



Housing Element

An Element of the San Leandro General Plan

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SAN LEANDRO HOUSING ELEMENT

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1. INTRODUCTION

The purpose of the Housing Element is to ensure that a decent, safe affordable supply of housing is provided for current and future San Leandro residents. The Element strives to conserve the city's existing housing stock while providing opportunities for new housing for a variety of income groups.

The Housing Element is part of the San Leandro General Plan. It is the only element of the General Plan that is subject to review and certification by the State of California. Each city and county in the State is required to submit their Housing Element to the Department of Housing and Community Development (HCD). HCD evaluates the document based on specific criteria to determine whether it meets the requirements that have been set by the State Legislature and the California Government Code. State certification assists the City in qualifying for affordable housing funds. It also helps ensure the legal adequacy of the General Plan and demonstrates that the City is doing its fair share to address regional housing needs.

The Housing Element is also distinguished from the rest of the General Plan in that the Government Code establishes a schedule for its update. The previous San Leandro Housing Element covered a period from 2007-2014. This element covers a period that begins on January 1, 2014 and ends on January 31, 2023. Some of the action programs listed in the Element are already underway and will be continued. Others are new and will require a commitment of staff time and resources.

The data and analysis requirements for the Housing Element are much more substantial than those for the other elements of the General Plan. Thus, this document has been designed as a freestanding report. A companion document, the Housing Element Summary, appears within the body of the General Plan (Chapter 9). The Summary includes a condensed version of the data and analysis and repeats the full set of goals, policies, and action programs. The Housing Element is fully consistent with the other elements of the General Plan.

housing and the general plan vision

In 2002, the City of San Leandro adopted a new General Plan designed to guide growth and development. The underlying strategy was to conserve San Leandro's neighborhoods and industrial areas while focusing new development around the Downtown BART station, in and around the Downtown area, and along major commercial corridors such as East 14th Street and Washington Avenue. The 2002 General Plan provided the basis for subsequent plans for Downtown and the East 14th Street South Area. These plans were followed by zoning changes to incentivize the desired forms of development.

Both the 2003 and the 2010 Housing Elements helped implement the General Plan by calling for high density multi-family and mixed use development in the locations shown on the General Plan Land Use

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Map. The two Elements both called for specific strategies to stimulate housing construction on vacant land and underutilized commercial sites close to public transit and City services.

In 2014, the City initiated a General Plan update. The new Plan will have a horizon year of 2035 and will provide the long-range policies needed to guide San Leandro forward for the next 20 years. Adoption of the updated Plan is anticipated in 2016. This Housing Element was prepared early in the General Plan process, before revisions to the Land Use Map were completed. However, the basic philosophy that underpins the 2002 General Plan is not expected to change. A more rapid rate of growth is envisioned by the new Plan, recognizing city and regional projections and regional initiatives to focus growth near public transit and create more walkable neighborhoods throughout the Bay Area. Additional housing opportunities may be created as a result of future General Plan changes.

The previously adopted General Plan places great emphasis on the preservation and improvement of the city's established residential neighborhoods. It recognizes the benefits of a diverse, well maintained housing stock and promotes the conservation and maintenance of the more than 32,000 housing units in San Leandro. The Plan also defined the City's role in regional efforts to coordinate land use and transportation planning, improve environmental quality, and grow in a more sustainable way. The 2035 General Plan is expected to carry these principles forward.

Housing is a fundamental part of the City's long-range plans. The Bay Area continues to be one of the most expensive housing markets in the United States. Thousands of San Leandro residents face economic hardship because of high housing costs or have trouble finding suitable housing in the city. Looking forward, housing demand is expected to continue to outpace supply. The updated General Plan will continue to encourage higher density development around San Leandro's BART stations and along East 14th Street. New infill housing, along with the services to sustain that housing, are important parts of the City's vision.

San Leandro needs new housing to survive as a healthy city. It needs housing for its workforce, which is expected to grow by the thousands during the next decade as older industrial and commercial sites are redeveloped. It needs housing for its seniors and others with limited mobility or fixed incomes. It needs housing for its teachers, its police and fire personnel, its nurses and child care workers, and the retail and service workers who are the lifeblood of the local economy. It needs housing for families, some of whom are living in small apartments or overcrowded quarters. It needs housing for those at risk of homelessness and those who are already homeless.

While the city witnessed a large volume of residential construction in the 1990s and early 2000s, the market has been sluggish for several years. After two years of rapid price inflation in 2013 and 2014, new market rate housing is less affordable than it was when the last Housing Element was adopted in 2010. Construction of some housing types—rental apartments, for instance—has been lagging for decades. The Housing Element provides a strategy for producing a more balanced housing stock—and for supplementing “market rate” housing with housing that is affordable to a larger segment of the city's

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population. This includes opportunities for first-time homebuyers, new rental housing, and housing that is especially designed for people with special needs, such as the elderly and disabled.

The Housing Element also supports state and regional sustainable development goals. In 2007-2008, San Leandro received over \$20 million in State grants to facilitate housing development in the Downtown BART station area. Subsequent plans and investments in infrastructure have helped lead to several major development proposals, including a corporate tech campus and a 200-unit affordable housing development expected to break ground by the end of 2014. In this regard, the Housing Element provides an essential link to other public policy goals related to greenhouse gas emissions, climate change, and reducing dependency on private automobiles.

the regional housing needs allocation (RHNA) process

State law has established a process for assigning the responsibility for affordable housing production in California to individual cities and counties. This process is known as the Regional Housing Needs Allocation (RHNA), or the “fair share” allocation process. The fundamental premise is that each community in the region has an obligation to accommodate a share of the region’s need for housing, including housing for low- and moderate-income residents.

The fair share process for the 2015-2023 Element began several years ago, when the State Department of Housing and Community Development determined that the nine-county Bay Area needed to produce 187,990 new housing units to satisfy regional demand.¹ The Association of Bay Area Governments (ABAG) developed a formula to allocate these units to the Bay Area’s nine counties and 101 cities. The formula is based on a weighted average which considers projected household growth, job growth, land supply, infrastructure and environmental constraints, real estate market conditions, and the availability of public transit (especially rail stations).

In addition to identifying the total number of units to be assigned to each community, the formula indicates how many of these units need to be affordable to very low, low, moderate, and above moderate income households. This distribution attempts to more evenly balance lower income housing within the region. Communities with relatively small existing percentages of low and very low income residents are assigned higher percentages of housing for such residents in their RHNA allocations. In San Leandro’s case, the income allocations are weighted more heavily toward above moderate income housing since the City’s median income is lower than the regional average.

The Draft RHNA numbers were published in July 2012. Eight jurisdictions appealed their allocations (San Leandro did not), and a process was initiated to hear and resolve each appeal. This process was completed in July 2013 when the ABAG Executive Board finalized the fair share numbers. At that point, local governments throughout the region were instructed to update their Housing Elements and demonstrate the steps they would take to accommodate their assignments.

¹ *The RHNA period is 2014-2022 but the “planning period” is 2015-2023. Thus, cities are expected to meet their 2014-2022 needs during a time period that includes 2014 and extends until January 31, 2023.*

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San Leandro's assignment for the 2014-2022 period is 2,287 units. This is 50 percent higher than the 1,630 units that had been assigned to the city for the 2007-2014 period and almost three times higher than the 870 units that had been assigned to the city for the 1999-2006 period. The higher assignment was driven by a number of factors, including higher employment projections for the city and the RHNA emphasis on promoting "city-centered" growth around BART stations.

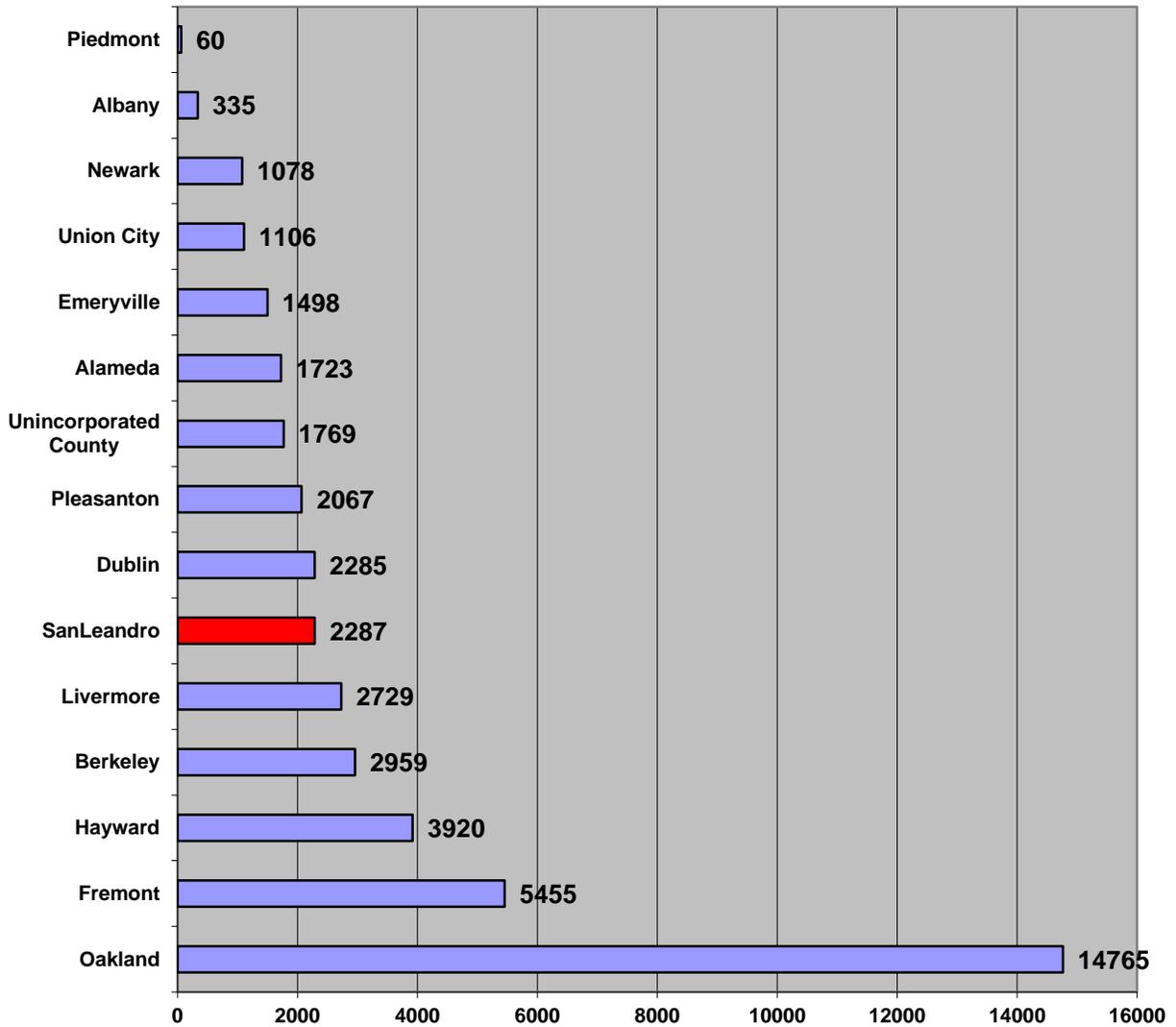
The City's 2014-2022 assignment includes 504 units for very low income households, 270 units for low-income households, 352 units for moderate-income households, and 1,161 units for above moderate income households.² Although State law does not require the City to physically develop these units, it does require that adequate sites be provided for their construction and that programs be implemented to facilitate their development.

Regionwide, 25% of the RHNA is for very low income units, 15% is for low income units, 18% is for moderate income units, and 42% is for above moderate income units. In San Leandro, 22% of the allocation is for very low income units, 12% is for low income units, 15% is for moderate income units, and 51% is for above moderate income units. The allocation suggests a multi-layered housing plan which aims not only to create more affordable units but also to substantially increase market rate housing production in the city.

Chart 1-1 (see below) shows the RHNA allocation for the 14 cities in Alameda County. San Leandro is currently the fifth largest city in the County, and its RHNA allocation is the sixth largest among the County's 14 cities. The City currently represents 5.5% of the County's population and its RHNA is 5.2% of the County total.

² *These income categories are further defined in Chapter 3*

Chart 1-1: 2014-2022 RHNA Allocations for Alameda County and its Cities



Source: ABAG, 2013

community participation

Although the 2010 Housing Element was only four years old when this Update was initiated and its policies were largely viewed as still current, the City implemented a community engagement strategy to guide the revision of housing policies and programs. Consistent with State law, the strategy was designed to encourage participation by all economic segments of the community, particularly lower income populations and persons with special needs.

In March 2014, the City retained a consulting firm to initiate work on the update. The Housing Element was a discrete task within a two-year scope of work that encompassed the entire General Plan. Given its time-sensitive nature, updating the Housing Element was given first priority and became the “lead in” task for the rest of the General Plan. An initial study session was held with the Planning Commission in March. Subsequent study sessions on the Housing Element were held in May and July. The City also convened study sessions on the Housing Element with the Board of Zoning Adjustments (June 5, 2014), the Rent Review Board (July 29, 2014), and the Human Services Commission (September 10, 2014).

The City convened a housing stakeholders “roundtable” discussion on July 1, 2014 in which 16 individuals, including realtors, developers, neighborhood groups, and housing advocates attended. The discussion focused on ways to stimulate housing production in the city, and ways to better meet the needs of groups such as seniors and the homeless. In addition, one on one meetings were held with several housing advocacy groups, service providers, and developers to gain insight into key issues and changing market conditions. Among the organizations contacted were Congregations Organized for Renewal (COR), and the San Leandro Unified School District. Consulting these groups and others ensured that proposed housing programs were responsive to current conditions.

On July 30, 2014, the City convened a community meeting on housing at the San Leandro Senior Center. The meeting was publicized with lead stories in the *South County Post* and *San Leandro Times* newspapers and was advertised via flyers, post-cards, emails, and neighborhood blogs and list-servs. Approximately 80 people attended. Spanish translation and American Sign Language (ASL) translation were provided for, and utilized by, meeting attendees. The discussion was dynamic and informative. Each participant received a “Comment Card” on housing issues to provide feedback after the meeting.

Following the community meeting, staff and the consultant attended a number of neighborhood meetings to discuss the Housing Element and related housing and land use issues. These meetings provided an opportunity to discuss local concerns about density, potential Zoning Code changes, and housing policies, while providing additional information on housing needs, opportunities, and the Housing Element requirements.

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The City also created a website for the General Plan Update (sanleandro2035.org), with housing issues highlighted during the period of the Housing Element update. The website included frequently asked questions (FAQs) about the Housing Element in English, Spanish, and Chinese; links to downloadable documents; announcements of meetings; and copies of presentations and staff reports. The website also included a link to “Virtual City Hall”, an interactive application that enables residents to express their views and opinions on policy questions. Several questions on the Housing Element were posed, and the public’s feedback was considered as new housing programs were developed.

In September 2014, an “Administrative Review” (AR) Draft Housing Element was released for public comment. The City used the “streamlining” provisions established by the California Department of Housing and Community Development (HCD), which enabled the City to use the adopted (2010) Housing Element as the foundation for the new document (see text box below on streamlining). The City “track changed” the 2010 Housing Element to produce a new draft which reflected current housing needs, opportunities, and constraints. The housing programs in the 2010 document were updated and expanded to reflect current conditions and the higher Regional Housing Needs Allocation.

On September 11, 2014, the San Leandro Planning Commission conducted a public hearing on the AR Draft Element. A number of changes were incorporated based on Commissioner feedback and public comment. The revised draft was posted to the project website and presented to the City Council.

The City Council conducted a public hearing on October 6, and subsequently recommended submittal of the document to HCD for preliminary review, as required by State law. HCD provided comments in early November. In response, an “Addendum” was prepared by staff and submitted to HCD on November 19. On November 21, HCD indicated that the document would be found in compliance if it was adopted with the Addendum. Opportunities for public comment continued between October and December, including two General Plan workshops and additional meetings with community organizations.

An “Adoption Draft” Housing Element was released in December 2014, with the Addendum incorporated. This was the subject of public hearings before the Planning Commission and City Council in December and January 2015, culminating in adoption before the statutory deadline of January 31, 2015.

organization of the element

Following this introduction, the Housing Element contains the following chapters:

- A review of the prior (2010) Housing Element, including an analysis of the City’s progress toward achieving its adopted goals and objectives, and an appraisal of its housing policies.
- A Needs Assessment, which analyzes socio-economic conditions, housing conditions, population projections, and market trends to determine the City’s current and future housing needs.

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- An Adequate Sites Analysis, which identifies potential sites where new housing may be constructed.
- A Constraints Analysis, which addresses governmental constraints to housing development such as zoning and fees, and non-governmental constraints, such as the high cost of land.
- Goals, Policies, and Actions, designed to address the city’s housing needs, reduce housing constraints, and create a positive environment for affordable housing production and conservation. This section includes quantified objectives that may be used to measure the city’s progress.
- A Five-Year Implementation Plan, which summarizes local housing programs and establishes a timeline and responsible party for carrying out Housing Element actions.

Streamlining the Update

To expedite review and processing, the State Department of Housing and Community Development (HCD) established “streamlining” provisions for the 2015-2023 Housing Element Update. These provisions recognize that much of the information in the Housing Element has not changed since the last Element was adopted (in San Leandro’s case, just four years ago).

Cities eligible for streamlined review must have a certified Housing Element and meet specific criteria related to State housing law. These include adoption of reasonable accommodation procedures for disabled persons, definitions of transitional and supportive housing which comply with State law, compliance with SB 2, adoption of density bonus provisions that comply with State law, and completion of any rezoning needed to meet regional housing needs. San Leandro met all criteria at the time this Element was drafted.

Streamlining required that the City submit a “clean” copy of the Housing Element and a “tracked change” copy indicating the changes (additions, deletions) to the existing Element. A streamlining “template” also was completed to indicate where changes to the 2010 document were made. The City also provided a “completeness checklist” to facilitate HCD review.

2. EVALUATION OF THE 2010 HOUSING ELEMENT

introduction

Section 65588(a) of the California Government Code requires each jurisdiction to periodically review its housing element and evaluate:

- the appropriateness of the housing goals, objectives, and policies in contributing to the attainment of the State housing goal;
- the effectiveness of the (prior) housing element in the attainment of the community’s housing goals and objectives; and
- the progress of the community in housing element implementation.

The periodic review is one of the major components of a housing element update. It provides an opportunity to evaluate the relevance of the City’s housing policies and programs, identify where gaps exist, and suggest possible ways to fill these gaps. The review forms the basis for restructuring the housing element to better meet current housing challenges.

San Leandro’s Housing Element was last updated in 2008-2010. The Element was certified by the State in 2011 and has served as the basis for local housing policy for the last four years. During the period covered by that Element (2007-2014), the Bay Area weathered the most severe economic recession in over 75 years. Housing starts were much lower than they had been during the prior (1999-2006) period, when over 1,200 units were constructed. Despite the economic downturn, San Leandro produced approximately 230 new housing units during 2007-2014. The City also facilitated the creation of more than 1,000 affordable housing units through a combination of conversions and new construction. San Leandro also assisted low and moderate income homeowners, first-time homebuyers, and supportive service providers in meeting local housing needs.

The 2010 Element included eight goals, 66 policies, and 81 action programs. It also cross-referenced policies and actions in other elements of the General Plan. The discussion below describes the City’s progress toward achieving these goals and policies, and the appropriateness of each goal and policy today. The discussion begins with an introduction to San Leandro and an overview of housing production, housing programs, and market trends in the city during the last planning period.

context for the housing element

San Leandro is located on the east shore of San Francisco Bay approximately 8 miles south of Oakland, 15 miles southeast of San Francisco, and 35 miles north of San Jose. It is the fifth largest of Alameda County’s 14 cities in population the sixth largest in number of jobs. It is bounded on the north by Oakland

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and on the south by the unincorporated communities of San Lorenzo and Ashland. The western edge of the city is defined by San Francisco Bay, while the East Bay hills define the eastern edge.

The city's land area is 13.3 square miles. Excluding streets and freeways, about 46 percent of this area is comprised of residential uses. San Leandro's neighborhoods include about 2,600 acres of single family detached homes, 260 acres of townhomes and duplexes, 300 acres of apartments and condominiums, and 70 acres of mobile homes. These areas contain about 32,500 housing units, for an average residential density of 10.5 units per net acre. This density creates a more urban character than the newer communities of the East Bay (like Dublin and Fremont) but a more suburban character than Berkeley, Oakland, and other cities closer to San Francisco.

Although many San Leandro neighborhoods are perceived as being homogeneous, the housing stock is actually quite diverse. The city contains view-oriented hillside homes, Craftsman bungalows and Mediterranean cottages, apartment buildings and garden apartment complexes, mid-rise condominiums, ranch-style tract homes, century-old Victorians, mobile home parks, California contemporaries, and even semi-rural ranchettes. Many single family neighborhoods include pockets of higher-density housing, along with other uses such as parks, schools, and churches.

San Leandro was initially laid out in 1855 and was incorporated in 1872. By 1900, it had grown to about 2,300 residents and was a prosperous agricultural center. The city continued to grow at a moderate pace during the first 40 years of the 20th Century. Many of the neighborhoods in the northeast part of the city, such as Broadmoor and Estudillo Estates, were developed during this time period. The railroad corridors developed with industry, while Downtown remained the center for commerce and civic life. By 1940, San Leandro had 14,000 residents. Still, the town covered just a few square miles and was surrounded by farms and orchards.

The 1940s and 50s were a time of transformation for the city. A development boom, initially fueled by wartime housing construction and then sustained by returning veterans and their families, brought about a 350 percent increase in the city's population in just 20 years. Much of San Leandro's current form and character was defined during this era and nearly half of the city's current housing stock was added. Most of the neighborhood shopping centers and commercial strips along East 14th Street and other arterials date from this period. The city also emerged as a major industrial center during this era, with more than 6,000 manufacturing jobs added between 1947 and 1954 alone.

The pace of growth slowed as the city reached its natural limits during the 1960s. On the east, steep hills created a barrier to large-scale development. On the west, most of the shoreline had been acquired for park uses. Established communities lay to the north and south. The focus of new development shifted to smaller infill sites, including greenhouses and nurseries, and other properties that had been bypassed during the boom years.

By the 1980s, other factors had begun to shape the form of San Leandro. The Bay Area's economic base shifted from manufacturing to services and technology, and many traditional industries left the city. As the thousands of families who moved to San Leandro during the 1940s and 50s matured, school enrollment dropped and several schools were closed and redeveloped with housing. The percentage of

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senior citizens in the city increased from six percent in 1960 to 20 percent by 1990, giving San Leandro the highest median age in Alameda County.

During the 1990s and into the early 2000s, demographic and economic changes continued to reshape San Leandro. In the span of two decades, the city became one of the most diverse communities in the Bay Area, with rapid increases in its Asian, Latino, and African-American populations. The number of children in the city increased dramatically, impacting school enrollment and the local housing market. At the same time, the city found itself at the forefront of a nationwide effort to re-direct growth back toward the developed cores of major metropolitan areas. With two BART stations and several major bus corridors within its borders, San Leandro emerged as a logical location for “smart growth” and transit oriented development.

Today, San Leandro continues to be one of the most culturally and economically diverse cities in the region. The City has embraced principles of sustainable development as it plans for its future. Its growth strategy focuses future residential development in areas served by public transportation at densities that support walking and transit use. The completion of a fiber optic network (Lit San Leandro) in San Leandro’s business districts is helping to spur economic growth and expansion of technology-related industry. Recent completion of Kaiser Hospital and approval of a Downtown Tech Campus are establishing the City as an innovation center. The production of housing for a variety of income groups continues to be a central part of the City’s vision for its future.

housing program administration

Most housing programs in San Leandro are administered and coordinated through the Community Development Department. The Department’s Housing Services Division works on housing-related activities, while the Planning Division processes development applications and provides assistance in housing policy development. The Office of Business Development, which is also within the Community Development Department, administers business incentive and attraction programs and works to facilitate businesses retention and expansion within the city. The Office works closely with the Housing Services Division on housing activities. City departments work collaboratively with the development community on housing proposals, conduct outreach efforts to the community on housing, provide technical assistance to for-profit and non-profit developers, and assist prospective housing program clients.

The Housing Services Division focuses its efforts on administering and monitoring federally funded housing activities, as well as local initiatives such as the Rent Review program, inclusionary housing, and the Affordable Housing Trust Fund. The Community Development Department facilitates the development of new affordable housing projects, the rehabilitation of older apartments, and the conservation of existing affordable units. The Division is also the City’s primary resource for affordable housing information.

A combination of factors led to reduced capacity in the Housing Services Division between 2009 and 2014. The 2007-2010 recession resulted in diminished revenue for local services, resulting in staff cuts and reduced funding levels for housing activities. In January 2012, the elimination of Redevelopment Agencies and the diversion of redevelopment funds from cities to the State of California led to further

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reductions. Staff levels in the Housing Services Division were reduced from 3.5 full time employees to one employee. Some of the programs administered by the Division were eliminated or severely curtailed.

During the 2007-2014 period, the City of San Leandro facilitated two new affordable housing developments and provided technical assistance and support to a property owner who converted an 840-unit market rate rental housing development into affordable housing using federal/state low income housing tax credits. In 2007, the City completed a Downtown Transit-Oriented Development (TOD) Strategy. This was followed by the rezoning of Downtown to facilitate denser mixed use development and a General Plan amendment to integrate the TOD Strategy. The City also provided support to local organizations assisting the homeless, persons at risk of homelessness, and others with special housing needs. Many of these actions resulted from programs identified in the 2010 Housing Element, and the 2003 Element that preceded it.

2007-2014 RHNA housing targets vs. actual performance

The 2010 Housing Element was prepared to cover the period 2007-2014. ABAG's Regional Housing Needs Allocation (RHNA) had assigned 1,630 housing units to San Leandro for that period, distributed as follows:

Very Low Income*	368 units
Low-Income*	228 units
Moderate-Income*	277 units
Above Moderate Income*	757 units
Total	1,630 units
<i>*See Page 3-12 for a definition of each income category</i>	

The City used its 2010 Housing Element to demonstrate how it would encourage production of these units during the 2007-2014 time period, with an emphasis on 2010-2014.

The actual number of units produced during 2007-2014 fell short of the RHNA figures. Actual production was as follows:

Year	Units Built
2007	43
2008	97
2009	12
2010	63
2011	0
2012	8
2013	8
2014	N/A(*)
Total	231

(*) Year still underway at time of publication

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Of the 231 units produced, 68 (67 for tenants and one manager's unit) were associated with the Casa Verde development for very low income households, and 51 (50 for tenants and one manager's unit) were associated with Estabrook Place Senior Apartments, which is also limited to very low income elderly tenants. Thus, the City produced 117 new very low income units during the time period. While this is only one-third of the RHNA for very low income households, it represents more than 50 percent of the total number of units produced in 2007-2014.

Of the 114 remaining units, most were single family for-sale homes sold at market rate prices. A majority of these homes were townhouses, duplexes, and detached homes on small lots. Based on their sales prices and prevailing market rents, the tally is estimated to include six homes affordable to low income households, 19 affordable to moderate income households, and 89 units affordable to above moderate income households. Relative to the RHNA targets, the City produced 32% of its very low income target, 3% of its low income target, 7% of its moderate income target, and 13% of its above moderate income target. Overall, the 231 units of production represents 14% of the RHNA.

Casa Verde and Estabrook Place were the two largest projects developed during the planning period. As noted above, both were 100% affordable to very low income households.

The largest market-rate development during this period was Cherry Glen, a 43-lot townhome development on Washington Avenue just north of I-880. Pursuant to the City's inclusionary housing ordinance, several of the units in this development were reserved for (and sold to) low and moderate income homebuyers.

Other projects completed during this time period were an 11-unit townhome development at Chumalia and Hyde Streets in Downtown San Leandro, a 6-unit small lot subdivision on Hays Street in Downtown (Arbor Place), a 5-unit small lot subdivision on Lewelling Boulevard adjacent to Lewelling Park (Bayport Court), a 9-unit townhome development on Davis Street (Toscani Place), an 8-unit townhome development on MacArthur Boulevard at Superior (Cherry Park Square), and the final phase (4 units) of the Greenbrier small lot subdivision on MacArthur just north of San Leandro Creek. The trend toward 5-10 unit small lot infill and townhome developments represented a change from the pattern of the 1990s and early 2000s, when most development occurred in large-scale single family home developments such as Cherrywood and Heron Bay.

There were also eight duplexes developed on scattered sites during this period (16 units). Although all of the duplexes were market-rate, some of them would be considered affordable to moderate income households based on their rents or sales prices. This is particularly true for the duplexes developed as rental units, and those units less than 1,000 square feet in size. In addition, there were seven second units developed during this period. Those larger than 400 square feet are presumed to be affordable to moderate income households based on prevailing market rents, while those smaller than 400 square feet (2 units) are presumed to be affordable to low income households.¹

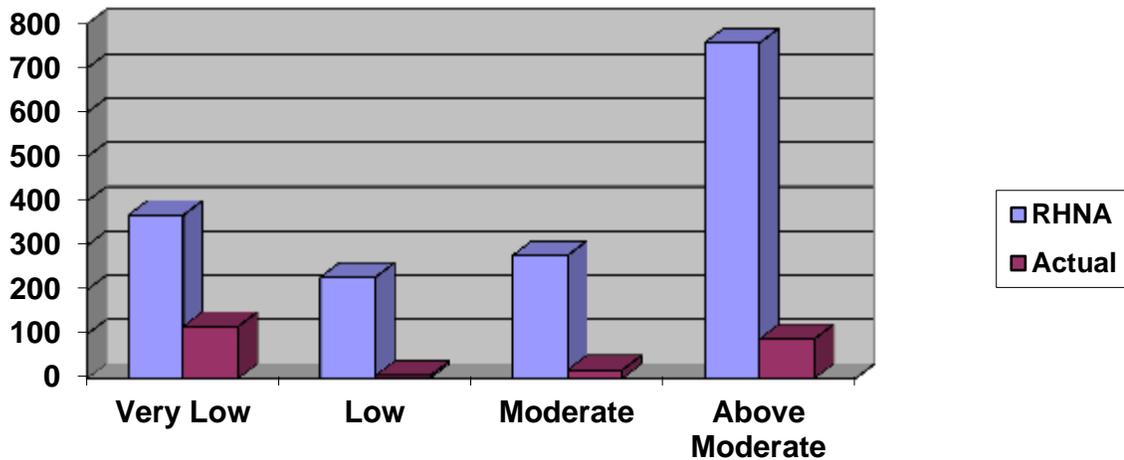
¹ A review of advertised Craigslist rents for duplexes in San Leandro in June 2014 indicated a range from \$1675 to \$1895, which is considered to be within the affordability range for moderate income households with three or more persons. "Studio" in-law units were generally in the \$900-1,100 range, which would make them affordable to one and two person low income households.

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Housing production during 2007-2014 was sharply below production during the 1999-2006 period, when 1,289 units were produced. The 1999-2006 period saw the construction of two subdivisions with over 300 units each (Cherrywood and Heron Bay). It is worth noting that despite the lower overall totals in 2007-2014, the City actually produced a larger number of very low and low income units during the 2007-2014 time period (123 units) than it did in 1999-2006, when only 112 very low and low income units were built.

Chart 2-1 shows the breakdown of RHNA units and actual units produced by income category in 2007-2014.

Chart 2-1: RHNA vs. Actual Production, 2007-2014



Source: City of San Leandro, 2008

One of the most significant changes to the City’s housing stock between 2007 and 2014 involved the acquisition and conversion of an existing market-rate housing complex to affordable housing. A total of 840 units of affordable housing were created when Lakeside Apartments (formerly Lakeside Village) at 2140 Springlake Drive was purchased in 2011. The property was originally built in 1969-1971 and contains 208 studios, 456 one-bedroom, and 176 two-bedroom apartments. The private owner/ developer Standard Lakeside Properties used revenue bonds and low income housing tax credits to acquire and rehabilitate the property. City financial assistance was not required, although the City provided technical assistance and facilitated project permitting.

The Lakeside Apartments rehabilitation took approximately three years and was completed in stages. It included upgrades not only to the units themselves, but also the clubhouse, the pool and other common areas, the leasing office, landscaping, and the building exteriors. Rents are now maintained at levels that are affordable to families whose income is below 50% to 60% of the areawide median income. Some of the existing tenants qualified under these guidelines and were able to return to the complex after renovation. Households that did not meet the income guidelines were provided with relocation assistance.

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While the Lakeside Apartments conversion did not result in a net gain in the number of units, it was an important gain in terms of the City's inventory of affordable units. The complex represents almost three percent of the City's total housing stock, and has more housing units than all other affordable housing developments in San Leandro combined. Rents are \$962 for a studio, \$1,028 for a one-bedroom, and \$1,229 for a two bedroom. Comparable units in nearby complexes are \$1,200 to \$1,700, providing a substantial margin of savings for qualifying tenants.

Additionally, the City provided technical assistance in the rehabilitation of 75 units for seniors at Fargo Senior Center by the non-profit Christian Church Homes(CCH). CCH used State and federal low income housing tax credits to upgrade major building systems in this affordable project and did not require City funding. The City did provide funding assistance to Eden Housing, enabling their acquisition and rehabilitation of the 46-unit Surf Apartments. Twenty-two (22) market rate units had previously converted to affordable in 2003 (during the last planning period), and another 10 units were converted in 2011. These units have a 55-year affordability term.

land use goals related to housing

The Housing Element is one of the ten elements of the San Leandro General Plan. The other nine elements include 52 goals and over 400 policies. Goal 3 (which appears in the Land Use Element) is technically not part of the Housing Element but is cross-referenced because it states the City's broader commitment to "improve access to housing for all economic segments of the community." The City has made considerable progress toward this goal since adoption of the General Plan, working proactively with developers to expand the type and price range of housing units available to San Leandro residents. There are nine policies under Goal 3, itemized below.

Policy 3.01 calls for the City to encourage a "mix of unit types," including single family homes, town-homes, live-work units, planned unit developments, and multi-family housing. Despite the economic slowdown and recession, most of these housing types were produced during 2007-2014, including two large multi-family developments, several townhome developments, and several projects featuring small lot single family homes. The city also continued to see development of duplexes, second units, and single family homes on infill lots, albeit at slower rates than it did during the early 2000s. More than half of the units added during 2007-2014 were multi-family apartments.

Policy 3.02 calls for a mix of price ranges as new housing is produced. Price diversity was achieved, although not to the extent desired. Units were generally produced at the very low and above moderate income ends of the spectrum, with very little produced in the low to moderate ranges. The City also continued to see almost no new market-rate rental housing during the period and relatively few entry level condominiums appropriate for first-time buyers. In the affordable rental housing market, the two developments built served small households (Casa Verde) and seniors (Estabrook Place). There were no affordable rental units for larger families produced. The City is addressing this shortfall through the proposed 200-unit BRIDGE housing development, Cornerstone Apartments, scheduled for construction in late 2014.

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Policy 3.03 encourages affordable housing to be well designed and geographically dispersed around the city rather than concentrated in one location. The Inclusionary Zoning Ordinance is an important part of implementing this policy. It has helped ensure that affordable units blend seamlessly with their market-rate neighbors, and has also helped achieve geographic dispersal. However, it is only responsible for a small fraction of the units produced in 2007-2014. The two affordable projects built by non-profits in 2007-2014 were located just a few blocks from each other on East 14th Street but serve very different tenant groups. These projects are well designed and are perceived as community assets. The policy to avoid overconcentration of affordable housing is being implemented and should be carried forward.

Policy 3.04 encourages “infill” development on vacant or underutilized sites. All of the development completed since 2007 may be characterized as infill—growth has been entirely within the existing city limits and no open space has been lost. San Leandro has successfully achieved the reuse of older commercial sites with housing, as well as the recent construction of individual housing units on vacant residential lots that were “skipped over” by development in past decades.

Policy 3.05 promotes pedestrian-oriented mixed use development on transit corridors. In the last 10 years, the City has adopted transit-oriented development plans for the South East 14th Street corridor and the Downtown BART station area, and has completely revised the zoning for these areas to encourage (and in some cases to mandate) high-density housing development. Several properties along East 14th Street have been redeveloped with mixed uses or high-density housing since 2007, including Casa Verde and Estabrook Place. Additional higher-density and mixed use developments have been approved in the BART station vicinity. Design guidelines for East 14th Street and the BART area will ensure that future projects are designed to encourage transit use and walking, and to mitigate impacts on nearby lower density areas.

Policy 3.06 promotes the construction of housing by non-profit developers, with particular emphasis on affordable housing for seniors and families. Progress toward this policy has been made since 2007, including construction of Estabrook Place (50 units for seniors) and Casa Verde (67 units for small, very low income households), and the pending construction of the Cornerstone Apartments project at the San Leandro BART Station. The Cornerstone will be developed by the non-profit BRIDGE Housing and will feature 85 affordable units for seniors and 115 affordable units for families. The City continues to work with developers to identify and secure appropriate sites for affordable housing. It also continues to provide technical and financial assistance to the non-profit development community.

Policy 3.07 encourages new affordable housing to include on-site amenities for its residents, and to incorporate social services such as child-care on-site. The affordable projects built since 2007 include facilities such as community rooms and gathering spaces for residents as well as on-site service coordinators.

Policy 3.08 encourages live-work development, particularly in transitional areas between industrial and residential uses. The City’s revised zoning regulations encourage additional live-work space along East 14th Street and in the Downtown TOD area. However, the production of live-work units between 2007

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and 2014 was affected by the drop in real estate prices and slowdown in construction. No units were added during this period. This remains a valid policy for the future.

Policy 3.09 established a set of criteria for converting non-residential land to housing or public uses. The intent of this policy was to limit the encroachment of residential uses into viable industrial areas, while allowing for some conversion where industry and commerce may no longer be viable. The areas considered most appropriate for conversion are those near the BART station and along East 14th Street. San Leandro is committed to retaining its core industrial areas, as these areas provide an important source of employment, a variety of wages, and solid vocational opportunities for residents without a college degree. San Leandro has successfully implemented this policy since its adoption. With a few exceptions where industry was truly no longer viable (i.e., Heron Bay), new housing has been built on former commercial land rather than industrial land. The City has retained large areas for heavy industry, warehousing and distribution, and research and development, providing living wage manufacturing and wholesaling jobs for thousands of Bay Area residents. As part of the 2035 General Plan Update, the City will re-evaluate this policy and determine if there are other areas where residential uses, including live-work and loft-style housing, may be appropriate.

progress on achieving housing goals and objectives, and implementing housing policies and programs

The 2010 Housing Element's eight goals are listed below, with narrative text and tables documenting progress and key accomplishments during the reporting period. Consistent with Housing Element law, numerical objectives were developed in 2010 for some of the goals, providing a benchmark for measuring the City's progress. Each objective represents a target for the number of units to be preserved, improved, or developed—or the number of households to be assisted—during the time horizon of the Element.

The Goals are numbered 53 through 60. The numbering starts at “53” because Goals 1 through 52 appear in other elements of the General Plan. Each goal includes several policies (numbered 53.1, 53.2, 53.3, and so on). Some of the policies include specific action programs (numbered 53.1-A, 53.1-B, and so on).

goal 53: affordable housing development

Goal 53 was to increase the supply of affordable ownership and rental units in San Leandro. Three quantified objectives were included to measure the City's progress:

- Facilitating the development of 149 units (50 units at Estabrook Place and 99 units at the Crossings/Cornerstone) for very low income households
- Facilitating the development of 152 additional very low income units, 221 low income units, and 262 moderate income units to meet the remainder of the Regional Housing Needs Allocation
- Opportunities for 76 extremely low income households to find housing in new affordable housing developments not yet entitled as of 2010

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The City partially achieved the first objective. Estabrook Place was completed as scheduled. The Crossings development (now Cornerstone Apartments) was delayed, and eventually re-envisioned as a 200-unit complex (including 115 units for families and 85 units for seniors). Construction is scheduled for late 2014. The City did not achieve the second or third objectives due to poor market conditions, limited financing, and the elimination of the Redevelopment Agency and reduction of other funding sources. The proposed Cornerstone project is scheduled to include 20 extremely low income units. The combination of market forces and revenue constraints made it impossible to build over 600 units of affordable housing within a four-year timeframe.

Significant progress was made on carrying out the individual policies and programs, as noted below.

Policy 53.1 was to “provide and maintain an adequate supply of land to accommodate the City’s fair share housing assignment for the 2007-2014 period.” This was fully achieved and remains a relevant policy. The supply of land increased dramatically in 2007 when the TOD Strategy was adopted and over 100 acres in the station area were rezoned for high-density mixed use development. In some cases, land previously zoned for office and industrial uses (where residential development was a prohibited use) was rezoned to *require* high-density housing as a component of new development. The capacity for more than 3,500 units—more than double the 2007-2014 RHNA assignment—was created in the TOD area alone.

Policy 53.2 was to locate future higher density housing in areas served by transit, and to support transit improvements along East 14th Street. This policy is being achieved and is still relevant. The two largest residential developments in the City in the last seven years were both on the East 14th Street corridor and the largest pending residential development is across the street from the San Leandro BART station. The City has also been working with AC Transit on service improvements along East 14th Street, including a Bus Rapid Transit line from Downtown Oakland to the San Leandro BART station.

Policy 53.3 was to “actively pursue and leverage private, non-profit, and public funds to facilitate the development of affordable housing....” It also called on the City to provide administrative and technical assistance to housing developers. This continues to be an appropriate policy that has been implemented consistently over the past decade. In addition to working with non-profit developers to construct Casa Verde and Estabrook Place, the City has worked closely with BRIDGE Housing Corporation in the financing and permitting of the Cornerstone development. The City also provided technical assistance to Standard Lakeside Properties in its rehabilitation and acquisition of Lakeside Village, and conversion of the complex to affordable housing. As a member of the Alameda County HOME Consortium, the City also annually applies for HOME funds from the County to leverage investment in affordable housing.

Policy 53.4 formalizes the City’s Inclusionary Housing requirements. It indicates that the City will require the inclusion of affordable housing in new development both within and outside of redevelopment areas. The policy needs to be updated to delete reference to redevelopment areas and to reflect the outcome of the Palmer/Sixth Street Properties vs the City of Los Angeles lawsuit (e.g., the “Palmer” decision), which invalidated inclusionary requirements for rental housing except where certain conditions apply. Otherwise, the policy remains relevant and is implemented by the City on an ongoing basis. As indicated in Table 2-1, additional revisions to the City’s Inclusionary Zoning Ordinance may be needed in

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the coming years. The 2007-2011 downturn in the real estate market and drop in prices constrained the sale of units reserved for moderate-income households, since the price for these units was not substantially different than the market rate units. However, recent price increases are widening that gap, making the benefits of an inclusionary zoning strategy more apparent.

Policy 53.5 recommends that the City work with willing property owners to assemble parcels in redevelopment areas to create more viable (i.e., larger) development sites. Prior to 2012, the City implemented this policy on a number of properties including the Westlake parcels around the San Leandro BART station, the Town Hall Square parcels at East 14th and Davis Street, and a set of adjacent properties on Washington Avenue at Parrott Street. The City was able to conduct site assembly in these locations without eminent domain. Lot consolidation and aggregation remains a valid policy objective. However, this policy should be updated to reflect the loss of the Redevelopment Agency. Other tools for lot consolidation should be explored.

Policy 53.6 calls for the production of additional market-rate and affordable rental units in the city. This policy remains relevant today, and potentially could be expanded to emphasize the unmet need for family rentals.

Policy 53.7 recommends providing additional housing at prices that match prevailing wages in the city. An example would be the recent conversion of 840 units at Lakeside Village into “workforce housing.” The policy also suggests efforts by local employers to assist their workers in finding housing within San Leandro. The City has worked with large employers such as Kaiser Permanente and OSI-soft to facilitate action on this issue. One of the points raised during public meetings on the 2015-2023 Element is that the city needs additional market-rate housing to serve anticipated growth in the technology sector.

Policy 53.8 calls for the production of condominiums as a more affordable alternative to single family detached homes. This continues to be a relevant policy and it should be carried forward. At the time the last Housing Element was adopted, a condominium development was anticipated on the BART parking lot east of the San Leandro BART station. However, that site is now committed to 200 units of affordable rental housing. The affordable units had originally been slated for a site west of the station, and that site has been committed to a new office-technology campus. Elsewhere in the city, there was an 11-unit condominium development at Hyde and Chumalia Streets built in 2010-2011. The City is continuing to actively promote high-density condominium construction in the BART station vicinity and on sites in Downtown San Leandro and along East 14th Street.

Policy 53.9 permits manufactured or mobile home construction in any residential zoning district. This is implemented on an ongoing basis and continues to be relevant.

Policy 53.10 encourages the participation of the business community in programs to meet the city’s housing needs. Again, this is implemented on an ongoing basis and continues to be relevant. The City has worked with the Chamber of Commerce, local realtors and developers, major employers, apartment owners, and local business groups to increase awareness of housing needs and housing issues.

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There are 16 action programs in Goal 53. Table 2-1 indicates the progress that was made between 2007 and 2014 in carrying them out.

Table 2-1: Progress on Implementing Actions for Goal 53 (Affordable Housing Development)

Action	Summary	Progress
53.01-A	Continue to promote the San Leandro BART Transit Oriented Development (TOD) Area as a major regional opportunity for mixed use development. Market development opportunities in this area, work with property owners to facilitate development, and continue to improve the pedestrian environment, streetscape, and circulation system.	ADVANCE. A Downtown TOD strategy was adopted in 2007. The City has marketed sites in the vicinity for housing, mixed use, and commercial development. Several projects are in the pipeline, including a 200-unit affordable housing development by BRIDGE Housing and the OSI-soft Technology Campus. The City is working closely with property owners and developers to facilitate development proposals. Streetscape improvements and other infrastructure improvements in the station area are underway.
53.01-B	Work with BART to further develop and refine plans for the area around the Bayfair Station, including the BART parking lots and adjoining underutilized properties. As funding allows, prepare more detailed plans, development regulations, design guidelines, capital improvement programs, and implementing strategies for this area. One outcome should be rezoning of the 11-acre Bayfair BART Station parking lot from its current designation (Public/ Semi-Public) to a zoning district which encourages and promotes high-density mixed use development.	ADVANCE/REVISE. In 2014, the City applied for and received a Station Area Planning Grant from the Metropolitan Transportation Commission for the Bayfair BART station area. The funds will enable the City to prepare a specific plan or area plan to facilitate the area’s transformation into a walkable transit-oriented development. This program should be revised to reflect the current status of this action. The rezoning of the 11-acre parking lot has not yet occurred but would be an expected outcome of the new Plan.
53.01-C	Consistent with the General Plan, rezone the following “CC” areas for Mixed Use development: (a) Washington between Castro and San Leandro Blvd (excluding properties zoned RD and RM); (b) MacArthur Blvd between Durant and Foothill. The mixed use zoning would allow multi-family housing and mixed use by right, establish minimum densities, improve the pedestrian scale and street environment, and expedite the reuse of vacant and under-developed properties.	ADVANCE/REVISE. Neither of these re-zonings has occurred, in part due to the economic slowdown and decline in real estate values between 2007 and 2011. A recent proposal to replace an office building at 2450 Washington with 66 multi-family units indicates there is still interest and potential for housing on the Washington corridor. Similar projects have occurred on MacArthur (Cherry Park Square). The pending update of the San Leandro General Plan could result in further changes to these two corridors on the City’s General Plan Map, Thus, it is likely that any rezoning would occur after the new Land Use Map is prepared rather than in the next two years.
53.01-D	Update the General Plan Future Land Use Map so that it reflects the land uses and densities depicted on the already-adopted Downtown TOD Strategy.	ACHIEVED. The Council approved General Plan Consistency Amendments on March 21, 2011 so the General Plan and the TOD Strategy are now fully consistent.
53.03-A	Continue to pursue all available funding sources for affordable housing construction, including annual applications for federal CDBG and HOME funds.	ADVANCE. This is a regular function of the Housing Division and continues to be relevant. Additional funding sources will be explored to offset the loss of Redevelopment set-aside funds.

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Action	Summary	Progress
53.03-B	Continue to provide support and information to non-profit and for-profit developers seeking to create affordable housing in San Leandro, including assistance in applications for Low Income Housing Tax Credits, Mortgage Revenue Bonds, Affordable Housing Program funds, and other funding sources.	ADVANCE. This is a regular function of the Housing Division and continues to be relevant. The City works with developers to leverage funds on a project by project basis and most recently worked with BRIDGE Housing on the Cornerstone project.
53.03-C	Maintain a local affordable housing trust fund that is capitalized with in-lieu fees from the inclusionary zoning program and condo conversion fees.	ADVANCE. The City continues to maintain an Affordable Housing Fund using these two sources. The Fund's revenue balance as of June 30, 2014 was approximately \$65,000.
53.03-D	Support affordable housing bond measures at the State and County level. Lobby for and participate in discussions of such bonds if and when they are being developed or proposed.	ADVANCE. The City has provided development loans to BRIDGE for the Cornerstone project and supported the efforts of Standard Lakeside Properties to obtain bond and tax credit financing for the Lakeside Village acquisition and conversion to affordable housing.
53.04-A	Require developers of residential projects within San Leandro's redevelopment areas to set aside at least 15 percent of all new units as affordable housing. Pursuant to State law, at least 40 percent of these affordable units should be set aside for very low income households.	DELETE. This program refers to the Redevelopment Project Area set aside. With the termination of the Redevelopment Agency, it is no longer applicable.
53.04-B	<p>Revise the Inclusionary Zoning Ordinance to increase the production of affordable units while still achieving geographic dispersal of affordable housing. Changes should consider these suggestions:</p> <ul style="list-style-type: none"> • make it easier to contribute to the Affordable Housing Trust Fund rather than incorporating units on site. • allow acquisition of foreclosed properties and resale as inclusionary units (in lieu of developing new units). • modify the way inclusionary requirements are calculated for fractional assignments over 0.5 and capture "partial" units (0.1 through 0.4) in projects with 7+ units through in-lieu fees • eliminate in-lieu fee exemptions for two- and three-unit rental projects. • adjust the percentages of owner-occupied units targeted to low- versus moderate-income households 	<p>ADVANCE/REVISE. The City did not have the resources to revise the Inclusionary Ordinance during 2010-2014. Moreover, the urgency of revisions was reduced by the real estate depression and absence of development proposals during this period. As noted above, the Palmer decision invalidated the provisions of the ordinance for rental units. For ownership units, inclusionary (moderate income) units were comparably priced to market-rate units but came with resale restrictions which made them difficult to sell.</p> <p>The Ordinance should be revised during the 2015-2023 planning period. The bulleted list to the left continues to be a reasonable list of topic areas to consider when making revisions. The City should also consider ways to address the loss of inclusionary requirements for rental housing. One possibility would be to do a nexus study (either alone, or collaboratively with other cities) to explore the viability of an affordable housing impact fee that could provide funds for affordable units. The City should also monitor pending court cases regarding the future of inclusionary housing rules.</p>

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Action	Summary	Progress
53.05-A	<p>Prepare promotional materials advertising residential and mixed use development opportunities in the city, particularly around the Downtown and Bayfair BART Stations and along the East 14th Street corridor.</p> <p>Continue to pursue grant funding for visual simulations and other educational media which illustrate high-density housing prototypes (especially along East 14th Street and around the BART Stations) and respond to neighborhood concerns about higher density housing.</p>	<p>ADVANCE. The City’s Community Development Department continues to promote and market the City to prospective developers, with an emphasis on the Downtown and BART station areas. The Department’s “San Leandro Next” website/ blog includes promotional information and materials about the community, and represents a “rebranding” of San Leandro as a center for innovation and technology. Additional housing is an important part of that vision.</p>
53.05-B	<p>Facilitate land assembly and/ or mixed use development, including housing, on the following two sites:</p> <ul style="list-style-type: none"> ▪ Town Hall Square (block bounded by Davis, Hays, and East 14th) ▪ Former Albertsons Supermarket (1550 East 14th Street) <p>The City will continue working to acquire (the Town Hall Square site) from willing sellers. The Downtown TOD strategy identified the site as having the potential for as many as 148 housing units, with ancillary ground floor commercial uses.</p>	<p>REPLACE. The former Albertson’s site is being redeveloped as The Village, a retail project. The Town Hall Square site remains a viable mixed use site. A new opportunity will be created when the CVS on E. 14th at Davis Street relocates to The Village. The Davis Street site will be added to the housing opportunity site inventory.</p>
53.06-A	<p>Facilitate the completion of the following affordable housing projects before June 30, 2014:</p> <ul style="list-style-type: none"> • The 100-unit Alameda at San Leandro Crossings Development for very low income families. • The 51-unit Estabrook Place Senior Housing Development for very low income seniors. 	<p>REPLACE. As noted earlier, the 100-unit Crossings project is now scheduled for development as a 200-unit affordable development on the BART station parking lot. BRIDGE Housing received Low Income Housing Tax Credit funding in June 2014 to support the project and construction will begin shortly. The City received over \$20 million in Prop 1C funds from the State of California to assist in the development of infrastructure to support this project.</p> <p>The Estabrook project was completed in 2010.</p>
53.06-B	<p>Develop strategies to attract additional market rate rental apartment development to San Leandro. This could include direct outreach to developers, and incentives to encourage apartment development on key opportunity sites. The City is particularly interested in market rate rentals that meet the needs of moderate-income young professionals, given the limited range of options for such persons in San Leandro today.</p>	<p>ADVANCE. This program continues to be relevant, particularly with the redesign of the Cornerstone project to exclude market rate housing. The City will continue to work with developers to attract market rate rentals to the City, with a focus on the TOD areas.</p>

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Action	Summary	Progress
53.08-A	Complete the 200-unit Cornerstone at San Leandro market rate condominium project in Downtown San Leandro. Promote the development of additional condominiums on the remaining parcels in the Westlake development at the San Leandro BART station and on key housing opportunity sites in the TOD area, along East 14 th Street, and in the Bayfair BART vicinity.	REPLACE. As noted above, the market rate component of this project was removed for the Westlake Development site. The City should replace this program with a new program supporting condominium development at the locations listed.
53.09-A	Amend Section 2-510(B) of the San Leandro Zoning Code to make “manufactured home parks” a conditionally permitted use in the RD zone, in addition to the RM zone (where it is already permitted).	ADVANCE. This Code change has not yet occurred, and remains relevant. It should be noted that there were no proposals or inquiries to locate manufactured home parks in the RD zone during 2007-2014.

“ACHIEVED” indicates the action has been accomplished, while “ADVANCE” means it is on-going or should be carried forward to 2015-2023. “REPLACE” means the action should be replaced with a new or modified program to carry out the policy. “REVISE” means action should be updated.

goal 54: administration of housing programs

Goal 54 sought to ensure that San Leandro’s housing programs actually benefited San Leandro residents. Ensuring local benefits is important in achieving neighborhood acceptance of affordable housing projects and programs. Many San Leandro residents are in need of assistance, and to the extent permitted by law, they should be the focus of housing opportunities that may be created in the future.

Policy 54.1 called for the City to maintain a Housing Services Division with specific responsibility for the administration of local housing programs. This policy remains relevant and was implemented continuously through the prior planning period, even after the elimination of the Redevelopment Agency. Because of budget cuts, the Division has been reduced to one person, with administrative and management support provided by the Planning Division.

Policy 54.2 recommended working with the County and ECHO Housing in the administration of programs where City administration would be infeasible or inefficient. This remains a relevant policy and continues in practice. The County administers the HOME program, Mortgage Credit Certificates, and a variety of homelessness prevention programs which would not be efficiently administered at the City level. Similarly, ECHO Housing administers fair housing programs and the Rent Review Program, and conducts landlord and tenant counseling programs for multiple jurisdictions. This enables “economies of scale” for participating communities and makes the most of limited financial resources. The City also provides annual funds to several non-profits who provide housing services to the community.

Policy 54.3 urged the City to participate on task forces addressing housing at all levels of government. The policy continues to be relevant and is implemented on an ongoing basis. Elected officials regularly participate in regional forums on housing, including those organized by ABAG, Alameda County, the development community, economic and housing advocacy groups, and elected State representatives. City

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staff participated in the ABAG RHNA methodology task force, and has been active in forums on topics such as transit oriented development. City staff is actively engaged in the implementation of the Alameda County EveryOne Home Plan.

Policy 54.4 recommended that the City include long-term affordability restrictions on newly created affordable units. The policy recognized that such restrictions already applied to affordable units in redevelopment areas, and recommended that similar resale and tenant occupancy requirements be applied elsewhere. The City has implemented this policy through the terms of its apartment rehabilitation loans, the Inclusionary Zoning ordinance, and the financing terms associated with HUD programs and low-income housing tax credits and other public affordable housing financing programs. The references to redevelopment areas should be removed.

Policy 54.5 noted that persons who live or work in San Leandro should be given preference when screening applicants for affordable housing. To some extent, implementation of this policy is limited by State and federal laws relating to fair housing opportunities. For its part, the City has established priorities in its Inclusionary Zoning program for residents who live and work in San Leandro and for City and school district employees.

Policy 54.6 recommended that Redevelopment set-aside funds be used to leverage private investment, and that housing in redevelopment project areas benefit a wide range of income groups. The City implemented this policy prior to the elimination of the Redevelopment Agency in 2012. Redevelopment funds were used to leverage investment in housing along East 14th Street, and to generate private and non-profit investment near BART. Most of the housing built within the former Redevelopment Project Area during 2007-2012 was affordable. With the termination of redevelopment, this policy should be replaced by a policy which references “City funds” rather than “redevelopment set-aside funds”. This potentially could include “boomerang” funds associated with former redevelopment dollars that may be returned to the City (through Alameda County).

Policy 54.7 encouraged public information and outreach on housing resources and conditions, including information in other languages and ASL. The City has implemented this policy consistently, not only for housing but for all aspects of service delivery. The Housing Element Update itself included a project website, FAQs in English, Spanish and Chinese, and meetings with Spanish and ASL translators.

The policies under Goal 54 included five action programs. Implementation progress on these programs is summarized in Table 2-2.

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Table 2-2: Progress on Implementing Actions for Goal 54 (Administration of Programs)

Action	Summary	Progress
54.01-A	Prepare an annual report on the City’s progress toward Housing Element implementation.	ADVANCE. The City has prepared periodic annual reports, to the extent staffing levels allowed. A 2007-2010 report was prepared in 2011 and a 2011-13 report was prepared in January 2014.
54.01-B	Update the Redevelopment Agency’s Five-Year Plan, including revenue projections, in order to quantify the expected dollar amount of the 20% housing set-aside. The updated Plan should prioritize the spending of the set-aside for various housing programs and special needs groups.	ACHIEVED/DELETE. The City completed its five year Plan in 2010. It was adopted by the City Council on September 20, 2010 and covered the 2010-2014 period. Since the Redevelopment Agency has been terminated, the program can be deleted.
54.04-A	Engage the City Council in a discussion of possible revisions to the City’s long-term affordability requirements. The City generally supports the longest affordability terms allowed by law. However, in some cases, shorter terms may be acceptable or even desirable when the outcome is the creation (or preservation) of affordable units that would otherwise not be possible at all. Where not precluded by law, the City should consider using a “sliding scale” for affordability terms.	ADVANCE. This discussion has not yet happened, but it continues to be relevant. This topic is most likely to be addressed in the context of preservation of “at risk” below market rate (BMR) units. To date, the City has not succeeded in extending the affordability terms of BMR units that expired. The possibility of a shorter (15-year) term could be discussed for properties where extensions are desired.
54.05-A	Continue to collect data which documents the need for affordable housing among existing San Leandro residents, and the extent to which new affordable units benefit local residents. Data on homeless students, doubled up households, overcrowding, homelessness, and the former place of residence (and current place of employment) for occupants of new affordable units should continue to be monitored to make a more compelling case for the local benefits of (and need for) such housing.	ADVANCE. This is one of the principal functions of the Housing Division. It is also implemented by the non-profit service providers who receive funding from the City, such as Building Futures with Women and Children, Davis Street Family Family Resource Center, ECHO Housing, SAVE, and EveryOne Home. The City regularly monitors affordable rental housing needs.
54.07-A	Expand web-based GIS applications so that the public can access data about particular parcels and their surroundings via the Internet.	ADVANCE. The City’s website provides access to GIS data and the County provides parcel-based data through the Assessors Office website. This remains relevant.

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Goal 55: First-Time Homebuyer Opportunities

Goal 55 promotes opportunities for first-time buyers, especially move-up opportunities for low- and moderate-income San Leandro renters. Historically, this has been an important part of the City's housing policy. In the boom years of the 1940s and 1950s, San Leandro epitomized the "American Dream" that working families of modest income could become homeowners. This continues to be a relevant goal today, although it has been tempered by much higher home prices and a more urgent need for rental housing.

The goal includes two quantified objectives:

- First-time homebuyer assistance to an average of 10 homeowners a year from 2009-2014
- Two first-time homebuyer seminars between 2009 and 2014

The City fell short of the first objective. In fact, the First Time Homebuyer (FTHB) program was eliminated in 2013 due to the termination of the Redevelopment Agency. The program had assisted 10 households in 2010, two in 2011, and nine in 2012. Prior to the start of the 2009-2014 timeframe but within the 2007-2014 period, the City facilitated the sale of 15 condominiums to low and moderate income first-time buyers at the Willows Townhomes. In addition, the County provided 15 mortgage credit certificates to San Leandro buyers in 2010-2013.

The second objective was achieved. The City continued to contract with the Bay Area Homebuyer Agency (BAHBA) to conduct education and counseling, and post-purchase workshops. Through BAHBA, the City has sponsored free first-time homebuyer seminars twice a year. San Leandro residents may also attend seminars in nearby cities at no charge.

Goal 55 included five policies, recapped below.

Policy 55.1 promoted home ownership and opportunities for first-time buyers. The policy remains relevant and should be carried forward. It is implemented on an ongoing basis through the Housing Division.

Policy 55.2 indicates that home ownership programs should focus on households earning 80 to 120 percent of areawide median income, but should include opportunities for low- and very low income households. The policy remains relevant. The City's Inclusionary Zoning Ordinance is geared toward moderate-income households but includes provisions for low-income households. Ownership programs for very low income households are generally infeasible due to the level of subsidy that would be required. However, there are a limited number of owner-occupied units (for example, Mission Bay Mobile Home Park) that may be affordable to very low income buyers.

Policy 55.3 recommends that the City inform first-time homebuyers of financial assistance programs and resources. The policy is implemented on an ongoing basis through the First-Time Homebuyer educational seminars and individual counseling.

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Policy 55.4 encourages property managers and absentee owners to offer “rent with the option to buy” programs. This continues to be a valid policy, although it is carried out largely by the non-profit and private sectors rather than by the City’s Housing Division.

Policy 55.5 supports national, state, county, and regional initiatives to reduce the risk of foreclosure. This is a less pervasive issue than it was in 2010 when this policy was added to the Housing Element. However, it was effectively implemented in 2010-2014 through administration of the Neighborhood Stabilization Program. The policy should be retained in the event of future economic downturns.

Table 2-3 indicates the progress that has been made on the five action programs that were included in Goal 55.

goal 56: affordable housing conservation

Goal 56 encouraged the preservation and rehabilitation of the existing affordable housing stock. This goal provides the framework for City programs to preserve existing below market rate housing units, provide loans and grants to help low-income homeowners take care of their properties, and renovate older apartment buildings and convert them to affordable units. The goal also provides the framework for City policies on condominium conversions, second units, and mobile home park preservation.

There were six quantified objectives established:

- Provide rehabilitation assistance to 20 lower-income homeowners a year through the minor home repair grant program
- Provide rehabilitation assistance to 10 lower income homeowners a year through the owner assisted rehabilitation loan program
- Provide rehabilitation assistance to one mobile home park and at least 20 mobile home owners
- Rehabilitate at least 100 units of rental housing by 2014, and ensure that at least 30 percent of the units are affordable to low- or very low income households
- Conserve San Leandro’s stock of 679 below market rate units
- Assist at least 15 extremely low income households through these programs

The City achieved and exceeded some of these objectives and fell short on others. The City was not able to provide rehabilitation assistance grants to 20 owners a year, as funding for this program was cut after the loss of the Redevelopment Agency. The program was initiated again in FY 2012-13 and 2013-14 using General Fund and CDBG revenues. Eleven owners were assisted in 2012-13 and 14 were assisted in 2013-14. The rehabilitation assistance loan program was also eliminated when the Redevelopment Agency was eliminated. It has not been funded for the last three fiscal years.

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Table 2-3: Progress on Implementing Actions for Goal 55 (First-Time Homebuyer Opportunities)

Action	Summary	Progress
55.02-A	Continue the City’s first-time homebuyer assistance program, offering low interest deferred payment loans to qualifying low and moderate income households for downpayment assistance or gap financing.	REVISE/REPLACE. The City terminated its First Time Buyer loan program in 2012 due to the loss of Redevelopment Agency funding. The City could consider a different funding source, or participation in a collaborative program administered by another agency.
55.02-B	Continue to support Alameda County’s MCC program, wherein owners may take 15 percent of the mortgage interest payment as a dollar for dollar tax credit against their federal income taxes.	ADVANCE. The City supported the Mortgage Credit Certificate (MCC) program and provides pro-rated administrative funding for the program. The number of MCCs was 6 in 2010-11, 7 in 2011-12 and 2 in 2012-13. This program should be carried forward.
55.03-A	Provide support for Bay Area Home Buyer Agency or an equivalent organization to provide homebuyers counseling services and to conduct periodic City-sponsored workshops for first-time buyers.	ADVANCE. As noted in the text above, the City has an Agreement with the Bay Area Homebuyers Agency (BAHBA) to provide these services. Several workshops were held between 2010 and 2014. The workshops are advertised in the San Leandro Times and/or Daily Review, as well as through flyers and web announcements. The action remains relevant.
55.03-B	Conduct an annual “post-buyers” seminar for new homeowners.	ADVANCE. The City, through BAHBA, began conducting annual post-purchase seminars in 2008 targeting existing BMR homeowners.
55.05-A	Explore a joint powers agreement MOU with Berkeley, Fremont, Livermore, and/or Union City to qualify for federal assistance under the Neighborhood Stabilization Program.	ACHIEVED/ DELETE. This program has been fully implemented and may be removed from the Element. The first NSP partnership was awarded funds in 2009. Three homes in San Leandro were acquired and rehabilitated, and eight more properties were acquired and refurbished in other partner cities. A second NSP grant was received by Alameda County with six foreclosed homes purchased in San Leandro and resold to qualifying families.

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Funding for Mobile Home Rehabilitation assistance was likewise cut when the Redevelopment Agency was eliminated. However, in FY 2012, the City used CDBG and General Fund revenues to finance nine mobile home repair grants. Eight of these grants were to seniors, two served extremely low income households, five served very low income households, and two served low income households. Four more lower income households received mobile home repair grants in 2013. The City did not rehabilitate an entire mobile home park during this time period due to limited resources and other priorities.

The target for rehabilitation of rental housing was far exceeded. Since 2011 alone, more than 1,200 units have been renovated and reserved exclusively for very low and low income households. This includes 840 units at Lakeside Village (discussed earlier in this chapter). In addition, the City facilitated the rehabilitation of Las Palmas Apartments (16 very low income and 34 low income), all 143 units at Eden Lodge (43 very low income and 98 low income), the 46-unit Surf Apartments (11 very low income and 11 low income), the 75-unit Fargo Senior Center (all very low income), and the 26 unit Fuller Lodge (25 very low income). Most of the low income units are at 60% of AMI or less. The City assisted Eden Housing in its acquisition of the Surf and Las Palmas Apartments and provided technical support to Christian Church Homes in their acquisition of the 75-unit Fargo Senior Center apartments.

Regarding conservation of the 679 BMR units that existed as of 2010, the City was not successful in preserving those units that expired in 2010-2014. However, expiring units made up less than 10 percent of this total and the net gain through the conversion of Lakeside Village more than made up for the loss. The number of extremely low income households assisted through the rehabilitation assistance programs exceeded the 15 household target. Sixteen ELI households were assisted with rehabilitation grants in 2012-2014 alone. In general, the City prioritizes ELI households in the award of such grants.

Goal 56 included 12 policies. The continued relevance of each policy is evaluated below.

Policy 56.1 was to undertake a range of programs that assist low- and moderate-income property owners in maintaining and improving their homes. The policy has been successfully implemented through the Minor Home Repair Program and the Mobile Home Repair Program. Despite the loss of redevelopment funding, the City has kept these programs active using CDBG and general fund revenues. The policy remains relevant and should be carried forward.

Policy 56.2 called for measures to assist the owners of multi-family rentals in maintaining and rehabilitating their properties, and ensuring the long-term affordability of units that are rehabilitated with City funds. As noted elsewhere in this chapter, this policy has been successfully implemented and has resulted in the preservation of over 1,200 units as affordable housing in the last five years alone. The policy should be modified to specifically encourage property owners to use federal low income housing tax credits to facilitate acquisition and rehabilitation, given the limited City resources available for assistance.

Policy 56.3 ensured that the City's apartment rehabilitation program had provisions for tenants who were displaced during the rehab process. This is an important policy that should be retained. All projects receiving HUD funding must conform to the federal Uniform Relocation Act. When Lakeside

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Apartments was renovated, 74 of the tenants were relocated to other affordable housing developments and 89 met the income eligibility requirements and are returning to Lakeside Apartments.

Policy 56.4 promoted the expanded participation of landlords in rental rehabilitation programs, and suggested incentives and outreach to generate more interest in such programs. The City has implemented this policy on an ongoing basis, although its ability to provide incentives is limited. The City works with landlords to facilitate tax credit financing and is amenable to partnerships to support rehabilitation.

Policy 56.5 recommends education, technical assistance, monitoring, and code enforcement to ensure that rental apartment complexes are well managed and operated. During the 2014 Housing Element Update public meetings, it was suggested that regular inspections of the city's rental units should be considered and that steps be taken to assist tenants living in substandard or uninhabitable units.

Policy 56.6 called on the City to develop measures to preserve affordable housing in projects with affordability restrictions that will expire during the next 10 years. This continues to be a relevant policy, and is an important part of the City's HUD Consolidated Plan. Chapter 3 of this Housing Element identifies one project with units at risk of converting by 2023. The City has been diligently monitoring such properties on a case by case basis to preserve affordability. New programs should be considered during 2015-2023 to reduce future losses.

Policy 56.7 was to provide assistance to landlords and tenants in resolving conflicts and to avoid displacement due to sudden rent increases. The policy provides the framework for the City's Rent Review program and continues to be relevant. The City has supported the use of non-binding arbitration to resolve rent disputes between landlords and tenants, and works with both property owners and tenants to provide information, mediate conflicts, and ensure that the provisions of the City's Municipal Code on rent increases (Title 4, Chapter 32) are followed. In addition, the City contracts with ECHO Housing to provide mediation services and to disseminate information to tenants and landlords on housing rights and responsibilities.

Policy 56.8 was to promote the rehabilitation of the City's mobile home parks without displacing tenants or reducing the number of affordable units. Based on community input during the 2014 Housing Element Update, the policy should be modified to recognize mobile homes as an essential affordable housing resource for seniors and very low income residents. Although the City has not undertaken a major rehabilitation of a mobile home park, the park owners and homeowners at Mission Bay (the city's largest mobile home park, with 366 lots) entered a five-year rent stabilization agreement in December 2010.

Policy 56.9 established the prerequisites for condominium conversions, including a relocation plan for the tenants, incorporation of a wide range of unit types, and an opportunity to remove obsolete or inappropriate design features. The policy also discourages condo conversions when the result would be a loss of affordable units. This policy provides the framework for the City's Condominium Conversion ordinance, and has been helpful in shaping the City Council's past recommendations on conversion requests.

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Policy 56.10 supported the more efficient use of existing single family homes, through measures such as roommate matching and shared housing programs. This policy continues to be relevant. The City encourages second units, house sharing, home occupations, and other measures which ensure that existing living space is efficiently used.

Policy 56.11 indicated that the City should continue to recognize second units created prior to 1961 as legal units. This continues to be a valid policy, and it should potentially be expanded to reflect a broader recognition of second units as an affordable housing resource. The City amended its second unit regulations in 2012 to increase the maximum size unit allowed. Further amendments should be considered in the updated Element.

Policy 56.11 recommended that the City’s zoning regulations allow residential structures exceeding current allowable densities to be rebuilt to their previous size if destroyed by fire or natural disaster. The policy remains relevant and should be carried forward. Article 20, Section 42008(B)(1) of the Zoning Code stipulates that, regardless of the extent of damage, nonconforming residential structures may be built back to an equivalent size with an Administrative Use Permit from the Zoning Enforcement Official.

Goal 56 included 13 specific actions. Table 2-3 summarizes the progress that has been made on implementing these actions since 2010.

Table 2-4: Progress on Implementing Actions for Goal 56 (Affordable Housing Conservation)

Action	Summary	Progress
56.01-A	Continue local financial support for the Minor Home Repair Program, the Mobile Home Repair Program, the Accessibility grants, the Exterior Clean-up and Paint programs, and the Seismic Strengthening programs. Publicize these programs through news articles, the City’s website, press releases, cable TV, flyers, and multi-lingual information.	ADVANCE. The Minor Home Repair and Mobile Home Repair program was suspended in 2011-12 due to the loss of redevelopment funds, but was restored in 2012-2013 using a combination of CDBG and General Fund revenue. The total dollar amount available, and the number of homeowners benefitting, has been reduced from the prior Housing Element period. On average, roughly 15-25 lower income households a year receive grants of up to \$5,000 each. The program is advertised on the City’s website, with information provided in English, Spanish, and Chinese.
56.01-B	Continue local support for the Owner-Occupied Housing Rehabilitation Program, which provides loans and technical assistance to very low and low-income homeowners for major repairs such as kitchens, baths, and roofs. Expand publicity for this program.	REVISE. This loan program has been eliminated due to loss of redevelopment funding. Alternative funding measures should be explored in the future.

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Action	Summary	Progress
56.02-A	Continue the Apartment Rehabilitation Program, which funds projects on a case-by-case basis using sources such as HOME, CDBG, Redevelopment Agency set-asides, and the Affordable Housing Trust Fund. The following specific actions related to this program should be pursued: (a) Funding to rehabilitate and/or acquire and rehabilitate additional apartment complexes in the City by 2014; (b) Measures to use this program as a strategy for extending the affordability of expiring units; (c) Expanded publicity of the apartment rehab program	ADVANCE. City-assisted apartment rehab efforts have been diminished by the loss of redevelopment funding. However, the City has continued to help non-profit developers acquire and rehabilitate apartments for affordable housing. In addition, the private sector acquired and refurbished the 840-unit Lakeside Apartment complex and converted it to affordable housing. Relative to the 2010 objectives: (a) the City assisted Christian Church Homes in the acquisition and refurbishment of 75-unit Fargo Senior Homes for very low income seniors in 2013, and it assisted Eden Housing in acquiring and refurbishing the 91-unit Las Palmas apartments and the 46-unit Surf Apartments; (b) The apartment refurbishment program has not been used to protect expiring BMR units, but there has been a net gain in the number of BMR units due to Lakeside Apartments; (c) The City has not expanded publicity of the program, since funding for implementation has been limited.
56.05-A	Develop a strategy to protect the 18 below market rate (BMR) rental units at the Tan Apartments (825 San Leandro Blvd) and Warren Manor (111 Preda) set to expire in 2014. The strategy should include direct contact with the owners, low-interest rehabilitation loans or other forms of financial assistance in exchange for an agreement to retain the units as affordable, working collaboratively with the project owners and non-profit housing developers, and other incentives (such as fee reductions or allowances for additional development) in exchange for a renewal of affordability restrictions.	REPLACE. As of April 2014, the City has been unable to protect the expiring BMR units at the Tan Apartments and Warren Manor. The program should be replaced to reflect other subsidized properties at risk of converting to market rate apartments in the next 10 years. The strategies (to preserve BMR units) listed here remain relevant, but additional funding is needed for effective implementation. As noted elsewhere, the addition of 840 affordable units at Lakeside Apartments will result in a substantial net gain in BMR units, even if the Tan Apartments and Warren Manor are not retained.
56.05-B	In addition to the units described above, monitor the status of other assisted housing units that are at risk of conversion beyond the timeframe of this Housing Element. Particular attention should be given to the 60 below market rate (BMR) units at Parkside Commons expiring in 2018.	REVISE. Parkside Commons ended its affordability period in March 2011 by paying off its housing bond earlier than expected. This action should be updated to reflect other units at risk of converting in the next 10 years.
56.05-C	Work with ECHO Housing, Davis Street, Building Futures, and other local non-profits to respond to the needs of persons in rental properties that face displacement due to foreclosure by an absentee owner. Where feasible, assist such households in relocation to suitable rental housing elsewhere in San Leandro.	REPLACE. The displacement of lower income tenants from foreclosed rental properties was an issue during 2009-2010 when the foreclosure rate in San Leandro was relatively high. A link was provided from the City's website to the National Low Income Housing Coalitions fact sheet on this issue. This is a less critical issue today than it was in 2010. However, the threat of displacement still exists due to rapidly rising rents in the City. This action should be replaced with a new action to reduce the risk of displacement due to rising rents.

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Action	Summary	Progress
56.07-A	Maintain a Rent Review Board (RRB) to mediate disputes related to significant rent increases in local apartment complexes. Measures to strengthen RRB’s role should be considered. These include: (a) Increasing public awareness of the RRB, including multi-lingual and tenants’ rights; (b) Reducing the dollar threshold required to qualify for an appeal; (c) Increasing the maximum time window for requesting a hearing (renters currently have 10 days from notification to make that request). The City should also continue providing an annual status report on RRB activities, along with suggested policy and program changes.	ADVANCE. The City continues to have an RRB that meets to mediate rent increases and tenant-landlord dispute. ECHO Housing now administers the Rent Review Program. The RRB is funded through the General Fund. The City periodically evaluates the roles and responsibilities of the RRB to ensure that it is as effective as possible. The cases considered by the Board tend to vary based on market conditions. With respect to the points at left: (a) the City has continued to provide information about the RRB on its website, including Spanish and Chinese translations. ECHO Housing provides additional outreach on the program; (b) The dollar threshold remains \$75. Based on feedback from the RRB in 2014, this is an appropriate amount; (c) The time window is currently 15 days, not 10 days. This is considered sufficient based on feedback from the RRB; (d) The City has continued to prepare a status report on RRB activities.
56.07-B	Consider a Just Cause For Eviction ordinance which limits the eviction of residential tenants to specified causes, and which provides remedies in such cases.	REVISE. Based on feedback from the Rent Review Board, this program should be re-worded into a broader anti-displacement program. The distinction between “eviction” and “notice to vacate” should be clarified. The Rent Review Board also raised the issue of rent increases associated with apartment improvements, and the amount that could reasonably be passed along to tenants. A program on this issue could be considered in the future.
56.08-A	Undertake a mobile home park rehabilitation, safety, and affordability preservation program. The program should beautify one or more San Leandro mobile home parks and be structured to avoid the dislocation of—or creation of economic hardships for—mobile home park occupants. In selecting a mobile home park for upgrading, the focus should be on those located away from East 14 th Street, since the City’s long term goal on that corridor is to replace such uses with higher density mixed use.	DELETE. The City was not able to rehabilitate an entire mobile home park during 2007-2014 due to limited resources. Moreover, with the end of the Redevelopment Agency, the feasibility of such a program is dubious unless state or federal funding becomes available specifically for this purpose. In the meantime, the City will retain a mobile home repair grant program for low income and senior occupants of mobile homes in the City’s existing mobile home parks.
56.08-B	Continue local financial support for the Mobile Home Grant Program, which provides grants to very low income mobile home owners for mobile home rehabilitation. Explore the feasibility of expanding this program in conjunction with Action 56.08-A to enable more substantial upgrades to mobile homes.	ADVANCE. This program continues to be sustained, even in the absence of funding from the former Redevelopment Agency. A combination of General Fund and CDBG revenues is being used. Additional funding sources should be explored.
56.08-C	Consider adopting a mobile home rent stabilization ordinance similar to the agreement currently in effect for Mission Bay. The agreement would apply more broadly to residents of all mobile home parks in the city and help protect the city’s existing supply of mobile homes.	ADVANCE. Mission Bay should continue to be recognized as an important affordable housing resource for seniors in the City. The idea of mobile home rent stabilization at other mobile home parks should continue to be explored.

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Action	Summary	Progress
56.09-A	Update the San Leandro Condo Conversion Ordinance in response to changing market conditions, public input, and the experience of recent proposals. Among the changes that should be considered: (a) increasing the condo conversion fee, and basing the fee on sales price rather than using a flat fee; (b) removing the exemption for 2- to 4-unit rental buildings; (c) setting a minimum cost per unit for upgrades as part of condo conversions; (d) requiring a marketing plan for the converted units; (e) solicit input from the development community; (f) survey other communities with condo conversion fees.	ADVANCE. The ordinance has not been updated since adoption of the last Housing Element, in part due to the absence of proposals for condo conversions. The last conversion that occurred was the Willows Townhomes in 2006. Regarding the specific provisions listed here (a-f), all remain relevant and should be carried forward. Given the current real estate market, it is possible that condo conversion proposals could become more prevalent in the coming years.
56.10-A	Explore a roommate matching or shared housing program aimed at seniors living alone. In the event the City is unable to sponsor such a program, participate in the existing shared housing program run by ECHO Housing which serves seniors and others in Alameda County.	ADVANCE. There continues to be interest in such a program, although other housing initiatives have had a higher priority in the last five years. This program should be carried forward, and participation in ECHO Housing’s program should continue to be explored.

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goal 57: green neighborhoods

Goal 57 was to encourage green building and sustainable development as a way to reduce household utility costs and create healthier living environments. The goal remains relevant and should be carried forward. It provides a bridge between the San Leandro Climate Action Plan, adopted in 2009, and the Housing Element. Based on community input provided during the 2015-2023 Housing Element update, this goal should be broadened to address the issue of “healthy homes” and other public health and sanitation issues associated with housing.

The Goal included four policies and nine actions. Progress on the actions is summarized in Table 2-5. Progress on the policies is summarized below.

Policy 57.01 was to reduce household energy costs by promoting weatherization, energy-efficient appliances, and other energy efficiency strategies. This policy is implemented through participation in various energy efficiency programs such as Energy Upgrade California, and through implementation of Title 24 and other aspects of the Building Code requiring energy efficiency. It continues to be relevant and should be carried forward.

Policy 57.02 is to support sustainable design and green building. This remains relevant and should be carried forward. The City requires specific green building provisions (LEED Silver) for municipal buildings over \$3 million and requires submittal of the CalGreen checklist (which lists metrics for green construction) for residential projects. The City has also endorsed voluntary green building guidelines and promotes these guidelines on its website and at the Development Services Counter.

Policy 57.03 acknowledges the link between climate change strategies and housing costs, most notably the potential to reduce housing costs by reducing energy consumption and using renewable energy. This continues to be relevant and should be carried forward.

Policy 57.04 supports improved public health through the design and construction of new or refurbished housing units. The emphasis is on creating walkable neighborhoods and healthy buildings. This policy remains relevant and should be expanded to address other issues related to sanitation, pests, indoor and outdoor air quality, noise, and other environmental health factors. The concept of “healthy homes” should be incorporated, either through this policy or through additional policies under this goal.

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Table 2-5: Progress on Implementing Actions for Goal 57 (Green Neighborhoods)

Action	Summary	Progress
57.01-A	Encourage the participation of local residents in programs designed to reduce household energy costs, particularly home weatherization programs and utility tax exemptions or discounts geared toward lower-income households. Coordinate with PG&E to inform lower-income households about potential ways to reduce home energy costs.	ADVANCE. The program continues to be relevant and is implemented on a continuous basis by the Planning Division and the Building Division. The City is implementing Energy Upgrade California and promoting the Home Energy Analyzer (a free on-line tool using Smart Meter data). It is also working with StopWaste.org and the Bay Area Energy Network to promote East Bay Energy Watch efficiency programs.
57.01-B	Participate in County and regional initiatives to create a renewable energy/ energy efficiency assessment district or to establish other alternative energy financing mechanisms. Such initiatives enable homeowners to install photovoltaic panels and undertake energy efficiency improvements, with the cost repaid through annual property taxes at a low interest rate, or through agreements with utilities.	ADVANCE/REVISE. This action describes the Property Assessed Clean Energy (PACE) financing program, which has been formally supported by the City Council. However, funding for the program is stalled at the federal level. PG&E and solar companies provide incentives and financing options for solar installations.
57.02-A	Continue to require use of the Green Point Rated or LEED checklists to evaluate new residential construction projects larger than 500 square feet and commercial projects valued at or above \$100,000. Continue requiring “green” or LEED-equivalent construction on projects receiving City funds of \$3 million or more.	ADVANCE. This requirement has been in effect since 2009 and should be continued.
57.02-B	Maintain a dialogue with builders, developers, contractors, and property owners on the relationship between green building requirements and housing costs.	ADVANCE. This could potentially be merged with 57.02-C, as the two topic areas overlap. Any changes to the Building Code which go beyond those mandated by State law would be vetted with builders, developers, and contractors.
57.02-C	Explore changes to the San Leandro Building Code as needed to encourage green construction and enable features such as gray water recycling. The City will monitor code change proposals at the State level and amend its ordinances accordingly.	ADVANCE. The City has amended its codes as required by State law. CalGreen requirements became effective on Jan 1, 2014. Amendments at the state level have incorporated greener development principles, including allowances for gray water recycling and increased energy efficiency.
57.02-D	Consider incentives for certain types of green building improvements such as solar panel installation, energy efficiency upgrades and green remodeling. The fiscal impacts of incentives should be considered prior to their enactment.	ADVANCE. The City has not had the fiscal resources to provide monetary or tax/fee-based incentives, but it continues to promote LEED and Green Point construction through the checklists and public education.

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Action	Summary	Progress
57.03-A	Develop a comprehensive set of Climate Action Plan measures to reduce greenhouse gas emissions and achieve the targets set by AB 32. Recognize the potential impacts of these measures on housing costs and work to ensure positive, rather than negative, cost impacts for San Leandro residents.	ADVANCE/ REVISE. The City adopted a Climate Action Plan (CAP) five months prior to adopting the 2010 Housing Element, but this action program was first drafted before the CAP was adopted. It should be revised to reflect the fact that the CAP is now adopted and being implemented. The City continues to explore ways to ensure that emissions reduction strategies do not increase costs or create financial hardships for residents and businesses.
57.03-B	Participate in the regional dialogue on SB 375, which mandates regional land use and transportation solutions to reduce greenhouse gas emissions. Support outcomes which would increase the affordability of housing, including steps to facilitate higher densities around BART stations and along the East 14 th Street corridor.	REPLACE. The City participated in the regional dialogue around the adoption of Plan Bay Area and the Regional Transportation Plan. This program should be replaced with a new action to continue participating with ABAG, MTC, other regional entities, Alameda County, and other cities in land use and transportation planning initiatives aimed at reducing GHG emissions.
57.04-A	Take steps to encourage healthy indoor air quality through abatement of lead paint and/or asbestos hazards and the use of non-toxic building materials such as low VOC paints.	ADVANCE. The City has implemented federal rules requiring EPA lead-certification for contractors and lead paint awareness education. Additional actions should be considered to ensure the health of occupants of housing units, particularly for lower income renters and persons with limited English.

“ACHIEVED” indicates the action has been accomplished, while “ADVANCE” means it is on-going or should be carried forward to 2015-2023. “REPLACE” means the action should be replaced with a new or modified program to carry out the policy. “REVISE” means action should be updated.

goal 58: special needs populations

Goal 58 was to meet the special housing needs of seniors, disabled individuals, single parents, large families, and the homeless. This continues to be a valid goal and represents one of the principal Government Code requirements for local housing elements. There were five quantified objectives set in the 2010 Element, listed below:

- Produce at least 100 new units of lower-income housing for seniors
- Provide at least 25 new units of lower-income housing for persons with physical or developmental disabilities
- Create at least 80 new three-bedroom apartment units affordable to lower-income households through new construction (at the Crossings/Cornerstone) and the apartment rehabilitation program
- Facilitate emergency shelter for 250 persons annually and access to essential services for 4,000 lower income clients annually
- Assist at least 300 extremely low income families and 150-200 unduplicated extremely low income individuals a year through homelessness prevention and rapid rehousing

ADOPTION DRAFT

The City produced 50 units for seniors at Estabrook Place, which is less than the 100 unit goal. However, 85 units of senior housing have been approved at the Cornerstone Apartments, and 75 units were refurbished at Fargo Senior Center. The City did not produce 25 units of housing specifically reserved for persons with physical or developmental disabilities. This continues to be a sound objective for the future, based on the housing needs assessment (Chapter 3).

Likewise there were no three-bedroom apartments affordable to lower income households produced during the planning period. The approved Cornerstone project includes 36 three-bedroom units, but the project was delayed and will now be built beginning in late 2014. Among the apartments rehabilitated as affordable housing during the planning period, Lakeside Village, Fargo Senior Housing, and Surf Apartments did not include three bedroom units. Las Palmas has one three-bedroom apartment that was rehabilitated.

The objectives for assistance to homeless persons and extremely low income households were met and exceeded. However, this is an indication of additional need rather than diminished need, since it indicates a large number of persons in need of emergency shelter, food, and supportive services. In Fiscal Year 2013, Building Futures for Women and Children (BFWC) assisted 283 homeless women and children. Their records indicate 10,489 bed nights of shelter and 31,467 meals during that year. In 2011, BFWC assisted 211 homeless women and children, and in 2012 they assisted 267 homeless women and children. Davis Street Family Resource Center (DSFRC) served 101 homeless persons in 2011, 77 in 2012, and 58 in 2013. DSFRC also assisted 714 persons with disabilities in 2011, 752 persons with disabilities in 2012, and 381 persons with disabilities in 2013. The organization provided over 300,000 meals to persons in need during this three-year time period.

In 2009, the City created a Housing Resource Center (HRC) at the DSFRC through a collaboration with other non-profits, the cities of Hayward and Alameda, and the County. From November 2009 through August 2012, the HRC assisted 4,279 persons in retaining permanent housing and 1,226 persons in obtaining permanent housing. The three year financial allocation for this program was fully expended by 2012.

Goal 58 included 10 policies. The effectiveness and continued relevance of these policies is discussed below.

Policy 58.1 encouraged the production of housing for seniors, both in the for-profit and non-profit sectors. This continues to be a relevant policy given the large percentage of seniors in the city and the anticipated growth in the senior population in the next 10 years. The San Leandro Recreation and Human Services Department, and the City's Senior Commission continue to be important resources for evaluating the needs of seniors and developing appropriate programs for senior housing. However, the demographic analysis conducted as part of this Housing Element Update (see Chapter 3) suggests that the needs of seniors must be balanced against those of lower-income families and others who have not benefited to the same degree from the City's housing programs.

Policy 58.2 encouraged the development of "graduated" senior housing projects which include independent living, assisted living, and skilled nursing facilities. This continues to be a valid policy.

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Estabrook Place is designed for independent living. The 85 planned units of senior housing at the Cornerstone are also designed for independent living. Additional assisted living and skilled nursing facilities will be needed in the future.

Policy 58.3 supported the development of licensed residential care facilities for seniors, the disabled, persons with AIDS, and others requiring assistance in day to day living. This remains a valid policy and should be retained. San Leandro's Zoning Code permits such facilities in all residential zones and the City has been supportive of past applications for nursing home development and expansion.

Policy 58.5 recommended that the City encourage the production of multi-family housing for large families.² The policy also notes that such housing should be marketed to persons who are already living in San Leandro, to mitigate school impacts and ensure local benefits. This policy remains valid and timely. Based on the needs assessment in both the 2007-14 Housing Element and in this Update, there are significant unmet needs for large families, and there are many large families in the city that have "doubled up" or are living in one and two-bedroom apartments. The policy should be carried forward. During the Housing Element Update, some members of the public expressed a desire to see larger apartments more suitable for family living. The City should continue to work closely with the two school districts to address school overcrowding, enrollment forecasts, impact fees, facility plans, and school service area boundary changes.

Policy 58.6 promoted accessibility in design for persons with physical disabilities, and the inclusion of units for disabled residents in other affordable projects. This policy remains relevant and should be carried forward. It should also be expanded to explicitly include persons with developmental disabilities, consistent with SB 812. In addition to promoting the incorporation of units for persons with disabilities in new affordable housing developments, the City devotes a portion of its annual CDBG allocation for the construction of wheelchair curb-cuts on local streets, and accessibility improvements at public buildings.

Policy 58.7 called for continued programs to meet the needs of extremely low income (ELI) residents, including Section 8 vouchers and certificates. This program remains relevant and should be carried forward. The need for ELI housing and programs is becoming more significant due to the rapid rise in rents during 2013 and 2014. Since 2007, the City has facilitated continued use of Section 8 vouchers and incorporated provisions for extremely low income households into projects such as Casa Verde. Excluding Berkeley and Oakland, which have their own housing authorities, San Leandro has the second highest number of Section 8 vouchers in Alameda County and the highest number of vouchers and certificates per capita.

Policy 58.9 continued the City's support for programs to end or prevent homelessness. The City has made progress in implementation since 2010, although the need for food, emergency shelter, supportive services, and job training for San Leandro residents who are now homeless or at risk of becoming homeless has not been diminished.³ Many of the local activities to address homelessness focus on

² Because of a publishing error in the 2007-2014 Plan, Policy 58.04 was left out of the document. The policies and programs will be correctly numbered in the 2015-2023 Plan.

³ Because of a publishing error in the 2007-2014 Plan, Policy 58.08 was left out of the document. This will be corrected in the 2015-2023 Plan.

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implementation of the Alameda County EveryOne Home Plan, which was adopted by the City and other partner jurisdictions in 2006. The City continues to explore the feasibility of developing a local implementation strategy for reducing homelessness and has included a program in the 2015-2023 Element to explore this further with the help of an ad hoc group or task force of service providers and housing advocates.

Consistent with Policy 58.9, the City also has continued to provide financial and technical support for Building Futures with Women and Children (BFWC), the Davis Street Family Resource Center, Girls Inc., Safe Alternatives to Violent Environments (SAVE), SOS/Meals on Wheels, and other community service organizations. BFWC operates the San Leandro Shelter and a safe house in an undisclosed location for abused women and their children. The shelter was refurbished with City assistance in 2012-2013. In addition, the Mid County Housing Resource Center (HRC) was established in San Leandro during the 2007-2014 planning period to provide homelessness prevention and assistance services using federal stimulus grant funding.

Policy 58.10 called for collaboration with local faith-based organizations and non-profits to reach out to immigrant households and others with limited English. This continues to be a relevant and necessary policy. The City has continued to produce its housing program materials in English, Spanish, and Chinese. Staff has conducted direct outreach to the Asian community through the Asian Business Council and the Asian Cultural Association, and has worked with organizations such as Congregations Organized for Renewal (COR) to reach out to the Spanish-speaking community. In 2015-2023, the City should seek additional channels to reach out to Spanish- and Chinese-speaking residents, including local churches and social service organizations.

Policy 58.11 promoted the co-location of social services and programs within affordable housing projects. This continues to be a relevant policy and should be carried forward. The policy has helped to shape plans for the recently approved Cornerstone project, which will include a child care center as well as affordable family housing and senior housing.

Policy 58.12 recognized public service employees—such as teachers, police and fire personnel, nurses, and child care workers—as an essential part of the local workforce and sought to improve their housing opportunities within San Leandro. The City implements this policy by advertising and publicizing its homebuyer workshops, and by establishing preferences for local workers in its Inclusionary Zoning program. The policy should be carried forward.

Goal 58 included 12 specific action programs. Progress toward their achievement is shown in Table 2-6.

ADOPTION DRAFT

Table 2-6: Progress on Implementing Actions for Goal 58 (Special Needs Populations)

Action	Summary	Progress
58.01-A	Pursue funding through the HUD Section 202 and 811 programs for the construction of additional housing for seniors and disabled persons.	ADVANCE. The City will continue to pursue HUD funding to assist in senior housing construction. HUD Section 202 funds were received in 2009 to facilitate the construction of Estabrook Place.
58.01-B	Amend Article 31 of the San Leandro Zoning Code to increase the City’s density bonus provisions to allow a 50 percent bonus for senior housing (instead of the 35 percent bonus contained in the current ordinance). This will bring the ordinance into compliance with the State’s density bonus law.	DELETE. The Density Bonus ordinance is presently consistent with State law and further revisions are not required.
58.02-A	Continue programs (including loans and/or grants) which allow seniors to “age in place” by retrofitting their homes with grab bars, wheelchair ramps, and other assistive devices which respond to the decreased mobility of elderly householders.	ADVANCE. The Housing Division has continued to administer housing rehabilitation grants for senior homeowners, even after the loss of redevelopment funding for this program. Additional funding sources should be explored in the future.
58.05-A	Consider amendments to the City’s fee schedule and zoning regulations that would create incentives to include three- and four-bedroom apartments in new affordable multi-family and/or mixed use projects. The number of bedrooms should be considered as a ranking factor when proposed projects are competing for local affordable housing dollars.	ADVANCE. There has been no action on this program to date. However, there continues to be a need for larger apartments serving families. The new Cornerstone project will include 36 three-bedroom units.

ADOPTION DRAFT

Action	Summary	Progress
58.06-A	In accordance with SB 520, the City will ensure that reasonable accommodations are made to meet the housing needs of persons with disabilities. Further consideration should be given to: (a) Formalizing a requirement that at least 5% of the units in projects receiving redevelopment set-aside funds be reserved for persons with disabilities; (b) Preparation of brochures and informational “how to retrofit” flyers; (c) Amending the San Leandro Building Code to incorporate “Universal Design” principles; (d) continue to work with disabled advocacy groups to address the housing and transportation needs of the local disabled community; (e) continue to allocate CDBG funds for accessibility retrofits, and enforce the ADA and Title 24	REVISE. The City adopted a resolution on November 2, 2009 which formalized its reasonable accommodation procedures. At that time, Title 2 Chapter 5 was added to the City Code, officially defining reasonable accommodation policies and the process for filing a grievance. The City’s Housing Specialist is listed as being responsible for Section 504 Coordination and the City’s Public Works Director is the point person for compliance with the Americans with Disabilities Act. The City’s website has been updated to include a link to the Reasonable Accommodation policy and the process for filing a grievance. Regarding the specific actions listed: (a) this can be deleted since the Redevelopment Agency has been eliminated; (b) rather than the City creating flyers and brochures, it may be more efficient to link to information provided by other organizations (such as HCD) which produce this material; (c) need for this action has been superseded by adoption of Universal Design principles by HCD and their incorporation into Chapter 11A of Title 24 of the State Building Code; (d) this is an on-going activity that should be continued, with the assistance of the Human Services Commission; (e) the City allocates a portion of its annual CDBG funds for curb replacement and ADA retrofits. In 2010, the City adopted an ADA Facilities Transition Plan which identified strategies for removing accessibility barriers.
58.07-A	Continue to participate in the Section 8 Certificate and Voucher Program, which provides assistance to very low income tenants through rent subsidies paid directly to landlords. Promote partnerships with the Alameda County Housing Authority and the Rental Housing Organization to expand the availability of vouchers for San Leandro residents, and provide additional incentives for San Leandro landlords to participate in the program.	ADVANCE. The City has continued to participate in the Section 8 program. The number of vouchers and certificates has increased from 1,300 in FY 06-07 to 1,506 as of June 2014. Based on the Section 8 waiting list, the need for additional vouchers and certificates remains significant.
58.07-B	Pursue funding through HUD’s Homelessness Prevention and Rapid Rehousing Program (HPRP) or other revenue sources to provide additional housing resources for extremely low income families and individuals.	REPLACE. The City and several partner organizations received a \$1.5 million stimulus grant in 2009 to implement an HPRP program. The program provided a variety of homelessness prevention and rehousing services, including temporary financial assistance and moving homeless people out of shelters. Services were provided out of the Davis Street Family Resource Center (DSFRC) in San Leandro. Now that the initial HPRP funds have been fully depleted, the City is continuing to seek grant funds to sustain these services.
58.07-C	Allocate a share of the City’s annual housing budget to programs serving households earning less than 30 percent of AMI and continue to place a priority on serving those with the greatest level of financial need.	ADVANCE. The City regularly dedicates a portion of its annual housing program dollars for extremely low income (ELI) households. Seven units at Casa Verde and nine units at Mission Bell are reserved for ELI households. The Owner Occupied Rehabilitation Grant and Mobile Home Repair Grant program also prioritize ELI households.

ADOPTION DRAFT

Action	Summary	Progress
58.08-A	Continue to provide financial support to Building Futures with Women and Children’s San Leandro Shelter and domestic violence shelter, the Davis Street Family Resource Center, and similar organizations assisting the homeless and persons at risk of becoming homeless. Appropriate organizations to fund include those that provide emergency shelter, case management, hot meals and groceries, motel vouchers, medical care, adult literacy, and other services which assist those who are homeless or at risk of becoming homeless.	ADVANCE. The City continues to provide CDBG funding support to Building Futures for Women (BFWC) and Davis Street Family Resource Center (DSFRC), both of which primarily serve ELI households. The City also helped BFWC set up the Housing Resources Center (see above). BFWC served 184 ELI households in 2011, 199 in 2012, and 261 in 2013. DFRSC served 12,138 ELI households in 2011, 11,122 in 2012, and 12,540 in 2013. Other organizations serving special needs populations and those with unmet housing needs have been supported through CDBG in recent years. This will continue, and additional funding sources should be pursued.
58.08-B	Continue to fund an Emergency Rental Assistance Program, which provides emergency loans to lower-income families with delinquent rent due to temporary economic hardship. The program may be administered by a local non-profit entity such as ECHO Housing.	ADVANCE. This program is administered by ECHO Housing. It served 16 families in 2011-12 and 6 families in 2012-13. It did not receive funding from the City in 2013 due to budget constraints. Restoration of the program should be pursued in the 2015-2023 period.
58.08-C	Within 12 months of Housing Element adoption, amend the San Leandro Zoning Code to allow group residential uses (such as homeless shelters, rooming and boarding houses, supportive housing, and residential care facilities) as a matter of right on Industrial-Light (IL) zoned parcels. In addition, the zoning code should make explicit reference to “emergency shelter”, “supportive housing,” “and transitional housing” rather than using the more generic term “group housing.”	ACHIEVED/DELETE. This action, which achieved compliance with SB2, was completed in March 2011. Provisions to treat transitional and supportive housing the same as other uses of the same type in the same zone were added to the Code at that time.
58.09-A	Develop a local implementation strategy for the Alameda County EveryOne Home program. This could entail additional efforts to prevent homelessness, increase local housing opportunities for extremely low income households, deliver additional services to support stability and independence, and provide technical and financial assistance to organizations that assist those who are homeless or at risk of becoming homeless.	ADVANCE/REVISE. The City adopted EveryOne Home in 2006 and has worked with other cities, the County, and partner organizations on its implementation. It has not yet developed a strategy specific to San Leandro. In 2014, the City Council created a Task Force made up of staff, local clergy, service providers, and the homeless to address local homelessness issues. This should be reflected in a revised version of this action.

ADOPTION DRAFT

Action	Summary	Progress
58.09-B	Evaluate the feasibility of a local transitional/ permanent supportive housing facility that would provide subsidized rental housing for individuals and families to assist them in the transition between living in a shelter and regular private rental housing. If such a facility can be constructed, priorities should be given to single parent households with children. If such a facility is infeasible in San Leandro, continue to provide financial support to develop such facilities in nearby communities. The feasibility of including such housing as a component of a “safe haven” for homeless persons also should be considered.	REVISE. City staff participated in an EveryOne Home (EOH) Task Force which included EOH, County government, nonprofit staff, and local service providers to consider the idea of a “safe haven.” The task force determined that the idea was infeasible due to limited financial support. Moreover, there continues to be a shifting emphasis toward permanent supportive housing rather than temporary shelter. A revised action encouraging supportive housing facilities, and additional state and federal funding for such facilities, should be considered in lieu of this action.
58.10-A	Maintain multi-lingual staff capacity at City Hall in order to better respond to the needs of non-English speaking households and ensure that all residents may participate fully and equally in the housing market.	ADVANCE. City staff includes persons fluent in Spanish, Cantonese, and Mandarin. The City also maintains a directory of languages spoken by staff in all City departments so that appropriate referrals can be provided. The City is also implementing a Language Access Plan, approved by HUD, to discuss written and oral language access measures. Most printed and web-based material on housing is provided in English, Spanish, and Chinese, including information on fair housing access, foreclosure, housing rehabilitation grants, and rent review.
58.12-A	Explore programs which assist San Leandro’s teachers, nurses, police officers, and other community service employees in obtaining suitable and affordable housing within the community. Explore the availability of state funding for such programs. To the extent permitted by law, consider directing a percentage of redevelopment set-aside funds for this purpose.	REVISE. This continues to be a relevant objective, but the elimination of Redevelopment, coupled with reduction in state and federal funds, and other competing demands for housing programs, make it difficult to fund. No action has been taken to date.

“ACHIEVED” indicates the action has been accomplished, while “ADVANCE” means it is on-going or should be carried forward to 2015-2023. “REPLACE” means the action should be replaced with a new or modified program to carry out the policy. “DELETE” means the action is no longer relevant. “REVISE” means action should be updated.

goal 59: elimination of housing constraints

Goal 59 was to reduce potential constraints that increase the cost or feasibility of new housing development. This is one of the major purposes of the Housing Element, as defined by the State Government Code, and continues to be a valid goal for 2015-2023

There are nine policies under Goal 59, evaluated below.

Policy 59.1 ensured that the Zoning Code facilitated the production of housing for all income groups, and discouraged overly restrictive or redundant requirements. This remains a valid policy, and should be carried forward. The City has implemented this policy through the adoption of several new mixed use zones, increases in allowable density, reduced parking requirements, modification of second unit standards, and completion of many of the actions listed in Table 2-7 below.

Policy 59.2 was to maintain parking standards that reinforce other General Plan goals, including reduced requirements where high-quality, reliable public transit is available, and where likely occupants will own fewer cars (such as senior housing). The City has adopted reduced parking requirements in the Downtown TOD area, recognizing the presence of BART as well as frequent bus service. Similar requirements may be considered as part of the upcoming study for the Bayfair BART area. This policy should be carried forward.

Policy 59.3 was to minimize the cost and time associated with development review and permit processing while still adequately addressing community concerns. This policy has guided the provision of development services for the past two decades and should be continued. The City's One-Stop Permitting Center has received awards in the past, and the City's pre-application meetings have proven to be an effective way to streamline project review. The City will continue to seek out ways to minimize cost- and time-related constraints in the future.

Policy 59.4 was to ensure that impact fees are structured to cover only the costs associated with new development, and not to cover deferred maintenance. This policy should be carried forward to ensure that the City's fees are legally defensible and equitable. The City conducts justification studies when considering modifications to impact fees, and has completed the technical analysis necessary to charge the maximum school impact fee allowable under law. The City has also pursued and received state grants for upgrading infrastructure in areas where new housing is projected, lessening the burden on future developers as well as San Leandro taxpayers.

Policy 59.5 states the City's commitment to excellent customer service in the processing of residential development applications. The policy affirms the City's intent to make the development review process easier to navigate for applicants. This continues to be a relevant policy and should be carried forward.

Policy 59.6 calls upon the City to work proactively with developers and community groups to address design issues and other impacts associated with multi-family housing. The City has implemented this policy through the design of Estabrook Place and Casa Verde, and more recently through the design of the Cornerstone project at the BART station. Policy 58.5 remains relevant and should be carried forward.

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Based on feedback received during the 2015-2023 Housing Element Update, one of the specific design issues that should be addressed is the transition in height and scale between development along East 14th Street and the adjacent low density neighborhoods. This is particularly true in the North Area where there are many shallow commercial parcels backing up to one story homes.

Policy 59.7 encourages the maintenance of water, wastewater, drainage, and other public facilities to ensure that their condition does not impede housing development. This continues to be an important policy and is implemented through regular evaluations of utility infrastructure, as well as annual capital improvement and general fund expenditures. The City has used about \$18 million for sewer improvements, streetscape improvements (along San Leandro Boulevard and West Estudillo Avenue), a History Walk, and lighting near the San Leandro BART station and in downtown in order to accommodate new development in this vicinity.

Policy 59.8 recommends collaborative efforts with the San Leandro and San Lorenzo Unified School Districts to address issues of school capacity. Enrollment has been relatively stable during the 2007-2014 planning period, at about 8,800 students. However, the prospect of additional housing development means that enrollment is likely to increase in the future. Moreover, the trend toward larger households and a larger student-aged population also indicates the need for increased capacity. This policy should be retained and strategies to meet school facility needs should continue to be developed.

Policy 59.9 recommends programs and funding sources to correct flooding and soil contamination problems on potential housing sites. This continues to be an appropriate policy, particularly since some of the potential housing sites contain former automotive and industrial uses. Pursuant to this policy, the City requires the necessary approvals from the Regional Water Quality Control Board, the Department of Toxic Substances Control, and other state and federal agencies before permitting new development.

Goal 59 included 15 specific action programs. Progress toward their achievement is shown in Table 2-7.

ADOPTION DRAFT

Table 2-7: Progress on Implementing Actions for Goal 59 (Elimination of Housing Constraints)

Action	Summary	Progress
59.01-A	Amend the minimum lot size required for a residential planned development (PD) in the RM Zone from 10,000 SF to 6,000 SF	ADVANCE. Although zoning amendments were made during the planning period, this action has not been completed. It should still be moved forward, as this could create the opportunity for context-sensitive infill development on scattered vacant lots zoned for multi-family uses.
59.01-B	Amend the zoning code to: (a) Adopt a minimum density requirement of 12 units per acre for new development on properties zoned RM-1800, RM-2000, and RM-2500. (b) Note that housing in the CC and CRM zones is subject to the same regulations that apply in the RM-1800 zone (24 units per acre) rather than those that apply in the RM-2000 zone (22 units per acre); and (c) Allow higher FARs and lot coverage limits in the CC and CN zone when residential uses are included in a development project.	ADVANCE. These changes have not been made due to competing priorities and staff reductions. (a) is still relevant and would ensure efficient use of vacant land zoned for multi-family development; (b) would have a minimal effect on development potential but would still be helpful for General Plan consistency; (c) would require further discussion and community input to determine the appropriate limits, but it remains worthy of further consideration.
59.01-C	Consider amending the second unit provisions in the Zoning Code to allow units ranging from 450 to 700 square feet, with a conditional use permit (CUP). The requirement that the unit may not exceed 30 percent of the total floor area should be retained.	ACHIEVED/REPLACE. This change was made in 2012, with 750 SF as the upper size limit with a CUP and 500 SF allowed by right. Additional revisions to the second unit standards should be considered in the future. Public input during the 2015-2023 Update indicated support for second units as a way to meet rental housing demand and special housing needs without changing community character or over-concentrating rental housing.
59.01-D	Amend the NA-1 and NA-2 zones so they are in keeping with current best practices for transit-oriented corridors. Development intensities in this zone should be comparable to those in the SA zone. Changes to be considered should include: (a) Raising the maximum density in NA-1 and NA-2 from 24 units per acre to 40 units per acre, or dropping the maximum entirely and letting the existing FAR (which is 1.5) govern future development intensity. (b) Requiring a minimum density of 18 units per acre to match the SA- zones ; (c) Reducing the setbacks on smaller lots in the NA-2 zone to increase the developable envelope. Design guidelines should be used to ensure that development is appropriately buffered and steps down to neighboring lower density uses; (d) dropping the use permit requirement for multi-family (or mixed use) housing in the NA zones; (e) Increasing the height limit from 30' to 40'.	REVISE/REPLACE. This recommendation has not been implemented, and based on feedback from the 2015-2023 Housing Element Update process, it should be revised. Moreover, the adoption of the Downtown TOD strategy in 2007 removed almost all of the NA-1 zoning in the City. The North Area Plan is now more than 23 years old and parts of it were superseded by the Downtown TOD Strategy. It may be opportune to revisit its recommendations as part of the General Plan Update (underway), or as part of a separate planning study to be completed after the General Plan is adopted. Future changes to zoning standards on this corridor should be particularly mindful of community concerns regarding building height and scale transitions between East 14 th Street and the adjacent single story low density neighborhoods, as well as issues relating to parking and traffic on the corridor.

ADOPTION DRAFT

Action	Summary	Progress
59.01-E	(a) Consider adding a definition of “Supportive Housing” to the Zoning Code, and amending the lists of permitted and conditionally permitted uses to indicate where this use is allowed; (b) Make residential hotels a conditionally permitted use in at least one of the DA zones. They are currently only a conditionally permitted use in the SA-1 zone.	REVISE/REPLACE. (a) A definition of supportive housing has not been added, although the Zoning Code was amended in 2011 to be compliant with SB2 (the amendment ensures that supportive housing is not subject to standards beyond those applying to other housing units of the same type in the same zone). (b) The trend in most communities is to treat SROs as a multi-family use rather than to call them out as a separate land use. Thus, given the state-mandated language on supportive housing, this action may no longer be necessary.
59.01-F	Monitor the impacts of minimum density standards on development activity in the Downtown TOD area to ensure they are reasonable and reflective of market conditions. While no changes to these standards are proposed at this time, they should be periodically evaluated and compared to standards around other transit stations in the Bay Area.	ADVANCE. This continues to be an appropriate action. Development activity in the TOD area was stalled by the poor economy during most of the 2007-14 planning period. As activity picks up, the City will continue to consult with property owners and the development community to ensure that the adopted standards are appropriate.
59.01-G	Consider adjustments to zoning, design review, permitting, and site plan review requirements to ensure that above moderate income households are not unduly burdened by planning and building requirements and to encourage continued high levels of private investment in San Leandro’s housing stock and residential neighborhoods.	REPLACE. Based on public feedback during the 2015-2023 Update, and the findings of the Constraints Analysis, this should be replaced with a program to periodically convene “roundtables” and other forums for those in the development, finance, and real estate industries to discuss the factors that influence development activity and real estate decisions in the city.
59.02-A	Consider amending the parking standards as follows: (a) Make the parking standards in the NA districts comparable to those in the SA districts, reflecting the lower level of demand on high-volume transit corridors; (b) Allow a greater percentage of the parking spaces in multi-family housing near transit stations or along transit corridors to be uncovered; (c) Eliminate guest parking requirements for buildings with less than 4 units; (d) Lower the parking requirements for studio apartments from 1.5 to 1.25 spaces/ unit.	REVISE. This should be done as part of a comprehensive set of zoning revisions following adoption of the new General Plan in 2016. Specifically: (a) this may no longer be necessary given the elimination of the NA-1 zone and the relatively low development potential in NA-2; (b) this should be advanced for further discussion; (c) this should be advanced for further discussion; (d) this should be advanced for further discussion.
59.03-A	Maximize the potential benefits of the City’s permit tracking system, one stop permitting center, and website to facilitate permit processing.	ADVANCE. This action is implemented on an ongoing basis and should be carried forward. The City continues to expand its GIS capacity and the use of its website for permit applications, processing, and tracking. The City uses its permit tracking data base to issue regular reports, enabling staff to monitor construction activity, issues, and trends in the city. In 2014, the City began the process of replacing and modernizing its permit tracking system from Tidemark to Accela.
59.04-A	Regularly review and update development and permitting fees.	ADVANCE. This remains an important action and is implemented on an annual basis. Effective July 1, 2014, the City enhanced its long range planning capacity with a new Community Planning Fee. It also streamlined and updated other planning and building fees and costs.

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Action	Summary	Progress
59.04-B	Develop a policy to reduce certain fees for affordable housing, with the exception of school and park fees. Reductions or waivers should be considered for fees for map filing, use permits, rezoning, and undergrounding.	ADVANCE. Fee waivers are considered on a case-by-case basis based on project characteristics. For instance, Eden Housing received a waiver for the School Impact Fee for Estabrook Place, since it is a senior housing development. The City provides other types of financial subsidy to affordable housing projects from non-General Fund sources such as CBDG, HOME, and the Affordable Housing Trust Fund.
59.04-C	Work with EBMUD and other utilities to explore reductions to connection and system capacity fees for affordable housing.	ADVANCE. This remains a valid action program, although EBMUD and PG&E have not offered fee waivers in recent years.
59.06-A	Continue to use multi-family design guidelines in the Downtown TOD and East 14 th Street areas. Develop additional guidelines that apply more broadly to multi-family projects on infill lots. Such guidelines should not only address large, high-density projects, but also small (2-10 unit) infill buildings and townhouse projects. Guidelines should address such issues as height, bulk, transitions between higher density and lower density areas, location of parking, and consistency of architectural style.	ADVANCE/REVISE. This is currently done on a project by project basis during the development review process. Guidelines for multi-family infill housing, small lot subdivisions, townhomes, lot splits, in-law units, and similar housing types should continue to be pursued to ensure that future development is harmonious with surrounding uses and enhances neighborhood character. Design guidelines for the Bayfair TOD area should be included as part of the TOD plan to be prepared in the coming years.
59.07-A	Ensure that the annual San Leandro Capital Improvement Program includes the projects needed to correct infrastructure deficiencies.	ADVANCE. This action is carried out on a continuous basis through the City's Engineering and Transportation Department. The Department prepares the annual CIP for Council approval, considering factors such as need, facility condition, and community input. Recent work included about \$18 million in sewer replacement, pedestrian enhancements, and streetscape improvements in downtown and along San Leandro Boulevard near BART.
59.09-A	Explore possible funding sources to assist developers in addressing soil contamination on potential housing sites.	ADVANCE. The City has not specifically pursued funds for clean up of contaminated sites, but works with property owners and developers on an on-going basis to provide technical assistance in remediation. No requests were received during 2007-2014.

“ACHIEVED” indicates the action has been accomplished, while “ADVANCE” means it is on-going or should be carried forward to 2015-2023. “REPLACE” means the action should be replaced with a new or modified program to carry out the policy. “REVISE” means action should be updated.

Goal 60: Fair Housing

The final goal in the Housing Element was to ensure that all persons have freedom of choice as to where they live. The goal was followed by several policies providing the framework for the City's anti-discrimination initiatives and its public education and outreach efforts around fair housing laws and the need for affordable housing. This goal continues to be relevant and should be retained. Seven policies were included, as indicated below.

Policy 60.1 encouraged and supported programs to eliminate housing discrimination. The policy remains valid. It provides the basis for the City's agreement with Eden Council for Hope & Opportunity (ECHO) Housing to investigate discrimination claims and educate tenants and landlords about their rights. The policy should be carried forward into the updated Element.

Policy 60.2 recommended that non-discrimination be required as a condition of approval for City-approved housing programs. The policy is implemented through the City's contracting and procurement procedures. It remains an important policy and should be retained in the updated Element.

Policy 60.3 was to provide information and referral services to families and individuals to help them find suitable housing and overcome financial barriers to obtaining such housing. The policy is implemented by the City's Housing Services Division, ECHO Housing, and local social service organizations. Under the auspices of this policy, the City provides annual funding to organizations such as Davis Street Family Resource Center and Building Futures for Women and Children to assist families in need. It also helped support the Housing Resources Center funded by Homelessness Prevention and Rapid Rehousing funds.

Policy 60.4 was to ensure that the City's housing programs are well publicized, and are made known through a variety of media, including the Internet. The policy is implemented by the Housing Services Division on an ongoing basis and remains relevant. The City continues to provide information on housing programs, and makes a variety of materials available at City Hall, the libraries, and local social service offices.

Policy 60.5 was to provide web-based materials in multiple languages, including Spanish and Chinese. Spanish and Chinese continue to be the two largest non-English languages spoken in San Leandro and the policy remains applicable. Most of the information on the City's website has been translated. As noted in this chapter under Goal 58, a variety of measures have been implemented to improve language access.

Policy 60.6 promoted public education on fair housing requirements and the need for affordable housing in the community. It also sought to address misconceptions about affordable housing, and to build broader acceptance of such housing. This continues to be an important public policy objective, and should be retained. It is implemented in part by the City and in part by the housing advocacy groups and non-profits that are active in the area. The County conducted an Analysis of Impediments to Fair Housing in 2009 and is working on another in 2014.

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Policy 60.7 was to provide residents with information on how to avoid predatory lending. This was a problematic issue at the time of the last Housing Element Update (in the midst of the foreclosure crisis). Protection from predatory lenders is a component of the housing counseling services offered by several non-profit and quasi-governmental entities. The policy can probably be merged with others like it under Goal 55 (see Policy 55.5).

Goal 60 included an objective of following up on 100 percent of all fair housing complaints received. The City’s ADA and Section 504 Coordinators respond to all complaints and/or grievances with regard to reasonable accommodations. If City staff cannot handle a fair housing inquiry/complaint, it is referred to ECHO Housing, the City’s outsourced fair housing service provider. ECHO conducts an annual investigation of local property owners/managers to test for fair housing/discrimination concerns. Its findings are reported to the City Council, and ECHO staff follows up with all property owners/managers who may have shown potential discrimination. Between 2011 and 2013, ECHO provided information on 35 fair housing inquiries or allegations of discrimination in San Leandro, affecting 71 clients.

There were three action items listed under Goal 60. These are listed in Table 2-8 below

Table 2-8: Progress on Implementing Actions for Goal 60 (Fair Housing)

Action	Summary	Progress
60.01-A	Continue to contract with ECHO Housing for fair housing assistance and the investigation of discrimination complaints.	ADVANCE. The City implements this federally mandated action on a continuous basis. It provides an annual payment to ECHO for these services, and will continue to do so in the future. Because of the loss of the Redevelopment Agency, the payment is now made from the General Fund.
60.06-A	Work with ECHO Housing to conduct fair housing training sessions for landlords and property owners, tenants and homebuyers, realtors, and the public at large. In addition, support ECHO’s targeted audits to gauge the level of discrimination in the rental housing market.	ADVANCE. Between 2011 and 2013, ECHO Housing’s counselors conducted 28 fair housing training sessions, including 5 sessions for 159 landlords and property managers; 2 fair housing sessions for 55 persons; 5 sessions for 19 tenants or potential homebuyers, 1 session for 70 realtors, and 15 general presentations for 394 persons. ECHO also conducted audits to determine where differential treatment of prospective tenants was present. ECHO also participates in the annual Rental Housing Owners Association Management Fair Housing Training, providing outreach to landlords on fair housing.
60.06-B	Use public service announcements, newspaper ads, educational fliers, and other media to raise community awareness about fair housing and the need for affordable units.	ADVANCE. This is an ongoing activity led by ECHO Housing with financial support from the City. During the past 7 years, ECHO has provided public service announcements to local radio and television stations, distributed educational flyers and posters, and partnered with the City to recognize “Fair Housing Month” every April. These initiatives should be continued in the future.

“ACHIEVED” indicates the action has been accomplished, while “ADVANCE” means it is on-going or should be carried forward to 2015-2023. “REPLACE” means the action should be replaced with a new or modified program to carry out the policy. “REVISE” means action should be updated.

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3. NEEDS ASSESSMENT

introduction

The purpose of the Needs Assessment is to describe demographic, housing, and economic conditions in San Leandro so that the City’s housing policies and actions reflect local needs. The Needs Assessment includes data on population, household characteristics, income and employment, special needs groups, housing stock characteristics, building condition, and housing values. As appropriate, it presents this data side by side with data from Alameda County and other communities to facilitate an understanding of the city’s characteristics relative to the region. Consistent with State law, this chapter also includes a discussion of subsidized units at risk of converting to market-rate rents, a discussion of residential energy conservation, and an evaluation of the needs of homeless and extremely low income households.

The starting point for this Needs Assessment is the 2010 San Leandro Housing Element. Data from that Element has been updated to 2014, or to other benchmarks in time where more current data is available. The 2010 Element was adopted in April 2010, the same month the 2010 Census was taken. Thus, it relied on 2000 Census data and various estimates from the Census Bureau and other sources. The 2015-2023 Element relies on the 2010 Census, as well as more current estimates from the American Community Survey (see text box below), the California Department of Finance, the City of San Leandro, and other more current data sources.

The American Community Survey

The American Community Survey (ACS) was initiated in the 1990s to provide a means of estimating the characteristics of the population on a more regular basis than the decennial census. The ACS is designed to replace the Census “long form” with an annual survey, with results that can be extrapolated to the population at large. Since 2003, annual ACS reports have been produced for all counties and cities with 65,000 people or more.

The Census long form is currently administered to 1 in 6 American households every 10 years and includes detailed demographic, household, and employment questions. The ACS is distributed to a smaller sample size—totaling about 3 million households nationwide. Thus, the findings for smaller cities like San Leandro may be less reliable than the decennial census. Each ACS statistic is presented with an estimated margin of error. The margins range from 10 percent to as high as 50 percent of the figure listed. ACS data is typically presented as a five-year average.

When cited in this Housing Element, the data is for the 2007-2011 or 2008-2012 periods. ACS data for 2007-2011 was compiled by ABAG specifically for use in local Housing Elements.

demographics

Growth Rate

The State Department of Finance indicates that San Leandro's population as of January 1, 2014 was 87,691. This is an increase of about 8,200 residents (10.4%) since the 2000 Census and 2,700 residents (3.2%) since the 2010 Census.

As Table 3-1 indicates, San Leandro's population grew rapidly during the 1950s, leveled off during the 1960s and then declined during the 1970s. After a relatively stable period in the 1980s, new housing construction and rising household sizes resulted in a 16.4 percent increase during the 1990s. Since 2000, the growth rate has returned to levels comparable to the 1980s.

Growth in the Bay Area between 2000 and 2010 was affected by the global recession of 2007-2010. The region grew at its slowest decennial rate since the 1850s, with only a 3.2% increase between 2000 and 2010. San Leandro grew at a faster rate than the region and the County during the decade, primarily due to increases in average household size. Since 2010, growth in the County and the region have outpaced San Leandro, as the city has experienced very little new construction.

Information on projected population growth from 2014 to 2025 is included later in this chapter.

Table 3-1: Population Change in San Leandro and Alameda County, 1950-2014

	1950	1960	1970	1980	1990	2000	2010	2014*
City of San Leandro	27,542	65,962	68,698	63,952	68,223	79,452	84,950	87,691
% Change	--	139.5%	4.1%	-7.0%	6.7%	16.4%	6.9%	3.2%
Alameda County	740,315	908,209	1,071,446	1,105,379	1,279,812	1,462,700	1,510,271	1,573,254
% Change	--	22.7%	18.0%	3.0%	15.5%	14.6%	3.3%	4.2%
Bay Area	2,681,322	3,638,939	4,630,576	5,179,793	6,020,147	6,930,600	7,150,739	7,420,453
% Change	--	35.7%	27.2%	11.9%	16.2%	15.1%	3.2%	3.8%

Source: US Census, 1950-2010, California Department of Finance, 2014

(*) percent change is for 4-year period, not 10-year period.

Household Type

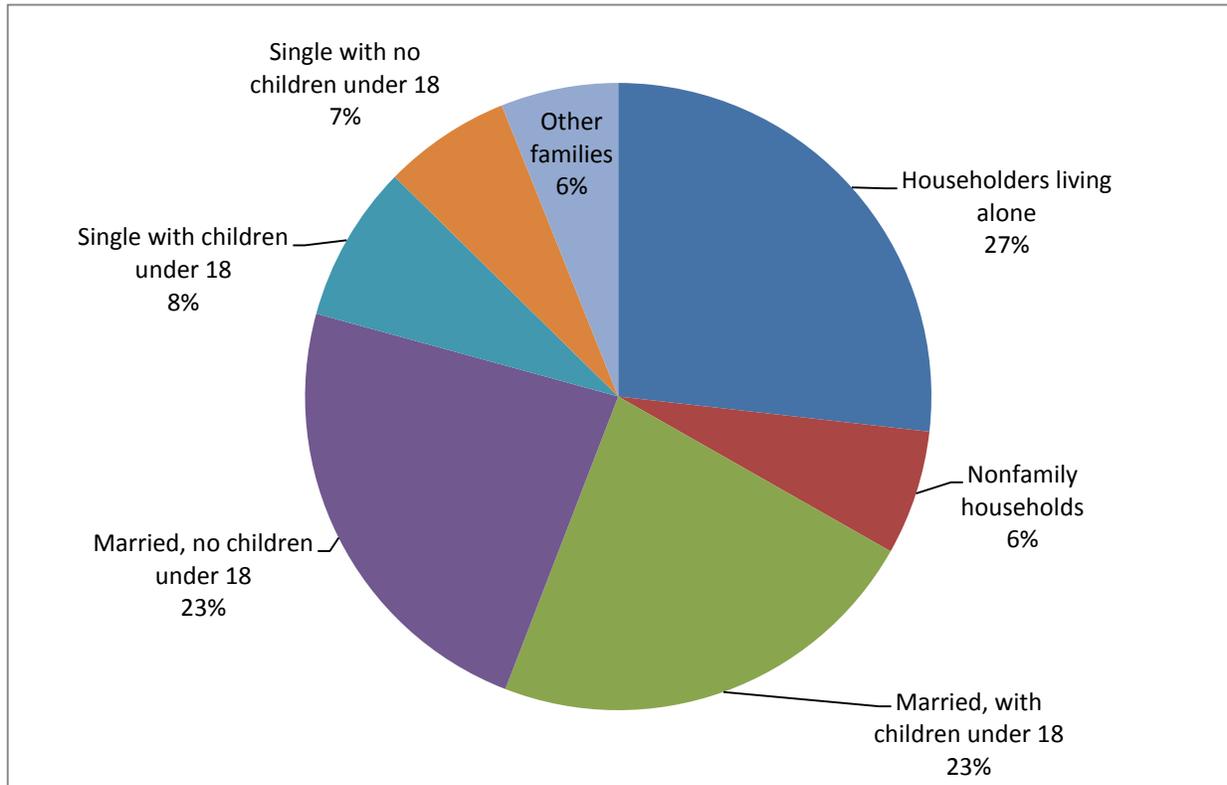
According to 2014 data from the California Department of Finance, 99 percent of San Leandro's residents live in individual households while less than one percent (650 residents) live in group quarters. The number of residents in group quarters has declined slightly since the 2000 Census but it is still substantially higher than it was in 1990. Between 1990 and 2000, the number of residents in group quarters tripled, largely as a result of new nursing home and congregate care facility construction.

The 2010 Census counted 30,717 households in the city, with 84,300 persons. In 2014, the Department of Finance estimated the current number of households at 30,797, an increase of 0.2 percent. Household population in 2014 is estimated to be 87,041.

Based on the 2010 Census, about 67 percent (20,514) of San Leandro's households were families, defined by the Census as "a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption." The percentage of households that are families is slightly higher than in Alameda County as a whole and has increased since 2000. San Leandro's 10,203 "non-family" households included 8,228 persons living alone and 1,975 households with unrelated individuals sharing a home with no children present. The percentage of persons living alone decreased slightly between 2000 and 2010

Chart 3-1 provides additional detail on the types of households in San Leandro. In 1990, about 17 percent of the city's households consisted of married couples with children under 18 living at home. By 2000, the figure increased to 21 percent, and by 2010 it had increased to 23 percent. In 1990, San Leandro had nearly 10,000 "empty nester" households comprised of married couples with no children living at home. By 2010, this number had dropped to 7,700. A new generation of younger families began moving into the city during the 1990s. This trend continued through 2000-2010.

In 2000, about 6 percent of the city's households (1,828) consisted of single mothers with children under 18 and about 2 percent (577) consisted of single fathers with children under 18. By 2010, single mothers represented 6.6 percent of all households (2,031) and single fathers represented 2.4 percent (731). The 2010 Census also counted 3,608 households in the city consisting of other families with no children present.

Chart 3-1: San Leandro Household Type, 2010

Source: US Census, 2010

Household Size

In 2014, average household size in San Leandro is estimated to be 2.83.¹ This is a substantial increase from 2000, when the Census reported average household size in the city to be 2.57. It is also an increase from 2010, when the Census determined that average household size was 2.74. Increasing household size has been the primary variable driving population increases in the city over the last decade. This trend is not unique to San Leandro. Every city in Alameda County has seen increases in household size over the last four years, with the Countywide average increasing from 2.70 to 2.78.

Household size over the last 50 years is displayed in Table 3-2. The increase in household size since 2000 continues a trend that began in the 1980s. In 1990, average household size was 2.33. At that time, average household size in the County as a whole was 2.59. By 2010, the city's average was larger than the County's. The increase is at least partially a result of more multi-generational households, larger numbers of children, and adult children living at home longer due to the high cost of housing in the Bay Area.

¹ The 2.83 figure is based on California Department of Finance data for January 1, 2014.

Table 3-2: Household Size in San Leandro and Alameda County, 1960-2014

Year	San Leandro	Alameda County
1960	3.28	N/A
1970	2.81	2.84
1980	2.34	2.53
1990	2.33	2.59
2000	2.57	2.71
2010	2.74	2.70
2014	2.83	2.78

Source: US Census, 1960-2010, California Department of Finance, 2014

Age

Table 3-3 indicates age distribution in San Leandro in 1990, 2000, and 2010 and presents the rate of growth for each age cohort listed.

The median age in the city declined from 38.1 in 1990 to 37.7 in 2000 and then increased to 39.3 in 2010. The city historically has had a higher median age than the County as a whole, but the gap has narrowed. In 2010, Alameda County had a median age of 36.6. Chart 3-2 compares the age distribution in San Leandro with Alameda County as a whole.

The city experienced remarkable growth in its youth population during the 1990s, with a 36 percent increase between 1990 and 2000. The rate of growth slowed between 2000 and 2010, but was still significant. Between 2000 and 2010, the number of San Leandrans who are 19 or younger increased by 1,680, which was an 8.7 percent increase. Growth in the number of persons aged 15-19 was particularly rapid, with over 1,000 more residents in this age group in 2010 than in 2000. Persons 19 or younger now represent 24.7 percent of the city's population. This compares to 20.9 percent in 1990.

By contrast, the city has seen a decrease in the percentage of its residents over 65. This counters the trend elsewhere in Alameda County and in the state and nation. In 1990, seniors represented 19.1 percent of the city's residents. By 2000, this percentage declined to 16 percent and by 2010, seniors represented 13.7 of the city's residents. The number of San Leandro residents over 65 dropped by 1,005 between 2000 and 2010. The only increase among seniors was in the 85 or older age cohort, which grew by 26 percent over the decade. The generation that settled the city during the post-war era is now in their 80s and 90s and has a high rate of mortality. Younger families with children have been moving into the city in growing numbers since 1990, and continue to do so today. San Leandro is a very different city today than it was in 1990.

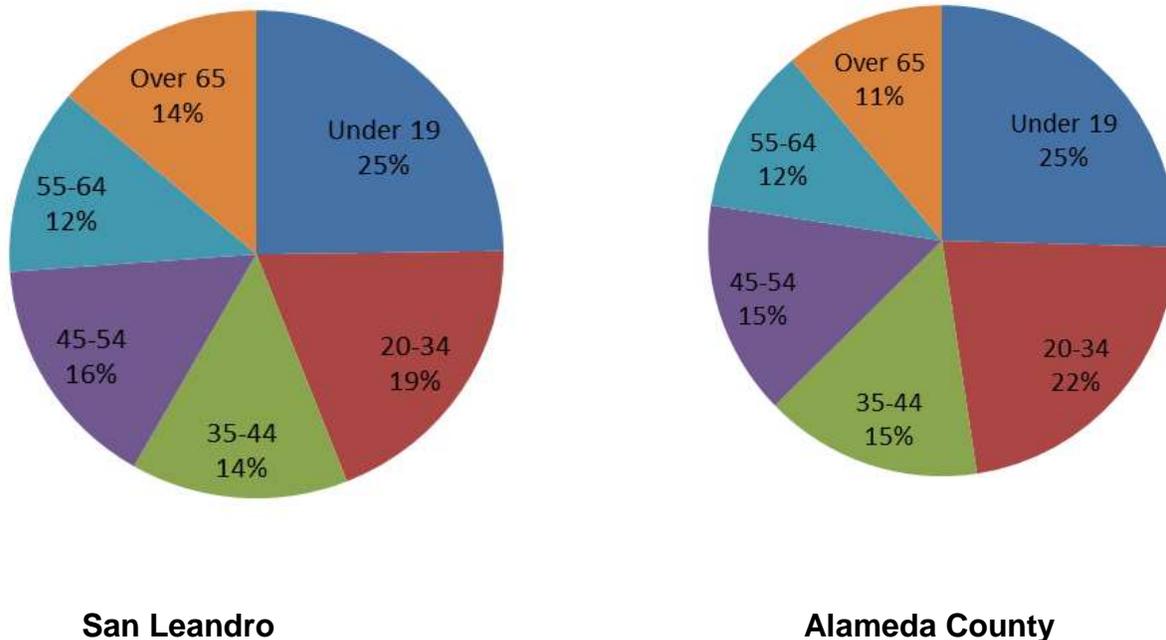
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Table 3-3: Age Distribution of San Leandro Residents: 1990, 2000, and 2010

Age Group	1990	% of total	2000	% of total	'90-'00 change	2010	% of total	2000-2010 change
Under 5	3,948	5.8%	5,032	6.3%	27.4%	5,274	6.2%	4.8%
Age 5-9	3,908	5.7%	5,274	6.6%	34.9%	5,186	6.1%	-1.7%
Age 10-14	3,242	4.8%	4,661	5.9%	43.7%	5,176	6.1%	11.0%
Age 15-19	3,163	4.6%	4,397	5.5%	39.0%	5,408	6.4%	23.0%
Age 20-24	4,223	6.2%	4,504	5.7%	6.6%	4,975	5.9%	10.5%
Age 25-34	12,374	18.1%	12,076	15.2%	-2.5%	11,387	13.4%	-5.7%
Age 35-44	10,312	15.1%	13,334	16.8%	29.3%	12,082	14.2%	-9.4%
Age 45-54	6,907	10.1%	10,857	13.7%	57.1%	13,259	15.6%	22.1%
Age 55-64	7,133	10.4%	6,629	8.4%	-7.6%	10,520	12.4%	58.7%
Age 65-74	7,848	11.5%	5,845	7.4%	-25.5%	5,538	6.5%	-5.3%
Age 75-84	4,023	5.9%	5,096	6.4%	26.6%	3,948	4.6%	-22.5%
Age 85+	1,142	1.7%	1,747	2.2%	52.9%	2,197	2.6%	25.8%
Total	68,223	100.0%	79,452	100.0%	16.5%	84,950	100%	6.9%
Median Age	38.1		37.7			39.3		

Source: US Census, 1990, 2000 and 2010.

Chart 3-2: Age Distribution of Residents in San Leandro and Alameda County, 2010



Source: US Census 2010

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Between 2000 and 2010, the fastest growing age cohort was the so-called baby boomer generation (persons born between 1946 and 1963). The number of persons aged 55-64 increased by 58 percent during 2000-2010, more than eight times the rate of growth for the general population. Likewise, the number of persons aged 45 to 54 increased by 21 percent. As of 2010, there are 9,700 more people in the 45-64 age cohort than there were in 1990 and 6,300 more than there were in 2000.

The changes in age distribution have important implications for housing needs. The baby boom generation, now representing 28 percent of the city's residents, is approaching retirement age. The "bulge" in the city's age distribution will advance to the 65 to 74 age cohort during the coming decade, creating an increasing need for active retirement housing and independent senior living facilities. As life expectancies increase, the city will continue to have a growing number of frail elderly residents who require skilled nursing and assisted living facilities. San Leandro will also experience a surge in demand for rental apartments and affordable housing as the city's teens and young adults mature. The number of residents in the 25-44 age cohort declined in the 2000s but it is likely to increase substantially during the next 10 years. As these residents form families, the city will also require housing that is suitable for young adults with children.

Ethnicity and Linguistic Isolation

Over the last 30 years, San Leandro has become one of the most diverse cities in Alameda County. The percentage of non-Hispanic Asian and African-American residents increased from 11.4 percent of the city's population in 1990 to 32.8 percent in 2000 and to 42.0 percent in 2010. The percentage of residents of Hispanic origin increased from 15.2 percent of the city's population in 1990 to 20 percent in 2000 and 27.4 percent in 2010.

According to the 2010 Census, about 46 percent of San Leandro's Asian residents are Chinese, 31 percent are Filipino, 11 percent are Vietnamese, and 2 percent each are Japanese, Indian, and Korean, with the remainder belonging to other Asian nationalities. The Census also reports that the primary nationality for San Leandro residents of Hispanic descent is Mexico, followed by El Salvador and Puerto Rico. As of 2010, 5.6 percent of the city's residents reported that they were multi-racial, while 1.6 percent reported that they were Native American or Pacific Islander. The 2012 American Community Survey estimates that 35 percent of San Leandro's residents are foreign-born.

In some respects, San Leandro's demographics are a mirror image of the Bay Area. No one ethnic group constitutes a majority. Non-hispanic white residents, historically a majority in San Leandro, constitute 27.1 percent of the city's population today. As the city's population has become more diverse, so have its businesses, social services, and cultural institutions. Cultural changes have affected housing conditions and housing needs.

In 1990, the Census reported that 25 percent of the city's residents spoke a language other than English at home, while 5 percent did not speak English well or at all. By 2000, 39 percent of the city's residents

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spoke a non-English language at home and 9 percent did not speak English well or at all. According to the 2012 American Community Survey, 48 percent of the city's residents now speak a language other than English at home. Roughly half of these residents speak English "less than very well." The ACS indicates that some 19,500 San Leandro residents over age 5—24.4 percent of the city's population—speak English "less than very well." Among those speaking a language other than English, roughly 15,900 spoke Spanish, 9,200 spoke Chinese (primarily Mandarin and Cantonese), 4,800 spoke Tagalog, and 2,600 spoke Vietnamese.²

Given the growing number of non-English households in the city, it is essential that information on housing programs is made available in multiple languages. Housing programs and other social services must be sensitive to cultural differences and the needs of the different ethnic groups living in the city.

Tenure

The 2010 Census indicated that 42.5 percent of San Leandro's households were renters and 57.5 percent were owners (see Table 3-4). The percentage of owners has declined since 2000, when it was 60.6 percent. However, the 2010 owner occupancy rate is close to the 1990 rate, which was 58.6 percent. The percentage of owners increased during the 1990s, when almost all housing units added were for-sale units. Conversely, the percentage of owners declined during the 2000s as fewer homes were bought and sold and a larger number of households chose to rent.

By 2010, some homeowners who might have otherwise sold their homes rented them out due to the depressed market. As of 2012, roughly one-third of the rental units in San Leandro (4,554 units) were single family homes.³ Looked at another way, approximately 23 percent of the single family homes in San Leandro are now rental properties (compared to 18 percent in 2000). This phenomenon is not unique to San Leandro. Between 2000 and 2010, the home ownership rate dropped in 13 of the 14 cities in Alameda County. However, the drop in San Leandro was somewhat higher than in other cities, with only Union City reporting a greater decrease.

The 2010 Census indicated that renter households tended to be smaller, younger, and less affluent than owner households. Average household size was 2.58 for renters and 2.87 for owners. The Census also found that only 27 percent of the city's owner-occupied households were headed by someone under 45. By contrast, 53 percent of all renter-occupied households were headed by someone under 45. Moreover, 27.2 percent of San Leandro's owner-occupied households were headed by persons over 65—and 15.6 percent were headed by persons over 75. Although many of these households own their homes outright, the relatively high percentages suggest the need for programs providing home maintenance and upkeep assistance for seniors.

² These figures include those with limited English, and those who speak a language other than English at home, but who also speak English very well.

³ American Community Survey, 2008-2012. *Table B25032, Tenure by Units in Structure.*

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In 2010, 91 percent of San Leandro’s owner-occupant households lived in single family homes, with most of the remainder living in mobile homes. By contrast, most renters lived in buildings of 5 units or larger. More than 90 percent of the multi-family housing units in the city are occupied by renters—the supply of owner-occupied condominiums, co-ops, and other owner-occupied multi-family units is quite small.

Table 3-5 indicates tenure by unit type as of 2000.

Table 3-4: Housing Tenure in San Leandro, 1980-2010

Year	RENTERS	% Renters	OWNERS	% Owners
1980	10,249	37.7%	16,955	62.3%
1990	12,084	41.5%	17,044	58.5%
2000	12,073	39.4%	18,569	60.6%
2010	13,050	42.5%	17,667	57.5%

Source: US Census, 1980-2010.

Table 3-5: Occupied Housing Units by Tenure and Unit Type, 2008-2012

Type of Unit	Owner-Occupied	Renter-Occupied	Total Housing Units	Percent of Total Occupied by Owners
Single Family	15,452	4,555	20,007	77.2%
Multi-Family, 2-4 unit	273	1392	1,665	16.4%
Multi-Family, 5+ units	560	7,032	7,592	7.4%
Mobile Homes	739	127	866	85.3%
Other	16	33	49	32.7%
TOTAL	17,040	13,139	30,179	56.5%

Source: American Community Survey, 2008-2012

Conclusions

San Leandro experienced significant demographic change between 2000 and 2010, and these changes have continued to reshape the city since 2010. As the city’s population has become more diverse, its housing needs have become more complex. The most compelling change is the increasing number of foreign-born households in the city—from 17 percent in 1990 to an estimated 35 percent in 2012. The trends suggest a growing need for housing services for non-English speaking households, as well as housing types which recognize the needs of specific immigrant groups (such as extended families).

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Other notable demographic changes include an increase in household size and number of children, suggesting a need for more three- and four-bedroom units for larger families. Recent changes also suggest the need for zoning regulations which accommodate home additions, second units, and other improvements that support multi-generational or larger households.

Although the percentage (and even the absolute number) of seniors in San Leandro has declined since 1990, the need for senior housing continues to be high. The need for senior housing will grow significantly as the city's large number of baby boomers reach retirement. Demographic data also suggests a high need for affordable rental housing for young adults and families—this will be a fast-growing age cohort in the coming years, and the housing market is not keeping pace.

Given the limited number of large vacant sites in the city, the rising cost of land and construction, and the declining rate of home ownership, the data also point to the need for housing types other than traditional single family detached homes. If the city wishes to sustain a high rate of home ownership, it will need to focus more heavily on condominiums, lofts, stacked flats, townhomes, and other owner-occupied multi-family housing types.

Income and housing affordability

Income

In 2000, the median household income in San Leandro was \$51,081, which was \$4,865 below the countywide median. The lower median was attributable in part to the city's relatively large senior population, many of whom were retired and living on fixed incomes. In 2000, over 57 percent of San Leandro's senior-headed households had annual incomes below \$35,000.

By 2012, the median household income had increased to \$61,857, which was \$8,964 less the countywide median. Despite the 21 percent growth in household income, the city lagged the county in income growth. Much of the income growth during this period was offset by inflation; the consumer price index for the Bay Area increased by 26 percent between 2000 and 2010. Thus, when adjusted for inflation, there was actually a slight decrease in average income over the decade. Median *family* income in San Leandro in 2012 was \$72,354, reflecting the higher income-earning potential of double income households relative to all households. Still, the city lagged the county, which had a median family income of \$88,169.

Relative to adjacent communities, San Leandro's income is comparable to Hayward and San Lorenzo, higher than Oakland, and lower than Castro Valley and Alameda. San Leandro has historically had a reputation as a "blue collar" community with a large number of moderate-income working families. While the nature of the workforce has changed, the city continues to have a large number of middle-income households as well as substantial numbers of households at the upper and lower ends of the income spectrum.

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Table 3-6 indicates that 17.3 percent of the city’s households were earning less than \$25,000 a year in 2012—38 percent of these households were seniors. The 2012 American Community Survey (ACS) reported that 8.5 percent of San Leandro’s residents were below the U.S. poverty level. The incidence of poverty was higher among children (11.3 percent) and single mother households (21.6 percent). The margin of error for the ACS data is high, however, so the actual numbers may be several percentage points higher or lower.

Table 3-6: Number of San Leandro Households by Income Group, 1990, 2000, 2012

Category	1990		2000		2008-2012 (*)	
	Number of Households	Percentage of Households	Number of Households	Percentage of Households		Percentage of Households
Less than \$9,999	2,836	9.7%	1,703	5.6%	1,231	4.1%
\$10,000-\$14,999	1,971	6.8%	1,363	4.5%	1,295	4.3%
\$15,000-\$24,999	4,690	16.1%	2,965	9.7%	2,701	8.9%
\$25,000-\$34,999	4,718	16.2%	3,531	11.5%	2,483	8.2%
\$35,000-\$49,999	6,152	21.1%	5,263	17.2%	4,562	15.1%
\$50,000-\$74,999	5,834	20.0%	7,200	23.5%	5,666	18.8%
\$75,000-\$99,000	1,842	6.3%	4,008	13.1%	4,180	13.9%
Over \$100,000	1,056	3.6%	4,563	14.9%	8,061	26.7%
Total	29,099	100.0%	30,596	100.0%	30,179	100.0%

Source: US Census, 1990-2000, American Community Survey, 2006

(*) 2008-2012 American Community Survey

According to the ACS for 2008-2012, 3.0 percent of the city’s households received public assistance and 26.8 percent received social security income. About 4.5 percent had received food stamp (SNAP) benefits in the last 12 months and 4.8 percent received Supplemental Security Income (SSI).

Based on ABAG data provided to the City in 2013, 43.8 percent of San Leandro’s households are estimated to meet the US Department of Housing and Urban Development’s (HUD) definition of “low,” “very low,” or “extremely low” income.⁴ This includes 11,120 very low (and extremely low) income households and 7,505 low income households. The dollar amounts that define these categories are updated annually by the state of California. The amounts vary depending on the number of persons per household, since different sized households have different spending capacities.

⁴ ABAG indicates the source as “CHAS” (Comprehensive Housing Affordability Strategy) data, which is derived from the 2006-2010 ACS for use in various HUD reports.

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The following categories are used:

- *Extremely Low Income* households earn less than 30% of the areawide median
- *Very Low Income* households earn less than 50 % of the areawide median
- *Low-Income* households earn between 50% and 80% of the areawide median
- *Moderate-Income* households earn between 80% and 120% of the areawide median
- *Above Moderate Income* households earn more than 120% of the areawide median.

Table 3-7 shows the income ranges for Alameda County effective in 2014. A family of four earning less than \$67,600 would be considered “low-income.” A family of four earning less than \$46,000 would be “very low income.” Because the median income in San Leandro is lower than the county median, the percentage of lower-income households is higher than the regional percentage. Federal housing programs do not take this differential into effect, and apply the same income standards to all cities in the county.

Among the city’s very low income households, 43 percent are homeowners and 57 percent are renters. Among low income households, 49 percent are owners and 51 percent are renters. The percentage of renters is much smaller at the higher end of the range, with 75 percent of above moderate income households in the city owning their homes and 25 percent renting.

Table 3-7: HUD Annual Income Limits for the Oakland-Fremont Metropolitan Area, 2014

Income Category	NUMBER OF PERSONS PER FAMILY							
	1	2	3	4	5	6	7	8
Extremely Low	\$19,350	\$22,100	\$24,850	\$27,600	\$29,850	\$32,050	\$34,250	\$36,450
Very Low	\$32,200	\$36,800	\$41,400	\$46,000	\$49,700	\$53,400	\$57,050	\$60,750
Low	\$47,350	\$54,100	\$60,850	\$67,600	\$73,050	\$78,450	\$83,850	\$89,250
Median	\$64,400	\$73,600	\$82,800	\$92,000	\$99,400	\$106,800	\$114,100	\$121,500
Moderate	\$77,280	\$88,320	\$99,360	\$110,400	\$119,280	\$128,160	\$136,920	\$145,800

Source: Alameda County HCD, 2014

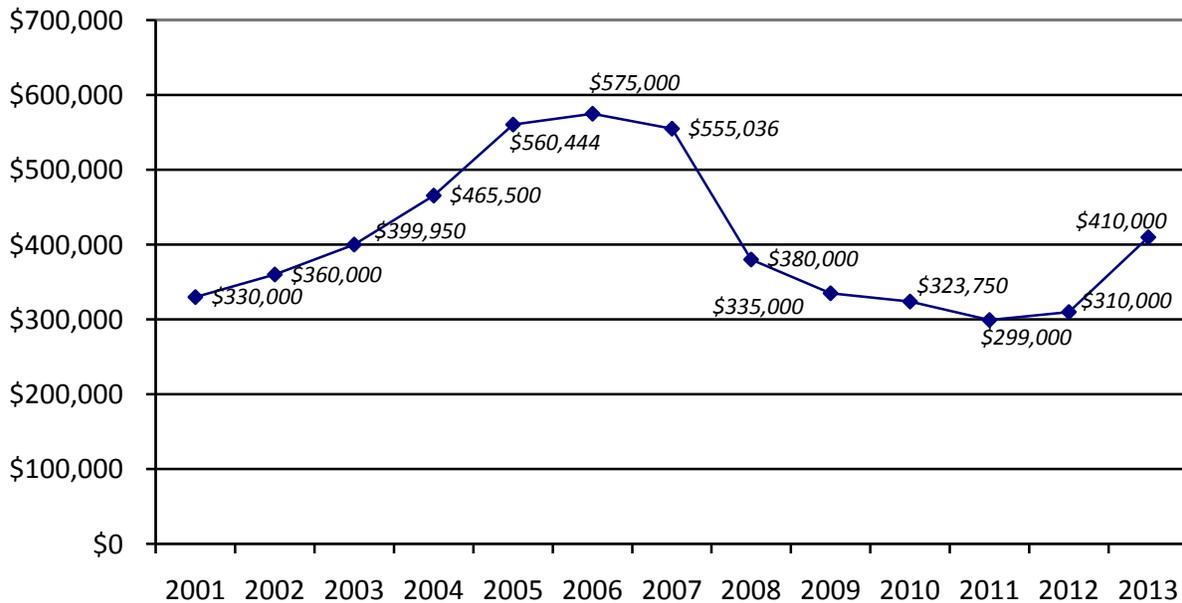
Local Housing Costs

Home prices and rents in San Leandro have fluctuated at dramatic rates in the last 15 years, as they have throughout the Bay Area as a whole. The city experienced a rapid run-up in home prices between 1998 and 2000, continued price inflation (although at a slower rate) through 2006, a steep and unprecedented decline between 2007 and 2011, and a rapid increase in 2012-2014.

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Chart 3-3 displays median price data for a single family detached home in San Leandro from 2001 to 2013 based on data provided by the Bay East Association of Realtors. Between 2001 and the peak of the market five years later in 2006, the median price of a San Leandro home rose 74 percent. By April 2006, the median had reached \$575,000. The increase in housing value was comparable to the county as a whole, where a 75 percent increase occurred between 2001 and April 2006.

Chart 3-3: Median Price for a Single Family Detached Home in San Leandro, 2001-2013



Source: Bay East Realtors, 2014

Prices began declining in late 2006. The decline continued through 2007 and into 2008. In 2008, the median sales price for a single family home in San Leandro was \$380,000. Prices in the city fell 8 percent between June 2006 and June 2007 and by 24 percent between June 2007 and June 2008. The median sales price in June 2008 was the same as it was in October 2003. The decline was parallel to a countywide decline, where median price dropped from \$613,000 in June 2006 to \$450,000 in June 2008. Data from the California Association of Realtors shows the price slide continued into 2009 and 2010. By 2011, the median sales price bottomed out at \$299,000, about the same as it had been in 2000 and almost half of what it had been just five years earlier.

Home prices began to increase in 2012. The pace of recovery accelerated in 2013, with the median sales price increasing from \$310,000 to \$410,000 (a 32 percent increase) in one year alone. In July 2014, the Zillow.com real estate website estimated the median sales price at \$451,000.

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As prices increased, the inventory of homes listed for sale decreased. In 2011, there were 2,324 homes for sale in San Leandro. In 2012, that number dropped to 866 and in 2013 it was 502. Sales of existing and new homes picked up as the market recovered, with 596 homes sold in 2010, 756 in 2011, and 892 in 2012. However, with diminished supply and rising prices, sales dropped slightly in 2013 to 663 homes.⁵

A search of homes for sale on Zillow.com showed 101 active listings in San Leandro in August 2014. A summary of the search results for San Leandro addresses is shown in Table 3-8.⁶ The listings included 78 single family homes, 12 townhomes or condos, 8 duplex/triplex/fourplex type buildings, and 3 mobile homes. The single family homes ranged from a 3-bedroom, 1-bath (1,081 square foot) house being auctioned for \$125,000 to a 5-bedroom, 2-bath (2,800 square foot) former farmhouse for \$1,500,000. The condos and townhomes ranged from to a 2-bedroom, 2-bath unit for \$219,000 to a 3-bedroom, 2.5-bath unit for \$450,000.

The most affordable owner-occupied units in San Leandro are mobile homes. There were 3 available for sale in August 2014, ranging from about \$36,000 to \$127,500. Mobile homes are an important affordable housing resource in San Leandro, particularly for the city’s seniors. With 366 spaces, Mission Bay Mobile Home Park is one of the largest manufactured home communities in the East Bay and provides affordable housing for persons 55 and over.

Table 3-8: Summary of For-Sale Housing Prices in San Leandro, June 2014

	Mobile Homes	Individual Condos/ Townhomes	Single Family Detached	2-6 Plex Buildings
Number of Listings	3	12	78	8
Lowest Price	\$36,000	\$219,000	\$125,000	\$472,900 (2 unit)
Highest Price	\$127,500	\$450,000	\$1,500,000	\$825,000 (5 unit)
Median Price	\$37,500	\$295,000	\$464,000	\$662,500

Source: Zillow.com, 2014

⁵ BayEast Realtors Association, 2014

⁶ This is based on all properties with San Leandro addresses, and thus includes several properties in unincorporated Ashland and Hillcrest Knolls (Alameda County) to the southeast of the City limits.

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Home prices in new for-sale developments are generally higher than resales. For example, prices for new three-bedroom townhomes in Cherry Glen (off of Washington Street) are approximately \$500,000. Comparable units in older developments were over \$100,000 less, although these units lack the amenities of the newer homes. Resale homes in newer developments like Cherrywood and Heron Bay tend to be more expensive than homes of comparable size in older neighborhoods like Washington Manor or Marina Faire. Homes with special amenities such as panoramic views, large yards, or distinctive early 20th Century architecture tend to command higher prices than those in the large post-war era subdivisions.

In 2014, San Leandro was significantly more affordable than the Bay Area as a whole. This became even more true in 2013 and 2014 when prices accelerated faster in nearby cities than they did in San Leandro. In 2014, the median sales price in Oakland surpassed San Leandro's, while the median in San Francisco rose to nearly three times San Leandro's. Median prices rose to \$805,000 in Fremont, \$875,000 in Berkeley, \$880,000 in Pleasanton, \$786,000 in Dublin, and \$760,000 in Alameda. San Leandro and Hayward have become a pocket of relative affordability within the most expensive housing market in America.

Rents in San Leandro have fluctuated over the last decade, but the changes have been less volatile than the for-sale market. In 2012, the American Community Survey reported a median gross monthly rent of \$1,214, an increase of 39 percent over 2000. This includes all rental units in the city, including those that have been occupied for many years without substantial rent increases (more than 500 units in the city were being rented at less than \$500 a month in 2012).

According to Zillow.com, median advertised monthly apartment rents in San Leandro were in the \$1,100-\$1,200 range during 2010 and 2011. Median rents rose to \$1,200-\$1,350 during 2012 and then accelerated more quickly in 2013. In July 2014, Zillow reported the median listed apartment rent for a two-bedroom unit at \$1,550, a 25 percent increase over July 2011.

Based on a survey of Craigslist listings in August 2014, the median list price for a one bedroom apartment in San Leandro is \$1,400/month and the median list price for a two bedroom apartment is \$1,795/month. The median for a three bedroom unit (including single family homes as well as apartments) was \$2,295, while the four bedroom median was \$2,625. There were 20 one-bedrooms listed, 27 two-bedrooms, 11 three-bedrooms, and 4 four-bedrooms. The median for all units was \$1,775. A similar survey in the 2010 Housing Element (from August 2008) identified a median of \$1,272. This represents a 39 percent increase in six years. Table 3-9 summarizes the findings.

Table 3-9: Profile of Rental Housing Listings in San Leandro, August 2014

Unit Type	Advertised Monthly Rents
Studio apartment	\$770-\$1,385
1-bedroom	\$900-\$1,775
2-bedroom	\$1,400-\$2,350
3-bedroom	\$1,750-\$2,600
4-bedroom	\$2,250-\$3,000

Source: Craigslist "Housing for Rent" ads for San Leandro, week of August 15, 2014

Housing Affordability and Overpayment

The US Department of Housing and Urban Development has defined "affordable" housing as housing which requires no more than 30 percent of a household's gross monthly income, including the cost of rent or mortgage payments, homeowner's fees, and utilities. For instance, the "affordable" rent for a two person household with an annual income of \$40,000 would be \$1,000 a month (including utilities). That household would be defined as "overpaying" for housing if their monthly rent exceeded \$1,000.

Table 3-10 provides Census data on overpayment in San Leandro based on the American Community Survey for 2008-2012. The table indicates that 45.3 percent of all San Leandro households paid more than 30 percent of their income on housing in 2012, which is an 12 point increase over 1999. Renters are more heavily impacted than homeowners. Some 51.6 percent of the city's renters paid in excess of 30 percent of their incomes on housing. The percentage of "overpaying" renters was 40 percent in 1999. Among San Leandro homeowners, 40.7 percent were overpaying in 2012, compared to 28.1 percent in 1999. The incidence of overpayment in San Leandro is approximately the same as in Alameda County as a whole, where 51.8 percent of renters and 40.0 percent of owners were overpaying in 2012.

Based on 2006-2010 CHAS data provided to the City by ABAG, lower income households are more likely to overpay for housing than other households. In San Leandro, this is particularly true for lower-income renters. Among *very low income* renters, 79 percent spent more than 30 percent of their incomes on housing, including 55 percent who spent more than 50 percent of their incomes on housing. Among *low income* renters, 43 percent spent more than 30 percent of their incomes on housing, with only 6 percent spending more than 50 percent.

The incidence of overpayment is smaller among lower-income homeowners than it is among renters, but it is still substantial. In 2010, 64 percent of the city's very low income homeowners spent 30 percent or more of their incomes on housing, including 42 percent who spent more than 50 percent on housing. Among low income homeowners, 50 percent spent 30 percent or more of their incomes on housing, including 26 percent who spent more than 50 percent. Conversely, among above moderate income

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households, only 24 percent of owners and 14 percent of renters were paying more than 30 percent of their incomes on housing.

Despite the run-up in housing costs, there are still a substantial number of San Leandro homeowners with low housing costs. In 2010, 30.4 percent of the city’s homeowners had paid off their mortgages in full. The median monthly housing cost for these households was \$425, which primarily covered taxes and insurance. This number includes a substantial number of very low income senior householders. Although these households are not burdened by high monthly housing costs, they may still have a difficult time with home repair and maintenance expenses, as well as property taxes and utility bills. More than 500 San Leandro homeowners with no mortgage on their home still reported spending more than 30 percent of their incomes on housing.

Table 3-10: Overpayment for Housing in San Leandro, 1999-2012

Percentage of Income Spent on Housing Costs	Renters (1999)	Percent of Total (1999)	Renters (2008-2012)	Estimated 2012 Percent of Total (ACS)	Owners (1999)	Percent of Total (1999)	Owners (2008-2012)	Estimated 2012 Percent of Total (ACS)
Less than 25 percent	5,422	47.1%	4,315	35.2%	9,925	61.2%	8,097	47.7%
25-29 percent	1,492	13.1%	1,596	13.0%	1,720	10.6%	1,974	11.6%
30-34 percent	1,121	9.7%	1,240	10.1%	1,276	7.9%	1,449	8.6%
35 percent or more	3,478	30.2%	5,080	41.5%	3,273	20.2%	5,456	32.1%
SUBTOTAL	11,513	100.0%	12,231	100.0%	16,194	100.0%	16,976	100.0%
Not computed	485		608		179		64	0.4%
GRAND TOTAL	11,988		12,839		16,373		17,040	

Source: 2000 Census, American Community Survey (ACS) – 2008-2012

Measuring the “Affordability Gap” for Renters and Owners in San Leandro

Table 3-11 indicates the upper limit of affordable monthly housing payments for households of one to eight persons in Alameda County in 2014 using HUD’s definitions. “Affordable” housing for a family of four earning \$67,600 a year would be \$1,690 a month. Assuming \$100 to \$150 a month for utilities, this would equate to a monthly rent payment of about \$1,550. Comparing Table 3-9 and Table 3-11 indicates a significant gap between “affordable” rents and “market” rents for lower-income households in San Leandro. The following examples indicate the depth of this gap:

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- A single mother in San Leandro with an income of \$36,800 a year would need to spend 58 percent of her income to live in a typical two-bedroom apartment or 46 percent of her income to live in a typical one-bedroom apartment.
- A family of four (including two working parents and two school aged children) with a combined income of \$60,000 a year would need to spend 46 percent of their income to rent a typical 3-bedroom, 2-bath house in San Leandro.
- A senior citizen on a fixed income of \$16,000 a year would need to spend 60 percent of his income to live in a typical studio apartment.

Whereas income was increasing faster than rent between 2001 and 2010, the reverse has been true for the last four years. Until 2010, most market rate apartments in San Leandro would have been considered affordable to low income households (e.g., a household earning 80 percent of areawide median income), even without restrictions on rent. However, as of 2014, the median price two-bedroom unit would require a monthly income of about \$75,000 to be considered “affordable.” While this is still within the range of affordability for “moderate” income households, it is no longer within reach for “low” income households without a cost burden.

Rising rents have been especially challenging for those earning less than 50 percent of the area median income (very low and extremely low income households). A very low income household of two persons would be considered to be “overpaying” if they spent more than \$920 a month on rent. Of the 65 units currently listed for rent on Craigslist, only two were less than \$920. A very low income household of four persons would be considered to be overpaying if they spent more than \$1,150 a month. There were only five advertised vacant units meeting this benchmark in August 2014, and all were one bedrooms or studios.

For prospective homeowners, San Leandro continues to be a more affordable option than most cities in the region and is still more affordable than it was in 2006, but rapid inflation is increasing the cost burden for first-time buyers. In today’s market, most lower- income households could not afford the median-priced San Leandro home (roughly \$450,000). Assuming a 10 percent downpayment, a 4.5 percent interest rate, and a 30-year term, the monthly payment on such a home would be \$2,052. Once property taxes and homeowners insurance are added, the monthly payment increases to over \$2,550. Such a payment would generally be considered “affordable” to a household with an annual income of \$100,000 or more. This price point would make such housing affordable to some (but not all) moderate income households. Less expensive options for ownership, such as condominiums and cooperatives, may need to be emphasized for future first time buyers, particularly those in the \$60,000-\$100,000 income range.

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Table 3-11: Maximum Affordable Monthly Housing Cost in Alameda County, 2014 (including utilities)

	Number of Persons in Household							
	1	2	3	4	5	6	7	8
Extremely Low	\$484	\$553	\$621	\$690	\$746	\$801	\$856	\$911
Very Low	\$805	\$920	\$1,035	\$1,150	\$1,243	\$1,335	\$1,426	\$1,519
Low	\$1,184	\$1,353	\$1,521	\$1,690	\$1,826	\$1,961	\$2,096	\$2,231
Moderate	\$1,932	\$2,208	\$2,484	\$2,760	\$2,982	\$3,204	\$3,423	\$3,645

Source: Alameda County HCD Income Limits: 2014. Barry J Miller, AICP 2014

Subprime Mortgage Crisis in San Leandro

The number of foreclosures in the United States tripled between the first quarter of 2007 and the second quarter of 2008. Several factors contributed to the problem, including declining home values in many markets, lax underwriting standards, and a growing number of sub-prime loans and adjustable rate mortgages made to higher risk borrowers. The long-term trend of rising home prices encouraged borrowers to assume such mortgages, believing they would gain equity in appreciating properties and refinance at more favorable rates later. Refinancing became more difficult once prices started to drop, and repayment became more difficult when the initial period of low interest rates ended.

In the Bay Area, the rise in foreclosures led to economic hardship for many households, especially in 2007-2011. It resulted in a slow down in housing construction, a loss of equity for homeowners, and the displacement of a significant number of renters living in properties owned by third parties. The state and federal governments took steps to address the crisis as it unfolded, including mortgage assistance programs, reduced loan principals, and new rules for mortgage lenders. The federal government also funded two Neighborhood Stabilization Programs (NSP) in Alameda County which enabled a number of foreclosed homes in San Leandro to be purchased, rehabilitated, and sold to lower income households.

San Leandro weathered the sub-prime crisis better than many other parts of the East Bay. Sales volumes in the city during the highest-risk years (2005-2006) were comparatively low, in part because there were no large for-sale developments constructed in the city during these years.

In August 2008, the website foreclosureradar.com reported 719 distressed properties in San Leandro, including 117 homes being auctioned, 238 bank-owned homes, and 364 homes in “pre-foreclosure.” By contrast, the website realtor.com reported that in July 2014, one in every 1,667 homes in San Leandro was in foreclosure. This equates to approximately 20 homes citywide. In 2014, the foreclosure rate in

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San Leandro was lower than Oakland, Hayward, Dublin, and Union City, but higher than Alameda, Berkeley, Fremont, and Pleasanton.

Conclusions

The housing market in San Leandro has seen both positive and negative changes in the last seven years. For lower income renters, the city has become significantly less affordable. Almost no inventory has been added and prices have been rising more rapidly than income. The inventory of rental units remains very tight, especially for large families.

For owners, the city continues to recover from the 2007-10 recession. Recent price increases have helped homeowners regain much of the equity lost during the recession. The number of foreclosures is down and fewer homes are “underwater.” Conversely, prices are now rising faster than income, creating new challenges for first-time and lower income buyers.

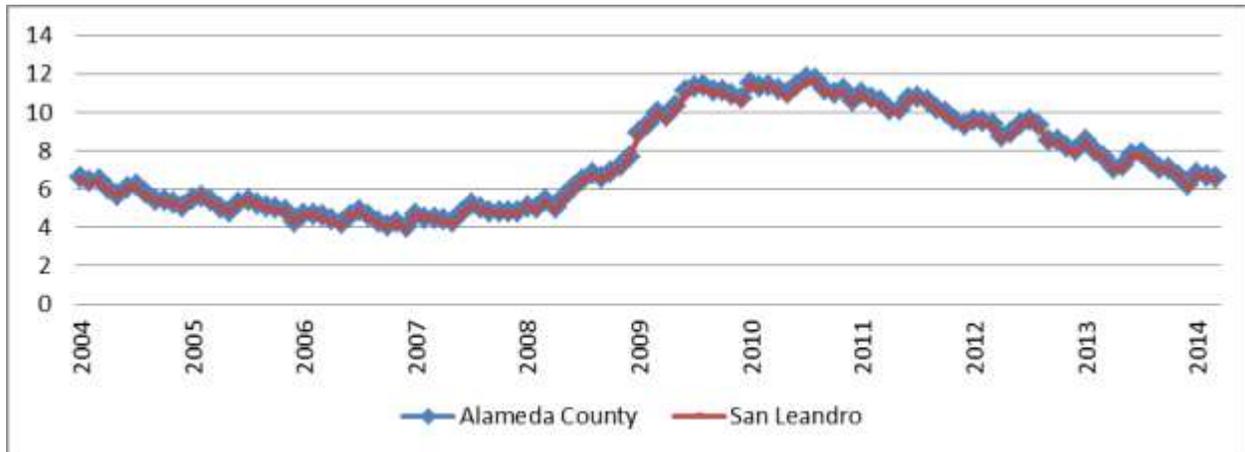
employment

Employment in a community can affect the demand for housing and the type of housing that is needed. In 2012, there were about 40,900 employed residents in San Leandro. Approximately 21 percent of the city’s residents are employed in health, education, and social services; 12 percent in professional services; 9 percent in arts, entertainment, food and hospitality services; and 12 percent in finance, insurance, real estate, information, and other services. Some 11 percent of the city’s residents were employed in retail trade, while another 4 percent were employed in wholesale trade.

There were about 4,500 residents—or 11 percent of the city’s labor force—employed in manufacturing. About 5 percent of the city’s residents were employed in construction and 8 percent were employed in transportation, utilities, and warehousing. The remaining 5 percent of the city’s residents were employed in public administration (including schools and City government). A relatively large number of residents are employed in low-wage professions such as retail sales (median local wage: \$20,760), food services (median local wage: \$21,070), and administrative support (median local wage: \$27,005).⁷

When the last Housing Element was prepared in 2008-2009, the unemployment rate in the city was over 10 percent. This was a sharp increase from 2006, when it was below 5 percent. In August 2010, the unemployment rate peaked at 11.6 percent. As indicated in Chart 3-4, it has declined since that time and was 5.7 percent in April 2014.

⁷ American Community Survey, 2008-2012

Chart 3-4: Unemployment in Alameda County and San Leandro, 2004-2014

Unemployment can translate to economic hardship for households and an increased risk of foreclosure, overcrowding, and homelessness. While the city’s unemployment rate is below the state average and has improved since the last Housing Element, a significant number of households are still affected by job and income loss in any given year.

The narrative above focuses on the characteristics of San Leandro’s labor force. Another aspect of employment relates to the jobs located within the city. According to the most recent projections from the Association of Bay Area Governments, there were 39,980 jobs in San Leandro in 2010, with an anticipated 43,410 jobs in 2015. The estimate for 2015 is still lower than the 44,370 jobs that were in San Leandro as of 2000. Based on ABAG data, the city lost over 4,000 jobs during the recession. Implementation of local economic development initiatives, including the installation of a fiber optic loop (Lit San Leandro) and the development of the new Kaiser Medical Center, have erased most of that loss and created thousands of new jobs in the last four years.

San Leandro continues to have a relatively large industrial base, with nearly 6,600 manufacturing jobs and 5,100 wholesale trade jobs according to the most recent published U.S. economic census. As noted above, many of the city’s jobs are in relatively low wage sectors. For example, San Leandro has nearly 5,600 retail sales jobs and 2,200 accommodation and food service jobs. However, it also supports a growing number of jobs in higher wage sectors, such as professional, scientific and technical services (1,000 jobs), and health care (4,100 jobs).

The ratio between jobs and households in a city is an important indicator of housing needs. Ideally, the number of jobs and employed residents should be balanced, since this potentially can reduce commute costs and provide more money for housing and other expenses. There are other benefits—better air quality, less congestion, and greater productivity as fewer hours are spent on the highways. In 2010, there were about 40,200 employed residents and 40,000 jobs in San Leandro. This is considered an optimal balance by Bay Area standards. However, many of the jobs in the city are not filled by San Leandro

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residents. Many low wage jobs, in particular, are filled by workers who commute long distances from communities as far away as San Joaquin and Stanislaus Counties.

At the same time, local employees are competing for housing in San Leandro with persons working in higher priced housing markets such as San Jose and San Francisco. Market-rate housing on the Peninsula and in the South Bay is more expensive than it is in San Leandro, causing demand to spill into the East Bay and other more affordable areas.

The current ratio to jobs to households in San Leandro is 1.30 (e.g., there are 1.30 jobs for every household in the city). Looking forward, ABAG projects that San Leandro will add 7,710 jobs between 2015 and 2035 while adding 5,410 households. This represents a slightly faster rate of job growth than household growth, which will sustain continued high demand for housing. As long as job growth outpaces housing growth, vacancy rates in the city are likely to remain low and locally employed lower-income workers may face a challenge finding suitable housing near their workplaces.

Conclusions

San Leandro has a favorable jobs-housing balance. However, like many Bay Area communities, it has a housing stock that is unaffordable to many of those who work in the community—leading to long commutes for many local workers. While the city offers good entry-level and mid-level employment opportunities, these jobs still do not pay the wages necessary to afford the median priced home in the city. Creating a true balance between jobs and housing will require two courses of action—first, producing housing at a rate that keeps pace with projected job growth, and second, producing more rental housing and affordable ownership housing (including condominiums) so that those who work in the city can afford to live in the city.

special housing needs

Several types of households have been identified by the State of California as having special housing needs. Such households have a harder time than most finding suitable housing within the community. Special needs populations in the state include seniors, persons with disabilities, large low-income families, single mothers, farmworkers, extremely low income households, and the homeless. The 2010 Census and American Community Survey provide useful metrics to estimate special housing needs and other supportive service needs in the city.

Seniors

San Leandro has historically had a higher percentage of seniors than Alameda County as a whole. In 2000, the percentage of residents over 65 in the city was 60 percent higher than the countywide average. The gap narrowed by 2010 as the senior population in the county continued to increase while the city's

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senior population declined. In 2010, the percentage of residents over 65 in the city was only 24 percent higher than the county average. Nonetheless, San Leandro still has a higher percentage of seniors than any other city in the county except Piedmont. About one in seven San Leandro residents is over 65.

Table 3-12 highlights the income characteristics of San Leandro’s seniors, along with those of Alameda County’s seniors. The 2007-2011 American Community Survey (ACS) Census reported that 42 percent of San Leandro’s seniors had incomes of \$30,000 or less, compared to 36.8 percent countywide. Another 22 percent had incomes of \$30,000-49,000, compared to 17.8 percent countywide. Only 12.4 percent of San Leandro’s seniors had incomes of \$100,000 or more, compared to 20 percent countywide.

Table 3-12: Income Characteristics of Seniors in San Leandro and Alameda County, 2007-2011

	Number of Householders (2007-2011)					Total
	Income under \$30,000	\$30,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	More than \$100,000	
San Leandro	2,602	1,361	930	536	771	6,200
<i>% of all seniors</i>	<i>42.0%</i>	<i>22.0%</i>	<i>15.0%</i>	<i>8.6%</i>	<i>12.4%</i>	<i>100.0%</i>
Alameda County	35,220	17,060	15,332	9,048	19,147	95,807
<i>% of all seniors</i>	<i>36.8%</i>	<i>17.8%</i>	<i>16.0%</i>	<i>9.4%</i>	<i>20.0%</i>	<i>100.0%</i>

Source: American Community Survey, 2007-2011. ABAG, 2014

Based on ACS data, about 70 percent of San Leandro’s senior renters spent more than 30 percent of their annual incomes on housing. Senior homeowners fared more favorably, with only 24 percent spending more than 30 percent of their annual incomes on their housing costs. One-third (33.4%) of San Leandro’s senior homeowners still had a mortgage on their homes; two-thirds (66.6%) had paid their mortgages off completely.

Many of the city’s senior households find it difficult to make monthly mortgage or rent payments on fixed or limited incomes. Others may find the day-to-day costs of home maintenance and improvements to be prohibitively expensive, or may be cost-burdened by property taxes and utility costs.

In 2000, nearly 3,400 of the city’s 12,700 senior residents lived alone. By 2012, that number was about the same, but the total number of seniors in the city was smaller, meaning that single seniors are now a larger percentage of the total senior population. The ACS indicated that 50 percent of San Leandro’s senior households consist of one person living alone. The statistics suggest a possible demand for shared housing programs in the city, creating a potential source of income for lower-income senior homeowners as well as a housing resource for lower- income senior renters.

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In 2010, 2.6 percent of San Leandro’s residents (2,197 people) were over 85, the highest percentage in Alameda County. There were nearly 4,000 residents between the ages of 75 and 84. The demand for affordable assisted living and congregate care facilities remains high. As the baby boom generation enters their retirement years (particularly during the period from 2015-2030), the demand for active senior housing in the city is likely to surge. Condominiums, in-law units, and amenity-rich multi-family apartments for those “downsizing” from single family homes will be in high-demand. There will continue to be a high demand for skilled nursing facilities as life expectancies increase and the population ages.

Single Parent Households

Single parent households, particularly single female-headed households, tend to have a higher need for affordable housing than the general population. Child care responsibilities may limit the number of hours that a single parent can work. For those single parents who work full-time, child care expenses may consume a large share of take home pay. Both of these factors limit the amount of disposable income available for housing.

In 2010, there were 2,031 single mothers with children under 18 in San Leandro, representing more than 6 percent of the city’s households. Census data indicates that single mother households are more likely to live below the poverty line than other households with children. The ACS estimated that 21.6 percent of the city’s single mothers with children under 18 were below the poverty line in 2008-2012. There were approximately 430 single mother families below the poverty line in 2012, which was the three times the poverty rate for all families in the city. The median income for single mothers was \$42,879 , compared to \$72,354 for all families. These families would benefit not only from affordable housing, but also from affordable child care and job training and career development programs.

Large Families

From 1970 to 2000, average household size in San Leandro was smaller than Alameda County as a whole. The 2010 Census showed the city had surpassed the countywide average, with 2.74 persons per household in the city and 2.70 in the county. This trend has continued; the Department of Finance estimates San Leandro’s average household size is now 2.83, whereas the countywide average is 2.78.

The number of “large” families (five persons or more) in the city is on the rise. Large families are more likely to experience overcrowding and may have less disposable income available for housing due to the larger number of dependents and other household expenses. This is particularly true for lower-income renters. As noted earlier, most of the city’s rental housing stock consists of one and two-bedroom apartments and is not well suited for large families.

In 1990, there were 2,216 households in San Leandro with five or more persons, representing about 7.6 percent of all households in the city. By 2000, there were 3,527 households with five or more persons, a

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60 percent increase. By 2010, there were 4,412 households with five or more persons. Of these, 1,141 contained six persons and 1,021 contained seven persons or more.

Large households now represent 14.4 percent of all households in the city. The increase can be partially attributed to the growth of multi-generational households, particularly families from Asia and Latin America with grandparents, parents, and children in the same residence. It is also attributable to the larger number of children in general. Approximately 37 percent of the city’s large households are renters. It is worth noting that large households do not necessarily have higher incomes than smaller households. For instance, ACS data provided by ABAG (2007-2011), indicates the median income for a 3-person household in San Leandro is \$81,804, while it is \$73,779 for a 5-person household.

Persons with Disabilities

Disabled persons may require housing with specific physical attributes, such as wheelchair ramps, elevators, and proximity to transit and social services. Many disabled households have limited income for housing, either because they are unable to work or because they have significant health and medical expenses. Table 3-13 presents census data on the disabled population in San Leandro, based on estimates from the 2007-2011 American Community Survey (ACS).

Table 3-13: Persons with Disabilities, 2007-2011

	2009-11	Percent of total
Total Persons age 5 or older	79,826	100.0%
Persons with any disability	8,376	10.5%
Persons aged 16-64	54,996	100.0%
Persons aged 16-64 with any disability	3,486	6.3%
<i>Hearing</i>	591	
<i>Vision</i>	808	
<i>Cognitive</i>	1,258	
<i>Ambulatory</i>	1,808	
<i>Self-Care</i>	629	
<i>Independent Living</i>	1,062	

Source: American Community Survey, 2007-2011, ABAG 2014

* Table includes civilian, non-institutionalized population only; disabilities and practical limitations include non-temporary physical and mental health conditions.

** Some persons reported more than one disability, so these figures should not be aggregated.

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Approximately 10.5 percent of the population older than age 5—or nearly 8,400 persons—is estimated to have one or more disabilities. This is a higher percentage than in any other city in Alameda County except Oakland (12.0%). Countywide, the percentage is 9.6 percent.

The ACS also estimates the number of working age adults (18-64) with various types of disabilities. This information is also shown in Table 3-13. The data indicates 808 persons with a vision disability, 591 with a hearing disability, and 1,808 with an ambulatory (mobility) disability. In addition, there are 629 working age persons with a self-care limitation and 1,062 with an independent living limitation.⁸ These residents may require specialized housing, either with design features that accommodate their disability, supportive services to provide living assistance, or both.

In addition, many of the city's seniors have one or more disabilities, requiring skilled nursing, assisted living, or modified independent living accommodations. The cost of skilled nursing is beyond the means of many disabled elderly persons and can result in financial hardship for families who bear the cost of support.

In 2010, the California legislature adopted SB 812, requiring local housing elements to include an evaluation of the needs of persons with developmental disabilities. Developmental disabilities occur before an individual reaches 18 years of age and typically constitute a lifetime handicap. They include mental retardation, cerebral palsy, autism, and epilepsy, among others. The Regional Center of the East Bay (RCEB) provides services to developmentally disabled persons throughout Alameda and Contra Costa Counties and acts as a coordinating agency for multiple service providers in the region. They provide a resource to those needing counseling, day care, equipment and supplies, behavior intervention, independent living services, mobility training, nursing, residential care facilities, supportive living services, transportation, vocational training, and other services.

RCEB served 16,000 persons in the East Bay area during 2012. Approximately 55% of their clients were under age 21 and approximately 73% lived with a parent or guardian. According to the RCEB, there are 731 San Leandro residents who are considered eligible clients for RCEB services.⁹ This total includes:

- 218 persons under age 14
- 142 persons age 15-22
- 293 persons age 23-54
- 61 persons age 55-64
- 17 persons who are 65 or older

Based on information provided by the regional center, it is likely that a majority of the persons served by RCEB live with a parent or guardian. Supportive housing and group living opportunities for persons with developmental disabilities can be an important resource for those individuals who can transition from the home of a parent or guardian to independent living.

⁸ Some persons may have more than one disability, so these statistics are not additive.

⁹ Correspondence from Ronke Sidopo at Regional Center of the East Bay on July 30, 2014.

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San Leandro has a number of housing projects specifically developed to meet the needs of persons with disabilities, including those with developmental disabilities. Fuller Lodge (2141 Bancroft) is a 26-unit rental housing complex for the developmentally disabled. A second phase (Fuller Gardens) with 16 additional units was added in 2004 at 2390 East 14th Street. Luella Fuller Group Home (342 West Joaquin) is a 6-person group home for persons with developmental disabilities. The city is also home to a number of service providers meeting the needs of the disabled community, including the Deaf Counseling and Advocacy Referral Agency (DCARA). Support services, including housing services and independent living workshops, are also provided through the Center for Independent Living in Berkeley, and other advocacy groups for the disabled throughout the East Bay.

The City has also adopted a reasonable accommodation ordinance and works with residents wishing to install grab bars, wheelchair ramps, handicapped bathrooms, and other home modifications which meet the needs of persons with mobility limitations. Its zoning also supports the development of small group homes which meet the needs of residents with disabilities, including those with developmental disabilities.

Farmworkers

As an urbanized community with no agricultural land, the number of farmworkers in San Leandro is minimal. Although there are a few remnant plant nurseries and truck gardens in the city, there are no large-scale agricultural operations either within San Leandro or in the immediate vicinity. The 2010 Census reported that there was no farmworker housing in the city. The closest active agricultural areas are approximately 20 to 30 miles away, in areas where the cost of housing is less than it is in San Leandro.

Extremely Low Income Households

Extremely low income households earn less than 30 percent of the areawide median income. In San Leandro, a family of four earning less than \$27,600 would be considered extremely low income. A one-person household working full-time at the California minimum wage of \$9.00 an hour (\$18,720/ year) also would be considered extremely low income. There is virtually no market-rate housing available to these households in the Central Bay Area. While many extremely low income households are seniors, a substantial number are working individuals and families in low wage service jobs. Most of these households are renters, often spending more than half of their incomes on housing. Some extremely low income households double up to cover their housing costs, or live in overcrowded units.

In 2010, there were 5,227 households in San Leandro with annual incomes under \$25,000, representing about 17 percent of the city's households. Roughly 38 percent were headed by senior citizens, while 57 percent—or 2,968 households—were headed by someone aged 25 to 64. This represented 12.8 percent of the households in this age cohort. Many of these households are in the special needs categories described above, including single mothers and persons with disabilities. While some of these households live in

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affordable units and nearly half receive Section 8 housing assistance, others struggle to pay their rent, face hunger or medical problems, and are at risk of becoming homeless.

ABAG has used CHAS data from HUD to estimate the number of Extremely Low Income (ELI) households in each Bay Area city. Their findings indicate that there are 4,000 ELI households in San Leandro, including 1,605 homeowners and 2,395 renters. This represents 51 percent of the total number of households with incomes less than 50 percent of areawide median (e.g., “very low income” households). ABAG further estimates that 67 percent of the city’s ELI renters were paying more than half of their incomes on rent.

The demand for housing for extremely low income households exceeds the supply. While the city has over 1,400 Below Market Rate (BMR) units, only a fraction of these units are specifically reserved for persons earning less than 30 percent of the areawide median income (AMI). The city has about 1,500 Section 8 housing voucher and certificate recipients available to ELI and other very low income households, leaving a gap of at least 1,000 units. For planning purposes, the City has assumed that one half (50 percent) of the 2015-2023 housing need identified for “very low income” households should be specifically targeted to ELI households.

Homeless Persons

The Extent of the Need. Homelessness is a social problem with multiple causes and complex solutions. A homeless person is one who lacks a permanent, regular, and adequate residence. Various factors contribute to a growing number of Bay Area residents who are homeless or are at risk of becoming homeless, including shortage of affordable housing, reductions in social service and mental health programs, growing rates of unemployment and poverty, and lack of affordable health care. Homelessness may affect people of all ages and has numerous underlying causes. Homeless persons typically require intensive crisis services to cope with these causes, which include unemployment, eviction, domestic violence, family break-up, mental health problems, medical problems, and substance use disorders.

The homeless include persons living on the street, in emergency shelters, in cars, in encampments, and in parks or public buildings. Those at risk of becoming homeless include persons staying with friends and families because they have no place to go, those on General Assistance or Temporary Assistance for Needy Families, those overly burdened with high rents, and those threatened with eviction or the loss of a housing subsidy.

The inherent nature of homelessness makes it difficult to estimate the number of homeless persons in San Leandro. Moreover, patterns of homelessness can be transitional, episodic or chronic. Even the definition of homelessness varies—HUD includes persons living on the streets or residing in shelters, transitional housing, hotels using service vouchers, vehicles, or other places not meant for human habitation or sleeping. The broader “community definition” of the homeless population includes families with children, unaccompanied youth, and those whose living situation is transient or precarious or for whom homelessness may be imminent.

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Alameda County maintains and updates data on homelessness through its periodic Homeless Count Survey, a countywide homeless database system mandated by HUD (Homeless Management Information Systems), and through its Homeless and Special Needs Housing Plan (*EveryOne Home*). Other local data sources include the San Leandro Unified School District, the San Leandro Police Department, social service providers, and the Interfaith Homeless Network's *April Showers* program

The 2003 and 2010 Housing Elements both estimated the homeless population of San Leandro at about 200-300 persons. This was based on a number of metrics, including the city's pro-rated share of the "Mid-County" area's population as defined in the bi-annual Countywide Homeless Count.¹⁰ The most recent data source is the 2013 Countywide Homeless Count, conducted the night of January 30, 2013.

The 2013 Homeless Count reflects a total of 4,264 individuals in Alameda County defined as homeless. The County also maintains a Homeless Management Information System (HMIS) which reflects case data for 5,844 homeless individuals as of January 2013. The 4,264 figure is considered by Alameda County to be the more reliable of the two and is used for HUD reporting. However, this statistic is not broken down by jurisdiction. The HMIS data is used by the County to develop a demographic profile of the homeless by jurisdiction, including a pro-rated estimate of the number of homeless persons in each city.

Alameda County HCD indicates that 2.37 percent of the County's homeless population listed San Leandro as their last city of residence. This is equivalent to 101 individuals. However, this does not necessarily equate to the number of homeless persons in the city. Individuals may become homeless in an adjacent city and migrate to San Leandro, or they may be temporarily sheltered at the time of the bi-annual survey. The HMIS locational data also excludes non-HUD funded agencies and domestic violence victims and does not completely account for children under 18. Anecdotally, local service providers indicate the number of homeless persons in the city has been relatively constant in the last four years and is still more than 200 persons. There are many more persons at risk of homelessness, or who may experience periodic episodes of homelessness during the year.

The HMIS data provided to the City by Alameda County HCD describes the characteristics of 148 homeless individuals in the city. Approximately 45 percent are aged 41-60 and 26 percent are 25-40. Just over one half were male. About 75 percent were individuals and 25 percent were families, including 12 children. Roughly 20 percent of the adult population had experienced domestic violence, 20 percent reported a drug or alcohol addiction, 21 percent reported chronic health problems, and 35 percent reported mental health problems. About 18 percent of the adults indicated they were employed and 12 percent were in school. The population also included 13 veterans, 5 persons with HIV/AIDS, and 61 persons receiving food stamps (SNAP).

About 42 percent of the homeless adults indicated they were experiencing their first episode of homelessness. One-quarter had been homeless two or three times before, and 30 percent indicated they were "chronically" homeless. Persons were also asked about their prior living situation. One-third had

¹⁰ The Countywide Homeless Count has been done every two years since 2003. The Mid-County area includes San Leandro, Hayward, Alameda, and unincorporated Castro Valley, San Lorenzo, Ashland, and Cherryland.

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come from an emergency shelter, 11 percent had been in transitional housing, 10 percent had been living with friends, 9 percent had been living with family, and 22 percent had been living someplace not intended for habitation.

The number of homeless persons in Alameda County has declined since 2003, with an approximately 16 percent reduction reported over the last decade. Much of the decline took place between 2007 and 2011, with the numbers staying approximately the same between 2011 and 2013. The number of homeless families with children is down, as is the number of chronically homeless individuals, and homeless veterans. On the other hand, the number of homeless persons with severe mental illness has doubled, with almost all of this population unsheltered. Moreover, despite programs in place to house nearly 2,000 people, just as many people are becoming homeless each year.

Anecdotally, some local homeless service providers indicate that a large number of San Leandro's homeless residents are males in their 50s and 60s, including many who lived in San Leandro before they became homeless. There are no emergency shelters for men in the city, meaning that these individuals must travel to Berkeley, Oakland, or beyond for shelter. The City has committed to creating a task force to address this issue, as well as broader issues relating to homeless services and needs in San Leandro. The reduction of funds due to the loss of the Redevelopment Agency and diminished federal funds (including the end of the federal Homelessness Prevention and Rapid Rehousing grant) is making it more challenging to meet the needs of the city's homeless population.

Homelessness Plans and Resources. In 2006, Alameda County adopted *EveryOne Home*, a countywide plan to end chronic homelessness and produce housing for the homeless over the next 15 years. The Plan identified a number of challenges facing the homeless in Alameda County, including very high housing costs; limited housing options for the chronically homeless and for people living with mental illness and HIV/AIDS; limited access to information by those who are homeless; complex eligibility requirements for housing and social service programs; disconnections between service providers; and discharge from foster care or correctional facilities without adequate support.

EveryOne Home outlines strategies to provide permanent supportive housing units for 15,000 homeless and at risk households in Alameda County by 2020. It also seeks to improve the "safety net" for those at risk of becoming homeless and establish political support for homelessness prevention programs. In November 2006, the San Leandro City Council endorsed the *EveryOne Home Plan* at the local level. Developing and implementing the City's own long-term homeless plan will require community support and local strategies to provide permanent supportive housing for the homeless and others with special needs. It will also require dedicated funds for the prevention of homelessness and specialized crisis intervention services, along with better integration of services such as mental health, HIV/AIDS care, acute medical services, and other homeless services, as well as individualized housing plans to assist youth exiting the foster care system and people discharged from institutions.

Presently, the homeless support system in San Leandro includes governmental and non-governmental organizations. The City supports social service organizations through grants (including federal

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Community Development Block Grant funds), general fund allocations, public facility and infrastructure projects, and housing programs. Major organizations serving the homeless are the Interfaith Homeless Network, Building Futures with Women and Children and the Davis Street Family Resource Center.

The Interfaith Homelessness Network (IHN) is a faith-based consortium of 11 churches that strives to increase public awareness of homelessness while advocating for and providing services to homeless residents. IHN operates an *April Showers* program, which provides shower opportunities for the homeless while also serving meals, clothing, laundry vouchers, and other basic services. It is an all-volunteer organization operating from the San Leandro Boys and Girls Club. In 2011, IHN served 103 first-time guests and provided showers for an average of 77 men and 23 women each week. This is an increase from 58 per week in 2007-2008.

Building Futures for Women and Children (BFWC) assists women and children faced with homelessness, poverty, and domestic violence. It operates a 30-bed shelter (San Leandro Shelter) and 20-bed safe house for victims of domestic violence (Sister Me Home). The organization recently received City support to renovate the safe house and also receives annual assistance from the City for operations and services. During the 2012-13 fiscal year, BFWC served 902 persons at its Housing Resources Center (located at Davis Street Family Resource Center), assisted 174 women and children at Sister Me Home, handled 9,964 calls for help, and provided shelter to 412 women and children at facilities in San Leandro and Alameda.

The Davis Street Family Resource Center (DSFRC) helps low income persons in the mid-County area with a variety of needs, including housing, child care, health and wellness, and family services. DSFRC operates a multi-purpose facility on Teagarden Street, providing a variety of programs including mental health counseling, a free medical and dental clinic, employment assistance, a computer lab, and space for clothing and food programs. The Center also assists low income and homeless residents in finding housing and housing-related services.

San Leandro has no dedicated transitional housing projects.¹¹ However, the City was a partner in the 2002 development of the 51-unit Bessie Coleman Transitional Housing development on the former Alameda Naval Air Station, and Lorenzo Creek Apartments, a 28-unit transitional housing development near the Castro Valley BART Station that opened in 2005. Additional transitional housing developments exist in Hayward, Fremont, Newark, Berkeley, and Oakland.

¹¹ Transitional housing is defined as housing designed to assist residents in making the transition from homelessness to permanent housing. Occupancy typically varies from six months to two years. Housing is typically provided with on-site social services such as job training, financial planning assistance, child care, and mental health counseling.

Conclusions

A growing number of San Leandro residents have housing needs that are not met by the private real estate market. The city has historically had a large senior population. Although this demographic has declined in number since 1990, it is expected to swell in the next decade as baby boomers enter retirement. San Leandro has an increasing number of single mothers, a sizeable population of persons with disabilities, and an increasing number of large families, many of whom are from other countries and may be unfamiliar with local housing resources. Like other communities in Alameda County, the city has a sizeable unmet need for permanent supportive housing and transitional housing to assist the growing number of homeless residents, those at risk of homelessness, and others with mental health, developmental and physical disabilities, and HIV/AIDS. With a long-term plan to prevent and end homelessness, sufficient resources, political leadership, and community involvement, San Leandro can ensure that homeless and very low income residents have safe, supportive, and permanent homes while improving the quality of their lives and neighborhoods.

housing stock characteristics

Number of Units and Unit Type

The 2010 Census counted 32,419 housing units in San Leandro. This was an increase of 1,085 units (3.5 percent) over 2000. Most of the housing unit construction took place during the first half of the decade. Between 2000 and 2010, the city's population increased at a much faster rate than the number of housing units. Although less than 1,100 units were added, the city gained more than 5,000 residents.

The California Department of Finance reported that the city had 32,503 housing units on January 1, 2014—an increase of 84 units (0.3 percent) since 2010. Population, meanwhile, is estimated to have increased by about 3 percent. This differential is greater than in the county as a whole, where the number of housing units has increased by 1.3 percent and population has increased by 4.1 percent since 2000.

Table 3-14 provides data on the composition of housing units in San Leandro in 1980, 1990, 2000, 2010, and 2014. In 2014, 60 percent of the city's housing consisted of single family detached homes. Another 6.1 percent consisted of single family attached homes. About 7.1 percent of the city's housing stock was contained in duplexes, triplexes, and fourplexes. Just under a quarter consisted of multi-family units in buildings of 5 units or more, and about 3 percent consisted of mobile homes.

The percentage of units that are multi-family declined between 1990 and 2007, as single family construction outpaced multi-family construction. Almost 94 percent of the units added during the 1990s were single family detached homes and 78 percent of the units added between 2000 and 2008 were single family detached homes. This trend has been reversed during the last seven years, as multi-family units represented more than half of all new housing starts. Chapter 2 of the Housing Element provides a profile of development during the 2007-2014 period.

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Table 3-14: Composition of Occupied Housing Units in San Leandro, 1980-2014¹²

Unit Type	1980	1990	2000	2010	2014	Percent of 2014 Total
Single Family	18,942	19,572	20,591	21,407	21,438	66.0%
<i>Detached</i>	<i>N.A.</i>	<i>17,692</i>	<i>19,518</i>	<i>19,459</i>	<i>19,463</i>	<i>59.9%</i>
<i>Attached (townhomes)</i>	<i>N.A.</i>	<i>1,880</i>	<i>2,044</i>	<i>1,948</i>	<i>1,975</i>	<i>6.1%</i>
2-4 unit buildings	2,212	1,912	2,246	1,895	1,895	7.1%
Multi-Family (5+ units)	6,189	7,542	7,249	8,229	8,280	22.7%
Mobile Home	743	867	904	890	890	2.8%
Other	<i>N.A.</i>	296	<i>N.A.</i>	<i>N.A.</i>	<i>N.A.</i>	--
TOTAL	28,086	30,189	31,272	32,503		100.0%

Source: US Census, 1980-2000. California Department of Finance, 2014

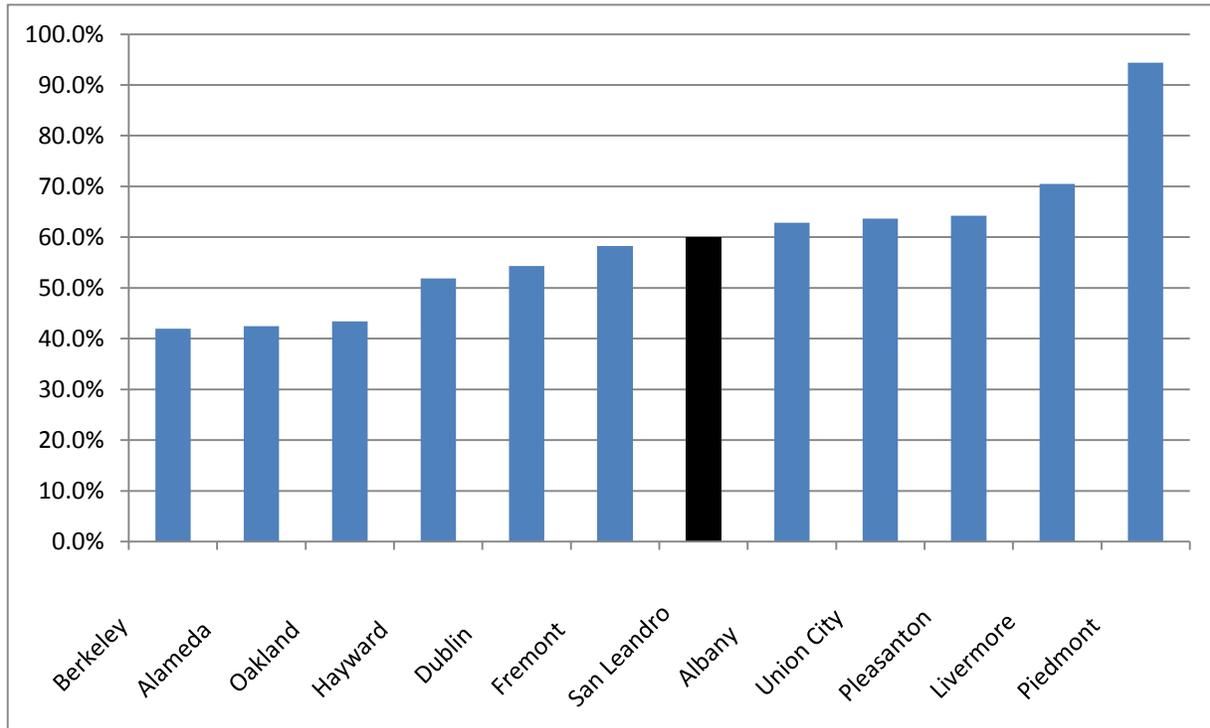
Most of the housing stock in San Leandro consists of two- and three-bedroom units. In 2010, two-bedroom units accounted for 33 percent of the city total and three-bedroom units accounted for 37 percent of the total. Units with four or more bedrooms made up 13 percent of the total, and almost all were owner-occupied. Only 23 percent of the city’s rental housing stock, including single family rental homes, consists of units with three bedrooms or more. By contrast, 70 percent of the city’s owner-occupied housing stock consists of units with three bedrooms or more.

The city was hard hit by the economic recession of 2007-2010 and saw very little private market construction during this time period. The two largest projects completed since 2007 are both affordable housing developments. Moreover, one of the largest conversions of market rate housing to affordable housing (60% or less of areawide median) in the region took place at the 840-unit Lakeside Apartments on Springlake Drive.

Chart 3-5 compares the housing unit composition of San Leandro to several other cities in Alameda County. The figure illustrates the percentage of total occupied units that are single family detached dwellings as of January 1, 2014. With 60 percent of its residences in this category, San Leandro has a higher percentage of single family homes than Oakland, Berkeley, Hayward, Fremont, and Alameda, and a lower percentage than Livermore, Pleasanton, and Union City.

¹² There are anomalies between the Census data for 1990 and 2000. The data suggest a net loss of about 300 multi-family units in the city during the decade, and a gain of 10 units in 2-4 plexes. At the same time, Department of Finance data show a net gain of 41 multi-family units, and a net gain of 23 units in 2-4 plexes during the 1990s.

Chart 3-5: Single Family Detached Homes as a Percentage of Total Housing Stock, 2014



Source: California Department of Finance, 2014

Vacancy Rates

The 2010 Census indicated that 1,702 housing units in San Leandro, or 5.7 percent of the total housing stock, were vacant as of April 2010. This was a substantial increase from 2000 when there were 692 vacant housing units, representing just 2.2 percent of the total housing stock. The higher percentage in 2010 reflects the impact of the recession and the large number of homes for sale or in foreclosure at that time. There were 258 vacant units for sale in 2010, compared to 111 in 2000.

More significantly, the high vacancy rate in 2010 was indicative of a higher than average number of empty rental units. Whereas there were 268 vacant rental units in 2000, there were 805 in 2010. This equates to a rental vacancy rate of 5.8 percent. Vacant units in 2010 also included 90 units for seasonal, recreational, or occasional use and 106 units that were sold but not yet occupied. San Leandro’s vacancy rate was lower than the countywide average of 6.4 percent, and higher than the 3-5 percent range that is usually cited by real estate analysts as indicative of a healthy housing market.

The vacancy rate has fallen since 2010. Paragon Commercial Brokerage reported a 2.7 percent rate for rental apartments in the first quarter of 2014 in Alameda and Contra Costa Counties, which is the lowest

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rate since 2001.¹³ Cushman and Wakefield’s year-end report for 2013 indicated that the apartment vacancy rate in the San Leandro- Hayward submarket was 1.7 percent, the lowest rate in Alameda County.¹⁴

Overcrowding

Overcrowding occurs when a household’s living area is too small to meet the needs of the household. The US Department of Housing and Urban Development defines “overcrowded” units as having more than one person per room (excluding bathrooms and kitchens). “Severely overcrowded” units are defined as having more than 1.5 persons per room.

The 2008-2012 American Community Survey indicates that as of 2010, 2,260 units met the census definition of overcrowding. This represents 7.5 percent of the city’s occupied housing units. The rate is higher than the Alameda County rate (5.6 percent) and lower than the statewide rate of 8.2 percent.

Table 3-15 shows the current number of overcrowded and severely overcrowded units in the city. The incidence of overcrowding is higher among renters (11.4 percent) than among owners (4.5 percent). This is not surprising, given the smaller size of apartments and the absence of affordable homes for larger families. In 2000, about 2.4 percent of the city’s housing stock met the definition of severe overcrowding; about 80 percent of these units were renter-occupied.

Table 3-15: Housing Overcrowding by Tenure, 2008-2012

Persons Per Room	Owner-Occupied Units	% of Total	Renter-Occupied Units	% of Total	Total Units	% of Total
0.50 or less	11,525	67.6%	6,382	48.3%	17,907	59.3%
0.51 to 1.00	4,749	27.9%	5,263	40.1%	10,012	33.2%
1.00 to 1.51*	616	3.6%	906	6.9%	1,522	5.0%
1.51 to 2.00*	90	0.5%	478	3.6%	568	1.9%
2.00 or More*	60	0.3%	110	0.8%	170	0.6%
TOTAL	17,040	100.0%	13,139	100.0%	30,179	100.0%
* Overcrowded	766	4.5%	1,494	11.3%	2,260	7.5%

Source: American Community Survey, 2008-2012

¹³ Paragon Commercial Brokerage, 2014 Mid-Year Report

¹⁴ Cushman and Wakefield, Market Beat Year End Multi-Family Snapshot, 2013

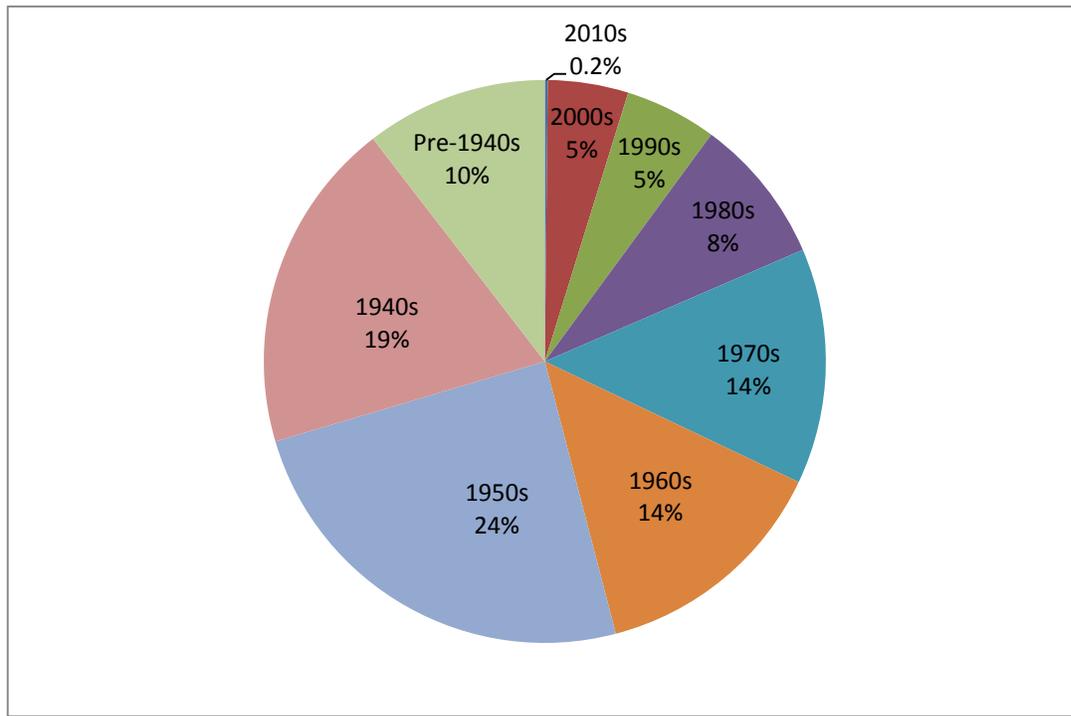
Age of Housing Stock

Chart 3-6 illustrates the distribution of housing stock by age in the city. About 40 percent of San Leandro’s housing stock was built during the post-war construction boom between 1945 and 1960. Many of these units are now approaching 70 years old and face increasing needs for rehabilitation and repair. Most of the older housing stock is owner-occupied. In 2012, 67 percent of the owner-occupied housing pre-dated 1960, compared to 37 percent of the renter housing stock.

For many years, San Leandro had a large number of long-term residents who had resided in the city since the 1950s and early 1960s. The percentage of long-time residents dropped substantially between 1990 and 2010. In 1990, 24 percent of the city’s homeowners had lived in their homes for at least 30 years and another 17 percent had lived in their homes for at least 20 years. By 2012, these figures had declined to 18 percent and 13 percent respectively. The 2008-2012 American Community Survey estimates that 69 percent of the city’s homeowners moved into their current residence after 1990 and 43 percent moved in since 2000.

The length of residency was even shorter for renters. The ACS reported that 87 percent of all renters had moved into their homes since 2000, including 18 percent who had moved in since 2010 . According to ACS data, only about 13 percent of the city’s renters are living in the same place today as they did in 1999.

Chart 3-6: Year of Construction of San Leandro’s Housing Stock, 2014



Source: American Community Survey, 2008-2012

Housing Condition

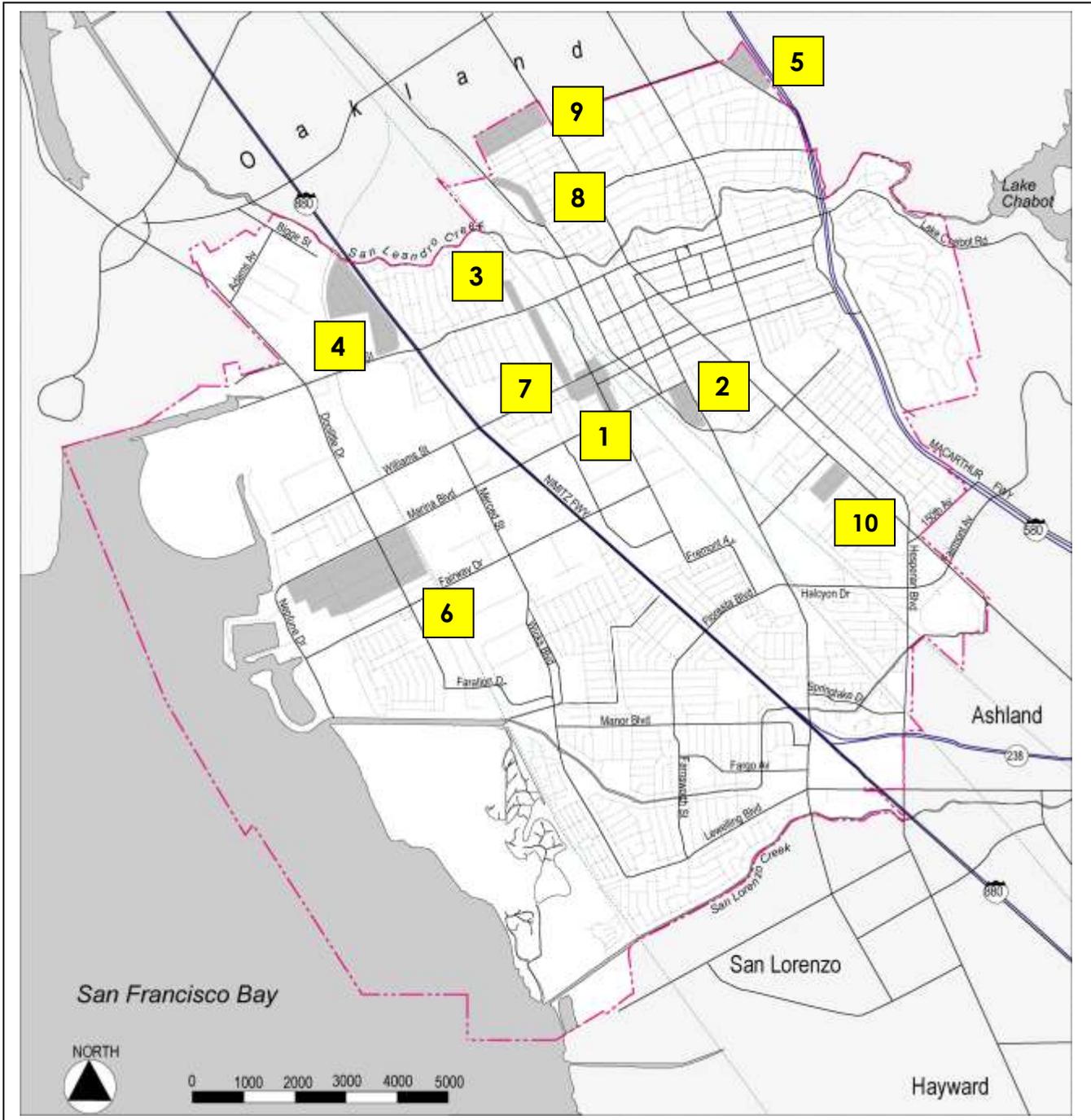
Despite its age, the vast majority of San Leandro's housing stock is in good condition. The 2008-2012 American Community Survey reported that 99.5 percent of the city's housing units had complete plumbing and 99.0 percent had complete kitchens

To further assess housing conditions, City staff conducted a windshield survey in several San Leandro neighborhoods in September 2014 as part of the Housing Element update. The areas surveyed match the areas surveyed in May 2002 as part of the 2003 Housing Element Update and in September 2008 as part of the 2010 Update. They include 10 locations where a majority of the housing stock was built before 1950, including areas where staff has identified recurring code enforcement issues. Figure 3-1 indicates the location of these areas. Table 3-16 summarizes the findings, and Appendix B provides an example of the survey form.

Over 1,200 properties (about 4 percent of the city's housing stock) were visually inspected, although a detailed survey form was not completed for each property. The exterior condition of each home was noted, including the condition of the roof, chimney, and gutters; porches, stairs, and garage; doors and windows; exterior surfaces; and foundation. The vast majority of the housing surveyed was found to be in good condition and was not in need of replacement or rehabilitation. About 4.4 percent of the units were found to be in "fair" condition and only two homes were found to be in poor condition.

The sampled homes are located in areas that were specifically identified as being more likely to contain housing in need of repair. Thus, the percentage of homes identified as being in fair or poor condition in the city as a whole is likely to be much smaller than the five percent in the surveyed areas. Conservatively, about 98 percent of San Leandro's housing stock could be described as being in good or excellent condition. Substandard units are geographically scattered and are not concentrated on a particular block or in a particular district of the city.

Typical structural defects included roofs in need of replacement (missing shingles, tarps, etc.), sagging porches and rotten porch railings, damaged siding, peeling paint, broken steps and missing roof gutters. There were no broken or boarded windows observed, and all but two of the homes were habitable. A number of the homes had outbuildings (such as garages or sheds) that were in poor condition or appeared to be tipping over. Relative to 2002 and 2008, the survey showed a slight overall improvement in building conditions. Whereas 5.5 percent of the structures in the 2002 survey were noted as "fair" and 0.6 percent were noted as poor, these percentages were 5.3 percent and 0.1 percent respectively in 2008 and 4.4 percent and 0.2 percent in 2014.



LEGEND

■ Areas Surveyed

Figure 3-1
Housing Conditions Survey Areas

San Leandro Housing Element Update, 2014

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Table 3-16: Housing Conditions “Windshield Survey” Findings – 2014

Map ID	Areas Surveyed	Housing Condition (# of properties in each category)				Comments
		Good	Fair	Poor	Total	
1	Alvarado/Williams	100	8	0	108	Mixed residential/ industrial area with small Victorian cottages and automotive and light industrial businesses. Close to BART. Some reinvestment and new development has occurred since 2002, but several homes need repair. Conditions stable or slightly improving since 2008. .
2	Cherry Street	48	1	0	49	Mix of 1900s-1920s era cottages and newer duplexes. Several new homes since 2002 and housing generally in very good condition. Conditions improving.
3	Dabner’s Addition	31	1	1	33	Eclectic mix of 1880-1910 homes and newer homes and flats. One home abandoned for at least 12 years, another in fair condition in 2002, 2008, and 2012.
4	Davis West	292	10	1	303	Post-war (late 1940s) tract homes. Conditions similar to 2002 and 2008. Some deferred maintenance (peeling paint, sagging porches, deteriorating roofs, cosmetic defects) observed..
5	Foothill/ MacArthur Triangle	64	3	0	67	Mix of pre-1920s cottages and post-1950 fourplexes and small multi-family. Conditions unchanged since 2008.
6	Mulford Gardens (partial)	282	11	0	293	Eclectic mix of older (1920s-30s) bungalows, 1940s-1960s ranches, and contemporary homes. Many accessory structures, some in fair condition. Decrease in number of homes rated “fair” since 2002, although defects are largely cosmetic; single family homes in better condition than multi-family units.
7	Orchard Avenue	96	5	0	101	Single family homes are in good condition, but several small multi-family buildings show signs of deferred maintenance. No change since 2002 or 2008.
8	San Leandro Blvd/ Park Street	21	0	0	21	No fair/poor structures observed. Conditions unchanged since 2008.
9	Suffolk/ Bristol	170	11	0	181	1930s/40s area duplexes. Conditions roughly the same in 2002, 2008, and 2012.
10	144 th / 145 th Avenues	76	2	0	78	“Fair” structures are older (1910-1930) bungalows with deteriorating roofs Some improvement since 2008.
	TOTAL	1,180	52	2	1,234	

Source: Barry Miller, AICP 2014

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In both the 2002, 2008, and 2014 surveys, most of the homes observed to be in “fair” condition were pre-1930s cottages and bungalows. Some were located near industrial and/ or commercial uses, and a few were in areas slated for redevelopment as part of the San Leandro BART Transit-Oriented Development Strategy. A number of small 1950s-era apartment buildings were also identified as “fair.” These buildings appeared to be structurally sound but were in need of rehabilitation, maintenance, and cosmetic improvements.

Healthy Homes

One of the issues raised by the public during the 2015-2023 Housing Element Update is the health and safety of the living environment in some San Leandro homes, particularly for lower income renters. Some residents may contend with poor indoor and outdoor air quality, proximity to industrial uses and high noise sources, potential exposure to lead, and household pest infestations. Residents may either lack awareness of the resources for assistance, or the language skills to request assistance. Tenants may also be fearful of eviction or loss of their residence in the event the problem is reported. A collaboration of regional and statewide agencies has been advocating for “healthy homes,” not only in San Leandro but throughout California. Policies and action programs in this Housing Element aim to raise awareness of this issue and focus additional resources to ensure that a healthy living environment is maintained for all San Leandro residents.

Conclusions

San Leandro’s housing stock is in good condition. However, one-half of the city’s housing stock is now more than 55 years old. This includes not only a large inventory of pre-war bungalows but also thousands of ranch-style homes built shortly after World War II. These homes require regular maintenance and repair, creating a potential cost burden for low- and moderate-income owners. Programs that assist lower-income and/or elderly homeowners with home maintenance have been an important part of San Leandro’s housing strategy for the past two decades and will continue to be essential in the future. Many of the city’s smaller rental apartment complexes and 2-4 plexes were also built in the late 1940s and 1950s and would also benefit from rehabilitation programs and more proactive inspection. It will be important to preserve the affordability of these units as they are renovated.

Another important conclusion with respect to the housing stock is the absence of any significant market-rate rental housing production in the city since before 1990. While there has been some *below market rate* apartment construction (targeted to seniors and very low income households), virtually all of the *market-rate* production has consisted of owner-occupied single family homes and townhomes. Rental vacancy rates in the city were fairly high in 2010 but have decreased with the economic recovery. There may be substantial pent up demand for market-rate apartments.

residential energy conservation

Section 65583(a)(7) requires the Housing Element to contain an “analysis of opportunities for energy conservation” with respect to residential development. These opportunities present themselves both through new construction and through the retrofitting of the existing building stock. Reducing home heating and cooling costs can lead to more disposable income for housing while also supporting environmental and sustainability goals. These goals have become more important in recent years due to rising fuel costs and concerns about greenhouse gas emissions and global warming.

San Leandro implements a number of weatherization and energy savings programs. Some apply universally to all households and others are specifically targeted to lower-income households. The former category includes the California Energy Commission’s Title 24 energy efficiency standards. These standards apply to wall and ceiling insulation, thermal mass, and window to floor area ratio, and are designed to reduce heat loss and energy consumption. A report indicating conformance with the energy standards is usually performed by an energy consultant following methods approved by the state. The Title 24 requirements apply to new homes, and also to remodeling projects where doors and windows are modified or new floor space is added.

Other energy conservation measures aimed toward all households (regardless of income) include incentive programs administered by Pacific Gas and Electric (PG&E). PG&E offers rebates for old appliances, free energy audits, and tax incentives for alternative energy use. It has an extensive public education and outreach program, highlighting energy saving tips. The utility also helps customers calculate their carbon footprints and reduce their energy consumption through behavioral changes and simple modifications around the house.

Most of the programs specifically targeted to lower-income households also are administered by PG&E. These include:

- **CARE** (California Alternate Rates for Energy) is PG&E’s discount program for lower-income households. Eligible households receive a 20 percent discount on their monthly gas and electric bill. Eligibility is based on income, using a sliding scale that considers the number of persons in the household. In 2014, a household of four earning \$47,700 or less would qualify. The CARE program applies to single family homeowners, tenants who are metered or billed by landlords, and group living facilities.
- **FERA** (Family Electric Rate Assistance) offers a 131 to 200 percent reduction to the baseline electric rate for qualifying families. FERA serves those who may be ineligible for CARE due to their income. For example, the maximum qualifying income for a household of four under FERA is \$59,625.
- **Medical Baseline Allowance** provides additional quantities of energy to persons with special medical needs at low baseline rates. The program allows households with life support equipment, and special heating or cooling needs, to receive energy that could otherwise be very expensive at low rates.

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- **Energy Partners Program** is PG&E's free weatherization program. A PG&E-certified contractor and energy specialist visits the customer's home and assesses the residence for possible weatherization measures. A certified crew then installs these measures, which may include attic insulation, door replacement, caulking, furnace repair, and similar improvements, at no charge to the customer. The program also provides free replacement appliances such as refrigerators and air conditioners to qualifying customers.
- **REACH** (Relief for Energy Assistance for Community Help) is a one-time energy assistance program for low-income homeowners who cannot pay their utility bill because of a sudden financial hardship. For more than 30 years, the REACH program has provided emergency assistance through energy credits of up to \$200 to low-income families, particularly the elderly, disabled, sick, working poor, and unemployed. Eligibility is determined by the Salvation Army through its 170 offices in Northern and Central California. Generally recipients can receive REACH assistance only once within an 18-month period, but exceptions may be made for seniors, the disabled, and the terminally ill.
- **Third Party Notification.** PG&E has a program in which a third party is notified in the event a customer is unable to pay their PG&E bill because of illness, financial hardship, language difficulties, or other issues. The third party can then intervene before service is interrupted, potentially saving the household reconnection charges.

PG&E also offers balanced payment plans for customers who experience higher heating or cooling costs during extreme weather conditions. The utility also works with community-based organizations and local governments to develop additional measures to assist lower-income households

In addition to the programs listed above, the California Department of Health and Human Services (HHS) administers the federal Low Income Home Energy Assistance Program (LIHEAP) to assist low-income homeowners with weatherization and energy bills. In FY 2014, LIHEAP was budgeted \$153.5 million to cover customer heating and cooling bills statewide. According to the Campaign for Home Energy Assistance, more than 194,000 California households received financial assistance through LIHEAP in FY 2013. To qualify for financial assistance, families must have incomes less than 200 percent of the federal poverty level. LIHEAP's weatherization program provides free services such as insulation, weatherstripping, and minor home repairs.

San Leandro is also a participant in East Bay Energy Watch, a collaboration between PG&E and local governments, non-profits, and for-profit energy service providers in the East Bay. The program aims to increase awareness of energy efficiency and its benefits while delivering high quality energy retrofit services and technical assistance. It provides free energy assessments and solar energy assessments, with the intent of helping residents lower their home energy bills. The City also participates in Energy Upgrade California, which includes rebates for energy efficiency retrofits. San Leandro is also one of 140 California cities participating in the PACE (Property Assessed Clean Energy) program (also known as

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CaliforniaFIRST). The program provides access to low-cost financing for homeowners seeking to perform energy upgrades or install renewable energy systems by placing the expense on their property tax bills, thereby allowing a longer payback period,

The City has also co-hosted educational events and seminars to make residents aware of rebates, tax credits and the benefits of a home energy upgrade. In 2011-2012, it hosted a do-it-yourself energy efficiency class, including a free test showing homeowners how their residences were performing and grants for making homes more energy efficient. It also participated in “Energize for the Prize,” an educational campaign intended to raise awareness about conservation. San Leandro is home to the Zero Net Energy Center, a training center for electricians and those in the energy efficiency and conservation professions, and the first renovated commercial building in California to achieve zero net energy.

The City of San Leandro also supports energy conservation as a matter of public policy. A Climate Action Plan, incorporating strategies for energy efficiency and renewable energy use as a way to reduce greenhouse gases, was adopted in 2009. Policies in the City’s General Plan encourage construction, landscaping, and site planning practices which minimize heating and cooling costs. Policies also encourage the weatherization of homes, the expanded use of solar energy, and the use of energy-efficient lighting and appliances. The City also supports public education and outreach on conservation, including the use of Energy Star appliances and energy-retrofit tax credits. These principles have been reinforced through the City’s transit-oriented development plans, which are intended to reduce household transportation expenses by creating walkable, transit-served neighborhoods.

Conclusions

Heating and cooling costs can represent a substantial share of the housing budget for lower-income and/or special needs households. The City is working proactively to promote energy conservation and enforce Title 24 standards for new construction. The City will continue working with PG&E to reduce the energy cost burden for San Leandro households, primarily through PG&E’s weatherization and financial assistance programs. As San Leandro strives to “go green,” there will be a greater emphasis on energy conservation, the use of solar panels and other alternative energy sources, and the design and construction of housing units which leave a smaller “carbon footprint.” All of these measures provide the collateral benefit of lower home utility costs.

subsidized units at risk of converting to market-rate rents

Thousands of public assisted apartments in California are eligible to change from income-restricted to market-rate during the coming years due to the termination of various government subsidy programs, the payoff of government-subsidized loans, and/ or the end of restrictions on rental rates. As rent subsidies and restrictions expire, lower-income tenants may face steep rent increases or even be displaced outright. The affected housing units are referred to as “at-risk” units. In 1989, Housing Element law was amended to require an assessment of at-risk units, along with programs to reduce adverse impacts on lower-income tenants.

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The “at-risk” units include projects receiving state and/ or federal assistance, and units created through local inclusionary zoning, density bonus, or bond financing programs. The analysis of expiring subsidies must include a period extending 10 years from the Housing Element due date, which is January 31, 2015.

Inventory of Assisted Units

Table 3-17 lists all assisted housing units in San Leandro as of 2014. The table includes the name and address of the project, the type of governmental assistance received, the earliest possible date the project would convert from affordable use, and the number of units that would potentially be impacted.

There are 1,436 rent-restricted housing units in the city, located on 16 different properties. The total includes 1,036 units for families and small households, 352 units for seniors, and 48 units in properties exclusively for disabled persons.¹⁵

Of the 1,436 units, 14 are reserved for extremely low income households, 606 for very low income households, 793 for low-income households earning no more than 60 percent of the Area Median Income (AMI), 12 for low-income households earning no more than 80 percent of AMI, and 11 for moderate-income households.

The number of rent-restricted units in 2014 is 111 percent higher than it was when the last Housing Element was prepared in 2008-2010. This is largely due to the conversion of the 840-unit Lakeside Apartments from a market rate project to an affordable project using Low Income Housing Tax Credits. The complex includes 84 very low income units and 746 low income units (capped at 60 percent of areawide median income), along with 10 unrestricted units. Although the market restrictions on several other below market rate rental projects expired during 2007-2014, the conversion of Lakeside Apartments more than made up for the loss.

Some of the subsidized units in San Leandro were created through inclusionary zoning requirements, assistance from the former Redevelopment Agency, or bond financing programs. These units are typically located within privately-owned apartment buildings that include a combination of market-rate and affordable units. For instance, 15 percent of the units at the Gateway Apartments on Davis Street were set aside for low- and moderate-income renters, meeting a state requirement for below market rate units in redevelopment areas at the time. The elimination of the Redevelopment Agency does not change the affordability term on the below market rate units.

¹⁵ Additional units for disabled persons exist within some of the affordable family and affordable senior projects.

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Table 3-17: Status of Assisted Rental Housing Units in San Leandro, 2014

Project Name	Address	Composition	Origination	Earliest Termination Date	Units at Risk	Notes (reflects conditions as of August 2008)
January 31, 2015-January 31, 2025						
Golden Gate Apartments	15151-15170 Golden Gate Av	3 very low income 1 low-income 4 market-rate	Redevelopment Agency assistance	October 2015	4	Private owner received Agency loan from Rental Rehab Program
Total Units at Risk of Converting to Market Rates, 2015-2025					4	
After January 31, 2025						
Gateway Apartments	884 Davis St	14 very low income family 11 low-income family 10 moderate-income family 201 market-rate family	Redevelopment inclusionary requirement	November 2025	NA	Privately owned
Carlton Plaza	1000 E. 14 th St	29 very low income elderly 114 market-rate elderly	Redevelopment inclusionary requirement	2028	NA	Privately owned
Cherry Blossom Center	11 Dutton Av	4 very low income 1 moderate-income	Redevelopment Agency Assistance (rehab)	July 2033	NA	Privately-owned.
Luella Fuller Group Home	342 W. Joaquin Av	6 very low income disabled	Redevelopment Agency assistance	2033	NA	Operated by non-profit. Conversion risk is very low. Was to expire in 2011, but original loan was converted to grant, extending affordability to 2033.
Fuller Lodge	2141 Bancroft Av	26 very low income disabled	Section 202 Redevelopment Agency assistance CDBG	May 2034	0	Operated by non-profit.
Mission Bell	112-120 Garcia Av	7 extremely low income 16 very low income 2 low income (60% AMI)	Redevelopment Agency Assistance (rehab); HOME (acquisition)	2061	NA	Purchased by Allied Housing in 2006 and affordability extended.

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Table 3-17, continued

Project Name	Address	Composition	Origination	Earliest Term. Date	# At Risk	Notes (reflects conditions as of August 2008)
<i>Projects with subsidies expiring after 2025, continued</i>						
Las Palmas	15370 Tropic Ct	16 very low income family 34 low- (60% AMI) family 41 market-rate family	HOME (acquisition/ rehab) Tax Credits	2030 and 2066	NA	Mixed income project, formerly operated by Citizens Housing (non-profit). Acquired by Eden Housing in 2011.
Eden Lodge	400 Springlake Av	141 very low income elderly <i>(15 of these units are for disabled)</i>	HUD 202 Redevelopment Agency assistance	2058	NA	Operated by Eden Housing (non-profit). Low risk of conversion. Total includes two managers' units.
Surf Apartments	15320 Tropic Ct	11 very low income 11 low-income (60% AMI) 24 market-rate	Redevelopment Agency assistance; HOME program, tax credits	2058	NA	Was to expire but was purchased and rehabbed by Eden Housing in 2011. Low risk of conversion. .
Broadmoor Plaza	232 East 14 th St	59 very low income elderly (including 3 wheelchair and 10 hearing impaired)	Redevelopment Agency assistance	2061	NA	Operated by non-profit. Low risk of conversion. Total excludes manager's unit.
Fuller Gardens	2390 East 14 th Street	16 very low income disabled	HUD 811, Redevelopment Agency assistance	2059	NA	Operated by non-profit. Conversion risk is very low. Total excludes manager's unit.
Casa Verde	2398 East 14 th St	7 extremely low income 58 very low income	Redevelopment Agency assistance	2061	NA	65 studios and 2 one-bedroom units operated by Mercy Housing (non-profit). Low risk of conversion. Total excludes manager's unit
Estabrook Place	2103 East 14 th Street	50 very income elderly	Redevelopment Agency assistance, HOME funds	2065	NA	Completed in 2010 by Eden Housing, for seniors 62 and older. All one bedrooms. Total excludes manager's unit.
Lakeside Village	4170 Springlake Drive	84very low income 746 low income (60% AMI)	Low Income Housing Tax Credit	2066	NA	Converted from market rate to affordable with Low Income Housing Tax Credit. No City funding.
Fargo Senior Center	868 Fargo Av	73 low-income elderly	HUD 236/ Section 8/ Low Income Housing Tax Credit	2068	NA	Was set to expire in 2016, but was rehabbed by Christian Church Homes through a Low Income Housing Tax Credit that extended the affordability term to 2068. City funding was not required for the extension.

Source: Barry J Miller, 2014. City of San Leandro, 2014

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There are several projects in San Leandro in which the units are subsidized through ongoing federal programs under the management of local non-profit development groups. These include Eden Lodge and Fargo Senior Center, both funded through HUD Section 236. Non-profit managed affordable housing developments also include Fuller Lodge and Luella Fuller Group Home, as well as the recently constructed Fuller Gardens, Broadmoor Plaza, Estabrook Place, and Casa Verde apartments. These eight developments include nearly 450 units. Also, the 25-unit Mission Bell Apartments was sold in 2006 to a non-profit developer who assumed HOME and Redevelopment Agency loans. Fourteen units were initially set aside as affordable, and the remaining 11 units were converted to affordable several years later. Because all of these projects are operated by non-profit corporations abiding by 55-year affordability terms, the risk of their conversion to market-rate rents is very low.

In the ten-year period starting January 31 2015, only four housing units are considered to be at risk. These include three very low income units and one low income unit at the Golden Gate Apartments located at 15151-15170 Golden Gate Avenue. The units are privately owned and the affordability restrictions will expire in October 2015.

The City is also anticipating the *addition* of 200 units affordable to very low income households in the early part of the upcoming planning period. BRIDGE Housing Corporation recently received tax credit financing to proceed with the Cornerstone project, to be developed on the BART parking lot site east of the San Leandro BART station. The project will include a child care center, replacement parking for BART, 115 units for families (Phase I) and 85 units for seniors (Phase II).

Cost of Replacement Housing

Section 65583(a)(8)(B) of the Government Code requires the analysis of at-risk housing to identify the “total cost of producing new rental housing that is comparable in size and rent levels to replace the units that could change from low-income use, and an estimated cost of preserving the assisted housing developments.” This requirement applies to the four units which may expire at Golden Gate Apartments. The units include three one-bedroom apartments and one studio.

The cost of replacing these units through acquisition of a comparable property is estimated at \$650,000. This is based on the listing price of a currently advertised rental apartment building in San Leandro which consists of four one-bedroom apartments.¹⁶ If the units were to be built as new construction, the cost would likely be closer to \$800,000, based on the cost per square foot of the proposed Cornerstone project.

The cumulative gap between the market-rate rents and the subsidized rents for the four units that could expire by 2025 is estimated to be approximately \$1,400 per month. This assumes that the existing tenants have incomes of approximately \$40,000 a year and are paying 30 percent of their incomes on rent (e.g., about \$1,000 monthly rent). It is difficult to quantify the gap precisely, because some of the tenants may

¹⁶ 144 Garcia Avenue, currently listed at \$649,000. There is also a three-unit building listed at \$499,000, and another 4-unit building in unincorporated San Leandro listed at \$699,000.

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receive Section 8 vouchers which further offset the rent collected by the building owner. Although direct subsidies to tenants and/ or landlords to close the gap are not proposed at this time, the analysis suggests it would be more cost-effective to preserve the units than to reconstruct them or acquire another building.

Opportunities for Preservation

The Government Code requires the City to identify local non-profit corporations which have the “legal and managerial capacity to acquire and manage” the at-risk units or the apartment complexes containing the at-risk units. The City is also required to identify the federal, state, and local financing and subsidy programs that may be considered to preserve these units.

A number of non-profit housing developers are active in Alameda County and could assist San Leandro in the preservation of at-risk units. Eden Housing has been the most active non-profit, and was instrumental in helping preserve the affordability of units at the Las Palmas and Surf Apartments, as well as the development of Estabrook Senior Housing. Other non-profits that are active in the East Bay market include Mercy Housing California (developers of Casa Verde), American Baptist Homes of the West (developers of Broadmoor Plaza), and Abode Services (formerly Allied Housing and developers of Mission Bell Apartments). BRIDGE Housing, Satellite Affordable Housing Associates, EBALDC (East Bay Asian Local Development Corporation), Resources for Community Development, and MidPen Housing are also active in the East Bay.

There are also private developers in the city, including the owners of the at-risk projects themselves, who might be interested in participating in their preservation. Such developers may have access to state and federal tax credit funding. This formula worked successfully in the acquisition and preservation of Lakeside Apartments, and could be replicated at the Golden Gate Apartments.

Potential funding sources to assist in the preservation of at-risk units include federal CDBG and HOME funds, the local Affordable Housing Trust Fund, and the General Fund. The City can use these funds to provide gap financing to assist non-profits in acquiring an ownership share in the complexes with at-risk units. Although the City no longer has Redevelopment set-aside dollars available, it has committed to setting aside a portion of the revenues that would otherwise have gone to the Redevelopment Agency for affordable housing purposes. In addition, the California Department of Housing and Community Development has a Multi-family Housing Program which provides 55-year deferred payment loans at 3 percent interest for the acquisition and rehabilitation of at-risk units. These funds are typically used to leverage additional investment from the private sector.

The City also uses direct negotiations with at-risk project owners to extend the terms of affordability restrictions. There may be financial incentives the City can offer, or disincentives to raising rents to market levels. This is particularly true if the owner is seeking additional bond financing, rehabilitation assistance, or conducting other transactions which require City approval or participation.

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In the event preservation of any of the at-risk units is infeasible, the City should work proactively to protect tenants and minimize displacement. Federal law requires 12 months notice to tenants by any owner who wishes to opt out of affordability restrictions at the end of the mandatory term. Federal law also requires five to nine months notice to tenants by owners who pre-pay their housing assistance loans, thereby relinquishing the affordability requirement. Some cities, such as San Francisco and Portland, have required owners who pre-pay to provide relocation assistance to displaced tenants.

Conclusions

Between 2006 and 2014, there was a net loss of 112 units of below market rate rental housing due to expiring subsidies. This was offset by the conversion of 840 market rate units to affordable units at Lakeside Apartments, as well as the addition of affordable units at several other rehabilitated apartment complexes (Surf, Mission Bell, and Las Palmas), and the addition of 117 new units at Casa Verde and Estabrook Place. There are only four units at risk of conversion in the next 10 years. The City will continue to work with the owners of these units to support their long-term affordability. Low-interest rehabilitation loans (with an affordability extension requirement) have proven to be an effective tool to preserve some of these units. This strategy will continue, and may be complemented by the allocation of funds from the City's annual housing budget for other long-term affordability incentive programs.

housing projections

ABAG Projections

Population and housing projections for San Leandro and other Bay Area cities are developed by the Association of Bay Area Governments. In 2013, ABAG published "Projections 2013" containing forecasts through 2040. These projections indicate an anticipated increase of over 1,200 households in San Leandro between 2010 and 2015, for a total of 31,970 households. Based on current market conditions and California Department of Finance estimates for January 1, 2014, this projection will not be reached. Although diminished vacancy rates may result in a larger number of households, there was very little construction in 2010-2015, and the actual number of households in 2015 will probably be closer to 31,000.

ABAG's projections show San Leandro gaining another 1,300 households between 2015 and 2020. Assuming a 5 percent vacancy rate, and a constant vacancy rate between 2015 and 2020, this translates to 1,365 new housing units. If realized, this would far exceed the city's growth rate in the 1990s and 2000s and would be comparable to the growth rate of the 1970s and 80s. Beyond 2020, ABAG projections show San Leandro adding another 1,240 households by 2025. Most of this gain would be associated with development in designated "Priority Development Areas," including the San Leandro BART station, the East 14th Street corridor, and potentially Bay Fair BART Station in the future. The projected growth rate

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for the 10 year period between 2015 and 2025 is 7.9 percent in San Leandro, compared to 9.2 percent in the County as a whole.

ABAG's forecasts indicate that San Leandro's population could reach 95,300 by 2025, with household size falling slightly to 2.74. The projected decline in household size is partially due to the type of housing that would be built in the city between now and 2025. Whereas the city saw mostly single family construction between 1990 and 2010, a majority of the units to be added between 2015 and 2025 are expected to be multi-family. These units would typically support a larger number of one and two person households.

ABAG does not prepare population forecasts by age cohort at the city level. However, at the regional level, forecasts indicate a decline in the percentage of children and young adults over the next 30 years and a significant increase in the senior (over 65) population. Regionally, the percentage of residents under 19 is expected to decrease from 26.8 percent in 2005 to 25.6 percent in 2015 and 22.5 percent in 2035. The percentage of residents over 65 is expected to increase from 11 percent in 2005 to 14.8 percent in 2015 and 24.9 percent in 2035. While the percentage of children is expected to decrease, the actual number will still be greater in 2035 than it is today. Housing needs will increase in all categories by 2035, but the most significant trend will be the increase in senior housing needs after 2015.

The City is currently updating its General Plan to respond to higher growth forecasts and changing community expectations and priorities. Significant growth is expected around the Downtown BART station, along East 14th Street, and in the Bayfair area. As noted in Chapter 4, new housing opportunities are also being considered near the Marina, and potentially on some of the City's less productive industrial lands. The higher projections developed by ABAG reflect the mandates of Senate Bill 375, which calls for a stronger regional emphasis on urban infill around transit stations as a way to reduce vehicle travel and related greenhouse gas emissions.

Regional Housing Needs Allocation

The state Government Code requires each community in the region to provide for its "fair share" of the region's housing needs. Fair share allocations are determined by ABAG based on population and employment projections and other factors. The "fair share" allocation for San Leandro for the period January 1, 2014 to October 31, 2022 is 2,287 units.¹⁷ This is 5.2 percent of Alameda County's total assignment of 44,036 units and 1.2 percent of the regional total of 187,990 units. For comparison's sake, San Leandro presently has about 5.5 percent of the County's population and 1.2 percent of the region's population. The RHNA effectively maintains these proportions in the future.

The allocation for San Leandro has substantially increased relative to the last two RHNA cycles. It was 1,630 units in the 2007-2014 cycle and 870 units in the 1999-2006 cycle. The increase is largely due to

¹⁷ The "planning period" is January 31, 2015 to January 31, 2023, which is slightly different from the "RHNA" period. The City must show how it will meet its RHNA during January 31, 2015 to January 31, 2023, but can receive "credit" for units produced in 2014.

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changing state and regional philosophies about how the Bay Area will grow in the future. Earlier forecasts assumed continued rapid growth on the fringes of the region, while more recent forecasts emphasize growth near the core, especially along rapid transit lines. The largest growth increments are expected in San Francisco, Oakland, and San Jose.

ABAG has stratified San Leandro's 2,287 unit assignment as follows:

- *Above Moderate* Income (households earning more than 120 % of Area Median Income) 1,161 units
- *Moderate* Income (households earning between 80 and 120% of Area Median Income) 352 units
- *Low-Income* (households earning between 50 and 80% of Area Median Income) 270 units
- *Very Low* Income (households earning less than 50% of Area Median Income) 504 units

Although each of the above categories saw an increase relative to the 2007-2014 RHNA, the greatest increase both numerically and by percentage is in the “above moderate” category. The above moderate RHNA is 53 percent higher in 2015-2023 than it was in 2007-2014.

In San Leandro, *above moderate income* units are typically market-rate, for-sale units such as those recently built at Cherry Glen. *Moderate-income* units include single family homes produced under the City's inclusionary housing ordinance. In addition, most of the city's market-rental rate apartments and some of its market-rate condominiums meet the affordability guidelines for moderate-income households.

Low-income and *very low income* units often require some form of subsidy and are rented (or sold) at a lower rate than what the market would bear. In 2014, some of the city's market-rate rental apartments met the affordability guidelines for larger *low-income* households; however, these units were generally too small to accommodate these households comfortably.¹⁸ Non-subsidized housing opportunities for smaller low income households include shared housing, in-law units, mobile homes, and studio apartments.

For *very low income* households, almost all of the units in the city would be considered unaffordable. These households include a large percentage of seniors, persons with disabilities, single parents, and others who cannot compete in the private housing market. Increasingly, very low income households also include working poor families and immigrant households in low wage service jobs. This income group experiences the greatest “affordability gap” in the Bay Area and is the focus of many of the City's affordable housing programs.

¹⁸ For example, a sample of two-bedroom San Leandro apartments on the Craigslist website in August 2014 found market rents averaging \$1,795 a month. Some of the units would meet affordability guidelines for low income four-person households—but the unit might be too small to comfortably accommodate the household..

Conclusions

San Leandro's growth rate is projected to accelerate in the next decade as transit-oriented development becomes a reality. Housing types that have been under-produced in the city for the past 20 years—including rental apartments and condominiums—will make up a growing share of new construction. The increased density will create more opportunities for affordability, as well as a large number of market-rate units that may be affordable to low- and moderate-income renters. The need for very low income units will remain significant. However, the need for market rate units is also significant, as this segment of the market has been underperforming for more than a decade. The City will continue to use federal CDBG and HOME funds along with its Affordable Housing Trust Fund where opportunities arise. However, with the loss of the Redevelopment Agency, additional strategies and funding will be needed to close the affordability gap.

4. ANALYSIS OF HOUSING SITES

introduction

The State Government Code requires that all housing elements include an “inventory of land suitable for residential development, including vacant sites and sites having the potential for redevelopment” (Section 65583(a)(3)). It further requires that the element analyze zoning and infrastructure on these sites, to ensure that their development with housing during the planning period is actually feasible. Through this process, the City must demonstrate that it has a sufficient amount of land to accommodate its fair share of the region’s housing need between January 1, 2014 and October 31, 2022.

Demonstrating an adequate land supply is only part of the task, however. San Leandro must also show that this supply is capable of supporting housing demand from all economic segments of the community, including lower income households. This means providing sufficient land for multi-family housing as well as single family housing, and accommodating a wide variety of housing types. In 2004, Assembly Bill 2348 further clarified the adequate sites requirement, stipulating that the inventory must include the size of each site, its address or assessor’s parcel number, a description of the existing use, a description of any environmental and infrastructure constraints, and information demonstrating the feasibility of developing those sites that are not currently vacant. The law also requires that sites determined suitable for low or very low income households be zoned to permit densities of at least 30 units per acre.¹

The analysis below reflects the recent requirements established by AB 2348, as well as the physical characteristics of the inventoried sites. The analysis begins by identifying housing units that are already entitled and presumed to be constructed in the early part of the 2015-2023 period. The remainder of the analysis evaluates opportunity sites using three major categories:

- Sites suitable for high-density housing (greater than 30 units per acre, consistent with AB 2348)
- Sites suitable for medium density housing (15-30 units per acre)
- Sites suitable for low density housing (2-15 units per acre)

Each of the above categories is further broken down into subcategories based on the current use of the site and its zoning. Appendix A of the Housing Element includes a detailed inventory of each site, providing information on its address, assessors’ parcel number, size, General Plan and zoning designation, existing use, allowed density, and potential unit yield. The table also notes the site’s proximity to the nearest BART Station. Notes, assumptions, and comments appear in the table as appropriate.

¹ The so-called “default” density of 30 units per acre applies only to cities with 25,000 or more residents that are located in major metropolitan areas. Smaller cities and non-metropolitan cities have different default densities. Cities may use a metric other than the “default” density to determine a site is suitable for affordable housing if they can demonstrate that affordable housing has recently been built at lower densities in their community.

committed units

Three residential projects are fully entitled and expected to be built in the early part of the planning period. These include:

- **Cornerstone Apartments.** This is a 200-unit affordable rental housing development to be built and managed by BRIDGE Housing. The project will include 115 apartments for very low income families and 85 apartments for very low income seniors on a roughly 2.3 acre site. In June 2014, the project received State Tax Credit Allocations for its first phase of construction. Groundbreaking is anticipated in Fall 2014.
- **Aurora Cottages.** This is a 16-unit market-rate rental housing development in West San Leandro. Four of the units are existing single family homes, and the remainder will be in six new duplexes. Thus, there will be a net gain of 12 units. Each new unit will be 1,280 square feet. As noted in Chapter 3, the market rate rent for three bedroom apartments in San Leandro is \$1,750-\$2,600 a month. New construction would be expected to rent near the top of this range. At \$2,600 a month, the units would be considered “affordable” to a family of four earning \$104,000 annually, which falls within the moderate income range.
- **2450 Washington Avenue.** This is an approved 66-unit market-rate rental housing development just south of Downtown San Leandro. The site currently contains an office 46,000 square foot building. In 2012, a General Plan Amendment and rezoning was approved to enable the construction of apartments. The project will include 17 one-bedroom units, 48 two-bedroom units, and a manager’s unit. Based on the rents for comparable new apartments, rents are presumed to be “affordable” to moderate income households.

Adjusted Regional Housing Needs Allocation

The committed projects listed above will add 200 very low income units and 78 moderate income units to the City’s housing stock during the 2015-2022 time period. This represents 12 percent of the Regional Housing Needs Allocation (RHNA), including 40 percent of the Very Low income allocation and 22 percent of the Moderate income allocation. Subtracting these units from the 2014-2022 RHNA leaves a balance of 2,009 units, as shown in Table 4-1 below.

Table 4-1: Adjustments to RHNA Based on Committed Development

Income Group	Regional Housing Needs Allocation	Committed	Remainder
Very Low	504	200	304
Low	270	0	270
Moderate	352	78	274
Above Moderate	1,161	0	1,161
TOTAL	2,287	278	2,009

Source: Barry Miller Consulting, 2014

Sites for at least 2,009 housing units must be identified in this Housing Element. At least 19.1 acres of that total must be zoned in a manner which allows housing at densities of 30 units per acre or greater. If 19.1 acres of land were developed at 30 units per acre, the yield would be 574 units of housing, which is the remaining need for low and very low income units. However, the designation of this land for higher density housing (or mixed use development) is not a guarantee that such development will take place, nor is it a guarantee that any housing developed on these sites will be affordable. In fact, much of the housing on the city's higher density sites should serve "above moderate" income households, given the sizeable RHNA assignment in this category. For this reason, the City must identify more than just 19.1 acres of high density zoned land as potential housing sites. Providing excess capacity also provides market flexibility and recognizes that many of the housing sites are zoned to allow non-residential uses as well as residential uses.

methodology for identifying housing opportunity sites for 2015-2023

The inventory of potential housing sites included several sources, the most important of which was the inventory from the 2010 Housing Element. The previous inventory included 86 sites, excluding those that were identified as committed to development.

Of the 86 sites in the 2002 data base, 79 were carried forward for further study. A total of seven sites were removed, including:

- One site that was developed with housing between 2010 and 2014
- Three sites that now contain active projects (Cornerstone Apartments, Aurora Cottages, and 2450 Washington)
- Three mixed use sites that were committed to non-residential uses (the San Leandro Technology Campus, the Village shopping center, and AutoZone on East 14th Street)

Data was updated for the 79 remaining sites. This included a visual inspection of current uses; updated address, APN, general plan and zoning information, a review of data on land value and improvement

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value, a review of infrastructure constraints, and a review of density and unit yield assumptions. In the course of the update, two of the sites were merged into one site, leaving 78.²

The next step was to identify new sites that were not tallied in 2010. This started with an inventory of parcels identified as “committed” to residential development in the 2010 Housing Element, but on which entitlements had expired. There were four such properties. Added to this list were another six sites identified by City staff as being likely candidates for future housing based on pending applications or inquiries by land owners. Finally, another three sites were added based on field observations and a review of current aerial photographs and tax assessor records. The net result was a data base of 91 Housing Opportunity Sites.

As in the last two Housing Elements, the site inventory focuses heavily on areas where detailed planning studies have been completed or are pending, including the San Leandro BART Station Area, the Bayfair BART Station Area, and the East 14th Street (South Area) corridor. An emphasis was also placed on sites where the assessed value of land, as reported by the Alameda County Assessor’s Office, is at least four times higher than the assessed value of improvements on the property. The land to improvement value ratio is an important indicator of underutilization and is a helpful tool for identifying sites more likely to be redeveloped.

Other indicators also were considered, including the extent and type of existing structures on the property, the presence of active businesses, and the proximity of each site to a BART station. Although a few of the Housing Opportunity Sites contain active businesses, these businesses are generally lower-value structures such as used car dealerships (with portable sales offices), non-conforming uses, or other uses that not reflective of long-range plans. In the San Leandro BART Station Area, most of the housing capacity is associated with vacant land zoned for residential uses with minimum density requirements of 60 units per acre.

The updated data base of 91 sites was sorted into various categories for further analysis.³ Sites were classified based on allowable density, zoning, and current use (i.e., vacant vs underutilized). **Appendix A of the Housing Element includes a map of potential sites as well as detailed data on each site.**

A combination of sources was used to calculate development potential. Most of the mixed use zones have a “minimum density” requirement (as well as a “maximum density” permitted). Even though denser development is allowed, the minimums were used in most cases to generate the most conservative estimates. On smaller mixed use sites (i.e., less than 0.5 acres), densities were typically presumed to be about 18 units per acre. This is consistent with recent townhouse development in the city. The more conservative density assumptions also recognize that some of the underutilized “mixed use” sites on East 14th Street, Washington Avenue, and MacArthur Boulevard could redevelop as entirely commercial projects.

² These were two adjacent, independently numbered sites on MacArthur Boulevard formerly with two different owners, but now with one owner.

³ Some of the “sites” contain multiple adjacent parcels.

high density sites (30 units per acre or greater)

For the purposes of this Housing Element, “High-Density Sites” are defined as vacant or underutilized properties where residential uses of densities of 30 units per acre are permitted and are likely in the future. The text below classifies these sites to distinguish those where residential is a *required* use, and those where residential is an *allowable* use. It is possible that lots in the latter sub-category may develop with commercial uses, even though housing is strongly encouraged. Parcels in the first sub-category have a projected yield of 433 units, while parcels in the latter sub-category have a projected yield of 1,161 units. Both of these estimates are conservative. They assume less dense development than what is permitted by zoning. For underutilized sites, they only include properties that are now available or likely to be available for development in the next five years.

Lots Where High Density Housing is a Required Use or Has Been Proposed

This sub-category includes five sites with a combined land area of 7.6 acres and a capacity of 443 units. Four of these sites are currently vacant, and one is an underutilized parking lot.

The number of potential units in this category has decreased by approximately 600 relative to the 2010 Housing Element. This is due in part to the commitment of one of the sites to the 200-unit Cornerstone project (described above). It is also due to the commitment of another site, previously assumed to have the capacity for 400 units, to the San Leandro Technology Campus (SLTC). SLTC is a critical part of the City’s economic development strategy and will utilize a key transit-served parcel for office development. The loss of housing capacity on this site will be more than offset by increased capacity elsewhere in the City, including the Bay Fair BART Station TOD area and the Shoreline Development Plan area.

This sub-category includes a series of adjoining vacant properties under common ownership at the corner of Alvarado and Antonio Streets. These sites total about 5 acres and are currently for sale. Because of their location about one-quarter mile north of the BART station, they have already been zoned to require residential development with *minimum densities* of 60 units per acre. The northern portion of the Wells Fargo parking lot on Antonio Street is similarly zoned. A number of smaller sites, one yielding six units and the other yielding 10 units, are also included.

Sites in this sub-category alone are sufficient to meet most of the City’s RHNA remaining “low” and “very low” income obligation. The availability of additional sites, as itemized below, provides greater flexibility in site choice for the non-profit sector and may enhance production during the coming years.

Lots Where High Density Housing is a Permitted Use But Is Not Required

Sites in this category have been further broken down into those that are vacant and immediately available and those that are developed but underutilized.

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Vacant and Immediately Available. There are six sites meeting this criteria, totaling 14.4 acres and with a capacity of 472 units. Some of these sites are zoned with minimum density requirements while others are not.

The largest of the sites is the 11.7 parking lot at the Bay Fair BART Station. The 2010 Housing Element assumed the potential for 375 units on this site, and that figure has been carried forward. However, the City will soon launch a transit-oriented development (TOD) planning process for Bay Fair which is likely to result in substantially higher buildout figures. As noted in a later section of this report, the TOD Plan will consider not only the BART-owned properties at the station, but the surrounding public and private properties. The Bay Fair area contains many large, underutilized commercial sites within a 10-minute walk of the station with the potential for mixed use development.

The estimated housing unit yield is based on a 2007 Transit Oriented Development Study and Access Plan for the station completed by BART in 2007. It assumes a density of 32 units per acre on the 11.7 acre parking lot site. BART actually considered densities of 60-70 units per acre in its 2007 study, but a portion of the site would be needed for a parking structure. The 2007 BART study included the main parking lot in San Leandro, an adjacent 7.9 acres of parking in unincorporated Ashland, and perimeter areas including Bayfair Center (formerly Bay Fair Mall). Three land use options were considered, with 500-740 units of housing on the two BART parking lots.

The remaining sites in this category include four properties on East 14th Street and one on Washington Avenue. All five are flat vacant lots with no development constraints, available infrastructure, and excellent access. Two of these sites are within one mile of BART and all of the sites are served by frequent bus transit. The General Plan strongly supports development of these sites at the upper end of the allowable density range, which is 40 units per acre. Recent development on comparable sites has actually occurred at even higher densities, with 54 units per acre at Estabrook Place Senior Housing and 84 units per acre at Casa Verde.

Underutilized. Another 11 sites, totaling 14.2 acres and with a capacity of 689 units, are categorized as “high-density underutilized”. Four sites, representing three-quarters of this capacity, are located in the San Leandro BART Station TOD area. One is known as “Town Hall Square” and consists of 10 adjoining parcels, including multiple parking lots, several vacant buildings, a gas station, and several older one-story offices. It was identified as a mixed use housing site in the 2007 TOD Strategy. To the east of Town Hall Square, a CVS drug store and City-owned parking lot comprise another opportunity site. The CVS will relocate to The Village shopping center upon its completion, creating a development opportunity on the vacated site. Both Town Square and the CVS site are subject to minimum density requirements of 35 units per acre.

Also included is a 4.2-acre car dealership located on Davis and Alvarado across the street from the BART station. The fourth site is a large warehouse just south of the San Leandro Technology Campus. Although the site is still in active use, it was rezoned in 2007 from light industrial to high density mixed use, with a

residential requirement. Both of these sites are subject to minimum density requirements of 60 units per acre.

This category also includes several properties along East 14th Street, including a large used car dealership, an old furniture warehouse, a former poultry warehouse now used for pottery sales, and several remnant rural parcels. All of these parcels are zoned for “mixed use” development. Housing is strongly encouraged —although not mandated.

medium density sites (15–30 units per acre)

This is the largest category of properties in the data base, with 48 sites. Collectively, the sites encompass 21.5 acres and have a projected yield of 407 units. The actual capacity is substantially higher. The potential yield has been discounted to recognize that not all designated “mixed use” sites will develop at maximum allowable densities. Some may also develop with commercial uses. Of the 48 sites in this category, 13 are zoned for multi-family residential use, one is zoned for offices, nine are zoned for commercial use, and 25 are zoned for mixed use, with housing encouraged.

For analysis purposes, the Medium Density sites have been classified into the following four sub-categories:

- sites immediately available, where multi-family housing is *required* or has been proposed
- sites immediately available, where multi-family housing is *encouraged* but not required
- “underdeveloped” parcels zoned for multi-family development
- underutilized commercial properties where multi-family development is permitted and encouraged

Appendix A presents detailed data for each type of site. The text below provides an overview. Sites in this density range are likely to include a mix of apartments, condominiums, flats, and townhomes.

Sites Immediately Available or Proposed for Multi-Family Housing, 15-30 UPA

This sub-category includes eight sites, totaling 3.7 acres with a capacity of 75 units. All of these sites are one acre or smaller in size and are vacant. The projected yield per site ranges from two units to 24 units. The largest site is a 1.0 acre residentially zoned parcel on Washington Avenue that was approved for 24 modular for-sale townhomes in 2007. The project did not proceed due to the recession. This category also includes a 0.73 acre site on Callan Avenue with a High Density Residential designation. Five other vacant parcels with High Density Residential zoning are included; these parcels are expected to develop at 18-24 units per acre. Based on recent trends in San Leandro, such properties would be most likely developed as for-sale townhomes rather than as apartment buildings.

Sites Immediately Available Where Multi-Family (15-30 UPA) is Encouraged But Not Required

This sub-category includes five vacant sites with Mixed Use General Plan designations. The sites may develop with commercial uses, residential uses, or a combination of both. One of the sites is on MacArthur Boulevard (at Westbay), two are on East 14th Street, and two are located on Washington Avenue near Downtown San Leandro. Although there are no active proposals for these sites, housing is likely in the coming years. Densities greater than 30 units per acre are permitted by zoning, but given the context of each site and recent trends, townhome development appears more likely.

“Underdeveloped” Parcels Zoned for Multi-Family (15-30 UPA) Development

Six parcels with General Plan designations of High- or Medium-Density Residential were identified as “underdeveloped” during the Housing Element analysis. Four of these sites contain rural homes that pre-date their annexation to San Leandro; zoning permits development in the 15-24 unit per acre range. Another site is a deep double frontage lot in the Mulford Gardens neighborhood; the rear part of the lot contains a 10-unit apartment complex, while the Marina Boulevard frontage is vacant. The sixth site is a small cottage in a formerly light industrial area that is now zoned for medium density residential uses; three duplexes have been proposed there. Total yield on these six parcels is estimated at 58 units.

Underutilized Commercial Properties where Multi-family Development is Permitted and Encouraged

This sub-category includes 29 properties, most of which contain used car dealerships or older commercial uses surrounded by large parking lots. Twenty-two of the properties are located on East 14th Street. Three are located on MacArthur Boulevard and four are located on Washington Avenue north of San Leandro Boulevard. All of these areas are designated for Mixed Use development by the San Leandro General Plan and most have mixed use zoning. Projects with ground floor retail/service uses and upper story housing are particularly encouraged.

The 29 properties collectively comprise 12.8 acres and have an estimated yield of 241 units. The density presumed on these sites is generally 18-24 units per acre. The General Plan allows densities of 36 units per acre, and zoning likewise would permit more dense development in most instances. The more conservative estimate recognizes that some of the sites may develop with commercial uses. In addition, many of the sites are quite small (less than 20,000 square feet), which could make it difficult to achieve higher densities.

Sites in this category continue to support active businesses, although land values far outweigh improvement values on most of the properties. Eleven of the 29 sites support small used car dealerships and one is a rental car lot. Nine of the sites are old auto repair garages or body shops located on sections of East 14th Street and Washington Avenue where mixed use, pedestrian-oriented development is being

actively encouraged. The remaining sites contain small service businesses, vacant buildings, older fast-food restaurants, and similar auto-oriented uses.

low density sites (2–15 units per acre)

There are 21 sites in this category, totaling 16.7 acres. The combined capacity is 58 units. All of these sites have General Plan designations of Low Density Residential or Garden Density Residential. Most are individual lots in developed neighborhoods with the potential for one to two dwelling units. A few have the potential to be subdivided into two to four parcels, and one has the potential to be subdivided into 17 lots. Of the 18 sites, 17 are vacant and could be developed immediately.

Nine of the low-density sites are located in the San Leandro Hills and three are located in Mulford Gardens. Seven of the sites are scattered in older neighborhoods in the northeastern part of the city. The largest site (2.42 acres) is located on Halcyon Drive between Washington and Hesperian.

It is worth noting that low density sites represent a very small part of San Leandro’s future housing capacity. The 21 sites in this inventory comprise only about two percent of the City’s 2015-2023 development potential, despite the fact that more than two-thirds of the city’s existing housing stock consists of single family homes and townhouses. In the coming years, a growing proportion of the City’s housing stock will consist of apartments and condominiums.

additional housing potential in the Bay Fair and Shoreline areas

As noted earlier in this chapter, the City is about to begin a transit-oriented development plan for the Bay Fair area. It is also moving forward with a Shoreline Development Plan, which is expected to be adopted in 2015. Both of these plans will create additional capacity above and beyond what has been quantified in this chapter.

Although the Bay Fair BART parking lot is listed as a Housing Opportunity site with the capacity for 375 units, the actual number of housing units that could potentially be accommodated in the Bay Fair vicinity is much higher. The completion of a similar plan for the Downtown San Leandro BART station resulted in a comprehensive rezoning creating the capacity for over 3,400 housing units within one-half mile of the station. This was an increase of more than 2,000 units over the prior General Plan buildout estimate for the area.

Like the San Leandro BART station, the Bay Fair BART station is surrounded by large underutilized properties. Many of these properties contain large format retail stores, very large parking lots, and single story, low-value retail buildings. Parcels are generally larger than in the Downtown area, creating more opportunities for large-scale projects and mixed income development. Bayfair Center itself could become a housing opportunity site. The Mall and its environs comprise more than 50 acres and could conceivably be “reimagined” with mixed uses as part of the TOD planning process.

The Shoreline Development Plan likewise will create additional residential capacity. That capacity is not quantified in the Housing Opportunity Site tables because the plan has not yet been approved and the sites continue to have non-residential General Plan designations. The current proposal includes 354 units, including 61 condominiums, 159 market-rate apartments, 92 townhomes, and 42 single family detached homes.

housing sites not counted

The Housing Element inventory focuses on the sites that are most likely to be developed in the near-term. There are additional “underutilized” sites in the city, including:

- Parcels zoned for multi-family (RM-1800) housing but currently developed with single family homes
- Small trailer parks with the potential to be redeveloped with multi-family housing
- Large lots in single family areas with the potential to be subdivided
- Large lots in the Mulford Gardens area, with the potential for a second house
- Developed, actively used or high value commercial properties in the Downtown Transit Oriented Development (TOD) Area identified as future housing sites in the TOD Plan.
- Secondary dwelling units

The first group of sites is characterized by 5,000 to 6,000 square foot lots containing pre-war single family homes. These sites are generally located in the central and northeastern part of the city, in areas that were originally developed as single family neighborhoods but zoned in the 1940s and 50s to accommodate multi-family housing. Many of the older homes were replaced by small apartment buildings during the 1950s and 1960s, but some of the single family bungalows remain intact. Although these parcels have not been tallied as potential housing sites, a limited amount of demolition and replacement construction is still likely. In addition, the City supports the development of multiple dwelling units on these sites through additions to existing single family homes or construction of second units.

The second group of sites not counted consists of small trailer parks with the potential to be replaced by permanent multi-family housing. There are nine trailer parks in the city, all zoned at multi-family densities. Some of these parks have had a history of code enforcement problems and are negatively perceived by surrounding neighborhoods. If such trailer parks were redeveloped, there would probably be a net gain in housing units—although a potential loss in affordability.

The third group of sites are large single family lots that could be split. Such sites are generally located in the Bay-O-Vista neighborhood and in the Daniels Drive area near Lake Chabot Road. Some of the developed parcels are more than 12,000 square feet and have more than 100 feet of street frontage. Theoretically, they could be divided in half to create new parcels. The number of lots that could be created in this manner is small, however, and it is unlikely that new housing on such parcels would be affordable given the high cost of land and hillside construction.

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The fourth group of sites are those in Mulford Gardens with the potential for a second detached home. Zoning regulations in this area permit two independent detached homes on a parcel if it is 12,000 square feet or larger. Approximately half of the lots in Mulford Gardens already contain two homes and about 130 lots could potentially have a second home added. Since 2000, about one to two homes per year have been added in this manner. A continuation of this trend is expected, with perhaps 10 more “rear yard” homes added during the planning period. While these would be market rate dwellings, some may be rentals that are affordable to moderate income households.

The fifth group of sites are those in the San Leandro BART Station Transit Oriented Development (TOD) area that are still in active use. The TOD Plan envisions a 25-year timetable for buildout; thus, some of the sites are unlikely to be available before the Housing Element horizon year of 2023. These sites include the 7-acre San Leandro Shopping Center at Washington and East 14th Street, a block of existing retail stores on the north side of Davis at Hays, and a warehouse area along Alvarado Street west of the BART Station. According to the TOD Plan, these sites have the potential for 820 units of high-density housing. While development activity may take place before 2023, active uses on these properties makes their short-term redevelopment less likely.

Finally, the inventory has not quantified the potential for secondary dwelling units. The 2012 revisions to second unit standards make second units more viable, and are expected to lead to an increase in applications. Based on market rents, second units generally satisfy “moderate” income needs, although smaller units may meet a portion of “low” income demand. An average of five new second units a year would add 40 units to the housing stock during the planning period, although no estimate has been made for RHNA purposes.

conclusions

Characteristics and Adequacy of Sites

Table 4-2 provides a summary of San Leandro’s housing opportunity sites. The table indicates the City has more than sufficient capacity to meet its Regional Housing Needs Allocation. Counting the 278 committed units, over 2,300 units of capacity have been identified, which exceeds the RHNA. All of the sites have water, sewer, storm drainage, and gas/electric utilities available. Most are vacant and are zoned to allow residential uses. Many are already for sale. Beyond the 2,347 units listed in Table 4-2, the City also has identified the potential for another 354 units at the Shoreline and many more units within the Bay Fair TOD.

Chart 4-1 indicates the percentage of the city’s housing capacity in the high-density (30+ units per acre), medium-high density (15-30 units per acre), and low density (2-15 units per acre) ranges. The chart foreshadows a shift in San Leandro’s new construction market from single family homes to apartments and condominiums. In fact, this shift is already underway. During 1999-2006, 77 percent of the new housing units built were single family homes or townhomes. During 2007-2014, 60 percent of the city’s

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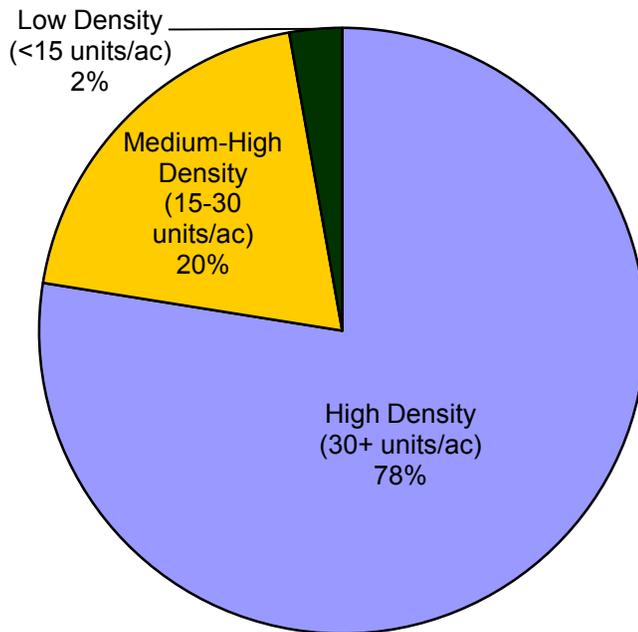
new housing units were in multi-family buildings. As of 2014, two of the three committed projects expected to come on line in 2015-2016 are multi-family.

Unless San Leandro annexes land in the hills or rezones industrial land for residential uses, the future new construction market will consist almost entirely of multiple family units and townhomes. Hillside annexation and industrial land conversion would both be inconsistent with the City’s General Plan. The City’s position on these two issues is not likely to change between now and 2023.

Table 4-2: Characteristics of Housing Opportunity Sites

Type of Site	Number of Sites	Acres	Estimated # of Housing Units
HIGH DENSITY SITES (30 units per acre or higher)			
Vacant, with housing <i>required</i> in new development	5	7.63	443
Vacant, with housing <i>permitted</i> in new development	6	14.40	472
Underutilized, with housing <i>required</i> in new development	4	6.50	371
Underutilized, with housing <i>permitted</i> in new development	7	7.68	318
Total	22	36.21	1,604
MEDIUM DENSITY SITES (15-30 units per acre)			
Vacant, with housing <i>required</i> in new development	8	3.68	75
Vacant, with housing <i>permitted</i> in new development	5	1.41	33
Underutilized, with housing <i>required</i> in new development	6	3.61	58
Underutilized, with housing <i>permitted</i> in new development	29	12.83	241
Total	48	21.53	407
LOW DENSITY SITES (2-15 units per acre)			
Vacant, with housing <i>required</i> in new development	18	11.37	35
Underutilized, with housing <i>required</i> in new development	3	3.36	23
Total	21	14.73	58
GRAND TOTAL	91	72.47	2,069
GRAND TOTAL WITH COMMITTED PROJECTS ADDED	94		2,347

Source: Barry Miller Consulting, 2014

Chart 4-1: Composition of Housing Capacity by Density

Source: Barry Miller Consulting, 2014

Location of Sites

Chart 4-2 indicates the geographic distribution of housing opportunity sites. The table includes the 278 units in committed projects and the 2,069 units on vacant and underutilized sites where housing could be built in the future. It excludes the Shoreline Development area, and the area at Bay Fair beyond the BART parking lot.

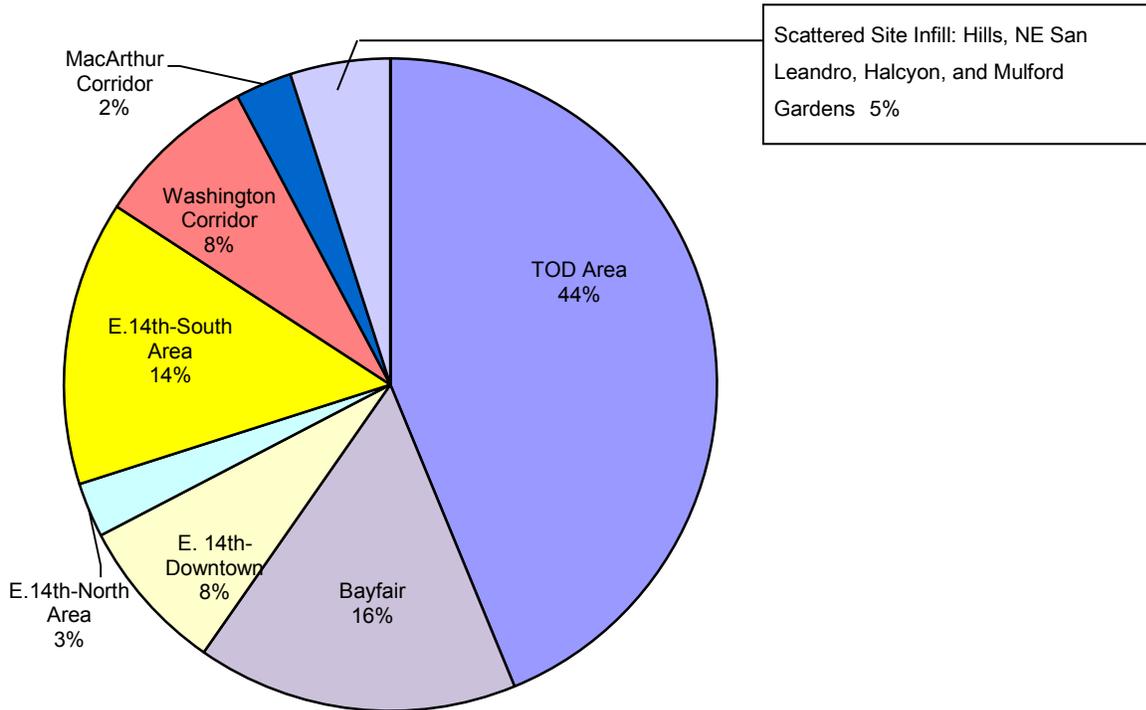
About 44 percent of the City's 2015-2023 housing capacity is in the San Leandro BART Station TOD area. Many of the parcels in this area, including the area on Alvarado Street just south of San Leandro Creek, have been zoned to require housing at a minimum density of 60 units per acre.

The East 14th Street corridor represents the next largest concentration of capacity, with about 25 percent of the City's total. Most of the capacity lies along the southern segment of the corridor, between Sybil and 150th Avenue. A substantial portion is also located within the Central Business District (CBD) and a smaller portion is located along the north segment between San Leandro Creek and Oakland. Much of the capacity on the corridor is associated with small used car lots (zoned for mixed use), with a few vacant lots and marginal or vacant commercial buildings.

The Bayfair BART station is the third largest area of housing potential, with about 16 percent of the city’s total.⁴ Other areas of housing potential include parcels along Washington Avenue (between San Leandro Boulevard and Williams Street) and MacArthur Boulevard. The remainder of the city’s housing potential (less than six percent of the total) consists of scattered vacant lots in Mulford Gardens, the San Leandro Hills, the Halcyon-Floresta area, and the pre-war neighborhoods of northeastern San Leandro.

San Leandro is embracing the principles established by Senate Bill 375, as well as the various state initiatives to curb greenhouse gas emissions (AB 32, etc.). Of the 2,347 potential units in the housing inventory, 1,689 (71 percent) are within one-half mile of a BART station. These units should be less auto-dependent than existing development in the city, and should be designed for easy pedestrian access to the Downtown and Bayfair BART stations. Sustainable construction methods are being encouraged, reducing energy consumption and related household expenses.

Chart 4-2: Geographic Distribution of Housing Opportunity Sites



Source:
Barry Miller Consulting, 2014

⁴ includes the BART parking lot only

5. POTENTIAL CONSTRAINTS TO HOUSING PRODUCTION

introduction

This chapter of the Housing Element analyzes potential constraints to housing production in San Leandro. The State Government Code defines two categories of constraints: governmental and non-governmental. The former category includes local ordinances, policies, and procedures that may make it more difficult or expensive to build housing in the city. The latter category includes factors such as the availability of infrastructure, the dynamics of the local real estate market, the cost of land and construction, the difficulty of obtaining financing, and even local opinions and attitudes about development.

The Government Code requires that such factors be analyzed as part of the Housing Element. If constraints are identified, the city is required to take action to remove or address them.

governmental constraints

Although local ordinances and policies are typically adopted to protect the health, safety, and welfare of residents, they may also create a barrier to the development of housing. This may be intentional, as is the case with growth control ordinances and urban growth boundaries—or it may be unintentional, as is the case with certain fees and building requirements. By definition, planning and zoning regulations limit the amount of developable land in the city and establish rules for how that land may be used. Such regulations sometimes have a disproportionate impact on lower-income households, either by limiting the density of new housing or adding to construction and permitting costs. These increased costs may be passed on to consumers in the form of higher home prices or rents, making housing less affordable. They may also be a disincentive to developers, slowing down construction and creating a tighter and more expensive housing market.

Potential governmental constraints in San Leandro are discussed below. These include the General Plan, other land use and policy plans, the Zoning Code, design review procedures, other local ordinances and standards, site improvement and building requirements, fees, and permit processing procedures. A concluding statement is provided after each subheading.

San Leandro General Plan

The General Plan is the City's principal policy document guiding decisions on land use, transportation, natural resources, parks, environmental hazards, urban design, historic preservation, community services, and housing. San Leandro adopted its General Plan in 2002, following an intensive two-year update process involving hundreds of local residents and more than 100 public meetings. This Housing Element

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is one element of that Plan. The City reviews the Plan annually, and recommends amendments when necessary to respond to changing conditions and issues. For example, the Plan was amended in 2011 to incorporate the recommendations of the Downtown TOD Strategy.

One of the major premises of the General Plan is that San Leandro's BART station area, Downtown, and major commercial corridor (East 14th Street) should be transformed into vibrant pedestrian-oriented areas with thousands of units of new housing. The Plan designated most of central San Leandro and all of the East 14th Street corridor for mixed use development, with an emphasis on ground floor retail and upper story housing. The Plan is very supportive of affordable housing development in these areas. Its policies specifically promote a mix of price ranges, housing construction by non-profit developers, housing for people with special needs, and supportive services within new affordable housing development.

The General Plan identifies 333 acres in San Leandro as High Density Residential and 421 acres as Mixed Use. Three types of Mixed Use areas are identified:

- Downtown Mixed Use (63 acres), which applies to San Leandro's Central Business District. This category envisions a mix of residential, retail, office, and civic uses and allows residential densities up to 75 units per acre.
- Transit-Oriented Mixed Use (152 acres), which applies to the area around the San Leandro BART station. Future land uses in this area are guided by the Downtown TOD Strategy. Densities of up to 120 units per acre are permitted, and minimum densities of 60 to 80 units per acre apply to key parcels near the BART station.
- Corridor Mixed Use (206 acres), which applies to East 14th Street (outside of Downtown) and portions of MacArthur Boulevard, Washington Avenue, and San Leandro Boulevard. Density limits in these areas generally range from 24 to 40 units per acre. This designation allows projects that are entirely residential, projects that are entirely commercial, and projects with a mix of residential and commercial uses.

The General Plan also speaks to the need to conserve and invest in the city's housing stock. A major section of the Land Use Element addresses "Residential Neighborhoods" with policies strongly supporting housing maintenance and discouraging residential "teardowns." The Historic Preservation and Community Design Element likewise addresses the conservation of the city's older housing stock, much of which is relatively affordable.

Some General Plan policies have the potential to become housing constraints if they are interpreted too narrowly. For instance, Policy 2.05 recommends that alterations, additions, and infill development be compatible with existing homes and Policy 1.04 requires the attractive treatment of front yard areas. Deciding what is "attractive" or "compatible" is subjective and could lead to restrictive or inconsistent standards for the review of future projects. To avoid such an outcome, the City has been incorporating design guidelines in plans for key future development areas, including Downtown, the San Leandro BART Station area, and the southern portion of East 14th Street. An action program in this Element calls for development of multi-family design guidelines for additional areas in the next eight years. The

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guidelines would provide a means of clearly laying out the City's expectations for residential design and would reduce uncertainty.

In March 2014, the City launched an update of its General Plan, to be completed in 2016. The Update will move the Plan's horizon year from 2015 to 2035 and incorporate current data about the city and updated forecasts. The basic vision for San Leandro expressed by the 2002 Plan will be carried forward, but policies and actions will be modified to reflect higher growth forecasts and emerging issues such as climate change and the growth of the technology sector. The housing opportunities identified by the 2002 General Plan will be retained in the updated plan, and additional housing opportunities may be identified through the Update.

Conclusions. Although it was adopted more than a decade ago, the San Leandro General Plan reflects contemporary thinking on smart growth and sustainability. The Plan laid the groundwork for much of the transit-oriented development planning that has occurred in the city since 2002. It is not a governmental constraint, and strongly supports the goal of increasing the city's affordable and higher density housing supply. It also strongly supports conservation of the existing housing stock. In the event that significant changes to land use policies or the Land Use Map occur as a result of the 2035 General Plan Update, the Housing Element may need to be amended for internal consistency. Given the higher forecasts being used by the new Plan, such amendments would expand, rather than reduce, the range of housing opportunities in the City.

Other Local Plans

The General Plan recommended that "area plans" be prepared for the Downtown BART Station area and the southern part of the East 14th Street corridor. Both of these actions have been completed, providing a strong policy framework for high-density housing construction in the city.

The Downtown San Leandro Transit-Oriented Development Strategy (e.g., the TOD Strategy) established a 30-year development plan for the area extending one-half mile in all directions from the San Leandro BART Station. The Plan, which was adopted in 2007, provides a framework for accommodating over 3,400 housing units and 840,000 square feet of office and retail space. The primary goals of the strategy are to increase transit ridership and enhance Downtown San Leandro. Development will occur on infill sites and underutilized properties in a way that strengthens the fabric of Downtown San Leandro as an urban neighborhood, business district, shopping district, civic center, and gathering place. The TOD Strategy is strongly supportive of affordable and market-rate housing production.

The South Area Development Strategy was adopted in 2004. The Strategy included tools and incentives to create a more pedestrian and transit-friendly street environment along East 14th Street between Maud Street and 150th Street. The corridor is currently dominated by strip commercial development, auto repair and car sales lots, and scattered site multi-family residential uses. The Plan envisions a significant quantity of infill housing, and the gradual transition of the corridor to a less auto-dominated and more residential setting. Urban design guidelines and streetscape standards were included in the Plan to

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facilitate this transition. Following Plan adoption, the South Area was rezoned and new incentives were created for mixed use and housing development.

Other area plans include the East 14th Street-North Area Specific Plan (1991) and the Downtown Plan and Urban Design Guidelines (2001). These are older documents that were primarily used to guide zoning changes and streetscape improvements. Many of their recommendations have already been implemented. Both plans are supportive of infill housing development at higher densities.

The City is also nearing completion of a Shoreline Development Plan (SDP) which will provide new development opportunities on approximately 52 acres of the 950 acres of publicly owned land along the San Leandro shoreline. A Shoreline Citizens Advisory Committee (CAC) met for three years and presented a series of recommendations for the area in Spring 2011. The CAC was succeeded by a Shoreline Advisory Group in 2012. Concurrently, the City selected Cal Coast Development as a master developer to carry out a comprehensive master plan for the area which includes new housing, a conference center and hotel, new restaurants, and recreational improvements. An Environmental Impact Report for the project is currently nearing completion. The SDP is expected to be presented to the Planning Commission and City Council in late 2014/ early 2015. As a result of the SDP, a net gain of 354 housing units is anticipated, including 61 condos, 159 market-rate apartments, 92 townhomes, and 42 single family detached homes.

Conclusions

Area plans adopted since the 2002 General Plan have strengthened the City's commitment and capacity to build affordable and higher density housing. Both the TOD Strategy and the South Area Strategy are oriented toward facilitating multi-family housing production. As policy documents, they provide a strong foundation for development standards and guidelines that enable higher densities on key sites in San Leandro. The pending Shoreline Development Plan will also increase residential capacity.

Development Standards in Residential Districts

Basic standards for development in San Leandro's residential zoning districts are summarized in Table 5-1. The table indicates the minimum lot size requirements, site area per unit, setbacks, height restrictions, and open space requirements that apply in each of the City's residential zoning districts.

San Leandro has four residential base districts: Residential - Outer (RO), Residential - Single Family (RS), Residential - Duplex (RD), and Residential - Multi-family (RM). The RS and RM districts each include subdistricts with similar use standards but different setback or density requirements.

The RO district applies only in the Mulford Gardens neighborhood of West San Leandro. RO recognizes the unique development pattern in that neighborhood, which was originally platted in unincorporated Alameda County and subsequently developed with two detached homes per lot on many parcels. For instance, animal husbandry (e.g., raising horses, cows, goats, etc.) is still permitted in this zone. The

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Table 5-1: Development Standards in Residential Zones

District	RO	RS	RS-40	RD	RM-3000	RM-2500	RM-2000	RM-1800
Minimum Site Area per unit (SqFt)	8,000	5,000	5,000	2,500	3,000	2,500	2,000	1,800
Minimum Site Area per unit for corner lot (SqFt)	8,000	6,000	6,000	3,000	3,000	2,500	2,000	1,800
Minimum Lot Area (SqFt)	8,000	5,000	5,000	5,000	6,000	7,500	10,000	10,000
Minimum Lot Area for corner lot (SqFt)	8,000	6,000	6,000	6,000	7,000	8,500	12,000	12,000
Minimum Lot Width (ft.)	60	50	50	50	60	75	100	100
Minimum Lot Width for corner lot (ft.)	60	60	60	60	70	85	120	120
Minimum Front Yard (ft)	20	20	40	20	20	15	15	15
Minimum Side Yard (ft.)	6-12	5	5	5	6 min; 10 avg	6 min; 10 avg	6 min; 10 avg	6 min; 10 avg
Minimum Corner Side Yard (ft.)	10	10	10	10	20	15	15	15
Minimum Rear Yard (ft.)	10-25	15	15	15	15	15	15	15
Maximum Height of Structures (ft.) (*)	30	30	30	30	40	45	50	50
Minimum Open Space Per Unit (SqFt) (**)	n.a.	n.a.	n.a.	n.a.	200	200	200	200
Floor Area Ratio	See Note A	See Note B			n.a.	n.a.	n.a.	n.a.
Maximum lot coverage	33.3%	50%	50%	50%	50%	60%	60%	70%

Source: Barry Miller Consulting 2009, 2014

- Notes: (*) Additional height restrictions apply in the View Preservation (VP) overlay areas and in the RO zone.
 (**) Buildings of 3 units or more. Dimensional standards also apply.
 (A) Lots<8,000 SF: 0.5 FAR + 500 SF garage, NTE 4000 SF. Lots>8,000 SF: 0.5 for first 5,000 SF, then 0.3 for next 5,000 SF, then 0.1 for area over 10,000 SF, plus 500 SF for garage
 (B) Lots<5,000 SF: 0.5 FAR + garage, NTE 2500 SF. Lots 5-8,000 SF: 0.5 FAR + garage, NTE 4,000 SF. Lots 8,000+SF: 0.5 for first 5,000 SF, 0.3 for next 5,000 SF, then 0.1 for area above 10K + garage

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district has an 8,000 square foot minimum lot requirement. However, owners of 12,000 square foot parcels (the base parcel size when the land was initially subdivided) are permitted to construct two independent single family houses on the lot. Approximately half of the parcels in Mulford Gardens meet this standard. The two-house-per-lot zoning provision provides a good opportunity for the construction of single family rental homes or starter houses on conforming parcels.

The RS District includes most of the single family neighborhoods in San Leandro. The District was specifically created to retain the low density character of these areas. Its development standards are structured accordingly. Minimum lot sizes are 5,000 square feet mid-block and 6,000 square feet on corner lots. Setbacks are 20 feet in the front yard, 5 feet in the side yards, and 15 feet in the rear yards. Slightly larger setback requirements apply for corner lots. A 30 foot height limit applies.

A subset of the RS District, RS-40, applies in the Broadmoor neighborhood. The designation recognizes that Broadmoor was initially developed with very deep parcels, and applies a 40 foot front yard setback. Another subdistrict—the RS(VP) or View Protection district—includes special provisions for homes on steep slopes and hillsides.

During the past two few decades, much of the development that took place in the RS zone incorporated Planned Development (PD) overlay designations. The RS(PD) designation allows land to be developed with more flexibility, achieving the same overall densities allowed by the base zone but with smaller lots and in some cases new parks and open spaces. Zero lot line and patio home developments have been approved in RS(PD) areas in the past. Residential Planned Development (PD) applications may be made for any parcel that is 10,000 square feet or greater.

The RD (duplex) district has been applied to scattered sites in San Leandro, almost all of which are already developed with medium density housing. The district has a minimum lot size requirement of 5,000 square feet but requires only 2,500 square feet of site area per dwelling. This enables the owners of conforming lots to develop duplexes, which are a permitted use in the RD zone. Multi-family housing (e.g., structures of three units or more) is not permitted in the RD zone. Setbacks and height limits in the zone are the same as those in the RS.

The RM district (multi-family) includes four sub-districts, corresponding to the following density ranges:

	<u>Site Area Per Dwelling</u>
RM-3000	3,000 square feet
RM-2500	2,500 square feet
RM-2000	2,000 square feet
RM-1800	1,800 square feet

The latter two zones require minimum lot sizes of 10,000 square feet and minimum lot widths of 100 feet. Required setbacks are 15 feet in the front and rear yards and must average 10 feet in the side yards (although a 6 foot minimum is permitted). Height limits in the RM zones vary from 40 to 50 feet.

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The RM zones also include minimum open space requirements. At least 200 square feet of useable open space must be provided for each dwelling unit in a project of three or more units. This is typically achieved through patios and balconies, although common open space (courtyards, etc.) also may be used to meet the requirement.

The San Leandro Zoning Code also includes Floor Area Ratio (FAR) standards for low-density residential zoning districts. The standards cap the total square feet of floor space that may be built on a single family or duplex lot, using a sliding scale based on lot size. The standards were added in response to concerns about residential “teardowns” and are intended to protect the supply of smaller and more affordable single family homes. Single family FAR limits in San Leandro are not a development constraint, and in fact, provide a means of conserving an important affordable housing resource in the city. Similarly, the City recently included daylight plane provisions for low-density zones as a way of limiting view obstruction and preserving solar access. These provisions do not pose a constraint to housing construction and address one of the major concerns raised about higher density development along corridors that abut low density neighborhoods.

Large multi-family housing projects in the RM zones no longer require a CUP but continue to be subject to site plan review. One and two family homes are also permitted by right in the RM zone.

Lot coverage requirements apply in all of the residential zoning districts. These requirements state that no more than 50 percent of an RS, RD or RM-3000 lot may be covered by structures. The percentage rises to 60 percent for RM-2500 and RM-2000 lots and 70 percent for RM-1800 lots. These requirements are not a development constraint and variances to exceed these limits are rarely requested. However, lot coverage limits could become a constraint if underground parking was used, or if parking reductions were granted.

Conclusions. San Leandro’s residential development standards have not constrained housing development, nor have they been an obstacle to the development of affordable units. The densities generally match the General Plan land use categories. The setback and height requirements relate well to the densities permitted. Lot size requirements are consistent with actual lot patterns in the city. Although some existing multi-family lots are substandard (less than 10,000 square feet or 100 feet in width), their development is still permitted. Section 4-1650 of the Code officially permits development on lots not meeting minimum width standards.

During the 2015-2023 Housing Element Update, divergent views were expressed on the issue of increasing density in established single family neighborhoods. Some members of the public felt that maintaining existing development standards was essential to maintaining neighborhood character, and that more stringent enforcement was needed to prevent homes from being subdivided into multiple units or being rented to large groups of unrelated individuals. Others felt that the City’s regulations should recognize the growth of multi-generational households and be more conducive to allowing additional detached dwellings on single family parcels. Interest was also expressed in permitting smaller lots,

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potentially by allowing 5,000 square foot corner lots or providing an exception process for lot splits. An action program in this Housing Element calls for future study of possible changes to zoning regulations to address these issues.

In multi-family districts, zoning densities generally reflect existing development and there is very limited development potential. The maximum density permitted in San Leandro's multi-family districts is relatively low, at 24 units per acre. For the past decade, the City has been directing higher density development (i.e., more than 24 units per acre) to commercially-zoned sites, where the impacts on transportation and neighborhood character are less problematic. The current RM zones help maintain and enhance the existing multi-family districts, rather than encouraging demolition and replacement of the older housing stock.

One possible change to ensure that the limited supply of RM land is efficiently used would be to consider a minimum density standard of 12 units per acre. Such a provision would effectively prohibit the development of vacant multi-family sites with low-density single family detached homes and would ensure that any remaining sites are used for multi-family housing or townhomes. This recommendation was also made in the 2003 Housing Element but has not yet been implemented—in part because there are so few vacant sites remaining.

The minimum lot size for a Planned Development is 10,000 square feet. Consideration should be given to lowering this threshold on lots in the RM zone. This would provide some relief from zoning standards and could facilitate the reuse of small, underutilized sites with 3-5 unit buildings.

Development Standards in Commercial and Mixed Use Districts

As noted in Chapter 4, most of San Leandro's future housing development is projected to occur on sites that are zoned for commercial or mixed use development. The commercial and mixed use districts are also the only places in the city where densities above 24 units per acre are permitted and are thus the most likely locations for affordable housing. Table 5-2 provides a summary of residential development provisions in the commercial and mixed use zones.

Multi-family housing is conditionally permitted in most of San Leandro's commercial districts, permitted by right in most of the mixed use districts and *required* in two of the six Downtown Mixed Use districts. Multi-family housing is *not* permitted in the three industrial zones, the Commercial Recreation zone, the Commercial Service zone, the Public zone, or the Office zone.

San Leandro currently has 11 mixed use zones. Two of these zones apply to the East 14th Street North Area (NA- zones), three apply to the East 14th Street South Area (SA- zones), and six apply to Downtown San Leandro (DA- zones). In each case, the lists of permitted and conditionally permitted uses and the associated development standards are structured to implement a specific plan or area plan for each area. All of these zones replaced former commercial designations, with the intent of promoting higher density housing.

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Table 5-2: Residential Development Standards in the Commercial and Mixed Use Districts¹

Zoning District	SF/ Duplex Housing Allowed?	MF/ Mixed Housing Allowed?	Minimum Density (*)	Maximum Density	Floor Area Ratio	Setbacks (exceptions apply)	Height Limit	Lot Coverage
North Area 1 (NA-1)	Duplex w/ CUP; no SF	With CUP	None	24 UPA	1.0, up to 1.5 with density bonus	0' front and corner side; 4' side, 5' rear	30	100%
North Area 2 (NA-2)	Duplex by right; no SF	With CUP	None	24 UPA	1.0, up to 1.5 with density bonus	20-25' front; 20' corner side; 15' side/rear	30	100%
South Area 1 (SA-1)	Duplex w/ admin review. No SF	CUP if lot > 25K; Admin review if lot <25K	18 UPA	None	1.0, up to 1.5 with density bonus	0' setbacks on all sides	50'	100%
South Area 2 (SA-2)	Duplex permitted; no SF	Permitted by right	18 UPA	None	1.0, up to 1.5 with density bonus	0' side, corner side, and rear. Front varies from 0-10'	50'	100%
South Area 3 (SA-3)	Duplex w/ admin review; no SF	With CUP	18 UPA	None	1.0, up to 1.5 with density bonus	0' setbacks on all sides	50'	100%
Downtown 1 (DA-1)	In limited locations	MXD is permitted by right; MF is OK with CUP	35 UPA	75 UPA	Does not apply to residential or mixed use	Front/ rear vary with location, 0' side yard, 10-15' corner side	75'	100%
Downtown 2 (DA-2)	Only pre-existing	MXD and MF both permitted by right	20 UPA	40 UPA	Does not apply to residential or mixed use	Front/rear vary with location; 0' side yard, 10-15' corner side	50' (24' minimum applies on E. 14 th)	100%
Downtown 3 (DA-3)	Pre-existing by right; new SF/ duplex with CUP	MF is permitted by right; MXD requires CUP	20 UPA	60 UPA	None	Front/rear vary with location; 0' side yard, 10-15' corner side	50' (24' minimum applies on E. 14 th)	100%

¹ Table excludes the City's three industrial districts (light, general, and industrial park) and the professional office (P) district, as residential uses are not permitted in these areas.

(*) Minimum density requirements only apply on lots greater than 20,000 SF, except in SA. Lots smaller than 20,000 SF in the DA zones are subject to a maximum density of 24 units per acre, although higher densities are allowed with a Conditional Use Permit in DA-2, -3, -4, -5, and -6.

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Table 5-2, continued

Zoning District	SF/ Duplex Housing Allowed?	MF/ Mixed Housing Allowed?	Minimum Density (*)	Maximum Density	Floor Area Ratio	Setbacks (exceptions apply)	Height Limit	Lot Coverage
Downtown 4 (DA-4)	Pre-existing by right; new SF/ duplex with CUP	MF is permitted by right; MXD requires CUP	60 UPA	100 UPA	None	Front/rear vary with location 10' side yard, 10' corner side	60-75', step down required to nearby residential uses	100%
Downtown 5 (DA-5)	No	MXD and MF both permitted by right	80 UPA	None (small lots may be limited)	None	Front/rear vary with location ; 0' side yard, 10-15' corner side	No limit	100%
Downtown 6 (DA-6)	Pre-existing by right; new SF/ duplex with CUP	MXD and MF both permitted by right	80 UPA	None (small lots may be limited)	No maximum, but minimum is 1.0	Front/rear vary with location ; 0' side yard, 10-15' corner side	75' (higher permitted with review)	100%
Commercial-Neighborhood (CN)	Duplexes with CUP; no SF	With CUP	None	22 UPA	0.3, up to 0.5 with density bonus	0' side, rear; 10' front and corner side	30'	50%
Commercial-Community (CC)	Duplexes with CUP; no SF	With CUP	None	22 UPA	0.5, up to 1.0 with density bonus	0' side, rear; 10' front and corner side	50'	50%
Commercial - Regional Mall (CRM)	Duplexes with CUP; no SF	With CUP	None	22 UPA	0.8	0' for all, but 20' from R districts	80'	100%
Professional High Density Office (PHD)	Duplexes with CUP; no SF	With CUP	None	22 UPA	2.0, up to 2.5 with density bonus	0' front, side, rear; 10' corner side	75'	100%
Commercial Services (CS)	No		Not applicable					
Commercial Recreation (CR)	No		Not applicable					

Source: Barry Miller Consulting, 2009, 2014

(*) Minimum density requirements only apply on lots greater than 20,000 SF, except in SA. Lots smaller than 20,000 SF in the DA zones are subject to a maximum density of 24 units per acre, although higher densities are allowed with a Conditional Use Permit in DA-2, -3, -4, -5, and -6.

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Two of the mixed use zones (DA-4 and DA-5) are effectively residential zones. Multi-family and mixed use residential uses are permitted by right in these zones, and commercial uses are generally only permitted if they are on the ground floor of a multi-story residential building. These limits help ensure that land with this designation is actually used for housing rather than for commercial purposes. The DA-4 and DA-5 zones have been mapped on vacant land in the vicinity of the BART station, creating the opportunity for high-density housing. Multi-family residential uses are also permitted by right in the DA-2, DA-3, DA-6, and SA-2 zones, although a wider range of commercial uses also is permitted in these zones. Multi-family residential uses are conditionally permitted in the DA-1, NA-1, NA-2, SA-1, and SA-3 zones.

The San Leandro zoning ordinance identifies “mixed use housing” (multi-family housing with ground floor commercial) as its own use category, separate from “multi-family housing.” This use is permitted by right in DA-1, DA-2, DA-5, DA-6, SA-1, and SA-2 and is permitted with a conditional use permit in the DA-3, DA-4, NA-1, NA-2, and SA-3 zones.

Multi-family residential and mixed uses are also conditionally permitted in the Commercial-Neighborhood (CN), Commercial - Community (CC), and Commercial – Regional Mall (CRM) zones, and in the Professional High Density Office District (PHD) zone. Although the stated intent of these zones is to accommodate shopping and employment centers, multi-family housing is also encouraged.

During the last ten years, San Leandro has significantly increased the residential densities permitted in its commercial and mixed use zones. In most cases, the City has adopted minimum densities to ensure that the multi-family land supply is used as efficiently as possible. All six of the Downtown mixed use zones have minimum densities, ranging from 20 units per acre in DA-2 and DA-3 to 80 units per acre in DA-5 and DA-6. DA-6 also has a minimum floor area ratio (FAR) requirement of 1.0. The maximum densities in the DA- zones range from 40 units per acre in DA-2 to 100 units per acre in DA-4. There is no maximum density at all in DA-5 and DA-6. DA-5 has no FAR limit or height limit, so conceivably, high-rise residential development could occur in this zone.²

The SA- zones have a minimum density of 18 units per acre, and no maximum. However, the FAR limit of 1.5 tends to cap densities at around 60 units per acre. The NA- zones have no minimum densities, and have a maximum density of 24 units per acre. Similarly, the allowable residential density in the CN, CC, CRM, and PHD zones is 22 units per acre, and no minimum applies.

Commercial and mixed use zones are subject to height and setback requirements, and in some cases, floor area ratio requirements. The height limits are 30 feet in the NA-1, NA-2, and CN zones; 50 feet in the SA-, DA-2, DA-3, and CC zones; 75 feet in the DA-1, DA-4, DA-6, and PHD zones; and 80 feet in the CRM zone. As noted above, there is no height limit in DA-5. However, zoning rules require a “stepping down” in building height close to residential property lines.

² These provisions apply to lots over 20,000 SF only. Multi-family development exceeding 24 units per acre is not permitted on lots smaller than 20,000 SF in DA-1 and requires a Use Permit in DA -2, -3, -4, -5, and -6.

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The setbacks in each zone vary widely. In the Downtown area, setbacks tend to be contextual, meaning they are based on prevailing building conditions on a block. Setback requirements tend to be greater on corner lots. Also, buildings with ground floor residential uses typically require 10 foot setbacks while those with ground floor commercial uses typically have no setback requirements. This requirement provides a buffer for ground floor units in high-density buildings and is not a constraint. On the southern part of East 14th Street, “zero setbacks” apply, meaning development can abut the property lines on all sides. On the northern part of East 14th Street, 20 to 25 foot front setbacks are required in the NA-2 zone. NA-1 and NA-2 properties are also subject to a 25 foot rear setback requirement if they abut single family residential lots. In the CN and CC zones, there are no side or rear setback requirements but 10 foot front and corner side setbacks apply.

Floor area ratio (FAR) requirements apply to residential and mixed use development in the NA- and SA-zones, and in the CN, CC, CRM, and PHD zones. The requirements are very generous in the NA- and SA- zone (up to 1.5) and in the PHD zone (up to 2.5) but are somewhat restrictive in the CN zone (0.5). The CN and CC zones are also subject to a 50 percent lot coverage limit. This reflects the prevailing development form in these two zones, which consists of single story commercial buildings with on-site parking. On the other hand, there are no FAR limits in the DA zones, and there are no lot coverage limits.

The City has the discretion to waive commercial development standards during the Site Plan Review process. In the past, some of the standards cited above have been relaxed, either through Planned Development (PD) overlays, or at the discretion of the Site Development Sub-Commission. Creation of a PD overlay zone at one time required a 20,000 square foot lot, but this standard was lowered to 10,000 square feet in accordance with a recommendation in the 2003 Housing Element.

Conclusions. Zoning constraints to higher density housing on commercial and mixed use sites were significantly reduced as a result of adoption of the South Area Development Strategy and the Downtown TOD Strategy. In particular, adoption of the SA and DA zones created strong incentives for residential development, while the adoption of minimum density standards has made it less likely that commercially zoned land will be developed with shopping centers and/or free-standing commercial uses surrounded by parking. The absence of conditional use permit requirements for higher density development in most of the mixed use zones is also a strong housing incentive.

One change worth considering would be to allow higher FAR and lot coverage limits in the CC and CN zones for mixed use development. The current limits tend to discourage housing in these areas. Since the residential densities permitted in these zones are equivalent to RM-2000, the lot coverage allowances for residential uses should be comparable (70 percent rather than 50 percent). Allowances for RM-1800 densities in CC and CN also should be considered.

Changes to the North Area (NA) zone also could be considered. When this zone was created in the 1990s, it was the first of its kind in San Leandro and set a precedent for mixed use development. However, with the adoption of the DA and SA zones since 2003, the NA is now somewhat dated. For

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example, the NA zone still has use permit requirements for multi-family housing, a maximum density of 24 units per acre, a maximum height of 30 feet, and no minimum density requirements. The North Area also has somewhat rigorous front and rear setback requirements, unlike the South Area. Moreover, almost all of the NA-1 zone was rezoned to DA-2 following adoption of the Downtown Plan. The NA-1 district now applies to just one parcel—a 4,000 square foot lot developed with a duplex.

Among the revisions that could be considered in the NA-2 zone are adopting a minimum density of 18 units per acre; this would be appropriate since single family homes are already prohibited in this zone, and duplex, townhome and multi-family densities are typically 18 units per acre or more. Reduced setbacks also could be considered on smaller lots in this zone, as the existing setbacks make it difficult to build multi-family housing or mixed uses on small parcels without a variance. Other changes to the NA-2 zone such as higher densities and height limits could be considered in the future, subject to additional input from adjacent neighborhoods and property owners. Such a community-based process led to the successful development of the affordable Broadmoor Senior Housing project (41 units per acre) in 2004.

By adopting relatively high minimum density requirements for the TOD area, San Leandro is making an important contribution toward the statewide initiative to reduce greenhouse gas emissions. Preserving transit-served land for very high density housing (80+ units per acre) is essential to help California reduce global warming. The trade-off is that land around BART may effectively be “banked” until the market for high-density living in San Leandro is better established. In the short-term this could be seen as a constraint to housing development, since the housing products that have defined the San Leandro housing market for the last 20 years (i.e., townhomes and small lot single family homes) will not be permitted on the BART-area properties. Simply put, these housing types are not dense enough and do not make the most of a scarce resource. Balancing competing State-level goals (providing more affordable housing while planning ahead for climate change) may require the City to defer immediate housing opportunities to reap greater long-term benefits. In any event, the City should monitor the real estate market closely to confirm that its minimum density standards remain appropriate.

Another aspect of San Leandro’s mixed use zones that should be monitored are the provisions for lower densities on smaller parcels. The DA and SA mixed use zones were initially drafted to require high densities on parcels larger than 20,000 square feet, and lower densities (max 24 units per acre) on parcels smaller than 20,000 square feet. Allowances for denser development on smaller Downtown lots (with a CUP) were added in 2008, eliminating a potential constraint. However, it will still be important to monitor development proposals to determine if small parcel mixed use development is being accommodated. It may be possible to regulate small lot mixed use development with floor area ratio limits rather than density limits.

Zoning Standards: Parking

Parking standards are set forth in Section 4-1704 of the Zoning Code. These standards are summarized in Table 5-3. The requirements vary depending on the type of dwelling, and in the case of multi-family units, the number of bedrooms per unit.

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The basic requirement for a single family house is that two off-street, covered, non-tandem spaces be provided. Three spaces are required for new homes that are 4,000 square feet or larger, or have more than four bedrooms – although the space may be uncovered and tandem if it is more than 30 feet from the front property line. For duplexes, two spaces per unit are required but one space may be uncovered. These requirements are comparable to those used across the Bay Area and are not considered a development constraint.

Multi-family parking requirements vary depending on the number of bedrooms and the location of the property. Between 2004 and 2007, reduced parking requirements were adopted for the BART Station/Downtown area (the DA zones) and the East 14th Street south corridor (the SA zones). As noted earlier, a substantial amount of the city's housing potential is located in these two areas.

Currently, the City would require 1.5 spaces for a new studio apartment (including one covered) and 2.5 spaces for a three-bedroom apartment (including two covered), unless the site was in the SA or DA zone. Once the parking requirement is calculated for a project, 0.25 spaces per unit of the requirement must be reserved for guest parking. A project of 100 two-bedroom units on residentially zoned land would require 225 spaces, including 200 that were covered and 25 that were reserved for guests. If the same project were in the SA zone, it would require 175 spaces (100 of which were assigned to units, and the remainder of which were unassigned). If the same project were in the DA zone adjacent to BART, between 125 and 150 spaces would be required. The lower space requirements for projects in the SA and DA zones reflects the availability of transit in these areas. Moreover, some of the parking in the DA zone may be “unbundled” from the unit, meaning that an occupant may purchase or rent a unit without purchasing or renting a parking space. This substantially reduces housing costs for households without cars.

While the parking standards tend to be workable on larger projects, they are a potential constraint to the development of small infill buildings. The requirements that spaces are covered may also be a constraint, as it means that garages or carports must be factored into the cost of a project.

Multi-family units in mixed use projects are subject to the same requirements that apply to other multi-family dwellings. However, Section 4-1702E of the Zoning Code includes allowances for shared parking in the event an applicant can demonstrate that the multiple uses in a building have different peaking characteristics. Thus, the parking requirements for all uses are not necessarily cumulative if an apartment building is located over retail shops or similar uses which have their peak demand during the daytime hours. Allowances for shared parking are considered on a case by case basis.

Section 5-2212 of the Zoning Code indicates that exceptions to the parking standards may be granted if:

- the strict application of the parking standards would cause “particular difficulty or undue hardship”
- the proposed parking is as close to compliance as possible with the standards in the Zoning Code
- parking reduction measures such as transit passes, car sharing, and BART proximity are included
- the project is affordable or senior housing, or uses shared parking.

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The third and fourth provisions provide considerable leeway for reduced parking standards in affordable housing development.

Table 5-3: Parking Requirements for New Housing

Unit Type		Parking Required
Single Family Home		2 non-tandem covered spaces (more for very large homes)
Duplex		2 spaces per unit, one of which must be covered
Single Family Home with a Second Unit		3 spaces required; tandem parking for the second unit is acceptable if located in the driveway and outside the front setback
Multi-Family (3+ units)	Studio or One Bedroom	1.5 spaces per unit, including one covered
	Studio/ One Bedroom in the SA zone	1.0 spaces per unit, plus 0.5 guest space per unit (tandem considered)
	Two Bedroom Unit	2.25 spaces per unit, including two covered
	Two Bedroom in the SA zone	1.0 spaces per unit, plus 0.75 guest space per unit (tandem considered)
	Three or More Bedrooms	2.5 spaces per unit, including two covered
	Three or More Bedrooms, SA zone	1.0 space covered, plus 1.0 guest space per unit (tandem considered)
	DA zone adjacent to BART	1.0 space per unit (plus 0.25 to 0.50 spaces of unbundled flex parking, at developer's discretion)
	DA zone, not adjacent to BART	1.5 space per unit (0.25 to 0.50 spaces of this total may be unbundled flex parking, at developer's discretion)
	Senior Housing	1.2 spaces per unit, including one covered, plus one space per employee
	Senior Housing, DA zone adjacent to BART	0.4 spaces per unit, all covered, plus 1 space per employee
Senior Housing, SA zone	0.6 spaces per unit, plus one space per employee (all covered)	

(*) 0.25 spaces per unit of the required number must be reserved for guest parking

Source: San Leandro Zoning Code, 2014. Barry Miller Consulting, 2009, 2014

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Conclusions. Due to the four broad conditions under which a parking exception may be granted (as noted above), parking is not a constraint to affordable housing production in San Leandro. However there are still several areas where improvements could still be considered. The City could consider allowing a greater percentage of the spaces in multi-family housing to be uncovered, eliminating guest parking requirements for buildings with less than four units, and lowering the parking requirement for studio apartments from 1.5 spaces per unit to 1.0 or 1.25 spaces per unit. The City could also consider quantifying standards for shared parking, rather than considering applications on a case by case basis.

Standards for Special Housing Types

This section of the Constraints Analysis addresses San Leandro's regulations for four particular types of housing that often serve lower income households: second units, mobile and manufactured homes, residential hotels, and homeless shelters.

Second units are regulated by Section 2-576 of the Zoning Code. The regulations were revised after the 2003 Housing Element was adopted to comply with state law and remove the use permit requirement that existed at that time. They were revised again in 2012 to increase allowable unit size from 450 to 750 square feet, as recommended by the 2010 Housing Element.

Second units are permitted by right in all single family zones, provided they meet a series of performance criteria. These criteria include:

- Detached second units are permitted up to 500 SF by right and up to 750 SF with administrative review
- a unit within or attached to an existing dwelling or garage may contain a floor area up to 10% of the lot area, or 50 % of the heated floor area of the main dwelling (whichever is less), up to a maximum of 750 square feet.
- the unit may not be created through a garage conversion, unless a replacement garage is provided on the property
- the units must comply with setback requirements, and height and building coverage requirements
- a dedicated off-street parking space must be provided; a tandem space is acceptable if it is not in the front yard setback
- detached units are only allowed by right on lots of 10,000 square feet or more, although detached units may be permitted on smaller lots if the applicant completes a Site Plan Review process
- the unit must be consistent with the General Plan designation
- the second unit must be clearly subordinate to the existing dwelling and must be compatible in style and design with the neighborhood context
- either the primary or secondary unit must be owner-occupied.

The increase in allowable unit size removed a constraint identified in the previous Housing Element and should result in an increase in second unit applications in the coming years. **The requirement that second**

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units may not exceed 10 percent of the lot area is not a constraint because the minimum lot size in the City's single family zoning districts is 5,000 square feet, with many neighborhoods comprised of 6,000 to 7,000 square foot lots. Smaller lots exist, but they are typically located in multi-family or mixed use districts where second units are less common. The requirement allows for second units in the 500 to 750 square foot range in most single family neighborhoods. A potential constraint that should continue to be evaluated is the fee structure for second units. Because a second unit is a new dwelling it may be subject to some of the same impact fee requirements that apply to new construction, albeit at reduced rates in some cases. These fees may be in the thousands of dollars and may be a major financial impediment for prospective applicants.

Mobile and manufactured homes on foundations are permitted in all R districts, consistent with state law. The Zoning Enforcement Official must issue a Certificate of Compatibility confirming that the home complies with all development regulations and is compatible with the surrounding neighborhood. Only roof overhang, roofing material, roof design, and siding design may be considered in the compatibility determination.

Manufactured home parks are conditionally permitted in the RM (multi-family) residential zone only. These parks may have a maximum density of 12 units per acre and are subject to minimum lot requirements of 2,400 square feet (for homes less than 12 feet wide) or 3,000 square feet (for homes more than 12 feet wide). A 15 foot height limit applies. There are also landscaping, screening, and setback requirements, along with a requirement to provide 100 square feet of recreation space for each home. The existing mobile home parks in San Leandro pre-date these regulations and are exempt from the requirements. The current Zoning Code does not allow manufactured home parks in RD or RS zones.

Residential hotels (also known as single room occupancy hotels) are conditionally permitted in the SA-1 (South Area-1) district. Explicit allowances for SROs in other zones are not necessary, due to recent zoning provisions adopted by the City which treat supportive housing the same as other multi-family housing, as required by State law.³ Current zoning rules for multi-family units would accommodate a project comprised of small studio apartments with on-site supportive services in every multi-family and mixed use zoning district. An action program in this Housing Element recommends the development of standards for "micro" units of 250 to 400 square feet, which could further accommodate small, affordable studio apartments in the future.

Group housing, which is specifically defined as including "shelters for the homeless, and housing for individuals requiring court-ordered supervision," is conditionally permitted in the RM (multi-family) residential district and in the P (office) district. It is also a conditionally permitted use in the SA-1, SA-2, SA-3, DA-2, DA-3, and DA-4 mixed use zones. Zoning Code standards facilitate the development of emergency shelters by treating such uses no differently than other uses that are conditionally permitted in these zones. Unlike new large congregate care facilities, which must be sited at least 1,000 feet away

³ The existing zoning provision for SROs in the SA-1 zone applied to the former Islander Motel on East 14th Street. The Motel had frequent code enforcement and public safety issues. It was successfully converted into a well managed 67-unit affordable housing development serving extremely low and very low income households.

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from existing congregate care facilities, homeless shelters may locate anywhere in the zones listed above. No special development standards apply and the use permit procedures are the same as for other conditional uses such as churches.

Senate Bill 2 (Cedillo), which took effect on January 1, 2008, requires cities and counties to identify at least one zoning category in which emergency shelter can be located without discretionary approval from the local government. San Leandro amended its zoning code in 2011 to add new provisions for emergency shelters, including a definition of homeless shelters and provisions to allow shelters by right in the Industrial-Light (IL) zoning district. Individual shelters are limited to 25 beds and must have an adopted management plan that includes hours and staffing, sufficient waiting room, parking, and loading facilities, 24-hour toilets, showers, and private lockers.

The IL zoning district provides a sufficient number of opportunities to meet the local demand for homeless shelters. There are 156 parcels in this zoning district, covering 80 acres. A comprehensive analysis of opportunities for shelter was done as part of the 2007-2014 Housing Element Update in 2009. That analysis concluded that:

- Approximately 75 percent of the acreage with this zoning designation and 90 percent of the parcels with this designation are within one mile of the San Leandro BART station. Most of the parcels are within one-half mile of the BART station. The area is very easily accessible to persons without a car.
- The area is also served by several bus lines and is within walking distance of the East 14th Street corridor, the busiest bus route in the East Bay.
- The area contains a fine-grained mix of small parcels and historically has been a mixed residential-industrial neighborhood. There are many different landowners, and housing is not an uncommon use here.
- There are two recent live-work projects in the area. One is a conversion of an older industrial building and the other is a series of new buildings. With Transit-Oriented Development around BART now underway, the area is clearly trending residential.
- There are a large number of underutilized properties in this area containing minimal improvements, including industrial buildings in fair condition. Some of these buildings have the potential for rehabilitation and adaptive reuse. Others may be removed and replaced with new structures.
- There are a number of small, non-conforming industrial activities in this area (such as auto salvage) which could be discontinued in the next decade, creating the opportunity for new uses.
- The area is within walking distance of Downtown San Leandro, where many services are located.
- Almost all parcels in the IL zone in the BART vicinity are also contained within an “AU” (Assembly Use) overlay district. The AU overlay allows group assembly uses (such as churches, lodges, social clubs, and union halls), creating a precedent for non-industrial activities in these areas.

The conclusions cited above were still valid at the time of adoption of the 2015-2023 Housing Element. Moreover, the 25-bed limit established by the 2011 Zoning Code amendment continues to be relevant for the following reasons:

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- A 25-bed shelter is feasible to operate and is a manageable scale for a community of San Leandro's size and density. There are a number of other shelters in Alameda County with 25 beds or less. For instance, the FESCO Family Shelter in Hayward is a 24-bed facility and the Midway Shelter in Alameda is a 25-bed facility. San Leandro's own Sister Me Home shelter is a 20-bed facility.
- Most of the parcels in the IL zone are conventional 50' x 100' city lots that were subdivided over a hundred years ago. These lots are most suitable for shelters with 25 beds or less.⁴
- Shelters with more than 25 beds would be likely to generate parking, noise, and other impacts that would need to be mitigated through a use permit process. For shelters with fewer than 25 beds, these impacts can be mitigated through development standards.
- The smaller size shelters would be in keeping with the trend toward smaller, less institutionalized facilities that provide a safer, healthier environment and support the transition to permanent supportive housing.
- The City has conferred with local homeless service providers and determined that a 25 bed "by right" allowance is viable.

The San Leandro Zoning Code does not include explicit reference to transitional housing or housing with supportive services. However, such uses would be allowed under the definition of group housing **and residential congregate care**, and could also be defined such that social services were considered a permitted "accessory use" within a multi-family residential project. San Leandro also allows small group homes in all single family residential zones, providing a housing resource for persons with special needs. It also has allowed "safe houses" for homeless women and children within single family residential areas.

A 2011 amendment to the Zoning Code (2-518(B)) stipulated that residential congregate care must be considered "a residential use of property" permitted "in all residential districts and all other zoning districts in which residential uses are permitted." The explicit purpose of this amendment was to remove any "special requirements" which applied to housing with on-site supportive services. Residential congregate care is defined as "non-medical residential living accommodations" where the duration of stay is determined "by the individual residents' participation in group or individual activities such as counseling, recovery planning, medical, or therapeutic assistance." Transitional and supportive housing would be covered by this definition, and is thus permitted in all residential zones without additional requirements. Action 58.08-C of this Housing Element calls for a zoning amendment to explicitly add definitions of traditional and supportive housing to the zoning code, and clarify that they are subject to the same requirements as other residential uses of the same type in the same zone.

In accordance with state law, the 2011 zoning amendments for emergency shelters, transitional housing, and supportive housing established that these uses are subject to the same development standards that apply to the other uses that are permitted in each district. For example, an emergency shelter in the IL zone would be subject to the same setback requirements (10 foot front, and zero side and rear for mid-block lots), same height standards (35 feet), and the same floor area ratio standards (1.0) that apply to

⁴ Although the IL zone has a minimum lot size of 5,000 square feet, development is permitted on pre-existing lots that are smaller than that. Such lots are considered non-conforming but a Variance is not required for their development.

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industrial or commercial uses. The procedure for obtaining a permit would be the same as the procedure that applies to other permitted uses. The IL standards are very conducive to the development of shelters and supportive housing. In some respects, they are more lenient than those that apply in multi-family zones, since there is not a limit on density.

Prior to 2011, the City did not have a definition of “family” in its Zoning Code. As part of zoning amendments adopted that year, the term “family” was added to Section 1-304 (Definitions) and was defined as “a person or group of persons living together and maintaining a common household.” Consistent with state and federal law, the definition does not require members of the household to be related. The zoning amendments also included a change to the definition of “single housekeeping unit” to delete all references to whether the occupants were related or unrelated.

Conclusions. The City has removed most of the constraints to Special Needs Housing identified in its last two Housing Elements. Specifically, the allowance for larger second units will enable one-bedroom units to be built, whereas the prior 450 square foot limit effectively limited the second unit supply to studio apartments. The City is also now fully compliant with SB 2.

A number of zoning changes should still be considered in the future. These are reflected through Housing Element action programs in Chapter 6. The changes include making manufactured home parks a conditionally permitted use in the RD zone, rather than only the RM zone, and adding definitions of “transitional housing” and “supportive housing” to the Zoning Code.

Housing for Disabled Persons

Since 2002, California law has required an analysis of constraints to the development of housing for disabled residents in the Housing Element. State law requires communities to demonstrate efforts to remove such constraints, including programs to provide reasonable accommodations for persons with disabilities.

San Leandro has no zoning or land use ordinances which impede the development of housing for disabled persons. In fact, the City has actively supported the development of housing and supportive services exclusively for disabled households, including persons with developmental disabilities. It has also encouraged the inclusion of units for persons with disabilities within new affordable housing projects. Current resources for very low income disabled households in San Leandro include the 26-unit Fuller Lodge and the 16-unit Fuller Gardens, as well as the Luella Fuller Group Home, which serves those with developmental disabilities. There are also 15 units set aside for persons with disabilities at Eden Lodge. In addition, newer projects such as Broadmoor Plaza (senior housing) have been designed for persons with limited mobility, hearing impairments, or sight impairments. Broadmoor Plaza includes 15 units for hearing impaired seniors and three units for persons with mobility impairments.

The City of San Leandro provides financial assistance to community-based non-profit organizations serving local special needs populations. In its 2014 Action Plan for the expenditure of CDBG and HOME

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funds, the City provided funding to the San Leandro Child Abuse Intervention Project, Davis Street Family Resource Center's Family Support Services, the Les Marquis Emergency Shelter, SOS/Meals on Wheels (meal delivery to homebound seniors), Spectrum Community Services (senior lunch program), and ECHO Housing (fair housing program.) In the past, the City has also provided funding for Girls, Inc., Safe Alternatives to Violent Environments (SAVE), Alzheimer's Services of the East Bay, Community Resources for Independent Living (assistance for the disabled), the Deaf Counseling Advocacy and Referral Agency (DCARA), Stepping Stones (assistance for developmentally disabled children and adolescents), and the Tiburcio Vasquez Center (primary care and support services to medically uninsured low-income residents). The City's ability to provide funding, to these agencies, as well as its ability to provide grants and loans for home retrofits serving disabled persons, has been greatly curtailed by declining State and federal funding and the loss of Redevelopment Agency funding.

San Leandro also enforces and implements the federal Americans with Disabilities Act (ADA) and the disability provisions of Title 24 of the California Code of Regulations. Building permit and plan checking procedures include a review of each set of plans for ADA and Title 24 compliance. The City also enforces federal requirements associated with the use of HOME funds in rental rehabilitation projects. Remodeled ground floor units within these buildings are handicapped accessible and a fixed percentage of the units in each project are set aside for disabled households. The City also regularly allocates a share of its annual CDBG budget to ADA compliance, including the installation of curb ramps and ADA improvements at City facilities.

The City has adopted an official Reasonable Accommodations policy, including provisions specifically related to zoning and land use. A request for Reasonable Accommodation may be made by any person with a disability (or their representative) when the application of a zoning law acts as a barrier to fair housing. The City has created an application form for Reasonable Accommodation requests, and has established findings for approval. An appeals process is also available.

Conclusions. The City strongly supports the development of housing for persons with disabilities and is fully compliant with California's Reasonable Accommodations requirements. Its Municipal Code includes recent amendments to the California Building Code which incorporate the concept of "universal design." The idea is to incorporate access provisions for persons with disabilities without creating separate or stigmatizing solutions (such as ramps that lead to a separate entry from a main stairway). Universal design is intended to help everyone—not just those with disabilities. For example, universal design principles can help those with limited English proficiency (by using icons rather than text) and seniors *without* mobility limitations (by using doors that are easier to open, switches that are easier to operate, and so on). Some of the attributes of universal design include wider interior doors and hallways, clearer lines of sight, lever handles for doors rather than twisting knobs, and light switches with large flat panels rather than toggle switches.

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Conditional Use Permit Findings

While the City has eliminated the conditional use permit requirements for multi-family housing in its high-density residential zones and some of its mixed use zones, a CUP continues to be required for multi-family or mixed use housing in several of the commercial zones and a few of the mixed use zones. Obtaining a CUP requires a noticed public hearing before the Board of Zoning Adjustment (BZA). Hearings before the Planning Commission and/ or City Council are not required.

To issue a conditional use permit, the BZA must find that:

- The proposed location of the use is in accord with the objectives of the Zoning Code and the purposes of the district in which the site is located.
- The proposed location of the use and conditions under which it would be operated or maintained will be consistent with the General Plan; will not be detrimental to the neighborhood; and will not be detrimental to properties or improvements in the vicinity or to the general welfare of the City.
- The proposed use will comply with the provisions of the Zoning Code, including any specific conditions required for the proposed use in the district in which it would be located.
- The proposed use will not create adverse impacts on traffic or create demands exceeding the capacity of public services and facilities which cannot be mitigated.

Conclusions: These use permit findings are appropriate to address basic public health, safety, and quality of life concerns. They do not represent a development constraint.

Design and Site Plan Review

Design review requirements have the potential to impact housing costs by requiring particular architectural features or building materials, extending the time period required to approve a project, and introducing an element of uncertainty and subjectivity into the approval process. In San Leandro, design review requirements have been in effect since 2001. The rules vary depending on the location and size of the project; requirements are generally more stringent in the Hills due to the potential for view impacts.

Design review was originally implemented to address concerns over residential “teardowns” and new oversized homes in traditional low-scale neighborhoods and in the Bay-O-Vista area. Today, it applies to most new housing construction, including multi-family housing in the commercial and mixed use zones (where most of San Leandro’s residential development potential is located.) Most additions to one-story single family homes—which represent a majority of San Leandro’s housing stock—are exempt from design review requirements.

Several tiers of design review (or Site Plan Review) have been developed. Characterized broadly, one tier is incorporated in Article 5 of the Zoning Code (Sec 2-580 through 2-584) and relates to low-density residential development and another is incorporated as its own chapter of the Zoning Code (Article 25) generally relating to multi-family, mixed use, and non-residential development.

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In the former case, certain new homes and major additions in the RO and RS zones (including RS-40 and RS-VP) are required to go through a Site Plan Review process to ensure that they do not appear out of scale relative to homes in the vicinity. A procedure has been established to allow neighbors to review and comment on proposed plans. *Major* Site Plan Review is required for any new or enlarged single-family home which would either:

- result in a home with floor area greater than four thousand (4,000) SF⁵
- more than double the floor area of an existing home
- exceed the maximum FAR allowed for the parcel, or
- result in a 3-story home (or enlarged third story).

Exemptions are provided for additions of 250 SF or less (provided that there are no other active permits and the addition is not a third floor). *Minor* Site Plan Review is required for new two-story homes, additions that create a second story, or additions to existing second stories. Site Plan Review generally is not required for single story additions to single story homes or new single story homes, except where noted above. Most additions to homes in the View Preservation district require Site Plan Review regardless of size, but these homes represent less than 3 percent of the city's housing stock and less than 2 percent of its future development potential.

If the project requires other zoning approvals (such as Variances or a use permit) or is a "large home", then the Site Plan Review occurs at a public hearing before the Board of Zoning Adjustment. If the project does not require other zoning approvals, the Zoning Enforcement Official usually makes the final decision. Adjacent neighbors are notified, and they have an opportunity to appeal the ZEO's decision to the BZA. Some types of Major Site Plan Review require a hearing by the Site Development Sub-Commission.⁶

Approval of a single family Site Plan Review application requires a series of findings related to the appropriateness of the architecture, the scale and mass of the construction, respect for neighborhood context, and physical impacts on neighboring properties, including privacy and noise. Additional regulations, designed to protect views, apply in the RS-View Protection district.

In the case of multi-family and mixed use development, Site Plan Review approval is required for any project that requires a CUP or PD approval and for new development/ additions that would result in a new dwelling unit. Site Plan Review approval is also required for additions that would add 2,500 SF or more, create or enlarge a second or third story, increase a building by 50 percent or more, or create a new freestanding structure greater than 2,500 SF.

The level of Site Plan Review for multi-family development varies. For projects that do not require discretionary approval (i.e., no variance or CUP), the Zoning Enforcement Official (ZEO) may make the decision, or can defer the decision to the Site Development Sub-commission. For projects that require

⁵ A slightly different standard is used in the RO zone, since two homes per parcel are permitted.

⁶ The Site Development Sub-Commission includes one member of the Planning Commission, one member of the BZA, and one member of either the Commission or BZA appointed by the Mayor.

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discretionary permits (such as use permits and variances), the BZA makes the decision. For projects that involve a Planned Development (PD) application, the Planning Commission makes the decision. In the latter two cases, a publicly noticed hearing is required. In the former case, ZEO may decide if a notice is required or not. In all cases, a variety of findings and requirements are set forth for approval. In the mixed use zones (where most of the city's development capacity is located), these include findings that the project is consistent with the design guidelines in any concept plans adopted for these areas.

Conclusion. San Leandro's design review program has had a positive effect on the quality and design of new residential construction, and there have been no adverse impacts on housing costs or production. In single family neighborhoods, Site Plan Review requirements have helped preserve older single story homes, and made it more difficult to demolish and replace these structures with larger, less affordable homes. In multi-family and mixed use areas, the requirements have helped rally public support for affordable housing by raising the bar for design quality and ensuring that neighbors' concerns are addressed. During the 2015-2023 Housing Element, some community members expressed interest in expanding the scope of design review in the city's oldest neighborhoods. However, others cautioned against greater regulation due to possible effects on costs and flexibility.

Design guidelines have been prepared for the Downtown/TOD area and for the East 14th Street South corridor. As noted in Chapter 4, about 65 percent of San Leandro's future residential development capacity is in these two areas. The guidelines provide a benchmark for evaluating proposed projects and provide more objective criteria for granting site plan approvals. The guidelines have helped affordable housing gain greater public acceptance by engaging the community in discussions about project design, parking reductions and other issues. The design of several recent multi-family projects has been improved—without significant additional costs to the applicant—as a result of these guidelines and procedures.

Design review does add to the processing time and expense for very large homes and multi-story additions. This has primarily impacted the top end of the housing market and has not affected affordable housing or the cost or feasibility of basic home improvement projects for low- and moderate-income households. When the design review program was initiated, there was some concern that it would overburden Planning staff and slow down application processing. This has not happened in practice, and design review has been absorbed into the regular planning caseload without significant delay. With the recent upturn in the housing market, the need for additional staff should be periodically evaluated as the volume of applications increases.

Inclusionary Housing

San Leandro first enacted inclusionary housing requirements in the early 1980s. At that time, the program required 10 percent of the housing units in multi-family projects of 20 units or more to be affordable to lower-income (80 percent of area median income) households. Within redevelopment areas, this standard was superseded by a state law that required 15 percent of the new housing to be similarly

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affordable. This standard for redevelopment areas was consistently enforced until redevelopment agencies were eliminated statewide in 2012.

During the 1980s, the inclusionary ordinance produced several dozen affordable rental units in projects such as the Bal Court Plaza and Summerhill Terrace Apartment complexes. All of those units had 20-year affordability terms that have already expired. In addition, the Redevelopment Agency inclusionary requirement resulted in affordable apartments in projects such as the Gateway Apartments and Carlton Plaza, as well as below-market homes for sale in projects such as Cherrywood and Wood Creek.

San Leandro's inclusionary zoning requirements were overhauled in 2004, in part to implement a recommendation in the 2003 Housing Element. The scope of the ordinance was expanded to include single family homes and projects with less than 20 units. The new ordinance was codified as Article 30 of the Zoning Code, and was vetted through a public process involving Planning Commission and Council hearings. Like the previous ordinance, its goal is to encourage affordable housing production without concentrating such housing in one part of the city.

Article 30 requires 15 percent of the units in all new for-sale development to be restricted for occupancy by low (less than 80 percent of AMI) and moderate (80-120 percent of AMI) income households. The requirement is structured so that a larger share of the inclusionary units are reserved for moderate income households. For example, a 100-unit market rate condominium would be required to include 9 moderate income units and 6 low income units.

The ordinance also includes set-aside requirements for rental units. However, these requirements are not enforced due to a 2009 decision by the California Court of Appeals (*Palmer/Sixth St Properties vs City of Los Angeles*). As an outcome of *Palmer*, cities across the state were effectively barred from enforcing rental inclusionary requirements on new development unless the project was receiving direct financial assistance or incentives (such as density bonuses) from the city.

At the present time, the Inclusionary Housing ordinance includes standards for calculating and pro-rating the requirements for projects with fractional assignments, including projects with fewer than 7 units. For instance, a 15 unit for-sale project would be required to set aside one low-income unit and two moderate income units. In determining the amount of inclusionary units required, any decimal fraction of 0.5 or more is rounded up to the next highest whole number.

The City has established conditions for when developers may pay an in-lieu fee, dedicate land, or build the units off-site instead of building the units on-site. At the City Council's discretion, developers also may contribute money toward another affordable project in the city rather than including the units in their own project. The City has established an Affordable Housing Trust Fund to receive all monies contributed under its Inclusionary Housing Ordinance.

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The Inclusionary Housing Ordinance also stipulates that:

- A sequencing plan is required to ensure that the affordable units are constructed at the beginning of the project
- The affordable units must be distributed throughout the development and not clustered together
- The exterior appearance of the units must be indistinguishable from the market-rate units
- For projects with multiple product types, the inclusionary units may be the same as the smallest or most affordable product type in the complex, but may not have a smaller number of bedrooms or bathrooms than those units
- For projects with one product type, the units may be smaller in floor area, but must be comparable in terms of their bedroom and bathroom counts
- Rental units must remain affordable for 55 years, while for-sale units must remain affordable for 45 years
- The property owner must enter into an agreement with the City which addresses issues such as resale and rental restrictions, the number and size of the affordable units, and provisions for monitoring.

The ordinance also includes provisions for renters whose incomes rise to a level where they no longer qualify for the unit they occupy.

While inclusionary zoning is intended to have a positive impact on housing affordability by increasing the supply of affordable units, it has the potential to add to the cost of market rate housing. Statewide data on the cost impacts of inclusionary policies is inconclusive.⁷ Assessing the impacts in San Leandro is further complicated by the fact that there has been very little market-rate development since the time the Ordinance was adopted.

Since the Ordinance was adopted in 2004, the non-profit housing market in San Leandro has been much more robust than the private market, with unprecedented levels of affordable units produced or committed. It would be difficult to attribute this to the inclusionary zoning ordinance; rather, it is the outcome of other City programs that have facilitated affordable housing production. Moreover, following the market downturn of 2007-2010, the Below Market Rate (BMR) “moderate income” for-sale units had sales prices that were comparable to market rate units. Because the BMR units came with resale restrictions and appreciation limits, they had a competitive disadvantage compared to the market-rate units. This made them more difficult to sell and delayed their production in developments such as Cherry Glen.

Feedback from for-profit and non-profit developers was solicited as part of the 2010 and 2015 Housing Element update cycles. During both cycles, it was suggested that the process be kept as flexible as possible, and be structured to be more responsive to the market. There appears to be greater interest in paying in-lieu fees than providing the affordable units on-site. There is also recognition that the in-lieu fee may need to be adjusted more frequently to reflect changes in the housing market.

⁷ *Inclusionary Zoning: The California Experience. National Housing Conference, Washington, DC 2004.*

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An advantage of the in-lieu fee to the City is that it provides revenue to the Affordable Housing Trust Fund, which enables deeper subsidies for housing serving very low income households. However, a disadvantage is that affordable housing is not integrated into new development, which is the primary purpose of the Inclusionary Housing ordinance.

The City has continued to emphasize flexibility in its application of the Inclusionary Housing Ordinance to reduce any constraints that may be present. For example, the developer of a 6-unit project on Hays Street was allowed to satisfy the inclusionary requirement off-site by contributing to an affordable unit in his Toscani Place development several blocks away. This provided a cost-savings to the developer and resulted in two successful infill projects. Other incentives include allowing the inclusionary unit to be comparable to the smallest market rate unit (or 25 percent smaller than the average sized unit in projects with a single product type), allowing developers to dedicate land off-site rather than construct the units on-site, and allowing developers to help fund an affordable project elsewhere in the City. As noted above, the City also allows payment of an in-lieu fee which supports the Affordable Housing Trust Fund. Density bonuses and flexibility in development standards (setbacks, lot size, etc.) are also provided for developments with inclusionary units.

Conclusions: The number of affordable units produced as a result of the 2004 Inclusionary Zoning Ordinance has been small. In the last ten years, only 10 new for-sale units have been produced and no rental units have been produced.⁸ The units provided first-time home ownership opportunities for a number of low- and moderate-income households. In addition, the granting of density bonuses produced a larger number of units than would have otherwise been allowed.

There is no indication the inclusionary housing program has constrained development. However, the program is designed for an appreciating housing market and it provided minimal benefits to San Leandro residents during the 2007-2010 market downturn. With the recent market recovery, the need for inclusionary units is once again becoming apparent. Given that local housing prices have increased by 40 percent in the last two years, the need to update the in-lieu fee amount also is apparent and critical.

There is interest in developing an alternative funding source for inclusionary rental housing in light of the *Palmer* decision. This would also address a concern raised during the 2015-2023 Housing Element Update that developers may be avoiding the condominium market because it is subject to inclusionary rules, whereas rental units are exempt. Some cities in the region have turned to affordable housing impact fees as an alternative to inclusionary requirements. Such fees can be levied on rental housing as well as for-sale housing, and potentially on commercial and industrial development as well as residential development. Adopting an impact fee requires that the City first conduct a nexus study to demonstrate the linkage between development and the need for affordable housing. An action program in this Housing Element calls for such a study, either by the City of San Leandro or by a consortium of cities that includes San Leandro.

⁸ Another 18 BMR for-sale units were created when the Willows Townhomes were converted from rental units to condominiums.

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Density Bonuses

Density bonuses are codified as Article 31 of the San Leandro zoning ordinance. Consistent with State law, the City allows a density increase of as much as 35 percent for projects with affordable or senior housing units. The extent of the bonus varies based on the percentage of total units that are income-restricted. Projects that are 100 percent affordable are generally eligible for the maximum bonus. The “bonus” units have long-term affordability restrictions and generally must be built on-site, although exceptions may be granted. The ordinance also grants other concessions to affordable housing development, such as reduced lot sizes and setbacks, increased lot coverage and height allowances, and reduced street width standards. An additional bonus is available if child care facilities are provided.

Conclusions: Density bonuses are an incentive to affordable housing development in San Leandro, and are not a development constraint.

Building Code and Permit Processing Requirements

Effective January 1, 2014, San Leandro has adopted the 2013 California Building Code Code (CBC). This includes the 2013 state Fire, Plumbing, Mechanical, Energy and Electrical Codes, as well as the California Residential Code and the Green Building Standards Code and the 1997 Uniform Housing Code. A number of amendments to these codes have been made at the local level, including a prohibition on the use of ABS and PVC (plastic) pipe for drain waste and other interior plumbing systems. Although the prohibition helps ensure the durability of plumbing systems, it does represent an additional cost. The City has no prohibitions on particular types of exterior siding or window/ door materials. Class C (or better) fire retardant roofing is required, as it is in other East Bay cities where the risk of urban wildfire is present. Effective January 1, 2011 interior sprinklers are now mandatory in one and two family dwellings. In addition, as of January 1, 2014, the City now requires non-compliant plumbing fixtures (in structures pre-dating 1994) to be replaced with water-conserving fixtures when a property is undergoing additions, alterations or improvements. This is a statewide water conservation requirement (SB 407) and is not unique to San Leandro.

Since 2009, applications for new homes and/or additions larger than 500 square feet have been required to prepare a “Build-it-Green” checklist. At this time, “green” construction is voluntary and the checklist is intended primarily as an educational tool that encourages the use of green and/or recycled materials. The City mandates green construction standards only for City-sponsored buildings with a construction value of \$3 million or more.

Building permit submittal requirements are clearly laid out in printed material at the Building Department counter. All materials are also available on the internet in downloadable PDF format. The City provides paper and electronic checklists to assist applicants in identifying all required materials. Major projects typically require architect-drawn plans, engineering calculations, and standard construction details. A limited number of projects, such as termite repair, re-roofing, and mechanical equipment changes, may be handled through over-the-counter plan review.

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The processing time (e.g., from submittal to issuance of a permit) for a complete application is usually less than 30 days for a new residence and two to three weeks for an addition or major alteration.⁹ During periods of very high application volumes, the City may hire contract plan checkers and inspectors to minimize delays for applicants. The City is continually working to make the application process easier and more convenient. It has considered allowing plans to be submitted in digital format, and sending out permits and comments on plans via email. In addition, the Building Department offers one-stop permitting, saving applicants time and centralizing the permit process. A concerted effort has been made to make the permitting process easy to navigate and user-friendly.

Conclusions: The City's building code requirements do not significantly impact the cost of construction. The additional cost associated with using metal (rather than PVC) plumbing pipe does not noticeably affect the cost of a new home, and provides additional durability in the long-run. All other requirements address basic health and safety considerations. Permitting practices and procedures are effective and do not constitute a development constraint. The City continues to use technology and information services to streamline permitting and make the process easier for applicants.

Fees

Like cities throughout California, San Leandro collects development fees to recover the capital costs of providing community services and the administrative costs associated with processing applications. New housing typically requires payment of school impact fees, park in-lieu fees, sewer and water connection fees, building permit and plan checking fees, and a variety of handling and service charges. These fees comprise a significant part of housing costs in the city. In addition, subdivisions and multi-family projects may incur the cost of preparing environmental impact reports, traffic studies, soils reports, and filing fees for tentative and final maps. Such fees are typically based on the hourly rates of City employees (including overhead) and the number of hours spent performing the associated work.

Table 5-4 identifies the basic fees that apply to new residential construction. Table 5-5 identifies the hypothetical fees that would be collected for a new 2,000 square foot two-story house with a two-car garage on a single family infill lot. With the addition of water and sewer laterals, school impact fees, park impact fees, transportation fees, and other charges, the cost would be over \$60,000. About half of these fees are directed to agencies other than the City, namely the school district and East Bay Municipal Utility District.

The distribution of fees by type is shown in Chart 5-1. Three types of fees—parks, schools, and water—represent over three-quarters of the total. The park impact fee is levied by the City. The school impact fee is collected by the Building Department but the funds are directed to the School District. The water connection fee and the water system capacity charge is collected by East Bay Municipal Utility District. The City does not have jurisdiction over school and water fees and cannot waive or reduce them.

⁹ These times vary depending on the location and complexity of the project. A three-story custom 4,500 square foot house in BayoVista would require more time than a 2,000 square foot house in a new large-scale subdivision.

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Table 5-4: Applicable Fees Associated with New Housing Development in San Leandro, 2014

Type of Fee	Amount
Park Development	<i>Parkland Acquisition Fee:</i> \$12,986.84 per single family unit; \$11,351.13 per multi-family unit; \$5,676.14 per “special” unit. <i>Park Improvement Fee:</i> \$ 2,316.64 per single family unit \$2,025.18 per multi-family unit \$1,012.60 per “special” unit <i>Note: Rather than paying the fee, developers also have the option of providing sufficient acreage of on-site public parkland to maintain the existing Citywide ratio of 4.86 acres of parkland per 1,000 residents. Credit for private open space is also provided, resulting in lower fees.</i>
Development Fee for Street Improvements (DFSI)	General residential \$1,304.07 per unit; Senior housing \$650.73 per unit. Additional fees apply near Marina/I-880 and Davis/Doolittle.
Overhead Utility Conversion	Lesser of: i) actual/estimated costs, or ii) \$1,365.56 per dwelling unit.
Sewer Connection	\$4,000 for single family unit; \$3,340 for multi-family unit
Water Connection (EBMUD)	Collected by EBMUD; \$6,193 per lateral, higher if the pipe diameter is larger than 1”; for multi-family, cost is based on the number of meters per lateral; 2 units would be \$6,654; 8 units would be \$9,210 (for 5/8” lateral).
Water System Capacity Charge (EBMUD)	\$15,580 in flatlands (EBMUD Region 1); \$26,950 in hills (EBMUD Region 2); higher if the meter size is larger than 5/8”. For multi-family, \$9,070 /DU below I-580 and \$12,580 above I-580.
School Impact	\$3.36 per sq. ft. Example: Fee would be \$6,720 for a 2,000 square foot house.
Community Planning	0.3 percent of valuation
Building Permit	Sliding scale based on project valuation. As an example, a \$10,000 remodel would have a permit fee of \$143 for the first \$4,000, plus \$14.20 for each additional \$1,000, for a total of \$228.20. A \$200,000 project would have a permit fee of \$1,294 for the first \$100,000 and \$5.70 for each additional \$1,000, for a total of \$1,760.00.
Plan checking	Varies, but generally 80 percent of the building permit fee. Additional plan checking fees also may apply.
Electrical permit	\$94 issuance, plus additional costs per circuit, with additional fees for appliances and motors.
Plumbing permit	\$94 issuance fee, plus unit fees for each plumbing fixture. Other permit fees apply for dishwashers, garbage disposals, sewer ejectors, water heaters, swimming pools, spas, sewer and storm drain work, etc.,.
Heating, Ventilation, and Air Conditioning Fees	\$94 issuance, plus per fixture charges (heating registers, dryers, air conditioners, furnaces, etc.).
Certificate of Occupancy	Direct costs, \$143 minimum
Roofing	\$235 for one and two family homes, plus \$75 for detached garages and accessory structures
Variance and Use Permit	Direct costs
Administrative Review/Exception	\$454
Site Plan Review	\$1,148 for minor residential; \$1,648 for major residential \$1,921 for major view preservation Direct costs for major view preservation with exception
Parking Exception	Direct costs
Zoning Approval	\$109
PUD Filing Fees, Zoning Change, Environmental Review, Tentative or Final Map Filing Fees	Direct costs

Direct costs for planning projects include the hourly personnel wage, plus a factor of 100% for benefits, overhead, and indirect costs.

Source: City of San Leandro, 2014. Barry Miller Consulting, 2014

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Table 5-5: Fees for a Typical Single Family Home, 2014 (*)

Type of Fee	Amount
Building permit	\$2,719
Plan Check	\$3,262
Automation	\$507
Energy Fee	\$544
Electrical	\$353
Plumbing	\$453
Mechanical	\$272
Mechanical issue	\$94
Plumbing issue	\$94
Electrical issue	\$94
Building issue	\$94
SMIP	\$35
Sewer Connection	\$4,000
Street Improvement	\$1,304
Long Range Planning	\$1,050
Engineering	\$58
Elec Automation	\$27
Plb Automation	\$32
Mech Automation	\$22
Plan Storage	\$21
Parkland Acquisition	\$12,987
Parkland Improvement	\$2,317
Undergrounding	\$1,296
Green Bldg	\$14
Fire	\$1,768
TOTAL LOCAL FEES	\$33,417
OTHER POSSIBLE FEES (where applicable)	
School Fees	\$6,720
Water Connection	\$6,193
Water System Capacity	\$15,580

Source: City of San Leandro, 2014

Barry Miller Consulting, 2014

(*) based on new 2000 square foot house with a 466 square foot garage, permit value of \$350,000

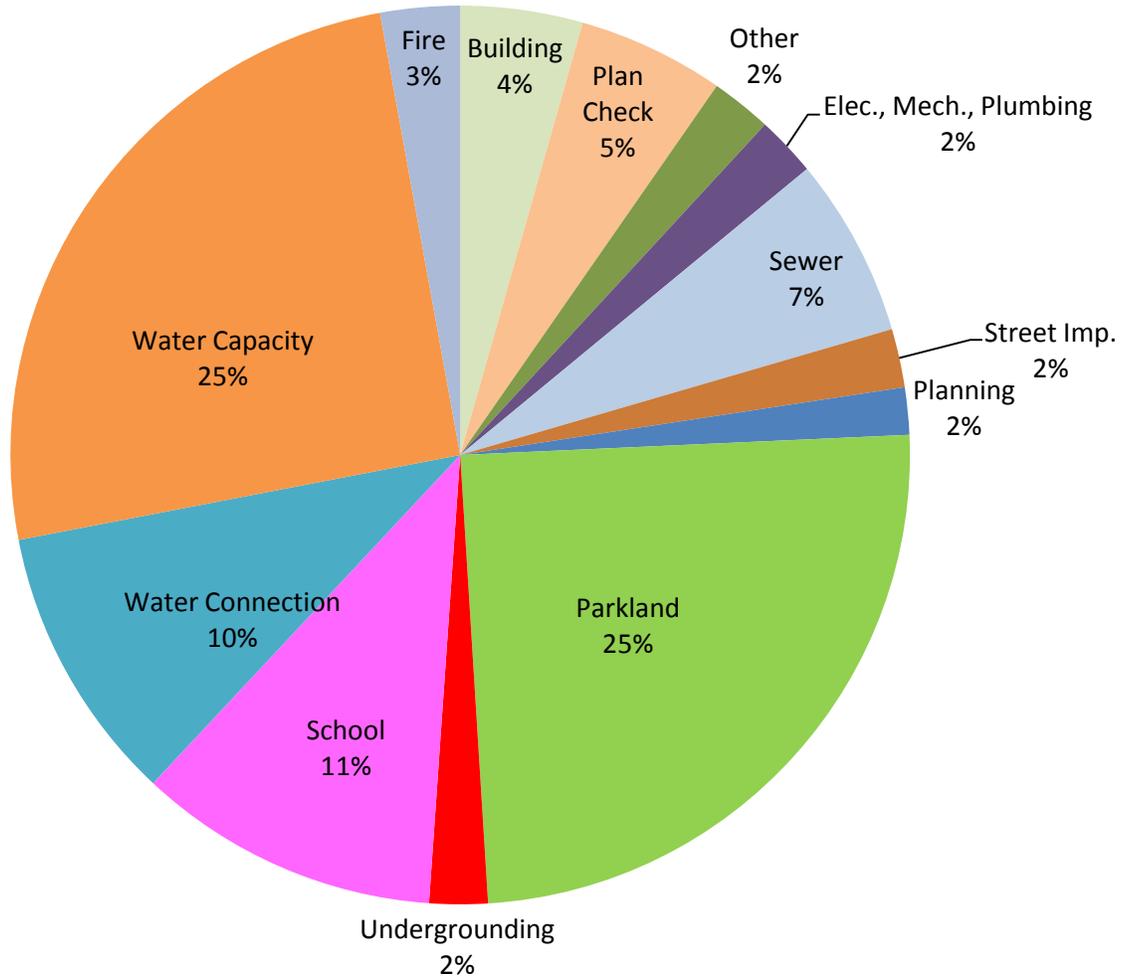


Chart 5-1: Distribution of Fees by Type - 2014 (*)

Source: City of San Leandro, 2014. Barry Miller Consulting, 2014

() The parkland acquisition and improvement fee would be lower for an infill lot in a previously developed area. The EBMUD fee presumes a new lateral to the street is required. Fees in this chart are based on single family construction.*

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Planning and building fees represent about 15 percent of the total fee. Other fees, including roads, sewers, fire, and undergrounding, represent 14 percent of the total.¹⁰

One outcome of the California drought and the increasing shortage of potable water in California is a significant increase in water service charges. The cost of a water connection for a new home increased from \$4,673 in 2009 to \$6,193 in 2014, while the “system capacity charge” collected by EBMUD for each new home increased from \$8,110 to \$15,580. Water connection fees alone have gone up by \$9,000 in the last five years, a 70 percent increase. The City will continue to work with EBMUD to explore ways to reduce the cost burden this places on new construction, particularly for in-law units and for affordable housing.

Table 5-6 identifies the fees that would be collected for a hypothetical multi-family building comprised of 20 apartments that are 600 square feet each. On a per unit basis, the fees are lower than the fees for single family homes. However, since multi-family homes are typically less expensive than single family homes, the fees represent a similar share of the overall unit cost. Based on typical construction costs in San Leandro, the value of a 20-unit building for permitting purposes is estimated at \$4.0 million (excluding land).

Table 5-6: Fees for a Typical 20-unit Multi-Family Building, 2014 (*)

Type of Fee	Amount
Building energy conservation	\$3,948
Building permit	\$19,740
SB 1608 and SB 1473 fees	\$1,147
Long Range Planning (Impact Fee)	\$12,000
Plan Check	\$23,668
Sewer Connection	\$66,800
Undergrounding Utility Fee	\$26,000
Park Impact Fee	\$267,526
Fire Review and Inspection	\$12,831
School Impact Fee	\$40,320
Mechanical, plumbing, and electrical permits	\$7,699
Strong Motion Instrumentation	\$400
Automation and filing fees	\$4,476
Other Misc. Fees	\$16,551
TOTAL FEES	\$489,345

(*)Based on 600 SF apartments

Source: City of San Leandro, 2014
Barry Miller Consulting, 2014

¹⁰ Chart 5-1 would be for a home in a new subdivision. Fees for a single house on an infill lot could be lower.

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Total fees for such a project would be over \$489,000, or about \$24,500 per unit, excluding the water connection fees and water system capacity charges. The fees represent approximately 12 percent of the project cost. Some of this cost would likely be passed on to consumers in the form of higher rents or purchase prices. The largest categories of fees are for parks and schools. Among fees collected by the City of San Leandro, the park fee represents more than half the total fee collected. In the example below, it is nearly six times the amount collected for school facilities.

While fees represent a substantial part of residential construction costs, San Leandro's fees are in line with those charged in other East Bay communities. However, the fees have risen substantially in the last 10 to 15 years to keep pace with rising construction costs, capital costs, infrastructure needs, and revenue constraints. For instance, the total park impact fee was \$4,259 in 2002, \$11,862 in 2008, and \$15,304 in 2014. The school impact fee increased 62 percent during the same time period, from \$2.05/SF to \$3.36/SF. As noted above, water fees have increased 70 percent in the last five years alone. In undergrounding districts, the fees for new construction more than doubled, from \$575 per unit to \$1,296 per unit.

Other City fees saw more modest increases between 2008 and 2014. Building permit fees generally increased by less than 20 percent. Road impact fees increased by less than 20 percent. Most city planning fees continue to be collected as direct cost fees rather than flat fees, enabling the Planning Department to more accurately reflect true costs and reduce costs for those with relatively with simple applications.

The City Council has the authority to grant fee waivers for projects which provide public benefit, or present extenuating circumstances. The City does not generally grant such waivers for affordable housing projects, primarily because such projects still generate impacts that must be mitigated. Moreover, the cost of waivers might be indirectly passed along to market-rate units (in the form of higher fees), making *them* less affordable.

Conclusions. Fees represent a significant part of construction costs, and substantial fee increases have occurred in the last 15 years. This is particularly true for park, water, and school fees, which in some cases may now exceed a cumulative total of \$40,000 per dwelling. Even a limited amount of financial relief could assist affordable housing developers. While the City has limited ability to influence school and water district fees, there may be some opportunities for flexibility on the park impact fee. The City also could consider limited fee reductions for some planning and building fees, particularly those charged at direct cost. For instance, fees might be waived for variances and use permits for affordable housing projects.

Site Improvement Requirements

San Leandro requires on-site infrastructure improvements, including the construction of interior roads, street lights, water, sewer, drainage, and underground utility systems, when new residential projects are

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approved. The City has not adopted any requirements above and beyond those authorized by the State Subdivision Map Act. Improvements are typically built by developers and are then either dedicated to the City or privately maintained by a Homeowner's Association upon completion.

Typical requirements for constructing a new street include emergency vehicle access provisions and public utility easements. Right of way widths of 50 feet and curb-to-curb width of 36 feet are required for all streets that will be publicly dedicated. Narrower streets may be permitted through the planned development process, or when specifically called for in area plans or concept plans. The TOD Strategy for the San Leandro BART Station did not recommend changes to right of way widths, but did include streetscape, sidewalk, and parking changes to make the existing streets more pedestrian friendly. These improvements are now being implemented, with a State Proposition 1C grant providing much of the funding.

Site improvements on small infill sites (where no interior street system is required) are usually minimal. As needed, such projects typically require curb and gutter replacement, tree planting, and sidewalk repair. In a few cases, such improvements could require dedication of right-of-way for improvement of the adjoining street.

Conclusions. Site improvement requirements do not constitute a development constraint. Because much of the city's development capacity is located on previously developed commercial sites, the need for new on-site street and utility systems will be minimal in the future.

Growth Control Measures

There are no growth control ordinances in San Leandro. However, the City's ability to annex and develop land to its east is constrained by Measure D, an initiative approved by Alameda County voters in 2000. The measure established a countywide urban growth boundary and strongly discouraged the annexation of rural open space for future residential development by the county's 14 cities. Measure D effectively precluded development on the 58-acre former San Leandro Rock Quarry on Lake Chabot Road east of the city. Proposals for "executive" housing had been considered for the site in the 1990s, and a General Plan Amendment had been proposed. The quarry is designated for Open Space on the San Leandro General Plan and is zoned for agriculture.

Measure D has no sunset clause and is expected to remain in effect throughout the planning period. The Measure is administered by the Alameda County Planning Department, with no involvement by the City of San Leandro (the quarry site is likewise outside the City's sphere of influence and is under County jurisdiction).

The Alameda County urban growth boundary may be changed in one of two ways. The first requires a countywide vote and the second requires annexation by an adjacent city. Thus, development of the rock quarry could conceivably occur if the site was annexed by San Leandro. This would require an amendment to the sphere of influence by the Alameda County Local Agency Formation Commission

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(LAFCO) and a General Plan Amendment by the City Council. Even if this occurred, the quarry area is not well situated for affordable or higher density housing. The site is located in a high wildfire and landslide hazard area near the Hayward Fault, and is more than 2 miles from the nearest BART station.

Conclusions. Measure D does not represent a constraint to affordable housing development in San Leandro. However, it does limit opportunities for high-end “executive” housing in the city.

Public Funding Resources for Affordable Housing

The on-going challenge in high cost regions such as the Bay Area is that the demand for affordable housing far exceeds available public and non-profit resources. With the elimination of redevelopment agencies and continued reduction of state and federal grant programs, the amount of public funding available for housing has been further diminished. In the past five years, the City has benefited from federal stimulus dollars, both in the funding of a Neighborhood Stabilization Program (to purchase and rehabilitate foreclosed properties) and a Homelessness Prevention and Rapid Re-housing Program. However, these were limited duration programs and the funding on both has ended. Looking to the future, the City faces the challenge of meeting growing demand with fewer public resources.

The federal low-income housing tax credit program, which has been the largest creator of affordable rental housing units nationally since its inception in 1986, has become the most important tool for financing affordable housing development. It provides tax credits to the private sector for the construction of new affordable housing and for the acquisition and rehabilitation of existing multi-family housing for conversion to affordable housing. Similar programs have been established by the State of California. The tax credit programs are critical to the success of affordable housing developers and other developers, who sell credits to corporations and private investors or receive the equity from one of a number of investment entities.

To be eligible for a tax credit, 20 percent of the units must be rented to very low income households or 40 percent of the units must be rented to low income households (at 60 percent of areawide median). California law requires that these levels of affordability remain for at least 55 years. Low income housing tax credits were recently used by the developer Standard Lakeside GP to acquire and refurbish the 840-unit Lakeside Apartments and convert the property to affordable housing.

Other important public funding sources include the Community Development Block Grant (CDBG) program, which provides an annual grant to San Leandro for a variety of community development activities, including housing construction and infrastructure development. CDBG funds can be used by the City to help fund site acquisition and improvement, make loans and grants to lower income residents, assist with energy conservation activities, support fair housing programs, assist homeless residents, and provide housing counseling and other similar programs. The City is also a member of the Alameda County HOME Consortium, a federal block grant program designed exclusively to create affordable housing for lower income households. HOME funds are used to acquire, rehabilitate, and construct new

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multi-family rental housing, assist the homeless at those at risk of becoming homeless, and assist Community Housing Development Organizations.

San Leandro also participates in the Alameda County Mortgage Credit Certificate program, which provides financial assistance to first-time homebuyers through a federal income tax credit. It also supports private and non-profit property owner participation in the HUD Section 8 program. Section 8 assists very low income families by providing vouchers or certificates to assist in securing housing. The participant is free to choose any housing that meets the requirement of the program and is not limited to units in subsidized housing projects. Households are provided with vouchers that are paid to private market-rate landlords, who are then reimbursed by HUD. In 2014, San Leandro had 1,506 households using Section 8 vouchers and certificates, or about 5 percent of the City's total households.

Conclusions: The City's ability to sponsor new housing programs was adversely affected by the recession of 2007-2010, and the accompanying loss of property tax revenues and General Fund dollars. Housing programs were further impacted by a reduction in state and federal funding over the period. The loss of Redevelopment Agency dollars dealt a further blow to the City's housing resources, and resulted in the elimination of several longstanding programs. The City is committed to seeking alternative funding sources for these programs and has dedicated General Fund dollars (as well as CDBG and HOME dollars) to programs formerly funded with Redevelopment funds. The use of low income housing tax credits as an alternative to direct public subsidies offers a promising alternative. Similarly, the City is continuing to seek investment by for-profit and non-profit developers to create the types of housing most needed in the community.

non-governmental constraints

Infrastructure

In some communities, the ability to provide road, water, sewer, storm drainage, and other services to development sites may be a substantial constraint to housing production. This is less true in San Leandro than in cities on the Bay Area's fringe since most of the city's housing sites are in redevelopment areas that are already served by infrastructure. San Leandro is not contemplating "greenfield" development and is focusing its efforts on properties that are already served by water and sewer. Nonetheless, the conversion of older commercial sites to housing will change the type and extent of services that are required. Moreover the City's infrastructure is aging and requires regular repair and improvement. An evaluation of infrastructure adequacy is still important.

Roads. As a built out city in an urban setting, San Leandro experiences periodic traffic congestion on its major streets and highways. The City has adopted a peak hour level of service (LOS) standard of "D" for its signalized intersections. This standard is used to direct capital improvements to areas where congestion is a problem or is expected to be a problem in the future based on projected development patterns. The Level of Service standard also provides a tool for calculating the mitigation that is required as new development is approved.

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Consistent with the requirements of the Alameda County Congestion Management Agency, traffic studies are typically required for projects that would generate more than 100 peak hour trips. This includes most large multi-family housing and mixed use development projects. If a traffic study finds that a project could cause an intersection to deteriorate below LOS D, mitigation measures are required. This usually consists of changes to adjacent roads and intersections, but may also include reductions in the size of the project, changes to site design, or transportation demand management measures (such as transit improvements or bicycle facilities). Like other cities in the Bay Area, the City is considering changes to its LOS methodology to emphasize pedestrian, bicycle, and transit improvements, rather than using auto delay as the sole measure of mobility. The General Plan Update now underway will move this discussion forward, and potentially result in new standards.

The Environmental Impact Report for the 2015 San Leandro General Plan (completed in 2002) indicated that three intersections were operating at unacceptable levels of service (LOS E or F) during the evening peak hour in 2000. It further found that at least 13 additional intersections could deteriorate to LOS E or F by 2015 as a result of future development and a general increase in background traffic. In all but one instance, the EIR concluded that LOS E/F could be avoided by adding turning lanes at the impacted intersections, adjusting traffic signals, and making other improvements along key road segments. Some of these improvements have been (or are being) incorporated into the City's Capital Improvements Program. A revised LOS analysis will be performed as part of the 2035 General Plan Update, taking into account recent changes to the street system, expected future changes, and new development anticipated to take place in the City and the region in the next 20 years.

Similarly, the EIR for the Transit Oriented Development (TOD) Strategy projected increased congestion on streets in the BART station area as a result of the addition of over 3,000 new housing units during the next 25 years. Some reduction in trip generation rates for development in the TOD area is expected, as a greater percentage of future residents in this area will use transit or walk. Nonetheless, four intersections are projected to deteriorate to LOS "F" by 2035. The TOD EIR proposed mitigation measures (such as turning lanes and redesigned streets) to offset most of these impacts, but found that impacts to at least one intersection was significant and unavoidable.

For the most part, the cost of improving local streets will be passed along to developers through the City's DFSI (development fee for street improvements). At its current level of \$1,304 per dwelling unit, the DFSI is not a serious constraint to development. Depending on the scale and location of individual projects, contributions above and beyond the DFSI could be required in the future to address traffic impacts. For example, the City collects an impact fee above and beyond the DFSI fee for projects in the vicinity of the Marina/I-880 interchange, and the Davis/Doolittle intersection. The fee is used to offset the cost of improvements currently underway in both locations.

Traffic is of particular concern on East 14th Street at Dutton, MacArthur at Estudillo, and Davis Street near Hays Street and San Leandro Boulevard. Even after improvements have been completed, additional congestion and time delays are expected at these intersections. Approved projects in Oakland, San

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Lorenzo, Alameda, and Ashland will add trips to city streets and exacerbate congestion. The city will also contend with additional “cut through” traffic as congestion on I-880 and I-580 gets worse and regional traffic diverts to local streets.

Water. Water supply in the Bay Area is severely constrained. The region is entering its third year of drought conditions, and recently experienced its second driest year in history. Customers in the East Bay Municipal Utility District (EBMUD) service area have been asked to cut their water use by 10 percent, and to take immediate steps to reduce water waste and consumption. In the long-run, the Sierra snowpack that provides the city’s water supply is projected to diminish due to climate change and drought. EBMUD is actively pursuing new water supplies, including a joint project with other agencies to draw an additional 185 million gallons per day (mgpd) from the Sacramento River, including 100 mgpd for EBMUD customers during drought years. The District is also exploring desalination, injection wells, and other infrastructure designed to address climate change impacts.

San Leandro and EBMUD have both implemented conservation measures to reduce water waste and use existing water supplies as efficiently as possible. The City is currently using reclaimed water for golf course irrigation and has adopted a Bay-Friendly landscape ordinance to encourage conservation. Additional measures, including graywater use, will be explored in the future. These measures could potentially benefit consumers by reducing water utility bills. On the other hand, the drought has led to higher water rates, which present a hardship for low income households. It has also resulted in increases in water connection rates and system capacity charges for new development, which could affect the cost of housing.

Water utility lines are maintained by EBMUD and are generally in good condition. The utility has been implementing a seismic upgrade project for several years, designed to improve and replace major distribution lines.

EBMUD’s water service delivery projections are based on population and employment forecasts that are generally consistent with ABAG’s forecasts. These are the same forecasts used by the City of San Leandro for planning purposes. EBMUD strongly supports city-centered infill development as a more sustainable alternative to urban sprawl. Moreover, because future development in San Leandro will be constructed at higher densities, less water per capita will be required for landscaping, irrigation, and other non-potable purposes. Promoting denser development is a particularly effective way to reduce related water supply constraints.

Wastewater. About three quarters of the housing sites identified in Appendix A are served by the San Leandro water pollution control plant (WPCP). The other one-quarter (including the southern part of East 14th Street and Bayfair Mall) are served by the Oro Loma Sanitary District plant in San Lorenzo. Both plants have additional capacity and can accommodate new housing development. The San Leandro WPCP has an average dry weather flow of 5.5 million gallons per day (mgpd) and a capacity of approximately 8 mgpd. The EIR for the General Plan and the TOD strategy both concluded that sufficient capacity existed to accommodate the city’s projected population growth.

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A potentially greater constraint is the age and deteriorating condition of the 130-mile wastewater collection system. Parts of the system are prone to infiltration during wet weather, significantly increasing treatment plant inflow during major storms. The City completed a Sanitary Sewer Master Plan in 1995 to identify deficient segments and establish a schedule for improvements. Eight capacity improvement projects and five rehabilitation/ replacement projects were recommended. In addition a cyclic replacement program was recommended to provide for the long-term, gradual replacement of the entire system. Some of the major improvements have been completed, a few are now being built, and others are still being scheduled. The City's Capital Improvement Program includes an annual allocation for sewer line replacement.

The 1995 analysis did not identify major constraints in the East 14th corridor, but did identify a constraint along West Juana Street in the TOD area near the San Leandro BART station. This constraint is being mitigated as part of the development taking place on the east and west sides of the BART Station. Several sewer lines have been upgraded, and other lines are being relocated. The City is currently studying additional capital improvement needs in the TOD area to determine the need for future infrastructure projects. An update of the Sewer Master Plan was initiated in early 2013.

Storm Drainage. Storm drainage studies are performed on a case by case basis for new housing projects, with mitigation measures determined as needed. These improvements are usually minor, since most of the development sites are small and are already served by storm drainage facilities. Moreover, many of the city's future housing sites are already covered by impervious surfaces such as parking lots, storage yards, and car dealerships. Their development with housing could actually reduce stormwater runoff as more permeable surfaces are created.

The City participates in the Alameda Countywide Clean Water program. Requirements for the treatment of urban runoff have increased during the last decade. To date, the requirements have not led to new impact fees (to mitigate water pollution), but they potentially create an additional development cost through requirements for oil and grease separators, flow meters, and other steps to reduce polluted runoff. Any future water quality-related requirements would apply to all Alameda County cities and would not represent a cost that is unique to San Leandro.

Solid Waste. Landfill capacity is not expected to constrain housing production in San Leandro. Like other cities in Alameda County, the City is expanding its recycling, composting, and waste reduction programs to reach and exceed a 75 percent waste diversion goal. As of 2012, the waste diversion rate was 62 percent. Waste reduction programs include construction and demolition recycling, which does represent a small additional cost for developers and contractors. For residential customers, changes to garbage and recycling collection programs have had minimal impacts on total service costs, and have not affected housing prices or constrained development.

Conclusions. Infrastructure capacity does not pose a constraint to housing development in San Leandro, although California's chronic water supply shortage remains a matter of great concern. **EBMUD has**

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sufficient existing and planned capacity to meet water and sewer demands through 2023, and its projections are consistent with the forecasts in this Housing Element. The City will provide EBMUD with a copy of this Housing Element upon its adoption. In most cases, the utility lines themselves have been designed to accommodate expected future levels of population and employment growth. Water and sewer pipe capacity constraints are also mitigated as part of development approval or through the capital improvement program. Individual projects are subject to the requirements of the Subdivision Map Act (and CEQA) and are required to prepare engineering studies prior to construction. Although some off-site improvements may be required, the urbanized nature of most development sites tends to reduce costs. The City's one-stop permitting process ensures a high level of coordination between the various agencies responsible for service delivery and also saves applicants time and money.

The City should continue to direct capital improvement spending to the vicinity of the Housing Opportunity Sites identified in this Element. The TOD area and East 14th Street corridor are particularly high priorities. On East 14th Street, the primary improvements are related to signalized intersections between Downtown and the Oakland city limits. In the TOD area, the improvements relate to road re-design, intersection improvements, and replacement of aging sewer and storm drain lines.

Environmental Constraints

San Leandro's ability to grow "outward" is constrained by environmentally sensitive hillsides on the east and by wetlands and the open waters of San Francisco Bay on the west. Development of the hillsides is not possible because the entire area, with the exception of the former rock quarry is publicly owned. Most of the hillsides are contained within Chabot Regional Park and the Fairmont Ridge Open Space preserve. Development of the wetlands is not possible due to state and federal environmental regulations. With Oakland to the north and San Lorenzo/ Ashland to the south, the city is effectively landlocked. Future development will occur entirely through infill and redevelopment.

San Leandro is located in a seismically active area. Groundshaking and liquefaction hazards exist throughout the city, and range from high to very severe. As in most cities in the Bay Area, more expensive construction methods are required to reduce the risk of earthquake damage, particularly in multi-story buildings. These hazards exist throughout the Bay Area and are not unique to San Leandro. Only three of the sites in the housing site data base are located in the Alquist-Priolo Special Studies Zone (e.g., the zone along the Hayward Fault where special geologic hazard investigations are required before development). These are single family infill sites with a combined capacity of just four units.

Flooding is another environmental constraint that could affect housing production. However, none of the City's Housing Opportunity Sites are in the 100-year flood plain. Flood hazards are primarily limited to the Washington Manor area, a fully developed single family neighborhood with no significant infill potential. One of the Housing Opportunity Sites is located along San Francisco Bay, where rising sea level is a concern. However, the site in question has been identified as having the capacity for three single family units, and is not considered an affordable housing resource. Most of the Shoreline

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Development Plan sites are not located immediately along the waterfront and are on higher ground where flooding is a lesser concern.

Another potential environmental constraint is the presence of hazardous materials in soil and/or groundwater on some of the City's potential housing sites. Some of San Leandro's Housing Opportunity Sites are currently used (or were formerly used) for auto repair, auto sales, or quasi-industrial purposes. The City's housing sites also include a tire shop, a radiator shop, and a marine repair shop. Several sites in the Downtown/TOD area appear on the Department of Toxic Substances Control (DTSC) list as having some level of hazardous material contamination. There are also four groundwater plumes and a number of leaking Underground Storage Tanks. Hazardous materials investigations will be required before these sites are developed and remediation measures may be necessary. This is a potential additional development cost, but will not preclude development. A number of state and federal funding sources exist to offset remediation costs.

Conclusion. Although environmental features limit San Leandro's housing supply and require more expensive construction methods, they do not constrain housing production in the urbanized portion of the city. More than 95 percent of the development capacity identified in this Housing Element is located on flat buildable sites with no flooding or unique seismic constraints.

School Capacity

Although State law prohibits the City from denying development because of school capacity, the effect of school overcrowding on housing production cannot be overlooked. School impacts have consistently been among the public's top concerns when discussing future residential development. This was the case when the 2003 and 2010 Housing Elements were drafted and continued to be an issue when the 2015 Element was drafted. School capacity issues are often a point of contention when housing is proposed, particularly when families with children are expected. In the past, these concerns have galvanized neighborhood opposition.

Like many cities developed in the postwar boom years, San Leandro experienced a decline in school enrollment during the 1970s and early 1980s. Two of its three high school campuses were sold, and a number of elementary and middle schools were closed and redeveloped with housing. Enrollment began increasing in the mid-1980s and accelerated during the 1990s as families migrated to San Leandro and more single family housing was constructed. Between 1984 and 2001, enrollment in the San Leandro Unified School District increased by 45 percent. This increase, compounded with mandatory class size reduction programs, pushed many of the City's schools beyond their physical capacity. School enrollment far exceeded the pace of development in the city and was primarily a result of increasing household size and immigration.¹¹

¹¹ As noted in Chapter 3, during the 1990s, households increased by 4 percent but school enrollment increased by 45 percent.

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Since 2002, enrollment has leveled off. In the 2013-14 school year, the California Department of Education reported that there were 8,673 students enrolled in the San Leandro Unified School District (SLUSD). This is virtually the same number of students that were enrolled 10 years earlier – in 2003-2004, there were 8,653 students in the SLUSD system. During the last 10 years, enrollment has ranged from 8,653 to 8,894 students, although the City's population has increased by more than 5,000 people, including approximately 1,000 children. A growing percentage of San Leandro's children are attending charter schools and private schools, reducing some of the demand on public schools.

Growth has affected some schools more than others. For example, Wilson and Garfield Elementary Schools now has over 700 students each while McKinley, Monroe, and Washington Elementary Schools have fewer than 500. This is significant because the city's future growth will impact some schools more than others. Because of the location of housing sites, Wilson, McKinley, and Washington Schools will be impacted to a greater extent than other elementary schools. Both Bancroft and Muir Middle Schools and San Leandro High School (including the 9th Grade campus) will experience increases in enrollment.

In 2006, San Leandro voters approved Measure B, a \$109 million bond measure to fund modernization and expansion of school campuses. This followed a \$53 million bond measure approved by voters in 2001, as well as \$19 million in various facility improvement grants. In 2010, voters approved Measure M, providing another \$50.1 million for school improvements.

Measure B provided funds to increase school capacity, including the addition of a ninth-grade campus to alleviate overcrowding at San Leandro High School. Measure M included funding to renovate the Pacific Sports Complex and Burrell Field, creating a swim center at the high school, building a new track and field at Muir Middle School, and upgrading play structures and par courses at most of the District's campuses. The focus of Measure M was on facility modernization rather than adding classroom capacity. Portables continue to be used in lieu of permanent classrooms at many schools. Many basic facilities, such as gymnasiums, libraries, and cafeterias, are inadequate to serve current and projected student needs. Future state and local bond measures may be needed to further expand capacity to accommodate growth.

The addition of 2,287 housing units—as contemplated by the ABAG Regional Housing Needs Allocation—would generate additional demand for classroom space and school facilities. The San Leandro Unified School District relies on a state multiplier of 0.7 students per unit for new housing, yielding relatively high forecasts for student growth. The City, meanwhile, differentiates between single family and multi-family construction, and between affordable and market-rate units. Since most future housing in San Leandro will consist of high-density transit-oriented units, student yields are projected to be relatively small.

The EIR for the TOD Strategy presumed yields of 0.175 to 0.25 students per unit. High-density projects in nearby cities show yields ranging from 0.05 students per unit in market-rate projects to 0.55 students per unit in affordable family rental projects. Using the midpoint of this range (0.30 students per unit) would yield nearly 700 new students. However, a high generation rate (0.70 students per unit) would yield 1,600 students. Whether or not these students attend San Leandro Unified schools (vs private

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schools, charter schools, or out of district schools) depends on a number of factors, including educational quality and the availability and cost of alternatives.

About one-quarter of San Leandro's homes are located in the San Lorenzo Unified School District. This district has also experienced an increase in enrollment in the past two decades, although the capacity constraints have been more manageable. In the past, San Lorenzo Unified has reopened a shuttered elementary school and reconfigured grades at the elementary and middle schools to alleviate overcrowding. Looking forward, only about 15 percent of the housing capacity in San Leandro is located in San Lorenzo Unified, so future constraints are expected to be less severe. The greatest impacts will be associated with housing in the Bayfair BART area.

There are no easy solutions to the school capacity issue. Both districts have conducted justification studies enabling them to collect the maximum fees permitted under state law. Pursuant to SB 50 and Proposition 1A, both districts collect \$3.36/SF for new housing construction, and additional fees for commercial construction. However, these fees are not adequate to cover the true cost of adding school facilities. Moreover, they do not (and cannot) address the fact that much of the enrollment growth has been driven by demographic change rather than new construction.

Conclusions. School capacity will remain a constraint to housing development for the foreseeable future. The City must work in partnership with both School Districts to address capacity issues and explore ways to reduce overcrowding and develop new facilities. Over the years, the City and School Districts have considered a number of options to alleviate capacity constraints. Construction of new facilities through bond measures has been the most effective, but is very expensive. Likewise, portable classrooms provide an effective stop-gap measure but are not viable as a long-term solution.

Among the options that could be considered in the future are:

- Reconfiguring grades to better balance the distribution of students between schools
- Changing school service area boundaries so that students are bussed to schools with excess capacity
- Reducing out-of-district enrollment (there are currently about 300 students who do not live in San Leandro but who attend San Leandro schools)
- Development memoranda of understanding (MOUs) with other districts (i.e., San Lorenzo Unified) to accept San Leandro students
- Encouraging charter and private schools
- Leasing vacant commercial and/or industrial space for classrooms or other facilities

The City and School Districts will need to monitor enrollment to determine the relative effects of demographic change. The issue of educational quality is also becoming more important, particularly as the City searches for ways to attract more market rate development. During the 2015-2023 Housing Element Update, community members pointed out the importance of having quality schools to attracting higher end development and meeting the above moderate income housing targets. An ongoing dialogue between the City and both school districts will continue to be very important as these issues are addressed.

Land and Construction Costs

The high cost of land is a constraint to the production of affordable housing in San Leandro. There are almost no residentially zoned vacant lots left in the city, and those that exist typically cost more than \$200,000. Costs for multi-family sites, or for vacant and/or underutilized commercial sites with housing potential, are even higher. Such parcels typically exceed \$1 million per acre. On some sites, there may be added expenses associated with the demolition and removal of existing structures, or remediation of contaminated soil.

Construction costs in San Leandro are also expensive, as they are throughout the Bay Area. Typical new construction costs now average \$200-300 per square foot. The unit cost for residential additions and remodels is even higher. Based on recent new construction projects in the East Bay, a 2,000 square foot house would cost approximately \$450,000 in labor and materials to construct. Adding the cost of permits and land, as well as “soft costs” such as architect’s fees and marketing, the sales price would be \$650,000. The cost of building a two-bedroom multi-family unit is less than half that amount, although actual costs vary depending on the size and location of the project and the unit’s amenities.

Given the current state of the market in San Leandro, it is difficult to construct and then sell a brand new house at a profit. The costs of land and construction are simply too high relative to the return on investment. The exception may be for high-end custom homes in the hills or modular/pre-fabricated homes on infill lots in the flatlands. In the former case, higher sales can be commanded because of views, limited supply, and other amenities. In the latter case, unit costs may be lower but the sales price would also be lower, leading to a very modest profit margin.

Conclusions: Although market prices are recovering, the high cost of land, labor, and materials still constrain new residential construction in San Leandro. During the 2015-2023 Housing Element update, there was extensive discussion of the City’s position within the East Bay market and the profit margin associated with building in San Leandro compared to other East Bay submarkets. New construction in the city does not command the very high prices associated with nearby markets (such as Fremont, Pleasanton, and San Mateo). The City is also not perceived as having a vibrant high-end condominium market. An action program in this Housing Element calls for continued discussion with local developers about ways to stimulate market-rate rental and for-sale executive housing production.

Financing, Interest Rates, and Credit

The affordability of housing is affected by prevailing interest rates, mortgage lending practices, and the availability of credit. Mortgage rates have recently dropped to historic lows, creating excellent opportunities for first-time buyers and homeowners of all incomes seeking to refinance. However, a large percentage of homeowners (or would-be buyers) find themselves ineligible for these rates due to more restrictive lending practices and credit terms.

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Current interest rates create an opportunity rather than a constraint for many San Leandro residents, particularly those with good credit and savings. In August 2014, mortgage company Freddie Mac reported that the average 30-year mortgage interest rate had dropped to 4.1 percent. Assuming a 10 percent downpayment, and a loan of \$405,000, the monthly principal and interest payment on a \$450,000 house would be \$1,960 a month. As recently as 2007, with interest rates of 6.5 percent range and median prices over \$500,000, monthly payments on the same property would probably have exceeded \$3,000. The challenge today is that qualifying for this interest rate and loan could require a higher downpayment and a higher income than it would have a few years ago.

For many moderate-income households, assembling a 10 or 20 percent downpayment is an obstacle to home ownership. A 20 percent downpayment could be the equivalent of an entire year's salary for many households. In the past, the City's downpayment assistance programs have helped many owners bridge this gap. However, this program was defunded when the Redevelopment Agency was eliminated. The County continues to provide Mortgage Credit Certificates to low and moderate income buyers, but funding availability is very limited.

Mortgage lending practices may also impact the local housing market. Although racial discrimination and geographic discrimination (also known as "redlining") are illegal, such practices may continue to have subtle influences on lending. Even in the absence of discrimination, lower-income households may have difficulty qualifying for home loans due to insufficient income or credit history.

Conclusions: Recent changes in mortgage lending practices have had both positive and negative effects on consumers. For households with good credit history, stable employment, and ample savings, the current market presents ownership opportunities that were not available eight years ago. However, lower interest rates are being counterbalanced by rising housing prices and slower increases in wages. The City has discontinued its first-time homebuyer loan program due to the loss of Redevelopment dollars. An action program in this Housing Element calls for restoration of funding, but there may be more urgent priorities as the affordability gap grows for lower income renters.

Public Opinion

Another constraint to housing production in San Leandro is community opposition to higher-density or affordable housing. Such objections may be based on legitimate concerns about traffic, parking, school overcrowding, police and fire response times, fiscal impacts, and other issues. However, they may also be based on misinformation and misconceptions about affordable housing, or concerns about the appearance and quality of such housing that can be directly mitigated.

Many of the higher density housing projects in San Leandro were built during the 1950s, 60s, and 70s. The quality of construction during this era was variable. Some buildings were constructed with cheap materials, a lack of architectural detailing, and little attention to context, creating a negative image of higher density housing in San Leandro neighborhoods. The ubiquitous "motel style" buildings, oriented perpendicular to the street on lots formerly occupied by single family homes, are sometimes cited as the

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reason that more multi-family housing should be discouraged. Maintenance on some rental properties in the city has been inconsistent. Some have been the source of persistent neighborhood complaints and code enforcement action. The City's rental rehabilitation project has been effective at abating some of these problem properties, and creating an affordable housing resource in the process.

It has now been 30 years since the last large-scale market-rate multi-family rental project was developed in San Leandro. Residents have become accustomed to two predominant types of new housing: (a) single family townhomes/ patio homes on small lots and (b) low-rise multi-family senior housing and affordable housing developments. The prospect of hundreds of new multi-family rentals, condominiums, and other new high-density housing types represents a paradigm shift for San Leandro.

Conclusion. The potential for community opposition means that good design and planning are essential in high-density projects. It requires early consultation with the public, close collaboration with neighbors and homeowners associations, genuine respect for public concerns, and public education as to the need for and benefits of affordable and higher density housing. Design guidelines and standards will become increasingly important. Community benefits such as parks and child care facilities will become more important components of new projects. High-quality architecture, "green" construction, good tenant screening processes, and commitments to maintenance and upkeep will all be important. Continued attention to public input will be critical.

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6. HOUSING GOALS, OBJECTIVES, POLICIES, AND ACTIONS

The California Government Code requires the Housing Element to contain “a statement of goals, quantified objectives, and policies relative to the maintenance, preservation, improvement, and development of housing” (Section 65583(b)(1)). This chapter fulfills that requirement. It builds upon the information presented in previous chapters to provide direction on key housing issues in San Leandro.

The Element’s nine goals define the major topic areas covered. These are:

- New Housing Opportunities
- Affordable Housing Development¹
- Administration of Housing Programs
- Home Ownership
- Affordable Housing Conservation
- Healthy Homes and Sustainable Neighborhoods
- Special Needs Populations
- Elimination of Housing Constraints
- Fair Housing

The first of these goals was adopted by the City in 2002 as part of the Land Use Element of the General Plan. It is repeated here because it is relevant to the mandatory topics covered by the Housing Element. The next eight goals are unique to the Housing Element. Where appropriate, policies in other parts of the General Plan have been cross-referenced to demonstrate internal consistency and identify other parts of the Plan where housing issues are addressed. In the event these policies are changed through the General Plan Update now underway, the Housing Element will be amended to ensure internal consistency.

Numerical objectives have been developed for several of the goals. Each objective represents a target for the number of housing units to be preserved, improved, or developed—or the number of households to be assisted—during the time period covered by this Plan. The objectives provide a way to measure the City’s progress toward the implementation of the Element.

Each of the Element’s goals is also accompanied by policies and action programs. The policies are intended to guide day-to-day decisions on housing, while the actions identify the specific steps the City will take after the Element is adopted. Some of the actions are followed by narrative text providing further detail on the steps to be taken after the Housing Element is adopted.

¹ Unless otherwise indicated, references to “affordable housing” in this chapter refer to housing that requires no more than 30 percent of a household’s income for extremely low, very low, low, or moderate income households. Occupancy of such housing is typically limited to persons with incomes below thresholds set by the US Department of Housing and Urban Development and the California Department of Housing and Community Development, although some smaller and/or older units may be considered “affordable by design” as their market rents or sales prices place them within the affordability ranges of lower and moderate income households.

land use element goals relating to housing

GOAL 3: NEW HOUSING OPPORTUNITIES

Provide housing opportunities and improve economic access to housing for all segments of the community.

Policies and Actions	Implementation Strategies
<p>Policy 3.01 MIX OF UNIT TYPES Encourage a mix of residential development types in the city, including single family homes on a variety of lot sizes, as well as townhomes, row houses, live-work units, planned unit developments, and multi-family housing.</p>	<ul style="list-style-type: none"> • Development Review • Zoning Code
<p>Policy 3.02 MIX OF PRICE RANGES Encourage a mix of price ranges to provide housing choices for San Leandro residents of all incomes and ages. Opportunities to include affordable units and market rate units within the same development projects should be pursued.</p>	<ul style="list-style-type: none"> • Development Review • Housing Programs • Public/Private Partnerships
<p>Policy 3.03 AFFORDABLE HOUSING DESIGN Design new affordable housing to blend in with the existing fabric of the community. Affordable housing should be located in a variety of neighborhoods rather than concentrated in one particular part of the City.</p>	<ul style="list-style-type: none"> • Design Guidelines • Development Review
<p>Policy 3.04 PROMOTION OF INFILL Encourage infill development on vacant or underused sites within residential areas.</p>	<ul style="list-style-type: none"> • Development Review • Zoning Code
<p>Policy 3.05 MIXED USE ON TRANSIT CORRIDORS Encourage mixed use projects containing ground floor retail and upper floor residential uses along major transit corridors. Such development should be pedestrian-oriented, respect the scale and character of the surrounding neighborhood, and incorporate architectural themes that enhance the identity of adjacent commercial districts.</p>	<ul style="list-style-type: none"> • Design Guidelines • Specific Plans • Zoning Code
<p>Policy 3.06 HOUSING BY NON-PROFIT DEVELOPERS Promote the participation of non-profit housing organizations in the construction of new affordable housing in San Leandro, with particular emphasis on housing for seniors and working families.</p>	<ul style="list-style-type: none"> • Housing Programs • Public/Private Partnerships

ADOPTION DRAFT

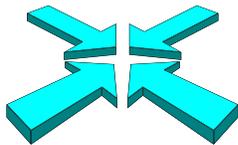
Policies and Actions	Implementation Strategies
<p>Policy 3.07 AMENITIES AND SOCIAL SERVICES WITHIN NEW HOUSING Encourage new affordable housing development to provide amenities for future residents, such as on-site recreational facilities and community meeting space. Where feasible, consider the integration of social services such as child care within such projects.</p>	<ul style="list-style-type: none"> • Housing Programs • Public/Private Partnerships
<p>Policy 3.08 LIVE-WORK DEVELOPMENT Provide opportunities for live-work development as a buffer land use between residential and non-residential areas, and to provide a housing resource for artists, craftspersons, and persons working from home. The design of live-work projects should be sensitive to the surrounding areas.</p>	<ul style="list-style-type: none"> • Development Review • Municipal Code and Ordinances • Zoning Code
<p>Policy 3.09 EXECUTIVE HOUSING Encourage the provision of a significant amount of executive housing as part of an effort to maintain and diversify the City’s economic base.</p>	<ul style="list-style-type: none"> • Development Review
<p>Policy 3.10 CONVERSION OF NON-RESIDENTIAL LAND TO HOUSING AND PUBLIC USES Encourage the development of new housing on underutilized commercial and industrial sites which meet the following criteria:</p> <ul style="list-style-type: none"> • Sites on the edges of commercial or industrial areas, adjacent to established residential areas. • Sites where continued use with commercial or industrial activities could perpetuate existing land use conflicts. • Sites with adequate infrastructure, access, and road capacity. • Sites which are not constrained by external environmental factors, including freeway, railroad, and airport noise. • Sites where conflicts with surrounding uses would not be created in the event of re-use. • Sites which lack “prime” qualities for commercial or industrial development, such as direct freeway or rail access. • Publicly-owned land which is not being used to its fullest potential. <p>Sites meeting the above criteria should also be considered for churches, libraries, parks, community facilities, and other uses that provide necessary services and advance the quality of life in the community.</p>	<ul style="list-style-type: none"> • Development Review • Specific Plans • Zoning Code

housing element goals, policies, and actions

Goals in the other elements of the General Plan are sequentially numbered from 1 through 52. The Housing Element begins with Goal 53 and continues through Goal 60.

GOAL 53: AFFORDABLE HOUSING DEVELOPMENT

Increase the supply of ownership and rental housing in San Leandro affordable to extremely low, very low, low, and moderate income households.



Quantified Objectives for Goal 53:

1. Facilitate the development of 200 units of very low income housing in the Cornerstone Apartments (BRIDGE Housing) development by 2017
2. Facilitate the development of at least 304 additional units affordable to very low income households, 270 new units affordable to low-income households, and 352 new units affordable to moderate-income households between January 1, 2014 and October 31, 2022 to satisfy the City's ABAG Regional Housing Needs Allocation.
3. Of the 304 very low income units, strive to achieve occupancy of at least half (152 units) by extremely low income households. This would include a combination of units that are explicitly reserved for extremely low income households and units that serve all households with incomes less than 50 percent of AMI.

Policies and Actions

Implementation Strategies

Policy 53.01 LAND SUPPLY

Provide and maintain an adequate supply of land to accommodate the City's fair share housing assignment for the 2014-2022 period, as determined by ABAG.

- Zoning Code
- General Plan

Policies and Actions**Implementation Strategies****Action 53.01-A: Downtown TOD Strategy Implementation**

Continue to promote the San Leandro BART Transit Oriented Development (TOD) Area as a major regional opportunity for mixed use development and ABAG Priority Development Area (PDA). *The EIR for the TOD Strategy, certified in September 2007, provides for the development of 3,431 housing units, 718,000 square feet of office space, and 121,000 square feet of retail space. The number of potential residential units has decreased slightly following the approval of a corporate tech campus in lieu of housing on the west side of the BART station, but the TOD area continues to have a large number of vacant and underutilized housing sites. The City will continue to market the development opportunities in this area, work with property owners to facilitate development, and continue to improve the pedestrian environment, streetscape, and circulation system as a way to attract investment.*

Action 53.01-B: Bay Fair BART

Work with BART to further develop and refine transit-oriented development plans for the area around the Bay Fair Station, including the BART parking lots and adjoining underutilized private and public properties.

In 2014, the Metropolitan Transportation Commission (MTC) awarded a \$440,000 Priority Development Area (PDA) Planning Grant to San Leandro to prepare a specific plan or area plan for the area around the Bay Fair BART station. The study area includes Bayfair Mall, other community and neighborhood shopping centers, and a mix of other commercial and residential uses within one-half mile of the Bay Fair BART Station. One of the objectives of the plan will be to achieve official regional designation as a Priority Development Area, making the area eligible for additional funds to improve infrastructure and streetscape features. The Plan will provide a blueprint for the area's transformation from an auto-oriented shopping area to a "transit village" with housing, retail, office, civic, and other uses. Completion of the Plan is expected in 2016-2017.

Following completion of the plan for this area, zoning changes that would facilitate additional residential development are anticipated. While the number of potential units is unknown at this time, a 2007 Access study by BART presented three options ranging from 500-740 units. This was for a more narrowly defined area than the current study area, so the capacity to be identified in the upcoming plan is expected to be higher. To be conservative, the City is assuming capacity for 500 units here by 2022. This figure may be increased during the forthcoming public planning process.

*Changes to the General Plan Map will be made as needed to reflect the outcome of the upcoming planning process. At minimum, the new Plan should lead to the rezoning of the 11-acre Bay Fair BART Station parking lot from its current designation (Public/ Semi-Public) to a zoning district which encourages and promotes high-density mixed use development. The designation should establish a minimum density of 40 units per acre to maximize the potential use of this site for multi-family housing development. **The new zoning should be in place by 2018, within one year after the Plan is adopted.***

Policies and Actions

Implementation Strategies

Action 53.01-C: Upper Washington Corridor and MacArthur Blvd Rezoning

Consistent with the San Leandro General Plan, rezone the following “CC” areas for Mixed Use development:

- Washington Street between Castro Street and San Leandro Boulevard (excluding properties zoned RD and RM)
- MacArthur Blvd between Durant Street and Foothill Boulevard

Although multi-family housing is already a conditionally permitted use under the existing Community Commercial (CC) zoning, the mixed use zoning would allow multi-family housing and mixed use development by right, establish minimum (in addition to maximum) densities, potentially improve the pedestrian scale and street environment, and expedite the reuse of vacant and under-developed properties on these two corridors. The rezoning should take place by 2017, within one year of General Plan adoption.

Action 53.01-D: Shoreline Area Housing Opportunities

Complete a planning study for the San Leandro Marina area which includes opportunities for new housing at a variety of densities. Following consideration by the Planning Commission and City Council, make appropriate zoning changes which would enable the construction of additional housing units in this area.

Policy 53.02 HOUSING PROXIMITY TO TRANSIT

To the greatest extent feasible, locate future higher density housing in areas that are served by transit, especially BART and frequent bus service. Transit availability not only achieves regional air quality, congestion management, and greenhouse gas reduction goals, it also reduces household transportation expenses and provides more disposable income for housing. The City should lobby strongly for high-quality, premium AC Transit service along the East 14th Street and San Leandro Boulevard corridors so that bus service remains a viable means of transport.

- Zoning Code
- General Plan

Policy 53.03 FUNDING

Actively pursue and leverage private, non-profit, and public funds to facilitate the development of housing affordable to lower and moderate income households in San Leandro. Provide administrative and technical assistance to affordable housing developers and support the applications of these developers for loans, grants, tax credits, and other financing sources that facilitate affordable housing production in the City.

- Annual HOME and CDBG Funding
- Housing Programs

Action 53.03-A: Applications for Grant Funding

Continue to pursue all available funding sources for affordable housing construction, including annual applications for federal CDBG and HOME funds, and applications for state funds through the Department of Housing and Community Development.

The City will continue to participate as a member of the Alameda County HOME Consortium in applications for federal funds. The City will also continue to explore alternatives to make up for the revenue lost when the Redevelopment Agency was eliminated. Among the new state funding sources to be explored are the Proposition 41 funds to acquire, construct, rehabilitate and preserve affordable housing for veterans and their families. Approximately \$545 million in Prop 41 funds will be available statewide in the next seven years. The City will also explore funding to facilitate new housing development through HCD's Infill Infrastructure Grant Program and its TOD Housing Program. Based on a 2014 Senate Budget Review Committee proposal, approximately 20 percent of the funds collected through the State's cap-and-trade program may be earmarked for affordable housing in transit-oriented development.

Action 53.03-B: Support for Non-Profit and For-Profit Affordable Housing Developers

Continue to provide support and information to non-profit and for-profit developers seeking to create affordable housing in San Leandro, including assistance in applications for Low Income Housing Tax Credits, Mortgage Revenue Bonds, Affordable Housing Program funds, and other funding sources.

Local non-profit affordable housing developers and for-profit housing developers will be encouraged to participate in the formulation of the city's housing policies and programs.

Action 53.03-C: Affordable Housing Trust Fund

Maintain a local affordable housing trust fund that is capitalized with in-lieu fees from the inclusionary housing program and condo conversion fees.

The fund should be used to leverage affordable housing development in San Leandro.

Action 53.03-D: Affordable Housing Bonds

Support affordable housing bond measures at the State and County level. Lobby for and participate in discussions of such bonds if and when they are being developed or proposed.

Policies and Actions

Implementation Strategies

Policy 53.04 INCLUSIONARY HOUSING

To the extent permitted by law, require the inclusion of housing **affordable to moderate, low, and/or very low income households** in new housing developments or the payment of an in-lieu fee which creates a funding source for affordable housing. Modify ordinances as needed to make these requirements clearer and more effective.

- Inclusionary Housing Ordinance

Action 53.04-A: Housing Nexus Study

Prepare a nexus study, either independently or collaboratively with other cities, to support an adjustment to the inclusionary housing in-lieu fee and/or an Affordable Rental Housing Impact Fee.

The City must periodically prepare a nexus study to determine the amount of the in-lieu fee that is collected under its inclusionary housing law. This action calls for such a study, but its scope would be expanded to also determine the feasibility of an impact fee on other types of development to generate funds for affordable rental housing. Recent court decisions preclude cities in California from applying inclusionary housing laws to rental housing. The loss of redevelopment funding and rapid increase in apartment rents has exacerbated the situation. As a result, some cities in the Bay Area have adopted affordable housing “impact fees” instead of “in lieu fees.”

Enacting an impact fee (and adjusting the inclusionary housing fee) requires that cities first conduct a nexus study that demonstrates the relationship between new housing and jobs and the need for affordable housing. Given the cost of undertaking such a study, some cities are choosing to pool their resources and fund them collaboratively. The study does not obligate the City to adopt an affordable housing impact fee; it merely would establish the amount of a potential fee and the legal foundation for its adoption.

The action itself calls for a nexus study to be completed within two years. The study would estimate the increase in demand for affordable housing resulting from new commercial and residential development and the maximum fee per square foot (or unit) that the City could charge to offset that impact. The City Council would then hold hearings to determine if a fee should be adopted, and what the amount would be.

Action 53.04-B: Revisions to Inclusionary Housing Ordinance

Revise the Inclusionary Housing Ordinance (Zoning Code Article 30) to incorporate “lessons learned” since its adoption.

It may be desirable to amend the Ordinance so that it is more responsive to market fluctuations. The aim of the revision should be to increase the production of affordable units while still achieving geographic dispersal of affordable housing across the city.

Changes to the Ordinance should consider:

- *making it easier to contribute to the Affordable Housing Trust Fund rather than incorporating inclusionary units on site. Such a change could enable deeper levels of subsidy for affordable housing development and increase the supply of very low and extremely low income units when above moderate income housing is built.*
- *allowing developers to acquire and refurbish foreclosed properties and resell them as income-restricted inclusionary units (in lieu of developing new units).*
- *modifying the way inclusionary requirements are calculated, rounding “up” rather than “down” for fractional assignments over 0.5.*
- *capturing “partial” units (0.1 through 0.4) in projects with seven or more units through in-lieu fees (for example, a 9-unit project currently only has to provide one unit and pay no fee, even though 15 percent of nine units is 1.35 units.).*
- *adjusting the percentages of owner-occupied units targeted to low- versus moderate-income households based on market conditions.*

The City will ensure that any revisions to the Ordinance are made with input from developers, builders, realtors, and housing advocates in the San Leandro area, as well as the community at large.

Policy 53.05 SITE ASSEMBLY

Actively work with willing property owners and developers to assemble underutilized parcels to create more viable sites for future housing development.

- Business Development Programs

Action 53.05-A: Marketing of Housing Development Opportunities

Prepare promotional print and web-based materials advertising residential and mixed use development opportunities in the city, particularly around the Downtown and Bay Fair BART Stations and along the East 14th Street corridor. Continue to pursue grant funding for visual simulations and other educational media which illustrate high-density housing prototypes (especially along East 14th Street and around the BART Stations) and respond to neighborhood concerns about higher density housing.

Policies and Actions**Implementation Strategies****Action 53.05-B: Downtown Housing Sites**

Facilitate land assembly and/ or mixed use development, including housing, on the following two sites:

- Town Hall Square (block bounded by Davis, Hays, and East 14th)
- CVS (1188 East 14th)

The Town Hall Square site includes about a dozen parcels, including several owned by the City and others owned by private parties. Some of the buildings on the block are still occupied and others are vacant. The City will continue working to acquire the remaining properties from willing sellers. The Downtown TOD strategy identified this site as having the potential for as many as 148 housing units, with ancillary ground floor commercial uses. The site inventory in Appendix A uses a lower buildout estimate (89 units), recognizing that this site requires lot consolidation and that not all parcels may be available for reuse.

The CVS site contains an active drug store that will be vacated after a new CVS opens in the new Village shopping center. The store adjoins a City-owned parking lot and two older offices. The TOD Strategy identified the CVS site and adjacent parking lot and offices as having the potential for 135 housing units, with ancillary commercial uses.

Policy 53.06 NEW RENTAL HOUSING

Strongly encourage the development of additional rental housing in the City, including both market rate units and affordable units. It should be recognized that many *market rate* rentals meet the affordability criteria for moderate-income households. Expanded production could increase the supply of workforce housing and address the deficit in housing production for households earning between 60 and 120 percent of the area median income.

- Development Review
- Housing Programs

Action 53.06-A: The Cornerstone Apartments

Facilitate the completion of the 200-unit Cornerstone Apartments on the 2.2 acre site at West Juana Avenue and San Leandro Boulevard currently used for BART parking. *The development will contain 115 units for very low income families, 85 units for very low income seniors, and ancillary facilities including a child care center and replacement parking for BART.*

ADOPTION DRAFT

Policies and Actions

Implementation Strategies

Action 53.06-B: Encouraging Market Rate Rentals

Develop strategies to attract additional market rate rental apartment development to San Leandro.

Since it has now been more than 25 years since any substantial market rate rental apartment development has occurred, San Leandro will explore approaches to attract such development in the coming years. This could include direct outreach to major apartment developers, and incentives to encourage apartment development on key opportunity sites Downtown, along East 14th Street, and in the Bay Fair area. The City is particularly interested in market rate rentals that meet the needs of moderate-income and above moderate income professionals, given the limited range of options for such persons in San Leandro today.

Policy 53.07 HOUSING FOR THE SAN LEANDRO WORKFORCE

Improve San Leandro’s jobs/ housing balance by providing additional housing units appropriate for persons who are locally employed. To the extent possible, a significant share of future housing units should reflect current wages in the city and be marketed to the local workforce in order to reduce commute times and vehicle miles traveled. This could include promotion of new housing opportunities by major employers, housing advertisements and notices at local workplaces, increased outreach to local employers by non-profit and for-profit developers, and the development of housing suitable for workers in the technology sector and other growing sectors of the San Leandro economy.

- Business Development Programs
- Public/Private Partnerships

Policy 53.08 CONDOMINIUM AND CO-OP DEVELOPMENT

Promote the development of new condominiums and cooperatives as more affordable alternatives to single family detached housing for those seeking home ownership. Work with local developers to address the financial, legal, and market conditions which have impeded such development in the recent past

- Housing Programs
- Business Development Programs

Policy 53.09 MANUFACTURED HOUSING

Continue to permit manufactured or mobile homes in any residential zoning district, subject to a Certificate of Compatibility from the Zoning Enforcement Official. Encourage the production of such units as a way to meet the need for “workforce” housing in the city.

- Building Code
- Zoning Code

ADOPTION DRAFT

Policies and Actions

Implementation Strategies

Action 53.09-A: Additional Allowances for Mobile Home Parks

Amend Section 2-510(B) of the San Leandro Zoning Code to make “manufactured home parks” a conditionally permitted use in the RD zone, in addition to the RM zone (where it is already permitted).

Policy 53.10 BUSINESS COMMUNITY PARTICIPATION

Encourage the participation of the business community in developing creative and mutually beneficial solutions to meeting the City’s housing needs.

- Public/Private Partnerships

Action 53.10-A: Market-Rate Development Focus Groups

Convene one or more roundtable discussions, site tours, or focus groups with prospective developers of market rate condominiums and townhomes, as well as lenders, realtors, economists, and others with knowledge of the local market.

The purpose of this action is to have a continuing discussion about the factors affecting the condo and townhouse market in San Leandro, and steps the City, the development community, lenders, and others can take to create more favorable conditions for development.

Policy 53.11 ATTRACTING INVESTMENT

Actively seek additional investment from the private sector, including foreign investors, to develop market rate and affordable housing in the city. Monitor opportunities to solicit investment and pursue such opportunities when they are identified.

- Public/Private Partnerships
- Business Development Programs

The above policies and actions are further supported by the following policies and actions appearing elsewhere in the General Plan:

- Policy 1.10 (Land Use Element) encouraging secondary units (also known as “in-law apartments” or “granny flats”) in residential areas subject to conditional use permit requirements which ensure that parking, design, and other neighborhood impacts are fully addressed.
- Action 1.10-A (Land Use Element), calling for secondary unit design guidelines.
- Action 13.04-B (Transportation Element), calling for a minimum density of 18 units per acre for any housing development near the BART Stations and along the East 14th Street corridor.
- Action 35.02-A (Environmental Hazards), calling for the enforcement of energy-efficient design standards (e.g., Title 24) in new construction.
- Action 42.04-A (Historic Preservation and Community Design Element), calling for small-lot single family and multi-family design guidelines.
- Action 42.04-B (Historic Preservation and Community Design Element), calling for infill housing design guidelines.

GOAL 54: ADMINISTRATION OF HOUSING PROGRAMS

Ensure that local housing programs are administered in a way that maximizes benefits to San Leandro residents.

Policies and Actions

Implementation Strategies

Policy 54.01 HOUSING SERVICES DIVISION

Maintain a department or division within San Leandro City government that is specifically responsible for housing and coordination with other agencies on housing issues.

- City Operating Procedures

Action 54.01-A: Housing Annual Report

Consistent with State law, prepare an annual report on the City’s progress toward Housing Element implementation.

Action 54.01-B: Monitoring Housing Production

As a component of the Annual Report, include data on the balance between market rate and affordable housing production in San Leandro. Use this data to shape the City’s housing and economic development programs, and to identify funding priorities.

During the last seven years, San Leandro gained more than 1,000 housing units for low and very income households through new construction and the conversion of market-rate rental apartments to affordable apartments. Fewer than 120 new market-rate units were added during this period. While there is an urgent need for affordable housing, there is also a need for moderate and above moderate income housing. Maintaining a balance is an important part of the City’s vision.

*This action would result in a new heading added to the City’s Housing Element annual progress report which assesses the balance between market rate and affordable housing as one factor in setting priorities and allocating the housing program budget for the coming years. **The intent is not to discourage affordable housing production, but rather to encourage housing at all price points and better monitor City progress in meeting housing needs for all income levels, resulting in a well-balanced mix of market-rate units and units with affordability restrictions.***

Policy 54.02 EFFICIENCY OF OPERATIONS

Enlist the assistance of the Alameda County Housing and Community Development Department, local non-profits such as ECHO Housing and the Bay Area Homebuyer Agency, and private organizations in the administration of housing programs where City administration is infeasible or would be inefficient.

- Intergovernmental Coordination
- Public/Private Partnerships

ADOPTION DRAFT

Policies and Actions	Implementation Strategies
<p>Policy 54.03 HOUSING ADVOCACY Ensure that San Leandro is represented on task forces or other forums addressing housing issues at the regional, state, and national levels.</p>	<ul style="list-style-type: none">• City Operating Procedures• Intergovernmental Coordination
<p>Policy 54.04 LONG-TERM AFFORDABILITY RESTRICTIONS Ensure that housing units that are created or rehabilitated with financial assistance from the City (or that are created through the City’s Inclusionary Housing Ordinance) include long-term affordability restrictions. Appropriate resale and tenant occupancy requirements (such as deeds of trust and/or rent limitation agreements) should be established for such units to ensure that they are reserved for low- and moderate-income households when occupancy changes.</p>	<ul style="list-style-type: none">• Housing Programs• Inclusionary Housing Ordinance
<p>Action 54.04-A: Changes to Long-Term Affordability Requirements Engage the City Council in a discussion of possible revisions to the City’s long-term affordability requirements.</p>	
<p><i>The City generally supports the longest affordability terms allowed by law. However, in some cases, such as the renewal of affordability restrictions on “at-risk” units, shorter terms may be acceptable. This is particularly true when the outcome is the creation (or preservation) of affordable units that would otherwise not be possible at all. Where not precluded by state or federal law, the City should consider using a “sliding scale” for affordability terms based on the amount of financial assistance that is provided.</i></p>	
<p>Policy 54.05 RESIDENT PREFERENCES To the extent permitted by law, ensure that persons who live and/or work in San Leandro are given preference when screening applicants for affordable housing units. Wherever feasible, the City will assist non-profit housing developers and other housing service providers responsible for selecting tenants and buyers to give priority to persons who live and/or work in San Leandro.</p>	<ul style="list-style-type: none">• City Operating Procedures• Housing Programs

ADOPTION DRAFT

Policies and Actions

Implementation Strategies

Action 54.05-A: Monitoring Data to Demonstrate Local Needs and Benefits

Continue to collect and report out on data which documents the need for affordable housing among existing San Leandro residents, and the extent to which new affordable units benefit local residents.

Data on homeless students, doubled up households, overcrowding, homelessness, and the former place of residence (and current place of employment) for occupants of new affordable units should continue to be monitored to make a more compelling case for the local benefits of (and need for) such housing. Data also should be monitored to demonstrate San Leandro’s affordable housing production relative to other cities in the region.

Policy 54.06 MUNICIPAL HOUSING FUNDS

Use local housing funds to leverage funding from other public and private sources in the development of affordable housing. Ensure that local housing funds benefit a mix of income levels.

- Public/Private Partnerships
- CBDG/HOME
- General Fund
- City Affordable Housing Trust Fund

Action 54.06-A: Boomerang Funds

Review the feasibility of using “boomerang” funds (locally designated funding for affordable housing from property tax revenues resulting from the elimination of the Redevelopment Agency) for affordable housing development and programs in San Leandro. A report on this issue should be provided to the City Council within two years of Housing Element adoption **and an action to dedicate such funds to housing programs/projects should be taken if deemed appropriate.**

Policy 54.07 PUBLIC ACCESS TO INFORMATION

Use the City website, libraries, GIS applications, local access cable TV, and streaming video to increase public access to information about housing resources and conditions, demographics, land uses and available sites, zoning, proposed development, and building permits. Where feasible, provide multi-lingual and culturally appropriate outreach materials and language/sign interpreters at community forums for non-English speaking residents and/or people with disabilities.

- City Operating Procedures
- Public Education/ Outreach

Action 54.07-A: Web-Based GIS Applications

As feasible, expand web-based GIS applications so that the public can access data about particular parcels and their surroundings via the internet.

ADOPTION DRAFT

Policies and Actions

Implementation Strategies

Policy 54.08 COLLABORATION WITH OAKLAND AND ALAMEDA COUNTY

Continue to work collaboratively with the City of Oakland and Alameda County on issues of mutual concern along the San Leandro border. In the North Area, this should include joint planning efforts to address circulation, parking, truck traffic, neighborhood blight and code enforcement issues along the border between the two cities. In the Bay Fair and Ashland areas, this should include joint efforts with Alameda County to improve the quality of housing, roads, infrastructure, and public space in the unincorporated areas southeast of the San Leandro city limits.

- Intergovernmental Coordination

GOAL 55: HOME OWNERSHIP

Provide opportunities for low- and moderate-income San Leandro households to become homeowners, and support efforts to help such households retain their homes in the event of financial crisis.



Quantified Objectives for Goal 55

1. As funding allows, restore the first-time homebuyers assistance program within five years of Housing Element adoption, and provide assistance to an average of 10 homeowners a year once it is re-established. .
2. Facilitate at least two first-time homebuyers seminars annually between 2015 and 2023.

Policies and Actions

Implementation Strategies

Policy 55.01 COMMUNITY STABILITY THROUGH HOME OWNERSHIP

Enhance community stability by promoting home ownership and creating opportunities for first-time buyers in the City.

- First-Time Homebuyer Program

Policy 55.02 HOME OWNERSHIP FOR SAN LEANDRO RENTERS

Expand programs which help eligible San Leandro renters purchase homes in the community. These programs should focus on moderate-income households (80-120% of areawide median income) but should also provide home purchase opportunities for low-income households.

- First-Time Homebuyer Program
- Mortgage Credit Certificates
- Inclusionary Housing

Action 55.02-A: First-Time Homebuyer Loan Program

As funding allows, restore the City’s first-time homebuyer assistance program, offering low-interest deferred payment loans to qualifying low- and moderate-income households for downpayment assistance or gap financing.

The program was eliminated in 2012 due to the loss of Redevelopment Agency funding. Funding options could include partnering with another jurisdiction or agency on a First Time Homebuyers Loan Program.

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Policies and Actions

Implementation Strategies

Action 55.02-B: Mortgage Credit Certificate Program

Continue to support the Mortgage Credit Certificate (MCC) Program administered by the Alameda County Housing and Community Development Department.

Recipients of MCCs may take 20 percent of their annual mortgage interest payment as a dollar for dollar tax credit against their federal income taxes. The homebuyer adjusts federal income tax withholdings, thereby increasing income available to pay the mortgage.

Policy 55.03 FIRST-TIME BUYER EDUCATION

Inform prospective low- and moderate-income homebuyers of the financial assistance programs available through private lenders, the City, and Alameda County. Provide residents with access to homebuyer workshops and one-on-one homebuyer counseling services.

- Public Education and Outreach
- First-Time Homebuyer Program

Action 55.03-A: First-Time Homebuyer Counseling

Provide support to the Bay Area Home Buyers Agency or an equivalent organization to provide homebuyer counseling services and to conduct periodic City-sponsored workshops for first-time homebuyers, in coordination with participating lenders and realtors. Publicize these seminars as they occur, and ensure that local residents may attend seminars in nearby cities as well as those in San Leandro.

Action 55.03-B: Post-Purchase Seminar

Continue conducting an annual seminar to advise persons who have recently purchased a San Leandro home (a “post- purchase” seminar), particularly through the inclusionary housing program.

Policy 55.04 RENT-TO-BUY

Encourage property managers and absentee owners of San Leandro single family homes to offer “rent with the option to buy” programs for local families when they apply for permits, pay business taxes, or have other interactions with the City. This could create additional opportunities for renters to become homeowners.

- Intergovernmental Coordination
- Lease-Purchase Programs

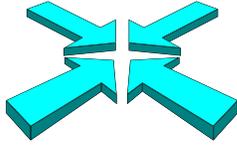
Policy 55.05 FORECLOSURES

Support national, state, regional and countywide initiatives to reduce the risk of foreclosure, prevent predatory lending, and assist those facing foreclosure. The City will strongly support state and federal programs and other measures to assist residents who are at risk of losing their homes.

- Intergovernmental Coordination
- Program Development

Goal 56: Affordable Housing Conservation

Encourage the preservation and rehabilitation of the existing affordable housing stock.



Quantified Objectives for Goal 56

1. Provide rehabilitation assistance to an average of 15 lower-income homeowners a year between 2015 and 2023 through the Minor Home Repair (Grant) Programs.
2. Provide rehabilitation assistance to at least 20 mobile home owners by January 31, 2023.
3. Rehabilitate at least 100 units of rental housing through the apartment rehabilitation program by January 31, 2023. At least 30 percent of these units should be affordable to very low income households.
4. Conservation of 100 percent of the income-restricted units that currently exist in the City, including the four units “at risk” of expiring between 2015 and 2023.
5. Assist at least 15 extremely low income households through the programs listed in Objectives 1 and 2 above.

Policies and Actions

Implementation Strategies

Policy 56.01 REHABILITATION OF OWNER-OCCUPIED HOUSING

Undertake a range of City programs that assist private property owners, particularly low- and moderate-income owners, in maintaining and improving the condition of their homes.

- Housing Programs (Minor Home Repair Grants)

Action 56.01-A: Home Repair Grants

Continue local financial support for the following programs which assist low- and very low income homeowners in home maintenance and repair:

- Minor Home Repair Program, for minor repairs to correct conditions that threaten the health and safety of occupants
- Mobile Home Repair, for minor repairs to correct conditions that threaten the health and safety of occupants
- Accessibility grants, to make homes accessible to disabled or elderly people
- Exterior Clean-up, to help very low income owner occupants with yard clean-up and debris removal
- Exterior Paint, to improve the appearance of homes for very low income owners
- Seismic strengthening, to help low-income owners make improvements to reduce possible earthquake damage.

These grants should be publicized through news articles, expanded use of the “housing programs” link on the City’s website, press releases and liaison with the San Leandro Times and other media outlets, advertisements on the City’s local access cable channel, greater coordination with the Police Department’s Community Compliance officers, increased use of promotional flyers at San Leandro public libraries, greater use of multi-lingual printed materials, and targeted campaigns in neighborhoods with high concentrations of older housing stock or lower-income households.

Action 56.01-B: Owner-Occupied Housing Rehabilitation Loan Program

Explore potential new funding sources to restore the Owner-Occupied Housing Rehabilitation Loan Program, which was discontinued upon the elimination of the Redevelopment Agency. When funds were available, the program provided loans and technical assistance to very low and low-income homeowners for major repairs such as kitchens, baths, and roofs. **If new funding sources are identified, they should be pursued and used for this purpose.**

Policy 56.02 REHABILITATION OF RENTER-OCCUPIED HOUSING STOCK

Implement measures that assist the owners of multi-family rental projects in maintaining their properties and improving the quality of rental apartments. These measures should include rehabilitation assistance and acquisition/rehabilitation programs in which the long-term affordability of rental units is assured. In addition, support the participation of private apartment owners in state and federal low income housing tax credit programs so that older or marginal rental properties can be refurbished and made available as affordable units.

- Annual HOME and CDBG Funding
- Housing Programs (Apartment Rehab)
- Low Income Housing Tax Credits

Action 56.02-A: Apartment Rehabilitation Program

Continue the Apartment Rehabilitation Program, which funds projects on a case-by-case basis using sources such as HOME, CDBG, the local Affordable Housing Trust Fund, and state and federal tax credits.

This program provides technical and financial assistance to the owners of rental properties to rehabilitate substandard units. The following specific actions related to this program should be pursued:

- *Funding to rehabilitate and/or acquire and rehabilitate additional apartment complexes in the City by 2023. The City will work as co-applicant with interested owners and non-profit developers to obtain additional funds for apartment rehabilitation.*
- *Measures to use this program as a strategy for extending the affordability terms of units with subsidies that will be expiring before 2023.*
- *Expanded publicity of the apartment rehabilitation program through mailings to the owners of rental properties and coordination with interested non-profit developers.*
- *Expanded use of state and federal low income housing tax credits, particularly following the successful application of such credits at Lakeside Apartments, where 840 market rate units were rehabilitated and converted to affordable housing.*

Consistent with Action 54.04-A, changes to the length of the affordability terms for this program may be considered as a way to encourage participation and increase the number of below market rate units. Affordability terms could vary based on the level of financial assistance provided.

Action 56.02-B: Soft-Story Retrofit Program

Explore the feasibility of a formal program to retrofit soft-story multi-family buildings in San Leandro, thereby protecting an important and potentially vulnerable component of the City's housing supply.

While the City has programs to retrofit unreinforced masonry buildings and wood frame homes, it does not have a program to retrofit soft-story buildings. Such buildings are typically two to three stories tall, with ground floor car ports and other ground floor openings that require additional stability to withstand a major earthquake. Some cities have provided programs requiring the installation of shear walls and other improvements to reduce the risk of collapse. The 2002 General Plan estimated that San Leandro had 368 soft-story buildings. This program would evaluate the current level of risk and the options for a program to retrofit these structures.

(See also Action 29.02-C in the Environmental Hazards Element of the 2015 San Leandro General Plan)

ADOPTION DRAFT

Policies and Actions

Implementation Strategies

Policy 56.03 TENANT RETENTION IN REHABILITATED PROJECTS

Ensure that the City’s apartment rehabilitation program includes relocation provisions for displaced tenants, and measures which give qualifying lower income former tenants preference when the rehabilitated units are re-occupied.

- City Operating Procedures
- Housing Programs

Policy 56.04 EXPANDED LANDLORD PARTICIPATION

Promote the expanded participation of local landlords in rental housing rehabilitation programs. Explore incentives and public information tools to generate interest in these programs.

- Public Education and Outreach

Policy 56.05 PROPERTY MANAGEMENT

Ensure that rental housing projects are well managed and operated. This should be accomplished not only through code enforcement, but also through education, technical assistance to landlords and owners, and ongoing monitoring by City staff.

- Public Education and Outreach
- Code Enforcement

Policy 56.06 “AT-RISK” RENTAL UNITS

Develop programs or strategies to preserve affordable housing in projects with affordability restrictions that will expire during the next 10 years, and to assist renters in foreclosed properties.

- Program Development
- Housing Programs

Action 56.06-A: Protection Strategy for At-Risk Units

Develop a strategy to protect the 4 below market rate (BMR) rental units at the Golden Gate Apartments (15151-15170 Golden Gate Av) set to expire in 2015.

The strategy should include the following components:

- *Direct contact with the owners during the next 12 months*
- *Offering low-interest rehabilitation loans or other forms of financial assistance in exchange for an agreement to retain the units as affordable*
- *Working collaboratively with the property owner and non-profit housing developers who may be interested in acquiring an ownership share in the project*
- *Exploring other incentives (such as fee reductions or allowances for additional development) in exchange for a renewal of affordability restrictions*

In the event that protection of the units is infeasible, ensure that impacted tenants are provided with resources for relocation to the extent required by the state and federal laws associated with the expiring loan or subsidy program.

Policies and Actions

Implementation Strategies

Action 56.06-B: Renters in Foreclosed Properties

Work with ECHO Housing, Davis Street, Building Futures for Women and Children, and other local non-profits to respond to the needs of persons in rental properties that face displacement due to foreclosure by an absentee owner. Where feasible, assist such households in relocation to suitable rental housing elsewhere in San Leandro.

Policy 56.07 LANDLORD-TENANT RELATIONS

Provide assistance to landlords and tenants in resolving conflicts and understanding their respective rights and obligations. Maintain measures that discourage the displacement of San Leandro renters as a result of sudden or steep rent increases.

- Housing Programs
- Rent Review Board

Action 56.07-A: Rent Review Board

Maintain a Rent Review Board (RRB) to mediate disputes related to significant rent increases in local apartment complexes.

The City will continue to promote public awareness of the role of the RRB, including providing outreach materials on tenant's rights and the appeals procedure in English, Spanish, and Chinese. The City should also continue providing an annual status report on RRB activities, along with suggested policy and program changes as appropriate.

Action 56.07-B: Ratio Utility Billing System

Evaluate the City's Rent Review Board Ordinance to determine whether Ratio Utility Billing System (RUBS) charges should be considered a form of rent increase, and thereby eligible for review by the Rent Review Board.

RUBS are a recent trend whereby landlords subcontract out utility billing to a third party. The tenants make their utility payments to that party rather than to the landlord or utility. Currently, such charges are ineligible for consideration as part of a rent increase because they are not paid directly to the landlord.

Policies and Actions

Implementation Strategies

Action 56.07-C: Monitoring and Reducing Displacement

Monitor the risk and frequency of displacement and develop programs to mitigate this risk as needed.

Displacement could result directly from development (and removal of lower cost housing) or indirectly from rising rents, evictions, Notices to Vacate, condo conversions and other activities which result in lower income tenants losing their homes. The magnitude of the problem should be measured through such metrics as residential rental rates (to identify trends), local and regional displacement studies (through such organizations as Institute of Urban and Regional Development), and local and regional benefits offered by developers to displaced residents. The City will continue to evaluate existing state and federal “just cause for eviction” provisions to determine if additional protections or ordinances are warranted at the local level.

The annual Housing Progress Report should reference any findings relating to displacement based on the data collected. In addition, the City will meet with a local housing advocacy group (such as Congregations Organized for Renewal) at least once every two years to discuss the issue of displacement and possible strategies for protecting renters.

Policy 56.08

CONSERVATION OF MOBILE HOME PARKS

Promote the conservation and rehabilitation of mobile home parks without displacing tenants or reducing the number of affordable units. Mobile home parks should be recognized as an important affordable housing resource for San Leandro’s seniors and low-income households.

- Annual CDBG/HOME Funding
- Program Development

Action 56.08-A: Mobile Home Grant Program

Continue local financial support for the Mobile Home Grant Program, which provides grants to very low income mobile home owners for mobile home rehabilitation.

Action 56.08-B: Mobile Home Rent Stabilization

Consider adopting a mobile home rent stabilization ordinance similar to the agreement currently in effect for Mission Bay.

The agreement would apply more broadly to residents of all mobile home parks in the city and help protect the city’s existing supply of mobile homes.

Policies and Actions

Implementation Strategies

Policy 56.09

CONDOMINIUM CONVERSION

Allow apartments to be converted to condominiums or cooperatives only where all of the following conditions exist:

- a tenant relocation plan is provided
- the design of the building is appropriate for a wide range of residents
- obsolete or inappropriately designed aspects of the building can be replaced or raised to current standards.

Additional requirements may apply based on vacancy rates and other factors. Conversions which would result in a net loss of affordable units or the displacement of lower-income tenants should be avoided.

- Condominium Conversion Ordinance
- Development Review
- Zoning Code

Action 56.09-A: Condominium Conversion Ordinance Update

Update the San Leandro Condo Conversion Ordinance (Article 24 of the Zoning Code) in response to changing market conditions, public input, and the experience of recent condominium conversion proposals. Among the changes that should be considered include:

- increasing the condo conversion fee, and basing the fee on sales price rather than using a flat fee
- removing the exemption for 2- and 3-unit rental buildings
- setting a minimum cost per unit for upgrades as part of condo conversions
- requiring a marketing plan for the converted units

Input from the development community, housing advocates, residents, and others will be solicited as revisions to the Ordinance are considered. As part of this process, the City will survey other communities with condo conversion fees to develop the fee schedule and conversion requirements that are most appropriate for San Leandro.

Policy 56.10

EFFICIENT USE OF THE HOUSING STOCK

Support programs that encourage the more efficient use of existing single family homes, for instance, roommate matching and shared housing programs. This could also include opportunities for local homeowners to rent out rooms in their homes for short-term stays, thereby providing an extra source of income which makes their own housing more affordable.

- Program Development

Action 56.10-A: Shared Housing Program

Explore a roommate matching or shared housing program aimed at seniors living alone. In the event the City is unable to sponsor such a program, participate in the existing shared housing program run by ECHO Housing which serves seniors and others in Alameda County.

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Policies and Actions **Implementation Strategies**

Policy 56.11 SECOND UNITS
Recognize second units as an essential part of the City’s housing stock and a resource for lower income households, students and young adults, seniors, extended families and small households. Second units established prior to the adoption of the 1961 zoning code should be recognized as legal dwelling units and measures to legalize unregistered units developed after 1961 should be explored.

- Development Review
- Zoning Code

Policy 56.12 REBUILDING DAMAGED STRUCTURES
Maintain zoning provisions which allow residential structures exceeding the currently allowable density to be rebuilt to their previous size in the event that they are destroyed by fire, earthquake, or other calamity.

- Zoning Code

The above policies and actions are further supported by the following policies and actions appearing elsewhere in the General Plan:

- Policy 1.01 (Land Use Element): “Support the on-going conservation, maintenance and upgrading of the City’s housing inventory”
- Policy 2.07 (Land Use Element): “Discourage ‘teardowns’ (the replacement of smaller dwellings with larger and more expensive homes) where the existing home is in good physical condition and the proposed home would be substantially larger than the prevailing scale of the neighborhood”
- Action 1.02-C (Land Use Element) calling for programs to upgrade the appearance of mobile home parks without displacing owners and tenants
- Action 1.04-C (Land Use Element) calling for programs to ensure that landlords are held accountable for the appearance and maintenance of rental properties
- Action 29.02-A (Environmental Hazards) assisting homeowners with earthquake retrofits by providing low-interest loans, a tool-lending library, and do-it-yourself classes

GOAL 57: HEALTHY HOMES AND SUSTAINABLE NEIGHBORHOODS

Create a healthy environment in all San Leandro homes and sustainable development which reduces greenhouse gas emissions and household utility and transportation costs.

Policies and Actions	Implementation Strategies
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Policy 57.01 REDUCING HOUSEHOLD ENERGY COSTS
 Pursuant to General Plan Policy 28.03 (Energy Retrofits), promote weatherization, energy-efficient appliances, and other measures that reduce household energy costs and thereby provide more disposable income for shelter.

- Energy-Efficiency Programs

Action 57.01-A: Energy Efficiency Programs

Encourage the participation of local residents in programs designed to reduce household energy costs, particularly home weatherization programs and utility tax exemptions or discounts geared toward lower-income households. Coordinate with PG&E to inform lower-income households about potential ways to reduce home energy costs.

Action 57.01-B: Property Assessed Clean Energy (PACE) Financing

Participate in County and State initiatives to establish alternative energy financing.

This includes the PACE initiative which enables interested homeowners to install photovoltaic panels and undertake energy efficiency improvements, with the cost repaid through annual property taxes at a low interest rate, or through financial agreements with their utility company. Homeowner participation in such a district would be completely voluntary and could lead to lower energy bills and greater energy independence.

Policy 57.02 GREEN BUILDING
 Support programs that encourage sustainable design and green building construction methods.

- Building Code
- Development Review

Action 57.02-A: Build-It Green’s Green Point Rated Checklist and US Green Building Council LEED Requirements

Continue to require use of the Green Point Rated or LEED checklists to evaluate new residential construction projects larger than 500 square feet and commercial projects valued at or above \$100,000. Continue requiring “green” or LEED-equivalent construction on projects receiving City funds of \$3 million or more.

Action 57.02-B: Evaluation of Green Building Requirements

Continue to amend the San Leandro Building Code as needed to encourage greener construction. The City will monitor code change proposals at the State level and amend its ordinances accordingly. Any changes to the Building Code beyond those required by State law will be thoroughly vetted through discussions with builders, developers, contractors, and property owners.

Action 57.02-C: Incentives for Green Building

Consider incentives for certain types of green building improvements such as solar panel installation, energy efficiency upgrades and green remodeling. The fiscal impacts of incentives should be considered prior to their enactment.

Policy 57.03

CLIMATE CHANGE AND HOUSING

Recognize the link between climate change strategies and housing costs.

- Climate Action Plan
 - Intergovernmental Coordination
-

Action 57.03-A: Climate Action Plan

Maintain a Climate Action Plan with energy efficiency and renewable energy programs to reduce greenhouse gas emissions and achieve the targets set by AB 32. Recognize the potential impacts of these measures on housing costs and work to ensure positive, rather than negative, cost impacts for San Leandro residents.

Action 57.03-B: Plan Bay Area

Continue to participate in the regional dialogue on Plan Bay Area (created under SB 375), which mandates regional land use and transportation solutions to reduce greenhouse gas emissions. Support outcomes which would increase the affordability of housing, including steps to facilitate higher densities around BART stations and along the East 14th Street corridor.

ABAG anticipates the next Plan Bay Area Update to begin in late 2015.

ADOPTION DRAFT

Policies and Actions

Implementation Strategies

Policy 57.04 PUBLIC HEALTH AND HOUSING

Encourage the health and well-being of residents through the design and construction of new or refurbished housing units. By promoting healthy buildings and walkable, pedestrian-oriented neighborhoods, the City can reduce household health care costs and free up additional disposal income for housing.

- Building Code
- Development Review

Action 57.04-A: Indoor Air Quality

Take steps to encourage healthy indoor air quality through abatement of lead paint and or asbestos hazards and the use of non-toxic building materials such as low VOC paints.

Action 57.04-B: Healthy Homes Initiatives

Collaborate with the Alameda County Healthy Homes Department and the member organizations of the Alameda County Healthy Homes Alliance to address public health and safety issues in San Leandro residences. Working with partner agencies and organizations, the City will develop strategies to help residents improve the health and safety of their home living environments, and will help landlords and building owners remediate construction and design deficiencies which contribute to health problems in San Leandro residences.

See also Action 56.01-C on rental housing inspection

Policy 57.05 PUBLIC HEALTH AND NEIGHBORHOOD DESIGN

Create neighborhoods and living environments that are conducive to public health and wellness by following the following community design principles:

- Site plans which encourage walking and bicycling, for example, by avoiding dead-end streets, providing easy and walkable connections to the BART stations, and incorporating secure bicycle racks and continuous sidewalks in new development areas
- Siting of local services, offices, and retail stores close to new housing development, so that a growing number of trips can be made on foot instead of by car
- Continued support for farmers markets, green grocers, and other opportunities for residents to easily access fresh and healthful foods
- Continued support for community gardening areas within new multi-family development
- Residential design which reduces the potential for crime and anti-social behavior through site planning, architecture, and landscape design
- Implementation of bicycle and pedestrian plans which make it safer and easier to walk or bicycle through the city.

- Development Review
- General Plan Update

GOAL 58: SPECIAL NEEDS POPULATIONS

Proactively address the special housing needs of the community, including seniors, disabled individuals, single parents, large families, and the homeless.



Quantified Objectives for Goal 58

1. Produce at least 135 new units of lower-income senior housing by January 31, 2023, including 85 units at the Cornerstone Apartments, and another 50 units in future projects.
2. Provide at least 35 new units of low- and very low income housing for persons with physical or developmental disabilities by January 31, 2023, either in free-standing projects or within other affordable housing developments.
3. Create at least 36 new three-bedroom apartments affordable to lower-income households in the Cornerstone project, and another 60 units of affordable housing with three bedrooms by January 31, 2023, both through new construction and the apartment rehabilitation program.
4. Facilitate emergency shelter and access to essential services such as food, clothing, child care, and job training services to 250 persons annually.
5. Assist at least 400 extremely low income families and between 200-250 unduplicated extremely low income individuals per year through homelessness prevention and re-housing services and activities.

Policies and Actions

Implementation Strategies

Policy 58.01 SENIOR HOUSING

In accordance with the needs analysis conducted as part of this Housing Element, encourage the production of housing targeted to San Leandro seniors. Both non-profit and for-profit developers in the City should incorporate supportive services for seniors and design features which respond to the needs of seniors and others with limited mobility—such as single story floor plans, wheelchair ramps, bathrooms with grab bars, and buildings with elevators.

- Business Development Programs
- Development Review
- Zoning Code
- Annual HOME and CDBG Funding
- State/ Federal Low Income Housing Tax Credits

Action 58.01-A: Additional Funding

Pursue funding through the HUD Section 202 and 811 programs, and through State and federal low income housing tax credit programs, for the construction of additional housing for seniors and persons with disabilities.

ADOPTION DRAFT

Policies and Actions

Implementation Strategies

Policy 58.02 GRADUATED SENIOR HOUSING

To the extent feasible, encourage the development of “graduated” senior housing projects which anticipate the changing needs of seniors over time and which include units for independent living and assisted living, as well as skilled nursing facilities.

- Business Development Programs
- Development Review
- Housing Programs
- Zoning Code

Action 58.02-A: Allowing Senior Householders to “Age in Place”

Continue programs (including loans and/or grants) which allow seniors to “age in place” by retrofitting their homes with grab bars, wheelchair ramps, and other assistive devices which respond to the decreased mobility of elderly householders. Additional funding sources should be explored to replace the lost revenue from the former Redevelopment Agency.

Policy 58.03 RESIDENTIAL CARE FACILITIES

Support the development of affordable licensed residential care facilities for seniors, the disabled, persons with AIDS, and others requiring assistance in day-to-day living.

- Development Review
- Zoning Code

Policy 58.04 ACTIVE RETIREMENT LIVING

Recognize the coming increase in demand for active retirement living as the “baby boomer” generation reaches retirement age. The City should encourage additional housing units appropriate for active seniors and mature adults.

- Business Development Programs
- Development Review
- Building Code

Policy 58.05 FAMILY HOUSING

In accordance with the needs analysis conducted as part of this Housing Element, encourage the production of multi-family housing that is affordable to very low, low, and moderate income large families. To minimize impacts on local schools and to the extent feasible, such housing should be targeted toward persons who are already living in San Leandro, particularly families occupying units meeting the census definition of overcrowding (e.g., more than 1 person per room).

- Development Review
- Housing Programs
- Municipal Code and Ordinances
- Zoning Code
- Annual HOME and CDBG Funding

Action 58.05-A: Large Family Rentals

Consider, **and if appropriate amend**, the City’s fee schedule and zoning regulations to create incentives to include three- and four-bedroom apartments in new affordable multi-family and/or mixed use projects. The number of bedrooms should be considered as a ranking factor when proposed projects are competing for local affordable housing dollars.

Policy 58.06 BARRIER-FREE DESIGN

Promote accessibility in design for persons with disabilities, including developmental as well as physical disabilities. Also, promote the inclusion of units that are set aside for persons with disabilities, including developmental disabilities, within larger affordable housing developments.

- Building Code
- Development Review
- Housing Programs

Action 58.06-A: Reasonable Accommodations for Disabled Residents

Ensure that reasonable accommodations are made to meet the housing needs of persons with disabilities, including persons with developmental disabilities. All land use regulations and planning procedures shall support the development or alteration of housing to meet the needs of San Leandro’s disabled residents.

The City has already amended its Zoning Code to provide reduced parking standards for housing units serving disabled residents, and it allows variances for wheelchair ramps within required setbacks to be processed administratively. In addition, the City adopted a resolution on November 2, 2009 which formalized its reasonable accommodation procedures. At that time, Title 2 Chapter 5 was added to the City Code, officially defining reasonable accommodation policies and the process for filing a grievance. In 2010, the City’s website was updated to include a link to the Reasonable Accommodation policy and the process for filing a grievance. In 2011, Universal Design principles were incorporated into Chapter 11A of the State Building Code, which has been adopted by the City of San Leandro.

In addition to these measures, the City will continue to work with disabled advocacy groups to address the housing and transportation needs of the local disabled community. This could include representation on the City’s Human Services Commission and advisory committees, ongoing coordination and liaison, and continued allocation of funds through the City’s CDBG program. The City will also continue to allocate CDBG funds for accessibility retrofits, and will continue to enforce the ADA and Title 24 of the California Administrative Code. It will also improve web-based information and resources for those interested in retrofitting their residences or accessing services for persons with disabilities.

Policies and Actions

Implementation Strategies

Policy 58.07 EXTREMELY LOW INCOME PERSONS

Continue programs that meet the needs of extremely low income persons (defined as 30 percent or less of the areawide median), including the Section 8 voucher and certificate program. Explore other programs which create additional capacity for the working poor and other extremely low income households who cannot find adequate housing in the local marketplace.

- Annual HOME/CDBG Funding
- Housing Programs (Section 8)
- Inclusionary Housing Ordinance
- Program Development

Action 58.07-A: Section 8 Program

Continue to support local property owner participation in the Section 8 Certificate and Voucher Program, which provides assistance to very low income tenants through rent subsidies paid directly to landlords. Promote partnerships with the Alameda County Housing Authority and the Rental Housing Organization to expand the availability of vouchers for San Leandro residents, and provide additional incentives for San Leandro landlords to participate in the program.

Action 58.07-B: Homelessness Prevention and Re-Housing

Pursue funding to sustain the Mid-County Housing Resources Center (HRC), which was initially funded through HUD’s Homelessness Prevention and Rapid Re-Housing (HPRP) program.

The San Leandro (Mid-County) HRC is a joint collaboration with the cities of Alameda and Hayward and the County Housing and Community Development Department. The facility is operated by Building Futures with Women and Children (BFWC) and is housed at the Davis Street Family Resource Center (DSFRC) in San Leandro. Mid-County HRC’s housing and rapid re-housing services are partially funded by the cities of San Leandro, Alameda and Hayward and Alameda County HCD. Following the end of the HPRP grant, and the loss of redevelopment funding, the City is continuing to seek other funding sources to sustain the Center and provide homelessness prevention and rehousing services.

The program provides a variety of homelessness prevention and rehousing services, including temporary financial assistance. Household income at or below 50% AMI is a key criteria for eligibility, but there is a special focus on moving homeless people out of shelters, diverting people from shelters, and stabilizing the housing situations of extremely low income families and individuals.

Policies and Actions

Implementation Strategies

Action 58.07-C: Funding for Extremely Low Income Housing Programs

Allocate a share of the City’s annual housing budget to programs serving households earning less than 30 percent of AMI and continue to place a priority on serving those with the greatest level of financial need.

The City regularly invests a portion of its annual housing program dollars in services and facilities for extremely low income households. These funds support a combination of new construction and financial assistance programs for existing residents. The amount varies from year to year based on available resources, programs, and need. Several programs, including the City’s mobile home repair and minor home repair grant programs are designed to specifically benefit extremely low income households. The three programs described under Policy 58.08 and the two programs described under Policy 58.09 also would serve extremely low income households.

Policy 58.08 ASSISTANCE TO HOMELESS RESIDENTS

Continue to support programs that prevent or end homelessness in the Bay Area. Work with local non-profits, other public agencies, and community organizations to provide food, shelter, rapid re-housing, and other services to men, women, and children who are homeless, at risk of becoming homeless, or transitioning out of homelessness.

- Annual CDBG/ HOME funding
- Housing Programs
- Intergovernmental Coordination
- Public/Private Partnerships

Action 58.08-A: Assistance to Homeless Service Providers

Continue to provide financial support to Building Futures with Women and Children’s San Leandro Shelter and domestic violence shelter, the Davis Street Family Resource Center, and similar organizations assisting the homeless and persons at risk of becoming homeless. Appropriate organizations to fund include those that provide emergency shelter, case management, hot meals and groceries, motel vouchers, medical care, adult literacy, and other services which assist those who are homeless or at risk of becoming homeless.

Action 58.08-B: Rental Assistance Program

Pursue alternative funding for the Emergency Rental Assistance Program, which provides emergency loans to lower-income families with delinquent rent due to temporary economic hardship. The program should continue to be administered by a local non-profit entity such as ECHO Housing.

Action 58.08-C: Regulation of Emergency Shelter

Maintain Zoning Code regulations which allow emergency shelter as a matter of right on Industrial-Light (IL) zoned parcels, and as a conditional use in one or more additional zoning districts.

In accordance with State law, the development standards that are applied to shelters, transitional housing, and permanent supportive housing in all zones where these uses are permitted or conditionally permitted will be no more onerous than those that apply to other uses permitted in the same zone. For instance, in the IL Zone, such uses would be subject to the same setback, height, lot coverage, and floor area ratio requirements that apply to permitted light industrial uses. This principle applies not only to the IL zone, but to the city's residential and commercial zones as well. Transitional and supportive housing will be treated the same as all other residential uses. If these uses are multi-family in format, the same standards that apply to other multi-family developments would apply. If they are single family, they would be subject to the same standards that apply to single family homes elsewhere in each respective zoning district.

In addition, the zoning code should include definitions of "supportive housing," "and transitional housing" in addition to using the more generic terms "group housing" and "residential congregate care." This change should be made in both the Definitions section of the Code and in the lists of permitted and conditionally permitted uses for the appropriate zones. The Code changes should clarify that, consistent with State law, these uses are allowed in all districts where housing is a permitted use. In addition, the definitions should be consistent with those established by SB 745, which took effect on January 1, 2014. When these definitions are added, the City will also re-evaluate the Zoning Code definition of "family" and will modify it as needed to ensure consistency with state requirements.

ADOPTION DRAFT

Policies and Actions

Implementation Strategies

Policy 58.09 ENDING HOMELESSNESS

Develop local strategies with community stakeholders to provide permanent supportive housing for the homeless, people at risk of homelessness, and others with special needs.

- Housing Programs
- Intergovernmental Coordination

Action 58.09-A: EveryOne Home

Develop a local implementation strategy for the Alameda County EveryOne Home program.

EveryOne Home is the community-based organization formed to implement the Alameda County Homeless and Special Needs Housing Plan (also known as the EveryOne Home Plan). The Plan is a comprehensive blueprint to end homelessness by 2020 and address the housing needs of homeless and extremely low income persons and those living with serious mental illness and/ or HIV/ AIDS. The San Leandro City Council has adopted the EveryOne Home Plan and made a commitment to develop a strategy to implement it at the local level in the coming years. This could entail additional efforts to prevent homelessness, increase local housing opportunities for extremely low income households, deliver additional services to support stability and independence, and provide technical and financial assistance to organizations that assist those who are homeless or at risk of becoming homeless. It also includes ongoing City participation in EveryOne Home meetings to enhance coordination with other jurisdictions and social service agencies.

See also Action 58.09-C on the Homeless Task Force

Action 58.09-B: Transitional/ Permanent Supportive Housing

Continue to provide financial support to develop and operate supportive and transitional housing facilities, including those located in nearby communities that are accessible to persons who are homeless or at risk of homelessness in San Leandro.

Action 58.09-C: Homeless Task Force

Create a task force or ad hoc group of service providers, faith community representatives, homeless persons and advocates, City commissioners, and interested community members to address the issue of homelessness in San Leandro.

The task force should assess the needs of homeless San Leandro residents and develop strategies to address those needs. It should also address the funding and organizational changes needed to implement additional homeless prevention and re-housing efforts, and additional steps that can be taken to implement the EveryOne Home Plan. The Task Force should be charged with preparing a report or plan to the City Council which lays out their findings and recommendations within one year of their formation.

ADOPTION DRAFT

Policies and Actions

Implementation Strategies

Policy 58.10 IMMIGRANT HOUSEHOLDS

Work with community groups, including faith-based and nonprofit organizations, to provide outreach on housing resources to immigrant households and others with limited English language abilities. Local housing programs should respond to the needs of a culturally diverse community that includes multi-generational families, a variety of living arrangements, and a large number of non-English speaking households.

- Public Education and Outreach
- Public/Private Partnerships

Action 58.10-A: Multi-lingual Staff Capacity

Maintain multi-lingual staff capacity at City Hall in order to better respond to the needs of non-English speaking households and ensure that all residents may participate fully and equally in the housing market.

Presently, San Leandro’s Community Development Department includes staff members who are fluent in Spanish. The City maintains a directory which indicates the languages spoken by staff in all City departments so that residents receive appropriate referrals and information. When necessary, the Housing Division staff calls upon bilingual staff from other departments for translation assistance. The City is also updating its Language Access Plan, based on HUD guidelines, to address written and oral language access measures.

Policy 58.11 SERVICE-ENRICHED HOUSING

Promote social services and programs in affordable housing projects that assist lower-income households in obtaining the financial resources needed to increase and stabilize their housing choices in the City.

- Intergovernmental Coordination
- Public/Private Partnerships

Policy 58.12 PUBLIC SERVICE EMPLOYEES

Recognize school teachers, police and fire personnel, child care workers, nurses, and other public service employees as an essential part of the local workforce and seek to improve housing opportunities for these groups within the City to the extent allowed by law.

- Housing Programs
- Grant Funding

Action 58.12-A: Housing for Public Service Employees

Explore programs which assist San Leandro’s teachers, nurses, police officers, and other community service employees in obtaining suitable and affordable housing within the community. Explore the availability of state funding for such programs.

GOAL 59: ELIMINATION OF HOUSING CONSTRAINTS

Reduce potential constraints that increase the cost or feasibility of new housing development.

Policies and Actions

Implementation Strategies

Policy 59.01 ZONING REGULATIONS

Ensure that the development standards, use restrictions, parking requirements, and other regulations contained in the San Leandro Zoning Code enable the production of housing for all income groups. Overly restrictive or redundant requirements should be strongly discouraged.

- Building Code
- Development Review
- Zoning Code

Action 59.01-A: Amend the Minimum Lot Area Required for a Planned Development

Maintain provisions in the Zoning Code for “Planned Developments” (PDs) on sites where the strict application of zoning standards could make development less feasible.

The PD designation should allow flexibility in the application of setback requirements, minimum lot sizes, lot coverage limits, and other standards to reflect the unique context of each site. The designation should not preclude the requirement that development is harmonious with the surrounding neighborhood and that impacts on local services and the environment are mitigated.

To facilitate Planned Development, the City should lower the required minimum lot size for PDs in the RM zone from 10,000 SF to 6,000 SF. This could enable additional 3-5 unit buildings on several underutilized lots in the RM districts.

Action 59.01-B: Amend Zoning Code Provisions for Multi-Family Uses

Amend the Zoning Code as follows to facilitate the production of multi-family housing:

- Adopt a minimum density requirement of 12 units per acre for new development on properties zoned RM-1800, RM-2000, and RM-2500. This would apply to new development only. The purpose of this change is to ensure that land zoned for multi-family housing is actually used for multi-family housing and not developed or redeveloped with single family detached homes.
- Amend Section 2-696(A) (Article 6) of the Zoning Code to note that housing in the CC and CRM zones is subject to the same regulations that apply in the RM-1800 zone (24 units per acre) rather than those that apply in the RM-2000 zone (22 units per acre).
- Amend Section 2-684 and 2-686 of the zoning code to allow higher FARs and lot coverage limits in the CC and CN zone when residential uses are included in a development project. Currently, mixed use projects and multi-family housing in these zones are subject to the same requirements that apply to shopping centers (0.3 FAR and 50 percent lot coverage in CN and 0.5 FAR and 50 percent lot coverage in CC). The current requirements make it impractical to develop housing without a variance. Higher FAR and lot coverage allowances would enable the densities more commonly associated with the RM-1800 zoning district and reduce the need for variances.

Adoption of these zoning changes would be preceded by additional opportunities for community input, including community workshops and neighborhood meetings.

Action 59.01-C: Changes to the North Area (NA) Zoning Districts

Amend the NA-1 and NA-2 zones (parcels fronting East 14th Street between San Leandro Creek and Durant Avenue) so they more effectively implement the General Plan and North Area Plan.

Changes to be considered should include:

- *Eliminating the NA-1 zone, since it was effectively replaced when the Downtown TOD Strategy was adopted and now applies to only one small parcel.*
- *Requiring a minimum density of 18 units per acre to match the SA- zones and to implement Transportation Element Action 13.04-B.*
- *Reducing the setbacks on smaller lots in the NA-2 zone to increase the developable envelope. The existing setbacks (20 ft front yard and 15' side yard) may be appropriate on large, consolidated properties but may be an impediment to development of smaller infill parcels along East 14th Street. Design guidelines should be used to ensure that development is appropriately buffered and steps down to neighboring lower density uses.*

Other changes to the zoning standards may also be considered, subject to further community input and discussion.

Policies and Actions**Implementation Strategies****Action 59.01-D: Micro Units**

Develop regulations for micro units (apartments generally ranging from 250 to 400 square feet) which recognize the growing demand for this type of housing among small households and the relative affordability of such units compared to traditional studios and one-bedroom apartments.

Action 59.01-E: Monitoring the Effectiveness of Minimum Density Standards

Monitor the impacts of minimum density standards on development activity in the Downtown TOD area to ensure they are reasonable and reflective of market conditions.

While no changes to these standards are proposed at this time, they should be periodically evaluated and compared to standards around other transit stations in the Bay Area.

59.01-F: Additional Density in Established Neighborhoods

Develop zoning amendments which would facilitate the construction of additional dwelling units in single family neighborhoods.

This could include lowering the lot size requirement for corner lots from 6,000 square feet to 5,000 square feet in the RS zone. It could also include creating an exception process that would enable a second dwelling unit of equivalent size to the primary unit on large lots in single family neighborhoods. Such exceptions would consider the circumstances under which an additional dwelling unit might be added without adversely impacting surrounding properties or the character of the neighborhood. These provisions would be in addition to those already adopted for secondary dwelling units.

Policy 59.02 PARKING STANDARDS

Maintain parking standards that reinforce the City's land use, transportation and housing goals. Such standards should reduce parking requirements for development within walking distance of BART or on high-volume bus routes, and for projects with a significant number of affordable or senior housing units. In mixed use developments, parking standards should allow shared parking when uses with different peaking characteristics (such as offices and housing) are combined in the same structure.

Action 59.02-A: Amendments to the Parking Requirements

Consider, **and if appropriate amend**, the parking standards in the San Leandro Zoning Ordinance to incorporate the following changes:

- Allow a greater percentage of the parking spaces in multi-family housing near transit stations or along transit corridors to be uncovered.
- Eliminate guest parking requirements for buildings with less than 4 units.
- Lower the parking requirements for studio apartments from 1.5 to 1.25 spaces/ unit.
- Provide greater incentives and provisions for shared parking for mixed use projects and projects in transit-oriented development areas

(see the Transportation Element of the General Plan for additional policies and actions on parking.)

Policy 59.03 PERMITTING PROCEDURES

Minimize the cost and time associated with development review while still adequately addressing community and environmental concerns. Continually explore ways to streamline the permitting process for projects that are consistent with the General Plan.

- CEQA
- Design Guidelines
- Development Review
- Zoning Code

Action 59.03-A: Permit Streamlining

Maximize the potential benefits of the City’s permit tracking system, one-stop permitting center, and website to facilitate permit processing and the issuance of building permits.

Policy 59.04 DEVELOPMENT FEES

Ensure that local development impact fees are structured to cover only the costs associated with new development. While it is appropriate for impact fees to cover the capital costs required by new projects, they should not be structured to correct deferred maintenance problems or pre-existing deficiencies. To the extent possible, the latter should be addressed through other funding sources, such as bond measures, CDBG funds, grants, and general fund allocations.

- Annual Budget
- City Operating Procedures
- Development Review

Action 59.04-A: Fee Reviews

Regularly review and update local development and permitting fees to ensure that they are competitive with other communities in the East Bay.

Policies and Actions

Implementation Strategies

Action 59.04-B: Fee Reductions for Affordable Housing—City

Develop a policy to reduce certain fees for affordable housing projects, provided that such reductions will not adversely affect the City’s ability to provide services to the project.

Fee reductions or waivers are currently granted based on the characteristics of each project. This action would formalize fee waiver policies and procedures, creating more certainty and consistency. Due to acute shortages of school capacity and parkland, these fees should not be waived (except for uses such as senior housing, where student generation is minimal). However, reductions or waivers of use permit fees, rezoning fees, preliminary and tentative map filing fees, and similar administrative fees may be considered for housing projects that incorporate a substantial affordable housing component. Reductions in the Undergrounding Utility Fee for affordable housing projects in the East 14th Street corridor also should be considered, provided that there are supplemental funds from another source that can be used to cover this expense.

Action 59.04-C: Fee Reductions for Affordable Housing—Other Agencies

Work with the East Bay Municipal Utility District (EBMUD) and other utilities to explore possible reductions to connection and system capacity fees for housing projects which include a substantial number of affordable units.

Policy 59.05 CUSTOMER-FRIENDLY ENVIRONMENT

Demonstrate a strong commitment to customer service in the processing of residential development applications, continuing the spirit of the City’s One-Stop Permitting Center. Regularly explore ways to make the development review process easier to navigate for applicants.

- City Operating Procedures
- Development Review

Policy 59.06 RESOLVING DESIGN ISSUES

Work proactively with developers and community groups to address design issues and other impacts associated with multi-family housing. For projects that would provide significant public benefit, explore the feasibility of design and architectural assistance to reduce developer costs.

- Design Guidelines
- Development Review
- Public Education and Outreach

Policies and Actions

Implementation Strategies

Action 59.06-A: Multi-family Design Guidelines

Continue to use **the adopted** multi-family design guidelines in the Downtown TOD and East 14th Street South areas. Develop additional guidelines that apply more broadly to multi-family projects on infill lots.

Such guidelines should not only address large, high-density projects, but also small (2-10 unit) infill buildings and townhouse projects. Guidelines should ensure that future housing is constructed with quality materials, is attractive and compatible with its surroundings, enhances the pedestrian experience and streetscape, and advances principles of sustainability. Guidelines should address such issues as height, bulk, transitions between higher density and lower density areas, location of parking, and consistency of architectural style. A particular focus should be placed on the transition between new development along the East 14th Street corridor and the low density neighborhoods to the east and west. Design guidelines for this area should address such issues as privacy, noise, sunlight and shadows, the location of off-street parking, and provisions for ingress and egress. Design guidelines for all areas should clearly describe the City’s design expectations and reduce uncertainty for developers and residents.

Policy 59.07 INFRASTRUCTURE MAINTENANCE

Encourage the ongoing maintenance of water, wastewater, storm drainage and other public facilities to ensure that their condition does not preclude the development of additional housing in the City. Coordinate and prioritize repair and rehabilitation projects to ensure that services are available for the housing sites identified in this Element.

- Annual Budget
- Capital Improvement Program

Action 59.07-A: Correction of Infrastructure Deficiencies

Ensure that the San Leandro Capital Improvement Program includes the projects needed to correct existing infrastructure deficiencies and facilitate the development of housing on the sites identified in this Element.

Particular attention should be given to upgrading infrastructure in the Downtown BART station area.

Policy 59.08 SCHOOL IMPACTS

Work collaboratively with the San Leandro and San Lorenzo Unified School Districts to address issues of school capacity. Consider a variety of strategies to manage capacity, in addition to the collection of impact fees and voter-approved bond measures to develop new facilities. Such strategies might include:

- modifications to school enrollment area boundaries
- bussing to less crowded schools
- memoranda of understanding with adjacent districts to enable attendance at their schools
- reductions in out-of-boundary enrollment
- grade reconfiguration
- development of charter schools
- leasing of underutilized or vacant commercial/ light industrial space for school use
- other strategies aimed at increasing classroom capacity

- Intergovernmental Coordination

The City should also work with the school districts to develop student generation rates that are based on actual data from San Leandro developments, and to prepare long-term enrollment forecasts which not only reflect current conditions, but also long term (20-year) demographic trends, and the expected distribution and type of new housing development in the city.

Policy 59.09 ENVIRONMENTAL CONSTRAINTS

Explore programs and funding sources to correct flooding and soil contamination problems on underutilized sites that might be redeveloped with housing.

- Grant Funding
- Program Development
-

Action 59.09-A: Remediation of Soil Contamination

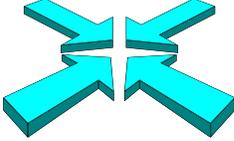
Explore possible funding sources and other ways to assist prospective housing developers in addressing soil contamination problems on potential housing sites.

The above policies and actions are further supported by the following action appearing elsewhere in the General Plan:

- Action 46.02-A (Community Services and Facilities Element) regarding City assistance and support to both School Districts in their efforts to increase capacity and develop new facilities.

GOAL 60: FAIR HOUSING

Ensure that all persons, within their abilities and means and without discrimination, have freedom of choice as to where they live.



Quantified Objectives for Goal 60

1. Follow up on 100 percent of all fair housing inquiries and complaints.

Policies and Actions

Implementation Strategies

Policy 60.01 ENDING HOUSING DISCRIMINATION

Encourage and directly support effective programs working toward the elimination of arbitrary housing discrimination based on age, race, sex, sexual orientation, marital or family status, ethnic background, medical condition, disability status, or other arbitrary factors.

- Housing Programs
- Human Services Commission
- Intergovernmental Coordination

Action 60.01-A: Contract with Fair Housing Services Provider

Continue to contract with a fair housing services provider such as Eden Council for Hope and Opportunity (ECHO) Housing for fair housing assistance and the investigation of discrimination complaints, and for tenant-landlord counseling and mediation services

Policy 60.02 NON-DISCRIMINATION IN CITY HOUSING PROGRAMS

Ensure that non-discrimination is required as a condition of approval for all City-approved housing programs.

- City Operating Procedures
- Annual HOME and CDBG Funding

Policy 60.03 INFORMATION AND REFERRAL SERVICES

Provide information and referral services that direct families and individuals to agencies that can assist them in overcoming financial barriers to housing rental or purchase, locating suitable housing, and obtaining housing with special facilities such as disabled-accessible units.

- Housing Programs
- Intergovernmental Coordination
- Public/Private Partnerships

ADOPTION DRAFT

Policies and Actions

Implementation Strategies

Policy 60.04 OUTREACH ON HOUSING RESOURCES

Ensure that City housing programs are well publicized throughout the community. Use a variety of methods, including multi-lingual printed materials, broadcast media, and the internet to advertise programs that assist low- and moderate-income San Leandro homeowners and renters.

- Public Education and Outreach

Policy 60.05 MULTI-LINGUAL MATERIALS

Produce web-based and printed materials in multiple languages, especially English, Spanish, and Chinese, in order to ensure that all those in need are made aware of their fair housing rights and responsibilities.

- Public Education and Outreach

Policy 60.06 PUBLIC EDUCATION

Promote public education and awareness of fair housing requirements and the need for affordable housing. Work to address misconceptions about affordable housing and to build broad recognition and support for such housing in the community.

- Housing Programs
- Public Education and Outreach
- Public/Private Partnerships

Action 60.06-A: Fair Housing Training Sessions

Work with ECHO Housing to conduct fair housing training sessions for landlords and property owners, tenants and homebuyers, realtors, and the public at large. In addition, support ECHO’s targeted audits to gauge the level of discrimination in the rental housing market.

Action 60.06-B: Fair Housing Outreach

Use public service announcements, newspaper ads, educational fliers, and other media to raise community awareness about fair housing and the need for affordable units.

7. IMPLEMENTATION PROGRAM

Overview

The Implementation Program summarizes the actions identified in Chapter 6. The City department, agency, or other entity with primary responsibility for each action is noted in **bold**. The other departments and agencies that may participate in implementation also are listed. Where actions have funding requirements or fiscal impacts, appropriate funding sources are identified. The list of funding sources is not intended to be exclusive; other sources may also be explored as each action is implemented.

The Implementation Program also identifies the proposed timing of each action. An eight-year time horizon is used, beginning January 31, 2015 and ending on January 31, 2023. Most of the actions should be implemented within the next three years or should be implemented on an ongoing and continual basis.

The Implementation Program is consistent with the City of San Leandro's Consolidated Plan, the County of Alameda's Continuum of Care Plan, the City's Area Plans and Development Strategies, , and the other elements of the San Leandro General Plan. These documents should be consulted for supplemental information on local housing strategies and programs.

A summary of the quantified objectives for 2015-2023 is presented in Table 7-1 below.

ADOPTION DRAFT

Table 7-1: Summary of Objectives for 2015-2023

Income Category	New Construction	First Time Buyer Assistance	Rehabilitation	Conservation (rental only)	Homelessness Prevention/Rehousing
Very Low Income/ Extremely Low Income	504	N/A	100 units (apt rehab) 120 units (SF home/mobile home rehab) ⁴	620 ⁵	400 families/ 200-250 individuals ⁷
<i>Committed Projects</i>	(200) ¹				
<i>Future Projects</i>	(304) ²				
Low Income	270 ²	10 per year ³		805	
Moderate Income			N/A	11	
<i>Committed Projects</i>	(78)				
<i>Future Projects</i>	(274)				
Above Moderate Income	1,161	N/A	N/A	NA	
Total	2,287	70	220	1,436⁶	

¹ Cornerstone Apartments (85 senior units, 115 family units, including 36 three-bedroom apartments)

² Of the 304 units for very low income, at least 152 units should be occupied by extremely low income households and at least 50 units should be senior housing. Of the 574 units for low and very low income, at least 60 should be three-bedroom apartments and at least 35 units should serve persons with disabilities.

³ Assumes funding for program is re-established

⁴ Including at least 15 extremely low income households

⁵ Includes 14 extremely low income households

⁶ See Table 3-17. These units include existing subsidized housing, non-profit operated units, tax credit units at Lakeside Apartments, and rental units created through the City's Inclusionary Housing Ordinance. Ownership units are not shown here.

⁷ This target applies entirely to households with 30% or less of Area-wide Median Income

ADOPTION DRAFT

Implementation Program

Table 7-2: Housing Action Plan

Action	Responsible Depts./Agencies (*)	Funding Sources	Timing	Comments
Action 53.01-A: Downtown TOD Strategy Implementation	Community Devt. (Planning) , City Manager, Office of Business Development, City Council	General Fund, CIP, private investment, grants	Ongoing	TOD Strategy adopted 2007. Implementing actions are already in progress, and several projects have been approved or funded.
Action 53.01-B: Bayfair BART TOD Strategy and Rezoning	Community Devt. (Planning) , City Manager, Planning Commission, City Council, Other (BART)	MTC PDA Planning Grant	Start in 2015	City received MTC grant and has issued RFP . Completion expected in 2016-2017. New zoning will be in place by 2018.
Action 53.01-C: Upper Washington Corridor/ MacArthur Rezoning	Community Devt. (Planning) , Planning Commission	General Fund (Staff time)	2017	Action already anticipated by General Plan Land Use Element and Map. To be completed by 2017, within one year after General Plan Update.
Action 53.01-D: Shoreline Area Housing Opportunities	Community Devt (Planning) , Planning Commission, City Council	General Fund (Staff time)	Spring 2015	Plan and EIR likely to be considered in early 2015, rezoning by 2016.
Action 53.03-A: Applications for Grant Funding	Community Devt. (Housing and Planning Divisions) , City Manager, Office of Business Development, other	CDBG, HOME, State HCD	Ongoing	Regular function of Housing Division. Some funds are allocated or pursued on an annual basis (e.g., CDBG, HOME) and others are pursued as opportunities arise.
Action 53.03-B: Support for Non-Profit and For-Profit Affordable Housing Developers	Community Devt. (Housing Division) , Planning Division, Building Division, City Manager	CDBG, HOME, General Fund	Ongoing	Regular function of Housing Division. The City provides continuous technical support to non-profit and for-profit developers and regularly seeks developer input in its housing and land use policies.
Action 53.03-C: Affordable Housing Trust Fund	Community Devt. (Housing Division) , City Manager, Finance Dept.	In-lieu fees, condo conversion fees	Ongoing	Regular function of Housing Division
Action 53.03-D: Affordable Housing Bonds	Community Devt. (Housing Division) , City Council, Alameda County HCD	State, County	Ongoing	Regular function of Housing Division
Action 53.04-A: Housing Nexus Study	Community Devt. (Housing and Planning Divisions) , City Manager, Office of Business Development, other	General Fund	2015-2016	May be done in collaboration with one or more other jurisdictions. Study to be completed by early 2017. Action to be taken within one year after study, as appropriate.
Action 53.04-B: Revisions to Inclusionary Zoning Ordinance	Community Devt. (Housing Division) , Planning Division, City Manager's Office, City Attorney, City Council	General Fund (Staff time)	2017	Ordinance revisions to be studied, with recommendations eventually made to Council. This should follow completion of Action 53.04-A. May repeat if needed prior to 2023.

* Department with "lead" responsibility shown in **bold** print.

ADOPTION DRAFT

Table 7-1, continued

Action	Responsible Depts./Agencies (*)	Funding Sources	Timing	Comments
Action 53.05-A: Marketing of Housing Development Opportunities	Community Devt. (Housing Division) , Office of Business Development, City Manager, Community Devt (Planning), Private	General Fund (Staff time), grants, private	Ongoing	Regular function of Housing Division and Business Development Office
Action 53.05-B: Downtown Housing Sites	Office of Business Development , City Manager, Community Devt (Planning), Private	Private sector, General Fund	Ongoing	Primarily includes redevelopment of Town Hall Square and CVS East 14 th at Davis Street site. Includes a combination of City-owned and private parcels; City will work with private owners to facilitate lot consolidation.
Action 53.06-A: Cornerstone Apartments	Community Devt. (Planning, Housing, and Building Divisions) , City Manager	Non-profit, federal tax credit, State	2015-2016	Bridge Housing project anticipates groundbreaking before end of 2014
Action 53.06-B: Encouraging Market-Rate Rentals	Office of Business Development , City Manager, Community Devt (Housing)	None required	Ongoing	
Action 53.09-A: Additional Allowances for Mobile Home Parks	Community Devt. (Planning) , Planning Commission, City Council	General Fund (Staff time)	2017	Zoning Code Change will require Council approval
Action 53.10-A: Market-Rate Development Focus Groups	Community Devt. (Housing Division) , Office of Business Development, City Manager, Community Devt (Planning), Private	General Fund (Staff time)	2015-2016	Additional focus groups may be convened, based on success of the first group(s)
Action 54.01-A: Housing Annual Report	Community Devt. (Housing Division, Planning Division)	General Fund (Staff time)	Ongoing/ Annual	Regular function of Housing and Planning Divisions
Action 54.01-B: Monitoring Housing Production	Community Devt. (Housing Division, Planning Division)	General Fund (Staff time)	Annual	Include in Annual Report
Action 54.04-A: Changes to Long-Term Affordability Requirements	Community Devt. (Housing Division) , City Manager, City Attorney, City Council	General Fund (Staff time)	2016	Would be addressed with the “at-risk unit” strategy and/or the Apartment Rehabilitation Program
Action 54.05-A: Monitoring Data to Demonstrate Local Needs & Benefits	Community Devt. (Housing) , Planning Division, non-profits	CDBG/ HOME funds, General Fund (Staff time)	Ongoing	Continuation of existing work being done by Davis Street, Building Futures, April Showers, EveryOne Home, and San Leandro Housing Division
Action 54.06-A: Boomerang Funds	Community Devt. (Housing) , Planning Division, City Council	Former Redevelopment Housing Set-Aside Funds	2016	Task involves preparation of a report on the use of boomerang funds for local housing programs, and action to dedicate such funds for this purpose, if deemed appropriate.

* Department with “lead” responsibility shown in bold print.

ADOPTION DRAFT

Table 7-1, continued

Action	Responsible Depts./Agencies (*)	Funding Sources	Timing	Comments
Action 54.07-A: Web-based GIS Applications	I.T. Department , Community Devt. (Planning), Community Relations, City Manager	General Fund (Staff time)	2015 or as funds allow	Expansion of web-based GIS applications for residents
Action 55.02-A: First-Time Homebuyer Program	Community Devt. (Housing Division) , City Manager, City Council	General Fund, CBDG/HOME, other (TBD)	2016	Program was defunded upon loss of Redevelopment. Action would restore by 2016 as funding allows.
Action 55.02-B: Mortgage Credit Certificate Program	Alameda County HCD , Community Devt. (Housing Division)	Alameda County MCC program	Ongoing	Ongoing program run by Alameda County. City is a participant
Action 55.03-A: First Time Homebuyer Counseling	Community Devt. (Housing Division) , City Manager, City Council	General Fund (Staff Time), Other (TBD)	Ongoing	Administration outsourced to non-profit Bay Area Home Buyers Agency.
Action 55.03-B: Post-Purchase Seminar	Community Devt. (Housing Division) , City Manager, City Council	General Fund (Staff Time), Other (TBD)	Ongoing	Administration outsourced to non-profit Bay Area Home Buyers Agency.
Action 56.01-A: Home Repair Grants	Community Devt. (Housing Division, Building Division) , City Manager's Office	General Fund (Staff Time), Other (TBD)	Ongoing	Regular activity conducted under Owner-Occupied Housing Rehab Program
Action 56.01-B: Owner-Occupied Housing Rehabilitation Loan Program	Community Devt. (Housing Division and Building Division) , City Manager's Office	General Fund (Staff Time), Other (TBD)	2016	This action is to seek alternative funding sources for a loan program continued after the loss of Redevelopment
Action 56.02-A: Apartment Rehabilitation Program	Community Devt. (Housing Division) , City Manager's Office, private/ nonprofit sector	CBDG/HOME, state and federal low income housing tax credits , private/nonprofit	Ongoing	Regular program; projects generally dependent on some external funding (private or non-profit investment)
Action 56.02-B: Soft-Story Retrofit Program	Community Devt. (Building Division) , City Manager, City Council	General Fund, grants, private sector	2017	Feasibility study by 2017. Potential funding sources may be identified sooner.
Action 56.06-A: Protection Strategy for At-Risk Units	Community Devt. (Housing Division) , Planning Division, City Manager, City Council	CBDG/ HOME, private/ non-profit, state and federal low income housing tax credits	Spring 2015	Focus on Golden Gate Apartments
Action 56.06-B: Renters in Foreclosed Properties	Community Devt. (Housing Division) , non-profits	General Fund (Staff time), grants	Ongoing	Would involve coordination with Davis Street, ECHO Housing, and other non-profits
Action 56.07-A: Rent Review Board	Community Devt. (Housing Division) , City Manager, City Council, other (ECHO Housing)	General Fund (Staff time), CDBG/HOME	Annual report to City Council	Action would promote greater awareness of RRB and continue annual reporting to Council.
Action 56.07-B: Ratio Utility Billing System	Community Devt. (Housing Division) , City Manager, City Council	General Fund (Staff time)	2015	Should be presented for Council consideration in 2015.
Action 56.07-C: Monitoring and Reducing Displacement	Community Devt. (Housing Division) , Other (ECHO Housing)	General Fund (Staff time)	2015	Ongoing activity, should begin monitoring in 2015

* Department with "lead" responsibility shown in bold print.

ADOPTION DRAFT

Table 7-1, continued

Action	Responsible Depts./Agencies (*)	Funding Sources	Timing	Comments
Action 56.08-A: Mobile Home Grant Program	Community Devt. (Housing Division)	General Fund (Staff time)	Ongoing	Regular activity conducted under Owner-Occupied Housing Rehab Program
Action 56.08-B: Mobile Home Rent Stabilization	Community Devt. (Housing Division) , City Manager, City Attorney, City Council	General Fund (Staff time)	2017	Would require Council action
Action 56.09-A: Condominium Conversion Ordinance Update	Community Devt (Planning Division, Housing Division) , City Attorney, City Council	General Fund (Staff time)	2016	Updating Article 24 of San Leandro Zoning Code. Requires Council action.
Action 56.10-A: Shared Housing Program	Community Devt. (Housing Division) , non-profit	General Fund (Staff Time)	2016	Consider participating in ECHO Shared Housing program
Action 57.01-A: Energy Efficiency Programs	Community Devt. (Housing Division, Building Division) , PG&E	None required (private sector)	Ongoing	Includes various PG&E and state programs, already underway
Action 57.01-B: Property Assessed Clean Energy Financing	Community Devt (Planning Division) , Building Division, Finance Dept., City Manager, City Council	General Fund (Staff time)	2015-2016	Several initiatives are in the formative stages of development. City will participate as appropriate.
Action 57.02-A: Build-it-Green Green Point-Rated Checklists and USGBC LEED Requirements	Community Devt. (Planning and Building Divisions)	None required	Ongoing	Ongoing requirement, to be continued.
Action 57.02-B: Cost Impacts of Green Building	Community Devt. (Planning and Building)	General Fund (Staff time)	2015-2023	
Action 57.02-C: Incentives for Green Building	Community Devt. (Planning and Building Divisions) , City Council	General Fund (Staff time)	Ongoing	Could cover solar panels, energy efficiency projects, etc.
Action 57.03-A: Climate Action Plan	Community Devt. (Planning Division) , City Manager, Engineering/ Transportation, City Council	General Fund (Staff time)	2015-2023	Continue implementation, and update periodically
Action 57.03-B: Plan Bay Area	Community Devt. (Planning Division)	General Fund (Staff time)	2015-2016	City action will likely be required in 2016
Action 57.04-A: Indoor Air Quality	Community Devt (Building Division) , Environmental Services Division, Fire Department	General Fund (Staff time)	2015-2023	Includes ongoing programs to abate lead paint and asbestos hazards
Action 57.04-B: Healthy Homes Initiative	Community Devt. (Planning and Building Divisions) , Environmental Services Division, City Council	General Fund (Staff time)	2015	Begin collaboration with County Healthy Homes in 2015 to determine potential local actions
Action 58.01-A: Additional HUD Funding (secs 202 and 811)	Community Devt. (Housing Division) , City Manager, Finance Dept., Senior Commission, non-profits	CDBG, HOME, HUD Programs Sec 202 and 811, and EDI	Ongoing	Regular function of the Housing Division

* Department with “lead” responsibility shown in bold print.

ADOPTION DRAFT

Table 7-1, continued

Action	Responsible Depts./Agencies (*)	Funding Sources	Timing	Comments
Action 58.02-A: Allowing Senior Householders to “Age in Place”	Community Devt. (Housing Division, Building Division) , City Manager, Senior Commission	General Fund, CDBG/HOME	Ongoing	Regular function of the Housing Division
Action 58.05-A: Large Family Rentals	Community Devt. (Planning) , City Manager, Finance Dept City Council	General Fund (Staff Time)	2017	Possible amendment to fee schedule to incentivize 3-bedroom construction
Action 58.06-A: Reasonable Accommodations for Disabled Residents	Community Devt. (Planning Division, Housing Division) , City Manager, City Council, Human Services Commission	General Fund (Staff Time), CDBG	2015-2023	
Action 58.07-A: Section 8 Program	Alameda County Housing Authority , Community Devt. (Housing Division), City Manager’s Office	HUD Section 8 Program	2015-2023	Existing program operated by Alameda County Housing Authority
58.07-B: Homelessness Prevention and Rapid Re-Housing	Community Devt. (Housing) , Other agencies (County, other cities), non-profits	General Fund, HCD Grants (possible), HEARTH (federal), other (TBD)	2015-2023	City will partner with “Building Futures with Women and Children” and other local non-profits to implement.
58.07-C: Program Funding for Extremely Low Income Households	Community Devt (Housing Division) , City Council	General Fund, CDBG/HOME,	Ongoing	
Action 58.08-A: Assistance to Homeless Service Providers	Community Devt. (Housing Division) , City Manager, Human Resources Commission	CDBG/HOME	Ongoing	Ongoing City program
Action 58.08-B: Rental Assistance Program	Recreation and Human Services , Community Devt. (Housing Division), Finance Dept., City Council	General Fund	2018	Program has been defunded. Strive to restore funding by 2018.
Action 58.08-C: Regulation of Emergency Shelter	Community Devt. (Planning Division, Housing Division) , Planning Commission, City Council	General Fund (Staff time)	2015	Add definitions of Supportive and Transitional Housing in 2015, and clarify that these uses are permitted in all zones where housing is permitted. Rest is ongoing.
Action 58.09-A: EveryOne Home	Community Devt (Housing) , City Council, Human Services Commission, Recreation and Human Services, Other (Alameda County EveryOne Home)	CDBG/HOME, General Fund	2015-2016	City has committed to develop a local implementation strategy
Action 58.09-B: Transitional / Permanent Supportive Housing	Community Devt. (Housing) , City Manager, City Council, Human Services Commission	Non-profit, HOME/CDBG	Ongoing	Efforts are ongoing
Action 58.09-C: Homeless Task Force	Community Devt. (Housing) , City Manager, City Council	General Fund (Staff time)	2015	Aim to produce report by end of 2015

* Department with “lead” responsibility shown in bold print.

ADOPTION DRAFT

Table 7-1, continued

Action	Responsible Depts./Agencies (*)	Funding Sources	Timing	Comments
Action 58.10-A: Multi-lingual Staff Capacity	City Manager , Rec and Human Services, Human Resources, Human Services Commission	General Fund (Staff time)	Ongoing	
Action 58.12-A: Housing for Public Service Employees	City Manager , Community Devt. (Housing), City Council, School Boards	State grants	Ongoing	
Action 59.01-A: Amend the Minimum Lot Area Required for a Planned Development	Community Devt. (Planning) , Planning Commission, City Council	General Fund (Staff time)	2016-2017	Amendment of Zoning Ordinance would require Council action
Action 59.01-B: Amend Zoning Code Provisions for Multi-Family Uses	Community Devt. (Planning) , Planning Commission, City Council	General Fund (Staff time)	2016-2017	Amendment of Zoning Ordinance would require Council action
Action 59.01-C: Changes to the North Area (NA) Zoning Districts	Community Devt. (Planning) , Planning Commission, City Council	General Fund (Staff time)	2016-2017	Amendment of Zoning Ordinance would require Council action
Action 59.01-D: Micro Units	Community Devt. (Planning) , Planning Commission, City Council	General Fund (Staff time)	2016	Amendment of Zoning Ordinance would require Council action
Action 59.01-E: Monitoring the Effectiveness of Minimum Density Standards	Community Devt. (Planning) , City Manager	General Fund (Staff time)	Ongoing	Requires periodic evaluation and consultation with real estate community and market experts
Action 59.01-F: Additional Density in Established Neighborhoods	Community Devt. (Planning) , Planning Commission, City Council	General Fund (Staff time)	2017-2018	Would occur after General Plan is adopted
Action 59.02-A: Amendments to the Parking Requirements	Community Devt. (Planning) , Planning Commission, City Council	General Fund (Staff time)	2016-2017	Amendment of Zoning Ordinance would require Council action
Action 59.03-A: Permit Streamlining	Community Devt. (Building)	General Fund (Staff time)	Ongoing	Regular City function
Action 59.04-A: Fee Reviews	Community Devt. (Building) , Finance Dept., City Manager’s Office, City Council	General Fund (Staff time)	Annual	Regular City function
Action 59.04-B: Fee Reductions for Affordable Housing—City	City Manager , Community Devt. (Planning and Housing Divisions), Finance Dept., City Council	General Fund (Staff Time)	Ongoing	Should be implemented on an ongoing basis
Action 59.04-C: Fee Reductions for Affordable Housing—Other Agencies	City Manager , Community Devt. (Planning and Housing Divisions), City Council, Other Agencies (EBMUD, PG&E)	General Fund (Staff Time)	Ongoing	Should be implemented on an ongoing basis

* Department with “lead” responsibility shown in **bold** print.

ADOPTION DRAFT

Table 7-1, continued

Action	Responsible Depts./Agencies (*)	Funding Sources	Timing	Comments
Action 59.06-A: Multi-Family Design Guidelines	Community Devt. (Planning) , Planning Commission, City Council	General Fund (Staff Time)	2018	Additional guidelines would supplement those that already exist for TOD area and E.14 th
Action 59.07-A: Correction of Infrastructure Deficiencies	City Manager , Engineering/ Transportation, Public Works, Community Devt. (Planning)	CDBG, General Fund, Bond Measures, state/federal grants	Ongoing	CIP function
Action 59.09-A: Remediation of Soil Contamination	Community Devt. (Environmental Services Division) , City Manager	State/federal grants, private sector	Ongoing	
Action 60.01-A: Contract with ECHO Housing (Fair Housing)	Community Devt. (Housing Division) , City Manager	CDBG	Ongoing	Ongoing City Program
Action 60.06-A: Fair Housing Training Sessions	Community Devt. (Housing Division) , non-profits	CDBG, General Fund (Staff Time)	Ongoing	Part of City's efforts to affirmatively promote fair housing practices
Action 60.06-B: Fair Housing Outreach	Community Devt (Housing Division) , City Manager, non-profits	CDBG, General Fund (Staff Time)	Ongoing	Part of City's efforts to affirmatively promote fair housing practices

* Department with "lead" responsibility shown in **bold** print.

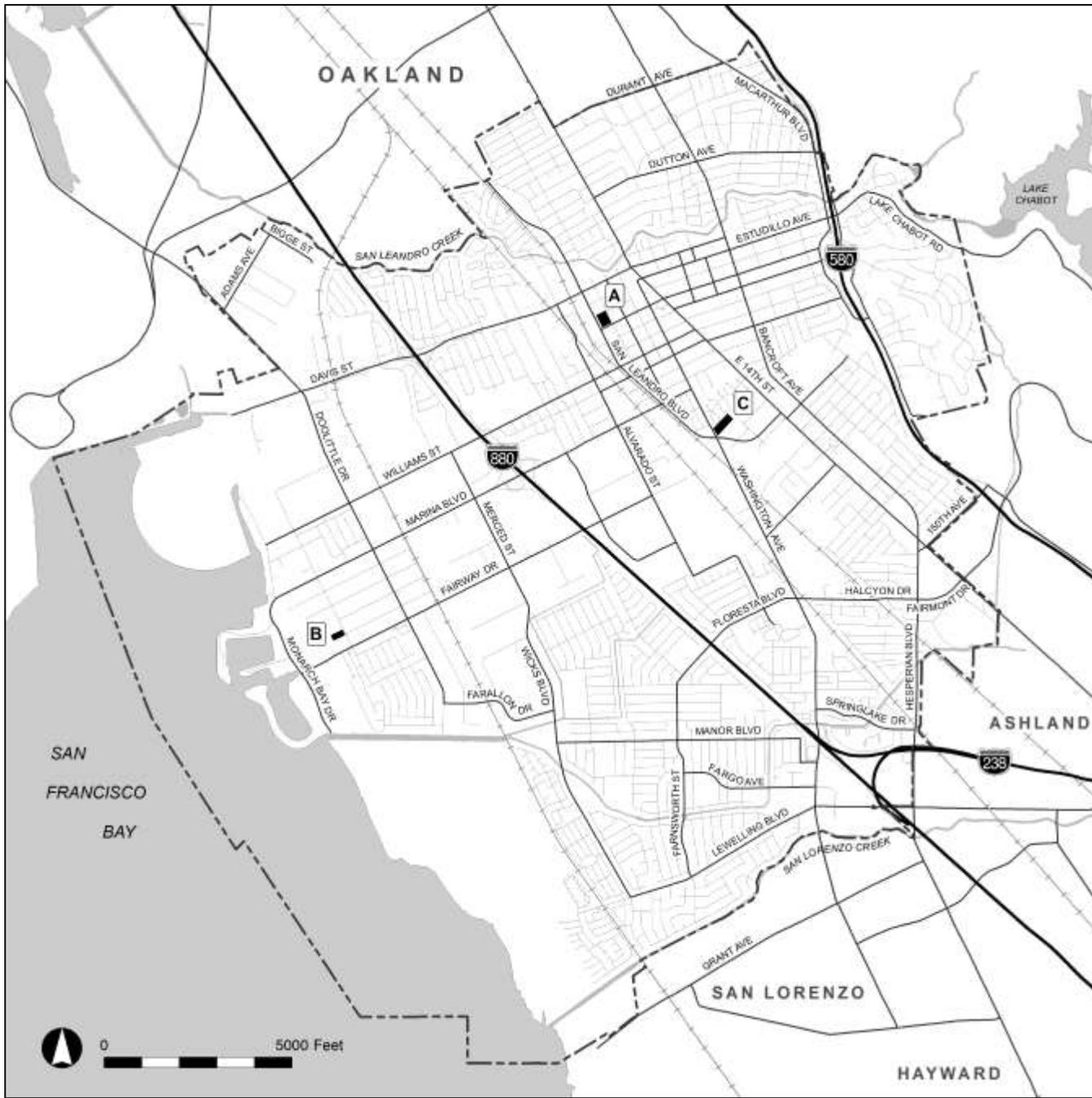
ADOPTION DRAFT

APPENDIX A:

**2015-2023 SAN LEANDRO HOUSING ELEMENT
OPPORTUNITY SITE INVENTORY**

Table A-1: Approved and Entitled but Unbuilt Projects

ID	Location	Address	APN(s)	Area (acres)	GenPl Des	Zoning	Existing Use	UPA	Issues/ Assumptions	Distance to BART	Units				Notes/Comments
											Very Low	Low	Mod	Above Mod	
A	NE corner W Juana and SL Blvd	W. Juana: 506, 528, 540, 552, 564, 588	75-39-7-5	2.26	TOD	DA-4(S)	BART parking lot	89	Project is fully entitled and has received tax credits. Construction expected to begin late 2014	0.1	200				Cornerstone Apts. by BRIDGE Housing. Approved for 200 very low income units, including 115 family units and 85 senior units. This was Site "1" in the 2010 Housing Element
B	West side of Aurora just north of Fairway	13543-13547 Aurora	79A-584-18-1, 79A-584-18-2, 79A-584-19-1 and 79A-584-19-2	1.28	Gard. Res	RO (PD)	Vacant lot plus four small cottages	9.4	Approved in 2013, entitled but not yet built. 12 new 1,200 SF rentals. Presumed to meet "moderate" affordability levels.	2.7			12		Aurora Cottages. Approved 16 unit project. Will retain 4 single family homes and add 6 duplexes (2 du/ each). This was Site "76" in the 2010 Housing Element
C	E/side of Washington just north of San Leandro Blvd	2436-2450 Washington	77D-1410-25; 77-556-104	2.85	HDR	RM-1800 (PD)	46,000 SF office building	23.2	Approved and fully entitled. Anticipated to be rental apartments, presumed to rent in moderate range	1.0			66		Rezoned from office to RM-1800 (PD) in 2011. Project was stalled by the economy, but is still fully entitled. This was Site "32" in the 2010 Housing Element
COMMITTED UNITS											200	0	78	0	



LEGEND

- Committed Development Site (November 2014)

(See tables on preceding pages for key to lettered sites)

Figure A-1
Housing Approved or Under Construction

2015-2023 San Leandro Housing Element

Table A-2: Housing Opportunity Sites

CATEGORY 1: Sites Suitable for High Density (30 UPA or more)														
CATEGORY 1A: SITES IMMEDIATELY AVAILABLE, WHERE HOUSING IS A REQUIRED USE OR HAS BEEN PROPOSED														
Map ID	ID in 2010 Housing Element	Location	Address	APN(s)	Area	GenPl	Des	Zoning	Existing Use	UPA	Issues/ Assump-tions	Distance to BART (miles)	Units	Notes/ Comments
1	F	E/side SL Blvd mid-block b/w Parrott and Thornton	1650 SL Blvd	075-0028-010-02	0.2	TOD		DA-4	Vacant Lot	30	Density based on previously approved project, 30 du/ac	0.2	6	Site was approved for 6 townhomes but entitlements have expired.
2	3	Alvarado at Antonio, three contiguous parcels on west side of street under common ownership	854 Antonio, 915 Antonio	075-0057-012-00; 075-0057-001-00; 075-0155-0150	4.19	TOD		DA-4(S)	Vacant	60	Minimum density requirement applies: 60 UPA. (Maximum is 100 UPA).	0.4	251	Property currently for sale, part of TOD area. Owned by World/ Wachovia/ Wells
3	4	Alvarado at Antonio, two contiguous parcels on east side of street under common ownership	844 Alvarado, 728 Antonio	075-0051-03-00; 075-0054-001-02	0.73	TOD		DA-4(S)	Vacant	60	Minimum density req.: 60 UPA. (Maximum is 100 UPA).	0.4	44	Property currently for sale; same owner as site 4
4	5	SW corner Alvarado St and Antonio St	794 Davis	075-0057-0013-03	2.2	TOD		DA-4(S)	Underutilized surface parking lot	60	Zoning requires min density of 60 UPA	0.3	132	Northern portion of the 6.7 acre World/ Wachovia/ Wells Bank--presumes subdivision into 2.2 ac dev't site and 4.5 acre site with bank and parking deck. TOD study assumed 160 units. More conservative estimate used here.
5	6	SL Blvd@Parrott, SE corner	1604 SL Blvd	075-0028-01-2	0.31	TOD		DA-4	Vacant	30		0.1	10	Excellent site across from BART Station. Current zoning requires housing. Densities could exceed 30 UPA, but lot is fairly small so conservative assumption used.
CATEGORY 1A SUBTOTAL					7.63							443		

CATEGORY 1B: SITES IMMEDIATELY AVAILABLE, WHERE HOUSING OVER 30 UPA IS A PERMITTED USE AND IS ENCOURAGED													
Map ID	ID in 2010 Housing Element	Location	Address	APN(s)	Area	GenPl Des	Zoning	Existing Use	UPA	Issues/ Assump-tions	Distance to BART (miles)	Units	Notes/ Comments
6	10	Thornally Dr at Coelho Drive (Bayfair BART)	15242 Hesperian	077-D-1490-01	11.7	Public	PS	parking lot for BART	32	Yield is based on BART's estimate of 620-740 units in its prior TOD study, with 60% in city and 40% in county	<0.1	375	City has received planning grant for a TOD Plan at Bay Fair station. Study is expected to identify much more capacity. Figure shown here is only for the 11-acre BART property, per BART estimates from its last TOD study.
7	8	E14th @ Sybil, midblock NE	1858-1860, 1890-1894-1896 E14th	077-0530-020-01; 077-0530-022-00	0.47	CMU	DA-1	Large grass yard and adjacent small bldg	42	Zoned DA-1, min. density 35 UPA, density based on past proposal	0.8	20	Had been proposed for 20 "green" affordable rental units ("Ecodreams") but project did not proceed
8	7	Parott, n/side, b/w Washington/	268 Parrott; 1595 Washington	075-0005-12-0; 075-0005-011-01	0.42	DMU	DA-1	Vacant lot	30	Past development proposals on this site have ranged from 9 to 30 units	0.3	12	Former EBMUD properties; now owned by City. Level site in Downtown with no visible constraints.
9	13	E14th@135th, N	13489 E14th	77D-1405-001-01	0.28	CMU	SA-2	Vacant Lot	36	Assume max density, per GP	1.2	10	Applications for auto-service use have been denied in the past--city desires mixed use
10	14	E14th@139th, E	13940 E14th	77E-1548-001-06 and -07	1.11	CMU	SA-1	Vacant, former Car Lot	36	Assume max density, per GP	1.4	40	Former "Ford Store" Lot; Now owned by Church of LDS. Housing has been considered.
11	15	E14th @ 141st, NW side	14180 E14th	77E-1555-008-00	0.42	CMU	SA-1	Vacant Lot	36	Assume max density, per GP	1.3	15	
CATEGORY 1B SUBTOTAL					14.4							472	

CATEGORY 1C: OTHER SITES WHERE HOUSING OVER 30 UPA IS A PERMITTED USE AND IS ENCOURAGED (NOT IMMEDIATELY AVAILABLE)														
Map ID	ID in 2010 Housing Element	Location	Address	APN(s)	Area	GenPl Des	Zoning	Existing Use	UPA	Issues/ Assump-tions	Distance to BART (miles)	Units	Notes/ Comments	
12		New site; not in prior Element	N/side Callan, from E. 14th to Hyde	1188 E 14th St	77-447-14-6; 77-477-7-1	1.19	DMU	DA-1(S)	CVS drug store, parking lot	60	Minimum density of 35 UPA applies, maximum density of 75 UPA.	0.4	71	CVS scheduled to relocate to The Village in 2015, leaving this site vacant. Adjoins large parking lot owned by City. TOD Strategy identified capacity for 130+ units here, including 2 older office bldgs (not counted here)
13			Davis at E. 14th NW corner	1117, 1145, 1199 E. 14th, 214, 222, 234, 250, 262, 290 Davis	075-0001-002-02; 0075-0001-003, -004, -005, -006; 0075-0001-007-02; 0075-0001-010-02; 0075-0001-009-02; 0075-0001-008-02	1.48	DMU	DA-1(S)	Chevron, vacant bank, SL Chamber, City owned parking lots	60	Minimum density of 35 UPA applies, maximum density of 75 UPA.	0.3	89	"Town Hall Square" site. Portions of block are for sale. TOD strategy assumed 148 units here, using a density of 60 units per acre. This analysis uses more conservative assumption, based on minimum density allowed by zoning.
14			NW corner Alvarado and Davis St	NA	0075-0057-0011-00	4.2	TOD	DA-6	Car Dealership (secondary location)	60	zoning requires 60 UPA min density	0.2	252	TOD strategy calls for high density housing on this site. Would require relocation of Dailey Chevrolet lot.
15			SL Blvd @ Parrott, NE corner	1562, 1590 SL Blvd	075-0039-24-2 075-0039-25-2	0.24	TOD	DA-4	Parking lot for DCARA	30	zoning allows 100 UPA, but parcel size constrains	0.1	7	Deaf Counseling Ctr parking lot. Rezoned from commercial to residential mixed use after 2003 Housing Element
16			SL Blvd @ Williams, SE corner	525 Williams	075-0068-05-9	0.36	TOD	DA-4	Old conven. store w/large parking lot	30	zoning allows 100 UPA, but parcel size constrains	0.2	10	Small, marginal convenience store adj. To BART. Rezoned from commercial to residential mixed use after 2003 Housing Element
17			E/side Alvarado, Thornton to Williams	1700 Alvarado; 750 Williams	075-0045-001-04; 075-0045-001-02	1.7	TOD	DA-4	Large Warehouse and related offices (still active).	60	zoning requires min density of 60 UPA.	0.3	102	TOD study assumed 108 units on this site. Current use is industrial
18			East 14th at Durant, SE corner	110 E 14th, 81 Durant Av	076-0271-017-04, 076-0271-017-03	1.1	CMU	NA-2	San Leandro Furniture	30	General Plan/ Zoning allow 36+ UPA	1.2	33	San Leandro Furniture warehouse; land value is \$863,000, improvements are \$92,000. Site is same size as new Broadmoor Senior Housing one block to the south, which has 41 units.

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CATEGORY 1C: OTHER SITES WHERE HOUSING OVER 30 UPA IS A PERMITTED USE AND IS ENCOURAGED (NOT IMMEDIATELY AVAILABLE)													
Map ID	ID in 2010 Housing Element	Location	Address	APN(s)	Area	GenPl Des	Zoning	Existing Use	UPA	Issues/ Assump-tions	Distance to BART (miles)	Units	Notes/ Comments
19	22	E14th@E/ side, opp.135th	13760 E14th	077E-1525-006-1	0.45	CMU	SA-2	House and 3 older small businesses	30	General Plan/ Zoning allow 36+ UPA	1.2	22	Deep lot adj to Girls Inc, has tarot reader, tailor, glass shop. Land valued at 4 times improvements value
20	23	E14th@143rd, NW	14263, 14285 E14th and 1371 143d Av	077D-1456-040-01; 077D-1432-038-02	1.17	CMU	SA-1	Large used car lot, auto storage. One owner.	30	General Plan/ Zoning allow 36+ UPA	1.2	35	The Car Store (14263, 1371), used car dealer, etc.occupies 2 large parcel--mostly car storage. Land value assessed at five times improvement value.
21	24	E14th, 200' south of 145th	14583 E. 14th	77D-1460-001-0	1.16	CMU	SA-1	Pottery store and storage area for vehicles	30	General Plan and zoning would allow higher density	1.1	35	Underused. Land value assessed at three times improvement value.
22	12	E 14th, e/side, 500' n of Hesperian	14834 East 14th	077-E-1593-013-08; 077-E-1593-12-2	1.13	CMU	SA-3	House and used car dealer/ car storage (one owner)	30	Assume 30 units per acre	0.9	33	Adjoins new Auto Zone development
CATEGORY 1C SUBTOTAL					14.18						689		

CATEGORY 2: Sites Suitable for Medium-High Density (15-30 UPA)													
CATEGORY 2A: SITES IMMEDIATELY AVAILABLE, WHERE HOUSING IS A REQUIRED USE OR HAS BEEN PROPOSED													
Map ID	ID in 2010 Housing Element	Location	Address	APN(s)	Area	GenPl Des	Zoning	Existing Use	UPA	Issues/ Assumptions	Distance to BART (miles)	Units	Notes/ Comments
23	25	143rd Av flag lot, west of Antone Ct	Behind 1088 143rd	77D-1450-9-9	0.55	HDR	RM-1800	Vacant	18	24 allowed, 18 assumed	1.6	10	Flag lot, one driveway in and out...behind SFDs
24	26	MacArthur/ Joaquin at Grand	1405 Grand Ave	077-0502-008-07	0.54	HDR	RM-1800	Vacant	12	Density based on actual develop-ment proposal	1.3	6	Proposed 5-6 unit residential PD using ZETA manufactured units
25	27	Pacific Ave, w/side, 400ft n. of Seeley	1471 Pacific	075-0120-25-0	0.29	HDR	RM-1800	Vacant	18	24 UPA allowed but 18 assumed	0.5	6	Deep lot, max density hard to achieve here
26	28	Harrison at SL Creek	170 Chumalia	077-0450-02-1	0.29	HDR	RM-1800	Vacant	18	24 UPA allowed, 18 assumed	0.4	5	Almost landlocked; challenging site
27	29	Callan, N/side b/w Jefferson/Harrison	240 Callan	077-0451-19-0	0.17	HDR	RM-1800	Vacant	24	24 UPA allowed, 4plex assumed	0.4	4	Small site, but zoning could accommodate one four-plex
28	30	SL Blvd @ Harlan, NE corner	SL Blvd	075-0070-030-1	0.11	MDR	RD	Vacant	18	Assume duplex	0.2	2	Small, triangular parcel, could be difficult for housing
29	31	Callan, N/side 100' E of Huff	532, 536 Callan	077-0442-09-0 077-0442-10-0	0.73	HDR	P	Vacant	24	Assume max GP density	0.7	18	Good site; has had past apartment proposals. Site will need to be zoned back to RM-1800, as it used to be, per GP
30	D	W/ side Washington midway between Beatrice and Fargo	15101 Washington	80H-1515-008-02	1.00	HDR	RM-1800	Vacant, former Jokers Bar and trailers	24	Was approved but entitlements expired during the recession	1.4	24	site was approved for 24 modular for-sale townhomes in 2007--units never built
CATEGORY 2A SUBTOTAL					3.68							75	

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CATEGORY 2B: SITES IMMEDIATELY AVAILABLE, WHERE HOUSING IS A PERMITTED USE AND IS ENCOURAGED													
Map ID	ID in 2010 Housing Element	Location	Address	APN(s)	Area	GenPl Des	Zoning	Existing Use	UPA	Issues/ Assumptions	Distance to BART (miles)	Units	Notes/ Comments
31	33	MacArthur @ Westbay, NE	320-340 MacArthur	076-0316-012-01; 076-0316-003-08; 076-0316-014-01	0.6	CMU	CC	Vacant	24	similar site to Cherry Pk Square	2	14	For sale. May need soil clean up. Includes large vacant lot, plus older one-story store
32	34	E.14th at Begier, opposite City Hall	806 E. 14th	076-0414-036	0.1	CMU	DA-2	Vacant, for sale	18	50/50 comm/res	0.7	2	Adjoins parking lot, could combine? Small site.
33	new site	e/side E. 14th just south of 135th Ave	13720 E 14th	077E-1525-12	0.16	CMU	SA-2	Vacant lot	24	50/50 comm/res	1	4	adjoins apartment building on one side and office building on the other
34	35	Washington@ Thornton, SE	193 Washington	077-0549-023-0	0.09	DMU	DA-2	Vacant	--	Probably can only fit 2 to 4 DU here	0.5	2	Small lot. Zoning allows more density, but site constraints make more than 2 units difficult
35	36	Washington@ Estabrook, SW	2101 Washington	075-0082-019 thru 049	0.46	CMU	CC	Vacant	24	Assume 24 UPA per zoning	0.7	11	Tent Map for a 30 unit condo was approved here in 1990s but site is still vacant. Should rezone mixed use.
CATEGORY 2B SUBTOTAL					1.41							33	

WORKING DRAFT FOR HCD REVIEW

CATEGORY 2C: OTHER SITES ZONED FOR MEDIUM OR HIGH DENSITY (NOT IMMEDIATELY AVAILABLE)													
Map ID	ID in 2010 Housing Element	Location	Address	APN(s)	Area	GenPl Des	Zoning	Existing Use	UPA	Issues/ Assumptions	Distance to BART (miles)	Units	Notes/ Comments
36	37	143rd Av, 300' west of E. 14th St	1320 143rd Av	77D-1455-13-2	0.5	HDR	RM-1800	Older SFD and large yard	18	24 UPA allowed, assume 18	1.2	8	Remnant rural home with very large yard in area of apartments and commercial. Assessed land value is four times improvement value.
37	38	Bancroft, w/side opp. Jefferson School	14341 thru 14357	77E-1569-013-3	0.98	HDR	RM-1800	Older SF home and barn	24	Assume max density, minus 1	1.3	22	Very large lot--former Davilla Farm; in area of many apartments
38	39	Marina, S/side E of Neptune	2806 Marina	79A-0588-023-02	0.34	HDR	RO(PD)	Through-lot with vacant frontage on Marina and 10-unit apt building at rear	16	GP allows 24 UPA, assume 16	2.5	6	One property with double frontage. General Plan shows for high density, but has not yet been rezoned. Adjacent lots are also under-developed given High Density designation.
39	40	Marina, N/side b/w Washington and Clarke	342 Marina	075-0082-010	0.28	HDR	RM-1800	SF home/ large yard	18	24 UPA allowed, assume 18	0.7	5	Older house with very large yard, apts nearby
40	41	Dabner Street, e/side 200ft s. of Lucille	210 Dabner	075-0148-015	1	MDR	RD	Old SF home, potentially historic	12	Assume townhm density, minus 1	0.5	11	Existing home is potentially historic--surrounded by expansive lawn. Site is less than 1/2 mile from BART. Assessed land value is three times improvement value.
41	not included; new site	S/W corner Castro and Alvarado	1905 Alvarado	75-104-1	0.51	MDR	RD	Old SF home	12	Application in for three duplexes	0.5	6	Property sold in 2013. App. PLN2014-21; site plan review for three duplexes on 3 separate lots
CATEGORY 2C SUBTOTAL					3.61							58	

WORKING DRAFT FOR HCD REVIEW

Map ID	ID in 2010 Housing Element	Location	Address	APN(s)	Area	GenPl Des	Zoning	Existing Use	UPA	Issues/ Assumptions	Distance to BART (miles)	Units	Notes/ Comments
CATEGORY 2D: OTHER SITES WHERE MEDIUM- HIGH DENSITY IS PERMITTED AND ENCOURAGED (NOT IMMEDIATELY AVAILABLE)													
42	42	E14th@ Garcia, SW	301 E14th	075-0189-001-00	0.21	CMU	NA-2	Older auto repair business		18 50/50 comm'l/ residential	1.1	3	Assessed land value is 2.5 times assessed improvements value
43	43	E14th@ Bellview, SW	355 E14th	075-0188-001	0.38	CMU	NA-2	Imported auto service		18 50/50 comm'l/ residential	1	7	
44	44	East 14th at Sunnyside	390 E14th	076-0276-064	0.16	CMU	NA-2	Under-utilized parking lot		18 50/50 comm'l/ residential	1	3	
45	45	E14th@ Stoakes, SW	401, 415, 421 E14th	075-0181-001-002, and -003	0.44	CMU	DA-2	Auto repair, marine electric, vacant lot		18 50/50 comm'l/ residential	0.9	8	This site consists of several adjacent parcels: 401 (East Bay Auto Repair), 415 (Diesel Marine Electric), and 425 (a vacant lot). North sites zoned NA-2, south sites zoned DA-2
46	46	E14th@ Euclid, SW	500, 501 E14th	075-0180-004-2 075-0180-005	0.35	CMU	DA-2	Older drive thru burger restaurant		18 50/50 comm'l/ residential	0.9	6	Longterm potential. Site still in active use. Land value exceeds improvements value.
47	47	E14th@ Oakes, NE	696 E14th	076-0420-012-1	0.13	CMU	DA-2	Used Car Lot		18 50/50 comm'l/ residential	0.8	2	Small site would constrain achieving higher densities
48	48	E14th@ Williams, SW	25 Williams 1801, 1817, 1835 E14th	077-0550-001-03	0.48	CMU	DA-1	Used Car Lot		24 50/50 comm'l/ residential	0.8	12	Behind Frontier Mortgage, close to downtown and close other recent housing developments. If site was all residential, could be 20+DU
49	49	E14th@ Harlan, NW	1953, 1955 1977, 1987, 1991 E14th	077-0553-003-00; 077-0553-004-00	0.35	CMU	SA-2	Used Car Lot		24 50/50 comm'l/ residential	0.9	8	CalWest Used Cars
50	50	E14th@ Harlan, SW	2001 E14th	077-0554-002-01	0.42	CMU	SA-2	Used Car Lot		24 50/50 comm'l/ residential	0.9	10	Begier Real Estate--being used as Overflow Car Lot.
51	51	East 14th @ Blossom Way, NW	2298 E14th	077-0571-033	0.16	CMU	SA-2	Parking lot		24 50/50 comm'l/ residential	1	4	Underutilized parking, but it serves a nearby business. Site not immediately available. Land value exceeds improvements value
52	52	E14th@ Blossom, SE	2300 E14th	077-0570-010 077-0570-011 077-0570-012 077-0570-013 077-0570-014	0.26	CMU	SA-2	Used Car Lot		24 50/50 comm'l/ residential	1	6	5 parcels with one owner, facing East 14th St. Used car lot. includes small building

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CATEGORY 2D: OTHER SITES WHERE MEDIUM- HIGH DENSITY IS PERMITTED AND ENCOURAGED (NOT IMMEDIATELY AVAILABLE)													
53	53	E 14th @135th SW	13505, 13515 E. 14th	77D-1416-003	0.22	CMU	SA-1	Used Car Lot		18 50/50 comm'l/ residential	1.2	4	"Future Auto Sales" is the name of the dealership
54	54	E14th@ 138th, SE	1434 138th Ave	77E-1548-009-01	0.24	CMU	SA-1	Older automotive business		18 50/50 comm'l/ residential	1.3	4	Sure Fit Auto upholsterers
55	55	E14th@ 140th, NE	13990 E. 14th	77E-1548-008	0.22	CMU	SA-1	Older auto repair business		18 50/50 comm'l/ residential	1.4	4	Precision Auto Care
56	56	E14th@ 139th, NW	13999 E14th	77D-1430-001-00	0.23	CMU	SA-1	Used Car Lot		18 50/50 comm'l/ residential	1.4	4	Used Car dealership
57	57	E14th@ 139th, SW	14005 E14th	77D-1432-001 77D-1432-002	0.23	CMU	SA-1	Used Car Lot		18 50/50 comm'l/ residential	1.4	4	A-1 Motors
58	58	E14th@ 141st, SW	14141 E 14th	77D-1432-061-1 77D-1432-061-2	0.48	CMU	SA-1	Used Car Lot		18 50/50 comm'l/ residential	1.3	8	Sprint Auto Sales Used Cars.
59	59	E 14th @145th NW corner	14429 E 14th	077D-1456-004-01	0.13	CMU	SA-1	Used Car Lot		18 50/50 comm'l/ residential	1.1	2	S&K Auto repair, small site
60	60	E14th@ 146th, NE	1433 146th 14590 E 14th	77E-1575-010-0 77E-1575-011-0	0.41	CMU	SA-1	Older auto repair business		18 50/50 comm'l/ residential	1.1	7	2 parcels, one with older industrial bldg. San Leandro Auto Care
61	61	E14th, W/side, 300ft. South of Lillian	14829 E14th	077D-1475-014	0.4	CMU	SA-3	Used Car Lot		18 50/50 comm'l/ residential	0.9	7	Prestige Auto Sales
62	62	E14th, e/side opp. Lillian	14810, 14812, 14814 E14th	77E-1593-009-0	0.72	CMU	SA-3	Rental Car Lot		18 50/50 comm'l/ residential	0.9	13	Enterprise Car Rental; could be theatre parking. Conservative estimate--this could be over 30 UPA.
63	not counted previously	E.14th, e/side opp. Lillian	14818 E 14th	77E-1593-10-2	0.21	CMU	SA-3	Small tax office, large parking lot		18 50/50 comm'l/ residential	0.9	4	This is the "front" part of a large parcel with a trailer park in the rear. The E. 14th Street frontage is mostly a parking lot.
64	63 and 64	E/side MacArthur just south of Victoria to opposite Lewis	560 and 604 MacArthur	076-0319-025-01; 076-319-014-02	1.22	CMU	CC	Parking lots, older drive-thru restaur. and sit-down restaurant		18 50/50 comm'l/ residential	2	21	Jerry's Burger restaurant and Oriental Tea House. Formerly two parcels, now one owner. Assessed value of land is four times assessed value of building and most of site is parking.

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Map ID	ID in 2010 Housing Element	Location	Address	APN(s)	Area	GenPl Des	Zoning	Existing Use	UPA	Issues/ Assumptions	Distance to BART (miles)	Units	Notes/ Comments
CATEGORY 2D: OTHER SITES WHERE MEDIUM- HIGH DENSITY IS PERMITTED AND ENCOURAGED (NOT IMMEDIATELY AVAILABLE)													
65	65	Washington, Harlan to Castro, w/side	1935, 1995 Washington	075-0073-001-03 075-0073-002	0.68	CMU	CC	Gas station and car wash		18 50/50 comm'l/ residential	0.5	12	Minimal structure coverage on site. Assessed land value is twice the assessed improvement value. Not yet rezoned for mixed use.
66	66	Washington @ Williams, SW	1805 Washington	075-0008-003-03	0.52	CMU	CC	Brake and wheel shop		18 50/50 comm'l/ residential	0.5	9	Not yet rezoned for mixed use
67	67	Washington @ Marina, SW	2201, 2229, 2233 Washington	075-0083-004-06 075-0083-006-00 075-0083-008-01	0.77	CMU	CC	Tire shop, car storage, auto repair		18 50/50 comm'l/ residential	0.6	14	5 parcels, multiple businesses (Big O, Mercedes repair, etc.), includes a storage lot. Not yet rezoned for mixed use
68	68	Washington @ SL Blvd, NW	2411 Washington, 2392 Cherry	075-0084-019-04 075-0084-007-00 075-0084-008-00	1.66	CMU	CC	Boat and RV/ truck storage		18 50/50 comm'l/ residential	0.8	30	3 parcels, industrial character, clean up likely needed. Was rezoned from Light industrial to Community Commercial after 2003 Element was adopted.
69	E	Macarthur at Broadmoor	311-335 macarthur	076-0311-001-03; 076-0311-003-00; 076-0311-004-00; 076-0311-005-00	0.99	CMU	CC (PD)	Stepping Stones Child Dev't Ctr		24 Estimated number of units is based on actual project approved here around 2008	2.1	23	Site was approved for 23 townhomes just before recession, and entitlements have now expired.
70	not counted previously	SE corner MacArthur at Durant	200 Macarthur	76-314-14	0.16	CMU	CC	structure destroyed by fire in 2013		24 assume 12 units/ac	2.2	2	pending application for CUP
CATEGORY 2D SUBTOTAL					12.83							241	

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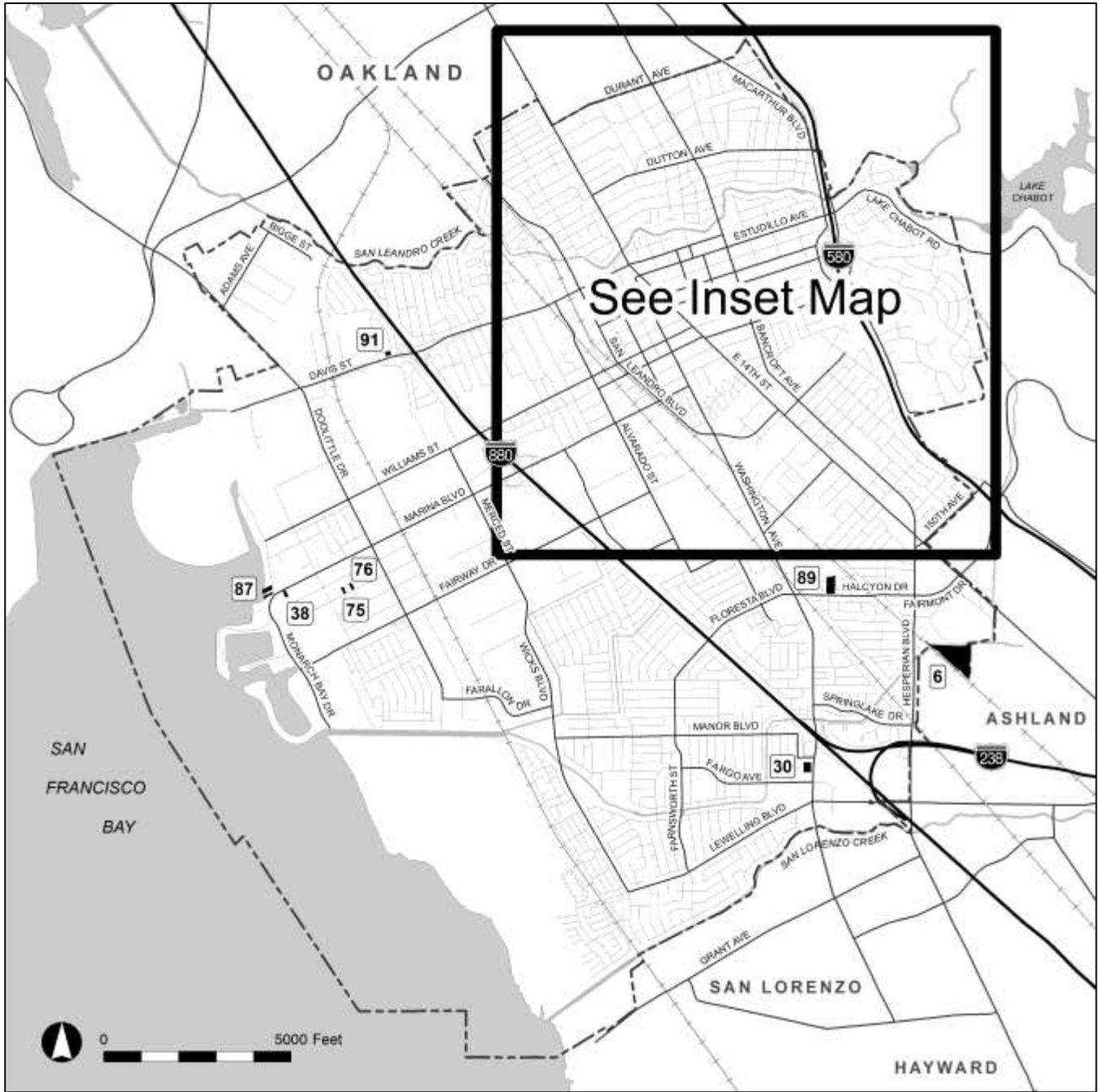
Map ID	ID in 2010	Housing Element	Location	Address	APN(s)	Area	GenPl Des	Zoning	Existing Use	UPA	Issues/ Assump-tions	Distance to BART (miles)	Units	Notes/ Comments
CATEGORY 3: Sites Suitable for Low or Low-Medium Density (2-15 UPA)														
<i>CATEGORY 3A: SITES IMMEDIATELY AVAILABLE, ZONED FOR SINGLE FAMILY OR DUPLEX</i>														
71	69		Warren, n/side b/w E14th/Bancroft	Warren Ave	075-0572-10-0	0.44	LDR	RS	Vacant lot		9 Density based on actual proposal	1	6	Proposed for subdivision into six lot PD
72	G		End of Darius Ct	1500 Darius Ct	079-0019-040-0	0.45	LDR	RS (VP)	Vacant		2 Based on actual proposal	2.7	1	single family home. Had been approved but work stopped. Site sold in 2013
73	70		End of Darius Way (3 lots)	Darius Way	079-0020-047-04, 0079, 0020-048-02, 079-0020-0047-05 (pt)	1.5	LDR	RS(VP)	Vacant lots	--	2 vacant lots, plus 1.5 acre flag lot with 1 existing and 1 DU potential	2.8	3	11, 814 SF lot; 12,459 SF lot, and one half of a 1.5-acre lot that could be split. The 1.5-acre lot was recently developed with one home but there is room for another.
74	71		End of Montrose (2 lots)	Montrose Dr.	079-0025-069; 079-0025-070	1.97	LDR	RS(VP)	Vacant lots	--	Assume 3 homes	2.4	3	Two lots, one subdividable--but near hillside cir. landslide
75	72		W Ave 134, 400' E of Aurora	East of 2451 W Ave 134	79A-572-27	0.28	GDR	RO	Vacant lot	--	Assume two SF houses	2.5	2	12,000 SF lot
76	73		W Ave 134, 600' W of Doolittle	East of 2389 W Ave 134	79A-572-24	0.28	GDR	RO	Vacant lot	--	Assume two SF houses	2.4	2	12,000 SF lot--appears to be owned by neighbor
77	75		Daniels Drive, n/side W of Sylvan	1700, 1702 Daniels	079-0121-007-2 079-0121-007-4	0.6	LDR	RS	Vacant, upslope lots	--	one home per lot	2	2	Two adj vacant lots, in between driveways
78	77		Maud, n/side b/w E14th/ Bancroft	Maud Ave	075-0528-14-0	0.13	LDR	RS	Vacant, adjoins lot w/house	--	Assume one SF house	0.8	1	buildable lot
79	78		Maud, n/side, w of Morgan	Maud Ave	077-0509-06-0	0.19	LDR	RS	Vacant, adjoins lot w/house	--	Assume one SF house	1.3	1	fruit orchard, owned by neighbor at 850 Maud
80	79		Estudillo, s/side, 6 lots e/ of San Jose St.	745 Estudillo	077-0513-017-05	0.13	LDR	RS	Side yard of adj house	--	Assume one SF house	1.1	1	buildable lot, owned by home on adjacent lot
81	80		Woodland Park, s/side to Creek	341 Woodland	076-0406-16-3	0.26	LDR	RS	Vacant	--	Assume one SF house	1	1	Owner lives in Salinas

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CATEGORY 3: Sites Suitable for Low or Low-Medium Density (2-15 UPA)													
<i>CATEGORY 3A: SITES IMMEDIATELY AVAILABLE, ZONED FOR SINGLE FAMILY OR DUPLEX</i>													
82	81	Estudillo, s/side at Brookdale	Estudillo	079-0120-011-0	0.19	LDR	RS	Vacant	--	Assume one SF house	1.9	1	Buildable lot
83	82	Lake Chabot Rd, E of Sandalin	1500 E. Juana	079-0094-007-2	0.13	LDR	RS	Vacant, portion of lot	--	Assume one SF house	2	1	Access from end of East Juana. Would require split of 0.59 acre lot. House on one portion, rest is vacant.
84	83	Scenic View Dr, E of Regent	1447 Scenicview	077-0627-008-0	0.31	LDR	RS(VP)	Vacant	--	Assume one SF house	2.1	1	Buildable lot, good access
85	New site-not counted	End of Scenic View cul-de-sac	1754 Scenicview	077-627-12-2	1.04	LDR	RS(VP)	Vacant	--	Assume one SF house	2.2	1	Lot owned by adjacent home
86	84	East end of Starview	Starview Dr	079-0021-013-2 079-0027-094-0	2.18	LDR	RS(VP)	Vacant	--	Assume one SF house	3.2	1	Flag lot, potential for multiple houses if private street is stubbed in
87	85	Neptune@ Marina, NW corner	13145, 13155, 13175 Neptune	79A-0560-14-3; 79A-0560-14-4; 79A-0560-14-5	1.18	GDR	RO(PD)	3 vac lots (4th lot contains house)	--	Assume 2 units per lot	2.5	6	Three vacant waterfront lots
88	New site-not counted	SE corner Bancroft and Begier	800 Bancroft	76-362-21-1	0.11	LDR	RS (PD)	Vacant, adjoins house	9.1	Based on actual proposal	1.5	1	Planned development to split developed 10,800 SF lot, new lot to contain one home
SUBTOTAL CATEGORY 3A					11.37							35	

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CATEGORY 3B: UNDERUTILIZED SITES, ZONED FOR SINGLE FAMILY OR DUPLEX													
Map ID	ID in 2010 Housing Element	Location	Address	APN(s)	Area	GenPl Des	Zoning	Existing Use	UPA	Issues/ Assump-tions	Distance to BART (miles)	Units	Notes/ Comments
89	86	Halcyon, n/side opp. Hollyhock	2824 Halcyon	077-01240-05	2.42	LMDR	RS(PD)	Old home	8	Assume 7 UPA, same as adjacent site	0.8	17	Remnant rural residence surrounded by small lot subdivisions. Portion of site incorrectly zoned IP. Need to correct.
90	New site	Juana to Dolores through lot, e/ of Bancroft	651 Juana	77-510-16	0.55	LDR	RS	Small older home	8	Based on actual proposal; net gain	1.2	3	Proposal in to split 24,140 SF lot with small home into four SF lots
91	New site	s/ side Laura just east of Warden	2015 Laura	77A-655-144	0.39	LDR	RS	non-conforming vacant commercial	8	Based on actual proposal	2	3	Application to divide into three single family lots pending
SUBTOTAL CATEGORY 3B					3.36							23	



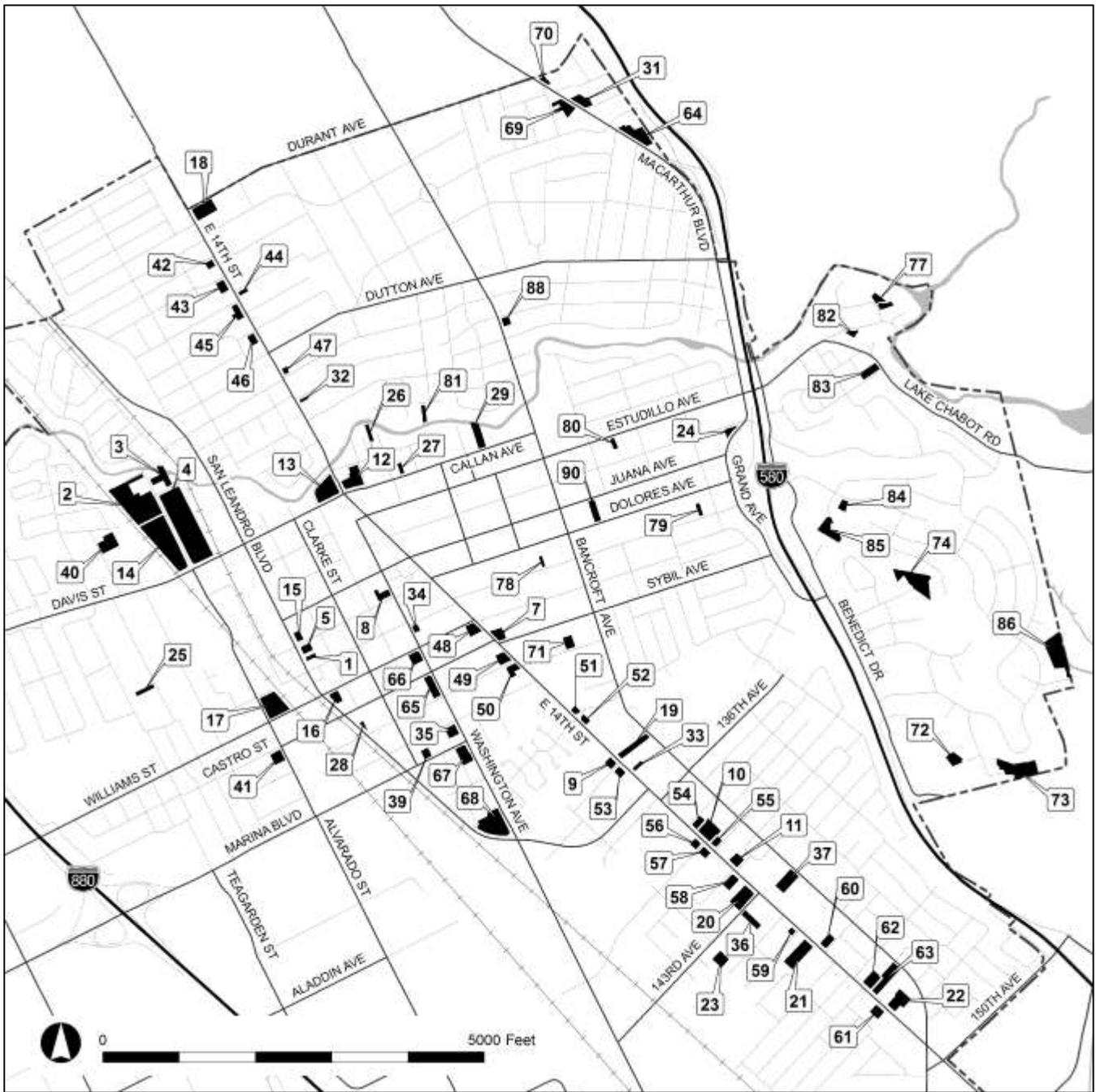
LEGEND

 Housing Opportunity Site

(See tables on preceding pages for key to lettered sites)

Figure A-2
Potential Housing Sites
 (See inset map for Additional Sites)

2015-2023 San Leandro Housing Element



LEGEND

 Housing Opportunity Site

(See tables on preceding pages for key to lettered sites)

Figure A-3
Potential Housing Sites-
Inset Map

2015-2023 San Leandro Housing Element

APPENDIX B:

**2015-2023 SAN LEANDRO HOUSING ELEMENT
HOUSING CONDITIONS SURVEY FORM**

APPENDIX B: HOUSING CONDITIONS SURVEY FORM

Property Number: _____

Housing Conditions Survey Ranking Sheet

Building Address: _____

Building Type (circle one): Single family 2-4 units 5+-units Mixed Use

Occupancy (circle one): Vacant Occupied

Property Condition

(for each component, place a check in the appropriate column)

Building Components	Sound	Minor Defects	Major Defects	Critical Defects	Unable to Tell
Roof, Gutters, and Chimney					
Porches, Stairs, and Fences					
Doors and Windows					
Exterior Surfaces					
Foundation					
Yard (Weeds, Debris)					

Overall Building Condition (circle one): Good Fair Poor

Key: *Good: No more than two minor defects*
 Fair: No more than four minor defects OR one major defects
 Poor: Five or more minor defects; OR two or more major defects; OR one critical defect