CITY OF CHICO
INC 1872

HOUSING AND NEIGHBORHOOD
SERVICES DEPARTMENT

441 Main Street
P.O. Box 3420
Chico, CA 95927

(530) 879-6300
Fax (530) 879-6399
http://www.ci.chico.ca.us

June 8, 2011

HCD/Division of Housing Policy Development
P.O. Box 952053
Sacramento, CA 94252-2053

RE: Housing Element Annual Progress Report

To Whom It May Concern:

Enclosed is the City of Chico's Housing Element Annual Progress Report for 2010. The current Housing Element was adopted by the City and certified by State HCD in August of 2009. Please contact me at (530) 879-6302 or jcoles@ci.chico.ca.us with any questions.

Sincerely,

James Coles
Housing Manager

HOUSING POLICY
DEVELOPMENT, HCD

JUN 10 2011

EPA GREEN POWER PARTNER

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# ANNUAL ELEMENT PROGRESS REPORT
## *Housing Element Implementation*
(CCR Title 25 §6202 )

**Jurisdiction** City of Chico

**Reporting Period** 01-Jan-10 - 31-Dec-10

### Table A

### Annual Building Activity Report Summary - New Construction
### Very Low-, Low-, and Mixed-Income Multifamily Projects

| Housing Development Information | | | | | | | | | Housing with Financial Assistance and/or Deed Restrictions | | Housing without Financial Assistance or Deed Restrictions |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | | | | 5 | 5a | 6 | 7 | 8 |
| Project Identifier (may be APN No., project name or address) | Unit Category | Tenure R=Renter O=Owner | Affordability by Household Incomes: Very Low-Income | Low-Income | Moderate-Income | Above Moderate-Income | Total Units per Project | Est. # Infill Units* | Assistance Programs for Each Development: See Instructions | Deed Restricted Units: See Instructions | Note below the number of units determined to be affordable without financial or deed restrictions and attach an explanation how the jurisdiction determined the units were affordable. Refer to instructions. |
| | | | | | | | | | | | |
| Habitat 16th Street | SF | O | | 1 | | | 1 | 1 | HOME/RDA | Deed of Trust | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| | | | | | | | | | | | |
| (9) Total of **Moderate and Above Moderate** from Table A3 ► ► | | | | | 0 | 415 | 415 | | | | |
| (10) Total by income Table A/A3 ► ► | | | | 1 | | 415 | 416 | 1 | | | |
| (11) Total **Extremely Low-Income** Units* | | | | | | | | | | | |

* Note: These fields are voluntary

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### Table A2
### Annual Building Activity Report Summary - Units Rehabilitated, Preserved and Acquired pursuant to GC Section 65583.1(c)(1)

Please note: Units may only be credited to the table below when a jurisdiction has included a program it its housing element to rehabilitate, preserve or acquire units to accommodate a portion of its RHNA whichmeet the specific criteria as outlined in GC Section 65583.1(c)(1)

| Activity Type | Affordability by Household Incomes | | | | (4) The Description should adequately document how each unit complies with subsection (c )(7) of Government Code Section 65583.1 |
|---|---|---|---|---|---|
| | Extremely Low-Income* | Very Low-Income | Low-Income | TOTAL UNITS | |
| (1) Rehabilitation Activity | | | | 0 | |
| (2) Preservation of Units At-Risk | | | | 0 | |
| (3) Acquisition of Units | | | | 0 | |
| (5) Total Units by Income | 0 | 0 | 0 | 0 | |

* Note: This field is voluntary

### Table A3
### Annual building Activity Report Summary for Above Moderate-Income Units (not including those units reported on Table A)

| | 1. Single Family | 2. 2 - 4 Units | 3. 5+ Units | 4. Second Unit | 5. Mobile Homes | 6. Total | 7. Number of infill units* |
|---|---|---|---|---|---|---|---|
| No. of Units Permitted for **Moderate** | | | | | | 0 | |
| No. of Units Permitted for **Above Moderate** | 59 | 64 | 292 | | | 415 | |

* Note: This field is voluntary

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### Table B

### Regional Housing Needs Allocation Progress

**Permitted Units Issued by Affordability**

| Enter Calendar Year starting with the first year of the RHNA allocation period. See Example. | | | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | Total Units to Date (all years) | Total Remaining RHNA by Income Level |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Income Level | | RHNA Allocation by Income Level | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | | |
| Very Low | Deed Restricted | 1,560 | 192 | 14 | 30 | | | | | | | 236 | 1,324 |
| | Non-deed restricted | | | | | | | | | | | | |
| Low | Deed Restricted | 1,007 | 17 | 2 | 9 | 1 | | | | | | 29 | 978 |
| | Non-deed restricted | | | | | | | | | | | | |
| Moderate | Deed Restricted | 960 | | | | | | | | | | | 960 |
| | Non-deed restricted | | | | | | | | | | | | |
| Above Moderate | | 2,189 | 310 | 219 | 172 | 415 | | | | | | 1,116 | 1,073 |
| Total RHNA by COG. Enter allocation number: | | 5,716 | 519 | 235 | 211 | 416 | | | | | | 1,381 | 4,335 |
| Total Units ► ► ► | | | | | | | | | | | | | |
| Remaining Need for RHNA Period ► ► ► ► ► | | | | | | | | | | | | | |

Note: units serving extremly low-income households are included in the very low-income permitted units totals.

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### Table C

### Program Implementation Status

| Program Description (By Housing Element Program Names) | Housing Programs Progress Report - Government Code Section 65583. Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element. | | |
|---|---|---|---|
| **Name of Program** | **Objective** | **Timeframe in H.E.** | **Status of Program Implementation** |
| **2009-2014 Housing Element** | | | |
| H.1.1.1 | Assist in providing fair housing workshops for tenants and landlords. | Ongoing | The City funds four fair housing workshops each year: two facilitated by Legal Services of Northern California; and two facilitated by the North Valley Property Owners Association. |
| H.1.2.1 | Support regular fair housing audits to ensure that there are no regulatory constraints impeding persons from obtaining housing. | Annually | Will be conducted annually. |
| H.2.1.1 | Develop an Infill Incentive Program. | 2010-2011 | On May 12, 2011, the City adopted the Chico 2030 General Plan that includes: 1) an incentive program that allows priority project processing, deferral of fees, flexibility in development standards, density and intensity bonuses, and City support for infrastructure upgrades for infill development; 2) direction to develop a tiered impact fee program that promotes infill development and redevelopment; and 3) an Opportunity Site Corridor overlay that incentivize infill development. In July 2011, the Municipal Code Update (Phase I) will codify new development standards directed by the recently adopted General Plan aimed at promoting and incentiving infill. |
| H.2.1.2 | Amend the City's density bonus provision to make it consistent with current State law (GC 65915-65918). | 2010-2011 | Phase II of the Municipal Code Update includes this allowance, which is due to be adopted in Fall 2011. |
| H.2.2.1 | Leverage federal and state funding for 130 units of affordable rental housing. | 2011-2012 | City staff analyzed and pursued four potential projects that could receive an allocation of Low and Moderate Income Housing Funds in 2011. |
| H.2.3.1 | Annually complete a Housing Element review with the City Council. | Annually | Annual review is planned for December 2011. |
| H.2.3.2 | Develop an Affordable Housing Resource Guide. | 2010-2011 | Completed, published and distributed in 2010. |
| H.2.4.1 | Incorporate an education component to all affordable housing strategies and projects that will increase understanding of the need for affordable housing. | Ongoing | This has been incorporated into the annual Housing Element review with City Council, a written housing market report, community meetings and Council meetings. |

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| | | | |
|---|---|---|---|
| H.2.5.1 | Set up a Housing Trust Fund. | 2011-2014 | In process. |
| H.2.5.2 | Implement an Inclusionary Zoning program. | 2011-2012 | City staff will initiate a review of options beginning in 2011. |
| H.2.5.3 | Pursue an Employer Assisted Housing Program. | 2012-2013 | City will form a working group to research options in 2012. |
| H.2.5.4 | Assure the provision of affordable housing units within newly developed Special Planning Areas. | Ongoing | No new development plans within Special Planning Areas were proposed in 2010, however, as directed by the Housing Element, master planning in the City's four Special Planning Areas will require the inclusion of affordable housing units as they go through the entitlement process. |
| H.3.1.1 | Consider expanding the City's Sphere of Influence to increase available land for housing. | 2010-2012 | The Sphere of Incluence update can proceed with adoption of the Chico 2030 General Plan.Currently there is signficant land available to meet the City's near-term and mid-term housing needs, so the SOI update may not proceed for several years. |
| H.3.1.2 | Continue to implement the Transit Corridor Overlay zone to encourage higher density and mixed uses in underutilized transit corridors. | 2010-2011 | In 2010, City staff inventoried housing opportunities in the Transit Corridor Overlay, which will be updated annually. In the updated General Plan, development along the "Corridor" Opportunity Sites has been incentivized with policy language, but there is also directive language about meeting densities in the "mid-point" of the density range to promote higher densities. Following the lead of the updated General Plan, the Municipal Code update (due for adoption in July 2011) expands the City's "transit corridor" overlay to include three additional underdeveloped corridors. All of the parcels along these corridors have been given mixed use designations or the the designation allows some form of mixed use. |
| H.3.2.1 | Maintain an inventory of vacant and underutilized parcels that could potentially be developed with housing. | 2010-2014 | An inventory was completed and will be continually updated. |
| H.3.2.2 | Offer incentives to develop affordable housing, including: expedited review, financial assistance, and variances. | Ongoing | In process. |
| H.3.3.1 | Implement measures within adopted Neighborhood Plans, Master Plans and Specific Plans that encourage mixed-income housing near tranist. | Ongoing | New General Plan policy for the Special Planning Areas (where master plans and Specific Plans are required for development) requires a mix a housing units, as well as the provision of affordable housing. |
| H.3.3.2 | Continue to implement the Traditional Neighborhood Development Code. | Ongoing | In process. The first project within a Traditional Neighborhood Development Code subdivision was an RDA-assisted 90-unit affordable rental project that completed construction in 2011. A courthouse is now underdevelopment as well, and it is hoped that it will promote commercial activity that will help the Meriam Park Traditional Neighborhood Development move forward with other residential development. |
| H.3.3.3 | Modify the zoning code to promote greater design flexibility for residential developments in unique settings. | 2010-2011 | The Municipal Code allows and promotes design flexibility through the Planned Development process. In addition, greater flexibility is be integrated into the Code through the Municipal Code Update. Further, the City's Design Guidelines provide a range of design options for a variety of residential and non-residential projects. |

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| H.3.3.4 | Facilitate mixed residential-commercial development in commercial corridors served by transit. | 2010-2011 | All of the parcels along the City's commercial corridors have been given mixed use designations or the the designation allows some form of mixed use. The Municipal Code Update includes suppporting mixed use zoning districts. In addition, there are City incentives that support mixed use projects (see status of H.2.1.1). Two affordable projects to be developed on transit corridors have received a commitment of RDA funds and are in the pre-development. |
| H.3.4.1 | Amend the City's Design Review Manual to provide a more predictable and transparent entitlement process. | 2009-2010 | Complete. Design Guidelines Manual was adopted in 2010. |
| H.3.5.1 | Increase zoning densities around the CSU Chico campus to encourage construction of additional housing for students near campus. | 2010-2011 | New land use designations and an Opportunity Site overlay has been applied to the South Campus area that increases residential densities, increases non-residential intensities, and promotes mixed use. |
| H.3.6.1 | Provide necessary infrastructure to support residential development. | Ongoing | In process and ongoing. |
| H.4.1.1 | Develop a reasonable accommodation procedure for persons with disabilities. | 2009-2010 | Phase II of the Municipal Code Update includes this allowance, which is due to be adopted in Fall 2011. |
| H.4.2.1 | Encourage integration of childcare into family-oriented residential development. | 2010-2012 | In process. |
| H.4.3.1 | Provide an inventory of accessible and adpatable units and a "visatibility" brochure. | 2009-2010 | Completed in 2010. The inventory and brochure were completed in 2010 in coordination with Independent Living Services of Northern California. The brochure was distributed to the City Building Department, architects and builders. |
| H.4.4.1 | Encourage the development of a variety of housing options for the elderly. | Ongoing | In process. |
| H.4.5.1 | Continue the Tenant Based Rental Assistance Program (TBRA). | Ongoing | In 2009 and 2010, expanded program capacity and improved program performance. |
| H.4.6.1 | Amend zoning code to allow emergency shelters as a permitted use in the ML district without discretionary review. | 2009-2010 | Phase II of the Municipal Code Update includes this allowance, which is due to be adopted in Fall 2011. |
| H.4.6.2 | Amend zoning code to allow supportive and tranistional housing in all residential zones. | 2009-2010 | Phase II of the Municipal Code Update includes this allowance, which is due to be adopted in Fall 2011. |
| H.4.7.1 | Support the development of Single Room Occupancy (SRO) units. | Ongoing | City staff is pursuing opportunities in coordination with potential developers. |

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|---|---|---|---|
| H.4.8.1 | Encourage Chico State University to involve the community and coordinate with City government on plans for campus housing. | Annually | City Housing staff meet with Chico Campus Housing Department annually to discuss student housing plans. |
| H.5.1.1 | Continue to implement the neighborhood planning program. | Ongoing | City staff has secured funding to assess and redevelop a key brownfield site within the Southwest Chico Neighborhood Plan. In addition, RDA monies have utilized for priority projects indentified in the City's three neighborhood plans. |
| H.5.2.1 | Maintain a list of affordable housing development that are at risk of losing affordability covenants and work to preserve these units. | Annually | The list of at-risk developments was updated. |
| H.5.3.1 | Continue to imiplement Infill Residential Flag Lot Standards. | Ongoing | Ongoing as proposals are received. |
| H.5.4.1 | Conduct a Rental Rehabilitation Inspection Program to develop aprogram for rehabilitating rental complexes. | 2011-2012 | Will conduct initial inspection in 2012 if funding is available. |
| H.5.5.1 | Continue the City's owner-occupied rehabilitation program. | Ongoing | Program was continued through 2010. |
| H.5.6.1 | Establish an ongoing program to monitor and inventory housing conditions in the Chico Urban Area. | 2011-2014 | Will conduct housing condition survey by December 2012 if funding is available. |
| H.6.1.1 | Facilitate the development of an attached ownership housing demonstration project, such as townhouses or condominiums. | 2010-2012 | Lots have been assembled for development. Planning to build associated infrastructure improvements in 2011. Currently in process of finding a developer and refining development concept. |
| H.6.2.1 | Promote homeownership through the Mortgage Subsidy Program. | Ongoing | City staff continued to assist low and moderate income first-time homebuyers in 2010 with the Mortgage Subsidy Program. |
| H.6.3.1 | Assist the Urban Self-Help program for low-income first-time homebuyers. | 2011-2012 | City completed construction of six self-help homes in partnership with CHIP, and completed six self-help homes in partnership with Habitat for Humanity. Construction will begin an another 13 CHIP self-help homes in 2011. |
| H.6.4.1 | Promote home buyer education. | Ongoing | Continued to fund the Community Housing and Credit Counseling Center to provide homebuyer education counseling and workshops. |
| H.6.5.1 | Consider a land trust program to preserve housing affordability. | Ongoing | In process. |

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| | | | |
|---|---|---|---|
| H.7.1.1 | Disseminate informational materials to developers and project designers about green building strategies. | 2009-2014 | Information was collected from PG&E and is distributed to builders on an ongoing basis at the Planning and Building Department counters. |
| H.7.1.2 | Add provisions to the code that promote energy conservation and renewable energy systems. | 2009-2014 | The 2030 General Plan directs revisions to the Municipal Code to allow deviations from normal development standards such as height limits, setbacks, or screening when doing so is necessary to allow the efficient use of renewable energy devices. This will be completed as part of the Phase II Code Updates. In addition, the General Plan directs the incorporation of passive solar design principles (e.g., building materials, high-albedo roofs, eaves, window placement, landscaping, and building orientation) into the City's Design Guidelines Manual. This effort will be undertaken in the next 2 years. |
| H.7.1.3 | Explore financing options for installation of energy efficient measures and renewable energy systems in all new and existing housing projects. | 2009-2014 | In process. Began coordination of owner-occupied rehabilitation program with a Community Action Agency weatherization program that received federal stimulus funds. Two existing affordable rental developments have upgraded to solar power. In addition, the 2030 General Plan commits the City to explore implementation of a City-sponsored clean energy program to provide low-interest loans to property owners for the installation of energy efficiency improvements or renewable energy devices. |
| H.7.1.4 | Incorprate green building into projects receiving City funds that exceed current building code standards. | 2009-2014 | The newly adopted General Plan directs the incorporation of green building materials and techniques in projects financed by the City. There are also green building systems and materials in proposed for three housing projects, including: efficient tankless hot water systems; ample bike parking; drought-tolerant landscaping; and low-VOC paints and carpets. |
| H.7.2.1 | Partner with the local weatherization partner, Community Action Agency, to increase the energy efficiency of homes that receive assistance through the City's Housing Rehabilitation Program. | 2009-2010 | MOU with Community Action Agency drafted. |

**General Comments:**

The updated 2009-2014 City of Chico Housing Element was adopted in August, 2009.