

Appendix C: Constraints and Zoning Analysis

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HOUSING CONSTRAINTS

Various factors influence the ability of the City of Highland (City) to meet its housing goals. These include governmental constraints, such as land use regulations, and nongovernmental constraints, such as market and environmental factors. This appendix provides the requisite analysis of potential and actual market, governmental, and environmental constraints to the production, maintenance, and improvement of housing pursuant to State law.

1 Governmental Constraints

The General Plan Land Use Element sets forth land use designations to guide the location, type, and intensity or density of permitted uses of land. The Land Use and Development Code implements the General Plan by providing specific direction and development standards within each of the use categories. These land use controls can facilitate or limit certain types of development.

1.1 General Plan

State law requires that each city have a General Plan that establishes policy guidelines for future development. The City of Highland General Plan is a long-range policy document that lays out the framework for all future growth and development within the City. The City of Highland adopted a comprehensive update of its General Plan in 2006. The Land Use Element describes the land use policies and designations used to guide physical development of the City through the location, distribution, and density of uses. Predominately a residential community, almost 60 percent of the City’s 11,948 acres of land is planned for residential development.

As shown in **Table 1**, the Land Use Element describes seven land uses allowing housing, including a historic preservation district and one mixed commercial, office, and residential land use designation. The Planned Development (PD) designation allows flexibility in development standards to encourage creativity and site-specific design. The Planned Development (PD) district is an opportunity for master planning without a Specific Plan, potentially providing a cost savings to the developer, buyer, and renter.

Table 1. Residential General Plan Land Uses		
Land Use Designation	Acres	Description
Agricultural/Equestrian	504	Rural and equestrian-oriented residential development at a maximum density of 2 units per acre.
Low Density	2,500	Single-family detached homes, including mobile homes, at a maximum density of 6 units per acre.
Medium Density	177	Small-lot single-family detached or attached housing, mobile homes, and multifamily housing at a maximum density of 12 units per acre.
High Density	46	Multifamily housing at a maximum density of 18 units per acre.
High Density Special	58	Multifamily housing from 20 to 30 units per acre.
Historic Village Residential	32	Low-density residential development within the Historic Village District at a maximum density of 6 units per acre.

Table 1. Residential General Plan Land Uses		
Land Use Designation	Acres	Description
Mixed Use	54	Horizontal and vertical mixed-use housing types at a maximum density of 18 units per acre.
Planned Development	3,708	Specific Plan areas in which housing types and densities may vary, but typically range from 5 to 12 units per acre.
Total	7,079	—

The program provided by the General Plan Land Use Element establishes 15 goals for future development within the City. These goals are intended to do the following:

- Plan for future growth
- Provide clarity in land use guidance
- Maintain a mix of development with urban, suburban, and rural character
- Create places for people to live, shop, work, learn, and recreate
- Protect and enhance Highland’s neighborhoods
- Provide new housing opportunities
- Strengthen commercial opportunities
- Expand the employment base
- Ensure land use compatibility
- Preserve natural resources

The land use controls provided in the General Plan and Land Use and Development Code guide the development of new housing to meet existing and future needs, maintain the existing character, and improve neighborhoods and the housing stock.

1.2 Land Use and Development Code

Zoning regulations are intended to ensure that development does not negatively affect community health, safety, and welfare. The City’s Land Use and Development Code regulates housing opportunities by establishing permitted uses and development standards. Several zoning districts respond to specific existing conditions, such as compatibility with the historic development in the original Highland Townsite, and appropriate design for busy transportation corridors.

Residential uses allowed in Highland are listed by Zoning District in **Table 2**. Uses permitted by right are indicated by the “P,” conditionally permitted are indicated by the “C,” and permitted uses that may require approval by the Community Development Director or designee are indicated by “SR.” All permit types are defined in the Permit Approval Process Section.

New residential zoning districts, the Residential High-Density District (R-4), and the Residential High-Density Special Overlay (HDS) were established in the City’s Land Use Development Code in 2011. These districts allow densities of 20 to 30 units per acre to facilitate the development of higher-density multifamily housing as part of a larger mixed-use community.

Table 2. Residential Uses Permitted by Zoning District

Use	Agricultural Equestrian (A/EQ)	Single-Family Residential (R-1)	Two-Family Residential (R-2)	Multifamily (R-3)	Multifamily (R-4)	Residential High-Density Special (HDS)	Village Residential (VR)	Corridor Residential (R-2C)	Mixed Use		East Highland Village (EHV)
									Attached Mixed Use (MU)	Separated Multiple Use Project (MU)	
Single-Family Detached	P	P	SR	■	■	■	P	SR	■	SR	P
Single-Family Detached (2-4 units/parcel)	■	C	SR	SR	■	■	■	C	■	SR	■
Single-Family Detached (5+units/parcel)	■	■	C	C	SR	■	■	C	■	SR	■
Accessory Dwelling Unit	P	P	P	P	P	P	P	P	P	P	P
Single-Family Attached	■	■	C	SR	■	■	■	SR	C	SR	■
Multifamily Attached	■	■	C	C	SR	SR	■	C	C	SR	■
Mobile Home Subdivisions	SR	SR	C	C	■	■	■	■	■	■	■
Mobile Home Parks	■	C	C	C	■	■	■	■	■	■	■
Boarding or Rooming Houses (7+ persons)	■	■	C	C	C	C	■	C	■	■	■
Manufactured Homes (mobile homes with permanent foundation)	SR	SR	SR	SR	■	■	■	■	■	■	■
Board and Care Facility (7+ persons)	■	■	C	C	C	C	■	C	■	■	■

Table 2. Residential Uses Permitted by Zoning District

Use	Agricultural Equestrian (A/EQ)	Single-Family Residential (R-1)	Two-Family Residential (R-2)	Multifamily (R-3)	Multifamily (R-4)	Residential High-Density Special (HDS)	Village Residential (VR)	Corridor Residential (R-2C)	Mixed Use		East Highland Village (EHV)
									Attached Mixed Use (MU)	Separated Multiple Use Project (MU)	
Senior Independent Living	SR	SR	C	C	C	C	SR	C	C	C	SR
Senior Congregate Care/Assisted Living	■	■	C	C	C	C	■	C	C	C	■
Convalescent Care	■	■	C	C	C	C	■	C	C	C	■
Supportive and Transitional Housing ¹	SR	SR	C	C	C	C	SR	C	■	■	SR

Source: City of Highland Land Use and Development Code, 2020.

Notes:

■ = Not permitted in this district.

P = Permitted subject to a consistency assessment.

SR = Permitted subject to approval of staff review permit application.

C = Permitted subject to approval of a Conditional Use Permit application.

1: Emergency shelters (excludes transitional housing and permanent support type housing facilities) are permitted in the Business Park (BP) District subject to approval of a department review permit application.

Assisted living, live/work, multifamily dwellings, residential accessory structures, second units, senior housing, single-family dwellings, and townhomes are permitted by right in Planning Area 2 – Residential Villages and Planning Area 3 – Village Center of the draft Greenspot Village and Marketplace Specific Plan.

1.3 Permitting Process

Development review is the primary way to ensure that the construction of projects contributes in a positive manner to the community and quality of life. Residential development projects typically undergo several types of approvals. This section outlines the development review process for various types of housing (see Section 1.8.6, Processing Time, for average processing times for various project applications and reviews).

1.3.1 Single-Family Homes

Single-family detached homes are the most common housing type in Highland, making up approximately three-quarters of the entire housing stock. Single-family detached housing is permitted by right in four zoning districts (A/EQ, R-1, VR, and EHV), and permitted following staff review in two districts (R-2 and R-2C) and in separated multiple use projects in the MU District. Single-family attached housing, such as condominiums, is permitted in the R-2 zone with a Conditional Use Permit (CUP) and permitted in the R-2C and R-3 zones with a Staff Review Permit. Large single-family detached and single-family attached projects that require tract maps are ultimately reviewed by the Planning Commission. In 2009, the City merged the former Design Review Board with the Planning Commission in order to reduce the amount of time spent on design issues and to streamline the project approval process without diminishing quality. The Planning Commission now performs design review at the same time as other reviews that may be necessary depending on the permit at hand.

The City's Planning Division coordinates a pre-application meeting between a project's applicant and the Project Review Committee to provide applicants an early opportunity to present their project to the City before submitting a development application(s). This initial step has proven to be successful in the past because it discloses infrastructure or other issues that are more cost-effective to address early in the project design phase. Identifying potential issues prior to submitting a development application saves developers a significant amount of time and money. After the Planning Division determines the applications to be complete, they are routed to the Project Review Committee for their formal review and comments. Applications are also routed to utility companies and outside responsible agencies that have requested to be notified.

Once a project's environmental review and public comment process have been completed, the Planning Division provides a copy of all the comments to the applicant for review and discussion with the City's Project Review Committee. Once the comments have been reviewed by all parties, a public hearing before the City's Planning Commission is scheduled. The applicant is provided with a copy of the public hearing notice and staff report with conditions and findings of facts for their review. The conditions clearly outline all the requirements needed to record a final map, as well as any conditions related to the construction of the housing units that are necessary to ensure adequate public health, safety, and welfare.

1.3.2 Accessory Dwelling Units

Accessory dwelling units (ADUs) may be detached from or attached to the primary single-family dwelling unit. ADUs are capable of providing housing below market prices, and often meet the special needs of young persons, older adults, and people with disabilities. In accordance with Assembly Bill 1866 (Government Code Section 65852.2), the City amended the Land Use and Development Code to make permitting ADUs in single-family zones a ministerial action that does not require public notice, public

hearing, or discretionary approval. Understanding that ADUs provide opportunities for affordable housing without changing the City's small-town character, Highland facilitates the development of attached and detached ADUs by permitting them in all residential zones.

Most recently, the City amended the Accessory Dwelling Units and Junior Accessory Dwelling Units Ordinance (Section 16.44.180 of the City's Land Use and Development Code) in 2021 to comply with several updates consistent with State law, Government Code Section 65852.2. As part of **Program 12, Accessory Dwelling Units**, of the Housing Element, the City will [further update the ordinance in response to recent changes in State law and](#) submit the updated ordinance to the State Department of Housing and Community Development (HCD) for their review and will incorporate amendments, as required by HCD. Further, the City will develop and adopt a program that incentivizes and promotes the creation of ADUs that can be offered at an affordable rent for extremely low, very low, low, or moderate-income households or households with special needs (AB 671, 2019).

From 2015 to 2020, the City approved eight ADUs. Additionally, one ADU permit was placed on hold [by the applicant](#) and another ADU permit expired. Based on this record, the City assumes that [at least two, but as many as 30](#) ADUs per year could be permitted during the planning period. As the City's older adult and college-age population increases, as is projected for the planning period, ADUs could help to provide housing for these populations as they can be an important housing resource for small, lower-income households.

1.3.3 Multifamily Housing

Multifamily housing, referred to as multiple-family, attached housing, makes up approximately 16 percent of the City's housing stock. Multifamily housing is currently conditionally permitted in the three multifamily zones (R-2, R-2C, R-3) and in attached mixed-use structures in the MU District. Multifamily housing is permitted following staff review in separated multiple use projects in the MU District, and permitted by-right in the R-4 zone and High-Density Special Overlay (HDS) subject to the City's Staff Review Permit. The CUP process is the City's opportunity to ensure compatibility with surrounding uses. The CUP process can occur concurrently with a Design Review (see Section 1.8, Permit Approval Process). Multifamily housing projects in the R-4 and HDS Districts are not subject to a CUP; however, they do require Major Design Review. The design review process considers the compatibility with design standards, such as setbacks, landscaping, and other basic aspects of project design, to ensure high-quality design.

The permitting procedure for a multifamily housing project is similar to that for a large, single-family detached or attached project. In the case of a hypothetical 50-unit multifamily project, the City's Planning Division will coordinate a pre-application meeting between the applicant and the Project Review Committee to identify potential issues that should be considered early in the planning and design process.

1.3.4 Mobile/Manufactured Housing

Single mobile home units placed on a permanent foundation, certified under the National Mobile Home Construction and Safety Standards Act of 1974 and constructed after October 1976, may be permitted on individual lots in the A/EQ, R-1, R-2, and R-3 zones, as specified in the City's Land Use and Development Code (Section 16.40.180, Mobile Home and Modular Home Requirements), following staff review approved by the Community Development Director. The review ensures that the units comply

with State and local standards of the underlying zoning district. Mobile home subdivisions are permitted under staff review in the A/EQ and R-1 zones, and conditionally permitted in the R-2 and R-3 zones, while mobile home parks are conditionally permitted in the R-1, R-2, and R-3 zones.

Pursuant to California Government Code Sections 65852.3 and 65852.7, certified mobile homes (manufactured homes) on a permanent foundation that are built to the United States Department of Housing and Urban Development Code are considered the same as single-family dwellings and are permitted on all lots zoned for single-family homes. Such housing is subject to the same requirements (e.g., planning, permitting, reviews) as site-built homes, except for certain architectural requirements. The Government Code specifies that a mobile home park shall be deemed a permitted land use on all land planned and zoned for residential land use as designated by the applicable general plan, provided, however, that a city may require a use permit. **Program 20**, Mobile Home Preservation, requires a report detailing relocation and displacement for any proposed conversion or closure of a mobile home park.

The Highland Land Use and Development Code defines manufactured housing as a structure, transportable in one or more sections, which is built on a permanent chassis and is designed for use with or without a permanent foundation when connected to the required utilities, including travel trailers for floodplain management purposes, and provides guidelines for single mobile homes and modular homes or manufactured dwelling units within the City's Land Use and Development Code, including design feature requirements consistent with California Government Code Section 65852.3. The permitted uses table for residential districts in the Land Use and Development Code includes mobile home subdivisions and mobile home parks.

1.4 Special Needs Housing

1.4.1 Group Homes and Residential Care Facilities

Per HCD's technical advisory¹, group homes refer to any housing shared by unrelated persons with disabilities that provide peer and other support for their residents' disability related needs and in which residents share cooking, dining, and living areas, and may, in some group homes, participate in cooking, housekeeping, and other communal living activities. Group homes are further defined in HCD's technical advisory¹ by state licensing requirements. Group homes that do not provide licensable services and do not require state licenses to operate are categorized as unlicensed group homes. These include, for example, group homes that provide peer support and limited services to residents but not the more extensive care and supervision that requires obtaining a license under state law. Group homes that do require state licenses to operate, such as those serving children, are categorized as licensed group homes, and include various subcategories of community care residential facilities defined in Health and Safety Code (Sections 1500 et seq. and 1569 et seq.). The City's Zoning Code defines all categories of licensed group homes as "Residential Care Facilities." (See definition for Residential Care Facilities below.)

State law prevents cities from imposing overly restrictive regulations on community care facilities. The Health and Safety Code (Sections 1500 et seq.) requires that group homes serving six or fewer persons be (1) treated the same as any other residential use and shall be considered a residential use of property

¹ California Department of Housing and Community Development. *Group Home Technical Advisory*, 2022.

by a single family; (2) allowed in all residential zones; and (3) be subject to the same development standards, fees, taxes, and permit procedures as those imposed on the same type of housing in the same zone, and no CUP, zoning variance, or other zoning clearance shall be required that is not required of a family dwelling of the same type in the same zone. Local agencies must allow these licensed care facilities in any area zoned for residential use, and may not require licensed residential care facilities for six or fewer persons to obtain conditional use permits or variances that are not required of other family dwellings. Large residential care facilities (those with seven or more residents) are subject to local land use regulations and other restrictions such as conditional use permit requirements.

According to the City's Land Use and Development Code, a "residential care facility" ([licensed group home](#)) is a State-authorized, certified, or licensed facility that provides non-medical residential care, day treatment, therapeutic rehabilitative care, and adult day care, residential care for the elderly, transitional housing placement, substance abuse recovery or treatment facility, or foster family agency services for children or adults. According to the permitted uses table in the Land Use and Development Code, residential care facilities serving seven or more persons, called "Board and Care Facilities" in the uses table, are conditionally permitted in all multifamily zones (R-2, R-2C, R-3, R-4, and HDS) and commercial zones (CG, NC, PC, VC). The CUP process is outlined in **Section 1.8.4**, Conditional Use Permit. Requirements for discretionary permits may pose constraints to development but may be necessary for certain uses which could have an effect on the existing community. For example, Residential Care Facilities provide in-house treatment or rehabilitation programs on a 24-hour basis. These include drug and alcohol rehabilitation and recovery facilities. The Planning Commission will only deny a CUP if the required findings cannot be met. ~~Program 18, Residential Care Facilities, of the Housing Element includes an objective to amend the Zoning Code to permit residential care facilities serving six or fewer persons by right in all residential zones in accordance with the Welfare and Institutions Code Section 5116 and permit those serving seven or more in at least one zone without discretion.~~

~~However, to mitigate potential constraints to the development of group homes and~~ To comply with the intent of fair housing laws and ensure clarity in the permitting process, the Housing Element **Program 18, Group Homes and Residential Care Facilities**, will update the Zoning Code as follows:

Licensed Group Homes/ Residential Care Facilities –

The Health and Safety Code requires jurisdictions to allow licensed group homes serving six or fewer persons in single-family residential zones and to treat them the same as single-family homes. The City's Zoning Code defines all categories of licensed group homes as "Residential Care Facilities." To comply with the Health and Safety Code and state housing laws regarding licensed group homes, the City will update the Zoning Code's definitions and permitting processes to differentiate between Residential Care Facilities (licensed group homes) serving six or fewer residents and those serving seven or more residents. Additionally, the City will permit Residential Care Facilities (licensed group homes) serving six or fewer persons in all single-family zones subject only to the generally applicable laws that apply to all single-family residences in accordance with the Welfare and Institutions Code and Health and Safety Code and permit those serving seven or more in at least one zone without discretion.

Unlicensed Group Homes that Do Not Provide Licensable Services –

To comply with state housing laws regarding unlicensed group homes, jurisdictions must permit all unlicensed group homes that operate as single-family residences and that do not provide licensable

services in single-family neighborhoods, subject only to the generally applicable, nondiscriminatory health, safety, and zoning laws that apply to all single-family residences. As such, the City will update the Zoning Code to permit unlicensed group homes in single-family zones, subject to the same laws that apply to all single-family residences to comply with state housing laws.

~~to differentiate between residential care facilities serving six or fewer residents and those serving seven or more residents. The program will create separate definitions and permitting processes for the two types of residential care facilities, permit those serving six or fewer persons in all residential zones in which single-family homes are permitted, and permit those serving seven or more in at least one zone without discretion. This will ensure that licensed facilities (group homes/residential care facilities) are allowed in residential zones consistent with State law.~~

1.4.3 1.4.2 Boarding or Rooming Houses

Although a boarding or rooming house may provide housing to unrelated individuals, it is not considered a residential care facility. Highland's Land Use and Development Code defines a boarding or rooming house as a building containing a dwelling unit where lodging is provided with or without meals for compensation for seven or more persons. For six or fewer occupants, the City defers to requirements in the State's guidelines. A boarding or rooming house does not provide on- or off-site supportive services. Boarding or rooming houses are conditionally permitted in the R-2, R-2C, R-3, R-4, and HDS residential zones, and may not be located within 500 feet of the same use. Furthermore, to prevent a concentration of parolees, no more than one Federal, State, or juvenile justice parolee shall be allowed to live in boarding or rooming house at any one time, except if a boarding or rooming house has 10 or more dwelling units, then there may be one additional Federal, State, or juvenile justice parolee for every 10 dwelling units. The location and parolee restrictions were enacted in response to public concerns about boarding and rooming housing affecting community safety and welfare.

1.4.4 1.4.3 Senior Housing

With Highland's growing older adult population, it is important that a range of housing types located in well-resourced areas (e.g., near transit, jobs, parks) are available to serve their special needs. These can include housing such as smaller and more affordable units (including second dwelling units), senior housing, and various forms of care housing. Care housing that assists the special needs of older adults include senior independent living projects, residential care homes for older adults, congregate care, and convalescent care. Senior independent living projects are permitted with a Staff Review Permit in the A/EQ, R-1, VR, and EHV zones, and conditionally permitted in multifamily zones (R-2, R-2C, R-3, R-4, and HDS) and the mixed use zone (MU). Congregate care and convalescent care homes are conditionally permitted in multifamily, mixed use, and commercial zones. Residential care facilities, which can include residential care facilities for older adults per the City's definition, serving seven or more persons, are conditionally permitted in multifamily zones (R-2, R-2C, R-3, R-4, and HDS).

1.4.5 1.4.4 Emergency Shelters, Transitional Housing, and Permanent Supportive Housing

California Senate Bill (SB) 2 (Cedillo) was approved in 2007 with the goal to remove zoning barriers for emergency shelters and transitional and supportive housing, and provides direction in the ways in which local governments address housing for those experiencing homelessness or those at risk of

homelessness. SB 2 is intended to strengthen existing Housing Element requirements to provide for the development of emergency shelters and transitional and supportive housing.

Emergency shelters are the first step in a continuum of care program designed to allow people experiencing homelessness a temporary place of stay. As defined by subdivision (e) of Section 50801 of the Health and Safety Code, emergency shelter means housing with minimal supportive services for persons experiencing homelessness that is limited to occupancy of 6 months or fewer by a person experiencing homelessness, and where no individual or household may be denied emergency shelter because of an inability to pay.

SB 2 requires jurisdictions to identify a zone where emergency shelters are a permitted use without a CUP or other discretionary action. The identified zone(s) must have sufficient capacity to accommodate the needs, regardless of the demonstrated need, and have sufficient capacity to permit at least one year-round emergency shelter. State law (Government Code Section 65583(a)(4)) limits the development standards and locational restrictions that can be applied to emergency shelters.

Emergency shelters may only be subject to those development and management standards that apply to residential or commercial development within the same zone except that a local government may apply written, objective standards that include all of the following:

- the maximum number of beds or persons permitted to be served nightly by the facility;
- sufficient parking to accommodate all staff working in the emergency shelter, provided that the standards do not
- require more parking for emergency shelters than other residential or commercial uses within the same zone;
- the size and location of exterior and interior onsite waiting and client intake areas;
- the provision of onsite management;
- the proximity to other emergency shelters, provided that emergency shelters are not required to be more than
- 300 feet apart;
- the length of stay;
- lighting; and
- security during hours that the emergency shelter is in operation.

Emergency shelters serving 25 persons or fewer are permitted in the business park (BP) employment zone subject to approval of a Staff Review Permit application. The BP designation allows for light industry, research and development, office uses, and business and commercial uses that support the employees and clients of the area, and commercial uses requiring large parcels. Should an emergency shelter be provided in the BP district, residents would benefit from access to public transit, retail uses, and regional employment growth in nearby businesses. Residents will also be connected to other areas of the community and adjacent cities by buses. The local bus transit service provider, Omnitrans, operates two routes that serve this area (Route 3 and Route 15). As outlined above, jurisdictions are permitted to limit the maximum number of beds or persons per shelter under State law. Regulating the number of beds or persons permitted, can potentially help prevent crowded shelter conditions. The importance of this was seen early in the Coronavirus (COVID-19) pandemic. Communities saw rapid transmission of COVID-19 in homeless shelters, particularly in congregate settings, where people shared

living and sleeping spaces, sometimes in beds, cots, or bunks that were very close to one another². Further, as fully analyzed below, the 25 person limit does not constrain the City’s ability to demonstrate that the zone where emergency shelters are allowed by right includes sufficient capacity to accommodate the need for emergency shelter identified in the most recent point-in-time count conducted before the start of the planning period.

There are approximately 270 acres in the City designated as BP, generally located along the southwestern City boundary. A total of 116 acres in the BP designation are vacant with an average parcel size of 0.74 acres. Given the development standards in the BP zone, including the minimum parcel size requirement, there are approximately 25 vacant sites that could potentially accommodate a multi-service facility. As discussed above, all of the sites are within a half mile of public transit lines and near existing commercial and business uses, providing access to opportunities. Taking into account the 25-person limit for emergency shelters, the 25 sites still provide a potential capacity for approximately 625 beds. Based on the 2020 point-in-time count described in **Appendix B**, Community Profile, there were a total of 78 unsheltered adults in the City, meaning that the City theoretically has more than sufficient capacity of sites to accommodate the need for emergency shelter.

As defined in California Government Code Section 65582(j), transitional housing includes buildings configured as rental housing developments but operated under program requirements that require the termination of assistance and recirculating of the assisted unit to another eligible program recipient at a predetermined future point in time that shall be no fewer than 6 months from the beginning of the assistance. Supportive housing is defined by California Government Code Section 56682(f) as housing with no limit on length of stay, that is occupied by the target population,³ and that is linked to an on-site or off-site service that assists the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community. Chapter 16.06, Definitions, of the City’s Land Use and Development Code defines “supportive housing” and “transitional housing” per the definitions provided above. According to the permitted uses table in the Land Use and Development Code, supportive and transitional housing are permitted with a Staff Review Permit in the A/EQ, R-1, VR, and EHV zones and conditionally permitted in multifamily zones (R-2, R-2C, R-3, R-4, and HDS).

To remove or mitigate constraints that may exist related to zoning or permits for supportive and/or transitional housing and to comply with Government Code Section 65583, transitional housing and supportive housing shall be considered a residential use of property and shall be subject to the same development standards and permitting processes as the same type of housing in the same zone and in compliance with the occupancy limitations of Title 24 of the California Code of Regulations. Under California Assembly Bill (AB) 2162, supportive housing meeting specific standards shall be a use by right in all zones where multifamily and mixed uses are permitted, including nonresidential zones permitting multifamily uses. Additionally, no minimum parking may be required for units occupied by supportive housing residents if the development is located within 0.5 miles of a public transit stop.

² <https://www.urban.org/urban-wire/winter-here-covid-19-limiting-shelter-capacity-what-will-it-mean-people-experiencing-homelessness>

³ “Target population” means persons with low incomes who have one or more disabilities, including mental illness, HIV or AIDS, substance abuse, or other chronic health condition, or individuals eligible for services provided pursuant to the Lanterman Developmental Disabilities Services Act (Division 4.5, commencing with Section 4500, of the Welfare and Institutions Code) and may include, among other populations, adults, emancipated minors, families with children, older adults, young adults aging out of the foster care system, individuals exiting from institutional settings, veterans, and people experiencing homelessness.

The City updated its Land Use and Development Code in 2013 to comply with State law; however, there have been several updates to State law, as outlined above. As such, the Housing Element includes **Program 19, Emergency Shelters, Transitional Housing, and Permanent Supportive Housing, and Single Room Occupancy**, to permit transitional and supportive housing consistent with State laws and to amend the City’s Emergency Shelters Ordinance (Section 16.44.270, Emergency Shelters) to comply with parking requirements set forth by AB 139, Quirk-Silva. **Program 278, Low Barrier Navigation Centers**, includes an update to the Land Use and Development Code to provide, by-right, approvals exempt per the California Environmental Quality Act (CEQA) to Low-Barrier Navigation Centers⁴ meeting specific standards in areas zoned for mixed uses and nonresidential zones permitting multifamily uses, consistent with AB 101’s requirements for Low-Barrier Navigation Centers.

1.4.6 1.4.5 Single-Room-Occupancy Units

Another potential source of housing for people experiencing homelessness or formerly experiencing homelessness are single-room-occupancy units. Single-room-occupancy units are very small, attached units intended for no more than one or two people. An agency or organization generally oversees the project and provides ongoing supportive services to promote self-sufficiency.

The City's Land Use and Development Code does not currently permit single-room occupancy units. Through **Program 19, Emergency Shelters, Transitional Housing, Permanent Supportive Housing, and Single Room Occupancy**, the City will amend the Zoning Code to identify a process by which single-room occupancies (SRO) can be permitted to further increase housing opportunities for extremely-low income households.

1.5 Facilitating Affordable Housing

1.5.1 Residential High Density Special (HDS) Overlay and Greenspot Village & Marketplace Specific Plan

The City established a Residential High Density Special (HDS) Overlay in 2011 on approximately 52 acres zoned as Planned Development (PD). The HDS Overlay allows the permitting of up to 650 multifamily units at a minimum density of 20 units per acre and a maximum density of 30 units per acre. The HDS Overlay area is generally bound by Greenspot Road on the south, Eucalyptus Avenue on the north, Boulder Avenue on the east, and the City Creek wash basin on the west. The 52 acres is now located entirely within the Greenspot Village & Marketplace Specific Plan area, adopted in 2013.

The Greenspot Village & Marketplace Specific Plan is a master-planned, mixed-use development located within the area identified in the City’s General Plan Land Use Element as the “Golden Triangle Community Policy Area.” The Specific Plan consists of three planning areas. Planning Area 1 allows for commercial uses; Planning Area 2 allows for residential uses; and Planning Area 3 permits a mix of residential, commercial, entertainment, governmental, and professional office uses. The total number of dwelling units between Planning Areas 2 and 3 may not exceed 800. Planning Areas 2 and 3 allow development at density ranges of 20 to 30 and 18 to 40 dwelling units per acre and permit 500 to 700 units and 100 to 300 units, respectively; within that limit, dwelling units may be transferred between

⁴ “Low Barrier Navigation Center” is defined as a housing first, low-barrier, service-enriched shelter focused on moving people into permanent housing that provides temporary living facilities while case managers connect individuals experiencing homelessness to income, public benefits, health services, shelter, and housing.

Planning Areas 2 and 3. As of November 2021, there are approximately 37 acres of vacant land within Planning Areas 2 and 3, providing a generous amount of land available for residential development. As fully discussed in **Appendix E, Sites Analysis and Inventory**, the available vacant land coupled with the higher densities permitted, purely residential uses and range in housing types allowed, and flexibility in standards and requirements afforded by the Specific Plan, remove and reduce constraints for residential uses and aim to facilitate affordable housing development.

1.5.2 Lot Consolidation Incentives

Lot consolidation can increase the efficiency of land use and create the critical mass needed for a quality multifamily housing project. The City has identified numerous vacant and underutilized parcels that have the potential to accommodate multifamily projects. Their development potential could be improved through lot consolidation.

Although the development community is aware of the inherent benefits of acquiring larger sites, the City seeks to promote this process. Through the implementation of **Program 22**, Lot Consolidation Incentive, of the Housing Element, the City is committing to providing expedited processing for the consolidation of lots identified in **Appendix E, Sites Analysis and Inventory**, as having the potential to accommodate lower-income households.

1.5.3 Inclusionary Housing Ordinance

The City's Land Use and Development Code's Inclusionary Housing Ordinance aims to facilitate the development and availability of housing affordable to a broad range of households with varying income levels within the City. It provides guidelines for the production of affordable housing at moderate-, low-, and very low-income levels; payment of an in-lieu fee; or dedication of land for affordable housing.

All new residential development projects within the City must dedicate at least 15 percent of the units for affordable housing. Restricted, for sale units must be sold to low- and moderate-income households. Rental projects must rent at least 10 percent of the units to very low-income households, with the remaining 5 percent of affordable units rented to low- or moderate-income households. In exchange for the construction of affordable units, the City allows unit size reduction and different interior finishes for affordable units, as long as they are of durable quality and consistent with the current California Building Code.

In lieu of constructing all or any affordable units on site, a developer may pay an affordable housing in-lieu fee of \$3,750 per unit to the City. In lieu of building inclusionary units, the developer may also choose to dedicate land within the City to the City. Dedicated parcels must be suitable for the construction of inclusionary units and equivalent or greater in value than what would be produced by applying the City's in-lieu fee to the project. All in-lieu fees are deposited in an inclusionary housing fund to be spent on affordable housing development and programs.

The City provides regulatory relief for developers of sites that cannot accommodate affordable units. If the City determines that providing on-site inclusionary housing is infeasible, the developer may construct affordable units on another site within the City prior to or concurrently with construction of the on-site project. Should a developer provide more affordable units than required by the inclusionary ordinance, the developer may transfer credit for those affordable units to their next project in Highland or to another developer. [However, the Inclusionary Housing Ordinance provides requirements that are](#)

~~inconsistent with the minimum density bonus and incentives outlined in the State's Density Bonus Law.~~

Program 4, Inclusionary Housing, of the Housing Element includes a program to continue the City's Inclusionary Housing Ordinance to provide funding for affordable housing preservation, rehabilitation, and construction.

During the 2014–2021 Housing Element cycle, no inclusionary housing units were constructed. In lieu of construction, developers opted to pay the affordable housing in-lieu fee of \$3,750 per unit. As of January 2021, the current balance from in-lieu fees is \$569,000, and the funds have not yet been used for preservation or construction of affordable housing. However, the City plans on using the funds to construct new affordable units at the Housing Authority's property at 7433 Central Avenue. The anticipated proposal will develop approximately ~~8990 to 110~~ affordable dwelling units on 3.75 acres.

1.5.4 Density Bonus

A density bonus is an entitlement to build additional residential units above the maximum number of units allowed per the Municipal Code in exchange for providing affordable housing specified by as Government Code Sections 65915–65918.

For projects consistent with the applicable affordable requirements, jurisdictions must grant one density bonus, and, if requested by the applicant, incentives or concessions, and waivers or reductions of development standards depending on the percentage of affordable units. Concessions and incentives include reductions in site development standards or a modification of Zoning Code or architectural design requirements, such as a reduction in setback or minimum square footage requirements, approval of mixed-use zoning, or other incentives or concessions that result in actual cost reductions. In accordance with State law, projects that meet the minimum criteria for a density bonus are entitled to at least one concession and may be entitled to as many as four concessions depending on the amount of affordable housing provided.

The City's Land Use and Development Code (Section 16.40.090, Development Density) outlines the density bonuses and incentives or concessions that are available to affordable housing and qualifying residential projects; however, the City's Density Bonus Ordinance, approved in 2013, is no longer in compliance with the State's latest Density Bonus Law.

Under AB 2345 amending code Section 35915, which took effect on January 1, 2021, the maximum available density bonus for projects not composed exclusively of affordable housing increased from 35 to 50 percent. To receive the top bonus, a project must comply with unit replacement requirements and set aside at least 24 percent of units for low-income households, 15 percent of units for very low-income households, or 44 percent of for-sale units for moderate-income households. Bonuses between 35 and 50 percent will be granted on a sliding scale, while current affordability requirements to obtain a lesser bonus will remain unchanged. The City's Density Bonus Ordinance does not meet the current State law maximum density bonus of 50 percent.

Program 6, Density Bonus, will update the City's Density Bonus Ordinance to comply with the current State Density Bonus Law, including the provision for an increased bonus for 100 percent affordable developments and student affordable housing.

1.6 Residential Development Standards

The General Plan Land Use Element establishes the maximum density for housing and where it can generally be located within Highland. The Land Use and Development Code provides more specific residential development standards that determine building height, density, setbacks, parking, and other requirements. Development standards tailored to each zoning district and certain specific uses are provided to ensure quality design to protect the health, safety, and welfare of the public, as well as enhance the appearance of the community. Development standards improve the quality and livability of housing development in Highland.

Table 3 lists the minimum acceptable standards for development within the City's residential districts to ensure safe and attractive development without hindering the production of housing.

Table 3. Residential Development Standards

Standard	A/EQ	R-1	R-2	R-2C	R-3	R-4	HDS	VR	EHV
Maximum Density (units per acre)	2.0	6.0	12.0	9.0	18.0	Max: 30.0	Max: 30.0	6.0	6.0
Minimum Density (units per acre)	—	—	—	—	—	Min: 20.0	Min: 20.0	—	—
Minimum Building Site (net area in square feet)	20,000	7,200	7,200	43,560 (1 acre) ¹	10,000	43,560 (1 acre) ¹	43,560 (1 acre) ¹	7,200	5,000 ²
Minimum Lot Width	100 ft.	60 ft.	60 ft.	22 ft.	100 ft., 110 ft. for corner lots	None	None	100 ft.	50 ft.
Minimum Lot Depth	120 ft.	100 ft.	100 ft.	40 ft.	100 ft.	None	None	100 ft.	100 ft.
Minimum Front Setback	35 ft., but 65 ft. from street centerline	25 ft., but 55 ft. from street centerline	20 ft.	15 ft. at any given point, but an average minimum of 20 ft.	25 ft.	15 or 25 ft.	15 or 25 ft.	15	19 ft.
Minimum Interior Setback ³	10% of lot width	5 ft. and 10 ft.	5 ft. and 10 ft.	0 ft. for attached units and 3 ft. for detached units	10 ft.–15 ft.	15 ft. or 25 ft.	15 ft. or 25 ft.	An aggregate of 15 ft. compatible with adjacent setbacks	10% of lot width
Minimum Street Side Setback ³	15% of lot width	15 ft.	15 ft.	15 ft. at any given point, but an average minimum of 20 ft.	20 ft.	15 ft. or 25 ft.	15 ft. or 25 ft.	15 ft.	10 ft.
Minimum Rear Setback	35 ft.	20 ft.	20 ft.	10 ft. for 1- or 2- story units	15 ft.–20 ft.	15 ft.	15 ft.	20 ft.	10 ft.
Maximum Lot Coverage	30%	40%	40%	40%	60%	None	None	30%	30%

Table 3. Residential Development Standards

Maximum Height	35 ft. or 2 ½ stories, whichever is greater	35 ft. or 2 ½ stories, whichever is greater	35 ft. or 2 ½ stories, whichever is greater	35 ft. or 2 stories, whichever is greater	35 ft. or 2 ½ stories, whichever is greater	55 ft. (4 stories and loft)	55 ft. (4 stories and loft)	Compatible with surrounding buildings	35 ft. or 2 stories, whichever is greater ⁴
Minimum Building Separation ⁵	15 ft.	10 ft.	10 ft.	0 ft. for attached units and 3 ft. for detached units	15 ft.	Per Uniform Building Code	Per Uniform Building Code	10 ft.	10 ft.
Minimum Dwelling Unit Size (square feet)	800	800	800	800	800	Studio: 425 1 bedroom: 650 2 or more bedrooms: 800	Studio: 425 1 bedroom: 650 2 or more bedrooms: 800	800	800
Standard	Mixed Use								
	Attached Mixed Use Structures			Separated Multiple Use Projects Attached			Separated Multiple Use Projects Detached		
Maximum Density (units per acre)	18			18			18		
Minimum Building Site (net area in square feet)	None			10,000			4,000		
Minimum Lot Width	None			80 ft.			50 ft.		
Minimum Lot Depth	None			100 ft.			80 ft.		

Table 3. Residential Development Standards

Minimum Front Setback	0 ft. if public plaza of at least 400 square ft. and a minimum dimension of 15 ft. in each direction provided in front yard; 5 ft. if no public plaza provided in front yard	15 ft. average; 10 ft. minimum	10 ft.; 5 ft. for unenclosed porch
Minimum Interior Setback ³	None if adjacent to commercial or office uses; If adjacent to residential uses, then 10 ft. if 2 stories or less, and 15 ft. if 3 or more stories	15 ft. if adjacent to commercial; If adjacent to residential uses, then 10 ft. if 2 stories or less, and 15 ft. if 3 or more stories	5 ft.
Minimum Street Side Setback ³	None	15 ft.	10 ft.
Minimum Rear Setback	35 ft.	If adjacent to residential uses, then 10 ft. if 2 stories or less, and 15 ft. if 3 or more stories	15 ft.
Maximum Lot Coverage	30%	50%	40%
Maximum Height	35 ft. or 2½ stories, whichever is greater		
Minimum Building Separation ⁵	15 ft.	10 ft.	
Minimum Dwelling Unit Size (square feet)	One-bedroom = 600 sq. ft. Two-bedroom = 800 sq. ft. Three-bedroom = 1,000 sq. ft.	One-bedroom = 800 sq. ft. Two-bedroom = 1,000 sq. ft. Three-bedroom = 1,200 sq. ft. Four-bedroom = 1,400 sq. ft.	

Source: City of Highland Land Use and Development Code, 2020.

ft. = feet; sq. ft. = square feet

1. R-2C parcels smaller than 1 acre in size may be developed if they cannot be consolidated with adjacent parcels and are either bordered on all sides by property zoned for non-R-2C uses, or bordered on three sides by roadways.

2. Lots may only be merged to meet minimum requirements. However, no lots shall be subdivided to meet minimum standards.

3: Except for development in the R-2C District, a minimum 10-foot setback shall be maintained for all two-story or higher elements.

4. Design of two-story unit buildings or additions within the East Highland Village (EHV) District shall be in compliance with Highland Municipal Code Chapter 16.16.040(F), East Highland Village Design Guidelines.

5: Minimum distance between buildings includes main dwellings and accessory structures. Within a planned development, building separations may be reduced to 0 feet, provided that fire walls are to Uniform Building Code standards and subject to review and approval of the Forestry and Fire Warden Department.

1.6.1 Parking Requirements

Parking requirements must relate to the housing type to provide adequate and appropriately located parking facilities. Adequate parking for residential projects contributes to the value of a project, the safety of residents, its appearance, and livability. However, excessive parking standards that do not reflect actual parking demand can unduly increase development costs by reducing the potential land availability for additional units or project amenities. Cities statewide are also finding that parking is a contributing constraint to building affordable housing, reflective in the cost of one parking space.

Reductions in parking requirements are currently made possible through parking studies for senior housing types, and the Community Development Director may approve reduced parking requirements for projects that incorporate affordable units but do not qualify for density bonus incentives.

Additionally, **Program 32, Reduced Parking Requirements**, will provide a process by which parking requirements can be reduced for religious institutions in exchange for housing development. **Table 4** displays City residential parking requirements.

Table 4. Residential Parking Standards	
Use	Minimum Off-Street Requirements
Single-Family Detached ¹	Resident parking: 2 enclosed garage spaces Guest parking: If guest parking is not permitted on the street, then one visitor space per unit is required within 100 feet of each unit's frontage and cannot be tandem
Second Units	Resident parking: 1 additional off-street parking space, tandem allowed, allowed in the front yard setback
Single-Family Attached and Multifamily (R-2, R-2c, R-3) ^{2,3}	Resident Parking Studio: 1 covered or garage space assigned to each unit 1 bedroom: 1 covered or garage space, and .5 uncovered space 2 or more bedrooms: 1 covered or garage space and 1 uncovered space Guest parking: On-street parking can count for visitor parking if the spaces are within 250 feet of each unit's frontage, otherwise 0.5 uncovered space per unit is required
Multifamily (R-4) ^{4,5}	Resident Parking Studio and 1 bedroom: 1.5 per unit (at least 1 space within a garage or carport) 2 bedrooms: 1.9 per unit 3 bedrooms: 2.1 per unit 4 bedrooms: 2.4 per unit Guest parking: 0.3 spaces per unit
Senior Housing	Resident parking: 1 covered space per unit Guest parking: 0.25 space per unit (can be uncovered)
Senior Congregate Care ⁶	Resident parking: 0.5 covered spaces per unit or as determined by the Planning Commission. For multiple-family units, the parking shall be within 150 feet of the dwelling it serves Guest parking: 0.25 space per unit (can be uncovered)
Mobile Home Parks and Subdivisions	Resident parking: 2 spaces per unit, tandem allowed Guest parking: 1 space for each 5 units or fraction thereof
Model Home Complexes ⁷	3 spaces per model home plus 1 space per salesperson
<p>Source: City of Highland Land Use and Development Code, 2020.</p> <p>1: Within the VR district, no more than a two-car space and no less than a one-car space shall be provided within a garage, and the exterior garage door shall be a minimum of 45 feet from the front property line.</p> <p>2: For R-2 and R-2C districts, covered spaces may be required to be in enclosed garage. If it is not adjacent, the garage shall be within 150 feet of the unit being served.</p> <p>3: Covered spaces for apartment buildings are garage spaces.</p> <p>4: Minimum of one parking space shall be covered within a garage or carport.</p> <p>5: Guest spaces may be uncovered.</p> <p>6: Applicant shall submit a parking study for reduced parking standards.</p> <p>7: On-street parking adjacent to the model home complex may be counted toward the parking requirement if it is found that on-street parking will not impact residential parking and will not obstruct traffic flow.</p>	

1.6.2 Building Codes

Building and safety codes regulate construction and design methods to protect public health, safety, and welfare. However, these codes have the potential to constrain the development of housing. Highland has adopted and enforces the 2019 California Building Code. Except for seismic standards and some additional requirements for fire hazards, the City's building codes do not impose additional requirements that would materially raise the cost of housing. These types of improvements are common for all cities in San Bernardino County.

Code enforcement is a critical component of retaining quality neighborhoods and residential structures. The City employs full-time building inspectors and code enforcement officers to examine properties. As part of the City's residential rental enhancement program, the owner or occupant of any residential rental unit may request that the City conduct both an interior and exterior inspection of said residential rental unit(s). Inspections may be based upon, but are not limited to, receipt of complaints from occupants, local agencies, or other third parties.

The City's rental inspection program includes a self-certification inspection process conducted by the owner of a residential rental unit, and subsequent right-of-way inspection from the public right-of-way to certify that health and safety, building code, and fire code violations do not exist on the rental unit. The program ensures rental housing is well-maintained, safe, and adequate for habitation. ~~Program 2, Residential Rental Program, The City~~ will continue to ~~educate~~ provide technical support to landlords and property owners about compliance with applicable City codes, ~~procedures of the Residential Rental Enhancement Program,~~ and guidance on how to notify code enforcement of any violations.

1.6.3 On- and Off-Site Improvements

The City of Highland requires that adequate access, landscaping, lighting, water, and sewer improvements accompany residential development or the expansion of existing residential projects. Typical off-site improvements include curb, gutter, and sidewalk installation, and the undergrounding of existing overhead utility lines. As a condition of approval, the City may require the dedication of improvements, such as rights-of-way, easements, and the construction of reasonable on- and off-site improvements, to serve the project. These types of improvements are common for all cities in San Bernardino County. Therefore, these on- and off-site improvement standards would not make it less financially feasible to build housing in one jurisdiction over another.

1.6.3.1 Streets

All residential projects must provide appropriate roadways consistent with the City's Circulation Element and adopted road standards.

Collector streets require a minimum 40 feet wide curb-to-curb and are, generally, 44 feet, curb-to-curb, within 66-foot rights-of-way. Residential local streets generally require a 36-foot-wide right-of-way. The City does not require infill projects to provide road improvements beyond those necessary for safe access. This reduces the cost of infill housing development, a savings that may be passed on to the future buyer or renter. For any area of the City, additional improvements, easements, and other dedications may be identified during Site Plan Review.

1.6.3.2 Curbs, Gutters, and Sidewalks

While much of west Highland is developed with curbs, gutters, and sidewalks, there are some infill sites without such amenities.

Greenfield sites on the east side are also often in need of such improvements. All new residential development is required to provide a public sidewalk system with curbs and gutters unless deemed unnecessary by the Planning Commission. Public sidewalks are adjacent to public streets and have a minimum width of 5 feet.

Interior walkway systems may have varying widths, with a minimum width of 4 feet unincumbered. The cost of these improvements increases development costs but are necessary to facilitate pedestrian access and movement in urban areas of the City, and to enhance the safety of pedestrian traffic.

1.6.3.3 Water, Sewer, and Storm Drains

Consistent with State law, MS4 Permits, San Bernardino County Hydrology Manual criteria, or local drainage master plan, as applicable, all projects must demonstrate the ability to meet water, sewer, and drainage requirements consistent with San Bernardino Flood Control District's Comprehensive Storm Drain Plan. Fees and infrastructure requirements are established by the East Valley Water District (EVWD) and similar for all communities in the region. Careful site design and location can reduce or mitigate the associated cost of these improvements. For example, vacant land in an infill area could provide affordable housing where there is existing and adequate water, sewer, and drainage infrastructure.

1.7 Development Fees

A variety of fees and assessments are charged by the City and other agencies to cover the cost of processing development permits and providing local services. These fees are necessary to ensure quality project review and to cover costs associated with the impact of new housing. Development fees and exactions increase the cost of development. These costs are passed down to the homeowner and renter, reducing the affordability of housing.

Community development and engineering fees are established to cover the cost of staff review. Without entitlement processing fees, the City would be unable to provide quality review of each project, resulting in inappropriate or inadequate development. These fees offset the City's development review costs and are not designed to increase the cost of development. The affordable housing fee is a per-unit fee that may be paid by the applicant in lieu of providing affordable housing, as discussed in Section 1.5.3, Inclusionary Housing Ordinance.

When processing a Major Design Review and CUP concurrently, the City provides relief to the applicant by only charging one deposit up-front. The City only takes a deposit for the CUP and applies any unused funds from the CUP deposit to cover the design review. This prevents the applicant from spending a financial resource earlier than necessary.

Development impact fees are charged on a per-unit basis to provide funds to offset the anticipated impacts of population growth. New housing, and therefore more residents, may result in an increase in vehicle trips, park usage, school enrollment, and emergency service calls. Development impact fees are carefully created to ensure that quality services and facilities are provided to Highland residents without unduly burdening development. The City annually reviews its development impact fees to ensure the fees are fair and adequate. **Table 5** shows fees charged for new housing projects in Highland.

Table 5. Residential Development Fees		
Fee	Single-Family Attached	Single-Family Attached/ Multifamily
Minor Project (three or fewer dwelling units)		
Community Development Fees		
Inclusionary Housing	\$3,750.00	\$3,750.00
Staff Review Permit	\$45.00	\$45.00
Minor Design Review – Fixed Fee	\$3,450.00	\$3,450.00
Minor Conditional Use Permit – Fixed Fee	\$1,425.00	\$1,425.00
Community Development Fees/Deposit Per Unit	\$8,670.00	
Engineering Fees¹		
Parcel Map Review (≤4 lots) ²	\$5,300.00	\$5,300.00
Impact Fees		
Law Enforcement	\$276.23	\$436.83
Fire Suppression	\$981.10	\$318.42
Local Circulation System	\$4,582.61	\$3,058.86
Regional Circulation System	\$13,289.35	\$8,872.35
Regional Flood Control	\$1,068.24	\$457.13
General Facilities, Vehicles, and Equipment	\$1,224.67	\$1,224.67
Library	\$1,126.68	\$1,084.50
Community Center	\$1,404.31	\$1,351.22
Park Land Acquisition & Park Facilities Development	\$4,573.40	\$4,400.64
Total Fees Per Unit ³	\$37,196.64	\$29,874.61
Major Project (more than three units)		
Community Development Fees		
Inclusionary Housing	\$3,750.00	\$3,750.00
Major Design Review Deposit ^{2,4}	\$8,500.00	\$8,500.00
Major Conditional Use Permit Deposit ^{2,4,5}	\$11,100.00	\$11,100.00 ⁵
Community Development Fees/Deposit Per Unit	\$23,350.00	
Engineering Fees¹		
Parcel Map Review (≤4 lots) ²	\$5,300.00	\$5,300.00
Final Tract Map Review (≥5 lots) ^{2,4}	\$15,300.00	\$15,300.00
Impact Fees		
Law Enforcement	\$276.23	\$436.83
Fire Suppression	\$981.10	\$318.42
Local Circulation System	\$4,582.61	\$3,058.86
Regional Circulation System	\$13,289.35	\$8,872.35
Regional Flood Control	\$1,068.24	\$457.13
General Facilities, Vehicles, and Equipment	\$1,224.67	\$1,224.67
Library	\$1,126.68	\$1,084.50
Community Center	\$1,404.31	\$1,351.22
Park Land Acquisition & Park Facilities Development	\$4,573.40	\$4,400.64
Total Fees Per Unit ³	\$72,476.64	\$65,154.61
<p>Source: City of Highland Planning Division, 2020.</p> <p>1. Some engineering fees not included, such as grading plan check and grading inspection, because fee is based on project specifics such as a dollar amount per cubic yard of soil moved.</p> <p>2. RCS fully burdened hourly rate for all personnel involved, plus any out-of-pocket expenses for contract personnel, special equipment or supplies, other State or county fees applicable against an initial deposit.</p> <p>3. Total fees per unit, including community development fees/deposit per unit, engineering fees, and impact fees listed in this table.</p> <p>4. For projects that are deemed to be less complex after review by the DRC, the amount of the initial deposit can be reduced accordingly by the Community Development Director.</p> <p>5. Major Conditional Use Permit Review Deposit will not be needed for projects on multifamily sites identified in the Housing Element as having potential to accommodate the lower-income Regional Housing Needs Allocation.</p>		

1.8 Permit Approval Process

Highland’s permitting process is designed to ensure high-quality and aesthetically pleasing development that is compatible with adjacent uses and the City’s rural charm. Development and design review fees, as well as the time these processes take, increase the cost of constructing new housing or rehabilitating existing units. To ensure that the permit approval process is not overly burdensome, the City established the “Come Home to Highland” program, which commits the City to being an active partner in providing housing. This program serves as an action plan for City staff to follow when reviewing all commercial and residential development projects. The program is intended to do the following:

- Improve and enhance Highland through the promotion of its residential lifestyle and family-oriented community
- Encourage housing maintenance, rehabilitation, development, and occupation
- Encourage cooperation between City government, local service providers, and residents in facilitating responsible growth

The City of Highland is committed to the following action plan to facilitate and streamline the development review process:

- The fees to process entitlement should be deposit, and an accounting of time by which staff processes the entitlement shall be provided to the project applicant within 30 calendar days of the project’s conclusion.
- Pre-application meetings should be offered free of charge.
- Upon acceptance of an application for an entitlement, the Community Development Department and Public Works Department shall bring the application before the appropriate reviewing body within 90 days of acceptance, barring special environmental, traffic, or similar technical report requirements.
- Fixed fees for plan checking and inspection services upon the issuance of permits.
- First plan check shall take no more than 2 weeks, and if determined to take longer, staff shall notify applicant as to the reasons for the delay.

Three levels of decision-making bodies in the City govern the development review process: The Community Development Department, the Planning Commission, and the City Council.

Applicants are encouraged to submit a pre-application to meet with City staff to discuss a project prior to submitting a formal application. This process provides the applicant with an opportunity to make changes that will ultimately save time and money by having a complete application from the start. When an application is determined complete (within 30 days, as required by the Permit Streamlining Act), the Planning Division indicates whether or not a use requires discretionary review. The “Come Home to Highland” program guarantees that any request for an entitlement that requires approval by the Planning Commission be presented to the necessary body within 90 days of the application being deemed complete (excluding time for CEQA review). Limiting processing time reduces the impact of design review and other forms of discretionary review. There are several types of review necessitated by certain project characteristics, as described below.

1.8.1 Staff Review Permit

A Staff Review Permit is a review of the project use to ensure compatibility with the City's land uses and development standards. Approval is determined by the Community Development Director or their designee (typically the City's Planning Technician). The Staff Review Permit is processed concurrently with the Minor Design Review process, when applicable. Following a review of the application, the Community Development Director shall prepare a written decision which shall contain the findings of fact upon which said decision is based. A Staff Review Permit application may be approved in whole or in part, with or without conditions, if the following findings can be made:

1. The proposed use will be arranged, designed, constructed and maintained to be compatible with the character of the area as intended by the general plan, and is consistent with the goals, objectives, policies and programs of the general plan;
2. The proposed use is permitted within the applicable district, or specific plan, and complies with all applicable zoning provisions;
3. The proposed use, together with applicable conditions, will not be detrimental to the public health, safety or welfare or materially injurious to properties or improvements in the vicinity;
4. The architecture and landscaping proposed observe community standards as described in the adopted general plan, ensuring visual relief protecting the character of adjacent development and providing an attractive environment for the public's enjoyment;
5. The proposed use would not result in significant impact to the environment;
6. All other state and federal permits have been obtained; and
7. The site is reasonably safe from flooding.

In approving a Staff Review Permit, the Community Development Director shall require that the use and development of the property conform with the approved site plan, architectural drawings and statements submitted in support of the application. Such conditions may include, but are not limited to, the following:

1. Setbacks, yard area and open spaces;
2. Fences, walls, and screening;
3. Parking, parking areas and vehicle ingress and egress;
4. Landscaping and maintenance of landscaping and grounds;
5. Regulation of signs;
6. Control of noise, vibration, odor and other potentially dangerous or objectionable elements;
7. Limits on hours of operation;
8. Time period for compliance with conditions of approval;
9. Perimeter roads and properly maintained fuel modification areas with fire hazard zones I and II; and
10. Other conditions as may be determined to assure that development will be in accordance with the intent and purposes of this title.

Modification or revision of an approved Staff Review Permit may be requested by the applicant. A modification or revision to an approved staff review permit may include, but shall not be limited to,

change in conditions, expansion, intensity, or hours of operation. The requested modification or revision shall be processed in the same manner as the original Staff Review Permit.

The Staff Review Permit approval by the Community Development Director or designee is final unless appealed to the Planning Commission. The Planning Commission's determination is appealable to the City Council.

The Staff Review Permit process is not found to be a constraint to development. It provides an objective and necessary process to ensure consistency with the City's General Plan and Zoning Ordinance and the public health, safety and welfare.

1.8.2 Minor Design Review

The Planning Division provides minor design review administratively for permitted housing projects with three or fewer units to ensure compliance with City's land use and development standards. The Planning Division makes standard findings regarding project design, which include compliance with adopted residential design standards and consistency with the City's General Plan Land Use Element and Community Design Element.

An application for minor design review is required for residential projects with three or fewer dwelling units, commercial, industrial and institutional projects not subject to design review which involve the issuance of a building permit for construction or reconstruction of a structure which meets one or more of the following criteria:

1. Structural additions which do not result in an increase of more than 50 percent of the floor area of the existing building;
2. The construction and/or placement of silos, satellite dishes, antennas, private water tanks, roof- or ground-mounted equipment visible from the public street or similar structures and equipment on existing developed properties as determined by the community development director;
3. Signs as required by Chapter 16.56 HMC;
4. Residential construction involving three or fewer dwelling units; or
5. Landscape plans for projects requiring minor design review.

The Community Development Director is authorized to approve or deny applications for design review and to impose reasonable conditions upon such approval, subject to the right of appeal. Conditions may include, but shall not be limited to, requirements for open spaces, screening and buffering of adjacent properties, fences and walls; requirements for installation and maintenance of landscaping and erosion control measures, regulation of vehicular ingress and egress, and traffic circulation; regulation of signs; grading requirements; regulation of hours of operation; establishment of development schedules or time limits for performance or completion of improvements; and such other conditions as the Community Development Director may deem necessary to ensure compatibility with surrounding uses; to preserve the public health, safety and welfare; and to enable the Community Development Director to make the findings necessary for approval. The Community Development Director may at his or her option refer any minor design review to Planning Commission for action. Any determination of the community development director may be appealed to the planning commission within 10 calendar days of the community development director action.

Design Review and Minor Design Review Criteria

The criteria for major and minor design review is based on the following:

1. The design and layout of the proposed development is consistent with the applicable elements of the general plan; any city design guidelines which may be established; and any adopted architectural criteria for specialized areas such as designated historic districts, theme areas, specific plans or planned developments.
2. The design and layout of the proposed development will not unreasonably interfere with the use and enjoyment of neighboring existing or future developments, and will not create a traffic or pedestrian hazard.
3. The design of the proposed development is compatible with the character of the surrounding neighborhood and will maintain a harmonious, orderly and attractive development.
4. The design of the proposed development would provide a desirable environment for its occupants and visiting public as well as its neighbors through good aesthetic use of materials, texture and color that will remain aesthetically appealing and will retain a reasonably adequate level of maintenance.

Through **Program 29, Objective Design Standards**, the City will amend the major and minor design review criteria outlined above to remove potential constraints to development by ensuring objective design standards and criteria for residential projects requiring design review.

Design Review and Minor Design Review Findings

The Community Development Director shall make the following findings before approving a minor design review application:

1. That the proposed project is consistent with the general plan or specific plan;
2. That the proposed use is in accordance with the objectives of this title, and the purposes of the land use district in which the site is located;
3. That the proposed use is in compliance with city design and landscape standards and criteria; and
4. That the proposed use, together with the conditions applicable thereto, will not be detrimental to the public health, safety, or welfare or will not be materially injurious to properties or improvements in the vicinity of the site.

Adjacent property owners shall be notified by mail of the date, time and nature of the design review at least 10 days prior to the public meeting. Any determination of the Community Development Director may be appealed to the Planning Commission within 10 calendar days of the Community Development Director action.

These findings are consistent with those permitted in accordance with 65589.5(d) and are necessary to ensure consistency with the City's General Plan and Zoning Ordinance. Through **Program 29, Objective Design Standards**, the City will ensure that any newly developed design standards are objective, consistent with the requirements of SB 330, 2019. Further, through **Program 8, By-Right Development on Previously Identified Sites**, the City will adopt an ordinance to permit eligible developments without discretionary action. Further, as detailed in **Program 19, Emergency Shelters, Transitional Housing, ~~and~~**

Permanent Supportive Housing, and Single Room Occupancy, and Program 27 Low-Barrier Navigation Centers, the City will ensure that these uses are permitted as detailed, without discretionary action.

1.8.3 Major Design Review

Major Design Review applies to new housing projects consisting of four or more units. Major Design Review is performed by the Planning Commission. Major Design Review provides the Planning Commission with an opportunity to assess a project for consistency with the applicable elements of the City's General Plan and design guidelines, and identify potential design issues that may detract from the aesthetics, health, and safety of neighborhoods. These projects will be reviewed for consistency with the design and development standards provided in the Land Use and Development Code, General Plan Land Use Element, and Community Design Element. Planning Commission review takes place during the time period the development application is routed for agency comments and/or the CEQA process, thus minimizing overall processing time for the project. Planning Commission approval is final unless appealed to the City Council.

An application for design review by Planning Commission is required for all commercial, industrial, institutional, and residential projects of four or more dwelling units involving the issuance of a building permit for construction or reconstruction of a structure which meets the following criteria:

1. New construction on vacant property;
2. Structural additions which are equal to 50 percent or more of the floor area of existing on-site buildings;
3. Reconstruction projects which are equal to 50 percent or more of the floor area of existing buildings;
4. Signs as required by the sign regulations, Chapter 16.56 HMC;
5. Projects involving a substantial change or intensification of land use, such as the conversion of an existing residential structure to an office or commercial use;
6. Outdoor storage areas;
7. Landscape plans for projects requiring design review; or
8. Major public works projects, as feasible.

Planning Commission is authorized to approve or deny applications for design review, and to impose reasonable conditions upon such approval, subject to the right of appeal. Conditions may include, but shall not be limited to, requirements for open spaces, screening and buffering of adjacent properties, fences and walls; requirements for installation and maintenance of landscaping and erosion control measures, regulation of vehicular ingress and egress, and traffic circulation; regulation of signs; grading requirements; regulation of hours of operation; establishment of development schedules or time limits for performance or completion of improvements; and such other conditions as Planning Commission may deem necessary to ensure compatibility with surrounding uses; to preserve the public health, safety and welfare; and to enable Planning Commission to make the findings necessary for approval.

The Planning Commission shall make the following findings before approving a major design review application:

1. That the proposed project is consistent with the general plan or specific plan;
2. That the proposed use is in accordance with the objectives of this title, and the purposes of the land use district in which the site is located;

3. That the proposed use is in compliance with city design and landscape standards and criteria; and
4. That the proposed use, together with the conditions applicable thereto, will not be detrimental to the public health, safety, or welfare or will not be materially injurious to properties or improvements in the vicinity of the site.

Property owners within 300 feet of the project shall be notified by mail of the date, time and nature of the design review at least 10 days prior to the public meeting.

These findings are consistent with those permitted in accordance with California Government Code Section 65589.5(d) and are necessary to ensure consistency with the City's General Plan and Zoning Ordinance.

No housing development application has ever been denied in the City as a result of the City's design review process, and the City has not found the process to pose any constraints on housing supply and affordability in the City, including the required findings as outlined above. However, through **Program 29, Objective Design Standards**, the City will [amend the major and minor design review criteria outlined in Section 1.8.2, to ensure objective design standards and criteria for residential projects requiring design review, which help remove potential constraints to development by providing reasonable processing times and expectations. Additionally, through implementation of Program 29, the City will](#) ensure that any newly developed design standards are objective, consistent with the requirements of SB 330, 2019. Further, through **Program 8, By-Right Development on Previously Identified Sites**, the City will permit eligible developments without discretionary action. Further, as detailed in **Program 19, Emergency Shelters, Transitional Housing, ~~and~~ Permanent Supportive Housing, and Single Room Occupancy**, and **Program 27 Low-Barrier Navigation Centers**, the City will ensure that these uses are permitted as detailed, without discretionary action.

1.8.4 Conditional Use Permit

The CUP process is the City's opportunity to ensure compatibility with surrounding uses, and this review can occur concurrently with Major Design Review. The existing Land Use and Development Code requires a CUP for multifamily projects, with the exception of single-family attached duplex, triplex, and fourplex housing in the R-3 and R-2C zones permitted by Staff Review Permit; multifamily attached projects in the R-4 or HDS districts; and multifamily uses on multifamily sites identified in the Housing Element. In the case of the R-4 and HDS, only a Design Review Process is required.

The Planning Commission is responsible for reviewing all applications that require a CUP and the design review of a project. Typical findings for CUP approval include consistency with the goals, policies, and objectives of the General Plan; suitability of the site for the proposed use or development; and adequacy of water, sanitation, and utilities. Following a review of the application, the Planning Commission shall prepare a written decision which shall contain the findings of fact upon which such decision is based. The Planning Commission, or City Council on appeal, may approve a conditional use permit application in whole or in part, with or without conditions, only if all of the following findings of fact can be made in an affirmative manner:

1. The proposed use is permitted within the subject district pursuant to the provisions of this section, and complies with all of the applicable provisions of this title; and is consistent with the goals, policies, and objectives of the Highland general plan, and with the applicable development policies and standards of the city;

2. The proposed use would not impair the integrity and character of the district in which it is to be established or located;
3. The site is suitable for the type and intensity of use or development which is proposed;
4. There are adequate provisions for water, sanitation, and public utilities and services to ensure public health and safety;
5. The proposed use will not be detrimental to the public health, safety, or welfare, or materially injurious to properties and improvements in the vicinity; and
6. The proposed use would not result in a significant effect on the environment.

In granting a conditional use permit, the Planning Commission, or the City Council on appeal, shall require that the use and development of the property conform with a site plan, architectural drawings, or statements submitted in support of the application, or with such modifications thereof as may be deemed necessary to protect the public health, safety, and general welfare and to secure the objectives of the general plan. The Planning Commission, or the City Council on appeal, may also impose such other conditions as may be deemed necessary to achieve these purposes, including, but not limited to, the following matters:

1. Requirements for setbacks, yard areas, and open spaces.
2. Fences, walls, buffers, and screening.
3. Parking, parking areas, and vehicular ingress and egress in addition to the minimum requirements of Chapter 16.52 HMC.
4. Landscaping and maintenance of landscaping and grounds.
5. Regulation of signs.
6. Control of noise, vibration, odors, and other potentially dangerous or objectionable elements.
7. Limits on hours of operation or duration of approval.
8. Time period within which the proposed use shall be developed.
9. Requirements for street improvements and dedications.
10. Building design and elevations.
11. Such other conditions as may be determined to assure that development will be in accordance with the intent and purposes of this title.
12. Reasonable guarantees of compliance with required conditions, such as a deed restriction or requiring the applicant to furnish security in the form of money or surety bond in the amount fixed by the administering agency.
13. Requirements for periodical review by the planning commission, and such other conditions as the planning commission may deem necessary to ensure compatibility with surrounding uses, to preserve the public health, safety, and welfare, and to enable the commission to make the findings required by this subsection.

Revisions or modifications of conditional use permits may be requested by the applicant and shall be processed in the same manner as the original conditional use permit. Further, the Planning Commission may periodically review, modify, or revoke a conditional use permit to ensure that it is being operated in a manner consistent with conditions of approval or in a manner which is not detrimental to the public health, safety, or welfare, or materially injurious to properties in the vicinity. If, after review, the commission deems that there is sufficient evidence to warrant a full examination, then a public hearing

date shall be set. At such public hearing, the planning commission may modify or revoke the permit pursuant to the provisions of Section 16.08.220, Revocation of Permits, of the Land Use and Development Code.

Design review is based on criteria included within the General Plan Land Use Element and Community Design Element. The CUP (with Major Design Review) process typically takes 9 to 12 weeks, not including the time required by CEQA if an Environmental Impact Report is necessary.

1.8.5 General Plan Amendment/Zone Change

Projects requiring a General Plan Amendment or zone change require review by the Planning Commission and approval by the City Council, regardless of proposed use. However, the City typically reduces the timeframe for this legislative step by processing, where feasible, the discretionary permits at the same time. Alternatively, the City provides a process for a variance, which may reduce any unnecessary hardships related to requests to deviate from current zoning requirements. Approval to grant a variance is determined by the Community Development Director. A variance may be granted based on the following findings:

1. That strict or literal interpretation and enforcement of the specified regulation would result in practical difficulty or unnecessary hardship not otherwise shared by others within the surrounding area or vicinity;
2. That there are exceptional or extraordinary circumstances or conditions applicable to the property involved or to the intended use of the property which do not apply generally to other properties in the vicinity and under the same zoning classification;
3. That the strict interpretation and enforcement of the specified regulation would deprive the applicant of privileges enjoyed by the owners of other properties in the vicinity and under the same zoning classification;
4. That the granting of the variance will not constitute a grant of special privilege inconsistent with the limitations on other properties in the vicinity and under the same zoning classification;
5. That the granting of the variance will not be detrimental to the public health, safety or welfare, or materially injurious to properties or improvements in the vicinity; and
6. That the granting of the variance is consistent with the objectives and policies of the general plan and the intent of this title.

In approving a variance, reasonable conditions of approval may be imposed. The following conditions of approval for a variance may include, but shall not be limited to:

1. Requirements for open spaces, fences, walls, and screening buffers; requirements for landscaping and erosion control measures, including maintenance thereof;
2. Requirements for dedications and street improvements;
3. Regulation of vehicular ingress and egress and traffic circulation; and
4. Regulation of hours of operation, and such other conditions deemed necessary to ensure compatibility with surrounding uses, to preserve the public health, safety, and welfare, and to enable the reviewing authority to make all the findings required above.

The City's variance process is not found to be a constraint, and instead provides for equity in use of property and can prevent unnecessary hardships that might result from a strict or literal interpretation and enforcement of certain zoning regulations.

1.8.6 Processing Time

Developmental review is the primary way to ensure that new residential projects reflect the community’s goals and contribute to improving local quality of life. The time it takes to obtain permits from the City can affect overall project cost, and therefore impact the cost of housing and the success of development in the community.

Highland values the time and money of its development applicants. The City reduced its processing times through enforcement of the “Come Home to Highland” program, which commits the City to establishing fixed fees for several forms of review, and ensures that a discretionary permit application is brought to the appropriate review body within 90 days of the application completeness determination.

Table 6 shows the average processing times for various project applications and reviews.

Type of Application	Timeframe (days)
Zone Change	90
Tentative Tract or Parcel Map	90
Conditional Use Permit	90
Variance Review	45
Lot Line Adjustment	60
Staff Review (Design/Use)	5–10
Minor Design Review	45
Major Design Review	60–90

1.8.7 Special Business License Provisions: Crime Free Multiple-Family Rental-Housing Program

The Crime Free Multiple-Family Rental-Housing Program is a partnership with the County, property managers, owners, landlords and residents. The program is run by the San Bernardino County Sheriff’s Department with the goal of reducing crime through community partnerships and pro-active steps to improve the quality of life for the community. The programs consist of three phases towards making a property a safer living environment for the tenants. The phases must be completed under the supervision of the local sheriff’s station. Property managers and owners can become individually certified after completing training in each phase and the property can become certified when all phases are completed. ~~The program applies to any property that contains four or more rental units that are being rented out for residential dwelling purposes.~~

The program aims to increase community participation, provide accountability for property owners, and lower maintenance costs. The program phases improve public safety for tenants, property owners, and the community. Phase I of the program includes free classroom instruction, which includes establishing fair screening and the legal rights and responsibilities of owners and managers. Phase II of the program includes a property survey. Staff from the local sheriff’s station conducts an inspection of the property using Crime Prevention Through Environmental Design (CPTED) principles. CPTED is a nationally accepted multi-disciplinary approach to deterring criminal behavior through environmental design. The property survey is strictly an on-premise inspection.

As outlined in Section 5.34.020 of the Highland Municipal Code (Special business license provisions – Crime free multiple-family rental-housing program), prior to obtaining a valid City business license, the owners or operators of any property that contains four or more rental units (or rental spaces) that are

being rented out for residential dwelling purposes must comply with all of the following crime free multiple-family rental-housing program requirements:

- Complete a crime free multiple-family rental-housing program seminar to be provided by the Highland police department (“seminar”); and
- Include a crime free lease or rental agreement addendum (“addendum”) or clause in the lease or rental agreement similar to the crime free lease or rental agreement addendum in any leases or rental agreements that are executed, modified or extended after the effective date of the ordinance codified in this chapter. The city clerk shall maintain a sample addendum form for use by businesses subject to the provisions of this chapter.

The program applies to any property that contains four or more rental units that are being rented out for residential dwelling purposes, and does not target specific groups or classes. However, to mitigate any potential impacts on affirmatively furthering fair housing throughout the City, the City is going to amend the Municipal Code to eliminate the Crime Free Multiple-Family Rental Housing Program ordinance and corresponding program requirements as outlined in **Program 2, Multiple-Family Rental Program.**

~~When a property that is subject to the program is transferred to a new owner, the new owner or operator shall complete the seminar within three months after the transfer of the rental property, or as soon as the seminar is conducted, whichever time is later.~~

~~When a property that is subject to the provisions of the program changes operators, the new operator shall complete the seminar within three months after the transfer of operations, or as soon as the seminar is conducted, whichever time is later. Any owner or operator of property with four or more units that are being rented out for residential purposes shall complete the seminar once every three years.~~

~~The crime free multiple-family rental-housing program is a crime prevention program designed to reduce crime, drugs, and gang activities on the subject rental properties. At the seminar, the program coordinator shall provide, at no cost, samples of the addendum and, if applicable, shall review any clauses within actual leases with the city attorney’s office to determine if the clause is similar to the addendum provisions designed to make criminal activity a lease or rental agreement violation. The owner or operator shall have the authority under the clause or addendum to initiate an eviction proceeding as specified in California state law.~~

~~Through **Program 2, Residential Rental Enhancement and Rehabilitation Program**, the City will continue to provide health and safety hazard checks for landlords, ensuring that tenants are not subject to substandard housing and the City will also continue to provide landlord trainings to ensure property safety measures are taken. **Program 2** further enhances upon this existing program to incorporate fair housing training for landlords. This will expand upon the City’s Crime-Free Multiple-Family Rental Housing Program, to ensure that this program is implemented through the lens of fair housing, providing fair housing services for residents and landlords.~~

1.131.9 Housing for Persons with Disabilities

Effective on January 1, 2002, SB 520 amended Housing Element law and Government Code Section 65008 to require localities to analyze the constraints on housing for persons with disabilities. The City’s adopted building codes (including the 2019 California Building Code, California Existing Building Code,

and California Residential Code [Title 24]) require that new residential construction comply with the Federal Americans with Disabilities Act (ADA). Highland has the authority to enforce state accessibility laws and regulations (California Code of Regulations Title 24) when evaluating new construction requests. ADA provisions include requirements for a minimum percentage of units in new development to be fully accessible to people with physical disabilities. Compliance with provisions of the Federal ADA is assessed and enforced by Highland's Building Official. **Program 17** of the Housing Element will provide resources for information on home retrofits and accessibility in ADUs to increase the supply of units available for people with disabilities.

~~1.13.1~~ 1.9.1 Reasonable Accommodation

The City of Highland understands the importance of reducing barriers to provide adequate housing for persons with disabilities. Chapter 16.40 in the Land Use and Development Code provides a formal process for requesting reasonable accommodations for persons with disabilities seeking equal access to housing under the Federal Fair Housing Act and the California Fair Employment and Housing Act in the application of zoning laws and other land use regulations, policies, and procedures. A reasonable accommodation refers to actions that a city takes to modify land use and zoning regulations affecting housing for people with disabilities. A reasonable modification is typically a structural change made to existing premises so that a person with a disability can fully use the premises.

Requests for a reasonable accommodation are submitted on an application provided by the Community Development Department, or in the form of a letter. Requests are reviewed by the Director of Community Development and written determination is provided by the director of their designee within 45 days that either grant, grant with modifications, or deny a request for reasonable accommodation.

Written determinations to grant or deny a request for reasonable accommodations shall be based on the following findings:

- a. Whether the housing, which is the subject of the request, will be used by an individual with disabilities under the Federal Fair Housing Act and the California Fair Employment and Housing Act.
- b. Whether the request for reasonable accommodation is necessary to make specific housing available to an individual with a disability under the Federal Fair Housing Act and the California Fair Employment and Housing Act.
- c. Whether the requested reasonable accommodation would impose an undue financial or administrative burden on the city.
- d. Whether the requested reasonable accommodation would require a fundamental alteration in the nature of a city program or law, including but not limited to land use and zoning.
- e. Potential impact on surrounding uses.
- f. Physical attributes of the property and structures.
- g. Alternative reasonable accommodations which may provide an equivalent level of benefit.

In granting a request for reasonable accommodation, the reviewing authority may impose any conditions of approval deemed reasonable and necessary to ensure that the reasonable accommodation would comply with the findings outlined above. A determination by the reviewing authority to grant or deny a request for reasonable accommodation may be appealed to the Planning Commission in compliance with Section 16.08.210, Appeals, the Land Use and Development Code.

~~These findings are not found to be a constraint and are necessary Findings~~ to ensure consistency with the City's General Plan and Zoning Ordinance ~~are necessary and not found to be a constraint~~. However, ~~the City will amend the reasonable accommodation findings related to potential impact on surrounding uses, and physical attributes of the property and structure to remove potential constraints for housing designed for persons with disabilities, and to ensure consistency with fair housing requirements and the federal Fair Housing Act as part of Program 17, Housing for Persons with Disabilities~~. Through **Program 17, Housing for Persons with Disabilities**, of the Housing Element, the City will also continue to provide a process by which relief from land use, zoning, or building laws, rules, policies, practices, and/or procedures can be alleviated for those with disabilities, including persons with developmental disabilities. Furthermore, the City will promote this procedure by providing information on its website that is easily accessible.

The City Land Use and Development Code's handicapped parking requirements are established by, and intended to be identical to, the requirements established by the State of California. Residential projects providing handicapped spaces are required to locate the spaces as close to building entrances as possible and to follow Citywide regulations in terms of size, striping, and signage. Handicapped parking standards for residential uses are not different from parking standards for other uses.

~~1.13.2~~ 1.9.2 **Group Homes and Residential Care Facilities**

Group homes and residential care facilities are often a resource for persons with a disability in need of special care. Large residential care facilities serving seven or more persons, called "Board and Care Facilities" in the uses table, are conditionally permitted in multifamily zones (R-2, R-2C, R-3, R-4, and HDS), and conditionally permitted in commercial zones (CG, NC, PC, VC). The City does not have any occupancy restrictions based on relatedness or family ties in any land uses or zoning designations. See additional use details in **Section 1.4.1, Group Homes and Residential Care Facility**.

Program 18, Group Homes and Residential Care Facilities, is proposed to amend the Zoning Code as detailed in Section 1.4.1, to ensure compliance with housing law and fair housing requirements to remove constraints on and prevent discrimination against group homes, and affirmatively further fair housing in the City. ~~to permit residential care facilities serving six or fewer persons by right in all residential zones in accordance with the Welfare and Institutions Code Section 5116 and permit those serving seven or more in at least one zone without discretion.~~

~~1.13.3~~ 1.9.3 **Senior Housing and Facilities**

Other forms of housing that may assist persons with a disability include senior independent living projects, residential care homes for older adults, congregate care, and convalescent care. Senior independent living projects are permitted with a Staff Review Permit in the A/EQ, R-1, VR, and EHV zones, and conditionally permitted in multifamily zones (R-2, R-2C, R-3, R-4, and HDS) and the mixed use zone (MU). Congregate care, assisted living, and convalescent care homes are conditionally permitted in multifamily, mixed use, and commercial zones. Residential care facilities, which can include residential care facilities for older adults per the City's definition, serving seven or more persons, are conditionally permitted in multifamily zones (R-2, R-2C, R-3, R-4, and HDS).

2 Market Constraints

This section identifies those non-governmental market factors and other financial factors that may affect the cost of new housing. Market constraints to the development of residential housing include the cost of land, the cost of construction, and financing. Changes in the financial markets, changes in construction material costs, and other factors all affect the feasibility of developing new housing in the City. This section discusses land costs, construction costs, and financing issues. Although these factors may create barriers to building housing, the City has less control over but can influence or help support the production of affordable housing. While the City was unable to identify additional factors subject to local control directly related to land, labor, or material costs and/or financing that would significantly reduce the cost for housing, the City will continue to implement the Inclusionary Housing Ordinance through implementation of **Program 4, Inclusionary Housing**, of the Housing Element, and will identify affordable housing preservation, rehabilitation, and construction opportunities for the expenditure of acquired funds, especially for funding opportunities of housing for extremely low-income households and households with special needs. In addition, the City recognizes that land use incentives, such as the State Density Bonus law zoning designations that offer higher allowable densities, and lot consolidation incentives, can aid in reducing development costs and support the production of affordable housing. See **Section 4, Analysis of Local Efforts to Remove Constraints and Facilitate Affordable Housing**, for further analysis related to policies and programs set forth in the 6th Cycle Housing Element that aim to incentive development and address potential non-governmental constraints.

Furthermore, the City is committed to continue participating in and promoting regional and State programs that address non-governmental market constraints by providing a range of financing options for low- and moderate-income homebuyers and owners. **Program 13, Homeowner Assistance Programs**, of the Housing Element commits the City to promoting the County homeowner assistance programs and resources on the City's website, and through **Program 1, Homeowner Rehabilitation Program**, the City will promote the homeowner rehabilitation repair loan opportunities offered through the Neighborhood Partnership Housing Services and strive to improve coordination with the County to identify opportunities for increased funding for homeowner rehabilitation.

2.1 Availability of Financing

2.1.1 Construction Financing

Construction financing costs affect the feasibility of building new housing. During the housing boom of the late 1980s, it was not uncommon for developers to receive construction loans for 100% or more of a project's estimated future value. Following the housing market downturn of the early 1990s, however, financial institutions tightened regulations for construction loans, often requiring developers to put up at least 25 percent of the project value. These trends continue today, meaning that developers must usually supply at least 25 percent of the project value upfront, and perhaps more if the total cost is more than 75 percent of the estimated value of the project.

Although there is no hard threshold for how much required upfront equity is too much before a residential project would be infeasible, the higher the proportion of equity required, the more unlikely that a developer would proceed with the project. Not only would it require more up-front cash, but higher equity contribution means a project must be able to achieve an even higher value at completion in order to generate the cash flow needed to meet acceptable cash-on-cash returns. These trends are anticipated to continue during the planning period.

2.1.2 Mortgage Financing

Although recent economic conditions have seen housing prices increase and interest rates remain low, buying a house or refinancing a mortgage is getting tougher, as banks raise requirements such as minimum credit score. Loan applicants with short credit history, lower incomes, self-employment incomes, or other unusual circumstances have had trouble qualifying for loans or are charged higher rates. This economic barrier could disproportionately affect lower-income, non-White borrowers, making it harder for them to close on a loan, especially as a result of the Corona virus pandemic and resulting economic fallout. The economic fallout has resulted in the unemployment rate increase in the City from 3.8 percent in 2019 to 8 percent as of November 2020, making it more difficult for unemployed, underemployed, lower-income borrowers, and other groups who historically have found it the most difficult to get a loan to get a fair loan.

The Home Mortgage Disclosure Act requires many financial institutions to maintain, report, and publicly disclose loan-level information about mortgages. This requirement applies to all loan applications for home purchase, improvements, and refinancing, whether financed at market rate or with government assistance. These data help show whether lenders are serving the housing needs of their communities, they give public officials information that helps them make decisions and policies, and they shed light on lending patterns that could be discriminatory.

Table 7 summarizes the disposition of loan applications submitted to financial institutions in 2019 for home purchase, refinance, and home improvement loans in Highland. The loan outcome information in the table includes the proportion of applications that were approved, were denied, or were incomplete or withdrawn by the applicant.

Table 7. Disposition of Home Loans (2019)				
Loan Type	Total Applicants	Percent Approved¹	Percent Denied	Percent Other²
Government-Backed Purchase	426	74.9%	8.5%	16.7%
Conventional Purchase	661	73.4%	7.3%	19.4%
Refinance	1,845	58%	16%	25.9%
Home Improvement	182	35.2%	51.1%	13.7%
Total	3,114	62.3%	15.2%	22.5%

Source: 2019 Home Mortgage Disclosure Act Lending Activity MSA/MD by Census Tract Data
¹ Approved includes loans approved by the lenders whether or not accepted by the applicant.
² Other includes loan applications that were either withdrawn or closed for incompleteness.

2.1.2.1 Home Purchase Loans

In 2019, a total of 426 households applied for government-backed loans (Federal Housing Administration, Farm Service Agency/Rural Housing Service, and Department of Veterans Affairs) in Highland. Of those applications, 75 percent were approved, and 8 percent were denied. More households applied for conventional loans to purchase homes in Highland, with a total of 661 applications. A total of 73 percent of the conventional loan applications were approved, and 7 percent were denied.

2.1.2.2 Refinance Loans

The highest number of applications received were for refinance loans, likely because many homeowners are looking to swap out their old mortgages for new loans at record-low rates. A total of 1,845 households in Highland applied for a home refinance loan in 2019. Of those applications, only 58 percent were approved, 16 percent were denied, and 26 percent were either withdrawn or closed for incompleteness.

2.1.2.3 Home Improvement Loans

In 2019, a total of 182 household applied for home improvement loans in Highland. This is the lowest number of applications, but had the highest percentage of applications denied. Of the total applications, 51 percent of home improvement loans were denied by lending institutions and 35 percent were approved. One of the most important factors that lenders evaluate when reviewing an application is the applicant's debt-to-income ratio, which indicates how much income the monthly debt takes up. Most home improvement loans applicants may have high debt-to-income ratios from their mortgage loan, which may explain why it is harder to qualify for the additional financing.

2.2 Construction Costs and Construction Labor Shortage

Residential construction continues to face limiting factors, including concerns over regulatory cost burdens, an ongoing labor skills shortage, and higher costs and longer delivery times for building materials. Factors that affect the cost of building a house include the type of construction, materials, site conditions, finishing details, amenities, structural configuration, and project characteristics, such as the type and quality of the unit.

On average, 60 percent of the final cost of a single-family home is attributed to construction costs. According to the U.S. Census Bureau's Annual Characteristics of New Housing Survey, the average contract price per square foot of new contractor-built single-family houses averages approximately \$158 per square foot.

One indicator of construction costs is building valuation data compiled by the International Code Council. The unit costs compiled by the International Code Council include foundation work, structural and nonstructural building components, electrical, plumbing, mechanical, and interior finish material. The data is a national average and does not take into account any regional cost differences, nor include the price of the land upon which the building is built, so it should be taken into account that these national averages are lower than those in California, and that high construction costs lead to higher rents and home prices in the State, which are also some of the highest in the nation. According to the latest building valuation data release in 2019, the national average for development costs per square foot for apartments and single-family homes in 2019 were as follows:

- Type I or II, R-2 Residential Multifamily: \$148.82 to \$168.94 per square foot
- Type V Wood Frame, R-2 Residential Multifamily: \$113.88 to \$118.57 per square foot
- Type V Wood Frame, R-3 Residential One- and Two-Family Dwelling: \$123.68 to \$131.34 per square foot
- R-4 Residential Care/Assisted Living Facilities generally range from \$143.75 to \$199.81 per square foot

In general, construction costs can be lowered by increasing the number of units in a development, until the scale of the project requires a different construction type that commands a higher per-square-foot cost. Apartments of three stories or fewer achieve an economy of scale, provided that the building has

typical amenities and no structured parking. Mobile homes are significantly less expensive, as are precision or factory-built housing products.

Labor costs also greatly contribute to construction costs. They are generally two to three times the cost of construction materials. A 2019 study for Smart Cities Preval found that California lost about 200,000 construction workers since 2006. Many lost their job during the recession and found work in other industries. Pre-pandemic, the industry already faced this historic shortage of skilled labor, and the labor gaps might get even larger, especially in states like California.

[\(It should be noted that these figures were formulated in 2019, and do not reflect 2023 construction costs which are significantly higher.\)](#)

2.3 Land Costs

The cost of raw, developable land creates a direct impact on the cost for a new home and is considered a possible constraint. Land costs, when compared with projected rents and sales prices of housing, affect the feasibility of construction. A higher cost of land raises the price of a new home, which typically makes the cost of land a major factor in determining the cost of developing housing. Land costs are influenced by many variables, including supply, demand, location, site constraints, and the availability of public utilities and other infrastructure. Based on available land for sale as of January 2021, the average cost of undeveloped land in Highland is approximately \$167,000 per acre for single-family zoned developable parcels and \$440,000 per acre of multifamily zoned developable parcels.

In addition to the basic cost of land, the holding cost is also a consideration in the price of housing. Holding costs vary depending on interest rates for acquisition and development loans. Interest rates are beyond the control of local jurisdictions. However, land holding costs can be lessened by reducing processing times for building permits in most jurisdictions. Therefore, developers sometimes seek to obtain approvals for the largest number of lots allowable on a parcel of land.

2.4 Requests for Housing Developments at Reduced Densities

State law requires the Housing Element to include an analysis of requests to develop housing at densities below those anticipated in the sites inventory. The realistic capacity for sites identified as appropriate to accommodate lower-income units in the sites inventory were calculated based on the minimum densities permitted. ~~and can~~ [As a conservative estimate of capacity calculations, the sites analysis estimated realistic capacity for all sites identified to accommodate the City's lower-income RHNA based on the minimum permitted density of 20 dwelling units per acre in the City's R-4 zoning designation and Greenspot Village & Marketplace Specific Plan. This does not limit the ability of a project to be built at the higher densities allowed under either the zoning designation or the General Plan. However, requests to develop housing must adhere to the minimum density requirements for those identified sites which are the same densities anticipated in Appendix E. therefore-Additionally, as they are the minimum densities permitted, it can](#) be reasonably anticipated that some sites will be developed at densities *above* those anticipated in the sites inventory [as property owners will strive for densities above the minimums, assuming developers can earn greater profits for construction on the same parcel of land.](#)

[One quarter of units identified to accommodate the moderate and/ or above moderate-income RHNA are identified in zones that do not require a minimum density. However, a large portion of the sites to accommodate the RHNA have pending projects in varying zones that have been included based on their approved densities \(see Section 4.1, Planned, Approved, and Prospective Projects, of Appendix E for a](#)

detailed overview of residential development in the pipeline and approved densities). Using this recent development trend data from eight approved pipeline projects, the projects reached approximately 66 percent of their maximum development capacity (calculated as a percent of their approved densities over their maximum densities permitted), including one development at 100 percent of the maximum density permitted under the zoning designation, two developments at 77 and 74 percent of the maximum densities permitted under their respective zoning designations, and two developments at 66 percent of the maximum densities permitted under their respective zoning designations. This development capacity was used to calculate the anticipated densities in the analysis for moderate and above-moderate income units on vacant and underutilize sites. Based on the numerous pipeline projects detailed in **Appendix E** that surpassed those density assumptions, it is reasonable to assume that projects will not request to develop housing at densities below those anticipated in the analysis and will not constitute a constraint to development. In addition, the City's development review team proactively and upon request works closely with applicants to evaluate potential parking and/or landscape coverage reductions to help increase density. When appropriate, Planned Development documents and Specific Plans are also promoted as a means of increasing density with the benefit of increasing amenities, such as park and recreation facilities. In addition, the viability of a Density Bonus application is also considered as a means to increase the density of potential projects in the City.

As identified in **Program 24, No Net Loss**, the City will monitor development activity compared to remaining capacity identified in the Sites Inventory and the City's remaining Regional Housing Needs Allocation (RHNA) throughout the 6th Cycle to ensure there are adequate sites to accommodate the RHNA. In addition, while the City has identified an adequate supply of land to fully accommodate the City's 6th Cycle RHNA, the City will provide an additional buffer of sites by rezoning sites to increase multifamily residential options in moderate- and high opportunity/ higher resource areas through implementation of **Program 33, Strategically Enhance Access to Areas of Opportunity**.

2.5 Length of Time between Project Approval and Applications for Building Permits

State law requires an analysis of the length of time between receiving approval for housing development and submittal of an application for building permit.

Residential projects in Highland are reviewed by the Community Development Department and Building and Safety Department. On average, the time is between 5 to 10 days for the approval of smaller residential projects of 3 or less units. ~~after~~ On average, the time is between 45 to 90 days for the approval ~~of for~~ a housing development entitlement of 4 or more units. The length of time between approval from the City for an entitlement and when the applicant applies for a building permit is typically between two (2) and ten (10) months depending on the applicant and the availability of financing, as there is no processing or review required of the City between receipt of approval for a housing development and application for a building permit, rather it is the project applicant's responsibility to apply for needed permits. Once an applicant has received all necessary approvals and has submitted the application for their building permits which comply with all applicable regulations, the submittal of a completed application and plans for building permits it takes approximately 1 month to obtain a building permit for residential projects of 3 or less units, after submittal of a completed application and plans for building permits which comply with all applicable regulations it takes and approximately 1 ½ months to obtain a building permit for residential projects of 4 or more units.

As such, the length of time between receiving approval for a housing development and submittal of an application for building permits has not constituted an impediment to development; however, the City has committed to several program in the Housing Element that shows local efforts to remove potential nongovernmental constraints for the development of housing for all income levels and the construction of that housing including **Program 28, Affordable Housing Streamlining**, which will provide an affordable housing streamlined approval process in accordance with State requirements for qualifying development proposals that provide affordable units under SB 35 (2017) streamlining, and will ensure clear procedures and a streamlined ministerial approval process to assist staff in responding to SB 35 proposals and permit streamlining~~amend the Zoning Code and staff procedures to be consistent with State requirements related to the SB 35 streamlining processes~~. The City will also implement **Program 29, Objective Design Standards**, through which the City will amend the major and minor design review criteria previously outlined, to remove potential constraints to development by ensuring objective design standards and criteria for residential projects requiring design review and increase overall certainty in the development process. In addition, several programs in the Housing Element aim to facilitate the overall construction of the City's share of the regional housing need including **Program 22, Lot Consolidation Incentive, Program 30, Surplus Lands, and Program 33, Strategically Enhance Access to Areas of Opportunity**.

3 Environmental Constraints

Environmental constraints can limit or affect the type of housing and density of housing development in a community. These constraints can include natural resources, hazards, or lack of sufficient infrastructure capacity. However, Highland is an urbanized community with the majority of the City's infrastructure already in place. Environmental and infrastructure constraints do not pose a significant constraint to housing production.

3.1 Environmental Features

3.1.1 Biological Resources

Due to urbanization and growth, habitat is limited to the undisturbed areas of the northeast. Native habitats within the developed part of the City are few and include annual grasslands with nonnative grasses, disturbed areas with sparse amounts of native species, and landscaped areas. There are plant and wildlife communities within the City, many associated with the watercourses that traverse the City and drainage in the canyons of the foothills and mountains. The City is located north of the Upper Santa Ana River Wash Habitat Conservation Plan; however, the City itself is not within a Habitat Conservation Plan area or other plan area protecting biological resources. Biological resources are regulated and protected by Federal (U.S. Fish and Wildlife Service) and State (California Department of Fish and Wildlife) regulations, and the County of San Bernardino. Federal and State regulations require environmental review of proposed discretionary projects. Costs, resulting from fees charged by local governments and private consultants needed to complete the environmental analyses, and from delays caused by mandated public review periods, also add to the cost of housing. However, the presence of such regulations is required to preserve the environmental and ensure environmental quality for Highland residents.

3.1.2 Archaeological Resources

There are several sites north of the City and specific areas that have been designated as archaeologically sensitive areas with a high probability for discovery of archeological resources if disturbed by

development. One of the Native American tribes closely associated with the City of Highland is the San Manuel Band of Mission Indians. To preserve archaeological resources and the history of the San Manuel Band of Mission Indians, the City's approach to preservation is through a site-by-site analysis using the development review process. Such analysis is required by State law through CEQA and involves archival research, field reconnaissance/survey, and preparation of a Cultural Resources Report. If resources are identified within areas of proposed housing developments, the individual project applicant would work with the City and a qualified archaeologist to determine the proper mitigation for the site in question. As with biological resources, such analysis would add to the cost of housing; however, it is required to avoid significant impacts to archaeologically sensitive sites.

3.1.3 Water Resources

Water is provided to Highland by the EVWD through groundwater, surface water, and imported water. Water providers in Southern California face the challenge of growing demand and uncertainty of supply. The Urban Water Management Plan Act requires water providers to evaluate supplies during normal year, single dry year, and multiple dry year scenarios; existing baseline water use; targets for future water use; demand management measures implemented or planned for implementation; water shortage contingency planning; and notification with other water agencies. It is estimated that the EVWD would experience a 7 percent increase in demand from 2020 to 2030. Assuming conservation behaviors continue among the population, and the EVWD continues to identify new, cost-effective ways to supply water, Highland should be able to supply the water needed for the City's anticipated growth.

3.1.4 Energy Conservation

Rising energy costs, dependence on fossil fuels, and increasing evidence of the adverse impacts of climate change have provoked the need in California and nationwide to improve energy management strategies. Although California has always been a leader in energy conservation, recent regulations specifically target energy independence and greenhouse gas emissions. In 2006, the State Legislature adopted the Global Warming Solutions Act of 2006, which created the first comprehensive, State regulatory program to reduce greenhouse gas emissions to 80 percent below 1990 levels by 2050. Promoting energy conservation has become a consistent theme in California's regulations.

Highland understands that energy efficiency can greatly reduce the impact of residential development and provide cost savings for its residents. On a regulatory level, the City enforces the State Energy Conservation Standards (California Code of Regulations Title 24). These standards incorporated into the City's Building Code provide a great deal of flexibility for individual builders to achieve a minimum "energy budget" with various performance standards. These requirements apply to all new residential and commercial construction and to remodeling and rehabilitation construction only where square footage is added. Compliance with Title 24 of the California Administrative Code on the use of energy-efficient appliances and insulation has reduced energy demand stemming from new residential development.

Residential development in Highland is evaluated for energy efficiency during the plan review process. Every residential project must submit calculations per model showing compliance with Title 24. The applicant must describe the type of heating system and maximum capacity, and provide the make, size, and model number for all air conditioning units, furnaces, and water heating equipment. More energy efficiency could be encouraged through an incentives program.

The City of Highland educates the development community and residents through informative materials made available in public buildings, the City's website, and the General Plan Open Space and

Conservation Element. Part of this effort is promoting energy efficiency in existing structures through rehabilitation and appliance replacement, and in new development through incentive programs provided by utility companies. The City also has policies that encourage energy conservation and housing objectives. For example, infill development discussed in the Housing Element and Land Use Element encourages housing development opportunities without creating sprawl. The 2014–2021 Housing Element updated the Land Use and Development Code to include the Residential HDS Overlay, permitting such multifamily units by-right. Additionally, multifamily housing types within the R-4 zone is permitted by-right. The HDS and R-4 zoning are located within urbanized portions of the City. These development types are consistent with State goals to encourage compact, walkable, and energy-efficient neighborhoods.

3.2 Environmental Hazards

Environmental hazards affecting housing development and resident safety include extreme heat, flooding, geologic hazards (landslides/slope instability, earthquakes, and liquefaction), and wildfires. These hazards provide the greatest threat to the built environment. Development should be carefully controlled in potentially hazardous areas. The City of Highland Safety Element, which provides policy guidance about environmental constraints, was updated in 2021 and covers all of the areas within the land inventory.

3.2.1 Flooding

Flood risk is dispersed across Highland but is most centralized in the southern portion of East Highland just south of Greenspot Road and along City Creek. This area has a 1 percent chance of flooding annually, which is also known as a 100-year flood zone. Much of the area south of Greenspot Road and along City Creek is zoned as Open Space and Agricultural/Equestrian. This aids in allowing for natural drainage during extreme rain events. Highland has adopted special standards, such as minimum building elevations, flood proofing, and anchoring, for development in flood-prone areas. Any housing sites identified in the Housing Element that may be located in a 100- or 500-year floodplain, or other flood hazard zone, will be developed in accordance with strict regulations to properly mitigate flooding hazards in accordance with the floodplain management standards of the Highland Municipal Code (Chapter 16.76).

3.2.2 Landslides/Slope Instability

Steep slopes can experience landslides, debris flows, mudslides, and erosion. These effects impact where development can occur throughout the City and can result in damages to existing development. Areas at high risk of landslides include the northern and eastern areas due to their proximity to steep slopes and the rock strength in these areas. The City has regulations in place to reduce the potential for slope failure, erosion, and mudslides when new development is proposed in areas subject to geological risks.

3.2.3 Earthquake

Like the entire Southern California region, the City of Highland is within an area of high seismic activity. It can be expected, therefore, that a significant seismic event will occur in the City. The timing and magnitude of such an event cannot be predicted, although planning efforts for emergency response must be predicated on the certainty of such an event. North and south branches of the San Andreas Fault, a known active fault, run through Highland. The San Jacinto Fault is approximately 4.5 miles southwest of the City. The City's Safety Element requires residential development to be set back a

minimum of 50 feet from active and potentially active fault lines. The Safety Element includes other policies to increase mitigation measures and further study possible geologic- and seismic-related hazards.

3.2.4 Liquefaction

Liquefaction may damage structures on saturated, granular soils, such as silt or sand, during an earthquake. These geologic conditions are typical in valley regions within Highland. Areas at risk of liquefaction due to soil composition and heightened exposure to runoff cover nearly all of southeastern Highland, as well as western Highland. Detailed soils engineering investigations would be necessary in those areas where future development is proposed within liquefaction areas in order to further evaluate the liquefaction potential, and to further define the potentially affected areas of the City. However, because of the site-specific nature of geologic hazards, existing geologic conditions are not expected to adversely impact development within Highland. In addition to existing building codes and regulations, site-specific geologic reports would recommend any necessary mitigation measures, if required, to reduce potential hazards associated with liquefaction.

3.2.5 Wildfire

The City of Highland's building codes require new housing to include fire sprinkler systems to protect residents and property. Wildland fires are a present threat, as there are large expanses of undeveloped hillsides in and adjacent to Highland. Most of the City of Highland is built in fire-risk areas due to the proximity to forestland to the north and east of City limits. The most northeastern portions of Highland are located in very high fire risk areas, while much of the central and southern portions of Highland are high fire risk areas. Precautions, such as fuel modification zones, vegetation maintenance, and most importantly perimeter fire roads, help protect Highland's natural and developed areas from wildfire. The California Department of Forestry and Fire Protection provides fire prevention and suppression services to the City and unincorporated areas east of the City. Additional wildland fire protection services are provided by the U.S. Forest Service on National Forest lands adjacent to the City.

3.3 Adequate Infrastructure Capacity

The City of Highland contains both developed and largely undeveloped residentially zoned areas. In developed areas, the existing infrastructure system is sufficient to support Highland's population, but water and sewer are limited in undeveloped areas within the City. However, infrastructure in currently unserved areas will be planned and constructed as necessary to serve new development. These improvements are typically dedicated to the City, which is then responsible for maintenance and/or improvement.

Future housing growth is focused in commercial areas around existing bus stops that are served by existing sewer and water lines. All development plans in Highland must be coordinated with the EVWD to meet wastewater disposal and treatment requirements established by the California Department of Health Services. Development impact fees will allow the water and wastewater districts to provide necessary connections and services.

3.3.1 Dry Utilities

The California Public Utilities Commission is responsible for regulating the electric, natural gas and telecommunication industries excepting cable television. Southern California Edison provides electricity to the City. Southern California Edison has a local office in the City of Redlands and operates a substation in the City. Electrical facilities are expected to keep pace with anticipated demand in the City.

The Southern California Gas Company provides natural gas to the City. The Southern California Gas Company has local offices in the City of San Bernardino and the City of Redlands. The availability of natural gas is based on current conditions of gas supply and regulatory policies. The Southern California Gas Company has no current plans for significant improvement or expansion plans for the City and anticipates that an ample supply of natural gas can be provided to the City. Important telecommunication systems are available to the City's residents, including cable, high-speed Internet, and wireless communication. Refer to the City's Public Services and Facilities Element of the General Plan for additional information.

There is sufficient existing or planned dry utilities supply capacity, including electricity, natural gas, cable, and telephone, to accommodate the City's regional housing need and sites identified for the planning period (see **Appendix E** for Sites Inventory details).

3.3.2 Sewer System

The EVWD provides sewer services to the City and has a joint powers agreement with the City of San Bernardino to accept all sewage generated by the City. Although the sewer system is adequate for existing development in Highland, continued growth has the potential to impact the capabilities of the sewer system. Developers must coordinate with the EVWD to meet sewer requirements. The EVWD has adopted the 2019 Sewer System Management Plan. As required by Order No. 2006-0003, Statewide General Waste Discharge Requirements, the Sewer System Management Plan will undergo review and revisions through internal audits every 2 years. The Statewide General Waste Discharge Requirements also require an agency to have a System Evaluation and Capacity Assurance Plan. This component involves preparing and implementing a Capital Improvement Program that will provide the hydraulic capacity of key sewer systems for dry-weather peak-flow conditions, as well as appropriate design storm or wet-weather events. The 2019 Sewer Master Plan identifies projects in prioritized order for pipelines showing capacity deficiency in the future planning horizon. After completing the projects identified in the 2019 Sewer Master Plan, the City's sewer system will operate with adequate capacity.

The sewage from the City flows in a general direction from northeast to southwest toward the San Bernardino Water Reclamation Plant located at 299 Blood Bank Road in the City of San Bernardino. This plant is operated by the San Bernardino City Municipal Water Department, Water Reclamation Division. The plant processes an average sewage flow of approximately 26 to 27 million gallons per day (mgd) from the City of San Bernardino, the City, and other areas. The plant has a total sewage capacity of 33 mgd. Expansion or construction of a new wastewater treatment facility to meet the demands of the 2021–2029 Housing Element update is not required.

3.3.3 Water System

The City's water supply sources are local groundwater, surface runoff from natural watershed and drainage areas, and imported water. The EVWD manages the water supply through a system of pipelines, wells, reservoirs, pumping stations, and a treatment plant. This system includes approximately 19 active wells, 2 inactive wells, 18 reservoirs, and 26 booster stations all located on 39 different plant sites.

The water distribution and transmission network varies considerably throughout the City. Transmission lines (16 to 24 inches in diameter) transport large quantities of water from one area to another. Major transmission lines are located in parts of Victoria Avenue, Sterling Avenue, Del Rosa Drive, Tippecanoe Avenue, Church Street, Weaver Street, 9th Street, Base Line, Pacific Street, Highland Avenue, and 5th Street. Distribution lines (3/4 inches to 20 inches in diameter) deliver water to individual dwelling units.

Major streets have the larger distribution lines whereas secondary or local streets have progressively smaller lines.

The 2019 Water System Master Plan provides guidance for the expansion of the current water system based on planned development. Potential infill growth resulting from new zoning and land use regulations would be accounted for in future Water System Master Plan updates. Additionally, the 2019 Water System Master Plan evaluates the existing distribution system and its facilities to size future improvements. A water supply analysis was performed to determine whether available water sources are sufficient to meet water demand for the EVWD under normal and emergency operations. It was determined that EVWD will have a total deficiency of approximately 18.0 mgd of storage capacity and 13.44 mgd for supply under the build-out demand. Improvement projects identified would address system deficiencies and increased water demands.

4 Analysis of Local Efforts to Remove Constraints and Facilitate Affordable Housing

During the 5th Cycle Housing Element planning period, the City made strides to reduce constraints to development that are within the City's purview since the Housing Element was last updated in 2013. Reductions to constraints during the 5th Cycle planning period were as follows:

- Updates to the Land Use and Development Code to comply with State law regarding transitional and supportive housing.
- The Greenspot Village & Marketplace Specific Plan adoption in 2013, providing a generous amount of land available for residential development, including up to 800 residential units, and a mix of residential, commercial, entertainment, governmental, and professional office uses.
- Amended the Land Use and Development Code to make permitting ADUs in single-family zones a ministerial action that does not require public notice, public hearing, or discretionary approval.

During the 6th Cycle review of governmental and non-governmental constraints, the following areas were identified as imposing potential constraints to housing development, including housing affordable to lower-income households and for special needs groups including persons with disabilities.

Updates to State Law

Most recently, the City amended the Accessory Dwelling Units and Junior Accessory Dwelling Units Ordinance (Section 16.44.180 of the City's Land Use and Development Code) in 2021 to comply with several updates consistent with State law, Government Code Section 65852.2. As part of **Program 12, Accessory Dwelling Units**, of the Housing Element, the City will submit the updated ordinance to HCD for their review and will incorporate amendments, as required by HCD. Further, the City will develop and adopt a program that incentivizes and promotes the creation of ADUs that can be offered at an affordable rent for extremely low, very low, low, or moderate-income households or households with special needs (AB 671, 2019). Other areas in the Land Use and Development Code which may pose a constraint to development as they are not up to date with current State law include, Emergency shelter parking requirements, by-right approvals for Low-barrier Navigation Centers, and density bonus requirements for affordable housing. However, through **Program 19, Emergency Shelters, Transitional Housing, and Permanent Supportive Housing, and Single Room Occupancy**, the City will permit transitional and supportive housing consistent with State laws and amend the City's Emergency Shelters Ordinance (Section 16.44.270, Emergency Shelters) to comply with parking requirements set forth by AB 139, Quirk-Silva. Through **Program 27, Low Barrier Navigation Centers**, the City will update the Land Use and Development Code to provide, by-right, approvals exempt per the California Environmental Quality Act (CEQA) to Low-Barrier Navigation Centers meeting specific standards in areas zoned for mixed uses and nonresidential zones permitting multifamily uses, consistent with AB 101's requirements for Low-Barrier Navigation Centers. As mentioned, the City's Density Bonus Ordinance, approved in 2013, is no longer in compliance with the State's latest Density Bonus Law. **Program 6, Density Bonus**, will update the City's Density Bonus Ordinance to comply with the current State Density Bonus Law, including the provision for an increased bonus for 100 percent affordable developments and student affordable housing.

Residential Care Facilities - Licensed and Unlicensed Group Homes

~~Another potential governmental constraint identified is related to the development of residential care facilities. While~~ The City's Land Use and Development Code includes a definition and permit requirements for Residential Care Facilities serving seven or more persons, referred to as "Board and Care facilities" it does not differentiate or include provisions for residential care facilities for 6 persons or fewer. This is a constraint to the development of residential care facilities for 6 or fewer persons as local agencies must permit these facilities as follows: (1) the same as any other residential use and shall be considered a residential use of property by a single family; (2) allowed in all residential zones; and (3) be subject to the same development standards, fees, taxes, and permit procedures as those imposed on the same type of housing in the same zone. The Health and Safety Code requires jurisdictions to allow licensed group homes serving six or fewer persons in single-family residential zones and to treat them the same as single-family homes. The City's Zoning Code defines all categories of licensed group homes as "Residential Care Facilities." To comply with the Health and Safety Code and state housing laws regarding licensed group homes, the City will update the Zoning Code's definitions and permitting processes to differentiate between Residential Care Facilities (licensed group homes) serving six or fewer residents and those serving seven or more residents as part of **Program 18, Group Homes and Residential Care Facilities.**

According to the permitted uses table in the Land Use and Development Code (see Table 2), a residential care facility for seven persons or more (Board and Care Facilities) are conditionally permitted in all multifamily zones (R-2, R-2C, R-3, R-4, and HDS) and commercial zones (CG, NC, PC, VC). Requirements for discretionary permits may be necessary for certain uses which could have an effect on the existing community; however, they may also pose constraints to development. As such, **Program 18, Group Homes and Residential Care Facilities**, of the Housing Element includes an objective to amend the Zoning Code to permit Residential Care Facilities (licensed group homes) serving six or fewer persons in all single-family zones subject only to the generally applicable laws that apply to all single-family residences in accordance with the Welfare and Institutions Code and Health and Safety Code and permit those serving seven or more in at least one zone without discretion. ~~permit residential care facilities serving six or fewer persons by right in all residential zones in accordance with the Welfare and Institutions Code Section 5116 and permit those serving seven or more in at least one zone without discretion.~~

Group Homes that Do Not Provide Licensable Services –

Further, to remove constraints to the development of housing for persons with disabilities and to comply with state housing laws regarding unlicensed group homes, the City will update the Zoning Code as part of **Program 18** to permit unlicensed group homes in single-family zones, subject to the same laws that apply to all single-family residences to comply with state housing laws.

Lot Consolidation

The City has identified numerous vacant and underutilized parcels that have the potential to accommodate multifamily projects, as detailed in **Appendix E**. To mitigate potential constraints that may exist related to lot consolidation for development projects relying on multiple lots to create one site, the City will provide a development permit expedite incentive through priority processing for projects utilizing ~~for~~ lot consolidation for multifamily development on sites identified in the Housing Element as having the potential to accommodate lower- or moderate-income units, including those sites with potential for

extremely low-income development and development to meet the needs of those with special needs, through implementation of **Program 223, Lot Consolidation Incentive**, of the Housing Element.

Single Room Occupancies (SROs)

Another potential governmental constrain is related to the development of SRO units which impact extremely low-income households. The Land Use and Development Code does not currently permit SRO units. As such, through **Program 19** of the Housing Element, the City is committing to amend the Zoning Code to identify a process by which SRO units can be permitted to further increase housing opportunities for extremely low-income households.

Market Constraints

Non-governmental constraints are generally market driven and outside the control of local government; nonetheless, the City can take action to help alleviate some of these constraints in the form of regulatory relief and increased certainty in the development process. For example, **Programs 21, Collaborative Affordable Housing Partnerships**, and **Program 245, No Net Loss**, are related to market demand and promoting developer interest to build affordable housing. **Through Program 204, Mobile Home Preservation**, the City will require a report detailing relocation and displacement for any proposed conversion or closure of a mobile home park. This ensures that residents of mobile homes, which are typically lower-income households, are not displaced from the City and that housing stock for lower-income households remains in the City. Through **Program 245, No Net Loss**, the City will monitor development activity compared to remaining capacity identified in the Sites Inventory and the City's RHNA to ensure there is adequate capacity for lower-income households. Similarly, through **Program 1, Homeowner Rehabilitation Program**, the City will partner with the County to refer residents to a loan available to eligible households earning below 80 percent of the Area Median Income in the Inland Valley which provides up to \$25,000 per households to be used for financing home improvements, including health and safety repairs and energy efficiency upgrades. This helps ensure the longevity of the City's housing stock.

Other programs in the Housing Element aimed to incentive development and address potential non-governmental constraints include:

- **Program 4, Inclusionary Housing**, which requires that all new housing developments provide affordable units on site or off site, or to pay an in-lieu fee that goes into the City's affordable housing preservation and construction fund.
- **Program 8, By-Right Development On Previously Identified Housing Sites**, will permit sites in the Sites Inventory, that were previously identified in accordance with the specifications of Housing Element law, to be developed by right where 20 percent of the total housing units in the development will be affordable to lower-income households consistent with State Assembly Bill (AB) 1397 (See Section 3.3, Sites Identified in Previous Housing Elements, of Appendix E, for additional details).
- **Program 1320, Homeowner Assistance Programs Affordable Housing Partnerships**, the City will support creative models of affordable property ownership and affordable housing preservation through methods such as community land trusts.
- **Program 21, Collaborative Partnerships**, the City will contact local affordable housing service providers to discuss partnering and will continue to seek financial assistance from other agencies,

and support the development of extremely low-, very low-, and low-income units through an approximately \$4.5 million grant from the City of Highland Housing Authority (Highland Housing Authority).

- **Program 29, Objective Design Standards**, the City will amend the major and minor design review criteria outlined above to remove potential constraints to development by ensuring objective design standards and criteria for residential projects requiring design review.
- **Program 30, Surplus Lands**, the City will identify and prioritize local surplus lands available for housing development affordable to lower-income households, including extremely low-income households and households with special needs and facilitate the development of new affordable rental units on a surplus site through a long-term ground lease with a below fair market value rent.
- **Program 31, Increased Transparency**, the City will maintain information on the City's website that is applicable for housing development project proposal requirements, including a current schedule of fees, exactions, applicable affordability requirements, all zoning ordinances, development standards, and annual fee reports or other relevant financial reports to ensure the development process is clear.
- **Program 33, Strategically Enhance Access to Areas of Opportunity**, while the City has identified an adequate supply of land to fully accommodate the City's 6th Cycle RHNA, the City will identify and rezone areas appropriate for medium and high residential densities, specifically in moderate- or higher resource areas. Allowing for the development of multifamily residential uses across the City can increase opportunities for existing and future residents to live where they choose. Therefore, through implementation of **Program 33**, the City can increase geographic equity and opportunities for residents, and provide an additional buffer of sites by rezoning sites to increase multifamily residential options in moderate- and high opportunity/ higher resource areas.

Further details can be found in the Housing Element, Program Implementation subsection.

5 Quantified Objectives

Based on the City’s needs, resources, constraints, and programs outlined in the Housing Element, **Table 8, Summary of Quantified Objectives for 6th Cycle (2021-2029)** summarizes the quantifiable objectives for the 6th Cycle. The quantified objectives estimate the number of units likely to be constructed, rehabilitated, or conserved/preserved by income level during the planning period. The quantified objectives do not represent a ceiling on development, but rather set a target goal for the City to achieve.

Table 8. Summary of Quantified Objectives for 6th Cycle (2021-2029)				
Income Category	6th Cycle RHNA	New Construction	Rehabilitation	Conservation/ Preservation
Extremely Low	309	309	0	0
Very Low	310	310	0	0
Low	409	409	0	0
Moderate	471	471	0	0
Above Moderate	1,014	1,014	0	0
TOTALS	2,513	2,513		0