

D. Implementation Programs

GOAL A: To Designate Sufficient Land at Appropriate Densities and Establish Development Standards and Permit Procedures to Accommodate the City's Share of Nevada County's Housing Needs for All Income Groups

PROGRAM 1: Adequate Sites for Housing

Action: Grass Valley shall work with owners of vacant and underutilized land within the City and its Sphere of Influence (SOI) to provide sufficient sites with adequate zoning, public facilities, and services to meet the City's housing needs for all income groups. This program will consist of the following actions:

- a) As land is annexed, the City shall utilize one or more of the following options: 1) apply an appropriate zoning category or categories that reflects environmental conditions and development needs; 2) encourage the incorporation of mixed-uses to all areas being evaluated for annexation; 3) work with property owners to prepare a specific plan containing project-specific development standards; or 4) apply a planned unit development overlay zone designation to permit variation from the strict application of zoning standards. These options reflect historic City practices in annexing land since the adoption of the 1993 Housing Element.
- b) The City shall concentrate its annexation efforts on unincorporated sites adjacent to the City, which can be readily served by the City's sewer system and that have the capacity to accommodate development a mix of low- and moderate-income housing. (See Tables III-1 and III-2 for a list of sites and the development potential of those sites.) Because the City has identified a potential shortage of sites within the present city limits that could be developed at six or more dwelling units per acre for low- and/or moderate-income housing, sites appropriate for development at six dwelling units per acre or more should receive the highest priority for annexation. The City shall take the initiative by identifying those sites most appropriate for annexation to meet the City's remaining share of Nevada County's region's housing needs between 2003 and 2009, and by contacting the property owners and encouraging them to plan land for annexation to the City. This process will be similar to the City's practices since 1993. (See section B of this chapter, Evaluation of Achievements, for information on City annexations since 1992.)
- c) The City shall zone annexed land at the time of annexation based on the identified and appropriate development capacity (see Tables III-1 and III-2) so that a subsequent rezone is not necessary for sites that can accommodate higher density residential uses and/or mixed residential-commercial development. This will permit needed multifamily housing by right (without a conditional use permit) at densities that can support low- and moderate-income housing.
- d) For larger sites to be annexed to the City, Grass Valley shall encourage applicants to use a planned development or specific plan process, or apply the special planning area designation (SDA), to allow greater flexibility and variety in housing types and densities. SDA is a mixed-use designation: a variety of land uses might be proposed and approved under the aegis of the specific plan, master plan, or similar instrument. The primary inducement for the use of this

process is the greater flexibility offered to land owners in the design of their development proposals. Planned development permits also facilitate the development of multifamily housing without the need for subsequent rezoning or conditional use permits by vesting the right to construct multifamily housing at the time a planned development permit is approved. The SDA designation is reserved for areas to be master planned or subject to a specific plan. When imposed, SDA designation replaces previous General Plan designations within the subject property(ies), and serves as a temporary “holding” classification pending completion and approval of a specific plan, master plan, or similar instrument.

- e) The City shall adopt local funding mechanisms to ensure that public facilities and services can be extended to annexed land. The City's efforts to accomplish this action may include the adoption of a City Street Master System Program, if needed, to serve developing areas on the periphery of Grass Valley, publicly supporting the efforts of local school districts to gain voter approval of bonds for school construction, and seeking sources of funding to expand and upgrade the City's sewer system.
- f) For properties designated R-3 or other multifamily land use category under a specific plan, the City shall require developers to achieve at least a mid-range between the minimum and maximum densities (between eight and 20 units per acre in the case of sites designated R-3 or multifamily high density). The City will review developer requests to build at less than the mid-range on a case-by-case basis, taking into account design considerations, slopes, and other relevant site issues. On properties with slopes or other environmental constraints, the City will encourage developers to transfer housing units to the unconstrained portion of a property.
- g) The City shall undertake two site planning studies (which could be funded with a Small Cities CDBG planning grant) to: a) identify specific properties within the Downtown Plan area and/or along selected commercial designated corridors of the City with residential and mixed-use potential, quantify the residential development potential on these properties, and promote these sites to the development community; and b) conduct a site-specific analysis of R-2 and R-3 properties over one acre in size and other one-acre-or-more infill properties that may be appropriate to designate for R-3 to determine realistic development potential based on slope, other environmental conditions, access to public transportation, roadway and other infrastructure improvements, and other relevant factors.

Discussion: To correlate land use categories with income groups, the following assumptions are made: very low- and low-income housing needs can be met with land zoned at 18 dwelling units per acre or more (25 with a density bonus) that moderate-income housing needs can be met with land zoned at six to 20 dwelling units per acre, and that above moderate-income housing needs can be met with any residentially-zoned land. As part of its annexation process, the City should encourage residential developers to include housing affordable to families with children to alleviate overcrowding among large families and affordable ownership housing for moderate-income households. This will increase the availability of rental housing to low- income households and reduce the proportion of such households paying more than 30 of their income for housing expenses.

Responsibility: Community Development Department, Planning Commission, City Council
Timeframe: Current and ongoing, 2003 – 2009 (annexations occur one or more times per year as needed and as requested by property owners); implementation

of annexation policies occurs through pre-annexation and pre-application meetings. City applied for CDBG planning grant in October for the site inventory and Colfax Avenue infill opportunities. Look at building and vacant land for revitalization. The other study will focus more on parking standards for job creation and development of the downtown area but could also facilitate mixed uses in the downtown area. Implement action 1(f) as City policy upon adoption of the Housing Element and include implementation of this action as part of the Zoning Ordinance update (see Program 3 for timing). Implement action 1(g) in spring 2004 once the City executes CDBG planning grant agreements with the State of California to fund these studies.

Funding:

Annexation application fees, CDBG, RDA.

Objective:

Accommodate the City's remaining share of Nevada County's future housing needs (see Table II-27)

PROGRAM 2: Flexible Development Standards and Mixed Use Developments

Action: The City shall encourage creative approaches to meeting housing needs through a planned development process and allowances for mixed-use development, such as housing over street-level commercial uses in the Downtown area and mixed use developments in annexation projects, when such developments can contribute to the City's balance of housing in relation to jobs or provide affordable housing for low- and moderate-income households. The City will promote opportunities for creative development in pre-application and pre-annexation meetings with applicants, information to be distributed at the Community Development Department public counter, and a website link to the Community Development Department (which includes Redevelopment Agency programs).

The City shall also implement recommendations of the Downtown Strategic Plan that provide for mixed-use development, including:

- Maintain the mixed-use character of Richardson Street: and encourage additional density for both commercial and residential uses, while discouraging the conversion of residential structures that would result in displacement of lower-income residents (unless relocation assistance and/or replacement housing is provided);
- Within the Hotel Area, integrate properties fronting on South Auburn with the hotel development and the remainder of downtown, and to insure appropriate access, building orientation, adequate parking, and appropriate land use, including potential for residential above ground level commercial; and
- Investigate the feasibility of developing podium housing over larger existing public and private parking lots along Church Street.

To promote its efforts to encourage mixed-use development and other creative approaches to residential development, the City will work with the Grass Valley Downtown Association to implement recommendations of the Downtown Strategic Plan, provide information on the City's General Plan policies and zoning options to the local building industry and realtor associations, and distribute information on the City's policies and regulations at the Community Development Department's public counter.

Discussion: The City's Planned Unit Development (PUD) Zoning consists of a floating zone that allows flexibility and innovation within a plan area, including concepts such as cluster development, a mixture of housing types and land uses, and common ownership of open space and community facilities. The Town Center overlay (TC) is one of two new "overlay" designations (Open Space Opportunity is the other) that were adopted as part of the 1999 General Plan update. Examples of the City's approval of mixed-use development in an annexation area are the Olympia Plaza (Phase II), which included approximately 14 acres for mixed-use development, and the Village of South Auburn, another mixed-use project. In both cases, housing was included in projects that were developed on lands zoned, or partly zoned, for commercial use.

The TC overlay defines Downtown Grass Valley. Town Center designation recognizes that design and architectural features are of greater concern than land use designations in downtown, where "mixed use" is both accepted and encouraged. Protection and enhancement of Downtown's historic character are the primary intentions of the TC district. Various land uses may be accommodated in the TC district, so long as historic character and design/architectural standards are upheld. "Underlying" land use designations are to be maintained on parcels within the TC overlay, although TC standards override those of comparable zoning districts in cases of conflict. Town Center encompasses Downtown Grass Valley properties clustered along South Auburn, Mill, and Main Streets. Street-level commercial, specialty shops, restaurants, upper level residential and offices, and cultural uses are encouraged. As an overlay designation, Town Center does not relate directly to specific zoning districts.

- Responsibility:** Community Development Department, Planning Commission, City Council
- Timeframe:** Use of Planned Development, Special Planning Area, and other zoning techniques, current and ongoing, 2003 - 2009
- Pre-annexation and pre-application meetings with applicants will occur each year as needed based on property owner interest
- Complete study of feasibility of podium housing along Church Street and master plan for Hotel Block by December 2005
- Encourage additional density along Richardson Street on an opportunistic basis, as development proposals are submitted
- Funding:** Application fees, CDBG, redevelopment housing set-aside funds
- Objective:** Increase the options to provide for a variety of housing to meet the needs of all income groups

PROGRAM 3: Reduce Regulatory Barriers to Affordable Housing

Action: The City shall review and revise its zoning standards and permit process to encourage the production of ownership housing for moderate-income households and to assure that zoning requirements do not unreasonably impact low-income housing proposals. Among the revisions to zoning, standards for consideration the City will adopt:

- a) As part of the Density Bonus Program, provide flexibility to developers to: 1) allow structures/residential buildings to encroach into front yard set-backs; 2) allow parking areas, but

not parking structures, in the required front yard set-back in the R-2A and R-3 zones to provide developers with greater flexibility, but require visual screening or landscaping so that parking areas in front yard set-back areas are not apparent from the public right-of-way; and 3) allow less parking than currently required if an applicant can show that residents will have a lower rate of automobile ownership due to their incomes, lifestyle characteristics, project location, or other relevant factors. (See recommendation #2 below.)

- b) To implement the Downtown Strategic Plan, reduce required parking for residential uses to 0.5/du if parking is shared with office uses (on or off site) subject to the approval of the Planning Commission and Section 14.12 of the Zoning Ordinance or if the residential unit is located on the upper floor of an existing structure.
- c) To ensure that the City complies with state law regarding community care facilities in residential zones, amend the Zoning Ordinance to define community care facilities of six or fewer persons, regardless of type, as permitted uses in residential zones and larger facilities as conditionally permitted uses with a use permit.
- d) To implement new state law requirements for second units, effective July 1, 2003, adopt an administrative, or staff level, permit process. The City shall revise its permit process for second units to eliminate the use permit requirement and public hearing before the Planning Commission.
- e) Clarify in the Zoning Ordinance that mobilehome parks are permitted in the R1, R2 residential zones with the application of the "MH" combining designation and that individual mobile homes on permanent foundations are permitted under the same standards as site-built single-family homes (without being subject to additional permit requirements).
- f) Provide definitions and specify zoning districts for transitional housing and emergency shelters. The City could also adopt conditional use permit criteria specifically governing development standards for these uses, such as hours of operation; external lighting and noise; provision of security measures for the proper operation and management; compliance with county and state health and safety requirements for food, medical, and other supportive services provided on-site; maintenance in good standing of county and/or state licenses, if required by these agencies for the owner(s), operator(s), and/or staff of a proposed facility; and similar operations and management issues.
- g) Limit the types of non-residential uses allowed within multifamily residential zones to public uses, institutional uses, and uses that support residential uses. Currently, a broad range of nonresidential uses is permitted in the R-3 zone, and to a lesser extent in the R-2 zone, which could reduce the land available for housing.
- h) Reduce the cost impact of permit processing time by "fast tracking" affordable housing proposals—prioritizing the processing of affordable housing projects and assignment of a staff person to shepherd such projects through required city development reviews. Expediting the approval of affordable housing includes the use of CEQA exemptions for affordable housing, as permitted by state law, early notification and coordination with local neighborhood groups by one applicant and use of the design review to address site design issues early in the process.

- i) To promote infill housing and mixed-use projects in the Downtown area: 1) reduce or eliminate the City's minimum lot area per dwelling unit of 2,000 square feet, which is a low density for infill projects; and 2) allow for reduced rear yard set-backs for residential and mixed-use projects. (For loading purposes, Section 9-03 (b) of the Zoning Ordinance requires a 12-foot rear yard setback where the project backs-up to a street alley or parking lot. Residential or mixed-use projects are not likely to require loading areas.)
- j) The City will add to the Zoning Ordinance allow for the placement of structures and modifications (such as handicapped access ramps) in yard and set-back areas to meet the needs of persons with disabilities.
- k) The City shall take a more proactive role in lobbying the state on policy/legislative issues that affect housing, such as workers compensation, liability insurance, and prevailing wages

Responsibility: Community Development Department, Planning Commission, City Council
Timeframe: Adopt zoning revisions by December 2005
Funding: Application fees
Objective: Reduce regulatory barriers to facilitating the provision of a variety of housing for all income groups

PROGRAM 4: Implement General Plan Policies

Action: Through measures described in programs 1 – 3, the City shall continue to implement General Plan policies that encourage efficient use of unconstrained land and a healthy economic base, such as:

- Clustering of housing units in annexation areas (such as Loma Rica, Kenny Ranch, and North Star);
- Promoting the use of infill properties;
- Avoiding slopes and environmental resource areas;
- Maximizing efficient use of unconstrained portions of residentially designated properties by allowing opportunities for higher densities on unconstrained land;
- Promoting new developments in annexation areas that include a combination of residential uses, commercial services, and employment opportunities for Grass Valley residents;
- Encourage mixed-use developments on larger parcels in newly developing areas, incorporating jobs, generating businesses, and industry housing; and
- Promote primary jobs and core employment opportunities; those that export goods while importing capital.
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For implementation, see programs 1 – 3.

PROGRAM 5: Encourage the Use of Development Agreements

Action: The City shall encourage developers to enter into agreements with Grass Valley, vesting the developer's right to proceed with a project under the regulations in effect at the time of application, in exchange for commitments from developers on providing or establishing a financing mechanism for necessary public facilities that serve new development. Grass Valley will promote this option during pre-annexation and pre-applications meetings.

Discussion: The primary inducement for a developer to enter into such an agreement is the guarantee that subsequent changes in land use regulations will not affect the proposed project during the period covered by the agreement.

Responsibility: Community Development Department, Planning Commission, City Council
Timeframe: Current and ongoing, 2003 – 2009, as part of the application process
Funding: Application fees
Objective: To expedite the process of final development approvals

PROGRAM 6: Annual Housing Element Monitoring Report

Action: The Planning Department shall annually evaluate and report to the City Council on the City's progress in meeting its Housing Element objectives. The report to the City Council will include recommendations for changes in Housing Element programs. The report will also include the following information, only to the extent applicable and in as much detail as appears warranted each year:

- Progress made toward achieving the City's fair-share housing allocation;
- A summary of efforts taken to improve the condition of the City's housing stock (e.g., CDBG-supported rehabilitation loans);
- An inventory of remaining vacant sites in zones suitable for the development of housing for low-income households;
- A summary of efforts undertaken to relocate residents displaced by redevelopment and to replace affordable units lost as a result of redevelopment; and
- A progress report on actions to meet special housing needs.

The City Council will decide, based on this annual evaluation of the progress, whether or not to adjust its program actions or to adopt new program actions.

Responsibility: Community Development Department, Planning Commission, City Council
Timeframe: Annual report by or before October 1 each year
Funding: General Fund
Objective: To evaluate progress annually and make appropriate revisions to policies and programs

PROGRAM 7: Promote Infill Development

In conjunction with Program 1, Adequate Sites for Housing, the City shall modify its annexation policies and procedures to promote infill development and development adjacent to the City (within its planning area) before seeking to expand the Sphere of Influence. Within the existing city limits, the City will promote infill development in the Redevelopment Area and other parts of the City where adequate public facilities and services are already in place and where small projects can be integrated with existing neighborhoods.

For areas to be annexed to the City, Grass Valley shall adopt policies and procedures to address:

- The provision of affordable workforce housing units and a mix of housing types;
- Integration of community design principles of General Plan, such as clustering, grouping or mixing of uses, protecting important natural features, and providing internal pedestrian and bicycle connectivity;
- Future transportation/infrastructure needs and current project-related deficiencies;
- Future park/recreation facility needs and maintenance costs;
- Future short- and long-term fiscal impacts;
- Definition of annexation boundaries, phasing and rate of growth; and
- Consistency with General Plan policies and Sphere of Influence Plan.

The City will promote its annexation policies and procedures through an informational flyer at the Community Development Department public counter, a link on the City's web site, distribution of the policies and procedures to the local building industry association, and pre-application meetings with applicants.

Responsibility: Community Development Department, Planning Commission, City Council
Timeframe: Annexation plan containing additional policies and procedures was adopted in July 2003. Promotion of City policies will begin December 2004 and continue thereafter once workforce housing and downtown planning grant studies have been completed (see programs 1(g) and 11) .
Funding: General Fund
Objective: To ensure integration of annexed areas to the City and achievement of General Plan goals and objectives

GOAL B: To Address Special Housing Needs as Defined by State Law and Local Conditions

PROGRAM 8: Allow Alternative Housing Types to Meet Special Needs

Action: The City shall continue to allow secondary dwelling units, group homes (residential care facilities), homeless and transitional housing facilities, and manufactured homes on individual lots and in mobile home parks, and farmworker housing according to the requirements of state law. To promote the City's development standards for alternative housing, the City will provide information at the Community Development Department public counter, provide a website link, and offer pre-

application meetings to explain the City's policies and regulations. The City will also promote its standards for alternative housing types through its ongoing contacts with nonprofit housing organizations.

Responsibility: Community Development Department, Planning Commission, City Council
Timeframe: Current and ongoing, 2003 – 2009 (see Program 3 for timeframe on regulatory revisions to better implement this program)
Funding: Application fees
Objective: Provide greater housing and shelter opportunities for special needs groups

PROGRAM 9: Housing for Persons with Disabilities

Action: The City shall continue to implement state standards for accessibility in new housing by handicapped individuals. The City will require developers of affordable housing to incorporate adaptability and accessibility features in their project designs. The City will also continue to allow:

- Accessory structures in new housing developments and retrofitting of older homes to meet the needs of persons with disabilities;
- Handicapped access structures, such as ramps or lifts, within required yard and set-back areas;
- Residential care facilities designed for persons with disabilities; and
- On-site supportive services in combination with residential uses for persons with disabilities.

The City will promote its policies and standards for housing and services for persons with disabilities by providing information at the Community Development Department public counter, a website link, pre-applications meetings with housing and service providers, and periodic meetings with nonprofit and public agencies that serve persons with disabilities (as part of the City's annual grant activities (see Program 15).

Responsibility: Community Development Department
Timeframe: Current and ongoing, 2003 – 2009
Funding: Application fees
Objective: Provide greater housing and shelter opportunities for persons with disabilities

PROGRAM 10: Designate Appropriate Locations for Homeless and Transitional Housing

Action: The City shall review and revise its Zoning Ordinance to identify appropriate zones in which homeless and transitional housing will be allowed. Transitional housing, which is more consistent with conventional residential uses, may be appropriate in R-3 and mixed-use zoning districts. Overnight and short-term homeless shelters, which are more institutional in nature, may be appropriate in certain commercial zoning districts.

Discussion: Under the City's present practice of zoning code interpretation, homeless shelters can be permitted as "group homes" in R-3 and commercial zones. However, the nature of most overnight and short-term homeless shelters, and their need for proximity to transportation and other

services, might make such uses more appropriate for commercial zoning districts. Transitional housing is considered a residential use by the City and is allowed in any zone permitting residences. The City will revise its zoning code to reflect its current zoning practices and to identify homeless shelters and transitional housing as permitted uses in appropriate zoning districts

Responsibility: Community Development Department, Planning Commission, City Council
Timeframe: Adopt Zoning Ordinance Revisions by December 2004
Funding: General Fund
Objective: Provide greater housing and shelter opportunities for homeless individuals and families

PROGRAM 11: Housing Opportunities for Low-Income Families

Action: Through its ongoing collaborations with nonprofit organizations and other public agencies to obtain funding for affordable housing projects and programs (see Program 15), the City shall seek to include housing units suitable for large families in new developments containing affordable housing, except in those projects designed specifically for non-family and small family special needs groups (such as seniors and persons with disabilities) by.

- Requiring that affordable family housing projects include three- and four-bedroom housing units, with the goal that the percentage of such units will match the percentage of large families in Grass Valley (six percent in 2000), unless the applicant can show that it would be financially infeasible to include such a percentage.
- Implementing and promoting recently adopted requirements of state law (Assembly Bill 305) for childcare facility density bonuses (see Program 13).
- Providing financial and regulatory incentives listed in programs 13 and 15 to facilitate the production of affordable housing.
- Providing density bonuses for projects that include minimum percentages of housing units affordable to very low- and/or low-income households (see Program 13).
- Making the use of state and federal funds, including bond proceeds or tax credits, for large family housing one of the City's priorities (see Programs 15 and 16).

The City will promote its efforts to encourage the production of large family housing through its website, website links to the Nevada County Housing Authority and nonprofit organizations providing affordable housing or operating programs in Grass Valley, pre-application meetings with affordable housing developers, and contacts with housing providers as part of the City's annual public workshops on the use of CDBG funds and Redevelopment Agency Housing Set-Aside funds.

Discussion: The Community Profile (Chapter II) identified affordable family housing as a priority. Low-income large families and single parents, in particular, face many challenges to obtaining suitable housing. Such families typically need low-cost housing with three or more bedrooms, often rental housing, and convenient access to childcare services.

Responsibility: Community Development Department
Timeframe: See Program 15
Funding: See Program 15
Objective: See Program 15

PROGRAM 12: Workforce Housing Study

Action: The City shall complete a study of options to provide “workforce” housing that is affordable to, and meets the needs of, residents who are employed locally. The study will include a Workforce Housing Design Program Implementation Report that addresses:

- Infill development opportunities, including densities, development standards and possible development incentive programs;
- Summary of architectural styles found in the Grass Valley area and how they relate to specific sites;
- Preliminary conceptual site and architectural plans including floor plans, elevations and conceptual development financial analysis for each of the three selected sites and unit types;
- Recommendations for revisions or additions to existing City regulations or policies to encourage infill development, and in particular the infill development of workforce housing units;
- Requirements for affordability of a specified number of housing units when the City grants exceptions to its development standards under its planned development process;
- Recommendations for policies and measures to maintain long-term affordability of units developed in the Workforce Housing Design Program, including identification of funding programs and development resources; and
- Creation of the “Workforce Housing Design Program” fact sheet/newsletter for reproduction and public distribution by the City summarizing the findings of the study.

The City will promote the results of the Workforce Housing Study through a website link; notification of local building industry, business, and realtor organizations; and distribution of the study to homebuilders and developers, particularly affordable housing providers.

Responsibility: Community Development Department, Planning Commission, City Council
Timeframe: Complete study by March 2004, implement thereafter, 2004 - 2009; regulatory changes to be completed by December 2005
Funding: CDBG (planning grant)
Objective: Provide greater housing opportunities for local workforce

GOAL C: To Meet the City's Low- And Moderate-Income Housing Needs

PROGRAM 13: Density Bonus

Action: The City shall revise its density bonus program to conform to current requirements of state law. The City will offer a density bonus of 25 percent and at least one other financial or regulatory incentive, as required by state law (California Government Code sections 65915 to 65918), whenever a developer proposes a residential project in which:

- At least ten percent of the housing units are affordable to very low-income households;
or

- At least 20 percent of the housing units are affordable to low-income households; or
- At least 50 percent of the housing units are designed for, and occupied by, qualifying senior housing units; or
- At least 20 percent of the housing units are in a condominium project are affordable to moderate-income households; or
- At least 33 percent of housing units in a conversion of a rental apartment to condominium ownership are affordable to low- or moderate-income households, or 15 percent are affordable to lower-income (very low- and/or low-income) households.
- A housing development conforming to the requirements of California Government Code Section 65915 includes a childcare facility that will be located on the premises of, as part of, or adjacent to, the project.

The City shall require, in exchange for the density bonus and other incentives, that restrictions be imposed on the affordable units through a suitable legal instrument that ensures the affordability of those units for a minimum period of time and at a maximum cost as established by California Government Code Section 65915 or Section 65915.5 for condominium conversions.

For ownership projects, the City shall require, in exchange for the density bonus that purchasers meet established income guidelines and intend to occupy the affordable units as their primary residences. Homebuyers will be required to reside in their units for a minimum time period (as an anti-speculation mechanism) to avoid resale restrictions. If this minimum period is not met, the City will reserve the right to recapture a portion of the profit on the sale of a dwelling unit.

Discussion: Other incentives the City will consider in conjunction with density bonuses include, but are not limited to: fee reductions or deferrals, expedited permit processing, contributions of redevelopment tax increment housing set-aside funds, applying for or providing technical assistance in applying for state or federal funds, and the consideration of alternative development standards to reduce development costs. The City will determine, on a case-by-case basis, the appropriate incentive(s) to offer to make a proposed affordable housing development financially feasible.

Responsibility: Community Development Department, Planning Commission, City Council
Funding: Application fees to process density bonus requests; funding source for financial incentives from redevelopment housing set-aside fund
Timeframe: Adopt revisions to Zoning Ordinance by December 31, 2005; review density bonus requests on a case-by-case basis until ordinance revisions are in place
Objective: See Program 15

PROGRAM 14: Affordable Housing Requirements of Redevelopment Law

Action: The Grass Valley Redevelopment Agency shall continue to implement a plan for the use of tax increment housing set-aside funds and procedures for complying with the affordable housing provisions of redevelopment law (California Health and Safety Code sections 33334.2, 33413, and 33490) , which require that:

- At least 20 percent of the Agency's tax increment funds be set-aside for housing benefiting low- and moderate-income households;
- At least 15 percent of any privately constructed or rehabilitated dwelling units within the Redevelopment Project Area be affordable to low- or moderate-income households, and
- At least 30 percent of any dwelling units constructed or rehabilitated by the Redevelopment Agency are affordable to low- or moderate-income households.

Discussion: The focus of the Agency's efforts regarding housing is concentrated in development and/or rehabilitation of low- and moderate-income housing. The Agency plans to use the funds to continue a first time homebuyer's down payment assistance loan program, implementation of a housing rehabilitation program that is supplementary to the City's existing program.

Responsibility: Redevelopment Agency to approve plan for use of housing set-aside funds. Planning Department to implement plan
Funding: Redevelopment housing set-aside fund
Timeframe: Continue implementation of 2000 - 2004 plan; update implementation plan in 2005
Objective: Increase the availability of new or rehabilitated housing through Redevelopment Agency activities and funding

PROGRAM 15: Pursue State and Federal Funding for Affordable Housing

Action: The City shall continue to pursue available and appropriate state and federal funding sources in cooperation with private developers, nonprofit housing corporations, the Nevada County Housing Authority, and other interested entities to support efforts to meet the housing needs of low- and moderate-income households and to assist persons with rent payments required for existing units. The City's efforts to support affordable housing activities by others will include expedited processing of permits (particularly when needed to meet funding deadlines), the provision of demographic or other information needed for an application, letters of support for proposals that have received approval (preliminary or final) by the City, and consideration of redevelopment housing set-aside funds (to the extent available) to match state or federal funds.

The City will promote the availability of housing assistance through its website, website links to the Nevada County Housing Authority and nonprofit organizations providing affordable housing or operating programs in Grass Valley, information at the Community Development Department public counter and other public locations within the City, and information in the *Grass Valley Messenger*, the City's newsletter.

Discussion: Grass Valley has applied for, and received, several state and federal grants for the construction, rehabilitation, or purchase of affordable housing for low- or very low-income households. Since 1993, the City has received CDBG and HOME program funding for the construction of affordable housing units, the rehabilitation of substandard housing units, and first-time homebuyer assistance. The City will continue this level of effort and support funding requests by nonprofit and for profit housing providers that does not have direct involvement by the City (such as for the sale of tax credits state or federal loan or insurance programs that provide assistance directly to the developer).

Responsibility:	Community Development Department, Planning Commission, City Council
Funding:	California Multifamily Housing Program California Housing Finance Agency (HELP Program) California Housing Finance Agency direct lending programs (single-family and multifamily) Low-Income Housing Tax Credits (state & federal) CalHome Program Federal Home Loan Bank – Affordable Housing Program Federal Department of Housing and Urban Development Programs – Section 221(d), Section 202 (elderly), Section 811 (persons with disabilities) Child Care Facilities Finance Program (administered through the State of California), Special Housing Needs and Supportive Services Mortgage Revenue Bonds or Mortgage Credit Certificates (see Program 16)
Timeframe:	Current and ongoing, 2003 – 2009; meet annually with housing providers to establish funding priorities; apply quarterly for available funding based on annual priorities and the funding schedule of the state or federal program
Objective:	New Construction: 50 very low-income units, 125 low-income units Homebuyer Assistance: 5 very low-income, 25 low-income, and 25 moderate-income homebuyers

PROGRAM 16: Tax Exempt Bonds and Mortgage Credit Certificates

Action: The City shall investigate the feasibility of becoming a member of a joint municipal power agency for the purpose of pooling resources to issue tax exempt bonds or mortgage credit certificates for financing the construction of affordable housing or providing financial assistance to low- and moderate-income homebuyer assistance.

Discussion: The administrative capacity of Grass Valley does not support an independent application by the City for the authority to issue bonds or mortgage credit certificates. The City could apply for an allocation through a consortium of municipal governments. Grass Valley will explore this possibility. Mortgage Revenue Bonds, a type of tax-exempt bond, can be used through various California Housing Finance Agency (CHFA) programs in which the City or Redevelopment Agency supports a developer's application for multi-family or single-family housing for low- and moderate-income households.

Responsibility:	Redevelopment Agency
Funding:	Tax Exempt Bonds, tax increment funds for Agency costs to participate in joint powers authority
Timeframe:	Investigate feasibility of participation and report to the Agency Directors (City Council) by December 2004; if determined to be feasible, begin participation by June 2005
Objective:	Increase the availability of funding options for new or rehabilitated housing

PROGRAM 17: Community Reinvestment Act

Action: The City shall contact financial institutions serving Grass Valley to solicit interest in providing financing to low- and moderate-income housing as part of their responsibility under the federal Community Reinvestment Act. The City will seek specific lending commitments in conjunction with Redevelopment Agency, state, and federal funds.

Discussion: Grass Valley will continue its past practice of conducting presentations to local banking institutions regarding the City's housing programs and solicitation for their participation in both the housing rehabilitation and first-time homebuyer assistance programs.

Responsibility: Community Development Department
Funding: General Fund
Timeframe: Annual presentations, 2003 – 2009, additional meetings with specific lenders as needed
Objective: Increase the availability of funding options for new or rehabilitated housing

GOAL D: To Preserve the Existing Housing Stock and Conserve Existing Affordable Housing Opportunities

PROGRAM 18: Housing Rehabilitation Programs

Action: The City shall continue to use local, federal, and state for funds for housing rehabilitation, provide loans for both owner-occupant and rental rehabilitation, and offer grants to homeowners for emergency repairs. The City will promote this program through a City website link, information at the Community Development Department public counter and other public locations in Grass Valley, and program information in the *Grass Valley City Messenger*.

Discussion: Under the City's current program, individuals who own homes or apartments within Grass Valley are eligible to receive loans or grants to repair their properties if they, or their tenants, meet income eligibility guidelines. For owner occupants, the maximum loan amount is \$60,000 amortized at one percent for 15 years. Very low-income owners may be eligible for deferred loans. For rental property owners, the maximum loan amount is \$80,000 for a two-unit structure, plus \$15,000 for each additional unit. Tenants must meet income qualifications and a fair market rent agreement is required. Under the Emergency Repair Program, the City offers grants of up to \$2,000 for emergency repairs to owner-occupied properties. Each property owner is eligible only once for the grant.

Responsibility: Community Development Department
Funding: CDBG, HOME, redevelopment housing set-aside funds
Timeframe: Current and ongoing, 2003 – 2009
Objective: Rehabilitation of 25 very low-income housing units and 25 low-income housing units

PROGRAM 19: Preservation of At-Risk Housing

Action: The City shall work with property owners, other public agencies, and non-profit housing organizations to preserve existing subsidized rental housing in which the owner could increase rents to market rates within the next ten years. To encourage existing owners to maintain the affordability of such rental housing, the City would offer low-interest rehabilitation loans from its Redevelopment Housing Set-Aside Fund, subject to the availability of funding at the time of request; assist owners in applying for state or federal assistance for refinancing, acquisition, and/or rehabilitation; or provide "gap" financing to interested public agencies or nonprofit housing organizations interested in purchasing "at-risk" rental housing developments.

The City shall monitor properties identified as being potentially at-risk to ensure that property owners comply with state and federal notification requirements. For properties that are within the 24 months of potential conversion, the City will meet with property owners to determine their plans and the type(s) of assistance desired, if any, to maintain the affordable status of the rental housing units. For owners who intend to sale their rental properties, the City will identify interested nonprofit organizations willing to acquire and continue operating the rental properties as affordable housing.

Discussion: The City has identified 455 subsidized rental housing units in Grass Valley, all assisted by the U.S. Department of Agriculture, Rural Housing Services Division, "515" Program (see Table II-25). According to an official at the local USDA field office in Grass Valley, none of these projects is considered to be at risk of conversion to market rate housing over the next ten years due to program restrictions and the age of the properties. However, the City will continue to monitor the status of these properties should federal program restrictions change in a way that would increase the risk of conversion.

Responsibility:	Community Development Department
Funding:	General Fund
Timeframe:	Annual monitoring, 2003 – 2009; meetings with property owners as needed
Objective:	Preserve the affordability of 455 assisted rental housing units

PROGRAM 20: Rental Assistance

Action: The City shall continue to cooperate with the Nevada County Housing Authority in its administration of the federal Housing Choice Voucher (formerly called "Section 8") rental assistance program to maintain the availability of housing vouchers in Grass Valley. The City's role will be to:

- Provide necessary documentation to the Housing Authority to apply for annual commitments from the U.S. Department of Housing and Urban Development;
- Encourage rental property owners who have participated in the City's housing rehabilitation program to participate in the Housing Choice Voucher program;
- Provide information on the rental assistance program in the City's newsletter, *Grass Valley Messenger*, and at the Community Development Department's public counter; and
- Provide a website link to the Housing Authority

Responsibility: Community Development Department
Funding: General Fund
Timeframe: Annual collaboration with the Housing Authority during federal funding request; information distribution, current and ongoing, 2003 - 2009; ongoing promotion of rental assistance program to rental property owners
Objective: Maintain availability of rental assistance to Grass Valley residents

PROGRAM 21: Preservation of Mobilehome Parks

Action: Grass Valley shall meet with mobilehome park owners to discuss their long-term goals for their properties and the feasibility of preserving these parks. Feasibility will be evaluated based on the condition of park infrastructure and buildings, the condition of mobilehomes located in the park, parcel size, accessibility to services, and surrounding land uses. For those parks that are feasible to preserve, the City will:

- Assist property owners in accessing state and federal funds for park improvements by preparing funding requests, providing information to park owners on state and federal programs, and/or providing referrals to nonprofit organizations who can assist in preparing funding requests.
- Require, as condition of approval of change of use, that mobilehome park owners who desire to close and/or convert their parks another use provide relocation or other assistance to mitigate the displacement of park residents, as required by California Government Code Section 65863.7. The City shall also require the park owner to provide evidence of resident notification of intent to close and/or convert the mobilehome park, as required by state law.

Discussion: According to the California Department of Housing and Community Development, Grass Valley contains six mobilehome parks with 444 spaces. Four of these parks contain fewer than 50 spaces each. It may not be feasible to preserve all of the mobilehome parks in Grass Valley, particularly smaller parks without adequate infrastructure and amenities to provide a suitable residential environment.

Responsibility: Community Development Department
Funding: CDBG, HOME, California Housing Finance Agency HELP program, California Mobilehome Park Resident Ownership Program
Timeframe: Meet with park owners and determine feasibility of preservation by December 2006
Objective: Preserve the condition and affordability of larger mobilehome parks containing 360 spaces; provide relocation assistance to residents of parks that are not feasible to preserve

PROGRAM 22: Housing Survey

The City shall conduct a housing survey to document its efforts at improving housing conditions and to identify future areas and housing types for targeting its code enforcement, housing rehabilitation assistance, and neighborhood improvement efforts. The survey will also update the City's inventory of historic residential structures and rehabilitation/preservation needs of these residences.

Responsibility:	Community Development Department
Timeframe:	Complete survey and report to the City Council by June 2005, with an annual update prepared by the Community Development Department for review by the Planning Commission and City Council
Funding:	CDBG, HOME, redevelopment housing set-aside fund
Objective:	Document housing conditions and establish priorities for future code enforcement, housing rehabilitation assistance, and neighborhood improvement efforts

PROGRAM 23: Housing Code Enforcement

The City shall continue to combine code enforcement and housing rehabilitation assistance, targeted to older neighborhoods with concentrations of substandard housing. Code enforcement will occur primarily on a complaint or request basis. The code enforcement officer will provide the resident and/or property owner with information on the City's housing rehabilitation assistance program.

Responsibility:	Community Development Department
Timeframe:	Current and ongoing, 2003 – 2009
Funding:	CDBG, HOME, inspection fees, redevelopment housing set-aside funds
Objective:	Improve substandard housing conditions through correction of code violations

PROGRAM 24: Re-Use of Large, Older Homes

The City shall permit the re-use of large, older homes located in the Downtown area and R-2 and R-3 zoning districts as multi-unit residential structures, provided historic preservation policies of the General Plan Historical Resources Element are followed and the re-use is consistent with zoning requirements. The City will assist in the re-use of older homes that require rehabilitation if the property owner intends to sell or rent the units to low- or moderate-income households. Assistance will be in the form of loans under the City's housing rehabilitation program or first-time homebuyer program for re-use projects that create multi-unit ownership properties. (See programs 15 and 18 for details on the housing rehabilitation and first-time homebuyer programs).

Responsibility:	Community Development Department
Timeframe:	Current and ongoing, 2003 – 2009
Funding:	CDBG, HOME, permit fees
Objective:	To efficiently re-use and preserve existing residential structures and increase the supply of housing

PROGRAM 25: Demolition of Historic Residences

The City shall adopt an ordinance that discourages or prohibits the demolition of historic structures, including historic residence. The City will use incentives available under programs 17 and 23 to assist owners of historic structures who do not have the financial capacity to maintain their properties. The City will make the community aware of the ordinance through a link to the City's web site, an informational flyer at the Community Development public counter, and distribution of information to local historic preservation organizations.

Responsibility: Community Development Department
Timeframe: Adopt Ordinance by June 2004
Funding: General Fund, implementation to be funded from permit fees
Objective: To preserve Grass Valley's historic and architecturally significant structures

GOAL E: To Assure that All Present and Future Residents Have Equal Access to Housing Commensurate with their Financial Capacity

PROGRAM 26: Fair Housing Program

Action: The City shall continue to promote equal housing opportunity for all persons regardless of race, religion, sex, marital status, ancestry, nation origin, or color by supporting efforts of community groups that provide counseling, investigatory, legal, or referral services to victims of discrimination. Specifically, the City will:

- Maintain information on state and federal fair housing laws at the Community Development Department and other public places for public distribution;
- Train City staff at the public counter to refer victims of housing discrimination to the appropriate local organization or to the State Fair Employment and Housing Commission;
- Seek the cooperation of the local homebuilders association, Realtor association and lenders in disseminating fair housing information; and
- Identify an annual community event at which fair housing information can be distributed.

Responsibility: Community Development Department
Timeframe: Current and ongoing, 2003 – 2009; identify annual event in 2004 and include fair housing information beginning 2005 and thereafter
Funding: CDBG, redevelopment housing set-aside funds, General Fund
Objective: Educate the public on fair housing issues, reduce housing discrimination, and promptly resolve housing discrimination complaints

GOAL F To Promote Residential Energy Conservation

PROGRAM 27: Energy Conservation for New Construction and Residential Design

Action: The City shall continue to enforce state energy efficiency requirements for new residential construction (Title 24 of the California Code of Regulations) and shall encourage, through the City's residential design guidelines, additional energy conservation measures with respect to the siting of buildings, landscaping, and solar access.

Responsibility: Community Development Department
Timeframe: Current and ongoing, 2003 – 2009
Funding: Permit fees
Objective: Reduce residential energy consumption

PROGRAM 28: Weatherization and Energy Conservation for Existing Dwelling Units

Action: The City shall post and distribute information on currently available weatherization and energy conservation programs in conjunction with the housing rehabilitation.

Responsibility: Community Development Department
Timeframe: Current and ongoing, 2003 – 2009
Funding: CDBG, HOME, redevelopment housing set-aside funds
Objective: See Program 18

E. Quantified Objectives

The City of Grass Valley has established quantified (numerical) objectives for several program categories to provide measurable standards for monitoring and evaluating program achievements. Quantified objectives have been established for accommodating the City's share of Nevada County's future housing needs, new housing construction, housing rehabilitation, the preservation of existing affordable housing, and homebuyer assistance. The quantified objectives for the City's share of Nevada County's future housing needs and housing construction differ because the housing construction objective is based on the City's estimate of the number homes that will actually be constructed and affordable to each income group. The future housing needs objective addresses the City's ability to accommodate housing based on the availability of appropriately zoned vacant and underutilized land, with public services and facilities. These homes may or may not be built depending on market trends and the availability of funding assistance to developers of affordable housing.

**Table IV-2
Quantified Objectives (2004 to 2009)**

Income	Accommodate Regional Share ¹	New Construction ²	Homebuyer Assistance	Housing Rehab. ³	Conservation of Affordable Housing	
					Rental Housing ⁴	Mobilehomes ⁵
Very Low	274	80	5	25	455	360
Low	261	230	25	25		
Moderate	333	200	25	--	--	
Above Moderate	580	580	--	--	--	
Total	1,448	1,090	55	50	455	360

1. Quantified objectives are for the 2001 – 2009 Nevada County Housing Allocation Plan
2. Quantified objectives cover 2001 – 2009, including housing units constructed between 2001 and 2009, based on anticipated market rate housing production (for moderate-and above moderate-income), availability of financial resources to assist in the construction of very low- and low-income housing, and the City's past track record of producing affordable housing
3. Based on historic level of performance under the housing rehabilitation program
4. Based on the conservation of 455 existing subsidized rental housing units—the City does not have specific information on the number of very low-income versus low-income units
5. Based on the number of mobilehomes in parks with 50 or more spaces; although the majority of mobilehome park residents are likely to have very low- or low-incomes, the City does not have specific information on the income levels of mobilehome park residents