

Appendix C

Constraints Analysis



Table of Contents

C	Housing Constraints Analysis	1
C.1	Governmental Constraints.....	1
C.2	Housing For Persons with Special Needs	14
C.3	Development Review Process, Fees, and Exactions.....	18
C.4	Off-Site Improvements	24
C.5	Non-Governmental Constraints	26
C.6	Environmental Constraints.....	30

List of Tables and Charts

Table C-1:	General Plan Land Use Classifications and Residential Density.....	3
Table C-2:	Permitted Housing Types by Residential Zoning District	6
Table C-3:	Permitted Housing Types by Non-Residential Zoning District.....	7
Table C-4:	Development Standards for Residential Zones	9
Table C-5:	Development Standards for Residential Uses in Mixed-Use and Overlay Zones	9
Table C-6:	Off-Street Parking Requirements for Residential Units	10
Table C-7:	Height and Bulk Restrictions for Residential Units in Downtown Overlay Districts	11
Table C-8:	Development Review and Approval Procedures – Turlock.....	19
Table C-9:	Planning Application Fees – Turlock and Surrounding Jurisdictions	21
Table C-10:	Development Impact Fees (Effective 1 January 2023).....	22
Table C-11:	Total Development Cost and Fee Percentage for One Typical Single-Family Home.....	23
Table C-12:	Findings and Corrective Actions, HUD.....	26
Chart C-1:	Mortgage Rates	28
Table C-13:	Monthly Housing Cost and Income Required.....	28
Table C-14:	Local Hazards Likely to Affect Housing.....	31

C Housing Constraints Analysis

State law requires housing elements to identify and evaluate potential and actual governmental and non-governmental constraints that affect a jurisdiction's ability to maintain and improve existing housing and develop housing to meet its housing needs. Governmental constraints can include land use regulations, fees and exactions, and processing and permitting times, among others. Non-governmental constraints can be infrastructural, environmental, or market based. This Chapter evaluates these constraints to help identify any approaches Turlock could use to reduce or overcome them and improve its ability to meet its housing needs.

C.I Governmental Constraints

Actions or policies of governmental agencies, whether involved directly or indirectly in the housing market, can impact the ability of the development community to provide adequate housing to meet consumer demands. For example, the impact of federal monetary policies and the budgeting and funding policies of a variety of departments can either stimulate or depress various aspects of the housing industry. Local or state government compliance or the enactment of sanctions (sewer connection or growth moratoriums) for noncompliance with the federal Clean Air and Water Pollution Control Acts can also affect all types of development.

State agencies and local government compliance with state statutes can complicate the development of housing. Statutes such as the California Environmental Quality Act and sections of the Government Code relating to rezoning and General Plan amendment procedures can also act to prolong the review and approval of development proposals by local governments. In many instances, compliance with these mandates establishes time constraints that cannot be altered by local governments.

LAND USE AND DEVELOPMENT REGULATIONS

Turlock regulates the type, location, density, and scale of residential development through the General Plan, Zoning Ordinance, Subdivision Ordinance, Specific Plans, and a variety of building and site development standards, all of which must be consistent with the General Plan. These requirements are intended to protect the health, safety, and general welfare of the community but such regulations, associated procedures and processing fees can also reduce the City's ability to meet its housing objectives by decreasing the feasibility and increasing the cost of developing housing. This part of the Housing Element discusses existing governmental constraints as well as policies and programs Turlock could enact to overcome obstacles and promote needed housing development.

GENERAL PLAN

The Turlock General Plan, which the City Council adopted in September 2012, is the primary land use control document. The Plan's elements and policies reflect eight themes intended to realize an overarching vision for Turlock to "grow sensibly and compacting, maintaining its small-town feel, while enhancing quality of life, meeting housing needs, and providing high quality jobs and recreation opportunities for its diverse population." Six of the themes are particularly relevant to this analysis:

- Establish limits to urban growth that will maintain Turlock as a freestanding city surrounded by productive agricultural land.
- Maintain an economically and socially diverse population by promoting a greater variety of housing types citywide and a localized mix of housing types in some areas.
- Attract new businesses to Turlock to create well-paying jobs and maintain a good jobs/housing balance.
- Implement sustainable development and green building principles in municipal projects and new private development projects and foster development that encourages alternatives to auto use, especially for non-commute trips.
- Revitalize and enhance older areas of Turlock. Create an economic and social balance among different city sectors. Enhance the County islands within the City limits, and annex them into the City if feasible.
- Manage growth using the Master Planning process to implement General Plan policies and enhance Turlock's quality of life.¹

Consistent with State law requires, General Plan establishes the location and amount of land that will be allocated to residential development and specifies the intensity of development (in terms of unit densities and total number of units) that will be permitted. While nearly all components or elements of the General Plan contain goals and policies that influence residential development, it is the Land Use Element that has the most direct influence.

The current General Plan Land Use Element defines four land use classifications that are exclusively residential (Very Low Density, Low Density, Medium Density, and High Density Residential), as well as a Downtown Mixed-Use classification that allows freestanding residential and residential mixed-use projects. The General Plan also identifies several areas where residential and non-residential uses may be combined. These designations allow properties to be developed at the highest density or FAR allowed by each classification and are mapped as Medium Density Residential/Office, High Density Residential/Office, and Community Commercial/High Density Residential. The residential classifications allow densities ranging from 0.2 units per acre to 30 units per acre, exclusive of second units and density bonuses for affordable housing. As discussed in Chapter 4, there are currently adequate sites for new housing in each of the land use categories. Therefore, the residential land use regulations in the General Plan are not to be viewed as a constraint. As the General Plan undergoes its comprehensive update, this range of permissible densities is expected to be maintained or increased; policies that would allow for a greater variety of residential development types are also under consideration.

SPECIFIC PLANS AND MASTER PLANS

Turlock has adopted several Specific Plans and Master Plans to guide growth in specified areas in accord with the City's Residential Annexation Policy. The Policy was adopted in 1998 to implement its 1992 General Plan. The Annexation Policy (City Council Resolution No. 98-036) was intended to focus annexations and growth to one quadrant of the city at a time to allow timely and efficient construction of infrastructure. The Specific and Master Plans implement General Plan policies based on analysis of land use, circulation, public facilities, infrastructure, and financing issues affecting their development potential, often prior to annexation by the City. Master Plan areas primarily unincorporated land within planning area. These include (SE 2 and 3) primarily north of East Linwood, SE1 designated Medium Density

¹ Turlock General Plan, Adopted September 2012, pp. 1-2 to 1-4.

Residential between Highway 99 and low-density residential neighborhood to north, and Montana West from 99 to Sander Avenue.

Table C-1: General Plan Land Use Classifications and Residential Density

<i>Designation</i>	<i>Classification</i>	<i>Maximum/Minimum Density</i>
VLDR	Very Low Density Residential	0.2 – 3.0
LDR	Low Density Residential	3.0 – 7.0
LDR-MDR	Low and Medium Density Residential	5.0 – 10.0
MDR	Medium Density Residential	7.0 – 15.0
HDR	High Density Residential	15.0 – 40.0
DT	Downtown Mixed Use	7.0 – 40.0
O	Office	NA
CC	Community Commercial	NA
HC	Heavy Commercial	NA
HWC	Highway Commercial	NA
RC	Regional Commercial	NA
I	Industrial	NA
BP	Business Park	NA
PUB	Public/Semi-Public	NA
P	Park	NA
UR	Reserve	NA

Northwest Triangle Specific Plan (1995, amended 2004)

New residential development was proposed to occur first in Turlock’s northwest quadrant and the Northwest Triangle Specific Plan was adopted in 1995 to allow development in that area. The Northwest Triangle Specific Plan (NWTSP) covers an area of approximately 800 acres in the triangle created by Golden State Boulevard to the east, Highway 99 to the west, and Fulkerth Road to the south. Its four goals are to implement the General Plan; allow development to proceed without unnecessary delay (by facilitating the approval of subsequent development projects consistent with the Specific Plan policies); provide for efficient extension of services; and establish funding mechanisms for the improvements.

Much of the NWTSP area has been built out. Low density residential and community commercial development dominates the southern part of the plan area. Highway-oriented commercial uses occupy the northern part of the plan area along Monte Vista Avenue. Some agricultural land remains in the southwest area, along West Tuolumne Road. The Pedretti Park community ball fields are also in the plan area. Additionally, there are several other parcels adjacent to the plan area that were not included in the plan or annexed that could be included in the Specific Plan area, but this would require an update to the Specific Plan and associated environmental documentation.

North Turlock Master Plan (2001)

The North Turlock Master Plan (NTMP), completed in 2001, guided development in the Northwest quadrant of the City. The NTMP plan area is just east of the NWTSP, bounded by Tegner Road to the west, Christofferson Parkway to the south, Crowell Road to the east, and Taylor Road and the Turlock Irrigation District Lateral 3 to the north. The plan area encompasses approximately 370 acres. At the time of the plan’s creation, the land under study was not yet annexed to the city.

The primary objective of the NTMP was to incorporate “smart growth” planning and design principles into the development of cohesive neighborhoods. The plan established a wide range of land uses, including low, medium, and high density residential, commercial, office, schools, and park sites. Furthermore, the residential, school, and open space areas were to be linked by a network of pedestrian and bike trails. As built, the neighborhoods in the NTMP include other “neo-traditional” design elements such as narrower streets, a diversity of housing types, homes oriented towards the street, and several streets with wide landscaped medians. The NTMP plan area also includes Turlock’s second high school, John H. Pitman (the first high school to be built in Turlock since 1904), and the new Regional Sports Complex.

Northeast Turlock Master Plan (2004)

The Northeast Turlock Master Plan (NETMP), focused on an area at the northeast corner of the City. Covering approximately 255 acres, the plan area is bounded on the north by Taylor Road and the Turlock Irrigation District Lateral 3; on the east by the rear parcel lines of the lots that front the east side of Berkeley Avenue; on the south by the midpoint between Christofferson Parkway and Monte Vista Avenue; and on the west by Colorado Avenue, with a rectangular “finger” that stretches along Christoffersen Parkway to Olive Avenue. At the time of the plan’s creation, the subject area was not yet annexed to the city.

The NETMP pursued the goal of expanding carefully guided primarily residential development to the northeastern edge of Turlock and integrating it into the rest of the city. At the same time, the NETMP endeavored to create a well-defined “edge,” maintaining a clear separation between Turlock and the neighboring community of Denair. Nearly all the land in the plan area prior to development was productive agriculture, but the area was designated for growth in the 1992 General Plan. As built, the NETMP area consists primarily of low-density residential development, transitioning into very low-density residential development toward the plan area’s eastern edge. A greenbelt buffer, creating a transition zone from urban to rural uses between Turlock and Denair, includes detention areas and a community trail.

East Tuolumne Master Plan (2005)

The East Tuolumne Master Plan (ETMP) was adopted in 2005. The plan area covers approximately 100 acres along East Tuolumne Road between North Quincy and North Waring Roads. The purpose of the ETMP is like the Northeast Turlock Master Plan—to create a smooth transition from urban to rural land uses along the City’s eastern border, while creating a distinct boundary between Turlock and Denair. The plan calls for the development of very low density (generally less than three dwelling units per acre) single family homes, with some open space and trails. However, since the plan’s adoption, the market conditions in Turlock have not supported developing the land in this manner. The planning area remains largely agricultural with a few existing estate homes.

COUNTY ISLAND STRATEGY

The Turlock Planning Area includes several “County Islands,” areas of unincorporated county land that are surrounded by incorporated Turlock on all sides. The islands are a result of piecemeal annexation over the years and property owners’ interests and preferences. Generally, the county islands are not served by City infrastructure or services; some have no curb and gutter improvements, and their roads are not maintained to City standards. Similarly, Stanislaus County is technically responsible for their public safety services.

Annexing the county islands and bringing their public infrastructure up to City standards would help ameliorate public health and safety concerns in these areas several of which include older residential development. However, willingness on the part of landowners and Stanislaus County is necessary for incorporation, as is funding for infrastructure upgrades. Turlock is in the process of negotiating a cost-sharing strategy with the County that would split the cost burden between the two jurisdictions. For the largest of the islands (the “Montana-West” area), incorporation would likely take place through a master planning process like that for other unincorporated areas outlined later in this chapter. The Montana-West

master plan area is not subject to the phasing policy that restricts when master plan development may proceed and could proceed at any time.

While a formal master planning process may not take place for incorporation of the smaller county islands, property owners seeking annexation must still demonstrate that they have a plan to finance the needed improvements to bring their properties up to City infrastructure standards. At the time that annexation is being considered, the City and property owners may also reexamine the General Plan land uses designated on the properties and determine whether higher density/intensity uses are warranted or desirable, especially if increasing the intensity of development would improve the financial feasibility of incorporation. Turlock has initiated the annexation of the 16-acre Kenwood-Starr unincorporated “island”, which Staff anticipates will be completed within the eight-year planning period. This area includes 52 residential parcels developed with older single-family homes, many of which are not well-maintained. Stanislaus County has already begun upgrading the infrastructure in the area including storm drain facilities, water lines, sanitary sewer facilities, sidewalks, and streetlights. Much of the estimated \$5,270,000 cost of the improvements is being funded by the American Rescue Plan Act of 2021 (ARPA).²

GROWTH MANAGEMENT PROGRAM

Following the City’s rapid growth in the 1980s, the City of Turlock implemented several strategies for controlling the type, pace, and location of urban development. A growth management program was adopted in the early 1990s, which was later replaced in 1998 with a Residential Annexation Policy that focuses annexations and growth to one quadrant of the city at a time. Residential development in the northwest and northeast quadrants has proceeded since the 1990s via several Master and Specific Plan processes. This is in accordance with policies put in place in the current General Plan (adopted in 1993 and updated in 2002), which require that unincorporated areas for new development be pre-zoned prior to city annexation, that adequacy of public facilities be established, and that new development be contiguous to existing development. The current General Plan continues the policy of master planning one area for residential development at a time, which allows for timely and efficient use of infrastructure and resources.

The City does not have a limit on the number of building permits that can be issued each year. Research informing the General Plan update shows that ample vacant land exists for residential development within the City’s study area boundary to accommodate projected future population and employment growth over the next 20 years (see details in Chapter 4, and Appendix D: Growth Capacity Analysis of Planning Area Boundary). Therefore, growth controls do not pose constraints on housing development in Turlock. Additionally, the City has adhered to the provisions of AB 2292, which prevent the downzoning of a residential property without the concomitant up-zoning of a comparable property. The City has not engaged in any systematic down-zoning of residential property, and keeps a record of all rezones, including some that were approved prior to the legislation. Down-zoning has not been permitted without documentation that the loss of dwelling units can be recaptured elsewhere in the city. Updates on the City’s “no net loss” efforts are reported in the Housing Element Annual Reports.

ZONING CODE

The Turlock Zoning Ordinance (Turlock Municipal Code, Title 9) establishes five residential districts and allow residential uses in most other districts subject to specific requirements. Tables C-2 and C-3 list the housing types the Turlock Zoning Code allows in each district where residential uses are permitted with the required entitlement. Table C-6 summarizes the density, size, and parking requirements of the residential zoning districts.

² Stanislaus County, Board Action Summary, September 20, 2022.
<https://www.stancounty.com/bos/agenda/2022/20220920/DIS01.pdf>

Table C-2: Permitted Housing Types by Residential Zoning District

Use Type	Zoning District				
	R-E	R-L	R-4.5	R-M	R-H
Single Family	P	P	P	P	P
Second Dwellings ¹	P	P	P	P	P
Housing ²	P ¹	P ¹	P ¹	P ¹	P ¹
Multi-Family	X	X	X	MDP	MDP
Condominiums	PD	PD	PD	PD	PD
Group Homes					
13 or more	X	X	X	CUP	MDP
7 to 12	X	CUP	CUP	MDP	MDP
6 or fewer	P	P	P	P	P
Group Quarters					
13 or more	X	X	X	CUP	CUP
7 to 12	X	CUP	CUP	MDP	MDP
6 or fewer	P	P	P	P	P
Emergency Shelters	X	CUP	CUP	CUP	CUP
Manufactured Housing ³	P	P	P	MDP	CUP
Mobile Home Park ⁴	X	CUP	CUP	CUP	CUP
Supportive and Transitional Housing ¹	P ¹	P ¹	P ¹	P ¹	P ¹
Notes:					
P Permitted					
X Not Permitted					
PD Planned Development					
CUP Conditional Use Permit					
MDP Minor Discretionary Permit					
MAA Minor Administrative Approval					
1. Subject to TMC 9-2-119.					
2. Employee, supportive and transitional housing serving 6 or fewer permitted as single-family unit, projects serving 7 or more subject to restrictions applicable to residential development of same type in same zone.					
3. Subject to architectural review to ensure compatibility with adjacent residential buildings in terms of scale, height, and exterior design and treatment as provided in the design guidelines, including but not limited to roof pitch and style, window and door detailing, exterior materials, textures, colors, and finishes.					
4. Subject to requirements for TMC 9-2-111, Mobile home development					

Table C-3: Permitted Housing Types by Non-Residential Zoning District

Use Type	Zoning District									
	A	C-O	C-C	C-H	C-T	DC	DCT	TC	IR	OR
Single-Family	P	X	X	X	X	P	P	P	P	P
Employee Housing ¹	P	P	--	--	--	--	--	--	--	--
Caretaker Unit ²	X	X	X	CUP	X	X	X	X	--	--
Second Dwellings	P	--	--	--	X	--	--	X	--	--
Multi-Family	X	X	X	X	X	P	P	X	P	P
Group Homes³										
13 or more	X	MDP	X	X	X	X	X	CUP	CUP	CUP
7 to 12	P	MDP	X	X	X	MAA	MAA	MDP	CUP	MDP
6 or less	P	P	X	X	P					
Artists' studio w. residential ⁴	X	MDP	P	P	MDP	MDP	P	MDP	--	--
Group Quarters										
13 or more	X	MDP	X	X	X	X	X	CUP	CUP	CUP
7 to 12	MDP	MDP	MDP	MDP	X	MAA	MAA	MDP	CUP	MDP
6 or fewer	P	P	P	P	P	P	P	P	P	P
Emergency Shelters ⁵	X	CUP	CUP	CUP	X	X	X	CUP	CUP	CUP
Manufactured Housing	MAA ²	--	--	--	--	P ²	P ²	P ²	P ²	P ²
Mobile Home Parks	X	X	X	X	X	X	X	X	X	X
Notes:										
P Permitted										
X Not Permitted										
PD Planned Development										
CUP Conditional Use Permit										
MDP Minor Discretionary Permit										
MAA Minor Administrative Approval										
1. Any employee housing consisting of no more than 36 beds in group quarters or 12 units or spaces designed for use by a single family or household shall be deemed an agricultural use and subject to the same permitting requirements.										
2. Subject to architectural review to ensure compatibility with adjacent residential buildings in terms of scale, height, and exterior design and treatment as provided in the design guidelines, including but not limited to roof pitch and style, window and door detailing, exterior materials, textures, colors, and finishes.										
3. Subject to requirements of Article 2, Emergency Shelters, if site is in emergency shelter overlay district.										
4. Artists' studios in the downtown area may also be a place of residence for the artist as a secondary use. Artists' studios must be compatible with adjacent uses and shall not be a nuisance regarding noise and dust.										
5. Subject to requirements of Article 2, Emergency Shelter Regulations when located in Emergency Shelter Overlay District.										

The Zoning Code includes provisions for home-based work in all residential units and for artist' studios in the downtown area that allow a place of residence for the artist as a secondary use subject to a Minor Discretionary Permit. The Code does not, however, provide for work-live units for workers other than artists. The Zoning Code should be revised to establish provisions for work-live units as an alternative approach to accommodating those engaged in other professions and vocations who want to live and work in the same space. These provisions would treat work-live development as a commercial use with incidental residential subject to conditions intended to protect other uses both within and adjacent to the work-live occupancy. Many cities have found work-live development as a good way to provide affordable housing and workspaces while reducing the pollutants generated by commuting. Work-live occupancies can also help to generate support for retail commercial and service uses in the areas where they locate.

Turlock has received a grant under the SB 2 program that it is using to create a Graduated Density Overlay Zone applicable to promote consolidation of lots with sub-standard widths in the medium and high-density residential districts. These provisions will make development of some vacant and underused lots more feasible and make it possible to accommodate fire truck turn around standards in compliance with the State Fire Code. The State grant is also being used to establish a Neo-Traditional Neighborhood Overlay Zone in areas adjacent to the Downtown but not within the Downtown Overlay Districts. The homes in these areas were built with setbacks that don't meet current standards, which makes it necessary to obtain a variance or planned development approval to construct additions with the same setbacks.

Compliance with numerous governmental laws or regulations can also add to the cost of housing. Requirements for site coverage, parking, and open space can indirectly increase costs by limiting the number of dwelling units which can occupy a given piece of land. This is especially true with larger units when the bulk of the buildings and increased parking requirements occupy an increasing share of the site. In some instances, developers must decide whether to build smaller units at the maximum allowable density or fewer larger units at a density less than the maximum. Either solution can have different impacts on the housing market. Building a higher number of smaller units can reduce costs and provide additional housing opportunities for smaller households but does not necessarily accommodate the needs of larger families. Larger units can be made available to families, but because of their size and lower density, the cost of these units is higher.

LANDSCAPING

Landscaping is required for all zoning districts. Residential districts require 30 percent of the site to be landscaped. Such landscaping would include, but not be limited to, shrubbery, trees, grass, and decorative masonry walls. Landscaping contributes to a cooler and more aesthetic environment in the city by providing relief from developed and paved areas. It also improves water quality by filtering surface water runoff. All landscaping is installed by the developer and must be approved prior to occupancy of any building. Additionally, subdivisions must, to the extent possible, promote energy conservation through passive/natural heating and cooling. Landscaping that provides shade helps achieve that design consideration.

Table C-4: Development Standards for Residential Zones

Zoning District	Bldg Height (ft.)	Yard Setback (ft.)			Minimum Lot Area (sq. ft.)	Lot Area/ Dwelling Unit (sq.ft.), or max density ¹	Open Space
		Front	Side	Rear			
Residential Estate (RE)	35	30	10	20	14,500	14,500	NA
Low Density Residential (RL)	35	15	5	10	5,000	5,000	NA
Low Density Residential 4.5 (RL 4.5)	35	15	0-10	10	4,500	4,500	900 sf
Medium Density Residential (RM)	35	20	10-20	10/ story	6,000	NA	500 sf
High Density Residential (RH)	40	20	10-20	10/ story	7,500	NA	500 sf

Source: City of Turlock Zoning Ordinance <https://www.codepublishing.com/CA/Turlock/#!/Turlock09/Turlock093.html#9-3-203>

Table C-5: Development Standards for Residential Uses in Mixed-Use and Overlay Zones

Zoning District	Bldg Height (ft.)	Yard Setback (ft.)			Maximum coverage	Typical FAR	Landscaping
		Front	Side	Rear			
Downtown Core (DC)	60	0 ¹	0	0	NA	3.0 for mixed use 1.0 for retail commercial	None
Downtown Core Transitional (DCT)	45	10	5	10	60%	1.0	15% of lot area ³
Transitional Commercial (TC)	45	10	5	10	45%	1.5	10% of lot area ³
Industrial/Residential (IR)	35	15	5	10	NA	10 du/ac	25% of lot area
Office/Residential (OR)	35	15	5	10	NA	10 du/ac	10% of lot area

Parking

Turlock requires two off-street parking spaces per unit for single-family units in low density residential districts and up to 1.5 spaces per unit in medium- and high-density residential districts. Residential development in the Downtown Core and transition areas is facilitated by reduced parking requirements. In the DC zone, no off-street parking provision is required; in the DCT zone, parking requirements are half of what the base residential zones require.

Table C-6: Off-Street Parking Requirements for Residential Units

<i>Use Type</i>	<i>Required Spaces per Unit</i>	<i>Additional Regulations</i>
Single-Family	2.0	
Multi-Family	1.5 plus 1 guest space per 4 units	No parking required in Downtown Core (DC); 50% of parking required per Chapter 9-2 for uses located in in Downtown Core Transition (DCT)
Second Dwelling Unit	1.0	May be tandem
Group Home ¹	1.0 per 400 sq. ft. of gross floor area	No parking required in Downtown Core (DC); 50% of parking required per Chapter 9-2 for uses located in in Downtown Core Transition (DCT)
Emergency Shelter	1.0 per employee by shift plus 1.0 for every 10 beds	
Mobile Home Parks	Same as required for district in which park is located.	

Notes:

1. Includes community care facilities, residential care facilities for the elderly, intermediate care facilities, nursing homes, assisted living facilities, alcohol and drug recovery, and other similar facilities that provide twenty-four (24) hour nonmedical services, supervision.
2. 1.0 space per unit designed for people with disabilities.

AB 2097 (Friedman), signed into September 2022, prohibits cities from imposing minimum parking requirements on residential, commercial, or other development if the project is within one-half mile of a major transit stop unless it makes certain findings supported by evidence in the record. Major transit stops, as defined by Public Resources Code Section 21064.3, means an existing rail transit station, a ferry terminal served by either a bus or rail transit service, or the intersection of two or more major bus routes with a service interval of 15 minutes or less during the morning and evening peak periods. There are no transit facilities in Turlock which meet this definition.

Height and Bulk Restrictions

Turlock allows building heights up to 35 feet (usually three stories) in all residential districts. As shown in Table C-7, Turlock has established more liberal standards for building height, coverage, and bulk in the overlay districts to encourage infill development while maintaining the traditional character of the areas where these regulations apply.

Table C-7: Height and Bulk Restrictions for Residential Units in Downtown Overlay Districts

<i>Zoning District</i>	<i>Height (ft.)</i>	<i>Lot Coverage (%)</i>	<i>Floor Area Ratio (FAR)</i>
Downtown Core (DC)	60	100	3.0
Downtown Core Transition (DCT)	45	60	1.0
Transitional Commercial (TC)	45	45	1.5
Industrial Residential (IR)	50	100	1.5
Office Residential (OR)	40	60	0.8

ZONING FOR VARIETY OF HOUSING TYPES

Multi-Family Housing

The current Zoning Ordinance allows multi-family development in the Medium Density Residential (RM) and High Density Residential (RH) districts and in five Downtown Overlay Districts. In the residential districts multi-family projects require approval of a Minor Discretionary Permit and are also subject to Design Review; in the Downtown Overlay Districts multi-family development that complies with the applicable standards of the district where it is located is permitted by right. (See Tables 5.1-2-B and -C)

During the 2014 to 2024 planning period, the City saw construction of 1,014 new homes; the majority of new homes built were detached single-family houses, with 277 multifamily units constructed. Even though most of Turlock’s housing is in single-family detached units, the proportion of multi-family units has increased more rapidly comprising 27 percent in 2021 compared with 32 percent statewide and 14 percent in the Modesto SMSA.

Accessory Dwelling Units (ADUs)

From the end of 2018 to the end of 2022, Turlock processed 27 applications for accessory dwelling units (ADUs); 11 projects were completed including four garage conversions and four new detached units. The project costs ranged from \$2,000 to \$200,000 with a median value of \$27,500. During 2023, the city issued permits for 8 ADUs and 5 projects were completed.³

The City Council adopted revisions to Section 9-2-119 Second Units of the Zoning Ordinance in May 2024 to comply with the most current State requirements. The Action Plan includes programs for updating the [handout summarizing the ADU requirements and the discussion of “second dwelling” units on the City website](#). Staff has a draft of an updated set of regulations, which has been recommended for approval by the Planning County and will be brought to the City Council for action later this year. Once the updated provisions are approved, the public handout will be updated.

Turlock received funding under the SB-2 program to pay for preparation of seven fully engineered plan sets that will be made available to the public at no charge. The plans, which are being prepared by an architectural firm working for Stanislaus County, Turlock, and the other cities in the County, will provide three options for ADUs smaller than 750 square feet, three larger ADUs, and a seventh option that consists of an ADU built above a garage.

³ City of Turlock, Annual Progress Report, 2023.

Affordable Housing Density Bonus

Section 9-2-103 of the Zoning Ordinance includes a short summary of the purpose and requirements for affordable housing density bonuses with a cross-reference to the most current State requirements in California Government Code Section 65915. Turlock has not established any additional bonuses or incentives for affordable housing or childcare facilities. During the eight-year period from December 31, 2015, to December 31, 2023, Turlock did not receive any applications for housing projects eligible for a density bonus under Government Code Section 65915.

Employee Housing

The State Employee Housing Act (Health and Safety Code Section 17000 *et seq.*) and associated regulations govern the requirements for construction, maintenance, use, and occupancy of privately-operated housing for five or more employees including living quarters provided in connection with any work, whether rent is involved or not, and housing in rural areas provided for agricultural workers. State law generally requires employee housing for six or fewer persons to be treated as a single-family structure and residential use. This provision applies not only to farmworkers but also to non-agricultural household employees, including those working for religious, educational, and other establishments.

Employee housing is defined pursuant to Section 17008 of the California Health and Safety Code and includes farm worker housing. In non-agricultural residential zones, accommodations for six or fewer employees are deemed a single-family structure pursuant to Section 17021.5 of the California Health and Safety Code. There are no agricultural zones within the City of Turlock.

The most recent US Census Bureau American Community Survey (ACS) five-year estimates reported that there were 1,405 Turlock residents employed in the “agriculture, forestry, fishing and hunting” industry in 2020 representing about 4.5 percent of the labor force. This is slightly below Stanislaus County (5.2 percent) but considerably higher than the 2.1 percent of jobs in this category statewide. Although agriculture remains important to Turlock’s economy and the economy of Stanislaus County, jobs in this sector are not limited to workers involved in agricultural production and include a variety of titles such as engineers, technicians, heavy machine operators, and managerial positions with Foster Farms, California Dairies, and other larger agricultural processing companies based in Turlock as well as a wide variety of smaller crop farmers, orchard growers, egg producers, honey farms, wineries, and agricultural support companies with fewer than five employees.

Determining the breakdown by seasonal and permanent workers can be even more difficult. Based on the California Department of Education tracking of the student population of migrant workers, there were 3,849 reported student migrant workers in Stanislaus County in the 2016-2017 school year and 4,335 in 2020-2021, the most recent reported school year. According to County data, less than half of the 12,713 agricultural workers reported in 2020 worked 150 or more days a year. These temporary workers are probably have a greater need for affordable housing than workers with permanent positions.

The City of Turlock doesn’t qualify for U.S. Department of Agriculture funding for agricultural worker housing because its population exceeds 50,000. Instead, the City works with Stanislaus County, agricultural stakeholders, and developers/builders of farmworker housing in Stanislaus County and greater Turlock to identify available and suitable sites for farmworker housing. Turlock also uses the State density bonus provisions under Government Code Section 65915 to approve additional density and grant incentives and concessions for qualifying farmworker housing projects.

Because of the small size of Turlock’s farm worker population, the housing needs of this group are addressed through its standard affordable housing strategies. There is no housing designated for farm workers in Turlock, but both seasonal and permanent farm worker housing can be found in the nearby unincorporated communities of Westley and Empire and in other communities in Stanislaus County.

Mobile Homes and Manufactured Housing

State law requires that mobile homes (or manufactured homes) on permanent foundations be permitted by right in residential zones, subject to the same development standards and processes as single-family homes but does not require municipalities to permit mobile home parks.

The Turlock Zoning Ordinance defines “manufactured housing” as single-family detached housing built to the National Manufactured Housing Construction and Safety Standards Act of 1974 including structures known as manufactured homes, which do not have a permanent hitch for relocation. (Section 9-1-202 Definitions). Section 9-3-202, Use Classifications, allows manufactured housing in all districts where residential uses are permitted but requires a Minor Discretionary Permit in the R-M district and a CUP in the R-H district where single-family dwellings are permitted by right. Manufactured housing is also subject to architectural review “to ensure compatibility with adjacent residential buildings in terms of scale, height, and exterior design and treatment as provided in the design guidelines, including but not limited to roof pitch and style, window and door detailing, exterior materials, textures, colors, and finishes.”

Requiring a CUP or other discretionary review to allow installation of a manufactured housing unit on a lot where stick-built units are permitted by right conflicts with State law. Government Code Section 65852.3 also states that architectural requirements imposed on a manufactured home structure shall be limited to its roof overhang, roofing material, and siding material. The cost and time required to obtain a CUP or other discretionary approval including design approval is a constraint to using manufactured housing. Moreover, this requirement also conflicts with Section 9-5-1002 Applicability of the Zoning Ordinance, which states that design guidelines are advisory for permitted uses.

Section 9-2-111 Mobile Home Development of the Zoning Ordinance allows mobile home parks on any site at least an acre in size where residential use is permitted subject to approval of a conditional use permit. Parks must meet all standards applicable to other development in the zoning district but allows modification to allow for the “unique site design requirements” of this use.

The Action Plan proposes to revise the zoning ordinance to make manufactured housing subject to the same requirements applicable to stick-built units in the same district. The Plan also proposes to amend the Code and other regulations to allow small residential structures on a mobile base (“tiny homes”) to be treated as a type of ADU.

Single Room Occupancy (SRO)

Single-room occupancy (SRO) units are small, one-room units occupied by a single individual or couple that may have either shared or private bathroom and kitchen facilities. This type of housing is an alternative housing that is affordable to extremely-low-income households. The Fairfax Zoning Code does not define or establish any requirements specific to SRO housing although, as mentioned above, other chapters of the Municipal Code recognize these establishments as a type of multi-unit rental housing. As such, SRO housing would be allowed in the CL (Limited Commercial), CH (Highway Commercial), and CC (Central Commercial) zones subject to approval of a use permit. In the CH and CC zones, residential uses are only allowed above the ground floor.

Because of the potential SROs offer as an accommodation for very low-income individuals or couples, this Housing Action Plan includes a program to amend the Zoning Code to include a definition and standards for developing SRO housing, especially to meet the Town’s need to accommodate homeless and very low-income persons and households.

C.2 Housing For Persons with Special Needs

PERSONS WITH DISABILITIES

The Federal Fair Housing Act, the Americans with Disabilities Act, and the California Fair Employment and Housing Act all require municipalities to enact regulations allowing modifications to development regulations to ensure that people with disabilities have equal access to housing. Many cities have met these mandates by adopting specific regulations allowing eligible applicants to request a modification or exception to any provision in the zoning or subdivision laws that create an obstacle to providing such access. These federal and State statutes and the State housing element requirements also require municipalities to analyze and remove constraints to providing housing for persons with disabilities. These requirements limit the extent to which agencies can regulate housing to accommodate persons with disabilities including residential care facilities, housing for recovering alcoholics and drug users, sober living homes, and supportive and transitional housing.

The 2016 Housing Element included a program to revise its ordinances to meet the requirement for reasonable accommodation, but the city has instead continued to rely on the provisions of Article 4 of the Zoning Ordinance allowing the Development Services Director to grant a minor exception up to 10 percent of specified development and site features. Even though this process may allow Turlock to comply with the State and federal mandates in many or most cases, the fact that Article 4 makes no reference to these laws or to its obligation to provide accommodations to persons with disabilities may dissuade some eligible applicants from applying for an exception under the existing ordinance. Also, the 10 percent limit may be insufficient in some cases.

Chapter 9-1, General Provisions of the Turlock Zoning Ordinance defines “family” as “the maximum number of individuals permitted in a given residential space per the standards of the Uniform Housing Code and/or the California Building Code as applicable.” This definition not only requires code users to consult other statutes but fails to identify the specific section where that includes the necessary information. A more informative and compliant definition that would be easier to understand and administer would use the term “household” rather than “family” and distinguish households from a group of persons living in a boarding house or in a larger group living situations such as a dormitory, fraternity, etc. The Action Plan includes a program to revise the existing ordinance remove obstacles to providing housing for persons with disabilities, including:

- Revising definitions to incorporate and define the term “household” as “one or more persons living together as a single housekeeping unit in a dwelling unit who live together and share household activities and responsibilities and activities, which may include sharing expenses, chores, and eating meals together;”⁴
- Including definitions or use classifications for residential care, supportive housing and transitional housing that classify all accommodations for persons with disabilities as a residential use and cross-reference State law; and
- Establishing use regulations and development standards applicable to housing for persons with disabilities based on the development type.

⁴ “Fair Housing Issues in Land Use and Zoning: Definitions of Family and Occupancy Standards”, <http://www.21elements.com/documents-mainmenu-3/housing-elements/archiving-including-rhna-4/rhna-4-2007-2014/special-topics-best-practices/definition-of-family/441-definition-of-family-supplemental-resource/file>

FEMALE-HEADED HOUSEHOLDS

More than a quarter (27.9 percent) of Turlock households are headed by women without a spouse or partner. This proportion is slightly higher than the percentage of female-headed households countywide and statewide (25.3 and 26.2 percent respectively). Although single women comprise close to half of all female-headed households, 24.1 percent include children under 18, which is slightly higher than the County as a whole (23.0 percent) and significantly higher than Statewide (17.9 percent). More importantly, 27.8 percent of all households headed by women have incomes below the poverty line.⁵ There are no special constraints that regulations pose to female-headed households but problems that lower-income households in general are exacerbated by the lower wages women earn and the availability of affordable childcare. Elderly women living alone have higher rates of poverty and even though some may be in owner-occupied housing, their lower incomes make it particularly difficult to maintain their homes.

TRANSITIONAL AND SUPPORTIVE HOUSING

Supportive housing is generally defined as permanent, affordable housing with on-site or off-site services that help residents who fall within the “target population” under state law improve their health status, and maximize their ability to live and, when possible, work in the community. Services may include case management, medical and mental health care, substance abuse treatment, employment services, and benefits advocacy. Supportive housing is further defined as “housing with no limit on length of stay and that is occupied by a target population as defined in the Government Code and subdivision (d) of Section 53260 of the California Health and Safety Code, that provides, directly or indirectly, a significant level of on-site or off-site services to help residents retain housing, improve their health status, and maximize their ability to live and, when possible, work in the residents’ community. (California Health and Safety Code Section 50675.14 (b))

“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, elderly persons, young adults aging out of the foster care system, individuals exiting from institutional settings, veterans, and homeless people. Transitional housing units are “residential units operated under program requirements that call for (1) the termination of any assistance to an existing program recipient and (2) the subsequent recirculation of the assisted residential unit to another eligible program recipient at some predetermined future point in time, which point in time shall be no less than six months into the future.”

State law requires that transitional and supportive housing be treated as a residential use and be subject only to those restrictions that apply to other residential uses of the same development type in the same zone. This housing can take several forms, including group housing or multi-family units, and typically includes a supportive services component to allow individuals to gain necessary life skills in support of independent living. For example, if the transitional housing is a multi-family use proposed in a multi-family zone, then zoning should treat the transitional housing the same as other multifamily uses in the proposed zone.

The State has enacted additional requirements that jurisdictions must address in their regulation of supportive housing. These include:

⁵ U.S. Census Bureau, ACS16-20 (5-year Estimates), Table B11012

- Allowing supportive housing as a use by-right in all zones where multi-family and mixed-uses are permitted, including non-residential zones permitting multi-family uses, if the proposed development meets specified criteria in State law;
- Approval of an application for supportive housing that meets these criteria within specified periods; and,
- Eliminating parking requirements for supportive housing located within ½ mile of public transit.
- “Transitional housing” (California Health and Safety Code Section 50675.2 (h)) means buildings configured as rental housing 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 less than six months from the beginning of the assistance.

SB 2, which amended the State housing law effective January 1, 2008, clarified that transitional and supportive housing types must be treated as residential uses and subject only to those restrictions that apply to other residential uses of the same type in the same zone. The Turlock Zoning Ordinance defines Group homes as any licensed or unlicensed “congregate housing arrangement for a group of unrelated individuals that share a condition, characteristic, or status not typical of the general population. This classification includes community care facilities, residential care facilities for the elderly, intermediate care facilities, nursing homes, assisted living facilities, alcohol and drug recovery, and other similar facilities that provide twenty-four (24) hour nonmedical services, supervision, or assistance for sustaining the activities of daily living, treatment, or for the protection of the individual.” (Section 9-1-202 Definitions)

The Turlock zoning ordinance permits transitional and supportive housing serving six or fewer people “by right” in any district where single-family development is permitted. The ordinance divides Group homes serving more than six persons into two types, Unlimited and Large, which are subject to more stringent restrictions than apply to other residential dwellings of the same type in the same zone requiring a CUP or Minor Discretionary Permit in some residential and Downtown Overlay districts where conventional multi-family projects only require an MDP or are permitted by right. The Action Plan proposes to revise the zoning ordinance to make transitional and supportive housing subject to the same requirements applicable to multi-family projects in the same district. The revised provisions will distinguish transitional and supportive housing uses being established in an existing structure from a new development including these use types.

Residential Care Facilities

Since the passage of SB 520 in 2001, cities and counties have been required to permit supportive multifamily or single-family housing for the disabled in any residential zone that permits non-designated single or multifamily housing. Turlock has one assisted housing development, Denair Manor, which accommodates the elderly as well as disabled adults of any age.

The City permits group homes with six or fewer persons in any residential zone, as well as the agricultural and commercial office districts, without restriction or additional permits. This allows proponents to locate these facilities in any area they can afford without additional development or permit costs. The development of group homes is therefore a market issue, not a regulatory issue. As of August 2024, Turlock had seven adult residential facilities with an approved capacity of 36 persons and 13 residential facilities for seniors with a capacity of 527 persons. Two adult residential facilities with a capacity for 10 persons and five senior residential facilities approved to accommodate 278 persons closed between 2014 and 2021. According to

data from the State Department of Social Services Licensing Division, it appears that some of the closed facilities reopened under different management.⁶

State-licensed group homes are permitted by right in residential districts, in the agricultural district with a conditional use permit, and in the commercial office district with a staff-level minor discretionary permit. There are no regulations relating to the siting of special needs housing in relationship to distance or location to one another. There are no special conditions for group homes that also provide services, such as counseling, if there will be six persons or fewer in residence, or if the larger facility is in a commercial zone or civic center. However, the provisions for group homes, which include licensed residential care facilities, conflict with State law as comments in previous section explain.

INDIVIDUALS EXPERIENCING HOMELESSNESS

Preliminary numbers from the 2024 homeless count tallied 2,052 persons countywide including 201 in Turlock and 1,622 in Modesto.⁷ The number of people experiencing homelessness in Turlock decreased 13.7 percent from 2023, which is significantly less than the 1.2 percent drop in Modesto and the 1.9 percent decline in the county total. The Turlock homeless count in 2023 was 233, which was almost the same as the number counted in 2020 (232) but an increase of 22 from 2022. The preliminary 2024 count for Turlock was 9.7 percent of the total homeless in Stanislaus County, a decline from 11.1 percent of the total number of homeless persons in Stanislaus County in 2023.⁸

Interim housing, which includes (but is not limited to) short term emergency shelters, women's shelters and other emergency shelters, transitional shelters, and halfway houses, is currently permitted in all residential zones with a CUP but not by right. State law (SB 2 (Cedillo)) requires all jurisdictions to have at least one zone (where residential uses are allowed) in which at least one year-round emergency shelter is permitted by right. The City has adopted an Emergency Shelter Zoning Overlay which applies in the downtown area and permits the development of such facilities subject to compliance with applicable standards without discretionary review. In addition to other revisions necessary to bring the Zoning Code into compliance with State law, the City will amend the code to include provisions applicable to Low Barrier Navigation Centers (LBNC), a type of emergency shelter. These facilities focus on helping homeless individuals and families to more quickly obtain permanent housing. Government Code Section 65583.2 (i) stipulates that LBNCs shall be permitted by right in any mixed-use or non-residential district where multi-family housing is permitted subject to certain conditions. The Action Plan also commits the city to providing financial assistance to nonprofit agencies for the establishment of emergency, supportive, and transitional housing. The City maintains a web page called [Homelessness in Turlock](#) that includes links to videos of meetings the City held to receive feedback on homelessness, a resource guide, and a list of service providers in the Turlock area including addresses, hours of operation and links to provider websites. See Part 2, Housing Needs Assessment, of this Housing Element for more information about homelessness in Turlock and available resources.

⁶ California Department of Social Services

<https://www.ccl.dss.ca.gov/carefacilitysearch/FacList?facType=740&facility=&Street=&city=Turlock&zip=&county=&facnum=>

⁷ <https://www.yahoo.com/news/modesto-area-latest-homeless-count-133000188.html>

⁸ Executive Summary, 2023 Stanislaus County Homeless Point-in-Time Count,

<https://www.stancounty.com/newsfeed/pdf/executive-summary-english.pdf>

C.3 Development Review Process, Fees, and Exactions

The cost associated with developing residential units is related to the fees or other exactions required of developers but also the length of time needed to conduct project review and issue land use entitlements. Lengthy review periods increase financial and carrying costs and fees and exactions add to expenses. These costs are in part passed onto the prospective homebuyer in the form of higher purchase prices or rents, and can, therefore, affect affordability. In addition to charging applicants for the cost of reviewing their applications, Turlock has established a system of impact fees to pay for constructing the public facilities needed to support new development including water and sewer transportation and treatment, storm drainage, streetlights, traffic signals, parks and other capital facility development costs. The City has also enacted fees to pay for the cost of developing master plans.

The time allowed for project review and approval is consistent with that provided by State law. Depending on the conformity of a project application with the General Plan and the Zoning Ordinance, and magnitude and complexity of a development proposal, the time required to process a project varies greatly from one project to another. Factors which can affect the length of development review on a proposed project include a rezoning or General Plan amendment requirement, public meetings required for Planning Commission or City Council review, or a required Negative Declaration or Environmental Impact Report (EIR). Table C-8 identifies the most common steps in the entitlement process. It should be noted that each project does not necessarily have to complete every step in the process (i.e., small scale projects consistent with General Plan and zoning designations do not generally require Environmental Impact Reports, General Plan Amendments, Rezones, or Variances). A residential project on an appropriately zoned parcel would only require a Minor Discretionary Permit (staff-level review) and Design Review.

Certain review and approval procedures may run concurrently, and the City encourages joint processing of related applications for a single project. For example, a rezone petition may be reviewed in conjunction with the required site plan, a tentative tract map, and any necessary variances. Such procedures save time, money, and effort for both the public and private sector. Processing timelines comply with the Permit Streamlining Act (Government Code Section 65920 *et seq.* and could not be made much shorter, if at all, without violating State laws, particularly as they relate to public noticing, compliance with the California Environmental Quality Act, etc.

Use Permits

The Turlock Zoning Ordinance establishes several different types of approval for projects subject to discretionary review--Minor Discretionary Permits (MDP) are reviewed and may be approved by the Development Services Director unless the applicant or other affected person requests a hearing or submits a statement opposing the project; Conditional Use Permits (CUP) require review and approval by the Planning Commission. The findings the existing ordinance requires for action on both MDPs and CUPs are subjective and, therefore, inconsistent with the requirements of State law, which mandate objective standards for review of residential projects.

Table C-8: Development Review and Approval Procedures – Turlock

<i>Action/Request and Fee</i>	<i>Processing Time*</i>	<i>Fee</i>
Conditional Use Permit	8 to 12 weeks	Including Planning Commission hearing.
Minor		\$4,338
Medium		\$7,409
Major		\$10,821
Minor Discretionary Permit	5 to 6 weeks	Staff Level Review
Minor		\$2,879
Medium		\$5,628
Major		\$8,111
Design Review (no fee)	Concurrent with other permits	Staff Level Review
Environmental Impact Report	Per CEQA requirements	17 % of EIR consultant
Negative Declaration	Per CEQA requirements plus time for document preparation	\$2,250 to \$6,231 if additional studies are required
General Plan Amendment	4 to 6 months (applications processed once per quarter)	\$13,836 including Planning Commission and City Council hearings
Rezone	4 to 6 months	Including City Council and Planning Commission hearings
Minor (< 5 acres)		\$8,300
Major (> 5 acres)		\$9,468
Planned Development Application Review	4 to 6 months	Minor \$10,944
Minor (< 5 acres)		Major \$14,356
Major (> 5 acres)		Minor Amend. \$5,491 (Planning Commission)
Amendment		Major Amend. \$7,198 (City Council)
Parcel Map	3 months	\$2,198
		Extension \$1,196
Tentative Subdivision Map	50 days	Including Planning Commission hearing.
0-10 acres		\$ 7,283
11-20 acres		10,126
21-50 acres		12,970
> 50 acres		15,472
Variance	3 months	\$3,104
Development Agreement		\$15,125 plus fees for additional actions
Notes:		
* From date application is deemed complete.		

Source: City of Turlock Planning Fees, Eff. January 1, 2023; Application Instructions, p. 3

The City received a grant under the SB 2 program to prepare objective standards to meet the requirements of SB 35, which will also bring the ordinance into compliance with other provisions of the Housing Accountability Act.

Design Review

Turlock requires design review for projects that are subject to a minor administrative permit, minor discretionary permit, conditional use permit or other discretionary approval (Turlock Zoning Ordinance, Section 9-5-1002) including multi-family rental units in the R-M and R-H districts and all condominium development. As noted above, the current ordinance also requires design review for manufactured units on lots where single-family homes are permitted by right, which appears to conflict with State law. The Ordinance states that design guidelines are advisory for permitted uses but doesn't explain how the City conducts this advisory review.

The citywide design guidelines are advisory for permitted uses and explicitly intended to provide examples of potential design solutions and help to explain the Zoning Ordinance's mandatory regulations (p. iv).⁹ The Downtown Design Guidelines are more detailed but, like the citywide design guidelines, are out of date.¹⁰ Both documents include a combination of prescriptive and advisory provisions that Turlock could use as a basis for developing objective standards that meet State requirements for review of residential development.

Pre-Application Review

When developers have a project proposal, Turlock invites them to a Predevelopment Meeting. These meetings, held each week free of charge, provide developers with an opportunity to meet with various City staff representing numerous City departments (e.g. planning, building, housing, redevelopment, engineering, fire, etc.) to strategize about project design, City standards, necessary public improvements, and funding opportunities (where appropriate).

Application Fees

A brief survey shows that the City of Turlock charges somewhat above-average planning application fees when compared to its neighboring jurisdictions. For example, Turlock requires a deposit of \$8,275 for a General Plan amendment, while Modesto, Stanislaus County, Ceres, and Patterson fees are all less. In Turlock, the average cost for a 20-lot subdivision would be between \$5,070 and \$7,230, while in Patterson, Ceres, and Stanislaus County, the total cost is several thousand dollars less. However, Turlock's fees are designed to recover costs for all City departments, not just the Planning Division's costs of reviewing the application. Table 5.1-3 details the planning application fees of Turlock and its neighboring jurisdictions. Turlock has enough vacant residentially zoned land to accommodate its housing needs for Above Moderate Income housing, making it unlikely that a General Plan amendment or a zoning change would be necessary for new single-family housing development built in the city. Residential projects that meet all applicable development and design standards and in which 20 percent or more of the units are affordable to lower income households may be developed by right on properties included in in the Sites Inventory. Projects that are located on a site in any Downtown Overlay District are also permitted by right.

⁹ City of Turlock Design Guidelines, Undated <https://www.cityofturlock.org/pdf/files/DesignGuidelines.pdf>

¹⁰ City of Turlock Downtown Design Guidelines & Zoning Districts, Adopted September 23, 2003
<https://www.cityofturlock.org/pdf/files/DowntownDesignGuidelines.pdf>

Table C-9: Planning Application Fees – Turlock and Surrounding Jurisdictions

<i>Jurisdiction</i>	<i>Conditional Use Permit</i>	<i>Rezone</i>	<i>Tentative Subdivision Map</i>	<i>Variance</i>
Turlock	\$4,338 to \$10,821	\$8,300 to \$9,468	\$7,823 to \$15,472	\$3,104
Modesto	\$6,041 (\$1,584 for SF dwelling)	\$4,323	\$6,195	\$2,877 (\$1,584 for SF dwelling)
Stanislaus County	\$5,549 (non-agricultural zone)	\$12,162	\$8,954 + \$30/lot	\$4,913

Source: Turlock Planning Fees, eff. 1/1/23; Modesto Planning Division Fee Schedule, eff. 9/1/23; Stanislaus County Planning Services Fee Schedule, eff. 7/22/23

Impact Fees

Impact fees, land dedications, or improvements are required for most new residential development to ensure public parkland is sufficient to meet City standards and to provide other necessary infrastructure (streets, sewers, and storm drains) to support new development. While such costs are charged to the developer, most, if not all, additional costs are passed to the ultimate product consumer in the form of higher home prices or rents.

The significance of the necessary infrastructure improvements in determining final costs varies greatly from project to project. The improvements are dependent on the extent and adequacy of existing improvements and nature of the project. A Capital Facility Development Fee to offset the cost of transportation, police, general government, and fire protection is assessed to each new housing unit constructed in the city. The amount of the fee is determined by the land use type and the quadrant in which the project is located. On average, the per-unit fee cost is \$8,993 for low density residential and \$6,472 for high density residential. This fee can be deferred for projects with affordable units if it can be clearly demonstrated that the fee (alone) will increase the cost of the housing so that it is no longer affordable to low-income households.

Table 5.1-4 lists the development impact fees charged for a representative single-family unit (at 6 dwelling units per acre and with a unit size of 2,000 square feet) and multifamily unit (at 20 dwelling units per acre and with a unit size of 1,000 square feet). Due to some efficiencies associated with developing multifamily housing, the total fee amount for the multifamily unit is nearly \$9,000 lower than the single-family unit (\$21,812 versus \$30,582).

Development impact fee schedules are updated quarterly to account for increases in construction costs. In 2015, Turlock established a fee deferral program for residential development similar to its existing program for commercial and industrial development. The program allows Development Impact Fees to be deferred until close of escrow. The City also participates in the Statewide Community Infrastructure Program (SCIP), which allows property owners to have selected fees for public capital improvements and development impact fees to be financed by the issuance of tax-exempt bonds by the California Statewide Communities Development Authority (CSCDA), a joint powers authority sponsored by the League of California Cities and the California State Association of Counties.

Table C-10: Development Impact Fees (Effective 1 January 2023)

Fee	Single Family (assumes 6 du/ac and a 2,000 SF unit)	Multifamily (assumes 20 du/ac and a 1,000 SF unit)	When Due
Water Grid	\$2,457	\$2,457	Building Permit
Water Frontage	\$48	\$48	Map Recording or Building Permit
Water Connection	\$2,250	\$2,250	Building Permit or Water Permit
Waste Water Plant Capacity	\$3,719	\$3,719	Building Permit
Sewer Frontage	\$2023	\$25	Building Permit or Sewer Permit
Sewer Connection	\$1,800	\$1,800	Sewer Permit
Sewer Trunk Capacity	\$3032	\$2399	Building Permit
Master Storm Development	\$8642	\$15,136	Final Map
Capital Facility Development ¹			Building Permit
SE Quadrant	\$8,638	\$6,252	Building Permit
SW Quadrant	\$9,394	\$6,721	Building Permit
NE Quadrant	\$8,966	\$6,455	Building Permit
NW Quadrant	\$9,590	\$6,842	Building Permit
Northwest Triangle SP Area	\$8,378	\$6,091	Building Permit
Average	\$8,993	\$6,472	Building Permit
School ²	\$9,120	\$4,560	Building Permit
Building Permit Tax ³	\$125	\$100	Building Permit
Park Improvement	\$1,268	\$1,268	Building Permit
Street Light Development			Building Permit
Total Fees per Unit⁴	\$30,582	\$21,812	

1. Community Facilities Development fee includes transportation, police, fire, and general government.

2. School fees based on Turlock Unified School District rate of \$4.56 per square foot. Some land within Turlock city limits lies in the Denair Unified School District, where fees are \$2.97 per square foot.

3. Covers water well, transportation, traffic signal, public safety, and park development. Fee is based on number of bedrooms; calculation assumes 3 bedrooms for single family and 2 bedrooms for multifamily.

4. Total includes the average Capital Facility Development fee.

5. Assumes 40 feet of frontage/unit (\$11.67/foot on non-arterial for SF and 60 feet of frontage for MF on arterial (\$23.33/foot)

Source: City of Turlock Development Services, Development Impact Fees, Effective 1 July 2023 to 30 September 2023

https://www.cityofturlock.org/_pdf/devimpactfee.asp?id=64

Additionally, there are development impact fees associated with the Master and Specific Plan areas in which much new residential development occurs. These fees generally cover additional sewer, storm drainage, transportation, and water infrastructure above the standard development impact fees levied by the City, to reflect the cost of extending services to newly developed residential areas. In the past, these fees have ranged from \$3,000 per unit for the Northwest Triangle Specific Plan Area to over \$55,000 per unit in the East Tuolumne Master Plan Area. New development occurring on vacant parcels in these areas would be subject to these additional fees; however, the housing sites identified in this document for affordable housing are located outside of the existing Master and Specific Plan Areas in the northwest and northeast.

The Turlock Unified School District (TUSD) and the Denair Unified School District (DUSD) serve the City of Turlock. TUSD and DUSD have school impact fees on new development of \$4.56 and \$2.97 per square foot, respectively. These fees can add significantly to the cost of development, but they are consistent with the amount established by California Government Code Section 65995 et seq. Senior housing is exempt from school fees because it does not impact the demand for schools.

Fees as a Percentage of Development Costs

The following table C-11 illustrates the total development costs for a typical single-family home in Turlock, taking the sample unit used in Table 5.1-4 above as an example: a 2,000 square foot home built at a density of six units per acre. The analysis assumes the unit is part of a 50-lot subdivision in a master plan area with average impact fees. As the table shows, total fees make up approximately 11 percent of the total development cost for a typical single-family unit in Turlock.

Table C-11: Total Development Cost and Fee Percentage for One Typical Single-Family Home

<i>Development Component</i>	<i>Fee or Cost</i>	<i>Percent of Total Development Costs</i>
Construction ¹	\$156,000	55.8%
Land ²	\$77,167	27.6%
Impact Fees ³	\$30,580	10.9%
Permitting Fees ⁴	\$277	0.1%
Subtotal: Fees	\$30,857	11.0%
Other Soft Costs ⁵	\$15,600	5.6%
Total	\$279,624	100.0%

1. Assumes construction costs of \$78 per square foot. See section 5.2 below.
2. Assumes average residential land price of \$463,000 (see section 5.2 below) developed at six units per acre.
3. Assumes the average impact fee for a single family home. See table 5.1-4 above.
4. Assumes fees for parcel map, subdivision map, and Minor Discretionary Permit for a 50-unit subdivision.
5. Assumes that other soft costs (besides fees), including architecture, administrative, etc. are approximately 10 percent of construction costs.

Source: Dyett & Bhatia

SB 35 Streamlining

Government Code section 65913.4 allows qualifying development projects with a specified proportion of affordable housing units to move more quickly through the local government review process and restricts the ability of local governments to reject these proposals. The bill creates a streamlined approval process for qualifying infill developments in localities that have failed to meet their RHNA, requiring a ministerial approval process, removing the requirement for CEQA analysis, and removing the requirement for discretionary entitlements. The City did not make sufficient progress toward its Above Moderate RHNA for the 5th cycle planning period (2015 – 2023) and is therefore subject to SB 35. The Action Plan proposes to amend the Zoning Code to establish regulations consistent with State law to review and make decisions on projects eligible for processing under SB 35 including applicable objective development standards. Associated programs include preparation of application forms that Staff can use to quickly determine whether projects are eligible for expedited processing. The City has not received any SB35 applications to date.

SB9 California Housing Opportunity and More Efficiency (HOME) Act

SB9, also known as the California Housing Opportunity and More Efficiency (HOME) Act, requires cities to allow one additional residential unit onto parcels zoned for single-dwelling units. Turlock has not amended its regulations to permit duplexes in qualifying single family zoning districts or to allow subdivision of qualifying lots ministerially pursuant to SB9. The Action Plan includes a program to provide information to familiarize owners with the SB 9 program and revise the Zoning and Subdivision Ordinances to implement the State law.

Building Codes and Enforcement

Turlock has adopted the 1997 Uniform Housing Code and the Uniform Code for the Abatement of Dangerous Buildings and all the State's 2022 building and construction codes including Residential, Existing Buildings, Green Building, and the Fire Code.¹¹ The Uniform Code for the Abatement of Dangerous Buildings applies to all buildings, old or new. These building codes ensure structural integrity and facilitate the City's efforts to maintain a safe housing supply. The City has engaged two consulting firms, Bureau Veritas-North America Inc., and Interwest Consulting Group, to provide plan review services. All applications for significant residential projects, including substantial improvements, are submitted electronically and the Building in Turlock website provides extensive information about the plan review process, submission requirements, predevelopment meetings and other procedural issues. The website also includes a fee estimating tool. (See <https://www.cityofturlock.org/buildinginturlock/developmentfeestimate/>)

Like most California municipalities, Turlock's procedures for enforcement are based on complaints due to the lack of funding for a more proactive approach to that concentrates code enforcement and funds for necessary repairs in target areas. Turlock has \$900,000 in Community Development Block (CDBG) funding for FHY 2022-23 to provide loans and grants to rehabilitate single- and multi-family affordable housing and \$5,000 for families who need to be temporarily relocated during construction, but these funds are only sufficient to pay for about 10 units.¹²

C.4 Off-Site Improvements

Developers of residential subdivisions are required to provide each lot with connections to the City sanitary sewer system, the City domestic water supply, and gas, electric, telephone, and cable television services. Subdivisions must also be provided with storm drainage facilities, or pay a fee, in accordance with the City's adopted Storm Drain Master Plan. Subdivisions must also include sidewalks (in most cases, except where very low-density zoning permits their exclusion), paved streets, and street trees. Such improvements are required as a condition of the subdivision map, or if there is no required map, improvements are required as part of the building permit. These on- and off-site improvements promote the health, safety, and general welfare of the public.

Curbs, gutters, and sidewalks are the improvements the City most frequently required for new residential development that are not on infill sites. Curbs, gutters, and drainage facilities direct storm and runoff water out of residential developments. City roadways are required to be paved. Pavement creates an all-weather roadway, facilitates roadway drainage, and reduces dust. It also produces a high-speed circulation system

¹¹ Building in Turlock, Current Code and Design Criteria
<https://www.cityofturlock.org/buildinginturlock/buildingsafety/currentcodedesigncriteria.asp>

¹² City of Turlock, Annual Action Plan for CDBG Funds & Turlock/Stanslaus Urban County HOME Consortium Funds, Fiscal Year 2022-2023

and facilitates relatively safe traffic movement. Roadways are classified by the City according to traffic needs as follows:

- Arterial - Six lanes, 100 to 110 foot right-of-way, with left turn median
- Major Collector- Four lanes, 94 foot right-of-way, with two bicycle lanes
- Collector – Two lanes with 60-foot right-of-way
- Local - Two lanes with 50 to 54-foot right-of-way

Arterials and collectors are designated on the General Plan according to existing and projected needs. Developers are responsible for the development of roadways associated with the residential project and participate in regional transportation system improvements through payment of the Capital Facility Development fee (see table 5.1-4 above).

Transparency in Development Regulations

State Government Code Section 65940.1 requires cities and counties to provide transparency in publicizing land use controls and fees. Turlock provides links to a variety of resources on the planning and construction process from a web portal for the Planning, Building & Safety, and Engineering Departments called Building in Turlock.¹³ Users can use this page to navigate to pages providing a wide variety of information about planning and building requirements, procedures, and fees along with contact information for each Division with a role in the development process. Division pages make it easy to estimate and pay for permit fees schedule meetings and inspections and download information sheets. There is also a link for providing customer feedback. The Planning & Land Use Permitting page provides links to the General Plan, Zoning Code, and other adopted plans and design guidelines as well as information, schedules, and submittal deadlines for the Planning and Building staff and links to websites for related Boards and Commissions.

In 2022, The Department of Housing and Urban Development (HUD) conducted remote monitoring of the Turlock's Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) to ensure compliance with applicable federal requirements. HUD made six findings and one concern in addition to identifying several unresolved issues from previous audits in 2010, 2014, and 2019. Even though the HUD monitor reportedly indicated that the findings and concerns were "normal", some of them should be considered as obstacles that affect Turlock's ability to meet its housing needs.

See Table 5.1-6 for a list of the recent findings and corrections. The HUD monitor also expressed concern that Turlock appeared to be overlooking a requirement that recipients of HUD funding must direct employment, training and contracting opportunities to low-income individuals and the businesses that employ these persons within their community. (The definition of "Finding" is a deficiency in a program performance based on a violation of statutory or regulatory requirement. A "Concern" is defined as a deficiency in program performance that is not based on a statutory or regulatory requirement but is brought to the grantee's attention.)¹⁴

¹³ Building in Turlock <https://www.turlock.ca.us/buildinginturlock/>

¹⁴ *Turlock Journal*, October 3, 2022 <https://www.turlockjournal.com/news/government/housing-funding-audit-highlights-city-council-discord/>

Table C-12: Findings and Corrective Actions, HUD

<i>Finding</i>	<i>Corrective Action</i>
The City of Turlock incorrectly classified a \$1,000 grant to allow a homeowner to rent a portable storage unit to store their furniture and other personal items while their home was being rehabilitated.	Return the \$1,000 and then reapply for the funds under the correct CDBG activity.
The City of Turlock lacks a current Residential Anti-displacement and Relocation Assistance Plan.	City of Turlock must update its current Displacement Plan to reflect new requirements and submit it to HUD.
There is an absence of dated signatures of all parties on the beneficiary written agreement for a Ceres First-Time Homebuyer project as well as Turlock's Avena Bella Phase II project.	Submit a revised HOME policies and procedures to include specific requirements that written agreements include dated signatures of all parties.
There is an absence of many federally required provisions in the City of Turlock's loan agreement with Avena Bella.	Submit an amended loan agreement to include the requirements.
The amount of HOME funds invested in the Avena Bella Phase II project was not at or below the applicable maximum per-unit subsidy limit. The limit was exceeded by \$133,625.	City of Turlock must repay the \$133,615 to the HOME Investment Trust Fund account.
The City of Turlock does not have comprehensive written policies and procedures as required under HOME regulation.	The City must submit a revised HOME policies and procedures to meet all requirements.

In March 2023, the City engaged CohnReznick LLP to conduct a review of Housing Department records regarding use of funds from the HUD CBG and HOME Investment Partnership Programs for the purchase, rehabilitation, and sale of real estate to support the City's Neighborhood Stabilization Program. The consultant's findings identified several issues similar to those identified in the August 2022 HUD Monitoring Report but focused on the Housing Rehabilitation Program. The CohnReznick report also attributed some of the problems to the fact that the City experienced a significant amount of turnover in recent year including a number of key positions in the Housing Department.¹⁷ On July 31, 2024 the Department of Housing and Urban Development San Francisco Regional Office officially informed the City that sufficient information had been provided to close all of the prior findings. Additionally, from May 20th to May 24th, 2024, HUD conducted remote monitoring of the City's CDBG-CV program in order to assess the City's performance and compliance with applicable Federal program requirements. HUD's review of the City's program performance resulted in the identification of zero findings and zero concerns, as communicated in the FY2024 Monitoring Report.

C.5 Non-Governmental Constraints

Non-governmental constraints range from environmental factors such as flooding, wildfire, and seismic hazards to economic conditions including the cost and availability of financing, labor supply, the cost of materials and, more recently, supply chain problems. These conditions can hamper residential development and are, for the most part, beyond the ability of local government to control. Nevertheless, there are approaches cities might use to help offset the impacts of these constraints through their planning and regulation of land use and development.

In Turlock as throughout California, the major non-governmental constraints to residential development are the cost of land, construction costs, and the availability and cost of financing. Although many constraints are driven by market conditions, jurisdictions have some leverage in instituting policies and programs to address such constraints. The ability to address the underserved needs of the citizens of the City of Turlock is challenging, especially since so many of the impediments to providing services are beyond the scope of municipal governments. The responsibility for identifying, responding to, and mitigating these needs rests with the variety of agencies providing services. Funding limitations exist at all levels. The private market influences the selling and rental prices of all types of housing, which includes existing and new dwelling units. While actions within the public sector play important parts in determining the cost of housing, the private sector affects the residential markets through such mechanisms as supply costs (i.e., land, construction, financing) and value of consumer preference.

Current Housing Market

Like other communities in California's Central Valley and beyond, Turlock has experienced a decline in new housing production during the past decade. From 2000 to 2009, the housing stock increased by 4,962 units. Since then, construction rates have sharply declined with only 1,014 of Turlock's housing units added between 2014 and 2024, according to California Department of Finance and City of Turlock.¹⁵ Another constraint affecting housing costs is the cyclical nature of the housing industry. Housing production can vary widely from year to year with periods of above-average production followed by periods of below-average production. Fluctuations are common in most industries but appear to be more dramatic in the homebuilding sector because of the susceptibility of the industry to changes in federal fiscal and monetary policies. There is little that cities can do to affect this major constraint.

Availability of Financing

One of the significant components to overall housing cost is financing. After decades of slight fluctuations in the prime rate, the 1980s saw a rise in interest rates, which peaked at approximately 18.8 percent in 1982. As the decade closed and the economy weakened, the prevailing interest rate was around 10 percent. The decade of the 1990s has seen interest rates drop dramatically, fluctuating between six and eight percent. Through 2008, the rates on a 30-year fixed rate mortgage have varied between just below six percent and eight percent. For the first time since the 1960s, some mortgage rates have fallen below six percent. Between 2004 and 2006, many Americans were able to utilize very low and adjustable interest rates to purchase homes otherwise out of their price range.

Through mid-2008, home mortgage financing was readily available to residents of Turlock and California at large. Now, with interest rates are currently in the range of six to almost eight percent, it can be significantly more difficult to obtain a home purchase loan. In response to the contribution of mortgage-backed securities to the current financial crisis, people with short credit history, lower incomes, self-employment incomes, or other unusual circumstances have had trouble qualifying for loans or are charged higher rates. Due to a decline in supply as well as the increased cost of new housing units, the median value of owner-occupied homes in Turlock increased by 12.1 percent between 2010 and 2020 to \$329,900. This is a 65.4 percent increase above the median in 2000 but still only 38.7 percent of the median value of housing statewide.¹⁶ During the same period, the proportion of owner-occupied housing in Turlock dropped from 55.8 to 53.7 percent, due not only to the cost of home-ownership but also to the creation of additional rental housing.¹⁷ Since October 2020, mortgage rates have more than doubled — rising to 8.022 percent as of this

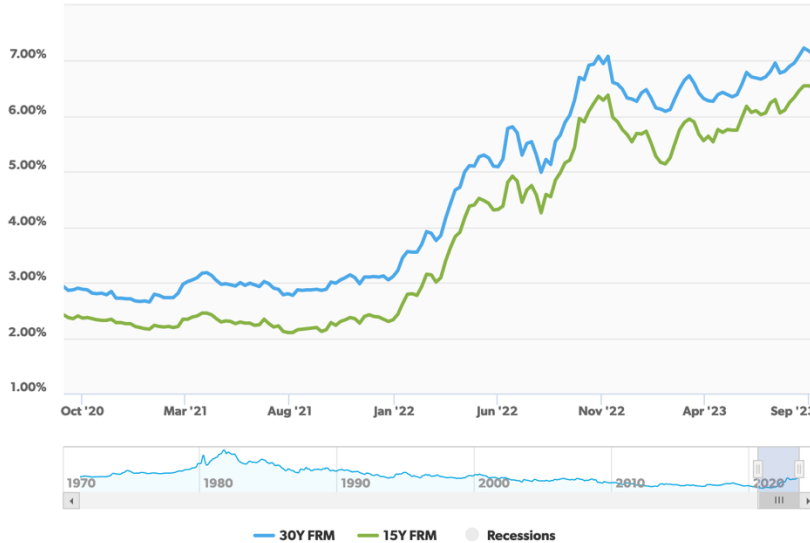
¹⁵ City of Turlock Housing Element Update 2023-2031 Chapter 2: Community Profile.

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

¹⁷ U.S. Census Bureau, Census 1980(SF1), 1990(SF1), 2000(SF1); ACS 16-20 (5-year Estimates), Table B25042

writing, the highest they’ve been since 2000— in response to moves by the Federal Reserve to control inflation. In January 2022, a buyer would have paid around \$2,100 a month in principal and interest for a \$500,000 home loan. 12 months later, that same loan would cost about \$2,900 a month.

Chart C-1: National Mortgage Rates



Source: Freddie Mac, Mortgage Rates <https://www.freddiemac.com/pmms>

Assuming a 10 percent down payment, and a 30-year fixed rate mortgage, the Principal-Interest-Taxes-Insurance (PITI) payment as of this writing would be \$2,401.¹⁸ This means a household would need an annual income of \$96,040 to be able to afford to buy a home in Turlock in today’s market, which is 58 percent more than the \$60,700 median income of Turlock households according to the U.S. Census ACS estimates.¹⁹ As Table C-13 shows, even if mortgage rates dropped to 5.0 percent, more than half of Turlock’s households couldn’t afford to buy a home in the city today.

Table C-13: Monthly Housing Cost and Income Required

Interest Rate	Selling Price	Net Monthly Payment ¹	Income Required ²
5.0%	\$329,900	\$1,876	\$75,040
6.0%	\$329,900	\$2,063	\$82,520
7.0%	\$329,900	\$2,258	\$90,320
8.0%	\$329,900	\$2,461	\$98,440
9.0%	\$329,900	\$2,672	\$106,880

1. Assumes a 10 percent down payment and Taxes and Insurance at \$283 per month.

2. Assumes 30 percent of income towards net monthly payment.

¹⁸ Bankrate Mortgage Calculator <https://www.bankrate.com/mortgages/mortgage-calculator/>

¹⁹ U.S. Census Bureau, ACS16-20 (5-year Estimates), Table B19013.

First Time Homebuyers Program

The need to assist low-income entry-level homebuyers has always been an aspect of a comprehensive housing program, and the City of Turlock has established a First Time Homebuyers Program (FTHB) for this purpose. The FTHB program helps eligible applicants purchase a home with down payment assistance of up to \$50,000 or 40 percent (whichever is less) of the sales price of a home. Households must have incomes at or below 80 percent of the Stanislaus County AMI. For a typical four-person household this income limit is \$67,500. Given the current economic conditions and the increasing difficulty of obtaining home purchase financing for lower income households, continuation of the FTHB program is a high priority for the City. The Housing Action Plan continues the program.

Cost of Construction

The costs of labor and materials have a direct impact on the price of housing and are the main components of housing cost. Residential construction costs in Stanislaus County vary depending upon the quality, size, and the materials being used. Construction costs for a two-story, stucco on wood frame single family unit range from \$150 to \$340 per square foot or \$300,000 to \$680,000 for a 2,000 square foot home. These “hard” construction costs do not include costs associated with permits and fees, land acquisition, site work and lot improvement, design, marketing, or administrative overhead (“soft” costs). Soft costs generally account for approximately 33 percent of overall construction costs.²⁰ A random sample of newly constructed homes available for sale in Turlock ranged from 1,718 to 2,344 square feet and had a median listing price of \$579,995 and an average cost per square foot of \$296.²¹

Residential construction costs have fluctuated over the last seven years in the northern San Joaquin Valley. While costs increase over the years to some extent, market factors dictate the extent to which prices change beyond inflation. From 2000 to 2004, construction costs increased annually at an average of less than three percent per year; from 2004 to 2005, costs increased 11 percent. Since 2005, the rate of cost increase has varied from three percent to seven percent as the housing market heated up. The current economic downturn has not spelled relief from cost increases, as from 2008 to 2009, construction costs are estimated to increase by over seven percent. Other regions of California have seen similar price jumps, so the current construction cost conditions are not unique to Turlock.²²

Construction Financing

Like loans for home purchases, construction loans for new housing are also now increasingly difficult to obtain. In previous years, lenders would provide up to 80 percent of the cost of new construction (loan to value ratio). Recently, due to market conditions and government regulations, banks have started to require larger investments by the builder. Complicated projects such as mixed-use developments are among the more difficult to finance. Nonprofit developers may also find it difficult to secure funding from the private sector. Limited construction financing is therefore also a likely contributor to the recent decline in new construction; while conditions may improve over the course of the planning period, it will remain a constraint in the short term.

Cost of Land

The cost of raw, developable land has a direct impact on the cost of a new home and is therefore a potential non-governmental constraint. The higher the raw land costs, the higher the price of a new home. Normally,

²⁰ RSMears. “Square Foot Construction Costs, 30th ed.” R. S. Means Company, Inc., 2008.

²¹ Realtor.com https://www.realtor.com/realestateandhomes-search/Turlock_CA/type-single-family-home/shw-nc

²² Ibid.

developers will seek to obtain city approvals for the largest number of lots possible on a given parcel of raw land. This allows the developer to spread the costs for off-site improvements (i.e., streets, water lines, etc.) over the maximum number of units.

Land costs are often difficult to estimate, and there is no single publicly available database that records urban land prices. A study conducted by researchers from the Federal Housing Finance Agency (FHFA) has estimated the price of residential land based on appraisals of single-family parcels conducted between 2012 and 2019. No data are available for Turlock specifically but the median value for a quarter-acre single-family parcel in Stanislaus County was estimated at \$77,500.²³ Recent sales information for the Turlock from Realtor.com show that the land costs for a large, relatively level site ranged from \$63,710 to \$90,000 per acre. On the other end, small infill sites were on the market for as much as 1.38 million per acre.²⁴

As the availability of vacant residential land becomes scarcer over time, the cost of vacant land in Turlock will increase. As a rule, if the land cost component remains within 35 percent of development costs, then the availability of land should not pose a significant constraint on the development of housing for all income groups. A 1,500 square foot home with hard construction costs of \$300 per square foot, plus an additional 33 percent for soft costs, would have total construction costs of \$598,500. With residential land prices in Turlock of \$63,710 to \$90,000 per acre, and assuming that the home is built on property zoned for seven units per acre, the land cost for each home would be less than \$13,000 and well within the percentage typically allowed for land costs indicating that land costs are within a reasonable range and should not pose a constraint.

C.6 Environmental Constraints

While many cities in California confront significant environmental constraints on housing development, Turlock is located such that many of the environmental hazards that other communities face are virtually nonexistent. The City is not near any active faults; its flat terrain precludes the danger of landslides; and its agricultural soils are not subject to shrink-swell or subsidence. The topography and nature of urban and agricultural development makes the risk of wildfires very low. There are no areas in floodplains and virtually no wetlands aside from those in existing parks or on farms or pastures outside the city limits. While the flat terrain may occasionally lead to minor flooding on impervious areas during large storm events, this is not considered to be a constraint to housing development as City infrastructure can handle the stormwater runoff.

Turlock and other communities in Stanislaus County do, however, face risks from incidents associated with the County's nine largest dams. Even though the probability of a major dam break is unlikely the effects of such a disaster would be catastrophic, which is why the County's Hazard Mitigation Plan identifies Dam Incidents as a Priority Hazard. The New Exchequer and Don Pedro Dams are of particular concern and are rated as Extremely High hazards by the California Department of Water Resources, Division of Safety of Dams.²⁵ A major breach in the Don Pedro Dam, an earthen embankment dam across the Tuolumne River,

²³ William Larson et al., Working Paper 19-01: The Price of Residential Land for Counties, ZIP codes, and Census Tracts in the United States, 1/2/2019, updated 11/9/2020.

<https://www.fhfa.gov/PolicyProgramsResearch/Research/Pages/wp1901.aspx>

²⁴ Realtor.com https://www.realtor.com/realestateandhomes-search/Turlock_CA/type-land/nc-hide

²⁵ Stanislaus County Multi-Jurisdictional Hazard Mitigation Plan: 2022-2027 Update, Annex H. City of Turlock, pp. 13-15.

about 35 miles northeast of Turlock, would inundate the entire city; the New Exchequer Dam on the Merced River would primarily affect the southeastern part of the City.

The local hazards posing a more critical concern to Turlock and most of California’s Great Valley are all related to climate change including extreme heat, drought, and severe weather effects such as high winds, tornadoes, and heavy rain. Extreme heat makes air conditioning essential, which contributes to the cost of housing. The frequency with which higher temperatures occur has had an impact on the provision of electricity and is likely to make auxiliary generators essential for housing in those areas, like the Valley, that are particularly prone to high temperatures.

Table C-14: Local Hazards Likely to Affect Housing

<i>Hazard Type</i>	<i>Geographic Extent¹</i>	<i>Probability of Future Occurrence²</i>	<i>Magnitude/Severity³</i>	<i>Overall Significance⁴</i>	<i>Priority Hazard</i>
Dam Incidents	Extensive	Unlikely	Catastrophic	High	Yes
Extreme Heat	Significant	Highly likely	Critical	High	Yes
Drought	Extensive	Likely	Critical	High	Yes
High Wind/Tornado	Extensive	Highly likely	Critical	High	No
Severe Weather: Hail, Heavy Rain, Thunderstorms, Lightning	Extensive	Highly likely	Critical	High	No
Dense Fog	Extensive	Likely	Critical	Medium	No
Earthquake	Extensive	Occasional	Critical	Medium	No
Flood	Limited	Likely	Negligible	Low	No
Wildfire	Limited	Occasional	Negligible	Low	No

Notes:

1. Limited: Less than 10% of planning area; Significant: 10-50% of planning area; Extensive: 50-100% of planning area
2. Highly Likely: Near 100% chance of occurrence in next year or happens every year.
Likely: Between 10 and 100% chance of occurrence in next year or has a recurrence interval of 10 years or less.
Occasional: Between 1 and 10% chance of occurrence in the next year or has a recurrence interval of 11 to 100 years.
Unlikely: Less than 1% chance of occurrence in next 100 years or has a recurrence interval of greater than every 100 years.
3. Catastrophic—More than 50 percent of property severely damaged; shutdown of facilities for more than 30 days; and/or multiple deaths
Critical—25-50 percent of property severely damaged; shutdown of facilities for at least two weeks; and/or injuries and/or illnesses result in permanent disability
Limited—10-25 percent of property severely damaged; shutdown of facilities for more than a week; and/or injuries/illnesses treatable do not result in permanent disability
Negligible—Less than 10 percent of property severely damaged, shutdown of facilities and services for less than 24 hours; and/or injuries/illnesses treatable with first aid.
4. Low: minimal potential impact Medium: moderate potential impact High: widespread potential impact

Source: Stanislaus County Multi-Jurisdictional Hazard Mitigation Plan: 2022-2027 Update, Annex H. City of Turlock, p. 10