

RESOLUTION NO. 2023-50

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HOLLISTER APPROVING
THE CITY OF HOLLISTER 2022 GENERAL PLAN PROGRESS REPORT. EXEMPT
FROM CEQA PER SECTION 15306 INFORMATION COLLECTION**

WHEREAS, Government Code Section 65400 mandates that the City of Hollister submit an Annual Progress Report on the status of the General Plan and its implementation to the Governor's Office of Planning and Research by April 1st of each year;

WHEREAS, the California Department of Housing and Community Development requires the City of Hollister to report on progress in meeting its share of regional housing needs and the status of Hollister's compliance with deadlines in the 2015-2023 Housing Element at a public hearing where members of the public may provide oral testimony or submit written comments as part of the Annual General Plan Progress Report; and

WHEREAS, the guidelines from the Governor's Office of Planning and Research and forms from the California Department of Housing and Community Development were used to prepare the report; and

WHEREAS, the City of Hollister has prepared the Annual 2022 General Plan Progress Report dated March 22, 2023; and

WHEREAS, the Annual Progress Report has been reviewed by the City Council at a public meeting and accepted at a regular City Council meeting.

NOW, THEREFORE, IT BE RESOLVED, that the City of Hollister has reviewed and accepted the City of Hollister Annual 2023 General Plan Progress Report at the April 3, 2023 Council meeting.

PASSED AND ADOPTED, by the City Council of the City of Hollister at a Regular Meeting held this 3rd day of April, 2023, by the following vote:

AYES: Council Members Resendiz, Morales, Burns, and Mayor Casey

NOES: None

ABSTAINED: None

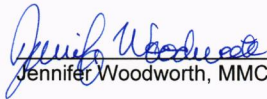
ABSENT: Council Member Perez



Mia Casey, Mayor

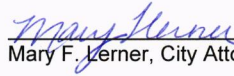
ATTEST:

APPROVED AS TO FORM:



Jennifer Woodworth, MMC, City Clerk

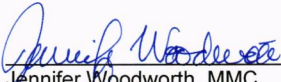
Lozano Smith Attorneys at Law



Mary F. Zerner, City Attorney

I, JENNIFER WOODWORTH, MMC, City Clerk of the City of Hollister, do hereby certify that the attached Resolution No. 2023-50 is an original resolution, or true and correct copy of a City resolution, duly adopted by the Council of the City of Hollister at a special meeting of said Council held on the 3rd day of April 2023, at which meeting a quorum was present.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the City of Hollister this 3rd day of April 2023.



Jennifer Woodworth, MMC
City Clerk of the City of Hollister



City of Hollister

2022 General Plan Annual Progress Report

March 23, 2023

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Introduction

Government Code Sections 65400 and 65700 mandate that all cities and counties submit an annual report on the status of the General Plan and progress in its implementation to their legislative bodies, the Governor's Office of Planning and Research (OPR), and the Department of Housing and Community Development (HCD) by April 1st of each year.

The annual progress report (APR) provides local legislative bodies and the public with information regarding the implementation of the General Plan for their city or county. The APR also informs the public of the progress in meeting the community's goals.

In addition to this General Plan APR, all jurisdictions must additionally prepare and submit a Housing Element APR to both OPR and HCD. The Housing Element APR provides informational reporting on housing information including progress on meeting the jurisdiction's share of regional housing needs, rezoning activities, and actions taken toward completing housing element programs.

The General Plan APR allows OPR to identify statewide trends in land use decision-making and how local planning and development activities relate to statewide planning goals and policies. APRs may also be used to inform future modifications to OPR's *General Plan Guidelines*. Both the General Plan and Housing Element APRs are used by the State Offices to track progress of local jurisdictions' implementation of their General Plan, Housing Element, and is used as an eligibility threshold requirement for several State housing funding programs.

Date of Acceptance of the APR

The City of Hollister 2022 General Plan Annual Progress Report is anticipated to be reviewed and accepted by the City Council at the regular City Council meeting of April 3, 2023.

Date of Last Update to the City of Hollister General Plan

The City of Hollister completed a comprehensive update to the 1995-2005 General Plan when it adopted the 2005-2023 General Plan (Current General Plan) in December of 2005. The update was prepared in compliance with the Office of Planning and Research General Plan Guidelines. In accordance with State requirements, the City of Hollister General Plan Housing Element was amended in 2009 for the 2009-2014 Housing Element Cycle, and again in April of 2016 for the 2015-2023 5th Cycle. As required by Section 65302)(d)(3) and (g)(2) of the Government Code, the City of Hollister Natural Resources, Health and Safety, and Land Use and Community Design Elements were concurrently amended. The amendments provide more accurate mapping of flood hazard areas (including Flood Awareness Protection Areas) as well as liquefaction and landslide hazards. The amendments also added programs and policies related to development of a local hazard mitigation plan and avoidance of flood hazard areas for the establishment of residential and public facilities.

The City of Hollister is actively working on a comprehensive update to the existing 2005-2023 General Plan. At the regular meeting of February 3, 2020, the City Council adopted Resolution 2020-17, which award the contract for preparation of the City of Hollister 2023-2040 General Plan and Environmental Review to Placeworks, Inc. The City anticipates releasing the draft General Plan and Environmental Impact Report for public review in the spring of 2023.

General Plan Implementation Measures

Land Use and Community Design Element

Implementation Measure	Status
LU.A Develop Signage Ordinance	Sign ordinance was completed in 2008 with the adoption of Ordinance 1038. An ad hoc committee was formed to review the downtown sign ordinance in 2019. On April 6, 2020, the City Council adopted Ordinance 1188 repealing and replacing Chapter 17.20 <i>Signs</i> of the Hollister Municipal Code.
LU.B Investigate Inclusionary Housing Programs	The City of Hollister received SB 2 Grant Funding, part of which was allocated for the creation and implementation of an Inclusionary Housing Ordinance. At its regular meeting of November 1, 2021, the City Council adopted Resolution 2021-203, which authorized a revision to the existing contract with Placeworks, Inc. for the General Plan Update, to include the creation of an Inclusionary Housing Program, as well as authorized the city to receive the SB 2 grant funding. The Inclusionary Housing Ordinance is scheduled to be heard by the Planning Commission, and anticipated for adoption by the City Council in spring of 2023.
LU.C Revise Zoning Regulations	This has been completed. Zoning review standards were adopted in 2008 with Ordinance 1038. Since the adoption of the Zoning Ordinance, there have been various amendments to the Zoning Ordinance to assure internal consistency between the code, general plan, and other State and local regulations. In September of 2022, the City Council authorized Staff to begin a comprehensive Zoning Ordinance Overhaul. The intent of the Zoning Ordinance Overhaul is to revise the Zoning Ordinance to provide clarity, ease of use, amend current and implement new processes and regulation as appropriate, as well as to bring the ordinance into compliance with the many new State laws that have been put into place since the most recent overhaul in 2008. The Zoning Overhaul is an ongoing, long-term project, which is also intended to implement any new policies and direction upon

		final adoption of the 2040 Comprehensive General Plan Update that is underway. On October 3, 2022, the City Council adopted Ordinance 2020, which approved a minor amendment to the Zoning Ordinance and General Plan, to clarify that residential densities shall be calculated using gross density, rather than net density. On December 19, 2022, the City Council adopted Ordinance 1225, which adopted the regulations of SB 9 for two-unit residential development and urban lot splits into the City’s local ordinance.
LU.D	Update Public Service Master Plans	No Activity in 2022
LU.E	Initiate a Process to Amend the AMBAG Forecasts	Completed in 2006 and again in 2020
LU.F	Conduct Outreach and Education	The City of Hollister has adopted the most current Title 24 of the California Code of Regulations, including Part 11 California Green Building Standards Code. Streamlining of Building Department applications for photovoltaic permits. Collaboration with applicants of affordable housing projects to promote available state programs for placement of photovoltaic solar panels.
LU.G	Develop and Adopt Design Review Guidelines	The City of Hollister is in the process of preparing a comprehensive General Plan Update through the year 2040. This update will include identified special planning areas, including Buena Vista Road and Union Road to include design review guidelines for streetscape, circulation, and site planning. The City of Hollister is also beginning the process of updating the entire Zoning Ordinance. This long-term process will involve preparation and adoption of objective residential development standards, design guidelines for all zones within the City, and design guidelines within identified special planning areas. At the June 21, 2022 City Council meeting, the Council adopted Resolution 2022-126 which

	adopted the San Felipe Precise Line and Beautification Study, which includes streetscape and right-of-way design standards for the San Felipe Road corridor between Highway 25 and Highway 156. The Precise Line Study will be implemented when new development is proposed along the corridor; additionally the City of Hollister will use the study to pursue potential funding opportunities to implement the full plan.
LU.H Develop a Street Tree Program	Staff continued implementation of existing adopted ordinances and programs. On April 3, 2017, the city revised and updated its tree list to include trees that grow well within the city's climate and to avoid trees that can cause damage to utilities or infrastructure (such as sidewalks) as they mature.
LU.I Develop Streetscape Improvement Guidelines	In November 2019, the Engineering Department updated the City of Hollister Design Standards, Standard Specifications, and Standard Plans.
LU.J Develop Guidelines for the Preparation of Lighting Plans	Section 17.16.090 of the Zoning Ordinance (ORD 1038, 2008) provides design guidelines for the preparation of lighting plans consistent with this implementation measure.
LU.K Formulate and Implement an Economic Development Strategic Plan	As part of the 2040 General Plan Update, the City is incorporating an Economic Development Element to incorporate goals, policies, and implementation measures that reflect the City's vision for local economic development into the future. As part of the General Plan Update, the City has prepared an economic analysis report to guide the development of the Economic Development Element goals and policies. Additionally, the City of Hollister works closely with, and provides funding for, the San Benito County Economic Development Corporation and Hollister Downtown Association. Both of these organizations support local economic development and business opportunity.
LU.L Inventory and Designate Historical Sites	Ordinance 1063 was adopted by the City Council in November 2010, which implemented the current Chapter 15.16 <i>Historic Preservation</i> of the Hollister Municipal Code. The City currently has two historic districts, the Monterey Street Historic District and the Downtown Historic District, which are designated on the National Register of Historic Places.

		In 2021, the City Council authorized the creation of a local historic resources commission as outlined in the ordinance. At this time, though the positions have been advertised several times to the public, the commission does not have members serving and thus the commission does not meet for business.
LU.M	Inventory Illegal or Dangerous Housing Units	Housing conditions survey for City of Hollister Housing Element revision completed in Summer of 2008.
LU.N	Assemble Parcels for Development in Accordance with RDA Programs	The State of California adopted AB 1X26 and Clean Up Legislation AB 1484 that abolished all RDAs in the state on February 1, 2012. The City of Hollister issued an RFP and entered into an exclusive negotiating agreement for development of the former Hollister Redevelopment Agency properties that were assembled for the development of a catalyst project on the “400 Block” in accordance with the RDA’s five-year implementation plan. The 400 Block development project received entitlement approval from the Planning Commission on September 27, 2018 for a two-story philanthropic building and a three-story mixed-use building with ground floor commercial spaces and 22 condominium units – including 2 units restricted for very-low income, and two units restricted for low income families, and a density bonus. The philanthropic building received building permits in September of 2020, and is currently operating with temporary occupancy. The mixed-use building received building permits in August of 2021 and is currently under construction.
LU.O	Assess Existing Downtown Hollister Parking District	Parking needs were reviewed in 2009 Hollister Downtown Strategy and Plan. Position of Community Services Officer for parking enforcement approved in May 2009.

	Ordinance 1048 established civil penalties for parking violations. Downtown Parking Committee was created to review and evaluate potential parking opportunities in the downtown. Resolution 2020-208 was adopted by the City Council, authorizing the San Benito Street Traffic Calming and Beautification Project. Ordinance 1199 was adopted by the City Council on December 21, 2020 which amended Chapter 10.20 of the Municipal Code to allow for “back-in” diagonal parking within the downtown.
LU.P Evaluate Capital Improvements Program	Ongoing. The City of Hollister Engineering Department is the lead agency for CIP Projects.
LU.Q Encourage Intergovernmental Coordination	Council representatives and staff continue to participate in the interagency intergovernmental and Governance Committee. Staff have participated with the Hollister School District and San Benito High School District to evaluate traffic safety near schools and coordinate improvements. Resolution 2017-281 was adopted by the City Council on November 6, 2017 approving a Master Agreement between the City of Hollister and the Hollister School District for the use of recreational fields by the public outside of school hours. Resolution 2013-159 was adopted by the City Council on May 20, 2013, which authorized the execution of an agreement with San Benito High School District for use of the San Benito High School aquatic facility. Staff include intergovernmental agencies including San Benito County and the School Districts in development review processes for projects, which affect their jurisdictions.
LU.R Encourage Specific Plans	Ongoing.
LU.S Evaluate Public Facilities Fees	See Implementation Measure LU.Z regarding Impact Fees.

LU.T	Fund RDA Housing Projects	The State of California adopted AB 1X26 and Clean Up Legislation AB 1484 that abolished all RDAs in the state on February 1, 2012.
LU.U	Implement Phasing Strategy	Map 6 <i>Phasing Strategy</i> of the City of Hollister General Plan illustrates a phasing map identifying priority areas for the potential expansion of the Sphere of Influence.
LU.V	Offer Development Incentives	The City of Hollister offers the opportunity for development to request a waiver of development standards through the Planned Development process, which encourages unique development design and higher residential densities.
LU.W	Promote Improvements During Design Review	Ongoing implementation. City's review includes pre-application meeting with the applicant as well as Development Review Committee (DRC) with city officials.
LU.X	Rehabilitate, Replace, or Eliminate Illegal or Dangerous Housing Units	Code Enforcement review ongoing.
LU.Y	Review Development Regulations	Ongoing. The City is in the process of overhauling the Zoning Ordinance to bring it into conformance with new State laws, provide clarity, address inconsistencies, and provide for overall ease of use and understanding of the code for both the public and staff.
LU.Z	Review Impact Fees	Ongoing. Resolution 2016-46 was adopted by the City Council on April 4, 2016 and Resolution 2017-234 was adopted on September 18, 2017, both of which amended the City's traffic impact fees. In 2018, the City of Hollister City Council adopted revisions to the existing impact fee list. In May of 2019, the City Council adopted Resolution 2019-113 approving an update to the public facility impact fees for jail/juvenile hall, library, park construction, storm drainage, water facilities, and new fees for city hall/city yard. The City is currently reviewing the possibility of re-evaluating the structure of current impact fees to be based on square footage for new residential development.
LU.AA	Study Infrastructure "Hook-up" Fees	See Implementation Measure LU.Z regarding Impact Fees.

Circulation Element

Implementation Measure		Status
C.A	Classify Roadways	The 2005 General Plan classifies roadways within the City of Hollister Sphere of Influence. As new roadways are proposed with development, the Engineering Department appropriately classifies them based on their anticipated traffic volumes and requires improvements to meet City Standards.
C.B	Develop Truck Routes	Truck Route established along State Route 25 Bypass, which was completed in 2009.
C.C	Encourage Intergovernmental Coordination	Ongoing.
C.D	Evaluate Public Facilities Fees	Ongoing.
C.E	Monitor LOS Levels	Ongoing.
C.F	Prioritize and Implement Roadway Improvements	C.F.1 Highway 25 Bypass was completed in 2009
C.F.1	Highway 25 Bypass	C.F.2 The City of Hollister approved TM 2013-2, which constructed the North Street Extension of Buena Vista Road between San Felipe Road to the west and the existing Buena Vista Road to the east.
C.F.2	Buena Vista Road Construction	
C.F.3	Memorial Drive Construction	
C.F.4	Sunnyslope Road Construction	
C.F.5	Union Road (formerly Crestview Drive) Construction	
C.F.6	Airline Highway (State Route 25) Widening	C.F.3 At the October 2021 Planning Commission meeting, Tentative Map 2021-2, Conditional Use Permit 2021-8 for a Planned Unit Development, and Site & Architectural Review 2021-8 was approved to subdivide ~23 acres for residential development. As part of the development, the full right of way of Memorial Drive will be extended north from Meridian Street to Santa Ana Road.
C.F.7	Fairview Road Widening	
C.F.8	Westside Boulevard Extension	
C.F.9	New Traffic Signals	
C.F.10	Street and Highway Maintenance	
C.F.11	Memorial Drive Construction	C.F.4 Sunnyslope Road between El Toro Drive and Fairview Road remains a 2-lane collector at this time. There continues to be spotted City and County jurisdictional lands along the right-of-way, and no annexation or full right-of-way improvement project is planned at this time.
C.F.12	Fairview Road/San Felipe Road East West Arterial	
C.F.13	Fairview Road/Memorial Drive East West Collector	
C.F.14	McCloskey Road to State Route 156	
C.F.15	Union Road Widening	
		C.F.5 The West of Fairview Subdivision was approved in 2007 with a development agreement accompanying the tentative map. The development agreement has extended the subdivision approval and the development is currently under construction. The extension of Union Road (now Avenida César Chávez) was completed as part of the Phase 1A improvements for the subdivision.

	C.F.6 At this time, Airline Highway (SR 25) remains a two-lane road from Sunset Drive south to Fairview Road. The Highway is within CalTrans' jurisdiction, and approval of any roadway improvement projects are within their control. C.F.7 Where Fairview road is within the City's jurisdiction, the road has two southbound travel lanes. The remainder of Fairview Road right-of-way falls within San Benito County jurisdiction. Additionally, the West of Fairview Subdivision will improve half of the right-of-way on Fairview Road along the project boundary. C.F.8 An agreement was made between the City of Hollister and the San Benito High School District to authorize the closure of Nash Road between West Street and Monterey Street during school hours in August of 2015. The road closure was implemented in 2018. C.F.9 The City continues to evaluate intersections and traffic congestion, and implement traffic calming measures where appropriate. New development is reviewed to ensure that any traffic effects are mitigated, including the collection of in-lieu traffic impact fees for large-scale traffic projects. C.F.10 The City continues to maintain roadways, and has an annual Capital Improvement Project which identifies roadway repairs and maintenance for each year. C.F.11 There are no planned annexations and/or development projects north of Santa Ana Road within the proposed Memorial Drive Extension area at this time.
C.G Promote Walkability Through Design Review	Ongoing. The City of Hollister Zoning Ordinance identifies standards for circulation and walkability. On February 22, 2011, the City Council approved Resolution 2011-20 adopting the 2009 San Benito County Bikeway and Pedestrian Master Plan.

	Developments are reviewed through many different city departments and review agencies to ensure compliance with all necessary standards and design requirements.
C.H Collaborate with Caltrans During Development Review	All environmental documents as well as any development which affects CalTrans rights-of-way are forwarded to CalTrans for review and comment during the development processes. The City also collaborates with CalTrans as appropriate for grant funding for multimodal circulation projects and other projects as appropriate.

Community Services and Facilities Element

Implementation Measure		Status
CSF.A	Adopt an Information Technology Plan	
CSF.B	Evaluate Fire Service Consolidation Opportunities	Fire Task Force reviewed during 2005-2007. Consolidation of Fire Services between the City of Hollister and San Benito County occurred in 2013. Once per month, City and County official meet to discuss the City/County joint powers agreement consolidation of fire department services, including maintenance, operation, and facilities costs.
CSF.C	Implement Joint Use Agreements with School Districts	Ongoing programs as Calaveras, Cerra Vista, Maze, and Rancho San Justo school city parks. Resolution 2017-281 was approved by the City Council on November 6, 2017, which approved a Master Agreement between the City of Hollister and Hollister School District for the use of recreational fields. Resolution 2013-59 was approved by the City Council on May 20, 2013 authorizing execution of a community recreation agreement with San Benito High School District for the use of the San Benito High School aquatics facility.
CSF.D	Adopt a Performance Standards Ordinance	Chapter 17.16 <i>Performance Standards</i> was adopted in 2008 with Ordinance 1038.
CSF.E	Consider the Formation of a Planning Area-Wide Fire District	See CSF.B.
CSF.F	Coordinate with the San Benito County Water District, San Benito County and the Sunnyslope County Water District in	Continued coordination for water reclamation and supply with the Governance Committee.

Water and Wastewater System Expansion Needs	City and San Benito County Water District (SBCWD) in partnership for the reclaimed water master plan. Include Sunnyslope County Water District (SCWD) in Development Review Committee Process. Coordination for use of the Lessalt Water Treatment Facility for water supply for the region. Adoption of the Hollister Urban Area Water and Wastewater Master Plan in November 2012. Collaborating agencies included the City of Hollister, County of San Benito, Sunnyslope County Water District, and San Benito County Water District.
CSF.G Coordinate with the Sunnyslope County Water District in Water System Expansion Needs	See CSF.F.
CSF.H Establish Procedures and Requirements for Well and Ditch Tail Water Tests	Ongoing compliance with State Department of Public Health and Department of Water Resources for well testing. This follows the written plan for testing the drinking water system.
CSF.I Establish Requirements for Water Conservation in New Development	On June 20, 2011, the City Council approved Resolution 2011-81 approving the Hollister Urban Area Water Management Plan. Ordinance 1046 established fees and provisions for collection of liquid water at the Hollister Water Reclamation Facility. Ordinance 1055 was adopted to establish compliance with state law for water efficient landscapes. Commercial, industrial, and multi-family projects are required to include a separable with a meter for use of recycled water. Coordination to use the 50-acre water reclamation facility (Brigantino Park) to establish an agricultural trial field. On June 6, 2011 the City Council approved Resolution 2011-70 adopting the water system emergency/disaster response plan.

CSF.J	Identify Opportunities for Library Service Expansion	In 2017 the City Council adopted a library impact fee that would be paid by new development.
CSF.K	Identify Recycling Program Opportunities	The City of Hollister – as well as San Benito County as a whole – partners with Recology for water, organics, and recycling programs and collection. San Benito County Integrated Waste also champions recycling programs county-wide.
CSF.L	Implement Actions for Pesticide and Fertilizer Management	The City employees or contactors are trained or qualified to comply with regulations for pesticide and fertilizer management.
CSF.M	Provide Information on Water Conserving Landscape	Ongoing. Ordinance 1055 Water Efficient Landscape Ordinance was adopted in December 2009 and its implementation is ongoing. The City contracts with the Water Resources Association of San Benito County (WRASBC) to review all landscape applications submitted and to verify that they are in accordance to Ordinance 1055. Staff works with WRASBC to make information available to the public about water conservation methods. The Water Resources Association provides literature on water conservation landscaping and has a demonstration garden to showcase such conservation strategies. It also does water education in schools.
CSF.O	Adopt a Storm Water Master Plan	The City has a Storm Drain Master Plan prepared by Wallace Group, Inc. for current and future general plan buildout.
CSF.P	Identify Drainage System Improvements	Ongoing maintenance for storm drains.
CSF.Q	Identify Opportunities for Water Recycling	See CSF.I.
CSF.R	Update the City's Water System Master Plan	See CSF.F.
CSF.R(2)	Coordinate with San Benito County on Landfill Capacity Needs	Approved non-exclusive franchise agreements for roll-off refuse and commercial recycling. Approved Ordinance 1040 which requires waste diversion plans for new construction and demolitions. Approved a new franchise agreement that includes recycling as part of the rates. Approved an environmental purchasing policy. Approved use of recycled materials at city parks.

	On June 3, 2013 the city council adopted Ordinance 1093, which amended Chapter 15.24 <i>Grading and Best Management Practices Control</i> relating to solid waste diversion plans. On February 21, 2017 the City Council approved Resolution 2017-42 adopting a sanitary sewer management plan.
CSF.S Prepare Guidelines for Water Quality Source Control Program	The City of Hollister has adopted a storm water management program as well as a grading ordinance for low impact development. It is city polity to condition bio retentions, vegetative swales, permeable paving or other sources of storm water management for developments. The City has adopted storm water management best management practices (BMPs) CASQA manuals for construction, municipal government, and industrial uses which address spill prevention and clean up.
CSF.T Conduct Water Quality Education Programs	The City of Hollister helps fund the San Benito County Water Resources Association in partnership with Sunnyslope County Water District and San Benito County Water District. The agency provides training to home owners on water use and discharge from homes. The City Council has discussed the topic of greywater and the potential reuse of graywater as a component of sustainable water practices. Ongoing implementation with monthly hazardous collection.
CSF.U Continue to Require Proper Disposal of Pollutants	See CSF.T.
CSF.V Coordinate with the Water Resources Association of San Benito County	Agency provided training for certification of irrigation auditors for water efficient landscaping, and coordinate for implementation of water efficient landscape ordinance 1055. Stagg collaborates with the Water Resources Association of San Benito County (WRASBC) to implement Ordinance 1055. The WRASBC reviews applications for consistency with Ordinance 1055 for all developments including the front yards of new residential dwelling units.
CSF.W Enforce Strict Requirements for Development in High Fire Hazard Areas	The City of Hollister does not have High Fire Hazard Zones within City Limits.

CSF.X	Enhance Facilities for Fire and Police Services	The remodel of Fire Station 1 was completed in 2012. The City utilizes Community Facilities District #5 to fund police and fire services to new residential development, which collects funds that can be used both for personnel and also upgrading equipment and facilities for the provision of emergency services.
CSF.Y	Evaluate Coordinate Funding Strategies for Infrastructure and Services	Ongoing coordinate billing for sewer and water for residents located in the Sunnyslope County Water District. Coordinated water efficient landscape applications process with Water Resources Association in 2010. Ongoing.
CSF.Z	Implement Plans for a Regional Wastewater Treatment Facility	Completed in 2008.
CSF.AA	Implement the City's Solid Waste Management Plan	See CSF.R(2).
CSF.BB	Implement the Parks and Recreation Master Plan	Ongoing. The City's Parks Facility Master Plan was adopted on May 20, 2019.
CSF.CC	Maintain an Up-to-Date CIP	Ongoing.
CSF.DD	Maintain Data on Sewer and Water System Capacity	See CSF.F.
CSF.EE	Monitor Water Quality at the Wastewater Treatment Plant	Ongoing monitoring to comply with requirements of waste discharge permits.
CSF.FF	Provide for New Elementary and Middle Schools	Staff participated in the Hollister School District Facility Master Plan data collection and interagency meetings.
CSF.GG	Publicize the City's Waste Management Program	Coordinate with waste haul contractor for education about designated drop-off days for household hazardous waste and recycling programs.
CSF.HH	Inspect Drainage Channels and Culverts	Ongoing inspection and general maintenance as needed.
CSF.II	Require Fire Agency Review	Ongoing.
CSF.JJ	Require Fire Protection Mitigation in New Development	Ongoing.
CSF.KK	Require Law Enforcement Review	Ongoing.
CSF.LL	Require Storm Water Runoff Measures	Ordinance 1053 adopted in December 2009 for grading and best management practices. Ongoing communication with Regional Water Quality Control Board District V.
CSF.MM	Require Utility Providers Review	Ongoing.
CSF.NN	Support Construction of a Second High School	Coordination as needed.

Open Space and Agriculture Element

Implementation Measure		Status
OS.A	Create an Agricultural Community Disclosure Ordinance	This type of ordinance is applicable to unincorporated areas where the noise, odor, and dust/debris from agricultural uses can be a perceived nuisance to rural residential land uses. Most agricultural uses in the city limits are in the industrial zoning districts where disclosure would be unnecessary. Other agricultural areas are unincorporated lands near the edge of the City limits.
OS.B	Develop Open Space Management Plan(s)	Ongoing, where applicable.
OS.C	Investigate Voluntary “Subscription Farming” or Community Supported Agriculture (CSA) Programs	Implementation program is more applicable to projects that abut agricultural areas. The City has supported the Hollister Farmers’ Market, which is a source for local and regional agricultural vendors.
OS.D	Enact a Farmland Trust	There is an existing non-profit San Benito Agricultural Land Trust. The City is in the process of developing an Agricultural Land Preservation Program.
OS.E	Coordinate With Other Jurisdiction in Open Space Planning	Ongoing.
OS.F	Manage Private Open Space	Ongoing.
OS.G	Provide Open Space Access Points	Ongoing.
OS.H	Create Open Space Preservation Opportunities	Opportunities for flexible development with areas, such as flood zones, to preserve open space areas within developments.
OS.I	Restrict Utilities in Open Space	Ordinance 1056 added prohibitions to the establishment of utilities in the Flood Plain overlay zoning district.

Natural Resources and Conservation Element

Implementation Measure		Status
NRC.A	Conduct Air Quality Education Programs	Limited Staff resources.
NRC.B	Explore Regional Planning Opportunities to Preserve Habitats	Ongoing. San Benito County is currently preparing a Habitat Conservation Plan.
NRC.C	Identify Opportunities for PG&E Assistance	Continued cooperation with the Association of Monterey Bay Area Governments and PG&E for energy conservation programs.
NRC.D	Provide for Backup Energy Provision	Backup power has been installed at the City corporation yard, City Hall, the Police Station, and Fire Station 2.

NRC.E	Encourage “Green” Building Standards and Processes	Ongoing. The City adopts all updates to the California Building Code, include Green Building Codes.
NRC.F	Establish and Update the List of Species	The City follows all local, state, and federal special status species protection and mitigation requirements.
NRC.G	Establish Mitigation for the Burrowing Owl Colony in the Fairview Road/Santa Ana Road Area	Standard mitigation measures for protection of the burrowing owl are in place on all applicable development projects which may affect the species’ habitat areas.
NRC.H	Apply Air Quality Standards in Development Review	As part of the 2040 General Plan Update, the City is also preparing a Climate Action Plan to establish air quality improvement and greenhouse gas emissions reduction targets.
NRC.I	Apply Standards to Sensitive Air Quality Receptors	Ongoing.
NRC.J	Apply Title 24 Requirements	Ongoing.
NRC.K	Conduct Surveys for Burrowing Owls	Ongoing. Biological Assessments are a standard mitigation requirement for any development proposed within a sensitive habitat area.
NRC.L	Coordinate with Other Agencies in Air Quality Planning	Ongoing.
NRC.M	Establish Buffers to Protect Air Quality	Ongoing.
NRC.N	Identify Opportunities for Transit-Oriented Development	Ongoing. San Benito County Council of Governments is included in the development review process to ensure coordination with regional transit projects.
NRC.O	Implement the LEED Program	Ongoing.
NRC.P	Promote Solar Design	Ongoing.
NRC.Q	Publicize Energy Conservation Programs	Ongoing.
NRC.R	Require Appropriate Landscaping to Mitigate Air Quality impacts	Ongoing.
NRC.S	Require Building and Site Design Review for Energy Conservation	Ongoing.
NRC.T	Require Construction Techniques that Minimize Wind Erosion	Ongoing.
NRC.U	Require Pre-construction Surveys for Nesting Raptors	Ongoing. Biological Assessments are a standard mitigation requirement for any development proposed within a sensitive habitat area.
NRC.V	Require Project Mitigation for Habitat	Ongoing. Biological Assessments are a standard mitigation requirement for any development proposed within a sensitive habitat area.
NRC.W	Require Project Review for Energy Conservation Measures	Ongoing.
NRC.X	Require Wetlands Delineation	No identified wetlands within the City of Hollister.
NRC.Y	Require Wetlands Replacement Plans	No identified wetlands within the City of Hollister.

Health and Safety Element

Implementation Measure		Status
HS.A	Designate Travel Routes for Hazardous Materials	California Truck Route established along State Route 25 Bypass, which opened in 2009.
HS.B	Designate Truck Routes	See HS.A.
HS.C	Implement the Airport Land Use Plan	Development Applications which are located within the Airport Influence Area are forwarded to the Airport Land Use Commission for land use consistency determinations.
HS.D	Provide for Public Awareness and Education About Noise Issues	Provided on an as-needed basis.
HS.E	Provide Public Information on Safety and Emergency Preparedness Issues	The City of Hollister adopted a Local Hazard Mitigation Plan as part of the larger San Benito County Multijurisdictional Hazard Mitigation Plan.
HS.F	Compile Complaint Information and Periodically Evaluate Enforcement Needs for Noise Impacts	Monitored by the Code Enforcement Division.
HS.G	Update Geologic, Flooding and Other Hazard Maps	The City utilizes the most up-to-date hazard maps available.
HS.H	Apply Flood Control Requirements in New Development	Ongoing.
HS.I	Coordinate with San Benito County on Hazardous Waste Management Planning	Hazmat communication is integrated between the City and the County. The County Environmental Health Department has a county-wide hazardous management plan. City and County participation includes disaster preparedness planning and exercises. The county has a hazardous waste collection program that serves the City of Hollister.
HS.J	Conduct Periodic Emergency Exercises	Staff attends trainings coordinated by the Office of Emergency Services.
HS.K	Conduct Periodic Noise Monitoring	Ongoing.
HS.L	Continue to Implement Actions Related to Unreinforced Masonry Buildings	Ongoing.
HS.M	Designate Emergency Evacuation Routes	See HS.A.
HS.N	Identify Traffic Noise Mitigation Needs	Noise study and conditions for noise reduction are implemented in development for project where the environmental analysis pursuant to CEQA determines a need.
HS.O	Periodically Evaluate the City's Noise Ordinance	The City of Hollister approved Ordinance 1137 on April 3, 2017 adopting an updated Noise Ordinance addressing days and hours of operation for construction activities.
HS.P	Provide Staff Training on Noise Enforcement	Ongoing training in conjunction with code enforcement training.
HS.Q	Regularly Update the Building Code	Ongoing.

HS.R	Require Cleaning on Sites with Hazardous Soils	Two previous clean-up sites were the “Leatherback” property which was purchased by the former RDA on the southeast corner of Hillcrest Road and McCray Street, and on the southwest corner of McCray Street and 4 th Street. Ongoing implementation on an as-needed basis.
HS.S	Review and Update the City’s Emergency Plan	See HS.I.
HS.T	Review New Development for Potential Noise Impacts	See HS.N.
HS.U	Review New Development for Compatibility with the Hollister Municipal Airport Comprehensive Land Use Plan	See HS.U.

Housing Element Reporting Requirements

Regional Housing Needs Allocation Progress

Jurisdiction			Hollister		ANNUAL ELEMENT PROGRESS REPORT Housing Element Implementation This table is auto-populated once you enter your jurisdiction name and current year data. Past year information comes from previous APRs. Please contact HCD if your data is different than the material supplied here									
Reporting Year			2022 (Jan. 1 - Dec. 31)											
Planning Period			5th Cycle 12/31/2015 - 12/31/2023											
Table B														
Regional Housing Needs Allocation Progress														
Permitted Units Issued by Affordability														
		1											3	4
Income Level		RHNA Allocation by Income Level		2015	2016	2017	2018	2019	2020	2021	2022	2023	Total Units to Date (all years)	Total Remaining RHNA by Income Level
Very Low	Deed Restricted	312	-	-	-	-	-	-	-	-	-	-	-	312
	Non-Deed Restricted	-	-	-	-	-	-	-	-	-	-	-	-	-
Low	Deed Restricted	189	-	-	-	-	-	-	-	-	-	-	-	189
	Non-Deed Restricted	-	-	-	-	-	-	-	-	-	-	-	-	-
Moderate	Deed Restricted	258	-	-	-	-	-	-	-	-	-	-	104	154
	Non-Deed Restricted	-	-	12	91	1	-	-	-	-	-	-	-	-
Above Moderate		557	-	68	87	219	87	168	298	392	235	-	1,554	-
Total RHNA		1,316	-	68	87	219	87	168	298	392	235	-	1,658	655
Total Units			-	68	99	310	88	168	298	392	235	-	1,658	655
Progress toward extremely low-income housing need, as determined pursuant to Government Code 65583(a)(1).														
		5											6	7
		Extremely low-income Need		2015	2016	2017	2018	2019	2020	2021	2022	2023	Total Units to Date	Total Units Remaining
Extremely Low-Income Units*		156	-	-	-	-	-	-	-	143	-	-	143	13

Projects Entitled

Project	Number of Units	Unit Type	Affordability
337 College St	1	ADU	Above-Moderate
831 Trinity Dr	1	ADU	Above-Moderate
537 Fourth St	1	ADU	Above-Moderate
1580 El Camino de Vida	1	ADU	Above-Moderate
1167 Sally St	1	ADU	Above-Moderate
448 B St	1	ADU	Above-Moderate
1044 Homestead Ave	1	ADU	Above-Moderate
741 Hillcrest Rd	1	ADU	Above-Moderate
1261 Marne Dr	1	ADU	Above-Moderate
305 Mapleton Ave	1	ADU	Above-Moderate
848 Monterey St	1	ADU	Above-Moderate

Project	Number of Units	Unit Type	Affordability
884/886 Monterey St	1	ADU	Above-Moderate
1053-1057 Monterey St	1	ADU	Above-Moderate
56 Bundeson Dr	1	ADU	Above-Moderate
122 Locust Ave	1	ADU	Above-Moderate
231 Bundeson Dr	1	ADU	Above-Moderate
304 College St	1	ADU	Above-Moderate
West of Fairview Phase 1B ADUs	16	ADU	Above-Moderate
600 B St	1	ADU	Above-Moderate
741 Walnut Ln	1	ADU	Above-Moderate
1210 Tamara Ct	1	ADU	Above-Moderate
Woodle/Aspen Park	100	SFD	Above-Moderate
PAD Investment Trust/Everglens	92	SFD	Above-Moderate
DAL Properties/Kramer Commons	74	SFD	Above-Moderate
	16	SFA	Above-Moderate
West of Fairview Phase 2 Cluster Lots	33	SFD	Moderate
	27	SFD	Above-Moderate
1871 Buena Vista Rd	3	SFD	Above-Moderate

Entitled Residential Units 2022		
Total Moderate Income	Total Above-Moderate Income	Total Residential Units
33	348	381

Housing Element Implementation Status

Program Description (By Housing Element Program Name)	Housing Programs Progress Report – Government Code Section 65583		
	Objective	Timeframe in H.E.	Status of Program Implementation
H.A Implement development impact fees and planning fees that encourage the construction of units affordable to lower income households	Encourage the construction of units affordable to lower income households	1-year	The City updates its impact fees annually. In addition, the City has adopted impact fees on a scale for multifamily development, encouraging smaller unit types which are more affordable. The City is currently considering amending the residential impact fees to be based on square footage, rather than bedroom type, to further encourage more variety in unit type and

Program Description (By Housing Element Program Name)	Housing Programs Progress Report – Government Code Section 65583		
	Objective	Timeframe in H.E.	Status of Program Implementation
			smaller, more affordable units, overall.
H.B Support Transitional and Supportive Housing	Identify locations for homeless shelters, transitional housing, and supportive housing within the city, and provide support to organizations which assist with the development and management of these facilities.	1-year	The City has established partnerships with providers who establish short-term bed facilities for segments of the homeless population. The City continues to assist with the identification of potential locations for SRO projects. The City provides financial support where feasible and with grant funding to the local homeless shelter for continued programming.
H.C Foster Infill and Re-Use of Vacant lots in the Measure Y Exemption Area	Foster Infill and Re-Use of vacant lots in the Measure Y Exemption Area and to Allow Second Units in High Density Residential and Mixed Use Zones	1-year	The City continues to encourage and process multifamily development and re-development on in-fill sites. Additionally, since new laws came into effect in 2020, the City has seen an increase in the development of Accessory Dwelling Units on both existing multifamily and existing single family residential sites.
H.D Encourage Lot Consolidation	Facilitate the creation of lots more conducive to the development of higher density affordable infill housing projects in the City of Hollister, with a focus on properties in the multifamily zoning districts	1-year	The City requires lot consolidation on projects which include multiple contiguous properties proposed for development. The City discourages subdivision of parcels within the high density and mixed-use zoning districts to ensure that higher density development are possible.

Program Description (By Housing Element Program Name)	Housing Programs Progress Report – Government Code Section 65583		
	Objective	Timeframe in H.E.	Status of Program Implementation
H.E Establish Community Partnerships with Neighborhood Associations	Reach neighborhood-level agreements on mutual goals and a vision for the community to direct channels with City hall and shared goals and action plans.	1-year	Ongoing.
H.F Partner with the Successor Agency to Stimulate Infill Development and Re-use of Vacant Lots	Stimulate infill development and re-use of vacant lots and upper floors of existing mixed use buildings in the Measure Y residential growth management exemption area.	1-year	The State of California eliminated all Redevelopment Agencies. Additionally, the City no longer maintains a growth management program.
H.G Provide Flexible Standards for Proposed Development in the Measure Y Exemption Area	Stimulate development in the Measure Y exemption area a variety of development types in order to ensure flexibility to approve innovative and denser development types in the Measure Y exemption area.	1-year	The City no longer maintains a growth management program. However, the City provides for the opportunity for flexible development standards through the Planned Development Process.
H.H Implement Site and Architectural Review Procedures for New Development	To provide public information and handouts regarding the process for review and approval of new development proposals, and to develop further criteria to guide the development of affordable housing projects.	2-year	Ongoing.
H.I Partner with Water Purveyors	Partner with water purveyors to ensure that there is capacity	2-year	Ongoing.

Program Description (By Housing Element Program Name)	Housing Programs Progress Report – Government Code Section 65583		
	Objective	Timeframe in H.E.	Status of Program Implementation
	within the water system to meet housing needs.		
H.J Develop a Program to Incentivize Solar Technology in Affordable and Market Rate Housing	Offer incentives to developers to utilize solar technology to offer cost savings in affordable and market-rate housing. Research funding opportunities with PG&E and other sources for the development of the program.	2-year	All residential development is required to implement solar technology under the current California Building Code.
H.K Utilize the Residential Development Performance Overlay (RPZ) to Provide a Variety of Housing Types	Provide a variety of housing types and lot sizes for all income levels, all transitional densities between established neighborhoods, and to facilitate the construction of affordable housing throughout the City.	2-year	The majority of all new residential development is within the Performance Overlay Zoning District. This allows for a planned development application to allow variation in development standards to promote higher densities, smaller lot sizes, and a variety of housing types.
H.L Expedited Development Review Process for Affordable Housing	Provide an expedited review process for affordable housing development projects.	2-year	Ongoing.
H.M Provide for Farmworker Housing	Amend the Zoning Ordinance to ensure that local zoning, development standards, and permit processing procedures for farmworker housing are consistent with State law.	2-year	The City ensures that State law is followed during the review of proposed farmworker housing projects.
H.N Partner with CHISPA and the Community	Form partnerships with local affordable	2-year	Ongoing. The City maintains partnerships with CHISPA,

Program Description (By Housing Element Program Name)	Housing Programs Progress Report – Government Code Section 65583		
	Objective	Timeframe in H.E.	Status of Program Implementation
Services Development Corporation	housing developers to assist in the development of affordable housing		CSDC, and other local developers to identify opportunities for affordable housing development.
H.O Study Growth Management	Initiate a study to determine the need for a growth management program.	2-year	The City no longer maintains a growth management program as they are not permitted under current State law.
H.P Inclusionary Housing Ordinance	The City of Hollister will assess the need to adopt an Inclusionary Housing Ordinance	2-year	As part of the 2040 City of Hollister General Plan Update, the City Council provided direction to include the creation of an Inclusionary Housing Ordinance as a policy of the new general plan. The City of Hollister was awarded SB 2 Planning Grant funding, part of which was allocated to the creation of an Inclusionary Housing Program. In November 2021, the City Council authorized Staff to execute a contract with Placeworks Inc. to develop an Inclusionary Housing Program. The Ordinance is anticipated to be adopted in Spring of 2023.
H.Q Protect “At-Risk” Units	Pursue State and Federal funding sources to keep units affordable, as well as continually engage property owners to take advantage of deferred loan programs for rehabilitation,	5-year	Ongoing.

Program Description (By Housing Element Program Name)	Housing Programs Progress Report – Government Code Section 65583		
	Objective	Timeframe in H.E.	Status of Program Implementation
	mortgage refinancing, and acquisition.		
H.R Annex Land in the Sphere of Influence for Residential Development	The City will seek to annex unincorporated county islands within the sphere of influence as well as other lands within the Sphere of Influence for residential development.	5-year	The City supports the annexation of lands proposed for residential development that are located within the sphere of influence and contiguous to existing city limits.
H.S Publicize Energy Conservation Programs	Provide Public Information on alternative energy technologies and energy conservation programs.	Ongoing	Ongoing.
H.T Rehabilitation Loan Program	Publicize the availability of, and maximize the use of rehabilitation loan programs.	Ongoing	Ongoing. The Housing Division manages the implementation of any city rehabilitation loan programs and funding.
H.U Conduct Annual Housing Element Program Review	To conduct an annual housing element review in accordance with State law.	Ongoing	The City provides the Housing Element Annual Progress Report to the Office of Planning and Research (OPR) and Department of Housing and Community Development (HCD) by April 1 st of each year.
H.V Leverage Agency Funding for Affordable Housing Projects	Facilitate affordable housing at key housing sites by leveraging Agency funding. Partner with San Benito County, local non=profit housing providers, the Successor Agency, and other organizations to identify key sites and	Ongoing	Ongoing. The City provides funding where feasible to supplement the development of affordable housing sites. The City assists in joining affordable housing developers with market-rate housing developers to assist in constructing mixed development projects where feasible.

Program Description (By Housing Element Program Name)	Housing Programs Progress Report – Government Code Section 65583		
	Objective	Timeframe in H.E.	Status of Program Implementation
	construct affordable housing units.		
H.W Maintain Multifamily Housing Sites List	Maintain a list of properties available for multifamily affordable housing opportunities.	Ongoing	Ongoing.
H.X Maintain Monitoring Systems	Monitor and update housing development accomplishments, including housing type and affordability level of approved and constructed units.	Ongoing	Ongoing. The City prepares this information as part of the Annual Housing Element Progress Report.
H.Y Pursue and Expend all Obtained Funding Resources	Establish specific uses of housing funds and/or land donations generated, and assign the Successor Agency Housing Coordinator to manage them.	Ongoing	The City of Hollister Housing Division manages applications for grants and operates funding programs to assist in the development, maintenance, and rehabilitation of affordable housing in the City.
H.Z Link Code Enforcement with Public Information	Continue to ensure compliance with health and safety building standards and provide information on rehabilitation loan programs for use by qualifying property owners with health and safety violations.	Ongoing	Ongoing.
H.AA Monitor Special Needs Housing	Monitor special housing needs to capture additional opportunities for housing for special needs groups.	Ongoing	Ongoing.
H.BB Foster Partnerships and Support of Affordable and Special Needs Housing	Foster and maintain partnerships with local businesses, housing advocacy	Ongoing	Ongoing.

Program Description (By Housing Element Program Name)	Housing Programs Progress Report – Government Code Section 65583		
	Objective	Timeframe in H.E.	Status of Program Implementation
	groups, and neighborhood groups in building public understanding and support for affordable and special needs housing.		
H.CC Density Bonus Requirements	Ensure that density bonus policies for the provision of affordable housing opportunities are in compliance with current State law.	Ongoing	The City of Hollister is currently amending the Zoning Ordinance to clarify inconsistencies, ensure ease of use and understanding of the code, and ensure consistency with State law. The City recently amended the Density Bonus Chapter of the Zoning Ordinance to update it in accordance with new State laws. The Ordinance was adopted by the City Council on March 6, 2023 (Ordinance 1230).
H.DD Provide Fair Housing Information to the Community and Respond to Fair Housing Complaints	Ensure that written materials regarding fair housing law are provided at various public locations in the City, and that information regarding fair housing agencies and phone numbers is posted on the City's website and City Hall.	Ongoing.	Ongoing.
H.EE Title 24 Energy Conservation	Continue to require that all new development complies with energy conservation requirements of Title 24.	Ongoing.	Ongoing.

Program Description (By Housing Element Program Name)	Housing Programs Progress Report – Government Code Section 65583		
	Objective	Timeframe in H.E.	Status of Program Implementation
H.FF Downtown Vacancies	Make sites available to meet new construction needs for a variety of income levels with growth management allocations and fostering infill development in the Measure Y Downtown Area of Hollister that is exempt from growth management allocations.	Ongoing.	The City of Hollister no longer maintains a growth management program. The City is supportive of high density development and redevelopment within the Downtown.
H.GG Affordable Resale Regulations	Continue to implement the City of Hollister Successor Agency-sponsored resale regulations for very-low, low, and moderate income units to ensure that these units remain at an affordable price level.	Ongoing.	The City of Hollister Housing Division manages the affordable housing loan and monitoring programs to ensure that affordability levels are maintained and resale restrictions are followed where applicable.
H.HH Monitor Site and Architectural Review Process	Monitor the Site and Architectural Review process to ensure that it does not result in time or costs that might unduly constrain residential development. Provide a review as part of the annual housing element progress report.	Ongoing.	The City of Hollister is currently in the process of amending the General Plan and Zoning Ordinance. The purpose of the Zoning Ordinance Overhaul is to provide clarification and remove inconsistencies, reevaluate all processes and development regulations, and ensure compliance with State law. This process will also ensure that, upon adoption of the General Plan Update, the Zoning Ordinance will reflect new policies and processes

Program Description (By Housing Element Program Name)	Housing Programs Progress Report – Government Code Section 65583		
	Objective	Timeframe in H.E.	Status of Program Implementation
			identified in the General Plan.
H.II Monitor Growth Management Allocation Process	Monitor the Growth Management Allocation process to ensure that it does not result in time or costs that might unduly constrain residential development. Provide a review as part of the annual housing element progress report.	Ongoing.	The City no longer maintains a growth management program.
H.JJ Multifamily Development in Medium and High Density Residential Zoning Districts	Assess the need to implement an ordinance that will establish a requirement for the improvement of multifamily development in all subdivisions within the Medium and High Density Residential Zoning Districts that proposes to create ten or more residential lots.	Ongoing.	All development proposals must be consistent with general plan and zoning regulations, including density and permitted types of housing development within the zoning district.
H.KK Developmental Disabilities Program	Work with the California Department of Developmental Services (DDS) and San Benito County to implement an outreach program that informs families on housing and services available for persons with	Ongoing.	The City is supportive of programs that provide housing and services for persons with developmental disabilities.

Program Description (By Housing Element Program Name)	Housing Programs Progress Report – Government Code Section 65583		
	Objective	Timeframe in H.E.	Status of Program Implementation
	developmental disabilities.		
H.LL Developmental Disabilities Rental Assistance Program	Develop a program to provide rental assistance to fill the gap between income levels and the cost of housing for persons with Developmental Disabilities.	Ongoing.	The City has no program at this time. The City is supportive of programs that provide rental assistance for persons with developmental disabilities.
H.MM Housing Construction for Persons with Disabilities	Explore models to encourage the creation of housing for persons with developmental disabilities.	Ongoing.	Ongoing.

Compliance with the Office of Planning and Research General Plan Guidelines

The City of Hollister’s 2005-2023 General Plan is consistent with all applicable provisions of OPR’s General Plan Guidelines, including environmental justice considerations, collaborative planning with military lands and facilities, and consultation with Native American Tribes.

On May 25, 2016, the City of Hollister received a letter from the Department of Housing and Community Development indicating that the adopted 2015-2023 Housing Element (5th Cycle) was found to be in full compliance with State housing element law.

City Council Priorities for Land Use Decisions

The City Council of the City of Hollister has not adopted any moratoria or emergency ordinances which otherwise provide for prioritization of land-use decision making beyond that which is established in the adopted 2005-2023 City of Hollister General Plan.

Goals, Policies, Objectives, Standards, or Other Plan Proposals that Need to be Added or were Deleted, Amended, or Otherwise Adjusted

Policies and objectives of the general plan have been addressed in this report.

Lists of Planning Activities

The following Planning Activities were initiated in 2022.

General Plan Amendments

Name	Status	Summary
GPA 2022-1	Adopted (Resolution 2022-168)	Staff and Planning Commission Initiated General Plan and Zoning Amendment to modify the residential densities within the General Plan from a “net” calculation, to a “gross” calculation. This allows for clear and consistent calculation of permitted densities for future development proposals, and provides clarity where there was no clear calculation for “net” density before.
GPA 2022-2	Initiation Authorized by City Council	Request by project applicant to amend the General Plan and rezone an existing commercial property to mixed-use.
GPA 2022-3	Under Review	Request by property owner to amend the Sphere of Influence to include unincorporated, non-contiguous property, and prezone property for future annexation.

Planning Activities

Name	Status	Summary
CFD 4 Annexation	Adopted (Resolution 2022-12)	Annexation of 111 San Felipe Road Project into CFD 4, Annexation 48 (Public Facilities)
CFD 4 Annexation	Adopted (Resolution 2022-26)	Annexation of 440 San Benito Street Project into CFD 4, Annexation 49 (Public Facilities)
CFD 4 Annexation	Adopted (Resolution 2022-27)	Annexation of 90 Fallon Road Project into CFD 4, Annexation 50 (Public Facilities)
Downtown Noise Ordinance	Adopted (Ordinance 1207)	Amendments to Chapter 8.28 (Noise Ordinance) restrictions on Noise Levels in Residential and Addition Section 8.28.025 Downtown Mixed Use District Noise Standards
Cannabis Use Permit 2022-1	Adopted (Resolution 2022-90)	Approval of a Conditional Cannabis Use Permit/Development Agreement 2022-1 for Good Crops LLC to operate a Cannabis Cultivation Facility at 2000 Lana Way (APN 051-161-001)
San Felipe Precise Line Study	Adopted (Resolution 2022-126)	Adopted a Precise Line and Beautification Plan for the San Felipe Road corridor between SR 25 and SR 156. The plan outline frontage and right-of-way improvements for future development along the corridor, which can be implemented by development as well as serve as a basis for grant funding to implement the overall plan. The plan includes multimodal connectivity including a multiuse trail, public art and wayfinding, and opportunities for future bus stop locations, in addition to intersection improvements along the roadway.

Cannabis Regulatory Permit	Adopted (Resolution 2022-130)	Approval of a Regulatory Permit for Good Crops LLC to Operate a Cannabis Cultivation Facility at 2000 Lana Way (APN 051-161-001)
Prezone 2021-2	Adopted (Ordinance 1218)	Approval of the Prezone for future annexation of three properties into the R1-L/PZ (Low Density Residential Performance Overlay Zoning District) (APNs 020-460-035, 020-460-036, 020-120-064)
ZOA 2022-1	Adopted (Ordinance 1220)	Staff and Planning Commission Initiated General Plan and Zoning Amendment to modify the residential densities within the General Plan from a “net” calculation, to a “gross” calculation. This allows for clear and consistent calculation of permitted densities for future development proposals, and provides clarity where there was no clear calculation for “net” density before.
ZOA 2022-2	Adopted (Ordinance 1225)	An amendment to the Zoning Ordinance to adopt Chapter 17.26, Two-Unit Residential Developments and Urban Lot Splits as an implementation of SB 9 legislature.

Major Development Applications

Name	Status	Summary
S&A 2021-14 CUP 2021-13 Project Almond	Approved (PC Resolution 2022-2)	Construction of a 1,049,760 SF E-Commerce Fulfillment Center and Distribution Facility on 72.5-acre site. APNs 050-010-006, 050-010-007, 050-010-008. Zoning: AS
MS 2021-1 1871 Buena Vista	Approved (PC Resolution 2022-4)	Subdivision of existing 0.83-acre residential property into four lots: one with an existing residential unit, three for future single family residential development. APN 052-320-003. Zoning: R1.
S&A 2022-2 2300 Bert	Approved (PC Resolution 2022-8)	Construction of a 30,010 SF industrial building. APN 051-152-002. Zoning: M1.
S&A 2021-5 Felipe Nine	Approved (PC Resolution 2022-9)	Construction of a 337,710 SF greenhouse building for cannabis cultivation, distribution, and manufacturing. APN 051-100-035, 051-100-036, 051-100-046. Zoning: NG.
TM 2021-3 CUP 2021-10 for PUD Woodle/ Aspen Park	Approved (PC Resolution 2022-12)	Subdivision of 9.3 acres into 101 lots; 100 for single family detached residential development, and one parcel for stormwater treatment. APN: 019-120-005. Zoning: R3-M/PZ.
S&A 2021-12 1901 Lana Way	Approved (PC Resolution 2022-14)	Construction of a 6,639 SF industrial building on a 1.01-acre lot. APN 051-162-002. Zoning: M1.

TM 2021-4 CUP 2022-1 for PUD PAD Investment Trust/ Everglen	Approved (PC Resolution 2022-17)	Subdivision of 13.79 acres into 85 lots; 82 for single family detached residential construction, one for public open space dedication, one for stormwater, and a remainder lot with an existing home to remain. APN 051-230-005. Zoning: R1-L/PZ.
S&A 2022-7 CUP 2022-7 for PUD WoF Phase 2 Cluster Lots	Approved (PC Resolution 2022-21)	Site and Architectural Review for construction of the 60 “cluster” lots within Phase 2 of the approved West of Fairview Subdivision (TM 2005-1); 33 of which will be for Moderate Affordable Units. Zoning: RWF.
TM 2021-5 CUP 2022-2 for PUD DAL Properties/ Kramer Commons	Approved (PC Resolution 2022-22)	Subdivision of 18.24 acres into 92 lots; 16 for new duet (single family attached) units, 75 for new single family detached units, and one parcel for stormwater treatment and a linear park. APN 051-230-006. Zoning: R1-L/PZ.
OOJ 2022-1	In Process	Request for out of jurisdiction sewer services to an unincorporated parcel. APN 020-050-013.
RZ 2022-1	Initiation Authorized by City Council	Request by project applicant to amend the General Plan and rezone an existing commercial property to mixed-use.
S&A 2022-1 Denny’s	In Process	Construction of new Denny’s restaurant within the Hollister Farms Commercial Subdivision. APN 056-250-070. Zoning: GC.
S&A 2022-3 MS 2022-1 2451 Bert Dr	In Process	Minor Subdivision into 2 lots and construction of new 120,750 SF industrial building. APN 051-140-019. Zoning: M1.
S&A 2022-4 Pride Conveyance	In Process	45,705 SF expansion of existing Pride Conveyance Industrial Building. APN 051-120-022. Zoning: M1.
S&A 2022-5 Brass Tap	In Process	Add new 4,105 SF restaurant in vacant space in existing commercial building with affiliated façade improvements. APN 057-070-067. Zoning: GC.
S&A 2022-6 Starbucks	In Process	Construction of new 2,100 SF Starbucks building with drive through. APN 052-040-020. Zoning: NMU.
S&A 2022-8 Shops 3	In Process	Construction of new 8,00SF Retail shell building with restaurant within Hollister Farms Commercial Subdivision. APN 056-250-075. Zoning: GC.
S&A 2022-9 CUP 2022-3 San Juan Hollister Multifamily	In Process	Construction of 50 multifamily rental units, 15 of which are live-work units. APN 052-090-045. Zoning: WG.
S&A 2022-10 1961 Airway	In Process	Construction of two new Industrial shell buildings. APN 053-420-005. Zoning: AS.
S&A 2022-11 MBAM	Approved (2023)	Construction of new 2,400 SF cannabis dispensary. APN 051-100-047. Zoning: NG.
S&A 2022-12 Wendy’s	In Process	Construction of new 2,553 SF Wendy’s restaurant with drive-through in Hollister Farms Commercial Subdivision. APN 056-250-076. Zoning: GC.

S&A 2022-13 CUP 2022-5 1000 Fairview Rd	In Process	Construction of 3,001 SF building, 1,699 guest building, 240 SF Barn extended care home. APN 057-710-004. Zoning: RWF.
S&A 2022-14 1850 Airway Dr	In Process	Construction of three new industrial buildings. APN 053-240-043. Zoning: IBP.
TM 2022-2 S&A 2022-15 Meridian Village	In Process	Subdivision and development of 134 townhomes and 72 apartment units. APN 054-600-005. Zoning: NMU.
S&A 2022-16 Eden	In Process	Construction of 100 Units of affordable housing within the West of Fairview Subdivision (TM 2005-1). APN 057-860-046. Zoning: RWF.
TM 2022-1 DB 2023-1 NATMAR	In Process	Tentative Map for 22 single family homes, open space, and childcare facility with density bonus. APN 020-170-041. Zoning: R1-L/PZ.

HOUSING SUCCESSOR AGENCY ANNUAL REPORT

City of Hollister

Fiscal Year 2021-2022



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CITY OF HOLLISTER HOUSING SUCCESSOR ANNUAL REPORT REGARDING THE LOW AND MODERATE INCOME HOUSING ASSET FUND FOR FISCAL YEAR 2021-2022 PURSUANT TO HEALTH AND SAFETY CODE SECTION 34176.1(f)

INTRODUCTION

In 1945, the California Legislature enacted the Community Redevelopment Act to assist local governments in eliminating blight through development, reconstruction, and rehabilitation of residential, commercial, industrial, and retail districts. The Act gave cities and counties the authority to establish redevelopment agencies (RDAs or agencies). As part of the 2011 Budget Act, and in order to protect funding for core public services at the local level, the Legislature approved the dissolution of the state's 400 plus RDAs. After a period of litigation, RDAs were officially dissolved as of February 1, 2012. As a result of the elimination of the RDAs and to help facilitate the wind-down process at the local level, Successor Agencies were established to manage redevelopment projects currently underway, make payments on enforceable obligations, and dispose of redevelopment assets and properties.

The City of Hollister ("City") is the housing successor agency to the former Hollister Redevelopment Agency ("Agency"). The majority of the City's housing assets were transferred from the former Agency when it dissolved pursuant to the Dissolution Act in 2012 (enacted by Assembly Bills x126 and subsequent legislation). With the dissolution, the former Agency's affordable housing rights, powers, assets, liabilities, duties, and obligations, excluding any amounts in the Agency's Low and Moderate Income Housing Fund, were transferred to the City.

This City of Hollister Housing Successor Annual Report (Report) has been prepared pursuant to California Health and Safety Code Sections 34176.1(f). This document reports on Fiscal Year ("FY") 2021-22 housing successor finances and activities related to the Low and Moderate Income Housing Asset Fund (LMIHAF) as required by law.

The purpose of this Report is to provide the City Council in its capacity as the Housing Successor to the former City of Hollister Redevelopment Agency an annual report on the housing assets and activities of the Housing Successor under Part 1.85, Division 24 of the California Health and Safety Code, in particular sections 34176 and 3416.1 (Dissolution Law).

Housing successor agencies must also conduct an independent financial audit of the Housing Asset Fund within six months after the end of each fiscal year, which may be included in the independent financial audit of the host jurisdiction. The City's Comprehensive Annual Financial Report for FY 2021-22 is still currently in review. When completed and available the report will be available on the City's website. The

Comprehensive Annual Financial Report includes an audit of the Housing Asset Fund as part of the Housing Capital Projects Fund. The following Report is based upon information prepared by the City of Hollister staff and information contained within the independent financial audit of the Low and Moderate Income Housing Asset Fund for Fiscal year 2021-2022. This Report conforms with and is organized into Sections 1 through 13 pursuant to Section 34176.1 (f) of the Dissolution Law.

LOW MODERATE INCOME HOUSING ASSET FUND

- 1. Deposits into the Low Moderate Income Housing Fund in FY 2021/22 from loan agreements between the former Hollister Redevelopment Agency and the City of Hollister pursuant to 34919.4 (b) (3) (A) (§34176.1 (f)(1):**
 - a. Repayment of loans and interest: \$118,558
 - b. Recognized Obligation Payment Schedule property Tax: None
- 2. Deposits of funds to the Low Moderate Income Housing Fund from repayment of loans owed to the Low Moderate Income Housing Fund in FY 2021/22 in order to make payments to the Supplemental Educational Realignment Augmentation Fund from the former Hollister Redevelopment Agency pursuant to 34919.4 (b) (3) (B) (C) (§34176.1 (f)(2):** None.
- 3. Balance of the Low Moderate Income Housing Asset Fund at the end for Fiscal Year 2021/22 and any amounts held for items listed on the Recognized Obligation Payment Schedule (§34176.1 (f)(3):**
 - a. Low Moderate Income Housing Asset Fund Balance: \$1,343,626
 - b. Recognized Obligation Payment Schedule Property Tax: None
- 4. Summary of Expenditures from the Low Moderate Income Housing Fund by Category (§34176.1 (f)(4):**

Description of Expenditures	Amount
1. Monitoring and preservation of long-term affordability covenants	\$ 0
2. Homeless Prevention and Rapid Rehousing Services	\$ 0
3. Housing Development Expenditures	\$ 0
• Expenditures on Extremely Low Income Rental Units	\$ 0
• Expenditures on Very Low Income Units	\$ 0
• Expenditures on Low Income Units	\$ 0

- 5. Value of Housing Successor assets (§34176.1 (f)(5):**
 - a. Real property: \$110,000
 - b. Loans and grants receivable:
 - i. Loans with monthly payments
 1. 7th & East Street
 2. 9 Rustic
 3. 41/51 Rustic

- ii. Estimated value of 190 Forgivable loans and/or loans with deferred payments: \$15,295,843.
- 6. **Description of transfers of Low Moderate Income Housing Funds (LMIHAF) to other Housing Successor's. (§34176.1 (f) (6):** The City of Hollister did not make any LMIHAF transfers to other Housing Successor(s) under §34176.1 (c) (2) during the Fiscal Year.
- 7. **Description of any project that received property tax on the Recognized Obligation Payment Schedule during FY 2021/22 (§34176.1 (f) (7):** The former City of Hollister Redevelopment Agency entered into an agreement with Hollister Investment Group in 2010 to provide tenant based rental assist to ten very-low income senior apartments at the Prospect Villa Senior Apartments, until the end of 2019, in the amount of \$50,000 per year. The Recognized Obligations Payment Schedule (ROPS) for Prospect Villa ended in 2019 with the completion of the agreement. Due to complex issues surrounding COVID-19 staff continued to provide assistance through Fiscal Year 2021-22. In 2022, Staff completed Resolution 2022-02 for a supplemental appropriation to continue to provide rental assistance in the amount not to exceed \$250,000. This agreement is not considered a ROPS.
- 8. **Status of real property acquired by the former RDA (§34176.1 (f)(8):**
 - a. **Prior to 2/1/2012:** The property at 1191 Sunnyslope Road was developed for transitional housing with assistance from the Low Moderate Income Housing Funds of the former Hollister Redevelopment Agency and continues to be leased to the Emmaus House with rental restrictions for said use. It has come to staff's attention that the property inadvertently was not transferred from the City of Hollister to the Hollister Redevelopment Agency in 1996. It is possible the property is owned by the City of Hollister and should not be considered a housing asset of the former City of Hollister RDA.
 - b. **After 2/1/2012:** Not applicable – none purchased.

REPLACEMENT AND INCLUSIONARY HOUSING OBLIGATIONS

- 9. **Description of outstanding obligations for replacement housing pursuant to Health and Safety Code §33413 (§34176.1 (f)(9): *Replacement Housing:*** According to the draft 2009-2014 Implementation Plan for the former Hollister Redevelopment Agency (RDA), no Section 33413(a) replacement housing obligations were transferred to the Housing Successor. The Hollister RDA was unable to adopt the update to the draft plan in 2011 due to prohibitions in the Dissolution Act and Voluntary Program Act. The draft 2009-2014 and 2005-2009 Implementation Plans did not identify a need for replacement housing and are posted on the City's website at <http://hollister.ca.gov/government/city-departments/development-services/successor-agency>.

Inclusionary/Production Housing: *Not applicable.* According to the draft 2009-2014 Implementation Plan for the former Hollister Redevelopment Agency (RDA), no Section 33413(b) inclusionary/production housing obligations were transferred to the

Housing Successor. The Hollister RDA was unable to adopt the update to the draft plan in 2011 due to prohibitions in the Dissolution Act and Voluntary Program Act. The draft 2009-2014 and 2005-2009 Implementation Plans are posted on the City's website at <http://hollister.ca.gov/government/city-departments/development-services/successor-agency>.

SENIOR HOUSING DEVELOPMENT PROPORTIONALITY

10. Cap on Use of Use of LMIHAF for Senior Housing. (§34176.1 (f)(11): Cap applicable in Fiscal Year 2021/2022: This report must include an accounting of deed-restricted senior rental units that were assisted by the Agency or City over the last ten years. If more than 50% of the total aggregate number of rental units assisted by the City or former Agency during the past 10 years are restricted to seniors, the City may not spend more Housing Asset Funds on senior rental housing. Over the past ten years, 44% of the deed restricted rental units developed or assisted was for seniors. The Housing Successor complies.

Deed Restricted Units Assisted in Hollister 2006 - 2021

Project Name	Senior Units	Non-Senior Units	Total Units
Gateway Palms	0	32	32
Vista Meadows	72	0	72
Prospect Villa	10	0	10
Hillview I	0	25	25
Hillview II	0	30	30
Rancho Park Apts. (rehab)	0	54	54
Rustic Garden Apts. (rehab)	0	19	19
Senior Sunrise Apts.	48	0	49
Percent of Total as of 16/17	130 (44%)	160 (55%)	290

HOUSING ASSET FUND DEPOSITS, EXPENDITURES AND ENDING BALANCE

11. Deposits & Expenditures into the Low Moderate Income Housing Funds in FY 2021/22 (§34176.1 (f)(10):

- a. Deposits: The balance of Repayment of loan(s) and interest: \$182,267
- b. Expenditures: \$151,803

12. Excess Surplus Low Moderate Income Housing Asset Fund (LMIHAF) (§34176.1 (f)(12): Potential Surplus – Excess Surplus is defined in Section 34176.1(d) as an unencumbered amount the account that exceeds the greater of one million dollars (\$1,000,000) or the aggregate amount deposited into the account during the Housing Successor's preceding four Fiscal Years, whichever is greater. Excess surplus calculations were once performed by redevelopment agencies on an annual basis. The

excess surplus calculations are intended to ensure funds are expended to benefit low-income households in an expeditious manner. Generally speaking, funds should be encumbered (formally dedicated to a project through an executed agreement) within four years of receipt. SB 341 reinstated this calculation for housing successors. Since the dissolution of Redevelopment Agency in 2012, the excess surplus test became effective in fiscal year ending in 2013. The first excess surplus test completed in fiscal year 2015/2016 to review the four previous years of deposits.

To complete the excess surplus calculation the first step is to determine the fund balance the end of the fiscal year. Next, add the previous four years of deposits. Then compare the value of the previous four years of deposits to the current fund balance. If the amount of deposits are in excess of \$1 million deduct the total previous four years of deposits from the current fund balance to determine the excess surplus. If the deposits are less than \$1 million and the current fund balance is greater than the deposits deduct \$1 million from the current fund balance to determine the excess surplus.

Reviewing the table below, the fund balance of \$1,340,945.18 is more than the sum of deposits made in the previous four fiscal years totaling \$684,255.33. So the amount greater than \$1million, \$343,626, is the current excess surplus. The City of Hollister Housing Successor has had an excess surplus beginning with fiscal year 2015/16. As stated in state law, if the City of Hollister Housing Successor does not encumber the excess surplus within three fiscal years, by the end of FY 2019/20, the excess surplus funds will be transferred to the Community Development Department for expenditure pursuant to the Multi-family Housing Program or the Joe Serna, Jr. Farmworker Housing Grant Program. However, at this time, the City of Hollister Housing Successor does not have any executed agreements, but in fiscal year 2022/23 the City of Hollister Housing Successor seeks to submit a request for proposal/qualification to fund a future affordable housing project. There are two current development areas that are constructing rental units for very-low and low-income that may benefit from additional funding to support the project. The projected surplus by the end of FY 2022/23 could be less than \$1,000,000 if annual administrative and monitoring costs average about \$350,000 per year. The fund balance will continue to be monitored in Fiscal Year 2022/23 to assure there is not an excess surplus.

Excess Surplus Low Moderate Income Housing Asset Fund Analysis

	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17
Beginning Balance	(\$113,589)	\$2,757,119	\$2,550,660	\$2,376,181	\$2,412,829
Add: Deposits	\$4,755,682	\$ 86,534	\$ 89,439	\$ 418,099	\$101,619
Expenditures ¹	\$1,884,979	\$ 292,993	\$ 263,917	\$ 381,451	\$100,544
Ending Balance	\$2,757,119	\$2,550,660	\$2,376,182	\$2,412,829	\$2,413,904
Surplus²	\$1,757,119	\$1,550,660	\$1,376,182	\$1,412,829	\$1,413,904
	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22
Beginning Balance	\$2,413,904	\$1,226,805	\$1,223,875	\$1,287,522 ³	\$1,313,162 ³
Add: Deposits	\$71,243 ³	\$248,184 ³	\$203,436 ³	\$161,392	\$182,267
Expenditures ¹	\$1,258,342	\$251,114	\$139,790	\$144,418	\$151,803
Ending Balance	\$1,217,686	\$1,218,149	\$1,274,765	\$1,304,496	\$1,343,626
Surplus²	\$217,686	\$218,150	\$274,765	\$304,496	\$343,626

Source: City of Hollister, Fund 851 accounting record

¹ Expenditures can include the following information: The City may spend up to \$200,000 per year on administration and monitoring, adjusted annually for inflation. The City may spend up to \$250,000 annually on homeless prevention and repaid rehousing solutions for homelessness. Housing Asset Funds spent on projects or encumbered for planned projects.

² Excess surplus is an unencumbered amount that exceeds the greater of \$1 million or the aggregate amount deposited during the preceding four years, whichever is greater. Assuming the first year of Housing Asset Fund deposits is Fiscal Year Ending (FYE) 2013, when redevelopment agencies dissolved effective 2-1-2012.

³ Past deposits reflect total prior to budget adjustments completed after the report completed

INVENTORY OF HOMEOWNERSHIP UNITS ASSISTED

13. Inventory of homeownership units assisted by the former City of Hollister

Redevelopment Agency, number of units (§34176.1(f)(13)): The City must provide an inventory of any homeownership units assisted by the former Agency or City (as housing successor) that require restrictions, covenants, or an adopted program that protects Housing Asset Fund monies. An inventory of these properties is available for review at the City of Hollister Successor Agency website.

<http://hollister.ca.gov/government/city-departments/development-services/successor-agency/>.

- a. Number of units lost to the portfolio after February 12, 2012 and reason for loss.

Year	Unit Lost	Reason
2021-22	1	Homeowner(s) repaid loan

- b. Funds returned to the Hollister Successor Agency as part of an adopted program that protects the former Hollister Redevelopment Agency's investment from the Low and Moderate Income Housing Funds. \$0
- c. Has the Hollister Housing Successor contracted for any outside entity for management of the units? No

INCOME EXPENDITURE PROPORTIONALITY

Compliance of the Hollister housing successor compliance with the Low Moderate and Income Housing Asset Fund expenditure requirements pursuant to §34176.1(a)(3)(A) for the period 2019-2024. The second, and current five year, compliance period is July 1, 2019 to June 30, 2024. See table labeled, "LMIHAF Expenditure Requirement Analysis for more detail."

- a. Administrative Cost Cap for monitoring of 5% of the statutory value of housing successor real property, loans and grants or \$200,000 adjusted for inflation in any fiscal year to §34176.1(a)(1) of the amount of the assets is less than \$200,000: **Comply** - The Housing Successor expended \$0 for administrative costs in fiscal year 2021/22, which is 0% of the statutory value of the housing successor real property, loans and grants and less than \$258,638 cap adjusted for inflation.
- b. Homeless Prevention and Rapid Rehousing Services: **Comply** - The Housing Successor may expend up to \$250,000 per fiscal year for homeless prevention and rapid rehousing services of individual and families who are homeless or would be homeless pursuant to §34176.1(a)(2). The City of Hollister spent \$0 on homeless prevention services in Fiscal Year 2021/22, which is less than the limit of \$250,000 per fiscal year.
- c. Extremely Low Income Rental Housing: **Comply/In Review-** Section 34176.1(a) (3) (B) states that at least 30% of the LMIHAF FY 2021/22 fund balance not used for monitoring or homeless prevention and rapid rehousing services must be spent on rental housing for extremely-low income households. Expenditures are reviewed between a five-year periods to ensure regulation requirements. The first compliant period was 2014-2019 and the City of Hollister was compliant. In the current compliance period, 2019-2024, the Housing Successor has not expended any funding for extremely-low income units. The information is not required to be reported until 2024.

- d. Cap: 20% cap on use of LMIHAF on development of housing affordable to very low and low income households. **Premature** - Section 34176.1(a) (3) (B) limits the expenditure of the LMIHAF for affordable housing development that is not used for monitoring or homeless prevention and rapid rehousing services to 20% of the LMIHAF for households earning between 60 to 80% of the area median income between the next compliance period 2019-2024. The information is not required to be reported until 2024.

LMIHAF Expenditure Requirement Analysis

Fiscal Year	Admin/ Monitoring and Preservation	Homeless Prevention Rapid Rehousing	30% Extremely Low Income	CAP 20% 60-80% of Area Median Income	<u>Unencumbered Balance</u>
12-13	\$ 0	\$ 0	\$ 0	\$ 0	\$2,757,119
13-14	\$277,814	\$ 86,360	\$ 0	\$ 0	\$2,550,660
14-15	\$233,488	\$ 43,429	\$117,000	\$ 0	\$2,166,743
15-16	\$381,451	\$ 0	\$ 0	\$ 0	\$2,412,829
16-17	\$100,544	\$ 0	\$ 0	\$ 0	\$2,413,904
17-18	\$258,342	\$ 0	\$1,000,000	\$ 0	\$1,226,805
18-19	\$251,649	\$ 0	\$ 0	\$ 0	\$1,223,875
19-20	139,760.11	\$ 0	\$ 0	\$ 0	\$1,448,914
20-21	\$144,418	\$ 0	\$ 0	\$ 0	\$ 1,304,496
21-22	\$ 0	\$ 0	\$ 0	\$ 0	\$1,343,626
					Estimated Balance
22-23	\$100,000	\$ 250,000		\$ 0	\$993,626

2014-2019 INCOME EXPENDITURE PROPORTIONALITY COMPLIANCE REVIEW

Expenditures from the Housing Asset Fund shall be limited to lower income households earning 80% or less of the AMI. In each five-year compliance period, not less than 30% of expenditures must be on development of rental housing affordable to households earning 30% or less of the AMI and not more than 20% of the expenditures must be on development of housing for households earning between 60% and 80% of the AMI. Failure to comply with the extremely low income requirement in any five-year compliance period will result in the City having to ensure that 50% of remaining funds be spent on development extremely low income rental units until in compliance. If the City exceeds the

expenditure limit for households earning between 60% and 80% of the AMI in any five-year reporting period, it will not be allowed to expend any funds on these income categories until in compliance.

The first five-year compliance period began on January 1, 2014 (when SB 341 became effective) and ended on June 30, 2019. In the first compliance period, 2014-2019, the City of Hollister Housing Successor approved agreements in the amount of \$1,117,000 to support extremely-low income rental projects. In the first compliance period, 2014-2019, the Housing Succor met all compliance requirements. The second, and current five year, compliance period is July 1, 2019 to June 30, 2024.

Note: Housing successors must report expenditures by category each year, but compliance with income proportionality limits is measured every five years. For example, a housing successor could spend all of its funds in a single year on households earning between 60% and 80% AMI, as long as it was 20% or less of the total expenditures during the five-year compliance period.