



ALAMEDA COUNTY COMMUNITY DEVELOPMENT AGENCY
PLANNING DEPARTMENT

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Agenda Item # 7
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Honorable Board of Supervisors
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Dear Board Members:

SUBJECT: MINOR REVISIONS TO THE ADOPTED HOUSING ELEMENT (2009-2014) PURSUANT TO COMMENTS FROM THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

RECOMMENDATION:

Adopt resolution approving revisions to the Alameda County Housing Element (2009-2014).

SUMMARY:

Introduction

The Board of Supervisors adopted the Housing Element (2009-2014) on March 30, 2010. Planning staff have prepared revisions (Attachment A) to the adopted Housing Element in response to comments (Attachment B) from the State Department of Housing and Community Development (State HCD). State HCD has determined that the revisions will make the Alameda County Housing Element compliant with State law (Attachment C). Upon approval of the revisions, the County will submit the amended Housing Element to State HCD for final review and certification in order to be eligible for certain grants and other funding. Staff recommends that the Board consider the proposed revisions, provide feedback, and direct staff to incorporate the revisions as drafted.

Overview of the Comments and Responses

The State HCD comment letter on the adequacy of the adopted Housing Element was received on July 2, 2010 and included seven comments. The comments fell into two subject areas: the Sites Inventory and Governmental Constraints. In addition to the written comment letter, State HCD provided verbal comments on July 7, 2010 on technical issues in the element. State HCD has informed the County via a letter dated February 17, 2011 that the proposed revisions would make the adopted Housing Element compliant with State law.

Staff considers the revisions to the element to be consistent with the direction previously provided by the Board of Supervisors and the policies and objectives of the adopted element. A table summarizing the revisions to the adopted Housing Element is provided below. The revisions achieve the following:

- Expand the discussion of small, non-vacant and underutilized opportunity sites, demonstrating that the sites have potential for housing development;
- Commit the County to reporting the redevelopment of mixed use (residential/commercial) sites throughout the planning period;
- Demonstrate that the properties that were credited towards the County's regional housing need that were at risk of conversion to market rate housing and were substantially rehabilitated during the planning period meet the Alternative Adequate Sites requirement (Government Code Section 65583.1); and
- Discuss the impact of Measure D on the development of housing within unincorporated Alameda County.

Summary of Responses to HCD Comment Letter Dated July 2, 2010

Comment Number	Comment Summary	Response Summary	Where Addressed
1.(a)	Support redevelopment assumptions for non-vacant sites.	Expanded discussion of redevelopment trends and market conditions demonstrates existing uses are not an impediment to redevelopment of non-vacant, underutilized sites.	Chapter III, under the section entitled, "Vacant and Underutilized Sites Analysis for Multifamily Residential Development Potential" and in the County's Housing Plan, Chapter IV, under the revised "Infill, Mixed Use and Transit Oriented Developments" program.
1.(b)	Demonstrate the adequacy of small sites and describe the methodology used to select them for inclusion in the Sites Inventory.	Data added on Planning Department activity which shows that small sites are pursued for redevelopment. Provided description on how/why parcels were assembled into groups.	Chapter III, under the subsection entitled "Small Sites".
1.(c)	Provide more discussion of how the realistic development capacity of mixed use sites was determined.	Added additional discussion of the development capacity for mixed use sites, added a task to the County's "Residential Sites Inventory" program to monitor these sites to ensure that the capacity estimates are accurate. If necessary the	Chapter III, under the subsection entitled "Mixed Use (Residential/ Commercial) Sites", and in the County's Housing Plan (Chapter IV) in the expanded "Infill, Mixed Use and Transit Oriented

		County will develop additional incentives/requirements pertaining to their redevelopment to ensure that the County is able to achieve its regional housing goals throughout the planning period.	Developments” program.
1. (d)	Provide evidence to support the application of the Alternative Adequate Sites provision.	Provided more detail and analysis of projects that were credited. Included Appendix K to provide evidence to support the County’s contention that these projects met the requirements of Government Code Section 65583.1.	Chapter III, under the subsection entitled “Substantial Rehabilitation, Conversion, and Preservation of Affordable Housing Stock” and Appendix K, Evaluation Checklists for Projects Credited Under Alternative Adequate Sites Provisions (new).
2.	Analyze the impacts of Measure D on housing development. Describe how the County mitigates Measure D.	Provided evidence that due to several environmental and infrastructure constraints the proportionate impacts of Measure D on the County’s ability to provide housing for its residents is fairly low. The County also describes how it mitigates the impact of measure D through its housing programs that support small site, infill, mixed use and transit oriented development.	Chapter II, under the subsection entitled “Growth Controls” and Appendix J, Reference Maps (new).
3.	Should the County not be able to demonstrate that it has adequate sites with sufficient capacity to meet its regional housing goals as required in Finding 1, the County may need to add or revise its housing programs to address a shortfall of sites.	The County believes that it has provided a complete analysis of the adequacy of the sites included in its Sites Inventory in its responses to Finding 1 (parts (a) through (d) summarized above.	See the comments above in reference to Findings 1 (parts (a) through (d)).

4.	Provide a complete analysis of governmental constraints to the maintenance, improvement and development of housing.	Please see the response to Finding 2 above.	Refer to Finding 2 above.

Environmental Analysis

The revisions to the adopted Housing Element are necessary to bring the document into compliance with State Housing law; however, these changes do not create any new programs, identify additional parcels for inclusion in the Sites Inventory, nor would it cause the County to implement any actions outside of the scope of the Negative Declaration for this document that was approved by the Board of Supervisors on March 30, 2010 or the Environmental Impact Report that was prepared with respect to the Eden Area General Plan.

Recommended Findings

Based upon information contained in this staff report and/or testimony received at the public hearing, staff recommends the following findings:

- CEQA
The draft revisions do not substantially modify or alter the goals, policies, programs, or implementation measures in the Housing Element adopted by the Board of Supervisors on March 30, 2010. The draft revisions proposed are minor in nature, and are intended to provide further clarification or elaboration; and, based on consultation with State HCD, should provide assurance that the element will be certified in compliance with State housing element law. As a result, staff has determined that the proposed amendment would not create any new significant environmental impacts, nor would it increase the severity of any previously identified impacts. Moreover, staff has not received any new information of substantial importance that shows that the Housing Element could have additional significant effects that were not discussed as part of the adopted Negative Declaration. Therefore, staff has concluded that the proposed amendment would not necessitate any revisions to the Initial Study/Negative Declaration that was prepared for this project. Staff requests that your Board find that no additional environmental review is required pursuant to the California Environmental Quality Act (CEQA), CEQA Guidelines Section 15162(a) as the proposed amendment is within the scope of the Negative Declaration approved by the Board on March 30, 2010.
- General Plan
The proposed text amendment is consistent with the General Plan. The text being proposed clarifies the existing conditions impact redevelopment activities within unincorporated Alameda County and describes the programs that the County either has in place or may choose to pursue to ensure that the County is able to meet its Regional Housing Needs Allocation (RHNA) goals throughout the planning period.

CONCLUSION:

Planning Commission Recommendation

The Planning Commission reviewed this item at their August 16, 2010 meeting and has recommended approval of the amendments to the Housing Element (2009-2014).

The proposed revisions to the adopted Alameda County Housing Element are consistent with the element's existing policy direction. Staff recommends that the Board direct staff to incorporate the changes into the Housing Element. After it is adopted by the Board, State HCD will review the element and certify that it is compliant with State law.

Very truly yours,



Chris Bazar, Director
Community Development Agency

ATTACHMENTS

- A. Exhibit A, Text of proposed revisions
- B. Correspondence from State HCD – July 2, 2010
- C. Correspondence from State HCD – February 17, 2011
- D. Resolution approving the Alameda County Housing Element and adopting its associated Negative Declaration– March 30, 2010

EXHIBIT A
TEXT OF PROPOSED REVISIONS

All additional text is highlighted

Staff Note: The following changes are intended to respond to Finding 1, part a.
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This section of text starts on page 78 of the adopted Housing Element.

VACANT AND UNDERUTILIZED SITES ANALYSIS FOR MULTIFAMILY RESIDENTIAL DEVELOPMENT POTENTIAL

The Sites Inventory identifies vacant and underutilized sites that have the greatest redevelopment potential during the planning period. These parcels were selected based on following criteria: the age of the improvements on the site; the evidence, as supported by building records, of a lack of recent tenant improvements; and a ratio of improvements versus land value less than 1. In general, newer properties are less likely to be redeveloped, as are properties where there have been recent investments. The County also considered development patterns in the area and found that nearly all of the residential development activity, as demonstrated by recent subdivisions (2007 and 2008) and site development review applications, has occurred on parcels where there was an existing use. Based on this data one could conclude that active land uses historically have not been a barrier to new residential development. Finally, the County also reviewed market conditions within the County and throughout the Bay Area and observed that residential development is generally characterized by high land and construction costs, combined with a limited supply of vacant developable land; thus leading to redevelopment of non-vacant sites.

The unincorporated portion of Alameda County contains many well established communities. The County's goal is to encourage housing development that is consistent with existing patterns of neighborhood development and current zoning. The Alameda County General Plan and Zoning Ordinance have guided staff in evaluating which areas are appropriate for future housing development. As a result the County has chosen to highlight infill sites with the potential for transit oriented and mixed use development. These sites are located in Castro Valley and Eden Area Plans. A detailed sites inventory has been included in Appendix A.

Redevelopment Areas

Current market conditions have severely limited the amount of financing available for residential construction. The recession which began in 2008 has had an immediate impact on residential construction and the rental and sale of homes. According to data obtained from the Public Works Agency - Building Inspection Division database, residential permits in the period beginning January 1 and ending August 31, 2009 are down over 50% compared with the same period last year. Sale prices for new and existing homes have also faced double digit declines. How long these effects will last is unknown at this time, and therefore it is hard to predict development trends over the planning period. Recognizing these constraints, Sites Inventory has been used to identify several parcels located within the County's Redevelopment Areas as projects in these areas may qualify for financial assistance from the Redevelopment Agency or another government entity. The constricting of credit markets may cause housing developers to consider using Redevelopment tax-increment financing, bonds or other publicly administered funds; and therefore, they may become critical in meeting existing and projected housing needs.

The Redevelopment Agency works through the Housing & Community Development Agency to support an active Affordable Housing Program through which financial assistance is made

available directly or indirectly to very low, low and moderate-income households / to improve and preserve the community's supply of housing particularly housing opportunities available to low and moderate income households. Redevelopment activities are focused in two project areas, referred to as the "Joint Project" and "Eden Project" areas. The Joint Project Area & the Eden Project Area are adjacent redevelopment project areas located in the unincorporated area of Alameda County. The project areas are located near the 238, 580 & 880 freeway interchanges and cover 4,000 acres that run through portions of the Castro Valley, Cherryland, Ashland, Foothill, San Lorenzo and Mt Eden communities.

Methodology

The County's evaluation of adequate sites began with a listing of those parcels that were identified in the 2003 Housing Element Inventory and during the 2005/2006 Housing Element Implementation. In total, staff has reviewed the development capacity of almost 1,200 individual parcels throughout the urban unincorporated areas. These sites are available and could be realistically developed by June 30, 2014 as required by State HCD.

To demonstrate the realistic development viability of the sites, the inventory describes: (1) whether appropriate zoning is in place, (2) the applicable development standards and their impact on projected development capacity and affordability, (3) existing constraints including any known environmental issues, and the (4) availability of existing and planned public service capacity levels.

The County's land inventory was developed with the use of a combination of resources including the County's GIS database, updated Assessor's data, field surveys, and review of the County's various plans and Zoning Ordinance. The inventory includes both small and large residentially and non-residentially zoned parcels and parcels which are substantially vacant or underutilized which could be developed for more intense residential uses. The compilation resulted in not only an identification of sites, but also an estimate of potential development capacity for these sites. The majority of the land available for residential development is located in: (1) areas currently served by public transit, (2) within specific plan areas that are zoned R-S, R-2, R-3, and R-4 that allow duplexes and multifamily residential development, and (3) within planning areas that provide for mixed use development.

The primary development areas are near the main commercial corridors within Eden and Castro Valley Plan areas. These areas contain several parcels that have been designated for higher density development relative to most residential areas in the unincorporated areas. In addition to avoiding the low-density residential areas, these commercial areas are suited for new housing units because they have transit access and existing services. Furthermore, there are currently no known service limits to these sites, although developers would be required to pay fees or construct public improvements prior to or concurrent with development. A map of these areas has been included in Appendix A.

In developing its methodology the County reviewed the characteristics of recent subdivisions that were either constructed or approved in 2007 and 2008. These years were selected as they provide the best data upon which to project development trends over the planning period. This is because 2007-2008 are within the current planning period, they are the last two years for which there is substantial (20 or more subdivisions) residential development for staff to evaluate, and they are the initial years of the national recession which is likely to affect development activity throughout the planning period. Based on a review of these projects, staff observed that they had several of the following traits in common:

- Improvements were at least 30 years old
- Existing number of units is less than 780% of the maximum allowable density for the zoning district and could yield two or more additional units
- Improvement to land value ratio is less than 1; the land is more valuable than the structure

After the initial GIS screening orthophotos were reviewed to confirm the status of the sites, evaluate any possible environmental constraints requiring further study (i.e. slopes, creeks, etc.), and the sites consolidation potential. Field visits were also used for sites with the capacity to develop 10 or more units.

This section of text starts on page 82 of the adopted Housing Element.

Non-Vacant and Underutilized Sites

The majority of the parcels identified in the Sites Inventory are non-vacant or underutilized parcels in west County areas. Like many jurisdictions in the Bay Area, the western unincorporated areas of the County are “built out”. Consequently, the majority of the County’s RHNA is realized through the use of non-vacant and underutilized parcels. The geographic scope of the Sites Inventory is necessarily limited by requirements set forth in the East County Area Plan (ECAP) as amended by voter initiative, Measure D. In 2002, Measure D established an Urban Growth Boundary and amended the General Plan to limit development to the western, more urbanized portions of the County. Moreover, the parcels identified have existing infrastructure (water, sewer, streets, sidewalks and public transit) that can accommodate the anticipated population increase over the planning period and are relatively free of environmental constraints that would prevent their redevelopment. They also have existing zoning in place that would permit the development of additional housing units. Staff considered the year of their construction (at least 30 years ago). Units were also selected when the difference between their zoned density and their realistic development capacity resulted in at least two additional units of housing. In addition, these parcels are all located within established redevelopment areas; therefore housing developers may choose to construct dwellings in these areas due to the availability of Redevelopment funding. Within unincorporated Alameda County nearly all of the development activity occurs on parcels where there is an existing use. Planning Department data from 2007 and 2008 shows that of the 56 subdivisions authorized those years, only one occurred on a parcel that was “vacant” or where there were no existing structures (residential or commercial on the property). Raw land costs, growth policies, consumer preference, and the costs of infrastructure have encouraged the redevelopment of non-vacant and underutilized sites within Alameda County; therefore, similar parcels were selected for inclusion in the Sites Inventory. Planning Department data as well as regional trends indicate that the demand for such sites will remain throughout the planning period.

The Alameda County Redevelopment Agency and Department of Housing and Community Development are currently developing an affordable housing strategy for the unincorporated areas that will address housing needs during the current planning period. This strategy will employ funding from the Community Development Block Grant, Redevelopment Housing Set Aside, and the Neighborhood Stabilization Program. The County is working proactively with various community organizations, its Citizen’s Advisory committees and others to establish incentives for affordable housing development and to inform the public of the housing opportunity sites specified in the Sites Inventory. This housing strategy will be implemented within the first year of the planning period and is included in the County’s Housing Plan.

This section of text starts on page 110

Infill, Mixed Use and Transit Oriented Developments

Infill projects are generally defined as projects occurring on parcels where existing infrastructure (streets, sidewalks, sewers, water) is present and there is an active or recently expired use. Mixed use developments generally combine residential uses with one or more uses such as commercial, civic, or recreational. Transit oriented development refers to projects that occur in close proximity to a transit access point (typically bus, train, or ferry). Infill, mixed use and transit oriented developments offer effective solutions to problems that many communities face: the scarcity of affordable housing, the need for economic investment, water and air pollution, the preservation of open space, and public health concerns. These strategies can yield many benefits, these include:

- Efficient use of existing infrastructure and facilities;
- Encouraging investment in existing urban centers;
- Reducing urban sprawl by using infill lots and applying compact development patterns;
- Minimizing traffic congestion by providing housing close to employment centers and child care facilities;
- Creating sufficient density to support adjacent businesses;
- Lowering greenhouse gas emissions by encouraging the use of public transportation; and
- Improving public health by offering safe routes for pedestrians and cyclists

Currently the San Lorenzo Village and the Ashland/Cherryland Business District Specific Plans allow for mixed use developments. Alameda County is revising its Castro Valley and Eden Area Plans and is considering including designations that would permit mixed use and transit oriented developments in these plan areas as well.

Objectives:

- Adopt and implement Eden Area and Castro Valley Area Plans as these plans contain policies to promote and support infill, mixed use and transit oriented developments
- Investigate and develop programs to promote the redevelopment of infill sites, mixed use and transit oriented developments; these programs may include: annual outreach and marketing to developers; deferring fees for projects that would require lot consolidation; expedited permit processing; targeting specific financial resources; and modifying development standards.
- Investigate incentives to support infill, mixed use and transit oriented developments
- Work with BART and the City of San Leandro to develop a station area plan that would facilitate transit oriented development adjacent to the Bayfair BART Station.
- Maintain the Density Variable (DV) zoning designation which provides a density bonus of %75 for existing or consolidated sites that have a minimum of 100 foot median lot width and are at least 20,000 square feet in area.
- Publicize parcels with the Density Variable (DV) zoning designation to encourage the redevelopment of small infill sites.
- Continue to provide funding via the Redevelopment Agency Housing Set aside for infill, mixed use and transit oriented developments.

Staff Note: The following changes are intended to respond to Finding 1, part b.

Small Sites

Within the San Francisco Bay Area the availability of public infrastructure, consumer preference for a shortened work commute or to commute less by car, access to cultural and recreational amenities, and a commitment from the populace and facilitated by local, regional and state entities to support the preservation of open space for recreation, conservation or agriculture either through land use controls such as Measure D for unincorporated Alameda County³² or by the application of state laws such as the California Environmental Quality Act have led to the redevelopment of small (less than a 0.5 acre), infill sites either within the urban core, or within so called “first ring” suburbs. In unincorporated Alameda County, these sites were granted 48% of all planning entitlements for the years 2007 and 2008.³³ Of the 33 parcels for which a subdivision application was approved in 2007, 14 (45%) of these sites had lot areas of 0.5 acres or less. In 2008, of the 23 projects approved by the Planning Department 11 (48%) of the sites had an area of 0.5 acre or less. As a result, the Sites Inventory includes several of these small sites.

Generally smaller sites (parcels less than 0.5 acres) have been included in the County's Site Inventory when appropriate zoning is in place to support multifamily development (i.e. the R-S (residential suburban), R-2 (two family dwellings), R-3 (up to four dwelling units) and R-4 (multifamily dwellings) zoning districts) or the lot is large enough that it may be subdivided into 2 or more parcels; lot consolidation is feasible or and when the current development is less than 70% of the maximum density per zoning. The 70% threshold was chosen because recent development activity (see Table III-3 above) shows that when sites within the area were redeveloped, on average they were developed to at least 80% of their permitted density. This difference between a site's existing level of development and its development potential, coupled with current raw land and infrastructure costs may provide and incentive for more intensive development. Furthermore, 63% (38 out of 56) of subdivisions approved in 2007 and 2008 were for projects that would result in two more units. Thus, it was assumed that sites developed to less than the 80% threshold and could yield two or more units might be suitable candidates for redevelopment. When assessing the feasibility of smaller sites, parcels that are 5,000 square feet or more that are zoned at a density permitting at least 12 units per acre or more are included in the inventory. This lot size is the minimum residential lot size and such densities are ideal for multifamily dwellings. Such housing provides affordable options for moderate-income households.

While generally not considered ideal for the development of housing affordable to low-income households, the small sites included within the inventory are appropriate for the following reasons: availability of public infrastructure (water, sewer, police, fire, schools, etc.); transit accessibility; and proximity to major employment centers. Moreover, the growth limitations imposed by Measure D upon the Eastern Alameda County, as well as the cost and availability of public infrastructure, makes affordable housing infeasible outside of the western and more urbanized portions of the County. Furthermore, environmental standards enacted by the legislature through as AB 32 (2006, Nuñez) and SB 375 (2008, Steinberg) encourage infill and transit oriented development as a means to reduce greenhouse gas emissions and to reverse

³² Other communities in the Bay Area that have adopted similar “urban growth boundaries” or “urban limit lines” include Union City, the Cities of Livermore, Novato, San Jose, Palo Alto, Los Gatos, Pleasanton, and Milpitas; and Napa, Marin, Sonoma and Solano Counties.

³³ Information obtained from the Alameda County Planning Department database

the effects of climate change. The small sites included in the inventory are all infill development; however, many would be described as transit oriented development as well due to their proximity (less than .25 mile) to transit.

Lot Consolidation

The urbanized unincorporated areas are characterized by small parcels that are often developed at densities lower than permitted by zoning. Fragmented ownership makes the assemblage of parcels for large-scale developments such as mixed use and transit oriented development difficult, if not financially infeasible. Lot consolidation is a tool that may be used by housing developers to gain greater area upon which to develop housing, to provide for amenities (such as parking and common areas), and to provide a wider range of options for building siting, traffic flow and circulation. Of the 56 subdivisions approved in 2007 and 2008, 10 (18%) required the merger of 2 or more parcels. Thus, the Planning Department has chosen to highlight those parcels where consolidation might be appropriate. Consolidation potential was determined by analyzing those parcels that are adjacent/contiguous, that have the same or comparable zoning and General Plan designations as these traits typified the parcels that were consolidated and for which entitlements were granted in 2007-2008. When calculating the realistic development capacity of the individual sites, the potential for lot mergers was not considered in the formal analysis. The realistic development capacity figure is conservative estimate of a parcel's unit yield. The figure does not rely upon assumptions about which lots would be consolidated. ~~In the past,~~ As the data from 2007 and 2008 shows, there have been residential developments that have required the merger of 2 or more parcels. This is certain to occur in the future; however, predicting which parcels would be consolidated is difficult, particularly where there are many parcels adjacent to one another. Rather than providing an arbitrary listing of consolidated parcels, and risk inflating the County's development capacity estimates, it was decided to consider the sites in their current configurations. However, the County is aware that a listing of those sites that have the highest potential for consolidation would be a useful development tool. In order to meet this need, the County has provided a separate summary of those lots that may be candidates for merger within the planning period and provides a rough estimate of their realistic development capacity post merger. This information is included in Appendix A. Under its "Residential Sites Inventory" program the County will maintain a listing of sites that have the potential for consolidation.

The County has taken many steps to facilitate the development consolidation of small sites. Many of the smaller sites included within the Site Inventory are zoned R-S-DV (Residential Suburban, Density Variable). This zoning designation was created as a result of the 2003 Housing Element update with the intention of facilitating small lot consolidation and promoting better residential development. Under DV zoning property owners are able to increase the allowable density by 75% based on the size of the site, thereby encouraging owners of adjoining properties to collaborate in development or to package parcels for sale. The minimum density under DV zoning is one dwelling unit per 3,500 square feet (12.45 dwelling units per acre). For those sites where average lot width is greater than 100 feet and the lot area is not less than 20,000 square feet; the density shall be one dwelling per 2,000 square feet of lot area (21.78 dwelling units per acre).

Other Incentives for Small Site Development

In addition to DV zoning, the County established its Density Bonus Ordinance to provide incentives for the development of affordable housing. The County may also waive its park dedication fee requirements for affordable housing developments. Finally, parties interested in developing affordable housing may access funding from the Redevelopment Agency or the County's Department of Housing and Community Development to support and encourage low

and moderate income housing development. In addition to these programs currently provided by the county to support the use of underutilized, small, infill sites the County will investigate the feasibility of providing additional incentives to encourage their development via its Housing Plan.

<p>Staff Note: The following changes are intended to respond to Finding 1, part c.</p>

This section of text starts on page 82 of the adopted Housing Element.

Mixed Use (Residential/Commercial) Sites

A significant number of sites identified in the County's inventory are mixed use (commercial/residential sites) as specified in their respective general or specific plan. These sites have been included because of their location along commercial corridors and around transit centers, and their overall redevelopment potential. These sites are also within the County's targeted redevelopment areas thereby making projects potentially eligible for financial assistance from the County's Redevelopment Agency. Access to publicly administered financial assistance is quite important considering substantial reductions in the availability of development financing as described in Chapter II, under the section entitled "Housing Markets". The allowable densities sited within the inventory reflect staff and community input, and are consistent with existing patterns of development. For example sites within the Castro Valley Central Business District Specific plan, have allowable densities ranging from 21.78 to 50 dwelling units per acre. Similar to those parcels outside of commercial areas, the realistic development capacity was calculated assuming the site would be developed at 80% of their maximum capacity. A listing of mixed use parcels has been included in Appendix A. While there has been limited redevelopment of these sites in the past, the County has embraced goals via the recently adopted Eden Area plan and Draft Castro Valley and Climate Action plans to encourage infill, higher density mixed use development that capitalizes on the public transportation, traffic capacity, commercial and public amenities that are available along the major commercial corridors, namely East 14th Street, Castro Valley and Hesperian Boulevards.

The following table summarizes the contribution of mixed use sites to the Sites Inventory.

Table III-4: Summary of Mixed Use Sites in the Sites Inventory

Specific Plan	Number of Parcels	Acres	Maximum Capacity	Realistic Capacity	Net Yield
Ashland Cherryland Business District	33	14.78	739	566	458
Castro Valley Central Business District	9	14.09	308	231	63
San Lorenzo Village	20	25.74	590	461	461

Currently there is no guarantee that parcels zoned as "mixed use" be developed to include housing units. If a proposed project would result in fewer dwelling units than projected in the Sites Inventory, as required in Government Code Section 65863 (b), the County shall make the following findings prior to project approval:

- (1) The reduction is consistent with the adopted general plan, including the housing element.
- (2) The remaining sites identified in the housing element are adequate to accommodate the jurisdiction's share of the regional housing need pursuant to Section 65584.

The County will monitor the residential capacity of these sites during the planning period to see if additional incentives or policies are required to ensure that the County has enough capacity to meet its RHNA allocation.

This section of text starts on page 88 of the adopted Housing Element.

Residential Sites Inventory

The County shall maintain an inventory of land with zoning and adequate infrastructure and services to meet the County's Regional Housing Needs Assessment (RHNA) Allocation of 2,167 units.

Objectives:

- Continue to provide adequate sites to accommodate the County's RHNA of 2,167 units.
- Maintain an up-to-date inventory of vacant/underutilized residential sites as funding permits and make the inventory readily available to potential developers
- Highlight small sites that may be consolidated to accommodate additional housing units and maximize their development potential
- Pursue completion and adoption of the Castro Valley and Eden Area Plans
- Monitor the redevelopment of mixed use sites to ensure that the County complies with Government Code Section 65863. Specifically, the County will compare the number of dwelling units constructed to the realistic development capacity provided in the Sites Inventory (Appendix A). If fewer units were constructed than projected, the County shall determine if the remaining parcels on the County's Sites Inventory are sufficient to meet the County's RHNA, and if not it shall identify additional sites or rezone parcels as need to make up the deficiency.

This section of text starts on page 89 of the adopted Housing Element.

Annual Progress Report

Per Government Code Section 65400, local governments are required to annually report on the progress of implementation of their general plans. With respect to the housing element portion of the annual report, State law requires that, by April 1 of each year, the local planning agency to provide an annual report to the local government's legislative body, to the Office of Planning and Research (OPR) and to the State Department of Housing and Community Development (State HCD). This report should include the following information:

- The "status of the plan and progress in its implementation;"
- The "progress in meeting its share of regional housing needs determined pursuant to Government Code Section 65584;" and
- Local efforts to "remove governmental constraints to the maintenance, improvement and development of housing pursuant to Government Code Section 65583(c)(3)."

Objectives:

- Prepare an annual report for submission to State HCD by April 1st of each year during the planning period
- Initiate implementation activities as prescribed in the adopted Housing Element, and ensure an effective program of ongoing monitoring to track housing needs and achievements
- Monitor legislation and issues related to the maintenance and development of housing

- Report on the development of mixed use sites identified in the Sites Inventory to confirm compliance with Government Code Section 65863.

Staff Note: The following changes are intended to respond to Finding 1, part c.

This section of text starts on page 84 of the adopted Housing Element.

TRANSIT ORIENTED AND MIXED USE DISTRICTS

The County's site inventory includes parcels that are located in close proximity to public transit, and in areas that are currently zoned to accommodate mixed uses. The selection of these sites is consistent with the County's Housing Element goals as described in Goals 2 and 7 of the element. The County will seek opportunities to encourage such developments as part of its Infill, Mixed Use and Transit Oriented Developments program.

Staff Note: The following changes are intended to respond to Finding 1, part d.

This section of text starts on page 77 of the adopted Housing Element.

Substantial Rehabilitation, Conversion, and Preservation of Affordable Housing Stock

The 2003 Housing Element identified the 142-unit, Ashland Village complex as a property that had a "high" risk of conversion to a market rate development. These units were also in need of substantial repair. The property had been restricted under the Below Market Interest Rate Program under Section 221(d)(3) of the National Housing Act (Title 12 United States Code Section 17151(d)(3) and (5)), with those covenants set to expire in 2004. In 2008⁷, the County partnered with non-profit developer Eden Housing, Inc. for the purchase and for the substantial rehabilitation of 142 units in the Ashland Village Apartment Complex. In order to prevent the conversion of these subsidized units to market rate, the County's Department of Housing and Community Development and the Redevelopment Agency provided committed assistance in accordance with Government Code 65583.1(c) to the project. The Board of the Redevelopment Agency approved an allocation of \$6.5 million dollars towards the project on November 6, 2007. The Alameda County Board of Supervisors approved the release of HOME funds were in a contract for \$740,000 on September 8, 2008. Eden Housing has agreed to restrict The 142 units are restricted at levels affordable to low and very low income households for 55⁹ years. Eden has negotiated a new Section 8, Housing Assistance Program agreement with HUD as part of this process.

The Park Hill Apartments were a 109-unit, privately held development located in Fairview. The complex had experienced years of deferred maintenance that resulted in numerous Building Code violations. In 2001, 124 tenants of the complex filed a class action lawsuit against the previous owner citing racial discrimination, sexual harassment, and unsafe living conditions. A judgment in favor of the plaintiffs was made in 2004. Later, the property was placed on the market. In November 2006, the County was able to secure \$11,441,000 in Multi-Family Mortgage Revenue Funds for the project. The County partnered with a private entity, Dawson Holdings, Inc. to acquire and to substantially rehabilitate the 144⁰⁹ unit Sienna Pointe/Park Hill apartment complex in 2007. Local HOME and Housing Trust Fund monies were also utilized. The units are restricted to very-low and low income households for a 55⁹ year period. The

County has determined these funds are sufficient to maintain the affordability of the identified units as demonstrated by the analysis in Appendix K.

As provided in Government Code Section 65583(c)(1), in addition to identifying vacant or underutilized land resources, local governments can meet up to 25 percent of the site requirement to provide adequate sites by making available affordable units through rehabilitation, conversion, and/or preservation. At 2516 housing units, the County's efforts exceed the maximum credit allowed under this statute. In accordance with this provision the County will credit 219 units (25% of its low and very low income RHNA allocation) towards meeting its 2007-2014 RHNA goals. An analysis of both the Ashland Village and Siena Pointe/Park Hill projects has been provided as Appendix K to this element.

On Table I-55, the County identified Sparksway Commons as a project at risk of conversion to market rate in 2013. The County will monitor this project throughout the planning period and will determine what course of action shall be taken to preserve those units. The County will report on its any activities to preserve Sparksway Commons in its Annual Report. The Program "Preservation of at Risk Housing" is included in its Housing Plan (Chapter IV).

This section of text starts on page 108 of the adopted Housing Element.

Preservation of At Risk Housing

44 units of housing are at risk of conversion to market rate units during the planning period. The County will monitor all units considered at risk of conversion, and to the extent feasible, work to preserve the affordability of these units.

Objectives:

- Maintain a database of subsidized housing units in order to monitor the status of units at risk of conversion
- Pursue funding from private, State and Federal programs to assist in preserving at risk housing
- Provide assistance via the Section 8 Housing Choice Voucher Program to households displaced due to the expiration of affordability restrictions
- Discuss preservation options with at-risk project owners
- Contact nonprofit housing developers to collaborate on projects that preserve units at risk
- Provide financial assistance to nonprofit housing developers to either acquire or rehabilitate units at risk of conversion
- Report on its activities to preserve at risk units in its Annual Report

Staff Note: The following changes are intended to respond to Finding 2.
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This section of text starts on page 64 of the adopted Housing Element.

Growth Controls

In November 2000, the voters of Alameda County approved the Measure D Initiative that amends the Alameda County General Plan. The principle provisions of the Initiative as they pertain to the ability of the County to provide housing include the following:

- The East County Area Plan's (ECAP) Urban Growth Boundary is redrawn to remove North Livermore (and the 12,500 units in the planning stage) from urban development, and the County is directed to withdraw from the joint planning Settlement Agreement with the City of Livermore and North Livermore landowners. North Livermore west of Dagnino Road is redesignated as an Intensive Agriculture area with the potential for 20-acre enhanced agricultural parcels upon demonstration of available water (among other requirements).
- Lands designated for Urban Reserve in East County are redesignated as Large Parcel Agriculture.
- The South Livermore Valley Area Plan is amended to place absolute limits on density and geographical extent.
- Areas identified in the Initiative as Castro Valley and Palomares Canyonlands in the West County have been redesignated as Resource Management (100 acre minimum parcel size).
- General Plan amendments, such as subdivision applications that increase allowed density, will now automatically necessitate a vote of the County electorate.
- Under the Initiative, the Board of Supervisors may modify the East County Urban Growth Boundary in order to meet State-imposed housing obligations, but only if criteria specified by the Initiative can be met.

Under the terms of Measure D, the portions of the County General Plan revised under the Initiative may not be amended except by voter approval, with the exception that the Board of Supervisors can impose more stringent restrictions on development and land use. Furthermore, existing and future County plans, zoning regulations, etc. must be consistent with the provisions of the ordinance. Portions of the ECAP and other planning documents that were not amended or enacted by the Initiative may still be modified without voter approval provided the modifications are consistent with the provisions of the Initiative. For your reference a map depicting the lands included within the Urban Growth Boundary has been provided as Appendix J.

Measure D has major implications for the development of housing within the County because it explicitly places limitations on the density and intensity of development outside of the Urban Growth Boundary. However there are several programs and policies contained within the ECAP/Measure D that mitigate the impact of the initiative on the provision of affordable housing. Also, the County has initiated several programs to support the development of affordable housing. Under Policy 23 of the plan, the County must provide economic incentives to

developers of affordable housing. This policy is implemented through programs 7 through 11 which propose an incentive system that could include density bonuses, low-income housing fees, fee waivers, low income set asides, and joint development projects with non-profit housing developers. In addition, ECAP/Measure D requires each residential and non-residential project to contribute to meeting the housing needs of very low-, low- and moderate-income households. The County already has a density bonus program in place; the park dedication fee ordinance permits waivers of the fee for affordable housing projects; and the County has participated in development project with several local and regional non-profit housing developers.

Despite such restrictions, the proportionate impact of Measure D on the production of market rate housing in the East County area is fairly low because the costs associated with residential development (land acquisition and development) are such that housing produced would generally be affordable only to above moderate income households. What follows is a summary of the constraints on the production of housing within East County.

- Several hundred acres are owned by the San Francisco Public Utilities Commission (SFPUC) as they are part of the Alameda watershed that supplies drinking water to the City and County of San Francisco.¹⁴
- Nearly 1,000 parcels affected by Measure D are currently under Williamson Act contract (California Land Conservation Agreement).¹⁵ Under the provisions of the Williamson Act, residential development is typically limited to one single family residence per parcel; all development occurring on the parcel must be related to or compatible with commercial agriculture.
- Most areas outside of the Urban Growth Boundary are not currently connected to any public wastewater system meaning that developments must provide their own on-site septic systems for waste water treatment. The cost and feasibility of a septic system is greatly affected by the site topography, soil and environmental characteristics, size and type of development, and parcel size. Information obtained from the County Department of Environmental Health, which regulates and monitors septic systems in Alameda County, indicates that the cost to plan, permit and install a septic system within the County generally costs \$8,000 or more for so called “standard septic systems” and ranges from \$20,000 to \$40,000 for an advanced septic system.¹⁶ In addition, the costs associated with providing potable water, either via the Zone 7 Water Agency or by well adds significant costs to the project. Zone 7 updated their fee schedule in 2009 and fees for new water service start at \$21,550. The fee is based upon the size and type of meter being installed.¹⁷
- The majority of the parcels which fall under ECAP as amended by Measure D are zoned “A”, Agricultural. Under this zoning designation parcels generally must be 100 acres or larger, and have access on an approved County road in order to have a single family

14 Page 11, 2005 Urban Water Management Plan for the City and County of San Francisco, SF PUC, December 2005

15 The California Land Conservation Act of 1965--commonly referred to as the Williamson Act--enables Alameda County to enter into contracts with private landowners for the purpose of restricting specific parcels of land to agricultural or related open space use. In return, landowners receive property tax assessments which are much lower than normal because they are based upon farming and open space uses as opposed to full market value. Local governments receive an annual subvention of forgone property tax revenues from the state via the Open Space Subvention Act of 1971.

16 Telephone conversation with Ron Torres held on July 8, 2010.

17 Zone 7 Water Agency Water Connection Fee Information Sheet, accessed on July 8, 2010 from http://www.zone7water.com/images/pdf_docs/permits/connex_fee_info_09.pdf

residence. There are exceptions for farmworker housing, and for parcels that are 5 acres or larger that were created prior to May 4, 1972¹⁸. The 100 acre minimum parcel size, per the County's Zoning Ordinance and General Plan, as well as frontage on a County road limits residential development opportunities.

- In addition to the requirements imposed by Measure D, any development occurring in the East County area is also subject to review under the California Environmental Quality Act (CEQA). There are several areas within the ECAP that are biologically sensitive as they contain critical habitats for several protected species such as the Tiger Salamander or the Red Legged Frog and are monitored by the California Department of Fish and Game.¹⁹

Due to these issues, as well as the requirements of Measure D, the County has not identified any housing opportunity sites within the East County area. Instead it has focused its efforts on providing housing affordable to all Alameda County residents to those areas within the Urban Growth Boundary. In order to accommodate future growth and to mitigate the impact of Measure D on market rate and non-subsidized developments, the County will pursue a housing program that promotes infill, mixed use, and transit oriented development. The following actions described in the County's Housing Plan will be used to accomplish these goals:

- Climate Action Team/Plan
- Infill, Mixed Use and Transit Oriented Developments
- An update of the Ashland/Cherryland Business District Specific Plan
- The pursuit of SB 375 grant funding assistance

Mixed Use and Transit Oriented Developments

Mixed use developments generally combine residential uses with one or more uses such as commercial, civic, or recreational. Transit oriented development refers to projects that occur in close proximity to a transit access point (typically bus, train, or ferry). Mixed use and transit oriented developments offer effective solutions to problems that many communities face: the scarcity of affordable housing, the need for economic investment, water and air pollution, the preservation of open space, and public health concerns. These strategies can yield many benefits, these include:

- Efficient use of existing infrastructure and facilities;
- Encouraging investment in existing urban centers;
- Reducing urban sprawl by using infill lots and applying compact development patterns;
- Minimizing traffic congestion by providing housing close to employment centers and child care facilities;
- Creating sufficient density to support adjacent businesses;
- Lowering greenhouse gas emissions by encouraging the use of public transportation; and
- Improving public health by offering safe routes for pedestrians and cyclists

Currently the San Lorenzo Village and the Ashland/Cherryland Business District Specific Plans allow for mixed use developments. Alameda County is revising its Castro Valley and Eden Area Plans and is considering including designations that would permit mixed use and transit oriented developments in these plan areas as well.

18 Please refer to Alameda County Zoning Ordinance 17.52.120 parts "F" and "G" for more information.

19 State & Federally Listed Endangered & Threatened Animals of California, California Department of Fish and Game, January 2010, accessed on July 8, 2010 from <http://www.dfg.ca.gov/biogeodata/cnddb/pdfs/TEAnimals.pdf>

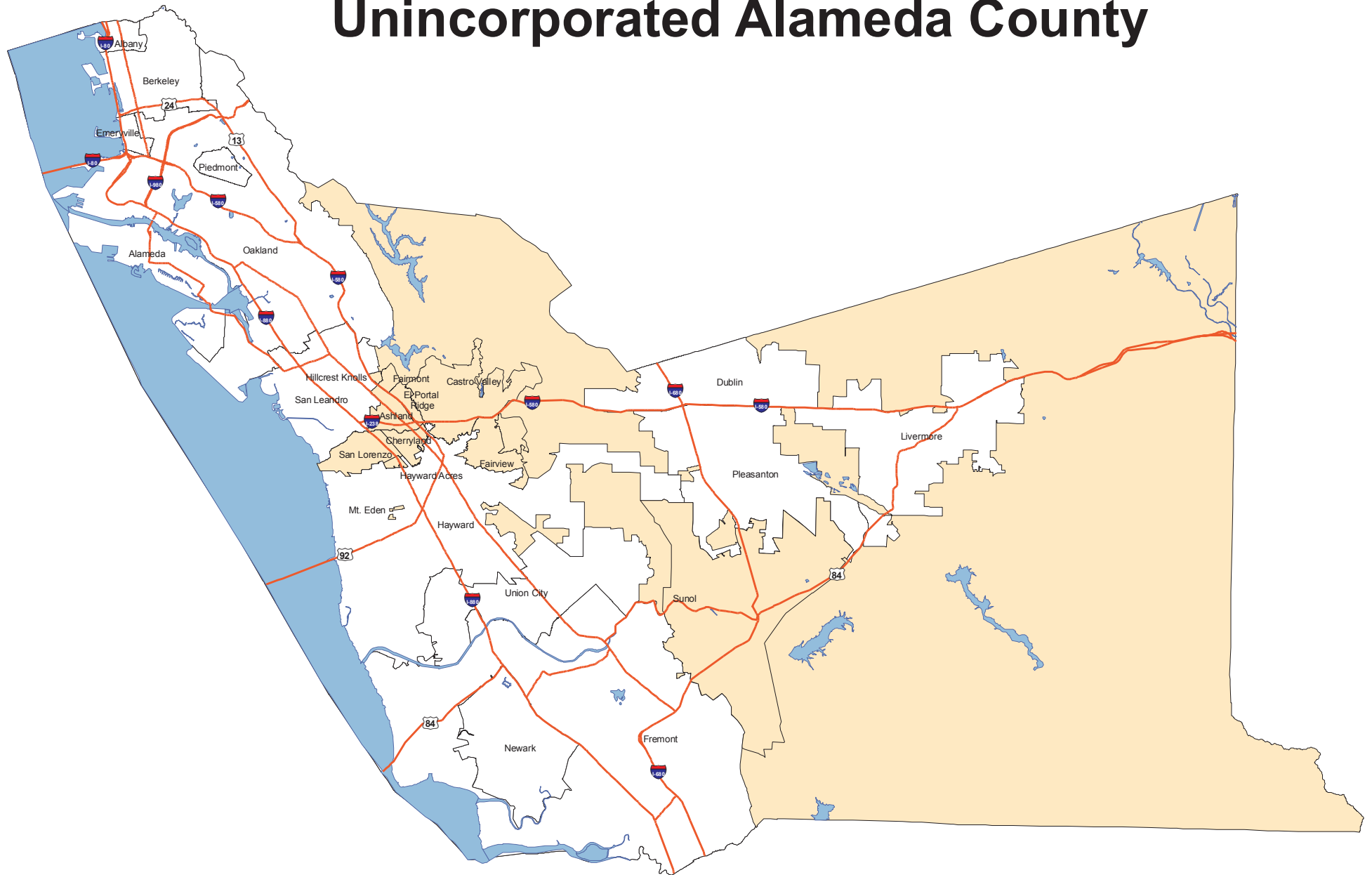
Objectives:

- Adopt and implement Eden Area and Castro Valley Area Plans
- Update the Ashland/Cherryland Business District Specific Plan
- Develop programs to promote mixed use and transit oriented developments
- Investigate incentives to support mixed use and transit oriented developments
- Work with BART and the City of San Leandro to develop a station area plan that would facilitate transit oriented development adjacent to the Bayfair BART Station.
- Pursue SB 375 funding opportunities

Timeframe:	Adopt Plans in 2009; program development 2010
Responsible Agency:	CDA-Planning
Funding Source:	General Fund

APPENDIX J
REFERENCE MAPS

Unincorporated Alameda County

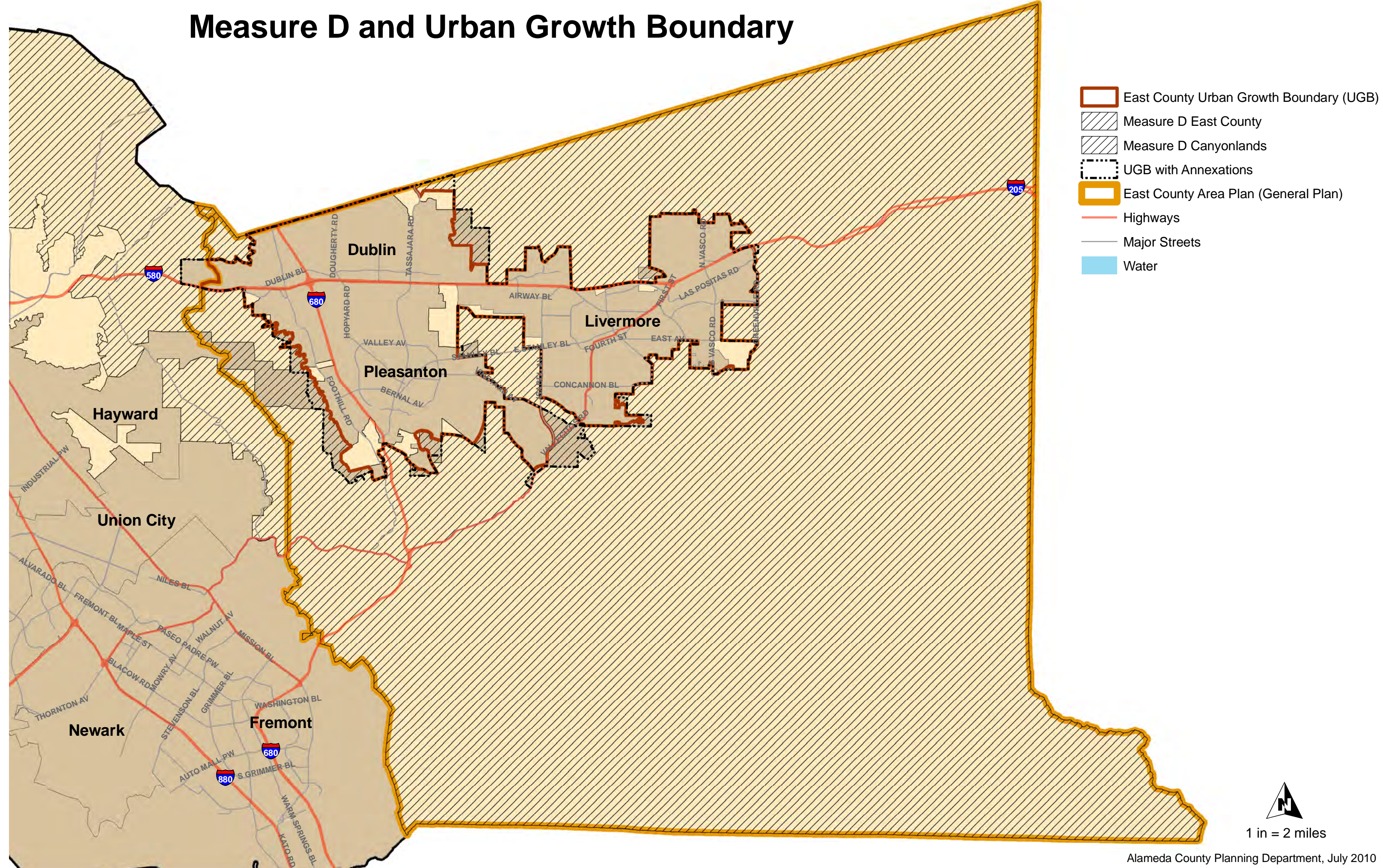


Highways
Unincorporated Areas



Alameda County Community Development Agency, March 2010

Measure D and Urban Growth Boundary



APPENDIX K
EVALUATION CHECKLISTS FOR PROJECTS CREDITED UNDER ALTERNATIVE
ADEQUATE SITES PROVISIONS

Ashland Village

Preservation: Expiring project under the Below-Market-Interest-Rate Program under Section 221(d)(3) of the National Housing Act (12 U.S.C. Sec. 1715l(d)(3) and (5)).

GENERAL REQUIREMENTS <i>Note: If you cannot answer “yes” to all of the general requirements questions listed below, your jurisdiction is not eligible to utilize the alternate adequate sites program provisions set forth in Government Code Section 65583.1(c).</i>		Comments
65583.1(c)(4) Is the local government providing, or will it provide “committed assistance” within the first 2 years of the planning period? See the definition of “committed assistance” on page 4.	Yes	Both the Housing and Community Development Department and the Redevelopment Agency provided funding commitments to the Project. HCD issued \$18,000,000 Multi-Family Mortgage Revenue Bonds for this project.
65583.1(c)(1)(A) Has the local government identified the specific source of “committed assistance” funds? If yes: specify the amount and date when funds will be dedicated through a (legally enforceable agreement).	Yes	HOME Funds were committed by the Board of Supervisors in a Contract for \$740,000 and approval to issue bonds on (9/30/08). Redevelopment Funds were committed by the Board of the Redevelopment Agency for \$6.5 million on (11/06/07).
65583.1(c)(3) Has at least some portion of the regional share housing need for very low-income (VL) or low-income (L) households been met in the current or previous planning period? Specify the number of affordable units permitted/constructed in the previous period. Specify the number affordable units permitted/constructed in the current period and document how affordability was established.	Yes	Affordable Units in the Previous Planning Period: 643 Affordable Units in the Current Planning Period: 418 <ul style="list-style-type: none"> • Ashland Village: 142 units. Recorded Regulatory Agreements for the 142 units are held by: Federal Housing and Urban Development (Section 8), State Housing and Community Development Department (MHP), the Tax Credit Allocation Committee (Tax Credits), and the California Debt Limited Allocation Committee (Multi-Family Mortgage Revenue Bonds – issued by the County). Local County Department and Redevelopment Agency is regulating less than 49% of these units due to Article 34 issues. • Siena Pointe Apartments: 109 units in total; however, 99 are subsidized. Recorded Regulatory Agreements are held by: the Tax Credit Allocation Committee

		<p>and the California Debt Limited Allocation Committee.</p> <ul style="list-style-type: none"> • Hayward Village: 151 units. Recorded Regulatory Agreements are held by: the Tax Credit Allocation Committee and the California Debt Limited Allocation Committee. • 13 Secondary Units. Although these units are unrestricted, the Alameda County Zoning Ordinance restricts secondary units to no more than 640 square feet. While there is no requirement that these units be rented, the units are comparable to studio apartments in the vicinity. Studio apartments currently rent for less than \$1,000 a month which according to the 2009 HUD Income limits could be affordable to a two person household with an annual income up to \$35,700.
65583.1(c)(1)(B) Indicate the total number of units to be assisted with committed assistance funds and specify funding source.		7 units assisted with HOME funding, 70 units assisted with Redevelopment Housing Set Aside, 142 units assisted with County issued Multi-Family Mortgage Revenue Bond Financing
65583.1(c)(1)(B) Will the funds be sufficient to develop the identified units at affordable costs or rents?	Yes	Project was complete in April 2010, the funds were sufficient to complete the project
65583.1(c)(1)(C) Do the identified units meet the substantial rehabilitation, conversion, or preservation requirements as defined? Which option?	Yes	Ashland Village was an expiring Section 8 project, sold by a private landlord to Eden Housing, an established local non-profit, which negotiated a new Section 8 Housing Assistance Program agreement with HUD as part of the development process.

PRESERVATION OF AFFORDABLE UNITS (65583.1(c)(2)(C))		Comments
Include reference to specific program action in housing element.		The "Preservation of At Risk Housing" program described in the County's Housing Plan (Chapter IV).
65583.1(c)(2)(C)(i) Will affordability and occupancy restrictions be maintained for at least 40 years?	Yes	The property is restricted with a 59 year Regulatory Agreement.
65583.1(c)(2)(C)(ii) Are the units located within an "assisted housing development" as defined in Government Code Section 65863.10(a)(3)? See definition on page 4.	Yes	Expiring project under the Below-Market-Interest-Rate Program under Section 221(d)(3) of the National Housing Act (12

		U.S.C. Sec. 1715l(d)(3) and (5)).
65583.1(c)(2)(C)(iii) Did the city/county, via the public hearing process, find that the units are eligible and are reasonably expected to convert to market rate during the next 5 years, due to termination of subsidies, prepayment, or expiration of use?	Yes	The Redevelopment Agency held a public hearing that determined the units were eligible on 3/18/08.
65583.1(c)(2)(C)(iv) Will units be decent, safe, and sanitary upon occupancy?	Yes	Yes, the units met local codes when they were completed.
65583.1(c)(2)(C)(v) Were the units affordable to very low- and low-income households at the time the units were identified for preservation?	Yes	Yes, the units were affordable to very low and low income households at the time the project came up for sale.

Substantial Rehabilitation

GENERAL REQUIREMENTS Note: If you cannot answer “yes” to all of the general requirements questions listed below, your jurisdiction is not eligible to utilize the alternate adequate sites program provisions set forth in Government Code Section 65583.1(c).		Comments
65583.1(c)(4) Is the local government providing, or will it provide “committed assistance” within the first 2 years of the planning period? See the definition of “committed assistance” on page 4.	Yes	The Housing and Community Development Department provided local HOME and Housing Trust Fund monies to the Project and issued \$11,441,000 Multi-Family Mortgage Revenue Bonds).
65583.1(c)(1)(A) Has the local government identified the specific source of “committed assistance” funds? If yes: specify the amount and date when funds will be dedicated through a (legally enforceable agreement).	Yes	The Housing and Community Development Department provided local HOME, CDBG and Housing Trust Fund monies to the Project (\$2,742,165), and issued \$11,441,000 of Multi-Family Mortgage Revenue Bonds for the acquisition and rehabilitation of the property. The majority of funds were committed to this project after January 1, 2007. Construction began in February 2007.
65583.1(c)(3) Has at least some portion of the regional share housing need for very low-income (VL) or low-income (L) households been met in the current or previous planning period? Specify the number of affordable units permitted/constructed in the previous period. Specify the number affordable units permitted/constructed in the current period and document how affordability was established.	Yes	Affordable Units in the Previous Planning Period: 643 Affordable Units in the Current Planning Period: 418 <ul style="list-style-type: none"> • Ashland Village: 142 units. Recorded Regulatory Agreements for the 142 units are held by: Federal Housing and Urban Development (Section 8), State Housing and Community Development Department (MHP), the Tax Credit Allocation Committee (Tax Credits), and the California Debt Limited Allocation Committee (Multi-Family Mortgage Revenue Bonds – issued by the County). Local County Department and Redevelopment Agency is regulating less than 49% of these units due to Article 34 issues. • Siena Pointe Apartments: 109 units in total; however, 99 are subsidized. Recorded Regulatory Agreements are held by: the Tax Credit Allocation Committee and the California Debt Limited

		<p>Allocation Committee.</p> <ul style="list-style-type: none"> • Hayward Village: 151 units. Recorded Regulatory Agreements are held by: the Tax Credit Allocation Committee and the California Debt Limited Allocation Committee. • 13 Secondary Units. Although these units are unrestricted, the Alameda County Zoning Ordinance restricts secondary units to no more than 640 square feet. While there is no requirement that these units be rented, the units are comparable to studio apartments in the vicinity. Studio apartments currently rent for less than \$1,000 a month which according to the 2009 HUD Income limits could be affordable to a two person household with an annual income up to \$35,700.
65583.1(c)(1)(B) Indicate the total number of units to be assisted with committed assistance funds and specify funding source.		109 units were funded under this project with the following funding sources: 109 units assisted with County issued Multi-Family Mortgage Revenue Bond Financing, 11 units assisted with HOME funding, 55 units assisted with Affordable Housing Trust Fund. Although funding was given for 109 units, 99 are restricted.
65583.1(c)(1)(B) Will the funds be sufficient to develop the identified units at affordable costs or rents?	Yes	Project was complete in April 2009, the funds were sufficient to complete the project
65583.1(c)(1)(C) Do the identified units meet the substantial rehabilitation, conversion, or preservation requirements as defined?	Yes	Substantial Rehabilitation

<i>SUBSTANTIAL REHABILITATION (65583.1(c)(2)(A))</i>		
Include reference to specific program action in the housing element.		The "Affordable Housing Development" program described in the County's Housing Plan (Chapter IV).
65583.1(c)(2)(A) Will the rehabilitation result in a net increase in the number of housing units available and affordable to very low- and lower-income households? If so, how many units?	Yes	The property is restricted with a 59 year Regulatory Agreement which covers these income restrictions: # of VLI units 33 # of LI units 66
65583.1(c)(2)(A)(i) (I) Are units at imminent risk of loss to affordable housing stock?	Yes	

65583.1(c)(2)(A)(i) (II) Is the local government providing relocation assistance consistent with Health and Safety Code Section 17975, including rent and moving expenses equivalent to four (4) months, to those occupants permanently or temporarily displaced?	Yes	The County provided funding to cover the total project costs, which included a relocation plan and budget.
65583.1(c)(2)(A)(i) (III) Will tenants will have the right to reoccupy units?	Yes	
65583.1(c)(2)(A)(i) (IV) Have the units been determined to be unfit for human habitation due the at least four (4) of the following violations? (a) Termination, extended interruption or serious defects of gas, water or electric utility systems provided such interruptions or termination is not caused by the tenant's failure to pay such gas, water or electric bills. (b) Serious defects or lack of adequate space and water heating. (c) Serious rodent, vermin or insect infestation. (d) Severe deterioration, rendering significant portions of the structure unsafe or unsanitary. (e) Inadequate numbers of garbage receptacles or service. (f) Unsanitary conditions affecting a significant portion of the structure as a result of faulty plumbing or sewage disposal. (g) Inoperable hallway lighting.	Yes	There were four separate buildings, with 109 units. Overall, the project had issues with items number B, C, D, E, F and G. Not all units had all problems, some had multiple violations while others had only one violation. For instance, only one building had (with 40 units in it) had central hallways with no operable lights. Overall, the full project had issues with all of these items.
65583.1(c)(2)(A)(ii) Will affordability and occupancy restrictions be maintained for at least 20 years?	Yes	The project has a 59-year Regulatory Agreement recorded against it.
65583.1(c)(2)(A)(iii) Note: Prior to occupancy of the rehabilitated units, the local government must issue a certificate that finds the units comply with all local and State building and health and safety requirements.		The project received a certificate of occupancy prior to tenants moving back in after the rehab.

MINOR TEXT CHANGES

Table I-55: Inventory of Subsidized Rental Housing in Unincorporated Alameda County, April 2009

Project Name	Owner Type	Program (Subsidy)	Total Units	Restricted Units	Conversion Date	Income Level	Risk Analysis
Sparksway Commons	Cooperative	RHCP	45	44	2013	50%;80% Md	High
<i>Sub-total</i>			45	44			
Grove Way	Non Profit	Mod Rehab/Sec. 8	8	8	Annual Renewal	50% Md	Low
Acacia Garden/Park Terrace	Public	Bond/221d4/Sec8	43	9	2004	80% Md	Low
Wittenberg Manor I	Non Profit	231/Sec.8	95	92	2033	80% Md	Low
Wittenberg Manor II	Non Profit	Sec.202/CDBG	63	63	2033	50% Md	Low
Pacheco Court	Non Profit	SHP/CDBG	10	10	2052	30%;50% Md	Low
Banyan Street	Non Profit	CDBG/HOME	8	8	2057	50% Md	Low
Bermuda Gardens	Non Profit	CDBG/HOME/Redevelopment	80	80	2057	30%;50%;60%	Low
Concord House	Non Profit	SHP/HOPE/HOPWA	8	8	2057	30%;50% Md	Low
Eden House Apts.	Non Profit	LIHPREA	116	116	2057	80% Md	Low
South County Sober Hsg	Non Profit	CDBG	8	8	2057	SSI/GA	Low
Strobridge Apts.	Non Profit	LIHTC/HOME/Loc.	96	96	2057	50%;60% Md	Low
Hayward Village	Private	LIHTC/4% BOND	151	151	2058	80% Md	Low
Lorenzo Creek Apartments	Non Profit	LIHTC/HOME/CDBG/Loc.	28	28	2059	50% Md	Low
Quail Run Apts.	Private	County Bond/Tax Credits	104	51	2061	80% Md	Low
Kent Gardens	Non Profit	HUD 202/HOME/Trust Fund	84	84	2062	50% Md	Low
Sienna Pointe	Private	HOME/Trust Fund/LIHTF/Bond	444 ¹⁰⁹	444 ⁹⁹	2062	50%,80% Md	Low
Ashland Village Apts.	Non Profit	221d4/Sec.8	142	142	2063	80% Md	Low
<i>Sub-total</i>			1,158	1,068			
		Total	1,203	1,112			

Source: Alameda County HCD, April 2009

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

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July 2, 2010

Ms. Susan S. Muranishi
County Administrator
County of Alameda
1221 Oak Street, Room 555
Oakland, CA 94612

Dear Ms. Muranishi:

RE: Review of the County of Alameda's Adopted Housing Element

Thank you for submitting Alameda County's housing element adopted on March 30, 2010 and received on April 5, 2010. The Department is required to review adopted housing elements and report the findings to the locality pursuant to Government Code Section 65585(h). Communications with Ms. Elizabeth McElligott, Assistant Planning Director, and Ms. Angela Robinson-Pinon, Planner III, facilitated the review.

The adopted element addresses most of the statutory requirements described in the Department's September 25, 2009 review (see link below). However, the following revisions are still necessary to comply with State housing element law (Article 10.6 of the Government Code):

1. *Include an inventory of land suitable for residential development, including vacant sites and sites having the potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites (Section 65583(a)(3)). The analysis shall determine whether the inventory can provide for a variety of types of housing, including multifamily rental housing, factory-built housing, mobilehomes, housing for agricultural employees, emergency shelters, and transitional housing (Section 65583.2).*

Non-Vacant Sites: The element was not revised to specifically describe and evaluate the extent to which existing uses may impede additional residential development. The adopted element generally describes non-vacant sites are within redevelopment areas and the availability of Redevelopment funding, but still does not describe or evaluate existing uses sufficient to demonstrate potential for redevelopment in the planning period as described in the prior review. See the prior review and the *Building Blocks'* website at http://www.hcd.ca.gov/hpd/housing_element2/SIA_zoning.php#nonvancant.

Small Sites: The element notes the potential for lot consolidation "...was not considered in the formal analysis...". The element also indicates listing the potential for consolidation is "...a useful development tool..." (page 81). Given most of the identified sites are small with a residential capacity less than 30 units, including a significant number with less than 10 units, the element must demonstrate the adequacy of such small sites to accommodate the regional housing need for lower-income households or analyze the potential for lot consolidation of smaller sites as described in the prior review. While the element now groups sites assumed to have potential for consolidation, it must still include an analysis describing the methodology for establishing groups of sites for consolidation. For example, the element could describe criteria for identifying sites with potential or could evaluate any recent consolidation relative to identified sites, common ownership or other characteristics or incentives facilitating consolidation.

Residential Capacity for Non-Vacant and Non-Residentially Zoned Sites: While the adopted element includes some discussion of residential development capacity at 80 percent of maximum capacity, it was not revised to account for the potential development of non-residential uses on mixed-use sites. Projected residential development capacity should not, for example, assume residential-only development of all sites allowing non-residential uses. Please see the prior review.

Alternative Adequate Sites: The adopted element now mentions the Ashland Village Apartment Complex was at-risk of conversion to market-rate uses, but does not include any analysis to credit these units toward the County's share of the regional housing need. If utilizing these units toward the regional housing need, the element must address the specific statutory requirements of Government Code Section 65583.1 as described in the prior review. For more information, see the *Building Blocks'* website at http://www.hcd.ca.gov/hpd/housing_element2/SIA_adeqsites.php.

2. *Analyze potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including the types of housing identified in paragraph (1) of subdivision (c), and for persons with disabilities as identified in the analysis pursuant to paragraph (7), including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures. The analysis shall also demonstrate local efforts to remove governmental constraints that hinder the locality from meeting its share of the regional housing need in accordance with Section 65584 and from meeting the need for housing for persons with disabilities, supportive housing, transitional housing, and emergency shelters identified pursuant to paragraph (7) (Section 65583(a)(5)).*

Growth Controls: The element was revised to discuss potential Measure D mitigation actions (Programs 7 to 11) to encourage development in infill areas not subject to the requirements of the Measure. These mitigation actions include density bonuses and park fee waivers. However, the mitigation actions are limited to housing affordable to lower-income households, the density bonuses do not appear to exceed what is already required by statute (Government Code Section 65915) and the element does not analyze the adequacy of the measures to incentivize development or mitigate

Measure D. While the mitigation actions may assist in offsetting the constraints of Measure D for housing affordable to lower-income households in areas not subject to the Measure, the element still does not evaluate the effect of the Measure on the market and other non-subsidized developments. As described in the prior review, the element must still analyze the effects of Measure D on the cost, supply and affordability of housing. For example, the analysis should address impacts on land values, incentives or other mitigations available to all development, any applicability or impacts on the County's infill growth areas and development costs associated with requiring voter approval. Based on the outcomes of this analysis, the element should include or revise programs, as needed, to address the constraint. For example, the element could commit to additional incentives in infill areas and streamlined permit procedures, such as ministerial approval and tiered environmental review.

3. *Identify adequate sites which will be made available through appropriate zoning and development standards and with public services and facilities needed to facilitate and encourage the development of a variety of types of housing for all income levels, including rental housing, factory-built housing, mobilehomes, and emergency shelters and transitional housing. Where the inventory of sites, pursuant to paragraph (3) of subdivision (a), does not identify adequate sites to accommodate the need for groups of all household income levels pursuant to Section 65584, the program shall provide for sufficient sites with zoning that permits owner-occupied and rental multifamily residential use by right, including density and development standards that could accommodate and facilitate the feasibility of housing for very low- and low-income households (Section 65583(c)(1)).*

As noted in Finding 1, the element does not include a complete site analysis and the adequacy of sites and zoning were not established. Based on the results of a complete sites inventory and analysis, the County may need to add or revise programs to address a shortfall of sites or zoning available to encourage a variety of housing types. Programs to address a shortfall of sites must be consistent with Government Code Sections 65583.2 and 65583(c)(1) and permit owner-occupied and rental multifamily uses by-right sufficient to accommodate the remaining need for lower-income households and, among other requirements: (1) permit a minimum of 16 units per site; (2) require a minimum density of 20 units per acre; and, (3) demonstrate at least 50 percent of the regional housing needs allocation (RHNA) for lower-income households will be accommodated on sites designated for residential use only.

In addition, encouraging lot consolidation is an important component of the County's strategy to accommodate its regional housing need. As a result, the element should include specific actions to promote lot consolidation. This is especially important since the County's Density Variable (DV) program appears limited to the Residential-Suburban zone and most residential capacity to accommodate the housing need for lower-income households is identified in other zones. Specific actions could include: (1) annual outreach and marketing to developers; (2) granting density bonuses above provisions, pursuant to Government Code Section 65915; (3) deferring fees specifically for consolidation; (4) expediting permit processing; (5) identifying and targeting specific financial resources; and, (6) modifying development standards.

4. *The housing element shall contain programs which "address, and where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing" (Section 65583(c)(3)).*

As noted in Finding 2, the element requires a complete analysis of potential governmental constraints. Depending upon the results of that analysis, the County may need to revise or add programs and address and remove or mitigate any identified constraints.

Once the element has been revised to address these requirements, it will comply with State housing element law. The Department is committed to assist Alameda County in meeting the statutory requirements of housing element law. If you have questions or would like further assistance, please contact Paul McDougall, of our staff, at (916) 322-7995.

Sincerely,



Cathy E. Creswell
Deputy Director

September 2009 Review - <http://tinyurl.com/alameda-co0909>

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

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February 17, 2011

Mr. Albert Lopez, Director
Planning Department
County of Alameda
224 West Winton Avenue, Room 111
Hayward, CA 94544

Dear Mr. Lopez:

RE: Review of the County of Alameda's Revised Draft Housing Element

Thank you for submitting Alameda County's revised draft housing element received for review on December 20, 2010. The Department is required to review draft housing elements and report the findings to the locality pursuant to Government Code Section 65585(b). Communications with Ms. Elizabeth McElligott, Assistant Planning Director, and Ms. Angela Robinson-Pinon, Planner III, facilitated the review.

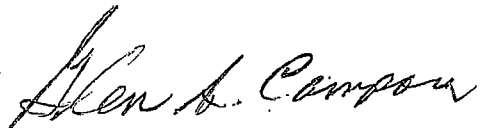
The revised draft element addresses the statutory requirements described in the Department's July 2, 2010 review. For example, the element now includes programs to encourage redevelopment of identified sites. The revised draft element will comply with State housing element law (Article 10.6 of the Government Code) when adopted and submitted to the Department, pursuant to Government Code Section 65585(g).

The element relies on non-vacant sites to accommodate the regional housing need, particularly for lower- and moderate-income households. Given the reliance on non-vacant sites, effective and timely implementation of programs to encourage redevelopment (e.g., mixed-use and transit oriented development, residential sites inventory, annual progress report) are necessary to demonstrate adequate sites and comply with housing element law. Programs to encourage redevelopment and infill development are also necessary to address potential constraints such as Measure D which can impact housing cost, supply and timing. As a result, the County must monitor and report on the status of these programs through the annual progress report, required pursuant to Government Code Section 65400. If these programs are not effective in encouraging and facilitating the redevelopment of identified sites to provide sufficient opportunities to accommodate the County's share of the regional housing need, the element must be amended immediately to identify alternative strategies and sites. For example, if annual outreach does not result in interest, incentives are not adopted or financial resources are not targeted toward redevelopment, alternative strategies would need to be expeditiously adopted to provide sufficient opportunities for development within the planning period.

Mr. Albert Lopez, Director
Page 2

The Department looks forward to receiving Alameda County's adopted housing element. If you have any additional questions, please contact Paul McDougall, of our staff, at (916) 322-7995.

Sincerely,

A handwritten signature in cursive script that reads "Glen A. Campora". The signature is written in dark ink and is positioned above the printed name and title.

Glen Campora
Assistant Deputy Director

REEL

IMAGE

Approved as to Form
RICHARD WINNIE, County Counsel
By Brian Washington, deputy

**THE BOARD OF SUPERVISORS OF THE COUNTY OF ALAMEDA,
STATE OF CALIFORNIA**

On motion of Supervisor -
Seconded by Supervisor -

and approved by the following vote:

Ayes: Supervisors Carson, Miley, Lai-Bitker

Noes: Supervisor Steele

Excused or Absent: Supervisor Haggerty

**THE FOLLOWING RESOLUTION WAS ADOPTED MARCH 30, 2010:
NUMBER # R-2010-###**

**APPROVE THE REVISED DRAFT ALAMEDA COUNTY HOUSING ELEMENT UPDATE
(2009-2014), AND ADOPT THE REVISED DRAFT INITIAL STUDY AND NEGATIVE
DECLARATION**

WHEREAS the Alameda County Board of Supervisors did receive a petition initiated by Alameda County Planning Department to amend the Alameda County Housing Element, October 2, 2003; and

WHEREAS the Alameda County Planning Commission did hold four public hearings on the proposed update to the Housing Element on the twentieth day of January 2009 and on the sixth day of July 2009, the second day of November 2009 and the nineteenth day of January 2010 at the County of Alameda, 224 West Winton Avenue, Hayward, California, for which notice was given as required by law, and at which the Commission took public testimony; and

WHEREAS the Alameda County Planning Commission did review this general plan amendment in accordance with the provisions of the California Environmental Quality Act, considered a revised draft Negative Declaration, and recommended to the Board of Supervisors that the Negative Declaration be adopted and that the general plan amendment be approved; and

WHEREAS this Board did hold a public hearing on said proposed general plan amendment at the hour of 1:00 PM on Tuesday the thirtieth day of March 2010, in the Board Chambers, County Administration Building, 1221 Oak Street, Oakland, for which notice was given as required by law and at which the Board took public testimony; and

WHEREAS this Board did review this general plan amendment in accordance with the provisions of the California Environmental Quality Act and an Initial Study has been prepared which demonstrates that there is no substantial evidence that the proposed Alameda County Housing Element Update (2009-2014) will have a substantial effect on the environment. Based upon that Initial Study, the Alameda County Planning Department has prepared a Negative Declaration for the proposed Housing Element; and

WHEREAS it is the finding of this Board that an amendment of the Alameda County General Plan to adopt the Alameda County Housing Element Update (2009-2014) is in the public interest for the reasons that it would serve as a policy guide to address the comprehensive housing needs of the unincorporated areas of Alameda County and promote the development and preservation of decent, safe, sanitary, and affordable housing for current and future residents of the unincorporated areas of Alameda County is the primary focus of the Housing Element; and

WHEREAS it is the finding of this Board that an amendment of the Alameda County General Plan to adopt the Alameda County Housing Element Update (2009-2014) is consistent with other documents that comprise the County's General Plan.

NOW THEREFORE

BE IT RESOLVED that this Board of Supervisors hereby approves the Alameda County Housing Element Update (2009-2014), and recommends that the document be sent to the State Department of Housing and Community Development for review and certification; and

BE IT FURTHER RESOLVED, that this Board of Supervisors hereby considers the proposed Negative Declaration that was prepared, and certifies that it has been completed in compliance with the California Environmental Quality Act, and finds on the basis of the whole record before it that there is no substantial evidence that the Alameda County Housing Element Update (2009-2014) will have a significant effect on the environment and that the Negative Declaration reflects the independent judgment and analysis of the County, and hereby adopts the Negative Declaration.