

HOUSING

Housing in Tuolumne County is not just about shelter. When families have access to attainable housing, they put down roots, support local businesses, and contribute to a vibrant economy. By prioritizing housing, we create opportunities for families, strengthen our workforce, and preserve the character of our towns while preparing for the future.



TABLE OF CONTENTS

Housing

Introduction	3
Narrative and Additional Benefits	4
Strategies	7
Recent and Current Projects	11
Data Concerning Housing	
<i>Located in the "Data" Supplemental Document</i>	
Number of Homes, Owners vs Renters	A
Size of Household	B
Household Income	C
Expenditures on Shelter	D
Rental Cost and Housing Growth	E
Housing Development Applications Submitted	F
New Construction, Entitlements, Permits, and Completed Units	G
Construction Costs	H



INTRODUCTION

Problem Statement

The County of Tuolumne, like much of California, is experiencing a housing crisis. The shortage of attainable housing is a significant barrier to economic growth, limiting opportunities for residents and businesses alike.

Theory of Change

By strategically leveraging available policy tools and resources, an environment can be created that encourages the building and making existing housing attainable.

Overall Goal

- **Expand Housing Supply:** Increase the availability of housing to meet demand.
- **Support Business Growth:** Ensure businesses can establish and expand in the County by providing adequate housing for local employees.
- **Reduce Housing Costs and Boost Local Spending:** Lower the financial burden of housing so residents have more disposable income to support the local economy.
- **Strengthen Tax Revenue:** Grow the local tax base to enhance funding for essential public services.
- **Retain Local Talent:** Prevent “Brain Drain” by ensuring individuals who want to live and work in the County have access to housing.



NARRATIVE

Problem Identified

The housing crisis in Tuolumne County is a major barrier to economic growth, impacting both residents and businesses.

Limited housing supply restricts workforce mobility, making it difficult for employees to live near job opportunities, which in turn discourages businesses from establishing or expanding in the area. High housing costs reduce disposable income, leaving residents with less to spend at local businesses, ultimately slowing economic activity.

The construction industry is also struggling with rising material costs. According to the DGS California Construction Cost Index (CCCI), construction costs have risen around 40% since 2020. Along with high insurance rates, stricter regulations, and challenges in securing financing for new developments, these factors push builders away from constructing attainable housing, particularly starter homes.

Additionally, topography, limited available land, and infrastructure constraints further deter developers from pursuing projects in the County.

Without an adequate housing supply, some potential new residents have been forced to relocate elsewhere in search of affordability, contributing to workforce shortages and "brain drain." The overall effect is a weakened local economy, reduced tax revenue, and fewer resources for public services and infrastructure improvements.

This issue is not unique to Tuolumne County or even California; communities across the nation are experiencing similar housing shortages, driven by rising construction costs, regulatory challenges, and a lack of affordable options, all of which are straining local economies and workforce stability.

"Real estate prices have reached the point in this country that some people can't even afford to live out near the woods. The U.S. Forest Service found this out. They oversee millions of acres in the mountains of Colorado. They try to hire people, and more than half the time they offer a job, the applicant says the rent is too darn high. Colorado Public Radio's Andrew Kenney reports. – National Public Radio (NPR) "U.S. Forest Service aims to build more attainable housing for staff in Colorado" September 27, 2023



Opportunity

The current housing crisis presents a significant challenge, but it also creates opportunities to drive meaningful change. Local community meetings have shown that many residents recognize the detrimental effects of the housing shortage, not just on the economy but also on the well-being of their friends, family, and neighbors. This shared understanding is a crucial step toward advancing initiatives that can lead to real solutions.

“At first, rapidly rising housing costs seemed like a regional problem. It made sense that places like San Francisco, which was already expensive, filled with well-paid tech workers and hamstrung by stringent building regulations, would be in crisis. Much of the rest of the country was still affordable, however, so high-cost “superstar cities” were seen as an exception instead of a warning. Now California’s problem is everywhere. Double-income couples with good jobs are priced out of homeownership in Spokane, Wash. Homeless encampments sprawl in Phoenix. The rent is too damn high in Kalamazoo.” – New York Times, “What Kalamazoo (Yes, Kalamazoo) Reveals About the Nation’s Housing Crisis” August 26, 2024

While the crisis has now expanded nationwide, making it feel overwhelming, this also opens the door for collaboration on a broader scale. As housing affordability issues spread beyond traditionally expensive regions, policymakers and stakeholders at all levels are more engaged in seeking solutions.

Locally, there are several levers we can pull to make progress, including engaging with state regulators, streamlining local processes, adjusting regulations, and refining messaging to attract more residents. Additionally, aligning housing initiatives with other placemaking efforts in town centers can help create vibrant, sustainable communities. By taking a proactive approach, we can leverage this moment to implement changes that improve housing availability and support economic growth.



Solution

While the housing crisis is a national issue, Tuolumne County has tools at its disposal to create an environment that supports housing development and neighborhood improvements. A comprehensive approach is needed; one that not only addresses the symptoms of the housing shortage but also tackles the underlying factors within local control. Many solutions are already in progress, with measurable results, as outlined in the section on ongoing initiatives. Updating local regulations can reduce barriers for builders through favorable zoning and land use policies, faster housing production timelines, and lower construction and development costs. Financial assistance, whether through local programs or grants, can help residents buy or improve homes, fostering long-term wealth and community stability.

A well-crafted local housing plan should consider community character, ensuring new developments enhance the sense of place and connection within towns. Expanding the housing supply through policies that encourage mixed-income developments, rental assistance programs, and infrastructure investment, such as improved transportation access, will further support economic growth.

Additionally, public-private partnerships are crucial for identifying challenges and streamlining development processes. Transparent communication about housing initiatives, such as publicly sharing application and permit timelines, can build trust and attract new investment. By promoting the benefits of living in Tuolumne County and working collaboratively, the County can create a housing market that meets the needs of its residents and supports long-term prosperity.

Additional Benefits

Community Stability: Housing insecurity is linked to social challenges such as increased poverty, higher crime rates, and lower educational attainment, all of which can weaken the fabric of a community. When residents have access to stable, attainable housing, families can put down roots, children can thrive in consistent school environments, and neighborhoods can become more connected.

Impact on Productivity: Reducing housing stress improves individual well-being and workplace productivity, as employees who aren't worried about unstable living situations can focus more on their jobs. By ensuring more residents have access to safe and affordable homes, Tuolumne County can build a healthier, and more resilient community.



STRATEGIES

To effectively address the challenges and capitalize on the opportunities, the following strategies should be implemented:

A

Review Local Regulations

Tuolumne County should evaluate and revise overly restrictive regulations that increase development costs and limit housing availability. For example, adjustments to parking requirements can lower costs for developers and make projects more feasible. Additionally, reducing zoning restrictions for Accessory Dwelling Units (ADUs) and tiny homes can provide more housing options while maintaining safety and livability standards. Updating building codes to allow for innovative and attainable housing solutions will further support growth while ensuring community needs are met.



B

Create Favorable Zoning Policy

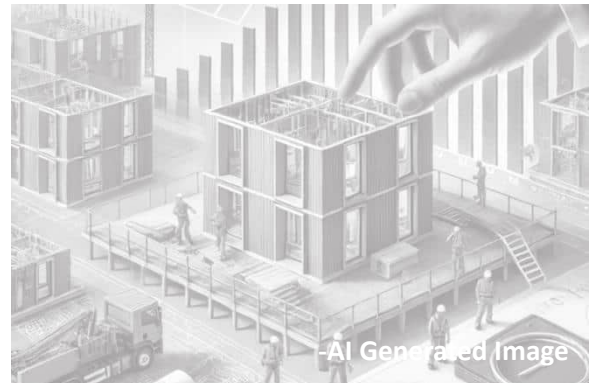
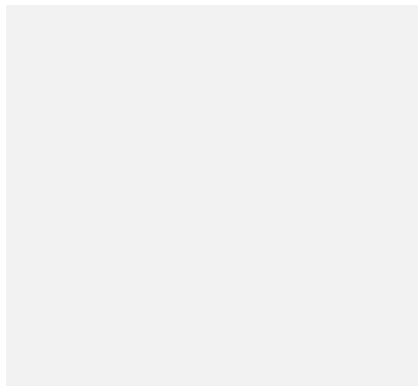
Revising zoning laws can create opportunities for more diverse housing options, including mixed-income developments and higher-density housing in strategic locations. Encouraging infill development in downtown corridors and other underutilized areas will help maximize land use efficiency. Expanding density bonus programs can incentivize attainable housing construction, particularly in high-resource areas where access to jobs and services is stronger. These changes will encourage developers to build more housing while ensuring zoning policies align with long-term community needs.



C

Reduce Construction and Development Time and Costs

Streamlining the housing approval process will accelerate development and reduce unnecessary delays. Implementing an online permitting system can improve efficiency, while workforce training programs will increase the availability of skilled construction workers, reducing labor shortages. Objective design standards should be adopted to allow for ministerial approvals, eliminating lengthy discretionary reviews. Additionally, creating a Master Environmental Report can simplify compliance, and expediting the approval process for ADUs will help increase the local housing supply more quickly.



D

Provide Financial Assistance

Expanding financial assistance programs can make housing more accessible for residents. Rental assistance programs will help low-income individuals afford stable housing, while grants and funding opportunities can support home improvements for homeowners and landlords. Investments in energy efficiency, home hardening, and façade improvements can lower long-term costs and increase property values. Additionally, directing funds toward preserving attainable housing units at risk of conversion to market-rate rentals will ensure that existing housing remains accessible to lower-income households.



E

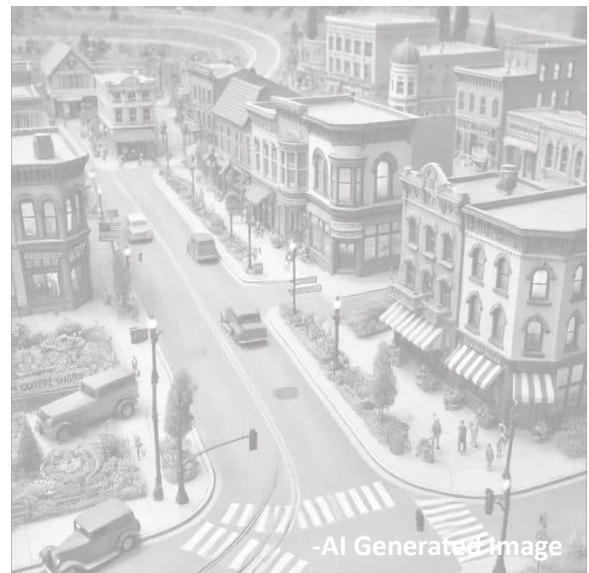
Strengthening Housing Messaging and Public Engagement

Improving communication about housing initiatives will encourage public support and developer participation. Increasing transparency through public postings of housing application and permit timelines will help residents and businesses stay informed. Expanding public-private partnerships can help identify and address development barriers more effectively. Promoting Tuolumne County as a housing-friendly market will attract developers, and engaging the community through outreach and education will foster broader acceptance of new housing projects.

F

Develop and Place-Based Town Center Rejuvenation Plan

Integrating housing development with town center rejuvenation efforts can create vibrant, connected communities. Mixed-use developments that combine housing with retail, cultural, and social spaces will enhance the overall livability of the area. By encouraging walkability and creating spaces that reflect the local identity, Tuolumne County can foster a strong sense of place while addressing housing shortages. A strategic, place-based approach will ensure that new development supports both economic growth and community well-being.

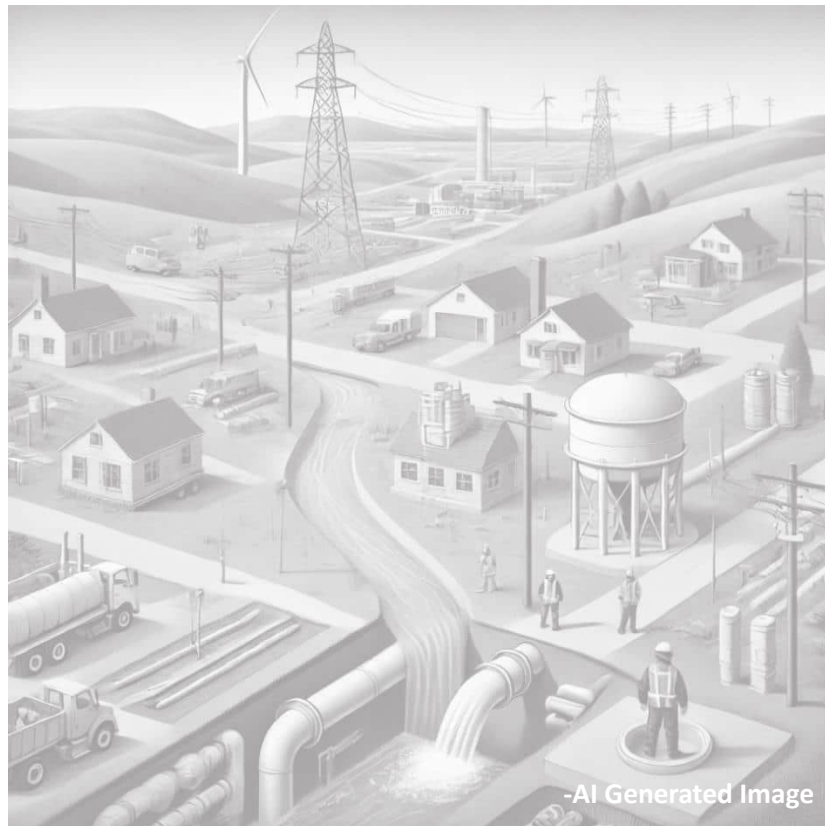


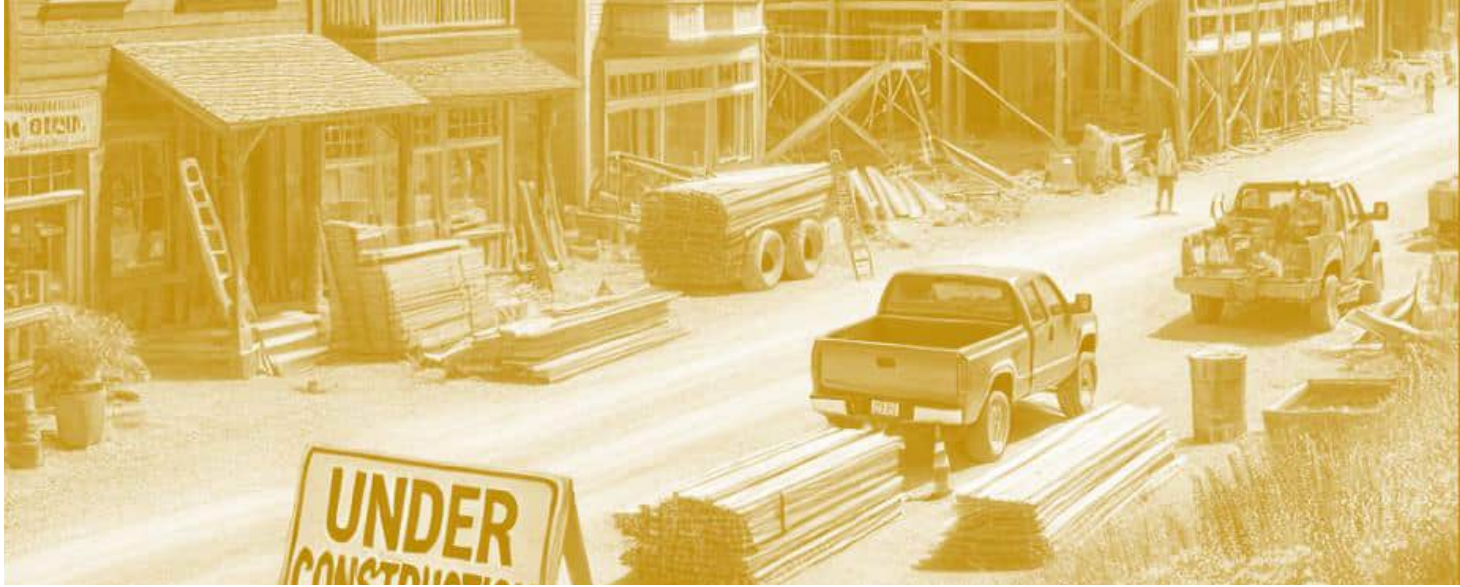


G

Invest in Critical Infrastructure

Investing in infrastructure improvements will support housing development and improve quality of life for residents. Upgrading water, sewer, electricity, broadband, and roads will make new housing projects more viable and sustainable. Prioritizing infrastructure improvements in high-demand areas will encourage responsible growth, and securing funding opportunities will help reduce the financial burden on developers and local governments. These investments will ensure that Tuolumne County remains prepared for future housing and economic needs.





CURRENT AND RECENT PROJECTS

Numerous projects in Tuolumne County are either being implemented or have recently been completed, which align with this strategy.

Pro-Housing Designation and Application

In November 2024, the Community Development Department (CDD) submitted a Pro-Housing Designation Application to the Department of Housing and Community Development (HCD). This designation provides incentives for jurisdictions that comply with State Housing Element Law and have enacted pro-housing policies. If approved, Tuolumne County will receive priority points or other preferences when applying for competitive housing and infrastructure funding programs. These incentives will help accelerate housing development by improving the County's ability to secure critical resources for new housing projects and infrastructure improvements.

Housing Collaborative

The Housing Collaborative of Tuolumne County is a coalition of nonprofits, builders, realtors, and community stakeholders working together to address the county's housing challenges. Their primary focus is on increasing housing availability for workers and young families, who are currently underserved in the local housing market. By fostering collaboration among key partners, the group aims to identify barriers to development, explore solutions, and advocate for policies that support attainable housing options in the community.



County Ordinance Update

In April 2024, Tuolumne County updated Title 17, Zoning of the County Code of Ordinances to align with the goals of the 2018 General Plan Update. This revision aimed to modernize zoning regulations, making them more user-friendly, transparent, and predictable while addressing key housing challenges. The update incorporated land use policies from the General Plan, streamlined the housing approval process, and improved regulations for Accessory Dwelling Units (ADUs) in line with the County's Senate Bill 2 Planning Grants Program. Additionally, the changes ensured compliance with State and federal laws, responded to community concerns, and promoted infill and mixed-use development in designated communities. These updates are designed to facilitate housing production and create a more efficient, accessible, and consistent regulatory environment for future development.