



HCD WEB NEWS

California Department of Housing and Community Development

August 4, 2008

TODAY'S NEWS

AFFORDABLE HOUSING

EUREKA REPORTER: Modular homes provide affordable quality housing – By Melody Stone // Neal Latt is an independent builder and owner of Appropriate Development, a company specializing in affordable in-fill residential development in Humboldt County....Latt left farming at the end of 2004 and started buying rentals and fixing them up. He found a cheap lot in fall 2005 and put a Hoopa Modular on it in March 2008 to provide affordable housing.

<http://www.eureka-reporter.com/article/080801-modular-homes-provide-affordable-quality-housing>

SAN LUIS OBISPO TRIBUNE: San Miguel could lose chunk of apartments/ A developer's plan will convert 20 rental units into condos if approved – By Bob Cuddy // The already bleak outlook for apartment seekers throughout the county could worsen if the Board of Supervisors on Tuesday upholds a move to convert 20 apartment units in San Miguel to condominiums.

<http://www.sanluisobispo.com/news/local/story/429008.html>

HOUSING DEVELOPMENT

SAN JOSE MERCURY NEWS: Housing protest fails/ Santa Clara development ok'd - By Mary Gottschalk, Bay Area News Group // A residents group is planning its next move after a judge threw out its lawsuit to block a housing development from rising at the University of California's former agricultural testing site known as BAREC. SummerHill Homes plans to build 110 single-family homes on the 17-acre site in Santa Clara near Westfield Valley Fair shopping center, and the non-profit Charities Housing plans to build 165 affordable senior housing units there.

http://www.mercurynews.com/localnews/headlines/ci_10091289

A promising deal for schools, homes in North San Jose (Editorial) // The clash over how to pay for schools when thousands of apartments and condominiums are built in North San Jose appears headed toward a resolution. At least we hope so. The Santa Clara Unified School District has before it a very good offer from the city of San Jose and housing developers.

http://www.mercurynews.com/opinion/ci_10091257

SAN DIEGO UNION TRIBUNE: Cedros Crossing still stuck in neutral/ Many factors stall mixed-use project – By Tanya Mannes // Despite years of planning and once-high hopes, the parking lots at the Solana Beach train station won't be replaced with apartments, shops and underground garages anytime soon. Cedros Crossing, a \$72 million project to transform the parking lots into the city's largest mixed-use development, has been in the works since 2001.

http://www.signonsandiego.com/uniontrib/20080803/news_1mc3cedros.html

VENTURA COUNTY STAR: Preliminary ruling favors city in suit over housing/ It says S.P. council had right to deny Cabrillo's project – By Carolyn Quinn // Santa Paula officials were encouraged Friday by a preliminary ruling in the lawsuit filed against the city by Cabrillo Economic Development Corp....The lawsuit stems from the city's rejection of Cabrillo's proposal to build the 150-unit Plaza Amistad housing development, which was to include low-income, moderate-income and farmworker housing units.
<http://www.venturacountystar.com/news/2008/aug/02/preliminary-ruling-favors-city-in-suit-over/>

EUREKA TIMES-STANDARD: Building green communities – By Steve Salzman // You hear a lot of talk about sustainability these days and it's not just coming from the environmental community anymore. Sustainable or "green" buildings are becoming commonplace and a number of rating systems have been developed to certify their greenness.
http://www.times-standard.com/ci_8852675?source=most_email

ORANGE COUNTY REGISTER: Contractors are dropping prices on home improvements – By Jeff Collins // Remodeling contractor Eddie Kesky had a backlog of customers three years ago, many of them paying to have their tract homes torn down and new McMansions erected in their place. Today, however, "tear downs" are few and far between. Instead, the Los Alamitos builder keeps busy remodeling kitchens and bathrooms, adding rooms, giving homes a facelift.
<http://www.ocregister.com/articles/remodeling-contractors-home-2111335-percent-work>

LAND USE / PLANNING / REGULATION

CONTRA COSTA TIMES: Moraga plan worries Lafayette, Orinda – By Paul Thissen // Moraga's plans for its downtown have Lafayette and Orinda worried. The town's draft impacts review for a major downtown development is incomplete, inaccurate and fails to meet California law, according to letters sent Thursday and Friday by the mayors of Lafayette and Orinda.... The proposed specific plan for the 187-acre Moraga Center area near Safeway includes as many as 720 housing units: 20 single-family homes, 300 town houses, 100 denser units with some designated for students, and 300 units for active seniors.
http://www.contracostatimes.com/growth/ci_10073702

LOS ANGELES TIMES: Measure aims to fight traffic by curbing growth in Santa Monica – By Martha Groves // Raising the specter of rampant development and a rising tide of street-choking traffic, a group of Santa Monica residents has begun pressuring friends and neighbors to vote in November for an initiative that would limit commercial construction for 15 years. Predictably, the Residents' Initiative to Fight Traffic, or RIFT, has created a schism in the city, where the desire to maintain the area's small-town scale and charms often conflicts with the need to create jobs and spur economic gains.
<http://www.latimes.com/news/local/la-me-rift4-2008aug04,0,5424390.story>

A Santa Barbara area canyon's residents are among many Californians living in harm's way in fire-prone areas – By Bettina Boxall // Sometimes when Ralph Daniel looks out the huge plate-glass windows of his 1959 ranch house, a bobcat stares back at him from the patio. He delights in the quiet, the bird songs, the expansive view of the Santa Ynez Mountains. Like millions of other Californians, Daniel, 63, likes to live on nature's edge....But he has no illusions.

http://www.latimes.com/news/local/inland/la-me-wildfires31-2008jul31_0,5337338.story

SACRAMENTO BEE: Sacramento 2020/ Not everyone seeks an urban-core lifestyle and not all jobs are downtown, either. Suburbs have an important regional role –

By Joel Kotkin (Opinion) // Even in the best of times, Sacramento tends to be a prisoner to low self-esteem. The region's population and economic growth have been humming along nicely for the past decade, drawing ever more educated workers from overpriced coastal counties, but the region's leaders have often seemed defensive about their flourishing town....Once a consistently affordable locale, by the mid-1990s Sacramento's housing prices jumped almost nine times income growth, an unsustainable pace seen in a few areas such as Riverside, Miami and Los Angeles.
<http://www.sacbee.com/325/story/1127379.html>

HOUSING MARKETS / REAL ESTATE

LOS ANGELES TIMES: Should you buy a home now? – By Peter Y. Hong //

Southern California median home sale prices are down about 30% from their peak. That's about as far as they fell in the 1990s real estate downturn, and enough of a decline to have many asking: Is it time to buy?
http://www.latimes.com/business/la-fi-cover3-2008aug03_0,268891.story

Tax credit for home buyers works like an interest-free loan – By Kenneth R.

Harney, Washington Post // Anyone who's been sitting on the sidelines hesitant to jump into the housing market until conditions settle down should know these dates: April 9, 2008, through June 30, 2009. They mark the eligibility period for the home purchase tax credit created by the housing bill enacted last week. If you have not owned a house during the last three years -- or are considering buying a first home -- and you close on a purchase before the end of next June, you may be eligible for a credit of as much as \$7,500 against your federal taxes for 2008 or 2009 (\$3,750 if you file taxes as a single person).

http://www.latimes.com/business/la-fi-harney3-2008aug03_0,6352284.story

Homeowners rent out property as they wait for a better market – By Michelle

Hofmann // For the last five years, real estate agent Paul Sessum said his sellers' first two questions were usually: What's my home worth, and how long will it take to sell? But in recent months, Sessum of Keller Williams Realty World Media Center in Burbank said the second question has been replaced by another: Can I rent out my house and cover the mortgage?

http://www.latimes.com/news/local/valley/la-hm-landlord2-2008aug02_0,439372.story

SAN DIEGO UNION TRIBUNE: In mortgage crisis, look for the signs of recovery –

By Dean Calbreath (Column) // Happy anniversary! It was one year ago this month that the Great American Mortgage Crisis boiled over into the Great Global Credit Crisis, with banks in Paris, London and Frankfurt seizing up because of their investments in the U.S. housing market.

http://www.signonsandiego.com/uniontrib/20080803/news_1b3dean.html

Strapped property owners get welcome tax break/ Reassessments bring temporary reductions – By Craig Gustafson //

With so much equity built up in his Imperial Beach home, Michael Ortiz thought he and his family could rent out their place and buy a new, bigger, better house. "So that's what we did. We moved closer to the beach," he said. That was 2004 – near the peak of a booming housing market. Four

years later, Ortiz's family, like so many others, is feeling the pinch of falling home prices, plus rising gas and food costs.

http://www.signonsandiego.com/uniontrib/20080803/news_1m3assess.html

CONTRA COSTA TIMES: Time for movin' on up to your next-level house – By Ellen James Martin // Though a record number of Americans now owe more on their mortgages than their homes are worth, countless other homeowners have plenty of equity. And real estate experts say many of these equity holders are now in an excellent position to move up to a better home at a big discount.

http://www.contracostatimes.com/ci_10083265

MORTGAGE & FORECLOSURE ISSUES

MERCED SUN STAR: Tenants feeling the California mortgage mess – By Leslie Albright // Brandy Menina's apartment hasn't had hot water for six weeks. When she and her three teenage daughters want to bathe and wash their long hair, she fills up four pots and two roasting pans with water and heats them on the stove. Sounds like the kind of problem she should complain to her landlord about. But Menina doesn't enjoy a typical landlord-tenant situation. The apartment building she lives in is in foreclosure.

<http://www.mercedsunstar.com/167/story/376595.html>

NEW YORK TIMES: Housing lenders fear bigger wave of loan defaults – By Vikas Bajaj // The first wave of Americans to default on their home mortgages appears to be cresting, but a second, far larger one is quickly building. Homeowners with good credit are falling behind on their payments in growing numbers, even as the problems with mortgages made to people with weak, or subprime, credit are showing their first, tentative signs of leveling off after two years of spiraling defaults.

http://www.nytimes.com/2008/08/04/business/04lend.html?_r=2&hp=&adxnnl=1&oref=slogin&adxnnlx=1217858405-tFxTkpMhllrWMH3xUmeyRA

LOS ANGELES TIMES: FirstFed saw loan risk early on – By E. Scott Reckard // California home prices reached astonishing levels in 2005, but getting a loan was a snap at lenders offering low initial payments. At FirstFed Financial Corp., for example, the vast majority of borrowers weren't required to produce pay stubs or tax returns to prove they earned as much as they claimed. FirstFed executives say they started worrying as the year wore on....By the end of 2005, FirstFed began tightening lending standards at its savings and loan, First Federal Bank of California.

<http://www.latimes.com/business/la-fi-firstfed4-2008aug04.0.534602.story>

SAN FRANCISCO CHRONICLE: To limit mortgage closing costs, ask questions – By Renae Merle, Washington Post // You looked hard to find the right house. You negotiated the right price and shopped around for the best mortgage rate. But you're not done shopping yet. Home buyers can squeeze out extra savings at the closing table if they negotiate on fees charged by lenders, closing companies and title insurers.

<http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2008/08/03/REI11PGEA.DTL>

FAIR HOUSING

CONTRA COSTA TIMES: Tri-Valley landlords discriminate – By Jeanine Benca, Valley Times // A recent study of fair housing practices found that about 30 percent of landlords tested in the Tri-Valley and other parts of the East Bay treated prospective tenants differently depending on race. The Eden Council for Hope and Opportunity, a 44-year-old East Bay nonprofit that specializes in fair housing, tested 111 properties in

Alameda, San Mateo and Santa Clara counties — sending out one black and one white applicant to each, to see how they would be treated.

http://www.contracostatimes.com/ci_10087355

HOMELESSNESS

SAN JOSE MERCURY NEWS: Stable housing is key to curbing homelessness

(Editorial) // A little-heralded breakthrough of the past few years has been the discovery of a strategy to reduce homelessness that actually works. If the success of the "Housing First" approach continues, America could achieve the domestic equivalent of bringing down the Berlin Wall. The basic premise is that if you get the chronically homeless into housing and line up the services they need to deal with their problems, they actually stay in the homes.

http://www.mercurynews.com/opinion/ci_10084798

ECONOMY / EMPLOYMENT

SAN FRANCISCO CHRONICLE: Feds likely to hold rates steady amid

crosscurrents – By Jeannine Aversa // An ugly brew of rising unemployment, spiking foreclosures and gyrating energy prices is plaguing the country and making life difficult for Federal Reserve Chairman Ben Bernanke as he tries to right the economy. Bernanke and his central bank colleagues are faced with dueling problems: weak economic growth and advancing inflation. To treat one risks aggravating the other. So the Fed is widely expected when it meets Tuesday to leave a key interest rate alone.

<http://www.sfgate.com/cgi-bin/article.cgi?f=/n/a/2008/08/03/financial/f172125D19.DTL>

TRANSPORTATION

SAN JOSE MERCURY NEWS: San Francisco may charge drivers – By Dennis Cuff

// Adolfo Cabral lived and worked much of his life in San Francisco until housing prices forced him a decade ago to move across the Bay to western Berkeley. He's not happy San Francisco is considering a plan to charge him — and thousands of other commuters — a fee to drive into the city's most congested downtown areas during rush hours....To fight gridlock, smog and global-warming gases, San Francisco is considering becoming the first city in the nation to impose congestion-management fees during rush hour to drive into and possibly out of the busiest downtown areas.

http://www.mercurynews.com/breakingnews/ci_10090871

NATIONAL HOUSING NEWS

ORANGE COUNTY REGISTER: We're overinvested in homes/ Government

subsidies contributed to housing debacle; Congress' answer is to add more subsidies – By Robert J. Samuelson (Column) // The real lessons of the housing crisis have gotten lost. It's portrayed as the financial system run amok; the housing market became a casino. The remedy is to enact rules that prevent a repetition. All this is partly true. But it ignores a larger truth: Our infatuation with homeownership, embedded in dozens of government policies, has turned housing – once a justifiable symbol of the American Dream – into something of a National Nightmare.

<http://www.oregister.com/articles/housing-fannie-freddie-2111867-government-mortgages>

GOVERNMENT SITES:

California Dept. of Finance – Governor's Budget

http://www.dof.ca.gov/Budget/Historical_Documents.asp

California Dept. of Housing & Community Development - Press Releases
<http://www.hcd.ca.gov/news/release/>

California Dept. of Housing & Community Development – Housing Policy Development Bibliographies
<http://www.hcd.ca.gov/hpd/biblio.html>

California Dept. of Housing & Community Development – HCD Web News
<http://www.hcd.ca.gov/hpd/news/index.html>

California Housing Financing Agency
<http://www.calhfa.ca.gov/>

California Tax Credit Allocation Committee
<http://www.treasurer.ca.gov/ctcac/>

California Debt Limit Allocation Committee
<http://www.treasurer.ca.gov/cdlac/>

HUD Newsroom
<http://www.hud.gov/news/>

Fannie Mae Foundation- KnowledgePlex
<http://www.knowledgeplex.org/>

Federal Register, Today's Table of Contents
http://www.access.gpo.gov/su_docs/aces/fr-cont.html

Federal Register, Year 2008 Recent Table of Contents
http://www.access.gpo.gov/su_docs/fedreg/frcont08.html

U.S. Census Bureau
<http://www.census.gov/main/>

California Supreme Court Decisions / California Courts of Appeal Decisions (last 100 days are posted in full text)
<http://www.courtinfo.ca.gov/opinions/>

COVERAGE INFORMATION:

California Department of Housing and Community Development WEB NEWS service coverage:

Mondays, Wednesdays and Fridays each week includes electronic format articles retrieved from newspapers or news services that report housing and community development news in California and some national services. Coverage is for California newspapers that are available electronically via the Internet – and any significant related breaking news.

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