 2026 and annually thereafter. Advocate for the development of intergenerational farmworker housing for multiple generations of farmworkers (retirees, working adults, and children) to create opportunities for mutual self-reliance, such as provision of childcare and elder care. - Beginning in 2026, prioritize the review and processing of farmworker housing applications on an ongoing basis. - Beginning in 2026, actively seek federal and state housing finance programs and support developers in securing funding for farmworker housing by providing letters of support to funding applications. - Create and distribute informational materials by January 2027 to raise awareness about farmworker housing programs and opportunities. - As part of the Working Group described in Program 1, beginning in 2026, meet annually to discuss and identify efforts to address farmworker housing regionally. - The City, County, and Merced regional collaboration partners will pursue a variety of strategies and funding to encourage the development, rehabilitation and conservation of housing for farmworkers such as such			

Program	Specific Commitment	Timeline	Geographic Targeting	Eight-Year Metrics
	<u>as funding development, integrating housing for farmworkers into development, developer identification, maintaining an inventory of suitable sites, site development, ensure zoning and development standards facilitate a variety of housing types for farmworker housing needs. The City and collaborative partners will make a specific and at least annual effort to assist in the development of housing for farmworkers and conserve and improve the existing housing stock for farmworkers, including but not limited to:</u> ▫ <u>Contacting nonprofit developers at least every other year to identify opportunities for the development or improvement of housing for farmworkers.</u> ▫ <u>Coordinating and participating with regional organizations, including non-profit, academic, and employers, to raise awareness, share and employ strategies, or target new resources.</u> ▫ <u>Coordinating annually with organizations that represent or serve farmworkers.</u> ▫ <u>Providing incentives and other strategies beyond state density bonus law to encourage housing for farmworkers, including setting aside housing for farmworkers within developments, supporting funding applications, prioritizing entitlements and establishing appropriate zoning and development standards.</u> ▫ <u>Targeting code enforcement and other resources to the existing housing stock with the most need for rehabilitation and sanitary conditions that could be more likely to house farmworkers and work with regional or other organizations to improve living conditions for farmworkers.</u> ▪ <u>Perform outreach to religious institutions to provide information and educate them regarding the availability of SB 4 provisions to construct affordable housing units and to connect them with potential affordable housing developers. Create an outreach and technical advisory program that includes the following actions:</u> ▫ <u>Conduct a workshop in 2027 and 2029 to explain recent legislation (SB 4 and AB 1851) and how it can apply to religious facility properties in Atwater.</u> ▫ <u>Invite religious facility owners and local nonprofit developers to participate.</u>			

Program	Specific Commitment	Timeline	Geographic Targeting	Eight-Year Metrics
	- Provide informational materials to religious facility property owners on the development process. - Provide technical assistance to religious facility property owners to assist with the project entitlements. - Focus outreach in the Fluhr neighborhood. In collaboration with the Housing Authority, provide education to property owners and managers to expand awareness of the HCV program to increase acceptance of tenant-based HCVs and to facilitate mobility and provide choices for lower income households throughout the city. Identify and address challenges that property owners/managers have with existing or prospective HCV holders. - Starting in 2025, annually conduct one workshop for landlords on the HCV program, for a total of seven workshops during the planning period, targeting property owners/managers in High Resource Tracts - Partner with the Merced Gospel Mission Homes to provide transitional and permanent supportive housing to people and families experiencing homelessness. Facilitate the identification of an additional 30 units that can support the mission of providing transitional and permanent supportive housing.			
	Promote the availability of PHLA funds by posting to City website by July 2025, and include in informational flyer/newsletter/etc., to be distributed at meetings and shared with non-profit organizations (See Program 13).	By July 2025 and annually thereafter	Citywide with emphasis on High Resource tracts	Assist 8 households through the PHLA program.
New Housing Opportunities in Higher Opportunity Areas				
Program 2: Adequate Sites for RHNA	- Facilitate the development of 3,017 units over 8 years (768 very low-income, 526 low-income, 508 moderate-income, and 1,215 above moderate-income units). - Concurrent with the adoption of the Housing Element, rezone properties as outlined above and detailed in the Housing Resources section of this Housing Element to provide additional opportunities up to 1,948 units (1,165 lower income, 566 moderate, and 1,293 above moderate-income units). Specifically, at least 54 acres of properties will need to be rezoned to high-density, medium-density, and low-density residential to accommodate the 1,766-unit shortfall. As part of the rezoning, establish appropriate development standards (including parking, height, setback,	By July 2025 ~~2026~~ , and annually thereafter	Citywide	Facilitate the development of 3,017 units over 8 years (768 very low-income, 526 low-income, 508 moderate-income, and 1,215 above moderate-income units).

Program	Specific Commitment	Timeline	Geographic Targeting	Eight-Year Metrics
	<u>lot coverage, etc.) to ensure maximum allowable densities at the respective zones can be achieved.</u> ▪ <u>Maintain an inventory of available vacant and prospective sites that can accommodate new housing and update annually. Make this inventory available to the public and interested developers on the City website.</u> ▪ <u>Annually meet with property owners and interested developers to pursue housing development in the city.</u> ▪ <u>Concurrent with the adoption of the Housing Element, develop a formal procedure to monitor no net loss in capacity pursuant to SB 166.</u> ▪ <u>By the end of 2026, establish objective development standards for development to facilitate large-site development in phases if appropriate. Annually promote objective development standards to developers active in the city.</u> ▪ <u>By the end of 2027, if development of housing is not feasible on these large sites, within 6 months (by July 2027) the City will identify additional incentives and planning tools or alternative strategies if necessary to ensure adequate capacity for RHNA.</u> ▪ <u>Every other year, beginning in 2027, monitor the progress of pending projects counted towards the RHNA to ensure that development of housing units is occurring as projected. If development after consultation with developers that projects are not proceeding as planned and would result in a shortfall of RHNA sites, the City will identify alternative sites and strategies (including potential rezoning) to satisfy the RHNA within six months. By July 2025, rezone properties as outlined above and detailed in the Housing Resources section of this Housing Element to provide additional opportunities up to 2,581 units (1,440 lower income, 545 moderate, and 596 above moderate income units). Specifically, at least 54 acres of properties will need to be rezoned to high density residential to accommodate the 1,616-unit shortfall. As part of the rezoning, establish appropriate development standards (including parking, height, setback, lot coverage, etc.) to ensure maximum allowable densities at the respective zones can be achieved. Maintain an inventory of available vacant and prospective sites that can accommodate new housing; update annually. Make this inventory available to the public and interested developers on the City website.</u>			

Program	Specific Commitment	Timeline	Geographic Targeting	Eight-Year Metrics
	~~Annually meet with property owners and interested developers to pursue housing development in the city.~~ ~~By July 2025, develop a formal procedure to monitor no net loss in capacity pursuant to SB 166~~			
Program 3: By Right Approval	<u>Concurrent with the Development Code update to provide adequate sites for the RHNA (see Program 2), update the Development Code to address the by-right approval requirements.</u>~~By July 2025, concurrent with the Development Code update to provide adequate sites for the RHNA (see Program 2), update the Development Code to address the by-right approval requirements~~	By July ~~2025~~ 2026	Citywide	Facilitate the development of 3,017 units over 8 years (768 very low-income, 526 low-income, 508 moderate-income, and 1,215 above moderate-income units).
Program 5: Accessory Dwelling Units	<u>Beginning in July 2026, facilitate the production of ADUs through efforts including, but not limited to:</u> <u>Create an ADU Guidebook and Handout.</u> <u>Update ADU webpage to include available resources for ADU development, such as grants for pre-development costs available to lower-income homeowners through California Finance Agency (CalHFA) and PLHA loans.</u> <u>Offer expedited reviews for ADU applications.</u> <u>Develop a Fair Housing factsheet to be included with the ADU application packet to inform property owners of their responsibility with state and federal fair housing laws. Publish fair housing guide with ADU applications.</u> <u>Develop an ADU application checklist and publish the checklist on the City's website.</u> <u>Add information on the ADU permitting process, as well as available resources and incentives, on the City's website.</u> <u>Adopt pre-approved ADU plans and publish on the City's website.</u> <u>During the planning period, conduct two educational workshops, campaigns, or outreach events to promote ADU development in the city to residents, with at least two events targeted to residents and developers in Highest-Resource census tracts (Fluhr, Buhach, and McSwain).</u> <u>Participate in regional collaboration.</u> <u>Participate in regional collaboration efforts to create pre-approved ADU plans.</u>	By July ~~2025~~ 2026	Citywide with emphasis on High Resource tracts	Support the development of at least 10 ADUs during the planning period.

Program	Specific Commitment	Timeline	Geographic Targeting	Eight-Year Metrics
	▪ <u>Upon HCD’s review of the City’s Updated ADU Ordinance, the City will amend its ADU ordinance if necessary to be consistent with ADU law by the end of 2026.</u> ▪ <u>Conduct a study and amend Zoning Code to incentivize ADU production during the planning period, such as:</u> ▫ <u>Increasing the by-right ADU size to further incentivize ADU creation.</u> ▫ <u>Consider allowance for an increase in the permitted height up to the height of the primary residence for ADUs built above a garage in single-family zones.</u> ▫ <u>Consider allowances for reduced setback requirements where privacy is not compromised.</u> ▪ ~~By July 2025, facilitate the production of ADUs through efforts including, but not limited to:~~ ▫ ~~Creating an ADU Guidebook and Handout~~ ▫ ~~Updating ADU webpage to include available resources for ADU production, such as grants for pre-development costs available to lower-income homeowners through California Finance Agency (CalHFA).~~ ▫ ~~Offering expedited reviews for ADU applications.~~ ▫ ~~Develop a Fair Housing factsheet to be included with the ADU application packet to inform property owners of their responsibility with state and federal fair housing laws. Publish fair housing guide with ADU applications on or before July 2025.~~ ▫ ~~Develop an ADU application checklist and publish the checklist on the City’s website.~~ ▫ ~~Add information on the ADU permitting process, as well as available resources and incentives, on the City’s website.~~ ▫ ~~Adopt pre-approved ADU plans and publish on the City’s website.~~ ▪ ~~During the planning period, conduct two educational workshops, campaigns, or outreach events to promote ADU development in the city to residents, with at least two events targeted to residents and developers in High Resource Tracts~~ ▪ ~~Participate in regional collaboration efforts to create pre-approved ADU plans.~~			

Program	Specific Commitment	Timeline	Geographic Targeting	Eight-Year Metrics
Program 6: Zoning Code Amendments	<u>Include the following Zoning Code Amendments by the first quarter of 2026 unless otherwise indicated:</u> ▪ SB 35: Establish procedure for implementing SB 35 concurrent with adoption of the Housing Element. ▪ Development Standards Concurrent with Housing Element adoption, amend the Zoning Code to allow minor modifications to height restrictions developments with an affordability component. In order to facilitate the development of housing at maximum densities, allow heights of up to 48 feet (four stories) in the R-3-1.0 zone. ▪ Parking: Revise the Zoning Code to require no more than one space per unit for mobile homes, senior citizen housing, studios, and one-bedroom units. ▪ Mobile/Manufactured Housing: Revise the Zoning Code to allow for manufactured homes in all zones where single-family housing is permitted, subject only to the same requirements of conventional single-family housing. ▪ Group Homes/Residential Care Facilities: Amend the Zoning Code to allow community care facilities serving six or fewer residents as a single-family use in all residential zones and allow care facilities of seven or more residents in all zones that permit residential uses, with objectivity and certainty, and subject only to the requirements of residential uses of similar type and form. ▪ Emergency Shelters: Concurrent with Housing Element adoption, amend the Zoning Code to explicitly allow emergency shelters by-right, in residential and/or residential mixed-use zone(s). Specifically, allow emergency shelters without discretionary action in the R-3 zone. Amend the Zoning Code to define Low-Barrier Navigation Centers, consistent with state law and to explicitly allow by-right, in mixed-use and nonresidential districts permitting multifamily uses. The City will also: ▫ Ensure the definition of emergency shelters complies with AB 2339 to include interim housing options such as bridge housing, navigation centers, and respite and recuperative care; ▫ Remove maximum stay requirements; ▫ Ensure parking standards to only require parking for staff, and in no cases require more than similar uses in that district; and	By July 2025/2026	Citywide	Facilitate the development of five units for special needs populations during the planning period.

Program	Specific Commitment	Timeline	Geographic Targeting	Eight-Year Metrics
	▫ <u>Remove the requirement to have a minimum 300 separation from residential zones, parks, and schools.</u> ▪ <u>Transitional and Supportive Housing:</u> Amend the Zoning Code to comply with AB 2162, such that supportive housing located within half-mile from transit may not be subjected to any minimum parking standard. ▪ <u>Employee Housing:</u> Revise the Zoning Code to allow employee housing for six or fewer as a single-family residential use to ensure compliance with the Employee Housing Act (Health & Safety Code Section 17021.5). ▪ <u>Farmworker Housing:</u> Revise the Zoning Code to allow farmworker housing with up to 36 beds in group quarters or up to 12 units or spaces designed for use by a single-family or household as an agricultural use and to allow a streamlined, ministerial approval process and not subject to a conditional use permit (CUP) to eligible agricultural employee housing developments to ensure compliance with the Employee Housing Act (Health & Safety Code Section 17021.6 and 17021.8). ▪ <u>Single-Room Occupancy (SROs):</u> Revise the Zoning Code to allow the development of SRO in zones allowing hotel or motel uses and establish a procedure to encourage and facilitate SRO development in the allowable zoning district(s), including development standards. ▪ <u>Definition of Family:</u> Revise the City’s definition of “family” to comply with fair housing laws. ▪ <u>Site Plan Review and Permit Approvals:</u> Site plan and permit approvals include subjective standards that require personal interpretation to determine compliance with standards. Concurrent with Housing Element adoption, the City will revise the Zoning Code to remove subjective language. ▪ <u>Reasonable Accommodation:</u> Establish written procedures for reasonable accommodations requests, including approval findings and time parameters, and provide information regarding reasonable accommodations requests on the City website. Complete Zoning Code Amendments outlined in Program 6 to facilitate the development and remove constraints to the development of housing for special needs populations.			

Program	Specific Commitment	Timeline	Geographic Targeting	Eight-Year Metrics
Program 7: Facilitating Affordable Housing Development	- Starting in 2026, annually pursue funding at the local, regional, state, and federal levels such as CDBG, HOME, CalHome, PLHA, and Project Homekey funds to assist affordable housing production. - Work with other jurisdictions in Merced County to create a regional list of affordable housing developers by July 2026. Annually conduct outreach to these developers with information on potential sites, available regulatory concessions and incentives, and potential funding opportunities to construct homes that are affordable to low- and moderate-income households. - By the end of 2026, amend the Zoning Code establish density bonuses for housing developments that include housing units affordable to very low-, low-, and moderate-income households or housing units for seniors and the donation of land for housing, consistent with current state laws and requirements. - Starting in 2026, facilitate the development of affordable housing by holding design review workshops, providing site location assistance, and assisting in the procurement of funding. - Continue to facilitate the development of affordable housing for extremely low, very low- and low-income households and special needs households (e.g., elderly, homeless, farmworkers, persons with disabilities, female-headed households) through the provision of the following regulatory concessions and incentives: - Density increases under the City’s Density Bonus Ordinance. - Expedited and streamlined project application review involving any of the following housing categories; low- and very low-income households; large families; persons with disabilities or developmental disabilities; and farmworkers. - Potential fee waivers/reductions/deferrals. - Review the General Plan, applicable Specific Plans, Zoning Code, and Zoning Map to evaluate opportunities for removing barriers to housing production, adding housing capacity, and accommodating a greater mix of dwelling types and sizes households (e.g., duplexes, triplexes, fourplexes, townhouses, courtyard buildings), prioritizing opportunities and sites in Highest-Resource census tracts and higher income neighborhoods (Flurh, Buhach, and McSwain). Review General Plan, Specific Plans, Zoning Code,	Starting in 20252026 and annually thereafter	Citywide with an emphasis on Highest Resources and higher income neighborhoods (Flurh, Buhach, and McSwain). High Resource tracts	Increase the percent of the city’s housing stock that is multifamily from 23.6 percent to 27 percent by December 2030, using 2017-2021 ACS data as a baseline. Approve building permits for 20 alternative dwelling types (duplexes, triplexes, fourplexes, townhouses, courtyard buildings). Decrease disparity between census tracts in Downtown Atwater/Sierra Vista and adjacent census tracts based on median income level. Structure the City’s regulations to allow for the entitlement of at least 100 subsidized housing units affordable to extremely low- very low-, and low-income households in the city during the planning period, including at least 30 units in higher income areas (Flurh, Buhach, and McSwain neighborhoods).

Program	Specific Commitment	Timeline	Geographic Targeting	Eight-Year Metrics
	<u>and Zoning Map by January 2026 and implement any changes by January 2027 (see Program 6).</u> ▪ <u>Beginning in 2026, and annually thereafter, apply for state and federal funds to facilitate the development of affordable housing, including housing for extremely low-income households and those with special housing needs. Partner with nonprofit housing developers to support the entitlement of at least 100 subsidized housing units affordable to extremely low-, very low-, and low-income households in the city during the planning period, prioritizing sites near services. Annually pursue funding at the local, regional, state, and federal levels such as CDBG, HOME, CalHome, PLHA, and Project Homekey funds to assist affordable housing production.</u> ▪ <u>Work with other jurisdictions in Merced County to create a regional list of affordable housing developers by the end of 2026. Annually conduct outreach to these developers with information on potential sites, available regulatory concessions and incentives, and potential funding opportunities.</u> ▪ <u>By July 2025, amend the Zoning Code establish density bonuses for housing developments that include housing units affordable to very low-, low-, and moderate income households or housing units for seniors and the donation of land for housing, consistent with current state laws and requirements.</u> ▪ <u>Facilitate the development of affordable housing through the following actions (including but not limited to): design review workshops, providing site location assistance, and assisting in the procurement of funding.</u> ▪ <u>Facilitate the development of affordable housing for extremely low, very low- and low-income households and special needs households (e.g., elderly, homeless, farmworkers, persons with disabilities, female-headed households) through the provision of the following regulatory concessions and incentives:</u> ▫ <u>Density increases under the City's Density Bonus Ordinance.</u> ▫ <u>Expedited and streamlined project application review involving any of the following housing categories: above moderate income households; very low-income households; large families; persons with disabilities or developmental disabilities; and farmworkers.</u> ▫ <u>Potential fee waivers/reductions/deferrals.</u>			

Program	Specific Commitment	Timeline	Geographic Targeting	Eight-Year Metrics
Place-based Strategies for Neighborhood Revitalization				
Program 9: Housing Preservation and Rehabilitation	- Starting in 2026, coordinate with Self-Help Enterprises and Habitat for Humanity, and other state and regional nonprofits to expand in rehabilitation, weatherization, and preservation efforts in the City. - Annually research funding opportunities and apply for funds when appropriate. Assist with eight rehabilitation projects over eight years, prioritizing areas with a concentration of substandard housing conditions and high displacement risk such as Downtown Atwater and Fluhr. - Starting in 2026, advertise available rehabilitation grant programs on the City's website. Ensure that Code Enforcement has the information when addressing enforcement cases. - Beginning in January 2027, conduct outreach every other year to mobile home owners within the city to promote available rehabilitation, weatherization, and replacement programs, including through direct mailings and other communication methods. Publish resources on rehabilitation and weatherization assistance on the City's website by July 2026. - Consider rent stabilization policy for new developments of mobile home parks. - City staff will conduct a workshop with elected officials and the public to describe benefits to rent stabilization by the end of 2026 - Ensure tenants are properly noticed by the property owners should a Notice of Intent to opt out of low-income use is filed. Notices must be filed three years, one year, and six months in advance of conversion. Additionally, the City shall provide tenants with information about available resources and their tenant rights during the Notice of Intent period. - In the event of potential conversion, conduct outreach to nonprofit housing providers to acquire projects opting out of low-income use. As funding permits, assist in funding the acquisition and support funding applications by nonprofit providers. Coordinate with Self-Help Enterprises and/or Habitat for Humanity in rehabilitation efforts in the City. Annually research funding opportunities. Assist with 10 rehabilitation projects over 8 years.	Starting in 20252026 By end of 2026	Downtown Atwater and Flurh	Assist with rehabilitation of 15 units during the planning period, with at least eight units in the neighborhoods of Downtown Atwater and Flurh.8 rehabilitation projects over 8 years

Merced County Association of Governments
2024-2032 Multi-jurisdictional Housing Element Update

Program	Specific Commitment	Timeline	Geographic Targeting	Eight-Year Metrics
	~~Advertise available rehabilitation grant programs on the City's website. Ensure that Code Enforcement has the information when addressing enforcement cases.~~ ~~Publish resources on rehabilitation and weatherization assistance on the City's website by July 2025.~~ ~~Consider rent stabilization policy for new developments of mobile home parks.~~ ~~Conduct a workshop with elected officials and the public to describe benefits to rent stabilization by the end of 2026~~ - Annually apply for funding to support housing rehabilitation in areas with a concentration of substandard housing conditions and in disadvantaged communities to encourage place-based revitalization and reduce displacement risk by improving housing conditions. Utilize additional funding (when available) to expand this program to become increasingly proactive. - Continue to implement the Repeat Housing Code Violators Program to penalize rental property owners who demonstrate a pattern of neglect, unresolved violations, or unsafe conditions for tenants to preserve rental housing supply.			
<u>Program 11: Water and Sewer Service</u>	- By the end of 2027, complete update to water and sewer master plans to ensure there is sufficient capacity to accommodate sites identified in the site inventory. As part of the updates to the plans: - Include analysis of water and sewer services on sites identified in this Housing Element and identify strategies to address constraints to housing development on identified sites by February 2026. - Conduct stakeholder outreach in 2026 to identify strategies to address infrastructure gaps. - If water and sewer constraints are identified and would reduce the capacity or feasibility of development on inventory sites, identify alternative sites to ensure adequate capacity for development assumed in the site inventory by July 2026. - By December 2026, draft a phased Infrastructure Improvement Strategy that identifies priority upgrades on RHNA sites that are aligned with available resources.	<u>By 2026</u>	<u>Citywide</u>	<u>Increased water and sewer capacity in moderate-resource areas, such as North and Downtown Atwater.</u>

Program	Specific Commitment	Timeline	Geographic Targeting	Eight-Year Metrics
	- Beginning in 2026, and annually thereafter, actively pursue state and federal funding required to complete wastewater system upgrades and other identified infrastructure improvements citywide. Financially assist at least one infrastructure project per year with awarded grant funding, prioritizing projects in moderate-resource areas (e.g., North and Downtown Atwater). - Annually with the publication of the City's Annual Progress Report, monitor the availability of water to serve future projects on identified sites to accommodate the City's share of the RHNA. - Annually, conduct outreach and education on water conservation measures through a social media campaign. - Conduct a feasibility study to evaluate Implementing water conservation measures, such as landscape conservation incentives and residential plumbing retrofits by December 2027. - By December 2026, apply for funding to implement bioswales, permeable pavements, and rain gardens on city-owned land to manage stormwater and reduce sewer load. - Pursue/provide rehabilitation assistance that includes energy conservation and weatherization improvements as eligible activities. - By the end of 2026, adopt a policy to prioritize the allocation of water and sewer services to affordable housing projects (SB 1087). - Conduct a study to evaluate the infrastructure impact of single-family and multi-family homes and update the fee schedule by June 2026. - Beginning in 2026, review the priority project list for infrastructure improvements after every project completion. In revising the list, give a scoring bonus consideration to moderate-resource areas with infrastructure need that can be met with available funding. - Expedite permits for water and wastewater improvements that increase capacity in areas with housing sites. - Coordinate with the Merced Subbasin Groundwater Sustainability Agency to align future affordable housing developments with the provisions of the groundwater sustainability plan, and track groundwater sustainability conditions, groundwater allocations, and implementation actions relevant to planned housing development areas and community plan boundaries. - Support and participate in regional efforts to expand groundwater recharge, recycled water use, or other alternative supplies intended to			

Merced County Association of Governments
2024-2032 Multi-jurisdictional Housing Element Update

Program	Specific Commitment	Timeline	Geographic Targeting	Eight-Year Metrics
	<u>improve long-term groundwater sustainability in areas planned for housing. Organize an annual focus group, then as-needed periodic meetings and workshops, involving water resource agencies, developers, and stakeholders to discuss water management strategies for residential development. Hold at least one water and housing focus group annually.</u> ▪ <u>Assess the feasibility of Tax Increment Financing (TIF) Districts and/or Enhanced Infrastructure Financing Districts (EIFD) being used to fund infrastructure improvements to support housing development.</u> ▪ <u>Annually, beginning in 2026, apply for grant funding from agencies involved in the California Financing Coordinating Committee on an annual basis in accordance with the release of a Notice of Funding Availability. Pursue funding through the Infill Incentive Grant (IIG) Program, sponsored by HCD, to support infrastructure investments, including park creation; water, sewer, or other public infrastructure; transportation improvements; and traffic mitigation.</u>			
Program 12: Community and Economic Development	▪ <u>Starting in 2026, collaborate with Merced County Transit (the Bus) to determine location of bus stops to serve new developments in annexed neighborhoods by meeting at least annually.</u> ▪ <u>Starting in 2026, coordinate with the Public Works Department to review the City's Capital Improvement Projects (CIP) annually to ensure public facilities and infrastructure are supportive of the needs of underserved communities, especially in Downtown Atwater.</u> ▪ <u>Starting in 2026, seek funding and complete projects to improve the conditions in Downtown Atwater, a neighborhood with disproportionate needs and a concentration of minorities and poverty, including but not limited to:</u> ▪ <u>Pedestrian Improvements to Connect to Downtown Phase 4 - only design funded - in progress.</u> ▪ <u>Bloss Parking Lot (ACE Train Station Support Project) - design funded and in progress, construction not funded.</u> ▪ <u>Parking Lot at Atwater Blvd & First St (ACE Train Station Support Project) - environmental clean closure in progress - design target completion 2024, construction not funded.</u> ▪ <u>ACE Train Station - design partially funded.</u> ▪ <u>Apply for funding beyond CIP annually.</u>	Starting in 2025 and annually thereafter	Downtown Atwater, North Annexation Area	<u>Support the completion of one CIP per year during the planning period, with a focus on projects in the Flurh and Downtown Atwater neighborhoods.</u> <u>Hold discussions with at least five potential business owners during the planning period.</u> <u>Apply for additional funding for community revitalization projects with the goal of securing funding for one projects per year during the planning period.</u> <u>Improve CalEnviroScreen scores citywide by December 2031. Complete 5 CIP projects during the planning period.</u>

Program	Specific Commitment	Timeline	Geographic Targeting	Eight-Year Metrics
	▪ <u>Hold at least one community workshop in Fluhr and Sierra Vista by December 2026 to identify active transportation needs and apply for funding to implement projects outlined in the Regional Active Transportation Plan by December 2027. Implement at least one active transportation project in Fluhr and Sierra Vista by the end of the planning period.</u> ▪ <u>Concurrent with Housing Element adoption, at least every other year, identify funding sources and apply for funding to address additional community development issues such as neighborhood revitalization, parks, safe routes to school, community facilities, or addressing pollution burdens, with the goal of securing funding for two additional community revitalization projects during the planning period.</u> ▪ <u>Advance environmental justice through community engagement, TOD, and affordable housing in the General Plan Update currently underway (expected to be adopted by the end of 2026).</u> ▪ <u>Starting in 2025, apply for and utilize cap and trade program funds from the Greenhouse Gas Reduction Fund (GGRF) for efforts such as tree planting and restoration, home energy efficiency, zero emission and plug-in hybrid vehicles, and affordable housing.</u> ▪ <u>Ensure engagement strategies consider linguistic isolation and target lower income and special needs households.</u> ▪ <u>Starting in 2026 and bi-annually, coordinate with Merced County and the San Joaquin Valley Air Pollution Control District to develop and implement a plan to reduce pollution burden throughout the city, targeting air quality, water quality, and pesticide use. Assess pollution burden in the city and create an action plan to reduce pollution burden and addressing proper remediation plans for cleanup sites and hazardous waste sites. Collaborate with Merced County Transit (the Bus) to determine location of bus stops to serve new developments in annexed neighborhoods</u> ▪ <u>Coordinate with the Public Works Department to review the City's Capital Improvement Projects (CIP) to ensure public facilities and infrastructure are supportive of the needs of underserved communities, especially in Downtown Atwater.</u>			

Merced County Association of Governments
2024-2032 Multi-jurisdictional Housing Element Update

Program	Specific Commitment	Timeline	Geographic Targeting	Eight-Year Metrics
	~~Seek funding and complete projects to improve the conditions in Downtown Atwater, a neighborhood with disproportionate needs and a concentration of minorities and poverty.~~ ~~Advance environmental justice through community engagement, TOD, and affordable housing in the General Plan Update currently underway (expected to be adopted May 2025).~~ ~~Apply for and utilize cap and trade program funds from the Greenhouse Gas Reduction Fund (GGRF) for efforts such as tree planting and restoration, home energy efficiency, zero emission and plug-in hybrid vehicles, and affordable housing.~~ ~~Ensure engagement strategies consider linguistic isolation and target lower income and special needs households.~~			
Tenant Protection and Anti-displacement				
Program 1: Regional Collaboration	<u>Starting 2026, at least annually participate in regional meetings related to housing and homeless issues to pursue funding and coordination opportunities. Annually pursue funding opportunities for regional housing issues.</u> <u>Starting 2026, at least annually partner with the Merced County Human Services Agency and/or the Merced County Community Action Agency to proactively address shelter, housing and support services for people experiencing homelessness.</u> <u>Continue to be an active participant with the Merced County Association of Governments (MCAG) and coordinate on regional planning and policy efforts to advance shared goals throughout Merced County.</u> <u>Participate in all Transit Joint Powers Meetings with MCAG and address all needs and concerns.</u> <u>Work with the Merced Continuum of Care to update and implement the 10-Year Plan to End Homelessness during the planning period.</u> <u>Starting in 2026, annually collaborate and coordinate regionally and with the California Department of Housing and Community Development to ensure the effective implementation of the Housing Element. This collaboration will include regular meetings (at least annually), and will include resource sharing, joint efforts with internal and external partners to address regional housing needs and achieve the goals outlined in the</u>	Annually	Citywide	Assist with the completion of the 10-Year Plan to End Homelessness during the planning period

Program	Specific Commitment	Timeline	Geographic Targeting	Eight-Year Metrics
	<u>Housing Element, including affirmatively furthering fair housing and farmworker needs.</u> - Starting in 2026, participate in a regional collaboration with developers and affordable housing advocates to support the development of housing and implementation of the Housing Element. - By 2026, establish a working group that meets annually to identify regional housing challenges, including but not limited to affirmatively furthering fair housing efforts and farmworker housing, funding opportunities, and consider input from the working group to coordinate efforts to develop affordable housing and implement the housing element, including making adjustments as appropriate to better achieve the goals and objectives of the housing element. Work with the Merced Continuum of Care to update and implement the 10-Year Plan to End Homelessness during the planning period			
Program 4: Replacement Housing	Amend the Zoning Code to address the replacement housing requirements.	By July ~~2025~~ 2026,	Citywide	Replace all units as required pursuant to AB 1397.
Program 8: Preservation of at-risk Housing	- Monitor affordable units during the planning period. - Maintain annual contact with property owners of affordable housing regarding any change in status/intent or need for assistance, such as rehabilitation assistance. - Maintain the AB 987 database to include detailed information on all subsidized units, including those that have affordability covenants. Update annually. Monitor affordable units during the planning period. - Maintain annual contact with property owners of affordable housing regarding any change in status/intent or need for assistance, such as rehabilitation assistance. - Maintain the AB 987 database to include detailed information on all subsidized units, including those that have affordability covenants. Update annually - By March 2027, conduct a feasibility study to explore and identify displacement strategies which may include but is not limited to the development of regulations that establish a “first right of return” for tenants displaced by redevelopment, rehabilitation, of properties with existing occupied residential units and other displacement pressures. This	Annually	Citywide, with a focus on the Fluhr and Downtown Atwater neighborhoods.	Preserve all 35 existing affordable housing units in Atwater

Merced County Association of Governments
2024-2032 Multi-jurisdictional Housing Element Update

Program	Specific Commitment	Timeline	Geographic Targeting	Eight-Year Metrics
	study will assess legal, financial, administrative, and equity considerations involved in conserving the existing housing stock for lower-income households and guaranteeing displaced tenants the opportunity to return to newly constructed or rehabilitated replacement housing units. The study will be presented to the City Council in a public forum by July 2027. The City will establish an overall displacement strategy which may include first-right-of-return program by July 2028. ▪ In partnership with Merced County, create a community stabilization handbook where residents can find resources for lower-income families to prevent displacement. Resources include homelessness assistance, housing rehabilitation programs, legal services, rental assistance, utility assistance, homeownership programs, fair housing resources, and affordable housing. Identify governmental and private/nonprofit service providers and include their contact information. Make the handbook available on the City's website by July 2027.			
Program 10: Lower-Income and Special needs Housing	▪ <u>Over the 8-year planning period, subsequent to each Point-in-Time Count, conduct workshops for the Planning Commission and City Council to share the data from the count.</u> ▪ <u>Identify potential programs to aid homeownership opportunities and develop a list of resources by July 2026. Apply for feasible funding opportunities by December 2026.</u> ▪ <u>Develop an inventory of affordable housing, with contact information and the number of affordable units, and publish the inventory on the City's website by July 2026.</u> ▪ <u>Connect low-income residents with housing assistance resources, including the HCV program.</u> ▫ <u>Add information on the HCV Program and other financial assistance programs to the City's website by July 2026.</u> ▫ <u>Promote the availability of assistance programs through all City's social media pages starting July 2026.</u> ▫ <u>Starting in 2026, attend at least one community events to spread awareness and distribute fact sheets on available financial assistance programs.</u> ▪ <u>Starting in 2026, in collaboration with the Housing Authority, provide education to property owners and managers to expand awareness of the</u>	By July ~~2025~~ <u>2026</u> Annually	Citywide	Assist two Atwater households through HCVs annually <u>Promote with the goal of expanding the use of HCVs in the city by 10 percent by December 2030, using 2023 data as baseline.</u> <u>Assist eight households through the PHLA program.</u> <u>Increase housing mobility options in Atwater through SB4 implementation.</u>

Program	Specific Commitment	Timeline	Geographic Targeting	Eight-Year Metrics
	<u>HCV program to increase acceptance of tenant-based HCVs and to facilitate mobility and provide choices for lower-income households throughout the city. Include education regarding laws prohibiting source of income discrimination (Fair Employment and Housing Act). Identify and address challenges that property owners/managers have with existing or prospective HCV holders. Target outreach to landlords in high resources areas, such as the Fluhr neighborhood. Include education regarding laws prohibiting source of income discrimination (Fair Employment and Housing Act).</u> ▪ <u>Starting in 2026, annually conduct one workshop for landlords on the HCV program, for a total of seven workshops during the planning period, targeting property owners/managers in High Resource Tracts.</u> ▪ <u>Promote the availability of PHLA funds by posting information to City website by July 2026, and include in informational flyer/newsletter/etc., to be distributed at meetings and shared with non-profit organizations (See Program 13).</u> ▪ <u>Consistent with state law that mandates the provision of housing for ELI households, the City will prioritize processing and funding allocation for projects that include units for ELI households, especially farmworker housing.</u> ▪ <u>Consistent with state law that mandates the provision of housing for special needs households, the City will prioritize processing and funding allocation for projects that include units for special needs households.</u> ▪ <u>Beginning in 2026 and annually thereafter, pursue funding available at the state and federal levels for affordable housing development. Specifically, pursue funding programs that target the needs of extremely low and very low income households.</u> ▪ <u>Provide letters of support to funding applications by developers if the proposed projects are consistent with the goals and objectives of this Housing Element, as requested.</u> ▪ <u>Consistent with state law that mandates the provision of housing for special needs households, the City will prioritize processing and funding allocation for projects that include units for farmworker households. By the end of 2026, the City will:</u> ▫ <u>Engage farmworker stakeholders, housing advocates, and nonprofit organizations to identify farmworker housing needs.</u>			

Program	Specific Commitment	Timeline	Geographic Targeting	Eight-Year Metrics
	▫ <u>Provide technical assistance to developers working on farmworker housing projects and conduct pre-application conferences and meet with farmworker housing developers on an ongoing basis.</u> ▫ <u>Post information on the Community and Economic Development Department website within one year of Housing Element adoption. Information includes a site inventory and available land, housing resources and grant information.</u> ▫ <u>Contact farmworker housing developers to determine interest and identify constraints to farmworker housing development within the city by the end of 2026 and annually thereafter. Advocate for the development of intergenerational farmworker housing for multiple generations of farmworkers (retirees, working adults, and children) to create opportunities for mutual self-reliance, such as provision of childcare and elder care.</u> ▫ <u>Prioritize the review and processing of farmworker housing applications.</u> ▫ <u>Actively support developers in securing funding for farmworker housing by providing letters of support to funding applications.</u> ▫ <u>Create and distribute informational materials to raise awareness about farmworker housing programs and opportunities.</u> ▫ <u>As part of the Working Group described in Program 1, meet annually to discuss and identify efforts to address farmworker housing regionally.</u> ▪ <u>The City, County, and Merced regional collaboration partners will pursue a variety of strategies and funding to encourage the development, rehabilitation and conservation of housing for farmworkers such as such as funding development, integrating housing for farmworkers into development, developer identification, maintaining an inventory of suitable sites, site development, ensure zoning and development standards facilitate a variety of housing types for farmworker housing needs. The City and collaborative partners will make a specific and at least annual effort to assist in the development of housing for farmworkers and conserve and improve the existing housing stock for farmworkers, including but not limited to:</u>			

Program	Specific Commitment	Timeline	Geographic Targeting	Eight-Year Metrics
	▫ <u>Contacting nonprofit developers at least every other year to identify opportunities for the development or improvement of housing for farmworkers.</u> ▫ <u>Coordinating and participating with regional organizations, including non-profit, academic, and employers, to raise awareness, share and employ strategies, or target new resources.</u> ▫ <u>Coordinating annually with organizations that represent or serve farmworkers.</u> ▫ <u>Providing incentives and other strategies beyond state density bonus law to encourage housing for farmworkers, including setting aside housing for farmworkers within developments, supporting funding applications, prioritizing entitlements and establishing appropriate zoning and development standards.</u> ▫ <u>Targeting code enforcement and other resources to the existing housing stock with the most need for rehabilitation and sanitary conditions that could be more likely to house farmworkers and work with regional or other organizations to improve living conditions for farmworkers.</u> ▪ <u>Perform outreach to religious institutions to provide information and educate them regarding the availability of SB 4 provisions to construct affordable housing units and to connect them with potential affordable housing developers. Create an outreach and technical advisory program that includes the following actions:</u> ▫ <u>Conduct a workshop in 2027 and 2029 to explain recent legislation (SB 4 and AB 1851) and how it can apply to religious facility properties in Atwater.</u> ▫ <u>Invite religious facility owners and local nonprofit developers to participate.</u> ▫ <u>Provide informational materials to religious facility property owners on the development process.</u> ▫ <u>Provide technical assistance to religious facility property owners to assist with the project entitlements.</u> ▪ <u>Focus outreach in the Fluhr neighborhood. Over the 8-year planning period, subsequent to each Point-in-Time Count, conduct annual</u>			

Merced County Association of Governments
2024-2032 Multi-jurisdictional Housing Element Update

Program	Specific Commitment	Timeline	Geographic Targeting	Eight-Year Metrics
	~~workshops for the Planning Commission and City Council to share the data from the count.~~ ~~Identify potential programs to aid moderate-income homeownership opportunities and develop a list of resources by July 2025. Apply for feasible funding opportunities by July 2026.~~ ~~Develop an inventory of affordable housing, with contact information and the number of affordable units, and publish the inventory on the City's website by July 2025.~~ <del>Connect low-income residents with housing assistance resources, including the HCV program: ~~Add information on the HCV Program and other financial assistance programs to the City's website by July 2025.~~ ~~Promote the availability of assistance programs through all City's social media pages at least once annually.~~ </del> ~~Attend at least one community events to spread awareness and distribute fact sheets on available financial assistance programs~~			
Program 12: Community and Economic Development	~~Partner with the Merced County Economic Development Division to host at least one event annually in Atwater to inform local business owners of available business assistance programs.~~ <del>Partner with the local employment organizations to connect Atwater residents with job opportunities and workforce training program opportunities. ~~Partner with the Worknet Merced County to host an annual job fair and workforce training event in Atwater.~~ ~~Work with The Bus (Merced Transit Authority) to provide free bus passes to residents attending job fairs and interviews.~~ </del> ~~Partner with the Chamber of Commerce, local business owners, and potential businesses to identify planning and infrastructure needs to support business development in Atwater.~~	Starting in 2025 and annually thereafter	Downtown Atwater, North Annexation Area	Hold discussions with at least five potential business owners during the planning period

B7.4 Quantified Objectives

Atwater has established quantified objectives for housing production and rehabilitation for the Housing Element. These objectives are based upon expected availability of resources to address the City's housing needs, expectations regarding future housing development, as well as prior objectives established in earlier housing plans. Table B7-1 below summarizes the City's quantified objectives for implementing its various programs and actions outlined above.

Table B7-1 Quantified Objectives 2024-2032

Target Income and Affordability Level	New Construction	Rehabilitation	Conservation
Extremely Low	384	<u>104</u>	15
Very Low	384	<u>104</u>	15
Low	526	<u>5112</u>	15
Moderate	508		
Above Moderate	1,215		
Total	3,017	<u>102532</u>	45*
*Includes outcomes from Program 8 (preserve all 35 affordable housing units) and Program 10 (assist two Atwater households through HCVs; assist eight households through the PHLA program)			

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