

Source of Income Ordinance

Summary and Benefits:

Since the 2009 ruling on *Palmer v. City of Los Angeles*, which restricted local jurisdictions' ability to promote mixed-income housing, there have been few avenues available to ensure low-income households have the ability to live in to high opportunity areas. Federal rent subsidy programs like the federal Housing Choice Voucher program (Section 8) offer the ability for low income residents to pay market rate rents and more effectively compete for housing. The advantages of vouchers over project-based housing assistance depend on the ability of voucher recipients to locate a landlord who will accept the voucher. Some landlords wish to avoid the administrative burden associated with the voucher program. Other landlords perceive voucher recipients to be undesirable tenants and/or fear their other tenants would object to voucher recipients as neighbors.

Under California law, it is unlawful for a landlord, managing agent, real estate broker, or salesperson to discriminate against a person or harass a person because of the person's race, color, religion, sex (including pregnancy, childbirth or medical conditions related to them, as well as gender and perception of gender), sexual orientation, marital status, national origin, ancestry, familial status, or disability. Source of Income anti-discrimination laws make it illegal for landlords to discriminate against voucher recipients solely on the basis of their having a voucher.

Potential Policies:

- Consider an ordinance similar to East Palo Alto's Source of Income Ordinance EPAMC § 14.16.010.A.4 which prohibiting Income-Based Rental Housing Discrimination.
- *For further consideration* - Consider requirement for the inclusion of Section 8 Housing Choice Voucher Program tenants in new developments within the plan area where a community benefit agreement or development agreement is negotiated.

Model Ordinances/Useful Sources:

- City of East Palo Alto, link: [HERE](#)
- Poverty and Race Research Action Council, Appendix B: State, Local, and Federal Laws Barring Source-of-Income Discrimination, link: <http://www.prrac.org/pdf/AppendixB.pdf>
- Fair Housing Law Project, *Housing Discrimination Based on Income*, link: <http://www.lawfoundation.org/repository/Income.pdf>
- U.S. Department of Housing, *The Impact of Source of Income Laws on Voucher Utilization and Locational Outcomes*, http://www.huduser.org/publications/pdf/Freeman_ImpactLaws_AssistedHousingRCR06.pdf
- 21 Elements Policy Best Practices: [HERE](#)

Commercial Linkage Fee

Summary and Benefits:

A portion of jobs created by new commercial development – hotel, retail, office, etc.- are low-paying and the new employees cannot afford market-rate housing. With commercial linkage fees – also known as job-housing linkage fees - developers are expected to ameliorate some of the housing impacts generated by such projects. This impact is measured through a Job-Housing Nexus Analysis that shows the connection between the construction of new commercial buildings, employment, and the need for affordable housing. They are usually performed by consulting firms that have specialized in this type of analysis.

Methodologies vary, but in most cases the analysis begins with an estimation of the number of employees for a prototypical 100,000 sq.ft. building and ends with the cost per-square foot for that building to provide housing for those employees who would live in that locality but could not afford to live there. Consultants routinely recommend fee levels much lower than the maximum. Given that, depending on the land use, there are different concentrations of employees per area of buildings, fee levels vary, with office usually the highest, and warehousing the lowest. Some localities, heavily impacted by specific types of development, might exact fee from only those uses, as is the cases in some Silicon Valley cities targeting the high tech industry.

Commercial linkage fees are adopted at the local level, and as such they reflect the diversity of each locality's economic, political and cultural traits. Linkage fees can vary by development type, fee level, exemptions, options/thresholds, terms of payment, and results. About twenty cities in California have enacted commercial linkage fees. Compared to the number of localities with inclusionary housing programs, the number of localities with commercial linkage fees is rather low. A possible explanation is fear of discouraging economic growth. However, reasonable fees enacted in areas experiencing high levels of economic growth and strong demand for commercial space should not negatively affect the rate of commercial development. This is especially true if one considers that the additional costs to developers will bring about a readjustment of land prices in a period of a few years, i.e., the landowner will pay the additional cost of development through a reduction of the price of land. (See below, Jobs-Housing Nexus Study Prepared for the City of San Diego by Keyser Marston associates, Inc. August 2013, page 62).

Potential Policies:

- Some cities in the Bay Area already have commercial linkage fees. Those cities experiencing high levels of growth should consider increasing their existing fees. In some cases there are no provisions for inflation adjustment, as in Berkeley. The City of San Diego passed legislation last year to increase their fees to reflect the failure in adjusting their fees since 1990, the date of adoption of their program. Finally, cities without commercial linkage fees but experiencing high rates of commercial growth should consider adopting a commercial linkage fee program.

Model Ordinances/Useful Sources:

- City of Menlo Park Commercial Development Fee - Zoning Code Chapter 16.96.030, Link: <http://www.codepublishing.com/CA/menlopark/?MenloPark16/MenloPark1696.html>
- City of Oakland Jobs/Housing Linkage Fee - Building Code Chapter 15.68. Link: http://library.municode.com/HTML/16308/level2/TIT15BUO_CH15.68JOHOIMFEAFHOTR_FU.html#TOPTITLE

- City of Oakland Jobs/Housing Linkage Fee Nexus Study and related reports. Link: <http://www2.oaklandnet.com/Government/o/hcd/s/Data/DOWD008692#linkage>
- Jobs- Housing Nexus Study Prepared for the City of San Diego by Keyser Marston associates, Inc. August 2013:
[http://sdhc.org/uploadedFiles/Real_Estate/Best_Practices_Task_Force/SDHC%20Job%20Housing%20Nexus%20Study%202013\(1\).pdf](http://sdhc.org/uploadedFiles/Real_Estate/Best_Practices_Task_Force/SDHC%20Job%20Housing%20Nexus%20Study%202013(1).pdf)
- City of San Jose, Housing Needs and Strategy Study Session Follow-up Administrative Report, Link: <http://sanjoseca.gov/DocumentCenter/View/12862>
- San Mateo County 21 Elements, Development Impact Fee 21 Jurisdiction Grand Nexus Study, Link: *To be added in 2014 to www.21elements.com.*

Housing Impact Fee

Summary and Benefits:

In the wake of the Palmer decision, which limits the ability of cities to apply inclusionary zoning requirements to rental housing unless some form of financial assistance is provided, many cities have turned instead to the use of development impact fees charged on new, market-rate housing development. Known as "Housing Impact Fees", these fees are based on an assessment of the extent to which the development of new market-rate housing generates additional demand for affordable housing.

As is the case with Commercial Linkage Fees, adoption of a Housing Impact Fee requires the preparation of a nexus study. Typically, this study will assess the extent to which new market-rate development attracts higher income households who will spend more on retail and services. That increased spending creates new jobs, attracting new workers to live in the city, some of whom will be lower income and require affordable housing..

A financial feasibility study is also recommended to ensure that any Housing Impact doesn't render development infeasible.

Potential Policies:

- Commit to conducting a nexus study and financial feasibility study for a Housing Impact Fee to assess new market rate development for the increased demand that it creates for affordable housing.
- Adopt a Housing Impact Fee, with funds dedicated to an affordable housing trust fund to be used to preserve and expand the supply of affordable housing.

Model Ordinances/Useful Sources:

- City of San Carlos Housing Impact Fee, Affordable Housing Program - Zoning Code Chapter 18.16, Link: <http://www.codepublishing.com/ca/SanCarlos/html/SanCarlos18/SanCarlos1816.html#18.16>, Nexus Study and Fee Analysis: <http://www.21elements.com/Download-document/492-San-Carlos-Nexus-Study-Fee-Analysis.html>
- City of Fremont Housing Impact Fee, Affordable Housing - Establishment of Fees - Zoning Code 18.155.090, Link: <http://www.codepublishing.com/ca/fremont/html/Fremont18/Fremont18155.html#18.155.090>
- City of Berkeley Housing Impact Fee Nexus Study, Link: http://www.ci.berkeley.ca.us/uploadedFiles/Clerk/Level_3_-_City_Council/2011/01Jan/2011-01-25_Item_14a_Affordable_Housing_Impact_Fee.pdf
- San Luis Obispo County Housing Impact Fee Nexus Study, Link: <http://agenda.slocounty.ca.gov/agenda/sanluisobispo/1612/OXR0YWNobWVudCBCIC0gUmVzaWRlbnRpYWwgSG91c2luZyBJbXBhY3QgRmVlIE5leHVzIFN0dWR5X0EucGRm/12/n/9978.doc>
- San Mateo County 21 Elements, Development Impact Fee 21 Jurisdiction Grand Nexus Study, Link: *To be added in 2014 to www.21elements.com.*

Rededication of "Boomerang Funds" to Affordable Housing

Summary and Benefits:

With the dissolution of Redevelopment Agencies (RDA), the State of California deprived local jurisdictions of their largest and most significant source of local funding for affordable homes. Across the state redevelopment was responsible for over \$1 billion in direct funding for affordable housing with its 20% tax increment set-aside. These local funds often served as "first in" money that could be leveraged to acquire other sources of funding. Some Bay Area affordable housing developers report that over 75% of their projects in recent years involved some level of RDA funding. A portion of those former tax increment funds come back to local jurisdictions as both a one-time lump sum from their former Low and Moderate Income Housing Fund (LMIHF) and an ongoing bump to their property tax. Counties receive such funds from each former redevelopment agency within the county. These have been referred to as "Boomerang Funds."

Potential Policies:

- Consider dedication of 100% of the one-time lump sum distribution of former Low and Moderate Income Housing Fund money back into funding for affordable housing.
- Dedication of at least 20% of the ongoing year-over-year tax-increment distributions now realized as increased property tax distributions back into funding for affordable housing.

Model Ordinances/Useful Sources:

- County of San Mateo, Administrative Report, *Use of Unrestricted General Funds Derived from One-Time Distribution of Housing Trust Funds of Former Redevelopment Agencies*, Link: <http://sanmateo.siretechnologies.com/sirepub/cache/2/e43oowhzorkxrqv2mzj3sagw/2976401302014051731203.PDF>
- County of Santa Clara, Resolution, *Resolution establishing a policy regarding the use of new revenues from the dissolution of redevelopment agencies*, Link: http://sccgov.iqm2.com/Citizens/Detail_LegiFile.aspx?ID=68014
- City of Oakland, Ordinance establishing set aside of boomerang funds. Link: <https://oakland.legistar.com/View.ashx?M=F&ID=2644368&GUID=D42A5E35-CC52-4D92-802B-ADE4629D4CE2>

Affordable Housing Sites:

Summary and Benefits:

A key part of every Housing Element is the identification of adequate sites to serve a range of incomes, including households at very low and low income levels. Since both Plan Bay Area and the RHNA site the majority of new growth within Priority Development Areas, local housing elements should identify affordable housing opportunity sites within PDAs. Also, while the law requires only that the sites be adequately zoned, for these sites to become affordable housing sites, they must be competitive for affordable housing funding, particularly Low Income Housing Tax Credits.

Potential Policies:

- Site the majority of affordable housing parcels entirely within local Priority Development Areas or Transit Priority Areas/PDA-like places
- Site affordable housing locations to maximize Low Income Housing Tax Credit (LIHTC) potential. Jurisdictions are encouraged to work with affordable housing developers active in their area to analyze whether identified sites would be competitive for tax credits.

Model Ordinances/Useful Sources:

- California Tax Credit Allocation Committee, Adopted Regulations (January 29, 2014)
<http://www.treasurer.ca.gov/ctcac/programreg/2014/20140129/regulations.pdf> - Regulation Section 10325 - Application Selection Criteria
- ABAG GIS Catalog, Plan Bay Area Priority Development Areas, Link: <http://gis.abag.ca.gov/>
- San Mateo County 21 Elements, *LIHTC Fact Sheet*, Link: <http://www.21elements.com/Download-document/553-Low-Income-Housing-Tax-Credit-Fact-Sheet.html>

Priority Development Areas

Summary and Benefits:

Plan Bay Area - the regional land use and transportation plan designed to reduce greenhouse gas emissions by reducing vehicle miles traveled - identifies Priority Development Areas (PDAs) throughout the region where most growth is to be concentrated. These are areas close to transit stations or along major transit corridors. However, these PDAs were established voluntarily by cities and there are some areas well served by transit that have not been designated. In addition, it is up to localities to identify policies and establish plans for siting affordable housing in PDAs. Expanding PDAs to cover all "PDA-like" places and having strong policies for developing affordable housing in PDAs are critical for regional housing equity. Local housing elements should include such actions in their implementation program.

Potential Policies:

- Expand designated Priority Development Areas to additional locations that are transit accessible.
- Jurisdictions should identify specific policies that promote inclusion of affordable housing within PDAs

Model Ordinances/Useful Sources:

- ABAG, FOCUS: Priority Development Area, <http://www.bayareavision.org/initiatives/prioritydevelopmentareas.html>
- ABAG GIS Catalog, Plan Bay Area Priority Development Areas, Link: <http://gis.abag.ca.gov/>
- ABAG, *Inner Bay Area Corridors PDA Implementation Memo*, January 7, 2014, Link: <http://www.abag.ca.gov/abag/events/agendas/e011614a-Item%2008,%20Inner%20Bay%20Area%20PDA%20Update.pdf>

Parcel Assembly

Summary and Benefits:

Infill development is often difficult due to the presence of small, oddly-shaped parcels in older parts of cities and towns. Generally, to build sites that fit with the character of the neighborhood at densities that are economically feasible, developers assemble larger sites from smaller parcels. Parcel assembly can be problematic, however, as owners of the last parcel needed to assemble the whole site can exact significant financial concessions from developers in turn incentivizing all neighbors to be the last to sell. Jurisdictions have traditionally responded through the use of eminent domain, a highly unpopular and rarely invoked option.

Graduated density zoning provides jurisdictions with another tool to assemble larger sites from smaller parcels. Jurisdictions are able to keep lower-density zoning for sites less than a given size but allow higher density development on sites that exceed a certain “trigger” size. Owners are motivated to sell if the values of their assembled parcels at higher densities greatly exceed the current value of their parcel alone. All owners have to sell in order to achieve economic gains from their parcels as the density bonus is only triggered when the site reaches a certain minimum size. As a result there is an incentive to not be the last one to sell, as the last owner could be left with an oddly shaped parcel that would be difficult if not impossible to assemble into a larger site.

Potential Policies:

Jurisdictions can choose to institute an “abrupt” or “sliding” scale of graduated density zoning or even downzone in certain instances:

- **Abrupt:** If an assembled site achieves a minimum size then higher densities are triggered.
- **Sliding:** A site’s density is increased with each subsequent increase in size up to a maximum density.
- Graduated density does not require upzoning. A neighborhood that is zoned at higher densities (i.e. 50 du/acre) but is holding out for higher prices could also be downzoned to allow the original density (50 du/acre) only on sites larger than a minimum size.

Table 1 Abrupt vs. Sliding Graduated Density Zoning :

Taken from Donald Shoup “Graduated Density Zoning” Journal of Planning Education and Research

	Abrupt		Sliding	
Area (Acres)	Density (units/acre)	Units	Density (units/acre)	Units
0.2	5	1	14	3
0.4	5	2	23	9
0.6	5	3	32	19
0.8	5	4	41	33

1.0	50	50	50	50
1.2	50	60	50	60

For either option the aim is to create a situation where the base density is much lower than developers want while offering a substantial density bonus for larger sites. The “abrupt” option creates a stronger incentive for the last owner to sell as the density bonus is not realized without the last parcel. By gradually increasing density, the “sliding” option creates stronger incentives for the initial owners to sell and puts less pressure on the owner of the last parcel.

Model Ordinances/Useful Sources:

- Shoup, Donald. "Graduated Density." *Journal of Planning Education and Research*. (2008): n. page. Web. 10 Dec. 2013. <<http://its.ucla.edu/shoup/graduateddensityzoning.pdf>>.
- City of San Bruno's 2009 General Plan allows for higher FARs on lots bigger than 20,000 sq ft, see section 2-8 “Multi-use Residential Focus”:
http://www.sanbruno.ca.gov/comdev_images/planning/General%20Plan/Approved/SBGP_CompleteGP.pdf
- City of Glendale provides a 25% density bonus in some neighborhoods:
http://www.ci.glendale.ca.us/gmc/Zoning_Code/Chapter30-36.pdf
- Simi Valley provides a graduated density bonus in its Kadota Fig neighborhood on sites larger than 13 acres: <http://its.ucla.edu/shoup/graduateddensityzoning.pdf>

Parking

Summary and Benefits:

Parking policies impact the design, location, and financial viability of new developments. The costs of providing parking can affect whether a project is viable and the level of affordability that can be achieved, as providing a single parking space ranges from \$5,000 per surface parking spot to as much as \$60,000 per each underground parking space.

Also, even though such spaces come at great cost, they may not be fully utilized—particularly in affordable housing developments. Parking requirements have a disproportionate impact on housing for low income households because low income households consistently own fewer vehicles than their higher income counterparts and are more burdened by the extra expenses. In a study of affordable housing and parking needs, the City of San Diego found that residents of affordable housing owned cars at half the rate of residents of market rate rental housing. In addition to reducing housing costs, modifications to parking policies can encourage residents to own fewer cars, drive less, and increase use of transit, walking and biking which contributes to better health.

In the Bay Area, Priority Development Areas (PDAs) are an excellent location for affordable housing development. The proximity to quality transit warrants lower parking levels for new housing, which lowers per-unit developmental costs and allows for more housing for a given budget, while providing other less expensive modes of access for residents.

Potential Policies:

1. *Reduce or eliminate unnecessary parking requirements:* Eliminate requirements for additional parking for new development in downtowns and town centers, allowing customized approaches.
 - a. *Unbundle parking (residential and commercial):* Require the cost to own or lease a parking space to be unbundled from the price to rent or own a commercial or residential space. This increases housing affordability for households that do not use parking.
 - b. *Share parking:* Adopt policies to encourage or require shared parking between uses rather than reserved parking for specific users and tenants.
 - c. *Allow tandem parking* (when two spaces are located end to end) to count toward satisfying parking requirements.
 - d. *Consider parking maximums* for very transit-rich, walkable and congested areas to reduce local congestion and enhance the environment for walking and use of alternative modes.
2. *Promote alternative modes (with transit passes, car sharing, bike lanes, pedestrian amenities, etc.):* Incorporate requirements for free or discounted transit passes, carshare incentives, bicycle parking and pedestrian amenities in lieu of some parking.
3. *Coordinate prices for on-street and off-street parking:* Pricing parking reduces parking demand, ensures that end-users carry more of the cost, and promotes turnover. Coordination of pricing between on-street and off-street is essential to achieve parking management goals. Adopt a parking availability target: Set a goal that parking availability be maintained at around 15 percent through the use of pricing, time limits and adjustable rates/regulations, and allow parking staff to adjust prices to achieve this goal.
4. *Manage parking:* engage in active parking management to better utilize existing parking and use of revenues.
 - a. *Track parking utilization in buildings and the neighborhood:* This allows residents of buildings with less parking to park elsewhere in the neighborhood and enables buildings

- to be built with fewer parking spots than would normally be required.
- b. *Establish parking benefit districts:* Net revenue collected from parking pricing and permit revenues could be dedicated to funding community priorities within designated Parking Benefit Districts.
 - c. *Establish Transferable Parking Entitlements:* Jurisdictions could designate the number of parking spaces made available for a development as an “entitlement” that could be bought or sold if they are unused.
5. *Establish and publicize policies to require or encourage employers to offer alternative access for employees.* Transportation Demand Management refers to a range of policies and programs to reduce vehicle miles travelled (VMT) which, in turn, decrease the need for parking. Possible policies include carpool parking, parking pricing, flexible work schedules, and ridesharing. The Air District and MTC are developing a Bay Area Commuter Benefits Program to promote the use of alternative commute modes such as transit, ridesharing, biking and walking. The program would require employers with 50 or more full-time employees in the Bay Area to offer one of the benefits, see http://www.mtc.ca.gov/news/current_topics/10-13/cbp.htm

Model Ordinances/Useful Sources:

- MTC’s Parking Policies for Smart Growth:
http://www.mtc.ca.gov/planning/smart_growth/parking/
- Parking Code Guidance: Case Studies and Model Provisions:
http://www.mtc.ca.gov/planning/smart_growth/parking/6-12/Parking_Code_Guidance_June_2012.pdf
- Redwood City Article 30 Parking and Loading:
<http://library.municode.com/HTML/16091/level1/ART30OREPALO.html#ART3>
- The city of Berkeley recently partnered with AC Transit and several regional agencies to provide free transit passes and expand access to car sharing in their downtown through their GoBerkeley program: <http://online.wsj.com/article/PR-CO-20130627-910529.html>
- San Francisco’s award winning SF Park program uses demand pricing and innovative payment schemes to encourage parking in underutilized areas: <http://sfpark.org/>
- For a study considering lower rates of auto ownership and affordable housing please see San Diego’s Affordable Housing and Parking study:
<http://www.sandiego.gov/planning/programs/transportation/mobility/pdf/111231sda fhfinal.pdf>

Site and Building Regulations

Summary and Benefits:

Developers estimate that every month required for processing a development application adds at least 1 to 2 percent to the overall cost of a housing development. When development processing requires a year or more, the resulting impact on housing costs can be significant. In order to cut down development costs and facilitate the construction of multi-family affordable homes, localities can employ a number of policies to ease or streamline development requirements. These include an array of options such as fee reductions for affordable housing development, streamlined review processes, modifying building height restrictions, and allowing the payment of in-lieu fees to meet certain obligations such as open space or park land requirements.

Below are a few examples of approaches that Bay Area jurisdictions have taken to ease the developmental process:

Jurisdiction	Policy Approaches
City of Fremont	Developments with 5 or more units qualify for a density bonus if affordable housing is included. <u>The city</u> also provides developers with site identification assistance, marketing and tenant screening, modification of development standards, and streamlined processing of plans and permits.
City of Milpitas	Created the <u>Midtown Specific Plan</u> focusing on a 252 acre area that can accommodate up to 4900 housing units. The plan takes advantage of VTA and future BART rail stations in the area to increase housing choices and densities.
Redwood City	Adopted a <u>Downtown Precise Plan</u> that used extensive community input to create a streamlined permitting process to channel regional housing demand to their downtown. The plan provides developers with clear guidelines that, if followed, allows for certainty in permit processing times.

Potential Policies:

Streamlining the Approval Process:

- Provide clear and objective regulations and guidelines to prospective applicants so that proposed projects conform to local priorities and goals
- Consider “by right” approvals and form-based codes for designated uses
- Provide streamlined permitting review processes for affordable housing

Flexibility in Planning Requirements

- Encourage mixed-use zones: mixed-use zones create flexible investment opportunities for and locates infill housing in office or retail districts where it may be less controversial. It also has the added benefit of reducing development costs by sharing amenities and parking with other uses.

- Let infill developers meet open space and parkland requirements by paying “in-lieu” fees
- Maximize development potential through the removal of building height restrictions in designated Priority Development Areas
- Limit requirement for ground-floor retail to key nodes, and allow for residential uses on the ground floor in certain locations

Model Ordinances/Useful Sources:

- *A Place to Call Home: Housing in the San Francisco Bay Area*, link:
http://www.abag.ca.gov/planning/housingneeds/pdf/resources/A_Place_to_Call_Home_2007.pdf
- *Blueprint 2001: Housing Element Ideas and Solutions*, link:
<http://www.abag.ca.gov/planning/housingneeds/blueprint.html>
- *City of Redwood City's Downtown Precise Plan*, link:
<http://www.redwoodcity.org/phed/planning/precise/FINAL-DTPP/NewDTPPDownload.htm>
- *City of Fremont Density Bonus and Affordable Housing Incentives*, link:
<http://www.codepublishing.com/ca/fremont/html/Fremont18/Fremont18165.html#18.165.090>
- *City of Milpitas Midtown Specific Plan*, link:
http://www.ci.milpitas.ca.gov/government/planning/plan_midtown_specific.asp

Universal Design Standards for Apartments

Summary and Benefits:

The goal of universal design is to make the built environment as accessible as possible to people of all ages and abilities without adaptation or specialized design. Universal design features come at little to no extra cost if incorporated in a project as it gets built while significantly reducing or eliminating the need to later retrofit the structure for accessibility.

The principles of universal design as defined by the Center for Universal Design are as follows:

- **Equitable use:** the design is useful and marketable to people with diverse abilities
- **Flexibility in use:** the design accommodates a wide range of individual preferences and abilities
- **Simple and intuitive use:** use of the design is easy to understand regardless of the user's experience, knowledge, language skills, or current concentration level
- **Perceptible information:** the design communicates necessary information effectively to the user, regardless of ambient conditions or the user's sensory abilities
- **Tolerance for error:** The design minimizes and the adverse consequences of unintended actions
- **Low physical effort:** The design can be used efficiently and comfortably with a minimum of fatigue
- **Size and space for approach and use:** Appropriate size and space is provided for approach, reach, manipulation and use regardless of user's body size, posture, or mobility

For residential properties universal design features could include:

- No-step entry
- Wider interior doors and hallways
- Audio & visual doorbell
- At least one bathroom or powder room on the primary entry level
- Hand-held adjustable shower head
- Kitchen on an accessible route of entry.

Potential Policies:

- The City of Dublin requires that all new construction of single family homes and apartment buildings in excess of 20 units, include certain universal design features to make properties as accessible as possible.

Model Ordinances/Useful Sources:

- City of Dublin, link: <http://www.codepublishing.com/ca/dublin/dublin07/Dublin0790.html>
- City of Dublin universal design checklist: <http://dublin.ca.gov/DocumentCenter/Home/View/59>
- HCD Model Universal Design Ordinance: http://www.hcd.ca.gov/codes/sh/3-Text-Universal_Design_Model_Ordinance.pdf
- Principles of Universal Design from the Center for Universal Design: http://www.ncsu.edu/ncsu/design/cud/pubs_p/docs/poster.pdf

Emergency Shelters and Homeless Persons (SB2)

Summary and Benefits: SB2 (Chapter 633, Statutes of 2007) clarifies and strengthens the housing element law by ensuring that local zoning encourages and facilitates emergency shelters. SB2 also limits the denial of emergency shelters and transitional and supportive housing under the Housing Accountability Act. SB2 planning and approval requirements include:

- identify at least one zone to permit emergency shelter by-right
- conduct need assessment for emergency shelter addressing both seasonal and year-round need
 - need may be reduced by the number of supportive housing units that are identified in the jurisdictions 10-year plan to end homelessness, provided that units are vacant or will be constructed during the planning period with funding identified
- demonstrate that transitional housing and supportive housing are permitted as a residential use and are subject to restrictions that apply to other residential units of the same type and in the same zone
- standards must be objective and promote the use for or encourage development/conversion to emergency shelter
- jurisdictions with existing ordinances for emergency shelter have flexibility in meeting zoning requirements or if they demonstrate that need for emergency shelter can be met in existing shelters or through a multi-jurisdictional agreement
- zones must include sufficient capacity to accommodate the need for emergency shelter
 - if existing zoning does not allow for zoning for emergency shelter by-right or if the identified sites have insufficient capacity to meet the need, the housing element must include a program to identify a specific zone(s) and amend the zoning code within year of adoption of the housing element

Potential Policies:

- Amend/adopt zoning ordinance that provides standards to ensure the development of emergency shelters. Standards permitted for regulation include:
 - Development standards common to the zoning district
 - Maximum number of beds
 - Off-street parking
 - Size and location of exterior/interior on-site waiting and client intake areas
 - Provision of on-site management
 - Length of stay
 - Lighting
 - Provision of security during hours of operation
 - Non-discretionary design standards
 - Proximity to other emergency shelters
 - Voluntary or incentive based standards

Model Ordinances/Useful Sources:

- Chapter 633, Statues of 2007: http://www.leginfo.ca.gov/pub/07-08/bill/sen/sb_0001-0050/sb_2_bill_20071013_chaptered.pdf
- HCD Memorandum on SB 2 Zoning for Emergency Shelters, Transitional housing, and

Supportive Housing (Updated April 10, 2013):

http://www.hcd.ca.gov/hpd/sb2_memo050708.pdf

- San Mateo County 21 Elements, "Zoning in the Wake of SB2: Best Practices for Emergency, Transitional, and Supportive Housing" <http://www.21elements.com/Download-document/442-Zoning-in-the-Wake-of-SB-2-Best-Practices-for-Emergency-Supportive-and-Transitional-Housing.html>

Reasonable Accommodations (SB520 and SB812)

Summary and Benefits:

Consistent with state and federal law, housing elements should contain policies and programs to implement fair housing laws and to provide housing for persons with disabilities. Housing element law requires local jurisdictions to conduct a housing needs assessment for persons with disabilities. In recent years, the state has amended the housing element law to remove barriers to housing opportunities for persons with disabilities.

- SB520 (Chapter 671, Statutes of 2001) amended the housing element law by requiring local jurisdictions to:
 - analyze potential and actual constraints on the development, maintenance, and improvement of housing for persons with disabilities (i.e. land use policies, building codes/enforcement, fees, parking requirements, and local processing and permit procedures)
 - analyze local efforts to remove governmental constraints that present barriers to providing housing for persons with disabilities
 - adopt universal design elements in its building codes that address limited lifting, flexibility, mobility, and vision
 - identify/analyze whether it has a reasonable accommodation policy, procedure, or ordinance
 - provide programs to remove identified constraints or provide reasonable accommodations for housing designed for persons with disabilities
- SB812 (Chapter 507, Statutes of 2010) amended the housing element law by requiring local jurisdictions to:
 - as part of special housing needs analysis, include an evaluation of the special housing needs of persons with developmental disabilities
 - estimate the number of persons with developmental disabilities
 - assess housing need and availability of programs (i.e. shared housing, permanent supportive housing/programs)
 - identify potential funding sources designated for persons with developmental disabilities
 - develop and implement programs to meet housing needs for persons with developmental disabilities

Potential Policies:

- Amend zoning ordinance or adopt a reasonable accommodation ordinance that provides a procedure for requesting reasonable accommodation and flexibility in the application of zoning and land use regulations and procedures (See below 'HCD Reasonable Accommodation Model Ordinance')

Model Ordinances/Useful Sources:

- HCD Memorandum on SB 520 Analysis of Constraints on Development of Housing for Persons With Disabilities: http://www.hcd.ca.gov/hpd/hrc/plan/he/sb520_hpd.pdf
- HCD Memorandum on SB 812 Analysis of Special Housing Needs for Persons With Developmental Disabilities: <http://www.hcd.ca.gov/hpd/NoticeCoverLtrSB812.pdf>
- HCD "Constraints: Housing for Persons with Disabilities"

- http://www.hcd.ca.gov/hpd/housing_element2/CON_disabilities.php
- **HCD Reasonable Accommodation Model Ordinance**
http://www.hcd.ca.gov/hpd/housing_element2/documents/MODEL_REASONABLE_ACCOMMODATION_ORDINANCE.pdf
 - **City of Santa Rosa, Reasonable Accommodation Ordinance:**
http://www.hcd.ca.gov/hpd/housing_element2/documents/Reasonable_Accommodation_Ordinance_Santa_Rosa.pdf
 - **Mental Health Advocacy Services, Inc., "Fair Housing Reasonable Accommodation: A Guide to Assist Developers and Providers of Housing for People with Disabilities in California"**
<http://www.mhas-la.org/DeveloperGuide3-9-05.pdf>

Second-Unit Law (AB1866)

Summary and Benefits: AB1866 amended the state's second-unit law by requiring local governments with a local second-unit ordinance to ministerially consider second-unit applications without discretionary review or a hearing. Jurisdictions without a second-unit ordinance are required to ministerially consider second-unit application according to state standards. Second units approved ministerially are statutorily exempt from CEQA².

AB1866 also clarified existing housing element law to allow local governments to identify the realistic capacity of new second-unit development to meet its RHNA requirements.

Jurisdictions may count the realistic potential for new second units within the planning period considering the following:

- the number of second units developed in the previous planning period
- an estimate of potential increase due to policies, programs, and incentives that encourage the development of second units
- other relevant factors

Potential Policies:

- Adopt a second-unit ordinance that includes, in addition to elements required by state law, design/development standards, zones permitted for second units, permit procedures, and incentives that encourage the construction of second units
- Review existing second-unit ordinances for compliance to updated law and make necessary amendments
- Include incentives in second-unit ordinances such as:
 - flexible zoning requirements and development standards
 - reduced or modified parking requirements
 - reduced setback requirements
 - prioritized processing
 - certain fee waivers of developments that involve second units for low or very-low income households
 - allow for owner-occupancy in either primary or secondary unit
- Create an amnesty program to allow owners of illegal units to legalize their units
- Provide informational materials to homeowners and developers to market second-unit construction that includes a second unit application, explanation of the application process, and benefits/incentives of constructing or legalizing second units

Model Ordinances/Useful Sources:

- HCD Memorandum on AB1866 Second Unit Law and the Creation of Second Units in Meeting Regional Housing Need: http://www.hcd.ca.gov/hpd/hpd_memo_ab1866.pdf
- HCD "Second Units" http://www.hcd.ca.gov/hpd/housing_element2/SIA_secondunits.php
- San Mateo County 21 Elements, Second Units Memo "Best Practices and Sample Housing Element Language" <http://www.21elements.com/Download-document/485-Best-Practices-for-Second-Units-Fact-Sheet-for-San-Mateo-County.html>
- City of Santa Cruz, Accessory Dwelling Unit Development Program: <http://www.cityofsantacruz.com/index.aspx?page=1150>

²Section 15268 of the CEQA guidelines and Section 21080 (b)(1) of the Public Resources Code: <http://ceres.ca.gov/ceqa/guidelines/art18.html>

- City of Santa Cruz, Accessory Dwelling Units Zoning Regulations:
<http://www.cityofsantacruz.com/Modules/ShowDocument.aspx?documentid=8862>
- Marin County, Second Units Amnesty Program: <http://www.21elements.com/Download-document/483-Amnesty-Program-for-Second-Units-Fact-Sheet.html>
- University of California, Berkeley, Center for Community Innovation, *Yes in My Backyard: Mobilizing the Market for Secondary Units*, Link:
<http://communityinnovation.berkeley.edu/reports/secondary-units.pdf>

State Density Bonus Law

Summary and Benefits: In 2010, the state updated its density bonus law which requires local jurisdictions to provide density bonuses and other incentives to developers of affordable housing who commit a certain percentage of units for persons who fall within certain income levels. Density bonus may only be approved in conjunction with a development permit. Density bonuses are granted when a developer agrees to construct a housing development that includes at least one of the following:

- 5% of total units for very low income households
- 10% of total units for low income households
- 10% of total units (within a common interest development) for moderate income households
- Local jurisdictions must also provide bonuses in response to certain land donation, if developments include the construction of a childcare facility, and certain developments of senior housing.

Concessions and incentives will be granted at the applicant's request based on specific criteria. San Mateo County's 21 Elements provides a breakdown of how concessions and incentives are granted based on the following criteria:

Target Group*	Target Units	Density Bonus	Concessions or Incentives
Very Low Income ⁽¹⁾	5%	20%	1
	10%	33%	2
	15% or above	35%	3
Lower Income ⁽²⁾	10%	20%	1
	20%	35%	2
	30% or above	35%	3
Moderate Income ⁽³⁾ (condominium or planned development)	10%	5%	1
	20%	15%	2
	30% or above	25%	3

* California Civil Code Section 65915 applies only to proposed developments of five (5) or more units.

(1) For each 1% increase over 5% of the Target Units the Density Bonus shall be increased by 2.5% up to a maximum of 35%

(2) For each 1% increase over 10% of the Target Units the Density Bonus shall be increased by 1.5% up to a maximum of 35%

(3) For each 1% increase over 10% of the Target Units the Density Bonus shall be increased by 1% up to a maximum of 35%

Target Group	Target Units	Density Bonus	Concessions or Incentives
Senior Housing (1)	100%	20%	1
Land Donation (2)	10% (very low income)	15-35%	1

(1) 35 units dedicated to senior housing as defined in Civil Code Sections 51.3 and 51.12

(2) For each 1% increase over 10% of the Target Units the Density Bonus shall be increased by 1% up to a maximum of 35%

Potential Policies:

- Amend density bonus ordinance to demonstrate how compliance with updated density bonus law will be implemented
- Identify specific incentives and concessions within the ordinance to encourage the construction of or conversion to affordable housing units, such as:
 - reductions in site development standards or modification of zoning code or architectural design requirements that result in identifiable, financially sufficient, and actual cost reductions
 - reductions in setback or square footage requirements
 - approval of mixed use zoning if it will reduce costs of housing development
 - other incentives that result in identifiable cost reductions

Model Ordinances/Useful Sources:

- California Government Code §65915: <http://www.leginfo.ca.gov/cgi-bin/displaycode?section=gov&group=65001-66000&file=65915-65918>
- San Mateo County 21 Elements: <http://www.21elements.com/Download-document/518-State-Density-Bonus-Law.html>
- ABAG's Housing Element Tool Kit "Density Bonuses" <http://www.abag.ca.gov/planning/toolkit/24density.html>
- American Planning Association's Model Affordable Housing Density Bonus Ordinance: <http://www.planning.org/research/smartgrowth/pdf/section44.pdf>

Permanently Affordable Homeownership – Community Land Trusts

Summary and Benefits:

A community land trust (CLT) is a nonprofit organization formed to hold title to land to ensure long-term availability for affordable housing or other community uses. CLTs acquire property through public or private donations of land or use government subsidies to purchase land on which affordable housing can be built. The homes are sold to low or moderate-income families, in accordance with the deed restriction, and the CLT retains ownership of the land and provides long-term ground leases and stewardship to homebuyers in return for a minimal fee. The CLT restricts the resale of the home to a formula-driven price and retains an irrevocable option to purchase to ensure future affordability.

CLTs have been a particularly strong and unique development option in the San Francisco Bay area, where the land trusts are able to provide a variety of homeownership opportunities not often available to low and moderate income individuals in areas experiencing a rapid rise in land value. CLTs in the Bay Area have been able to provide housing opportunities in the form of single family homes, limited equity condominiums, limited equity housing cooperatives, and zero equity cooperatives to low and moderate income individuals. These options allow low and moderate individuals and families the opportunity for homeownership at a lower buy-in than many other forms of ownership.

Since the early 1970s, Community Land Trusts have been used to permanently preserve affordable ownership housing for low and moderate-income families. Recently, there has been a national boom in CLT formation with nearly 20 new community land trusts being created each year. Two key policy needs are driving this new interest in CLTs—particularly in jurisdictions with a social priority of promoting homeownership for lower-income families and a fiscal priority on protecting the public's investment in affordable housing:

- **Long-term preservation of subsidies.** With local governments now assuming greater responsibility for creating affordable housing, policy makers must find ways to ensure that their investments have a sustained impact. CLT ownership of land, along with long-term affordability constraints over the resale of housing units built on that land, ensures that municipally subsidized homes remain available for lower-income homebuyers for generations to come. In the Bay Area market rate home prices are outstripping growth in incomes, as shown by the median home price to median income ratio growing from 4.9 in 1999, to 6.8 by the end of 2012.
- **Long-term stewardship of housing.** Preserving affordability requires long-term monitoring and enforcement, an administrative burden that local governments are neither equipped for nor generally interested in taking on. CLTs are well positioned to play this stewardship role by administering the municipality's eligibility, affordability, and occupancy controls, while also backstopping lower-income owners to protect subsidized homes against loss through deferred maintenance or mortgage foreclosure.

Potential Policies:

- **Promote the formation of start-up CLTs:**
 - Facilitate public information/outreach activities
 - Create municipally supported CLTs
 - Provide start-up financing
 - Commit multi-year operational funds

- Commit project funding and/or municipal property for permanently affordable ownership housing in the CLT model
- Subsidize affordable housing development by either donating land and buildings from the municipality's own inventory to a community land trust or selling the properties at a discount
- Regulatory concessions: Municipalities sometimes support development of CLT homes by reducing or waiving application and impact fees, relaxing zoning requirements for parking or lot coverage, and offering other regulatory concessions

Model Ordinances/Useful Sources:

- The City of Petaluma has encouraged developers of several subdivisions to meet its city-mandated inclusionary requirements by conveying homes to the Housing Land Trust of Sonoma County. Under these agreements, developers sell the homes to CLT-selected buyers and simultaneously donate the land under the homes to the land trust. This program allows developers to meet their inclusionary requirements without having to monitor and report. CLT oversight is also in the jurisdiction's best interest because many for-profit development companies dissolve after they complete their projects. See 2.3 page 9 of <http://cityofpetaluma.net/cdd/pdf/housing-element-2009-2014.pdf>
- A broad overview of how cities and CLTs are partnering to create and preserve permanently affordable ownership housing: "The City-CLT Partnership: Municipal Support for Community Land Trusts" https://www.lincolnst.edu/pubs/dl/1395_712_City-CLT-Policy-Report.pdf
- A very useful policy paper with several case studies of cities using the CLT model for TODs is "The Role of Community Land Trusts in Fostering Equitable, Transit-Oriented Development: Case Studies from Atlanta, Denver, and the Twin Cities" https://www.lincolnst.edu/pubs/dl/2243_1579_Hickey_WP13RH1.pdf
- The City of Irvine plans to place most of the inclusionary housing units constructed in future years into the CLT's portfolio.
- The city council of Washington, DC, committed \$10 million in public funds to help subsidize the first 1,000 units of resale-restricted, owner-occupied housing developed by City First Homes, a District-wide CLT that plans to eventually create 10,000 units of affordable housing.
- The City of Minneapolis provides interest-free, deferred loans with a 30-year term to the City of Lakes CLT. The loans are forgiven at maturity as long as the CLT consistently meets the city's performance standards.

Home Sharing

Summary and Benefits:

Home Sharing partners those who have space in their home with those who need an affordable place to live, turning existing housing stock into a new affordable housing option. While the average rent for a one-bedroom apartment in San Mateo County is \$2095, the rents in home sharing range between \$600 and \$800. As a result, home sharing is one of the few affordable housing options available in San Mateo County.

An example of this is HIP Housing in San Mateo County. Established in 1972, it is a well-established program with many best practices. The program provides criminal background checking, income verification, mediation, living together agreements and long-term case management to ensure the best matches possible. As a result, the average home sharing match is 2.5 years.

Outcome data from HIP Housing's work indicates that of those placed through home sharing:

- 90% are low-income
 - 20% low (80% AMI)
 - 25% very low (50% AMI)
 - 46% extremely low (30 or below AMI)
- 53% are seniors
 - 70% of the home providers are seniors
- 38% are disabled
- 58% are at risk of homelessness
- 8% are homeless
- 61% are female head of households

In San Mateo County, every municipality benefits from the HIP Housing Home Sharing Program. Someone in Pacifica could be matched with someone in Daly City; someone from Menlo Park with someone from Redwood City; San Mateo and Belmont. Preschool teachers, law clerks, students, construction workers, medical assistants, bank tellers, home health aides, seniors and single parents use the program as well as many others.

Home Sharing meets the housing needs of low, very low, and extremely low-income people. Because so few affordable housing options exist in San Mateo County, it is important that Home Sharing be included in every city's housing element as part of the policies and practices they employ to ensure that there are housing options for those at every income level, including those at the lowest income levels.

While Home Sharing may not create RHNA-recognized units, it is a vital option to be considered in any municipality's strategy to meet the growing need for housing, especially in communities that have numbers of residents that are considered "house rich, cash poor."

Potential Policies:

- Prominently list local home sharing organization's Home Sharing Program when addressing the housing options and needs for people who are:

- Homeless
- At risk of homelessness
- Seniors
- Female head of household
- Low, very low and extremely low income
- Sample Language: [Insert City Name] supports [local home sharing organization] Home Sharing Program as part of a collection of policies, programs and practices for addressing the housing needs of those at the lowest income levels including seniors, those living with disabilities, those at risk of homelessness and female head of households.

Model Ordinances/Useful Sources:

- Housing Elements currently in place for the cities of Belmont, Burlingame, Daly City, Foster City, and San Mateo
- HIP Housing, San Mateo County, link: www.hiphousing.org

Additional Useful Sources

- Public Interest Law Project, *California Housing Element Manual, 3rd Ed.*, November 2013, Link: <http://pilpca.org/wp-content/uploads/2013/11/California-Housing-Element-Manual-3rd-Ed.-November-2013.pdf>
- Public Interest Law Project, *California Housing Element Manual Appendices, 3rd Ed.*, November 2013, Link: <http://pilpca.org/wp-content/uploads/2010/10/California-Housing-Element-Manual-3rd-Ed.-Appendices-2013.pdf>
- 21 Elements, San Mateo Countywide Housing Element Update Project, www.21elements.com
- Association of Bay Area Governments, *Blueprint 2001 for Bay Area Housing*, <http://www.abag.ca.gov/planning/housingneeds/blueprint.html>