



Development and Environmental Services Department
Planning
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March 19, 2007

Terry Roberts
 State Clearinghouse Director
 Governor's Office of Planning and Research
 P.O. Box 3044
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AND

HOUSING POLICY
 DEVELOPMENT, HCD

MAR 21 2007

Cathy E. Creswell
 Deputy Director
 Department of Housing and Community Development
 Division of Housing Policy Development
 1800 Third Street, Suite 430
 P.O. Box 952053
 Sacramento, CA 94252-2053

RE: Annual Report on the status and implementation of the General Plan and Housing Element

To Whom It May Concern:

We are providing information regarding the progress and status of Fremont's General Plan and Housing Element as required under Section 65400 of Article 7 – Administration of General Plan, Planning and Zoning Law.

Attached to this letter, you will find the following:

- Annual Report on the General Plan and Housing Element for Calendar year 2006.
- Attachments to Annual Report:
 - Exhibit "A" - Planning Commission Report and Draft Minutes of February 8, 2007 and a listing of the Housing Element's goals, objectives and implementing measures and a commentary on progress towards achieving them during Calendar Year 2006.
 - Informational 1 - City Council Report and Minutes of September 13, 2005.
 - Informational 2 - Letter from Department of Housing and Community Development dated October 14, 2005 acknowledging the completion of rezonings and redesignations

If you have any questions regarding this letter or its attachments, please do not hesitate to call me at (510) 494-4527 or e-mail me at jschwob@ci.fremont.ca.us.

Sincerely,

Jeff Schwob
 Planning Director

Attachment



Building & Safety
 510 494-4400

Engineering
 510 494-4700

Environmental Services
 510 494-4740

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***2.4 ANNUAL REPORT ON THE GENERAL PLAN AND HOUSING ELEMENT
(PLN2007-00197)**

**Public Hearing (Published Notice) to Consider an Annual Report on the Status of the
General Plan and Housing Element Implementation**

Contact Person:

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Executive Summary: State planning law requires cities to provide a status report on the General Plan and an update on the implementation of the Housing Element each year to the State Department of Housing and Community Development. In previous years, the report was required on October 1st of each year. However with the adoption of Assembly Bill 2511 on September 30, 2006 which amended Government Code Section 65400, the status report is now required to be provided by April 1st of each year beginning in 2007. The purpose of this report is to provide an annual review of the General Plan as well as progress in implementing the Housing Element in keeping with the requirements of Government Code Section 65400. This is the first year for the report to reflect activities by calendar year.

The City of Fremont continues to make progress toward meeting its regional housing needs and Housing Element Implementation Program. Approximately 1,231 units (including 194 moderate income units) were approved this reporting year. In addition, 250 units (including 10 moderate income units) were issued building permits. There were ten General Plan Amendment changes (grouped in three amendment packages) during this time period of which seven were related to residential development. Details are enumerated in the February 8, 2007 Planning Commission Report (Exhibit A). On February 8, 2007, the Planning Commission unanimously recommended the report to be forwarded to the City Council.

BACKGROUND: On July 17, 2003, the State Department of Housing and Community Development (HCD) informed the City of Fremont that the Housing Element adopted by the City Council on May 13, 2003 was found in compliance with State housing element law. HCD reiterated the importance of reporting on the progress in implementing identified Housing Element programs each year. On October 14, 2005, HCD informed the City that the City's Housing Element remains in full compliance with the State Housing Element Law (Informational Enclosures 1 and 2).

Project Description: Government Code Section 65400 (b) requires that the City take the following actions:

1. Provide an annual report to the legislative body, the Office of Planning and Research, and the Department of Housing and Community Development on the status of the plan and progress in its implementation, including the progress in meeting its share of regional housing needs and local efforts to remove governmental constraints to the maintenance, improvement, and development of housing.
2. Prepare the housing portion of the annual report provided to the Office of Planning and Research and the Department of Housing and Community Development through the use of forms and definitions

adopted by the Department of Housing and Community Development. This report shall be provided to the legislative body, the Office of Planning and Research, and the Department of Housing and Community Development on or before October 1 for 2006. This reporting year will be the last report based on fiscal year activities. With the adoption of Senate Bill 263 on October 6, 2005, the next annual report will be April 1 beginning in 2007 to be based on calendar year.

An update on the status of the General Plan, the Housing Element, and the progress made in meeting the goals and objectives outlined in the Implementation Program for the Housing Element for calendar year 2006 is contained in the February 8, 2007 Planning Commission Report, attached hereto as Exhibit A and incorporated by reference.

Environmental Review: The annual report is exempt from the California Environmental Quality Act (CEQA) in that the activity is not defined as a "project" under CEQA guideline 15378(b)(5). Environmental analysis will be prepared for any subsequent proposals for General Plan Amendments or Zoning Text Amendments.

Planning Commission Recommendation: The Planning Commission at its February 8, 2007 meeting unanimously recommended this item on a vote of (7-0-0) to the City Council. No comments were received.

Public Notice and Comment: Public hearing notification is applicable. A total of 262 notices were mailed to organizations and individuals interested in housing issues, and persons entitled to notices, on March 2, 2007. A Public Hearing Notice was delivered to The Argus on February 26, 2007 to be published by March 1, 2007.

ENCLOSURES:

- Exhibit A - Planning Commission Report and Draft Minutes of February 8, 2007 and a listing of the Housing Element's goals, objectives and implementing measures and a commentary on progress towards achieving them during Calendar Year 2006
- Informational 1 - City Council Report and Minutes of September 13, 2005
- Informational 2 - Letter from Department of Housing and Community Development dated October 14, 2005 acknowledging the completion of rezonings and redesignations

RECOMMENDATIONS:

1. Hold public hearing.
2. Find the Annual Report is exempt from the California Environmental Quality Act (CEQA) in that the activity is not defined as a "project" under CEQA guideline 15378(b)(5).
3. Find that the Annual Report of the General Plan and Housing Element (Exhibit A) accurately depicts the current status of the City of Fremont with respect to the General Plan and Housing Element.

- Project:** ANNUAL REPORT ON THE GENERAL PLAN AND HOUSING ELEMENT
(PLN2007-00197)
- Proposal:** To consider an annual report on the status of the General Plan and Housing Element.
- Staff Recommendation:** Recommend annual report on the General Plan and Housing Element (this agenda report and Exhibit A) to Council.
- Location:** Citywide
- People:** City of Fremont, Applicant
- Environmental Review:** The annual report is exempt from the California Environmental Quality Act (CEQA) in that the activity is not defined as a "project" under Article 20 Section 15378(b)(5). Environmental analysis will be prepared for any subsequent proposals for General Plan Amendments or Zoning Text Amendments.

EXECUTIVE SUMMARY:

State planning law requires cities to provide a status report on the General Plan and an update on the implementation of the Housing Element each year to the State Department of Housing and Community Development. In previous years, the report was required on October 1st of each year. However with the adoption of Assembly Bill 2511 on September 30, 2006 which amended Government Code Section 65400, the status report is now required to be provided by April 1st of each year. This is the first year for the report to reflect activities by calendar year. The purpose of this report is to provide an annual review of the General Plan as well as progress in implementing the Housing Element in keeping with the requirements of Government Code Section 65400.

BACKGROUND AND PREVIOUS ACTIONS:

The City of Fremont has completed major implementation efforts relating to the Housing Element, including the required rezonings and redesignations of properties at various densities to provide adequate sites for residential development, as of July 2005. This has been reported to the State Department of Housing and Community Development (HCD) and the Office of Planning and Research (OPR) at the last status report on September 23, 2005.

On July 17, 2003, the State Department of Housing and Community Development (HCD) informed the City of Fremont that the Housing Element adopted by the City Council on May 13, 2003 was found in compliance with State housing element law. HCD reiterated the importance of reporting on the progress in implementing identified Housing Element programs each year on October 1. On October 14, 2005,

HCD informed the City that the City's Housing Element remains in full compliance with the State Housing Element Law. Staff has provided a copy of the letter as an Informational Enclosure to this report. Recent changes in reporting requirements now provide that the annual report is due on April 1st each year, beginning in 2007.

PROJECT DESCRIPTION:

State planning law requires the City to prepare an annual status report on the General Plan. Specifically, Government Code Section 65400 (b) requires that the City:

1. Provide an annual report to the legislative body, the Office of Planning and Research, and the Department of Housing and Community Development on the status of the plan and progress in its implementation, including the progress in meeting its share of regional housing needs ... and local efforts to remove governmental constraints to the maintenance, improvement, and development of housing.
2. Prepare the housing portion of the annual report provided to the Office of Planning and Research and the Department of Housing and Community Development through the use of forms and definitions adopted by the Department of Housing and Community Development. This report shall be provided to the legislative body, the Office of Planning and Research, and the Department of Housing and Community Development on or before October 1 for 2006. This reporting year will be the last report based on fiscal year activities. With the adoption of Senate Bill 263 on October 6, 2005, the next annual report will be April 1 beginning in 2007 to be based on calendar year.

Because the Planning Commission is the advisory body to the City Council on the General Plan, staff is providing the annual report to the Planning Commission for its consideration and recommendations. This report provides an update on the status of the General Plan, the Housing Element, and the progress made in meeting the goals and objectives outlined in the Implementation Program for the Housing Element for calendar year 2006.

PROJECT ANALYSIS:

This report is divided into the following sections:

- I A description of progress in meeting regional housing needs for calendar year 2006.
- II A description of the progress in implementing various programs in the Housing Element.
- III A description of the status of General Plan activities during calendar year 2006.

I. Progress in Meeting Regional Housing Needs

The regional council of governments (the Association of Bay Area Governments (ABAG)) is charged by the State with the responsibility for determining the number of new housing units needed in a community. The State of California provides population estimates to each regional council of governments, which then allocates the estimated housing units needed among its member communities. During 1999-2000, ABAG developed the "Regional Housing Needs Determination" for its member

communities and, on March 15, 2001, the ABAG Board of Directors certified the final numbers. After determining the number of additional households expected by the end of the planning period, ABAG further quantified future households by income level. The goal of this analysis is to distribute lower income households equitably throughout a region, thereby avoiding undue concentrations of very low and low income households in one jurisdiction. The estimated number of housing units needed in Fremont, as determined and certified by ABAG, is set forth in Table 1 below and reflects the planning period from January 1, 1999 to June 30, 2006. The State Legislature subsequently extended this time period to June 30, 2007.

**Table 1
Five Year Housing Need by Income Category (1999-2006)**

Income Category	Five Year Need (Housing Units)
Very Low Income	1,079 households (16.0%)
Low Income	636 households (9.5%)
Moderate Income	1,814 households (27.0%)
Above Moderate Income	3,179 households (47.5%)
TOTAL	6,708 households (100%)

Source: 2001-2006 Housing Element based on Association of Bay Area Governments (ABAG) figures.

Generally, Very Low Income households have incomes which do not exceed 50% of the area median income, Low Income households have incomes which do not exceed 80% of area median income, Moderate Income Households have incomes which do not exceed 120% of area median income, and Above Moderate Income households have incomes greater than 120% of area median income. (See Title 25 Cal. Code of Regs. §6910 *et seq.*)

The ABAG Regional Housing Needs Determination was certified in 2001. Since these numbers were certified, units have been approved and added to the housing stock. Thus, it is important to adjust the totals to reflect those units that have been added to the housing stock between January 1999 (the beginning of the planning period for this Housing Element) and the present. Table 2 includes information reflecting units added to Fremont's housing stock since 1999 and includes adjusted totals accordingly.

**Table 2
Revised Regional Housing Need Determination 2002-2006**

HOUSEHOLD INCOME LEVEL	REGIONAL HOUSING NEED DETERMINATION (1999-2006)	UNITS ADDED TO HOUSING STOCK, 1999-2002	UNITS APPROVED / UNDER CONSTRUCTION 1/1/2002 - 12/31/2005	UNITS APPROVED 1/1/2006 - 12/31/2006	UNMET REGIONAL HOUSING NEED DETERMINATION (Units Remaining) (2002-2006)
Very Low	1,079 Units	138 Units	259 Units	0 Units	682 Units
Low	636 Units	34 Units	72 Units	0 Units	530 Units
Moderate	1,814 Units	13 Units	50 Units	194 Units	1,557 Units
Above Moderate	3,179 Units	1,516 Units	1,463 Units	1,037 Units	(minus) - 837 Units
Total	6,708 Units	1,701 Units	1,844 Units	1,231 Units	1,932 Units

Source: 2001-2006 Housing Element and City of Fremont Building Permit records January 1, 2002 to December 31, 2006.

Table 2 illustrates the City of Fremont’s continued progress with housing production. During the reporting period of January 1, 2006 through December 31, 2006, 181 affordable housing units at moderate income levels were provided due to the inclusionary housing requirement. Approximately 1,231 units received discretionary approval for development during this reporting year. Refer to Table 3 below for permitting activity.

**TABLE 3
DEVELOPMENT ACTIVITY CALENDAR YEAR 2006**

HOUSEHOLD INCOME LEVEL	UNITS APPROVED 1/1/2006 – 12/31/2006	UNITS ISSUED BUILDING PERMITS 1/1/2006 – 12/31/2006	REVISED REGIONAL HOUSING NEED DETERMINATION (2002-2006)
Very Low	0 Units	0 Units	682 Units
Low	0 Units	0 Units	530 Units
Moderate	194 Units	10 Units	1,557 Units
Above Moderate	1,037 Units	240 Units	(minus) - 837Units
Total	1,231 Units	250 Units	1,932 Units

Source: 2001-2006 Housing Element and City of Fremont Building Permit records January 1, 2006 to December 31, 2006.

The Association of Bay Area Governments recently issued guidelines for the reporting of progress on the production of housing units. To be consistent with these guidelines, Table 3 above details Building Permit Activity for Calendar Year 2006.

During this reporting period, the City issued building permits for Green Cherry Commons (Tract 7451) with 1 moderate income unit. The Linda Vista project located at Villa Savona Court by Summerhill Homes was issued permits for 2 moderate income units. Building permits were also issued for 4 moderate income units for Robson Homes (Washington Boulevard development at Palm Place) during this reporting year. In addition, the Woodbridge development by Summerhill Homes was issued permits for 3 moderate income units. The building permits for moderate income units were a result of the City’s Inclusionary Housing Ordinance, which requires that 15 percent of for-sale units be made available for purchase by households of moderate income. There were a total of 10 building permits issued for Below Market Rate Units.

II. Progress in Implementation of the Housing Element (Adopted May 2003, Certified July 2003)

The Housing Element, in Chapter 8, identified a Housing Program Strategy with 5 goals, 12 policies and 47 programs. The enclosed Exhibit A (Status of Housing Element Implementation Programs) lists in detail the various Goals, Policies and Programs, with their current status. At this time, all of the implementation programs that have a determinant status have been completed. (Of the 47 implementation programs, 28 are of an on-going nature and 19 have a determinant status.)

The time period covered in this report is generally from January 2006 to December 2006. A summary of important achievements is provided below organized under the five goals of the Housing Element. Exhibit A “Status of Housing Element Implementation Programs” contains a complete listing of programs and accomplishments to date.

Housing Goal 1: Conservation and Enhancement of Existing Residential Neighborhoods

Housing Goal 1 is the Conservation and Enhancement of Existing Residential Neighborhoods. The Neighborhood Home Improvement Program addressed this goal by assisting 6 homeowners (3-very low, 2-low income and 1-moderate household) with rehabilitation loans funded by Redevelopment Agency affordable housing funds and federal Community Development Block Group (CDBG) funds during Calendar Year 2006.

Another 6 very low-income households (2 at 50% of area median income and 4 at 35% of area median income) received emergency repair grants during Calendar Year 2006. The Apartment Acquisition /Rehabilitation Program enabled the work to be completed at Baywood apartments, an 82-unit affordable housing rental community located in the Irvington Redevelopment Project Area. In the prior year, the Redevelopment Agency and City Council approved a \$1,313,000 loan consisting of \$513,000 of Agency Affordable Housing Funds, \$400,000 of federal CDBG funds and \$400,000 of federal HOME Program funds to assist with the rehabilitation effort. Baywood provides one, two and three bedroom apartments to families with incomes between 30% and 80% of area median income. During September 2006, the City of Fremont, Office of Housing and Redevelopment sponsored a 2-day workshop for property owners and managers on property management, property maintenance, tenant screening, landlord/tenant laws, fair housing laws and local ordinances. Over the past ten years, more than 1,000 property owners/managers have attended the City-sponsored Apartment Management Certification Program.

Housing Policy 1B addresses capital improvement needs. Exhibit A describes the 21 projects the Redevelopment Agency contributed to in the last year, for a budgeted amount of \$42 Million for the non-housing RDA. The next Capital Improvement Program cycle will begin around June 2007.

The City also contributed approximately \$8 million (i.e., \$7,680,752) to various street and median maintenance and enhancement projects to improve existing residential neighborhoods. All of these capital projects make the areas more attractive and conducive to investment, particularly investments which result in improvements to existing residential neighborhoods.

Housing Policy 1C addresses working with the private sector by assisting private initiatives to maintain and improve neighborhoods and homes. The City is continuing in its work to strengthen neighborhood spirit and unit with the National Night Out program. 140 City staff, Council members, on-duty police, firefighters, adult volunteers, along with 46 youth volunteers, participated in the 23rd anniversary of National Night Out on August 1, 2006. Participants visited 127 block parties with more than 5,500 Fremont residents participating.

In addition, the City continues to maintain staff liaison with Irvington Business Association, Centerville Business Association, and Niles Commercial Property Owners Association.

Housing Goal 2: High Quality and Well-Designed New Housing of All Types Throughout the City

This goal addresses the importance of developing and maintaining a high quality, attractive and diverse housing stock throughout the City. Housing Policy 2A states: "The City Shall Continue to Apply Building Codes and Design Standards to Ensure That Development is of High Quality and Consistent with the Scale and Character of the Community." Adoption and implementation of the 2001 California

building, plumbing, mechanical, electrical and fire codes pursuant to State law addresses this goal and policy. Local amendments to these uniform codes also address unique conditions in Fremont, such as the requirement for fire sprinklers in certain apartment buildings. In addition, the City is continuing its ongoing efforts to encourage well maintained, safe, and habitable rental units through its Apartment Preservation Program.

Housing Goal 3: Housing Affordable and Appropriate for a Variety of Fremont Households at all Economic Levels Throughout the City Consistent with the Hill Area Initiative of 2002

There are five separate Housing Policies to address this goal, and accomplishments for several of these are highlighted below.

Housing Policy 3A relates to the adoption of appropriate land use regulations and other development tools to encourage development of affordable housing. All nine of the implementing programs are now complete, including:

- Program 9, Amendment of the Land Use Element to eliminate step densities (**completed and adopted** May 13, 2003),
- Program 10, Amendment of the Land Use Element to compliment elimination of step densities and encourage higher densities (completed and adopted May 13, 2003), Program 10, Adopt Zoning Combining District or Land Use Range Enabler (**completed and adopted** July 12, 2005)
- Program 11, Creation of a new R-3 zoning district to streamline multi-family development as well as encourage increased densities and affordability components (**completed and adopted** July 22, 2003),
- Program 12, Creation of a new density bonus ordinance to reflect State Density Bonus law requirements (**completed and adopted** September 23, 2003), updated ordinance (**completed and adopted** April 12, 2005).
- Program 13A, Development of Incentives Package for Affordable Housing Developments (**completed** in September, 2003)
- Program 14, Modification of parking requirements to address parking needs by unit size and allow for modification of standards depending on proximity to transit corridors and facilities (**completed and adopted** July 22, 2003), and Changes to the Parking Ordinance for Multi-Family Parking (**completed and adopted** March 2, 2004).
- Program 15, Revisions to existing standards and criteria for Mixed-Use Developments and inclusion of Mixed-Use Developments in various commercial districts (**completed and adopted** July 6, 2004).
- Program 16, Adoption of an Inclusionary Housing Ordinance (**completed and adopted** November 2002 with a 15 percent affordability component, and modified to provide greater flexibility in July 2004).

The completion of these nine programs satisfies the requirements of Housing Policy 3A. These programs have provided much of the groundwork necessary for subsequent General Plan redesignations and rezonings and for affordable housing production. In addition, as part of Housing Policy 3A under Program 13B, Facilitate and Assist Affordable Housing Developments, there is on-going effort to work with developers to identify sites for affordable homeownership development and senior housing developments. During this reporting year, a number of affordable housing developments were constructed. Lincoln Oaks, located on Lincoln Street in the Irvington Redevelopment Project Area, opened in August 2006. The Redevelopment Agency/City Council had approved \$1.6 million in financing for the 11-unit independent living apartment complex for developmentally disabled adults. Housing Consortium of the East Bay and Satellite Housing jointly developed the apartments. Construction continues at Irvington Terrace, a 100-unit affordable housing complex by BRIDGE Housing. The Redevelopment Agency/City Council approved \$9.2 million in financing for the new construction project located in the Irvington Redevelopment project Area. Irvington Terrace is scheduled to be completed in June 2007. Construction is nearly completed at Maple Square Apartments, a 132-unit affordable rental housing development Affirmed Housing is building on Maple Street in the Centerville Redevelopment Project Area. The Redevelopment Agency approved \$12.3 million in financing for the new construction project. Maple Square is scheduled to open 2 buildings, comprising 38 units, in January 2007. For the Calendar Year of 2006 the City awarded \$50,000 in CDBG funds each to BRIDGE and Citizens Housing Corp, to identify suitable land for affordable housing development.

Adoption of the Inclusionary Housing Ordinance, in particular, will provide for a consistent source of affordable units along with market rate housing production. In fact, the newly created system for tracking inclusionary units has identified the commitment of the following below market rate (BMR) units by market rate housing developers since inception.

- Robson Homes (MAYFIELD) voluntarily committed 10% or 19 below market (BMR) homes. Construction has been completed and the units sold in this reporting year (FY 2005/06).
- Lennar Homes (Capistrano at Mission Villa) voluntarily committed 11% or 8 BMR homes. Construction is currently underway. The BMR homes sold in FY 2005/2006 and FY 2006/2007.
- Castle Homes (Sequoia Crossing) voluntarily committed 10% or 6 BMR homes. Construction has been completed. The BMR home buyers closed escrow FY 2005/2006.
- Morrison Crossing development by Robson Homes with mandatory inclusionary units (15%) is currently under construction. The BMR homes were available for purchase since November/December 2006.
- Summerhill Homes (Villa Savona) with mandatory inclusionary units (15%) is undergoing construction. Two BMR homes closed escrow in FY 2005/2006. The remaining two homes will close escrow in FY 2006/2007.
- Robson Homes (Catalina) with mandatory inclusionary units (15%) is currently under construction. The BMR homes will be available for purchase February - April 2007.

- Summerhill Homes (Woodbridge) with mandatory inclusionary units (15%) will have its BMR units available for sale May – August 2007. Construction is currently underway.
- Standard Pacific (Niles Square) with mandatory inclusionary units (15%) is currently under construction underway. Its BMR homes will be available Summer/Fall 2007.
- Robson Homes (Castilleja) with mandatory inclusionary units (15%) will have BMR homes available for purchase Summer/Fall 2007. Construction is underway.
- Green Cherry Developers (Green Cherry Common) with mandatory inclusionary units (15%) is currently under construction. Its BMR homes will be available for sale Summer – Fall 2007.
- Summerhill Homes (Morgan Square) with mandatory inclusionary units (15%) is under construction. The BMR homes available Summer/Fall 2007.
- Ville D'Este by John Laing Homes with 20% inclusionary units (5% above the mandatory 15%) has begun construction. The 55 BMR units are planned for construction Spring – Summer 2008.

Housing Policy 3B relates to the General Plan redesignations and rezonings and has eight implementation programs (Programs 17-24). This policy requires designation of sufficient residentially-zoned land at appropriate densities to provide adequate sites for Fremont's new construction need for the period 2001-2006, subsequently extended to 2007. These implementation programs were completed in a previous reporting year (i.e., fiscal year 2004-2005). For specific detail on how it was achieved, refer to City Council report of September 13, 2005.

Program 17, which is an inventory of vacant and underutilized lands is an ongoing effort. Implementation of Program 24, annual report to State Department of Housing and Community Development (HCD), requires the submittal of this report to the HCD by April 1, 2007.

Each of the rezonings and redesignations of Housing Policy 3B fell under Programs 18-22 of the Housing Element. These programs concentrate on rezoning existing residential, commercial or industrial vacant or underutilized land and the remainder of this section discusses the more specific accomplishments for these programs. In each of these programs, private sector rezonings and redesignations were included in the total count. Also, the potential number of units was calculated at the required mid-point of each density range. The programs are as follows:

- Program 18, redesignation of existing vacant or underutilized residential land
- Program 19, redesignation along transit corridors for the development of medium to very-high densities within close proximity to existing or planned transit sites.
- Program 20 redesignation and rezoning of existing residential lands to various higher densities
- Program 21, redesignation and rezoning of commercially and industrially zoned and designated property.
- Program 22, redesignation of older shopping centers to accommodate residential development
- Program 23 , rezoning of commercially-designated sites to encourage mixed-use development that incorporates affordable housing units

Housing Policy 3C (Programs 25-29) encourages the development of a diverse housing stock that provides a range of housing projects at a range of affordability levels which are equally distributed throughout the City. Of the five implementation programs, four will be highlighted. Program 26, which was to eliminate discretionary review in the City's Secondary Dwelling Unit application process, as required by State law, was completed in July of 2003. The City Council approved a comprehensive Zoning Text Amendment relative to second unit standards on March 2, 2004. For this current reporting year, 7 permits have been issued and 7 additional units are being reviewed for building permit issuance. On May 23, 2006, the City Council approved 11 secondary dwelling units in addition to a planned district approval for 276 units (Villa D'Este).

Progress has also been made with Program 27, which encourages the development of larger sized units for households of low and moderate incomes. The City's Redevelopment Agency adopted an "Affordable Housing Investment Strategy" to encourage the development of those units. A total of 238 three-bedroom units were approved to date as part of this strategy, as detailed in Exhibit A.

Work under Program 28 to provide loans to first time homebuyers accomplished 29 down payment assistance loans to moderate income first time homebuyers. As part of this program during this Calendar year, over 1,200 households were provided with homeownership training. Accomplishments under Program 29 on the issuance of Mortgage Credit Certificates were the issuance of 7 certificates to low income first time homebuyers (Calendar Year 2006).

Housing Policy 3D (Programs 30-34) emphasizes the development and utilization of funding resources to maximize affordable housing development. Program 30 evaluates the feasibility of a program that would require fees from job generating developments. It was completed during a previous reporting period (FY 2004/05). Implementation of this program will be considered when economic conditions can support such a program. In July 2006, the City was awarded a \$626,000 State Workforce Housing Incentive Grant to support future affordable housing and public improvement projects.

In addition, the City continues in its efforts to support affordable housing through the utilization of Agency affordable housing funds, federal HOME funds and Community Development Block Grant (CDBG) Funds, as well as State HELP funds, 4% tax credits. And, over the past six years, the City has utilized the 20% Affordable Housing Fund, federal HOME and CDBG funds, State CalHFA HELP funds, 4% tax credits and 9% tax credits, AHP funds, Project Based Section 8 Program, and Supportive Housing Program funds with the following developments:

- Provided \$12.3 million in Support of Maple Square Apartments, a 132-unit affordable housing development that was awarded state MHP, funds, CDLAC bond financing and 4% federal tax credits.
- Provided \$1.6 million in support of Lincoln Street Apartments, an 11-unit affordable housing development that was awarded state MHP funding and HUD 811 funding.
- Provided \$3.3 million in support of Rotary Bridgeway Apartments, an 18-unit affordable housing development that was awarded tax credits.

- Provided \$4.4 million in support of Fremont Oak Gardens, a 50-unit affordable senior housing development with special amenities for deaf and hard of hearing seniors. Fremont Oak Gardens was also awarded State MHP funds.
- Provided \$9.1 million in support of Irvington Terrace, a 100-unit affordable housing development that was awarded State MHP funds, 4% tax credits and CDLAC bond financing.
- Supported the refinancing acquisition and rehabilitation of the 82-unit Baywood Apartments. The City/Agency \$1.3 million loan was combined with tax-exempt bond proceeds, 4% tax credits and bank financing to provide for the \$16.9 million total project cost.

The purpose of Program 34 is to implement the Redevelopment Agency's Affordable Housing Strategy. This includes the directive that 80 percent of the Agency's financial resources reserved for new housing construction be directed to rental housing developments for extremely low, very low and lower income households. During the 2002-05 time frame, 422 units were approved for development or had existing units provided with affordability restrictions. For this current reporting year, an additional 70 units were included; bring the total number to 492 units.

Housing Policy 3E (Programs 35-37) emphasizes the importance of preserving the existing affordable housing stock. Implementation of Program 35 targets the preservation of affordable housing units at risk of converting to market rate units. This program preserved thirty-eight "at risk" senior units. As part of Program 36, which assists low income families with move-in costs or other financial assistance, the City provided screening for over 218 households, issued 25 loan guarantees, and provided support counseling to over 270 individuals and followed up on 21 program loans to ensure participants are making timely payments on their loan guarantee. Under Program 37, the City continues in its efforts to obtain 99 year affordability terms for Inclusionary units within rental projects. This program also includes efforts to obtain 30 -year affordability term for "for-sale" units with renewable 30 year terms upon resale and a 45 year affordability term for households assisted under the First Time Homebuyer Program using RDA funds.

Housing Goal 4: A Continuing Leadership Role in Regional Efforts to Maintain and Expand the Range of Housing Alternatives in the San Francisco Bay Area

Housing Goal 4 (Programs 38 and 39) has one policy and two implementing programs. Implementing Program 38, Support for Non-Profit Affordable Housing Providers, resulted in the City Council Resolution proclaiming May 2006 as Affordable Housing Week in Fremont. Satellite Housing, who in Fremont developed 50 affordable senior apartments, is co-developing 11 affordable apartments for developmentally-disabled adults and was awarded a CDBG grant to cover predevelopment costs for building other affordable units in Fremont, accepted the Proclamation on behalf of East Bay Housing Organizations. Under Program 39, Inter-Jurisdictional and Regional Planning, the City continues its participation in the Alameda County HOME Consortium. At least 15% of the funding resources of the consortium are spent in the development or rehabilitation of affordable housing. In addition, The City's Human Relations Commission and Office of Housing and Redevelopment support Affordable Housing Week activities county-wide. In addition, resources were combined with several other Bay Area jurisdictions for the development of affordable housing throughout the Bay Area. This resulted in two projects. The Housing Alliance Project (Allied Housing) with 28 units in Castro Valley for formerly

homeless households. It was partially funded by the City of Fremont. The apartments opened in April 2006. The second project was the acquisition of Mission Bell Apartments (Allied Housing) with 25 permanent and affordable units in San Leandro. Three units were set-aside for Fremont residents. It was partially funded by City of Fremont, City of San Leandro and Alameda County. The acquisition was completed in May 2006.

Housing Goal 5: Ensure That All Persons Have Equal Access to Housing Opportunities

This goal has two policies and eight implementation programs. Housing Policy 5A's purpose is to enforce regulatory measures to protect individual rights. The two implementation programs (Programs 40 and 41) for Housing Policy 5A establish a policy whereby the City will provide rent increase dispute resolution and fair housing counseling services. Between Jan 1, 2006-Dec 31, 2006, Mediation Services opened thirty (107) conciliation cases of which sixty eight (68) were successfully conciliated. During the same time frame, five (5) households had requested mediation services of which five (5) mediation cases were successfully mediated. The City's provider of these services, Fremont Fair Housing Services (FFHS), investigated 32 housing discrimination cases and responded to over 938 fair housing inquiries during the reporting period. FFHS provided over 2,532 Fremont residents with landlord and tenant information on their rights and responsibilities and assisted on a number of mediation cases.

The purpose of Housing Policy 5B is to provide assistance to Service Providers of Special Needs Households. It has six implementation programs (Programs 42 to 47). Three programs will be highlighted. Under Program 42 in 2006, the Home Equity Conversion Program responded to 29 inquiries and provided 18 seniors with in-depth counseling on home equity. In addition, the Equity Conversion Staff distributed over 1,100 flyers about the program. Under Program 46 which provides accessibility improvements to existing housing, a total of four (4) very-low income households were assisted. Under Program 47 which provides for increasing the range of housing opportunities, the City continues to support various housing services and opportunities for homeless households. The accomplishments include financing the operation of a 66-bed emergency shelter facility, providing funds for expanded housing and rental subsidies (such as to victims of domestic violence, youths aged-out of foster care, mentally disabled homeless persons); and, administrative support to partner agencies that provide services to the homeless. In addition, the Housing Scholarship program provides rent reduction to scholarship households while in training and working toward self-sufficiency. There are 22 participants currently in the Program and 280 participants have been assisted since inception in 1987. Again, Exhibit A highlights the accomplishments under this goal.

III. Status of General Plan Activities

This section of the report focuses on General Plan Amendments (GPAs) approved from January 1, 2006 to December 31, 2006. Per Government Code Section 65358(b), the General Plan may not be amended more than four times per year. Each amendment may include more than one change. There were a total of ten changes (i.e., General Plan Amendments or GPAs) approved during this time period occurring on March 7th, July 11th, and December 5th of 2006. Two of the GPAs were City-initiated General Plan Amendments (i.e., one land use redesignation and one land use and General Plan text change). The remaining eight amendments were initiated by the private sector (i.e., six residential and two commercial land use redesignations).

There were a total of seven General Plan Land Use Amendments related to residential development.

The projects were:

- Centerville Grove Townhomes development on Central Avenue (15 units) (approved on March 7, 2006);
- Two private sector projects, Decoto Villas on Decoto Road and the Fremont Boulevard Townhouse development on Fremont Boulevard in conjunction with a City initiated General Plan Amendment for property on Decoto Road (approved on March 7, 2006) yielded a combined total of 61 units;
- Mission Road Homes by Santa Clara Development (32 units) located on Mission Boulevard and Mission Road (approved July 11, 2006);
- Laiolo Road development by Summerhill Homes (106 units) (approved on July 11, 2006); and,
- Bryant Street Conservation District (33 to 42 units potential) (approved July 11, 2006).

There were three non-residential General Plan Amendment (two private and one public sector) approved during this time period. The Globe development, a private sector non-residential General Plan Amendment (approved on March 7, 2006 by the City Council) redesignated a 19.8 acre site located on Stevenson Boulevard from General Industrial to High Volume Commercial. The amendment was requested to enable the development of approximately 295,000 square feet of regionally oriented, internationally themed retail, restaurant and entertainment uses on the project site. The second private sector non-residential General Plan Amendment was approved on December 5, 2006 to redesignate a 0.68 acre site that was developed as a gasoline station. The redesignation was to allow renovation of the site as a mini-mart convenience store. The public sector non-residential General Plan Amendment created and defined a new type of City Park in the General Plan text – “Civic Parks” to be located in the Central Business District focus area as well as redesignate a 0.23 acre site. This General Plan Amendment was approved December 5, 2006.

The City of Fremont has begun working on the General Plan Update program. The General Plan Update Process will involve continued community input throughout 2007 on a vision for the future. This vision will serve as a foundation for a draft General Plan that will be brought back to the community and the City Council for review and comments. Final adoption of an updated General Plan is anticipated in mid-2009.

PUBLIC NOTICE AND COMMENT:

Public hearing notification is applicable. A total of 262 notices were mailed to organizations and individuals interested in housing issues, and persons entitled to notices, on January 26, 2007. A Public Hearing Notice was delivered to The Argus on January 23, 2007 to be published by February 26, 2007.

ENCLOSURES:

Exhibits:

Exhibit "A" A listing of the Housing Element's goals, objectives and implementing measures and a commentary on progress towards achieving them during Calendar Year 2006.

Informational Items:

1. City Council Report and Minutes of September 13, 2005.
2. Letter from Department of Housing and Community Development dated October 14, 2005 acknowledging the completion of rezonings and redesignations

RECOMMENDATION:

1. Hold public hearing.
2. Recommend the City Council find the Annual Report is exempt from the California Environmental Quality Act (CEQA) in that the activity is not defined as a "project" under Article 20, Section 15378(b)(5).
3. Recommend the City Council find that the Annual Report of the General Plan and Housing Element accurately depicts the current status of the City of Fremont with respect to the General Plan and Housing Element.

Item 3.

ANNUAL REVIEW OF GENERAL PLAN AND HOUSING ELEMENT – Citywide (PLN2007-00197) - to consider an annual report on the status of the City's General Plan and Housing Element. The Annual Report is exempt from the California Environmental Quality Act (CEQA) in that the activity is not defined as a "project" under Article 20, Section 15378(b)(5).

HOLD PUBLIC HEARING.

AND

RECOMMEND THE CITY COUNCIL FIND THE ANNUAL REPORT IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) IN THAT THE ACTIVITY IS NOT DEFINED AS A "PROJECT" UNDER ARTICLE 20, SECTION 15378(B)(5).

AND

RECOMMEND THE CITY COUNCIL FIND THAT THE ANNUAL REPORT OF THE GENERAL PLAN AND HOUSING ELEMENT ACCURATELY DEPICTS THE CURRENT STATUS OF THE CITY OF FREMONT WITH RESPECT TO THE GENERAL PLAN AND HOUSING ELEMENT.

The motion carried by the following vote:

AYES:	7 – Bonaccorsi, Chan, Chugh, King, Lorenz, Lydon, and Sharma
NOES:	0
ABSTAIN:	0
ABSENT:	0
RECUSE:	0

PUBLIC COMMUNICATIONS

ORAL COMMUNICATIONS

PUBLIC HEARING ITEMS

Item 4. REQUEST FOR RECONSIDERATION OF SELECTION OF CHAIR – At the January 11, 2007 meeting, the Planning Commission selected its Chairperson. Chairperson Lydon requests the Commission to reconsider its decision for Chairperson.

Chairperson Lydon stated that he had requested this item be added to the agenda because, after considering his reelection as Chairperson, he wished to make certain that clarity existed with regard to the reelection of the Chairperson and Vice Chairperson for the 2007 calendar year. During past years, the Vice Chairperson had succeeded the Chairperson. This year, however, the sitting Vice Chairperson did not move onto the Chairperson position and another Vice Chairperson was elected, instead. Commissioner Chugh had wanted the issue of seniority to be clearly defined concerning the selection process.

Commissioner King asked if a motion was truly needed to discuss the matter.

Assistant City Attorney Borger replied that a motion and a second were needed to reconsider the matter. Discussion had to be done within the context of the reconsideration motion.

IT WAS MOVED (LYDON/KING) AND CARRIED BY THE FOLLOWING VOTE (6-1-0-0-0) THAT THE PLANNING COMMISSION OPEN THE DISCUSSION TO RECONSIDER THE JANUARY 11TH VOTE.

The motion carried by the following vote:

AYES:	6 – Bonaccorsi, Chan, Chugh, King, Lorenz, Lydon
NOES:	1 – Sharma

