Community Development

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April 25, 2012

Department of Housing & Community Development
Division of Housing Policy Development
P.O. Box 952053
Sacramento, Ca. 94252-2053

Dear HCD,

This letter is in regard the Annual Housing Element Progress Report Table A-8 relevant to clarifying the affordability level of a housing project located in Redwood City that contain affordable units that are not deed restricted. The 60-unit Canada College (Olive Court) apartment project, listed in Table A, is a Community College District housing project that contains nine affordable deed-restricted units and 51 affordable non-deed restricted units. The College District offers College faculty/staff the units as a first step towards home ownership. Faculty/staff are allowed to live in the units for a limited period of time (up to five years) and are encouraged, through voluntary savings plans, to save for a down payment on a home. The College District and a number of cities offer first-time homebuyer second loan programs that the College District employees can access when they have accumulated a down payment and are qualified for a first mortgage.

The College District is able to offer rents significantly below market rate because it:

1) Owns the land;
2) Has access to tax-exempt financing; and
3) Does not have a profit motive

In working with the College District staff to verify annual rents for these units, City staff found the following:

1. The 9 deed restricted units serve the following households: 1 extremely-low, 1 very-low, 4 low, 2 moderate and 1 above-moderate income households.
2. The remaining 51 unrestricted units have rents in the low rent limit category as defined in Health and Safety Code Section 50053.

If you have any questions, feel free to contact me at the addresses provided above.

Regards,

Maureen Riordan
Senior Planner

An Equal Opportunity / Equal Access Program dedicated to opening the doors of equal opportunity to all residents and users of Redwood City programs, services and facilities.

Department of Housing and Community Development

ANNUAL HOUSING ELEMENT PROGRESS REPORT

City or County Name: Redwood City, San Mateo County

Mailing Address: 1017 Middlefield Road / P.O. Box 391
Redwood City, CA 94064

Contact Person: Maureen Riordan & Rhonda Coffman Title: Senior Planner & CDBG/HOME Administrator

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Reporting Period by Calendar Year: from 1/1/2011 to 12/31/11

These forms and tables, (see sample – next page) must be submitted to HCD and the Governor's Office of Planning and Research (OPR) on or before April 1, of each year for the prior calendar year; submit separate reports directly to both HCD and OPR (Government Code Section 65400) at the addresses listed below:

Department of Housing and Community Development
Division of Housing Policy Development
P.O. Box 952053
Sacramento, CA 94252-2053

-and-

Governor's Office of Planning and Research
P.O. Box 3044
Sacramento, CA 95812-3044

Housing Policy Department
Received on:

APR 26 2012

ANNUAL ELEMENT PROGRESS REPORT
Housing Element Implementation
(CCR Title 25 §6202)

Jurisdiction City of Redwood City

Reporting Period 1/1/2011 - 12/31/2011

Table A

Annual Building Activity Report Summary - New Construction
Very Low-, Low-, and Mixed-Income Multifamily Projects

Housing Development Information									Housing with Financial Assistance and/or Deed Restrictions		Housing without Financial Assistance or Deed Restrictions
1	2	3	4				5	5a	6	7	8
Project Identifier (may be APN No., project name or address)	Unit Category	Tenure R=Renter O=Owner	Affordability by Household Incomes				Total Units per Project	Est. # Infill Units*	Assistance Programs for Each Development	Deed Restricted Units	Note below the number of units determined to be affordable without financial or deed restrictions and attach an explanation how the jurisdiction determined the units were affordable. Refer to instructions.
			Very Low-Income	Low-Income	Moderate-Income	Above Moderate-Income			See Instructions	See Instructions	
CanadaCollege/ Olive Court	5+	R	2	55	2	1	60	60	0	9	51
(9) Total of **Moderate and Above Moderate** from Table A3 ► ►											
(10) Total by income Table A/A3 ► ►			2	55	2	1	60	60			
(11) Total **Extremely Low-Income** Units*			1								

0

Second units (SU) affordability is estimated as in the Housing Element, based on a survey of San Mateo jurisdictions: 60 percent of second units are affordable to very low-income, 10 percent to low-income, and 30 percent to moderate-income.

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Table A2
Annual Building Activity Report Summary - Units Rehabilitated, Preserved and Acquired pursuant to GC Section 65583.1(c)(1)

Please note: Units may only be credited to the table below when a jurisdiction has included a program it its housing element to rehabilitate, preserve or acquire units to accommodate a portion of its RHNA which meet the specific criteria as outlined in GC Section 65583.1(c)(1)

Activity Type	Affordability by Household Incomes				(4) The Description should adequately document how each unit complies with subsection (c)(7) of Government Code Section 65583.1
	Extremely Low-Income*	Very Low-Income	Low-Income	TOTAL UNITS	
(1) Rehabilitation Activity		1	3	4	Home Improvement Loan Program Loans: Housing rehab to preserve exisitng affordable housing (CDBG Program)
(2) Preservation of Units At-Risk				0	
(3) Acquisition of Units				0	
(5) Total Units by Income	0	1	3	4	

* Note: This table does not include existing units that were given Deed Restrictions or rehab grants.

Table A3
Annual building Activity Report Summary for Above Moderate-Income Units (not including those units reported on Table A)

	1. Single Family	2. 2 - 4 Units	3. 5+ Units	4. Second Unit	5. Mobile Homes	6. Total	7. Number of infill units*
No. of Units Permitted for **Moderate**	1	0	0	0	0	1	1
No. of Units Permitted for **Above Moderate**	6	0	97	0	0	103	103

* Note: This table pertains to new construction only and does not include existing units that were granted deed restrictions or rehab funds.

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Table B

Regional Housing Needs Allocation Progress

Permitted Units Issued by Affordability

Enter Calendar Year starting with the first year of the RHNA allocation period. See Example.			2007	2008	2009	2010	2011					Total Units to Date (all years)	Total Remaining RHNA by Income Level
Income Level		RHNA Allocation by Income Level	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9		
Very Low	Deed Restricted	422	58	0	8	0	2					66	349
	Non-deed restricted		2	4	1	0	0					7	
Low	Deed Restricted	304	0	0	0	0	4					4	247
	Non-deed restricted		0	0	1	1	51					53	
Moderate	Deed Restricted	358	0	0	0	6	2					8	320
	Non-deed restricted		4	17	4	1	1					27	
Above Moderate		772	2	7	9	108	104					229	543
Total RHNA by COG. Enter allocation number:		1,856											
Total Units ► ► ►			66	28	23	116	164					397	1,459
Remaining Need for RHNA Period ► ► ► ► ►													

This table pertains to new construction only and does not include existing units that were granted deed restrictions or rehab funds.

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Table C

Program Implementation Status

Program Description (By Housing Element Program Names)	Housing Programs Progress Report - Government Code Section 65583. Describe progress of all programs including local efforts to remove governmental constraints to the maintenance, improvement, and development of housing as identified in the housing element.		
Name of Program	**Objective**	**Timeframe in H.E.**	**Status of Program Implementation**
H-1: Code Enforcement	Implement Code Enforcement program; refer households to Home Improvement Loan Program	2010-11 Ongoing	In 2010/2011 Redwood City Code Enforcement closed approx. 80% of cases within 30 days. Officers continue to refer eligible households to the Home Improvement Loan Program
H-2: Preservation of At-Risk Rental Housing	Monitor affordability status of at-risk units, and perform outreach upon receipt of any notices of intent to convert to market rate. Maintain and	2010-11 Ongoing	The City has not received any notices of intent to convert to market rate & its list of nonprofits to contact in the event of a property being listed for sale has been up-to-date.
H-3: Inclusionary Housing Ordinance	Consider drafting an inclusionary housing ordinance for review by the City Council.	2010-11 Ongoing	The Housing & Human Concerns Committee (HHCC) has undertaken extensive research but an ordinance has not yet been vetted /approved as the City was waiting for the SB184 outcome which did not pass.
H-4: Sustainable Building Practices and Energy and Water Conservation	Promote sustainable design.	10-09 & 6-11 Ongoing	The City adopted a Green Building Ordinance (10/2009) & updated its Water Management Plan (6/2011), key accomplishments in promoting sustainable design & energy & water conservation. Implementation &
H-5: Adequate Sites to Meet Regional Fair Share of Housing Growth	Provide appropriate land use designations, maintain inventory, and adopt Downtown Precise Plan	1-11 & 6-11 Ongoing	In 1/2011 City adopted Dtwn Precise Plan (allows 2,500 units) & in 6/2011 adopted MU-Corridor (allows 2,083 units) rezonings. MU-Nbhd (410 units) & MU-Live/Work (163 units) rezonings to be adopted in summer 2012. Existing inventory is maintained.
H-6: Senior Housing Needs	Support shared housing arrangements and senior projects located close to transit. Identify assisted living facilities and support new construction.	5-2010 & 2012 Ongoing	A downtown, 114 bed, 5-story Skilled Nursing Facility (Lathrop PARC at 134 Maple) is under construction. A 44 unit Assisted Living Facility (2808 El Camino) is in plan review with anticipated approvals in 2012. Both projects are proximate to transit.
H-7: Density Bonus Ordinance	Develop educational brochure.	2007 & 2012	The City adopted the State Density Bonus (DB) Ordinance, which is available on the City's website. The City's Housing Division incorporates information on the City's DB Program in its Annual Action Plan & affordable housing project RFPs.
H-8: Development on Larger Lots in R2 Zone	Revise the Zoning Ordinance to codify the City's interpretation of density in the R-2 zone.	6-2010	In 6/2010 the City adopted Ordinance No. 1130.349. This zoning ordinance amendment clarifies that multi-family housing (and not just duplexes and triplexes) is allowed to be constructed on lots of sufficient size in the R-2 district.
H-9: Plan for the Adequate Provision of Water	Require water conservation and require developers of large-scale projects to ensure adequate water supply for each new project.	2007-11 Ongoing	In June 2011, City adopted its updated Urban Water Management Plan .The City has one of the most aggressive water conservation programs in the region, requires new development to dual plumb for recycled water & monitors large development water use. Implementation & educational efforts are ongoing

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H-10: Site Improvements and Fees	Exempt affordable housing from park impact fee. Consider an ordinance that exempts affordable housing from other impact fees. Offer an in-lieu fee for undergrounding of utilities.	2007-11 Ongoing	The City offers park impact fee exemptions, reduced traffic impact fees & an in-lieu fee option for undergrounding of utilities to affordable housing developments.
H-11: Permit Processing	Continue to evaluate and improve the streamlined processing system. Establish a protocol to prioritize affordable and special needs housing. Utilize CEQA exemptions for infill.	2007 & 2011 Ongoing	The City streamlined its entitlement process by approving the Dwtn Precise Plan & EIR, General Plan & EIR, & MU-Corridor rezoings. The City also prioritizes affordable and special needs housing through its coordinated PRC plan review/ expedited permit processing procedure. As appropriate, CEQA exemptions are utilized for infill development.
H-12: Residential Care Facilities and Group Homes	Consider revising Zoning Ordinance to identify large residential care homes and family care homes. Develop inventory of group homes	2010-2011	The City complies with State law regarding residential care facilities and group homes. The City 's Zoning Ordinance was updated to include definitions of these facilities. Group home listings in SMCo are currently available on the internet. An inventory of Redwood City facilities is in progress.
H-13: Extremely Low-income and Special Needs Housing	Amend the Zoning Ordinance to allow emergency shelters by right and clarify provisions for transitional, supportive, and SRO housing. Complete construction of Cedar Street SROs. Consult with homeless groups.	2011 & 2012	A Zoning Ordinance amendment to allow emergency shelters by right with clarified provisions for transitional, supportive & SRO housing (that are addressed in the new General Plan) is scheduled for approval consideration in summer of 2012. Cedar St. Supportive Housing Project, approved in 2011, is essentiallly completed. The City also completed the sale of a 7-unit apartment building to the Service League of San Mateo County in February 2011. An affordability covenant was recorded at the time of sale, retaining 3 units for very low-income households and 4 units for low-income households. The City is also in contact with homeless service organizations and supports the Homeless Outreach Team efforts.
H-14: Revised Parking Standards.	Analyze parking needs and costs. Consider amending Zoning Ordinance to establish reduced parking standards for studios and one-bedroom apartments and affordable housing.	1-2011 & 6-2011	The adopted Downtown Precise Plan District allows reduced parking for studios, 1 & 2 bdrm units & guest parking is not required. An in-lieu parking fee option is also available. The adopted Mixed Use Corridor Zoning Districts also reduce parking for 1 bdrms & studios. Guest parking can also be waived if appropriate findings can be made.
H-15: Fair Housing Services	Continue funding of fair housing services. Support equal opportunity lending programs. Provide educational information on fair housing.	2010-11 Ongoing	The City allocated $40,000 in CDBG (FY 2011/12) for Project Sentinel for fair housing counseling, funds Legal Society Home Savers Program & provides information on housing discrimination on the City's website & w/in pamphlets provided at City Hall.
H-16: Reasonable Accommodation.	Adopt a Reasonable Accommodation Ordinance. Continue to provide funding for home accessibility improvements. Provide information on reasonable accommodation to the public.	To be implemented	The City has approved several reasonable accommodation request through land use and zoning decisions & building permit approvals but has not yet initiated an Ordinance. The City also provided CDBG funds to CID to provide housing accessibility modifications.
H-17: Commercial Linkage Fee	Complete a commercial linkage fee study.	To be implemented	The City has not yet initiated a commercial linkage fee study.

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H-18: Small Lot Duplex Development	Explore revised minimum lot size standards for duplexes. Complete a study to asses impacts.	To be implemented	The City has not yet initiated a study on small lot duplex development.
H-19: Rehabilitation Programs	Provide loan and grant assistance to 25 rental and 20 owner occupied units per year.	2011 Ongoing	The City assisted in the rehab of 4 low-income owner units through the Home Improvement Loan Program, assisted 22 very low-income rental units with CDBG, RDASet-Aside, and HOME funds & provided MidPen (81 unit rentals) w/ $100K & Casa de Redwood (136 unit rentals) w/ $50K for
H-20: Affordable Housing Development	Provide subsidies to assist in the development of affordable housing units.	2011 Ongoing	The City has dispursed $171,886.33 in HOME funds to assist in the development of 14 units of supportive housing for adults with mental health disabilities (Cedar Street). In addition, $202,085.22 in CDBG and $197,914.78 in HOME funds were disbursed for site acquisition of a single family dwelling for Senior Housing for seniors with developmental disabilities (Pete's Place).
H-21: First Time Homebuyer Program	Continue to provide homeownership assistance to eligible homeowners at Wyndham Place. Explore a new first-time homebuyer Move-Up program. Assist emergency personnel. Renew MCC agreement with San Mateo County.	Ongoing	No Wyndham Place units have become available for sale. Other first-time homebuyer efforts are being explored but currently funds are suspended due to the elimination of the RDA.
H-22: Second Units	Consider revising development standards for second units. Establish a protocol and monitoring system for tracking second units. Establish protocol to preserve opportunities for	2011 Ongoing	The City has begun preliminary exploration of revisions to development standards for second units. Second units are monitored through the City's Trakit reports. Planners are trained to educate homeonwers during preliminary plan inquiry review about second unit opportunities.
H-23: Alternative Housing Models	Provide flexible zoning regulations. Encourage efficiency units. Consult with stakeholders regarding floating home communities and develop best practices.	)11 &12 Ongoi	The City's new General Plan & Zoning Districts have introduced alternative housing models not previously identified such as live/work housing, floating homes, houseboats & live-aboards (i.e. 42 approved West Pt. Marina live-aboards) and SROs & efficientcy units (i.e. Hallmark, Montgomery Villa & Cedar St. Apts.). The adopted Dwtn Precise Plan also has innovative and flexible regulations such as no density cap, increased
H-24: Workforce Housing/Community Land Trusts	Invite experts to present educational information on community land trusts	20 12	This will be a regional effort (involving multiple jurisdictions) in 2012.
H-25: Outreach Plan	Implement ongoing housing outreach plan to provide information on affordable housing. Outreach to community regarding specific new developments.	2012 Ongoing	Information on affordable housing is on the City's Housing website. City staff also reaches out to neighborhood associations with presentations & workshops and encourages developers to seek input from local stake holders relevent to specific projects. The City HHCC's goal is to initiate a comprehensive outreach program in 2012.
H-26: Acquisition and Rehabilitation of Existing Housing	Contact housing providers regarding partnerships in acquisition of substandard rental properties.	Ongoing	The City dispursed funds for site acquisition of a single family dwelling for seniors with developmental disabilities (Pete's Place). The City also acquired a 23-unit substandard apartment building and is currently completing rehabilitation of the project. Once complete the City will transfer the property to a nonprofit organization and record affordability covenants. The City will continue to work with partners to provide affordable housing in the community.

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H-27: Consult with Public Agencies	Consult with C/CAG, San Mateo County Environmental Health, and the RWQCB. Support regional efforts to address Article 34.	Ongoing	The City is actively involved in coordination with regional and local jurisdictions, especially as pertaining to the implementation of SB375 and the Sustainable Community Strategy. The City also plays an active role in the 21 Elements (consortium of all jurisdictions in San Mateo County) housing group, and continues to support regional efforts to address Article 34.

General Comments: Includes existing units that were rehabilitated and/have or will have deed restriction

The City has begun to remove government restraints by updating existing zoning with new and innovative land use controls through the implementation of several new programs. In January of 2011, the City adopted the Downtown Precise Plan. The Downtown Precise Plan establishes a contemporary vision for the Downtown and sets forth the specific land use parameters, development standards, architectural guidelines and urban design criteria in order to create a unique and vibrant downtown. It is estimated that the Precise Plan will provide an additional 2,500 housing units in the downtown. In June of 2011 the City also adopted five (5) Mixed-Use Corridor Zoning Districts that will provide an additional 2,083 housing units and in the summer of 2012 will adopt the Mixed-Use Neighborhood and Mixed Use-Live/Work Zoning Districts that will provide an additional (410 + 163 =) 573 housing units. When combined these new zoning districts will allow up to 5,163 new housng units. In addition, a Zoning Ordinance amendment to allow emergency shelters by right is scheduled for approval consideration in summer of 2012. The adopted plans and rezoning and anticipated rezonings relate to Housing Policy H-3.1 which states: Identify adequate housing sites through appropriate land use, zoning, and precise plan designations to accommodate the city's share of regional housing need.

The City has also completed the sale of a 7 unit apartment building to the Service League of San Mateo County in February 2011. An affordability covenant was recorded at the time of sale for this transitional housing project. In addition, the City provided the following deed restricted affordable housing projects with rehab grants: 1) Casa de Redwood, a 135 unit multi-family rental development, with a $50k rehab grant; and 2) Mid Peninsula Housing, an 81-unit multi-family rental development, with a $100K rehab grant. In 2011, the City also approved the 333 Main Street multi-family residential project that will provide 17 deed restricted moderate-income affordable housing units. The development is currently under construction with anticipated completion in 2012.