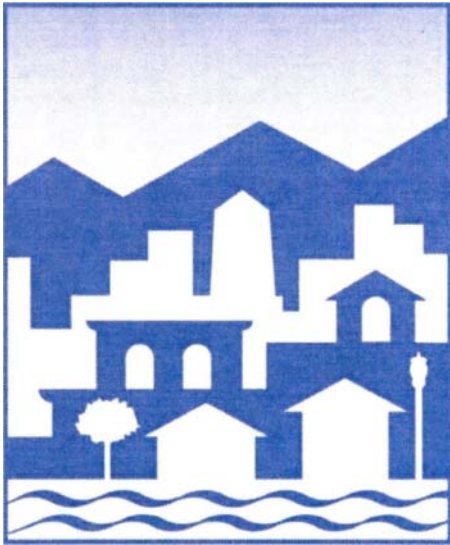




# Housing Element





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## 8.0 HOUSING ELEMENT

### 8.1 INTRODUCTION

#### 8.1.1 Purpose

The purpose of the City of Grand Terrace Housing Element is to provide the residents, development community and elected and appointed officials with a clear understanding of the City's housing needs. In order to achieve the ultimate goal of ensuring that every Grand Terrace resident secures a safe and decent place to live within a satisfactory environment, the Housing Element promotes a close coordination of housing policies and programs at local, state and federal levels.



#### 8.1.2 Background

##### 8.1.2.1 Function of the Element

The Housing Element functions as an integral part of the City's efforts to manage the development of incorporated lands. The City balances the need to ensure adequate housing for all current and future residents against the need to provide infrastructure and services. The Housing Element includes a description of existing housing types, the condition of existing units, an analysis of overcrowding, overpayment, homelessness, and the demand for affordable housing in the City. The Element also includes a discussion of the progress made since the drafting of the last Housing Element, and projections of needs for the next five years.

##### 8.1.2.2 Public Participation

The City is in the process of updating its entire General Plan, and the screen check General Plan, including the Housing Element was posted on the City's website. Hard copies were made available at the public counter for review. The City held a number of workshops and public hearings in reviewing the General Plan including the Housing Element.

In particular, workshops focusing on the Housing Element were conducted on November 1, 2007 and April 18, 2008. The November 1, 2007 workshop provided an overview of the purpose and statutory requirements governing Housing Elements, and the April 18<sup>th</sup> workshop focused on the contents of the proposed Housing Element. A joint City Council and Planning Commission workshop was conducted on January 15, 2009.



During the November 1, 2007 Workshop, a member of the public commented that affordable housing should be located in the center of town and that the conversion of existing apartments to affordable housing would be preferable to new housing. In fact, Program 8.8.1.k encourages the City to favorably consider affordable housing projects and density bonuses when they are located in proximity to commercial centers and services. Additionally, the transition of multiple family units to affordable housing units would be permissible. During the April 18, 2008 workshop general questions and comments were made by the public; no specific recommendations as to housing needs or programs were made.

The April 18<sup>th</sup> draft Housing Element was placed on the City's website and also made available to the Senior Center Coordinator, who reviewed the analysis and proposed senior housing programs and found them satisfactory.

Extensive public outreach was conducted for the January 15, 2009 workshop. In addition to placing an advertisement in the San Bernardino County Sun and publicly posting the notice, a notice was placed on the City's website along with the Draft Housing Element. In addition, 20 notices were sent to various community groups, service organizations and adjacent cities that might have an interest in the Housing Element, such as the Chamber of Commerce, Lions Club, local churches, United Way, Catholic Charities, Salvation Army, Frazee Community Center and the San Bernardino County Housing Authority.

Duly noticed public hearings were held before the Planning Commission and City Council. All meetings and hearings were fully noticed per State planning law. In addition notices were placed in the Blue Mountain Outlook, which is mailed to all property owners in the City.

## **8.2 RELATIONSHIP TO OTHER PLANS AND PROGRAMS**

### **8.2.1 California Law**

California Government Code requires that every City and County prepare a Housing Element as part of its General Plan. In addition, State law contains specific requirements for the preparation and content of Housing Elements. According to Article 10.6, Section 65580, the Legislature has found that:

- (1) The availability of housing is of vital statewide importance, and the early attainment of decent housing and a suitable living environment for every California family is a priority of the highest order.
- (2) The early attainment of this goal requires that cooperative participation of government and the private sector in an effort to expand housing opportunities and accommodate the housing needs of Californians of all economic levels.
- (3) The provision of housing affordable to low and moderate income households requires the cooperation of all levels of government.



- (4) Local and state governments have a responsibility to use the powers vested in them to facilitate the improvement and development of housing to make adequate provision for the housing needs of all economic segments of the community.
- (5) The legislature recognizes that in carrying out this responsibility, each local government also has the responsibility to consider economic, environmental, and fiscal factors and community goals set forth in the General Plan and to cooperate with other local governments, and the state, in addressing regional housing needs.

Section 65581 of the Government Code states that the intent of the Legislature in enacting these requirements is:

- (1) To ensure that local governments recognize their responsibilities in contributing to the attainment of the State housing goal.
- (2) To ensure that cities and counties prepare and implement housing elements which, along with federal and State programs, will move toward attainment of the State housing goal.
- (3) To recognize that each locality is best capable of determining what efforts are required by it to contribute to the attainment of the State housing goal as well as regional housing needs.
- (4) To ensure that each local government cooperates with other local governments to address regional housing needs.

Government Code Section 65583 outlines the required content of all housing elements including identification and analysis of existing and projected housing needs, and a statement of goals, policies, quantified objectives, and scheduled programs for the preservation, improvement, and development of housing. Specific requirements include the following:

- (1) An assessment of housing needs and an inventory of resources and constraints relevant to the meeting of these needs. The analysis should include population and employment trends; documentation of household characteristics; inventory of land suitable for residential development; governmental and other constraints to housing development; analysis of any special housing needs and an assessment of existing affordable housing developments.
- (2) A program which sets forth a five-year schedule of actions the local government is undertaking or intends to undertake to implement the policies and achieve the objectives of the housing element in order to meet the housing needs of all economic segments of the community.

### 8.2.2 Relationship to Other Plans

The Housing Element is an integral part of the General Plan and holds strong relationships with other elements. Since residential development is a primary land use in the City, it is directly tied to the Land Use Element and must be compatible with surrounding existing and proposed land



uses. The siting of housing is also dependent upon the location of streets and transportation systems to move people from their homes to jobs, shopping, schools, and recreation facilities and to provide goods and services to the residences (Circulation Element). Homes must also be located in areas free of hazards (Public Safety Element), and away from major noise generators (Noise Element). In addition, residents are dependent upon utilities, police, fire and other public services (Public Services & Facilities Element) and require recreation facilities (Open Space & Conservation Element).

### 8.3 REVIEW OF ELEMENT AND PAST ACCOMPLISHMENTS

State Housing Element guidelines require all jurisdictions to include an evaluation of their previous Housing Element's action plans to determine their success. Following is a review of each action plan of the 2002 City of Grand Terrace Housing Element.

#### A. Actions in Support of Housing Availability and Production

**Action 1.a:** *The City's Community and Economic Development Department and Building & Safety Department will expedite the processing plans for proposed housing projects that are affordable to low and moderate income households.*

**Response:** The City maintains a project review goal of reviewing all projects and presenting them to the City Planning Commission within two months of receipt of a complete application package. This does not include those projects that require the preparation of an Environmental Impact Report (EIR) that must follow CEQA guidelines and review schedules.

**Action 1.b:** *The City will implement an amendment to the Barton Road Specific Plan to allow a mix of commercial and medium/high density residential development.*

**Response:** In 2003, the City adopted a revision to the Barton Road Specific Plan that included provisions for multi-family housing in the Office/Administrative zone. This allows previously approved and/or constructed multi-family residential development in the area bounded by Barton Road, Preston Avenue, and Palm Avenue to be removed from the "pre-existing non-conforming" category, and allows infill multiple family and mixed use development within this zoning district.

**Action 1.c:** *The City will implement Zoning Code provisions to allow for manufactured housing in all residential zones in accordance with State law.*

**Response:** In 1992, the City Zoning Ordinance was amended to allow the construction of manufactured housing in all residential zones in the City.

**Action 1.d:** *The City will implement Zoning Code provisions that offer density bonuses in accordance with the requirements of State density bonus law. The density bonus and incentives*



*will be made available for any for-sale or rental, single family or multi-family development of five or more units, when requested by a developer who agrees to restrict affordability of the units for a minimum of 30 years, as follows:*

*20% of the total units affordable to lower income households; or  
10% of the total units affordable to very low income households; or  
50% of the total units affordable to senior citizens.*

*Additional incentives may include, but are not limited to reduced site development standards or Zoning Code requirements, direct financial assistance, reduced or deferred fees, approval of mixed use zoning in conjunction with the housing development, or other regulatory incentives which would result in an identifiable cost avoidance or reduction, or a density bonus of more than 25%. Allocation of the specific additional incentives will be made on a case-by-case basis, depending on resources available to the City from which to grant the incentive, and the particular needs of the development to ensure affordability.*

**Response:** The City has not yet amended the Zoning Code to incorporate specific density bonus requirements per State density bonus law.

**Action 1.e:** *The City's Redevelopment Agency will continue to allocate funds, a process, which began in 1993, for the upgrading and expansion of the mobile home parks within the City. The City Manager's office has solicited proposals for an initial project, but has yet to receive positive response from the mobile home park owners/residents.*

**Response:** Although the program remains in effect conceptually, there have been no formal proposals from mobile home park owners for funds to upgrade or expand their parks. However, in 2002, the Grand Terrace Mobile Home Park, requested and was granted approval to add four units to the park. As part of the approval, the Community Redevelopment Agency contributed \$50,000 toward required offsite street improvements.

**Action 1.f:** *The City Manager's Office will continue to offer low interest bond financing and redevelopment tax increment assistance in the form of land write down to qualified developers for the construction of mixed use senior development, with the expectation that at least 50 – 75 senior units will be provided and a requirement that 30% of the units (at least 20) will be affordable to the "very low" income.*

**Response:** In 2005, the CRA approved an agreement to contribute \$9,000,000 toward the construction of an affordable senior housing project located adjacent to the City's Senior Center near the corner of Mount Vernon Avenue and Grand Terrace Road. The project includes 72 senior housing units for very low income senior, 36 housing units for low income seniors, and 12 units for moderate income households.

**Action 1.g:** *The Grand Terrace Redevelopment Agency, in conjunction with the City's Community & Economic Development Department and Building & Safety Department will prepare an annual report describing the results of the past year's progress in meeting the*





*housing needs of the community. Specific quantifiable data is to be provided showing the proportion of the units assisted and the number of units constructed, rehabilitated and conserved.*

**Response:** Each year, the Community Redevelopment Agency, through the City's Department of Finance, prepares an "Annual Report to the Legislative Body" as required under State Redevelopment Law. The report presents information relative to progress made in meeting affordable housing goals and a summary of how low/moderate housing funds are spent. The report is submitted to the Community Redevelopment Agency Board of Directors at the end of each calendar year.

**Action 1.h:** *The City Manager's Office will continue to utilize the services of the Inland Mediation Board, through an existing contract with the County of San Bernardino, for fair housing, landlord tenant dispute resolution and senior shared housing. Monthly activity reports will be obtained from the Inland Mediation Board in order to monitor local compliance with fair housing laws.*

**Response:** Although the services of the Inland Mediation Board are available, there have not been any landlord/tenant disputes brought before the City for resolution during the previous planning period.

**Action 1.i:** *The City Manager's Office will continue to utilize the services of the San Bernardino County Housing Resource Board, through an existing contract with the County of San Bernardino, to provide outreach and educational information on State and Federal fair housing laws.*

**Response:** Although the services of the County Resource Housing Board are available, the City has not had any requests from the general public for information regarding State and federal housing laws. In the event that requests are made, the City will use the Board's services.

**Action 1.j:** *The City Manager's Office will pursue participation in the San Bernardino County Mortgage Revenue Bond Financing Programs for the development of single and multi-family housing, if feasible, and as developer interest warrants.*

**Response:** There has been no developer interest in mortgage revenue bonds within the City over the past planning period. The program remains available in the event that interest is shown by the development community. The City's Housing Office webpage will provide a link to this County program.

**Action 1.k:** *The City's Community & Economic Development Department will continue to utilize the City's General Plan and Zoning Code to provide adequate, suitable sites for the development of approximately 1,008 new housing units by build out of the community, 321 of which would be affordable to low and very low income households.*





**Response:** As illustrated in Table 8.1, during the planning period of 1998 through 2005, 93 new residential units were approved and/or constructed within the City of Grand Terrace of which 34 were designated as affordable. These included the addition of four coach spaces to the Grand Terrace Mobile Home Park and the construction of the Father Serra Seminary with rooms for 26 students.

**Table 8.1  
New Residential Units (1998 – 2005)**

Unit Type	Approved/Constructed	Affordable Units
Single Family Residential	59	0
Townhome/Condominium	0	0
Apartment	0	0
Second Unit/Guest House	4	4
Institutional	26	26
Mobile Home	4	4
<b>Total</b>	<b>93</b>	<b>34</b>

**Action 1.l:** Omitted from previous document.

**Action 1.m:** *The City’s Community & Economic Development Department will continue to create and maintain an inventory of vacant and underutilized sites suitable for housing development. This information will be distributed to developers in order to facilitate housing production.*

**Response:** All developers interested in pursuing housing projects within the City are encouraged to meet with the Community Development Director to review potential project sites. This information is made available to anyone showing interest in the community.

**Action 1.n:** *The City’s Community & Economic Development Department will initiate an amendment to the City’s Zoning Code to create a new R3+ zone with a density of 20 units/acre and with a density bonus to 25 units/acre to be utilized for very low income housing. This new category will be applied to Site No. 6 or other appropriate sites to meet housing needs of the City.*

**Response:** In 2007, the City Council adopted a new General Plan designation of Medium High Density Residential (20 units/acre) and a Zoning Code designation of R3S (Multi-Family Residential – Senior) with a density of 20 units/acre in response to a 120 unit mixed use senior housing proposal.

**Action 1.o:** *The City’s Redevelopment Agency will allocate funds to be committed to the “Habitat for Humanity” for the development of low-income housing.*

**Response:** During the previous planning period, the Habitat for Humanity did not propose any projects within the city limits of Grand Terrace. Therefore, no low-moderate income housing funds were committed.



## **B. Actions in Support of Housing Affordability**

**Action 2.a:** *Continue an outreach campaign to solicit participation of private developers in affordable housing programs. This will be accomplished by compiling and subsequently maintaining a roster of interested firms, which will be notified when opportunities arise.*

**Response:** The City does not maintain a roster of interested firms, but continues to discuss affordable housing opportunities with interested developers.

**Action 2.b:** *Continue participation in the Section 8 Leased Housing Assistance Program administered by San Bernardino County Housing Authority. This will be achieved through coordinated City and County community outreach.*

**Response:** The City continues to participate in HUD Section 8 housing programs through an agreement with the Highlands Apartments to provide 111 residential rental units through the Section 8 program. In addition, three to four units of the Blue Mountain Villas Senior Housing project will be made available through the HUD Section 8 program. The Section 8 program provides assistance to very low to moderate income families, elderly, and disabled.

**Action 2.c:** *Continue operation of the City Housing Office, established in 1994, to administer and monitor City housing programs, and to provide information regarding various types of State and Federally funded housing programs available through the County of San Bernardino and the City of Grand Terrace.*

**Response:** The City continues to maintain a Housing Office through the Public Works Department to provide public information regarding affordable housing programs.

**Action 2.d:** *Continue to research the possibility of expanding Section 8, Leased Housing Assistance Program to include Section 8, existing funds to subsidize mobile home space rentals.*

**Response:** The City, through the Public Works Housing Office and the Community & Economic Development Department continues to monitor available housing assistance programs for mobile home space rentals.

**Action 2.e:** *Continue to utilize procedures for the provision of density bonuses or other incentives for housing development incorporating low- and moderate-income units.*

**Response:** Affordable housing density bonuses, as defined by State law, remain available for potential developers of affordable housing projects.

**Action 2.f:** *Federally-subsidized rental housing developments are not always financially feasible at current mortgage interest rates. In such situations, use the existing authorities of the Redevelopment Agency to issue tax-exempt mortgage revenue bonds (SB 99) to provide below-*



*market rate long-term financing for such projects. These funds should be used exclusively for low-income households.*

**Response:** The City has not issued any mortgage revenue bonds for affordable housing projects during the planning period. The City has not been approached by any developers requesting the issuance of such bonds during this period.

**Action 2.g:** *The City's Redevelopment Agency will issue tax exempt mortgage revenue bonds to provide long-term, below market rate financing for the construction of rental and sales housing affordable to low and moderate income households, if feasible, and as developer interest warrants.*

**Response:** The City has not issued any tax exempt mortgage revenue bonds for affordable housing projects during the planning period. The City has not been approached by any developers requesting the issuance of such bonds during this period.

**Action 2.h:** *The City's CEDD-Planning Division will continue to process and approve requests for the establishment of residential care facilities, in accordance with Section 1566.3 of the Health and Safety code, as a means of providing long-term transitional housing for very low income persons.*

**Response:** The City Zoning Ordinance continues to permit the development of residential care facilities within the City. However, no proposed residential care projects were submitted to the City Community & Economic Development Department for review during the planning period.

**Action 2.i:** *The City's CEDD-Planning Division will continue to participate in and provide staff support for the various homeless programs operated by the San Bernardino County Homeless Coalition.*

**Response:** The Community & Economic Development Department has made staff available, but has not actively participated in County-sponsored homeless programs.

**Action 2.j:** *The City Manager's Office will offer to open facilities at City Hall and the City Yard to provide emergency shelter during times of extreme weather or hardship.*

**Response:** The City's Senior Center has been identified as an emergency shelter during extreme weather conditions.

**Action 2.k:** *The City Housing Office will continue to promote and operate the first time buyer purchase assistance program to rehabilitate deteriorated single family homes and then resell the homes to qualified low and moderate income households.*

**Response:** The City has maintained a "first time buyer" program through the Public Works Housing Office. During the planning period of 1998 through 2005, 29 single family



homes were processed through the program. Since 2005, local housing market conditions have made the provision of affordable single family units difficult due to high costs and unreasonable subsidy requirements. In the event that housing costs return to former levels, the program will be reactivated.

**Action 2.1:** *The City Housing Office will seek an available State grant to provide up to \$20,000 to a qualified owner/buyer for the purpose of the rehab, replacement or purchase of a mobile home with the remainder of the rehab, replacement or purchase costs to be provided by the owner/buyer of the mobile home.*

**Response:** The Housing Office did not seek the identified grant.

### C. Actions in Support of Maintaining and Improving Housing Condition

**Action 3.a:** *The City Manager's Office has amended the guidelines for the Redevelopment Agency's residential rehabilitation program to include energy conservation measures as improvements eligible for assistance thereunder.*

**Response:** The City has established a policy that requires any residential unit that requests a rehabilitation or construction loan to comply with the energy conservation requirements of the current City Building Code.

**Action 3.b:** *The City Manager's Office and the City's CED Department will provide public information and technical assistance intended to encourage the continued maintenance of currently sound housing.*

**Response:** The Code Enforcement Division of the City Community Services Department is partially funded by Low/Moderate Housing Funds of the CRA. The program includes to issuance of public information and technical assistance to homeowners and owners of rental units regarding the maintenance of the current housing stock. In addition, the City established a rental inspection program in 2007 to inspect all rental units in the City and ensure their maintenance and upkeep. This program is funded through associated permit fees.

**Action 3.c:** *The City's Redevelopment Agency will continue to publicize and provide financial assistance for the rehabilitation of residences owned or occupied by low and moderate income persons. This financial assistance will be made available in the form of below market rate and deferred payment loans for home rehabilitation, matching grants for the rehabilitation of rental housing and funds for the Agency to purchase and rehabilitate housing for resale to low and moderate income households. Approximately \$1,500,000 in housing set-aside funds have been allocated for this purpose. Objectives are to rehabilitate six units and conserve six units per year.*

**Response:** The City has maintained a first time buyers program through the rehabilitation and resale of homes to qualified low/moderate income families. This



includes the provision of “silent second” mortgages to supplement standard mortgage programs. The last unit of the program was sold in 2005. Since then, the current housing and mortgage markets have prohibited continuation of the program. In the event that the market and home prices return to former levels, the program will be reactivated.

**Action 3.d:** *The City’s Redevelopment Agency will allocate funds for payment of required off-site improvements for affordable housing projects.*

**Response:** In 2002, the CRA contributed \$50,000 toward offsite improvements associated with the addition of four new affordable mobile home spaces at the Grand Terrace Mobile Home Park. The CRA is also contributing to offsite improvements as part of the Blue Mountain Villas Senior Housing project.

**Action 3.e:** *The City’s Redevelopment Agency will allow for the construction of bedroom additions with funding from its residential rehabilitation program when needed to eliminate overcrowding.*

**Response:** Although the program is available, no requests have been made for bedroom addition loans during the planning period.

**Action 3.g:** *The City’s Redevelopment Agency will allow for architectural barriers to be removed with funding from its residential rehabilitation program in order to provide barrier-free housing for handicapped or disabled persons.*

**Response:** The City’s General Fund has included an allocation for funds to remove architectural barriers and provide ADA accessible sidewalks to residential areas of the City.

**Action 3.h:** *The City’s Redevelopment Agency will continue to monitor housing conditions throughout the City in order to establish target areas for rehabilitation efforts.*

**Response:** The City continuously monitors the conditions of housing throughout the City through its Code Enforcement program.

**Action 3.i:** *The City’s CEDD–Planning Division and BS/PW/H will review all changes in planned land uses to determine the cumulative impact on community facilities and municipal services, in order to assure that adequate facilities and service levels are provided to all residents.*

**Response:** All proposed land development projects are reviewed by the City for potential impacts to community facilities and services. This review is incorporated into the City’s mandatory CEQA review process.

**Action 3.j:** *The City’s Community Services Department and CEDD–Planning Division and BS/PW/H will continue existing code enforcement efforts and explore new methods for eliminating deteriorated or unsightly property conditions in residential areas.*



**Response:** The City's Code Enforcement Program is continuously maintained and funded annually. In 2007, the City established a new rental inspection program designed to ensure the proper maintenance of all rental units within the City.

**Action 3.k:** *The City Manager's Office and the City's CEDD-Planning Division will assist in distributing information to the public regarding energy audits that are performed by the Southern California Edison Company.*

**Response:** The City has not actively worked with SCE to distribute public information regarding energy audits. However, it makes the local City newspaper (The Blue Mountain Outlook) and City community activities (Grand Terrace Days) available to all utility agencies for the presentation of public information regarding energy conservation.

**Action 3.l:** *The City's BS/PW/H-Building Division will continue to require the incorporation of energy conserving appliances, fixtures and other devices into the design of new residential units as means to reduce long-term housing costs and enhance affordability.*

**Response:** The City Building & Safety Department continuously requires compliance with energy conservation requirements established by the Building Code and Title 24.

**Action 3.m:** *The City's BS/PW/H-Building Division will continue to require that all new residential development complies with the energy conservation requirements of Title 24 of the California Administrative Code as a means to lower long-term housing costs.*

**Response:** The City Building & Safety Department continuously requires compliance with energy conservation requirements established by the Building Code and Title 24.

**Action 3.n:** *The City's CEDD will continue recommending that tall shady trees be planted on the southwest exposure to minimize the use of energy and reduce housing costs*

**Response:** Landscape plans are required for all proposed new buildings or major expansions. The CEDD includes a review of these plans for compliance with the City's landscape guidelines.

## 8.4 COMMUNITY PROFILE

To effectively determine the present and future housing needs for the City of Grand Terrace, population variables, such as demographic and socio-economic characteristics and trends must first be analyzed. The following description of the community of the City of Grand Terrace is a capsulation of available data from the 1990 & 2000 U.S. Census Report, projections from Southern California Association of Governments (SCAG), and various other informational sources.





### 8.4.1. Population Trends and Projections

#### 8.4.1.1 Population

The City of Grand Terrace was incorporated as a general law City on November 7, 1978. Since its incorporation in 1978, the City’s population has grown 46.3 percent, from approximately 8,100 persons in 1978 to 11,626 persons in 2000<sup>1</sup>. Most of this growth, over 75% of the population growth that has occurred after incorporation, occurred between 1978 and 1990, when the City’s population reached 10,946<sup>2</sup>. Population forecasts through the year 2020 are presented in Table 8.2. By the year 2020, Grand Terrace’s residential community is expected to reach build-out, achieving a population of 13,816, an 18.8% increase over 2000 levels.

**Table 8.2  
Comparative Population & Housing Data 1970 – 2020**

	1970	1980	1990	2000	2020
<b>Population</b>					
<b>Total Population</b>	<b>5,901</b>	<b>8,498</b>	<b>10,946</b>	<b>11,626</b>	<b>13,816</b>
Group Quarters	-	-	110	101	-
Resident Population	-	-	10,836	11,525	-
<b>Housing</b>					
<b>Total Units</b>	<b>1,917</b>	<b>3,282</b>	<b>4,059</b>	<b>4,458</b>	<b>5,280</b>
Households	-	-	3,856	4,221	5,065
Household Size	3.14	2.76	2.81	2.70	2.70

Source: All 1970, 1980, 1990, and 2000 data is from the U.S. Census of that year.  
2020 data was derived from the SCAG San Bernardino East Valley Model (10/96)

Table 8.3, below, compares population growth and changes in the City of Grand Terrace with the population for the County of San Bernardino for the ten-year period 1990-2000. During that time, the population in Grand Terrace increased by 6.2%, a very modest rate when compared to the 20.5% population growth experienced by the County overall.

<sup>1</sup> 2000 U.S. Census

<sup>2</sup> 1990 U.S. Census





**Table 8.3  
Population Growth of City of Grand Terrace and County Of San Bernardino  
1990 & 2000 Census**

	City of Grand Terrace		County of San Bernardino	
	1990 Census	2000 Census	1990 Census	2000 Census
<b>Total Population</b>	<b>10,946</b>	<b>11,626</b>	<b>1,418,380</b>	<b>1,709,434</b>
Percent Change in Total Population 1990-2000	+6.2%		+20.5%	

**8.4.1.2 Household Composition, Size and Tenure**

The City’s population of 11,626 persons is estimated to reside in 4,221 households with an average of 2.70 persons per household. Within these households, the Census reports that 3,052 (72.3%) were family households. Of these family households, 54% were married family households. Non family households in the City total 1,169 (27.7%) of the total number of households. As Table 8.4 demonstrates, the City and County of San Bernardino have similar household compositions. At build-out, the City is expected to have a total of 5,065 households.

**Table 8.4  
Household Composition  
City of Grand Terrace and County of San Bernardino  
2000 Census**

Household Type	City		San Bernardino Co.	
	Number	%	Number	%
Family Households	3,052	72.3	404,327	76.5
With own children < 18 years	1,479	35.0	230,916	43.7
Married couple family	2,282	54.1	294,701	55.8
With own children < 18 years	1,057	25.0	163,656	31.0
Female householder	568	13.5	78,189	14.8
With own children < 18 years	315	7.5	49,345	9.3
Non-Family Households	1,169	27.7	124,267	23.5
Householder living alone	915	21.7	97,482	18.4
Householder > 65 years	237	5.6	34,822	6.6
<b>Total Households</b>	<b>4,221</b>	<b>100.0</b>	<b>528,594</b>	<b>100.0</b>
Average Household Size	2.70		3.15	
Average Family Size	3.15		3.58	



Of the 4,221 occupied units in the City of Grand Terrace. Sixty five percent (65%) are owner-occupied and 35% are renter-occupied. Housing tenure is an indicator of the housing market. Communities need an adequate supply of both to be able to provide a range of housing alternatives for households with varying incomes, household sizes and compositions, and lifestyles. As shown in Table 8.5 below, the tenure of housing in the City of Grand Terrace is nearly identical to that in the County of San Bernardino.

**Table 8.5  
Housing Tenure for Grand Terrace and County of San Bernardino  
2000 Census**

Tenure	City of Grand Terrace		County of San Bernardino	
	Units	%	Units	%
Owner Occupied	2,745	65%	340,933	64.5%
Renter Occupied	1,476	35%	187,661	35.5%
<b>Total Occupied Units</b>	<b>4,221</b>	<b>100%</b>	<b>528,594</b>	<b>100%</b>

**8.4.1.3 Ethnicity**

As indicated by the 2000 Census, and presented in Table 8.6, the City of Grand Terrace is predominately a White community, constituting 74 percent of the total population. Persons of Hispanic or Latino heritage and origin represent the next largest ethnic group, comprising 25 percent of Grand Terrace’s population. Between 1990 and 2000, Grand Terrace experienced a modest decrease in the proportion of Whites compared to Hispanic or Latino populations. The proportions of Blacks, Asians and other ethnic groups in the City remained relatively unchanged during the 1990-2000 period.

Ethnicity for the County of San Bernardino is also presented in Table 8.6. Between 1990 and 2000, the County experienced a decrease in the proportion of Whites, from 73 percent to 59 percent, and an increase in Hispanic or Latino populations, from 27% to 39%. The proportions of Blacks, Asians and other ethnic groups in the County remained relatively unchanged during the 1990-2000 period.



**Table 8.6  
Ethnic Composition of City of Grand Terrace and County Of San Bernardino  
1990 & 2000 Census**

	City of Grand Terrace		County of San Bernardino	
	1990 Census	2000 Census	1990 Census	2000 Census
<b>Total Population</b>	<b>10,946</b>	<b>11,626</b>	<b>1,418,380</b>	<b>1,709,434</b>
<b>White Population</b>				
Number of Residents	8,779	8,575	1,035,328	1,006,960
Percent of Total Population	80%	74%	73%	59%
<b>Hispanic or Latino (of any race) Population</b>				
Number of Residents	1,991	2,954	378,582	669,387
Percent of Total Population	18%	25%	27%	39%
<b>Black Population</b>				
Number of Residents	413	537	114,934	155,348
Percent of Total Population	4%	5%	8%	9%
<b>Asian</b>				
Number of Residents	642	653	54,772	80,217
Percent of Total Population	6%	6%	4%	5%
<b>Other</b>				
Number of Residents	1,861	16%	213,346	466,909
Percent of Total Population	17%	16%	15%	27%

**8.4.1.4 Age Characteristics**

The distribution of population by age groups is an important factor in determining the general population make up and possible future housing needs. A breakdown of the City of Grand Terrace’s and San Bernardino County’s population by age for 1990 and 2000 is presented in Table 8.7. As seen in this Table, the percentage of the City’s age groups have remained relatively stable over the 10 year period. The median age for the City increased from 32.2 years to 35.3 years between 1990 and 2000.

Population by age of the County of San Bernardino is similar to that of the City. The median age for the County increased from 29.3 years to 30.3 years between 1990 and 2000.



**Table 8.7  
Age of Population for Grand Terrace and County of San Bernardino  
1990 & 2000 Census**

	City of Grand Terrace		County of San Bernardino	
	1990 Census	2000 Census	1990 Census	2000 Census
<b>Total Population</b>	<b>10,946</b>	<b>11,626</b>	<b>1,418,380</b>	<b>1,709,434</b>
<b>Population Under 5 Years</b>				
Number of Residents	905	756	138,342	143,076
Percent of Total	8%	7%	10%	8%
<b>Population</b>				
<b>Population 5-19 Years</b>				
Number of Residents	2,141	2,627	300,881	463,192
Percent of Total	22%	23%	21%	27%
<b>Population</b>				
<b>Population 20-34 Years and Over</b>				
Number of Residents	2,783	2,368	384,148	364,607
Percent of Total	25%	20%	27%	21%
<b>Population</b>				
<b>Population 35-49 Years and Over</b>				
Number of Residents	2547	2873	282,249	385,308
Percent of Total	23%	25%	20%	23%
<b>Population</b>				
<b>Population 50-64 Years and Over</b>				
Number of Residents	1,279	1,748	145,627	206,792
Percent of Total	12%	15%	10%	12%
<b>Population</b>				
<b>Population 65 and Over</b>				
Number of Residents	1,019	1,245	124,900	146,459
Percent of Total	9%	11%	9%	9%
<b>Population</b>				
<b>Population Median Age</b>	<b>32.2</b>	<b>35.3</b>	<b>29.3</b>	<b>30.3</b>

**8.4.1.5 Household Income Characteristics**

Household income is a primary factor addressing housing needs in a community because the ability of a household to afford housing is related to the household’s income. The 2007 median income for a four-person household within the Riverside-San Bernardino-Ontario Metropolitan Statistical Area (MSA) is \$59,200. The County median of \$59,200 is used to determine the income category a four-person household falls into, as shown in Table 8.8.



**Table 8.8  
Household Income Categories  
(4 Person Household)**

Category	Percent of Median Income	Income Range
Extremely Low	30% or Less of Median	≤ \$17,760
Very Low	31% to 50% of Median	\$18,352 - \$29,600
Low	51% - 80% of Median	\$30,192 - \$47,360
Moderate	81% - 120% of Median	\$47,952 - \$71,040
Above Moderate	Over 120% of Median	≥ \$71,041
Median Income		\$59,200

Table 8.9 shows the household income characteristics for all income groups within the City of Grand Terrace, based on the median income noted above. This Table shows that approximately 34% of renter households fall into the low income (extremely low, very low and low) categories, and that approximately 20% of owner households fall into the lower income categories, as well. In comparison, approximately 66% and 80% of renter and owner households, respectively, fall into the moderate and above income categories.

**Table 8.9  
City of Grand Terrace Household Income Distribution  
SCAG 2007, based on 2000 Census**

Income Category*	Renter		Owners	
	Households	Percent	Households	Percent
Extremely Low (Less than 30%)	85	5.9%	94	3.5%
Very Low (31% to 50%)	98	6.7%	190	7.1%
Low (51% to 80%)	310	21.4%	255	9.3%
Moderate and above (Over 81%)	955	66.0%	2200	80.1%
<b>Total Households</b>	<b>1,448</b>	<b>100%</b>	<b>2,739</b>	<b>100%</b>

\*% of County median income

Table 8.10 compares the City’s total income distribution with that of San Bernardino County. This Table shows that the City has a lesser percentage of households within the lower income categories than the County. Also, the City has a higher percentage of households in the moderate and above income categories.



**Table 8.10**  
**Household Income Distribution**  
**City of Grand Terrace and County of San Bernardino**  
**SCAG 2007, based on 2000 Census**

Income Category*	City of Grand Terrace		San Bernardino County	
	Households	Percent	Households	Percent
Extremely Low (Less than 30%)	179	4.3%	7,905	13.1%
Very Low (31% to 50%)	288	6.8%	8,135	13.5%
Low (51% to 80%)	565	13.5%	11,670	19.4%
Moderate and above (Over 81%)	3,155	75.3%	32,595	54%
<b>Total Households</b>	<b>4,187</b>	<b>100%</b>	<b>60,305</b>	<b>100%</b>

\*% of County median income

The household income distribution groups listed in Tables 8.9 and 8.10 are shown as categorized by the Regional Housing Needs Assessment for purposes of the Housing Element and identifying the City’s housing needs. Household income levels within the City are quite varied as shown in Table 8.11 below.

**Table 8.11**  
**Household Income In Grand Terrace**  
**1990 & 2000 Census**

Income	1990 CENSUS		2000 CENSUS	
	No. of Households	Percent of Households	No. of Households	Percent of Households
Less than \$ 5,000	51	1.30%	21	0.50%
\$ 5,000 - \$ 9,999	123	3.20%	125	3.00%
\$ 10,000 - \$14,999	135	3.50%	187	4.50%
\$ 15,000 - \$24,999	462	11.90%	449	10.70%
\$ 25,000 - \$34,999	592	15.20%	354	8.40%
\$ 35,000 - \$49,999	821	21.10%	730	17.40%
\$ 50,000 - \$74,999	971	25.00%	1,169	27.90%
\$ 75,000 - \$99,999	474	12.20%	676	16.10%
\$100,000 - \$149,999	185	4.80%	357	8.50%
\$150,000 or more	76	2.00%	128	3.30%
<b>Total Households</b>	<b>3,890</b>	<b>100.00%</b>	<b>4,196</b>	<b>100.00%*</b>
<b>Median Household Income</b>		\$45,127		\$53,649

\*Differences due to rounding



## 8.4.2 Housing Trends And Projections

### 8.4.2.1 Historic Residential Construction Trends

Table 8.12 shows residential construction activity in Grand Terrace for the period from 1998 to 2008. This data is tabulated based on the 2000 Census housing unit count and City Building permit records since 1998. During the previous planning period 1998-2005 93 units were constructed, four of which were constructed by the City of Grand Terrace Redevelopment Agency through their first time homebuyer program. The rapid growth that has occurred in many San Bernardino County cities during the 1998-2005 planning period did not occur to the same extent in Grand Terrace. However, during the first three years of the current planning period, 215 new building permits were issued. The bulk of which were multiple family dwelling permits, and mainly the Agency subsidized Blue Mountain Senior Villas affordable housing development.

**Table 8.12  
Residential Building Permits  
In Grand Terrace  
1998-2005**

Building Permits Issued per Year				Cumulative Total Dwelling Units By Year			
Year	Single Family Dwelling Units	Multi Family Dwelling Units	Total Dwelling Units Constructed	Single Family Dwelling Units	Multi Family Dwelling Units	Mobile Homes	Total Dwelling Units
<b>Existing Units Per 1990 Census</b> (adjusted based on 2000 Census housing counts)				2,698	770	305	3,773
1998	1	0	1	2,803	1,326	305	4,434
1999	13	0	13	2,816	1,326	305	4,447
2000	14	0	14	2,830	1,326	305	4,461
2001	9	0	9	2,839	1,326	305	4,468
2002	1	4	5	2,840	1,330	309	4,470
2003	4	26	30	2,844	1,356	309	4,500
2004	19	0	19	2,863	1,356	309	4,519
2005	2	0	2	2,865	1,356	309	4,521
2006	25	52	77	2,890	1,408	309	4,598
2007	3	14	17	2,893	1,422	309	4,615
*2008	1	120	121	2,894	1,542	309	4,736
<b>Total 1998-2005</b>	<b>63</b>	<b>30</b>	<b>93</b>	2,894	1,542	309	4,736

\* 2008 estimates are as of October 14, 2008.





As illustrated by the 2000 State Department of Finance figures shown in Table 8.13, 66 percent of Grand Terrace’s housing units are single family; 28 percent are multi-family and 6 percent are mobile homes. These percentages of single family units relative to multi-family and mobile homes are fairly comparable to that of adjacent cities, including Colton, Loma Linda and Redlands. The overall percentage of single family homes in the County is 72%, slightly higher than Grand Terrace and the adjacent cities.

**Table 8.13  
Dwelling Unit Types in Grand Terrace, Selected Cities and the County of San Bernardino  
2000 State of California Department of Finance**

Total Units		Single Family			Multi-family			Mobile Home	
		Detached Units	Attached Units	% Single Family	2 to 4 Units	5+ Units	% Multi-Family	Homes	% Mobile Homes
<b>Grand Terrace</b>	<b>4,791</b>	<b>2,976</b>	<b>184</b>	<b>66%</b>	<b>186</b>	<b>1,155</b>	<b>28%</b>	<b>290</b>	<b>6%</b>
Colton	15,911	9,031	475	60%	1,279	4,288	35%	838	5%
Loma Linda	8,208	3,520	793	53%	1,078	2,279	41%	538	7%
Redlands	24,727	15,668	1,038	68%	2,422	4,708	29%	891	4%
<b>Total County</b>	<b>610,317</b>	<b>418,949</b>	<b>22,964</b>	<b>72%</b>	<b>40,117</b>	<b>83,459</b>	<b>20%</b>	<b>44,828</b>	<b>7%</b>

**8.4.2.2 Age of Residential Structures**

The age of a structure has a significant effect on its physical condition. However, by itself, age is not a valid indicator of housing condition, since proper care and continued maintenance will extend the physical and economic life of a unit. One the other hand, a lack of normal maintenance coupled with an aging housing stock can lead to the serious deterioration of individual units and entire neighborhoods.

According to the 2000 Census, approximately 2,973 units (67.6 percent of the City’s housing stock) were more than 25 years old. Proper and continued maintenance of older housing is important in extending the life of a home. It also is important in maintaining the general well-being of the surrounding neighborhoods.

Although two-thirds of the housing stock is over 25 years old, most residential structures are well maintained. An exterior windshield housing survey was conducted in March of 2008. This sample survey was limited to those areas in the City where the housing stock is known to be older, and included approximately 22% of the City’s housing stock. The windshield survey categorized the condition of the housing stock into three levels: those needing no rehabilitation; those needing moderate rehabilitation such as exterior repainting or missing roof shingles; and those needing substantial rehabilitation, such as sagging roofs or walls.



The sample survey found that approximately 79 units may need moderate rehabilitation and only two units may need substantial rehabilitation. This suggests that overall the City’s housing stock is in good condition. This estimate seems reasonable given that the housing market was strong during the previous housing planning period, and rising property values encouraged homeowners to make necessary repairs. Also, the City is proactive in ensuring that properties are well maintained.

**8.4.2.3 Overcrowding**

The size of residential structures (number of rooms including bathrooms, halls, closets, and kitchens.) is an important factor in assessing whether the housing stock is adequately accommodating the community’s population. An average size residential unit has five rooms (kitchen, dining/family room, living room and two bedrooms), according to the U.S. Census, and can accommodate a family of up to five without being considered overcrowded. Overcrowding is said to occur when there is more than one resident per room, excluding bathrooms, and severe overcrowding exists when there are more than 1.5 residents per room. According to the 2000 Census and as summarized in Table 8.14, only 2 percent of owner-occupied households are experiencing overcrowding, while 11.8% of renter-occupied housing are experiencing overcrowding. Of the 11.8%, half are experiencing severe overcrowding conditions. This demonstrates that overcrowding is more prevalent in renter-occupied housing, and is comparable to San Bernardino County. However, Grand Terrace maintains a low incidence of severe overcrowding than the County.

**Table 8.14  
Overcrowding by Household Income  
City of Grand Terrace and San Bernardino County  
2000 Census**

	City of Grand Terrace		County of San Bernardino	
	Households	Percent	Households	Percent
Owner Occupied	4,221		341,0144	
Overcrowded	57	2%	17,958	5.3%
Severely Overcrowded	0	0%	16,669	4.9%
Renter Occupied	1,476		187,580	
Overcrowded	175	11.8%	19,253	10.3%
Severely Overcrowded	84	5.7%	23,503	12.5%

**8.4.2.4 Vacancy Rates**

The residential vacancy rate, a translation of the number of unoccupied housing units on the market, is a good indicator of the balance between housing supply and demand in a community. When the demand for housing exceeds the available supply, the vacancy rate will be low. Concomitantly, a low vacancy rate drives the cost of housing upward to the disadvantage of prospective buyers or renters.



In a healthy housing market, the vacancy rate would be between 5.0 and 8.0 per cent. These vacant units should be distributed across a variety of housing types, sizes, price ranges and locations within the City. This allows adequate selection opportunities for households seeking new residences.

The 2000 State Department of Finance reports estimate a City-wide vacancy rate for Grand Terrace of 5.0 percent, suggesting a healthy balance between housing supply and demand. This rate compares favorably to the County, which was recorded by the State Department of Finance to have an overall vacancy rate of 14.5%.

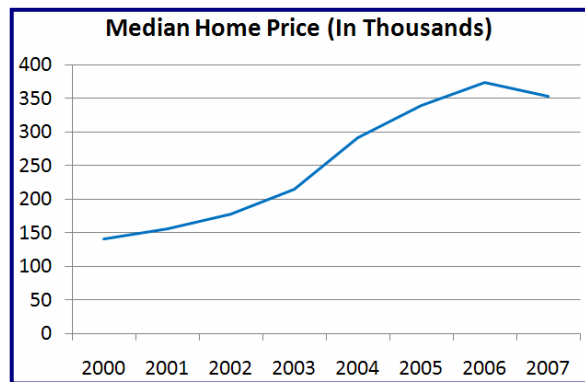
**8.4.2.5 Housing Affordability**

The State of California Department of Housing and Community Development (HCD) publishes affordable housing income limits for states and regions. The HUD 2007 income limits for low and moderate income groups for the Riverside –San Bernardino-Ontario Metropolitan Statistical Area (MSA) are summarized in Table 8.15. As noted, the 2007 median income for a four-person household in San Bernardino County is \$59,200 per year.

**Table 8.15  
Affordable Income Ranges  
(4 Person Household)**

Category	Percent of Median Income	Income Range
Extremely Low	30% or Less of Median	≤ \$17,760
Very Low	31% to 50% of Median	\$18,352 - \$29,600
Low	51% - 80% of Median	\$30,192 - \$47,360
Moderate	81% - 120% of Median	\$47,952 - \$71,040
Above Moderate	121% or more of Median	More than \$71,040
<b>Median Income</b>		<b>\$59,200</b>

According to State and Federal standards for housing overpayment, a household should pay no more than 30 percent of its gross income on housing. Households paying greater than 30 percent have limited remaining income for other necessities such as food, clothing, and health care. Above-Moderate households, which are households earning more than 120% of median income, are generally capable of paying a larger proportion of their income for housing; therefore, estimates of housing overpayment generally focus on lower income groups.





Based on these guidelines that households should not spend more than 30 percent of their gross income on housing, Table 8.16 estimates the maximum housing costs affordable to Extremely Low, Very Low Income, Low Income and Moderate Income households in Grand Terrace. The rents shown do not include allowance for utilities that may impose additional costs to the renter of \$50 to \$100 per month, depending on which utilities the renter is responsible for paying. Renters may be required to cover water, sewer and trash pickup costs in addition to the usual electric, gas and phone. The addition of these costs may cause rental of a unit that would otherwise be affordable to become a condition of overpayment. The maximum purchase price includes payment on principal and interest, and an assumed 1.25% allocation for taxes and homeowner insurance. Taxes and insurance may exceed the assumed 1.25% in newer areas subject to assessments, Mello-Roos districts or high fire hazard. A 10 percent down payment and a 6 percent interest rate are assumed, reflecting 2007 market conditions.

**Table 8.16**  
**City of Grand Terrace**  
**Affordable Housing Prices and Rents by Income Group**

<b>Income Category</b>	<b>Median Income (4-Person Household)<sup>1</sup></b>	<b>Maximum Home Purchase Price</b>	<b>Maximum Home Rental Rate</b>
Extremely Low	Less Than \$17,760	\$60,000	\$444/month
Very Low	\$18,352 - \$29,600	\$90,300	\$740/month
Low	\$30,192 - \$47,360	\$176,200	\$1,183/month
Moderate	\$47,952 - \$71,040	\$270,100	\$1,776/month

<sup>1</sup> HUD Affordability requirements, April 2007.  
 Median income: \$59,200.00

Note: Calculation of affordable rent is based on a monthly payment of 30 percent of gross household income. Calculation of affordable home sales price based on down payment of 10 percent, annual interest rate of 6 percent, 30-year fixed rate mortgage, and monthly payment of 30 percent of gross income.

As shown Table 8.16, the maximum housing costs affordable to an Extremely Low Income four-person household are \$60,000 to purchase a home and \$444 a month to rent a home. For a Very Low Income four-person household are \$90,300 to purchase a home and \$740 per month to rent a home. For a Low Income four-person household the maximum affordable housing costs are \$176,200 to purchase a home and \$1,183 per month to rent a home. For a Moderate Income four-person household the maximum affordable housing costs are \$270,100 to purchase a home and \$1,776 per month to rent a home.

For comparison purposes, Table 8.17 shows historic single family home sales for the City of Grand Terrace from 1997 to 2007. This Table shows that the average cost per square foot in 2007 is three times more than the cost was in 1997.



**Table 8.17**  
**Historic Single Family Home Sales**  
**Grand Terrace (Zip Code 92313)**

Year Sold	Avg. # Bedrooms	Avg. # Baths	Number Sold	Avg. Square Feet	Avg. Cost/Sq. Ft.	Avg. Sale Price
1997	3.37	2.17	85	1,668	\$74.59	\$124,452
1998	3.40	2.17	94	1,708	\$76.38	\$130,229
1999	3.44	2.11	102	1,654	\$84.81	\$140,271
2000	3.53	2.22	104	1,829	\$85.04	\$155,570
2001	3.49	2.18	123	1,699	\$99.44	\$168,915
2002	3.42	2.17	127	1,691	\$113.40	\$191,748
2003	3.52	2.20	125	1,729	\$136.67	\$236,329
2004	3.46	2.07	143	1,807	\$169.47	\$306,231
2005	3.40	2.12	54	1,682	\$204.65	\$344,130
2006	3.35	2.11	93	1,598	\$250.59	\$400,438
2007	3.38	2.01	28	1,756	\$234.39	\$411,593

Late 2007 home sales listing in local newspapers indicate that the average sales price for a single family residence in the City of Grand Terrace is approximately \$230 per square foot. Assuming this average per foot price, a typical three bedroom, two bath home of 1,500 square feet costs \$345,000, approximately 22 percent above the Moderate Income maximum purchase price.

A search of current market housing rental rates on Craigslist.com revealed average monthly rates of \$1,088 for two bedroom homes, and average monthly rates of \$1,528 for homes with three or more bedrooms. This means that two bedroom homes would not be affordable to extremely low and very low income households, and only higher income households could afford homes with three bedrooms or more.

#### **8.4.2.6 Overpayment**

According to SCAG, and as shown on Table 8.18 below, a significant number of lower income households in the City of Grand Terrace are overpaying for housing. That is, paying more than 30% of their gross income towards housing costs. Specifically, 67% of all lower income (extremely low, very low and low ) renter households and 57% of lower income owner households are overpaying for housing.



**Table 8.18  
Overpayment by Household Income  
City of Grand Terrace  
SCAG 2007, based on 2000 Census**

Income Category*	Renters		Owners	
	Households	Percent	Households	Percent
Extremely Low Households	85		94	
Households Overpaying	65	76.5%	85	90.4%
Very Low Households	98		190	
Households Overpaying	85	86.7%	100	52.6%
Low Households	310		255	
Households Overpaying	180	58%	125	49%
Moderate Households	955		2,200	
Households Overpaying	25	2.6%	329	15%

\* % of County median income

Although the City has a smaller percentage of its total households within the lower income categories than San Bernardino County, the City has a higher percentage of its lower income households overpaying for housing than San Bernardino County, and other neighboring cities.

Overall, 62% of the City’s households (both renter and owner occupied households) were overpaying for housing. In neighboring communities such as the cities of Riverside, Loma Linda, Colton and San Bernardino, the percentage of lower income households overpaying ranged from 43% to 55%, with Loma Linda being the highest.

Overpayment disproportionately affects extremely low, -very low and -low-income households more so than higher income households. Low-income households that are overpaying for housing, frequently have insufficient resources for other critical essentials including food and medicine. This is a significant hardship for many workers, families and seniors.

## 8.5 HOUSING NEEDS

### 8.5.1 Existing Needs

Although the Regional Housing Needs Assessment (RHNA) included analysis of each community’s existing need, the California Department of Housing and Community Development has indicated that the existing need analysis was to be used as a guide in identifying adequate sites to accommodate the projected growth, and in identifying and establishing appropriate programs and policies. The analysis determined that the City should have a total of 1,225 housing units, well below the 4,401 currently occurring in the City.



The differences between the projected goals and what was achieved is primarily measured by the Regional Housing Needs Allocation Model. Southern California Association of Governments (SCAG) establishes the RHNA for the City of Grand Terrace. The RHNA identifies the City’s existing and future housing need broken down into four household income categories:

- “Very Low” - less than 50 percent of the median income
- “Low” - 50 to 80 percent of the median income;
- “Moderate” - 80 to 120 percent of the median income; and
- “Above Moderate” - more than 120 percent of the median.

The previous planning period (1998-2005), shown in Table 8.19 below, included the following RHNA target numbers:

**Table 8.19  
Regional Housing Need Assessment  
1998 – 2005 Target**

Income Level	RHNA Target
Very Low	39
Low	33
Moderate	52
Above-Moderate	120
<b>Total</b>	<b>244</b>

The 2000-2005 Housing Element identified that the City contained adequate residentially zoned sites to accommodate 244 additional residential units, as required by Housing Element law. As indicated previously, the City did not experience the significant housing boom within the 200-2005 cycle that many of the surrounding jurisdictions did due to its geographic limits. Ninety-three units were constructed during this program cycle, and 34 were affordable units. The City conserved 111-low income rental units at the Highlands Apartments that were at risk to convert to market rate units in 1999, through the use of its housing set-aside funds to secure these units until 2030.

### 8.5.2 2006-2014 RHNA

In June 2007, SCAG issued new RHNA target numbers for the current planning period. Table 8.20 lists the 2006-2014 allocation for the City of Grand Terrace by income category.





**Table 8.20  
Regional Housing Need Assessment  
2006 – 2014 Target**

<b>Income Level</b>	<b>RHNA Target</b>
Very Low	80
Low	55
Moderate	63
Upper	131
<b>Total</b>	<b>329</b>

**8.5.3 Resource Inventory**

**8.5.3.1 Land Inventory**

State planning law requires that all Housing Elements provide an inventory of available land that may be used for affordable housing projects. The available properties must include the following:

- Vacant residentially zoned sites
- Vacant non-residentially zoned sites that allow residential uses
- Underutilized residentially zoned sites, which are capable of being developed at a higher density or with greater intensity.
- Non-residentially zoned sites that can be redeveloped for and/or rezoned for residential uses.



An inventory of all currently vacant or underutilized parcels currently zoned for residential development or that permits residential development was prepared. Table 8.21 through Table 8.26 lists all parcels by Assessor’s Parcel Number, current zoning and General Plan designation, acreage, and realistic development density.



**Table 8.21 Single Family Residential Hillside (RH) Zoned Properties**

Parcels zoned RH are found along the west side of Blue Mountain. The permitted density within the RH zone is one dwelling unit per acre. These parcels are characterized as large rural residential lots on steep hilly terrain and numerous development constraints including steep slopes, landslide potential, high fire hazards, sensitive habitat, excessive grading requirements, limited access, and utility constraints. In consideration of the existing topography and other physical constraints the City requires that development be subject to a specific plan or master plan to establish site development standards such as setbacks, height limits and density, on a project by project basis. Although the specific plan would allow flexibility in design and development standards, these parcels are typically considered too expensive for affordable housing due to the development constraints. Based on an analysis of the properties, the realistic capacity within the RH zone is 72 additional single family lots.

**Table 8.21  
RH Zoned Available Parcels**

APN	General Plan	Condition	Acreage	Allowable Density	Realistic Unit Capacity
0276-251-01	Low Density Residential	Vacant	28.94	1 du/ac	19 @ 0.65 du/ac
0276-491-01	Hillside-Low Density Residential	Vacant	5.48	1 du/ac	5 @ 1 du/ac
0276-491-02	Hillside-Low Density Residential	Vacant	1.02	1 du/ac	1 @ 1 du/ac
0282-192-16	Hillside-Low Density Residential	Vacant	2.16	1 du/ac	2 @ 1 du/ac
1178-061-01	Hillside-Low Density Residential	Vacant	44.81	1 du/ac	23 @ 0.5 du/ac
1178-251-01	Hillside-Low Density Residential	Vacant	42.91	1 du/ac	22 @ 0.5 du/ac
<b>Total</b>	<b>-</b>	<b>-</b>	<b>125.32</b>	<b>-</b>	<b>72</b>

**Table 8.22 Single Family Residential - 20,000 sq. ft. min. (R1-20) Parcels**

R1-20 parcels are typically characterized as larger rural residential parcels at the foot of Blue Mountain. Minimum lot size is 20,000 square feet (1/2 acre). These parcels are typically constrained by steeper slopes, limited access and utilities, and high fire hazards, although not as much as Residential Hillside (RH) lots. Non-vacant parcels within this zone consist of older homes on large lots that may be classified as





underutilized, and that could be subdivided. Residential development standards for the R1-20 zone district are contained in Table 8.33, and most single family development can meet these standards. Permissible density within this zone district is 1-2 dwelling units per acre, and approximately 64 additional single family residential units could be accommodated in this zone district.

**Table 8.22  
R1-20 Zoned Available Parcels**

APN	General Plan	Condition	Acreage	Allowable Density	Realistic Unit Capacity
0275-083-03	Low Density Residential	Underutilized	3.39	1-2 du/ac	3 @ 1 du/ac
0275-083-34	Low Density Residential	Underutilized	3.09	1-2 du/ac	3 @ 1 du/ac
0276-421-06	Low Density Residential	Underutilized	2.65	1-2 du/ac	2 @ 1 du/ac
0276-431-08	Low Density Residential	Underutilized	3.15	1-2 du/ac	4 @ 1.25 du/ac
0276-431-09	Low Density Residential	Underutilized	2.72	1-2 du/ac	2 @ 1 du/ac
1178-241-03	Hillside-Open Space	Vacant	10.00	1-2 du/ac	15 @ 1.5 du/ac
1178-161-76	Low Density Residential	Vacant	2.59	1-2 du/ac	3 @ 1 du/ac
1178-191-02	Low Density Residential	Underutilized	18.00	1-2 du/ac	18 @ 1 du/ac
1178-231-02	Low Density Residential	Vacant	1.77	1-2 du/ac	2 @ 1 du/ac
1178-241-01	Low Density Residential	Underutilized	8.00	1-2 du/ac	12 @ 1.5 du/ac
<b>Total</b>	<b>-</b>	<b>-</b>	<b>55.36</b>	<b>-</b>	<b>64</b>

**Table 8.23 Single Family Residential - 10,000 sq. ft. min. (R1-10) Parcels**

R1-10 parcels are characterized as a transition zone between the more rural R1-20 lots and standard 7,200 square foot single family lots. The minimum lot size is 10,000 square feet and they are generally located along the foot of Blue Mountain in areas of milder slopes and fewer constraints than R1-20 and RH lots. Underutilized lots in this zone district consist of large lots with only one residential unit that could be subdivided. Permissible density within this zone district is 1-4 dwelling units per acre. Residential development standards for this zone district are contained in Table 8.33. For single family development, the development standards are typically not a constraint, and can be met. Realistic density is 3 dwelling units per acres, and the identified parcels could support a total of 28 additional units.



**Table 8.23  
R1-10 Zoned Available Parcels**

APN	General Plan	Condition	Acreage	Allowable Density	Realistic Unit Capacity
0276-401-12	Low Density Residential	Underutilized	1.02	1-4 du/ac	2 @ 2 du/ac
0276-401-16	Low Density Residential	Vacant	0.87	1-4 du/ac	2 @ 2 du/ac
0276-401-18	Low Density Residential	Underutilized	0.79	1-4 du/ac	2 @ 2.5 du/ac
0276-401-19	Low Density Residential	Underutilized	1.01	1-4 du/ac	2 @ 2 du/ac
0276-401-20	Low Density Residential	Underutilized	0.99	1-4 du/ac	2 @ 2 du/ac
0276-401-21	Low Density Residential	Underutilized	1.59	1-4 du/ac	2 @ 1 du/ac
0276-411-02	Low Density Residential	Vacant	3.10	1-4 du/ac	9 @ 3 du/ac
0276-411-27	Low Density Residential	Vacant	1.67	1-4 du/ac	5 @ 3 du/ac
0267-411-28	Low Density Residential	Vacant	0.65	1-4 du/ac	2 @ 3 du/ac
<b>Total</b>	<b>-</b>	<b>-</b>	<b>11.69</b>	<b>-</b>	<b>28</b>

**Table 8.24 Single Family Residential – 7,200 sq. ft. min. (R1-7.2) Parcels**

The R1-7.2 residential zone is the standard zone for typical single family development in the City. Lots are typically 7,200 square in size and were created in larger subdivisions. Permitted density in this zone district is 1-5 dwelling units per acre. Residential development standards for this zone district are contained in

Table 8.33. The development standards are typical for single family development and similar to surrounding jurisdictions. They are not a constraint to single family development. Remaining R1-7.2 available lots are generally older infill lots or residences on larger lots that could be subdivided to create additional housing opportunities. Lots created under this zone designation can be developed in accordance with the





development standards, and it is anticipated that approximately 23 units could be accommodated in the R1-7.2 zone district.

**Table 8.24  
R1-7.2 Zoned Available Parcels**

APN	General Plan	Condition	Acreage	Allowable Density	Realistic Unit Capacity
1167-161-31	Low Density Residential	Vacant	0.88	1-5 du/ac	3 @ 4 du/ac
1167-201-03	Low Density Residential	Vacant	2.61	1-5 du/ac	10 @ 4 du/ac
1167-281-03	Low Density Residential	Underutilized	0.93	1-5 du/ac	3 @ 3 du/ac
1167-291-01	Low Density Residential	Underutilized	1.07	1-5 du/ac	2 @ 1.5 du/ac
1167-291-02	Low Density Residential	Underutilized	2.68	1-5 du/ac	5 @ 2 du/ac
<b>Total</b>	-	-	<b>8.17</b>	-	<b>23</b>

**Table 8.25 Multi-Family Residential (R2) Parcels**

R-2 zoned parcels allow for standard single family residential units and lower density multi-family residential units including duplexes, triplexes, and fourplexes. These residential units are permitted by right. Permitted density in this zone district is 1-9 dwelling units per acre. Many of these lots are located on the west side of the City and are currently occupied by older rural residential units. Residential development standards for this zone



district are contained in Table 8.33. The underutilized sites identified below each contain an existing residence. Given the sizes of these lots there is adequate underutilized area to be able to accommodate additional units. Additionally, because of the existing residence it is likely that at most one or two residential units would be accommodated, as identified in Table 8.26, resulting in duplexes and/or triplexes. With this small level of development, the existing residential uses are not a constraint to development on these lots because they can usually be incorporated into the design of development. It is anticipated that a minimum of 39 multiple family units could be constructed under the permitted base density. There is the ability for developers to apply for density bonuses that would allow densities greater than that permitted, and development





incentives which would include a relaxing of development regulations, such as setbacks, parking and height standards. Further, it should be noted that two of the sites have been identified as possible sites that could be re-zoned to accommodate affordable housing units. This concept is further discussed in Section 8.5.3.4.

**Table 8.25  
R2 Zoned Available Parcels**

APN	General Plan	Condition	Acreage	Allowable Density	Realistic Unit Capacity
0275-211-05	Medium Density Residential	Underutilized	1.18	1-9 du/ac	4 @ 3.3 du/ac
0275-211-56	Medium Density Residential	Underutilized	0.62	1-9 du/ac	2 @ 3.5 du/ac
0275-211-16	Medium Density Residential	Underutilized	0.76	1-9 du/ac	2 @ 2.6 du/ac
0275-211-17	Medium -Density Residential	Underutilized	1.06	1-9 du/ac	3 @ 3 du/ac
0275-211-43	Medium Density Residential	Vacant	0.30	1-9 du/ac	2 @ 7 du/ac
0275-211-57	Medium Density Residential	Underutilized	0.62	1-9 du/ac	3 @ 5 du/ac
0275-211-58	Medium Density Residential	Underutilized	1.52	1-9 du/ac	3 @ 2 du/ac
0275-231-11	Medium Density Residential	Underutilized	1.10	1-9 du/ac	4 @ 3.5 du/ac
0275-231-12	Medium Density Residential	Underutilized	1.00	1-9 du/ac	4 @ 3.6 du/ac
0275-231-25	Medium Density Residential	Underutilized	1.47	1-9 du/ac	10 @ 7 du/ac
*0275-231-42 Site C	Medium Density Residential	Underutilized	0.29	1-9 du/ac	2 @ 7 du/ac
*0275-231-49 through 0275-231-66 Site B	Medium Density Residential	Vacant/ Underutilized	2.48	1-9 du/ac	18 @ 7 du/ac
<b>Total</b>	-	-	<b>10.48</b>	-	<b>39</b>

\* Potential re-zone sites

**Table 8.26 Multi-Family Residential (R3) Parcels**

The R3 zone is a zone intended for medium density multi-family residential uses. Development in this zone may include apartments, condominium, town homes, duplexes, triplexes, and fourplexes at densities of up to 12 units per acre. These residential units are permitted by right. The remaining R3 parcels are all infill lots already provided with all public utilities and services,



and are either vacant or contain existing residential uses. Residential development standards for this zone district are contained in Table 8.33. Almost all of the underutilized sites identified above contain an existing residence, and all but one lot measure at least one half acre in size, which is adequate underutilized area to be able to accommodate additional units. Additionally, because of the existing residence it is likely that at most one or two residential units would be accommodated, as identified in Table 8.26, resulting in duplexes and/or triplexes. With this small level of development, the existing residential

use is not a significant constraint to development on these lots because one or two additional units can be incorporated into the design of development. There is the ability for developers to apply for density bonuses that would allow densities greater than permitted, and development incentives which would include a relaxing of development standards. Further, it should be noted that of the three sites that have been identified for re-zoning to accommodate lower income households, two of the sites, Site A and Site D will be re-zoned to a density of 20 units per acre to accommodate the City's remaining affordable housing need of 27 units, in accordance with state housing law.

Table 8.26 includes the existing mobile home park, over the long term, should it redevelop it could generate up to 233 multiple family units. However, for purposes of adequate sites, this parcel is not included in the final calculations. Therefore, exclusive of the mobile home park, a total of 46 additional multiple family units could develop within the R-3 zone district.





**Table 8.26  
R3 Zoned Available Parcels**

APN	General Plan	Condition	Acreage	Allowable Density	Realistic Unit Capacity
#0275-251-04 Site A	Medium Density Residential	Vacant	0.81	1-12 du/ac	9 @ 11 du/ac
+0275-211-53	Medium Density Residential	Underutilized	21.23	1-12 du/ac	233* @ 11 du/ac
0275-251-77	Medium Density Residential	Underutilized	0.64	1-12 du/ac	7 @ 11 du/ac
#1167-341-02 Site D	Medium Density Residential	Underutilized	0.38	1-12 du/ac	4 @ 10.5 du/ac
1167-341-04	Medium Density Residential	Underutilized	0.50	1-12 du/ac	4 @ 8 du/ac
*1167-341-05 Site E	Medium Density Residential	Underutilized	1.04	1-12 du/ac	11 @ 11 du/ac
#1167-341-38 Site D	Medium Density Residential	Vacant	0.97	1-12 du/ac	11 @ 11 du/ac
<b>Total</b>	<b>-</b>	<b>-</b>	<b>25.57</b>	<b>-</b>	<b>279</b>

\* Potential re-zone site

# Site to be re-zoned to 20 units per acre

+ This is an existing mobilehome park, and is not included in the final calculations. It is included for demonstrative purposes only.

Exhibit 8-1 depicts the available R-2 and R-3 sites identified in Tables 8.25 and 8.26.

In addition to the parcels identified in the Tables above, a proposed mixed use development adjacent to I-215 and south of Barton Road could generate an additional 175 multi-family residential units. As illustrated in Table 8.27, approximately 447 new units could be constructed at buildout. Assuming that 20 percent of all units under the R2, R3 BRSP-OP zoning and Mixed Use project were designated for affordable households, approximately 52 affordable units could be constructed. Assuming that those developments qualified for a minimum 20 percent density bonus pursuant to state law for an additional 52 units, a minimum of 104 affordable housing units could be constructed. It should be noted that this assumption uses minimum thresholds. A developer would not be precluded from designating more than 20 percent of the development as affordable housing units, and would in fact be encouraged to do so. The higher the percentage of designated affordable units, the greater the density bonus that could be granted, based on state and local housing laws.



**Table 8.27  
Total Acreage Available for Residential Development**

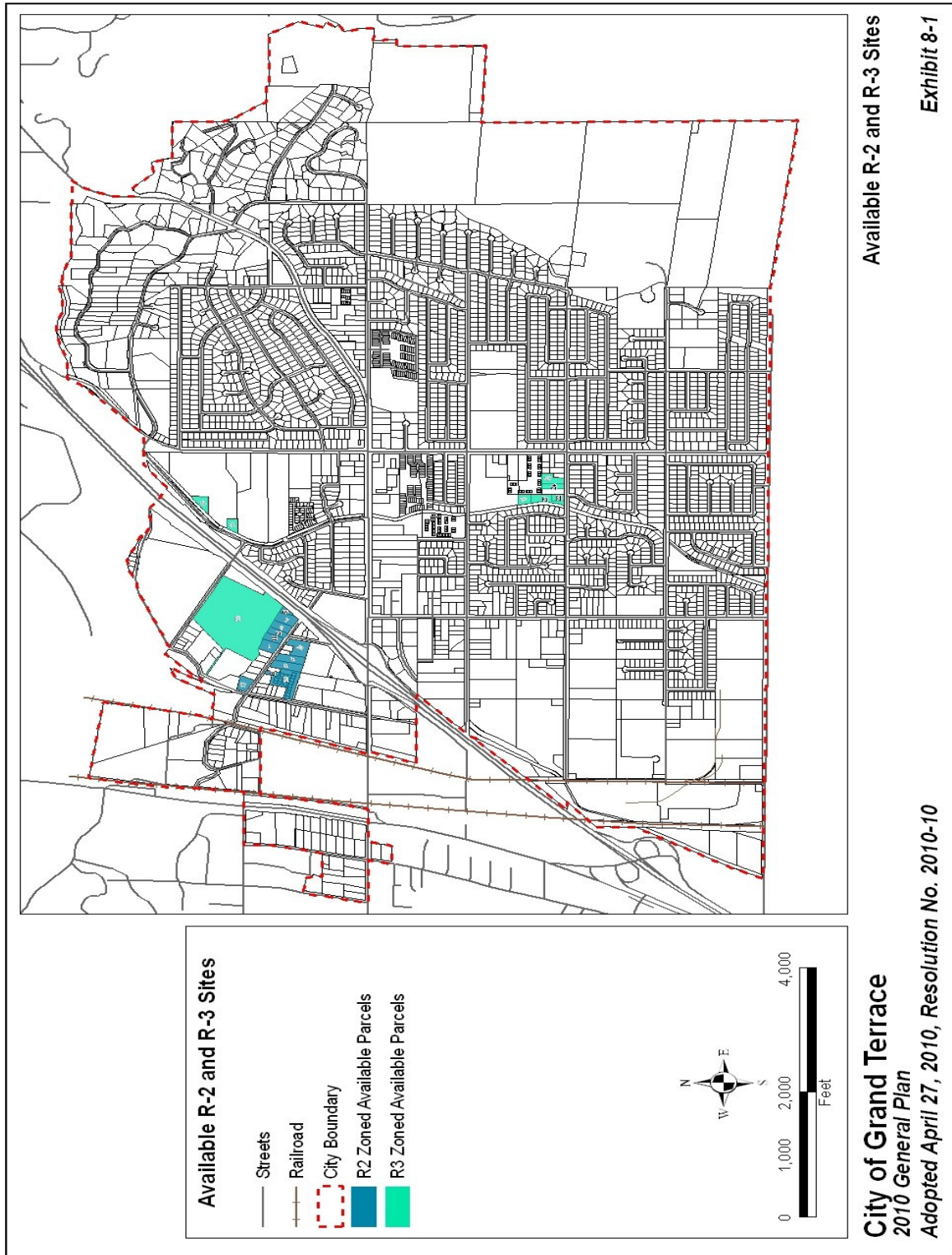
<b>Zone</b>	<b>Acres</b>	<b>Est. Units</b>	<b>Assume 20% are Affordable</b>	<b>20% Density Bonus<sup>1</sup></b>	<b>Total Units w/Bonus</b>
RH	125.32	72	0	0	72
R1-20000	55.36	64	0	0	64
R1-10000	11.69	28	0	0	28
R1-7.2	8.17	23	0	0	23
R2	10.48	39	8	8	47
R3	4.34	46	9	9	55
Mixed Use	15.00	175	35	35	210
<b>Total</b>	<b>230.36</b>	<b>447</b>	<b>52</b>	<b>52</b>	<b>499</b>

Footnote: <sup>1</sup> A minimum density bonus of 20% assuming minimum affordability thresholds are met for very low and low income households. State law allows a density bonus of up to 35%.

Generally speaking, the single family residential designations will typically house moderate and above-moderate household groups. The multiple family residential and mixed use designations are typically expected to house lower income households because of their density and economies of scale. Using this presumption, Table 8.27, above, demonstrates that based on the available sites inventory there is sufficient land for 447 residential units to accommodate the projected growth allocated in the RHNA, with the potential for at least 104 additional affordable housing units.



Exhibit 8-1 – Available R-2 and R-3 Sites





### 8.5.3.2 Suitability of Non-Vacant Sites

**Development Trends:** As discussed above the City is relying on its multiple family zone districts and BRSP-OP zone district, and anticipated mixed use project to generate extremely low-, very low- and low-income housing. Over the last planning period five multiple family projects have been constructed in the multiple family zone districts. Table 8.28 below list the projects and project densities. In addition, during this planning cycle the construction of Blue Mountain Senior Villas will be completed, and provide 120 affordable housing units at a density of 20 dwelling units per acre. Approximately \$9 million dollars of Low/Moderate Housing Funds have been committed to this project. Because of the economies of scale associated with multiple family developments, it is likely that such development will continue to provide affordable housing during this planning cycle. It is evident that incentives will need to continue to be provided to encourage higher densities, either in the form of financial assistance and/or relief from regulatory standards such as maximum densities, setbacks, parking and other development standards. Programs 8.8.1.d, 8.8.1.j and 8.8.1.k encourage such actions.

A proposed 100-acre specific plan project is proposed adjacent to I-215 and south of Barton Road. The project area is comprised of vacant and non-vacant land, some owned by the City of Grand Terrace, and includes the assimilation of multiple parcels and redevelopment of lands. This project includes a mixed use component and it is anticipated that an additional 175 multiple family residential units would be generated. Because a specific plan is being proposed for the project it has the added benefit of creating the development standards that would apply to the residential component.

Multiple family development in the BRSP-OP zone are allowed a density of 1-12 units per acre and are subject to the residential standards contained in Chapter 18.10 (RH, R1, R2 and R3 Zones) and shown in Table 8.33. Under the provisions of the Barton Road Specific Plan for mixed use development, the residential component is not tied to the development standards shown in Table 8.33. The residential component; however, is restricted to second floor levels of buildings. Mixed use development would be subject to the standards of the underlying zone district, including lot coverage, height, parking and setbacks. Densities may not exceed those of the residential, commercial and industrial designations of the General Plan and zoning; and it is anticipated that densities will be established through the Mixed-Use process.



**Table 8.28  
Approved/Constructed Multiple Family Projects**

Project	Zoning	Acreage	Number of Units	Allowable Density	# of Units/Density
Greenbriar	R3	3.7	35	1-12 du/ac	10.35
Karger Homes	R3	2	16	1-12 du/ac	8
Canal Street	R3	3.6	42	1-12 du/ac	11.6
Hidden Gate	R3	4.84	55	1-12 du/ac	11
*Blue Mountain Senior Villas	R3-S	6	6	1-12 du/ac	20

\* It should be noted that this project includes a 2.6 acre public park with the residential component built on 3.4 acres. If only the 3.4 acres were considered, project density would be 35 dwelling units per acre.

**Market conditions:** Grand Terrace is a small bedroom community located amidst the employment areas of surrounding jurisdictions, and adjacent to the I-215 Freeway, a major commuting corridor to jobs in Los Angeles and Orange Counties.

The City incorporated 30 years ago and since then has grown moderately by an average of three percent per year. The City is striving to create a commercial tax base and develop its industrial sector to create and retain jobs and increase revenues. In turn, this will assist in balancing jobs and housing, as we are currently housing rich and jobs poor.

One of the major obstacles to providing housing to meet the needs of all economic segments of the community is the nature of the housing market itself. The rate at which housing costs accelerated during the 1990’s and 2000’s created a serious national problem. This problem was magnified in California as a whole, and particularly in Inland Empire communities such as Grand Terrace, where housing costs rapidly inflated. As a result of the housing boom of the early 2000’s, housing in Grand Terrace has become less affordable with the cost of a typical single family residence increasing an average of 260 percent from 2000 to 2007.

To encourage affordable housing, Programs A1.d, A1.j and A1.k are proposed within the planning period that promotes providing relief from regulatory standards, including density limitations, and/or financial relief for projects that create affordable housing. This program is applicable to any proposed affordable housing projects; include those proposed on identified underutilized sites.

**8.5.3.3 Realistic Capacity**

The City evaluated the implementation of its multiple family residential development standards, including building height, building setbacks, building coverage and parking requirements by reviewing recent multiple family development projects. These projects are included in the list provided in Table 8.28 above. These projects are located in the R-3 zone and most of the projects were constructed at a density of about 11 units per acre which is comparable with the realistic capacity identified in Table 8.26 R3 Zoned Available Parcels.



Two other multiple family projects were built/approved prior to the last planning period. The 556-unit Highlands Apartments were built prior to the City's incorporation and this 34.76-acre development yielded a density of 16 units per acre. One hundred and eleven of the units have affordability covenants governing them. The Preston Condo project, already recorded, has a permitted density of 15 units per acre, and will require design review of the housing product.

At this time, the density of the residential component of the anticipated mixed use project is now known. However, it is expected that 175 residential units will be constructed.

#### **8.5.3.4 Zoning for Lower Income Households**

Typically, it is difficult to accommodate affordable housing within single family development without substantial subsidies, such as silent seconds, down payment assistance, etc. In the last planning cycle Grand Terrace's Housing Office has purchased and rehabbed single family units and sold to affordable households; however, with the rise in housing prices the Housing Office had to suspend the program. It is anticipated that the program will become active again during this current planning cycle.

Usually, because of the economies of scale, affordable housing projects are generally developed in zone districts that allow multiple family developments, such as the City's R-2, R-3 and Barton Road Specific Plan properties zoned for Infill Residential development. Therefore, the City anticipates that housing for lower income households will be built on these zone districts.

Grand Terrace is a small bedroom community working towards creating a greater commercial tax and industrial base to improve the city's jobs housing balance which is currently housing rich and jobs poor. As shown in Table 8.28, multiple family units have been approved and/or developed indicating that the market is accommodating multiple family projects. However, only the Blue Mountain Senior Villas project contains affordable rental housing units, which received substantial subsidies from the City's low-mod housing fund. Even with the opportunities for financial subsidies, bonuses and development incentives, there is reluctance by developers to accommodate affordable housing due to the recordation of long-term affordability covenants.

The multiple development projects built or approved over the last 5 years demonstrate that development is being constructed in accordance with the realistic capacity for the R-3 zone district. The developments are able to meet the provisions of the development standards for the R-3 zone. The one affordable project is the Blue Mountain Senior Villas which is built at a density of 20 units per acre. A specific plan was also developed as part of this project, which allows the developer to establish their own development standards in relation to the site and project characteristics. This in turn provides a tremendous amount of flexibility in development. It should be noted that the Senior Villas project at a density of 20 units per acres was built which stricter provisions in lot coverage and building height than that permitted in the Zoning Code, but at a lesser standard for parking (0.75 parking spaces per unit as opposed to 2 spaces per unit).





Density does influence the financial feasibility of projects; however the constraint to affordable housing in Grand Terrace has not necessarily been density but rather an interest by developers to construct affordable units.

Based on the analysis contained in Table 8.37, which takes into consideration, approved and constructed projects, the City will still need to accommodate 27 units for lower income households during the planning period. Five sites have been identified that could accommodate multiple family development at densities of 20 units per acre. The locations of the five sites have been identified in Tables 8.25 and 8.26. Because the five sites would accommodate more than 27 units; the City is proposing to only re-zone, at this time, Sites A and D at a density of 20 units per acre to accommodate the remaining housing need for the remaining 27 units affordable to lower income households.

Program 8.8.1.s identifies that Sites A and D will be re-zoned at a density of 20 units per acre to accommodate the remaining housing need of 27 units affordable to lower-income households. In accordance with the California Government Code, the re-zoned sites allow exclusively multiple family and senior residential uses, and permit owner-occupied and rental multifamily residential uses by-right.

#### **8.5.3.5 Financial Inventory**

In order to assist in the provision of affordable housing, California State law provides for a “set aside” of a minimum of 20 percent of all tax increment revenues collected by City Redevelopment Agencies for low-and moderate-income housing. The City of Grand Terrace Community Redevelopment Agency has established a Low/Moderate Housing Fund for the disposition of this tax increment. The fund is used to rehabilitate the existing housing stock and convert units to affordable housing, control blight through funding the City’s Code Enforcement Program, and assist developers in the provision of new affordable housing projects. Presently, the majority of available Low/Moderate Housing Funds have been committed to the Blue Mountain Villas Senior Housing project which will provide 120 senior housing units ranging from the very low to moderate rent structure. Approximately \$9 million of Low/Moderate Housing Funds are committed to the project. It is estimated that at the end of Fiscal Year 07/08, approximately \$500,000 remained available for new and rehabilitated housing projects. An additional \$300,000 to \$350,000 in new Low/Moderate Housing Funds will be generated annually for use in new affordable housing projects, depending upon fluctuations in property tax valuations in the City.





### 8.5.4 Special Housing Needs

There are households with identifiable special needs, as defined by California law for which the City must plan. Such groups have a greater difficulty in finding decent, affordable housing due to special circumstances, which may be related to employment, income, family characteristics,



disability or other conditions. As a result, some residents may experience a higher prevalence of overpayment, overcrowding, or other housing problems. These groups include the disabled, the elderly, large households, female-headed households, farm workers, and the homeless. Each special needs category is discussed in greater detail below.

#### 8.5.4.1 The Disabled

**Table 8.29  
Persons with Disabilities by Age  
2000 Census**

Disability by Age	Persons	Percent
Age 5 to 15 – total persons	2,095	
With a disability	105	5.0%
Sensory	20	
Physical	40	
Mental	57	
Self-care	25	
Age 16 to 64 – total persons	7,668	
With a disability	1,363	17.8%
Sensory	189	
Physical	396	
Mental	251	
Self-care	161	
Going outside the home	251	
Employment disability	161	
Age 65 and older – total persons	1,197	
With a disability	514	42.9%
Sensory	135	
Physical	360	



Disability by Age	Persons	Percent
Mental	174	
Self-care	156	
Going outside the home	236	

Disabled persons have special housing needs. Depending on the disability their needs may be proximity to public transit, services, and the workplace. Housing needs may include ramps, lowered countertops, and widened doorways. As shown in Table 8.29, almost 18% of the City’s working population (ages between 16-64 years) has a disability, with 63% having an employment disability. For those aged 65 years and older, 43% have a disability. Included within these disabilities are persons with disabilities that limit their ability to leave the home (37% of the working population and 45% of the senior population, respectively). These statistics are similar to San Bernardino County.

**8.5.4.2 The Elderly**

As reported in the 2000 Census 1,245 persons, or approximately 10.7 percent of the population of Grand Terrace were over 65 years of age. Table 8.30 breaks down the age groups within this population even further. The percentage of the elderly population is expected to increase during the next decade due to two factors:

- 1) The U.S. population nationwide is aging as the baby boom population (born between 1946 and 1964) approaches their senior years; and
- 2) Many long time residents chose to stay in the City.

Affordability can be an issue of special concern to the elderly, who are often on fixed retirement incomes. In addition, the elderly may require assistance with housekeeping, maintenance, and repairs to remain in their own homes as long as possible. Special design features that may be needed include elimination of barriers such as steps and the provision of recreational and social amenities for the elderly.

**Table 8.30  
Elderly Households by Age  
2000 Census**

Householder Age	Household	Percent
Under 65 years	10,381	89.3%
65 to 74 years	655	5.7%
75 to 84 years	416	3.5%
85 years and older	174	1.5%



### 8.5.4.3 Large Family Households

Large households are an indicator of need for large units. Large households are generally defined as households with 5 or more persons. According to the 2000 Census, Grand Terrace has 500 households consisting of five or more persons. Table 8.31 shows that the City’s total number of occupied housing units is made up predominately of 1 and 2-person households. Approximately 12% of occupied housing units are occupied by large households. This suggests that the need for large units with four or more bedrooms is expected to be significantly less than the need for smaller units.

**Table 8.31  
Household Size by Tenure  
2000 Census**

Household Size	Owner Occupied	Renter-occupied	Total Occupied	% of all Total Households
1 person	482	433	915	21.7%
2 persons	926	474	1,400	33%
3 persons	484	255	739	17.5%
4 persons	487	180	667	16%
5 persons	228	72	300	7%
6 persons	99	35	134	3.2%
7 or more persons	39	27	66	1.6%
<b>Total</b>	<b>2,745</b>	<b>1,476</b>	<b>4,221</b>	<b>100%</b>

### 8.5.4.4 Female Headed Households

As reported by the 2000 Census, of the 4,221 occupied households in Grand Terrace, 1,210, or 28% are headed by females. These families often have special housing needs, including a strong demand for affordable housing because of the income limitations of single earner households.

### 8.5.4.5 Farmworker Housing

Based on the 2000 Census, there are 5,917 employed residents over the age of 16 years. Of those workers, only 13 (0.2%) persons are employed as farm workers. Because the number of existing employees in Grand Terrace are identified as being farm workers is so small, it is anticipated that that their housing needs will be met through programs designed for lower income households.

### 8.5.4.6 Homeless

Amendments to Housing Element Law require local governments to plan for the provision of shelters and transitional housing for homeless persons and families and the identification of adequate sites. A person is homeless if he or she lacks a fixed regular and adequate nighttime



residence and has a primary nighttime residence that is either a public or private shelter, an institution that provided temporary residence for individuals intended to be institutionalized, or a public or private location that was not designed for, or ordinarily used as, a regular sleeping accommodation for human beings. A need is said to exist if one person in a locality is without shelter or if the type of shelter available is inappropriate.

Homelessness is often cited as one of the most prominent indicators of our nation's social and economic condition. Even during the unprecedented economic boom of the late 1990's, the rising tide of the economy did not lift all boats. As income inequality increased, the economic security of low-income families decreased. In 2003, the San Bernardino County 2003 Homeless Census and Survey was conducted for the Community Action Partnership of San Bernardino County. The estimated point in time (daily) number of homeless residents in San Bernardino County ranged between a minimum of 5,270 persons to as many as 8,351 persons. In this regard, the City is very fortunate in that the survey found that there are six homeless individual persons (no families) in Grand Terrace.

It should be noted that there is a difference between emergency shelter and transitional housing. A shelter provides an immediate short-term solution to the homeless, whereas transitional housing attempts to remove the basis for homelessness (i.e., lack of sufficient income for self support). Transitional housing can last as long as 18 months and generally includes integration with other social services and counseling programs to assist in the transition to self-sufficiency through the acquisition of a permanent income and housing.

At present, there are two agencies that provide emergency shelter and/or short-term transitional housing for homeless persons originating from Grand Terrace. These agencies are the Frazee/Highland Community Center and the Salvation Army. The Frazee/Highland Community Center currently operates three facilities: a main office located at 1140 West Mills Street, City of San Bernardino; a senior shelter located at 913 Delaware, City of Redlands; and a single-person and families shelter located at 7178 Palm Avenue, City of Highland.

At present, the Frazee/Highland Community Center provides shelter, clothing and food boxes to eligible applicants. The total bed capacity is 64 and the facility is currently operating at or near capacity. A center representative stated that a person in need is never turned away. A person is either served at the center or referred to the San Bernardino County Department of Public and Social Services (DPSS).

The Salvation Army operates the Hospitality House located at 845 W. Kingman Street, City of San Bernardino. This facility has a capacity of 70 beds. This new facility operates at, or near, capacity. The Facility provides 3-day shelter housing and up to 90-day transitional housing for individuals seeking employment. Over-flow is referred to the Frazee/Highland Community Shelter and/or the County of San Bernardino Department of Public Social Services.

Most importantly, there are currently 13 residential care facilities located within the City of Grand Terrace. The City has permitted these facilities to be established within its corporate boundaries in accordance with Section 1566.3 of the Health and Safety Code. According to



HCD, these facilities meet the requirement for the provision of transitional housing as set forth in Section 65583 of the Government Code. Therefore, based on occupancy of six persons per facility, these facilities are providing important transitional housing for 78 persons.

Although there is currently no identified need for additional emergency shelter or transitional housing in Grand Terrace, both the City and its Redevelopment Agency are taking steps to meet the needs of large families needing shelter as discussed in the Housing Program section of this element. These steps include the designation of municipal buildings for emergency shelter. The City Manager's Office has indicated that, should the need arise, existing public facilities, including City Hall and the City Yard, would be made available to provide emergency shelter. The City also will continue to coordinate with and support the efforts of the Frazee/Highland Community Center and the Salvation Army in order to ensure that the needs of any homeless persons in the Grand Terrace area are met to the extent possible.

Program 8.8.1.m has been added to the Action Plan requiring an amendment to the City's Zoning Code to permit emergency shelters in the Industrial zone district without a conditional use permit, and subject to the same development and management standards that apply to the residential or commercial uses within the same zone district. This amendment will occur within one year of the adoption of the Housing Element. There are approximately 237 acres of Industrially zoned land within the City limits; and most of the land is built upon. However, there are two locations in particular, that have existing vacant buildings that could be occupied reducing the need for new construction. There is also vacant Industrially-zoned land on the north side of Vivienda Avenue. Further, as part of the stated Zoning Code amendment, the City will identify additional zone districts that would principally or conditionally permit emergency shelters.

In addition, as the need requires, the City will:

- Amend the Zoning Code to identify a zone district where emergency shelters are permitted.
- Coordinate with local financial and real estate institutions to develop creative financing investments in the community with respect to affordable housing (e.g. redevelopment funding, private donation matching city donation, etc.). Participate in special programs, such as the Inland Harvest pickup and distribution of leftover foods from local restaurants, schools and social functions.
- Continue to address basic education or financing educational programs (basic household financing and budgeting).
- Contribute to transportation services to and from educational facilities, self-help groups and jobs.
- Organize distribution programs (coordinated program within each city – vouchers to provide the basic emergency services: food, shelter and clothing).



#### **8.5.4.7 At Risk Housing**

As required by Government Code Section 65583, the City must analyze the extent to which low-income, multi-family rental units are at risk of becoming market rate housing and, if necessary, develop programs to preserve or replace these assisted housing units. The multiple assistance programs include state or local mortgage revenue bonds, redevelopment tax increments, in lieu fees or an inclusionary housing ordinance, or density bonuses. Low income multi-family housing is considered to be at risk if it is eligible to convert to non-low income housing due to: 1) the termination of a rental subsidy contract; 2) mortgage prepayment or 3) the expiration of affordability restrictions. The time period that is to be considered in making this determination is the ten year period following the last mandated updating of the Housing Element, which in the case of Grand Terrace is 2000-2006.

Based on the information contained in the “Inventory of Federally Subsidized Low Income, Rental Units at Risk of Conversion,” compiled by the California Housing Partnership Corporation, there are no federally assisted (HCD or FmHA), low income rental units within the City. Likewise, there are no low income rental units within the City that have been developed with the use of CDBG funds or as a result of an inclusionary housing ordinance.

However, there are 111 low income rental units that were constructed using a combination of density bonuses and local multi-family revenue bond financing. These units are located in the Highlands Apartments, constructed by Forest City Development at 11750 Mount Vernon Avenue. These units are a good example of at risk housing because information provided by HCD in its April 30, 1998 letter to the City, indicated that these units were to convert to market rate in 1999. However, as previously indicated, the City used its housing set-aside funds to secure these units until 2030.

#### **8.5.4.8 California Housing and Urban Development Income Limits**

The 2007 median income for the Riverside –San Bernardino-Ontario Metropolitan Statistical Area (MSA) for a four-person household in San Bernardino County is \$59,200 per year. This is used to calculate very low (50% of median) and low (80% of median) incomes for use in State and federal subsidized housing programs.

#### **8.5.4.9 Preservation of Mobile Home Parks as an Affordable Housing Opportunity**

Traditionally, mobile home parks have provided an affordable housing opportunity, particularly for senior citizens. Mobile home parks will have a positive impact on the City’s lower-income residents, and their ability to find affordable housing. There are a total of 247 mobile homes existing within the City.





#### 8.5.4.10 Apartment Rental Rates

The monthly rental rate for Grand Terrace was \$777 in 2000. Based on the 30% gross household income standard, a monthly income of \$2,590, or annual income of \$31,080, was needed to afford a rent of \$777 per month.

#### 8.5.4.11 Zoning for a Variety of Housing Types

- **Second Dwelling Units:** In 2002, the City adopted Chapter 18.69 Second Family Units of Zoning Code to ensure that second units could be constructed on any single family residentially zoned property. Chapter 18.69 provides for the administrative review of attached second family units. Detached second units require a conditional use permit. However, recent State law requires that second units be permitted as an administrative matter without Planning Commission hearings, and all requests for second units are processed administratively. Program 8.8.1.o will ensure that Chapter 18.69 will be amended to provide for the administrative review of detached second units and to amend the table of permitted uses contained in Chapter 18.10 (RH, R1, R2 and R-3 Zones) to reflect administrative review of second units.
- **Manufactured Homes:** The City of Grand Terrace Zoning Code, Chapter 18.66 Manufactured Units addresses manufactured housing. In 1998, the City revised this section of the Zoning Code to permit manufactured housing in all residential zones. However, as stated in Program 8.8.1.c the table of permitted uses in Chapter 18.10 (RH, R1, R2 and R3 Residential Districts) will be amended for consistency with Chapter 18.66. Further, the permitting process for manufactured housing will be the same as for conventional housing: Site and Architectural Review by the Site and Architectural Review Board. The scope of the Board's review of single family residences is generally limited to the architecture of the residences, including design, materials, and landscaping. The process from submittal to issuance of building permits is approximately 6 weeks.
- **Residential care facilities:** Residential care facilities refer to a residence consisting of supervision of persons, such as a group home, or rehabilitation facility that provide non-medical care to persons in need of personal services, assistance, guidance, protection or training for daily living. Residential care facilities serving 6 or fewer persons are permitted by right in all residential zones. Facilities serving 7 or more persons are conditionally permitted in all residential zone districts, requiring review and approval by the Planning Commission at a public hearing. Residential care facilities include homes for the disabled and transitional housing facilities.
- **Transitional housing:** Transitional housing facilities fall under the definition of residential care facilities and are principally permitted in all residential zones if serving 6 or less persons, and conditionally permitted in all residential zones if serving 7 or more persons.
- **Single-room occupancy units** provide another form of affordable housing for low-income





persons. The City's Zoning Code does not include zone districts in which SRO's are permitted. Program 8.8.1.p will require the City to amend its Zoning Code by the end of 2009 for the purpose of permitting SRO's in accordance with state law.

- Emergency shelters: Senate Bill 2 adopted in 2007 amended housing element law regarding the planing for emergency shelters to require at least one zone district where emergency shelters are permitted without discretionary action, and subject to the same development and management standards that apply to the residential or commercial uses within the same zone district. Currently, the City's Zoning Code does not identify where emergency shelters would be permitted. Program 8.8.1.m requires the City to amend it's Zoning Code to address this issue within one year of adoption of the Housing Element.

## 8.6 CONSTRAINTS

The ability of the private and public sectors to provide adequate housing to meet the needs of all economic segments of the community is constrained by various interrelated factors. For ease of discussion, these factors have been divided into three categories: 1) physical constraints; 2) market constraints; and 3) governmental constraints. The extent to which these constraints are affecting the supply and affordability of housing in the City of Grand Terrace is discussed below.

### 8.6.1 Physical and Environmental Constraints

Physical constraints to the development of affordable housing within the City of Grand Terrace focus upon the physical characteristics of the majority of the remaining undeveloped land within the City limits. The identified sites within the Hillside Residential (RH) and R1-20 zone districts are primarily located on the steep slopes of Blue Mountain. Environmental constraints include the potential for land and rock slides, high fire hazards and flooding. Although it is possible to mitigate the environmental constraints, the development constraints associated with developing on steep slopes and the provision of streets and utilities to hillside areas along with the environmental issues of landslides, high fire hazards and drainage issues substantially increases development costs and therefore make these areas unsuitable for affordable housing.



The sites identified in the R1-10 are generally located along the foot of Blue Mountain and have milder slopes and few constraints than in the RH and R1-20 zone districts. The identified sites locates in the R1-7.2 zone district are located in areas with gradual slopes, if any. There are no known environmental constraints in these areas that could impede development.



Identified sites within the R-2 and R-3 zone districts are located on the relatively flatter portions of the City. The identified sites located at the northwest portion of the City are located in proximity to Interstate 215 and an industrial line of the Union Pacific Railroad line. The Interstate and railroad line are potential environmental areas of concern relating to noise. Noise impacts can generally be mitigated through enhanced construction measures such as sound attenuation walls and would not be considered a significant environmental impact. There are no other known environmental constraints that could impede development on identified sites located in the R-2 and R-3 zone districts.

Approximately 9 additional vacant and non-vacant sites have been identified within the Administrative Professional designation of the Barton Road Specific Plan area, which conditionally permits multiple family uses. These parcels are relatively free of significant topographical constraints; utilities are readily available; and are free of any known environmental constraints. The proposed mixed use project is located just east of the I-215 project, and is part of a larger 100-acre project. Within the 100 acres there is an area identified as jurisdictional to the Department of Fish and Game and Army Corps of Engineers. However, these jurisdictional areas can typically be mitigated, so as not to preclude development. No other significant impacts exists within this project area.

A second large area of undeveloped acreage is located in the northwest corner of the City. The majority of this area lies within a designated flood hazard zone of the Santa Ana River. In addition, this area possesses limited access and is constrained by rail lines on both the east and west sides. The area is also designated on the General Plan as “Industrial” and remains one of the few undeveloped industrial areas in the City. Residential development is not proposed in this area.

## 8.6.2 Market Constraints

### 8.6.2.1 Market Forces

One of the major obstacles to providing housing to meet the need of all economic segments of the community is the nature of the housing market itself. The rate at which housing costs accelerated during the 1990’s and early 2000’s created a serious national problem. This problem was magnified in California as a whole, and particularly in Inland Empire communities such as Grand Terrace, where housing costs rapidly inflated. The primary factor driving market forces is location, and the setting and nature of Grand Terrace are not conducive to the provision of affordable housing.

Grand Terrace is a rather small community of approximately 3.4 square miles, with no sphere of influence. The City is located on a topographic plateau, at a higher elevation than most of the surrounding cities, and enjoys a full panoramic view of the San Bernardino Mountains.

Grand Terrace is located amidst the employment areas of the Cities of Riverside, Colton and San Bernardino and adjacent to the I-215 Freeway, a major commuting corridor to jobs in Los Angeles and Orange Counties. Regionally, the Ontario area and Los Angeles to the west contain



the bulk of industry and blue collar jobs. Grand Terrace is a bedroom community. Year 2000 estimates by SCAG indicate there are 2,653 jobs currently within the City.

Grand Terrace was incorporated approximately 30 years ago and since then has grown moderately by an average of three percent per year. Other cities in the area, like Moreno Valley, Banning, and Fontana have experienced exponential growth during the past ten years.

The City is striving to create a commercial tax base and develop its industrial sector. County fees are increasing and property tax revenues are down as people default on loans in the recessionary economy of 2008-2009. The City needs more revenue. Job creation and retention will increase in priority in coming years, particularly as the surrounding job markets mature.

As a result of the housing boom of the early 2000's, housing in Grand Terrace became less affordable with the cost of a typical single family residence increasing an average of 260 percent from 2000 to 2007. However, a decline in real estate values began in 2008 and may continue for an additional year.

**8.6.2.2 Cost Factors**

**8.6.2.2.1 Construction Cost**

The single largest cost associated with building a new house is the cost of building materials, comprising between 40 to 50 percent of the sales price of a home. According to construction industry indicators, overall construction costs rose over 30 percent during the past decade, with rising energy costs a significant contributor. Typical residential construction costs range from approximately \$80 to \$100 per square foot<sup>3</sup>.

Lower housing costs can be achieved with the following factors: a) reduction in amenities and quality of building materials (above a minimum acceptability for health, safety, and adequate performance); b) availability of skilled construction crews who will work for less than union wages; and c) use of manufactured housing (including both mobile home and modular housing).

An additional factor related to construction costs is the number of units built at the same time. As the number of units developed increases, construction costs over the entire development are generally reduced based on



<sup>3</sup> “2001 Residential Construction Costs”, Marshall & Swift, Inc.



economies of scale. This reduction in costs is of particular benefit when density bonuses are utilized for the provision of affordable housing.

#### **8.6.2.2.2 Land Costs**

In Grand Terrace, residential land cost varies depending on the cost of grading and infrastructure associated with proposed development on the site. According to information provided by local developers (December 2007), single-family zoned land ranges from \$9 to \$11 per square foot, and multi-family zoned land averages about \$6 to \$9 per square foot.

#### **8.6.2.2.3 Financing**

During the past few years, significant changes have occurred in the mortgage lending industry. Home mortgage interest rates of the late 1990's and early 2000's were very low with 30-year fixed rates as low as 5%. However, problems within the industry and increases in the federal lending rate have gradually raised mortgage rates and made them more difficult. A fixed rate 30-year loan for a new home currently carries interest rates from 6%. Lower initial rates are available with Graduated Payment Mortgages (GPMs), Adjustable Rate Mortgages (ARMs), Interest Only Mortgages, and Buy-Down Mortgages. However, ARM's of a few years ago have experienced significant increases that have drastically increased monthly mortgage payments thus jeopardizing homeowners and creating a high percentage of foreclosures.

Therefore, lower income households will have difficulty qualifying for standard mortgages even as home prices drop to reasonable levels. Financing for both construction and long-term mortgages is generally available in Grand Terrace subject to normal underwriting standards. However, a more critical impediment to homeownership involves both the affordability of the housing stock and the ability of potential buyers to fulfill down payment requirements. Typically, conventional home loans will require 10 to 20 percent of the sale price as a down payment, which is the largest constraint to first time homebuyers. The City's first time homebuyer program is directed at this problem and, to date, by providing more favorable down payment and financing terms, has assisted 38 low to moderate income households purchase homes in the City, with 29 of these homes purchased during the 98-2005 RHNA cycle.

#### **8.6.2.3 Vacancy Rate**

A market constraint that can affect the affordability as well as the availability of housing types, sizes, price ranges and locations is the housing market vacancy rate. As previously discussed in Section 8.4.2.4, the City's overall vacancy rate was reported by the State Department of Finance to be 5.0 percent, a rate that suggests a demand to reside in the City of Grand Terrace.



**8.6.3 GOVERNMENT COSTRAINTS**

**8.6.3.1 Land Use Controls**

**8.6.3.1.1 Density**

The Grand Terrace General Plan sets forth the City’s policies for guiding local development. These policies, together with existing zoning regulations, establish the amount and distribution of land to be allocated for various uses throughout the City.

Residential development in the City of Grand Terrace is permitted under the land use categories shown in Table 8.32 and in accordance with the Land Use Element of the General Plan:

**Table 8.32  
General Plan Residential Designations**

<b>Land Use Category</b>	<b>Allowable Zones</b>	<b>Gross Allowable Density</b>
Hillside Residential	R-1 (20)	0 – 1 Du/Net Ac
Low Density Residential	R-1 (7.2), R-1 (10), R-1 (20)	1 – 5 Du/Net Ac
Medium Density Residential	R-2, R-3	1 – 12 Du/Net Ac
Medium High Density Residential	R3S	12 – 20 Du/Net Ac

Pursuant to City Zoning Code Section 18.10.040, as amended in 1989, a density bonus of up to twenty percent (20%) may be approved in the R-3 zone with a conditional use permit or specific plan if various off-site improvements which benefit the general public are included in the project. In addition, a density bonus of at least twenty-five percent (25%) shall be approved if the proposed project meets the requirements of Chapter 4.3 of the California Government Code regarding dwelling units for low-and moderate-income households. These provisions will need to be updated to conform to Chapter 4.3 of the Government Code which allows greater density bonuses depending upon the amount of affordable units proposed. Therefore, actual densities allowed will be greater than the allowable density; however, the number of units per acre where the topography, size and shape of lots will permit.

Program 8.8.1.d adds a program for the amendment of the City’s Development Code regarding density bonuses.

While the amount of vacant land remaining within the City is minimal and is located in hillside areas, land with potential for redevelopment and infill housing is primarily found in the relatively flat areas of the City, where increased densities are feasible, thus providing adequate sites for the construction of affordable housing.



The City will implement Zoning Code provisions that offer density bonuses in accordance with the requirements of State density bonus law. The density bonuses and incentives will be made available for any for-sale or rental, single family or multifamily development of five or more units, when requested by a developer who agrees to reserve units exclusively for families of low-to moderate-income.

**8.6.3.1.2 Development Standards**

The City’s development standards are consistent with the parameters and policies established in the General Plan and reflect an attempt to balance housing needs with infrastructure capacities and environmental considerations. Table 8.33 presents the development standards of each residential zone. Standards regulating development within the City are similar to those being used by other surrounding communities.

Taken together with the size of the lot, development standards are not considered especially constraining. The City’s Zoning Code does, however, limit the definition of multiple family residential developments to one- and two-bedroom units and places minimum size requirements on them. These regulations could pose a constraint to multiple family developments as it does not address studio, three- and four-bedroom multiple family units, and their related parking demands, or housing for large families. To remove this constraint Program 8.8.1.q has been added to amend the Zoning Code to update the definition of multiple family residential to remove the bedroom limitations, and to revisit the parking requirements for smaller units.

**Table 8.33  
Minimum Development Standards for Residential Zones**

Standard	R1-7.2	R1-10	R1-20	RH <sup>a</sup>	R2	R3
Units per Acre	5	4	2	1	9	12 <sup>c</sup>
Lot Area (sq. ft.)	7,200	10,000	20,000	-	10,000	12,000
Lot Width (ft.)	60	60	100	-	60	60
Lot Depth (ft.)	100	100	150	-	100	100
Street Frontage (Minimum linear feet)	40	40	50	-	40	40
Setbacks Front Yard (Minimum linear feet)	25 <sup>b</sup>	25 <sup>b</sup>	25 <sup>b</sup>	-	25 <sup>b</sup>	25 <sup>b</sup>
Setbacks Rear Yard (Minimum linear feet)	20 <sup>b</sup>	35 <sup>b</sup>	35 <sup>b</sup>	-	20 <sup>b</sup>	20 <sup>b</sup>
Interior Lot (With Garage)	10 <sup>b</sup>	10 <sup>b</sup>	10 <sup>b</sup>	-	10 <sup>b</sup>	10 <sup>b</sup>
Interior Lot (Without Garage)	5 <sup>b</sup>	5 <sup>b</sup>	5 <sup>b</sup>	-	5 <sup>b</sup>	10 <sup>b</sup>
Corner Lot (Street side)	15 <sup>b</sup>	15 <sup>b</sup>	15 <sup>b</sup>	-	15 <sup>b</sup>	15 <sup>b</sup>
Corner Lot (No Street side)	5	5	5	-	5	10
Living Area Single Family (Minimum square feet)	1,350 <sup>d</sup>	1,350 <sup>d</sup>	1,350 <sup>d</sup>	-	1,350 <sup>d</sup>	1,350 <sup>d</sup>
Living Area Multiple Family (One Bedroom)				-	800 <sup>d</sup>	800 <sup>d</sup>
Living Area Multiple Family (Two Bedroom)				-	1,000 <sup>d</sup>	1,000 <sup>d</sup>
Building Lot Coverage (%)	50	50	40	-	60 <sup>f</sup>	60 <sup>f</sup>
Building Height (ft.)	35 <sup>e</sup>	35 <sup>e</sup>	35 <sup>e</sup>	-	35 <sup>e</sup>	35 <sup>e</sup>





Source: Grand Terrace Zoning Code

- Footnotes: a. A specific plan shall be required for all proposed projects (including tentative parcel or tract maps) that includes any property located within this district. Such a specific plan shall establish site development standards on a project-by-project basis in consideration of the existing topography and other physical constraints.

The specific plan shall not create a density greater than one (1) dwelling unit per gross acre and shall be consistent with the City's General Plan. The specific plan may consider a clustered development concept in order to preserve large areas open space and minimize the project's impact on the physical environment.

- b. The following exceptions apply to front, rear and side yard requirements as noted:
- 1) The minimum side and rear yard setback for a patio cover shall be five (5) feet.
  - 2) The minimum rear yard setback for an accessory structure shall be ten (10) feet.
  - 3) Slopes exceeding five percent (5%) shall be permitted no closer to a residential structure than a distance equal to the required side and rear yard setbacks. In the R1-10 District and the R1-20 District, the 35 foot rear yard setback may include 10 feet of slope that is greater than 5%.
  - 4) In the case of a parcel or tract map, the twenty-five (25) foot front yard setback requirement may range from twenty-two (22) feet to twenty-eight (28) feet, with an average of twenty-five (25) feet for all proposed lots.
  - 5) In the case where an existing legal non-conforming structure is located within a required setback area, the legal non-conforming structure may be enlarged within the required setback area subject to the following conditions:
    - a) The proposed addition does not further reduce the depth of the existing setback area; and
    - b) The proposed addition is located no closer than 5' from any property line.
- c. Density bonuses shall be permitted under the following guidelines:
- 1) A density bonus of up to twenty percent (20%) may be approved with a conditional use permit or specific plan if various off-site improvements which benefit the general public are included in the project.
  - 2) A density bonus of at least twenty-five percent (25%) shall be approved if the proposed project meets the requirements of Chapter 4.3 of the California Government Code regarding "Lower" and "Low or Moderate Income Households" dwelling units.
- d. For the purposes of this Chapter, the following terms shall be defined as follows:
- "Living area" shall be defined as the enclosed area of a residential dwelling unit, excluding porches, patios, carports, garages, storage areas, or auxiliary rooms.
  - "Multiple Family" shall be defined as one (1) or two (2) bedroom units only.
- e. Accessory structures shall not exceed twenty (20) feet in height,
- f. Not more than the permitted percent of the total parcel may be devoted to main and accessory structures, parking areas, driveways and covered patios. The remaining percent of the total parcel shall be devoted to open areas such as landscaping, lawn, outdoor recreational facilities incidental to residential development, including swimming pools, tennis courts, putting greens, uncovered patios and walkways. Said open areas shall consist of not less than two hundred (200) square feet of open space per dwelling unit.

The Tables above illustrate that the development standards in the City do not represent an over restrictive condition, and are not a constraint to development of affordable housing.





Projects including new residential construction are normally required to install all necessary on and off-site improvements, including a half-width of the paved width of the street, concrete curbs, sidewalks, water connections and sewer connections. Roadway standards for local or neighborhood streets that allow parking on both sides of the street have paved width between 36 to 44 feet. Infrastructure improvements are in place in most locations within the City limits.

**Table 8.34  
Housing Types Permitted by Zoning District**

Residential Use	RH	R1-20	R1-10	R-7.2	R-2	R-3
SF-Detached	P	P	P	P	P	P
SF-Attached 2-4 DU	--	-	--	--	P	P
SF-Attached 5+ DU	--	--	--	--	P	P
Residential Care <6	P	P	P	P	P	P
Residential Care >6	C	C	C	C	C	C
Emergency Shelter	--	--	--	--	--	--
Single Room Occupancy	--	--	--	--	--	--
Manufactured Homes/Mobile Home	--	--	--	P	--	--
Transitional Housing	--	--	--	--	--	--
Supportive Housing	--	--	--	--	--	--
2 <sup>nd</sup> Units	C	C	C	C	C	C

P=Permitted; C=Conditional Use; --=Not a listed use

Table 8.34 demonstrates that the City’s current Zoning Code needs to be updated to bring it into compliance with housing statutes; and in fact several programs are proposed to achieve compliance. Program 8.8.1.m will result in an amendment to the City’s Zoning Code to permit emergency shelters in the Industrial zone district without a conditional use permit, pursuant to SB 2 to regulate emergency shelters; Program 8.8.1.o will result in the elimination for a conditional use permit for detached second units, and to reflect administrative review of second units, in accordance with state law, and Program 8.8.1.p relates to the permitting of transitional and supportive housing, and single room occupancy units.

**8.6.3.1.3 Parking Standards**

Parking standards are currently similar to those used in other cities: a two-car garage required for each single family dwelling and 2 spaces required per unit for multiple family dwellings where one space shall be in a garage. Guest spaces are required in a ratio of one guest parking space per four multi-family dwelling units. It does not appear that these standards have constrained affordable housing development in the past. However, in order to provide greater incentives for the construction of affordable housing, more flexible parking standards are now being considered for senior citizen and smaller affordable units.



#### 8.6.3.1.4 Open Space Requirements

Open space exactions/setback requirements in Grand Terrace are also very similar to those used in other cities where the maximum lot coverage allowed varies from 40 to 60 percent of the lot, thereby providing: 1) sufficient usable open space, especially in backyards; 2) enough space for a car to park in the front driveway approach to the garage; and 3) enough separation between residences to ensure protection of privacy. In the case of multiple family housing, 40 percent open space is required to provide common social or recreational amenities/facilities for children, adults and elderly on-site. Our experience indicates that this standard has not been a deterrent to past affordable housing projects.

#### 8.6.3.1.5 Design Review Standards

The City does not have design standards or guidelines that constrain development in its residential districts. Single- and multi-family units are reviewed on a case-by-case basis for high quality construction and compatibility with existing surrounding architecture. The basic philosophy of the City's design review process is to arrive at a product that meets the City's goals and is financially feasible for the developer.

The responsibility of the Site and Architectural Review Board is to provide comprehensive site plan and architectural review of projects. The scope of the Site and Architectural Review Board's (Planning Commission) review is to consider the site plan in relation to the property and development standards (i.e. setbacks, lot coverage, building height, parking, etc.), placement of structures, vehicle and pedestrian access, landscaping, police and fire services, grading and drainage, traffic, relationship to existing and planned uses of adjoining and surrounding properties, and relationship to nearby properties and structures and surrounding natural topography. It is also to consider the proposed architecture of buildings in terms of style and design, materials and colors, and size and bulk in relation to the surrounding properties. Chapter 18.63 of the Zoning Code specifies the review authority of the Board with regard to site and building design. However, this Chapter of the Zoning Code can be expanded upon to clearly identify the Board's authority (Program 8.8.1.r).

Given the smaller scale of development of a single-family residence in comparison to a multiple family development project, the scope of the Board's review of single-family residences is generally more focused on architecture of the residences and site layout.

Review of multiple family development projects typically involves a greater level of review in regard to site development. In addition to ensuring adherence to setbacks, height requirements, lot coverage, parking and other applicable development standards, the Board will also consider the compatibility of the project's site design with surrounding land uses, such as screening and security.

Unlike larger cities, the City of Grand Terrace has only one board (i.e., its Planning Commission) that performs various review functions. Therefore, the design review process is shorter than in other cities in the area. However, smaller projects such as individual single



family units require Planning Commission approval, through a Site and Architectural Review. The City has eliminated the public hearing requirement for very small projects, such as room additions, accessory structures, etc. City staff processes these projects administratively requiring only the Director's review and approval. Other improvements that have been or are currently being made to streamline the design review/permit process are:

- Implementation of one-step review process whereby the applicant comes to one counter to receive information about the entire process. The Community and Economic Development Department (CEDD) routes the plans to other reviewing agencies and the case planner reports to the applicant within 30 days.
- Implementation of an applicant-friendly approach whereby staff provides significant attention to applicants, up front, to explain and inform them to the process and basically serve as an expeditor instead of a regulator, while City standards are being enforced. These include preliminary design review meetings with City staff to work through design issues prior to formal application submittal.
- When staff determines that an applicant does not have sufficient funds to comply with City codes in constructing proposed improvements, staff assists the applicant in identifying alternative means through rehabilitation loans or other mechanisms.
- Implementation of a project management approach, whereby a case planner follows/monitors a project from initial sketches to issuance of a certificate of occupancy through all departments and agencies. This allows applicants to have more certainty about the status of their projects and to plan and acquire financing while a project is under review. The case planner is responsible for knowing the status of a project within the process at any point in time. This also assists the City in ensuring implementation of conditions of approval
- Implementation of easy to read "How to Do" lists for all requirements for planning and building plan check, thereby facilitating submission of complete applications and minimizing additional trips to the City.

In summary, any constraints posed by the design review/permit process in the past have been eliminated.

### **8.6.3.2 Building Codes**

In addition to land use controls, local building codes also affect the cost of housing. Grand Terrace has adopted the Uniform Building Code that establishes minimum construction standards. These minimum standards cannot be revised to be less stringent without sacrificing basic safety considerations and amenities. No major reductions in construction costs are anticipated through revisions to local building codes. However, working within the framework of the existing codes, the City will continue to implement planning and development techniques that lower costs and facilitate new construction to the extent possible.



### 8.6.3.3 Development Filing Fees

The City's development filing fees are still low when compared with surrounding areas. A summary of development filing fees for the City is provided in Table 8.35. The fees that are charged by the City are a reflection of the time and effort that must be expended by City staff in order to properly review development plans. The City will continue to conduct periodic surveys (both formal and informal) of other cities in the Grand Terrace area to ensure that local processing costs do not become a constraint on housing production.



**Table 8.35  
City Residential (Single and Multifamily) Development Filing Fees**

Fee Name	Fee Rate	
<b>Planning Department Fees</b>		
Tentative Tract Map	\$2,150	Per development project
General Plan Amendment	\$2,100	Per development project
Zoning Code Amendment	\$2,200	Per development project
Conditional Use Permit	\$400 - \$2,400 based on size of development	Per development project
Variance	\$300 - \$1500 based on size of development	Per development project
Site and Architectural Review	\$2,200	Per development project
Administrative Site and Architectural Review	\$650	Per development project
Land Use Review	\$50	Per development project
Specific Plan	\$3,000 plus staff time	Per development project
Environmental Review Negative Declaration	\$750, unless prepared by consultant	Per development project
<b>Building Department Fees</b>		
Final Review Map – Tract Map	\$2,000	Tract or Parcel Map
– Parcel Map	\$1,250	
Building Permit Fees	A sliding scale from \$33 – \$4,955, based on valuation of construction from \$500 – \$1,000,000	Per \$ value of construction costs
Electrical Permit Fees	A sliding scale from \$30 – \$100 per service switch depending on number of amperes	Per service switch
Plumbing Permit Fees	\$10 per fixture or trap, \$33 per sewer connection, \$15 per water heater	Per fixture



**8.6.3.4 Development Impact and Building Permit Fees**

As shown in Table 8.36 the total fees, including building permit and development impact fees for a 2,000 square foot residential unit are approximately \$40,000, and approximately \$27,000 for a 1,200 square foot multiple residential home. While the majority of the costs is attributable to development impact fees, the City assess a lesser impact fee for multiple family development. It should also be noted that a significant portion of the impact fees, water connection and school impact fees, are assessed by entities separate from the City, of which the City has little control of.

**Table 8.36  
Residential Building Permit and Development Impact Fees**

	<b>2,000 Square Foot Single Family Residential</b>	<b>1,200 Square Foot Multiple Family Residential</b>
<b>Building Construction Permit Fees</b>	<b>(per unit)</b>	<b>(per unit)</b>
Building Permit fee	\$1,872.95	\$1,223.35
Plan Check fee	\$1,217.42	\$795.18
Energy fee	\$75.00	\$75.00
Sewer connection	\$300.00	\$300.00
NPDES compliance verification	\$75.00	\$75.00
Electrical fee	\$373.92	\$144.96
Ventilation fee (\$10/each)	\$60.00	\$20.00
Lawn sprinkle system	\$15.00	\$15.00
Water heater or vent	\$15.00	\$15.00
Private water distribution system (\$4/each)	\$8.00	\$6.00
Air handling unit	\$15.00	\$15.00
Forced air/gravity type burner	\$20.00	\$20.00
Gas piping system	\$4.00	\$4.00
Drainage/vent pipe repair (\$15/each)	\$210.00	\$120.00
Fixture Trap fee (\$10/each)	\$140.00	\$80.00
<b>Approximate Total Building Fee</b>	<b>\$4,386.00</b>	<b>\$2,908.00</b>



<b>Development Impact Fees</b>		
Arterial Improvement Fees	\$4512.00	\$2763.00
Storm Drainage Fees	\$2,234.00	\$429.00
General Facilities Fund	\$1,102.00	\$1,102.00
Public Use Facilities Fund	\$674.00	\$422.00
Parkland/Open Space Fund	\$7,241.00	\$4,534.00
Traffic Signal Improvement Fee	\$666.36	\$408.00
Sewer Connection Fee	\$2,700.00	\$2,700.00
Riverside Highland Water Connection Fee	\$7,364.00	\$6,319.00
School Fees	\$9,760.00	\$5,856.00
<b>Approximate Total Development Impact Fees</b>	<b>\$36,253.00</b>	<b>\$24,833.00</b>
<b>Total Building and Development Impact Fees</b>	<b>\$40,639.00</b>	<b>\$27,741.00</b>

Numbers are rounded.

The per unit cost of housing, including construction and land cost is approximately \$89 a square foot. Using Table 8.36 above, that would equate to a per unit cost of \$218,639 for a single family unit and \$134,541 for a multiple family housing unit. The total building and development impact fees are about 18% and 20%, respectively, of the total per unit cost. The costs of the impact fees could be offset through the use of housing set aside funds, and a program is proposed in the Housing Action Plan that allows the Redevelopment Agency to consider such an offset for affordable housing projects.

### 8.6.3.5 Permit Processing

The processing time needed to obtain development permits and required approvals is often cited as a prime contributor to the high cost of housing. Additional time may be necessary for environmental review, depending on the location and nature of a project. Unnecessary delays will add to the cost of construction by increasing land holding costs, interest payments and inflation. Although these review processes may take a substantial amount of time, they are necessary to integrate a new development into the local urban environment.

In response to State law, California cities have been working to improve the efficiency of permit and review processes by providing one-stop processing, thereby eliminating duplication of effort. The passage of Assembly Bill 884, which took effect on January 1, 1978, has also helped to reduce government delays by:

- 1) limiting processing time in most cases to one year; and
- 2) eliminating some “red tape” by requiring agencies to specify the information required to complete an acceptable application.





In Grand Terrace, the average processing time for most development applications is two to three months with very small projects taking less than 30 days. The City of Grand Terrace has fully implemented the provisions of AB 884, as well as more recent legislation requiring the establishment of “one-stop” permit coordination. Moreover, the City has established a Site and Architectural Review Board that doubles as the Planning Commission. This board is scheduled to meet twice per month to review all new construction proposals. Based on periodic surveys conducted by the City, local processing times are shorter than those experienced in surrounding communities.

The following summarizes applications that are utilized by the City for various residential projects and average processing times:

**Land Use Application:** This application is used for small ground floor room additions which are less than 500 square feet in size. The average processing time is 2 to 4 weeks from filing to issuance of building permit.

**Administrative Site and Architectural Review:** The Administrative Site and Architectural Review application is used for larger room additions which are 500 square feet in size or larger but less than 65% of the floor area of the existing house. This application does not require a public hearing and can be approved by the Community Development Director. The average processing time is typically 6 weeks from filing to issuance of building permit. The Administrative Site and Architectural Review process is also used for the review and approval of second dwelling units, which greatly expedites the processing of these second units and is in conformance with State law.

**Site and Architectural Review:** This application requires a fully noticed public hearing before the Planning Commission. This involves the additional requirement to submit a radius map and ownership list of property owners within 300 feet of the subject site. The Site and Architectural review process is required for new single family residences and for multiple family developments. The average processing time for a single family residence is 6-12 weeks from filing to issuance of a building permit, and about 12 to 16 weeks from filing to issuance of building permit for multiple family developments. If an environmental initial study is required to be prepared than the processing time would be extended by at least 8 additional weeks. To expedite the review process the City offers concurrent review of the construction drawings prior to the Planning Commission’s public hearing, subject to a hold harmless agreement should the Commission impose major changes in the project at the public hearing. This procedure highlights the City’s efforts to expedite the review process to facilitate new housing development.

**Conditional Use Permit:** This application is employed for density bonuses. This application is heard concurrently with the Site and Architectural Review application. As these applications are heard concurrently with the Site and Architectural Review application in order to speed up the process, the processing time is the same as that for the Site and Architectural Review application.



**Tentative Parcel Map:** This application is used to divide a site into four or fewer new parcels. This would allow for the infilling of larger parcels or an intensification of existing sites. The application is heard by both the Planning Commission and the City Council, as required by the City's Subdivision Ordinance. The processing time from tentative parcel map filing to City Council approval is approximately 3 to 4 months.

**Tentative Tract Map:** This application is used to divide or subdivide a site into more than four lots. This allows for the infilling of large parcels or an intensification of larger existing sites in the City. Tentative Tract Maps are heard by both the Planning Commission and the City Council. The processing time from the tentative map filing to the recording of the final map is 4 to 6 months.

The City's filing fees, shown on Table 8.34, are some of the lowest in the San Bernardino and Riverside regions. Generally, the City has no backlog of residential projects that are waiting for processing by staff or for a public hearing by the Planning Commission or City Council. The average processing times for residential projects are much less than those for other jurisdictions in the area.

#### **8.6.3.6 Service and Facility Infrastructure**

Before a development permit is granted, it must be determined that public services and facility systems are adequate to accommodate any increased demand generated by a proposed project.

At present, all vacant residentially designated land within the City is in close proximity to the infrastructure systems (i.e., utilities and streets necessary to provide service). While construction of local interior street and minor utility extensions would be required in some cases, the overall extent would not be great; the location of streets and utility lines as illustrated in the General Plan Circulation Element. No street extensions or major service system improvements would be necessary for development of multi-family designated areas directly adjacent to Mt. Vernon Avenue or single-family designated areas in the western portion of the City, west of the AT & SF railroad tracks. Service systems are adequate to provide for the higher densities expected to be associated with low- and moderate-income developments.

Water service is provided by the Riverside Highland Water Company (Company). The Company is a private water company owned by its shareholders. The Company maintains water main transmission lines, wells, reservoirs, and service laterals throughout the City and is directly responsible for maintenance. The water supply for the Company is from five separate groundwater basins. The 2005 Urban Water Management Plan prepared for the Company indicates that there is sufficient water supply to accommodate development within the City.

Sanitary sewer service is provided by the City of Grand Terrace, and the City maintains all collections lines within its city-limits. The City contracts with the City of Colton for wastewater treatment.



### 8.6.3.7 Utilization of State and Federal Assistance Programs

The degree to which the City of Grand Terrace may participate in State and Federal housing programs is constrained by the nature of those programs, eligibility requirements and funding limitations. The relatively high cost of housing in the City is somewhat of a deterrent to the use of certain programs, i.e., Section 8 Existing and Moderate Rehabilitation, CHFA Direct Lending, etc., by private developers/property owners. This is due to the relatively low housing costs (purchase price or rent) permitted under these programs. Recent and further proposed reductions in funding levels also represent an impediment to the utilization of these programs.

### 8.6.3.8 Jobs/Housing Balance

In response to the requirements of the Federal Clean Air Act, the State of California has formulated a State Implementation Plan (SIP) that sets forth the measures that are necessary to ensure the attainment and maintenance of the National Ambient Air Quality Standards (NAAQS) contained in the Act. As a means of carrying out the SIP and ensuring that the NAAQS are attained in the South Coast Air Basin, in which the City of Grand Terrace is located, the Southern California Association of Governments and the South Coast Air Quality Management District have adopted a Regional Air Quality Management Plan (AQMP). The AQMP, in turn, requires all jurisdictions within the South Coast Air Basin to revise their general plans to be consistent with the SIP. A local general plan is consistent with the SIP if the development allowed thereunder is consistent with the jobs/housing balance ratios in the SIP.

In responding to the requirements of the SIP, SCAG has formulated regional plans that address future job and housing growth within the region, by promoting the concept of balancing job growth and housing production with the various subregions of Southern California as a means of addressing serious air quality and transportation issues. The “Jobs/Housing Balance” concept forwards the idea that if people can live and work within the same community, the Southern California region as a whole will benefit from reduced traffic congestion and improved air quality.

As defined by SCAG, a balanced subregion or community is one having an employment to housing ratio of 1.2 jobs per dwelling unit. Recent SCAG data estimated that there are approximately 2,653 combined public and private sector jobs within the City of Grand Terrace. By comparison, there are currently 4,458 dwelling units within the City. This translates into an employment to housing ratio of 0.60 jobs per dwelling unit, and indicates that the City is “jobs poor” and “housing rich.” Therefore, adherence to the jobs/housing balance ratios in the SIP represents an actual constraint on the expansion of housing opportunities within the City since the City is “jobs poor” and needs to stress the development of jobs, rather than housing.



### 8.6.3.9 Constraints on Persons with Disabilities

**Zoning and Permitting Requirements:** The City's definition of family includes individuals related by blood, marriage or adoption, groups of not more than six persons who are not related by blood, marriage or adoption, and one or more persons living as a single household.

The City ensures adherence to Title 24 of the California Building Code and federal regulations on accessibility in both multiple family housing developments and commercial developments. The City's parking standards requires that at least one disabled parking space be provided for each new project or two (2%) percent whichever is greater. The design standards of the parking ordinance require that the disabled parking spaces be striped and individually identified in accordance with the Uniform Building Code and the California Vehicle Code.

Group homes are permitted by right in the City's residential zones as permitted uses if the number of residents is 6 or less. The only permits that would be required would be the normal building permits to construct the structure.

Group homes with more than 6 residents are permitted with a conditional use permit. There is nothing in the City's General Plan or Zoning Code that regulates the siting of special needs housing in relationship to one another. There is no minimum distance required between two (or more) special needs housing. The City has no standard conditions or requirements for group homes of more than 6 persons, other than the requirement for a conditional use permit. This includes no particular conditions for group homes that will be providing services on-site. The requirement for a conditional use permit has had no demonstrated negative impact on the development of group homes in the City. There has been no record of such a request being denied by the City's Planning Commission. The public hearing for a conditional use permit for a group home is exactly the same for any other conditional use permit with the same noticing requirements and agency notification.

**Building Codes to Assist Disabled Access:** The City has adopted the 1997 Uniform Building Code. There have been no amendments that might have diminished the ability to accommodate persons with disabilities. The City has not adopted any universal design elements in the City's building code with respect to persons with disabilities; however, any property owner wishing to install such elements would not be precluded from doing so.

The Building and Safety Department strictly follows the guidelines set by CALDAG for their ADA regulations on new and rehab commercial construction. There have been several new developments in the City that have been required by law to be disabled accessible. In regard to housing development, the City's Housing Department has a policy of installing facilities providing for disabled accessibility for new or rehabbed homes if requested by the new buyer. In accordance with state law, multiple family developments are required to incorporate adaptable units into the project design, in addition to ensuring an accessible path of travel from the street.



The City has also retrofitted several intersections in the City with disabled curb access, disabled drinking fountains and/or disabled buttons at the signalized intersections. In addition reasonable accommodations have been provided at City Hall including disabled access to the City Hall and the Building Department including a disabled ramp and a disabled emergency access bell for access to the main City Hall building and a disabled ramp to the Building Department which is in a separate building.

**Reasonable Accommodations:** The City has not adopted a reasonable accommodations ordinance. In processing a request to retrofit a home for accessibility an assessment would be made to see if a building permit would be required to do the work (install access ramps, etc.). If no building permit is required, the applicant would be advised that they could proceed with the retrofit. However, Program 8.8.3.1 is proposed to establish a reasonable accommodation procedure to clarify the City's process.

## 8.7 HOUSING GOALS AND POLICIES

This section of the Housing Element sets forth the City's goals, objectives and policies relative to previously identified needs, recognizing the constraints that limit the City in its ability to affect local housing needs.

Housing goals are statements of the aspirations of the community, and represent the ends to which housing efforts and resources are directed. Statements of objectives are more specific and provide guidelines for actions and later evaluation. Statements of policy are more specific still, and provide well-defined guidelines for decision-making.

The proper basis for any plan of action is a well-integrated set of goals. Such policy statements provide guidance to local decision makers in dealing with housing related issues and express the desires and aspirations of the community. The following goals are intended to give direction to the City's housing program:

- Provide and encourage a supply of housing suitable to the needs and sufficient in number to serve existing and projected residents of Grand Terrace.
- Promote and encourage housing opportunities, accessible to employment centers and quality community services for all economic segments of the community.
- Promote and encourage housing opportunities regardless of age, sex, ethnic background, marital status, physical handicap or family size.
- Promote and encourage the rehabilitation of deteriorated dwelling units, and the conservation of the currently sound housing stock.



- Goal 8.1: Provide and encourage a supply of housing suitable to the needs and sufficient in number to serve existing and projected residents of Grand Terrace.**
- Policy 8.1.1: Promote and encourage development of housing, which varies by type, design, form of ownership and size.
- Policy 8.1.2: Maximize use of remaining vacant land suitable for residential development.
- Policy 8.1.3: Promote and encourage infill housing development and more intensive use of underutilized land for residential construction.
- Policy 8.1.4: Encourage the use of innovative land use techniques and construction methods to minimize housing costs without compromising basic health, safety and aesthetic considerations.
- Policy 8.1.5: Strive to provide incentives for and otherwise encourage the private development of new affordable housing for low- and moderate-income households.
- Policy 8.1.6: Facilitate construction of low- and moderate-income housing to the extent possible.
- Policy 8.1.7: Periodically reexamine local building and zoning codes for possible amendments to reduce construction costs without sacrificing basic health and safety considerations.
- Policy 8.1.8: Continue a policy of expeditious processing of residential development proposals and permits.
- Policy 8.1.9: Amend the Barton Road Specific Plan to promote a village atmosphere in the downtown that will encourage a mix of residential and commercial activity.
- Policy 8.1.10: Promote mixed use development with senior citizen housing in the Barton Road Specific Plan areas.
- Policy 8.1.11: Provide Redevelopment Agency assistance and bond financing to qualified developments to obtain new senior citizen housing in the Barton Road Specific Plan area.
- Policy 8.1.12: Provide for a new zoning category to permit a density of at least 20 units/acre with a density bonus of 25% per State housing law, which would qualify for very low income housing.



Policy 8.1.13: Provide for housing set-aside funds to be committed to the “Habitat for Humanity” or similar organization for the development of low-income housing.

**Goal 8.2: Promote and encourage housing opportunities, accessible to employment centers and quality community services for all economic segments of the community including designated very low, low, and moderate income households.**

Policy 8.2.1: Continue a policy of expeditious processing of residential development proposals and permits.

Policy 8.2.2: Encourage a wide range of housing types, prices and ownership forms in new construction.

Policy 8.2.3: Emphasize and promote the role of the private sector in the construction of low- and moderate-income housing.

Policy 8.2.4: Support the development of cost saving and energy conserving construction techniques.

Policy 8.2.5: Assist private developers in identifying and preparing land suitable for lower-income housing developments.

Policy 8.2.6: Encourage the inclusion of units for low- and moderate-income families as part of private sponsored housing developments.

Policy 8.2.7: Support efforts of private lenders to provide alternative financing methods to make homeownership available to a greater number of households.

Policy 8.2.8: Streamline administrative procedures for granting approvals and permits and establish time limits for such approvals to minimize time, costs and uncertainty associated with development.

Policy 8.2.9: Provide zoning, subdivision and construction incentives to minimize the cost of new and rehabilitated units.

Policy 8.2.10: Promote mixed use development that includes provisions for affordable housing.





- Policy 8.2.11: Provide Redevelopment Agency assistance and bond financing to qualified developments.
- Policy 8.2.12: Continue operation of the City Housing Office to administer and monitor City housing programs to low and moderate income residents.
- Policy 8.2.13: Commit existing and future housing set-aside dollars to continue and expand the City's existing first time home buyer assistance program as needed to meet the community's low and moderate income housing needs, as described in this Housing Element.
- Policy 8.2.14: Commit the City's Housing Office to seek available State grants to provide funds to qualified owners of mobilehomes for rehabilitation or replacement purposes and to qualified buyers for the purchase of mobilehomes.
- Policy 8.2.15: Work with the San Bernardino County Housing Authority in placing Section 8 certificates in the community, when appropriate.
- Policy 8.2.16: Maintain and enhance the low density character of existing residential neighborhoods.
- Policy 8.2.17: Investigate and pursue programs and funding sources designed to maintain and/or improve the affordability of existing housing units to low- and moderate-income households.
- Goal 8.3: Promote and encourage the rehabilitation of deteriorated dwelling units and the conservation of the currently sound housing stock.**
- Policy 8.3.1: Promote utilization of rehabilitation assistance programs to alleviate overcrowded conditions and to remove architectural barriers.
- Policy 8.3.2: Encourage the rehabilitation of deteriorating owner-occupied and rental housing.
- Policy 8.3.3: Take action to promote the removal and replacement of those substandard units that cannot be rehabilitated.
- Policy 8.3.4: Upgrade community facilities and municipal services as community needs warrant.
- Policy 8.3.5: Encourage the use of rehabilitation assistance programs to make residences more energy efficient.



- Policy 8.3.6: Commit existing and future housing set-aside dollars to continue and expand the City's housing rehabilitation program as needed to meet the community's low and moderate income housing, as described in this Housing Element.
- Policy 8.3.7: Utilize public information and assistance programs to encourage repair before deterioration occurs.
- Policy 8.3.8: Monitor housing conditions in Grand Terrace on a semi-annual basis.
- Policy 8.3.9: Prevent the encroachment of incompatible uses into established residential neighborhoods.
- Policy 8.3.10: Sustain a high standard of maintenance for all publicly owned property.
- Policy 8.3.11: Preserve the physical character of existing neighborhoods.
- Policy 8.3.12: Encourage the maintenance of sound owner-occupied and rental housing.
- Policy 8.3.13: Maintain and enhance the low density character of existing residential neighborhoods, and higher density in the downtown area.

## 8.8 THE HOUSING PROGRAM

During the past few years, the City has experienced significant revenue shortfalls, causing each City department to cut costs and staff. Because of a reduction in the City Community and Economic Development (CEDD)–Planning Division staff, the City has progressed more slowly than anticipated in realizing certain goals and objectives of the Housing Element. However, the City is committed to implementing its Housing Element and will continue to allocate available staff resources to housing programs and policies.

In preparing this Housing Element Update, the City re-examined the goals and policies that give direction to the City's housing programs, as well as the progress that has been made toward their attainment. The housing goals that were adopted as part of the City's existing certified Housing Element are responsive to the State housing goals and continue to reflect the desires and aspirations of the community. This updated element refines those goals and reaffirms the City's commitment to these State and local housing goals.

This Housing Program sets forth a multi-year schedule of Programs for Grand Terrace to implement housing policies and to achieve the City's housing goals and objectives. The anticipated impact, responsible agency, potential funding, and timetable for each Program is discussed. The area of impact, i.e., City-wide or certain census tracts, has also been identified.

The anticipated accomplishments have been quantified where possible. These estimates were generated on the basis of past performance as well as the resources that are available to the City



for addressing local housing needs. In this respect, the anticipated accomplishments are realistic. A summary of quantifiable housing objectives is presented below.

Upon implementation, the housing program presented in this document is intended to eliminate all identified existing housing needs in the City of Grand Terrace through City build-out, and all regional housing requirements for the City for the planning period 2006-2014. Major components of this housing program are as follows:

- The City has residentially zoned sites that could yield up to 598 additional housing units. Of these units, at least 144 units could be affordable to low-and moderate-income households .
- The City expects at least 72 very low-income units, 36 low-income units, and 12 moderate-income units to be provided by construction of the approved Blue Mountain Villas Senior Housing project. The Agency has used its Low-Mod funds to assist in the construction of this project. As such, the developer, Corporation for Better Housing, is required to rent the units to low income households in accordance with affordability covenants placed on the project. Upon completion of the project and occupancy of the units, the developer will be required to demonstrate that the affordability covenants have been met.
- The City has established a Housing Office for the administration and monitoring of low-and moderate-income housing opportunities. The City plans to continue operation of this Housing Office of the Public Works Department through the planning period.
- The City Housing Office has continued operation of its first-time homebuyer purchase program that has resulted in the rehabilitation of substandard single family units, and their resale to low- and moderate-income homeowners. To date, 41 homes have been rehabilitated and sold to qualified low-and moderate-income households, 29 of which occurred during this planning period. The City plans to continue and expand this program during the planning period as needed to meet the community's low and moderate income housing needs, as described in this Housing Element.
- The City Housing Office has utilized redevelopment tax increment funds to initiate a rehabilitation loan program to provide financial assistance to homeowners needing to repair and maintain their homes. To date, the City rehab loan program has assisted 133 households, consisting of 105 moderate-income households, 22 low-income households and 6 very low-income households, four of which occurred during the 1998-2005 planning period. The City plans to continue and expand this program during the planning period as needed to meet the community's low and moderate income housing needs, as described in this Housing Element.
- In 2003, the City adopted an amendment the Barton Road Specific Plan to include mixed use development in the downtown. This amendment allows mixed use development consisting of both medium/high density residential and commercial in the Administrative Professional zone. The City has allocated redevelopment tax increment funds and will offer bond financing to qualified developers interested in undertaking a mixed use residential development with an affordable housing component that meets the requirements of State



housing law.

- In 2007, the City rezoned the site of the Blue Mountain Villas Senior Housing project to R3S with a density of 20 units/acre for the provision of very low-, low-, and moderate-income senior housing. If only the 3.4 acre portion of the site that encompasses residential units were considered, project density would be 35 units/acre.
- The City will provide up to \$250,000 of housing set-aside funds to be committed to the “Habitat for Humanity” or similar organization for the development of low-income housing within the City limits.

This housing program represents a continuing and meaningful effort on the part of the City of Grand Terrace to expand the local supply and affordability of housing.

### 8.8.1 Programs In Support Of Housing Availability and Production

**Program 8.8.1.a:** The City’s Community and Economic Development Department (CEDD) and Building and Safety/Public Works/Housing Department (BS/PW/H) will continue to expedite the processing of plans for proposed housing projects that are affordable to low- and moderate-income households.

Responsible Agency: CEDD and B&S  
 Objective: Streamline production of affordable housing  
 Timing: Ongoing  
 Funding sources: General Fund

**Program 8.8.1.b:** The City’s Community and Economic Development Department (CEDD) and Redevelopment Agency will implement the amendment the Barton Road Specific Plan that allows a mix of commercial and medium/high density residential development in the Administrative Professional (AP) zone.

The Agency will consider incentives such as, but not limited to, reduced site development standards or zoning code requirements, direct financial assistance, reduced, or deferred fees, or other regulatory incentives which would result in identifiable cost avoidance or reduction, or a density bonus in accordance with the provisions of state law. Allocation of the specific additional incentives will be made on a case-by-case- basis, depending on resources available to the City from which to grant the incentive, and the particular needs of the development to ensure affordability. However, prioritization of funding and incentives will be given to those projects that include affordable housing for extremely low income households.

Responsible Agency: CEDD and Redevelopment Agency  
 Objective: Support housing availability and production  
 Timing: Ongoing; Inform all developers of multiple family developments of affordable housing incentives  
 2014: Produce a minimum of four affordable housing units  
 Funding sources: Low-Mod Housing Fund; County, state and federal sources



**Program 8.8.1.c:** The City’s Community and Economic Development Department (CEDD)–Planning Division will implement a Zoning Code amendment to revise Chapter 18.10 to ensure the permitted uses table allows for manufactured housing in all residential zones, in accordance with State law.

- Responsible Agency: CEDD
- Objective: Compliance with state law
- Timing: 2009: Amend the Zoning Code
- Funding sources: General Fund

**Program 8.8.1.d:** As part of a comprehensive update of the City’s Zoning Code, the City’s Community and Economic Development Department (CEDD)–Planning Division will amend its density bonus provisions in accordance with the requirements of State density bonus law. The density bonuses and incentives will be made available for any for-sale or rental, single-family or multi-family development when requested by a developer who agrees to long-term affordability restrictions.

Additional incentives may include, but not be limited to, reduced site development standards or zoning code requirements, direct financial assistance, reduced, or deferred fees, approval of mixed-use zoning in conjunction with the housing development, or other regulatory incentive which would result in an identifiable cost avoidance or reduction, or a density bonus in accordance with the provisions of state law. Allocation of the specific additional incentives will be made on a case-by-case- basis, depending on resources available to the City from which to grant the incentive, and the particular needs of the development to ensure affordability. However, prioritization of funding and incentives will be given to those projects that include affordable housing for extremely low income households.

- Responsible Agency: CEDD
- Objective: Compliance with State law
- Timing: 2009: Amend the Zoning Code
- Funding sources: General Fund

**Program 8.8.1.e:** The City’s Redevelopment Agency will continue to allocate funds, a process which began in 1993, for the upgrading and expansion of mobile home parks within the City.

- Responsible Agency: Redevelopment Agency
- Objective: Support housing availability
- Timing: Ongoing
  - 2010: Agency will post program on City’s website to make property owners aware of program
  - 2012: A minimum of one mobilehome park will be assisted
- Funding sources: Low to Mod Housing Fund, County, state and federal funding



**Program 8.8.1.f:** The City Manager’s Office will continue to offer low interest bond financing and redevelopment tax increment assistance in the form of land write down to qualified developers for the construction of mixed use development, with the expectation that at least 50-75 units will be provided and a requirement that 30% of the units (at least 20) will be affordable to “very low” income households.

Responsible Agency:     Redevelopment Agency  
 Objective:                 Support housing production. Development of 10 affordable housing units  
 Timing:                     2014  
 Funding sources:         Low-Mod Housing Fund; County, state and federal sources

**Program 8.8.1.g:** The Housing Office will continue to utilize the services of the Inland Fair Housing Mediation Board, through an existing contract with the County of San Bernardino, for fair housing, landlord tenant dispute resolution and senior shared housing. The City will post a notice of the City’s website to inform the public of the services of the Inland Fair Housing and Mediation Board, and include a link to their website. Semi-annual activity reports will be obtained from the Inland Fair Housing and Mediation Board in order to monitor local compliance with fair housing laws.

Responsible Agency:     Housing Office  
 Objective:                 Support fair housing  
 Timing:                     2009 and every year thereafter  
 Funding sources:         General Fund

**Program 8.8.1.h:** The City’s CEDD will continue to utilize the City’s General Plan and Zoning Code to provide adequate, suitable sites for the development of 329 residential units in accordance with the City’s Regional Housing Needs Allocation.

Responsible Agency:     CEDD  
 Objective:                 Provide adequate and suitable sites to support housing production  
 Timing:                     Ongoing  
 Funding sources:         No cost to City

**Program 8.8.1.i:** The City’s CEDD will continue to create and maintain an inventory of vacant and underutilized sites suitable for housing development. This information will be made available on the City’s website.

Responsible Agency:     CEDD  
 Objective:                 Support housing production  
 Timing:                     2009: Post on website, and update as appropriate  
 Funding sources:         Low to Mod Housing Fund



**Program 8.8.1.j:** The City’s CEDD will implement the previously approved R3S zone on a case-by-case basis as developers propose new affordable housing projects. The zone allows for a density of 20 units/acre and with a density bonus to 25 units/acre to be utilized for extremely low income, very low income and low income senior-oriented housing.

Responsible Agency: CEDD and Redevelopment Agency  
 Objective: Support housing production  
 Timing: Ongoing  
 Funding sources: Low to Mod Housing Fund; County, state and federal funding; private funding

**Program 8.8.1.k:** The City’s CEDD will consider, on a case-by-case basis, an amendment to the Zoning Map and General Plan Land Use Map, to allow densities of up to 25 units/acre for affordable housing projects in proximity to public transit, commercial centers, and services, and in accordance with state density bonus provisions.

Responsible Agency: Redevelopment Agency  
 Objective: Support housing production  
 Timing: Ongoing  
 Funding sources: Low to Mod Housing Fund; County, state and federal funding, private funding

**Program 8.8.1.l:** The City will collaborate with an affordable housing developer, such as Habitat for Humanity or other affordable housing developer, to develop a 0.63-acre City-owned parcel for the production of non-senior lower income affordable housing units.

Responsible Agency: City Council and Redevelopment Agency  
 Objective: Support housing production  
 Timing: 2010: Send out an RFP to affordable housing developers  
 2011: Contract with an affordable housing developer  
 2014: Produce a minimum of 8 affordable units  
 Funding sources: Low to Mod Housing Fund; County, state and federal sources; private funding

**Program 8.8.1.m:** The City’s CEDD will amend the Zoning Code to permit emergency shelters in the Industrial zone district without a conditional use permit, and subject to the same development and management standards that apply to the residential or commercial uses within the same zone district. Standards will also be established as provided for under SB 2 to regulate emergency shelters.

Responsible Agency: Redevelopment Agency  
 Objective: Support housing availability; compliance with state law  
 Timing: One year after the adoption of the Housing Element  
 Funding sources: General Fund





**Program 8.8.1.n:** The Housing Office and CEDD will ensure access to the Section 8 Rental Assistance program operated by the San Bernardino County Housing Authority by assisting the County with publicity whenever the waiting list is opened, by posting the phone number and website of the Housing Authority on the City's website.

Responsible Agency: Housing Office and CEDD  
 Objective: Support housing availability  
 Timing: 2009, and Ongoing as notified by the San Bernardino County Housing Authority  
 Funding sources: General Fund

**Program 8.8.1.o:** As part of a comprehensive update of the City's Zoning Code, the City's Community and Economic Development Department (CEDD) will amend its Zoning Code to eliminate requirements for a conditional use permit for detached second units, and to amend the table of permitted uses contained in Chapter 18.10 (RH, R1, R2 and R-3 Zones) to reflect administrative review of second units, in accordance with state law.

Responsible Agency: CEDD  
 Objective: Support housing production  
 Timing: 2009, as part of the Development Code Update  
 Funding sources: General Fund

**Program 8.8.1.p:** As part of a comprehensive update of the City's Zoning Code, the City's Community and Economic Development Department (CEDD) will amend its Zoning Code to define transitional and supportive housing as residential uses subject only to those restrictions that apply to other residential uses of the same type in the same zone.

CEDD staff will amend the City's Zoning Code to identify the zone districts in which single room occupancy housing units will be permitted, in accordance with state law.

Responsible Agency: CEDD  
 Objective: Support housing production  
 Timing: 2009, as part of the Development Code Update  
 Funding sources: General Fund

**Program 8.8.1.q:** As part of a comprehensive update of the City's Zoning Code, the City's Community and Economic Development Department (CEDD) will amend its Zoning Code to update the definition of multiple family residential in order to remove the bedroom limitations, and to revisit the parking requirements for smaller units.

Responsible Agency: CEDD  
 Objective: Support housing production  
 Timing: 2009, as part of the Development Code Update  
 Funding sources: General Fund



**Program 8.8.1.r:** As part of a comprehensive update of the City's Zoning Code, the City's Community and Economic Development Department (CEDD) will amend Chapter 18.63 of the Zoning Code to clarify the scope and authority of the Site and Architectural Review Board.

Responsible Agency: CEDD  
 Objective: Support housing availability and production  
 Timing: 2009, as part of the Development Code Update  
 Funding sources: General Fund

**Program 8.8.1.s:** To accommodate the housing need for the remaining 27 units affordable to lower-income households, the City will rezone at least 1.35 acres of vacant land, at a minimum density of 20 units per acre. Rezoned sites will include Site A and Site D, as described on Table 8.26, and allow exclusively multiple family and senior residential uses and permit owner-occupied and rental multifamily residential uses by-right (without a conditional use permit, planned unit development permit or other discretionary Program) pursuant to Government Code Section 65583.2(h)

Responsible Agency: CEDD  
 Objective: Create opportunity for at least 27 units of rental housing for lower income households  
 Timing: October 2010  
 Funding sources: General Fund

## 8.8.2 Programs In Support Of Housing Affordability

**Program 8.8.2.a:** Continue an outreach campaign to solicit participation of private developers in affordable housing programs. This will be accomplished by compiling and subsequently maintaining a roster of interested firms, which will be notified when opportunities arise.

Responsible Agency: Housing Office  
 Objective: Support housing affordability  
 Timing: 2009: Compile list of affordable housing developers  
 2010: Send RFP to affordable housing developers  
 Funding sources: Low to Mod Housing Fund

**Program 8.8.2.b:** Continue participation in the Section 8 Leased Housing Assistance Program administered by San Bernardino County Housing Authority. This will be achieved by posting on the City's website when the County is taking in applications for the program.

Responsible Agency: Housing Office  
 Objective: Support housing affordability  
 Timing: 2009: Post on website and every year thereafter  
 2010: Send RFP to affordable housing developers  
 Funding sources: Low to Mod Housing Fund



**Program 8.8.2.c:** Continue operation of the City Housing Office, established in 1994, to administer and monitor City housing programs.

Responsible Agency:     Redevelopment Agency  
 Objective:                 Support housing affordability and production  
 Timing:                     Ongoing  
 Funding sources:         Low Mod Housing Fund, County, state and federal funds

**Program 8.8.2.d:** Continue to research the possibility of expanding Section 8, Leased Housing Assistance Program, to subsidize mobile home space rentals.

Responsible Agency:     Redevelopment Agency  
 Objective:                 Support housing affordability and availability  
 Timing:                     2010: Contact County to determine if program can be expanded  
                                    2010: If so, advertise on City’s website, and send information  
                                    packets to mobile home residents  
 Funding sources:         Low Mod Housing Fund

**Program 8.8.2.e:** The City’s CEDD will continue to process and approve requests for the establishment of residential care facilities, in accordance with Section 1566.3 of the Health and Safety code, as a means of providing long-term transitional housing for very low income persons.

Responsible Agency:     CEDD  
 Objective:                 Support housing affordability  
 Timing:                     Ongoing  
 Funding sources:         General Fund

**Program 8.8.2.f:** The City’s CEDD will continue to participate in and provide staff support for the various homeless programs operated by the San Bernardino County Homeless Coalition.

Responsible Agency:     CEDD  
 Objective:                 Post link to City’s website  
 Timing:                     2009 and ongoing thereafter  
 Funding sources:         Low Mod Housing Fund; General Fund

**Program 8.8.2.g:** The City Manager’s Office will offer to open facilities at City Hall and the City Yard to provide emergency shelter during times of extreme weather or hardship.

Responsible Agency:     Redevelopment Agency  
 Objective:                 Support transitional housing  
 Timing:                     Ongoing  
 Funding sources:         Low Mod Housing Fund



**Program 8.8.2.h:** The City Housing Office will continue to operate the first time buyer purchase assistance program to acquire and rehabilitate deteriorated and/or foreclosed residential property then resell the homes to qualified low and moderate income households.

Responsible Agency: Redevelopment Agency  
 Objective: Support housing production  
 Timing: 2010 through 2014; Produce a minimum of one affordable unit per year  
 Funding sources: Low Mod Housing Fund

**Program 8.8.2.i:** The City’s Housing office will use its website to provide information on home ownership and home repair programs operated by the County of San Bernardino Department of Community Development and Housing (CDH), including a web link to CDH’s website. Programs offered include: HOME Homeownership Assistance Program; HOME American Dream Downpayment Initiative; Single Family Home Improvement Loan Program, and the Senior Home Repair Program.

Responsible Agency: Housing Office  
 Objective: Support housing affordability  
 Timing: 2009: Post link on website  
 Funding sources: General Fund

**Program 8.8.2.j:** The City’s Housing office will use its website to provide information on the County of San Bernardino’s Senior Home Repair Program, which allows qualifying seniors a one time grant in the form of labor and materials to help correct code violations, and/or health and safety problems. This grant program would assist extremely low to moderate income senior households.

Responsible Agency: Housing Office  
 Objective: Support housing affordability  
 Timing: 2009: Post link on website  
 Funding sources: General Fund

**8.8.3 Programs In Support Of Maintaining and Improving Housing Conditions**

**Program 8.8.3.a:** The City Manager’s Office will continue to include energy conservation measures as improvements eligible for assistance under the Redevelopment Agency’s residential rehabilitation program.

Responsible Agency: Redevelopment Agency  
 Objective: Support of housing affordability, and maintenance of housing stock  
 Timing: Ongoing  
 Funding sources: Low Mod Housing Fund



**Program 8.8.3.b:** The Housing Office will provide public information and technical assistance intended to encourage the continued maintenance of the City’s housing stock. The Housing Office webpage will include information City home improvement programs, and a link to San Bernardino County Community Development and Housing Department’s webpage that provides information on County-operated programs. Additionally, the Building and Safety Department will continue to provide technical drawing for simple improvements such as patio covers, retaining and block walls, and similar small projects; a home construction pamphlet, and information on hiring contractors.

Responsible Agency: Housing Office and Building and Safety  
 Objective: Maintain and improve housing stock  
 Timing: 2009 for website information  
 Ongoing on technical and informational handouts  
 Funding sources: General Fund

**Program 8.8.3.c:** The City’s Redevelopment Agency will continue to provide financial assistance for the rehabilitation of residences owned or occupied by very low, low and moderate income persons. This financial assistance will be made available in the form of below market rate and deferred payment loans for home rehabilitation, and matching grants for the rehabilitation of rental housing and funds for the Agency to purchase and rehabilitate housing for resale to low and moderate income households.

Rehabilitation may include, but may not be limited to, room additions to accommodate larger families, rehabilitation to provide disabled accessibility, re-roofing, re-painting, and installation of new windows.

Responsible Agency: Redevelopment Agency  
 Objective: Maintain and improve housing stock  
 Timing: 2008: Begin advertising for the program on City’s website  
 2014: Assist a minimum of 5 households  
 Funding sources: Low Mod Housing Fund

**Program 8.8.3.d:** The City’s Redevelopment Agency will continue to monitor housing conditions throughout the City in order to establish target areas for rehabilitation efforts. Rehabilitation efforts could include a low interest and/or grant program for minor home repairs, such as repainting, yard clean up, and/or landscaping.

Responsible Agency: Redevelopment Agency  
 Objective: Maintenance and improvement of housing stock  
 Timing: Ongoing  
 Funding sources: Low to Mod Housing Fund



**Program 8.8.3.e:** The City’s CEDD and BS/PW/H will review all changes in planned land uses to determine the cumulative impact on community facilities and municipal services, in order to ensure that adequate facilities and service levels are provided to all residents.

Responsible Agency: CEDD and Public Works  
 Objective: Support of maintaining and improving housing stock  
 Timing: 2008-2009: Community facilities and municipal services are being reviewed under the current General Plan update  
 Funding sources: General Fund

**Program 8.8.3.f:** The City’s Community Services Department and CEDD and BS/PW/H will continue existing code enforcement efforts and explore new methods for eliminating deteriorated or unsightly property conditions in residential areas.

Responsible Agency: Redevelopment Agency  
 Objective: Improve housing stock  
 Timing: Ongoing  
 Funding sources: Low to Mod Housing Fund

**Program 8.8.3.g:** The Housing Office and the City’s CEDD will assist in distributing information to the public regarding energy audits and/or self energy efficiency surveys that are performed by the Southern California Edison Company, and Southern California Gas Company.

Responsible Agency: Housing Office and CEDD  
 Objective: Support housing affordability and improve housing stock  
 Timing: 2009: Place information and weblinks on Housing Office home page  
 Funding sources: Low to Mod Housing Fund

**Program 8.8.3.h:** the City’s BS/PW/H-Building Division will continue to promote the incorporation of energy conserving appliances, fixtures and other devices into the design of new residential units as means to reduce long-term housing costs and enhance affordability.

Responsible Agency: Building and Safety  
 Objective: Improve housing stock  
 Timing: Ongoing project  
 Funding sources: Low to Mod Housing Fund, General Fund

**Program 8.8.3.i:** The City’s BS/PW/H-Building Division will continue to require that all new residential development complies with the energy conservation requirements of Title 24 of the California Administrative Code as a means to lower long-term housing costs.

Responsible Agency: Building and Safety  
 Objective: Maintenance of housing stock  
 Timing: Ongoing  
 Funding sources: No cost to City



**Program 8.8.3.j:** The City’s CEDD will continue recommending that tall shady trees be planted on the southwest exposure to minimize the use of energy and reduce housing costs.

- Responsible Agency: CEDD
- Objective: Support of housing affordability
- Timing: Ongoing
- Funding sources: No cost to City
  
- Responsible Agency: Redevelopment Agency

**Program 8.8.3.k:** The City’s Code Enforcement Department will continue to implement Ordinance No. 221 for the maintenance of non-owner occupied housing stock in an effort to improve substandard conditions of the City’s non-owner occupied housing stock. Substandard conditions include properties that do not meet minimum housing and building code standards, exterior maintenance standards, or that are not safe to occupy.

- Responsible Agency: Code Enforcement
- Objective: Preventative maintenance and improvement of housing stock
- Timing: Ongoing
- Funding sources: Low mod funds and inspection fees

**Program 8.8.3.l:** The City shall amend its Zoning Code to establish a reasonable accommodation process for housing designed for, intended for occupancy by, or with supportive services for , persons with disabilities.

- Responsible Agency: Community and Economic Development Department
- Objective: Support and improve housing stock
- Timing: 2009
- Funding sources: General Fund





### 8.8.4 Anticipated Accomplishments

Focusing on the current planning period (2006 - 2014), Table 8.37 shows a total of 472 additional units could be constructed. At least 120 of these units could be affordable to very low, low and moderate income households. These estimates meet or exceed the housing needs identified in SCAG’s RHNA.

**Table 8.37  
New Construction Housing Goals and Anticipated Accomplishments  
2006 – 2014**

<b>Income Category of Household</b>	<b>Number of Units Needed per SCAG RHNA<sup>1</sup></b>	<b>Number of Units Already Constructed/Approved this Period<sup>2</sup></b>	<b>Total Units to be Provided this Period</b>	<b>Difference between Total Number of Units to be Provided and RHNA<sup>3,4</sup></b>
Extremely Low	40	-	40	0
Very Low	40	72	52	12
Low	55	36	58	3
Moderate	63	109	119	56
Above Moderate	131	121	203	72
<b>Totals</b>	<b>329</b>	<b>338</b>	<b>472</b>	<b>143</b>

Notes:

- <sup>1</sup> Estimated needs taken directly from SCAG’s 2006-2014 RHNA.
- <sup>2</sup> Number of units already provided reflects actual housing already constructed or approved during this planning period.
- <sup>3</sup> Difference between number of units SCAG has determined to be needed and number that could be constructed in the City during this planning period.
- <sup>4</sup> Exceeds identified needs under the 2006-2014 RHNA.

These estimates reflect actual units already constructed or approved during this planning period. In 2007 the City approved the Blue Mountain Senior Housing Villas which will house 72 very low income, 36 low income, and 12 moderate income senior households. The Redevelopment Agency has committed low-mod housing funds towards this project, and in accordance with Redevelopment Law, the units will remain affordable pursuant to affordability covenants. The Blue Mountain Senior Housing Villas are currently under construction and are expected to open by January 2009.

City priority plans to provide units affordable to the very low income through density increases and senior citizen housing subsidies will result in the construction of additional units beyond the 472 noted above.



In addition to new construction accomplishments, the City of Grand Terrace expects to continue and expand its rehabilitation and conservation efforts (Table 8.38) as needed to meet the community’s low- and moderate-income housing needs, as described in this Housing Element. Focusing on the current planning period (2006 - 2014), the City expects that a total of 30 single family units will be rehabilitated. This estimate is based on previous planning period activity and projected activity of the City’s first time home-buyer purchase assistance program and housing rehabilitation program with influences from the current housing market conditions. Rehabilitation of existing units will also be achieved through the City’s efforts to link property owners with other financial assistance programs available through the County of San Bernardino. In addition, the City expects that a total of 678 single and multifamily units, representing approximately 15% of its existing housing stock, will be conserved through the continuing efforts of its code enforcement programs.

**Table 8.38  
Combined Housing Goals and Anticipated Accomplishments  
2006 - 2014**

<b>Income Category</b>	<b>New Construction</b>	<b>Rehab <sup>[1]</sup></b>	<b>Conservation <sup>[2]</sup></b>
Extremely Low	0	-	26
Very Low-Income	92	-	128
Low-Income	58	-	366
Moderate-Income	119	30	101
Above Moderate	203	-	41
<b>Totals</b>	<b>472</b>	<b>30</b>	<b>678</b>

Note: Assumes 3 - 4 rehabilitated units per year during the 2008-2014 period.

<sup>[1]</sup> Current housing market conditions may restrict the City’s ability to rehabilitate units.

<sup>[2]</sup> Represents 15% of total existing housing stock

### **8.8.5 Redevelopment Agency Implementation Plan**

The Grand Terrace Redevelopment Agency adopted Resolution No. CRA 2009-11 adopting the 2010-2014 Five Year Implementation Plan for the Grand Terrace Redevelopment Project Area. The Five Year Implementation Plan included a Housing Program, which identified certain projects.

**Canal Street Rental Housing:** This program proposes to utilize an Agency owned parcel for the construction of a 23-unit rental housing complex. All units are proposed to be restricted to affordable households. Program 8.8.1.1 is in keeping with this program; however, under Program 8.8.1.1, the intent would be to have all units restricted to affordable households.

**Purchase/Rehab/Resale Program:** This is a continuing program that involves the acquisition, rehabilitation and resale of dilapidated units throughout the community. Once acquired and rehabbed the units are sold to eligible low to moderate income households. Program 8.8.2.h retains this program.



Home Improvement Loan Program: This program provides eligible low to moderate income households loans at low interest rates for minor rehabilitation projects. This is a continuing program and is retained with Program 8.8.3.c

### 8.8.6 Priorities

As previously indicated, the ability of the City of Grand Terrace to affect local housing needs is limited by the resources available for this purpose. These resources include land, enabling legislation, and funding. Local governments in particular are constrained by the availability of funding for housing-related activities.

To ensure available resources are used most effectively in an effort to maximize benefits, a prioritization of local housing needs is essential as a guide in distributing those resources. Therefore, where conflict may arise in the implementation of this housing program, the City shall allocate its limited resources on the basis of the following priorities:

- Priority 1** Expansion of the local housing supply in terms of both market-rate and affordable housing through mixed-use development.
- Priority 2** Provide opportunities for rental subsidies, density bonuses and mortgage revenue bond financing at new multi-family developments to assist very low income households.
- Priority 3** Maintenance and improvement of the existing housing stock through continuance and expansion of the City's housing rehabilitation and code enforcement programs.
- Priority 4** Preservation of existing affordable housing opportunities through the continuance and expansion of the City's first time home buyer purchase assistance program.

## 8.9 OPPORTUNITIES FOR ENERGY EFFICIENCY

As non-renewable energy resources have been progressively depleted and energy costs continue to rise, homeowners have become increasingly aware of energy conserving measures primarily as a means to offset and control the rising costs of fuel. While the use of alternative energy sources is most advantageous in developing new housing, there are numerous energy conserving measures which can be retrofitted into existing and older housing which conserve the use of non-renewable fuels and save money.



### 8.9.1 Insulation and Weatherproofing

Older homes were built during times when there was little concern for the use of oil and natural gas for heating purposes. Additionally, the window and door opening fixtures were intended primarily for passage of light into the home. While many of these fixtures were designed to meet these basic requirements, minimal effort was expended to ensure air-tight closures when both exterior doors and windows were closed. To conserve the heat generated by gas or oil fired heating units and minimize the heat loss ratio, older homes can be insulated in the attic space and exterior walls. Windows and exterior doors can also be fitted with airtight devices, caulking, or other means to maximize heating and cooling efforts.

### 8.9.2 Natural Lighting

Daytime interior lighting costs can be significantly reduced or eliminated with the use of properly designed and located skylights. Skylights can be easily installed at reasonable expense in existing houses, thereby substantially reducing electricity costs and energy consumption.

### 8.9.3 Solar Energy

Solar energy is a practical, cost effective, and environmentally sound way to heat and cool a home. In California, with its plentiful year-round sunshine, the potential uses of solar energy are numerous. With proper building designs, this resource provides for cooling in the summer and heating in the winter; it can also heat water for domestic use and swimming pools and generate electricity.



Unlike oil or natural gas, solar energy is an unlimited resource, which will always be available. Once a solar system is installed, the only additional costs are for the maintenance or replacement of the system itself. The user is not subject to unpredictable fuel price increases. Moreover, solar energy can be utilized without any serious safety or environmental concerns.

Solar heating and cooling systems are of three general types: passive, active, or a combination thereof. In passive solar systems, the building structure itself is designed to collect the sun's energy, then store and circulate the resulting heat similar to a green house. Passive buildings are typically designed with a southerly orientation to maximize solar exposure, and constructed with



dense materials such as concrete or adobe to better absorb the heat. Properly placed windows and overhanging eaves also contribute to keeping a house cool.

Active systems collect and store solar energy in panels attached to the exterior of a house. This type of system utilizes mechanical fans or pumps to circulate the warm/cool air, while heated water can flow directly into a home's hot water system.

Although passive systems generally maximize use of the sun's energy and are less costly to install, active systems have greater potential application to both cool and heat the house and provide hot water. This may mean lower energy costs for Grand Terrace residents presently dependent on conventional fuels. The City encourages the use of passive solar systems in new residential construction to improve energy efficiency for its citizens.

#### 8.9.4 Water Conservation

Simple water conservation techniques can save a family thousands of gallons of water per year, plus many dollars in water and associated energy consumption costs. Many plumbing products are now available which eliminates unnecessary water waste by restricting the volume of water flow from faucets, shower heads, and toilets. The use of plant materials in residential landscaping that are well adapted to the climate in the Grand Terrace area can also measurably contribute to water conservation by reducing the need for irrigation, much of which is often lost through evaporation.



A family can also save water by simply fixing dripping faucets and using water more conservatively. In addition, such conservation practices save on gas and electricity needed to heat water and the sewage system facilities needed to treat it. By encouraging residents to conserve water and retrofit existing plumbing fixtures with water saving devices, the City can greatly reduce its water consumption needs and expenses.

#### 8.9.5 Energy Audits

The Southern California Edison Company provides energy audits to local residents on request. Many citizens are not aware of this program. The City will aid in expanding this program by supplying the public with pertinent information regarding the process including the appropriate contacts on the City's website. The Southern California Gas Company also provides self-guided surveys for its customers on its website. The City will also link the Gas Company's webpage to the City website. Energy audits are extremely valuable in pinpointing specific areas in residences, which are responsible for energy losses. The inspections also result in specific recommendations to remedy energy inefficiency.





### **8.9.6 New Construction**

The City of Grand Terrace will continue to require the incorporation of energy conserving appliances, fixtures, and other devices into the design of new residential units. The City will also continue to review new subdivisions to ensure that each lot optimizes proper solar access and orientation to the extent possible. Additionally, the City will consider enacting an ordinance that prohibits property owners from obstructing the solar access of their neighbors. Two State laws enacted in 1978 (the Solar Rights Act and the Solar Shade Control Act) offer a variety of methods to preserve solar access.

## **8.10 FINANCING RESOURCES**

In addition to the housing set aside funds pursuant to Community Redevelopment Law, there are a variety of potential funding sources available to support affordable housing in the City of Grand Terrace. They include the following:

### **8.10.1 Home Funds**

The Home Investment Partnership (HOME) Program is a federal program, created as a result of the National Housing Affordability Act of 1990. Under HOME, HUD awards funds to localities on the basis of a formula, which takes into account tightness of the local housing market, inadequate housing, poverty and housing production costs. Localities must match HOME funds with 25% of funds from non-federal sources.

HOME funding is provided to jurisdictions to assist either rental housing or home ownership through acquisition, construction, reconstruction, and/or rehabilitation of affordable housing. Also possible is tenant-based rental assistance, property acquisition, site improvements, and other expenses related to the provision of affordable housing and for projects that serve a group identified as having a special need related to housing.

### **8.10.2 Community Development Block Grant Program (CDBG)**

Through the federal CDBG program, HUD provides funds to local governments for funding a range of community development activities. CDBG grants are awarded to the City on a formula basis for housing activities, including acquisition, rehabilitation, homebuyer assistance, economic development, homeless services and public services. CDBG funds are subject to certain restrictions and cannot be used for new construction of housing. CDBG grants benefit primarily persons/households with incomes not exceeding 80 percent of the County Median Family Income.

### **8.10.3 Section 108 Program**

Section 108 is the loan guarantee provision of the CDBG program. This provision provides communities with a source of financing for a variety of housing and economic development



activities. All rules and requirements of the CDBG program apply, and therefore all projects and activities must principally benefit low and moderate income persons, aid in the elimination or prevention of blight, or meet urgent needs of the community.

Monies received per the Section 108 loan guarantee program are limited to not more than 5 times the applicant's most recently approved CDBG amount, less prior Section 108 commitments. Activities eligible for these funds include: economic development activities eligible under CDBG; acquisition of real property; rehabilitation of publicly owned property; housing rehabilitation eligible under CDBG; construction, reconstruction or installation of public facilities; related relocation, clearance or installation of public facilities; payment of interest on the guaranteed loan and issuance costs of public offerings; debt service reserves; and public works and site improvements.

Section 108 loans are secured and repaid by pledges of future and current CDBG funds. Additional security requirements may also be imposed on a case-by-case basis.

#### 8.10.4 Section 8 Rental Assistance Payments/Housing Certificates

The Federal Section 8 program provides rental assistance to low- and moderate-income families, elderly, and disabled persons who spend more than 50 percent of their monthly income on rent. The subsidy represents the difference between the excess of 50 percent of the recipients' monthly income and the federally approved fair market rents (FMR). In general, the FMR for an area is the amount that would be needed to rent privately owned, decent, safe and sanitary rental housing. Section 8 assistance is available in the following forms:

- *Section 8 Existing Housing Certificate Program.* Under the certificate program, the landowner enters into a contract with the San Bernardino County Housing Authority, which establishes limits for the rent which will be subsidized for the Very Low income unit to the Fair Market Rent. Eligible tenants must pay the highest of either 30 percent of adjusted income, 10 percent of gross income, or the portion of welfare assistance designated for housing. Housing subsidized through this program must meet standards of safety and sanitation established by HUD.
- *Section 8 Existing Housing Voucher Program* - This program is similar to the Certificate Program, however, rent for the units are not restricted. The tenant instead must pay the difference between the Fair Market Rent standard and the actual rent.

#### 8.10.5 Section 202/811 Housing for Elderly for Handicapped Housing

Under this federally administered program, direct loans are made to eligible, private nonprofit organization and consumer operative sponsors to finance development of rental or cooperative housing facilities for occupancy by elderly or handicapped persons. The interest rates on such loans are determined annually. Section 8 funds are made available for all of the Section 202 units for the elderly. Rental assistance for 100 percent of the units for handicapped persons has





also recently been made available. Section 811 can be used to develop group homes, independent living facilities, and intermediate care facilities.

Private, nonprofit sponsors may qualify for Section 202 no interest capital financing loans. Households of one or more persons, the head of which is at least 62 years old or is a qualified non-elderly handicapped person between the ages of 18 and 62, are eligible to live in these units. There are currently no Section 202 projects in the City. The City of Grand Terrace should encourage non-profit sponsors to make application for HUD Section 202 allocations for construction of rental housing for seniors and the handicapped and take all actions necessary to expedite processing and approval of such projects

#### **8.10.6 California Housing Finance Agency (CHFA)**

CHFA is a state of California administered program that provides below market interest rate mortgage capital through the sale of tax-exempt notes and bonds. CHFA sells tax-exempt Mortgage Revenue Bonds to provide below market rate financing through approved private lenders to first-time homebuyers for the purchase of new or existing homes. The program operates through participating lenders who originate loans for CHFA purchase.

CHFA assists nonprofit housing development corporations that acquire land, provide building plans, and package loans for self-help housing. Families, under the supervision of nonprofit corporations, provide the majority of the construction labor. CHFA makes commitments to self-help corporations for low-interest mortgages and provides credit enhancements to lenders who provide construction financing and preferential interest rates.

CHFA also operates a Multifamily Rental Housing Mortgage Loan Program. This program finances the construction or substantial rehabilitation of projects containing 20 or more units. 20 percent of the units in a project must be set aside for low income tenants at affordable rents for the greater of 15 years or as long as the mortgage is outstanding.

A new program of CHFA is the HELP Program. This program provides low interest loan assistance to local governments to assist in the provision of affordable housing. Terms of the low interest loans are 3 percent simple interest per annum for up to ten years, with a maximum loan amount of \$2,000,000 per project.

#### **8.10.7 Low Income Housing Tax Credit (LIHTC) Program**

This State program provides for federal tax credits for private developers and investors, which agree to set aside all or a portion of their units for low income households and the elderly for no less than 15 years. A minimum of 20 percent of the units must be made available to families whose income is less than 50 percent of the County median income or 40 percent of the units must be made available to families whose income is up to 80 percent of the median.

Developers and investors must apply for an allocation of housing units from the State Allocation



Committee, administered by the Tax Credit Allocation Committee. While the program is beneficial in adding low income housing units to the local housing stock, the statewide allocations are limited under this program and the application process is expensive for the developer. In addition, single resident and elderly rental projects are not competitive based on the State's selection criteria. The Redevelopment Agency will remain informed about this program and will make the benefits of this program known to developers and investors upon inquiry, potentially for multifamily projects that cater to larger families.

#### **8.10.8 Multifamily Mortgage Revenue Bonds**

Multifamily Mortgage Revenue Bonds, as discussed above, are used to finance construction and mortgage loans, as well as capital improvements for multifamily housing. Federal law requires 20 percent of the units in an assisted project to be reserved for lower income households, whose income does not exceed 80 percent of the median household income for the County. Additional state requirements regarding housing set-aside units are imposed on the project. Funding for this program is administered by the California Debt Limit allocation committee and has been extended indefinitely.

#### **8.10.9 Housing Action Trust Fund**

Housing Action Resource Trust (HART) is a California 501 (c) (3) nonprofit housing development corporation that provides assistance to prospective homebuyers, including pre-purchase education and counseling, assistance in obtaining first mortgage financing, training in home repairs, and down payment assistance in the form of a grant to first time low- and moderate-income homebuyers.

#### **8.10.10 Senior Home Repair**

This program is administered through the County of San Bernardino and is available for residents of San Bernardino County and cooperating cities. The purpose of the program is to provide eligible senior homeowners with a one-time grant in the form of labor and material to correct code violations and/or health and safety problems.