


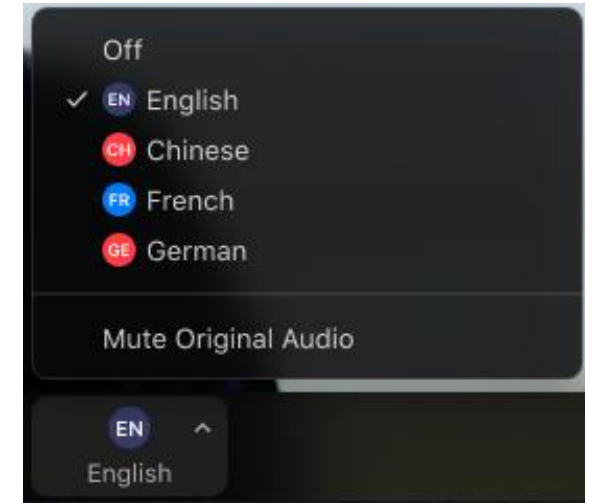
CITY OF CHICO 2022 HOUSING ELEMENT COMMUNITY MEETING HOUSING NEEDS & ISSUES

WEDNESDAY, FEBRUARY 10, 2021
6:00PM – 8:30PM

WELCOME! WE WILL BEGIN MOMENTARILY. WWW.CHICOHOUSINGELEMENT.COM



1. Click “Interpretation” / Clic “Interpretación” 
2. Click the language that you would like to hear (Spanish is available for this meeting) / Haga clic en el idioma que le gustaría escuchar (español está disponible para esta reunión)
3. To hear the interpreted language only, click **Mute Original Audio** (recommended) / Para escuchar solo el idioma interpretado, haga clic en **Mute Original Audio** (recomendado)

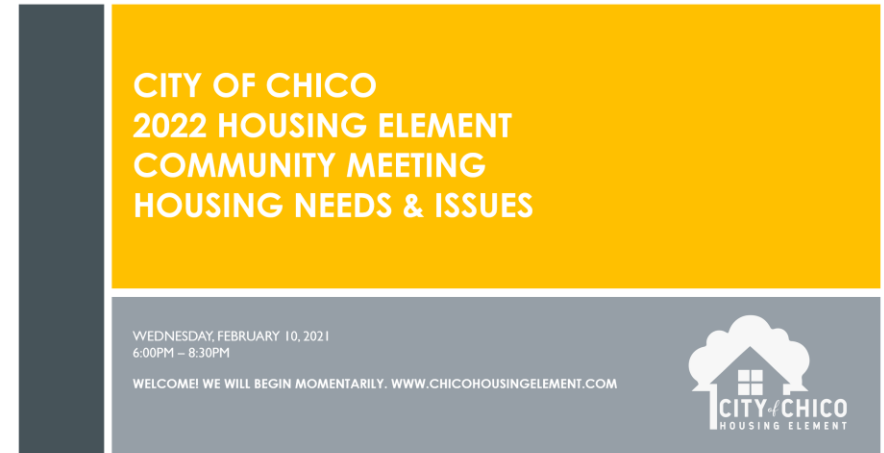


INTERPRETATION / INTERPRETACIÓN

GRAPHICS FROM ZOOM

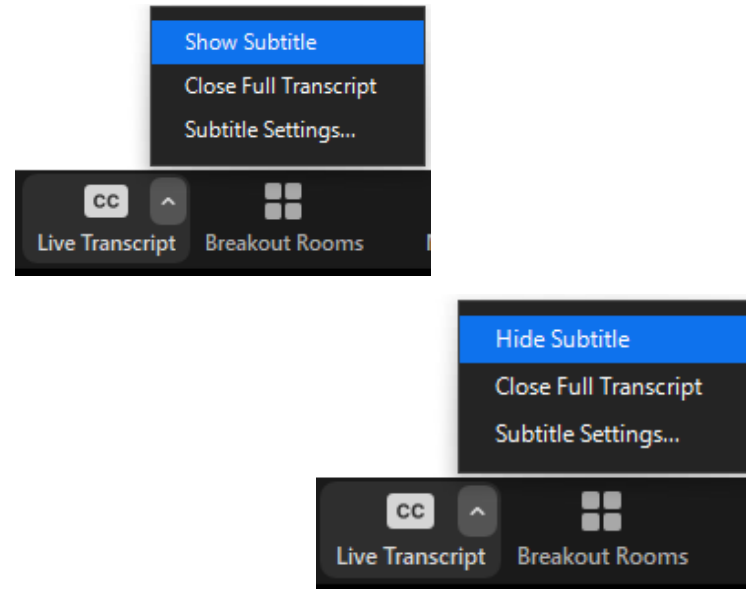
TO DOWNLOAD THE SLIDE PRESENTATION / PARA DESCARGAR LA PRESENTACIÓN DE DIAPOSITIVAS

- This slide presentation is available to download in English:
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- This slide presentation is available to download in Spanish / Esta presentación de diapositivas está disponible en español, descárguela aquí:
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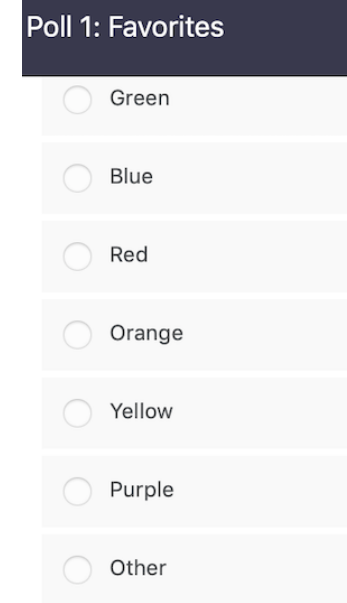
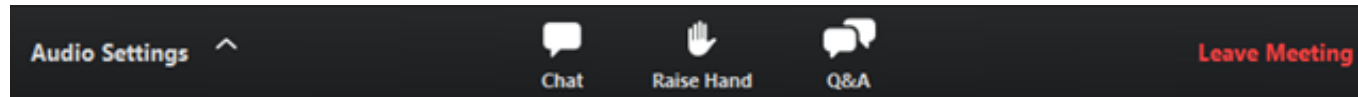
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1. Click “Live Transcript” / Haga clic en transcripción en vivo
2. To view closed captions, select “Show Subtitle”/
Para ver subtítulos, seleccione "Mostrar subtítulos"
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LIVE TRANSCRIPT / TRANSCRIPCIÓN EN VIVO

GRAPHICS FROM ZOOM & UNIVERSITY OF ILLINOIS



INTERACTIVE FEATURES OF TODAY'S MEETING / FUNCIONES INTERACTIVAS DE LA REUNIÓN DE HOY

GRAPHICS FROM ZOOM

COMMUNITY MEETING CONDUCT RULES

- All input is to be provided in the spirit of furthering an understanding of housing needs in Chico
- All communication, whether verbal or in writing, must be polite and respectful of others
- Any violations of these rules will be cause for action by the facilitators, including turning off microphones or expulsion from the meeting



POLL #1

HOUSING ELEMENT OVERVIEW

UPDATE ON 2014 HOUSING ELEMENT PROGRESS

CONTEXT—HOUSING NEEDS, MARKET, FUNDING

GOAL REVIEW PROCESS AND BREAKOUT GROUPS

RECONVENE TO REVIEW GROUP INPUT

TIMELINE AND NEXT COMMUNITY MEETING

AGENDA

HOUSING ELEMENT OVERVIEW



HOUSING ELEMENT OVERVIEW: PURPOSE

- The Housing Element establishes the City's priorities for housing its citizens in 8 year cycles
- It sets goals for the allocation of funding, program coordination and zoning efforts to support the production of housing
- It is one of the mandated elements of the City's General Plan and must be consistent with the General Plan, which has a 15-20 year time frame

HOUSING ELEMENT OVERVIEW: STATE OVERSIGHT

- Oversight of Housing Element development and implementation statewide is administered by the State Department of Housing & Community Development (HCD)
- HCD approval provides access to State funding
- Since 2014, the State has amended the Housing Element Law through numerous bills which place additional responsibility on local jurisdictions to adequately plan for and facilitate the production of housing, while removing as many constraints as possible

HOUSING ELEMENT OVERVIEW: MANDATED TOPICS ADDRESSED IN THE HOUSING ELEMENT

Public
Participation
Process

Review of
Previous Housing
Element Progress

Housing Needs
Assessment

Adequate Sites
Inventory

Financial
Inventory

Constraints
Analysis

Assessment of
Fair Housing

Goals, Objectives
and Actions

Existing/Expiring Housing
Element Period

2014–2021

New Housing Element Update
Period

2022–2030

HOUSING ELEMENT OVERVIEW: PLANNING CYCLES

HOUSING ELEMENT OVERVIEW: REGIONAL HOUSING NEEDS ALLOCATION (RHNA)

- The foundation of the Housing Element process is determining the amount of housing that must be planned for, segmented by income levels
- This is done through a partnership between the State HCD and each regional planning organization. In Butte County, this is BCAG or the Butte County Association of Governments
- Using demographic data from a variety of sources, HCD and BCAG each arrive at their own assessment of what the housing needs are. BCAG then coordinates with HCD — taking into account factors not captured in the standard calculations — to arrive at a final figure. This final figure is the regional housing needs allocation
- BCAG is responsible for divvying up (allocating) the housing need between the cities and the county. BCAG does this in a Regional Housing Needs Allocation Plan (RHNA Plan)



POLL #2

2014-2021 HOUSING ELEMENT PROGRESS



GOALS OF THE 2014-2021 HOUSING ELEMENT

- Increase equal housing opportunities
- Provide housing that is affordable to low incomes
- Promote construction of a wide range of housing types
- Encourage the creation of housing for persons with special needs
- Improve, rehabilitate and revitalize existing neighborhoods
- Increase homeownership
- Encourage energy efficiency in housing

RHNA ALLOCATION AND PRODUCTION, 2014-2021

(THROUGH DECEMBER 2019)

Affordability Tier	RHNA Allocation	Produced	% of Allocation Produced
Very Low Income	974	15	1.5%
Low Income	643	9	1.3%
Moderate Income	708	324	45.7%
Above Moderate Income	1,638	2,724	166.3%
<i>Total</i>	3,963	3,072	77.5%

HOUSING ELEMENT PROGRESS, 2014-2021

Goals	Achievements
Extremely Low, Very Low and Low Income Affordable Units Produced	14 rental, 9 homeownership
Extremely Low to Low Income Affordable Units in Process	740
Beds Developed for People Experiencing Homelessness (Transitional Housing)	121
Supportive Housing Developed or Secured for People Experiencing Homelessness (e.g. Master Lease Programs)	194
Households Assisted with Homeless Prevention Rental Assistance	149 (through 6/30/20)
Low Income Households Assisted with City Sewer Connection	77 (through 6/30/20)



Jason Halley/University Photographer/CSU, Chico

POLL #3

CONTEXT: HOUSING NEEDS, MARKET, FUNDING



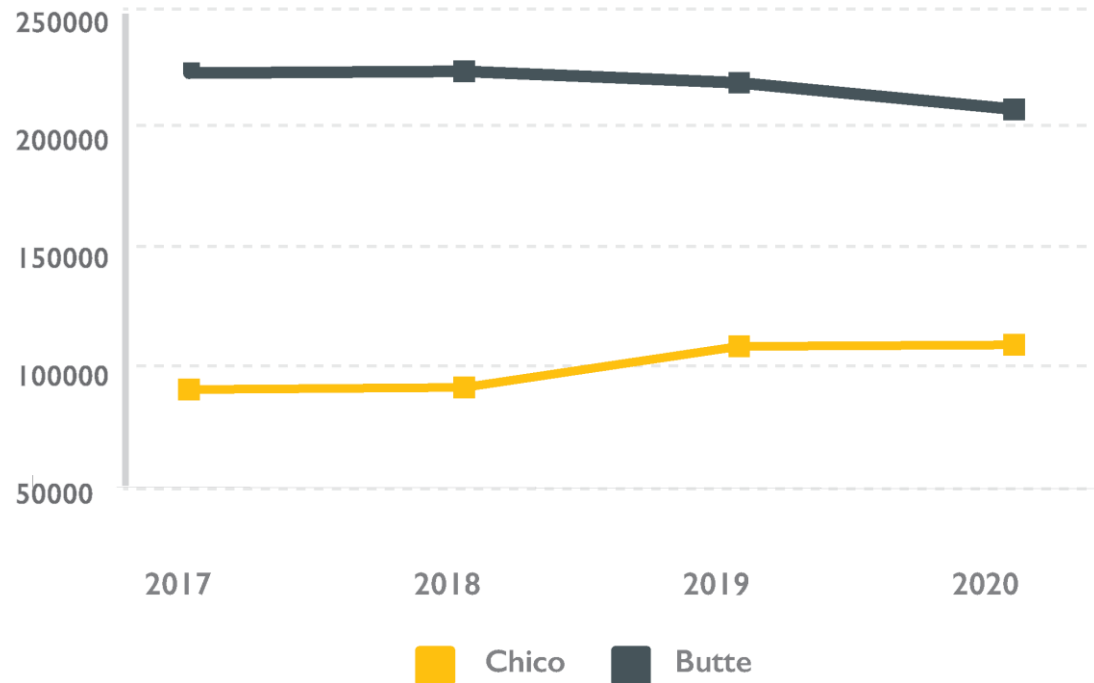
REGIONAL HOUSING NEEDS ALLOCATION (2022-2030)

(SOURCE: BUTTE COUNTY ASSOCIATION OF GOVERNMENTS, 6TH CYCLE REGIONAL HOUSING NEEDS PLAN, DECEMBER 2020)

Affordability Tier	Number of Units Allocated
Very Low Income	1,101
Low Income	507
Moderate Income	770
Above Moderate Income	1,110
<i>Total</i>	3,488

HOUSING NEEDS: CITY OF CHICO POPULATION GROWTH, 2016-2020

SOURCE: CALIFORNIA DEPARTMENT OF FINANCE, 2020



	2016	2017	2018	2019	2020	Average Annual Change
Chico	90,186	91,368	92,286	109,688	110,326	5,035
Butte County	224,096	225,643	226,374	221,521	210,291	-3,451
Chico-Yearly Change		1,182	918	17,402	638	5,035
Butte-Yearly Change		1,547	731	-4,853	-11,230	-3,451

HOUSING NEEDS

SOURCES: U.S. CENSUS AMERICAN COMMUNITY SURVEY, 2015-2019 AND CALIFORNIA DEPARTMENT OF FINANCE, 2020

Age

- The Chico population is much younger than the statewide average. Almost one-third of the population (31.8%) is 20-34 years old. Chico's median age is 29.7, while the statewide median is 36.5 and the national median age is 38.1

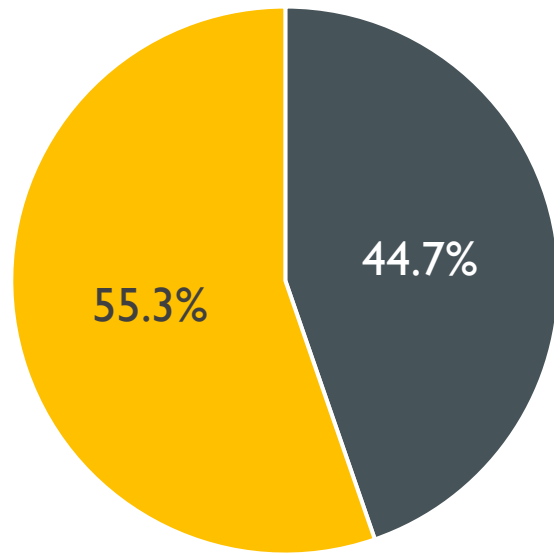
Population Increase Compared to Housing Units Increase

- The Chico population increased by 28.4% from 2010 to 2020, while the number of housing units increased by 12.7%.

HOUSING NEEDS: RENTER-OCCUPIED AND OWNER-OCCUPIED UNITS

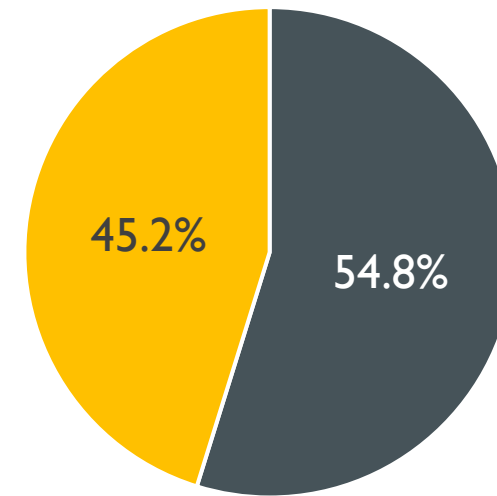
SOURCE: U.S. CENSUS, AMERICAN COMMUNITY SURVEY, 2015-2019

City of Chico Households by Tenure, 2019



■ Owner-occupied housing units ■ Renter-occupied housing units

State of California Households by Tenure, 2019

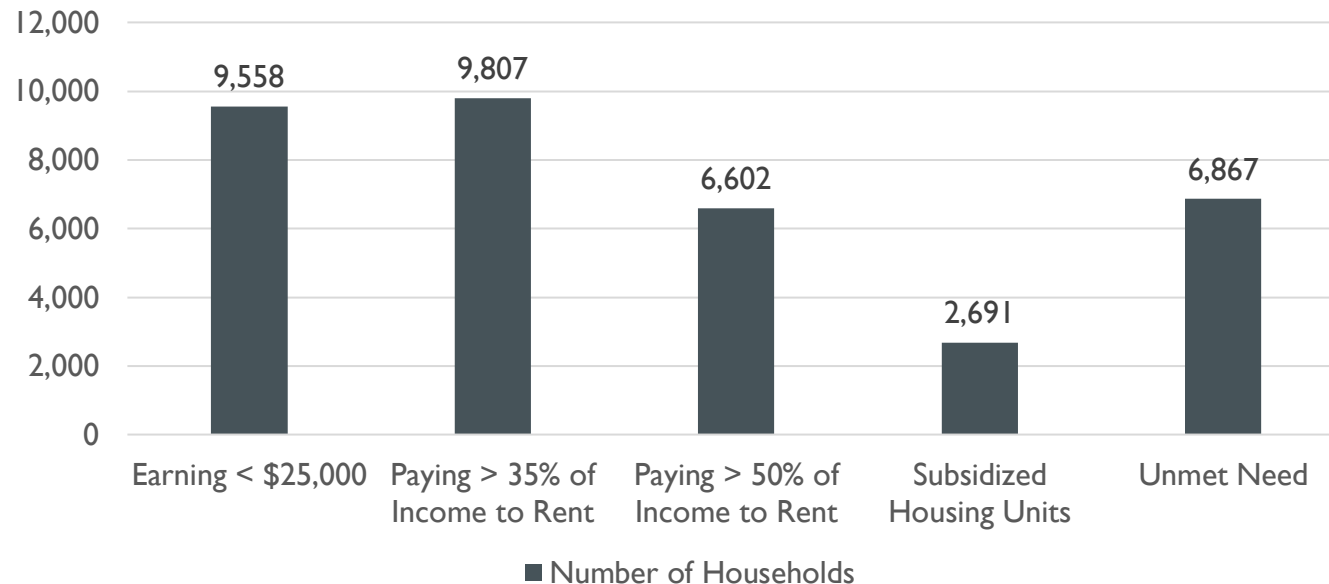


■ Owner-occupied housing units ■ Renter-occupied housing units

HOUSING NEEDS: UNMET NEED IN SUBSIDIZED HOUSING UNITS AND RENTER COST BURDEN

SOURCES: U.S. CENSUS, AMERICAN COMMUNITY SURVEY, 2015-2019; HOUSING AUTHORITY OF THE COUNTY OF BUTTE; CITY OF CHICO 2020-2024 CONSOLIDATED PLAN

City of Chico Low Income Households Relative to Subsidized Housing Units, 2019



- 85% of renter households earning less than \$50,000 pay 30% or more of their income toward housing costs
- About one in three renter households pay more than half of their income toward rent

HOUSING NEEDS: AVERAGE ASKING RENT BY YEAR, 2017-2020

SOURCE: REIS MARKET REPORT, NOVEMBER 2020

Year	Average Asking Rent	Asking % Change from Previous Year
2017	\$985	2.4%
2018	\$1,025	3.9%
2019	\$1,107	7.4%
2020 (first 3 quarters)	\$1,113 (quarterly rents in 2020 began trending downward from 2019 due to COVID 19)	0.5%

MARKET TRENDS: HOME OWNERSHIP

SOURCE: SIERRA NORTH VALLEY REALTORS DECEMBER 2020 MULTIPLE LISTING SERVICE



- The median home sale price increased from \$283,500 in 2015 to \$410,000 in 2020, an increase of 45% and an average annual increase of 9%.
- 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. However, this trend has started to slowly reverse in 2020, likely due to the economic effects of the COVID 19 pandemic.

FEDERAL FUNDING

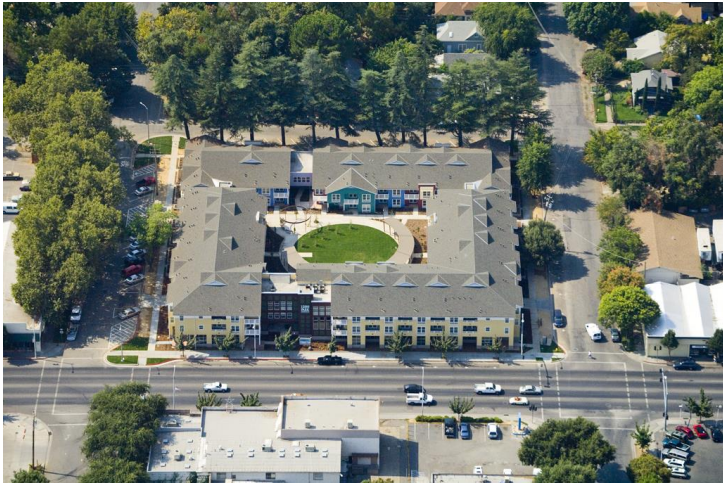
- CDBG-DR (Community Development Block Grant Disaster Recovery): Funds will be allocated to the State of California. The multifamily housing program will allow local governments to identify, select and submit potential projects to the state for eligibility and compliance review, approval, and funding.
- CDBG (Annual Community Development Block Grant Entitlement)
- HOME (Home Investments Partnerships Program)
- Likely direction of the Biden Administration will be to increase funding for subsidized housing, rental assistance and homeless assistance programs

STATE FUNDING

- Permanent Local Housing Allocation (PLHA): New annual source for local jurisdictions funded by real estate recording fees, provided in 5-year planning cycles. Chico's estimated 5 year allocation for first cycle is \$2.3 million
- Disaster Low Income Housing Tax Credits
- Infill Infrastructure Grant Program
- Proposed in Governor's Budget:
 - Augmented funding for Low Income Housing Tax Credits
 - Continued funding for Project Homekey Acquisitions

LOCAL FUNDING

- **Redevelopment Agency LMIH Fund:** Previous primary source of local funding for affordable housing, eliminated by the State in 2012 and has not been replaced with source providing similar levels of funding. There are modest repayments made on long-term RDA LMIH loans (now called the Affordable Housing Fund). It takes several years to accumulate enough funding from these payments to loan out again for projects.
- **North Valley Housing Trust:** The trust has been unable to secure the necessary donations from the local community to date and will need the participation of multiple Butte County jurisdictions and the private sector to remain viable.



POLL #4

MOVE INTO BREAKOUT GROUPS

15 Minute Comfort Break

- We'll observe a 15 minute break, leave this webinar, and ask everyone to join the meeting right before 7:00 pm using the link for the Breakout Groups Meeting
- Everyone will start in the same meeting room and then will be randomly assigned a breakout group with a facilitator and notetaker
- One breakout group will have live Spanish interpretation. Please send us a private Chat message in the next meeting if you would like to be placed in that group

Breakout Groups

- Join the new meeting right before 7:00 pm at:
 - us02web.zoom.us/j/84081390913
 - Or call in via phone: +1 669 900 9128
 - Zoom Meeting ID: 840 8139 0913