HOUSING AND NEIGHBORHOOD
SERVICES DEPARTMENT

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March 23, 2012

Housing Policy Department
Received on:

MAR 2 6 2012

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 2011. 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

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 01/01/2011 - 12/31/2011

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		4			4	4	HOME/RDA	4	
Catalyst Cottages	SF	R	2				2	2	RDA	2	
Villa Serena	MF	R	9				9	9	RDA	9	
Parkside Terrace	MF	R	49	40			89	89	RDA	89	
(9) Total of **Moderate and Above Moderate** from Table A3 ► ►					0	234	234				
(10) Total by income Table A/A3 ► ►			60	44		234	338	104			
(11) Total **Extremely Low-Income** Units*			9								

* 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**	70	72	92			234	

* 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		60					296	1,264
	Non-deed restricted												
Low	Deed Restricted	1,007	17	2	9	1	44					73	934
	Non-deed restricted												
Moderate	Deed Restricted	960											960
	Non-deed restricted												
Above Moderate		2,189	310	219	172	415	338					1,454	735
Total RHNA by COG. Enter allocation number:		5,716	519	235	211	416	442					1,823	3,893
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) codified 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 late 2012.
H.2.2.1	Leverage federal and state funding for 130 units of affordable rental housing.	2011-2012	The Chico Redevelopment Agency committed Low and Moderate Income Housing Funds to two projects totaling 150 units in 2011.
H.2.3.1	Annually complete a Housing Element review with the City Council.	Annually	Annual review was completed in December 2011.
H.2.3.2	Develop an Affordable Housing Resource Guide.	2010-2011	Completed, published and distributed in 2010, and updated in 2011.
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.
H.2.5.1	Set up a Housing Trust Fund.	2011-2014	In process. Research has been conducted in 2011. Committee meetings will take place in 2012, with proposal presented to City Council in 2012.

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H.2.5.2	Implement an Inclusionary Zoning program.	2011-2012	City staff will initiate a review of options beginning in the 4th Quarter of 2012.
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 2011, 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 in 2010 and will be continually updated.
H.3.2.2	Offer incentives to develop affordable housing, including: expedited review, financial assistance, and variances.	Ongoing	Completed as incorporated into the 2030 General Plan and the Mucipal Code Update.
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. This has been incorporated into the 2030 General Plan and Municipal Code Update.
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 late 2012.
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 late 2012.
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 late 2012.
H.4.7.1	Support the development of Single Room Occupancy (SRO) units.	Ongoing	City staff is pursuing opportunities in coordination with potential developers.
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.

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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. One such at-risk development, Trans Pacific Gardens, will be acquired and rehabilitated in 2012.
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 2013 if funding is available.
H.5.5.1	Continue the City's owner-occupied rehabilitation program.	Ongoing	Program was continued through 2011.
H.5.6.1	Establish an ongoing program to monitor and inventory housing conditions in the Chico Urban Area.	2011-2014	Housing Conditions Inventory is underway in 2012.
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 2012. 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. However, the program was cessated in 2011 due to RDA dissolution.
H.6.3.1	Assist the Urban Self-Help program for low-income first-time homebuyers.	2011-2012	Since 2009, completed six self-help homes in partnership with CHIP, and eight self-help homes in partnership with Habitat for Humanity. Another 13 CHIP self-help homes will be complete in 2012.
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. Have applied for HCD Catalyst funds to capitalize this program within Meriam Park.
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.

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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 2011, six low-income occupied homes constructed by CHIP received solar photovoltaics through the Grid Alternatives program at no cost to the home owners. 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 executed in 2011.

General Comments:

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