Liza Conroy

From: Andrea [aredamonti@gridley.ca.us]
Sent: Thursday, December 30, 2010 1:42 PM
To: Liza Conroy
Cc: Keith
Subject: Annual Progress Report
Attachments: APR 2010.docx

Hi Liza,
Attached is Gridley's annual report. If you have any questions, please do not hesitate to call me. Thank you very much!

Hope you have a very happy New Year!
Andrea

Andrea Redamonti | Community Development Director
City of Gridley | 685 Kentucky Street | Gridley, CA 95948
✆ 530.846.3631 | 6 530.846.3229
✉ aredamonti@gridley.ca.us

A. Progress in Meeting Regional Housing Need

1. Total number of new housing permits issued
2. Describe the affordability, by income level, of new units including the number of deed restricted affordable housing units.
3. Compare units added to regional housing need allocation by income category (very low, low, moderate, and above moderate).

PERMITS ISSUED FOR HOUSING UNITS IN CALENDAR YEAR 2010

TOTAL HOUSING PERMITS ISSUED:

Address	AP#	Date issued
1436 Bowwood St.	010-370-041	10/12/2010
1444 Bowwood St.	010-370-040	10/12/2010
1460 Bowwood St.	010-370-038	10/12/2010
1468 Bowwood St.	010-370-037	10/12/2010

All of the above four (4) permits were for single-family dwellings, and were issued to the Community Housing Improvement Program (CHIP). CHIP requires that program participants have an income level at or below 80% of the area median income. This translates into very low (50% of area median) and low (80% of area median) income categories. Most applicants are qualified at the 50% of area median income level. Deed restrictions, including income eligibility and required owner occupancy, were placed on the dwellings. All four (4) of the houses have passed slab inspection and are currently at the framing stage.

On December 9, 2010, CHIP paid building permit fees for six (6) additional single-family dwellings at the Locust Estates Subdivision. The permits have not been issued yet. It is anticipated they will be issued by June of 2011.

B. The Effectiveness of the Housing Element in Attainment of the Community's Housing Goals and Objectives

PROGRAM EVALUATION

Program 1.A: Housing Inspection Program.

Expected Results: Inspection of 50 units.

Evaluation: The City continues to perform housing inspections as part of its regular Code enforcement activities and as deficiencies are reported. As a result, the City has inspected 59 homes in the past 5 years. In addition, as part of the recent plan

amendment for the redevelopment area, the City included blight analysis as a part of the inspection process for the redevelopment area. The City is currently following-up with noted deficiencies. In the course of its housing inspections, the City has noted a pattern of health and safety violations at the homes of absentee owners.

Program 1.B: Housing Condition Survey

Expected Result: The inspection of 50 housing units.

Evalution: The City conducted a housing survey in 2006. Staff conducted a visual survey of 2,093 housing units to observe degradation of non-structural components, such as siding, windows, and electrical systems, and structural components, such as foundation failure. Of the surveyed housing stock, 64 percent were found in need of some repairs, including 30 percent in need of moderate repairs and 12 percent that were found to be dilapidated or in need of substantial repairs. Based on these figures, approximately 149 housing units may be in need of rehabilitation, and 98 housing units may be in need of replacement over the next housing period. This program is continued as Housing Implementation Strategy 1.2, to provide for a 5-year update to the 2006 housing conditions survey.

Program 1.C. Housing Rehabilitation Program.

Expected Result: The rehabilitation of 30 housing units.

The City has made great progress in implementing this program. The City's Housing Program has successfully rehabilitated 22 units of housing during the last housing period. This program is continued as Housing Implementation Strategy 1.3.

Program 1.D: First Time Homebuyers Program

Expected Result: The determination of economic feasibility of a successful First- time Homebuyers Program for the City and the development of such a program, if feasible.

Evaluation: This program was not implemented due to financial constraints. The City will coordinate with the Sutter Area Consolidated Housing Authority to administer a First-Time Homebuyers Program.

Program 1. E Infrastructure Provision and Financing.

Expected Results: Reduction of housing development cost associated with infrastructure development.

Evaluations: The City conducted a Nexus Study of its fees in 2005 and made fee revisions in 2006. The City will undertake a comprehensive fee update and conduct a Nexus Study

to focus on the actual costs of infrastructure and explore opportunities to reduce fees for higher density and infill projects, where appropriate.

Program 1.F: General Plan and Housing Element Periodic Review and Update

Expected Result: Annual evaluation of the effectiveness of the General Plan, including Housing Element Goals, Policies, and Programs.

Evaluation: The City continues to implement this ongoing program and submits yearly reports to HCD.

Program 1.G Zoning Ordinance Review and Update.

Expected Results: Annual evaluation of the effectiveness of the Zoning Ordinance in achieving the goals of the General Plan and its compliance with State law.

Evaluation: The City continues to implement this ongoing program and has made revisions to its Zoning Ordinance. In 2004 the City drafted a Second Unit Ordinance that would no longer require a Conditional use permit for construction of second units.

Program 1.H: Eliminating the Use Permit Requirements for Existing Legal Non-conforming Residential Homes in Industrial and Commercial Zones.

Expected Result: Removal of use permit requirements to existing legal non- conforming residential homes in commercial and industrial zones.

Evaluation: The City did not implement this program, as the original intent of the policy was to allow existing dwellings to remain in industrial and commercial zones and permits are only required when enlarging or removing a housing structure. The City will maintain legal nonconformity status to prevent major rehabilitation or new residential construction in industrial zones and to avoid further compatibility issues in industrial zones. This program is proposed for deletion.

Program 1.I Removal of Governmental Constraints to Housing Development for Persons with Disabilities.

Expected Results: The identification and removal of possible governmental constraints to the development of housing for persons with disabilities.

Evaluation: The City has made great progress in implementing this program. The City has procedures in place within the Building Department to provide reasonable accommodation to applicants of projects for disabled persons. On an individual basis, the Building Department will reduce the length of the permitting process and expedite the plan review of projects that increase the

Program 2.A: Residential Site Development Program

Expected Result: A Residential Site Development database available for public use to assist in the development of housing in the City.

Evaluation: The City did not implement this program due to staffing limitations. Instead, the City maintains up–to-date maps showing areas with residential potential and meets with developers to provide one-on-one assistance with the development of housing projects. However, the City intends to make progress with the development of a database to identify vacant and underutilized, pending changes to the zoning code regarding maximum densities on existing vacant lands.

Program 2.B: Infill Development Program

Expected Results: The development of eight residential units.

Evaluation: The City has partially completed this objective. It has made progress in the creation of 6 units of residential infill in downtown, although these were not on vacant lots. A former convent at 1515 Hazel Street was converted into a two-story fourplex, and a one-story commercial building at 275-277 Hazel Street was converted to a duplex. The City has identified vacant small individual lots in the central City in the updated Housing Element with potential for residential infill development to accomplish this program.

Program 2.C. Second Units.

Expected Results: The development of four residential units.

Evaluation: The City has completed this objective through the construction of 4 new second units. Further, the City has removed the conditional use permit requirement for the construction of second dwelling units.

Program 2.D: Second Unit Incentive Program

Expected Result:Creation of incentives for the development of second units.

The City was unable to meet this objective due to financial constraints. However, it did remove the CUP requirement. Instead, because impact fees may pose a constraint to the development of second dwelling units, the City is focusing on reducing impact fees for second dwelling units to encourage development of this type of housing. Since the City removed the regulatory constraint related to second units, this is not included in the revised implementation strategy.

Program 2.E Sites for Emergency Shelters.

Expected Result: Sufficient Sites to facilitate the development of an emergency shelter in Gridley.

Evaluation: The City was not successful in implementing this program. While the City received no requests for emergency shelters in the past five years, it will however update its Zoning Code to comply with State law requiring cities to allow emergency shelters in one or more zoning districts.

Program 2.F. Housing Opportunities Program.

Expected Result: The development of 255 market-rate-housing units.

Evaluation: The City was made great progress in meeting this objective. From 2004 through 2008, 209 units of market-rate housing units were built. As of January 2009, 365 market rate units were approved or under construction. In sum, a total of 574 units of market-rate housing have been built or are currently under approval or construction. This program will be modified to reflect current RHNA new construction proportion of 48 percent units of market-rate housing, or 677 units. The City has met the above moderate-income allocation and the production of market rate housing is not a priority issue for the City. This program is no longer considered necessary. It is proposed to be deleted.

Program 2.G: Infrastructure Development Program

Expected Results: To determine the City's potential for infrastructure improvement funding sources. If funded, providing additional City financial incentives and resources for the production of housing.

Evaluation: The City was not successful in meeting this objective due to funding and staffing constraints. Because this objective is largely dependent on levels of funding from sources outside the City, it is difficult to determine whether the City will be able to offer financial incentives for infrastructure development. The ideas included in this program are related not only to housing but providing incentives for other types of infill development and redevelopment.

Program 2.H. Development Processing System Review Program.

Expected Result: The reduction of plan review time needed by City staff and housing developers.

Evaluation: The City is successful in implementing this ongoing program and already has a track record of fast processing times. Most permits are issued within 60 to 120 days. The City has conducted an assessment of its processing times and found no constraints

to the development of housing. However, the City is focusing on giving priority review to applications for housing affordable to lower-income households.

Program 2.I Down-Zoning Compensation.

Expected Results: The reduction of plan review time needed by City staff and housing developers.

Evaluation: This program was not implemented, as no down-zoning amendments were made to its Zoning Code. Further, the proposed Land Use Element in the updated General Plan will designate new residential land uses with higher densities. Since this is a requirement of state law and not really a local implementation measure, and since the updated General Plan and Zoning Ordinance will accommodate higher rather than lower densities, this program is proposed to be deleted.

Program 2.J Planned Unit Development.

Expected Results: The promotion of neighborhoods with a mix of different housing types and land uses.

Evaluation: The City has made progress in implementing this program and has successfully processed one PD development during the previous Housing Element period, including a recent project called Qumar Place and the Eagle Meadows subdivision. The proposed Land Use Element in the updated General Plan will designate new mixed use zones, including Downtown Mixed Use and Neighborhood Center Mixed Use designations. The City will focus on encouraging a mix of different housing types through the proposed land use designations.

Program 2.K: Project Management Meetings

Expected Result: The promotion of development and streamlining of the permitting process.

Evaluation: The City has been successful in implementing this ongoing program. The weekly meetings play an important part of streamlining the permitting process and allow applicants to receive permits within 60-120 days.

Program 2.L Agricultural Employee Housing.

Expected Result: The updating of the City Zoning Ordinance to state standards and add additional development sites for farmworker housing in the City.

Evalutation: The City was not successful in implementing this program. This program will be included as a part of the City's comprehensive Zoning Ordinance update following adoption of the 2030 General Plan.

Program 2.M Farmworker Housing.

Expected Result: Facilitate the development of housing for farmworkers.

Evaluation: The City partially completed this objective. Thirteen units of ownership housing are currently under construction at Locust Estate which is designated for farmworkers through Prop 1C-Joe Serna Jr. Farmworker Grant funding. There is a reduced need for farmworker housing in recent years, as evidenced in increased vacancy rates at the City's only farmworker housing center managed by the Housing Authority of the County of Butte. Nonetheless, the City remains committed to providing affordable housing to farmworkers and their families who live year-round in the Gridley area.

Program 2.N Large Household Housing.

Expected Results: The City will provide incentives to assist the development of larger rental housing units.

Evaluation: The City is making progress towards implementing this program through the development of the Washington Street housing development, a 56-unit rental project with two and three bedroom apartments. The City implemented a General Plan amendment to change the site's zoning designation to Light Manufacturing (M-1) to Multifamily Residential (R-3) to facilitate this development.

Program 3.A Affordable Housing Preservation.

Expected Result: A program to assist in the preservation of at-risk housing units.

Evaluation: The City has partially completed this objective. No specific program has been established yet, but the City has committed funds via an open CDBG Housing grant in the amount of $560,000 to ensure that the two at-risk housing projects—the Oaks and Gridley Springs, remain affordable.

Program 3.B. Land Acquisition for Housing.

Expected Result: Acquisition of housing set aside as affordable housing.

Evaluation: The Redevelopment Agency has made some progress in implementing this goal. Because of limited revenues to the Housing Fund in the years since the adoption of the Redevelopment Plan, the Redevelopment Agency has had limited ability to assist in the development of low-income housing. However, the Redevelopment Agency has recently committed funds in the amount of $400,000 to help fund Washington Court. The City is not in a position to actively purchase land and housing or develop low-income housing. However, the City has, and will continue to partner with other organizations that routinely engage in such activities.

Program 3.C. State and Federal Housing Programs.

Expected Result: The supply of information and financial assistance, whenever possible, to developers of affordable housing.

Evaluation: The City has made significant progress in implementing this goal. Staff meets with affordable housing developers consistently through one-on-one meetings. In addition, recent housing developments in the City have used funding from state and federal sources. The Locust Estate Subdivision, a 13-unit single family housing development, received $660,000 in Prop. 1C funding under the State Joe Serna Jr. Farmworker Housing Grant Program. The Washington Street housing development recently approved received funding through the Home Investment Partnerships Program (HOME). The City will continue to seek out funds to support affordable housing development, and is focusing on improving assistance to development.

Program 3.D. Self-Help Housing Development Program.

Expected Result: The production of five self-help housing units.

Evaluation: The City was successful in implementing this program through the construction of the Locust Estates subdivision. Thirteen single-family dwellings for low-income households were built through CHIP's sweat equity program.

Program 3.E. Inclusionary Zoning Ordinance.

Expected Result: The production of affordable housing units and requiring new housing development to produce their fair-share of affordable housing.

Evaluation: The City was not successful in implementing an Inclusionary Zoning Ordinance program. However, the City has found other means, including zoning amendments and the use of federal and state funds, to support the development of affordable housing. In addition, the Land Use Element in the updated General Plan addresses the mix of land uses to achieve a balance of sites adequate for lower-income housing development. To further address the need for additional sites necessary for affordable housing, the City has provided a rezoning program in the Housing Plan. The City has determined that although inclusionary housing may be necessary in more urban housing markets, it is not generally appropriate in rural small towns, and is not appropriate for Gridley. The City has decided that inclusionary housing is not the desired method for facilitating the production of affordable housing.

Program 4.A Housing Discrimination and Housing Equal Opportunity.

Expected Result: Adherence with the City's policy of fair housing practices.

Evaluation: The City continues to successfully implement this ongoing program through its efforts to coordinate and refer affected parties to the appropriate legal and housing authorities, provide public education and outreach materials, including dissemination of relevant brochures in English and Spanish.

Program 5.A Implement State Energy Conservation Standards.

Expected Result: Implement State Energy Conservation Standards.

Evaluation: The City continues to implement this ongoing program as part of its regular review process for building permit issuance.

Program 5.B Gridley Municipal Utilities, Electric Rebate Program.

Expected Result: The continuation of existing programs and development of future program designed to lower electric and natural resource usage in the City.

Evaluation: The City continues to implement this ongoing program by providing varying levels of rebates for EnergyStar appliances, better than standard heating, ventilating and air conditioning systems, water heaters, and lighting systems to residential and commercial customers. The City has also been successful in implementing a Photovoltaic (PV) Buy Down Program that was created to help offset residents' investment in a PV system by providing rebates to reduce the initial system cost.

C. Progress Toward Mitigating Governmental Constraints Identified in the Housing Element

Based on an analysis of land use and development standards, the City has concluded that it generally facilitates the construction of a wide variety of housing types.

Governmental Constraints: Land use controls and development standards that may pose potential constraints on the provision of housing in the City of Gridley include:

- LAFCO annexation policies were identified as a constraint to new development. *In December 2010, LAFCO approved an updated Sphere of Influence for the City of Gridley, with clear annexation policies. This is no longer considered a constraint to new development.*

Governmental Constraints: Fees and Exactions – not identified as a constraint

Processing, Permit Procedure, and Code Enforcement – not identified as a constraint