

## **3.000 HOUSING ELEMENT (2014-2022 UPDATE)**

---

### **3.100 Introduction**

#### **3.110 Purpose of the Housing Element**

The State of California Government Code<sup>1</sup> requires that all cities within the San Francisco Bay Area update the Housing Element of their General Plan by January 2015. The purpose of this document is to meet this requirement by evaluating the existing and projected housing needs of all economic segments of Atherton, evaluating existing policies and programs aimed at the preservation, improvement and development of housing and where appropriate, identifying new priorities.

The contents of this update includes an analysis of housing needs, statements of goals and policies, a schedule of programs and actions and an estimate of the number of housing units the Town expects to be developed, improved and maintained in the local housing stock. Programs and policies included in the existing Housing Element were evaluated and modified where necessary to reflect changing market conditions and policy priorities.

Atherton is a residential community of approximately 6,900 residents with a land area of approximately six square miles. The Town is bordered by Menlo Park, Woodside, Redwood City and unincorporated San Mateo County. Founded in the early 1920's, Atherton is characterized by large lot residential land use, where minimum lot size is 1/3 to 1 acre throughout the Town. There is no commercial or industrial land use in Atherton. There are eleven schools in Town, three of which are private.

#### **3.120 Definition of Income Categories**

Since the determination of housing need is often discussed in terms of income categories, it is important to define the categories used in this update at the outset. The California Department of Housing and Community Development (HCD) has established household income categories based on a proportion of the area's median family income as summarized below:

---

<sup>1</sup> § 65588(e)(2)

**TABLE HE-1: HCD INCOME CATEGORIES DEFINED**

Income Category Definitions	
Extremely Low	Below 30% of area median income
Very Low	30%-50% of area median income
Low	50%-80% of area median income
Moderate	80%-120% of area median income
Above Moderate	Above 120% of area median income

The income limits established by HCD for San Mateo County in 2013 are presented in Table HI-2.

**TABLE HE-2: ANNUAL INCOME LIMITS BY HOUSEHOLD SIZE - 2013(US\$)**

San Mateo County Income Limits (2013)					
Income Category	Number of Persons Per Household (Maximum Income)				
	1	2	3	4	5
Extremely Low	\$23,750	\$27,150	\$30,550	\$33,950	\$36,650
Very Low	\$39,600	\$42,250	\$50,900	\$56,550	\$61,050
Lower Income	\$63,350	\$72,400	\$81,450	\$90,500	\$97,700
Median Income	\$72,100	\$82,400	\$92,700	\$103,000	\$111,250
Moderate Income	\$86,500	\$98,900	\$111,250	\$123,600	\$133,500

Source: HCD State Income Limits 2013 and State CDBG and HOME Income Limits also available at <http://www.hcd.ca.gov/hpd/hrc/rep/state/incNote.html>

**TABLE HE-3: MONTHLY MAXIMUM AFFORDABLE HOUSING COST BY HOUSEHOLD SIZE – 2013 (US\$)**

San Mateo County Income Limits (2013)					
Income Category	Number of Persons Per Household (Maximum Income)				
	1	2	3	4	5
Extremely Low	\$594	\$679	\$764	\$849	\$916
Very Low	\$990	\$1,056	\$1,273	\$1,414	\$1,526
Lower Income	\$1,584	\$1,810	\$2,036	\$2,263	\$2,443
Median Income	\$1,803	\$2,060	\$2,318	\$2,575	\$2,781
Moderate Income	\$2,163	\$2,473	\$2,781	\$3,090	\$3,338

Source: HCD State Income Limits 2013 and State CDBG and HOME Income Limits, calculations by Baird + Driskell.

---

### 3.130 Relation to Other Elements (including General Plan Consistency Analysis)

The Housing Element is closely related to the Land Use, Open Space and Circulation Elements. In the Housing Element, residential land use is translated into terms of household units to be accommodated in the future. Lands designated for residential use are identified in the Land Use Element; the location, site area and terrain suitable for housing is related to both open space and land use; and the capability of serving residential neighborhoods by an efficient circulation system is discussed in the Circulation Element.

State law requires that all elements of the general plan be consistent with each other. The General Plan was reviewed to ensure that that goals and policies of this Housing Element are consistent with the other elements of the Town's General Plan, and this is the case. The current Housing Element is very similar to the 2007-2014 Housing Element, which was also consistent with the General Plan. Changes in this Housing Element do not affect circulation, land use, or safety.

New development proposals, as well as the Master Plan of Menlo School and Menlo College, are reviewed against the General Plan to ensure they are compatible. Additionally, zoning changes or General Plan amendments, if they are proposed, would need to be internally consistent with the entire General Plan.

## 3.200

## ASSESSMENT OF HOUSING NEEDS

### 3.210 Housing Needs Summary

See Appendix for detailed Housing Needs Analysis.

### 3.211 Housing Trends

The following are some general trends affecting the region.

- **Rise of the Millennials.** The Millennial generation (ages 20-34) has a preference for dense, mixed-use, walk-able and bike-able communities. Many have speculated that Millennials may be a “generation of renters,” but as the economy improves and as Millennials age, this conclusion may change.
- **Growing senior population.** Over the next decade and a half, the number of seniors in San Mateo County will increase by 76 percent. Atherton currently is home to approximately 650 seniors and has a higher median age (46) than the county as a whole (39). Advanced planning will be necessary to ensure the opportunity for seniors to age safely in the communities where they reside.
- **Worsening workforce-housing shortage.** San Mateo County is projected to see notable job growth over the next decade, and about 40 percent of these jobs will pay lower income wages. San Mateo County already has a severe workforce housing shortage in general caused by years of rapid economic growth and slow housing growth. By 2025, the Department of Housing projects that the County’s housing supply will only meet 1/3 to 1/2 of the demand.
- **Increasing ethnic diversity.** According to 2010 U.S. Census data, San Mateo County is a “majority-minority” county — that is, no one racial group makes up over 50 percent of the population. The two racial/ethnic groups growing the most rapidly in San Mateo County are Asians and Latinos. According to the regional Plan Bay Area, adopted on July 18, 2013, Latinos will emerge as the largest ethnic group, increasing from 23 percent to 35 percent of the total population in the Bay Area by 2040.

### 3.212 Housing Characteristics

- **As of January 2013, Atherton had a total population of 6,893.** According to census data, Atherton shrunk by four percent from 2000 to 2012. While ABAG predicts Atherton's population will grow more rapidly over the next decade, reaching a total of 7,600 in 2020 and remaining there through 2030, previous ABAG projections for Atherton have not been accurate. Because of Atherton's small size, it can be difficult to get accurate data and sometimes various sources of information do not match.
- **Almost all houses in Atherton are owner-occupied single-family attached homes.** Only 10 percent of Atherton's households are renters, though this percentage has increase by five percent since 2000. Atherton has a total of 2,477 homes, a slight decrease since 2000. In addition, Atherton has very low vacancy rates.
- **Just under a fifth of Atherton's households are lower-income.** Atherton's median household income is more than \$250,000 (in 2011), more than twice the median for the county. However, 17 percent of Atherton's population is lower income. Specifically, eight percent are extremely low income. Lower-income households are likely to be house rich but cash poor seniors, or people living in second units.
- **For-sale housing prices are rising and are unaffordable to many households** As of October 2013, the median sales price for a single-family home was over \$3 million. Single people and families earning a moderate income or below are hundreds of thousands of dollars short of being able to afford the median priced home.
- **Some households are overpaying for housing.** Most households earning less than \$75,000 annually are overpaying for housing in Atherton

### 3.213 Summary of At-Risk Units

“Assisted housing development” means a multifamily rental housing development that receives governmental assistance under any federal, State, county or local program. There are no existing assisted housing developments in Atherton that are eligible to change from low-income housing uses during the next 10 years due to termination of subsidy contracts, mortgage pre-payment, or expiration of restrictions on use. The only multifamily rental housing in Atherton is at Oakwood (Sacred Heart Schools campus and Menlo College. The existing low income housing provided at Oakwood and Menlo College was not built with federal or state assistance and consequently is not deed-restricted; its affordability is maintained by those institutions. This type of housing is not considered to be “at-risk housing” as defined in Housing Element Law.

### 3.220 Energy Conservation Opportunities

#### 3.221 Energy Conservation Efforts

Given the importance of promoting land use and housing strategies to address climate change and energy conservation the City Council authorized the formation of the Atherton Environmental Programs Committee (EPC) in 2006. Planning to maximize energy efficiency and the incorporation of energy conservation and green building features can contribute to reduced housing costs for homeowners and renters.

In 2006 the Atherton Environmental Programs Committee (EPC) was formed by action of the City Council. The EPC’s mission statement includes educating Atherton residents about environmental issues and seeking to improve the overall environmental performance of the town by reducing waste and pollution, enhancing energy efficiency and use of clean energy technologies, promoting smart consumer practices and greatly reducing our contributions to global warming by adopting effective and meaningful conservation practices throughout our community. The mandates listed below are among those that the EPC is working on:

- California Integrated Waste Management Act of 1989
- California [Global Warming Solutions Act of 2006](#)
- Mayors' Climate Protection [Agreement](#): signed by Atherton in 2006, this agreement commits the Town of Atherton to take three actions: 1) meet or beat the Kyoto protocol targets within our own community; 2) urge and support state and federal government passage of policies to meet the Kyoto protocol targets; and 3) support a national emission trading system.
- San Mateo County [green building policy](#)
- A Climate Action Plan for Atherton.

The EPC, in conjunction with the Thinking Green Think Tank's Green Building subcommittee and the Atherton Building Department, prepared a Green Building ordinance which was adopted in 2011, and updated in 2014.

---

The EPC has also been active in promoting energy conservation through energy audits, participation in PG&E and Cal Water programs and encouraging energy conserving retrofits in homes.

The Town supports water conservation policies and is currently operating under the provisions of the State water conservation law.

### **3.222 PG&E Programs**

PG&E provides customers with information about their energy usage through programs like the Home and Business Area Network (HAN) and the Smart-Rate Add-on. These programs are designed to identify peak energy use times and unnecessarily energy-consuming appliances, to assist consumers in making energy-saving and money-saving decisions. Through Energy Upgrade California, PG&E also offers homeowners up to \$4,500 in rebates for implementing energy-saving home improvements. PG&E also has launched the Zero Net Energy Pilot Program (ZNE) to move towards all new residential construction be zero net energy by 2020, and all commercial construction by 2030.

PG&E also participates in several other energy assistance programs for lower income households, which help qualified homeowners and renters, conserve energy and control electricity costs. These include the California Alternate Rates for Energy (CARE) Program and the Relief for Energy Assistance through Community Help (REACH) Program. The CARE provides a 15 percent monthly discount on gas and electric rates to income qualified households, certain non-profits, facilities housing agricultural employees, homeless shelters, hospices and other qualified non-profit group living facilities. The REACH Program provides one-time energy assistance to customers who have no other way to pay their energy bill. The intent of REACH is to assist low-income customers, particularly the elderly, disabled, sick, working poor, and the unemployed, who experience severe hardships and are unable to pay for their necessary energy needs.

## **3.300 HOUSING RESOURCES**

### **3.310 Inventory of Sites Suitable for Residential Development**

#### **3.311 Parcel-specific List of Available Sites**

This section contains an inventory of specific sites suitable for residential development so that a comparison may be made with Atherton's new construction need by affordability category with its residential development capacity.

The table below identifies lands suitable for residential development in Atherton. Each site is identified by address and includes the site acreage and existing land use. Existing zoning falls into the categories listed below. It should be noted that Atherton has only four zoning districts, the three listed below plus a Parks and Open Space District.

R-1A (Residential District) - Limits land uses to single-family detached homes on minimum one-acre size lots.

R-1B (Residential District)-Limits uses to single-family detached homes on minimum size 13,500 square foot (0.31 acre) lots.

PFS (Public Facilities and Schools District) - Limits land uses to public and private schools including affiliated residential uses, town hall, library and other similar public and quasi public uses without limitation on lot size. This district also permits single-family and multifamily residences pursuant to a master plan.

There are few vacant parcels in town. The residential parcels included in the table are identified as underutilized since they are of sufficient size to be further subdivided according to the existing zoning and lot size limits.

#### **3.312 Multifamily Housing**

The Realistic Development Capacity Analysis of the individual multiple family housing areas in the PFS Zoning District is described below. These areas permit rental multifamily uses sufficient to accommodate the remaining need for lower income households, permit a minimum of 16 units per site, and require at least 50% of the lower income households needs to be accommodated on sites planned for residential use only. During the 2007-2014 cycle, the Town amended its Zoning Ordinance, in PFS Districts, to provide that where a School Master Plan that includes multifamily residential uses that could accommodate housing for very low- and low-income households has been accepted for filing by the Planning Commission, the Conditional Use Permit procedure shall be replaced by a Planning Commission public hearing and review process which concentrates on the location, size, proximity to heritage trees and environmental aspects of the project but shall not result in the denial of the use.

As demonstrated by past actions at other private schools, the Town has a track record of supporting the intensification of site development. For example, the Town has supported the development of several new buildings at Sacred Heart Schools including



the building of additional residential units for the retired religious persons in the Oakwood Community. At Menlo School the Town has supported the development of several new buildings over a period of 10-15 years and the inclusion of on-campus, higher density faculty housing in its Master Plan. The Town has also supported the development of several new buildings at Menlo College and the inclusion of on-campus, higher density student and faculty housing in its Master Plan.

#### Menlo College- 1000 El Camino Real

This is site number one in the Inventory of Sites Suitable for Residential Development. A total of 79 net new college and faculty units are proposed at this site, according to the Menlo College Master Plan. The Menlo College Master Plan was filed with the Town in 2002 and was most recently updated in spring 2008. The proposed 63 units of new student housing are planned in two adjacent three story buildings on 1.65 acres of land (the available acreage) currently occupied by a parking lot and a portion of an existing student dormitory building.<sup>2</sup> The density of the new housing development would be 38 dwelling units per acre. The proposed 16 units of new faculty housing is planned in a new two story building on 0.45 acres of land (the available acreage) currently occupied by the student union. The density of the new housing development would be 35.6 dwelling units per acre.

The 63 new apartment-style student housing units will be for juniors and seniors and designated for independent living with separate entries, kitchens, baths, and living space. Based on the affordability levels of current on-campus faculty and student housing (\$750 to \$1,500 per month), all units should be affordable to households in the extremely low and very low income categories. However, to be more conservative, the 16 faculty units are shown as moderate-income housing, and the 63 student units are shown to be equally spread between extremely low income, very low income and low income.

The methodology used to estimate the realistic capacity of these sites was to prepare preliminary floor plans and site plans based on Town standards and to apply them to the proposed development areas. The number of units, density and capacity of the site was then calculated. Preparation of preliminary architectural building designs and floor plans were completed by the firm of Miller/Kelley Architects who prepared the campus Master Plan. These designs and plans took into consideration applicable Town standards such as buildings lower than the 34 foot height limit and located within the 60 foot property line setback. The Town has not established residential maximum density, maximum lot coverage, open space, parking or FAR standards in the PFS Zoning District so these would not impact the residential development capacity of this site. There is a height limit of 34 feet and a property line setback of 60 feet. The proposed design respects these limits and therefore would not impact the residential development capacity. The project architects indicate that the proposal is consistent with existing development trends for this type of housing.

Existing use of the proposed new student housing site is a parking lot and an older dormitory building. Replacement parking is planned adjacent to the new residential

---

<sup>2</sup> Source: Menlo College Master Plan, *The Campus Framework Plan*, Miller/Kelley Architects, June 2003 (updated to 2008)

buildings and at other campus locations as provided for in the Master Plan. A new replacement dormitory for younger students is planned at another campus location; hence this existing use will not impede development of the site during the planning period. Existing use of the new faculty housing site is a student union. A new dining hall/student union was recently built at another location on campus; hence the removal of the existing building will not impede development of the site during the planning period.

The Town would provide the incentive of fast track permit processing for the Menlo College new student housing and faculty housing proposed at these sites.

The project status and timing is dependent upon Menlo College funding. A relatively straight forward planning review and building permit process taking 2-4 months would be necessary once the College is ready to proceed. It is expected that the project will be developed during the planning period.

In addition to the projects identified above, the Master Plan calls for 677 new units and the potential demolition of 320 older units, for a net increase of 347 units. These units are permitted as above, but will likely not happen during the planning period.

#### 50 Valparaiso Avenue - Menlo School

This is site number 2 in the Inventory of Sites Suitable for Residential Development. According to the Menlo School Master Plan, a total of 11 net new faculty units are proposed at this site. The proposed 11 units of new faculty housing is planned in a two story, apartment style building on 0.6 acres of land (the available acreage) currently occupied by a parking lot.<sup>3</sup> The density of the new housing development would be 18.3 dwelling units per acre.

Based on the historic affordability levels of current on-campus faculty housing (\$465 to \$757 per month), all units should be affordable to households in the extremely low category. However, to be more conservative, and because these are intended to be townhouse-style units, the 11 faculty units are shown as moderate-income housing.

The methodology used to estimate the realistic capacity of this site was to prepare preliminary floor plans and site plans based on Town standards and to apply them to the proposed development areas. The number of units, density and capacity of the site was then calculated. Preparation of preliminary site analysis was completed by Town Planning Staff using designs similar to the building architectural designs and floor plans prepared for the faculty housing at Menlo College (see above). These designs and plans took into consideration the applicable Town standards such as buildings lower than the 34 foot height limit and located within the 60 foot property line setback. The Town has not established residential maximum density, maximum lot coverage, open space, parking or FAR standards in the PFS Zoning District so these would not impact the residential development capacity of this site. There is a height limit of 34 feet and a property line setback of 60 feet. The proposed design respects these limits and therefore would not impact the residential development capacity.

---

<sup>3</sup> Source: Menlo School, *Menlo School Master Plan 2007*, March 9, 2007 (updated to 2009)

---

The area planned for faculty housing at Menlo School is currently occupied by an uncovered, paved parking lot. There are a few larger oak trees that may be of "heritage tree" size scattered in the area. The existence of the parking lot will not impede development of the area for residential uses as sufficient parking exists in other campus locations. While the existence of scattered larger oak trees may offer some design challenges, they will not impede development of the area for the residential density proposed.

The Town would provide the incentive of fast track permit processing for the Menlo School new faculty housing proposed at this site.

The project status and timing is dependent upon Menlo School funding. A relatively straight forward planning review and building permit process taking 2-4 months would be necessary once the School is ready to proceed. It is expected that the project will be developed during the planning period.

#### 150 Valparaiso Avenue – Sacred Heart Schools

The Sacred Heart Schools Master Plan called for the development of 2 additional units on the campus to be available to very low income staff, which were built during the 2007-2014 Planning Period. The Sacred Heart Schools Master Plan was filed with the Town in 2002 and was most recently updated in 2014. Like the other schools in Town, the site is zoned PFS (Public Facilities and Schools) District. The purpose of providing staff housing on campus is to retain quality staff through the provision of affordable housing.

### 3.313 List of Sites

Available sites are summarized below:

**TABLE HE-4: INVENTORY OF SITES SUITABLE FOR RESIDENTIAL DEVELOPMENT**

Site No.	Assessor's No.	Address	Area (acres)	Zoning	Gen. Plan Designation and Density	Realistic Unit Capacity	Existing Use	Comments <sup>4</sup> -Other On-Site Constraints
<b>Non-Residentially Zoned Sites that May Be Redeveloped for Residential Use</b>								
1	070-250-190 Menlo College	1000 El Camino Real	22.0	PFS	Public and Quasi-Public Land Use No density specified	79 (63 student and 16 faculty)	Private college and faculty housing	Additional units shown in Master Plan
2	070-360-070 Menlo School	50 Valparaiso	14.0	PFS	Public and Quasi-Public Land Use No density specified	11 (faculty housing)	Private middle school and high school and apartments for faculty and students	Additional units shown in Master Plan
	<b>Subtotal</b>					<b>90</b>		

<sup>4</sup> A – Vacant residentially zoned site.  
 B – Vacant non-residentially zoned site that allows residential uses.  
 C – Underutilized residentially zoned sites which are capable of being developed at a higher density or with greater intensity.  
 D – Non-residential zoned sites that can be redeveloped for, and/or rezoned for, residential use (via program actions).

<b>Underutilized Residentially Zoned Sites that Can Be Redeveloped at Higher Density</b>								
3	061-260-140	60 Parkwood	2.40	R-1A	1 DU/Acre	1	Single Fam. Home <sup>5</sup>	C
4	061-232-140	260 Oakgrove	2.48	R-1A	1 DU/Acre	1	Single Fam. Home	C
5	060-210-210	175 Fair Oaks	2.47	R-1A	1 DU/Acre	1	Single Fam. Home	C
6	060-220-060	188 Fair Oaks	2.35	R-1A	1 DU/Acre	1	Single Fam. Home	C
7	060-321-080	2 Fair Oaks	0.74	R-1B	3 DU/Acre	1	Single Fam. Home	C
8	060-321-110	62 Fair Oaks	0.80	R-1B	3 DU/Acre	1	Single Fam. Home	C
9	060-313-070	77 Fair Oaks	0.80	R-1B	3 DU/Acre	1	Single Fam. Home	C
10	060-312-060	4 Burmetta	1.03	R-1B	3 DU/Acre	1	Single Fam. Home	C
11	070-222-150	1 Winchester	0.75	R-1B	3 DU/Acre	1	Single Fam. Home	C
12	070-221-020	3 Odell	0.80	R-1B	3 DU/Acre	1	Single Fam. Home	C
13	070-221-010	1 Odell	0.80	R-1B	3 DU/Acre	1	Single Fam. Home	C
14	070-250-100	101 Isabella	2.29	R-1A	1 DU/Acre	1	Single Fam. Home	C
15	070-214-110	101 Britton	2.50	R-1A	1 DU/Acre	1	Single Fam. Home	C
16	070-221-450	124 Isabella	2.70	R-1A	1 DU/Acre	1	Single Fam. Home	C
17	070-250-130	85 Isabella	5.09	R-1A	1 DU/Acre	3	Single Fam. Home	C
18	070-240-050	82 Isabella	4.00	R-1A	1 DU/Acre	2	Single Fam. Home	C
19	070-060-030	137 Alemendral	2.43	R-1A	1 DU/Acre	1	Single Fam. Home	C
20	070-050-080	163 Alemendral	2.56	R-1A	1 DU/Acre	1	Single Fam. Home	C
21	070-110-210	75 Tuscaloosa	2.32	R-1A	1 DU/Acre	1	Single Fam. Home	C
22	070-230-270	29 Atherton	2.39	R-1A	1 DU/Acre	1	Single Fam. Home	C
23	070-120-140	42 Atherton	2.72	R-1A	1 DU/Acre	1	Single Fam. Home	C
24	070-120-130	30 Atherton	3.17	R-1A	1 DU/Acre	2	Single Fam. Home	C
25	070-110-090	52 Atherton	2.88	R-1A	1 DU/Acre	1	Single Fam. Home	C
26	059-281-150	158 Stockbridge	2.50	R-1A	1 DU/Acre	1	Single Fam. Home	C
27	070-070-250	170 Atherton	4.81	R-1A	1 DU/Acre	3	Single Fam. Home	C
28	070-032-310	396 Atherton	2.60	R-1A	1 DU/Acre	1	Single Fam. Home	C
29	070-180-180	150 Elena	2.00	R-1A	1 DU/Acre	1	Single Fam. Home	C
30	070-343-170	2 Prado Secoya	2.00	R-1A	1 DU/Acre	1	Single Fam. Home	C
31	070-343-310	43 Santiago	2.51	R-1A	1 DU/Acre	1	Single Fam. Home	C
32	070-342-260	279 Park Lane	2.06	R-1A	1 DU/Acre	1	Single Fam. Home	C
33	070-310-110	93 Camino Por Los Arboles	2.54	R-1A	1 DU/Acre	1	Single Fam. Home	C
34	070-191-120	207 Atherton	2.43	R-1A	1 DU/Acre	1	Single Fam. Home	C

<sup>5</sup> Requires demolition of an existing dwelling unit

35	070-380-030	98 Faxon	2.63	R-1A	1 DU/Acre	1	Single Fam. Home	C
36	070-180-100	95 Faxon	3.00	R-1A	1 DU/Acre	1	Single Fam. Home	C
37	070-341-040	270 Park Lane	2.26	R-1A	1 DU/Acre	2	Single Fam. Home	C
38	070-341-030	266 Park Lane	3.30	R-1A	1 DU/Acre	1	Single Fam. Home	C
39	070-341-150	223 Camino al Lago	3.19	R-1A	1 DU/Acre	2	Single Fam. Home	C
40	070-310-010	1 Camino por Los Arboles	2.23	R-1A	1 DU/Acre	2	Single Fam. Home	C
41	070-320-160	220 Camino al Lago	5.03	R-1A	1 DU/Acre	1	Single Fam. Home	C
42	070-143-030	236 Camino al Lago	2.00	R-1A	1 DU/Acre	3	Single Fam. Home	C
43	070-180-240	95 Monte Vista	3.10	R-1A	1 DU/Acre	1	Single Fam. Home	C
44	070-180-230	73 Monte Vista	5.30	R-1A	1 DU/Acre	2	Single Fam. Home	C
45	070-131-010	15, 25 Monte Vista	2.00	R-1A	1 DU/Acre	3	Single Fam. Home	C
46	070-170-010	237 Atherton	9.52	R-1A	1 DU/Acre	1	Single Fam. Home	C
47	070-132-150	251 Atherton	2.00	R-1A	1 DU/Acre	7	Single Fam. Home	C
48	070-151-030	34 Linda Vista	2.80	R-1A	1 DU/Acre	1	Single Fam. Home	C
49	070-161-090	83 Fairview	2.00	R-1A	1 DU/Acre	1	Single Fam. Home	C
50	070-032-440	260 Atherton	5.75	R-1A	1 DU/Acre	1	Single Fam. Home	C
51	070-032-190	270 Atherton	2.35	R-1A	1 DU/Acre	1	Single Fam. Home	C
52	070-032-200	268 Atherton	2.65	R-1A	1 DU/Acre	1	Single Fam. Home	C
53	070-022-820	53 Euclid	2.00	R-1A	1 DU/Acre	1	Single Fam. Home	C
54	070-0120350	282 Polhemus	2.10	R-1A	1 DU/Acre	1	Single Fam. Home	C
55	070-012-180	290 Polhemus	5.30	R-1A	1 DU/Acre	3	Single Fam. Home	C
56	073-220-030	336 Walsh	2.50	R-1A	1 DU/Acre	1	Single Fam. Home	C
57	073-220-020	346 Walsh	2.90	R-1A	1 DU/Acre	1	Single Fam. Home	C
58	073-220-010	354 Walsh	2.50	R-1A	1 DU/Acre	1	Single Fam. Home	C
59	0740130-300	86 Tallwood	2.80	R-1A	1 DU/Acre	1	Single Fam. Home	C
60	074-130-320	383 Walsh	10.35	R-1A	1 DU/Acre	8	Single Fam. Home	C
61	073-261-030	10 Sargent	2.43	R-1A	1 DU/Acre	1	Single Fam. Home	C
62	073-263-010	75 Reservoir	3.27	R-1A	1 DU/Acre	2	Single Fam. Home	C
63	073-261-120	19 Sargent	4.43	R-1A	1 DU/Acre	3	Single Fam. Home	C
64	070-012-020	291 Stockbridge	2.00	R-1A	1 DU/Acre	1	Single Fam. Home	C
65	070-022-410	396 Selby	2.58	R-1A	1 DU/Acre	1	Single Fam. Home	C
66	060-332-060	51 Watkins	0.30	R-1B	3 DU/Acre	1	Single Fam. Home	C
67	060-332-050	59 Watkins	0.30	R-1B	3 DU/Acre	1	Single Fam. Home	C
68	060-332-040	69 Watkins	0.30	R-1B	3 DU/Acre	1	Single Fam. Home	C
69	060-332-160	38 Walnut	0.30	R-1B	3 DU/Acre	1	Single Fam. Home	C
70	060-331-260	32 Maple	0.30	R-1B	3 DU/Acre	1	Single Fam. Home	C

71	060-332-120	2 Walnut	0.30	R-1B	3 DU/Acre	1	Single Fam. Home	C
72	060-323-080	33/41 Maple	0.48	R-1B	3 DU/Acre	1	Single Fam. Home	C
73	060-321-120	76 Fair Oaks	0.59	R-1B	3 DU/Acre	1	Single Fam. Home	C
74	070-103-390	42 Tuscaloosa	1.85	R-1A	1 DU/Acre	1	Single Fam. Home	C
75	070-120-040	25 Tuscaloosa	1.00	R-1A	1 DU/Acre	1	Single Fam. Home	C
76	070-230-080	78 Winchester	1.04	R-1B	3 DU/Acre	1	Single Fam. Home	C
77	070-223-060	28 Isabella	0.74	R-1B	3 DU/Acre	1	Single Fam. Home	C
78	070-223-030	2 Isabella	0.58	R-1B	3 DU/Acre	1	Single Fam. Home	C
79	060-304-020	48 Lloyd	1.20	R-1B	3 DU/Acre	2	Single Fam. Home	C
	<b>Subtotal</b>					<b>110</b>		
	Total					200		

---

### Map Showing Location of Sites

The map entitled "Location of Sites Suitable for Residential Development" shows the location of sites in the residential land inventory.

### **Suitable Sites Maps**



### 3.314 Environmental Constraints Analysis

The analysis of environmental constraints to development of housing is provided in the discussion below.

#### 1. Areas Subject to Flood Inundation in Event of Dam Failure

The areas below Bear Gulch Reservoir and along Atherton Channel (shown on Environmental Constraints Map HE-2) are subject to flooding in the event that the Bear Gulch Dam were to fail. This dam is located within about 6,000 feet of the Cañada Fault zone and 10,500 feet of the San Andreas Fault zone<sup>6</sup>. Residential development is precluded in the area immediately downstream from the dam by ownership by the California Water Service Company and by open space zoning and General Plan designation. None of these sites are included in the Town's land inventory.

#### 2. Areas Susceptible to Flooding

According to the Federal Insurance Administration, there are no areas in Atherton identified as flood prone. However, in the 1975 San Mateo County "Seismic and Safety Element" of the General Plan, a few areas in the Town of Atherton were identified as being located within the 100 Year Flood Zone (shown on the Environmental Constraints Map HE-2). The main concentration of these areas is along the Atherton Channel with other scattered sites in the area west of El Camino Real. Areas susceptible to flooding do not have any impact on development potential.

#### 3. Areas Subject to Wildland Fire Hazard

Areas identified on the Environmental Constraints map as subject to Wildland Fire Hazard are generally west of Alameda de las Pulgas in the vicinity of Bear Gulch Reservoir and along Walsh Road and Reservoir Road. Residential building is precluded around Bear Gulch Reservoir because of its ownership by the California Water Service Company, and the open space zoning and General Plan designation. The adopted Fire Code requires all buildings exceeding 1,000 square feet be sprinklered and that roofs be constructed of fire resistant materials. All buildings in the wildland interface must have fire sprinklers to protect the interface from a dwelling fire incident. In addition, the Menlo Park Fire Protection District inspects the area annually and recommends homeowners to clear combustible vegetation near structures. This constraint requires mitigation but does not prevent residential construction.

### 3.315 Infrastructure Description

---

<sup>6</sup> County of San Mateo Geotechnical Hazard Synthesis Map

Adequate infrastructure exists throughout the entire Town to accommodate the existing and planned density of development. This includes existing paved streets, sewer, water supply for domestic and fire suppression purposes and drainage facilities. Available public services include Police, Fire, Parks and Recreation, Public Works, Building Inspection and Town Administration.

There are no sites in the Town of Atherton identified as available for housing that are in areas not served by public sewer systems. Consequently there are no sites identified as available for housing for any of the four income level households in areas not served by a public sewer system.

### **3.316 Zoning Appropriate to Accommodate the Development of Housing Affordable to Lower Income Households**

The Town is required to provide sites suitable for construction of 61 lower income units (17 extremely low income, 18 very low income and 26 low income). As described in sections 3.312- 3.314, currently available sites (not requiring any change in the Town's zoning) provide available sites for at least 63 lower income units, primarily housing planned at Menlo College and Menlo School.

Since the Town removed constraints on the production of Secondary Units in 2010, the Town has averaged a production of 5-8 Secondary Units annually. The town can therefore expect to produce an additional 40 Secondary Units (eight years times 5 per year), 30 of which should be affordable for lower-income households during the 2014-2022 planning period. For the housing element, we assume second units will be equally split between extremely low, very low, low and moderate income.

#### **3.316a Second Dwelling Units**

Second dwelling units in Atherton provide needed extremely low income and very low income housing. In 2008, the Atherton second unit survey revealed that 100 percent of the existing second units, and internal living quarters were affordable to households in the extremely low and very low income categories (compared with 80 -90 percent of second units in the County as a whole). This is because occupied second units in Atherton tend to be made available at low or no cost to family members or domestic employees. This level of affordability applied to all second units, not just older second units. Therefore, all new second units are projected to be available to households in the extremely low and very low income categories, but for the purposes of RHNA Atherton takes a more conservative approach. This is consistent with the research that 21 Elements conducted as well and matches the assumptions that Hillsborough used.

During the previous Housing Element Planning Period (1999 – 2006) there were only 4 new second dwelling units permitted and constructed. However, since Atherton updated their zoning ordinance in 2010 to incentivize second units, 20 units have been permitted in the 3 years 2011-2013, or 6.67 per year.

In addition, the Town changed its zoning ordinance to allow a full kitchen in internal living quarters, so that they also may be considered as second dwelling units in some cases.

### **Zoning Changes in Relation to Second Dwelling Units**

During the 2007-2014 planning period, Atherton changed their Zoning Code to incentivize and facilitate the construction of more second units. Atherton instituted the following changes:

- Expanded the allowable size of second units to a maximum of 1,200 square feet from a maximum of 600 square feet.
- Allowed detached or attached second units, if located behind the rear line of the main building, to encroach into the side and rear yard setbacks by not to exceed 20% of the required setback.
- Exempted the floor area of the second unit from the accessory structure and overall lot floor area limitations, up to a maximum of 1,200 square feet, but not to exceed 10% of the allowed floor area for the lot.
- Eliminated the minimum lot size provisions for second units.
- Waived building permit fees for second units.
- Made changes to the zoning code related to internal units

An Atherton survey in November 2008 indicated that there are from 50 to 125 existing internal living quarters in Atherton.

Table HV-2 shows the expected additional 40 second units to be constructed in the Town as a result of these changes. This is based on a conservative assumption of 5 units a year.

### **3.317 Moderate and Above Moderate Income Housing**

As noted, Master Plans for Menlo College and Menlo School include plans for 27 units of townhouse-style faculty housing. In the past rents for such housing have been affordable to very low income households, but to be conservative, the Housing Element projects these as moderate-income units.

Sites numbered 3 - 79 in the Inventory of Sites Suitable for Residential Development are suitable for above-moderate income housing. The inventory lists 79 sites with the potential for the development of 110 new, above market rate housing units. The listed sites are either large enough to be subdivided into smaller lots consistent with the existing zoning density limitations or are already legal lots that have been combined into a single building site. All are currently developed with a single family residence. There are no zoning or other constraints adopted by the Town that would prevent development of these 110 new homes.

However, over the past 20 years there has been a trend to demolish existing, older homes and replace them with new, larger homes. For example, during the last housing element period (2007-2014), there was a net decrease of 11 homes.

**TABLE HE-5: SUMMARY OF AVAILABLE SITES BY INCOME CATEGORY**

<b>Summary of Available Sites by Income Category</b>						
<b>Sites</b>	<b>Household Income Categories</b>					<b>TOTAL</b>
	<b>Extremely Low</b>	<b>Very Low</b>	<b>Low</b>	<b>Moderate</b>	<b>Above Moderate</b>	
<b>RHNA Allocation</b>	17	18	26	29	3	<b>93</b>
Menlo College 1000 El Camino Real	21	21	21	16	0	79
Menlo School 50 Valparaiso	0	0	0	11	0	11
Lots suitable for subdivision	0	0	0	0	110	110
Town-wide 2 <sup>nd</sup> Dwelling Units*	10	10	10	10	0	40
<b>Total</b>	<b>31</b>	<b>31</b>	<b>31</b>	<b>37</b>	<b>110</b>	<b>240</b>
<b>Amount RHNA Exceeded</b>	<b>14</b>	<b>13</b>	<b>5</b>	<b>8</b>	<b>107</b>	<b>147</b>

### 3.320 Analysis of Zoning that Encourages and Facilitates a Variety of Housing Types

As required by State law, the Town allows factory-built housing or mobile homes on permanent foundations under the same terms applicable to other single-family homes in the R-1A and R-1B zones. The Town does not have architectural review of new homes, and consequently does not impose architectural review on factory-built housing.

Multifamily rental housing and single-room occupancy units are permitted in the PFS zones when included in an approved master plan and with a use permit. Multifamily housing now exists on the Menlo College site, and congregate housing for the retired religious on the Sacred Heart Schools site.

### 3.330 Identification of Adequate Sites for Emergency Shelters

In 2010, Atherton established a zone that meets requirements set forth in SB2 relating to emergency shelters. The Town amended the existing PFS (Public Facilities and Schools) Zoning District to provide for emergency shelters as an allowable use when located within 500 feet of the Town Civic Center. Within this zone shelters are permitted without a conditional use permit or other discretionary action. The zone contains approximately 6 acres, which can accommodate up to three shelter beds, providing adequate capacity to meet the identified need. A typical shelter approximately 1,000 sq. ft. in size is allowed in this zone by right, and the Town has adopted management and other standards as permitted by State law. One potential location for a new shelter, should it built, is the parking lot for the (inactive) CalTrain station, which is owned by the city and lightly used. As well as being underutilized, the approximately one acre lot is close to El Camino Real, providing easier access to stores and services.

---

### **3.340 Identification of Adequate Sites for Transitional and Supportive Housing**

In June 2010, Atherton amended the zoning code to explicitly state that any use is permitted if required by State law. Under this revision, supportive and transitional housing only need to obtain the same types of permits and approvals as the same type of residential development in that zone. Residential uses, including transitional and supportive housing, are permitted without discretionary permits in the following zones; R-1A and R-1B; and are permitted with a use permit in the PFS zone.

### **3.350 Identification of Adequate Sites for Farm Worker Housing**

As stated in previous sections, there are no agricultural jobs and no farm workers living in Atherton. The closest significant location of agricultural employment is located at least 30 minute drive away. Since there is no need for farm worker housing in Atherton, no sites are identified. See the Housing Needs section for more information on farm workers.

### **3.360 Other Housing Resources**

The Town has no financial resources to spend on affordable housing. However, the Town is willing to consult with other agencies such as the County of San Mateo or non-profit institutions in the County about resources that might be available to the Town for affordable housing.

## 3.400

## CONSTRAINTS ON HOUSING

This section contains analyses of potential governmental constraints contained in the Town ordinances, codes and policies that could constitute a barrier to the maintenance, improvement or development of housing for all income levels.

### 3.410 Governmental Constraints Analysis

#### 3.411 Land Use Controls

The General Plan and Zoning Ordinance of a community are two primary tools for planning and regulating land use.

**General Plan** - The Town of Atherton updated its General Plan in 2002. The land use character of the Town has remained that of a mainly single family residential and institutional (e.g. schools) nature. The General Plan reveals that the most significant constraint to housing development is land availability. There is little vacant developable land in the Town, and most of the Town's land acreage is developed at existing General Plan densities.

**Zoning Ordinance** - The Atherton Zoning Ordinance designates land uses, height, bulk, density and parking standards throughout the city. The Zoning Ordinance was designed for consistency with the General Plan. The General Plan's four basic land use designations: Single-Family Residential, Single Family Residential Low Density, Public Facilities and Schools, and Parks and Open Space are directly reflected by the zoning districts of the R-1A (Single Family Residential one acre minimum), R-1B (Single Family Residential – 0.31 acre minimum), PFS (Public Facilities and Schools), and POS (Parks and Open Space). Table HVI-1 presents the Atherton Zoning Categories and Standards of density, setbacks, height limits, floor area ratios, lot coverage and parking requirements.

The zoning categories reflect the Town's low-density residential, large lot, single-family character. Commercial and industrial land uses are prohibited. The standards require large setbacks, limited floor area ratios and height restrictions. However, some standards are quite unrestrictive compared to other cities. For example, Atherton does not require on-site parking, nor is architectural review and approval required. Consistent with State law, the Town allows factory-built housing or mobile homes on permanent foundations under the same terms applicable to other single-family homes.

Second Dwelling Units are permitted in both the R-1A and R-1B zoning districts. The zoning ordinance was amended in 2003 to make Second Dwelling Units permitted by right in the R-1 districts. A second dwelling unit is allowed to encroach on 20 percent of the setbacks as the main dwelling and is limited to 15 feet in height and 1,200 square feet of floor area. The size and setback limits could be considered constraints to construction of new second units or conversion of existing Guest Houses to full time occupied second units.

Internal Living Quarters (additional living quarters inside homes) are permitted by right in both the R-1A and R-1B zoning districts. These may include a bedroom, a bath and three of three kitchen elements (stove, sink, and/or refrigerator). Internal living quarters are also commonly constructed in Atherton (approximately 7 per year).

**TABLE HE-6: ATHERTON'S ZONING CATEGORIES AND STANDARDS**

<b>Atherton's Zoning Categories and Standards</b>									
Zoning	Density	Front Setbacks	Side Setbacks	Rear Setbacks	Height Limit	FAR	Max Lot Coverage	Parking Required	Arch. Approval
R-1A (Single Family Residential)	1 d.u./acre	60'	50'	60'	30*	18%	N/A	None	None
R-1B (Single Family Residential)	0.3 d.u./acre	30'	26'	30'	28'	18%	N/A	None	None
PFS (Public Facilities and Schools)	None	60'	75'	75'	34'	N/A	40%	None	None
POS (Parks and Open Space)	None	60'	Varies	60'	34'	N/A	20%	None	None

\* 34' maximum with increased setbacks and Conditional Use Permit

The Municipal Code and Ordinance provides a variety of lot sizes with densities ranging from one dwelling unit per five acres to three units per acre. Although the Town's low allowable densities constitute a constraint to affordable housing development, the impact is offset somewhat by the relatively large proportion of homes containing second dwelling units. In addition, Atherton's large homes provide opportunities for internal living quarters. These characteristics of the local housing stock assists the Town in meeting its regional share of affordable housing. Housing associated with the underlying use (including multifamily rental housing and single room occupancy units) is permitted in the PFS (Public Facilities and Schools) Zoning District.

### 3.412 Codes and Enforcement

The latest edition of the Uniform Building Code is enforced in Atherton. The Town's Building Department sees that new residences, additions, auxiliary structures, etc., meet all of the latest construction and safety standards. Building permits are required for any construction work. The Town has not adopted any local amendments to the State Housing Law or the Uniform Building Code. The Uniform Building Code is imposed by State law and does not pose an unusually significant constraint to housing development, maintenance or the supply and affordability of housing.

The Town has recently instituted a part-time code enforcement program. This is primarily a land use enforcement, complaint-based program. Typical complaints and violations relate to noise, construction activity without a Building Permit and parking of contractors' vehicles and has not resulted in housing being deemed unfit for human habitation or vacated. The code enforcement program does not pose a constraint to housing development, maintenance or the supply and affordability of housing.

### 3.413 On and Off-Site Improvement Requirements

The on and off-site improvements required for residential development in Atherton are listed below.

Street Width:	20 feet
Curbs and Gutters:	Rolled curbs and gutters required for new subdivisions
Sidewalks:	Prohibited
Water and Sewer Connections:	Required
Drainage:	Storage improvements required to prevent increased runoff during storm conditions (required by the San Francisco Bay Area Regional Water Quality Control Board)

Since Atherton is a completely developed urban area, all streets are paved, water mains and sewer trunks have been installed and major drainage improvements are in place. Atherton's improvement standards are substantially less restrictive than those imposed by many communities, which often require wider streets and additional off-site improvements. The on and off-site improvement requirements do not pose a significant constraint to housing development, maintenance or the supply and affordability of housing.



### 3.414 Fees and Exactions

In Atherton development fees are charged for both planning review and building permits. Planning fees are charged in order to recover the costs associated with the administration of the Town's land use regulations. Planning fees for review of projects that do not require Planning Commission action are charged on an hourly rate and do not require a set fee or deposit. Most of the residential projects in Atherton fall into this category. Review times are typically 1 to 5 hours. Planning fees for projects that require Planning Commission action consist of a non-refundable fee and a deposit, against which professional planning staff charge to provide review services. Charges currently range from \$70 to \$175 per hour depending upon the level of personnel involved in the review. Unused portions of the deposit are returned to the applicant at the end of the process. The fee structure reflects the Town's actual cost for the service. The Town reviews its fee structure and levels on a regular basis to ensure they reflect the cost of delivering services. Typical planning fees are shown in the table below.

**TABLE HE-7: PLANNING FEES – 2013-2014**

Town of Atherton Planning Fees (2013-2014)	
Type of Fee	Fee
Conditional Use Permit	\$2,600
Variance	\$2,600
Lot Line Adjustment	\$1,500

The Atherton planning fees are consistent with similar charges in other small jurisdictions and do not pose a significant constraint to housing development, maintenance or the supply and affordability of housing.

Building fees are charged to cover costs associated with checking that the building plans conform to requirements of the Uniform Building Code (UBC) as well as costs associated with conducting building construction inspections. Fees charged for building permits are based on the valuation of construction. The fee structure reflects the Town's actual cost for the service. The Town reviews its fee structure and levels on a regular basis to ensure they reflect the cost of delivering services. Currently new construction valuation is determined by use of a standard factor of \$350 per square foot for habitable space and \$125 per square foot for non-habitable space. The same factor is used for remodeling projects however, the Building Department has the option to adjust the permitted value to the actual cost of the remodeling provided evidence is presented in the form of an executed contract substantiating the value. The actual building permit fee is determined using the following formula: where construction is valued over \$1,000,000 the fee is calculated as \$6,193.74 for the first \$1,000,000 plus \$4.03 for each additional \$1,000 or fraction thereof. An additional 45% of the building permit fee is charged for plan checking. For example, where

construction is valued over \$1,000,000 the fee is calculated as \$6,193.74 for the first \$1,000,000 plus \$4.03 for each additional \$1,000 or fraction thereof. An additional 45% of the building permit fee is charged for plan checking.

While not imposed by the Town, local school districts charge a fee that is based on the square footage of new construction and must be paid prior to issuance of the building permits. The purpose of the fee is to compensate the school districts for the costs associated with the demand or additional services and classroom space generated by new residential construction. The Sequoia Union High School District collects the fees and distributes a portion to one of the three elementary school districts serving Atherton (i.e. Las Lomas School District, Menlo Park City School District and Redwood City School District). In areas served by the Menlo Park City School District the current fee is \$3.20 per square foot with \$1.92 distributed to the Sequoia District and \$1.280 distributed to the Menlo Park District. In areas served by the Las Lomas and Redwood City School Districts the current fee is \$3.20 per square foot with \$1.28 distributed to the Sequoia District and \$1.92 distributed to the Las Lomas or Redwood City Districts.

The Town does not have any park, open space, parking or other similar development or impact fees. Nor does it have any in-lieu housing or other fees, below-market-rate housing requirements or specific land dedication requirements for streets, public utility rights-of-way, easements, parks or open space.

A recent survey by 21 Elements<sup>7</sup> revealed that a 2,400 square foot house built in Atherton would have construction fees of \$9,078, and no entitlement or impact fees (except for school fees, discussed above, which were excluded from the analysis). The 21 Elements Fee Survey revealed all jurisdictions in San Mateo County who responded to the survey (12 excluding Atherton) had development fees for single family homes that were higher than Atherton's; some had fees 2 and 3 times higher. With fees substantially lower than those of adjacent communities, they do not pose a constraint on housing construction.

Cumulatively, development review fees for 79 proposed student and faculty units at Menlo College would total \$386,893 or 1.6 - 2.0 percent of the estimated \$19.7 - \$24.5 million total project cost. Similarly, development review fees for the 11 proposed faculty units at Menlo School would total \$53,867 or 1.6 percent - 2.0 percent of the estimated \$2.7 - \$3.4 million total project cost.

---

<sup>7</sup> 21 Elements:, *Development Fees Survey Summary*, June 2014

### 3.415 Processing and Permit Procedures

The following table describes the Town's permit process procedures in general. These processes are required for the development of all housing for all income categories. Only two levels of residential permit processing are available; a Conditional Use Permit or a Building Permit. The Town does not have an Architectural Review and approval process.

Most residential construction, including second dwelling units and guest houses (estimated 90 percent to 95 percent of building permits) does not require Planning Commission action or permits. Only Planning Department review of the project for conformance with Town zoning standards and Building Department review for Building Code conformance are required.

Where Conditional Use Permits are required, the process involves submitting an application to the Planning Commission for review of the proposal. Preliminary site plans and elevations are required as part of the submittal. An advertised public hearing is held by the Planning Commission with mailed notice to all property owners within 500 ft. of the proposed project. Upon Planning Commission approval, plans may be submitted to the Building Department for Building Plan Check and Building Permit issuance.

Building permits must be secured before commencement of any residential construction, reconstruction, conversion, alteration or addition. Approval of permit applications is based on conformity with the Uniform Building Code and the Zoning Ordinance, although the Town has the power to grant variances from the terms of the Zoning Ordinance within the limitations provided in the Ordinance.

The Building Permit process has very little impact on the development of above moderate income housing in Atherton as evidenced by building activity and the number of replacement housings being constructed. The Building Department currently has approximately 800 active permits and approximately 30 - 40 houses are demolished and replaced with new houses each year. While removal of the process and reduction of fees might function to reduce costs slightly, there are many other factors that act to deter development of such housing. Factors such as the high cost of land (currently at about \$3 million per acre), the limitations on density and non-availability of funds (e.g. in the private educational institutions and from local public sources) are the most likely deterrents to the development of low and moderate-income housing.

**TABLE HE-8: RESIDENTIAL PERMIT PROCESSING PROCEDURES AND TIMES****Residential Permit Processing Procedures and Times**

Type of Construction	Use Permit	Building Permit	Plan. Commission Public Hearing	Typical Time for Staff Plan Check & Building Permit Issue (weeks)
Single Family Residential		X		4
Second Dwelling Unit		X		4
Guest House		X		4
Housing on PFS Sites	X	X	X	9

The Town does not have any overly zones such as community plan implementation zones, hillside overlay zones or environmentally sensitive areas.

Atherton has only two residential zoning districts; R-1A where the minimum lot size is 1 acre and R-1B where the minimum lot size is 13,500 square feet. Single family detached dwelling units, second dwelling units and guest houses are permitted by right in these districts. Attached and multiple family dwelling units are not permitted in either district. All construction in PFS zoning districts, including attached and multiple family dwelling units and single room occupancy units requires a conditional use permit. Housing in PFS zoning districts is permitted when the residential use is associated with a conditional or permitted use in that district. Such residential uses are typically associated with private schools.

### 3.416 Constraints on Persons with Disabilities

Chapter 17.17 of the Atherton Municipal Code entitled "Accessibility" provides for reasonable accommodation to people with disabilities and complies with the Fair Housing Amendments Act of 1988 and the California Fair Employment and Housing Act in the application of the Town's land use, zoning, rules, policies, practices, and/or procedures.

"A request for reasonable accommodation may include a request for modification or exception to Town land use, zoning or building regulations, rules, policies, practices, and/or procedures that would eliminate regulatory barriers and provide a person with a disability equal opportunity to housing. The procedure provides for a staff-level process, conducted by the Town Planner, when the accommodation is related to a physical improvement that cannot be constructed to conform to the Town's setback or design standards. Should it be determined that the request is not at a staff-level it is referred to the Planning Commission. The Town Planner is required to make a written determination within 30 days after receipt."

Chapter 17.17 also provides a process for requests for reasonable accommodation relating to increased occupancy of a group home.

---

The Town does not define the term “family” and does not limit the number of unrelated individuals who may reside in a residence. Group homes for six or fewer residents are allowed by right in the single family residential districts. The Town does not have any spacing or concentration requirements. The Town has only two residential zoning districts; both of which are for single family residences. Therefore, allowances for group homes with more than six residents specifically for the disabled in other zoning districts are not necessary. The Town does not have any parking standards therefore there is no need for relaxed parking standards for persons with disabilities.

Atherton uses the 2013 California Building Code. The adopted Code does not include any amendments that might reduce the ability to accommodate persons with disabilities. Accessibility retrofits are handled through the standard permit process. However, permits are not required unless thresholds of health, life, and safety are exceeded. The California Building Code provides an option for meeting code requirements, whereby an applicant submits an alternative “methods and means” checklist to the Building Official noting the proposed design, the conventional design, and the rationale for the request.

### **3.420 Non-Governmental Constraints Analysis**

#### **3.421 Land Prices**

Land scarcity and high real estate prices are the most significant non-governmental constraints to affordable housing in Atherton. There are virtually no vacant lots in Atherton. Land currently sells for over \$3.4million per acre and can only be acquired by purchase of a developed parcel or by subdividing the property, which also most likely involves the removal of an existing residence. The inventory of sites suitable for residential development described in section 3.3 showed a potential of 110 new parcels that can be created by subdividing existing developed parcels. Vacant lots are few in number and render discussions of lot prices virtually meaningless. This is a result of economic forces which are well beyond the capacity of the local government to influence or control. In this context, it is difficult to think in terms of market-based affordable housing provision.

#### **3.422 Construction Costs**

Construction costs include both hard costs, such as labor and materials, and soft costs, such as architectural and engineering services, development fees and insurance. For multi-family homes in San Mateo County, hard costs account of 60-65 percent of the building cost and soft costs average around 15-20 percent (the remaining 15-20 percent is land costs). For single family homes, hard costs often are roughly 40 percent of the total cost, soft costs are 20 percent, and land is 40 percent.

---

While multifamily construction is not relevant in most of the town, it is a potential on school facilities. According to housing developers in San Mateo County, construction costs for multi-unit buildings vary based on the form of parking (structured vs. surface) in addition to other environmental factors such as topography, pre-existing structures etc. For a larger, multi-unit building, costs can vary from \$185,000/unit to as high as \$316,000/unit. The cost per square foot ranges from \$172-\$200.

For the least expensive production single-family homes, the cost of preparing the vacant land is around \$100,000/lot, and the cost of construction is approximately \$145/sf. For more expensive, custom homes, however, the construction costs can be higher than \$435/sf. In general, soft costs add another approximate third to the subtotal. Such costs are not particularly higher in Atherton than in other surrounding jurisdictions.

### **3.423      Mortgage Financing Availability**

Until mid-2008, home mortgage financing was readily available at attractive rates throughout San Mateo County and California. Rates vary, but ranged around 6.25 percent to seven percent from 2006-2008 for a 30 year fixed rate loan (HSH Associates Financial Publishers). However, rates have been as high as ten or 12 percent in the last decade.

As part of the aftermath of the subprime crisis in 2008, interest rates are very low. In San Mateo County, rates range from 4.0-4.5 percent for a fixed-rate, 30-year mortgage. One remaining challenge is that many mortgages in San Mateo County are for more than \$417,000, meaning they qualify as jumbo loans and often have higher interest rates.

The data in the table below is from the Home Mortgage Disclosure Act (HMDA) and represents loan applications in 2012 for of one- to four-unit properties, as well as manufactured homes. More than 65 percent of the loan applications were filed by households earning above a moderate income (greater than 120 percent of AMI). Moderate income households (80-120 percent of AMI) represented 18 percent of loan applicants, low income households (50-80 percent of AMI) represent 12 percent, and very low income households (less than 50 percent of AMI) only 4 percent. Almost 75 percent of all loans were approved and accepted by the applicants, and 10 percent were denied. Above moderate-income households had the highest rates of approval of any group. Loan approval rates have improved since the subprime crisis.

**TABLE HE-9: LOAN APPROVAL****Disposition of Applications for Conventional Home Purchase Loans (2012)**

Income Level	number of loan app	% of all loans	% of loans originated	% of loan app denied	% other*
Less than 50% AMI (Very Low Income)	700	4%	57%	22%	21%
50-80% AMI (Low Income)	1,968	12%	67%	14%	20%
80-120% AMI (Moderate Income)	3,017	18%	73%	11%	17%
120%+	11,381	67%	76%	8%	16%
All	17,066	100%	74%	10%	17%

source HMDA Data, 2012 for San Francisco-San Mateo-Redwood City MSA

\* includes loans applications approved but not accepted, loan applications withdrawn, and incomplete files

**3.424 Construction Financing Availability**

Construction loans for new housing are more difficult to secure in the current market than in past years. In past years, lenders would provide up to 80 percent of the cost of new construction (loan to value ratio). In recent years, due to market conditions and government regulations, banks require larger investments by the builder.

Due to Federal and state budget cuts, affordable housing developers have had a much harder time securing funding. Since 2009, the Federal Government has cut programs such as Community Development Block Grants, HOME, and HOPE VI funding by 27-50 percent (ABAG). Traditionally, these programs have been a large source of affordable housing funds. In addition to Federal cuts, the State dissolved Redevelopment agencies in 2012, leaving San Mateo County with a loss of \$25.5 million in funds for affordable housing



## 3.500 REVIEW AND EVALUATION OF THE 2007-2014 HOUSING ELEMENT

### 3.510 Effectiveness of the Element

A detailed analysis of the goals, objectives, policies and programs contained in the 2007-2014 Housing Element Update is presented in the table below.

### 3.520 Progress in Implementation

A comparison of the number of projected or planned housing units (i.e. 2007-2014 Housing Need Allocation) with what was actually achieved is summarized in Table H-2 below.

**TABLE HE-10: PROGRESS IN IMPLEMENTATION**

2007-2014 Actual RHNA Achievement					
Income Group	2007-2014 Allocation	Private Construction	Second Dwelling Unit Program	Total	Met (M), Exceeded (E), or Fell Short (S) of Goal
Very Low	19	2	19	21	M
Low	14	-	-	0	S
Moderate	16	-	-	0	S
Above Moderate	34	-11	-	-11	S
Totals	83	-9	19	10	S

The construction of new Above Moderate market rate housing fell short of the 34 unit objective. Although 171 new market rate units were constructed in Atherton between 2007 and 2013, 190 existing units were demolished to accommodate the new units. Therefore, the housing stock declined by nineteen units during the planning period.

During the Planning Period it was anticipated that new housing would be constructed at Menlo School and Menlo College. A net of eleven new faculty units affordable to very low and moderate income households were planned at Menlo School and 79 new units affordable to lower income and moderate income households were planned at Menlo College. Although the plans for these units remain on the Master Plans for these institutions there were insufficient funds available to construct them during the Planning Period. It is recommended that this program be carried forward to the 2014-2022 Planning Period. Two very low income units were privately constructed at Sacred Heart Schools during the 2007-2014 Planning Period.

During the Planning Period, 19 new Second Dwelling Units received permits. A survey of second units in the Town has shown that all are affordable to low income



households (with 60% affordable to extremely low income households).<sup>8</sup> The objective was construction of 57 Second Dwelling Units. During the Planning Period many constraints on the construction of Secondary Dwelling Units were removed.

The Town supports the Shared Housing Program sponsored by HIP Housing, a San Mateo County non-profit organization that helps match people or households seeking affordable housing with owners of housing who are interested in renting or sharing space in their home. One placement was made in Atherton in a unit affordable to low income households during the Planning Period. However, because the shared housing program does not create new dwelling units, the unit is not shown in the table above.

### **3.530 Appropriateness of Goals, Objectives and Policies**

The goals, objectives, policies and programs, which are new or revised and are appropriate for use in the 2014-2022 Planning Period, are shown in Table HIV-3.

---

<sup>8</sup> Based on results contained in the study: *Affordability of Second Dwelling Units in San Mateo County*, 21 Elements: San Mateo Countywide Housing Element Update April, 2014 and on the study *Atherton Second Unit Survey*, December 2008.

**Housing Element  
Program Name/Number**

**Program Description and Objective**

**Timeframe and Achievements**

**Program Evaluation and  
Recommendation**

**3.810 New Construction, Conservation, and Rehabilitation**

3.811	New Construction of Above Moderate Units	Continue to facilitate and expedite the development of new above moderate income housing units in order to achieve the construction of <i>net</i> 5 new above moderate income units.	(2007-13) A net of 19 units were lost during this period. Market has limited construction to reconstruct 1 unit for each demolished unit.	Objective not met.
3.812	New Construction of Affordable Units	<i>See Actions 3.812A through 3.812F below.</i>	(2007-13) 21 new 2nd Units were constructed during this time frame. Construction increased as a result of zoning ordinance changes. (Applies to Programs 3.812A - 3.812D)	Objective met. This program has been effective in providing housing for lower income families and individuals. Recommend continuance.
3.812A	Internal Living Units	To increase housing options for extremely low income households, amend the zoning ordinance to permit Internal Living Units that may include all three kitchen elements (stove, sink, and refrigerator) to meet the definition of Second Dwelling Units. (Timeframe - by June 30, 2010)	Zoning Ordinance was amended 12/2010 to permit Internal Living Units that may include all three kitchen elements and to meet the definition of Second Dwelling Units.	Objective met. This program has been effective in providing housing for lower income families and individuals. Recommend continuance.
3.812B	Second Dwelling Unit Zoning Amendments	By June 30, 2010, amend the zoning ordinance to expand the allowable size of second units, allow attached and detached second units, exempt floor area of second units from the allowed floor area for the lot (with conditions), eliminate the minimum lot size provisions for second units, and waive building permit fees for second units.	(2009) Zoning Ordinance was amended 12/2010 to expand the allowable size of second units, allow attached and detached second units, exempt floor area of second units from the allowed floor area for the lot (with conditions), eliminate the minimum lot size provisions for second units, and waive building permit fees for second units.	Objective met. This program has been effective in providing housing for lower income families and individuals. Recommend continuance.

3.812C	Second Dwelling Unit Promotion	In order to achieve the construction of 57 new extremely and very low income Second Dwelling Units by January 1, 2014, encourage homeowners and developers to include Second Dwelling Units in existing or new homes by providing regulatory concessions related to size, floor area, and yard encroachment and permit fee waivers. Conduct a biannual evaluation of the success of the second unit-strategy for providing lower income housing.	(2009-13) Zoning Ordinance was amended 12/2010 to encourage homeowners and developers to include Second Dwelling Units in existing or new homes by providing regulatory concessions related to size, floor area, and yard encroachment and permit fee waivers. The biannual evaluations revealed an average of 6-7 new 2nd Units constructed each year after Zoning Ordinance amendment and gradually increasing each year. This rate favorably compares to the objective of 6-10 new 2nd Units per year in the Housing Element	Objective is being met, no changes to Ordinance are recommended. This program has been effective in providing housing for lower income families and individuals. Recommend continuance.
3.812D	Faculty and Student Housing	Annually, at the time for review of their master plans, work with private schools to facilitate development of affordable, multifamily faculty, student, and staff housing on their properties. By January 1, 2014, achieve the construction of 11 new faculty units at Menlo School, 79 new faculty and student units at Menlo College, and 2 new staff units at Sacred Heart in the extremely and very low income categories.	(2007-13) The Town has annually worked private schools to facilitate development of affordable, multifamily faculty, student, and staff housing on their properties. By January 1, 2014, the schools were unable to achieve their goals due, in part to unavailability of funds. However, the construction of 2 new staff units at Sacred Heart in the extremely and very low income categories was accomplished.	Objective partially met. Recommend that Town continue to work with private schools to meet objectives.
3.812E	School Master Plan Affordable Housing Review Procedures	By June 30, 2010, amend the zoning ordinance to provide that in PFS zones where an accepted-for-filing School Master Plan includes multifamily housing that could accommodate very low and low income households, the Conditional Use Procedure will be replaced with a public hearing and review process that focuses on the design of the project but, in no case, shall result in the denial of the use.	(2007-13) Zoning Ordinance was amended 12/2010 to provide that in PFS zones where an accepted-for-filing School Master Plan includes multifamily housing that could accommodate very low and low income households, the Conditional Use Procedure was replaced with a public hearing and review process that focuses on the design of the project but does not result in the denial of the use.	Objective met.
3.812F	Other Affordable Housing Actions	Within one year of Housing Element adoption, initiate communications with agencies and developers of affordable housing about the availability of affordable housing resources. In order to achieve the construction of 119 new affordable housing units by January 1, 2014, offer expedited planning and building processing through contract plan checking services and support	Element was adopted 8/18/10. Within one year of Housing Element adoption, communications were initiated with agencies and developers of affordable housing about the availability of affordable housing resources. In order to achieve the construction of 119 new affordable housing units by January 1, 2014, expedited planning and building processing were offered through contract plan checking services and support for	Objective met. Recommend that Town maintain contacts with agencies and developers of affordable housing and continue to offer expedited planning and building processing for affordable housing projects.

for funding applications to facilitate affordable housing construction.

funding applications to facilitate affordable housing construction.

3.813	Conservation and Rehabilitation of Existing Units	Continue to facilitate and expedite the rehabilitation and reconstruction of existing housing through improved review times and project assistance.	(2007-13) Between 50 and 100 permits issued each year for improvement, rehabilitation and conservation of existing units.	Objective met. Recommend continued implementation.
-------	---	---	---	--

### 3.820 Special Housing Needs

3.821	Seniors	<i>See Actions 3.821A through 3.821C below.</i>		
3.821A	Residential Care Facilities	By June 30, 2010, to ensure consistency with State Law, amend the zoning ordinance to state that a residential care facility is a residential use and must be permitted wherever residential uses are allowed, specifically in the R-1A and R-1B zones.	Zoning Ordinance was amended in 12/2010 to state that a residential care facility is a residential use and must be permitted wherever residential uses are allowed, specifically in the R-1A and R-1B zones.	Objective met. Recommend program continuance.
3.821B	Home Repairs Assistance	Publicize at Town Hall and in the Town's newsletter home repairs assistance programs offered by Senior Centers in the County and the County's Home Repair Program.	(2007-14) Handouts provided at Town Hall publicizing repairs assistance programs offered by Senior Centers in the County and the County's Home Repair Program. Publication in Town's newsletter was not accomplished. Program publicized on Town website in lieu of in newsletter.	Objective met. Recommend program continuance.
3.821C	Property Tax Postponement Program	Continue to support the County's Property Tax Postponement Program to support seniors in staying in their homes. Publicize the program at Town Hall and in the Town newsletter.	(2007-14) City Council's declaration of support of the County's Property Tax Postponement Program stated in adopted Housing Element. Handouts provided at Town Hall publicizing the program. Program publicized on Town website in lieu of in newsletter.	Objective met. Recommend program continuance.
3.822	Disable Persons	<i>See Actions 3.822A through 3.822C below.</i>		

3.822A	ADA Compliance	Continue to review new residential developments and major remodels for ADA compliance.	(2007-14) Building Department on-going program.	Objective met. Recommend program continuance.
3.822B	County Housing Accessibility for Disabled Persons Program	Continue to support the program, direct inquiries for house modifications for the disabled to the program, and publicize the program at Town Hall and through the Town's newsletter.	(2007-14) City Council's declaration of support of the County Housing Accessibility for Disabled Persons Program stated in the adopted Housing Element. Building and Planning Dept. staff directs inquiries for house modifications for the disabled to the program. Handouts provided at Town Hall publicizing the program. Program publicized on Town website in lieu of in newsletter.	Objective met. Recommend program continuance.
3.822C	Removal of Constraints	By June 30, 2011, assess whether the zoning ordinance constrains development of housing for persons with disabilities, and amend the ordinance as necessary to expedite retrofit efforts and require new developments to comply with the ADA. Provide adequate flexibility in the development of housing for persons with disabilities.	(8/10 - 6/30/11) Assessment completed by Planning Dept. It was determined that the zoning ordinance does not constrain development of housing for persons with disabilities, therefore no ordinance amendments were necessary.	Objective met. Recommend program continuance.
3.823	Equal Housing Opportunity	Refer housing discrimination complaints to Midpeninsula Citizens for Fair Housing. Disseminate fair housing information at various sites and through the Town newsletter.	(2007-14) Planning Dept. and City Attorney's Office on-going program. Fair Housing information available at Planning Dept. and City Attorney's office. Program publicized on Town website in lieu of in newsletter.	Objective met. Recommend program continuance.
3.824	Emergency Shelters, Transitional and Supportive Housing	<i>See Actions 3.824A and 3.824B below.</i>		
3.824A	Emergency Shelters	By June 30, 2010, to comply with Senate Bill 2 requirements, amend the Public Facilities and Schools zoning district to allow emergency shelters as a non-conditional use when located within the Town Civic Center property. Shelters will be subject to the same standards as other uses in the zone.	(By June 30, 2010) Zone established with zoning ordinance amendment 12/2010.	Objective met.
3.824B	Supportive and Transitional Housing	By June 30, 2010, amend the zoning ordinance to state that any use is permitted if required by State Law. Supportive and transitional housing will be permitted in the R-1A and R-1B zones and only require the	(By June 30, 2010) Zone established with zoning ordinance amendment 12/2010.	Objective met.

same permits and approvals as any other residential development.

### 3.830 Consistency with State Requirements

3.831	Energy Conservation	<i>See Actions 3.831A through 3.831C below.</i>		
3.831A	Title 24 Compliance	Continue to require Title 24 compliance, and disseminate information on other agency's energy conservation programs, such as PG&E's solar subsidy program and energy audits.	(2007-14) Building Dept. continues to require Title 24 compliance, and disseminate information on other agency's energy conservation programs, such as PG&E's solar subsidy program and energy audits.	Objective met. Recommend program continuance.
3.831B	Green Building	By June 30, 2011, consider adopting "green building" policies as part of the General Plan and incorporating "green building" provisions in the building code.	(By June 30, 2010) City Council adopted the State Green Building Ordinance on 1/1/2011. The Town adopted the basic mandatory provisions of the Code. The ordinance was updated 1/1/2014.	Objective met. Recommend program continuance.
3.831C	Energy Conservation Promotion	Continue to promote energy conservation through energy audits, participation in PG&E and Cal Water programs, and encouraging conservation retrofits.	(2007-14) Building Dept. and Public Works Dept. continues to promote energy conservation through energy audits, participation in PG&E and Cal Water programs, and encouraging conservation retrofits.	Objective met. Recommend program continuance.
3.832	Mobile and Manufactured Homes	By June 30, 2010, amend the zoning ordinance to clarify that "manufactured housing" is allowed, subject only to the same development standards that apply to conventional single family housing.	(By June 30, 2010) Zone established with zoning ordinance amendment 12/2010.	Objective met.



### 3.840 Other Housing Programs

---

3.841	Shared Housing	Continue to support and publicize the Human Investment Project's Shared Housing Program, with the goal of 1-2 home-share matches per year.	One renter has been placed in one Atherton home. Address is confidential.	Objective met. Recommend program continuance.
-------	----------------	--	---	---

---

## 3.600 HOUSING GOALS, QUANTIFIED OBJECTIVES AND POLICES

This section contains the Housing Goals, Quantified Objectives and Polices of the Town. These goals, objectives and polices will be implemented by the Housing Programs described in Section 3.800 of this Element.

**3.610**      **GOAL:** FACILITATE THE PRIVATE DEVELOPMENT OF HOUSING TO MEET A PORTION OF THE ABOVE MODERATE INCOME HOUSING NEED IDENTIFIED FOR ATHERTON

**3.611**      **OBJECTIVES**

A. Realize the construction of approximately 3 net new housing units in the above-moderate income category in Atherton from 2014-2022.

**3.612**      **POLICIES**

A. Within the limitations of the private housing market the Town shall work with private developers to encourage new housing development.

**3.620**      **GOAL:** USE SECOND DWELLING UNITS TO MEET A SUBSTANTIAL PORTION OF THE TOWN'S MODERATE TO VERY LOW INCOME HOUSING NEED.

**3.621**      **OBJECTIVES**

A. Realize the construction of 40 new second dwelling units planned for occupancy by moderate to extremely low income households in Atherton from 2014-2022

**3.622**      **POLICIES**

- a. Actively promote the Second Dwelling Unit provision of the Atherton Zoning Ordinance by encouraging homeowners and developers to include attached or detached Second Dwelling Units in existing or new homes..



**3.630**      **GOAL:** FACILITATE THE DEVELOPMENT OF FACULTY AND STUDENT HOUSING ON SCHOOL CAMPUSES TO MEET A PORTION OF THE MODERATE AND VERY LOW INCOME HOUSING NEED IDENTIFIED FOR ATHERTON

**3.631**      **OBJECTIVES**

A.      Encourage the construction of 27 new faculty housing units and 63 new student housing units with kitchens at private schools in the moderate to very low income categories in Atherton from 2007-2014.

**3.632**      **POLICIES**

A.      Encourage schools in Atherton to provide affordable faculty, staff and student housing on their campuses.

**3.640**      **GOAL:** PROMOTE PRIVATE EFFORTS TO CONSERVE AND IMPROVE ATHERTON'S EXISTING HOUSING SUPPLY.

**3.641**      **OBJECTIVES**

A.      Promote the improvement, maintenance and enhancement of the existing housing stock through ongoing private and public rehabilitation efforts, with the objective of processing 1,000 applications for rehabilitation and home improvement between 2014 and 2022.

B.      Obtain support from local lending institutions to provide loans for property improvement.

**3.642**      **POLICIES**

A.      The Town shall promote conservation and improvement of the condition of its existing affordable housing stock with the goal of conserving all existing affordable units.

**3.650**      **GOAL:** ENCOURAGE SPECIAL CONSIDERATION TO THE MAINTENANCE AND EXPANSION OF HOUSING OPPORTUNITIES FOR HANDICAPPED AND LOW AND MODERATE INCOME AND HOMELESS PERSONS

### **3.651 OBJECTIVES**

- A. Enforce uniform building code regulations regarding provision of access for handicapped in residential structures, where applicable.
- B. Support the conservation and development of affordable housing for citizens of modest means.

### **3.652 POLICIES**

- A. The Town shall continue to enforce the uniform building code regulations regarding provision of handicapped access in residential structures.
- B. The Town shall continue to encourage the production and availability of more affordable housing through the development of new second dwelling units, internal living units, and private school faculty and student housing.
- C. The Town shall cooperate with agencies providing emergency shelter, transitional and supportive housing for the homeless and those in crisis.

### **3.660 GOAL: MEET THE NEEDS OF SENIORS ,IN LIGHT OF THE PENDING GROWTH OF THIS POPULATOIN IN SAN MATEO COUNTY.**

### **3.661 OBJECTIVES**

- A. Enforce uniform building code regulations regarding provision of access for handicapped in residential structures, where applicable.
- B. Support the conservation and development of affordable housing for seniors with lower incomes.
- C. Encourage policies that enable Seniors to “age in place” as much as possible.
- D. Continue to encourage the development of second units, which can provide an affordable option for Seniors.
- E. Identify and prioritize steps that Atherton can take to meet the needs of seniors.

### **3.662 POLICIES**

- A. The Town will create a Plan to meet the needs of the growing senior population.

### **3.670 GOAL: CONTINUE TO PROMOTE HOUSING OPPORTUNITIES FOR ALL PERSONS REGARDLESS OF RACE, SEX, MARITAL STATUS, ANCESTRY, NATIONAL ORIGIN OR COLOR**

### **3.671 OBJECTIVES**

- A. Eliminate discrimination in housing to the extent feasible through Town actions.

### 3.672 POLICIES

- A. The Town shall actively support housing opportunities for all persons regardless of race, sex, marital status, ancestry, national origin or color.

#### Estimate of New, Rehabilitated, and Conserved Units (2007-2014)

	New Construction	Rehabilitation	Conservation
Ext Low	31	n/a	n/a
Very Low	31	n/a	n/a
Low	31	n/a	n/a
Moderate	37	n/a	n/a
Above Moderate	3	n/a	n/a
Totals	133	n/a	n/a

## 3.700 HOUSING PROGRAMS

This section contains Atherton's Housing Programs for the Planning Period 2014 – 2022.

### 3.710 New Construction, Conservation and Rehabilitation

#### 3.711 New Construction of Above Moderate Units

- a. Continue to facilitate and expedite the development of new above moderate income housing units. An average of 24 new homes in this income category is constructed in Atherton each year. However an almost equal number of homes are demolished. It is projected that a net of 3 additional homes in the above moderate income category will be constructed during the 2014-2022 Planning Period.

*Time frame for implementation:* Ongoing (Long-term Action)

*Agency/Official responsible for implementation:* Building Department

*Proposed Measurable Outcomes:* Construction of net 3 new above moderated income dwelling units.

*Funding Sources:* General Fund, Building Department Budget

#### 3.712 New Construction of Affordable Units

In 2010, the Town amended the Zoning Ordinance to encourage the development of second units by removing constraints on the development of secondary units, and to providing other incentives, such as fee permit waivers. Since 2010, 5-8 second units have been built annually. The Town predicts the development of 40 new second units (5/year, for 8 years) over the next planning period. The Town expects that these units will be equally divided between extremely low, very low, low and moderate income categories.

- a. Every two years the Town will conduct an affordability survey to evaluate the effectiveness of the second-unit strategy in addressing the housing needs of lower income households. Conduct the survey in January so updated affordability can be incorporated into annual Housing Element progress report. After each survey, evaluate success and identify additional actions the Town can take if the program is not meeting its goals.

*Time frame for implementation:* January 2016, 2018, 2020 and 2022

*Agency/Official responsible for implementation:* Planning Commission/Town Planner

*Proposed Measurable Outcomes:* 3-4 new second units annually in the extremely low and very low income categories.

*Funding Sources:* General Fund, Planning Department Budget

- b.** Work and cooperate with Menlo School, Menlo College and Sacred Heart to facilitate development of affordable faculty, student and staff housing on school properties, and provide incentives for development through and expedited review process. Town Staff will contact each institution annually at the time for review of its Master Plan in order to work with the school to facilitate multifamily development on their campuses.

The Oakwood Community at Sacred Heart Schools is currently developed with housing for the retired religious in a "single room occupancy" style. These units are all affordable to extremely low income households. Should demand warrant the Oakwood Community could be expanded. The surrounding area is landscaped and used for visual and passive recreation purposes. The existing uses would not impede development of additional residential space consistent with the character and income category of the Oakwood Community. No new program is necessary to allow such expansion.

Program 3.712c. involves regulatory concessions to facilitate development of multifamily housing at private schools in Atherton. The rental structure of this new housing will be similar to that of existing housing at these institutions according to the school representatives. It is anticipated that about 1/3 of the new units will be rented at rates affordable to extremely low income households. Therefore, implementation of this program will assist in the development of a variety of housing types to meet the housing needs of extremely low income households.

*Time frame for implementation:* Annual contact through Planning Period  
*Timeframe for implementation:* January 2019 (Long-term Action)

*Agency/Official responsible for implementation:* Planning Department and Building Department

*Proposed Measurable Outcomes:* Construction of 11 new faculty units at Menlo School, 79 new faculty and student units at Menlo College in the extremely low to very low income category by January 1, 2022.

- c. Continue to maintain contacts with agencies and developers of affordable housing in the mid-peninsula area in order to consult about resources that might be available to and from the Town for affordable housing. Contacts exist with agencies such as the San Mateo County Department of Housing and Community Development, non-profit developers such as MidPen Housing, Bridge Housing and Habitat for Humanity. The Town offers expedited planning and building processing through use of contract plan checking services and support for applications for funding.

*Time frame for implementation:* 2020 or Ongoing (Long-term Action)

*Agency/Official responsible for implementation:* Planning Department and Building Department

*Proposed Measurable Outcomes:* Units counted above.

### 3.713 Conservation and Rehabilitation of Existing Units

- a. Continue to facilitate and expedite the rehabilitation and reconstruction of existing residential units. The prompt processing of subdivision, planning review and building permit issuance has resulted in average review times that are some of the most reasonable in San Mateo County. The Town will continue to assist the property owners and development community in the housing development, conservation and rehabilitation process.

*Time frame for implementation:* Ongoing (Long-term Action)

*Agency/Official responsible for implementation:* Planning and Building Departments

*Proposed Measurable Outcomes:* N/A

*Funding Sources:* General Fund, Planning and Building Department Budgets

### 3.720 Special Housing Needs

#### 3.721 Seniors

- a. Continue to facilitate the provision of board and care opportunities, particularly for seniors, some of whom may be longtime Atherton residents who can no longer remain in their homes and who wish to continue living in Atherton. State law provides that a residential care

facility (defined as a facility serving six or fewer persons) is a residential use and must be permitted wherever residential uses are allowed.

*Time frame for implementation:* Ongoing (Long-term Action)

*Agency/Official responsible for implementation:* Planning Department

*Proposed Measurable Outcomes:* N/A

*Funding Sources:* General Fund, Planning Department Budget

- b. The Town will continue to provide information at Town Hall regarding the numerous Senior Centers in San Mateo County that offer assistance in home repairs. Some of these programs offer subsidized services and others maintain a list of skilled workers who charge below market rates. The information also includes San Mateo County's Home Repair Program to assist low and moderate homeowners in rehabilitating their residences. The Town will occasionally publicize the availability of these services in the Town newsletter.

*Time frame for implementation:* Ongoing (Long-term Action)

*Agency/Official responsible for implementation:* Planning Department

*Proposed Measurable Outcomes:* N/A

*Funding Sources:* General Fund, Planning Department Budget

- c. The Town will continue to support the County Property Tax Postponement Program, which provides seniors with a means of postponing property tax payment. This program has the benefit of extending the length of time they can remain in their homes. Inquiries will be directed to the County Tax Collector's Office and information regarding the program will be available at Town Hall and occasionally publicized in the Town's newsletter.
- d. The Town will create a plan to meet the needs of the growing senior population, which will double over the next decade and a half. The vast majority of seniors want to age in place, or remain in their current home or in their community as long as possible. Older seniors may have mobility limitations or may not be able to drive. These factors present unique challenges in Atherton. The best way to identify the necessary changes to ensure that Atherton is senior friendly is to conduct a thoughtful process, receiving input from various stakeholders and then identifying the policies and programs which are right for Atherton.

*Time frame for Implementation:* January 2017 (Short-Term Action)

*Agency/Official responsible for implementation:* Planning Department

*Proposed Measurable Outcomes:* Senior Friendly Atherton Plan

*Funding Sources:* General Fund, Planning Department Budget

### 3.722      **Disabled and Developmentally Delayed Persons**

- a.**      Continue to review new residential developments and major remodels for compliance with the Americans with Disabilities Act (ADA).

*Time frame for implementation:* Ongoing (Long-term Action)

*Agency/Official responsible for implementation:* Building Department

*Proposed Measurable Outcomes:* N/A

*Funding Sources:* General Fund, Building Department Budget

- b.**      Continue to support the County Housing Accessibility for Disabled Persons program at the Center for the Independence of the Disabled. The Town will direct inquiries for house modifications for the disabled to the County program. Public information regarding the program will be available at Town Hall and occasionally publicized in the Town's newsletter.

*Time frame for implementation:* Ongoing (Long-term Action)

*Agency/Official responsible for implementation:* Planning Department

*Proposed Measurable Outcomes:* N/A

*Funding Sources:* General Fund, Planning Department Budget

- c.**      Work with the Golden Gate regional center to implement an outreach program that informs families within the City on housing and services available for persons with developmental disabilities. The program could include the development of an informational brochure, including information on services on the City's website, and providing housing-related training for individuals/families through workshops.

*Time frame for implementation:* Development of Outreach Program by 2016

*Agency/Official responsible for implementation:* Planning Department



*Proposed Measurable Outcomes: N/A*

*Funding Sources: General Fund, Planning Department Budget*

**3.723**      **Equal Housing Opportunity**

- a.**      Refer complaints of discrimination in housing access based on race, religion, national origin, age, sex, marital status or physical handicap, and other arbitrary barriers that prevent choice of housing to groups such as the Project Sentinel. The Town will disseminate fair housing information at Town Hall, the Atherton Library, and the Permit Center. In addition, an article containing fair housing information will be published annually in The Athertonian, a Town newsletter that is mailed to all residents in Town.

*Time frame for implementation: Article to be printed annually. Other activities ongoing (Long-term Action)*

*Agency/Official responsible for implementation: Planning Department*

*Proposed Measurable Outcomes: N/A*

*Funding Sources: General Fund, Planning Department Budget*

**3.724**      **Emergency Shelters, Transitional and Supportive Housing**

- a.**      Continue to support the possibility of Emergency Shelters, Transitional Housing, and Supportive Housing in Atherton

*Timeframe for implementation: Ongoing*

*Agency/Official responsible for implementation: Planning Department*

*Funding Sources: N/A*

**3.730**      **Consistency with State Requirements**

**3.731**      **Energy Conservation**

- a.**      Continue to require compliance with Title 24 of the State's Building regulations. In addition, disseminate energy conservation information available from other agencies, such as PG&E's solar subsidy program and energy audits.

*Time frame for implementation: Ongoing (Long-term Action)*

*Agency/Official responsible for implementation:* Building Department

*Proposed Measurable Outcomes:* N/A

*Funding Sources:* General Fund, Building Department Budget

- b.** Continue to support Green Building in Atherton through upholding the Green Building Ordinance.

*Time frame for implementation:* Ongoing

*Agency/Official responsible for implementation:* Building Department

*Proposed Measurable Outcomes:* N/A

*Funding Sources:* General Fund, Building Department Budget

- c.** Continue to promote energy conservation through energy audits, participation in PG&E and Cal Water programs and encouraging energy conserving retrofits in homes.

*Time frame for implementation:* Ongoing (Long-term Action)

*Agency/Official responsible for implementation:* Building Department

*Proposed Measurable Outcomes:* N/A

*Funding Sources:* General Fund, Building Department Budget

- d.** Ensure that the City is in compliance with State Health and Safety Code Sections 17021.5, which concerns employee housing that serves six or fewer employees.

*Time frame for implementation:* 2018

*Agency/Official responsible for implementation:* Planning Department

*Proposed Measurable Outcomes:* N/A

*Funding Sources:* General Fund

### **3.740 Other Housing Programs**

#### **3.741 Shared Housing**

- 
- a. The Town will continue to support the Human Investment Program (HIP), a non-profit organization that matches people needing housing and people owning a home who desire additional income and/or companionship. The Town will make information about the Home Sharing program available at Town Hall and will publicize the effort through the Town's newsletter. (Home sharing does not count toward the Town's Housing Needs Allocation.)

*Time frame for implementation:* Ongoing (Long-term Action)

*Agency/Official responsible for implementation:* Planning Department

*Proposed Measurable Outcomes:* 1 - 2 home-share matches each year

*Funding Sources:* General Fund, Planning Department Budget

## Quantified Objectives

	New Construction	Rehabilitation	Conservation/ Preservation
Ext Low Income	31	5	n/a
Very Low Income	31	2	n/a
Low Income	31	3	n/a
Moderate Income	37	1	n/a
Above Mod Income	3	49	n/a

New construction represents Menlo College, Menlo School and Second Units. Rehabilitation based on an average of 60 permits per year and allocated based on US Census household income estimates.

### 3.800

## EFFORTS TO ACHIEVE PUBLIC PARTICIPATION

Extensive public participation is an essential component to the housing element update process. During this Planning Period, Atherton has made a major effort to involve current and potential beneficiaries of housing programs and services and their advocates (e.g. lower-income representatives, tenants of affordable complexes groups targeted for special housing needs consideration, community based organizations, health and human service providers, homeless shelter and service providers) in the update process. Various community stakeholders including neighborhood leaders, local businesses, employers and environmentalists have been invited to participate. The participation of development professionals including local builders, for- and non-profit developers, architects, trade labor unions, realtors, mortgage bankers and brokers, area lenders, and others has been requested.

Atherton participated in the 21 Elements-coordinated outreach activities from October 2013-April 2014. 21 Elements facilitated four panel presentations and discussion with advocates representing people with developmental disabilities and other special needs, affordable housing developers and advocates, and funders. The panelists discussed their perspective on the unique housing needs of San Mateo County, and provided some policy suggestions.

The process was started with a public meeting in the evening on November 19, 2013. Approximately 12 community members attended. Key lessons from the meeting were that senior housing is an important topic for residents. Many residents feel passionately that they want to continue to live in Atherton as they age. Some are worried that their current houses do not meet their needs and are looking for options to stay.

Additionally, there was a Planning Commission meeting on August 27<sup>th</sup>, 2014. The workshop focused on State housing element statutory requirements and strategies for compliance. Current and potential beneficiaries of housing programs and services, community stakeholders and development professionals were invited to attend and participate. Notice was also mailed to every Town resident and a notice was published in The Almanac, the local newspaper of general circulation in Atherton.

Over 40 housing organizations and individuals were sent specific invitations to the community meeting on the Housing Element Update as well as to Planning Commission and City Council meetings. Examples of organizations that represent and serve lower income households include MidPen Housing, Habitat for Humanity (Peninsula Affiliate), InnVision Shelter Network, La Raza Centro Legal and the Housing

---

Leadership Council of San Mateo County. Community meetings were taped and detailed minutes were kept. Suggestions were analyzed and, where appropriate and relevant, were incorporated into the draft element.

Copies of a summary of the draft were circulated to and comments requested from local citizens, affordable housing advocates and other interested parties. The draft was available upon request. The distribution list included:

- Mid-Peninsula Housing Coalition
- Human Investment Project
- Housing Leadership Council
- Center for the Independence of the Disabled
- Samaritan House
- Peninsula Policy Partnership—Housing Action Team
- C.A.L.L. Primrose Center
- Shelter Network
- C/CAG (City/County Association of Governments)
- SAMCAR (San Mateo County Association of Realtors)

In addition, the draft summary and public hearing information was disseminated in the following ways:

- An article was published in the Athertonian, a Town sponsored newsletter that is mailed to every household in Atherton describing the Element and inviting residents to Planning Commission and City Council public hearings.
- Press Release- a press release went to all local newspapers
- Letters of invitation to all housing-related institutions that the Town has worked with such as Shelter Network, Samaritan House, Human Investment Project, C.A.L.L. Primrose Center, SAMCEDA, Mid-Peninsula Housing Coalition, Center for the Independence of the Disabled, and Housing Leadership Council.
- Posting in City Hall
- Mailing to the City Council and Planning Commission
- Mailing to the school district
- Distributed to the Police Department

In addition to the meetings described above, the Town held noticed public hearings on the draft Update on September 16, 2014. At the conclusion of the hearings the Planning Commission recommended that the City Council forward the Draft Housing Element to the California Department of Housing and Community Development for review and comment. City Council held a public hearing on October 15<sup>th</sup> and authorized the Housing Element to be sent to the Department of Housing and Community Development. Planning Commission reviewed the document on February 25<sup>th</sup>, 2015 and recommended that City Council adopt it. City Council held a hearing on March 18<sup>th</sup>, adopted the Housing Element, and directed that a copy be sent to HCD for certification.

---

Encouraging the community and organizations and service providers representing lower income households is important in developing, adopting and implementing an effective housing element. The Town will continue to engage the community through the adoption of the housing element, by making revisions available with sufficient notice to comment and considering and incorporating comments, where appropriate.