



Housing Element 2013-2021





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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, special housing needs, and the demand for affordable housing in the City. The Element also includes a discussion of the progress made over the previous planning period, and projections of needs for the next eight years.

8.1.2.2 Public Participation

California law requires that local governments include public participation as part of the housing element. Specifically, Government Code section 65583(c)(7) states “that the local government shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the program shall describe this effort.” State law does not specify the means and methods for participation; however, it is generally recognized that the participation must be inclusive.

The Planning Commission conducted a public workshop on September 5, 2013. The workshop provided an overview of the purpose and statutory requirements governing Housing Elements, and its contents. Notices were posted and placed in the Blue Mountain Outlook, which is



delivered to all property owners in the City. Notices were also sent to several organizations that have an interest in housing within the City.

Comments raised during the Planning Commission September 5th workshop included the need to consider higher densities, and acknowledgment of the financial difficulty of developing smaller affordable projects. It was noted that the City has established a new R3-20 zone district which allows a density of 20 units per acre. It is a fiscal challenge to develop smaller affordable projects, which has become more challenging with the dissolution of redevelopment agencies.

A public meeting was conducted by the City Council on September 24, 2013. Notice of this meeting was also posted and placed in the Blue Mountain Outlook, sent to several organizations that have an interest in housing within the City.

Duly noticed public hearings were held before the Planning Commission on January 16, 2014, and City Council on January 28, 2014. All meetings and hearings were fully noticed per State planning law.

After receiving comments from HCD on the adopted element a revised draft Housing Element was prepared and circulated for public review, and public meetings were held on October 13 and October 15, 2015. The revised element was submitted to HCD for review, and on January 15, 2016 HCD issued a letter finding the revised draft Housing Element must identify specific sites to be rezoned and the rezoning must be complete in order for the element to fully comply with state law. Following HCD review, the element was further revised to address HCD comments and public hearings were held by the Planning Commission on April 21, 2016 and by the City Council on June 28 and September 27, 2016. The Housing Element was adopted by the City Council on September 27, 2016.

Notices soliciting public input at these public meetings were published in the newspaper, posted at City Hall, and sent by email and/or direct mail to the interested parties and organizations listed below:

Organization Invited to Participate		
Grand Terrace Child Care Center	Grand Terrace Senior Center	Chamber of Commerce
Lion’s Club	Azure Hills Seventh Day Adventist	Calvary Deaf Church
Grand Terrace Foursquare Church	Loma Linda Korean Church	Grand Terrace Community Church
Christ the Redeemer Church	Grand Terrace Community Church	Colton Unified School District
Hope Homes	Inland Temporary Homes	Inland Fair Housing and Mediation Board
The Salvation Army	Catholic Charities	Community Action Partnership of San Bernardino
Frazer Community Center	Jamboree Housing	San Bernardino County Housing Authority
Southern California Association of NonProfit Housing	Inland Regional Center	Eagle Real Estate Group



8.2 RELATIONSHIP TO OTHER PLANS AND PROGRAMS

8.2.1 California Law

The California Government Code requires every City and County to 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 Section 65580, the Legislature has declared 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 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).

On April 10, 2010, the City adopted a comprehensive update of the General Plan. The Public Health and Safety Element was prepared in accordance with Government Code Section 65302 (g)(2), and included updated information relating to flood hazards and flood hazard mapping. Goals, policies and implementation measures were adopted to protect Grand Terrace residents from unreasonable risks of flooding, as shown below.

Goal 5.3 Reduce the risk to life and property in areas designated as flood hazard areas.

Policy 5.3.1 All development proposed within a designated 100-year floodplain shall be reviewed to assure that all structures designated for human habitation are adequately protected from flood hazards.

- a. As part of the development review process, all projects located within a designated 100-year floodplain are required to provide a flood hazard mitigation program.



- Policy 5.3.2 The City shall work with the San Bernardino County Flood Control District and Army Corps of Engineers to provide adequate flood protection along the Santa Ana River.
- a. Cooperate with the County Flood Control District and Corps of Engineers regarding future improvements along the Santa Ana River.
- Policy 5.3.3 The City shall evaluate the flood control system of the City and improve it as required and as funds become available.
- a. Review the current City storm drain plan master plan and update as necessary. Identify priorities and provide improvements as funding becomes available.
 - b. Review all proposed development projects for their impact to the City storm drain system. Require hydrology studies for new development projects that have a potential to impact the drainage system and condition projects to construct onsite and offsite drainage facilities to mitigate project-specific impacts.
- Policy 5.3.4 The City shall require all development projects to comply with the National Pollutant Discharge Elimination System (NPDES) and implement appropriate Best Management Practices.
- a. All development projects that fall under the provisions of the NPDES program shall be conditioned to prepare and implement a Stormwater Pollution Prevention Plan (SWPPP) for construction and a Water Quality Management Plan for long-term operation.

Furthermore, because of the requirement for consistency between the various General Plan Elements, any proposed amendment to an Element will be evaluated against the other Elements of the General Plan to ensure that no conflicts occur, including the Safety and Conservation Elements pursuant to AB 162, SB 1241 and SB 379.

8.3 EVALUATION OF 2006-2013 HOUSING ELEMENT

State Housing Element guidelines require all jurisdictions to include an evaluation of their previous Housing Element's action plans to determine their success. Appendix 1 of the Housing Element contains a review of the housing programs of the previous planning period.



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 U. S. Census Report, data from the California Department of Finance, 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

Population trends over the last three decades are shown in Table 8.1. Grand Terrace grew half as much in the last decade as the one prior, at a modest 3.4%; while San Bernardino County’s growth has remained consistent at about 20%.

**Table 8.1
Population Trends**

	1990	2000	2010	Growth 1990-2010	Growth 2000-2010
Grand Terrace	10,946	11,626	12,025	6.2%	3.4%
San Bernardino County	1,418,380	1,709,434	2,035,210	20.5%	19.1%

Source: U.S. Census, 1990, 2000, 2010

8.4.1.2 Household Composition, Size and Tenure

The City’s population of 12,025 persons is estimated to reside in 4,399 households with an average of 2.71 persons per household. Within these households, the Census reports that 70% were family households. Non family households in the City total 1,336 (30.4%). Of those households, almost 40% of the householders are over 65 years of age. Table 8.2 depicts the household composition of the City in comparison to the County of San Bernardino.



**Table 8.2
Household Composition
City of Grand Terrace and County of San Bernardino**

Household Type	City		San Bernardino County	
	Number	%	Number	%
Family Households	3,063	69.6%	470,440	76.9%
With children < 18 years	1,348	--	242,985	--
Non-Family Households	1,336	30.4%	141,634	23.1%
Householder living alone	1,026	--	141,178	--
Householder > 65 years	395	--	38,924	--
Total Households	4,399	100%	611,618	100%
Average Household Size	2.71		3.26	

Source: U.S. Census, 2010

Of the occupied units in the City of Grand Terrace, 63.4% are owner-occupied and 36.6% 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 8.3 below, the tenure of housing in the City of Grand Terrace is nearly identical to that in the County of San Bernardino.

**Table 8.3
Housing Tenure for Grand Terrace and County of San Bernardino**

Tenure	City of Grand Terrace		County of San Bernardino	
	Units	%	Units	%
Owner Occupied	2,788	63.4%	383,573	62.7%
Renter Occupied	1,611	36.6%	228,045	37.3%
Total Occupied Units	4,399	100%	611,618	100%

Source: U.S. Census, 2010

8.4.1.3 Ethnicity

Table 8.4 shows the ethnic composition in Grand Terrace in comparison to San Bernardino County. Overall the City has a larger percentage of the White population and a lesser percentage of the Hispanic or Latino population than San Bernardino County. Even though the City is still a predominately White community the demographics have changed significantly. The White population has decreased from 61% of the population in 2000¹ to 46% in 2010, whereas, the

¹ U. S. Census, 2000



Hispanic/Latino population has increased from 25% of the population to almost 40% in this same time period.

**Table 8.
Ethnic Composition of Grand Terrace and San Bernardino County**

	Grand Terrace		San Bernardino County	
	Residents	Percent	Residents	Percent
Not Hispanic or Latino	7,317	60.8%	1,034,065	50.8%
White	5,575	46.4%	677,598	33.3%
Black or African American	637	5.3%	170,700	8.4%
American Indian/Alaska Native	42	0.4%	8,523	0.4%
Asian	735	6.1%	123,978	6.1%
Native Hawaiian/Pacific Islander	21	0.2%	5,845	0.3%
Other races or 2+ races	307	2.5%	47,421	2.3%
Hispanic or Latino (any race)	4,708	39.2%	1,001,145	49.2%
Total	12,025	100%	2,035,210	100%

Source: U. S. Census, 2010

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 2000 and 2010 is presented in Table 8.5. As seen in this Table, the City experienced a decrease in the number of residents between the ages of 35-49, and an increase in the percentage of residents at the age of 65 and older.

Population by age of the County of San Bernardino is similar to that of the City, except that the County did not experience the same growth as the City did in the 65 and older population. The median age of County residents remains younger than that of the City, by four years.



**Table 8.6
Age of Population for Grand Terrace and County of San Bernardino**

Total Population	City of Grand Terrace		County of San Bernardino	
	2000 Census	2010 Census	2000 Census	2010 Census
	11,626	12,025	1,418,380	2,035,210
Population Under 5 Years				
Number of Residents	756	751	143,076	158,790
Percent of Total	6.5%	6.2%	8%	7.8%
Population 5-19 Years				
Number of Residents	2,627	2,346	463,192	505,787
Percent of Total	22.6%	19.5%	27%	24.8%
Population 20-34 Years				
Number of Residents	2,368	2,764	364,607	441,999
Percent of Total	20.4%	22.9%	21%	21.8%
Population 35-49 Years				
Number of Residents	2,873	2,305	385,308	415,460
Percent of Total	24.7%	19.2%	23%	20.4%
Population 50-64 Years				
Number of Residents	1,748	2,361	206,792	331,646
Percent of Total	15%	19.6%	12%	16.2%
Population 65 and Over				
Number of Residents	1,245	1,498	146,549	181,348
Percent of Total	10.7%	12.4%	9%	9%
Population Median Age	35.3	36.1	30.3	31.7

Source: U.S. Census, 2000 & 2010

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 State of California Department of Housing and Community Development (HCD) surveys households in each county on an annual basis to determine the median income. The median income is also adjusted for households of different sizes. Households are then grouped into four income groups for purposes of determining the need for assistance. The 2010 San Bernardino County median income for a household of four persons is \$65,000. Based on 2010 categories, these income groups and thresholds are:



Table 8.6
Household Income Categories
(4 Person Household)

Category	Percent of Median Income	Income Limits
Extremely Low	30% or Less of Median	≤\$19,500
Very Low	31% to 50% of Median	\$32,500
Lower	51% - 80% of Median	\$52,000
Moderate	81% - 120% of Median	\$78,000
Above Moderate	Over 120% of Median	\$78,000+

Source: California HCD, 2010

According to the California Department of Finance, the 2010 median household income in Grand Terrace was \$67,926, 127% higher than the San Bernardino County household median income of \$53,260, but comparable to nearby cities of Redlands, and Riverside (Table 8.7)

Table 8.7
Median Household Income
San Bernardino County and Selected Cities

Municipality	Median Household Income	% of County Median
Colton	\$45,298	85%
Fontana	\$57,965	102%
Grand Terrace	\$67,926	127%
Highgrove*	\$41,545	78%
Highland	\$52,202	98%
Loma Linda	\$48,371	91%
San Bernardino	\$39,427	74%
San Bernardino County	\$53,260	100%
Redlands	\$60,970	114%
Riverside*	\$64,618	121%
Riverside County*	\$59,419	112%

Source: California Department of Finance, Form M645, * U.S. Census, 2010



Table 8.8
Income Distribution by Category

Income Category*	Total Households	Percent of Households
Extremely Low	385	10%
Very Low	500	13%
Lower	660	17%
Moderate	554	14.3%
Above Moderate	1,769	45.7%
Total	3,868	100%

Source: SCAG, based on the 2005-2009 American Community Survey

Note: The total households by income level are from a special run of the 2005-2009 ACS used for federal housing planning purposes. This total will differ from subsequent updates and the 2010 Census.

The household income distribution groups listed in Table 8.8 are shown as categorized by the Regional Housing Needs Assessment for purposes of the Housing Element and identifying the City’s housing needs. However, as demonstrated in Table 8.9 below, household income levels within the City are quite varied.

Table 8.9
Household Income in Grand Terrace

Income	2000 CENSUS		2010 CENSUS	
	No. of Households	Percent of Households	No. of Households	Percent of Households
\$ 0 - \$ 9,999	146	3.5%	224	5%
\$ 10,000 - \$14,999	187	4.5%	152	3.4%
\$ 15,000 - \$24,999	449	10.7%	356	8%
\$ 25,000 - \$34,999	354	8.4%	440	9.9%
\$ 35,000 - \$49,999	730	17.4%	526	11.8%
\$ 50,000 - \$74,999	1,169	27.9%	792	17.8%
\$ 75,000 - \$99,999	676	16.1%	916	20.6%
\$100,000 - \$149,999	357	8.5%	603	13.6%
\$150,000 or more	128	3.1%	440	9.9%
	4,196	100%	4,449	100%

Source: U.S. Census, 2000 and 2010



8.4.2 Employment Trends and Projections

Economic characteristics, such as the employment rate, also affect housing needs of residents. The jobs available in each employment sector and the wages for these jobs affect the type and size of housing residents can afford. In 2010, approximately 6,031 residents 16 years of age or older were in the work force. The majority of City residents are employed in the management, business and science and art industries (36.9%) and in the sales and office industries (28.8%). According to the 2010 U.S. Census, these two categories were also the highest employment sectors for San Bernardino County residents, 28% and 26%, respectively.

**Table 8.10
Employment by Occupation Grand Terrace**

Occupation	Jobs	Percentage
Management, business, science and art	2,225	36.9%
Service	914	15.1%
Sales and office	1,736	28.8%
Natural resources, construction, and maintenance	535	8.9%
Production, transportation, and material moving	621	10.3%
Total	6,031	100%

Source: U.S. Census, 2010

Future housing needs are affected by the number and type of new jobs created during the planning period. Overall growth in the Riverside – San Bernardino Metropolitan Statistical Area is expected to add 206,700 new jobs into San Bernardino and Riverside Counties, bringing the employment numbers to 1,464,600 by 2020. This is a growth of 16.5% between 2010 and 2020.²

Generally, residents that are employed in well-paying occupations have less difficulty obtaining adequate housing than residents in low paying occupations. Table 8.11 lists the top ten fastest growing occupations and occupations with the most job openings between 2010 and 2020 for the Riverside – San Bernardino MSA, along with median hourly wages and the educational level needed to secure such occupations. The fastest growing occupations are those requiring less than a high school education and are also low wage service jobs. Many of the new jobs created will be in the retail and service sectors. These jobs ordinarily do not provide the income needed to buy a new home in the City.

² California Employment Development Dept., Labor Market Information Division, Sept. 2012



**Table 8.11
Riverside-San Bernardino Counties
2010-2010 Top 10 Fastest Growing Occupations and
Top 10 Occupations with the Most Job Openings**

Fastest Growing Occupations	Employment Change	Median Hourly	Median Annual	Education Level
Home Health Aides	54%	\$9.71	\$20,204	Less than high school
Veterinary Technologists and Technicians	52%	\$14.72	\$30,611	Associate’s degree
Emergency Medical Technicians and Paramedics	43%	\$14.02	\$29,155	Post-secondary, non-degree
Market Research Analyst and Marketing Specialists	43%	\$27.24	\$56,642	Bachelor’s
Meeting, Convention, and Event Planners	40%	\$20.88	\$43,447	Bachelor’s
First-Line Supervisors of Helpers, Laborers, And Material Movers, Hand	40%	\$22.95	\$47,728	HS diploma or equivalent
Personal Care Aides	38%	\$9.32	\$19,379	Less than high school
Medical Scientists (Except Epidemiologists)	37%	\$36.89	\$76,741	Doctor/professional Degree
Medical Equipment Repairers	37%	\$22.50	\$46,796	Associate’s Degree
Logisticians	37%	\$33.46	\$69,583	Bachelor’s
Occupations with Most Openings	Total Jobs (Sum)	Median Hourly	Median Annual	Education Level
Retail	23,420	\$10.09	\$21,003	Less than high school
Cashiers	21,160	\$9.68	\$20,134	Less than high school
Laborers And Freight, Stock And Material Movers, Hand	18,380	\$11.89	\$24,727	Less than high school
Combined Food Preparations And Serving Workers	14,670	\$9.06	\$18,863	Less than high school
Waiters And Waitresses	13,180	\$8.95	\$18,623	Less than high school
Heavy And Tractor-Trailer Drivers	10,910	\$19.35	\$40,243	High school diploma, equivalent
Personal Care Aides	10,570	\$9.32	\$19,379	Less than high school
Stock Clerks And Order Fillers	9,120	\$11.00	\$22,892	Less than high school
Registered Nurses	8,950	\$39.06	\$81,242	Associate’s degree
Office Clerks, General	7,880	\$14.60	\$30,368	High school diploma, equivalent

Source: California Employment Development Department, Labor Market Information Division, September 2012



8.4.3 Housing Trends And Projections

8.4.3.1 Historical Residential Construction Trends

As shown in Table 8.12, the City’s housing stock grew by a modest 4% between 2000 and 2010. Multi-family development experienced a 14.5% growth during this ten year period. Construction of the Blue Mountain Senior Villas, Mountain Gate and Grand Canal developments account for most of this growth.

**Table 8.12
Housing Growth by Type**

Structure Type	2000		2010		Growth	
	Units	%	Units	%	Units	% Change
Grand Terrace						
Single-Family	3,038	68%	3,017	65%	-21	-1%
Multi-family	1,170	26%	1,340	29%	170	14.5%
Mobile homes	250	6%	292	6%	42	17%
Total Units	4,458	100%	4,649	100%	191	4%
San Bernardino County						
Single-Family	442,652	74%	523,605	75%	80,653	18%
Multi-family	116,577	19%	132,528	19%	15,951	14%
Mobile homes	41,840	7%	43,504	6%	1,664	4%
Total Units	601,369	100%	699,637	100%	98,268	16%

Source: Department of Finance, E-8 2010

As illustrated in Table 8.13, almost 65% of Grand Terrace’s housing units are single-family (62% detached and 2.7% attached). About 29% of all units are multi-family and 6% are mobile homes. The overall percentage of single-family homes in the County is higher than Grand Terrace at 75%, while the County percentage of multiple-family is only 19% (Table 8.12).



**Table 8.13
Household Composition**

Housing Product	Housing Composition	
	Number of Units	Percent of Units
Single-Family		
Single-Family Detached	2,893	62%
Single-Family Attached	124	2.7%
Multiple-Family		
Multiple-Family (2-4 units)	471	10%
Multiple-Family (5 or more)	869	19%
Mobile Homes		
Mobile Home Units	292	6.3%
Total	4,649	100%

Source: California, Department of Finance, 2010

8.4.3.2 Age and Condition of Residential Structures

The age of a structure has a significant effect on its physical condition. Homes generally begin to show age after 30 years and require some level of maintenance. This typically includes roof repair, painting, landscaping, and exterior finishes. Homes between 30 and 50 years typically require more significant maintenance and even renovation. Generally, homes built 50 or more years ago (unless well maintained) are more likely to require substantial repairs or need renovation to meet current building codes. 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. On 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.

Table 8.14 shows the year when housing was built in Grand Terrace. According to the 2010 Census, 54% of the City’s housing stock is between 30-50 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.



**Table 8.14
Age of Housing**

Decade Built	Number of Units	Percent of Units
2000 or later	320	7%
1990's	402	9%
1980's	1,211	26%
1970's	1,318	28%
1960's	936	20%
1950's	283	6%
1949 or earlier	181	4%
Total	4,651	100%

Source: U.S. Census, 2010

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, for its age, the City's housing stock is in good condition. This estimate seems reasonable given that the housing market was strong during 2000-2008, and rising property values encouraged homeowners to make necessary repairs. Also, the City is proactive in ensuring that properties are well maintained. The results of the survey are valid and adequate for the purposes of this planning period.

The U.S. Census reports that a small percentage of housing units in the community lack complete kitchens or bathrooms. The vast majority of housing (99%) has complete plumbing and kitchen facilities. The quality of housing distinguishes Grand Terrace from many older communities in the region. Nevertheless, given that the majority of the City's housing stock was constructed in the 1970's and 1980's it is likely that some level of rehabilitation will be required during the planning period.

8.4.3.3 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) 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 2005-2009 American Community Survey, 1% of homeowners and 4% of renters are experiencing overcrowding, substantially lower than that of the San Bernardino County region. Although not a significant number, Table 8.15 also suggest that large family rental housing may be needed to alleviate overcrowding.

**Table 8.15
Overcrowding by Housing Tenure
City of Grand Terrace and San Bernardino County**

Overcrowding Condition	City of Grand Terrace		San Bernardino County	
	Owners	Renters	Owners	Renters
No overcrowding	2,761	1,345	364,808	176,500
Overcrowded	40	53	15,169	20,894
Severely Overcrowded	0	41	4,451	6,974
Total Households	2,801	1,439	384,428	204,368
No overcrowding	99%	93%	95%	87%
Overcrowded	1%	4%	4%	10%
Severely Overcrowded	0%	3%	1%	3%

Source: Southern California Association of Governments, based on 2005-2009 American Community Survey

8.4.3.4 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; driving 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 California Department of Finance (2010) reports a City-wide vacancy rate of 5.29%, suggesting a healthy balance between housing supply and demand. This rate compares favorably to the overall County vacancy rate of 12.6%.



8.4.3.5 Housing Affordability

The State of California Department of Housing and Community Development (HCD) publishes household income limits for all counties in the State. These household limits are used for determining eligibility of household incomes for housing programs. The 2010 income limits for San Bernardino County are summarized in Table 8.16. The annual 2010 median income for a four-person household in San Bernardino County is \$65,000.

**Table 8.16
Affordable Income Ranges
(4 Person Household)**

Category	Percent of Median Income	Income Range
Extremely Low	30% or Less of Median	≤\$19,500
Very Low	31% to 50% of Median	\$32,500
Low	51% - 80% of Median	\$52,000
Moderate	81% - 120% of Median	\$78,000
Above Moderate	Over 120% of Median	\$78,000+
Median Income		\$65,000

Source: California HCD, 2010

According to State standards a household should pay no more than 30 percent of its gross income on housing. Table 8.17 shows affordable rent and home purchase limits by income category based on the County median income. These are maximum limits for a 4-person household and used for discussion purposes, although it should be noted that the limits are adjusted based upon household size. The affordability levels assume 30 percent of gross income for rent or mortgage (principal, interest, taxes and insurance), utilities, and for home purchase a 10 percent down payment, 1.25 percent in taxes and a 4 percent interest rate reflecting current conditions.

**Table 8.17
Affordable Housing Prices and Rents by Income Group**

Income Category	Median Income (4-Person Household) ¹	Maximum Home Purchase Price	Maximum Monthly Rental Rate
Extremely Low	Less Than \$19,500	\$88,000	\$487/month
Very Low	\$19,501 - \$32,500	\$149,000	\$812/month
Low	\$32,501 - \$52,000	\$241,100	\$1,299/month
Moderate	\$52,001 - \$78,000	\$355,000	\$1,950/month
Above Moderate	\$78,000+	\$355,000+	\$1,950/month+

Source: HCD 2010 Income Limits, California HCD HUD User Portal



According to MDA Data Quick³ the median resale price for homes in Grand Terrace was \$185,000, this includes single-family and multiple-family units. Based on this median price homeownership is affordable to low income households. According to Zillow.com⁴ 25 townhomes or condominiums sold between May 2012 and April 2013 for an average price of \$131,000, this would mean that attached housing is affordable to very low income households. Zillow.com also list four mobilehomes for sale ranging in price between \$19,000 and \$45,000, which would be affordable to extremely low income households. This household income group is priced out of homeownership, except for mobilehomes.

A random sampling of apartment complexes in the City showed that the market rate for one-bedroom apartments in the City rent from \$750 to \$950 a month, two-bedroom units rent between \$950 and \$1,266 a month, and three bedrooms at approximately \$1,250.⁵ Zillow.com listed an average monthly rate of \$1,750 for three-bedroom homes, and \$1,950 for four-bedroom homes. Based on the range of rents for apartment housing, there are apartments available at rents affordable to very low income households and above; whereas, lower income households are priced out of detached single-family detached housing.

The Blue Mountain Senior Villas, was subsidized by the City's former redevelopment agency and most of the units are income restricted to very low and low income households.

8.4.3.6 Overpayment

A household is considered to be overpaying for housing (or cost burdened) if it spends more than 30 percent of its gross income on housing. Severe housing cost burden occurs when a household pays more than 50 percent of its income on housing. The prevalence of overpayment varies significantly by income, tenure, household type, and household size. Although overpayment data by household income is not available, the impact of high housing costs typically falls disproportionately on lower income and renter households. Table 8.18 shows that while a greater percentage of Grand Terrace homeowners are overpaying in relation to renters, while, as a percentage, twice as many renters are paying more than 50% of their income to pay for housing.

Moreover, of those overpaying, 120 homeowners and 150 renters fall within the extremely low income housing group. In the low income housing group, 72% of homeowners and 58% of renters are overpaying.

3 Southern California Association of Governments, Profile of the City of Grand Terrace, 2012

4 http://www.zillow.com/homes/recently_sold/Grand-Terrace-CA-92313/ accessed May 8, 2013

5 The Crest, The Highlands, Azure Hills Apartment and Blue Mountain Senior Villas complexes



Table 8.18
Overpayment by Housing Tenure

Overpayment Condition	City of Grand Terrace		San Bernardino County	
	Owners	Renters*	Owners	Renters
None	1,724	686	364,808	176,500
Overpaying	660	248	15,169	20,894
Severely Overpaying	417	451	4,451	6,974
Total Households	2,801	1,439	384,428	204,368
None	61.5%	47.7%	94.9%	86.4%
Overpaying	23.6%	17.2%	3.9%	10.2%
Severely Overpaying	14.9%	31.3%	1.2%	3.4%

*54 households were not computed

Source: Southern California Association of Governments, based on 2005-2009 American Community Survey



8.5 HOUSING NEEDS

8.5.1 Existing Needs

California law requires all local governments to plan to facilitate and encourage the production of housing to accommodate population and employment growth. To assist in that effort, SCAG prepares a Regional Housing Needs Assessment, often referred to as the RHNA. The RHNA is a key tool for local governments to plan for anticipated growth. The RHNA quantifies the anticipated need for housing within each jurisdiction for an 8-year period. Communities then determine how they will address this need through the process of updating the Housing Elements of their General Plans

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 (2006-2013), shown in Table 8.19 below, included the following RHNA target numbers:

**Table 8.19
Regional Housing Need Assessment
2006 – 2013 Target**

Income Level	RHNA Target
Very Low	80
Low	55
Moderate	63
Above-Moderate	131
Total	329

Source: SCAG, 2008

Through the adequate sites analysis the City demonstrated that 329 dwelling units could be accommodated through the planning period. However, in order to ensure availability of land for lower income households, the City was required to re-zone at least 1.35 acres of land to a minimum density of 20 dwelling units per acre to accommodate 27 low income dwelling units. A general plan amendment and zone change to re-zone 2.52 acres to a new R3-20 (High Density Residential) zone district was considered. However, during the public hearing process the City only approved a zone change for 0.81 acres, which would accommodate 16 of the 27 dwelling



units. Therefore, from the last planning period, 11 additional units will need to be accommodated during this planning period.

8.5.2 2013 – 2021 RHNA

In 2012, SCAG issued new RHNA allocations for the January 1, 2014 to October 31, 2021 planning period, as shown in Table 8.20.

**Table 8.20
Regional Housing Need Assessment
2013 – 2021 Target**

Income Level	RHNA Target
Very Low	28
Low	19
Moderate	22
Above Moderate	49
Total	118

Source: SCAG, 2012

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 will accommodate the RHNA allocation. 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. Tables 8.21 through Table



8.28 lists all parcels by Assessor’s Parcel Number, current zoning and General Plan designation, acreage, and realistic development density.

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 suitable for above-moderate-income housing.

**Table 8.21
RH Zoned Available Parcels**

APN	General Plan	Condition	Acreage	Allowable Density	Realistic Unit Capacity
0276-491-03	Hillside-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
Total	-	-	125.32	-	72

Source: Grand Terrace Community Development Department, 2013



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 8.38, and most single-family development can meet these standards. Permissible density within this zone district is 1-2 dwelling units per acre, and approximately 57 additional above-moderate-income 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	4 @ 1.25 du/ac
0275-083-34	Low Density Residential	Underutilized	3.09	1-2 du/ac	4 @ 1.25 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	10 @ 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	8 @ 1.5 du/ac
Total	-	-	55.36	-	57

Source: Grand Terrace Community Development Department, 2013



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 8.38. 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 20 additional above-moderate-income housing 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
0276-401-22	Low Density Residential	Vacant	0.23	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	4 @ 2.5 du/ac
0267-411-28	Low Density Residential	Vacant	0.65	1-4 du/ac	2 @ 3 du/ac
Total	-	-	7.54	-	20

Source: Grand Terrace Community Development Department, 2013

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 8.38. The development standards are typical for single-family development and similar to surrounding jurisdictions, 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 29 above-moderate-income 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	9 @ 4 du/ac
1167-271-11	Low Density Residential	Vacant	0.50	1-5 du/ac	2 @ 4 du/ac
1167-271-12	Low Density Residential	Underutilized	1.00	1-5 du/ac	2 @ 4 du/ac
1167-281-03	Low Density Residential	Underutilized	0.93	1-5 du/ac	3 @ 3 du/ac
1167-291-02	Low Density Residential	Underutilized	2.68	1-5 du/ac	10 @ 4 du/ac
Total	-	-	8.60	-	29

Source: Grand Terrace Community Development Department, 2013

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 8.38. 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 two or three residential units would be accommodated. 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 65 moderate-income 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; or apply to use the City’s newly adopted PRD standards which allow density bonuses where energy efficiency methods are utilized in project design.

**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
0275-211-09	Medium Density Residential	Underutilized	3.93	1-9 du/ac	8 @ 2 du/ac
0275-211-17	Medium -Density Residential	Underutilized	1.06	1-9 du/ac	3 @ 3 du/ac
0275-211-58	Medium Density Residential	Underutilized	1.52	1-9 du/ac	3 @ 2 du/ac
0275-223-12	Medium Density Residential	Underutilized	2.0	1-9 du/ac	15 @ 8 du/ac
0275-223-40	Medium Density Residential	Underutilized	1.09	1-9 du/ac	6 @ 4 du/ac
0275-223-41	Medium Density Residential	Underutilized	0.90	1-9 du/ac	4 @ x 4 du/ac
0275-223-60	Medium Density Residential	Underutilized	1.50	1-9 du/ac	8 @ 4 du/ac
0275-231-11	Medium Density Residential	Underutilized	1.10	1-9 du/ac	4 @ 3.5 du/ac
0275-231-25	Medium Density Residential	Underutilized	1.47	1-9 du/ac	10 @ 7 du/ac
Total	-	-	22.02	-	65

Source: Grand Terrace Community Development Department, 2013



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 8.38. Almost all of the underutilized sites identified above contain an existing residence, and most measure at least one half acre in size.

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 74 additional moderate-income multiple-family units could develop within the R-3 zone district. Developers could also apply for a density bonus 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; or apply to use the City’s newly adopted PRD standards which allow density bonuses where energy efficiency methods are utilized in project design



Table 8.26
R3 Zoned Available Parcels

APN	General Plan	Condition	Acreage	Allowable Density	Realistic Unit Capacity
#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
0275-331-01	Medium Density Residential	Vacant	3.65	1-12 du/ac	35 @ 11 du/ac
1167-341-02	Medium Density Residential	Underutilized	0.38	1-12 du/ac	2 @ 10.5 du/ac
1167-341-04	Medium Density Residential	Underutilized	0.50	1-12 du/ac	4 @ 8 du/ac
1167-341-05	Medium Density Residential	Underutilized	1.04	1-12 du/ac	11 @ 11 du/ac
1167-341-78	Medium Density Residential	Vacant	1.33	1-12 du/ac	15 @ 11 du/ac
Total	-	-	28.77	-	307

Source: Grand Terrace Community Development Department, 2013

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

High Density Residential (R3-20) Parcels

The R3-20 is a new zone district created in 2012 in accordance with Housing Program 8.8.1.s of the 2010 Housing Element. The City was successful in creating the new zone district, which allows a density of 20 dwelling units per acre and permits exclusively multiple-family uses. Concurrently with the Zoning Code amendment creating the new zone district, the City adopted a Zone Change and General Plan Amendment, re-designating 0.81 acres to the new designation, which can accommodate 16 lower-income multi-family dwelling units. Program 2 includes a commitment to re-designate additional sites to accommodate the City's remaining lower-income RHNA allocation of 42 units in the 2013-2021 period.

Table 8.27
R3-20 Zoned Available Parcels

APN	General Plan	Condition	Acreage	Allowable Density	Realistic Unit Capacity
0275-251-04	Medium Density Residential	Vacant	0.81	20 du/ac	16 @ 20 du/ac
Total	-	-	0.81	-	16

Source: Grand Terrace Community Development Department, 2013



Barton Road Specific Plan (BRSP-OP) Parcels

The Barton Road Specific Plan allows infill multiple-family uses on parcels zoned BRSP-OP. An analysis of the parcels with this zoning and the prevailing development pattern identified three parcels that would support multiple-family development. As shown on Table 8.28, 19 additional moderate-income dwelling units could be accommodated within this zone district.

**Table 8.28
BRSP-OP Zoned Available Parcels**

APN	General Plan	Condition	Acreage	Allowable Density	Realistic Unit Capacity
0276-202-45	Office Commercial	Underutilized	0.65	1-12 du/ac	5 @ 12/du/ac
0276-202-46	Office Commercial	Underutilized	0.32	1-12 du/ac	2 @ 8 du/ac
0276-202-70	Office Commercial	Vacant	0.40	1-12 du/ac	12 @ 15 du/ac
Total	-	-	1.37	-	19

Source: Grand Terrace Community Development Department, 2013

Land Inventory Summary

Exhibit 8-1 depicts the locations of available parcels that permit multiple-family development as identified Tables 8.25 through 8.28.

In addition to the parcels identified in the tables above, the mixed-use land use designation adjacent to I-215 and south of Barton Road could generate an additional 175 multi-family residential units. As illustrated in Table 8.29, approximately 527 new units could be constructed at buildout.

**Table 8.29
Available Land for Residential Development**

Zone	Acres	Capacity	Income Category
RH	125.32	72 units	Above Moderate
R1-20	55.36	57 units	Above Moderate
R1-10	7.54	20 units	Above Moderate
R1-7.2	8.60	29 units	Above Moderate
R2	22.02	65 units	Moderate
R3	28.77	74 units	Moderate
R3-20	0.81	16 units	Lower
BRSP-OP	1.37	19 units	Moderate
Mixed Use	15.00	175 units	Moderate
Total	264.79	527	

Source: Grand Terrace Community Development Department, 2013



Potential to Accommodate the RHNA Allocation for the 2013-2021 Planning Period

Unaccommodated Need from the 4th Planning Cycle. The previous Housing Element identified a shortfall of development capacity for 27 lower-income units (see Appendix 1, Program 8.8.1.s). In 2012, the Zoning Code was amended to create the R3-20 zone allowing multi-family development by-right at a density of 20 units/acre and a 0.81-acre site was rezoned to R3-20. That rezoning created additional capacity for 16 of the 27 units, therefore an unaccommodated need of 11 lower-income units is carried over to the 5th planning cycle.

Site Capacity to Accommodate the RHNA. Generally speaking, the single-family residential designations will typically accommodate moderate- and above-moderate-income households. Except that, as discussed in Section 8.4.3.5 Housing Affordability section of this element, the current median housing price of \$185,000 means housing is affordable to low-income householders, as well. The multiple-family residential and mixed-use designations are generally expected to house lower- and moderate-income households because of their density and economies of scale. Based on the available sites inventory there is sufficient land to accommodate 178 single-family units and 349 multiple-family units. Therefore, as shown in Table 8.30a, there is sufficient land available to accommodate the RHNA allocation in the moderate and above-moderate categories but a shortfall of potential sites for 42 lower-income units, which includes the carryover of 11 units from the previous planning period. Program 2 is included in the Housing Plan to address this issue, and candidate sites for rezoning are listed in Table 8.30b.

**Table 8.30a
Comparison of RHNA and Site Availability**

Zoning District	Very Low/ Low	Moderate	Above Moderate
Unaccommodated Need	11	0	0
2014-2021 RHNA	47	22	49
Total RHNA	58	22	49
RH, R1-20	0	29	100
R1-10	0	20	0
R1-7.2	0	29	0
R2	0	65	0
R3	0	74	0
R3-20	16	0	0
BRSP & MU	0	194	0
Total Site Capacity	16	411	100
Surplus (shortfall)	(42)	389	51

Source: Grand Terrace Community Development Department, 2015



**Table 8.30b
Candidate Sites for Rezoning**

Site / APN	Current General Plan/Zoning	Site Acreage	Existing Use	Realistic Unit Capacity @ 20 du/ac
Site 1 0275-223-12	Medium Residential/ R2	1.99	Underutilized – 1 SFR (built 1924)	39
Site 2				
0275-223-59	Medium Residential/ R2	0.50	Underutilized – 1 SFR (built 1980)	10
0275-223-60		1.50	Underutilized – 1 SFR (built 1940)	30
Site 2 subtotal		2.00		40
Total		3.99		79

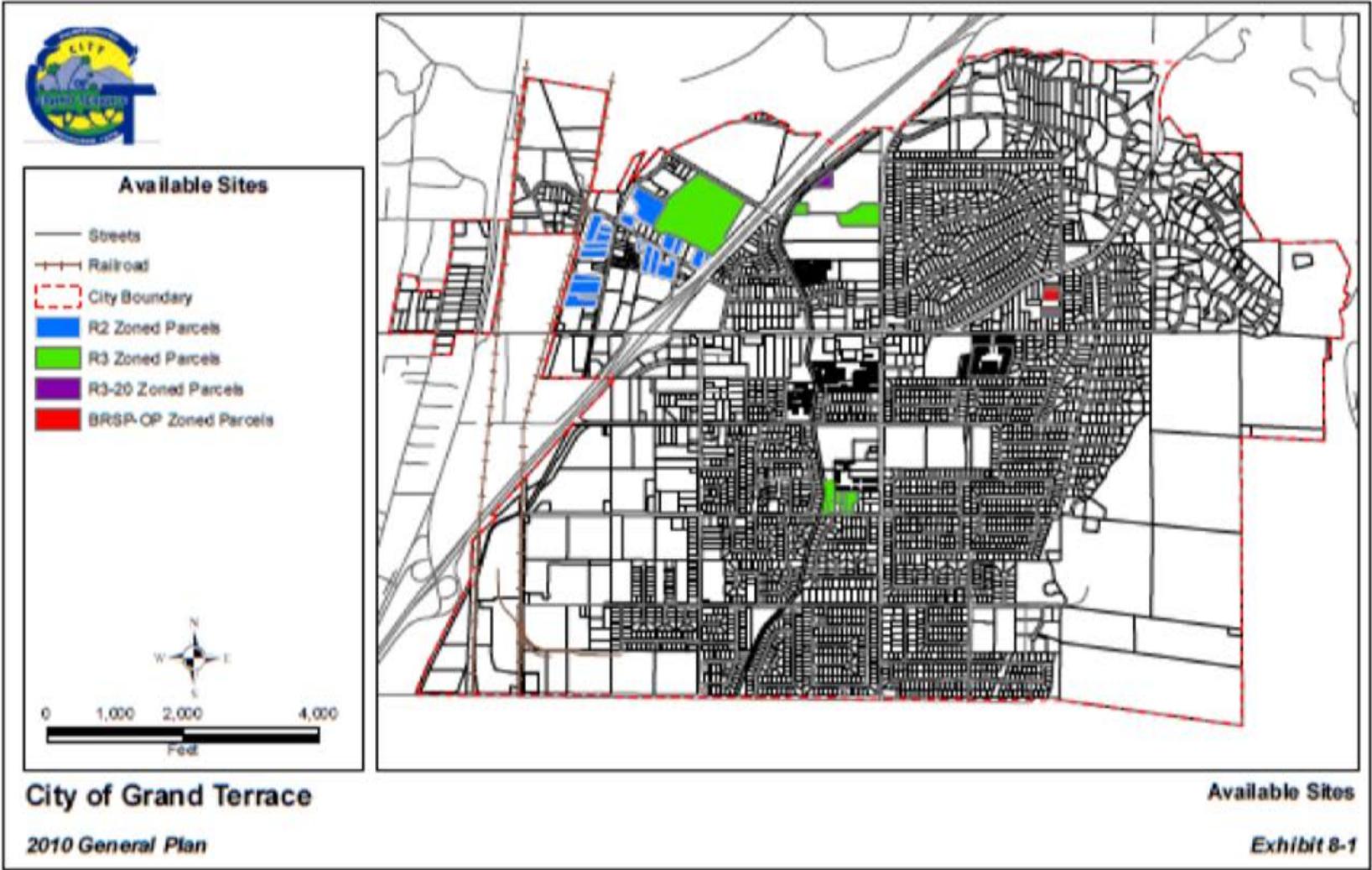
Site 1. This 1.99-acre parcel is located at 21882 Grand Terrace Road, north of Barton Road, and is currently zoned R2 (Low Medium Density Residential). The site is underutilized and occupied by one single-family house. The large parcel size, age and condition of the structure and location near the Barton Road commercial corridor make it a good candidate for multi-family housing. This site is proposed for rezoning to the R3-24 district (High Density Residential) with an allowable density of 20 to 24 units per acre.

Site 2. This site is comprised of two contiguous parcels totaling two acres on the west side of Grand Terrace Road just north of Barton Road. Each parcel contains one single-family house and is currently zoned R2 (Low Medium Density Residential). The large parcel sizes, age and condition of the structures and location near the Barton Road commercial corridor make this site a good candidate for multi-family housing. These parcels are proposed for rezoning to R2/R3-24 Overlay allowing multi-family residential development at a density of 20 to 24 units per acre if 10% lower-income units or 5% very-low-income units are provided.

It should also be noted that developers of R2, R3 and R3-20 designated land may apply to use the City’s recently-adopted PRD standards. These standards allow density bonuses where energy efficient practices are incorporated into the project design. In addition, on a case-by-case basis the City will consider application of the R3-20 zone district upon additional properties.



Exhibit 8-1 – Available Sites





8.5.3.2 Suitability of Non-Vacant Sites

Development Trends: As discussed above the City expects that the multiple-family zones, BRSP-OP zone and anticipated mixed-use projects will facilitate development of lower- and moderate-income housing. Over the last planning period one multiple-family project was completed in the City, the completion of a market-rate townhome development that was left partially completed. Additionally, a 23-unit low-income family rental housing development was proposed on City-owned property; however, the project did not move forward due to difficulty in obtaining financing.

Because of the economies of scale, it is likely that multiple-family development will continue to provide affordable housing in the City. Additionally, incentives will likely be necessary to encourage higher-density affordable units.

An 80-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 currently owned by the Successor Agency to the City of Grand Terrace, and includes the assimilation of multiple parcels and redevelopment of lands. This project is expected to include a mixed-use component with opportunities for multiple-family residential units. Because a specific plan is being proposed for the project it has the added benefit of creating customized development standards that would apply to the residential component.

Multiple-family infill development in the BRSP-OP zone is allowed at a density of up to 12 units per acre and is subject to the residential standards contained in Chapter 18.10 (RH, R1, R2 and R3 Zones) as shown in Table 8.38, including state density bonus provisions. 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 8.38; it is, however, restricted to second floor levels of buildings. Mixed-use development is 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.

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. 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 1990s and 2000s 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 2000s, 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.



However, the recent downturn of the market significantly reduced housing prices throughout Grand Terrace. Typically the gap between market-rate and what lower- and moderate-income households can afford is large for single-family detached development. However, sales prices in 2012 have shown that single-family detached housing in Grand Terrace is affordable to low- and moderate-income households.

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 evaluated are R-3 zone and most of the projects were designed at a density of about 11 units per acre which is comparable with the realistic capacity identified in Table 8.27 (R3 Zoned Available Parcels).

Two other multiple-family projects were built/approved prior to the City's incorporation. The 556-unit Highlands Apartments is a 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. Twenty-five percent of the units within this project are proposed to be restricted to moderate-income households.

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 past, the City's Housing Office (now Community Development) purchased and rehabbed single-family units and sold to affordable households. This program was suspended in the early 2000s due to rising housing prices. With the dissolution of redevelopment agencies the City does not anticipate reactivating this program.

Usually, because of the economies of scale, affordable housing projects are developed in zone districts that allow multiple-family developments, such as the City's Multiple-Family zone districts 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. In previous planning cycles, 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.



**Table 8.31
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.

The multiple-family projects built or approved over the last few planning cycles (Table 8.31) demonstrate that development is being constructed in accordance with the realistic capacity for the R3 zone district. The developments are able to meet the provisions of the development standards for the R3 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 developers 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 Blue Mountain Senior Villas project at a density of 20 units per acre was built with 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. In conformance with the “default density” provisions of state law (Government Code Sec. 65583.2(c)(3)(B), in 2012 the City established the R3-20 zoning district allowing multi-family development at a density of 20 units/acre. As noted in Program 2 of the Housing Plan, a zoning amendment will be processed to designate additional land with appropriate development standards to accommodate the City’s remaining lower-income housing need for the planning period.



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 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 persons with disabilities, 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 Persons with Disabilities

**Table 8.32
Persons with Disabilities by Age**

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	

U.S. Census, 2000

Persons with disabilities 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. The American Community Survey and 2010 Census did not track disabilities. However, because the City's population has not grown very much between 2000 and 2010, information from 2000 is still considered relevant.

As shown in Table 8.32, 17.8% of the City's working population (ages between 16-64 years) has a disability, with 12% of those disabled persons having an employment disability. For those aged 65 years and older, 42.9% have a disability. Included within these disabilities are persons with disabilities that limit their ability to leave the home (18.4% of the working population and 46% of the senior population, respectively).

According to Section 4512 of the Welfare and Institutions Code a "developmental disability" means a disability that originates before an individual attains age 18 years, continues, or can be expected to continue, indefinitely, and constitutes a substantial disability for that individual which includes mental retardation, cerebral palsy, epilepsy, and autism. This term shall also include disabling conditions found to be closely related to mental retardation or to require treatment similar to that required for individuals with mental retardation, but shall not include other handicapping conditions that are solely physical in nature.

Many developmentally disabled persons can live and work independently within a conventional housing environment. More severely disabled individuals require a group living environment where supervision is provided. The most severely affected individuals may require an institutional environment where medical attention and physical therapy are provided. Because developmental disabilities exist before adulthood, the first issue in supportive housing for the developmentally disabled is the transition from the person's living situation as a child to an appropriate level of independence as an adult.

The Inland Regional Center (IRC) provides services to more than 25,000 people with developmental disabilities and their families in San Bernardino and Riverside counties. IRC serves 75 Grand Terrace residents.

The City of Grand Terrace adopted Chapter 18.66 Reasonable Accommodations, which provides a simple and inexpensive (\$50.00) process for disabled persons, including those with developmental disabilities, to request to deviate from City codes and regulations, such as ramps or accessible room additions within building setbacks. In addition, state-licensed facilities that house persons with disabilities is permitted within the residential zones of the City.

8.5.4.2 The Elderly

As reported in the 2010 Census 1,498 persons (12.4%) of Grand Terrace residents were over 65 years of age. This represents an increase of 255 elderly residents since the 2000 Census. It is likely that the elderly population will continue to increase 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.

As people age, they often find themselves facing additional housing problems they may not have had to cope with previously. Senior households have special housing needs primarily due to three major concerns: physical disabilities/limitations, income and health care cost. Affordability can be an issue of special concern to the elderly, who are often on fixed retirement incomes. Many elderly owner-households reside in mobile homes, which are among the lowest-cost housing options in the City. 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 8.33
Elderly Households in Grand Terrace**

Householder Age	Renter household	Percent	Owner Households	Percent
64 years of age or younger	1,335	92.8%	2,217	79.2%
65 years of age or older	104	7.2%	584	20.8%
Total	1,439	100%	2,801	100%

Source: U.S. Census, 2010

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. Grand Terrace has 499 (11.8%) total households consisting of five or more persons. Table 8.34 shows that the City is made up predominately of 1 to 4-person 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 8.34
Household Size by Tenure**

	1-4 Persons		5+ Persons		Total Occupied	
	Number	Percent	Number	Percent	Number	Percent
Owner	2,435	65.1%	366	73.3%	2,801	66.1%
Renter	1,306	34.9%	133	26.7%	1,439	33.9%
Total	3,741	100%	499	100	4,240	100%

Source: Southern California Association of Governments, based on 2005-2009 American Community Survey

8.5.4.4 Single Parent Households



Single-parent households also have greater housing needs than other households due to their limited income and higher expenses. The City of Grand Terrace currently has 791 single-parent families with children, of which 348 are male-headed households and 443 are female-headed households. The Census Bureau has not published data on the percentage of Grand Terrace single parent families that are low income or have housing problems. However, as is common, lower income single parents, particularly renters, experience the highest prevalence and severity of overpayment and overcrowding.

Single-family detached rentals and multifamily housing with child-oriented amenities, such as playgrounds and onsite childcare, would help meet the housing needs of Grand Terrace’s single parent households. Affordable attached housing, such as condominiums, can also help meet the needs of female-headed and single-parent households

**Table 8.35
Household Type by Tenure**

Household Type	Owner		Renter	
	Households	Percent	Households	Percent
Married family	1,773	63.3%	572	39.8%
Male householder, no wife present	159	5.7%	189	13.1%
Female householder, no husband present	230	8.2%	213	14.8%
Non-family households	639	22.8%	465	32.3%
Total	2,801	100%	1,439	100%

Source: Southern California Association of Governments, based on 2005-2009 American Community Survey

8.5.4.5 Farmworker Housing

Based on the 2010 Census, there are 6,132 employed residents over the age of 16 years. Of those workers, only 21 (0.23%) 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

The homeless are the community’s most vulnerable residents. The homeless often face chemical dependency, mental health problems, domestic violence, and other life-threatening conditions. Individuals and families experience homelessness for a variety of reasons, and therefore a homeless population may have a variety of needs. A homeless person may need medical care, childcare assistance, credit counseling, substance abuse treatment, job training, and/or English language education, among other services.

On January 24, 2013, a Point in Time homeless survey was conducted County-wide. The homeless count was a joint effort between the San Bernardino County Homeless Partnership, the



San Bernardino County Office of Homeless Services, and the Institute for Urban Initiatives who recruited over 400 community volunteers to implement the count and a subpopulation survey. Preliminary findings found that there are 2,321 adults and children who are homeless on a given day in San Bernardino County. Of the 2,321 persons, 1,247 (1,182 adults and 65 children) are unsheltered and 1,074 (640 adults and 434 children) were sheltered (i.e. living in shelters, transitional housing or received motel vouchers). The Point in Time count did not find any homeless persons residing in Grand Terrace.⁶ The Point in Time count is a single snapshot count on one particular day. During the last housing cycle, six homeless persons were identified in Grand Terrace. Conservatively, this number is likely still valid.

There is a variety of housing service providers in proximity to Grand Terrace that address a range of needs. Providers are shown on Table 8.36, and this list is not intended to be all-inclusive. These providers provide emergency shelter housing, transitional and permanent housing, utility assistance, rental assistance, food assistance, and support services, such as counseling, such as Inland Temporary Homes, located in Loma Linda, which provides a 90-day shelter program and 21-24-month transitional housing program for homeless families with children under 18 years of age. Currently, Inland Temporary Homes also teaches 24 classes covering a complete range of subjects focused on developing personal skills to facilitate personal growth, career employment services identify individual interests and skills to develop a career path, and counseling by a licensed psychologist facilitates mental health.

Also, there are currently six 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. Five of the facilities have occupancy of six persons per facility for a total of 30 persons, and one facility is Emeritus, which provides assisted living and memory care services. Emeritus is state-licensed for 150 beds. These facilities are providing important transitional housing for 180 persons.

In 2012 the City amended its Zoning Code, in accordance with Program 8.8.1.m, allowing for emergency shelters to be permitted in the Industrial zone 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.

⁶ San Bernardino County 2013 Homeless Count and Subpopulation Survey: Preliminary Findings and Recommendations



**Table 8.36
Homeless Providers**

Name	Services Provided	Location
Cedar House Life Change Center	Transitional housing, support services	Bloomington
House of Hope Ministry	Transitional housing, support services	Bloomington
Calvary Chapel	Food bank	Fontana
Clear Water Residential Care for the Elderly & Homeless	Transitional housing, permanent housing, case management, support services	Fontana
Water of Life Church, City Link	Transitional housing, case management, rental assistance, utility assistance, support services	Fontana
Hope Homes	Transitional housing, Permanent housing, support services	Highland
Inland Temporary Homes	Transitional housing, case management, support services	Loma Linda
VA Loma Linda-Healthcare System Health Care for Homeless Veterans	Transitional housing, permanent housing, case management, support services	Loma Linda
Catholic Charities	Case management, rental assistance, utility assistance, support services	Ontario, San Bernardino
Fresh Start Ministries and Community Services, Inc.	Support services	Ontario
House of Ruth	Emergency shelter, domestic violence shelter, transitional housing, case management, support services	Ontario
Inland Valley Hope Partners	Food bank, support services	Ontario
Mercy House	Transitional housing, case management, rental assistance, utility assistance, support services	Ontario
The Salvation Army	Emergency shelter, support services	Ontario, Redlands
Building a Generation	Case management, utility assistance, support services	Redlands
Family Services Association of Redlands	Transitional housing, case management, rental assistance, utility assistance, food bank, support services	Redlands
The Blessing Center	Emergency shelter, food bank, support services	Redlands
Our House	Transitional housing, case management, food bank, support services	Redlands



Name	Services Provided	Location
Cathedral of Praise	Transitional housing, case management, rental assistance, utility assistance, support services	Rialto
House of Prayer	Permanent housing, case management, food bank, support services	Rialto
Catholic Charities	Case management, rental assistance, utility assistance, support services	San Bernardino
CDCR CSUSB Day Reporting Center	Transitional housing, case management, support services	San Bernardino
Central City Lutheran Mission	Emergency services (cold weather), transitional housing, permanent housing, case management, support services	San Bernardino
Community Action Partnership of San Bernardino County	Transitional housing, permanent housing, Case management, rental assistance, utility assistance, support services, food bank	San Bernardino
County of San Bernardino Department of Public Health	Permanent housing, case management, support services	San Bernardino
Foothill AIDS Project	Emergency services, transitional housing, permanent housing, case management, utility assistance, food bank, support services	San Bernardino
Frazee Community Center	Emergency services, transitional housing, case management, support services	San Bernardino
House of Angeles	Transitional housing, food bank, support services	San Bernardino
Mary’s Mercy Center Veronica’s Home of Mercy	Transitional housing, case management, food bank, support services	San Bernardino
Option House, Inc.	Transitional housing, case management, rental assistance, utility assistance, support services	San Bernardino
San Bernardino One Stop TAY Center	Transitional housing, case management, support services	San Bernardino
San Bernardino One Stop TAY Center	Transitional housing, case management, support services	San Bernardino
Time For Change Foundation	Transitional housing, case management, support services	San Bernardino
Turrill Transitional Assistance Program Inc.	Transitional housing, case management, support services	San Bernardino

Source: San Bernardino County Homeless Partnership, 2012

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 (2006-2013).

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. In 1999 these units were at risk to convert to market rate housing; however, the City used its housing set-aside funds to secure these units until 2030.

8.5.4.8 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. In 2012, Chapter 18.69 was amended to allow for administrative approval of attached and detached second dwelling units and to allow them in the RH, R1, R2 and R-3 Zones.
- **Manufactured Homes:** The Zoning Code was amended in 2012 to allow manufactured homes in all residential zone districts, subject to the same development standards and review process as conventional stick construction. 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. Residential care facilities include homes for persons with disabilities.



- **Transitional and supportive housing:** Transitional and supportive 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. As noted in Program 13 in the Housing Plan, a Code amendment is being processed to clarify that transitional and supportive housing are regulated as residential uses subject only to the same standards as apply to other residential dwellings of the same type in the same zone.
- **Single-room-occupancy (SRO)** units provide another form of affordable housing for low-income persons. The City's Zoning Code was amended in 2012 to allow SROs in the R3 zone districts.
- **Emergency shelters:** Senate Bill 2 adopted in 2007 amended housing element law regarding the planning 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. The City's Zoning Code was amended in 2012 to allow emergency shelters in the M2 zone.



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 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. Physical constraints include the potential for land and rock slides, high fire hazards and flooding. Although it is possible to mitigate the physical 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 fewer constraints than in the RH and R1-20 zone districts. The identified sites located 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 multiple-family 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. 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 multiple-family zone districts.

Approximately three 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 80-acre project. Within the 80 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 constraints exist within this project area.

8.6.2 Market Constraints

Market constraints to the development of residential housing include the cost of land, the cost of construction, and financing. Unlike past years when the housing market was experiencing a bubble effect, market factors now pose fewer constraints to the development of new housing. Changes in the financial markets, changes in construction material costs, and other factors have all affected the feasibility of developing new housing in Grand Terrace.

8.6.2.1 Construction Cost

Construction costs are influenced by the cost of materials. As the softening of the housing market decreases the amount of homes being constructed throughout southern California, the cost of many construction materials have decreased, reflecting the lack of demand. Construction costs will also vary based on the type of material used, structural features present, and project characteristics such as the type and quality of the unit.

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. Typical residential construction costs for a 2,000 square foot home with garage is approximately \$108 per square foot, whereas as custom homes can be as twice the cost.⁷



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. Apartments of three stories or less achieve an economy of scale, provided that the building has typical amenities and no structured parking. As the number of units developed increases,

⁷ Building-Cost.net, 2013



construction costs over the entire development are generally reduced based on 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 Land Costs

Grand Terrace is fortunate in that the cost of vacant land for residential development is relatively affordable, especially when compared to the adjacent counties of Orange, Los Angeles, and San Diego. Land prices are highly variable and depend on the density of development allowed, whether the site has environmental constraints, and whether an existing use must be removed.

Land costs are also influenced by location and views, for instance, land costs are higher along the hillside where valley floor views are afforded. Fluctuations in market conditions will also influence land costs. For example, from 2000 through 2006 real estate values rose significantly, however the recent downturn has resulted in a dampening effect on prices.

8.6.2.3 Financing

8.6.2.3.1 Developer Financing

Construction financing costs also affect the feasibility of building new housing. In the past it was not uncommon for developers to receive construction loans for 100% or more of a project's estimated future value. However, recently, following the housing market downturn of the early 1990s, financial institutions tightened regulations for construction loans, which was repeated again in the boom period of the early to mid-2000s. The tightened regulations often result in developers having to put up at least 25% of the project value.

Although there is no hard threshold for how much required upfront equity is too much before a residential project would be infeasible, the higher the proportion of equity required, the more unlikely that a developer would proceed with the project. Not only would it require more up-front cash, but higher equity contribution means a project must be able to achieve an even higher value at completion in order to generate the cash flow needed to meet acceptable cash-on-cash returns. These trends are anticipated to continue during the planning period.

8.6.2.3.2 Homebuyer Financing

Housing affordability is also largely determined by interest rates. First-time homebuyers are most impacted by financing requirements. Current mortgage interest rates for new home purchases are at historically low levels of around 4% for a 30-year fixed-rate mortgage, which increases housing affordability. Although rates are currently low, they can change significantly and impact the affordability of the housing stock. The recent economic crisis has also resulted in a tightening of lending standards, as compared to the "easy credit" practices in recent years. Thus, a critical factor in homeownership involves credit worthiness. Lenders consider a person's debt-to-income ratio, cash available for down payment, and credit history when determining a loan amount. Many financial institutions are willing to significantly decrease down payment



requirements and increase loan amounts to persons with good credit rating. Persons with poor credit ratings may be forced to accept a higher interest rate or a loan amount insufficient to purchase a house.

In addition, the San Bernardino County Department of Economic and Community Development also offers a Homeownership Assistance Program that provides financial assistance to eligible households that may be used for down payment assistance or closing costs.

8.6.3 Government Constraints

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 8.37 and in accordance with the Land Use Element of the General Plan:

**Table 8.37
General Plan Residential Designations**

Land Use Category	Allowable Zones	Gross Allowable Density
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, R3-20	12 – 20 Du/Net Ac

Source: Grand Terrace Community Development Department, 2013

Pursuant to City Zoning Code Section 18.10.040, a density bonus of up to 35% may be approved in accordance with California Density Bonus Law, when a developer provides housing for low-to moderate-income households, and seniors.

While the amount of vacant land remaining within the City is minimal, 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.

In fact, the City adopted a new Code section which allows density bonuses on infill lots. These provisions will allow for either a density bonus in accordance with state law, a 20 percent density bonus can be approved where a project can be certified in LEED, or a 10% density bonus for construction of the project to meet or exceed more than a 20 percent increase in energy efficiency above Title 24 requirements.



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 8.38 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 previous Zoning Code limited the definition of multiple-family residential developments to one- and two-bedroom units and placed minimum size requirements on them. These limitations were removed in 2012 with a zoning code amendment, in accordance with Program 8.8.1.q of the previous planning period.

Table 8.38 illustrates that the development standards in the City do not represent an overly 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 widths between 36 to 44 feet. Infrastructure improvements are in place in most locations within the City limits.



**Table 8.38
Minimum Development Standards for Residential Zones**

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

Source: Grand Terrace Zoning Code

Footnotes: Refer to Zoning Code for footnote definitions.



Table 8.39 has been updated to reflect a recent zoning code amendment consistent with housing statutes relating to emergency shelters, transitional and supportive housing and second dwelling units.

**Table 8.39
Housing Types Permitted by Zoning District**

Residential Use	RH	R1-20	R1-10	R-7.2	R-2	R-3	R-3-S	R-3-20
SF-Detached	P	P	P	P	P	P	--	--
SF-Attached 2-4 DU	--	-	--	--	P	P	--	P
Multiple-Family Units	--	--	--	--	P	P	--	P
Residential Care <6	P	P	P	P	P	P	P	P
Residential Care >6	--	--	--	--	C	C	--	--
*Emergency Shelter	--	--	--	--	--	--	--	--
Single Room Occupancy	--	--	--	--	C	C	--	--
Manufactured /Mobile Home	P	P	P	P	P	P	--	--
2 nd Units	P	P	P	P	P	P	--	--

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

Source: Grand Terrace Zoning Code

*Permitted in M2 zone

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.

However, in order to provide greater incentives for the construction of affordable housing, the Zoning Code was amended more flexible parking standards for smaller multiple-family units. When a studio or efficiency unit is proposed, only one parking space will be required, instead of two spaces. In addition, Program 12 includes a commitment to review parking standards for multi-family units to ensure that they do not pose an unreasonable constraint to development.

8.6.3.1.4 Open Space Requirements

Open space and 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 recreational amenities/facilities for residents. 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 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.

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 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 Development Department 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 expediter 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.
- 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.

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 2010 California 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.

8.6.3.3 Code Compliance

Code compliance activities within the City are intended to promote the safety and character of the City. The City includes approximately three square miles. There is currently only one code compliance officer responsible for code enforcement activities in the City. Therefore, code enforcement activities are primarily reactive. In the residentially designated properties, code enforcement housing efforts generally focus on property maintenance, including the rental inspection program.

8.6.3.4 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 8.40. 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 8.40
City Residential (Single and Multifamily) Development Filing Fees

Fee Name	Fee Rate	
Planning Department Fees		
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
Building Department Fees		
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

Source: City of Grand Terrace Community Development Department

8.6.3.5 Development Impact and Building Permit Fees



Development impact fees are charged on a per-unit basis to provide funds to offset the anticipated impacts of population growth. New housing, and therefore more Grand Terrace residents, may result in an increase in vehicle trips, park usage, school enrollment, and emergency service calls. Development impact fees are carefully created to ensure that quality services and facilities are provided to residents without unduly burdening development.

As shown in Table 8.41 the total fees, including building permit and development impact fees for a 2,000 square foot residential unit are approximately \$36,000, 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, over which the City has little control.



**Table 8.41
Residential Building Permit and Development Impact Fees**

	2,000 Square Foot Detached Residential Unit	1,200 Square Foot Attached Residential Unit
Building Construction Permit Fees	(per unit)	(per unit)
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
Approximate Total Building Fee	\$4,386.00	\$2,908.00
Development Impact Fees		
Arterial Improvement Fees	\$4,243.00	\$2,599.00
Storm Drainage Fees	\$2,234.00	\$429.00
General Facilities Fund	\$1,102.00	\$1,102.00
Public Use Facilities Fund	\$373.00	\$229.00
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	\$7,765.00	\$7,765.00
School Fees	\$6,900.00	\$4,140.00
Approximate Total Development Impact Fees	\$33,232.00	\$23,920.00
Total Building and Development Impact Fees	\$37,618.00	\$26,828.00

Source: Grand Terrace Community Development Department
Riverside Highland Water Company
Colton Joint Unified School District

Numbers are rounded

The per-unit cost of housing, including construction and land cost is approximately \$108 per square foot. Using Table 8.41 above, that would equate to a per-unit cost of \$253,618 for a



single-family unit and \$156,428 for a multiple-family housing unit. The total building and development impact fees are about 15% and 17%, respectively, of the total per-unit cost.

8.6.3.6 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 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. In fact, all of development services have been consolidated into one department: Community Development. The divisions within the Community Development Department include Planning, Building and Safety, Code Enforcement, Engineering and Public Works.

Moreover, the City has established a Site and Architectural Review Board that also serves 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 that 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 two-story additions, larger room additions that 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 6-8 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 then the processing time would be extended by at least three months. 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 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. If an environmental initial study is required to be prepared then the processing time would be extended by at least three months.

The City's fees, shown on Tables 8.40 and 8.41, 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.

8.6.3.7 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 Mount Vernon Avenue or single-family designated areas in the western portion of the City, west of the 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 (RHWCO). RHWCO is a private water company owned by its shareholders. It 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 2010 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.

8.6.3.8 Jobs/Housing Balance

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 3,000 combined public and private sector jobs within the City of Grand Terrace. By comparison, there are currently 4,315 households within the City. This translates into an employment to housing ratio of 0.70 jobs per dwelling unit, and indicates that the City is “jobs-poor” and “housing-rich.” Therefore, adherence to the jobs/housing balance ratio of 1.2 jobs per dwelling unit 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. Program 13 includes a commitment to process a Code amendment to revise this definition consistent with current law.

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 facilities. 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 2013 California Building Codes, Codes of Regulations will be adopted by the end of the year. 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 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 including disabled parking spaces, ramp and an emergency access bell for access to the main City Hall building.

Reasonable Accommodations: The City adopted a Reasonable Accommodations Ordinance, which allows residents to request a reasonable accommodation from City zoning or building codes. The process to do so is subject to a Land Use application, which is the City's lowest filing fee. To date, only one resident has requested and received a reasonable accommodation to expand a residence.



8.7 HOUSING PLAN

The Housing Program provides direction for City decision makers to achieve the long-term housing goals set forth in the Grand Terrace Housing Element. The Program is established to guide the development, revitalization and preservation of a balanced inventory of housing to meet the needs of present and future residents of the City. It is the overall goal of the City to ensure that all residents have decent, safe, sanitary and affordable housing regardless of income.

In preparing the Housing Program, the City re-examined the goals, policies and programs, in light of the dissolution of redevelopment agencies, shrinking County programs, and limited funding resources. The Housing Program is responsive to the State housing goals and reflects the desires and aspirations of the community.

The Housing Program addresses the following areas: 1) providing adequate housing sites; 2) assisting the development and/or availability of affordable housing; 3) removing governmental constraints; 4) conserving and improving existing affordable housing; and 5) promoting equal housing opportunity.

8.7.1 Goals and Policies

Goal 8.1 Provide adequate sites, with appropriate zoning and development standards and services to accommodate the City’s RHNA allocation.

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 residentially zoned vacant land suitable for residential development.

Policy 8.1.3: Provide for a zoning category to permit a density of at least 20 units/acre, and allow for density bonuses pursuant to State housing law, which would qualify for very-low-income housing.

Policy 8.1.4: Promote and encourage second dwelling units in accordance with City codes.

Goal 8.2: Assist in the availability and/or development of adequate housing to meet the needs of affordable housing.

Policy 8.2.1: Promote and encourage infill housing development and use of underutilized land for residential construction.

Policy 8.2.2: Promote mixed use and infill residential development in the Barton Road Specific Plan areas.

Policy 8.2.3: Provide for housing set-aside funds to be committed to the “Habitat for



Humanity” for the development of low-income housing.

Policy 8.2.4: Facilitate access to housing assistance programs.

Policy 8.2.5: Emphasize and promote the role of the private sector in the construction and financing of affordable income housing.

Policy 8.2.6: Continue to encourage the development of attached or detached second dwelling units, in accordance with the Zoning Code.

Goal 8.3: Address and, where appropriate, remove governmental constraints to the maintenance, improvement and development of housing.

Policy 8.3.1: Provide for streamlined, timely, and coordinated processing of residential projects to minimize holding costs and encourage housing production.

Policy 8.3.2: Periodically review residential development standards and regulations, ordinances, processing procedures, and fees to identify and mitigate constraints that may impede the development, improvement, and conservation of housing.

Policy 8.3.3: Offer regulatory incentives and concessions for affordable housing, such as relief from development standards, density bonuses, or fee waivers where deemed to be appropriate.

Goal 8.4 Conserve and improve the condition of existing affordable housing stock.

Policy 8.4.1: Encourage the rehabilitation of deteriorating housing.

Policy 8.4.2: Encourage the use of assistance programs to make residences more energy efficient.

Policy 8.4.3: Continue to enforce building, land use, and property maintenance codes.

Policy 8.4.4: Encourage the maintenance of sound owner-occupied and rental housing.

Policy 8.4.5: Encourage the incorporation of energy conservation features in the design of all new housing developments and the addition of energy conservation devices/practices in existing residential developments.

Goal 8.5: Promote fair housing opportunities for the residents of Grand Terrace.

Policy 8.5.1: Provide reasonable accommodation for housing for persons with disabilities.

Policy 8.5.2: Promote fair housing opportunities for residents of Grand Terrace.



8.7.2 Housing Programs

This section describes the City’s housing programs for the 2013-2021 planning period, including the responsible agency, timeframe, funding source and objectives. It should be noted that where funding sources list “General Fund”, these may consist of in-kind staff services, expedited permit processing, and/or reduced permitting fees.

8.7.2.1 Programs to Provide Adequate Sites

Program 1: Continue maintain an inventory of vacant and underutilized sites suitable for housing development, and make this information available to developers at City Hall and on the City website.

Responsible Agency:	Community Development/Planning
Objective:	Support housing production
Timing:	2014 and annually
Funding sources:	General Fund

Program 2: A new R3-20 zone district was created to allow multiple-family development at a density of 20 units per acre, and which exclusively allows multiple-family and senior residential uses and permits owner-occupied and rental multi-family residential uses by-right. To ensure the availability of adequate sites to accommodate the City’s share of lower-income regional housing need, amendments to the Land Use Element of the General Plan and the Zoning Code will be processed to provide capacity for at least 42 additional lower-income units pursuant to Government Code Sections 65583.2(h) and (i). Rezoned parcels will be selected from the list of potential candidate sites identified in Table 8.30b and will meet the following requirements:

- Zoning shall permit owner-occupied and rental multifamily residential use by right. “Use by right” shall mean that the City’s review of the owner-occupied or multifamily residential use may not require a conditional use permit, planned unit development permit, or other discretionary local government review or approval that would constitute a “project” for purposes of CEQA. “Use by right” does not exempt the use from design review. However, that design review shall not constitute a “project” under CEQA.
- Sites shall accommodate at least 16 units
- Allowable density shall be 20 to 24 units per acre
- At least 50 percent of the very-low- and low-income housing need shall be accommodated on sites designated for residential use and for which nonresidential uses or mixed-uses are not permitted, except that all of the very-low- and low-income housing need may be accommodated on sites designated for mixed uses if those sites allow 100 percent residential use and require that residential use occupy 50 percent of the total floor area of a mixed-use project



The City will continue to facilitate affordable housing development with priority for projects that provide extremely-low-income units.

Responsible Agency: Community Development
 Objective: Land Use Element and Zoning Code amendments; Support low-income affordable housing production
 Timing: Amendments in 2016; Ongoing implementation through the planning period
 Funding sources: General Fund, Filing fees

Program 3: The City's CEDD will consider, on a case-by-case basis, to allow developers to use Planned Residential Development standards, where, in addition to density bonuses in accordance with state law, allows for density bonuses where energy efficient construction is incorporated into projects.

Responsible Agency: Community Development
 Objective: Support housing production
 Timing: Ongoing through planning period
 Funding sources: Filing fees, General Fund

Program 4: A City-owned parcel was acquired by Habitat for Humanity to develop two lower non-senior income affordable housing units. Collaborate with Habitat for Humanity to construct the two units during the planning period.

Responsible Agency: Housing Authority, Community Development
 Objective: Support housing production
 Timing: 2017
 Funding sources: Possible Housing Authority funds, state and federal sources, private funding

8.7.2.2 Programs to Assist the Development and/or Availability of Affordable Housing

Program 5: Facilitate development of the 0.63-acre parcel owned by the Housing Authority for low-income housing units, with priority for ELI units through expedited processing, modified development standards, and reduced development fees when feasible.

Responsible Agency: Housing Authority, Community Development
 Objective: Support lower-income housing production
 Timing: 2019
 Funding sources: Possible Housing Authority funds, state and federal sources, private funding



Program 6: 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: Community Development/Planning
 Objective: Support housing availability
 Timing: 2014, and Ongoing as notified by the San Bernardino County Housing Authority
 Funding sources: General Fund

Program 7: The San Bernardino County CDH Department participates in the CRHMFA Homebuyers Fund (CHF) program that provides down payment, payment, and closing costs assistance to County residents. The Mortgage Credit Certificate Program provides a federal income tax credit for first-time homebuyers, which may be claimed as long as the homebuyer occupies the home and pays interest on the mortgage.

Information on this Program will be provided on the City's website, including links to the respective Programs and posted biennially in the local newspaper.

Responsible Agency: Community Development/Planning
 Objective: Production of affordable housing
 Timing: 2014, and biennially thereafter
 Funding sources: Federal and state grants

Program 8: The San Bernardino County CDH Department operates a Multifamily Residential Rental Housing Revenue Bond program. This Program can be used for new construction, acquisition, and/or rehabilitation of multifamily housing developments. A specified number of units are required to remain affordable to eligible, low-income households for a specified number of years after the initial financing is provided.

Information on this Program will be provided on the City's website, including links to the respective Programs and posted biennially in the local newspaper.

Responsible Agency: Community Development
 Objective: Production of affordable multi-family housing
 Timing: 2014, and biennially thereafter
 Funding sources: Federal and state grants

Program 9: San Bernardino County residents meeting certain income eligibility requirements may be eligible to participate in the CalHOME funding program that provides down payment assistance for first-time homebuyers. The CalHOME is administered by various organizations; locally Neighborhood Housing Services of the Inland Empire (NHSIE) and Neighborhood Partnership Housing Services, Inc. (NPHS) administer CalHOME programs. Generally,



prospective homeowners could qualify for up to \$28,000 in down payment assistance to be paid back through a silent second with simple interest rates up to 3%.

Information on this Program will be provided on the City's website, including links to the NHSIE and NPHA websites, and posted biennially in the local newspaper.

Responsible Agency:	Community Development
Objective:	Production of affordable housing
Timing:	2014, and biennially thereafter
Funding sources:	State funding

8.7.2.3 Programs to Mitigate Governmental Constraints

Program 10: The City adopted Chapter 18.68 (Reasonable Accommodations) providing for a streamlined process for disabled persons to request deviations from the City's code requirements. Over the planning period the City will continue to implement this program.

Responsible Agency:	Community and Economic Development Department
Objective:	Support fair housing
Timing:	Mitigate governmental constraints
Funding sources:	Filing fees

Program 11: Continue to expedite the processing of plans for proposed housing projects that are affordable to low- and moderate-income households, with priority processing, modified development standards, and reduced fees, where feasible, for projects that include extremely-low-income units.

Responsible Agency:	Community Development/Planning/Building and Safety
Objective:	Streamline production of affordable housing
Timing:	Ongoing
Funding sources:	General Fund, Filing fees

Program 12: Periodically review residential development standards and regulations, ordinances, processing procedures, and fees to identify and mitigate constraints that may impede the development, improvement, and conservation of housing. Process a Zoning Code amendment to allow required covered parking for multi-family developments to be provided with either carports or garages.

Responsible Agency:	Community Development/Planning
Objective:	Mitigate governmental constraints
Timing:	Code amendment in 2016
Funding sources:	General Fund, Filing fees



Program 13: Amend the Zoning Code as it relates to transitional and supportive housing in accordance with state law, so that such housing is subject only to those restrictions that apply to other residential uses of the same type in the same zone. Amend the definition of *family* in conformance with state law.

Responsible Agency: Community Development/Planning
 Objective: Mitigate governmental constraints
 Timing: Code amendment in 2016
 Funding sources: General Fund

8.7.2.4 Programs to Conserve and Improve Existing Housing Stock

Program 14: The San Bernardino County PACE loan program provides loans for weatherization and energy efficiency rehabilitation improvements, such as air sealing, weather stripping, attic insulation, re-roofing, attic and house fans, and weatherized doors and windows. The Community Action Partnership of San Bernardino County (CAPSBC) provides weatherization and energy conservation assistance to low income residents.

Information on the PACE and CAPSBC Programs will be provided on the City's website, including links to the respective programs and posted biennially in the local newspaper.

Responsible Agency: Community Development/Planning
 Objective: Maintenance and improvement
 Timing: 2014 and throughout the planning period
 Funding sources: PACE Loan Program
 CAPSBC Program

Program 15: Continue code enforcement efforts to enforce municipal codes intended to maintain the value and safety of structures. The program addresses substandard structures, accumulation of trash and debris, inoperable vehicles, graffiti, and land use violations. Programs include, but are not limited to non-owner occupied inspection program, and exploring new methods for eliminating deteriorated or unsightly property conditions in residential areas.

Responsible Agency: Community Development/Code Enforcement
 Objective: Maintenance and conservation
 Timing: Ongoing throughout the planning period
 Funding sources: Self-funding inspection fees
 CDBG for enhanced services in CDBG census tracts

Program 16: Neighborhood Housing Services of the Inland Empire (NHSIE) is a non-profit organization that operates a low-cost *Homes N' Hammer* program designed to educate residents on minor home improvements and repairs. The four-hour workshop includes: functioning of the home's major plumbing and electric systems, repair methods, replacing and maintaining drywall, replacing window screens, fixing garbage disposals, toilet mechanisms, health and safety issues and tips for hiring a professional contractor for home repairs, etc.



Information on this Program will be provided on the City's website, including links to the NHSIE website, and posted biennially in the local newspaper.

Responsible Agency: Community Development/Planning
 Objective: Maintenance and conservation
 Timing: 2014, biennially thereafter
 Funding sources: Private funding

Program 17: Neighborhood Partnership Housing Services, Inc. (NPHS) is a non-profit organization that operates a *Healthy Homes Grant* program. This program provides home safety repair grants to low-income senior homeowners and homeowners with permanent mobility disabilities.

Information on this Program will be provided on the City's website, including a link to the NPHS website, and posted biennially in the local newspaper.

Responsible Agency: Community Development/Planning
 Objective: Conservation and improvement
 Timing: 2014, biennially thereafter
 Funding sources: Private funding

Program 18: California's *Keep Your Home California* Program is a federally funded foreclosure prevention and loan modification program. *Keep Your Home California* provides the following:

Unemployment Assistance to assist homeowners who have experienced involuntary job loss. Eligible homeowners may receive benefits up to \$3,000 per household per month towards their mortgage payment for up to 6 months.

Mortgage Reinstatement Assistance to assist homeowners who have defaulted on their mortgage payment. Eligible homeowners may receive benefits up to \$15,000 per household towards their mortgage payment.

Principal Reduction Program is intended to assist homeowners attain an affordable monthly payment. If eligible, homeowners may receive benefit assistance up to \$50,000 per household, less monies previously received from other *Keep Your Home California* programs.

Transition Assistance Program is intended to provide transition assistance benefits to homeowners who can no longer afford their home and want to avoid foreclosure. This program helps homeowners make a smooth transition to alternative housing by providing up to \$5,000 per eligible household.



Information on *Keep Your Home California* will be posted on the City website and published biennially in the local newspaper.

Responsible Agency:	Community Development
Objective:	Provide mortgage assistance to low-income first-time homebuyers
Timing:	2014, and biennially thereafter
Funding sources:	Federal and state grants

Program 19: 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:	Community Development/Building and Safety
Objective:	Maintain and improve housing stock
Timing:	Ongoing throughout the planning period
Funding sources:	General Fund

8.7.2.5 Programs to Promote Equal Housing Opportunities

Program 20: Provide information on fair housing on the City's website. Provide a link to the Inland Fair Housing and Mediation Board website. Advertise the information quarterly in the Blue Mountain Outlook.

Responsible Agency:	Community Development/Planning
Objective:	Support fair housing
Timing:	2014 and every year thereafter
Funding sources:	General Fund

Program 21: Continue to participate in and provide staff support for the various homeless programs operated by the San Bernardino County Homeless Partnership, including participation in the Point-in-Time Homeless Survey.

Responsible Agency:	Community Development/Planning
Objective:	Support fair housing
Timing:	2014 and ongoing throughout the planning period
Funding sources:	General Fund, Filing fees

8.7.3 Quantified Objectives

The City's quantified objectives for the development, rehabilitation and conservation of housing during the 2014-2021 planning period are summarized in Table 8.42. .

During the past few years, the City has experienced significant revenue shortfalls, causing each City department to cut costs and staff; City staff has been reduced by over 50%. During the last



planning period many housing programs were suspended due to high housing and construction cost. Now unfortunately, due to the dissolution of redevelopment agencies throughout California, the City has lost a major local funding source. In addition, many County-implemented programs, such as housing rehabilitation, weatherization and senior repair programs, have also been cut, again, resulting in a loss of a major resource for local jurisdictions.

**Table 8.38
Summary of 2014-2021 Quantified Objectives**

Income Category	New Construction	Rehab	Conservation
Extremely Low*	14	0	0
Very Low-Income	14	2	5
Low-Income	30	3	5
Moderate-Income	22	0	5
Above Moderate	49	0	5
Totals	129	5	25

*Local jurisdictions are required to project the housing needs of extremely low income households. In estimating the number of extremely low income households, a jurisdiction can use 50% of the very low income.



8.8 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 on the State level, the State Legislature adopted the Global Warming Solutions Act of 2006, which created the first comprehensive, state regulatory program to reduce GHG emissions to 80% below 1990 levels by 2050.

8.8.1 Building and Site Design

California Subdivision Map Act: State law requires that a tentative tract map provide for future passive or natural heating or cooling opportunities in the subdivision, including designing the lot sizes and configurations to permit orienting structures to take advantage of a southern exposure, shade or prevailing breezes. These standards have been incorporated by reference into the City's Subdivision Ordinance.

Building Code: The City enforces the State Energy Conservation Standards (California Code of Regulations Title 24). These standards incorporated into the City's Building Code provide a great deal of flexibility for individual builders to achieve a minimum "energy budget" with various performance standards. These requirements apply to all new residential and commercial construction and to remodeling and rehabilitation construction only where square footage is added. In January 2010, the California Building Standards adopted a final version of the new building code, CALGreen, parts of which became mandatory on January 1, 2011. CALGreen includes provisions to ensure the reduction of water use by 20%, improve indoor air quality, divert 50% of new construction waste from landfills, and inspect energy systems (i.e., heat furnace, air conditioner, mechanical equipment) for nonresidential buildings over 10,000 square feet to make sure that they're working according to design.

The City is requiring 100% waste recycling on construction projects, and a commissioning plan certified by a mechanical engineer on energy systems. Additionally, by January 1, 2014, the City anticipates adoption of the new 2013 CALGreen Code Standards.

Zoning Code: Section 18.10.090 of the Zoning Code allows a multiple-family developer to apply for a density bonus when energy efficiency is incorporated into the project design.



8.8.2 Energy Efficiency

Property Assessed Clean Energy (PACE) Program: The San Bernardino County Associated Governments (SANBAG) has initiated the PACE Program. This Program assists home and business owners pay for the upfront costs of energy efficient improvements, such as solar panels, cool roof systems, attic/house fans, high efficiency heating and air conditioning, and similar energy improvements. The loans are repaid over an assigned term and paid through the annual tax bill.

Community Action Partnership of San Bernardino County (CAPSBC):

- **Weatherization Program:** Assists eligible low income customers by installing energy conservation measures that will reduce utility costs and conserve energy. Residents eligible for the Weatherization Program include single-family homes, condominiums, and multi-family homes, such as apartment complexes. This program is available to homeowners and renters. Examples of energy conservation measures include low flow shower heads, attic insulation, caulking, set back thermostat, and minor repairs, such as replacement of door (s), broken glass, patching of holes, door stops, frames, etc.
- **Home Energy Assistance Program (HEAP):** The HEAP program provides, to eligible households, emergency and non-emergency utility assistance in the form of a credit on gas, electric, wood or propane bills. Emergency assistance is when the utility has already been turned off, whereas, non-emergency is when a disconnection notice is received.

California Alternative Rates for Energy (CARE): Southern California Edison and The Gas Company participate in the CARE program providing lower energy rates to eligible households. To inform residents about this program, the utility companies mails all customers brochures regarding the program.

Conservation Garden at Grand Terrace Fitness Park: The landscaping at Grand Terrace Fitness Park was designed to be a water conservation demonstration garden. Most of the plant material within the Park uses less water than a traditional landscape or park and much of it would survive on just the limited rainfall that falls in Grand Terrace. The local water purveyor, Riverside Highland Water Company, partnered with the City to provide plant identification signs so that Park visitors can identify water conserving plants that they would like to use in their gardens and yards, and educational signs that speak to water efficiency through the use of water conserving plants and smart irrigation

Energy Efficiency Audits: The Southern California Edison Company provides energy audits to local residents on request. The Southern California Gas Company also provides self-guided surveys for its customers on its 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. In addition, these utility companies



provide rebate programs for energy efficient improvements or purchase of energy efficient appliances.



8.9 FINANCING RESOURCES

In 2012 the state abolished all redevelopment agencies in California; therefore this tool for community revitalization and affordable housing assistance is no longer available. Nevertheless, there are a variety of potential funding sources available to support affordable housing in the City of Grand Terrace. They include the following:

8.9.1 Federal and State Resources

Home Investment Partnership (HOME) Program: The HOME 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.

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.

Low Income Housing Tax Credit (LIHTC) Program: This program was created by the Tax Reform Act of 1986 to provide an alternate method of funding low-and moderate-income housing. Each state receives a tax credit, based upon population, toward funding housing that meets program guidelines. The tax credits are then used to leverage private capital into new construction or acquisition and rehabilitation of affordable housing. Limitations on projects funded under the Tax Credit programs include minimum requirements that a certain percentage of units remain rent-restricted, based upon median income, for a term of 15 years.

Multifamily Mortgage Revenue Bonds: This funding source provides below-market interest rate loans for development, acquisition, or rehabilitation of existing multifamily rental units within San Bernardino County and its cooperating cities. Although the economy is not conducive to issuing bonds, the County currently administers contracts for more than 1,000 units of bond-funded affordable housing in incorporated cities.



California Housing Finance Agency (CHFA): Operated by the California Housing Finance Authority it is designed to provide up to 100% of home loan financing to prospective eligible first-time homebuyers. Generally, the loan consists of a standard 97% FHA - CHFA fixed-rate 30-year mortgage and a 3% CHFA down payment assistance second mortgage, which is also called a "sleeping" or "silent" second. The second mortgage is offered for 30 years at 3% simple interest. All payments are deferred on this second mortgage until one of the following happens: the CHAFA first mortgage becomes due and payable; the first mortgage is paid in full or refinanced; or, the property is sold.

Section 8 Rental Assistance Payments/Housing Certificates: The Federal Section 8 voucher program is the federal government's major program for assisting very low-income families, the elderly, and the disabled to rent decent, safe, and sanitary housing in the private market. Since the rental assistance is provided on behalf of the family or individual, participants are able to find and lease privately owned housing, including single-family homes, townhouses and apartments from landlords who accept vouchers. Eligible households pay 30% of their income toward rent with the balance paid by HUD. The San Bernardino County Housing Development Department, in cooperation with the Housing Authority, administers the Tenant Based (Rental) Assistance Program that includes Section 8 rental assistance.

8.9.2 Local Resources

Redevelopment Housing Set-Aside Fund: With the abolishment of redevelopment agencies, Low-Mod Housing Funds are no longer available to assist in the development and/or preservation of affordable housing.

CDBG-funded Enhanced Code Enforcement Services: During the fiscal years of 2011-2012, 2012-2013, the City was awarded CDBG funds towards enhanced Code Enforcement Services that targeted income-qualifying areas. The boundaries of these primarily residential areas are based on HUD census tracts and services are limited to the neighborhoods identified low- and moderate-income (LMI) areas. The scope of the program is to enhance blighted properties in low-income neighborhoods. The City will continue to apply for funding this program.

San Bernardino County Affordable Housing Programs: The San Bernardino County Economic Development Agency, Community Development Division administers the HOME Program locally for County residents. The HOME Program serves individuals and households earning 80% or less of the area median income established by HUD, who reside within the County of San Bernardino HOME Consortium area. City residents are eligible to participate in this program.