



MEETING LOCAL HOUSING NEEDS: HOUSING ELEMENT SNAPSHOTS ACROSS THE BAY AREA

November 2016



The Voice of
Affordable Housing

INFO@NONPROFITHOUSING.ORG
415.989.8160 | @NPHANC
369 PINE ST., SUITE 350, SAN FRANCISCO

CO-AUTHORS:

Pilar Lorenzana-Campo, former Deputy Policy Director, NPH

Pedro Galvao, Regional Policy and Planning Manager, NPH

EDITORS:

Amie Fishman, Executive Director, NPH

Peggy Lee, Deputy Director, NPH

Sarah Gudernatch, Communications Manager, NPH

PHOTOGRAPHY

cover: Eden Housing residents by Alain McLaughlin, courtesy of Eden Housing.

back cover: CHP resident by Federica Armstrong, courtesy of Community Housing Partnership

© November 2016

ACKNOWLEDGMENTS:

The Non-Profit Housing Association of Northern California (NPH) produced this report as a resource for our members and partners to continue to push for the adoption of strong housing elements with viable and properly zoned sites as well as affordable housing focused policies and best practices.

By providing concrete information on the top sixteen jurisdictions that received most of the housing allocation for our region, we hope to enable our partners working on the ground - advocates, developers, and residents - to push for policy tools that ensure those who work and live in our communities, now and in the future, can find an affordable home.

Special thanks to the Silicon Valley Community Foundation for their generous support in making this report possible. SVCF is the largest community foundation in the world, and helps build and strengthen the community by bringing together people and organizations who want to strengthen the common good.

TO LEARN MORE VISIT:



EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

As the only part of a local jurisdiction's general plan that must be reviewed and certified by the State of California, housing elements serve a critical function in laying out the pathways cities and counties will use to create homes affordable to residents at all income levels. In their housing elements, local jurisdictions must show how they will accommodate the projected growth assigned to them through the Regional Housing Needs Allocation (RHNA) process by a) identifying adequate sites, b) analyzing impediments to the development of housing and c) delineating strategies to facilitate housing production.

During the adoption period for RHNA Cycle 5 (2014-2022) for the Bay Area, NPH teamed up with our members and allies across the region to push for adoption of strong housing elements with viable and properly zoned sites as well as policies and best practices. We worked to ensure that the housing element continues to be a valuable tool to meet local housing needs and to advance effective advocacy.

This report focuses on the top sixteen jurisdictions that received two-thirds of the housing allocation for our region. We present "snapshots" for each that describe past performance, identify key demographic factors related to housing affordability, and analyze the sites and policies proposed in their updated housing elements. The data cited in this report has been culled directly from the adopted housing elements for RHNA 5.

It takes three key ingredients to get affordable housing built: 1) land, 2) funding and 3) political will. In the sixteen snapshots in this report, we reflect on how each city has performed in creating homes at the various income levels needed and showcase current policies in place that allocate the resources of land and funding to affordable housing. While there is an urgent need for more resources for affordable housing, each city has an opportunity to adopt a full slate of policy tools that ensure those who work and live there, now and in the future, can find an affordable home.

TERMS TO KNOW

Please review the following list of terms, used frequently throughout this report:

- **Area Median Income (AMI):** The median income of each Metropolitan Statistical Area and each county based on all wage-earners in the area. The U.S. Department of Housing and Urban Development (HUD) issues a listing of AMIs each year.
- **Extremely Low Income (ELI):** a person or household whose gross household income does not exceed 30% AMI, adjusted for household size.
- **Very low-income (VLI):** a person or household whose gross household income does not exceed 50% AMI, adjusted for household size.
- **Low-income (LI):** a person or household whose gross household income is between 50% and 80% AMI, adjusted for household size.
- **Moderate-income (Mod):** a person or household with gross household income between 80% and 120% AMI, adjusted for household size.
- **Above moderate (AMod):** a person or household with gross household income above 120% AMI, adjusted for household size.
- **Jobs-to-employed resident (J/ER) ratio:** calculates the total number of workers working in a place, relative to the total number of workers living in the place, and accounts for in-commuting, out-commuting, and individuals with multiple jobs.
- **Jobs/Housing Fit ratio (JHFit):** measures the imbalance between a city's total number of low-wage workers and the quantity of homes affordable to them. The higher the JHFit value is for a city, the more difficult it is for low-wage workers to find a home, for instance a JHFit value of 6 means that six low-income workers or three low-income households compete for every one affordable home within a city.
- **Boomerang funds:** new property tax revenues to a city or county's general fund that came out of the elimination of Redevelopment Agencies, so called because these funds were relinquished by the local jurisdictions to the state and then "boomeranged" back to the local jurisdictions.
- **Nexus study:** a formal study that analyzes the relationship between new development (housing, office, retail, etc.) and increased demand for facilities and services. Nexus studies are used to document that there is a relationship between development and these additional needs, to calculate how much of a need is created by the development, and to decide the fees necessary to address these newly created needs.
- **Priority Development Areas (PDAs):** areas designated by cities and approved by the Association of Bay Area Government, as places where new growth (housing, jobs) should be concentrated.

1.0 THE HOUSING LANDSCAPE

By most measures, the Bay Area economy is booming. Each quarter sees the infusion of more investment capital that results in rapid business growth, new jobs being created and property values on the rise. However, economic recovery after the Great Recession has been uneven and the reality is that many in our region have not enjoyed the fruits of this prosperity. In fact, for many workers, stagnant wages and steep increases in rent and home prices have created a severe housing affordability crisis. Moreover, this crisis has been particularly hard on low-income families, seniors and people with disabilities.

Extreme numbers tell a stark story: Housing production has not kept pace with the significant job growth being experienced by the region. In 2015 alone, the nine-county Bay Area added 89,000 new jobs while building only 15,832 new homes – almost six new jobs for every single home created! City after city has failed to build enough homes for the largest growing segment of the workforce – those earning between \$24,800 and \$98,500 per year. This bifurcated pattern of growth – lots of commercial and office development but relatively few new homes – and even fewer affordable homes reinforces and exacerbates the existing imbalance between jobs and housing already present in our communities.

Adequately housing the entire workforce is critical to our region's ability to maintain a competitive advantage, but there are other advantages as well. An adequate supply of quality affordable homes for the full range of incomes and needs advances equity and opportunity; reduces our carbon footprint and curtails the amount we each drive; assists critical efforts to reduce health care costs; increases academic achievement among our students; and maintains diverse communities and a stable workforce at all income levels and for all sectors of the economy.

Who needs affordable housing?

A well-functioning housing ecosystem is one that is able to produce a variety of housing types from single-family detached homes to multi-unit apartments and everything in between. A balanced, healthy and fully functioning housing ecosystem provides adequate housing options to suit the needs of renters and homeowners across all income segments.

According to the latest figures from HUD used to determine eligibility for various federal housing programs, median incomes for a family of four in the nine-county Bay Area range from \$82,100 (Napa County) to \$107,700 (Marin County)¹. About 40 percent of the nine-county Bay Area's 2.6 million households were lower-income households earning less than 80 percent of the respective median incomes in their county. More than a third of the region's three most populous cities – San Francisco, Oakland and San Jose – are comprised of lower income households in need of affordable housing, (35%, 44%, and 35% respectively), see Table 1.

Table 1: Percentage of Lower Income Households in San Francisco, Oakland and San Jose

Households by Income	San Francisco	Oakland	San Jose
Extremely Low Income (30% AMI)	20.4%	15.4%	14.5%
Very Low Income (50% AMI)	6.4%	7.7%	6.8%
Low Income (80% AMI)	8.6%	20.9%	24%

¹ US Census American Communities Survey (2009-2013 5 year dataset) as calculated by the US Department of Housing and Urban Development and the Office of Planning and Research

THE HOUSING LANDSCAPE

As of the first quarter of 2016, the average rent in the region stood at \$2,482 per month – an increase of 7.1 percent from the prior year (\$2,317), see Table 2.² In order to afford even the lowest of these average rents (Solano County at \$1,499 per month), a family would need an annual household income of almost \$54,000, the equivalent of an hourly wage of \$25.96. The Economic Prosperity Strategy, a joint research effort conducted by SPUR, the Center for Continuing Study of the California Economy (CCSCE), the San Mateo County Union Community Alliance (SMCUCA), and Working Partnerships USA, found that 36 percent of the region's 3.4 million jobs pay less than \$18 per hour.

Table 2: Average Rents Across the Bay Area During the First Quarter of 2016

County (2016)	Average Rent
Alameda	\$2,264
Contra Costa	\$1,891
Marin	\$2,569
Napa	\$1,822
San Francisco	\$3,620
San Mateo	\$2,851
Santa Clara	\$2,610
Solano	\$1,499
Sonoma	\$1,746

The Association of Bay Area Governments (ABAG) projects that between 2010 and 2040, the region will grow by an additional 1.3 million jobs, 2.4 million people, and 783,000 new households.³ By 2040, the Bay Area is expected to have 4.7 million jobs, 9.5 million people, and 3.4 million households.



² DTZ. 2016. Bay Area Multi-Family Snapshot, First Quarter 2016

³ ABAG. 2013. Final Forecast of Jobs, Housing, and Population (July 2013) <http://bit.ly/1BP1FfS>

How much affordable housing does the region need?

The California Housing Partnership Corporation (CHPC), estimates that close to 1.54 million extremely low-income and very-low income families in California lack access to an affordable home.⁵ No single county in the state has an adequate supply of homes affordable to extremely low-income and very low-income households, see Table 3. While there isn't a comprehensive dataset of the shortfall of affordable homes for the entire nine-county Bay Area, county-level reports also published by CHPC define the housing deficit for a number of counties in the region.

Table 3: Affordable Housing Shortfalls in Bay Area Counties ⁴

County	VLI and LI Housing Deficit	Housing Units
Alameda	60,911 (2016)	593,662
Contra Costa	36,759 (2015)	375,364
San Francisco	40,845 (2014)	381,143
San Mateo	22,771 (2016)	276,036
Santa Clara	67,576 (2015)	652,007

According to the California Department of Housing and Community Development (HCD), between 2014 and 2022, the Bay Area region is expected to grow by an additional 187,990 households. The Association of Bay Area Governments (ABAG) is tasked with allocating future housing growth across cities and counties in our region, broken out by income groups, see Table 4. This allocation is called the Regional Housing Needs Allocation (RHNA). These new housing units have been allocated as follows:

Table 4: 2014-2022 RHNA Allocation by Income Group

County	Very Low (0-50% AMI)	Low (50-80% AMI)	Moderate (80-120% AMI)	Above Moderate (120%+ AMI)
Alameda	9,912	6,604	7,924	19,596
Contra Costa	5,264	3,086	3,496	8,784
Marin	618	367	423	890
Napa	370	199	243	670
San Francisco	6,234	4,639	5,460	12,536
San Mateo	4,595	2,507	2,830	6,486
Santa Clara	16,158	9,542	10,636	22,500
Solano	1,711	902	1,053	3,311
Sonoma	1,818	1,094	1,355	4,177

⁴ California Department of Finance 2016. Report E-5: Population and Housing Estimates for Cities, Counties, and the State January 1, 2011-2016 with 2010 benchmarks.

⁵ CHPC. 2015. Update on California's Affordable Housing Crisis. The Critical Role of Housing Access and Affordability in Reducing Poverty.

HOUSING ELEMENTS

SNAPSHOT

How much housing have we produced?

According to permit data collected by ABAG, during the period between 2007 and 2014 (RHNA Cycle 4), Bay Area counties and cities approved permits for 123,098 new homes (see Table 5).^{*} This number represents almost 60 percent of the total projected household growth for the same period. In addition, no single county met its allocation of affordable homes (for households earning less than 80 percent of the respective area median income). While the region met **99 percent** of its market-rate housing need, only **29 percent** of the allocated low-income homes were built, see Table 5.

Table 5: Permits Issued Between 2007 and 2014

County	Area Media Income	RHNA		Permits Issued		Performance	
		Affordable Homes ^{**}	Market Rate Homes ^{***}	Affordable Homes	Market Rate Homes	Affordable Homes	Market Rate Homes
Alameda	\$93,600	20,790	18,226	5,934	13,681	29%	75%
Contra Costa	\$93,600	15,833	11,239	6,042	10,758	38%	96%
Marin	\$107,700	2,826	2,056	725	818	26%	40%
Napa	\$86,100	2,184	1,539	474	960	22%	62%
San Francisco	\$107,700	18,878	12,315	6,635	13,468	35%	109%
San Mateo	\$107,700	9,207	6,531	2,089	6,080	23%	93%
Santa Clara	\$107,100	34,452	25,886	8,861	35,962	26%	139%
Solano	\$82,600	7,342	5,634	1,831	3,141	25%	56%
Sonoma	\$82,600	7,843	5,807	2,574	3,065	33%	53%
Regional Totals		119,355	89,233	35,165	87,933	29%	99%

^{*} A “permitted unit” refers to a housing unit that has a permit to be built (or is now allowed to be built) but does not indicate that the unit has been constructed. Not all units that are permitted are necessarily constructed, particularly if economic conditions change and the developer no longer considers the development profitable, or, in the case of affordable housing, a subsidy source falls through.

^{**}Affordable homes are designated for households earning 80% of area median income or less

^{***}Market- rate homes are designated for households earning above 80% of the area median income

0 BAY AREA COUNTIES MET THEIR ALLOCATION OF AFFORDABLE HOMES

TACKLING THE AFFORDABILITY CRISIS

2.0 TACKLING THE AFFORDABILITY CRISIS

Under the current RHNA Cycle 5, two-thirds of our future household and population growth will be shouldered by 16 jurisdictions, see Table 6. However, achieving the region's housing goals requires that each of our nine counties and 101 cities meet their respective share of affordable and market-rate housing needs. The table below presents the total housing allocation of the 16 jurisdictions and their affordable housing allocations by income groups (very low-income (VLI), low-income (LI), moderate income (MOD), and above moderate income (Above MOD)).

Table 6: RHNA Cycle 5 Allocations

City		County	Allocation	VLI	LI	MOD	Above MOD
1	San Jose	Santa Clara	35,080	9,233	5,428	6,188	14,231
2	San Francisco	San Francisco	28,869	6,234	4,639	5,460	12,536
3	Oakland	Alameda	14,765	2,059	2,075	2,815	7,816
4	Sunnyvale	Santa Clara	5,452	1,640	906	932	1,974
5	Concord	Contra Costa	3,478	798	444	559	1,677
6	Fremont	Alameda	4,662	947	581	759	1,837
7	Santa Rosa	Sonoma	4,662	947	581	759	2,375
8	Santa Clara	Santa Clara	4,093	1,050	695	755	1,593
9	Milpitas	Santa Clara	3,290	1,004	570	565	1,151
10	Hayward	Alameda	3,920	851	480	608	1,981
11	Fairfield	Solano	3,100	779	404	456	1,461
12	San Mateo	San Mateo	3,100	859	469	530	1,242
13	Livermore	Alameda	2,729	1,313	496	920	920
14	Richmond	Contra Costa	2,435	438	305	410	1,282
15	Mountain View	Santa Clara	2,926	814	492	527	1,093
16	Redwood City	San Mateo	2,789	706	429	502	1,152

Policy Tools

NPH and our partners across the region advocated in front of local jurisdictions for the inclusion of affordable housing policies and best practices within housing elements over the course of the RHNA Cycle 5 housing element update period. Some of these policy tools address anti-displacement and affordable housing preservation such as “no net loss” rules, condo conversion ordinances, just cause eviction protections, limits on capital improvement and debt service pass-throughs, and preservation of expiring deed-restricted homes.

What follows is a brief assessment of policies that can increase the stock of affordable housing within the sixteen cities slated to accommodate most of the anticipated population growth in the coming decades, as well as all of the cities and counties in the Bay Area.

TACKLING THE AFFORDABILITY CRISIS

Inclusionary Zoning Ordinances

Inclusionary policies require a portion of the units in new market-rate residential developments to be affordable for lower-income households for a specified amount of time. Inclusionary, or mixed-income ordinances, have existed in California for more than 40 years and have proven to be effective in providing affordable homes. More than 170 jurisdictions across the state have adopted some form of inclusionary policy, producing approximately 30,000 new homes affordable to lower-income households.⁶

Inclusionary policies often require affordability from both new for-sale and rental residential developments. Since 2009, legal setbacks have made it challenging for jurisdictions to implement inclusionary requirements on new market-rate rental residential developments. However, in July of 2015, the California Supreme Court ruled in favor of the City of San Jose and affirmed its ability to impose an inclusionary requirement on for-sale housing developments. Efforts are underway to win it back for rental development as well.

It is important to note that whenever jurisdictions grant concessions of value to a developer, provide incentives, or consider discretionary approvals, they can request that affordable units be included in a market-rate development.

Impact Fees on New Development

As people move into new market-rate homes or office buildings, they generate a need for goods and services typically provided by local low-wage workers, such as restaurant and retail employees. Recognition of this connection has led to growing interest in the adoption of housing impact (HIF) and commercial linkage fees (CLF), which provide funding to meet the additional need for affordable housing generated by new development and mitigate impact.

Impact fees are based on a nexus study that quantifies the additional need for affordable housing generated by new development and the corresponding costs to provide this additional affordable housing. The resulting impact fees should be set at a meaningful level while still encouraging development to take place. To arrive at this appropriate fee level, nexus studies often include an analysis that tests the feasibility of a fee at various levels.

“Boomerang” Funds

Local jurisdictions have other options to generate funding for affordable housing. One best practice is directing so-called “boomerang” funds towards affordable housing. 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. 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. Cities and counties receive such funds from each former redevelopment agency within the county.

⁶ NPH, 2006. *Affordable by Choice: Trends in California Inclusionary Housing Programs*

TACKLING THE AFFORDABILITY CRISIS

Land for Affordable Housing

Given current real estate pressures in the Bay Area, finding and securing sites for affordable housing development is extremely challenging. With more than two million new residents expected to arrive in our region by 2040, Plan Bay Area, adopted by the Metropolitan Transportation Commission and the Association of Bay Area Governments in the summer of 2013, directs nearly 80% of future growth into just 5% of the regional land area, known as Priority Development Areas (PDAs). PDAs are intended to accommodate infill housing development and employment centers, however housing affordability would be threatened and affordable housing developers would not be able to compete if all development were forced into relatively limited geographical areas.

One key strategy and best practice is the dedication of publicly held land for affordable housing development, including land held by our cities, counties, school districts, public transit agencies, and other special districts. NPH sponsored AB 2135, which was signed into law in 2014. It strengthens the State Surplus Land Act and its Right of First Refusal (ROFR) provided to affordable housing developers when local agencies dispose of publicly held land. Among other provisions, the law gives developers more time to negotiate the purchase of surplus land, stipulates that land can be sold for less than fair market value and requires that 100 percent affordable housing developments be given first priority to lease or purchase the land. NPH has worked with local agencies and our members on implementation of this important bill, and we are now notified by local agencies whenever surplus land becomes available for disposition. Once NPH staff receives notification, we pass the information along to our members.

Advocates across the region are working with cities, school districts, transit agencies and others to enforce the State Surplus Land Act and the AB 2135 amendments. Recently, both Bay Area Rapid Transit (BART) and Santa Clara Valley Transportation Authority (VTA) crafted affordable housing policies that articulate potential affordability requirements for future “joint development” projects undertaken on agency land. BART established a requirement that at least 20 percent of the units developed at each station area be affordable to families making less than 80 percent of the area median income with a system-wide goal of having at least 30 percent of all units be affordable to these families. VTA’s policy has the same 20 percent affordability requirement per station area as BART but goes further with a 35 percent system-wide affordability goal.

NPH also analyzed all the opportunity sites identified in each city’s housing element and created maps of the sites that are at least half an acre in size, meet minimum density requirements for low-income housing development, and are sited in a PDA or are within half a mile of one. These opportunity sites should be prioritized for affordable housing, as they are the most competitive for tax credits as well as funding from the state’s cap and trade program, two key sources of funding that help build and preserve affordable homes.

3.0 POLICY SNAPSHOTS

We have prepared the following “snapshots” of the sixteen Bay Area cities that are projected to shoulder the bulk of household growth over the next seven years. The snapshots provide baseline information on performance in meeting previous RHNA goals as determined by the Association of Bay Area Governments (ABAG), current RHNA numbers as allocated for the 2015-2023 cycle, key demographics, and how these cities are using policy tools to meet the housing needs of current and future residents. While there is significant overlap, the snapshots do not include all the same data points for total conformity and consistency nor address exactly the same local conditions and issues.

San Jose

RHNA 4 Performance. San Jose issued a total of 16,029 residential building permits between 2007 and 2014 – 46% of the 34,721 housing allocation – broken down as follows:

- VLI Households: 1,774 permits (23 percent of allocation)
- LI Households: 1,038 permits (20 percent)
- Mod Households: 144 permits (2 percent)
- AMod Households: 13,073 permits (85 percent)

RHNA 5 Allocation. San Jose is expected to accommodate an additional 35,080 new homes between 2014 and 2022:

- VLI Households: 9,233 homes
- LI Households: 5,428 homes
- Mod Households: 6,188 homes
- AMod Households: 14,231 homes

Key Demographics.

- The median income for a four-person household in the City was \$131,533.⁷
- 41 percent of the City's households earned less than 80% of the median income in 2014.⁸
- As of June 2016, the median rent for a two-bedroom apartment was \$2,740.⁹
- As of January 2016, the City vacancy rate was approximately 3 percent.¹⁰

Jobs and Housing. Households within the City numbered 314,040 in 2010 and are expected to expand to 443,320 by 2040 – a growth of 41%. Jobs within the City numbered 377,140 in 2010 and are expected to expand to 524,510 by 2040 – a growth of 39%. The City's jobs-to-employed resident (J/ER) ratio is 1.25¹¹. The City's Housing Element has a 1.3 J/ER ratio as its stated goal and City land use policies are crafted to achieve this goal. The City has a current jobs-and-housing-fit ratio of 4.25.¹²

Inclusionary Policy. San Jose adopted an inclusionary policy in 2010 for both new rental and ownership residential developments. The ordinance required that 15 percent of units in for sale projects of 20 or more units be set aside as affordable and offered an in-lieu fee option. Developers also have various in-lieu options that must have the same value as making 20 percent of the on-site units affordable (fees, dedication of land, etc.).

Impact Fees. San Jose adopted a \$17 per square foot fee on new market rate residential development, which went into effect June 30, 2016, and is expected to increase annually by 2.4%. San Jose has not adopted a commercial linkage fee.

Boomerang Funds. The City has no boomerang funds available to dedicate towards affordable housing.

Land for Affordable Housing. In February of 2016 the City Council adopted a Surplus Sales Policy that largely conforms to California's Surplus Land Act and the revisions made through AB 2135. The policy adopted by the City Council follows most provisions of the law including giving affordable housing developers right of first refusal, when selling surplus land, and prioritizing the sale of the land to developers who will build the highest number of units at the deepest levels of affordability. If the land is sold to market-rate developers who intend to build 10 or more units, the city will require that no less than 15 percent of the units be affordable. San Jose has made certain exceptions to enforcing the law around the for sale price of affordable units built and in certain downtown developments claiming that charter cities (of which San Jose is one) are exempt from the act. As a result, there is pending litigation before the Superior Court in Santa Clara County to determine whether or not charter cities are subject to the Surplus Land Act.

⁷ US Census American Community Survey 2010-2014 5 year. Table S1901 "Income in the past 12 months 2010-2014."

⁸ Ibid.

⁹ Apartment List, 2016. *June 2016 California Apartment List Report*.

¹⁰ California Department of Finance 2016. Report E-5: Population and Housing Estimates for Cities, Counties, and the State January 1, 2011-2016 with 2010 benchmarks.

¹¹ J/ER ratio calculates the total number of workers working in a place, relative to the total number of workers living in the place, and accounts for in-commuting, out-commuting, and individuals with multiple jobs

¹² Jobs-and-housing-fit ratio measures the imbalance between a city's total number of low-wage workers and the quantity of homes affordable to them.

San Francisco

RHNA 4 Performance. The City issued a total of 20,103 residential building permits between 2004 and 2014 – 64 percent of the 31,193 housing allocation – broken down as follows:

- VLI Households: 3,920 permits (59 percent of allocation)
- LI Households: 1,481 permits (27 percent)
- Mod Households: 1,234 permits (18 percent)
- AMod Households: 13,468 permits (109 percent)

RHNA 5 Allocation. The City is expected to accommodate an additional 28,599 new homes between 2014 and 2022 broken down as follows:

- VLI Households: 6,234 homes
- LI Households: 4,639 homes
- Mod Households: 5,460 homes
- AMod Households: 12,536 homes

Key Demographics.

- The median income for a four-person household in the City was \$119,055 in 2014.¹³
- 35 percent of the City's households earned less than 80 percent of the city's median income in 2014.¹⁴
- As of June 2016, the median rent for a two-bedroom apartment was \$4,730 - the second highest in the nation.¹⁵
- As of January 2016, the City vacancy rate was approximately 7.2 percent.¹⁶

Jobs and Housing. The City has an existing jobs-to-employed resident (J/ER) ratio of 1.86. The City has a current jobs-and-housing-fit ratio of 2.47.

Inclusionary Policy. In June 2016, San Francisco voters approved Proposition C. For projects with 25 or more units the City requires that 25 percent of the onsite units be affordable to low- and very low-income households or the equivalent of 33 percent offsite as affordable to low- and moderate-income residents. For projects between 10 and 25 units the law requires them to make 12 percent of the onsite units affordable or 20 percent of their units off-site as affordable to low- to moderate-income households

Impact Fees. The City has a Jobs Housing Linkage Program that requires new commercial development to mitigate the additional need for affordable housing by directly providing housing, dedicating land, or paying an in-lieu fee. The commercial linkage fee is based on the type of space and ranges from \$16.01 to \$24.03 per square foot.

Boomerang Funds. In 2012, City voters passed Proposition C creating a 30-year Affordable Housing Trust Fund that will generate a total of \$1.2 billion in funding for affordable housing. In November 2015, City voters also approved a \$310 million general obligation bond for the development and preservation of affordable housing.

Land for Affordable Housing. In November 2015, City voters approved Proposition K that prioritizes the re-use of surplus, public land for affordable homes.

¹³ US Census American Community Survey 2010-2014 5 year. Table S1901 "Income in the past 12 months 2010-2014."

¹⁴ Ibid.

¹⁵ Apartment List, 2016. *June 2016 California Apartment List Report*.

¹⁶ California Department of Finance 2016. Report E-5: Population and Housing Estimates for Cities, Counties, and the State January 1, 2011-2016 with 2010 benchmarks.

Oakland

RHNA 4 Performance. The City issued a total of 4,031 residential building permits between 2007 and 2014 – 28 percent of the 14,629 housing allocation – broken down as follows:

- VLI Households: 1,282 permits (67 percent of allocation)
- LI Households: 385 permits (18 percent)
- Mod Households: 22 permits (1 percent)
- AMod Households: 2,342 permits (31 percent)

RHNA 5 Allocation. The City is expected to accommodate an additional 14,765 new homes between 2014 and 2022 broken down as follows:

- VLI Households: 2,059 homes
- LI Households: 2,075 homes
- Mod Households: 2,815 homes
- AMod Households: 7,816 homes

Key Demographics.

- The median income for a four-person household in the City was \$65,110 in 2014.¹⁷
- 47.4 percent of the City's households earned less than 80 percent of the median income in 2014.¹⁸
- As of June 2016, the median rent for a two-bedroom apartment was \$2,600.¹⁹
- In January 2016, the City vacancy rate was 5.7%.²⁰

Jobs and Housing. Households within the City numbered 169,710 in 2010 and are expected to expand to 221,160 by 2040 – a growth of 30 percent. Jobs within the City numbered 190,490 in 2010 and are expected to expand to 275,760 by 2040 – a growth of 45 percent. The City has an existing jobs-to-employed resident (J/ER) ratio of 1.21. The City has a current jobs-and-housing-fit ratio of 1.65.

Inclusionary Policy. The City has not adopted an inclusionary policy.

Impact Fees. In May of 2016, the City adopted a series of affordable housing impact fees on new market-rate housing developments. The fees vary depending on the location or “zone” of the proposed development and the type of development. As of September 2016 the affordable housing impact fee varied from \$0 (for certain projects in zone 3) to \$6,500 for certain projects in zone 1. The fees will gradually increase on an annual basis until 2021 where in 2020 they will range from \$8,000 for certain developments in zone 3 to \$23,000 for certain projects in zone 1.

Boomerang Funds. In 2013, the City committed to setting aside 25 percent of boomerang funds for affordable housing, in FY 15-16 the city raised \$2.6 million for housing from its boomerang funds with a similar amount expected annually through 2018.

Land for Affordable Housing. The City has adopted a surplus land ordinance that cites Government Code 54220, the California Surplus Land Act. When selling or disposing of surplus land the City has committed to giving priority to the development of housing where at least 25 percent is affordable to persons of low to moderate income. There are ongoing policy discussions regarding revisions to this policy.

¹⁷ US Census American Community Survey 2010-2014 5 year. Table S1901 “Income in the past 12 months 2010-2014.”

¹⁸ Ibid.

¹⁹ Apartment List, 2016. *June 2016 California Apartment List Report*.

²⁰ California Department of Finance 2016. Report E-5: Population and Housing Estimates for Cities, Counties, and the State January 1, 2011-2016 with 2010 benchmarks.

Sunnyvale

RHNA 4 Performance. Sunnyvale issued a total of 4,581 residential building permits between 2007 and 2014 – 104 percent of the 4,426 housing allocation – broken down as follows:

- VLI Households: 572 permits (53 percent of allocation)
- LI Households: 402 permits (57 percent)
- Mod Households: 1,204 permits (155 percent)
- AMod Households: 2,403 permits (129 percent)

RHNA 5 Allocation. Sunnyvale is expected to accommodate an additional 5,452 new homes between 2014 and 2022 broken down as follows:

- VLI Households: 1,640 homes
- LI Households: 906 homes
- Mod Households: 932 homes
- AMod Households: 1,974 homes

Key Demographics.

- The median income for a four-person household in the City was \$150,904 in 2014. ²¹
- 35.2 percent of the City's households earned less than 80 percent of the median income in 2014. ²²
- As of June 2016, the median rent for a two-bedroom apartment was \$2,980. ²³
- In January 2016, the City vacancy rate was 6.3 percent. ²⁴

Jobs and Housing. Households within the City numbered 55,790 in 2010 and are expected to expand to 74,820 by 2040 – a growth of 34 percent. Jobs within the City numbered 74,810 in 2010 and are expected to expand to 95,600 by 2040 – a growth of 28 percent. The City has a jobs-to-employed resident (J/ER) ratio of 1.58 and a jobs-and-housing-fit ratio of 5.44.

Inclusionary Policy. Sunnyvale has an inclusionary policy in place for new market-rate residential developments intended for sale. New for-sale projects of 8 units or more are required to set aside 12.5 percent as affordable to moderate-income households (up to 120 percent AMI). With Council approval, a developer may opt to pay an in-lieu fee equal to 7 percent of the sales price; to provide the units off-site; or to partner with an affordable housing developer to provide a greater number of units or deeper level of affordability.

²¹ US Census American Community Survey 2010-2014 5 year. Table S1901 "Income in the past 12 months 2010-2014."

²² Ibid.

²³ Apartment List, 2016. *June 2016 California Apartment List Report*.

²⁴ California Department of Finance 2016. Report E-5: Population and Housing Estimates for Cities, Counties, and the State January 1, 2011-2016 with 2010 benchmarks.

Sunnyvale (cont)

Impact Fees. Sunnyvale has a Housing Impact Fee of \$17.50 per square foot on market-rate developments of 8 units or more and \$8.75 per square foot for market-rate developments ranging from 4 to 7 units in size. At the same time, Sunnyvale set its Commercial Linkage Fee on industrial, office, and R&D uses at \$15.50 per square foot, with a 50% reduction on the fee for the first 25,000 square feet. The commercial linkage fee for retail, hotel, and motel uses is set at \$7.75 per square foot.

Boomerang Funds. Sunnyvale has not allocated any of its boomerang funds towards affordable housing.

Land for Affordable Housing. Sunnyvale does not have a formal policy to prioritize publicly-owned land for affordable housing. Historically, the City has worked with non-profit housing developers to build affordable housing on city-owned land.

Concord

RHNA 4 Performance. The City issued a total of 226 residential building permits between 2007 and 2014 – 7 percent of the 3,043 housing allocation – broken down as follows:

- VLI Households: 2 permits (<1 percent of allocation)
- LI Households: 1 permit (<1 percent)
- Mod Households: 8 permits (2 percent)
- AMod Households: 216 (15 percent)

RHNA 5 Allocation. The City is expected to accommodate an additional 3,478 new homes between 2014 and 2022 broken down as follows:

- VLI Households: 798 homes
- LI Households: 444 homes
- Mod Households: 559 homes
- AMod Households: 1,677 homes

Key Demographics.

- The median income for a four-person household in the City was \$82,591 in 2014.²⁵
- About 37% of the City's households earned less than 80 percent of the median income in 2014.²⁶
- As of June 2016, the median rent for a two-bedroom apartment was \$1,870.²⁷
- In January 2016, the City vacancy rate was 2.7 percent.²⁸

Jobs and Housing. Households within the City numbered 47,130 in 2010 and are expected to expand to 65,200 by 2040 – a growth of 38 percent. Jobs within the City numbered 47,640 in 2010 and are expected to expand to 69,450 by 2040 – a growth of 46 percent. The City has a jobs-to-employed resident (J/ER) ratio of 1.10 and a jobs-and-housing-fit ratio of 5.99.

Inclusionary Policy. The City's inclusionary policy is applicable to new market-rate residential developments of 5 or more units intended for lease and sale. For rental properties, the policy is only enforceable for projects that either receive financial assistance from the City or are subject to a developer agreement. For sale developments are required to set aside 10 percent of the total units as affordable to moderate-income households or 6 percent of the total units as affordable to low-income households. For rental projects, developers are required to set aside either 10 percent affordable to low-income households or 6 percent affordable to very low-income households. The regulations allow developers to provide the affordable units off-site or to pay an in-lieu fee.

Impact Fees. The City has not adopted a housing impact fee or a commercial linkage fee.

Boomerang Funds. The City has not committed any boomerang funds towards affordable housing.

Land for Affordable Housing. The City has not adopted a policy to prioritize affordable housing on publicly owned land.

²⁵ US Census American Community Survey 2010-2014 5 year. Table S1901 "Income in the past 12 months 2010-2014."

²⁶ Ibid.

²⁷ Apartment List, 2016. *June 2016 California Apartment List Report*.

²⁸ California Department of Finance 2016. Report E-5: Population and Housing Estimates for Cities, Counties, and the State January 1, 2011-2016 with 2010 benchmarks.

Fremont

RHNA 4 Performance. The City issued a total of 2,553 residential building permits between 2007 and 2014 – 58 percent of the 4,380 housing allocation – broken down as follows:

- VLI Households: 198 permits (15 percent of allocation)
- LI Households: 54 permits (6 percent)
- Mod Households: 240 permits (27 percent)
- AMod Households: 2,061 permits (162 percent)

RHNA 5 Allocation. The City is expected to accommodate an additional 5,455 new homes between 2014 and 2022 broken down as follows:

- VLI Households: 1,174 homes
- LI Households: 926 homes
- Mod Households: 978 homes
- AMod Households: 1,837 homes

Key Demographics.

- The median income for a four-person household in the City was \$125,916 in 2014.²⁹
- About 38 percent of the City's households earned less than 80 percent of the median income in 2014.³⁰
- As of June 2016, the median rent for a two-bedroom apartment was \$2,640.³¹
- In January 2016, the vacancy rate for the city was 2.4 percent.³²

Jobs and Housing. Households within the City numbered 73,990 in 2010 and are expected to expand to 91,620 by 2040 – a growth of 24 percent. Jobs within the City numbered 90,010 in 2010 and are expected to expand to 120,000 by 2040 – a growth of 33 percent. The City has an existing jobs-to-employed resident (J/ER) ratio of 1.36 and a current jobs-and-housing-fit ratio of 8.61.

Inclusionary Policy. The City's inclusionary policy is applicable to new market-rate residential developments intended for sale. In 2015, the City updated its inclusionary ordinance to require that for sale developments of attached units include at least 3.5 percent of units as affordable to moderate-income households and to pay an affordable housing impact fee. For detached for sale units the City requires developers to provide 4.5 percent of units as affordable to moderate-income households also paying an affordable housing impact fee. New rental residential developments are required to pay an affordable housing impact fee but do not need to provide on-site units but could opt for building some onsite units and paying a portion of the fee. Developers of for-sale housing could also choose, in exchange for waiving fees and onsite requirements, to provide on-site affordable rental units, build affordable units off-site, dedicate enough property to affordable housing development to accommodate the required number of units, acquire and convert existing naturally-occurring affordable housing to deed-restricted affordable housing, or preserve existing affordable units that are at risk of being lost.

Impact Fees. The City requires new market-rate residential developments to pay a housing impact fee ranging from \$8.50 per square foot to \$27 per square foot. The City has not adopted a commercial linkage fee, but has committed to assessing the viability by undertaking a nexus study on non-residential development in 2016.

Boomerang Funds. The City set aside one-time boomerang funds amounting to \$2.7 million with \$1 million in ongoing funding annually for affordable housing.

Land for Affordable Housing. While the City has not adopted a formal policy to comply with the State Surplus Land Act, previous sale of land deemed surplus by the City have had to comply with the provisions of the Surplus Land Act.

²⁹ US Census American Community Survey 2010-2014 5 year. Table S1901 "Income in the past 12 months 2010-2014."

³⁰ Ibid.

³¹ Apartment List, 2016. *June 2016 California Apartment List Report*.

³² California Department of Finance 2016. Report E-5: Population and Housing Estimates for Cities, Counties, and the State January 1, 2011-2016 with 2010 benchmarks.

Santa Rosa

RHNA 4 Performance. The City issued a total of 2,550 residential building permits between 2007 and 2014 – 39 percent of the 6,534 housing allocation – broken down as follows:

- VLI Households: 323 permits (21 percent of allocation)
- LI Households: 481 permits (48 percent)
- Mod Households: 646 permits (58 percent)
- AMod Households: 1,100 permits (38 percent)

RHNA 5 Allocation. The City is expected to accommodate an additional 4,662 new homes between 2014 and 2022 broken down as follows:

- VLI Households: 947 homes
- LI Households: 581 homes
- Mod Households: 759 homes
- AMod Households: 2,357 homes

Key Demographics.

- The median income for a four-person household in the City was \$73,581 in 2014.³³
- 41 percent of the City's households earned less than 80 percent of the median income in 2014.³⁴
- As of June 2016, the median rent for a two-bedroom apartment was \$1,940.³⁵
- In January 2016, the City vacancy rate was 3.5 percent.³⁶

Jobs and Housing. Households within the City numbered 67,400 in 2010 and are expected to expand to 83,430 by 2040 – a growth of 24 percent. Jobs within the City numbered 75,460 in 2010 and are expected to expand to 103,940 by 2040 – a growth of 38 percent. The City has an existing jobs-to-employed resident (J/ER) ratio of 1.00 and a current jobs-and-housing-fit ratio of 3.94.

Inclusionary Policy. The City's inclusionary policy is applicable to new market-rate residential developments intended for lease and sale. Due to legal challenges, in 2012, the City amended its regulations to require payment of a housing impact fee, instead of enforcing their inclusionary policy. Regulations allow developers to opt out of paying the housing impact fee through the following options: off-site units equal to 20 percent of total project units; land dedication; or innovative alternatives. Developers that choose to provide units on-site are required to set aside 15 percent of the units as affordable for low-income households for a period of 30 years. New market-rate residential developments with 70 or more units are required to satisfy requirements by providing affordable housing units on-site.

Impact Fees. The City has adopted a housing impact fee as the primary mechanism for implementing its inclusionary policy. For ownership units the fee is the equivalent of 2.5 percent of the sales price while the city charges developers of rental units either a flat fee or a per square foot fee depending on the size of the unit (up to \$12,712/unit). The City has committed to assessing the viability of a commercial linkage fee by undertaking a nexus study on non-residential development by 2016.

Boomerang Funds. The City has not committed any boomerang funds towards affordable housing but they do have a real property transfer tax established in 2006 that imposes a transfer tax on the sale of property (\$2 per every \$1000 in property value) that is used to fund housing and homeless services. By fiscal year 17-18 the program is expected to have raised a total \$4.6 million

Land for Affordable Housing. The City has not adopted a policy to prioritize affordable housing on publicly owned land but is in the process of considering revisions for possible adoption by Spring of 2017.

³³ US Census American Community Survey 2010-2014 5 year. Table S1901 "Income in the past 12 months 2010-2014."

³⁴ Ibid.

³⁵ Apartment List, 2016. *June 2016 California Apartment List Report*.

³⁶ California Department of Finance 2016. Report E-5: Population and Housing Estimates for Cities, Counties, and the State January 1, 2011-2016 with 2010 benchmarks.

Santa Clara

RHNA 4 Performance. The City issued a total of 6,673 residential building permits between 2007 and 2014 – 114 percent of the 5,873 housing allocation – broken down as follows:

- VLI Households: 412 permits (32 percent of allocation)
- LI Households: 111 permits (12 percent)
- Mod Households: 198 permits (20 percent)
- AMod Households: 5,952 permits (223 percent)

RHNA 5 Allocation. The City is expected to accommodate an additional 4,093 new homes between 2014 and 2022 broken down as follows:

- VLI Households: 1,050 homes
- LI Households: 695 homes
- Mod Households: 755 homes
- AMod Households: 1,593 homes

Key Demographics.

- The median income for a four-person household in the City was \$126,306 in 2014.³⁷
- 41 percent of the City's households earned less than 80 percent of the median income in 2014.³⁸
- As of June 2016, the median rent for a two-bedroom apartment was \$2,930.³⁹
- In January 2016, the City vacancy rate was 5.2 percent.⁴⁰

Jobs and Housing. Households within the City numbered 45,150 in 2010 and are expected to expand to 58,930 by 2040 – a growth of 31 percent. Jobs within the City numbered 112,890 in 2010 and are expected to expand to 146,180 by 2040 – a growth of 29 percent. The City has a jobs-to-employed resident (J/ER) ratio of 2.38 and a current jobs-and-housing-fit ratio of 9.33.

Inclusionary Policy. The City has no statutory inclusionary housing requirement. The city negotiates the provision of affordable units in new market rate developments through individual developer agreements.

Impact Fees. The City has not adopted a housing impact or commercial linkage fee, but has committed to conducting a study session(s) to explore additional sources of funding for affordable housing including impact fees and boomerang funds.

Boomerang Funds. In June 2014, the City set aside one-time funds amounting to \$5.83 million to secure a matching commitment of former Redevelopment Housing funds, in the amount of \$8.14 million, from the County of Santa Clara.

Land for Affordable Housing. The City has not adopted a policy to prioritize affordable housing on publicly owned land.

³⁷ US Census American Community Survey 2010-2014 5 year. Table S1901 "Income in the past 12 months 2010-2014."

³⁸ Ibid.

³⁹ Apartment List, 2016. *June 2016 California Apartment List Report*.

⁴⁰ California Department of Finance 2016. Report E-5: Population and Housing Estimates for Cities, Counties, and the State January 1, 2011-2016 with 2010 benchmarks.

Milpitas

RHNA 4 Performance. The City issued a total of 7,151 residential building permits between 2007 and 2014 – 288 percent of the 2,487 housing allocation – broken down as follows:

- VLI Households: 336 permits (49 percent of allocation)
- LI Households: 109 permits (26 percent)
- Mod Households: 264 permits (60 percent)
- AMod Households: 6,442 permits (688 percent)

RHNA 5 Allocation. The City is expected to accommodate an additional 3,290 new homes between 2014 and 2022 broken down as follows:

- VLI Households: 1,004 homes
- LI Households: 570 homes
- Mod Households: 565 homes
- AMod Households: 1,151 homes

Key Demographics.

- The median income for a four-person household in the City was \$126,181 in 2014.⁴¹
- About 39 percent of the City's households earned less than 80 percent of the median income in 2014.⁴²
- As of June 2016, the median rent for a two-bedroom apartment was \$2,900.⁴³
- In January 2016, the City vacancy rate was 2 percent.⁴⁴

Jobs and Housing. Households within the City numbered 19,810 in 2010 and are expected to expand to 32,430 by 2040 – a growth of 64 percent. Jobs within the City numbered 45,190 in 2010 and are expected to expand to 57,810 by 2040 – a growth of 28 percent. The City's jobs-to-employed resident (J/ER) ratio is 2.8 and its jobs-and-housing-fit ratio of 8.98.

Inclusionary Policy. The City requires market-rate developers building 5 or more units to dedicate at least 5 percent of the units as affordable to low and very low-income residents and to be made affordable for 55 years. Developers could also choose to dedicate 5 percent of construction costs towards affordable units. The City has also established a citywide goal that 20 percent of units in new market-rate residential developments be affordable. Affordability restrictions are negotiated on a project-by-project basis. Mechanisms for achieving the City's affordable housing goal include the following options: on-site inclusionary units; off-site development; in-lieu fees; and land dedication.

Impact Fees. The City has not adopted a housing impact fee or a commercial linkage fee but is in the process of conducting a nexus study.

Boomerang Funds. The City has not committed any boomerang funds towards affordable housing.

Land for Affordable Housing. The City does not have a formal policy to prioritize publicly owned land for affordable housing. Historically, the City has provided City-owned land to market-rate residential developers at no cost. One such transaction resulted in the creation of 389 new market-rate units, 48 (approximately 12 percent) of which were affordable.

⁴¹ US Census American Community Survey 2010-2014 5 year. Table S1901 "Income in the past 12 months 2010-2014."

⁴² Ibid.

⁴³ Apartment List, 2016. *June 2016 California Apartment List Report*.

⁴⁴ California Department of Finance 2016. Report E-5: Population and Housing Estimates for Cities, Counties, and the State January 1, 2011-2016 with 2010 benchmarks.

Hayward

RHNA 4 Performance. The City issued a total of 1,617 residential building permits between 2007 and 2014 – 59 percent of the 3,393 housing allocation – broken down as follows:

- VLI Households: 246 permits (32 percent of allocation)
- LI Households: 0 permits (0 percent)
- Mod Households: 50 permits (9 percent)
- AMod Households: 1,719 permits (109 percent)

RHNA 5 Allocation. The City is expected to accommodate an additional 3,920 new homes between 2014 and 2022 broken down as follows:

- VLI Households: 851 homes
- LI Households: 480 homes
- Mod Households: 608 homes
- AMod Households: 1,981 homes

Key Demographics.

- The median income for a four-person household in the City was \$78,843 in 2014.⁴⁵
- 40 percent of the City's households earned less than 80 percent of median income in 2014.⁴⁶
- As of June 2016, the median rent for a two-bedroom apartment was \$1,990.⁴⁷
- In January 2016, the City vacancy rate was 2 percent.⁴⁸

Jobs and Housing. Households within the City numbered 48,300 in 2010 and are expected to expand to 60,610 by 2040 – a growth of 26 percent. Jobs within the City numbered 68,140 in 2010 and are expected to expand to 87,820 by 2040 – a growth of 29 percent. The City has an existing jobs-to-employed resident (J/ER) ratio of 1.39 and its jobs-and-housing-fit ratio is 4.83.

Inclusionary Policy. The City's inclusionary policy is applicable to new market-rate residential developments intended for sale. Developers of for-sale projects of 20 units or more are required to do one of the following: pay a housing impact fee, set aside 7.5 percent of the units as affordable to households earning no more than 120 percent AMI for at least 45 years, build off site units, or build affordable rental units. If building affordable rental units, developers are required to dedicate 50 percent of these units as affordable to very low-income residents and 50 percent to low-income residents; such units must remain affordable for at least 55 years.

Impact Fees. Hayward has a housing development impact fee range from \$3.24 sq/ft for attached units to \$4.00 sq/ft for detached units. If the fees are paid when the certificate of occupancy is issued they are increased by 10 percent ranging from \$3.56 sq/ft for detached units to \$4.40 sq/ft for attached units.

Boomerang Funds. The City has not committed any boomerang funds towards affordable housing. The City has committed to considering options for allocating one-time boomerang funds between 2016 and 2017.

Land for Affordable Housing. The City does not have a formal policy to prioritize publicly owned land for affordable housing.

⁴⁵ US Census American Community Survey 2010-2014 5 year. Table S1901 "Income in the past 12 months 2010-2014."

⁴⁶ Ibid.

⁴⁷ Apartment List, 2016. *June 2016 California Apartment List Report*.

⁴⁸ California Department of Finance 2016. Report E-5: Population and Housing Estimates for Cities, Counties, and the State January 1, 2011-2016 with 2010 benchmarks.

Fairfield

RHNA 4 Performance. The City issued a total of 1,562 residential building permits between 2007 and 2014 – 41 percent of the 3,796 housing allocation – broken down as follows:

- VLI Households: 0 permits (0 percent of allocation)
- LI Households: 0 permits (0 percent)
- Mod Households: 33 permits (5 percent)
- AMod Households: 1,529 permits (91 percent)

RHNA 5 Allocation. The City is expected to accommodate an additional 3,100 new homes between 2014 and 2022 broken down as follows:

- VLI Households: 779 homes
- LI Households: 404 homes
- Mod Households: 456 homes
- AMod Households: 1,461 homes

Key Demographics.

- The median income for a four-person household in the City was \$84,375 in 2014.⁴⁹
- 36 percent of the City's households earned less than 80 percent of the median income in 2014.⁵⁰
- As of June 2016, the median rent for a two-bedroom apartment was \$1,660.⁵¹
- In January 2016, the City vacancy rate was 4.9 percent.⁵²

Jobs and Housing. Households within the City numbered 37,180 in 2010 and are expected to expand to 48,300 by 2040 – a growth of 30 percent. Jobs within the City's PDAs numbered 39,300 in 2010 and are expected to expand to 53,310 by 2040 – a growth of 36 percent. The City has an existing jobs-to-employed resident (J/ER) ratio of 1.04 and a current jobs-and-housing-fit ratio of 3.8.

Inclusionary Policy. The City's inclusionary policy is applicable to new market-rate single-family homes developed in areas zoned as Residential Medium Density Zones. The regulations require developers to set aside 10 percent of the units as affordable to moderate income households for at least 45 years. As of September 2016, the City was considering changes to allow market-rate developers in-lieu options to providing onsite options.

Impact Fees. The City has not adopted a housing impact fee or a commercial linkage fee.

Boomerang Funds. The City has not committed any boomerang funds towards affordable housing. The City is actively exploring ways to generate ongoing revenues for its low and moderate income housing fund.

Land for Affordable Housing. The City has adopted a public lands policy that is compliant with the State's Surplus Land Act.

⁴⁹ US Census American Community Survey 2010-2014 5 year. Table S1901 "Income in the past 12 months 2010-2014."

⁵⁰ Ibid.

⁵¹ Apartment List, 2016. *June 2016 California Apartment List Report*.

⁵² California Department of Finance 2016. Report E-5: Population and Housing Estimates for Cities, Counties, and the State January 1, 2011-2016 with 2010 benchmarks.

San Mateo

RHNA 4 Performance. The City issued a total of 1,187 residential building permits between 2007 and 2014 – 39 percent of the 3,051 housing allocation – broken down as follows:

- VLI Households: 163 permits (23 percent of allocation)
- LI Households: 56 permits (11 percent)
- Mod Households: 105 permits (18 percent)
- AMod Households: 863 permits (68 percent)

RHNA 5 Allocation. The City is expected to accommodate an additional 3,100 new homes between 2014 and 2022 broken down as follows:

- VLI Households: 859 homes
- LI Households: 469 homes
- Mod Households: 530 homes
- AMod Households: 1,242 homes

Key Demographics.

- The median income for a four-person household in the City was \$135,850 in 2014.⁵³
- 42 percent of the City's households earned less than 80 percent of the median income in 2014.⁵⁴
- As of June 2016, the median rent for a two-bedroom apartment was \$3,180.⁵⁵
- In January 2016, the City vacancy rate was 6 percent.⁵⁶

Jobs and Housing. Households within the City numbered 37,705 in 2010 and are expected to expand to 48,092 by 2040 – a growth of 27 percent. Jobs within the City numbered 46,960 in 2010 and are expected to expand to 67,370 by 2040 – a growth of 39 percent. The City has an existing jobs-to-employed resident (J/ER) ratio of 1.32 and a jobs-and-housing-fit ratio of 9.82.

Inclusionary Policy. The City's inclusionary policy is applicable to new market-rate residential developments intended for lease and sale. The requirement to build an affordable housing unit applies to projects of 11 units or more. Projects intended for lease are required to pay a housing development impact fee or provide 10 percent of the units as affordable to lower and moderate income households. Projects intended for sale are required to set aside 10 percent of units for low and moderate-income households. Projects within former redevelopment areas are required to provide 15 percent of units as affordable for moderate and lower-income households with 9 percent affordable to moderate-income households and 6 percent affordable to very-low income households. In-lieu fees are required for projects with 10 units or less or fractional requirements of less than 5 units.

Impact Fees. As of the writing of this report, the City was in the process of considering adopting a commercial linkage fee on development of 5,000 square feet or more ranging from \$5 to \$25 per square foot depending on the kind of development. The City does not have a housing development impact fee.

Boomerang Funds. The City set aside one-time boomerang funds amounting to \$706,000. The City also committed to setting aside 20 percent of ongoing revenues totaling approximately \$240,000 per year.

Land for Affordable Housing. The City does not have a formal policy to prioritize publicly owned land for affordable housing.

⁵³ US Census American Community Survey 2010-2014 5 year. Table S1901 "Income in the past 12 months 2010-2014."

⁵⁴ Ibid.

⁵⁵ Apartment List, 2016. *June 2016 California Apartment List Report*.

⁵⁶ California Department of Finance 2016. Report E-5: Population and Housing Estimates for Cities, Counties, and the State January 1, 2011-2016 with 2010 benchmarks.

Livermore

RHNA 4 Performance. The City issued a total of 955 residential building permits between 2007 and 2014 – 28 percent of the 3,394 housing allocation – broken down as follows:

- VLI Households: 72 permits (7 percent of allocation)
- LI Households: 50 permits (8 percent)
- Mod Households: 196 permits (29 percent)
- AMod Households: 637 permits (63 percent)

RHNA 5 Allocation. The City is expected to accommodate an additional 2,729 new homes between 2014 and 2022 broken down as follows:

- VLI Households: 839 homes
- LI Households: 474 homes
- Mod Households: 496 homes
- AMod Households: 920 homes

Key Demographics.

- The median income for a four-person household in the City was \$132,679 in 2014.⁵⁷
- About 37 percent of the City's households earned less than 80 percent of the median income in 2014.⁵⁸
- As of June 2016, the median rent for a two-bedroom apartment was \$2,171.⁵⁹
- In January 2016, the City vacancy rate was 2.5 percent.⁶⁰

Jobs and Housing. Households within the City numbered 29,134 in 2010 and are expected to expand to 40,040 by 2040 – a growth of 38 percent. Jobs within the City numbered 38,450 in 2010 and are expected to expand to 53,210 by 2040 – also growing by 38 percent. The City has an existing jobs-to-employed resident (J/ER) ratio of 1.16 and a jobs-and-housing-fit ratio of 6.2.

Inclusionary Policy. The City's inclusionary policy is applicable to new market-rate residential developments intended for sale. The regulations require a total of 15 percent of all new units to be affordable – setting aside 7.5 percent for low-income households and another 7.5 percent for moderate-income households. New developments within the City's Downtown Specific Plan Area are required to set aside a greater proportion of the units for low-income households – 10 percent. New market-rate residential developments intended for lease are exempt from the affordability requirements except for those within neighborhood plan areas. Regulations also allow developers to pay an in-lieu fee, provide units off-site, or dedicate land instead of providing affordable units on site.

Impact Fees. The City has not adopted a housing impact fee. The City has adopted a commercial linkage fee (called the Low Income Housing Impact Fee) that requires new commercial and industrial developments to offset affordable housing needs of employees. The fee ranges from \$107 to \$1,195 per unit of development (employees per thousand square feet or employees per room) based on the type of development.

⁵⁷ US Census American Community Survey 2010-2014 5 year. Table S1901 "Income in the past 12 months 2010-2014."

⁵⁸ Ibid.

⁵⁹ Rent Jungle, 2016. *Rent Trend Data in Livermore, California, June 2016*.

⁶⁰ California Department of Finance 2016. Report E-5: Population and Housing Estimates for Cities, Counties, and the State January 1, 2011-2016 with 2010 benchmarks.

Livermore (cont)

Boomerang Funds. The City has not committed any boomerang funds towards affordable housing.

Land for Affordable Housing. The City does not have a formal policy to prioritize publicly owned land for affordable housing. However, the Housing Element contains a program to increase the inventory of City-owned land intended for future affordable housing.

Richmond

RHNA 4 Performance. The City issued a total of 1,362 residential building permits between 2007 and 2014 – 48 percent of the 2,826 housing allocation – broken down as follows:

- VLI Households: 74 permits (19 percent of allocation)
- LI Households: 153 permits (45 percent)
- Mod Households: 243 permits (45 percent)
- AMod Households: 892 permits (57 percent)

RHNA 5 Allocation. The City is expected to accommodate an additional 2,435 new homes between 2014 and 2022 broken down as follows:

- VLI Households: 438 homes
- LI Households: 305 homes
- Mod Households: 410 homes
- AMod Households: 1,282 homes

Key Demographics.

- The median income for a four-person household in the City was \$70,872 in 2014.⁶¹
- About 45 percent of the City's households earned less than 80 percent of the median income in 2014.⁶²
- As of June 2016, the median rent for a two-bedroom apartment was \$1,810.⁶³
- In January 2016, the City vacancy rate was 4.8 percent.⁶⁴

Jobs and Housing. Households within the City numbered 36,940 in 2010 and are expected to expand to 47,320 by 2030 – a growth of 28 percent. Jobs within the City numbered 40,660 in 2010 and are expected to expand to 64,120 by 2030 – a growth of 57 percent. The City has an existing jobs-to-employed resident (J/ER) ratio of 0.79 and a jobs-and-housing-fit ratio of 1.37.

Inclusionary Policy. The City's inclusionary policy is applicable to new market-rate residential developments intended for lease and sale. The regulations require projects of 10 units or more to satisfy affordability requirements one of two ways – setting aside between 10 to 25 percent of units with varying affordability limits for at least 30 years or paying an in-lieu fee. For the development of new rental housing, the city enters into an agreement with the developer to maintain the project's long term affordability.

Impact Fees. The City has not adopted a housing impact fee or a commercial linkage fee.

Boomerang Funds. The City has not committed any boomerang funds towards affordable housing.

Land for Affordable Housing. The City does not have a formal policy to prioritize publicly owned land for affordable housing.

61 US Census American Community Survey 2010-2014 5 year. Table S1901 "Income in the past 12 months 2010-2014."

62 Ibid.

63 Apartment List, 2016. *June 2016 California Apartment List Report*.

64 California Department of Finance 2016. Report E-5: Population and Housing Estimates for Cities, Counties, and the State January 1, 2011-2016 with 2010 benchmarks.

Mountain View

RHNA 4 Performance. The City issued a total of 2,656 residential building permits between 2007 and 2014 – 102 percent of the 2,599 housing allocation – broken down as follows:

- VLI Households: 237 permits (42 percent of allocation)
- LI Households: 28 permits (7 percent)
- Mod Households: 4 permits (1 percent)
- AMod Households: 2,387 permits (207 percent)

RHNA 5 Allocation. The City is expected to accommodate an additional 2,926 new homes between 2014 and 2022 broken down as follows:

- VLI Households: 814 homes
- LI Households: 492 homes
- Mod Households: 527 homes
- AMod Households: 1,093 homes

Key Demographics.

- The median income for a four-person household in the City was \$154,240 in 2014.⁶⁵
- 40 percent of the City's households earned less than 80 percent of the median income in 2014.⁶⁶
- As of June 2016, the median rent for a two-bedroom apartment was \$3,500.⁶⁷
- In January 2016, the City vacancy rate was 8.3 percent.⁶⁸

Jobs and Housing. Households within the City numbered 31,469 in 2010 and are expected to expand to 41,790 by 2040 – a growth of 33 percent. Jobs within the City numbered 47,800 in 2010 and are expected to expand to 63,380 by 2040 – a growth of 33 percent. The City has an existing jobs-to-employed resident (J/ER) ratio of 2.66 and a jobs-and-housing-fit ratio of 6.04.

Inclusionary Policy. The City's inclusionary policy is applicable to new market-rate residential developments intended for lease and sale. The regulations require projects to set aside at least 10 percent of all the units as affordable for low-income and moderate-income households. The regulations apply to for-sale projects of three units or more, for-lease projects of five units or more, and mixed (both for rent and for sale) projects of six or more units. Regulations allow for the payment of an in-lieu fee.

Impact Fees. The City has adopted both a housing impact fee (\$17/sf) and a commercial linkage fee for office, high tech, and industrial uses (\$25/sf), with a 50 percent discount for the first 10,000 square feet. The commercial linkage fee for retail, entertainment, and hotel uses is \$2.68 per square foot, with a 50 percent discount for the first 25,000 square feet.

Boomerang Funds. The City allocated \$140,800 of one-time boomerang funds to affordable housing with \$51,000 in ongoing expenditures.

Land for Affordable Housing. The City does not have a formal policy to prioritize publicly owned land for affordable housing.

⁶⁵ US Census American Community Survey 2010-2014 5 year. Table S1901 "Income in the past 12 months 2010-2014."

⁶⁶ Ibid.

⁶⁷ Apartment List, 2016. *June 2016 California Apartment List Report*.

⁶⁸ California Department of Finance 2016. Report E-5: Population and Housing Estimates for Cities, Counties, and the State January 1, 2011-2016 with 2010 benchmarks.

Redwood City

RHNA 4 Performance. The City issued a total of 2,702 residential building permits between 2007 and 2014 – 146 percent of the 1,856 housing allocation – broken down as follows:

- VLI Households: 82 permits (19 percent of allocation)
- LI Households: 84 permits (28 percent)
- Mod Households: 94 permits (26 percent)
- AMod Households: 2,442 permits (316 percent)

RHNA 5 Allocation. The City is expected to accommodate an additional 2,789 new homes between 2014 and 2022 broken down as follows:

- VLI Households: 706 homes
- LI Households: 429 homes
- Mod Households: 502 homes
- AMod Households: 1,152 homes

Key Demographics.

- The median income for a four-person household in the City was \$111,420 in 2014.⁶⁹
- 45 percent of the City's households earned less than 80 percent of the median income in 2014.⁷⁰
- As of June 2016, the median rent for a two-bedroom apartment was \$4,220.⁷¹
- In January 2016, the City vacancy rate was 2.6 percent.⁷²

Jobs and Housing. Households within the City numbered 27,618 in 2011 and are expected to expand to 34,037 by 2030 – a growth of 23 percent. Jobs within the City numbered 58,080 in 2010 and are expected to expand to 77,480 by 2040 – a growth of 33 percent. The City has an existing jobs-to-employed resident (J/ER) ratio of 1.95 and a current jobs-and-housing-fit ratio of 7.68.

Inclusionary Policy. The City has not adopted an inclusionary ordinance.

Impact Fees. The City has adopted both a housing impact fee and a commercial linkage fee. The City's housing impact fee is \$25 per square foot for single family, townhomes, duplexes, and triplexes, and is \$20 per square foot for condos and apartments. The City's commercial linkage fee is \$20 per square foot for office, medical offices, and R&D high tech, and is \$5 per square foot for hotel, retail, restaurant, and services.

Boomerang Funds. The City has allocated one-time boomerang funds to affordable housing amounting to \$200,000.

Land for Affordable Housing. The City cites the State's Surplus Land Act in its municipal code regarding the disposition and acquisition of real property, it has also made city land available for affordable housing developments through a Request for Proposals (RFP) process, which is a best practice.

⁶⁹ US Census American Community Survey 2010-2014 5 year. Table S1901 "Income in the past 12 months 2010-2014."

⁷⁰ Ibid.

⁷¹ Apartment List, 2016. *June 2016 California Apartment List Report*.

⁷² California Department of Finance 2016. Report E-5: Population and Housing Estimates for Cities, Counties, and the State January 1, 2011-2016 with 2010 benchmarks.



**The Voice of
Affordable Housing**

**INFO@NONPROFITHOUSING.ORG
415.989.8160 | @NPHANC
369 PINE ST., SUITE 350, SAN FRANCISCO**