FINAL



REGIONAL HOUSING ALLOCATION PLAN

PREPARED FOR THE BUTTE COUNTY ASSOCIATION OF GOVERNMENTS

JANUARY 1, 1991 TO JULY 1, 1997

PREPARED BY

CONNERLY & ASSOCIATES, INC.

Adopted June 17, 1992

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INTRODUCTION

This document is the Regional Housing Allocation Plan for the Butte County Association of Governments (BCAG), comprising the cities of Biggs, Chico, Gridley, Oroville, the Town of Paradise, and Butte County. This plan has been prepared in accordance with the provisions of Section 65584 of the California Government Code. It contains BCAG's share of the statewide housing need between 1991 and 1997 as calculated by the California Department of Housing and Community Development. The purpose of the Regional Housing Allocation Plan is to apportion BCAG's share of the statewide housing need by income group among the cities and the Butte County unincorporated area. Each BCAG member's share of the regional housing need shown in this plan must be used in that member's housing element as the local goal for accommodating additional housing. The number of dwelling units allocated to each BCAG member (basic new construction need) should be considered as minimum growth needs. Nothing in this plan restricts or prohibits BCAG members from planning for a higher number of dwelling units than its regional allocation.

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The Regional Housing Allocation Plan contains several parts. The first part of this report explains the methodology and assumptions by which the allocation among BCAG members was made. The second part contains the tables which show each jurisdiction's share of the region's household and housing allocation by income group. The final part of this plan contains background information to support the methodology and assumptions.

USE OF THE PLAN

Once adopted in its final form, the distribution of housing need according to this plan must be used in each member jurisdiction's housing element. Because the time period of this plan is from January 1, 1991 to July 1, 1997, whereas the required time period of the housing elements is from July 1, 1992 to July 1997, jurisdictions may count dwelling units approved by permit between January 1, 1991 and June 30, 1992 toward their regional share allocations shown in this plan. Each jurisdiction should calculate the number of dwelling units approved during this period by cost to determine the number affordable to each income group that can be counted against the total allocation for the January 1991 to June 30, 1992 period.

The regional housing allocation provided for in this plan meets only one of several requirements of state housing element law. For example, each jurisdiction in its housing element must evaluate the needs of special population groups, the number of households overpaying for housing, the number of overcrowded households, and the

number of units in need of rehabilitation. In addition, Butte County will need to apportion its share for the among unincorporated communities, or planning areas, within the county.

The basic construction needs estimate in this plan includes an allowance for replacement based on the number of dwelling units which are presently or projected to become dilapidated between 1991 and 1997. If other, non-dilapidated dwelling units are projected to be removed, such as through the redevelopment process, the replacement of such units should also be included in the housing needs statement of the jurisdiction's housing element.

REQUIREMENTS OF STATE LAW

State housing element law (Section 65583 of the California Government Code) requires that each city and county adopt a share of the regional housing needs in the housing market region in which it is located. Section 65584 of the Government Code specifies the considerations and procedure for determining what each jurisdiction's share of a region's housing needs should be. According to state law:

A locality's share of the regional housing needs includes that share of the housing need of persons at all income levels within the area significantly affected by a jurisdiction's general plan. The distribution of regional housing needs shall, based upon available data, take into consideration market demand for housing, employment opportunities, the availability of suitable sites and public facilities, commuting patterns, type and tenure of housing need, and the housing needs of farmworkers. The distribution shall seek to avoid further impaction of localities with relatively high proportions of lower income households.

Although state law includes the availability of suitable sites and public facilities among the criteria for apportioning a region's housing needs, the application of these criteria should not be used as a pretext for reducing a jurisdictions share based on past land use or planning practices which have limited the availability of sites or public facilities for new development. The methodology in this plan must recognize that there may be legitimate environmental or other barriers that could constrain a jurisdiction from designating suitable sites and planning for public facilities to meet its housing needs. BCAG must balance such an acknowledgement, however, against the affirmative responsibility that all local governments have under state law to plan for their share of the region's future housing needs, despite past policies that may affect their ability to do so.

The procedure outlined by state law requires the California Department of Housing and Community Development (HCD), based on population projections provided by the Department of Finance, to apportion the statewide housing need among housing market regions. These regions coincide with council of government areas, except for those parts of the state not covered by councils of government (HCD determines the housing market regions in those portions of the state). The portion of the statewide

housing need assigned to the Butte County Association of Governments covers the period January 1, 1991 to July 1, 1997 and totals 12,165 dwelling units.

BCAG is responsible for allocating the housing share assigned to it by HCD among the five cities and the unincorporated County area. The adoption of this Housing Allocation Plan by BCAG began a ninety-day period during which the cities and Butte County reviewed and commented on the proposed plan. After this ninety-day period expired in March 1992, BCAG had sixty days adopt any proposed changes, modify its prior determination, or make no change to the plan and indicate why the proposed change is inconsistent with the regional housing need. Revision to the plan based on comments by BCAG members were submitted to the Board in May 1992

If a BCAG member still wishes to contest the determination of the Board, it may request a public hearing to discuss the revision of the draft plan. Such a request must be made within thirty days after BCAG's adoption of the plan. BCAG will then adopt a final housing allocation plan subsequent to the public hearing.

Once a final housing allocation plan has been adopted, members of BCAG may request a change of the plan for one purpose only: to transfer a portion of the county's allocation to one or more cities within the county. The transfer must meet the standards applicable to the original allocation of BCAG's housing need and be approved by Butte County, the affected city or cities, and BCAG. Such a transfer might be justified by substantial changes in the local economy after the adoption of the plan, changes in annexation policies, the incorporation of a new city, or new information about the ability of BCAG members to accommodate population growth.

The complete text of state law relating to regional housing allocation plans appears in Appendix B.

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METHODOLOGY FOR ALLOCATING THE BCAG HOUSING NEED

The methodology employed in allocating the BCAG housing share among its member jurisdictions included several factors required to be addressed by state law plus other local factors that were considered important to each jurisdiction's housing needs. Among the factors incorporated into the allocation methodology are:

- the relative change in population growth among the BCAG members between 1980 and 1991,
- commuting patterns among workers in the County,
- employment patterns among residents of each jurisdiction,
- residence patterns among students at California State University, Chico (CSUC) and Butte College,
- employment trends, as projected by the California Employment Development Department,
- projected increase in farmworker population,
- population growth from non-employment factors, such as changes in enrollment at CSUC and in-migration from retirees,
- environmental and public facilities factors which are not possible to overcome from a planning/engineering perspective within the time period covered by the Plan,
- the relative tenure of households (owners versus renters) among BCAG jurisdictions, and
- the relative percentage of lower-income household among BCAG jurisdictions.

The Housing Allocation Plan is based on the following assumptions:

• Employment-generated population growth will represent about half of the county-wide population growth (according to a California Employment Development Department [EDD] projection of a 5,875 job increase in Butte County between 1988 and 1993). About 45 percent of the new jobs projected by EDD are typically associated with levels of pay in the lower-income range. A comparison of 1980 and 1990 Census data does not indicate significant shifts in the proportion of residents employed in different types of jobs in each

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community (most changes were in the range of one to three percentage points). There is a noticeable difference in the proportion of higher-paid professional and technical jobs. Chico has the highest percentage of residents with such jobs and Gridley and Oroville have the lowest percentages.

- Growth in agricultural employment will be minimal (EDD projects an increase of only 100 jobs in agriculture between 1988 and 1993). The increase in agricultural-related employment is assumed to affect each jurisdiction proportionally to its population, except that the Town of Paradise, which is not located on land suitable for agriculture, is not assigned a share of additional farmworkers.
- Historic patterns of population growth (1980 to 1992) will continue over the period covered by this plan, except that Paradise will be expected to install the first phase of a public sewer system that will increase its historic development potential. All communities in the region face public service and facilities constraints in meeting the region's housing needs, particularly in the unincorporated county area. But such constraints are generally more of a planning and financial, rather than a technological, nature. If the jurisdictions in the county cooperate in their efforts to plan for public facility expansion and the development of financing plans, it is feasible, in theory, to meet the region's housing needs. The Town of Paradise faces environmental constraints which limit the number of feasible alternatives for providing a public wastewater system, however. The effect of this constraint is discussed in greater detail later. (Sources: 1980 and 1990 Census, 1991 Department of Finance population report, Paradise Housing Element [1985], Paradise Multifamily Rental Housing Strategy [1990], Butte County Housing Element [1984, 1991].)
- The primary employment centers will continue to be Chico and Oroville, and employment generated housing demand will affect these two communities most. Some increase employment potential could be created in Paradise, as well, with the installation of public sewer system.
- Enrollment at California State University, Chico will reach its planned limit of 14,000 full-time equivalent students by Autumn of 1991 and remain stable at that level during the time period covered by this plan. (Source: CSUC Chancellor's Office.) The effect of such a large student population (generally 18-24 years of age) results in a relatively higher percentage of low-income households. This large, low-income population is consideration in the distribution of housing needs by income level. This student population is not projected to increase over the period covered by this plan and may, in fact, decrease slightly.

This plan projects a small increase in the percentage of CSUC students living outside the City of Chico, *from seven* to ten percent, as housing costs increase within Chico relative to the remainder of the County (CSUC housing survey in 1989 estimated that

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about seven percent of students live outside the City of Chico). Although increase does not translate to additional housing needs, since enrollment is assumed to remain stable, a movement of students could slightly increase the percent of low-income households in communities to which those student move.

- The residence and commuting patterns of Butte College students will not change between 1991 and 1997 and reflect the 1991 pattern. There is no information, either from Butte College or from a review of the 1990 Census to suggest that the proportion of residents from each community attending Butte College has changed. This assumption could be affected if the College ends it student transportation service, however. (Source: Butte College.)
- The percentage of homeowners relative to renters will remain stable between 1991 and 1997, after having declined in most areas of the county between 1980 and 1990. (Source: 1980 and 1990 Census.)
- The rate of future housing demolitions in each BCAG jurisdiction will depend on the number and percentage of its housing stock that is dilapidated (not feasible to repair).
- Renters and students will continue to have a higher percentage of lower-income households than the population at large. The percentage of student households who are low income will be substantially less than the percentage of students, however, because most students share living accommodations. Many students who share accommodations might qualify individually as low income but do not, in fact, live in low-income households.
- The Town of Paradise and many of the unincorporated areas of the County will be affected more by retirement and commuter-driven population growth than by employment generated population growth. Between 1980 and 1990, the percentage of the population 65 years of age or more has increased only in the Town of Paradise and in the unincorporated county area. In each of the other cities, the percentage of older adults has remained stable or declined. It should be noted that the number of younger households and families with children is also increasing in Paradise.
- The relative change in income distribution between 1980 and 1991 for each BCAG member jurisdiction is based on the change reported by the Census Bureau for the period 1980 to 1990. Chico and Oroville have substantially higher low-income populations in comparison to the county at-large, while Paradise and the unincorporated county area have substantially smaller percentages of low-income households.

Although one of the assumptions is that relative growth patterns will continue, as modified by other considerations cited above, the allocation of the regional share to each BCAG member jurisdiction is not a straight line projection of historic development activity. If

each jurisdiction's historic rate of development were used as the only factor in the development of this plan, the resulting total would be substantially less than the 12,165 dwelling units allocated to the Butte County region by HCD.

Table One shows the projected increase in the number of households, 9,866, by income group between January 1, 1991 and July 1, 1997. This number is based on population and household projections from the Department of Finance and 1990 Census data on population and household characteristics.

Table Two shows the basic construction need by component: the projected increase in the number of households, the number of additional dwelling units needed at the start of the period to achieve the desired vacancy rate, the number of additional dwelling units needed at the end of the period to achieve the desired level of vacancy, and the additional number of dwelling units needed to replace dilapidated units projected to be demolished between 1991 and 1997. The total new construction need estimated by HCD is 12,165 dwelling units between January 1, 1991 and July 1, 1997.

The formula for calculating the basic new construction need appears in Appendix 3 of the HCD publication "Developing a Regional Housing Needs Plan". HCD used 60.9% ownership rate, a 3.5% vacant-not-for-sale-or-rent rate (overall 6.6% vacancy need for future housing is assumed by HCD), and an annual removal rate county-wide of .002 in its assumptions.

Table Three shows the distribution of the 12,165 dwelling units by income group. The percentage of dwelling units in each income group is the same as the percentage of households in each income group and is calculated by HCD. *HCD's income distribution is based on the 1980 Census (1990 Census data was not available at the time HCD was required to prepare the Butte County region-wide housing need estimates). Income definitions are those used by the federal Department of Housing and Urban Development and are explained later in the Plan.*

The figures for Tables One, Two, and Three are provided by HCD for the entire county. This Housing Allocation Plan distributes the regional total among the BCAG member jurisdictions by households, basic new construction need, and income. This distribution is shown in Table Four and was made according to the following methodology:

STEP ONE: The basic household allocation was made according to the percentage of the county's population represented by each BCAG jurisdiction, the relative rate of development between 1980 and 1991, and the amount of land available for development within each jurisdiction's sphere of influence (only Oroville, however, expects the need to annex land in order to meet its housing needs over the period covered by this Plan).

STEP TWO: The additional units needed to meet the desired level of vacancy at the beginning of the period (977) is distributed among the BCAG jurisdiction according to the *relative* difference between the 1991 percent vacant for-rent

and for-sale, the desired vacancy rate for each jurisdiction, and the ratio of the resulting to the total difference county-wide. See Appendix Table Seven for actual and "desired" vacancy rates. The desired vacancy rate overall is just over seven percent of the existing housing stock. In addition, HCD has factored in additional vacancies for units not available for rent or sale. The overall desired vacancy rate is based on the percentage of owner-versus renter-occupied dwelling units, and other vacant units.

STEP THREE: The additional units needed to meet the desired level of vacancy in 1997 (740) is apportioned according to the same formula described in Step Two. The desired vacancy rate is 6.6%. Each jurisdiction is assigned a portion of this overall vacancy need based on its share of the additional household need of 9,866 dwelling units between 1991 and 1997.

STEP FOUR: The total replacement need (estimated by HCD to be 582 units) is apportioned among the BCAG member jurisdictions according to the relative percentage of dwelling units in need of substantial rehabilitation or which are dilapidated (not feasible to repair) in each community. For those jurisdictions in which recent information was not available on housing conditions, BCAG used the number of residential demolition permits issued between 1980 and 1991 as a surrogate measure. For Gridley, Chico, Oroville, and the unincorporated county area, information from their most recent housing elements was used. For the Town of Paradise, a report prepared in June 1990 on multifamily housing was used in conjunction with demolition permit information.

STEP FIVE: An adjustment was made to account for the expected increase in the number of farmworkers. First, a calculation was made to determine the relative distribution of additional farmworker households, which are accounted for in the overall basic new construction need table. This total number, 100, was allocated among the jurisdictions according to their relative populations. The Town of Paradise's share, based on this method, would be twelve farmworker families. Because Paradise is not expected to house farmworkers, due to its location, that city's total allocation is decreased by twelve, which is distributed among the remaining jurisdictions according to their relative populations.

STEP SIX: An adjustment made to the Town of Paradise share based on the lack of wastewater treatment and the steep topography of most of the City, which limits feasible alternative for waster systems. The EIR for the proposed sewer system estimates that it could initially serve 666 additional dwelling units. There are approximately 274 vacant acres most suited to residential use outside the initial proposed sewer assessment district, according to the Town's General Plan. If these sites are developed at an average density of three dwelling units per acre with on-site

wastewater systems, which is a typical rural density for Butte County communities, the total share assigned to Paradise would be $666 + (274 \times 3) = 1,488$. The Town will have to evaluate whether or not it can actually accommodate this level of development as part of its evaluation of constraints in the revised housing element.

This allocation represents a compromise between assigning Paradise a share of the region's housing needs without consideration of the physical constraints to providing a sewer system and assigning Paradise a share which assumes that no sewer system can be constructed and that all remaining vacant acreage will develop at 1 to 2 dwelling units per acre on septic systems. Under the former assumption, the region's share of housing assigned to Paradise would be approximately 1,750 dwelling units, while under the latter assumption the Town's share would be 450 to 900 dwelling units.

STEP SEVEN: The income distribution of each BCAG jurisdiction's share is based on the relative income distribution of each community in 1990 in comparison to the change in income distribution for the entire county projected by HCD. For communities with a relatively high percentage of lower-income households, the basic new construction needs table (Table Five) reflects an adjustment to reduce the lower-income share of those communities with large percentage of low-income households and to increase the lower-income share of those communities with a smaller percentage of low-income households. This adjustment is based on the state requirement that the regional share allocation avoid further impacting communities with a higher than average percentage of lower-income households in comparison to the region. The method for accomplishing this adjustment is explained below.

First, the percentage point difference between each jurisdiction's income distribution and the county-wide distribution was calculated for 1990, the most recent year for which data is available for all communities on the same basis.

Second, an adjustment in the opposite direction was made to determine the desired income distribution for 1997. For example, if the proportion of a community's very low-income population was three percentage points less than the county-wide proportion in 1990, its recommended share for 1997 was set at three percentage points higher than the county-wide proportion estimated by HCD in 1997.

Third, minor adjustments of a percentage point or two were made to assure that the sum of each jurisdiction's number and percentage of dwelling units for each of the four income group matched the county-wide numbers and percentages estimated by HCD for the four income groups.

The methodology described above for allocating each jurisdiction's share of the region's housing needs contains a degree of subjectivity. Yet, it attempts to balance the effects of constraints which some local governments cannot reasonably address between 1992 and

1997 and the need to assure that none of BCAG members bears the responsibility of accommodating future housing needs based on another member's past failure to adequately plan for its share of those needs.

TABLE ONE

HOUSEHOLD PROJECTION BY INCOME GROUP

(Source: Department of Housing and Community Development)

Income Group	January 1, 1991 <u>Number (%)</u>	July 1, 1997 <u>Number (%)</u>	Jan. 1991 - July 1997 <u>Number (%)</u>
Very Low	19,015 (28)	21,580 (28)	2,565 (28)
Other Low	11,701 (18)	13,280 (18)	1,579 (18)
Moderate	15,358 (20)	17,430 (20)	2,072 (20)
Above Moderate	27,060 (34)	30,710 (34)	3,650 (34)
Total	73,134 (100)	83,000 (100)	9,866 (100)

Note: The income group estimates were prepared by HCD using definitions contained in State and federal law as implemented by HUD and HCD. The definitions involve relationships to median incomes and family size adjustment factors. These relationships and factors were applied by HCD to 1980 income data.

TABLE TWO BASIC CONSTRUCTION NEED BY COMPONENT FOR BCAG* (January 1, 1991 to July 1, 1997)

Household Increase:	Housing Units 9,866
1990 Vacancy Need	977
1997 Vacancy Need	740
Replacement Housing Need (1990-97)	582
Total	12,165

* Basic Construction Need were calculated using the formulas shown in Appendix 3 of the HCD publication "Developing a Regional Housing Needs Plan." The following were used in the calculations: a home ownership percentage of 60.9, a vacant-for sale or rent percentage of 3.5, and an annual removal rate of .002.

TABLE THREE BASIC CONSTRUCTION NEED BY INCOME GROUP FOR BCAG

	Housing Units		
Very Low	3,406	(28%)	
Other Lower	2,190	(18%)	
Moderate	2,433	(20%)	
Above Moderate	4,136	(34%)	
Total	12,165		

TABLE FOUR REGIONAL HOUSING ALLOCATION TABLE BY COMPONENT

Jurisdiction	Basic <u>Need</u>	1990 <u>Vacancy</u>	1997 <u>Vacancy</u>	Rplemnt <u>Need</u>	Farmworker <u>Adjstmnts</u>	<u>_Total</u>	Sphere <u>Share</u> **
Biggs	65	13	6	10	1	95	0
Chico	3,003	616	237	132	3	3,991	0
Gridley	194	47	17	23	1	282	0
Oroville	953	35	70	72	2	1,132	170
Paradise	1,064	240	96	88	(12)	1,476	N/A
Unincorp.	<u>4.587</u>	<u>26</u>	<u>314</u>	<u>257</u>	<u>5</u>	<u>5, 189</u>	<u>N/A</u>
TOTAL	9,866	977	740	582	0	12, 165	

* Assumes that 15% of development in Oroville will occur in unincorporated areas presently within its spheres of influence. The "sphere share" column shows that portion of the total need, representing the sum of the previous columns, that is estimated to be met within Oroville's sphere of influence.

TABLE FIVE BASIC NEW CONSTRUCTION NEED BY INCOME GROUP

				Income	Groups	6			
Jurisdiction	<u>1 Ve</u>	ery Low	<u>Oth</u>	er Low	<u>Mo</u>	<u>derate</u>	Above	Above Moderate _ Tot	
Biggs	27	(28%)	17	(18%)	17	(18%)	34	(36%)	95
Chico	918	(23%)	703	(18%)	867	(22%)	1,503	(37%)	3,991
Gridley	67	(24%)	50	(18%)	42	(15%)	123	(43%)	282
Oroville	234	(21%)	174	(15%)	225	(20%)	499	(44%)	1,132
Paradise	442	(30%)	265	(18%)	295	(20%)	474	(32%)	1,476
Unincorp.	1,718	(33%)	981	(19%)	987	(19%)	1,503	(29%)	5,189
Total	3,406	(28%)	2,190	(18%)	2,433	(20%)	4,136T	(34%)	12,165

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APPENDIX A

DEFINITIONS OF INCOME GROUPS

The income limits as of 1991 for a four-person household in Butte County are the following:

Very Low Income: Income not exceeding 50% of Butte County area median family income.

Other Lower Income: Income between 50% and 80% of Butte County *area* median family income.

Moderate Income: Income between 80% and 120% of Butte County area median family income.

Above Moderate Income: Income exceeding 120% of Butte County area median family income.

These income limits are based on a median family income of \$31,400 in 1991 for all non-metropolitan counties in California as calculated by the federal Department of Housing and Urban Development.

Jurisdiction	1980 Pop	(%)	<u> 1992 Pop</u>	(%)	<u>% Change</u>
Biggs	1,413	1.0%	1,659	0.9%	17.4%
Chico	26,603	18.5%	43,701*	22.9%	64.3%
Gridley	3,982	2.7%	4,741	2.5%	18.1%
Oroville	8,683	6.0%	12,291	6.4%	41.6%
Paradise	22,571	15.7%	26,008	13.6%	15.2%
Unincorp.	<u>80,599</u>	<u>56.0</u> %	<u>102,807</u>	<u>53.8%</u>	27.6%
Total	143,851	100.0%	191,207	100.0%	32.9%

TABLE SIXPOPULATION CHANGE (1980-1992)

Sources: U.S. Census Bureau, California Department of Finance.

* City estimates that 1,300 of the total population growth represents persons living in existing dwelling units annexed to the City.

TABLE SEVEN VACANCY FACTORS

Jurisdiction	1 <i>199</i>	/ Vacancy*	Desired Vacancy Rate**		Surplus/	Deficit
Biggs	27	(4.8%)	7.07%	40		13
Chico	569	(3.3%)	7.07%	1, 185	-	616
Gridley	81	(4.5%)	7.07%	128	-	47
Oroville	311	(6.3%)	7.07%	346	-	35
Paradise	591	(5.0%)	7.07%	831	-	240
Unincorp. TOTAL	2,930 4,509	(7.0%) (5.8%)	7.07% 7.07%	2,956 5,486	-	26 977

* Department of Finance 1991 E-5 report of total unoccupied units as of January 1, 1991, the beginning period of the Regional Housing Allocation Plan.

****** Based on HCD's calculation of additional vacant dwelling units needed plus existing unoccupied dwelling units as of January 1, 1991as a percentage of all dwelling units.

TABLE EIGHTTENURE, 1980 AND 1990

Jurisdiction	1990 7 <u>Owners</u>	Fenure <u>Renters</u>	1980 Ter <u>Owners</u>	ure <u>Renters</u>
Biggs	77%	23%	76%	24%
Chico	33%	67%	35%	63%
Gridley	57%	43%	60%	40%
Oroville	43%	57%	51%	49%
Paradise	73%	27%	76%	24%
Unincorp.	71%	29%	71%	29%

Source: U.S. Census Bureau.

TABLE NINEBOARDED UP VACANT (1990)

Biggs	1
Chico	9
Gridley	3
Oroville	20
Paradise	14
Unincorp.	157

Source: U.S. Census Bureau

TABLE TEN 1980 AND 1990 INCOME DISTRIBUTION BY JURISDICTION (Rounded to the nearest percentage point)

<u>Jurisdiction</u>	Very Low 1980 _1990	Other Low 1980 1990	Moderate 1980 1990	Above Moderate <u>1980 <i>1990</i></u>
Biggs	21% 24%	16% 16%	24% 21%	39% 39%
Chico	31% 30%	16% 18%	16% 16%	37% 36%
Gridley	29% 28%	17% 17%	19% 29%	35% 26%
Oroville	31% 33% ^{**}	17% 21%	15% 20%	37% 26%
Paradise	21% 22%	19% 17%	22% 20%	38% 41%
Unincorp.	<u>20% 19%</u>	16% 16%	<u>18% 19%</u>	<u>46%_46%</u>
TOTAL	23% 23%	16% 17%	18% 19%	43% 41%

Source: U. S. Census Bureau

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TABLE ELEVEN EMPLOYMENT, 1980 AND 1990

		agerial/ ssional 1990	Tech Sai 1980	nical/ les 1990	Cle	vices rical	Wor		Uns. Wor		Fa Wor	erm kers
	1200	1990	1200	1990	1980	1990	1980	1990	1980	1990	1980	1990
Biggs	14%	17%	8%	9%	34%	33%	18%	17%	14%	15%	13%	8%
Chico	26%	27%	17%	18%	34%	35%	13%	13%	7%	5%	3%	3%
Gridley	19%	19%	12%	8%	28%	32%	18%	16%	11.%	10%	13%	15%
Oroville	19%	19%	11%	13%	34%	34%	20%	21%	11%	11%	4%	2%
Paradise		25%		16%		31%		18%		8%		2%
TOTAL	23%	26%	15%	15%	31%	31%	17%	16%	8%	7%	6%	5%

Source: U. S. Census Bureau

Managerial/professional includes executive and administrative professionals and professional specialties. Technical support and sales includes non-clerical technicians. Skilled workers includes precision production, craft, and repair, machine operators, and similar professions. Unskilled workers includes transportation workers, movers, handlers, and manual laborers. Farmworkers includes agriculture, forestry, and fishing.

Tables 12 and 13 suggest a correlation between employment patterns, college-age population concentrations, and income. In Table 12, the job categories are shown in approximate descending order of pay. The highest paying job categories are toward the left margin and lower-paying job categories are toward the right. Those communities with the largest percentage of residents in lower-paying jobs and with the largest concentration of 18- to 24-year olds (college-age population) also have the highest concentration of lower-income households.

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May 20, 1992

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TABLE TWELVE POPULATION 18-24

	<u>1980 %</u>	<u>1990_%</u>	Numerical Increase
Biggs		7.7%	
Chico	37.5%	33.1%	3,289
Gridley	11.6%	9.3%	- 28
Oroville	13.0%	9.4%	2
Paradise	7.4%	5.2%	- 347
TOTAL	16.2%	13.8%	1,696

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APPENDIX B

REGIONAL HOUSING NEEDS (From Section 65584 of the Government Code)

(a) For purposes of subdivision (a) of Section 65583, the share of a city or county of the regional housing needs includes that share of the housing need of persons of all income levels within the area significantly affected by a general plan of the city or county. The distribution of regional housing needs shall, based upon available data, take into consideration market demand for housing, employment opportunities, the availability of suitable sites and public facilities, commuting patterns, type and tenure of housing need, the loss of units contained in assisted housing developments, as defined in paragraph (8) of subdivision (a) of Section 65583, that hanged to non-low-income use through mortgage prepayment, subsidy contract expirations, or termination of use restrictions, and the housing needs of farmworkers. The distribution shall seek to reduce the concentration of lower income households in cities or counties which already have disproportionately high proportions of lower income households. Based upon data provided by the Department of Finance, in consultation with each council of government, the Department of Housing and Community Development shall determine the regional share of the statewide housing need at least two years prior to the second revision, and all subsequent revisions as required pursuant to Section 65588. Based upon data provided by the Department relative to the statewide need for housing, each council of government shall determine the existing and projected housing need for its region. Within 30 days following notification of this determination, the Department shall ensure the this determination is consistent with the statewide housing need. The department may revise the determination of the council of governments if necessary to obtain this consistency. The appropriate council of government shall determine the share for each city or county consistent with the criteria of this subdivision and with the advice of the department subject to the procedure established pursuant to subdivision (c) at least one year prior to the second revision, and at five-year intervals following the second revision pursuant to Section 65588. The council of governments shall submit to the department information regarding the assumptions and methodology to be used in allocating the regional housing need. As part of the allocation of the regional housing need, the council of governments, or the department pursuant to subdivision (b), shall provide each city and county with data describing the assumptions and methodology used in calculating its share of the regional housing need. The department shall submit to each council of governments information regarding the assumptions and methodology to be used in allocating the regional share of the statewide housing need. As part of its determination of the regional share of the statewide housing need, the department shall provide each council of governments with data describing the assumptions and methodology used in calculating its share of the statewide housing need. The councils of governments shall provide each city and county with the department's information.

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(b) For areas with no councils of governments, the Department shall determine housing market areas and define the regional housing need for cities and counties within these areas pursuant to the provisions for the distribution of regional housing needs in subdivision (a). Where the department determines that a city or county possesses the capability and resources and has agreed to accept the responsibility, with respect to its jurisdiction, for the identification and determination of housing market areas and regional housing needs, the department shall delegate this responsibility to the cities and counties within these areas.

(c) (1) Within 90 days following a determination of a council of governments pursuant to subdivision (a), or the department's determination pursuant to subdivision (b), a city or county may propose to revise the determination of its share of the regional housing need in accordance with the considerations set forth in subdivision (a). The proposed revised share shall be based upon available data and accepted planning methodology, and supported by adequate documentation.

(2) Within 60 days after the time period for the revision by the City or county, the council of governments or the department, as the case may be, shall accept the proposed revision, modify its earlier determination, or indicate based upon available data and accepted planning methodology, why the proposed revision is inconsistent with the regional housing need.

(A) If the council of governments or the department, as the case may be, does not accept the proposed revision, then the city or county shall have the right to request a public hearing to review the determination within 30 days.

(B) The city or county shall be notified within 30 days by certified mail, return receipt requested, of at least one public hearing regarding the determination.

(C) The date of the hearing shall be at least 30 days from the date of the notification.

(D) Before making its final determination, the council of governments or the department, as the case may be, shall consider comments, recommendations, available data, accepted planning methodology, and local geological and topographic restraints on the production of housing.

(3) If the council of governments or the department accepts the proposed revision or modifies its earlier determination, the city or county shall use that share. If the council of governments or the department grant a revised allocation pursuant to paragraph (1), the council governments or the department shall ensure that the current total housing need is maintained. If the council of governments or departments or department indicates that the proposed revision is inconsistent with the regional housing need, the city or county shall use the share which was originally determined by the council of governments or the department.

(4) The determination of the council of governments or the department, as the case may be, shall be subject to judicial review pursuant to Section 1094.5 of the Code of Civil Procedure.

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(5) The council of governments or the department shall reduce the share of regional housing needs of a county if all of the following conditions are met:

(A) One or more cities within the county agree to increase its share or their shares in an amount which will make up for the reduction. (B) T

(B) The transfer of shares shall only occur between a county and cities within that county.

(C) The county's share of low-income and very low-income housing shall be reduced only in proportion to the amount by which the county's share of moderate- and above moderate-income housing is reduced.

(D) The council of governments or the department, whichever assigned the county's share, shall have authority over the approval of the proposed reduction, taking into consideration the criteria of subdivision (a) of Section 65584.

(6) The housing element shall contain an analysis of the factors and circumstances, with all supporting data, justifying the revision. All materials and data used to justify any revision shall be made available upon request by any interested party within seven days upon payment of reasonable costs of reproducing unless the costs a waived due to economic hardship.

(d) (1) Except as provided in paragraph (2), any ordinance, policy, or standard of a city or county which directly limits, by number, the building permits which may be issued for residential construction, or which limits for a set period of time the number of buildable lots which may be developed for residential purposes, shall not be a justification for a determination or a reduction in the share of the city or county of the regional housing need. (2) Paragraph (1) does not apply to any city or county which imposes a moratorium on residential construction for a set period of time in order to preserve and protect the public health and safety. If a moratorium is in effect, the city or county shall, prior to a revision pursuant to subdivision (c), adopt findings which specifically describe the threat to the public health and safety and the reasons why construction of the number of units specified as its share of the regional housing need would prevent the mitigation of that threat.

(e) Any authority to review and revise the share of a city or county of the regional housing need granted under this section shall not constitute authority to revise, approve, or disapprove the manner in which the share of the city or county of the regional housing need is implemented through its housing program.

(f) A fee may be charged interested parties for any additional costs caused by the amendments made to subdivision (c) by Chapter 1684 of the Statutes of 1984 reducing from 45 to seven days the time within which materials and data shall be made available to interested parties.

(g) Determinations made by the department, a council of governments, or a city or county pursuant to this section are exempt from the provisions of the California Environmental Quality Act, Division 13 (commencing with Section 21000) of the Public Resources Code.