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# Executive Summary



# Background: What the Housing Element Is

In California, local governments develop and adopt a General Plan which provides a framework for how their community will grow and develop over an approximately 20-year period. Each General Plan includes “elements” that address topics such as land use, transportation, conservation, noise, open space, safety, environmental justice and housing. The “Housing Element” provides an analysis of a community’s housing needs for all income levels, along with strategies and action plans for responding to those needs. Unlike the other elements of the General Plan, the Housing Element is required to be updated every eight years. Given that conditions within local housing markets can change rapidly due to effects from natural disasters and economic trends, this allows the Housing Element to remain as current as possible. The Housing Element is therefore a key component of every local government’s General Plan and must be consistent with the other elements. The Chico 2030 General Plan was adopted in April 2011, while the most recent Housing Element was adopted in June 2014. This Housing Element update will cover the planning period of July 2022 through June 2030.

California has Housing Element Law (Government Code Sections 65580-65589) which provides local jurisdictions with the minimum requirements for the content of a Housing Element. The State of California, through the California Department of Housing and Community Development (HCD) also provides Housing Element guidance memos and forms to local jurisdictions. HCD reviews and certifies each jurisdiction’s Housing Element and also reviews the progress made on housing policy and production on an annual basis.



A significant component of the Housing Element is the Regional Housing Needs Allocation or RHNA. Local governments, like the City of Chico, are required by State law to plan for the amount of housing that will be needed due to future growth, segmented by income level. The State, in partnership with the Butte County Association of Governments (BCAG), looks at a variety of data to estimate this need and then allocates the total between the cities and the county. In this way, the City is provided with a set of RHNA goals. As part of its efforts to support the development of housing that meets the RHNA goals, the City is required to have enough appropriately zoned land that accommodates the RHNA. This is evaluated and documented through the Adequate Sites Inventory that is included in the Housing Element.



The Housing Element is a long-range policy and planning document. It analyzes housing needs, assesses constraints to the production of housing, and inventories the resources available to support housing production. It then establishes a Housing Program which consists of a series of Goals, Policies and Actions to focus the City's policy and planning efforts over the next eight years. The Housing Element does not implement the City's Zoning Ordinance, Development Standards, or Building Code for specific properties, development proposals, or housing projects. Those activities are managed through the City's Community Development Department which has established review and approval processes that are described in the City's Municipal Code.

## The City's Role in Housing

In addition to the Housing Element serving as a statement of housing policy, the City of Chico has additional policy documents and development standards such as the Land Use Element (of the General Plan), Land Use and Development Regulations (Zoning Ordinance), and Design Guidelines which provide the parameters and standards within which housing development occurs in the City. Within the context of the Housing Element, the City is required to demonstrate it has an adequate amount of land that is appropriately zoned to accommodate future growth, broken down by income level (called the Regional Housing Needs Allocation or RHNA). The City's Building Division implements the State Building Code to ensure that health and safety standards are adhered to in all types of construction. The City's Housing Division applies for and manages the receipt of both state and federal funds which are then loaned to affordable housing developers and used to support related community development efforts, such as neighborhood improvements.

The City of Chico does not develop, own, or manage housing, and does not have the infrastructure or resources to do so. The Housing Authority of the County of Butte (HACB) operates as the local Public Housing Authority within Chico. HACB develops and owns affordable housing projects, in addition to operating the Section 8 Housing Choice Voucher Program and Project-Based Voucher Program.



# Regional Housing Needs Allocation or RHNA: Summary of Progress and Future Goals

The table below shows Chico's progress on the production of housing to meet its RHNA for the period of July 2014 to June 2022. Units produced that are affordable to each income level are shown through December 31, 2021. The units planned for production from January to June 2022 are not formally reported to HCD until December 2022, but are shown in a separate column, based upon projects awarded tax credits and required to begin construction by spring 2022.

## Regional Housing Needs Allocation and Production, June 2014-December 2021, with January-June 2022 Projections

Income Level	RHNA	Units Produced 2014-2021	% of RHNA Produced 2014-2021	Units Produced and Planned 2014-2022	% of RHNA Produced and Planned Through 2022
Extremely Low	487	149	30.6%	183	37.6%
Very Low	487	193	39.6%	327	67.1%
Low	643	114	17.7%	194	30.2%
Moderate	708	689	97.3%	722	102.0%
Above Moderate	1,638	3,337	203.7%	3,498	213.6%
<b>Total</b>	<b>3,963</b>	<b>4,482</b>	<b>113.1%</b>	<b>4,924</b>	<b>124.2%</b>

Sources: Butte County Association of Governments, 2014 Regional Housing Needs Plan, City of Chico Community Development Department, 2021

The next table, Regional Housing Needs Allocation, 2022-2030 lists the RHNA goals for Chico by income level for the Housing Element update 2022-2030 planning period (January 1, 2022 through June 30, 2030).

## Regional Housing Needs Allocation, 2022-2030

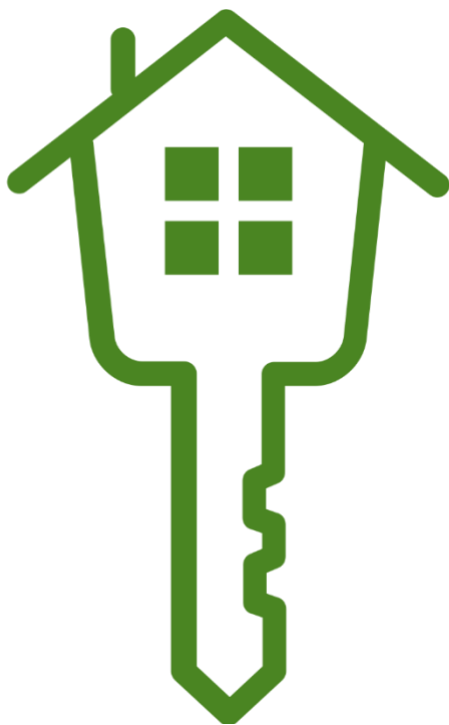
Affordability Tier	Number of Units Allocated	Percentage
Very Low	1,101	31.6%
Low	507	14.5%
Moderate	770	22.1%
Above Moderate	1,110	31.8%
<b>Total</b>	<b>3,488</b>	<b>100%</b>

Source: Butte County Association of Governments, 2020 6th Cycle Regional Housing Needs Plan

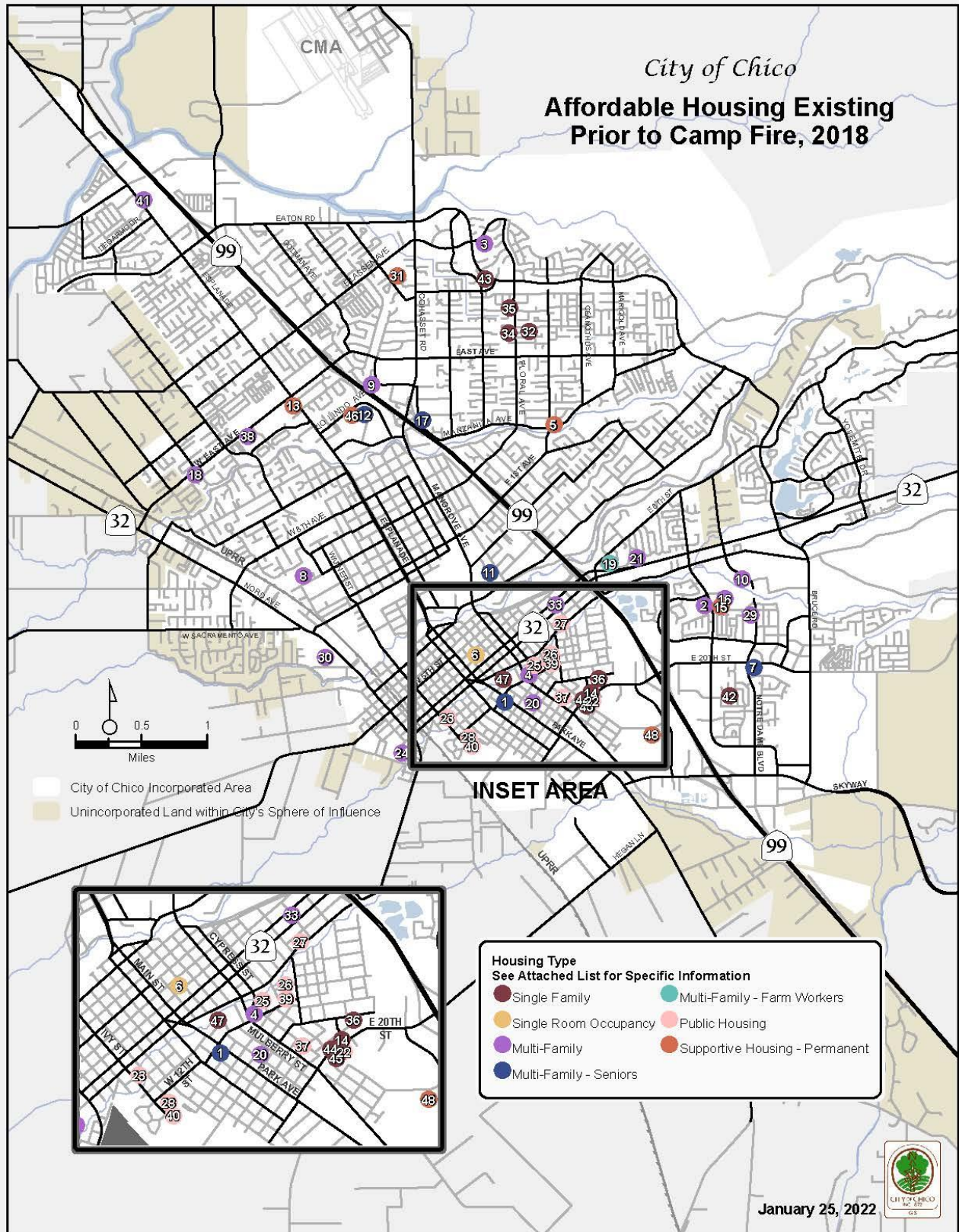


# The Impacts of the Camp Fire and Subsequent Disaster Funding

The negative impacts of the Camp Fire on the Chico housing market cannot be overstated. It was the most destructive wildfire in California’s history, destroying approximately 14,000 homes in the neighboring Town of Paradise and surrounding areas. A large portion of residents in the burned out areas fled to Chico, causing the City’s population to increase by an estimated 18,040 people almost overnight. This placed an enormous strain on Chico’s infrastructure and housing stock. It resulted in limited vacancies, sky-rocketing housing prices, high-cost burdens on household incomes, and homelessness for the most vulnerable members of the community. The impacts of the Camp Fire are described in greater detail in Chapter 1 Introduction and Background and Chapter 4 Housing Needs Assessment. To better understand the impact the disaster had on the City and the results of disaster-related concentrated funding and resources, the City has created the two maps below.



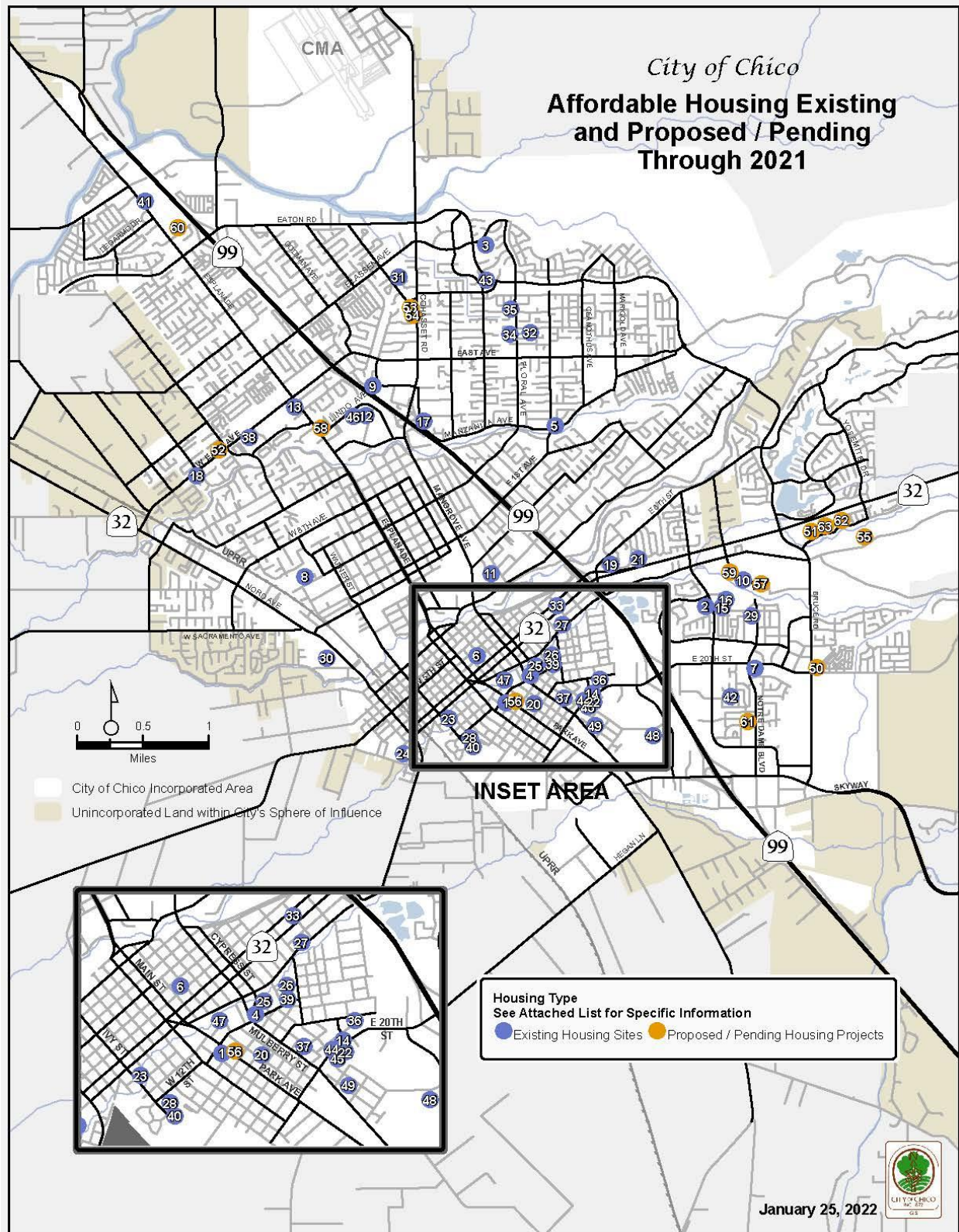
**Figure 22: City of Chico, Affordable Housing Existing Prior to Camp Fire Map, 2018**, depicts the type and location of affordable housing located in Chico prior to the 2018 Camp Fire. The types of affordable housing include single family, single room occupancy, multi-family, multi-family for seniors, multi-family for farmworkers, public housing, and permanent supportive housing. There were 48 affordable housing projects as of 2018, and generally, these are found throughout the city, with some concentrations of affordable housing in northeast Chico, southeast Chico, and the Chapman and Mulberry neighborhoods of southcentral Chico (City of Chico, Correspondence, 2022).





In response to the Camp Fire, a presidentially declared disaster was enacted by the federal government for all of Butte County, opening up federal resources to help rebuild. To address the housing needs of low- and moderate-income households displaced by the destruction of rental units, the U.S. Department of Housing and Urban Development (HUD) made approximately \$32 million available to the City of Chico to build affordable rental housing, and about \$64 million available to Butte County to build affordable rental housing throughout Butte County, including Chico. Thus far, these funds have been awarded to six different new construction projects in Chico totaling 399 units affordable to Low-Income households. The projects are due to be completed in 2024-2025. In addition, the State of California created a set-aside of disaster tax credits for affordable rental projects in Butte County in 2020 and 2021. These tax credits have funded 10 different new construction projects totaling 948 units that are currently in development and planned to be completed in 2023-2024.

**Figure 22.1: City of Chico, Affordable Housing Existing and Proposed/Pending Map, 2021**, depicts affordable housing located in Chico through December of 2021, which is three years after the 2018 Camp Fire. The map details existing housing projects in purple and proposed/pending housing projects in orange. There are 63 existing, proposed, or pending affordable housing projects in the city of Chico as of 2021, which is 15 more than in 2018. The proposed/pending housing projects are funded in part by CDBG-DR and disaster tax credits following the 2018 Camp Fire.







# Other City Efforts to Expand Housing Opportunities

## ***Accessory Dwelling Units (ADUs)***

Accessory Dwelling Units (ADUs) have been a focus of the City both before and after the Camp Fire and are also an area of increased legislative activity by the State. ADUs represent a more affordable market-rate housing option due to their small size and reduced cost of land and fees. In recognition of the housing crisis, the City Council reduced the ADU development impact fees by 50% to stimulate ADU production. Following the Camp Fire, the City further encouraged ADU production by additionally reducing development impact fees, eliminating the owner-occupancy requirement, and eliminating sidewalk requirements (where there is no connection to complete on both sides of the property).

## ***New ADU Code Amendments***

In June 2020, consistent with new State law, the City further updated its ADU regulations, including eliminating development impact fees for ADUs less than 750 square feet (sf), eliminating sidewalk requirements where none exist on connecting sides, allowing ADUs on multi-family lots under certain conditions, allowing up to three ADUs on a single-family lot under certain conditions, and establishing a de facto amnesty program for unauthorized ADUs.

## ***Free Preapproved ADU Plans***

Using grant funds secured from the California Department of Housing and Community Development, the City retained a local architect to prepare plans in unit sizes of approximately 496, 599, and 749 square feet with 1- and 2-bedroom units designed to be compatible in Chico's single-family neighborhoods. These floor plans come in numerous formats, including standard floor plans, reverse floor plans and a universal design model that complies with Americans with Disabilities Act (ADA) requirements. Plans are also in the works to include a two-story ADU plan option, with parking below in a garage and the unit above on the 2nd floor and an accessible unit design. The "permit ready" ADU plans are free of charge to the community and come pre-approved by the Building Division, meaning a streamlined permit process and significant savings for the interested ADU owner. The plans are available on the City's "special" ADU webpage - <https://chico.ca.us/adujadu-information>

### ***City Promotion of ADU Construction Grant Funding***

The City of Chico actively promotes the CalHFA ADU construction grant program on its ADU website at the following link: <https://www.calhfa.ca.gov/adu/index.htm>

City staff has also contacted recent ADU plan recipients and shared details about the CalHFA ADU grant program. Chico also promotes the CalHFA ADU grant program through a public service announcement video on the City's robust pre-approved ADU plan program: <https://youtu.be/H1KhjqwHDk>

### ***SB 9, California Housing Opportunity and More Efficiency Act***

The City is working on draft ordinances in order to fully implement the provisions of SB 9, passed in 2021. SB 9 generally allows for: 1) the conversion of a single-family residence into a two-unit home, the construction of another attached or detached residence, or a duplex unit, and 2) the subdivision (i.e., Urban Lot Split) of an existing lot as long as the newly created parcels are both at least 40% of the size of the existing lot. The City has a dedicated webpage for SB 9 implementation, where residents can find information on the City's progress and FAQs. The page currently includes applications for Urban Lot Splits and Duplex conversions: <https://chico.ca.us/post/sb-9-housing-laws>

### ***State Funding – Senate Bill 2 (Building Homes and Jobs Act) Work Program & LEAP***

The City has received approximately \$550,000 from the State through two grant programs, SB2 and the Local Early Action Planning (LEAP) grants, for planning efforts that reduce development constraints and facilitate housing production. These are all major planning efforts that will promote and stimulate a variety of housing production. There are a number of planning initiatives being pursued, including:

- Development of objective design and development standards consistent with State requirements
- Conducting a Chapman and Mulberry neighborhood housing conditions survey
- Pursuing a number of General Plan amendments required by State Law for residential readiness (200-year flood zones, climate adaptation/resiliency, environmental justice, and wildfire hazards). An up-to-date General Plan supports streamlined land use approvals.
- Funding digital/video plan checking software and hardware in coordination with the Building Department
- Amending the Municipal Code to promote housing delivery through the elimination of development constraints and streamlined approval processes
- Funding for a series of public service announcement videos promoting the City's robust free pre-approved ADU plans



# How the Housing Element is Organized and Ways to Read It

The Housing Element addresses State requirements to conduct a community-wide needs assessment, analyze constraints to development (both governmental and non-governmental), inventory the resources that are available to support development (including appropriately zoned land), review the previous Housing Element's progress and lessons learned, and establish a Housing Program for the next eight years. The information is organized into chapters that focus on specific topics. Here are some ways to read the Housing Element, based upon the items you are most interested in:



**Background, Context, Public Participation:** If you are most interested in knowing more about Housing Element law, the current events that have affected the development of the Housing Element, and how the public was engaged in the process and how their input was incorporated, refer to Chapter 1 Introduction and Background.



**Previous Accomplishments:** If you'd like to know more about the City's progress on the 2014-2022 Housing Element, refer to Chapter 2 Review of Previous Housing Element and/or Appendix A.



**Data on Needs:** Chapter 4 Housing Needs Assessment is where you will find data on Chico's demographics, employment, household characteristics, housing stock characteristics, housing affordability, extremely low-income and special needs households, as well as the rental market and for-sale market. A significant portion of Chapter 4 is dedicated to an Assessment of Fair Housing, per AB 686. The Assessment of Fair Housing considers the elements and factors that cause, increase, contribute to, maintain or perpetuate segregation, racially or ethnically concentrated areas of poverty, significant disparities in access to opportunity, and disproportionate housing needs.



**Resources to Address Housing Needs:** If you would like to learn more about the availability of appropriately zoned land, as well as financial and energy conservation opportunities, available to produce a variety of housing types to address the identified needs, refer to Chapter 5 Resource Inventory and Appendix B.



**Understanding Constraints:** The development of housing can be constrained by a number of factors which include the City’s governmental policies and procedures, as well as market dynamics that are not within the control of the City. Chapter 6 Constraints Analysis looks at these various factors and suggests remedies wherever possible.



**Housing Program:** If you are primarily interested in what types of policies and actions the City intends to undertake to address the housing needs and constraints identified, taking into account the resources available, refer to Chapter 3 Housing Program.



**Glossary:** A glossary of frequently used terms in the Housing Element, in particular technical terms related to housing and community development, follows Chapter 6.



# Summary of Key Issues and Where to Find Out More

## ***Assessment of Fair Housing***

With the passage of AB 686 in 2018, state and local public agencies are required to affirmatively further fair housing through deliberate action to explicitly address, combat, and relieve disparities resulting from past and current patterns of segregation to foster more inclusive communities. Following the guidance from HCD (California State Department of Housing and Community Development, Affirmatively Furthering Fair Housing, 2021), within the Housing Element, the City is required to:

- Analyze patterns and trends of disparate housing needs and disproportionate access to opportunities through outreach efforts, the assessment of fair housing, and the site inventory
- Identify and prioritize significant contributing factors to fair housing choice
- Establish strategic policies, goals, and actions to affirmatively further fair housing based on the analysis of contributing factors

The affirmatively furthering fair housing sections that address these requirements can be found in Chapters 1, 3, 4, 5, and 6 in the Housing Element. These sections include accessibility/language and public comments in Chapter 1, assessment of fair housing in Chapter 4, adequate sites inventory in Chapter 5, identification of contributing factors in Chapter 6, and goals, policies, and actions in Chapter 3. Sections are titled with “Affirmatively Furthering Fair Housing.”

## ***Housing Needs Assessment***

This section follows the assessment of fair housing in Chapter 4. It explores a variety of factors that influence the availability and affordability of housing, including:

- Population growth trends and makeup by age
- Employment trends overall and makeup by industry
- Household income and number of renters and homeowners
- The types of housing available in the community, extent of overcrowding, and housing conditions and production
- Rental and for sale housing costs, vacancy rates, and sales activity
- Housing affordability for residents

- An overview of available affordable housing
- An in-depth look at housing availability and affordability for Extremely Low-Income households, seniors, persons with a disability, female-headed households, large households, people experiencing homelessness, and farmworkers

A listing of some of the key take-aways from the Housing Needs Assessment and where in the document to learn more follows:

**Population Growth:** The Chico population jumped from 92,286 to 110,326 in just one year, from 2018 to 2019, due largely to the influx of Camp Fire survivors. This population growth has impacted housing availability and affordability in a number of ways, decreasing vacancies, pushing up prices, and forcing residents to pay a greater portion of their income to housing costs.

**Low Vacancies:** The rental vacancy rate is the percentage of rental units that are vacant and available for rent. A “normal” vacancy rate that provides adequate housing opportunities is typically around 5%. The vacancy rate for Chico was never higher than 3.3% from 2018 through 2021, was 0% at affordable complexes, and was as low as 2.0% in other rental complexes in 2018 immediately following the Camp Fire.

**Rapid Increase in Home Prices:** The median home price in Chico rose from \$343,600 to \$380,000 from 2018 to 2019, and further increased to \$410,000 in 2020.

**High Rent Burdens:** About one in four Chico renters earn less than \$20,000 per year. Over one-third of all Chico renters pay more than half of their income to housing costs.

### ***Resource Inventory***

Chapter 5 describes the availability of land and financing necessary to produce a variety of housing types to meet the needs described in the Housing Needs Assessment. It includes an Adequate Sites Inventory that identifies land within the city that can be developed to meet housing production targets (RHNA) over the next 7.5 years as established by the State and the Butte County Association of Governments. The inventory shows that there is adequate appropriately zoned land within the city to exceed housing production targets for the Housing Element planning period of 2022-2030, as shown in Figure 40.8 below.

**Figure 40.8: City of Chico, RHNA and Sites Inventory Table, 2022-2030**

Income Level	RHNA	Sites Inventory	Surplus (Deficit)
Lower Income (Very Low and Low Income)	1,608	2,312	704
Moderate Income	770	1,344	574
Above Moderate Income	1,110	1,151	41
Total	3,488	4,807	1,319

### ***Constraints Analysis***

Chapter 6 analyzes how government regulations and market conditions affect housing construction in Chico. The first section describes how Chico's General Plan, zoning code, building code, and permitting process and fees impact housing production. It includes a description of the impact of local regulations and processes on particular types of housing, including multi-family rental, for people experiencing homelessness, for Extremely Low-Income households, and for persons with disabilities. It also describes the City's efforts to encourage secondary units, also known as granny flats, in-law units, backyard cottages, or ADUs. The second section takes a look at how market and natural disaster factors impact housing construction in Chico, including land prices, construction costs, financing availability, COVID-19, and the Camp Fire. Key findings from this chapter include:

- The City of Chico has expanded opportunities to develop a wide range of housing types through the 2030 General Plan adoption in 2011, the comprehensive zoning code update in 2017, zoning code amendments to encourage production of ADUs from 2018-2020, and modifications to the permit fee schedule in 2018.
- To further reduce government constraints, actions have been incorporated into the Chapter 3 Housing Program to conform with State law and allow greater flexibility in the number of units built within a project, the types of structures that can be built to house and assist people experiencing homelessness, and encourage rental of ADUs to lower income households.
- The high costs of land, construction materials, and labor are major obstacles to the construction of affordable housing in Chico, and these costs have increased significantly over the past few years.

### ***Housing Program***

Chapter 3 describes the Goals, Policies, and Actions that Chico will undertake over the next eight years to address the community's housing needs. These constitute the City's "Housing Program." The information used to develop the Housing Program were:

- The needs identified through the feedback received from community members who participated in the surveys and community meetings, the Needs Assessment that analyzed qualitative and quantitative data, and the Assessment of Fair Housing;
- The identification of both governmental and non-governmental constraints in the Constraints Analysis;
- The resources available to support the production and rehabilitation of housing within Chico, including land, funding, and energy conservation opportunities;
- An analysis of progress on the 2014-2022 Housing Element and the lessons learned during that time period.



The terms “Goals, Policies, and Actions” have the following meaning in the Housing Element:

**Goals:** The goals are broad statements of the community’s vision and values for itself and are not time dependent. They indicate the direction the community wishes to move towards in providing healthy, safe, sustainable, and affordable housing for all of its residents.

**Policies:** The policies are the commitment that Chico is making to achieve the related goal or vision and a statement of its operational philosophy around housing.

**Actions:** These are the specific actions or activities that will carry out the related policies and move the community towards its goals in a measurable and concrete way over time.

The Goals of the Housing Element and the number of Policies and Actions within each Goal are as follows:

**Goal 1:** Improve fair housing choice and equitable access to opportunity (9 Policies, 28 Actions)

**Goal 2:** Increase collaboration with other governmental entities and organizations in Butte County to address the long-term impacts to housing from the Camp Fire and other subsequent fires/natural disasters (1 Policy, 1 Action)

**Goal 3:** Support production of housing that is affordable to low-income households (3 Policies, 11 Actions)

**Goal 4:** Promote construction of a wide range of housing types (2 Policies, 9 Actions)

**Goal 5:** Encourage the creation of housing for people with special needs, including youth, seniors, those with disabilities and those experiencing homelessness (2 Policies, 7 Actions)

**Goal 6:** Improve, rehabilitate and revitalize existing homes and neighborhoods (4 Policies, 7 Actions)

**Goal 7:** Increase home ownership (1 Policy, 1 Action)

**Goal 8:** Remove governmental constraints to the development of housing, emergency shelters and low barrier navigation centers (2 Policies, 5 Actions)

**Goal 9:** Encourage energy efficiency in housing (1 Policy, 2 Actions)

Chapter 3 details the full menu of Goals, Policies, and Actions. It also describes how steps were taken to ensure that the Housing Element is consistent with the City’s General Plan, the process for ensuring continued consistency, and a reasonable expectation of the maximum number of housing units that will be produced and rehabilitated during this Housing Element cycle.

# Chapter 1: Introduction and Background



## PURPOSE OF THE HOUSING ELEMENT

California requires that all local governments (cities and counties) adequately plan to meet the housing needs of everyone in the community. California's local governments meet this requirement by adopting Housing Elements as part of their General Plan. General Plans serve as the local government's "blueprint" for how the city and/or county will grow and develop over a 15-20 year period, and include several mandatory elements, such as land use, transportation, conservation, noise, open space, safety, and housing. The Housing Element must be consistent with the other elements of the General Plan. General Plans are updated approximately every 20 years, while Housing Elements are on 8-year cycles in order to ensure relevancy and accuracy, since the housing market and needs are most closely tied to shifts in the economy. The current Chico Housing Element was adopted in 2014 and covers the period of 2014-2022.

California's Housing Element law acknowledges that in order to address the spectrum of housing needs, local governments must adopt plans and regulatory systems that provide opportunities for and do not unduly constrain housing development. It also establishes that each city and county accommodate their fair share of affordable housing as an approach to distributing housing needs throughout the region and state.

This Housing Element update covers the eight-year period from June 2022-June 2030. It complies with State legislation adopted since 2014 pertaining to the required components of the Housing Element and the requisite analysis. It is intended to provide the City of Chico with a comprehensive strategy to promote the production of safe, decent, and affordable housing for all of its residents. It assesses current and projected housing needs, constraints to housing production, and resources available to meet the needs. It then establishes a set of housing goals, policies, and actions which are targeted to meet the housing needs over the Housing Element planning period. A key part of the Housing Element lays out strategies to address the needs of community residents that are not typically met by the private market, including low-income households, seniors, homeless individuals, and people with disabilities. The City does not directly build or own housing, but facilitates production by guiding zoning policies, coordinating with community partners, and in the case of affordable housing, by partnering with developers, lenders, and nonprofits on funding opportunities.

The Housing Element consists of the following chapters, as required by State regulations:

- **Chapter 1 (Introduction and Background)** provides an introduction and background to the Housing Element, including its purpose, local context, regulatory framework, a description of the public participation process, and the inter-governmental review process.
- **Chapter 2 (Review of Previous Housing Element)** reviews the most recent Housing Element for the period 2014-2022 by summarizing its actions and accomplishments, its affordable housing production goals and results, and the findings from this analysis that are relevant to the 2022-2030 Housing Element Goals, Policies, and Actions.
- **Chapter 3 (Housing Program)** provides the City's updated Goals, Policies, and Actions for 2022-2030, along with a Quantified Objectives Summary.



- **Chapter 4 (Housing Needs Assessment)** provides data and analysis in the following areas: Assessment of Fair Housing, demographics, employment, household characteristics, housing stock characteristics, housing affordability, and the special housing needs of households who are extremely low-income, seniors, persons with a disability, female-headed, large households, people experiencing homelessness, and farmworkers.
- **Chapter 5 (Resource Inventory)** analyzes sites available to accommodate the City's share of the Regional Housing Needs Allocation (RHNA) by income level, including the sites' capacity, environmental constraints, and infrastructure/utility availability. This chapter also describes financial resources available to address the identified needs and opportunities for energy conservation.
- **Chapter 6 (Constraints Analysis)** assesses the various governmental and market factors that may serve as potential constraints to housing development and improvement in Chico.
- **Glossary** lists and defines frequently used terms in the Housing Element, in particular technical terms related to housing and community development.
- **Table of Figures** lists all figure numbers and titles by chapter in the Housing Element.
- **Appendix A** provides a detailed review of the City's progress on the previous Housing Element, which is summarized in Chapter 2.
- **Appendix B** is the Sites Inventory Form mandated by the State Department of Housing and Community Development to be submitted with the Housing Element document. Information on these sites used to meet the City's RHNA is also further described in Chapter 5.
- **Appendix C** is a map of code enforcement cases for housing infractions within the city.
- **Appendix D** is a diagram of the City's Permit Review Process.
- **Appendix E** is a report of the results of polls that were administered live during Community Meeting #1: Housing Needs and Issues.
- **Appendix F** is a report of questions asked live during Community Meeting #1: Housing Needs and Issues as well as written responses.
- **Appendix G** is a report of the results of polls that were administered live during Community Meeting #2: Housing Goals, Policies, and Activities
- **Appendix H** is a report of questions asked live during Community Meeting #2: Housing Goals, Policies, and Activities as well as written responses.

## CONTEXT

Since the City's Housing Element was last updated in 2014, two significant events have occurred that have impacted housing demand and cost, as well as the development of this Housing Element update: the 2018 Camp Fire and the COVID-19 pandemic which began in early 2020.

### ***Camp Fire***

The year 2018 was the deadliest for wildfires in California's history, with numerous unprecedented wildfires throughout the state. On November 8, 2018, a wildfire which began near Pulga in Butte county quickly spread to the communities west of it, driven by heavy winds and drought conditions. Named the Camp Fire, it largely destroyed the communities of Paradise, Concow, and Magalia, with significant structure loss in Butte Creek Canyon and up to the eastern edge of the City of Chico. It destroyed approximately 14,000 residential units and 85 lives were lost. As noted in the 2020 Peloton Research & Economics report "The Impacts of the Camp Fire Disaster on Tri-County Housing Markets":

- A very large proportion of residents who were burned out of their homes fled to Chico, the nearest community that had not suffered physical damage from the wildfire, to seek short-term shelter and long-term housing. Chico's 2018 population before the fire was 92,286. It increased by 18,040 people, most of that virtually overnight, resulting in a population of 110,326 in 2020. This basically equated to a decade of growth in one year.
- This sudden population increase placed an enormous strain on Chico's public infrastructure, including roadways and public services. In 2019, the City estimated there was more than \$500 million in impacts associated with this sudden growth.
- At the time of the Camp Fire, Chico was already experiencing a very tight housing market, with rental vacancy rates of less than 2%, very long wait lists for affordable housing and very limited housing inventory available for sale. After the fire, the rental vacancy rate became less than 1%, and as of 2021, the rental vacancy rate stands at 3.3%.
- One dynamic in the housing market which is particularly important was the loss of so much affordable housing in Paradise. Paradise was known to be one of the most affordable communities in Butte County (both for renters and homeowners) and the vast majority of this housing was not subsidized. Replacing these naturally occurring affordable units in today's market, with unprecedented demand and soaring land and construction costs, is a challenge that will take time and effort to overcome.
- Displacement due to the fire affected not only those whose homes were directly destroyed or damaged by the fire, but also the renters whose landlords chose to either sell their rental home to take advantage of higher sales prices, or to rent to a family member or friend who had lost their home. This issue is more fully

described and analyzed in the assessment of fair housing in Chapter 4 Housing Needs Assessment.

While this Housing Element update is being prepared three full years after the Camp Fire, the impacts on housing within Chico have not subsided. There continue to be ongoing challenges with housing inventory, affordability and displacement. There are, however, many strides being made, with the City's receipt of \$32.4 million in CDBG-DR-MHP (Community Development Block Grant—Disaster Recovery, Multifamily Housing) funds for the development of multi-family housing which should support the construction of 183 units of affordable rental housing, and the allocation of Disaster Low-Income Housing Tax Credits in 2020 and 2021 which will produce 937 affordable multi-family units. An additional 216 units located in the City of Chico will be funded by Butte County's CDBG-DR-MHP funds. More projects are on the horizon, but they will take time to secure land and financing, in addition to navigating the current challenges of ever-increasing construction costs. The impact of the Camp Fire will be a key factor influencing the housing market in Chico for many years, made even more significant by the broader housing challenges experienced in California as a whole, and the impacts of the COVID-19 pandemic.

### **COVID-19**

The COVID-19 pandemic and accompanying shutdown began in earnest in California in March 2020. This resulted in a statewide lockdown which closed many businesses in Chico for nearly one year and forced those businesses which did remain open to implement varied operational models. There were significant reductions in employment, especially for restaurants, retail, and small businesses. While the lockdown was largely rescinded in July 2021, ongoing labor and supply shortages continue to impact the local economy. The pandemic also affected the usual community outreach and engagement strategies for the Housing Element update. The City implemented a menu of interactive virtual engagement opportunities, in recognition that the usual in-person outreach would not be possible. For example, in compliance with State and local public health orders, community meetings were moved to an online format, rather than meeting in person. Meetings used polls and breakout rooms to engage the residents in conversation. The City developed a Housing Element website to serve as a central hub for residents to provide input via online surveys and learn about a variety of Housing Element topics. Efforts to adapt the process to ensure the participation of marginalized populations are fully described in the public participation process below. Despite these efforts, it must be acknowledged that some individuals who would usually participate in person at community meetings are not comfortable with an online format or may not have access to a computer or reliable internet and telephone services.

In terms of the housing market itself, what is known is that many of those who lost employment due to the pandemic found themselves doubling up with family and friends, or became homeless, even with rent relief measures that were enacted at the Federal level and the increase/extension of unemployment benefits. The pandemic's economic



pressures have exacerbated the need for affordable housing and a range of housing types to meet the needs of the community.

## REGULATORY FRAMEWORK

Since 1969, Housing Elements have been a required part of each local government's General Plan process. The State has found that "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."

California Government Code Sections 65580-65589 codify the requirements for the content of, and the process to develop the local Housing Element. The State Department of Housing and Community Development (HCD) is charged with reviewing and approving each jurisdiction's Housing Element for compliance with State law.

California State law mandates that all localities adopt a Housing Element update every eight years. The law also requires that Housing Elements address the following issues, among others:

- Include all economic segments of the community in the planning process;
- Review the progress and effectiveness of previous Housing Elements;
- Assess housing needs, including those of special needs populations, such as seniors, individuals experiencing homelessness, female-headed households, large households, and persons with disabilities;
- Assess the fair housing issues and trends in four key areas, contributing factors to these issues and trends, as well as the local jurisdiction's fair housing enforcement and capacity;
- List units at risk of conversion from restricted rents to market rents;
- Inventory whether there are an adequate number of appropriately zoned sites to accommodate growth for all income groups, as projected by the Butte County Association of Governments;
- Describe available financial and energy efficiency resources;
- Address constraints to housing production; and
- Outline a housing program with goals, policies, and actions that are consistent with the General Plan and that address housing needs, constraints, and available resources, including any fair housing issues that have been identified. The housing program must include a timeline of actions during the planning period.

Since Chico's Housing Element was last adopted in 2014, the State Legislature has passed a significant number of laws which mandate new analyses or actions in each Housing Element, as well as an entire slate of laws regarding Accessory Dwelling Units (ADUs). These new laws apply to

the 2022-2030 City of Chico Housing Element update, and wherever available, HCD guidance memos have been followed in its development. The new laws include, but are not limited to:

- **ADUs (AB 3182, AB 671, AB 68, AB 587, AB 670, AB 881, SB 13):** These new laws limit local jurisdictions' ability to restrict the development of ADUs in a variety of ways and mandate streamlined, ministerial approval of ADUs within defined conditions. For the purpose of the Housing Element, they clarify that a local agency may identify an ADU or JADU (junior ADU) as an adequate site to satisfy RHNA housing needs. AB 671 specifically requires that Housing Elements include a plan to incentivize and promote the creation of ADUs that can offer affordable rents for very low-, low-, or moderate-income households.
- **Affirmatively Furthering Fair Housing (AB 686):** All Housing Elements adopted on or after January 1, 2021 must contain an Assessment of Fair Housing (AFH) and an adequate sites inventory analysis conducted in accordance with HCD program guidance. Housing Elements must identify contributing factors to fair housing issues and must include a program of actions that promote and affirmatively further fair housing opportunities throughout the community.
- **No Net Loss (SB 166):** As jurisdictions make decisions regarding zoning and land use, and as development occurs, jurisdictions must have a program to assess their ability to accommodate new housing on the remaining sites in their Housing Element site inventories. A jurisdiction must add adequate sites if land use decisions or development results in a shortfall of sufficient sites to accommodate its remaining housing need for each income category.
- **Site Inventory (SB 6, AB 1397, AB 1486, AB 686, AB 725):** The Housing Element establishes a jurisdiction's strategy to plan for and facilitate the development of housing over the planning period by providing an inventory of land adequately zoned or planned to be zoned for housing and programs to implement the strategy. These laws modified the content of the site inventory, including new analyses for capacity calculations, infrastructure requirements, suitability of non-vacant sites, size of site and density requirements, location requirements, sites identified in the previous Housing Element and rezone program requirements, among others.

## PUBLIC PARTICIPATION PROCESS

Broad public participation is an essential component of the Housing Element update process and is required by State law (Government Code Section 65583(c)(8)). Community outreach must be conducted through a variety of mechanisms to include all economic and cultural segments of the community. This has been further strengthened and expanded through the passage of AB 686 which mandates meaningful, frequent, and ongoing community participation, consultation, and coordination that is integrated with the broader stakeholder outreach and community participation process for the overall Housing Element.

The Chico Housing Element update process for 2022-2030 employed an extensive outreach effort to engage a wide spectrum of the community within the necessary restrictions imposed by

COVID-19. This effort included a Housing Element website, a comprehensive contact list, utilization of a variety of methods to disseminate information and engage residents in the process, a focus group with low-income housing residents, two community workshops, and two online surveys. The City's efforts to engage its residents in the Housing Element update process through the use of technology were highlighted in the October 2021 edition of "Western City" an online magazine of The League of California Cities: <https://www.westerncity.com/article/elk-grove-and-chico-use-technology-increase-public-engagement-important-housing-decisions>.

After the draft document was completed, it was posted on the Housing Element website for an 83-day public comment period from May 12 through August 2, 2022, and reviewed and discussed at public hearings with the Chico Planning Commission on June 2 and 16, 2022 and City Council on August 2, 2022. The City then took 15 business days to consider and incorporate public comments. HCD conducted an initial review of the approved Housing Element ("v1"), and in response to that review, the City posted an updated version of the document ("v2") on the Housing Element website for a public review period of November 22-30, 2022. HCD provided comments on "v2" on December 5, 2022, resulting in a new version of the revised draft ("v3") which was posted on the Housing Element website for a public review period of March 30 to April 13, 2023. The City received preliminary comments from HCD with a limited number of further edits requested prior to the issuance of a letter by HCD. Revised draft "v3" was updated in response to these comments and posted for a 7-day public comment period from June 15-22, 2023. HCD reviewed this version and requested further edits, resulting in revised draft "v4", which was posted for a 7-day public comment period from August 16-22, 2023. This updated version was reviewed by HCD, with HCD providing a letter to the City dated August 24, 2023, indicating that it was compliant with State Housing Element laws and was ready for adoption. The Housing Element was then scheduled for City Council adoption in a public hearing on September 19, 2023.

### ***Outreach***

At the beginning of the Housing Element update process, a community outreach contact list was developed to email announcements about public meetings and progress and was updated throughout the process. This contact list included over 550 individuals and encompassed representatives from the following interests and organizations:

- City and County elected officials
- City of Chico staff
- Butte Countywide Homeless Continuum of Care
- Tri County Economic Development Corporation
- Butte-Glenn 211 (information and resource referrals)
- Far Northern Regional Center
- Ethnic and cultural groups such as the Hispanic Resource Council of Northern California, North State Hispanic Chamber of Commerce, and the Hmong Cultural Association
- Housing Authority of the County of Butte



- Affordable housing developers
- Water, transportation, air quality and recreation organizations
- Disability rights advocates
- Legal services
- Senior services and advocacy groups
- Domestic violence and rape crisis services
- Education representatives
- Real estate brokers
- Property management association
- Chamber of Commerce and local businesses
- Healthcare organizations
- Civic organizations, such as the League of Women Voters
- Various non-profit organizations, including homelessness services
- Environmental groups
- Neighborhood associations
- Building industry representatives
- General interested community members

### ***Methods for Information Dissemination and Engagement***

- **Website:** A website dedicated to the Housing Element update process was made available in both English and Spanish (toggle option at the top of the page); this webpage functioned as the central location for all information related to the Housing Element update. It included background information on the purpose of the Housing Element, how to participate, the update timeline, resources, and an opportunity to sign up for an email list to receive direct emails on the update process. The draft Housing Element document, with instructions on how to submit comments during the public comment period, was also posted on the website. Most of the resources, including the presentation slides and recordings from the community meetings, were provided in both English and Spanish. Website address: [www.chicohousingelement.com](http://www.chicohousingelement.com)
- **Social media:** The City's Facebook and Instagram pages were used to notify residents of opportunities to participate such as community meetings, public hearings, and online surveys, as well as notifying them when new resources were posted to the website. Posts were made available in both English and Spanish.
- **Direct email:** Parallel to the Facebook and Instagram posts, all stakeholders and interested community members who signed up for email notifications received periodic email "blasts" throughout the process, including the notification when the draft Housing Element document was posted on the website, the process to submit comments, and the dates of the public hearings.

- **Flyers:** A bilingual (English/Spanish) flyer announcing the focus group was sent to the majority of the affordable housing complexes in Chico. Flyers provided information on the options to join the meeting online or by calling in via phone, so residents with various levels of access to technology could participate.
- **Newspaper articles:** The City sent public services announcements (PSAs) to local newspapers (Chico Enterprise-Record) and news stations regarding the community meetings. These brief articles gave the public notice about their opportunity to participate in the meetings, with the meeting details.

### ***Focus Group***

A focus group for low-income residents was held on January 13, 2021. This meeting was held on the virtual meeting Zoom platform due to COVID-19. Live Spanish interpretation was provided as an option for participants. Outreach was conducted to the majority of affordable housing complexes in Chico and flyers in both English and Spanish were provided to property managers to distribute to residents. It provided residents with the opportunity to provide input on the location, design, services, and management of affordable housing. They also recommended housing types that are of greatest need and ways to help people with limited means get into housing. Below are key points from the Focus Group participants, all of whom live in subsidized senior housing:

- Design senior complexes to foster community and so residents can be active.
- Create liaisons or ombudsman between property management and residents for improved communication and services.
- The 2018 Camp Fire made it even more challenging to find an available affordable housing unit in the City.
- Special populations could benefit from a housing navigation center model and staff or peer-support at the center for help with accessing resources and navigating systems.

### ***Community Workshops and Online Surveys***

Community workshops were held on February 10 and August 11, 2021. These meetings were held on the virtual meeting Zoom platform due to COVID-19. The purpose of the workshops was to solicit input on housing needs, review previous Housing Element Goals, Policies, and Actions, and recommend new actions to address unmet needs. These meetings were advertised on the Housing Element website, the City's Facebook and Instagram pages, and in newspaper press releases and radio Public Service Announcements (PSAs). Except for the PSAs, these resources were promoted in both English and Spanish. Each meeting included a presentation using PowerPoint slides, which were made available in both English and Spanish and included definitions of commonly used terms in the Housing Element. Live Spanish interpretation was provided as an option for participants during both meetings, as well as closed captions (Zoom "live

transcript”) for those who are deaf, hard of hearing, or preferred a visual transcript of the meeting conversation. Interactive polls and a question and answer (Q&A) session helped make the meetings interactive and informative for participants.

Workshop #1 opened with a presentation on the background of the Housing Element process and its purpose; previous Housing Element progress; an overview of the housing needs, funding available to address those needs, and economic context; and an introduction to the previous Housing Element’s Goals, Policies, and Actions. In four breakout groups, participants then discussed the types of housing most needed in Chico; what challenges are encountered in finding affordable housing; the special need for senior housing that is close to services and allows residents to age in place; fair housing; the role of ADUs in addressing unmet needs, overall constraints to the development of housing, SROs and why they haven’t been built, impacts from the Camp Fire, and to what degree home ownership should be a priority. Resources from Workshop #1 can be found here: <https://www.chicohousingelement.com/community-meeting>.

Workshop #2 opened with a presentation on the key findings from the Needs Assessment and an overview of the current Housing Element Goals, Policies, and Actions. At the time of registration for the meeting, registrants were asked to select the topics they were most interested in discussing. These responses helped determine the breakout room topics. The majority of registrants (53%) indicated they wanted to discuss affordable housing, so each group discussed their specialized topics first, and then each group also discussed affordable housing. In four breakout groups, participants then discussed: Fair Housing, Home Ownership, Special Needs Housing, Promoting a Wide Range of Housing Types, Intergovernmental Coordination, Rehabilitation of Existing Neighborhoods and Housing, Energy Conservation and Affordable Housing. Resources from Workshop #2 can be found here: <https://www.chicohousingelement.com/community-meeting-2>.

Two online surveys, utilizing the SurveyMonkey platform, were made available for community member participation. The first one ran from February 10 to March 24, 2021, and the second one ran from September 1 to September 24, 2021. The surveys were provided in both English and Spanish. The first survey consisted of 16 questions which asked residents about:

- Their demographics
- The type of housing they live in
- Whether they rent or own their home
- If they were satisfied with their housing
- The physical condition of their home
- Challenges they have experienced in finding housing to meet their needs, especially affordability

- Barriers to home ownership
- The types of housing most needed in Chico
- Discrimination they have encountered in searching for and securing housing
- Accommodations they or a family member need for a disabling condition and their ability to obtain those accommodations
- Their prioritization of the City's current Housing Element Goals

The second survey consisted of 16 questions which addressed the following topics:

- Groups disproportionately impacted by housing cost burden
- Prioritizing public investment in certain areas of the City to Affirmatively Further Fair Housing
- Impacts of the Camp Fire on housing displacement
- Potential actions to promote a mix of dwelling types and sizes
- How to prioritize investment in the City's 15 Opportunity Areas
- Priorities for the use of Permanent Local Housing Allocation (PLHA) funds
- How to incentivize the construction of ADUs that offer affordable rents to lower-income households
- Utilizing underutilized hotels and motels for transitional and permanent supportive housing

Summary reports of both community surveys can be found at this link:

<https://www.chicohousingelement.com/community-surveys>.

### ***Affirmatively Furthering Fair Housing: Accessibility and Language***

As described in the sections above, public outreach was designed and implemented in accordance with AB 686, Affirmatively Furthering Fair Housing. This section describes these efforts in greater detail.

- **Accessibility:** The first survey was made available online and in paper copy, with the second survey made available online. Both surveys were provided in English and Spanish for three to four weeks so residents could access it in their preferred format, language, day of the week, and time of the day. The Focus Group and Community Workshops were held mid-week in the evenings to minimize barriers to participation based on work hours. Due to COVID-19, they were held virtually using Zoom. This minimized barriers to participation related to transportation and childcare. Flyers advertised both online and call-in methods for joining the meeting so barriers related to access to technology would be minimized.



Challenges encountered included designing virtual meetings to be as similar as possible to in-person meetings, and some residents who would usually participate in person at community meetings not being comfortable with an online format or not having access to a computer or reliable internet and telephone services.

- **Language:** As of 2019, 94.1% of Chico residents over the age of five speak English (83.7%) or Spanish (10.4%) at home (*U.S. Census 2015-2019 American Community Survey*). Thus, the city focused its efforts on robust bilingual materials and interpretation for English and Spanish languages and contracted with a professional translator for services. In addition, Zoom’s “live transcript” closed captions feature was used for the Focus Group and Community Workshops so residents who are deaf or hard of hearing or who prefer to read closed captions were able to access information. Technical support instructions were provided at the beginning of the workshops to orient residents to the accessibility and language features. Recordings of the Community Workshops in English and Spanish were posted on YouTube with closed captions and linked to the Housing Element website. Bilingual presentation slides, breakout group notes, and bilingual definitions of frequently used terms were linked on the Housing Element website: <https://www.chicohousingelement.com/resources>

### ***Public Comment Period and Public Hearings***

The draft Housing Element was made available for public review and comment from May 12 through August 2, 2022. During this 83-day public comment period:

- 1) The City held a total of three public hearings on the document, with members of the public speaking at these hearings as follows: At the Planning Commission on June 2, 2022 (4 speakers); at the Planning Commission on June 16, 2022 (9 speakers); and at the City Council on August 2, 2022 (4 speakers). The speakers included representatives from the Butte Environmental Council, Chico Builders Association, Smart Growth Advocates, Altacal Audubon Society, Chico Housing Action Team, United Way of Northern California, and private citizens. At these public hearings, members of the Planning Commission and City Council also asked questions and provided comments.
- 2) The City received nine letters from the following community organizations that provided comments and recommendations: Chico Builders Association, Community Housing Improvement Program, Butte Environmental Council (3 letters), Chico Housing Action Team, House Sacramento, Legal Services of Northern California, and the California Health Collaborative.
- 3) The City received sixteen letters or emails from private citizens that provided comments and recommendations.
- 4) The City received two emails from Planning Commission members outside of the hearings that provided comments and recommendations.

Multiple commentators indicated they were in support of the comments and recommendations from the letters from Butte Environmental Council and the email from one of the Planning Commissioners. The Planning Commission provided a set of recommendations to the City Council which considered this public input.

The overall input received by the City throughout the development of the Housing Element is summarized below by topic area, with an indication if the draft Housing Element document was amended as a result of this input, or if not, why the input did not result in a change to the document. Actions that were specifically added or amended as a result of comments received during the public comment period, Planning Commission recommendations, and City Council direction, have a note in parentheses “(Added Through Public Comments on Draft)”. A section which specifically addresses comments on the Adequate Sites Inventory follows the section on goals.

### ***Community Input Summary***

In evaluating the input received through these varied engagement efforts, a number of consistent themes were expressed by community members. They are summarized here with a description of how they are being addressed through the Housing Element actions noted in Chapter 3, or if not addressed, the reasons why.

- The Camp Fire had a significant impact on housing displacement and housing choice. Given the ongoing risk posed by wildfire in communities to the east of Chico, as demonstrated by the North Complex Fire in 2020 and the Dixie Fire in 2021, intergovernmental collaboration on housing issues in Butte County is needed.

This input is to be addressed through:

**Goal 2, Action 2.1.1:** “Participate in collaborative discussions with other government entities in Butte County and share relevant data and findings from the City of Chico Housing Element and other studies.”

**Goal 1, Action FH-1.2.1:** “Administer Community Development Block Grant Disaster Recovery (CDBG-DR) Multifamily Housing Program funds in response to the 2018 Camp Fire. As of December 2021, there are 393 low-income, CDBG-DR funded units proposed in Chico.”

**Goal 1, Action FH-1.2.2:** “Continue to participate in the Camp Fire Collaborative, a long-term recovery group, and the Butte County Continuum of Care, a multi-agency planning body. Coordinate with member organizations that serve Camp Fire survivors, people who are low-income, and people experiencing homelessness to address unmet needs to achieve long-term recovery.”

During the Planning Commission hearings, input was received that due to the ongoing need for many fire survivors to live in their RVs and travel trailers, and in

order to be prepared for future natural disasters, the City should increase the places where people can park long-term. The City agreed to look at this issue separately outside of the Housing Element, as there are complex issues to be worked through given the definition of an RV park and how they are regulated.

- There continues to be a significant shortage of affordable rental units which limits the housing options for the lowest-income households, including seniors, persons with disabilities and those experiencing homelessness.

This input is to be addressed through:

**Goal 3, Action 3.1.1:** “Leverage federal and state funding to produce and preserve 2,000 units of affordable rental housing by 2030.”

**Goal 3, Action 3.2.4:** “Investigate and monitor trends of short-term rentals in Chico to ensure they do not substantially inhibit the availability of housing for local renters or potential homeowners.” *(Added Through Public Comments on Draft).*

**Goal 3, Action 3.3.1:** “Update the City’s Density Bonus ordinance to increase the allowable density bonus for affordable housing from 35% to 80%, per AB 2345.”

**Goal 3, Action 3.3.2:** “Highlight the incentives to build affordable housing found in the City’s Land Use Element policies by publishing them on the City’s webpage and sharing them with interested parties who approach the City with an interest in developing affordable housing.”

**Goal 5, Action 5.1.4:** “Explore the feasibility of Single Room Occupancy (SRO) or other small unit developments, especially through the conversion of motels/hotels which are vacant or underutilized and assist in identifying potential funding resources. Inform developers of availability of parking reductions and applicability of reduced development impact fees.” *(Modified Through Public Comments on Draft).*

- There is public interest in maximizing the use of available in-fill land through the construction of smaller units such as ADUs, the use of City parking lots for residential development, taking advantage of higher densities in Corridor Opportunity Zones and Downtown, and to expand the COS overlay to additional areas and corridors.

This input is to be addressed through:

**Goal 3, Action 3.2.3:** “Continue the City’s information and outreach efforts on the benefits of smaller units and the development process for such units, including Accessory Dwelling Units (ADUs) and micro-housing (tiny homes)”

**Goal 3, Action 3.3.3:** “Explore funding sources that can be used to subsidize the cost of construction for ADUs that offer affordable rents for very low-, low- or moderate-income households, with recorded regulatory restrictions on rents. If determined feasible, implement a subsidy program.”

**Goal 4, Action 4.2.1** “Implement the Corridor Opportunity Site Overlay through the use of incentives and flexibility in development.”

**Goal 4, Action 4.2.3** “Implement the Downtown Element policy framework to support higher density residential development Downtown.”

**Goal 4, Action 4.2.4:** “Amend Table LU-2 of the General Plan and Section 19.52.080(D)(1) of the Municipal Code to clarify that all residential and commercial zoning districts with the -COS zoning overlay benefit from higher allowable residential densities, not just sites with mixed use designations.” *(Added Through Public Comments on Draft).*

**Goal 4, Action 4.2.5:** “As part of a future Municipal Code Update, investigate opportunities to apply the Corridor Opportunity Site (COS) overlay to additional areas and corridors within the City, with an emphasis on Transit Priority areas and Major Transit Stops.” *(Added Through Public Comments on Draft).*

**Goal 4, Action 4.2.6:** “Explore redeveloping City-owned parking lots with Central City Opportunity Sites into affordable housing or market-rate housing.” *(Added Through Public Comments on Draft).*

**Goal 4, Action 4.2.7:** “Promote housing construction by reducing and allowing flexibility in minimum parking requirements.” *(Added Through Public Comments on Draft).*

- Preserving and creating affordable housing options for seniors is a high priority, and should include considerations for aging in place and proximity to services.

This input is to be addressed through:

**Goal 5, Action 5.1.1** “Expedite project processing and reduce regulatory barriers to the development of specialized housing by working cooperatively with non-profit, charitable and educational organizations.”

**Goal 5, Action 5.1.2** “Encourage the development of a variety of housing options for seniors, those with disabilities and people experiencing homelessness by partnering with developers on the funding of these units.”

**Goal 6, Action 6.3.1** “Continue the City’s program that connects low-income owner-occupied units to City sewer.”



## Public Comments Received and Recommendations from Planning Commission, No Action Taken to Add to Housing Element

- Comment: The Housing Element does not contain strategies to address moderate/above-moderate income housing. Response: The City more than doubled their Above Moderate Income RHNA target in the last Housing Element cycle. The City elected to focus efforts to produce Lower and Moderate Income units where there was a shortfall.
- Comment: The Housing Element should include an Action for the City to pursue Inclusionary Zoning. Response: Through other community conversations and previous action by the City Council, the Council has made it clear it does not support an Inclusionary Ordinance at this time.
- Comment: The Housing Element should identify the additional zones the City will add to the Municipal Code to allow emergency shelters by right. Response: The Housing Element includes an Action for the City to pursue an amendment to the Municipal Code to identify such zone(s). Due to the need to complete a capacity analysis, which will take time, this could not be completed prior to the Housing Element adoption. The City will also consider the input regarding identifying multiples areas throughout the City for emergency shelter.
- Recommendation from Planning Commission: Add a sentence to Action 4.2.3 which states: Rezone vacant sites and Special Planning Areas to TND. Response: The TND zoning district is already addressed in Action 4.2.3, which only applies to the Meriam Park project site. Property owners have the option to apply for a rezone to TND, but City staff believes that should be their choice, not a requirement.
- Recommendation from Planning Commission: Add a new Policy which states: Promote construction of naturally energy efficient building types including attached housing, infill and smaller units. Response: This policy is already addressed through the City's tiered impact fee structure and parking requirements, and the California Green Building Code. Overall, the City's existing policy framework, codes, and regulations already promote energy efficiency in all building types.
- Recommendation from Planning Commission: Modify Action 5.1.4 to promote development of Single Room Occupancy (SRO) or other small unit developments by removing or reducing parking requirements and lowering development impact fees. Response: This policy is already addressed through the City's tiered impact fee structure and parking requirements. Action 5.1.4 was modified to include the following sentence: "Inform developers of availability of parking reductions and applicability of reduced development impact fees."
- Recommendation from Planning Commission: Add a new Action under Policy 4.2 that states: "Incentivize infill development, multi-family housing, and small units through the actions outlined in Policy 4.2." Response: The Actions under Policy 4.2 address the policy to "Promote a mix of dwelling types and sizes throughout the City", including implementing the Corridor Opportunity Site Overlay, the Downtown Element, and Traditional Neighborhood Development regulations.

- Recommendation from Planning Commission: Add a new Action under Policy 4.2 which states “Include supporting infill housing as a climate policy in City plans and documents.” Response: Numerous Actions in the 2030 General Plan support infill development, implemented through revisions to the zoning code and master planning documents. In addition, this policy is addressed through the General Plan Sustainability Element and Climate Action Plan related to reducing greenhouse gas emissions.
- Recommendation from Planning Commission: When providing annual updates, include the number of units currently in construction and the number of units that have received certificate of occupancy. Response: Staff already provides an annual report based upon HCD’s Annual Progress Report (APR) to the City Council, which can be shared with the Planning Commission.

***Affirmatively Furthering Fair Housing: Public, Planning Commission, City Council, and HCD Comments on Adequate Sites Inventory***

The public, Planning Commission, and City Council provided comments about the Adequate Sites Inventory during the public comment period. These comments were carefully reviewed and considered by City staff, and ultimately addressed by the Planning Commission and City Council as governing bodies. This section is a description of the public comment and public hearing process with respect to the Adequate Sites Inventory, in particular the Affirmatively Furthering Fair Housing requirements.

Planning Commission on June 2, 2022: In advance of the Planning Commission public hearing on June 2, 2022, letters about the Adequate Sites Inventory were received from two organizations on June 1, 2022 – House Sacramento and Butte Environmental Council. The organizations provided analyses of development constraints regarding some of the lower income sites in the Adequate Sites Inventory. After an initial review completed within one day of receiving these letters, staff provided a recommendation to Planning Commission to remove three sites from the Lower Income Adequate Sites Inventory that were found to have certain constraints and add two new sites that are more appropriate based on State qualification criteria. At the public hearing, additional public comment was received, including comments regarding the Adequate Sites Inventory. The Planning Commission voted to continue the public hearing to the June 16, 2022, meeting in order to provide more time to review the draft Housing Element document and develop any potential recommendations for modification.

Planning Commission on June 16, 2022: Between the June 2<sup>nd</sup> and June 16<sup>th</sup> public hearings, additional letters were received from the public and Planning Commissioners, which included comments regarding the Adequate Sites Inventory, in particular the location of lower income sites. City staff and the Planning Commission reviewed and considered the public comments. The Planning Commission voted to forward several recommendations to City Council, including removing three sites from the Adequate Sites Inventory that were found to have certain constraints and adding two new sites that are more appropriate based on State qualification

criteria. The two new sites represent locations where affordable housing projects have been approved and received funding.

City Council on August 2, 2022: Between the June 16<sup>th</sup> Planning Commission and August 2<sup>nd</sup> City Council public hearings, staff completed an Affirmatively Furthering Fair Housing analysis of the Adequate Sites Inventory taking into account the changes approved by the Planning Commission. There are many complex criteria requirements for the Adequate Sites Inventory, and thus making relatively minor changes to the Inventory can have ripple effects. In this case, it was determined that the proposed changes would not be consistent with HCD's Affirmatively Furthering Fair Housing criteria as the sites would not replace segregated living patterns with integrated and balanced living patterns as HCD guidance directs.

The Affirmatively Furthering Fair Housing analysis of the Planning Commission recommended changes found that the Adequate Sites Inventory would not meet HCD standards to transform areas of high segregation and poverty (Census Tracts 3 and 13) into areas of opportunity. Staff worked to remove an additional two sites from the Lower Income Sites Inventory, and remove two sites from and add two new sites to the Above Moderate Income Sites Inventory ensure both the State's RHNA and Affirmatively Furthering Fair Housing criteria were met. "Track changes" versions of the Adequate Sites Inventory and Affirmatively Furthering Fair Housing: Adequate Sites Inventory sections were provided as part of the City Council public hearing packet. Public comments received during the public hearing on August 2, 2022 included comments regarding the Adequate Sites Inventory. Ultimately, the City Council approved the "track changes" versions of the Adequate Sites Inventory and Affirmatively Furthering Fair Housing: Adequate Sites Inventory sections during the public hearing.

Sites are identified, mapped, and evaluated on their capacity to affirmatively further fair housing in the Affirmatively Furthering Fair Housing: Adequate Sites Inventory section. It is important to note the difference in findings of this section from the pre-Planning Commission public review draft compared to the City Council approved Housing Element. Prior to the public hearings and receiving public comment, the findings from this section were as follows:

- Improved conditions: Segregation and Integration, Access to Opportunity, and Disproportionate Housing Needs Including Displacement Risk
- Exacerbated conditions: Racially and Ethnically Concentrated Areas of Poverty

The revised Adequate Sites Inventory as approved by City Council has these findings:

- Improved conditions: Segregation and Integration, Access to Opportunity, Disproportionate Housing Needs Including Displacement Risk, and Racially and Ethnically Concentrated Areas of Poverty
- Exacerbated conditions: N/A

Thus, the Adequate Sites Inventory approved by the City Council during the initial draft stage meets HCD guidance to replace segregated living patterns with integrated and balanced living patterns. Furthermore, public comment helped to improve upon the first version of Adequate Sites Inventory and strengthen its ability to affirmatively further fair housing.

HCD provided comments on the initial draft of the Housing Element on December 5, 2022. One of the required revisions to the Housing Element per HCD was to incorporate the quantification of sites throughout the Affirmatively Furthering Fair Housing (AFFH) section of the Adequate Sites Inventory. This was in addition to the analysis on the number of sites per census tract already found in the Housing Element draft. In other words, HCD requested that the projected number of units per income group and per census tract be analyzed, and that any fair housing issues identified through this analysis be addressed in the Housing Element through the Adequate Sites Inventory and Goals, Policies, and Actions. The City conducted the analysis on the projected number of units per income group and per census tract, adjusted the Adequate Sites Inventory through an iterative process, and added an Action in Chapter 3 to meet Affirmatively Furthering Fair Housing requirements. More information can be found in the Affirmatively Furthering Fair Housing: Adequate Sites Inventory section in Chapter 5.

## **INTERGOVERNMENTAL REVIEW PROCESS**

As required in Government Code Section 65589.7, the City has provided its water and sewer providers with an opportunity to participate in the Housing Element so that housing production can be coordinated with infrastructure plans. For the City of Chico, the water provider is Cal Water and the sewer provider is the City of Chico Public Works Department. At the outset of the Housing Element planning process, the City sent letters to both providers. The letters requested confirmation that the provider has written policies and procedures granting priority for the provision of their services to proposed developments that include low-income housing (per SB 1087, adopted in 2005). The letters also requested that providers review the Housing Element draft, and keep a copy of the final Housing Element on file. Following adoption of the Housing Element, the City will continue to work with water and sewer providers to coordinate housing and infrastructure plans.

## Chapter 2: Review of Previous Housing Element





## BACKGROUND

The Chico City Council adopted the most recent Housing Element in June 2014 for the planning period of 2014-2022. The City's 2014 Housing Element was adopted during a time of significantly reduced funding and staffing, compared to the 2009 Housing Element. In 2012 the State of California had eliminated Redevelopment Agencies (RDA), and along with them, the City's primary source of affordable housing funding, the Redevelopment Agency Housing Set Aside. Due to the loss of the RDA funding, along with ongoing cuts to both CDBG and HOME at the federal level, housing program staffing levels at the City of Chico decreased significantly. Within this environment of extremely constrained resources, the 2014 Housing Element nonetheless laid out a program to keep housing efforts moving forward. Key initiatives included:

- Provide federal and state financial assistance, as available, to affordable housing developers and require that units are affordable to low-, very low-, and extremely low-income households for at least 30 years (Action H.2.1.1)
- Ensure the City's policies and codes promote fair housing and equal access by amending the City's reasonable accommodation procedure for persons with disabilities (Action H.4.1.1)
- A number of actions to promote construction of a wide range of housing types, including: Implementation of the Corridor Opportunity Site Overlay (Action H.3.1.2); Highlighting incentives to build affordable housing found in the Land Use Element (LU.3.2.1) to developers (Action H.3.2.2); Continuing to implement the Traditional Neighborhood Design Code (TND) that promotes higher density, vertical and horizontal mixed-use, and greater flexibility in meeting parking standards (Action H.3.3.1)
- The continuation of successful programs that were able to be maintained through federal funding such as the Tenant Based Rental Assistance Program (TBRA) to assist households at risk of becoming homeless and who are participating in a self-sufficiency program (Action H.4.5.1)

## STATE REQUIREMENTS

State Housing Element law (Government Code Section 65588) requires that Housing Elements review the previous Housing Element in the following ways:

- Progress in implementation, including a description of the actual results or outcomes of previous Housing Element goals, policies, and actions.
- Effectiveness, including a comparison of what was projected or planned in the previous Housing Element and what was actually achieved.
- A description of how past programs were effective in addressing the housing needs of special populations, including seniors, farmworkers, those with disabilities and people experiencing homelessness.

- Appropriateness of goals, policies, and actions, including a description of what has been learned based on the analysis of progress and effectiveness of the previous Housing Element, and how the Housing Program is being changed or adjusted to incorporate what has been learned from the results of the previous Housing Element.

This chapter of the Housing Element addresses these requirements as follows:

- **Progress in Implementation:** **Appendix A** provides a detailed assessment of the accomplishments and effectiveness of each 2014 Housing Element Action. It also includes notes indicating if the Action is proposed to be deleted, continued, or modified.
- **Effectiveness:** The subsections on **Housing Production Goals and Results** and **Results of Previous Housing Element Actions** compare what was projected or planned and what was actually achieved. Information on whether Actions are proposed to be deleted, continued or modified is also summarized here.
- **Addressing Housing Needs of Special Populations:** The subsection on **Results of Previous Housing Element Actions** analyzes how past actions were effective in addressing the housing needs of special populations
- **Appropriateness of goals, policies, and actions:** The subsection on **Implication of Findings for the 2022 Housing Element** addresses what has been learned through the analysis of the previous Housing Element's effectiveness and progress, and what is being changed or adjusted in the 2022 Housing Element based on this information. Also included in this subsection are new or amended actions which were recommended by the Planning Commission and City Council, and informed by the public comment process.

## HOUSING PRODUCTION GOALS AND RESULTS

State law requires regions to plan for housing needs based on future growth projections through the Regional Housing Needs Allocation (RHNA), per Government Code Section 65584. The State Department of Housing and Community Development allocates numeric RHNA unit production goals to regional councils of government, which then allocate these goals to each community within its area of governance. For Butte county and each of its incorporated cities and towns the regional council of government is the Butte County Association of Governments (BCAG). The RHNA goals identify the housing units needed to accommodate growth over the planning period for each of four different income levels: Very Low- (which includes Extremely Low-), Low-, Moderate- and Above Moderate-income.

State law does not require that communities meet the RHNA production goals. Instead, State law requires that communities employ planning and funding mechanisms that enable them to achieve the goals. One mechanism that carries a specific State mandate is the Adequate Sites

Inventory, described in Chapter 5, per Government Code Section 65583.2. This section requires that each community ensure that there is adequate appropriately zoned land within its jurisdiction to accommodate its RHNA. If a community did not comply with this requirement at the time of submission of the last Housing Element to the State, it must show how this was corrected in the next Housing Element planning period through re-zoning, annexation, or other means. Chico's 2014 Housing Element Adequate Sites Inventory demonstrated that the City had sufficient vacant land appropriately zoned to provide for the RHNA and no re-zoning or other actions were needed.

**Figure 1** shows Chico's RHNA for the period of July 2014 to June 2022. Units produced that are affordable to each income level are shown through December 31, 2021. The units planned for production from January to June 2022 are not formally reported to HCD until December 2022, but are shown in a separate column, based upon TCAC projects awarded and required to begin construction by spring 2022. Production from July through December 2022 has included: 113 Extremely Low, 23 Very Low units, 127 Low units, 3 Moderate, and 106 Above Moderate units, for a total of 372 units.

**Figure 1: City of Chico, Regional Housing Needs Allocation and Production Table, June 2014-December 2021, with January-June 2022 Projections**

Income Level	RHNA	Units Produced 2014-2021	% of RHNA Produced 2014-2021	Units Produced and Planned 2014-2022	% of RHNA Produced and Planned Through 2022
<b>Extremely Low</b>	487	149	30.6%	183	37.6%
<b>Very Low</b>	487	193	39.6%	327	67.1%
<b>Low</b>	643	114	17.7%	194	30.2%
<b>Moderate</b>	708	689	97.3%	722	102.0%
<b>Above Moderate</b>	1,638	3,337	203.7%	3,498	213.6%
<b>Total</b>	3,963	4,482	113.1%	4,924	124.2%

*Sources: Butte County Association of Governments, 2014 Regional Housing Needs Plan, City of Chico Community Development Department, 2021*

**Figure 1.1** lists affordable housing that was produced during the last Housing Element planning period of 2014-2022, or was in development as of spring 2022. These are units affordable to Extremely Low-, Very Low- and Low-Income households, with long-term affordability of these units regulated by a legal mechanism, such as a recorded covenant or regulatory agreement.

Figure 1.1: City of Chico, Affordable Housing Production Table, 2014-2022

Project Name	Target Population	Unit Affordability			Total
		Low	Very Low-	Extremely Low-	
Habitat – 11 <sup>th</sup> Street	Self-Help Homeownership	2			2
Habitat – 19 <sup>th</sup> Street	Self-Help Homeownership	2			2
Habitat – 20 <sup>th</sup> Street	Self-Help Homeownership	5	1		6
Valley View Apartments	Homeless/Special Needs		9	5	14
Habitat – Mulberry	Self-Help Homeownership	1	5		6
Bruce Village/B20	Seniors	22	31	6	59
Creekside Place	Seniors/Special Needs		25	75	100
Lava Ridge	Family	53	34	10	97
1297 Park	Special Needs	9	30	19	58
North Creek Crossings, Phase I	Family	20	58	27	105
*Deer Creek, Phase I	Family	53	86	16	155
*Senator Conness	Family	86	57	17	160
*Deer Creek, Phase II	Family	15	27	5	47
*North Creek Crossings, Phase II	Family	12	28	13	53
*Tonea Senior Apartments	Seniors	41	51	11	103
	<b>Total</b>	321	442	204	967
	<b>RHNA</b>	643	487	487	1617
	<b>% of RHNA</b>	50%	91%	42%	60%

Source: City of Chico, Community Development Department, Housing Division

\*Projects pending and likely to pull building permits before June 2022

In addition to the projects shown in **Figure 1.1**, it should be noted that due to the Camp Fire, the City of Chico has received an allocation of CDBG-DR-MHP funds in 2021 for the development of housing which should result in the development of approximately 180 low-income affordable units. An additional 213 low-income affordable units located in the City of Chico will be funded by Butte County's CDBG-DR-MHP funds. Some of these projects will receive their building permits in the 2014-2022 Housing Element cycle and count towards that cycle's RHNA, and some will receive their building permits in the 2022-2030 Housing Element cycle.

In addition to the production of new affordable units, the City achieved other results through its programs and partnerships. Some of these efforts were not Actions in the Housing Element, but contributed to the City’s overall housing program and achievements. The results of these efforts and a comparison to the 2014 Housing Element quantified objectives, where applicable, are illustrated in **Figure 1.2**.

**Figure 1.2: City of Chico, Housing Accomplishments Table, 2014-2022**

Outcome	Results	2014 Quantified Objectives Through June 2022	Discussion
<b>Fund the development of extremely low-income, special needs affordable housing</b>	29 units	30 units	29 units within two developments provide supportive housing for extremely low-income individuals experiencing homelessness with a serious mental illness. Funds utilized were CDBG, HOME, Affordable Housing Fund, No Place Like Home, North Valley Housing Trust, and CalHFA.
<b>Incentivize development of affordable units within the Corridor Opportunity Site overlay</b>	58 low-income units, one moderate income unit	50 moderate-income units, 20 low-income units	This special needs project began construction in 2021, will be placed in service in late 2022 and is funded with CDBG, HOME, and CDBG-DR-MHP.
<b>Facilitate the development of affordable units in the TND Zoning District</b>	158 low-, very low- and extremely low-income units, 2 moderate income units	97 moderate-income units, 92 low-income units	The TND Code is applied to the Meriam Park Project. The 158 low-income units were funded with Affordable Housing Fund and HOME. It’s possible that moderate-income households may be produced in the future depending upon level of assistance necessary.



<b>Fund the development of low-income affordable senior housing</b>	159 units	50 low-income units	Funded through the State's No Place Like Home program, Affordable Housing Fund, CDBG, and HOME, the 100-unit project includes units for seniors who are homeless; 59 TCAC units for seniors without City assistance and an additional 103 TCAC units are in predevelopment.
<b>Assist households with the Tenant Based Rental Assistance Program</b>	194	140 low-income households	This program is funded through the City's HOME allocation.
<b>Preserve the affordability of at-risk affordable units</b>	434	434 units	All at-risk properties identified in the 2014 Housing Element have extended their affordability contracts without City financial assistance. City performed TCAC review on one rehabilitated and re-syndicated project.
<b>Provide funding for low-income owner-occupied housing rehabilitation</b>	98	30	CDBG funds were used to connect these households to sewer service or provide new roofs and photovoltaic systems.
<b>Assist in the development of self-help homes</b>	16	10	HOME, CDBG, and Affordable Housing Funds were used to assist Habitat for Humanity homes in four developments.
<b>Produce affordable single family homes on a City-owned land trust</b>	0	4	The site identified for the land trust was determined not to be feasible due to a lack of funding, off-site requirements, and change of ownership.

Provide Accessibility improvements for low-income renter households	8	No quantified objectives	The City used CDBG funds to provide accessibility improvements such as wheelchair ramps, grab bars, widened doorways, and bathroom alterations.
Storm drain, roadway, and lighting improvements in low-income neighborhood	80 people	No quantified objectives	The City used CDBG funds to provide improvements in the E. 10 <sup>th</sup> Street neighborhood.

## RESULTS OF PREVIOUS HOUSING ELEMENT ACTIONS

The 2014 Housing Element included a Housing Program of seven Goals. Within each Goal was a set of Policies and Actions. Below is a summary of the Goals and the number of Actions associated with each.

- H.1: Increase equal housing opportunities (2 Actions)
- H.2: Providing housing that is affordable to low incomes (7 Actions)
- H.3: Promote construction of a wide range of housing types (12 Actions)
- H.4: Encourage the creation of housing for persons with special needs (8 Actions)
- H.5: Improve, rehabilitate and revitalize existing neighborhoods (7 Actions)
- H.6: Increase homeownership (5 Actions)
- H.7: Encourage energy efficiency in housing (3 Actions)

The City's progress on these Goals and Actions is summarized below within the categories of

- One Time Actions Completed
- Ongoing Actions That Made Progress
- Actions That Did Not Make Progress
- Effectiveness of Actions to Address The Needs of Special Populations

### ***One Time Actions Completed***

**Promote Construction of a Wide Range of Housing Types—Action H.3.1.1:** In 2018, the Butte LAFCO approved the City’s Sphere of Influence Amendment, which is now consistent with the Land Use Diagram found in the City’s 2030 General Plan.

**Encourage the Creation of Housing for Persons with Special Needs—Action H.4.1.1:** The City amended the Municipal Code tables in 2017 to include the reasonable accommodation procedure for persons with disabilities. **Action H.4.6.2:** The City amended tables in the Municipal Code to make transitional and supportive housing an explicitly permitted use in all zoning districts that allow residential development.

**Encourage Energy Efficiency in Housing—Action H.7.1.1:** The 2013 California Building Code was implemented and the 2019 code update (Green Code) was adopted. **Action H.7.2.3:** Ten solar electric projects were facilitated by the owner-occupied Housing Rehabilitation Program in 2018.

**Maintain and Enhance Housing and Public Facilities in Residential Areas—Action 3.5.1:** The City utilized a multi-year allocation of CDBG funds to provide storm drain, roadway and lighting improvements in a low-income neighborhood (E. 10<sup>th</sup> Street).

### ***Ongoing Actions That Made Progress***

**Equal Housing Opportunity—Actions H.1.1.1. and H.1.2.1:** The City continued its contracts with two local organizations to conduct 4 annual fair housing workshops and a list of legally protected classes is posted on the City’s website.

**Provide Housing Affordable to Low Incomes—Action H.2.1.1:** The City worked with developers to provide federal and state financial assistance for affordable units that resulted in the development of 449 units through 2021. **Actions H.2.2.1 and H.2.2.2:** the City completes an annual Housing Element review and updates the Affordable Housing Resource Guide on a regular basis. **Action H.2.4.1:** The City supported the NVHT which funded 14 extremely low-income affordable units for special needs households. An additional 15 extremely low-income affordable units for special needs households were funded with CDBG, HOME, and Affordable Housing Funds.

**Encourage the Creation of Housing for Persons with Special Needs—Action H.4.3.1:** Housing providers were surveyed in 2016 to establish the Accessible Unit Inventory; the City intends to continue updating the inventory.

**Improve, Rehabilitate and Revitalize Existing Neighborhoods—Action H.5.2.1:** 434 affordable units with expiring contracts have been extended and preserved through 2021. **Action H.5.3.1:** The City has continued its program of owner-occupied housing rehabilitation which connects owner-occupied units to City sewer and allowed for the installation of photovoltaic systems. The City assisted 98 homes during this Housing

Element period; the goal was 30 homes. **Action H.5.5.1:** The City has continued the City's Code Enforcement efforts through increased staffing.

**Increase Homeownership—Action H.6.2.2:** Thirteen self-help homes and three self-help ADUs affordable to low-income first-time homebuyers have been completed through 2020. The City provided land and financing for the homes.

### ***Actions That Did Not Make Progress***

**Provide Housing Affordable to Low Incomes—Action H.2.4.2:** The City Council was not interested in pursuing an Inclusionary Zoning option. **Action H.2.4.3:** The City was unable to identify funding nor garner interest from local employers in an Employer Assisted Housing Program.

**Encourage the Creation of Housing for Persons with Special Needs—Action H.4.2.1:** Due to the lack of funding, it has not been feasible to integrate childcare into family-oriented residential developments.

**Improve, Rehabilitate and Revitalize Existing Neighborhoods—Action H.5.4.2:** The City did not have either the staff or financial resources to produce a guide to help low-income homeowners maintain their homes.

**Increase Homeownership—Action H.6.2.1:** The Mortgage Subsidy Program has not been viable due to both the high price market conditions and the lack of adequate funding.

### ***Effectiveness of Actions to Address the Needs of Special Populations***

**Seniors—Action H.4.4.1:** The City committed land and financing for the development of a 101-unit senior/disabled, extremely low-, very low- and low-income housing project. The project is under construction and will be placed in service in early 2023. The goal established in the Housing Element was 50 units of senior housing. **Action H.5.3.1:** The City has continued its owner-occupied housing rehabilitation program including funding photovoltaic systems and connection of units to City sewer in the Nitrate Compliance Areas. Typically, the majority of beneficiaries are seniors and/or those with disabilities. This program allows these households to comply with the State's Nitrate Compliance Order at no cost, and further allows them to remain in their homes and protect their housing investment. The City assisted 98 homes during this Housing Element period; the goal was 30 homes.

**Small Households—H.4.6.1:** A 59-unit project designed predominantly for single households began construction in 2021 and will be placed in service in 2022. While this is not technically an SRO project, it contributes toward the housing needs of small households with predominantly studio and one-bedroom units.

**People Experiencing Homelessness—Action H.4.5.1:** City continued its successful Tenant Based Rental Assistance Program (TBRA) which provides households at risk of homelessness with rental assistance. It assisted 194 households; the goal in the Housing Element was 140 households. **Action H.4.6.2:** The City amended tables in the Municipal Code to make transitional and supportive housing an explicitly permitted use in all zoning districts that allow residential development.

**People with Disabilities-- Action H.4.3.1:** Housing providers were surveyed in 2016 to establish the Accessible Unit Inventory; the City intends to continue updating the inventory. **Action H.4.1.1:** The City amended the Municipal Code tables in 2017 to include the reasonable accommodation procedure for persons with disabilities. In addition, while not an Action in the Housing Element, the City funded accessibility improvements for rental low-income households utilizing CDBG funds.

Outside of the 2014 Housing Element Program, the City also contributed funding to address the needs of people experiencing homelessness with the following outcomes:

- Development of new transitional housing beds:
- Supportive housing units developed or secured through master lease:

A detailed assessment of the accomplishments and effectiveness of each 2014 Housing Element Action can be found in **Appendix A**, with notes indicating if the Action is proposed to be deleted, continued or modified.

## IMPLICATION OF FINDINGS FOR THE 2022 HOUSING ELEMENT

### ***Analysis***

Given the environment of largely constrained resources between 2014 and 2021, the City made considerable progress on its 2014 Housing Program. Of the 44 actions, only 5 made no progress. The reasons included limited resources (lack of adequate staffing and appropriate funding), housing market barriers, and stakeholders' non-interest in pursuing certain programs (i.e.. inclusionary zoning and employer-assisted housing).

When looking at the City's progress in meeting the 2014-2022 RHNA target goals, it is clear that the private market was able to meet and exceed the development of units for moderate- and above moderate-income households. It is equally clear that the lack of available public subsidies (up until the receipt of 2021 CDBG-DR-MHP and 2020/2021 Disaster Low Income Housing Tax Credits) significantly impeded progress on the development of units for very low- and low-income households.

The Actions in the 2014-2022 Housing Element that were constrained by lack of funding are now poised to take advantage of the myriad of new or augmented funding programs available from the State and Federal governments. As described earlier, much of this funding was received as a result of the Camp Fire (CDBG-DR-MHP and Disaster Low



Income Housing Tax Credits). This will significantly support the development of new affordable housing, including permanent supportive housing targeted to individuals with disabilities and those experiencing homelessness.

The Actions in the City's 2022-2030 Housing Program, as shown in **Chapter 3**, are reflective of taking advantage of these new or augmented funding opportunities in partnership with developers, undertaking changes to the Municipal Code to increase allowable affordable housing densities, and addressing recent State laws to remove constraints to the development of housing and shelter services for people experiencing homelessness.

### ***Process***

City staff conducted an initial review of the 2014 Housing Element Actions to document accomplishments, assess effectiveness and recommend whether the Action should be continued, modified or deleted in the 2022 Housing Element update. Following this review, the 2014 Actions were discussed at Community Workshop #2, and public input on their relevance and feasibility was obtained. During the 83-day public comment period on the draft Housing Element, which included two Planning Commission hearings and a City Council hearing, numerous comments were received which added additional new actions and modified one action. Based upon both the City and community review of the previous Housing Element actions, the public comment process on the draft Housing Element, and the Planning Commission and City Council recommendations:

- The completed Actions which were intended to be one-time efforts have been removed. In addition, some Actions which are no longer feasible due to a lack of funding or community resources to carry them out have been removed.
- Some Actions have been revised to bring them up to date with the most recent State legislation or to more appropriately address community resources that are available to support their execution.
- Some actions that still have relevance and/or were intended to be ongoing efforts remain the same as the previous Housing Element.
- New Actions that were identified through the Community Outreach efforts, Needs Assessment, Assessment of Fair Housing, Constraints Analysis and/or are required by new State legislation have been added, as well as new Actions that were identified during the public comment period, and recommended by both the Planning Commission and the City Council.

All of the Actions are detailed in the Housing Program (**Chapter 3**) and those which are new or modified are summarized below.

## ***New Actions***

- **Goal 1, “Improve fair housing choice and equitable access to opportunity.”** The requirements of AB 686 (Affirmatively Furthering Fair Housing) have resulted in a new set of 28 new actions within this goal.
- **Goal 2, “Increase collaboration with other governmental entities and organizations in Butte county to address the long-term impacts to housing from the Camp Fire and other subsequent fires/natural disasters”** is a new goal and therefore includes a new action to participate in collaborative discussions with other governmental entities and appropriate organizations to share information.
- **Goal 3, “Support production of housing that is affordable to low-income households”** includes actions to update the City’s Density Bonus ordinance as allowed by AB 2345, incentivize the production of Accessory Dwelling Units (ADUs) that can be offered at affordable rents to low- to moderate-income households per AB 671, update the City’s portfolio of pre-approved ADU building plans to the new California Building Code standards as those standards are updated by the State, and investigate and monitor the impact of short-term rentals on the availability of both rental housing and single-family homes for potential homebuyers. Two significant new actions that revise the zoning code include: 1) an allowable increase in density for affordable multifamily projects in zoning districts that allow up to 20-22 units per acre, to 30 units per acre; and 2) by-right permitting of residential uses in the Industrial Office Mixed Use (IOMU) zone, allowing densities of up to 35 units per acre.
- **Goal 4, “Promote construction of a wide range of housing types”** includes a new action designed to assist the City in complying with the No Net Loss law (SB 166) by developing and implementing a formal ongoing Unit Production Evaluation, a series of actions to expand the use of the Corridor Opportunity Sites Overlay (COS) to promote higher densities and transit-oriented development, an action to promote housing construction by reducing and allowing flexibility in minimum parking requirements, facilitating the development of a city-owned parking lot in the Downtown, and pursuing opportunities to improve conditions and maintain affordability at mobile home parks.
- **Goal 5, “Encourage the creation of housing for people with special needs, including youth, seniors, and those with disabilities, and people experiencing homelessness”** includes a new action to revise the City’s Municipal Code Section 19.24.040 so that sub-section E, which requires a compatibility analysis before a use permit is issued, does not apply to residential projects. This will enhance fair housing access for group homes which house 7 or more people. It also includes a new action to revise the City’s reasonable accommodation request procedure to provide greater transparency and objectivity through a ministerial process.

- **Goal 6, “Improve, rehabilitate and revitalize existing homes and neighborhoods”** includes new actions to conduct a housing conditions survey in the recently annexed Chapman/Mulberry neighborhood, provide funding to support the rehabilitation of existing multi-family affordable housing projects with City affordability covenants, research funding opportunities to connect residential units located in Disadvantaged Communities within Nitrate Compliance areas to City sewer, and invest public improvements in older and low-income neighborhoods.
- **Goal 8, “Remove governmental constraints to the development of housing, emergency shelters and low-barrier navigation centers”** adds new programs to amend the Chico Municipal Code for compliance with AB 139 (parking standards for emergency shelters and by right zoning to address shelter capacity requirements), AB 101, which allows Low Barrier Navigation Centers as a use “by right” in areas zoned for mixed-use and non-residential zones permitting multi-family uses, and Section 65589.7 of the California Government Code regarding priority provision of sewer services to developments serving lower income households. This Goal also includes an action to incentivize and facilitate the development of larger parcels with affordable housing.
- **Goal 9, “Encourage energy efficiency in housing”** includes a new program to expand the City’s existing Residential Energy Conservation ordinance to also apply to substantial rehabilitation projects.

### ***Modified Actions***

- **Goal 1, Action 1.3.1** expands upon the existing fair housing workshops offered to the community, by including lenders and the local real estate association in training on fair housing.
- **Goal 1, Action 1.5.1** expands the list of organizations who receive the updated inventory of accessible housing units to include those that work with Camp Fire survivors, people with developmental disabilities, older adults and their caregivers and people with low incomes.
- **Goal 3, Action 3.1.1** has been updated to reflect the anticipated number of affordable units to be produced in partnership with affordable housing developers and has added language to prioritize affordable housing in higher resource areas whenever possible.
- **Goal 5, Action 5.1.4** modifies the action exploring the feasibility of Single Room Occupancy (SRO) development by focusing on the feasibility of the conversion of motels/hotels which are vacant or underutilized, identifying potential funding sources, and informing developers of the availability of parking reductions and applicability of reduced development impact fees for such developments.



## Chapter 3: Housing Program

## BACKGROUND

This chapter describes a Housing Program comprised of a comprehensive set of goals, policies, and actions designed to address the City of Chico's housing needs. These needs have been identified through the public participation process, needs assessment, assessment of fair housing, constraints analysis and resource inventory. The terms "goals, policies, and actions" are defined as follows for the purpose of the Housing Element:

- **Goals:** The goals are broad statements of the community's vision and values for itself, and are not time dependent. They indicate the direction the community wishes to move towards in providing healthy, safe, sustainable, and affordable housing for all of its residents.
- **Policies:** The policies are the commitments that the City is making to achieve the related goal or vision and a statement of its operational philosophy around housing.
- **Actions:** These are the specific actions or activities that will carry out the related policies and move the community towards its goals in a concrete and measurable way over time.

The Goals of the Housing Element and the number of Policies and Actions within each Goal are as follows:

**Goal 1:** Improve fair housing choice and equitable access to opportunity (9 Policies, 28 Actions)

**Goal 2:** Increase collaboration with other governmental entities and organizations in Butte county to address the long-term impacts to housing from the Camp Fire and other subsequent fires/natural disasters (1 Policy, 1 Action)

**Goal 3:** Support production of housing that is affordable to low-income households (3 Policies, 11 Actions)

**Goal 4:** Promote construction of a wide range of housing types (2 Policies, 9 Actions)

**Goal 5:** Encourage the creation of housing for people with special needs, including youth, seniors, those with disabilities and those experiencing homelessness (2 Policies, 7 Actions)

**Goal 6:** Improve, rehabilitate and revitalize existing homes and neighborhoods (4 Policies, 7 Actions)

**Goal 7:** Increase home ownership (1 Policy, 1 Action)

**Goal 8:** Remove governmental constraints to the development of housing, emergency shelters and low barrier navigation centers (2 Policies, 5 Actions)

**Goal 9:** Encourage energy efficiency in housing (1 Policy, 2 Actions)



Within each goal area, the information is organized as follows, per State requirements:

- Statement of the Goal
- Statement of the policy(ies) to achieve the Goal
- Description of the Action which is directly related to the policy
- The party(ies) responsible for the action's implementation. This will include specific City Divisions, as well as community partners where appropriate. The responsibility for approving and directing all City actions rests with the City Council, which is then carried out by designated City Divisions.
- Potential financing or funding source(s). The availability of funding resources is not guaranteed and is subject to change. More or fewer resources may be available during the planning period. This will impact the feasibility of carrying out the actions stated.
- Timeframe for completion. These timeframes provide a reasonable expectation for starting and/or completing actions, given current staff resources and workloads. Like funding, these are subject to change due to circumstances beyond the control of the City.

## GOALS, POLICIES AND ACTIONS

### Goal 1: Improve fair housing choice and equitable access to opportunity

With the passage of AB 686 in 2018, state and local public agencies are required to affirmatively further fair housing through deliberate action to explicitly address, combat, and relieve disparities resulting from past and current patterns of segregation to foster more inclusive communities. Following the guidance from HCD (*California State Department of Housing and Community Development, Affirmatively Furthering Fair Housing, 2021*), within the Housing Element, the city is required to:

- Analyze patterns and trends of disparate housing needs and disproportionate access to opportunities through outreach efforts, the assessment of fair housing, and the site inventory
- Identify and prioritize significant contributing factors to fair housing choice
- Establish strategic policies, goals, and actions to affirmatively further fair housing based on the analysis of contributing factors

This section includes the goals, policies, and actions which were informed by the affirmatively furthering fair housing sections: accessibility/language and public comments in Chapter 1, assessment of fair housing in Chapter 4, adequate sites inventory in Chapter 5, and identification of contributing factors in Chapter 6. The policies and actions were revised and updated per HCD's comments during the initial draft review on December 5, 2022. The policies and actions were further revised and updated per HCD's comments during the revised draft review on July 10, 2023.

**Policy 1.1:** Move toward more balanced and integrated living patterns by addressing disproportionate housing needs including displacement risk for renter households with overpayment (Census Tracts 1.02, 1.04, 5.01, 5.02, 6.03, 6.04, 10, 11, and 12), renter households with housing problems as defined by the U.S. Department of Housing and Urban Development, and households with overcrowding (Census Tract 13).

(Sources: *HCD AFFH Data Resources and Mapping Tool: 2015-2019 American Community Survey and 2015 Healthy Communities Data and Indicators Project*; *U.S. Department of Housing and Urban Development, 2006-2010 and 2014-2018 Comprehensive Housing Affordability Strategy (CHAS) Data*).

**Action 1.1.1:** Assist Habitat for Humanity of Butte County's single-family self-help project on Wisconsin and Boucher Streets in Census Tract 13. Five estimated units will be made available to low-income households.

**Responsible Party:** Community Development Department, Housing Division

**Funding Source:** CDBG, HOME, CalHOME Program Income

**Timeframe:** Complete by December 2025

**Action 1.1.2:** Support affordable housing developments, as described in Action 3.1.1, in high resource areas. To the extent feasible, prioritize areas that have 60-80% of renter households with overpayment (Census Tracts 1.02, 1.04, 5.01, 5.02, 6.03, 6.04, 10, 11, and 12). Assist at least one affordable housing development to be located within the identified census tracts during the planning period that are also deemed high resource areas by the TCAC/HCD Opportunity Maps, by June 2030.

**Responsible Party:** Community Development Department, Housing Division

**Funding Source:** HOME, CDBG, CDBG-DR, Low-Income Housing Tax Credits, Permanent Local Housing Allocation, Affordable Housing Fund, State funding, and others

**Timeframe:** Ongoing efforts to allocate City funds and work cooperatively with developers to access other funding sources

**Policy 1.2:** Move toward more balanced and integrated living patterns by addressing the impacts of the 2018 Camp Fire in eastern Butte county on disproportionate housing needs including displacement risk in Chico.

**Action 1.2.1:** Administer Community Development Block Grant Disaster Recovery (CDBG-DR) Multifamily Housing Program funds in response to the 2018 Camp Fire. As of July 2023, there are 463 low-income, CDBG-DR funded units proposed in Chico.

**Responsible Party:** Community Development Department, Housing Division

**Funding Source:** Community Development Block Grant Disaster Recovery (CDBG-DR) Multifamily Housing Program

**Timeframe:** CDBG-DR Multifamily Housing Program funding estimated to be expended by May 2026, with projects completed and occupied by December 2026

**Action 1.2.2:** Continue to participate in the Camp Fire Collaborative, a long-term recovery group, and the Butte County Homeless Continuum of Care, a multi-agency planning body. Coordinate with member organizations that serve Camp Fire survivors, people who are low-income, and people experiencing homelessness to address unmet needs achieve long-term recovery.

**Responsible Party:** Community Development Department, Housing Division

**Funding Source:** Housing Program Income, General Fund

**Timeframe:** Ongoing throughout the planning period

**Policy: 1.3:** Increase fair housing enforcement and outreach capacity by reaching stakeholders such as lenders, realtors, people of color, and people who speak Hmong and Spanish, as well as diversifying outreach materials and methods.

**Action 1.3.1:** Expand existing fair housing workshops to include an annual Legal Services of Northern California-led workshop for the Sierra North Valley Realtors Association and lenders (banks, brokerage firms) on fair housing in lending regarding people with low-incomes and people of color.

**Responsible Party:** Community Development Department, Housing Division

**Funding Source:** CDBG, General Fund

**Timeframe:** Coordinate with Legal Services of Northern California (LSNC), Sierra North Valley Realtors, and lenders, by December 2024 and LSNC to start offering the annual fair housing workshop by December 2025

**Action 1.3.2:** Coordinate with the Hispanic Resource Council of Northern California, the Hmong Cultural Center of Butte County, and other organizations as applicable, to disseminate fair housing education and outreach materials provided by the City to people of color and people who speak Spanish or Hmong.

**Responsible Party:** Community Development Department, Housing Division

**Funding Source:** CDBG, General Fund

**Timeframe:** Start coordinating by December 2024 and continue coordinating annually through the remainder of the cycle

**Action 1.3.3:** Update the City’s fair housing webpage annually and publish fair housing education information in both English and Spanish on the City’s webpage, to social media to the extent possible, and to the City’s stakeholder email contact list.

**Responsible Party:** Community Development Department, Housing Division

**Funding Source:** CDBG, General Fund

**Timeframe:** Update the webpage and publish bilingual fair housing education information annually

**Action 1.3.4:** Collaborate with Legal Services of Northern California (LSNC) to update the “Fair Housing and You: Your Rights and Responsibilities” 2011 booklet written by LSNC for community use.

**Responsible Party:** Community Development Department, Housing Division, Legal Services of Northern California

**Funding Source:** CDBG, General Fund

**Timeframe:** LSNC to produce the updated booklet by December 2026

**Action 1.3.5:** Diversify outreach methods by preparing a press release for news outlets for the four annual fair housing workshops hosted by Legal Services of Northern California and North Valley Property Owners Association with funding from the City.

**Responsible Party:** Community Development Department, Housing Division

**Funding Source:** CDBG, General Fund

**Timeframe:** Start producing press releases by December 2023 and continue throughout the cycle in concert with the annual workshops

**Policy 1.4:** Move toward more balanced and integrated living patterns by addressing and providing resources to racially and ethnically concentrated areas of poverty (R/ECAP) (Census Tracts 3 and 13), concentrated areas of poverty (Census Tracts 5.02, 6.03, 6.04, 10, and 11), and concentrated areas of people of color (Census Tracts 5.02, 9.01, 9.03, and 13).

(Sources: *HCD AFFH Data Resources and Mapping Tool: 2021 TCAC*; *2015-2019 American Community Survey*; *UC Berkeley*, 2019).

**Action 1.4.1:** To the extent feasible, invest Community Development Block Grant (CDBG) funds in public facility and infrastructure projects that improve quality of life for residents, and prioritize resources for displacement risk areas (Census Tracts 1.04, 2.01, 3, 9.03, and 13) and areas of high segregation and poverty (Census Tracts 3 and 13). Specific projects will be developed through the HUD 5-Year Consolidated Plan and Annual Plan processes that involve outreach to Low-Income residents for input, as well as the City’s public works budgeting process.

**Responsible Party:** Community Development Department, Housing Division  
**Funding Source:** CDBG  
**Timeframe:** Identify and budget funds for at least one project by July 2025. Opportunities for investment will be evaluated on an annual basis as the CDBG Annual Plan is developed

**Action 1.4.2:** Perform a Housing Conditions Survey in the recently annexed Chapman/Mulberry neighborhoods (Census Tract 13) and to the extent feasible, use findings to inform future investments of CDBG and other City funds in identified neighborhoods in need of rehabilitation.

**Responsible Party:** Community Development Department, Housing Division  
**Funding Source:** Local Early Action Planning (LEAP)  
**Timeframe:** Housing Conditions Survey to be completed by September 2023. Use findings to inform investments by December 2025

**Action 1.4.3:** There are older and lower-cost market-rate rentals in the city with poor weatherization, which may affect residents' health during the winter, summer, and wildfire seasons. Provide information and referrals to the Butte Community Action Agency's weatherization program. The City will post a link to the program on its website and refer residents to the program if they inquire about weatherization options.

**Responsible Party:** Community Development Department, Housing Division  
**Funding Source:** Housing Program Income  
**Timeframe:** Start providing information by June 2023

**Action 1.4.4:** Encourage residents from areas of high segregation and poverty (Census Tracts 3 and 13) to apply to serve on boards, committees, task forces, and other local government decision-making bodies. Outreach efforts may include but are not limited to, connecting with community organizations in these areas, posting physical flyers, hosting community meetings, and sharing social media posts and email blasts.

**Responsible Party:** Community Development Department, Housing & Planning Divisions  
**Funding Source:** General Fund  
**Timeframe:** Start conducting outreach efforts by December 2024 and continue throughout the planning period

**Policy 1.5:** Move toward more balanced and integrated living patterns by addressing accessible housing needs for people with disabilities. In the city of Chico in 2019, an estimated 10-20% of the population has a disability in most of the census tracts within the city.

*(Source: HCD AFFH Data Resources and Mapping Tool: 2015-2019 American Community Survey).*

**Action 1.5.1:** Continue updating inventory of accessible housing units as they are developed. Expand the list of organizations who receive the inventory from Disability Action Center to also include the Camp Fire Collaborative (serves Camp Fire survivors), Far Northern Regional Center (serves people with developmental disabilities), Housing Authority of the County of Butte (serves people with low incomes), Passages (serves older adults and their caregivers), and other organizations as applicable.

**Responsible Party:** Community Development Department, Housing Division

**Funding Source:** Housing Program Income, CDBG

**Timeframe:** Update the inventory by December 2023 and continue as new units are added throughout the planning period

**Action 1.5.2:** As part of the City's annual planning activities in relation to the U.S. Department of Housing and Urban Development (HUD) funding, host an annual community workshop in January. At this workshop engage with attendees on accessibility and disabilities needs, receive input from the community, and share resources such as the inventory of accessible housing units.

**Responsible Party:** Community Development Department, Housing Division

**Funding Source:** CDBG, HOME

**Timeframe:** Incorporate accessibility and disability topics into the community workshop by January 2024, and continue annually throughout the planning period

**Policy 1.6:** Move toward more balanced and integrated living patterns by addressing disparities in access to opportunity in relation to economic, education, and environmental outcomes, and job proximity.

*(Sources: HCD AFFH Data Resources and Mapping Tool: 2021 TCAC and 2017 U.S. Department of Housing and Urban Development).*

**Action 1.6.1:** Use State/Federal grant funds available to the City to support infrastructure needs for planned affordable housing projects. To the extent feasible, prioritize projects in areas with high job proximity and high economic, education, and environmental outcomes. Provide funding to at least one infrastructure project every four years, by June 2026 and June 2030.

**Responsible Party:** Community Development Department, Housing Division



<b>Funding Source:</b>	IIG, HOME, CDBG, CDBG-DR, Low-Income Housing Tax Credits, Permanent Local Housing Allocation, Housing Program Income, Multifamily Housing Program, and others
<b>Timeframe:</b>	Evaluate infrastructure needs as each affordable housing project is presented to the City for feasibility analysis and budget funds annually to support these projects, whenever feasible

**Action 1.6.2:** Assist in disseminating information about tobacco/second-hand smoke education provided by the Butte County Public Health and California Health Collaborative to help improve environmental health outcomes. Methods of dissemination may include, but are not limited to, website and email outreach.

<b>Responsible Party:</b>	Community Development Department, Housing Division
<b>Funding Source:</b>	General Fund
<b>Timeframe:</b>	Disseminate information to all affordable housing complexes by July 2023, and refer property managers with an interest in smoke-free housing to Butte County Public Health on an annual basis

**Policy 1.7:** In alignment with the Affirmatively Furthering Fair Housing: Adequate Sites Inventory section in Chapter 5, move toward more balanced and integrated living patterns by 1) continuously evaluating and addressing racially and ethnically concentrated areas of poverty, concentrations of high segregation and poverty, and concentrations of affluence; and 2) assisting areas with the findings of “less positive economic outcome” or “furthest proximity to jobs”.

*(Source: HCD AFFH Data Resources and Mapping Tool).*

**Action 1.7.1:** Continue to use the HCD AFFH Data Resources and Mapping Tool to biennially evaluate racially and ethnically concentrated areas of poverty, concentrations of high segregation and poverty, and concentrations of affluence in the city. This evaluation will inform the city’s community development and housing work as well as the site inventory in the next Housing Element update. The HCD AFFH Data Resources and Mapping Tool can be found at: <https://affh-data-resources-cahcd.hub.arcgis.com/>

<b>Responsible Party:</b>	Community Development Department, Planning and Housing Divisions
<b>Funding Source:</b>	General Fund, Housing Program Income
<b>Timeframe:</b>	Conduct an evaluation by June 2024 and continue throughout the planning period

**Action 1.7.2:** Conduct specific, targeted outreach to Census Tracts 2.02, 3, 5.01, 5.02, 6.03, 6.04, 10, 11, 12, and 13 which have block groups with the finding “less positive

economic outcome” or “furthest proximity to jobs” (*HCD AFFH Data Resources and Mapping Tool: 2021 TCAC; 2017 U.S. Department of Housing and Urban Development*). To the extent feasible, outreach will be bilingual in English and Spanish. Outreach will include preparation and distribution of a flyer in collaboration with the Butte College Small Business Development Center. The flyer will advertise small business counseling for low-income individuals who own or want to start their own business. Provide the flyer for outreach to local businesses, employers, health care, restaurants, schools, stores, and organizations in these census tracts.

<b>Responsible Party:</b>	Community Development Department, Planning and Housing Divisions
<b>Funding Source:</b>	General Fund; Community Development Block Grant (CDBG)
<b>Timeframe:</b>	Start conducting outreach efforts by June 2024 and continue at least annually throughout the planning period

**Policy 1.8:** Move toward more balanced and integrated living patterns by dedicating resources to neighborhoods with low median incomes, high poverty rates, smaller and fewer parks and preserves, and/or concentrations of poor housing conditions, vacancies, and limited infrastructure. Resources will improve conditions, quality of life, and access to opportunity for residents.

As detailed in the Income section of the Assessment of Fair Housing in Chapter 4, these neighborhoods include The Avenues, North Campus, West Campus, South Campus, Southwest Chico, Chapman/Mulberry, and Downtown Chico (Census Tracts 5.02, 6.03, 6.04, 10, 11, 12, and 13).

**Action 1.8.1:** Use Regional Early Action Planning of 2021 (REAP 2.0) to fund the North Campus Cedar Street Improvement Project in Census Tract 6.04. This project would facilitate the re-development of underutilized sites and infill along the North Cedar Street corridor with higher-density projects consistent with the zoning code. Public improvements undertaken to facilitate this re-development would include the reconstruction of asphalt and installing continuous bike lanes, curbs, gutter, and sidewalks where there are currently gaps. North Cedar Street is used by pedestrians and cyclists to reach Chico State University and Downtown Chico. The anticipated benefits include lowering greenhouse gas emissions, public health improvements, and the improved overall character of the corridor.

<b>Responsible Party:</b>	Community Development Department, Planning Division
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**Funding Source:** Regional Early Action Planning of 2021 (REAP 2.0)

**Timeframe:** Complete the North Campus Cedar Street Improvement Project in Census Tract 6.04 by December 2025

**Action 1.8.2:** Conduct specific, targeted outreach to The Avenues, North Campus, West Campus, South Campus, Southwest Chico, Chapman/Mulberry, and Downtown Chico (Census Tracts 5.02, 6.03, 6.04, 10, 11, 12, and 13) to assist households in connecting to the City’s Tenant Based Rental Assistance (TBRA) program. To the extent feasible, outreach will be bilingual in English and Spanish. Outreach will include preparing a flyer in collaboration with the community-based organizations that make referrals to the TBRA program and providing the flyer to local businesses, employers, health care, restaurants, schools, stores, and organizations in The Avenues, North Campus, West Campus, South Campus, Southwest Chico, Chapman/Mulberry, and Downtown Chico areas (Census Tracts 5.02, 6.03, 6.04, 10, 11, 12, and 13). This Action may be completed in concert with **Action 1.9.4**.

**Responsible Party:** Community Development Department, Planning and Housing Divisions

**Funding Source:** General Fund; Community Development Block Grant (CDBG)

**Timeframe:** Start conducting outreach efforts by June 2024 and continue at least annually throughout the planning period

**Action 1.8.3:** As part of the Barber Yard Specific Plan, enhance recreational opportunities in the Southwest Chico neighborhood (Census Tract 12) by adding a variety of parks and recreation facilities. This may include, but is not limited to, a historic ballpark, dog park, pocket parks, and event and picnic table areas along with an indoor athletics facility. Approximately 4.5 acres of new public parks would be open to the general public as well as residents that live in the Barber/Southwest Chico neighborhood (Census Tract 12). The remaining parks and the athletics facility, approximately 10 acres, may require a fee or membership.

**Responsible Party:** Community Development Department, Planning and Housing Divisions

**Funding Source:** Provided as part of development of the project site

**Timeframe:** Development of the parks and recreation facilities as part of the Barber Yard Specific Plan to start by December 2027

**Policy 1.9:** Move toward more balanced and integrated living patterns by dedicating resources to high segregation and poverty areas, Census Tracts 3 and 13. Resources will improve conditions, quality of life, and access to opportunity for residents.

As detailed in the High Segregation and Poverty section of the Assessment of Fair Housing in Chapter 4, Census Tracts 3 and 13 are areas of high segregation and poverty as defined by the 2021 TCAC/HCD Opportunity Maps.

**Action 1.9.1:** An estimated 12.0-15% of Chapman/Mulberry's (Census Tract 13) households are overcrowded, which refers to more than 1.0 persons per room. This is the only census tract in the city with overcrowding that is higher than the statewide average of 8.2% or fewer households (*HCD AFFH Data Resources and Mapping Tool: 2015 Healthy Communities Data and Indicators Project*). Development of new affordable multi-family housing will help to mitigate overcrowding by providing additional rent-restricted housing units for households. The City of Chico will collaborate with Jamboree Housing and the Jesus Center to develop an affordable multi-family housing project in Census Tract 13 (see Site 12 in the Adequate Sites Inventory). This is in addition to the project currently under construction at 1297 Park Avenue as of 2023.

<b>Responsible Party:</b>	Community Development Department, Planning and Housing Divisions
<b>Funding Source:</b>	Community Development Block Grant (CDBG); HOME; Affordable Housing Funds; other State funding
<b>Timeframe:</b>	Begin development of the new affordable multi-family housing project (Site 12 in the Adequate Sites Inventory) by June 2030

**Action 1.9.2:** Use Community Development Block Grant (CDBG) and/or other funding to provide public improvements targeted to lower income neighborhoods, such as Census Tracts 3. Improvements for Census Tract 3 will include road rehabilitation for East Avenue and Rio Lindo Avenue from Cohasset Road to the Esplanade, and a multi-modal "complete streets" facility for North Esplanade including bicycle, pedestrian, and transit improvements, new bus stops, storm drain facilities, and street lighting, and new sewer laterals to all parcels not already served.

<b>Responsible Party:</b>	Community Development Department, Planning and Housing Divisions; Public Works Department, Engineering Division
<b>Funding Source:</b>	Community Development Block Grant (CDBG); Chico Capital Improvement Program

**Timeframe:** Complete East Avenue and Rio Lindo Avenue road rehabilitation and North Esplanade “complete streets” facility public improvements for Census Tract 3 by December 2025

**Action 1.9.3:** Use Community Development Block Grant (CDBG) and/or other funding to provide public improvements targeted to lower income neighborhoods, such as Census Tracts 13. Improvements for Census Tract 13 will include road rehabilitation for East 20<sup>th</sup> Street from Park Avenue to the entrance of the mall, a bicycle and pedestrian bridge over East 20<sup>th</sup> Street to close the final gap of the entire Bikeway 99 network, and congestion relief for Hegan Lane including reconstruction, bicycle lanes, roundabouts, and traffic lights.

**Responsible Party:** Community Development Department, Planning and Housing Divisions; Public Works Department, Engineering Division

**Funding Source:** Community Development Block Grant (CDBG); Chico Capital Improvement Program

**Timeframe:** Complete East 20<sup>th</sup> Street road rehabilitation and the bicycle and pedestrian bridge, as well as Hegan Lane congestion relief public improvements for Census Tract 13 by December 2024

**Action 1.9.4:** Census Tracts 3 and 13 both have higher rates of poverty than the city as a whole (*HCD AFFH Data Resources and Mapping Tool: 2015-2019 American Community Survey*). Conduct specific, targeted outreach to Census Tracts 3 and 13 to assist households in connecting to the City’s Tenant Based Rental Assistance (TBRA) program. To the extent feasible, outreach will be bilingual in English and Spanish. Outreach will include preparing a flyer in collaboration with the community-based organizations that make referrals to the TBRA program and providing the flyer to local businesses, employers, health care, restaurants, schools, stores, and organizations in Census Tracts 3 and 13. This Action may be completed in concert with **Action 1.8.2**.

**Responsible Party:** Community Development Department, Planning and Housing Divisions

**Funding Source:** General Fund; Community Development Block Grant (CDBG)

**Timeframe:** Start conducting outreach efforts by June 2024 and continue at least annually throughout the planning period

**Action 1.9.5:** Census Tract 13 is one of the eight census tracts in the city to have a larger percentage of children in single parent female households than the city as a whole (*HCD AFFH Data Resources and Mapping Tool: 2015-2019 American Community Survey*). Conduct specific, targeted outreach to Census Tracts 3 and 13 to direct households to resources provided by childcare assistance services such as Valley Oak Children’s Services and Associate Students Child Development Lab (ASCDL) (ASCDL is prioritized for Chico State University low-income student families). To the extent feasible, outreach will be bilingual in English and Spanish. Outreach will include preparing a flyer in collaboration with these organizations and providing the flyer to local businesses, employers, health care, restaurants, schools, stores, and organizations in Census Tracts 3 and 13. This Action may be completed in concert with **Action 1.9.4**.

**Responsible Party:** Community Development Department, Planning and Housing Divisions

**Funding Source:** General Fund

**Timeframe:** Start conducting outreach efforts by June 2024 and continue at least annually throughout the planning period

**Action 1.9.6:** The northern portion of Census Tract 3 from Lassen Avenue to Sycamore Creek does not have walkable access to healthy food sources such as a community garden, farmers’ market, or grocery store (*City of Chico, Draft Environmental Justice Existing Conditions Report, May 2022*). The City of Chico will include a community garden for residents as part of the affordable Toneya Senior Apartments project in Census Tract 3. The City will also collaborate with local partners to develop a new public community garden and/or farmers’ market in Census Tract 3. This may include partnering with Chico Area Recreation and Park District (CARD) for public community garden improvements at DeGarmo Park, and/or the Chico Certified Farmers’ Market for a new farmers’ market at DeGarmo Park, the Lassen View Promenade shopping center at East Lassen Avenue and the Esplanade, or another location.

**Responsible Party:** Community Development Department, Planning and Housing Divisions

**Funding Source:** General Fund

**Timeframe:** Complete the community garden for residents of the affordable Toneya Senior Apartments project in Census Tract 3 by June 2024. In collaboration with Chico Area



Recreation and Park District (CARD) and/or the Chico Certified Farmers' Market, develop a new public community garden and/or farmers' market in Census Tract 3 by June 2028.

**Goal 2: Increase collaboration with other governmental entities and organizations in Butte county to address the long-term impacts to housing from the Camp Fire and other subsequent fires/natural disasters.**

**Policy 2.1:** Support and promote discussions on housing issues throughout Butte county.

**Action 2.1.1:** Participate in collaborative discussions with other governmental entities and appropriate organizations in Butte county and share relevant data and findings from the City of Chico Housing Element, and other housing studies.

**Responsible Party:** Community Development Department, Housing Division

**Funding Source:** Housing Program Income, General Fund

**Time Frame:** Ongoing throughout planning period

**Goal 3: Support production of housing that is affordable to low-income households.**

**Policy 3.1:** Leverage federal and state programs, as well as City resources, to produce affordable housing. Consideration of affordable housing in higher resource areas will be prioritized.

**Action 3.1.1:** Leverage federal and state funding to produce 548 units of affordable rental housing by 2030.

**Responsible Party:** Community Development Department, Housing Division

**Funding Source:** HOME, CDBG, CDBG-DR, Affordable Housing Fund, Low-Income Housing Tax Credits, Permanent Local Housing Allocation, and State funding as available

**Timeframe:** Annually, the City will assess the level of local funds available, and when feasible, publish a Request for Proposals for the development of new affordable housing.

**Policy 3.2:** Foster community awareness of housing issues, production, and resources.

**Action 3.2.1:** Annually complete a Housing Element review and provide to City Council and the State Department of Housing and Community Development.

**Responsible Party:** Community Development Department, Housing and Planning Divisions

**Funding Source:** Housing Program Income, General Fund  
**Timeframe:** Annually

**Action 3.2.2:** Update the Affordable Housing Resource Guide as new projects are developed.

**Responsible Party:** Community Development Department, Housing Division  
**Funding Source:** Housing Program Income  
**Timeframe:** Ongoing, subject to the development of new projects

**Action 3.2.3:** Continue the City's information and outreach efforts on the benefits of smaller residential units and the development process for such units, including Accessory Dwelling Units (ADUs) and micro-housing (structures on permanent foundations)

**Responsible Party:** Community Development Department, Planning Division  
**Funding Source:** General Fund, State Grant Funding (e.g., SB2, LEAP, etc.)  
**Timeframe:** Throughout the planning period

**Action 3.2.4:** Investigate and monitor trends of short-term rentals in Chico to ensure they do not substantially inhibit the availability of housing for local renters or potential homebuyers.

**Responsible Party:** Community Development Department, Housing and Planning Divisions  
**Funding Source:** General Fund  
**Timeframe:** Initiate by June 2024 and on-going thereafter

**Policy 3.3:** Provide incentives to affordable housing developers and property owners that increase the production of affordable units

**Action 3.3.1:** Update the City's Density Bonus ordinance to increase the allowable density bonus for affordable housing from 35% to 50% per AB 2345. Projects with all units restricted to affordable rents will be eligible for a density bonus of up to 80%.

**Responsible Party:** Community Development Department, Planning Division  
**Funding Source:** General Fund  
**Timeframe:** Complete by June 2024

**Action 3.3.2:** Highlight existing City incentives found in the City’s Land Use Element to affordable housing developers by publishing them on the City’s webpage and sharing them with interested parties who approach the City with an interest in developing affordable housing.

**Responsible Party:** Community Development Department, Planning Division and Housing Divisions

**Funding Source:** General Fund

**Timeframe:** Ongoing throughout the planning period

**Action 3.3.3:** Identify funding sources that can be used to subsidize the cost of construction of ADUs for those that offer affordable rents for very low-, low-, or moderate-income households with recorded regulatory restrictions on rents. If determined feasible, implement a subsidy program with a goal to assist at least two households per year.

**Responsible Party:** Community Development Department, Housing Division

**Funding Source:** Housing Program Income

**Timeframe:** Identify funding sources by December 2023. If feasible, establish and advertise the availability of the subsidy program by December 2024.

**Action 3.3.4:** Contact landlords regarding interest in the use of ADUs for low-income rentals, and the use of Housing Choice Vouchers (Section 8) to supplement rents. Provide information on the City’s website and at the Community Development counter to help potential landlords access Section 8 resources from the Housing Authority of the County of Butte. These will include a handout on the Section 8 program that can be provided to landowners who pull building permits for ADUs, a phone number to call to be placed on the vacant unit list maintained by the Housing Authority, and website links for the Housing Authority and HUD.

**Responsible Party:** Community Development Department, Housing Division

**Funding Source:** CDBG, Housing Program Income

**Timeframe:** Complete by December 2024

**Action 3.3.5:** Identify funding sources that can be used to update the City’s portfolio of pre-approved ADU building plans to ensure they are compliant with the new California Building Code standards. Specific updates to the California Building Code have not been finalized but are forthcoming and may result in the current pre-approved ADU plans becoming non-compliant.

**Responsible Party:** Community Development Department, Building and Planning Divisions

**Funding Source:** HCD Grants, General Fund

**Timeframe:** The next update to the California Building Code is scheduled to be published January 2023. If changes to the pre-approved plans are needed, the City will apply for REAP-2 funds through HCD to support this update.

**Action 3.3.6:** The City will amend the Residential and Commercial Land Use Tables in the City's Municipal Code to add a footnote which states that for the residential and commercial zoning districts where the allowable density is 20 or 22 dwelling units per acre, multi-family units are permitted to develop up to 30 dwelling units per acre if a minimum of 15% of the units are deed restricted housing affordable to low-incomes at or below 80% of AMI.

**Responsible Party:** Community Development Department, Planning Division

**Funding Source:** General Fund

**Timeframe:** Complete by June 2024

**Quantified Objective:** Approve 437 Low- or Very Low-Income units

**Action 3.3.7:** The City will amend its Municipal Code to allow residential uses by-right in the Industrial Office Mixed Use (IOMU) zoning district, with allowable densities of up to at least 35 units per acre.

**Responsible Party:** Community Development Department, Planning Division

**Funding Source:** General Fund

**Timeframe:** Complete by June 2024

**Quantified Objective:** Approve 501 Low- or Very Low-Income units

#### **Goal 4: Promote construction of a wide range of housing types.**

**Policy 4.1:** Enable sufficient housing construction to meet future needs.

**Action 4.1.1.:** Develop and implement a formal ongoing Unit Production Evaluation pursuant to Government Code section 65863 (No Net Loss law) and maintain an inventory of vacant and underutilized parcels that could potentially be developed with housing. The Unit Production Evaluation will track the number of extremely low-, very low-, moderate- and above moderate-income units constructed to calculate the City's

remaining unmet Regional Housing Needs Allocation (RHNA). It will also track the number of units built on the identified sites of the Site Inventory to determine the remaining site capacity by income category. If sites identified in the Housing Element Sites Inventory to meet RHNA are developed with non-residential uses during the Housing Element planning period, the Unit Production Evaluation will include a plan to replace those sites, which may involve identification of new residentially-zoned sites, rezoning of non-residential sites, and/or annexation of new sites. The evaluation procedure will be updated annually and when sites identified in the Housing Element to meet RHNA are approved for development.

**Responsible Party:** Community Development Department, Planning and Housing Divisions

**Funding Source:** General Fund

**Timeframe:** Complete by June 2024

**Policy 4.2:** Promote a mix of dwelling types and sizes throughout the City.

**Action 4.2.1:** Implement the Corridor Opportunity Site Overlay through the use of incentives found in the City's Land Use Element and flexibility in development.

**Responsible Party:** Community Development Department, Planning Division

**Funding Source:** General Fund

**Timeframe:** Ongoing throughout the planning period

**Quantified Objective:** Approve 132 Extremely Low-, Very Low- or Low-Income units, and two moderate units

**Action 4.2.2:** Implement the Downtown Element policy framework to support higher density, mixed-use residential development in Downtown.

**Responsible Party:** Community Development Department, Planning Division

**Funding Source:** General Fund

**Timeframe:** Ongoing throughout the planning period

**Action 4.2.3:** Continue to implement the Traditional Neighborhood Development (TND) regulations found in the City's Municipal Code that promote higher density, vertical and horizontal mixed use, and greater flexibility in meeting parking requirements.

**Responsible Party:** Community Development Department, Planning Division

**Funding Source:** General Fund  
**Timeframe:** Ongoing throughout the planning period  
**Quantified Objective:** Approve 300 Above Moderate-Income housing units

**Action 4.2.4:** Amend Table LU-2 of the General Plan and Section 19.52.080(D)(1) of the Municipal Code to clarify that all residential and commercial zoning districts with the - COS zoning overlay benefit from higher allowable residential densities, not just sites with mixed use designations.

**Responsible Party:** Community Development Department, Planning Division  
**Funding Source:** General Fund  
**Timeframe:** Complete by June 2024

**Action 4.2.5:** As part of a future Municipal Code Update, investigate opportunities to apply the Corridor Opportunity Site (COS) overlay to additional areas and corridors within the City, with an emphasis on Transit Priority Areas and Major Transit Stops.

**Responsible Party:** Community Development Department, Planning Division  
**Funding Source:** General Fund  
**Timeframe:** Complete by June 2025

**Action 4.2.6:** Complete a Market Conditions Analysis to determine the feasibility of redevelopment of a 2.44-acre site with a mixed-use residential development in Downtown Chico. The 2.44-acre site consists of a 1.61-acre City-owned parking lot (Lot 5) and two parcels totaling 0.83 acres owned by Chico State Enterprises. In addition, complete a broader study that identifies other City-owned parking lots within Central City Opportunity Sites that will be considered for redevelopment with housing. Implement feasible recommendations identified in the studies throughout the planning period.

**Responsible Party:** Community Development Department, Planning Division  
**Funding Source:** General Fund  
**Timeframe:** Complete Market Conditions Analysis for Lot 5 by January 2024. Complete broader study identifying other City-owned lots for redevelopment by June 2025



**Action 4.2.7:** Promote housing construction by reducing and allowing flexibility in minimum parking requirements.

**Responsible Party:** Community Development Department, Planning Division  
**Funding Source:** General Fund  
**Timeframe:** Complete by December 2025

**Action 4.2.8:** Survey non-profit housing development organizations regarding their interest in the acquisition and improvement of existing mobile home parks. Partner with interested parties to obtain funding to acquire and/or conserve mobile home parks.

**Responsible Party:** Community Development Department, Housing and Planning Divisions  
**Funding Source:** State HCD, General Fund, local housing funds  
**Timeframe:** Complete initial outreach by December 2027

**Goal 5:** Encourage the creation of housing for people with special needs, including youth, seniors, and those with disabilities, and people experiencing homelessness.

**Policy 5.1:** Assist in the provision of housing for youth, seniors, people with disabilities, and those experiencing homelessness.

**Action 5.1.1:** Expedite project processing and reduce regulatory barriers to the development of specialized housing by working cooperatively with non-profit, charitable, and educational organizations, as described in the Land Use Element, Action LU-2.3.1.

**Responsible Party:** Community Development Department, Planning and Housing Divisions  
**Funding Source:** General Fund and Housing Program Income  
**Timeframe:** Ongoing throughout planning period

**Action 5.1.2:** Encourage the development of a variety of housing options for seniors, youth, those with disabilities, and people experiencing homelessness by partnering with developers on the funding of these units.

**Responsible Party:** Community Development Department, Housing Division  
**Funding Source:** HOME, CDBG, CDBG-DR, Low-Income Housing Tax Credits, Permanent Local Housing Allocation, Affordable Housing Fund, HCD funding sources

**Timeframe:** Ongoing throughout the planning period

**Quantified Objective:** Assist 175 Extremely Low-, Very Low- or Low-Income units and 3 Moderate Income units

**Action 5.1.3:** Continue Tenant Based Rental Assistance (TBRA) to serve an estimated 120 households at risk of homelessness by providing deposit and monthly rental assistance for up to 24 months.

**Responsible Party:** Community Development Department, Housing Division

**Funding Source:** HOME

**Timeframe:** 2030

**Quantified Objective:** Assist 120 households at-risk of homelessness

**Action 5.1.4:** Complete a feasibility study of Single Room Occupancy (SRO) or other small unit developments, especially through the conversion of motels/hotels which are vacant or underutilized and assist in identifying potential funding resources. Implement identified strategy throughout the planning period. Inform developers of availability of parking reductions and applicability of reduced development impact fees.

**Responsible Party:** Community Development Department, Planning and Housing Divisions

**Funding Source:** Project Homekey, HHAP, HOME, Affordable Housing Fund

**Timeframe:** Complete feasibility study by December 2026

**Action 5.1.5:** In order to enhance fair housing access for persons with disabilities and others, the City will revise the Municipal Code Section 19.24.040 so that sub-section E that reads “The design, location, size, and operating characteristics of the proposed use are compatible with the existing and future land uses in the vicinity”, does not apply to residential projects.

**Responsible Party:** Community Development Department, Planning Division

**Funding Source:** General Funds

**Timeframe:** Complete by December 2025

**Action 5.1.6:** Amend the Municipal Code to include a Reasonable Accommodation procedure for persons with a disability to request a variance from zoning or building code

standards that accommodates their disability and does not require discretionary review. The procedure will involve a ministerial review that does not involve approval from an elected or appointed body as is the case for variances, conditional use permits, or special use permits. A written determination on whether to grant or deny the request for reasonable accommodation will be issued within 30 days of the application being deemed complete. The determination will be based on objective findings, including: 1) verification that the requested accommodation will benefit an individual with a disability; 2) whether the requested accommodation is necessary for the requesting individual to have equal opportunity to use and enjoyment of the housing and housing-related services; 3) whether the requested accommodation would impose an undue financial or administrative burden on the City; and 4) whether the requested accommodation would require a fundamental alteration in the nature of a State or local law, including but not limited to land use and zoning. The procedure will also include a process for appeal of the determination, supported by a written decision with findings and supporting documentation for the findings.

**Responsible Party:** Community Development Department, Planning Division  
**Funding Source:** General Funds  
**Timeframe:** Complete by December 2025

**Policy 5.2:** Continue to work with Chico State University to address the housing needs of students.

**Action 5.2.1:** Encourage Chico State University to continue to engage and involve the community in campus housing plans.

**Responsible Party:** Community Development Department, Planning and Housing Divisions  
**Funding Source:** General Fund, Housing Program Income  
**Timeframe:** Ongoing throughout the planning period; meet to coordinate plans biennially

**Goal 6: Improve, rehabilitate and revitalize existing homes and neighborhoods.**

**Policy 6.1:** Maintain and enhance the character and affordable nature of Chico's older neighborhoods.

**Action 6.1.1:** Continue to support planning at the neighborhood scale by engaging with neighborhood groups as appropriate and reviewing developments for compatibility with adopted neighborhood plans.

**Responsible Party:** Community Development Department, Planning Division  
**Funding Source:** General Fund  
**Timeframe:** Ongoing throughout the planning period

**Action 6.1.2:** Conduct a housing conditions survey in the recently annexed Chapman/Mulberry neighborhood to inform future Housing Element Actions.

**Responsible Party:** Community Development Department, Planning and Housing Division  
**Funding Source:** LEAP  
**Timeframe:** Complete survey by September 2023

**Policy 6.2:** Minimize the loss of existing assisted units because of conversion to market-rate units or physical deterioration.

**Action 6.2.1.** Maintain the City’s ongoing evaluation for affordable units at risk of conversion to market rate due to expiring covenants. While there are not any projects with expiring covenants through 2030 (all have additional local covenants or have contracts that were recently extended), the City will continue to evaluate and track units on an annual basis, and whenever needed, will communicate with property owners regarding their noticing requirements to tenants under Government Code Section 65863.10, and will develop a proactive plan to preserve affordable rents at these properties.

**Responsible Party:** Community Development Department, Housing Division  
**Funding Source:** Affordable Housing Fund  
**Timeframe:** Ongoing throughout the planning period

**Action 6.2.2:** Provide funding to support the conservation of existing multi-family affordable housing projects with City affordability covenants.

**Responsible Party:** Community Development Department, Housing Division  
**Funding Source:** Permanent Local Housing Allocation, HOME, Affordable Housing Fund  
**Timeframe:** Ongoing throughout the planning period  
**Quantified Objective:** 60 very low- and low-income units

**Policy 6.3:** Support and guide the rehabilitation of and reinvestment in existing residential buildings.

**Action 6.3.1:** Continue the City’s program that connects low-income owner-occupied units to City sewer primarily in Nitrate Compliance Areas.

**Responsible Party:** Community Development Department, Housing Division

**Funding Source:** CDBG

**Timeframe:** Continue an annual allocation of CDBG funds within the HUD Annual Action Plan until it is determined the program is no longer needed

**Quantified Objective:** Assist 40 Very Low- or Low-Income units

**Action 6.3.2:** Continue to monitor and inventory housing and infrastructure conditions in Chico’s older neighborhoods to help direct investment. As identified in the inventory, upgrade and provide infrastructure consistent with adopted neighborhood plans, and pursue funding as appropriate and available.

**Responsible Party:** Community Development Department, Housing Division

**Funding Source:** General Fund, State grants

**Timeframe:** Ongoing throughout the planning period

**Policy 6.4:** Use the City’s Code Enforcement Division to facilitate neighborhood improvements.

**Action 6.4.1:** Continue the City’s Code Enforcement efforts to preserve existing neighborhoods.

**Responsible Party:** Community Development Department, Code Enforcement Division

**Funding Source:** General Fund, CDBG

**Timeframe:** Ongoing throughout the planning period

**Goal 7: Increase home ownership.**

**Policy 7.1:** Expand homeownership opportunities for first-time homebuyers.

**Action 7.1.1:** Pursue resources to offer self-help housing to low-income first-time homebuyers by partnering with organizations such as Community Housing Improvement Program and Habitat for Humanity.

**Responsible Party:** Community Development Department, Housing Division  
**Funding Source:** HOME, Housing Program Income  
**Timeframe:** Provide financial assistance to develop one self-help project by June 2027  
**Quantified Objective:** Assist 5 Low- or Moderate-Income single-family houses

**Goal 8: Remove governmental constraints to the development of housing, emergency shelters and low barrier navigation centers.**

**Policy 8.1:** Ensure the Chico Municipal Code is consistent with State legislation pertaining to emergency shelters and low barrier navigation centers.

**Action 8.1.1:** Amend the Chico Municipal Code regarding Emergency Shelters to require parking only for staff working at the shelter and not the guests of the shelter, per AB 139.

**Responsible Party:** Community Development Department, Planning Division  
**Funding Source:** General Fund  
**Timeframe:** Complete by June 2024

**Action 8.1.2:** Amend the Chico Municipal Code to state that Low Barrier Navigation Centers, as defined by AB 101, are allowed by right in areas zoned for mixed use and non-residential zones permitting multi-family uses. This amendment will expire on January 1, 2027, when the State statute expires.

**Responsible Party:** Community Development Department, Planning Division  
**Funding Source:** General Fund  
**Timeframe:** Complete by June 2024

**Action 8.1.3:** In order to meet the requirements of AB 2339, amend the Chico Municipal Code to identify one or more other zoning districts that permit residential uses, in addition to the Quasi-Public (PQ) zoning district, where Emergency Shelters will be allowed by-right. Conduct an analysis to ensure that there is adequate land within these additional zoning districts to meet the estimated needs of unhoused residents as reflected in the most recent Homeless Point-In-Time Count, and includes sites near amenities and services that serve people experiencing homelessness, as required by AB 2339 and AB 139. Make other amendments as appropriate to address development standards and definitions.

**Responsible Party:** Community Development Department, Planning Division

**Funding Source:** General Fund  
**Timeframe:** Complete by December 2024

**Action 8.1.4:** The City will expedite processing of subdivisions, lot splits, and development agreements that will facilitate creation of new developable parcels on all sites, including sites greater than 10 acres that are included in the Lower Income Site Inventory, as well as housing for special needs and farmworker households. Priority project processing, deferral of development impact or permit fees, flexibility in development standards, and support for infrastructure upgrades as allowed by Land Use Element, Action LU-2.3.1 will be applied to proposals that provide low income affordable, special needs, and farmworker housing on these sites.

**Responsible Party:** Community Development Department, Planning Division  
**Funding Source:** General Fund  
**Timeframe:** Implement over Housing Element Planning Period (2022-2030)

**Policy 8.2:** Ensure the Chico Municipal Code is consistent with State legislation pertaining to the priority provision of sewer services to developments serving lower income households, per California Government Code (CGC) 65589.7.

**Action 8.2.1:** Amend the Chico Municipal Code to include specific objective standards for provision of sewer services in conformance with CGC 65589.7 and to state that the City shall not deny sewer services to developments serving lower income households unless the City can make findings under CGC 65589.7(c).

**Responsible Party:** Community Development Department, Planning Division  
**Funding Source:** General Fund  
**Timeframe:** Complete by June 2024

## **Goal 9: Encourage energy efficiency in housing.**

**Policy 9.1:** Continue to enforce energy standards required by the State Energy Building Regulations and California Building Code and reduce long-term housing costs through planning and applying energy conservation measures.

**Action 9.1.1:** Effectively implement the California Building Code (CALGreen) through staff training to achieve improved energy efficiency and reduce waste.

**Responsible Party:** Community Development Department, Building Division



**Funding Source:** General Fund

**Timeframe:** Update implementation strategy and train staff as California Building Code amendments occur

**Action 9.1.2:** Consistent with the City’s adopted Climate Action Plan Update, expand the City’s Residential Energy Conservation Ordinance that requires installation of cost-effective energy efficiency measures of any residential property that is sold, exchanged, or transferred in the city of Chico, to also include residences that are permitted for substantial rehabilitation (more than 50% of existing floor area).

**Responsible Party:** Community Development Department, Planning and Building Divisions

**Funding Source:** General Fund

**Timeframe:** Complete by December 2024

## HOUSING PROGRAM CONSISTENCY WITH THE GENERAL PLAN

Government Code, Section 65583(a)(7) requires that the Housing Element identify the means by which the Housing Program, including its Goals, Policies, and Actions, will be consistent with other General Plan Elements and community goals. Responsible parties within the City organization are listed for each action above. The Community Development Department, Planning Division, is responsible for creating, implementing, and tracking progress on the 2030 General Plan. The Community Development Department, Housing Division, is responsible for administering the City’s housing programs, including federal CDBG and HOME funds, and the Affordable Housing Fund, which holds loan repayments from the former RDA housing loan portfolio. Both the Planning and Housing Divisions are located within the Community Development Department, and closely collaborated on the Housing Element update to ensure consistency with the other General Plan Elements. The Goals, Policies, and Actions in this Housing Element update support and compliment the Chico 2030 General Plan Goals, Policies, and Actions, specifically the Land Use, Downtown, Economic Development, and Parks, Public Facilities, and Services Elements.

In addition to preparing planning documents, the Community Development Department prepares annual General Plan and Housing Element progress reports and presents them to the City Council. Housing Element progress is also provided to the State Department of Housing and Community Development through the filing of the Annual Progress Report (APR) at that time. These annual reviews provide opportunity for City staff, the City Council, and the general public to review progress and consistency between the General Plan Elements.

## QUANTIFIED OBJECTIVES

Based on the policies and actions outlined above, the following objectives in **Figure 2** represent a reasonable expectation of the maximum number of housing units that will be produced and

rehabilitated during this Housing Element cycle. Rehabilitation refers to low-income owner-occupied homes and multi-family units that are the focus of rehabilitation activities., As there are no identified properties at risk of converting to market-rate units during this planning cycle, preservation efforts are not included in these objectives.

**Figure 2: City of Chico, Quantified Objectives Table, 2022-2030**

	Income Level					
	Extremely Low-	Very Low-	Low	Moderate	Above-Moderate	Total
<b>New Construction</b>	114	277	57	7	1,000	1,455
<b>Rehabilitation (Single Family)</b>	0	10	30	0	0	40
<b>Conserved</b>	0	30	30	0	0	60
<b>Total</b>	114	317	117	7	1,000	1,555

## Chapter 4: Housing Needs Assessment



## INTRODUCTION

In order to determine the housing needs for the city of Chico, a comprehensive assessment of demographic, economic, and housing market data was conducted. This provides a baseline for identifying the City's greatest housing needs, and forms the development of Goals, Policies, and Actions. Data sources for this assessment included the U.S. Census Bureau, Department Housing and Urban Development, and Department of Agriculture, the California Departments of Development Services, Economic Development, Education, Finance, Housing and Community Development (HCD), the Butte County Association of Governments, Sierra North Valley Realtors Multiple Listing Service, REIS Reports, National Housing Preservation Database and the City of Chico.

The Housing Needs Assessment has been organized by topic into the following sections. In response to recent State Housing Element affirmative fair housing legislation, this update to the Housing Needs Assessment includes an Assessment of Fair Housing.

- Assessment of Fair Housing
- Demographics
- Employment
- Household Characteristics
- Housing Stock Characteristics
- Rental Market
- For Sale Market
- At-Risk Units
- Housing Affordability
- Extremely Low-Income Households
- Special Needs Households

## AFFIRMATIVELY FURTHERING FAIR HOUSING: ASSESSMENT OF FAIR HOUSING

With the passage of AB 686, state and local public agencies are required to affirmatively further fair housing through deliberate action to explicitly address, combat, and relieve disparities resulting from past and current patterns of segregation to foster more inclusive communities. AB 686 requires all Housing Elements due January 1, 2021 or later to contain an Assessment of Fair Housing.

The Assessment of Fair Housing considers the elements and factors that cause, increase, contribute to, maintain, or perpetuate segregation, racially or ethnically concentrated areas of poverty, significant disparities in access to opportunity, and disproportionate housing needs. The assessment includes identification and analysis of patterns and trends, local data and knowledge, other relevant factors, and conclusions and summary of issues (*California State Department of Housing and Community Development, Affirmatively Furthering Fair Housing, 2021*).

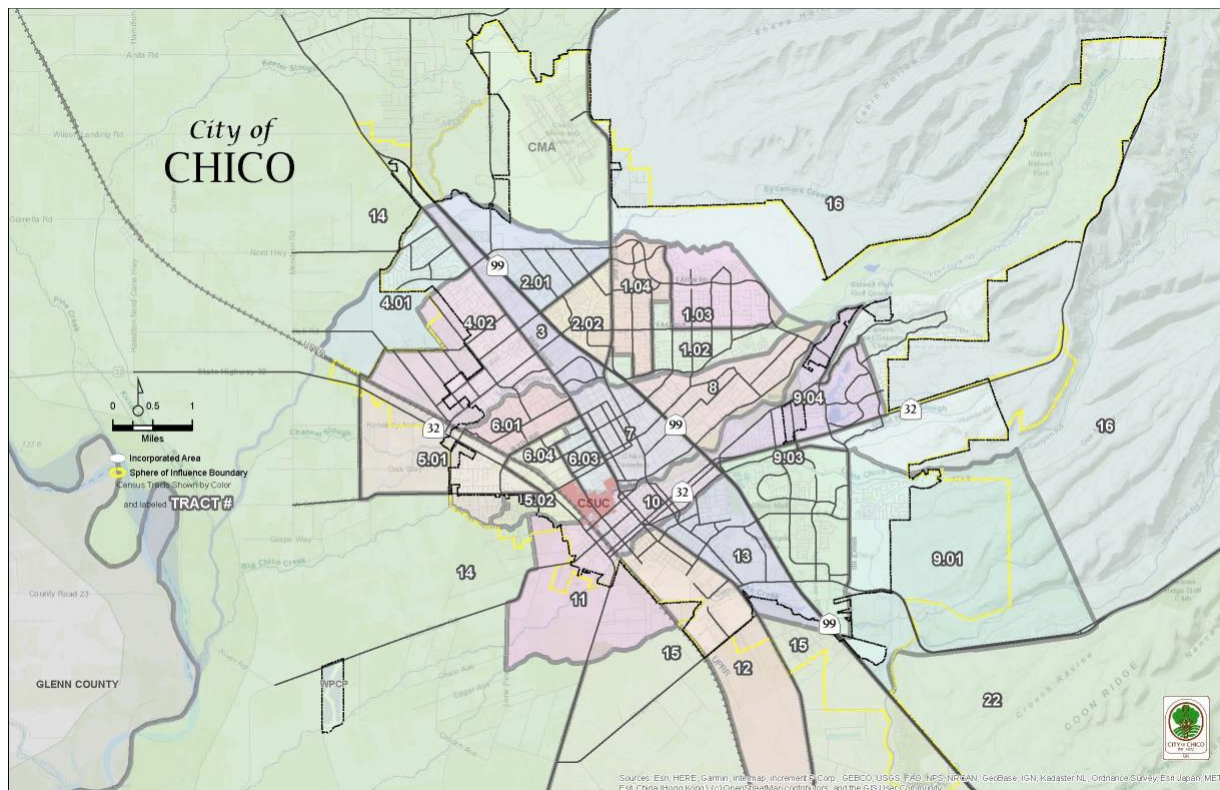
This Housing Element primarily uses quantitative and mapping data at the city, county, and census tract levels for analysis. Counties are subdivided into census tracts which are uniquely numbered with a numerical code. The city of Chico is comprised of 25 census tracts. Comparing



data at the census tract level allows identification of trends and findings for specific neighborhoods and areas of the city.

**Figure 3: City of Chico, Census Tracts Map, 2021** shows the labeled census tracts in the city of Chico as of 2021 for reference through the Assessment of Fair Housing (*City of Chico, Community Development Department, 2021*).

**Figure 3: City of Chico, Census Tracts Map, 2021**



In addition, the Housing Element uses primary qualitative data such as interviews with key stakeholders. As defined by the California State Department of Housing and Community Development (HCD), key stakeholders include churches and community service organizations that serve ethnic/linguistic minorities, community-based and other organizations that represent protected class members, fair housing agencies, homeless services agencies, housing and community development providers, independent living centers, lower income community members and households that include persons in protected classes, public housing authorities, and regional centers (*California State Department of Housing and Community Development, Affirmatively Furthering Fair Housing, 2021*). Interviews with key stakeholders provide rich qualitative data that complements quantitative and mapping data for a more complete analysis. Using this analysis, the City can prioritize fair housing issues and potential actions to address fair housing issues.

As guided by HCD, the Assessment of Fair Housing is organized by the following five topics:

- A. Fair Housing Enforcement and Outreach Capacity
- B. Segregation and Integration
- C. Racially and Ethnically Concentrated Areas of Poverty (R/ECAP)
- D. Disparities in Access to Opportunity
- E. Disproportionate Housing Needs and Displacement Risk

HCD's guidance also describes the four subsections for each of the five topics. These are Local and Regional Patterns and Trends, Local Data and Knowledge, Other Relevant Factors, and Conclusions and Summary of Issues. The Assessment of Fair Housing is organized by the five topics and four subsections.

## A. FAIR HOUSING ENFORCEMENT AND OUTREACH CAPACITY

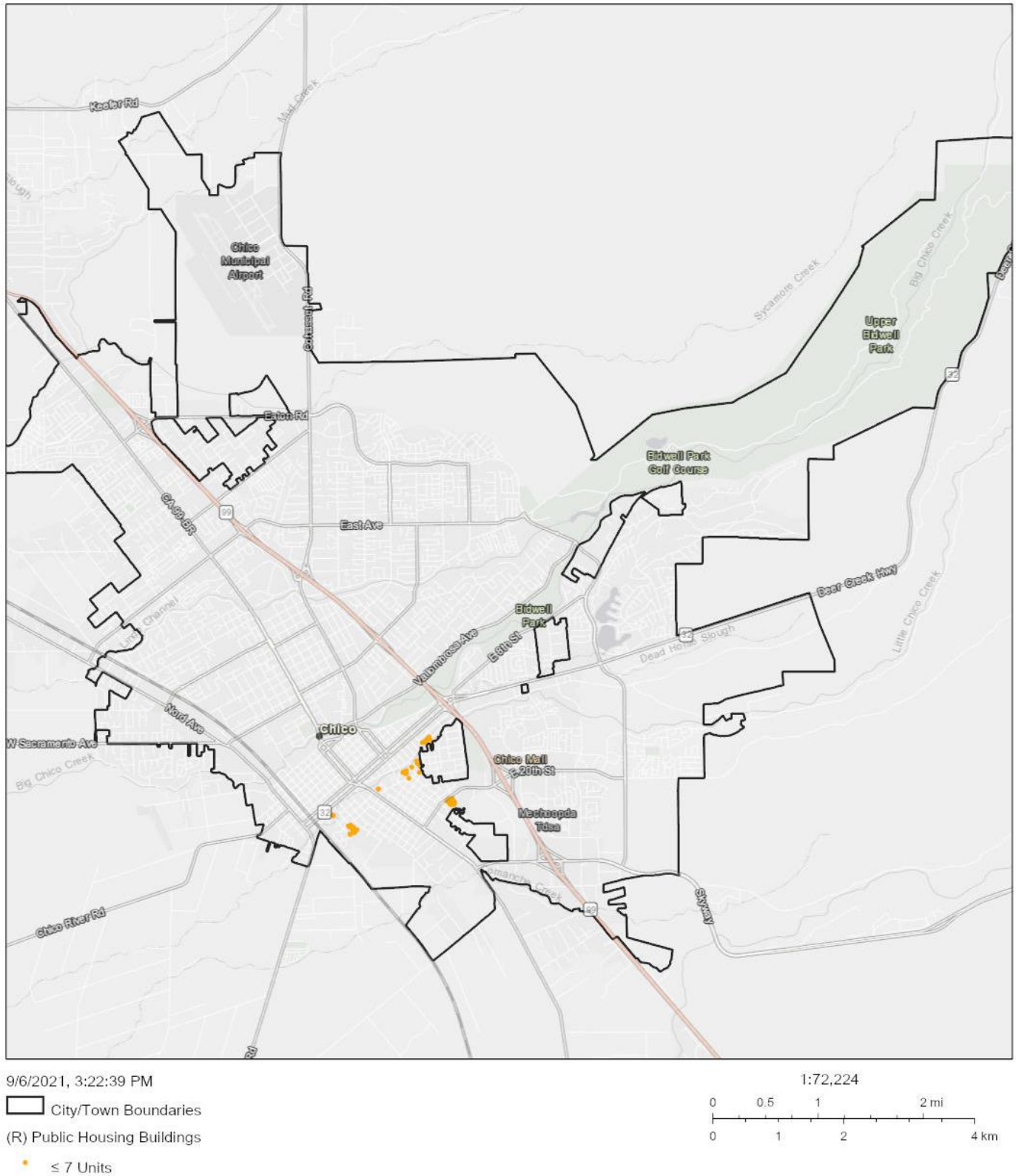
The first topic of the Assessment of Fair Housing is an assessment of the jurisdiction's fair housing enforcement and outreach capacity. Pursuant to the California Fair Employment and Housing Act [Government Code Section 12921 (a)], the opportunity to seek, obtain, and hold housing cannot be determined by an individual's "race, color, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, national origin, ancestry, familial status, source of income, disability, veteran or military status, genetic information, or any other basis prohibited by Section 51 of the Civil Code."

### ***Local and Regional Patterns and Trends***

Local and regional patterns and trends are identified through data on public housing buildings and Housing Choice Vouchers in the city of Chico, and fair housing cases and inquiries in Butte county, as well as interviews with regional stakeholders whose services areas include the city of Chico and are based in Chico.

Maps and data tables of public housing buildings and Housing Choice Vouchers in the city of Chico provide information to identify any areas of concentration of affordable housing in the city. **Figure 4: City of Chico, Public Housing Buildings Map, 2021** depicts the geographic distribution of public housing buildings in Chico. Public housing buildings are those owned and managed by the Housing Authority of the County of Butte, and are not other subsidized affordable housing. All public housing buildings are located in the southcentral and southwest parts of the city (*HCD AFFH Data Resources and Mapping Tool: U.S. Housing and Urban Development*).

Figure 4: City of Chico, Public Housing Buildings Map, 2021





**Figure 4.1: City of Chico and Butte County, Number of Households with Housing Choice Vouchers Table, 2021** shows the number of households who hold Housing Choice Vouchers (HCVs) in the city of Chico and Butte county in 2021. HCVs allow very low-income households to choose and rent safe, decent, and affordable privately-owned rental housing (*U.S. Department of Housing and Urban Development, 2021*). The Housing Authority of the County of Butte provided 993 HCVs to residents in the city of Chico. These 993 HCVs make up 59% of all the HCVs in use in Butte county as a whole (1,684).

**Figure 4.1: City of Chico and Butte County, Number of Households with Housing Choice Vouchers Table, 2021**

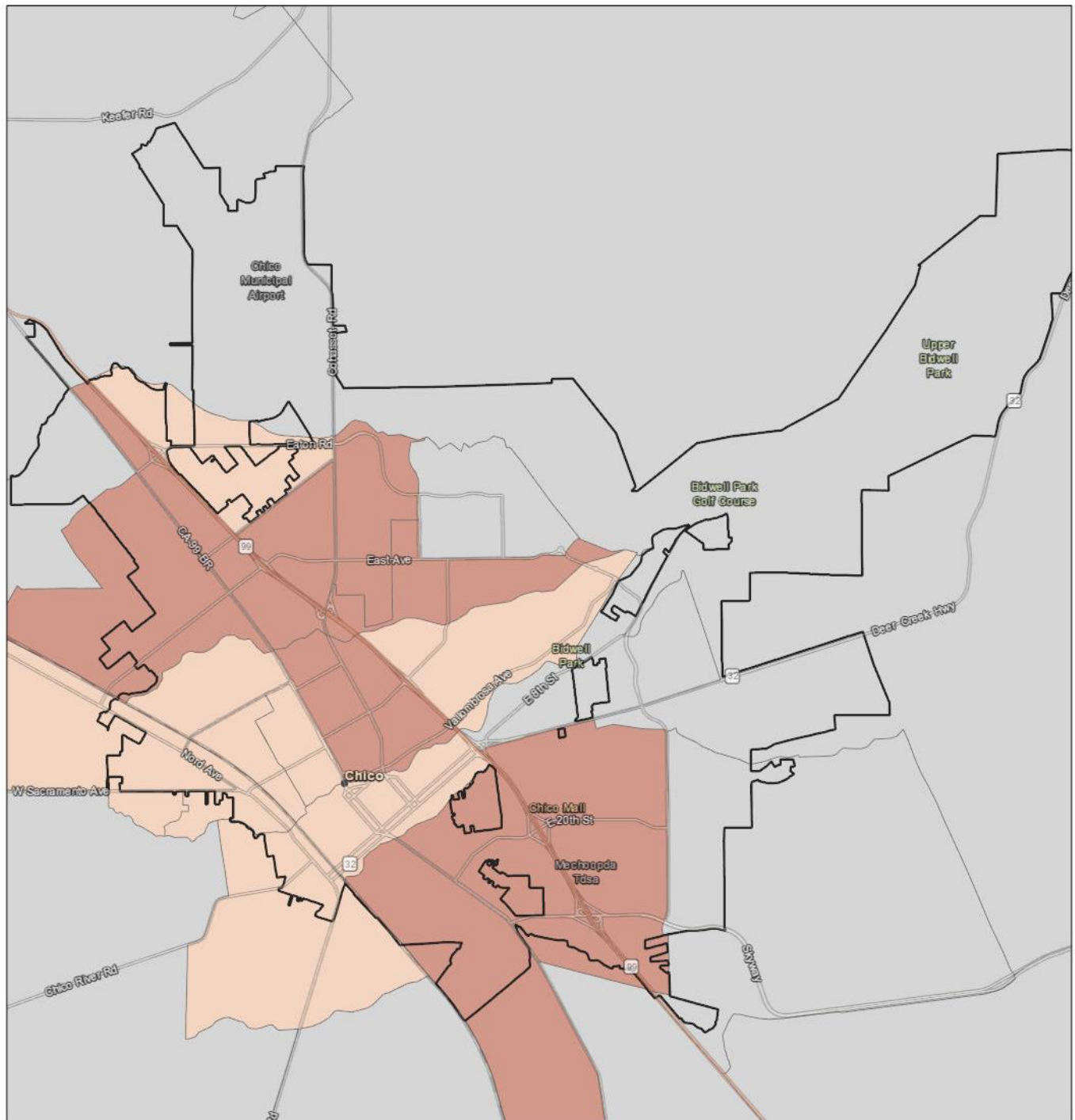
Jurisdiction	Number of Households with Housing Choice Vouchers
City of Chico	993
Butte County	1,684

*Source: Housing Authority of the County of Butte, January & May 2021 Correspondence*

**Figure 4.2: City of Chico, Housing Choice Vouchers by Census Tract Map, 2021** depicts Housing Choice Vouchers (HCVs) as a percentage of renter occupied housing units in Chico. HCVs are fairly evenly distributed with all census tracts in the city with 0-15% of renter occupied housing units as households with an HCV. There is a higher percentage of HCVs holders (5-15%) in the north and south portions of the city (*HCD AFFH Data Resources and Mapping Tool: U.S. Housing and Urban Development*).

**Figure 4.3: Butte County, Housing Choice Vouchers by Census Tract Map, 2021** depicts Housing Choice Vouchers (HCVs) as a percentage of renter occupied housing units in Butte county. Much of the unincorporated county does not have data available. Census tracts west of Magalia/Paradise and west of Gridley have 0-5% of renter occupied housing units as households with an HCV. Many of the census tracts surrounding Thermalito and Oroville have 5-15% of renter occupied housing units as households with an HCV. The city of Oroville is the only area in the county with 15-30% of renter occupied housing units as households with an HCV (*HCD AFFH Data Resources and Mapping Tool: U.S. Housing and Urban Development*).

Figure 4.2: City of Chico, Housing Choice Vouchers by Census Tract Map, 2021



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- City/Town Boundaries
- (R) Housing Choice Vouchers - Tract
- No Data
- > 0 - 5%
- > 5% - 15%

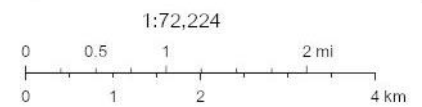
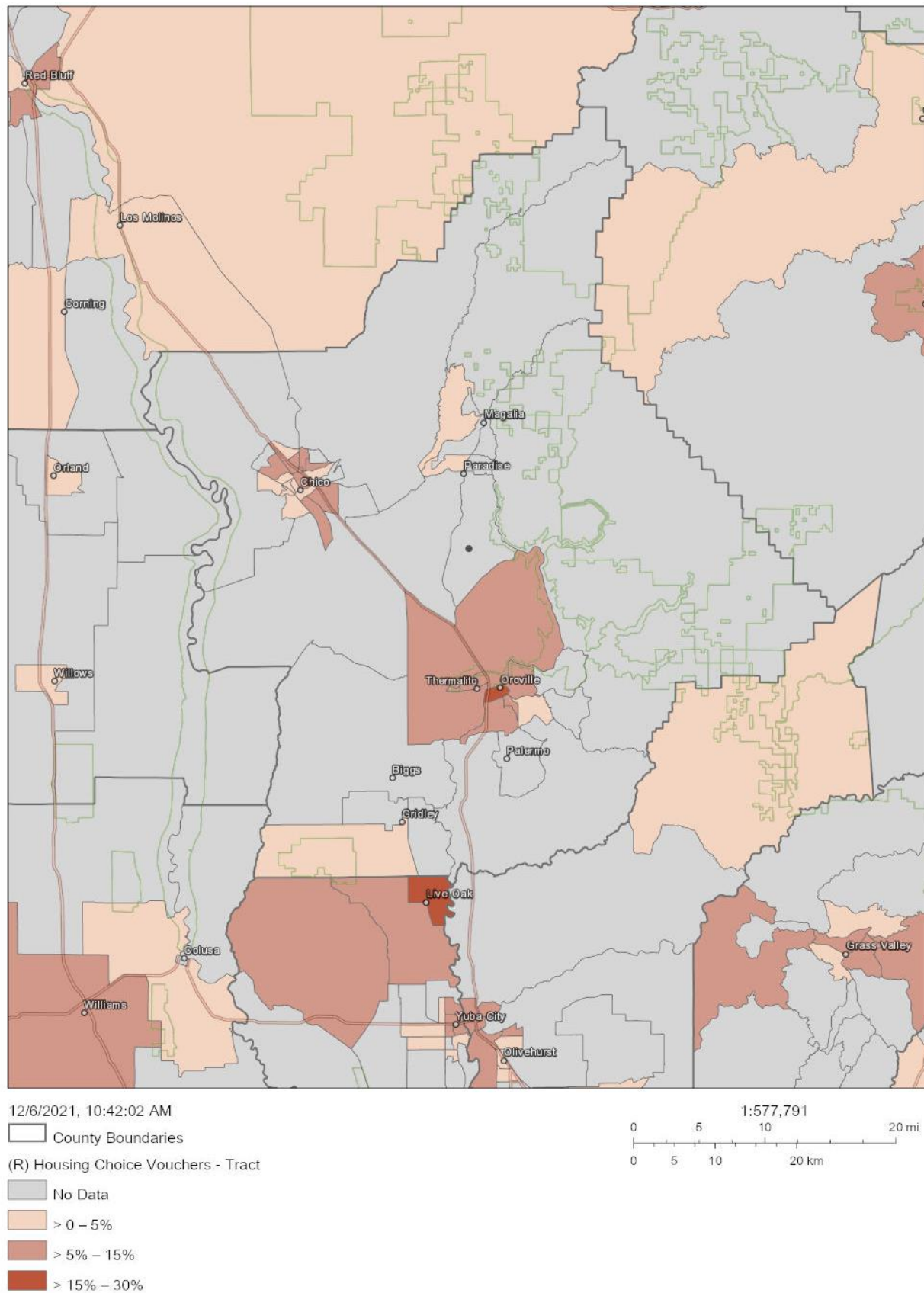


Figure 4.3: Butte County, Housing Choice Vouchers by Census Tract Map, 2021



Maps of HUD's Fair Housing and Equal Opportunity's Title VIII fair housing cases and fair housing inquiries from residents provide information to identify areas with increased fair housing interest in Butte county. Title VIII of the Civil Rights Act of 1968 (Fair Housing Act) prohibits discrimination in housing due to race, color, religion, sex, gender identity, sexual orientation, familial status, national origin, and disability. It also requires that all federal programs related to housing and urban development be administered in a manner that affirmatively further fair housing (*U.S Department of Housing and Urban Development, Fair Housing and Related Laws, 2022*).

**Figure 4.4: Butte County, FHEO Inquires by City Map, 2013-2021** depicts the geographic distribution of fair housing inquiries by residents in Butte county per one-thousand people. This data does not represent official cases, but represents concerns that residents have about possible discrimination. Data by city is listed below (*HCD AFFH Data Resources and Mapping Tool: U.S. Housing and Urban Development*).

City of Chico: Less than one fair housing inquiry per one-thousand people.

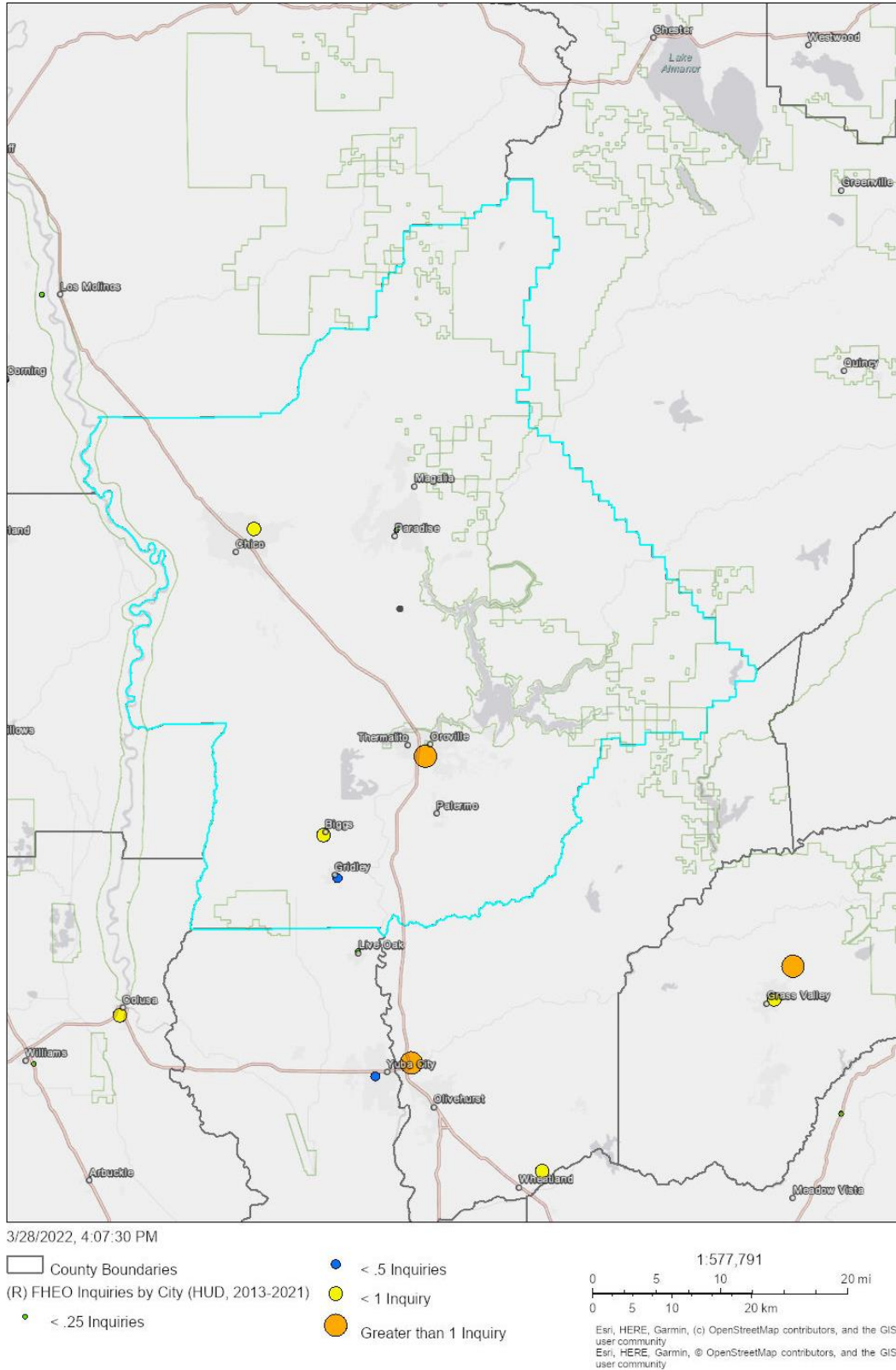
City of Biggs: Less than one fair housing inquiry per one-thousand people.

City of Gridley: Less than 0.5 fair housing inquiries per one-thousand people.

City of Oroville: Greater than one fair housing inquiry per one-thousand people

Town of Paradise: Less than 0.25 fair housing inquiries per one-thousand people.

Figure 4.4: Butte County, FHEO Inquires\* by City Map, 2013-2021



\*Total inquiries per one-thousand people

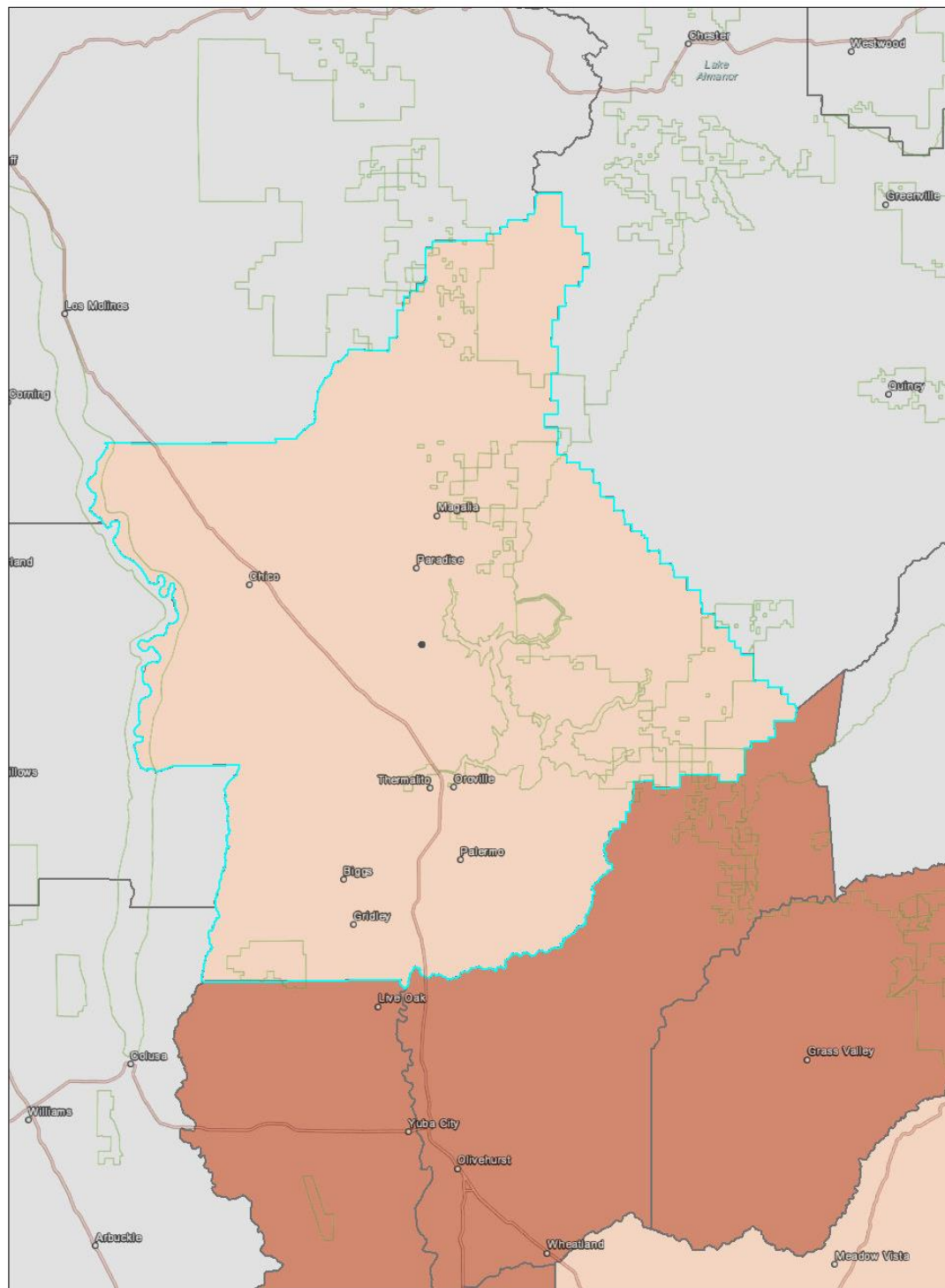
**Figure 4.5: Butte County, FHEO Cases – Total Map, 2020** depicts Title VIII fair housing cases filed by FHEO in Butte county per one-thousand people. Butte county had one case filed, thus the map illustrates less than 0.01 cases per one-thousand people (*HCD AFFH Data Resources and Mapping Tool: U.S. Housing and Urban Development*).

**Figure 4.6: Butte County, FHEO Cases – Disability Bias Map, 2020** depicts the percent of total cases with a disability bias for Title VIII fair housing cases filed by FHEO in Butte county per one-thousand people. Butte county had one case filed and that one case was for disability bias. Thus, the map shows greater than 85% of total cases as having a disability bias (*HCD AFFH Data Resources and Mapping Tool: U.S. Housing and Urban Development*).

**Figure 4.7: Butte County, FHEO Cases – Race Bias Map, 2020** depicts the percent of total cases with a race bias for Title VIII fair housing cases filed by FHEO in Butte county per one-thousand people. Butte county had one case filed and that one case was not for race bias. Thus, the map shows 0% of total cases as having a race bias (*HCD AFFH Data Resources and Mapping Tool: U.S. Housing and Urban Development*).



Figure 4.5: Butte County, FHEO Cases – Total Map, 2020



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- County Boundaries
- (A) FHEO Cases - Total (2020) - County
- 0 Cases
- < .01 Cases
- .01 - .025 Cases

1:577,791

0 5 10 20 mi

0 5 10 20 km

Esri, HERE, Garmin, (c) OpenStreetMap contributors, and the GIS user community

Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community



Figure 4.6: Butte County, FHEO Cases – Disability Bias Map, 2020

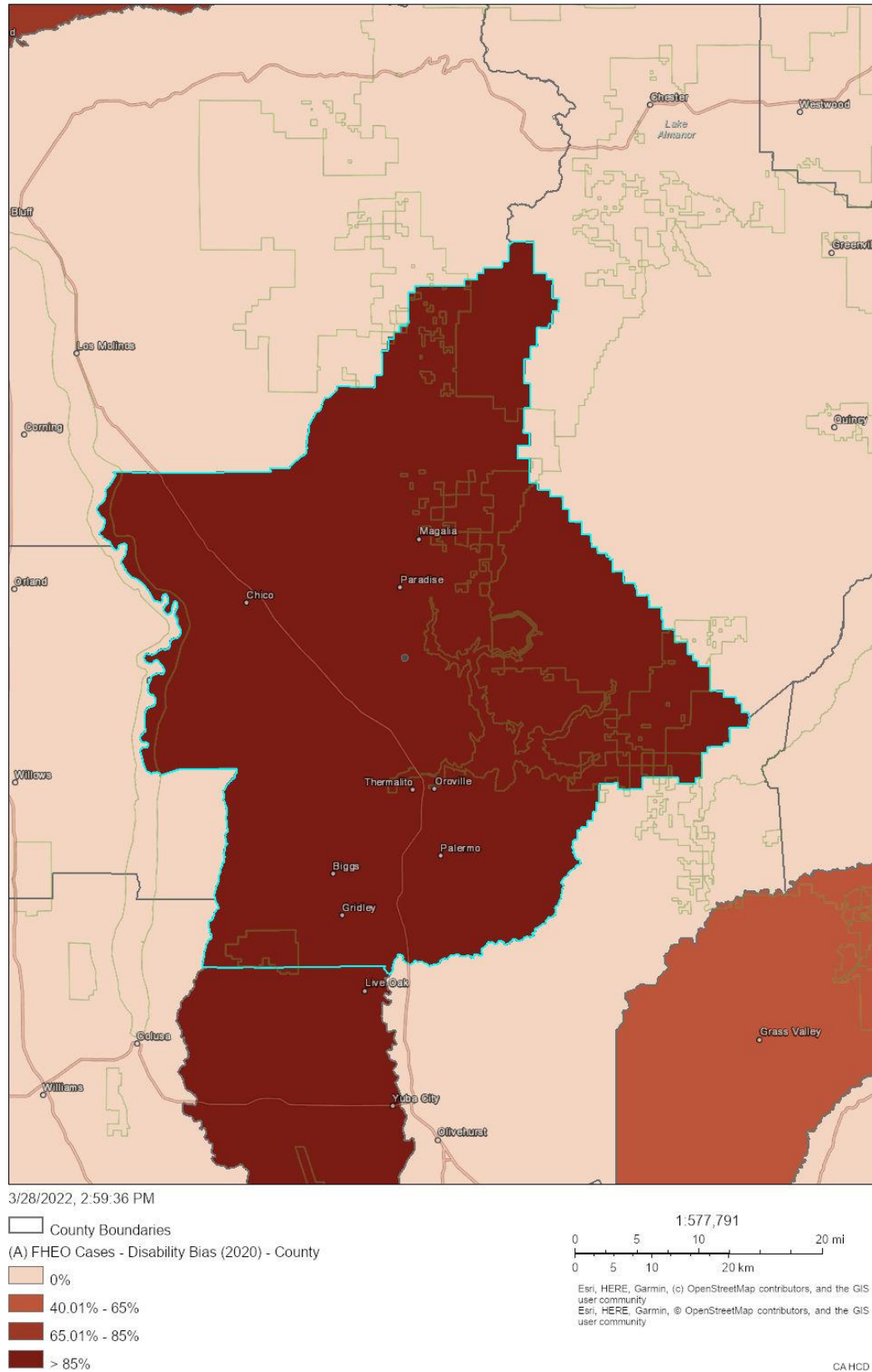
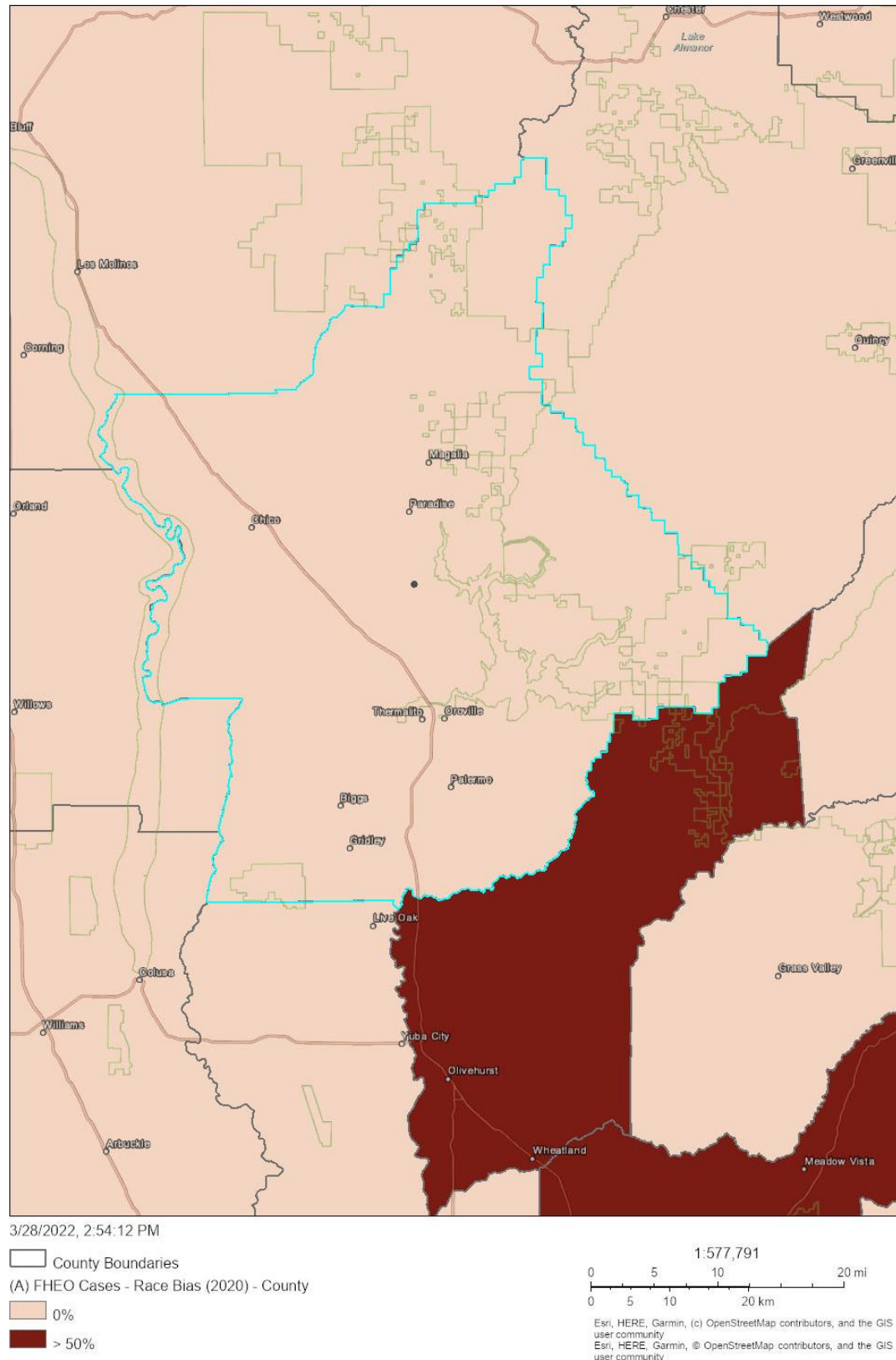


Figure 4.7: Butte County, FHEO Cases – Race Bias Map, 2020



Interviews with regional stakeholders whose services areas include the city of Chico and are based in Chico provide qualitative data for analysis.

Legal Services of Northern California (LSNC) provides legal assistances to and serves low-income and senior households in Butte, Glenn, Plumas, and Colusa Counties. In an interview for this Housing Element on February 3, 2021, and follow-up email correspondence on February 18, 2021, staff noted there is a need in the North State area for more Housing First, supportive housing, and wraparound services programs, as well as affordable housing at various income levels. Staff commented that people with low incomes tend to live in affordable housing projects, manufactured home communities, and the Chapman neighborhood of south Chico, as well as rentals that are not subsidized but that are of a lower quality and thus have lower rents. Regarding the 2018 Camp Fire and 2020 North Complex Fire in Butte county, staff observed that the number of affordable housing units lost has yet to be replaced and thus fire survivors will likely have a difficult time finding a place to live locally after exiting hotel/motel voucher and FEMA housing programs. During the COVID-19 pandemic, staff noted fewer of their cases are evictions due to pandemic-related tenant protections and more of their cases are reasonable accommodation requests for possible exposure of and/or vulnerability to complications for COVID-19.

North Valley Property Owners Association (NVPOA) works in the rental housing industry in Butte, Shasta, Yuba, Sutter, Tehama, Siskiyou, Glenn, Plumas, Lassen, Modoc, Trinity, and Colusa Counties. In an interview for this Housing Element on February 4, 2021, staff noted Chico has a need for housing for all income levels, citing an imbalance in supply and demand for housing which is increasing prices. Staff commented that small “Mom & Pop” property owners may help fill the gap of affordable rentals in Chico, especially in the wake of the Camp Fire, if there is flexibility on State government regulations to fit the needs of the community and situation. Staff remarked that NVPOA is losing membership due to property owners selling their properties and moving to states that are more business-friendly than California. In addition, staff commented the vacancy rate in Chico is less than 1% which makes rents less affordable and results in households doubling-up to make their rent. Staff noted that people with low incomes tend to live in the Chapman/Mulberry neighborhoods of south Chico, as well as in north Chico such as the East Avenue and East Lassen neighborhoods.

Citing the COVID-19 pandemic, NVPOA staff commented people are moving from the Bay Area to more rural areas like Chico to work from home. Though staff noted about 95% of rent is still being collected in Chico, they also stated that COVID-19 has affected job loss in various sectors as well as some issues moving forward with legitimate evictions in the city due to State legislative protections. Staff commented that they and Legal Services of Northern California (LSNC) have contracts with the City of Chico to provide fair housing educational training, with NVPOA focusing on property owners and managers and LSNC on tenants. In addition, the City’s Housing Division works directly with individuals and programs such as Chico Housing Action Team (CHAT) and Home and Heart, a house sharing program. Staff observed that the City handles housing issues well and the City’s

code enforcement staff and the Butte County District Attorney will pick up cases or cases will go to small claims court. Staff remarked that fair housing issues are often resolved in mediation.

Regarding the 2018 Camp Fire, NVPOA staff observed that the local area has not yet recovered the shortage of single-family homes lost in 2018, and when single-family homes are available for rent, they rent quickly. Though interest rates are currently low to buy a home, home prices are about \$100,000 higher, or approximately a 33% increase, than in 2018. In follow-up correspondence via email on April 26 and 29, 2021 staff remarked that property owner expenses have increased significantly while restrictions on rent increases limit income that could offset those expenses. Increased expenses for owners include staff, building repairs and materials, vendors such as painters, cleaners, landscapers, pest control, etc., and utilities such as garbage and waste, water, and Pacific Gas & Electric (PG&E). In response to the Camp Fire, the City of Chico had a local price gouging ordinance in effect from November 2018 through December 2020, which has since expired. There is a State of California executive order through December 31, 2021 for Butte county that has the same parameters: no more than 10% increase in rent than prior to the Camp Fire emergency declaration in November 2018.

### ***Local Data and Knowledge***

Local data and knowledge on fair housing outreach and enforcement is informed by an interview with City of Chico staff as well as the 2020 Analysis of Impediments to Fair Housing Choice, which was developed as part of the City's Consolidated Plan for its entitlement funds received from the federal Department of Housing and Urban Development (HUD).

The City of Chico's Housing Division administers federal, state, and local affordable housing funds to improve the quality of life of community members through affordable housing and related community development activities (*City of Chico, 2021*). The City is in compliance with existing fair housing laws. There have been no findings against the City of Chico from the U.S. Department of Housing and Urban Development (HUD) Office of Fair Housing and Equal Opportunity (FHEO) or from the State Department of Fair Employment and Housing (DFEH).

In an interview for this Housing Element on April 13, 2021, and follow-up correspondence on October 28, 2021, City staff noted fair housing enforcement and outreach materials such as brochures and posters are available online on the City's website and in-person at City Hall. Staff reflected outreach efforts could be expanded, especially to realtors, lenders, and people of color including Spanish speakers, as well as diversifying types of outreach. Staff noted a need for outreach and education on fair housing principles in lending that affects people of color and people with low incomes.

When a fair housing complaint is made by a resident to the U.S. Department of Housing and Urban Development (HUD), HUD will contact City staff. Staff recalled two of these

complaints in the past 10 years. In addition, staff are continuously conducting outreach regarding COVID-19 including tracking updated legislation and regulations and providing educational materials through the City's website and social media as well as the Greater Chico Homeless Task Force and the Butte County Continuum of Care.

City staff identify the greatest housing needs in Chico as studio and one-bedroom rental units and permanent supportive housing units. Staff noted that additional housing inventory is needed in the city and that residents may benefit from support in finding and retaining affordable housing. Staff observed barriers to finding housing in Chico include cost of housing, low inventory of housing, and an older housing stock. The City has a sewer connection program for low-income homeowners. Older housing stock tends to be occupied by very low-income residents and weatherization of these units is often needed, such as window and door weatherstripping. The need for weatherization is more pronounced in the summer months when smoke from wildfires impacts the air quality. In addition, rentals typically used by college students around California State University Chico (CSU, Chico) may not be well-maintained due to landlords and tenants wanting to keep the units as low-cost as possible.

City staff noted unique barriers experienced by people with disabilities and specific neighborhoods where people with low incomes and people of color tend to live. A barrier that people with disabilities experience is that there are a limited number of units that are accessible for people with mobility disabilities. People with low incomes tend to live in the Chapman and Mulberry neighborhoods (Census Tracts 12 and 13) as well as the North Campus neighborhood (Census Tracts 6.03 and 6.04). People of color, specifically Hispanic/Latino and Hmong individuals, tend to live in the Chapman and Mulberry neighborhoods (Census Tracts 12 and 13) and north of East Avenue.

City staff noted current and upcoming housing needs and issues in Chico. One issue is conflicting guidance and resources about where to build affordable housing. Developers may find more advantageous land prices in non-high-income census tracts, coupled with incentives to build in lower-income areas. In addition, many high resources areas in Chico identified in the TCAC/HCD Opportunity Area Maps are already fully built out. Staff noted that in general, affordable housing in Chico is well-dispersed throughout the city. A housing need in the city is as the baby boomer generation continues to age and the senior population grows, there will be an increased demand for affordable housing. Staff commented that Community Development Block Grant Disaster Recovery (CDBG-DR) funds in response to the 2018 Camp Fire in eastern Butte county will help developers to build additional units in Chico. There are many units still needed and City staff are unsure if vacancy rates will improve in the next five to 10 years. The city experienced a significant increase in population after the Camp Fire, which places further downward pressure on an already low vacancy rate. Staff observed after the 2020 North Complex Fire in southeastern Butte county, displaced residents had difficulty finding temporary and permanent housing due to a very low vacancy rate and motels and hotels operating at capacity.

In addition to the interview with City staff, a portion of the 2020 Analysis of Impediments to Fair Housing Choice is reprinted below, and the full version can be found on the city's website: <https://chico.ca.us/pod/housing-planning-documents>.

“Fair Housing Outreach: The City of Chico typically sponsors four fair housing workshops each year with Community Development Block Grant (CDBG) funds. Two are organized by North Valley Property Owners Association (NVPOA) to educate landlords about fair housing laws and best practices. Two are organized by Legal Services of Northern California (LSNC) primarily for tenants.

NVPOA's workshop topics include qualifying applicants; fair treatment; discrimination; and processing non-emergency maintenance requests in the order which they are received. Attendance at these workshops ranges from 65-110 persons.

NVPOA also regularly communicates with its members to provide education and updates. Methods of communication include email, in-person, mail, and through social media. NVPOA holds monthly workshops (5 to 20 average attendance) and quarterly luncheons (65 average attendance) and has online education on fair housing linked through its website that members can access at any time.

In an interview for the 2020 Analysis of Impediments to Fair Housing Choice, LSNC staff noted some challenges with providing training and education on reasonable accommodation, as reasonable accommodations are situational and based upon what the landlord and tenant can both agree to. LSNC is considering making these adjustments to their training and education work:

- Training on SB 329, signed by the Governor in October 2019, which makes Section 8 discrimination illegal under housing law.
- Education on COVID-19 and reasonable accommodations for seniors and people with disabilities.
- Collaborating with larger housing providers such as Community Housing Improvement Program (CHIP) and Housing Authority of the County of Butte (HACB) to assist with fair housing education and implementation.

### ***Fair Housing Enforcement***

LSNC addresses fair housing issues that come up for community members. Fair housing complaints that are brought to the City's attention are referred to LSNC, who represents low-income individuals and families who are alleging a fair housing violation. Many such cases are resolved with settlement agreements. As appropriate, complaints may be further referred to the Federal Office of Fair Housing and Equal Opportunity, or the State of California Fair Housing & Employment Commission.

The City is not aware of any HUD findings of violation of the Fair Housing Act in any publicly funded housing or housing related activities in the city. The City will continue to work with housing and legal providers in the jurisdiction, primarily LSNC and the Housing

Authority of the County of Butte (HACB), to determine if any such findings have occurred without the City's knowledge.

In an interview for the 2020 Analysis of Impediments to Fair Housing Choice, NVPOA staff stated the organization does not have a grievance committee nor a formalized process for fair housing enforcement, however, NVPOA does engage informally in fair housing enforcement. When tenants call NVPOA regarding fair housing issues, NVPOA will provide assistance and resources to tenants, engage with landlords on the issue, and invite landlords to receive ongoing education and information by becoming a member of NVPOA.

In an interview for the 2020 Analysis of Impediments to Fair Housing Choice, Sierra North Valley REALTORS (SNVR) staff noted their role in providing fair housing education to the real estate workforce and lending community. Much of this education has been moved online due to the crises the North State continues to face including the Oroville Dam crisis, the Camp Fire, the 2019 power outages, and COVID-19. SNVR cosponsors NVPOA's fair housing workshops for landlords. The staff also meet with Chico City Councilors, community members, and housing providers to help address the need for housing in Chico.

SNVR staff believes that housing affordability and availability are significant challenges, especially for underserved communities after the Camp Fire. Staff stated that continued restrictions on housing such as the California Environmental Quality Act, AB 1482 passed in 2019, and local anti-price gouging policies create barriers for increasing housing supply and challenges for both landlords and tenants to provide and access fair housing (*City of Chico 2020 Analysis of Impediments to Fair Housing Choice*)."

### **Other Relevant Factors**

Other relevant factors include the City's webpage "Fair Housing and Tenant Information" which provides resources and information to the community:

<https://chico.ca.us/pod/fair-housing-and-tenant-information>. As of 2021, resources include COVID-19 eviction information, Legal Services of Northern California's "Fair Housing and You" booklet, Tenants Together tenant foreclosure hotline, a list of protected classes, and more.

The City's webpage provides contact information (website and/or phone number) for the following fair housing organizations:

- California Department of Fair Employment and Housing (DFEH)
- Community Legal Information Center (CLIC)
- Disability Action Center
- Housing Authority of the County of Butte (HACB)
- Legal Services of Northern California (LSNC)
- North Valley Property Owners Association (NVPOA)
- Self-Help Assistance & Referral Program (SHARP)



- Sierra North Valley Realtors
- United States Department of Housing and Urban Development (HUD)

### ***Conclusions and Summary of Issues***

Conclusions and summary of issues for fair housing enforcement and outreach based on local and regional patterns and trends, local data and knowledge, and other relevant factors are as follows:

- **Location of Affordable Housing Units for Low-Income Households:** The city's 993 Housing Choice Vouchers (HCVs) make up 59% of all the HCVs in use in Butte county as a whole (1,684). HCVs are fairly evenly distributed within all census tracts in the city having 0-15% of renter occupied housing units as households with an HCV. There is a higher percentage of HCVs holders in the north and south portions of the city. In addition, all public housing buildings are located in the southcentral and southwest parts of the city. This is corroborated by interviews with the City of Chico, Legal Services of Northern California (LSNC) and North Valley Property Owners Association (NVPOA) who stated that people with low incomes tend to live in the Chapman/Mulberry neighborhoods of south Chico as well as in north Chico such as the East Avenue and East Lassen neighborhoods.
- **Weatherization:** The city has a significant amount of older housing stock which tends to be occupied by very low-income residents and college students. The need for weatherization of these units is more pronounced in the summer months when smoke from wildfires impacts the air quality.
- **Fair Housing Cases and Inquiries:** According to available HUD data, the city of Chico had less than one fair housing inquiry per one-thousand people from 2013 to 2020. Butte County had less than 0.01 fair housing cases filed per one thousand people in 2020. There was one fair housing case filed in 2020 for Butte county with regard to disability bias. These findings provide insight on fair housing in the region, however, they are reflective of inquiries and cases reported to HUD, which may not encompass all fair housing issues in the region.
- **Fair Housing Enforcement and Outreach Activities:** The City, Legal Services of Northern California (LSNC) and North Valley Property Owners Association (NVPOA) lead fair housing enforcement and outreach in Chico. The City maintains a webpage "Fair Housing and Tenant Information" on its website which provides resources and information to the community, and also conducts outreach via city social media and participation in the Butte County Continuum of Care. The City provides Community Development Block Grant (CDBG) funding to LSNC and NVPOA. LSNC addresses fair housing issues and organizes two fair housing workshops each year for tenants, and NVPOA organizes two fair housing workshops per year for property owners and managers. City staff reflected outreach efforts could be expanded, especially to realtors, lenders, and people of color, as well as diversifying types of outreach. Staff noted a need for outreach

and education on fair housing principles in lending that affects people of color and people with low incomes.

## **B. SEGREGATION AND INTEGRATION**

The second topic of the Assessment of Fair Housing is an assessment of segregation and integration in the jurisdiction. Segregation generally means a condition in which there is a high concentration of people of a particular race, color, religion, sex, familial status, national origin, or disability in a particular geographic area when compared to a broader geographic area (*California State Department of Housing and Community Development, Affirmatively Furthering Fair Housing, 2021*). This section discusses levels of segregation and integration for race and ethnicity, language, familial status, persons with disabilities, and income, and identifies the groups that experience the highest levels of segregation. The subsection on income has been significantly revised to include additional data and analysis requested by HCD during the initial draft review.

### ***Local and Regional Patterns and Trends***

Data tables, narrative, and maps are used to illustrate local and regional patterns and trends regarding segregation and integration for race and ethnicity, language, familial status, persons with disabilities, and income.

### ***Race and Ethnicity***

**Figure 5: City of Chico and Butte County, Race and Ethnicity Table, 2010 and 2019** depicts race and ethnicity for the city of Chico and Butte county in 2010 compared to 2019. Both the city and Butte county experienced an increase of Hispanic/Latino residents in 2019 compared to 2010 and a decrease of White, not Hispanic/Latino residents. All other changes in the racial and ethnic makeup of the jurisdictions were less than 1%. An increase of Hispanic/Latino residents in 2019 compared to 2010 is also reflected in statewide trends in California and nationwide trends in the United States (*Pew Research Center, 2020*).

Figure 5: City of Chico and Butte County, Race and Ethnicity Table, 2010 and 2019

Race or Ethnicity	City of Chico					Butte County				
	2010		2019		2010-2019	2010		2019		2010-2019
	Number of Persons	Percent of Total Population	Number of Persons	Percent of Total Population	Change	Number of Persons	Percent of Total Population	Number of Persons	Percent of Total Population	Change
Hispanic/Latino (of any race)	12,602	14.8%	17,362	18.4%	+3.6	29,512	13.5%	36,916	16.3%	+2.8%
White, not Hispanic/Latino	62,856	73.8%	66,778	70.6%	-3.2%	166,463	76.1%	162,537	72.0%	-4.1%
Black or African American, not Hispanic/Latino	1,472	1.7%	1,949	2.1%	+0.4%	3,012	1.4%	3,342	1.5%	+0.1%
American Indian and Alaska Native, not Hispanic/Latino	662	0.7%	382	0.4%	-0.3%	2,050	0.9%	1,669	0.8%	-0.1%
Asian, not Hispanic/Latino	3,927	4.6%	4,195	4.4%	-0.2%	8,658	4.0%	10,057	4.5%	+0.5%
Native Hawaiian and Other Pacific Islander, not Hispanic/Latino	220	0.3%	291	0.3%	0%	481	0.2%	476	0.2%	0%
Some other race, not Hispanic/Latino	205	0.2%	132	0.1%	-0.1%	243	0.1%	321	0.1%	0%

Two or more races, not Hispanic/Latino	3,226	3.8%	3,440	3.6%	-0.2%	8,216	3.8%	10,469	4.6%	+0.8%
Total	85,130	100%	94,529	100%	-	218,635	100%	225,817	100%	-

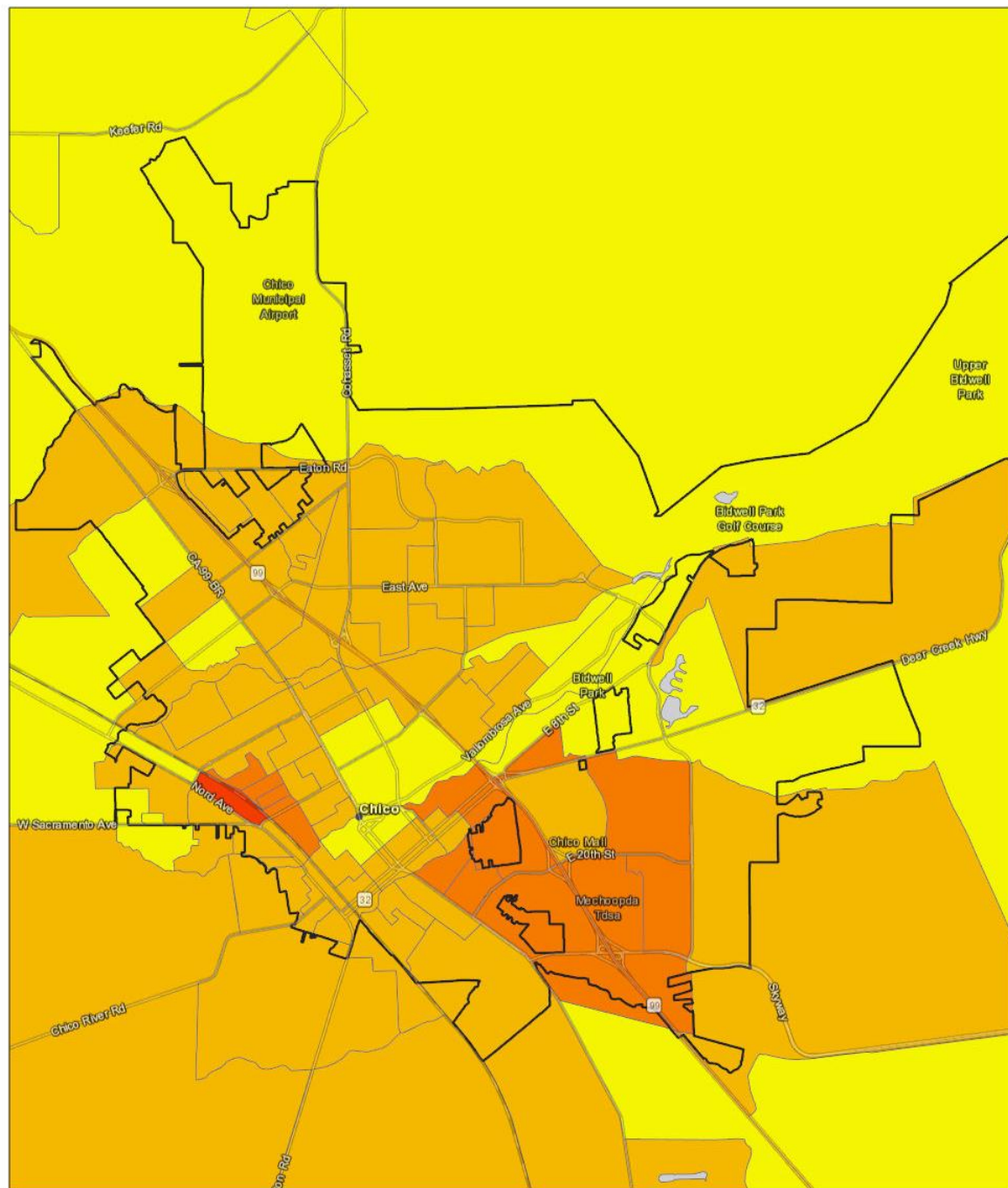
*Source: U.S. Census 2006-2010 and 2015-2019 American Community Survey*

**Figure 5.1: City of Chico, Non-White Demographics Map, 2018** depicts racial demographics in the city of Chico in 2018. The map shows the total percentage of the non-white population (i.e. people of color) by block group by subtracting the total white population from the reported population total. This yields the total non-white population. The darker the color on the map, the higher the concentration of the non-white population. For a jurisdiction such as Chico with relatively low racial and ethnic diversity compared to the State of California, depicting the non-white population as a whole can better illustrate areas of greatest racial and ethnic diversity. The California Department of Housing and Community Development (HCD) uses the term “non-white” to describe people of color for this data source. Elsewhere in this Housing Element, readers will see the term “people of color” instead. See the Housing Element glossary for more information about these terms.

In 2018, the block groups with the highest percentages of non-white population are located in the west and southcentral parts of the city. The only block group in the city with 61-80% non-white residents is in west Chico, bordered by Nord Avenue to the west, West 8<sup>th</sup> Avenue to the north, the railroad to the east and W. Sacramento Avenue to the south. Block groups with 41-60% non-white residents are immediately adjacent to the east. In addition, many of the block groups in the southcentral part of the city have 41-60% non-white residents. Clusters of block groups in the eastern, central, and northwestern parts of the city have 20% or fewer non-white residents.

**Figure 5.2: City of Chico, Non-White Demographics Map, 2010** depicts racial demographics in the city of Chico in 2010. Unlike in 2018, no block groups have 61-80% non-white residents, and fewer block groups have 41-60% or 21-40% non-white residents. In 2010, more block groups in the city have 20% or fewer non-white residents compared to 2018. Thus, when comparing 2010 to 2018, there has been an increase in the percentage of non-white residents throughout the city (*HCD AFFH Data Resources and Mapping Tool: Esri*).

Figure 5.1: City of Chico, Non-White Demographics Map, 2018



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City/Town Boundaries

(R) Racial Demographics (2018) - Block Group

≤ 20%

21 - 40%

41 - 60%

61 - 80%

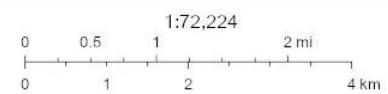
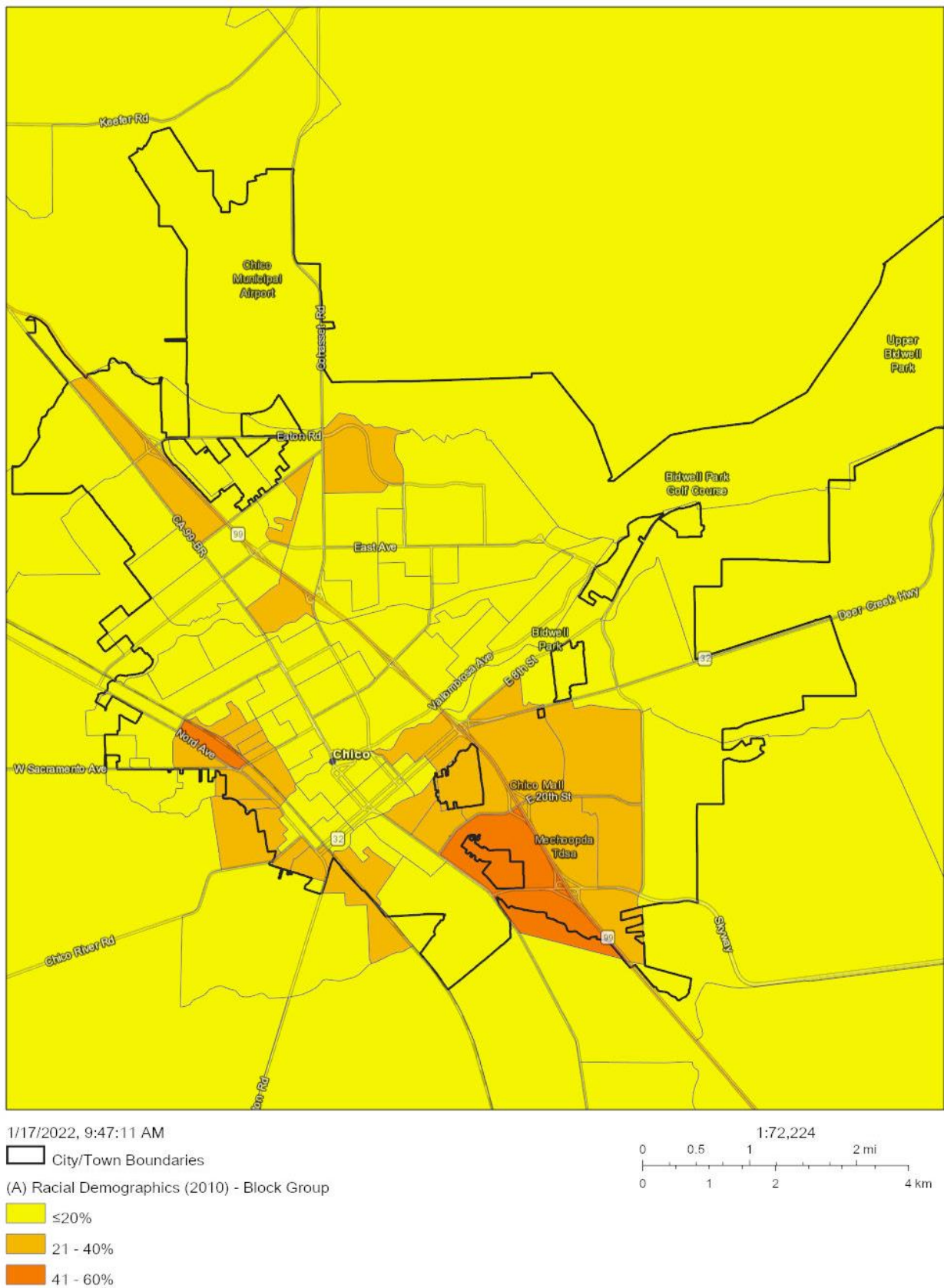


Figure 5.2: City of Chico, Non-White Demographics Map, 2010



### ***Language***

**Figure 6: City of Chico and Butte County, Language Spoken at Home Table, 2010 and 2019** compares data on language and fluency for the city of Chico and Butte county in 2010 and 2019. In 2019 compared to 2010, the percentage of people who spoke a language other than English at home increased for both the city of Chico and Butte county, whereas the number of persons over 5 years of age who are not fluent in English decreased for both jurisdictions.

In 2019, just over 16% of the population of the city of Chico over the age of five spoke a language at home other than English, with Spanish as the most common language at 10.4%, Asian and Pacific Islander languages at 3.3%, other Indo-European languages at 1.9%, and other languages at 0.7%. Of residents over the age of five, almost 5% are not fluent in English. This data is similar for Butte county. In 2019, just over 15% of the population of Butte county over the age of five spoke a language at home other than English, with Spanish as the most common language at 9.8%, Asian and Pacific Islander languages at 3.5%, other Indo-European languages at 1.5%, and other languages at 0.5%. Of residents over the age of five, over 5% are not fluent in English.



Figure 6: City of Chico and Butte County, Language Spoken at Home Table, 2010 and 2019

	City of Chico					Butte County				
	2010		2019		2010-2019	2010		2019		2010-2019
	Number of Persons	Percent of Population	Number of Persons	Percent of Population	Change	Number of Persons	Percent of Population	Number of Persons	Percent of Population	Change
Total persons 5 years and over that speak a language other than English at home	12,836	16.0%	14,562	16.3%	+0.3%	30,135	14.6%	32,671	15.3%	+0.7%
Persons 5 years and over that speak Spanish at home	7,993	10.0%	9,263	10.4%	+0.4%	19,147	9.3%	20,877	9.8%	+0.5%
Persons 5 years and over that speak other Indo-European languages	1,944	2.4%	1,719	1.9%	-0.5%	4,428	2.1%	3,208	1.5%	-0.6%
Persons 5 years and over that speak Asian and Pacific Islander languages at home	2,503	3.1%	2,984	3.3%	+0.2%	5,970	2.9%	7,482	3.5%	+0.6%
Persons 5 years and over that speak other languages at home	436	0.5%	596	0.7%	+0.2%	623	0.3%	1,104	0.5%	+0.2%
Total persons 5 years and over that are not fluent in English	4,894	6.1%	4,208	4.7%	-1.4%	12,591	6.1%	11,570	5.4%	-0.7%

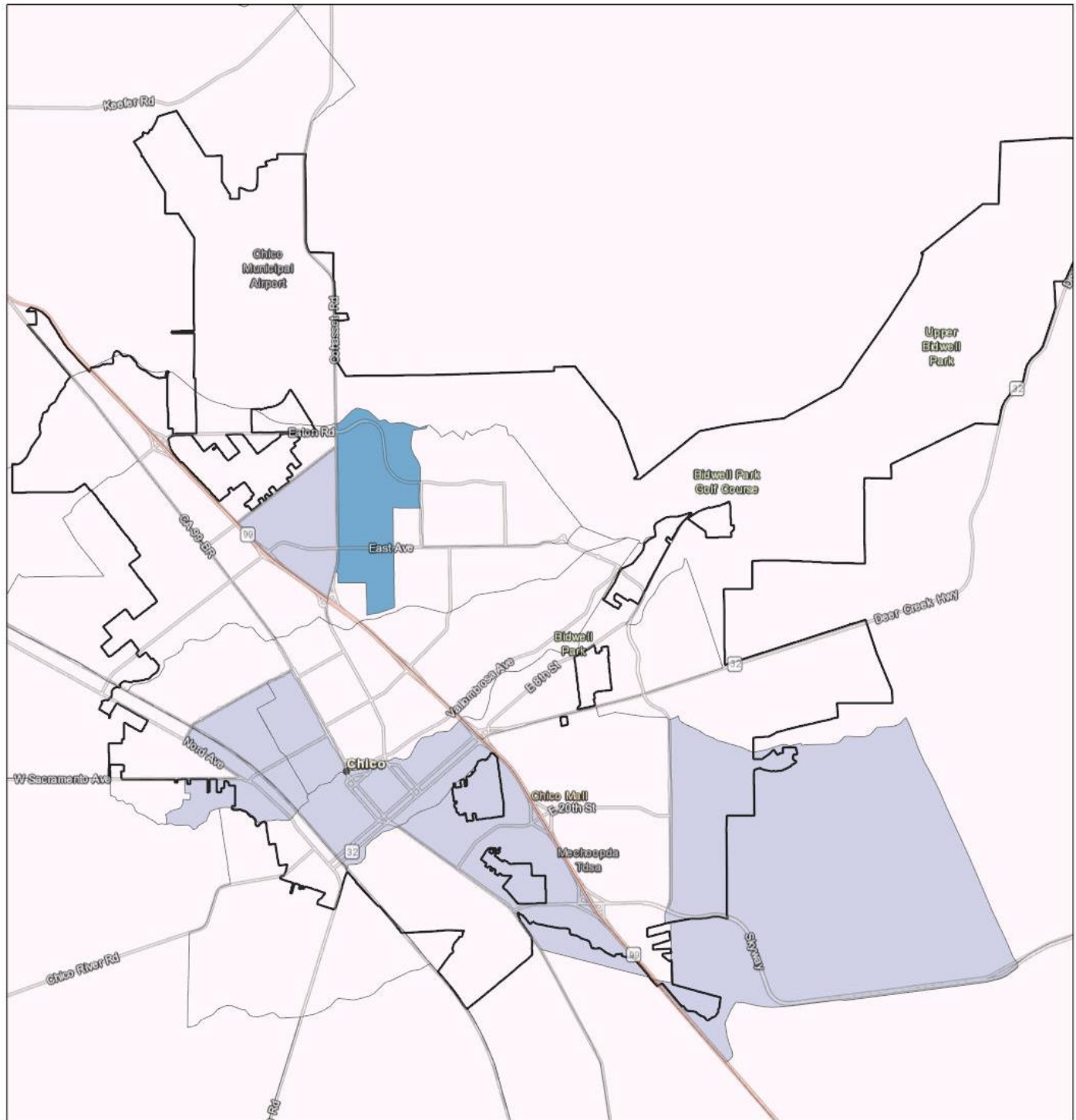
Source: U.S. Census 2006-2010 and 2015-2019 American Community Survey

### ***Familial Status***

**Figure 7: City of Chico, Percent of Children in Single Parent Female Households Map, 2019** shows the percentage of children living in single parent female households in Chico. Census Tract 1.04 in northeast Chico has the highest percentage of children living in single parent female households at 40-60% and Census Tract 2.02 immediately adjacent to the west has 20-40% of children living in single parent female households. Portions of west Chico, southcentral Chico, and southeast Chico also have 20-40% of children living in single parent female households. The remaining census tracts have 20% or fewer children living in single parent female households (*HCD AFFH Data Resources and Mapping Tool: 2015-2019 American Community Survey*).

**Figure 7.1: Butte County, Percent of Children in Single Parent Female Households Map, 2019** shows the percentage of children living in single parent female households in Butte county. The only census tract in Butte county that has 40-60% of children living in single parent female households is located in Chico. The census tracts west of Oroville/Thermalito and Gridley as well as north of Paradise and Magalia have 20-40% of children living in single parent female households. The remaining census tracts in the county have 20% or fewer children living in single parent female households (*HCD AFFH Data Resources and Mapping Tool: 2015-2019 American Community Survey*).

Figure 7: City of Chico, Percent of Children in Single Parent Female Households Map, 2019



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City/Town Boundaries

(R) Percent of Children in Female Householder, No Spouse/Partner Present Households (ACS, 2015-2019) - Tract

≤ 20%

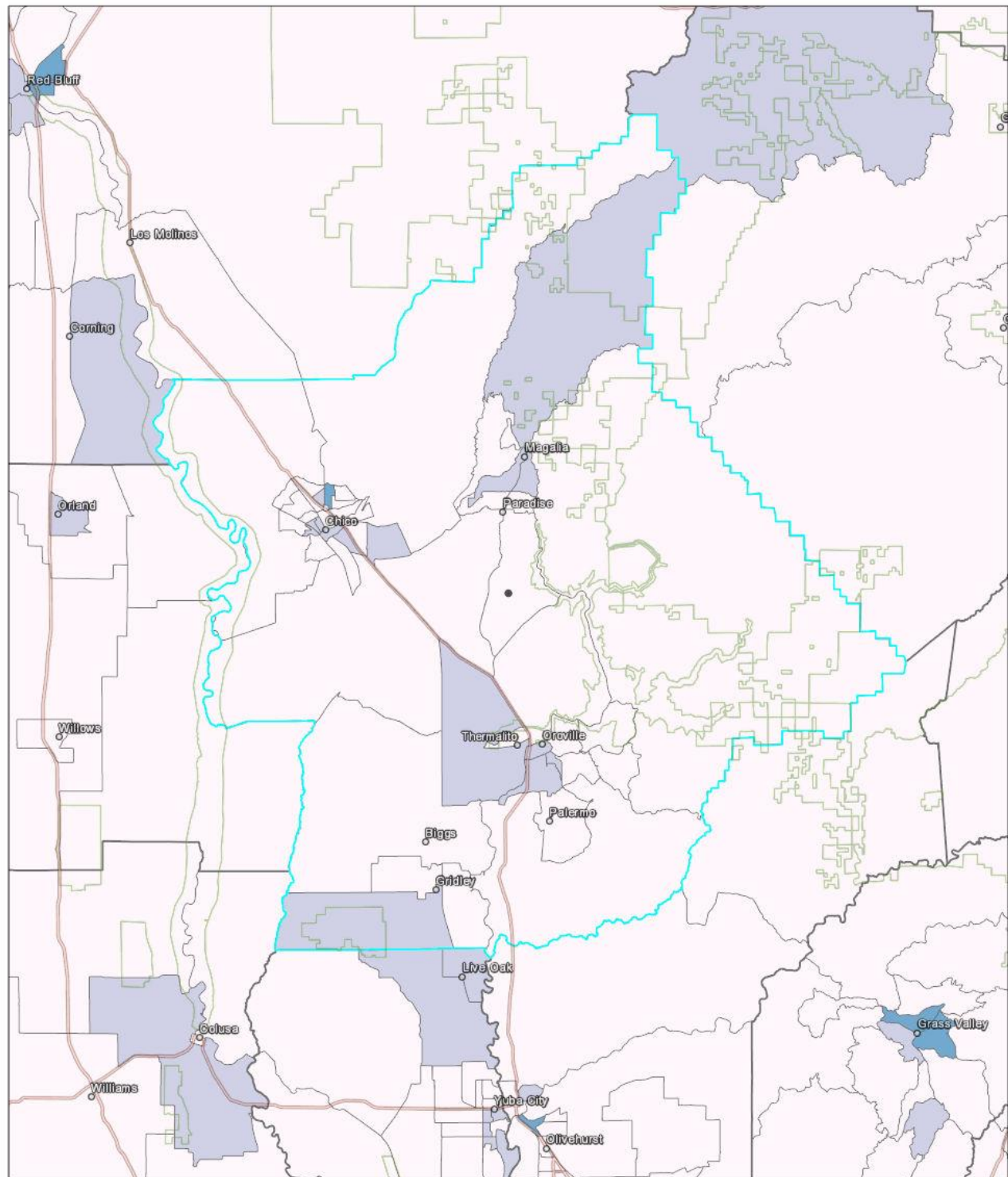
20% - 40%

40% - 60%

1:72,224



Figure 7.1: Butte County, Percent of Children in Single Parent Female Households Map, 2019



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County Boundaries

(R) Percent of Children in Female Householder, No Spouse/Partner Present Households (ACS, 2015-2019) - Tract

≤ 20%

20% - 40%

40% - 60%



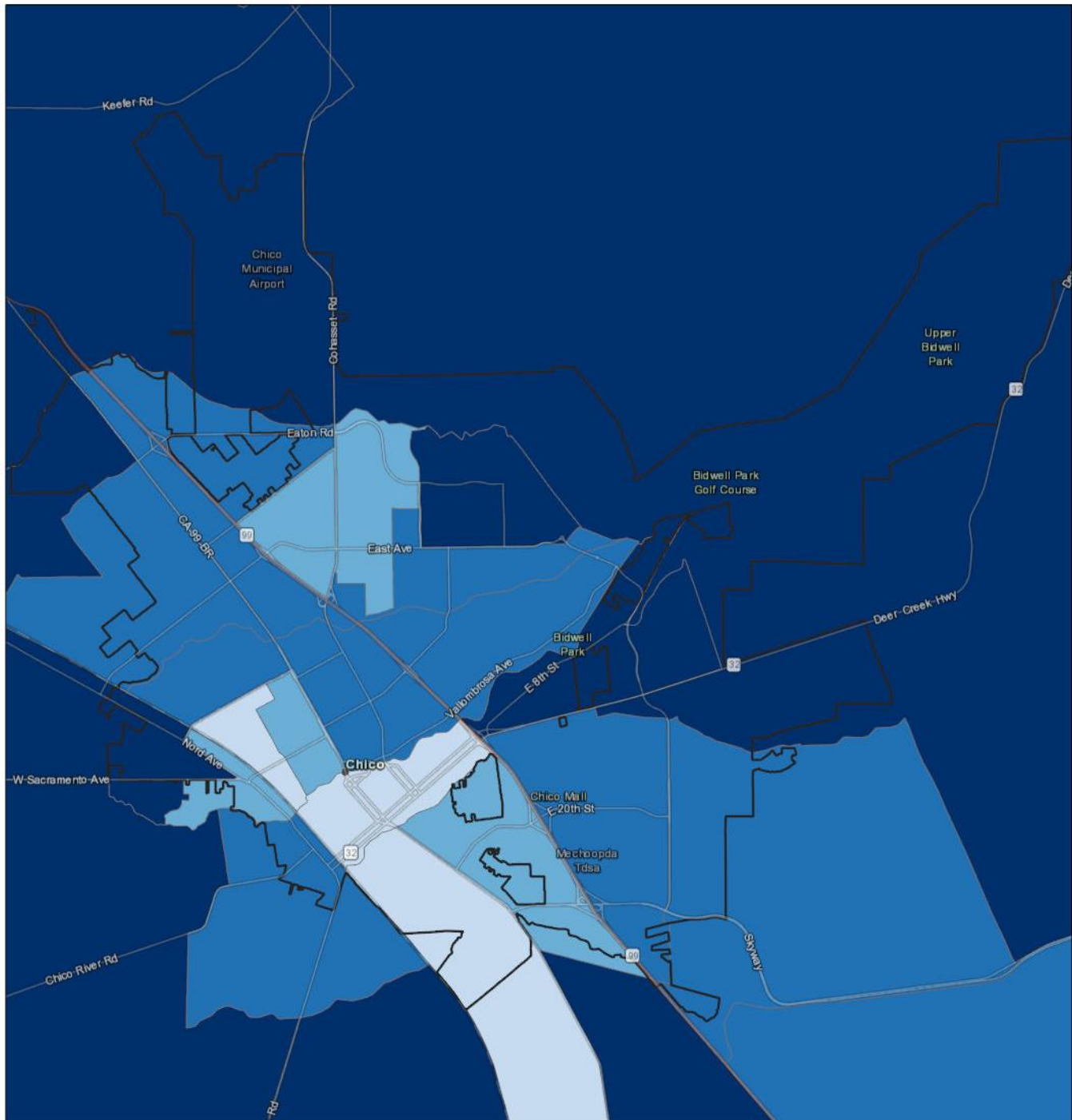
**Figure 7.2: City of Chico, Percent of Children in Married Couple Households Map, 2019**

shows the percentage of children living in married couple households in Chico. The census tracts with more than 80% of children living in married couple households are mostly on the outer edges of the city limits, especially in east Chico surrounding Bidwell Park. The census tracts with 20-40% of children living in married couple households are in the central portion of the city and the areas north and south of central Chico. The remaining census tracts have 40-80% of children living in married couple households (*HCD AFFH Data Resources and Mapping Tool: 2015-2019 American Community Survey*).

**Figure 7.3: Butte County, Percent of Children in Married Couple Households Map, 2019**

shows the percentage of children living in married couple households in Butte county. The census tracts with more than 80% of children living in married couple households are mostly located in north Butte county around the city of Chico. Portions of Butte Valley, east Gridley, and east Oroville also have more than 80% of children living in married couple households. Eastern Butte county north of Oroville and east of Paradise and Magalia has mostly 20-40% of children living in married couple households (*HCD AFFH Data Resources and Mapping Tool: 2015-2019 American Community Survey*).

Figure 7.2: City of Chico, Percent of Children in Married Couple Households Map, 2019



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City/Town Boundaries

(R) Percent of Children in Married - Couple Households (ACS, 2015-2019) - Tract

20% - 40%

40% - 60%

60% - 80%

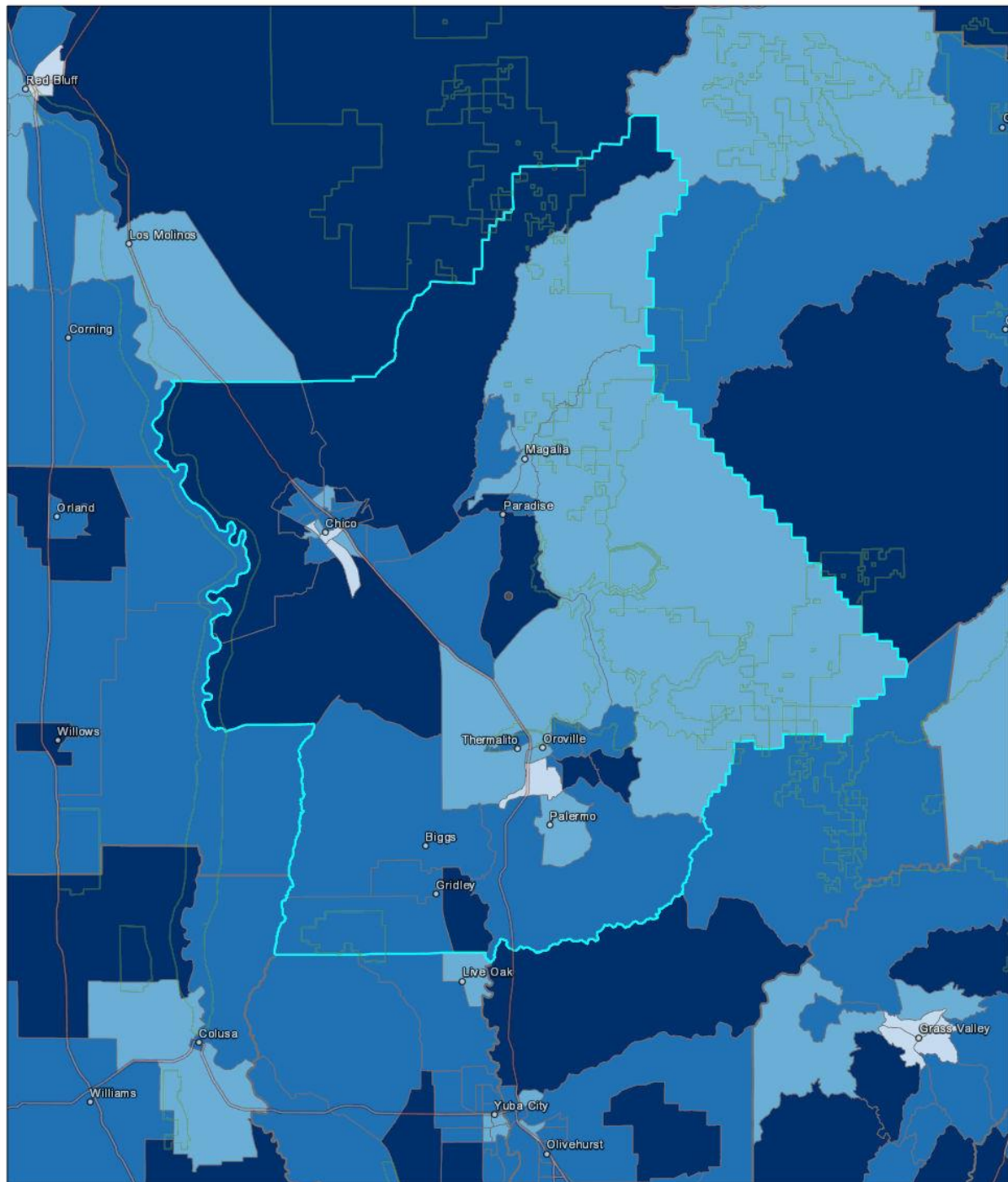
> 80%

1:72,224





Figure 7.3: Butte County, Percent of Children in Married Couple Households Map, 2019



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County Boundaries

(R) Percent of Children in Married - Couple Households (ACS, 2015-2019) - Tract

20% - 40%

40% - 60%

60% - 80%

> 80%

1:577,791

0 5 10 20 mi  
0 5 10 20 km

**Figure 7.4: City of Chico and Butte County, Female Headed Households Table, 2019** compares data on female headed households in the city of Chico and Butte county as of 2019. This data is provided by HCD as part of the Butte 6<sup>th</sup> cycle Housing Element data package. The city of Chico and Butte county have similar percentages for data on female headed householders, with Chico having slightly higher percentages than Butte county. Chico has 22.4% female headed households compared to Butte county's 19.0%. Chico has 13.7% female heads with own children and 8.8% female heads without children compared to Butte county's 10.7% and 8.3%, respectively. Of the 18.7% total families under the poverty level in Chico, 6.4% are female headed householders. Of the 16.1% total families under the poverty level in Butte county, 5.1% are female headed householders. In summary, the city of Chico has slightly higher percentages than Butte county regarding data on female headed householders.

**Figure 7.4: City of Chico and Butte County, Female Headed Households Table, 2019**

	City of Chico		Butte County	
	Estimated Number	Percentage	Estimated Number	Percentage
<b>Female Headed Householders</b>	4,263	22.4%	9,791	19.0%
<b>Female Heads with Own Children</b>	2,599	13.7%	5,525	10.7%
<b>Female Heads without Children</b>	1,664	8.8%	4,266	8.3%
<b>Female Headed Householders Under the Poverty Level</b>	1,214	6.4%	2,611	5.1%
<b>Total Families Under the Poverty Level</b>	3,559	18.7%	8,298	16.1%
<b>Total Householders</b>	19,008	100%	51,447	100%

*Source: U.S. Census 2015-2019 American Community Survey (HCD's Butte 6<sup>th</sup> Cycle Housing Element Data Package)*



### ***Persons with Disabilities***

**Figure 8: City of Chico, Percent of Population with a Disability Map, 2014** shows the percentage of the population that has a disability in a given census tract in Chico in 2014. An estimated 20-30% of the populations of Census Tracts 2.02 and 13 have a disability. Most of the city has 10-20% of its population with a disability with portions of central Chico, west Chico, and northeastern Chico with less than 10% with a disability (*HCD AFFH Data Resources and Mapping Tool: 2015-2019 American Community Survey*).

**Figure 8.1: City of Chico, Percent of Population with a Disability Map, 2019** shows the percentage of the population that has a disability in a given census tract in Chico in 2019. An estimated 10-20% of the population has a disability in most of the census tracts within the city of Chico. Portions of west and east Chico have less than 10% of the population with a disability. No census tracts have 20-30% with a disability (*HCD AFFH Data Resources and Mapping Tool: 2015-2019 American Community Survey*).

**Figure 8.2: Butte County, Percent of Population with a Disability Map, 2019** shows the percentage of the population that has a disability in a given census tract in Butte county in 2019. Generally, an estimated 10-20% of western Butte county's population has a disability compared to 20-30% of eastern Butte county. Only the city of Chico has census tracts with less than 10% of the population with a disability. Only the city of Oroville has a census tract with 30-40% of the population with a disability (*HCD AFFH Data Resources and Mapping Tool: 2015-2019 American Community Survey*).

Figure 8: City of Chico, Percent of Population with a Disability Map, 2014

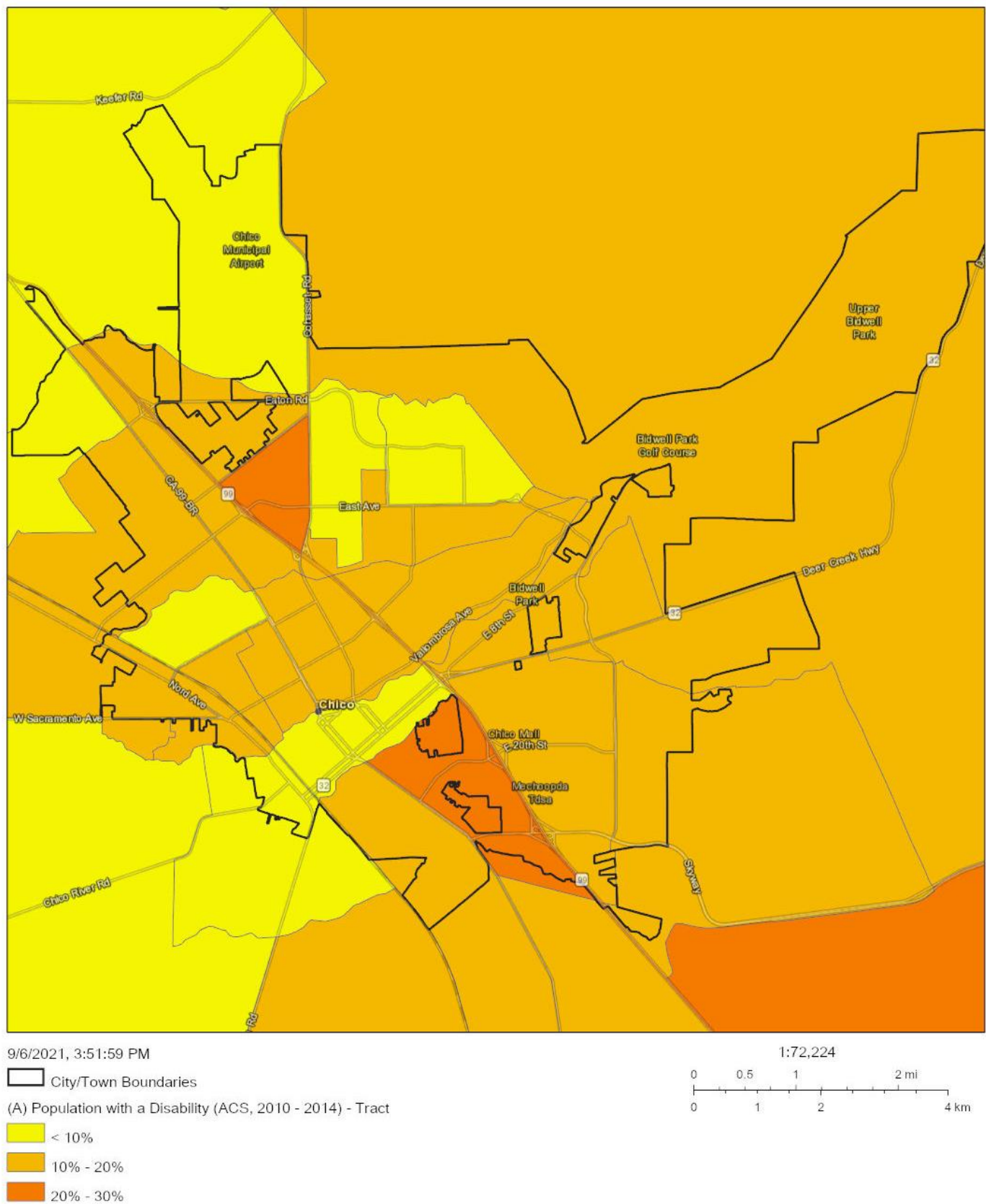


Figure 8.1: City of Chico, Percent of Population with a Disability Map, 2019

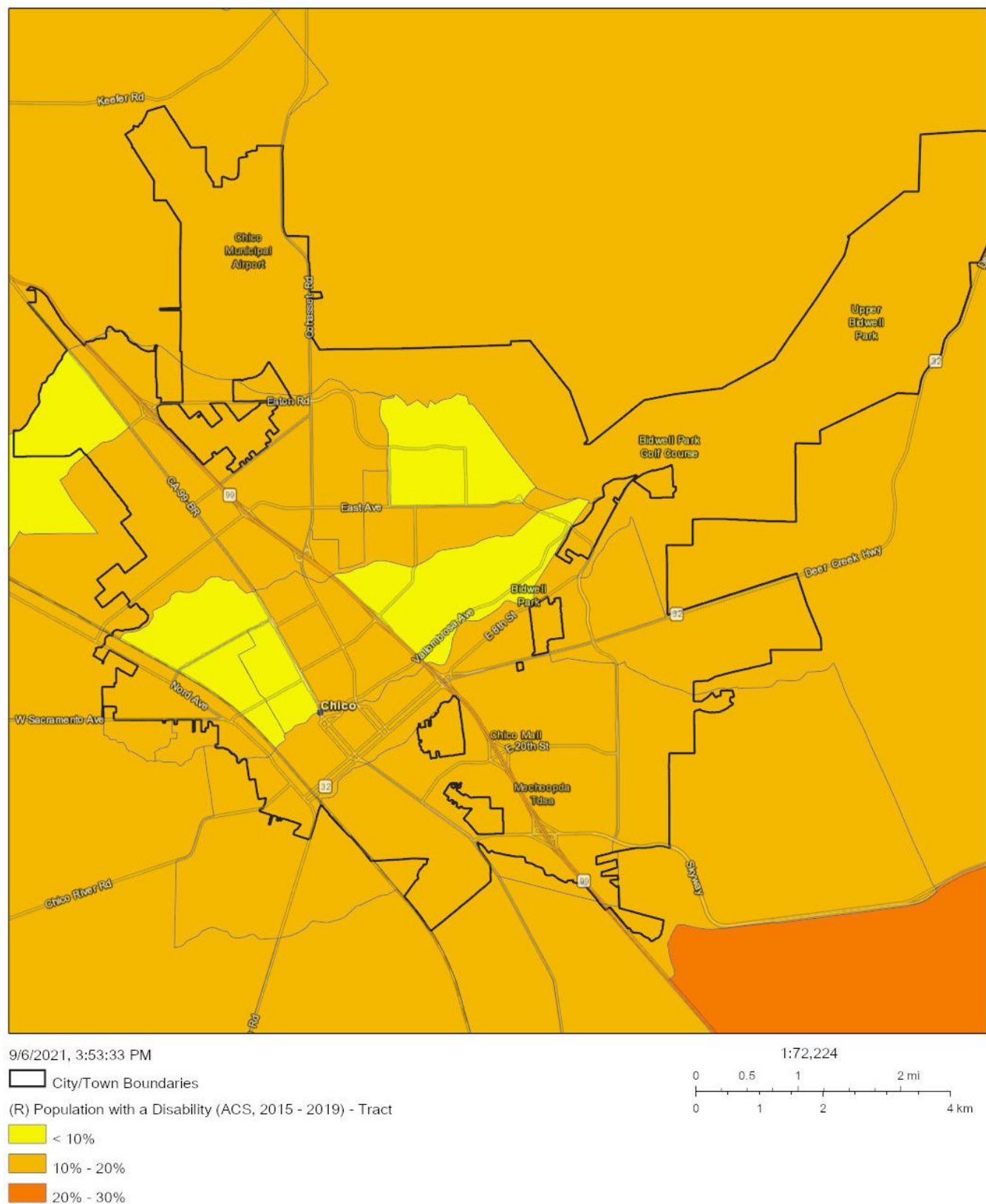
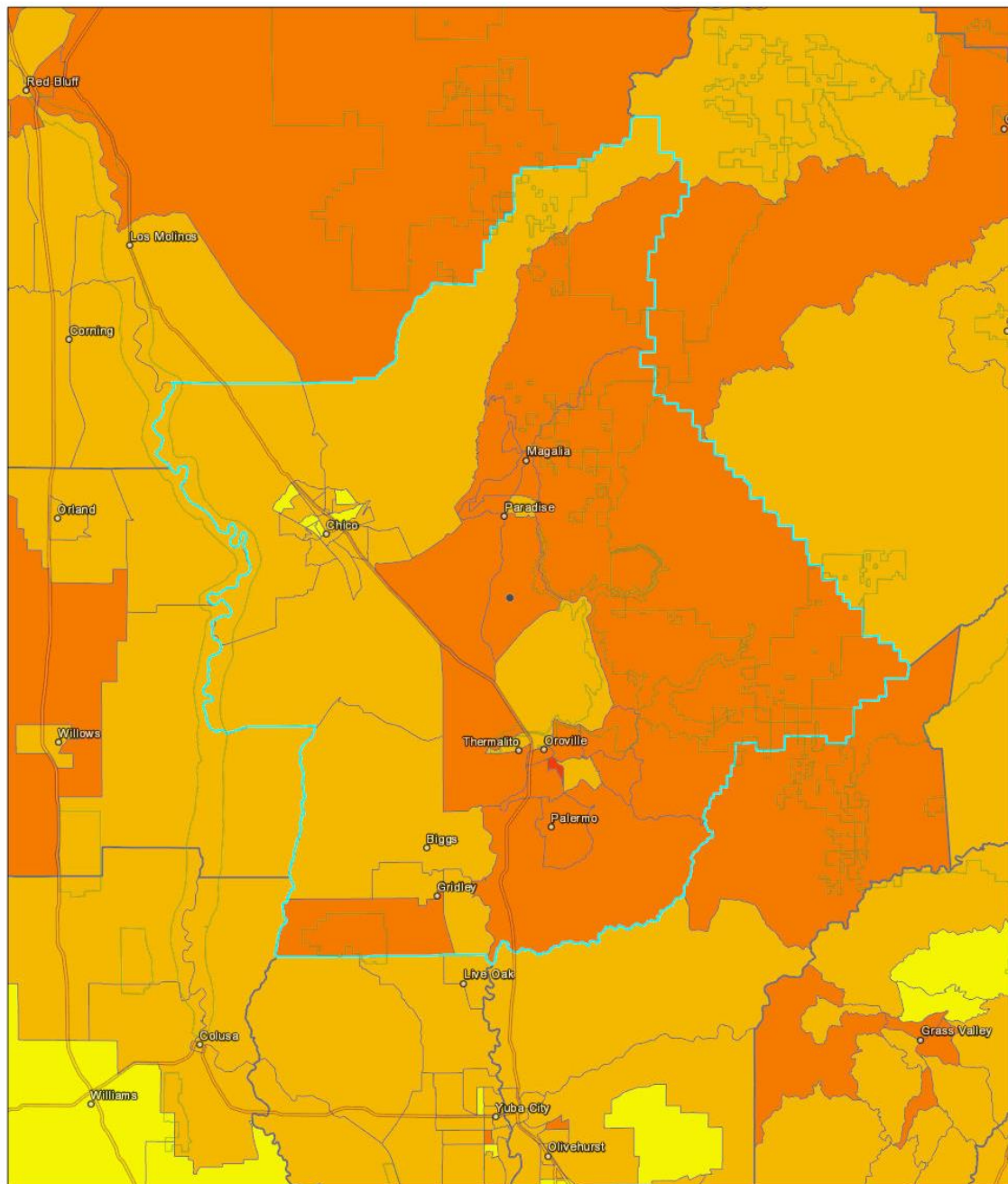


Figure 8.2: Butte County, Percent of Population with a Disability Map, 2019



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County Boundaries

(R) Population with a Disability (ACS, 2015 - 2019) - Tract

< 10%

10% - 20%

20% - 30%

30% - 40%

1:577,791  
0 5 10 20 mi  
0 5 10 20 km

## ***Income***

The following subsection on income has been significantly revised to include additional data and analysis requested by HCD during the initial draft review. The revisions include specifically analyzing patterns of different income concentrations throughout the city, from area to area or neighborhood to neighborhood (see Median Income, Poverty Status, and Median Household Income and Open Access Parks). Complementary to this analysis, local data and knowledge and other relevant factors such as housing and neighborhood conditions and circumstances leading to differences can be found in the Housing Conditions, Neighborhood Characteristics and Conditions, Chico State University Student Housing Insecurity and Homelessness, and Areas of New Growth sections.

### **Median Income**

Due to the availability of data, the median income data from 2014 is at the census tract level whereas the data from 2019 is at the block group level. Thus, though the data from 2014 and 2019 provides insight into the years the data is collected, the maps and data from the different years should not be directly compared, as they are measured at two different levels (i.e. census tract which is a larger unit of measure vs. block group which is a smaller unit of measure).

**Figure 9: City of Chico, Median Income Map, 2014** shows the median income by census tract in Chico in 2014. Only the southeast Chico area, bordered by the Skyway to the south and Bruce Road to the west has a median income of \$80,000-\$99,999. This area includes the Doe Mill, Little Chico Creek, Stilson Canyon, Honey Run, and lower Skyway neighborhoods. The east Chico area, which encompasses the neighborhoods north and south of Bidwell Park, has many census tracts with median incomes \$60,000-\$79,999, and a couple of census tracts further from Bidwell Park and bordering Highway 99 with median incomes \$40,000-\$59,999. The northwest Chico area is similar to the east Chico area, with median incomes ranging from \$40,000 to \$79,999. The census tracts between the Esplanade and the railroad in northwest Chico have higher median incomes of \$60,000-\$79,999.

A portion of the north/northeast Chico, southwest Chico, southcentral Chico, and central Chico areas have census tracts with the lowest median incomes of less than \$40,000. These areas include The Avenues, North Campus (overlaps with The Avenues), South Campus, West Campus, Southwest Chico, and Chapman/Mulberry neighborhoods. The areas also include north/northwest Chico's Census Tracts 3, 2.02, and 1.04. Census Tract 3 is located between the Esplanade and Highway 99, Census Tract 2.02 is a triangular shape between Eaton and Cohasset Roads, and Census Tract 1.04 is between Cohasset Road and Floral

*Avenue (HCD AFFH Data Resources and Mapping Tool: 2015-2019 American Community Survey).*

In summary, the highest median incomes are found in the Doe Mill, Little Chico Creek, Stilson Canyon, Honey Run, and lower Skyway neighborhoods in the southeast area of the city. The lowest median incomes are found in portions of north/northeast Chico, as well as the The Avenues, North Campus, South Campus, West Campus, Southwest Chico, and Chapman/Mulberry neighborhoods in the southwest, southcentral, and central areas of the city.

**Figure 9.1: City of Chico, Median Income Map, 2019** shows the median income by block group in Chico in 2019. Because the data is only available at the smaller block group level, it is more difficult to summarize findings at the larger neighborhood and area levels than Figure 9.

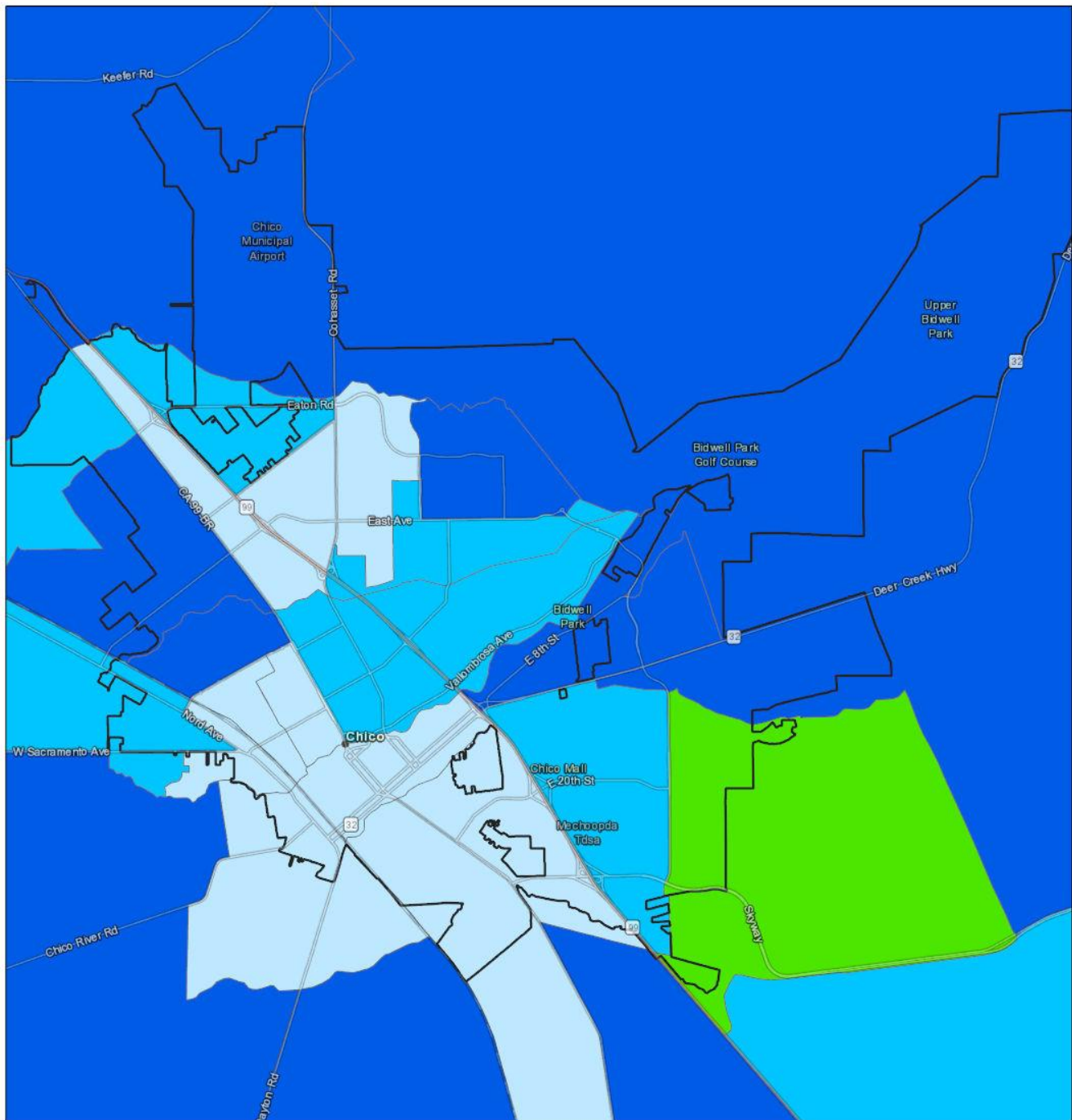
The southeast Chico area has a median income of \$87,100-\$124,999. The east Chico area has the entire range of median incomes for its block groups, but has similar findings as the 2014 data, with higher median incomes directly north and south of Bidwell Park and slightly lower median incomes further from Bidwell Park and bordering Highway 99. The Canyon Oaks neighborhood in California Park south of Upper Bidwell Park has the highest median income of greater than \$125,000. In northwest Chico, there are block groups between the Esplanade and W. Sacramento Avenue that also have median incomes of \$87,100-\$124,999. West Chico's W. Sacramento Avenue and north Chico's Keefer Road and Garner Lane neighborhoods have block groups with median incomes of greater than \$125,000.

Similar to 2014, a portion of the north/northeast Chico, southwest Chico, and central Chico areas have the lowest median income of less than \$30,000. These areas include The Avenues, North Campus (overlaps with The Avenues), West Campus, South Campus, and Southwest Chico neighborhoods, as well as north Chico between the Esplanade and Highway 99, northeast Chico south of Lassen Avenue, and northwest Chico around West East Avenue (*HCD AFFH Data Resources and Mapping Tool: 2015-2019 American Community Survey*).

In summary, the highest median incomes are found in the Canyon Oaks neighborhood in California Park in east Chico, as well as W. Sacramento Avenue in west Chico and Keefer Road and Garner Lane in north Chico. The lowest median incomes are found in The Avenues, North Campus, West Campus, South Campus, and Southwest Chico neighborhoods in the southwest and central Chico areas as well as in portions of north/northeast Chico.



Figure 9: City of Chico, Median Income Map, 2014



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City/Town Boundaries

(A) Median Income (ACS, 2010-2014) - Tract

< \$40,000

< \$60,000

< \$80,000

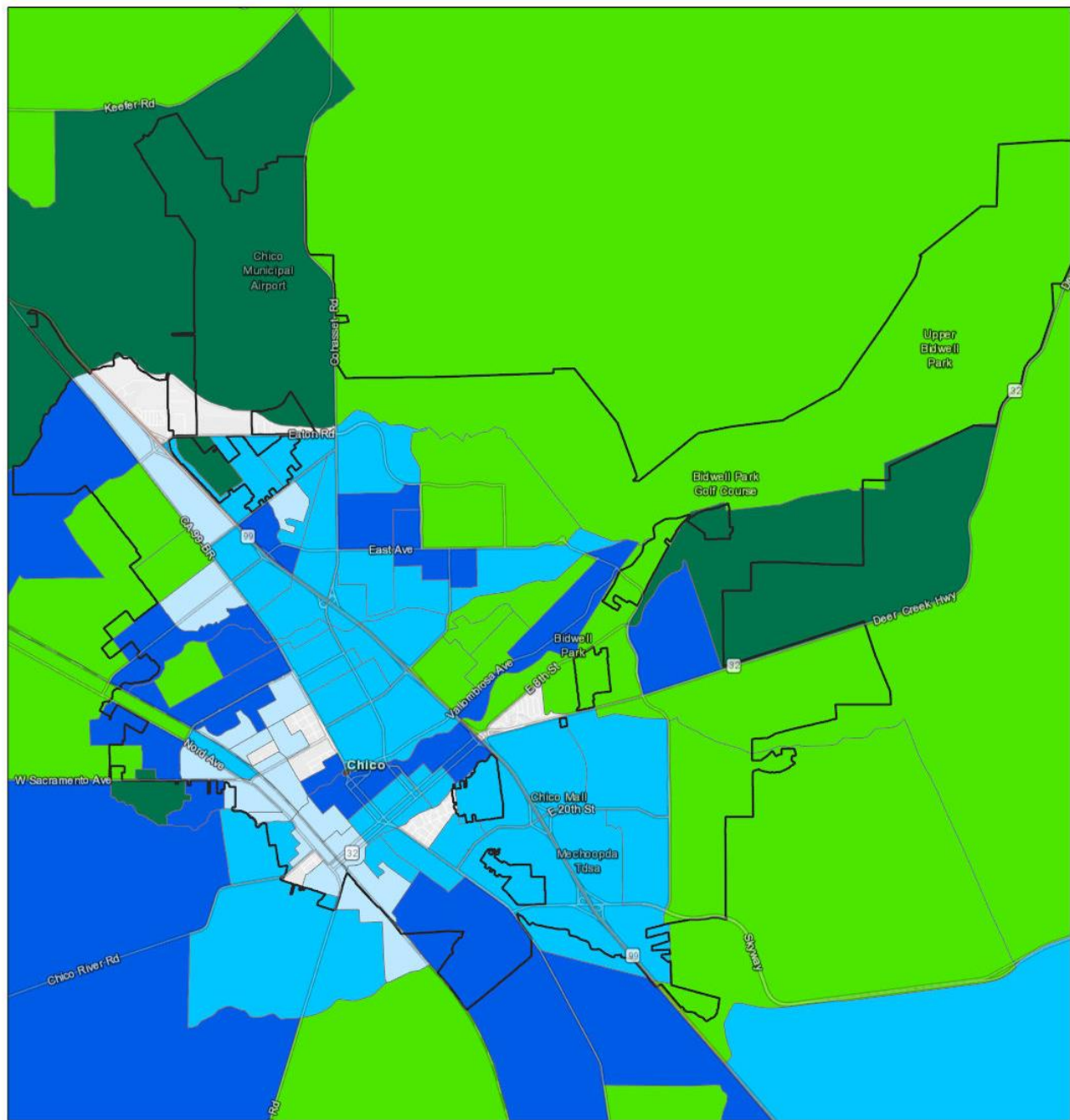
< \$100,000

1:72,224





Figure 9.1: City of Chico, Median Income Map, 2019



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1:72,224

City/Town Boundaries

(R) Median Income (ACS, 2015-2019) - Block Group

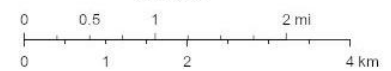
< \$30,000

< \$55,000

< \$87,100 (HCD 2020 State Median Income)

< \$125,000

Greater than \$125,000



## Poverty Status

**Figure 9.2: City of Chico, Butte County, and the State of California, Poverty Table, 2012 and 2019** depicts individuals and families whose income in the past 12 months is below the poverty level for the city of Chico, Butte county, and the State of California. Across all jurisdictions, the percentage of families experiencing poverty decreased slightly in 2019 compared to 2012. The city of Chico experienced a slight increase of individuals experiencing poverty in 2019 compared to 2012, whereas Butte county and the State of California experienced slight decreases.

In 2019 in Chico, the percentage of individuals experiencing poverty (23.2%) is almost double the percentage of families experiencing poverty (12.3%). For context, the average family size in Chico is 3.12 persons whereas the average family size for the State of California as a whole is 3.53 (U.S. Census, 2015-2019 American Community Survey). The percentage of individuals experiencing poverty in Chico is significantly higher than that of the State of California as whole (13.4%). This data reflects in part the large number of college and university students living in the city of Chico, who are more likely to be single and working lower-wage, part-time jobs.

**Figure 9.2: City of Chico, Butte County, and the State of California, Poverty Table, 2012 and 2019**

Jurisdiction	Population whose income in the past 12 months is below the poverty level	2012		2019		2012 to 2019
		Percent	Estimate			Change
City of Chico	Families	13.4%	2,407	12.3%	2,338	-1.1%
	Individuals	22.9%	18,962	23.2%	21,160	+0.3%
Butte County	Families	12.9%	6,707	11.1%	5,711	-1.8%
	Individuals	20.6%	44,156	19.1%	41,974	-1.5%
State of California	Families	11.5%	983,254	9.6%	860,010	-1.9%
	Individuals	15.3%	5,590,100	13.4%	5,149,742	-1.9%

Source: U.S. Census, 2008-2012 and 2015-2019 American Community Survey

**Figure 9.3: City of Chico, Income and Work Hours Needed to Afford Rental Housing Table, 2021** depicts the annual income and weekly work hours needed to afford studio to four-bedroom rental units in the Chico. The annual income needed to afford a studio is \$33,000, for a two-bedroom unit it is \$47,680, and for a four-bedroom unit it is \$82,560. A worker earning minimum wage would need

to work 45 hours per week to afford a studio, 65 hours per week to afford a two-bedroom unit, and 113 hours per week to afford a four-bedroom unit.

**Figure 9.3: City of Chico, Income and Work Hours Needed to Afford Rental Housing Table, 2021**

Unit Size	Annual Income Needed to Afford Unit	Work Hours per Week at Minimum Wage
Zero-bedroom (studio)	\$33,000	45
One-bedroom	\$36,160	50
Two-bedroom	\$47,680	65
Three-bedroom	\$67,680	93
Four-bedroom	\$82,560	113

*Source: National Low Income Housing Coalition, 2021 Out of Reach*

**Figure 11.3: City of Chico, Poverty Status Map, 2019** (*see the Racially and Ethnically Concentrated Areas of Poverty section for the map*) shows the percentage of individuals experiencing poverty by census tract using income from the past 12 months. In 2019 in Chico, the highest rates of poverty (greater than 40%) are in central and west Chico in The Avenues, North Campus (overlaps with The Avenues), South Campus, West Campus, and Downtown neighborhoods (Census Tracts 5.02, 6.03, 6.04, 10, and 11). There are portions of southwest and north Chico with 30-40% poverty rate in the Southwest Chico neighborhood (Census Tract 12) and the north Chico area between the Esplanade and Highway 99 (Census Tract 3).

The areas with a less than 10% poverty rate are located in the southeast Chico area in the Doe Mill, Little Chico Creek, Stilson Canyon, Honey Run, and lower Skyway neighborhoods as well as the east Chico area both north of Bidwell Park and south of Upper Bidwell Park in the Canyon Oaks neighborhood in California Park. There is also a portion of northwest Chico located between the railroad and the Esplanade that has a less than 10% poverty rate (Census Tracts 1.03, 4.02, 8, 9.01, and 16) (*HCD AFFH Data Resources and Mapping Tool: 2015-2019 American Community Survey*).

In summary, the areas with the highest poverty rates are found in The Avenues, North Campus, South Campus, West Campus, and Downtown neighborhoods in the central/west Chico area. The areas with the lowest poverty rates are found in the Doe Mill, Little Chico Creek, Stilson Canyon, Honey Run, and lower Skyway neighborhoods in the southeast Chico area, as well as north of Bidwell Park in the east Chico area, and between the railroad and Highway 99 in northwest Chico.

**Figure 11.4: Butte County, Poverty Status Map, 2019** (*see the Racially and Ethnically Concentrated Areas of Poverty section for the map*) shows the

percentage of individuals experiencing poverty by census tract using income from the past 12 months. In 2019 in Butte county, the highest rates of poverty (greater than 40%) are in Chico as well as 30-40% rate of poverty centered around the city of Oroville including near the communities of Thermalito and Palermo. Much of south/southeast Butte county has a 10-20% poverty rate whereas much of north/northwest Butte county around the city of Chico has a less than 10% poverty rate. There are areas north of Oroville and around Palermo in south Butte county as well as north of Magalia in north Butte County with a 20-30% poverty rate (*HCD AFFH Data Resources and Mapping Tool: 2015-2019 American Community Survey*).

In summary, the areas with the highest poverty rates are found in Chico, in the northwest Butte county area. The areas with the lowest poverty rates are also found in the northwest Butte county area around Chico. Chico is the most populous community in Butte county, has the most census tracts, and as indicated by this map, also has greater income disparity than other communities in Butte county.

### **Median Household Income and Open Access Parks**

In 2019, a graduate student at California State University, Chico conducted research on income and walkable access to parks in Butte and Glenn Counties. The map of Chico, **Figure 9.4: City of Chico, Median Household Income and Open Access to Parks, 2019**, and relevant findings are summarized below to provide additional context to patterns of different income concentrations throughout the city.

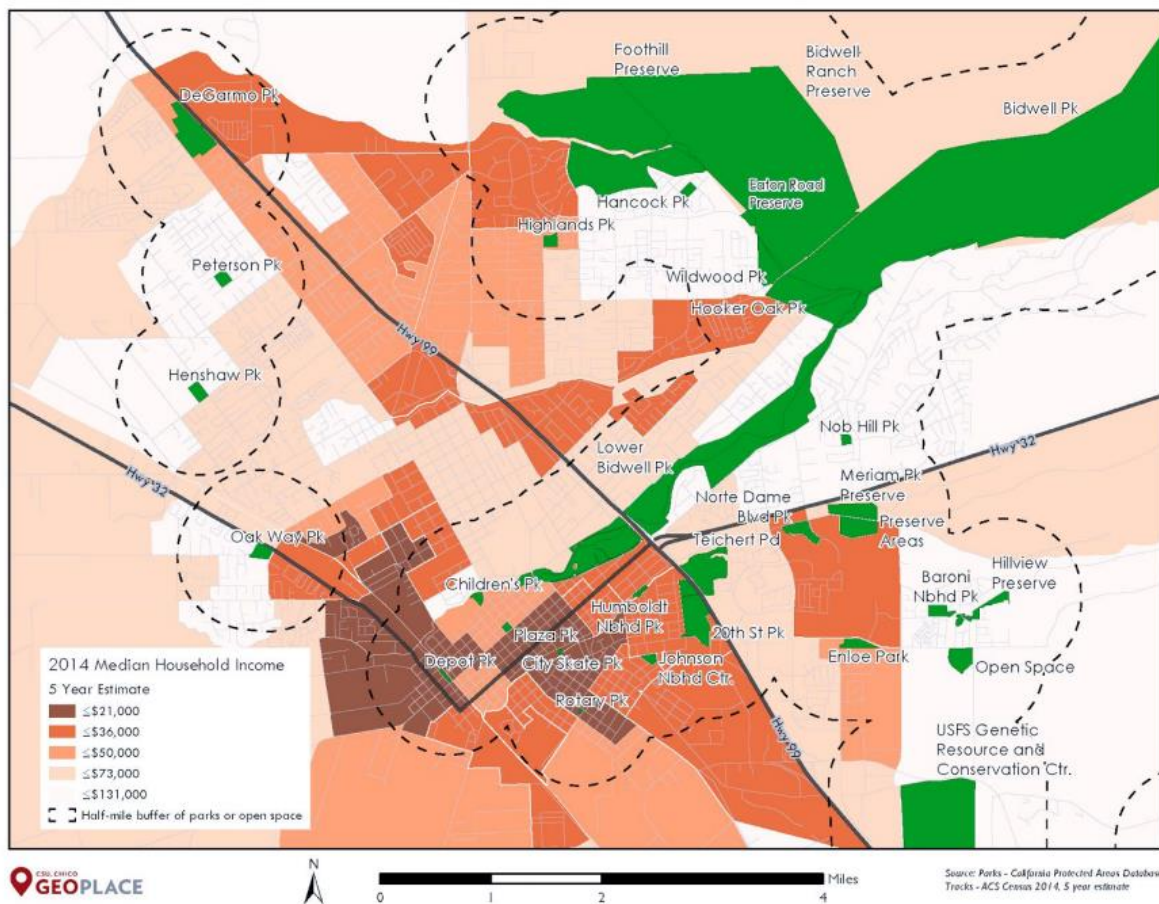
Generally, Chico's higher income areas have more access to parks, especially larger parks, than lower income areas. This finding is best illustrated by east/southeast Chico's concentration of large parks and preserves and mid-sized parks, coupled with its higher income areas. In contrast, central/southwest Chico holds the highest concentration of lower income residents with limited access to small parks. Northwest/west Chico has an unusual coupling of middle- to high-income neighborhoods, three small parks, and one mid-sized park. There is a dearth of parks in central/southwest Chico, aside from Lower Bidwell Park.

Importantly, Comanche Creek Greenway is not identified on the map, however, it is located at the southernmost part of the Southwest Chico neighborhood between the Midway and the Union Pacific Railroad line. It consists of a pedestrian and bicycle bridge and trails, parking areas, ADA access entrance, benches, trees, and kiosks. The area was improved to provide public access to the greenway and expand bicycle and pedestrian circulation in southwest Chico. It was funded with the California Housing Related Parks Grant and an Urban Greening Grant.

In summary, there is a clear difference between east Chico's higher incomes and larger and more abundant parks and preserves compared to central/southwest Chico's lower incomes and smaller and fewer parks. Topography provides important context to this finding. The eastern boundary of Chico is the beginning of foothills which lead to the Sierra Nevada mountain range, whereas the western boundary is known as the Greenline and is home to agricultural lands. Both the topography and the historic and present-day uses of the land have an effect of the availability of land for other purposes such as parks.

Figure 9.4: City of Chico, Median Household Income and Open Access to Parks, 2019

### Chico: Median Household Income and Open Access Parks



Source: Jessica Candela, "Healthy Parks Healthy People: A Butte-Glenn Regional Needs Assessment," Master of Public Administration Culminating Project, California State University, Chico, 2019

## Housing Conditions

In 2012, the City of Chico and Chico State University staff and students worked in collaboration on a housing conditions inventory. The neighborhoods surveyed for the inventory included North Campus, South Campus, Southwest Chico, and a portion of Chapman/Mulberry within City limits at time of the survey. The survey results indicated areas within these neighborhoods that have concentrations of poor housing conditions, vacancies, and limited infrastructure.

Chapman/Mulberry: In the northern portion (Areas 14 and 23 as listed in the inventory) of the Chapman/Mulberry neighborhood in southcentral Chico, there was a high number of surveyed properties with limited infrastructure, vacancies, substandard structures, and high risk structures compared to other mapped areas. Areas 14 and 23 are roughly bordered by 9<sup>th</sup> Street on the north, Cleveland Avenue on the south, Martin Street on the west, and Guill Street on the east.

In addition, all of the Chapman (eastern) portion of the Chapman/Mulberry neighborhood had high numbers of surveyed properties with limited infrastructure when compared to the rest of the survey area.

North Campus: In the North Campus neighborhood of central Chico (Areas 6 and 7 as listed in the inventory), there was a high number of surveyed properties with substandard structures, high risk structures, and limited infrastructure. Areas 6 and 7 are just north of the Chico State University campus, west of the Esplanade, and south of West 4<sup>th</sup> Avenue. Warner Street is a major corridor running through Area 6, and West 1<sup>st</sup> Avenue is a major corridor running through Area 7.

South Campus and Southwest Chico: In the South Campus neighborhood of central Chico, and the Southwest Chico neighborhood of southwest Chico, there were a high number of surveyed properties with substandard structures and limited infrastructure. These two areas (Areas 27 and 38 as listed in the inventory) are not directly adjacent to each other but are near to one another and are roughly bordered by West 5<sup>th</sup> Street on the north, Hazel and West 14 Streets on the south, Ivy Street on the west, and Salem Street on the east.

In addition, the southeastern residential end of the Southwest Chico neighborhood (Areas 39, 40, and 48) had moderately high numbers of surveyed properties with limited infrastructure and substandard structures.

In summary, there are portions of the Chapman/Mulberry, North Campus, South Campus, and Southwest Chico neighborhoods in central, southwest, and southcentral Chico that have concentrations of poor housing conditions, vacancies, and/or limited infrastructure (City of Chico, Housing Conditions Inventory, October 2012).

The City of Chico will perform a new Housing Conditions Inventory in the recently annexed Chapman/Mulberry neighborhoods by September 2023. See **Action 1.4.2** in Chapter 3.

### **Neighborhood Characteristics and Conditions**

From 2004 to 2008, the City of Chico published neighborhood plans for three neighborhoods: The Avenues, Chapman/Mulberry, and Southwest Chico. Though these plans are approximately 15 years old as of 2022, they provide insightful descriptions of neighborhood conditions and characteristics as shared by community partners, neighborhood residents, stakeholders, and city staff. These are the most recent plans available, and a summary of each neighborhood is provided below.

**The Avenues:** According to the 2008 neighborhood plan, The Avenues is approximately 830 acres, and one of Chico's oldest neighborhoods, with some residences built between 1900 and 1910. The neighborhood has diversity in zoning, lot sizes, and housing types. The Avenues is an established neighborhood with street trees and block/street patterns that are scaled for pedestrian use. It has three public schools: Chico High School, Chico Junior High School, and Citrus Elementary School, and Enloe Medical Center. Chico State University is adjacent to the neighborhood and many of its students reside in The Avenues, in homes both large and small that have converted to rentals over the years. The Esplanade, a major corridor of the city, splits The Avenues into east and west subareas. The Avenues is home to Mansion Park between Chico High School and Bidwell Mansion which has larger single-family homes on larger lots. The Avenues' western sub-area is North Campus/Rancheria. This area has needs related to infrastructure, public improvements, and housing conditions, and is also home to many multi-family rentals for students and general Chico residents.

In summary, there is a range of incomes and housing tenure, types, and conditions found in The Avenues, one of Chico's oldest and most established neighborhoods. (*City of Chico, The Avenues Neighborhood Improvement Plan, April 2008*).

**Chapman/Mulberry:** The Chapman/Mulberry neighborhood is approximately 338 acres and was once an unincorporated county island surrounded by Chico. The City of Chico completed the annexation of these neighborhoods in 2020.

According to the 2004 neighborhood plan, Chapman/Mulberry is an older neighborhood and established with street trees. There are neighborhood and regional parks and Little Chico Creek in the area. The neighborhood has Chapman Elementary School, community centers, and churches. Most homes are single-family dwellings and there are few multi-family dwellings. Approximately 10% of Chapman's and 17% of Mulberry's dwellings occur as groups of one or more



structures. Approximately 3% of the housing stock are mobile homes. Generally, homes are older and in need of repair and rehabilitation. Over 73% of dwellings were built prior to 1950. Infrastructure is lacking in terms of street pavement widths, sidewalks, curbs, and gutters, as well as sewer and storm drainage systems, though as iterated in the plan, residents of the area desire a more rural infrastructure system. For example, the plan calls for valley gutters and no sidewalks in existing developed areas. There are scattered commercial and light industrial uses within the residential area that precede zoning in the area and are inconsistent with the residential neighborhood character.

In summary, the Chapman/Mulberry is an older and established neighborhood that used to be an unincorporated county island surrounded by Chico. Generally, the homes are older and in need of repair and rehabilitation. There are also significant infrastructure needs in the neighborhood and inconsistent land uses that affect the residential neighborhood character (*City of Chico, Chapman/Mulberry Neighborhood Plan, October 2004*).

Southwest Chico: According to the 2008 neighborhood plan, Southwest Chico is approximately 654 acres with a mix of residential, corridor commercial and manufacturing, and light industrial uses. The residential areas tend to have front porches, and alley-loaded garages. Some homes were built in the early 1900s, well over 100 years old. The neighborhood includes Park Avenue (which leads to Downtown Chico), the former Diamond Match factory site, an industrial park, the Butte County fairgrounds, small neighborhood parks, Little Chico Creek, and Comanche Creek. The Barber neighborhood which was originally built as housing for Diamond Match factory employees is also part of Southwest Chico. The Barber neighborhood has a range of adequate to poor street conditions and frontage improvements. Southwest Chico is approximately 0.5 miles south of Chico State University and adjacent to Downtown Chico. The Plan uses 2000 Census data to illustrate a significant proportion of the residents are Hispanic/Latino (16%), and over 75% of households are renters. More than half of the dwellings are multi-family, whereas less than half are single-family.

In summary, there is a range of land uses and street and housing conditions throughout the Southwest Chico neighborhood. It has a significant proportion of multi-family dwellings, renter households, and Hispanic/Latino residents. The Barber neighborhood, a subarea of the larger neighborhood, has older and smaller homes originally built for Diamond Match factory employees, and has street and frontage improvement needs (*City of Chico, Southwest Chico Neighborhood Improvement Plan, December 2008*).

### Chico State University Student Housing Insecurity and Homelessness

The following information centers on student housing insecurity and homelessness. This information provides context to the North Campus, South Campus, and West Campus neighborhoods, which have a large proportion of Chico State University students. The makeup and experiences of the student body is relevant to the discussions of income concentrations by neighborhood throughout the city.

In 2022, Chico State University researchers published a study on understanding student housing insecurity and homelessness. Using an original survey, focus groups, and interviews, they found that income, race/ethnicity, awareness of services, and being impacted by a natural disaster all significantly impact housing insecurity and homelessness for students. Students who are under-resourced financially and from underrepresented communities are even more likely to struggle with unstable housing.

According to their research, this was the first study to explore the impact of a natural disaster on housing insecurity among college students. The study found that the high demand and low supply of housing in the community, exacerbated by the natural disaster event [the 2018 Camp Fire], impacted student housing security. Approximately 23% of students surveyed reported an increase in housing expenses despite a moratorium on rent increases above 10%, immediately after the event. For students that were living on the margins financially before the natural disaster, increased housing expenses after the disaster impacted their housing insecurity.

In summary, Chico State University students may experience housing insecurity and homelessness. Factors such as income, race/ethnicity, awareness of services, and being impacted by a natural disaster all significantly impact housing insecurity and homelessness for students (*Jennifer Wilking, Susan Roll, Mariah Kornbluh & Robin Donatello (2022): Understanding Student Housing Insecurity and Homelessness: A Mixed Methods and Multi-variable Analysis, Journal of Student Affairs Research and Practice, DOI: 10.1080/19496591.2022.2088292*).

### Areas of New Growth

Chico primarily experienced growth in the following three areas during the prior Housing Element cycle from 2014 through 2022: 1) the Northwest Chico Specific Plan (NWCSP) area, 2) northeast Chico, and 3) southeast Chico. Additional growth took place on various infill sites, mostly concentrated in newly annexed areas and opportunity sites located west of Chico State University.

Housing development in the NWCSP area picked up along with general economic recovery after the Great Recession and continued through the 2014-2022

Housing Element cycle. Approximately 450 single-family residences and 600 apartment units were added to the NWCSP area from 2014 to 2022. The new single-family residences ranged from larger-lot homes such as those on Abbott Circle to tightly arranged single-family homes such as those on DeGarmo Drive and Bentwater Loop. The apartment projects included market-rate Fiore di Monte (195 units on 10 acres), Heritage Landing (152 units on 8 acres), Eaton Village Phase 2 (148 units on 7 acres), and the affordable North Point Apartments (50 units on 2.5 acres). Infrastructure improvements from these projects extended sewer to this area, including a new main that will serve the Tonea Senior Apartments which will add 104 affordable senior units by the end of 2023.

In northeast Chico, the residential portions of the Mountain Vista-Sycamore Glen subdivisions were completed during the 2014-2022 period, as were several other nearby subdivisions on Ceres Avenue, Floral Avenue, Mariposa Avenue, Marigold Avenue and Cactus Avenue. Approximately 200 single family homes were constructed in this area from 2014-2022 within the Mountain Vista-Sycamore Glen subdivisions (see streets Gallatin Gateway, Kettle Creek Drive, Ruby River Drive, etc.), Foothill Park East, Phase 7 (Commonwealth Court, Beacham Loop, and Kensington Court), Hampton Court (Westerdahl Court), Crossroads (Desert Springs Place), Faithful Estates (Messenger Court), Mariposa Manor (Kayla Marie Court), and Marigold Heights (Harkness Court) subdivisions. Approximately 350 apartment units were also constructed in this area from 2014 to 2022, including market-rate Eaton Ranch (257 units on 15 acres), the Enclave (44 units on 2.5 acres), and the Corrigan Apartments (23 units on 1.5 acres).

In southeast Chico, growth primarily occurred in and around the Meriam Park project and the Oak Valley subdivision. Approximately 200 single family residences were constructed in southeast Chico from 2014 through 2022, mostly within the Belvedere Height Subdivision (see Wingfield Avenue, Longwood Drive, Quillstone Loop, etc.), Oak Valley Subdivision (Pin Oak Lane, Cork Oak Way), and Meriam Park (Kenrick Lane, Tapia Way). Approximately 400 apartment units were also constructed in this area from 2014 to 2022, including the market-rate Carriage Park Apartments (141 units on 7 acres), Skyline Apartments (104 units on 5 acres), Springfield Apartments (110 on 3.5 acres), A26 Tank District Apartments (48 units on 2 acres), and several other smaller apartment projects in Meriam Park. Meriam Park's affordable multi-family housing includes Parkside Terrace completed in 2011 with 90 units on 3.99 acres and North Creek Crossings under construction in 2023 with 160 units on 5.39 acres.

Student-focus projects near the Chico State University campus from 2014-2022 include the market-rate Post on Nord (173 units on 4.6 acres), The Fountain on Nord (46 units on 2 acres), the Urban (36 units on 0.8 acres), and the Pabbi Apartments (15 units on 0.82 acres). These projects all redeveloped older housing stock with more units of modern housing, except for the Pabbi Apartments site was formerly a vehicle servicing use.

As of 2022, additional multi-family affordable housing is under construction, or being planned/proposed, in northwest and southeast Chico's high median income and low poverty rate areas (see **Figure 22.1: City of Chico, Affordable Housing Existing and Proposed/Pending Map, 2021**).

In summary, Chico primarily experienced growth in the Northwest Chico Specific Plan (NWCSP) area, northeast Chico, and southeast Chico during the time period of 2014-2022. Additional growth took place on various infill sites, mostly concentrated in newly annexed areas and opportunity sites located west of Chico State University. Multi-family affordable housing is under construction, or being planned/proposed, in northwest and southeast Chico. Overall growth included a mixture of single-family and multi-family homes as well as market-rate and affordable units.

### **Income Summary and Conclusion of Issues**

In summary, the preceding section on income has been significantly revised to include additional data and analysis requested by HCD during the initial draft review. The revisions include specifically analyzing patterns of different income concentrations throughout the city, from area to area or neighborhood to neighborhood (see Median Income, Poverty Status, and Median Households Income and Open Access Parks). Complementary to this analysis, local data and knowledge and other relevant factors such as housing and neighborhood conditions and circumstances leading to differences can be found in the Housing Conditions, Neighborhood Characteristics and Conditions, Chico State University Student Housing Insecurity and Homelessness, and Areas of New Growth subsections. Below is a summary of findings by neighborhood.

Southeast Chico's Doe Mill, Little Chico Creek, Stilson Canyon, Honey Run, and lower Skyway neighborhoods, east Chico's Canyon Oaks and north of Bidwell Park neighborhoods, the Northwest Chico Specific Plan area, and north Chico's Keefer Road and Garner Lane neighborhoods: Generally, these neighborhoods have high median incomes and low poverty rates. They also have larger and more abundant parks and preserves than other areas of the city. Southeast Chico is one of the primary new growth areas, and development included both single-family and multi-family units with affordable projects built in 2009 and 2023. As of 2022, additional multi-family affordable housing is under construction, or being planned/proposed, in northwest and southeast Chico's high median income and low poverty rate areas (see **Figure 22.1: City of Chico, Affordable Housing Existing and Proposed/Pending Map, 2021**).

The Avenues, North Campus, West Campus, South Campus, Southwest Chico, Chapman/Mulberry and Downtown Chico: Generally, these neighborhoods have low median incomes and high poverty rates. They have smaller and fewer parks

and preserves than other areas of the city. Portions of these neighborhoods have concentrations of poor housing conditions, vacancies, and/or limited infrastructure.

- The Avenues is an older and established neighborhood with a range of incomes and housing tenure, types, and conditions.
- Chapman/Mulberry is an older and established neighborhood that used to be an unincorporated county island. The homes are generally older and in need of repair and rehabilitation. There are also significant infrastructure needs and inconsistent land uses that affect the residential neighborhood character.
- Southwest Chico has a range of land uses and street and housing conditions. It has a significant proportion of multi-family dwellings, renter households, and Hispanic/Latino residents. The Barber neighborhood has older and smaller homes originally built for Diamond Match factory employees and has street and frontage improvement needs.
- North, West, and South Campus have a large proportion of Chico State University students. Factors such as income, race/ethnicity, awareness of services, and being impacted by a natural disaster all significantly impact housing insecurity and homelessness for students. The West Campus neighborhood experienced four redevelopment projects for student-focused multi-family units at market-rate rents from 2014 to 2022.

### ***Local Data and Knowledge***

Local data and knowledge on segregation and integration is provided by interviews with Disability Action Center (DAC), Passages, Community Housing Improvement Program (CHIP), and Youth for Change, local non-profit organizations that serve people with disabilities, seniors, households that qualify for affordable housing, and youth, respectively.

Disability Action Center (DAC) is a private, non-profit organization founded in 1980 to meet specific needs of people with disabilities living in Northern California. DAC serves Colusa, Butte, Glenn, Tehama, Plumas, Shasta, Lassen, Siskiyou, and Modoc Counties. In an interview for the 2020 Analysis of Impediments to Fair Housing Choice, DAC staff noted that their clients with disabilities experience challenges with finding housing, and increasingly so in recent years. These barriers entail: lack of income, including lack of employment opportunities and difficulty qualifying for government subsidy programs; increase in rental prices; lack of funds for a deposit; lack of funds for utility bills, which are more expensive in both older homes and lower quality housing; finding homes that are accessible for wheelchairs and mobility devices; and finding housing that will accept

pets, especially larger dogs. People with disabilities are also likely to have higher healthcare expenses and to be more dependent on public transportation (*City of Chico 2020 Analysis of Impediments to Fair Housing Choice*).

Passages is the local Area Agency on Aging serving caregivers and older adults in Butte, Colusa, Glenn, Plumas, and Tehama Counties. In an interview for this Housing Element on February 2, 2021, staff stated that there is a critical need for more senior affordable housing units, especially with a growing population of older adults in Chico and an increased demand for housing since the 2018 Camp Fire. As of February 2021, there are two-year long waitlists for senior affordable housing. Staff observed a need for more accessible housing such as smaller homes, one-story homes, wide doorways, and grab bars in bathrooms and shower areas, as well as homes in walkable neighborhoods or near public transportation. Staff noted they frequently receive calls from the public for accessible housing modifications such as ramps to front doors for people who use wheelchairs or walkers. Staff commented that people with low incomes tend to live in the Chapman and Park Avenue neighborhoods in south Chico.

Community Housing Improvement Program (CHIP) serves low-income, rural, and senior residents in Butte, Glenn, Tehama, Sutter, Yuba, and Colusa counties. In an interview for this Housing Element on January 29, 2021, staff comments that Chico needs all types of housing, especially low-income rental housing. Waitlists for some of CHIP's properties have had to close for a period of time due to the large number of people on the lists. CHIP lost an apartment complex in Paradise to the 2018 Camp Fire (which has since been rebuilt), and staff continue to see the effects of the greater loss of housing due to the fire on Chico and Paradise residents. Staff remarks that there can be a lack of community understanding of what it means to experience homelessness and how much housing is still needed in Chico. Staff notes that people with low-incomes and people of color tend to live in the Chapman neighborhood of south Chico, as well as west of California State University, Chico in the Nord Avenue neighborhood.

Youth for Change is a nonprofit that provides services, support, and treatment to children and families in Butte, Sutter-Yuba, Glenn, Shasta, and Trinity Counties. On October 19, 2021, the authors conducted a phone interview with a staff member that works with young adults from 18-24 years that are unhoused. Youth for Change had an estimated 40 active cases of unhoused young adults in Butte county at the time of the interview.

Youth for Change staff indicated that their clients may experience challenges with life skills and are living with mental health conditions, substance use disorder, and trauma which may inhibit their ability to secure housing. Clients have difficulty applying for or demonstrating eligibility for housing due to a developmental disability or lack of time, education, or resources. Staff provides administrative services to assist clients in applying for social service programs, legal identification documentation, Community Housing Improvement Program housing, and health services in addition to providing direct transportation, career-building, education, and mental health services. Clients experience difficulty finding housing that fits their needs and affordability, which includes one-

bedroom or studio apartments and large homes with three or more bedrooms that can be shared by multiple tenants.

### ***Other Relevant Factors***

Other relevant factors include the City of Chico Housing Element: Community Survey #1 on housing needs and issues conducted from February 10, 2021 to March 31, 2021 as part of the 2022-2030 Housing Element update. The survey was open to all community members and received 784 total responses both online and in-person. Of the 17-question survey, two questions relevant to Integration and Segregation section are shown in **Figure 10: City of Chico, Housing Element Community Survey #1, Discrimination & Disability Table, 2021.**

An estimated 9% of respondents (67) reported they have experienced discrimination based on their race, ethnicity, gender, sexual orientation, religion, age, disability or homeless status while searching for housing. The 67 respondents then briefly described their experience(s) with discrimination. Themes of discrimination as reported by respondents included age, college student status, companion animal, credit, criminal record, disability, ethnicity, familial status, gender identity, homeless status, income, nationality, race, religion, and sexual orientation (in alphabetical order). An estimated 91% (692) reported they have not experienced such discrimination.

An estimated 9% of respondents (71) reported they or a family member need a housing accommodation for a disability whereas 91% (696) reported not needing such an accommodation. The 71 respondents briefly described their disabilities and housing accommodation needs. Themes included access to medical/public transportation/ other services, accessible bathrooms and units, autism, brain injury, chronic illnesses, chronic pain, deaf, developmental disability, elevator needs, fixed income, ground level vs. second story apartment needs, guide dog, hearing disability, loud noises from freeways/surrounding areas, mental health disability, mobility devices (e.g. cane, walker, wheelchair), parking space access needs, physical disability, ramp needs, sensory disability, stairs/steps accessibility issues, vision disability, and wheelchair accessible (in alphabetical order).



Figure 10: City of Chico, Housing Element Community Survey #1, Discrimination & Disability Table, 2021

Question	No		Yes		Total Respondents
	Number	Percent	Number	Percent	
In your search for housing, have you experienced discrimination based on things like your race, ethnicity, gender, sexual orientation, religion, age, disability or homeless status?	692	90.9%	69	9.1%	761
Do you or a family member need a housing accommodation for a disability such as physical, sensory or developmental disability?	696	90.7%	71	9.3%	767

Source: City of Chico 2022-2030 Housing Element, Community Survey #1, 2021

### **Conclusions and Summary of Issues**

Conclusions and summary of issues for integration and segregation based on local and regional patterns and trends, local data and knowledge, and other relevant factors are as follows:

- **Race and Ethnicity:** In 2018, the block groups with the highest percentage of non-white population are located in the west and southcentral parts of the city of Chico. Both the city of Chico and Butte county experienced an increase of Hispanic/Latino residents in 2019 compared to 2010 and a decrease of White, not Hispanic/Latino residents.
- **Language:** In 2019 compared to 2010, the percentage of people who spoke a language other than English at home increased for both the city of Chico and Butte county, whereas the number of persons over 5 years of age who are not fluent in English decreased for both jurisdictions.
- **Familial Status:** In 2019, Census Tract 1.04 in northeast Chico had the highest percent of children living in single parent female households at 40-60%. In 2019, the census tracts with more than 80% of children living in married couple households are mostly located in north Butte county around the city of Chico's city limits. As of 2019, the city of Chico had 22.4% female headed households compared to Butte county's 19.0%. Of the 18.7% total families under the poverty level in Chico, 6.4% were female headed householders. Of the 16.1% total families under the poverty level in Butte county, 5.1% were female headed householders. In interviews conducted in 2021, Passages staff noted a need for smaller homes for senior households and Youth for Change staff noted housing barriers experienced by unhoused young adults (single-person households). In Housing Element Community Survey #1 in 2021, some respondents reported experiencing discrimination based on familial status.

- **Persons with Disabilities:** In Chico in 2019, an estimated 10-20% of the population has a disability in most of the census tracts within the city. Portions of west and east Chico have less than 10% of the population with a disability. No census tracts have 20-30% with a disability. In Butte county in 2019, an estimated 10-20% of western Butte county's population has a disability compared to 20-30% of eastern Butte county. Only the city of Chico has census tracts with less than 10% of the population with a disability in the county.
- **Income:** Southeast Chico's Doe Mill, Little Chico Creek, Stilson Canyon, Honey Run, and lower Skyway neighborhoods, east Chico's Canyon Oaks and north of Bidwell Park neighborhoods, the Northwest Chico Specific Plan area, and north Chico's Keefer Road and Garner Lane neighborhoods: Generally, these neighborhoods have high median incomes and low poverty rates. They also have larger and more abundant parks and preserves than other areas of the city. Southeast Chico is one of the primary new growth areas, and development included both single-family and multi-family units with affordable projects built in 2009 and 2023. As of 2022, additional multi-family affordable housing is under construction, or being planned/proposed, in northwest and southeast Chico's high median income and low poverty rate areas.

The Avenues, North Campus, West Campus, South Campus, Southwest Chico, Chapman/Mulberry and Downtown Chico: Generally, these neighborhoods have low median incomes and high poverty rates. They have smaller and fewer parks and preserves than other areas of the city. Portions of these neighborhoods have concentrations of poor housing conditions, vacancies, and/or limited infrastructure.

- **Stakeholder Input:** Disability Action Center (DAC) staff noted that their clients with disabilities experience challenges with finding housing, and increasingly so in recent years. Passages staff stated that there is a critical need for more senior affordable housing units, especially with a growing population of older adults in Chico and an increased demand for housing since the 2018 Camp Fire. Passages staff noted they frequently receive calls from the public for accessible housing modifications such as ramps to front doors for people who use wheelchairs or walkers. Community Housing Improvement Program (CHIP) staff commented a significant need for low-income rental housing, noting the size of waitlists for some of their properties. Youth for Change had an estimated 40 active cases of unhoused young adults in Butte county in 2021.
- **Housing Element Community Survey #1:** An estimated 9% of respondents (67) reported they have experienced discrimination based on their race, ethnicity, gender, sexual orientation, religion, age, disability or homeless status while searching for housing. An estimated 91% (692) reported they have not experienced such discrimination. An estimated 9% of respondents (71) reported

they or a family member need a housing accommodation for a disability whereas 91% (696) reported not needing such an accommodation.

### **C. RACIALLY AND ETHNICALLY CONCENTRATED AREAS OF POVERTY (R/ECAP)**

The third topic of the Assessment of Fair Housing is an assessment of racially and ethnically concentrated areas of poverty (R/ECAP) in the jurisdiction. As detailed in the guidance from HCD, this assessment also separately evaluates areas of high segregation and poverty, significant concentrations of poverty, concentrations of Black, Indigenous, and people of color (BIPOC) populations, and concentrations of affluence at regional and local levels (*California State Department of Housing and Community Development, Affirmatively Furthering Fair Housing, 2021*).

The following sections have been significantly revised to include additional data and analysis requested by HCD during the initial draft review. The revisions include 1) Specifically analyzing areas of high segregation and poverty (see High Segregation and Poverty: Additional Analysis and its subsections); 2) Discussing household demographics, including comparisons to other areas of the city (see Household Demographics and Quality of Life); and 3) Evaluating conditions of the neighborhood relative to quality of life (e.g. housing conditions, infrastructure, parks, community amenities, safe routes to school, and environmental health). Also included is effectiveness or absence of past strategies related to equitable quality of life (for both, see Neighborhood Conditions). The existing map analyses of areas of Chico have been updated to also identify specific census tracts (see Local and Regional Patterns and Trends).

#### ***Local and Regional Patterns and Trends***

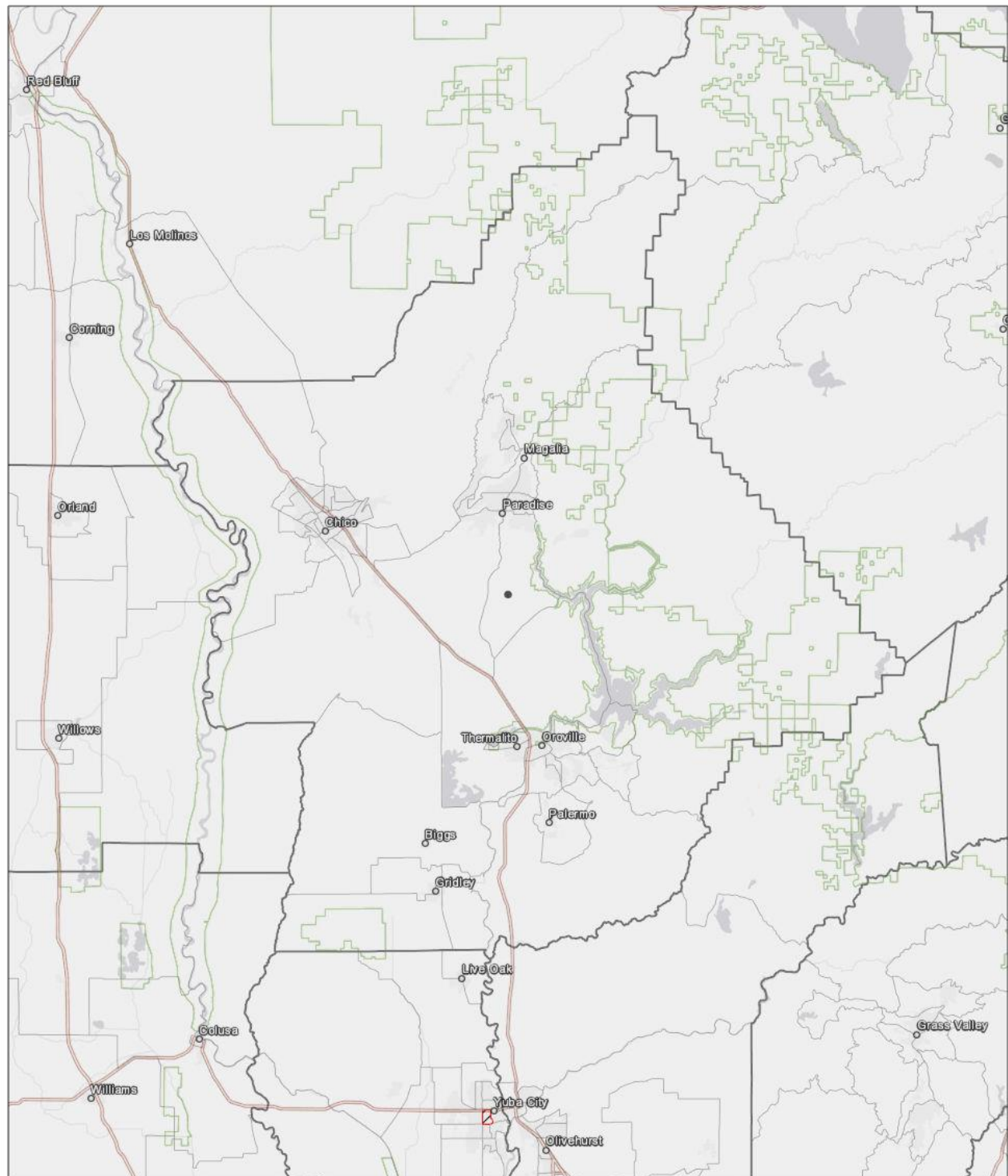
Maps and narrative are used to illustrate local and regional patterns and trends regarding racially and ethnically concentrated areas of poverty (R/ECAP).

The U.S. Department of Housing and Urban Development (HUD) developed a census tract-based definition of R/ECAPs which consists of a racial/ethnic concentration threshold and a poverty test. For more urban areas, R/ECAPs must have a non-white population of 50% or more whereas for more rural areas the threshold is 20%. The poverty test is 40% or three or more times the average tract poverty rate for the area. Census tracts that meet both the racial/ethnic concentration threshold and the poverty test are deemed R/ECAPs. The most recent data available to determine R/ECAPs is from 2013 (*HCD AFFH Data Resources and Mapping Tool: 2009-2013 U.S. Department of Housing and Urban Development*).

**Figure 11: Butte County, R/ECAPs Map, 2013** shows areas of racially and ethnically concentrated areas of poverty (R/ECAPs) in Butte county using the census tract-based definition developed by HUD. As of 2013, there are no HUD-defined R/ECAP areas in

Butte county (*HCD AFFH Data Resources and Mapping Tool: 2009-2013 U.S. Department of Housing and Urban Development*).

Figure 11: Butte County, R/ECAPs Map, 2013



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County Boundaries

(R) Racially or Ethnically Concentrated Areas of Poverty "R/ECAP'S" (HUD, 2009 - 2013) - Tract

0 - Not a R/ECAP

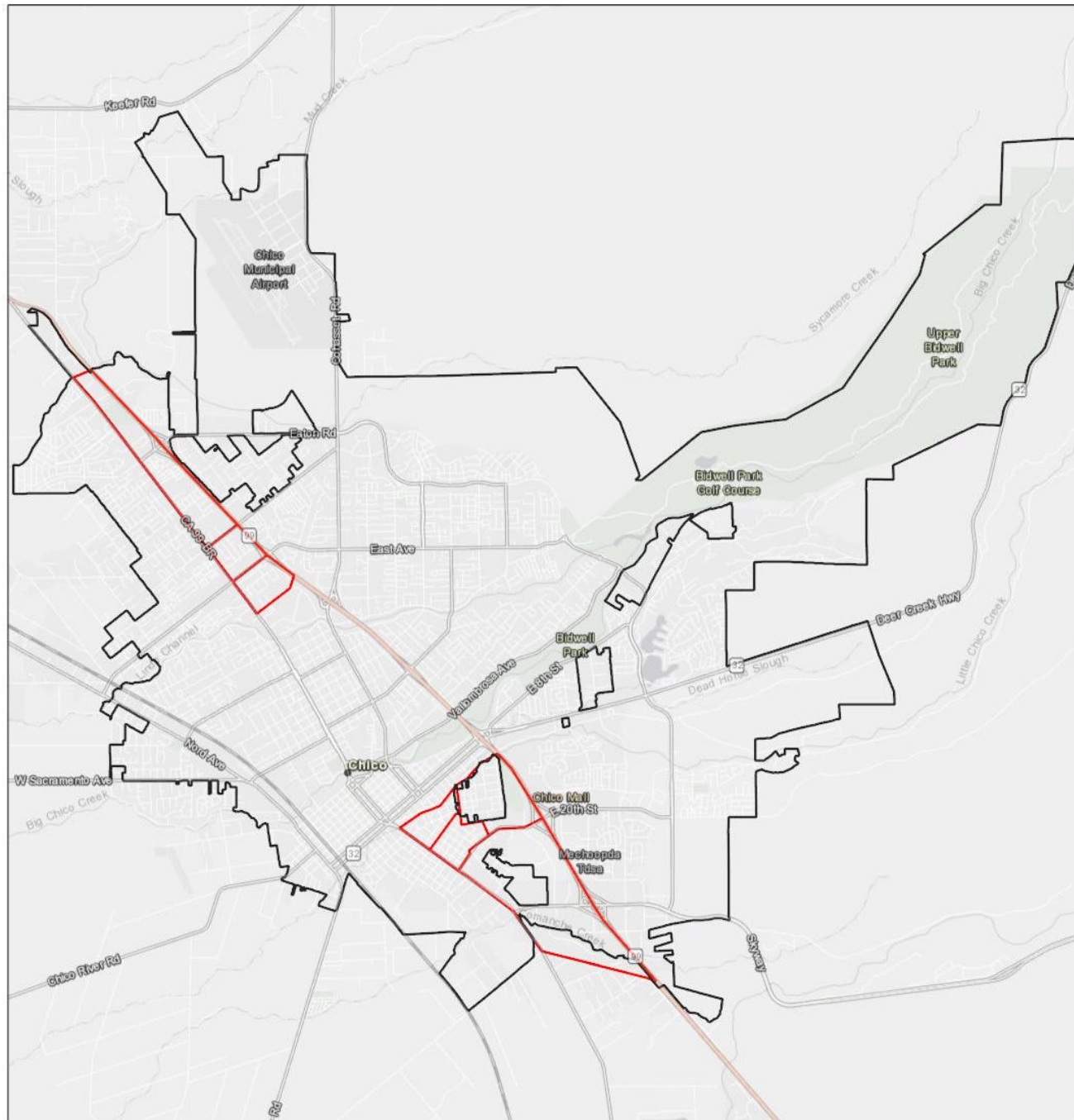
1 - R/ECAP

1:577,791  
0 5 10 20 mi  
0 5 10 20 km

A more recent data source is the Tax Credit Allocation Committee (TCAC) area of high segregation and poverty map from 2021. **Figure 11.1: City of Chico, TCAC Area of High Segregation and Poverty Map, 2021** depicts areas of high segregation and poverty in 2021 as defined by TCAC. As of 2021, these areas are located in north Chico between the Esplanade and Highway 99 (Census Tract 3) and in south Chico between Park Avenue and Highway 99 (Census Tract 13) (*HCD AFFH Data Resources and Mapping Tool: 2021 TCAC*).

**Figure 11.2: Butte County, TCAC Area of High Segregation and Poverty Map, 2021** depicts areas of high segregation and poverty in 2021 as defined by TCAC. As of 2021, these areas are located in Chico as described above as well as centered around the city of Oroville including the communities of Thermalito and Palermo, and in between Oroville and Paradise. There are no areas of high segregation and poverty as defined by TCAC in the city of Biggs, city of Gridley, town of Paradise, or community of Magalia. (*HCD AFFH Data Resources and Mapping Tool: 2021 TCAC*).

Figure 11.1: City of Chico, TCAC Area of High Segregation and Poverty Map, 2021



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City/Town Boundaries

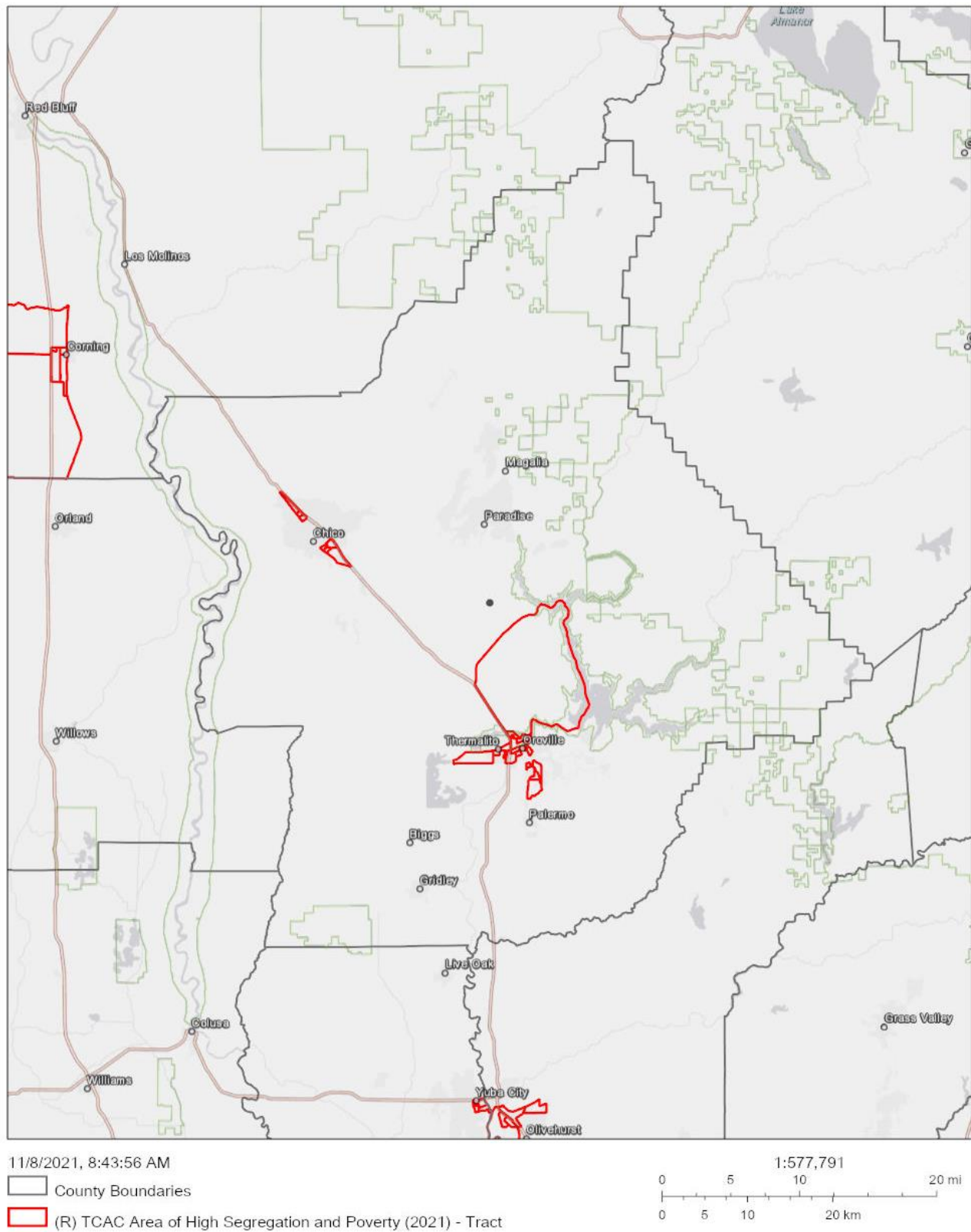
(R) TCAC Area of High Segregation and Poverty (2021) - Tract

1:72,224

0 0.5 1 2 mi  
0 1 2 4 km



Figure 11.2: Butte County, TCAC Area of High Segregation and Poverty Map, 2021



State guidance asks for separate evaluations of significant concentrations of poverty and concentrations of Black, Indigenous, and People of Color (BIPOC) population in addition to the 2013 R/ECAP map and 2021 TCAC area of high segregation and poverty map. Poverty is evaluated by poverty status maps whereas concentrations of BIPOC populations is evaluated by neighborhood segregation map.

**Figure 11.3: City of Chico, Poverty Status Map, 2019** shows the percentage of individuals experiencing poverty by census tract using income from the past 12 months. In 2019 in Chico, the highest rates of poverty (greater than 40%) are in central and west Chico in The Avenues, North Campus (overlaps with The Avenues), South Campus, West Campus, and Downtown neighborhoods (Census Tracts 5.02, 6.03, 6.04, 10, and 11). There are portions of southwest and north Chico with 30-40% poverty rate in the Southwest Chico neighborhood (Census Tract 12) and the north Chico area between the Esplanade and Highway 99 (Census Tract 3).

The areas with a less than 10% poverty rate are located in the southeast Chico area in the Doe Mill, Little Chico Creek, Stilson Canyon, Honey Run, and lower Skyway neighborhoods as well as the east Chico area both north of Bidwell Park and south of Upper Bidwell Park in the Canyon Oaks neighborhood in California Park. There is also a portion of northwest Chico located between the railroad and the Esplanade that has a less than 10% poverty rate (Census Tracts 1.03, 4.02, 8, 9.01, and 16) (*HCD AFFH Data Resources and Mapping Tool: 2015-2019 American Community Survey*).

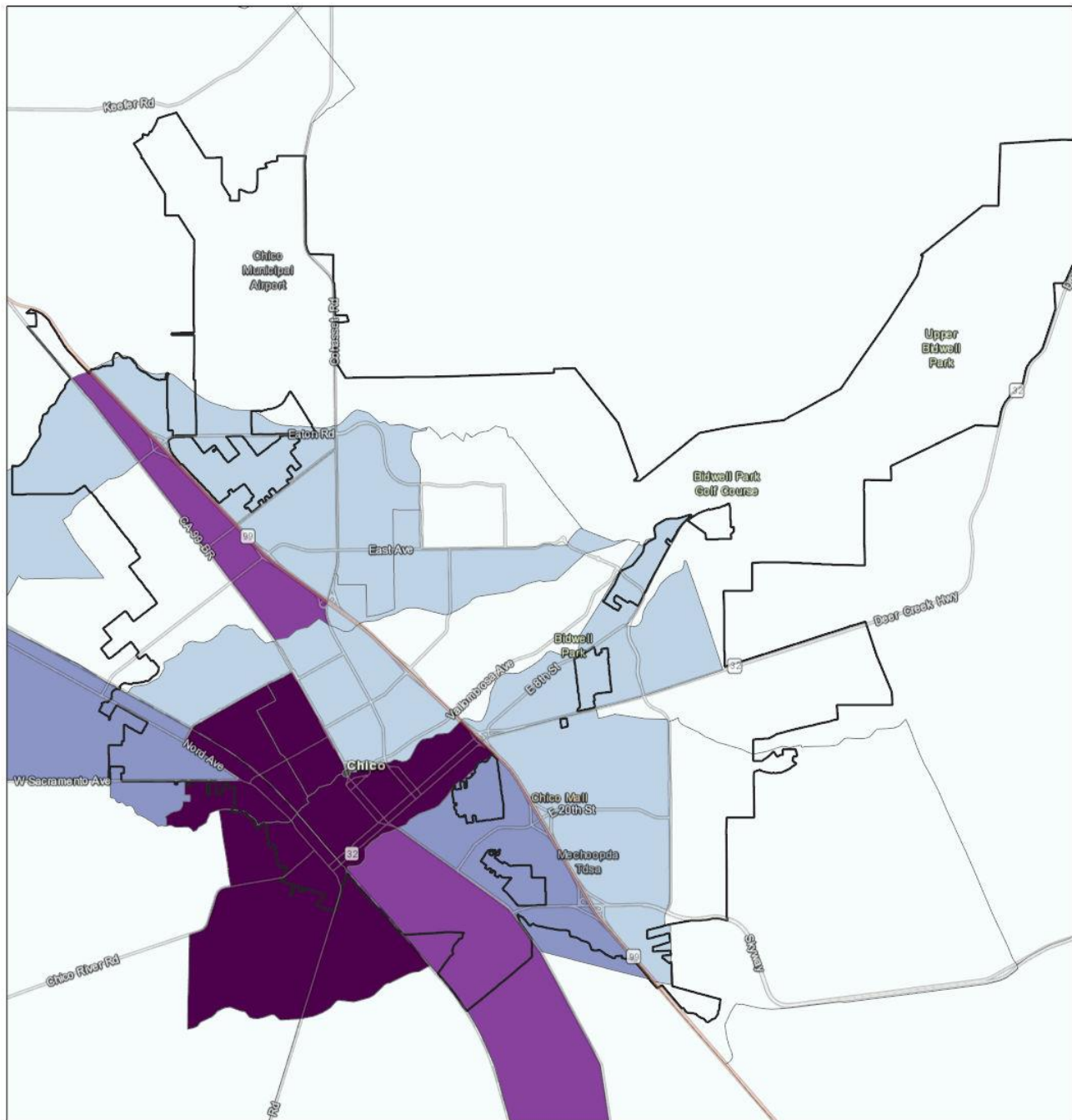
In summary, the areas with the highest poverty rates are found in The Avenues, North Campus, South Campus, West Campus, and Downtown neighborhoods in the central/west Chico area. The areas with the lowest poverty rates are found in the Doe Mill, Little Chico Creek, Stilson Canyon, Honey Run, and lower Skyway neighborhoods in the southeast Chico area, as well as north of Bidwell Park in the east Chico area, and between the railroad and Highway 99 in northwest Chico.

**Figure 11.4: Butte County, Poverty Status Map, 2019** shows the percentage of individuals experiencing poverty by census tract using income from the past 12 months. In 2019 in Butte county, the highest rates of poverty (greater than 40%) are in Chico as well as 30-40% rate of poverty centered around the city of Oroville including near the communities of Thermalito and Palermo. Much of south/southeast Butte county has a 10-20% poverty rate whereas much of north/northwest Butte county around the city of Chico has a less than 10% poverty rate. There are areas north of Oroville and around Palermo in south Butte county as well as north of Magalia in north Butte County with a 20-30% poverty rate (*HCD AFFH Data Resources and Mapping Tool: 2015-2019 American Community Survey*).

In summary, the areas with the highest poverty rates are found in Chico, in the northwest Butte county area. The areas with the lowest poverty rates are also found in the

northwest Butte county area around Chico. Chico is the most populous community in Butte county, has the most census tracts, and as indicated by this map, also has greater income disparity than other communities in Butte county.

Figure 11.3: City of Chico, Poverty Status Map, 2019



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City/Town Boundaries

(R) Poverty Status (ACS, 2015 - 2019) - Tract

< 10%

10% - 20%

20% - 30%

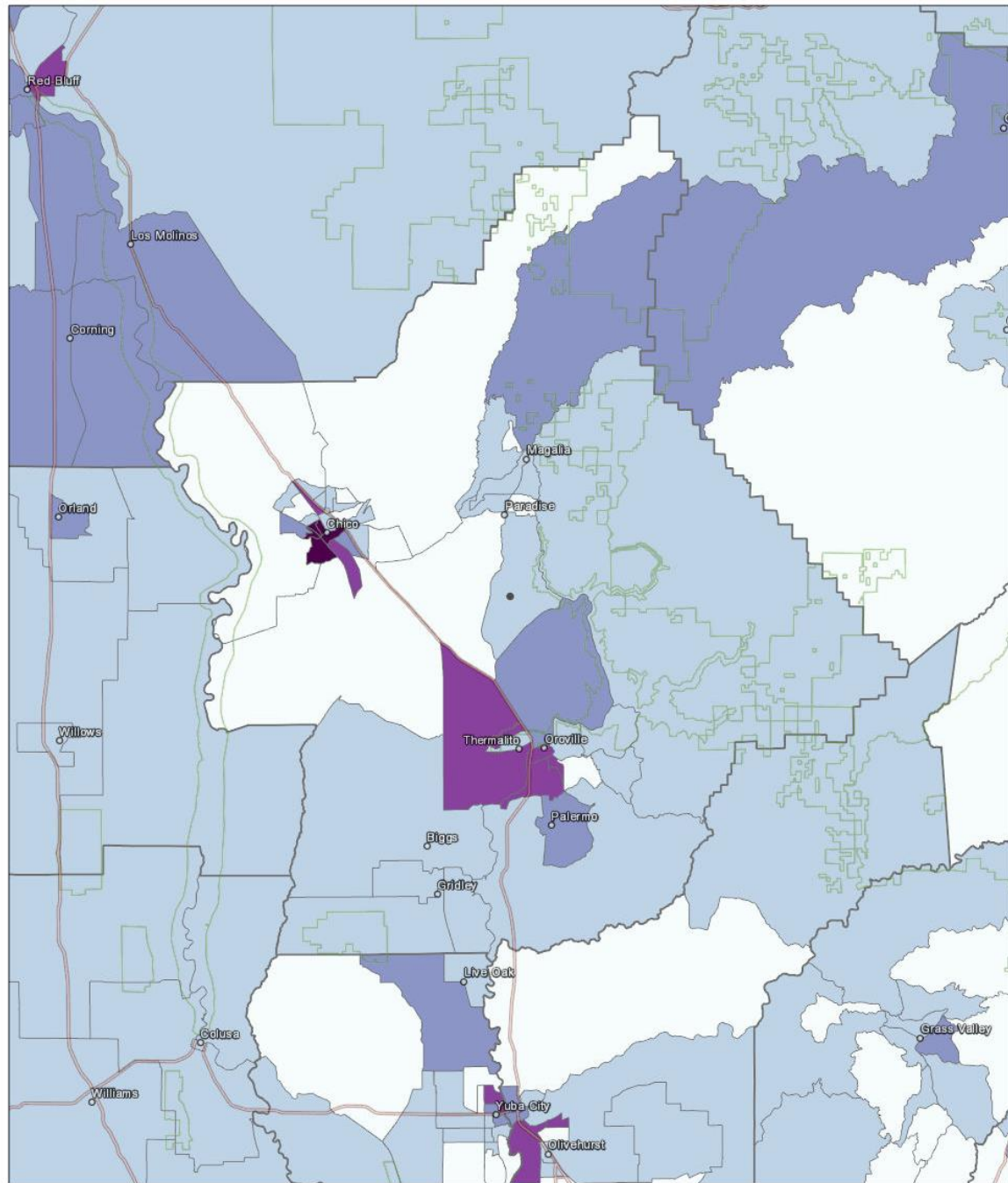
30% - 40%

> 40%

1:72,224



Figure 11.4: Butte County, Poverty Status Map, 2019



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County Boundaries

(R) Poverty Status (ACS, 2015 - 2019) - Tract

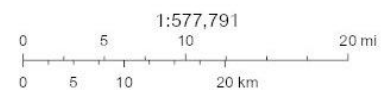
< 10%

10% - 20%

20% - 30%

30% - 40%

> 40%

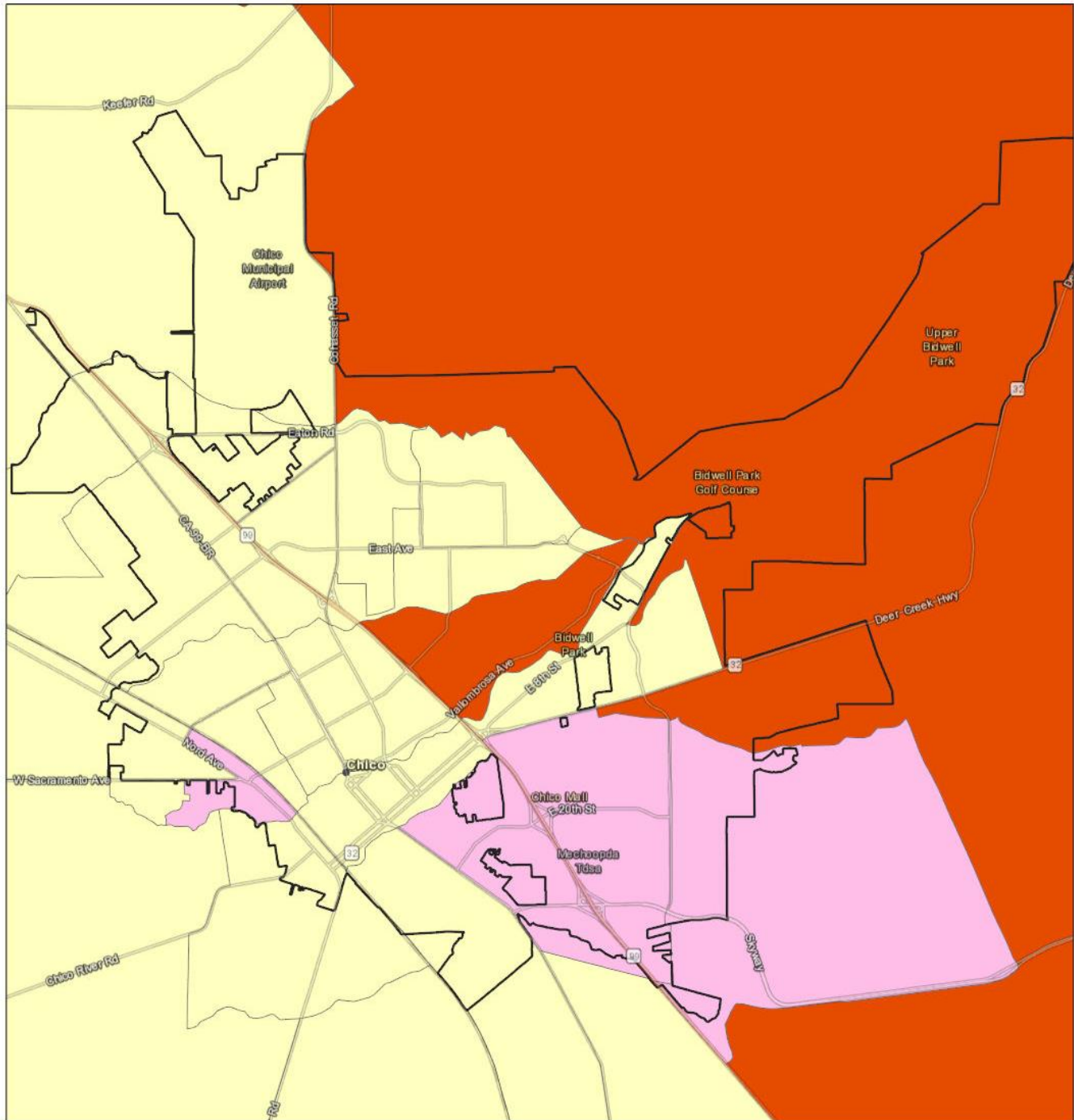


**Figure 12: City of Chico, Neighborhood Segregation Map, 2019** identifies which racial and ethnic groups have more than 10% representation within a given census tract in 2019. Much of east Chico fits this criteria for “Mostly White,” especially in the neighborhoods north of Lower Bidwell Park and surrounding Upper Bidwell Park (Census Tracts 8 and 16). Portions of east Chico and the majority of west Chico fits this criteria for “Latino-White” (Census Tracts 1.02, 1.03, 1.04, 2.01, 2.02, 3, 4.01, 4.02, 5.01, 6.01, 6.03, 6.04, 7, 9.04, 10, 11, 12). The map uses the term “Latinx” which is a gender-neutral term for people of Central and Latin American descent. A portion of west Chico near North Avenue and W. Sacramento Avenue fit this criteria for “3 Group Mix”, which means the census tract has more than 10% representation of three racial and ethnic groups (Census Tract 5.02). Much of southeast Chico and southcentral Chico is also identified as “3 Group Mix” (Census Tracts 9.01, 9.03, and 13) (*HCD AFFH Data Resources and Mapping Tool: UC Berkeley, 2019*).

**Figure 12.1: Butte County, Neighborhood Segregation Map, 2019** identifies which racial and ethnic groups have more than 10% representation within a given census tract in 2019. Much of northeastern Butte county fits this criteria for “Mostly White,” especially between the communities of Chico, Paradise, and Magalia. East of Oroville also fits this criteria for “Mostly White.” Much of west Butte county and a portion of south Butte county below Palermo fits this criteria for “Latino-White.” The communities of Thermalito, Palermo, and census tracts near west and southeast Chico and north Oroville fit this criteria for “3 Group Mix”, which means the census tracts have more than 10% representation of three racial and ethnic groups. The area between Thermalito, Oroville, and Palermo is identified as “4 Group Mix”, which means the census tracts have more than 10% representation of four racial and ethnic groups. The far eastern part of Butte county is identified as “Other-White” (*HCD AFFH Data Resources and Mapping Tool: UC Berkeley, 2019*).



Figure 12: City of Chico, Neighborhood Segregation Map, 2019



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City/Town Boundaries

(A) Neighborhood Segregation (UC Berkeley, 2019) - Tract

Latinx-White

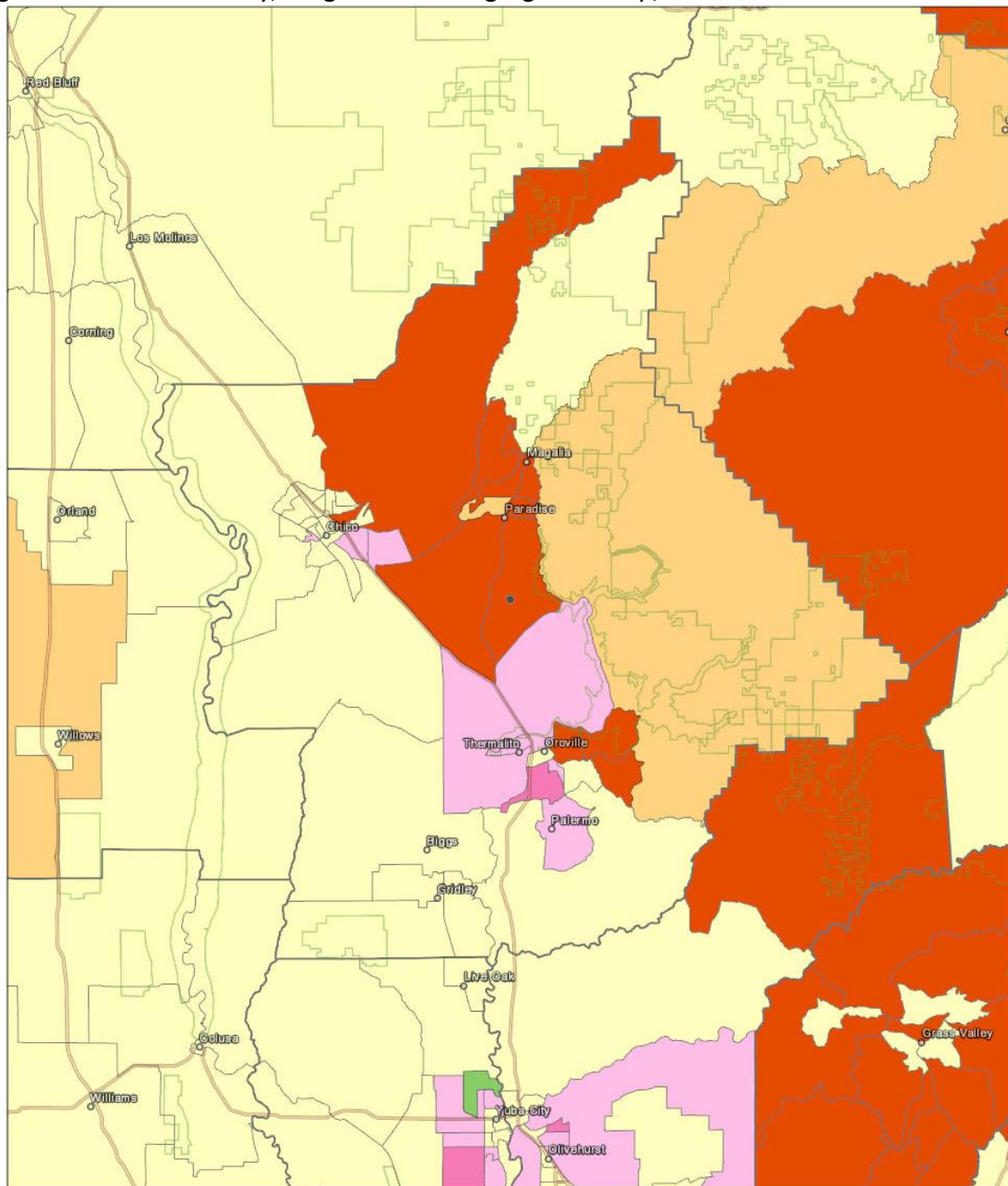
Mostly White

3 Group Mix





Figure 12.1: Butte County, Neighborhood Segregation Map, 2019

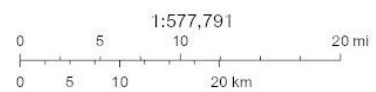


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County Boundaries

(A) Neighborhood Segregation (UC Berkeley, 2019) - Tract

- Asian-White
- Latinx-White
- Other-White
- Mostly White
- 3 Group Mix
- 4 Group Mix



A summary of patterns and trends in the city of Chico can be found below. One census tract, Census Tract 9.01, appears in both lists as it uniquely has a low rate of poverty and more racial and ethnic diversity.

Areas of high segregation and poverty, high rates of poverty, and/or more racial and ethnic diversity include:

- Census Tract 3 in north Chico
- Census Tracts 5.02, 6.03, 6.04, 10, and 11 in central and west Chico
- Census Tract 13 in southcentral Chico
- Census Tracts 9.01 and 9.03 in southeast Chico

Areas with low rates of poverty and/or less racial and ethnic diversity include:

- Census Tract 1.03 in northeast Chico
- Census Tract 4.02 in northwest Chico
- Census Tracts 8 and 16 in east Chico
- Census Tract 9.01 in southeast Chico

#### **High Segregation and Poverty: Additional Analysis**

This section includes additional data and analysis requested by HCD during the initial draft review. The revisions include specifically analyzing areas of high segregation and poverty, as well as discussing household demographics, including comparisons to other areas of the city, and evaluating conditions of the neighborhood relative to quality of life (e.g. housing conditions, infrastructure, parks, community amenities, safe routes to school, and environmental health). Also included is effectiveness or absence of past strategies related to equitable quality of life.

As described in the section above, **Figure 11.1: City of Chico, TCAC Area of High Segregation and Poverty Map, 2021** depicts areas of high segregation and poverty in 2021 as defined by TCAC. As of 2021, these areas are located in north Chico between the Esplanade and Highway 99 (Census Tract 3) and in south Chico between Park Avenue and Highway 99 (Census Tract 13) (*HCD AFFH Data Resources and Mapping Tool: 2021 TCAC*).

#### **Household Demographics and Quality of Life**

**Figure 12.2: City of Chico, Census Tracts 3 and 13, Household Demographics and Comparisons City-wide Table, 2021** is a table matrix that shows a variety of data points for Census Tracts 3 and 13 compared to the city as a whole. Census Tracts 3 and 13 are the 2021 TCAC areas of high segregation and poverty. The data points include household demographics and quality of life measures such as Housing Choice Vouchers, familial status, disability, economics, education,

environment, job proximity, overpayment by owners and renters, overcrowding, and sensitive communities vulnerable to displacement. The matrix identifies the data point, how it is measured, findings for Census Tracts 3 and 13, and comparisons of those findings to the city as a whole.

Important findings from the matrix are as follows:

- Census Tract 13 is among the eight census tracts in the city to have 20-60% of children in single parent female households. Census Tract 13 has 20-40%
- Census Tracts 3 and 13 both have block groups with less positive economic outcomes, which otherwise is mostly concentrated in west/central Chico
- Census Tract 13 has a higher percentage of households with overpayment by owners than the majority of the city
- Census Tract 13 is the only census tract in the city that has more overcrowding than the statewide average
- Census Tracts 3 and 13 are among the five census tracts in the city that are identified as sensitive communities vulnerable to displacement

There also are two findings that illustrate positive quality of life measures for Census Tracts 3 and 13

- Most of Census Tract 13's block groups and the northern block groups of Census Tract 3 have a score of more positive education outcomes
- All of Census Tract 13's block groups have a score of closest proximity to jobs

**Figure 12.2: City of Chico, Census Tracts 3 and 13, Household Demographics and Comparisons City-wide Table, 2021**

	Data Measure	Census Tract 3	Census Tract 13	City as a Whole
<b>Housing Choice Vouchers (HCV) (see Figure 4.2)</b>	Percentage of renter occupied housing units with an HCV	>5-15%	>5-15%	Approximately half of the census tracts have >0-5% and half have >5-15%
<b>Familial Status I (see Figure 7)</b>	Percentage of children in single parent female households maps	0-20%	20-40%	Most census tracts have 0-20%, 7 have 20-40%, and 1 has 40-60%

<b>Familial Status II (see Figure 7.2)</b>	Percentage of children in married couple households	60-80%	40-60%	There are 3 census tracts with 20-40%, 5 with 40-60%, and the rest are 60-80% and greater than 80%
<b>Disability (see Figure 8.1)</b>	Percentage of population with a disability	10-20%	10-20%	The majority of census tracts have 10-20%, 6 census tracts have less than 10%
<b>Economics (see Figure 13.2)</b>	Block group score ranging from <0.25 (less positive economic outcome) to >0.75 (more positive economic outcome)	Includes <0.25 to 0.75 block groups	Includes <0.25 to 0.75 block groups	Much of the city is 0.50 to >0.75 block groups. West/central Chico has a concentration of <0.25 block groups
<b>Education (see Figure 13.4)</b>	Block group score ranging from <0.25 (less positive education outcome) to >0.75 (more positive education outcome)	Includes <0.25 to >0.75 block groups	Primarily >0.75 block groups	The city ranges mostly from 0.25 to >0.75 block groups. West/central Chico has a concentration of <0.25 block groups
<b>Environment (see Figure 13.6)</b>	Block group score ranging from <0.25 (less positive environmental outcome) to >0.75 (more positive environmental outcome)	<0.25	<0.25	Much of the city is <0.25, with some areas of 0.25 to 0.50 and few areas with 0.50 to 0.75 or 0.75 to 1
<b>Job Proximity (see Figure 14)</b>	Block group score ranging from 20-40 (farthest job proximity) to >80 (closest job proximity)	40-60 and 60-80	>80	The central and southern parts of the city are >80 whereas the very western and eastern-most parts are 20-40
<b>Overpayment by Owners (see Figure 16.1)</b>	Percentage of owner households with mortgages whose monthly owner costs are 30% or more of household income	20-40%	40-60%	Most census tracts have 20-40%, northwest and eastern city outskirts have <20%, and west and southern census tracts have 40-60%. Only Census Tract 6.03 has 60-80%

<b>Overpayment by Renters (see Figure 16.5)</b>	Percentage of renter households for whom gross rent (contract rent plus tenant-paid utilities) is 30% or more of household income	40-60%	40-60%	Most census tracts have 40-60%, tracts in west/central and northeast Chico have 60-80%, north Chico has 20-40%
<b>Overcrowding (see Figure 17)</b>	Percentage of overcrowded households (more than 1.0 persons per room) by census tract	0-8.2% (statewide average)	12.01-15% (higher than statewide average)	Only Census Tract 13 has a percentage that is higher than the statewide average
<b>Sensitive Communities Vulnerable to Displacement (see Figure 20)</b>	Sensitive communities by census tract where residents may be particularly vulnerable to displacement	Identified as a sensitive community vulnerable to displacement	Identified as a sensitive community vulnerable to displacement	5 census tracts in the city are identified as sensitive communities vulnerable to displacement

*Sources: HCD AFFH Data Resources and Mapping Tool - 2021 Tax Credit Allocation Committee, 2017 & 2021 U.S. Department of Housing and Urban Development, 2015-2019 American Community Survey, 2015 Healthy Communities Data and Indicators Project, and 2017 University of California Berkeley Urban Displacement Project*

Additional data on education can be found in “Additional Educational Data” in the Access to Opportunity section of the Assessment of Fair Housing. This subsection uses school location and performance data to analyze educational disparities as it relates to access to opportunity. Schools located in Census Tracts 3 and 13, the 2021 TCAC areas of high segregation and poverty, are Chapman Elementary School, Fair View High School, and Shasta Elementary School. These schools were compared to schools in the 2021 TCAC highest resource areas using performance data from the California Department of Education.

When comparing school performance for the “high segregation and poverty” areas to the “highest resource” areas, there does not appear to be significant educational disparities. Both of the “high segregation and poverty” and “highest resource” areas have at least one school with no low performance levels. The “highest resource” areas have one school with no low or average performance levels, however, they also have one school with no high performance level. Thus, from this analysis, there does not appear to be significant educational disparities that correlate to access to opportunity as defined by TCAC. One item to note is that Fair View High School, the continuation high school in Chico, is located in Census Tract 3. There are a total of four high schools in Chico.

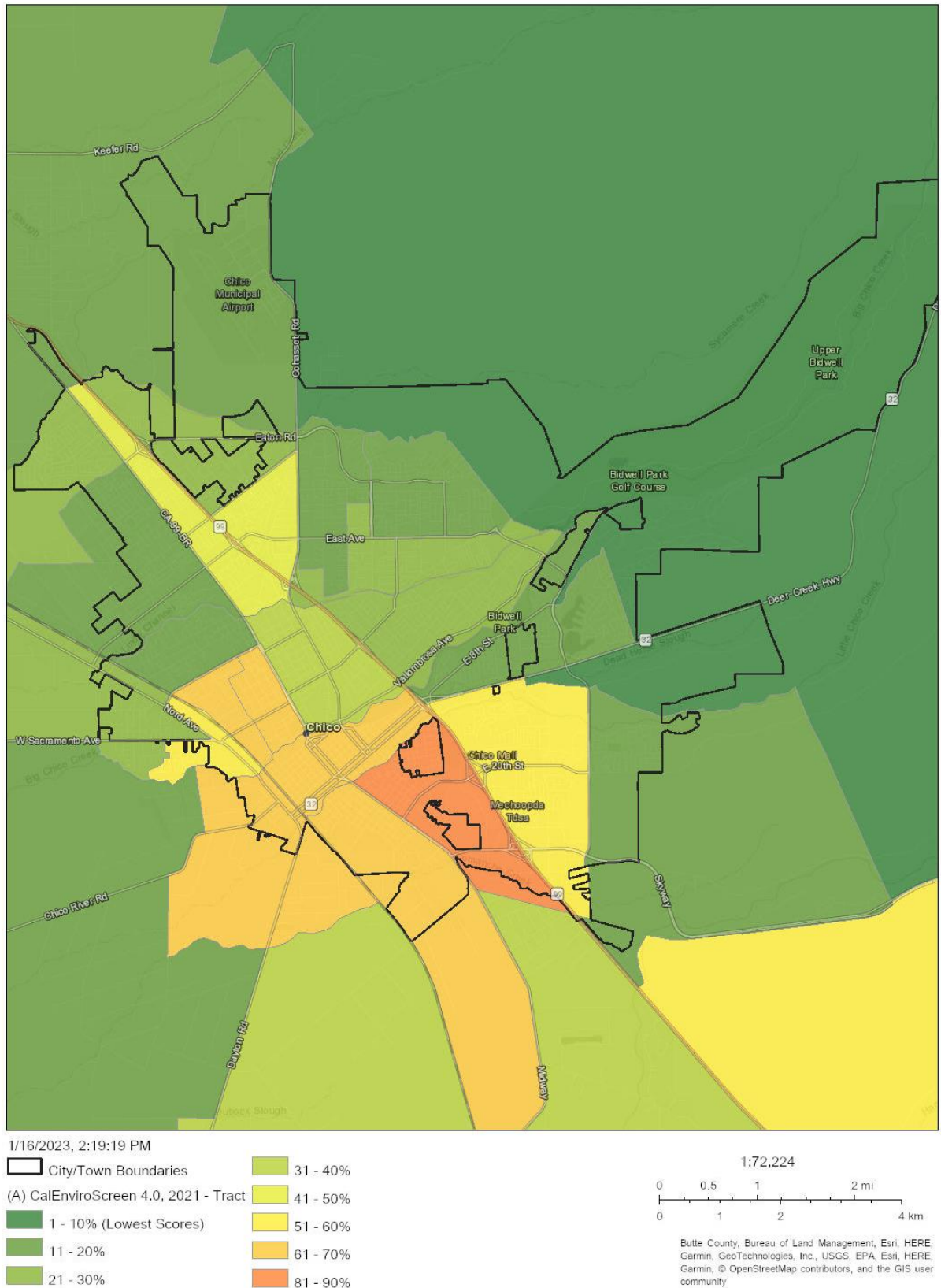
**Figure 12.3: City of Chico, CalEnviroScreen 4.01 Map, 2021** depicts communities by census tract that are disproportionately burdened by multiple sources of pollution and with population characteristics that make them more sensitive to pollution.

The score (1 being lowest and 100 being highest) compiles pollution indicators related to ozone, particulate matter, drinking water, lead, pesticides, toxic releases, traffic, EPA cleanup sites, groundwater threats, proximity to hazardous waste, impaired water bodies, and solid waste sites; as well as population characteristics which increase vulnerability such as asthma rates, the prevalence of low birth weights, the rate of cardiovascular disease, education attainment, linguistic isolation, poverty rates, unemployment levels, and the rate of housing burden.

Census Tract 13 has the highest score in the city at 81-90% for being disproportionately burdened by multiple sources of pollution and with population characteristics that make the residents more sensitive to pollution.

The screening methodology was developed by the Office of Environmental Health Hazard Assessment on behalf of the California Environmental Protection Agency (*City of Chico, Draft Environmental Justice Existing Conditions Report, May 2022; HCD AFFH Data Resources and Mapping Tool: CalEnviroScreen Version 4.0, 2021*).

Figure 12.3: City of Chico, CalEnviroScreen 4.01 Map, 2021



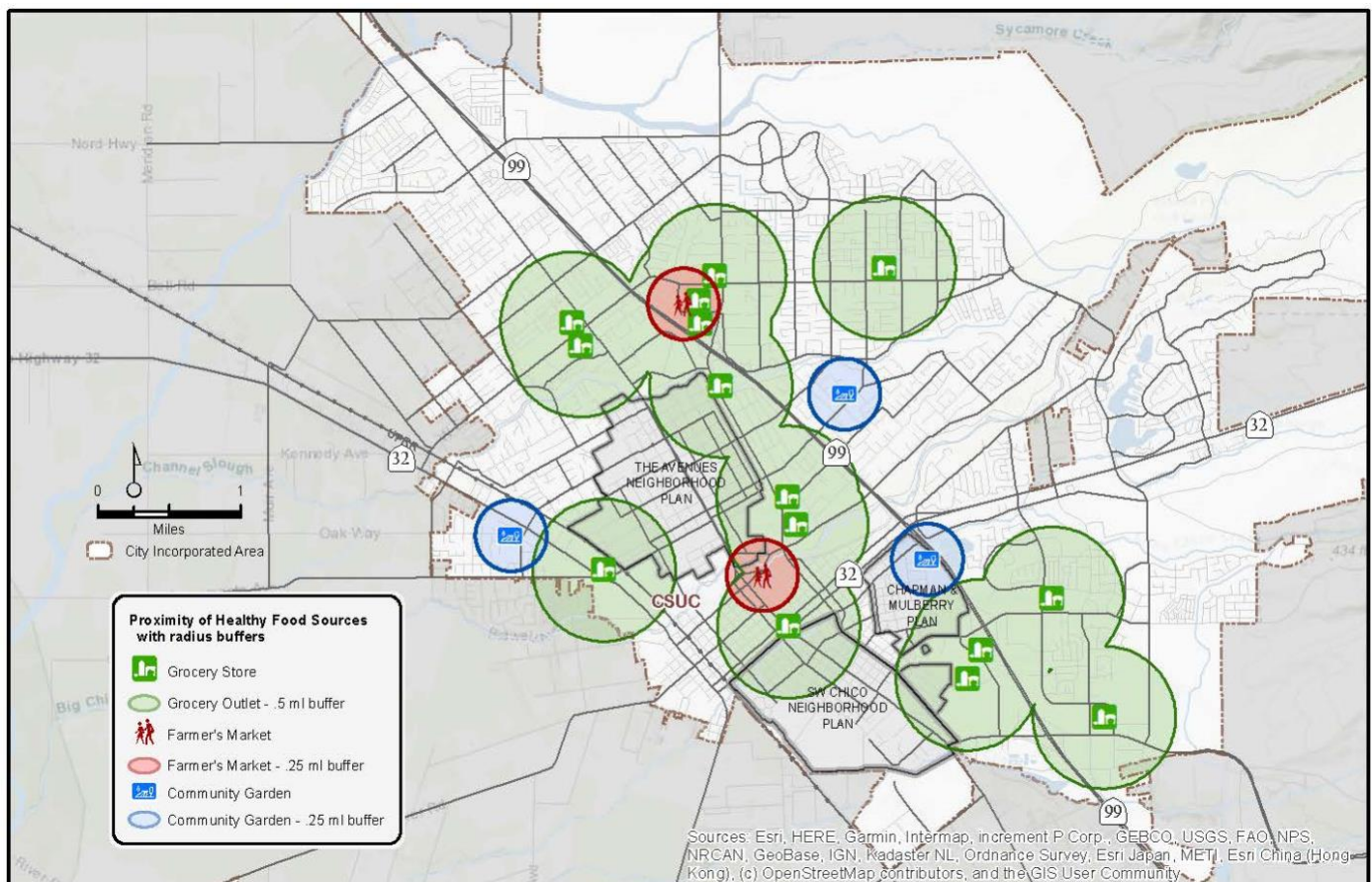


**Figure 12.4: City of Chico, Healthy Food Sources Map, 2022** depicts current large grocery store locations within Chico, as well as the location of farmers' markets and community gardens. A 0.5-mile radius (approximately a 15-minute walk) is used for the grocery store locations which aligns with the U.S. Department of Agriculture (USDA) standard for food access in urban areas. A 0.25-mile radius is used for farmers' markets and community gardens. The map represents an "as the crows flies" distance measurement, which does not account for localized mobility challenges such as safe crossings of Highways 32 and 99 or the railroad tracks (*City of Chico, Draft Environmental Justice Existing Conditions Report, May 2022*).

The southern portion of Census Tract 3 has access to multiple grocery stores and a farmers' market. The northern portion from Lassen Avenue to Sycamore Creek has no access to healthy food sources.

The southern portion and very northwestern corner of Census Tract 13 have access to multiple grocery stores, whereas the northeastern portion has access to a community garden. Some of the northern portion and very southwest corner have no access to healthy food sources.

**Figure 12.4: City of Chico, Healthy Food Sources Map, 2022**



In summary, for household demographics and quality of life, Census Tract 13 is noted to have the most overcrowding in the city, a higher percentage of owner households with overpayment than the majority of the city and is one of the handful of census tracts in the city to have a larger percentage of children in single parent female households than the city as a whole. It also has the highest score in the city at 81-90% for being disproportionately burdened by multiple sources of pollution and with population characteristics that make the residents more sensitive to pollution.

Both Census Tract 3 and 13 have less positive economic outcomes than most other areas of the city and are among the handful of census tracts in the city that are identified as sensitive communities vulnerable to displacement. The city's only continuation high school is located in Census Tract 3. There are portions of both census tracts that have no walkable access to healthy food sources such as a grocery store, farmers' market, or community garden.

Census Tracts 3 and 13 are also noted to have positive quality of life measures for proximity to jobs and for education outcomes. There are portions of both census tracts that have walkable access to healthy food sources such as a grocery store, farmers' market, and/or community garden.

### **Neighborhood Conditions**

This section considers neighborhood conditions for Census Tracts 3 and 13 which are identified by TCAC in 2021 as areas of high segregation and poverty. As requested by HCD during the initial draft review, neighborhood conditions include housing conditions, infrastructure, parks, community amenities, safe routes to school, and environmental health. It also includes effectiveness or absence of past strategies related to equitable quality of life.

The two figures below provide the measures of neighborhood conditions and narrative descriptions for Census Tracts 3 and 13. Much of the data is qualitative and from correspondence with City of Chico staff. Sources are provided below each figure.

The first figure covers Census Tract 3

Figure 12.5: City of Chico, Census Tract 3, Neighborhood Conditions Table, 2023

Measure of Neighborhood Condition	Description
<b>Housing Conditions</b>	<p>Mostly post-WWII single-family neighborhoods from the 1950s, infilled and bordered with apartments constructed in the 1970s and 1980s. One notable exception is the Aspen Glen subdivision which was developed in the early 2000s (see Aspen Glen Drive, Vail Drive, and Cavalier Way). This subdivision generally has smaller and more affordable “starter” homes.</p> <p>Several mobile home parks and recreational vehicle (RV) parks are in Census Tract 3, including Mountain View MHC (20 ac.), Chico Mobile Home Park (8 ac.), Almond Tree RV Park (approximately 5 ac.), Paramount RV Park (2 ac.). Many of the homes found in these parks are over 30 years old. The parks were all inherited by the City of Chico from Butte County through annexation.</p> <p>The affordable North Point Apartments placed-in-service in 2013 are found in this tract, and the Tonea Senior Apartments to be completed by the end of 2023 are also planned for this tract.</p>
<b>Infrastructure</b>	<p>Capital improvement projects in Census Tract 3 have included a corridor bikeway facility, road rehabilitation, interchange improvement, and sewer mains and laterals for residential connections. Proposed projects include additional road rehabilitation and interchange improvements as well as Complete Streets treatment.</p> <p>(See <b>Figure 12.7: City of Chico, Census Tract 3, Capital Improvement Projects Map, 2023</b>).</p>
<b>Parks</b>	<p>DeGarmo Park is located in Census Tract 3 whereas Peterson Park and Lindo Channel are adjacent to the tract.</p> <p>DeGarmo Park is 36 acres and includes youth softball fields, multi-use turf fields, playground, dog park, picnic area, restrooms, and a walking path.</p>
<b>Community Amenities</b>	<p>Major community, medical, and government services are in Census Tract 3 including Alliance for Workforce Development, Ampla Health, Butte County Behavioral Health, Chico Housing Action Team, Chico Sports Club, Department of Motor Vehicles (DMV), Enloe Medical Center, RUSH Personnel Services, and The Esplanade House, as well private practice clinicians and clinical laboratories, among others.</p>

	<p>Schools include Shasta Elementary School and Fair View High School.</p> <p>Businesses and restaurants are located throughout Census Tract 3, and shopping centers can be found at the Esplanade and E. Lassen Avenue as well as adjacent to the tract at the Esplanade and W. East Avenue. Philadelphia Square and Stonebridge are both professional office developments located in Census Tract 3.</p> <p>Everhart Village, a shelter project by Chico Housing Action Team and Butte County Department of Behavioral Health is under construction in Census Tract 3 as of 2023.</p> <p>There are ample opportunities for vacant and underdeveloped areas along the Esplanade, and some are included in the Adequate Sites Inventory.</p>
<b>Safe Routes to School</b>	<p>The North Esplanade capital project consists of widening and improving the Esplanade Corridor between Eaton Road north to the city limits (approximately 0.7 miles in length). The project will be constructed as a multi-modal, “complete streets” facility. The project will increase the Esplanade from two to four lanes, includes a raised, landscaped median, and bicycle, pedestrian, and transit improvements. There are dedicated left-turn pockets at selected intersections, a traffic signal at DeGarmo Drive, new storm drain facilities, new sewer laterals to all parcels along the corridor not already served, new street lighting, and new bus stops. Construction is due to be completed by the end of 2025. Shasta Elementary School and DeGarmo Park are both found in this area of Census Tract 3.</p>
<b>Environmental Health</b>	<p>As a positive for environmental health, Sycamore Creek is found in the northern portions of Census Tract 3.</p> <p>As a negative for environmental health, Census Tract 3’s western border is the major corridor of the Esplanade and its eastern border is Highway 99. This has implications for those that live and work in the area such as air, light, and noise pollution.</p> <p>For additional context, historically, the Esplanade served as Highway 99 before the new Highway 99 was constructed. Much of Highway 99 is raised above the city streets, especially in the central portions of the city. The Esplanade serves as a transit corridor, with many bus stops.</p>

<b>Projects Related to Equitable Quality of Life</b>	<p>The strategies listed below have been effective in increasing equitable quality of life in Census Tract 3.</p> <p>Housing: The affordable North Point Apartments were placed-in-service in 2013. The planned Tonea Senior Apartments are expected to be completed by the end of 2023. Moreover, vacant and underdeveloped sites are included in the Adequate Sites Inventory.</p> <p>Infrastructure: Completed capital improvement projects include a corridor bikeway facility, road rehabilitation, interchange improvement, and sewer mains and laterals for residential connections.</p> <p>Parks: DeGarmo Park Phase 1 was completed in 2006, Phase 2 in 2010, including the dog park.</p> <p>Community amenities: Everhart Village, a shelter project, is under construction as of 2023.</p>
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*Sources: Chico Area Recreation and Park District, 2023; City of Chico, Correspondence, 2023; Google Maps, 2023*

The second figure covers Census Tract 13.

**Figure 12.6: City of Chico, Census Tract 13, Neighborhood Conditions Table, 2023**

Measure of Neighborhood Condition	Description
<b>Housing Conditions</b>	<p>The Chapman/Mulberry neighborhood of Census Tract 13 is approximately 338 acres and was once an unincorporated county island surrounded by Chico. The City of Chico completed the annexation of these neighborhoods in 2020.</p> <p>The City of Chico completed a Housing Conditions Inventory in 2012. In the northern portion (Areas 14 and 23 as listed in the inventory) of the Chapman/Mulberry neighborhood, there was a high number of surveyed properties with limited infrastructure, vacancies, substandard structures, and high risk structures compared to other mapped areas. Areas 14 and 23 are roughly bordered by 9th Street on the north, Cleveland Avenue on the south, Martin Street on the west, and Guill Street on the east.</p>

	<p>The Chapman neighborhood has a historical context since at least the 1950s of having a large proportion of people of color, including Black/African American people, as well as being a concentrated area of poverty and poor housing conditions.</p> <p>As of 2020, the Chapman/Mulberry neighborhood has been enhanced by the construction of 27 new homes for low-income, first-time homebuyers through Habitat for Humanity of Butte County, in the area of East 16th to 20th Streets between C and D Streets, along Mulberry Street, and on East 11th Street. In addition to the new homes in the area, storm drain, alley and street improvements were made for access to the homes on 19th and 20th Streets.</p> <p>As of 2023, construction is underway for a 59-unit affordable housing project at 1297 Park Avenue sponsored by Jamboree Housing.</p>
<b>Infrastructure</b>	<p>The 2012 Housing Conditions Inventory found that all of the Chapman (eastern) portion of the Chapman/Mulberry neighborhood of Census Tract 13 had high numbers of surveyed properties with limited infrastructure when compared to the rest of the survey area.</p> <p>City/County efforts include conversion of septic systems to the city sewer system, in compliance with State directives, including a CDBG-funded County grant program to assist low-income homeowners in connecting their laterals to the sewer system. Efforts also include improved lighting and storm water drainage in the north part of the Chapman neighborhood along 10th Street.</p> <p>Capital improvement projects in Census Tract 13 have included a pedestrian/bicycle connection, corridor bikeway facility, road rehabilitation, and sewer mains and laterals for residential connections. Proposed projects include additional road rehabilitation and corridor bikeway facility as well as congestion relief and sewer trunk lines. (See <b>Figure 12.8: City of Chico, Census Tract 13, Capital Improvement Projects Map, 2023</b>).</p>
<b>Parks</b>	<p>20<sup>th</sup> Street Community Park, Chapman Park, Comanche Creek, and Little Chico Creek are located in Census Tract 13.</p> <p>20<sup>th</sup> Street Community Park is approximately 40 acres and includes playgrounds, picnic area, barbecues, restrooms, horseshoe pits, softball and soccer fields, multi-purpose sports fields, a gymnasium, and pickleball, volleyball, and tennis courts.</p>

	<p>In December 2021, the Chapman Park Renovation Project was granted \$2.9 million through Proposition 68 for construction of a new splash pad water recreation and play area, walking path with lighting, fencing, and restrooms.</p> <p>Comanche Creek Greenway, Humboldt/Windchime Park, and Humboldt Avenue Skate Park are located adjacent to Census Tract 13.</p>
<b>Community Amenities</b>	<p>Census Tract 13 is home to the Dorothy F. Johnson Community Center, which provides community-based programs, space for community gatherings, and recreational opportunities for youth. A newly constructed Salvation Army Community and Family Service &amp; Education Office on 16th Street provides vital services to the community, including youth services, food, and emergency assistance.</p> <p>There are major commercial, restaurants, and venues in Census Tract 13 including Barnes &amp; Noble, CalSkate Chico/FunLand Chico, Costco, FoodMaxx, Michael's, Office Depot, Sierra Nevada Brewery, and the Silver Dollar Fairgrounds.</p> <p>Valley View Apartments (permanent supportive housing), the Jesus Center (emergency shelter) the Torres Shelter (emergency shelter), and the Pallet Shelter Site (emergency shelter with no limit on length of stay) are all located in Census Tract 13.</p>
<b>Safe Routes to School</b>	<p>Chapman Elementary School is located in the heart of the Chapman Neighborhood, and pathway and road improvements that are part of the Safe Routes to School program have benefitted the surrounding area.</p>
<b>Environmental Health</b>	<p>As a positive for environmental health, Little Chico Creek and Comanche Creek are both located in Census Tract 13.</p> <p>Park Avenue serves as a transit corridor, with many bus stops and routes.</p> <p>Chico Scrap Metal relocated from Census Tract 13 and its former site can now become a neighborhood-serving commercial area.</p> <p>As a negative for environmental health, Census Tract 13's western border is the major corridor of Park Avenue and its eastern border is Highway 99. This has implications for those that live and work in the area such as air, light, and noise pollution. Another negative for environmental health is a 20<sup>th</sup> Street site previously occupied by Victor Industries and used as a manufacturing facility which resulted in</p>



	groundwater contamination. The California Department of Toxic Substance Control reached a settlement with Victor Industries in 2004.
<b>Projects Related to Equitable Quality of Life</b>	<p>The strategies listed below have been effective in increasing equitable quality of life in Census Tract 13.</p> <p>Housing: As of 2020, 27 homes for low-income first-time homebuyers were constructed by Habitat for Humanity of Butte County. In addition to the new homes in the area, storm drain, alley and street improvements were made for access to the homes on 19th and 20th Streets. As of 2023, construction is underway for a 59-unit affordable housing project at 1297 Park by Jamboree Housing.</p> <p>Infrastructure: Projects include conversion of septic systems to the city sewer system, including a CDBG-funded grant program to assist low-income homeowners in connecting their laterals to the sewer system. Capital improvement projects have included a pedestrian/bicycle connection, corridor bikeway facility, road rehabilitation, and sewer mains and laterals for residential connections.</p> <p>Parks: In December 2021, the Chapman Park Renovation Project was granted \$2.9 million through Proposition 68 for construction of a new splash pad water recreation and play area, walking path with lighting, fencing, and restrooms.</p> <p>Community amenities: Valley View Apartments (permanent supportive housing – 2016), the Jesus Center (emergency shelter – relocated and expanded in 2021) the Torres Shelter (emergency shelter - 2003), and the Pallet Shelter Site (emergency shelter - 2022) are all located in Census Tract 13.</p>

*Sources: Chico Area Recreation and Park District, 2023; Chico News and Review, Remembering Daisy Lane, June 8, 2022; City of Chico, Correspondence, 2023; City of Chico, Analysis of Impediments to Fair Housing Choice, 2020; City of Chico, Housing Conditions Inventory, 2012; City of Chico, Chapman/Mulberry Neighborhood Plan, October 2004; Google Maps, 2023*

**Figure 12.7: City of Chico, Census Tract 3, Capital Improvement Projects Map, 2023**

shows both completed and proposed capital improvement projects within Census Tract 3's boundaries. It also depicts the completed nitrate project which covers portions of Census Tract 3 as well as areas outside of the tract.

Completed projects include:

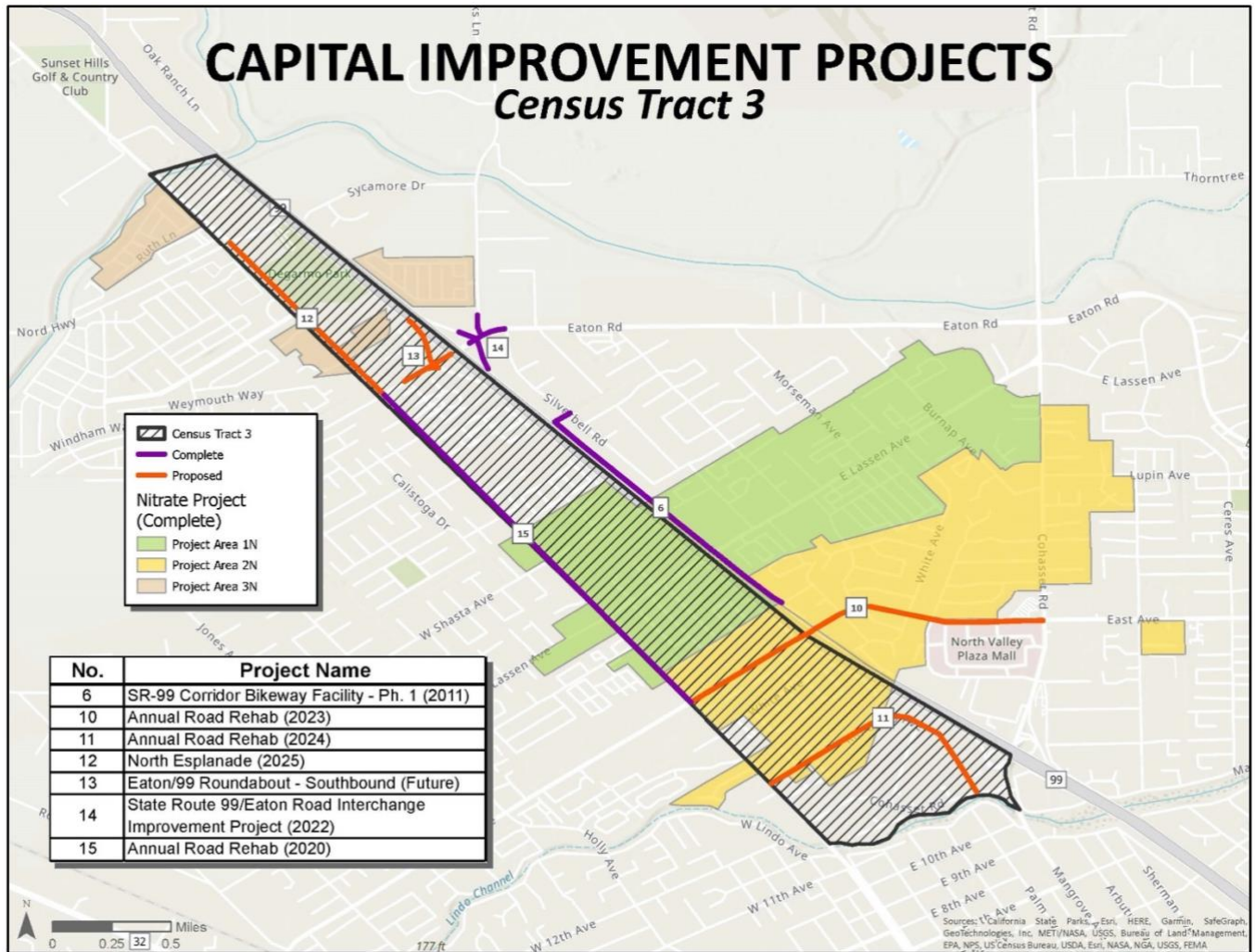
- Map No. 6: State Route 99 (SR-99) Corridor Bikeway Facility – Phase 1 (2011): Constructed Class II and Class III bicycle facilities along surface streets and existing drainage facilities adjacent to SR-99, and controlled crossings at streets intersection with the new facilities.
- Map No. 14: SR-99/Eaton Road Interchange Improvement Project (2022): Constructed a roundabout at the intersection of Eaton Road and the northbound SR-99 on- and off-ramps.
- Map No. 15: Annual Road Rehabilitation (2020): Reconstructed Esplanade from Memorial Way to Eaton Road.
- Nitrate Project – Project Areas 1N (2009), 2N (2013), and 3N (2020): Installed sewer mains and laterals for residential connections in neighborhoods along Lassen Avenue, East Avenue, Ruth Lane, the Esplanade, and Camino Court.

Proposed projects include:

- Map No. 10: Annual Road Rehabilitation (2023): Will reconstruct East Avenue from Cohasset Road to the Esplanade.
- Map No. 11: Annual Road Rehabilitation (2024): Will reconstruct Rio Lindo Avenue from Cohasset Road to the Esplanade.
- Map No. 12: North Esplanade (2025): Will reconstruct North Esplanade from Eaton Road to Nord Highway. Will include Complete Streets treatment. (Complete Streets are designed and operated for both safe use and supporting mobility for all users. This includes people of all ages and abilities who are drivers, pedestrians, bicycles, or public transportation riders.)
- Map No. 13: SR-99/Eaton Road Roundabout – Southbound (future – year to be determined): Will construct a roundabout at the intersection of Eaton Road and the southbound SR-99 on- and off-ramps.

*Sources: City of Chico, Correspondence, 2023; U.S Department of Transportation, Complete Streets, 2015*

Figure 12.7: City of Chico, Census Tract 3, Capital Improvement Projects Map, 2023



Source: City of Chico, Correspondence, 2023

**Figure 12.8: City of Chico, Census Tract 13, Capital Improvement Projects Map, 2023**

shows both completed and proposed capital improvement projects within Census Tract 13's boundaries. It also depicts the City of Chico's completed nitrate project which covers portions of Census Tract 13 as well as areas outside of the tract. An important note is that the nitrate project was a joint project with the City of Chico and Butte County, though the map only reflects the City's work. All of Census Tract 13 has access to sewer services.

Completed projects include:

- Map No. 1: Little Chico Creek Pedestrian/Bicycle Connection at Community Park (2022): Constructed a bicycle and pedestrian bridge over Little Chico Creek connecting Humboldt Avenue/E. 10th Street and to Community Park. This bridge ties into the Bikeway 99 network.
- Map No. 2: Annual Road Rehabilitation (2022): Reconstructed Mulberry Street from E. 20th Avenue to E. 9th Street. Bicycle lanes were added to most of the project area.
- Map No. 4: SR-99 Corridor Bikeway Facility – Phase 4 (2020): Constructed a Class I bicycle path from E. 20th Street to the Butte College Chico Center.
- Map No. 7: Annual Road Rehabilitation (2021): Reconstructed Park Avenue from Humboldt Avenue to E. Park Avenue, including a new bicycle lane.
- Map No. 16: SR-99 Corridor Bikeway Facility – Phase 2 (2012): Constructed Class I and Class II bicycle facilities along surface streets and installed a pedestrian and bicycle bridge over Little Chico Creek.
- Nitrate Project – Project Areas 1S (2021): Installed sewer mains and laterals for residential connections in Chapman, Mulberry, Humboldt, and Pomona neighborhoods.

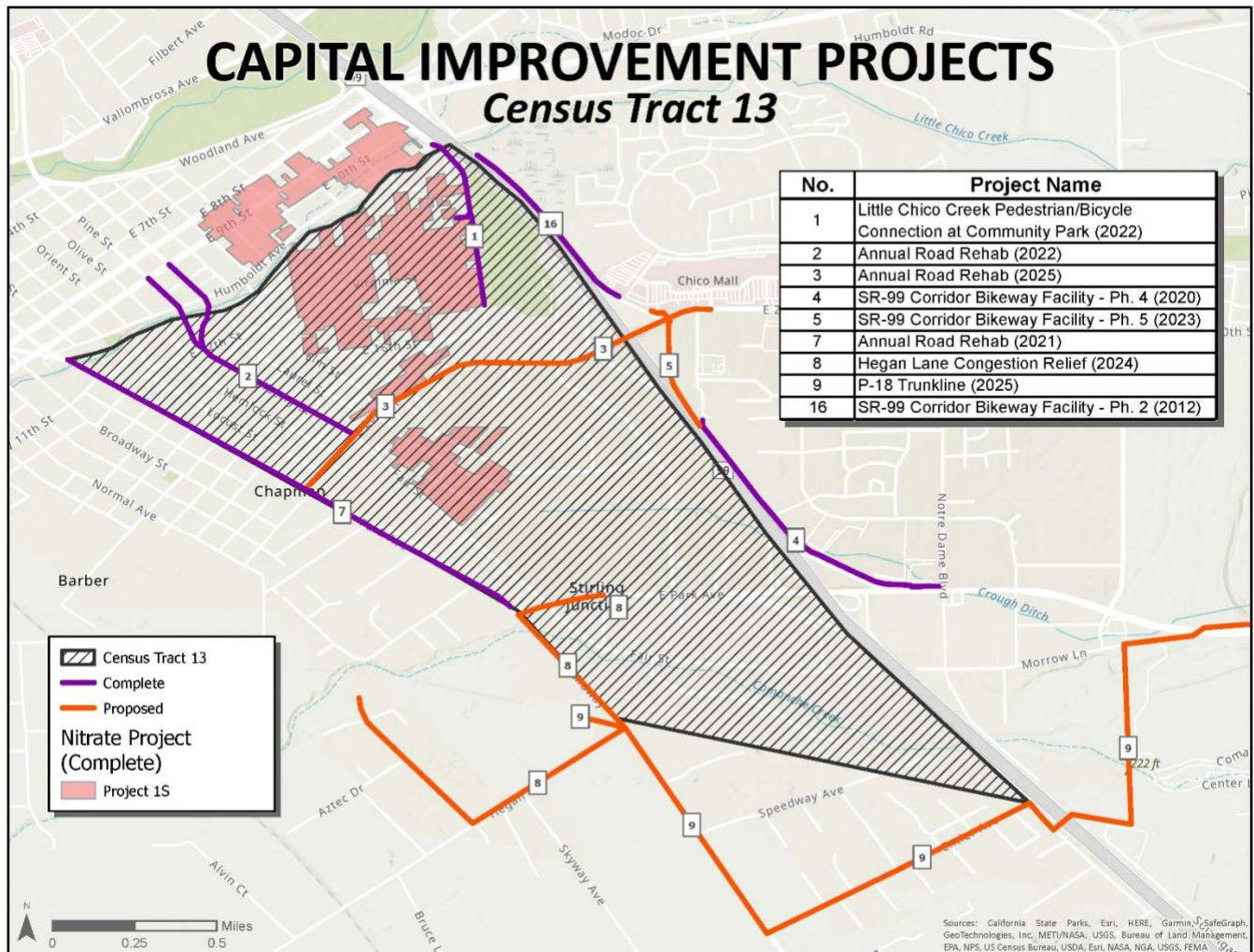
Proposed projects include:

- Map No. 3: Annual Road Rehabilitation (2023): Will reconstruct E. 20th Street from Park Avenue to the entrance of the mall.
- Map No. 5: SR-99 Corridor Bikeway Facility – Phase 5 (2023): Will construct a bicycle and pedestrian bridge over E. 20th Street to close the final gap of the entire Bikeway 99 network.

- Map No. 8: Hegan Lane Congestion Relief (2024): Will reconstruct parts of Hegan Lane and Midway, install bicycle lanes along Otterson Drive, install roundabouts at the intersections of Hegan Lane/Otterson Drive and Midway/E. Park Avenue, and install a new traffic light at the intersection of E. Park Avenue and Scott Avenue.
- Map No. 9: P-18 Trunkline (2025): Will install sewer trunk lines in south and southeast sections of Chico.

*Source: City of Chico, Correspondence, 2023*

Figure 12.8 City of Chico, Census Tract 13, Capital Improvement Projects Map, 2023



Source: City of Chico, Correspondence, 2023

## Summary:

In summary, Census Tracts 3 and 13 are areas of high segregation and poverty as defined by HCD/TCAC in 2021. The preceding sections have been significantly revised to include additional data and analysis for Census Tracts 3 and 13 requested by HCD during the initial draft review. The revisions include 1) Specifically analyzing areas of high segregation and poverty (see High Segregation and Poverty: Additional Analysis and its subsections); 2) Discussing household demographics, including comparisons to other areas of the city (see Household Demographics and Quality of Life); and 3) Evaluating conditions of the neighborhood relative to quality of life (e.g. housing conditions, infrastructure, parks, community amenities, safe routes to school, and environmental health). Also included is effectiveness or absence of past strategies related to equitable quality of life (for both, see Neighborhood Conditions). The existing map analyses of areas of Chico have been updated to also identify specific census tracts (see Local and Regional Patterns and Trends).

For Household Demographics and Quality of Life, Census Tract 13 is identified as having the most overcrowding in the city, a higher percentage of owner households with overpayment than the majority of the city, and is one of the handful of census tracts in the city to have a larger percentage of children in single parent female households than the city as a whole. It also has the highest score in the city at 81-90% for being disproportionately burdened by multiple sources of pollution and with population characteristics that make the residents more sensitive to pollution.

Both Census Tract 3 and 13 have less positive economic outcomes than most other areas of the city and are among the handful of census tracts in the city that are identified as sensitive communities vulnerable to displacement. The city's only continuation high school is located in Census Tract 3. There are portions of both census tracts that have no walkable access to healthy food sources such as a grocery store, farmers' market, or community garden.

Census Tracts 3 and 13 are noted to have positive quality of life measures for proximity to jobs and for education outcomes. There are portions of both census tracts that have walkable access to healthy food sources such as a grocery store, farmers' market, and/or community garden.

For Neighborhood Conditions, both Census Tract 3's and 13's projects related to equitable quality of life include housing, infrastructure, parks, and community amenities. These projects help to address the findings from the Household Demographics and Quality of Life section. In particular, highlighted projects for Census Tract 3 include two affordable housing properties, four capital improvement projects, one community park, and one shelter project. Highlighted projects for Census Tract 13 include 27 affordable single-family homes and one affordable multi-family property, six capital improvement projects, one park renovation grant, one permanent supportive housing project, and two shelter projects.



### ***Local Data and Knowledge***

Qualitative data from two community organizations provide local data and knowledge. The 2020 Analysis of Impediments to Fair Housing Choice included interviews with organizations that serve people of color. Interview summaries with the Hmong Cultural Center of Butte County and Northern Valley Catholic Social Service are reprinted here.

“The Hmong Cultural Center of Butte County (HCCBC) staff stated challenges Hmong people experience in finding housing included high rental market prices, long waiting lists, and difficulty in navigating communication, applications, and paperwork if they are not fluent in English. A significant proportion of the Hmong community in Butte county use Section 8 vouchers or live in public housing, and HCCBC staff suggested hiring more bicultural and bilingual Hmong staff at the Housing Authority of the County of Butte to provide culturally appropriate translations and resources for the underserved Hmong community.

Northern Valley Catholic Social Service (NVCSS) staff noted their Hispanic/Latino clients experience barriers to housing, including: language and communication, especially when onsite property managers are not bilingual; lack of documentation such as a social security number; concerns regarding legal status; lack of access to a computer and internet for online housing documents; lack of established credit history due in part to larger proportions of the community using cash instead of credit; lack of rental history due in part from renting from friends or relatives; and lack of income such as three times the rent (some families will double-up and choose to live together in order to fulfill income requirements).

Once Hispanic/Latino households obtain housing, additional barriers remain such as a hesitancy to ask questions, complain, or submit maintenance requests due to fear of causing issues or losing housing, or due to fear regarding legal status. These additional barriers are more challenging in personal rentals run by individual landlords in which NVCSS staff noted housing is less likely to be maintained or up to-date” (*City of Chico 2020 Analysis of Impediments to Fair Housing Choice*).

### ***Other Relevant Factors***

The neighborhoods of Chapman and Mulberry in southcentral Chico have historically had higher rates of poverty and higher concentrations of people of color than the city as a whole. As detailed in the 2020 Analysis of Impediments to Fair Housing Choice, the remaining portions of the Chapman and Mulberry neighborhoods in the area of Census Tract 13 were annexed into the city of Chico on July 1, 2020. The annexation provides City services such as police, fire and code enforcement, as well as potential infrastructure improvements to the neighborhoods previously part of unincorporated Butte county (*City of Chico 2020 Analysis of Impediments to Fair Housing Choice*).



### ***Conclusions and Summary of Issues***

Conclusions and summary of issues for racially and ethnically concentrated areas of poverty (R/ECAP) based on local and regional patterns and trends, local data and knowledge, and other relevant factors are as follows:

- **Racially and Ethnically Concentrated Areas of Poverty:** As of 2013, there are no HUD-defined R/ECAP areas in Butte county.
- **Concentrations of High Segregation and Poverty:** In the city of Chico in 2021, areas of high segregation and poverty are located in north Chico between the Esplanade and Highway 99 (Census Tract 3) and in south Chico between Park Avenue and Highway 99 (Census Tract 13 – Chapman/Mulberry neighborhood). In Butte county in 2021 there are also areas centered around the city of Oroville including the communities of Thermalito and Palermo, and in between Oroville and Paradise.

For Household Demographics and Quality of Life, Census Tract 13 is identified as having the most overcrowding in the city, a higher percentage of owner households with overpayment than the majority of the city and is one of the handful of census tracts in the city to have a larger percentage of children in single parent female households than the city as a whole. It also has the highest score in the city at 81-90% for being disproportionately burdened by multiple sources of pollution and with population characteristics that make the residents more sensitive to pollution.

Both Census Tract 3 and 13 have less positive economic outcomes than most other areas of the city and are among the handful of census tracts in the city that are identified as sensitive communities vulnerable to displacement. The city's only continuation high school is located in Census Tract 3. There are portions of both census tracts that have no walkable access to healthy food sources such as a grocery store, farmers' market, or community garden.

Census Tracts 3 and 13 are noted to have positive quality of life measures for proximity to jobs and for education outcomes. There are portions of both census tracts that have walkable access to healthy food sources such as a grocery store, farmers' market, and/or community garden.

For Neighborhood Conditions, both Census Tract 3's and 13's projects related to equitable quality of life include housing, infrastructure, parks, and community amenities. These projects help to address the findings from the Household Demographics and Quality of Life section. In particular, highlighted projects for Census Tract 3 include two affordable housing properties, four capital improvement projects, one community park, and one shelter project. Highlighted projects for Census Tract 13 include 13 affordable single-family homes and one

affordable multi-family property, six capital improvement projects, one park renovation grant, one permanent supportive housing project, and two shelter projects.

- **Concentrations of Poverty:** In the city of Chico in 2019, the highest rates of poverty (greater than 40%) are in The Avenues, North Campus, South Campus, West Campus, and Downtown neighborhoods in the central/west Chico area. The areas with the lowest poverty rates (less than 10%) are found in the Doe Mill, Little Chico Creek, Stilson Canyon, Honey Run, and lower Skyway neighborhoods in the southeast Chico area, as well as north of Bidwell Park in the east Chico area, and between the railroad and Highway 99 in northwest Chico. In Butte county the areas with the highest poverty rates (greater than 40%) are found in Chico, in the northwest Butte county area. The areas with the lowest poverty rates (less than 10%) are also found in the northwest Butte county area around Chico. Chico is the most populous community in Butte county, has the most census tracts, and as indicated by this map, also has greater income disparity than other communities in Butte county.
- **Concentrations of People of Color:** In the city of Chico in 2019, portions of east Chico and the majority of west Chico is identified as “Latino-White” (Census Tracts 1.02, 1.03, 1.04, 2.01, 2.02, 3, 4.01, 4.02, 5.01, 6.01, 6.03, 6.04, 7, 9.04, 10, 11, 12). A portion of west Chico near Nord Avenue and W. Sacramento Avenue is identified as “3 Group Mix (Census Tract 5.02).” Much of southeast Chico and southcentral Chico is also identified as “3 Group Mix” (Census Tracts 9.01, 9.03, and 13). In Butte county in 2019, much of west Butte county and a portion of south Butte county below Palermo is identified as “Latino-White.” The far eastern part of Butte county is identified as “Other-White.” The communities of Thermalito, Palermo, and census tracts near southeast Chico and north Oroville are identified as “3 Group Mix.” The area between Thermalito, Oroville, and Palermo is identified as “4 Group Mix.”
- **Concentrations of Affluence:** In 2019, much of south Butte county has a 10-20% poverty rate whereas much of north Butte county around the city of Chico has a less than 10% poverty rate. In the city of Chico in 2019, the areas with a less than 10% poverty rate are located in east Chico and a portion of west Chico located between the railroad and the Esplanade (Census Tracts 1.03, 4.02, 8, 9.01, and 16). Moreover, much of east Chico is identified as “Mostly White,” especially in the neighborhoods north of Lower Bidwell Park and surrounding Upper Bidwell Park (Census Tracts 8 and 16). In Butte county in 2019, much of the northeastern area is identified as “Mostly White,” especially between the communities of Chico, Paradise, and Magalia.
- **Stakeholder Input:** The Hmong Cultural Center of Butte County provided insights on the barriers Hmong people experience in accessing housing and suggested

hiring more bicultural and bilingual Hmong staff at the local housing authority. Northern Valley Catholic Social Service provided insights on the barriers Hispanic/Latino people experience in accessing and maintaining housing.

## D. DISPARITIES IN ACCESS TO OPPORTUNITY

The fourth topic of the Assessment of Fair Housing is an assessment of disparities in access to opportunity in the jurisdiction. “Access to opportunity is a concept to approximate place-based characteristics linked to critical life outcomes. Access to opportunity oftentimes means both improving the quality of life for residents of low-income communities, as well as supporting mobility and access to ‘high resource’ neighborhoods” (*California State Department of Housing and Community Development, Affirmatively Furthering Fair Housing, 2021*).

### ***Local and Regional Patterns and Trends***

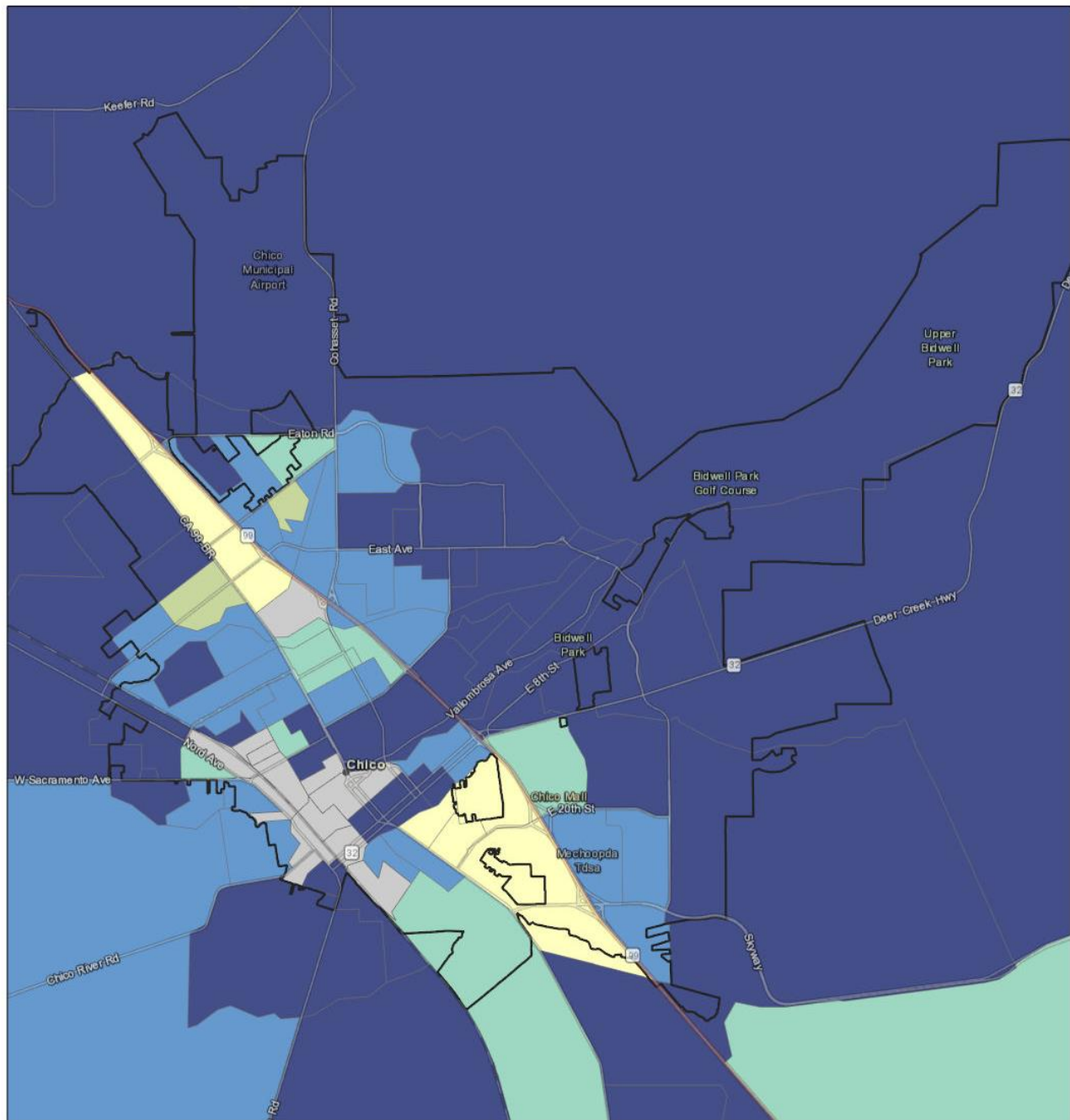
Maps, data tables, and narratives are used to analyze local and regional patterns and trends regarding access to opportunity. Measures such as economic scores, education scores and disparities, environmental scores, job proximity, commuting, and work status are considered.

The California Fair Housing Task Force created an opportunity map to identify regions whose characteristics have been shown by research to support positive economic, educational, and health outcomes for low-income families, particularly long-term outcomes for children. The map provides composite scores for each census tract based on economic scores, education scores, and environmental scores.

**Figure 13: City of Chico, TCAC Opportunity Areas – Composite Score Map, 2021** depicts census tract level data on access to opportunity in the city of Chico based on composite scores of economic, education, and environmental scores. Much of the city of Chico is identified as “highest resource,” especially in the eastern part of the city. There are also a significant number of “high resource” and “moderate resource” census tracts. “Low resource” census tracts are located in north Chico near East Avenue, the Esplanade, and Highway 99 (*HCD AFFH Data Resources and Mapping Tool: 2021 TCAC*).

**Figure 13.1: Butte County, TCAC Opportunity Areas – Composite Score Map, 2021** depicts census tract level data on access to opportunity in Butte county based on composite scores of economic, education, and environmental scores. Generally, north and northeast Butte county is identified as “highest resource,” west Butte county is identified as “moderate resource,” and south and southeast Butte county is identified as “low resource” (*HCD AFFH Data Resources and Mapping Tool: 2021 TCAC*).

Figure 13: City of Chico, TCAC Opportunity Areas – Composite Score Map, 2021



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City/Town Boundaries

(R) TCAC Opportunity Areas (2021) - Composite Score - Tract

- Highest Resource
- High Resource
- Moderate Resource
- Low Resource
- High Segregation & Poverty
- Missing/Insufficient Data

1:72,224

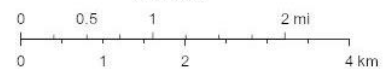
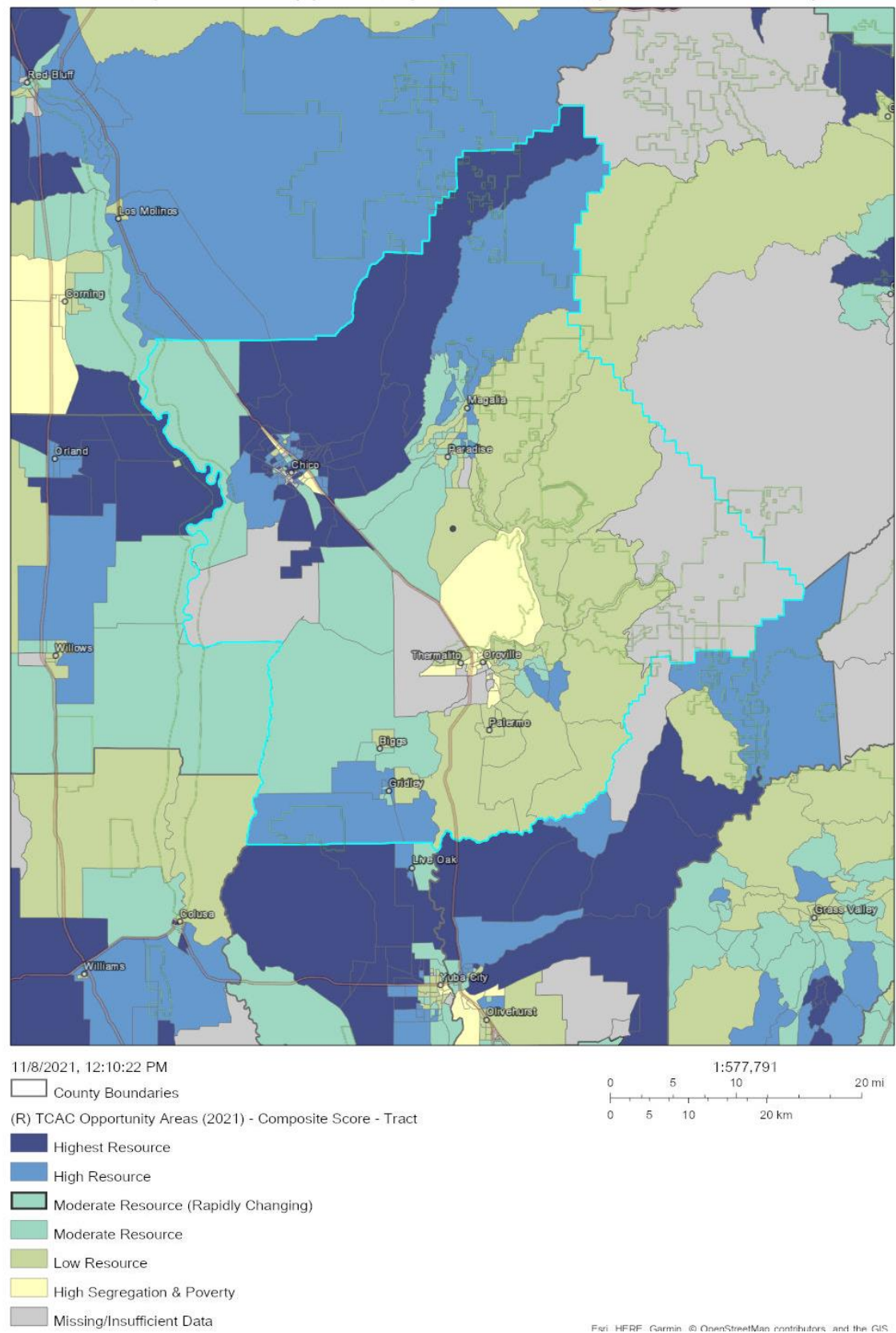


Figure 13.1: Butte County, TCAC Opportunity Areas – Composite Score Map, 2021



**Figure 13.2: City of Chico, TCAC Opportunity Areas – Economic Score Map, 2021** depicts census tract level data in the city of Chico based on economic scores. Economic scores are calculated by data indicators of poverty, adult education, employment, job proximity, and median home value found in the U.S. Census 2014-2018 American Community Survey and the U.S. Census 2017 Longitudinal Employer-Household Dynamics. How the various data indicators are measured is as follows:

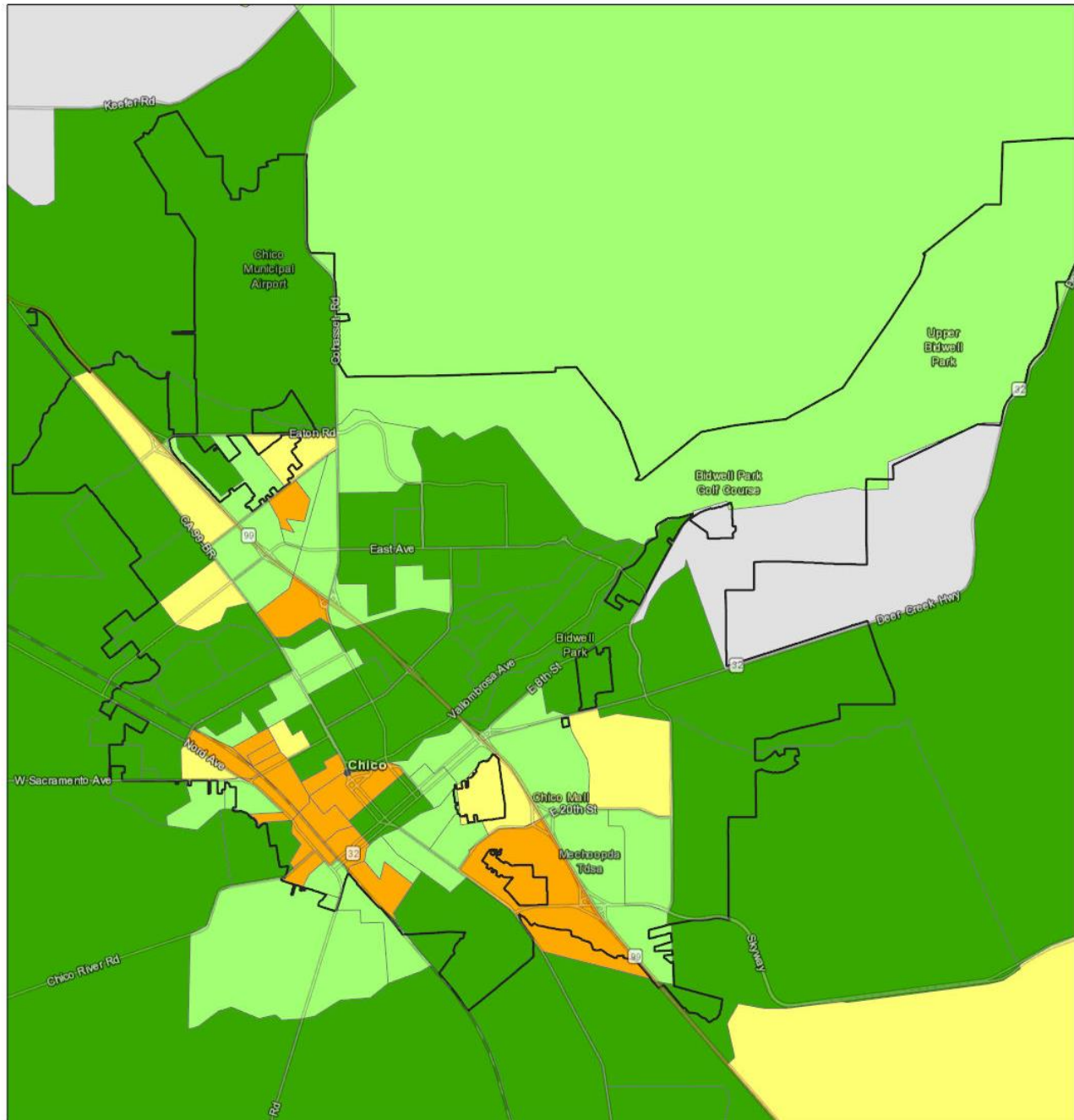
- Poverty: Percentage of population with income above 200% of federal poverty line
- Adult Education: Percentage of adults with a bachelor’s degree or above
- Employment: Percentage of adults aged 20-64 who are employed in the civilian labor force or the armed forces
- Job Proximity: Number of jobs filled by workers with less than a bachelor’s degree that fall within a given radius (determined by the typical commute distance of low-wage workers in each region) of each census tract population-weighted centroid. Note: a “population-weighted centroid” allows researchers and analysts to estimate the center of population in a given geography, in this case a census tract, rather than the geometric center of the census tract (*U.S. Department of Housing and Urban Development*)
- Median Home Value: Median value of owner-occupied homes

Scores based on these indicators range from less positive economic outcome to more positive economic outcome. Most of the city of Chico is identified as “more positive economic outcome.” There are portions of southcentral Chico, west Chico, and north Chico identified as “less positive economic outcome” (*HCD AFFH Data Resources and Mapping Tool: 2021 TCAC*).

**Figure 13.3: Butte County, TCAC Opportunity Areas – Economic Score Map, 2021** depicts census tract level data in Butte county based on economic scores. Generally, the northwest portion of the county around Chico is identified as “more positive economic outcome” and the east and south portions of the county near Biggs, Gridley, Magalia, Oroville, and Paradise are identified as “less positive economic outcome” (*HCD AFFH Data Resources and Mapping Tool: 2021 TCAC*).



Figure 13.2: City of Chico, TCAC Opportunity Areas – Economic Score Map, 2021



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1:72,224

City/Town Boundaries

(R) TCAC Opportunity Areas (2021) - Economic Score - Tract

< 0.25 (Less Positive Economic Outcome)

0.25 - 0.50

0.50 - 0.75

> 0.75 (More Positive Economic Outcome)

No Data

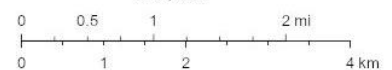
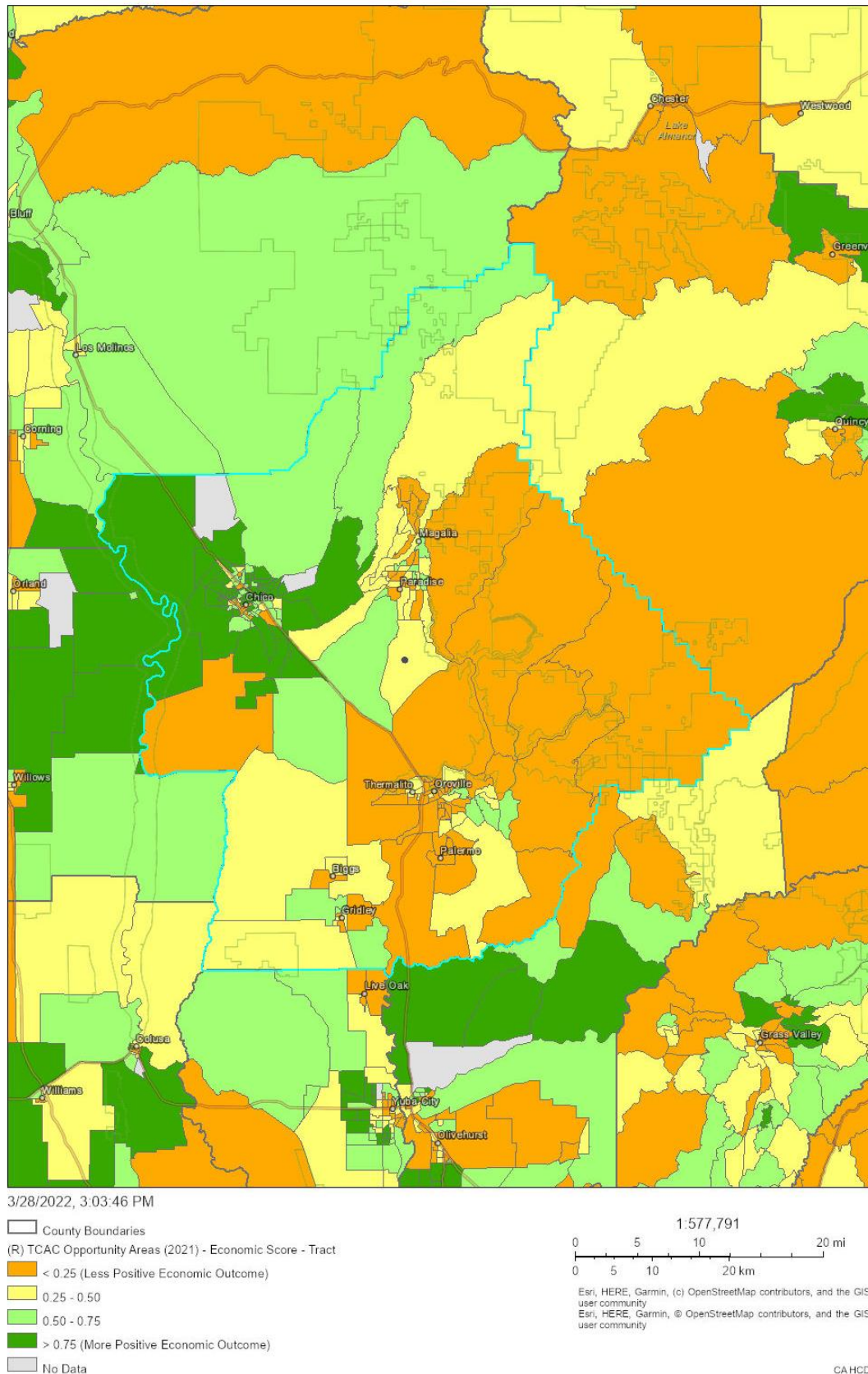


Figure 13.3: Butte County, TCAC Opportunity Areas – Economic Score Map, 2021





**Figure 13.4: City of Chico, TCAC Opportunity Areas – Education Score Map, 2021** depicts census tract level data in the city of Chico based on education scores. Education scores are calculated by data indicators of math proficiency, reading proficiency, high school graduation rates and student poverty rates from the 2018-2019 California Department of Education. How data indicators are measured is as follows:

- Math Proficiency: Percentage of 4<sup>th</sup> graders who meet or exceed math proficiency standards
- Reading Proficiency: Percentage of 4<sup>th</sup> graders who meet or exceed literacy standards
- High School Graduation Rates: Percentage of high school cohort that graduated on time
- Student Poverty Rate: Percentage of students not receiving free or reduced-price lunch

Scores based on these indicators range from less positive education outcomes to more positive education outcomes. Much of east, north, and southcentral Chico are identified as “more positive education outcomes,” whereas portions of west Chico near Nord Avenue and between the Esplanade and Highway 99 are identified as “less positive education outcomes” (*HCD AFFH Data Resources and Mapping Tool: 2021 TCAC*).

**Figure 13.5: Butte County, TCAC Opportunity Areas – Education Score Map, 2021** depicts census tract level data in Butte county based on education scores. Generally, the north portions of the county around Chico, and between Chico and Magalia including the communities of Butte Creek Canyon, Cohasset, and Forest Ranch (not listed on map), are identified as “more positive education outcome.” The east and south portions of the county near Oroville, Palermo, and Thermalito, and between Oroville and Paradise, are identified as “less positive education outcome” (*HCD AFFH Data Resources and Mapping Tool: 2021 TCAC*).

Figure 13.4: City of Chico, TCAC Opportunity Areas – Education Score Map, 2021

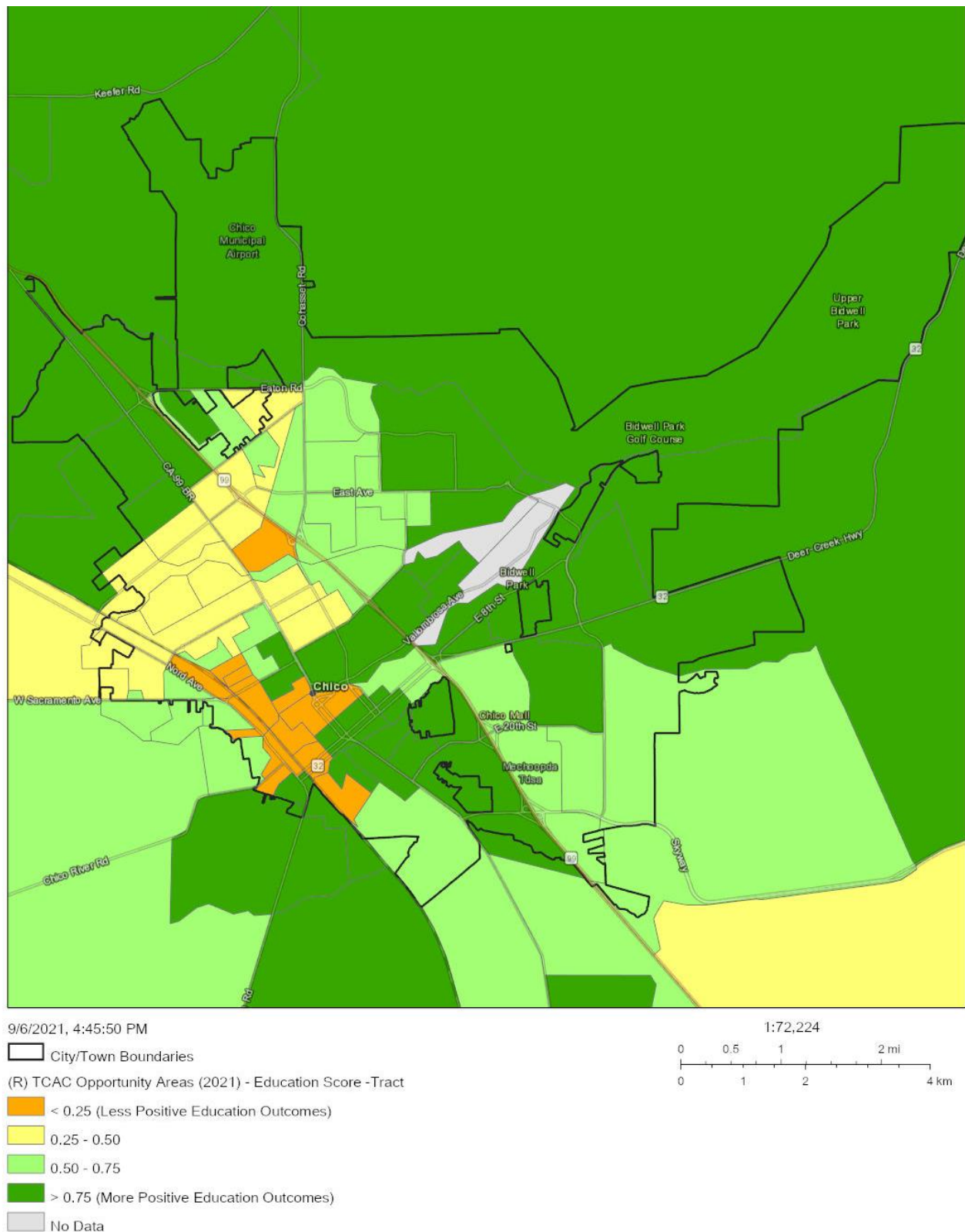
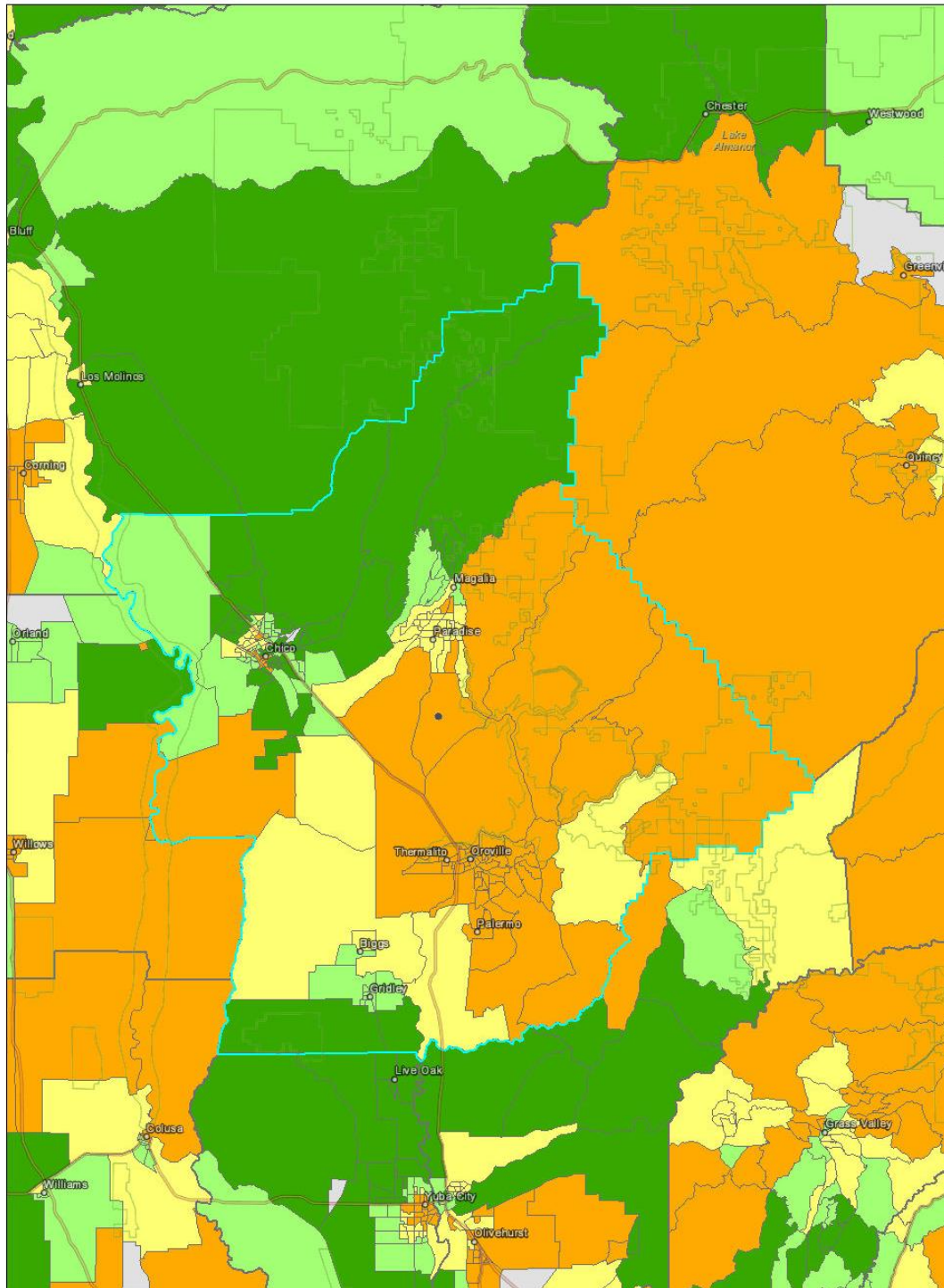


Figure 13.5: Butte County, TCAC Opportunity Areas – Education Score Map, 2021



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- County Boundaries
- (R) TCAC Opportunity Areas (2021) - Education Score -Tract
- < 0.25 (Less Positive Education Outcomes)
- 0.25 - 0.50
- 0.50 - 0.75
- > 0.75 (More Positive Education Outcomes)
- No Data

1:577,791

0 5 10 20 mi

0 5 10 20 km

Esri, HERE, Garmin, (c) OpenStreetMap contributors, and the GIS user community  
Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS user community

CA HCD

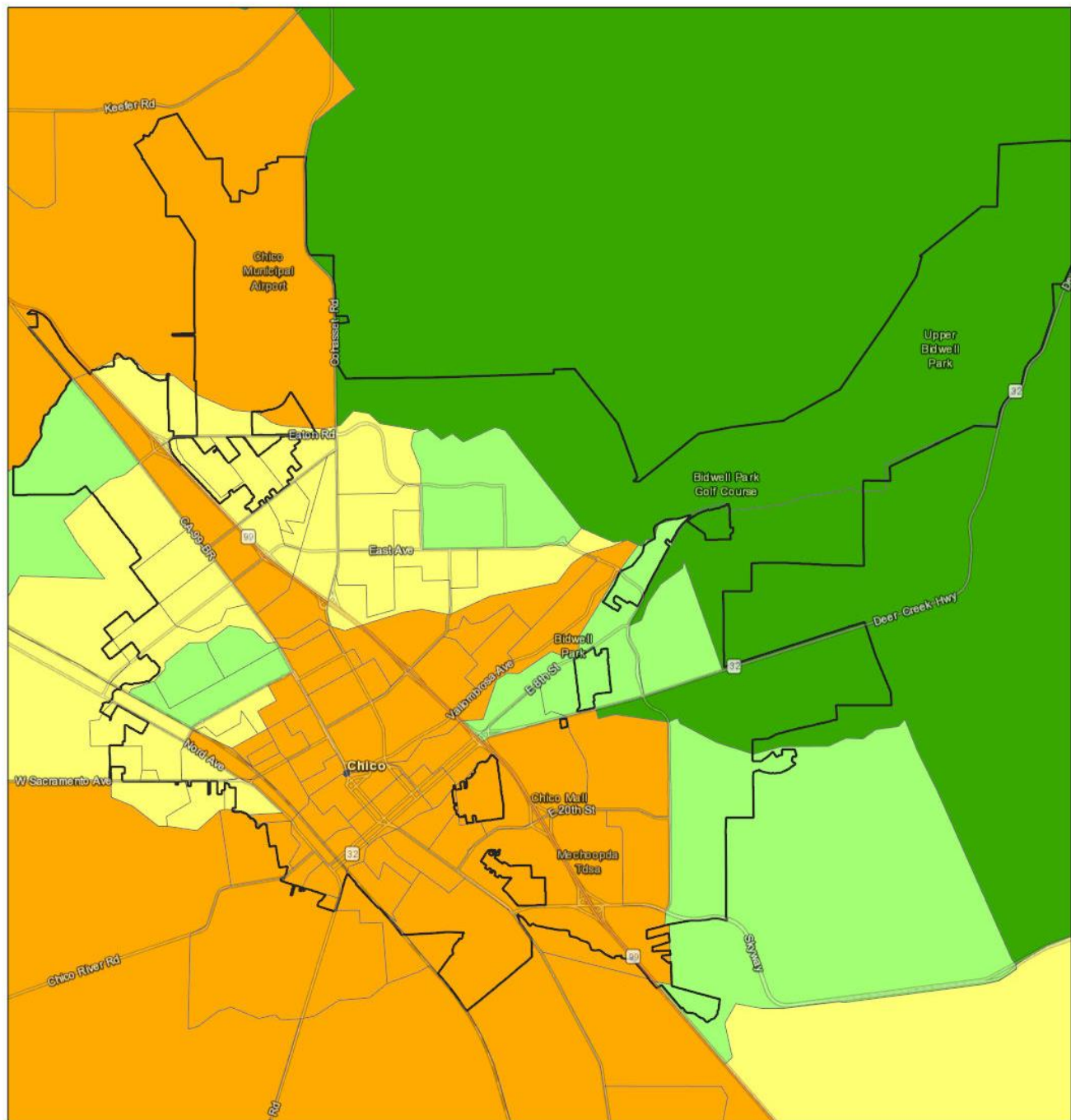
**Figure 13.6: City of Chico, TCAC Opportunity Areas – Environmental Score Map, 2021** depicts census tract level data in the city of Chico based on environmental scores. Environmental scores are calculated by data indicators of pollution, exposure, and environmental effect from CalEnviroScreen 3.0. These data indicators are measured as follows:

- CalEnviroScreen 3.0: Variables include Ozone, PM2.5, Diesel PM, Drinking Water, Pesticides, Toxic Releases, Traffic, Cleanup Sites, Groundwater Threats, Hazardous Waste, Impaired Water Bodies, and Solid Waste Sites.

Scores based on these indicators range from less positive environmental outcomes to more positive environmental outcomes. Much of the city of Chico is identified as “less positive environmental outcomes,” especially around Highway 99. The far east part of the city near Bidwell Park is identified as “more positive environmental outcomes” (*HCD AFFH Data Resources and Mapping Tool: 2021 TCAC*).

**Figure 13.7: Butte County, TCAC Opportunity Areas – Environmental Score Map, 2021** depicts census tract level data in Butte county based on environmental scores. Generally, the portions of the county that are more mountainous and less populated are identified as having “more positive environmental outcomes.” These areas are located east of Chico, north of Magalia, and east of Magalia, Paradise, and Oroville. North and west county around Chico and between Chico and Oroville are identified as having “less positive environmental outcomes.” The very east corner of the county is also identified as having “less positive environmental outcomes” (*HCD AFFH Data Resources and Mapping Tool: 2021 TCAC*).

Figure 13.6: City of Chico, TCAC Opportunity Areas – Environmental Score Map, 2021



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City/Town Boundaries

(R) TCAC Opportunity Areas (2021) - Environmental Score -Tract

< .25 (Less Positive Environmental Outcomes)

.25 - .50

.50 - .75

.75 - 1 (More Positive Environmental Outcomes)

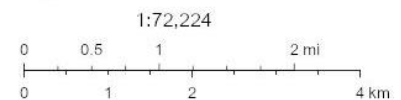
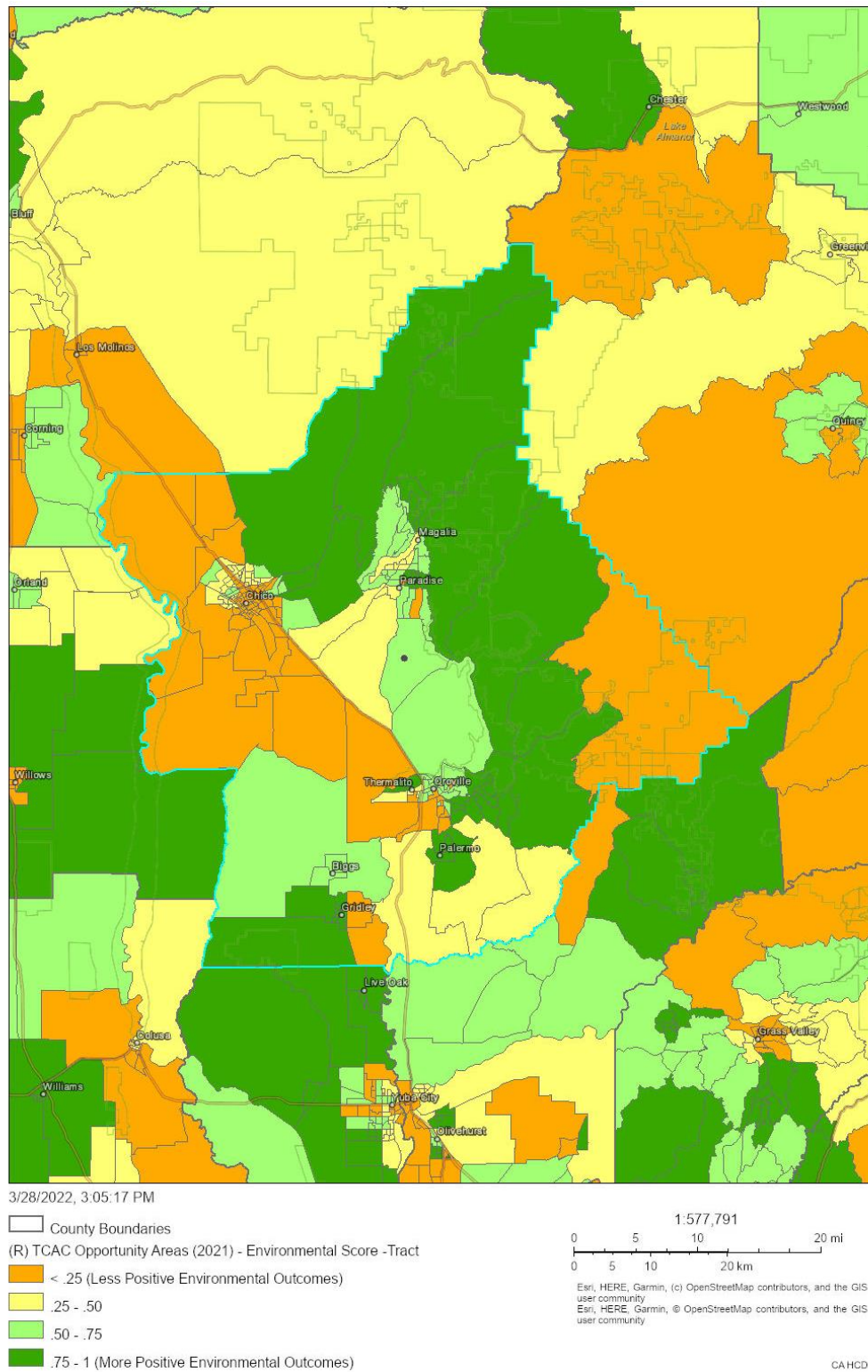




Figure 13.7: Butte County, TCAC Opportunity Areas – Environmental Score Map, 2021



The Jobs Proximity Index scores the accessibility of a given neighborhood to all job locations within an area. The index weighs the distance to employment centers, the amount of employment opportunities, and the competition for jobs.

**Figure 14: City of Chico, Job Proximity Index Map, 2017** shows block group data on residents' proximity to jobs in the city of Chico. The areas with the closest proximity to jobs include central and south Chico and the most northern part of the city. The areas with the farthest proximity to jobs include west Chico between W. Sacramento Avenue and Nord Avenue, and east Chico around Eaton Road and Highway 32, near the city boundaries (*HCD AFFH Data Resources and Mapping Tool: 2017 U.S. Department of Housing and Urban Development*).

**Figure 14.1: Butte County, Job Proximity Index Map, 2017** shows block group data on residents' proximity to jobs in Butte county. Generally, the areas with the closest proximity to jobs are located in western Butte county and include portions of Chico and areas around Biggs and between Oroville and Palermo. The areas with the furthest proximity to jobs include eastern Butte county around Magalia, Palermo, and Thermalito, and west of Gridley in western Butte county (*HCD AFFH Data Resources and Mapping Tool: 2017 U.S. Department of Housing and Urban Development*).



Figure 14: City of Chico, Job Proximity Index Map, 2017

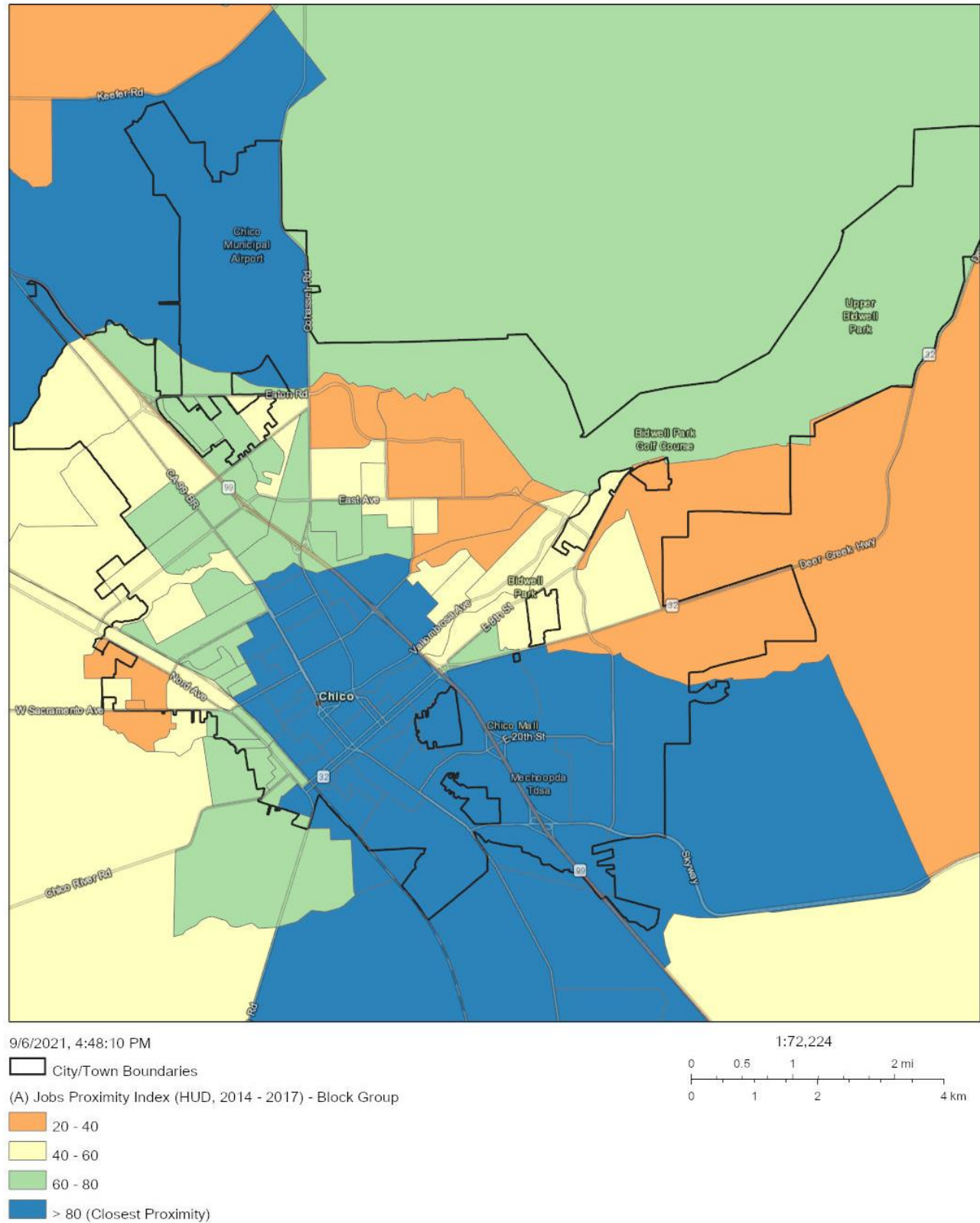
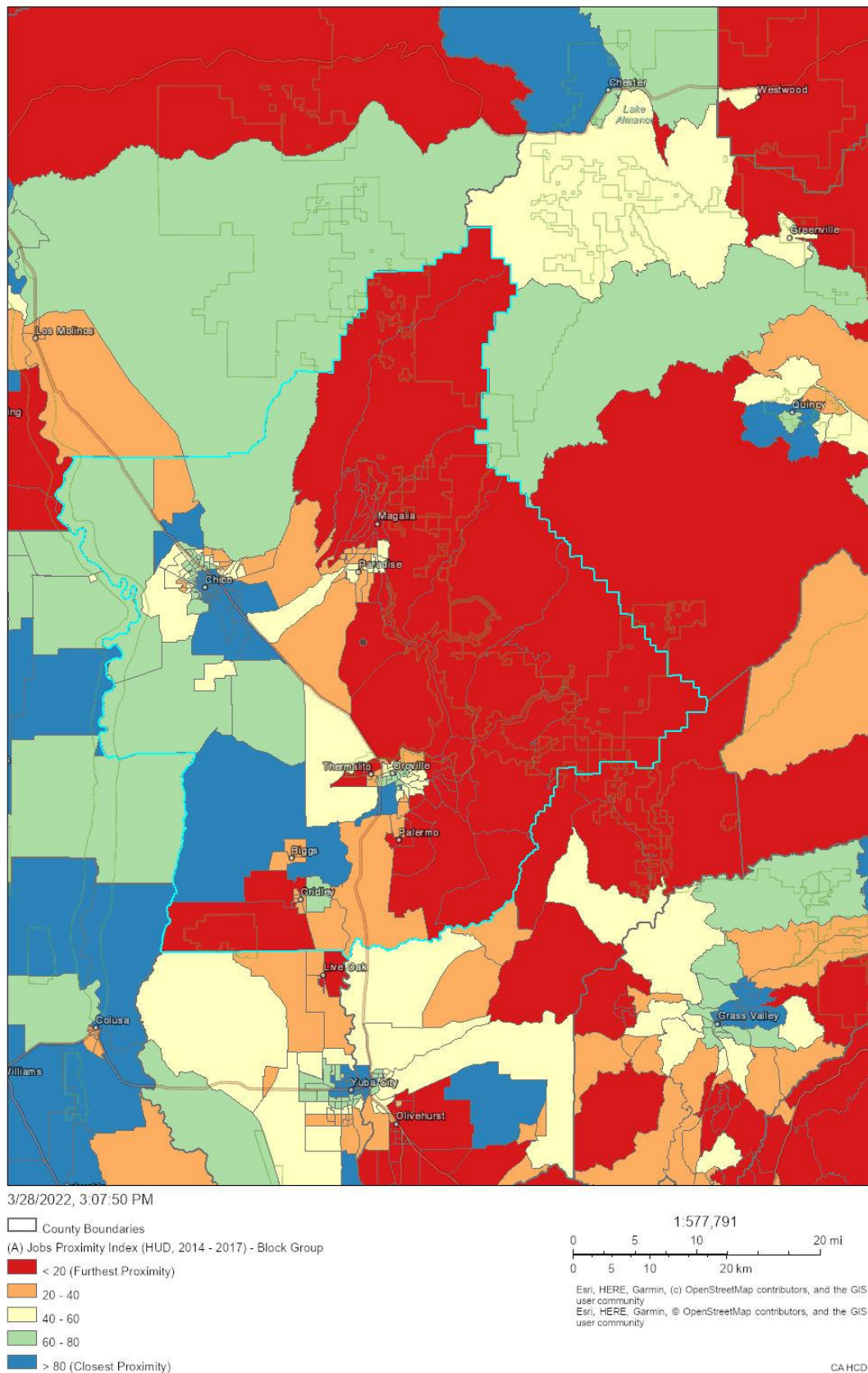


Figure 14.1: Butte County, Job Proximity Index Map, 2017



**Figure 14.2: City of Chico and Butte County, Commuting Data Table, 2019** depicts data on commuting patterns for residents in the city of Chico and Butte county in 2019. In both the city of Chico and Butte county, over 70% of the working population drove alone to work. Approximately 9.3% of workers carpooled in the city of Chico, which is slightly lower than the number of residents that carpooled in Butte county. Those that worked within their county of residence was higher for the city of Chico than Butte county (93.1% compared to 90.6% of working residents). Nearly 25% of the residents in Chico work outside their place of residence whereas nearly 40% of Butte county residents work outside their place of residence, indicating a commuter pattern for both communities.

The mean travel time to work is 16.9 minutes in the city of Chico and 20.9 in Butte county. Almost three quarters of the residents in the city of Chico have a commute time of 19 minutes or less, whereas 62% residents in Butte county have a commute time of 19 minutes or less.

Figure 14.2: City of Chico and Butte County, Commuting Data Table, 2019

	City of Chico	Butte County
Workers 16 Years and Over	45,567	93,125
MEANS OF TRANSPORTATION TO WORK		
Drove alone in a car, truck, or van	75.2%	75.9%
Carpooled	9.3%	10.8%
PLACE OF WORK		
Worked in county of residence	93.1%	90.6%
Worked outside county of residence	6.7%	9.2%
Worked in place of residence	75.2%	47.8%
Worked outside place of residence	24.8%	39.1%
Not living in a city, town, or census-designated place	0.0%	13.1%
TRAVEL TIME TO WORK		
Mean travel time to work (minutes)	16.9	20.9
Less than 10 minutes	26.0%	23.1%
10 to 14 minutes	29.7%	22.7%
15 to 19 minutes	18.5%	16.3%
20 to 24 minutes	6.7%	8.2%
25 to 29 minutes	3.7%	5.2%
30 to 34 minutes	7.1%	11.3%
35 to 44 minutes	1.9%	3.3%
45 to 59 minutes	2.8%	4.3%
60 or more minutes	3.7%	5.7%

Source: U.S. Census Bureau, 2015-2019 American Community Survey

**Figure 14.3: City of Chico and Butte County, Occupations by Number of Persons and Median Earnings Table, 2015 and 2019** compares data on occupation and median earnings for the city of Chico and Butte county in 2015 and 2019. For this table, 2015 data was used instead of 2010 data because it was the oldest dataset available.

As of 2019, Chico had 47,022 employed persons over 16 years of age with median earnings of \$30,121. “Management, business, science, and arts occupations” earned the highest median earnings at \$52,082 whereas “service occupations” earned the lowest at \$15,702. Chico experienced its largest employment increases in the “management, business, science, and arts occupations” and “production, transportation, and material moving occupations” with an increase of \$7,361 and \$3,151 in median earnings of those sectors, respectively. Of all occupational sectors, “service occupations” and “sales and office occupations” experienced the least significant change in median earnings in 2019 compared to 2015.

In 2019 compared to 2015, overall median earnings increased by \$4,781 in the city and by \$4,489 in Butte county. The city’s employed population 16 years and over grew by 5,263 persons whereas Butte county’s increased by 6,684 persons.

Figure 14.3: City of Chico and Butte County, Occupations by Number of Persons and Median Earnings Table, 2015 and 2019

Occupation	City of Chico					Butte County				
	2015		2019		2015 to 2019	2015		2019		2015 to 2019
	Number of Persons	Median Earnings	Number of Persons	Median Earnings	Change	Number of Persons	Median Earnings	Number of Persons	Median Earnings	Change
Civilian employed population 16 years and over	41,759	\$25,340	47,022	\$30,121	+\$4,781	89,411	\$26,752	96,095	\$31,241	+\$4,489
Management, business, science, and arts occupations	15,635	\$44,721	18,559	\$52,082	+\$7,361	30,898	\$46,339	35,393	\$53,166	+\$6,827
Service occupations	9,482	\$12,788	9,963	\$15,702	+\$2,914	20,843	\$14,449	20,530	\$16,715	+\$2,266
Sales and office occupations	10,731	\$21,849	11,311	\$23,679	+\$1,830	21,162	\$24,044	20,278	\$26,750	+\$2,706
Natural resources, construction, and maintenance occupations	2,764	\$31,006	2,856	\$36,821	+\$5,815	8,158	\$30,649	8,591	\$36,409	+\$5,760
Production, transportation, and material moving occupations	3,147	\$21,731	4,333	\$24,882	+\$3,151	8,350	\$27,045	11,303	\$27,580	+\$535

### ***Additional Educational Data***

HCD guidance for the Assessment of Fair Housing: Access to Opportunity section calls for data on educational disparities using school performance data from the California Department of Education.

**Figure 15: Chico Unified School District, School Locations Map, 2022** depicts the location of schools in Chico that are a part of Chico Unified School District. The schools are labeled and color-coded to identify what type of school they are. Elementary schools are blue, middle/junior high schools are green, and high schools are red (*Chico Unified School District, 2022*).

Importantly, charter schools are not included on the map provided by Chico Unified School District. Charter schools are Blue Oak Charter School in Census Tract 4.02, Chico Country Day School in Census Tract 12, Core Butte Charter School in Census Tract 9.03, Inspire School of Arts and Sciences in Census Tract 6.03, Nord Country School in Census Tract 14, Pivot Charter School North Valley in Census Tract 10, Sherwood Montessori School in Census Tract 13, and Wildflower Open Classroom School in Census Tract 1.04 (*Google Maps, 2023*).

**Figure 15.1: Chico Unified School District, Performance Level by State Indicator, 2019** shows grades served and performance level on six state indicators for Chico Unified School District as a whole as well as each school within the district. Data on the charter school identified above has been added. The most recent available data is from 2019. The six state indicators are as follows: chronic absenteeism, suspension rate, graduation rate, college/career, and academic (which includes performance in English language arts/literacy and mathematics). Performance for these measures is based on current year results and whether results improved from the prior year. Performance on state measures, using comparable statewide data, is represented by one of five colors. The performance level (color) is not included when there are fewer than 30 students in any year (i.e. N/A). The order of colors from highest performance to lowest performance is as follows:

- Blue (highest performance)
- Green
- Yellow
- Orange
- Red (lowest performance)

(*California Department of Education, California School Dashboard, 2019*).

When using the locations of the schools from Figure 15 and performance levels of the schools from Figure 15.1, the authors can then compare to **Figure 13: City of Chico, TCAC**



**Opportunity Areas – Composite Score Map, 2021** to conduct an analysis on educational disparities as it relates to access to opportunity. Figure 13 depicts block group level data on access to opportunity in the city of Chico based on composite scores of economic, education, and environmental scores. If a census tract has one or more block groups with the finding of “highest resources”, then the census tract is deemed to have that finding for the purposes of this analysis.

When comparing Figure 13 to Figure 15, the schools that are located in “high segregation and poverty” areas as defined by TCAC are Chapman Elementary School, Fair View High School, and Shasta Elementary School, as well as Sherwood Montessori School, a charter school.

- Chapman Elementary School has low performance for chronic absenteeism and mathematics, average performance for English language arts, and high performance for suspension rate.
- Fair View High School has low performance for college/career and mathematics, average performance for English language arts and suspension rate, and high performance for graduation rate. Fair View High School is the only continuation high school in the city out of a total of four high schools.
- Shasta Elementary School has average performance for chronic absenteeism and high performance for mathematics, English language arts, and suspension rate.
- Sherwood Montessori School, a charter school, has no data available.

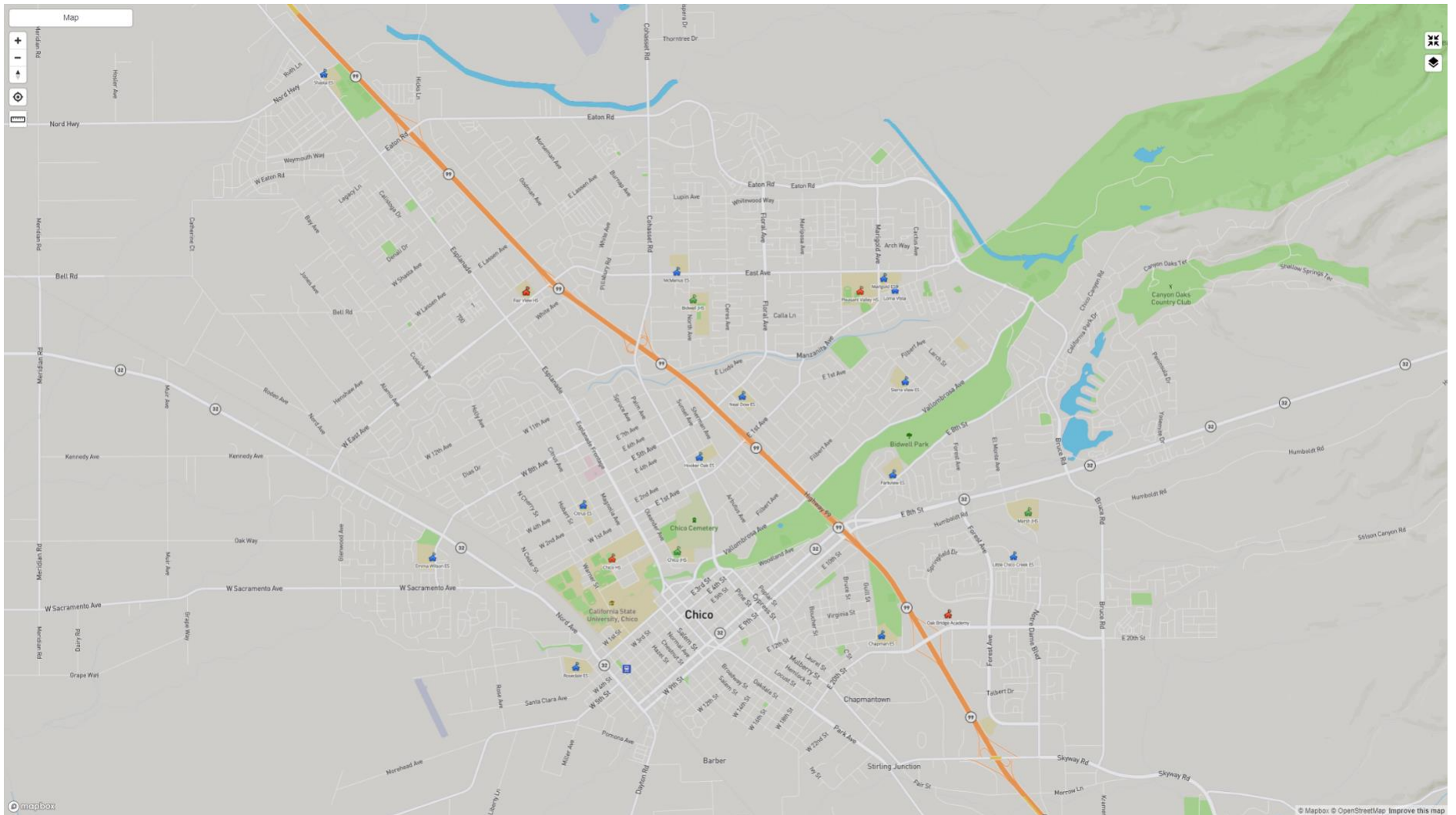
When comparing Figure 13 to Figure 15, the schools that are located in “highest resources” areas as defined by TCAC are as follows:

- Chico High School has low performance for suspension rate, average performance for mathematics, and high performance for graduation rate, college/career, and English language arts.
- Emma Wilson Elementary School has low performance for chronic absenteeism, average performance for mathematics, and high performance for suspension rate and English language arts.
- Little Chico Creek Elementary School has high performance for chronic absenteeism, suspension rate, English language arts, and mathematics.
- Loma Vista Preschool has no data available.
- Marigold Elementary School has average performance for suspension rate and high performance for chronic absenteeism, mathematics, and English language arts.
- Marsh Junior High School has low performance for suspension rate and high performance for chronic absenteeism, mathematics, and English language arts.
- McManus Elementary School has low performance for chronic absenteeism, suspension rate, and mathematics, and average performance for English language arts.

- Parkview Elementary School has low performance for chronic absenteeism, and high performance for suspension rate, mathematics, and English language arts.
- Pleasant Valley High School has low performance for suspension rate, average performance for mathematics, and high performance for graduation rate, college/career, and English language arts.
- Sierra View Elementary School has average performance for chronic absenteeism, and high performance for suspension rate, mathematics, and English language arts.
- Blue Oak Charter School, a charter school, has low performance for chronic absenteeism and suspension rate, and average performance for English language arts and mathematics.
- Core Butte Charter School, a charter school, has low performance for mathematics, average performance for chronic absenteeism, and high performance for suspension rate, graduation rate, college/career, and English language arts.
- Inspire School of Arts and Sciences, a charter school, has low performance for suspension rate, average performance for mathematics, and high performance for graduation rate, college/career, and English language arts.
- Nord Country School, a charter school, has average performance for chronic absenteeism, and high performance for suspension rate, English language arts, and mathematics.
- Wildflower Open Classroom School, a charter school, has low performance for chronic absenteeism, average performance for suspension rate and English language arts, and high performance for mathematics.
- Pivot Charter School North Valley, a charter school, has no data available.

There are significantly more “highest resource” areas in Chico than “high segregation and poverty” and therefore there are four times the number of schools in the “highest resource” areas. This makes comparing schools across areas more challenging due to the difference in amount of data. However, when comparing school performance for the “high segregation and poverty” areas to the “highest resource” areas, there does not appear to be significant educational disparities. Both of the “high segregation and poverty” and “highest resource” areas have at least one school with no low performance levels. The “highest resource” areas have one school with no low or average performance levels however, they also have two schools with no high-performance level. Thus, from this analysis, there does not appear to be significant educational disparities that correlate to access to opportunity as defined by TCAC.

Figure 15: Chico Unified School District, School Locations Map, 2022



*Legend: Elementary schools are blue, middle/junior high schools are green, and high schools are red.*

Figure 15.1: Chico Unified School District, Performance Level by State Indicator, 2019

School Name	Grades Served	Chronic Absenteeism	Suspension Rate	English Learner Progress	Graduation Rate	College/ Career	English Language Arts	Mathematics
Chico Unified School District	All	Orange	Orange	N/A	Green	Green	Green	Yellow
Academy for Change (Community Day School)	7-12	N/A	Orange	N/A	N/A	N/A	N/A	N/A
Bidwell Junior High	6-8	Orange	Orange	N/A	N/A	N/A	Yellow	Orange
Center for Alternative Learning (Alternative Education)	6-12	Red	Yellow	N/A	N/A	N/A	N/A	N/A
Chapman Elementary	K-5	Orange	Blue	N/A	N/A	N/A	Yellow	Orange
Chico High	9-12	N/A	Orange	N/A	Green	Green	Blue	Yellow
Chico Junior High	6-8	Orange	Orange	N/A	N/A	N/A	Green	Yellow
Citrus Avenue Elementary	K-5	Yellow	Red	N/A	N/A	N/A	Yellow	Yellow
Emma Wilson Elementary	K-5	Red	Green	N/A	N/A	N/A	Green	Yellow
Fair View High (Continuation)	9-12	N/A	Yellow	N/A	Green	Red	Yellow	Orange
Hooker Oak Elementary	K-5	Green	Green	N/A	N/A	N/A	Yellow	Orange
Little Chico Creek Elementary	K-5	Blue	Blue	N/A	N/A	N/A	Green	Green
Loma Vista Program	P	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Marigold Elementary	K-5	Green	Yellow	N/A	N/A	N/A	Green	Green
Marsh Harry M. Junior High	6-8	Green	Orange	N/A	N/A	N/A	Green	Green
McManus John A. Elementary	K-5	Orange	Red	N/A	N/A	N/A	Yellow	Orange
Neal Dow Elementary	K-5	Orange	Orange	N/A	N/A	N/A	Orange	Orange

Oakdale Independent Study	K-12	Orange	Blue	N/A	Orange	Red	N/A	N/A
Parkview Elementary	K-5	Red	Green	N/A	N/A	N/A	Green	Green
Pleasant Valley High	9-12	N/A	Orange	N/A	Green	Blue	Green	Yellow
Rosedale Elementary	K-5	Blue	Blue	N/A	N/A	N/A	Green	Green
Shasta Elementary	K-5	Yellow	Blue	N/A	N/A	N/A	Blue	Green
Sierra View Elementary	K-5	Yellow	Blue	N/A	N/A	N/A	Green	Blue
Blue Oak Charter (Charter School)	K-8	Red	Red	N/A	N/A	N/A	Yellow	Yellow
Chico Country Day (Charter School)	K-8	Yellow	Orange	N/A	N/A	N/A	Blue	Green
CORE Butte Charter (Charter School)	K-12	Yellow	Blue	N/A	Blue	Green	Green	Orange
Inspire School of the Arts and Sciences (Charter School)	9-12	N/A	Orange	N/A	Blue	Green	Green	Yellow
Nord Country (Charter School)	K-8	Yellow	Blue	N/A	N/A	N/A	Blue	Green
Pivot Charter School North Valley (Charter School)	6-12	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Sherwood Montessori (Charter School)	K-8	Orange	Green	N/A	N/A	N/A	Orange	Orange
Wildflower Open Classroom (Charter School)	K-8	Orange	Yellow	N/A	N/A	N/A	Yellow	Green

*Source: California Department of Education, California School Dashboard, 2022*

### ***Local Data and Knowledge***

Qualitative data from three community organizations provide local data and knowledge.

Interview summaries included in the 2020 Analysis of Impediments to Fair Housing Choice that provide insight for disparities in access to opportunity are reprinted here.

“Chico Housing Action Team (CHAT) and Community Action Agency of Butte County, Inc. (CAA) administer housing programs for people experiencing homelessness. CHAT staff noted a lack of affordable rental units in the city, especially studio or one-bedroom units as well as a lack of accessible rentals for people with disabilities, especially those who use wheelchairs. The most significant barrier to housing that CHAT’s program participants experience is lack of income. Other barriers include passing standards for credit and rental history and illustrating an income of three times the rent amount.

CAA staff stated that program participants experience challenges finding decent, affordable housing in Chico. Barriers include having an eviction on their rental history and not having access to a consistent phone number and mailing address for housing waiting lists. Some participants receive a Section 8 Housing Choice Voucher while in CAA’s program but are unable to find a rental unit where the voucher can be used due to a lack of available affordable housing.

Over a third of California State University, Chico (CSUC) students identify as Hispanic/Latino. The CSUC Basic Needs Project serves students experiencing food insecurity, hunger, displacement, homelessness, and poverty. In an interview for the 2020 Analysis of Impediments to Fair Housing Choice, Basic Needs Project staff noted that students face barriers to housing including: high market rents; lack of sufficient funds for food; and lack of experience in the housing market including understanding budgeting, contracts, or financial wellness. About a quarter to half of CSUC students struggle to find a co-signer and the funds to pay for a deposit and first and last month’s rent. Students with disabilities, such as those on the autism spectrum, face additional barriers in navigating rental housing” (*City of Chico 2020 Analysis of Impediments to Fair Housing Choice*).

### ***Other Relevant Factors***

Other relevant factors for disparities in access to opportunity include public transportation and accessibility in the City’s Municipal Code.

**Public Transportation:** The City of Chico’s Transportation webpage details available transportation in Chico: <https://chico.ca.us/node/1148>.

- **Airport:** There is no current air service as of November 2021, however, the Chico Municipal Airport was awarded a Federal Aviation Administration grant to assist with the return of commercial air service (*City of Chico, “Chico Municipal Airport”, 2021*).

- **Bike:** The Chico Area Bike Map was completed in June 2008 and updated in 2014. One side of the map shows routes in the city of Chico and the other side shows routes through Lower and Upper Bidwell Park (*B-Line Butte Regional Transit, "Bike Maps", 2021*).
- **Bus:** B-Line Butte Regional Transit serves Chico, Paradise/Magalia, Oroville/Palermo, and Gridley/Biggs (*B-Line Butte Regional Transit, "Bus Stop Location Maps", 2021*). Glenn Ride provides transportation services between Butte and Glenn counties. Plumas Transit provides round trip service between Quincy and Chico. Greyhound bus services are also available (*City of Chico, "Transportation", 2021*).
- **Train:** Amtrak train services are available (*City of Chico, "Transportation", 2021*).

The City of Chico has been proactive in bicycle planning since the early 1980s. The first Bicycle Plan was developed in 1991 and was recently updated in 2019. The Bicycle Mode-Share (i.e. the percentage of people choosing bicycles for local transportation) in Chico is roughly double the national average. Chico has participated in the League of American Bicyclists' Bike Friendly Communities program for several decades, and in 2016 achieved Gold Status. Chico has won many other bike-related awards from Bicycling Magazine's coveted "Best Bicycling City" in 1997 to recent ranking as the 6th Safest City for Bicycling in the U.S., in a study by security from ADT (*City of Chico, Correspondence, 2022*).

In an interview with the Butte County Association of Governments (BCAG) on March 25, 2022, staff reported that all fixed route and paratransit buses are ADA (Americans with Disabilities Act) accessible. B-Line bus services operate seven days a week apart from six public holidays, but some routes do not operate every day. In 2019, B-Line offered a monthly average of 60,628 rides to residents in the City of Chico (*Butte County Association of Governments, 2019*). This is the most recent "typical" data available due to the COVID-19 pandemic that began in 2020.

The B-Line Paratransit service offers on-demand, door-to-door shared ride services for seniors 70 years and older or persons with disabilities who are not able to access the fixed-route service. This service is available at a low-cost to residents per request. In 2019, B-Line Paratransit offered a monthly average of 8,072 rides to residents in the City of Chico (*Butte County Association of Governments, 2019*). This is the most recent "typical" data available due to the COVID-19 pandemic that began in 2020. Residents can estimate the cost of a fare using the paratransit fare estimator:

[https://gicwebsrv.csuchico.edu/webmaps/bcag\\_paratransit/prod/](https://gicwebsrv.csuchico.edu/webmaps/bcag_paratransit/prod/)

In accordance with the California State Transportation Development Act, BCAG must identify any unmet public transit needs annually. The most recent report from 2021-2022 identified that in general, ridership rates have been decreasing over the past few years. BCAG stated this is a nationwide trend attributed to the availability of affordable automobiles which allow more households with low-incomes to own and operate personal vehicles instead of depending on public transit. In addition, after the 2018 Camp Fire, several routes were modified as a result of the displacement of people. The report concluded that there are no unmet transit needs that are reasonable to meet. In general,



persons 65 and over and youth 5-19 are most likely to use transit services and qualify for reduced fares in Butte County (*Unmet Transit Needs Assessment- 2021-2022, Butte County Association of Governments, 2022*). BCAG is currently in the process of updating its bus lines to increase transit ridership and improve transit accessibility.

**Figure 15.2: Butte County, Regional Transit Service Area Map, 2019** illustrates the service area for the B-Line fixed route and paratransit services in Butte County. These fixed route and paratransit services connect the population centers of Chico, Biggs, Gridley, Oroville, and Paradise, as well as provide services within each community.

**Figure 15.3: Butte County Association of Governments, B-Line Transit Stops & Routes Chico Area, 2016** illustrates the location of B-Line transit stops and routes in the Chico area as of 2016. This is the most recent static map available. Up-to-date interactive versions of this map can be found at: <https://bcag.doublemap.com/map/>. The map shows that the city's major streets have access to the B-line for public transportation. These include Broadway Street, East Avenue, Eaton Road, the Esplanade, Forest Avenue, Main Street, Nord Avenue, Park Avenue, and 8<sup>th</sup>, 9<sup>th</sup>, and 20<sup>th</sup> Streets. Generally, there are many stops and routes near downtown Chico and south Chico and fewer in the very north and east parts of the city.

Figure 15.2: Butte County, Regional Transit Service Area Map, 2019

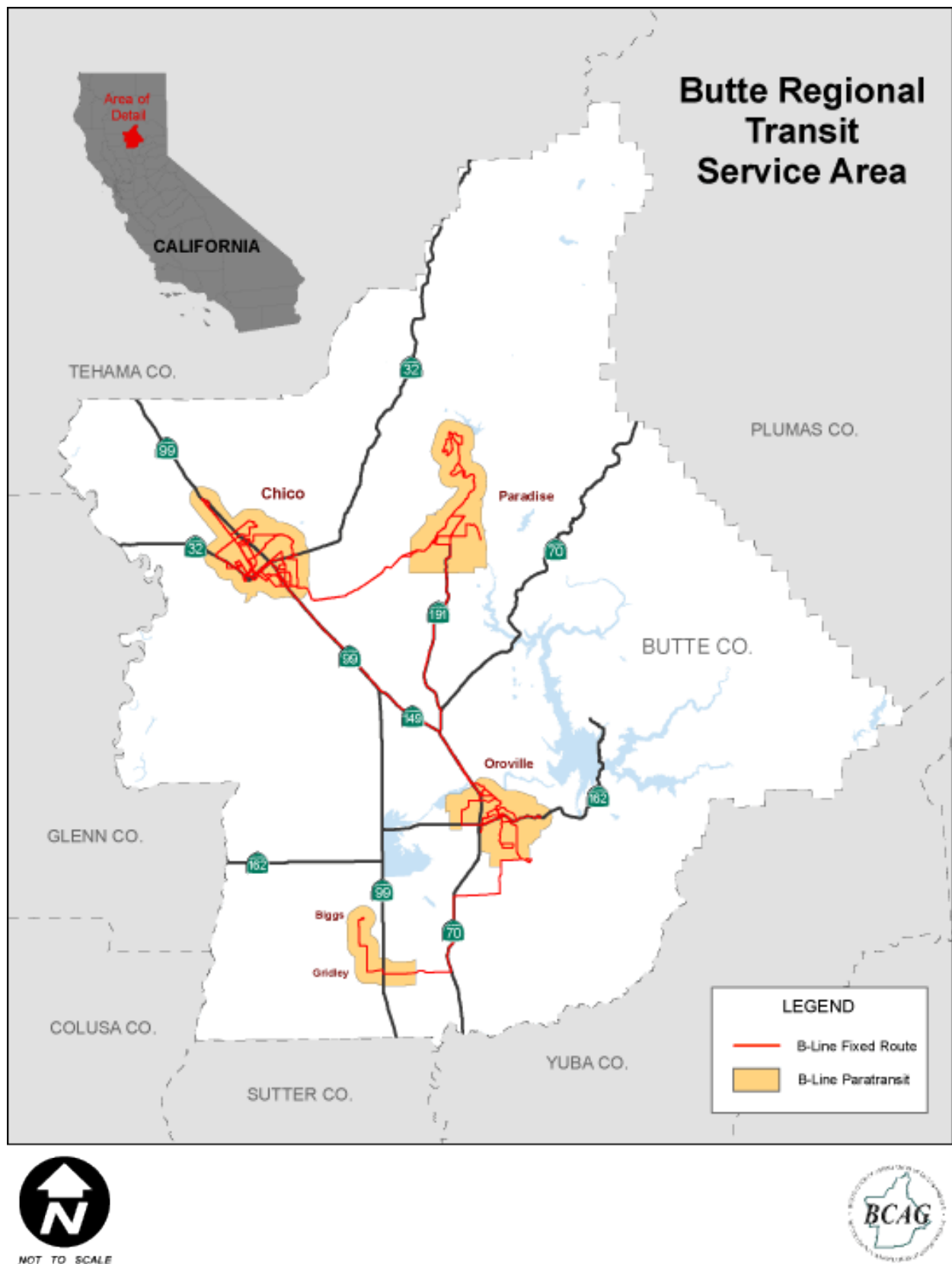
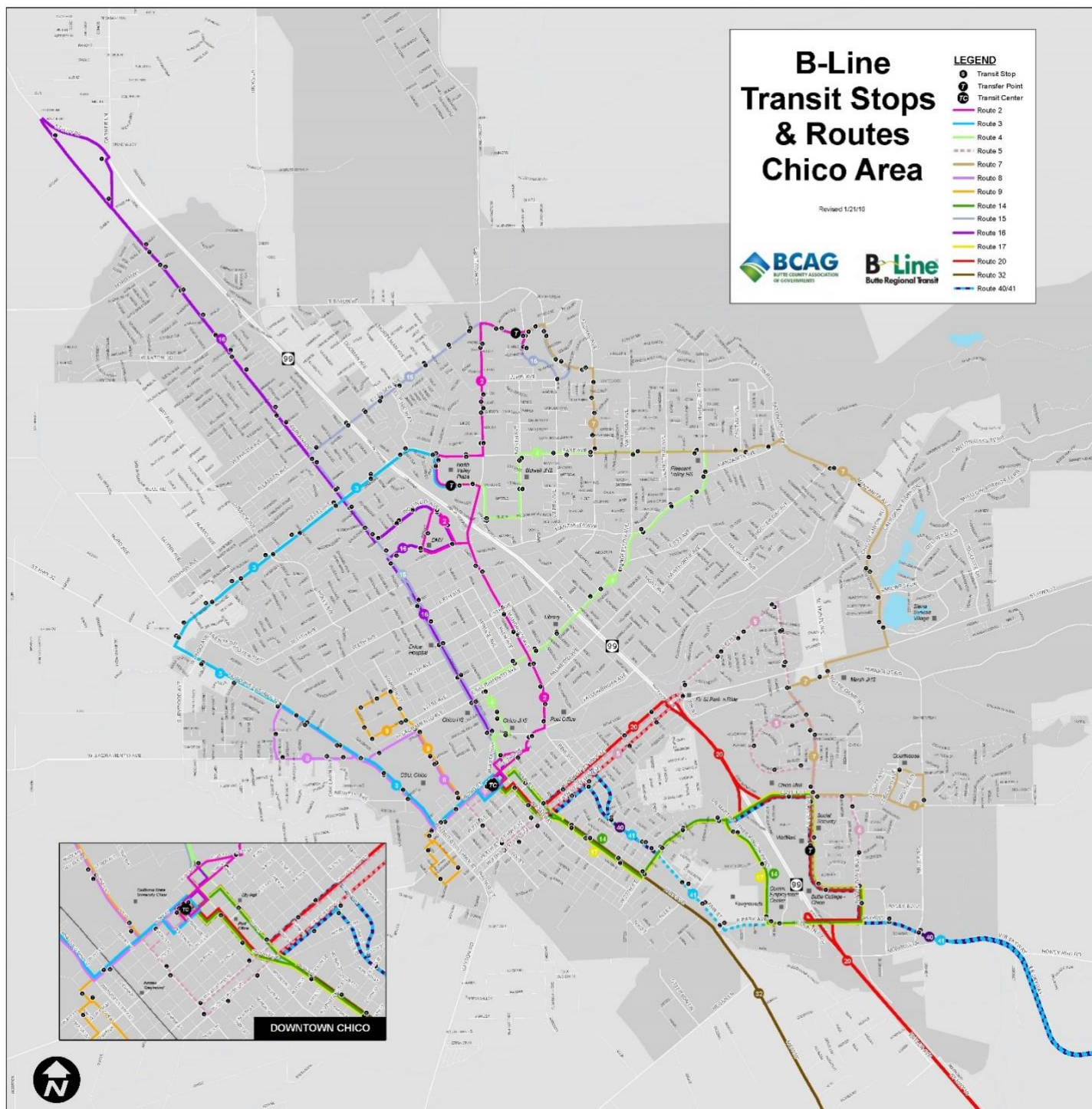


Figure 15.3: Butte County Association of Governments, B-Line Transit Stops & Routes Chico Area, 2016



**Accessibility:** The following section on accessibility for people with disabilities as identified by the City of Chico’s Municipal Code is reprinted from the 2020 Analysis of Impediments to Fair Housing Choice.

“The City’s Municipal Code does not limit the development of housing that is accessible to persons with disabilities. Residential care homes for six or fewer residents are permitted as a matter of right in all residential districts, as well as the Office Residential and Neighborhood Commercial districts. Residential care homes for seven or more persons are permitted in most residential districts, the Office Residential District, and commercial districts with a use permit. There are not development standards that regulate the concentration or spacing of residential care homes.

The City’s Municipal Code allows the Community Development Director to approve modifications to development standards in order to accommodate improvements that provide access to persons with disabilities. The 2014-2022 Housing Element Goal H.4.1.1 modifies this provision with clarifying language to read ‘the community development director may approve modifications or exceptions to the regulations, standards and practices for the siting, development and use of housing or housing related facilities, or other matters related to zoning and land use, that would eliminate regulatory barriers and provide an individual with a disability equal opportunity to housing of his or her choice.’ Such examples of code exceptions granted under this authority include minor deviations in front setbacks to allow direct-access wheelchair ramps at residential dwellings and allowing the keeping of animals not typically allowed for emotional support” (*City of Chico 2020 Analysis of Impediments to Fair Housing Choice*).

### ***Conclusions and Summary of Issues***

Conclusions and summary of issues for disparities in access to opportunity based on local and regional patterns and trends, local data and knowledge, and other relevant factors are as follows:

- **Economic:** As of 2021, most of Chico is identified as “more positive economic outcomes.” There are portions of southcentral Chico, west Chico, and north Chico identified as “less positive economic outcomes.” For Butte county, generally the northwest portion of the county around Chico is identified as “more positive economic outcomes” and the east and south portions of the county near Biggs, Gridley, Magalia, Oroville, and Paradise are identified as “less positive economic outcomes.” From 2015 to 2019, overall median earnings and the number of employed persons 16 years and over grew by similar amounts in the city of Chico and Butte county overall.
- **Education:** As of 2021, much of east, north, and southcentral Chico are identified as “more positive education outcomes,” whereas portions of west Chico near Nord Avenue and between the Esplanade and Highway 99 are identified as “less positive education outcomes.” For Butte county, generally the north portions of

the county around Chico, and between Chico and Magalia are identified as “more positive education outcomes.” The east and south portions of the county near Oroville, Palermo, and Thermalito, and between Oroville and Paradise, are identified as “less positive education outcomes.”

- **Environment:** As of 2021, much of Chico is identified as “less positive environmental outcomes,” especially around Highway 99. The far east part of the city near Bidwell Park is identified as “more positive environmental outcomes.” For Butte county, generally the portions of the county that are more mountainous and less populated are identified as having “more positive environmental outcomes.” These areas are located east of Chico, north of Magalia, and east of Magalia, Paradise, and Oroville. North and west county around Chico and between Chico and Oroville are identified as having “less positive environmental outcomes.”
- **Commuting and Job Proximity:** As of 2017, the areas with the closest proximity to jobs include central and south Chico and the most northern part of the city. The areas with the farthest proximity to jobs include west Chico between W. Sacramento Avenue and Nord Avenue, and east Chico around Eaton Road and Highway 32, near the city boundaries. For Butte county, generally the areas with the closest proximity to jobs are located in western Butte county and include portions of Chico and areas around Biggs and between Oroville and Palermo. The areas with the furthest proximity to jobs include eastern Butte county around Magalia, Palermo, and Thermalito, and west of Gridley in western Butte county. As of 2019, nearly 25% of the residents in Chico work outside their place of residence whereas nearly 40% of Butte county residents work outside their place of residence, indicating a commuter pattern for both communities.
- **School Performance/Education Disparities:** As of 2019, when comparing Chico Unified School District school performance for “high segregation and poverty” areas to the “highest resource” areas as defined by TCAC, there does not appear to be significant educational disparities. Thus, students’ access to opportunity in regard to education does not appear to significantly differ in different parts of the city.
- **Transportation:** As of 2021, Chico is served by bike routes, B-Line bus service throughout the city, and train service. The airport is planning a return to commercial air service. The City of Chico has been proactive in bicycle planning since the early 1980s. The Bicycle Mode-Share (i.e., the percentage of people choosing bicycles for local transportation) in Chico is roughly double the national average. The city’s major streets have access to the B-line for public transportation. Generally, there are many stops and routes near downtown Chico and south Chico and fewer in the very north and east parts of the city. In 2019, B-line provided an average of 8,072 paratransit rides and 60,628 total rides per month.

- **Accessibility:** The city’s Municipal Code does not limit the development of housing that is accessible to persons with disabilities.
- **Stakeholder Input:** Chico Housing Action Team and Community Action Agency of Butte County noted a lack of affordable and accessible rental units in the Chico for their program participants. California State University, Chico Basic Needs Project provided insight on barriers students face in accessing housing.

## E. Disproportionate Housing Needs and Displacement Risk

The fifth and final topic of the Assessment of Fair Housing is disproportionate housing needs and displacement risk. According to HCD, “Disproportionate housing needs generally refers to a condition in which there are significant disparities in the proportion of members of a protected class experiencing a category of housing need when compared to the proportion of members of any other relevant groups, or the total population experiencing that category of housing need in the applicable geographic area. For purposes of this definition, categories of housing need are based on such factors as cost burden and severe cost burden, overcrowding, homelessness, and substandard housing conditions.” Displacement is used to describe any involuntary household move caused by landlord action or market changes, including disaster-driven displacement (*California State Department of Housing and Community Development, Affirmatively Furthering Fair Housing, 2021*).

### ***Local and Regional Patterns and Trends***

Maps, data tables, and narrative illustrate local and regional patterns and trends of disproportionate housing needs and displacement risk.

**Figure 16: City of Chico, Overpayment by Owners Map, 2014** depicts the percentage of owner households with mortgages whose monthly owner costs are 30% or more of household income as of 2014. Household income is based on earnings in the past 12 months prior to the survey. The only census tract with 60-80% of owner households with overpayment is Census Tract 6.04 located between Warner Street and the railroad. Census Tracts 3, 6.01, 8, 10, 11, 12, 13, 9.03, and 16 have 40-60% of owner households with overpayment (*HCD AFFH Data Resources and Mapping Tool: 2010-2014 American Community Survey*).

**Figure 16.1: City of Chico, Overpayment by Owners Map, 2019** depicts the percentage of owner households with mortgages whose monthly owner costs are 30% or more of household income as of 2019. Household income is based on earnings in the past 12 months prior to the survey. The only census tract with 60-80% of owner households with overpayment is Census Tract 6.03 located between the Esplanade and Warner Street. Much of southcentral and southwest Chico have 40-60% of owner households with

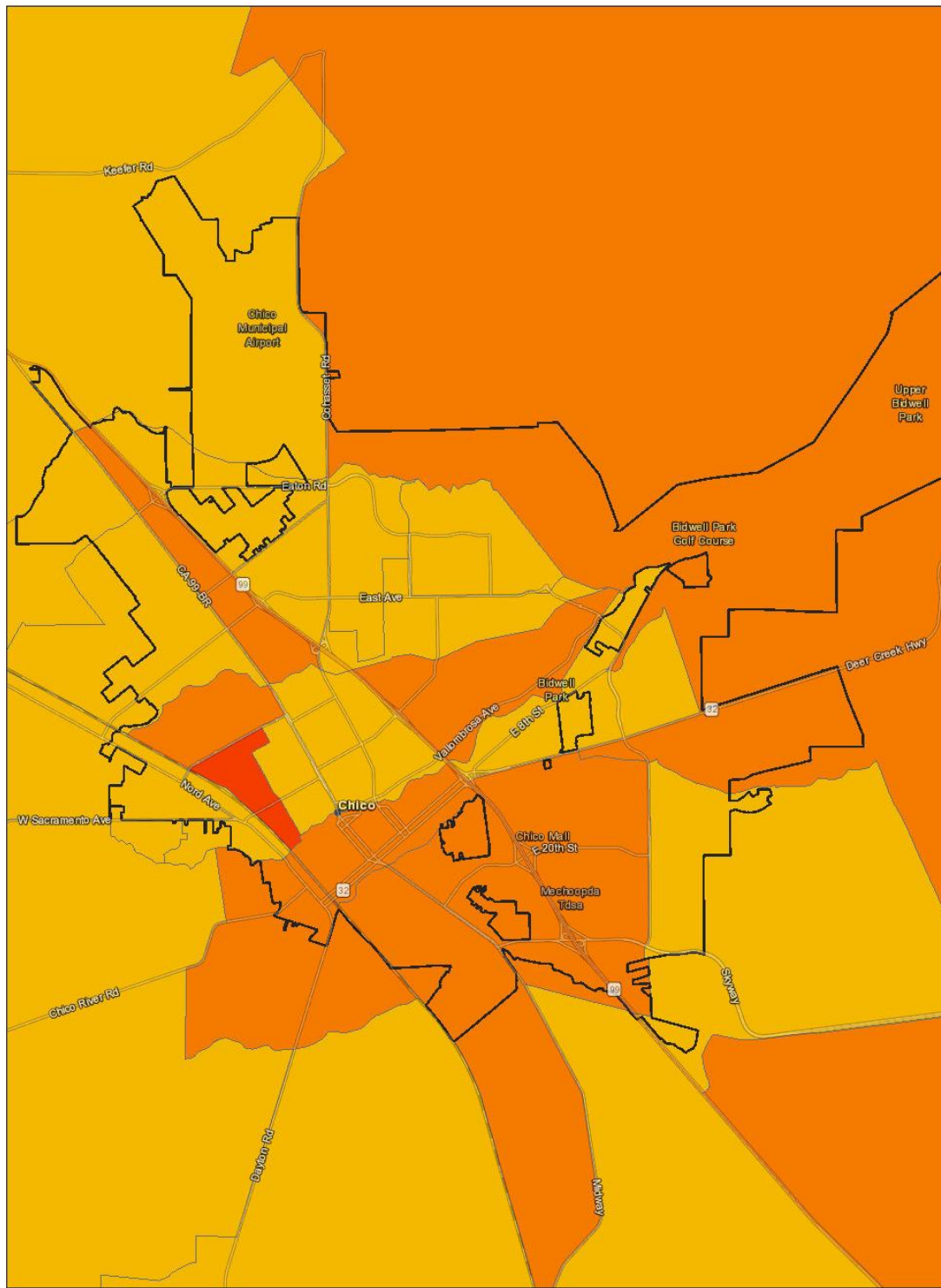
overpayment (*HCD AFFH Data Resources and Mapping Tool: 2015-2019 American Community Survey*).

**Figure 16.2: Butte County, Overpayment by Owners Map, 2014** depicts the percentage of owner households with mortgages whose monthly owner costs are 30% or more of household income as of 2014. Household income is based on earnings in the past 12 months prior to the survey. The only census tract with 60-80% of owner households with overpayment is in Chico (Census Tract 6.04). Generally, the west portion of the county has 20-40% of owner households with overpayment whereas the east portion has 40-60%. The census tract in northeast Butte County near Magalia/Paradise has less than 20% of owner households with overpayment (*HCD AFFH Data Resources and Mapping Tool: 2010-2014 American Community Survey*).

**Figure 16.3: Butte County, Overpayment by Owners Map, 2019** depicts the percentage of owner households with mortgages whose monthly owner costs are 30% or more of household income as of 2019. Household income is based on earnings in the past 12 months prior to the survey. The only census tracts with 60-80% of owner households with overpayment are located in Chico and Oroville. Most of the county has 20-40% or 40-60% of owner households with overpayment. The census tract in northeast Butte County between Chico and Magalia/Paradise has less than 20% of owner households with overpayment. (*HCD AFFH Data Resources and Mapping Tool: 2015-2019 American Community Survey*).



Figure 16: City of Chico, Overpayment by Owners Map, 2014



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City/Town Boundaries

(A) Overpayment by Home Owners (ACS, 2010 - 2014 ) - Tract

20% - 40%

40% - 60%

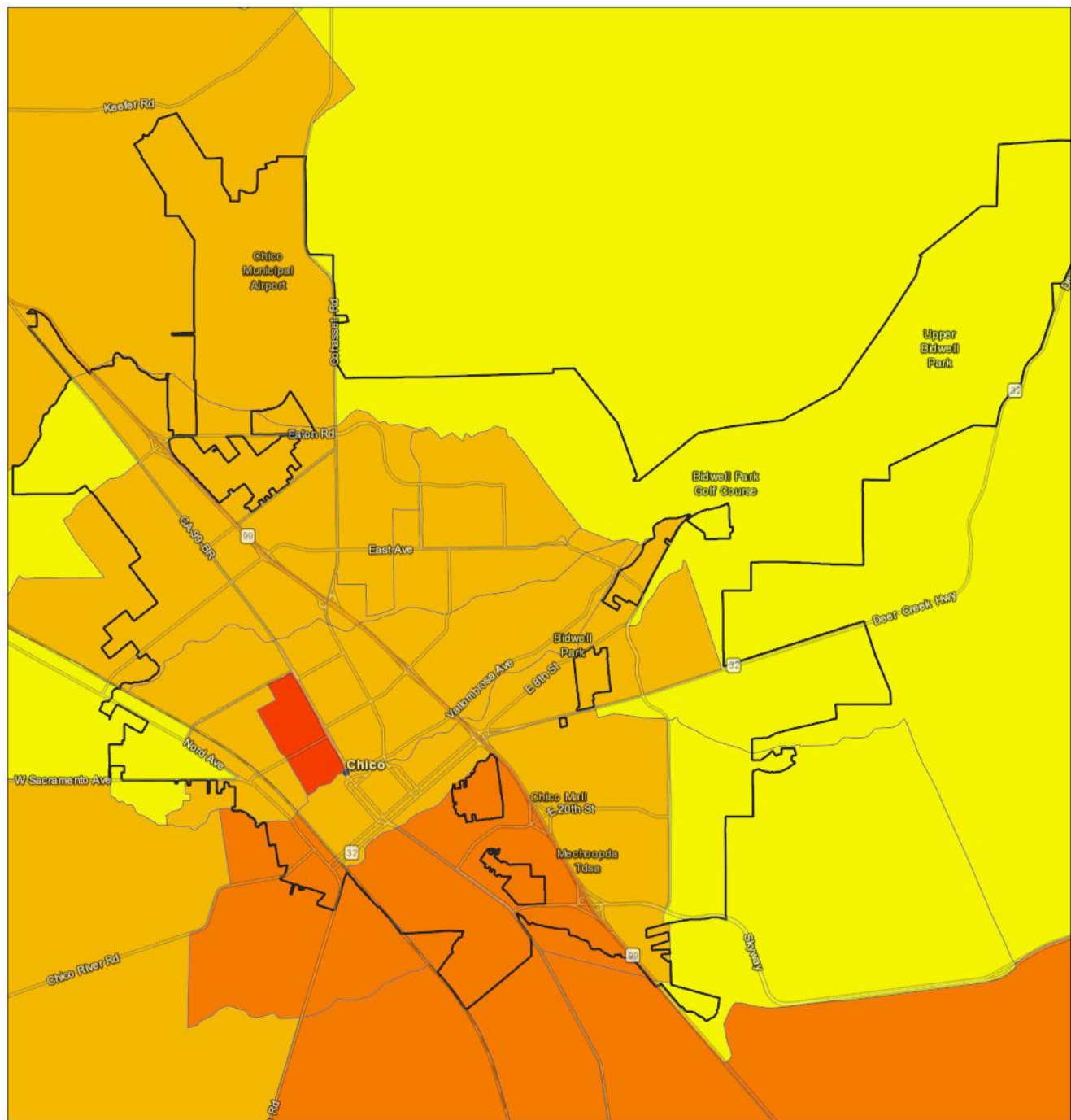
60% - 80%

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0 0.5 1 2 mi  
0 0.75 1.5 3 km

Butte County, Bureau of Land Management, Esri, HERE, Garmin,  
GeoTechnologies, Inc., USGS, EPA  
Esri, HERE, Garmin, © OpenStreetMap contributors, and the GIS  
user community

Figure 16.1: City of Chico, Overpayment by Owners Map, 2019



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City/Town Boundaries

(R) Overpayment by Home Owners (ACS, 2015 - 2019) - Tract

- < 20%
- 20% - 40%
- 40% - 60%
- 60% - 80%

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Figure 16.2: Butte County, Overpayment by Owners Map, 2014

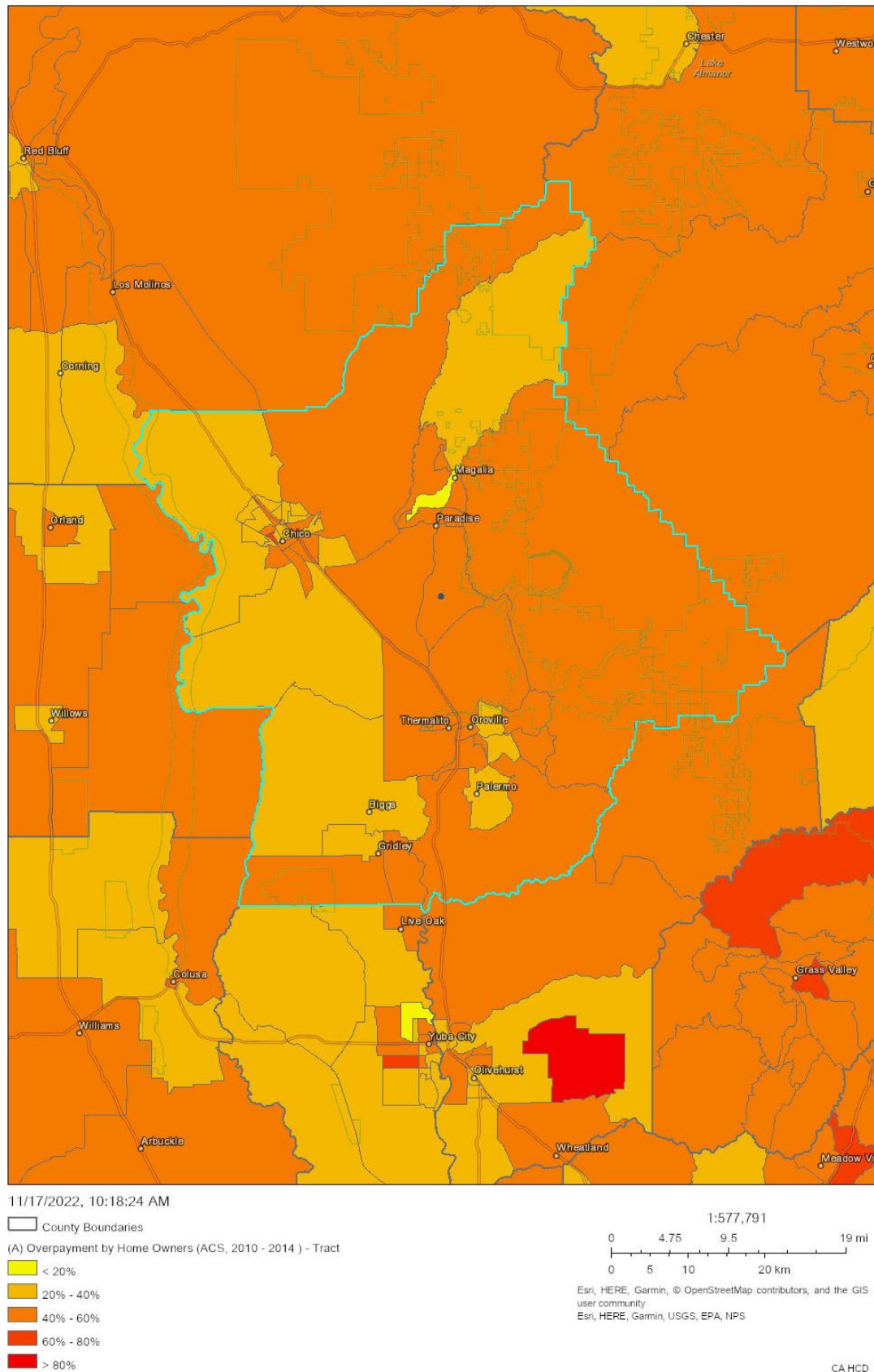
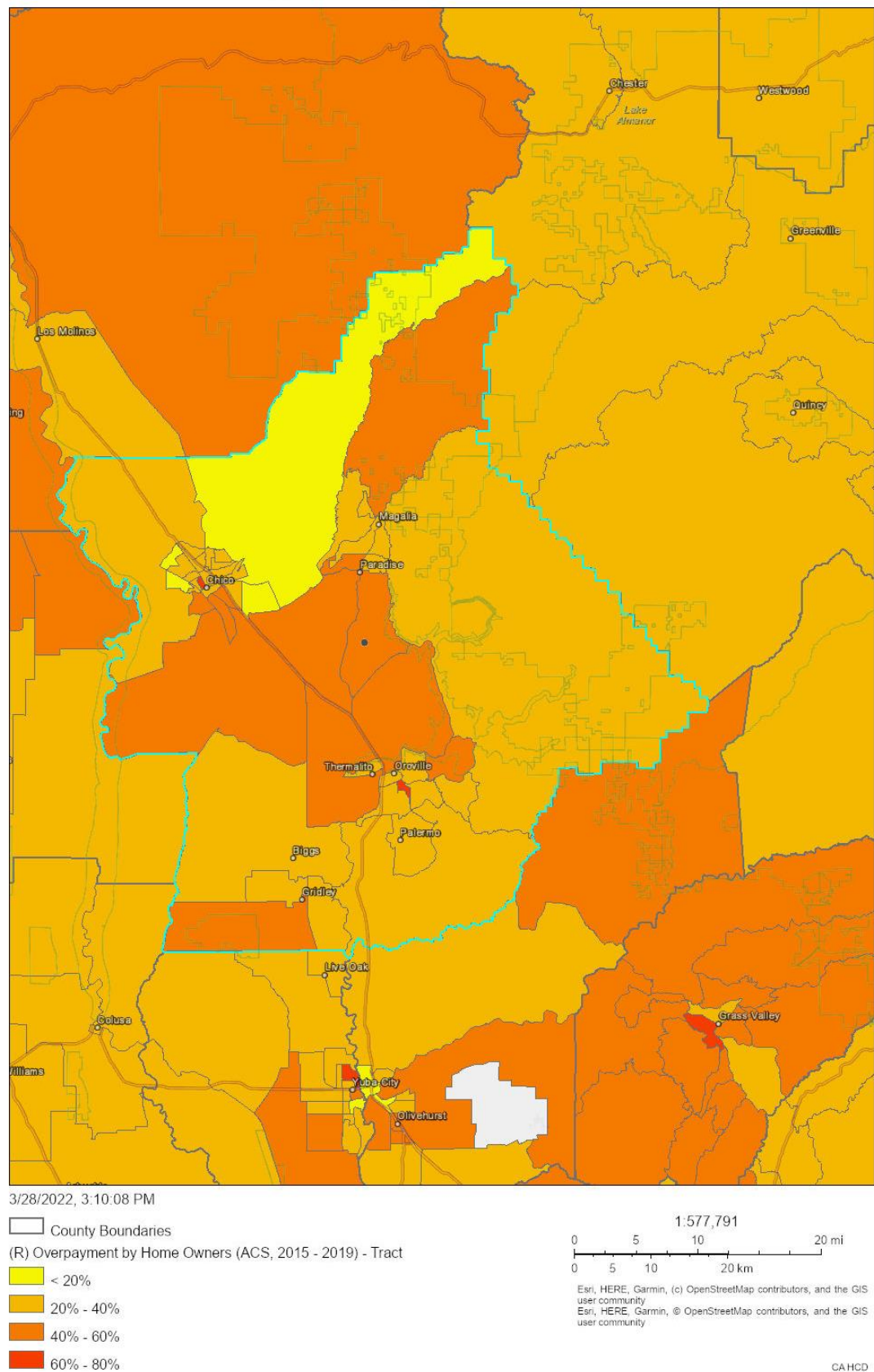




Figure 16.3: Butte County, Overpayment by Owners Map, 2019



**Figure 16.4: City of Chico, Overpayment by Renters Map, 2014** depicts the percentage of renter households for whom gross rent (contract rent plus tenant-paid utilities) is 30% or more of household income as of 2014. Household income is based on earnings in the past 12 months prior to the survey. Most census tracts in Chico have more than 40% of renter households with overpayment and all census tracts in the city have more than 20% of renter households with overpayment. The areas of the city with 60-80% of renter households with overpayment are located in northeast Chico in Census Tracts 1.04, and central, southcentral, and west Chico in Census Tracts 5.01, 5.02, 6.01, 6.03, 6.04, 8, 10, 11, 12, and 13 (*HCD AFFH Data Resources and Mapping Tool: 2010-2014 American Community Survey*).

**Figure 16.5: City of Chico, Overpayment by Renters Map, 2019** depicts the percentage of renter households for whom gross rent (contract rent plus tenant-paid utilities) is 30% or more of household income as of 2019. Household income is based on earnings in the past 12 months prior to the survey. Most census tracts in Chico have more than 40% of renter households with overpayment and all census tracts in the city have more than 20% of renter households with overpayment. The areas of the city with 60-80% of renter households with overpayment are located in northeast Chico in Census Tracts 1.04 and 1.02, and central, southcentral, and west Chico in Census Tracts 5.01, 5.02, 6.03, 6.04, 10, 11, and 12 (*HCD AFFH Data Resources and Mapping Tool: 2015-2019 American Community Survey*).

**Figure 16.6: Butte County, Overpayment by Renters Map, 2014** depicts the percentage of renter households for whom gross rent (contract rent plus tenant-paid utilities) is 30% or more of household income as of 2014. Household income is based on earnings in the past 12 months prior to the survey. Generally, the areas between Chico and Biggs and south of Palermo have 20-40% of renter households with overpayment. There are also census tracts in Chico and Magalia with 20-40% of renter households with overpayment. The far east part of the county, as well as census tracts in Gridley, Thermalito, Oroville, Paradise, and Chico, have 60-80% of renter households with overpayment (*HCD AFFH Data Resources and Mapping Tool: 2010-2014 American Community Survey*).

**Figure 16.7: Butte County, Overpayment by Renters Map, 2019** depicts the percentage of renter households for whom gross rent (contract rent plus tenant-paid utilities) is 30% or more of household income as of 2019. Household income is based on earnings in the past 12 months prior to the survey. Generally, the eastern and western parts of the county have 20-40% of renter households with overpayment. The more populated census tracts near communities, cities, and towns have 40-60% or 60-80% of renter households with overpayment. Only the census tract east of Oroville has less than 20% of

renter households with overpayment (*HCD AFFH Data Resources and Mapping Tool: 2015-2019 American Community Survey*).

Figure 16.4: City of Chico, Overpayment by Renters Map, 2014

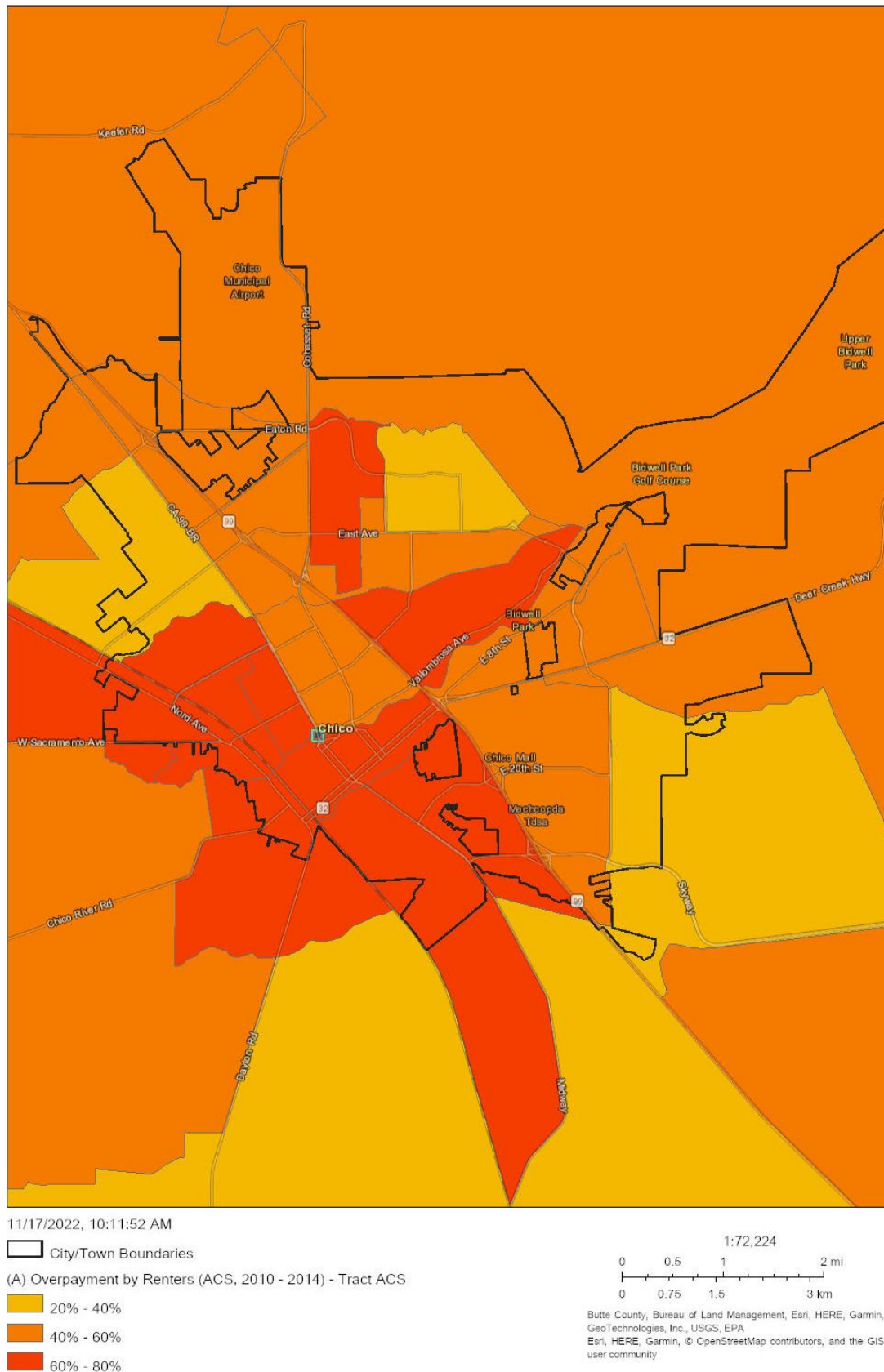
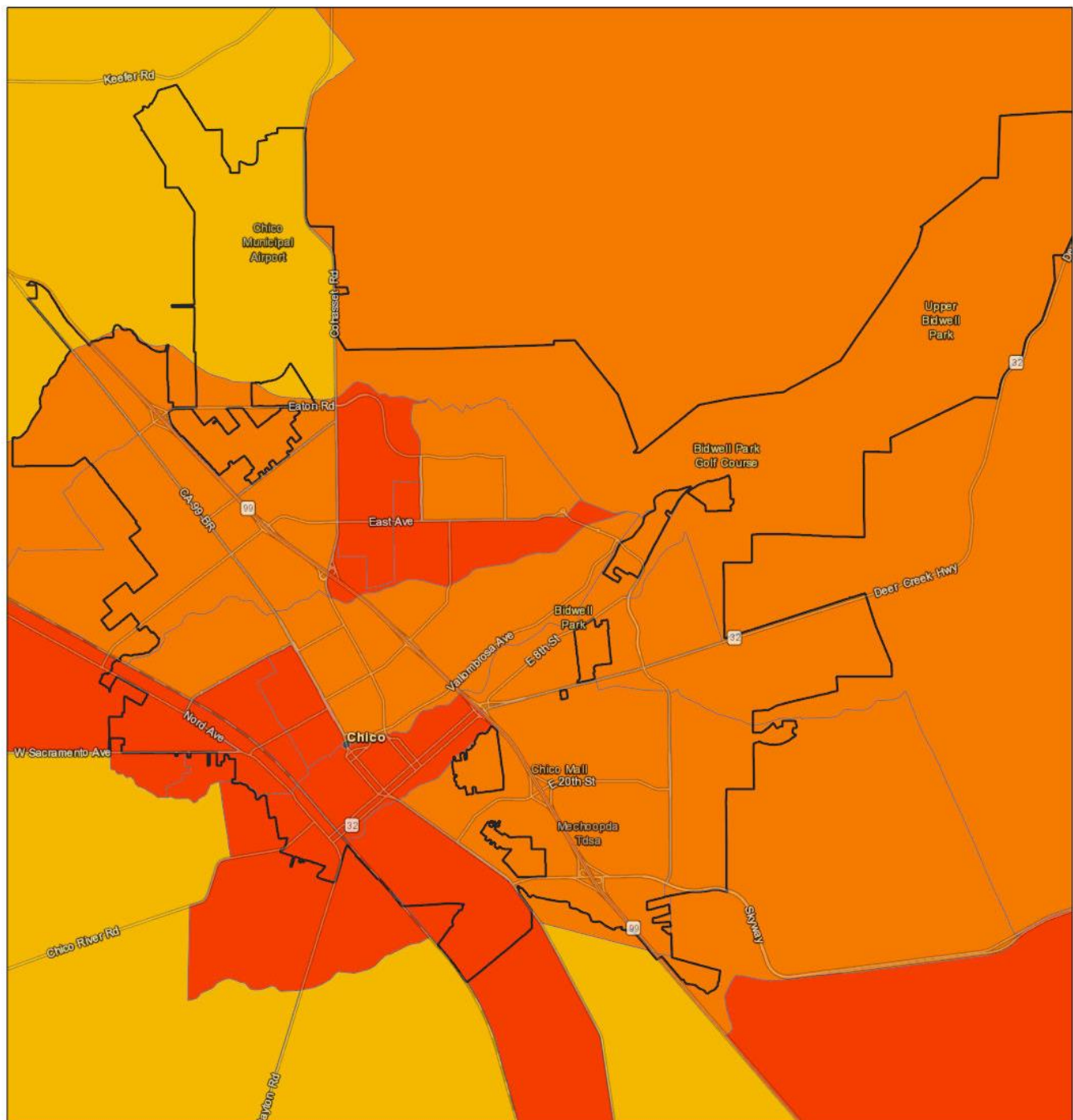




Figure 16.5: City of Chico, Overpayment by Renters Map, 2019



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City/Town Boundaries

(R) Overpayment by Renters (ACS, 2015 - 2019) - Tract

20% - 40%

40% - 60%

60% - 80%

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Figure 16.6: Butte County, Overpayment by Renters Map, 2014

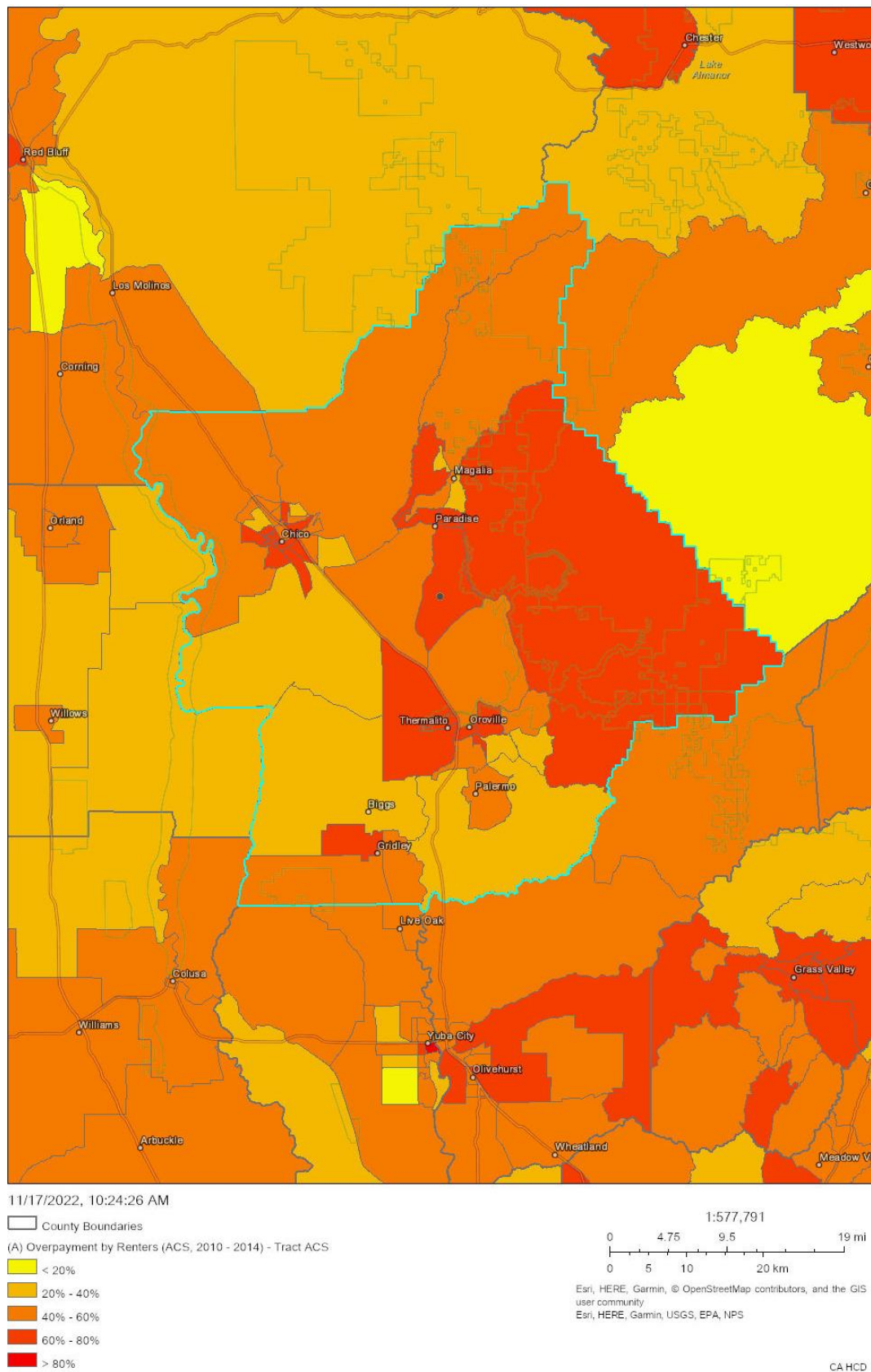
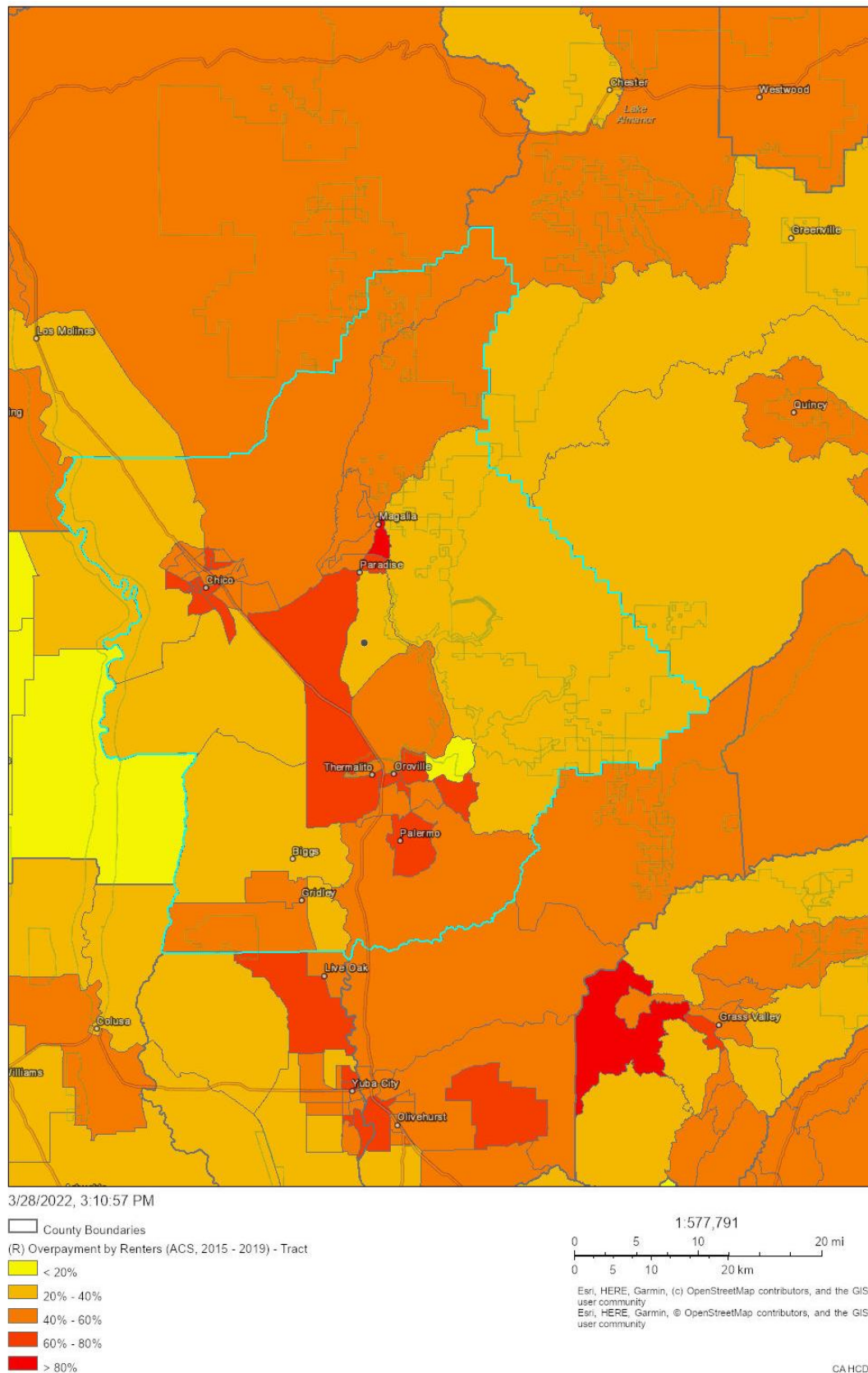


Figure 16.7: Butte County, Overpayment by Renters Map, 2019

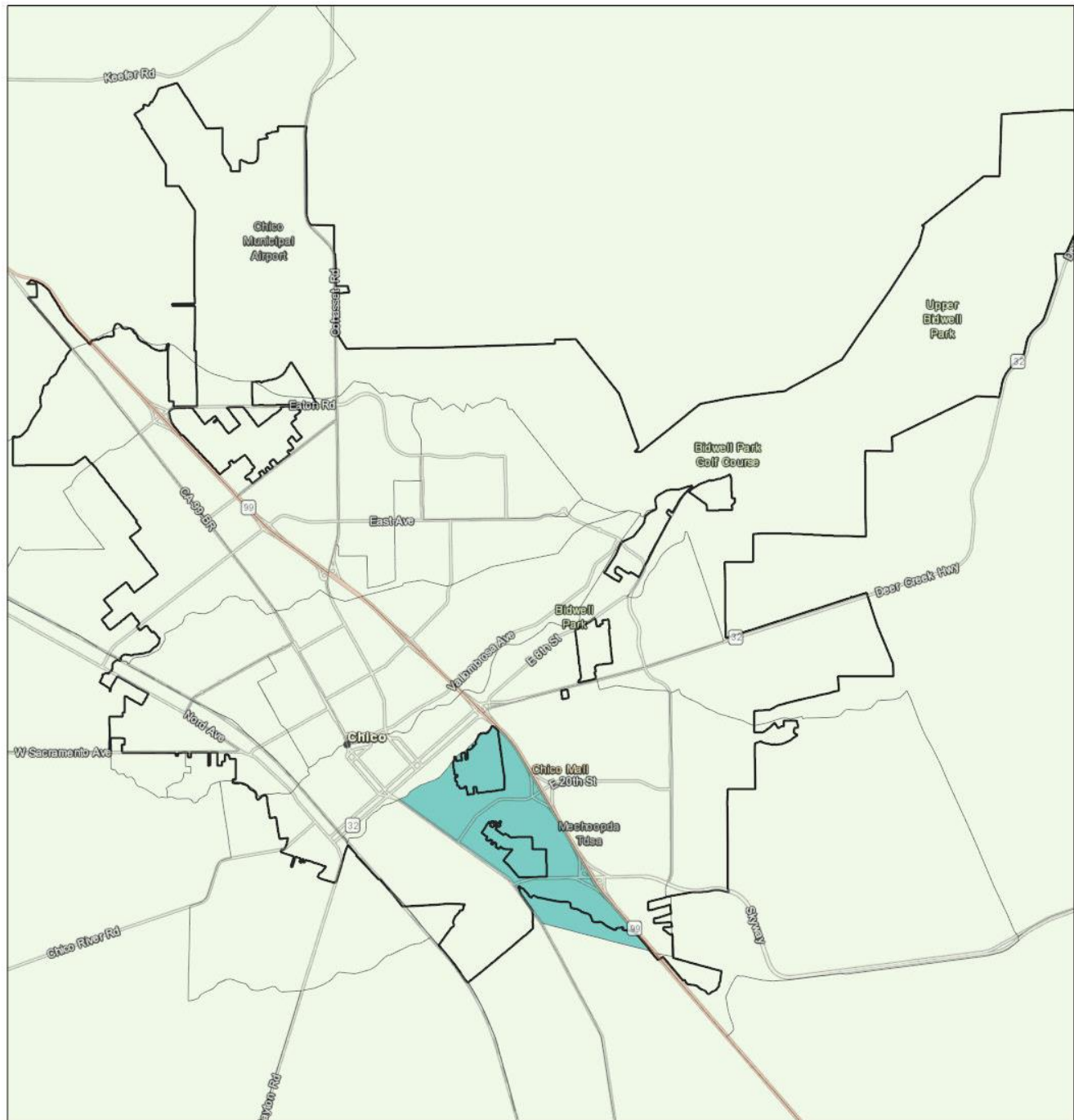


**Figure 17: City of Chico, Overcrowded Households Map, 2015** shows the percentage of overcrowded households (more than 1.0 persons per room) by census tract in Chico. The most recent available data is from 2015. The only census tract higher than the statewide average of 8.2% or fewer households is Census Tract 13. An estimated 12.0-15% of Census Tract 13's households are overcrowded (*HCD AFFH Data Resources and Mapping Tool: 2015 Healthy Communities Data and Indicators Project*).

**Figure 17.1: Butte County, Overcrowded Households Map, 2015** shows the percentage of overcrowded households (more than 1.0 persons per room) by census tract in Butte County. The most recent available data is from 2015. Most census tracts in the county are at or below the statewide average of 8.2% overcrowded households. The census tracts around Oroville and Thermalito have higher than average overcrowded households – between 8.3% to 20% of all households in those census tracts. Chico has one census tract with higher-than-average overcrowded households. (*HCD AFFH Data Resources and Mapping Tool: 2015 Healthy Communities Data and Indicators Project*).



Figure 17: City of Chico, Overcrowded Households Map, 2015



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City/Town Boundaries

(R) Overcrowded Households (CHHS) - Tract

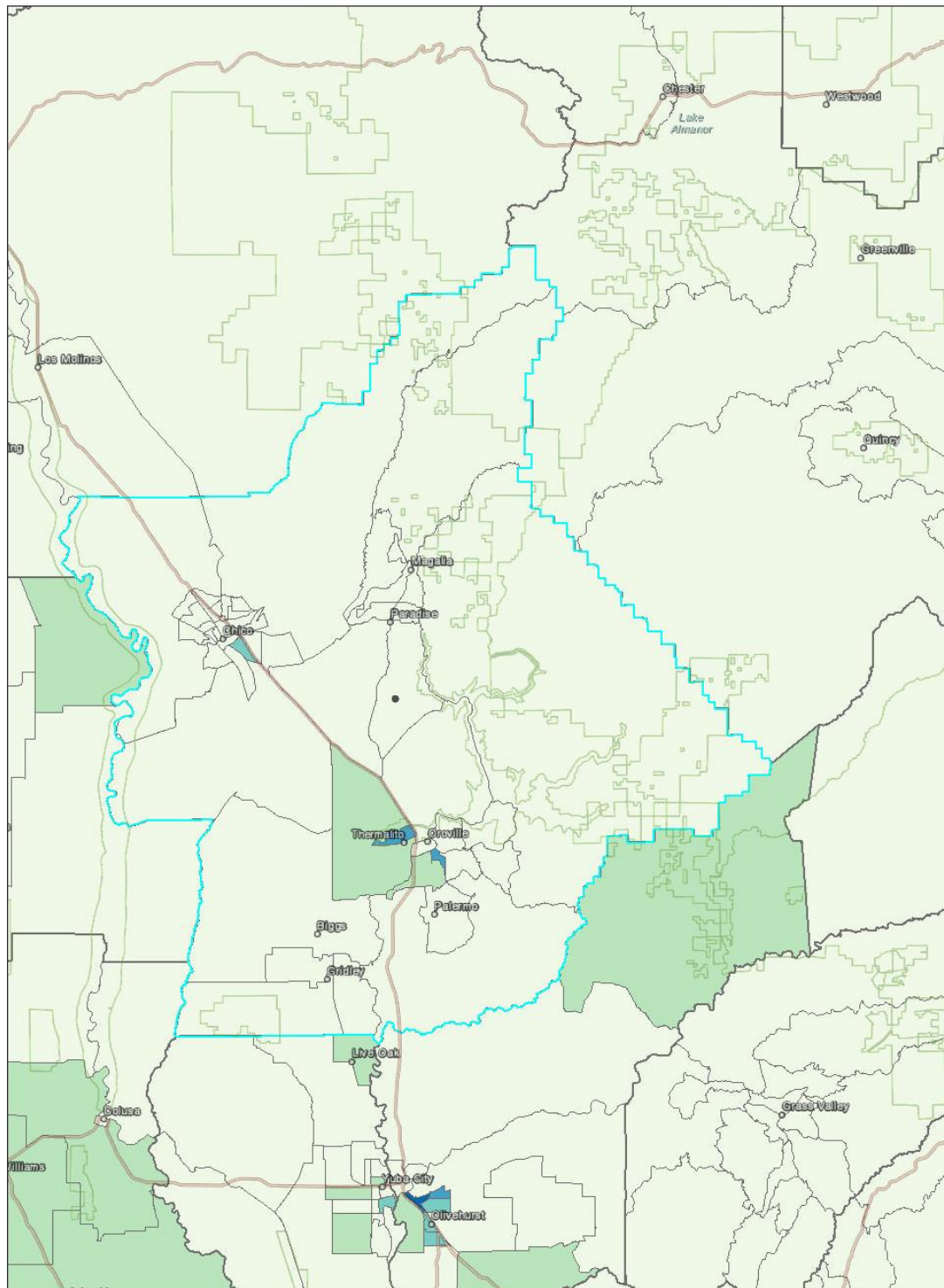
≤ 8.2% (Statewide Average)

12.01% - 15%

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Figure 17.1: Butte County, Overcrowded Households Map, 2015



General housing conditions in Chico are described in greater detail in the Needs Assessment following the Assessment of Fair Housing. A summary of these findings is re-printed here. The Housing Element uses the 2012 Housing Conditions Inventory findings, the annual number of code enforcement cases from 2018-2020, and the annual number of foreclosures from 2015-2020, to estimate that there are 407-481 units in Chico that are in need of substantial rehabilitation.

**Figure 18: City of Chico, Housing Problems Table, 2010 and 2018** and **Figure 18.1: Butte County, Housing Problems Table, 2010 and 2018** compare the number and percentage of owners and renters with an identified housing problem as defined by the U.S. Department of Housing and Urban Development (HUD) in the city of Chico and Butte county in 2010 and 2018. Data from 2018 is used as it is the most recent available data as of November 2021.

A Housing Problem, as defined by HUD, is a unit that: 1) Lacks complete kitchen facilities; 2) Lacks complete plumbing facilities; 3) Has more than 1 person per room; or 4) Has a housing cost burden over 30% of income. A Severe Housing Problem, as defined by HUD, is a unit that: 1) Lacks complete kitchen facilities; 2) Lacks complete plumbing facilities; 3) Has more than 1.5 persons per room; or 4) Has a housing cost burden over 50% of income.

As of 2018 in the city of Chico, 75.1% of occupants with at least one of four housing problems and 82.5% of occupants with at least one of four severe housing problem are renters. For the same time period in Butte county, 58.9% of occupants with at least one of four housing problems and 65.6% of occupants with at least one of four severe housing problems as renters. In 2018 compared to 2010, the number of households experiencing at least one of four housing problems in the city of Chico decreased by 8% for owners and increased by 8% for renters. A similar trend was observed for the number of households experiencing at least one of four severe housing problems. These findings indicate that renters are more likely to experience housing problems than homeowners in Butte county, especially in the city of Chico.



Figure 18: City of Chico, Housing Problems Table, 2010 and 2018

Housing Problems	2010					2018					2010 to 2018	
	Owners	Owner % of Total	Renters	Renter % of Total	Total	Owners	Owner % of Total	Renters	Renter % of Total	Total	Owner Change	Renter Change
Household has at least 1 of 4 Housing Problems	5,570	32.9%	11,345	67.1%	16,915	4,050	24.9%	12,205	75.1%	16,255	-8.0%	+8.0%
Household has at least 1 of 4 Severe Housing Problems	2,290	26.3%	6,415	73.7%	8,705	1,610	17.5%	7,600	82.5%	9,210	-8.8%	+8.8%

Source: U.S. Department of Housing and Urban Development, 2006-2010 and 2014-2018 Comprehensive Housing Affordability Strategy (CHAS) Data

Figure 18.1: Butte County, Housing Problems Table, 2010 and 2018

Housing Problems	2010					2018					2010-2018	
	Owners	Owner % of Total	Renters	Renter % of Total	Total	Owners	Owner % of Total	Renters	Renter % of Total	Total	Owner % Change	Renter % Change
Household has at least 1 of 4 Housing Problems	18,765	49.5%	19,165	50.5%	37,930	14,520	41.1%	20,815	58.9%	35,335	-8.4%	+8.4%
Household has at least 1 of 4 Severe Housing Problems	8,135	42.2%	11,135	57.8%	19,270	6,735	34.4%	12,865	65.6%	19,600	-7.8%	+7.8%

Source: U.S. Department of Housing and Urban Development, 2006-2010 and 2014-2018 Comprehensive Housing Affordability Strategy (CHAS) Data

**Figure 19: City of Chico, Housing Tenure by Race and Ethnicity Table, 2010 and 2019** depicts housing tenure (own versus rent) by race and ethnicity for the city of Chico in 2010 compared 2019. **Figure 19.1: Butte County, Housing Tenure by Race and Ethnicity Table, 2010 and 2019** depicts housing tenure (own versus rent) by race and ethnicity for Butte county in 2010 compared 2019.

In 2019 in the city of Chico, White (not Hispanic/Latino) households made up 86.1% of owner-occupied housing units, whereas 9.2% of owner-occupied units belonged to households that identified as Hispanic or Latino. As illustrated in the Integration and Segregation section, 70.6% of Chico residents identified as White (not Hispanic/Latino) and 18.4% identified as Hispanic/Latino in 2019. These findings suggest that Hispanic or Latino residents are significantly less likely to own a home than White, not Hispanic or Latino residents.

In 2019 compared to 2010 in the city of Chico, the percent of Hispanic/Latino owner-occupied housing units increased by 1.3% and renter-occupied housing units increased by 3.2%. In comparison, the percent of White (not Hispanic/Latino) owner-occupied housing units decreased by 0.7% and renter-occupied housing units decreased by 3.3%. Changes from 2010 to 2019 for all other races/ethnicities were less than 1.0%. Similarly, in 2019 compared to 2010 in Butte county, the percentage of Hispanic/Latino owner-occupied housing units increased by 1.7% and renter-occupied housing units increased by 2.6%. In comparison, the percentage of White (not Hispanic/Latino) owner-occupied housing units decreased by 2.0% and renter-occupied housing units decreased by 3.8%. Changes from 2010 to 2019 for all other races/ethnicities were not greater than 1.0%.

Figure 19: City of Chico, Housing Tenure by Race and Ethnicity Table, 2010 and 2019

Race/Ethnicity	City of Chico									
	2010				2019				2010 and 2019	
	Owner-occupied Housing Units		Renter-occupied Housing Units		Owner-occupied Housing Units		Renter-occupied Housing Units		Owner-occupied	Renter-occupied
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Change	
ONE RACE										
White	14,007	92.1%	15,342	82.3%	14,865	92.0%	16,417	82.0%	-0.1%	-0.3%
Black or African American	152	1.0%	429	2.3%	70	0.4%	577	2.9%	-0.6%	+0.6%
American Indian and Alaska Native	76	0.5%	280	1.5%	30	0.2%	229	1.1%	-0.3%	-0.4%
Asian	319	2.1%	839	4.5%	391	2.4%	902	4.5%	+0.3%	0.0%
Native Hawaiian or Pacific Islander	0	0.0%	19	0.1%	30	0.2%	35	0.2%	+0.2%	+0.1%
Some Other Race	335	2.2%	969	5.2%	400	2.5%	1,029	5.1%	+0.3%	-0.1%
Two or More Races	319	2.1%	746	4.0%	364	2.3%	825	4.1%	+0.2%	+0.1%
ETHNICITY										
Hispanic or Latino Origin	1,201	7.9%	2,554	13.7%	1,478	9.2%	3,385	16.9%	+1.3%	+3.2%
White, not Hispanic/Latino	13,201	86.8%	14,055	75.4%	13,903	86.1%	14,421	72.1%	-0.7%	-3.3%

Source: U.S. Census 2006-2010 and 2015-2019 American Community Survey

Figure 19.1: Butte County, Housing Tenure by Race and Ethnicity Table, 2010 and 2019

Race/Ethnicity	Butte County									
	2010				2019				2010 and 2019	
	Owner-occupied Housing Units		Renter-occupied Housing Units		Owner-occupied Housing Units		Renter-occupied Housing Units		Owner-occupied	Renter-occupied
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Change	
ONE RACE										
White	47,874	91.5%	27,410	82.7%	45,588	90.6%	28,683	82.0%	-0.9%	-0.7%
Black or African American	419	0.8%	663	2.0%	185	0.4%	826	2.4%	-0.4%	+0.4%
American Indian and Alaska Native	471	0.9%	530	1.6%	507	1.0%	511	1.5%	+0.1%	-0.1%
Asian	942	1.8%	1,326	4.0%	1,104	2.2%	1,530	4.4%	+0.4%	+0.4%
Native Hawaiian or Pacific Islander	52	0.1%	66	0.2%	30	0.1%	46	0.1%	0.0%	-0.1%
Some Other Race	1,308	2.5%	1,591	4.8%	1,269	2.5%	1,719	4.9%	0.0%	+1.0%
Two or More Races	1,308	2.5%	1,591	4.8%	1,648	3.3%	1,674	4.8%	+0.8%	0.0%
Ethnicity										
Hispanic or Latino Origin	3,715	7.1%	4,309	13.0%	4,420	8.8%	5,468	15.6%	+1.7%	+2.6%
White, not Hispanic/Latino	45,624	87.2%	25,289	76.3%	42,883	85.2%	25,376	72.5%	-2.0%	-3.8%

Source: U.S. Census 2006-2010 and 2015-2019 American Community Survey

The 2022 Butte County Point-in-Time Count provides information on people experiencing homelessness in the city of Chico in 2022. The Continuum of Care Point-in-Time (PIT) Count was conducted in January 2022 and included questions about demographics, sleeping location, residency, length of time homeless, and disability. It is nationally recognized that PIT efforts generally undercount the number of people experiencing homelessness due to a number of factors including having enough community volunteers, finding those who are unsheltered on any given day, and a lack of willingness to participate by some unsheltered individuals. A summary of key findings from the 2022 PIT in Chico is listed below (*Butte County Continuum of Care, 2022 Point-in-Time Community Report, 2022*).

- **Demographics:** An estimated 885 people were experiencing homelessness, and 25% were chronically homeless. Approximately 52% identified as male. Approximately 82% were single adults with no children. The most common races/ethnicities were White at 73%, Hispanic/Latino at 13%, and American Indian or Alaska Native at 10%.
- **Sheltered Status:** An estimated 393 people were living unsheltered whereas 492 were sheltered. Approximately 41% reported this was their first time they have experienced homelessness, and 52% lived in Butte county when they lost their housing.
- **Health:** Approximately 24% of people reported having a chronic health condition, 20% a mental health disorder, 21% a physical disability, and 14% an alcohol or drug use disorder.
- **Natural or Other Disasters:** Approximately 7% of total people counted in the Butte County Point-in-Time Count (i.e. not just Chico) reported that natural or other disasters led to loss of housing.

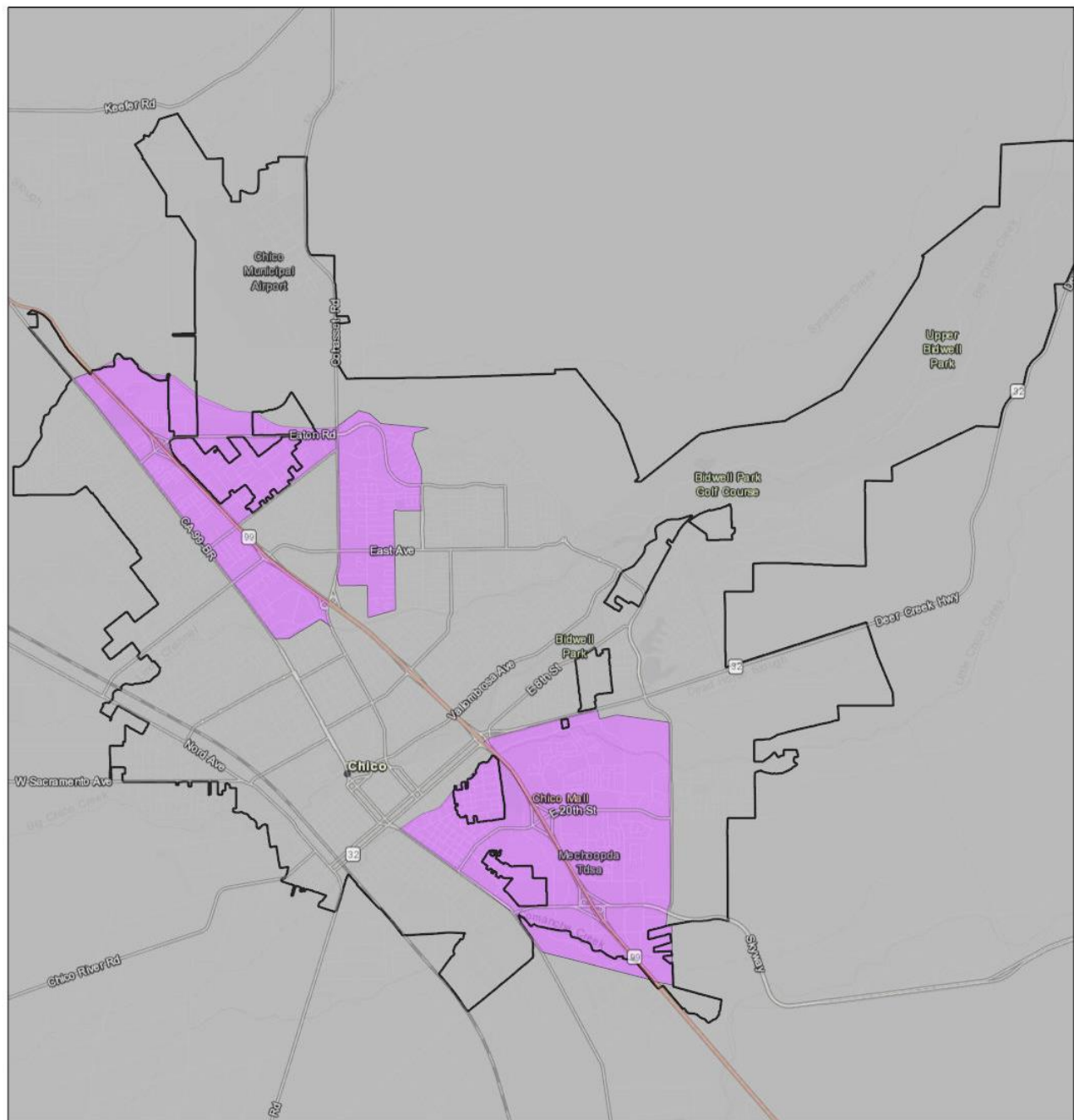
**Figure 20: City of Chico, Sensitive Communities Map, 2017** shows sensitive communities where residents may be particularly vulnerable to displacement. In 2017 in the city of Chico, these include areas in north, northeast, and south Chico covered by Census Tracts 1.04, 2.01, 3, 9.03, and 13.

**Figure 20.1: Butte County, Sensitive Communities Map, 2017** shows sensitive communities where residents may be particularly vulnerable to displacement. These communities can be found in portions of Chico, Oroville, Gridley, and west of Gridley (*HCD AFFH Data Resources and Mapping Tool: 2017 University of California Berkeley Urban Displacement Project*).

These communities are designated as such if they meet certain criteria (*HCD AFFH Data Resources and Mapping Tool: 2017 University of California Berkeley Urban Displacement Project*). The criteria are:

- Share of very low-income residents is above 20% in 2017 and the census tract meets two of the following criteria:
  - Share of renters is above 40%, 2017
  - Share of people of color is above 50%, 2017
  - Share of very low-income households (50% area median income or below) that are severely rent burdened households is above the county median, 2017
  - They or areas in close proximity have been experiencing displacement pressures. Displacement pressure is defined as: Percent change in rent above county median for rent increases, 2012-2017 or difference between tract median rent and median rent for surrounding tracts above median for all tracts in county (rent gap), 2017

Figure 20: City of Chico, Sensitive Communities Map, 2017



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City/Town Boundaries

(A) Sensitive Communities (UCB, Urban Displacement Project)

Vulnerable

Other

1:72,224

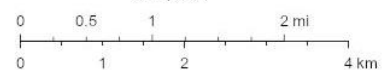
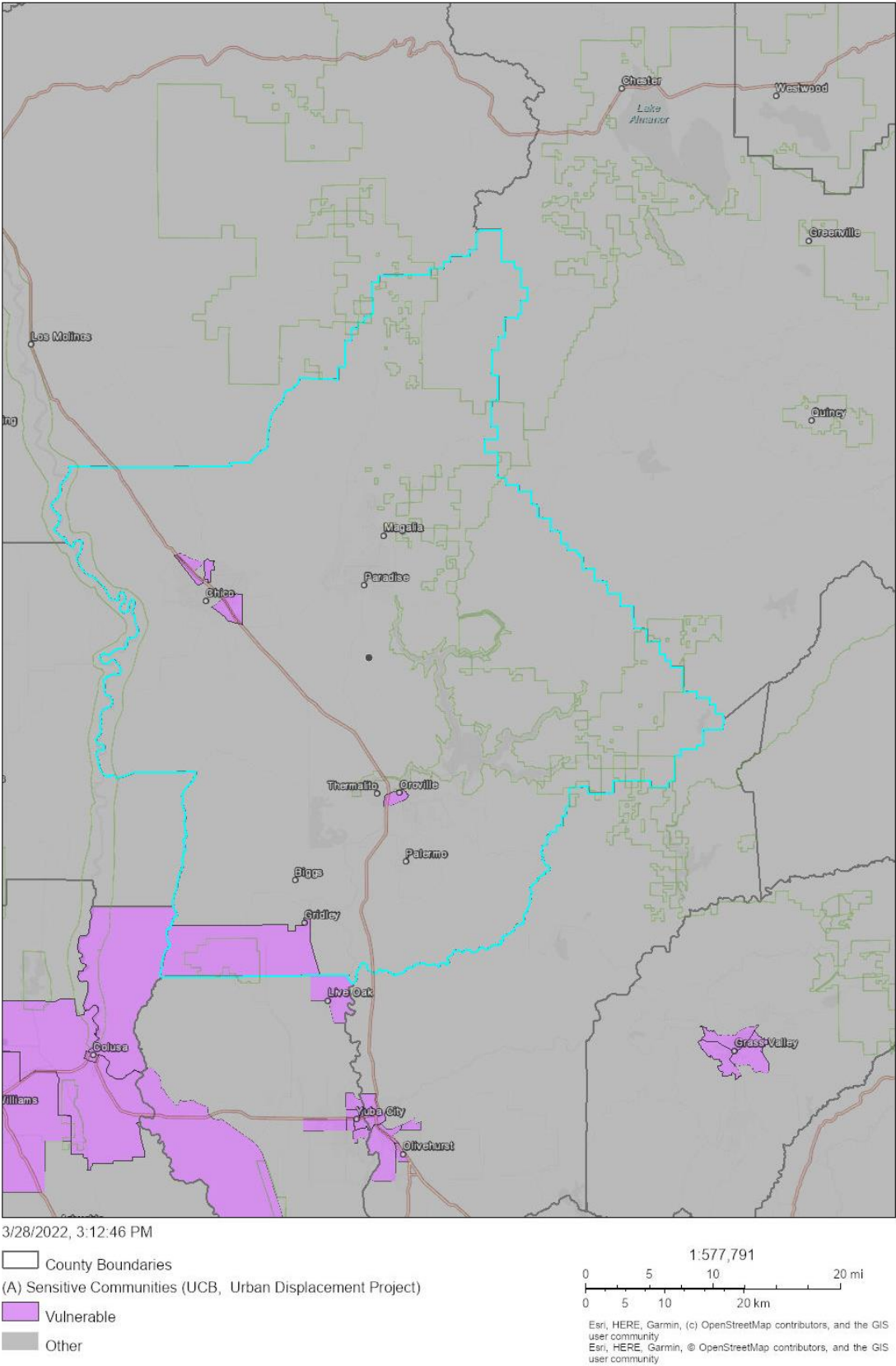




Figure 20.1: Butte County, Sensitive Communities Map, 2017

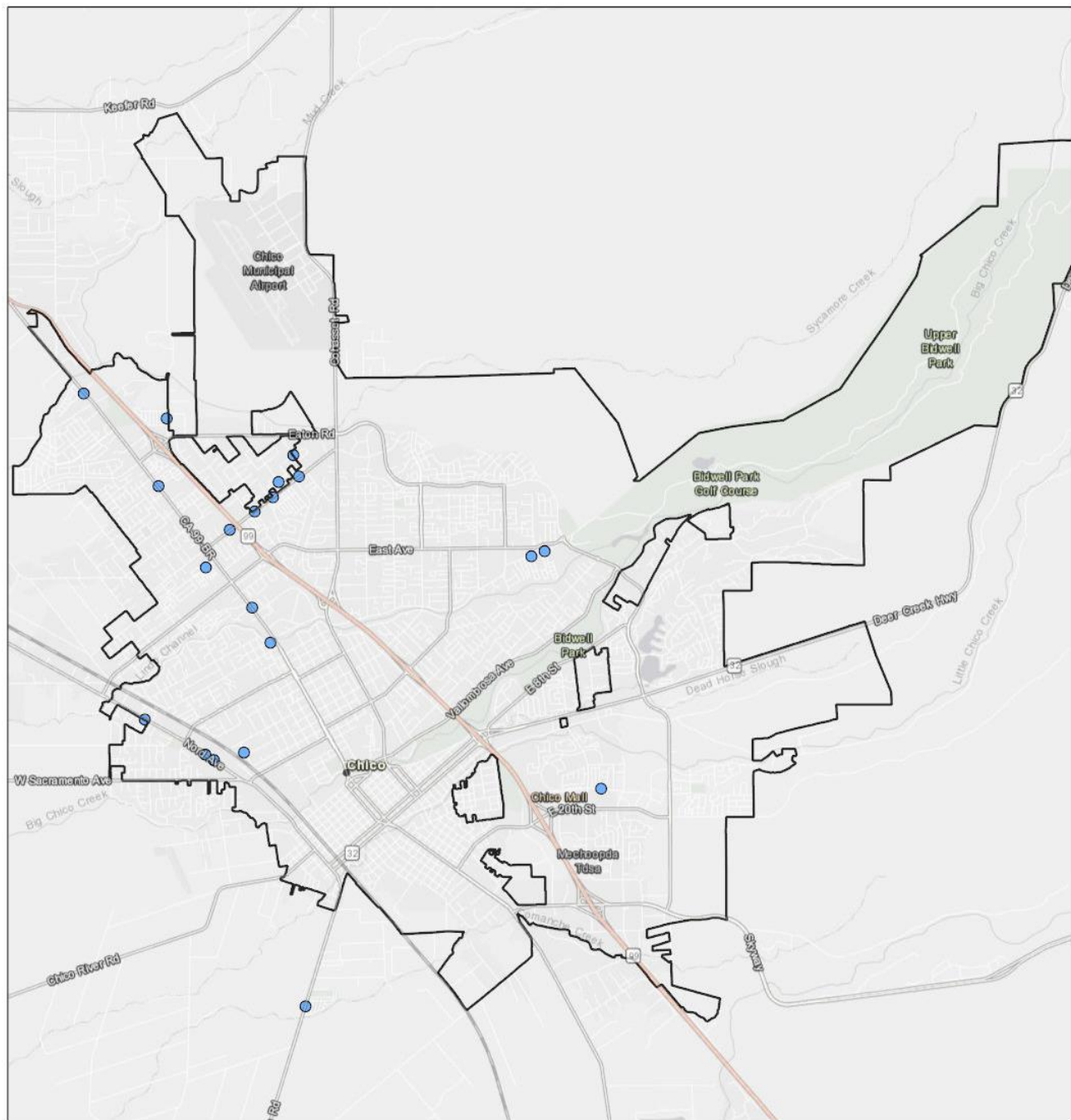


An analysis of mobile home park locations can help to identify disproportionate housing needs including displacement risk. According to HCD, people residing in mobile homes, residential trailers, or recreational vehicles (RVs) are the most vulnerable residential population to natural disasters including flooding. Emergency preparedness, response, and evacuation therefore calls for an inventory of mobile home park locations (*HCD AFFH Data Resources and Mapping Tool: 2018 Homeland Infrastructure Foundation Level Data database*).

**Figure 21: City of Chico, Mobile Home Parks Map, 2018** shows locations that represent mobile home, residential trailer, and recreational vehicle (RV) parks in Chico. The most concentrated area of mobile home parks is on East Avenue between Highway 99 and Cohasset Road. Nord Avenue and the northern part of the Esplanade also have multiple mobile home parks (*HCD AFFH Data Resources and Mapping Tool: 2018 Homeland Infrastructure Foundation Level Data database*).

**Figure 21.1: Butte County, Mobile Home Parks Map, 2018** shows locations that represent mobile home, residential trailer, and recreational vehicle (RV) parks in Butte county. Mobile home parks are generally concentrated in the communities of Chico, Paradise/Magalia, and Oroville/Thermalito/Palermo, with some mobile home parks located in less populated areas of the county. This map shows data from 2018 which is also the year of the 2018 Camp Fire in eastern Butte county. Many of the mobile home parks located in Paradise and Magalia were destroyed or damaged in the fire, with residents displaced to other housing units or communities (*HCD AFFH Data Resources and Mapping Tool: 2018 Homeland Infrastructure Foundation Level Data database*).

Figure 21: City of Chico, Mobile Home Parks Map, 2018



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City/Town Boundaries

(A) Mobile Home Parks (HIFLD, 2018)

1:72,224



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County Boundaries

(A) Mobile Home Parks (HIFLD, 2018)

0 5 10 20 mi  
0 5 10 20 km

### **Local Data and Knowledge**

Local data and knowledge from a variety of sources centers on the impacts of the 2018 Camp Fire in eastern Butte county on disproportionate housing needs and displacement risk in the city of Chico.

The 2020 Analysis of Impediments to Fair Housing Choice included background information on the Camp Fire which is reprinted here. “The deadliest and most destructive wildfire in California history, known as the Camp Fire, began on November 8th near the town of Pulga in eastern Butte county and was fully contained on November 25th, 2018. It caused 85 fatalities, and burned over 150,000 acres, almost reaching the southeastern portion of the city of Chico (*CAL FIRE, 2018*). Tens of thousands of residents of eastern Butte county relocated during the Camp Fire or in its aftermath. Many relocated to Butte county communities, including Chico, which grew by 17,402 people, or 19%, from January 1, 2018 to January 1, 2019 (*California Department of Finance, 2019*). Dozens of businesses and schools also relocated to Chico after the Camp Fire.

The towns of Magalia and Paradise and surrounding Butte county communities such as Concow and Yankee Hill generally had more affordable housing stock than surrounding incorporated communities like the city of Chico. During the Camp Fire, nearly 14,000 of these homes burned to the ground, which is about 14% of the county’s housing stock. In addition, more than 300 Section 8 tenants lost their homes (*LA Times, 2018*). One low-income housing tax credit funded project was destroyed” (*City of Chico 2020 Analysis of Impediments to Fair Housing Choice*).

A City of Chico memorandum dated May 16, 2019 from the City Public Works Department to the City Manager and titled “Camp Fire Traffic Impacts” was provided by the City Public Works Department via email on August 18, 2021 for use in this Housing Element. In the memorandum, City Public Works staff stated that in December 2018 they deployed traffic counters at 34 locations in the city and found that the roadway network in Chico had an Average Daily Traffic (ADT) volume increase of 25% from 2017 and based on City Police Department data, the number of collisions increased by almost 50%. In April 2019, City Public Works staff deployed traffic counters at the same locations and found an ADT volume increased of 18% compared to pre-Camp Fire traffic volume. This is significant as the ADT volume increase is typically 1-2% per year due to population growth, and under normal growth trends it would have taken between 10-15 years to arrive at the May 2019 ADT volumes (*City of Chico, Camp Fire Traffic Impacts Memorandum, May 2019*). These findings suggest a significant increase and impact on Chico’s roadway and traffic patterns due to the Camp Fire.

Disaster tax credits from the California Tax Credit Allocation Committee were made available in July 2020 and July 2021 for multi-family housing projects in certain disasters areas affected by the 2017 and 2018 wildfire disasters in California, including Butte county (*California Tax Credit Allocation Committee, Applications for Disaster Tax Credits, 2020*). Seven projects located in Chico were awarded July 2020 disaster tax credits. Four projects are for families, one for seniors, one for special needs populations, and one for seniors and special needs populations. In total, the estimated number of affordable units

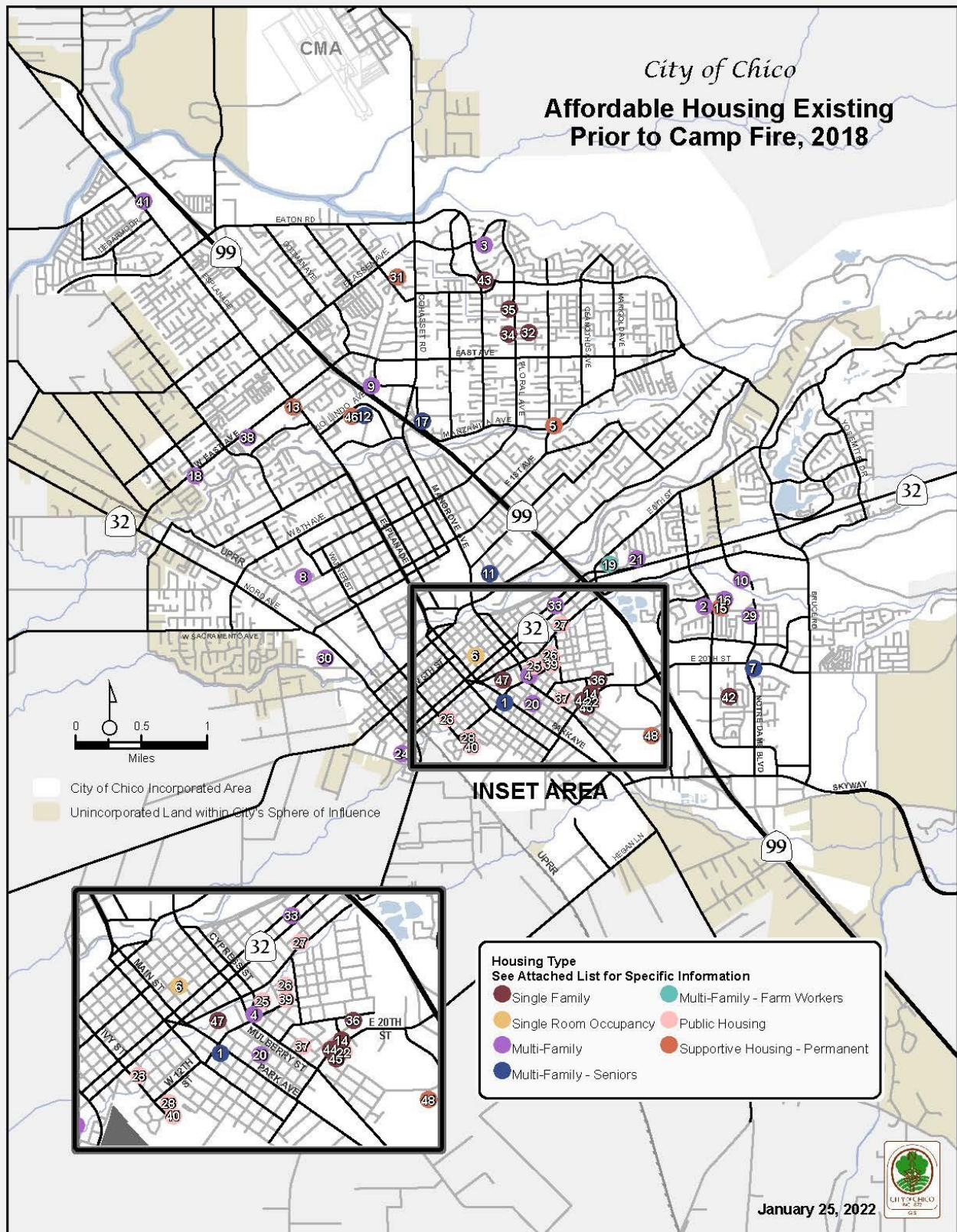
available from these 2020-awarded projects will be 734 and will be affordable to those at 30-60% of area median income (AMI) Three projects located in Chico were awarded July 2021 disaster tax credits. One project is for seniors and the other two are for families. In total, the estimated number of affordable units available from these 2021-awarded projects will be 203 and will be affordable to those at 30-60% of AMI (*City of Chico, Correspondence, 2021-2022*). In total, the 2020 and 2021-awarded projects are projected to produce 937 new affordable housing units in Chico.

In addition, as part of the Presidentially Declared Disaster response, the City of Chico received \$32.5 million dollars in federal Community Development Block Grant-Disaster Recovery (CDBG-DR) funds to rebuild housing. The goals of this funding are to produce new rental housing units affordable to low- and moderate-income households and provide housing for displaced individuals and individuals who became homeless as a result of the Camp Fire, in addition to providing housing for all income qualifying Chico residents (*City of Chico, CDBG-DR Multifamily Housing Program 2021*).

**Figure 22: City of Chico, Affordable Housing Existing Prior to Camp Fire Map, 2018,** depicts the type and location of affordable housing located in Chico prior to the 2018 Camp Fire. The types of affordable housing include single family, single room occupancy, multi-family, multi-family for seniors, multi-family for farmworkers, public housing, and permanent supportive housing. There are 48 affordable housing projects as of 2018, and generally, these are found throughout the city. There are concentrations of affordable housing in northeast Chico (Census Tracts 1.02, 1.03, and 1.04), southeast Chico (Census Tract 9.03), and the Chapman and Mulberry neighborhoods of southcentral Chico (Census Tracts 12 and 13) (*City of Chico, Correspondence, 2022*).



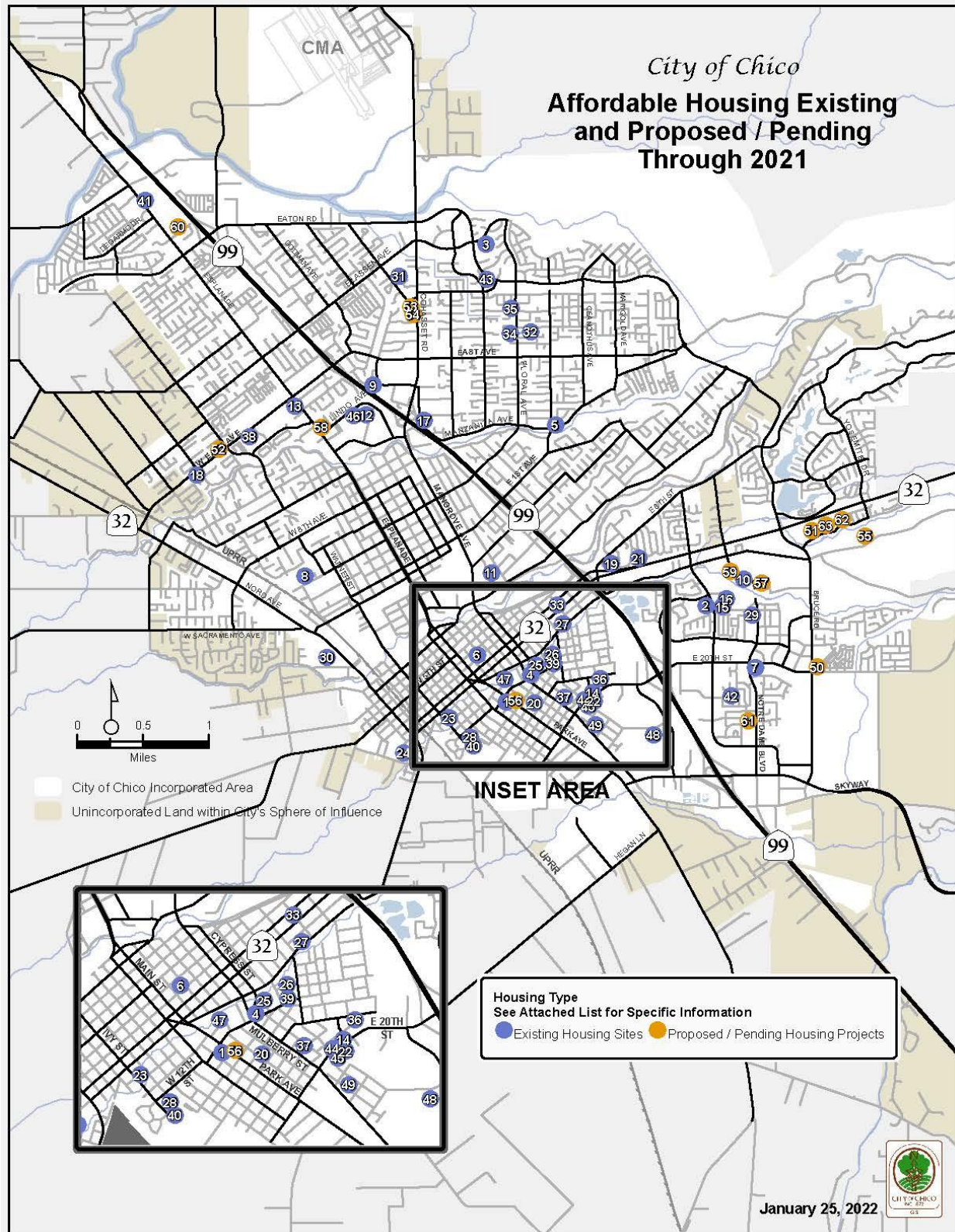
Figure 22: City of Chico, Affordable Housing Existing Prior to Camp Fire Map, 2018





**Figure 22.1: City of Chico, Affordable Housing Existing and Proposed/Pending Map, 2021,** depicts affordable housing located in Chico through December of 2021, which is three years after the 2018 Camp Fire. The map details existing housing projects in purple and proposed/pending housing projects in orange. There are 63 existing, proposed, or pending affordable housing projects as of 2021, which is 15 more than in 2018. The proposed/pending housing projects are funded in part by CDBG-DR and disaster tax credits following the 2018 Camp Fire. The proposed/pending projects are located in Census Tracts 2.02, 3, 4.02, 9.01, 9.03, 13, and 16 (*City of Chico, Correspondence, 2022*).

Figure 22.1: City of Chico, Affordable Housing Existing and Proposed/Pending Map, 2021



**Figure 23: City of Chico, List of Affordable Housing Projects Table, 2021**, corresponds with Figures 22 and 22.1 and lists the names and subtypes of affordable housing in Chico for both pre- and post-Camp Fire (*City of Chico, Correspondence, 2022*).

**Figure 23: City of Chico, List of Affordable Housing Projects Table, 2021**

Pre-Camp Fire (2018)			Post-Camp Fire (2021)		
ID	Name	Subtype	ID	Name	Subtype
1	1200 Park Ave Senior Housing	MFS	1	1200 Park Ave Senior Housing	MFS
2	Cinnamon Village Apts	MF	2	Cinnamon Village Apts	MF
3	East of Eaton Apts	MF	3	East of Eaton Apts	MF
4	Lincoln Apts	MF	4	Lincoln Apts	MF
5	Longfellow Apts	SHP	5	Longfellow Apts	SHP
6	Campbell Commons	SRO	6	Campbell Commons	SRO
7	Jarvis Gardens Senior Housing	MFS	7	Jarvis Gardens Senior Housing	MFS
8	Cedar Village Apts	MF	8	Cedar Village Apts	MF
9	Chico Courtyard Apts	MF	9	Chico Courtyard Apts	MF
10	Murphy Commons	MF	10	Murphy Commons	MF
11	Walker Commons Senior Housing	MFS	11	Walker Commons Senior Housing	MFS
12	Lucian Manor Senior Housing	MFS	12	Lucian Manor Senior Housing	MFS
13	Avenida Apts	SHP	13	Avenida Apts	SHP
14	E 19th St Habitat Homes	SF	14	E 19th St Habitat Homes	SF
15	Hartford Place	SHP	15	Hartford Place	SHP
16	Chico Commons	MF	16	Chico Commons	MF
17	Villa Rita Senior Housing	MFS	17	Villa Rita Senior Housing	MFS
18	Alamont Apts	MF	18	Alamont Apts	MF
19	La Vista Verde	MFFW	19	La Vista Verde	MFFW
20	1519 Locust St Apts	MF	20	1519 Locust St Apts	MF
21	Turning Point Commons	MF	21	Turning Point Commons	MF
22	Rhodes Terrace	PH	22	Rhodes Terrace	PH
23	Shelton Oaks	PH	23	Shelton Oaks	PH
24	Chico Gardens	MF	24	Chico Gardens	MF
25	La Lieta Ct	PH	25	La Lieta Ct	PH
26	Natoma Ct	PH	26	Natoma Ct	PH
27	Humboldt Ave	PH	27	Humboldt Ave	PH
28	Hazel St	PH	28	Hazel St	PH
29	Parkside Terrace Apts	MF	29	Parkside Terrace Apts	MF
30	Villa Sierra Apts (Trans Pacific Gardens)	MF	30	Villa Sierra Apts (Trans Pacific Gardens)	MF
31	Cordillera Apts	SHP	31	Cordillera Apts	SHP

32	Baywood Estates	SF	32	Baywood Estates	SF
33	Bidwell Park Apts	MF	33	Bidwell Park Apts	MF
34	Floral Gardens (Cortina Ln)	SF	34	Floral Gardens (Cortina Ln)	SF
35	Glenshire (Glenshire Ln)	SF	35	Glenshire (Glenshire Ln)	SF
36	Habitat Greens (E 16th/19th St.)	SF	36	Habitat Greens (E 16th/19th St.)	SF
37	Laurel St	PH	37	Laurel St	PH
38	Harvest Park Apts	MF	38	Harvest Park Apts	MF
39	E 12th St Habitat Homes	PH	39	E 12th St Habitat Homes	PH
40	Ivy St	PH	40	Ivy St	PH
41	North Point Apts	MF	41	North Point Apts	MF
42	Parkway Village 1 (Sterling Ct)	SF	42	Parkway Village 1 (Sterling Ct)	SF
43	Rawlins 2 (Keith Hopkins Pl)	SF	43	Rawlins 2 (Keith Hopkins Pl)	SF
44	E 20th St Habitat Homes	SF	44	E 20th St Habitat Homes	SF
45	Sunrise Ct PUD (Sunrise Ct)	SF	45	Sunrise Ct PUD (Sunrise Ct)	SF
46	Villa Serena	SHP	46	Villa Serena	SHP
47	E 11th St Habitat Homes	SF	47	E 11th St Habitat Homes	SF
48	Valley View	SHP	48	Valley View	SHP
			49	Mulberry Ave Habitat Homes	SF
			50	B/20 Bruce Village	P_MFS
			51	Senator Conness Apts	P_MF
			52	Cussick Apts	P_MF
			53	Oak Park Family	P_MF
			54	Oak Park Senior Housing	P_MFS
			55	Yosemite & Humboldt Senior Housing	P_MFS
			56	Jamboree Housing, 1297 Park Ave	P_SHP
			57	North Creek Crossings @ Meriam Park	P_MF
			58	Oleander Community	P_SHP
			59	Creekside Senior Housing	P_MFS/ SHP
			60	Tonea Senior Housing	P_MFS
			61	Chico Bar Triangle	P_MF
			62	Lava Ridge Apts	P_MF
			63	Deer Creek Apts	P_MF

**Table Key:** MF - Multi Family, MFS - Multi Family/Seniors, MFFW - Multi Family/Farm Workers, PH - Public Housing, SF - Single Family, SRO - Single Room Occupancy, SHP - Supportive Housing – Permanent, P\_ - Proposed/Pending

Butte-Glenn 211 is an information and referral non-profit agency serving Butte and Glenn counties by connecting people in need with services that offer help. **Figure 24: Butte-Glenn 211, Camp Fire Contacts and Referred Services Data Table, November 2018 to October 2021** depicts information on the number of Camp Fire contacts and referred services in Butte-Glenn 211's database system. From the time period of November 1, 2018 to October 31, 2021, the number of referred services to Camp Fire contacts who contacted Butte-Glenn 211 by phone from Butte county was 27,134. The total number of Camp Fire contacts to Butte-Glenn 211 originating from Butte county was 23,832 and the total number of Camp Fire contacts from all counties and states was 34,892 (*Butte-Glenn 211, November 2021 Email Correspondence*). This data illustrates the magnitude of the impact of the Camp Fire on Butte county residents. Over 30,000 people contacted Butte-Glenn 211 for assistance during and after the Camp Fire, and Butte-Glenn 211 referred over 25,000 services to Camp Fire phone callers contacts from Butte county.

**Figure 24: Butte-Glenn 211, Camp Fire Contacts and Referred Services Data Table, November 2018 to October 2021**

Time Period	Number of Referred Services to Camp Fire Phone Caller Contacts Originating from Butte county	Total Number of Camp Fire Contacts Originating from Butte county	Total Number of Camp Fire Contacts to 211 (all counties/states)
November 1, 2018 to October 31, 2021	27,134	23,832	34,892

*Source: Butte-Glenn 211, November 2021 Email Correspondence*

Butte County Department of Employment and Social Services (Butte County DESS) administers employment and social services to Butte county residents. Butte County DESS provided its "Camp Fire Relief Grant Final Report, January 2019 through July 2021" for use in this Housing Element on October 5, 2021 via email correspondence. In January 2019, North Valley Community Foundation provided a one-million-dollar grant to Butte County DESS to assist 2018 Camp Fire survivors with housing, mental health, and replacing belongings. **Figure 24.1: Butte County Department of Employment and Social Services, Financial Assistance Provided to Camp Fire Survivors Table, January 2019 to July 2021** depicts the dollar amount of assistance provided to Camp Fire survivors by assistance type. Vehicles and RVs, home repairs/rebuilds, rent and mortgage, and vehicle items/RV repair were the assistance types with the largest amount of assistance provided in dollars. These findings illustrate that both temporary and permanent housing was a significant need following the Camp Fire.

**Figure 24.1: Butte County Department of Employment and Social Services, Financial Assistance Provided to Camp Fire Survivors Table, January 2019 to July 2021**

Assistance Type	Total Assistance Provided in Dollars
Vehicles and RVs	\$289,978
Home Repairs/Rebuilds	\$214,806
Rent and Mortgage	\$170,031
Vehicle Items/RV Repair	\$165,540
Property Replacement	\$69,747
Shelter	\$55,166
Utilities	\$12,703
Deliveries	\$11,716
Miscellaneous	\$10,192
<b>Total</b>	<b>\$999,968.70</b>

*Source: Butte County Department of Employment and Social Services, Camp Fire Relief Grant Final Report, January 2019 to July 2021*

The Camp Fire Collaborative (CFC) is based in Chico, California and is a community collaboration made up of 50+ nonprofit, private, and public organizations working to address unmet needs of Camp Fire survivors in Butte county. It was formed as a Long-Term Recovery Group after the 2018 Camp Fire. The CFC helps to coordinate disaster case management (DCM) currently provided by five organizations in the county. In an interview for this Housing Element on October 25, 2021 staff commented that Butte county has the greatest need for affordable housing, accessible housing, and senior housing following the Camp Fire. The DCM caseload is mostly seniors with fixed incomes due to the demographics on The Ridge (Magalia, town of Paradise) prior to the Camp Fire. Staff noted barriers to housing include access to and navigating internet and phone communication as well as temporary address changes, a lack of housing inventory, and units that will accept pets. There are Camp Fire survivor households that have been displaced multiple times since the fire and continue to couch surf. Some Camp Fire survivors want to re-settle in the burn scar area to stay close to support systems, medical care, etc. and re-locating to the cities of Chico or Oroville is not ideal for them.

When asked about specific barriers that people of color or people with disabilities experience in accessing housing, CFC staff commented that people of color and people who speak English as a second language were a small population on The Ridge and in the DCM caseload. Barriers experienced by these populations include concerns about citizenship status and accessing or accepting resources that may jeopardize information like immigration status. Staff noted that people with disabilities who are Camp Fire survivors and experiencing homelessness is a uniquely challenging situation for long-term recovery. Survivors may be living in RVs and trailers that are not accessible, and there are not many options for accessible housing on The Ridge.

When asked about ongoing impacts of the Camp Fire on the city of Chico, CFC staff reflected that the increase in population following the fire was significant. A portion of people experiencing homelessness in Chico include Camp Fire survivors and survivors of other disasters in the area. There were mobile home parks on The Ridge that were destroyed in the Camp Fire, and staff noted that Chico does not have many mobile home parks. In addition, market-rate housing and new luxury apartments that cater to students add to scarcity of rental options for Camp Fire survivors. Staff commented that their DCM caseloads tend to be living in the cities of Oroville, Corning, Red Bluff, or Redding instead of Chico or Biggs/Gridley, due to the availability of units, and size and price of housing. Many RV campgrounds are now being used as permanent housing for Camp Fire survivors who have a RV/trailer.

True North Housing Alliance (True North) is based in Chico, California and provides case management, emergency shelter, and housing programs, including bridge housing, permanent supportive housing, and rapid rehousing, to single adults, families with children, and seniors experiencing homelessness in Butte county. True North operates the Torres Community Shelter, an emergency shelter program in Chico. Staff submitted written responses via email on November 18, 2021 for use in this Housing Element. When asked about the impact of the 2018 Camp Fire on homelessness in Chico, staff commented that Chico was experiencing a significant housing shortage prior to the Camp Fire and then the Camp Fire destroyed a portion of Butte county's housing stock, including naturally occurring affordable housing. Staff noted as of November 2021 they are still serving Camp Fire survivors in their shelter and housing programs as well as survivors of the 2020 North Complex Fire and 2021 Dixie Fire. A competitive and expensive housing market in Chico and Butte county, a lack of resources for renters or those who were precariously housed, and delay in settlement funds from Pacific Gas & Electric (PG&E) have contributed to a portion of Camp Fire survivors experiencing homelessness in Chico.

When asked about community gaps in housing or services for people experiencing homelessness in Chico, staff responded there is a lack of affordable housing options for single adults and seniors with a limited or fixed income. Individuals may remain homeless or in transitional housing programs due to housing barriers such as requirements for high credit scores or earning triple the amount of rent. Staff noted that people are precariously housed and priced out of the housing market, as well as spending a significant portion of their income on living expenses and struggling to afford food. The Torres Community Shelter expanded its bed capacity in 2021, but staff reflected that there are still not enough shelter beds in Chico for people experiencing unsheltered homelessness. Seniors with medical needs who are unable to remain at a skilled nursing facility and individuals with mental health conditions who do not qualify for a 5150 psychiatric hold may struggle to stay at a communal living environment like a shelter and experience higher instances of living unsheltered.



The Jesus Center is based in Chico, California, provides a sober shelter in Chico called the Sabbath House for adults experiencing homelessness, and also provides transitional housing. Staff submitted written responses via email on December 1, 2021 and January 17, 2022 for use in this Housing Element. When asked about the impact of the 2018 Camp Fire on homelessness in Chico, staff commented the impact was felt emotionally, physically, and psychologically by the people they serve. With a grant from the California Community Foundation, the Jesus Center rented one home serving Camp Fire survivor households in Chico for two years following the 2018 fire. Staff noted they have experienced rent increases on properties within their transitional housing program since the Camp Fire, citing landlords being less inclined to offer housing to support people experiencing homelessness at below market rent. Program participants must find roommates, or look out of the area, to secure permanent housing after exiting the Jesus Center's programs.

When asked about community gaps in housing or services for people experiencing homelessness in Chico, staff responded there is a lack of affordable housing options. In the absence of these options, local non-profits have developed transitional housing programs to fill the gaps. Staff also noted a need for services such as health/mental health, skilled nursing, substance use support, transportation, and outreach programs to connect individuals to services. Staff highlighted their Renewal Center, which is anticipated to break ground in February 2022, providing up to 100 new shelter beds, with 14 family units, 22 couple units, and eight units designed to accommodate a pet.

On October 25, 2021, a phone interview was conducted with the director of the North Valley Housing Trust (NVHT), which is an independent trust fund for locally driven affordable housing solutions in Northern California. The director commented that first-time homebuyers who can afford a home are often unable to find one because they are competing with all-cash offers in a competitive housing market. Those that have settled in satellite communities around Chico where housing is more affordable often become cost-burdened with increased transportation costs.

The NVHT Director stated that extremely low-income households are unable to afford deposits, provide rental histories, or pay utility bills, which inhibits their ability to secure rental housing. They also have difficulty finding housing that meets their needs, which includes studios or one-bedrooms. Renters of all income backgrounds are facing price gouging, which involves large increases in rent exceeding 10% of the current cost. Executive Order No. N-85-20 issued by Governor Newsom protects counties impacted by wildfires from price gouging, but some residents do not have the resources to take legal action. They noted a rental registry could be beneficial in tracking rents and preventing price discrimination in the region. The director further offered that developers are having difficulty finding the finances or funds to get projects off the ground, and the local governments in the region do not have the staff to apply for State or Federal funding sources which are complicated and can require costly consulting services. Policies such as the competitive public bid process, costly local utility requirements, or environmental reviews are especially prohibitive for small developers.

### ***Other Relevant Factors***

Other relevant factors include the City of Chico Housing Element: Community Survey #2, Butte County Public Health Medical Respite Plan, and information from the 2020 City of Chico Analysis of Impediments of Fair Housing Choice.

City of Chico Housing Element: Community Survey #2 on housing goals and programs was conducted September 1-24, 2021 as part of the 2022-2030 Housing Element update. The survey was open to all community members and received 253 total responses. Of the 17-question survey, four questions relevant to the disproportionate housing needs including displacement risk section are provided below.

Question 5 reads, “In your opinion, which groups in Chico are disproportionately impacted by housing cost burden (i.e. spending more than one-third of monthly income on housing costs)? Select all that apply.” Twelve answer choices were provided with a “other” option and space to provide a short, written answer. The answer choices that received the highest percentage of responses are as follows: 1. Extremely low-income households (30% Area Median Income or less, e.g. \$26,500 or less for a household of 4 in 2021 with 87.8% (222 responses); 2. Individuals experiencing homelessness or extreme housing insecurity with 74.3% (188 responses); and 3. Single parent households with 73.5% (186 responses).

Question 6 reads, “As part of the requirement to Affirmatively Further Fair Housing, the city must consider how public funding investments are made throughout the city to promote opportunities and equitably distribute resources. Please indicate if you feel these areas of Chico should be prioritized for such investments.” Nine areas of Chico were provided with a matrix of “not a priority,” “low priority,” “medium priority,” and “high priority” answer choices. The answer choices that received the highest percentage of “high priority” responses are as follows: 1. Chapman-Mulberry with 65.9% (149 responses); 2. Park Avenue adjacent to Barber Neighborhood with 44.3% (101 responses); and Southwest Chico-Barber Neighborhood with 44.2% (102 responses).

Question 7 reads, “In your opinion, what was the impact of housing displacement after the Camp Fire on Chico’s housing market and the residents of Chico? Select one answer.” Answer choices provided consisted of “no impact,” “minimal impact,” “moderate impact,” and “significant impact.” The vast majority of responses were “significant impact” with 94.1% (238 responses), followed by moderate impact with 5.1% (13 responses), and minimal impact with 0.8% (2 responses). “No impact” received 0% (0 responses).

Question 8 reads, “Is there anything you would like to add regarding your experience or knowledge of housing displacement after the Camp Fire?” A text box was provided so respondents could provide a written qualitative response. This question received 159 responses, a selection of 15 responses is provided below.

- “Still many unhoused since fire or underhoused - living with friends or family.”

- “The cost of living in Chico has become astronomical since Camp Fire.”
- “I personally know students who were evicted in the days following the fire so that their landlords could rent to fire victims at a higher rate. My rent was raised immediately following the fire.”
- “There are still Camp Fire victims who are homeless or living in vehicles - we need more low-income housing in Chico, mixed into every neighborhood in town, not set apart from people with more resources.”
- “Many people living in the various camps around town are fire victims. It is extremely difficult for these folks find and keep employment/housing due to police harassment, lack of transportation, lack of bathroom and shower services and inability to leave their campsite without their possessions being stolen.”
- “Anecdotally, several medium income families I know personally (including me) had been planning to buy a home and live in Chico permanently until the effects of the Camp Fire affected the local market. These families (including mine) have since moved and settled in other cities.”
- “Precariously housed individuals and families were disproportionately affected by the influx of new residents from the Camp Fire.”
- “My sister lost her home in the Camp Fire, she moved in with me, my SO [significant other] and son. We were renting. Our landlord chose to evict us and take double the rent and we were almost homeless. My son's GF [girlfriend] at the time gave up her lease so we could rent her substantially smaller home in a less safe part of town (College area) and moved in with him. Thankfully or we would have been homeless.”
- “A program that I oversee pays for housing needs to get Camp Fire survivors into stable housing. Many are still living in substandard, unsafe conditions. We continue to see a huge need for housing in general, and more specifically affordable housing in Chico and the surrounding areas.”
- “Housing market never recovered and first-time middle income are priced out of Chico. Totally lost are low-income homeowners and renters.”
- “Destructive wildfires such as the Camp Fire are partially driven by climate change. We need to both prioritize adapting to the climate crisis, by providing affordable housing for those displaced by wildfires and ensure that our housing stock is as green as possible, in order to prevent further catastrophic warming.”
- “Yes-as a social worker serving older adults, most of my clients at the time of the Camp Fire were low income and unable to find any affordable housing in Butte county, and thus forced to move out of the county and their (often) decades long home. I also hosted my family who lost their home after the Camp Fire- 5 of my family members lost their home in Paradise. It took them 9 months post fire to get into a much smaller apartment space in Chico. There is simply not nearly enough affordable housing development to keep up with the demand, particularly post Camp Fire.”
- “During many years as a nurse at Enloe Medical Center, I encountered numerous patients who lived in Paradise/Magalia in VERY low-cost, often "sub-standard"

housing. An older mobile home in a low-cost park, a very small apartment, a travel-trailer connected by an extension cord to a friend's house. All of that housing was destroyed and nothing at all has happened to replace it. There is no way that market housing can replace housing at that sort of price point. There must be government intervention to replace it."

- "People continue to pay high rent to live in housing that is not up to code or basic standards of construction and health."
- "Almost 3 years later, there are still many individuals and families who have not found permanent housing - some have no housing at all and are living on the streets or in encampments."

*Source: City of Chico 2022-2030 Housing Element, Community Survey #2, 2021*

Butte County Public Health's Medical Respite Plan for people experiencing homelessness in Butte county, California was completed in August 2021 can be found at this link: <https://www.buttecounty.net/Portals/21/Admin/Accreditation/MedicalRespitePlan2021.pdf?ver=2021-10-06-144457-713>. It is referenced in the Housing Element as a planning document that can be used to help inform disproportionate housing needs, including displacement risk for people experiencing homelessness with a health condition, illness or injury. Medical respite is "acute and/or post-acute medical care for people experiencing homelessness who are too ill or frail to recover from a physical illness or injury on the streets, but who are not ill enough to be in a hospital" (*National Healthcare for the Homeless Council*). The Plan was initiated to inform decision making of future medical respite services, assist in prioritizing resources, and allow for implementation of strategies and programs involving multiple stakeholders. The Plan details key findings of scope of care, potential models, and special considerations for Butte county.

The information below is reprinted from the 2020 City of Chico Analysis of Impediments to Fair Housing Choice. "In reviewing the January 2020 City Zoning Map ([http://www.chico.ca.us/planning\\_services/documents/citywebmap\\_zoning20200101.pdf](http://www.chico.ca.us/planning_services/documents/citywebmap_zoning20200101.pdf)) medium, medium-high and high density residential areas and commercial areas are located throughout the city on commercial corridors such as the Esplanade, Forest Avenue, Highway 32 East, Nord Avenue/Walnut Street, and Rio Lindo Avenue. However, areas immediately to the west and north of California State University, Chico have high concentrations of land zoned for higher density residential relative to the rest of the city. While this zoning concentration follows historic development patterns that responded to market student housing demands, future city zoning plans should take this concentration into consideration in order to maintain community balance of zoning districts throughout the city" (*2020 City of Chico Analysis of Impediments to Fair Housing Choice*).

### ***Conclusions and Summary of Issues***

Conclusions and summary of issues for disproportionate housing needs including displacement risk based on local and regional patterns and trends, local data and knowledge, and other relevant factors are as follows:

- **Chico: Cost Burden and Severe Cost Burden – Owner Households:** As of 2019 in the city of Chico, the only census tract with 60-80% of owner households with overpayment is Census Tract 6.03 located between the Esplanade and Warner Street. Much of southcentral and southwest Chico have 40-60% of owner households with overpayment. As of 2014 in the city of Chico, the only census tract with 60-80% of owner households with overpayment is Census Tract 6.04 located between Warner Street and the railroad. Census Tracts 3, 6.01, 8, 10, 11, 12, 13, 9.03, and 16 have 40-60% of owner households with overpayment.
- **Butte County: Cost Burden and Severe Cost Burden – Owner Households** As of 2019, the only census tracts with 60-80% of owner households with overpayment are located in Chico and Oroville. Most of the county has 20-40% or 40-60% of owner households with overpayment. The census tract in northeast Butte County between Chico and Magalia/Paradise has less than 20% of owner households with overpayment. As of 2014, the only census tract with 60-80% of owner households with overpayment is in Chico (Census Tract 6.04). Generally, the west portion of the county has 20-40% of owner households with overpayment whereas the east portion has 40-60%. The census tract in northeast Butte County near Magalia/Paradise has less than 20% of owner households with overpayment.
- **Chico: Cost Burden and Severe Cost Burden – Renter Households:** As of 2019, the areas of the city of Chico with 60-80% of renter households with overpayment are located in northeast Chico in Census Tracts 1.04 and 1.02, and central, southcentral, and west Chico in Census Tracts 5.01, 5.02, 6.03, 6.04, 10, 11, and 12. As of 2014, most census tracts in Chico have more than 40% of renter households with overpayment and all census tracts in the city have more than 20% of renter households with overpayment. The areas of the city with 60-80% of renter households with overpayment are located in northeast Chico in Census Tracts 1.04, and central, southcentral, and west Chico in Census Tracts 5.01, 5.02, 6.01, 6.03, 6.04, 8, 10, 11, 12, and 13.
- **Butte County: Cost Burden and Severe Cost Burden – Renter Households:** As of 2019, generally the eastern and western parts of the county have 20-40% of renter households with overpayment. The more populated census tracts near communities, cities, and towns have 40-60% or 60-80% of renter households with overpayment. Only the census tract east of Oroville has less than 20% of renter households with overpayment. As of 2014, generally, the areas between Chico and Biggs and south of Palermo have 20-40% of renter households with overpayment. There are also census tracts in Chico and Magalia with 20-40% of renter households with overpayment. The far east part of the county, as well as

census tracts in Gridley, Thermalito, Oroville, Paradise, and Chico, have 60-80% of renter households with overpayment.

- **Overcrowding:** As of 2015 in Chico, the only census tract higher than the statewide average of 8.2% or fewer households is Census Tract 13. An estimated 12.0-15% of Census Tract 13's households are overcrowded. For Butte county, most census tracts are at or below the statewide average of 8.2% overcrowded households. The census tracts around Oroville and Thermalito have higher than average overcrowded households – between 8.3% to 20% of all households in those census tracts.
- **Housing Conditions and Substandard Housing:** Using the 2012 Housing Conditions Inventory findings, the annual number of code enforcement cases from 2018-2020, and the annual number of foreclosures from 2015-2020, it is estimated there are 407-481 units in Chico that are in need of substantial rehabilitation. As of 2018 in Chico, 75.1% of occupants with at least one of four housing problems and 82.5% of occupants with at least one of four severe housing problem are renters.
- **Homelessness:** As of 2022 in Chico, an estimated 885 people were experiencing homelessness, and 25% were chronically homeless. An approximate 41% reported this was the first time they have experienced homelessness. Approximately 24% of people reported having a chronic health condition, 20% a mental health disorder, 21% a physical disability, and 14% an alcohol or drug use disorder. In addition, approximately 7% of all people experiencing homelessness in Butte county reported that natural or other disasters led to loss of housing.
- **Housing Tenure by Race and Ethnicity:** As of 2019, Hispanic or Latino residents were significantly less likely to own a home than White, not Hispanic or Latino residents.
- **Disaster-driven Displacement:** The 2018 Camp Fire continues to affect Chico in numerous ways including community displacement and trauma, population increase, average daily traffic increase, housing price increase, and housing availability decrease, among others. Funding sources such as disaster tax credits and CDBG-DR are being used to increase the affordable housing stock, yet unmet needs remain.

## DEMOGRAPHICS

### ***Population***

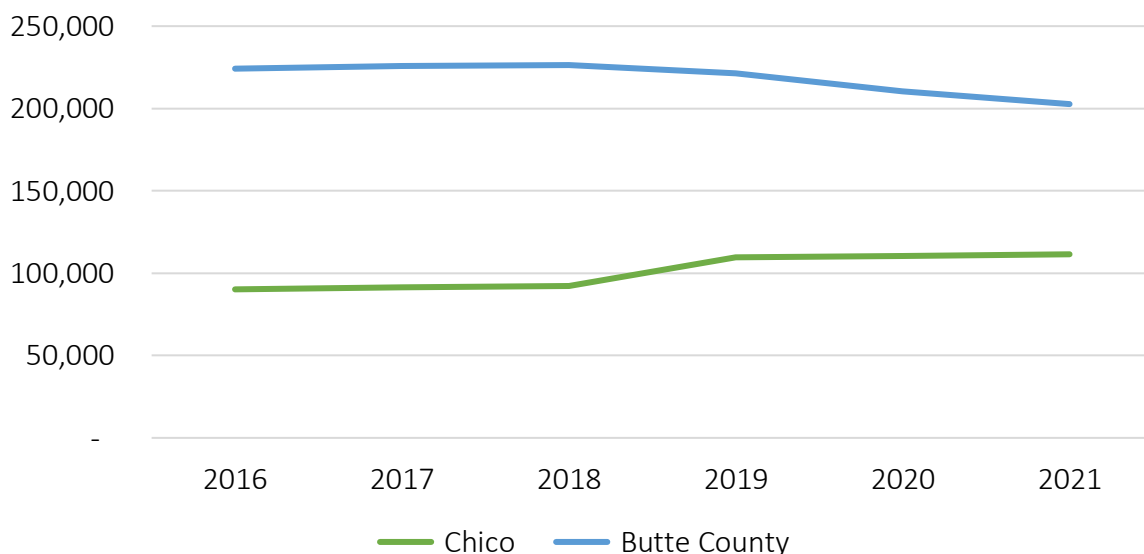
As of January 1, 2021, the population of Chico was estimated at 111,490 by the California Department of Finance. Over half of the Butte county population lives in Chico. **Figure 25: City of Chico and Butte County, Population Growth Table, 2016-2021** shows that the

population of Chico grew dramatically from 2018 to 2019 due to the impacts of the Camp Fire. In that year alone, the population of Chico grew by 17,402, which was a 19% jump. Since 2019, Chico's population has grown by 1,802. In contrast to the sharp increase in the Chico population of 19,204 since 2018, Butte County's population has declined by 23,705 over the same period. Since 2016, Chico's population has increased by 24% while Butte County's population has decreased by 10%.

**Figure 25: City of Chico and Butte County, Population Growth Table, 2016-2021**

	2016	2017	2018	2019	2020	2021
<b>Chico</b>	90,186	91,368	92,286	109,688	110,326	111,490
<b>Butte County</b>	224,096	225,643	226,374	221,521	210,291	202,669

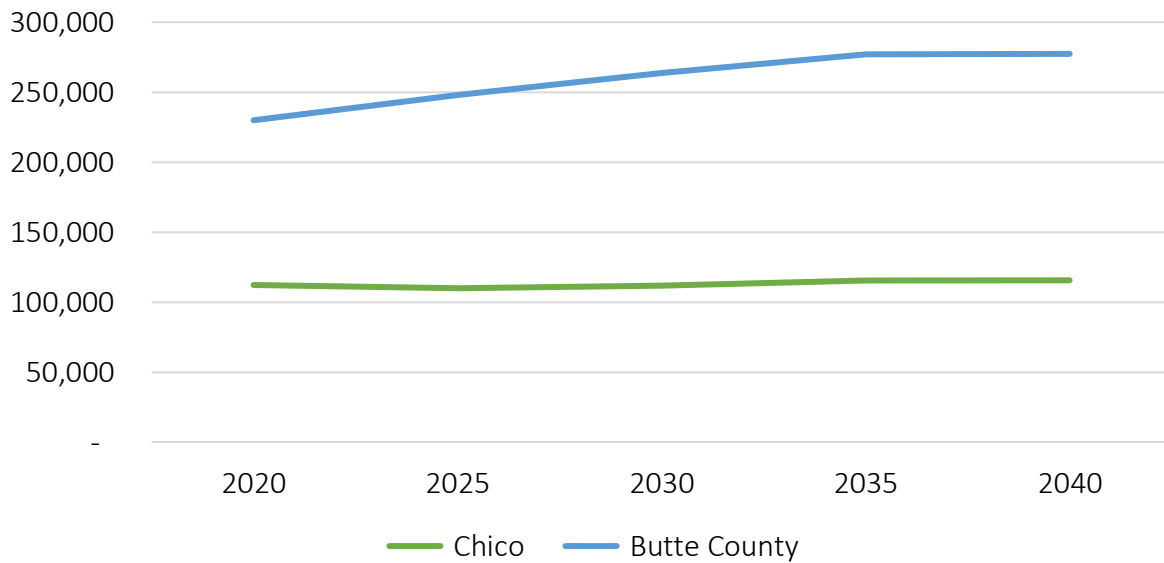
**Figure 25.1: City of Chico and Butte County, Population Growth Chart, 2016-2021**



**Figure 25.2: City of Chico and Butte County, Population Forecast Chart, 2020-2040** shows projected population growth as forecast by the Butte County Association of Governments in 2020 in their "High Growth Scenario". It is forecast that Chico will increase in population by 3,164 between 2020 and 2040, while Butte county will increase by 47,429 over this period. This projection model assumes that most of Butte county's growth will occur in the Paradise and Magalia area as those communities rebuild from the Camp Fire.



Figure 25.2: City of Chico and Butte County, Population Forecast Chart, 2020-2040



## POPULATION BY AGE

**Figure 25.3: City of Chico, Population by Age Table, 2019** shows the distribution of the population by age for Chico. Note that this data has a different source (U.S. Census) and time period (2019) than the data used for the Population Growth figures above. The largest 10-year cohort is 15-24 years old, which is 26.1% of the total population, followed by 25-34 years old, which is 14.8% of the total population. The median age for Chico is just 29.7 years old, which is much younger than the statewide median age at 36.5 years old.

The age distribution of the population in Chico reflects a large college student population. Enrollment at the Chico State University campus in the Fall of 2020 was 16,630. Enrollment at Chico State University has declined by an average of 1.1% annually over the last five years (*The California State University System*). In addition, the estimated enrollment at the nearby Butte College campus was 10,872 in the Fall of 2018 (*U.S. News and World Report*).

Figure 25.3: City of Chico, Population by Age Table, 2019

Age	Persons	Percent of Total
Under 5 years	5,044	5.3%
5 to 9 years	4,996	5.3%
10 to 14 years	4,890	5.2%
15 to 19 years	8,591	9.1%
20 to 24 years	16,053	17.0%
25 to 34 years	14,026	14.8%
35 to 44 years	10,309	10.9%
45 to 54 years	9,291	9.8%
55 to 59 years	4,470	4.7%
60 to 64 years	4,566	4.8%
65 to 74 years	6,868	7.3%
75 to 84 years	3,473	3.7%
85 years and over	1,952	2.1%

Source: U.S. Census Bureau, 2015-2019 American Community Survey

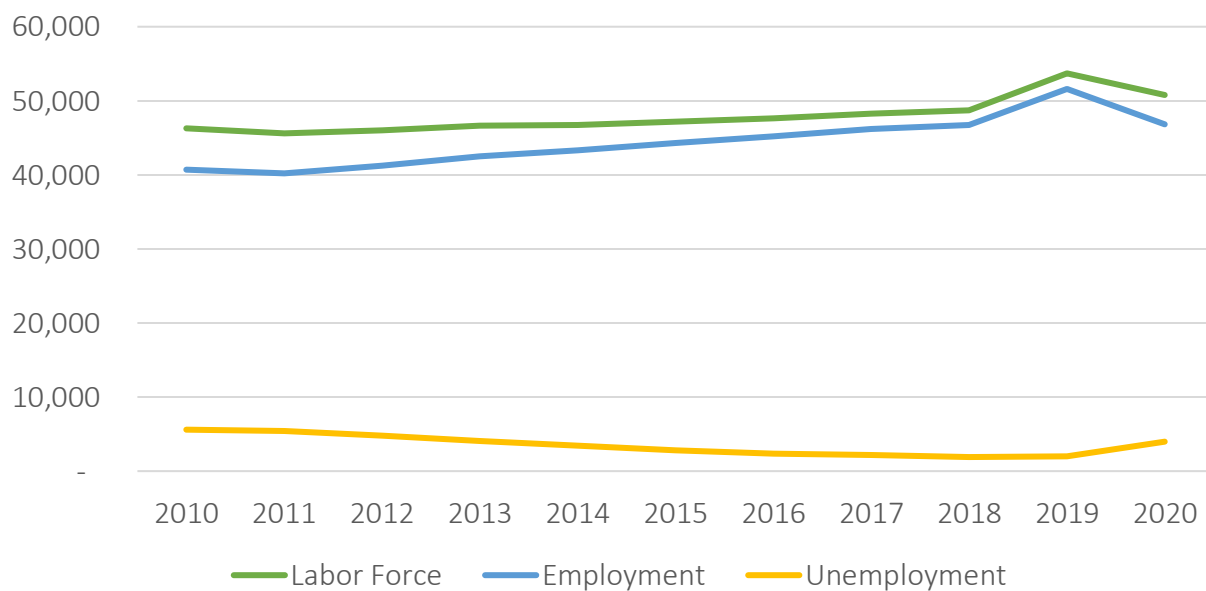
## EMPLOYMENT

Total employment in Chico in December 2020 was 46,800, as estimated by the California Department of Economic Development. Employment increased by 6,100 from 2010 to 2020, an average annual percent increase of 1.30%. The Labor Force, which is the population that is actively seeking employment, increased at a slower rate than employment, at an average annual increase of 0.89%. The unemployment rate decreased from 12.0% in 2010 to 3.8% in 2019, jumping back up to 8.0% during the COVID-19 pandemic. Trends in the unemployment rate have followed national and state trends (**Figure 26: City of Chico, Total Employment and Unemployment Table, 2010-2020**) and (**Figure 26.1: City of Chico, Employment and Unemployment Chart, 2010-2020**).

Figure 26: City of Chico, Total Employment and Unemployment Table, 2010-2020

	Labor Force	Employment	Unemployment	Unemployment Rate
2010	46300	40700	5600	12.0
2011	45600	40200	5400	11.7
2012	46000	41200	4800	10.4
2013	46600	42500	4100	8.8
2014	46700	43300	3400	7.3
2015	47200	44300	2800	6.0
2016	47600	45200	2400	5.1
2017	48300	46200	2200	4.5
2018	48700	46700	1900	3.9
2019	53700	51600	2000	3.8
2020	50800	46800	4000	8.0
Ave. Annual Percent Change	0.89%	1.30%	-4.00%	-5.00%

Figure 26.1: City of Chico, Employment and Unemployment Chart, 2010-2020



Education, government, and health sectors anchor the Chico economy. Principal employers in these sectors are Chico State University, Butte College, Chico Unified School District, the City of Chico, Butte County, and Enloe Medical Center. **Figure 26.2: City of Chico, Employment by Industry Table, 2019** shows that the industry with the most employees in Chico is Educational services, and health care and social assistance with 13,155 (28.0% of all employees in Chico). The

next largest industries for employment in Chico are Retail trade with 7,200 (15.3%) and Arts, entertainment, and recreation, and accommodation and food services with 6,274 (13.3%).

Figure 26.2: City of Chico, Employment by Industry Table, 2019

Industry	Estimate	Percent
Civilian employed population 16 years and over	47,022	100%
Agriculture, forestry, fishing and hunting, and mining	967	2.1%
Construction	2,247	4.8%
Manufacturing	2,667	5.7%
Wholesale trade	820	1.7%
Retail trade	7,200	15.3%
Transportation and warehousing, and utilities	1,438	3.1%
Information	1,296	2.8%
Finance and insurance, and real estate and rental and leasing	2,481	5.3%
Professional, scientific, and management, and administrative and waste management services	4,730	10.1%
Educational services, and health care and social assistance	13,155	28.0%
Arts, entertainment, and recreation, and accommodation and food services	6,274	13.3%
Other services, except public administration	2,098	4.5%
Public administration	1,649	3.5%

## HOUSEHOLD CHARACTERISTICS

### ***Household Income***

Figure 27: Butte County, State Income Categories Table, 2021 shows household incomes by category and percent of area income for Butte county, as calculated by the State Department of Housing and Community Development. The income categories are referenced in the RHNA Sites Inventory that is part of this Housing Element and are also used in setting target rents for affordable housing programs and projects.

Figure 27: Butte County, State Income Categories Table, 2021

Income Category	% of Area Median Income	1-Person	2-Persons	3-Persons	4-Persons	5-Persons
<b>Extremely Low</b>	0-30%	\$14,850	\$17,420	\$21,960	\$26,500	\$31,040
<b>Very Low</b>	31%-50%	\$24,750	\$28,300	\$31,850	\$35,350	\$38,200
<b>Low</b>	51%-80%	\$39,600	\$45,250	\$50,900	\$56,550	\$61,100
<b>Median</b>	100%	\$49,500	\$56,550	\$63,650	\$70,700	\$76,350
<b>Moderate</b>	81%-120%	\$59,400	\$67,900	\$76,350	\$84,850	\$91,650

Source: California Department of Housing and Community Development (Countywide Incomes)

As of 2019, the U.S. Census estimated that there were 36,164 occupied housing units in Chico. **Figure 27.1: City of Chico, Household Income Table, 2019** shows the number of households in occupied housing units in Chico by income category. Just over a quarter of households have incomes of less than \$25,000 annually, and about a quarter of households have incomes of \$100,000 or more annually. There are fewer households in the \$25,000 to \$49,999 range (21.4%), the \$50,000 to \$74,999 range (15.9%), and the \$75,000 to \$99,999 range (11.3%). Just under half of all households (47.8%) earn less than \$50,000. The median household income is \$53,324.

Figure 27.1: City of Chico, Household Income Table, 2019

Household Income (In Past 12 Months)	Number of Occupied Housing Units	Percent of Total Occupied Housing Units
<b>Less than \$5,000</b>	1,875	5.2%
<b>\$5,000 to \$9,999</b>	1,448	4.0%
<b>\$10,000 to \$14,999</b>	2,367	6.5%
<b>\$15,000 to \$19,999</b>	2,107	5.8%
<b>\$20,000 to \$24,999</b>	1,761	4.9%
<b>\$25,000 to \$34,999</b>	3,158	8.7%
<b>\$35,000 to \$49,999</b>	4,578	12.7%
<b>\$50,000 to \$74,999</b>	5,745	15.9%
<b>\$75,000 to \$99,999</b>	4,090	11.3%
<b>\$100,000 to \$149,999</b>	4,848	13.4%
<b>\$150,000 or more</b>	4,187	11.6%

Source: U.S. Census Bureau, 2015-2019 American Community Survey 5-Year Estimates

**Figure 27.2: City of Chico, Household Income by Housing Tenure Table, 2019** shows that the median household income for households in owner-occupied housing units, at \$88,089, is about 2.5 times the median income for households in renter-occupied housing units. The largest percentage of households in owner-occupied housing units have incomes from \$100,000 to \$149,999 (21.1%). The largest percentage of households in renter-occupied units have an annual household income of \$50,000 to \$74,999 (16.2%). Just over half of households in renter-occupied units earn less than \$35,000. This data shows that there are more renters in each income category below \$75,000, and more owners in each category above \$75,000.

**Figure 27.2: City of Chico, Household Income by Housing Tenure Table, 2019**

Household Income (in past 12 Months)	Owner-occupied Housing Units	Percentage Owner-occupied	Renter-occupied Housing Unit	Percentage Renter-occupied
Less than \$5,000	280	1.7%	1,595	8.0%
\$5,000 to \$9,999	209	1.3%	1,239	6.2%
\$10,000 to \$14,999	355	2.2%	2,012	10.1%
\$15,000 to \$19,999	651	4.0%	1,456	7.3%
\$20,000 to \$24,999	419	2.6%	1,342	6.7%
\$25,000 to \$34,999	804	5.0%	2,354	11.8%
\$35,000 to \$49,999	1,440	8.9%	3,138	15.7%
\$50,000 to \$74,999	2,494	15.4%	3,251	16.2%
\$75,000 to \$99,999	2,750	17.0%	1,340	6.7%
\$100,000 to \$149,999	3,408	21.1%	1,440	7.2%
\$150,000 or more	3,340	20.7%	847	4.2%
Median household income (dollars)	\$88,089		\$35,035	
Occupied housing units	16,150		20,014	

Source: U.S. Census Bureau, 2015-2019 American Community Survey

## HOUSING TENURE

The majority of units in Chico are renter occupied, with 20,014 (55%). There are 16,150 units in Chico that are owner-occupied (45%). The proportion of renter-occupied housing units in Chico has increased since 2012. For the State of California as a whole, the proportion of units that are renter occupied versus owner-occupied is the inverse of Chico, with 45% of unit renter-occupied and 55% of units owner-occupied.

Figure 27.3: City of Chico, Households by Tenure Table, 2019

	Number	Percent
Owner-occupied housing units	16,150	44.7%
Renter-occupied housing units	20,014	55.3%
Total	36,164	100%

Source: U.S. Census Bureau, 2015-2019 American Community Survey

### Householder Age

Figure 27.4: City of Chico, Tenure by Age of Householder Table, 2019 shows that a very large portion of householders in Chico are under 35 years old, with 12,035 households. Of these households, almost all of them are renters, with 10,541. Just over half of all renter householders are under 35 years old. Only 12% of renter householders are 65 years or older, while 35% of owner householders are 65 years or older.

Figure 27.4: City of Chico, Tenure by Age of Householder Table, 2019

Householder	Owner-occupied	Renter-occupied	Total
Under 35 years	1,494	10,541	12,035
35 to 44 years	2,630	2,802	5,432
45 to 54 years	2,998	2,126	5,124
55 to 64 years	3,423	2,165	5,588
65 to 74 years	3,115	1,216	4,331
75 to 84 years	1,692	686	2,378
85 years and over	798	478	1,276

Source: U.S. Census Bureau, 2015-2019 American Community Survey

## HOUSING STOCK CHARACTERISTICS

### Population and Housing Units

As of January 1, 2021 in Chico, there were an estimated 42,647 housing units and a population of 111,490, according to the State of California Department of Finance. As shown in **Figure 28: City of Chico, Population and Housing Units Table, 2010 & 2021**, between 2010 and 2021 Chico's population increased by 25,303, while the number of housing units increased by just 5,597. Correspondingly, the persons per household increased from 2.38 in 2010 to 2.71 in 2021.



Figure 28: City of Chico, Population and Housing Units Table, 2010 & 2021

Year	Population	Persons in Households	Persons in Group Quarters	Total Housing Units	Vacancy Rate	Person per Household
2010	86,187	83,009	3,178	37,050	6.1%	2.38
2021	111,490	109,272	2,218	42,647	5.4%	2.71
Change	25,303	26,263	-960	5,597	-0.7%	0.33
Percent Change	29.3%	31.6%	-1.4%	15.1%	-3.6%	13.9%

Source: California Department of Finance, 2021

The overall vacancy rate decreased from 6.1% in 2010 to 5.4% in 2021. The total number of estimated vacancies in 2021 as estimated by the California Department of Finance was 2,303. The Rental Market section below shows that the vacancy rate for rentals in 2021 was about 3.2% according to a market analysis by Reis Reports. An estimated 55.3% of occupied housing units in Chico are renter-occupied and 44.7% are owner occupied housing units, according to the 2019 U.S. Census American Community Survey. Applying this housing tenure share to the 2021 California Department of Finance estimate of 42,647 housing units comes to 23,584 rental units and 19,063 for-sale units. Applying the 3.2% vacancy rate to the rental unit share comes to 755 vacant rental units. It can be estimated that the remaining 1,548 vacant units are for-sale units, which comes to a for-sale vacancy rate of 8.1%.

Another data point for vacancies is the U.S. Census 2019 American Community Survey. **Figure 28.1** below shows vacancies by vacancy status. This data shows 2,986 vacant rental units (including “For rent”, “Rented, not occupied”, and “For seasonal, recreational, or occasional use” categories) and 1,157 vacant for-sale units (including “For sale only”, “Sold, not occupied”, and “Other vacant” categories), for a total of 4,143 vacant units. This estimate is much higher than the 2,303 vacancies estimated by the California Department of Finance for 2021. If the “rented, not occupied” units are removed from the rental count, the estimate is 2,147 vacant rental units. If the “sold, not occupied” units are removed from the count, the estimate is 943 rental units. The revised estimate of total vacancies would be 3,090.

Figure 28.1: City of Chico, Vacancy Status Table, 2019

Vacancy Status	Number of Units
For rent	1,910
Rented, not occupied	839
For sale only	218
Sold, not occupied	214
For seasonal, recreational, or occasional use	237
For migrant workers	0
Other vacant	725
<b>Total Vacant Units</b>	<b>4,143</b>

Source: U.S. Census 2014-2019 American Community Survey

### ***Housing Units by Type***

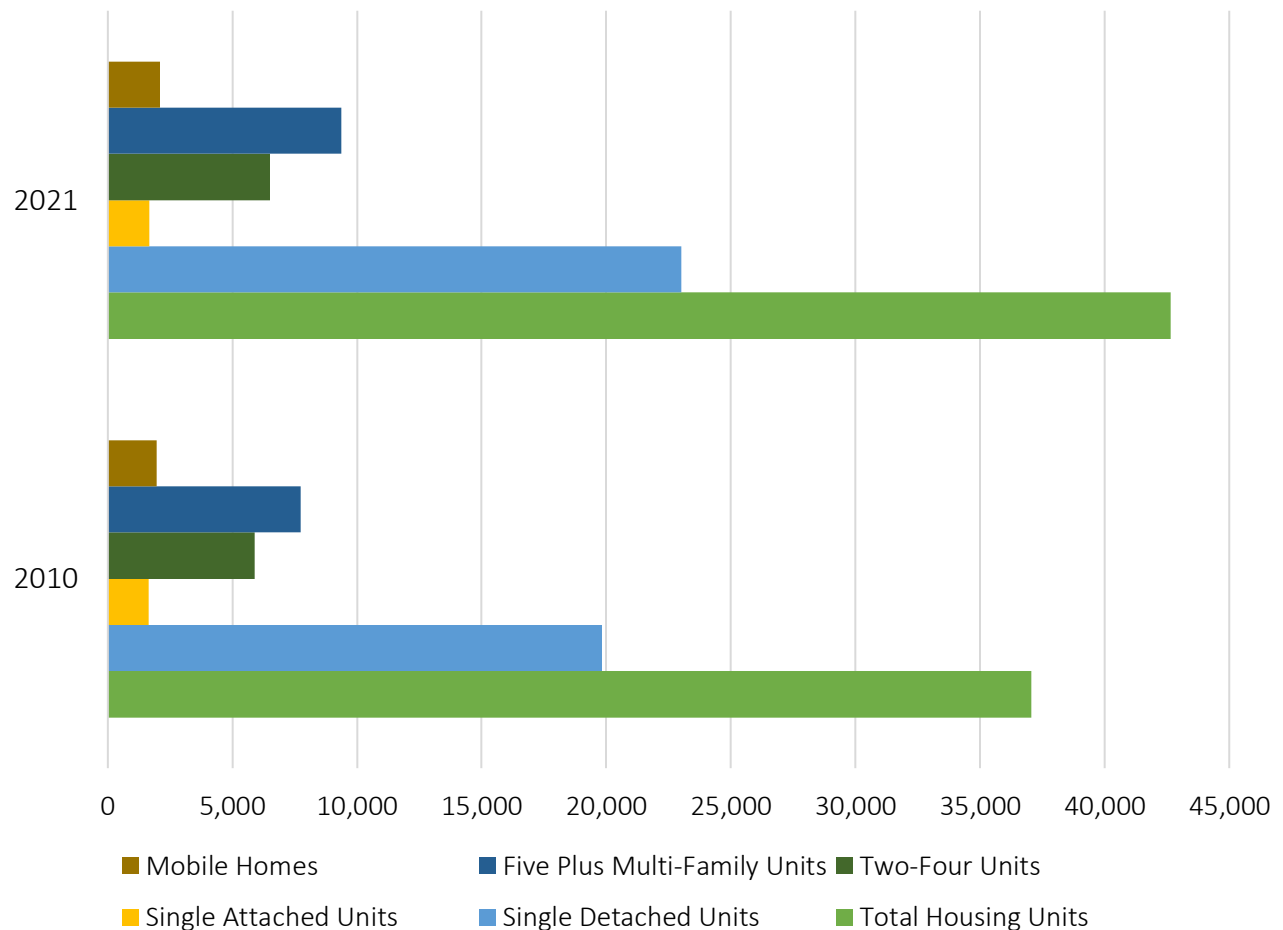
Figure 28.2: City of Chico, Housing Units by Type Table, 2010 & 2021 shows the breakdown of housing units by type as estimated by the State Department of Finance in 2010 and 2021. Most housing units are in single-family detached structures, with 54% of all units in 2021, followed by units in multi-family buildings with five or more units with 22%, and units in duplexes, triplexes, and fourplexes with 15%. From 2010 to 2021, the unit type with the greatest percent increase was units in multi-family buildings with five or more units, with a 21.2% increase.

Figure 28.2: City of Chico, Housing Units by Type Table, 2010 & 2021

Year	Total Housing Units	Single Detached Units	Single Attached Units	Two-Four Units	Five Plus Multi-Family Units	Mobile Homes
2010	37,050	19,822	1,648	5,886	7,739	1,955
2021	42,647	23,021	1,653	6,514	9,380	2,079
Change	5,597	3,199	5	628	1,641	124
Percent Change	15.1%	16.1%	0.0%	10.7%	21.2%	6.3%

Source: California Department of Finance, 2021, E-5 Population and Housing Estimates for Cities, Counties, and the State, 2011-2020 with 2010 Census Benchmark

Figure 28.3: City of Chico, Housing Units by Type Chart, 2010 & 2021



### Overcrowding

Overcrowding is an important measure to help determine if there is adequate housing stock for the population. **Figure 28.4: City of Chico, Overcrowding by Occupants per Room, 2019** identifies the number of units that are considered by the federal government as Overcrowded (more than one occupant per room) and Severely Overcrowded (1.5 or more occupants per room). In 2019, there were an estimated 909 Overcrowded housing units in Chico, which was 2.5% of all units. There were about three times as many Overcrowded renter-occupied units as Overcrowded owner-occupied units. There were an estimated 299 Severely Overcrowded housing units estimated, which was 0.8% of all units. (Note that the 36,164 estimated total number of housing units are occupied units rather than total units, from a different source (U.S. Census Bureau) and for a different year (2019) than the estimated number of housing units in **Figure 28.2: City of Chico, Housing Units by Type Table, 2010 & 2021**.

Figure 28.4: City of Chico, Overcrowding by Occupants per Room Table, 2019

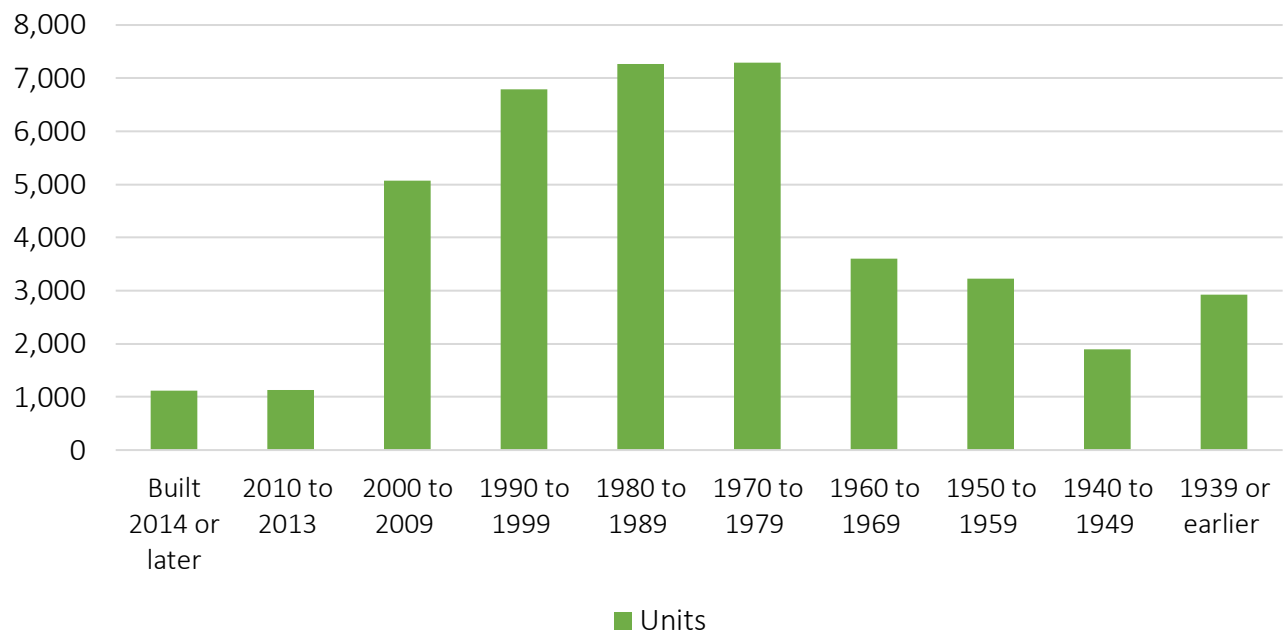
Occupants per Room	Owner-occupied	Renter-occupied	Total
0.50 or less occupants per room	11,998	11,481	23,479
0.51 to 1.00 occupants per room	3,906	7,870	11,776
1.01 to 1.50 occupants per room	126	484	610
1.51 to 2.00 occupants per room	76	140	216
2.01 or more occupants per room	44	39	83
<b>Total</b>	<b>16,150</b>	<b>20,014</b>	<b>36,164</b>
Overcrowded (1.01 or more)	246	663	909
Severely overcrowded (1.5 or more)	120	179	299

Source: U.S. Census Bureau, 2015-2019 American Community Survey

### **Housing Conditions**

**Figure 28.5: City of Chico, Housing Units by Year Structure Built Chart, 2019** shows a breakdown of the number of units by the year in which their structure was built. Over half of Chico's units were built in 1980 or later with 53% of all units. This figure shows that construction of residential structures has slowed considerably since 2009, with just 5.6% of all units built since 2009. By comparison, more than twice as many structures were built in the previous 10-year period of 2000-2009, with 12.6% of all units. There are a significant number of older and historic structures in the city, with about 12% of the units (4,812 units) built earlier than 1950, and 7.2% of all units (2,920 units) built in 1939 or earlier. Most of these structures are located in the central city area, including Downtown, the Barber Neighborhood, the Chapman and Mulberry Neighborhoods, the Avenues, and the areas around the Chico State University campus.

Figure 28.5: City of Chico, Housing Units by Year Structure Built Chart, 2019



Source: U.S. Census Bureau, 2015-2019 American Community Survey

Code enforcement and foreclosure data has been collected and analyzed to understand housing conditions in Chico. This data augments findings from the Housing Conditions Inventory that was completed prior to the 2014 City of Chico Housing Element. The City of Chico maps code enforcement cases for housing infractions. The most recent data from 2018 to 2020 shows a concentration of cases in the southwestern portion of the city, in the neighborhoods just south of the Chico State University campus. Most of the code enforcement calls are regarding maintenance, rental property management, and vermin. See **Appendix C: Code Enforcement Cases for Housing Infractions Map**

For 2015-2020 the number of short sales and real estate owned (REO) properties steadily decreased, likely reflecting the housing market recovery after the 2008 Great Recession. There is an exception of this trend with zero REOs in 2019 and five REOs in 2020. This may be attributed in part by the economic effects of the COVID-19 pandemic.

Figure 28.6: City of Chico, Short Sales and Foreclosures Table, 2015-2020

Year	Number of Short Sales	Number of Real Estate Owned (REO)
2015	36	56
2016	25	31
2017	16	18
2018	5	12
2019	4	0
2020	1	5
<b>Total</b>	<b>87</b>	<b>122</b>

Source: Sierra North Valley Realtors, December 2020 Multiple Listing Service

In October 2012, the City of Chico completed a Housing Conditions Inventory for its older neighborhoods, which addressed Action H.5.6.1 of the 2009 Housing Element. The study area consisted of four older neighborhoods within the central city— North Campus, South Campus, Southwest Chico, and a portion of the Chapman and Mulberry East Park Avenue areas. The Inventory involved visual surveys of 1,438 residential properties out of 3,037 residential properties in the study area. The surveys categorized properties as vacant, served by limited infrastructure, and/or with high-risk or substandard structures. The number of properties in each of these categories was then counted within each of 50 sub-areas. This information was then mapped to view concentrations of properties with substandard conditions.

Of the 1,438 properties surveyed, 155 were determined to be vacant (11% of all properties surveyed). Of surveyed properties, 932 were determined to have “limited infrastructure” (65% of properties surveyed). Properties were put into this category if they were not served by all of the following: streetlights; streets free of large potholes and broken pavement; streets with paved shoulders; storm drainage; curb and gutter; and wheelchair usable sidewalks. Of surveyed properties, 307 were determined to have “substandard” structures (21% of properties surveyed). Properties were put into this category if they had 1-2 visible conditions of deterioration, such as: missing roof shingles; uneven or damaged roof, foundation or porch; broken windows or door; and paint and façade in poor condition. Of the surveyed properties, 141 were determined to have “high-risk” structures (10% of properties surveyed). Properties were put into this category if they had structures with visibly unstable chimneys, holes in the roof, or more than two of the visible conditions of deterioration listed above.

In addition to overall conditions, the Housing Conditions Inventory provided a spatial orientation for results through maps. The maps revealed sub-areas within the surveyed neighborhoods that have concentrations of poor housing conditions, vacancies, and limited infrastructure. This will assist the city in prioritizing limited resources and implementing neighborhood-specific improvement plans. Effective implementation of

these plans will require collaboration among city departments, other government entities, neighborhood groups, local nonprofits, and businesses.

Using the housing stock age, code enforcement, foreclosures, and housing conditions survey summarized above, the number of residential units in need of substantial rehabilitation has been estimated. Of the properties surveyed for the Housing Conditions Inventory, 141 were found to be “high-risk” as described above. This was 10% of all properties surveyed in older neighborhoods with residential structures that are primarily built before 1978, and with the majority of residential structures built before 1950. Data on the number of housing units by the year structure was built shows that there are an estimated 4,812 units in Chico built before 1950. Applying the 10% rate to this number would estimate that there is a need for about 481 units built prior to 1950 to be substantially rehabilitated.

**Appendix C** shows that there were 57 code enforcement cases in each of the fiscal years 2018-19 and 2019-20, for a total of 114 cases over those two years. An additional data point for assessing housing conditions is the number of foreclosures, as these homes typically have much greater deferred maintenance than other sold homes. **Figure 28.5** shows that from 2015 through 2020, there were 122 foreclosures. If the estimated number of code enforcement cases and foreclosures are combined over a five-year period, it would total 285 code enforcement cases at 57 cases per year, and 122 foreclosures, for a total of 407 units, which is just under 1% of all residential units in the city as of 2021 per California Department of Finance estimates.

Using the 2012 Housing Conditions Inventory findings, the annual number of code enforcement cases from 2018-2020, and the annual number of foreclosures from 2015-2020, it is estimated that there are 407-481 units in Chico that are in need of substantial rehabilitation.

### ***Housing Production***

**Figure 28.7: City of Chico, Housing Production by Residential Building Permits Table, 2015-2020** shows production trends for residential buildings in Chico from 2015 to 2020. Residential construction has been consistent and robust over this period, with 290-361 buildings permitted each year. The most residential buildings were permitted in 2018 with 361. The most single-family buildings were permitted in 2018 with 340. The most multi-family buildings were permitted in 2019 with 54.



Figure 28.7: City of Chico, Housing Production by Residential Building Permits Table, 2015-2020

Number of Permits per Building Type						
Year	Single-Family Permits	Multi-Family Permits	Total	Two Family Buildings	3 or 4 Family Buildings	5 or More Family Buildings
2015	257	33	290	7	9	17
2016	282	26	308	0	10	16
2017	275	20	295	4	0	16
2018	340	21	361	11	3	7
2019	256	54	310	2	18	34
2020	308	24	332	6	1	17

Source: City of Chico Building Division, 2021

## RENTAL MARKET

Figure 29: City of Chico, Average Asking Rent and Vacancy Rate by Quarter Table, 2018-2021

shows market rents for 2018 through 2021 on a quarterly basis. The average asking rent increased by \$101 over this period, from \$1,005 in the first quarter of 2018 to \$1,106 in the third quarter of 2021. The largest quarterly increase was after the Camp Fire, between the fourth quarter of 2018 and the first quarter and second quarters of 2019. Average asking rent grew by \$73 between the fourth quarter of 2018 and 2019. Average asking rent declined from the first quarter of 2020 through the first quarter of 2021 most likely due to COVID-19 pandemic impacts. Rents began increasing again in the second quarter of 2021.

Figure 29: City of Chico, Average Asking Rent and Vacancy Rate by Quarter Table, 2018-2021

Year	Quarter	Asking Rent	Asking Percent Change	Vacancy Rate
2018	Q1	\$1,005	0.8%	2.1%
	Q2	\$1,012	0.7%	2.0%
	Q3	\$1,033	2.1%	2.0%
	Q4	\$1,048	1.5%	2.1%
2019	Q1	\$1,072	2.3%	2.6%
	Q2	\$1,118	4.3%	2.4%
	Q3	\$1,121	0.3%	2.6%
	Q4	\$1,121	0.0%	2.5%
2020	Q1	\$1,120	-0.1%	2.7%
	Q2	\$1,112	-0.7%	2.6%
	Q3	\$1,109	-0.2%	2.6%
	Q4	\$1,102	-0.7%	2.6%
2021	Q1	\$1,099	-0.3%	3.3%
	Q2	\$1,103	0.4%	3.3%
	Q3	\$1,106	0.3%	3.2%

Source: REIS Market Report, December 2021

Figure 29.1: City of Chico, Average Asking Rent by Quarter Chart, 2018-2021

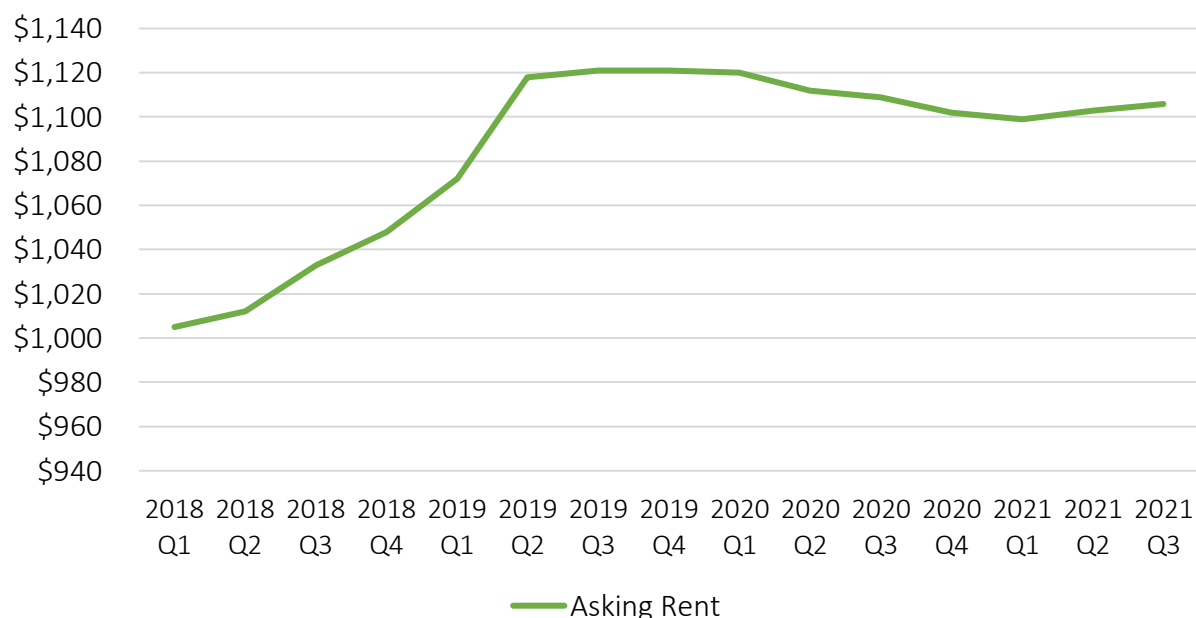
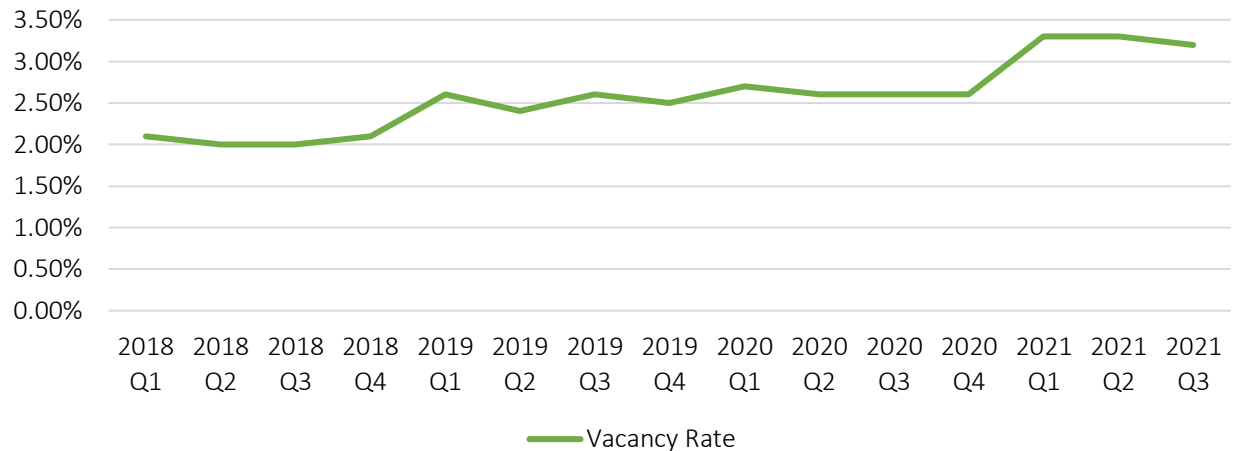


Figure 29.2: City of Chico, Vacancy Rate by Quarter Chart, 2018-2021 shows vacancy rates for Chico from the first quarter of 2018 through the third quarter of 2021. A rental market is considered “balanced”, in which there is adequate availability for renters and demand for landlords, when the vacancy rate is around 5%. For the entire period of 2018 through 2021, the vacancy rate was 3.3% or lower.

Figure 29.2: City of Chico, Vacancy Rate by Quarter Chart, 2018-2021



**Figure 29.3: City of Chico, Western Region, U.S., Average Asking Rent by Unit Type Table, 2021** shows average asking rent by unit type in the third quarter of 2021. Average unit sizes in Chico are smaller than metropolitan areas in the Western Region and the United States. Average asking rents are lower than metropolitan areas in the Western Region and the United States.

Figure 29.3: City of Chico, Western Region, U.S., Average Asking Rent by Unit Type Table, 2021

Unit Type	Average Size (SF)	Average Asking Rent	Average Asking Rent Per SF
<b>1 Bedroom</b>			
Chico	645	\$868	\$1.35
Western Region	782	\$1,728	\$2.21
United States	814	\$1,437	\$1.77
<b>2 Bedroom</b>			
Chico	922	\$1,148	\$1.25
Western Region	1,080	\$2,088	\$1.93
United States	1,134	\$1,722	\$1.52
<b>3 Bedroom</b>			
Chico	1,221	\$1,722	\$1.41
Western Region	1,367	\$2,441	\$1.79
United States	1,455	\$2,104	\$1.45

Source: REIS Market Report, December 2021

Market rents vary considerably depending on building age, as shown in **Figure 29.4: City of Chico, Average Asking Rent by Building Age Table, 2021**. Average asking rents for units in buildings constructed after 2009 were \$281 higher than the average asking rent for buildings constructed 2000-2009, and \$606 higher than buildings built before 1970. Rents for buildings constructed

after 2009 are 21% higher than the rent for all units. Overall, rents vary by 49% between pre-1970 units and post-2009 units.

**Figure 29.4: City of Chico, Average Asking Rent by Building Age Table, 2021**

Year Built	Rent
Before 1970	\$ 640
1970-1979	\$ 650
1980-1989	\$ 920
1990-1999	\$ 910
2000-2009	\$ 965
After 2009	\$1,246
All	\$1,103

*Source: REIS Market Report, December 2021*

## FOR-SALE MARKET

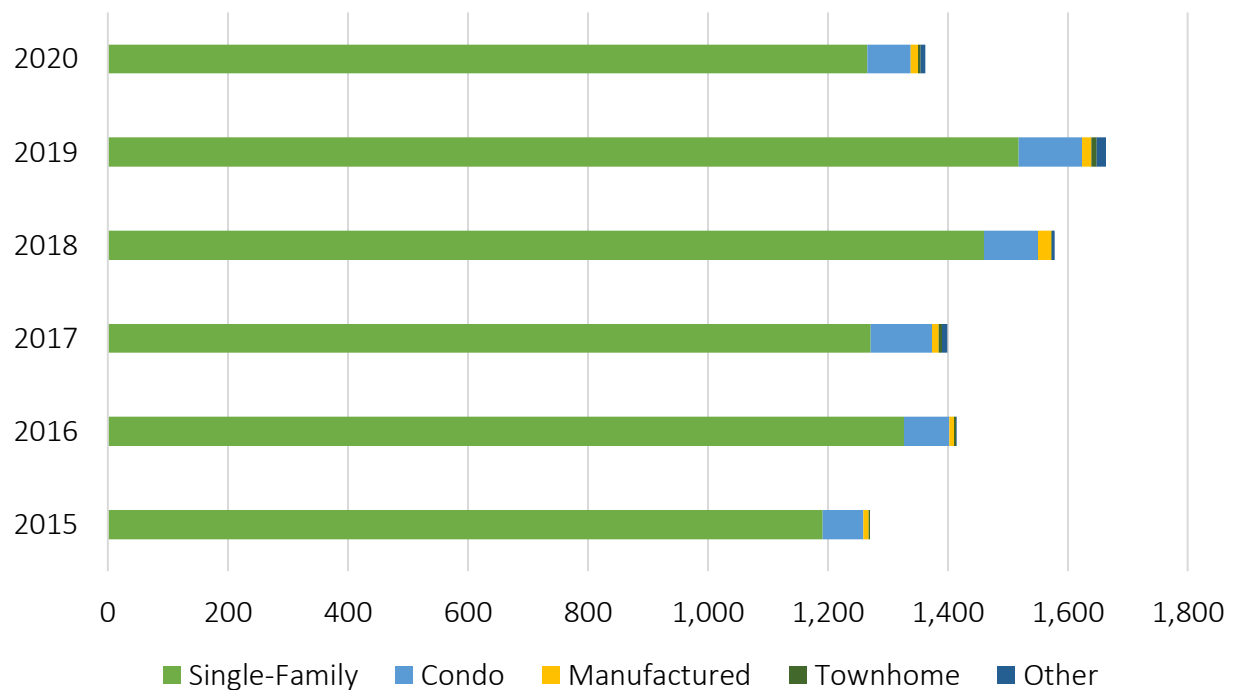
The number of homes sold in Chico fluctuated between 1,271 and 1,664 per year from 2015 through 2020 as shown in **Figure 30: City of Chico, Number of Homes Sold by Type Table, 2015-2020**. The most homes were sold in 2019 with 1,518 single-family homes and 106 condominiums, as well as 40 other unit types. The number of homes sold then declined in 2020 to 1,363, which was the second lowest total over the period, most likely due to the COVID-19 pandemic.

**Figure 30: City of Chico, Number of Homes Sold by Type Table, 2015-2020**

	Single-Family	Condo	Manufactured	Townhome	Other	Total
2015	1,192	67	9	3	0	1,271
2016	1,327	76	7	4	1	1,415
2017	1,272	102	11	5	9	1,399
2018	1,460	91	22	1	4	1,578
2019	1,518	106	15	9	16	1,664
2020	1,266	72	12	5	8	1,363

*Source: Sierra North Valley Realtors, December 2020 Multiple Listing Service*

Figure 30.1: City of Chico, Number of Homes Sold by Type Chart, 2015-2020



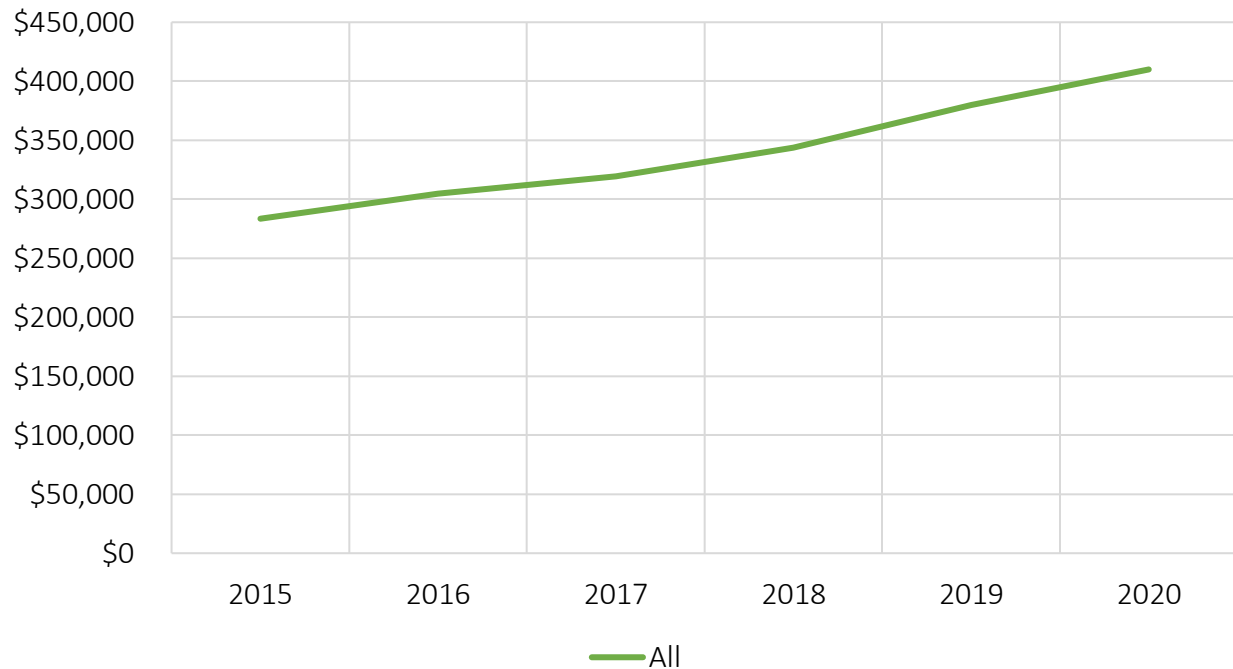
**Figure 30.2: City of Chico, Median Sales Price by Type of Sale Table, 2015-2020** shows the median sales price for homes sold in Chico from 2015 through 2020. The median sales price has increased by \$14,500-\$24,108 per year from 2015 to 2018. From 2018 to 2019, the median sales price jumped from \$343,608 to \$380,000, an increase of \$36,392. In 2020, the median sales price continued to increase to \$410,000. From 2015 to 2020, the median sales price increased by 45%.

Figure 30.2: City of Chico, Median Sales Price by Type of Sale Table, 2015-2020

	All	Standard	Short Sale	Real Estate Owned (REO)
2015	\$283,500	\$290,000	\$210,000	\$192,000
2016	\$305,000	\$307,500	\$240,750	\$218,704
2017	\$319,500	\$320,000	\$263,250	\$220,250
2018	\$343,608	\$345,000	\$269,000	\$215,125
2019	\$380,000	\$380,545	\$0	\$278,383
2020	\$410,000	\$410,610	\$271,000	\$205,000

Source: Sierra North Valley Realtors, December 2020 Multiple Listing Service

Figure 30.3: City of Chico, Median Sales Price for All Sales Chart, 2015-2020



Source: Sierra North Valley Realtors, December 2020 Multiple Listing Service

## AT-RISK UNITS

Housing Element law (Government Code Section 65583(a)(9)) requires that Housing Elements identify assisted housing developments with contracts restricting rents to affordable levels that will expire within the next 10 years. “Assisted housing developments” include multi-family rental housing that receives government assistance under federal programs, state and local multi-family revenue bond programs, local redevelopment programs, inclusionary housing programs, or local in-lieu fees. **Figure 31: City of Chico, Expiring Contracts Table, 2022** lists projects that are listed on the National Housing Preservation Database and California Housing Partnership Coalition Database as expiring within the next 10 years. **However, based on a review of City and LIHTC loan documents for these projects that the City of Chico has on file, affordability covenants for these projects extend well beyond 2032, as indicated in the Expiration Date column of Figure 31. Therefore, an analysis of replacement cost, acquisition, and preservation per Sections (B), C), and (D) of GC 65583(a)(9) is not provided for these projects.**

Figure 31: City of Chico, Expiring Contracts Table, 2022

Project Name	Address	Number of At-risk Units	Target Population	Subsidy Source	Expiration Date
East of Eaton	1577 E Lassen Ave	76	Family	LIHTC	2046
Chico Commons	2071 Amanda Way	72	Family	LIHTC	2049
Campbell Commons	600 Flume Street	55	Other	LIHTC	2050
Walker Commons	678 Buttonwillow Lane	56	Seniors/People with Disabilities	LIHTC	2050
Longfellow Apartments	1350 Manzanita Avenue	21	People with Disabilities	City	2055
Cordillera Apartments	37 Cameo Drive	20	Family	City, Housing Authority-owned	N/A
Alamont Apartments	811 West East Avenue	30	Family	City, Housing Authority-owned	2056
Rhodes Terrace	1-49 Rhodes Terrace	36	Family	Public Housing	N/A
Valley View Apartments	103 Silver Dollar Way	14	Special Needs	LIHTC, City	2072
Jarvis Gardens	2001 Notre Dame Blvd	49	Seniors	City/HUD	2061
Cinnamon Village	1650 Forest Avenue	80	Family	HUD	2042

Source: City of Chico, June 2023

## HOUSING AFFORDABILITY

### **Overpayment**

Housing affordability can be measured by the percent of income paid toward housing costs. HUD considers households that pay over 30% of their income to housing as *rent burdened*. Households that pay over 50% of their income to housing are considered *severely rent burdened*. This metric indicates the extent of household *overpayment*.

Figure 32: City of Chico, Households by Percent of Income Paid Toward Housing Costs Table, 2019 shows that most households earning less than \$50,000 in the previous 12



months are renter households, with 62% of renters in this income category. Over a quarter of renter households earned less than \$20,000. Of renter households earning less than \$50,000, 85% pay 30% or more of their income toward housing costs. These households are considered rent burdened. Comparatively, 25% of homeowner households earned less than \$50,000 in the previous 12 months. Of homeowners earning less than \$50,000, 56% pay 30% or more of their income toward housing costs. An estimated 58.8% of homeowner households earned \$75,000 or more and 3.9% of these households paid 30% or more of their income toward housing costs.

**Figure 32: City of Chico, Households by Percent of Income Paid Toward Housing Costs Table, 2019**

Monthly housing costs as a percentage of household income in the past 12 months	Owner-occupied housing units	Percent owner-occupied housing units	Renter-occupied housing units	Percent renter-occupied housing units
<b><i>Incomes Less than \$20,000</i></b>	1,352	8.4%	5,765	28.8%
Less than 20 percent	123	0.8%	67	0.3%
20 to 29 percent	167	1.0%	176	0.9%
30 percent or more	1,062	6.6%	5,522	27.6%
<b><i>Incomes \$20,000 to \$34,999</i></b>	1,223	7.6%	3,581	17.9%
Less than 20 percent	279	1.7%	19	0.1%
20 to 29 percent	314	1.9%	366	1.8%
30 percent or more	630	3.9%	3,196	16.0%
<b><i>Incomes \$35,000 to \$49,999</i></b>	1,440	8.9%	3,071	15.3%
Less than 20 percent	511	3.2%	166	0.8%
20 to 29 percent	356	2.2%	1,081	5.4%
30 percent or more	573	3.5%	1,824	9.1%
<b><i>Incomes \$50,000 to \$74,999</i></b>	2,494	15.4%	3,180	15.9%
Less than 20 percent	951	5.9%	591	3.0%
20 to 29 percent	671	4.2%	1,709	8.5%
30 percent or more	872	5.4%	880	4.4%
<b><i>Incomes \$75,000 or more</i></b>	9,498	58.8%	3,519	17.6%
Less than 20 percent	6,438	39.9%	2,441	12.2%
20 to 29 percent	2,438	15.1%	934	4.7%
30 percent or more	622	3.9%	144	0.7%
<b><i>Zero or negative income</i></b>	143	0.9%	461	2.3%
<b><i>No cash rent</i></b>	(X)	(X)	437	2.2%

Source: US Census, 2015-2019 American Community Survey

As shown in **Figure 32.1: City of Chico, Renter Households by Percent of Income Paid Toward Housing Costs Table, 2019**, 35% of renter households in Chico paid 50% or more of their income toward housing costs. This proportion was significantly higher than renter households that paid 50% or more of their income toward housing costs in the State of California overall. Just over half of renter households in Chico paid more than 35% of income toward housing costs.

**Figure 32.1: City of Chico, Renter Households by Percent of Income Paid Toward Housing Costs Table, 2019**

Percent of Income Paid Toward Housing Costs	City of Chico	Percent of Total	State of California	Percent of Total
<b>Total</b>	19,881		5,880,000	
<b>Less than 10.0%</b>	537	2.7%	167,652	2.9%
<b>10.0%-14.9%</b>	919	4.6%	385,217	6.6%
<b>15.0%-19.9%</b>	1,300	6.5%	614,966	10.5%
<b>20.0%-24.9%</b>	1,816	9.1%	679,934	11.6%
<b>25.0%-29.9%</b>	2,114	10.6%	642,059	10.9%
<b>30.0%-34.9%</b>	1,813	9.1%	531,852	9.0%
<b>35.0%-39.9%</b>	1,261	6.3%	400,951	6.8%
<b>40.0%-49.9%</b>	2,190	11.0%	570,435	9.7%
<b>50.0% or more</b>	6,995	35.2%	1,590,266	27.0%
<b>Not computed</b>	936	4.7%	296,668	5.0%

*Source: US Census, 2015-2019 American Community Survey*

**Figure 32.2: City of Chico, Market Rent Compared to Affordable Rent Table, 2021** shows market rent compared to affordable rent by income level. Affordable rent is calculated at 30% of monthly income. A three-person Very Low-Income household earning 50% of Area Median Income can afford rent at \$796, which is \$396 less than the Fair Market Rent for a two-bedroom unit in Butte county. An Extremely Low-Income household earning 30% of Area Median Income can afford rent at \$549, which is \$643 less than the Fair Market Rent for a two-bedroom unit in Butte county. In the 2014 City of Chico Housing Element update, the affordability gaps were \$206 for a Very Low-Income household and \$463 for an Extremely Low-Income household.

Figure 32.2: City of Chico, Market Rent Compared to Affordable Rent Table, 2021

Affordability Category	Affordable Rent	Income (3-person Household)	Rent Affordability Gap
Chico 2-bdrm Fair Market Rent	\$1,192	\$47,680	N/A
Low-Income Household	\$1,272	\$50,900	N/A
Very Low-Income Household	\$796	\$31,850	\$396
Extremely Low-Income Household	\$549	\$21,960	\$643

Source: U.S. Department of Housing and Urban Development, 2021 Fair Market Rent and Section 8 Income Limits

#### **Availability of Affordable Units**

Figure 32.3: City of Chico, Publicly Subsidized Permanent Rental Units Table, 2021 lists publicly subsidized affordable rental units within Chico. There are 1,698 such units in Chico, of which 24% are affordable to Extremely Low-Incomes (30% of Area Median Income or less), 52% are affordable to Very Low-Incomes (30%-50% of Area Median Income), and 24% are affordable to Low-Incomes (50%-80% of Area Median Income)

Figure 32.3: City of Chico, Publicly Subsidized Permanent Rental Units Table, 2021

Project Name	Target Population	Income Affordability			Unit Size					
		Low	Very Low	Extremely Low	Studios	1BR	2BR	3BR	4BR	Total Subsidized Units
Alamont Apts.	Families and Individuals	27	3			10	20			30
Avenida Apts.	Homeless and Persons w/ Disabilities			14	8	5	1			14
Bidwell Park Apts.	Families and Persons w/ Disabilities	8	25	4		15	10	12		37
Campbell Commons	Extremely Low-Income Individuals			55	55					55
Cedar Village	Families and Individuals		116			28	56	32		116
Chico Commons	Families and Individuals	57	15			17	27	28		72
Chico Courtyards	Families and Individuals	17	58			0	28	47		75
Chico Gardens	Families and Individuals	52	40			28	62	2		92
Cinnamon Village	Families and Individuals			79		20	48	11		79
Cordillera Apts.	Families and Persons w/ Disabilities	19	1				20			20
East of Eaton	Families and Individuals	18	58			1	13	36	26	76
Hartford Place	Persons w/ Disabilities			20		14	6			20
Harvest Park Apts.	Families and Persons w/ Disabilities	65	15	9		12	40	25	12	89
Jarvis Gardens	Seniors		49			49				49
La Vista Verde	Farmworkers	5	28				14	14	5	33
Lincoln Apts.	Families and Individuals	2	2			1	3			4
Longfellow Apts.	Persons w/ Disabilities	12				8	4			12
Lucian Manor	Seniors and Persons w/ Disabilities		38			38				38
Murphy Commons	Families and Individuals		86				55	27	4	86
North Point Apts.	Families and Persons w/ Disabilities	19	23	7		5	18	26		49

<b>1200 Park Avenue</b>	Seniors	40	67			86	21			107
<b>Parkside Terrace</b>	Families and Persons w/ Disabilities	40	40	9		6	49	25	9	89
<b>Housing Authority Units</b>	Families and Individuals		145			18	65	54	8	145
<b>Villa Sierra</b>	Families and Individuals			125		60	65			125
<b>Turning Point Commons</b>	Families	7	46			12	23	14	4	53
<b>Villa Rita</b>	Seniors			54	14	30	10			54
<b>Walker Commons</b>	Seniors and Persons w/ Disabilities	22	23	11		56				56
<b>Valley View Apts.</b>	Homeless Individuals w/ Disabilities			14		14				14
<b>Villa Serena</b>	Persons w/ Disabilities			9		9				9
<b>Total</b>		<b>410</b>	<b>878</b>	<b>410</b>	<b>77</b>	<b>542</b>	<b>658</b>	<b>353</b>	<b>68</b>	<b>1,698</b>

*Source: 2020-2024 City of Chico HUD Consolidated Plan*

**Figure 32.4: City of Chico, Low-Income Households Relative to Subsidized Housing Units Table, 2019** illustrates the affordable housing gap in Chico. As of 2019, there were an estimated 12,716 households in Chico earning less than \$35,000 in the previous 12 months, which is roughly equivalent to a four-person Very Low-Income household per the State Income Limits. As shown on Figure 29.2, these households cannot afford the Fair Market Rent. When compared to the number of subsidized housing units in Chico at 2,691, this leaves a gap of 10,025 affordable units.

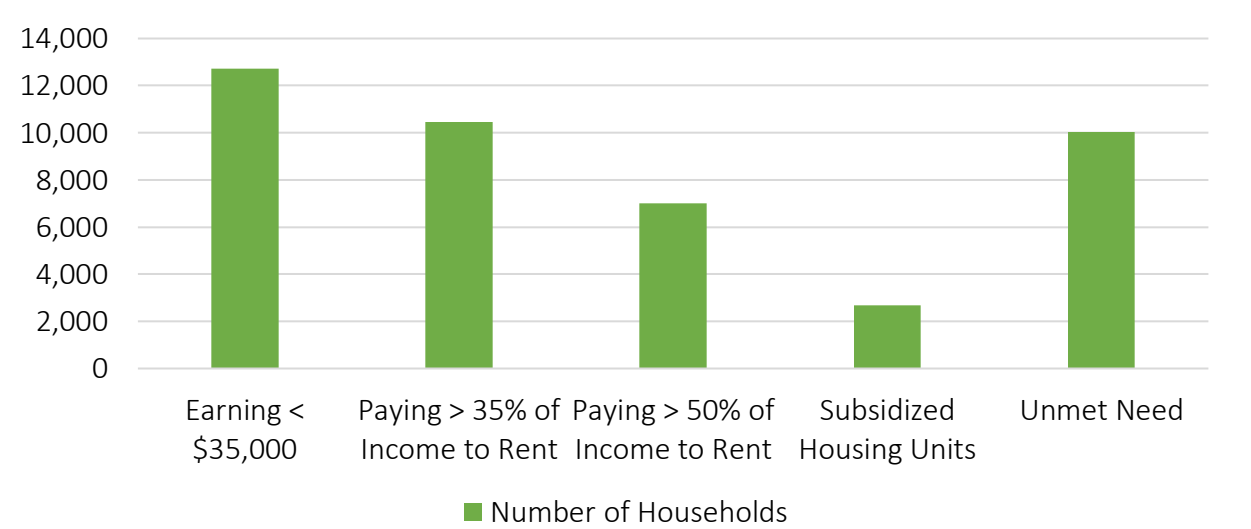
**Figure 32.4: City of Chico, Low-Income Households Relative to Subsidized Housing Units Table, 2019**

	Number of Households
Earning < \$35,000	12,716
Paying > 35% of Income to Rent	10,446
Paying > 50% of Income to Rent	6,995
Subsidized Housing Units	2,691
Unmet Need	10,025

*Sources: 2020-2024 City of Chico HUD Consolidated Plan; Housing Authority of the County of Butte, 2021; U.S. Census Bureau, 2015-2019 American Community Survey*

Note: The number of Subsidized Housing Units includes 1,698 publicly subsidized permanent housing units and 993 Section 8 Housing Choice Vouchers utilized by Chico residents as of January 2021.

**Figure 32.5: City of Chico, Low-Income Households Relative to Subsidized Housing Units Chart, 2019**



**Figure 32.6: City of Chico, For-Sale Home Affordability Table, 2020** breaks down the median income affordable home price compared to the price of a typical new starter home, the median home price, and the typical mid-range new home price. The median home price is about 10% higher than the price affordable to a four-person median income household.

**Figure 32.6: City of Chico, For-Sale Home Affordability Table, 2020**

	Four-Person Median Income Affordable Home Price	Typical New Starter Home Price (1,200 sq. ft.)	Median Home Price	Mid-Range New Home Price (2,000 sq. ft.)
Household Income	\$70,700	\$57,658	\$78,204	\$95,869
Affordable Monthly Housing Payment	\$2,062	\$1,682	\$2,281	\$2,796
Subtract Taxes, MI, and Property Insurance	\$515	\$412	\$586	\$679
Mortgage Payment	\$1,547	\$1,270	\$1,695	\$2,117
Affordable Mortgage	\$355,363	\$291,840	\$389,500	\$486,400
Down Payment	\$18,703	\$15,360	\$20,500	\$25,600
Affordable Home Price	\$374,066	\$307,200	\$410,000	\$512,000

*Note: Assumes affordable housing payment at 35% of monthly income, 3.25% interest rate, 30-year fixed-rate mortgage, 5% down payment, property taxes at 1.1%, monthly mortgage insurance payments of \$80-\$130, monthly property insurance payments of \$50-\$80. Per square foot cost of \$256 per square foot based on average per square foot cost for 2020 sales.*

*Source: Sierra North Valley Realtors, December 2020 Multiple Listing Service, California Department of Housing and Community Development, April 2020*

## EXTREMELY LOW-INCOME HOUSEHOLDS

### ***Income***

Extremely Low-Income (ELI) households earn less than 30% of the Area Median Income, as defined by federal and state governments. In Butte county, 30% of Area Median Income ranges from \$14,850 for a one-person household to \$31,040 for a five-person household. As of 2019, the U.S. Census estimated that there were 9,558 households in

Chico earning less than \$25,000 annually, which is just over 26% of all households, as shown in **Figure 27.1: City of Chico, Household Income Table, 2019**.

The Federal Poverty Level is a measure of material need used by federal agencies to determine eligibility for certain programs and benefits. For 2021, the Federal Poverty Level ranged from \$12,880 for a one-person household to \$31,040 for a five-person household, which nearly aligns with ELI incomes for Chico. In 2019, there were an estimated 2,338 families with income below the Poverty Level (12.3% of all families in Chico). There were an estimated 978 families with income up to 50% of the Poverty Level in Chico (5.1% of all families in Chico), 2,998 families with income up to 125% of the Poverty Level (15.8% of all families in Chico), and 3,686 families with income up to 150% of the Poverty Level (19.4% of all families in Chico). As of 2019 there were an estimated 19,008 families in Chico. A “Family” per the U.S. Census definition “consists of a householder and one or more other people living in the same household who are related to the householder by birth, marriage or adoption.” (**Figure 33: City of Chico, Families by Poverty Status Table, 2019**)

**Figure 33: City of Chico, Families by Poverty Status Table, 2019**

	Number of Families	% of Total Families
Families with Income up to 50% of Poverty Level	978	5.1%
Families with Income up to 100% of Poverty Level	2,338	12.3%
Families with Income up to 125% of Poverty Level	2,998	15.8%
Families with Income up to 150% of Poverty Level	3,686	19.4%
Total Families	<b>19,008</b>	

*Source: U.S. Census Bureau, 2015-2019 American Community Survey*

### ***Overpayment***

Most ELI households are rent burdened, many live in overcrowded conditions, and many are at-risk of becoming homeless. **Figure 32: City of Chico, Households by Percent of Income Paid Toward Housing Costs Table, 2019** shows that there were 7,117 households in Chico that earned less than \$20,000 annually as of 2019 (29% of all households). Of these households, 93% paid 30% or more of their income toward housing costs. Of the 6,584 households earning less than \$20,000 that paid 30% or more of their income toward housing costs, 1,062 were homeowners and 5,522 were renters.

### ***Overcrowding***

Given the limited purchasing power of ELI households, and the large proportion of ELI households that are rent burdened, it is likely that a large proportion of Overcrowded households are ELI. **Figure 28.4: City of Chico, Overcrowding by Occupants per Room**



**Table, 2019** shows that in 2019, there were an estimated 909 Overcrowded and 299 Severely Overcrowded housing units in Chico.

### ***Available Units, Resources, and Policies***

The Regional Housing Needs Allocation for Chico estimates a need for the production of 1,001 units affordable to Very Low-Income households, half of which should be affordable to ELI households, over the 2022-2030 Housing Element planning period. The provision of ELI affordable housing usually requires significant public subsidy for capital costs as well as operations. The very low ELI affordable rents usually necessitate rental assistance such as Section 8 Project Based Vouchers to cover operating expenses. This type of rental assistance pays the landlord the difference between 30% of tenant income and Fair Market Rents as set by HUD. In addition to financing, various local policies can help facilitate the production of ELI housing. These are listed below:

- Allowance for Single-Room Occupancy (SRO), group homes, and/or tiny home projects as permitted uses in the Municipal Code;
- Allowance for Transitional and Supportive Housing in all residentially zoned districts, with no restrictions beyond what would apply to any other types of residential development;
- Impact fees with sliding scales based on unit size so as not to place an undue financial burden on projects with small units; and
- Impact fee waivers or deferrals for projects with low-income or ELI affordable rents.

The City of Chico has employed all of the strategies listed above to facilitate ELI housing.

## **SPECIAL NEEDS HOUSEHOLDS**

Data on special needs households, including seniors, people with disabilities, female-headed households, large households, people experiencing homelessness, and farmworkers, can be found in this section. Below is a sample (non-comprehensive) list of resources available to these special needs households. Resources are listed in alphabetical order.

### ***Resources***

- Butte Countywide Homeless Continuum of Care, housing and service system for people experiencing or at-risk of homelessness,  
<https://www.buttehomelesscoc.com/>

- Butte-Glenn 211, low-cost and no-cost health and human services resource information and referrals, <http://helpcentral.org/>
- Disability Action Center, supportive services for people with disabilities, <https://actionctr.org/>
- Far Northern Regional Center, supportive services for people with developmental disabilities, <https://www.farnorthernrc.org/>
- Housing Authority of the County of Butte, housing for low- and moderate-income households, including farmworkers, seniors, and people with disabilities, <http://www.butte-housing.com/>
- Legal Services of Northern California, legal services for seniors and people who are low-income, <https://lsnc.net/office/chico>
- Passages, supportive services for seniors and their caregivers, <https://www.passagescenter.org/>
- Valley Oak Children's Services, supportive services for children and families, <https://www.valleyoakchildren.org/>

### ***Seniors***

As of 2019, there were an estimated 16,859 people 60 years and older in Chico. This is approximately 18% of the population. Of householders in Chico that are 65 years and older, about a third (2,687 households) have an annual income that is less than \$30,000, and 13% have an annual income that is less than \$15,000 (1,055 households). A higher percentage of seniors in Chico earned less than \$15,000 per year in 2019 than in 2012. This points to the strong need for affordable housing for seniors. Almost half of seniors have Extremely Low- or Very Low-Incomes, and most have fixed incomes because they are no longer employed. Seniors with limited fixed incomes require restricted affordable rents that provide predictability, security, and stability (**Figure 34: City of Chico, Income for Householders 65 Years and Over Table, 2019**).

Figure 34: City of Chico, Income for Householders 65 Years and Over Table, 2019

	Number of Households	% of All Senior Householders
Less than \$15,000	1,055	13.2%
\$15,000 to \$29,999	1,632	20.4%
\$30,000 to \$44,999	1,023	12.8%
\$45,000 to \$59,999	1,033	12.9%
\$60,000 to \$74,999	750	9.4%
\$75,000 to \$99,999	875	11.0%
Over \$100,000	1,617	20.3%
Total	7,985	100%

Source: U.S. Census Bureau, 2015-2019 American Community Survey

As shown in **Figure 34.1: City of Chico, Persons with a Disability by Age Table, 2019**, an estimated 4,061 persons 65 years and older in Chico have a disability. This is 33% of the estimated 12,293 persons in this age group. This is similar to the proportion of persons 65 years and older with a disability for the State of California as a whole (35%). The most frequent disability type for persons 65 years and older in Chico according to the U.S. Census is “ambulatory difficulty” (2,331), followed by “hearing difficulty” (2,073), and “independent living difficulty” (1,782).

Figure 34.1: City of Chico, Persons with a Disability by Age Table, 2019

	Persons	Percent of Total Civilian Noninstitutionalized Population
Persons with a Disability	11,773	12.5%
Under 5 Years	29	0.0%
18-34 Years	2,964	3.2%
35-64 Years	3,854	4.1%
65-74 Years	1,342	1.4%
75 Years and Over	2,719	2.9%

Source: U.S. Census Bureau, 2015-2019 American Community Survey (civilian noninstitutionalized population)

Seniors will benefit from a continuum of housing options that accounts for mental and physical disabilities, and restricted mobility challenges that may change over time. Publicly subsidized affordable housing typically helps seniors live independently and age in place for as long as possible. The physical design incorporates ADA units and ADA adaptable features for physical and sensory impairments, in addition to full accessibility

to units and common areas for wheelchair users. Semi-independent retirement communities and nursing facilities are other residential models that meet critical needs for seniors.

There are five low-income, publicly subsidized senior housing complexes in Chico with a total of 304 units. These include 62 units affordable to Low-Income households, 178 units affordable to Very Low-Income households, and 65 units affordable to Extremely Low-Income households. The projects are listed below.

- 1200 Park Avenue Apartments has 107 apartments restricted to seniors, including 86 one-bedroom units and 21 two-bedroom units. Of these units, 40 are affordable to Low-Income households and 67 are affordable to Very Low-Income households.
- Villa Rita has 54 apartments restricted to Extremely Low-Income seniors, including 14 studios, 30 one-bedroom units, and 10 two-bedroom units.
- Jarvis Gardens has 49 one-bedroom apartments restricted to Very Low-Income senior households.
- Walker Commons has 56 one-bedroom apartments restricted to seniors and persons with disabilities, including 22 units affordable to Low-Income households, 23 units affordable to Very Low-Income households, and 11 units affordable to Extremely Low-Income households.
- Lucian Manor has 38 one-bedroom apartments affordable to Very Low-Income seniors and persons with disabilities.

There are 18 state-licensed assisted living care facilities for the elderly located throughout Chico with accommodation for 559 seniors (*State of California Community Care Licensing Division, 2021*).

### ***Persons with a Disability***

Persons with disabilities have particular housing needs depending on their situation. Public funding sources for housing typically require that 5%-10% of units are fully accessible for persons with physical disabilities per the Americans with Disabilities Act, and that 2% are accessible to persons with sensory disabilities. In addition, publicly assisted affordable housing often offers resident services that connect tenants with local peer support and advocacy organizations, health services, and transportation assistance. A number of federal and state sources fund Permanent Supportive Housing for persons with mental disabilities, which include individualized case management and mental health services.

There were an estimated 12,316 persons with a disability in Chico in 2019 according to the U.S. Census. This was 12% of the total Chico population. This was similar to the proportion of persons with a disability statewide, which was about 11%. **Figure 35: City of Chico, Disability Characteristics Table, 2019** shows that the greatest disability

characteristic is “Cognitive difficulty” with 5.5% of the total population, followed by “Independent living difficulty” at 4.7%, and “Ambulatory difficulty” at 4.4%. Note that one individual may have multiple disability characteristics.

**Figure 35: City of Chico, Disability Characteristics Table, 2019**

	Persons	Percent of Total
<b>Total population</b>	102,599	100%
<b>Persons with a disability</b>	12,316	12.0%
<b>Hearing difficulty</b>	3,691	3.6%
<b>Vision difficulty</b>	2,132	2.1%
<b>Cognitive difficulty</b>	5,645	5.5%
<b>Ambulatory difficulty</b>	4,565	4.4%
<b>Self-care difficulty</b>	2,149	2.1%
<b>Independent living difficulty</b>	4,832	4.7%

*Source: U.S. Census Bureau, 2015-2019 American Community Survey (civilian noninstitutionalized population)* Note: One individual may have multiple types of disability.

State Housing Element law also requires jurisdictions to specifically analyze needs for persons with developmental disabilities. The California State Department of Developmental Services provides data on Regional Center and Early Start consumers by zip code. As of the end of June 2021, there were 1,596 consumers (715 under 18 years old and 881 over 18 years old) with developmental disabilities in the city of Chico zip codes 95926, 95928, and 95973. A portion of the 95973 zip code is outside city of Chico boundaries to the north. In terms of type of residence of consumers in these zip codes: 1,092 live in the home of parent, family, or guardian; 388 have independent or supported living situations; 60 live in community care facilities; 18 live in intermediate care facilities; and 38 live in foster of family homes.

The Far Northern Regional Center manages services for persons with developmental disabilities in Butte county. The Far Northern Regional Center provides early intervention and behavior services, respite care, licensed homes, adult day activities, supported employment, and healthcare coordination.

There are 11 low-income, publicly subsidized housing complexes with units targeted to persons with disabilities in Chico with a total of 208 units. These include 53 units affordable to Low-Income households, 62 units affordable to Very Low-Income households, and 93 units affordable to Extremely Low-Income households. The projects are listed below.

- Avenida Apartments has 14 apartments serving individuals with disabilities and experiencing homelessness that are affordable to Extremely Low-Income households, including 8 studios, 5 one-bedroom units, and 1 two-bedroom unit.

- Cordillera Apartments has 20 one-bedroom apartments serving families and persons with disabilities, with 19 units affordable Low-Income households and 1 unit affordable to Very Low-Income households.
- Harvest Park Apartments has 9 studios within the 89-unit complex that serve persons with disabilities that are affordable to Extremely Low-Income households.
- Longfellow Apartments has 12 apartments serving persons with disabilities that are affordable to Low Income households, including 8 one-bedroom units and 4 two-bedroom units.
- Hartford Place has 20 apartments serving individuals with disabilities that are affordable to Extremely Low-Income households, including 14 one-bedroom units and 6 two-bedroom units.
- Lucian Manor has 38 one-bedroom apartments affordable to Very Low-Income seniors and persons with disabilities.
- North Point Apartments has 7 apartments within the 49-unit complex that serve persons with disabilities that are affordable to Extremely Low-Income households.
- Parkside Terrace has 9 apartments within the 89-unit complex that serve persons with disabilities that are affordable to Extremely Low-Income households.
- Walker Commons has 56 one-bedroom apartments restricted to seniors and persons with disabilities, including 22 units affordable to Low Income households, 23 units affordable to Very Low-Income households, and 11 units affordable to Extremely Low-Income households.
- Valley View Apartments has 14 one-bedroom apartments serving homeless individuals with disabilities that are affordable to Extremely Low-Income households.
- Villa Serena has 9 one-bedroom apartments serving persons with disabilities that are affordable to Extremely Low-Income households.

Chico has incorporated a reasonable accommodation policy into its zoning and building codes. This means that non-discretionary variances can be made to zoning and building code requirements if the request is made on behalf of a person with disabilities. More detail is provided in Chapter 6: Constraints Analysis.

A number of local organizations provide services to persons with disabilities, including the Butte 211, Disability Action Center, Far Northern Regional Center, Passages, and Legal Services of Northern California. These organizations coordinate with the City through the Homeless Task Force and planning processes such as the Housing Element, Consolidated Plan, and General Plan.

### ***Female-Headed Households***

About 22% of families in Chico are female-headed households with no spouse present, which is an estimated 4,263 families. These families have a much lower median income

than married-couple families, and families in general, as shown in **Figure 36: City of Chico, Family Median Income Table, 2012 & 2019**. The median income for female-headed families is 39% of the median income for married-couple families. This proportion was slightly higher in 2019 than in 2012.

**Figure 36: City of Chico, Family Median Income Table, 2012 & 2019**

	2012 Median Income	2019 Median Income
<b>Families</b>	\$47,134	\$53,324
<b>Married-couple families</b>	\$67,807	\$94,763
<b>Female householder, no spouse present</b>	\$23,647	\$36,750
<b>Male householder, no spouse present</b>	\$28,377	\$43,574

*Source: U.S. Census Bureau, 2012 and 2015-2019 American Community Surveys*

Another indicator of economic well-being is the number of families with income below the poverty level. A much larger proportion of female-headed families has income below the poverty level (28.4%) than families overall (12.3%), and a much larger proportion of female-headed families with related children under 18 years old has income below the poverty level (37.5%) than families overall (12.3%) (**Figure 36.1: City of Chico, Female Householder Families Below Poverty Level Table, 2019**).

**Figure 36.1: City of Chico, Female Householder Families Below Poverty Level Table, 2019**

	Number of Female Householder Families, No Spouse Present	% of Female Householder Families, No Spouse Present	Number of Female Householder Families, No Spouse Present, With Related Children of the Householder Under 18 Years	% of Female Householder Families, No Spouse Present, With Related Children of the Householder Under 18 Years
<b>Below poverty level</b>	1,214	28.4%	974	37.5%
<b>At or above poverty level</b>	3,049	71.6%	1,625	62.5%
<b>Total</b>	4,263		2,599	

*Source: U.S. Census Bureau, 2015-2019 American Community Survey*

Female-headed households can benefit from a number of features offered by publicly subsidized housing. Most importantly this type of housing offers affordable restricted rent. In addition, many of these types of housing projects offer after-school programs and youth recreation programs. Many also have amenities such as computer labs,

community rooms for youth activities and adult education, and playgrounds. Affordable childcare is also a critical need for these families.

### **Large Households**

A breakdown of the number of households by household size for Chico is shown in **Figure 37: City of Chico, Household Size Table, 2019**. Most households fall into the one-person and two-person household size categories, with 64.1% of all households falling into those two categories. There are 7,282 households with four or more persons, which is 20.1% of all households.

**Figure 37: City of Chico, Household Size Table, 2019**

	Households	% of Total
1-person	10,670	29.5%
2-persons	12,533	34.6%
3-persons	5,679	15.7%
4-persons	5,099	14.1%
5-persons	1,380	3.8%
6-persons	559	1.5%
7-or-more persons	244	0.6%
Total	36,164	

*Source: U.S. Census Bureau, 2015-2019 American Community Survey*

**Figure 37.1: City of Chico, Median Family Income by Family Size Table, 2019** shows that families with four or more persons have a much higher median income than families with fewer than four persons. Interestingly, families with five and six persons have a lower median income than families with four persons.



Figure 37.1: City of Chico, Median Family Income by Family Size Table, 2019

	Median Income
2-persons	\$65,953
3-persons	\$70,759
4-persons	\$103,089
5-persons	\$89,663
6-persons	\$94,856
7-persons or more	\$151,635

Source: U.S. Census Bureau, 2015-2019 American Community Survey

Due to expensive housing costs and other costs of living in Chico, many large households earning near or less than median income may struggle to make ends meet. Large households also face challenges securing housing that is not overcrowded. The 2021 Fair Market Rent for a four-bedroom unit in Chico is \$2,064, which would be affordable for a household earning at least \$82,560 annually, which is just under the median income for five-person and six-person families. This rent is unaffordable for four-person families earning less than 80% of Area Median Income at \$63,350.

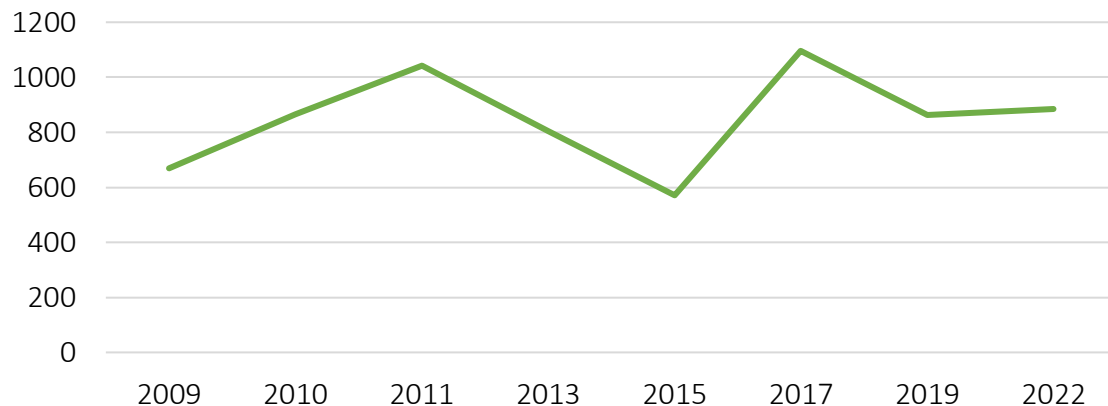
Publicly subsidized housing with three-bedroom or four-bedroom units addresses the needs of Low-Income large families. There are 14 low-income, publicly subsidized housing complexes with a total of 353 three-bedroom units in Chico. In addition, there are seven low-income, publicly subsidized housing complexes with a total of 68 four-bedroom units in Chico.

### ***People Experiencing Homelessness***

The Butte Countywide Homeless Continuum of Care conducts a Point-In-Time Homeless Census every other year. People experiencing homelessness complete voluntary surveys that provide information about the characteristics and causes of homelessness. This is not an exhaustive survey of every individual experiencing homelessness throughout the year, but a snapshot of the number of individuals surveyed on one particular day of the year. The actual number of persons experiencing homelessness at any point during the year is likely higher than the number surveyed in the Point-In-Time Homeless Census.

The most recent Point-In-Time Census for Butte county for which results are available, was conducted in January 2022. The 2021 Point-In-Time Census was rescheduled to January of 2022 due to the COVID-19 pandemic. **Figure 38: City of Chico, Homeless Point-In-Time Count Chart, 2009-2022** shows results over the most recent 13-year period in which the Homeless Census was conducted. The number of persons experiencing homelessness counted increased from 668 in 2009 to 885 in 2022, an increase of 32%. The highest count was registered in 2017 with 1,096 persons surveyed.

Figure 38: City of Chico, Homeless Point-In-Time Count Chart, 2009-2022 Chart



Below are noteworthy findings gathered from the most recent 2022 Point-In-Time Homeless Census.

#### **Nighttime Habitation**

- 393 individuals surveyed were unsheltered (44% of total), and 492 were living in temporary shelter (56% of total).
  - Of unsheltered individuals surveyed that provided a response of where they slept the previous night, 42% slept in an outdoor encampment, 25% park, 10% street or sidewalk, 9% vehicle, boat or RV, 5% under bridge or overpass, 2% with a friend or family, 6% other.
  - Of sheltered individuals surveyed, 47% were staying in emergency shelter, 44% in permanent supportive housing, and 9% were staying in rapid re-housing.

#### **Chronic Homelessness, Frequency & Duration of Homelessness**

A person who is defined by HUD as being “chronically homeless” if they have a disability and has lived in a shelter, safe haven, or place not meant for human habitation for 12 continuous months or for 4 separate occasions in the last three years (must total 12 months).

- Of survey participants, 209 (25%) identified as being Chronically Homeless.
- When a participant was asked if this was the first time being homeless, 41% responded that it was their first time that they had been homeless.

- Survey participants reported staying in shelters or on the streets for a range of time during the past three years, including: 0-3 months (10%), 4-6 months (10%), 6-11 months (16%); 1-2 years (21%); 2-3 years (10%), and 3 or more years (34%).

### **Camp Fire Impacts**

51 survey participants (6%) considered themselves a survivor of either the 2017 Wall Fire, 2018 Camp Fire, or 2020 Bear/North Complex Fire. Of those who identified as Camp Fire survivors, 27 (73%) identified as being unsheltered and 10 (27%) identified as being sheltered.

### **Local Issues & Services**

- 52% of survey participants were living in Butte county when they became homeless.

As Chico has a large college student population, it is important to note that homelessness is a challenge faced by a significant number of students. A recent report completed by the UCLA Center for the Transformation of Schools, found that one in five community college students, and one in 10 California State University students, are impacted by homelessness. This report also documented the extent of homelessness among kindergarten through 12<sup>th</sup> grade students (K-12) across the State of California. The California Department of Education reports that over 269,000 K-12 students experience homelessness in California. The number of homeless students has grown by 48% over the last decade, and students of color are disproportionately affected by homelessness. *(Bishop, J.P., Camargo Gonzalez, L., Rivera, E. (2020). State of Crisis: Dismantling Student Homelessness in California. Center for the Transformation of Schools, School of Education & Information Studies, University of California, Los Angeles.)*

Beyond permanently affordable rental housing, a variety of sheltering strategies have been used in Chico to assist persons experiencing homelessness. Emergency shelters provide short term shelter, often with referral to other longer-term housing options as well as community services. Transitional housing provides temporary housing, usually for periods of up to 24 months at a time, with supportive services that assists residents to build self-sufficiency and transition to permanent housing. Permanent Supportive Housing is housing without a limit on the length of residency that provides a variety of supportive services to help residents stabilize and progress in terms of health, income, and/or employment. Emergency shelters, transitional housing, and permanent supportive housing in Chico are listed in **Figure 38.1: City of Chico, Shelter, Transitional, and Permanent Supportive Housing Beds Table, 2021** below.

A number of local organizations provide services to persons experiencing homelessness, including the Butte Countywide Homeless Continuum of Care, Butte County Behavioral Health, Butte 211, True North, Jesus Center, the Housing Authority of the County of Butte, Legal Services of Northern California, CHAT, Caminar, VECTORS, and Community Action Agency of Butte County. These organizations coordinate with the City through the Homeless Task Force and planning processes such as the Housing Element, Consolidated Plan, CoC 10-Year Plan to End Homelessness, and General Plan.

Figure 38.1: City of Chico, Shelter, Transitional, and Permanent Supportive Housing Beds Table, 2021

Project Name	Target Population	Emergency Shelter Beds		Transitional Housing Beds	Permanent Supportive Housing Beds	Total Beds
		Year-Round Beds	Voucher/Seasonal Overflow Beds	Current	Current	-
<b>HOUSEHOLDS WITH ADULTS AND CHILDREN</b>						
True North: Aurora House	Adults & Children			30		30
Jesus Center: Sabbath House	Homeless	60		60		120
Catalyst: Haven	Victims of Domestic Violence & Children	28				28
Catalyst: Cottages	Victims of Domestic Violence & Children			8		8
CAA: Esplanade House	Homeless Families w/ Children			26	33	59
Jesus Center: House of Hope	Adults & Children			8		8
Jesus Center: Myrtle House	Adults & Children			11		11
Jesus Center: Lily House	Adults & Children			8		8
Jesus Center: Sequoia House	Adults & Children			9		9
Chico Housing Action Team: Scattered Sites	Homeless Families w/ Children			13		13
Salvation Army: Ann and Emmitt Skinner TLP	Adults & Children			16		16
<b>Total Households w/Adults &amp; Children Beds</b>		<b>88</b>		<b>189</b>	<b>33</b>	<b>310</b>
<b>HOUSEHOLDS WITH ONLY ADULTS</b>						
True North: Torres Shelter	Homeless Individuals & Families	195				

<b>Caminar: Avenida</b>	Chronically Homeless w. Disabilities				14	
<b>NVCSS: Valley View</b>	Chronically Homeless w. Mental Health				14	
<b>Salvation Army: George Walker Center</b>	Homeless Individuals			50		
<b>True North: Rescue Mission</b>	Homeless Individuals			50		
<b>True North: Friends House</b>	Homeless Individuals			6		
<b>True North: James Place</b>	Chronically Homeless or Veterans				4	
<b>True North: Magnolia House</b>	Homeless Individuals				4	
<b>Safe Space: Seasonal Winter Shelter</b>	Homeless Individuals & Families		35			
<b>Jesus Center: Sage House</b>	Homeless Individuals			4		
<b>Jesus Center: Birch House</b>	Homeless Individuals			8		
<b>Jesus Center: Holly House</b>	Homeless Individuals			7		
<b>Chico Housing Action Team: Scattered Sites</b>	Homeless Individuals				139	
<b>BCBH: SEARCH III</b>	Homeless Individuals				3	

BCBH: SEARCH II	Chronically Homeless				3	
Vectors: Transitional Housing for Veterans	Homeless Veterans			15		
Orchard House	Homeless Individuals; Substance Abuse Treatment			6		
<i>Total Households with Only Adults Beds:</i>		<b>210</b>	<b>50</b>	<b>146</b>	<b>181</b>	<b>599</b>
UNACCOMPANIED YOUTH						
Youth for Change	Homeless Youth			2	4	
<i>Total Unaccompanied Youth Beds:</i>				<b>2</b>	<b>4</b>	<b>6</b>
<i>Total</i>						<b>821</b>

*Source: 2020-2024 City of Chico Consolidated Plan*

### **Farmworkers**

An estimated 967 people were employed in the Agriculture, Forestry, Fishing and Hunting, and Mining Industry in Chico as of 2019, which is 2.1% of all employed residents. This is similar to the State of California as a whole. Statewide 2.2% of all employed residents are employed in the Agriculture, Forestry, Fishing and Hunting, and Mining Industries.

The Census of Agriculture is conducted every five years by the U.S. Department of Agriculture (USDA), and is a count of U.S. farms and ranches and the people who operate them. This data is available at the county level but not the city level and is provided for additional context about farmworkers in Butte county. About 13% of all workers on farms with hired labor in Butte county are migrant workers. This means these workers travel from their permanent place of residence to find work at one or more agricultural employers.

**Figure 39: Butte County, Farm and Labor Characteristics Table, 2017**

Jurisdiction	Number of Farms	Number of Farms with Hired Labor	Number of Workers on Farms with Hired Labor	Total Migrant Workers on Farms with Hired Labor
<b>Butte County</b>	1,912	709	4,348	580

*Source: U.S. Department of Agriculture, 2017 Census of Agriculture*

The Housing Authority of the County of Butte (HACB) owns farm labor housing (also known as farmworker housing) in the city of Gridley which is located in south Butte county. The farmworker housing in Gridley is located approximately 30 miles from Chico via Highway 99. This is the only farmworker housing owned by HACB in Butte County.

HACB and property management firm AWI Management Corporation staff provided information about the Gridley farmworker housing via email correspondence on April 7 and April 19, 2022. There are 79 occupied units with an average rental contribution of \$524 per month. There are 4 one-bedroom units, 59 two-bedroom units, 12 three-bedroom units, and 4 four-bedrooms units. At the time of the correspondence, there were eight households on the waiting list for a unit. AWI Management Corporation had started marketing units using local radio, printing leasing banners, and generating flyers for distributing to local agricultural employees.

Community Housing Improvement Program (CHIP) is a private, non-profit 501(c)(3) corporation serving Butte, Glenn, Tehama, Shasta, Sutter, Yuba, and Colusa counties. CHIP assists low-income and rural disadvantaged residents, seniors, and others who lack financial resources or knowledge to improve or provide adequately for their housing.



CHIP has built more than 2,600 housing units in its seven-county service area (*Community Housing Improvement Program, Website, 2022*).

In an interview for the Housing Element on April 11, 2022 via Zoom and email correspondence on April 4 and 22, 2022, CHIP staff shared farmworker housing needs and resources in Butte and Glenn counties where their properties are located. CHIP has three farmworker housing projects, with the first coming online in the 1980s. La Vista Verde in Chico (Butte county) has 33 units, Las Palmas in Hamilton City (Glenn county) has 12 units, and Rancho de Soto in Orland (Glenn county) has 33 units. All three properties have U.S. Department of Agriculture (USDA) funding, and Rancho de Soto also has Joe Serna, Jr. Farmworker Housing Grant Program and Low-Income Housing Tax Credits (LIHTC) funding.

La Vista Verde in Chico has 14 two-bedroom, 14 three bedroom, and 4 four-bedroom units in addition to 1 four-bedroom manager's unit. The average tenant rental contribution per month is \$423. The waitlist is minimal with two households as of April 11, 2022. Staff commented that this is due to difficulty with qualifying households and filling units, which is explained in more detail in the following paragraphs.

CHIP's farmworker housing tenants typically work locally in fields, orchards, dairies, factories, and warehouses that process agricultural products. Some of the tenants work seasonally and others work year-round. Some seasonal workers have different employment in different seasons. Workers are busiest during harvest May through June and September through October. According to property management staff, tenants' employment was not affected much by the COVID-19 pandemic.

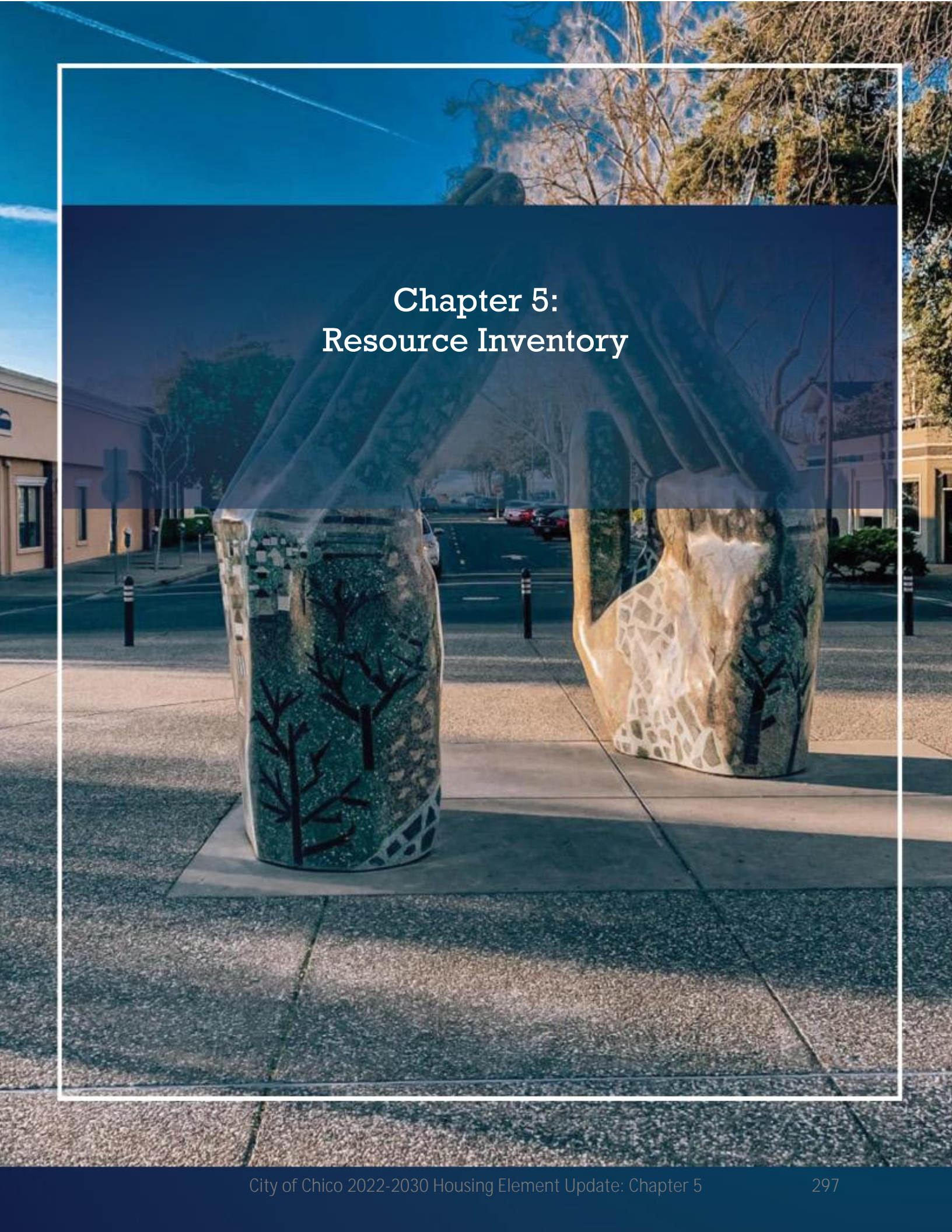
All three farmworker housing projects in Butte and Glenn counties require eligible immigration status (e.g. permanent resident, citizen, etc.), and a low-income of 50% AMI or less. If one member of the household is working full-time at the California minimum wage of \$15 per hour, any overtime puts the household over the income requirement. Overtime is common for farmworkers at certain times of the year due to seasonal crop harvest. Thus, to meet income requirements with one person of the household working full-time with some overtime, a household would need to be at least three-persons and some households would need to be at least four-persons to qualify. Staff observed that workers with eligible immigration status tend to earn more than what the income limits allow for the housing projects. Rancho de Soto in Orland has LIHTC funding which requires between 30-50% AMI, which staff commented makes it more challenging to find qualified households. Staff shared their perspective that Area Median Income (AMI) is too low for Butte county. Farmworkers with eligible immigration status are typically paid at least minimum wage. With a two-income household, this means they are not eligible for CHIP's housing because they are over income at higher than 50% AMI.

CHIP staff shared unmet needs of farmworker housing in Butte and Glenn counties. These unmet needs include housing that does not require eligible immigration status. There is a mismatch of income and status occurring. Farmworkers with eligible status have higher incomes and do not qualify for housing, whereas farmworkers without

documentation have lower incomes but do not qualify for housing due to lack of eligible status. The typical reason for denying an applicant is due to a lack of eligible immigration status. While CHIP staff has had periodic conversations with USDA about these regulations they do not know of organized statewide advocacy on this issue. Though temporary waivers for projects are possible from USDA, USDA and HCD would have to work together to address regulation issues because both funding sources are typically part of farmworker housing projects.

After the 2018 Camp Fire, USDA temporarily waived the farmworker requirement for farmworker housing. Camp Fire survivors who were not farmworkers were able to move into La Vista Verde in Chico and Las Palmas in Hamilton City. This did not happen at Rancho de Soto in Orland due to LIHTC requirements. CHIP's property management staff stated that at one point after the Camp Fire, La Vista Verde had almost one-third of units filled by fire survivors who were not farmworkers. Effects of this atypical dynamic included more pets and service animals and some tension between long-term farmworker tenants and the new Camp Fire survivor tenants, the latter of which were not strongly welcomed into the community by the former. Long-term farmworker tenants cited issues of fairness, wondering why the new tenants did not have to be farmworkers to qualify for the housing while they did.

In conclusion, there are four farmworker housing projects in Butte and Glenn counties owned by HACB and CHIP. While these counties are known as agriculturally rich areas, issues persist with matching housing needs to available resources for farmworker households. A mismatch of need to regulated resources is occurring, causing resources to be underutilized and households not being able to be housed.



## Chapter 5: Resource Inventory



## INTRODUCTION

This chapter will describe the various resources that can be employed to produce a variety of housing types to meet the needs described in Chapter 4. The principal resources required are adequate appropriately zoned land and financing. There are opportunities to use these resources to not only produce housing, but also further energy conservation, as residential structures are a major energy user and greenhouse gas producer. This chapter will explore available resources in the following sections:

- Adequate Sites Inventory
- Financial Resources
- Energy Conservation Opportunities

## ADEQUATE SITES INVENTORY

### ***Regional Housing Needs Allocation***

State Housing Element Law requires local governments to plan for their housing needs based on future growth projections that are established by the Regional Housing Needs Allocation (RHNA). The RHNA establishes goals for the production of housing affordable to various income levels— Above Moderate-, Moderate-, Low-, and Very Low-Income. The goals for Extremely Low-Income and Very Low-Income affordable units are evenly split (50/50) within the Very Low-Income Tier as shown below (550.5 Extremely Low- and 550.5 Very Low-Income). The goals are generally set every 7.5 years and correspond with Housing Element planning periods. For each RHNA planning period, the Butte County Association of Governments (BCAG) receives countywide RHNA goals from HCD. BCAG then allocates the RHNA goals to jurisdictions within the county based on a methodology that incorporates five objectives specified by Government Code 65584(d) and four factors specified by Government Code Section 65584.04(e). A draft of the Regional Housing Needs Plan that describes the RHNA allocation methodology and proposed goals for each jurisdiction is made available for review and comment by the jurisdictions before it is finalized and adopted. **Figure 40: City of Chico, Regional Housing Needs Allocation Table, 2022-2030** lists the RHNA goals for Chico by income level for the 2022-2030 planning period (January 1, 2022 through June 30, 2030).

Figure 40: City of Chico, Regional Housing Needs Allocation Table, 2022-2030

Affordability Tier	Number of Units Allocated	Percentage
Very Low	1,101	31.6%
Low	507	14.5%
Moderate	770	22.1%
Above Moderate	1,110	31.8%
Total	3,488	100%

Source: Butte County Association of Governments, 2020 6<sup>th</sup> Cycle Regional Housing Needs Plan

### ***Analysis of Density to Accommodate Lower Income Housing***

Government Code Section 65583.2 requires a city to ensure that there is adequate appropriately zoned land within its jurisdiction to accommodate its RHNA units. This process is implemented through an Adequate Sites Inventory, which identifies sites that are appropriately zoned and can feasibly develop within the Housing Element planning period. The local jurisdiction's allowable density as laid out in its zoning code is used to determine the RHNA income level that will apply to each site identified in the Adequate Sites Inventory (e.g., R4, High Density Residential, 20-70 units/acre). State Housing Element Law recognizes that higher densities generally facilitate greater affordability in housing.

Government Code Section 65583.2(c)(3) requires that Housing Elements establish a reasonable baseline density to feasibly develop lower income housing for the Low- and Very Low-Income RHNA income levels for the Adequate Sites Inventory. For the Adequate Sites Inventory, these two RHNA income levels are combined and called the "Lower Income Site Inventory". The capacity of sites that allow development densities of at least 30 units per acre are credited toward the Low- and Very Low-Income RHNA based on State law. The California Government Code states that if a local government has adopted density standards consistent with the population-based criteria set by State law (at least 30 units per acre for Chico), the State will accept sites with those density standards (e.g., 30 units per acre or higher) as appropriate for accommodating the jurisdiction's share of regional housing need for Low- and Very Low-Income households. Per Government Code Section 65583.2(c)(3)(B), the City's zoning and overlay districts described below are consistent with the State's default density standard for Chico (e.g., 30 units per acre) and, therefore, considered appropriate to accommodate housing for Low- and Very Low-Income households.

### ***Analysis of Realistic Capacity***

Government Code Section 65583.2(c)(1&2) requires that a Housing Element establish a realistic development capacity for each parcel listed in the Adequate Sites Inventory, based on typical densities of existing or approved residential developments at a similar

affordability level in the city. In order to project unit capacity for the Lower Income sites in the Adequate Sites Inventory, the density of the eight most recently approved rent restricted, publicly subsidized housing projects was analyzed, as listed in **Figure 40.1: City of Chico, Lower Income Density Analysis Table, 2021**. All eight projects received entitlements under the current General Plan land use designations and zoning code. The projects had a density range of 18.3 to 36.2 units per acre, with an overall average of 24.6 units per acre. It was therefore determined that any site identified to meet the Lower Income RHNA criteria in the Adequate Sites Analysis, that does not currently have a development proposal or approval, is assumed to develop at 24 units per acre.

**Figure 40.1: City of Chico, Lower Income Density Analysis Table, 2021**

Project Name	Zoning	Allowable Density (du/ac)	Units	Acres	Units/Acre
Lava Ridge	R2-SD2*	6-14	97	4.97	19.5
Creekside Place	R4	20-70	100	4.90	20.3
Deer Creek	R2-SD2*	6-14	204	11.14	18.3
North Creek Crossings	TND	7-35	160	6.42	24.9
Bruce Village Commons	CN**	6-22	59	2.50	23.6
Senator Conness	R3**	14-22	160	5.56	28.8
1297 Park Avenue	RMU-COS	15-70	58	1.60	36.2
Senior Housing on Tonea Way	R3**	14-22	104	4.19	24.8
Average					24.6

*\*SD-2 (Humboldt Road-Foothill) Overlay requires a Planned Development Permit and allows for the transfer and clustering of density to appropriate locations of the master planned Oak Valley Development, which is why a greater density is allowed for these projects than normally allowed under the R2 zoning.*

*\*\*Approved pursuant to State Density Bonus Law which provides for up 50% additional gross density.*

*Source: City of Chico, 2021*

As described above and identified in **Figure 40.1, City of Chico, Lower Income Density Analysis Table, 2021**, the average density for eight multi-family low-income affordable projects that were recently built or are currently under development is 24.6 units per acre. The projects are ordered from earliest approved at the top to most recently

approved at the bottom, and all were approved from 2016 to 2022. The City of Chico zoning code permits residential uses with densities of 24 units per acre by right in the R4 (High Density Residential, 20-70 units per acre), and TND (Traditional Neighborhood Development, 7-35 units per acre) zoning districts. The Corridor Opportunity Site overlay zone (COS) includes reduced parking requirements and allows up to 60 units per acre in commercial base zones and up to 70 units per acre in residential base zones. In addition, residential projects in the Industrial Office Mixed Use (IOMU) district will be allowed up to 35 units per acre pursuant to new Housing Element Action 3.3.7. Also, affordable housing projects in commercial and mixed-use districts, including Regional Commercial (CR), Community Commercial (CC), and Neighborhood Commercial (CN), and Office Residential (OR), will be allowed density up to 30 units per acre pursuant to Housing Element Action 3.3.6, or up to 60-70 units per acre if they have a COS overlay. Most affordable housing projects for Lower Income households in Chico qualify for a density bonus under State law, which extends the available density range above 30 units per acre for such projects. Therefore, it is a reasonable assumption that sites located within the zoning districts listed above will be developed at densities of at least 24 units per acre to meet the Low- and Very Low-Income RHNA Affordability Tier goals.

**Figure 40.1, City of Chico, Lower Income Density Analysis Table, 2021**, also demonstrates that Chico has approved denser projects in a variety of residential and commercial zoning districts, including some that utilize State Density Bonus Law, to exceed the City's normal density range. Affordable housing projects in Chico have generally increased in density over time and, in some cases, are just beginning to extend into the 30 units per acre range.

### ***Sites Inventory***

The sites listed in **Figure 40.2: City of Chico, Lower Income Sites Inventory Table, 2022** are zoned for residential uses at densities that will allow for development that meets Chico's RHNA numbers for Low- and Very Low-Income levels. As described in the Analysis of Realistic Capacity section above, a capacity of 24 units per acre is allocated to each site zoned to permit at least 30 units per acre that does not have a proposed or approved project. Sites 1-20 are projected to be developed by 2030. Sites 21 and 22 are proposed with number of units shown, and have received CDBG-DR MHP funding commitments that will restrict all rents to levels affordable to Low- and Very Low-Income households. Sites 23-26 have secured planning approvals for the numbers of units shown, and have received CDBG-DR MHP or tax credit funding commitments that will restrict all rents to levels affordable to Low- and Very Low-Income households. The corresponding location of the Low- and Very Low-Income housing sites (together known as Lower Income) is shown on the **Figure 40.3: Lower Income Sites Inventory Map, 2022** below.

Figure 40.2: City of Chico, Lower Income Sites Inventory Table, 2022

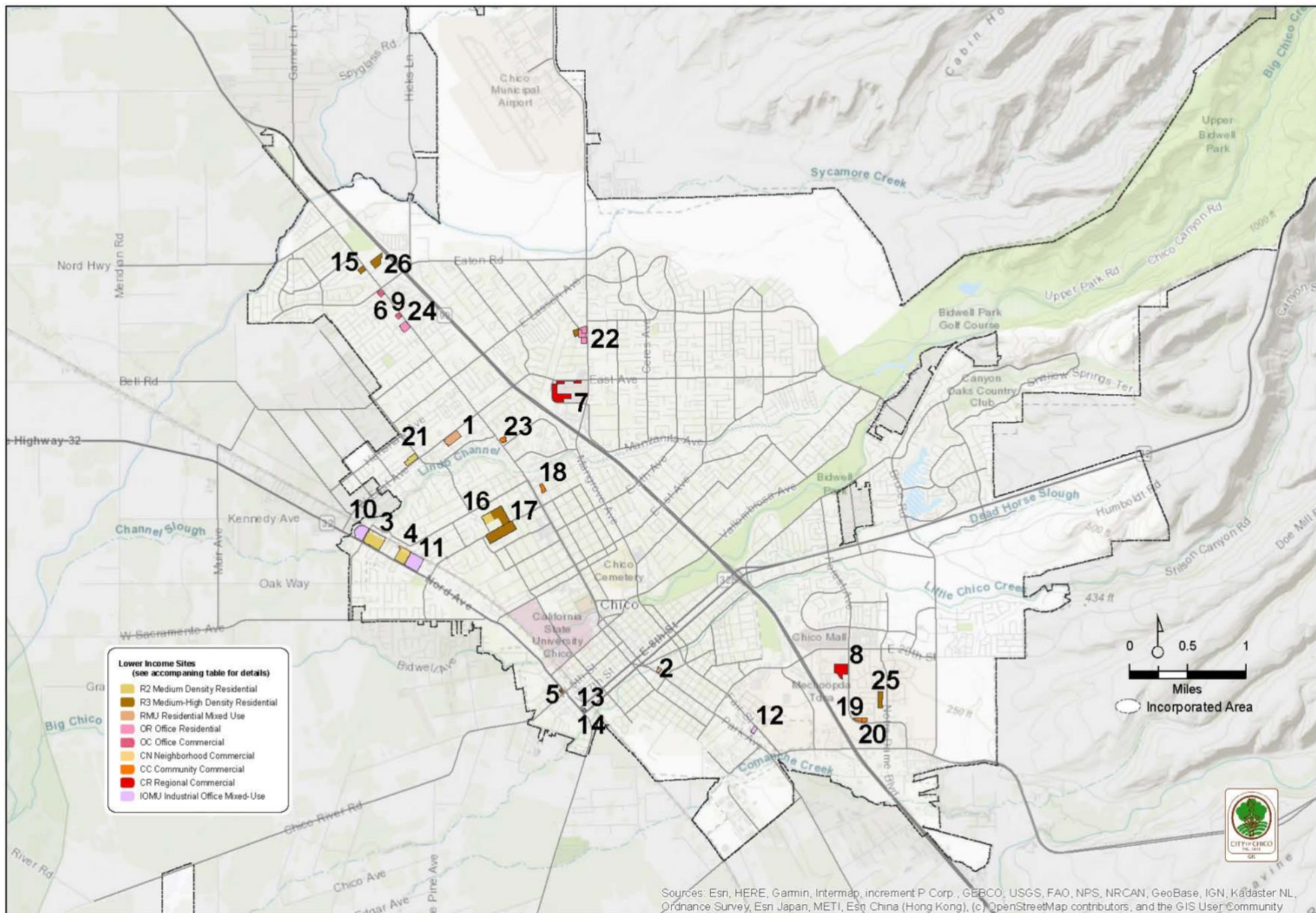
New Map ID	APN	General Plan	Zoning	Zoning Overlay	Density Range	Assumed Density Units Per Acre	Acres	Projected Units	Notes
1	006-150-128	RMU	RMU-COS	-COS	15-70	24	6.8	162	
2	005-102-018	RMU	RMU-COS	-COS	15-70	24	0.74	25	
3	042-140-174	MDR	R2-COS	-COS	10-70	24	5.0	120	
4	042-140-166	MDR	R2-COS	-COS	10-70	24	6.2	148	
5	004-115-021	CMU	CC-COS		14-60	24	0.3	6	Contiguous w/same owner.
5	004-115-022	CMU	CC-COS		14-60	24	0.3	7	Contiguous w/same owner.
5	004-115-023	CMU	CC-COS		14-60	24	0.4	9	
6	006-690-065	OMU	OC-COS		14-60	24	1.8	44	
7	007-280-063	RC	CR-AOD	-COS	6-50	24	2.4	59	
8	002-370-068	RC	CR	-COS	6-50	24	7.0	168	
9	006-500-002	OMU	OR-COS		15-70	24	1.2	29	
10	042-140-175	IOMU	IOMU-COS	-COS	10-70*	24	9.02	179	
11	042-140-104	IOMU	IOMU-SD5-COS	-COS	10-70*	24	5.0	120	
12	005-480-035	IOMU	IOMU-COS	-COS	0-35*	24	2.5	57	
13	004-266-008	IOMU	IOMU-COS	-COS	0-35*	24	0.3	3	Contiguous w/same owner.
14	004-266-012	IOMU	IOMU-COS		0-35*	24	0.4	7	Contiguous w/same owner.
15	006-190-005	MHDR	R3		14-30**	24	1.6	38	
16	043-080-008	MHDR	R3		14-30**	24	8.9	214	



17	043-740-030	MHDR	R3		14-30**	24	13.1	314	
18	003-351-005	CMU	CC		6-30**	24	1.9	46	
19	002-230-022	CMU	CC		6-30**	24	1.3	32	
20	002-230-023	CMU	CC		6-30**	24	1.6	37	
21	042-450-022	MDR	R2-COS	-COS	10-70	Proposed	4.0	76	
22	007-120-053	OMU	OR-AOB2	-AOB2	6-20	Proposed	1.8	136	Contiguous w/same owner and plans.
22	007-560-011	MHDR	R3-AOB2	-AOB2	14-22	Proposed	1.5	136 38	Contiguous w/same owner and plans.
22	007-560-012	OMU	OR-AOB2	-AOB2	6-20	Proposed	2.3		
22	007-560-013	OMU	OR-AOB2	-AOB2	6-20	Proposed	2.1		
23	006-100-049	CMU	CC-COS		14-60	Approved	1.4		
24	006-500-014	OMU	OR-COS		15-70	Approved	3.2	64	
25	002-190-025	MHDR	R3		14-22	Approved	3.3	70	
26	006-220-015	MHDR	R3		14-22	Approved	4.2	104	
							<b>Total</b>	2312	
							<b>RHNA</b>	1608	
							<b>Surplus/ Deficit</b>	704	

Source: City of Chico, 2022

**Figure 40.3: City of Chico, Lower Income Sites Inventory Map, 2022**



The Lower Income Sites Inventory includes sites with zoning that allows up to a maximum of 30, 35, 50, 60 and 70 units per acre (with exception of Low-Income affordable projects that have been proposed or approved). In addition, affordable projects on these sites can apply for a density bonus of up to 80%. To ensure that these sites could be developed with affordable housing, Action 3.3.3 was added to the Chapter 3 Housing Program committing that the City will amend its Residential and Commercial Land Use Tables in the City's Municipal Code to add a footnote which states that for residential and commercial zoning districts where the maximum allowable density is 20 or 22 dwelling units per acre, multi-family housing projects are permitted to develop up to 30 dwelling units per acre if a minimum of 15% of the units are deed restricted for housing affordable to low incomes at or below 80% of AMI.

The Map ID #25 (APN 002-190-025) site was included in the last two Housing Elements. However, a developer has secured entitlements and a commitment of CDBG-DR Multifamily Housing Program funds to develop 70 units of affordable housing on this site. Therefore, it is included in the Lower Income Sites Inventory.

Five of the parcels are less than a half-acre. However, they are all contiguous to other parcels that form a development site that is larger than a half-acre. The Map ID #5 site consists of three contiguous parcels that are 0.3-0.4 gross acre each to form a developable site that is 1 gross acre with the same owner of each parcel. The Map ID #13 site is 0.3 gross acre and the Map ID #14 site is 0.4 gross acre, but they are contiguous for a developable site that is 0.7 gross acre with the same owner of both sites.

Four parcels larger than 10 acres have been included in the Adequate Sites Inventory and identified as Lower Income sites. Government Code 65583.2(c)(3)(B) does not allow parcels larger than 10 acres to be included as Lower Income sites unless the City can demonstrate development feasibility for the particular sites that were included. The Adequate Sites Inventory includes a parcel located at Nord Avenue and West Lindo Avenue (Map ID #3; APN 042-140-174) that is 12.9 acres with 5.0 acres subdivided and developed with Low Income affordable housing, a parcel located on the east side of Nord Avenue just north of West 8<sup>th</sup> Avenue (Map ID #11; APN 042-140-104) that is 10.6 acres with 5.0 acres subdivided and developed with Low Income affordable housing, a parcel located on the north side of West 8<sup>th</sup> Avenue between Citrus Avenue and North Cherry Street (Map ID #16; APN 043-080-008) that is 19.1 total acres with 8.9 acres developable for multifamily housing, and a parcel located on the south side of West 8<sup>th</sup> Avenue between Citrus Avenue and North Cherry Street (Map ID #17; APN 043-740-030) that is 13.1 acres.

An analysis of the feasibility of development of each site is described in detail below. In addition, Chico has recent precedent for dividing larger sites to accommodate housing projects, including a parcel map to create a 5-acre site for Harvest Park Apartments (affordable housing), and several Boundary Line Modifications and Minor Land Divisions to facilitate the production of both affordable and market-rate housing.

A review of the REIS Apartment Report shows that for the first quarter of 2021, the City of Chico had a vacancy rate of 2.6%. This rate is significantly below the 4.7% vacancy rate for the entire Western Region during this same time period. The high demand for rental units stems from the significant influx of survivors from the Camp Fire, which increased Chico's population by over 16,000 from 2018 to 2019. Also worth noting is that this low vacancy rate was occurring during the COVID-19 pandemic when a large number of renters - students from California State University, Chico (CSUC) - were not in the rental market due to the campus closure. All three of these parcels are needed to help alleviate the low vacancy rate and accommodate future population growth.

The Nord and West Lindo parcel (Map ID #3) is a vacant infill site that is just over 10 acres at 12.9 acres. It has generous frontage along two major streets, and is surrounded by street, sewer, and water infrastructure. This site is located within a COS overlay zone. The COS overlay zone is intended to encourage mixed use development of medium- and high-density residential and commercial land uses and to promote increased residential density, and transportation patterns that do not rely solely on the automobile. Residential projects within the COS must be developed at or above the midpoint of the allowable density range and are allowed to develop at up to 70 units per acre. It is projected that 5.0 acres of this site will be subdivided and developed with Low Income affordable housing. This will allow for two 60-unit projects developed in two phases for a total of 120 units. Action 8.1.4 directs the City to facilitate the development of housing on larger parcels through regulatory streamlining. An adjacent site to the southeast is under development and has included construction of a new public alley in anticipation of development of the Nord and West Lindo parcel. This shared infrastructure will further facilitate the Nord and West Lindo site development within the planning period.

The Map ID #11 site is located on the east side of Nord Avenue. It is 10.6 acres in a square shape with broad frontage access on Nord. It is zoned IOMU, and it is anticipated that Action 3.3.7 allowing residential uses by-right up to 35 units per acre will facilitate multifamily development. The site is currently occupied with an orchard, and a house and accessory dwellings occupy a small portion of the property. It is projected that 5.0 acres of this site will be subdivided and developed with Low Income affordable housing. This will allow for two 60-unit projects developed in two phases for a total of 120 units. Action 8.1.4 directs the City to facilitate the development of housing on larger parcels through regulatory streamlining. The surrounding area has experienced significant change over the last five years, as developers have sought to meet demand for student housing. A large apartment complex (The Post on Nord) was completed in 2019, approximately a half-mile to the southeast of this site, with 173 units on 4.6 acres. In addition, a tentative subdivision map has been approved for 60 homes at Westside Place Phase 2, just north of the site on Nord Avenue.

The Map ID #16 and #17 sites, located on the north and south sides of West 8<sup>th</sup> Avenue between Citrus Avenue and North Cherry Street, form the Vanella Orchard Opportunity Site that is one of the 15 Opportunity Sites identified in the City's General Plan.

Opportunity Sites are areas expected to be the focus of change and revitalization during General Plan buildout and are designated for mixed-use, higher-density residential development. The Vanella Orchard Opportunity Site is a total of 32 acres and is surrounded by residential properties and existing infrastructure. The General Plan already includes policy direction (Action LU-5.1.1 - Incentives for Opportunity Site Development) that directs the City to utilize incentives to promote infill development, redevelopment, rehabilitation, and mixed-use projects in the designated Opportunity Sites.

The Map ID #16 site is 19.1 acres and comprises multiple zoning districts, including R3 (Medium-High Density Residential, 8.9 acres), R2 (Medium Density Residential, 4.1 acres), CN (Neighborhood Commercial, 4.2 acres) and OS2 (1.9 acres). This mix of land uses, combined with the future extension of Holly Avenue, provides a predetermined layout for this large parcel, lending itself to a coherent subdivision that would create readily developable parcels on the 8.9 acres zoned R3. The R3 parcels would then be available to Low Income developers and would score favorably for funding due to close proximity to services such as Enloe Hospital and bus routes, schools, and shopping on East Avenue and Esplanade corridors. For the site inventory, the 8.9-acre portion of the site has been included for projected development at 24 units per acre, yielding 214 units.

The Map #17 site is a 13.1-acre almond orchard located on an arterial street in the middle of an older Chico neighborhood, across West 8<sup>th</sup> Avenue to the south of Site #16. Importantly, Warner Street stubs into the southerly boundary of the site which, when extended through the site to West 8<sup>th</sup> Avenue, will effectively divide the parcel into smaller sites of approximately 5.1 acres and 8.1 acres. A recent nearby courtyard project (The Arcadian) has shown that successful multi-family projects can occur in this neighborhood, which is comprised of mostly single-family homes. Also, a large apartment complex (The Post on Nord) was completed in 2019, approximately one-half mile southwesterly of this site, with 173 units on 4.6 acres, proving that a larger apartment project can also be achieved in the vicinity. This centrally located site will also experience the development pressures noted above resulting from low vacancy rates in the City and the market demand for more apartment units.

Finally, Action 8.1.4 in the Chapter 3 Housing Program directs the City to expedite processing of subdivisions, lot splits, and development agreements that will facilitate creation of new developable parcels on sites greater than 10 acres that are included in the Lower Income Site Inventory. Priority project processing, deferral of development impact or permit fees, flexibility in development standards, and support for infrastructure upgrades will be applied to proposals that provide low-income affordable housing on these sites.

The Map ID #2, #7, and #12 sites will require redevelopment of current underutilized improvements. The City implements various redevelopment incentives through zoning, permitting, and public works planning policies and procedures to support desired development patterns and economic development opportunities, as identified in Action LU-2.3.1 of the Land Use Element in the General Plan. These include, but are not limited

to: priority permit processing; deferral of development impact fees; flexibility in the application of development standards such as parking, setbacks, and landscaping; density bonuses; and support for infrastructure upgrades.

The Map ID #2 site is an underutilized former car repair shop that is located at the gateway to Chico's Downtown, at the northeast corner of Park Avenue and 11<sup>th</sup> Street. The site is surrounded by recent residential redevelopment projects, including new homes built by Habitat for Humanity adjacent to the east on 11<sup>th</sup> Street, and an affordable rental project one block to the south at 1297 Park Avenue that is currently under construction. Extensive redevelopment and revitalization is taking place along the Park Avenue corridor that creates favorable market pressure for redevelopment of this site.

The Map ID #7 site consists of an unused parking lot at the North Valley Plaza. This site is identified in the City's General Plan as an Opportunity Site due to its current underutilization. Future development can avail itself of incentives identified in Action LU-2.3.1 of the Land Use Element described above. The owner of the site is planning to redevelop the site with affordable housing. This would complement an existing affordable housing project located nearby to the west of Pillsbury Road. In addition, new development within North Valley Plaza is underway or recently completed, including a Starbucks and three new restaurants.

The Map ID #12 site is located on Fair Street where redevelopment projects are recently completed or underway. Jamboree Housing has plans to develop the site within the existing IOMU zoning, which could be facilitated by Action 3.3.7. This Action should also incentivize residential development on surrounding parcels. The project is projected to include about 60 units of permanent supportive housing affordable to Very Low and Low Income households, and is currently in the predevelopment and conceptual design phase.

The Map ID #5, #6, #7, #8, #18, #19, and #20 sites are in commercial zoning districts with a COS overlay that allow high-density residential development by-right. These sites were included due to their location and zoning for facilitating 100% residential uses. Recent development trends within the City demonstrate that housing will be developed on these sites. Residential development has increasingly been permitted on sites with commercial zoning along the City's commercial corridors. From 2016-2021, 16 different multifamily projects received planning approvals on parcels with commercial zoning, including affordable housing projects listed in Figure 40.1 (Bruce Village Commons, 1297 Park Avenue, and Senator Conness) and affordable projects that are proposed or approved and listed in Figure 40.2 (Oak Park Senior and Family Housing, Oleander Apartments, and Greenfield Apartments). By comparison, only four non-residential projects have been approved on sites with commercial zoning in the COS overlay in the past five years.

The Low and Very Low-Income Site Inventory also includes sites (Map ID #10-14) with IOMU zoning. These sites have similar key characteristics as the sites described above that are located in commercial zoning districts, including historic underutilization with

commercial uses, nearby sites that are recently developed or in development with residential uses, proximity to transit and a variety of amenities, and a COS overlay that allows high-density residential development by-right. Action 3.3.7 will revise the zoning code to allow residential uses by-right in the IOMU zoning district, allowing up to 35 units per acre, not including density bonuses. This zoning amendment will accommodate market demand and help revitalize commercial corridors.

The Low and Very Low Income Site Inventory, and accompanying revisions to the zoning code, particularly Actions 3.3.6 and 3.3.7, align with the City's General Plan policies and public comment received on the Housing Element draft by steering multifamily development away from environmentally sensitive sites that encourage sprawl, and directing multifamily development to commercial corridors with access to transit and amenities, thereby enhancing the economic viability and affordability of the City's urbanized areas. This strategy has accommodated market demand for residential development in these locations. The fair housing analysis of the Site Inventory in this chapter demonstrates that the distribution of sites provides access to opportunity while not over-concentrating poverty. In addition, it is important to note the important role that well-located affordable housing plays in mitigating gentrification, maintaining affordable rent and increasing the amount of digressionary household income that can be spent locally, and providing access to opportunity through proximity to public transit, jobs, and services.

**Figure 40.4: City of Chico, Moderate Income Adequate Sites Inventory Table, 2022** lists sites that will meet Chico's RHNA units for Moderate Income. All of the sites are vacant with a Medium Density Residential (MDR) General Plan Designation and R2 zoning that allows 6-14 dwelling units per acre. The capacity for all sites listed are projected at 10 units per acre, which is the mid-point of the allowable density in the R2 zoning district.

**Figure 40.4: City of Chico, Moderate Income Adequate Sites Inventory Table, 2022**

MAP ID	APN	General Plan	Zoning	Assumed Density Units Per Acre	Acres	Projected Units
27	002-190-041	MDR	R2	10	11.8	118
28	018-510-009	MDR	R2	10	4.8*	48
29	016-200-101	MDR	R2-SD3	10	10.3	103
29	016-200-102	MDR	R2-SD3	10	20.0	200
30	018-500-160	MDR	R2	10	12.8	128
30	018-500-161	MDR	R2	10	2.2	22
30	018-500-162	MDR	R2	10	3.1	31
30	018-500-163	MDR	R2	10	12.9	129
31	004-114-002	RMU	RMU	10	1.0	10
32	043-080-008	MDR	R2	10	4.2*	42
33	006-210-004	CC	CC-COS	10	5.3	53
34	002-180-199	SMU	TND	20	23.0	460
<b>Total projected units</b>						<b>1344</b>
<b>RHNA</b>						<b>770</b>
<b>Surplus/ Deficit</b>						<b>574</b>

*\*Part of a larger parcel containing other zoning district*

*Source: City of Chico, 2021*

**Figure 40.7: City of Chico, Above Moderate-Income Adequate Sites Inventory Table, 2022**

lists sites that will meet the Chico's RHNA units for Above Moderate Income. Most of the sites are vacant with a Low Density Residential General Plan Designation and R1 zoning that allows 2.1-7 dwelling units per acre. The Map ID #44 site is an R3 zoned site and the Map ID #45 site is an OR zoned site. The Map ID #37 site, Meriam Park North, is located in the Meriam Park development area in southeast Chico and has 219 single-family lots on 45 acres. The Map ID #38 site, the Stonegate Subdivision, is a 313-acre mixed-use site in southeast Chico that will include 329 single-family lots on 82 acres. The Map ID #42 site, the Hicks Lane Subdivision, consists of 241 single-family lots on 45 acres in north Chico. All of these subdivisions are currently in early development phases and are expected to be completed within the Housing Element planning period. The capacity for all sites listed are projected at a conservative 4 units per acre unless an approved or proposed subdivision results in a different density projection.



**Figure 40.5: City of Chico, Moderate Income Sites Inventory Map, 2022**

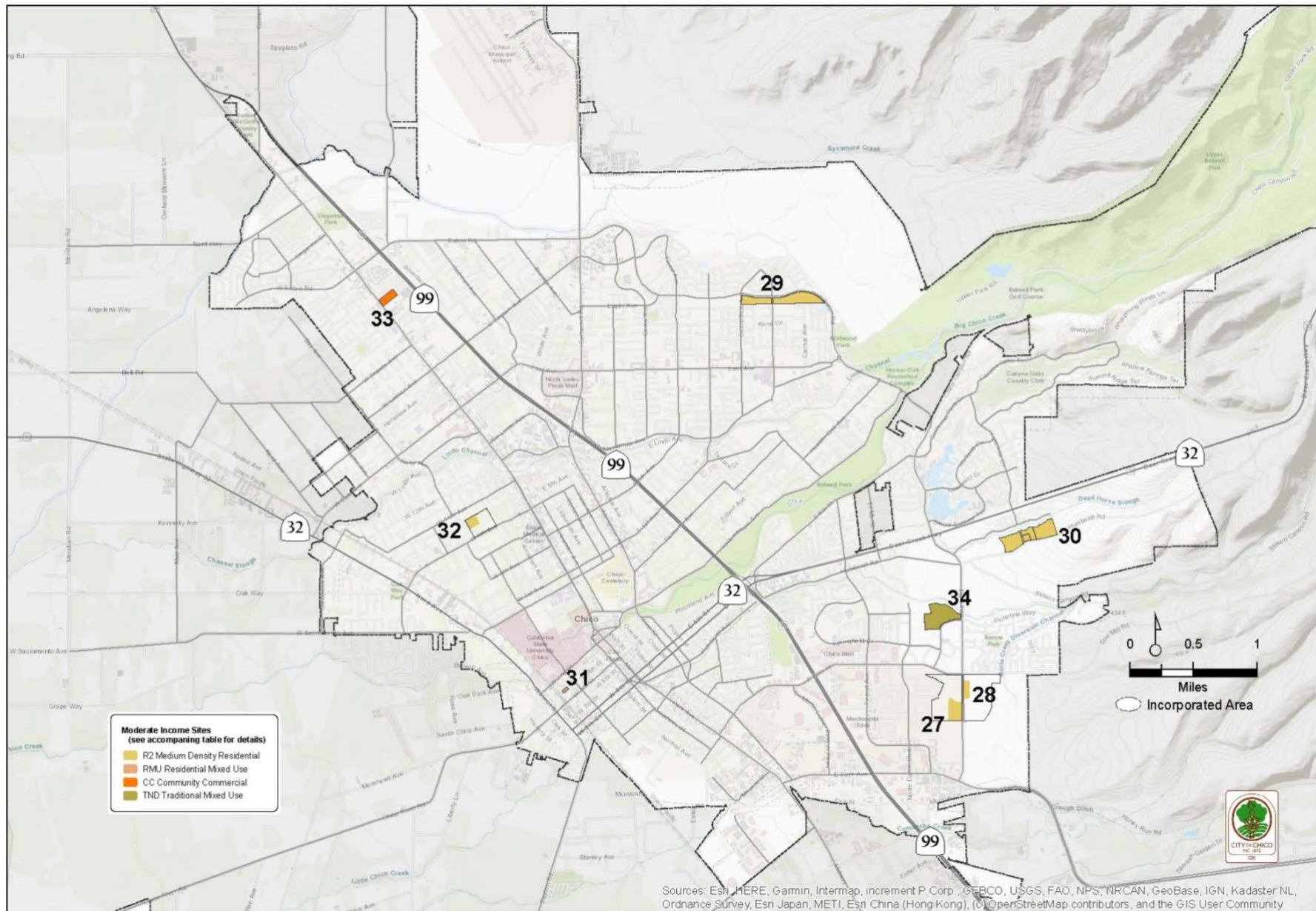




Figure 40.6: City of Chico, Above Moderate Income Sites Inventory Map, 2022

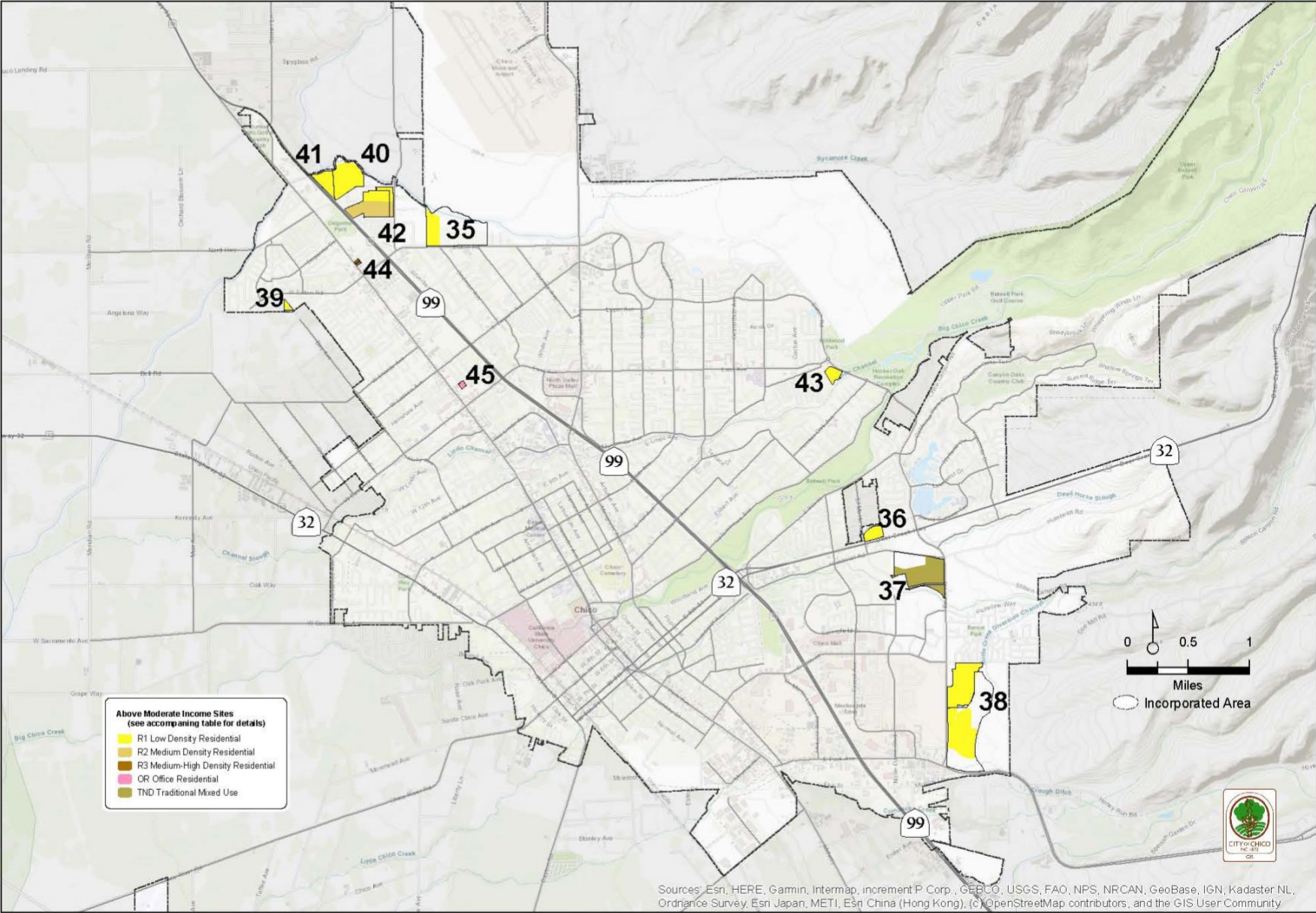


Figure 40.7: City of Chico, Above Moderate Income Sites Inventory Table, 2022

Map ID	APN	General Plan	Zoning	Acres*	Assumed Density Units Per Acre	Projected Units
35	007-020-123	LDR	R1	18.08	4	72
36	002-050-174	LDR	R1	7.5	4	30
37	002-180-217	SMU	TND	45.4	5.3	241
38	018-510-009, 018-510-008	LDR	R1	81.9	4	329
39	006-690-053	LDR	R1	2.23	4	9
40	007-010-037	LDR	R1	33.62	4	134
41	007-010-061	LDR	R1	13.83	4	55
42	007-430-023, 007-430-024	LDR/MDR	R1/R2	45	4.9	219
43	015-520-093	LDR	R1	6.04	4	24
44	006-210-021	MHDR	R3	0.51	0.6	10
44	006-210-022	MHDR	R3	0.52	0.6	10
45	006-054-015	OMU	OR	1.81	10.0	18
Total projected units						<b>1,151</b>
<b>RHNA</b>	<b>1,110</b>					
<b>Surplus/ Deficit</b>	<b>41</b>					

Source: City of Chico, 2021

\*Some sites may have multiple zones making the gross developable acreage less than the total parcel acres.

Figure 40.8: City of Chico, RHNA and Sites Inventory Table, 2022-2030 shows the 2022-2030 RHNA and Adequate Sites Inventory total units by income level. The Sites Inventory column does not include all of the land available for development, but only the sites that are most likely to be developed during the 2022-2030 planning period and that most closely adhere to the criteria laid out in HCD's Housing Element Site Inventory Guidebook and Government Code 65583.2. **Figure 40.8** shows that the Sites Inventory exceeds the RHNA goal for each income level.

Figure 40.8: City of Chico, RHNA and Sites Inventory Table, 2022-2030

Income Level	RHNA	Sites Inventory	Surplus (Deficit)
Lower Income (Very Low and Low Income)	1,608	2,312	704
Moderate Income	770	1,344	574
Above Moderate Income	1,110	1,151	41
Total	3,488	4,807	1,319

Source: Butte County Association of Governments, 2020 6<sup>th</sup> Cycle Regional Housing Needs Plan

***Additional Residential Units Likely to Develop During Housing Element Planning Period But Not Counted Toward RHNA***

As part of the 2030 General Plan, the City of Chico identified five Special Planning Areas, or SPAs, which are largely undeveloped areas with significant new growth potential that require “master” planning prior to development (i.e., a specific plan, planned development, or other comprehensive plan). The intent is that each of these areas would develop as an integrated, complete neighborhood that incorporates a mix of housing types and job-generating uses. These areas represent the largest concentrations of contiguous developable land within the City’s Sphere of Influence. SPAs are expected to build out over the long term (i.e., between 10 and 20 years). While not counted towards meeting the City’s RHNA requirements, two SPAs will very likely start development during the Housing Element planning period and represent a buffer to ensure the City meets its RHNA numbers. A status of each of the SPAs is below.

**Valley’s Edge (SPA—5 Doe Mill/Honey Run)**

The first Special Planning Area to proceed is the Valley’s Edge Specific Plan. The public review period for the Draft Environmental Impact Report (EIR) completed in late 2021 and a Final EIR will be completed in 2022. At over 1,400 acres, this project has the potential to provide approximately 2,800 new residential units, 450,000 square feet of commercial/office space, 680 acres of open space and parks, a new school site, and a comprehensive trail network. This specific plan will be presented to the City’s Planning Commission and City Council for approval in 2022.

**Barber Yard (SPA-2 Barber Yard)**

A Specific Plan application was received in November 2021 for the 135-acre Barber Yard project that proposes approximately 1,250 residential units – a combination of both single-family and multi-family – as well as 180,000 square feet of commercial/office uses. This site is located at the old Diamond Match facility and represents a unique redevelopment infill project a mere half mile from Chico’s Downtown. An EIR will be prepared in 2022, and it is anticipated that the project will be before the City’s Planning Commission and City Council for approval in 2023.

### ***Environmental Constraints to Housing Development***

A number of state or federal listed species are known to occur within the City's Planning Area, which includes the City's current jurisdiction as well as areas that have been studied for potential expansion of the jurisdiction. Notable species include Butte County Meadowfoam, Valley Elderberry Longhorn beetle, Hairy Orcutt and Slender Orcutt grasses, Greene's Tuctoria, Chinook Salmon, and the Yellow-Billed Cuckoo. Other sensitive species of regional importance include Butte County Checkerbloom, Swainson's Hawk, and Giant Garter Snake.

In addition to meeting State and Federal requirements, the City's Land Use Element establishes land use designations and a special overlay to address open space and sensitive habitat areas as follows: Primary Open Space (POS), Secondary Open Space (SOS) and Resource Constraint Overlay (RCO). The Resource Constraint Overlay (RCO) designation acknowledges a reduced development potential in areas with known significant environmental constraints compared to allowable development potential based upon the underlying land use designation. The overlay designation is applied to three large areas on the eastern edge of the community as specified on the City's Land Use Diagram. The most significant environmental constraints at these locations are vernal pools and populations of Butte County meadowfoam (BCM).

A primary factor in selecting sites included in the Site Inventory was avoiding environmental constraints. There are no known conditions related to shape, easements, overlays, or contamination that constrain the development capacity of sites listed in the Site Inventory, as also documented in the Site Inventory spreadsheet included in the Appendix.

## **EXISTING OR PLANNED UTILITIES**

After conducting an assessment of the Sites Inventory above and infrastructure needs, it was determined that the City of Chico has adequate infrastructure to support the development of the new residential units included in the Adequate Sites Inventory. More information about infrastructure and capacity is described below.

### ***Water***

Water service in the City is provided by the California Water Service Company (Cal Water). Cal Water's Chico Public Water System serves a population of 109,700, and is supplied by groundwater from the Vina and Corning subbasins. The system used 73 wells to deliver approximately 22,667 acre-feet of water in 2020 for all uses. Water use is projected to increase to 24,511 acre-feet in 2030, of which 6,089 acre-feet is anticipated for residential use. The system also has six active ground-level storage tanks and four inactive elevated storage tanks that can meet peak day demand if necessary. The system has sufficient production capacity to supply the current annual average day and maximum day demand, as well as the projected RHNA.

CalWater updates and implements an annual Urban Water Management Plan to manage current water demand. Every three years, CalWater also develops an Infrastructure Improvement Plan, which is reviewed by California Public Advocates, an independent State agency. The 2021 Infrastructure Improvement Plan covers the period of 2022-2024 and includes plans to replace 38,700 feet of water main, construction of new pumps, retrofitting tanks, water treatment improvements, and improvements for wildfire preparation. Based on CalWater's Water Supply Reliability Assessment, available water supplies are sufficient to meet projected demands in all hydrologic conditions, including a five-year drought period, and considering the impacts of climate change. Water quality is also not expected to diminish within this planning period (*Sources: CalWater 2020 Urban Water Management Plan, Chico-Hamilton City District, June 2021; CalWater 2021 Infrastructure Improvement Plan for 2022-2024*).

### **Sewer**

Sewer service is provided by the City of Chico. The City operates a 12 million gallons per day system with future expandability to 15 million gallons per day capacity. The City of Chico Water Pollution Control Plant (WPCP) is a regional-serving, gravity-fed facility located southwest of the city. The facility is a secondary treatment facility that is monitored by the California Water Resources Control Board. The system also encompasses 388 miles of pipelines consisting of 384 miles of gravity sewers and four miles of force mains, with 15 sewer lift pump stations. The City implements a Sanitary System Management Plan to manage the sewer system in compliance with regulated General Waste Discharge Requirements as mandated by the State Water Resources Control Board. The City is currently implementing a 2013 Sewer Master Plan that includes four phases. Phase 3 covers the 2021-2025 period and Phase 4 covers the 2026-2030 period. Projects for these phases include nine different sewer line extensions, including five trunk lines (*Sources: City of Chico Sewer System Management Plan, July 2019; City of Chico Sanitary Sewer Master Plan Update, June 2013*). The system has sufficient treatment capacity to process the current annual average day and maximum day demand, as well as the projected RHNA.

Policy 8.2 and Action 8.2.1 have been added to the Housing Element for the City to address the requirements of California Government Code 65589.7 regarding the priority provision of sewer services to developments serving lower income households.

### **Storm Drainage**

Storm drainage management within the city and the urban area is provided by a system of developed and undeveloped collection systems operated and maintained by the City and Butte County. Water in the system is transported to outfall locations located along the major creeks including Sycamore, Mud, Comanche, Big Chico, and Little Chico Creeks, and Lindo Channel. Consistent with the City's adopted Storm Drain Master Plan, new development must incorporate storm water quality and quantity mitigations into their

designs. (Sources: *City of Chico Storm Drainage Master Plan*, *City of Chico/Butte County, 1987, Addendum*, *City of Chico, September 1997*)

### **Dry Utilities**

The City coordinates with dry utility providers, including electric, gas, telephone, and cable, during community master planning efforts and during the City's project entitlement and building permit process. Pacific Gas & Electric (PG&E) provides gas and electric service to City of Chico residents and businesses. Telephone and cable is offered by AT&T, Comcast, and various satellite providers. Cable internet is available to most Chico residents, with 96.49% coverage, which is slightly better than coverage for California as a whole, which has 95.16% coverage. Fiber internet is also available to 17.83% of Chico homes (*BestNeighborhood*). The City of Chico is currently in the process of developing a Broadband Master Plan.

## **AFFIRMATIVELY FURTHERING FAIR HOUSING: ADEQUATE SITES INVENTORY**

In this section, sites included in the 2022-2030 City of Chico Housing Element update are identified, mapped, and evaluated on their capacity to affirmatively further fair housing. As directed by HCD, the sites are evaluated on segregation and integration, racially and ethnically concentrated areas of poverty, access to opportunity, and disproportionate housing needs including displacement risk. This evaluation uses findings from the Assessment of Fair Housing in Chapter 4. The analysis includes data on the Regional Housing Needs Allocation (RHNA), local data and knowledge, and other relevant factors, as well as a summary of conclusions and approach to policies and programs.

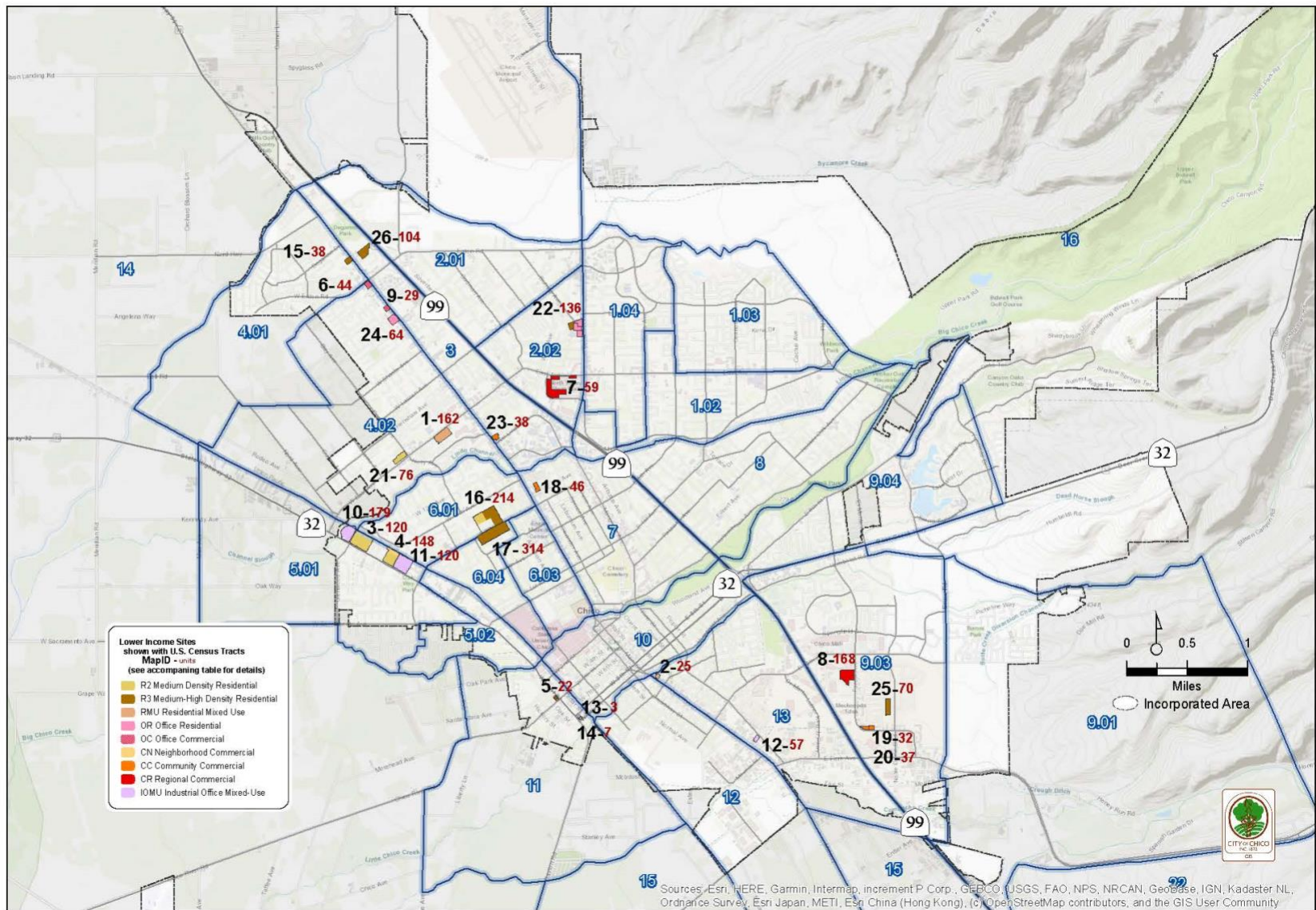
The section has been significantly revised to include additional data and analysis requested by HCD during the initial draft review. HCD provided comments on the initial draft of the Housing Element on December 5, 2022. One of the required revisions to the Housing Element per HCD was to incorporate the quantification of sites. This was in addition to the analysis on the number of sites per census tract already found in the draft. In other words, HCD requested that the projected number of units per income group and per census tract be analyzed, and that any fair housing issues identified through this analysis be addressed in the Housing Element through the Adequate Sites Inventory and Goals, Policies, and Actions.

The City conducted the analysis on the projected number of units per income group and per census tract, adjusted the Adequate Sites Inventory through an iterative process, and added an Action in Chapter 3 to meet Affirmatively Furthering Fair Housing requirements. The updated Affirmatively Furthering Fair Housing: Adequate Sites Inventory section that addresses HCD's comments can be found on the following pages.

**Figure 41: City of Chico, Lower Income Sites Inventory Map, 2022** depicts the location of the very low- and low-income sites used for the Adequate Sites Inventory. Sites are numbered in black font and have the projected number of units per site in red font. Census tracts are overlaid on the map for reference (*City of Chico, Correspondence, 2023*).



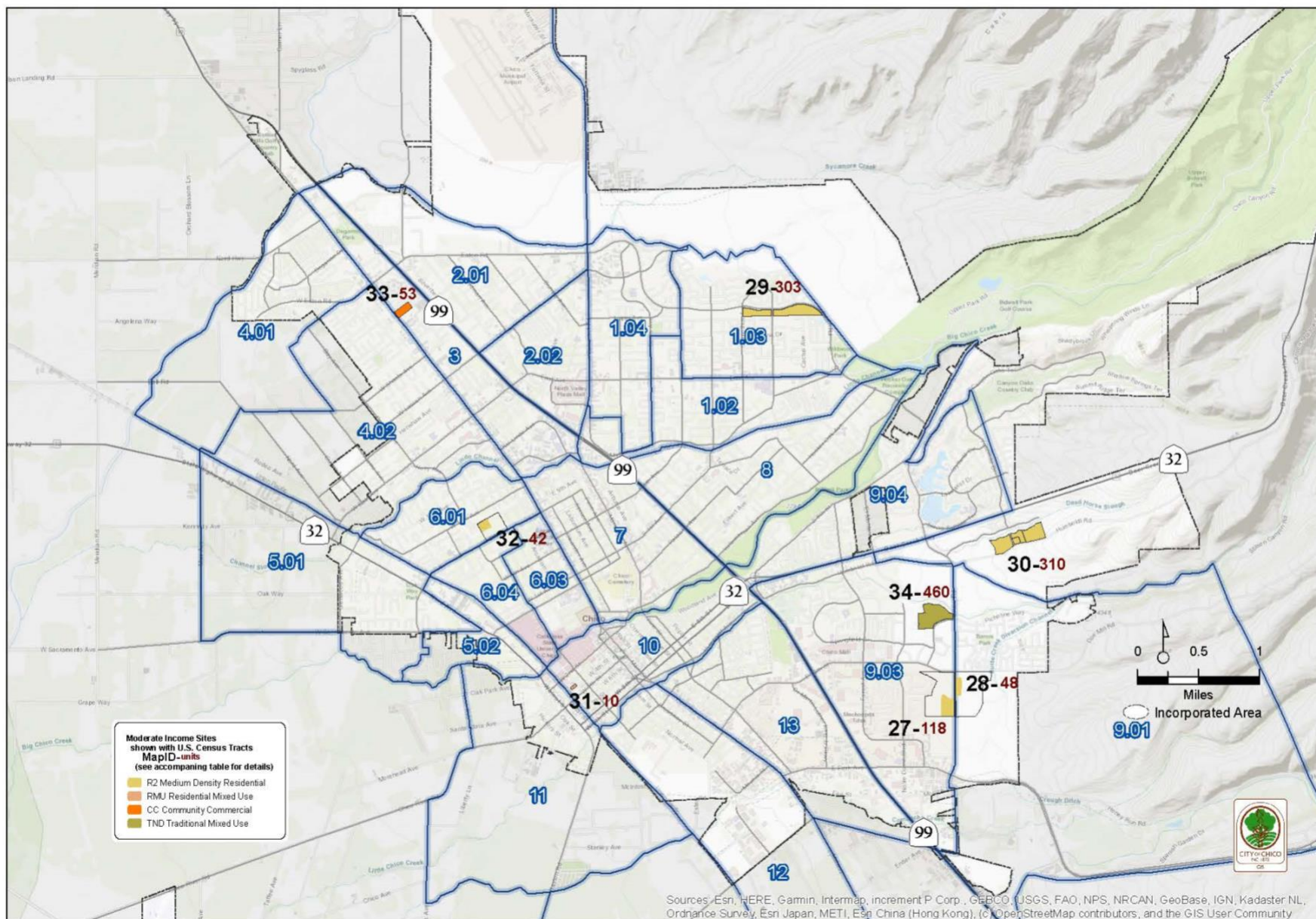
**Figure 41: City of Chico, Lower Income Sites Inventory Map, 2022 w/units**





**Figure 41.1: City of Chico, Moderate Income Sites Inventory Map, 2022** depicts the location of the moderate-income sites used for the Adequate Sites Inventory. Sites are numbered in black font and have the projected number of units per site in maroon font. Census tracts are overlayed on the map for reference (*City of Chico, Correspondence, 2023*).

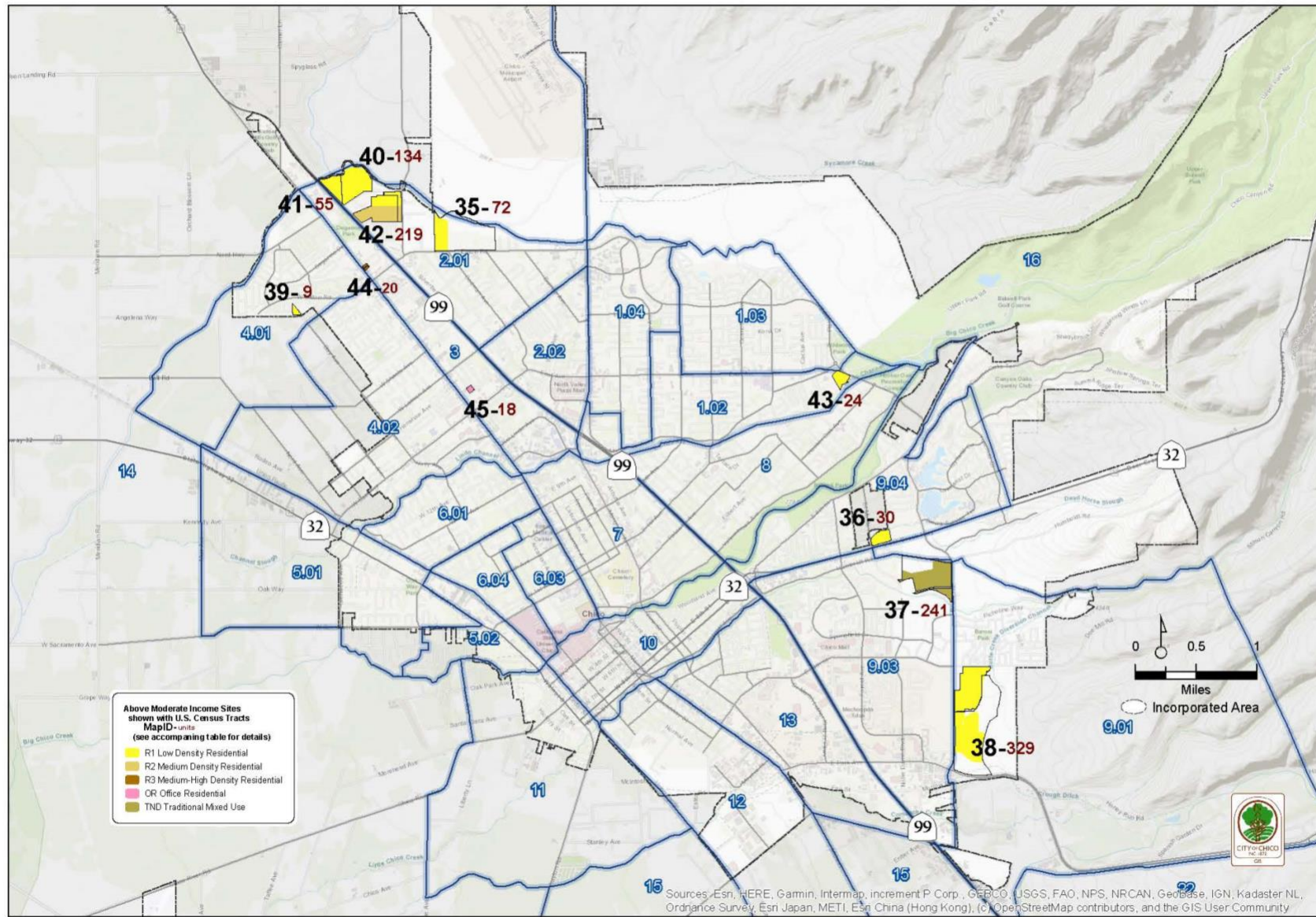
**Figure 41.1: City of Chico, Moderate Income Sites Inventory Map, 2022 w/units**



**Figure 41.2: City of Chico, Above Moderate-Income Sites Inventory Map, 2022** depicts the location of the above moderate income sites used for the Adequate Sites Inventory. Sites are numbered in black font and have the projected number of units per site in maroon font. Census tracts are overlayed on the map for reference (*City of Chico, Correspondence, 2023*).



**Figure 41.2: City of Chico, Above Moderate Income Sites Inventory Map, 2022 w/units**



As provided in the pages above, **Figure 40.8: City of Chico, RHNA and Sites Inventory Table, 2022-2030**, illustrates the City of Chico’s Regional Housing Needs Allocation (RHNA), adequate sites inventory projected units, and unit surplus by income level (Lower Income, Moderate Income, and Above Moderate Income). The Adequate Sites Inventory surpasses the RHNA for the City of Chico for each of the income categories. The surplus for Lower Income is 704, the surplus for Moderate Income is 574, and the surplus for Above Moderate Income is 41. The sum of the total surplus is 1,319 units.

**Figure 40.8: City of Chico, RHNA and Sites Inventory Table, 2022-2030**

Income Level	RHNA	Sites Inventory	Surplus (Deficit)
Lower Income (Very Low and Low Income)	1,608	2,312	704
Moderate Income	770	1,344	574
Above Moderate Income	1,110	1,151	41
Total	3,488	4,807	1,319

*Source: Butte County Association of Governments, 2020 6<sup>th</sup> Cycle Regional Housing Needs Plan*

**Figure 41.3: City of Chico, Adequate Sites Inventory Sites and Projected Units Table, 2023**, lists each site by income level with projected number of units. The income levels are Above Moderate-, Moderate-, and Very Low- and Low-Income. The site IDs are from 1 to 45, and the projected number of units ranges from 3 to 460 units.

**Figures 40.8 and 41.3** are important as they inform the methodology for **Figure 41.4: City of Chico, Adequate Sites Inventory and Assessment of Fair Housing Table, 2023**. During the initial draft review of the Housing Element, HCD requested that the projected number of units per income group and per census tract be analyzed. As shown in **Figure 40.8**, the Adequate Sites Inventory provides a surplus for each of the RHNA income levels. In other words, the City has identified more units than is required by RHNA. The RHNA, Adequate Sites Inventory, and surplus numbers are different for each of the income levels (as shown in **Figure 40.8**). The Very Low- and Low-Income surplus (704 units) is significant compared to the Moderate (574 units) and Above Moderate-Income (41 units) surpluses. Thus, the methodology used in this section compares projected units as percentages within income levels of the Adequate Sites Inventory total.

For example, Site ID 1 for Very Low- and Low-Income has a projected number of units of 162. If one takes 162 divided by the total of the Adequate Sites Inventory for the Very Low- and Low-Income level which is 2,312 one gets 7.0%. In other words, Site ID 1’s 162 units make up 7.0% of the Very Low- and Low-Income total for the Adequate Sites Inventory.

**Figure 41.4** identifies census tracts with findings from the Assessment of Fair Housing. Then, by income level, the City identifies the sites found within these census tracts, and the total projected number of units. The total projected number of units for that census tract(s) is then divided by the Adequate Sites Inventory total for that income level. The City is then able to compare across the income levels the percentage of the projected number of units to determine if it furthers or exacerbates fair housing.

**Figure 41.3: City of Chico, Adequate Sites Inventory Sites and Projected Units Table, 2023**

Income Level	Site ID	Projected Number of Units
<b>Very Low- and Low-Income</b>	1	162
	2	25
	3	120
	4	148
	5	22
	6	44
	7	59
	8	168
	9	29
	10	179
	11	120
	12	57
	13	3
	14	7
	15	38
	16	214
	17	314
	18	46
	19	32
	20	37
	21	76
	22	136
	23	38
	24	64
	25	70
	26	104
<b>Total: Very Low- and Low-Income</b>	<i>Sites: 26</i>	<i>Projected Units: 2,312</i>
<b>Moderate-Income</b>	27	118

	28	48
	29	303
	30	310
	31	10
	32	42
	33	53
	34	460
<b>Total: Moderate-Income</b>	<i>Sites: 8</i>	<i>Projected Units: 1,344</i>
<b>Above Moderate-Income</b>	35	72
	36	30
	37	241
	38	329
	39	9
	40	134
	41	55
	42	219
	43	24
	44	20
	45	18
<b>Total: Above Moderate-Income</b>	<i>Sites: 11</i>	<i>Projected Units: 1,151</i>

Source: City of Chico, Correspondence, 2023

## IMPROVED CONDITIONS

This section explores how the sites identified better integrate the community with consideration for historical development patterns and trends, number of existing households, and the impacts on patterns of socio-economic or racial/ethnic concentrations.

There are three income levels in the Adequate Sites Inventory: very low- and low-, moderate-, and above moderate-income. The analysis compares the very low- and low-income sites also referred to as lower income sites (**Figure 41**), moderate-income sites (**Figure 41.1**), and the above moderate-income sites (**Figure 41.2**). As described above, **Figure 41.4** identifies census tracts with findings from the Assessment of Fair Housing. Then, by income level, the City identifies the sites found within these census tracts, and the total projected number of units. The total projected number of units for that census tract(s) is then divided by the Adequate Sites Inventory total for that income level. The City is then able to compare across the income levels the percentage of the projected number of units to determine if it furthers or exacerbates fair housing.

The availability of data constrains the analysis. At the time the majority of the Assessment of Fair Housing in Chapter 4 was written, some of the maps from the HCD AFFH Data Resources and Mapping Tool were only available at the census tract level and some were only available at the block group level. The April 2021 guidance from HCD required certain topics to be analyzed in the Assessment of Fair Housing, including the use of maps. Thus, the City had to use some maps at the census tract level and some maps at the block group level, as that was what was made available.

The City determined a methodology for mitigating differing levels of geographic data as census tracts are larger, and block groups are smaller and make up census tracts. Most of the 14 maps used are at the census tract level (eight maps), whereas less than half are at the block group level (six maps). If the City were to compare census tracts to block groups, it would be like comparing “apples to oranges” to use a colloquial phrase. For a stable and sound methodology, the City chose to compare census tracts to census tracts or “apples to apples.” The census tracts in the city are all different shapes and sizes (see **Figure 3: City of Chico, Census Tracts Map, 2021**). So, if one or more block groups within a census tract had a particular data finding, then the City counted that census tract as having that data finding. Oftentimes, these data findings were clustered in multiple block groups in a geographic area of the city (i.e. central, west, southeast, etc.). In other words, multiple block groups within a census tract, or multiple block groups in multiple census tracts, had that particular data finding. The analysis identifies which data findings were originally at the block group or census tract level.

The analysis can be found in narrative form below and in matrix form following in the narrative in **Figure 41.4: City of Chico, Adequate Sites Inventory and Assessment of Fair Housing Table, 2023**.



### ***Segregation and Integration***

The location of sites and projected units in relation to segregation and integration topics of disability, familial status, income, race/ethnicity, and Housing Choice Vouchers is analyzed below. All five of the topics (disability, familial status, income, race/ethnicity, and Housing Choice Vouchers) are projected to improve with development of the sites in the Adequate Sites Inventory.

- **Disability:** In the city of Chico as of 2019, an estimated 10-20% of the population has a disability in most of the census tracts within the city (*HCD AFFH Data Resources and Mapping Tool: 2015-2019 American Community Survey*). The sites in the very low-, low-, moderate-, and above moderate-income Adequate Sites Inventory are fairly dispersed throughout the city, providing opportunity for people with disabilities to have access to a variety of types of housing located close to where they currently live. Moreover, the census tracts with less than 10% of the population with a disability (Census Tracts 1.03, 4.01, 6.01, 6.03, 6.04, and 8) have approximately one-fourth (24.5%) of all very low- and low-income projected units and one fourth (25.7%) of moderate-income projected units. Only 0.8% of above moderate-income projected units are in these census tracts. This will help to better integrate these census tracts in terms of disability status and income status.
- **Familial Status:** As of 2019, Census Tract 1.04 in northeast Chico has the highest percent of children living in single parent female households at 40-60% (*HCD AFFH Data Resources and Mapping Tool: 2015-2019 American Community Survey*). There are no sites in the Adequate Site Inventory located in Census Tract 1.04, however, very low-, low-, moderate-, and above moderate-income sites are located directly adjacent to this census tract, providing opportunity for single parent female households to have access to a variety of types of housing located close to where they currently live. Approximately 2.1% of above moderate-income, 22.5% of moderate-income and 8.4% of very low- and low-income projected units are in census tracts adjacent to Census Tract 1.04. Sites 7 and 22 in the very low- and low-income Adequate Sites Inventory are located adjacent to Census Tract 1.04 in Census Tract 2.02 across Cohasset Avenue. Site 29 in the moderate-income Adequate Sites Inventory is located adjacent to Census Tract 1.04 in Census Tract 1.03. Site 43 in the above moderate-income Adequate Sites Inventory is located adjacent to Census Tract 1.04 in Census Tract 1.02.
- **Income:** As of 2019, near the city boundaries in north, west, and east Chico, Census Tracts 2.01, 5.01, 14, and 16 have block groups with median incomes of greater than \$125,000 (*HCD AFFH Data Resources and Mapping Tool: 2015-2019 American Community Survey*). Of the 1,357 total projected units located in these census tracts, over 40 percent (41.8%) are very low- and low-income and well over half (64.6%) are moderate- and very low- and low-income. This will help transform these areas from more segregated to more integrated in terms of median income. Approximately one fourth (24.5%) of all very low- and low- sites in the Adequate Sites Inventory are located in census tracts that have greater than \$125,000 median income block groups. This assists with access to opportunity and integration.

- **Race/Ethnicity:** As of 2018, the block groups with 41-80% non-white demographics are located Census Tracts 5.02, 6.04, 9.03, 9.04, 10, and 13 in the west, south, and east parts of the city of Chico (*HCD AFFH Data Resources and Mapping Tool: Esri*). Approximately 23.5% of above moderate-income's and 30.4% of very-low and low-income's projected units are in these census tracts. Furthermore, approximately 43.8% of moderate-income's projected units are in these census tracts. This provides opportunity for people of color to have access to a variety of types of housing – above moderate-, moderate-, and very low- and low-income located close to where they currently live. Moreover, this mix of income levels and projected units assists to better integrate these census tracts and provide better access to opportunity without high risk of displacement of current residents or gentrification of the neighborhoods.
- **Housing Choice Vouchers:** As of 2021, the census tracts with Housing Choice Vouchers as >0-5% of renter occupied housing units are Census Tracts 2.01, 5.01, 5.02, 6.01, 6.03, 6.04, 8, 10, and 11. Nine other census tracts in the city have a higher proportion of Housing Choice Vouchers, with >5-15% of renter occupied housing units. The remaining census tracts have no data available. Approximately 41.7% of above moderate-income, 3.9% of moderate-income, and 48.7% of very low- and low-income projected units are located in these census tracts. Thus, approximately half of very low- and low-income projected units are in census tracts that currently have a lower proportion of Housing Choice Vouchers than the rest of the city. This will help to integrate these census tracts in terms of income. It will not overconcentrate sites in one area of the city, as these nine census tracts are spread out and located in the central, north, and south portions of the city.

### ***Racially or Ethnically Concentrated Areas of Poverty (R/ECAP)***

As detailed in the Assessment of Fair Housing section in Chapter 4, the U.S. Department of Housing and Urban Development (HUD) developed a census tract-based definition of R/ECAPs which consists of a racial/ethnic concentration threshold and a poverty test. For more urban areas, R/ECAPs must have a non-white population of 50% or more whereas for more rural areas the threshold is 20%. The poverty test is 40% or three or more times the average tract poverty rate for the area. Census tracts that meet both the racial/ethnic concentration threshold and the poverty test are deemed R/ECAPs. The most recent data available to determine R/ECAPs is from 2013. As of 2013, there are no HUD-defined R/ECAP areas in Butte county (*HCD AFFH Data Resources and Mapping Tool: 2009-2013 U.S. Department of Housing and Urban Development*).

Because there are no HUD-defined R/ECAP areas in Butte county, the analysis centers on concentrations of high segregation and poverty as well as areas of affluence and areas that are mostly White. All three of the topics (high segregation and poverty, affluence, and mostly White) are projected to improve with development of the sites in the Adequate Sites Inventory.

- **High Segregation and Poverty:** As of 2021, Census Tract 3 between the Esplanade and Highway 99 in north Chico and Census Tract 13 between Park Avenue and

Highway 99 in south Chico are identified as areas of high segregation and poverty (*HCD AFFH Data Resources and Mapping Tool: 2021 TCAC*). The percentage of projected units for all income levels is less than 10% for these census tracts: above moderate- (3.3%), moderate- (3.9%), and very low- and low-income (9.7%). The Adequate Sites Inventory does not concentrate sites for any income level in areas of high segregation and poverty. The small percentages of projected units for all income categories assists in transforming these racially and ethnically concentrated areas of poverty into areas of opportunity without high risks of gentrification of the neighborhoods or displacement of current residents.

- **Affluence:** As of 2019, Census Tracts 1.03, 4.02, 8, 9.01, 14, 15, and 16 have less than 10% of individuals experiencing poverty (*HCD AFFH Data Resources and Mapping Tool: 2015-2019 American Community Survey*). Of the 1,365 units located in these census tracts, over one quarter (27.5%) of them are very low- and low-income, and over three quarters (75.9%) of them are moderate- and very low- and low-income. This helps to promote integration, access to opportunity, and "move-up" housing for very low-, low-, and moderate-income households.
- **Mostly White:** As of 2019, Census Tracts 8, 16, and 22 are identified as "Mostly White" (*HCD AFFH Data Resources and Mapping Tool: UC Berkeley, 2019*). According to UC Berkeley, "Mostly White" means that only White individuals have more than 10% representation within these census tracts. All other racial/ethnic groups have 9% or less representation. An important note to this finding is that the 2017-2021 U.S. Census American Community Survey identifies that 68.5% of Chico overall is White (not Hispanic or Latino) and 19.4% is Hispanic or Latino (of any race). All other racial/ethnic groups make up less than 5% of the City's overall population. There are no above moderate- nor very low- and low-income sites in these census tracts. There is one moderate-income site (Site 30) located in Census Tract 16, which provides almost one quarter (23.1%) of all projected units for moderate-income. This provides the access and opportunity for "move-up" housing for diverse groups, such as people of color, which helps to integrate these census tracts.

### ***Access to Opportunity***

The location of sites in relation to access to opportunity topics of economic, education, and environmental outcomes as well as job proximity and transportation is analyzed below. Three of the five topics (education, environment, and transportation) are projected to improve with development of the sites in the Adequate Sites Inventory. Moreover, **Action 1.7.2** has been added to the Goals, Policies, and Actions in Chapter 3 to address both economic and job proximity findings for very low- and low-income sites.

- **Economic:** As of 2021, most of the city of Chico is identified as "more positive economic outcome." There are portions of southcentral Chico, west Chico, and north Chico identified as "less positive economic outcome" (*HCD AFFH Data Resources and Mapping Tool: 2021 TCAC*). The areas identified as "less positive economic outcome" are Census Tracts 2.02, 3, 5.02, 6.03, 6.04, 10, 11, 12, and 13 due to block groups

within these census tracts having the finding of “less positive economic outcome”. Approximately 3.3% of above moderate-income, 4.7% of moderate-income, and 33.1% of very low- and low-income projected units are located in these census tracts. **Action 1.7.2** has been added to the Goals, Policies, and Actions in Chapter 3 to address this finding.

- **Education:** As of 2021, much of east, north, and southcentral Chico is identified as “more positive education outcomes,” whereas portions of west Chico near Nord Avenue and between the Esplanade and Highway 99 are identified as “less positive education outcomes” due to block groups within these census tracts having the finding of “less positive education outcomes” (*HCD AFFH Data Resources and Mapping Tool: 2021 TCAC*). Approximately 3.3% of above moderate-income, 4.7% of moderate-income, and 21.1% of very low- and low-income projected units are located in these census tracts with “less positive education outcomes”. The census tracts with the “more positive education outcomes” identifier are Census Tracts 1.02, 1.03, 2.01, 4.01, 4.02, 6.03, 7, 8, 9.03, 10, 11, 12, 13, 14, and 16. Very low- and low-income sites 1, 2, 5, 6, 8, 9, 12, 13, 14, 15, 18, 19, 20, 21, 24, and 25 are located in these census tracts, and they account for 880 projected units (38.1%) for very low- and low-income overall. Therefore, there is approximately double the very low- and low- projected units (880 units) in areas with “more positive education outcomes” compared to areas with “less positive education outcomes” (488 units).
- **Environment:** As of 2021, much of the city of Chico is identified as “less positive environmental outcomes,” especially around Highway 99. Census Tract 16 in the far east part of the city near Bidwell Park is the only census tract identified as “more positive environmental outcomes” due to block groups within this census tract having that finding (*HCD AFFH Data Resources and Mapping Tool: 2021 TCAC*). There are no above moderate-income sites in this census tract. The one moderate-income site (Site 30) provides access and opportunity for “move-up” housing for diverse groups, which would afford them the benefits of living in an area with more positive environmental outcomes. Approximately 23.1% of moderate-income projected units are found in Census Tract 16. Moreover, as described in the “Local Data and Knowledge” section, there are four affordable housing projects for very low- and low-income households either planned or proposed in Census Tract 16 which is a “more positive environmental outcome” area.
- **Job Proximity:** As of 2017, the areas with the closest proximity to jobs include central and south Chico and the most northern part of the city. The areas with the furthest proximity to jobs are Census Tracts 1.02, 1.03, 1.04, 5.01, 8, 14, and 16 which are approximately identified as west Chico between W. Sacramento Avenue and Nord Avenue, and east Chico around Eaton Road and Highway 32, near the city boundaries. These census tracts are identified as such due to block groups within them, having the finding “furthest proximity to jobs” (*HCD AFFH Data Resources and Mapping Tool: 2017 U.S. Department of Housing and Urban Development*). Approximately 2.1% of above moderate-income, 45.6% of moderate-income, and 24.5% of very low- and low-income projected units are located in these census tracts with “furthest proximity to jobs”. **Action 1.7.2** has been added to the Goals, Policies, and Actions in

Chapter 3 to address this finding. Census Tracts 1.02, 1.03, and 1.04 are in northeast Chico which is primarily residential single-family homes with little commercial. This is where the above moderate-income site is located, in Census Tract 1.02. Census Tracts 14 and 16 are on the edges of town, which are rural, less populated, and farther from services. Moderate-income sites are located in Census Tracts 1.03 and 16. There is a shopping center planned for Census Tract 1.03 at Floral Avenue and Eaton Road that may positively affect the job proximity score for this tract in the future. Moreover, moderate- and above moderate-income households are more likely to have access to personal vehicles to travel to work. Very low- and low-income sites are located in Census Tract 5.01, a tract that spans both city (eastern portion) and county (western portion) jurisdictions. The sites are located in the eastern portion of the census tract, along Nord Avenue between East Avenue and 8<sup>th</sup> Avenue, which are corridors to commercial sites along the Esplanade. Nord Avenue also provides a corridor to commercial sites, including restaurants and grocery stores. Moreover, there are multiple bus stops in close proximity to the very low- and low-income sites, providing access to the rest of the city.

- **Transportation:** As of 2023, the city of Chico is served by various bike routes, multiple bus lines, and train service. Most of the city is accessible by bicycle, bus, or walking. A comparison of the Adequate Sites Inventory and **Figure 15.3: Butte County Association of Governments, B-Line Transit Stops & Routes Chico Area, 2016** – the most recent map available as of March 2023 – shows that the majority of very low- and low-income sites are in close proximity to transit stops. Fewer of the moderate- and above moderate-income sites are in close proximity to transit stops when compared to the very low- and low-income sites. This is to be expected as moderate- and above moderate-income households are more likely to have access to other means of transportation such as personal vehicles.

### ***Disproportionate Housing Needs Including Displacement Risk***

The location of sites in relation to disproportionate housing needs topics of owner cost burden, renter cost burden, overcrowding, and substandard housing is analyzed below. All four of the topics (owner cost burden, renter cost burden, overcrowding, and substandard housing) are projected to improve with development of the sites in the Adequate Sites Inventory.

- **Owner Cost Burden:** As of 2019 in the city of Chico, the only census tract with 60-80% of owner households with overpayment is Census Tract 6.03 located between the Esplanade and Warner Street (*HCD AFFH Data Resources and Mapping Tool: 2015-2019 American Community Survey*). There are no sites located in this census tract, however, there are moderate- and very low- and low- income sites in Census Tract 6.01, a moderate-income site in Census Tract 10, and very low- and low-income sites in Census Tracts 6.04 and 7, which are adjacent to Census Tract 6.03. Approximately 3.9% of moderate-income and 24.8% of very low- and low-income projected units are in census tracts adjacent to Census Tract 6.03. There are no above moderate-income

sites adjacent to Census Tract 6.03. This combination of sites helps to alleviate cost burden without significant risk of gentrification or displacement for current residents.

- **Renter Cost Burden:** As of 2019, the areas of the city with 60-80% of renter households with overpayment are located in northeast Chico in Census Tracts 1.02 and 1.04, and central, southcentral, and west Chico in Census Tracts 5.01, 5.02, 6.03, 6.04, 10, 11, and 12 (*HCD AFFH Data Resources and Mapping Tool: 2015-2019 American Community Survey*). Approximately 2.1% of above moderate-income, 0.7% of moderate-income, and 39.5% of very low- and low-income projected units are located in these census tracts. These census tracts have a majority of renter households with overpayment (i.e. experiencing cost burden). With approximately 40% of very low- and low-income units in these census tracts, availability of additional rent-restricted affordable units will assist households to have less cost burden and more stability. In addition, having some units/small percentage of above moderate- and moderate-income sites in these census tracts provides opportunity for "move-up" housing, and integrating these areas without high risk of gentrification or displacement.
- **Overcrowding:** As of 2015 in the city of Chico, the only census tract with more overcrowding per room than the statewide average of 8.2% or fewer households is Census Tract 13. An estimated 12.01-15% of Census Tract 13's households are overcrowded (*HCD AFFH Data Resources and Mapping Tool: 2015 Healthy Communities Data and Indicators Project*). There are two very low- and low- sites (Sites 2 and 12) located in Census Tract 13 whereas there are no moderate- nor above moderate-income sites. The two very low- and low-income sites make up 3.5% of all projected units overall for the income level. More housing stock available in Census Tract 13 at the very low- and low-income level will help to mitigate overcrowding without high risk of gentrification or displacement. Moreover, less than 5% of the overall very low- and low-income projects units are found in this census tract, so they are not concentrated in this area.
- **Substandard Housing:** As of 2018 in the city of Chico, 75.1% of occupants with at least one of four housing problems and 82.5% of occupants with at least one of four severe housing problem are renters (*U.S. Department of Housing and Urban Development, 2006-2010 and 2014-2018 Comprehensive Housing Affordability Strategy (CHAS) Data*). Though renters can be of any income level, they are more likely to be at the very low- and low-income level than homeowners. Very low- and low-income sites are fairly dispersed throughout the city, providing opportunity for renters to have access to new, quality housing developments at a range of income levels and locations in the city.

## EXACERBATED CONDITIONS

This section explores how the sites identified further segregate the community with a consideration for historical patterns and trends, number of existing households, and the impacts on patterns of socio-economic or racial/ethnic concentrations.

The Affirmatively Furthering Fair Housing: Adequate Sites Inventory analysis does not find that the sites exacerbate overall conditions in the city. The fair housing findings from the Assessment of Fair Housing in the topic areas of segregation and integration, racially and ethnically concentrated areas of poverty, access to opportunity, and disproportionate housing needs including displacement risk are projected to improve with the development of sites in the Adequate Sites Inventory.

All five data findings for segregation and integration, all three for racially and ethnically concentrated areas of poverty, and all four for disproportionate housing needs including displacement risk are projected to improve with the development of sites in the Adequate Sites Inventory. Three of the five data findings for access to opportunity are also projected to improve. This is a total of 15 data findings projected to improve.

The three data findings projected to improve for access to opportunity are education, environment, and transportation. The two that are not projected to improve are economic and job proximity. Thus, **Action 1.7.2** has been added to the Goals, Policies, and Actions in Chapter 3 to address both economic and job proximity for very low- and low-income sites. Overall, three of the five data findings for access to opportunity are projected to improve.

As 15 of the 17 data findings are projected to improve and an Action is helping to address the remaining two data findings, the Affirmatively Furthering Fair Housing: Adequate Sites Inventory analysis does not find that the sites exacerbate overall conditions in the city. This is detailed in the previous section “Improved Conditions.” More details can be found in the following figure:  
**Figure 41.4: City of Chico, Adequate Sites Inventory and Assessment of Fair Housing Matrix, 2023**

Figure 41.4: City of Chico, Adequate Sites Inventory and Assessment of Fair Housing Table, 2023

Assessment of Fair Housing Section	Data Finding	Census Tract(s)	Above Moderate-Income Site(s)			Moderate-Income Site(s)			Very Low- and Low-Income Site(s)			Notes
			Map ID	Total Number in Census Tract(s)	Projected Units as % of Income Category Total	Map ID	Total Number in Census Tract(s)	Projected Units as % of Income Category Total	Map ID	Total Number in Census Tract(s)	Projected Units as % of Income Category Total	
Segregation and Integration	Less than 10% of the population with a disability	1.03, 4.01, 6.01, 6.03, 6.04, 8	39	1	0.8% (9 units)	29, 32	2	25.7% (345 units)	15, 16, 17	4	24.5% (566 units)	
	40-60% of children living in single parent female households	1.04	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	Adjacent sites: All income levels in Census Tracts 1.02, 1.03, or 2.02.  Approximately 2.1% of above moderate-income, 22.5% of moderate-income and 8.4% of very low- and low-income projected units are in census tracts adjacent



												to Census Tract 1.04.
	<b>Greater than \$125,000 median income</b>	2.01, 5.01, 14, 16,  (block group section(s) of these census tracts)	35, 40, 41, 42	4	41.7% (480 units)	30	1	23.1% (310 units)	3, 4, 10, 11	4	24.5% (567 units)	
	<b>41-80% non-white demographics</b>	5.02, 6.04, 9.03, 9.04, 10, 13  (block group section(s) of these census tracts)	36, 37	2	23.5% (271 units)	27, 31, 34	3	43.8% (588 units)	2, 8, 12, 17, 19, 20, 25	7	30.4% (703 units)	
<b>Segregation and Integration</b>	<b>Housing Choice Vouchers (HCVs) as &gt; 0-5% of renter occupied</b>	2.01, 5.01, 5.02, 6.01, 6.03, 6.04, 8, 10, 11	35, 40, 41, 42,	4	41.7% (480 units)	31, 32	2	3.9% (52 units)	3, 4, 5, 10, 11, 13, 14, 16, 17	9	48.7% (1,127 units)	

	housing units											
Racially and Ethnically Concentrated Areas of Poverty (R/ECAP)	High segregation and poverty	3, 13	44, 45	2	(3.3%) (38 units)	33	1	3.9% (53 units)	2, 12, 23, 26	4	9.7% (224 units)	
	Less than 10% of individuals experiencing poverty	1.03, 4.02, 8, 9.01, 14, 15, 16	38	1	28.6% (329 units)	28, 29, 30	3	49.2% (661 units)	1, 6, 9, 15, 21, 24	6	16.2% (375 units)	
	Mostly White (neighborhood segregation)	8, 16, 22	N/A	N/A	N/A	30	1	23.1% (310 units)	N/A	N/A	N/A	
Access to Opportunity	Less positive economic outcome	2.02, 3, 5.02, 6.03, 6.04, 10, 11, 12, 13  (block group section(s) of these census tracts)	44, 45	2	(3.3%) 38 units	31, 33	2	4.7% (63 units)	2, 5, 7, 12, 13, 14, 17, 22, 23, 26	10	33.1% (765 units)	
	Less positive	3, 5.02, 6.03, 6.04,	44, 45	2	(3.3%) 38 units	31, 33	2	4.7% (63 units)	5, 13, 14, 17, 23, 26	6	21.1% (488 units)	

	<b>education outcome</b>	10, 11, 12  (block group section (s) of these census tracts)										
	<b>More positive environmental outcome</b>	16  (block group section (s) of these census tracts)	N/A	N/A	N/A	30	1	23.1% (310 units)	N/A	N/A	N/A	
	<b>Furthest proximity to jobs</b>	1.02, 1.03, 1.04, 5.01, 8, 14, 16  (block group section (s) of these census tracts)	43	1	2.1% (24 units)	29, 30	2	45.6% (613 units)	3, 4, 10, 11	4	24.5% (567 units)	

Disproportionate Housing Needs Including Displacement Risk	60-80% of owner households with overpayment	6.03	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	<p>Adjacent sites: moderate- and very low- and low-income in Census Tract 6.01, very low- and low-income in Census Tracts 6.04 and 7, and moderate-income in Census Tract 10.</p> <p>Approximately 3.9% of moderate-income and 24.8% of very low- and low-income projected units are in census tracts adjacent to Census Tract 6.03. There are no above moderate-income sites adjacent to Census Tract 6.03.</p>
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	60-80% of renter households with overpayment	1.02, 1.04, 5.01, 5.02, 6.03, 6.04, 10, 11, 12	43	1	(2.1%) 24 units	31	1	0.7% (10 units)	3, 4, 5, 10, 11, 13, 14, 17	7	39.5% (913 units)	
	12.01-15% overcrowded households	13	N/A	N/A	N/A	N/A	N/A	N/A	2, 12	2	3.5% (82 units)	

## ISOLATION OF THE ADEQUATE SITES INVENTORY

This section is an evaluation of whether the Adequate Sites Inventory by income group is concentrated in areas of the community.

**Figure 41.5: City of Chico, Adequate Sites Inventory by Income Level and Census Tract Table, 2023**, shows the location of Adequate Sites Inventory by income level and census tract. The very low- and low-income sites are found in 11 different census tracts in the city, the moderate-income sites are found in seven different census tracts, and the above moderate-income sites are also found in seven different census tracts in the city. This means that the very low- and low-income sites can be found in 44% of the city's census tracts, whereas the moderate-income and above moderate-income can both be found in 28% of the city's census tracts.

The very low-, low-, moderate-, and above moderate-income sites can all be found in the north, east, south, and west portions of the city. By these measures, there is not a significant concentration of the Adequate Sites Inventory by income level in the city.

**Figure 41.5: City of Chico, Adequate Sites Inventory by Income Level and Census Tract Table, 2023**

Income Level	List of Census Tracts	Number of Total Census Tracts	Percentage of Total Census Tracts
Very low- and low-income	2.02, 3, 4.01, 4.02, 5.01, 6.01, 6.04, 7, 9.03, 11, and 13	11	44%
Moderate-income	1.03, 3, 6.01, 10, 9.01, 9.03, and 16	7	28%
Above moderate-income	1.02, 2.01, 3, 4.01, 9.01, 9.03, and 9.04	7	28%

## LOCAL DATA AND KNOWLEDGE

This section on local data and knowledge is a consideration of current, planned, and past developments, investment, policies, practices, demographic trends, public comment, and other factors.

As detailed in the Assessment of Fair Housing, **Figure 22.1: City of Chico, Affordable Housing Existing and Proposed/Pending Map, 2021**, depicts affordable housing located in Chico through December of 2021. It shows 15 pending affordable housing projects, which will serve very low- and low-income households. Pending affordable housing projects are located in Census Tracts 2.02, 3, 4.02, 9.01, 9.03, 13, and 16. Census Tracts 9.01, 9.03, and 16 are located in an area of new growth, and close to amenities and Upper Bidwell Park.

There is an affordable housing project located in Census Tract 13 that is an acquisition and demolition of a services center, including limited shelter beds for people experiencing homelessness previously operated by the Jesus Center. The Jesus Center has moved to a larger parcel and is building a larger facility with greater amenities and services and sheltering capacity. Jamboree Housing has purchased the emergency shelter site and is constructing a new special needs multi-family affordable housing project on the site, projected to serve 58 households earning 30-60% of area median income (AMI) (*City of Chico, Correspondence, 2022; Jamboree, "Chico: Proposed Redevelopment of 1297 Park Site", 2021*).

## OTHER RELEVANT FACTORS

Other relevant factors are any other factors that influence the impacts of the identification of sites to accommodate the regional housing need on socio-economic patterns and segregation.

There are several proposed or planned special planning areas and subdivisions in process in the city: Hicks Lane near the Chico Municipal Airport in northeast Chico, Meriam Park in southeast Chico, Valley's Edge also in southeast Chico, and Barber Yard in southwest Chico.

## SUMMARY OF CONCLUSIONS AND APPROACH TO POLICIES AND PROGRAMS

As directed by HCD, the Affirmatively Furthering Fair Housing: Adequate Sites Inventory focuses on improving fair housing choice and equitable access to opportunity. The findings from the Assessment of Fair Housing in the topic areas of segregation and integration, racially and ethnically concentrated areas of poverty, access to opportunity, and disproportionate housing needs including displacement risk, are projected to improve with the development of sites identified in the Adequate Sites Inventory.

As detailed in **Action 1.7.1**, The City of Chico will continue to use the HCD AFFH Data Resources and Mapping Tool to biennially evaluate racially and ethnically concentrated areas of poverty concentrations of high segregation and poverty, and concentrations of affluence in the city. This evaluation will inform its community development and housing work as well as the Adequate Sites Inventory in the next Housing Element update.

Three of the five data findings for access to opportunity projected to improve. The three data findings projected to improve for access to opportunity are education, environment, and transportation. The two that are not projected to improve are economic and job proximity.

As detailed in **Action 1.7.2**, the City of Chico will conduct specific, targeted outreach to Census Tracts 2.02, 3, 5.01, 5.02, 6.03, 6.04, 10, 11, 12, and 13 which have block groups with the finding "less positive economic outcome" or "furthest proximity to jobs" (*HCD AFFH Data Resources and Mapping Tool: 2021 TCAC; 2017 U.S. Department of Housing and Urban Development*). To the extent feasible, outreach will be bilingual in English and Spanish. Outreach will include preparation and distribution of a flyer in collaboration with the Butte College Small Business Development Center. The flyer will advertise small business counseling for low-income individuals who own or want to start their own business. The City will provide the flyer for

outreach to local businesses, employers, health care, restaurants, schools, stores, and organizations in these census tracts. The City will start conducting outreach efforts by June 2024 and continue at least annually throughout the planning period.

The approach of improving fair housing choice and equitable access to opportunity is reflected in the Housing Element's Goals, Policies, and Actions in Chapter 3.

## FINANCIAL INVENTORY

### ***Financial Resources***

Financial resources are available for the production of affordable housing and related housing support (emergency shelter, rental assistance, etc.) at the local, state and federal levels. At the time of the writing of this update, the financial resources landscape is an ever-changing and somewhat unpredictable one. At both the State and Federal levels, the respective administrations are devoting more financial resources to addressing the affordable housing shortage than perhaps at any time in history. This section describes funding sources that the City of Chico receives as a federal entitlement jurisdiction or can apply for directly, those that an affordable housing developer can apply for, and those that other local housing agencies provide to support the residents of Chico. These resources are subject to change over the time period covered by the Housing Element update.

### ***Local Resources***

#### **AFFORDABLE HOUSING FUND**

**Government Administrator/Application Process:** City of Chico/no application process. This is the City's receivable account for loans made from the former Low-and Moderate-Income Housing Fund of the Chico Redevelopment Agency.

**Eligible Uses:** Administration and monitoring; developing of housing affordable to households at or below 80% AMI, with 80% of funds to be used for households below 60% AMI.

**Current Status:** Some of the multi-family loans in the portfolio generate annual repayments of a portion of the interest due, and loan payoffs are occasionally received from the former Mortgage Subsidy Program loans.



## **State Resources**

### **COMMUNITY DEVELOPMENT BLOCK GRANT—DISASTER RECOVERY— MULTI-FAMILY HOUSING PROGRAM (CDBG-DR-MHP)**

**Government Administrator/Application Process:** City of Chico/Allocation from HCD.

**Eligible Uses:** DR-MHP is intended to assist in meeting unmet rental housing needs, including the needs of individuals displaced from rental homes and individuals who became homeless as a result of the Camp Fire. The projects intended for funding with DR-MHP include apartment complexes and mixed-use developments. DR-MHP funds may assist low- and moderate-income housing units, but assisted projects may also be composed of mixed-income units.

**Current Status:** California received an allocation of \$1,017,399,000 in Community Development Block Grant-Disaster Recovery (CDBG-DR) funds from the U.S. Department of Housing and Urban Development (HUD) that are intended to benefit low- and moderate-income households impacted by the 2018 wildfires. The State has allocated \$32.4 million of this amount to the City of Chico for the development of affordable multi-family housing. The City has issued a Request for Proposals (RFP) from developers and received six applications in response to its first RFP. At the time of the drafting of this Housing Element, conditional funding commitments have been awarded to the proposed projects. This is one-time funding.

### **PERMANENT LOCAL HOUSING ALLOCATION (FORMULA FUNDS)**

**Government Administrator/Application Process:** City of Chico/City applies to HCD.

**Eligible Uses:** A wide range, which includes but is not limited to—affordable rental housing for households below 80% AMI; affordable rental and ownership housing, including accessory dwelling units (ADUs), for households earning up to 120% of AMI; or capital costs for navigation centers and emergency shelters, as well as permanent and transitional housing for people experiencing homelessness.

**Current Status:** On-going funding provided through SB2 Building Homes and Jobs Act. Funding will fluctuate based on revenues taken in by the State.

## **MULTIFAMILY HOUSING PROGRAM (MHP)**

**Government Administrator/Application Process:** HCD/Developer can apply.

**Eligible Uses:** Deferred payment loan for housing developments with rents affordable to low-income households.

**Current Status:** State funding for this program is expected to be exhausted in 2022, but may be renewed in subsequent years through General Fund allocations and/or new bonds.

## **NO PLACE LIKE HOME (NPLH)**

**Government Administrator/Application Process:** HCD/Counties and Developers co-apply.

**Eligible Uses:** Deferred payment loan for housing developments that target a portion of units to homeless individuals with mental illness. An operating reserve is also provided to awardees based on the number of NPLH-assisted units. In order to be eligible, counties must prepare a plan to address homelessness and commit to provide supportive services to tenants in NPLH-assisted units.

**Current Status:** A 2018 housing bond and revenue generated from the Mental Health Services Act (MHSA) funded \$2 billion for this program, with funding allocated through four different NOFAs released 2018-2021. The program may be refunded through State allocations and/or a new housing bond in future years.

## **AFFORDABLE HOUSING AND SUSTAINABLE COMMUNITIES PROGRAM (AHSC)**

**Government Administrator/Application Process:** HCD/Developer applies jointly with local transportation agency.

**Eligible Uses:** Grants for infill low-income affordable housing, and infrastructure that encourages reductions in vehicle trips and greenhouse gas emissions.

**Current Status:** State program funded by greenhouse cap-and-trade program. Recent revisions to regulations encourage greater participation from rural communities.

## **INFILL INFRASTRUCTURE GRANT PROGRAM (IIG)**

**Government Administrator/Application Process:** HCD/City or developer applies.

**Eligible Uses:** Gap funding for infrastructure improvements necessary for specific residential or mixed-use infill projects.

**Current Status:** This is funding from Proposition 1, the Veteran's and Affordable Housing Bond Act, therefore this funding will sunset when all bond proceeds are disbursed. The State generally issues one NOFA each year.

## **LOW-INCOME HOUSING TAX CREDIT PROGRAM (LIHTC)**

**Government Administrator/Application Process:** State of California/Developer applies.

**Eligible Uses:** New construction or rehabilitation of affordable housing; tax credits are purchased by investors that provide equity to projects

**Current Status:** Each state receives an allocation of federal tax credits for low-income housing. The California Tax Credit Allocation Committee administers allocations to affordable housing projects through a competitive application process. Most low-income multi-family affordable projects require the use of tax credits, as it typically provides the largest source of funding.

## **TAX EXEMPT REVENUE BOND AUTHORITY**

**Government Administrator/Application Process:** State of California/Qualifying bond issuer applies on behalf of developer.

**Eligible Uses:** New construction or rehabilitation of affordable housing; banks purchase bonds and make loans with below-market terms to projects.

**Current Status:** Each state receives an allocation of debt from the federal government with interest earnings that are exempt from federal taxes. The California Debt Limit Allocation Committee administers allocations to affordable multi-family housing projects through a competitive application process.

## ***Federal Resources***

### **COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)**

**Government Administrator/Application Process:** City of Chico/City applies to Federal HUD through entitlement process.

**Eligible Uses:** Housing— Single-Family Housing Rehabilitation, Homebuyer Assistance, Infrastructure in Support of Housing, Multi-family Housing Rehabilitation.

Community Development— Infrastructure improvements in low-income neighborhoods.

**Current Status:** The City is an entitlement jurisdiction in good standing with HUD. Funding allocations vary depending upon congressional appropriations. At the time of this writing, a modest increase in appropriations is anticipated in the 2022 budget. The City submits a 5-Year Consolidated Plan to HUD, with an Annual Action Plan each year that details the activities the City will undertake with its CDBG allocation.

### **HOME INVESTMENT PARTNERSHIP PROGRAM (HOME)**

**Government Administrator/Application Process:** City of Chico/City applies to Federal HUD through entitlement process.

**Eligible Uses:** New rental affordable housing; rehabilitation of existing rental affordable housing; programs to promote home ownership; owner-occupied housing rehabilitation; tenant-based rental assistance to prevent homelessness.

**Current Status:** The City is a Participating Jurisdiction (entitlement) in good standing with HUD. Funding allocations vary depending upon congressional appropriations. At the time of this writing, a significant increase in appropriations is proposed in the 2022 budget. The City submits a 5-Year Consolidated Plan to HUD, with an Annual Action Plan each year that details the activities the City will undertake with its HOME allocation.

### **HOUSING CHOICE VOUCHERS (HCV)**

**Government Administrator/Application Process:** Housing Authority of the County of Butte (HACB), which receives HCV allocations from HUD/Tenants apply.

**Eligible Uses:** Rental assistance for low-income households.

**Current Status:** Local housing authorities receive funding for HCV (Section 8 of the United States Housing Act of 1937) from the Federal Government. HACB currently administers 993 vouchers within the City of Chico. While funding has been cut in recent years, the Biden Administration proposes to fully fund the program so that all eligible households may receive a voucher.

#### **PROJECT BASED SECTION 8 VOUCHERS**

**Government Administrator/Application Process:** Housing Authority of the County of Butte (HACB), which receives HCV allocations from HUD/Developers apply.

**Eligible Uses:** Rental assistance for low-income households tied to units, which can be underwritten by loans that finance housing projects.

**Current Status:** Housing authorities may dedicate a portion of their Housing Choice Vouchers as Project Based Vouchers. The Biden Administration is seeking to increase the number of Project Based Vouchers available to Housing Authorities.

#### **HUD VASH VOUCHERS**

**Government Administrator/Application Process:** Housing Authority of the County of Butte (HACB), which receives HCV allocations from HUD/Tenants apply.

**Eligible Uses:** Rental assistance and supportive services for homeless veterans.

**Current Status:** This federally funded program is managed through a partnership between housing authorities and the U.S. Dept. of Veterans Affairs (VA). Homeless veterans receive a rental subsidy from the housing authority and case management from the VA. Funding for this program has been increasing in recent years with strong bipartisan support in Washington D.C.

#### **CONTINUUM OF CARE (CoC) PROGRAMS**

**Government Administrator/Application Process:** Butte Countywide Homeless Continuum of Care/Lead Agency is the County of Butte, Department of Social Services, Housing and Homeless Branch.

**Eligible Uses:** Rental subsidies, rapid re-housing, emergency shelter, homeless prevention.

**Current Status:** The Butte Countywide Continuum of Care is currently accessing State resources available to them (Emergency Solutions Grant, Homeless Housing Assistance and Prevention, Homeless Emergency Aid Program, etc.) and Federal CoC funding through HUD. Funds are passed through to service providers at the County level.

### ***Opportunities for Energy Conservation***

As the rapid depletion of nonrenewable resources persists and energy costs continue to rise, community members have become more aware of energy conservation measures, primarily as an effort to offset these rising costs. Typically, the use of alternative energy sources is most advantageous in new housing development. However, there are many energy-conserving measures that can be retrofitted onto older, existing housing which may conserve the ongoing use of nonrenewable fuels, which in turn, may reduce related costs.

Pacific Gas and Electric (PG&E), the utility company that serves the city of Chico, provides a plethora of energy conservation services for residents. In addition, PG&E offers energy assistance programs for lower-income households in order to help community members conserve energy and reduce utility costs. Programs currently administered in the city of Chico by PG&E include the California Alternate Rates for Energy Program (CARE) and the Family Electric Rates Assistance (FERA). The FERA program offers monthly discount of 18% on electricity to households with three or more people. Participants qualify through income guidelines.

Other energy conservation programs available to the residents of Chico include:

- CARE (California Alternate Rates for Energy Program)
- LIHEAP (Low-Income Home Energy Assistance Program)
- DAC-SASH (Disadvantaged Communities and Single-Family Solar Homes Program)
- RECO (Residential Energy Conservation Ordinance)
- BUILD (Building Initiative for Low Emissions Development)
- AHSC (Affordable Housing for Sustainable Communities)

### ***Butte County Community Action Agency (Butte County CAA)***

The Community Action Agency of Butte County, Inc. (CAA) is a key provider of energy conservation programs in the city of Chico. CAA assists community members who are struggling with poverty to become more self-sustaining by meeting tangible needs in the areas of energy conservation, energy savings, and affordable housing. CAA is currently working toward its energy conservation goal by providing people on fixed incomes assistance with weatherizing their homes so they can spend less on PG&E

energy bills through two programs: Weatherization Assistance Program (WAP) and Low-Income Home Energy Assistance Program (LIHEAP).

***CARE (California Alternate Rates for Energy Program)***

The CARE program, administered by PG&E, provides a monthly discount of 20% or more on gas and electricity to households with qualified incomes, certain nonprofit organizations, homeless shelters, hospices, and other qualified group living facilities. Participants qualify through income guidelines or if enrolled in certain public assistance programs.

***LIHEAP (Low-Income Home Energy Assistance Program)***

LIHEAP is a federally funded program that services the residents in the city of Chico through CAA. The goal of the program is to assist eligible, low-income households with managing and meeting their immediate home heating and/or cooling needs and providing home weatherization upgrades. Qualified households may receive assistance in paying their utility costs. This may include electric, natural gas, propane, heating oil, cord wood, or wood pellets. There are specific emergency services for clients who have received shut-off notices from their utility provider. LIHEAP is designed assist low-income households that pay a high portion of their income to meet their energy needs. To apply for the weatherization and utility allowance program, residents must qualify through the income guidelines.

Below is data on Chico households served through LIHEAP since 2014:

- Homes weatherized
  - Between 2014 – 2020: 205
  - January - April 2021: 22
- Heating, Cooling, and/or Water Heater repairs or replacements made
  - Between 2014 – 2020: 191
  - January – April 2021: 66
- Utility Assistance for help with electric bills
  - Between 2014 – 2020: 2,903 payments made
  - Number of payments made as of April 2021: 110
  - Number of homes serviced as of April 2021: 10

Residents and community members can learn more about energy services administered by CAA on their website at <https://www.buttecaa.com>.

***DAC-SASH (Disadvantaged Communities and Single-Family Solar Homes Program)***

DAC-SASH is a ratepayer-funded program through the California Public Utilities Commission that provides up-front rebates to help low-income homeowners access the benefits of solar power. The DAC-SASH low-income solar program runs through 2030 in PG&E utility territory. In Chico, communities identified as "DACs" or disadvantaged communities in the state's CES 4.0 map will be eligible for the solar

program based on geography; households must still qualify based on income, owner occupancy and be connected to PG&E 's electric grid.

Under the original SASH fund, GRID Alternatives installed systems on over 5,200 homes in California. GRID is a leading voice in low-income solar policy and one of the nation's largest nonprofit solar installers, serving families throughout California, Colorado, the Mid-Atlantic region, and tribal communities nationwide. GRID offers single-family, multi-family, and community solar installation services, project development and technical assistance, along with multiple levels of workforce development and service-learning opportunities, from volunteerism to in-depth solar training and paid internships. GRID's mission is to build community-powered solutions to advance economic and environmental justice through renewable energy.

DAC-SASH goals include:

- Maximize financial savings for low-income households in economically and environmentally disadvantaged communities.
- Enhance long-term economic self-sufficiency in low-income communities by providing community members with access to green jobs training and solar employment opportunities.
- Provide education on energy efficiency and existing programs that can provide further benefits to families.

### ***RECO (Residential Energy Conservation Ordinance)***

The City adopted a Residential Energy Conservation Ordinance (RECO) in 1991 (last amended in 2010) that requires residential properties built prior to July 1991 to meet specified cost-effective energy efficiency measures at time of property sale. Energy efficiency measures include but are not limited to: all major cracks, joints, and other openings in building exteriors must be caulked, weather stripped, or otherwise sealed to limit air infiltration; all accessible attic space with 30" or greater headroom must be insulated to a minimum thermal resistance rating of R-30; where feasible, thermostats must be programmable; and all ducts in accessible areas shall be visually inspected to determine if they are intact and functioning properly.

The City recently updated its Climate Action Plan (CAP) to be consistent with state GHG emission reduction goals. One of the goals in the CAP update is to improve energy efficiency in existing residential homes, targeting the older housing stock within the city. As a result, the City is updating the RECO ordinance. The proposed ordinance goes beyond the base requirements for energy conservation set forth in the California Building Energy Efficiency Standards in California Code of Regulations Title 24, Part 6 (Energy Efficiency Standards) for substantial remodels to existing homes and apartments. The proposed amendments would require residential property owners who are conducting a "substantial remodel" exceeding fifty percent of the existing floor area of the structure to install cost-effective, energy efficiency measures including attic insulation, cool roofing, insulating ducts and plumbing



pipng, low flow plumbing fixtures and LED lighting throughout the structure. Because emissions are permanently lowered for each year of the life of energy efficiency improvements, emissions savings would accumulate to a substantial annual reduction after only a few years.

***BUILD (Building Initiative for Low Emissions Development)***

Authorized by State of California Senate Bill 1477, the Building Initiative for Low-Emissions Development (BUILD) Program will provide incentives for the deployment of near-zero emissions building technologies in low-income residential buildings significantly beyond what otherwise would be expected to result from the implementation of the prescriptive standards described in Part 6 of Title 24 of the California Code of Regulations (California Energy Code). The BUILD Program is currently under development, with program goals to raise awareness of near-zero-emission building technologies and applications, test program and policy designs, and gain practical implementation experience and knowledge. The BUILD program is expected to launch in 2022.

The program is designed to be a market transformation program. Through outreach, technical support, and education, BUILD hopes to promote all electric building decarbonization. The first two years of the program is expected to be focused on affordable housing. In the city of Chico, there may be incentive funding for disadvantaged communities.

***AHSC (Affordable Housing for Sustainable Communities)***

Administered by the Strategic Growth Council and implemented by the Department of Housing and Community Development (HCD), the AHSC Program funds land-use, housing, transportation, and land preservation projects to support infill and compact development that reduce greenhouse gas ("GHG") emissions. Funding for the AHSC Program is provided from the Greenhouse Gas Reduction Fund (GGRF), an account established to receive Cap-and-Trade auction proceeds.

An aerial photograph of a large residential complex. The complex features a central green courtyard with a circular path and a playground. The buildings are multi-story with yellow and blue accents. A dark blue semi-transparent rectangle is overlaid on the top half of the image, containing the chapter title. The bottom half of the image shows a street with cars and a parking lot.

## Chapter 6: Constraints Analysis

## INTRODUCTION

This section analyzes how governmental policies and procedures, and market factors, may constrain housing development in Chico. It also includes an assessment of the extent to which identified constraints impact residential production. Some of these constraints are addressed by Goals, Policies, and Actions in the Chapter 3 Housing Program.

## GOVERNMENTAL CONSTRAINTS

State Housing Element Law requires that local governments facilitate and promote the provision of housing affordable for all economic segments of the community. While the City does not develop or build housing, local government can establish a regulatory framework that is conducive to the production of housing. On the other hand, some governmental regulations can increase the cost of development and thus constrain the availability of affordable housing. Governmental constraints can increase costs by adding specific expenses to building costs, such as street improvements or impact fees, or by increasing development timelines and thereby increasing the builder's incidental costs such as interest payments, property holding costs, or labor.

Governmental constraints can be classified in three basic categories: those which pose regulation; those which add direct costs; and those which result in time delays. Regulations and time delays result in increased costs, but they cannot be calculated as easily as direct costs such as fees. The most obvious and significant factors falling within the influence of local government are:

- Land use controls
- Site improvement requirements
- Building codes and their enforcement
- Fees and exactions
- Permit processing procedures
- Accommodations for persons with disabilities

### ***General Plan***

The City of Chico adopted the 2030 General Plan in April 2011. The new General Plan created new land use designations that significantly expanded the City's capacity to accommodate residential development, both in terms of volume of units and variety of housing types. Correspondingly, the new General Plan enhanced residential development flexibility for projects that meet General Plan goals. The City subsequently adopted comprehensive municipal code revisions with new zoning districts and associated requirements. These land use controls and regulations are described in this section.

Since the adoption of the General Plan, the City has instituted a rolling 5-year General Plan Review process, the first of which occurred in 2016. The first 5-year General Plan Review included a compilation of activity relating to population, development activity, annexations, General Plan sustainability, opportunity sites, resource constraints, overlay

zones, residential holding capacity, commercial land availability, planning efforts, and housing. Accompanying the General Plan Review was a comprehensive update of the Zoning Code (Title 19 of the Chico Municipal Code), which included streamlined review processes that moved project review and approval authority to the City staff level in many cases. These changes have improved permit review efficiency and reduced review process timelines.

Due to the Camp Fire and the coronavirus pandemic, and subsequent shut-down of regular City Hall hours, the 2021 General Plan Review was delayed, and emphasis was placed on the Housing Element update. The City was able to complete a Land Absorption Study (LAS) in July 2018, which estimated the City's development capacity at build-out and evaluated opportunities and constraints in land development regulations. The LAS placed available land supply into four categories: 1) existing proposed and approved development pipeline, 2) inventory of vacant developable land, 3) the five General Plan Special Planning Areas (SPAs), and 4) the 14 Opportunity Sites identified in the General Plan (redevelopment and underdeveloped areas). The LAS concluded, with caveats, that there is an adequate supply of land to meet both residential and non-residential demand through 2035 and included important discussions regarding the complex demographic and economic trends that effect demand for new development. Post-Camp Fire, there have certainly been changes to the "demand" assumptions included in the Study, but the "supply" side remains valid.

### ***Land Use Controls***

Land use controls can affect the cost of housing if they artificially limit the supply of land available for development and/or limit the type of housing that can be built to certain types that are less affordable. The zoning ordinance, which implements the general plan, is a tool used by cities to guide the development of land, including regulations for location, density and intensity. All of the City of Chico zoning ordinances and development standards are available on the City of Chico Planning Division webpage (<https://chico.ca.us/planning-division>) and Municipal Code webpage (<https://chico.ca.us/city-charter-municipal-code>) in compliance with the transparency requirements of Government Code Section 65940.1.

## **RESIDENTIAL ZONING DISTRICTS**

As shown in **Figure 42: City of Chico, Residential Zoning Districts Table, 2021** the City of Chico's residential zoning districts allow for a broad range of housing types. The range of density, particularly at the high end, was increased with the adopted 2030 General Plan, helping the City to better meet local housing needs. Multi-family housing is allowed by-right (without discretionary permit review) in all residential zones except RS and R1.

Figure 42: City of Chico, Residential Zoning Districts Table, 2021

Zoning District	Units Per Acre	Max. Lot Coverage	Max. Height (ft.)	Min. Lot Size (sf)
Suburban Residential (RS)	0.2-2	40%	35	10,000
Low Density Residential (R1)	2.1-7	50%	35	3,500
Medium Density Residential (R2)	7.1-14	60%	35	4,000
Medium-High Density Residential (R3)	14.1-22	65%	45	4,000
High Density Residential (R4)	20-70	75%	85	7,500
Residential Mixed Use (RMU)	10-20	75%	45-65	7,500

Source: City of Chico Municipal Code, Chapter 19.40

The Residential Use Table for the Residential Zoning Districts is shown in **Figure 42.1** below. The symbols used in **Figures 42.1** through **42.3** have the following meanings:

- P** Permitted use, zoning clearance required
- UP** Conditional use, use permit required
- PD** Conditional use, planned development permit required
- TU** Temporary use
- Blank** Use not allowed

Figure 42.1: City of Chico, Residential Zoning Districts Use Table, 2021

Residential Use	Permit Requirement For Zone					
	RS	R1	R2	R3	R4	RMU
Assisted living facilities for the elderly	UP	UP	UP	UP	UP	
Dormitory				UP	UP	UP
Fraternity/sorority housing				P	P	P
Guest house	P	P				P
Home occupations	P	P	P	P	P	P
Household pets	P	P	P	P	P	P
Live/work						P
Mobile home parks		UP(3)	UP(3)	UP(3)		
Multi-family housing			P	P	P	P
Residential accessory uses and structures	P	P	P	P	P	P
Residential care homes, 6 or fewer clients	P	P	P	P	P	P
Residential care homes, 7 or more clients	UP	UP	UP	UP	UP	UP
Rooming and boarding houses		UP	UP	UP	UP	UP
Accessory dwelling unit	P(4)	P(4)	P(4)	P(4)	P(4)	P(4)
Senior citizen congregate care housing		UP	UP	P	P	P
Single-family housing	P	P	P(3)	P(3)		P(3)
Single-room occupancy (SRO) housing			P	P		P
Supportive housing	P	P	P	P	P	P
Temporary dwellings	TU	TU	TU	TU	TU	TU
Temporary emergency shelters	P	P	P	P	P	P
Transitional housing	P	P	P	P	P	P
Two-family housing/duplexes		P/UP(5)	P	P	P	P

Notes: (3) Permitted only as accessory use and subject to architectural screening in compliance with Section 19.60.060.(4) Accessory dwelling units shall comply with all applicable development standards set forth in 19.76.130.(5) Consistent with the overall maximum density allowed and on corner parcels either as part of the subdivision approval process or by use permit.

Source: City of Chico Municipal Code, Chapter 19.42

## COMMERCIAL ZONING DISTRICTS

To encourage mixed-use development, residential uses are allowed without a discretionary permit, if they are located above the ground floor (ground floor residential uses are allowed with a use permit in several of the commercial zoning districts below), in the following commercial zoning districts:

- Neighborhood Commercial (CN) (Density: 6 to 22 units per gross acre)
- Community Commercial (CC) (Density: 6 to 22 units per gross acre)
- Downtown North (DN) (Density: 6 to 22 units per gross acre)
- Downtown South (DS) (Density: 6 to 22 units per gross acre)

- Regional Commercial (CR) (Density: 6 to 50 units per gross acre)

Other commercial zoning districts that allow multi-family housing, transitional and supportive housing, residential care homes for seven or more clients, or emergency shelters, with a discretionary Conditional Use Permit include:

- Office Residential (OR) (Density: 6 to 20 units per acre)
- Office Commercial (OC) (Density: 6 to 20 units per acre)

The Residential Use Table for the Commercial Zoning Districts is shown in Figure 42.2 below.

**Figure 42.2: City of Chico, Commercial Zoning Districts Residential Use Table, 2021**

Residential Use	Permit Requirement For Zone							
	OR	OC	CN	CC	DN	DS	CS	CR
Assistant living facilities for the elderly	UP							
Caretaker and employee housing							UP	
Emergency shelters	UP	UP		UP			UP	
Home occupations	P	P						
Household pets	P	P	P	P	P	P	P	P
Live/work	P(4)	P(4)	P(4)	P(4)	P(4)	P(4)	P(4)	P(4)
Mobile home parks							UP	
Multi-family housing	UP	UP	P(4)	P(4)	P(4)	P(4)		P(4)
Residential accessory uses and structures	P							
Residential care homes, 6 or fewer clients	P	UP	P	UP			UP	
Residential care homes, 7 or more clients	UP	UP	UP	UP			UP	
Rooming and boarding houses	UP	UP	UP		P(4)	P(4)		
Single-family housing	UP		P(4)	P(4)				
Single-room occupancy (SRO) housing			P(4)	P(4)	P(4)	P(4)	P	P(4)
Temporary emergency shelters	P	P	P	P	P	P	P	P
Transitional and supportive housing	UP	UP	P(4)	P(4)	P(4)	P(4)		P(4)
Two-family housing/duplexes	UP	UP	P(4)	P(4)	P(4)	P(4)		

Notes: (4) Use allowed only on second floor or above, or in basements. A use permit is required for ground-level occupancy, except for accessible units required by the Building Code, which are allowed by right. *Source: City of Chico Municipal Code, Chapter 19.44*



## SPECIAL PURPOSE ZONING DISTRICTS

The Residential Use Table for the Special Purpose Zoning Districts is shown in **Figure 42.3** below.

**Figure 42.3: City of Chico, Special Purpose Zoning Districts Residential Use Table, 2021**

Residential Use	Special Purpose Zoning Districts		
	PQ	OS1	OS2
Caretaker housing	UP	UP	UP
Emergency shelters	P		

*Source: City of Chico Municipal Code, Chapter 19.50*

## TRADITIONAL NEIGHBORHOOD DEVELOPMENT ZONING DISTRICT

The Traditional Neighborhood Development (TND) Zoning District, encompassing approximately 271 acres, is intended to create compact and complete neighborhoods with defined neighborhood centers. This district is being used in the Meriam Park Area in southeast Chico. It also encourages both residential and non-residential land uses while promoting a mix of housing types that can accommodate a variety of household sizes, incomes and life stages. The TND zone establishes an interconnected street network supporting a variety of transportation modes, a pedestrian-friendly environment, and public spaces. The TND Zoning District has accommodated the construction of affordable multi-family housing since it was established, and some of the sites in the Adequate Sites Inventory are located in the TND Zoning District.

## OVERLAY ZONES

The 2030 General Plan allows flexibility for multi-family development and encourages higher densities along commercial corridors near public transit and the Downtown area. These goals are implemented through overlay zones in the City Zoning Code described below.

**Planned Development (PD):** The purpose of this overlay zone is to encourage the development of affordable housing, innovative housing, and clustering to protect natural resources and ensure the provision of open space. It can be utilized in any zoning district that allows residential uses. Applicants may make justifiable modifications to all applicable development standards with the exception of density provisions set forth in the General Plan. The Planning Commission reviews each application on a case-by-case basis and makes a determination as to whether the PD



permit is appropriate for the property and if it adequately meets General Plan goals.

**Corridor Opportunity Site (COS):** The purpose of this overlay zone is to encourage the development of housing adjacent to key transit corridors and in the Downtown area. It covers 481 acres within the City. The density and height limits of zoning districts within this overlay are increased, and parking requirements are decreased. For example, projects within the COS have a minimum density at the midpoint of the allowed density range. For example, within COS areas, the Residential Mixed Use zoning district, which otherwise has a density range of 10-20 units per acre, has a minimum density of 15 units per acre and a maximum density of 70 units per acre. The Office Mixed Use and Commercial Mixed Use zoning districts have a maximum density of 60 units per acre. The maximum height in these zones is up to 65 feet. Required off-street parking is reduced from the standard residential and commercial zoning code standards.

## DENSITY BONUS

California's Density Bonus Law (Government Code Section 65915) allows developers to request density bonuses and concessions based on the percentage of affordable units in the proposed project. Before 2021, the maximum density bonus was 35% for housing projects, which included either 11% Very Low-income units, 20% Lower income units, or 40% Moderate-income units. Recent legislation (AB 2345) increased the top range of the density bonus to 50% for housing projects with 15% Very Low-Income units, 24% lower income units, or 44% Moderate-Income units. AB 2345 does not modify the 80% density bonus required to be provided to 100% affordable projects. In addition to the density bonuses, projects meeting the affordability thresholds described above are entitled to one or more incentives or concessions, which could include exceptions to building standards such as setbacks or building coverage ratios. In addition, AB 2345 amends parking ratios for qualifying projects to one space per studio or one-bedroom unit, 1.5 spaces per two-bedroom or three-bedroom unit, and 2.5 spaces per four-bedroom unit. Further reductions in parking standards are allowed for projects within a half-mile radius of a major transit stop, and for senior housing with paratransit service or access to a bus route that operates at least eight times per day.

The City of Chico's Density Bonus provision is located in Chapter 19.62 of the Municipal Code. This provision needs to be updated to reflect the provisions of AB 2345 as described above. An action to update the City's Density Bonus policy is included in the Chapter 3 Housing Program (Action 3.3.1).

## PARKING REQUIREMENTS

The City's comprehensive Municipal Code Update reduced parking requirements. In addition, the Code allows for further parking reductions with the incorporation of Smart Growth principles in project design. Single-family development requires two parking spaces per unit. For multi-family development, the off-street parking requirements are listed below:

**Studio:** 0.75 space per unit

**One Bedroom:** 1.25 spaces per unit (COS Overlay 1 space per unit)

**Two Bedrooms:** 1.75 spaces per unit (COS Overlay 1.5 spaces per unit)

**Three Bedrooms:** 2 spaces per unit (COS Overlay 1.5 spaces per unit)

**Guest parking:** 1 space per 5 units

**Senior housing units:** 1 space per 2 units

**Duplex:** 1.75 spaces per unit (COS Overlay 1.5 spaces per unit)

**Triplex:** 2 spaces per unit (COS Overlay 1.5 spaces per unit)

The Corridor Opportunity Site Overlay allows lower parking ratios than what would otherwise be required, as listed above. Studios or single-room occupancies with rents restricted to low-income households for at least 30 years and located within 500 feet of public transit or commercial facilities have the same parking standard as senior housing units (1 space per 2 units). Studios or single-room occupancies that do not meet these criteria require one space per unit.

## REQUIRED SETBACKS

Front and rear setbacks are generally 10-15 feet for main buildings in all residential zoning districts. No front setback is required for condominiums, townhouses and similar housing types. Side setbacks are 4-5 feet for main buildings. For the rear and side setbacks, an additional 5 feet is required for each story over the first when abutting an RS or R1 zoning district (e.g., single-family).

## FLOOR AREA RATIO AND SITE COVERAGE

The Chico Municipal Code does not have floor area ratio requirements. The code does have a site coverage requirement, which sets the maximum percentage of the parcel that can be occupied by structures. For residential zoning districts, the maximum site coverage ranges from 40% for RS to 75% for R4 and RMU.

## IMPACT OF DEVELOPMENT STANDARDS ON DENSITY

The City's development standards for the R3 (Medium-High Density Residential) zoning district do not limit project from meeting the maximum allowable density. The R3 district allows structure heights up to 45 feet, and projects that utilize 3-4 story construction can meet the maximum density allowance of 22 units per gross acre. This is illustrated by at least two recent projects:

The Post on Nord: 173 units on 4.62 acres (37 du/ac.), using 4-story construction. The project design meets all typical standards for the R3 zoning district, except a residential density of 37 units/acre was allowed because the site includes a Corridor Opportunity Site (-COS) overlay which allows higher densities. Typical R3 standards would require 313 off-street parking spaces for the project, and the layout provides 356 spaces.

North Cedar Apartments: 39 units on 1.77-acres (22 du/ac), using 3-story construction. The project was granted a parking reduction to provide 80 instead of the 82 off-street parking spaces typically required and meets all other development standards. The project could have met the 82-space parking requirement if the amenity areas were reduced in size, or if 4-story construction was utilized to reduce building footprints and increase the surface parking area. Specifically, the ground floor "fitness area" and/or "leasing office" could be reduced in size to provide two additional spaces and meet all of the city's objective development standards.

To further understand the impact of development standards on density, development of Lower Income sites listed in the previous Housing Element were analyzed. Of the 40 infill Lower Income sites with APNs listed in the Site Inventory of the 2014-2022 City of Chico Housing Element, 10 have been constructed and 1 has received planning approval but has not yet been constructed. Of the 10 constructed housing developments, 7 were located on parcels greater than 0.5-acre and produced a total of 741 units. For these developments, the average parcel size was 6.1 acres, the average number of units developed was 123.5, and the average developed density was 22.6 units per acre. This was higher than the assumed capacity in the previous Housing Element Sites Inventory of 19 units per acre. Only two of the parcels developed at less than 19 units per acre, at 17.3-17.6 units per acre. The one parcel that has secured planning approval but has not yet been developed is 3.27 acres with approval for 70 units at a density of 21.2 units per acre. **Figure 40.1** in Chapter 5 demonstrates that affordable housing projects in Chico have generally increased in density over time and, in some cases, are just beginning to extend into the 30 units per acre range. This analysis demonstrates that the City is not constraining development of Lower Income affordable housing by limiting densities through the imposition of development standards.

## GROWTH CONTROLS

The City does not have any growth controls or caps on the number of units that can be built over a designated period of time. The 2030 General Plan, Municipal Code, and Design Guidelines adequately support community character and public safety. There is a growth boundary on the west side of the city commonly referred to as the “Greenline”. This boundary was established in 1982 by Butte County and the City of Chico. The Greenline separates the Chico urban area from the prime agricultural soils to the west and creates a buffer and prevents land use incompatibilities between rural and urban uses. There are no enacted growth boundaries on the north, east, or south sides of the city.

## ZONING FOR A VARIETY OF HOUSING TYPES

Zoning codes should provide adequate flexibility for the development of a variety of housing types that meet the range of needs documented in the Chapter 4 Needs Assessment. These housing types help meet residents’ needs according to income, age, current housing status, household size, and employment. Below is a description of how the City of Chico zoning code accommodates each housing type listed below, in compliance with Government Code Section 65583(a)(4), (c)(1), and subdivision 65583.2(c).

**Multi-family Rental Housing:** Allowed by-right (without discretionary permit review) in the Residential R2, R3, R4, and RMU zoning districts. It is also allowed by-right in the Commercial CN, CC, DN, DS, and CR zoning districts above the ground floor or in basements. A Conditional Use Permit is required for ground-level residential in these Commercial zoning districts. Multi-family housing is allowed with a Conditional Use Permit in the OR and OC zoning districts. Various zoning overlays and incentives to allow greater densities, exceptions to development standards, and design flexibility are provided through the -PD and -COS Overlays, and from the City’s Municipal Code density bonus allowance. The Chico Municipal Code defines “Family” as “one or more persons occupying a housing unit and living as a single housekeeping unit”. This definition does not cause a constraint to housing development since this definition of “Family” is not restricted beyond persons sharing a housing unit (i.e., requirements that the persons are related by blood or marriage).

**Housing for Agricultural Employees:** Caretaker housing is allowed by-right in the Light Manufacturing (ML), General Manufacturing (MG), and Industrial Office Mixed Use (IOMU) zoning districts, and is allowed with a Conditional Use Permit in the Primary (OS1) and Secondary (OS2) Open Space zoning districts, and in the Commercial Services (CS) zoning district. Employee housing providing accommodations for six or fewer employees

is allowed in residential land use districts without a Conditional Use Permit in compliance with Health and Safety Code 17021.5. There are no agricultural zoning districts in Chico that would apply to Health and Safety Code 17021.6 or 17021.8.

**Low Barrier Navigation Centers:** Low Barrier Navigation Centers are facilities that connect people experiencing homelessness to permanent housing through on-site services. State Law, per AB 101, requires that local government jurisdictions allow Low Barrier Navigation Centers by right in areas zoned for mixed uses and nonresidential zones permitting multi-family uses if it meets specified requirements.

The City of Chico Zoning Code does not include Low Barrier Navigation Center as a defined residential use. Therefore, Action 8.1.2 has been included in the Chapter 3 Housing Program to amend the zoning code in order to comply with AB 101.

**Transitional Housing:** Transitional housing is defined in Section 50675.2 of the Health and Safety Code as rental housing for stays of at least six months but where the units are re-circulated to another program recipient after a set period. The City's Municipal Code currently includes Supportive and Transitional housing as permitted uses in its definitions section of the City Municipal Code (City Municipal Code 19.04), consistent with Health and Safety Code Sections 50675.2 and 50675.14. Transitional Housing is allowed by-right in all Residential zoning districts. It is also allowed by-right in the CC, DN, DS, and CR Commercial zoning districts above the ground floor or in basements. A Conditional Use Permit is required for ground-level Transitional Housing units in these Commercial zoning districts.

**Supportive Housing:** Supportive housing is defined in Section 50675.14 of the Health and Safety Code as housing with linked on-site or off-site services with no limit on the length of stay and is occupied by a target population as defined in Health and Safety Code Section 53260 (i.e., low-income person with mental disabilities, HIV/AIDS, substance abuse or chronic health conditions, or persons whose disabilities originated before the age of 18). Services linked to supportive housing are usually focused on retaining housing, living and working in the community, and/or health improvement. The City's Municipal Code currently includes Supportive and Transitional housing as permitted uses in all residential districts and its definitions are consistent with Health and Safety Code Sections 50675.2, 50675.14 and 53260. The definition of Supportive Housing is consistent with what is defined as "Permanent Supportive Housing (PSH)" in program regulations administered by HCD. Permanent Supportive Housing is allowed by-right in all Residential zoning districts, and is treated equivalently to other housing development projects, which require

compliance with non-discretionary, objective, quantifiable, written development standards in accordance with Government Code Section 65589.5(f). Since the approval of housing development projects is only subject to ministerial controls, the City's design review process does not constitute a "project" for the purposes of Division 13 (commencing with Section 21000) of the Public Resources Code. Use by right for all rental multifamily residential housing is provided by the City in accordance with Government Code Section 65589.5(d).

Permanent Supportive Housing is also allowed by-right in the CC, DN, DS, and CR Commercial zoning districts above the ground floor or in basements. A Conditional Use Permit is required for ground-level Supportive Housing units in these Commercial zoning districts.

**Single-Room Occupancy Units:** The City's Municipal Code explicitly defines Single-Room Occupancy (SRO) Housing as "a compact dwelling unit with limited cooking and living facilities designed primarily for one individual and within a multiple-unit structure." SRO units are allowed by-right in the R2, R3 and RMU Residential zoning districts, and in the CS Commercial zoning district. As long as SRO units are above the ground floor, they are also allowed by-right in the CN, CC, DN, DS, and CR Commercial zoning districts. SROs must comply with standards outlined in Municipal Code Section 19.76.140. These include: location within a quarter-mile of a bus stop, a maximum density of 70 units per acre, design that compliments surrounding land uses, and lighted outdoor common areas. The parking requirement for SRO developments is one parking space per unit, but may be less if located in the COS Overlay or if a density bonus applies.

**Manufactured Homes:** The City's Municipal Code 19.04.020, defines a Manufactured Home as "a housing unit that is either wholly or partially constructed or assembled off the site in compliance with State law (Government Code 65852.3), and certified under the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. Section 5401 et seq.). Per Chapter 19.76.110, Manufactured Homes may be located outside mobile home parks only when installed on and secured to an approved perimeter foundation, and this housing type is treated the same as other single family residences by the Municipal Code.

**Mobile Homes and Mobile Home Parks:** Municipal Code 19.04.020 defines Mobile Home as "a structure transportable in one or more sections which is over 8 feet in width and 40 feet in length, with or without a permanent foundation and not including recreational vehicles, commercial coaches, or manufactured homes." The Municipal Code defines Mobile Home Park as "any site that is planned and improved to accommodate two or more mobile homes". Per Chapter 19.76.110, Manufactured Homes may be located outside mobile home parks only when installed on and secured to

an approved perimeter foundation. Mobile Homes are allowed by-right in all residential zoning districts. Mobile Home Parks are allowed with a Conditional Use Permit, and only within the density requirements of the General Plan Designation, in the R1, R2, and R3 Zoning Districts, and with a Conditional Use Permit in the CS zoning district. Mobile Home Parks must provide two parking spaces per Mobile Home.

### ***Accessory Dwelling Units***

Accessory Dwelling Units (ADUs), also known as granny flats, in-law units, backyard cottages, or secondary units, are attached or detached dwelling units with complete independent living facilities that are built on the same parcel as an existing main dwelling unit. They are a flexible housing type that can be more affordable to build because they are smaller in size than the typical dwelling unit, and do not require acquisition of a separate lot and construction of new complimentary improvements such as off-street parking. On January 1, 2020, six new bills intended to promote the development of ADUs became State Law. Five of the bills limit the ability of local governments to restrict the development of ADUs in a variety of ways. They also set the rules for counting ADUs in a city's Adequate Site Inventory for the purpose of meeting RHNA in the Housing Element. The sixth law, AB 671, requires local government Housing Elements to include a plan to incentivize and promote the development of ADUs at affordable rents to Very Low-, Low- or Moderate-Income households.

In early 2018, the City's ADU regulations were updated for consistency with State law. Later that year, the Chico City Council reduced the ADU development impact fees by 50% to stimulate ADU production. Following the Camp Fire, the City further encouraged ADU production by additionally reducing development impact fees by an additional 50% for one year to 25% of the original fee, eliminating the owner-occupancy requirement in areas outside the SD-4 Overlay zone, and relaxing sidewalk construction requirements. These changes were implemented prior to elimination of sidewalk requirements by new State Law. While the City has alleviated many regulatory constraints, the rising costs of construction continues to pose an economic challenge to the construction of ADUs.

Chico was one of the first communities in the State to have its ADU Ordinance amendments certified by HCD. The City expanded the ADU program by offering 13 different pre-approved ADU building plans at no cost to Chico residents. These pre-approved plans were designed with accessibility in mind and offer design options such as a step free entrance, sufficient maneuvering space for a wheelchair, full accessible bathroom, and ample room to pass through 32-inch doorways. The City has also created a dedicated webpage with ADU resources that outlines the process for constructing an ADU, answers to frequently asked questions, and provides other related resources. In addition, the City is currently developing a program where the City's On-call Engineer provides ADU site plans at no cost. These programs are highlighted and broadcast through professional Public Service Announcement (PSA) videos featuring the ADU program. To further incentivize small ADUs, the City exempts ADUs that are under 750

square feet from the majority of impact fees. For ADUs greater than 750 square feet, impact fees are assessed at a rate proportional to the main residence. ADU development standards are set forth in Municipal Code 19.76.130. The City has utilized a combination of SB2 and LEAP grants to fund most of the ADU program implementation. In addition to these measures, a new program to incentivize the development of ADUs with affordable rents to Very Low-, Low-, or Moderate-Income households is outlined in Action 3.3.3 of the Chapter 3 Housing Program.

### ***Ad Hoc Housing Committee (Post-Camp Fire)***

The City Council established an Ad Hoc Housing Committee to address community concerns with affordability and the impact of the Camp Fire, and the influx of approximately 20,000 new residents. The committee met four times in 2019, including August 27th, September 10th, September 24th, and October 8th. The first two meetings focused on the residential approval process and current construction, the third meeting focused on affordable housing, and the fourth meeting focused on infill development, including accessory dwelling units. In addition, the City sponsored a day-long Housing Conference in September 2019 that included various speakers and panels. The conference featured market rate and affordable housing developers, real estate agents, loan officers and designers, as well as organizations like Community Housing Improvement Program (CHIP) and North Valley Housing Trust (NVHT). Challenges and solutions related to housing production, rental stability, and affordable housing were among those discussed. Below are the recommendations made by the Committee, which have either been completed or are being pursued to increase housing production:

- **General Plan Consistency:** The Ad Hoc Committee recommends that projects that are consistent with the City's General Plan and Municipal Code be approved, honoring the Chico 2030 General Plan and acknowledging that the Land Use Diagram represents where the community has agreed it will focus growth.
- **Importance of Infrastructure:** The Ad Hoc Committee recommends that staff: (1) submit an IIG Grant; (2) seek other funding opportunities; (3) implement Capital Project Program with emphasis on supporting residential development; and (4) direct staff to assess Development Impact Fee structure in order to encourage more small and affordable housing.
- **Infill Opportunity Sites:** The Ad Hoc Committee recommends that Council direct staff to fund planning and pre-engineering for these three sites in coordination with property owners to encourage infill development.
- **Accessory Dwelling Units (ADUs):** The Ad Hoc Committee recommends that Council: (1) extend the current fee reduction for ADUs not already mandated by the State (units greater than 750 SF); (2) remove SD-4 Overlay requiring Use Permit for ADU in Avenues; and (3) direct staff to identify neighborhoods where sewer and other infrastructure will limit ADUs.



- **Senate Bill 2 (Building Homes and Jobs Act) Work Program:** The Ad Hoc Committee recommends that Council direct staff to: (1) implement SB2 Programs; and 2) revisit the North Chico SPA.
- **Housing Element Update:** The Ad Hoc Committee recommends that Council utilize the State-mandated, comprehensive Housing Element update process to consider, vet, and direct new programs that will stimulate workforce and affordable housing.
- **Butte County Airport Land Use Compatibility Plan:** The Ad Hoc Committee recommends that staff pursue amendments to the Compatibility Plan that will support higher density residential development in the B2 overflight zone.
- **Affordable Housing Projects:** The Ad Hoc Committee recommends that staff: 1) identify land and development partners for an additional large affordable housing development; and 2) direct staff to further assess ways to encourage community land trusts as an affordable development model and identify any barriers.
- **Request for Information for Use of City-Owned Properties for Affordable Housing:** The Ad Hoc Committee recommends that the proposals received are shared with Council and investigated for opportunities for future collaboration.

### ***Emergency Shelters***

California Health and Safety Code (Section 50801) defines an Emergency Shelter as “housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person.” There is an emergency shelter located in the City’s Light Manufacturing (ML) zone, located at 101 Silver Dollar Way, called the Torres Community Shelter. The site is 760 feet from a bus stop on Dr. Martin Luther King Parkway, across the street from Costco, and within a quarter-mile of a Food Maxx grocery store. True North Housing Alliance, formerly known as Chico Community Shelter Partnership, operates the Torres Community Shelter on City-owned property. The Shelter completed a renovation to reconfigure space in order to serve up to 195 people in 2021. The one-acre site is currently built-out with a 14-unit permanent supportive housing project located behind the shelter.

A 60-bed emergency shelter for families and individuals experiencing homelessness called the Renewal Center was also recently approved at 2216 Fair Street. The Renewal Center includes mental health services, substance use cessation support, and trauma recovery in an effective environment with qualified case managers. It will provide access to several critical services at once and allow the providers to fill gaps that are currently unaddressed.

In compliance with Government Code Section 65583(a)(4), emergency shelters are allowed without a discretionary permit in the Public/Quasi-Public (PQ) Zoning District. This district is applied to areas appropriate for uses established in response to the health, safety, cultural and welfare needs of the City. It implements the Public Facilities and Services land use designation of the General Plan. The Public/Quasi-Public Zoning District

development standards are not a constraint to development of emergency shelters. In addition, emergency shelters are allowed with a Conditional Use Permit in the ML, IOMU, OR, OC, CC and CS zoning districts.

AB 139 and AB 2339 require that local governments use their most recent Point-In-Time Homeless Count to determine whether there is adequate capacity in zoning districts where emergency shelters are permitted by-right. If adequate capacity is not available in these zoning districts, the jurisdiction must allow emergency shelters by-right in another zoning district in order to provide adequate capacity to meet the need. In addition, AB 2339 requires emergency shelters to be permitted by-right in a zoning district that also permits residential development. This zoning district must also have sites that are near services and amenities that serve people experiencing homelessness. The City of Chico has determined that an additional zoning district needs to be identified where emergency shelters are permitted by-right. Action 8.1.3 in the Chapter 3 Housing Program addresses this need. AB 139 also requires local governments to ensure that emergency shelter parking standards do not require any parking spaces beyond what is necessary for staff that work at the shelter. Action 8.1.1 of the Chapter 3 Housing Program describes how the City will amend its parking standards in order to comply with AB 139.

The Pallet Shelter is an emergency, non-congregate shelter community located on City-owned property. The 24/7 managed shelter site consists of 177 shelters manufactured by Pallet (climate-controlled sleeping cabins with operational windows, electrical outlet, locking door and two fold-out twin beds), a food service area, indoor facility for meetings between service providers and site users, restrooms, bike storage and pet run. The City has contracted with a local service provider to facilitate co-located, coordinated, and integrated services focused on enabling an integrated, emergency housing and resources site to shelter and mitigate the impacts of living in conditions not intended for human habitation, and facilitate the movement of people experiencing homelessness into housing.

### ***Extremely Low-Income Households***

As described in Chapter 4, there are a large number of Extremely Low-Income households in Chico that have a variety of housing needs. Some Extremely Low-Income households include persons experiencing homelessness or near-homelessness, persons with substance use disorder, or persons with disabilities. Housing types that may be appropriate for this population include the housing types described above, or one of the following housing types, with City of Chico Zoning Code permitting requirements described:

- **Assisted Living Facilities for the elderly** are permitted with a Conditional Use Permit in the RS, R1, R2, R3, R4, and OR zoning districts.
- **Residential Care Homes** with six or fewer clients are permitted by-right in all Residential zoning districts as well as in the OR and CN zoning districts, and with a

Conditional Use Permit in the OC, CC, and CS zoning districts. Residential Care Homes with seven or more clients are permitted with a Conditional Use Permit in all Residential zoning districts and the OR, OC, CN, CC, and CS zoning districts. Findings for approval or denial of Conditional Use Permits is found in the Permitting Process, Conditional Use and Variance Permits Section below. The City of Chico has not received any use permit applications for residential care homes with seven or more clients over the last Housing Element cycle (2014-2022). The City has approved all use permit applications received in the last Housing Element cycle for skilled nursing facilities, schools, and adult and child day care. The Conditional Use Permit process is not a constraint on development. To enhance Chico's fair housing access for persons with disabilities and others, Action 5.1.5 will require the City to revise the Municipal Code Section 19.24.040 to remove the compatibility findings of sub-section E for residential projects applying for a Conditional Use Permit.

- **Rooming and Board Houses** are permitted by-right above the ground floor or in the basement in the DN and DS zoning districts, and with a Conditional Use Permit in the R1, R2, R3, R4, RMU, OR, OC, and CN zoning districts.
- **Senior Citizen Congregate Care Housing** is permitted by-right in the R3, R4, and RMU zoning districts, and with a Conditional Use Permit in the R1 and R2 zoning districts.
- **Temporary Emergency Shelters** are permitted by-right in all Residential zoning districts.

### ***Persons with Disabilities***

Per Housing Element law, as part of a governmental constraints analysis, a Housing Element must analyze constraints upon the development, maintenance, and improvement of housing for persons with disabilities, demonstrate local efforts to remove any such constraints, and provide for reasonable accommodations for persons with disabilities through programs that remove constraints.

## **RESIDENTIAL CARE HOMES**

In accordance with the Community Care Facilities Act, the Chico Zoning Code permits residential care homes for six or fewer residents by-right in all Residential zoning districts, and the Office Residential and Neighborhood Commercial zoning districts. Residential care homes for seven or more persons are permitted in most Residential zoning districts, the Office Residential zoning district, and Commercial zoning districts with a Conditional Use Permit. The factors for considering approval of a Conditional Use Permit are listed in the Conditional Use and Variance Requests section below, and these factors are not a constraint to development of this housing type. Residential care homes are considered "housing development projects" by the City in accordance with the Housing

Accountability Act, and therefore must be approved by the City without reducing the proposed density when the project meets all objective development standards. Residential care homes are required to provide one off-street parking space for every three beds the facility is licensed to accommodate. There are no development standards that regulate the concentration or spacing of residential care homes. Constructing a new facility or structurally modifying an existing facility would require a building permit.

### **REASONABLE ACCOMMODATION**

The City will revise its reasonable accommodation procedures found in City Municipal Code 19.60.130 as described in Action 5.1.6 in the Chapter 3 Housing Program. This code revision will provide greater transparency and objectivity for reasonable accommodation requests through a ministerial process.

### **GROUND FLOOR UNITS**

In the Corridor Opportunity Sites (-COS) overlay zone, ground floor residential units are allowed by-right if they are constructed to serve people with disabilities. If the residential units are not accessible to persons with disabilities, a Conditional Use Permit for first-floor residential units would be required. In addition, Chico allows ground-floor accessible residential units by-right in Commercial zoning districts (Title 19.44, Table 4-6, Footnote 2).

### **BUILDING CODE**

Standard requirements regarding accessibility for persons with disabilities are found in California's Title 24, which is enforced locally by the City's Building Division. Special accessibility requirements are required for multi-family residential projects with three or more units.

### ***Conclusion***

Opportunities to develop a wide range of housing types have been expanded through the 2030 General Plan adoption in 2011, the comprehensive zoning code update in 2016, and zoning code amendments to incentivize ADU production from 2018 through 2020. In addition to General Plan Designation and Zoning District updates to alleviate constraints, site development flexibility has been improved with new overlay zones and revised parking standards. Affordable housing has been incentivized through greater overall densities in targeted affordable housing locations, the density bonus ordinance, SRO accommodations, and allowance for by-right development of emergency shelters, transitional housing, and supportive housing. To further reduce development constraints and facilitate housing production, Policy 3.3 and related Actions have been incorporated into the Chapter 3 Housing Program to update the Density Bonus provision and incentivize production of ADUs for Low- and Moderate-Income households. Policy 5.2 and Action 5.2.1 have been incorporated into the Chapter 3 Housing Program to enhance

Chico's fair housing access for persons with disabilities and others. Policy 8.1 and related Actions have been incorporated into the Chapter 3 Housing Program to facilitate the provision of emergency shelters and low barrier navigation centers.

## BUILDING CODES AND ENFORCEMENT

### ***Building Code***

Building standards are essential to ensure safe housing, although some codes and standards may constrain the development or preservation of affordable housing. In 2020, the City of Chico adopted the updated 2019 California Building Code. The City operates a Code Enforcement program employing three full-time Code Enforcement Officers and one Supervisor. The Code Enforcement Division uniformly and fairly enforces codes and regulations and assigns high priority to the abatement of violations that constitute potential threats to public health or safety or that may cause significant environmental damage. Enforcement is generally conducted on a complaint-driven basis and Code Enforcement staff work collaboratively with residents to obtain voluntary compliance of City regulations. Code Enforcement also administers such proactive programs as the annual "Drop and Dash" and Weed Abatement programs.

Amendments to Government Code Section 65852.2 requires a local agency to delay enforcement against a qualifying substandard ADU for five (5) years to allow the owner to correct the violation, so long as the violation is not a health and safety issue, as determined by the enforcement agency.

### ***Residential Energy Conservation Ordinance***

The City has adopted a Residential Energy Conservation Ordinance that requires the inspection and certification by a Home Energy Rating System (HERS) inspector of any residential property that is sold, exchanged, or transferred in the city of Chico. Residential properties are required to be inspected to ensure they meet energy conservation standards for insulation and heating, ventilation, and air conditioning systems prior to the sale or transfer of any residential property in the city.

### ***Conclusion***

The City enforces the California Building Codes, but does not layer them with additional local building codes. As such, the City's building codes and enforcement do not constrain residential development beyond what is typically required in the State of California.

## PERMITTING PROCESS

The City's various review procedures are summarized below and illustrated in Appendix D.

### ***Development Review Committee***

The City established a Development Review Committee (DRC) to review preliminary project proposals and provide timely comments prior to submittal of a formal application. The bi-weekly DRC meetings are optional, available for a fee for the applicant, and can be scheduled as needed based on demand. The DRC has been helpful to design professionals and developers for providing an informal meeting environment at which the City Planning, Development Engineering, Building and Fire Divisions, as well as Cal Water staff, review and respond with written comments to preliminary project plans. Projects that have gone through DRC have generally reduced the number of plan revisions needed in the planning process due to this multi-faceted review. The City used to provide this service for free, but it was determined that a fee would be necessary to compensate for staff time. The current application for Development Review Committee is \$1,051 per project. The time saved by the DRC process makes up for the nominal fee that the City charges for this service.

### ***Weekly Current Planning Meeting***

The City conducts a weekly Current Planning Meeting where all new application submittals and any other project-related review questions are discussed amongst staff from City Planning, Development Engineering, Traffic, Building, Urban Forest, and Fire Divisions. At the outset, a comprehensive review is conducted by all reviewing City divisions and departments and key constraints are identified early on in the process. This process has been invaluable service to the development community due to the short turnaround times and full level of review provided from the City's regulatory spectrum at no additional cost to the applicant.

### ***Residential Permit Process***

The residential permit process for a subdivision includes submittal of an application, review for completeness based on objective design and development standards by City staff, and review and approval by Planning Staff, the Zoning Administrator, or Planning Commission, depending on the project and application.

Multi-family projects are subject to architectural review but do not require Conditional Use Permits if proposed in an appropriate zoning district (R2, R3, R4, RMU). The permit process for a multi-family project includes submittal of an application, review for completeness of objective design and development standards by staff, and review and approval by the Architectural Review and Historic Preservation Board (ARHPB). The ARHPB review generally begins at the same time that plan check and building permit review is initiated. The review by the ARHPB generally takes six weeks but could take up to 12 weeks depending on the quality of the plans submitted, the complexity of the project, and the response time from the applicant in providing information and

responding to questions. Depending on the project size, motivation of the builder, and completeness of submittal, a multi-family project can obtain building permits within ten weeks following approval of the ARHPB.

For detached “master planned” single-family housing, an application is submitted to the Building Division for staff review. If the application does not involve exceptions to any development standards and the project conforms to the General Plan and zoning regulations, the project may be approved at staff level. The time frame for project review is approximately three weeks.

To facilitate permit review tracking, the City instituted a new permitting system called “TrakIt” which routes plans electronically rather than requiring hard copy distribution. The City has received SB2 grant funding for software and hardware that will further improve permit processing systems. The City’s value-added changes to its processing procedures have resulted in positive outcomes for developers and builders. As a result, Chico is able to process applications more efficiently than many similar sized jurisdictions.

### ***SB-35, Permanent Supportive Housing, and Navigation Centers***

The City of Chico has created a checklist and procedure for processing SB-35 requests. The checklist is completed by the applicant and includes a series of questions to determine eligibility for SB-35 streamlined review. If City staff determines that the application is eligible, it is processed in compliance with the law, including ministerial review exempt from CEQA, 60-day review from date of project submittal to determine conflicts with objective planning standards, or 90-day review from date of project submittal to complete any design review or public oversight (180-day review if the project is more than 150 units). The review or oversight “shall be objective and strictly focused on assessing compliance with criteria required for streamlined projects, as well as any reasonable objective design standards”. The City does not have a specific procedure for reviewing Permanent Supportive Housing planning permit applications, but will comply with AB 2162 as applicable. With the expansion of areas in the City eligible for by-right multi-family development in all residential zoning districts, it is not anticipated that a separate procedure will be required for Permanent Supportive Housing. Navigation Centers are not currently defined or addressed in the City’s Municipal Code, but will be added in order to comply with AB 101 as described in Action 8.1.2 in the Chapter 3 Housing Program.

### ***Environmental Review***

After receipt of a project planning permit application, staff initially reviews the proposal to determine if it is subject to further environmental review or is exempt. Pursuant to provisions of the California Environmental Quality Act (CEQA), if a project is not subject to environmental review (ministerial reviews such as building permits generally do not receive environmental review), no further action is required, and the application is processed without restriction by environmental review time limits. Other projects that

are subject to environmental review, but are relatively minor in nature, may fall into categories exempt from further review.

If the project is subject to further environmental review, staff prepares an Initial Study (or environmental evaluation) to determine the potential environmental impacts of the project. The Community Development Director then determines, based on the study, whether an Environmental Impact Report (EIR) or Negative Declaration must be prepared. The Community Development Director may also require the submittal of additional information, such as traffic or storm drainage analysis, to justify the determination. In many cases, standard mitigation measures are required to reduce project impacts to less-than-significant levels.

Although state law allows up to 180 days, the typical time required to prepare a Negative Declaration and make it available for public review and comment is 60 days from determination of a complete application. If additional information is requested of the applicant, the time frame is extended by the time it takes for the applicant to respond. The overall time frame includes a State-mandated 20-day review period (30 days for projects requiring State review and/or approval) in addition to the time required for preparing the evaluation. If a determination is made that an EIR is required, the timeframe varies greatly depending on project complexity. Time periods for EIR preparation and review can range from one year to more.

The environmental review process requires the decision-making body (City Council, Planning Commission, or City staff) to review and adopt or certify the environmental documentation in making their final decision on a project. In order to expedite the process, staff routinely processes the environmental review at the same time the project's planning application is being reviewed by staff and scheduled for public hearing. In general, this saves the project applicant considerable processing time. However, the environmental determination of the Community Development Director is appealable to the City Council and, in the event an appeal is filed, application processing is delayed by at least an additional 30 to 60 days. State law requires environmental review of all discretionary projects, including City projects and actions.

### ***Conditional Use and Variance Permits***

Conditional Use and Variance Permits that are determined to be minor and non-controversial in nature are reviewed for approval by the Zoning Administrator. At the time of application, City staff conducts a review of the configuration, design, location, and potential impact of the proposed project by comparing it to established development standards. The typical processing time is 30 to 45 days after the application is deemed complete. The Zoning Administrator must hold at least one public hearing or may refer the application to the Planning Commission to make a determination in a public hearing. These permits may be appealed to the City Council, in which case the appeal is scheduled for hearing within 45 days of the appeal.



All other Conditional Use and Variance Permits are reviewed for approval by the Planning Commission. Typically, these hearings occur within 45 days of a complete application submittal if the project is exempt from environmental review, or within 60 days of complete application submittal if an Initial Study is required. Unless appealed, the Planning Commission decision is final. If the applicant or affected party is dissatisfied with the Planning Commission's action, an appeal may be made to the City Council within 10 days of the action. The appeal is placed on the next available City Council agenda.

The Zoning Administrator or the Planning Commission approves the Conditional Use Permit application if all of the following findings can be made (City of Chico Municipal Code 19.24.040):

- The proposed use is allowed within the zoning district;
- The proposed use would not be detrimental to the health, safety, and general welfare of persons residing or working in the neighborhood of the proposed use;
- The proposed use would not be detrimental and/or injurious to property and improvements in the neighborhood of the proposed use;
- The proposed entitlement is consistent with the General Plan and any applicable specific plan or neighborhood plan; and
- The design, location, size, and operating characteristics of the proposed use are compatible with the existing and future land uses in the vicinity.

To enhance Chico's fair housing access for persons with disabilities and others, Action 5.1.5 will require the City to revise the Municipal Code Section 19.24.040 so that the last bullet point listed above does not apply to residential projects. Additionally, findings in bullet points two and three are easily made in the case of a residential use like a Group Home being placed adjacent to other residential uses as there are no health and safety issues created. These findings are not specifically related to Group Homes, but are general findings used for a variety of land use types that require conditional use permits, including recycling facilities, trucking terminals, gas stations, drive-through restaurants and other land uses that have the potential for detrimental impacts on adjacent residential uses. The types of issues considered under those findings include excessive noise, light/glare, dust/exhaust, and traffic. In most cases, the application of the City's objective development standards, including light and noise standards, or best management practices from the Air Quality Management District are applied to the proposed use permit to ensure that the non-residential land use would not result in health or safety issues. In some cases however, a more impactful non-residential (e.g. large scale recycling facility use) simply may not be appropriate adjacent to a residential use, in which case the findings cannot be made. The findings under bullets two and three are applied in a manner that is protective and supportive of residential uses such as Group Homes.

### ***Pre-zone/Rezone***

A Pre-zone or Rezone is not subject to the Permit Streamlining Act time frames unless processed in conjunction with land use entitlements that are subject to the time limitations imposed by the State Permit Streamlining Act (adopted locally as CMC 2.74 et. seq.). Once the application is deemed complete and has gone through CEQA review, a public hearing is scheduled for Planning Commission review and determination. Once the Planning Commission has made its recommendation, the item is scheduled for public hearing before the City Council for a final determination, with final action typically occurring 60 to 90 days after the application is deemed complete.

### ***General Plan Amendment***

There are no required time frames for the processing of a General Plan Amendment. However, these requests are typically processed in conjunction with land use entitlements that are subject to the time limitations imposed by the State Permit Streamlining Act (adopted locally as CMC 2.74 et. seq.). This process requires that all applications are processed within six months after the adoption of an environmental review Negative Declaration or within one year of completion of an EIR.

Once the application and environmental review are complete, the planning staff schedules a public hearing before the Planning Commission. The Commission will review the amendment and forward a recommendation to the City Council. The proposal is then forwarded to the City Council for a final decision in at least one additional public hearing. The City Council action is usually completed within 30 days of the Planning Commission hearing.

### ***Subdivision/Parcel Maps***

Subdivision applications have the most extensive, technical, and objective requirements for a complete submittal among all of the planning permit applications. Once a complete subdivision application is submitted, State law requires the City to make an environmental determination within 30 days if the project qualifies for an exemption, Negative Declaration, or Mitigated Negative Declaration, and within one year if the subdivision requires an EIR. The Planning Commission usually considers a subdivision map 30 days after environmental review has been completed and circulated for public review. Extension of the processing time may occur only with the consent of the applicant. Subdivisions subject to an appeal of the Planning Commission decision are considered by the City Council 30-45 days following the date of receipt of the appeal. The timeframe for subdivision review and approval from the time of application submission is approximately three to six months.

### ***Boundary Line Modification/Minor Land Division***

Depending on the completeness of the application, boundary line modifications and minor land divisions are reviewed and approved by the Map Advisory Committee within one month of submittal of a complete application, unless an appeal is filed. An appeal of

City staff approval is considered by the Planning Commission within 30 to 45 days, and if further appealed, considered by the City Council within an additional 30 to 45 days. Most of these applications are exempt from environmental review.

### ***Architectural Review and Historic Preservation Board (ARHPB)***

Commercial and multi-family projects require review by the Architectural Review and Historic Preservation Board (ARHPB). This process does not typically add time to planning permit review as it is conducted in conjunction with a use permit and/or the building permit/plan check process. Architectural review is either conducted administratively by City staff, or through the ARHPB for larger projects. The ARHPB meets once or twice each month, as needed. Once an application is deemed complete, City staff usually schedules an ARHPB review within 3 weeks. Site planning, landscaping, circulation, building materials, and building elevations are reviewed. The purpose of architectural review is to ensure that the project complies with the City's established objective design and development standards. The following findings must be met for ARHPB approval:

- The proposed development is consistent with the General Plan, any applicable specific plan, and any applicable neighborhood or area plans;
- The proposed development, including the character, scale, and quality of design, are consistent with the purpose/intent City Municipal Code 19.18.060 and any adopted design guidelines;
- The architectural design of structures, including all elevations, materials and colors are visually compatible with surrounding development.
- Design elements, including screening of equipment, exterior lighting, signs, and awnings, have been incorporated into the project to further ensure its compatibility with the character and uses of adjacent development;
- The location and configuration of structures are compatible with their sites and with surrounding sites and structures and do not unnecessarily block views from other structures or dominate their surroundings;
- The general landscape design, including the color location, size, texture, type, and coverage of plant materials, and provisions for irrigation, maintenance, and protection of landscape elements, have been considered to ensure visual relief, to compliment structures, and to provide an attractive environment.

Multi-family projects are subject to architectural review but do not require use permits, if proposed in an appropriate zoning district (R2, R3, R4, RMU). Depending on the size of the project, motivation of the builder, and completeness of submittal, most multi-family projects can obtain building permits within 10 weeks following ARHPB approval. A building permit for a single-family residence, by comparison, can be processed approximately 3 weeks after submission of the building permit application.

### ***Historic Overlay Districts***

The City of Chico has a “Landmark” (-L) zoning overlay, but it only applies for properties with structures that are on the City’s Historic Inventory. Most of the properties on the City’s Historic Inventory are older single-family residences, and are not multi-family structures. The following findings are required prior to approval of alteration of a structure on the City’s Historic Inventory (City Municipal Code 19.37.100):

- The alterations do not detrimentally alter, destroy, or affect the resource and, where applicable, are compatible with the architectural style of the existing surrounding structures;
- The alterations retain the essential elements that make the structure, site, or feature significant;
- Any new construction is compatible with existing surroundings including the appropriateness of materials, scale, size, height, and placement;
- Any demolition or removal is necessary because the structure or site is hazardous and repairs or stabilization are not physically or economically feasible; and
- The site is required for a public use that will be a greater public benefit than the resource and there is no feasible alternative location for the public use.

### ***Estimated Time Between Planning Permit and Building Permit Submittal***

The City approved five discretionary use permits in 2021 and three discretionary use permits in 2020. Building permits for these projects were submitted 4.66 months after receiving use permit approval, on average.

### ***Conclusion***

The City of Chico’s planning and building permit review procedures require similar processing times to other Northern California cities. While project review has increasingly become a complex process, Chico continues to seek ways to make this process more efficient without sacrificing public engagement, as well as the public’s welfare or safety.

## **ON- AND OFF-SITE IMPROVEMENT STANDARDS**

### ***Design Criteria and Improvement Standards***

The City’s Design Criteria and Improvement Standards are found in Title 18R of the Municipal Code. It establishes lot configurations that are in conformance with General Plan goals and zoning code requirements, and makes provision for public utility easements. In addition, it sets engineering and design standards for storm drains, sewer, water supply, fire hydrants, streetlights, street trees and landscaping. Standards for public and private streets are also established in 18R.08.020 and 18R.08.035. A public street is publicly maintained and open to the public. A private street is privately owned and maintained, and not part of the City street system.

The requirements for street dimensions are laid out in the Improvement Standards Chapter 18R.12 as follows, and apply to both public and private streets.

- For streets with 10 or fewer lots on a through street, and blocks of 25 or fewer lots on a cul-de-sac or loop street: 44-foot right-of-way for no street parking; 50-foot right-of-way for parking on one side of the street; and 56-foot right-of-way for parking on both sides of the street. The right-of-way includes curb, gutter, parkway, and sidewalk.
- For streets with blocks of more than 10 lots on a through street, and blocks of more than 25 lots on a cul-de-sac or loop street: 48-foot right-of-way for no street parking; 50-foot right-of-way for parking on one side of the street; and 56-foot right-of-way for parking on both sides of the street. The right-of-way includes curb, gutter, parkway, and sidewalk.
- The following minimum widths apply for all streets: 10-12 feet for travel lanes; 6 feet for shoulders; 7 feet for parkways; and 5 feet for sidewalks.
- cul-de-sacs must have a right-of-way diameter of at least 104 feet, which includes curb, gutter, parkway, and sidewalk.

### ***Conclusion***

The City's on- and off-site improvement standards are typical of other similar size communities in California, and do not present an undue burden on developers. Right-of-way and street standards facilitate the development of more housing while at the same time meeting transportation engineering and public safety requirements.

## **FEES AND EXACTIONS**

Permit and Impact fees fund services necessary to carry out local government functions. Permit fees compensate local government staff for reviewing project proposals to ensure that they are consistent with the General Plan, Municipal Code, and State Law. Impact fees fund capital improvements necessitated by the cumulative demand of development. A review of both of these types of fees are critical to this constraints analysis in order to determine whether the fees unduly add to the cost of development and thereby constrain the provision of housing. All of the City of Chico Permit and Impact Fee schedules are available on the City of Chico Fee Schedule webpage (<https://chico.ca.us/city-fee-schedules>) in compliance with the transparency requirements of Government Code Section 65940.1.

### ***Permit Fees***

Permit fees include planning fees, building permit fees, and plan check fees. Planning fees are charged when an applicant submits a proposal for constructing or rehabilitating improvements. They compensate City staff time for reviewing the proposal. Building permit and plan check fees are charged to review the construction plans to ensure

compliance with local and state building codes, and to inspect the project for habitability at completion. Permit fees for the City of Chico are listed in **Figure 43**.

Figure 43: City of Chico, Permit Fees Table, 2021

Planning Fees	Amount	Notes
Rezoning or Prezoning of an established district or prezoning of unincorporated territory	\$ 6,738	Real Time Deposit
Zoning Code (Title 19) Amendment: Deposit	\$ 6,737	Real Time Deposit
<i>Planned Development Permit</i>		
Without Concurrent Processing of a Subdivision Map	\$ 7,175	Real Time Deposit
Modification by Planning Commission	\$ 6,609	Real Time Deposit
Street Name Change	\$ 912	Real Time Deposit
<i>Environmental Impact Report</i>		
Preparation, Mitigation Monitoring and Special Studies - Initial Deposit	\$16,593	Real Time Deposit
Preparation of Environmental Impact Report	See Notes	Full cost of Consultant Contract
City Staff Services related to Preparation of Environmental Impact Report	See Notes	15% cost of Consultant Contract
General Plan Amendment	\$ 7,957	Real Time Deposit
<i>Specific Plan</i>		
Initiation Deposit	\$46,117	Real Time Deposit
Amendment	\$15,001	Real Time Deposit
Development Agreement	\$ 7,744	Real Time Deposit
<i>Reconsideration of Denial or Conditions of Approval of Use or Variance Permit</i>		
Action by Zoning Administrator	\$ 3,502	
Action by Planning Commission	\$ 5,718	
Application Fee for Administrative Sign Review	\$ 139	
Application for Special Events Promotional Signage Permit	\$ 325	
Comprehensive Sign Program Approval	\$ 4,094	
<i>Address Assignment</i>		
Minor	\$ 461	SFR, MFR (1-4 units) per bldg; Sub (1-20 lots); Comm. Per bldg.
Major	\$ 922	MFR (5+ units) per bldg; SUM (21+lots)

Projects Categorically Exempt from Environmental Review and Require Preparation of a Notice of Exemption	\$ 422	
Negative Declaration	\$ 6,035	
Wireless Telecommunications Facilities Permit	\$ 2,130	
Wireless Telecommunications Facilities Exemption	\$ 730	
Home Occupant Permit	\$ 105	
Fraternity/Sorority House Permit	\$ 1,907	
ADU Permit-Conversion/Attached Addition	\$ 441	
ADU Permit-New Detached Structure or Detached Conversion	\$ 882	
<i>Architectural Review and Historic Preservation Board Consideration</i>		
Major Review	\$ 6,576	
Conceptual Review	\$ 4,505	
Reconsideration of Plans Previously Approved by Architectural Review and Historic Preservation Board	\$ 4,399	
<i>Staff Level Architectural Review</i>		
Small Scale	\$ 228	
Large Scale	\$ 914	
Sign Package Permit Approval by Architectural Review and Historic Preservation Board	\$ 3,298	
Request for Approval of Certificate of Appropriateness	\$ 4,561	
Mills Act Contract	\$ 1,835	
Written Zoning Verification	\$ 366	
Indoor Marijuana Cultivation Permit	\$ 280	
Mobile Food Vendor Permit	\$ 547	
<i>Foothill Development Permit</i>		
Single Family Residence	\$ 4,359	
<i>Other</i>	\$ 2,182	
Disaster Recovery-Temporary Structure Permit		
Small Temporary Dwelling Use Permit (4 or less units)	\$ 388	
Large Temporary Dwelling Unit Permit (5 or more units)	\$ 1,679	
Temporary Use Permit (Nonresidential)	\$ 2,208	
Administrative Extension or Minor Modification of a Land Use Entitlement	\$ 660	
Development Review Committee - Application Fee	\$ 1,051	
Building Fees		
Plan Check and Inspection Fees		

Basic Fee	\$170 Per Hour	
Overtime Fee	\$206 Per Hour	
Construction-Reinspection Fee	\$91	
Refund Processing Fee (covers original intake/admin & refund processing)	\$38	
Preliminary Plan Check Inspection Fees	\$259	
Plan Maintenance Fee	2% of building permit fee	minimum of \$8 and a maximum of \$350
<i>Energy Plan Check Fees - Minimum Fees</i>		
Up to 2 Residential Units	\$115	
3 or More Residential Units	\$58 per unit	

Source: City of Chico, 2021

### ***Impact Fees***

Impact fees fund infrastructure improvements to accommodate growth in the community. Impact Fees are listed in **Figure 43.1**.



Figure 43.1: City of Chico, Impact Fees Table, 2021

Development Impact Fee Summary (revised June 2018)			2014 HE Fees		Difference		% Change	
Fee Category	Single Family Residential	Multi-Family Residential	Single Family Residential	Multi-Family Residential	Single Family Residential	Multi-Family Residential	Single Family Residential	Multi-Family Residential
Transportation Facility								
Street Facility Improvement Fee	\$ 9,299.72	\$ 7,934.85	\$ 3,973.05	\$ 2,747.72	\$ 5,326.67	\$ 5,626.13	134%	189%
Street Maintenance Fee	\$ 239.16	\$ 204.06	\$ 108.70	\$ 75.18	\$ 130.46	\$ 128.88	120%	171%
Bikeway Improvement Fee	\$ 642.93	\$ 548.58	\$ 474.99	\$ 410.28	\$ 167.94	\$ 138.30	35%	34%
Building and Equipment Fees								
Park Facility Fee	\$ 4,253.78	\$ 4,253.78	\$ 2913.00	\$ 2,465.00	\$ 1,340.78	\$ 1,788.78	46%	73%
Bidwell Park Land Acquisition Fee	\$ 76.32	\$ 76.32	\$ 199.00	\$ 177.00	\$ (122.68)	\$ (100.68)	-62%	-57%
Administration Building Fee	\$ 45.58	\$ 45.58	\$ 190.00	\$ 164.00	\$ (144.42)	\$ (118.42)	-76%	-72%
Fire Protection Building & Equipment Fee	\$ 356.16	\$ 356.16	\$ 732.00	\$ 581.00	\$ (375.84)	\$ (224.84)	-51%	-39%
Police Protection Building & Equipment Fee	\$ 407.04	\$ 407.04	\$ 834.00	\$ 940.00	\$ (426.96)	\$ (532.96)	-51%	-57%
Sewer Fees								
Application Fee	\$ 245.00	\$ 245.00	\$ 100.00	\$ 100.00	\$ 145.00	\$ 145.00	145%	-145%
Water Pollution Control Plant Capacity	\$ 1,528.52	\$ 1,294.26	\$ 2251.00	\$ 2,251.00	\$ (722.48)	\$ (956.74)	-32%	-43%
Trunkline Capacity	\$ 1,825.46	\$ 1,535.80	\$ 1693.00	\$ 1,693.00	\$ 132.46	\$ (157.20)	8%	9%
Storm Drain Facility	\$ .25 Sq Ft	\$ .37 Sq Ft	\$ .21 Sq Ft	\$ .32 Sq Ft	\$ .04 Sq Ft	\$ .05 Sq Ft	19%	16%
Total Per Unit	\$ 18,919.67	\$ 16,901.43	\$13,468.74	\$11,604.18	\$ 5,450.93	\$ 5,297.25	40%	46%
School Fees (Sq Ft)	\$ 4.08	\$ 4.08	\$ 3.20	\$ 3.20	\$ 0.88	\$ 0.88	28%	28%

On June 5, 2018, the City adopted an updated fee program. As part of the update, the City Council directed staff to evaluate residential projects based on the number of bedrooms and bathrooms. When the new Impact Fee Ordinance was updated in October 2018, a new “tiered” impact fee was put into effect, as summarized below. The 60% increase from the base Impact Fee for multi-family units is aimed mainly at student projects in limited circumstances where there is a shared kitchen and living area, however, the residents each have a separate bed and bathroom.

**Figure 43.2: City of Chico, Tiered Impact Fees Table, 2021**

Dwelling Unit Type	Bedrooms	Bathrooms	Adjustment from Base Impact Fee
<b>Single-Family</b>	2 or Fewer	2 or Fewer	30% reduction
	4 or More	3 or More	30% increase
<b>Multi-Family</b>	1/Studio/SRO	1.5 or Fewer	30% reduction
	4 or More	2-4	30% increase
	5 or More	4 or More	60% increase

*Source: City of Chico, 2021*

Fee deferrals are available for units constructed for low- or moderate-income households. The owner may opt to pay the associated fees on the date of the issuance of a certificate of occupancy instead of the date a building permit is issued. This is a significant financial benefit to affordable housing projects as the cost of Impact Fees does not need to be financed over the construction period.

### ***Fee Cost Reasonableness***

Two different analyses were conducted to analyze cost reasonableness of the City of Chico Impact Fees and determine whether they are a significant constraint to the production of housing. First, the current City of Chico Impact fees were compared with the Impact Fee schedule that was in place at the time of the last Housing Element update in 2015. Second, the City of Chico Impact Fees were compared to similar cities.

A comparison of the current City of Chico Impact Fee schedule to the Impact Fees in place in 2015 shows that total fees increased by 48% for single-family homes and 54% for multi-family units. Transportation fees accounted for the largest increase, with the street facility fee showing an increase of 147% for single-family homes and 205% increase for multi-family units, street maintenance increased by 132% and 187% respectively, and bikeway improvement increased by 43% to 48%. The building and equipment fee category decreased in all but one category. These decreases ranged from 48% to 70%. Despite an increase in fees of approximately 50% from 2015 to 2021, the rates charged are still reasonable and are directly associated with a “nexus” to the impacts of development. Currently, due to annual incremental increases in impact fees, single-

family-home impact fees are \$19,946 per unit plus an additional average of \$0.25 per square foot for storm drainage, and multi-family impact fees are \$17,840 plus an average of \$0.37 per square foot storm drainage fee.

As part of the Impact Fee cost reasonableness assessment, land, construction, and fee costs for a typical single-family and multi-family unit were estimated, as shown in **Figure 43.3: City of Chico, Estimated Single-family Development Costs Table, 2021** and **City of Chico, Estimated Multi-family Development Costs Table, 2021**.. Soft costs such as architecture, engineering, financing, and developer profit are not included. For the single-family construction costs estimate, a 1,500 square-foot home was modeled. The model shows that for a typical single-family home, the total Permit and Impact Fees are estimated at \$31,608, which accounted for 7.0% of the total land and construction costs. For the multi-family construction costs estimate, an apartment complex with 40 units, each 900 square feet in size, was modeled. The model shows that for a typical two-bedroom apartment, the total Permit and Impact Fees are estimated at \$22,412, which accounted for 6.6% of total land and construction costs. The fees in both of these models include School Impact Fees that are charged by the Chico Unified School District as of May 2021, in addition to fees charged by the City of Chico.

**Figure 43.3: City of Chico, Estimated Single-family Development Costs Table, 2021**

Single Family Home Example		
# of Sq. Ft.	1,500	Per Sq Ft Cost
Lot Cost	\$ 97,958.47	\$ 65.31
Construction Cost	\$ 300,000.00	\$ 200.00
Contingency and Overhead (10%)	\$ 30,000.00	\$ 20.00
Permit Fees	\$ 3,179.00	\$ 2.12
Impact Fees	\$ 22,309.47	\$ 14.87
School Fees	\$ 6,120.00	\$ 4.08
Total	\$ 453,446.94	\$ 302.30

*Note: This model does not include A&E, Developer Profit and other assorted soft costs.*

*Sources: RS Means, City of Chico*

Figure 43.4: City of Chico, Estimated Multi-family Development Costs Table, 2021

Multi-family Example			
Sq. Ft. per Unit	900	Per Sq Ft Cost	Per Unit Cost
# of Units	40		
Lot Cost	\$ 910,680.87	\$ 25.30	\$ 22,767.02
Construction Cost	\$ 9,360,000.00	\$ 260.00	\$ 234,000.00
Contingency and Overhead (10%)	\$ 936,000.00	\$ 2600	\$ 23,400.00
Permit Fees	\$ 24,256.00	\$ 0.67	\$ 606.40
Impact Fees	\$ 687,826.94	\$ 19.11	\$ 17,195.67
School Fees	\$ 146,880.00	\$ 4.08	\$ 3,672.00
Total	\$ 11,918,763.81	\$ 331.08	\$ 297,969.10

*Note: This model does not include A&E, Developer Profit, and other assorted soft costs.*

*Sources: RS Means, City of Chico*

Per unit Impact Fees for a project built in the City of Chico were compared to two similar cities— Redding and Davis. Redding is the second largest California city north of Sacramento after Chico, with a population of about 92,590. Davis is another North State community anchored by a university (UC Davis), like Chico. Davis has a population of about 66,850. **Figure 43.5: Cities of Chico, Redding, and Davis, Impact Fee Comparison by City Table, 2021** shows the per-unit Impact Fee rates for all three cities. All fees are charged on a per-unit basis except the City of Chico Storm Drain Facility fee and the School fees. The Chico Storm Drain fee varies depending on location and is calculated based on property size, so an average of all the storm drain fees was used for this comparison. The School fees are broken out so that the city-charged fees can be compared separately. This table does not factor in the Tiered Impact Fee schedule that is employed by the City of Chico, as described above.

**Figure 43.5** shows that Chico impact fees are lower than in Redding for both housing types: 18% lower for single-family and 16% lower for multi-family. The Chico impact fees are higher than Davis: 4% higher for single-family and 20% for multi-family. Chico's Impact Fees are lower than Davis for projects with small units when accounting for the Tiered 30% Impact Fee reduction. The difference in population density among the three cities may be a factor in the varying per-unit impact fee rates. Davis has a population density of about 6,678 per square mile, while Chico has a population density of about 3,505 per square mile, and Redding has a population density of 1,513 per squares mile.

Figure 43.5: Cities of Chico, Redding, and Davis, Impact Fee Comparison by City Table, 2021

Fee Category	Chico		Redding		Davis	
	Single Family Residential	Multi-Family Residential	Single Family Residential	Multi-Family Residential	Single Family Residential	Multi-Family Residential
Street Facility Improvement Fee	\$9,811	\$8,374	-	-	-	-
Street Maintenance Fee	\$252	\$215.50	-	-	\$8,093	\$4,942
Bikeway Improvement Fee	\$678	\$579	-	-	-	-
Park Facility Fee	\$4,536	\$4,536	\$5,394	\$ 4,081	\$5,014	\$3,827
Bidwell Park Land Acquisition Fee	\$77	\$77	-	-	\$863	\$659
Administration Building Fee	\$49	\$49	-	-	\$2,389	\$1,823
Fire Protection Building & Equipment Fee	\$380	\$380	\$970	\$ 656	-	-
Police Protection Building & Equipment Fee	\$434	\$434	-	-	\$992	\$757
Storm Drain Facility	\$2,343	\$ 806	\$5,449	\$5,449	\$305	\$305
Water System Impact Fee	-	-	\$4,593	\$4,593	-	-
City Wide Traffic Impact Fee	-	-	\$6,177	\$3,706	-	-
Total Per Unit	\$18,560	\$15,450	\$22,583	\$18,485	\$17,656	\$12,313
School Fees	\$4.08 Sq Ft	\$4.08 Sq Ft	\$4.08 Sq Ft	\$4.08 Sq Ft	\$2.97 Sq ft	\$2.97 Sq ft

### ***Conclusion***

Based on an analysis of fee increases, development models, and comparison to other cities, the fees in the City of Chico do not represent a significant constraint on the construction of new housing. The recently adopted Tiered Impact Fee Schedule, as well as Impact Fee payment deferrals for affordable housing, are measures that alleviate constraints and incentivize the production of smaller and more affordable dwelling units. The City of Chico does not have any ordinances that significantly impact the cost and supply of housing, such as inclusionary zoning or short-term rental ordinances.

## **NON-GOVERNMENTAL CONSTRAINTS**

Non-governmental constraints are largely driven by the market forces of supply and demand that are shaped within the context of government policy at the federal, state, and local levels. By responding to market factors that impact housing availability and affordability, local governments, in cooperation with federal and state agencies, can help improve access to affordable housing for their residents. This section includes an analysis of land prices, construction costs, and residential real estate financing to better understand the challenges and opportunities to addressing housing needs in the city of Chico.

### ***Land Prices***

Land cost is a fundamental component of the cost of housing. The price of property is impacted by market supply and demand, government land use policies, and the availability of acquisition financing. An analysis of multi-family and single-family residential land prices follows.

### **MULTI-FAMILY RESIDENTIAL LAND**

**Figure 44: City of Chico, Multi-family Residential Land Table, 2020** shows data from five vacant land property acquisitions for multi-family properties that closed in 2020. All of the projects received Disaster Tax Credit allocations in 2020 and have restricted affordable rents. The sales ranged from \$404,000 per acre to \$720,000 an acre, for an average of \$520,000 per acre or \$11.94 per square foot. The size of the sites ranged from 2.5 acres to 9.6 acres. Larger sites had lower prices on a per acre basis, with the smallest site being the most expensive per acre. Based on the number of units proposed for each project, the price of land per unit was \$23,616 to \$30,000, with a per unit average of \$25,688. Compared to the previous Housing Element constraints analysis, multi-family land prices saw an almost 100% increase in land costs. Even with higher land prices, rent increases enable developers to pay market prices for land. This makes it more challenging for affordable housing developers to compete for land when their rents are restricted to below-market levels.

Figure 44: City of Chico, Multi-family Residential Land Table, 2020

Project	Address	Acreage	Sq. Ft.	Price	Price per Sq. Ft.
Bruce Village/B20	1990 Belgium Avenue	2.5	108,900	\$1,800,000	\$16.53
Creekside Place	1250 Notre Dame Blvd	4.92	214,315	\$2,500,000	\$11.67
Deer Creek Apartments	2767 Native Oak Drive	9.12	397,267	\$3,684,022	\$ 9.27
Lava Ridge Apartments	2796 Native Oak Drive	4.97	216,493	\$2,646,000	\$12.22
Senator Conness Apartments	2754 Native Oak Drive	9.6	418,176	\$4,180,000	\$10.00
				Average	\$11.94

Notes: These comps are based on multi-family projects that received Disaster Tax Credit Awards in 2020. Source: CTCAC, City of Chico 2020 Disaster Tax Credit Awards

#### SINGLE-FAMILY RESIDENTIAL LAND

Figure 44.1: City of Chico, Single-family Residential Land Table, 2021 shows data from sales of six vacant lots zoned for single-family residential for the period of October 2020 through February 2021. These lots averaged 9,371 square feet, with an average price of \$10.45 per square foot. The price per acre ranges from \$234,378 to \$607,183 with an average cost per acre of \$455,340. The 1167 E. 10<sup>th</sup> Street property is located in the highest land value location of the six sales.

Figure 44.1: City of Chico, Single-family Residential Land Table, 2021

Single Family Land					
Address	City	Price	Lot Size	Date Sold	Price per Sq Ft
9519 Yokum St #15	Butte County	\$ 100,000	8,712	2/26/21	\$ 11.48
1167 E. 10th Street	Chico	\$ 85,000	6,098	12/31/20	\$ 13.94
3270 Summit Ridge	Chico	\$ 112,000	10,019	12/22/20	\$ 11.18
964 E 16th Street	Chico	\$ 75,000	13,939	12/14/20	\$ 5.38
10680 Player Lane	Butte County	\$ 105,000	12,632	11/12/20	\$ 8.31
0 Sycamore Street	Chico	\$ 60,000	4,827	10/15/20	\$ 12.43
		Average	9,371		\$ 10.45

Source: Sierra North Valley Realtors, March 2021

### Construction Costs

Construction costs vary widely depending on the type of structure being built. For instance, the total construction cost of a multi-family structure will cost much more than a single-family home, though the cost of each unit in the multi-family structure will generally cost less due to the economies of scale. The development models shown in **Figures 43.3** and **43.4** demonstrate that multi-family construction is generally more expensive per square foot but usually has lower costs per unit due to smaller unit sizes. Multi-family and single-family construction costs in Chico are comparable to other similar size cities in the Central Valley, and generally lower than in the Sacramento Metropolitan Area.

An analysis of construction costs for six affordable tax credit projects for families currently in development was conducted and listed in **Figure 44.2**. Construction costs for these projects averaged \$263,964 per unit and \$166 per square foot. If funding sources require payment of State Prevailing Wages, construction costs are generally about 15%-20% higher. Senior and studio subsidized apartment complexes cost less per unit and more per square foot. Subsidized apartments are generally more expensive to build than market rate apartments because costs, such as developer overhead and profit, financing, and reserves, must be front-loaded into the development budget instead of future year operating budgets. This is because publicly subsidized project rents are restricted to levels affordable to low-incomes. Operating income largely covers annual expenses only, with narrow profit margins over the operating period. Furthermore, rent restriction covenants limit price appreciation, as subsidized projects cannot be resold at market prices until 30 to 55 years after they are built.

**Figure 44.2: City of Chico, Affordable Multi-Family Construction Costs Table, 2020**

Project	Address	Total Units	Total Sq. Ft.	Construction Cost	Const. Cost Per Unit	Const. Cost Per Sq. Ft.
Bruce Village	1990 Belgium Ave.	60	49,791	\$ 13,194,700	\$ 219,912	\$ 265
Creekside Place	1250 Notre Dame Blvd	101	101,503	\$ 30,349,259	\$ 300,488	\$ 299
Deer Creek, Phase I	2768 Native Oak Drive	156	135,432	\$ 35,212,377	\$ 225,720	\$ 260
Lava Ridge	2796 Native Oak Drive	98	125,093	\$ 23,392,439	\$ 238,698	\$ 187
North Creek Crossings Phase I	2265 Maclovio Ave.	106	139,993	\$ 34,298,225	\$ 323,568	\$ 245
1297 Park Avenue	1297 Park Ave.	59	56,419	\$ 15,176,644	\$ 257,231	\$ 269
Average		97	101,372	\$ 25,270,607	\$ 260,936	\$ 254

Source: California Tax Credit Allocation Committee, 2020



Construction costs have increased significantly over the past five years. These increases have been driven by increases in labor and material costs. The Turner Center for Housing Innovation at UC Berkeley conducted an analysis of multi-family construction costs across California in 2020. The analysis found that construction costs increased by 24% statewide between 2009 and 2018. For the period of 2014 and 2018, the increase was 44% percent. The average per square foot hard cost was \$177 in 2009, and in 2018 it was \$222.

According to the Turner Center report, wages for the Construction and Extraction Occupations category saw an increase of 28.7% between 2006 and 2018. Cement Masons and Concrete Finishers saw the most significant increase in wages at 32.5%. Some of these wage increases were attributed to higher levels of overhead, profit, and contingency by general contractors and subcontractors to mitigate the risk and costs associated with a restricted workforce, and to ensure that they retain workers in a competitive labor shortage environment (*Source: The Hard Costs of Construction: Recent Trends in Labor and Materials Costs for Apartment Buildings in California. The Turner Center for Housing Innovation, UC Berkeley, March 2020*).

Construction costs have been further accelerated by large increases in the cost of materials. Between 2010 and 2018, the cost of concrete increased by 28%, finishes and gypsum increased 65%, and lumber increased 110%. Metals was the only material that decreased over that time period, with a 39% drop. The COVID-19 pandemic has contributed to further cost increases. In some areas, the cost of lumber tripled as supplies became constrained due to sawmill shutdowns.

The increase in construction costs can be attributed to many factors, but is most significantly due to large increases in materials costs and a restricted workforce. It is not clear if these factors will continue during the next Housing Element period, but if they do, it could significantly impact not only the number of units that are built, but also their affordability as well.

### ***Financing Availability***

Over the past eight years, financing for residential real estate has gradually recovered from the recession of 2008. Interest rates from 2018-2021 remained at historically low levels, influenced by a federal funds rate near zero percent and federal investment in securities to shore up the economy during the coronavirus pandemic. Interest rates began climbing in 2022, following inflationary trends. At the same time, the risky lending practices that precipitated the housing bubble and subsequent recession have been reformed and defaults have declined significantly. After some uncertainty in 2020, equity and debt was much more aggressively employed in 2021 and is expected to continue to be readily available for a variety of residential real estate investments over the next few years.

## MULTI-FAMILY RENTAL FINANCING

Multi-family lending is forecast to reach about \$421 billion in 2022, up from the record \$409 billion projected for 2021 which was a 13% increase from 2020, according to the Mortgage Bankers Association. Fannie Mae and Freddie Mac plan to increase their levels of multi-family investment in 2022 by increasing purchase caps, broadening the scope of eligible borrowers and projects, and expanding their products with flexible terms and low interest rates (*Source: Why a Lending Bounty Awaits Multifamily Borrowers. Multi-Housing News, November 30, 2021.*).

Most multi-family loan interest rates are currently tied to the 30-day LIBOR or U.S. Treasury 10-Year Note. The 30-day LIBOR was stable between December 2020 and 2021, varying between 0.07% to 0.16%, with a rate as of December 2021 at 0.10%. LIBOR is expected to be phased out as a benchmark lending index over the next couple years, and will be replaced by another index that broadly measures bank borrowing costs. The 10-Year Treasury Note rose from about 0.9% in December 2020 to about 1.5% in December 2021 (*Wall Street Journal, December 10, 2021*). During 2022, interest rates on multi-family debt should rise more rapidly to the 4%-6% range for tax-exempt bond funded construction loans and the 5%-7% for permanent loans and market rate commercial construction loans. Most affordable housing in California is financed by tax-exempt bonds that are allocated to projects by the California Debt Limit Allocation Committee (CDLAC).

Freddie Mac tracks an Apartment Investment Market Index (AIMI) to measure the relative value of investing in multi-family properties in select major metropolitan areas. From the second quarter of 2020 to the second quarter of 2021, the AIMI rose from 129.2.3 to 132.6. Freddie Mac stated that the increase in the index over the past year was the result of growth in net operating income for apartment complexes and lower mortgage rates, which offset strong growth in property prices (*Freddie Mac Apartment Investment Index, 2<sup>nd</sup> Quarter, 2021*).

Equity for market rate multi-family housing is usually invested by Real Estate Investment Trusts (REITs). Publicly traded REITs have performed well over the last 10 years, with average annual return of 11.29% between October 2011 and October 2021 (*Nareit Industry Fact Sheet, October 2021*).

Equity for affordable housing is usually invested by banks and corporations that receive tax credits and deductions in return for their investment. Tax credit investors negotiate an equity price per dollar of tax credit received for each affordable housing project. Equity pricing for Federal Low Income Housing Tax Credits (LIHTC) in California has been gradually rising after a drop in investor interest in 2020. While LIHTC pricing varies greatly depending on project particulars, the partners involved, and location, national pricing averaged about \$0.90 per tax credit dollar in the second half of 2021 (*CohnReznick Housing Tax*

*Credit Monitor, November 2021 and Novogradac LIHTC Equity Pricing Trends, August 2021*). While projects in major California metropolitan markets such as Los Angeles and the Bay Area tend to draw significantly higher pricing than the nationwide average, projects in smaller California cities such as Chico have historically seen pricing closer to the nationwide average.

Federal funding for affordable multi-family housing is projected to expand over the next few years based on the recently passed American Rescue Plan and HUD budgets, proposed federal budgets for FY 2022 and FY 2023, and the housing components of the proposed Build Back Better Act. These initiatives will significantly bolster resources for federal tax credits, entitlement grants for housing production, rental assistance, and homeless services. At the State level, budget surpluses and the Governor's commitment to addressing California's housing needs figures to continue financial support for housing programs.

At the beginning of the new Housing Element period, Chico and the surrounding area will see increased investment in subsidized multi-family rental financing through the Community Development Block Grant-Disaster Recovery (CDBG-DR) program. The purpose of this program is to use federal funds made available through the Presidential Disaster Declaration associated with the Camp Fire to replace destroyed units. The City has received \$32.5 million dollars to subsidize the construction of new regulated rental units. In addition, Butte County has an allocation of \$61 million dollars, some of which is expected to be spent in Chico. The California Tax Credit Allocation Committee has also allocated Disaster Relief Tax Credits to projects in Chico. These credits were designated specifically for projects in Butte county to mitigate the fallout from the Camp Fire. For the 2020 round, seven projects in Chico received an annual federal credit allocation of \$27,000,000 through this program and three projects received an annual allocation of \$7,852,310 in the 2021 round

## HOMEOWNERSHIP FINANCING

The full-year average interest rate on a 30-year fixed rate mortgage was 3.0% in 2021 (*Freddie Mac Market Rates Survey, December 9, 2021*). After large monthly purchases of treasuries and mortgage securities over the past two years, the Federal Reserve has indicated that it is ready to start diminishing its purchases of treasuries and mortgage securities through 2022. At the same time, it is expected that the Federal Reserve will increase the Federal Funds Rate through at least the end of 2022. These factors are expected to push mortgage interest rates upward in 2022. Freddie Mac projects that refinance activity will soften towards the end of 2022 as interest rates rise, and total mortgage originations will decline from \$4.5 trillion in 2021 to \$3.1 trillion in 2022 (*Quarterly Forecast, Freddie Mac, October 15, 2021*).

## ***Natural Disaster Impacts***

### **COVID-19**

On March 13, 2020, the President declared the ongoing Coronavirus Disease 2019 (COVID-19) pandemic of sufficient severity and magnitude to warrant an emergency declaration for all states, tribes, territories, and the District of Columbia pursuant to section 501 (b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121-5207 (the “Stafford Act”). This declaration shut down “non-essential” businesses such as bars, restaurants, and most retail stores. Essential businesses included hardware stores, supermarkets, and other retailers that sold food or medical supplies. Housing construction was considered an essential business, however, COVID-19 still had a severe impact in that sector. Construction sites had to deal with shutdowns due to COVID-19 outbreaks. Many factories supplying building materials experienced shutdowns or reduced staffing. This led to severely constrained supply inventories. Construction projects were delayed due to materials shortages. These delays resulted in fewer units being built to meet the high demand for housing. This contributed to higher home prices and rents. With the increase in vaccinations and the decline in COVID-19 cases, housing construction began to recover in the second half of 2021.

### **CAMP FIRE**

On November 18, 2018, a faulty electrical line sparked the deadliest and most destructive wildfire in the history of the State of California in the foothills of Butte county. When the fire was finally fully contained on November 25<sup>th</sup>, 2018, it had killed 85 people, burned almost 240 square miles, and destroyed 18,000 structures, most of which were dwelling units. The towns of Paradise and Concow were almost completely destroyed, and 56,000 people were evacuated with 20,000 of them relocating permanently.

The influx of residents relocating to Chico made it the fastest growing city in California in 2019 and set into motion a number of housing initiatives and activities. A study was conducted by Economic and Planning Systems that was released in January 2021 that examined the impact of the Camp Fire in Butte, Glenn and Tehama counties. According to the study, the population of Chico increased from 92,286 on January 1, 2018 to 110,326 on January 1, 2020, a 19.5% increase in two years. This was nearly ten times the two percent annual growth projected in the City’s General Plan. Such a large increase in a short amount of time has placed a severe strain on City services that is still being dealt with today. Prior to the Camp Fire, Chico was already experiencing a severe housing shortage with rental vacancy rates hovering around 2%.

### ***City Actions that Address Non-governmental Constraints***

The following actions in the Chapter 3 Housing Program address non-governmental constraints that are described above.

#### **LAND PRICES**

*Actions 3.3.1, 4.2.2, and 4.2.3* increase allowable densities, facilitating the development of more housing on available land. *Action 3.3.1* updates the City's density bonus ordinance to conform with State Law. *Actions 4.2.2 and 4.2.3* support higher densities and mixed uses Downtown and in the Traditional Neighborhood Development zoning district.

#### **CONSTRUCTION COSTS**

*Actions 3.2.3, 3.3.3, and 5.1.4* address high construction costs by supporting the development of smaller units, such as SROs, that meet a strong existing demand from smaller households than cannot afford larger homes.

*Actions 5.1.4 and 6.2.1* address high construction costs by implementing strategies to preserve, rehabilitate, and/or convert existing structures to rent-restricted affordable housing with long-term rent restrictions. Preservation and rehabilitation is generally much less expensive than new construction.

#### **FINANCING AVAILABILITY**

*Action 3.3.4* explores an alternative strategy to financing affordable housing by linking Section 8 Housing Choice Vouchers to ADU tenants.

*Actions 1.2.1, 1.6.1, 3.1.1 and 5.1.2* direct the City to partner with developers to leverage federal, state, and private sources to meet the City's housing goals.

#### **NATURAL DISASTER IMPACTS**

*Action 2.1.1* directs the City to participate in collaboration with other government agencies and nonprofit organizations to share information that will help Butte County address regional housing issues, such as coordinated responses to natural disasters.

## AFFIRMATIVELY FURTHERING FAIR HOUSING: IDENTIFICATION OF CONTRIBUTING FACTORS

With the passage of AB 686, the Housing Element now includes a section on affirmatively furthering fair housing called “identification of contributing factors.” A fair housing contributing factor is one that creates, contributes to, perpetuates, or increases the severity of one or more fair housing issues, focusing on the topics in the assessment of fair housing: segregation, racially and ethnically concentrated areas of poverty, disparities in access to opportunity, and disproportionate housing needs. (*California State Department of Housing and Community Development, Affirmatively Furthering Fair Housing, 2021*). As recommended by HCD, **Figure 45: City of Chico, Affirmatively Furthering Fair Housing: Identification of Contributing Factors Table, 2023** identifies fair housing issues, contributing factors, meaningful City action, and the priority of the issues from high to low.

Per the revisions requested by HCD in the initial draft review on December 5, 2022, updates have been made to the Assessment of Fair Housing (Chapter 4) and Adequate Sites Inventory (Chapter 5) sections. These updates then informed the revisions to the table below, identifying new priorities, fair housing issues, contributing factors, and meaningful City action.

Figure 45: City of Chico, Affirmatively Furthering Fair Housing: Identification of Contributing Factors Table, 2023

Priority (high, medium, low)	Fair Housing Issue	Contributing Factors	Meaningful City Action
High	<p>Integration and Segregation Topic Area – Income Section:</p> <p>There are neighborhoods with low median incomes, high poverty rates, smaller and fewer parks and preserves, and/or concentrations of poor housing conditions, vacancies, and limited infrastructure. These neighborhoods are: The Avenues, North Campus, West Campus, South Campus, Southwest Chico, Chapman/Mulberry, and Downtown Chico (Census Tracts 5.02, 6.03, 6.04, 10, 11, 12, and 13).</p>	<p>Displacement of residents due to economic pressures. Historical patterns and trends. Lack of private/public investment in specific neighborhoods.</p>	<p>1. See <b>Action 1.4.2:</b> Perform a Housing Conditions Survey in the Chapman/Mulberry neighborhoods (Census Tract 13) and to the extent feasible, use findings to inform future investments of CDBG and other City funds in identified neighborhoods in need of rehabilitation. Housing Conditions Survey to be completed by September 2023. Use findings to inform investments by December 2025.</p> <p>2. <b>Action 1.8.1:</b> Use Regional Early Action Planning of 2021 (REAP 2.0) to fund the North Campus Cedar Street Improvement Project in Census Tract 6.04. This project would facilitate the re-development of underutilized sites and infill along the North Cedar Street corridor with higher-density projects consistent with the zoning code. Public improvements undertaken to facilitate this re-development would include the reconstruction of asphalt and installing continuous bike lanes, curbs, gutter, and sidewalks where there are currently gaps. North Cedar Street is used by pedestrians and cyclists to reach Chico State University and Downtown Chico. The anticipated benefits include lowering greenhouse gas emissions, public health improvements, and the improved overall character of the corridor. Complete by December 2025.</p> <p>3. <b>Action 1.8.2:</b> Conduct specific, targeted outreach to The Avenues, North Campus, West Campus, South Campus,</p>

			<p>Southwest Chico, Chapman/Mulberry, and Downtown Chico (Census Tracts 5.02, 6.03, 6.04, 10, 11, 12, and 13) to assist households in connecting to the City’s Tenant Based Rental Assistance (TBRA) program. To the extent feasible, outreach will be bilingual in English and Spanish. Outreach will include preparing a flyer in collaboration with the community-based organizations that make referrals to the TBRA program and providing the flyer to local businesses, employers, health care, restaurants, schools, stores, and organizations in The Avenues, North Campus, West Campus, South Campus, Southwest Chico, Chapman/Mulberry, and Downtown Chico areas (Census Tracts 5.02, 6.03, 6.04, 10, 11, 12, and 13). This Action may be completed in concert with <b>Action 1.9.4</b>. Start conducting outreach efforts by June 2024 and continue at least annually throughout the planning period.</p> <p>4. <b>Action 1.8.3:</b> As part of the Barber Yard Specific Plan, enhance recreational opportunities in the Southwest Chico neighborhood (Census Tract 12) by adding a variety of parks and recreation facilities. This may include, but is not limited to, a historic ballpark, dog park, pocket parks, and event and picnic table areas along with an indoor athletics facility. Approximately 4.5 acres of new public parks would be open to the general public as well as residents that live in the Barber/Southwest Chico neighborhood (Census Tract 12). The remaining parks and the athletics facility, approximately 10 acres, may require a fee or membership. Development of the parks and recreation facilities as part of the Barber Yard Specific Plan to start by December 2027.</p>
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<p><b>High</b></p>	<p>Racially and Ethnically Concentrated Areas of Poverty (R/ECAP) Topic Area – High Segregation and Poverty Section:</p> <p>Census Tracts 3 and 13 are areas of high segregation and poverty as defined by the 2021 TCAC/HCD Opportunity Maps.</p> <p>Census Tracts 3 and 13 both have higher rates of poverty than the city as a whole, and both could use additional public improvements and revitalization strategies. An estimated 12.0-15% of Chapman/Mulberry's (Census Tract 13) households are overcrowded, which refers to more than 1.0 persons per room. Census Tract 13 is one of the eight census tracts in the city to have a larger percentage of children in single parent female households than the city as a whole. The northern portion of Census Tract 3 from Lassen</p>	<p>Deteriorating and abandoned properties and older housing stock. Lack of private/public investment in specific neighborhoods. Lack of community revitalization strategies. Historical patterns and trends.</p>	<ol style="list-style-type: none"> <li>1. See <b>Action 1.4.1:</b> To the extent feasible, invest Community Development Block Grant (CDBG) funds in public facility and infrastructure projects that improve quality of life for residents, and prioritize resources for displacement risk areas (Census Tracts 1.04, 2.01, 3, 9.03, and 13) and areas of high segregation and poverty (Census Tracts 3 and 13). Identify and budget funds for at least one project by July 2025. Specific projects will be developed through the HUD 5-Year Consolidated Plan and Annual Plan processes that involve outreach to Low-Income residents for input, as well as the City's annual public works budgeting process.</li> <li>2. See <b>Action 1.4.2:</b> Perform a Housing Conditions Survey in the Chapman/Mulberry neighborhoods (Census Tract 13) and to the extent feasible, use findings to inform future investments of CDBG and other City funds in identified neighborhoods in need of rehabilitation. Housing Conditions Survey to be completed by September 2023. Use findings to inform investments by December 2025.</li> <li>3. See <b>Action 1.7.2:</b> Conduct specific, targeted outreach to Census Tracts 2.02, 3, 5.01, 5.02, 6.03, 6.04, 10, 11, 12, and 13 which have block groups with the finding "less positive economic outcome" or "furthest proximity to jobs" (<i>HCD AFFH Data Resources and Mapping Tool: 2021 TCAC; 2017 U.S. Department of Housing and Urban Development</i>). To the extent feasible, outreach will be bilingual in English and Spanish. Outreach will include preparation and distribution of a flyer in collaboration with the Butte College Small Business Development Center. The flyer will advertise small business counseling for low-income individuals who own or</li> </ol>
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	<p>Avenue to Sycamore Creek does not have walkable access to healthy food sources such as a community garden, farmers' market, or grocery store.</p>		<p>want to start their own business. Provide the flyer for outreach to local businesses, employers, health care, restaurants, schools, stores, and organizations in these census tracts. Start conducting outreach efforts by June 2024 and continue at least annually throughout the planning period.</p> <p>4. <b>Action 1.9.1:</b> An estimated 12.0-15% of Chapman/Mulberry's (Census Tract 13) households are overcrowded, which refers to more than 1.0 persons per room. This is the only census tract in the city with overcrowding that is higher than the statewide average of 8.2% or fewer households (HCD AFFH Data Resources and Mapping Tool: 2015 Healthy Communities Data and Indicators Project). Development of new affordable multi-family housing will help to mitigate overcrowding by providing additional rent-restricted housing units for households. The City of Chico will collaborate with Jamboree Housing and the Jesus Center to develop an affordable multi-family housing project in Census Tract 13 (see Site 12 in the Adequate Sites Inventory). This is in addition to the project currently under construction at 1297 Park Avenue as of 2023. Begin development of the new affordable multi-family housing project (Site 12 in the Adequate Sites Inventory) by June 2030.</p> <p>5. <b>Action 1.9.2:</b> Use Community Development Block Grant (CDBG) and/or other funding to provide public improvements targeted to lower income neighborhoods, such as Census Tracts 3. Improvements for Census Tract 3 will include road rehabilitation for East Avenue and Rio Lindo</p>
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			<p>Avenue from Cohasset Road to the Esplanade, and a multi-modal “complete streets” facility for North Esplanade including bicycle, pedestrian, and transit improvements, new bus stops, storm drain facilities, and street lighting, and new sewer laterals to all parcels not already served. Complete East Avenue and Rio Lindo Avenue road rehabilitation and North Esplanade “complete streets” facility public improvements for Census Tract 3 by December 2025.</p> <p>6. <b>Action 1.9.3:</b> Use Community Development Block Grant (CDBG) and/or other funding to provide public improvements targeted to lower income neighborhoods, such as Census Tracts 13. Improvements for Census Tract 13 will include road rehabilitation for East 20th Street from Park Avenue to the entrance of the mall, a bicycle and pedestrian bridge over East 20th Street to close the final gap of the entire Bikeway 99 network, and congestion relief for Hegan Lane including reconstruction, bicycle lanes, roundabouts, and traffic lights. Complete East 20th Street road rehabilitation and the bicycle and pedestrian bridge, as well as Hegan Lane congestion relief public improvements for Census Tract 13 by December 2024.</p> <p>7. <b>Action 1.9.4:</b> Census Tracts 3 and 13 both have higher rates of poverty than the city as a whole (<i>HCD AFFH Data Resources and Mapping Tool: 2015-2019 American Community Survey</i>). Conduct specific, targeted outreach to Census Tracts 3 and 13 to assist households in connecting to the City’s Tenant Based Rental Assistance (TBRA) program. To the extent feasible, outreach will be bilingual in English and Spanish. Outreach will include preparing a flyer in</p>
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			<p>collaboration with the community-based organizations that make referrals to the TBRA program and providing the flyer to local businesses, employers, health care, restaurants, schools, stores, and organizations in Census Tracts 3 and 13. This Action may be completed in concert with <b>Action 1.8.2</b>. Start conducting outreach efforts by June 2024 and continue at least annually throughout the planning period.</p> <p>8. <b>Action 1.9.5:</b> Census Tract 13 is one of the eight census tracts in the city to have a larger percentage of children in single parent female households than the city as a whole (<i>HCD AFFH Data Resources and Mapping Tool: 2015-2019 American Community Survey</i>). Conduct specific, targeted outreach to Census Tracts 3 and 13 to direct households to resources provided by childcare assistance services such as Valley Oak Children’s Services and Associate Students Child Development Lab (ASCDL) (ASCDL is prioritized for Chico State University low-income student families). To the extent feasible, outreach will be bilingual in English and Spanish. Outreach will include preparing a flyer in collaboration with these organizations and providing the flyer to local businesses, employers, health care, restaurants, schools, stores, and organizations in Census Tracts 3 and 13. This Action may be completed in concert with <b>Action 1.9.4</b>. Start conducting outreach efforts by June 2024 and continue at least annually throughout the planning period.</p> <p>9. <b>Action 1.9.6:</b> The northern portion of Census Tract 3 from Lassen Avenue to Sycamore Creek does not have walkable access to healthy food sources such as a community garden, farmers’ market, or grocery store (<i>City of Chico, Draft</i></p>
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			<p><i>Environmental Justice Existing Conditions Report, May 2022).</i></p> <p>The City of Chico will include a community garden for residents as part of the affordable Tonea Senior Apartments project in Census Tract 3. The City will also collaborate with local partners to develop a new public community garden and/or farmers’ market in Census Tract 3. This may include partnering with Chico Area Recreation and Park District (CARD) for public community garden improvements at DeGarmo Park, and/or the Chico Certified Farmers’ Market for a new farmers’ market at DeGarmo Park, the Lassen View Promenade shopping center at East Lassen Avenue and the Esplanade, or another location. Complete the community garden for residents of the affordable Tonea Senior Apartments project in Census Tract 3 by June 2024. In collaboration with Chico Area Recreation and Park District (CARD) and/or the Chico Certified Farmers’ Market, develop a new public community garden and/or farmers’ market in Census Tract 3 by June 2028.</p>
<p><b>High</b></p>	<p>Disproportionate Housing Needs Including Displacement Risk Topic Area:</p> <p>As of 2019, the areas of the city with 60-80% of renter households with overpayment are located in northeast Chico in Census Tracts 1.04 and 1.02, and central, southcentral, and west Chico in Census Tracts 5.01, 5.02,</p>	<p>Availability of affordable units in a range of sizes, especially rental housing.</p> <p>Displacement of residents due to economic pressures</p>	<p>1. <b>Action 1.1.1:</b> Assist Habitat for Humanity of Butte County’s single-family self-help project on Wisconsin and Boucher Streets in Census Tract 13. Five estimated units will be made available to low-income households. Complete by December 2024.</p> <p>2. <b>Action 1.1.2:</b> Support affordable housing developments, especially in high resource areas as described in Action 3.1.1. To the extent feasible, prioritize areas that have 60-80% of renter households with overpayment (Census Tracts 1.02, 1.04, 5.01, 5.02, 6.03, 6.04, 10, 11, and 12). Assist at least one affordable housing development to be located within</p>

	6.03, 6.04, 10, 11, and 12. As of 2018 in the city of Chico, 75.1% of occupants with at least one of four housing problems and 82.5% of occupants with at least one of four severe housing problem are renters. As of 2015, an estimated 12.0-15% of Census Tract 13's households are overcrowded.		<p>the identified census tracts during the planning period that are also deemed high resource areas by the TCAC/HCD Opportunity maps (by June 2030). Ongoing efforts to allocate City funds and work cooperatively with developers to access other funding sources.</p> <p>3. <b>Actions 3.2.3, 3.3.3, 3.3.4, 3.3.5:</b> Encourage Accessory Dwelling Units (ADUs).</p>
<b>High</b>	<p>Disproportionate Housing Needs Including Displacement Risk Topic Area:</p> <p>The 2018 Camp Fire continues to affect the city of Chico in numerous ways including community displacement and trauma, population increase, average daily traffic increase, housing price increase, and housing availability decrease, among others. Funding sources such as disaster tax credits and CDBG-DR are being used to increase the affordable housing stock, yet unmet needs remain. In 2019, approximately 31% of all</p>	Displacement of residents to Chico and surrounding communities due to disaster and resulting economic pressures, as well as housing shortages and lack of affordability persisting after disaster.	<p>1. <b>Action 1.2.1:</b> Administer Community Development Block Grant Disaster Recovery (CDBG-DR) Multifamily Housing Program funds in response to the 2018 Camp Fire. As of July 2023, there are 463 low-income, CDBG-DR funded units proposed in Chico. CDBG-DR Multifamily Housing Program funding is estimated to be expended by May 2026, with projects completed and occupied by December 2026.</p> <p>2. <b>Action 1.2.2:</b> Continue to participate in the Camp Fire Collaborative, a long-term recovery group, to coordinate with organizations on addressing unmet needs and achieving long-term recovery. Ongoing throughout the planning period.</p> <p>3. <b>Action 1.2.2:</b> Continue to participate in the Butte County Homeless Continuum of Care, a multi-agency planning body, to coordinate with organizations that serve people who are low-income and people experiencing homelessness. Ongoing throughout the planning period.</p>

	people experiencing homelessness in Chico reported being survivors of the Camp Fire and lived in Camp Fire affected areas.		
<b>Medium</b>	<p>Fair Housing Enforcement and Outreach Topic Area:</p> <p>Fair housing enforcement and outreach is not reaching specific stakeholders (realtors, lenders) and a segment of community at large (people of color, Spanish-speakers). Identified need to address fair housing in lending that affects people with low incomes and people of color. As of 2019, Hispanic or Latino residents are significantly less likely to own a home than White, not Hispanic or Latino residents (Disproportionate Housing Needs Including Displacement Risk Topic Area).</p>	Lack of local public/private fair housing enforcement and outreach collaboration. Lack of resources for fair housing agencies and organizations. Lack of variety of media and language access.	<p>1. <b>Action 1.3.1:</b> Expand existing fair housing workshops to include an annual Legal Services of Northern California-led workshop for Sierra North Valley Realtors Association and lenders (banks, brokerage firms) on fair housing in lending regarding people with low-incomes and people of color. Coordinate with Legal Services of Northern California (LSNC), Sierra North Valley Realtors, and lenders, by December 2024 and LSNC to start offering the annual fair housing workshop by December 2025.</p> <p>2. <b>Action 1.3.2:</b> Coordinate with the Hispanic Resource Council of Northern California, the Hmong Cultural Center of Butte County, and other organizations as applicable to disseminate fair housing education and outreach materials provided by the City to people of color and people who speak Spanish or Hmong. Start coordinating by December 2024 and continue coordinating annually through the remainder of the cycle.</p> <p>3. <b>Action 1.3.3:</b> Update the City's fair housing webpage annually and publish fair housing education information in both English and Spanish on the City's website and to extent possible, on social media and to the City's stakeholder email contact list.</p>

			<p>4. <b>Action 1.3.4:</b> Collaborate with Legal Services of Northern California (LSNC) to update the “Fair Housing and You: Your Rights and Responsibilities” 2011 booklet written by LSNC for community use. LSNC to produce the updated booklet by December 2026.</p> <p>5. <b>Action 1.3.5:</b> Diversify outreach methods by preparing a press release for news outlets for the four annual fair housing workshops hosted by Legal Services of Northern California and North Valley Property Owners Association with funding from the city. Start producing press releases by December 2023 and continue throughout the cycle in concert with the annual workshops.</p>
Medium	<p>Racially and Ethnically Concentrated Areas of Poverty (R/ECAP) Topic Area:</p> <p>There are concentrations of high segregation and poverty in north Chico between the Esplanade and Highway 99 (Census Tract 3) and in south Chico between Park Avenue and Highway 99 (Census Tract 13). There are concentrations of poverty in central Chico and west Chico in the neighborhoods around Nord Avenue and Highway 32 (Census Tracts 5.02, 6.03,</p>	<p>Lack of private investment in specific neighborhoods. Lack of community revitalization strategies. Displacement of residents due to economic pressures. Deteriorating and abandoned properties and older housing stock.</p>	<p>1. <b>Action 1.4.1:</b> To the extent feasible, invest Community Development Block Grant (CDBG) funds in public facility and infrastructure projects that improve quality of life for residents, and prioritize resources for displacement risk areas (Census Tracts 1.04, 2.01, 3, 9.03, and 13) and areas of high segregation and poverty (Census Tracts 3 and 13). Identify and budget funds for at least one project by July 2025. Specific projects will be developed through the HUD 5-Year Consolidated Plan and Annual Plan processes that involve outreach to Low-Income residents for input, as well as the City’s annual public works budgeting process.</p> <p>2. <b>Action 1.4.2:</b> Perform a Housing Conditions Survey in the Chapman/Mulberry neighborhoods (Census Tract 13) and to the extent feasible, use findings to inform future investments of CDBG and other City funds in identified neighborhoods in need of rehabilitation. Housing Conditions Survey to be</p>



	6.04, 10, and 11). There are concentrations of people of color in west Chico near Nord Avenue and West Sacramento Avenue and southeast/southcentral Chico (Census Tracts 5.02, 9.01, 9.03, and 13).		<p>completed by September 2023. Use findings to inform investments by December 2025.</p> <p>3. <b>Action 1.4.3:</b> There are older and lower-cost rentals in the city with poor weatherization, which may affect residents' health during the winter, summer, and wildfire seasons. Provide information and referrals to the Butte Community Action Agency's weatherization program. The City will post a link to the program on its website and refer city residents to the program if they inquire about weatherization needs. Start providing information and referrals by June 2023.</p> <p>4. <b>Action 1.4.4:</b> Encourage residents from areas of high segregation and poverty (Census Tracts 3 and 13) to apply to serve on boards, committees, task forces, and other local government decision-making bodies. Outreach efforts may include but are not limited to, connecting with community organizations in these areas, posting physical flyers, hosting community meetings, and sharing social media posts and email blasts. Start conducting outreach efforts by December 2024, and continue throughout the planning period.</p>
<b>Medium</b>	<p>Integration and Segregation Topic Area:</p> <p>In the city of Chico in 2019, an estimated 10-20% of the population has a disability in most of the census tracts within the city. Disability Action Center (DAC) staff</p>	There is a need for accessible housing for people with disabilities. This is paired with a lack of coordinated regional collaboration from public/private agencies on needs	<p>1. <b>Action 1.5.1:</b> Continue updating inventory of accessible housing units as they are developed. Expand the list of organizations who receive the inventory from Disability Action Center to also include the Camp Fire Collaborative (serves Camp Fire survivors), Far Northern Regional Center (serves people with developmental disabilities), Housing Authority of the County of Butte (serves people with low incomes), Passages (serves older adults and their caregivers), and other organizations as applicable. Update the inventory</p>

	<p>noted that their clients with disabilities experience challenges with finding housing, and increasingly so in recent years. Passages staff noted they frequently receive calls from the public for accessible housing modifications. Results from Housing Element Community Survey #1 indicated an estimated 9% of respondents (71) reported they or a family member need a housing accommodation for a disability.</p>	<p>for and referrals to accessible housing.</p>	<p>by December 2023 and continue as new units are added throughout the planning period.</p> <p>2. <b>Action 1.5.2:</b> As part of the City’s annual planning activities in relation to the U.S. Department of Housing and Urban Development funding, host an annual community workshop in January. At this workshop engage with attendees on accessibility and disabilities needs, receive input from the community, and share resources such as the inventory of accessible housing units. Incorporate accessibility and disability topics into the community workshop by January 2024 and continue annually throughout the planning period.</p>
<b>Low</b>	<p>Disparities in Access to Opportunity Topic Area:</p> <p>There are block group portions of southcentral Chico, west Chico, and north Chico identified as “less positive economic outcome” (Census Tracts 2.02, 3, 5.02, 6.03, 6.04, 10, 11, 12, and 13). Block group portions of west Chico near Nord Avenue and between the Esplanade and Highway 99 are identified as</p>	<p>Lack of private/public investment in specific neighborhoods. Location of employers. Location of environmental health hazards.</p>	<p>1. <b>Action 1.6.1:</b> Use State/Federal grant funds available to the City to support infrastructure needs for planned affordable housing projects. To the extent feasible, prioritize projects in areas with high job proximity and high economic, education, and environmental outcomes. Evaluate infrastructure needs as each affordable housing project is presented to the City for feasibility analysis and budget funds annually to support these projects, whenever feasible. Provide funding to at least one infrastructure project every four years, by June 2026 and June 2030.</p> <p>2. <b>Action 1.6.2:</b> Assist in disseminating information about tobacco/second-hand smoke education provided by the Butte County Public Health and California Health</p>

	<p>“less positive education outcomes” (Census Tracts 3, 5.02, 6.03, 6.04, 10, 11, and 12). Much of the city of Chico is identified as “less positive environmental outcomes,” especially around Highway 99 (Census Tracts 3, 5.02, 6.03, 6.04, 7, 8, 9.03, 10, 11, 12, 13, 14). The areas with the farthest proximity to jobs include west Chico between West Sacramento Avenue and Nord Avenue, and east Chico around Eaton Road and Highway 32, near the city boundaries (Census Tracts 1.02, 1.03, 1.04, 5.01, 8, 14, and 16).</p>		<p>Collaborative to help improve environmental health outcomes. Methods of dissemination may include, but are not limited to, website and email outreach. Disseminate information to all affordable housing complexes by July 2023, and refer property managers with an interest in smoke-free housing to Butte County Public Health on an annual basis.</p>
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<p><b>Low</b></p>	<p>Site Inventory Topic Area:</p> <p><b>Figure 41: City of Chico, Lower Income Sites Inventory Map, 2022, Figure 41.1: City of Chico Moderate Income Sites Inventory Map, 2022, and Figure 41.2: City of Chico Above Moderate Income Sites Inventory Map, 2022</b> illustrate that very low- and low- sites 2, 12, 23, and 26, moderate- site 33, and above moderate- incomes sites 44 and 45 are located in areas of high segregation and poverty. In addition, 33.1% of very low- and low-income projected units are located in census tracts with the finding of “less positive economic outcome,” and 24.5% are located in census tracts with the finding of “furthest proximity to jobs.”</p>	<p>Historical patterns and trends. Lack of available resources and data to conduct this type of analysis prior to the 2022-2030 Housing Element update.</p>	<p>1. <b>Action 1.7.1:</b> Continue to use the HCD AFFH Data Resources and Mapping Tool to biennially evaluate racially and ethnically concentrated areas of poverty, concentrations of high segregation and poverty, and concentrations of affluence in the city. This evaluation will inform the City’s community development and housing work as well as the site inventory in the next Housing Element update. The HCD AFFH Data Resources and Mapping Tool can be found at: <a href="https://affh-data-resources-cahcd.hub.arcgis.com/">https://affh-data-resources-cahcd.hub.arcgis.com/</a>. Conduct an evaluation by June 2024 and continue throughout the planning period.</p> <p>2. <b>Action 1.7.2:</b> Conduct specific, targeted outreach to Census Tracts 2.02, 3, 5.01, 5.02, 6.03, 6.04, 10, 11, 12, and 13 which have block groups with the finding “less positive economic outcome” or “furthest proximity to jobs” (<i>HCD AFFH Data Resources and Mapping Tool: 2021 TCAC; 2017 U.S. Department of Housing and Urban Development</i>). To the extent feasible, outreach will be bilingual in English and Spanish. Outreach will include preparation and distribution of a flyer in collaboration with the Butte College Small Business Development Center. The flyer will advertise small business counseling for low-income individuals who own or want to start their own business. Provide the flyer for outreach to local businesses, employers, health care, restaurants, schools, stores, and organizations in these census tracts. Start conducting outreach efforts by June 2024 and continue at least annually throughout the planning period.</p>
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# Glossary

**AB 686 - Affirmatively Furthering Fair Housing:** With the passage of AB 686 in 2018, state and local public agencies are required to affirmatively further fair housing through deliberate action to explicitly address, combat, and relieve disparities resulting from past and current patterns of segregation to foster more inclusive communities.

**Accessibility:** Refers to when the needs of people with disabilities are specifically considered, and products, services, and facilities are built or modified so that they can be used by people of all abilities.

**Accessory Dwelling Units (ADUs):** Complete independent living facilities for one or more persons on the same lot as the primary structure. Can be attached or detached from the primary structure. Also known as second units or granny flats.

**Affordable Housing:** The generally accepted measure for housing affordability is spending less than 30% of one's gross household income on housing costs (including utilities, rent or mortgage principal and interest). In the context of the Housing Element, affordable housing generally focuses on housing for extremely low, very low, low and moderate income households. This type of housing generally receives subsidies, either during construction and/or during operations, in order to keep monthly rents at affordable levels.

**Area Median Income (AMI):** The mid-point household income among all households in a given region.

**Block Group:** A defined geographic area within a census tract that is given a unique numerical code. Can be used to compare data geographically to identify trends at a neighborhood level.

**Census Tract:** A defined geographic area within a county that is given a unique numerical code. Can be used to compare data geographically to identify trends at a city or regional level.

**Fair Housing:** Refers to the right to choose housing free from unlawful discrimination. Comes from Title VIII of the Civil Rights Act of 1968 (Fair Housing Act) which prohibits discrimination in housing due to race, color, religion, sex, gender identity, sexual orientation, familial status, national origin, and disability. It also requires that all federal programs related to housing and urban development be administered in a manner that affirmatively further fair housing.

**Household:** One or more persons who occupy a housing unit.

**Housing Choice Voucher (HCV):** Rental assistance administered by housing authorities and provided to very low-income households to choose and rent privately-owned rental housing.

**Housing Rehabilitation:** Repairs to address deferred maintenance and aging of housing stock. May also address abatement of asbestos and lead paint, installation of energy efficiency measures, and removal of architectural barriers for those with mobility needs.

**Housing Unit:** A house, an apartment, or a mobile home (new hook-up/space) which provides complete independent living facilities for a household (one or more persons).

**Infill Development:** Refers to the process of developing vacant or under-used parcels within existing incorporated areas that are already largely developed.

**LGBTQ+:** An acronym for lesbian, gay, bisexual, trans\*, queer, questioning, and other identities. These terms are used to describe a person's sexual orientation or gender identity. Trans\* is an inclusive term that encompasses all people whose gender identity varies or is different from the sex they were assigned at birth.

**Market-rate Housing:** Housing where the "market" (supply/demand/other factors) sets the cost to the occupant and there are no public subsidies.

**Mixed-income Housing:** Developments that comprise differing levels of affordability, with some units at market rate and others available to low-income households at below-market rates which are made available to income-qualified households.

**Non-white:** Used in a data source provided by the California State Department of Housing and Community Development to describe people who are not White. See the definition for "People of Color" which is used more often in the Housing Element.

**People of Color:** Used to describe people who are Hispanic/Latino, Black or African American, American Indian and Alaska Native, Asian, Native Hawaiian and other Pacific Islander, as well as any other races/ethnicities that are not White. See the definition for "Non-white."

**Permanent Supportive Housing:** Housing in which wrap-around supportive services, such as case management, counseling, education and peer support are provided to tenants to support their self-sufficiency.

**Person Experiencing Homelessness:** An individual who lacks a fixed, regular, and adequate nighttime residence. Includes, but is not limited to, people who are couch surfing, in cars/trucks/RVs, in motel/hotels, in temporary or transitional housing, in shelters, or living unsheltered.

**Person with a Disability:** A person with a disability may have a physical, hearing, visual, developmental, or mental health disability or multiple disabilities. Although "people with disabilities" may refer to a community of people, people with disabilities are a diverse population with a wide range of experiences and needs. Some prefer "identity first" language such as "autistic person."

**Regional Housing Needs Allocation (RHNA):** The allocation of housing need based on projected growth in each community, by income level. The RHNA is determined by the California State Department of Housing and Community Development in partnership with local planning agencies. The RHNA does not address current or historical housing supply, only that attributable to future growth during the Housing Element period. Local jurisdictions are required to maintain

enough appropriately zoned land available to accommodate the unmet RHNA throughout the Housing Element period. Local jurisdictions do not directly develop the housing nor is funding from the State tied to RHNA.

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## Appendix Items

## APPENDIX A: Review of Previous Housing Element Programs 2014-2022

Goal	Action Number	Action Statement/ Intended Objective	Timeframe in Housing Element	Accomplishments/ Analysis	Continue, Modify or Delete?	Adjustment to Meet New State Laws
<b>H.1: Increase equal housing opportunities</b>						
	H.1.1.1	Assist in providing fair housing workshops for tenants and landlords.	Ongoing	<b>Objective met.</b> The City has annually contracted with two organizations to provide four fair housing education workshops per year.	Modify, to expand scope of workshops	Per AB 686, expand stakeholders and diversify outreach methods and materials
	H.1.2.1	Ensure that the City does not have regulatory constraints impeding protected classes from obtaining housing.	2014	<b>Objective met.</b> A listing of legally protected classes is posted on the City's website at its Housing page. This was completed in 2014.	Delete	
<b>H.2: Provide housing that is affordable to low incomes</b>						
	H.2.1.1	Leverage federal and state funding to produce and preserve 100 units of affordable rental housing by 2022.	2022	<b>Objective exceeded.</b> The City committed funding and property to the Valley View project; 14 units of supportive housing to serve low & extremely low-income individuals. State, LIHTC proceeds were leveraged. These units received Certificate of Occupancy in early 2017. It is anticipated that 734 extremely low-, very low- and low-income units will be built by the end of 2022. Eight moderate income manager units will be incorporated into those projects.	Continue with new production goals	

	H.2.2.1	Annually complete a Housing Element review with the City Council.	Annually	<b>Objective met.</b> Council is provided with an annual progress report on the Housing Element.	Continue	
	H.2.2.2	Update the Affordable Housing Resource Guide.	2014/2020	<b>Objective met.</b> Latest update is complete. An additional update is in process. Online version is on the City 's website.	Continue	
	H.2.3.1	Inform the community and decision-makers of benefit of smaller and more affordable homes.	Annually	<b>Objective met.</b> The City Council, Planning Commission and community were informed of the new legislation, regarding accessory dwelling units, in particular. ADU regulations have been modified, including the reduction of fees and incentives for production including the availability of preapproved building plans for ADUs.	Continue	
	H.2.4.1	Expand the North Valley Housing Trust (NVHT) Fund to develop affordable housing. Use NVHT for development of 30 extremely low-income units of special needs housing by 2022.	2015	<b>Objective partially met.</b> Trust funds were committed to the 14-unit Valley View project in 2015. Additional units have not been able to be supported by the Trust, but 42 additional special needs units will be under construction in 2021 with City assistance.	Delete. The NVHT as a source of funding is not viable at this time, as it has been unable to garner community contributions.	

	H.2.4.2	Develop a range of Mixed Income / Inclusionary Zoning options for Council consideration.	2015	<b>Objective not met.</b> The City Council has not been interested in pursuing an Inclusionary Zoning ordinance.	Delete	
	H.2.4.3	Pursue an Employer Assisted Housing Program-likely a first-time home buyer assistance program for participating employers.	2021	<b>Objective not met.</b> Resources have not yet been identified to move this action forward, and there has been a lack of interest by local employers.	Delete	
<b>Goal H.3: Promote construction of a wide range of housing types</b>						
	H.3.1.1	Initiate a Sphere of Influence update to ensure adequate land is available to meet housing needs.	Annually	<b>Objective met.</b> In 2018, Butte LAFCo approved the City's Sphere of Influence Amendment, which is now consistent with the Land Use Diagram found in the City's 2030 General Plan.	Delete	

	H.3.1.2	Implement the Corridor Opportunity Site overlay through the use of incentives and flexibility in development. Incentivize development of 50 moderate-income units and 20 low-income units within the Corridor Opportunity Site by 2022.	Ongoing	<b>Objective Met.</b> Developers are advised of this information as proposals are contemplated. A 59-unit affordable housing project in the Park Ave. corridor opportunity site is anticipated to start construction in 2021.	Continue	
	H.3.2.1	Maintain an inventory of vacant and underutilized parcels that could potentially be developed with housing.	Annually	<b>Objective met.</b> Staff continues to track vacant and underutilized parcels. Prior to the Disaster LIHTC becoming available, the City initiated a Request for Interest for ideas for providing affordable housing on City-owned land. This is still in process.	Continue with modifications to meet the State's "No Net Loss" requirements	The City will be implementing a formal Unit Production Evaluation (Per Government Code 65863 "No Net Loss") with a regular update to the Housing Element Site Inventory.
	H.3.2.2	Highlight the incentives to build affordable housing found in the Land Use Element.	Ongoing	<b>Objective Met.</b> Developers are provided this information upon request.	Continue	

	H.3.2.3	Implement the Downtown Element to Support higher density residential development Downtown.	Ongoing	<b>Objective Met.</b> Two developers are planning to add residential units to their commercial buildings. The City Dept of Public Works continues to implement the Downtown parking program that supports residential development downtown. A 56-unit residential project has been approved in 2019.	Continue	
	H.3.3.1	Continue to implement the Traditional Neighborhood Development (TND) that promotes higher density, vertical and horizontal mixed use, and greater flexibility in meeting parking requirements. Facilitate the development of 92 low-income units and 97 moderate-income units by June 2022.	Ongoing	<b>Objective exceeded.</b> The TND Code is applied to the Meriam Park project, which continues to develop at a fast pace, including plans for both single-family and multi-family residential units in 2020, including 158 units of low- and very low- and extremely low-income rental housing and two moderate income units. 106 units of affordable units will be under construction in 2021, with an additional 54 to follow in phase II of the project.	Continue, but unlikely to reach moderate income households due to high amount of subsidy needed.	



	H.3.3.2	Regularly assess the need to amend the Zoning Code and Design Guidelines Manual to promote design flexibility for residential developments in unique settings.	Annually	<b>Objective Met.</b> In 2019, the City Council approved numerous amendments to the City's Zoning Code that address direction by Council to gain efficiencies in implementation of the Code as called for by the General Plan, including and administrative use permit process, greater flexibility related to nonconforming residential uses and structures, and incentives for affordable housing, including ADU amendments.	Continue with modifications	The City is including two new actions on ADUs in the updated Housing Element per AB 671 to incentivize and promote the creation of ADUs that can offer affordable rents. Another new action will allow the City to update its existing portfolio of pre-approved ADU building plans to ensure they are compliant with the updates to State building code.
	H.3.3.3	Support emerging cost efficient and green housing models, such as "micro-housing" and live/work lofts.	Annually	<b>Objective met.</b> Staff is reviewing and considering this in light of State Building code limitations.	Modify	

	H.3.3.4	Expedite project processing and reduce regulatory barriers to the development of specialized housing by working cooperatively with nonprofits, charitable organizations and the Chico State Construction Management Program.	Every other year beginning in 2015	<b>Objective Met.</b> Three non-profit organizations were able to advance specialized housing in 2015; two transitional projects and one permanent, supportive housing project. An additional permanent supportive affordable multi-family is in predevelopment and expected to begin construction in 2021.	Continue	
	H.3.4.1	Promote the development of an adequate number of one and two bedroom apartments to serve small households.	2015, 2018, 2021	<b>Objective Met.</b> The 14 one-bedroom units at the Valley View project were completed in 2017. A 101-unit affordable project with one- and two-bedroom units began construction in 2021. An additional affordable 59 studio, one- and two-bedroom unit project also begin construction in 2021.	Continue	
	H.3.5.1	Provide necessary water and sewer infrastructure to support residential development, per State law.	Ongoing	<b>Objective Met.</b> Staff from the City Planning and Public Works Divisions coordinate plans for new subdivisions and developments. The City allocated multiple years of CDBG fund to install storm drainage on E. 10th St and continued its sewer lateral connection program in the Nitrate Compliance areas for low-income households	Modify in alignment with findings from the Fair Housing Assessment to prioritize under-resourced communities	Modified to more fully address the requirements of AB 683 "Affirmative Furthering Fair Housing"



	H.3.5.2	Provide a summary of findings from the October 16, 2013 focus group to local affordable housing developers.	2015	<b>Objective met.</b> The summary was provided to local affordable housing developers.	Delete	
<b>Goal H.4: Encourage the creation of housing for persons with special needs</b>						
	H.4.1.1	Amend the City's Municipal Code tables to include the reasonable accommodation procedure for persons with disabilities. This amendment will clarify the City's consistency with State law.	Jun-15	<b>Objective met.</b> The amendment to the tables was completed in 2017.	Delete	
	H.4.2.1	Encourage integration of childcare into family-oriented residential developments.	2015	<b>Objective not met.</b> As developments come forward, staff will encourage childcare integration into projects, as appropriate. This has been difficult as funding to support this effort has been difficult to identify.	Delete	

	H.4.3.1	Explore funding mechanisms to assist Disability Action Center in maintaining an inventory of units accessible to persons with disabilities.	2016	<b>Objective met.</b> Housing providers were surveyed in 2016 to access the number of accessible units that exist in the community. The inventory has been completed and shared with Disability Action Center.	Continue as funding is available, with modifications to share with additional service providers	Modified to more fully address the requirements of AB 683 "Affirmative Furthering Fair Housing"
	H.4.4.1	Encourage the development of a variety of housing options for the elderly. Fund the development of 50 units of low-income senior housing by 2022.	2022	Objective exceeded. The City is has committed land and financing for the development of a 101-unit senior/disabled, extremely-, very low- and low-income household project which began construction in 2021.	Continue with new production goals	
	H.4.5.1	Continue the Tenant Based Rental Assistance Program (TBRA). Assist 140 households through 2022.	2022	<b>Objective exceeded.</b> The City assisted 17 households in 2020 for a total of 170 during this Housing Element period.	Continue	
	H.4.6.1	Support the development of Single Room Occupancy (SRO) units by 2020.	2020	<b>Objective Not Fully Met.</b> While not technically an SRO project, a 59-unit project is in predevelopment for predominantly single households. Construction began in 2021.	Modify to reflect an emphasis on motel/hotel conversions.	

	H.4.6.2	Amend CMC tables at Chapters 19.42 & 19.44 to make transitional and supportive housing an explicitly permitted use in all zoning districts that allow residential development.	2015	<b>Objective Met.</b> The Chico Municipal Code was revised to include this language in an earlier update to the Code; unfortunately, the information was inadvertently left out of the tables. This information was added to the tables in 2018 as part of several Code updates and part of the 5-year General Plan review currently in process.	Delete	
	H.4.7.1	Encourage Chico State University to continue to involve the community in campus housing plans.	Annually	<b>Objective Met.</b> Staff meets with university staff on an ongoing basis to maintain dialogue.	Continue	
Goal H.5: Improve, rehabilitate and revitalize existing neighborhoods						
	H.5.1.1	Continue to support planning at the neighborhood scale.	Annually	<b>Objective Met.</b> Neighborhood plans are reviewed and developments within the planning areas are reviewed for compatibility with the plans.	Continue	

	H.5.2.1	Maintain a list of affordable housing developments that are at risk of losing affordability covenants and work to preserve these units. Preserve the affordability of 434 at-risk units prior to 2022.	2022	<b>Objective Met.</b> Though the City did not contribute financing, 239 expiring units have been extended and preserved through 2016. City staff performed local agency review for the Villa Rita tax credit application. This project was awarded tax credits to preserve the units. At-risk properties are reviewed annually. TPC, Villa Rita, Villa Sierra (formerly Trans Pacific II) have all been preserved. Cinnamon Village is extending, as is Cedar Village.	Continue	
	H.5.3.1	Continue the City's program that rehabilitates substandard, low-income owner-occupied units. Provide financial assistance to rehabilitate 30 homes by June 2022.	Ongoing	<b>Objective Exceeded.</b> Rehabilitation has been limited to connecting owner-occupied units to City sewer and new roofs in conjunction with solar electric systems. The City assisted 3 homes in 2020 for a total of 72 during this HE period.	Continue the sewer lateral connection program.	
	H.5.4.1	Continue to monitor and inventory housing and infrastructure conditions in Chico's older neighborhoods.	Annually	<b>Objective Met.</b> Infrastructure conditions are monitored and included in the Capital Improvement Project list and improvements are made based upon priority as funds are available.	Continue, with a Housing Condition Survey for the Chapman/Mulberry neighborhood	Address the AB 686 requirements to promote more balanced and integrated living patterns

	H.5.4.2	Produce a guide to help low-income homeowners maintain their homes.	2016	<b>Objective Not Met.</b> This project has not yet started due to lack of resources.	Delete	
	H.5.5.1	Continue the City's code enforcement efforts to preserve existing neighborhoods.	Annually	<b>Objective Met.</b> The City has increased staffing to more effectively perform code enforcement throughout the City.	Continue	
	H.5.5.2	Collaborate with shareholders to expand the annual "Drop and Dash" program.	Annually	<b>Objective Not Met.</b> While the program has not been expanded, it continues in neighborhoods near the university and is successful at recycling, reusing, and properly discarding of unwanted items.	Delete, not needed in Housing Element	
<b>Goal H.6: Increase homeownership</b>						
	H.6.1.1	Facilitate the development of attached ownership housing.	2022	<b>Objective Not Met.</b> No attached ownership projects have been identified to date.	Delete	
	H.6.2.1	To the extent possible, promote homeownership through the Mortgage Subsidy Program for low- and moderate-income first-time homebuyers.	Ongoing	<b>Objective Not Met.</b> The high median sales price of single family homes in Chico has made this program infeasible at this time.	Delete	

	H.6.2.2	Pursue resources to offer self-help housing to low-income first-time homebuyers. Assist in development of 10 self-help homes by June 2022.	2022	<b>Objective Exceeded.</b> Sixteen self-help homes and three ADUs affordable to low-income first-time homebuyers have been completed through 2020. The City provided land and financing for the homes.	Continue	
	H.6.3.1	Promote home buyer education to the extent possible.	Ongoing	<b>Objective Met.</b> Self-help housing homebuyers are provided counseling through those funding sources providing assistance. However, due to the lack of local organizations and funding offering this service, it is not feasible to offer it to the general public.	Delete	
	H.6.4.1	Continue exploration of the land trust program that offers home purchase opportunities while maintaining affordability. Produce four moderate-income homes on Meriam Park land trust by 2015.	2015	<b>Objective Not Met.</b> This project was contingent on utilization of the Catalyst Communities Grant. Unfortunately, due to the timing of this grant award, changes in ownership at Meriam Park, economic and other factors, the timeframe for the grant could not be met. This activity will not move forward anytime in the near future.	Delete	
Goal H.7: Encourage energy efficiency in housing						

	H.7.1.1	Effectively implement the 2013 California Building Code to achieve improved energy efficiency and reduce waste.	Ongoing	<b>Objective Met.</b> The 2013 California Building Code was implemented and the 2019 code update (Green Code) was adopted.	Continue	
	H.7.1.2	Incorporate green building concepts into City funded housing developments.	Annually	<b>Objective Met.</b> Green building concepts have been incorporated into the single-family and multi-family projects funded by the City. The City adopted the 2019 CA Green Code.	Continue	
	H.7.2.3	Increase energy efficiency of homes assisted by the City's Housing Rehabilitation Program.	Annually	<b>Objective Met.</b> Ten solar electric projects were facilitated by the owner-occupied Housing Rehabilitation program in 2018.	Modify. The City's Housing Rehabilitation Program is currently limited to sewer connections for low-income homeowners. This action will be modified to reflect the City's intent to expand its Residential Conservation Ordinance to also include residences that are permitted for substantial rehabilitation, not just those with a change of ownership.	

**APPENDIX B: Sites Inventory Form**

Jurisdiction Name	Site Address/Intersection	5 Digit ZIP Code	Assessor Parcel Number	Consolidated Sites	General Plan Designation (Current)	Zoning Designation (Current)	Minimum Density Allowed (units/acre)	Max Density Allowed (units/acre)	Parcel Size (Acres)	Existing Use/Vacancy	Infrastructure	Publicly-Owned	Site Status	Identified in Last/Last Two Planning Cycle(s)	Lower Income Capacity	Moderate Income Capacity	Above Moderate Income Capacity	Total Capacity
Chico	W East Avenue	95927	006-150 128-000		RMU	RMU -COS	15	70	6.8	Vacant	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	162	0	0	162
Chico	Park Ave and 11th Street	95926	005-102 018-000		RMU	RMU -COS	15	70	1	Unused Commercial structures	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	25	0	0	25
Chico	2324 Esplanade	95926	006-100 049-000		CMU	CC-COS	14	60	1.4	Vacant	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	38	0	0	38
Chico	184 Tonea Way	95926	006-220 015-000		MHDR	R3	14	22	4.2	Vacant	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	104	0	0	104
Chico	Nord and W Lindo	95926	042-140 0174-000		MDR	R2-COS	10	70	5	Vacant	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	120	0	0	120
Chico	Nord Ave and Rossetti Lane	95928	042-140 166-000		MDR	R2-COS	10	70	6.2	Vacant	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	148	0	0	148
Chico	Cussick and W East Ave	95926	042-450 022-000		MDR	R2-COS	10	70	4	Vacant	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	76	0	0	76
Chico	Esplanade and Eaton	95926	006-690 065-000		OMU	OC-COS	14	60	1.8	Vacant	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	44	0	0	44
Chico	Pillsbury Road	95926	077-280 063-000		RC	CR	6	50	2.4	Unused parking lot	YES – Current	NO – Privately Owned	Available	Not Used in Prior Housing Element	59	0	0	59



<b>Chico</b>	Cohasset and Cyndi Circle	95973	007-120 053-000	A	OMU	OR-AOB 2	6	20	1.8	Vacant	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	34	0	0	34
<b>Chico</b>	2601 Burnap Ave	95926	007-560 011-000	A	MHDR	R3-AOB 2	14	22	1.5	Vacant	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	34	0	0	34
<b>Chico</b>	2805 Cohasset Rd	95926	007-560 012-000	A	OMU	OR-AOB 2	6	20	2.3	Vacant	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	34	0	0	34
<b>Chico</b>	Cohasset and Burnap	95926	007-560 013-000	A	OMU	OR-AOB 2	6	20	2.1	Vacant	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	34	0	0	34
<b>Chico</b>	Walnut and 5th St	95926	004-115 021-000	B	CMU	CC-COS	14	60	0.3	Vacant	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	6	0	0	6
<b>Chico</b>	Walnut and 5th St	95926	004-115 022-000	B	CMU	CC-COS	14	60	0.3	Vacant	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	7	0	0	7
<b>Chico</b>	Walnut and 5th St	95926	004-115-023-000	B	CMU	CC-COS	14	60	0.4	Vacant	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	9	0	0	9
<b>Chico</b>	Forest Ave and Baney Ln	95926	002-370-068-000		RC	CR	6	50	7	Vacant	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	168	0	0	168
<b>Chico</b>	3325 Esplanade	95926	006-190 005-000		MHDR	R3	14	30	1.6	Vacant	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	38	0	0	38
<b>Chico</b>	Robailey and Bar Triangle	95926	002-190 025-000		MHDR	R3	14	22	3.3	Vacant	YES - Current	NO - Privately-Owned	Pending Project	Used in Two Consecutive Prior Housing Elements - Vacant	70	0	0	70
<b>Chico</b>	438 W 8th Ave	95926	043-080 008-000		MHDR	R3	14	30	8.9	Vacant	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	214	0	0	214

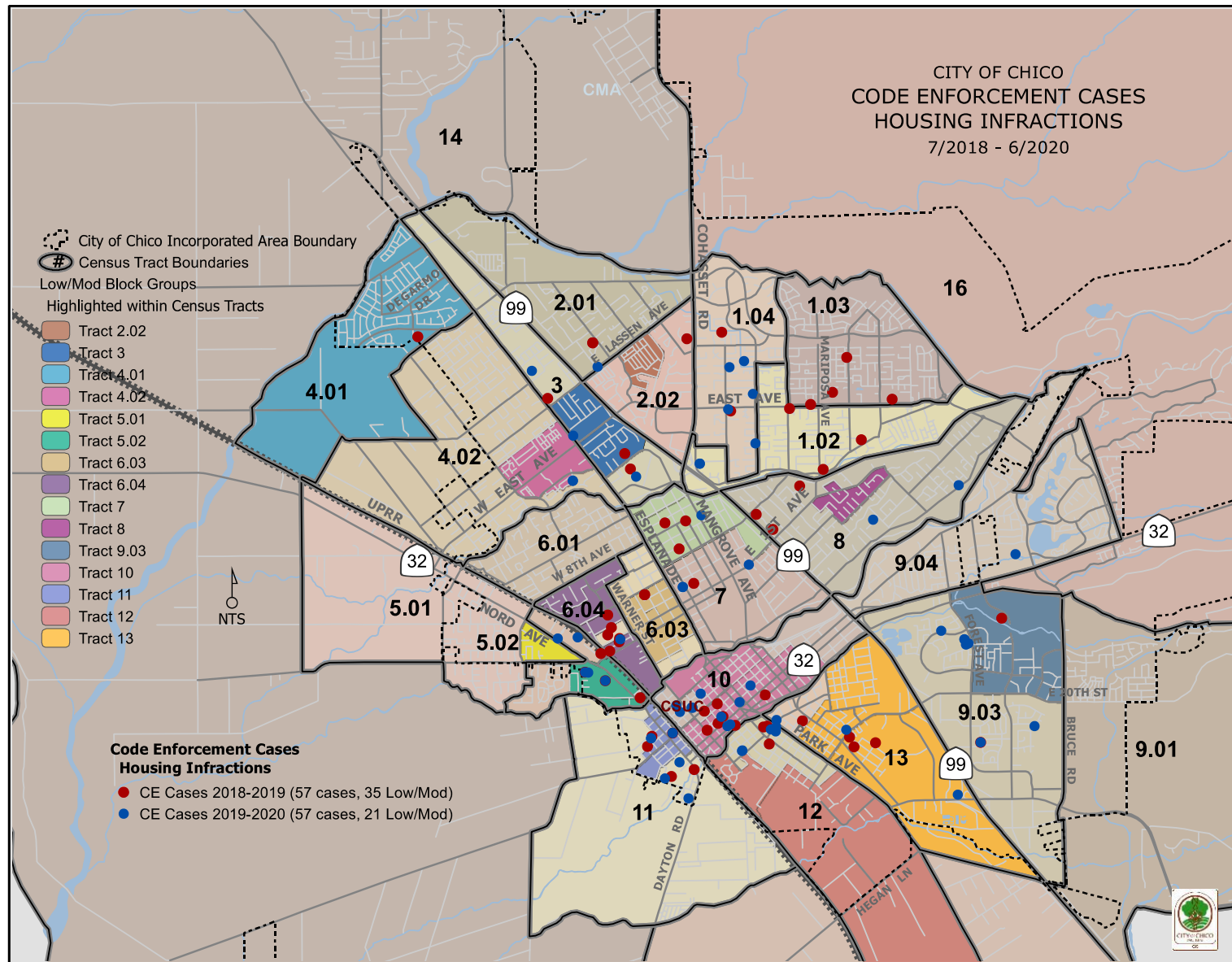
<b>Chico</b>	619 W 8th Ave	95926	043-740 030-000		MHDR	R3	14	30	13.1	Vacant	YES - Current	NO - Privately- Owned	Available	Not Used in Prior Housing Element	314	0	0	314
<b>Chico</b>	Aquila Way & Esplanade	95926	006-500 002-000		OMU	OR- COS	15	70	1.2	Vacant	YES - Current	NO - Privately- Owned	Available	Not Used in Prior Housing Element	29	0	0	29
<b>Chico</b>	Nord & Lindo Channel	95926	042-140 175-000		IOMU	IOM U- COS	1	70	7.5	Vacant	YES - Current	NO - Privately- Owned	Available	Used in Prior Housing Element - Non-Vacant	179	0	0	179
<b>Chico</b>	Nord & W 8th Ave	95926	042-140 104-000		IOMU	IOM U- SD5- COS	10	70	5	One house and out- building s	YES - Current	NO - Privately- Owned	Available	Not Used in Prior Housing Element	120	0	0	120
<b>Chico</b>	Fair St & 23rd St	95926	005-480 035-000		IOMU	IOM U- COS	1	35	2.5	Two unused wareho uses and abando ned vehicles	YES - Current	NO - Privately- Owned	Pending Project	Not Used in Prior Housing Element	57	0	0	57
<b>Chico</b>	Walnut & W 9th St	95926	004-266 008-000	C	IOMU	IOM U- COS	1	35	0.3	Vacant	YES - Current	NO - Privately- Owned	Available	Not Used in Prior Housing Element	3	0	0	3
<b>Chico</b>	Walnut & W 9th St	95926	004-266 012-000	C	IOMU	IOM U- COS	1	35	0.4	Vacant	YES - Current	NO - Privately- Owned	Available	Not Used in Prior Housing Element	7	0	0	7
<b>Chico</b>	Oleander & 10 <sup>th</sup> Avee	95926	003- 351- 005-000		CMU	CC	6	30	1.9	Vacant	YES - Current	NO - Privately- Owned	Available	Not Used in Prior Housing Element	46	0	0	46
<b>Chico</b>	Forest Ave and Flying V St	95926	002- 230- 022-000		CMU	CC	6	30	1.3	Vacant	YES - Current	NO - Privately- Owned	Available	e	32	0	0	32
<b>Chico</b>	Forest Ave and Flying V St	95926	002- 230- 023-000		CMU	CC	6	30	1.6	Vacant	YES - Current	NO - Privately- Owned	Available	Not Used in Prior Housing Element	37	0	0	37

<b>Chico</b>	Greenfield & Esplanade	95926	006-500-014-000		OMU	OR-COS	15	70	3.2	Vacant	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	64	0	0	64
<b>Chico</b>	Bruce Rd	95926	002-190-041-000		MDR	R2	6	14	11.8	Vacant	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	118	0	118
<b>Chico</b>	Bruce Rd & 20th St	95926	018-510-009-000		MDR	R2	6	14	4.8	Vacant	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	48	0	48
<b>Chico</b>	Eaton Rd & Marigold Ave	95926	016-200-101-000	D	MDR	R2-SD3	6	14	10.3	Vacant	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	103	0	103
<b>Chico</b>	Eaton Rd & Marigold Ave	95926	016-200-102-000	D	MDR	R2-SD3	6	14	20	Vacant	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	200	0	200
<b>Chico</b>	Yosemite Dr & Hwy 32	95926	018-500-160-000	E	MDR	R2	6	14	12.8	Vacant	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	128	0	128
<b>Chico</b>	Yosemite Dr & Hwy 32	95926	018-500-161-000	E	MDR	R2	6	14	2.2	Vacant	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	22	0	22
<b>Chico</b>	Yosemite Dr & Hwy 32	95926	018-500-162-000	E	MDR	R2	6	14	3.1	Vacant	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	31	0	31
<b>Chico</b>	Yosemite Dr & Hwy 32	95926	018-500-163-000	E	MDR	R2	6	14	12.9	Vacant	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	129	0	129
<b>Chico</b>	W 4th & Orange St	95928	004-114-002-000		RMU	RMU	6	14	1	Vacant	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	10	0	10
<b>Chico</b>	Holly Ave.	95926	043-080-008-000		MDR	R2	6	14	4.2	Vacant	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	42	0	42
<b>Chico</b>	Myra Way & Esplanade	95926	006-210-004-000		CC	CC-COS	6	14	5.3	4 unused warehouse	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	53	0	53

										buildin gs								
<b>Chico</b>	Concord Ave & Bruce Rd	95926	002-180-199-000		SMU	TND	10	30	23	Vacant	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	460	0	460
<b>Chico</b>	E Eaton Rd	95926	007-020-123-000		LDR	R1	2	7	18.1	Vacant	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	72	72
<b>Chico</b>	E Monte Ave & Hwy 32	95926	002-050-174-000		LDR	R1	2	7	7.5	Vacant	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	30	30
<b>Chico</b>	Humboldt & Bruce Rd	95926	002-180-217-000		SMU	TND	4	10	45.4	Vacant	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	241	241
<b>Chico</b>	Stonegate	95926	018-510-009-000		LDR	R1	2	7	40.95	Vacant	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	164.5	164.5
<b>Chico</b>	Stonegate	95926	018-510-008-000		LDR	R1	2	7	40.95	Vacant	YES - Current	NO - Privately-Owned	Pending Project	Not Used in Prior Housing Element	0	0	164.5	164.5
<b>Chico</b>	Catherine Ct	95926	006-690-053-000		LDR	R1	2	7	2.23	Vacant	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	9	9
<b>Chico</b>	Sycamore Dr	95926	007-010-037-000		LDR	R1	2	7	33.62	Vacant	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	134	134
<b>Chico</b>	Sycamore Creek & Hwy 99	95926	007-010-061-000		LDR	R1	2	7	13.83	Vacant	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	55	55
<b>Chico</b>	Hicks Ln & Sycamore Dr	95926	007-430-023-000		LDR/M DR	R1	2	7	38	Vacant	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	186	186
<b>Chico</b>	Hicks Ln & Sycamore Dr	95926	007-430-024-000		LDR/M DR	R1	2	7	7	Vacant	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	33	33

<b>Chico</b>	Manzanita & East Ave	95926	015-520 093-000		LDR	R1	2	7	6.04	House and horse stables	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	24	24
<b>Chico</b>	Degarmo Dr & Esplanade	95926	006-210 021-000		MHDR	R3	14	22	0.6	Vacant	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	10	10
<b>Chico</b>	Degarmo Dr & Esplanade	95926	006-210 022-000		MHDR	R3	14	22	0.6	Vacant	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	10	10
<b>Chico</b>	Panama Ave & Rafael St	95926	006-054 015-000		OMU	OR	6	20	1.81	Vacant	YES - Current	NO - Privately-Owned	Available	Not Used in Prior Housing Element	0	0	18	18

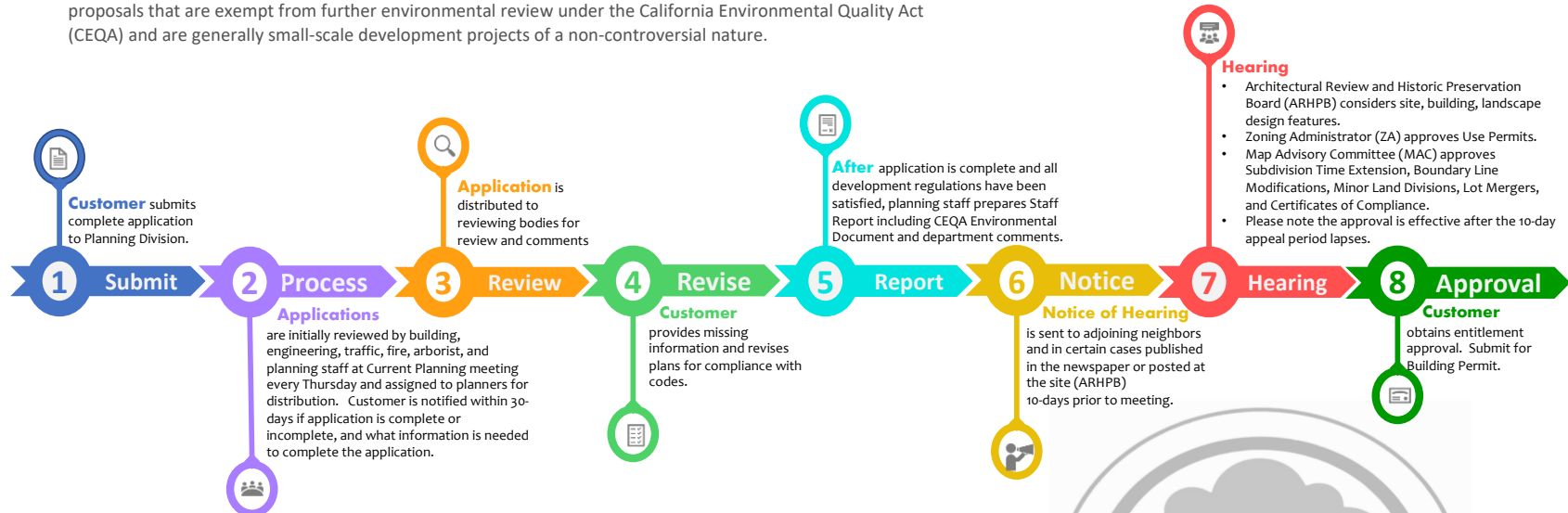
## APPENDIX C: Code Enforcement Cases for Housing Infractions



## APPENDIX D: Planning Review Timeline

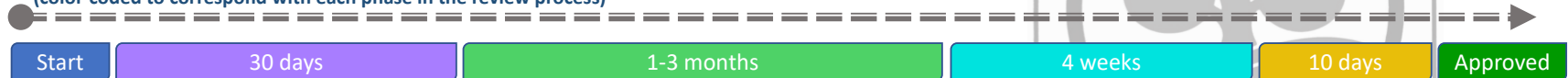
### City of Chico: Planning Review Process - Minor Discretionary Projects \*

\*The majority of development projects are comprised of “minor discretionary projects” that include development proposals that are exempt from further environmental review under the California Environmental Quality Act (CEQA) and are generally small-scale development projects of a non-controversial nature.



#### Estimated Timeline

(color-coded to correspond with each phase in the review process)



## APPENDIX E: Community Meeting 1 Housing Needs and Issues Poll Report

### Poll Report

#### 2022 Chico Housing Element

#### Community Meeting #1: Housing Needs & Issues

Wednesday, February 10, 2021

6:00-8:30 pm

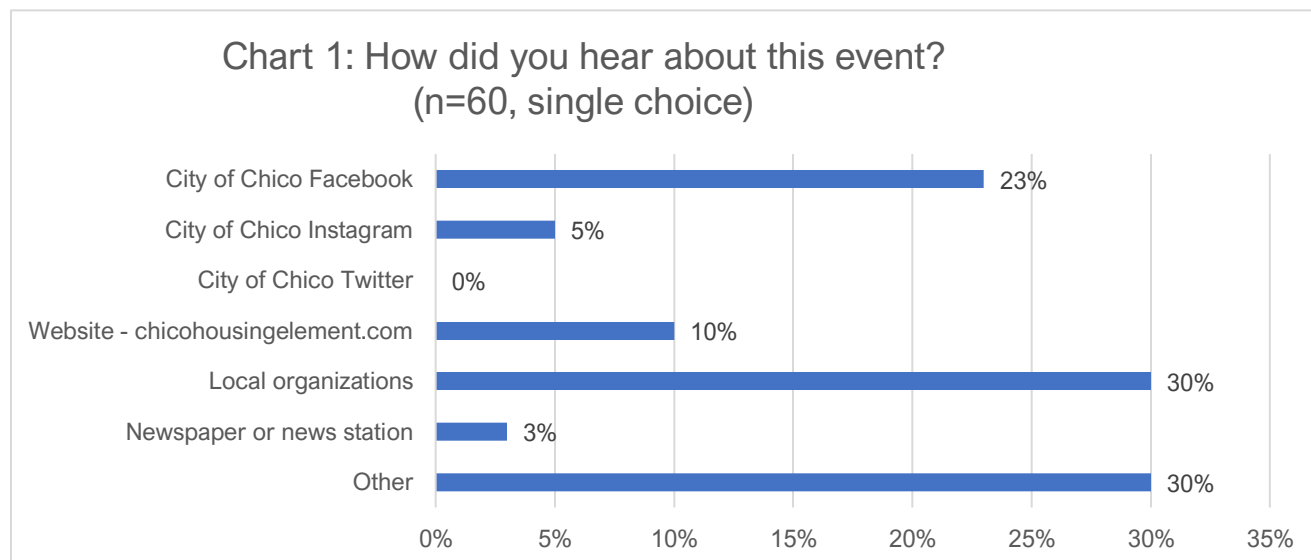


Community members responded to bilingual polls in English and Spanish that were launched live during the webinar portion of the event. Both the polls and community members' aggregated responses are provided below.

### Poll 1

How did you hear about this event? / ¿Como supo de este evento?

- a. City of Chico Facebook / Página de Facebook de la Ciudad de Chico
- b. City of Chico Instagram / Instagram de la Ciudad de Chico
- c. City of Chico Twitter / Twitter de la Ciudad de Chico
- d. Website - chicohousingelement.com / Sitio de Web - chicohousingelement.com
- e. Local organization(s) / Organización(es) Local(es)
- f. Newspaper or news station / Periódico o estación de noticias
- g. Other / Otro

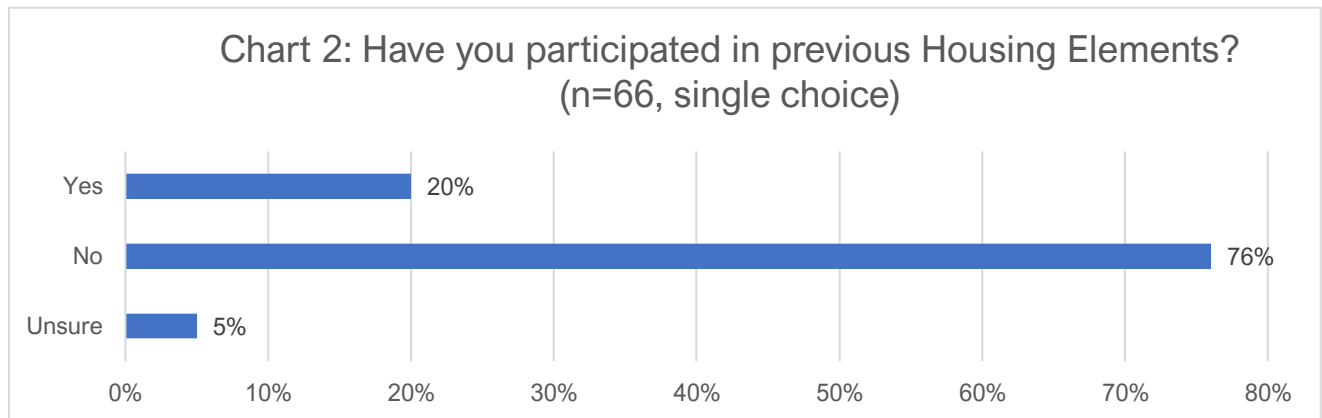




## **Poll 2**

Have you participated in previous Housing Elements? / ¿Ha participado en Elementos de Vivienda anteriores?

- a. Yes / Si
- b. No / No
- c. Unsure / No está seguro

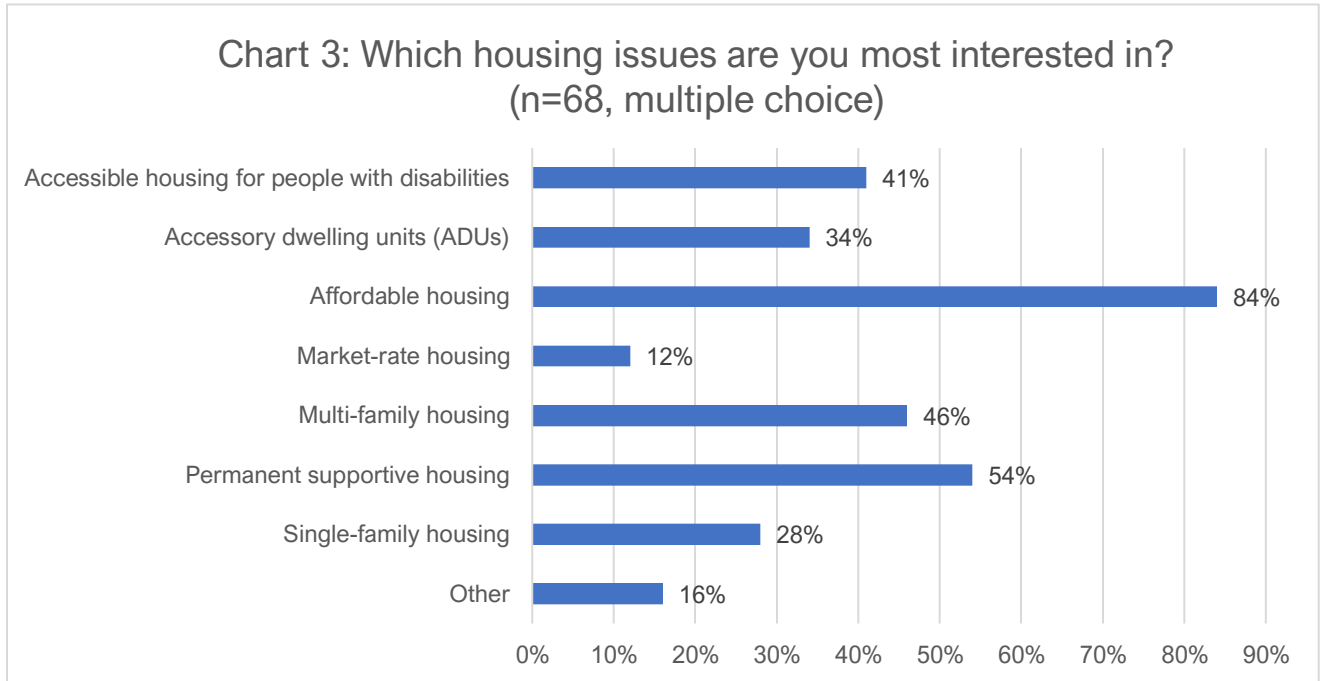


## **Poll 3**

Which housing issues are you most interested in? Please select all that apply. / ¿En que problemas de Vivienda está usted más interesado? Por favor seleccione todos los que sean necesarios.

- a. Accessible housing for people with disabilities / Vivienda accesible para personas con discapacidades
- b. Accessory dwelling units (ADUs) / Unidades de Vivienda Accesorias (ADUs, siglas en Inglés)
- c. Affordable housing / Viviendas asequibles
- d. Market-rate housing / Viviendas a precio de mercado
- e. Multi-family housing / Viviendas multifamiliares
- f. Permanent supportive housing / Viviendas de apoyo permanente
- g. Single-family housing / Viviendas unifamiliares

h. Other / Otro



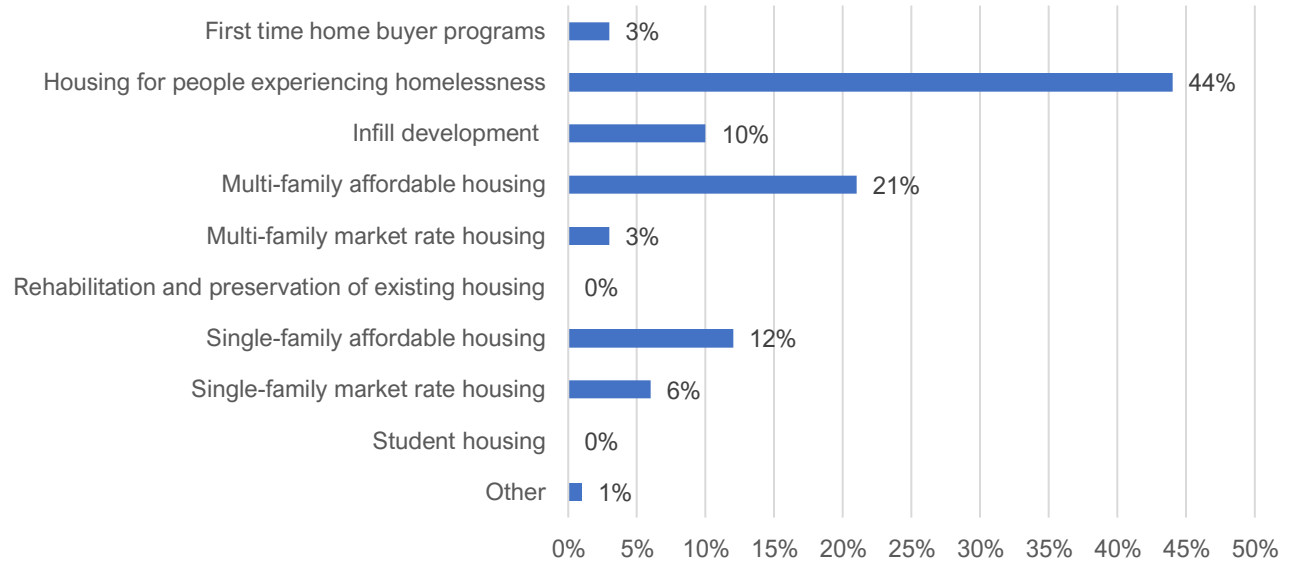
**Poll 4**

Where would you like the City of Chico to concentrate its efforts? / ¿Dónde le gustaría que la Ciudad de Chico concentre sus esfuerzos?

- a. First time home buyer programs / Programas para compradores de Vivienda por primera vez
- b. Housing for people experiencing homelessness / Viviendas para personas que no tienen hogar
- c. Infill development / Desarrollo de rellenos
- d. Multi-family affordable housing / Vivienda multifamiliar asequible
- e. Multi-family market rate housing / Vivienda multifamiliar a precio de mercado
- f. Rehabilitation and preservation of existing housing / Rehabilitación y preservación de viviendas existentes
- g. Single-family affordable housing / Viviendas unifamiliares asequibles
- h. Single-family market rate housing / Viviendas unifamiliares a precio de mercado
- i. Student housing / Viviendas para estudiantes
- j. Other / Otro

Chart 4: Where would you like the City of Chico to concentrate its efforts?

(n=68, single choice)



## APPENDIX F: Community Meeting 1 Housing Needs and Issues Questions and Answers

### Questions & Answers

#### 2022 Chico Housing Element

#### Community Meeting #1: Housing Needs & Issues

Wednesday, February 10, 2021

6:00-8:30 pm



1. Question: How many people are watching this Zoom workshop?
  - a. Answer: We had 95 attendees join us for the webinar which was held from 6:00-6:45 pm. The breakout groups were held from 7:00-8:30 pm and had 47 attendees.
2. Question: Does that housing need calculation include risk? (I'm thinking specifically of the high likelihood & risk of future catastrophic wildfires impacting our area and exacerbating need)
  - a. Please see the narrative and charts beginning on page 9 of the Regional Housing Needs Plan prepared by BCAG which explains how wildfire risk is considered and allocated. The Plan is posted under the "Resources" tab of the Housing Element website
3. Question: Will a recording of this session be made available?
  - a. Yes, recordings in English and Spanish will be posted on our website: <https://www.chicohousingelement.com/> by Friday, February 19th.
4. Question: what are the actual income levels?
  - a. Please see the income levels posted on the Housing Division's website and which are updated annually by HUD: [https://www.ci.chico.ca.us/sites/main/files/file-attachments/table\\_income\\_limits.pdf?1594140530](https://www.ci.chico.ca.us/sites/main/files/file-attachments/table_income_limits.pdf?1594140530)
5. Question: Does the State have a plan to replace RDA funds?
  - a. No, not at this time. The State has developed a new annual funding source for local jurisdictions called the Permanent Local Housing Allocation (PLHA) which is funded by real estate transaction recording fees, per SB 2. However, the estimated annual allocation of PLHA funds to the City of Chico is substantially less than the funds that were made available through the RDA Low-Moderate Income Housing Fund, which was a 20% set-aside of tax increment made available to the Chico Redevelopment Agency.

6. Question: When it says 'affordable' did it just mean subsidized, or more like 'economy housing?'
  - a. Yes, in our presentation, "affordable" refers to subsidized housing.
7. Question: How does the Butte county decrease figure into the Chico increase. Is the net reduction in Butte county offset by growth in Chico?
  - a. They are related, yet separate. The Chico increase is primarily attributable to those who were displaced by the Camp Fire and relocated, either temporarily or permanently, to Chico. The Butte County decrease is primarily related to those who were displaced by the Camp Fire, and then the North Complex Fire, and relocated outside of the County (not in Chico).
8. Question: Where does transitional housing fall in the housing needs plan? Or does it?
  - a. Transitional Housing is by definition not permanent housing, and therefore is not addressed in the Regional Housing Needs Allocation Plan.
9. Question: How does college rentals affect Chico's ownership % and age compared to state averages?
  - a. The student population which resides in Chico (both CSU, Chico and Butte College) affects the median age and percentage of those who are homeowners vs. renters.
10. Question: How is "student housing" counted? Are the University-owned housing units included as rental units or are they considered something else? Are they treated as subsidized housing? Are they counted?
  - a. Student housing that is owned and operated by the University is not counted or considered as subsidized housing in the Housing Element, as it is only available to students attending the University, and not the general population. A significant portion of the private rental market in Chico is housing that is targeted to students, with many of these units located close to the campus on the west edge of the City. Some of these properties, especially the older ones, do have subsidies, but many do not.
11. Question: How much is in the Affordable Housing Fund? How much can be expected to be replaced in it when the loans are paid back? How many of the loans were deferred or forgiven?
  - a. The receivables for the Affordable Housing Fund as of June 30, 2020 are \$53,542,766. All loans are deferred, and large loans made for multi-family developments, in some instances, generate annual repayments of a portion of the interest due. On an annual basis, actual cash repayments from these loans and mortgage subsidy loan payoffs are an average of \$791,000.
12. Question: How did you get the actual rent figures? Survey?
  - a. The source of the data on Slide 27 is the REIS Market Report for November 2020.
13. Question: Will the City be adopting the Environmental Justice Element along with the new Housing Element?

- a. Yes, the City will be creating an Environmental Justice Element and the intention is to start that process likely in fall of 2021.
14. Question: How will climate impacts of different housing types called for in this housing element update be identified? Will Greenhouse gas emission estimates be created? Will expected Vehicle Miles traveled be acknowledged?
- a. The growth projections and data that was used to forecast Chico's GHG (greenhouse gas) emissions in the Climate Action Plan (CAP) is the same data that is being used for the Housing Element update. So yes, the CAP GHG emissions has taken future housing production and VMT into account and has been accurately modeled.
15. Question: How is the term affordable defined? What is considered affordable?
- a. According to the Federal Department of Housing & Urban Development, housing is considered affordable when the occupant is paying no more than 30% of gross income for housing costs, including utilities. In addition, the term "affordable housing" generally refers to housing that is subsidized through financing and/or rental assistance to keep the rents at levels that are affordable to households who are low-income.
16. Question: Could Enhanced Infrastructure Financing Districts work in Chico / Have they been used anywhere?
- a. The EIFD was evaluated but was found unlikely to be successful in Chico, though could be reevaluated should there be a feasible project. It appears La Verne in Los Angeles County and the City of West Sacramento have established EIFDs.
17. Question: Where can the current Housing Element be downloaded from? It doesn't appear to be in the Resources section of the website.
- a. The current Housing Element for the period 2014-2022 has been added to the Resources section of the website.

## APPENDIX G: Community Meeting 2 Housing Goals, Policies and Activities Poll Report

### Poll Report



### 2022 Chico Housing Element

### Community Meeting #2: Goals, Policies, and Activities

Wednesday, August 11, 2021

5:30-7:30 pm

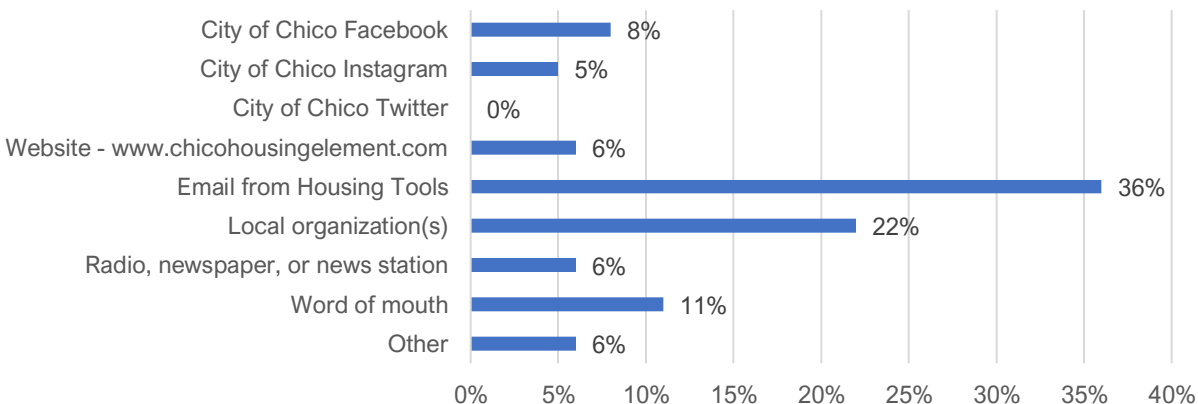
Community members responded to bilingual polls in English and Spanish that were launched live during the meeting. Aggregated responses are provided below.

### Poll 1

How did you hear about this event? / ¿Cómo se enteró de este evento?

- a. City of Chico Facebook / Página de Facebook de la Ciudad de Chico
- b. City of Chico Instagram / Instagram de la Ciudad de Chico
- c. City of Chico Twitter / Twitter de la Ciudad de Chico
- d. Website – [www.chicohousingelement.com](http://www.chicohousingelement.com) / Sitio de Web – [www.chicohousingelement.com](http://www.chicohousingelement.com)
- e. Email from Housing Tools / Email de Housing Tools
- f. Local organization(s) / Organización(es) local(es)
- g. Radio, newspaper, or news station / Radio, periódico, o estación de noticias
- h. Word of mouth / Me pasaron la voz
- i. Other / Otro

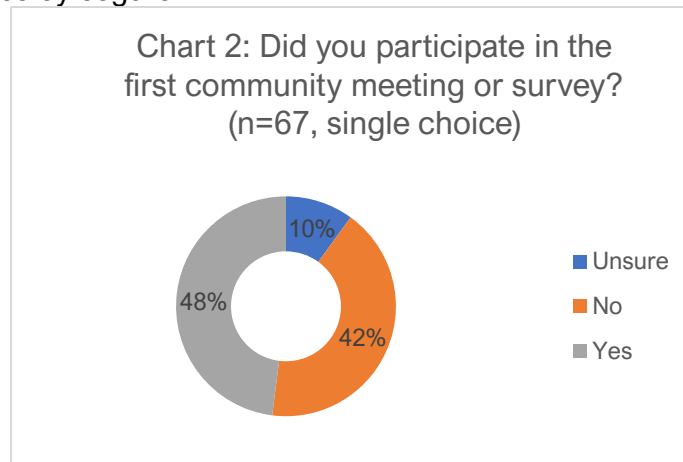
Chart 1: How did you hear about this event? (n=64, single choice)



## **Poll 2**

Did you participate in our first community meeting held February 10, 2021, or the online community survey? / ¿Participó en la primera reunión comunitaria el 10 de febrero de 2021, o en la encuesta comunitaria en línea?

- a. Yes / Sí
- b. No / No
- c. Unsure / No estoy seguro



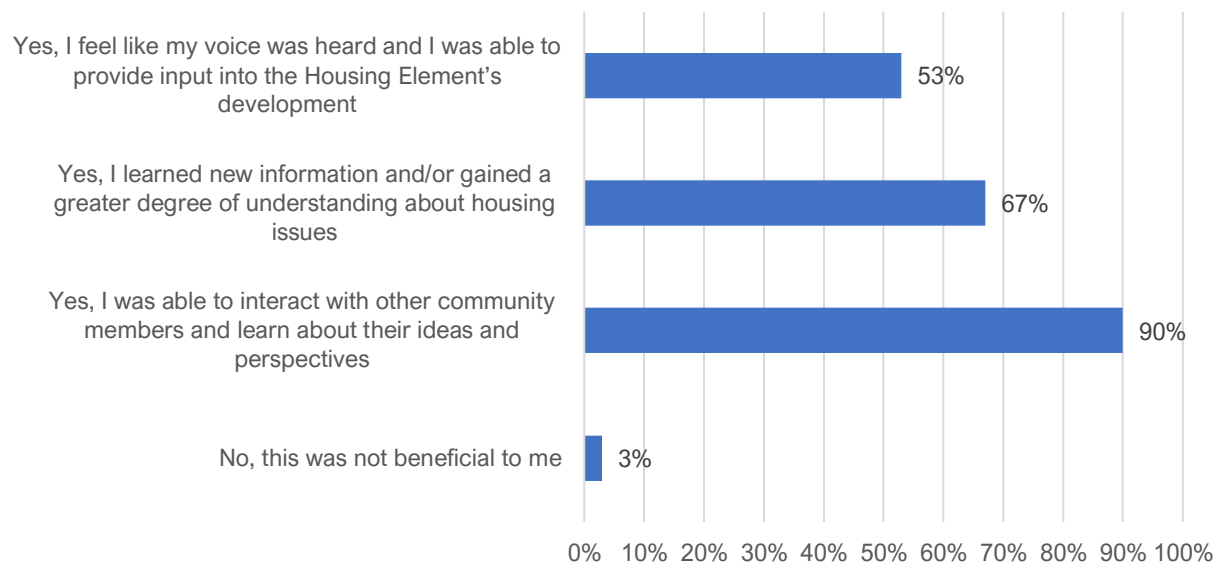
## **Poll 3**

Did you find this community meeting beneficial? Please select all that apply. / ¿Le pareció servicial esta reunión comunitaria? Por favor seleccione todas las respuestas que correspondan.

- a. Yes, this was beneficial to me because I feel like my voice was heard and I was able to provide input into the Housing Element's development/ Sí, siento que se escuchó mi voz y pude contribuir al desarrollo del Elemento de Vivienda
- b. Yes, this was beneficial to me because I learned new information and/or gained a greater degree of understanding about housing issues / Sí, obtuve nueva información y/o adquirí un mayor grado de comprensión sobre los problemas de vivienda
- c. Yes, this was beneficial to me because I was able to interact with other community members and learn about their ideas and perspectives / Sí, pude interactuar con otros miembros de la comunidad y conocer sus ideas y perspectivas
- d. No, this was not beneficial to me / No, esto no me benefició



Chart 3: Did you find this community meeting beneficial?  
(n=30, multiple choice)



## APPENDIX H: Community Meeting 2 Housing Goals, Policies, and Activities Questions and Answers



### Questions & Answers

#### 2022 Chico Housing Element

#### Community Meeting #2: Goals, Policies, and Activities

Wednesday, August 11, 2021

5:30-7:30 pm

1. Question: How often does the City analyze progress toward Housing Element goals?
  - a. Answer: On an annual basis when the City submits its Annual Progress Report to the State Department of Housing and Community Development (HCD). (Answered live during the webinar.)
2. Question: 14% increase in rent seems low. How did you get those figures?
  - a. Answer: See Slide #27 in the presentation from the first Community Meeting which is posted on the Housing Element website for the detailed chart which shows "average asking rent" changes from 2017 through the first 3 quarters of 2020. The source for this data is the REIS Market Report, dated November 2020. (Answered live during the webinar.)
3. Question: How do you estimate that 6,000+ units are needed? Reference?
  - a. Answer: See Slide #26 in the presentation from the first Community Meeting which is posted on the Housing Element website for a detailed chart. In summary, we look at the number of low income households and subtract out the number of existing subsidized housing units. The difference is the gap of 6,000+ units. (Answered live during the webinar.)
4. Question: Are there any plans to add a goal/s to the existing ones? Specifically related to health or quality of life?
  - a. Answer: One of the purposes of tonight's meeting is to solicit input on Goals and Activities, so the City would like to hear your ideas for any new goals related to housing. (Answered live during the webinar.)
5. Question: Which religion or religions are discriminated against?
  - a. Answer: We cannot answer that, as those who responded in the first survey that they felt they were discriminated against did not identify their specific religion, only that they had experienced discrimination. (Answered live during the webinar.)
6. Question: Is the climate crisis a part of the concern of the Housing Element? e.g. infill, density?

- a. Answer: Yes, one of the mandated topics in the Housing Element is Energy Conservation. Further, the City is currently updating its Climate Action Plan to be consistent with new State GHG emission reduction goals. For additional information please visit <https://chicocap.rinconconsultants.com/>. (Answered live during the webinar.)
- 7. Question: How many participants from the community are here this afternoon?
  - a. Answer: Approximately 78 people attended the webinar portion of Community Meeting #2 and approximately 53 people attended the breakout rooms portion.
- 8. Question: Would it possible to do Housing Elements more often than 8 years since multiple disasters change things so quickly here.
  - a. Answer: The State Department of Housing and Community Development sets the Housing Element cycles, not local jurisdictions. However, if the City Council directed staff to amend the existing Housing Element in response to drastically changing conditions, that is a possibility. (Answered live during the webinar.)
- 9. Question: Was an 8-year cycle arbitrarily chosen, or is there an explicit reason for that time frame?
  - a. Answer: The State Department of Housing and Community Development oversees the Housing Element process for the entire state, and they set the Housing Element cycles, not the City. (Answered live during the webinar.)
- 10. Question: What percentage of the last Housing Element low income housing was met?
  - a. Answer: See Slide #18 in the presentation from the first Community Meeting which is posted on the Housing Element website for a detailed chart. To summarize, for the period 2014-2021 the Regional Housing Needs Allocation (RHNA) allocation of low-income units was 643 and 9 were produced. The RHNA allocation of very low-income units was 974 and 15 were produced.
- 11. Question: How can we hold the City accountable if the goals aren't met? Can the State compel the City to make changes to meet the goals?
  - a. Answer: The City prepares an annual review of its Housing Element, including progress towards goals, as required by the State Department of Housing and Community Development (HCD). The annual review is provided to HCD, as well as the City Council. The State has been reluctant to “compel” local jurisdictions to meet established goals but has the ability to withhold funding. In instances where a jurisdiction has been grossly out of compliance with Housing Element regulations, the State has pursued legal action against the jurisdiction.
- 12. Question: Do you count unsubsidized units for low income housing? What about student units?
  - a. Answer: No, unsubsidized units are not counted. Student-focused housing is generally not subsidized.
- 13. Question: Will the housing update consider CEQA as a housing constraint (as does CA Legislative Analyst), notably City of Chico opting out of AB 430?

- a. Answer: Proposed residential projects that are consistent with the City's General Plan and Zoning Code are processed in a timely manner, and the City seeks to utilize existing CEQA exemptions or tier off of previous environmental documents whenever applicable. Given the focused parameters of AB 430, its applicability to residential projects in Chico is unclear.

14. Question: What does RHNA stand for?

- a. Answer: RHNA stands for Regional Housing Needs Allocation. You may find a document detailing the definitions of frequently used terms in the Housing Element on our website in both English and Spanish at <https://www.chicohousingelement.com/resources>
  - i. RHNA is the allocation of housing need based on projected growth in each community, by income level. The RHNA is determined by the State Department of Housing and Community Development in partnership with local planning agencies. The RHNA does not address current or historical housing supply, only that attributable to future growth during the Housing Element period. Local jurisdictions are required to maintain enough appropriately zoned land available to accommodate the unmet RHNA throughout the Housing Element period. Local jurisdictions do not directly develop the housing nor is funding from the State tied to RHNA.

15. Question: Will you be addressing the huge amount of homeless people here?

- a. Answer: The Housing Element's purpose is to create conditions and policies that facilitate the production of housing for the entire community. This does include permanent housing solutions for those experiencing homelessness, but within a framework of long-term vision and solutions so we can plan for adequate affordable housing for all members of the community. The Housing Element update process is not the place to discuss the immediate conditions and needs for moving people into shelter or the larger impacts that result from unsheltered homelessness. For those seeking to engage in the current conversation and decision-making processes about unsheltered homelessness, there are a number of appropriate venues to do so: 1. Follow and participate in the Chico City Council meetings when the Council has this topic agenda. 2. Follow the meetings of the Butte Countywide Homeless Continuum of Care. 3. The Greater Chico Homeless Task Force (GCHTF) meets on the third Thursday of each month at 10:00 a.m. Currently, meetings are held virtually, via Zoom. Additional information may be found on the GCHTF Facebook page. For additional information email: Greater Chico Homeless Task Force Exec Team at: [gchtfexecteam@gmail.com](mailto:gchtfexecteam@gmail.com).

16. Question: Does the City/this group believe there is enough land available to purchase that is properly zoned and build various types of housing?

- a. Answer: A Site Inventory analysis is a required component of each Housing Element to determine if there is enough appropriately zoned land available to meet the RHNA by income level. This Site Inventory will be included in the draft document.

17. Question: Did the City review the Housing Element after the Camp Fire? If not, why?

- a. Answer: The City conducted an annual review of its Housing Element as required by the State Department of Housing and Community Development. However, following the Camp Fire, the City Council established an Ad Hoc Housing Committee to address community concerns with affordability and the impact of the Camp Fire, and the influx of approximately 20,000 new residents. The committee met four times in 2019, including August 27th, September 10th, September 24th, and October 8th. The first two meetings focused on the residential approval process and current construction, the third meeting focused on affordable housing, and the fourth meeting focused on infill development, including accessory dwelling units. In addition, the City sponsored a day-long Housing Conference in September 2019 that included various speakers and panels. The conference featured market rate and affordable housing developers, real estate agents, loan officers and designers, as well as organizations like Community Housing Improvement Program and North Valley Housing Trust. Challenges and solutions related to housing production, rental stability, and affordable housing were among items discussed. The Ad Hoc Committee ultimately developed a series of recommendations aimed at increasing housing production, which have been and will continue to be pursued by City staff.