City of Foster City

Housing Element

2015 – 2023

Planning Period

Adopted February 2, 2015

Housing Element

Introduction

Purpose of the Housing Element

The Housing Element of the Foster City General Plan identifies and addresses housing needs in the City. State law requires that the Housing Element be updated every eight years to be responsive to changing conditions, new laws, State law requirements and updated regional "fair share" Housing Needs Determinations. This Housing Element for the 2015-2023 planning period is an update of the City of Foster City's previous Housing Element for 2007-2014, which was adopted by the City Council in February 2010 and certified by the State of California Department of Housing and Community Development (HCD) in April 2010.

The Housing Element is consistent with the Land Use and Circulation, Parks, Open Space and Conservation, and other elements of the Foster City General Plan. The next required update to the Housing Element is due by January 31, 2023. (If the Housing Element is not revised and adopted within 120 days of the due date of January 31, 2015, then the next element would be due within four years by January 2019.) This current revision of the Housing Element has a planning period from January 31, 2015 through January 31, 2023.

Overview of 2007-2014 Housing Element Accomplishments

This Housing Element builds upon the successes of the City's 2007-2014 Housing Element. While in some cases, time and opportunity hindered the accomplishment of some programs, most programs have been implemented to at least some extent. This is described in more detail in the appendices, which include a matrix that lists all of the 2007-2014 Housing Element programs and describes whether the program has been achieved and if it should be retained, deleted or modified. Some of the particularly noteworthy accomplishments of the 2007-2014 Housing Element include:

Miramar and Marlin Cove

(1) **Regional Housing Needs.** For the 2007-2014 planning period, the City was required to plan for a minimum of 486 units. Between 2007 and the end of 2013, the City added 307 dwelling units including 60 below market rate units, which equates to 63% of the total housing need.

(2) **Approval of New Mixed Use Developments**. The City approved the mixed use Pilgrim Triton Master Plan and the Foster Square Master Plan to create two new mixed use developments that will include up to 1,061 new housing units. Both developments will include 20% affordable housing. The City and/or Community Development Agency contributed funds to support the affordable housing.

(3) **First Time Homebuyer Program.** The First Time Homebuyer loans provide a 30-year second mortgage at 3% interest with the interest and payments deferred for the first 5 years. Although no new loans were issued after March 2011 due to the termination of the Community Development Agency and associated funding, as of June 1, 2014, a total of 33 loans have been made, with eight loans still outstanding. A total of $2,073,625 has been loaned.

(4) **Housing Endowment and Regional Trust (HEART).** The City continued its participation in the Housing Endowment and Regional Trust (HEART), which raises funds from public and private sources to meet critical housing needs in San Mateo County. As of July 2013, Foster City has contributed $79,682 to HEART.

(5) **Existing Unit Purchase Program.** Additional units were purchased to be rented to very low- and low-income families. The City has an inventory of six units that are part of this program.

(6) **Homeshare Program**. From 2007 to September 2013, 53 low-income residents were placed in shared housing arrangements.

(7) **Anti-Discrimination Ordinance**. Chapter 5.72, Tenant Anti-Discrimination, was added, prohibiting discrimination against existing tenants based on source of income.

(8) **Reasonable Accommodation**. Chapter 17.84, Reasonable Accommodation, was adopted, providing a procedure to review requests for reasonable accommodation.

(9) **Emergency Shelter Zoning**. Chapter 17.82, Emergency Shelters, was adopted, establishing standards for emergency shelters for the homeless and various other zoning districts were amended to allow emergency shelters for the homeless by right without a discretionary approval.

(10) **Transitional and Supportive Housing**. Definitions were added to Title 17 for transitional and supportive housing and various zoning districts were amended to allow transitional and supportive housing without a discretionary approval.

(11) **Density Bonuses**. Chapter 17.86, Density Bonuses, was adopted, establishing standards for density bonuses and other incentives for the provision of affordable housing, in accordance with State law.

(12) **21 Elements.** As part of this Housing Element, the City has been involved in a unique, collaborative effort involving all 21 jurisdictions in San Mateo County. The project, known as “21 Elements,” has included two phases. The first phase involved collaboration among all of the jurisdictions to distribute the regional housing needs allocation (RHNA) for the county as a whole amongst all the jurisdictions. The second phase has involved the preparation of background materials as part of a Housing Element update kit for use by all of the jurisdictions in San Mateo County.

The Vision of Foster City as Presented in the Housing Element

The Housing Element plays a critical role in identifying housing needs, which maintain the "balance" that exists in the types, tenure and affordability of housing in the City. The Housing Element also establishes programs to maintain and protect existing housing and community character in order to:

Maintain the Existing Quality of Life

- Maintain the integrity and high quality living environment of the City's residential neighborhoods.
- Protect aesthetics and continue the emphasis that Foster City is a "master-planned" City.
- Protect existing affordable housing.

Provide Affordable Housing

- Respond to the need for additional housing by considering housing in potential mixed-use commercial/residential sites or potential re-use of existing commercial sites.
- Respond to the need for affordable housing by providing incentives and assistance where appropriate to create new affordable units, convert existing market-rate units into affordable units, acquire existing units and rent them at affordable levels, or provide rental subsidies toward rental of existing units.

Address Other Housing Issues

- Address the housing needs of special populations (e.g., elderly, homeless, disabled, developmentally disabled, single-parent households).

The General Plan serves as the ‘constitution’ for development in the city. It is a long-range planning document that describes goals, policies and programs to guide decision-making. All development-related decisions must be consistent with the City of Foster City General Plan, of which the Housing Element is but one part. If a development proposal is not consistent with a city’s general plan, it must be revised or the plan itself must be amended. State law requires a community’s general plan to be internally consistent. This means that the Housing Element, although subject to special requirements and a different schedule of updates, must function as an integral part of the overall Foster City General Plan, with consistency between it and the other General Plan elements.

The Housing Element is consistent with all of the goals and policies contained in the other elements of the City of Foster City General Plan. In particular, policies related to land use designations, infrastructure

capacity (transportation, services, etc.), and environmental protection are consistent with the housing sites and quantified objectives contained in the Housing Element. Specific programs in the Housing Element to modify the Zoning Ordinance, such as provisions to remove or reduce constraints to the production of housing, are also consistent with the General Plan.

State Law Requirements for Housing Elements

State law requires each city and county to adopt a general plan containing at least seven elements including a housing element. Regulations regarding Housing Elements are found in the California Government Code Sections 65580-65589. Unlike the other mandatory general plan elements, the housing element is required to be updated every eight years and is subject to detailed statutory requirements and mandatory review by the State of California Department of Housing and Community Development — HCD. Bay Area Housing Elements must be updated within 120 days of the January 31, 2015 deadline or be subject to a four year update requirement. According to State law, the Housing Element must:

- Provide goals, policies, quantified objectives and scheduled programs to preserve, improve and develop housing
- Identify and analyze existing and projected housing needs for all economic segments of the community.
- Identify adequate sites that will be zoned and available (prior to housing element adoption) within the 8 year housing cycle to meet the city's fair share of regional housing needs at all income levels
- Be internally consistent with other parts of the General Plan (and is critical to having a legally adequate General Plan)
- Be submitted to the State Department of Housing and Community Development (HCD) to determine if HCD "certifies" the Housing Element is in compliance with state law.

Several new requirements have been imposed since the last Housing Element. The new requirements are summarized below and described in more detail in the appendices:

- Housing Element cycle and planning period is now 8 years for most jurisdictions.
- Jurisdictions that do not adopt their housing element (in accordance with Government Code Section 65585) by the January 2015 deadline (plus 120 day grace period) are required to update their housing element every four years.
- The housing needs section must now include an analysis of the special housing needs of people with developmental disabilities.
- Jurisdictions whose population increased from under 25,000 to over 25,000 now have a default density of 30 dwelling units per acre. In San Mateo County, only Belmont is affected. (Default density refers to the zoning level where the available land inventory may assume - without additional analysis - that the zoning is appropriate for lower income housing.)
- Implementation programs must have timelines.

- Rezonings to meet adequate sites must happen within specific timeframes. In many cases the timeframe is three years plus 90 days after receiving HCD comments, with a possible one-year extension.
- There are now two more potential consequences for jurisdictions that committed to rezone but did not do so:
    - If a jurisdiction commits to the rezoning of a site and fails to do so within the specified period, a housing developer has the right to build an affordable project on the site as if it had been rezoned. In this case, affordable means at least 49 percent of the units must be low or moderate-income housing. To turn down the application, local governments must make findings that there is a ”specific, adverse impact,” and the only “feasible method” to mitigate the impact would be to deny the project. Courts can enforce the builder’s remedy.
    - Action to Compel – Any interested party may sue a jurisdiction to enforce compliance. Judges may compel jurisdictions to change their zoning and impose sanctions if it is not done.
- Jurisdictions now have more flexibility on the timing to commit assistance to an affordable housing project and count those units against the RHNA.
- The minimum size for RHNA credit for converting rental units to affordable units dropped from four to three.
- Jurisdictions can now receive credit if they convert market rate condominiums to affordable rental properties under some conditions.
- Converting foreclosed homes to affordable homes can now qualify for RHNA/alternative adequate sites credit, under some conditions.
- Cities are now officially encouraged to include weatherization and energy efficiency improvements as part of publicly subsidized housing rehabilitation projects.
- Cities are now allowed to report units that were rehabilitated, conserved or preserved (and met state requirements) as part of the annual report process.
- Housing element progress must be considered by City Council (or comparable legislative body).

State Law establishes detailed content requirements for housing elements and requires a regional “fair share” approach to distributing housing needs. State Housing Element law recognizes that in order for the private sector to address housing needs and demand, local governments must adopt land-use plans and implementing regulations that provide opportunities for, and do not unduly constrain, housing development.

State law regarding Housing Elements was changed in 2004 to allow cities within a county to join together to form a “sub-region,” which would administer the State mandated RHNA process at the local level. This law allows the sub-region to receive the sub-regional collective housing allocation from ABAG and then decide and implement its own methodology to divide the allocation among the member cities and county. In turn, the sub-regional RHNA process is used to establish the housing need numbers for each jurisdiction’s Housing Element update. For the current Housing Element update, the County of San Mateo, in partnership with all twenty cities in the County, formed a sub-region responsible for completing its own RHNA process and distributing the housing need numbers to the individual cities.

Why Housing Is Important: Key Findings

The "housing crisis" in the Bay Area has been an evolving phenomenon over the past 35 years as high demand (and need) has continually exceeded supply and affordability. There has been a substantial movement in the Bay Area, intensified by concerns about climate change, to find ways to grow sustainably -- that is, to encourage regional development patterns that are more compact, transit-oriented, pedestrian-oriented, well-designed, and highly livable. A central focus of this movement — the very foundation for achieving a more sustainable and livable Bay Area — is rethinking the way in which we plan, design, rehabilitate, preserve and manage housing in conjunction with transportation systems, jobs and services.

- **About 26% of the City's Households Are Considered Lower Income.** The exact income category of a household is dependent upon the size and overall income of the household. In a general way, about 8% of the households in Foster City are estimated to be extremely low income, 6% are estimated to be very low income, 12% are estimated to be low income, 9% are estimated to be moderate income, and the remaining 65% are estimated to be above moderate income.

- **Market Rate Ownership Housing Continues to be Affordable Only to Above Moderate Income Households.** Market rate for sale housing is only affordable to above moderate-income households. The median price for a single-family home in Foster City in 2012 was $1,000,000, and the median price for a common interest development in Foster City in 2012 was $570,000.

- **Market Rate Rental Housing is Generally Affordable to Moderate Income Households.** While rents in Foster City are generally among the highest in the county for various size units, a good portion of market rate rental housing is affordable to moderate income households.

- **Foster City has Good Mix of Housing Types.** In 2013, the California Department of Finance estimated that there are 12,458 housing units in Foster City. Of these, Foster City has a good mix of housing types with about 38% of the units being single family detached homes, 20% single family attached, 7% in structures of 2-4 units, and 35% in structures with 5 or more units.

- **The Senior Population in San Mateo County is Projected to Increase By 76 percent between 2005 and 2025.** According to the San Mateo County Health Department and other sources, the numbers of seniors in the population will increase significantly over the next several decades, with older seniors seeing the largest growth. In the year 2030, seniors will be more diverse than today, with the greatest increase in Latino and Pacific/Asian. San Mateo County is an expensive place for seniors, and has the highest cost of living of anywhere in the state for seniors who rent. Most seniors, 93 percent in some surveys, prefer to age in place (stay in their homes as they age) or stay in their community.

Foster City Art and Wine Festival

Definitions of Housing Terms

- **Above Moderate Income Households:** Defined by California Housing Element Law households earning over 120% of the median household income. As of February 2014, a family of four earning more than $123,600 per year was considered above moderate income.

- **Accessible Housing:** As defined by HCD. units accessible and adaptable to the needs of the physically disabled.

- **Affordable Housing**: Affordable housing, for the purposes of the Housing Element, refers to housing that is affordable to households at extremely low income, very low income, low income, and moderate-income levels. Generally, housing that costs less than 30% of household income is considered affordable to these groups.

- **Developmental Disability:** As defined by the California Code of Regulations (Title 17, Section 54000), a developmental disability attributable to any of the following conditions: mental retardation. cerebral palsy, epilepsy, autism; or other disabling conditions found to be closely related to mental retardation or to require treatment similar to that required for individuals with mental retardation. In addition the disability must originate before an individual becomes 18 years old and can be expected to continue, indefinitely, and constitutes a “substantial disability” for that individual as defined by the California Code of Regulations (Title 17, Section 54001).

- **Emergency Shelter.** As defined by Health and Safety Code Section 50800-50806.5, emergency housing is housing with minimal supportive services for homeless persons and is limited to occupancy of six months or less for each individual. No individual or household may be denied emergency shelter because of an inability to pay.

- **Extremely Low Income Households:** Government Code Section 65583(a) now requires local housing elements to provide “Documentation of projections and a quantification of the locality's existing and projected housing needs for all income levels, including extremely low income households (GC 65583 (a)(1)).” Extremely low income are households earning less than 30% of the median household income, as defined by HUD’s income limits. An extremely low-income for a family of four in

San Mateo County as of February 2014, would earn less than $33,950 per year.

- **Housing Affordability:** Housing is generally considered affordable if a household spends no more than 30% of its gross household income on housing costs, including utilities, principal and interest. The following examples illustrate housing affordability:

  - A cook earning $29,247 per year can afford $731 per month for housing;
  - A two wage-earner household with a cook earning $29,247 and a retail salesperson earning $28,327 can afford $1,400 per month for housing;
  - A schoolteacher earning $66,590 per year can afford $1,665 per month for housing;
  - A police officer or fire fighter earning $97,487 per year can afford up to $2,437 per month for housing.
  - None of these example households would be able to afford to purchase the San Mateo County median condominium, costing $579,418 or the median single-family home, costing $1,246,121 (SAMCAR).

- **Housing Density:** The number of dwelling units per acre of land. Gross density includes all the land within the boundaries of a particular area and excludes nothing while net density excludes certain areas such as streets, open spaces, easements, water areas, etc.

- **Housing First:** "Housing First" is an approach that centers on providing homeless people with housing quickly and then providing services as needed. What differentiates a "Housing First" approach from other strategies is the immediate and primary focus on helping individuals and families quickly access and sustain permanent housing. The "Housing First" model offers an alternative to emergency shelter or transitional housing for homeless individuals, but does not eliminate the City's need to zone for such uses.

- **Income Limits:** Income limits establish a schedule to determine eligibility for subsidized housing and define the categories used in regional housing needs allocations. Income limits are updated annually by the California Housing and Community Development Department (HCD) and the U.S. Department of Housing and Urban Development (HUD) for San Mateo County, with "Extremely Low Income", "Very Low Income" and "Low Income" schedules published by both agencies. For additional information, see the HUD website at www.huduser.org/dataset/il.html and San Mateo County Department of Housing website at http://www.co.sanmateo.ca.us/portal/site/housingdepartment/.

San Mateo County 2013 Household Income Schedule

	Lower Income			*Moderate Income*		*Above Moderate Income*
Family Size	**Extremely Low 30%**	**Very Low 50%**	**Lower 80%**	**Median 100%**	**Moderate 120%**	
1	$23,750	$39,600	$63,350	$72,100	$86,500	>$86,500
2	$27,150	$45,250	$72,400	$82,400	$98,900	>$98,900
3	$30,550	$50,900	$81,450	$92,700	$111,250	>$111,250
4	$33,950	$56,550	$90,500	$103,000	$123,600	>$123,600
5	$36,650	$61,050	$97,700	$111,250	$133,500	>$133,500
6	$39,400	$65,600	$104,950	$119,500	$143,400	>$143,400

Source: California Department of Housing and Community Development (HCD)

- **Jobs/Housing Balance:** This refers to the ratio of the number and types of jobs in a community with the availability and affordability of housing. An appropriate balance is commonly thought to be between 1.0-1.5 jobs for every housing unit. However, the issue is more complex when a community strives to reduce in-commuting and provide a more suitable mix of jobs to local residents. Other factors include the types of jobs and the salaries paid, number of employed people in the community, affordability of housing relative to the income of people working in local jobs, and household size and income. Affordable housing strategies strive to create opportunities for local workers, especially those employed in service and retail jobs, to find local housing which fits their household needs in terms of type, affordability, amenities and location. Foster City has a jobs/housing ratio of approximately 1.5 (18,544 jobs in 2011 per US Census on the Map/12,458 housing units per California Department of Finance).

- **Low Income Households:** California Health and Safety Code Section 50079.5 provides that the low-income limits established by the U.S. Department of Housing and Urban Development (HUD) are the state limit for low-income households. HUD limits for low-income households are generally households earning 50-80% of the median household income, adjusted for family size, with some adjustment for areas with unusually high or low incomes relative to housing costs. As of February 2014, a family of four earning between $56,550 and $90,500 per year was considered low income.

- **Median Household Income:** The middle point at which half of the City's households earn more and half earn less. Income limits are updated annually by the U.S. Department of Housing and Urban Development (HUD) for San Mateo County. For many State and local programs, State Department of Housing and Community Development (HCD) income eligibility limits are used. HCD income limits regulations are similar to those used by HUD. In 2014, the HCD median household income for a family of four in San Mateo County was $103,000.

- **Moderate Income Households:** Defined by Section 50093 of the California Health and Safety Code as households earning 80-120% of the median household income. As of February 2014, a family of four earning between $90,500 and $123,600 per year was considered moderate income.

- **Overpayment for Housing:** Households are considered to be overpaying for housing if they spend more than 30 percent of their income on rent or mortgage payments. Approximately 38.3% of owners and 38.4% of renters in Foster City were overpaying for housing in 2011 (American Community Survey 2009-2011).

- **Persons per Household:** Average number of persons in each household.

- **Regional Housing Needs Allocation (RHNA):** Within each Housing Element, the State mandates that local governments plan for their share of the region's housing need for all income categories. For the 2015-2023 Housing Element update, the County of San Mateo, in partnership with all twenty cities in the County, formed a sub-region responsible for completing its own RHNA. The RHNA for Foster City is shown below:

Foster City Regional Housing Needs Allocation (RHNA) for 2014-2022

Income Level	Units	Percent
Very Low	148	34%
Low	87	20%
Moderate	76	18%
Above Moderate	119	28%
Total	430	100%

- **Residential Care Facilities**: There are a variety of residential care facilities that address the needs of special segments of the population, including special care for the chronically ill, seniors, special need adults or youths, etc. The California Department of Social Services, Community Care Licensing Division, issues licenses for residential facilities that provide 24-hour non-medical care for children, adults and the elderly.

- **Secondary Dwelling Unit:** Generally defined as a dwelling unit on a residential lot in addition to a primary dwelling. A secondary dwelling unit provides independent living facilities for one or more persons and includes permanent provisions for living, sleeping, cooking and sanitation. Secondary dwelling units are also called granny units, in-law units, or accessory dwelling units.

- **Senior Housing.** Defined by California Housing Element law as projects developed for, and used as housing for senior citizens. Senior housing is based on: (1) if the U.S. Department of Housing and Urban Development (HUD) has determined that the dwelling is specifically designed for and occupied by elderly persons under a Federal, State or a local government program; (2) if it is occupied solely by persons who are 62 or older; or, (3) if it houses at least one person who is 55 or older in at least 80 percent of the occupied units, and adheres to a policy that demonstrates intent to house persons who are 55 or older. Under Federal law, housing that satisfies the legal definition of senior housing or housing for older persons described above can legally exclude families with children..

- **Supportive Housing.** Defined by California Housing Element law as persons with low incomes who have one or more disabilities, including mental illness, HIV or AIDS, substance abuse, or other chronic health condition; or individuals eligible for services provided pursuant to the Lanterman Developmental Disabilities Services Act(Division 4.5 (commencing with Section 4500) or the Welfare and Institutions Code). Supportive housing is permanent rental housing linked to a range of support services designed to enable residents to maintain stable housing and lead fuller lives. This type of housing has no limit on length of stay, and is linked to onsite or offsite services that assist the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community.

- **Target Population**: Defined by California Housing Element law as persons with low incomes who have one or more disabilities, including mental illness, HIV or AIDS, substance abuse, or other chronic health condition; or individuals eligible for services provided pursuant to the Lanterman Developmental Disabilities Services Act (Division 4.5 (commencing with Section 4500) of the Welfare and Institutions Code) and may include, among other populations, adults, emancipated minors, families with children, elderly persons, young adults aging out of the foster care system, individuals exiting from institutional settings, veterans, and homeless people.

- **Transitional Housing.** Defined by California Housing Element law as buildings configured as rental housing developments but operated under program requirements that call for the termination of assistance and recirculation of the assisted unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six months. The time limits on transitional housing are intended to facilitate the movement of homeless individuals and families to permanent housing. A homeless person may live in a transitional apartment for up to two-years while receiving supportive services that enable independent living.

- **Very Low Income Households:** California Health and Safety Code Section 50079.5 provides that HUD very-low income limits are used, which are households earning between 30% and 50% of the median household income (adjusted as described for low-income households above). As of February

2014, a family of four earning less than $56,550 per year but more than $33,950 per year in San Mateo County would be considered very low income.

- **Workforce Affordable Housing:** Housing that is affordable to the workforce in the community and earning a moderate income or below.

Process for Preparation of the Housing Element

Planning Commission study sessions have been the primary outreach and community workshop format for the Housing Element update process. For each of the public meetings, City staff circulated notices that briefly described the update process and schedule and topics that would be studied. The public, including all economic segments of the community, was advised of the Housing Element update study sessions in the following ways:

- Published notices in the Foster City Islander;
- Posted on Foster City website;
- Televised on Foster City TV Channel 27;
- Posted in public noticing locations (Library, Recreation Center, Post Office, Sea Cloud Park and Metro Center);
- Posted on electronic marquee at Leo J. Ryan Park;
- Emailed to people on the "Housing Element" email listserve (including people on the 21 Elements Stakeholder List); and,
- Emailed to people on the "Planning" email listserve.

A webpage has been created on the City's website to inform the public about the Housing Element Update and to provide background information. The webpage also provides a link to join the Housing Element Update listserve to receive notifications of meetings.

In addition, the process built upon the outreach conducted with housing advocate groups and affordable housing service providers as part of the 21 Elements process. At the request of local jurisdictions, 21 Elements organized four panels of experts to provide information and policy suggestions on affordable housing and special needs populations. Several themes emerged from all the panels. Many speakers talked about the importance of multi-family housing in mixed-use, transit-oriented neighborhoods. This type of development is necessary because it accommodates seniors and people with disabilities who cannot depend on cars for transportation. The reduced dependence on cars and increased density also helps meet sustainability goals. Additionally, many jurisdictions in San Mateo County have little or no vacant land and therefore cannot meet their RHNA requirements without rezoning. Panelists also discussed the importance of adding predictability to the development process and the necessity of removing excessive regulations to encourage development. A more detailed summary of the panels is contained in the Appendices. The list of panels and panelists is shown below.

Developmental Disabilities, October 2013
Golden Gate Regional Center, Preston Lam, Bill Pickel and Gabriel Rogin

Developers, December 5, 2103
Mercy Housing, Tim Dunn
MidPen Housing Corporation, Nevada Merriman
Habitat for Humanity, Deven Richardson
Van Meter Williams Pollack, Rick Williams

Bridge Housing, Brad Wiblin

Advocates and Funders, February 6, 2014
Vu-Bang Nguyen, Silicon Valley Community Foundation
Heather Hood, Enterprise Community Partners
Josh Hugg, Housing Leadership Council – San Mateo
Karyl Eldridge, Peninsula Interfaith Action
Melissa Morris, Law Foundation of Silicon Valley
Paul Campos Building Industry Association

Special Needs and Sustainability, April 10, 2014
Kate Harr, HIP Housing
Pam Cohen, Disability Rights California
Adrienne Etherton, Sustainable San Mateo
Melissa Platte, Mental Health Association of San Mateo County
Brian Greenberg, InnVision Shelter Network

Views of the lagoons

Housing Background

Housing Trends

- **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. Foster City currently is home to approximately 2,400 seniors. 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 than the County's housing supply will only meet one third to one half of the demand. While Foster City is expected by ABAG to lose jobs between a high of 18,480 in 2000 and 16,190 in 2025, the City's RHNA still requires accommodating the County's low-to-moderate income workers.

- **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 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.

- **Increase of people with developmental disabilities.** Aging baby boomers will be unable to care for their children with developmental disabilities. Almost three quarters of people with

developmental disabilities live with a parent or caregiver and many of these caregivers are baby boomers. This trend is also going to be factor in the increased need for community-based independent living options.

Housing Characteristics

- **As of January 2013, Foster City had a total population of 31,120.** According to census data, Foster City grew by four percent from 2000 to 2012. ABAG predicts Foster City's population will continue to grow over the next two decades, reaching 33,000 in 2030.

- **Foster City's housing stock is mostly comprised of single-family attached and detached homes.** Foster City has approximately 12,500 homes, 60 percent of which are owner-occupied.

- **More than a quarter of Foster City's households are lower-income.** Foster City's median household income is approximately $120,000 (in 2011), which is quite a bit higher than countywide averages. However, more than 25 percent of Foster City's population is lower income. Specifically, eight percent are extremely low income.

- **Seniors in Foster City have much lower incomes than the general population**. While almost a third of seniors make more than $100,000, almost a third also make below $30,000. Nine percent of seniors in Foster City are below the poverty line, which is higher than the six percent in the county at large.

- **For-sale housing prices are rising rapidly and are unaffordable to many households.** The median price for a single family home in Foster City in 2012 was $1,000,000, and the median price for a common interest development in Foster City in 2012 was $570,000. Prices have continued to rise -- as of October 2013, the median sales price for a single-family home was over $1.1 million, while the price for a multi-family home was over $600,000. Single people and families earning a moderate income or below fall far short of being able to afford these prices.

- **Rents have increased significantly in the past several years.** Rents in Foster City have mostly been rising since 2010 and are generally unaffordable for households making below a moderate income.

- **Many households are overpaying for housing.** Almost all households earning less than $35,000 annually, and many of the households earning more, are overpaying for housing (paying more than 30% of their income for housing).

- **Special housing needs for people with developmental disabilities**. People with developmental disabilities in San Mateo County have various diagnoses. The common ones are mental retardation, Down's Syndrome, autism, epilepsy, and cerebral palsy. Data provided by the Golden Gate Regional Center indicates that of the 149 people with developmental disabilities in Foster City, almost all (75%) live with a parent or legal guardian.

- **Increasing Numbers of People with Autism**. A large number of people with developmental disabilities have autism. They have been brought up as independent members of the community and want to remain independent and involved in the community. There is an anticipated coming need to supply community-based independent living options for these individuals.

For additional background information on demographics, housing characteristics and housing needs for specific populations, see the Housing Needs Assessment contained in the Appendices.

Assisted Rental Housing "At Risk" of Conversion

Introduction

State law requires the analysis of, and a program for, preserving assisted housing developments and at-risk units that could be lost over the next ten years and adequately planning for preventing or minimizing tenant displacement and reduction in the local affordable housing stock. At-risk units are defined as multifamily rental housing complexes that receive government assistance and which are eligible to convert to market-rate due to the expiration of some types of affordability restrictions, such as termination of subsidy contract, mortgage prepayment, or expiring use restrictions. The following at-risk analysis covers the 10-year period between 2015 and 2025.

Inventory of Affordable Rental Housing Units Receiving Government Assistance

The following table inventories all the government assisted rental properties in the City, not including Section 8 vouchers used for individual unit rental subsidies that are dispersed throughout the City.

Government Assisted Rental Properties in Foster City

Name of Project	Address	Target Group	Target Level	Assisted Units
Fosters Landing	Bounty Drive	Small & Large Families, Elderly	Very low, low, moderate	74
Metro Senior Apartments	101 Town Green Ln. & 100 Village Ln.	Elderly	Very low, low	60
Marlin Cove	1000 Foster City Blvd.	General	Very low, moderate	84
Miramar	1288 E. Hillsdale Blvd.	General	Very low, moderate	48
Triton Plaza	One & Three Plaza View Lane	General	Very low, low, moderate	60
Existing Unit Purchase Program	Various	Large families	Very low, low	6
TOTAL				**332**

The following table inventories the publicly assisted complexes and their dates of expiration.

Dates of Expiration of Affordable Housing Assistance

Name of Project	Type(s) of Assistance*	First Expiration Date	Type of Conversion Risk
Fosters Landing	RDA subsidy payments	1/1/2021**	Restriction Expiration
Metro Senior Apartments	RDA Covenant Bonds	7/25/2050	Restriction Expiration
Marlin Cove	RDA Agency Grant & subsidy payments Bonds	RDA: Perpetuity Bonds: 2055	Not at Risk
Miramar	RDA Agency Grant Tax Credits	RDA: Perpetuity Tax Credits: 2032	Not at Risk
Triton Plaza	RDA Agency Subsidy	8/19/2068	Restriction Expiration
Existing Unit Purchase Program	RDA purchase & administration	None (not deed restricted)	Subject to City Council decision to sell

*RDA = Redevelopment Agency
**Until December 31, 2020, Fosters Landing must provide 74 below market rate units. The requirements then taper down, with fewer units each year, ending December 31, 2023.

Identification of Rental Units At-Risk of Conversion to Market Rate

The majority of Foster City's affordable housing inventory is at a low-risk with many of the existing developments secure in perpetuity. However, Foster's Landing, a large development for families and elderly residents with 74 affordable units, has a restriction agreement that will begin to expire on December 31, 2020. By January 2024, the developer will not be required to have any affordable units. These 74 units are considered to be at risk for conversion to market rate within the next ten years.

Fosters Landing Affordable Housing Obligations

	To 12/31/20	1/1/21-12/31/21	1/1/22-12/31/22	1/1/23-12/31/23
Very low-Elderly	11	0	0	0
Very low-Families (4 or fewer)	16	0	0	0
Very low-Large Families	3	0	0	0
Low or Moderate-Elderly	16	8	7	4
Low or Moderate-Families (5 or more)	23	13	11	5
Low or Moderate-Large Families (5 or more)	5	3	2	1
TOTAL	74	24	20	10

Preservation of Existing At-Risk Affordable Housing Stock

California state law requires that housing elements analyze options to preserve at-risk units. The following analysis compares various preservation methods and their costs.

Acquisition. One method to preserve affordable housing for the long term is to acquire the at-risk units or acquire a covenant restricting the units and partner with a local non-profit organization to manage the units. Another approach would be to acquire an equivalent number of units at another location and apply similar affordability restrictions to replace the at-risk units.

The 2013 sale of the Harbor Cove Apartments provides a benchmark to use for estimating the current market value of the 74 affordable at-risk units at Fosters Landing. Harbor Cove sold for $138 million for 400 units, or $345,000 per unit. The mix of one- and two-bedroom units is similar to Fosters Landing.

Market Value of At-Risk Multi-family Rental Units

Fosters Landing At-Risk Units	74
Per Unit Market Value[1]	$345,000
Estimated Market Value	$25,530,000

[1]Based on $138 million 2013 sales price for 400 units at Harbor Cove

Rental Assistance. Another method to preserve at-risk units is to substitute Section 8 or other rental subsidy funding. Such funding is not currently available and new funding sources would need to be secured. The City of Foster City does not have funds available to subsidize the rent for tenants to remain in their current at-risk units. The estimated total annual subsidy to maintain the units for very low-income households is estimated to be approximately $1,100,000 as indicated in the table below.

Rent Subsidies Required to Preserve At-Risk Multi-Family Rental Units in Fosters Landing

UNIT TYPE	#UNITS	AVG BMR RENT[1]	BMR RENTAL INCOME	AVG MARKET RENT[2]	MARKET RENTAL INCOME	RENT DIFFERENTIAL
VL 1BR	27	$ 914	$ 24,678	$ 2,267	$ 61,209	$ 36,531
VL 2 BR	17	$ 1,007	$ 17,119	$ 3,109	$ 52,853	$ 35,734
MOD 1BR	19	$ 1,797	$ 34,143	$ 2,267	$ 43,073	$ 8,930
MOD 2 BR	11	$ 2,139	$ 23,529	$ 3,109	$ 34,199	$ 10,670
Total	74		$ 99,469		$ 191,334	$ 91,865
Year 2013 Total						**$1,102,380[1]**

[1]Based on typical 2013 Below Market Rate (BMR) rents calculated pursuant to current methodology at 30% of the income limit for the category, less a utility allowance. Under Fosters Landing 1986 Affordable Housing Covenant, an older methodology is used, calculating each unit's rent at 30% of the household's income.
[2]Typical market rents for 2013 at Fosters Landing.

Construction of Replacement Units. When preservation is not feasible, the City may also consider the cost of producing new low-income housing units. The construction of new housing can vary greatly depending on location, density, unit size, construction material and on-site and off-site improvements. As indicated in the table below, assuming a development cost of $485/sq. ft., the estimated cost to replace 74 affordable at-risk units would be approximately $31 million.

Estimated Replacement Cost of Fosters Landing Units

Average Unit Size	Number of Units	Sq. Ft.	Development Cost per Unit	Total Cost of Replacement
1 BR	46	725	$351,625	$16,174,750
2 BR	28	1100	$533,500	$14,938,000
Total				**$31,112,750**

Source: Cost of $485/sq. ft. from Strategic Economics & Vernazza Wolfe, May 27, 2014.

The per unit replacement cost is similar to the per unit cost to produce a unit of affordable housing estimated by ABAG in "*Affordable Housing Funding Gap Analysis*," published February 19, 2014. The ABAG study estimated the range of cost per unit from $223,000 to $611,000 with an average of $349,000 per unit, based on a survey of 27 affordable housing developments built in the Bay Area between 2007-2012 representing a variety of project types.

Resources to Preserve At-Risk Units

Efforts by the City to retain affordable housing must be able to draw upon two basic types of preservation resources: organizational and financial. Pursuant to California Government Code Section 65863.11, owners of government-assisted projects cannot terminate subsidy contracts, prepay a federally-assisted mortgage, or discontinue use restrictions without first providing an exclusive Notice of Opportunity to Submit an Offer to Purchase. This Notice is required to be sent to Qualified Entities at least twelve months prior to sale or termination of use restrictions. Qualified Entities are nonprofit or for profit organizations or individuals that agree to maintain the long-term affordability of projects. HCD maintains a list of Qualified Entities who are interested in purchasing government-subsidized multifamily housing projects. The list is periodically updated. A number of qualified agencies are listed in the table below.

Selected List of Qualified Entities, 2013

Organization	City	Phone
A. F. Evans Development, Inc.	Oakland	(510) 891-9400
Affordable Housing Foundation	San Francisco	(415) 387-7834
American Baptist Homes of the West	Pleasanton	(925) 924-7100
Bank of America, N.A.	San Francisco	(415) 953-2631
Belveron Real Estate Partners, LLC	San Francisco	(415) 273-6801
BRIDGE Housing Corporation	San Francisco	(415) 989-1111
Cabouchon Properties, LLC	San Francisco	(415) 433-2000
California Community Reinvestment Corp.	Glendale	(818) 550-9800
California Housing Finance Agency	Sacramento	(916) 326-8801
California Housing Partnership Corporation	San Francisco	(415) 433-6804
Citizens Housing Corp	San Francisco	(415) 421-8605
Community Home Builders and Associates	San Jose	(408) 977-1726
Domus Development, LLC	San Francisco	(415) 856-0010
EAH, Inc.	San Rafael	(415) 258-1800
Goldrich & Kest Industries, LLC	Culver City	(310) 204-2050
Mercy Housing California	San Francisco	415-355-7160
Mid-Peninsula Housing Coalition	Foster City	(650) 356-2900
Mill Rock Capital, LLLC	San Francisco	(415) 730-7126
National Housing Development Corporation	Rancho Cucamonga	(909) 291-1400
National Housing Trust	Walnut Creek	(925) 945-1774
Northern California Land Trust, Inc.	Berkeley	(510) 548-7878
Palo Alto Housing Corp	Palo Alto	(650) 321-9709
Renaissance Housing Communities	San Francisco	(415)0419-4027
Resources for Community Development	Berkeley	(510). 841.4410
ROEM Development Corporation	Santa Clara	(408) 984-5600
SLSM, LLC	San Francisco	(415) 826-0301
The John Stewart Company	San Francisco	(415) 345-4400
The Trinity Housing Foundation	Lafayette	(925) 385-0754
Union Partners Realty Group, Inc.	San Rafael	(415) 446-1811
West Bay Housing Corporation	San Francisco	(415) 618-0012

With the dissolution of redevelopment agencies, a primary source or potential funding for preservation of at-risk units was eliminated. The ABAG study, "Affordable Housing Funding Gap Analysis" lists the "top ten" out of 47 total sources of funding for housing subsidy in the 27 sample projects they studied as indicated in the table below.

Top Ten Sources of Subsidy for Affordable Housing

Name of Source	Level
4% Low Income Housing Tax Credit (LHHTC)	Federal
9% LHHTC	Federal
Tax Exempt Bonds (TEBs)	Federal
Other Local	Local
Multifamily Housing Program (MHP)	State
Redevelopment Agencies (RDA) – no longer available	Local
ARRA (American Recovery and Reinvestment Act)	Federal
TEBs (perm)	Federal
Tax Exempt Loans	Federal
Section 202	Federal

Source: Affordable Housing Funding Gap Analysis, ABAG, 2/19/14

Programs to Preserve At-Risk Units

Foster City has been successful in preserving the majority of the low-income housing inventory and will look to further increase the affordable housing stock, including finding or developing a source of funding to assist with preservation. Programs include:

. *H-D-8-a* ***Housing Impact Fee.*** *Conduct the necessary nexus study to enable the City to consider adoption of housing impact fees on new development as a way to provide funding for affordable housing programs. Target: 2015. Community Development Department.*

H-D-8-b ***Local, State and Federal Funding for Affordable Housing****. Monitor the availability of other sources of local, state or federal funding that could be used to provide funding for affordable housing programs. Target: Ongoing. Responsible Agency: Community Development Department.*

H-E-5-b ***New Agreements for Affordability of Existing Rental Units****. If a source of funding can be identified, work with owners of existing rental units to include or extend affordability agreements. Target: 2018. Responsible Agency: Community Development Department.*

H-E-5-c ***Adopt Notice Requirements for "At Risk" Units****. Adopt an ordinance requiring a one-year notice to tenants of existing affordable rental units that affordability*

restrictions are due to expire. Target: 2018. Responsible Agency: Community Development Department.

H-E-5-d ***Minimize Impacts of Expiration of Affordability Covenants****. Work with landlords, tenants and other agencies prior to the expiration of affordability covenants to minimize the impacts of the expiration of affordability covenants through extension of affordability covenants, use of rental vouchers, preference at other affordable housing sites or other means. Target: 2018. Responsible Agency: Community Development Department.*

H-E-5-e ***Affordable Housing Preference for Displaced Residents****. Consider an amendment of the affordable housing preferences adopted by City Resolution 2000-123 to include tenants displaced by termination of affordability restrictions. Target: 2018. Responsible Agency: Community Development Department*

Regional Housing Needs Allocation (RHNA)

Within each Housing Element, the State mandates that local governments plan for their share of the region's housing need for all income categories. In the case of the San Francisco Bay Area, the Association of Bay Area Governments (ABAG) and the State Housing and Community Development Department (HCD) determine the number of housing units that should be produced in the region. This determination of need is primarily based on estimated job growth. ABAG then allocates that need for each jurisdiction.

State law regarding Housing Elements was changed in 2004 to allow cities within a county to join together to form a "sub-region," which would administer the State mandated RHNA process at the local level. This law allows the sub-region to receive the sub-regional collective housing allocation from ABAG and then decide on and implement its own methodology to apportion the allocation among the member cities and county. In San Mateo County, the sub-regional RHNA process has been used to establish the housing need numbers for each jurisdiction's Housing Element update for both the 2007-2014 and 2015-2023 Housing Element planning periods.

For the current Housing Element update, the County of San Mateo, in partnership with all twenty cities in the County, formed a sub-region responsible for completing its own RHNA process. At its meeting of February 22, 2011, the City Council authorized Foster City to participate in the Countywide sub-region.

The San Mateo County sub-region considered several methods for allocating the RHNA to its member jurisdictions. The San Mateo County sub-region adopted a draft methodology and submitted it to ABAG on July 26, 2012.

Based on the allocation methodology, the San Mateo sub-region then apportioned the housing need to the individual jurisdictions. The adopted sub-regional methodology, similar to ABAG's methodology for the current and previous RHNA processes, uses weighted factors to develop mathematical equations. Weighted factors include household growth, employment growth, household/employment growth near transit, and regional income allocations. These factors are derived using demographic information, projections, regulations, objectives and policies. The sub-regional allocations are then distributed using these weighted factors for the individual cities.

At their meeting on December 17, 2012, the City Council adopted a resolution accepting the assigned housing share of 430 units for Foster City for 2014-2022 (for the 2015-2023 planning period). In addition to

determining each jurisdiction's overall housing allocation, the units are also required to be distributed according to income level (e.g., very low, low, and moderate).

The State limits for the low-, very low-, and moderate-income categories are derived from the income limits updated annually by the U.S. Department of Housing and Urban Development (HUD) and the California Department of Housing and Community Development (HCD). The income limits are based on the median income for the County and are adjusted for household size. Very low-income is defined as a household earning less than 50% of the median income. Low-income is defined as a household earning 50-80% of the median income. Moderate-income is a household earning 80-120% of the median income. For San Mateo County in 2014, the median income for a family of four is $103,000. Because San Mateo County is considered a high cost area, HUD and HCD make some adjustments when calculating the income limits, which results in the very-low income and low-income limits actually being higher than 50% and 80% of the median income, respectively.

Below is a summary of the very low, low and moderate income levels, based on household size, for San Mateo County.

2014 Income Limits for San Mateo County (HCD)

Income Category	Number of Persons in Household					
	1	2	3	4	5	6
Extremely Low	23,750	27,150	30,550	33,950	36,650	39,400
Very Low Income	39,600	45,250	50,990	56,550	61,050	65,600
Low Income	63,350	72,400	81,450	90,500	97,700	104,950
Median Income	72,100	82,400	92,700	103,000	111,250	119,500
Moderate Income	86,500	98,900	111,250	123,600	133,500	143,400

Below is a breakdown of the previous and current Housing Element allocations for Foster City:

Regional Housing Needs Allocation
(2007-2014 and 2014-2022)

	2007-2014		2014-2022	
Income Level	Units	Percent	Units	Percent
Very Low	111	23%	148	34%
Low	80	16%	87	20%
Moderate	94	20%	76	18%
Above Moderate	201	41%	119	28%
Total	486	100%	430	100%

As shown above, approximately 54 percent of all housing is required to be affordable to low- and very low-income households. The percentage of affordable housing being required is significantly higher than required for the last Housing Element.

In addition, it is estimated that 50% of the City's Very Low Income housing need for the 2015-2023 time period will be for households earning less than 30% of median income (considered "Extremely Low Income" per the definitions). Thus, the number of extremely low-income households needing housing for the 2015-2023 planning period, is estimated at 74 units. Housing types available and suitable for Extremely Low Income households include apartments, emergency shelters, supportive housing and transitional housing. The Housing Element includes several programs to address Extremely Low Income

housing needs — including rental assistance programs, Permanent Supportive/Transitional Housing, the Existing Unit Purchase Program and the Homeshare Program.

New Housing (Available Land Inventory)

State law requires that the Housing Element identify housing opportunities for each jurisdiction's share of the region's housing needs. Given the pipeline of projects under construction, under review and potential for increased density at existing apartment developments, staff believes that the City will have the capacity to meet the 430 units required of Foster City, as well as provide the needed units in the income categories specified in the RHNA. Increased density at existing apartment developments is allowed under the current zoning regulations through the use of density bonus with additional density allowed pursuant to the proposed Affordable Housing Overlay (AHO) zone discussed later in this section.

Approved Housing Developments

A portion of Foster City's RHNA will be met by housing developments that are already approved and/or under construction. Jurisdictions may count units approved or constructed since January 1, 2014 toward the RHNA for the 2015-2023 planning period. For Foster City, this will include the remaining three phases of the Pilgrim Triton Master Plan (Triton Pointe, Waverly and Phase C) and the Foster Square development, which together will produce 820 housing units, with 20% of those units being affordable. In addition, six second units, which are allowed "by right" are projected in the R-1 District, bringing the total to 826 housing units.

The City is also required to demonstrate how units will be provided according to income level (e.g., very low, low, and moderate). Housing Element Program H-E-2-a requires twenty percent of units developed in the City to be affordable to very low-, low- or moderate-income households. Based on development agreements that obligate the developers of Pilgrim Triton and Foster Square to provide affordable housing, plus the anticipated six second units, 158 affordable units are projected.

Below is a summary of the sites already approved for new housing.

Sites Approved for New Housing

Name/APN	General Plan	Zoning[1]	Density Allowed Min Max	Acres	Realistic Capacity	Infrastructure	Existing Use/ Constraints	PDA	Potential CEQA Stream-lining
Triton Pointe-094-010-510	Service Comm. W Housing	CM/PD	166	3.4	166	Sufficient to serve proposed land use with mitigation identified in EIR	Under construction	no	Pilgrim Triton EIR
Waverly-094-010-570	Service Comm. with Housing	CM/PD	240	6.3	240	Sufficient to serve proposed land use with mitigation identified in EIR	Light industrial & office	No	Pilgrim Triton EIR
Pilgrim Triton Phase C-094-010-520	Service Comm. with Housing	CM/PD	17	3.6	17	Sufficient to serve proposed land use with mitigation identified in EIR	Light industrial & office	No	Pilgrim Triton EIR
Foster Square	Civic Center Mixed Use	CM/PD/ SHO	397	15	397	Sufficient to serve proposed land use with mitigation identified in EIR	Vacant	No	Foster Square EIR
Second Units	Single-Family Residential	R-1	6	Varies	6	Sufficient	Single-family	No	Exempt
TOTAL			826						

[1]See table on page 4-38 for an explanation of zoning districts.

The table below provides a breakdown of units according to income level from the approved projects.

RHNA and Approved Project Units by Income Level

Units Approved:	Very Low	Low	Moderate	Above-Moderate	TOTAL
Triton Pointe (Pilgrim Triton Phase D)	10	18	5	133	166
Waverly (Pilgrim Triton Phase B)	8	31	9	192	240
Pilgrim Triton Phase C*	2	2	1	12	17
Foster Square	66	0	0	331	397
Second Units (Projected)	4	1	1	0	6
TOTAL	90	52	16	668	826
ABAG Housing Needs	148	87	76	119	430
Percent of Need Met	61%	60%	21%	561%	192%
Remaining Units Needed (Surplus)	58	35	60	(549)	(396)

*Pilgrim Triton Phase C is designated for 17 units by the Pilgrim Triton Master Plan but has not yet submitted site, architectural and landscape plans for review. The distribution of 20% below market rate (BMR) units among the income ranges is an estimate.

As shown above, expected below market rate units from the approved developments will help satisfy the very low-, low- and moderate-income requirements. Based on the table above, there is a remaining shortage of affordable units that will need to be met at other sites. The approved housing developments are discussed in more detail below, followed by a discussion of other sites with potential for additional housing.

(1) Triton Pointe

Description: The Triton Pointe site is included in the Pilgrim-Triton Master Plan as Phase D. The site was developed with single-story office and light industrial buildings, known as the Foster City Executive Park on the west side of Pilgrim Drive. The Triton Pointe approval divided the 6.3 acre site into three portions: Parcel G consisting of a 1-acre site for a 43,000 sq. ft. office building; Parcel H consisting of a 3.4-acre site for 166 multi-family units and 6,000 sq. ft. of retail; and Parcel I consisting of 0.6 acre for development of 6,000 sq. ft. of retail. Location: 550, 558 Pilgrim Drive; 551 Foster City Boulevard; 1125 E. Hillsdale Boulevard;

Previous Use: Industrial, commercial and office uses.

Status: 166 multi-family units under construction on Parcel H in 2014 with completion anticipated in mid-2015.

(2) Waverly

Description: The Waverly is included in the Pilgrim Triton Master Plan as Phase B. The site is developed with single-story office and light industrial buildings. The Waverly approval includes 220 multi-family units in one building with a parking structure located near the frontage along S.R.92 and 20 townhouse-style units near the frontage along E. Hillsdale Blvd.

Location: 1151, 1153, 1155, 1157, 1159. 1163 1164, 1166, 1166 Triton Drive.

Existing Use: Light industrial, commercial and office uses.

Status: Approved in January 2014. Building permits under review in 2014. Anticipated start of construction is late 2014.

(3) Pilgrim Triton Phase C

Description: Phase C of the Pilgrim Triton Master Plan is approved in the Pilgrim Triton General Development Plan for 17 housing units and 172,943 sq. ft. of commercial/office.

Location: 551, 553, 557, 559 and 565 Pilgrim Drive

Existing Use: Commercial and office uses.

Status: General Development Plan approved. Phase C has not yet submitted an application for Specific Development Plan/Use Permit, including site, architectural and landscape plans.

(4) Foster Square

Description: The General Development Plan for the Foster Square project allows development of up to 200

for-sale units, 66 income-restricted units, and up to 155 assisted/independent living units, as well as approximately 35,000 square feet of commercial uses, a public plaza, and a shared surface parking lot proposed along Foster City Boulevard.

Location: 15 acres bounded by Foster City Boulevard, Shell Boulevard, North Peninsula Jewish Campus and the Government Center.

Existing Use: Vacant.

Status: According to the General Development Plan phasing, the proposed Foster Square development is divided into three phases. Phase 1 includes the Assisted Living, Affordable Housing, Shell Boulevard Gathering Area, Town Plaza, the retail, parking lot and the Foster Square Condominiums adjacent to Shell Boulevard. Phases 2 and 3 include development of the remaining condominiums. Additionally, the sale of the Foster Square property (from the City to the New Home Company) and development of the Foster Square project are contingent on the financing and entitlement of the assisted and independent living component (i.e., the approved Atria project) and the affordable housing component (i.e., the approved MidPen project).

As of June 19, 2014, the following phases of Foster Square have received approval of their Specific Development Plan/Use Permit:

- 66 affordable senior apartments and 10,560 sq. ft. of retail uses by Mid-Peninsula Housing (approved January 16, 2014)
- 155 assisted/independent living units and 20,000 sq ft. commercial uses (approved June 5, 2014)
- 200 for-sale condominium units (approved June 19 2014)
- Public realm improvements (approve June 19, 2014)

Grading is underway as of mid-2014. Construction is expected to begin in December 2014.

(5) Second Units

Second units are allowed “by right” in the R-1 District, provided they meet the criteria in Chapter 17.78 of the Foster City Municipal Code. Six units are anticipated in the 10-year planning period for the Housing Element. These units are anticipated to be affordable to lower-income households. According to a study prepared for the 21 Elements project, *Affordability of Secondary Dwelling Units*, secondary units are a more affordable option for lower income households, largely because approximately 25-55% of secondary units are available for free to family members or domestic workers. After reviewing all available data, the study makes the following conclusions:

- Approximately 25-60% of secondary units are affordable to extremely low-income households.
- An additional approximately 10-25% of secondary units are affordable to very low-income households.
- Another approximately 15-20% of secondary units are affordable to low-income households.
- Approximately 10-20% more of secondary units are affordable to moderate-income households.

The City projects six second units within the planning period, including four very low-income units, one low-income unit and one moderate-income unit.

Applications or Inquiries Regarding General Plan Amendments to Allow Additional Housing

There are several housing proposals that are in various stages of consideration, ranging from preliminary inquiries to submitted applications; however each of these would require an amendment to the General

Plan Land Use Plan designations from commercial to housing or mixed use. Although some or all of these might eventually be approved, for the purposes of addressing the RHNA in this Housing Element, these sites will not be considered housing sites unless and until the General Plan Land Use Plan designations are changed to allow housing. This will allow the Planning Commission, City Council and the community to consider these applications pursuant to the normal development review process, including the required environmental review. To otherwise include these sites as housing sites in the Housing Element would commit the City to rezoning them within three years after the earlier of: 1) 90 days after receipt of comments from HCD on the draft housing element or 2) adoption of the Housing Element. If a city fails to adopt a housing element, then the rezonings must be completed no later than three years and 120 days from the statutory deadline. There are additional penalties for not completing the rezonings.

The sites that are the subject of current General Plan Amendment proposals for more housing include the following:

Applications or Inquiries Regarding General Plan Amendments to Allow Housing

Site	Existing General Plan Land Use Plan Designation	Proposed General Plan Land Use Plan Designation	Status as of 7/10/14
Charter Square	Neighborhood Commercial	Neighborhood Commercial with Housing	Preliminary review by City Council on 4/28/14
5A	Service Commercial	Not specified, but preliminary plan showed mixed use housing & self-storage	Preliminary review by Planning Commission on 12/5/13
Edgewater Place	Neighborhood Commercial	Neighborhood Commercial with Housing	Property owner withdrew preliminary plan to complete additional outreach
Marina	Waterfront Commercial	Mixed Use Commercial with Marina & Housing	Preliminary review by City Council on 4/28/14
Beach Park Plaza	Neighborhood Commercial	Not specified	Property owner requested consideration as a housing site in the Housing Element per email dated April 28, 2014

Increased Densities at Existing Apartment Developments

In order to find sites for additional housing to meet the RHNA, staff reviewed all of the existing apartment developments to determine if they have potential to be redeveloped at higher densities. This approach has several advantages:

- Retention of the existing basic land use patterns in the City;
- Not requiring an amendment of the General Plan Land Use Plan designations;
- Encouraging owners to invest in repairs/upgrades to older buildings.

The potential disadvantage would be the displacement of existing residents. Policies and programs are included in the Housing Element to minimize the potential for displacement.

Included in this group is the Harbor Cove development which has an application pending to utilize density bonus regulations to provide additional units within the existing building envelopes. Harbor Cove was originally designed with very generous lobby/common areas that are now being proposed to be reconfigured into additional units. This is an indication that owners find it economically feasible to redevelop

existing apartment properties through the inclusion of affordable housing in order to utilize density bonus regulations or other incentives to achieve higher densities.

In addition, discussions with the managers of the Beach Cove, Sand Cove and Shelter Cove complexes indicate that these complexes have similar layouts that provide opportunities for additional units within the existing building envelopes. The managers of these complexes have also indicated that they have spent considerable time studying the economics of adding housing units, feel this approach is financially viable and are interested in proceeding to obtain City approvals to construct the new units.

Several factors were included in the initial review of potential for redevelopment at higher density:

- Existing zoning
- Existing density
- Land area
- Age
- Adjacent uses

Existing Zoning. Almost all of the existing apartment developments are zoned R-3 (Medium Density Multiple Family Residence District) or R-3/PD, which allows 20 units per acre. There are five exceptions:

- Waters Edge is zoned R-4/PD (High Density Multiple Family Residence District/Planned Development), which allows 35 units per acre.
- Miramar is zoned R-4/PD
- Shadow Cove is zoned R-4/PD
- Beach Cove is zoned R-4/PD
- Metro Senior Apartments is zoned C-2/PD/SHO (Town Center Commercial/Planned Development/Senior Housing Overlay)
- Marlin Cove is zoned CM/PD (Commercial Mix/Planned Development)
- Pilgrim Triton is zoned CM/PD

Existing Density. Sites with lower existing densities may be more likely to consider redevelopment if they can increase their density. Many of the older apartment developments have a density of more than 20 units/acre even though they are zoned R-3, so their “base density” for considering additional density would be the higher of the allowed density or the existing density.

Land Area. Staff reviewed the size of the sites as well as the adjacent uses. Smaller sites that border single-family development would be difficult to develop at increased densities without adversely impacting the adjacent uses. A larger site could mitigate potential impacts with increased setbacks and/or lower heights near the adjacent development.

Age. The older apartment developments are believed to be more likely to be considering making significant investments in either upgrading or redeveloping their property in order to remain competitive in the marketplace and/or to correct existing problems.

Adjacent uses. Sites that border less dense uses, such as single-family development, will need to have larger setbacks and adjust building massing compared to sites that border streets and/or the lagoon.

Based on this analysis, staff recommends the following apartment developments for consideration as sites with potential for redevelopment at higher densities:

Proposed Housing Sites with Potential for Redevelopment at Higher Densities

SITE	ADDRESS	NEIGHBOR-HOOD	CONSTUC-TION DATE	EXISTING UNITS	ACRES	EXISTING DENSITY	ZONING	ADJACENT USES
Beach Cove	605-1021 Catamaran	4	1973	416	18.7	22.25	R-4/PD	Marlin Cove, Catamaran St., Clipper Ln.
Franciscan	888 Foster City Blvd.	1	1964	122	6.4	19.06	R-3	Apartments, Single Family homes, Comet Drive, Foster City Blvd.
Harbor Cove	900 Edgewater Blvd.	9	1972	400	15.1	26.5	R-3	Lagoon, E. Hillsdale Blvd., Edgewater Blvd., Isle Cove
Sand Cove	707-939 Shell & 611-899 Bounty	1	1970	344	18.4	18.68	R-3/PD	Bounty Dr., Shell Blvd., Recreation Center tennis courts, Foster City Lagoon
Shadow Cove	1019-1088 Foster City Blvd.	3	1970	164	7.9	20.84	R-4/PD	Single Family homes, Foster City Blvd., Marlin Ave.

Density Bonus Regulations

The City's adopted density bonus regulations in Chapter 17.86 of the Foster City Municipal Code provide the opportunity to achieve a 20%-35% density bonus above the otherwise allowed density in return for providing affordable housing. As discussed above, the owners of Harbor Cove Apartments have submitted an application for additional housing units using the density bonus regulations. The Harbor Cove application includes a 20% density bonus through the inclusion of 5% very low-income units.

The table below shows the potential for additional units using a 20% density bonus at the five sites identified by staff as having the best potential for additional housing units. In addition to the developments listed, any other existing residential development would be eligible to utilize the density bonus regulations to provide 20-35% additional housing units.

Housing Unit Potential with 20% Density Bonus at Five Existing Apartment Developments

Apartment Development	Very Low-Income*	Low-Income*	Moderate-Income	Above-Moderate Income	Total Additional units with 20% density bonus
Beach Cove (416 units existing)	0	42	0	41	83
Franciscan Apartments (122 units existing)	6	0	0	20	26
Harbor Cove (400 units existing)	20	0	0	60	80
Sand Cove (344 units existing)	17	0	0	56	74
Shadow Cove (164 units existing)	8	0	0	25	33
TOTAL UNITS PROJECTED	52	42	0	202	295

*Distribution of very low- and low-income units is assumed. Developer can achieve a 20% density bonus with either 5% very low-income or 10% low-income units.

Although development at all of these sites with a 20% density bonus could meet the RHNA for most of the very low- and low-income housing, and some of the "excess" low-income units and/or market units might be able to "count" as moderate-income units, it would not provide a sufficient excess buffer as required by the Housing and Community Development Department in order for the Housing Element to be certified.

Affordable Housing Overlay Combining District

A mechanism employed by other jurisdictions to encourage redevelopment of existing developed sites is an Affordable Housing Overlay (AHO) Combining District. The AHO District provides different incentives than the existing density bonus regulations, including the ability to combine incentives from more than one income category and to achieve an increased density higher than the 35% maximum increase allowed under density bonus law.

Minimum and Maximum Density Increases. State law requires that the Housing Element include an analysis of economic feasibility for the provision of affordable units unless the jurisdiction utilizes the "default density option." This density has been "deemed appropriate to accommodate housing for lower income households." For Foster City, the "default density" is 30 units/acre. In order to provide at least a 30 units/acre minimum density under the AHO, staff recommends that the "base density" for properties in the AHO be either the existing density or 23 units/acre, whichever is greater, and that the minimum density increase will be 36% of the base density, which will provide a minimum density of 31.25 units/acre.

The AHO will allow additional density from a minimum 36% increase from the base density to a maximum of a 52% increase. The maximum 52% density increase applied to 23 units/acre is 35 units/acre. As a comparison to already developed sites, the density of the Miramar Apartments is 38.31 units/acre, Marlin Cove is 33.41 units/acre and Triton Plaza is 50 units/acre.

The AHO provides for an increase in density in exchange for the provision of affordable housing. Utilizing the same incentive tables that are provided in density bonus law plus additional options included in the AHO regulations, the percentage of density increase above the base density is calculated. When the AHO is applied to an existing residential development, the percentage of affordable units is calculated from the existing number of units. For example, if an existing development of 100 units provided 9% very low-income units, an increase in density of 30% could be achieved.

In order to qualify for the minimum 36% density increase, the same tables in the density bonus law are used but additional options are provided to allow a combination of very low- and low-income units and increased density is provided for smaller numbers of units than in the density bonus law.

The AHO will provide for a maximum allowable density increase of 52%, which would allow a maximum density of 35 units/acre on sites currently developed with less than 23 units/acre. These maximum densities are similar to the densities approved at Marlin Cove and Miramar and less than the density approved at Triton Plaza. The sites do not have physical constraints, such as shape or topography that would preclude development at these densities.

Income Ranges. For rental developments, only very low- and low-income units would qualify the development for increased density. For-sale units would be able to provide moderate-income units to obtain increased density. The AHO requires that for rental projects, a range of income levels including both very low- and low-income units be provided; including that a minimum of 25% of the BMR units must be very low-income (which includes extremely low-income) and at least 15% must be extremely low-income. For ownership units, the BMR units may be all moderate-income or a mix.

Review Process and "By Right" Residential Use. The proposed Affordable Housing Overlay (AHO) Zone includes a provision to establish the minimum 36% density increase as allowed "by right," in other words, with only a Use Permit to review the site plan, architecture and landscape plan, even if the PD Planned Development zoning would otherwise require a General Development Plan. The elimination of the otherwise required Rezoning/General Development Plan process will significantly shorten the time required to review the proposal. Design criteria will be included in the AHO and/or accompanying Design Guidelines to guide the Planning Commission's consideration. The Planning Commission would not have the discretion to disapprove the proposal if it complies with the design criteria.

Development Incentives. The AHO Zone will include various other incentives, summarized in the table below.

Development Incentives to be Included in Affordable Housing Overlay Zone or Design Guidelines

Development Parameter	Incentive in AHOZ Compared to Base Zone Regulations
Height	Increased height for developments that achieve a certain % density increase and/or Increased height for developments with at least 50% of BMR units for very low-income households
Coverage	Increased building coverage
Minimum open green area	Decreased minimum open green area and/or Decreased minimum private open space
Setbacks	Front and rear setbacks reduced
Parking for BMR units	Parking ratios at density bonus parking ratios Parking spaces need not be covered Parking spaces may be tandem if 2 spaces are assigned to 1 unit
Electric vehicle or hybrid parking	Any requirement for electric vehicle parking or hybrid stations may be reduced by 50% or may be met by providing an equivalent number of car sharing spaces
Floor Area Minimums	Unit floor area minimums reduced or waived

Beach Cove Examples. Using Beach Cove as an example, two scenarios are provided to illustrate how additional units could be developed using the Affordable Housing Overlay Zone, described below.

1. Minimum under Proposed Affordable Housing Overlay Zone. The base density provided in the AHO regulations is 23 units/acre. To achieve the minimum 36% density increase above the base density, a combination of extremely low-, very low- and low-income units are required. There are several combinations of extremely low-, very low- and low-income units that could be utilized to achieve at least the 36% minimum additional density. Example calculations for the achieving the 36% additional density are contained below:

   4% very low-income units (including extremely-low income) x 416 existing units provides 17.5% additional density
   9% low-income units x 416 existing units provides 18.5% additional density
   Total = 36% additional density

   4% very low-income units x 416 existing units = 16.64, rounded to 17 very low-income units (including extremely low-income)
   9% low-income units x 416 existing units = 37.44, rounded to 38 low-income units
   Total = 55 affordable units

   15% minimum extremely low-income units x 55 affordable units = 8.25; rounded to 9 extremely low-income units
   17 total very low-income units (including extremely low-income) - 9 extremely low-income units = 8 units remainder very low-income units

   25% minimum very low-income units x 55 affordable units = 13.75, rounded to 14 very low-income units (17 units are provided, which exceeds minimum)

   This example development is also shown in the table below:

Example Beach Cove Development to Obtain Minimum 36% Density Increase in AHO Zone

Income Level	No. of Affordable Units Provided	% of Existing 416 Units Designated as Affordable Units	% Additional Density Granted Above Base Density of 23 units/acre
Extremely Low-Income	9	4%	17.5%
Very Low-Income	8		
Low-Income	38	9%	18.5%
Total	55	13%	36%

The base density of 23 units/acre with the 36% additional density results in a density of 31.25 units/acre, which on the Beach Cove 18.7 acre site would result in a total of 585 units, or an increase of 169 units over the existing 416 units.

2. Maximum under Proposed Affordable Housing Overlay Zone. To achieve the maximum 52% density increase, a combination of extremely low-, very low- and low-income units are required. There are several combinations of very low- and low-income units that could be utilized to achieve

the 52% density increase. Example calculations for achieving the 52% additional density are contained below:

6% very low-income units (including extremely low-income) x 416 existing units provides 22.5% additional density
17% low-income units x 416 existing units provides 30.5% additional density
Total = 53% additional density (but 52% is the maximum)

6% very low-income units x 416 existing units = 24.96, rounded to 25 very low-income units
17% low-income units x 416 existing units = 70.72, rounded to 71 low-income units
Total = 96 affordable units

15% minimum extremely low-income units x 96 affordable units = 14.4; rounded to 15 extremely low-income units
25 total very low-income units (including extremely low-income) - 15 extremely low-income units = 10 units remainder very low-income units

25% minimum very low-income units x 96 affordable units = 24.0 units (25 units are provided, which exceeds minimum)

This example development is also shown in the table below:

Example Beach Cove Development to Obtain Maximum 52% Density Increase in AHO Zone

Income Level	No. of Affordable Units Provided	% of Existing 416 Units Designated as Affordable Units	% Additional Density Granted Above Base Density of 23 units/acre
Extremely Low-Income	15	6%	22.5%
Very Low-Income	10		
Low-Income	71	17%	30.5%
Total	96	23%	53.0%

The base density of 23 units/acre with the 52% additional density results in a density of 35 units/acre, which on the Beach Cove 18.7 acre site would result in a total of 655 units, or an increase of 239 units.

The example developments at Beach Cove including both density bonus and AHO are summarized in the table below.

Summary of Example Developments at Beach Cove Using Density Bonus and Affordable Housing Overlay

Scenario	Existing Units	Extremely Low-Income		Very Low-Income		Low-Income		Additional Density Above Base Density	Total Units	Resulting Density (units/acre)
		Number	%	Number	%	Number	%			
Existing Density Bonus Regulations	416	0	0%	21	5%	0	0%	20%	499	26.7
Minimum with AHO	416	9	2%	8	3%	38	9%	36%	585	31.25
Maximum with AHO	416	15	4%	10	2%	71	17%	52%	655	35.0

Combination of Existing Approvals, Harbor Cove Proposal and AHO to Address Regional Housing Needs Allocation

A combination of the existing approvals for developments, the Harbor Cove Density Bonus proposal and the Affordable Housing Overlay Zone will be utilized to address the RHNA. The Harbor Cove proposal for a 20% density bonus of 80 new units using existing density bonus regulations is included as a projected new housing development. Harbor Cove is not proposed to be rezoned with the AHO.

The application of the proposed AHO to the other four existing apartment sites identified would result in a potential for 549 to 752 new housing units, as indicated in the table below. When the potential new units that could be developed at the four housing sites with the AHO are combined with the existing approvals and projected units, the result is a potential for 1,659 new housing units, as indicated in the table below.

Because the minimum density would be higher than 30 units/acre, the City is allowed to use a streamlined approach without the need for additional analysis of the financial feasibility of providing units at each of the required income levels included in the RHNA. In other words, the default density is deemed appropriate to accommodate housing for lower income households.

Potential New Units at Four Housing Sites with Affordable Housing Overlay Zone

Existing Apartment Development	Existing Development			Base Density per AHO (23 units/acre or existing, whichever is greater)	Minimum Additional Units Per AHO with 36% Increase		Maximum Additional Units per AHO with 52% Increase	
	Units	Acres	Units/Acre	Units/Acre	Units	Units/Acre	Units	Units/Acre
Beach Cove	416	18.7	22.25	23.00	169	31.25	239	35.00
Franciscan Apartments	122	6.45	18.91	23.00	80	31.25	104	35.00
Sand Cove	344	18.4	18.70	23.00	231	31.25	300	35.00
Shadow Cove	164	7.9	20.76	23.00	83	31.25	113	35.00
Total					**563**		**756**	

A summary of the minimum and maximum housing unit potential with density bonus and the Affordable Housing Overlay zone at the four apartment developments identified with potential for additional housing units is contained in the table below.

Sites With Potential for New Housing

Name/APN	General Plan	Zoning	Density Allowed Min-Max[1]	Acres	Realistic Capacity	Infra-structure	Existing Use/ Constraints	PDA	Potential CEQA Stream-lining
Beach Cove	Apartment Residential	R-4/PD	83-239	18.7	239	Sufficient	416 units	No	Infill
Franciscan Apartments	Apartment Residential	R-3	26-104	6.4	104	Sufficient	122 units	No	Infill
Sand Cove	Apartment Residential	R-3/PD	74-300	18.4	300	Sufficient	344 units	No	Infill
Shadow Cove	Apartment Residential	R-4/PD	33-113	7.9	113	Sufficient	164 units	No	Infill
Total			**295-756**		**756**				

[1]Minimum=20% increase using density bonus; maximum=52% density increase using AHO

The table below summarizes how the existing approvals, the Harbor Cove proposal and the AHO are combined to address the various income categories in the RHNA.

Combination of Existing Approvals, Projected Units and AHO to Address Regional Housing Needs Allocation

	Extremely Low	Very Low	Low	Moderate	Above-Moderate	Total New Units
Approved Units:						
Triton Pointe[1]		10	18	5	133	166
Pilgrim Triton Phase B (Waverly)[1]		8	31	9	192	240
Foster Square[1]	7	59	0	0	331	397
Pilgrim Triton Phase C[2]		2	2	1	12	17
Projected Units:						
Harbor Cove[3]		20	0	0	60	80
Projected Second Units[4]	1	3	1	1	0	6
SUBTOTAL	**8**	**102**	**52**	**16**	**728**	**906**
Sites to be Rezoned with AHO:[5]						
Beach Cove	15	10	71	0	143	239
Franciscan Apartments	5	3	21	0	75	104
Sand Cove	12	9	59	0	220	300
Shadow Cove	6	4	28	0	75	113
SUBTOTAL	**38**	**26**	**179**	**0**	**513**	**756**
TOTAL (EL included in VL)		**174**	**231**	**16**	**1,241**	**1,662**
Excess Low-Income Counted toward Moderate			**-100**	**100**		**0**
TOTAL after counting excess low-income toward moderate		**174**	**131**	**116**	**1,241**	**1,662**
RHNA5: 2014-2022		**148**	**87**	**76**	**119**	**430**
PERCENT RHNA MET		**118%**	**151%**	**153%**	**1,043%**	**387%**
REMAINING NEED (SURPLUS)		**(26)**	**(44)**	**(40)**	**(1,122)**	**(1,232)**

[1]Affordable units required pursuant to Development Agreement and/or conditions of approval.

[2]The last phase of the Pilgrim Triton Master Plan is designated for 17 units by the Pilgrim Triton Master Plan (General Development Plan) but has not yet submitted site, architectural and landscape plans for their final review. The distribution of 20% below market rate (BMR) units among the income ranges is an estimate.

[3]Harbor Cove is included consistent with their application under review.
[4]The distribution of second units by income category is based on "Affordability of Secondary Dwelling Units," prepared by 21 Elements (included in Appendices).
[5]The distribution of affordable units by income category under the AHO is assumed, based on a combination that can achieve 52% increased density (6% very low-income and 17% low-income).

Because the City will provide the opportunity for up to 1,662 new housing units on sites zoned at the "default density" of 30 or more units per acre, this density is deemed appropriate to accommodate housing for lower income (very low- and low-income) as well as moderate-income households.

Review Process/Guidelines for Development Review Under the AHO

The California Housing and Community Development Department requires that if the identified housing sites are not zoned to allow the projected housing at the time the Housing Element is adopted, then the jurisdiction must allow sufficient housing "by right." The following programs are included in the Draft Housing Element to direct the implementation of the AHO in a way that is appropriate for Foster City.

H-D-2-b ***Affordable Housing Overlay Zone.*** *Program: Adopt and implement an Affordable Housing Overlay (AHO) Combining District to encourage the production of additional housing units, including affordable units. The AHO will require a minimum density of 31.25 units per acre (36% increase over the base density of 23 units/acre) "by right," subject to demonstrating compliance with criteria to ensure compatibility with adjacent uses. Target: 2015. Responsible Agency: Community Development Department, Planning Commission, City Council*

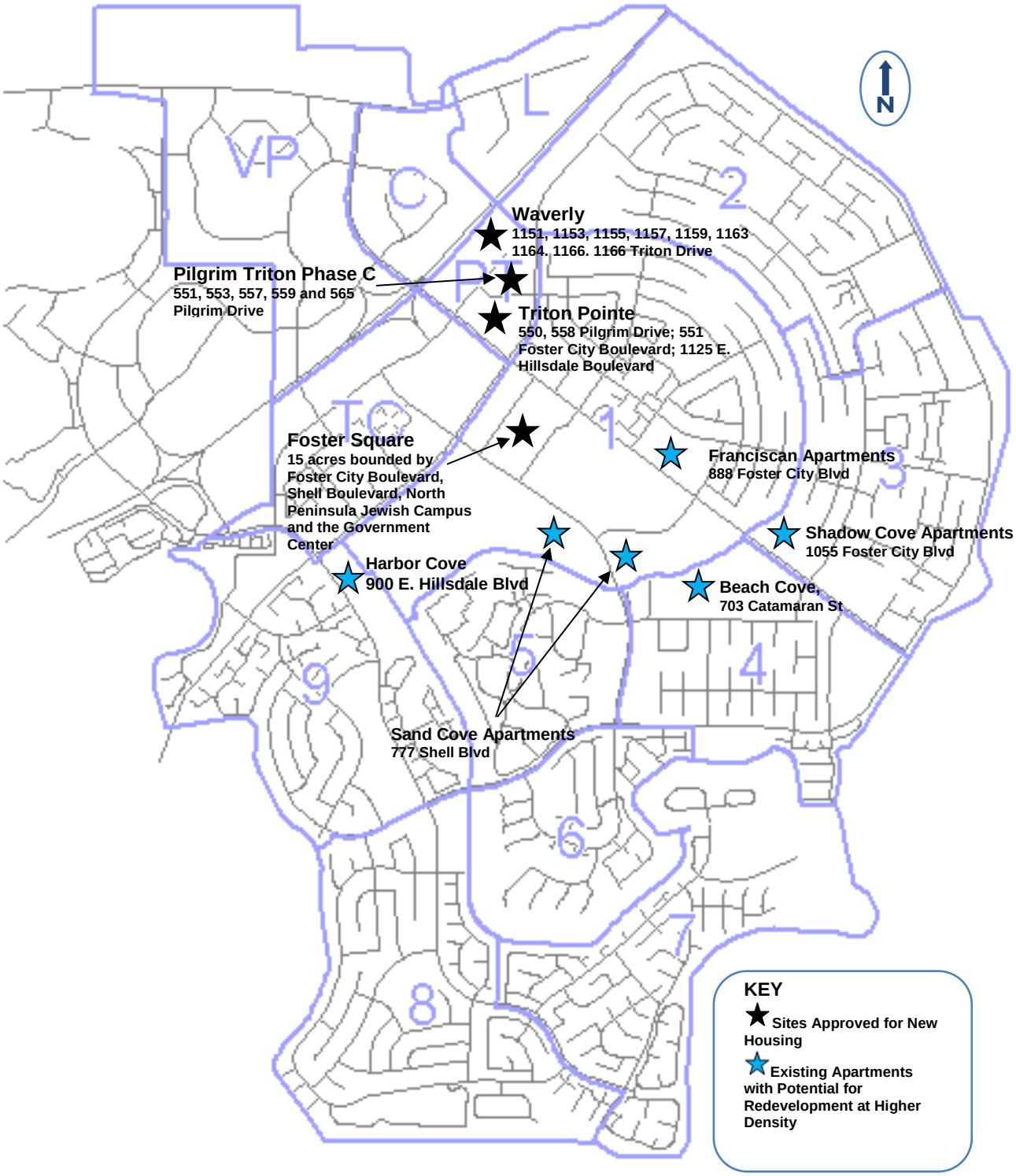
H-D-2-c ***Rezoning with Affordable Housing Overlay Zone****. Rezone selected housing sites with the AHO to encourage redevelopment of existing, older apartments with additional housing in a manner appropriate to their neighborhood and surrounding development. Target: 2015. Responsible Agency: Community Development Department, Planning Commission, City Council.*

H-D-2-d ***Design Criteria for Affordable Housing Overlay Zone****. Develop criteria to be used by the Planning Commission in the review of developments pursuant to the AHO that ensures:*

- *Site plans, landscaping and structures are developed with a character that is consistent with the quality of the City's neighborhoods.*
- *Building scale, setbacks and massing and other features are utilized to minimize the impacts on adjacent development.*
- *In mixed affordability developments, affordable units are dispersed and indistinguishable from market rate units*.

Target: 2015. Responsible Agency: Community Development Department, Planning Commission, City Council.

Housing Opportunity Sites Map



Potential Non-Governmental Constraints to Housing

State law requires that the Housing Element include a discussion of the factors that present barriers to the production of housing, including government actions and market forces (non-governmental constraints). Identification of these constraints helps cities implement measures that address these concerns and reduce their impacts on the production of housing.

Cost of Mortgage Financing

Home mortgage financing is readily available at attractive rates throughout San Mateo County and California. 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 qualifying them as *jumbo loans* with often higher interest rates.

Small changes in the interest rate for home purchases dramatically affect affordability. A 30 year home loan for the median priced condominium in Foster City ($660,000) at four percent interest, has monthly payments of roughly $3,611. The table below shows the costs at various interest rates for condominiums and single family homes.

Home Loan Analysis – Monthly Payments at Various Interest Rates

Median Sales Price of Condominium	30-Year	30-Year	30-Year	30-Year	30-Year	30-Year	30-Year	30-Year
Total Price	$660,000	$660,000	$660,000	$660,000	$660,000	$660,000	$660,000	$660,000
Down Payment (15%)	$99,000.00	$99,000.00	$99,000.00	$99,000.00	$99,000.00	$99,000.00	$99,000.00	$99,000.00
Interest Rate	4.00%	4.50%	5.00%	6.00%	7.00%	8.00%	9.00%	10.00%
Monthly Payment	$ 3,611.00	$ 3,775.00	$ 3,944.00	$ 4,296.00	$ 4,665.00	$ 5,049.00	$ 5,446.00	$ 5,856.00
Median Sales Price of Single Family Home	**30-Year**	**30-Year**	**30-Year**	**30-Year**	**30-Year**	**30-Year**	**30-Year**	**30-Year**
Total Price	$ 1,278,000.00	$ 1,278,000.00	$ 1,278,000.00	$ 1,278,000.00	$ 1,278,000.00	$ 1,278,000.00	$ 1,278,000.00	$ 1,278,000.00
Down Payment (15%)	$ 191,700.00	$ 191,700.00	$ 191,700.00	$ 191,700.00	$ 191,700.00	$ 191,700.00	$ 191,700.00	$ 191,700.00
Interest Rate	4.00%	4.50%	5.00%	6.00%	7.00%	8.00%	9.00%	10.00%
Monthly Payment	$ 6,929.00	$ 7,247.00	$ 7,574.00	$ 8,256.00	$ 8,970.00	$ 9,714.00	$ 10,484.00	$ 11,276.00

**Median Sales Prices in 2013 -3rd quarter*
**Payment estimate includes taxes and insurance*

Also, people with short credit history, lower incomes or self-employment incomes, or those with other unusual circumstances, often have had trouble qualifying for a loan. The data in the table below is from the Home Mortgage Disclosure Act (HMDA) and represents loan applications in 2012 for one to four-unit properties, as well as manufactured homes. More than 65 percent of the loan applications were filled 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 al 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.

Disposition of Application for Conventional Home Purchase Loans (2012)

Income Level	Number of loan applications approved	% of all loans	% of loans originated	% of loans applications 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%

Sources HMDA Data, 2012 for San Francisco-San Mateo-Redwood City MSA
* includes loans applications approved but not accepted, loan applications withdrawn, and incomplete files

Construction loans for new housing are difficult to secure in the current market. 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. However, Low Income Housing Tax Credits still provide an important source of funding, so it is important for jurisdictions to consider which sites are eligible for affordable housing development. Mid-Peninsula Housing has agreed to help jurisdictions identify appropriate sites.

Land and Construction Costs

Land cost is a significant component of the total housing development costs. Due in part to the desirability of the region and because land is in short supply, land costs in San Mateo County are high. These costs vary both between and within jurisdictions based on factors like the desirability of the location and the permitted density with, multifamily and mixed-use land costing more. For typical multi-family construction in San Mateo County, land costs add approximately $90,000 per unit. Land for a single-family home often costs $400,000 or more per lot.

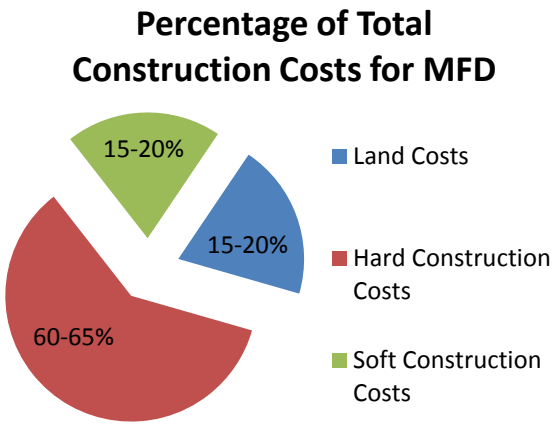
For San Mateo County, construction costs for multi-unit buildings vary based on the form of parking (structure vs. surface) in addition to other environmental factors such as topography, pre-existing structures etc. For a larger, multi-unit building, costs can vary from $185,000/unit to as high as $316,000/unit. The cost per square foot ranges from $172-$200.

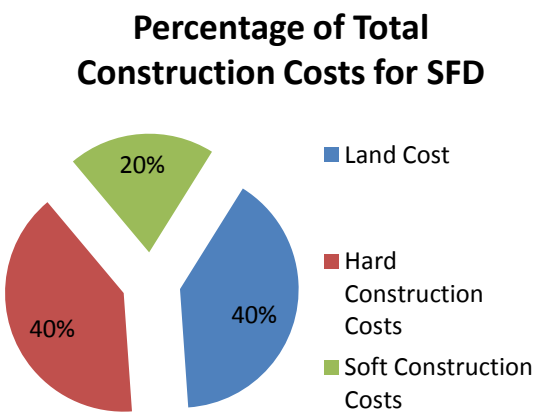
For the least expensive production single-family homes, the cost of preparing the vacant land is around $100,000/lot and the costs of construction is approximately $145/sf. However, for more expensive, custom homes, construction costs can be higher than $435/sf.[1]. All of these costs are exclusive of land, permits or

[1] Source: Strategic Economics & Vernazza Wolfe, May 27, 2014.

professional fees.

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 multifamily homes in San Mateo County, hard costs account for 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 the remainder.





Costs can change dramatically over time. For instance, in late 2008/ early 2009, construction costs dropped roughly ten percent.

Availability of Construction Labor
A factor contributing to the high construction costs on the Peninsula is the scarcity of construction labor. Contractors have difficulty attracting and retaining workers because most cannot afford to live in the area on construction labor wages. Many construction workers have to commute long distances from their jobs to more affordable housing.

Neighborhood Opposition
Opposition from neighbors can be a significant obstacle to obtaining approvals for new housing developments. Most notably, developments that are high-density, multi-family developments, supportive housing, and low-income housing draw the most public opposition because they are perceived to increase traffic, increase crime, and diminish property values. However, studies show that well managed affordable housing developments have not caused such problems for their neighborhoods. City officials and developers can work to assuage these concerns by requiring design review, emphasizing management of new development, and engaging in public education to address myths about high density/low-income /supportive housing (HCD). Undergoing a thorough public planning process to address and develop clear and explicit requirements can combat public opposition.

Non-Governmental Constraints to Housing Production Specific to Foster City
Geologic conditions. Foster City is entirely a land-fill community located along and over the San Francisco Bay. At this point in its development, the City is almost entirely built-out. On average, Citywide, the depth of soil above the Bay mud is only about four (4) feet. The result is that the soils throughout the City are very brackish and when developed begin to corrode underground infrastructure. This is not a problem for sites

developed in the last 25 years because they were constructed using appropriate materials, but for older sites—those most likely to be redeveloped for housing-- all or most of the originally placed infrastructure must be removed and replaced adding additional costs to projects. Additionally, as part of the site preparation once a site is cleared, it is not uncommon to have to address problems associated with (minor) land subsidence, requiring the re-compaction of site soils and associated additional site preparation costs.

Because the City is constructed on land-fill, constructing residential projects at the densities required in order to amortize the costs of redeveloping a site, replacing all or most underground infrastructure, and other site preparation issues, most new multi-story buildings must be constructed on a pile supported foundation, which constitutes an expense that is not common to residential development in most cities. Further, with the exception of the Foster Square site, there is no vacant land left which is appropriately zoned for the development of new housing. Planning efforts to increase housing production require the redevelopment of existing underutilized residential sites or failing commercial properties.

Electric transmission lines. Electric transmission lines traverse large and various areas of Foster City including areas zoned for housing and commercial use. Because of the limitations imposed by PG&E regarding the distance that residential units must maintain from the “swing line” of the power lines and the very limited number and height of uses that can be placed within the power line easement-area beneath the transmission lines, large portions of sites that may otherwise lend themselves to housing production cannot be developed and may only be used as at-grade parking, resulting in a lower yield of units per gross acre than would otherwise be possible. This condition reduces the number of attractive sites that land-development firms would be interested in redeveloping.

School capacity. The San Mateo Foster City School District (SMFCSD) operates 20 schools serving the communities of San Mateo and Foster City, including 16 elementary and four middle schools. The public elementary and middle schools serving Foster City are Audubon Elementary School, Bowditch Middle School, Brewer Island Elementary School and Foster City Elementary School. Increasing school enrollments have resulted in SMFCSD looking for ways to increase school capacities. In November 2013, the District asked the community to support Measure P, a general obligation bond that would have increased school capacity by an additional 1,050 seats; upgrade classroom technology; and, provide for District-wide solar energy efficiency. The bond measure did not pass. The District has appointed a Next Steps Advisory Committee to engage the external and internal communities of the SMFCSD to generate other options for addressing school capacity and equity issues created as student enrollment continues to grow.

The current projection rate as of June 2014 for elementary school students in Foster City is 0.10 students per multi-family housing unit (Tom Williams, Demographer for SMFCSD).

The San Mateo Union High School District (SMUHSD) provides high school education to the communities of Burlingame, Foster City, Hillsborough, Millbrae, San Mateo, and San Bruno. The SMUHSD operates six high schools, one continuation high school, one alternative education school and one adult school. Aragon High School, Hillsdale High School and San Mateo High School, all located in San Mateo are the primary public high schools attended by Foster City students. The District assigns capacities for each school and reserves the right to assign students to other schools in the District if the school they request is at capacity.

New housing developments are required to pay school impact fees to help provide funding for capital facilities for the school system. As of 2014, the school impact fees are $2.01 per housing unit for the SMFCSD and $1.28 for the SMUHSD.

Potential Governmental Constraints to Housing

Most larger development sites are processed under the City's PD (Planned Development District) zoning which provides an extensive amount of flexibility in responding to City requirements for density, unit size, parking and landscaping requirements. PD zoning (Section 17.36 of the Foster City Municipal Code) allows the Planning Commission the flexibility to modify or waive development standards for: (1) density; (2) minimum building site, lot size, floor area and yards; (3) maximum building site coverage and maximum building height; (4) setbacks; and (5) any other minimum or maximum standards.

In the past, the City has achieved successes in providing affordable housing through a negotiated project review process whereby specific incentives and "trade-offs" are tailored to individual project circumstances to provide the greatest amount of affordable housing. In this process, the City seeks to leverage project needs to negotiate as much affordable housing as is financially possible. It should be noted that this process has resulted in a significant number of very low income affordable housing units and not just low and moderate income units, as is the case for the inclusionary requirements in most Bay Area cities.

In the past, available funding through the City's Community Development Agency (CDA) played a major role in stimulating the production of affordable housing. In implementing this public/private partnership approach designed to increase the opportunity for affordable housing, the CDA and the City provided developers with the following incentives: (1) structured development agreements and CDA funding to coincide with other subsidy program funding criteria; (2) technical assistance in structuring the affordable housing program to best fit City needs; (3) tax increment funds, either up-front or long-term, to assure the affordability of the units to an equal distribution of very low, low and moderate income households; (4) increased density; (5) below Zoning Ordinance required unit sizes; (6), use of shared parking; and (7) use of tax increment to pay for City fees.

However, the loss of CDA funding for affordable housing resulting from the State's dissolution of redevelopment agencies has made it more difficult for the City to provide financial incentives for affordable housing.

Development Standards

There are many locally imposed land use and building requirements that can affect the type, appearance, and cost of housing built in Foster City. These local requirements include zoning design standards, development fees, parking requirements, subdivision design standards, and architectural review. Other building and design requirements imposed by Foster City follow the state laws, the Uniform Building Code, Subdivision Map Act, energy conservation requirements, etc. Development standards related to the various zoning districts that allow residential development are summarized in the table, Development Standards for Residential Zoning Districts, below.

Development Standards for Residential Zoning Districts

District	Minimum lot area/unit	Maximum Height	Maximum Coverage	Minimum Open Green
R-1, Single-family	5000 sq. ft. (8.7 units/acre)	2 stories/25' average	50%	NA
R-2, Two-family	3500 sq. ft. (12.4 units/acre)	2 stories/25' average	50%	NA
R-T, Townhouse	Per Planned Development approval for each project	Per Planned Development approval for each project	Per Planned Development approval for each project	Per Planned Development approval for each project
R-3, Medium Density Multiple Family	2190 sq. ft. (20.0 units/acre)	3 stories/38' average	50%	47%
R-4, High Density Multiple Family	1245 sq. ft. (35.0 units/acre)	5 stories/45' average	40%	47%
CM, Commercial Mix	Per Planned Development approval for each project	Per Planned Development approval for each project	Per Planned Development approval for each project	Per Planned Development approval for each project
PF, Public Facilities	Per most restrictive adjacent district	Per most restrictive adjacent district	Per most restrictive adjacent district	15%
PD, Planned Development Combining District*	Per Planned Development approval for each project	Per Planned Development approval for each project	Per Planned Development approval for each project	Per Planned Development approval for each project

* The Planned Development (PD) Combining District is required to be used with the RT and CM Districts and is optional for the other zoning districts, although used for almost all new development. The PD District allows flexibility of design which is "in accordance with the objectives and spirit of the General Plan." The PD District has been utilized for all new housing development in Foster City since approximately 1980.

Foster City makes extensive use of the PD, Planned Development, and Combining District to allow the City's development standards to be tailored to each development. All of the existing developments containing affordable housing were developed by utilizing the flexibility provided by the PD District. The District was "established to allow flexibility of design which is in accordance with the objectives and spirit of the General Plan." (Section 17.36.010, Foster City Municipal Code) The process requires that a General Development Plan be adopted to serve as part of the zoning map for the site. This is followed by a Specific Development Plan (Use Permit) for the site. The PD regulations allow the Planning Commission to grant waivers to the following standards without being processed under a variance procedure:

a. Minimum building site

b. Minimum lot dimension

c. Maximum building site coverage

d. Minimum yards

e. Maximum building or structure height, bulk or massing

f. Maximum height of fences and walls

g. Signs

h. Street or road widths dimensions

i. Minimum floor area standards

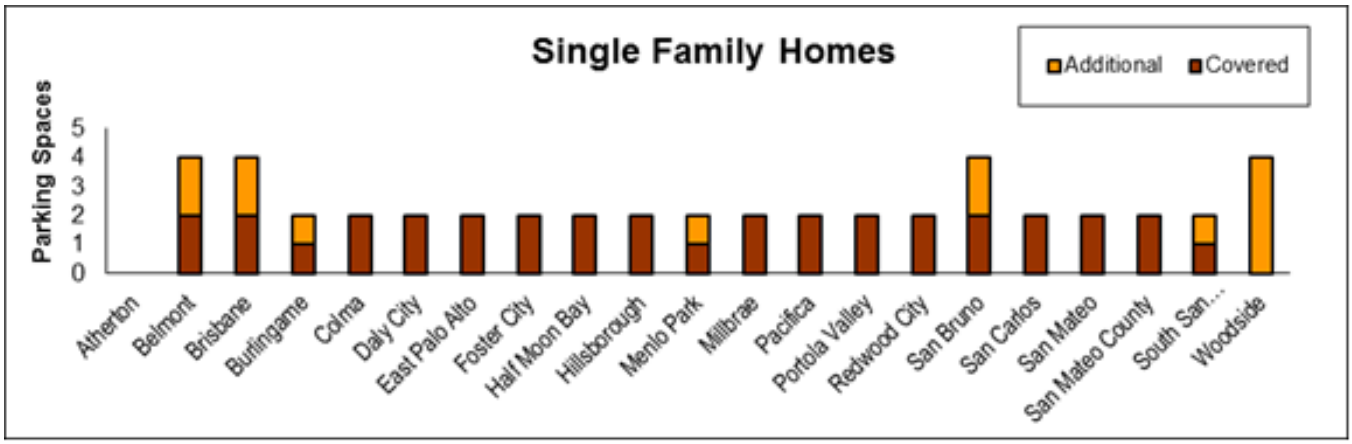
j. Any other minimum or maximum standards as usually required or applied with the exception of off-street parking requirements (10% parking waivers are allowed under a separate section)

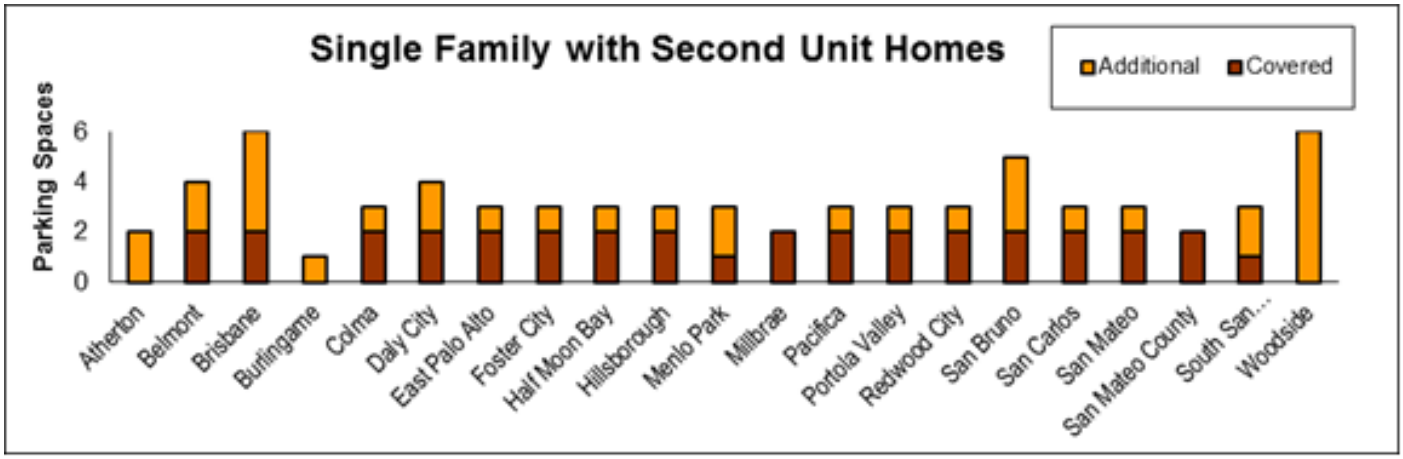
The Off-Street Parking Requirements (Section 17.62 of the Foster City Municipal Code) of the City allow alternative means to address parking needs, including: (1) shared parking; (2) off-site parking; (3) Transportation Systems Management (TSM) programs; (4) “in-lieu” parking fees; and (5) credit for bicycle and motorcycle stalls. Parking standards are based on unit type and number of bedrooms.

A program is included in the Housing Element to reevaluate the City's parking requirements to determine whether, how and when to modify parking requirements to allow higher densities and reduce housing costs in areas appropriate for reduced parking requirements. The Senior Housing Overlay District (Section 17.37 of the Foster City Municipal Code) also provides incentives for reduced parking requirements down to 1 space per unit (includes unit and guest parking), in addition to other incentives, such as fee waivers/reductions, density bonus and priority fast track processing.

As with other cities, Foster City’s development standards and requirements are intended to protect the long-term health, safety and welfare of the community. In addition, the flexibility provided through P-D zoning offers even more incentives and opportunities for individual projects. The Housing Element includes programs to reevaluate existing development standards to determine whether they should be revised so that they provide less of a barrier to the provision of affordable housing but still protect the long-term health, safety and welfare of the community.

Below is a comparison with other San Mateo County Jurisdictions, which indicates Foster City’s parking standards are fairly average. The information is taken from the 21 Elements project, which is a collaborative effort involving all the jurisdictions in Marin County in assessing housing needs and issues for their respective housing elements. Comparative data on potential governmental constraints is provided on the 21 Elements website at http://www.21elements.com/.




Single Family with Second Unit Homes
Additional
Covered
Parking Spaces
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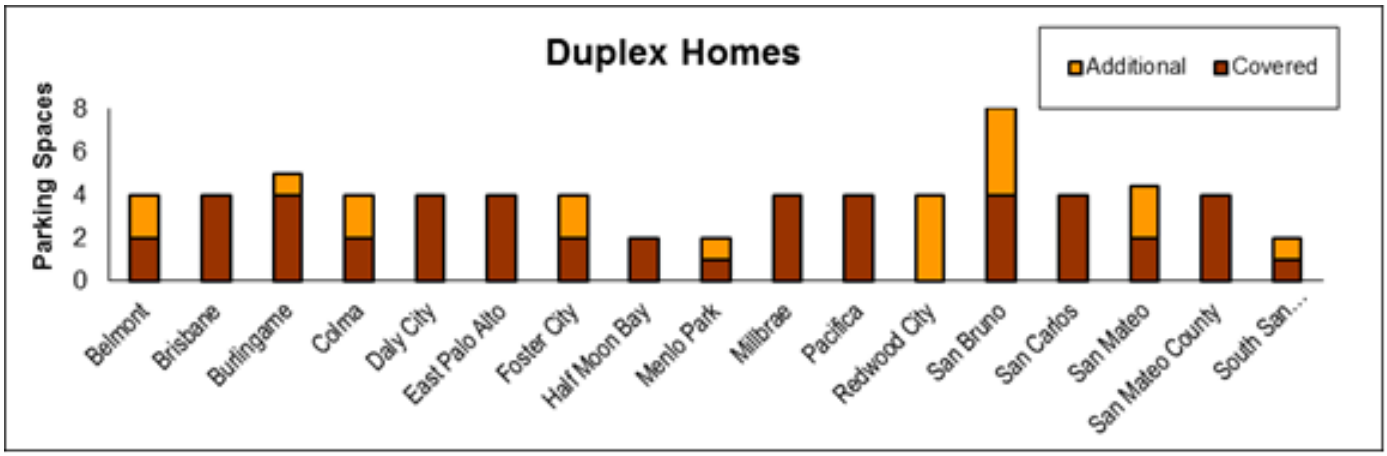
2
4
6
Atherton
Belmont
Brisbane
Burlingame
Colma
Daly City
East Palo Alto
Foster City
Half Moon Bay
Hillsborough
Menlo Park
Millbrae
Pacifica
Portola Valley
Redwood City
San Bruno
San Carlos
San Mateo
San Mateo County
South San...
Woodside


Duplex Homes
Additional
Covered
Parking Spaces
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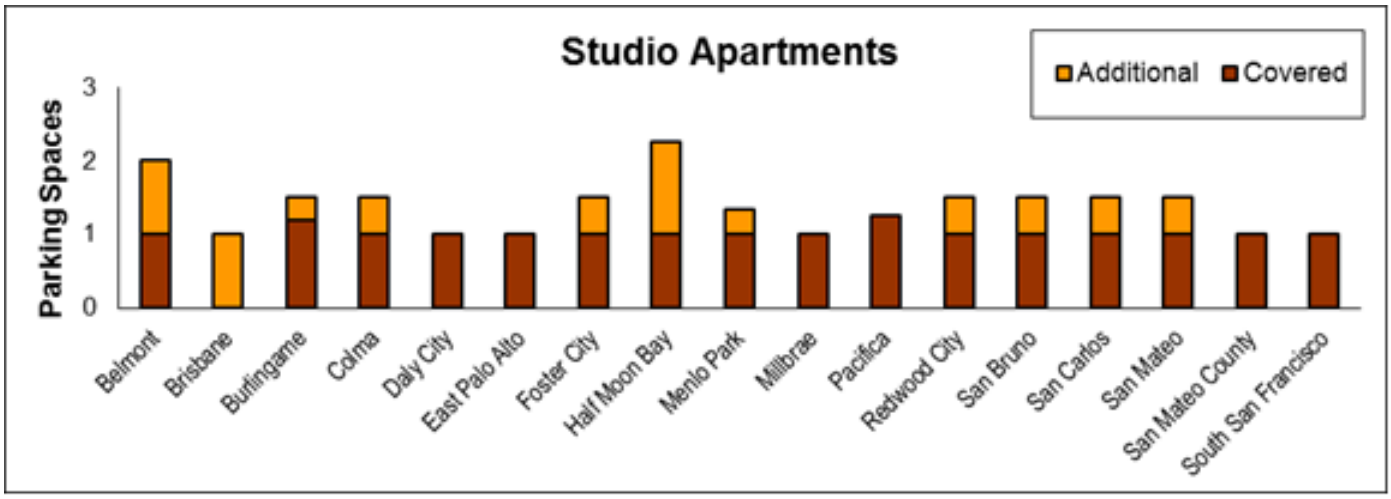
Belmont
Brisbane
Burlingame
Colma
Daly City
East Palo Alto
Foster City
Half Moon Bay
Menlo Park
Millbrae
Pacifica
Redwood City
San Bruno
San Carlos
San Mateo
San Mateo County
South San...


Studio Apartments
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Parking Spaces
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Belmont
Brisbane
Burlingame
Colma
Daly City
East Palo Alto
Foster City
Half Moon Bay
Menlo Park
Millbrae
Pacifica
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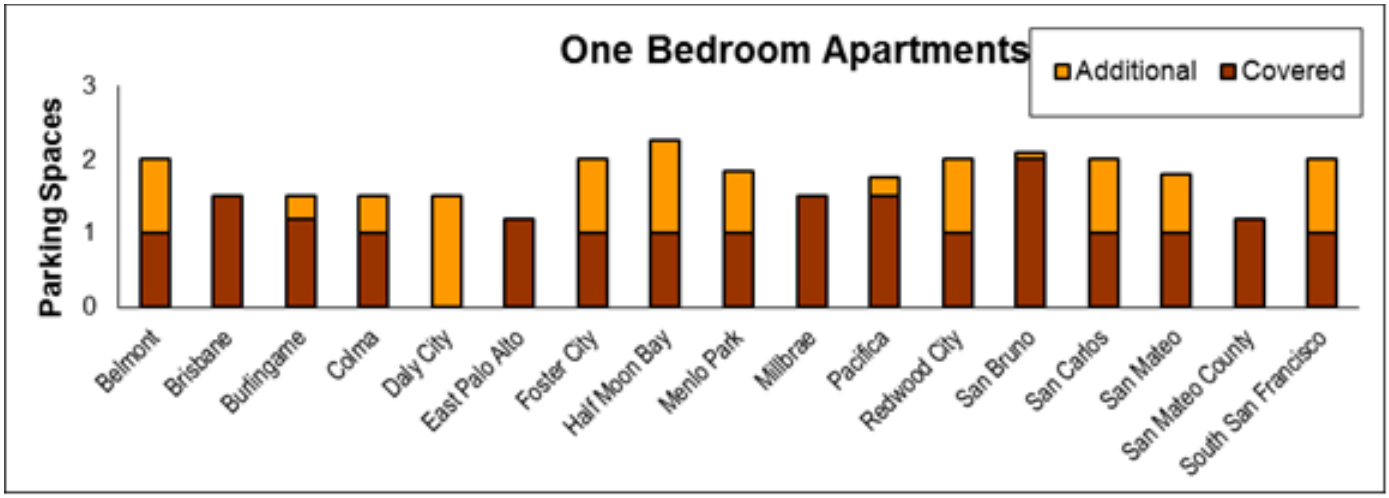
San Carlos
San Mateo
San Mateo County
South San Francisco


One Bedroom Apartments
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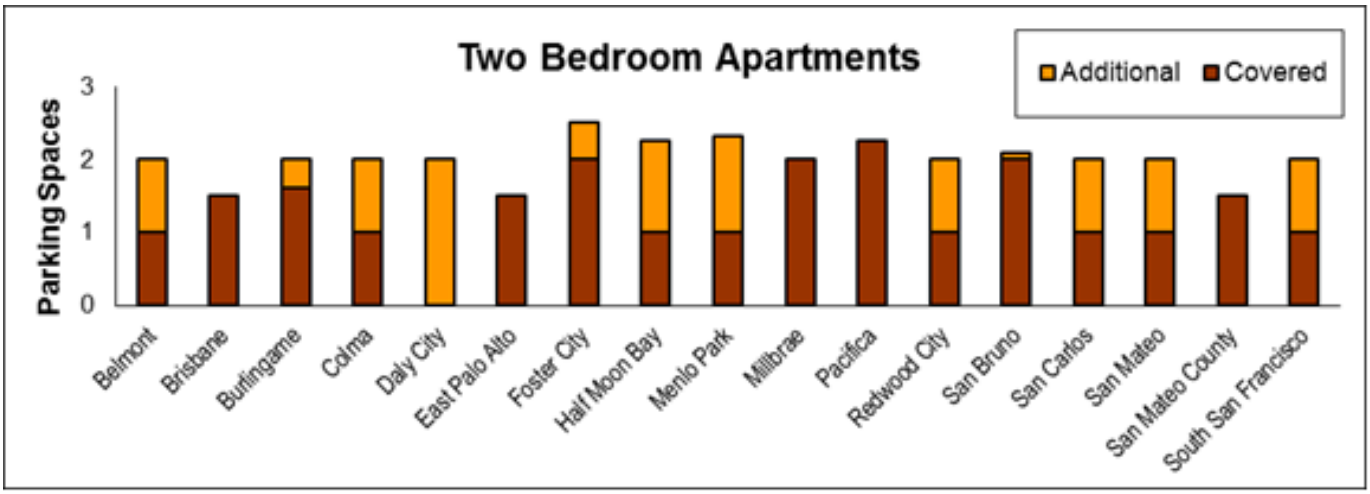
Belmont
Brisbane
Burlingame
Colma
Daly City
East Palo Alto
Foster City
Half Moon Bay
Menlo Park
Millbrae
Pacifica
Redwood City
San Bruno
San Carlos
San Mateo
San Mateo County
South San Francisco


Two Bedroom Apartments
Additional
Covered
Parking Spaces
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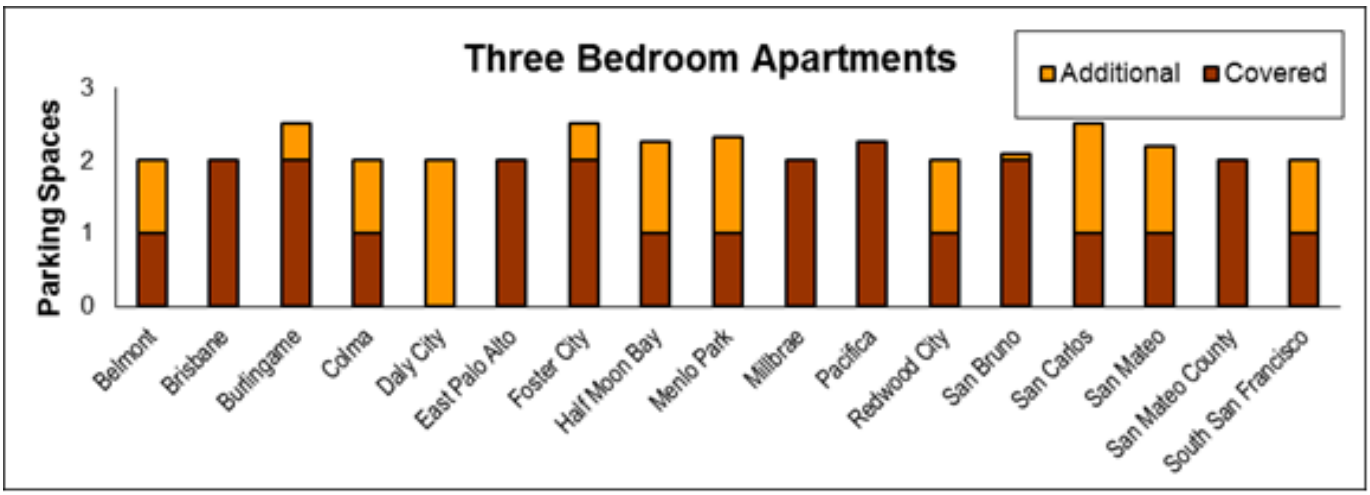
Belmont
Brisbane
Burlingame
Colma
Daly City
East Palo Alto
Foster City
Half Moon Bay
Menlo Park
Millbrae
Pacifica
Redwood City
San Bruno
San Carlos
San Mateo
San Mateo County
South San Francisco


Three Bedroom Apartments
Additional
Covered
Parking Spaces
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Belmont
Brisbane
Burlingame
Colma
Daly City
East Palo Alto
Foster City
Half Moon Bay
Menlo Park
Millbrae
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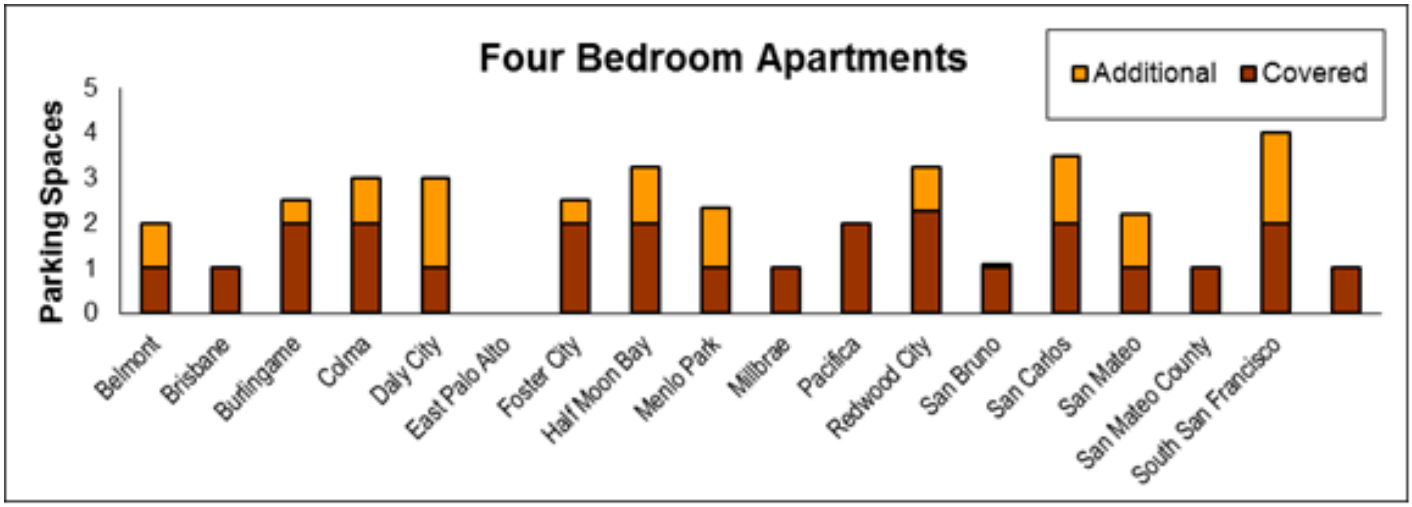
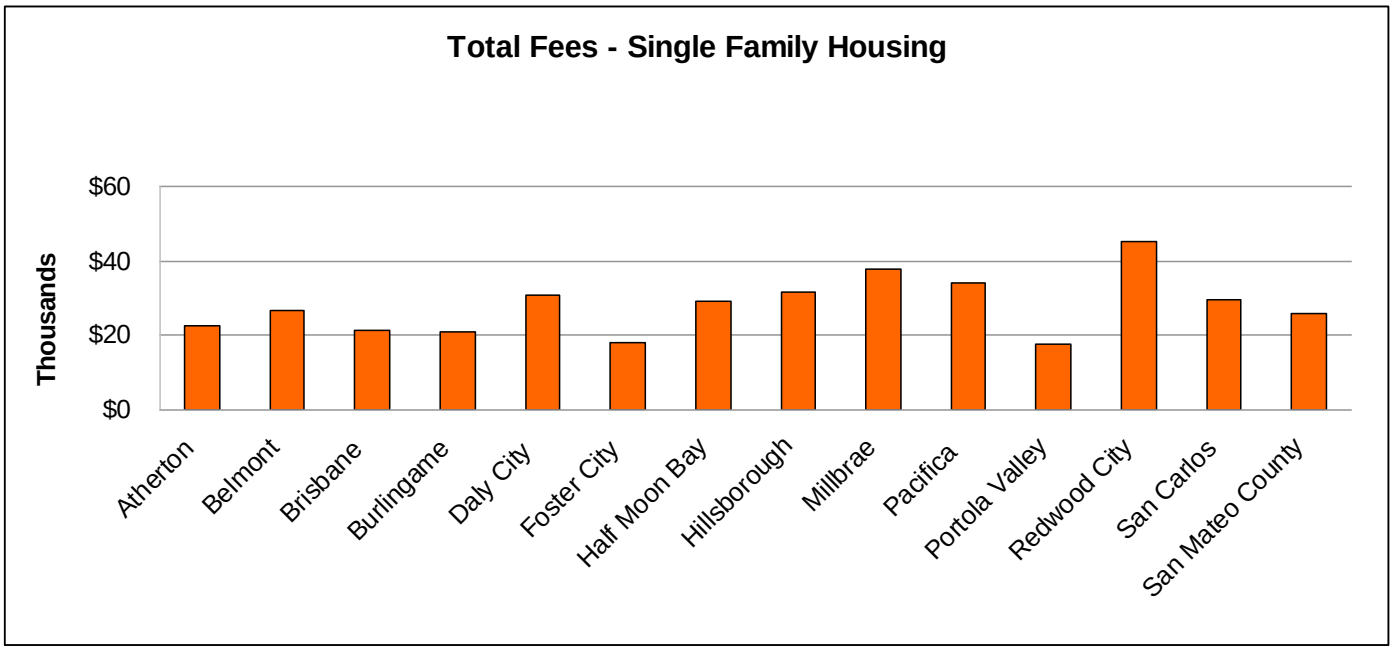
San Carlos
San Mateo
San Mateo County
South San Francisco



Development Fees

Processing fees are required for all property improvement and development applications, pursuant to City Council policy to recover processing costs of development review. The City's development permit fee structure does not seem to be an impediment to development. Permit Fees in Foster City are similar to those of other jurisdictions in San Mateo County, as shown in the 21 Elements



The park in-lieu fee was established in 1984 to ensure that new residential developments contribute to the City's park system with park land dedication, credit for on-site facilities or in-lieu fee payments. The requirements are based on a standard of 5 acres per 1,000 population as the amount of park land to be provided either by land dedication, credit for on-site facilities, or in-lieu fee. This is the maximum standard allowed under Section 66477 et. seq. of the California Government Code (Quimby Act) for subdivision-related park dedication/fee requirements. The formula calculates how many people are expected to live in the development, then calculates the acres of park land "owed" based on a rate of 5 acres/1000 population, then calculates the dollar value of the park land owed, minus up to 50% credit for on-site facilities. During

review of the Miramar and Marlin Cove apartment developments, it became apparent that the high land values result in a much higher in-lieu fee than in previous years, especially for a high density multi-family development. The park in-lieu fee will be reviewed as part of Housing Program HD-9-a to review processing fees and other potential government constraints to housing development.

The City of Foster City / Estero Municipal Improvement District creates an annual fees and charges schedule that is approved by the City Council / District Board. The Master Fee Schedule is available on the City website. The City's current fee schedule is contained in the Appendix. The link for the fees that went into effect on July 1, 2013 is http://www.fostercity.org/departmentsanddivisions/finance/upload/Master-Fees-Schedule-2013-2014-FINALa.pdf . Development fees for smaller projects are specific to the application. Fees for larger projects that require Planning Commission and/or City Council review are generally charged based on the staff and/or consultant time it takes to process the application.

Development Processing Time

The City recognizes that the time required to process a development proposal can be a barrier to housing production if it is lengthy. The City has streamlined its development review process over the years to make it more efficient, while still providing adequate opportunity for public review and input.

Foster City is a "Planned Community" that has been constructed and implemented on the basis of an organized program of development that was conceived over 40 years ago. The City was originally designed to be a suburban community with a clear community center (Metro Center) and an industrial base to support required services. The plan envisioned a self-contained, balanced community with a variety of housing types, waterfront lots and parks, an internal lagoon for public recreation, marinas, offices, stores, industry and public services.

The City was to be developed as a cluster of nine residential neighborhoods, a commercial/governmental center, an industrial area and neighborhood shopping centers. Most of the neighborhoods were planned for a variety of housing, from single-family homes on individual lots to high density apartments. In addition, the Town Center includes a combination of community and regional commercial services, offices, government agencies, entertainment establishments and parks

Foster City has been purposely planned to contain a mix of housing types. In 2014, there are an estimated 12,458 housing units in Foster City, 38% of the units being single family detached homes, 20% single family attached, 7% in structures of 2-4 units, and 35% in structures with 5 or more units. Higher density development has resulted in most market rate rentals units being affordable to moderate income households.

The "Planned" nature of Foster City logically extends to the use of the planned development (PD) process for the review and approval of larger sites, both vacant and those undergoing reuse. A property's designation on the General Plan Land Use map serves as a guide to land use potential. Specific standards for development, such as height, setbacks, lot coverage and uses are established by the City's Zoning Ordinance in the base district. The PD or planned development combining district is designed as an option to accommodate various types of development such as housing, neighborhood or community centers or other uses or a combination of uses, such as housing combined with commercial and offices. The district is established to allow flexibility of design which is in accordance with the objectives and spirit of the General Plan.

The PD process creates the opportunity for developers and the City to enter into a development agreement prior to initiation of the PD process. PD's linked to development agreements provide both certainty and flexibility for developable or redevelopable sites in the City. Flexibility is provided by enabling the developer

to modify the development standards, land uses, land intensities, building heights, design guidelines, etc. in the base district to respond to area and site conditions, as well as market and development timing needs.

In general, the PD approval process involves three major steps: (1) combined review and approval of rezoning and general development plan; (2) Specific Development Plan and Conditional Use Permit; and (3) construction approvals. The General Development Plan, approved as part of step 1, establishes the parameters for future development, including allowable uses, number of units, land use configuration, circulation and building heights. This provides certainty for the future development of the site, which may subsequently occur as one development or in phases.

The City utilizes an Inter-Departmental Evaluation Committee (IDEC) made up of representatives from each City department to provide feedback on a project within two-three weeks of the project application. This process eliminates future surprises that can result in delays in project processing.

Following the IDEC review, major projects are reviewed by the Planning Commission at one or more Study Sessions. This provides the developer with an opportunity to hear and respond to concerns raised by staff, the Planning Commission, or the public prior to the public hearing on the project. The Study Session process can take place while the environmental assessment as required by the California Environmental Quality Act is being performed.

Following the Study Session(s), the project is scheduled for a public hearing by the Planning Commission. Depending on the type of application, a public hearing by the City Council may also be required. If the project does not require an environmental impact report and the developer meets the City's submittal requirements and is able to respond quickly to requests for redesign, the process can move quickly, with elapsed time from Use Permit application to approval ranging from four to seven months.

An example of this process is the Pilgrim-Triton project. The project is a joint effort by three property owners: Northwestern Mutual Life, AMB Property Corporation and Foster City Executive Park to develop approximately 20.75 acres with a mixed use project. The General Development Plan approved by the City Council on April 21, 2008 includes:

- Up to 296,000 square feet of commercial/industrial office use;
- Up to 730 residential units, including up to 64 live-work units; and
- A minimum of one-acre open space/plaza area.

Following the approval of the General Development Plan, the City approved the Specific Development Plan for Phase A of the Pilgrim-Triton project (The Plaza), which consists of approximately 6.14 acres at the northwest quadrant of the Master Plan, between the intersection of Triton and Pilgrim Drives and State Route 92. This phase included demolition of four existing industrial office buildings at 1153, 1154, 1155 and 1157 Triton Drive for a total of 92,000 square feet. Phase A included 307 multi-family residential units, 10,000 square feet of commercial space, a centrally located open space/plaza as well as a parking garage and surface parking spaces. The uses, maximum building height, and circulation plan have already been established as part of the General Development Plan. As such, the processing of each phase focuses on the design of the buildings as part of this phase and the provision of 60 below market rate units (based on the percentage established in the General Development Plan).The review process for the Specific Development Plans/Use Permits for Triton Pointe and the Waverly took 6 and 9 months, respectively.

Potential Constraints for Persons Living with Disabilities

The City does not have any spacing or concentration requirements related to housing for persons living

with disabilities, so as a result, this issue poses no constraint to the development of housing appropriate for persons with disabilities. The City has several options for reducing parking requirements for housing for persons with disabilities. One is through the PD zoning process, where flexibility is provided to enable tailored development standards, such as parking standards, to respond to the needs of project occupants, including persons with disabilities, seniors, etc.

The other method for addressing parking is through the City's Senior Housing Overlay Zone, which allows reduced parking standards for seniors, some of whom live with disabilities. This is significant since the senior population in San Mateo County is projected to increase by 72 percent by 2030, and most seniors, 93 percent in some surveys, prefer to age in place (stay in their homes as they age) or stay in their community. The City's Senior Housing Overlay Zone was utilized in the Metro Center Senior Homes development in a very successful way. The City worked with the developer in the design of the development to fit with the location and to enable reduced parking requirements. As the photos below show, the townhomes sit on raised landscaped berms to look to be two stories high with pitched roofs, and line quiet residential streets nearby. Tuck-under parking is reached from behind, showing that the houses are actually 3 stories high from the rear. This allows the development to exceed 30 units per acre including the parking access lanes.

The adopted Reasonable Accommodation procedures provide additional ways to reduce parking or other requirements for individuals. Thus, in total, the conclusion of this analysis is that the City's development standards and regulations do not pose a constraint to housing for persons living with disabilities.

Photos of Metro Center Senior Homes

Potential Constraints Posed by the City's Inclusionary Requirements
The City applies its inclusionary requirements through a process of working with the developer and the community to offer a number of incentives. Incentives offered by the City include density bonuses, funding (if funds are available), development standards flexibility, and reduced processing time.

The affordable housing produced or approved since the adoption of the 2007-2014 Housing Element are listed below, together with types of incentives that were provided.

Incentives Provided to Assist the Provision of Affordable Housing

	% Affordable Units	Financial Incentives	Other Incentives
Triton Plaza	20%	• $6.3 million from CDA	• Waiver of minimum floor area standards • Development Agreement
Triton Pointe	20%	• None	• Density bonus parking standards • Waiver of minimum floor area standards • Development Agreement
The Waverly	20%	• None	• Density bonus parking standards • Waiver of minimum floor area standards
Foster Square	20%	• $3 million committed by City from "boomerang" funds* • Support for funding request submitted to County	• Senior Housing Overlay Zone parking standards • Waiver of minimum floor areas • Development Agreement

*"Boomerang" funds are the City's share of redevelopment funds that were swept by the State and then redistributed to the taxing agencies.

The ability of jurisdictions to mandate inclusionary housing was severely restricted in 2009 with the California Appellate Court ruling in *Palmer v. City of Los Angeles*, which determined that inclusionary requirements on rental units conflicted with the 1995 Costa-Hawkins Act, which regulates rent control. The nexus study that is being prepared for consideration of housing impact fees will provide the necessary documentation of the impacts of the need for affordable housing to support housing impact fees **or** the provision of affordable housing to off-set those impacts.

Infrastructure
The City's infrastructure was initially designed to accommodate the ultimate build-out projections of the City, which have not changed significantly. Water is purchased from the San Francisco Public Utilities Commission (SFPUC) pursuant to an agreement which expires in 2034. The individual supply guarantee for Foster City (Estero Municipal Improvement District [EMID]) is 5.9 million gallons per day (MGD). Although the water supply agreement and accompanying water supply contract expire in 2034, the supply assurance survives their expiration and continues indefinitely. The individual supply guarantee can be reduced during times of drought or when the volume of water storage in SFPUC's reservoirs falls below certain levels. The Urban Water Management Plan prepared by EMID addresses how water rationing and/or other measures will be used to address any temporary water shortage. The Urban Water Management Plan includes projections for increased population as well as implementation of conservation measures. With the implementation of the plumbing codes and other conservation measures, the water use projection is 5.86 MGD in 2020, which is below the 5.9 MGD individual supply guarantee. Implementation

of the 2013 CALGreen Building Code will further reduce water demand. Capacity of the water system is not a limiting factor for housing development identified in the General Plan, which includes the housing identified in the this Housing Element.

Wastewater is transported to the San Mateo/EMID Wastewater Treatment Plant (WWTP) jointly owned by the cities of San Mateo and Foster City. EMID's wastewater collection system consists of more than 43 miles of sanitary sewer lines, more than 8.5 miles of sewer force mains, 49 pumping stations, 15 permanent standby generators, and four portable generators. After collection, waste water is pumped to the WWTP. The WWTP has treatment capacity of 14.4 MGD. Foster City is allocated 25 percent of the capacity of the WWTP, which is 3.6 MGD. The WWTP serves more than 130,000 people and businesses at an average flow of 12 MGD, 2.4 MGD less than the total capacity. The average daily wastewater flow collected from Foster City's users and pumped to the treatment plant is approximately 3.0 MGD. Plans are being developed for improvements to the WWTP to better handle wet weather flows, but this will not increase the overall capacity of the WWTP.

Although there are localized constraints in some of the industrial areas due to pipe sizes and/or lift station capacities, wastewater capacity is not a limiting factor for housing development.

Building Codes

Foster City follows the requirements of the California Building Code as modified by Titles 20 and 24 of the state's regulations. No additional local requirements are imposed which would affect the cost of building homes in Foster City. While building and energy codes add to the cost of housing, their existence ensures that all new housing units will meet minimum levels of performance for habitability, structural safety, and energy use. Cities in California are required to utilize the California Building Code, which establishes minimum construction standards. The City also administers State and Federal mandated standards regarding energy conservation and accessibility for the disabled. The City has adopted several amendments to these codes, including the following more significant provisions:

· Section 15.04.120 – concrete slabs
· Section15.24.130– roofs shall be Class B fire retardant or better
· Section 15.40 – limitations on wood burning appliances
· Section 15.24.230 – fire sprinklers required for all new buildings and significant expansions
· Section 15.24.290 – smoke control systems for buildings four or more stories in height
· Chapter 15.28 – Business and Residential Security

Although some of these regulations, especially the ones related to fire safety, have the effect of increasing the cost of housing, they have beneficial economic and safety effects over the long term by reducing losses due to fires and other factors.

Project Densities

Lower density development has a high land cost per unit and therefore adds to the cost of housing. Foster City has always been planned to have a mixture of low, medium and high density development in order to provide a variety of housing types and prices. Density bonuses are allowed for housing developments that meet certain criteria, including the provision of affordable housing, as provided by State law.

All sites currently zoned for housing have either been developed or have received their design approvals. Future housing will be on sites re-designated to allow residential use or existing residential sites redeveloped at higher densities. It is anticipated that the new housing development will be attached housing in the Townhouse, Apartment or Condominium categories. Listed in the tables below are the Land Use Plan designations for residential use and examples of projects listed from highest to lowest densities for each housing type.

Residential Land Use Plan Designations and Allowed Densities

Land Use Plan Designation	Allowed Density
Single Family Residential	Up to 8 dwelling units per acre
Two Family Residential	Up to 10 dwelling units per acre
Townhouse Residential	Up to 15 dwelling units per acre
Condominium Residential	15-35 dwelling units per acre
Apartment Residential	20-35 dwelling units per acre

Examples of Project Densities

Name of Project	Acres	Units	Units/Acre
Townhomes			
Bayfront court	13.0	154	11.8
Bayporte	13.0	154	11.8
Harborside	18.0	220	12.2
Bay Breeze	1.0	13.0	13.0
Cityhomes East	7.4	115	15.5
Cityhomes West	9.1	143	15.7
Citypark	1.6	42	25.9
Condominiums			
Promontory Point	7.3	93	12.7
Spinnaker Cove	15.4	238	15.4
Marina Point	22.5	364	16.2
Marina Green	8.3	138	16.6
Sand Harbour II	9.9	168	17.0
Sand Harbour I	6.2	120	19.4
Meridian Bay	5.1	129	25.4
Apartments			
Foster's Landing	29.0	490	16.9
Harbor Cove	15.1	400	26.5
Balclutha	1.2	36	30.0
Sand Piper	1.1	36	32.7
Beachcomber	3.6	118	32.8
Marlin Cove	8.4	280	33.4
Tradewinds	3.6	130	36.1
Waverly	6.3	240	38.1
Miramar	4.2	159	38.3
Triton Pointe	3.4	166	48.8
Triton Plaza	6.1	30	50.3
Metro Senior	1.0	60	60.0

Foster City is basically "built out," i.e., the little remaining vacant land either has projects under construction or approved. Almost every new housing project will require the demolition of an existing development. There are many difficulties associated with working with already developed properties: (a) Many developed properties are small and don't have sufficient area for a marketable project by themselves; (b) Aggregating several small parcels can be difficult; (c) Purchasing or condemning leases of existing tenants can be expensive and time-consuming; and (d) Neighbors may be opposed to changing the existing use.

The City of Foster City General Plan designates the location and intensity or density of different types of uses, ranging from parks and open space to offices and housing. Residential uses are designated by the type of housing and the density of housing. The "density" of residential development is the number of residential units on one acre of land. All residential densities are expressed in "gross" area density, which includes internal streets. Below are the types and density of residential uses allowed in Foster City:

(1) Single Family Residential. Allows up to 8 dwelling units per acre. This is the single largest residential category in the City. Single family homes are located in every residential neighborhood except one.

(2) Two Family Residential. Allows up to 10 dwelling units per acre. This designation recognizes the small percentage of existing duplex homes in the City. The designation has been applied to a small area in the northeastern portion of the City, on Comet Drive (Neighborhood #1). Duplexes should provide the outward appearance of single-family residences in a single-family neighborhood, but at densities closer to those of townhomes.

(3) Townhouse Residential. Allows up to 15 dwelling units per acre. Townhomes in Foster City generally function as attached single family homes.

(4) Condominium Residential. Allows up to 15-35 dwelling units per acre. Condominium developments are usually constructed at a higher density than townhomes.

(5) Apartment Residential. Allows 20-35 dwelling units per acre. Apartment developments in Foster City generally provide the highest density living environment, although some apartment developments are built at comparable densities to condominiums.

(6) Mixed Use Residential/Commercial Projects. The City allows mixed residential/commercial projects to be built at the maximum allowed residential densities. In allowing higher residential densities for mixed use projects, the project must comply with the goals and policies of the General Plan, including policies regarding design and affordability.

There is no guarantee that any individual project will be approved for maximum density. The high end of a density range is allowed only when the following issues are addressed:

(1) Excellence in architecture and site planning is achieved through creative solutions to building location and/or design, the preservation of views or vistas, the creation of usable open areas for public and/or private enjoyment, the provision of pedestrian/bicycle pathways for links to existing or proposed routes, the preservation of Bay wildlife resources, and the conservation of energy resources (through solar siting, clustering, etc.).

(2) Development is clustered to reduce paving, grading, runoff, and loss of vegetation cover.

(3) Additional landscaping area is provided to enhance the natural qualities of the site.

(4) Recreational facilities are provided on-site for the enjoyment of project residents.

(5) It is ensured that the traffic, noise, or visual effects of the higher density development will not significantly affect adjacent or nearby residences, or the overall streetscape.

(6) The project includes very low, low and/or moderate income units in accordance with the City's affordability needs and guidelines.

Each development proposal must be evaluated based on its own characteristics and merits to determine whether the proposed density of development is appropriate for that site. Densities higher than those included in the description of each Land Use Plan designation are possible through the use of density bonuses. State Density Bonus Law and Chapter 17.86 of the Foster City Municipal Code provide for density bonuses of up to 35 percent above the otherwise allowed density in return for promising of affordable housing, childcare facilities or senior housing. Factors which must be considered include adjacent uses, the proposed site and building design, traffic and noise impacts, and visual impacts. High quality design that considers the building massing, siting, and landscaping can make higher density developments appear to be much lower in density than they actually are when viewed from adjacent properties and streets. The City's General Plan, Zoning, and development review processes all exist to ensure that each and every new development contributes to the overall quality of life in the community without adversely impacting adjacent properties.

On/Off-Site Improvements

Street and infrastructure standards have a direct impact on housing construction costs, as well as on subdivision design. There have been no public streets built in Foster City since the early 1980's except for Balclutha Drive between Foster City Blvd. and Shell Blvd. In general, residential street widths have a 50-foot right-of-way and are 35-feet from curb to curb. However, all recent multi-family projects have been developed as Planned Developments. Through this process, the City allows lesser street widths, with recent examples being 20-24-feet from curb to curb. By using a planned development process for key housing sites, allowances can be made to conform street standards and improvements to the projects' needs and impacts. The Land Use and Circulation Element includes a policy that allows private streets to be approved with narrower than standard street widths.

The table below shows zoning standards for various residential districts in the City.

Foster City Area, Bulk, Yard, and Height Regulations for R-1, R-2, R-3, and R-4 Zoning Districts

Zoning District	Minimum Width	Minimum Area	Lot Area/DU	Front Yard	Side Yard	Rear Yard	Stories	Maximum Height	Maximum Coverage
R-1	40	5,000	5,000	20	5	20	2	25	50
R-2	40	5,000	3,500	20	5	20	2	25	50
R-3	200	20,000	2,190	20	5	20	3	38	50
R-4	200	20,000	1,245	20	5	20	5	45	40

Source: Foster City Community Development Department

Dollar values shown in $1,000

However, as discussed above, recent multi-family projects have been approved as Planned Developments, which allows for flexibility from these zoning standards.

Discussion of Key Issues Related to Housing

Neighborhoods and Neighborhood Character

R-1 (Single Family Residence) Zoning District. The City's oldest housing stock is approximately forty-five years in age and is generally in good condition. Serious structural problems (foundations; framing; roof structure) or problems with basic systems (plumbing; heating; electrical) are rare. With the exception of construction related foundation problems in several planned developments, structural problems at this stage in the City's history do not constitute a serious concern.

Houses located in the City's older neighborhoods, typically in Neighborhoods 1, 2, 3, 4, 8, and 9:

- Overall, structurally are in good condition.
- Are experiencing renovation and remodeling, especially by new property owners. (The most common remodeling or construction projects involve replacing roofs, room expansions and/or additions, kitchen and bathroom remodeling.)
- Compete well in the overall San Francisco Peninsula housing market and command high prices.
- Receive or have access to a complete range of typical city services (sewer; water; police; fire; library; parks).

Common problems in these neighborhoods include the following:

- Property maintenance, including: (1) unkempt yard maintenance; 2) dead, dying, or a lack of landscaping; 3) peeling or unpainted portions of houses); 4) storage of trash cans and recycling bins in front yards; 5) storage of garbage & miscellaneous debris in front yards.
- Construction or remodeling work occurring without City permits and required inspections.
- Storage of unregistered/inoperable vehicles on driveways and public streets.
- Seasonal storage of boats, catamarans and recreational vehicles on driveways and public streets.

R-1/PD (Single Family Residence/Planned Development Combining) Zoning District. Houses located in Neighborhoods 5, 6, and 7, but also scattered throughout the City:

- Are newer than the houses found in the R-1 Zoning District.
- Are well maintained and are in very good physical condition.
- Have far fewer property maintenance problems than houses in the R-1 Zoning District.
- Compete very well in the overall San Francisco Peninsula housing market and command high prices.
- Receive or have access to a complete range of typical city services (sewer; water; police; fire; library; parks).

Common problems in these neighborhoods include the following:

- Construction or remodeling work occurring without City permits and required inspections.
- Seasonal storage of boats, catamarans and recreational vehicles on driveways, in common area parking lots and on private streets.
- Storage of unregistered/inoperable vehicles on driveways and public streets.

Other Residential Zoning Districts (R-T Residential Townhouse; R-3 Medium Density Multiple Family Residence District; R-4 High Density Multiple-Family Residence) District. The above Zoning Districts are located throughout the City. Dwelling units located in these Zoning Districts are multi-family units, predominantly but not exclusively, apartment units, and range in age from 25-35 years to new/under construction. Multifamily units in these Districts:

- Are well maintained and are in good physical condition.
- Compete very well in the overall San Francisco Peninsula housing market and command high prices.

- Receive or have access to a complete range of typical city services (sewer; water; police; fire; library; parks).

Common problems in these Zoning Districts include the following:
- Construction or remodeling work occurring without City permits and required inspections.
- Seasonal storage of boats, catamarans and recreational vehicles on driveways, in common area parking lots and on private streets.
- Landscape modifications (tree removals/ replacements) without permit.

Periodically, there are specialized rehabilitation needs in the community for lower income or elderly households. In those cases, the City refers people to the County for rehabilitation assistance loans. The City contracts with the County to administer rehabilitation loans and the disaster assistance program. Between 1993 and 2008, 14 rehabilitation loans were provided in Foster City by this program. In addition, Metro Senior Apartments also received a rehabilitation loan in 2013. The City estimates that in the 2015-2023 time period, an additional 20 lower income or elderly households will need rehabilitation assistance.

Energy and Green Building

Housing Elements are required by the State of California to include an Energy Conservation section that provides “an analysis of opportunities for energy conservation with respect to residential development” (Government Code Section 65583(a)(7)).

Background. High energy costs have continued to increase over the past several decades and climate change concerns have increased the need and desire to include energy conservation measures in new housing construction as well as incorporating energy conserving features in existing homes. The use of “green building” techniques and materials can reduce the resources that go into new construction and can ensure buildings operate more efficiently. A common definition of “green building” is “design and construction practices that significantly reduce or eliminate the negative impacts of building on the environment through energy efficiency and renewable energy, conservation of materials and resources, water efficiency, site planning and indoor environmental quality”. Energy conservation measures help to minimize the percentage of income a household must dedicate to energy.. These savings are typically greater than the added construction cost of the energy conservation feature.

States Codes and Guidelines. The State of California is a nationwide leader in sustainable building practices. Written into the State Building Code are several sets of requirements and guidelines to facilitate the production of more environmentally friendly buildings.

Currently, Foster City encourages energy conservation through the enforcement of statewide energy standards which ensure that newly constructed residential units meet a minimum level of energy efficiency. Part 6 Title 24 of the California Code of Regulations sets forth mandatory energy standards for new development, and requires adoption of an “energy budget” In 2011, California added the California Green Building Standards Code (CALGreen) to the state’s official building code. CALGreen is a new set of building codes, some mandatory, and some voluntary, for all new buildings and renovations. It is the first state level “green” building code to be implemented in the US. Minimum energy conservation standards implemented through CALGreen may slightly increase initial construction costs, but reduce operating expense and expenditure of natural resources over the long run.

In addition, the City has required buildings be equivalent to LEED (Leadership in Energy and Environmental Design) Silver or better in development agreements for specific developments, including:
- Gilead Sciences

- Pilgrim Triton (including Triton Plaza, Triton Pointe, Waverly & Phase C)
- Chess Hatch Master Plan
- Foster Square

PG&E Programs. Pacific Gas & Electric (PG&E) provides power for all jurisdictions in San Mateo County. PG&E offers a variety of energy conservation services for residents that help save money while moving towards greater sustainability, including energy assistance programs for lower income households, which help qualified homeowners and renters, conserve energy and control electricity costs. For example, Home and Business Area Network (HAN) and the Smart-Rate Add-on are programs designed to identify peak energy use times and unnecessary 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 sever hardships and are unable to pay for their necessary energy needs.

Foster City Programs. Foster City encourages energy conservation in a number of ways including:

Policies and Strategies

- Passed Resolution 2006-71, supporting efforts of all governments to develop policies and programs to reduce global warming.
- Passed Resolution 2009-17, adopting the San Mateo County Energy Strategy to reduce the impact of global warming and the corresponding climate change. (Previously adopted Resolution 2007-57, supporting the development of the strategy.)
- Appointed an Ad Hoc Environmental Sustainability Task Force which developed a Recommended Sustainability Action Plan. This work has been transferred to the Sustainable Foster City initiative which has an updated Sustainable Foster City Plan.
- Appointed a Transportation Committee which developed additional transportation recommendations. This work has been transferred to the Sustainable Foster City initiative which includes transportation initiatives in its Sustainable Foster City Plan.
- Included preparation of a Climate Action Plan with the update of the Land Use and Circulation Element – projected to be completed in late 2014/early 2015

Carbon Emissions

Emissions from City Operations

- Conducted an inventory of greenhouse gas emissions from City operations in 2005 and 2010. These inventories are used to guide the City's efforts to reduce emissions. The City currently has a number of programs that reduce carbon emissions both from City operations and the community as a whole.
- Preparing and expecting to complete a comprehensive Climate Action Plan in 2014.

- Converted to a system by which water meters can be read remotely, eliminating the need to routinely access on-site meters around the city by automobile.
- Benchmarked major City facilities so on-going energy use and be tracked and managed.

Promotion and Support of Mass Transportation

- Works with the Traffic Congestion Relief Alliance and employers to ensure that trip-reducing alternatives are available, introduced to employees, and publicized on a regular basis.
- Promotes the AC Transit transbay bus service.
- Promotes employer-operated shuttles to and from the San Mateo Caltrain Station and the Millbrae Intermodal Station from three areas: Lincoln Centre, North Foster City, and Mariners Island.
- Operates a Senior Express Shuttle to transport residents age 55 and older to events and activities in the region.

Bicycle Alternatives

- Requires that bicycle racks be installed at all new commercial/office developments in town. Bicycle racks are also on all shuttles.
- Maintains a bicycle/pedestrian path along the bay front—a leg of the Bay Trail that connects with trails maintained in neighboring cities and allows for an easy commute by bicycle between Foster City and a number of Peninsula cities.

Foster City Employee Trip Reduction

- Implemented an alternative schedule for most employees, reducing employee commuter trips from a traditional schedule.
- Implemented the option for certain employees to telecommute from home, keeping cars off the roadways while maintaining a productive workforce.
- Participates in annual Great Race for Clean Air, sponsored by the Spare the Air Team at the Bay Area Air Quality Management District.

City Fleet Fuel Efficiency

- Increasing the percentage of hybrids in the City fleet and reviewing other fuel-efficient alternatives as vehicles are replaced.
- Replaced traditional vehicles with electric options for parks maintenance operations when appropriate.
- Maintains vehicle fleet in peak condition in order to maximize performance and minimize carbon emissions.

Other Carbon-Reducing Policies

- Reduced speed limits on most City streets to allow for use of Neighborhood Electric Vehicles (NEV) for intra-City transportation.
- Adopted regulations prohibiting the installation or replacement of wood burning appliances unless certain conditions are met to protect air quality.

Energy Conservation and Renewable Energy

- Eliminated permit fees for installation of solar panels.
- Installed Light Emitting Diode (LED) streetlights on all public streets. LED streetlights reduce energy use by up to 50% and require less maintenance and less frequent replacement.
- Converted all traffic and pedestrian signals to LED's; these lights use about 20 percent of the electricity of the older, halogen lights.
- Implemented energy conservation practices in building maintenance supplies, parts and systems in City facilities.
- Computer-controlled heating, ventilation and air conditioning systems in some buildings make them more energy efficient, shutting off systems when work areas may not be inhabited.
- Participates in the San Francisco Community Power Demand Response Program, reducing city-wide electricity use on peak demand days.

- Installed solar powered speed safety signs near Bowditch Middle School.
- Converted to energy efficient electronic ballasts in City lighting systems.
- Joined Energy Upgrade California program to encourage energy efficiency retrofits by Foster City property owners. To learn more, visit http://www.energyupgradeca.com/.
- Joined CaliforniaFIRST to enable commercial customers to access Property-Assessed Clean Energy (PACE) financing.
- Joined Regional Renewable Energy Partnership to study the installation of solar panels at the Library/Community Center.

Foster City will continue to address energy conservation and promote green building in Foster City as well as research different strategies to rehabilitate rental and owner housing, as well as promote new green projects.

Funding for Housing

Past Funding from the Community Development Agency. In 1994 the City and the Community Development Agency (CDA) adopted the Affordable Housing Strategic Plan, which contains a strategy for meeting the City's and the CDA's affordable housing obligations. The Strategy was amended in 1997. The Strategic Plan was developed because the high cost of providing affordable housing in the Bay Area, the fairly substantial number of units required, the flow of available financial resources (the tax increment revenue stream) and the need to maintain unit affordability for the life of the Agency all require that the City and the CDA plan carefully and leverage the Agency's housing funds to the fullest extent feasible. The Affordable Housing Strategic Plan was incorporated into the 2007-2014 Housing Element.

With the funding provided for affordable housing through the CDA, Foster City was able to provide a significant amount of affordable housing for the community through a variety of programs, as indicated in the table below.

Affordable Housing Programs Funded by the Community Development Agency: 1985-2012[1]

Program	Number of Affordable Units Produced
Fosters Landing	74
Metro Senior Apartments	60
Marina Green[2]	17
Emerald Bay	7
Existing Unit Purchase[3]	8
Marlin Cove	84
Miramar	48
Triton Plaza	60
Foster Square[4]	66
First Time Homebuyer Loans	33
HIP Homeshare	Dozens of households provided with homeshare matches
HEART[5]	5

[1]Commitments in place at the time the CDA was dissolved were able to be funded after dissolution of the CDA, including Triton Plaza
[2]Marina Green deed restrictions have expired, but provided an opportunity for 17 low- and moderate-income households to become homeowners
[3]Up to eight units were provided, although two units were recently sold bringing the number in the program to six units
[4]Funding for Foster Square was provided from “boomerang” funds, i.e., the City’s share of the redistributed housing funds that were swept from the CDA
[5]HEART (Housing Endowment and Regional Trust) has provided five downpayment assistance loans in Foster City a well as some additional loans to Foster City workers who live elsewhere. The City pays membership dues to HEART.

In 2011, the passage of ABx1 28 by the State dissolved redevelopment agencies and eliminated a major source of funding for affordable housing. The legislation, which was upheld by a ruling of the California Supreme Court on December 29, 2011, dissolved agencies on January 31, 2012.

Current Funding for Affordable Housing. On January 9, 2012, the City Council exercised its right under the legislation to become the Housing Successor Agency to the former Community Development Agency. All non-cash housing assets and obligations, including the eight (8) affordable housing units formerly owned and operated by the Agency, and loans receivable from the Metro Center Senior Housing Project and individual borrowers under the former 1st Time Homebuyers Program, were transferred to the Successor Agency's Low- and Moderate-Income Housing Fund (LMIHF) effective February 1, 2012.

Continuing obligations of the Successor Agency to the Community Development Agency, including affordable housing obligations related to Marlin Cove, Miramar and Triton Plaza, are funded from the tax increment received by the Successor Agency and are not paid from the LMIHF or the City Affordable Housing Fund.

The City chose to allocate the funds it received from the reallocation of the housing funds swept from the CDA to the affordable housing in the Foster Square development. These funds are referred to as the "boomerang" housing monies. Although these funds were not restricted when they were redistributed to the various taxing entities, the City chose to allocate the approximately $3 million it received to the 66 units of affordable housing in Foster Square being developed by Mid-Peninsula Housing.

The LMIHF includes the budget for expenditures related to operating and maintaining the remaining six (6) affordable housing units now owned by the City, including property management services, landscaping and other maintenance costs, as well as initiatives that were formerly funded by the Agency that support and enhance the availability of affordable housing in Foster City. Revenues going into the Affordable Housing Fund include proceeds from the sale in FY 2013-14 of two of the units in the Existing Unit Purchase Program as well as rental income and loan repayments. The City Council has set a goal of maintaining a $300,000 fund balance as a reserve for capital expenditures related to the affordable housing units owned by the City.

Other funding sources available within San Mateo County include HEART and San Mateo County. Many sources of state and federal funding for locally administered affordable housing program are declining, such as the Community Development Block Grant, the HOME Investment Partnerships Program, HOPE VI and Choice Neighborhoods, as documented in the *Affordable Housing Funding Gap Analysis* prepared by ABAG in February 2014.

Potential New Sources of Funding. The dissolution of redevelopment agencies throughout California in 2012 eliminated the major source of funding for affordable housing in Foster City and other jurisdictions. Although this funding has been eliminated, the state mandates to plan for and facilitate the provision of affordable housing remain. An option to provide funding for affordable housing is the imposition of development impact fees. The development impact fee would be charged to a development for the increased demand for affordable housing that the development would create. In order to impose a development impact fee, a "nexus study" is required to document that: 1) the development is in fact creating an impact, and 2) that the fee is proportional to the impact.

Pursuant to City Council direction, a nexus study is underway in cooperation with the 21 Elements program that will enable consideration of an affordable housing impact fee as a source of ongoing funding for affordable housing. The nexus study is anticipated to be completed at the end of 2014 to enable the City Council to consider adoption of a housing impact fee in early 2015.

Addressing Housing for the Homeless

The unsheltered homeless population in Foster City was estimated to be 7 people as of the San Mateo County Homeless Census taken in January 2013. Unsheltered homeless people are often "invisible" because they may be living in vehicles. (See the *Housing Needs* Appendix for additional information.) The City has adopted Chapter 17.82, Emergency Shelters, to allow emergency shelters for the homeless as a permitted use in areas zoned Neighborhood Business (C-1), Central Business (C-2), and at churches/synagogues in the Public Facilities (PF) Zoning District based on the following considerations:

a. The City will encourage a dispersion of facilities to avoid an over-concentration of shelters for the homeless in any given area. An over-concentration of such facilities may negatively impact the neighborhood in which they are located and interfere with the "normalization process" for clients residing in such facilities.

b. The City of Foster City shall encourage positive relations between neighborhoods and providers of permanent or temporary emergency shelters. Providers or sponsors of emergency shelters, transitional housing programs and community care facilities shall be encouraged to establish outreach programs within their neighborhoods and, when necessary, work with the Peninsula Conflict Resolution Center or other mediation service.

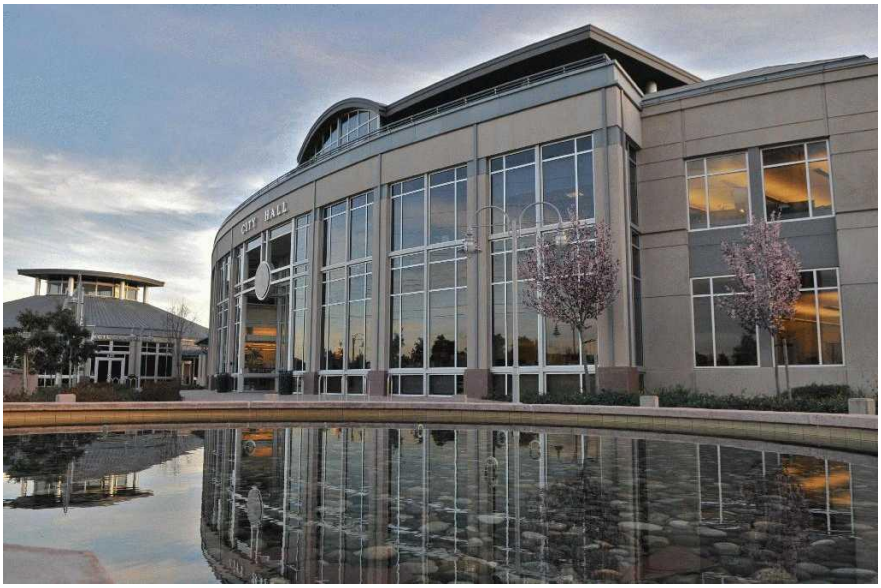
c. It is recommended that a staff person from the provider agency be designated as a contact person with the community to review questions or comments from the neighborhood. Outreach programs may also designate a member of the local neighborhood to their Board of Directors. Neighbors of emergency shelters shall be encouraged to provide a neighborly and hospitable environment for such facilities and their residents.

d. Development standards for emergency shelters for the homeless included in Chapter 17.82 will ensure that shelters would be developed in a manner which protects the health, safety and general welfare of nearby residents and businesses, while providing for the needs of a segment of the population as required by State law. Shelters shall be subject only to development, architectural review and management standards that apply to residential or commercial development in the same zone, except for the specific written and objective standards as contained in Chapter 17.82.

Program H-F-3-d Emergency Shelter Zoning, notes that the City will allow emergency shelters pursuant to these already adopted regulations. The area zoned C-1, C-2 and PF, which allow emergency shelters "by right" includes eleven properties with a total of over 40 acres. Two other programs help address these needs within Foster City, including, the ability to locate transitional and supportive housing in any residential area pursuant to **Program H-F-4-a Transitional and Supportive Housing Zoning** and the Homeshare Program referenced in **H-E-6-a Homeshare Program and H-F-2-f Home Sharing Program** . In addition, the Foster Square development will include two units that will be targeted for homeless seniors. Together, these programs provide more than enough capacity to address homeless needs in Foster City.

In addition, there are several local agencies that provide services to the homeless in nearby jurisdictions, including emergency housing, counseling and other services. The City has supported programs of various agencies to address and prevent homelessness and has included programs to continue this support to the extent funds are available, including:

- *H-F-3-a* ***Emergency Housing Assistance***
- *H-F-3-b* ***Emergency Shelter Uses***
- *H-F-3-c* ***Multi-Jurisdictional Emergency Shelter***



Housing Goals, Policies and Programs

The section below contains the City's Goals, Policies and Programs related to the Housing Element. Goals are shown in capital letters, e.g., H-A. Policies related to each Goal include the Goal plus a number, e.g., H-A-1. Programs related to each Policy include the Goal and Policy reference followed by a lower case letter, e.g., H-A-1-a.

H-A Reinforce the City's Commitment to Meeting Housing Needs

Establish and monitor goals, policies and programs to address the City's housing needs, encourage public participation in all housing policy matters and promote equal housing opportunities.

Below is a breakdown of the Regional Housing Needs Allocation (RHNA) for Foster City for the current Housing Element planning period (2015-2023) as determined in partnership with all twenty cities and the county as part of the San Mateo sub-region. (Although the RHNA is for the time period of 2014-2022, the planning period covered by the Housing Element is 2015-2023.) Approximately 54 percent of the housing need is required to be affordable to low-and very low-income households ("lower income" households). The quantified objectives in the Foster City Housing Element are intended, in part, to make sure the City addresses its RHNA for new units.

City of Foster City Regional Housing Needs Allocation (RHNA) for 2015-2023 Planning Period

Income Level	Units	Percentage
Very Low	148	34%
Low	87	20%
Moderate	76	18%
Above Moderate	119	28%
Total	**430**	**100%**

Foster City Housing Element Quantified Objectives

Total Foster City Housing Element Quantified Objectives by Income Category (2015-2023)

Income Category	(1) New Construction	(2) Rehabilitation	(3) Conservation[1]
Very Low (Extremely Low[2])	181	5	235
Low	153	10	58
Moderate	116	5	1,015
Above Moderate	1,209	0	0
Total	**1,659**	**20**	**1,308**

[1]Conservation includes preservation and improvement of existing affordable housing stock per Government Code Section 65583(c)(4).

[2]Extremely Low Income is a subset of the Very Low Income. Housing opportunities such as emergency shelters, supportive housing, shared housing and Section 8 vouchers can provide opportunities to address Extremely Low Income housing needs. In addition, the Affordable Housing Overlay Combining District will require a certain percentage of extremely low-income units. The City will strive to provide some extremely low income housing in new construction through the development review process negotiations.

New Construction, Rehabilitation and Conservation Quantified Objectives (2015-2023)

(1) New Construction Objectives

	Very Low	Low	Moderate	Above-Moderate	Total
Approved Units:					
Triton Pointe[1]	10	18	5	133	166
The Waverly[1]	8	31	9	192	240
Foster Square[1]	66	0	0	331	397
Pilgrim Triton Phase C[2]	2	2	1	12	17
Projected Units:					
Second Units	4	1	1	0	6
Harbor Cove	20	0	0	60	80
Sites to be Rezoned with Affordable Housing Overlay Zone:[3]					
Beach Cove	25	71	0	143	239
Franciscan	8	21	0	75	104
Sand Cove	21	59	0	220	300
Shadow Cove	10	28	0	75	113
TOTAL	174	231	16	1,241	1,662
Excess Low Income Counted Toward Moderate		-100	100		
TOTAL AFTER COUNTING EXCESS LOW TOWARD MODERATE	**174**	**131**	**116**	**1,241**	**1,662**
RHNA	148	87	76	119	430
Remaining Need (Surplus)	(26)	(44)	(40)	(1,122)	(1,232)
Percent of Need to be Met	118%	151%	153%	1,043%	387%

[1]Numbers of units per project approval and/or development agreement.

[2]The breakdown of 20% affordable units in Phase C of Pilgrim-Triton has not been determined and will be negotiated with the Use Permit or Development Agreement.

[3]The breakdown of affordable units includes 7% very low-income and 20% low-income of the base density in order to achieve 60% additional density per Affordable Housing Overlay Zone.

(2) Rehabilitation Objectives: 20 units

(Limited rehabilitation needed due to the newness of the housing stock.)

(3) Conservation Objectives (Units from Previous RHNA Planning Periods):

	Very Low	Low	Moderate	Total Affordable
Existing BMR Units:				
Fosters Landing	30	22	22	74
Emerald Bay	3	2	2	7
Metro Senior Housing	54	6	0	60
CDA Acquired Housing	6	0	0	6
Marlin Cove	56	0	28	84
Miramar	32	0	16	48
Triton Plaza	40	15	5	60
Existing shared housing[2]	14	13	0	27
Existing non-BMR apartments[1]	0	0	942	942
TOTAL	**235**	**58**	**1,015**	**1,308**

[1]Estimated 25% of existing 3,768 market rate rental apartments are affordable to moderate income households.
[2]HIP Housing reported 13 new shared housing placements in FY 12-13 and 14 remaining in shared housing placements from previous years. Distribution assumed to be approximately half very low-income and half low-income.

H-A-1 **City Leadership.** Provide an active leadership role in helping to attain the objectives of the City's Housing Element by following through on the actions prescribed in the Housing Element in a timely manner and monitoring progress annually to review housing goals and target achievements.

H-A-1-a ***Annual Tracking of Housing Activity.*** *The City will provide a statistical summary of residential building activity tied to various types of housing, household need, income and Housing Element program targets. Target: Annually as part of General Plan Implementation Report and consistent with the annual monitoring requirements for the Housing Element. Responsible Agency: Community Development Department.*

H-A-1-b ***Construction of New Units.*** *The Association of Bay Area Governments, through the San Mateo County sub-region, has calculated Foster City's regional housing share at 430 units for the 2015-2023 period. The City will continue to review residential proposals as they are received. Target: Potential for up to 1,752 housing units between 2015-2023, including sites identified in Housing Program H-D-2-a, Tier 1 Housing Opportunity Sites. Responsible Agency: City Council; Planning Commission; Community Development Department and Community Development Agency.*

H-A-1-c ***Future Housing Element Updates.*** *The City will update its Housing Element, consistent with State Law requirements. Target: Next update by January 2023. Responsible Agency: Community Development Department.*

H-A-2 **Public Participation.** Encourage and support public participation in the formulation and review of the City's housing policy, including encouraging neighborhood level planning and working with community groups and the building and real estate industry to advocate programs which will increase affordable housing supply and opportunities.

H-A-3 **Cooperation with Other Agencies.** Continue participation in County-wide housing assistance programs and coordinate with other public and private agencies in the use of available programs to provide lower-cost housing in Foster City.

H-A-3-a ***Community Outreach.*** *The City will improve citizen awareness of rehabilitation and disaster assistance loan subsidy programs, code enforcement, energy conservation programs, fair housing laws and affordable housing programs by:*
(1) providing packets of housing information at City Hall and the library, with water bill inserts and through the mail to those who inquire;
(2) contacting neighborhood groups and associations;
(3) providing special presentations to community groups, service organizations, and senior citizens periodically; and
(4) providing public information through articles in the local newspaper, on the City's web site and with cable TV public service announcements.
Target: Ongoing. Responsible Agency: Community Development Agency.

H-A-3-b ***Technical Assistance to Non-Profits.*** *The City will provide technical assistance to non-profit groups organized to encourage provision of affordable housing and sponsors of affordable housing projects and programs. The City will facilitate provision of affordable housing by providing technical assistance in a liaison role with non-profit housing groups and managers of affordable housing units in the City. Target: Annual and ongoing outreach and when a unique development opportunity arises. Responsible Agency: Community Development Department and Community Development Agency.*

H-A-3-c ***Water and Sewer Agency Coordination.*** *Annually review water and sewer procedures and priority for water and sewer service allowances for developments with units affordable to lower-income households. Target: Upon Housing Element adoption; review annually. Responsible Agency: Community Development Department and Public Works Department.*

H-A-3-d ***Outreach to Community Service Clubs and Organizations****. The City will contact community service clubs and organizations to determine their interest in establishing a volunteer labor-assistance housing improvement program for homeowners physically or financially unable to maintain their properties. Target: By 2015. Responsible Agency: Community Development Department.*

H-A-4 **Review Potential Environmental Impacts of New Housing.** When a new housing development is proposed, perform a review of potential environmental impacts to ensure that the impacts on existing and prospective residents are considered.

H-A-4-a ***Air Quality Impacts.*** *When site-specific development is proposed and/or a Rezoning application is processed, potential air quality impacts from project traffic shall be studied, and mitigation measures to ensure compliance with the Bay Area Air Quality Management District standards in effect at the time shall be*

recommended if necessary. Target: Ongoing. Responsible Agency: Community Development Department.

H-A-4-b ***Geotechnical Studies.*** *Prior to any residential or retail construction on the project sites, geotechnical studies would be required by the City unless a site-specific study is already on file with the City. Target: Ongoing. Responsible Agency: Community Development Department.*

H-A-4-c ***Building Codes.*** *Buildings shall conform to the requirements of the latest adopted edition of the California Building Standards Code to reduce potential seismic-related hazards. Target: Ongoing. Responsible Agency: Community Development Department.*

H-A-4-d ***Site Investigation.*** *When a site-specific development is proposed for a site that was previously used for commercial or industrial uses, a Phase I and II Site Investigation shall be conducted to identify the extent of contamination and the clean-up measures necessary to meet the requirements of the Department of Toxic Substances Control and the Regional Water Quality Control Board. Target: Ongoing. Responsible Agency: Community Development Department.*

H-A-4-e ***NPDES Requirements.*** *All National Pollutant Discharge Elimination System (NPDES) requirements will be met or required as mitigation measures when Rezoning applications are processed for the subject sites. Target: Ongoing. Responsible Agency: Community Development Department.*

H-A-4-f ***Noise Studies.*** *Noise studies shall be undertaken for each site when a site-specific development is proposed and/or a Rezoning application is processed. These studies will identify needed mitigation measures to reduce noise levels to an acceptable level for residential uses of the sites as identified in the Noise Element of the Foster City General Plan. Target: Ongoing. Responsible Agency: Community Development Department.*

H-A-4-g ***Traffic Evaluations.*** *Traffic evaluations shall be completed when site-specific development is proposed and/or a Rezoning application is processed. Each site-specific evaluation will consider intersection and freeway impacts, parking, transit and pedestrian/bicycle safety. If necessary, mitigation measures to ensure compliance with the Level of Service standards identified in the City of Foster City General Plan shall be incorporated in the project. Target: Ongoing. Responsible Agency: Community Development Department.*

H-B Protect Existing Housing, Community Character and Resources

Maintain the high quality of existing housing and community character and assure energy efficiency in new and existing housing.

H-B-1 **Encourage Maintenance of Existing Housing.** Encourage maintenance of the existing housing stock by enforcing zoning and property maintenance regulations, housing and other codes for all types of residential units.

H-B-1-a ***Continue Code Enforcement.*** *Continue the existing Zoning and Building Code Enforcement and Property Maintenance programs. In addition, continue the*

mandatory fire code inspection program. Target: Ongoing. Responsible Agency: Community Development Department; Fire Department.

H-B-2 **Encourage Rehabilitation of Existing Housing.** Encourage rehabilitation to the extent possible and when necessary for low and moderate income homeowners and rental property owners with lower income tenants.

H-B-2-a ***Rehabilitation Loans.*** *The City will encourage rehabilitation loan and disaster assistance programs to the extent possible given program funding criteria and local need. Target: 20 new loans by 2023. Responsible Agency: San Mateo County Housing Authority, San Mateo County Department of Housing and Community Development and the Community Development Agency.*

H-B-2-b ***Facilitate Non-Profit Rehabilitation/Maintenance Assistance****. The City will, if a source of funding can be found, initiate a program to provide up to $1,000 in funding for very low-income households who cannot otherwise afford the repairs. Eligible repairs include weatherization of doors and windows, broken windows and doors, installation of smoke detectors, water-heater replacement, electrical/mechanical work, plumbing repairs and cleaning gutters. To help the disabled and elderly maintain or rehabilitate their homes the City will identify possible non-profit organizations (such as Rebuilding Together, churches, service clubs, or Girl or Boy Scouts) that can provide assistance and will provide information on the City's website and handouts at City Hall. Target: 2016 and ongoing thereafter. Responsible Agency: Community Development Department.*

H-B-3 **Encourage Energy Conservation in Housing.** Encourage adoption of energy conservation measures, and promote energy conservation programs and City staff training that provide assistance for energy conservation improvements.

H-B-3-a ***Energy Conservation Assistance.*** *Consider adopting measures for new residential development and rehabilitation projects to incorporate sustainable construction and green building practices as part of a Climate Action Plan or other program. Target: 2015; Responsible Agency: Community Development Department.*

H-B-3-b ***Increased Energy Conservation.*** *The City will continue to enforce CALGreen Energy requirements, consider fee waivers and fast-track incentives for energy conservation improvements, and will review its development ordinances to determine if zoning, building, subdivision and others discourage the use of energy conservation measures (placement of solar panels, energy conserving architectural designs, building orientation, etc.). Target: Ongoing. Responsible Agency: Community Development Department.*

H-B-4 **Housing Design.** Assure excellence in project design consistent with existing community character (architecture, site planning, and amenities).

H-B-4-a ***Architectural Review.*** *Continue the City's Architectural Review requirements contained in Chapter 17.58 of the Foster City Municipal Code to ensure that development preserves the architectural character and scale of the neighborhoods and community and is well designed. Target: Ongoing. Responsible Agency: Community Development Department.*

H-C: Protect the Supply and Affordability of Rental Housing

H-C-1 **Regulation of Conversions.** Regulate the conversion of apartments to condominiums, community apartments and stock cooperatives to preserve the existing stock of rental apartments.

H-C-1-a ***Condominium Conversion Regulation.*** *Continue implementation of the condominium conversion ordinance linking any conversions to the development of additional rental housing within the City. The ordinance provides for lifetime leases for seniors and handicapped tenants. Continue the requirement for deed restrictions on resale (unless financing is impossible), or 1% of gross sales must be contributed to the City, and comparable rental housing must be available in the Housing Market Area. Target: Ongoing. Responsible Agency: Community Development Department.*

H-C-1-b *Amend the existing conversion regulations to change the percentage of converted units required to be set aside for qualified low and moderate income owners from ten to up to twenty percent. Target: 2016. Responsible Agency: Community Development Department, Planning Commission, City Council.*

H-C-2 **Protection of the Rental Housing Stock.** Promote the retention of rental units and encourage rental subsidy programs that can be applied to existing housing.

H-C-2-a ***Phased Redevelopment of Existing Apartments.*** *If a large apartment development is redeveloped, the project shall be phased so that displacement of residents is minimized to the extent feasible. The application for redevelopment shall include a plan to minimize displacement of existing residents. Target: Ongoing. Responsible Agency: Community Development Department.*

H-C-3 **Moderate Rent Increases**
Find ways and means to moderate the percentage, amount, and frequency of residential rent increases in the City.

H-C-3-a ***Moderate Rent Increases.*** *Continue working with the Peninsula Conflict Resolution Center and the Tri-County Apartment Association as vehicles to moderate rent increases and minimize displacements in the City and to resolve rental disputes between renters and property owners. Target: Ongoing. Responsible Agency: City Council, Community Development Department.*

H-C-4 **Rent Disputes.** Provide for increased use and support of tenant/landlord educational and mediation opportunities.

H-C-4-a ***Rental Dispute Resolution.*** *Continue to encourage residents' use of the Peninsula Conflict Resolution Center as a vehicle to resolve rental disputes between renters and property owners. Target: Ongoing. Responsible Agency: City Council, Community Development Department.*

H-C-5 **Rental Assistance Programs.** Continue to publicize and participate in rental assistance programs such as Section 8, Housing Voucher programs, and other available rental programs.

H-C-5-a ***Rental Housing Assistance.*** *Encourage the use of federal, State and Local rental housing programs. Continue to publicize programs and work with the San Mateo County Housing Authority to implement the Section 8 Rental Assistance Program and, as appropriate, assist similar non-profit housing sponsor rental assistance programs. Target: Emergency Assistance: 15 extremely low and very low income households provided assistance per year (assumes continued funding of program). Responsible Agencies: San Mateo County Housing Authority and non-profit housing sponsors.*

H-C-5-b ***City Rental Housing Assistance Program.*** *If a source of funding can be secured, the City of Foster City will develop a local housing rental assistance program, and will work with the owners of existing rental projects in the City to provide as many subsidized rental units as possible. As a goal, the City will seek to provide up to 5% of the available units for rental subsidy. Target: An additional 10 extremely low income, 10 very low income and 20 low income households/units provided rental subsidy by 2022. Responsible Agencies: Community Development Department.*

H-D Consider Potential Public and Private Redevelopment Opportunities to Increase the Supply of Housing

Assure excellence in architecture and site planning in all new projects, provide a variety of housing types and tenure and meet the City's "fair share" of regional housing need.

H-D-1 **Housing Opportunity Areas.** Given the diminishing availability of developable land, the City will identify housing opportunity areas and sites where a special effort will be made to provide affordable housing consistent with other General Plan policies. Housing Opportunity Areas should have the following characteristics:

a. The site has the potential to deliver sales or rental units at low or below market rate prices or rents.
b. The site has the potential to meet special housing needs for local workers, single parents, seniors, small families or large families.
c. The City has opportunities, through ownership or special development review, to facilitate provision of housing units to meet its housing objectives.

H-D-2 **Selection of Housing Opportunity Areas.** The City will use the following criteria in selecting Housing Opportunity sites or areas:

a. Potential for adequate and safe internal and external vehicular and pedestrian circulation.
b. Convenient access to existing public transportation or the potential for such access as public transportation systems are expanded.
c. Convenient access to typical neighborhood services and facilities typically required by residents.
d. Convenient access to typical neighborhood recreation facilities, or designed to provide adequate recreation facilities on site.
e. Cost effective mitigation of physical site constraints (including geologic hazards, flooding, drainage, soils constraints, wetland limitations, etc.)
f. Cost effective provision by the City/EMID of typical residential services and adequate utilities to the site.

g. Ability to meet internal residential noise standards.
h. Adequate size to provide required parking; parking requirements should be flexible based on the expected needs of the project's prospective residents.
i. The development of a specific project on the site will not result in significant adverse individual or cumulative impacts on other properties in the neighborhood or area, unless the City/District adopts a Statement of Overriding Considerations as defined by the California Environmental Quality Act.

H-D-2-a ***Tier 1 Housing Opportunity Sites.*** *The City will work with the developers of Tier 1 Housing Opportunity Sites to assure that the City's Regional Housing Needs Allocation (RHNA) can be met at these designated "Tier 1" housing opportunity sites. The Housing Element concludes that these sites are sufficient to meet all of the City's Regional Housing Needs Allocation (RHNA) for the 2015-2023 planning period, including the need for very low, low, moderate, and above moderate income housing.*

Tier 1 Housing Opportunity Sites include:
Pilgrim Triton (Remaining Phases):
Triton Pointe
The Waverly
Phase 3
Foster Square
Harbor Cove
Beach Cove
Franciscan
Sand Cove
Shadow Cove

Target: All approvals within one year of each application. Responsible Agency: City Council; Planning Commission; Community Development Department.

H-D-2-b ***Affordable Housing Overlay Combining District****. Program: Adopt and implement an Affordable Housing Overlay (AHO) Combining District to encourage the production of additional housing units, including affordable units. The AHO will require a minimum density of 31.25 units per acre (36% increase over the base density of 23 units/acre) "by right," subject to demonstrating compliance with criteria to ensure compatibility with adjacent uses. Target: 2015. Responsible Agency: Community Development Department, Planning Commission, City Council*

H-D-2-c ***Rezoning with Affordable Housing Overlay District****. Rezone selected housing sites with the AHO to encourage redevelopment of existing, older apartments with additional housing in a manner appropriate to their neighborhood and surrounding development. Target: 2015. Responsible Agency: Community Development Department, Planning Commission, City Council.*

H-D-2-d ***Design Criteria for Affordable Housing Overlay District****. Develop criteria to be used by the Planning Commission in the review of developments pursuant to the AHO that ensures:*

- *Site plans, landscaping and structures are developed with a character that is consistent with the quality of the City's neighborhoods.*

- *Building scale, setbacks and massing and other features are utilized to minimize the impacts on adjacent development.*
- *In mixed affordability developments, affordable units are dispersed and indistinguishable from market rate units*.

Target: 2015. Responsible Agency: Community Development Department, Planning Commission, City Council.

H-D-3 **Encourage Housing as Part of New Development Projects.** As opportunities for the redevelopment of property occur, whether financed with public funds or not, evaluate whether the subject site and project could and/or should include multifamily housing units as a part of the overall project, including apartments, condominiums, townhouses or a mix of housing types.

H-D-3-a ***Potential Re-Use of Commercial Sites.*** *The City will reevaluate the land use designations for the City's neighborhood shopping centers or other commercial sites if, at a future date, any of these commercial activities become not viable. If mixed use developments including residential uses are considered, criteria for determining the appropriate housing types include:*

(1) The predominate types and densities of housing on the same block front or on adjacent blocks to the proposed project.
(2) The type of street (major, collector, etc.) which would provide access to the site and levels of service on the street in the morning and afternoon peak hours.
(3) Availability of public services and facilities.
(4) The ability of the project to provide landscaping for parking areas, facade modulation and orientation of buildings which would ensure privacy for, and minimize impacts on, any adjacent single family homes, and reduce the perception of density in a multi-family project.

Target: As appropriate. Responsible Agency: Community Development Department, Planning Commission, City Council.

H-D-3-b ***Increase Supply of Rental Units.*** *Work to increase the supply of rental units in the City by re-planning and rezoning failed, failing or underutilized commercial properties to include rental units. Timeframe: Following completion of Housing Element or when a unique development opportunity arises. Responsible Agency: City Council, Planning Commission, Community Development Department.*

H-D-4 **Mixed Use Development.** Encourage mixed residential/commercial uses on those parcels where a mix of land uses is feasible and appropriate.

H-D-4-a ***Mixed Use Housing.*** *Encourage mixed residential-commercial uses in areas consistent with the Land Use Plan through the following and other means, if appropriate: (1) increased densities; (2) reduced unit sizes; (3) incentives for ground-floor retail; (4) shared parking; (5) reduced parking ratios; and (6) require the identification of specific parts of the master plan for housing. Target: Ongoing. Responsible Agency: Community Development Department, Planning Commission, City Council.*

H-D-5 **Planned Development Process.** Encourage the use of the planned development process to achieve a diversity of housing types and tenure and to provide greater choice for residents and workers in Foster City.

H-D-6 **Second Units.** The City will continue to allow secondary dwelling units ("granny flats") in R-1 zones, subject to specific development standards and requirements.

H-D-6-a ***Second Units.*** *Continue implementation of the City's Second Unit Ordinance in single-family (R-1) zones. Target: 6 units by 2023. Responsible Agency: Community Development Department.*

H-D-7 **School Sites.** Assist and support the public school district and private schools with the incorporation of residential uses for faculty and staff along with educational facilities in order to increase the supply of affordable housing.

H-D-8 **Secure Funding for Housing Programs**. Identify and/or develop a source of funding for affordable housing programs, including one-time development assistance and on-going programs.

H-D-8-a ***Housing Impact Fee.*** *Conduct the necessary nexus study to enable the City to consider adoption of housing impact fees on new development as a way to provide funding for affordable housing programs. Target: 2015. Community Development Department, City Council.*

H-D-8-b ***Local, State and Federal Funding for Affordable Housing****. Monitor the availability of other sources of local, state or federal funding that could be used to provide funding for affordable housing programs. Target: Annual and ongoing. Responsible Agency: Community Development Department.*

H-D-9 **Reduce Regulatory Constraints.** Support the reduction of governmental and regulatory constraints to the production of housing, especially affordable housing.

H-D-9-a ***Government Constraints.*** *The City will review the entire development process and remove any government and regulatory constraints to the production of affordable housing, including a review of ways to allow more types of projects to be approved at the staff level. Target: 2016. Responsible Agency: Community Development Department and Public Works Department, Planning Commission, City Council (this would be zoning requirements, fees, and review procedures for example).*

H-D-9-b ***Pre-Permit Review Process.*** *The City will continue to hold pre-application reviews of affordable housing projects with all City departments in an effort to reduce permitting time and cost for affordable housing projects. These pre-application conferences will be held with all City departments to review the proposal and set clear objectives early on in the process. Target: Ongoing. Responsible Agency: Community Development Department, Public Works, and Building Inspection Division.*

H-D-9-c ***Minimum Density Requirements.*** *Consider enacting minimum density requirements in multiple family zones to prevent use of land zoned for multiple-family use for lower density housing in order to make more efficient use of the limited opportunity to provide additional housing. Amend City codes if necessary. Target: 2016. Responsible Agency: Community Development Department, Planning Commission, City Council.*

H-D-9-d ***Zoning Incentives.*** *Evaluate zoning incentives that encourage the development of diverse housing types, including smaller, more affordable units and two- and three-bedroom units suitable for families and children. Amend City codes, including Chapter 17.56 and others, if necessary. Target: 2016. Responsible Agency: Community Development Department, Planning Commission, City Council.*

H-D-9-e ***Reevaluate Parking Requirements.*** *Conduct a study of whether, how, and when to modify parking requirements to allow higher densities and reduced housing costs in areas appropriate for reduced parking requirements. Amend City codes if necessary. Target: 2016. Responsible Agency: Community Development Department, Planning Commission, City Council.*

H-D-9-f ***Development Fee Waivers.*** *Encourage waivers of development fees where feasible as a means of promoting the development of housing affordable to very low- and low-income households. Target: Ongoing. Responsible Agency: Community Development Department, City Council.*

H-D-9-g ***Nonconforming Uses****. Reduce or eliminate disincentives to having an existing non-residential site zoned for housing; Allow non-conforming uses to continue indefinitely on sites zoned for housing; and also allow them to be expanded or rebuilt if destroyed through the continued use of development agreements or amendment of Chapter 17.70, Nonconformity Uses, of the Foster City Municipal Code. Target: 2016. Responsible Agency: Community Development Department, Planning Commission, City Council.*

H-E Address Affordable Housing Needs

Meet the City's "fair share" of very low, low and moderate income housing need and the needs of special groups, including the elderly, handicapped, small and large families, extremely low income households and persons, single parents and local workers.

H-E-1 **Create More and Retain Existing Affordable Housing.** Utilize a variety of methods to increase and retain the supply of affordable housing, including the following programs:

H-E-1-a ***Funding for Affordable Housing.*** *Conduct the necessary nexus study to enable the City to consider adoption of housing impact fees on new development as a way to provide funding for affordable housing programs. Target: 2015. Responsible Agency: Community Development Department.*

H-E-1-b ***Existing Unit Purchase Program.***

- *Continue to maintain the existing units owned by the City as rentals for large very low- and low-income families.*
- *If funds are available, purchase existing older single-family, condominium, townhouse or duplex units to provide affordable rental housing*
- *Strive not only to avoid a concentration of affordable units in any one location or area, but to disperse affordable units throughout the community to complement and enhance the diversity that is already found in the City and that is an important element of its success.*

- *Target units that need rehabilitation and thereby improve the neighborhood in which they are located.*

Target: Ongoing. Responsible Agency: Community Development Department.

H-E-1-c ***First-Time Homebuyer Program.***

- Continue to monitor the existing First Time Homebuyer loans for compliance with their requirements, including owner-occupancy. Deposit any payoffs into the City's Affordable Housing Fund. *Target: Ongoing. Responsible Agency: Community Development Department.*

H-E-1-d ***Homeowner Rehabilitation Loan Program.***

- *Increase use of Community Development Block Grant rehabilitation loans administered by the County, through improved promotion and publicity to residents; target the elderly. Target: Ongoing. Responsible Agency: Community Development Department, San Mateo County Department of Housing.*

H-E-2 **Private Development of Affordable Housing – Inclusionary Requirement.** Encourage the provision of affordable housing by the private sector through:

a. Requiring that 20% of the units, excluding bonus units, in residential projects be affordable (an inclusionary requirement).
b. Requiring construction or subsidy of new affordable housing as a condition for approval of any commercial development which affects the demand for housing in the City.
c. Providing incentives to encourage the provision of affordable housing as provided in Policy H-E-3.

H-E-3 **Incentives for Affordable Housing.** The City shall consider offering development incentives to developers of multifamily housing projects which meet the City's housing needs, in exchange for an agreement that a minimum of twenty percent (20%) of the total number of units constructed (or another percent, depending upon the project) shall be affordable to very low as defined by State Health and Safety Code Section 50105, low and moderate income persons and families as defined by Section 50093 of the State of California Health and Safety Code for a minimum period of 45 years. Incentives to be considered include the following:

a. Financial contributions for the construction of utilities, public road improvements and other traffic improvements; soils remediation; Plan preparation and development;
b. Rent subsidies for the affordable units, if funding is available.
c. Density bonuses, as allowed by State law and Chapter 17.86.
d. Pre-scheduled, fast track permit processing.
e. Design flexibility.
f. Reduced or waived fees, if funding is available.
g. Reduced parking requirements and/or use of shared parking.
h. Assistance and support in securing public financing, such as bonds or tax credits.

H-E-3-a ***Density Bonuses for Affordable Housing Projects Consistent with State Density Bonus Law.*** *The City will offer density bonuses consistent with the State Density Bonus Law and Chapter 17.86. Target: Ongoing. Responsible Agency: Community Development Department.*

H-E-3-b ***Financing and Subsidy Programs.*** *Encourage project sponsors to apply for available federal, state and locally subsidized new affordable construction programs, including subsidies for extremely low income, very low income, and low income housing, by providing technical assistance on available programs and supporting data, structuring development agreements and other requirements to match program funding criteria, as appropriate and possible, and leveraging other financing when possible. The City will also lobby Federal and State elected officials for housing legislation that includes appropriations for low and moderate income housing programs. Examples of programs include Mortgage Revenue Bonds, Mortgage Credit Certificates and Redevelopment Agency Tax Increment Financing. Target: Annual and ongoing and when a unique development opportunity arises. Responsible Agency: Community Development Department.*

H-E-3-c ***Cooperative Ventures.*** *Encourage cooperative and joint ventures between owners, developers and non-profit groups in the provision of BMR housing. Target: Ongoing. Responsible Agency: Community Development Department.*

H-E-4 **Resale Controls on Owner-Occupied BMR Units.** Require resale controls on owner-occupied BMR units to insure that affordable units provided through public assistance or public action are retained for 45 years or more as affordable housing stock.

H-E-4-a ***Maintain Existing Owner-Occupied BMR Units.*** *Administer the agreements for the existing ownership BMR units to ensure the continued affordability of these units for the terms of their agreements. Target: Ongoing. Responsible Agency: Community Development Department.*

H-E-5 **Rent and Income Restrictions on Rental BMR Units.** Require rent and income restrictions on rental BMR units to ensure that affordable units provided through public assistance or public action are retained for 45 years or more as affordable housing stock.

H-E-5-a ***Maintain Existing Rental BMR Units.*** *Administer the agreements for rental BMR units, including the review of required reports and responding to questions and complaints, to ensure the continued affordability of these units for the terms of their agreements. Target: Ongoing. Responsible Agency: Community Development Department.*

H-E-5-b ***New Agreements for Affordability of Existing Rental Units****. If a source of funding can be identified, work with owners of existing rental units to include or extend affordability agreements. Target: 2018. Responsible Agency: Community Development Department.*

H-E-5-c ***Adopt Notice Requirements for "At Risk" Units****. Adopt an ordinance requiring a one-year notice to tenants of existing affordable rental units that affordability restrictions are due to expire. Target: 2018. Responsible Agency: Community Development Department.*

H-E-5-d ***Minimize Impacts of Expiration of Affordability Covenants****. Work with landlords, tenants and other agencies prior to the expiration of affordability covenants to minimize the impacts of the expiration of affordability covenants through extension of affordability covenants, use of rental vouchers, preference at other affordable*

housing sites or other means. Target: 2018. Responsible Agency: Community Development Department.

H-E-5-e ***Affordable Housing Preference for Displaced Residents****. Consider an amendment of the affordable housing preferences adopted by City Resolution 2000-123 to include tenants displaced by termination of affordability restrictions. Target: 2018. Responsible Agency: Community Development Department*

H-E-6 **House Sharing.** Encourage and facilitate house sharing in appropriate locations where it would provide housing for low and moderate income residents and not significantly impact the neighborhood (parking, access, etc.).

H-E-6-a ***Homeshare Program.*** *Continue to work with HIP Housing to expand the existing outreach program for the Homeshare Program for both rental and ownership housing, including outreach to extremely low and very low income persons. Target: 15 new matches per year. Responsible Agency: Community Development Department, HIP Housing.*

H-E-7 **Housing for New Employees and their Families.** Given the amount of commercial and retail development expected through build-out of the City, encourage an adequate supply and variety of rental and ownership housing that meets the needs of new employees and their families.

H-E-8 **BMR Eligibility Priorities.** In order to meet a portion of the City's local housing need, consistent with Association of Bay Area Governments (ABAG) Housing Need Determinations, and as a traffic mitigation measure, the City will, to the extent consistent with applicable policy, offer a portion of the BMR units in a project for City employees and people working in the City of Foster City.

H-E-8-a ***BMR Eligibility Guidelines.*** *Implement BMR selection guidelines based on the BMR Eligibility Priorities in Policies H-E-6 and H-E-8, including City Resolution 2000-123 that give priority to people who live and work in the community, teachers and local government and public safety employees. Target: Ongoing. Responsible Agency: Community Development Department.*

H-E-9 **Room Additions.** The City will continue to allow room additions to smaller homes that are compatible with the neighborhood, subject to the requirements of the Architectural and Solar Guidelines. These room additions provide affordable housing opportunities by allowing families to more economically meet their needs than by moving and purchasing a new home.

H-F Address Special Housing Needs

H-F-1 **Equal Housing Opportunity.** The City will ensure provision of housing opportunities for all people and will take appropriate actions when necessary to ensure that the sale, rental, or financing of housing is not denied to any individual on the basis of race, sex, national origin, religion, age or other arbitrary factors.

H-F-1-a ***Non-Discrimination.*** *To ensure that the sale, rental, or financing of housing is not denied to any individual on the basis of race, sex, national origin, religion, age, marital status, disability, or other arbitrary factors, Foster City will ensure that state and federal laws are adhered to regarding fair housing. The City, through its Community Development Department, will refer discrimination complaints to the appropriate legal service, county, or state agency. The City will assist local non-profit organizations, as appropriate, to provide public information and education services in a variety of locations, including but not limited to the City's website, City Hall, public library, Recreation Center and Senior Center. Target: Ongoing. Responsible Agency: Community Development Department.*

H-F-1-b ***Anti-Discrimination Ordinance and Zoning Definitions.*** *Provide information to landlords advising them of the City's Anti-Discrimination Ordinance for existing tenants to prohibit discrimination based on the source of a person's income or the use of rental subsidies, including Section 8 and other rental programs that provide extremely low, very low, and low income housing assistance. Target: 2015. Responsible Agency: Community Development Department.*

H-F-2 **Special Needs.** Encourage a mix of housing units throughout the City including those for lower income seniors, families with children, single parents, young families, victims of domestic violence, and the disabled.

H-F-2-a ***Facilities and Services for Special Needs****. Support housing that incorporates facilities and services to meet the health care, transit or social service needs of households with special needs, including seniors, extremely low income households and persons, and persons with disabilities. Target: Ongoing. Responsible Agency: Community Development Department.*

H-F-2-b ***Assistance to Victims of Domestic Violence****. Assist victims of domestic violence by coordinating with and providing referrals to existing service agencies providing legal assistance, hotline, and emergency housing and prevention services to victims of domestic violence. Continue to coordinate with existing service providers, determine any other actions the City can take to assist persons in Foster City. Target: Ongoing. Responsible Agency: Community Development Department and Police Department.*

H-F-2-c ***Density Bonuses for Handicapped Access Features.*** *The City may allow a one-for-one density bonus, up to 25% of the number of units otherwise allowed, for developers who provide actual handicapped access features and fixtures. Target: Ongoing. Responsible Agency: Community Development Department.*

H-F-2-d ***Adaptable/Accessible Units for the Disabled.*** *The City will ensure that new housing multi-family includes units that are accessible and adaptable for use by*

disabled persons in conformance with the California Building Code. Target: 2% of the units built. Responsible Agency: Community Development Department.

H-F-2-e ***Reasonable Accommodation.*** *Utilize the adopted Chapter 17.84, containing a review process to provide individuals with disabilities reasonable accommodation in rules, policies, practices and procedures that may be necessary to ensure equal access to housing. The purpose of these procedures and an ordinance is to provide a process for individuals with disabilities to make requests for reasonable accommodation in regard to relief from the various land use, zoning, or building laws, rules, policies, practices and/or procedures of the City. Target: Ongoing (implement when requests are made). Responsible Agency: Community Development Department.*

H-F-2-f ***Home Sharing Program.*** *Support the HIP Housing Home Sharing Program as part of a collection of policies programs and practices for addressing special housing needs, including seniors, those living with disabilities, those at risk of homelessness and female head of households. Target: Ongoing. Responsible Agency: Community Development Department, City Council.*

H-F-2-g ***Support Services for Special Needs****. Work with service providers to facilitate the provision of support services to enable people to receive services in their homes, including persons at risk of homelessness, seniors, persons with mental or physical disabilities, substance abuse problems, HIV/AIDS, physical and developmental disabilities, multiple diagnoses, veterans and victims of domestic violence. Target: 2016 and Ongoing. Responsible Agency: Community Development Department.*

H-F-2-h ***Expansion of BMR Eligibility Guidelines for Disabled Persons****. Consider expansion of the BMR Eligibility Priorities adopted by City Resolution 2000-123 to include persons with disabilities. Target: 2016. Responsible Agency: Community Development Department, City Council.*

H-F-3 **Housing for the Homeless.** The City of Foster City recognizes the need for and desirability of emergency shelter housing for the homeless and has adopted Chapter 17.82 to allow emergency shelters as a permitted use in areas zoned *Neighborhood Business (C-1), Central Business (C-2),* and at churches/synagogues in the Public Facilities (PF) Zoning District based on the following considerations:

a. The City will encourage a dispersion of facilities to avoid an over-concentration of shelters for the homeless in any given area. An over-concentration of such facilities may negatively impact the neighborhood in which they are located and interfere with the “normalization process” for clients residing in such facilities.

b. The City of Foster City shall encourage positive relations between neighborhoods and providers of permanent or temporary emergency shelters. Providers or sponsors of emergency shelters, transitional housing programs and community care facilities shall be encouraged to establish outreach programs within their neighborhoods and, when necessary, work with the Peninsula Conflict Resolution Center or other mediation service.

c. It is recommended that a staff person from the provider agency be designated as a contact person with the community to review questions or comments from the neighborhood. Outreach programs may also designate a member of the local neighborhood to their Board

of Directors. Neighbors of emergency shelters shall be encouraged to provide a neighborly and hospitable environment for such facilities and their residents.

d. Development standards for emergency shelters for the homeless included in Chapter 17.82 will ensure that shelters would be developed in a manner which protects the health, safety and general welfare of nearby residents and businesses, while providing for the needs of a segment of the population as required by State law. Shelters shall be subject only to development, architectural review and management standards that apply to residential or commercial development in the same zone, except for the specific written and objective standards as contained in Chapter 17.82.

H-F-3-a ***Emergency Housing Assistance.*** *To the extent funds are available, participate and allocate funds, as appropriate, for County and non-profit programs providing emergency shelter and related counseling services. Target: Annual participation, if feasible. Responsible Agency: City Council.*

H-F-3-b ***Emergency Shelter Uses.*** *To the extent funds are available, the City will contribute non-profit agencies involved in providing housing for the homeless in San Mateo County. The City will also review proposals for emergency shelter uses based on the policies in the General Plan and other City development standards and requirements. Target: Ongoing. Responsible Agency: Community Development Department.*

H-F-3-c ***Multi-Jurisdictional Emergency Shelter.*** *Pursuant to State law requirements, and as the opportunity arises, the City will consider participation in a multi-jurisdictional emergency shelter, should one be proposed in the future. Target: Based on the opportunity and feasibility of a multi-jurisdictional emergency shelter. Responsible Agency: Community Development Department, City Council.*

H-F-3-d ***Emergency Shelter Zoning.*** *The City will allow emergency shelters as provided in Chapter 17.82 that allows a year-round emergency shelter as a permitted use in Neighborhood Business (C-1), Central Business (C-2), and at churches/synagogues in the Public Facilities (PF) Zoning District. In addition, the City has established written and objective standards, as allowed in State law, for the following:*

(1) Maximum number of beds;

(2) Off-street parking based upon demonstrated need;

(3) Size and location of on-site waiting and intake areas;

(4) Provision of on-site management;

(5) Proximity to other shelters;

(6) Length of stay;

(7) Lighting; and

(8) Security during hours when the shelter is open.

Target: Ongoing. Responsible Agency: Community Development Department.

H-F-4 **Transitional and Supportive Housing.** The City of Foster City recognizes the need for and desirability of transitional and supportive housing and will treat transitional and supportive housing as a residential use that will be subject only to the same restrictions that apply to other residential uses in of the same type in the same zone.

H-F-4-a ***Transitional and Supportive Housing Zoning.*** *Enforce the existing zoning regulations that allow transitional and supportive Housing, as required by State law, so they are treated as a residential use that will be subject only to the same restrictions that apply to other residential uses of the same type in the same zone. Target: Ongoing. Responsible Agency: Community Development Department.*

Housing Program	2015 - 2023 Target	CC	PC	CDD	Other	Time Frame
H-A Reinforce the City's Commitment to Meeting Housing Needs						
H-A-1-a Annual Tracking of Housing Activity				■		Annual
H-A-1-b Construction of New Units	430			■		2023
H-A-1-c Future Housing Element Updates		■	■			2023
H-A-3-a Community Outreach						2015
H-A-3-b Technical Assistance to Non-Profits				■		Annual & Ongoing
H-A-4-a Air Quality Impact				■		Ongoing
H-A-4-b Geotechnical Studies				■		Ongoing
H-A-4-c Uniform Building Code and Title 24				■		Ongoing
H-A-4-d Site Investigation				■		Ongoing
H-A-4-e NPDES Requirements				■		Ongoing
H-A-4-f Noise Studies				■		Ongoing
H-A-4-g Traffic Evaluation				■		Ongoing
H-B Protect Existing Housing, Community Character and Resources						
H-B-1-a Continue Code Enforcement				■		Ongoing
H-B-2-a Rehabilitation Loans	20			■	■	2023
H-B-2-b Facilitate Non-Profit Rehabilitation/Maintenance Assistance				■		2016-Ongoing
H-B-3-a Energy Conservation Assistance				■		2015
H-B-3-b Increased Energy Conservation				■		Ongoing
H-B-4-a Architectural Review				■		Ongoing
H-C Protect the Supply and Affordability of Rental Housing						
H-C-1-a Condominium Conversion Regulation				■		Ongoing
H-C-1-b Amend Exisiting Conversion Regulation		■	■	■		2016
H-C-2-a Phased Redevelopment of Existing Apartments				■		Ongoing
H-C-3-a Moderate Rent Increases		■		■		Ongoing
H-C-4-a Rental Dispute Resolution		■		■	■	Ongoing
H-C-5-a Rental Housing Assistance	15 Units			■	■	Annual
H-C-5-b City Rental Housing Assistance Program	40 Units			■		2022
H-D Consider Public and Private Redevelopment Opportunities to Increase the Supply of Housing						
H-D-2-a Tier 1 Housing Opportunity Sites	489	■	■	■		2022
H-D-2-b Affordable Housing Overlay		■	■	■		2015
H-D-2-c Rezone sites with AHO		■	■	■		2015
H-D-2-d Develop criteria for the review of AHO developments		■	■	■		2015
H-D-3-a Potential Re-Use of Commercial Sites		■	■	■		Ongoing
H-D-3-b Increase Supply of Rental Units		■	■	■		Ongoing
H-D-4-a Mixed Use Housing		■	■	■		Ongoing
H-D-6-a Second Units	6			■		2023
H-D-8-a Housing Impact Fee		■		■		2015
H-D-8-b Local, State and Federal Funding for Affordable Housing				■		Annual & Ongoing
H-D-9-a Government Constraints		■	■	■		2016
H-D-9-b Pre-Permit Review Process				■	■	Ongoing
H-D-9-c Minimum Density Requirements		■	■	■		2016
H-D-9-d Zoning Incentives		■	■	■		2016
H-D-9-e Reevaluate Parking Requirements		■	■	■		2016
H-D-9-f Development Fee Waivers		■		■		Ongoing
H-D-9-g Nonconforming Uses		■	■	■		2016

Housing Program	2015 - 2023 Target	CC	PC	CDD	Other	Time Frame
H-E Address Affordable Housing Needs						
H-E-1-a Funding for Affordable Housing				■		2015
H-E-1-b Existing Unit Purchase Program				■		Ongoing
H-E-1-c First-Time Homebuyer Program				■		Ongoing
H-E-1-d Homeowner Rehabilitation Loan Program				■	■	Ongoing
H-E-3-a Density Bonuses for Affordable Housing Projects Consistent with State Density Bonus Law				■		Ongoing
H-E-3-b Financing and Subsidy Programs						Annual & Ongoing
H-E-3-c Cooperative Ventures						Ongoing
H-E-4-a Maintain Existing Owner-Occ BMR Units						Ongoing
H-E-5-a Maintain Existing Rental BMR Units						Ongoing
H-E-5-b New Agreements for Affordability of Existing Rental Units				■		2018
H-E-5-c Adopt Notice Requirements for "At Risk" Units				■		2018
H-E-5-d Minimize Impacts of Expiration of Affordability Covenants				■		2018
H-E-5-e Affordable Housing Preference for Displaced Residents				■		2018
H-E-6-a Homeshare Program	15			■	■	Annual
H-E-8-a BMR Eligibility Guideline						Ongoing
H-F Address Special Housing Needs						
H-F-1-a Non-Discrimination				■		Ongoing
H-F-1-b Anti-Discrimination Ordinance and Zoning Definitions				■		2015
H-F-2-a Facilities and Services for Special Needs				■		Ongoing
H-F-2-b Housing for Victims of Domestic Violence				■	■	Ongoing
H-F-2-c Density Bonuses for Handicapped Access	2% of Units			■		Ongoing
H-F-2-d Adaptable/Accessible Units for the Disabled				■		Ongoing
H-F-2-e Reasonable Accommodation				■	■	Ongoing
H-F-2-f Home Sharing Program		■		■	■	Ongoing
H-F-2-g Support Services for Special Needs				■	■	2016-Ongoing
H-F-2-h Expansion of BMR Eligibility Guidelines for Disabled Persons		■		■	■	2016
H-F-3-a Emergency Housing Assistance		■				Annual
H-F-3-b Emergency Shelter Uses		■		■		Ongoing
H-F-3-c Multi-Jurisdictional Emergency Shelter		■		■		Ongoing
H-F-3-d Emergency Shelter Zoning				■		Ongoing
H-F-4-a Transitional and Supportive Housing Zoning				■		Ongoing

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Housing Needs Assessment, 21 Elements
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