



III. RESOURCES AND CONSTRAINTS

A. RESOURCES

1. Available Land to Accommodate Housing

a. Overview

Land on which to construct housing is one of the most critical resources necessary to meet future housing demand. Without adequate vacant or underutilized land, the City of Anderson cannot demonstrate how it will accommodate its share or regional housing needs (see Section G of Chapter II). The amount of land required to accommodate future housing needs depends on its physical characteristics, zoning, availability of public facilities and services, and environmental conditions.

b. Definition of “Adequate Sites”

To determine whether the city has sufficient land to accommodate its share of regional housing needs for all income groups, Anderson must identify “adequate sites.” Under state law (California Government Code section 65583[c][1]), adequate sites are those with appropriate zoning and development standards, with services and facilities, needed to facilitate and encourage the development of a variety of housing for all income levels. The California Department of Housing and Community Development, in its guidelines that interpret state law (Housing Element Questions and Answers, Question #23) states that:

The locality’s sites are adequate if the land inventory demonstrates sufficient realistic capacity at appropriate densities and development standards to permit development of a range of housing types and prices to accommodate the community's share of the regional housing need by income level. A two-part analysis is necessary to make this determination:

1. Can the realistic development capacity of suitable land, which is or will be served by facilities and infrastructure, accommodate the locality’s total new construction need by income group over the next five years?
2. Are these available sites appropriately zoned (considering local development standards and land costs) for a variety of housing types (single-family, multifamily, mobile homes, etc.) and at appropriate densities to facilitate the development of housing to meet the locality’s regional housing need by income level category, including the need for very low- and low-income households?

c. Relationship of Zoning Standards to Adequate Sites

The extent to which the city has “adequate sites” for housing affordable to very low- or low-income households will depend, in part, on zoning standards, particularly the maximum allowed density, parking, building coverage, height, and set-back standards. The adequacy of sites will also depend on whether the city grants exceptions or variances to these requirements to reflect the challenges of building on small, irregularly-shaped parcels, thereby reducing development costs and increasing development capacity. As documented in Chapter III (Section B, Governmental Constraints) the city has granted such exceptions and variances in the past to permit full utilization of infill parcels.

The feasibility of producing affordable housing on small lots will also depend on developers' ability to obtain favorable financing terms and subsidies. As documented in Chapters II and III, several recent housing projects have been successful in obtaining such financing and subsidies. The city has also provided financial assistance to affordable housing projects in the past in the form of direct subsidies for project development.

The combination of the city's flexible zoning standards, allowances for housing on commercial properties and a history of approving housing, planned development overlay provisions, a history of granting exceptions and variances, and willingness to provide financial assistance within the financial capacity of the Redevelopment Agency suggests that Anderson can accommodate its remaining share of regional housing needs on sites available within the existing city limits.

d. Vacant Land Inventory

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housing projects have been successful in obtaining such financing and subsidies. The city has also provided financial assistance to affordable housing projects in the past in the form of direct subsidies for project development and pre-development assistance (feasibility and design studies).

The combination of the city's flexible zoning standards, allowances for housing on commercial properties and a history of approving housing on commercial properties, planned development overlay provisions, a history of granting exceptions and variances, and willingness to provide financial assistance demonstrate that Anderson can accommodate its remaining share of regional housing needs on sites available within the existing city limits.

Land Inventory

As part of the 2003 Housing Element update, an analysis of the residential development potential was conducted. City staff performed a parcel-specific vacant and underutilized sites analysis within the existing city limits (Table III-1 below). Based on the analysis, the city concluded that it could accommodate more than its share of Shasta County Housing Needs (679 housing units between 2001 and 2008), as shown in Table II-23.

As shown in Table III-1, Anderson has sufficient vacant and underutilized land to accommodate its remaining share of Shasta County future housing needs for all income groups at an average build out of between 75 and 100 percent of the maximum residential density permitted by zoning. This assumption is consistent with recent development trends for both single-family and multifamily projects, although density bonuses are possible for projects containing affordable housing, and one such project received a density bonus, as noted in Section IV, Summary of Achievements. Specifically, the city can accommodate:

- Between 1,636 and 2,275 dwelling units for above moderate-income households in low-density residential zones—agricultural residential (AG), residential estate (RE), single-family (R-1), and single-family with hillside overlay (R-1/HS). These zones allow between one and seven dwelling units per acre. Based on the minimum cost of producing single-family housing in Anderson (see Non-Government Constraints below), it is not likely that the minimum sales prices of single-family homes would be affordable to households earning less than 120% of the Shasta County median household income, except for manufactured homes on permanent foundations, homes constructed with builder subsidies for reduced prices, homes purchased with homebuyer assistance, and homes constructed through a self-help housing program (as offered by Mercy Housing, CHIP, and Habitat for Humanity).
- Between 513 and 687 dwelling units can be accommodated on sites zoned for medium density residential use (R-2) at up to 12 dwelling units per acre, which is sufficient to accommodate two-family and multifamily ownership and rental housing for moderate and low-income households.
- Between 42 and 59 dwelling units can be accommodated on vacant land designated for high density residential use (R-3) at up to 20 dwelling units per acre. Of the sites zoned for R-3, one property consists of more than one acre and has the greatest potential to accommodate very low- and low-income housing, between 27 and 37 units. The remaining sites are less than one acre and would require significant incentives or subsidies to accommodate such housing. Three of the sites with the same owner could be merged to create one affordable housing project.

**Table III-1
Anderson Land Inventory**

APN	Acreage	Zoning	Units (at Max Density)	Units (at 75% Density)	Potential Affordability
201-490-037	5.55	AG/underutilized	5	3	Above Moderate
201-490-039	6.44	AG/underutilized	6	4	Above Moderate
201-490-071	4.36	AG/underutilized	4	3	Above Moderate
201-630-005	2	AG/underutilized	2	1	Above Moderate
201-650-011	28.5	AG/Vacant	28	21	Above Moderate
201-650-012	28.48	AG/Vacant	28	21	Above Moderate
201-650-003	5.29	AG/Vacant	5	3	Above Moderate
201-650-004	6.02	AG/Vacant	6	4	Above Moderate
201-650-005	4.79	AG/Vacant	4	3	Above Moderate
202-700-022	2.43	RE/Vacant	2	1	Above Moderate
202-730-034	0.33	R-1/Vacant	1	1	Above Moderate
202-820-072	0.15	R-1/Vacant	1	1	Above Moderate
202-300-021	1.12	R-1/Vacant	8	6	Above Moderate
202-560-058	0.5	R-1/Vacant	3	2	Above Moderate
202-260-009	0.24	R-1/Vacant	1	0	Above Moderate
202-730-001	0.44	R-1/Vacant	3	2	Above Moderate
202-730-012	0.29	R-1/Vacant	2	1	Above Moderate
201-490-050	3.22	R-1/underutilized	23	17	Above Moderate
201-730-001	2.5	R-1/Vacant	18	13	Above Moderate
201-720-004	24.5	R-1/Vacant	177	132	Above Moderate
201-720-013	17.26	R-1/Vacant	125	93	Above Moderate
201-720-014	11.02	R-1/Vacant	80	60	Above Moderate
201-590-001	13.6	R-1/Vacant	98	73	Above Moderate
201-540-019	1.5	R-1/Vacant	1	1	Above Moderate
201-720-001	31	R-1/Vacant	225	168	Above Moderate
201-720-002	8.66	R-1/Vacant	62	46	Above Moderate
201-720-020	16	R-1/Vacant	53	39	Above Moderate
086-060-001	25	R-1/HS/Vacant	54	40	Above Moderate
086-060-003	53.1	R-1/HS/Vacant	400	300	Above Moderate
086-060-007	136.9	R-1/HS/Vacant	300	225	Above Moderate
086-060-018	332.2	R-1/HS/Vacant	400	300	Above Moderate
086-060-017	86.89	R-1/HS/Vacant	150	112	Above Moderate
Sub-Total, AG, RE, R-1			2,275	— 1,696	
Remaining Housing Allocation to Be Met				238	
201-680-084	7.75	R-2/Vacant	93	69	Moderate/Low
201-720-021	3.79	R-2/Vacant	45	33	Moderate/Low
201-680-075	16.34	R-2/Vacant	196	147	Moderate/Low
201-430-029	29.43	R-2/Vacant	353	264	Moderate/Low
Sub-Total, R-2			687	— 513	
Remaining Housing Allocation to Be Met			(Mod)	102	
			(Low)	18	
202-730-063	0.52	R-3/Vacant	8	6	Low/Moderate
201-150-003	0.40	R-3/Vacant	6	4	Low/Moderate
201-170-032	2.37	R-3/Vacant	37	27	Very Low/Low
202-340-046	0.15	R-3/Vacant	2	1	Low/Moderate*
202-340-047	0.19	R-3/Vacant	3	2	Low/Moderate*
202-340-048	0.22	R-3/Vacant	3	2	Low/Moderate*
Sub-Total, R-3			59	— 42	
Remaining Housing Allocation to Be Met			(Low)	18	
			(Very Low)	12	
Total	898.94		3,021	2,251	

*These sites could support housing affordable to low-income households if merged into one project
Sources: City of Anderson; Cotton/Bridges/Associates

Notes and Assumptions Regarding Land Inventory

Affordability by Income Group. Based on land, construction, and other development costs presented in the non-governmental constraints analysis (subsection B-2), the city has concluded that AG, RE, and R-1 zones will result in the production of housing affordable to above moderate-income households, except in a few instances where homebuyer assistance is provided, builder incentives and subsidies are offered in exchange for below-market rate housing, homes are constructed under a self-help housing program, or second units are created. Housing constructed in the R-2 zone, such as two-family and small multifamily projects, will generally be affordable to low- and moderate-income households. An exception would a very low-/low-income housing project constructed in the R-2 zone with a density bonus and financial assistance, as was the case with the 80-unit Regency Place housing project. Housing constructed in the R-3 zone will generally be affordable to low- and very low-income households, except on lots of less than one acre where the project size would may be insufficient to support such housing, even with incentives and financial assistance. In such cases, the City will encourage property owners to merge their lots.

Public Facilities, Services, and Environmental Considerations. All of the properties listed in Table III-1 can be provided with water, sewer, drainage, other city facilities and services between 2003 and 2008. Single-family homes in AG, RE, and R-1/HS zones may provide on-site private wastewater systems, depending on slope and soil conditions. The estimated development potential accounts for known environmental constraints, such as hillsides, areas subject to flooding, and sensitive habitat areas. Sites with significant environmental constraints that cannot be addressed within the next several years have not been included in the land inventory shown in Table III-1.

Underutilized Sites. Sites noted as “underutilized” in Table III-1 have existing residences on the properties (typically one single-family house) but can accommodate additional housing, as estimated above, based on the size and zoning of the properties.

Sites for Special Needs Housing. Sites included in the land inventory that can accommodate alternative and special needs housing are:

- Mobile home parks – R-2 and R-3 zones;
- Residential care facilities (group homes) – all residential zones, except as noted in subsection B-1 of this chapter;
- Transitional housing and emergency shelters – these uses are not defined in the Zoning Ordinance (see Program 3-1 in Section IV of the Housing Element for recommended zoning revisions to define these uses and designate proposed residential zones);
- Second units – second units are allowed in all residential zones that permit single-family homes, although subject to restrictions (see Program 3-1 for recommended zoning revisions to remove those restrictions); and
- Farmworker housing – farmworker housing is not a defined use, per se, in the Zoning Ordinance, but has been allowed in the past in Anderson in all residential zones subject to the same development standards as other housing.

2. Administrative and Financial Resources

a. Administrative Resources

Described below are public and non-profit agencies that have been involved or are interested in housing activities in Anderson. These agencies play important roles in meeting the housing needs of the community. In particular, they are or can be involved in the improvement of the housing stock, expansion of affordable housing opportunities, preservation of existing affordable housing, and/or provision of housing assistance to households in need.

Anderson Redevelopment Agency

The Anderson Redevelopment Agency is responsible for leading the city's redevelopment effort. The Agency anticipates that it will continue to use its housing set-aside funds to focus on the following activities:

- Housing rehabilitation and reconstruction, either funded solely by the Agency or in combination with state and/or federal grants;
- Financial support for construction of senior or family housing for low- and moderate-income households;
- Retrofitting or residential structures for accessibility to persons with disabilities; and
- Supportive services that accompany housing developments assisted by the Agency.

During the 1990s, housing rehabilitation in Anderson was assisted with a \$500,000 housing rehabilitation grant. The Agency also aided in the construction and substantial rehabilitation of multifamily housing for low-income residents. Three recent examples are Agency-assisted projects are Regency Place, an 80-unit low-income senior housing development; Los Robles (formerly Anderson Oaks apartments), a 58-unit substantial rehabilitation project; and the Mill Street Apartments, a 16-unit rental development for low-income individuals with developmental disabilities. The Agency has supported Regency Place with a \$325,000 loan to pay for permit and development impact fees and assisted the developer in obtaining tax credits.

The Agency assisted the developer of Los Robles by providing \$825,000 in financing as a local match for a \$2 million in HOME grant and \$500,000 CDBG grant received by the Agency on behalf of the project and the procurement of tax credits, tax-exempt bond financing, and a Federal Home Loan Bank Board Affordable Housing Program grant.

As a result of its financial support for these two projects and its other activities, the Agency projects a small deficit (\$18,105) in its Housing Set-Aside Fund for the 2002-2003 fiscal year. The Agency has borrowed \$828,000 from the city, which will be repaid as the Housing Set-Aside Fund is replenished. However, over the next five years (fiscal years 2003 – 2004 through 2007 – 2008), the Agency projects a net cash flow of just under \$71,000 in unencumbered funds from the Housing Set-Aside Fund. The Agency's ability to fund additional housing activities will be limited, therefore. Most of the projected funding for housing activities will likely be used to provide cash matches for state or federal planning grant activities proposed through 2008.

Chico Housing Improvement Program (CHIP)

CHIP is a non-profit organization that has been providing self-help affordable housing for low-income individuals and families since 1973. CHIP develops new, affordable, energy efficient, single-family homes for residents in various Northern California counties. To date, CHIP has provided over 1,000 self-help homes. The majority of the funding for technical assistance to implement CHIP is provided by USDA's Rural Development 523 Program. Using this funding, CHIP in turn organizes and supervises groups of households in the building of their own homes.

Habitat for Humanity (Shasta Cascade)

Habitat for Humanity is a non-profit, faith-based organization dedicated to building affordable housing and rehabilitating homes for lower income families. Habitat builds and repairs homes with the help of volunteers and partner families. Habitat homes are sold to partner families at no profit with affordable, no-interest loans. Volunteers, churches, businesses, and other groups provide most of the labor for the homes. Government agencies or individuals typically donate land for new homes.

Mercy Housing California (MHC)

MHC is a non-profit developer that develops affordable housing for families, seniors, formerly homeless persons, individuals with HIV/AIDS and persons with chronic mental illnesses and physical impairments. With the assistance of public and private funding, MHC builds or rehabilitates housing to meet community needs. The types of housing developed include multi-unit rental apartments and single-family homes, single room occupancy apartments for formerly homeless adults, and handicap-accessible units for individuals with physical impairments.

Shasta County Housing Authority

The Shasta County Housing Authority administers the Section 8 rental assistance program for the unincorporated County and the cities of Anderson and Shasta Lake. As of January 2003, 304 households within the Anderson zip code area (96007) received Section 8 assistance from the Housing Authority. According to the city, about 13 percent of the housing units in this zip code area are outside the Anderson city limits, and city officials estimate that 254 of the 304 voucher recipients are residents of Anderson. Nearly 60 percent of voucher recipients have incomes of 30 percent or less of the Shasta County median income, and another 32 percent have incomes between 30 percent and 50 percent of the countywide median.

The Housing Authority is also a member of Shasta County Fair Housing Alliance, a collaborative effort of public agencies, nonprofit legal services organizations, and private social service providers. The Housing Authority acts as a countywide fair housing referral and information service (except for the city of Redding, which has its own housing authority that provides similar services).

The Housing Authority also administers the City of Anderson's housing grant programs, including its housing rehabilitation program, although the City is assuming more and more direct responsibility for administering its housing grant programs with the exception of a new Grants and Redevelopment Executive Director position in 2002.

b. Financial Resources

Anderson has access to a variety of existing and potential funding sources available for affordable housing activities. They include programs from local, State, federal and private resources, and are summarized in Table III-2. Described below are the three largest housing funding sources the City of Anderson can use for housing production, rehabilitation, or preservation: Community Development Block Grant grants, Home Investment Partnership Program grants, and redevelopment set-aside funds.

Community Development Block Grant (CDBG) Funds

The CDBG program provides funds for a range of community development activities. The program is flexible in that the funds can be used for a range of activities. The eligible activities include, but are not limited to: acquisition and/or disposition of real estate or property, public facilities and improvements, relocation, rehabilitation and construction (under certain limitations) of housing, homeownership assistance, and also clearance activities. As described above, the city has applied for, and received CDBG funding for general housing rehabilitation and substantial rehabilitation of multifamily housing.

HOME Investment Partnership Program Funds (HOME)

Federal HOME funds can be used for activities that promote affordable rental housing and homeownership for lower-income households. Such activities include the following: building acquisition, new construction, reconstruction, moderate or substantial rehabilitation, first-time homebuyer assistance, and tenant-based assistance. A federal priority for the use of HOME funds is preservation of the at-risk housing stock. As described above, the city has applied for, and received, HOME fund for the substantial rehabilitation of the former Anderson Oaks apartments (to be called Los Robles).

Redevelopment Housing Set-Aside Funds

State law requires the Anderson Community Development Agency to set aside a minimum of 20% of all tax increment revenue generated from redevelopment projects for affordable housing. The Agency's set-aside funds must be used for activities that increase, improve, or preserve the supply of affordable housing. Housing developed under this program must remain affordable to the targeted income group for at least 55 years for rentals and 45 years for ownership housing.

**Table III-2
Financial Resources for Housing Activities**

Program Name	Description	Eligible Activities
1. Federal Programs		
Community Development Block Grant (CDBG)	Grants available to the city on a competitive basis for a variety of housing and community development activities. City competes for funds through the State's allocation process	- Acquisition - Rehabilitation - Home Buyer Assistance - Economic Development - Homeless Assistance - Public Services
HOME	Grant program available to the city on a competitive basis for housing activities. City competes for funds through the State's allocation process.	- Acquisition - Rehabilitation - Home Buyer Assistance - Rental Assistance
Low-income Housing Tax Credits (LIHTC)	Tax credits are available to persons and corporations that invest in low-income rental housing. Proceeds from the sales are typically used to create housing.	- New Construction - Acquisition - Rehabilitation
Mortgage Credit Certificate (MCC) Program	Income tax credits available to first-time homebuyers to buy new or existing single-family housing. County Housing Authority makes certificates available.	- Home Buyer Assistance
Section 8 Rental Assistance Program	Rental assistance payments from County Housing Authority to owners of private market rate units on behalf of very low-income tenants.	- Rental Assistance - Home Buyer Assistance
Section 202	Grants to non-profit developers of supportive housing for the elderly.	- Acquisition - Rehabilitation - New Construction
Section 203(k)	Provides long-term, low interest loans at fixed rate to finance acquisition and rehabilitation of eligible property.	- Land Acquisition - Rehabilitation - Relocation of Unit - Refinance Existing Indebtedness
Section 811	Grants to non-profit developers of supportive housing for persons with disabilities, including group homes, independent living facilities and intermediate care facilities.	- Acquisition - Rehabilitation - New Construction - Rental Assistance
U.S. Department of Agriculture (USDA) Housing Programs (Sections 514/516)	Below market-rate loans and grants for farmworker rental housing.	- New Construction - Rehabilitation
2. State Programs		
Affordable Housing Partnership Program (AHPP)	Provides lower interest rate CHFA loans to home buyers who receive local secondary financing.	- Home Buyer Assistance

**Table III-2
Financial Resources for Housing Activities**

Program Name	Description	Eligible Activities
CalHOME	Provides grants to local governments and non-profit agencies for local home buyer assistance and owner-occupied rehabilitation programs and new home development projects. Will finance the acquisition, rehabilitation, and replacement of manufactured homes.	<ul style="list-style-type: none"> - Home Buyer Assistance - Rehabilitation - New Construction
California Housing Assistance Program	Provides 3% silent second loans in conjunction with 97% CHFA first loans to give eligible buyers 100% financing.	<ul style="list-style-type: none"> - Home Buyer Assistance
California Housing Finance Agency (CHFA) Rental Housing Programs	Below market rate financing offered to builders and developers of multifamily and elderly rental housing. Tax exempt bonds provide below-market mortgages.	<ul style="list-style-type: none"> - New Construction - Rehabilitation - Acquisition
California Housing Finance Agency (CHFA) Home Mortgage Purchase Program	CHFA sells tax-exempt bonds to make below-market loans to first-time buyers. Program operates through participating lenders who originate loans for CHFA.	<ul style="list-style-type: none"> - Home Buyer Assistance
Housing Enabled by Local Partnerships (HELP) Program (CHFA)	The HELP Program offers a 3% interest rate loan to local government agencies for their locally determined affordable housing activities and priorities. HELP Program funds must be used to directly produce affordable housing.	<ul style="list-style-type: none"> - Housing Acquisition - Housing Development - Housing Rehabilitation - Housing Preservation
California Self-Help Housing Program (CSHHP)	Provides grants for the administration of mutual self-help housing projects.	<ul style="list-style-type: none"> - Home Buyer Assistance - New Construction
Downtown Rebound	Funding to facilitate infill development and conversion of commercial buildings for "live-work" spaces.	<ul style="list-style-type: none"> - Rehabilitation - Conversion
Emergency Housing and Assistance Program (EHAP)	Provides grants to support emergency housing.	<ul style="list-style-type: none"> - Shelters & Transitional Housing
Emergency Shelter Program	Grants awarded to non-profit organizations for shelter support services.	<ul style="list-style-type: none"> - Support Services
Farmworker Housing Assistance Program	Provides State tax credits for farmworker housing projects.	<ul style="list-style-type: none"> - New Construction - Rehabilitation

**Table III-2
Financial Resources for Housing Activities**

Program Name	Description	Eligible Activities
Housing Enabled by Local Partnerships (HELP)	Provides 3% interest rate loans, with repayment terms up to 10 years, to local government entities for locally-determined affordable housing priorities.	- New Construction - Rehabilitation - Acquisition - Home Buyer Assistance - Site Acquisition - Site Development
Joe Serna Jr. Farm-worker Housing Grant Program (FWHG)	Provides recoverable grants for the acquisition, development and financing of ownership and rental housing for farmworkers.	- Home Buyer Assistance - Rehabilitation - New Construction
Multi-Family Housing Program (MHP)	Deferred payment loans for the new construction, rehabilitation and preservation of rental housing.	- New Construction - Rehabilitation - Preservation
Self-help Builder Assistance Program (SHBAP)	Provides lower interest rate CHFA loans to owner-builders who participate in self-help housing projects. Also provides site acquisition, development and construction financing for self-help housing projects.	- Home Buyer Assistance - New Construction - Site Acquisition - Site Development
Supportive Housing/ Minors Leaving Foster Care	Funding for housing and services for mentally ill, disabled and persons needing support services to live independently.	- Supportive Housing - Foster Care
3. Local Programs		
Financial Incentives under the Density Bonus Ordinance	The city's Density Bonus Ordinance offers financial incentives, as required by State law.	- New Construction
Redevelopment Housing Fund	State law requires that 20% of Redevelopment Agency funds be set aside for a wide range of affordable housing activities governed by State law.	- Acquisition - Rehabilitation - New Construction
4. Private Resources/Financing Programs		
California Community Reinvestment Corporation (CCRC)	Non-profit mortgage banking consortium designed to provide long term debt financing for affordable multifamily rental housing. Non-profit and for profit developers contact member banks.	- New Construction - Rehabilitation - Acquisition
Federal National Mortgage Association (Fannie Mae)	- Fixed rate mortgages issued by private mortgage insurers.	- Home Buyer Assistance
	- Mortgages which fund the purchase and rehabilitation of a home.	- Home Buyer Assistance - Rehabilitation
	- Low Down-Payment Mortgages for Single-Family Homes in underserved low-income and minority cities.	- Home Buyer Assistance

**Table III-2
Financial Resources for Housing Activities**

Program Name	Description	Eligible Activities
Freddie Mac Home Works	Provides first and second mortgages that include rehabilitation loan. City provides gap financing for rehabilitation component. Households earning up to 80% MFI qualify.	- Home Buyer Assistance

Source: Cotton/Bridges/Associates, March 2003.

B. CONSTRAINTS

1. Governmental Constraints

Local policies and regulations impact the price and availability of housing and, subsequently, the provision of affordable housing. Land use controls, site improvement requirements, fees and exactions, permit processing procedures, and other factors can constrain the maintenance, development, and improvement of housing. This section discusses potential governmental constraints, as well as policies that encourage housing development in Anderson.

State and federal regulations also affect the availability of land for housing and the cost of producing housing. Regulations related to environmental protection, prevailing wages for publicly-assisted construction projects, construction defect liability, building codes, and other topics can work to increase housing cost and limit housing development.

While Anderson recognizes that constraints exist at other levels of government, the city has little or no control over these regulations and no ability to mitigate them directly. Therefore, this section of the Housing Element focuses only on policies and regulations that the city can control.

a. Land Use Controls

The Land Use Element of the General Plan sets forth the city’s development policies. These policies, as implemented by the Zoning Ordinance (Title 17 of the Anderson Municipal Code), establish the amount of land allocated for residential and other uses within the city. The Land Use Element establishes four residential designations: Rural Estate, Low Density, Medium Density, and High Density. Each residential designation has a corresponding zoning district: R-E, R-1, R, 2, and R-3 respectively.

Table III-3 shows the General Plan land use designation, corresponding Zoning designation, maximum density, and residential types permitted for all designations allowing residential uses. As the table shows, the maximum residential density ranges from two units per acre in areas designated as “Rural Estate” to 20 units per acre in areas designated “High Density.”

**Table III-3
Residential Land Use Categories**

General Plan	Zoning Designation(s)	Maximum Density (du/ac)	Minimum Lot Size (Sq. ft.)	Typical Residential Type(s)
Rural Estate	R-E	2	21,780	Single Family Detached
Low Density	R-1	7.25	6,000	Single Family Detached
Medium Density	R-2	12	6,000	Single-Family Detached, Single Family Attached, Multi-Family
High Density	R-3	20	6,000	Single Family Attached, Multi-Family

Sources: Anderson Land Use Element; Anderson Zoning Ordinance

Residential Development Standards in Residential Zones

The Zoning Code regulates the type, location, density, and scale of residential development. Zoning regulations exist to protect and promote the health, safety, and general welfare of residents. In addition, the Zoning Code serves to preserve the character and integrity of existing neighborhoods.

Residential Density. Permitted residential densities range from one or two dwelling units per acre in the R-E-1/R-E-2 zones to 20 dwelling units per acre in the R-3 zone. With a density bonus for affordable housing (at least 10 percent very low-income housing units, or at least 20 percent very low- and low-income housing units, or at least 50 percent senior housing units), a developers can build at a density of up to 25 units per acre. Given land and construction costs in Anderson (see non-governmental constraints analysis, subsection B-2), a density of 20 to 25 dwelling units per acre should be adequate to facilitate the construction of very low- and low-income housing.

Yards, Setbacks. Front yard requirements are 20 feet in the R-E and R-1 zones, and 15 feet in the R-2 and R-3 zones. Side yard requirements are 5 feet in all zones, with 10 feet required on corner lots. Rear yard requirements are 20 feet in the R-E, R-1, and R-2 zones, and 10 feet in the R-3 zone. Except for very small lots, the yard and set-back requirements do not constrain the ability of a property owner to construct housing up to the maximum density permitted by the city’s zoning standards. In areas of the city with small lots and a historic pattern of smaller yards and set-backs than required by current zoning standards, a property owner may use the city’s variance procedure to request an exception from the yard and set-back requirements. The city’s variance procedure is discussed below under sub-section (c), Permit and Processing Procedures.

Landscaping. In addition to the yard requirements, the R-2 and R-3 zones require that 35 percent of the lot to be landscaped open space. Landscaping can include “hardscape” such as swimming pools, patios, walkways, and other public use areas, which allows a developer to meet the landscaping requirement without having to sacrifice building space that is needed to achieve maximum allowable project density. Therefore, the 35 percent landscaping requirement does not constrain a developer’s ability to achieve maximum permitted residential densities in these zones in consideration of parking, set-back, height (up to three stories in the R-3 zone), and other development standards. If the landscaping requirement constrains the ability to achieve needed density for family housing projects with larger average unit sizes,

the City could use the flexibility permitted under the Planned Development Combining zone process to reduce the required percentage of lot area set-aside for landscaping.

Minimum Lot Area per Dwelling Unit. The city does not limit the lot area per dwelling unit for multifamily zones. Residential densities in multifamily zones are regulated by the maximum density permitted in the corresponding General Plan land use category, as shown above.

Building Coverage. The city does not regulate building coverage.

Lot Size. A majority of the lots in the city are 6,000 square feet. However, the R-E zone requires a minimum lot size of ½ acre (21,780 square feet) in the R-E-2 district, and a 1 acre (43,560 square feet) in the R-E-1 district, while the R-1 zone has districts requiring lot sizes of up to 20,000 square feet. Most of the city’s housing will be constructed in residential zones (R-1 through R-3) that permit lot sizes as small as 6,000 square feet. Given that land costs are lower in Anderson than in Redding and other larger cities in the Sacramento Valley, the minimum lot size does not represent a constraint to development. Smaller lot sizes are permitted under the city’s Planned Development combining zone process (see “Flexibility in Development Standards” below).

Building Height. The city’s height limits do not constrain the city’s ability to achieve the maximum permitted density because the zoning standards allow heights up to 30 feet in the R-E, R-1, and R-2 zones, while the R-3 zone allows a height of up to 40 feet. The height limit for the R-3 zone allows structures of up to three or four stories, depending on roof pitch.

Parking The city’s parking requirements for residential districts vary by housing type. The city generally requires one space required per bedroom plus guest parking. Single-family units must provide two parking spaces per unit. For multi-family residences, the requirements vary by unit size. Studio units must provide 1.2 spaces per unit, 1-bedroom units must provide 1.5 spaces, and 2-bedroom and larger units must provide two spaces. At least one space per unit must be a covered, but not necessarily an enclosed, space. Senior housing units have lower parking standards, with only 0.5 spaces required per unit.

These parking standards are reasonable and account for the potential for multiple vehicles and guest parking. The lower requirement for senior housing helps to facilitate the development of affordable senior housing. The ability of a multi-family developer to achieve the maximum permitted residential density for projects containing rental housing units with mostly two or more bedrooms is facilitated by the city’s maximum requirement of two parking space per unit. Because one-bedroom and studio rental units require less space per unit than units with two or more bedrooms, the parking ratios should not impede a developer’s ability to achieve the maximum permitted density. Because the city only requires one covered space per dwelling unit, and does not require an enclosed space, the cost of providing parking is reduced.

The city’s parking standards are not considered a constraint to the development of affordable housing, therefore.

Use Permits for Housing in the R-3 Zone. Multi-family housing at a density greater than 16 units per acre requires a use permit. Approval of projects exceeding 16 units per acre follows the use permit process described in subsection (c), Permit and Processing Procedures. The city has allowed residential developments in excess of 16 units (Regency Place, a senior project approved in 2002 is a recent example), so the use permit requirement does not impose a significant burden or delay on the approval of

higher density multifamily projects. (See Use Permit Process below for more details.) Table III-4 summarizes the residential development standards set forth in the Zoning Code.

**Table III-4
Residential Development Standards in Residential Zones**

Development Standards	Zoning District			
	R-E	R-1	R-2	R-3*
Building Standards				
Max. Density (du/ac)	1-21	7.25	12	20
Max. Bldg. Height (ft.)	30	30	30	40
Lot Standards				
Min. Interior Lot Size (sq. ft.)	21,780-43,560	6,000-20,000 ²	6,000	6,000
Min. Corner Lot Size (sq. ft.)	-	6,000-20,000	7,000	7,000
Min. Interior Lot Width (ft.)	100	60-100	60	60
Min. Corner Lot Width (ft.)	-	60-100	70	70
Building Setbacks				
Front Yard (ft.)	20	20	15	15
Side Yard (ft.)	5	5-interior lot 10-corner lot	5-interior lot 10-corner lot	5-interior lot 10-corner lot
Rear Yard (ft.)	20	20	20	10
Open Space (% of lot area)	-	-	35%	35%
Parking (spaces/unit)				
Single Family	2	2	2	2
Multi-Family				
Studio	-	-	1.2	1.2
1 bedroom	-	-	1.5	1.5
2 or more bedroom	-	-	2	2
Senior Housing	-	-	0.5	0.5

*Density in excess of 16/acre requires a use permit
Source: Anderson Zoning Ordinance

Residential Development Standards in Commercial Zones

The C-1 zone allows residential uses, subject to a use permit. The C-1 zone does not set forth specific development standards for residential use, but relies on the use permit process and conditions of approval to ensure compatibility with the surrounding area. Based on the height limit in the C-1 zone (up to 65 feet with a use permit), a housing developer could conceivably achieve a residential density greater than in the R-3 zone.

¹ The R-E zone is divided into the R-E-1 and R-E-2 sub districts based the number of units allowed per acre.

² The R-1 zone is divided into the 6, 8, 10, 15, and 20 sub districts based on minimum lot size in thousands of square feet per lot.

Adequacy of Zoning Standards to Facilitate Affordable Housing

Land costs are low in Anderson, about \$5,000 to \$15,000 per dwelling unit for development-ready land suitable for multi-family housing (see the analysis below, Non-Governmental Constraints, Price and Availability of Land). Given these low land costs, an increase in the base residential density (before a density bonus for affordable housing) above 20 units per acre would not significantly reduce residential development costs or significantly increase the feasibility of affordable housing production. The city believes the R-3 zone provides adequate density and development standards to facilitate the production of housing affordable to very low- and low-income households.

Flexibility in Development Standards

Planned Development Combining District (P-D). The zoning code provides for P-D districts to encourage cluster development, provide flexibility in development standards, and to establish additional open space within developments. The goal of the P-D district is to produce a comprehensive development equal to or better than that resulting from traditional lot-by-lot development.

The P-D district may be combined with any zoning district, and is an overlay to the base district with which it is combined. In a P-D area, the permitted uses and development standards of the base zone apply, but can be met on a project-wide basis rather than a lot-by-lot basis. Therefore, the P-D district allows for developments that are more creative.

The city has approved one mixed-use commercial/residential project using the P-D combining district, while additional mixed use projects are under review by the city.

Density Bonus. State law requires the city to grant a density increase of 25 percent, along with one additional development incentive, provided the development meets one of the following criteria:

- At least 20 percent of the units are reserved for very low- and low-income households;
- At least 10 percent of the unit are reserved for very low-income households; or
- At least 50 percent of the units are reserved for senior households

The units must remain affordable for at least 30 years if both the density bonus and development incentive are granted, and 10 years if only the density bonus is granted.

In the past, the affordable housing developers, with one exception, have not requested density bonuses because the city's maximum density permitted in the R-3 zone has been sufficient to facilitate the production of affordable housing. In 2002, the city approved Regency Place, an 81-unit senior housing project with a density bonus. A density bonus was needed for this project to permit the number of dwelling units (primarily one-bedroom) necessary for project feasibility. The units are affordable to very low- and low-income households with the following breakdown:

- 10 percent of units affordable to households earning 35 percent of MFI
- 40 percent of units affordable to households earning 40 percent of MFI
- 30 percent of units affordable to households earning 55 percent of MFI

- 20 percent of units affordable to households earning 60 percent of MFI

Provisions for a Variety of Housing Types

Jurisdictions must identify adequate sites to encourage the development of a variety of housing types, including single-family homes, second units, multi-family units, mobile homes, transitional housing, and emergency shelters. Table III-5 shows the permitted housing types in the city and the zones allowing each housing type.

**Table III-5
Permitted Housing Types**

Housing Types	Zoning Designation			
	R-E	R-1	R-2	R-3
Single-Family Units	✓	✓	✓	✓
Multi-Family Units			✓	✓
Attached Second Units		✓	✓	✓
Detached Second Units		C	C	C
Manufactured Housing	✓	✓	✓	✓
Mobile Home Parks			C	C
Planned Unit Development	✓	✓	✓	✓
Residential Care Facility 6 or fewer	C	✓	✓	✓
Residential Care facility 7 or more	C	C	C	C
Transitional Housing	*	*	*	*
Emergency Shelters	*	*	*	*
Rooming House/Boarding House				✓

✓=permitted c=conditionally permitted *= not defined in the Zoning Ordinance

Source: Anderson Zoning Ordinance

Occupancy Standards. The city does not directly regulate occupancy of residential units or distinguish between related and unrelated individuals as a permitted residential use. However, Chapter 17.04 of the city’s Zoning Ordinance, defines family as “...one or more persons related by blood, marriage, adoption, or legal guardianship living together in a single dwelling unit and sharing common housekeeping facilities; or a group of not more than four unrelated persons living together, sharing a non-profit single dwelling unit and common housekeeping facilities.” This definition of family could indirectly have significance for the regulation of occupancy because permitted uses in residential zones are listed as single-family, two-family, and multiple family. To clarify this potential limitation on occupancy of residential units by more than four unrelated individuals, the city should amend chapter 17.04 eliminate the definition of family.

Siting of Community Care Facilities, Group Homes, and Other Group Care Housing. The zoning code allows residential care facilities serving six or fewer persons by right in the R-1, R-2, and R-3 zones. Residential care facilities serving seven or more persons require a conditional use permit. The approval process for these uses is the same as the process for single-family uses. The Zoning Code does not regulate the siting or location of residential care facilities based on the proximity to other such facilities.

Residential care facilities are not permitted in Rural Estate zones, except for group foster homes allowed by use permit. This restriction could pose a constraint to the location of such housing where large sites are needed to meet the needs of the residential care facility clients.

Transitional Housing and Emergency Housing. The Zoning Code does not allow placement of transitional housing or emergency shelters, per se, as separate land uses, because these uses are not defined in the Zoning Code. Such shelter alternatives may be allowed as accessory uses to religious or philanthropic institutions, however. As required by state law, the city must permit the siting of these facilities in appropriate locations. The facilities can be subject to a conditional use permit, but the conditions of approval must be no more stringent than conditions for other conditionally permitted uses in the zone. The city could clarify the permitted status of these uses through amendments to the Zoning Code to define these uses and list them as permitted, or conditionally permitted, in specified zoning districts.

Second Units. A second unit is a separate dwelling unit that provides complete, independent living facilities for one or more persons. Anderson permits attached second units by right, while detached second units require a conditional use permit. This requirement could constrain the conversion of accessory buildings to detached second units. The current requirement for a conditional use permit for detached second units may also contradict changes to state law regarding second units (California Government Code Section 65852.2) that became effective in 2003.

Mobile/Manufactured Homes: Mobile homes and manufactured housing offer an affordable housing option to many low- and moderate-income households. Manufactured housing (including mobile homes) on permanent foundations is permitted in all residential zones. Only those factory-built homes constructed to the standards of the National Manufactured Home Construction and Safety Standards Act of 1974 qualify for placement on foundations. The city imposes the same standards on mobile homes and manufactured housing as site-built homes with regard to setbacks, placement, yards, parking, and other zoning requirements. Manufactured homes on permanent foundations require a certificate of compatibility that must be approved by the Planning Commission at a public hearing. This added step, which is not required of site-built homes, could pose an additional constraint to the placement of manufactured homes if Planning Commission decisions to allow such homes are appealed to the City Council. This potential constraint could be removed if the requirement for public hearings on certificates of compatibility is eliminated and made a staff decision (similar to issuance of a building permit).

To receive a certificate of occupancy, a manufactured home must:

- Be a double-wide or larger multi-sectional unit.
- Be a covered with an exterior material commonly found in new conventionally-built residential structures in the surrounding area.
- Have exterior covering material that extend to the ground. If a solid concrete to masonry perimeter foundation is used, the exterior covering material need not extend below the top of the foundation. Alternative skirting materials commonly found on conventionally-built residential structures will be considered compatible.
- Have composition shingles or other materials commonly found on conventionally-built residential structures in the surrounding area.

- Have a roof overhang is equal to and compatible with, roof overhang in the neighborhood in which the home is going to be located.
- Provide for covered off-street parking spaces as required in Sections 17.46.040 through 17.46.060.
- Conform to all the residential use development standards for single-family structures applicable to the R-1 zone.
- Have exterior covering and roofing materials of the garage or carport that are the same as the mobile home.
- Have a finish or floor is a maximum of 24 inches above the exterior finish grade of the lot.

The Planning Commission can waive up to three of the compatibility criteria when the overall effect of the manufactured home remains compatible with the surrounding area. The planning commission may not impose more stringent conditions or criteria. Applicants can appeal the planning commission decision to the City Council.

Mobile Home Parks. Mobile home parks are conditionally permitted in the R-2 and R-3 zones. The use permit process is the same for other conditionally permitted uses and is described below. The R-2 and R-3 zones, because they are two-family and multi-family zones, are appropriate zoning districts for mobile home parks. The use permit process is appropriate to ensure compatibility of project layout and design with other permitted residential uses in the R-2 and R-3 zones. To comply with state law, the city will need to revise its Zoning Ordinance to permit mobilehome parks in all residential zoning districts.

Cumulative Zoning. The city allows single-family dwellings in R-2 and R-3, which could reduce the amount of land available for alternative housing types affordable to low- or moderate-income households. This potential constraint could be addressed by limiting the placement of single-family homes in R-2 and R-3 zones to circumstance in which site conditions make it infeasible to construct two-family or multifamily dwellings (such as for a small or oddly-shaped infill parcel).

b. Off-Site Improvement Standards

Many of Anderson’s residential neighborhoods lack curbs, gutters, and sidewalks. In order to implement the policy of improving the quality of new developments, the city requires curbs, gutters, and sidewalks in all new developments. In addition, developers must provide all internal facilities, including roads, sewer lines, drainage systems, water lines, and street lights. The city deems these requirements necessary for the health, safety, and appearance of the community.

Street Improvements

Among the required off site improvements, street improvements typically have the greatest impact on housing cost. The required right-of-way width, pavement width, and pavement improvement standards all influence the cost of providing the new streets. Table III-6 summarizes that city’s right-of-way and pavement requirements for the hierarchy of streets. Street standards that most affect residential development costs in Anderson are local residential streets, which represent the majority of streets in new subdivisions. The city’s requirement for a 60-foot right-of-way and 40-foot curb-to-curb width is typical of many communities. However, narrower streets could reduce residential development costs in large subdivisions (the street standards have little cost significance for multifamily projects and small divisions

of land where existing streets border these developments. The Planned Development combining district can be used to design roads to alternative standards that might save money in larger subdivisions.

**Table III-6
Street Standards**

Street Type	Required Right-of-Way*	Curb to Curb Width
Arterial	84	64
Collector	60	44
Industrial	60	44
Residential	60	40
Cul-de-sac	50	36
Rural Residential		
Private	50	36**
Private w/off-street parking	50	20**

Source: Anderson Subdivision Ordinance Section 16.14.050

* Also requires additional easements for utilities

**Curb and gutter may not be required unless necessary for drainage

Undergrounding of Utilities

The city requires that utilities be installed underground, except in subdivisions with minimum lot sizes of three acres. While the undergrounding of utilities may involve higher initial costs, undergrounded utilities are less susceptible to weather-related maintenance problems and reduce hazards associated with downed power lines and trees near power lines.

Drainage Requirements

Anderson requires developers to install storm water drains, subject to approval by the city engineer. On land within the Tormey Drain watershed, an additional drainage fee is required (see Planning and Development Fees below).

Sanitary Sewers

Anderson requires developers to install sanitary sewer lines that connect to the city's sewer system. Septic tanks and other on-site sanitary systems are not allowed except in cases of physical or economic hardship. Developers may also be required to pay a pro-rata share of sewer trunk lines or improvements to existing lines serving a larger area.

Water Lines

Developers are required to install water mains and fire hydrants according to a plan approved by the City Engineer and Fire Chief. Developers may also be required to pay for a pro-rata share of water trunk lines or improvements to existing lines serving a larger area.

c. Permit and Processing Procedures

Development review and permit processing are necessary steps to ensure that residential construction proceeds in an orderly manner. However, the time and cost of permit processing and review can be a constraint to housing development if they place an undue burden on the developer.

Pursuant to the State Permit Streamlining Act, jurisdictions can reduce permit processing times by (1) limiting processing time to one year in most cases, and (2) requiring agencies to specify the information needed to complete an acceptable application. In general, the time frame for processing permits in Anderson is short, as shown in Table III-7. Design Review and Minor Use permits, which are approved administratively, are usually completed within 10 days. Most other processes can be completed within 30-60 days if the applicant submits the required information in a timely manner. Projects requiring environmental impact reports have longer processing times, which vary by the size and scope of the proposed project.

**Table III-7
Development Approval Timeframes**

Development Permit/Review Process	Time Frame
Design Review	10 days
Home Occupation Permit	10 days
Administrative (Minor Use Permit)	10 days
Conditional Use Permit	45-60 days
Lot Line Adjustment	30 days
Subdivision Tentative Map	30-120 days
Parcel Map	30-120 days

Source: City of Anderson

Use Permit Process

Use permits are required for several residential use types in Anderson, including detached second units, residential care facilities serving seven or more persons, and mobile home parks. Applications for use permits are reviewed first by the Planning Director, who then schedules a public hearing before the Planning Commission. The Planning Commission can designate conditions of approval as necessary to ensure that the use will meet the required findings. Applicants may appeal the decision of the Planning Commission to the City Council.

In deciding whether to grant a use permit, the Planning Commission must make the following findings:

- The proposed use will not, under circumstances of the particular case, be detrimental to the health, safety, peace, morals, comfort, and general welfare of persons residing or working in the neighborhood of the proposed use;
- The proposed use will not be detrimental or injurious to property and improvements in the neighborhood of the proposed use;

- The proposed use will not be detrimental or injurious to the general welfare of the city; and
- The proposed use is consistent with the General Plan and any specific plan adopted for the applicable area and in conformance with the most restrictive designations, policies, and provisions of such plans should such plans, or maps contained therein, differ in any respect from one another.

Although typical, these criteria are very broad and do not provide specific guidance to an applicant as to what conditions must be met to receive a use permit. This lack of specificity might create a potential constraint to residential uses that require use permits. However, the city's practice has been to handle most use permits expeditiously, as shown in Table II-7. The city does not apply the use permit process to disallow residential uses. Rather, the city seeks to provide a process whereby residential uses meeting special needs can be facilitated in a manner that will result in projects that are compatible with surrounding uses. The process is the same for all uses requiring a use permit. Therefore, the process does not unduly constrain the development of residential uses subject to the use permit.

Design Review Process

Multi-family housing and single-family developments of three or more units are subject to design review. The design review committee consists of one planning commissioner, one public works department representative, and one police department administrative representative.

The design review committee reviews preliminary drawings and sketches and approves or conditionally approves such drawings and sketches prior to the issuance of a building permit. The design committee determines whether sufficient architectural merit and compatibility in building décor and landscaping exist. The process seeks to ensure that larger development projects adhere to the city's goals of quality development and construction, and environmental compatibility. Through the design review process, the committee can require landscaping, additional housing floor plans, varied setback requirements, or other necessary improvements to achieve the city's goals.

The design review process is usually completed in 10 days, since no public hearing is required for the process. This minimizes the cost of holding the land while the undergoing design review.

Design review is not used by the city to require expensive materials or construction techniques. In practice, the City rarely requires variations in floor plans, façade treatments, landscaping, building materials, or other modifications to home/project designs or configurations that have significant cost implications or involve significant delay on the applicant's part.

In addition, the fee for design review is \$25, which does not significantly add to a project's development costs. Most concerns regarding the design are raised early in the application process during the preliminary review of the architectural plans. In general, the design committee verifies that the concerns were addressed. Therefore, design review generally does not add substantial costs to the development process and facilitates approval of multifamily projects by addressing potential community concerns.

Variance Permit Procedures

The city has established procedures whereby owners of properties with unique physical conditions that may constrain their abilities to use their properties in the same manner as owners whose properties do not have such conditions may receive variances from the strict application of the city's zoning standards.

Property owners can receive variances from yard, set-back, lot area, parking, and other development standards to achieve uses similar to properties without unique physical conditions. In practice, the variance process can be used to permit improvements within yard or set-back areas required for handicapped access, allow housing to be constructed on non-conforming lots that were created prior to the adoption of current zoning standards, and permit the rehabilitation and improvement of existing non-conforming residential structures.

The variance procedure is intended to for cases when exceptions from zoning standards are necessary and limited in scope to preserve an owner's ability to use his or her property. For property owners who desire a more flexible, comprehensive approach to variations from conventional zoning standards, the city's Planned Development process, described, above, is a more appropriate option than the variance permit procedure. The process for variance requests requires that an application be filed with the Planning Department, a public hearing before the Planning Commission, and an opportunity to appeal the Planning Commission's decision to the City Council. To grant a variance, the Planning Commission must find:

- That there are exceptional or extraordinary circumstances or conditions applying to the land, building, or use;
- That the granting of a variance is necessary for the property owner's enjoyment of substantial property rights; and
- That the grant of a variance will not materially affect the health of safety of persons residing or working in the neighborhood.

d. Planning and Development Fees

The city collects planning and development fees to recover the cost of processing development permits, inspecting properties, and other activities associated with new development. The city's fees are modest, and only recover a portion of the actual cost of providing development services. These fees are incidental to the total development cost and do not significantly add to the cost of new homes.

In addition to the planning and development fees, the city charges water capital improvement and sewer inclusion fees. In contrast to the development fees, which are designed to recover the cost of providing services, the water and sewer fees exist to fund additional infrastructure and improvements necessary to support development. Developers must also pay a school impact fee, which is collected by the local school district to support the cost of additional school facilities.

**Table III-8
Planning and Development Fees**

Fee Type	Fee
Design Review	\$25
Zone Change/Text Amendment	\$500
General Plan /Specific Plan Amendment	\$750
Appeals	\$60
Use Permit	
Minor	\$75
Major	\$400
Variance	\$150
Planned Unit Development	\$1,200
Lot Line Adjustment	\$350
Parcel Map	\$250
Tentative Subdivision Map	\$400 +5/each additional lot over 4
Final Subdivision Map	\$250 +\$5/lot
Park Improvement Fee	\$633/unit
Storm Drainage Fee	\$300 - \$600*
Negative Declaration	\$100 + \$35/hr
Sign Permit	\$7
Sewer Inclusion Fee	
Single Family	\$1,581/unit + \$14/lineal foot
Duplex/Multi-Family/Mobile Home	\$1,352/unit
Water Capital Improvement	
Single Family	\$680/unit +\$14/lineal foot
Duplex	\$560/unit
Multi-Family/Mobile Home	\$430/unit
Water Meter Fee	\$450/unit
Capital Improvement Fee	
Single-Family/Duplex	\$256
Multifamily	\$256 +130/unit
School Impact Fee	\$2.14/square foot

*Range of fees for typical square footage of homes constructed in Anderson
Source: City of Anderson, Cascade School District

Including building permit fees, the typical cost of city fees amounts to between \$9,000 and \$10,000 for a single-family house, and between \$7,500 and \$9,000 for a multifamily housing unit. School impact fees amount to \$2.14 per square foot, or between \$2,600 and \$5,800 for the majority of single-family homes constructed in Anderson and between \$1,200 and \$2,000 for typical range of multifamily housing units. Depending on housing unit size and type, city and school district fees amount to between seven and ten percent of the total cost of a housing unit.

e. Building Codes and Enforcement

The City of Anderson has adopted the Uniform Building Code (UBC), which establishes standards and requires inspections at various stages of construction to ensure code compliance. Although these standards and the time required for inspections increase housing production costs and may impact the viability of rehabilitation of older properties that are required to be brought up to current code standards, the intent of the codes is to provide structurally sound, safe, and energy-efficient housing. The city has not adopted amendments to the Code that could affect the ability of persons with disabilities to make accessibility modifications

f. Environmental, Infrastructure and Public Service Constraints

Environmental factors and a lack of necessary infrastructure or public services can constrain residential development in a community by increasing costs and reducing the amount of land suitable for housing construction. This section summarizes and analyzes the most pertinent constraints to housing in Anderson.

Flooding/Drainage. The city is located within four major drainage areas: the Sacramento River, Olinda Creek, Anderson Creek, and Spring Gulch. According to the FEMA Flood Insurance Rate Maps, several areas of Anderson are within a 100-year flood hazard area. Development in these areas must comply with FEMA regulations regarding flood protection. In some cases, development is not permitted in the floodplain. Older areas of the city have no drainage infrastructure, but new subdivisions must install curbs, gutters, and drainage pipes, which can help mitigate constraints with respect to flooding and drainage. In addition, the Zoning Code contains two combining districts, Primary Floodways (F-1) and Secondary Floodways (F-2), which prohibit residential development in certain flood zones. None of these flood zones affect areas zoned R-2 or R-3 with capability to accommodate lower-income housing, however.

Topographical Constraints. Some areas in Anderson have steep slopes, which can restrict housing development and may require specific mitigation measures to ensure the safety of structures and their inhabitants. To protect persons and structures from topographical hazards, the city addresses hillside development with the Hillside Slopes Combining District (H-S). The H-S district regulates development on land with slopes of 10 percent or greater. Development is prohibited in areas where the slope exceeds 30 percent. None of the areas with topographic constraints affects areas zoned R-2 or R-3 with capability to accommodate lower-income housing.

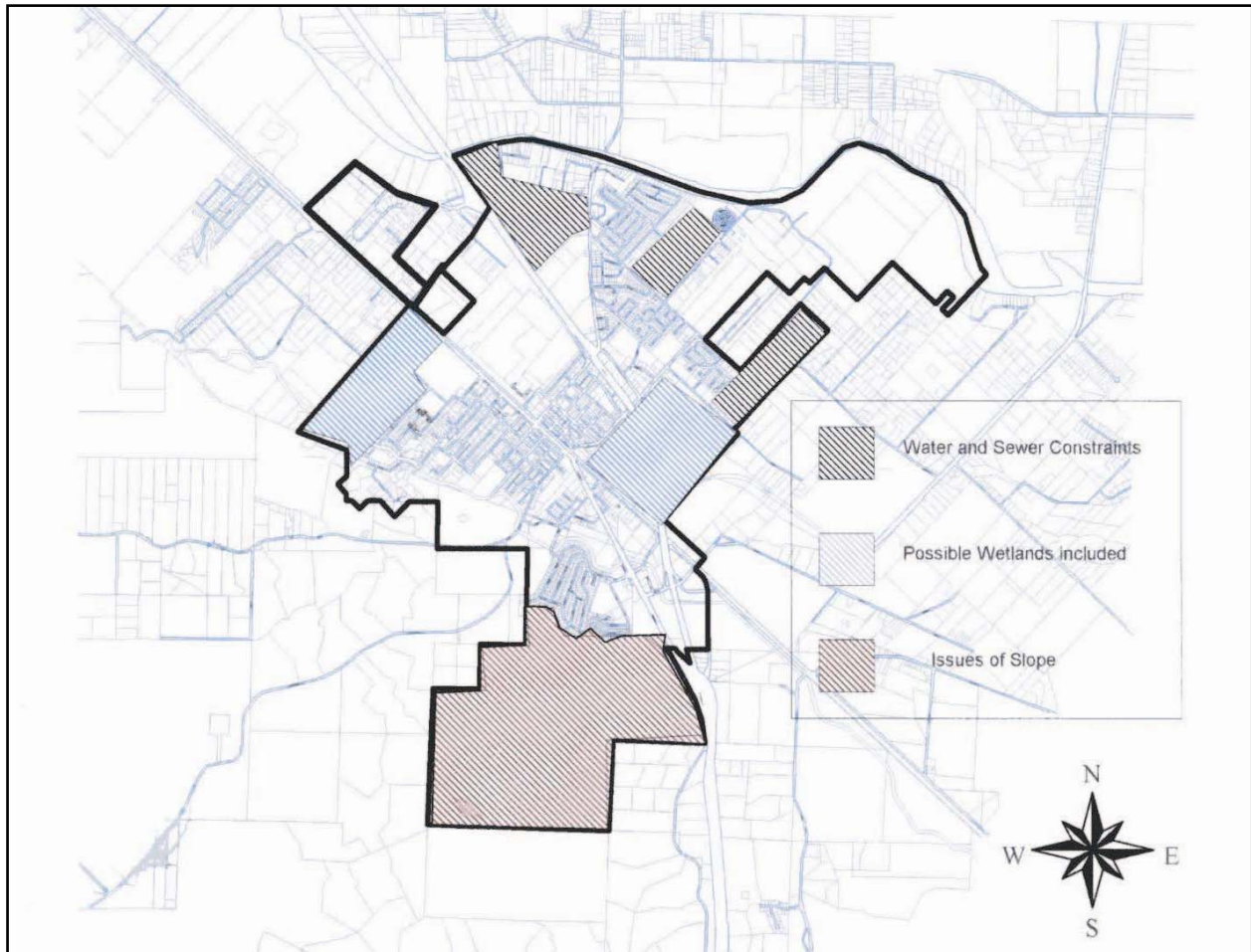
Table III-9 shows the permitted lot size and coverage ratio based on the slope of the lot. Figure III-1 shows the locations of slope and other environmental constraints.

**Table III-9
Slope and Maximum Lot Coverage**

Maximum Average Slope	Maximum Impermeable Coverage	Minimum Lot Size
10%	20%	½ acre
15%	10%	1 acres
20%	5%	2 acres
30%	2.5%	4 acres

Source: Anderson Zoning Ordinance

**Figure III-1
Infrastructure and Environmental Constraints in Anderson**



Source: City of Anderson

g. Constraints for Persons with Disabilities

Both the federal Fair Housing Act and California Fair Employment and Housing Act impose an affirmative duty on local governments to make reasonable accommodations (i.e. modifications or exceptions) in their zoning laws and other land use regulations when such accommodations may be necessary to afford disabled persons an equal opportunity to use and enjoy a dwelling. For example, it may be a reasonable accommodation to allow covered ramps in the setbacks of previously developed properties to accommodate residents with mobility impairments. A similar waiver might not be required for a group home where residents are not physically disabled. Whether a particular modification is reasonable depends on the facts, and must be decided on a case-by-case basis.

Process for Reasonable Accommodation

The city has established a process whereby individuals with disabilities may request reasonable accommodations for compliance with zoning, subdivision, and building standards. Through the city's customary application process, a person with disabilities may request a use permit (described above), a permit to continue or expand a nonconforming residential use, or a permit to construct accessibility improvements within a yard or set-back area. The city publishes information on its permit procedures in the form of brochures that are available at the permit counter at City Hall. Knowledgeable city staff are available at the permit counter to answer questions about procedures for special accommodations under the city's Zoning Ordinance.

The process for requesting handicapped access through the City's permitting system does not constitute a constraint to residential development because such requests are handled administratively (without a public hearing), the City routinely permits exceptions for handicapped accessibility, and the City does not charge additional fees for such requests. In cases where zoning or building permits represent a financial hardship to an individual with disabilities, the City may reduce or waive such fees. Process for Alternative Housing and Shelters

As discussed previously, the zoning ordinance allows for the development of residential care facilities for six persons or fewer, as well as the placement of mobile homes by-right. Group homes serving seven or more persons are subject to a use permit. The use permit process for group homes is the same for other residential uses subject to a use permit.

The City's permit process and design review for special needs housing, including housing for persons with disabilities, focuses on compliance with zoning standards. There are no additional or special standards for such housing. As noted in Table III-7, the City reviews small projects and multifamily projects at 16 units or fewer per acre relatively quickly through an administrative approval process. As part of the implementation of the Housing Element, (see Program 3.1) the City will eliminate the conditional use permit process for multifamily projects of more than 16 units per acre, which should facilitate the production of special needs housing at higher densities for persons with disabilities.

Code Enforcement-Exceptions to Standards, Approach-Flexibility to Address Disability

The City of Anderson has adopted the Uniform Building Code (UBC), which establishes standards and requires inspections at various stages of construction to ensure code compliance. Although these standards and the time required for inspections increase housing production costs and may impact the viability of rehabilitation of older properties that are required to be brought up to current code standards, the intent of the codes is to provide structurally sound, safe, and energy-efficient housing. The city has

not adopted amendments to the Code that could affect the ability of persons with disabilities to make accessibility modifications

The city's Building Department is responsible for enforcing both state and city regulations governing maintenance of all buildings and property. Most code enforcement complaints affecting housing are related to the city's older housing stock located primarily in one of the city's redevelopment project areas. To assist homeowners with housing condition problems, city code enforcement officials offer information to residents and property owners about Anderson's housing rehabilitation program.

The city recognizes the unique needs of persons with disabilities and seeks to accommodate those needs through its approach to code enforcement. The greatest challenge to achieving this balance is for the restoration or conversion of older buildings, particularly those constructed prior to the 1950s. By their nature, older buildings were not constructed for accessibility to persons with disabilities or for use as group homes with supportive services. Pre-1950's structures were typically constructed with raised floors or with main floors constructed over basements partly above grade, which increases the challenges of accessibility for those with disabilities. Building modifications and upgrades over the years have often made these buildings less accessible or suited to the needs of persons with disabilities.

The city allows property owners great latitude in making interior modifications to older residential buildings, including historic structures, to increase their accessibility and utility for persons with disabilities. In its approach to design review, the city also allows property owners to make exterior modifications to increase accessibility.

h. Equal Housing Opportunity

The City of Anderson promotes equal housing opportunity through its collaboration with the Shasta County Housing Authority. The Housing Authority is the primary agency that provides information and refers complaints regarding fair housing and housing discrimination. The city shares in this responsibility by providing fair housing information at City Hall and a point of contact and referral of discrimination complaints to the Housing Authority or appropriate county, state, or legal services agency.

The city has not been active in organizing fair housing events in the community due to limited staff resources, a perceived lack of demand and interest among affected parties, and an absence of evidence that systematic housing discrimination has occurred locally in recent history. As noted in the Section IV (Housing Strategy), however, there may be opportunities for closer collaboration between the city, the Housing Authority, and private organizations on fair housing issues.

2. Non-Governmental Constraints

a. Availability of Financing

The availability of financing affects a person's ability to purchase or improve a home. Under the Home Mortgage Disclosure Act (HMDA), lending institutions must disclose information on the disposition of loan applications by the income, gender, and race of the applicants. This applies to all loan applications for home purchases and improvements, whether financed at market rate or through government assistance. The primary concern in a review of lending activity is to see whether home financing is generally available to all income groups in the community.

Home Purchase Loans

Table III-10 shows the disposition of home purchase loans in Anderson during 2001. As the table shows, approximately 70 percent of conventional home purchase loans were approved, 16 percent denied, and 13 percent withdrawn or closed by the applicant. Though approval rates generally correlate with income, this was not the case in Anderson. Households earning 50-80 percent of MFI had the highest approval rate (77.5%), followed by households in the 80-120 percent income group (75%). Households earning more than 120 percent of MFI had 65 percent of loans approved.

Government-assisted loans had a significantly higher approval rate than conventional loans, as 88 percent were approved. However, similar to conventional loans, higher approval rates did not correspond with applicant income higher income. Households earning more than 120 percent of MFI had the lowest approval rate among all income groups.

In comparison to the disposition of loans in Shasta County, applicants in Anderson had lower approval rates for conventional loans and higher approval rates for government-assisted loans. Applicants earning over 120 percent of MFI had significantly lower approval rates in Anderson than in the rest of the County, while approval rates for other income groups were similar to the County rates or higher in Anderson.

Table III-10
Disposition of Home Purchase Loans

Income Group (% MFI)	Conventional				Government-Assisted			
	Total	Approved	Denied	Withdrawn/closed	Total	Approved	Denied	Withdrawn/closed
<50%	14	57.1%	21.4%	21.4%	5	100%	0.0%	0.0%
50-80%	40	77.5%	12.5%	10.0%	30	93.3%	3.3%	3.3%
80-120%	56	75.0%	12.5%	12.5%	20	90.0%	10.0%	0.0%
>120%	92	65.2%	20.7%	14.1%	19	78.9%	5.3%	15.8%
Total	202	70.3%	16.2%	13.4%	74	88.0%	6.7%	5.3%

Source: HMDA data, 2001

Home Improvement Loans

Home improvement loans were less frequent than home purchase loans in Anderson. No application for a government-assisted home improvement application was processed in Anderson during 2001. Overall, 47 percent of applications were approved, 42 percent denied, and 11 percent withdrawn or closed. Among the income groups, applicants earning more than 120 percent MFI had the highest approval rate (64%), followed by applicants earning 50-80 percent of MFI at nearly 56 percent.

Relative to Shasta County, approval rates for home improvement loans were slightly lower in Anderson. Approximately 51 percent of loans were approved Countywide compared to 47 percent in Anderson. Among the income groups, approval rates in Anderson were lower than rates in the County for all income groups with the exception of applicants earning more than 120 percent of MFI, who had a slightly higher approval rate in Anderson.

Table III-11 shows the disposition of Home Improvement Loans

**Table III-11
Disposition of Home Improvement Loans**

Income Group	Conventional			
	Total	Approved	Denied	Withdrawn/ closed
<50%	3	33.3%	33.3%	33.3%
50-80%	9	55.7%	22.2%	22.2%
80-120%	6	33.3%	50.0%	16.7%
>120%	14	64.3%	35.7%	0.0%
Total	32	47.2%	41.7%	11.1%

Source: HMDA data, 2001

b. Price and Availability of Land

Based on listings of land for sale in Anderson, the cost can vary from \$1 to \$10 per square foot. According to local realtors, an average 10,000-square foot finished residential lot generally sells for \$50,000, or \$5 per square foot. An internet search³ of vacant multi-acre properties in the Anderson/Redding area that are relatively few with access to major streets, and access to utilities (the types of properties that could be potentially suitable for multi-family residential development) found a range of property cost of between \$60,000 and \$200,000 per acre. These costs equal \$5,000 to \$15,000 per dwelling unit, depending on project density.

c. Cost of Construction

Many factors can affect the cost of building a single-family house, including the type of construction, custom versus tract development, materials, site conditions, finishing details, amenities, square footage, and structural configuration. These factors create a wide variation in construction costs, from as little as \$75 per square foot for basic construction to as much as \$125 for high-quality custom construction. A basic, 1,200 square foot starter home could be constructed in Anderson for as little as \$100,000. Including land cost of about \$11,000 per lot, permit and development impact fees of nearly \$6,000, site preparation, and other miscellaneous costs, the minimum cost of producing a 1,200 square foot single-family home in Anderson is estimated to be between \$130,000 and \$140,000.

Table II-12 summarizes the cost of construction in Anderson.

³ Loopnet.com

**Table II-12
Cost of Construction in Anderson**

	Basic Construction		Average Construction		High Quality Construction	
	Tract Home	Custom Home	Tract Home	Custom Home	Tract Home	Custom Home
Cost/Sq. Ft.	\$75-\$80	\$85-\$90	\$90-\$95	\$95-\$105	\$100-\$115	\$115-\$125
1,200 sq. ft.	\$90,000- \$96,000	\$102,000- \$108,000	\$108,000- \$114,000	\$114,000- \$126,000	\$120,000- \$138,000	\$138,000- \$150,000
1,700 sq. ft.	\$90,000- \$136,000	\$144,500- \$153,000	\$153,000- \$161,500	\$161,500- \$178,500	\$170,000- 195,500	\$195,000- \$212,500
2,000 sq. ft.	\$150,000- \$160,000	\$170,000- \$180,000	\$170,000- \$190,000	\$190,000- \$210,000	\$200,000- \$230,000	\$230,000- \$250,000

Source: Cotton/Bridges/Associates, based on contacts with local homebuilders