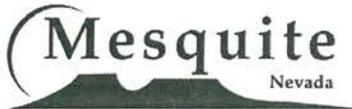




**Planning and
Environmental
Resources**

10 E. Mesquite Blvd.
Mesquite NV 89027
(702) 346-2835

Housing Element



RESOLUTION NUMBER 496

A RESOLUTION ADOPTING THE HOUSING ELEMENT AS A PART OF THE CITY OF MESQUITE MASTER PLAN

WHEREAS, Section 278.170, Nevada Revised Statutes, provides that the City of Mesquite may prepare and adopt a HOUSING ELEMENT, to be included in the existing master plan for all or any part of the City;

WHEREAS, Section 278.160, Nevada Revised Statutes, specifies that the master plan shall include the following subject matter: community design, conservation plan, economic plan, historic properties preservation plan, housing, land use plan, population plan, public plan, solid waste disposal plan, streets and highways plan, transit plan, and transportation plan, and such other plans as judged necessary; and

WHEREAS, the master plan for the City of Mesquite was adopted in 1994 and significant changes have occurred in the City since that time.

WHEREAS, a public hearing on the adoption of the City of Mesquite master plan, including the HOUSING ELEMENT, was held May 22, 2007 by the City Council of Mesquite, Nevada; and

WHEREAS, the proposed amendment is the first amendment to the Plans in 2007, and therefore does not exceed the four permitted amendments in a calendar year, as specified in Section 278.210 (4), Nevada Revised Statutes; and

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and City Council of Mesquite, Nevada, does hereby adopt and endorse the HOUSING ELEMENT into the existing master plan for the City of Mesquite.

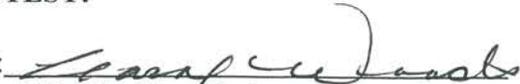
IN WITNESS WHEREOF, the Mesquite City Council hereby adopts Resolution No. 496 for the reasons and purposes set forth herein on this 22nd day of May 2007.

THE CITY OF MESQUITE, NEVADA

By: _____


Bill Nicholes, Mayor

ATTEST:

By: 
Carol Woods, City Clerk

Acknowledgements

City of Mesquite Mayor & City Council

Bill Nicholes, Mayor
David Bennett, Mayor Pro-Tem
Donna Fairchild, Council Member
Susan Holecheck, Council Member
R. Bubba Smith, Council Member
Bill Wells, Council Member

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Introduction

The City Mesquite is a growing city, with an estimated population in 2006 of 17,686. The community is situated in Southeast Nevada on I-15 along the Virgin River Valley and adjacent to the Arizona State line. The community was founded in the late 1800’s by Mormon settlers and sustained steady growth as an agricultural community until the 1990’s, when it was discovered as a resort community by the retiring baby boomers from across the United States.

The establishment of several hotel resorts with gaming and entertainment adds to the attractiveness of the community. The warm winters and beautiful scenic mountain vistas and desert have attracted seasonal residents to many Southern Nevada and Arizona communities. The influx of new residents consists of a diverse mix from all walks of life. Recently, the economic recession in the Northern industrial states has stimulated additional migration from the North to the Southwest by families who might not normally be relocating.

These economic conditions have the potential to leave a lasting impact on the character of the City. It is critical that the housing issues that are facing the City are inventoried, reviewed, analyzed and remedies determined to allow the City to remain the type of community where you “Come for a day and stay for a Lifetime.”

The Housing Element of the Mesquite Master Plan will help to shape the future development of the community. The reshaping must address the prescribed social and safety goals, while also encouraging the development of housing, living and social environments that allows for people of all walks of life to flourish.

Existing Housing Conditions

The number of housing units climbed 10 percent from 6,593 on July 1, 2005 to 7,376 in 2006. About 77 percent of the existing housing stock was built after 1995. Approximately 43 percent of the dwelling units are single family detached. The development of multi-family condominiums and other attached developments provide some affordable housing options for the influx of newcomers. Approximately 57 percent of the housing units are multifamily apartments, townhouses, or condominiums. Table 1-1 shows the distribution of housing units by type.

Table 1-1 City of Mesquite Housing Characteristics 2006								
Year	Housing Units	Single Family	Plex	Mobile Home	Apts	Twnhs	Condo	Occup. Rate
2006	7,377	3,173	58	312	410	1,796	1,628	90.8%
Vacant	677	111	8	24	59	259	235	
Source: Planning and Redevelopment Department								

Total number of rental properties in the City of Mesquite is estimated at 700, based on an informal survey of five rental management companies in Mesquite. As of March 21, 2007, there were 37 single family homes available for rent, 31 condos available and 22 townhouses and/or duplexes available.

Affordable and Attainable Housing in Mesquite

The State of Nevada defines affordable housing as residential units that a household who does not earn greater than 80 percent of the median gross income can purchase or rent. Affordable housing is oftentimes referred to as low income housing.

Attainable housing is a term used to describe housing which meets the needs of the workforce in the community. Attainable housing is defined as residential units that a household who does not earn greater than 120 percent of the median gross income can buy or rent.

According to the Mesquite Realtors Association, single family home prices have steadily increased for the past few years, as shown below:

- 2003 Average sales price was \$174,278
- 2004 Average sales price was \$221,247
- 2005 Average sales price was \$273,247
- 2006 Average sales price was \$347,494

Census statistics for the Virgin Valley indicate that a significant amount both home owners and renters are spending 30 percent or more of their household income on housing. Local realtors agree that approximately 30-40 percent of the household income is devoted to housing expenses.

The 2000 Census reported the following values for the Virgin Valley, which includes Mesquite, Scenic, Bunkerville, and Beaver Dam/Littlefield areas.

- Average household size = 2.73
- Average family size = 3.17
- Owner occupied housing units = 2,887 (66.2%)
- Renter occupied housing units = 1,473 (33.8%)
- Median household income = \$39,507
- Median family income = \$42,163
- Percentage of owner occupied units spending 30 percent or more of household income on mortgage costs = 19.3%
- Median Rent = \$596
- Percentage of renter occupied units spending 30 percent or more of household income on rent = 33.1%

Table 1-2 considers how much the median income family can qualify to purchase. It factors in the monthly income that is devoted to housing costs and calculates the home price based on monthly payments.

Table 1-2 Median Income Compared with Home Price Loan Rate of 6% and Down Payment of 3%						
	Annual Income	Monthly Income	30% of monthly Payment	30% of monthly Home Price	40% of monthly Payment	40% of monthly Home Price
Median Family Income	\$42,163	\$3,513.58	\$1,057.07	\$150,000	\$1,405.43	\$205,000
80% of Median Family Income	\$33,730	\$2,810.83	\$843.25	\$115,000	\$1,124.33	\$155,000
120% of Median Family Income	\$50,596	\$4,216.33	\$1,264.90	\$170,000	\$1,686.53	\$250,000
Note: These figures are based on the USDA Rural Housing loan. They do not include any PMI or MIP insurance that would be required for a Conventional or FHA loan. Median income reported in 2000 Census. Source: Lori Johnson, First Greensboro Home Equity						

The United States Department of Agriculture (USDA) Rural Development office provides homeownership opportunities to low income, rural families and individuals through financing with no down payment at favorable rates and terms. The loans can be used to acquire existing homes and new homes, or to purchase or repair a home that needs renovation or to meet accessibility needs.

The Mesquite Realtors Association provided the City of Mesquite with a snapshot look at housing prices for the Mesquite and Bunkerville areas. For the week of March 13, 2007, the housing market contained 326 units for sale, with prices ranging for single family homes from \$174,900 to \$1.89 million. For single family homes on the market, the average sale price was \$428,647 and the median sale price was \$372,500.

For condominiums and townhomes on the market, sale prices ranged from \$63,900 to \$550,000. The average condominium and townhome sale price was \$217,477 and the median sale price was \$209,900. Please refer to Figure 1-1 and Figure 1-2, which characterize the market snapshot:

Figure 1-1
Single Family Homes on Market by Price Range

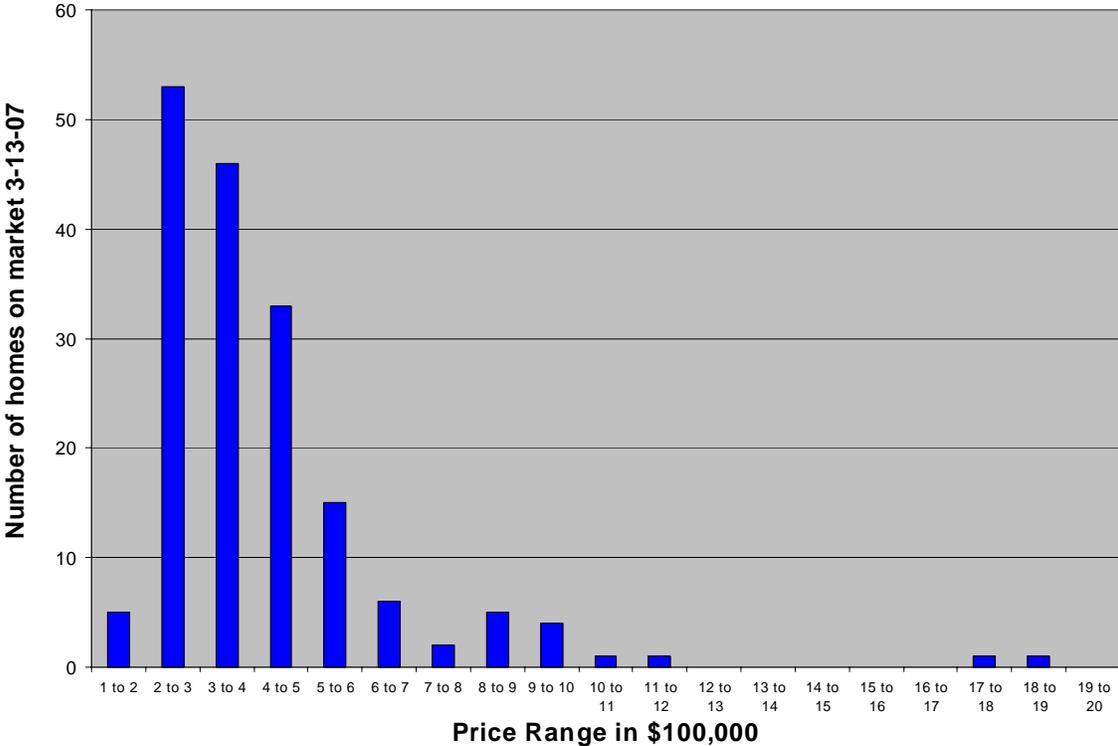
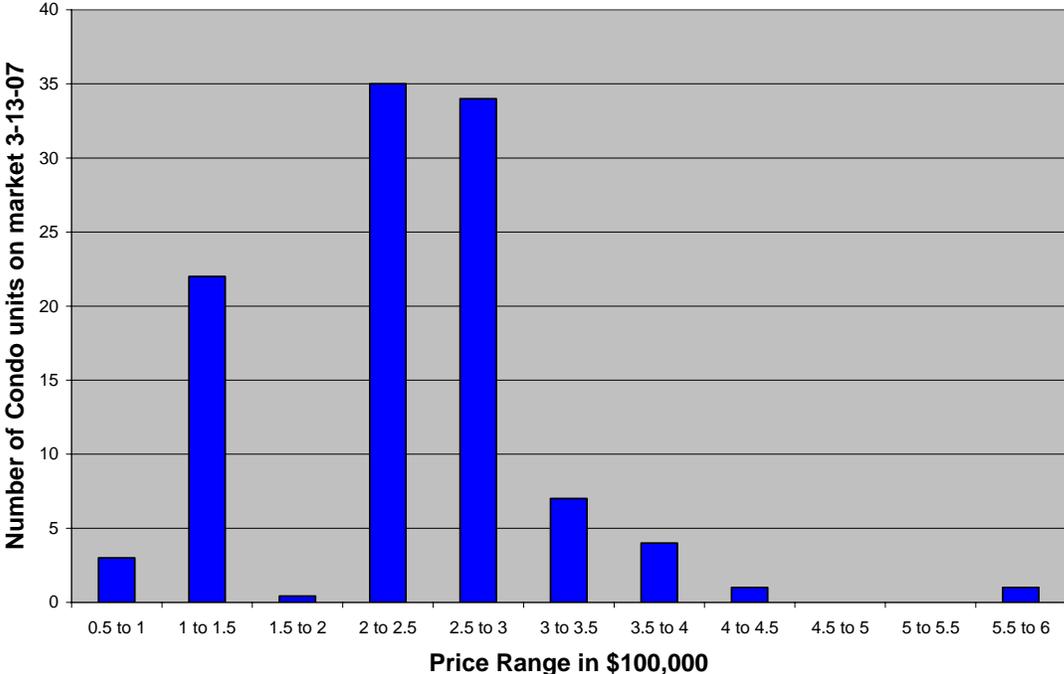


Figure 1-2
Condos and Townhouses on Market by Price Range



Demographics of the Community

The Southern Nevada Regional Planning Coalition reports that Clark County's population will surpass 2 million people by mid-2007. The growth rate of 8,000 persons per month is expected to continue in coming years. 2006 population estimates of 17,686 for the City of Mesquite show an increase of 6.5 percent over the 2005 estimate of 16,601; however, the State Demographer still must certify the 2006 counts.

Please refer to the adopted Population Element of the Mesquite Master Plan for further details about estimated population values, the resident population by age groups, and yearly reported housing characteristics.

Present and Prospective Needs for Affordable and Attainable Housing

According to the academic evidence reviewed by the Brookings Institution in 2002, market demand, not land constraints, is the primary determinant of housing prices in a community. The high quality of life in Mesquite attracts more residents, which increases the demand for and price of housing in the community.

In December of 2006, Porter and Associates, Inc., performed a market analysis of the community for an affordable housing developer. The market analysis completed a physical inspection of the market area, reviewed all relevant data, and conducted personal interviews with local apartment managers, government officials, and service providers, in order to provide independent conclusions about the community.

The report considered the primary market area as the area within a five-mile radius, which included the entire City of Mesquite, the Town of Bunkerville, Nevada, and portions of unincorporated Lincoln County, Nevada and unincorporated Mohave County, Arizona. The report observes limited economic activity and employment within the market area, except for the casino resorts. The market area is predominately residential land uses.

The population of the study area has grown substantially over the last 16 years, with overall income levels generally rising. The report determined that 20 to 28 percent of the population could currently qualify for housing units developed with low income housing tax credits. The report concludes there is sufficient demand for the development of low income housing, as the population continues to expand and industry is added to the study area.

Impediments to Development of Affordable and Attainable Housing

At this time, some of the impediments to affordable housing development are the high market demand for housing from incoming residents, which has driven the cost of land and homes up. The large numbers of newcomers from more expensive regions, where land and housing costs are double the average housing costs here in Nevada, has caused the prices in Mesquite to seem extremely low by comparison. Some newcomers are willing to pay significantly higher prices for a home like the one they sold in other states.

Land Characteristics Suitable for Affordable and Attainable Housing

The majority of undeveloped land around the City of Mesquite has been acquired from the Federal Bureau of Land Management (BLM). Some of the land purchased by the City of Mesquite has been resold to developers. The majority of this land is desert and alluvial foothills, which require large expenditures of capital to develop through extensive grading and the installation of water, sewer and roads. The cost of infrastructure has driven up the land costs. In some instances, the City has sold land in exchange for the inclusion of low-cost housing in the project.

Areas considered suitable for affordable and attainable housing should include nearby access to services, goods, employment centers, medical care and transportation, such as bus lines. Higher density housing and mixed use developments are encouraged in the Downtown Central Business District. Developing areas, which are pedestrian friendly, can also enhance the function and desirability of these housing products. Rather than targeting or isolating housing into specific areas of the community, the community’s goal focuses on spreading opportunities for affordable and attainable housing into a variety of areas.

Housing Goals, Policies and Actions

The following goals emphasize what the community wants to achieve over the long term. The policy and action statements identify specific activities and standards to achieve the housing goals.

General

Goal: Ensure the availability of a variety of housing types which meet the needs of the diverse population.

Policy/Actions:

HS. 1.1 Encourage increased opportunities for home ownership.

HS.1.1.1 The City will advocate opportunities for private ownership of single family dwellings, condominiums, or cooperative housing units.

HS.1.2 Support provision of a wide range of housing options and residential densities throughout the community.

HS.1.2.1 The City will advocate development of varied housing types in a range of prices, when it is consistent with the Master Plan.

HS.1.2.2 The City Master Plan and Zoning Map shall provide a balance of land uses that include sufficient opportunities to develop multi-family or higher density residential units.

HS.1.2.3 The City will recognize the need to maintain a mix of for-sale and rental housing in the City.

HS.1.3 Higher density housing and mixed use developments shall be encouraged in the Downtown Central Business District, which support nearby cultural, civic, historic and commercial activity centers.

HS.1.4 The City will work with federal and state departments and agencies to acquire land for community affordable and attainable housing needs.

HS.1.5 Residential development shall incorporate adequate buffering and landscaping to avoid the appearance of “wall to wall” neighborhoods and communities.

HS.1.5.1 Clustered housing developments may be considered when they promote conservation of natural areas or include significant open space.

Housing Resources and Availability

Goal: Encourage affordable housing for employee populations that will facilitate and attract employment and other economic development.

Policy/Actions:

HS.2.1 Support the efforts of nonprofit corporations to provide affordable and attainable housing opportunities and to take advantage of federal or state below-market project funding.

HS.2.2 Encourage local employers to develop financing programs that will assist their employees in acquiring affordable and attainable housing and ownership opportunities.

HS.2.4 Promote local, state and federal programs to encourage rehabilitation of existing housing stock and preservation of neighborhoods to ensure continued availability of affordable and attainable housing units.

HS.2.4.1 The City will encourage existing, older neighborhoods to upgrade and/or rehabilitate homes and buildings through appropriate code enforcement and incentive programs.

H.S.2.4.2 Improve the quality of housing and neighborhoods by educating landlords, tenants, and property owners about code compliance issues and property maintenance standards.

HS.2.6 Encourage the development of new energy efficient housing and energy retrofitting for existing housing stock to lower average monthly housing costs.

HS.2.7 Encourage placement of multi-family development in proximity to major employment centers.

HS.2.8 Provide appropriate development standards and incentives to facilitate accessory dwellings, and other alternative types of housing.

Residential Development and Neighborhood Planning

Goal: Ensure the availability of a variety of housing types which meet the needs of the diverse population.

Policy/Actions:

HS.3.1 Facilitate a variety of housing products for all income levels.

HS.3.2 Adopt provisions to designate and retain a percentage of the residential development as workforce housing.

HS.3.2.1 The City shall evaluate voluntary, inclusionary zoning provisions with meaningful community involvement.

HS.3.2.2 Identify suitable City owned land for workforce housing

HS.3.2.3 Workforce housing projects shall incorporate open space around future development areas.

HS.3.3 Develop and implement standards for multi-family housing locations and site designs to promote a high quality of life and safety for residents.

HS.3.4 Encourage opportunities for affordable, elderly and active adult housing.