



## HOUSING

# City of Gridley

---

## 2014-2022 Housing Element



JUNE, 2014

# ACKNOWLEDGEMENTS

---

## CITY OF GRIDLEY 2014—2022 Housing Element

### Gridley City Council

*Jeff Draper, Mayor*  
*Pedro Mota, Mayor Pro Tem*  
*Jerry Ann Fichter*  
*Frank Hall*  
*Owen Stiles*

### Gridley Planning Commission

*Chris Stafford, Chair*  
*Timothy Bledsoe, Vice Chair*  
*Herman Sunderman*  
*Shirley O'Brien*  
*Robert Thomas*

&

***Rob Hickey, City Administrator***

With acknowledgement to the contributions of the City of Gridley Planning Consultant,  
Donna Decker, DES, and the 2009-2014 Housing Element effort by AECOM

*Draft June 12, 2014*

## TABLE OF CONTENTS

### INTRODUCTION

Vision and Guiding Principles	1
Purpose and Content	1
Policy and Regulatory Context	2
Data Sources and Methodology	4
Public Involvement	5

### COMMUNITY PROFILE

Population	6
Employment	9
Housing	12
Housing Costs and Affordability	19
Special Housing Needs	24

### OPPORTUNITIES FOR ENERGY CONSERVATION

Energy Efficiency For New Construction	36
Greenhouse Gas Emissions Reductions	37
Gridley 2030 General Plan	38

### HOUSING NEEDS

Regional Housing Needs Allocation	39
Inventory of Assisted Housing Units	40
Preservation Options	42

### RESOURCES

Site Inventory	45
Funding and Administrative Resources	54

### CONSTRAINTS

Government Constraints	58
Market Constraints	76

### EVALUATION OF ACIEVEMENTS

2009-2014 Program Evaluation and Achievements	82
Housing Production	98

### HOUSING PLAN

Goals, Policies, and Implementation Strategies	100
--	-----

## LIST OF TABLES AND FIGURES

### TABLES

Table Profile-1	Population Trends	6
Table Profile-2	Population by Age, City of Gridley	7
Table Profile-3	Population by Age, Butte County	7
Table Profile-4	Population by Race, City of Gridley	8
Table Profile-5	Population by Race, Butte County	9
Table Profile-6	Largest Employers, City of Gridley	10
Table Profile-7	Employment by Industry, City of Gridley	11
Table Profile-8	Employment by Occupation, City of Gridley	11
Table Profile-9	Annual Average Employment, City of Gridley	12
Table Profile-10	Households	13
Table Profile-11	Housing Unit Type, City of Gridley	13
Table Profile-12	Housing by Age and Tenure	14
Table Profile-13	Housing Unit Type By Year Built	15
Table Profile-14	Vacancy Rates in Butte County	15
Table Profile-15	Housing Vacancy	16
Table Profile-16	Housing Unit by Year Built	17
Table Profile-17	Condition of Housing Units	19
Table Profile-18	State Income Limits for 2014 (Butte County)	19
Table Profile-19	Maximum Affordable Monthly Housing Cost	20
Table Profile-20	Recently Sold Homes	21
Table Profile-21	Rental Costs	21
Table Profile-22	Households by Income Category	22
Table Profile-23	Household Type and Cost Burden	23
Table Profile-24	Overcrowded Households	24
Table Profile-25	Developmentally Disabled	26
Table Profile-26	Disabled Persons by Employment Status	27
Table Profile-27	Presence and Type of Disabilities	28
Table Profile-28	Large Households and Housing Units	29
Table Profile-29	Senior Population by Gender	30
Table Profile-30	Senior Household by Tenure	31
Table Profile-31	Homeless Population	32
Table Energy-1	Consumer Spending Categories	35
Table Needs-1	Regional Housing Needs Allocation	39
Table Needs-2	Projects At-Risk	40
Table Needs-3	Assisted Housing Inventory	41
Table Needs-4	Rent Subsidies Required to Preserve At-Risk Housing	43
Table Resources-1	Units Built	46
Table Resources-2	Units Under Construction or Built	47
Table Resources-3	Progress Toward RHNA	47
Table Resources-4	Residential land Inventory	50
Table Resources-5	Examples of Affordable Housing Projects	49
Table Resources-6	Housing Set Aside Tax Increment Revenues	54

**TABLES, CONT'D**

Table Constraints-1	Residential Densities	60
Table Constraints-2	Parking Requirements	61
Table Constraints-3	Permitted Residential Land Uses by Zoning District	62
Table Constraints-4	Comparison of Planning Fees	69
Table Constraints-5	Current City of Gridley Fees	70
Table Constraints-6	Home Loan Denials by Race	80
Table Achievements-1	Housing Production Accomplishments	98

**FIGURES**

Figure Profile-1	Age of Housing by Tenure	17
Figure Profile-2	Condition of Housing Units	18
Figure Resources-1	Inventory of Developable Land (See Table Resources-05)	51
Figure Constraints-1	Land Use Diagram	63
Figure Constraints-2	City of Gridley Foreclosure Activity	80
Figure Constraints-3	Home Loan Denial Rates by Minority Status and Income	81

## INTRODUCTION

The Housing Element of the General Plan is designed to provide the City with a coordinated and comprehensive strategy for promoting the production of safe, decent, and affordable housing for all segments of the community. Housing is an established priority of both the State of California and the City of Gridley, as expressed in Government Code Section 65580:

*“The availability of housing is of vital statewide importance, and the early attainment of decent housing and a suitable living environment for every Californian, including farm workers, is a priority of the highest order.”*

## VISION AND GUIDING PRINCIPLES

The City’s vision, as expressed in the General Plan “Vision and Guiding Principles” document, is to provide “a Home for all Our Families” where a variety of housing choices are available for all residents and are distributed throughout the community, complementing both the City’s new and established neighborhoods.

Among the key principles that have guided the preparation of Gridley’s housing strategies are (from the City’s approved General Plan Vision and Guiding Principles document):

- ✓ We need local housing options that accommodate our different households’ needs and preferences.
- ✓ We do not want our young people to move away from Gridley to find appropriate and affordable housing.
- ✓ We respect, and should have, high-quality housing for our senior population.

## PURPOSE AND CONTENT

The purpose of the Housing Element is:

1. To provide an assessment of both current and future housing needs and the constraints in meeting these needs; and,
2. To provide a strategy that establishes housing goals, policies, and programs.

Gridley’s challenge is to accommodate housing suitable for diversity of household types and incomes, and in sufficient amounts to provide for the City’s share of regional housing needs. State law provides guidance for meeting both the amount and variety of housing by providing regional housing allocations that are then distributed to the local municipalities that will need to be met within the Housing Element’s planning period.

The attainment of decent housing and a suitable living environment for every citizen is a major priority for the state. Recognizing the important role of local planning programs in pursuit of this goal, the state legislature has mandated that all cities and counties prepare a Housing Element as part of the General Plan. Housing Elements are required to be updated according to a schedule prescribed by state law

to maintain their relevance and reflect socioeconomic, demographic, and physical changes in the community, as well as changes to state housing law.

This Housing Element addresses housing needs during an eight year planning period between 2014 and 2022 for which the Regional Housing Needs Assessment was prepared by Butte County Association of Governments (BCAG). The Housing Element planning period differs from the other General Plan elements, which have a time horizon of 2030.

The Housing Element identifies strategies and programs that focus on:

- ✓ Maintaining housing safety and quality;
- ✓ Matching housing supply with need;
- ✓ Assisting in the provision of affordable housing;
- ✓ Ensuring adequate land is available and zoned appropriately for housing;
- ✓ Removing governmental and other constraints to housing development and redevelopment; and,
- ✓ Promoting fair and equal housing opportunities.

To achieve these priorities, the Housing Element is organized into the following components:

- ✓ **Introduction** provides an overview of the Element's purpose, content, and policy and regulatory context.
- ✓ **Community Profile** provides analysis of the City's demographics, housing characteristics, and existing and future housing needs.
- ✓ **Energy Conservation** describes opportunities for energy conservation, including state requirements for energy efficiency for new construction and greenhouse gas emissions reduction targets.
- ✓ **Housing Needs** assesses projected housing needs, including analysis of affordable housing at-risk of conversion to market rate.
- ✓ **Housing Resources** identifies available resources to meet housing needs for all income levels, including vacant or underutilized land for new construction or redevelopment, as well as financial and administrative resources available for housing.
- ✓ **Constraints** provides an analysis of constraints to housing production and maintenance, such as market, governmental, and environmental factors affecting the City's ability to meet identified housing needs.
- ✓ **Evaluation of Achievements** assesses past accomplishments and evaluates strategies that should be continued, modified, or added.
- ✓ **Housing Plan** identifies the overall housing goals, policies, and implementation strategies to address the City's identified housing needs.

## Policy and regulatory context

The Housing Element addresses a broad range of issues related to housing, including affordability, accessibility, mobility, energy conservation, infill and revitalization, balanced growth, and regulatory issues. The Housing Element defines the City's housing strategy and incorporates policies and

implementing actions from other local plans to ensure consistent local management of land use change. Relevant planning documents include the Butte County Association of Governments (BCAG) 2012 Regional Housing Needs Plan reflecting an eight year planning period from January, 2014 to June, 2022 and the City of Gridley 2030 General Plan.

## State housing policy and strategy

In 1980, the State of California amended the Government Code by adding Article 10.6, dealing with the preparation of housing elements of local general plans. By enacting this statute, the legislature found that:

*"the availability of housing is of vital statewide importance, and the early attainment of decent housing and a suitable living environment for every California family is a priority of the highest order. The early attainment of this goal requires the cooperative participation of government and the private sector in an effort to expand housing opportunities and accommodate the housing needs of Californians of all economic levels. Local and state governments have a responsibility to use the powers vested in them to facilitate the improvement and development of housing to make adequate provision for the housing needs of all economic segments of the community..."*

This Housing Element is drafted in compliance with state law, which requires that housing elements, at a minimum, contain (Government Code Section 65583):

- ✓ An assessment of housing needs and an inventory of resources and constraints relevant to meeting these needs;
- ✓ A statement of the community's goals, quantified objectives, and policies relative to the maintenance, preservation, improvement, and development of housing;
- ✓ An inventory of sites capable of accommodating development of housing for a range of income types to meet the City's share of the regional housing need; and,
- ✓ A program that sets forth actions to implement the policies and achieve the goals and objectives of the Housing Element.

In 1999, the State issued the California Statewide Housing Plan Update. Many of the issues described in this Plan are still quite relevant and important to consider in the context of local housing plans. The City carefully considered each of these key issues as a part of the 2030 General Plan and this Housing Element update. Key issues from the Statewide Housing Plan include:

- ✓ Much higher levels of housing construction are needed to adequately house the State's population;
- ✓ High housing cost burdens are increasingly an issue for both owners and renters. The combination of upward price pressure in the housing markets and relatively tight urban housing markets has led to increasing cost burdens, particularly for low-income renter residents;
- ✓ In some portions of the State, the level of overcrowding has dramatically increased;



- ✓ A substantial portion of affordable rental housing developments statewide are “at-risk” of conversion to market rate use;
- ✓ Significant numbers of temporary agricultural workers migrate throughout the state unable to find affordable housing; and,
- ✓ Homeless individuals and households face significant difficulties in obtaining shelter.

## **Regional housing needs allocation (rhna)**

A critical measure of compliance with state housing law is the ability of a jurisdiction to accommodate its share of regional housing needs as determined by a Regional Housing Needs Assessment (RHNA) (sometimes called regional housing needs allocation). The Butte County Association of Governments (BCAG) is charged with distributing the local share of the regional housing needs among the cities and unincorporated areas of the County.

The Regional Housing Needs Plan (RHNP) was issued by BCAG in 2012. The purpose of the RHNP is to allocate to the cities and county their “fair share” of Butte County’s projected housing need by household income group over the 8 year (2014-2022) planning period covered by the plan. Please refer to the Housing Needs section for more information on the RHNP and Gridley’s share thereof.

## **General plan consistency**

The Housing Element is one of the required components of the General Plan. The 2030 General Plan, updated in 2010, provides the overarching policy guidance for development and conservation throughout the Plan Area. The General Plan consists of the nine (9) elements addressing the planning issues required by the state.

The Housing Element’s goals, policies, and implementation strategies are consistent with the General Plan. Furthermore, this update to the Housing Element provides an inventory of available land that can be developed for housing meeting the full range of household incomes within the City’s existing incorporated boundary.

## **DATA SOURCES AND METHODOLOGY**

Various sources of information contribute to the Housing Element. Data from the 2000, 2000 and 2010 Census and American Community Survey (ACS) provides the basis for population and household characteristics. Several additional data sources were used to supplement Census Bureau data including, but not limited to:

- ✓ Population and demographic estimates and projections by the Butte County Association of Governments and the California Department of Finance;
- ✓ Housing conditions and market information, such as home sales, rents, and vacancies, are provided using the Department of Housing and Urban Development’s Comprehensive Housing Affordability Strategy (CHAS) data and is updated with City surveys and property tax assessor’s files;

- ✓ Public and nonprofit agencies were consulted for data on special needs groups, availability of services, and gaps in the service delivery system; and,
- ✓ Lending patterns for home purchase and home improvement loans are provided using the Home Mortgage Disclosure Act (HMDA) database.

## **PUBLIC INVOLVEMENT**

State law requires cities to “make a diligent effort to achieve public participation of all economic segments of the community in the development of a housing element” (California Government Code section 65583 (c) (6)).

The City pursued extensive public outreach during the 2030 General Plan update and for the development of the Housing Element. There has been substantial outreach related to housing and housing-related issues. Public participation included:

- ✓ Community wide open house and workshops;
- ✓ Visual preference surveys to decision makers, focus groups, and the public at- large;
- ✓ Written synthesis of public input and presentations to the public and decision makers of the public input summaries;
- ✓ Web site informational posting and the ability to provide public input through the website;
- ✓ Reporting and presentation to the public and decision makers for important issues; and,

The 2030 General Plan outlined principles addressing housing:

- ✓ We need local housing options that accommodate our different households’ needs and preferences.
- ✓ We do not want our young people to move away from Gridley to find appropriate and affordable housing.
- ✓ We should have high-quality housing for our senior population.
- ✓ We believe that part of our community’s strength lies in its diversity.
- ✓ We value and respect traditions and cultures of all our citizens.
- ✓ The decisions we make as a community are enhanced through broad community input and participation.
- ✓ The City should continue to invest in, and improve existing neighborhoods, even as new neighborhoods are constructed.

City staff facilitated presentations describing the purpose and required content of the Housing Element and the update process. Residents were notified through public notification, posted flyers in public places, and website posting.

## COMMUNITY PROFILE

The community profile evaluates both current housing needs and estimated future needs. It also provides information related to existing types, cost, and condition of housing.

Data in this chapter is derived from a variety of sources, and compiled to show relationships, major trends, and to respond to known issues and concerns. The most prominent data source used is the US Census data, in varying forms, including the decennial census from 1990, 2000, and 2010 and the Comprehensive Housing Affordability Strategy (CHAS) data, which are based on the 2000 Census. The most recent available data by source was used, and notations are provided within the text and charts to document the source data and source year. Where more recent data was not available to update some of the statistics and analysis, the information provided remains essentially accurate.

### POPULATION

Future housing needs will be dictated by its changing population, household characteristics, and the condition of existing housing.

Gridley's population was estimated to be 6,584 based on the 2010 US Census data. **Table Profile-1** shows the City's growth rate relative to the County. Since 1980, the City has maintained an average annual growth rate of approximately 1.6percent. The population growth accelerated 2.23% between 2000 and 2010. The County's population has varied from an annual growth of 2.6percent between 1980 and 1990, 1.15% between 1990 and 2000, and approximately 0.83 percent between 2000 and 2010.

Table Profile-1				
Population Trends				
Year	Gridley		Butte County	
	Population	Annual %Change	Population	Annual %Change
1980	3,982	-	143,951	-
1990	4,631	1.6	182,120	2.6
2000	5,382	1.6	203,171	1.15
2010	6,584	2.23	220,000	0.83

Source: U.S. Census Bureau 1990, 2000, and 2010

### Age distribution

**Tables Profile-2** and **Profile-3** summarize City and County population by age. Gridley's population has grown in almost all age groups, with approximately 52% of its population under the age of 34 years, 64% of its population 44 years old or younger, and a median age of 33.1 years in 2010. Persons aged 25-34 years comprise approximately 13.4% of the population-the largest share overall followed by persons aged 35 to 44 years and 45-54 years each group accounting for approximately 12.2 percent of the population. These percentages reflect a trend towards an increase in a younger population for the city.

Housing for Gridley's senior population will continue to be an important area of emphasis for current and future housing planning cycles. Nearly 24% of the total population of Gridley is over the age of 55 years. If most residents currently in their 40s and 50s remain the City over the next 20 years, the senior population would continue to increase both in numbers and proportionally within Gridley.

Another significant age group is youth aged 0 to 19 years. This group saw significant growth during the 10-year period between 2000 and 2010, and accounted for 32 percent of Gridley's total population in 2010.

**Table Profile-2**  
**Population by Age, City of Gridley**

Age Group	2000		2010		Change	Percent Change
	Number	Percent	Number	Percent		
<b>Under 5 Years</b>	389	7.2	550	8.4	161	41.4
<b>5 to 9 Years</b>	443	8.2	510	7.7	67	15
<b>10 to 14 Years</b>	500	9.3	479	7.3	-21	-4.2
<b>15 to 19 Years</b>	472	8.8	561	8.5	89	18.9
<b>20 to 24 Years</b>	354	6.6	460	7.0	106	29.9
<b>25 to 34 Years</b>	657	12.2	881	13.4	224	34
<b>35 to 44 Years</b>	707	13.1	800	12.2	93	13
<b>45 to 54 Years</b>	553	10.3	800	12.2	247	44.7
<b>55 to 59 Years</b>	236	4.4	325	4.9	89	37.7
<b>60 to 64 Years</b>	214	4.0	290	4.4	76	35.5
<b>65 to 74 Years</b>	382	7.1	483	7.2	93	24.3
<b>75 to 84 Years</b>	341	6.3	282	4.3	-59	17.3
<b>85 Years and over</b>	134	2.5	163	2.5	29	21.6%

Source: 2000, 2010 Census

**Table Profile-3**  
**Population by Age, Butte County**

Age Group	2000		2010		Change	Percent Change
	Number	Percent	Number	Percent		
<b>Under 5 Years</b>	11,637	5.7	12,409	5.6	772	6.6
<b>5 to 9 Years</b>	13,409	6.6	12,439	5.7	-970	7.2
<b>10 to 14 Years</b>	14,704	7.2	12,911	5.9	-1,793	12.2
<b>15 to 19 Years</b>	17,101	8.4	17,841	8.1	740	4.3
<b>20 to 24 Years</b>	19,648	9.7	22,818	10.4	3,170	16.1
<b>25 to 34 Years</b>	23,087	11.4	26,681	12.1	-3,594	15.6
<b>35 to 44 Years</b>	27,249	13.4	23,329	10.6	-3,920	-14.4
<b>45 to 54 Years</b>	26,809	13.2	28,877	13.1	2,068	7.7
<b>55 to 59 Years</b>	9,527	4.7	15,265	6.9	5,738	60
<b>60 to 64 Years</b>	7,944	3.9	13,613	-6.2	5,669	71.4
<b>65 to 74 Years</b>	15,207	7.5	17,185	-7.8	-1,978	13
<b>75 to 84 Years</b>	12,630	6.2	10,962	5.0	-1,559	-12.3
<b>85 Years and over</b>	4,219	2.1	5,670	2.6	1,451	34.4

Source: 2000 2010 Census

## Population race and ethnic composition

The City of Gridley has greater racial and ethnic diversity than the greater Butte County area. According to the 2010 Census, 53percent of the City’s population was non-white, compared to approximately 25 percent non-white in the County as a whole. There is a higher proportion of Hispanic individuals (almost 46 percent compared to 14 percent in the County as whole). **Table Profile-4** and **Table Profile-5** summarize the population characteristics for the City and the County.

In 2000 and 2010, non-Hispanic white individuals comprised a majority both in the City and County. The Hispanic population showed a large numerical and percentage increase of 41 percent in the City. The Asian, Native Hawaiian, and Pacific Islander saw an 89 percent increase in population from 129 persons to 244 persons. The rising number of persons of Hispanic descent reflects statewide trends attributed to the increase in family size and those immigrating into the state.

Although the non-Hispanic white population increased between 2000 and 2010, their overall percentage of the population decreased. The African American population remained static whereas Asians and Native Hawaiians/Pacific Islanders increased during the same period.

<b>Table Profile-4</b>						
<b>Population by Race, City of Gridley</b>						
	<b>2000</b>		<b>2010</b>		<b>Change</b>	
<b>Race/Ethnicity</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>	<b>Number</b>	<b>Percent</b>
<b>White*</b>	2,888	53%	3,074	46.7%	186	6.4%
<b>African American</b>	36	0.7%	36	0%	0	0%
<b>American Indian, Alaska Native</b>	89	1.6%	57	0.86%	-32	36%
<b>Other Race</b>	0	0%	5	0.08%	5	n/a
<b>Two or more Races</b>	179	3.3%	168	2.6%	-11	0.1%
<b>Sub-total Population by Race**</b>	3,321	60.9%	3,584	54.43%	263	7.9%
<b>Persons of Hispanic Descent***</b>	2,129	39.06%	3,000	45.6%	871	41%
<b>Total Population****</b>	5,450	100%	6,584	100%	1,134	20.8%

Source: 2000, 2010 Census

Note:

\* Includes non-Hispanic White persons only.

\*\* Sub-total population by race includes non-Hispanic persons of all races.

\*\*\* Includes Hispanic persons of all races. This number is computed separately from the total population by race.

\*\*\*\* Total population by race/ethnicity may not be consistent with population totals cited above. Percent totals may not add up to 100.0% due to rounding.

**Table Profile-5**  
**Population by Race, Butte County**

Race/Ethnicity	2000		2010		Change	Percent Change
	Number	Percent	Number	Percent		
<b>White*</b>	162,142	79.8	165,416	75.2	3,274	2.02
<b>African American</b>	2,506	1.2	3,133	1.42	627	25
<b>American Indian, Alaska Native</b>	3,367	1.7	3,395	1.5	28	0.83
<b>Asian, Native Hawaiian, Pacific Isl.*</b>	6,766	3.2	9,322	4.2	2,556	37.8
<b>Other Race</b>	530	0.3	318	0.14	-212	-40
<b>Two or more Races</b>	6,483	3.2	7,300	3.32	817	12.6
<b>Sub-total Population by Race**</b>	181,794	89.48	188,884	85.9	7,090	3.9
<b>Persons of Hispanic Descent***</b>	21,377	10.5	31,116	14.1	9,739	45.6
<b>Total Population****</b>	203,171	100.0	220,000	100.0	16,829	8.3

Source: 2000, 2010 Census

Note:

\*Includes non-Hispanic White persons only.

\*\* Sub-total population by race includes non-Hispanic persons of all races.

\*\*\* Includes Hispanic persons of all races. This number is computed separately from the total population by race.

\*\*\*\* Total population by race/ethnicity may not be consistent with population totals cited above. Percent totals may not add up to 100.0% due to rounding.

## **EMPLOYMENT**

Employment trends influence the type and cost of housing that residents can afford. The City's employment base and its ability to attract new types of employers that offer better paying jobs will affect future housing needs in Gridley<sup>1</sup>.

Gridley's work force encompasses professional, technical, production, transportation, and service occupations. Major employers in Gridley and in the vicinity of the City span a wide range of sectors, including government, healthcare, manufacturing and retail, and generally employ between 20 to over 200 employees. Gridley has an approximate labor force of 2,800 as of 2013.<sup>2</sup>

<sup>1</sup> Employment figures used in this section come from three different sources which report different time periods and use different methods to indicate employment trends (Gridley Chamber of Commerce, 2000 Census, California Employment Development Department (EDD)). Therefore, information gaps between sources and between periods exist. However, the use of these data sets allows for a more detailed understanding of employment trends in the City.

**Table Profile-6** summarizes the City's largest employers.

<b>Table Profile-6</b> <b>Largest Employers<sup>1</sup>, City of Gridley</b>	
<b>Employer</b>	<b>Number of Employees</b>
Orchard Hospital	256
Mary's Gone Crackers	250
Gridley Unified School District	225
Wilkerson Ranch & Packing	186
Rio Pluma Manufacturing	70
City of Gridley	56
Residential Weatherization, Inc.	55
Safeway Grocery	53
Continental Athletic Supply	46
Casa Lupe	28
Gridley Country Ford	27
Harshbarger's Ace Hardware	27
Rite Aid	23
Ampla Health	12
Auto Zone	8
Source: Gridley Chamber of Commerce, 2014	

<sup>1</sup> *Businesses listed are located within the city limits as well as close to the urban area.*

**Table Profile-7** summarizes employment of local residents by industry. Over the past two decades, the services sector employed the largest proportion of residents in the City. The most notable changes in the City's employment composition were the significant numerical and percentage increases in the Construction, Financial, Insurance, Real Estate, Wholesale Trade, and the Services sectors. Retail trade was the second largest industry sector in both 2000 and 2010, representing 12.0 percent of the employment in 2010.

<sup>2</sup> Employment Development Department, Labor Market Information Division, online, [www.calmis.ca.gov/file/1fmonth/buttesub.xls](http://www.calmis.ca.gov/file/1fmonth/buttesub.xls), accessed July 7, 2009. Dun & Bradstreet Zapdata, 2009. 2010 Census

**Table Profile-7 Employment by Industry, Butte County and City of Gridley**

Employment by Industry	Butte County, California		Gridley, California	
	Estimate	Percent	Estimate	Percent
Civilian employed population 16 years and over	87,965	87,965	2,189	2,189
Agriculture, forestry, fishing and hunting, and mining	3,061	3.5	184	8.4
Construction	5,519	6.3	261	11.9
Manufacturing	5,550	6.3	209	9.5
Wholesale trade	1,836	2.1	130	5.9
Retail trade	10,931	12.4	196	9.0
Transportation and warehousing, and utilities	3,131	3.6	125	5.7
Information	1,522	1.7	22	1.0
Finance and insurance, and real estate and rental and leasing	4,357	5.0	72	3.3
Professional, scientific, and management, and administrative and waste management services	8,102	9.2	170	7.8
Educational services, and health care and social assistance	25,935	29.5	390	17.8
Arts, entertainment, and recreation, and accommodation and food services	9,920	11.3	184	8.4
Other services, except public administration	4,440	5.0	100	4.6
Public administration	3,661	4.2	146	6.7
Source: ACS DP-03 2007-2011				

Between 2000 and 2010, sales and office occupations increased by 44.4 percent to represent the largest employment sector in the City with 25.7 percent of the employed persons. Farming, Fishing and Forestry occupations decreased by 57 persons during the same time period. **Table Profile-8** summarizes employment by occupation in the City.

Table Profile-8				
Employment by Occupation, City of Gridley				
Industry	2000		2010	
	Number	Percent	Number	Percent
<b>Management and Professional</b>	330	17.8%	500	22.2%
<b>Service</b>	317	17.1%	333	14.8%
<b>Sales and Office</b>	401	21.7%	579	25.7%

Source: 2000, 2010 Census

The California Employment Development Department (EDD) reported a local labor force of 2,800 in 2013. Trends in the City show an increasing unemployment rate, from 2009 to 2013 with a spike in 2010 of 30.4%. . For example, in 2000 the City had an unemployment rate of 14.2 percent, compared to 30.4 percent in 2010. The 2009 unemployment rate reported for Gridley was 28 percent compared to 12.5 percent for Butte County<sup>3</sup>. The countywide unemployment rate was 6.2 percent in 2000 and 13.9 percent in 2010. **Table Profile-9** summarizes average employment/unemployment rates in the City reflecting the overall state economic health over the last 5 years.



**Table Profile-9**  
**Annual Average Employment, City of Gridley**

<b>Year</b>	<b>Employed</b>	<b>Unemployed</b>	<b>UnemploymentRate-%</b>
1997	1,690	310	15.4
1998	1,720	300	15.0
1999	1,760	250	12.3
2000	2,000	300	14.2
2001	2,000	400	14.9
2002	2,000	400	16.6
2003	2,100	400	17.0
2004	2,000	400	17.2
2005	2,500	400	16.0
2006	2,100	400	15.4
2007	2,100	400	16.2
2008	2,600	500	18.6
2009	2,100	800	28
2010	2,000	900	30.4
2011	2,000	900	29.9
2012	2,000	800	27.4
2013	2,100	300	23.2

Source: Employment Development Department (EDD- Unemployment rate history for Gridley, 2009.)  
<http://www.city-data.com/>

Trends across the state are likely to create continued employment impacts at the County and City levels. The state's unemployment rate rose from 4.9 percent in 2000 to over 12.4 in percent in 2010. The state as a whole experienced job declines in several categories, including construction, manufacturing, professional services, and other service industries. Future unemployment trends in Gridley are expected to reflect changes in the broader economy. It appears that the unemployment rate for Gridley is declining as is the rate for the state reflecting improvement in the state economic climate since the economic downturn that began in 2007.

## **HOUSING**

The City is experiencing continued growth in the number of households forming creating a continued demand for housing. An analysis of overall household growth and housing stock characteristics, including vacancy rates, age and condition of existing stock, provide an assessment of the type of housing that the City's residents will need now and over the next eight year period.

Between 1990 and 2000, the number of households in the City of Gridley grew by 7.1 percent. In both 1990 and 2000, 57 percent of Gridley households were homeowners and 43 percent were renters.

<sup>3</sup> Employment Development Department, Labor Market Information Division, online, [www.calmis.ca.gov/file/lfmonth/buttesub.xls](http://www.calmis.ca.gov/file/lfmonth/buttesub.xls).

**Table Profile-10** illustrates the household trends for Gridley and Butte County from 1990 through 2020.

The City added 332 households between 2000 and 2010. This represents a 17.9 percent increase in households during this period. In comparison, the population of Gridley increased by 21 percent over the same ten year span, potentially indicating an increasing average household size. Decreasing household sizes is related to both the availability and the affordability of housing in the community.

<b>Table Profile-10 Households</b>			
<b>Year</b>	<b>Households</b>	<b>Change</b>	<b>% Change</b>
<b>City of Gridley*</b>			
<b>1990</b>	1,719		
<b>2000</b>	1,851	132	7.7
<b>2010</b>	2,183	332	17.9
<b>2020</b>	2,345	162	7.42
<b>Butte County</b>			
<b>1990</b>	71,665		
<b>2000</b>	79,566	7,901	11.0
<b>2010</b>	99,655	3,963	4.1
<b>2020</b>	118,271	18,616	18.9

Source: BCAG Projection data for 2010 and 2020, California DOF Population and Housing Estimates, 2009 for 2000 and 2009, 2010 Census American Fact Finder

\* 2.965 Persons per Household

<b>Table Profile-11-Household Tenure</b>			
<b>City of Gridley</b>			
	<i># Existing Households</i>	<i>Owner</i>	<i>Renter</i>
2000	1841	1051	790
2010	2,183	1262	921

<b>Table Profile-12 Housing by Age and Tenure</b>	
<b>Owner occupied:</b>	<b>1,119</b>
Householder 15 to 24 years	34
Householder 25 to 34 years	102
Householder 35 to 44 years	139
Householder 45 to 54 years	249
Householder 55 to 59 years	218
Householder 60 to 64 years	110
Householder 65 to 74 years	119
Householder 75 to 84 years	106
Householder 85 years and over	42
<b>Renter occupied:</b>	<b>839</b>
Householder 15 to 24 years	59
Householder 25 to 34 years	193
Householder 35 to 44 years	320
Householder 45 to 54 years	83
Householder 55 to 59 years	17
Householder 60 to 64 years	12
Householder 65 to 74 years	122
Householder 75 to 84 years	33
Householder 85 years and over	0
<b>Total</b>	<b>1,958</b>

## Housing stock characteristics

An assessment of housing type, tenure, and cost are important to identify future housing needs. A majority of housing units are single-family, detached homes. Since 1990, the percentage of households owning homes has increased slightly.

**Table Profile-13** compares the available housing stock in 1990, 2000, and 2010. Between 1990 and 2010, 641 housing units have been constructed in Gridley. A majority of the growth in housing units has been single-family, detached homes composing 83 percent of the housing stock; 2,036 of the total 2,451 units. The number of attached/detached single-family homes has also increased 34% from a 1990 total of 1,518 to 2010 total of 2,088 units. The number of higher density, multi-family, attached housing units has stayed relatively the same.

The total number of mobile homes increased by 60 units between 1990 and 2010, and accounted for 3 percent of the housing stock.

Table Profile-13						
Housing Unit Type, City of Gridley						
Housing Unit Type	1990		2000		2010	
	Number	Percent	Number	Percent	Number	Percent
Single Family	1,518	84%	1,623	82%	2,115	88%
Multi-Family	274	15%	276	14%	213	9%
Mobile Homes	18	1%	74	4%	78	3%

Sources: DOF 1990, 2009, City of Gridley HE Annual Housing Report

## Vacancy

Vacancy trends in housing are analyzed using a “vacancy rate” which establishes the relationship between housing supply and demand. For example, if the demand for housing is greater than the supply, then the vacancy rate will probably be low and the price of housing will most likely increase.

According to “Raising the Roof, California Housing Development Projections and Constraints, 1997-2020”, states that when the overall vacancy rate drops below 5 percent, the demand exceeds the available supply of Generally, a vacancy rate of about 2 percent for ownership housing and 6.0 to 7.0 percent for rental housing is considered to be “normal.”<sup>4</sup>

According to the 2010 Census, the vacancy rate for owner housing units was 2.6 percent and 6.5 percent for rental housing units. Generally, these rates are consistent with what are considered “normal” vacancy rates for owner- and renter-occupied units and indicate a housing market in balance. Table 11 A shows the vacancy rates for the incorporated cities within the County and Butte County.

This indicates no real change in the City’s vacancy rate since 2000, while it represents a slight decrease in the County’s rate. These numbers are consistent with data shown in Table Profile 12 which provides the proportion of vacancy rates by types of housing.

**Table Profile-14**  
**Vacancy Rates in Butte County, Incorporated and Unincorporated Areas**

City	Ownership Housing Vacancy Rate (%)	Rental Housing Vacancy Rate (%)
Biggs	3.2	6.5
Chico	2.0	5.8
<b>Gridley</b>	<b>2.6</b>	<b>6.5</b>
Oroville	3.6	8.4
Butte County	2.4	6.4

**Table Profile-15**  
**Housing Vacancy**

	Gridley		Butte County	
	Number	Percent	Number	Percent
Vacant housing units	223	9.3	8,217	8.6
For rent	64	2.7	2,498	2.6
For sale only	34	1.4	1,256	1.3
Rented or sold, not occupied	8	0.3	466	0.5
For seasonal, recreations., or occasional use	8	0.3	1,831	1.9
For migrant workers	Not available	Not available	Not available	Not available
Other vacant	109	4.5	2,166	2.3

Source: 2010 Census

## Age and condition of housing

The age of housing, by itself, does not necessarily equate with poor housing conditions. However, a neighborhood with a large stock of older housing (particularly older non- subsidized rental housing) occupied by a high percentage of lower-income households has a much greater potential for housing problems compared to an affluent neighborhood with older housing.

If not properly maintained, housing can exhibit obvious signs of “wear and tear” after 30 years or less depending on the quality of materials and construction. Non- structural components such as paint, siding, doors, windows, roof shingles, electrical, plumbing, and ventilation can deteriorate or fail during the first 30 years. Housing can exhibit structural problems after 40 years or more; sagging roofs, foundation failure, walls out of plumb, etc. if subject to inadequate maintenance and repairs<sup>5</sup>.

The 2010 Census reports that:

- 55.6 percent of all housing was built before 1970;
- 20 percent 477 units, of the existing housing was built between 1940 and 1949; and,
- 31 percent of housing stock has been built since 1980.

The median years for the housing stock built are 1950 to 1959 indicating a relatively older housing stock, in general.

<sup>4</sup> Vacancy figures used in this section come from two different sources which report different time periods and use different methods to measure vacancy (2010 Census and California DOF). Therefore, information gaps between sources and between periods exist. However, the use of both data sets allows for a more detailed understanding of the vacancy rates in the City.

<sup>5</sup> Housing condition figures used in this section come from three different sources which report different time periods and use different methods to indicate potential need for rehabilitation

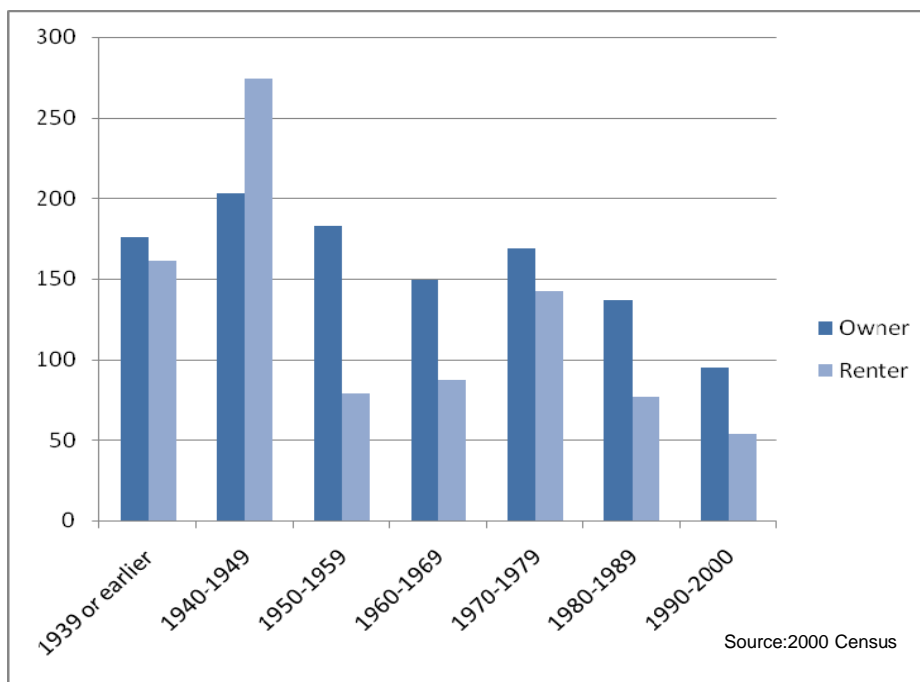
**Table Profile-13** summarizes the number of housing units by year built.

**Table Profile-16  
Housing Units by Year Built**

Year Built	Number	Percent	Accumulated Percent
1939 or earlier	337	14.3	14.3
1940 to 1949	477	20.2	34.5
1950 to 1959	262	11.1	45.6
1960 to 1969	236	10	55.6
1970 to 1979	311	13.2	68.8
1980 to 1989	214	9.1	77.9
1990 to 1999	149	6.3	84.2
2000 to 2009	375	15.8	100.0
<b>Total</b>	<b>2,361</b>	<b>100.0</b>	

Source: 1990, 2000 Census; 2010 Census; City of Gridley

The majority of the housing stock is owner occupied, representing 56 percent of the total housing units built by 2000. **Figure Profile-1** illustrates the age of housing units by tenure. According to these figures, the majority of renters (58.8 percent) in the City live in housing units built before 1960. The largest proportion, 57.4 percent, of renter-occupied housing units was built between 1940 and 1949. Comparatively, 69.8 percent of the housing units in the city built between 1950 and 1959 are occupied by owners. A total of 1,312 units were built prior to 1970 and may potentially need rehabilitation.



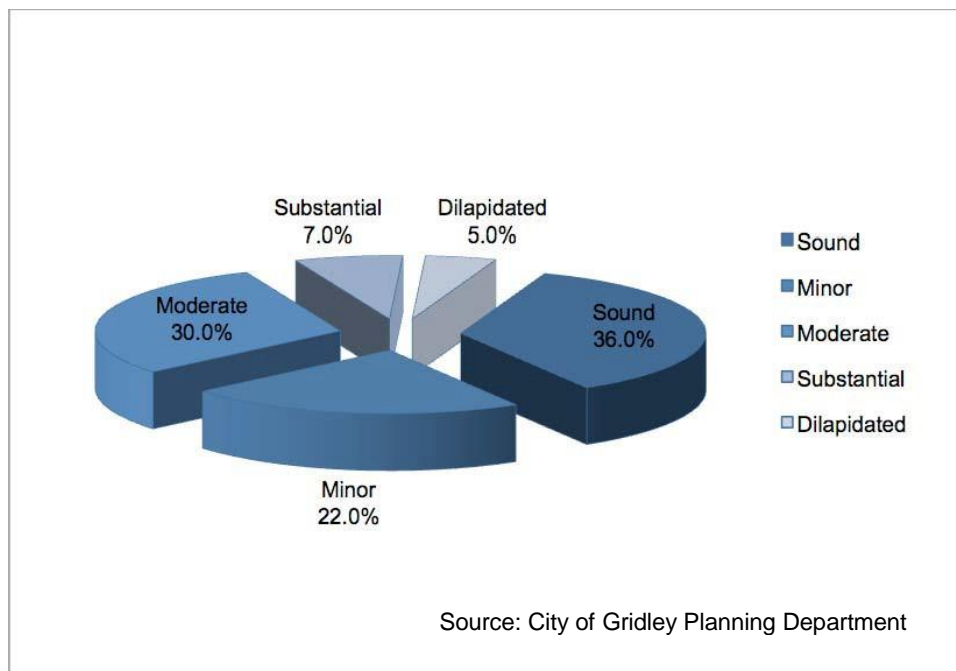
**Figure Profile-1: Age of Housing by Tenure**

The 2000 CHAS data indicate that 332 units affordable to extremely low- and very low- income residents were built before 1970. This included 117 owner-occupied units and 214 rental units. This figure (units more than 30 years old, affordable to extremely low- and very low- income households) is used as a proxy for units in need of rehabilitation. By this measure, 332 units are estimated to be in need of rehabilitation, approximately 14 percent of the total housing units reported in Gridley by the 2000 Census. Another proxy figure for units in need of rehabilitation is rental units occupied by extremely low- and very low-income households.

The 2000 CHAS reports 306 extremely low- and very low-income households (representing an equivalent number of housing units) were renters. By this measure, 306 units (12.6 percent of the county's total) are estimated to be in need of rehabilitation. These numbers (306 to 332 units) provide a range for the number of units in need of rehabilitation. These figures remain congruent with existing conditions of the housing stock today.

The City of Gridley Planning Department conducted a housing survey in 2006. This included 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.

**Figure Profile-2** and **Table Profile-14** illustrate the condition of housing units surveyed. Based on these figures, a total of 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. Based on the age of the existing housing stock the conditions of the units remain in the same condition.



**Figure Profile-2: Condition of Housing Units**

**Table Profile-17 Condition  
of Housing Units**

Condition	Single Family	Duplex	Multi-Family	Total
Sound	527	53	170	750
Minor	447	10	11	468
Moderate	552	35	39	626
Substantial	133	8	8	149
Dilapidated	80	5	13	98

Source: City of Gridley Planning Department, 2008

## **HOUSING COST, AFFORDABILITY, AND INCOME**

The relationship of housing cost to income has the potential to create an unmet need if cost increases faster than income. If the housing cost is relatively high in comparison to household income, a correspondingly higher prevalence of cost burden (payment of more than 30 percent of income for housing) and overcrowding (more than one person per room) will result. This section summarizes the cost and affordability of the Gridley housing stock to residents.

Affordability is based on a household spending 30 percent or less of their total income for shelter costs. Shelter costs include mortgages/rent, property taxes, property insurance, and utilities. The Department of Housing and Community Development has established maximum household income levels based on a percentage of median income; for extremely low income (30%), very low income (50%), low income (80%), moderate income, and above moderate income.

The 2014 Butte County income limits established by the state are defined in Table Profile-18 below:

**Table Profile-18 State Income Limits for 2014 (Annual)**

<u>Income Level</u>		<u>Number of Persons in Household</u>							
		1	2	3	4	5	6	7	8
<b>Butte County</b> 4-person Area Median Income <b>\$58,700</b>	Extremely Low (30%)	12,350	14,100	15,850	17,600	19,050	20,450	21,850	23,250
	Very Low (50%)	20,550	23,500	26,450	29,350	31,700	34,050	36,400	38,750
	Low Income (80%)	32,900	37,600	42,300	46,950	50,750	54,500	58,250	62,000
	<b>Median Income</b>	41,100	46,950	52,850	58,700	63,400	68,100	72,800	77,500
	Moderate Income	49,300	56,350	63,400	70,450	76,100	81,700	87,350	93,000



As shown in **Table Profile-19 below**, the maximum affordable monthly housing available funds for extremely-low and very low-income, four-person households is \$440 and \$733.75, respectively. According to **Table Profile-21**, a two-bedroom unit has a range of \$600-\$800, and a three-bedroom unit has a range of \$850-\$1,000 for rent for a four person household. This would indicate that while a portion of rental units in the City may be affordable to very low-income households, most market rentals are not within the affordability range for extremely low -income households. The affordability range for a three-bedroom unit is \$850-\$1,000 thus restricting affordable housing availability to both extremely low and very low income households.

<b>Table Profile-19</b> <b>Maximum Affordable Monthly Housing Cost in Butte County</b> <b>(Including Utilities)</b>								
<b>Income Category</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
<b>Extremely Low</b>	\$308.75	\$352.50	\$396.25	\$440.00	\$476.25	\$511.25	\$546.25	\$581.25
<b>Very Low</b>	\$513.75	\$587.50	\$661.25	\$733.75	\$792.50	\$851.25	\$910.00	\$968.75
<b>Low</b>	\$822.50	\$940.00	\$1,057.50	\$1,173.75	\$1,268.75	\$1,362.50	\$1,462.25	\$1,550.00
<b>Median</b>	\$1,027.50	\$1,173.75	\$1,321.25	\$1,467.50	\$1,585.00	\$1,702.50	\$1,820.00	\$1,937.50
<b>Moderate</b>	\$1,232.50	\$1,408.75	\$1,585.00	\$1,761.25	\$1,902.50	\$2,042.50	\$2,183.75	\$2,325.00

Note: Affordable housing costs assume that 30% of gross household income is applied toward shelter costs.  
Source: 2014 Income Limits, Department of Housing and Community Development

## Ownership Housing

Between 2000 and 2006, sales prices for single-family homes in the City and County experienced an average annual increase of 8.6 percent and 9.1 percent, respectively. Home sales prices are historically higher countywide, with an average difference of 2 percentage points.

Gridley's median sales prices peaked at \$282,000 in 2006 and experienced a 37.2 percent decrease in the following two-year period. Median sales prices in the City were estimated at \$177,000 for single-family homes. The decline of housing prices during this time period and forward into 2010 is directly related to the economic downturn the nation has experienced.

In the six-month period between July, 2013 and February, 2014, 62 homes were listed for sale in the Gridley area. All of these were single-family homes. Median sale prices by bedroom size ranged from \$148,200 for a two- bedroom to \$346,317 for a four-bedroom listing. **Table Profile-20** summarizes the number of recently sold homes. Three-bedroom homes were the most commonly listed home size, accounting for 52 percent of all sales; the median sales price was lower than for a two bedroom home.

Declines in housing prices are attributed to a variety of factors in the broader economy, including a slowdown in the housing market, tightening credit, and continued foreclosures. These factors are expected to continue, though lessening, as the market continues to recover. Analysts indicate home sales are increasing, however credit remains tight and fewer mortgages are being applied for resulting in two conditions: a continued reduction in housing availability and a continued lack of home building construction.

**Table Profile-20**  
**Recently Sold Homes (July, 2013-February, 2014)**

Bedrooms	Listings	Median Sale Price
1	-	-
2	20	\$148,200
3	32	\$141,097
4	10	\$346,317
5+	0	\$0--
<b>Total</b>	<b>62</b>	

Source: realtytrac.com

## Rental housing

**Table Profile-21** summarizes rental costs in the City.

**Table Profile-21 Rental Costs**

Bedrooms	Rental Range
1	\$ 500-\$750
2	\$ 600-\$800
3	\$ 850-1,000

Sources: Butte County Apartments, April 2014

## Overpayment

Overpayment for housing is defined as shelter costs in excess of 30 percent. According to the 2000 Census, 31.8 percent of the owner households and 58.4 percent of the renter households in the City were overpaying for housing. **Table Profile-22** summarizes data from the 2007-2011 ACS Census data, the percentage of overpayment for rental and owner occupied housing. This information shows the extremely-low and very low income levels are spending much higher percentages for shelter costs in Gridley. However, what is also shown is that all income levels are struggling and paying greater than the 30% of available income and overpaying for shelter.

Table Profile-22 Households by Income Category Paying in Excess of 30% of Income Toward Housing Cost (Overpayment By Income category)							
AMI 58,700	Gridley						
Household	Extreme Low	Very Low	Low	Moderate	Above Moderate	Total	Lower income
Ownership Households	158	145	252	168	313	1,036	555
Overpaying Owner Households	126	85	73	84	38	406	284
Percentage of Overpaying Owners	79.9%	58.5%	29.0%	49.9%	12.1%	39.2%	51.2%
Renter Households	237	195	225	43	10	711	658
Overpaying Renter Households	180	145	91	24	10	449	415
Percentage of Overpaying Renters	75.8%	74.0%	40.4%	54.6%	100.0%	63.1%	63.1%
Total Households	394	341	477	212	323	1,748	1,213
Overpaying Households	306	230	164	108	48	855	699
Percentage of Overpaying Households	77.5%	67.4%	34.3%	50.9%	14.9%	48.9%	57.7%

[Source: ACS 2007-2011  
B25106](#)

According to the ACS data, a greater percentage of extremely low and very low-income renter than owner households paid 30 percent or more of their income on housing; however a greater percentage of extremely low and very low-income owner than renter households paid 50 percent or more of their income on housing. Both groups together represented a total of 42% of all households (extremely low, very low) paid 30 percent or more of their income for housing.

Extremely low and very low income households are most affected by cost burden, paying more than 50 percent of their income on housing. **Table Profile-23** summarizes the proportion of overpaying households by tenure. In regards to renters, small related extremely low and low income households with two to four members are most affected by cost burden, paying more than 50 percent of their income on housing.

**Table Profile-23 Household Type and Cost**

Household Type and Cost Burden	Renters	Owners	Total
<b>Extremely Low Income (0-30% MFI)</b>	145	170	315
Housing Cost>30% of Income	88%	84%	86%
Housing Cost>50% of Income	64%	84%	70%
<b>Very Low Income (31-50% MFI)</b>	245	305	550
Housing Cost>30% of Income	78%	49%	63%
Housing Cost>50% of Income	17%	17%	17%
<b>Low Income (51-80% MFI)</b>	470	275	745
Housing Cost>30% of Income	47%	54%	57%
Housing Cost>50% of Income	8%	10%	9%
<b>Moderate and Above Moderate (&gt;81%MFI)</b>	80	240	320
Housing Cost>30% of Income	0	7%	5%
Housing Cost>50% of Income	0	0	0
<b>Total Households</b>	940	990	1930
<b>Housing Cost&gt;30% of Income</b>	55%	28%	39%
<b>Housing Cost&gt;50% of Income</b>	24%	11%	16%

Source: CHAS Data Book, 2010

## Overcrowding

Overcrowding is defined as a situation where there is more than one person per room in an occupied using unit. Overcrowding can result from a low supply of affordable and adequate housing. Households that are unable to afford larger housing units or unable to find vacant larger housing units in an area may be forced to rent or purchase housing that is too small to meet their needs. According to the 1990 Census, 7.9 percent of households in Gridley lived in overcrowded conditions. According to the 2000 Census, the number of overcrowded households has increased by 104 (representing 11.6 percent of the total households in the City).

As **Table Profile-24 below**, shows, the level of overcrowding by tenure is greater in the owner occupied households. In both overcrowded and severely overcrowded, Butte County has more households renting with overcrowding 30-50% greater than owner occupied housing. Gridley an opposite effect with overcrowding greater in owner occupied housing instead of rental housing in both overcrowded and severely overcrowded (1.5 persons per room or more) households.

**Table Profile-24 Overcrowded Households in  
Butte County and the City of Gridley**

		Butte County, California		Gridley, California
		Estimate		Estimate
Total:		85,219		1,958
Owner occupied:		51,406		1,119
0.50 or less occupants per room		39,131		702
0.51 to 1.00 occupants per room		11,207		352
1.01 to 1.50 occupants per room		835		18
1.51 to 2.00 occupants per room		158		33
2.01 or more occupants per room		75		14
Renter occupied:		33,813		839
0.50 or less occupants per room		19,771		355
0.51 to 1.00 occupants per room		12,152		448
1.01 to 1.50 occupants per room		1,300		36
1.51 to 2.00 occupants per room		331		0
2.01 or more occupants per room		259		0
Owner Occupied	Overcrowded	1.01 or more	1068	65
Renter occupied	Overcrowded	1.01 or more	1890	36
<b>Total overcrowded</b>		<b>1.01 or more</b>	<b>2958</b>	<b>101</b>
Owner Occupied	Severely Overcrowded	1.5 or more	233	47
Renter occupied	Severely Overcrowded	1.5 or more	590	0
<b>Total severely overcrowded</b>		<b>1.5 or more</b>	<b>823</b>	<b>47</b>

Source: ACS 2007-2011 Table B25014

## **SPECIAL HOUSING NEEDS**

Household groups with special needs include disabled persons, female headed households, large family households, seniors, agricultural farm workers, and homeless persons. Households with special housing needs often have greater difficulty in finding decent and affordable housing. As a result, these households may experience a higher prevalence of overpayment for housing, overcrowding, and other housing problems. Extremely low income households share many of the special needs housing as described and as previously analyzed in “Housing Affordability”, above.

Housing elements must include an analysis of the special housing needs of the disabled including persons with developmental disabilities. Special needs groups often spend a disproportionate amount of their income to secure safe and decent housing and are sometimes subject to discrimination based on their specific needs or circumstances. Chapter 507, Statutes of 2010 (SB 812), which took effect January 2011, amended State housing element law to require the analysis of the disabled to include an evaluation of the special housing needs of persons with developmental disabilities.

**Table Profile-25**  
**Developmentally Disabled**

Age	Residence	Number
3 to 5 yrs	Home Prnt/Grdn	17
6 to 9 yrs	Home Prnt/Grdn	19
10 to 13 yrs	Home Prnt/Grdn	12
14 to 17 yrs	Home Prnt/Grdn	10
18 to 21 yrs	Home Prnt/Grdn	6
22 to 31 yrs	Home Prnt/Grdn	11
22 to 31 yrs	Indep Living	6
32 to 41 yrs	Home Prnt/Grdn	7
32 to 41 yrs	Indep Living	2
42 to 51 yrs	Community Care	3
42 to 51 yrs	Home Prnt/Grdn	4
42 to 51 yrs	Indep Living	3
52 to 61 yrs	Community Care	2
52 to 61 yrs	Home Prnt/Grdn	1
52 to 61 yrs	Indep Living	3
52 to 61 yrs	SNF	1
62 and Older	Community Care	1
62 and Older	Indep Living	1
62 and Older	SNF	1
	<b>Total</b>	<b>110</b>

There are a number of housing types appropriate for people living with a development disability: rent subsidized homes, licensed and unlicensed single-family homes, inclusionary housing, Section 8 vouchers, special programs for home purchase, HUD housing, and SB 962 homes. The design of housing-accessibility modifications, the proximity to services and transit, and the availability of group living opportunities represent some of the types of considerations that are important in serving this need group.

### Developmentally disabled

According to Section 4512 of the Welfare and Institutions Code a "Developmental disability" is defined as a disability that originates before an individual attains age 18 years, continues, or can be expected to continue, indefinitely, and constitutes a substantial disability for that individual which includes mental retardation, cerebral palsy, epilepsy, and autism. This term shall

also include disabling conditions found to

be closely related to mental retardation or to require treatment similar to that required for individuals with mental retardation, but shall not include other handicapping conditions that are solely physical in nature.

The US Census does not have specific information regarding persons with developmental disabilities. However, each nonprofit regional center contracted with the California Department of Developmental Services (DDS) maintains an accounting of the number of persons served by zip code or city. This information can be used to estimate the number of persons residing in the jurisdiction which have developmental disabilities.

The development of affordable and accessible homes is critical to expand opportunities for persons with developmental disabilities to live in integrated community settings. One of the biggest obstacles to living independently in the community is a lack of financial resources. Income is often limited and affordable housing where people can rent homes, apartments, duplexes, or mobile homes is crucial to the long term stability of a person with developmental disabilities. In addition, access to various types of supported living services is critical for persons with developmental disabilities to live as independently as possible.

Many developmentally disabled persons can live and work independently within a conventional housing environment. More severely disabled individuals require a group living environment where supervision is provided. The most severely affected individuals may require an institutional environment where medical attention and physical therapy are provided. Because developmental disabilities exist before adulthood, the first issue in supportive housing for the developmentally disabled is the transition from the person's living situation as a child to an appropriate level of independence as an adult.

The State Department of Developmental Services (DDS) currently provides community based services to approximately 243,000 persons with developmental disabilities and their families through a statewide system of 21 regional centers, four developmental centers, and two community-based facilities. The Far Northern Regional Center is one of 21 regional centers in the State of California that provides point of entry to services for people with developmental disabilities in Butte County. The center is a private, non-profit community agency that contracts with local businesses to offer a wide range of services to individuals with developmental disabilities and their families.

The following information from the Far Northern Regional Center, charged by the State of California with the care of people with developmental disabilities, defined as those with severe, life-long disabilities attributable to mental and/or physical impairments provides a closer look at the disabled population in Gridley.

<b>Table Profile -26: Persons with Physical Disability by Employment Status*</b>				
	Butte County		Gridley	
	Number	Percent	Number	Percent
Age 5-64, Employed Persons with a Disability	2937	13.41%	65	10.09%
Age 5-64, Not Employed Persons with a Disability	8951	40.86%	223	34.63%
Persons Age 65 Plus with a Disability	9459	43.18%	356	55.28%
Total Persons with a Physical Disability	21907	100%	644	100%
<b>% of Total Population Over Age 5 (Civilian Non-institutional)</b>	11.54%		0.34%	

[Source: 2000 Census PCT028](#)

\*Employment data for all disabilities not considered physical is not available for all jurisdictions.

The 2000 Census identified six types of disabilities: Sensory, physical, mental, self-care, go-outside-of-home, and employment disabilities. **Table Profile-27** summarizes types of disabilities amongst Gridley's disabled population. Approximately 24% of Gridley's civilian, non-institutionalized population 5 years and older had some type of disability. The most prevalent type of disability is a physical disability (17.9 percent of those with some type of disability).

**Table Profile-27: Persons with Disabilities by Disability Type and Age (Census 2000)**

	Butte		Gridley	
	Number	Percent	Number	Percent
<b>Total Disabilities Tallied</b>	80,102	100.00	2,183	100.00
<b>Total Disabilities for Ages 5-64</b>	53,019	66.19	1274	58.36
Sensory Disability	4,128	5.15	166	7.60
Physical disability	12,448	15.54	288	13.19
Mental disability	10,211	12.75	189	8.66
Self-care disability	3,823	4.77	59	2.70
Go-outside-home disability	7,572	9.45	166	7.60
Employment disability	14,837	18.52	406	18.60
<b>Total Disabilities for Ages 65 and Over</b>	27,083	33.81	909	41.64
Sensory Disability	5,256	6.56	142	6.50
Physical disability	9,459	11.81	356	16.31
Mental disability	3,780	4.72	92	4.21
Self-care disability	3,042	3.80	84	3.85
Go-outside-home disability	5,546	6.92	235	10.77

Physical, mental, and/or developmental disabilities could prevent a person from working, restrict a persons' mobility, or make caring for oneself difficult. Therefore, disabled persons often require special housing needs related to potential limited earning capacity, the lack of accessible and affordable housing, and higher health costs associated with disabilities. The 2000 CHAS data shows 534 households with disabilities, including senior households with disabilities. Of these, over 25.8 percent (138 households) were VLI households and 18.1 percent (97 households) were ELI households.

Additionally, people with disabilities may require a wide range of housing and supportive services, depending on the type and severity of their disabilities. Housing needs can range from institutional care facilities to facilities that support partial or full independence (i.e., group care homes). Supportive services such as daily living assistance and employment assistance may also be needed, ideally integrated with housing.

Disabled persons with mobility limitations require housing that is physically accessible. Examples of accessibility in housing include widened doorways and hallways, ramps, bathroom modifications (i.e., lowered countertops, grab bars, adjustable shower heads, etc.) and special sensory devices including smoke alarms and flashing lights.

Incorporating 'barrier-free' design in all, new multifamily housing (as required by California and Federal Fair Housing laws) is especially important to provide the widest range of choices for disabled residents.



Special consideration should also be given to the affordability of housing, as people with disabilities may be living on a fixed income.

According to the 2000 Census, 69 persons in the City reside in “nursing homes.” Of these, a majority (61 persons) is 65 years old or older. Nursing homes are defined as skilled-nursing facilities, intermediate-care facilities, long-term care rooms in wards or buildings on the grounds of hospitals, or long-term care rooms/nursing wings in congregate housing facilities. Also included are nursing, convalescent, and rest homes.

Five residential care facilities are located in the City, which provide assistance to persons 60 years of age and older and to persons with disabilities, and two additional residential care facilities provide assistance to developmentally disabled adults ages 18-59.

In conclusion, between 2000 and 2008 it is estimated that the number of persons with a disability increased by approximately 13.5 percent, or 87 additional persons, ages 5 to 64. Persons over 65 with a disability are counted as part of the senior household projections.

In order to assist in the housing needs for persons with Developmental Disabilities, the City will implement programs to coordinate housing activities and outreach with the Far Northern Regional Center and, encourage housing providers to designate a portion of new affordable housing developments for persons with disabilities, especially persons with developmental disabilities, and pursue funding sources designated for persons with special needs and disabilities.

## **Female headed households and single parent**

Single-parent households are households with children under the age of 18 at home and are generally female-headed households as well as male headed households. These households generally have a higher ratio between their income and their living expenses (that is, living expenses take up a larger share of income than is generally the case in two-parent households). Therefore, finding affordable, decent, and safe housing is often more difficult for single-parent households to acquire. Additionally, single-parents have special needs involving access to daycare or childcare, health care, and other supportive services.

According to Census 2010 data, 11.3 percent or 247 of all households, in the City of Gridley are headed by single parents with children under the age of 18. The majority of single-parent households in the City of Gridley are female-headed comprising 176 households equaling approximately 71 percent. This data indicates that 29 percent of single-parent households in the City that are headed by a male, with no female present and having related children under the age of 18 present in the home.

## **Large family households**

Large family households are defined as households containing five or more persons. Large family households are considered a special needs group because there is limited supply of adequately sized housing to accommodate their needs. The more persons in a household, the more rooms are needed to accommodate that household. Specifically, a five-person household would require three or four bedrooms, a six-person household would require four-bedrooms, and a seven-person household would require four to six bedrooms.

---

<sup>6</sup> Calculated from BCAG population projections from for 2008 of 6,028 persons and calculated from Census 2000 data showing 13.5 percent of the population has a disability, ages 5 to 64.

According to the 2010 Census, 20 percent of all households in Gridley include five or more persons (435 households).

Gridley's housing stock provides a good supply of larger owner-occupied housing compared to large households. There were 255 large owner households and 702 owner occupied housing units of three or more bedrooms.

Compared to owner occupied units, there are fewer large rental units compared to large households. There were 180 large renter households and 172 rental housing units of three or more bedrooms in the City in 2000. **Table Profile-28** summarizes the number of large households and housing units.

Table Profile-28				
Large Households and Housing Units				
Owner Units				
5-Person	128	9.1%	3-Bedrooms	
6-Person	64	6.9%	4-Bedrooms	
7-Person or more	63	2.6%	5-Bedrooms or more	
Total	255	20.5%		
Renter Units				
5-Person	103	5.4%	3-Bedrooms	
6-Person	38	4.1%	4-Bedrooms	
7-Person or more	39	4.1%	5-Bedrooms or more	
Total	180	13.5%		

Source: 2010 Census

## Senior households

The age of senior citizens varies depending upon the benefits to be gained. Legally for purposes of social security retirement benefits the age is from 65-68 depending on birthdate, the age for senior discounts is generally 60 – 62, the age for senior apartments for federal housing subsidies is 62, with some further age restricted from the age of 55-58. The context of the Housing Element uses the social security benefits age of 65 years and older.

Seniors may have special housing needs resulting primarily from physical disabilities and limitations, fixed income, and health care costs. Additionally, senior households also have other needs to preserve their independence including protective services to maintain their health and safety, in-home support services to perform activities of daily living, conservators to assist with financial affairs including management of estate issues and networks of care to provide a wide variety of services and daily assistance.

In 1990, 831 persons in Gridley were 65 years and older. According to the 2000 Census, the City had 857 persons 65 years old or older. According to the 2010 Census, the City's senior population

increased by 1.2 percent to 928 persons. The 1.2% increase in the senior population for the 2000-2010 ten year period is substantially higher than the 0.3 percent annual increase of the previous ten year period from 1990 to 2000.

**Table Profile-29** summarizes Gridley’s senior population by gender. The majority of the senior population in the 2010 Census is female representing 60.2 percent. Seniors over 80 years of age represent 30.9 percent of the total senior population in the city.

**Table Profile-29 Senior Population by Gender**

Age of Seniors		Male		Female		
		Percent	% of Total	Number	Percent	% of Total
<b>65 to 69 years</b>	115	31	12.4	133	23.8	14.3
<b>70 to 74 years</b>	85	23	9.2	150	26.8	16.2
<b>75 to 79 years</b>	73	19.9	7.9	85	15.2	9.2
<b>80 to 84 years</b>	46	12.5	4.9	78	14	8.4
<b>85 years and over</b>	50	13.6	5.4	113	20.2	12.1
<b>Total</b>	369	100.0	39.8	559		60.2

Source: 2010 Census

In addition, 588 of the householders in Gridley are seniors, which accounts for 27 percent of the households in the City. As a group, senior households have lower incomes than the average household in Gridley. The senior population has approximately 46 percent living in extremely low income households and approximately 29 percent living in very low income households.

Seniors have slightly lower home-ownership rates than the population at large, with a home ownership rate of approximately 64.5 and a rental rate of 35.4 percent. **Table Profile-30** summarizes senior householders by tenure.

The senior population is expected to continue to increase during this planning period. The increased population will require additional affordable housing will be needed.

**Table Profile-30  
Senior Householders by Tenure**

Age	Number	Percent	Percent of Total
<b>Renter Occupied</b>			
<b>65 to 74 years</b>	94	45.2	16
<b>75 to 84 years</b>	71	34.1	12.1
<b>85 years and over</b>	43	20.7	7.3
<b>Total</b>	208	100.0	35.4
<b>Owner Occupied Households</b>			
<b>65 to 74 years</b>	192	50.5	32.7
<b>75 to 84 years</b>	126	33.2	21.4
<b>85 years and over</b>	62	16.3	10.5
<b>Total</b>	380	100.0	64.5
<b>65 to 74 years</b>	286	48.6	
<b>75 to 84 years</b>	197	33.5	
<b>85 years and over</b>	105	17.9	
<b>Total</b>	588	100.0	

Source: 2010 Census

## Homeless persons

Homeless individuals and families have perhaps the most immediate housing need of any group. They also have one of the most difficult sets of housing needs to meet, due to both the diversity and complexity of the factors that lead to homelessness, and to community opposition to the siting of facilities that serve homeless clients.

State law requires that housing elements estimate the need for emergency shelter for homeless people. An accurate count of the homeless population can be difficult to ascertain, as by their very nature homeless persons are transient and do not live in conventional housing. Nevertheless, the Butte County Continuum of Care (CoC) undertook a point-in-time census of the County's homeless population. On January 27, 2011, volunteer enumerators conducted a street-based and service-based enumeration to obtain an unduplicated count of homeless individuals and families in the County on a given day.

As shown in **Table Profile-29**, the 2011 Point in Time Homeless Count Report found 1772 homeless individuals living in Butte County and 97 living in Gridley. However, the Community Action Agency of Butte County which conducted the final reporting of the census estimates that this number is lower than the actual number of persons living in the Gridley area, as inclement weather conditions on that day may have resulted in an undercount.

Approximately 215 children with families and 36 unaccompanied youth live within the County. Approximately 319 individuals were identified as chronically homeless. The count of homeless persons was updated in January of 2011.<sup>8</sup> This effort identified 1772 individuals experiencing homelessness in Butte County. The summary of this survey discovered that:

- ✓ 12% of the homeless respondents reported having children;
- ✓ 30% were unsheltered (living outdoors);
- ✓ 32% were sharing the housing of family and friends;
- ✓ 60% reported having lived in Butte County for 5 years or longer;
- ✓ 18% were “chronically homeless”
- ✓ 27% reported having some college level education; and
- ✓ 48% reported having no financial resources.

Gridley does not currently have any homeless shelters. The closest homeless shelter and services for the homeless individuals and families are located in the City of Marysville or the City of Chico. Emergency and transitional shelters are allowed in the Public and Quasi-Public (PQP) zone in the City with a Conditional Use Permit (CUP). However, State law (Government Code 65583 (4) (A)) requires that emergency shelters be permitted by right in one or more zones, with some exceptions. The Zoning Ordinance will be updated to comply with the provision of State law. Please refer to the Housing Plan section for information on the City’s housing policies and programs.

**Table Profile-31 Homeless Population: 2008**

	Sheltered	Unsheltered	Other	Total
<b>Adults</b>				1170
<b>Children (w/families)</b>				215
<b>Unaccompanied Youth</b>				36
<b>Adults in Families</b>				387
<b>Total</b>	665	540	567	1772
<b>Community/Location</b>				
	Sheltered	Unsheltered	Other	Total
<b>Gridley</b>	0	53	44	97
<b>Chico</b>	430	304	309	1043
<b>Oroville</b>	153	157	235	545
<b>Paradise</b>	1	28	42	71
<b>Other</b>	0	4	12	16
<b>Total</b>				1772

## Farmworkers

Farmworkers often face particular difficulties obtaining safe, decent and affordable housing. Farmworker households may be forced to occupy substandard and/or overcrowded homes due to their low income status and traditionally have low home ownership rates.

At the time of the 2000 Census, approximately 235 farmworkers lived within the City of Gridley. Based on a market study commissioned by the Housing Authority of the County of Butte (HACB) in 2008, the number of farmworkers in the City is estimated to have increased by 1.26 percent annually since 2000, or approximately 260 farmworkers in 2008. The EDD estimates mean farm labor wages between nine and eleven dollars an hour depending on the type of farm labor, making farmworkers in Gridley low income wage earners.

The California EDD projects an average 11.2 percent countywide decline in all farm labor between by 2016, but provides no specific factors for this decrease. Based on conversations with property managers and job training specialists in the region, the HACB attributes this decrease to various factors, including increased agricultural mechanization, the replacement of high intensity crops with less labor intensive crops, increased development on agricultural lands, and the transition out of farm labor jobs into other non-farm types of employment, such as construction. The HACB projects an overall decline in the farmworker population, and a subsequent decline in the demand for farmworker housing in Gridley and surrounding areas. As such, strategies to assist very low-income housing needs will also benefit farmworkers.

Currently, there is one farmworker housing site owned and operated by the HACB. It contains 112 units for low and moderate income farmworkers. Based on increasing vacancy rates in the housing site and a projected future decline in the demand for farmworker housing, the HACB does not have plans to develop further new farmworker housing in the immediate future.

The City's Zoning Ordinance currently does not allow for agricultural employee housing in the agricultural zoning districts in the City. State law (Health and Safety Code Sec. 17021.6) requires jurisdictions to consider agricultural employee housing as a permitted use in all agriculturally zoned districts within that jurisdiction. Please refer to the Housing Plan for description of a program to update the Zoning Ordinance to comply with state law.

---

<sup>8</sup> Butte Countywide Homeless Continuum of Care and Point-In-Time Planning Committee. Butte County 2011 Point-In-Time Census and Survey. January 27, 2011.

## OPPORTUNITIES FOR ENERGY CONSERVATION

State law requires municipalities to include an analysis of opportunities for residential energy conservation in its Housing Element (Government Code Part 65583 [a][7]).

Opportunities for residential energy conservation exist at all levels: the individual dwelling unit, the residential project, the neighborhood, the community, and the region.

According to the U.S. Department of Energy, residential energy use accounts for about 11 percent of all energy use nationwide, although homes in the Pacific region, with its milder climate, use up to 35 percent less energy than homes in other parts of the country<sup>1</sup>. Space heating and cooling account for about 43 percent of residential energy use. Water heating accounts for 13 percent and lighting accounts for 12 percent. Greater energy efficiency in these three residential components would contribute to an overall reduction in energy use. In California, residential uses account for roughly 11% of overall energy use, while the transportation sector accounts for 36%, a large portion of which is related to motor and gasoline diesel use.<sup>2</sup>

Communities that provide for energy conservation for residential buildings and transportation can substantially reduce household and business costs. Monthly utility costs can be reduced through energy conservation techniques, saving on household expenses and increasing housing affordability (all else held constant). According to the 2008 Bureau of Labor Statistics' Consumer Expenditure Survey, housing in the U.S. West accounts for 35% of spending. Utilities and public services associated with housing accounts for 6% of consumer spending.

In addition to residential building energy, community design that provides for efficient travel options (short trips, walking, bicycling, public transit) is extremely important to housing affordability and energy conservation. While, as noted above, housing costs represent about 1/3<sup>rd</sup> of household spending, transportation is the second highest spending category, accounting for 16% of expenses.

As described in this chapter, Gridley's 2030 General Plan specifically addresses cost- saving measures related to energy use, including goals, policies, and implementation strategies in the Land Use, Circulation, Community Character and Design, Public Facilities, Conservation, and Open Space Elements. The treatment of this topic in the General Plan is much broader than that required for Housing Elements by state law, recognizing the important inter-relationships between land use and transportation planning, residential and non-residential site planning and community design techniques for energy conservation, and other factors.

---

<sup>1</sup>. US Dept. of Energy, "U.S. Primary Energy Consumption by Source and Sector, 2008" (2009)

<sup>2</sup> Lawrence Berkeley National Laboratory. Development of Energy Balances for the State of California. June 2005.

**Table Energy-1**  
**Consumer Spending Categories**

Expense Category	Percentage of Consumer Spending (2012 percentages)	
	2008	2012
Food	13%	12.8
Alcoholic beverages	1	0.9
Housing	35	32.8
Utilities, fuels, and public services	6	7.1
Apparel and services	3	3.4
Transportation	16	17.5
Healthcare	6	6.9
Entertainment	6	5.1

Bureau of Labor Statistics. Consumer Expenditure Survey, 2009-2012.

In general, opportunities for residential energy conservation include:

- ✓ Compliance with minimum energy conservation standards for residential construction and operations (heating, cooling, cooking, refrigeration, etc.). California requires cities and counties to enforce minimum energy efficiency standards through state building code standards (Title 24 of the California Code of Regulations) and through energy efficiency standards for household appliances.
- ✓ Retrofitting of existing homes that are energy inefficient through weatherization, rehabilitation, and the replacement of older appliances.
- ✓ Energy efficient project site planning that takes maximum advantage of natural systems (sun, shade, wind) for lighting, heating, cooling, and generation of electricity.
- ✓ Neighborhood design and layout that encourage alternatives to automobile use through higher density, mixing of uses, a high degree of transportation connectivity, and street design to encourage all types of mobility.
- ✓ Community and regional growth strategies that emphasize infill development; higher intensity and mixed-use development along transportation corridors.
- ✓ Neighborhood, community, and regional centers with a mix of employment, housing, retail, and services.
- ✓ The placement of housing for a variety of households and income levels as close as possible to job centers and services.
- ✓ Water conservation, water conserving landscaping, and stormwater management systems that reduce energy use.

Gridley's approach to energy conservation is intended to strike a balance between up-front energy-



saving investments and longer-term cost savings associated with such investments. The City's approach is also keyed to the local climate and priorities of citizens and decision makers for planning and building design. Finally, the City's approach is influenced by several state, regional, and local initiatives and programs. Among the most important initiatives and programs are:

- ✓ State building code standards for energy efficiency (Title 24); and
- ✓ The state's emerging climate change strategies focused on reductions in greenhouse gas emissions, as required by AB 32, the California Global Warming Solutions Act of 2006.

## **ENERGY EFFICIENCY FOR NEW CONSTRUCTION**

Title 24 of the California Code of Regulations contains California's building standards for energy efficiency. Each city and county must enforce these standards as part of its review of building plans and issuance of building permits. The standards, prepared by the California Energy Commission, were established in 1978 in response to a state legislative mandate to reduce California's energy consumption. The standards are updated periodically to consider and incorporate new energy efficiency technologies and methods. A new set of standards will be in effect as of August 1, 2009. The Energy Commission estimates that California's building efficiency standards (along with those for energy-efficient appliances) have saved more than \$56 billion in electricity and natural gas costs since 1978. It is estimated the standards will save an additional \$23 billion by 2013.

## **GREENHOUSE GAS EMISSIONS REDUCTIONS**

The State of California adopted the California Global Warming Solutions Act in 2006 (Assembly Bill 32) and declared that "global warming poses a serious threat to the economic well-being, public health, natural resources, and the environment of California." In adopting the act, the Legislature found that human activity is one of the leading contributors to an increase in carbon dioxide, methane, and other "greenhouse gases" (GHGs). The state has declared that these gases are leading to an increase in average global temperatures and contributing to changes in climate throughout the world. The purpose of the act is to reduce GHG emissions to 1990 levels by 2020 (25 percent reduction over current levels) and then to reduce GHGs to 80 percent below 1990 levels by 2050.

Since greenhouse gas emissions are closely tied to energy sources and uses, the implementation of AB 32 will have important ramifications for Gridley's opportunities for energy conservation.

The California Air Resources Board (ARB) is responsible for implementation of AB 32. AB 32 requires the ARB to adopt a quantified cap on GHG emissions representing 1990 emissions levels and disclose how it arrives at the cap; institute a schedule to meet the emissions cap; and develop tracking, reporting, and enforcement mechanisms to ensure that the state achieves the reductions in GHG emissions necessary to meet the cap. AB 32 also includes guidance to institute emissions reductions in an economically efficient manner and conditions to ensure that businesses and consumers are not unfairly affected by the reductions.

In October of 2008, ARB published its Climate Change Proposed Scoping Plan (Proposed Scoping

Plan), which is the State's plan to achieve GHG reductions in California required by AB 32 (ARB 2008). The Proposed Scoping Plan contains the main strategies California will implement to achieve reduction of 169 million metric tons (MMT) of CO<sub>2</sub>e, or approximately 30% from the state's projected 2020 emission level of 596 MMT of CO<sub>2</sub>e under a business-as-usual scenario (this is a reduction of 42 MMT CO<sub>2</sub>e, or almost 10%, from 2002-2004 average emissions).

The Proposed Scoping Plan also includes ARB-recommended GHG reductions for each emissions sector of the state's GHG inventory. The largest proposed GHG reductions are recommended from improving emission standards for light-duty vehicles (estimated reductions of 31.7 MMT CO<sub>2</sub>e), implementation of the Low-Carbon Fuel Standard (15.0 MMT CO<sub>2</sub>e, discussed below), energy efficiency measures in buildings and appliances and the widespread development of combined heat and power systems (26.3 MMT CO<sub>2</sub>e), and a renewable portfolio standard for electricity production (21.3 MMT CO<sub>2</sub>e).

ARB has not yet determined what amount of GHG reductions it recommends from local government operations; however, the Proposed Scoping Plan does state that land use planning and urban growth decisions will play an important role in the state's GHG reductions because local governments have primary authority to plan, zone, approve, and permit how land is developed to accommodate population growth and the changing needs of their jurisdictions. (Meanwhile, ARB is also developing an additional protocol for community emissions.)

ARB further acknowledges that decisions on how land is used will have large impacts on the GHG emissions that will result from the transportation, housing, industry, forestry, water, agriculture, electricity, and natural gas emission sectors. The Proposed Scoping Plan states that the ultimate GHG reduction assignment to local government operations is to be determined (ARB 2008). With regard to land use planning, the Proposed Scoping Plan expects approximately 5.0 MMT CO<sub>2</sub>e will be achieved associated with implementation of SB 375, which is discussed further below. The Proposed Scoping Plan was approved by the ARB on December 11, 2008.

The California Air Pollutions Control Officers Association (CAPCOA), which represents local air districts, recently released a report on ways to measure and reduce GHGs at the local level, including steps that cities and counties can take to contribute to the goals of AB 32.

An important local strategy recommended by CAPCOA is the adoption of general plan policies and implementation measures that encourage energy conserving community layout and design. Many of the recommendations are relevant for residential energy conservation. Among the suggestions are:<sup>2</sup>

- ✓ Promote walkability through a highly connected street system with small blocks;
- ✓ Promote mixed-use neighborhoods centers and transit-oriented development;
- ✓ Reduce the amount of water used for landscaping and encourage the use of recycled water for landscaping;
- ✓ Promote the use of fuel-efficient heating and cooling equipment and other appliances;
- ✓ Encourage green building designs in both new construction and building renovation;

---

<sup>2</sup> EDAW | AECOM. Technical Report Components of the CAPCOA Paper, "CEQA and Climate Change," Published by the California Air Pollution Control Officers Association. 2007.

- ✓ Encourage building orientations and landscaping that enhance natural lighting and sun

- exposure;
- ✓ Encourage the expansion of neighborhood-level products and services and public transit opportunities throughout the area to reduce automobile use;
- ✓ Promote energy-efficient design features, including appropriate site orientation, use of light color, roofing, and building materials;
- ✓ Encourage the development of affordable housing throughout the community, as well as development of housing for elderly and low and moderate income households near public transportation services; and,
- ✓ Ensure that a portion of future residential development is affordable to low- and very low-income households.

## **GRIDLEY 2030 GENERAL PLAN**

Gridley's 2030 General Plan, of which this Housing Element is a part, includes goals, policies, and implementation strategies in several elements that support energy conservation, including, but not limited to those that address:

- ✓ Encourage infill development and development near existing uses.
- ✓ Require efficient use of land through minimizing the amount of land required to meet parking, internal circulation, and delivery/loading needs, shared parking strategies, joint-use of public facilities, and other means.
- ✓ Community design that accommodates walking, bicycling, and transit use.
- ✓ Require strategic land use mixing that places destinations within walking and bicycling distance of homes.
- ✓ Compact development and focusing density/intensity around future planned transit stops.
- ✓ Focus new commercial development to underutilized and vacant properties in the existing Sphere of Influence rather than accommodating new commercial development on the urban fringe, which can increase travel distances.
- ✓ Provide a transportation system that accommodates all locally available travel modes.
- ✓ Require shade trees in parking lots.
- ✓ Increase shade tree canopy Downtown and other public gathering areas and preserve trees in new growth areas to provide immediate shade benefit.
- ✓ Provide incentives for water conservation measures.
- ✓ Expand local generation and use of renewable energy sources for electricity in Gridley and the share of renewable energy in the City's overall portfolio.
- ✓ Require site planning that takes advantage of passive heating opportunities and includes shading for the right portions of new buildings.

## HOUSING NEEDS

The City's share of estimated new housing need is established by the Butte County Association of Governments (BCAG) through the Regional Housing Needs Allocation (RHNA) process for the fifth cycle planning period from January 1, 2014 to June 15, 2022.

This section also identifies the City's inventory of subsidized housing units that are affordable to lower income households, including identification of housing units "at-risk" of conversion to market rate due to termination of subsidy contracts, mortgage prepayment, or expiration of restrictions on use. Such units include those developed under the US Department of Housing and Urban Development (HUD) programs, tax exempt mortgage revenue bond programs, low-income housing tax credits, redevelopment programs, and density bonus programs.

The analysis includes preservation options for "at-risk" assisted housing developments. Housing needs for special needs groups are detailed in the Community Profile.

## REGIONAL HOUSING NEEDS ALLOCATION

According to the RHNA, the City must accommodate 769 housing units between January 1, 2014 to June 15, 2022. The RHNA allocations require Gridley accommodate 30 percent of the housing units to very low households, 15 percent to low-income households, 13 percent to moderate income households, and 42 percent to above- moderate income households. The extremely low income group is included as 50% of the required very low RHNA allocation.

Under state law, the City is obligated to demonstrate how it will accommodate its share of the regional housing need with sites adequate for residential development and that it can accommodate a variety of housing types. **Table Needs-1** shows the City's housing allocation from BCAG by income level.

<b>Table Needs-1</b>		
<b>Regional Housing Needs Allocation (2014-2022)</b>		
<b>Income Group</b>	<b>Number of Units</b>	<b>% of Total</b>
Extremely Low <sup>1</sup>	115	15
Very Low	116	15
Low	118	15
Moderate	99	13
Above Moderate	321	42
Total	769	100

Source: BCAG Regional Housing Needs Allocation (RHNA), February 19, 2013.

<sup>1</sup> Extremely low income allocation is assumed to be 50% of total very-low income housing unit need.

BCAG received Regional Housing Needs Allocation (RHNA) numbers from the California Department of Housing and Community Development (HCD).<sup>1</sup> The overall numbers provided by HCD are based on projections developed by the California Department of Finance. The income distributions for housing accommodated under the planning period are based on median household incomes for Butte County.

BCAG worked with planning directors from incorporated cities within Butte County along with the

County to develop an acceptable methodology for distributing this countywide number among the six jurisdictions in Butte County. The number of very low and low income housing units in comparison to moderate and above- moderate housing units is fairly equally distributed, 45% versus 55%, respectively

## **INVENTORY OF ASSISTED HOUSING UNITS**

The City of Gridley has five housing complexes with a total of 294 dwelling units restricted to lower-income households. **Table Needs-2** provides the number of restricted housing units by development. Of these, two developments, The Oaks and Gridley Springs I, have had conversion dates within the next 10 years; the dates have been extended due to RHS 515 funding for rehabilitation. **Table Needs-3** summarizes the characteristics of the two assisted housing developments in the City; “at-risk” these two developments provide 87 units and of those units, 55 specifically serve as elderly housing.

These projects are restricted to low-income tenants. The Oaks, completed in 1980, had USDA Rural Rental Housing Section (RHS) 515 financing as did Gridley Spring I built in 1989. Gridley Spring I also received Low Income Housing Tax Credits (LIHTC).

Sources: National Housing Trust Data Clearinghouse, 2009; Butte County Housing Authority, 2009; City of Gridley, 2009; CHIP, 2009

<b>Table Needs-2</b>							
<b>Project At-Risk</b>							
<b>Project Name</b>	<b>Type</b>	<b>Funding</b>	<b>Conversion Date</b>	<b>Number of Bedrooms</b>			<b>Total Affordable Units</b>
				<b>1</b>	<b>2</b>	<b>3</b>	
<b>The Oaks</b>	Senior	RHS 515	2012	55	0	0	55
<b>Gridley Springs I</b>	Family	RHS 515, LIHTC	2009	12	18	2	32
<b>Total "At-Risk" Units</b>	Units			67	18	2	87

<sup>1</sup> See BCAG web site for more information: <http://www.bcag.org/Planning/Regional- Housing-Needs-Plan/index.html>.

<sup>2</sup> The Oaks and Gridley Springs I were significantly rehabilitated using HOME investment funding mechanisms which will likely prohibit the conversion of the units for several years. BCAG notes they are still considered “at-risk” units.

**Table Needs-3**  
**Assisted Housing Inventory**

Project Name	Location	Type	Funding	Affordability					Earliest Date of Conversion	At-Risk
				Total Assisted Units	Very Low	Low	Moderate	Senior		
<b>Butte County Housing Authority</b>	South Ohio Street	Rental	Housing Authority	50		50			No Ending Term Date	No
<b>Hazel Hotel Senior Apartments</b>	880 Hazel Street	Rental	LIHTC	14		14		14	2054	No
<b>The Oaks</b>	1500 Hwy 99	Rental	RHS 515	55	55			55	2012*	Yes
<b>Gridley Springs I</b>	210 Ford Avenue	Rental	RHS 515, LIHTC	32	32				2009*	Yes
<b>Gridley Springs II</b>	200 Ford Avenue	Rental	LIHTC	24			24		2046	No
<b>Farm Labor Housing</b>	850 East Gridley Road	Rental	Housing Authority	112			112		No Ending Term Date	No
<b>Bowwood Subdivision</b>	Bowwood and Little Street	Ownership	RHS 502	6		6			2039	No
<b>Indiana Street</b>		Ownership	CDBG	1			1		2023	No
<b>Total</b>				294	87	70	137	69		87

Sources: National Housing Trust Data Clearinghouse, 2009; Butte County Housing Authority, 2009; City of Gridley, 2009; CHIP, 2009

\*The Oaks and Gridley Springs I were significantly rehabilitated using HOME investment funding mechanisms which will likely prohibit the conversion of the units for several years. BCAG notes they are still considered "at-risk" units.

## **Rural development section 515 projects**

Under the RHS 515 Program, Rural Development makes direct loans to developers of affordable multi-family rental housing. Interest rates for these programs may be subsidized to as low as one percent. Funds can be used to construct new rental housing complexes, or to repair and rehabilitate existing units. In new RHS 515 projects, 95 percent of tenants must have very low-incomes. In existing projects, 75 percent of tenants must have very low-incomes.

Although these projects are required by law to be listed as “at-risk” of converting to market rate housing, it is not a very good indicator of whether these units will actually convert. The projects “at-risk” under the Section 515 Program do not typically convert to market rate. If a project owner requests to prepay the mortgage, Rural Development provides incentives for the project owners to sign up for additional 20-year loans. If the owner does not accept the financial incentives, Rural Development encourages the owner to sell the property to a non-profit entity to maintain it as affordable housing. Given the incentives in place to preserve Section 515 housing, this housing is generally not considered at risk.

Even with the relatively low likelihood of conversion, the City is pro-active in preventing the loss of affordable housing units. The City committed funds up to \$560,000 to The Oaks and Gridley Springs for rehabilitation; these two at-risk projects continue to remain affordable

## **Rent subsidy**

HUD also administers various affordable housing opportunities for lower income persons, including Section 221 (d) (3), Section 202, Section 236, and Section 811 housing. However, according to the local office of HUD, there are no HUD-administered or subsidized affordable housing complexes or individual units located in the City.

Funding for Section 8 affordable housing originates from the federal Department of Housing and Urban Development (HUD) and Butte County Housing Authority is responsible for administering project-based Section 8 properties.

There are currently 38 households in Gridley that utilize Housing Choice Voucher Assistance (Section 8) to pay the rent. The use of vouchers is not restricted as to the type or location of housing. ,

## **PRESERVATION OPTIONS**

There are different options available to property owners to preserve the affordability of subsidized housing units.

### **Transfer of Ownership**

Transferring ownership of an at-risk project to a non-profit housing provider is one of the least costly ways to ensure that the at-risk units remain affordable. By transferring property ownership to a non-profit organization, low-income restrictions can be secured indefinitely and the project becomes eligible for a greater range of governmental assistance. Most of these transactions also include rehabilitation of the projects to modernize the property.

## Purchase of Affordability Covenant

The provision of an incentive package to owners to maintain affordability of at-risk projects would be another option. Incentives could include writing down interest rates on remaining loan balances in the form of a payment to the project lender and/or supplementing the Homeowner's Assistance Program (HAP) fair market rent to market levels.

## Rental Assistance

The two at-risk projects are funded through the USDA Section 515 Program. None of the projects have Section 8 contracts, but rental assistance to the projects could be structured in a similar fashion to Section 8. The feasibility of this alternative is highly dependent on the availability of funding sources necessary to provide the rental subsidies and the willingness of the owners to accept the subsidies if they are provided. **Table Needs-4** shows the rental subsidies required to preserve the at-risk units. As shown, approximately \$92,472 would be required annually to preserve the current at-risk inventory of 87 units.

**Table Needs-4**  
**Rent Subsidies Required to Preserve At-Risk Housing**

Per Unit Affordable Rent (1)	1 BR (2)	2 BR (3)	3BR (4)	Total
Extremely Low Income (30% AMI)	\$309	\$379	\$460	
Very Low Income (50% AMI)	\$514	\$633	\$768	
Low Income (80% AMI)	\$581	\$766	\$1,094	
Average Per Unit Affordable Rent	\$582	\$711	\$849	
Total Fair Market Rent (FMR)*	\$646	\$851	\$1,215	
Monthly Per Unit Subsidy	\$64	\$140	\$364	
Annual Per Unit Subsidy	\$768	\$1,680	\$4,368	
Total "at-risk" Units	67	18	2	87
<b>Total Annual Subsidy</b>	<b>\$51,456</b>	<b>\$30,240</b>	<b>\$8,376</b>	<b>\$90,072</b>

Source: \* FY 2014HUD Final FMR

Notes:

- (1) Includes total maximum rent and utilities affordable at 30 percent of household income
- (2) Assumes 2-person household
- (3) Assumes 3-person household
- (4) Assumes 5-person household



## Replacement costs

Construction of lost units in the affordable housing market is another means of replacement. The cost of developing new housing depends on a variety of factors, including density, unit size, location, land costs, and type of construction. According to the City and a local non-profit developer, the average construction cost for multifamily housing development is \$140 per square foot. Based on this average, total replacement costs are estimated at \$131,950 per unit, assuming an average unit size of 760 square feet, and including land costs, government and other “soft costs.” An estimated cost to replace 87 “at-risk” units would be approximately \$11,479,650.

## Comparison of Preservation Options

Based the different preservation options discussed above related to the existing units in The Oaks and Gridley Springs I, the three cost estimating scenarios indicate the following::

- ✓ Transfer of ownership--\$7,102,767.
- ✓ Rent subsidy--\$92,472 annually or \$1,060,088 over 10 years.<sup>2</sup>
- ✓ Replacement through new construction--\$11,479,650.

While replacement or preservation of 87 “at-risk” units is costly, a transfer of ownership would be the least costly option. Transfer of ownership to a non-profit or government agency also ensures long-term affordability of the units.

## Entities Qualified to Preserve At-Risk Units

Organizations in the region with the capacity to own and manage affordable rental projects include the Community Housing Improvement Program (CHIP) and the Housing Authority of Butte County, both headquartered in the City of Chico. Both agencies currently manage affordable rental projects in Gridley.

---

<sup>2</sup> Assumes a 3 percent inflation rate per year.

## RESOURCES

This section of the Housing Element describes and analyzes those physical, financial and administrative resources that aid the City in providing for the housing needs of its population. The Site Inventory provides a description of the City's available land and analyzes the feasibility and capacity for future residential development. The "Funding and Administrative Resources" section describes available resources to facilitate the development of housing affordable to special needs groups and lower-income households.

### SITE INVENTORY

This section provides the inventory of land suitable for residential development, including vacant sites and sites having the potential for redevelopment/ additional units in accordance to Government Code Section 65583(a) (3). State law further requires that the element analyze zoning and infrastructure on these sites, to ensure that housing development during the planning period is actually feasible. Through this process, the City must demonstrate that it has sufficient land to accommodate its fair share of the region's housing needs as set by the Butte County Association of Governments' (BCAG) Regional Housing Needs Plan during the 2014-2022 planning period.

The City must demonstrate that its zoning and density designations are adequate to support the housing demand for a variety of housing types and tenure as dictated by the RHNA allocation the following analysis describes the City's land supply and assesses its availability for housing during the next eight (8) years. The number of housing units that have been permitted, under construction, or constructed since January 1, 2014, at the time this land inventory was prepared are deducted from the City's housing allocation numbers. These units have been "credited" toward the City's 2014-2022 housing allocation totals.

The second part of this chapter describes vacant sites zoned for residential development, as well as vacant C-1 and C-2 zoned sites where multifamily housing is permitted or conditionally permitted. The City has also accounted for any environmental constraints and has ensured the adequacy of infrastructure to support residential development for sites included in the inventory.

### Legal requirements

California law (Government Code Section 65583 (a)(3)) requires that the Housing Element contain "an inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites."

Government Code Section 65583.2(c) requires local government to demonstrate that the projected residential development capacity of the sites identified in the inventory can realistically be achieved. The City must determine whether each site in the inventory can accommodate some portion of its share of the regional housing needs by income level during the planning period. The number of units calculated must be adjusted, as necessary, based on land use controls and site improvement requirements.

## Regional housing need allocation (rhna)

Gridley's share of the regional housing need is determined by BCAG through the Regional Housing Needs Plan, adopted in February, 2013. The Plan contains the Regional Housing Needs Allocation (RHNA), which specifies the share of the regional housing need allocated to each city and county by income level. According to the RHNA, the City should plan to accommodate 769 housing units between January 2014 and June 2022. Of the 769 units, 115 should be affordable to extremely low-income households, 116 should be affordable to very low-income households, 118 to low-income households, 99 to moderate-income households and 321 to above moderate-income households.

## Units Built

The City of Gridley issued building permits for 91 units. These units (**Table Resources-1**) completed construction prior to January 1, 2014. Affordability levels are provided in Table Resources – 1. Affordability levels for low-income units are based on financing and/or type of subsidy received.

Table Resources-1 Units Permitted, Under Construction, or Finaled								
Name	Type	Funding	Total	Income				Status
				AM	M L	VL	EL	
Heron Landing	Single family	Private		1				Built
Eagle Meadows	Single family	Private	3	1				Built
Gridley Springs Unit 1	Multi family	HOME loan			6			Built
Washington Ct Apts	Multi family	HOME loan			14	52		Built
Single family		Private	12		2	6		Built
Total Units Built				15	2	14	54	6

## Units in Progress

**Table Resources-2** identifies approved housing projects and those that are in construction as of the writing of this document. Completion of these projects will provide 163 new above-moderate income housing units in the City.

**Table Resources-2**  
**Units Under Construction or Approved**

Name	Type	Funding	Total	Income					Status
				AM	M	L	VL	EL	
Steffan Estates	Single family	Private	28	28					Approved
Edler Estates	Single family	Private	25	25					Approved
Heron Landing	Single family	Private	32	32					Under construction
Eagle Meadows	Single family	Private	78	78					Under construction
Total			163	163					

## Progress toward RHNA

Including both the units built in Gridley and those that are approved or in construction, there are a total of 163 units that can be applied to the City's RHNA for this housing element planning period (**Table Resources-3**).

The City's remaining housing need is 606 housing units, including:

- ✓ 158 above moderate-income units;
- ✓ 99 moderate-income units;
- ✓ 118 low-income units;
- ✓ 116 very low-income units; and
- ✓ 115 extremely low-income units.

**Table Resources-3**  
**Progress toward RHNA**

	Total	AM	M	L	VL	EL
RHNA	769	321	99	118	116	115
Total Units Built, Approved, or Under Construction		(163)				
Remaining RHNA Obligation		158	99	118	116	115

## **LAND INVENTORY**

The land inventory could accommodate xx lower-income units and xx above moderate-income units (**Table Resources-4** and **Table Resources-6**).

The City has updated the vacant parcel inventory in preparation of the Housing Element Update. This has been accomplished by reviewing the most recent parcel/assessor land use codes, querying permit data, conducting site visits, and reviewing updated aerial photography to determine the validity of vacant parcels. To support this Housing Element, the City conducted a comprehensive study of sites that were vacant, under-utilized, and sites that could be rezoned for residential intensification. All of the sites inventoried can be served by City services; infrastructure is in place or in close proximity. For sites zoned R-S (see **Figure Resources-1**), the City assumes a development capacity of 3 units per acre, based on the maximum gross density allowed under the current Zoning Ordinance.

Based on recent projects and the fact that the City's Zoning Ordinance allows greater densities (even without revisions to Zoning described in the Housing Plan), the City has assumed, for the purposes of the land inventory exercise, that R-3 sites can accommodate 15 units per acre. The vacant multi-family sites are located adjacent to existing developed land with existing infrastructure readily available.

The R-3 zone has a maximum density of 15 units per acre and is currently the highest- density zoning district in the City. This is the primary residential zone for development of apartments and other types of housing that is affordable to lower- and moderate-income households. All of the apartment complexes affordable to lower-income households, including the Oaks and Gridley Springs I and II, are located in the R-3 zoning district. Other single-family affordable housing developments are located throughout the City in lower-density residential zones.

Compared to most of the suburban and metropolitan jurisdictions (defined by Government Code Section 65583.2(c)(3)(B)(iii) and (iv)), land costs in Gridley and Live Oak would be substantially lower, which explains why it is feasible to provide affordable housing at densities lower than 15 units per acre.

Recent affordable projects have been constructed at densities ranging from approximately 3 to more than 12 units per acre with subsidies. **Table Resources-4** summarizes recent affordable single family and multifamily housing projects constructed in residential zones and financing for recent affordable housing projects.

The recently approved project, Washington Court Apartments, provides affordable housing at 12.78 units per acre. The project approval process included a market study, assessment of construction costs, and a pro-forma analysis showing the feasibility of this project at a density of less than 13 units per acre. The Washington Court project has identified a construction loan, HOME Funds, and equity investment equal to the total construction costs (including contingencies and developer profit). The analysis conducted to support this project identifies the total operating budget of the project (including reserves). Washington Court's revenues are shown to provide for operating expenses and meeting debt service obligations. The Primary Market Area used in the market study prepared to support the Washington Court project is the City of Gridley and the secondary market is Butte County. The market study identifies current demand for 123 units of two- and three-bedroom units in the City of Gridley and as noted, the project provides 56 units. For the Washington Court project, land costs were just 4.5% of the total development costs.

**Table Resources-4  
Examples of Affordable Housing Projects Less Than 20 Du/Acre**

Name	Type	Total Units	Mod	Low	VLI	Acres	Density	Zoning
<b>Locust Estate*</b>	Single family	13	-	13	-	3.55	3.7	R-S
<b>Washington Court **</b>	Multi-family	56	-	27	29	4.46	12.78	R-3

Source: City of Gridley Planning Department, 2009, CHIP, 2009 Notes:

\*Under construction

\*\*Recently approved.

**Subsidy Amounts of Affordable Housing Projects Less Than 20 Du/Acre Name**

	Fund	Type	Amount
<b>Locust Estate*</b>	Federal Home Loan Bank	Federal	\$150,000
	USDA-RD Section 502	Federal	Amount varies; homebuyers eligible for 1% fixed interest rate mortgage loan
	Prop 1C Joe Serna Jr. Farmworker Housing Grant	State	\$660,000
	LIHTC	Federal	\$11,777,990
<b>Washington Court **</b>	LIHTC	State	\$3,925,995
	Cal-HOME	State	\$1,900,000
	Gridley Redevelopment Agency	City	\$400,000

Source: City of Gridley Planning Department, 2009; CHIP, 2009; The Pacific Companies, 2009 Notes: \*Under construction \*\*Recently approved

**Table Resources-5 Potential Residential Land Inventory and Zoning  
Designations related to Affordability**

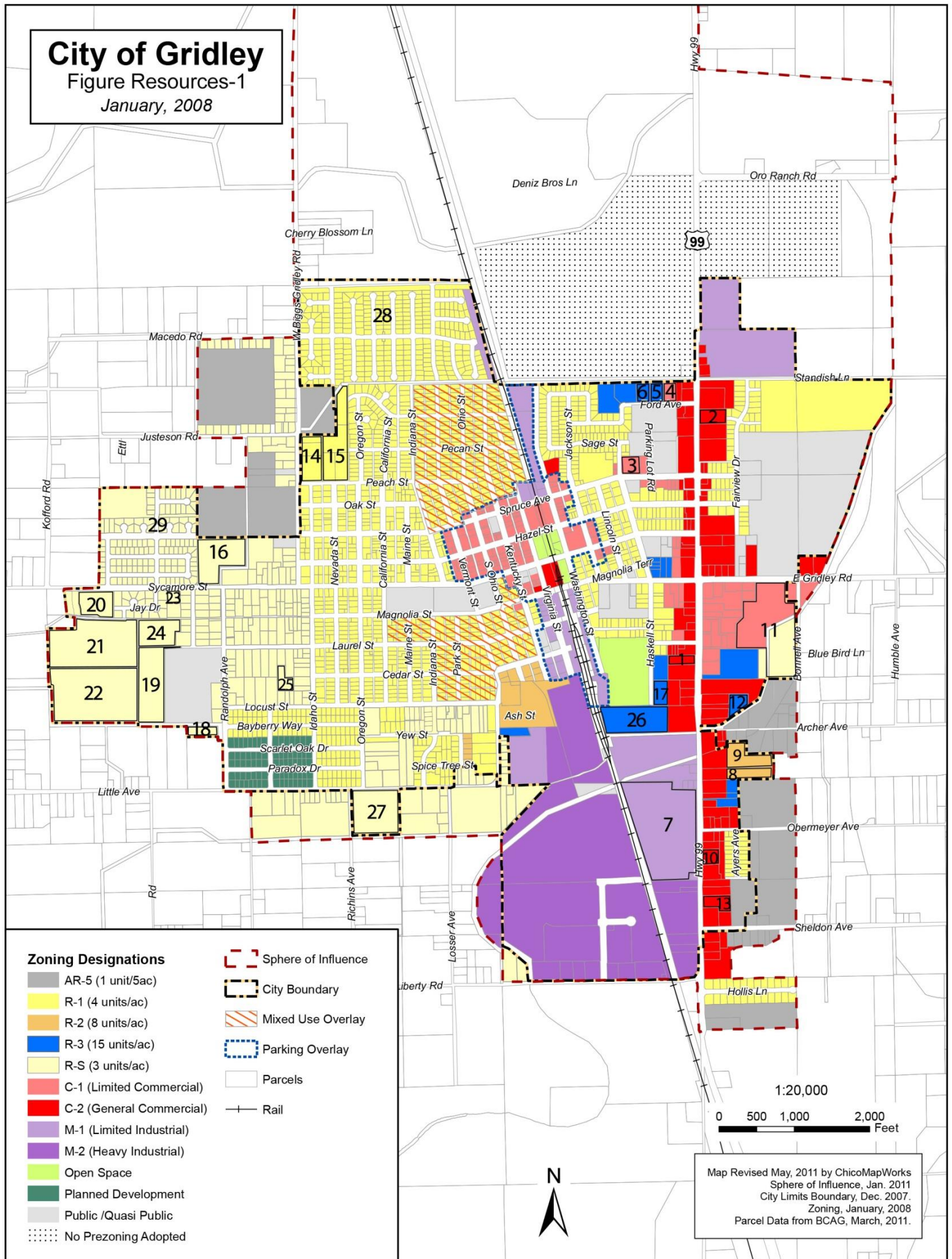
	Assessor's Parcel Number	Location	Zoning	Existing General Plan	Acreage	Density	Income	Capacity	RHNA	Surplus
1	010-200-041	Hwy 99 S. Cherry St.	C-2	C	1.05	8	EL/VL/L	8		
2	010-240-034	Hwy 99 x Vista Del Rio	C-2	C	1.67	8	EL/VL/L	13		
3	010-250-008	Spruce x Haskell St	C-1	C	2.68	10	EL/VL/L	28		
4	010-250-014	Ford Ave	C-1	C	1.5	15	EL/VL/L	22		
5	010-250-030	Ford Ave	R-3	RHD	1.09	15	EL/VL/L	16		
6	010-250-031	Ford Ave	R-3	RHD	1.09	15	EL/VL/L	16		
7	021-240-025	Ptn of 23.64ac/Hwy 99	M-1	I	15	10	EL/VL/L	150		
8	024-020-007	Hwy 99 S Morrison Slough	C-2	C	3.36	8	EL/VL/L	26		
9	024-020-008	Hwy 99 S Morrison Slough	C-2	C	5.43	8	EL/VL/L	43		
10	024-070-036	Hwy 99 S. Obermeyer	C-2	C	1.05	8	EL/VL/L	8		
11	024-260-044	Hwy 99 x Gridley Biggs Rd	C-2	C	17.32	10	EL/VL/L	150		
12	024-260-079	Hwy 99	R-3	RHD	1.98	15	EL/VL/L	29		
13	024-270-004	Hwy 99 N. Sheldon Ave	C-2	C	1.62	8	EL/VL/L	12		
								<b>521</b>	<b>349</b>	<b>172</b>
14	009-260-022,-024,-025	Valley Oaks Ests	R-1	RLD	3.94	4	M/AM	15		
15	009-260-026,-027,-028,-029	Pecan St	R-1	RLD	7.36	4	M/AM	29		
16	009-290-066	Sycamore St	R-S	RVLD	10.2	3	M/AM	31		
17	010-200-043	Haskell St/Qumar Est	R-3	RHD	1.48	15	M/AM	22		
18	010-270-051	W of Bayberry St	R-S	RVLD	1.34	3	M/AM	4		
19	010-270-076	Elder Ests/Laurel St	R-S	RVLD	8.41	3	M/AM	25		
20	010-270-120	Dusa Ests Dev.	R-S	RVLD	4.4	3	M/AM	13		
21	010-270-121	Butte Country Homes Unit 1	R-S	RVLD	16.63	3	M/AM	50		
22	010-270-122	Butte Country Homes Unit 2	R-S	RVLD	19.51	3	M/AM	70		
23	010-290-002	Sycamore St	R-1	RLD	0.78	3	M/AM	3		
24	010-290-041	W of Laurel St	R-S	RVLD	4.42	3	M/AM	13		
25	010-310-057	Laurel x Cedar	R-S	RVLD	1.32	3	M/AM	4		
26	021-110-039	Btw Haskell x Hwy 99	R-3	RHD	6	15	M/AM	90		
27	021-250-008	Steffan Ests Dev	R-S	RVLD	8.81	3	M/AM	28		
28	Multiple	Heron Landing	R-1	RLD			M/AM	32		
29	Multiple	Eagle Meadows	R-1	RLD			M/AM	78		
								<b>507</b>	<b>257</b>	<b>250</b>



# City of Gridley

## Figure Resources-1

January, 2008





To further ensure that affordability can be delivered at less than 20 units per acre, the City collected information on another affordable housing project in the neighboring community of Live Oak that was developed at a density of 12.73 units per acre. This project, Maple Park, is a 56 unit, multi-family reconstruction project that will provide 26 two-bedroom units, 28 three-bedroom units and 2 four-bedroom units for households earning 30 to 60% of the area median income (AMI). As with the Washington Court project, Maple Park involved an analysis of construction costs against sources of revenue and financing to ensure the feasibility of the project. The Maple Park project has identified a construction loan, HOME Funds, CDBG Funds, loan from the Federal Home Loan Bank, and equity investment equal to the total construction costs (including contingencies and relocation assistance). The analysis shows adequate cash flow for operations and meeting debt service obligations. The Primary Market Area used in the market study prepared to support the Maple Park project is City of Live Oak, the City of Gridley, the northwest portion of the City of Yuba City and surrounding unincorporated Sutter County. The market study identifies sufficient demand in the area for this project.

To further ensure that affordability can be delivered at less than 20 units per acre, City staff also collected information from the City of Oroville regarding a recently constructed project by the same developer that will develop Gridley's Washington Court project. This project, Hillview Ridge Apartments, was opened in December of 2008. Hillview Ridge identified a construction loan, HOME Funds, a Redevelopment Agency loan, and tax credit for construction and operational costs (including reserves). This project involved a pro-forma analysis that shows positive cash flow for the Hillview Ridge project, with land costs representing just 5.75% of the total development costs. Hillview ridge has 72 units and was developed at a density of approximately 8-10 units per acre.

Based on these three specific examples, in addition to other information available to the City, it is clear that with low-interest loans, tax credits, and other commonly available tools, delivering affordable housing is feasible in Gridley at densities of less than 20 units per acre. In the case of the Gridley and Live Oak projects, densities of 12-13 units per acre have been shown to provide this opportunity. The difference between this density level and the "default" density assumed to provide for lower-income housing likely rests primarily with land costs. As noted above, projects before and after the recent downturn in the real estate market had land cost that represented approximately 5% of the total development costs. With lower land costs in this part of the region compared to other areas, it has been thoroughly demonstrated that densities of 20 units per acre are not necessary to produce affordable housing. It is unlikely that there would be such a quick and drastic escalation in land costs that the City's assumptions in this respect would change during this housing element planning period.

To further illustrate the local context relative to land costs and affordability at lower densities, the City surveyed 100 unimproved multi-family properties currently for sale around the state. The median per-acre cost for the properties in this survey was \$234,177. This compares to a per-acre land cost for the Washington Court project of \$146,000 – approximately 38% lower than the comparison community multifamily land costs. While, by necessity, this is a snapshot analysis, it is clear that land costs are relatively low in the Gridley area. With the analysis conducted by the City to support this Housing Element, as summarized above, the City has demonstrated that the current R-3 zone provides the opportunity for lower-income housing.

## **Nonresidential Zoning Districts that Allow Multi-Family Housing**

In addition to the sites shown above with residential zoning designations, the Zoning Ordinance allows for the development of residential dwellings in commercial zones (C-1, C-2), subject to a

conditional use permit (CUP). The City's conditional use permit process has not historically presented problems in terms of processing time, expense, or certain on the part of interested multi-family housing developers. However, to fully ensure against this theoretical constraint, the City has drafted Housing Implementation

Strategy 3.2 to address the CUP process and ensure it is not a constraint to higher-density, mixed-use development (see the Housing Plan section).

This sites inventory includes appropriate parcels with C-1 or C-2 zoning. There is no minimum lot size for the C-2 or C-1 zone. The maximum building height is 50 feet. For the C-1 zone, the maximum lot coverage is 100% and for the C-2 zone, maximum lot coverage is 90%. Under the City's zoning and development standards, an additional 153 lower-income units could be developed on sites with commercial zoning. There are no other substantially constraining land use controls or applicable development standards.

The City's history of affordable multi-family development in nonresidential zoning districts includes the Washington Court project, which originally had M-1 zoning. The Hazel Hotel project provides 14 assisted units for low-income tenants. This project was developed in the C-1 zone and involved renovation of an existing hotel building to provide affordable senior housing. The parcel involved is approximately 0.35 acres and therefore the residential density is approximately 40 units per acre.

The Zoning Ordinance does not limit density in commercial zones. Past residential projects in commercial zones have followed the development standards and densities established for R-3 (Multi-family Residential) zone. For the purposes of this land inventory, it is assumed that, collectively, half of the commercial sites could be developed at a density of 15 units per acre, removing 20 percent of the land for roadways and other undevelopable areas. However, since the Zoning Ordinance does not actually have a specific limit on density for multi-family housing in these zones, the actual density for housing development on these sites could be somewhat higher than the conservative estimates of capacity used in this Housing Element.

Please refer to Housing Implementation Strategy 2.2, which would apply to the aforementioned mixed-use sites that would allow for multi-family development. This program commits the City to identifying and considering adoption of a range of incentives to encourage development of vacant and underutilized properties.

Considering units under construction, approved, and built, using the conservative assumptions described in this section, the City does not currently have an adequate land inventory to accommodate the RHNA. The City needs additional land to accommodate 182 moderate-income units, 17 low-income units, 31 very low-income units, and 60 extremely low-income units. Please refer to the Housing Plan, Housing Implementation Strategy 2.5, which commits the City to zoning land to provide adequate sites for development of housing to meet the City's RHNA.

## **FUNDING AND ADMINISTRATIVE RESOURCES**

The City of Gridley has access to a variety of existing and potential funding sources for affordable housing activities. This section offers a summary of funding sources which are currently used by the City, as well as additional funding sources which are potentially available to support various programs.

## Redevelopment area tax increment revenues

The Gridley Redevelopment Agency's Low- and Moderate-Income Housing Fund (Housing Fund) provides a portion of the tax increment revenues collected from Gridley's redevelopment project area (called the housing set-aside) and is the revenue source for the Housing Fund. State law requires that the Redevelopment Agency place 20 percent of the tax increment revenues from these redevelopment project areas into the Housing Fund. The Housing Fund's unencumbered balance as of the most recent available accounting period (fiscal year 2007) was \$258,917.13. Revenues from the housing set-aside to the Housing Fund are expected to average approximately \$150,416 annually over the coming 5-year period. **Table Resources-6** shows the City's past and projected revenues from tax increment revenues.

---

**Table Resources-6**  
**Housing Set-Aside Tax Increment Revenues**

Fiscal Year	Annual Receipts	Cumulative Receipts
2007	\$118,527.12	\$258,917.13
2008	\$133,232.32	\$392,149.45
2009	\$134,127.00	\$526,276.45
2010	\$137,436.00	\$663,712.45
2011	\$143,798.00	\$807,510.45
2012	\$150,287.00	\$957,797.45
2013	\$156,905.00	\$1,114,702.45
2014	\$163,656.00	\$1,278,358.45

Source: City of Gridley Planning Department, 2009; Butte County Auditor-Controller 2008; Urban Analytics, 2008

---

Because of limited revenues to the Housing Fund in the years since the adoption of the Redevelopment Plan, the Redevelopment Agency has not had the ability to undertake any projects or programs to assist in the development or rehabilitation of low- or moderate- income housing. However, the Redevelopment Agency's Implementation Plan stipulates that deposits to the Housing Fund be used to establish a First-Time Homebuyer Program (FTHB) and/or an Affordable Housing Development Assistance (AHDA) Program starting in FY 2009/10.

Based on the current and projected size of the Housing Fund, the Implementation Plan mandates that the AHDA Program will not be funded on an annual basis, but will depend on the availability of moneys in the Housing Fund. If the Redevelopment Agency is able to locate or attract a housing development for the AHDA Program, and assistance for the development would require most of the Housing Fund's monies, funding for the FTHB Program may be reduced or its establishment postponed. In fact, the City has recently committed \$400,000 to help fund the recently approved affordable housing project at Washington Court with 56 units of family housing for very low- and low-income households, which may impact the availability of funding for the FTHB program in the future.

## Low- and Moderate-Income Housing Obligation

In the five years since the adoption of the Redevelopment Plan, 17 housing units were constructed or

substantially rehabilitated within the Project Area. None of the housing units constructed were price-restricted to low- and moderate-income households. Since 17 housing units have been constructed or substantially rehabilitated since 2002, the Agency has an obligation to ensure that 3 units (15% of 17) are affordable to low- or moderate-income households. Additionally, 2 of those 3 units (40% of 3, rounded up to the next whole number) must be affordable to very low-income households.

The Redevelopment Agency plans to fulfill its current inclusionary housing obligation (3 affordable units, 2 of which must be affordable to very low-income households) through the establishment the housing programs (FTHB and AHDA) described above.

## State and federal resources

The City has approved a contract with the Consolidated Area Housing Authority of Sutter County to assist the City in managing Community Development Block Grant (CDBG) and Home Investment Partnership Program (HOME) grants. The City routinely tracks grant funding opportunities and prepares applications, as appropriate, for housing-related, as well as other community objectives.

The City of Gridley has access to several Federal, State and local resources to achieve its housing and community development goals. Specific sources will be utilized based on the eligibility and requirements of each project or program.

**Community Development Block Grants (CDBG).** The Department of Housing and Urban Development (HUD) awards CDBG funds annually to entitlement jurisdictions and States for general activities, including housing and economic development activities. CDBG funds designated for housing primarily support rehabilitation and provide funds for the purchase, construction or improvement of single-family and multifamily housing.

**Housing Choice Voucher (Section 8).** HUD provides funds to local public housing agencies to administer the Housing Choice Voucher program. Qualified families are eligible to receive tenant-based rental subsidies. The tenant's portion of the rent is based on 30 percent of the adjusted family gross income. The Housing Authority subsidizes the difference between the tenant's portion and the contract rent. However, Fair Market Rents (FMR) restricts the actual contract rent as determined by HUD.

**Home Investment Partnership Program (HOME).** HOME funds are awarded annually as formula grants to participating jurisdictions. HUD establishes Home Investment Trust Funds for each grantee, providing a line of credit that the jurisdiction may draw upon as needed. HOME funds can be used for the new construction and rehabilitation of affordable housing, covering both homeownership and rental properties. Funds can also be used to support homeownership programs, as “gap” loans for multifamily rental development and rehabilitation.

**Rural Development Grants.** The Rural Development Housing and Community Facilities Program of the US Department of Agriculture (USDA) offers grants and direct and guaranteed loans for farm worker, low- and very-low income housing. Funds can be used to support a range of activities including reparation and rehabilitation of single- and multi-family housing, construction of farmworker housing, assistance for home-buyers and direct loans for the purchase and improvement of land for residential construction.

Funds are awarded on a competitive basis to eligible individuals, public agencies, nonprofit and for-profit developers.

**Mortgage Revenue Bonds.** Tax-exempt mortgage revenue bonds can be issued by the City for housing developments that restrict a portion of their units for very low income and low income households. The basic federal requirements are that 20 percent of the units must be restricted to very low income households (50 percent of area median income), or 40 percent of the units restricted to households at 60 percent of area median income. The funds raised as a result of the bond sales carry below market interest rates, but these favorable terms are often not sufficient to produce a feasible mixed income development.

Under these conditions, developers may couple their bond applications with Low Income Housing Tax Credits to raise the equity needed for the project's affordability and feasibility. Bond-funded developments with tax credits may have a longer affordability period (55 years) than the 30-year regulatory term on a project with bonds alone.

**Mortgage Credit Certificates (MCC).** The MCC program provides financial assistance to first time homebuyers for the purchase of new or existing single-family homes. The MCC provides qualified first time homebuyers with a federal income tax credit. Income tax credits reduce an individual's tax payment(s) by an amount equal to the credit. The MCC program can be used to increase homeownership.

**Proposition 1C Funding.** Proposition 1C authorized about \$2.85 billion in State funding for a variety of housing programs. Potential uses of Proposition 1C funds include brownfield cleanup and infill incentives, multifamily housing programs, implementation of Transit Oriented Development (TOD), the state's Homeowner Down-payment Assistance program, supportive housing, farmworker housing, emergency housing assistance, and programs for homeless youth. Proposition 1C funds in the amount of \$660,000 were awarded to the Community Housing Improvement Program towards the development of Locust Estate.

**Multifamily Housing Program (MHP).** HCD conducts the acquisition and rehabilitation component of the MHP to assist the new construction, rehabilitation, and preservation of permanent and transitional rental housing for lower income households. Special allocations have been made for supportive housing with associated health and social services for low income renters with disabilities, or individuals or households that are moving from emergency shelters or transitional housing, or are "at-risk" of homelessness. MHP can be used by local governments, for-profit and nonprofit corporations, limited equity housing cooperatives, and individuals to construct, rehabilitate, or preserve permanent and transitional rental housing.

**Affordable Housing Innovation Program (AHIP).** AHIP funds the creation of pilot programs to demonstrate innovative, cost-saving approaches to creating or preserving affordable housing through grants and loans.

**Building Equity and Growth in Neighborhoods (BEGIN).** BEGIN funding includes grants to local public agencies to make deferred-payment second mortgage loans to qualified buyers of new homes, including manufactured homes on permanent foundations, in projects with affordability enhanced by

local regulatory incentives or barrier reductions. These grants are used to increase homeownership among low- and moderate income residents.

**CalHOME.** CalHOME funding includes grants to local public agencies and nonprofit corporations to assist individual households through deferred-payment loans, as well as direct, forgivable loans to assist development projects involving multiple ownership units, including single-family subdivisions. These grants are used to enable low- and very low income residents to become or remain homeowners.

**CalHOME Self-Help Housing Technical Assistance Allocation.** CalHOME Self-Help funding includes grants to local public agencies and nonprofit corporations for programs that assist low and moderate income families to build their homes with their own labor. These grants are used to increase homeownership and asset-building among low- and moderate income residents.

**Emergency Housing Assistance Program (EHAP).** EHAP funding includes both operating grants and deferred loans for capital development. Grants can be used for facility operations of emergency shelters, transitional housing projects, and supported services for homeless individuals and families. Loans to local public agencies and nonprofit developers may be used for capital development activities for emergency shelters, transitional housing and safe havens that provide shelter and supportive services for homeless individuals and families.

**Predevelopment Loan Program (PDLP).** PDLP funding includes short term loans to provide capital to finance the start of low income housing projects. These loans can fund redevelopment costs of projects to construct, rehabilitate, convert or preserve assisted housing, including manufactured housing and mobile home parks.

**Workforce Housing Reward Program.** This program provides financial incentives to cities and counties that issue building permits for new housing affordable to very low or low income households. Grants can be used for construction or acquisition of capital assets.

## **Institutional resources**

The City works with a public and private sector organizations involved with the development of affordable housing. These agencies are involved in the improvement of the housing stock, expansion of affordable housing opportunities, preservation of existing affordable housing, and/or provision of housing assistance to households in need. Agencies with current or recent affordable housing projects in Gridley include the following:

**Housing Authority of the County of Butte (HACB).** The HACB, located in the City of Chico, manages housing and community development activities including low rent public housing, the HUD Housing Choice Voucher (Section 8) program, the USDA Farm Labor Program. The mission of HACB is to assist low and moderate income residents of Butte County to secure and maintain high quality affordable housing. Subsidized housing is provided to families, seniors and disabled individuals whose income is between 50% and 80% of median area income. Open Market housing is available to all applicants at affordable rents.



**Community Housing Improvement Program (CHIP).** CHIP currently serves 11 counties in California's north central valley, including Butte County. CHIP is involved in a number of housing development and rehabilitation activities, including development of self-help, single-family and multi-family housing, provision of housing and credit counseling services, property management and residential land development. CHIP has recently constructed a 6-unit single family low-income housing project at Bowwood Street and is currently constructing a 13-unit low-income housing project in Gridley at Locust Estate.

## CONSTRAINTS

Governmental and market constraints sometimes limit the opportunity to develop property for affordable housing. Governmental constraints include land use controls, development standards, processing fees, development impact fees, code enforcement, site improvement costs, development permit and approval processing. Market constraints consist of land cost and availability, environmental constraints, vacancy rates, construction costs, financing mechanisms, and probable buyer/tenants. These constraints may result in housing that is targeted towards moderate and above moderate households otherwise not affordable to lower income households.

## GOVERNMENT CONSTRAINTS

### Land Use Zoning Districts

The City of Gridley Zoning Ordinance establishes the type, location, and density of residential development in Gridley. The Zoning Ordinance includes a wide assortment of zones permitting residential development, including agricultural residential districts, residential suburban districts, single-family residential districts, duplex residential districts, multiple-family residential districts, mixed use combining zone, and planned development combining districts.

**The Agricultural Residential District (AR-5)** establishes and preserves agricultural- residential districts at a population density appropriate for rural residential uses, controls nonagricultural encroachment onto prime agricultural areas, and maintains the public health and safety in areas where water and sanitary facilities and other public services are not readily available. This district is further intended to perform the function of a buffer area between large parcel agricultural uses and more intensive urban uses, and to preserve land in open space uses of sufficient size for feasible development until such future time as urban development becomes appropriate.

**The Residential Estates District (R-E)** establishes and preserves single family residential neighborhoods characterized by very low densities of one dwelling unit or less per gross acre.

**The Residential Suburban District (R-S)** establishes and preserves single-family residential neighborhoods characterized by low densities of three dwelling units or less per gross acre and larger residential lots fronting on a public street.

**The Single-Family Residential District (R-1)** establishes and preserves smaller lot single-family residential neighborhoods at a low urban density of four dwelling units or less per gross acre and

ensures that other uses are both compatible and convenient to the residents of such districts, with lots fronting a public street.

**The Duplex Residential District (R-2)** establishes and preserves residential neighborhoods at a moderate population density of eight dwelling units or less per gross acre and ensures that other uses are both compatible and convenient to the residents of such districts, with lots fronting a public street.

**The Multiple-Family Residential District (R-3)** establishes and preserves residential neighborhoods of higher densities of fifteen dwelling units or less per gross acre and serves as a buffer area between commercial or industrial districts and lower density residential districts, with lots fronting a public street.

**The Mixed Use Combining District (MUCZ)** can be applied to an area of at least 5 acres in combination with another district which permits development of residential dwellings as a primary use, in order to:

- ✓ encourage retention of mixed residential dwelling types in existing neighborhoods;
- ✓ require a mix of residential dwelling types in new developments;
- ✓ discourage segregation of residential uses into large tracts of single types;
- ✓ permit introduction of limited professional and neighborhood commercial uses into residential neighborhoods;
- ✓ provide for small-scale development of specified mixed uses without approval of a use permit; and,
- ✓ provide a density bonus which encourages development of properties with significant infrastructure constraints at a cost of land per dwelling unit which is comparable to that of properties which are less constrained.

**The Restricted Commercial (C-1) and General Commercial (C-2)** zones require a Conditional Use Permit (CUP) for all residential development.

**The Public and Quasi-Public (PQP)** zone applies to sites in public ownership and use, and to sites occupied by private or nonprofit uses of a community service nature. Emergency and transitional housing is allowed in the PQP district subject to a conditional use permit.

**The Planned Development District (PD)** permits flexibility in the use and design of land and structures where modifications of specific provisions of this title will not be contrary to the intent of the city general plan or harmful to areas adjacent to such development. It acts as a combining zone in any zoning designation in the City. The underlying zoning district determines the dominant use of the PD district and all development standards conform to the standards of the underlying zoning.

## **Zoning Standards**

The City's zoning ordinance establishes residential development standards in Gridley and sets requirements for densities, setback and heights for all residential development. This section describes



the City's requirements related to densities, setback, heights and other standards for residential development. Zones permitting residential development by right have specific standards that dictate density and types of housing structure permitted. In addition, areas that conditionally permit residential land uses, such as C-1 and C-2 zones have no prescribed density requirements, but are subject to discretionary development standards based on the type of housing structure proposed. **Table Constraints-1** presents densities for zones which permit residential development.

## Parking Standards

Gridley's parking requirements are shown in **Table Constraints-2**. Parking requirements for new construction consist of two parking spaces per unit in single-family dwellings, duplexes and triplexes, except for single-family dwellings less than 5,000 square feet built prior to July 1992.

In multifamily R-3 zoning districts, one space is required for studios and one-bedroom units and 1.5 parking spaces are required for two-bedroom units. Based on the analysis of the standards shown in the preceding tables, the City has concluded that permitted densities are adequate for the development of a diversity of housing types and income needs. As described in the chapter on Affordable Housing, several affordable housing projects have been constructed or are currently in progress in residential zones. The City's parking requirements comply with Government Code 65915(p) and are adequate for the development of housing and achievement of permitted residential densities without being excessive and unduly increasing development costs.

**Table Constraints-1**

**Residential Densities**

Zoning District	Maximum Density	Minimum Lot Area	Minimum Lot Width	Maximum Lot Coverage (%)	Maximum Height	Minimum Yard Requirements		
						Front Setback	Side Setback	Rear Setback
<b>AR-5</b>	1 unit/ 5 acres (1)	5 acres	None (2)	20%	35 ft	20 ft	20% lot width (3)	5 ft
<b>R-E</b>	1 unit/acre	1 acre	120 ft.	30%		30 ft	10 ft.	10 ft
<b>R-S</b>	3 units/acre	6,000-10,000 sf	60-95 ft.	40%	30 ft	20 ft	20 ft. (4)	10 ft
<b>R-1</b>	4 units/acre	6,000-7,500 sf	60-85 ft.	<8,000 sf-45%	Main building-2 stories or 30 ft	20 ft	20% lot width (3)	5 ft
<b>R-2</b>	8 units/acre	5,000-6,000 sf	50-75 ft.	<8,000 sf-40%		20 ft		
<b>R-3</b>	15 units/acre	6,000-7,500 sf	60-85 ft.	50%	Accessory building-15 ft	20 ft		
<b>MUCZ</b>	None (5)	5 acres	None	Based on underlying zone	Based on underlying zone	None	None	None

**C-1, C-2**

**PQP**

Development standards are dependent on type of residential structure proposed (i.e. single family structures would be required to follow R-1 standards, multifamily R-3 standards, etc.)

**PD**

**Table Constraints-2 Parking Requirements**

Land Use	Required Spaces
Single-Family, duplexes, triplexes	2 per unit
Single-family (on lot smaller than 5,000 sf and built prior to 7/1992)	1.5 per unit
Studio or one-bedroom apartment	1 per unit + 10% guest space
Multifamily (2 bedrooms or more)	1.5 per unit + 10% guest space Cottage and second dwelling units
Cottage and Second Units	1 per unit
Senior citizen dwelling (1 bedroom)	.08 per unit + 10% guest space
Boardinghouses, etc.	1 per unit
Residential care facilities	1 per 2 beds + 1 per non-residential employee on max shift
Mobile home parks	2 per unit

### Zoning for a Variety of Housing Types

The zoning ordinance establishes the types of uses permitted, conditionally permitted, or prohibited in each residential zone. Housing types in Gridley include single-family dwellings, second dwelling units, manufactured housing, mobile homes, and multi-family dwellings. **Table Constraints-3** summarizes the different types of residential uses permitted or conditionally permitted in various residential zones within the City.

The City is updating land use designations in the recently adopted 2030 General Plan, which will also lead to revisions to the City's zoning standards. These revisions will include increases in permitted single-family residential densities and parking reductions for smaller residences. In order to promote and facilitate a greater diversity of housing types and income needs, the City is also proposing standards that allow higher densities in multi-family residential zones.

The 2030 General Plan includes a new residential land use designation: Residential, High Density-2 (RHD2), which accommodates housing at densities of between 15 and 30 units per acre. The City initiated this General Plan Update in 2006, identifying a roughly 1,200-acre new growth area north of the existing City, which is the focus of the Update. The public outreach effort, land use alternatives process, and drafting of this General Plan Update has resulted in comprehensive policies, land use designations, and environmental analysis, with a special focus on this new growth area. The City Council directed at the outset of this General Plan Update program that land use designations would not be changed in the existing General Plan area, but only in the Planned Growth Area.

This new growth area north of the current City limits is called "Planned Growth Area" throughout the General Plan. In the Planned Growth Area, the City included six sites for high-density residential development of between 15 and 30 units per acre. Each site is between 4 and 6 acres in size and is located in "Neighborhood Centers." Three Neighborhood Centers are located in the Planned Growth Area to accommodate neighborhood-scaled higher-activity land uses, such as apartments, schools, shops, small parks, offices, child care facilities, community or civic buildings, places of worship, parks, and related uses. The General Plan was adopted in December 2009, with zoning ordinance revisions to follow. See **Figure Constraints-1**, which is the City's newly adopted Land Use Diagram.

**Table Constraints-3**  
**Permitted Residential Land Uses by Zone District**

Residential Uses	AR-5	RE	RS	R-1,	R-2	R-3	C-1, C-2, M-1, M-2, MUCZ, PD, PQP
Single-family dwellings	P	P	P	P	P	P	All residential development requires CUP
Condominiums					P (1)	P (2)	
Apartments					P (1)	P (2)	
Cottage Units							
Second Units	P	P	P	P	P	P	
Manufactured homes	P	P	P	P	P	P	
Mobile homes	P (3)	P (3)	P (3)	P (3)	P (3)	P	
Mobile home parks(HUD reqm'ts/review)			CUP	CUP	CUP	CUP	
Residential care facilities (< 6 persons)	P	P	P	P	P	P	
Residential care facilities (> 6 persons)	CUP		CUP	CUP	CUP	CUP	
Emergency Shelters & Transitional Housing (4)							

Source: Title 17, Gridley Municipal Code

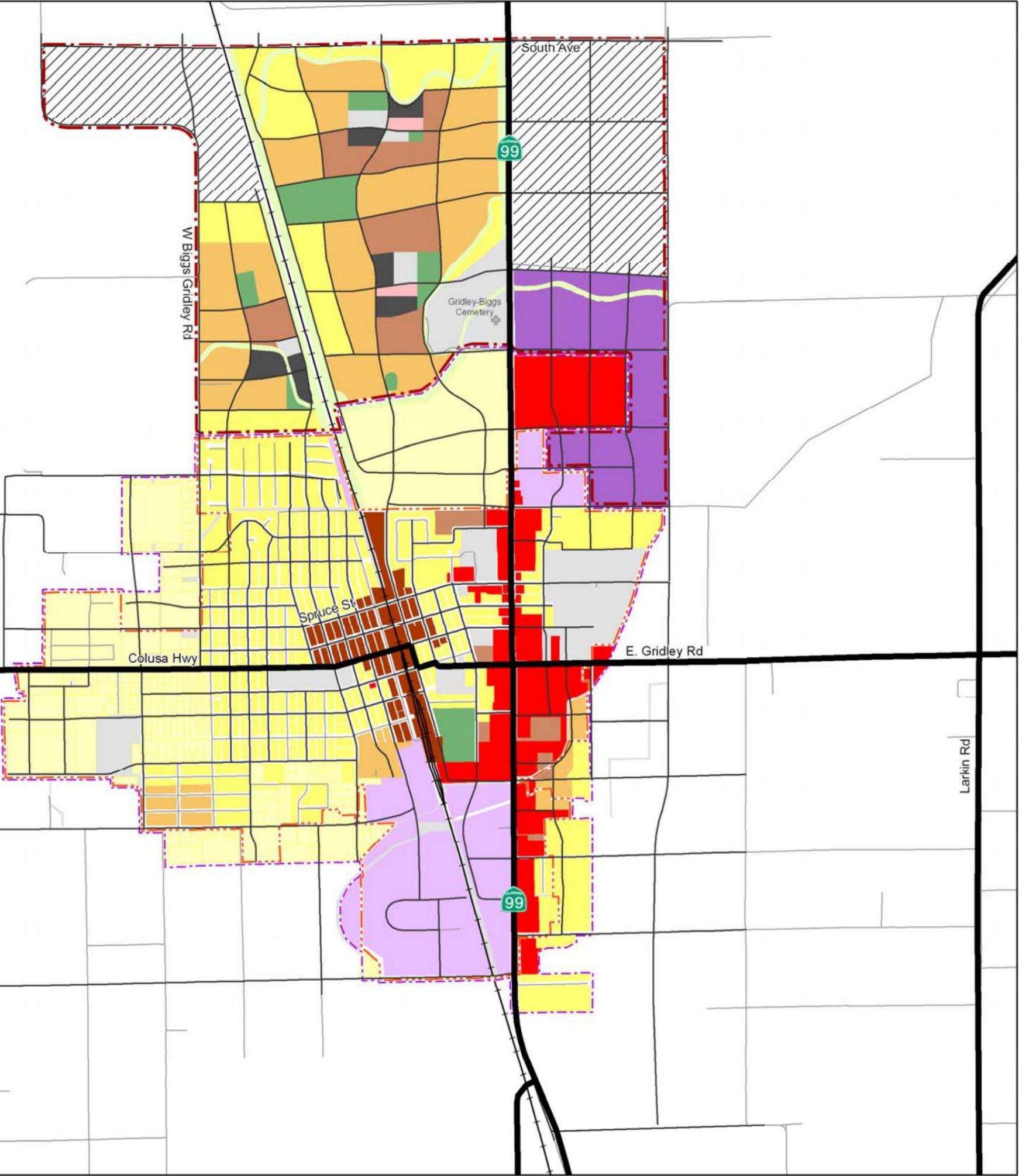
Note:

- (1) Not to exceed 8 units or 20 bedrooms per acre.
- (2) Not to exceed 15 units or 45 bedrooms per acre.
- (3) CUP required for mobile homes not on a foundation, or for agricultural workers employed on the premises.
- (4) Conditionally permitted in PQP districts only.

Figure Constraints-1  
General Plan  
Land Use Diagram

LEGEND

- Sphere of Influence
  - Planned Growth Area
  - City Boundary
- General Plan Land Use Designations
- Commercial
  - Neighborhood Center Mixed Use
  - Downtown Mixed Use
  - Agricultural Industrial
  - Industrial
  - Park
  - Open Space
  - Public
  - Residential, High Density 2 (15-30 du/ac)
  - Residential, High Density 1 (9-15 du/ac)
  - Residential, Medium Density (5-8 du/ac)
  - Residential, Low Density (2-4 du/ac)
  - Residential, Very Low Density (0.5-3 du/ac)
  - Urban Reserve
- Major Roads
- Railroad





## **Manufactured Homes and Mobile Home Parks**

State law requires that cities and counties allow the placement of manufactured homes meeting federal construction standards and manufactured home subdivisions in single-family neighborhoods.

In keeping with state law, the City's zoning ordinance allows manufactured homes on permanent foundations in the same residential zones as single family dwellings. Manufactured homes must comply with the same development standards as single family dwellings.

The City conditionally permits mobile home parks in R-S, R-1, R-2, and R-3 residential zones, provided that they do not exceed 8 units or 20 bedrooms per acre. The conditional use permit process is described below in the Processing and Permitting Procedures section. No special permits, separation or siting requirements are imposed for mobile home parks. The City's standards for manufactured homes and mobile home parks do not pose constraints to the placement or development of these housing types.

## **Second Dwelling Units**

The City's zoning ordinance was amended in 2003 to permit second dwelling units by right. The following regulations apply for the construction of second dwelling units in districts where not more than one dwelling unit is allowed per parcel:

- ✓ Not more than one second dwelling per parcel.
- ✓ Unit size not more than 640 sq. ft. of living area.
- ✓ For detached units, compliance with the applicable district's residential development regulations, including lot coverage, building height, setbacks, signs, and parking requirements (one parking space).
- ✓ For attached units, compliance with city building code regulations pertaining to additions.
- ✓ Incorporation of same or similar architectural features, building materials and colors as the main dwelling unit or adjacent dwelling units.

The requirements described provide for second units in a variety of zones and situations (attached and detached) and do not constrain the development of secondary housing in the City of Gridley. Since 2004, 4 new second units have been constructed.

## **Cottage Units**

Cottage units are defined in the zoning as single-family dwelling not exceeding 640 sq. ft. in floor area. Cottage units are conditionally permitted in multi-family residential (R-3) zones. The conditional use permit process is described below in the Processing and Permitting Procedures section. No special permits, separation or siting requirements are imposed for cottage units.

## **Single-Room Occupancy Units**

Single-Room Occupancy Units are included within the City’s definition of multi-family dwellings. According to the City’s zoning ordinance, “Multiple-family dwelling” means a dwelling designed or used for residential occupancy by more than two families, with or without common or separate kitchen or dining facilities, including apartment houses, dormitories, rooming houses, boardinghouses, row houses, townhouses and similar housing types, but not including hotels, motels, hospitals, or institutional residences. Multi-family structures, which are allowed in many zones, then, would include single- room occupancy units. The City’s existing zoning ordinance also defines “efficiency unit,” which is effectively the same as a single-room occupancy unit. To further clarify that this type of housing is allowed, the City has committed to Housing Implementation Strategy 3.4. Please refer to the Housing Plan section.

## **Emergency Shelters, Transitional Housing, and Supportive Housing**

The zoning ordinance conditionally permits transitional housing and emergency shelters providing housing on a short-term basis for individuals and families in PQP/Public and Quasi-Public districts. State law (Government Code 65583 (4) (A) requires that emergency shelters be permitted by right in one or more zones without a conditional use permit or other discretionary action, with certain exceptions, including flexibility for jurisdictions to provide emergency shelters in coordination with other agencies.

The zoning ordinance does not currently include language permitting transitional or supportive housing. Supportive housing offers a range of services to persons in with different needs, often in a group-home type of environment. This type of housing is state licensed and regulated. Transitional housing can be provided in homes indistinguishable from other types of homes. Transitional housing can be for women escaping violent homes, foster youth, former homeless, and other people. Transitional and supportive housing is required by state law to be permitted in the same way as housing of the same type would be permitted in the City’s residential zones.

State law requires certain findings for denial of emergency shelters and supportive and transitional housing. The zoning ordinance will be updated to comply with the provisions of State law. Please refer to the Housing Plan section of this document.

## **Housing for Persons with Disabilities**

The City of Gridley permits state-licensed residential care facilities serving six or fewer persons in all its residential zoning districts by right. “Residential care facility” is defined in the zoning ordinance as a building designed or used as a residence for individuals who require any form of institutional care or supervision where such care or supervision is maintained on the premises during a 24-hour day. These include residential care facilities for persons with disabilities.

Residential care facilities serving seven to twelve persons are conditionally permitted in AR, RS, R1, R2, and R3 districts. The conditional use permit process is described below in the Processing and Permitting Procedures section. No special permits, separation or siting requirements are imposed for special needs housing developments.

The City ensures that new housing developments comply with California building standards (Title 24 of the California Code of Regulations) including handicapped accessibility requirements. The City also incorporates equal housing opportunity and discrimination prevention practices as addressed by the Americans with Disabilities Act, the Federal Fair Housing Act and the California Fair Employment and Housing Act of 1964. When a case of discrimination is alleged, the City refers interested persons to the appropriate agencies, such as the Community Legal Information Center, Mediation Center of the North Valley, Butte County Housing Authority, and Legal Services of Northern California. The City also engages in public education efforts by supplying informational literature on fair housing in English and Spanish at public buildings and on the City's website.

The City currently has procedures in place to make reasonable accommodations for persons with disabilities. Through provisions set forth in the General Plan, the City annually evaluates its policies and practices to identify any constraints to housing development for persons with disabilities. The analysis includes monitoring of existing land use controls, permit and processing procedures and building codes. If any constraints are identified in these areas, the City's Planning Department initiates actions to remove the constraints or provide special accommodations. Although the City has procedures in place to ensure that reasonable accommodations can be made throughout the approval process, the zoning ordinance does not include mention of reasonable accommodations. The lack of specific provisions in the code for reasonable accommodations or exceptions to obtain permit approval could pose a constraint for persons with disabilities to receive permit approval.

Additionally, to reduce the length of the permitting process, the Building Department will expedite the plan review and in some cases, reduce building permit fees for projects that facilitate housing for persons with disabilities, as permitted by the zoning ordinance.

The City provides incentives for rehabilitation of housing for disabled persons through the provision of small grants to retrofit or rehabilitate owner-occupied dwellings for moderate- and low-income persons with disabilities. The grant cap is \$8,000 per person. If the retrofit requires temporary relocation of disabled individuals from their homes, the City is flexible and allows the granting of more funding.

The zoning ordinance's current definition of "family" is outdated and needs to be revised to comply with Fair Housing law (42 U.S.C. Sec. 3601, et. seq.).<sup>1</sup> While the City has procedures in place to ensure reasonable accommodations for persons with disabilities, the current definition of family may discourage group living arrangements in single- family homes for persons with disabilities. As such, this definition presents a constraint to the development of housing for persons with disabilities. Please refer to the Housing Plan.

## **Housing for Agricultural Workers**

The City's zoning ordinance currently does not currently address agricultural employee housing in agricultural zoning districts as required by state law (Health and Safety Code Sec. 17021.6), which requires jurisdictions to consider agricultural employee housing as a permitted use in all agriculturally zoned districts within that jurisdiction. This is addressed in the Housing Plan.

---

<sup>1</sup> Currently, the zoning ordinance defines a "family" as an individual or group of two or more persons related by blood, marriage or adoption, together with not more than five additional persons not related by blood, marriage or adoption, living together as a single housekeeping unit.

## **Analysis of Land Use Controls and Development Standards**

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

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

- ✓ The lack of a reasonable accommodation ordinance that provides clear language on permit procedures and development standards for housing that meets the needs of persons with disabilities. This lack of specific language could affect the ability of persons with disabilities to comply with city codes or obtain exceptions.
- ✓ The zoning ordinance's definition of a family is out of compliance with federal law, potentially discouraging group living arrangements in single-family dwellings, or other types of housing arrangements for persons with disabilities.
- ✓ The lack of adequate zoning for emergency shelters, transitional housing and supportive housing. Although the City has received no applications for emergency shelters, transitional housing, or supportive housing, the lack of adequate zoning permitting these uses could pose a constraint to the development of this type of housing in the City.
- ✓ The City's density bonus provisions currently apply to only one area of the City, which could pose a constraint to developers seeking relief from certain requirements or incentives to build at higher

## **Site Improvement Standards**

The Public Works Department implements on- and off-site improvement requirements. The City requires developers of new subdivisions to improve all streets, pedestrian ways or easements and public utilities in, and adjacent to the subdivision. Standards for site improvements must comply with public works construction standards. All improvements are generally completed as conditions of tentative map approval and are developer financed.

The City may also require exactions (property dedications) for new subdivisions including:

- ✓ Dedication for streets, alleys, including access rights and abutter's rights, drainage, public utility easements and other public easements.
- ✓ Bicycle paths in any subdivision containing two hundred or more lots as specified in the Subdivision Map Act.
- ✓ Parks and recreation, in accordance with the General Plan, specified by the provision of the Subdivision Map Act, except where the subdivider pays an in-lieu fee in accordance with standards approved by the City Council.
- ✓ Other public purposes as the planning commission may deem necessary, provided the amount of real property required to be dedicated bears a reasonable relationship to
- ✓ the increased need for public facilities created by the subdivision.

Compliance with certain site improvements may pose a constraint on the provision of housing,



particularly housing for lower-income levels if the cost of such improvements are passed on to the residential consumer. To provide some flexibility to the developer in fulfilling site improvements requirements, the zoning ordinance permits property owners to enter into a deferred improvement agreement with the City.

Provision of financial assistance towards the cost of infrastructure improvements may also help mitigate constraints to the development of housing. In 2004, the City attempted to implement an Infrastructure Development Program to provide funding for infrastructure development. However funding and staffing limitations prevented successful implementation of this program. As such, the City is focusing on seeking out state grants to provide the funds to assist with infrastructure requirements. Amendment of certain public works constructions standards for residential projects might reduce financial constraints posed by the fulfillment of site improvement requirements. Flexibility in street standards may allow increased land area and density, resulting in an overall reduction in the cost per lot.

## Planning and Processing Fees

Planning and processing fees cover administrative review of proposed developments by the City's Planning and Public Works Departments. Gridley has adopted city-wide processing fees for all developments including single-family and multi-family developments. The City estimates that for a typical single-family unit, building permits and plan review would cost approximately \$2,410, while for a typical 6-unit multifamily project, the total building permit and plan review cost would be approximately \$5,420.

**Table Constraints-4** shows a comparison of the City of Gridley's planning fees and fees from other jurisdictions in the region. In general, the City's planning and processing fees are comparable or lower compared to other jurisdictions in the County.

## Development Impact Fees

A variety of development impact fees are often assessed on new residential projects that include City controlled fees (such as a development application fees and building permit fees) and non-City controlled fees (such as school impact fees and utility connection fees). These fees fund infrastructure, public facilities, and transportation efforts associated with new units. Another component of project costs involves utility service connection fees (e.g. sewer and water connection fees). To ensure that impact fees reflect the actual cost of infrastructure, the City conducted a Nexus study of its impact fees in 2005 and made fee revisions in 2006. **Table Constraints-5** provides typical fee breakdowns for the City of Gridley for single-family and multifamily projects.

As shown, typical development fees for a three bedroom/two bath single-family home are estimated at approximately \$33,689, and approximately \$25,496 per unit for a multifamily project consisting of 6 two-bedroom units. When calculated into the total cost of development, impact fees represent a significant proportion of the total construction value, as estimated by the Gridley Building Department.

For comparison, the street facility improvement and maintenance equipment fees for the City of Chico are \$4,081.75 per single-family unit and \$2,822.90 per unit for multifamily projects. Fire and police fees are \$1,566 per unit for single family and \$1,521 for multifamily. In Chico, the park impact fees are somewhat lower than in Gridley: \$3,112 per unit for single-family development and \$2,642 per units for multifamily projects (including a Bidwell Park land acquisition component).<sup>2</sup> The City

of Biggs' 2006 Development Impact Fee Study suggests impact fees for sewer of \$7,273 per unit, water fees of \$3,810 per unit, electricity fees of \$1,451 per unit, road fees of \$1,777 per unit, parks and recreation fees of \$3,060 per unit, police/fire fees of \$290 per unit, and approximately \$20,500 per unit total for development impact fees (not distinguishing between single-family and multifamily development).

**Table Constraints-4 Comparison of Planning related Fees for Local Jurisdictions**

<b>Fee</b>	<b>Gridley</b>	<b>Biggs</b>	<b>Chico</b>	<b>Paradise</b>	<b>Oroville</b>	<b>Butte Co</b>
<b>Tentative Subdivision Map</b>	<b>\$2,000</b>	\$500 + \$20/lot	\$14,950	5 or more lots- \$1,757-1,917	\$1,873.87	\$6,761 - over 15 lots 79.20/lot
<b>Tentative Parcel Map</b>	<b>\$1,000</b>	\$400 + \$25/lot	\$7,404	\$1,566	\$1,873.87	\$6,815.20
<b>Revised Map</b>	<b>\$500-1,000</b>	\$200	\$2,755.50- \$4,311	\$293-639 over 12 hrs. \$69/hr		
<b>Preliminary Subdivision</b>		\$400				
<b>Boundary Line Modification</b>	<b>\$450</b>	\$250	\$1,443.50	\$485 - over 7 hrs. \$69/hr		\$1,633-1,715
<b>App. Of Determination/ Cert. of Compliance</b>	<b>\$300</b>	\$100	\$676	\$426 - over 6 hrs. \$69/hr		\$2,833.80
<b>Reversion of Acreage</b>	<b>\$350</b>	\$200	\$1,557.50			
<b>Annexation</b>	<b>\$800</b>	\$600 + actual cost		\$1,598 (1)		
<b>Environmental Impact Reports</b>	<b>Actual cost</b>	Actual cost + 20%	Actual cost + 15%	\$383 or actual cost	\$3,258.90	
<b>Environmental Review/Categorical Exemption</b>	<b>\$100</b>	\$50	\$130			
<b>Environmental Review/Environmental Evaluation</b>	<b>varies</b>	\$125	\$3,569	\$383 + 5% of actual cost		
<b>Bond Review Charge</b>		\$200				
<b>General Plan Amendment</b>	<b>\$1,500</b>	\$500 minimum + actual cost	\$5,892	\$1,012-2,024	\$2,427.88	\$12,523.50 deposit
<b>Zoning Charges</b>	<b>\$800</b>	\$500 + actual cost	\$4,283-4,989	\$1,491-2,024	\$2,427.88	\$9,752.90 deposit
<b>Use Permit</b>	<b>\$200-500</b>	\$125	\$236-5,476	\$554-1,491	\$1,960.77	\$6,500 - \$6, 727.80
<b>Variance</b>	<b>\$300</b>	\$200	\$2,712.50-3,249	\$799-1,012	\$1,873.87	\$4,721.60
<b>Appeals</b>	<b>\$200</b>	\$50	\$1,791.50-2,927			\$50
<b>Final Subdivision Map</b>	<b>\$500 + \$25/lot</b>	\$200 + \$20/lot		\$1,012 - over 15 hrs. \$69/hr		\$2,448.40
<b>Final Parcel Map</b>	<b>\$500 + \$25/lot</b>	\$200 + \$20/lot		\$639 - over 10 hrs. \$69/hr		\$1,656.60

Fees have increased substantially to reflect increased costs of infrastructure. As such, development impact fees may pose constraints to the development of housing, particularly low-income housing. Please refer to the Housing Plan, which includes policies and programs to address this potential constraint.

<b>Table Constraints-5 City of Gridley Development Impact Fees (Estimates only)</b>		
<b>Item</b>	<b>Fee</b>	
	<b>Single Family**</b>	<b>6-Unit Multi-Family Project***</b>
<b>Sewer (development impact + connection + collection)</b>	\$14,570	\$69,420
<b>Water (development impact + distribution, connection)****</b>	\$5,026	\$17,037
<b>Electrical connection/capacity fees</b>	\$2,798	\$14,788
<b>Fire and Police</b>	\$1,720	\$10,320
<b>Parks and Recreation</b>	\$3,659	\$21,954
<b>Streets and Roads</b>	\$1,461	\$8,766
<b>School Impact fees</b>	\$4,455	\$10,692
<b>Total</b>	\$33,689	\$152,977
<b>Total Fees Per Unit</b>	\$33,689	\$25,496

## Analysis of Fees and Exactions

The City of Gridley charges various planning review and processing fees, development impact fees, and utility service connection fees. Although these fees are necessary to meet City service standards and provide necessary facilities and infrastructure, they can collectively add significant costs on housing. The City's required fees and exactions have been established based on reasonable processing costs and the cost of providing improvements to new developments.

While the City's development fees are within the low range for the area, fees and exactions may pose potential constraints in the following manner:

- ✓ Development impact fees and planning fees represent a significant proportion of the total development cost. These costs may pose a constraint to the development of housing, particularly for lower-income housing, as these costs are then passed on to residential consumers. However, the City's improvement requirements are not unreasonable, and the requirement that undeveloped properties pay the full cost of curb, gutter, and sidewalk improvements along the property frontage is necessary to meet minimum health and safety requirements.
- ✓ Compliance with certain site improvements may pose a constraint on the provision of housing, particularly housing for lower-income households.

## Processing, permit procedure and code enforcement

The development review and permitting process is used to receive, evaluate, and consider approval of new development applications. The development review process ensures that new residential projects reflect the goals and policies of the General Plan and meet the intent and requirements of the zoning ordinance. Code enforcement of development and building standards ensures maintenance of the City's housing stock. Descriptions of permits processing procedures and code enforcement are provided in the following subsections.

**Processing and Permit Procedure** Applications for development permits are made in writing to the Community Development Department. Applications vary depending on the permit being requested. In addition, some planning applications require public hearings, such as Planned Development districts. The City of Gridley meets state-required timelines for approval of development permits, as described below.

Project application review is usually completed within two to three weeks of accepting an application. Determination of approval is usually based on consistency with the General Plan, character of adjacent land uses, adequate size and shape of lots, zoning compliance, and conformance with design standards. The basic steps for development processing are as follows (example assumes that application is submitted to Building Department to construct single family dwelling or a multifamily dwelling on an existing, properly zoned, finished lot):

1. Applicant submits 3 sets of plans and plan review fee to Building Department. Applicant is informed that full initial review will take 2 to 3 weeks.
2. Copies of site plan and other relevant information are circulated to all concerned City departments (Planning, City Engineer, Public Works, Electrical, Fire, Police, Finance) for review and comments.
3. Building plans are reviewed for compliance with applicable building codes (this takes place concurrently with City departmental review).
4. All department comments are sent to the applicant via U.S mail and/or fax (usually about 2 to 3 weeks after the initial submittal).
5. A very small percentage of projects are approved during the initial review. Projects that are not approved must resubmit plans that respond to and incorporate staff comments that were issued during the initial review.
6. Resubmitted plans usually can be reviewed in 1 to 2 weeks.
7. A building permit can usually be issued within 1 day after all departments approve the application.
8. Master plans submitted for subdivision dwellings usually take about the same amount of review time.

In general, a development plan review takes 4 to 6 weeks for staff review. A project that requires approval from the City Council, such as those in Planned Development districts will require more time. Many other factors, such as public sentiment, can also factor into the determination of approval. An approved development plan is in effect for three years.

## **Planned Development District**

A Planned Development District (PD) requires review by the Planning Commission and approval by the City Council. The application process is as follows:

1. Applicant may consult with the planning director to obtain information and guidance before making commitments or incurring substantial expense in the preparation of plans, surveys and other data.
2. The applicant submits a site development plans to the Planning Department.
3. Copies of site plan and other relevant information are circulated to all concerned City departments (Planning, City Engineer, Public Works, Electrical, Fire, Police, Finance) for review and comments.
4. After application is reviewed by all relevant City staff and deemed complete, the Planning Commission reviews the proposed project, which includes a public hearing. The Planning Commission can recommend changes that time.
5. The Planning Commission approves of recommended changes if necessary and recommends the proposed project be forwarded to the City Council.
6. The City Council considered the application and draft concept plan and may approve of the PD district if the is consistent with the General Plan and the PD district is compatible and complementary to existing and potential development in the general vicinity.
7. Once the application and draft concept plan have been approved by the City Council additional materials such as: the proposed faculties for improvements and drainage, water, sewer, power, grading plans, and the grades, widths and cross-sectional design of the proposed streets must be submitted prior to the issuance of building permits.

## **Conditional Use Permit**

The conditional use permit process is described in the City's zoning ordinance under Chapter 17.54. A conditional use permit is a zoning instrument used to review the location, site development, or conduct certain land uses. These are uses that generally have a distinct impact on the area in which they are located or are capable of creating special problems for adjacent properties unless given special attention. A conditional use permit may be granted at the discretion of the planning director, planning commission, or city council and is not the automatic right of any applicant. Although technically allowed under the City's Code, the Conditional Use Permit (CUP) process has historically involved the Planning Commission.

Conditional use permits are not generally required for single-family or multi-family units. Conditional use permits are not required for multi-family projects in the R-3 zone. Conditional use permits are required for cottage units, mobile home parks, and residential care facilities with more than 6 beds in order to regulate design, access, transferability of use, and hours of operation. Conditional use permits are currently required for residential projects in the C-1 and C-2 zones. See Housing Implementation Strategy 3.2, which is designed to ensure that the City's conditional use permit process does not become a constraint to mixed-use and higher-density residential development.

The City's conditional use permit process has not historically presented problems in terms of processing time, expense, or certain on the part of interested multi-family housing developers. There are no development standards that would create a constraint for higher-density housing or mixed-use projects with a higher-density component. There is no minimum lot size for the C-2 or C-1 zone. The maximum building height is 50 feet. For the C-1 zone, the maximum lot coverage is 100% and for the C-2 zone, maximum lot coverage is 90%. Under the City's zoning and development standards, an additional 153 lower-income units could be developed on sites with commercial zoning. There are no other substantially constraining land use controls or applicable development standards.

The City of Gridley would require a Conditional Use Permit (CUP) for residential development within a commercial zoning district in order to ensure the health, safety and welfare of the residents are not negatively impacted by commercial activity. For example, commercial businesses have the potential to negatively impact the residential use with excessive noise and traffic. Typical downtown commercial businesses include retail, bars, restaurant and offices. These uses may generate odors and operate later in the evening. The Planning Commission generally reviews these types of applications only to ensure that both land uses are compatible and that any change of use or new development would meet standard Building and Fire Code requirements. The standards for granting a Use Permit include specific findings, as described below.

### ***Findings***

Findings for approval of a Use Permit are that "the establishment, maintenance, or operation of the use or building applied for will not under the circumstances of the particular case, be detrimental to the health, safety, peace, comfort and general welfare of persons residing or working in the neighborhood of such proposed use, or be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the city or substantially impede enactment of the comprehensive plan." (GMC 17.54.040)

The following are examples of findings that have been made for residential uses in the downtown commercial area:

1. Proper notice of the public hearing was given by legal notice in the Gridley Herald and notice mailed to property owners within 300' of the project. The Commission would consider if any surrounding businesses and residences have submitted comments relating to any negative impacts associated with the proposed residential use. Only positive comments have been submitted for these types of applications and the community is very receptive of mixed use development.
2. Notice of the public hearing, conduct of said hearing, and an opportunity for all parties to present testimony was completed in accordance the California Government Code Section 65009.

3. The project would be considered Categorically Exempt per the California Environmental Quality Act (CEQA) Guidelines Class 1, Section 15301: minor expansion to an existing facility.
4. The request for a Use Permit to for single- or multi-family residence will not under the circumstances of the particular case, be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood of such proposed use because the residential use will blend well with the existing buildings and multi-family residential buildings as well as surrounding commercial uses. In addition, the proposed use will revitalize a currently vacant downtown area.
5. The residential use will not be injurious or detrimental to property and improvement in the neighborhood or to the general welfare of the city because the proposal is consistent with the surrounding neighborhood mix of commercial and residential uses.
6. Prior to residential occupancy, the structure must meet current Building Code requirements. These requirements shall be met prior to occupancy of the building or the proposed use will not be approved. Compliance with the described improvements is included in the conditions of approval of the project. This requirement ensures the safety of future occupants and surrounding neighborhood.
7. Prior to residential occupancy, the building must meet current Fire and Building Code regulations. This requirement addresses the issue of safety. Compliance with the described improvements is often included in the conditions of approval of a project.
9. The project complies with the City's General Plan Land Use Element policies by encouraging infill and compact development and by promoting a balance of housing opportunities for all ethnic groups, age and income levels. The project will provide safe, affordable housing by encouraging new construction of a currently underutilized, vacant church building.

#### *Typical Conditions of Approval*

Typically, conditions of approval for a mixed-use residential project would include the following. Prior to Residential Occupancy of the Building:

1. The applicant shall file a declaration of acceptance of the following conditions by submitting a signed copy of the conditions to the Planning Department within 30 days of the Planning Commission approval. The application shall expire one (1) year from the date of Planning Commission approval unless a building permit has been secured prior to the one (1) year date.
2. The use of the site shall be as described above. Any modifications to the approved plans shall require prior approval by the Community Development Director.
3. The applicant shall obtain a City of Gridley building permit before construction can proceed.
4. Prior to occupancy, the applicant shall comply with all Building and Fire Code regulations and all other applicable State and local codes.
5. The applicant shall provide two paved on-site parking spaces per Chapter 17.46 of the GMC.
6. Any external addition to the building shall be architecturally compatible with the existing structure as determined by the Community Development Director.



### ***Process***

When reviewing the CUP application, the Planning Commission would examine the site plan, building, landscaping or fencing, parking and if applicable the environmental impacts. The development process for a Conditional Use Permit consists of the following:

The only application requirement is a basic site plan. There is no required application or fee to participate in this process.

Most projects benefit from a preliminary review at a project management meeting. These meetings are held every week on Monday at 1 p.m. The applicant meets with representatives from all City Departments to obtain feedback on the proposal. At this time, staff will outline the development process. The Project Management team is composed of members from the following City Departments: Municipal Utilities, Public Works, Fire, and Community Development Departments.

In order to initiate the Conditional Use Permit process, the applicant must submit all required plans and fees. The day of submission will determine the Planning Commission Agenda dates. If a complete project is submitted, the project can be placed on the next available Commission meeting (meetings are held the third Monday of every month). Staff will work with the applicant to make sure they understand submittal requirements and will never wait the allowed 30-day review period to return comments. Typical project turn-around time for comments is 2 weeks.

The Planning Commission takes final action on a CUP project. For each item on an agenda for Planning Commission, the Planning staff will present a report. The Chairperson will ask the applicant or any interested person if they have comments on the project. After testimony is completed, the applicant will be allowed rebuttal. Since the Planning Commission is the final approval body for the application any party may appeal the project to the City Council if they complete the application requirements. The appeal period is ten (10) days from the Commission action. If the City Council is the Final Acting Body there is no appeal. After the final approval the applicant may submit plans for Plan Check in Building and Safety Division.

### ***Cost***

Cost for processing a Conditional Use Permit is \$300.00 total (with environmental) for a single-family owner occupied project and \$600.00 for all other applicants. This cost includes the deposit for environmental review.

### ***Time***

Typical turn-around time for an application, once deemed complete, is one month.

## **Environmental Review Process**

Various development review and approval activities, such as general plan amendments, rezones, and specific plans, maybe subject to the California Environmental Quality Act and require the preparation of an environmental document (i.e. environmental impact report, negative declaration) before a project



can be approved. The requirement to prepare an environmental document can substantially lengthen the development review process, sometimes taking up to one year to obtain project approval.

## **Building Code Enforcement**

The City of Gridley, in accordance with the State Housing Law, establishes certain minimum requirements for residential construction. The Gridley Building Department currently administers codes and code enforcement under the California State Building Code (2007).

The City has made one modification to the building code and requires 20 amp, 12 gauge cubic inch wiring for garage interiors and general receptacles to be sheet rocked. This requirement enhances the health and safety of the public and is not considered to pose a constraint to the development of housing. In March of 1995, the City of Gridley concluded its contract with Butte County for building inspection services. Building inspection and code enforcement is now provided by the City, which provides for a more direct response to community concerns and complaints.

## **Processing, Permit Procedure, and Code Enforcement**

The costs associated with development project review will vary between projects. Gridley utilizes an efficient and comprehensive approach towards development review and permitting that allows for quick response to developer applications. The City utilizes many practices to expedite application processing, reduce costs, and clarify the process to developers and homeowners. Increased development costs resulting from delays in the City's development review and permitting process are generally not considered a constraint on housing development.

Code enforcement of development and building standards and amendments to these standards do not constrain the production or improvement of housing in the City. The presence of an active code enforcement effort serves to maintain the condition of the City's housing stock.

## **MARKET CONSTRAINTS**

Market constraints are those factors outside of local government that limit the availability of housing and/or the feasibility of building affordable housing. The assessment of these constraints provides a basis for possible actions by the City to offset potential effects on housing supply and cost. However, the City has little or no control over many of the governmental factors that influence the cost and availability of housing. This section evaluates nongovernmental factors such as land, construction, and financing costs and availability among other nongovernmental constraints.

### **Land costs**

The availability and cost of land can impact the cost of housing and the feasibility of developing affordable housing for low and moderate income households. Therefore, developers sometimes seek to obtain City approvals for the largest number of lots allowable on a parcel of land. This allows the developer to distribute the costs for infrastructure improvements (i.e., streets, sewer lines, water lines, etc.) over the maximum number of homes.

The average costs of single-family residential properties range from \$935,000 for 5.85 acres (\$3.67 per sq. ft.) to \$135,000 for 8,276 sq ft (\$16 per sq. ft.). Costs per single-family lot range from approximately \$55,012 to \$135,000. Current sales of multifamily zoned properties were limited to one property priced at approximately 2 acres for \$400,000 (\$5 per sq. ft. or approximately \$202,000 per acre).

However, within the City of Gridley, little for-sale vacant land is available for development. A data query on Loopnet.com in February 2009 found 1 parcel of residential land for sale in the City of Gridley, and only 3 parcels sold in the last three years.

## **Construction costs**

Construction costs can vary widely depending on multiple factors, such as the type of construction, custom versus tract development, materials, site conditions, finishing details, amenities, square-footage, and structural configuration. Multiple family residential housing generally costs less to construct than single-family housing. Residential construction costs vary depending on the quality of materials and the size of the home being constructed.

### **Single Family Construction Costs**

Information from the City and a nonprofit developer provide an estimate of construction costs for single-family housing. The City estimates construction costs of a typical wood framed 1,500 square-foot, single-family home is \$117,864 (\$84 per square foot), plus land costs. The construction costs of a 1,080 square foot single-family home in the recently developed Locust Estates subdivision totaled \$91,633 (\$78 per square foot), plus land.

### **Multifamily Construction Costs**

Information from the City and a nonprofit developer provide an estimate of construction costs for multifamily housing. The City estimates costs for a typical multifamily wood framed 3,600 square foot apartment building with six 2-bedroom units of 600 square feet each at \$48,000 per unit (\$80 per square foot), of a total development cost of \$288,000 plus land. However, depending on the type, size and quality of construction for multifamily projects, the cost of construction can vary widely and reach estimates of up to \$200 per square foot, for an estimated average construction cost of \$140 per square foot within the City.

### **Soft Costs**

Soft costs are costs unrelated to the construction of housing, and may include engineering and architectural fees, insurance, financing, and administrative costs. For a single-family development, average soft costs are estimated at approximately \$35 per square foot, based on construction cost estimates for recently developed affordable housing projects at Locust Estates and Bowwood Subdivision. Permitting costs and impact fees for a typical single-family residence are estimated at \$34,817.50. For multi-family development, fees per unit are estimated at \$21,550.43.

Once a vacant parcel is purchased, the contractor must complete site improvements to prepare for building on the property. If labor or material costs increased substantially, the cost of construction in Gridley could rise to a level that impacts the price of new construction and rehabilitation. However, because construction costs are consistent throughout the region, the City of Gridley can do little to reduce this constraint.

## Analysis of Land Costs and Construction Costs

Based on the information presented above, total development costs for a new single-family home are estimated in the range of \$130,000 to \$170,364 for typical homes ranging in size from about 1,000 square feet to 1,500 square feet. Assuming costs of between \$55,000 and \$135,000 for a ready to build single-family lot, the total cost for a single family home may range from a low of \$185,000 to an estimated high of \$305,364, if individual lots were purchased for home construction.

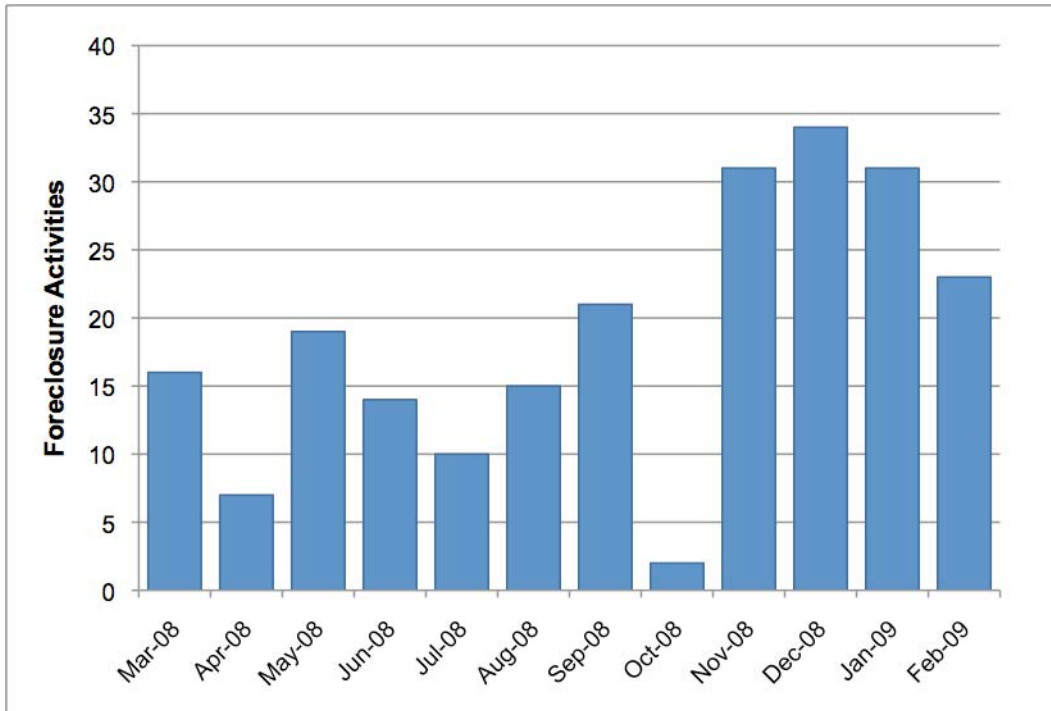
The estimated development costs of a multifamily unit of 600 square feet, including land purchase and soft costs, is approximately \$102,700 per unit. While development costs indicate that at least some of the new housing stock may be affordable to moderate- and lower-income households, some larger homes and apartments may be unaffordable for some lower-income households, particularly for larger households. Falling home prices may impact the willingness of homebuilders to construct new housing developments.

## Availability of financing

The recent rise in foreclosures and tightening of credit availability constrains financing for home building, purchase or rehabilitation in the region, state and nation as a whole. Typically, fluctuating interest rates can eliminate many potential homebuyers from the housing market or render a housing project infeasible that could have successfully developed or marketed at lower interest rates.

The increased use of alternative mortgage products over the past two decades has allowed buyers to pay lower initial interest rates and monthly payments and receive larger home loans than they might otherwise qualify for based on their income. Even during periods of high interest rates, these alternative products allow more buyers to qualify for homeownership, thus minimizing the swings in home sales that accompany changes in interest rates. However, long term costs are less predictable with these loan types. If a buyer has an adjustable rate mortgage, for example, the “resetting” of the interest rate to a higher rate can lead to significant increases in monthly payments, even though the amount of principal owed remains the same. The unpredictability of an interest rate rise on an adjustable rate mortgage can be especially troublesome to a homeowner who barely qualified for a home loan at the initial low interest rate. The availability of these loans has declined in response to the subprime mortgage crisis, reducing the number of homebuyers with sufficient income or wealth to qualify for mortgage financing.

According to data from RealtyTrac.com, Gridley experienced an average of 18 foreclosure activities per month between February 2008 and March 2009. **Figure Constraints-1** shows monthly foreclosure activities in Gridley during this time period. Foreclosure activity is calculated based on the number of properties that receive foreclosure filings, including default notices, foreclosure auction notices or bank repossessions. This represents a 0.56 foreclosure rate, in contrast to the County’s lower rate of 0.26 percent.



Source: Realtytrac.com, March 2008

## Figure Constraints-2

## City of Gridley Foreclosure Activity

Based on information from the Federal Reserve of Bank of New York which provides the public data on credit conditions nationally, the County as a whole is expected to experience further foreclosure activity. During the fourth quarter of 2008, the County experienced a 90-day mortgage delinquency rate of approximately 3 percent, representing an increase of 1.3 percent points since the year prior.

The recent tightening of credit due to the foreclosure crisis may result in significant constraints to consumer access to fixed-interest-rate mortgages, which would allow residential consumers to afford higher-priced homes when interest rates are lower. Most governmental programs that seek to increase homeownership among low and moderate income households rely on loan products that provide fixed interest rates below prevailing market rates, either for the principal loan or for a second loan that provides part of the down payment for home purchase. As such, the lack of available credit may create further challenges to homeownership opportunities despite government programs to assist low- and moderate-income homebuyers.

## Equal Opportunity in Financing

Discrimination in the loan review process present further barriers to credit access for traditionally underserved communities. According to public data available through the Home Mortgage Disclosure Act (HMDA), lenders more frequently deny loan requests to minority applicants than White applicants as whole within the County. **Table Constraints-6** shows home loan denial rates within the County by race.<sup>3</sup>

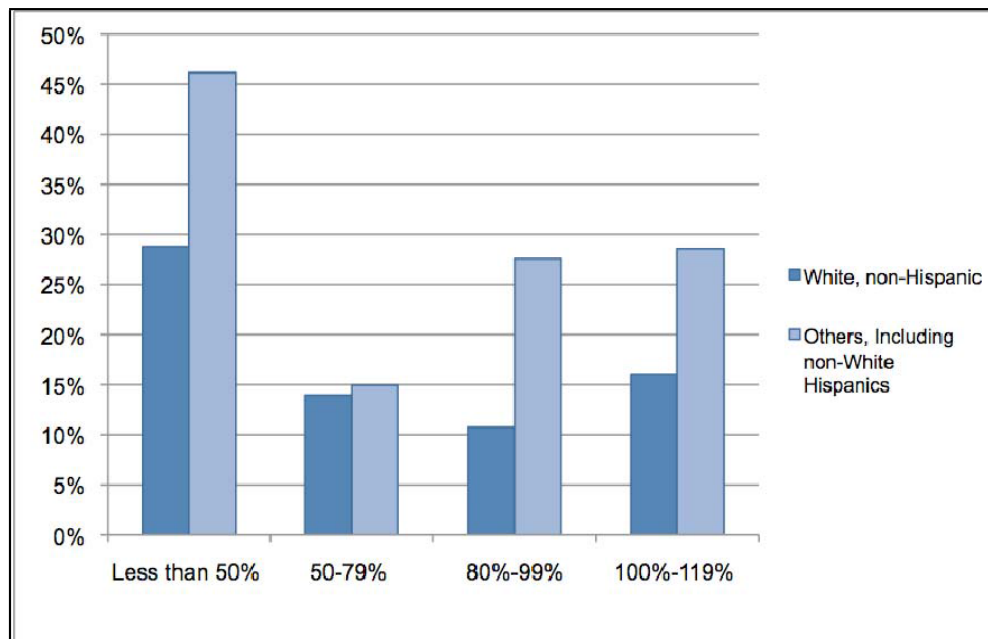
<sup>3</sup> Aggregate data not available for the City of Gridley.

**Table Constraints-6  
Home Loan Denials by Race (Butte County)**

Race/Ethnicity	Applications Received	Applications Denied	Denial Rate
White	2884	446	15.5%
American Indian/Alaska Native	30	9	30.0%
Asian	143	41	28.7%
Black	27	9	33.3%
Pac. Islander/Hawaiian	7	2	28.6%
Hispanic	351	106	30.2%

Source: FFIEC HMDA 2007

It is unclear whether such disparities in loan denial rates can be attributed to racial or ethnic discrimination alone without more detailed comparison data, such as applicants' credit scores, current debt and debt capacity. However, even controlling for income, White applicants were routinely denied less frequently than are minority applicants. **Figure Constraints-2** illustrates home loan denial rates by minority status across income groups.



Source: FFIEC HMDA 2007

Note: Income status based on average median income for Butte County.

**Figure Constraints-3      Home Loan Denial Rates by Minority Status and Income (Butte County)**

## Analysis of the Availability of Financing

Based on the information presented above, access to credit represents a constraint on the availability and affordability of housing. Continued volatility in the subprime loan market and increased foreclosures may result in increased tightening of the credit market in the future. Lack of access to equal credit due to potential racial and ethnic discrimination by financial institutions may create additional barriers for residential consumers, particularly for borrowers with lower incomes and credit ratings. Tighter credit markets may also affect the ability of developers to finance construction of new housing.

## EVALUATION OF ACHIEVEMENTS

An evaluation of the City's accomplishments under the existing Housing Element is necessary to ensure progress towards its stated goals. In accordance with Government Code Section 65588, the City of Gridley is required to review its Housing Element to evaluate the following:

- ✓ The appropriateness of the housing goals, objectives, and policies in contributing to the attainment of the state housing goal.
- ✓ The effectiveness of the housing element in attainment of the community's housing goals and objectives.
- ✓ The progress of the city, county, or city and county in implementation of the Housing Element.

Gridley's Housing Element was last updated in 2009. It included housing goals that concentrated on five broad aspects of the housing market and formed the basis for housing policy and programs for five years. These goals include the following:

- ✓ Housing Quality: Promote the development of new housing which meets safety standards, offers a variety of housing types in a variety of locations, and enhances existing neighborhoods, services and the environment.
- ✓ Housing Quantity: Encourage the preservation of existing housing and the construction of new housing at a cost and in quantities to meet the needs of all income groups, including very-low, low-, and moderate-income groups.
- ✓ Affordable Housing: Promote affordability of housing of all types to meet the present and projected needs of households of all income levels.
- ✓ Equal Housing Opportunity: Assure that discrimination is not a factor in the ability of households to obtain housing.
- ✓ Natural Resources: Promote the conservation of natural resources and energy in housing production.

The following sections summarize the City's major accomplishments in meeting its housing production objectives and in meeting its Housing Element goals.

**CITY OF GRIDLEY, CALIFORNIA**  
**2009-2014 Housing Element Achievements**  
***Housing Element Implementation***  
(Govt. Code Section 65588)

Program Description (By Housing Element Program Names)	<b>Housing Programs Progress Report – Government Code Section 65583</b> 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
<b>Housing Quality</b>			
<b>HE-1.1:</b> The City will maintain and enforce development standards and building standards that provide housing and safe neighborhoods for housing all income levels	a. Inspect buildings for Health and Safety violations ensuring that violations will be corrected and the structures rehabilitated to current codes and standards. b. Develop informational brochures for distribution to residents. c. Maintain a code violations database and notice property owners of violations. d. Resolve code violations.	Ongoing	a. The City continues to perform housing inspections as part of its regular code enforcement activities. b. Brochures are in the process of being developed and information is distributed on the City website. c. Code enforcement is maintaining data and continues to notice property owners of violations. The City works very hard to help homeowners bring their property into conformity. d. Code violations are being brought into conformity. The City continues to work with absentee owners to bring the property(ies) into compliance.
<b>HE-1.2:</b> The City will encourage the development and redevelopment of neighborhoods that include a variety of housing types and sizes.	a. Conduct a housing survey to update the 2006 Housing Conditions Survey. b. Analyze the results of the survey, prioritize, and apply for funding for housing rehabilitation. c. Update City's knowledge of local housing	Target 2011	a. In 2010, the city conducted a visual survey of housing units. This program has been ongoing in 2011. b. In 2010, the City found that 64% of the housing surveyed was in need of non-structural repairs. The City

**CITY OF GRIDLEY, CALIFORNIA**  
**2009-2014 Housing Element Achievements**  
***Housing Element Implementation***  
(Govt. Code Section 65588)

Program Description (By Housing Element Program Names)	<b>Housing Programs Progress Report – Government Code Section 65583</b> 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

	conditions.		continues to work with property owners to upgrade their housing for owner occupied and absentee ownership.  c. The City continues to inventory the existing conditions of housing. Various funding opportunities are being identified for the program.
<b>HE-1.3:</b> The City will encourage the maintenance of existing housing to prevent deterioration and promote dwelling lifespan.	<p>a. Coordinate with the Consolidated Housing Authority of Sutter County to continue the Gridley Housing Rehabilitation Program providing financial assistance to owner and renter lower income households for housing rehabilitation.</p> <p>b. Develop a brochure for distribution describing the Gridley Housing Rehabilitation Program.</p> <p>c. Provide financial assistance to 30 owner and renter lower-income households for housing rehabilitations during this planning cycle.</p>	Ongoing	<p>a. This is an ongoing project to capture funding for housing rehabilitation.</p> <p>b. A brochure is in the process of development.</p> <p>c. The City continues to look for funding opportunities for homeowners for its rehabilitation program. There is concern these funds may not be as available due to the economic downturn.</p>



**CITY OF GRIDLEY, CALIFORNIA**  
**2009-2014 Housing Element Achievements**  
***Housing Element Implementation***  
(Govt. Code Section 65588)

Program Description (By Housing Element Program Names)	<b>Housing Programs Progress Report – Government Code Section 65583</b> 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

<b>Housing Quantity</b> – <i>To facilitate the preservation and construction of housing to meet the needs of Gridley residents, including all household types and incomes.</i>			
<b>HE-2.1:</b> The City will encourage infill development, through reduced or delayed payment of impact fees, priority in entitlement review, or other methods.	a. Prepare and maintain information on vacant infill properties for builders and developers. b. City staff to survey builders, developers, and experts in real estate to determine the type of information that would be most helpful in making property investment decisions. c. Facilitate infill development.	Target 2011	a. The City created a database of vacant residential sites for the previous Housing Element. Staff continues to add to the database. b. This is ongoing and the City believes networking with local builders and developers will help the City target expenditures in the most viable proposals. c. The City continues to support infill development.
<b>HE-2.2:</b> The City will encourage the construction of second units within existing and proposed residential lots.	a. Develop a range of incentives to encourage development of vacant and under-utilized properties in and near downtown Gridley. b. The City will survey builders and developers to determine which incentives would be most effective in inducing infill housing development. c. The City will collect and analyze relevant programs from other cities and counties that have had	After General Plan adoption Target 2010	a. The City has not completed this objective. The economic downturn has impacted financial incentive programs. In 2010, the City continued general outreach to the development community to elicit ideas from them. b. City staff informally contacted interested builders and developers for ideas to incentivize infill development.

**CITY OF GRIDLEY, CALIFORNIA**  
**2009-2014 Housing Element Achievements**  
***Housing Element Implementation***  
(Govt. Code Section 65588)

Program Description (By Housing Element Program Names)	<b>Housing Programs Progress Report – Government Code Section 65583</b> 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

	successful infill development. d. Facilitate infill development.		c. This is an on-going effort. The City continues to look for ways to facilitate infill housing.
<b>HE-2.3:</b> The City will encourage compact development, the use of drainage swales for stormwater conveyance, multi-use public facilities and lands, and other planning and design strategies to reduce the cost of infrastructure to serve new housing.	a. The City will provide educational materials regarding second units to those seeking building permits and those wishing to subdivide residential property. b. The City will conduct a nexus fee study and impact fee update. Fees will be analyzed to ensure public service costs are represented and support low second unit fee costs. c. Encourage production of a least 10 second units in this housing element planning horizon.	After General Plan adoption  Target 2010 for drafting a Nexus Fee Study	a. Ongoing. City staff will continue to work on providing informational materials placed at the public counter and on the website. b. The City conducted a nexus fee study and found that some of the recommendations to increase fees would be onerous at this time to implement due to the current economic downturn. The City wished to continue to keep fees as low as possible to encourage the continuation of construction in the City. c. The City continues to encourage second units and believes it can reach this goal in this planning horizon. The City approved one second unit in 2012.
<b>HE-2.4:</b> The City will encourage infill development in meeting the housing needs required by expanding populations.	a. Consider incentives to induce rehabilitation of existing multi-family housing, the addition of bedrooms to existing residential homes and conversion of existing non-residential buildings.	18 months after General Plan adoption for review	a. The City continues to look at viable incentives supporting living area additions providing more bedrooms in existing homes. The City has found

**CITY OF GRIDLEY, CALIFORNIA**  
**2009-2014 Housing Element Achievements**  
***Housing Element Implementation***  
(Govt. Code Section 65588)

Program Description (By Housing Element Program Names)	<b>Housing Programs Progress Report – Government Code Section 65583</b> 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
	b. Encourage the development of larger homes accommodating more than 2 bedrooms. c. The City will consult with local housing authorities regarding grant applications to rehabilitate housing. d. The City will consider collaborative development of a revolving loan program through a local housing authority, other public programs or the redevelopment agency. e. Facilitate production of 3 larger rental units per year following the City Council's approved program implementation.	20 months after General Plan adoption for action	due to the economic downturn, additions have slowed. b. The City has been encouraging larger additions to existing homes when applications are submitted to the City Building Department. c. The City continues to have open dialog with local housing authorities regarding grant applications available. d. This objective continues to be monitored and the City supports larger rental units that meet existing codes. These efforts have been underway after the adoption of this Housing Element. The City continues to try to meet this policy.
<b>HE-2.5:</b> Infill and new growth housing incentives should be designed to achieve not only the City's housing goals, but also economic, social, and environmental goals of the City through programs identified in the 2030 General Plan.	a. Coordinate and review opportunities for infill and new growth development potential to meet the City's housing goals. b. Rezone properties that would accommodate development of 18 moderate-income units, 17 low-income units, 31 very low-income units, and 60 extremely low-income units.	Within 12 months of Housing Element Adoption submit to LAFCO	a. The City continues to coordinate and review opportunities for infill and new construction in looking forward to meeting the RHNA housing obligations. b. The City has not met the planned property rezone to meet the RHNA housing numbers. The City continues

**CITY OF GRIDLEY, CALIFORNIA**  
**2009-2014 Housing Element Achievements**  
***Housing Element Implementation***  
(Govt. Code Section 65588)

Program Description (By Housing Element Program Names)	<b>Housing Programs Progress Report – Government Code Section 65583</b> 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
		proposed pre-zoning; Within 18 months of Housing Element Adoption, accept annexation and development application request; rezone at least 5.4 acres of property within the City limits by December 30, 2012.	to look at alternatives for developing sites that could be more successful; e.g. Closer to facilities and transit opportunities.
<b>HE-2.6:</b> The City will support planning and zoning changes to improve land use compatibility, safe multi-modal connections, location, and quality of housing in the	a. Review the zoning code to ensure that it is not in conflict with the General Plan. Update the City's documents as necessary to encourage mixed use development with housing to meet all income levels.	Ongoing	a. The City has continued its efforts to amend the Gridley Municipal Code. There are significant efforts to do a comprehensive code amendment to bring the existing code into compliance

**CITY OF GRIDLEY, CALIFORNIA**  
**2009-2014 Housing Element Achievements**  
***Housing Element Implementation***  
(Govt. Code Section 65588)

Program Description (By Housing Element Program Names)	<b>Housing Programs Progress Report – Government Code Section 65583</b> 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

southeastern portion of the City near Highway 99.			with the 2030 General Plan.
<b>HE-2.7:</b> The City will maintain adequate sites with appropriate zoning, development standards, access to public infrastructure and facilities needed to facilitate a variety of types of housing for the needs of all income levels and special needs groups, including rental housing, factory built or manufactured housing, mobile home, emergency shelters, and transitional housing.	a. Identify land available for rezoning and inclusion into the city limits to meet RHNA income housing numbers.  b. Rezone property that would accommodate development of the required housing based on very low, low, and moderate income strata.	Ongoing  Refer to HE-2.5 above	a. The City identified lands that could be rezoned and annexed into the City. Due to the housing market slump, these sites do not appear as viable as they were at the time of the General Plan adoption.  b. The City is reviewing and considering properties within the City boundary and within its SOI to rezone that would accommodate the RHNA housing requirements. This is ongoing at this time.

**CITY OF GRIDLEY, CALIFORNIA**  
**2009-2014 Housing Element Achievements**  
***Housing Element Implementation***  
(Govt. Code Section 65588)

Program Description (By Housing Element Program Names)	<b>Housing Programs Progress Report – Government Code Section 65583</b> 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

Code Consistency and Updates – <i>To reduce and remove constraints to development and redevelopment of housing.</i>			
<b>HE-3.1:</b> The City shall maintain a zoning ordinance, Municipal Code, and development review process that is free of constraints for development of housing to achieve the City's regional share of estimated future housing needs for all housing types and incomes.	a. The City shall review the zoning ordinance on an ongoing basis to determine its effectiveness in achieving the goals to the General Plan and its compliance with State Laws. b. The City shall review the Housing Element on an annual basis to determine its effectiveness. c. The City will amend the zoning code to allow emergency shelters in the PQP and M-1 zones by right without the need for a conditional use permit or other discretionary action. d. The City will amend the zoning code to define and allow transitional and supportive housing in all residential zones subject to the same development standards as would apply to a residential structure for the same housing type. e. The City will amend the zoning code to define and allow agricultural employee housing as a permitted use within the Agricultural Residential district. f. The City will continue to use weekly project management meeting to facilitate development	Within 12 months of the Housing Element adoption.	a. The City has accomplished this objective and continues to find ways to improve the codes, create accessibility to a seamless development process. The City has experienced a reduction in applications to build due to the economic downturn. Staff continues to look at ways to remove development barriers related to the Gridley Municipal Code. b. The City has submitted three annual reports to the State of California Housing and Community Development for the CY 2010-2012. This update reflects work done within the 2012 year. c. Title 17 of the Gridley Municipal Code was amended to allow emergency shelters in the PQP and M-1 zones by right. The code was amended to allow such shelters for a period of 6 months by right. This was

**CITY OF GRIDLEY, CALIFORNIA**  
**2009-2014 Housing Element Achievements**  
***Housing Element Implementation***  
(Govt. Code Section 65588)

Program Description (By Housing Element Program Names)	<b>Housing Programs Progress Report – Government Code Section 65583</b> 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

	proposals.		<p>implemented by the City Council adopting Ordinance 797 in 2011.</p> <p>d. Title 17 of the Gridley Municipal Code was amended to define transitional and supportive housing adopted by the City Council in 2011, Ordinance 797.</p> <p>e. Title 17 of the Gridley Municipal Code was amended to allow agricultural employee housing by right in the Agricultural Residential zoning District. This was implemented by the City Council adopting Ordinance 797 in 2011.</p> <p>f. The City has been successful in implementing this ongoing program. The weekly meetings play an important part in the application process to facilitate seamless building and planning entitlement application processes.</p>
--	------------	--	---



**CITY OF GRIDLEY, CALIFORNIA**  
**2009-2014 Housing Element Achievements**  
***Housing Element Implementation***  
(Govt. Code Section 65588)

Program Description (By Housing Element Program Names)	<b>Housing Programs Progress Report – Government Code Section 65583</b> 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

<b>Affordable Housing – To promote development and redevelopment of affordable housing.</b>			
<b>HE-4.1:</b> The City will promote the preservation of subsidized affordable housing developments.	<p>a. The City will preserve affordable rental housing by coordinating with Butte County Housing Authority, CHIPS, and Consolidated Area Housing Authority of Sutter County and other non-profit affordable housing organizations and others to maintain the affordability status of affordable housing units in Gridley.</p> <p>b. The City will contact property owners at least one year in advance of the date where properties could convert to market rate.</p> <p>c. Preservation of affordable rental housing units.</p>	Ongoing through 2014.	<p>a. The City has been coordinating efforts with housing agencies to implement preservation of affordable housing. Significant efforts have been successful to funnel funds to CDBG housing for two housing projects—The Oaks and Gridley Springs which have undergone rehabilitation and stayed as affordable housing continuing to look for other opportunities.</p> <p>b. The City is committed to maintain the existing affordable housing developments and has put in place the practice of contacting property owners one year in advance of the units being eligible to be market rate housing.</p> <p>c. The City continues to implement its policy to preserve existing affordable housing units and to look for opportunities to increase the number of units in the City.</p>

**CITY OF GRIDLEY, CALIFORNIA**  
**2009-2014 Housing Element Achievements**  
***Housing Element Implementation***  
(Govt. Code Section 65588)

Program Description (By Housing Element Program Names)	<b>Housing Programs Progress Report – Government Code Section 65583</b> 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
<b>HE-4.2:</b> The City and Redevelopment Agency will require replacement housing per state law (or relocation of displaced residents) within the Redevelopment Project Area for subsidized housing proposed for demolition.	a. The City will contact sources of self-help housing such as Community Housing Improvement Program (CHIP), the Housing Authority, and Habitat for Humanity. The City will consider fee reductions and development impact fee payment delays. b. Facilitate five new self-help housing units within the City by 2014.	Ongoing through 2014	a. The City was successful in 2010 to support the 13-unit Locust Estates subdivision that was developed via CHIPS sweat equity program. The City will continue supporting these programs and look for ways to streamline the development process. b. The City accomplished this objective by the Locust Estates subdivision that was approved and in the process of being constructed. Thirteen units were constructed.
<b>HE-4.3:</b> Seek and support housing needs of special groups such as seniors, handicapped persons, farm workers, those in need of temporary shelter, single-parent families, and large families.	a. Coordinate with the Consolidated Area Housing Authority of Sutter County to administer a First Time Homebuyer Program. b. Support first time homebuyers.	Ongoing	a. This objective has not yet been successful due to significant budget shortfalls resulting from the recent economic downturn. b. The City is committed to doing what it can to support first time homebuyers where it is feasible.
<b>HE-4.4:</b> Assist in the development of housing affordable to extremely low, very-low, and low-income	a. The City will consult with local housing authorities and non-profits regarding financing programs; mortgage credit and bond financing as feasible to	Within 12 months of the Housing	a. The City continues its conversation with entities to provide opportunities to finance affordable residential projects.

**CITY OF GRIDLEY, CALIFORNIA**  
**2009-2014 Housing Element Achievements**  
***Housing Element Implementation***  
(Govt. Code Section 65588)

Program Description (By Housing Element Program Names)	<b>Housing Programs Progress Report – Government Code Section 65583</b> 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
households through financial and/or technical assistance to affordable housing developers.	provide assistance to lower- and moderate-income homebuyers and first-time homebuyers. b. Advertise affordability financing availability through brochures, newsletters, the City website and other media. c. Increase financing options for affordable housing projects.	Element adoption; present City Council with a status report of inter-agency discussions.  Ongoing through 2014.	b. The City has not advertised financing for affordable housing. The budget constraints of various programs at this time of economic constraints. Upon request, city staff refers interested parties to the various affordable housing agencies. c. The City has not extended a comprehensive financing package for affordable housing, though it has supported the rehabilitation of low income housing projects including at-risk units. The City will continue to find ways to enhance its ability to provide such services. Staff has taken these discussions to the City Council for direction as well.
<b>HE-4.5:</b> The City should proactively identify and apply for funding to expand affordable local housing opportunities.	a. The City will help to pursue funding opportunities for affordable housing projects with the Consolidated Area Housing Authority of Sutter County and the Butte County Housing Authority.	Meet annually or more frequently as appropriate.	a. The City has been taking an active role to pursue funding opportunities with the Sutter and Butte County Housing Authorities and received grants to offer homeowners a way to

**CITY OF GRIDLEY, CALIFORNIA**  
**2009-2014 Housing Element Achievements**  
***Housing Element Implementation***  
(Govt. Code Section 65588)

Program Description (By Housing Element Program Names)	<b>Housing Programs Progress Report – Government Code Section 65583</b> 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

	<p>b. A City representative will meet annually and additionally during the year with representatives to determine their interest in and plans for constructing affordable housing in Gridley.</p> <p>c. The City will consult with the State Department of Housing and Community Development for assistance in identifying the most appropriate state and/or federal funding sources for affordable housing most needed in Gridley.</p> <p>d. The city will assist in the development of farm worker housing by partnering with other agencies and nonprofits to maintain, improve, or construct new housing in the Gridley General Plan Study Area.</p> <p>e. The City will adopt a density bonus ordinance providing concessions dependent upon the number of affordable units .</p>	<p>Contact agencies by 2010.</p> <p>Ongoing through 2014.</p>	<p>improve their property.</p> <p>b. Staff has begun to meet annually for planning new affordable housing developments in the City.</p> <p>c. The City has an ongoing process to maintain communication with the State to determine funding opportunities for municipal governments.</p> <p>d. The City is a willing partner to Butte County for the construction of farm worker housing in the City. Refer to the recently adopted Ordinance 747 allowing farm worker housing to be developed by right in the Agricultural Residential zoning district.</p> <p>e. The City has adopted a Density Bonus ordinance objective per Ord 810-2014.</p>
--	--	---	---

**CITY OF GRIDLEY, CALIFORNIA**  
**2009-2014 Housing Element Achievements**  
***Housing Element Implementation***  
(Govt. Code Section 65588)

Program Description (By Housing Element Program Names)	<b>Housing Programs Progress Report – Government Code Section 65583</b> 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

<b>Equal Housing Opportunity – To ensure equal opportunity and access to housing for all residents.</b>			
<b>HE-5.1:</b> Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, or color.	<p>a. The City will refer interested persons to the appropriate agencies, such as the Community Legal Information Center, Mediation Center of the North Valley, Butte County Housing Authority, and Legal Services of Northern California for assistance in fair housing matters.</p> <p>b. The City will act as an independent third-party to discrimination complaints, as they arise. The City will continue to provide informational fair housing brochures in English and Spanish available to the public at City Hall, the library, the U.S. Post Office, Butte County Family Services, Gridley Family Health Center, and on the City's website.</p>	Ongoing	<p>a. The City refers individuals to the agencies that can best help them.</p> <p>b. The City will provide information regarding fair housing. The City is committed to creating a brochure and have information on the website for easy availability.</p> <p>This is an ongoing project.</p>
<b>HE-5.2:</b> The City will encourage universal design in new housing construction, as well as integration of accessibility features in existing housing structures.	<p>a. Amend the Municipal Code definition of “family” to comply with the Federal Fair Housing Act (42 U.S.C. Sec. 3601, et. seq.) provisions for persons with disabilities.</p> <p>b. Provide for unrelated persons who jointly occupy and have equal access to all areas of a dwelling unit and who function together as an integrated unit.</p>	Within 12 months of the Housing Element adoption	<p>a. The City amended Title 17 providing a definition of “family” by the City Council adopting Ordinance 797, in 2011. This objective has been fulfilled.</p> <p>b. This objective was realized by the adoption of Ordinance 797 in 2011 by the Gridley City Council.</p>

**CITY OF GRIDLEY, CALIFORNIA**  
**2009-2014 Housing Element Achievements**  
***Housing Element Implementation***  
(Govt. Code Section 65588)

Program Description (By Housing Element Program Names)	<b>Housing Programs Progress Report – Government Code Section 65583</b> 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

<b>HE-5.3:</b> The City will promote awareness of accessibility requirements and opportunities for builders, developers, and residents.	a. The City will adopt a written reasonable accommodation ordinance to provide exception in zoning and land-use for housing for persons with disabilities. This procedure will be a ministerial process, with minimal or no processing fee.  b. The City will either revise the Municipal Code or adopt stand-alone rules, policies, and procedures for reasonable accommodations. The City's procedures will specify exceptions to zoning and development standards and exceptions to building regulations needed to accommodate housing access for persons with disabilities. The City's amended procedures shall specify targeted timeframes for approval of reasonable accommodations.	Within 12 months of the Housing Element adoption	a. The City has not been able to adopt a universal design ordinance. City staff believes this will be attained by 2013.  b. The City plans on amending Title 17 to provide a universal design ordinance. The estimated time of completion is 2013.
<b>HE-5.4:</b> The City will provide equal access to its development policies, practices, and procedures to all residents of the City.	a. Provide reasonable accommodations for persons with disabilities.  b. Reduce processing time for reasonable accommodation requests.	Ongoing	a. This is an ongoing process and the City is committed to optimizing access to persons with disabilities.  b. The City has an ongoing policy to process accommodation requests rapidly and will continue to do so.

**CITY OF GRIDLEY, CALIFORNIA**  
**2009-2014 Housing Element Achievements**  
***Housing Element Implementation***  
(Govt. Code Section 65588)

Program Description (By Housing Element Program Names)	<b>Housing Programs Progress Report – Government Code Section 65583</b> 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

<b>Natural Resources and Energy Conservation – <i>To reduce household costs and conserve natural resources and energy in housing production.</i></b>			
<b>HE-6.1:</b> In order to reduce long-term household utility costs, the City will promote new housing construction and retrofits designed to consume less energy, produce and use renewable energy, consume less water.	a. Project applicants for building permits must show compliance with the state's energy conservation requirements at the time building plans are submitted.	Ongoing	a. Through the building permit process, housing units are required to meet Title 24 energy calculations. The City will continue to do so in its capacity of plan check determining if a structure meets the State requirements.
<b>HE-6.2:</b> In order to reduce household transportation costs, the City will promote housing development in mixed-use settings near commercial and public services and in areas served by public transit.	a. Continue to provide rebates for the installation and use of energy efficient appliances, insulation materials, windows, energy audits, weatherization, and other energy saving techniques.	Ongoing through 2014.	a. The City continues to implement this program by providing varying levels of rebates for various appliances. This will continue through 2014.



## HOUSING PRODUCTION

The Housing Element includes two sets of housing targets: the regional target set by BCAG through its Regional Housing Needs Allocation (RHNA) and the City's housing production target. The BCAG target provides the minimum number of units the City must demonstrate it was able to accommodate through the provision of adequate sites. The City's target is based on the local community's priorities, unmet need and land availability. The effectiveness of Gridley's 2004-2009 Housing Element in meeting its regional and local housing needs can be measured by the level of achievement in the development of housing. The level of achievement is simply the development of new construction divided by the production goal. **Table Achievements-1** summarizes Gridley's level of achievement in meeting its regional and local production targets. The level of achievement for each target will differ because of the differences in priorities explained above, and the different timeframes within BCAG's and the City's planning periods.

**Table Achievements-1 Housing  
Production Accomplishments**

	Very Low	Low Income	Moderate	Above Moderate	Total
<b>Construction</b>	0	25	0	227	252
<b>Rehabilitation</b>	0	22	0	0	22
<b>Total</b>	0	47	0	227	274
<b>RHNA Goal</b>	105	59	42	171	377
<b>Level of Achievement</b>	<b>0%</b>	<b>80%</b>	<b>0%</b>	<b>133%</b>	<b>73%</b>
<b>Gridley Quantified Objectives Accomplishments (2004-2008)</b>					
	Very Low	Low Income	Moderate	Above Moderate	Total
<b>Construction</b>	0	12	0	209	221
<b>Rehabilitation</b>	0	18	0	0	18
<b>Total</b>	0	30	0	209	239
<b>Quantified Objective</b>	85	55	55	200	395
<b>Level of Achievement</b>	<b>0%</b>	<b>85%</b>	<b>0%</b>	<b>105%</b>	<b>61%</b>

According to City building records, there were approximately 252 housing units built in the City between 2001 and 2008, of which 239 units were built during 2004 and 2008. The City was able to facilitate the rehabilitation of 22 units. The housing production goals of 2009-2014 were stalled due to the economy. The projects that were under construction during the years of 2001-2008 were completed during 2009-2014, therefore, the production accomplishments in the previous Housing Element are also considered accomplishments that were fulfilled. Refer to "Other Accomplishments" below.

As noted in the table above, the City was successful in fulfilling its target for above- moderate income housing and made great progress in its target for low-income housing. The City was unable to fulfill its targets for very-low and moderate-income housing. Many uncontrollable factors influence the City's effectiveness, such as market conditions, available programs, available lenders, available developers and the political climate. When considering the effects of the market and other uncontrollable factors, the City was effective in meeting most of their fair share of regional housing needs. In

addition, the effectiveness of the current Housing Element's Housing Plan influences the City's ability to achieve these objectives. Evaluation of the City's programs is provided in the following sections.

## **OTHER ACCOMPLISHMENTS**

The City of Gridley has achieved or made notable progress in implementing its housing goals under the current Housing Element planning period:

- ✓ During the **2009-2014 Housing Element Planning Period** the following new residences were constructed:

<u>Units</u>	<u>Affordability</u>
• Six single family residential units	extremely low
• Fifty-four multi-family residential units	very low income
• Fourteen single family residential units	low income
• Two single family residential units	moderate income
• Fifteen single family units	above moderate income

***Total = Ninety-four units***

- ✓ During the 2009-2014 Housing Element Planning Period, six deed restricted units in Gridley Springs II were rehabilitated;
- ✓ During the 2009-2014 Housing Element Planning Period, twenty-three single family very-low and low income units were rehabilitated;
- ✓ The City amended the Second Unit Ordinance to bring the review process (permitted by right) and allowable size of unit (1200 square feet) in line with state legislation.
- ✓ The City amended the Gridley Municipal Code establishing an ordinance for Density Bonus;
- ✓ The City began the review process for a comprehensive amendment to Title 17 of the Gridley Municipal Code to bring zoning incompliance with the General Plan 2030;
- ✓ The City completed the 56-unit rental property at Washington Court priced for very low and low income households. The project consists of 2 and 3-bedroom apartments.
- ✓ Thirteen (13) self-help housing units at Locust Estates were completed through \$660,000 in funds received from the Joe Serna, Jr. Farmworker Housing Grant Program, in addition to other state and federal assistance. Locust Estates is a project sponsored through Community Housing Improvements Program's (CHIP's) sweat equity program. An additional 6 new units for low-income households were completed at the Bowwood subdivision through this sweat equity program.

## HOUSING PLAN

This chapter presents the City of Gridley's housing plan. Gridley has oriented its goals, policies, and implementation strategies to achieve local objectives for housing. This plan also implements state housing law and regional housing targets.

Based on its past accomplishments, some of the previous programs were appropriate to support progress toward the State housing goal. Those that were not have been modified or combined with other programs to better meet the 2014-2022 Housing Element Goals and Policies.

The purpose and intent of Gridley's housing plan is to:

- ✓ Promote the preservation, improvement, and development of housing appropriate to meet the needs of the full range of household types and incomes.
- ✓ Encourage neighborhood stability and reinvestment in order to accommodate a variety of housing types and densities, as compatible with non-residential uses throughout the City.
- ✓ Ensure that new growth areas will accommodate a variety of housing that is planned and developed in coordination with nearby commercial and public services in the Planned Growth Area.
- ✓ Accommodate housing in both existing and new neighborhoods to serve for all socio-economic groups, a balance between homeownership and rental, multi-modal travel options, access to jobs, schools, and parks, and other civic and commercial services.

The City's housing strategies are important to achieving the City's overall economic, environmental, and social objectives, as described throughout the 2030 General Plan. The City's housing goal, policies, and implementation strategies are specifically drawn to compliment goals and policies in other elements of the new General Plan.

Please refer to the Land Use, Circulation, Open Space, Community Character and Design, and Public Facilities elements of the 2030 General Plan for other housing-related goals and policies.

## **GOALS, POLICIES, AND IMPLEMENTATION STRATEGIES**

The housing plan is organized around the following key issues:

1. Housing Quality
2. Housing Quantity
3. Remove Constraints to Housing
4. Affordable Housing
5. Equal Housing Opportunity
6. Natural Resources and Energy Conservation

These build on the policies in the 2009-2014 Housing Element. They have been modified to reflect the successes Gridley has been able to accomplish.

## HOUSING QUALITY

**HOUSING GOAL 1:** To promote the development of a variety of housing types throughout the City that is safe and complements the surrounding neighborhood.

**HOUSING POLICY 1.1** The City will maintain and enforce development standards and building standards that provide housing and safe neighborhoods for housing all income levels.

**HOUSING POLICY 1.2** The City will encourage the development and redevelopment of neighborhoods that include a variety of housing types and sizes.

**HOUSING POLICY 1.3** The City will encourage the maintenance of existing housing to prevent deterioration and promote dwelling lifespan.

<b>Housing Implementation Strategy 1.1</b>	<p>The Building Department will inspect buildings for health and safety standards and building code violations. Buildings found in violation will be required to be rehabilitated to current Codes and Standards.</p> <p>The City will evaluate options for addressing code violation problems and determine how to encourage landowners to rehabilitate their properties.</p> <p>Timing: Ongoing</p> <p>Responsible Agency/Department: Building /Planning Departments</p> <p>Funding Sources: City General Fund</p> <p>Objective: Resolve code violations.</p>
<b>Housing Implementation Strategy 1.2</b>	<p>The Community Development Department will conduct a housing condition survey in order to determine the housing in the City in need of rehabilitation to help prioritize and apply the City's efforts and application of funding for housing rehabilitation.</p> <p>Timing: Following General Plan adoption; Target 2011</p> <p>Responsible Agency/Department: Community Development Department.</p> <p>Funding Sources: CDBG Planning / Technical Assistance Grant</p> <p>Objective: Update City's knowledge of local housing conditions.</p>
<b>Housing Implementation Strategy 1.3</b>	<p>In coordination with the Consolidated Area Housing Authority of Sutter County, the City will continue the Gridley Housing Rehabilitation Program to provide financial assistance to owner and renter lower-income households for housing rehabilitation during this planning cycle.</p> <p>Timing: Ongoing</p> <p>Responsible Agency/Department: Planning Department</p> <p>Funding Sources: CDBG, HOME Funds, USDA Rural Development Services</p> <p>Quantified Objective: Provide financial assistance to 10 housing units for rehabilitation.</p>

## HOUSING QUANTITY

### HOUSING GOAL 2:

To facilitate the preservation and construction of housing to meet the needs of Gridley residents, including all household types and incomes.

#### HOUSING POLICY 2.1

The City will encourage infill development, through reduced or delayed payment of impact fees, priority in entitlement review, or other methods.

#### HOUSING POLICY 2.2

The City will encourage the construction of second units within existing and proposed residential lots.

#### HOUSING POLICY 2.3

The City will encourage compact development, multi-use public facilities and lands, and other planning and design strategies to reduce the cost of infrastructure to serve new housing.

#### HOUSING POLICY 2.4

The City will support planning and zoning changes to improve land use compatibility, safe multi-modal connections, location, and quality of housing.

#### HOUSING POLICY 2.5

The City will ensure sites with appropriate zoning, are available for development, access to public infrastructure and facilities needed to facilitate a variety of types of housing for the needs of all income levels and special needs groups, including rental housing, factory-built or manufactured housing, mobile homes, emergency shelters, and transitional housing.

#### Housing Implementation Strategy 2.1

The Planning Department will continue to update its information on vacant infill properties to make readily available data that is helpful to builders and land developers

Timing: On-going

Responsible Agency/Department: Planning Department. Funding Sources: General Fund

Objective: Facilitate infill development.

#### Housing Implementation Strategy 2.2

The City will research potential incentives that could encourage development of vacant and underutilized properties in and near downtown Gridley.

Timing: On-going;

Responsible Agency/Department: Planning Department

Funding Sources: General Fund Objective: Facilitate infill development.

---

**Housing  
Implementation  
Strategy 2.3**

The City will develop an informational outreach describing the construction of second units housing to meet future housing needs in Gridley.

Timing: Ongoing;

Responsible Agency/Department: Planning Department

Funding Sources: General Fund

Quantified Objective: Encourage production of at least 5 second units in this housing element planning horizon.

---

**Housing  
Implementation  
Strategy 2.4**

The City will encourage the rehabilitation of existing multi-family housing, adding bedrooms to existing housing, and conversion of existing nonresidential buildings to serve the needs of Gridley's larger families.

City staff will continue outreach with local housing authorities on the opportunity to rehabilitate single and multi-family structures.

The City will support collaborative development of a revolving loan program through a local housing authority, other public programs, or the City's Redevelopment Agency.

Timing: On-going

Responsible Agency/Department: Planning Department, Planning Commission, City Council.

Funding Sources: General Fund

Objective: Facilitate production of at least one larger rental unit per year

---

<b>HOUSING GOAL 3:</b>	<b>To reduce and remove constraints to development and redevelopment of housing.</b>
<b>HOUSING POLICY 3.1</b>	<p>The City shall maintain a zoning ordinance, Municipal Code, and development review process that is reduces constraints as feasible for development of housing to achieve the City’s regional share of estimated future housing needs for all housing types and incomes.</p>
<b>Housing Implementation Strategy 3.1</b>	<p>The City shall review the zoning ordinance on an ongoing basis to determine its effectiveness in achieving the goals of the General Plan and its compliance with State law.</p> <p>Timing: Ongoing</p> <p>Responsible Agency/Department: Planning Department, Planning Commission, City Council</p> <p>Funding Sources: General Fund</p> <p>Objective: Ensure zoning achieves General Plan goals.</p>
<b>Housing Implementation Strategy 3.2</b>	<p>The City will review the Housing Element on an annual basis to determine the effectiveness in achieving goals and objectives.</p> <p>The City will provide annual reports as to the implementation of the Housing Element to the Planning Commission, City Council, and the Department of Housing and Community Development, as required by Government Code Section 65400.</p> <p>Timing: Annually</p> <p>Responsible Agency/Department: Planning Department, Building Department.</p> <p>Funding Sources: General Fund</p> <p>Objective: Ensure Housing Element is achieving goals and objectives.</p>



## AFFORDABLE HOUSING

<b>HOUSING GOAL 4:</b>	<b>To promote development and redevelopment of affordable housing.</b>
------------------------	--

<b>HOUSING POLICY 4.1</b>	The City will promote the preservation of subsidized affordable housing developments.
---------------------------	---

<b>HOUSING POLICY 4.2</b>	The City and Redevelopment Agency will require replacement housing per state law (or relocation of displaced residents) for subsidized housing proposed for demolition.
---------------------------	---

<b>HOUSING POLICY 4.3</b>	Seek and support housing needs of special groups such as seniors, disabled persons, farmworkers, those in need of temporary shelter, single-parent families, and large families.
---------------------------	--

<b>HOUSING POLICY 4.4</b>	Assist in the development of housing affordable to extremely low, very-low, and low-income households to affordable housing developers.
---------------------------	---

<b>HOUSING POLICY 4.5</b>	The City will research feasible funding opportunities to expand affordable housing development.
---------------------------	---

### **Housing Implementation Strategy 4.1**

The City will coordinate with the Butte County Housing Authority, Community Housing Improvement Program (CHIP), Consolidated Area Housing Authority of Sutter County, and other nonprofit affordable housing organizations, along with property owners of privately-owned, government-subsidized affordable housing projects to maintain the affordability status of affordable housing units in Gridley.

The City will contact property owners of such affordable housing projects at least one year in advance of the date where properties could convert to market rate. The City will coordinate with area agencies and nonprofits to examine options for maintaining affordability status.

Timing: Ongoing through 2022.

Responsible Agency/Department: Planning Department

Funding: Multifamily Housing Program, California Housing Finance Agency Preservation, Acquisition Financing Mortgage Insurance for Purchase/Refinance (HUD)

Objective: Preservation of affordable rental housing units.

**Housing  
Implementation  
Strategy 4.2**

Contact possible sources of self-help housing, such as Community Housing Improvement Program (CHIP), the area housing authorities, or Habitat for Humanity. Coordinate with these groups to identify incentives or resources needed to facilitate self-help housing development.

The City will help promote the self-help housing to the public through information made available at City Hall and on the City's website.

Timing: Ongoing through 2022.

Responsible Agency/Department: Community Development Department.

Funding Sources: General Fund

Quantified Objective: Facilitate 5 new self-help housing units within the City by 2022.

**Housing  
Implementation  
Strategy 4.3**

The City will coordinate with the Consolidated Area Housing Authority of Sutter County to administer a First-Time Homebuyer Program.

The City will work with Far Northern Regional Center to develop an outreach program informing residents of available services for persons with developmental and physical disabilities.

Timing: Ongoing

Responsibility: Planning Department

Funding Sources: General Fund, CalHome program, State Small Cities HOME Program, State CDBG Program, California Housing Finance Agency (single-family direct loan programs), USDA Rural Housing Services (direct loans, loan guarantees)

Objective: Support first-time homebuyers, support of affordable housing for at risk residents.

**Housing  
Implementation  
Strategy 4.4**

The City will consult with local housing authorities and non- profits regarding opportunities for financing programs, such as mortgage credit and bond financing, as feasible, to provide assistance to lower- and moderate-income homebuyers and first-time homebuyers. Place information on the City's website, local newspapers, civic buildings, and local finance agencies and real estate offices.

Responsibility: Planning Department, Finance Department

Timing: Report to City Council on discussions with other public agencies on the feasibility of consortiums for affordable housing bond financing within 12 months of the adoption of the Housing Element. Participation in financing programs, as feasible, ongoing through 2022

Funding: General Fund, CalHome program, CDBG, RDA, other

Objective: Increase financing options for affordable housing projects.

**Housing  
Implementation  
Strategy 4.5**

The City will cooperatively pursue funding for affordable housing projects with the Consolidated Area Housing Authority of Sutter County and the Butte County Housing Authority.

The City will consult with the State Department of Housing and Community Development for assistance in identifying the most appropriate state and/or federal funding sources for the affordable housing most needed in Gridley and with the housing authorities to administer affordable housing development.

Responsibility: Planning Department, Finance Department.

Timing: On-going through 2022.

Funding: Various state and federal sources, redevelopment funding, General Fund.

Quantified Objective: Pursue at least one funding opportunity for affordable housing construction every other year.

**Housing  
Implementation  
Strategy 4.6**

The City will partner with other agencies and non-profits to maintain, improve, or construct new farmworker housing in the Gridley Area. The City will assist the housing authorities and CHIP with applications for funding for farmworker housing projects, as appropriate.

Responsibility: Planning Department.

Timing: On-going through 2022.

Funding: Joe Serna Jr. Farmworker Housing Grant Program; USDA rural development assistance grants, Rural Community Assistance funding programs

Objective: Facilitate farmworker housing improvement and development in the Gridley area.

## **EQUAL HOUSING OPPORTUNITY**

<b>HOUSING GOAL 5:</b>	<b>To ensure equal opportunity and access to housing for all residents.</b>
<b>HOUSING POLICY 5.1</b>	Promote housing opportunities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, or color.
<b>HOUSING POLICY 5.2</b>	The City will encourage universal design in new housing construction, as well as integration of accessibility features in existing housing structures.
<b>HOUSING POLICY 5.3</b>	The City will promote awareness of accessibility requirements and opportunities for builders, developers, and residents.
<b>HOUSING POLICY 5.4</b>	The City will provide equal access to its development policies, practices, and procedures to all residents of the City.
<b>Housing Implementation Strategy 5.1</b>	<p>The City will refer interested persons to the appropriate agencies, such as the Community Legal Information Center, Mediation Center of the North Valley, Butte County Housing Authority, and Legal Services of Northern California for assistance in fair housing matters.</p> <p>The City will provide informational fair housing brochures in English and Spanish available to the public at City Hall, the library, the U.S. Post Office, Butte County Family Services, Gridley Family Health Center, and on the City's website.</p> <p>Timing: Ongoing</p> <p>Responsible Agency/Department: Planning Department</p> <p>Funding Sources: General Fund</p> <p>Objective: Assist in referral for fair housing matters.</p>

<b>Housing Implementation Strategy 5.2</b>	<p>Amend the Municipal Code definition of “family” to comply with the Federal Fair Housing Act (42 U.S.C. Sec. 3601, et. seq.) provisions for persons with disabilities. Provide for unrelated persons who jointly occupy and have equal access to all areas of a dwelling unit and who function together as an integrated unit.</p> <p>Timing: Within 12 months of Housing Element adoption</p> <p>Responsible Agency/Department: Planning Department</p> <p>Funding Sources: General Fund</p> <p>Objective: Accommodate a variety of household types.</p>
<b>Housing Implementation Strategy 5.3</b>	<p>The City will adopt a written reasonable accommodation ordinance to provide exception in zoning and land-use for housing for persons with disabilities. This procedure will be a ministerial process, with minimal or no processing fee. Community Development Department staff will use the following or similar criteria in approving reasonable accommodations:</p> <ul style="list-style-type: none"><li>• The request for reasonable accommodation will be used by an individual with a disability protected under fair housing laws.</li><li>• The requested accommodation is necessary to make housing available to an individual with a disability protected under fair housing laws.</li><li>• The requested accommodation would not impose an undue financial or administrative burden on the City.</li><li>• The requested accommodation would not require a fundamental alteration in the nature of the City's land-use and zoning program.</li></ul> <p>The City will either revise the Municipal Code or adopt stand-alone rules, policies, and procedures for reasonable accommodations. The City's procedures will specify exceptions to zoning and development standards and exceptions to building regulations needed to accommodate housing access for persons with disabilities. The City's amended procedures shall specific targeted timeframes for approval of reasonable accommodations.</p> <p>Timing: Within 12 months of Housing Element adoption.</p> <p>Responsible Agency/Department: Planning Department</p> <p>Funding Sources: General Fund</p> <p>Objective: Provide reasonable accommodations for persons with disabilities. Reduce processing time for reasonable accommodation requests.</p>

## NATURAL RESOURCES AND ENERGY CONSERVATION

<b>HOUSING GOAL 6:</b>	<b>To reduce household costs and conserve natural resources and energy in housing production.</b>
<b>HOUSING POLICY 6.1</b>	In order to reduce long-term household utility costs, the City will promote new housing construction and retrofits designed to consume less energy, produce and use renewable energy, consume less water.
<b>HOUSING POLICY 6.2</b>	In order to reduce household transportation costs, the City will promote housing development in mixed-use settings near commercial and public services and in areas served by public transit.
<b>Housing Implementation Strategy 6.1</b>	<p>Project applicants for building permits must show compliance with the state's energy conservation requirements at the time building plans are submitted.</p> <p>The Building Department will continue to be responsible for implementing the state's energy conservation standards. This includes checking of building plans and other written documentation showing compliance and the inspection of construction to ensure that the dwelling units are constructed according to those plans.</p> <p>Timing: Ongoing</p> <p>Responsible Agency/Department: Building Department</p> <p>Funding Sources: General Fund</p> <p>Objective: Ensure new development is designed to reduce ongoing building energy costs to future residents.</p>
<b>Housing Implementation Strategy 6.2</b>	<p>Continue to provide rebates for the installation and use of energy- efficient appliances, insulation materials, windows, energy audits, weatherization, and other energy saving techniques.</p> <p>Timing: Ongoing through 2014.</p> <p>Responsible Agency/Department: Gridley Municipal Utilities, Finance Department</p> <p>Funding Sources: Public Benefit charge on utility bills, state or federal grant funding, as available.</p> <p>Objective: Facilitate installation of energy efficient appliances in 20 units; facilitate energy efficiency retrofits in 10 units.</p>
<b>Housing Implementation Strategy 6.3</b>	<p>The City will evaluate existing impact fees to ensure an unintended constraint to residential development is not created.</p> <p>Timing: Review impact fees by 2016.</p> <p>Responsible Agency/Department: Gridley Municipal Utilities, Finance Department, Community Development Department.</p> <p>Funding Sources: General Fund.</p> <p>Objective: Induce energy efficiency investments in new housing development.</p>