

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

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September 25, 2009

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

Dear Mr. Lopez:

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

Thank you for submitting the County of Alameda's draft housing element received for review on July 27, 2009 along with additional revisions on September 22, 23 and 24, 2009. The Department is required to review draft housing elements and report the findings to the locality pursuant to Government Code Section 65585(b). A telephone conversation on September 21, 2009 with Ms. Elizabeth McElligott, Assistant Planning Director, and Ms. Angela Robinson-Pinon, Planner III, facilitated the review.

The Department commends the County for programs to adopt minimum densities and facilitating mixed-use and transit-oriented development. The draft element addresses many statutory requirements; however, revisions will be necessary to comply with State housing element law (Article 10.6 of the Government Code). For example, the element must analyze the suitability and availability of identified sites. The enclosed Appendix describes these and other revisions needed to comply with State housing element law.

The Department appreciates the cooperation and assistance provided by Ms. McElligott, and Ms. Robinson-Pinon throughout the course of the review and is committed to assist Alameda County in addressing all statutory requirements of housing element law. If you have any questions or need additional technical assistance, please contact Paul McDougall, of our staff, at (916) 322-7995.

Sincerely,


Cathy E. Creswell
Deputy Director

Enclosure

APPENDIX

COUNTY OF ALAMEDA

The following changes would bring the County's housing element into compliance with Article 10.6 of the Government Code. Accompanying each recommended change, we cite the supporting section of the Government Code.

Housing element technical assistance information is available on the Department's website at www.hcd.ca.gov/hpd. Refer to the Division of Housing Policy Development and the section pertaining to State Housing Planning. Among other resources, the Housing Element section contains the Department's latest technical assistance tool *Building Blocks for Effective Housing Elements (Building Blocks)* available at www.hcd.ca.gov/hpd/housing_element2/index.php, the Government Code addressing State housing element law and other resources.

A. Housing Needs, Resources, and Constraints

1. *Include an inventory of land suitable for residential development, including vacant sites and sites having the potential for redevelopment, and an analysis of the relationship of zoning and public facilities and services to these sites (Section 65583(a)(3)). The inventory of land suitable for residential development shall be used to identify sites that can be developed for housing within the planning period (Section 65583.2).*

The County has a regional housing needs allocation (RHNA) of 2,167 housing units, of which 876 are for lower-income households. To address this need, the element relies on constructed, approved and pending units and vacant and nonvacant sites. However, to demonstrate the adequacy of these sites to accommodate the County's RHNA, the element must include complete analyses, as follows:

Sites Inventory: While the element identifies sites by unique reference, size, zoning and residential capacity, it must also list sites by general plan designation.

Suitability of Non-Vacant Sites: The element must evaluate the extent to which existing uses may impede additional residential development. For many sites, the element includes only very general (e.g., residential, warehouse, restaurant, etc.) information about existing uses. In addition, while the element indicates non-vacant sites were screened based on the age of the improvements and whether the existing number of units is less than 70 percent of maximum allowable density, it does not support these assumptions. To address this requirement, the element should describe existing uses sufficient to demonstrate potential for redevelopment in the planning period. For sites with residential uses, the inventory could generally describe structural conditions or other circumstances and trends demonstrating the redevelopment potential to more intense residential uses. For non-residential sites, the inventory could generally describe whether the use is operating, marginal or discontinued, and the condition of the structure, or could describe any expressed interest in redevelopment. Refer to the sample analysis on the *Building Blocks*' website at http://www.hcd.ca.gov/hpd/housing_element2/SIA_zoning.php#nonvacant.

Small Sites: Many of the sites identified allow less than 30 units, particularly sites identified to accommodate the housing needs of lower-income households. While building housing on very small parcels may be possible, the nature and conditions necessary to construct the units often render the provision of affordable housing infeasible. This is particularly important given the necessary economies of scale to

facilitate development of housing affordable to lower-income households. For example, most assisted housing developments utilizing State or federal financial resources typically include at least 50 to 80 units. While the element indicates smaller sites (less than 0.5 acres) are only included in the inventory when consolidation is feasible, it must also evaluate the development potential of smaller sites for housing affordable to lower-income households. For example, the element could use development trends or expressed interest in development and analyze the development capacity of sites with consolidation potential. Based on the outcomes of the evaluation, the element should add or revise policies and programs as appropriate to facilitate small lot development, particularly for lower-income households.

Residential Capacity for Non-Vacant and Non-Residentially Zoned Sites: Many identified sites are non-vacant and allow non-residential uses. For sites allowing non-residential uses, the residential capacity analysis should account for the potential development of non-residential uses. Projected residential development capacity should not, for example, assume residential-only development of all sites allowing non-residential uses. For non-vacant sites, the element should estimate potential residential capacity considering not all non-vacant sites will redevelop within the housing element planning period. For example, the element could evaluate sites determined to have the greatest potential for redevelopment in the planning period.

Infrastructure: The element must identify existing or planned infrastructure capacity to address the County's regional housing need. The element identifies sites in several planning areas (i.e., Castro Valley, Cherryland, San Lorenzo, etc.) and includes some general discussion of water and sewer capacity. However, the element should describe the total available water and sewer capacity (existing and planned) by community area.

Alternative Adequate Sites: While the Department recognizes Alameda County's substantial rehabilitation and at-risk preservation efforts, to credit the 219 units toward the County's share of the regional housing need, the element must address specific statutory requirements (Government Code Section 65583.1). For example, based on the information in the element, it does not demonstrate committed assistance is available through a program within the first two years of the June 2009 to 2014 housing element planning period. For more information, see the *Building Blocks'* website at http://www.hcd.ca.gov/hpd/housing_element2/SIA_adeqsites.php.

Emergency Shelters: The element indicates emergency shelters are allowed by-right, without discretionary review in the R-3 and R-4 zones (page 50). However, pursuant to Chapter 633, Statutes of 2007 (SB 2), the element should demonstrate development standards in these zones encourage and facilitate emergency shelters and describe adequate capacity to accommodate the need for emergency shelters. For more information, see the Department's SB 2 technical assistance memo at http://www.hcd.ca.gov/hpd/sb2_memo050708.pdf.

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

Growth Controls: The element describes Measure D, but does not analyze its effects on the cost, supply and affordability of housing. The conclusion that it will not be necessary to amend urban growth boundaries because the County will be able to meet its RHNA does not preclude the required analysis of its effects. For example, the RHNA is, for planning purposes, a minimum projection of housing needs. It does not represent a maximum need or building cap. Being able to accommodate the RHNA does not justify Measure D is not a constraint on development. The element should, for example, analyze the effects of limiting the supply of land for residential development and subjecting density increases to approval by the electorate.

B. Housing Programs

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

As noted in Finding A-2, the element does not include a complete sites analysis and therefore, the adequacy of sites and zoning were not established. Based on the results of a complete sites inventory and analysis, the County may need to add or revise programs to address a shortfall of sites to accommodate the RHNA or zoning to encourage a variety of housing types.

2. *The housing element shall contain programs which "assist in the development of adequate housing to meet the needs of extremely low-, low- and moderate-income households (Section 65583(c)(2)).*

Extremely Low-Income (ELI) Households: Pursuant to Chapter 891, Statutes of 2006 (AB 2634), the element must contain programs to assist the development of housing to meet the needs of ELI households. To address this requirement, existing programs should be expanded, or programs added, to specifically assist in the development of a variety of housing types to meet the housing needs of ELI households. For example,

programs could be included to prioritize some funding for the development of housing affordable to ELI households and offer financial incentives or regulatory concessions to encourage the development of housing types, such as single-room occupancy units, which address the needs of this income group.

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

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

C. General Plan Consistency

Government Code Section 65302 requires cities and counties in California to amend the safety and conservation elements of their general plan to include analysis and policies regarding flood hazard and management information upon the next revision of the housing element on, or after, January 1, 2009 (page 116). For your information, any amendments to the safety, conservation, and land-use elements, based on the requirements of Government Code Section 65302, will require a review of the housing element for internal consistency, which may in turn, require amendments to the housing element. Local jurisdictions should contact Department of Water Resources' (DWR) Division of Flood Management for assistance in obtaining the most current floodplain mapping information needed for the analysis. Contact information is available on DWR's website at <http://www.dwr.water.ca.gov/floodmgmt/lrafmo/fmb/>.