

**NORTHERN CALIFORNIA**

1501 SPORTS DRIVE  
SACRAMENTO, CA 95834

TEL: 916.372.6100 · FAX: 916.419.6108

**SOUTHERN CALIFORNIA**

2280 MARKET STREET, SUITE 220  
RIVERSIDE, CA 92501

TEL: 951.328.0300 · FAX: 951.328.0401

September 19, 2008

Ms. Melinda Coy  
Housing Policy Department  
Department of Housing and Community Development  
1800 3<sup>rd</sup> Street, Room 430  
Sacramento, CA 95814

Re: City of Oroville Housing Element Annual Progress Report

Dear Ms. Coy:

Please find the enclosed Housing Element Annual Report for the City of Oroville. The City Council reviewed and authorized submission of the attached report on September 16, 2008. The Resolution accepting the annual housing element progress report is attached.

Your acceptance of the housing element annual report is greatly appreciated. Should you have any further questions or comments regarding this matter, please feel free to contact our office.

Sincerely,



Stefanie Williams  
Senior Associate  
Laurin Associates,  
A division of Raney Planning & Management, Inc.

HOUSING POLICY  
DEVELOPMENT, HCD  
SEP 22 2008

**B. The effectiveness of the housing element in attainment of the community's housing goals and objectives.**

**Housing Programs**

PROGRAM	TIMING	STATUS
<p>The City will increase its coordination with the State HCD staff to ensure that it will be among the first jurisdictions to apply for any new funding which will be made available through Proposition 46. This will include making regular telephone calls to Field Representatives, attending HCD sponsored training and conferences, and regularly monitoring the HCD web site for Notices of Funding Availability (NOFA). See the Program List, attached to the Housing Element.</p>	<p>Immediately and ongoing</p>	<p>Active Program</p> <p>City applied for and was awarded \$500,000 in CalHome funds for Rehabilitation of single-family units.</p> <p>The City applied for and CalHOME-awarded \$600,000 in 2007 for Rehabilitation</p>
<p>The City of Oroville has been successful in obtaining \$2,350,000 in CDBG funds for housing rehabilitation; \$350,000 in HOME Investment Partnerships Program (HOME) funds for housing rehabilitation; \$390,000 in CDBG First Time Homebuyer assistance funds; \$3,585,000 in HOME First Time Homebuyer funds; and a \$701,665 HOME grant for new multifamily construction. HOME funds are required to be used for affordable housing and supportive service projects.</p>	<p>Annual application period in early spring each year</p>	<p>HOME awarded \$1,000,000 in 2006 for First Time Homebuyer/Rehab/In-Fill New Construction.</p> <p>HOME – 2006 – The City applied for and was awarded in 2007 \$2,000,000 for Multifamily rental new construction.</p> <p>CDBG – 2006 – City applied for and was awarded in 2007 \$917,400 for Multifamily new construction infrastructure.</p> <p>HOME – 2007 – City applied for \$800,000 for First Time Home Buyer Mortgage Assistance.</p> <p>HOME – 2007 – City applied for \$2,000,000 for Multifamily rental new construction.</p> <p>Planning and Technical Assistance</p>

		<p>Grant – 2006 – Applied for and awarded in 2007 \$140,000 for general allocation and the economic development allocations.</p> <p>Planning and Technical Assistance Grant – 2007 – Applied for \$140,000 for the general allocation and the economic development allocations.</p> <p>Business Assistance and Housing Development</p>
<b>PROGRAM</b>	<b>TIMING</b>	<b>STATUS</b>
<p>The City of Oroville Redevelopment Agency sets aside approximately \$740,550 each year for low to moderate income housing programs that include financing, infrastructure improvements, land acquisition, construction, and leverage for Home Investment Partnerships (HOME) and CDBG programs. It is the City’s intent to continue these programs as long as money is available. An estimate of the moneys expected to accrue to the LMI fund on an annual basis and a more specific description of the previous and planned uses of the funds over the current planning period are included in this Housing Element as Attachment 7. Oroville’s current Redevelopment Agency Five Year Implementation Plan expires in December 2009.</p>	<p>Annually, subject to the Redevelopment Agency Implementation Plan.</p>	<p>Active Program</p> <p>The RDA 5-Yr Implementation Plan is current and will be updated 2009.</p> <p>RDA and Business Assistance/Housing Development</p>
<p>Prepare Public Information handouts outlining City participation and incentives, housing needs from the Housing Element (or other market source), a definition of the State and federal funding for which the City is willing to apply, and other pertinent information. Distribute the booklet to local non-profit and for-profit development groups, and regional agencies.</p>	<p>Third Quarter 2004 2<sup>nd</sup> Quarter 2007</p>	<p>General public information flyers have been generated; distribution is in progress.</p> <p>Business Assistance/Housing Development</p>

PROGRAM	TIMING	STATUS
Develop <i>Subrecipient Guidelines</i> to be given to recognized groups and non-profits who would like to apply to the City for funding.	Second Quarter 2004	Subrecipient guidelines have been developed and are available on the City web site.  Business Assistance/Housing Development
Continue to use HOME funds to assist households with first time homebuyer down payment assistance up to \$50,000 for each qualified household.	Annually, subject to the State application cycle	Nine households were assisted during the 2004-2005 planning period.  Twenty-four households were assisted during 2006.  The HOME mortgage subsidy was increased to \$100,000 + 6% not to exceed 45% of purchase price of home.  RDA FTHB Program 04/05-12/05=6 units assisted 2006=15 units assisted  Business Assistance/Housing Development
Investigate raising the First Time Homebuyers loan amount in order to address the rising cost of housing in the City of Oroville.	December 2003	The RDA increased the loan amount from \$20,000 to \$50,000.  HOME/CDBG increased from \$50,000 to \$90,000 and again to \$100,000 + up to 6% of purchase price, not to exceed 45% of purchase price.  Business Assistance/Housing Development

PROGRAM	TIMING	STATUS
Apply for a CDBG Planning/Technical Assistance Grant to develop the first report. Present it to the Greater Oroville Economic Council at their monthly meeting to enlist their assistance in compiling and maintaining the data.	July 2005 or in conjunction with already established meeting schedules	<p><u>05-PTAA</u> 1. Gen. Allocation-Substandard Housing Inventory Action Plan 2. ED Allocation, Tourism Strategy.</p> <p><u>06 PTAA-1.</u> Gen. Allocation-Senior Housing Project and Open Space and Trails Master Plan. ED Allocation=Economic Development Plan and Fixed Based Operation.</p> <p>Planning Division and Business Assistance/Housing Development</p>
Actively participate in any organized homeless advocacy group to identify needs, funding sources, and sites.	January 2005	<p>BAHD staff attended homeless advocacy meeting as meetings are scheduled.</p> <p>Planning and Business Assistance/Housing Development</p>
Actively support efforts of homeless service providers in establishing additional short-term beds for all segments of the homeless population.	July 2004	<p>Active Program</p> <p>Planning Division</p>
Investigate incentives and reporting procedures that can be implemented to encourage and monitor the development of housing opportunities for specialized housing needs.	July 2004	<p>Active Program</p> <p>Planning Division and Business Assistance/Housing Development</p>
Publish a comprehensive listing of housing developments in the City, which have units reserved for lower income, and disabled households.	October 2004. Update annually with OPR/HCD Annual Report.	<p>The City regularly updates a list of affordable and disabled housing units.</p> <p>Planning Division</p>
Encourage the operators of senior citizen independent living facilities that are funded with federal funds to permit persons with disabilities of any age to locate in those facilities.	Immediately and ongoing	<p>Active Program</p> <p>Planning Division and Business Assistance/Housing Development</p>

PROGRAM	TIMING	STATUS
Amend the City's current housing rehabilitation program guidelines to include a one-time \$2,500 grant to very low income disabled persons and senior citizens to improve accessibility and safety.	January 2004	An Emergency Home Repair Grant for \$1,000 and Mobile Home grant for \$1,500 and a Minor Home Repair Loan for \$2,500 were created. These programs are specific to disabled persons and senior citizens.  Business Assistance/Housing Development
Regularly monitor the City's ordinances, codes, policies, and procedures to ensure that they comply with the "reasonable accommodation" for disabled provisions.	On-Going	Active Program, as required by building code  Planning Division
Work with farm owners and central labor providers to determine the number of farmworkers who may need housing. The resulting report should address: permanent workers, seasonal resident workers, and migrant workers.	June 2005	Not currently applicable.  Planning Division
Work with the Housing Authority of Butte County, and use all the influence the City has to obtain more Section 8 vouchers for the Housing Authority.	Ongoing	No additional Section 8 vouchers were obtained during the reporting period. There is a total of 313 vouchers in the City.  Housing Authority and Business Assistance/Housing Development

PROGRAM	TIMING	STATUS
<p>The City of Oroville currently categorizes emergency shelters and transitional housing as group homes and allows them upon approval of a use permit in “R-3” and “R-P” zones. In order to facilitate and encourage provision of emergency shelters and transitional housing, the City shall amend the current zoning ordinance to allow these uses without any special zoning permits in zoning districts that will be selected during the zoning ordinance amendment process.</p> <p>Amend the City’s zoning ordinance as follows: (1) adopt a density bonus for affordable housing as required by State law; and (2) make the definition of “family” consistent with the latest State requirements.</p>	<p>June 2004</p>	<p>Was completed in 2nd quarter 2008.</p> <p>Planning Division</p>
<p>Amend the City’s General Plan Land Use Element to add a residential land use category that provides a density between the currently adopted medium and high density limits.</p>	<p>June 2004</p>	<p>The General Plan Land Use Element was completed 3<sup>rd</sup> quarter 2006.</p> <p>Planning Division</p>
<p>Amend the General Plan Diagram and/or Zoning Map during the current Housing Element period to make the two maps consistent. The first priority will be to amend the land use designations for the sites listed in Table 52 of the Housing Element, which lists available vacant land, in accordance with the footnotes to that table. The City has further committed to monitoring its own progress in this task through an annual report to the Office of Planning and Research (OPR) and the State Department of Housing and Community Development (HCD).</p>	<p>Achieve General Plan Diagram/Zoning Map consistency in 2004; prepare annual Housing Element report in October 2004 and each subsequent October.</p>	<p>Will be completed 1<sup>st</sup> quarter 2009 with the adoption of the General Plan update.</p> <p>Planning Division</p>

PROGRAM	TIMING	STATUS
<p>Conduct a six month survey of developers who have expressed interest in building homes in Oroville asking them which incentive, assistance, or programs would be most beneficial to them. At the completion of the survey, present the findings to the Planning Commission and City Council in public workshop session to get citizen in-put and to prioritize the incentives.</p>	<p>Third Quarter 2004</p>	<p>As developers come to seek information the planning department explains the various programs available from the City, such as free pre-application process, then refers the developer to the housing department.</p> <p>Findings will be presented to the Planning Commission and City Council.</p> <p>Planning Division</p>
<p>Monitor the impact of increasing wage costs for builders of low income housing due to new State prevailing wage requirements (SB 975). It appears the new requirements will reduce the number of housing units that can be produced with existing resources. Monitoring the impact will require close contact with both the League of California Cities and the California Redevelopment Association.</p>	<p>Quarterly</p>	<p>Active Program</p> <p>Business Assistance/Housing Development and RDA</p>
<p>Amend the Oroville City Code to reflect the recent changes in State law pertaining to the construction of second dwelling units (AB 1866 Wright).</p>	<p>Third Quarter 2003</p>	<p>City code has been amended.</p> <p>Planning Division</p>
<p>Encourage developers to include second dwelling units as an integral part of their project and to plan for second dwelling units in the design of their projects.</p>	<p>Third Quarter 2003 and ongoing</p>	<p>On-going</p> <p>Planning Division</p>
<p>Publish the City's Housing Element and updates and the Redevelopment Agency Implementation Plan, and respective notices, on the City's web site.</p>	<p>Immediately, then as prepared, revised, updated.</p>	<p>In progress of working with Network Administrator to publish these documents on the City's web site.</p> <p>Business Assistance/Housing Development</p>
<p>Update the City's GIS system to track development on all vacant land in the City.</p>	<p>Annually or more often as personnel become available.</p>	<p>On-going</p> <p>Planning Division</p>

PROGRAM	TIMING	STATUS
Monitor amount of land zoned for multifamily development and initiate zone changes to accommodate affordable housing. Update the data on an annual basis.	Annually	The General Plan is currently being updated and includes any zone changes to accommodate affordable multifamily housing. The General Plan update will be completed in 2 <sup>nd</sup> quarter 2009.  Planning Division
Implement the provisions of AB 2292 (Dutra) regarding requirements for the down zoning of a residential lot listed in the Housing Element to meet the RHNA.	Fourth Quarter 2003 and ongoing	On-going and will be updated with the General Plan.  Planning Division
Continue to promote orderly growth through monitoring the cumulative impact of approved projects on existing neighborhoods.	Ongoing	On-going  Planning Division
Apply for HCD Code Enforcement enhancement grants to augment current Code enforcers, to supplement the graffiti removal program, and to fund neighborhood clean-up fairs.	HCD's 2004 cycle.	City was awarded a CDBG grant that continues to fund the activity.  Code Enforcement and Business Assistance/Housing Development
Using existing neighborhood groups (i.e., Neighborhood Watch) develop a tenant/landlord education program to enhance the code enforcement activities.	Fall 2004	Landlord training programs were held Jan. 2004, and Sept. 2004.  Five additional training sessions were held during the reporting period.  Business Assistance/Housing Development.
Supply energy conservation awareness brochures in all public meeting places.	June 2004	On going  Business Assistance/Housing Development
Continue to use Redevelopment funds for public facilities.	Annually with Redevelopment Agency Implementation Plan	The City has been using CDBG funds for public facilities, such as the Carnegie Library and Oroville State Theater.  Public Wks Dept. and Business Assistance/Housing Development

PROGRAM	TIMING	STATUS
<p>Coordinate annual workshop with employers, members of the housing community and city officials to identify the housing needs of the community. Make this same issue a topic to consider at the monthly meeting of the Oroville Economic Development Corporation.</p>	<p>Annually starting 2004</p>	<p>A workshop to identify housing needs is coordinated annually.</p> <p>Business Assistance/Housing Development</p>
<p>Continue and aggressively market CDBG single family housing rehabilitation funds. Rehabilitate 100 units over the next five years.</p>	<p>Annually with HCD funding cycle or program income.</p>	<p>Active Program</p> <p>Twenty three units have been rehabbed from July 1, 2006 to December 31, 2007.</p> <p>Business Assistance/Housing Development</p>
<p>Amend Housing Rehabilitation Guidelines and expand rehabilitation program eligibility to include rental properties.</p>	<p>Start with the HCD funding cycle in 2004</p>	<p>There are additional Program Guidelines for Rental Rehabs that have been established.</p> <p>Business Assistance and Housing Development</p>
<p>Continue regular contact with the California Housing Partnership Corporation, the agency that monitors the at-risk units and owner notifications of intent to opt-out. Request to be placed on their e-mail notification list.</p>	<p>Annually</p>	<p>Active Program</p> <p>Business Assistance/Housing Development</p>
<p>Provide technical assistance to potential purchasers, including non-profits, developers, and tenants of at-risk units that may opt-out of an affordability program.</p>	<p>As needed</p>	<p>Active Program</p> <p>Business Assistance/Housing Development</p>
<p>Maintain regular contact with the local HUD office regarding early warnings of possible opt-outs.</p>	<p>As needed</p>	<p>Active Program</p> <p>Business Assistance/Housing Development</p>
<p>Maintain contact with the owners and managers of existing affordable housing to determine if there are plans to opt-out in the future, and offer assistance in locating eligible buyers.</p>	<p>As needed</p>	<p>Active Program</p> <p>Business Assistance/Housing Development</p>

PROGRAM	TIMING	STATUS
Develop and maintain a list of potential purchasers of at-risk units and act as a liaison between owners and eligible purchasers.	As needed	The City maintains a list of potential purchasers.  Business Assistance/Housing Development
Ensure that all owners and managers of affordable housing are provided with applicable State and federal laws regarding notice to tenants of the owner's desire to opt-out or prepay. State law requires that owners provide a 12-month notice to tenants.	As needed	As needed.  Affordable housing owners and managers aware of their responsibilities, should they choose to opt-out.  Business Assistance/Housing Development
At the monthly meeting of the Oroville Economic Development Corporation, ask local lenders about their programs to preserve existing housing and the applicability of the Community Reinvestment Act.	Second Quarter 2004	The City works with local lenders directly.  Business Assistance/Housing Development
Require that all recipients of locally administered housing assistance funds be required to acknowledge their understanding of fair housing law and affirm their commitment to the law.	December 2003 and ongoing	Active Program  Business Assistance/Housing Development
Under the housing preservation section of the Fair Housing Act, the City of Oroville will assist very low and low income households to maintain ownership by working with the tax collector to forgive or delay payment of property taxes until the home is sold or ownership is transferred. In some instances, such as imminent foreclosure and tax sale, the City may pay the current tax, help the homeowner get a deferment, and place a City lien against the home for payment at sale or ownership transfer.	Ongoing	Active Program  Business Assistance/Housing Development

<p>Develop information flyers and brochures in both English and Spanish regarding fair housing laws and the process for the resolution of complaints. Download copies of the official complaint forms and make them available with the brochures. Include the telephone numbers of the State Department of Fair Employment and Housing on all public information regarding fair housing.</p>	<p>By March, 2004</p>	<p>It is a goal of the City's to have fair housing informational brochures in English and Spanish by 4<sup>th</sup> quarter 2008.</p> <p>Business Assistance/Housing Development</p>
<p>Make sure that the flyers/brochures referred to in Program 5-1-1C are available to the public in the lobby of City Hall, in libraries, community centers, senior centers, local social service offices, real estate offices, mortgage offices, and in the management offices of both low-income and market-rate housing complexes.</p>	<p>By March, 2004</p>	<p>Brochures are available in English.</p> <p>Business Assistance and Housing Development</p>
<p>Coordinate a regular workshop with the tenant/landlord education program referenced in Policy 4-1-2. The information should educate property owners and managers and real estate professionals and tenants about the fair housing laws, race and disability discrimination, and familial status protections.</p>	<p>Mid-2004 and regularly thereafter</p>	<p>The City coordinates a regular fair housing law workshop.</p> <p>Business Assistance/Housing Development</p>
<p>Continue to use CDBG or Home Investment Partnerships Program (HOME) funds when necessary to mitigate the unsettling impacts of temporary relocation during the construction or rehabilitation of publicly funded housing.</p>	<p>Immediate and ongoing</p>	<p>Active Program</p> <p>Assistance is available using CDBG housing rehab grant funds.</p> <p>Business Assistance/Housing Development, RDA, Housing Authority</p>
<p>Compile a list of non-profit organizations that the City has worked with in the past to establish cooperative agreements with non-profit housing corporations as a support agency to the City.</p>	<p>Immediate and ongoing</p>	<p>On going</p> <p>Business Assistance/Housing Development</p>

**C. Progress toward mitigating constraints identified in the housing element.**

**1. State and Federal Policy:**

Monetary policies, budgets, funding, and government compliance can impact all types of development. Compliance with state agencies can complicate the development of housing and result in time constraints. Oroville has mitigated this constraint by permit streamlining and time regulations, requiring pre-application meetings to identify State and Agency issues so developers can get permits at an earlier date.

**2. Oroville's General Plan:**

**This City is in the process of updating the General Plan.**

The Land Use Element has the most direct influence on residential development. Developed in 1995 and prior, policies are common to all CA jurisdictions. Policies that require special open space and/or building design, impact new development.

There are many instances in which parcels have conflicting Zoning Map and General Plan Diagram designations because the City's 1995 General Plan Land Use Diagram reflects changes to the previously intended use of land within the City and its Sphere of Influence, and the Zoning Map for the City has never been amended to be consistent with those changes. The City proposes to resolve these conflicts by implementing Program 2-1-1C.

The 1995 General Plan reduced the maximum number of housing units allowed in each of the residential land use categories. The City proposes to mitigate these changes through Program 2-1-1B.

The City is dedicated to correcting the regulatory difficulties that were created with the adoption of its new General Plan in 1995, during the current Housing Element period. The City has further committed to provide more sites suitable for development of multifamily housing as described in Program 3-2-1, and to monitor its progress through an annual report to the Office of Planning and Research (OPR) and the State Department of Housing and Community Development (HCD) in accordance with Program 2-1-1C.

**3. Oroville's Zoning Regulations:**

Development and construction standards can impact housing costs. The City has committed to providing more sites suitable for development of multifamily housing. Oroville's zoning regulations do not contain any unduly restrictive provisions.

**4. Local Entitlement Fees and Exactions:**

Fees, land dedications, or improvements are required in most instances to provide an adequate supply of public parkland and to provide necessary public works to support the new development. In comparison to surrounding communities, Oroville's fees are generally below average. The findings of a study of the effectiveness of Oroville's planning fees indicate that fees need to be increased in order to assure that critical public services can be maintained as growth occurs.

**5. Processing and Permit Procedures:**

Lengthy review periods increase financial and carrying costs, and fees and exactions increase expenses. Concurrent reviews save time, money and effort for both the public and private sector.

Although processing and permit procedures can be constraints, the City has actively streamlined permit processing; trying to reduce the time it takes to process. The City also requires pre-application meetings to identify issues prior to becoming issues. All efforts have been made to reduce financial and time constraints.

**6. Building Codes and Enforcement:**

Compliance with Building Code standards often adds to the cost of construction, but is seen as necessary to protect the health, safety and welfare of the citizens. The City of Oroville continually reviews its ordinances, policies, and practices for compliance with fair housing laws and does not find building codes and enforcement a constraint to building affordable housing.

**7. Land Availability/Environmental Concerns:**

There are some constraints to housing development in the City that are purely topographical. However, land availability and environmental concerns are not considered constraints.

**8. Availability of Financing:**

Funding limitations exist at all levels. The cyclical nature of the housing industry is one of the constraints to affordable housing development.

**9. Cost of Land:**

The cost of raw, developable land has a direct impact on the cost of a new home and is, therefore, a potential non-governmental constraint. As the availability of vacant residential land becomes scarcer over time, the cost of the vacant land within the City will increase. However, with the amount of currently vacant residentially-zoned land, it will be several years before scarcity adversely affects land costs.

**10. Cost of Construction:**

The costs of labor and materials have a direct impact on the price of housing and are the main components of housing cost. In a highly competitive market, many consumers consider extra touches as necessities when buying a new home. While the basic shelter or “no frills” house has met with varying degrees of consumer acceptance, the high costs of homeownership may lead to a return to less complicated designs. The cost of construction, specifically the cost of land, steel, concrete and asphalt have been a constraint to the development of affordable housing during the reporting period.

CITY OF OROVILLE  
RESOLUTION NO. 7227

ORIGINAL FILED IN  
CLERK'S OFFICE

A RESOLUTION OF THE OROVILLE CITY COUNCIL ACCEPTING THE ANNUAL PROGRESS  
REPORT ON IMPLEMENTATION OF THE CITY OF OROVILLE'S HOUSING ELEMENT FOR  
2006/07 AND SUBMITTAL TO THE STATE OF CALIFORNIA DEPARTMENT OF HOUSING  
AND COMMUNITY DEVELOPMENT

**WHEREAS**, Government Code Section 65400 requires that all cities and counties submit reports to the State of California Department of Housing and Community Development on the city's progress in implementing the housing element; and

**WHEREAS**, the City of Oroville completed its report and presented the report for review and acceptance by the City Council on September 16, 2008; and

**WHEREAS**, the Director of Business Assistance and Housing Development is directed to file the progress report with the State of California, Department of Housing and Community Development; and

**WHEREAS**, as evidenced by the content of the progress report, Exhibit A, the City of Oroville has made progress in the implementation of the adopted goals and policies contained in its Housing Element.

**NOW, THEREFORE, BE IT RESOLVED** by the Oroville City Council as follows:

1. The Council hereby accepts the annual progress report and directs the Director of Business Assistance and Housing Development to file the report with the State of California, Department of Housing and Community Development.

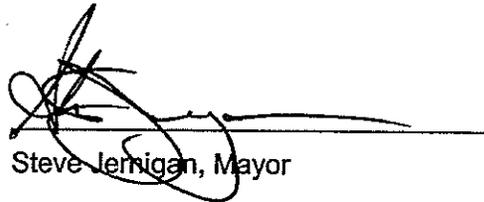
**PASSED AND ADOPTED** at an adjourned regular meeting of the Oroville City Council on September 16, 2008 by the following vote:

AYES: Council Members Berry, Corkin, Hatley, Howard, Prouty, Vice Mayor Johansson, Mayor Jernigan

NOES: None

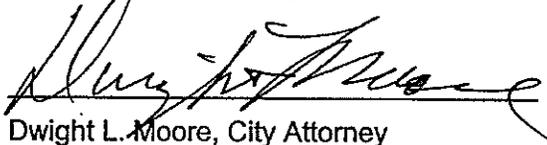
ABSENT: None

ABSTAIN: None



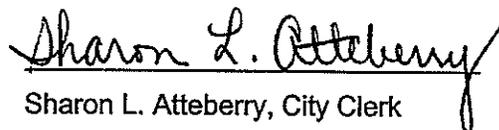
Steve Jernigan, Mayor

APPROVED AS TO FORM:



Dwight L. Moore, City Attorney

ATTEST:



Sharon L. Atteberry, City Clerk