

City of Foster City  
**Housing Element**

*2007 – 2014  
Planning Period*

Adopted February 1, 2010





# 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 five years to be responsive to changing conditions, new laws, State law requirements and updated regional "fair share" Housing Needs Determinations prepared for Foster City by the Association of Bay Area Governments (ABAG) that impact the updates. This Housing Element is an update of the City of Foster City's previous Housing Element, which was adopted by the City Council in December 2001 and certified by the State of California Department of Housing and Community Development (HCD) in March 2002.

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 June 30, 2014. This current revision of the Housing Element has a planning period from January, 2007 through June, 2014 and incorporates the City's and Community Development Agency's "Affordable Housing Strategic Plan" as part of the Housing Element.

### **Overview of 2001 Housing Element Accomplishments**

This Housing Element builds upon the success of the 2001 Housing Element since the City achieved many of the implementing action programs set out in the 2001 Housing Element. While in some cases, time and opportunity hindered the accomplishment of some programs, most programs have been implemented. This is described in more detail in the background section and in the appendices, which include a matrix that lists all of the 2001 Housing Element policies/programs and describes whether the policy/program has been achieved and if it should be retained, deleted or modified. Some of the particularly noteworthy accomplishments of the 2001 Housing Element include:

- (1) **Marlin Cove and Hillsdale/Gull Redevelopment Project Areas.** The City initiated the Marlin Cove and Hillsdale/Gull Redevelopment Project Areas and completed the General Plan Amendment, Rezoning and Environmental Impact Report. After these approvals were completed, developers were selected and the Community Development Agency contributed \$10 million to make these developments feasible. The projects resulted in the development of 439 units. Among the major accomplishments was the redevelopment of the Marlin Cove Shopping Center, which included 280 residential units and neighborhood retail uses. Another major accomplishment was the Miramar development, which included 159 units. Both projects included 30% very-low and moderate income units. Marlin Cove provided 56 very low income units and 28 moderate income units. Miramar provided 32 very low income units and 16 moderate income units.



*Miramar and Marlin Cove*



- (2) **Regional Housing Needs.** Over the 1999-2006 planning period, the City was required to plan for 690 units. During that time, the City added 533 dwelling units, which equates to 77% of the total housing need. The numbers of households added may be below the Housing Element targets; but during the planning period the city laid more ground work for maintaining the City's residential quality and supporting affordable housing than with any other Housing Element implementation program. Of the total units constructed, 96 were designated for very-low income households. This equals 92% of very low-income need.
- (3) **First Time Homebuyer Program.** The First Time Homebuyer loans provide a 30-year 2nd mortgage at 3% interest with the interest and payments deferred for the first 5 years. In 2004, the CDA modified the First-Time Homebuyer program to obtain approval from CalHFA to "partner" with the First Time Homebuyer program. Through the First-time Homebuyer Mortgage program, funding from the Community Development Agency is often combined with other funding from other regional or state programs to create a more affordable purchase. The CDA has contributed \$100,000 per year to the First-Time Homebuyer Program. As of December 31, 2008, a total of 29 loans have been made, with 16 loans still outstanding. A total of \$1,775,000 has been loaned, with \$650,000 repaid and \$1,110,000 in the 16 loans still outstanding.
- (4) **Housing Endowment and Regional Trust (HEART).** In 2006, the City joined the Housing Endowment and Regional Trust (HEART), which raises funds from public and private sources to meet critical housing needs in San Mateo County. To date the Community Development Agency has contributed \$51,560.
- (5) **Existing Unit Purchase Program.** The Community Development Agency has continued to acquire properties to be leased to very low- and low income families. The Community Development Agency now owns seven units.

- (6) **New Affordable Rentals.** New affordable rental units developed during the 1999-2006 period replaced 17 moderate rate units at Marina Green that, in accordance with their original approval, expired and converted to market rate units.
- (7) **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 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** *(or in sidebar)*

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, 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 for emergency shelters, 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 five 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 by July 1, 2009. 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 7.5 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.

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 2009. 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 the completing its own RHNA process and distributed 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 30 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 31% 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, 8% are estimated to be very low income, 14% are estimated to be low income, 14% are estimated to be moderate income, and the remaining 56% are estimated to be above moderate income.
- ❑ **Market Rate Ownership Housing Continues to be Affordable Only to Above Moderate Income Households.** Even with reduced prices for townhouses and condominiums during the first two months of 2009, 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 2008 was \$1,079,000, and the median price for a common interest development in Foster City in 2008 was \$680,000.
- ❑ **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 2008, the California Department of Finance estimated that there are 12,477 housing units in Foster City. Of these, Foster City has a good mix of housing types with about 39% of the units being single family detached homes, 20% single family attached, 6% in structures of 2-4 units, and 33% are in structures with 5 or more units.
- ❑ **The Senior Population in San Mateo County is Projected to Increase By 72 percent by 2030.** 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.

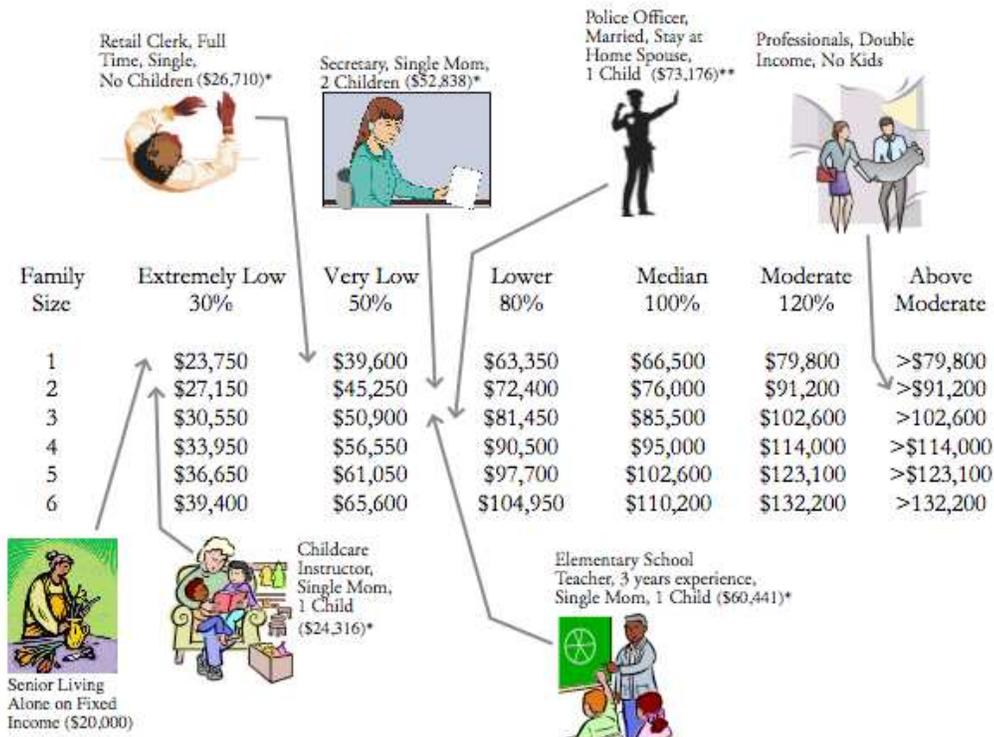


*Foster City Art and Wine Festival*

## Definitions of Housing Terms *(or in sidebar)*

- ❑ **Above Moderate Income Households:** Defined as households earning over 120% of the median household income. As of April 2008, a family of four earning more than \$114,000 per year was considered above moderate income.
- ❑ **Accessible Housing:** Units accessible and adaptable to the needs of the physically disabled.
- ❑ **Emergency Shelter.** Emergency shelter means housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person. 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 is a subset of the very low-income regional housing need and is defined as households earning less than 30% of the median household income — which, for family of four as of April, 2008, would be to earn less than \$33,950/year.
- ❑ **Housing Affordability:** The generally accepted measure for determining whether a person can afford housing means spending no more than 30% of one's gross household income on housing costs, including utilities, principal and interest. For example, a school teacher earning \$40,000 per year can afford \$1000 per month for housing. A police officer or fire fighter earning \$60,000 can afford up to \$1500 per month.
- ❑ **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. Net density excludes certain areas such as streets, open spaces, easements, water areas, etc.
- ❑ **Income Limits:** Income limits are updated annually by the U.S. Department of Housing and Urban Development (HUD) for San Mateo County. State Law establishes detailed content requirements for housing elements and requires a regional “fair share” approach to distributing housing needs. The Regional Housing Needs Allocation (RHNA) for jurisdictions in San Mateo County for the 2007-2014 planning period are shown below as are the 2008 income limits 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.
- ❑ **Jobs/Housing Balance:** The relationship of the number and types of jobs in a community with the amount and affordability of housing. An appropriate balance is commonly thought to be 1.5 jobs for every 1 housing unit.
- ❑ **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 household 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 April 2008, a family of four earning between \$56,550 and \$90,500 per year was considered low income.

### City of Foster City and San Mateo County 2008 Household Income Limits



Source: Official State Income Limits for 2008 (San Mateo County) as determined by the U.S. Department of Housing and Urban Development (HUD), adjusted for family size; the 2008 Area Median Income is \$95,500. Examples for the 2008 salaries are from California Employment Development Department (\*). The survey data are from the 2007 Occupational Employment Statistics (OES) survey, with wages updated to the first quarter of 2008. The income for a Police Officer(\*\*) is a starting salary (City of Foster City).

- ❑ **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 2008, the HUD median household income for a family of four in San Mateo County as used for Foster City was \$95,500.
- ❑ **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 April 2008, a family of four earning between \$90,500 and \$114,000 per year was considered moderate income.
- ❑ **Persons per Household:** Average number of persons in each household.
- ❑ **Senior Housing.** Defined by California Housing Element law as projects developed for, and put to use as, housing for senior citizens. Senior citizens are defined as persons at least 62 years of age.
- ❑ **Supportive Housing.** 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, is occupied by the target population (such as low-income persons with disabilities and certain other disabled persons) 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.

- ❑ **Transitional Housing.** Transitional housing and transitional housing development mean rental housing 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. Transitional housing is a type of supportive housing used 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 50105 provides that HUD very-low income limits are used, which are households earning less than 50% of the median household income (adjusted as described for low-income households above). As of April 2008, a family of four earning less than \$56,550 per year was considered very low income.
- ❑ **Workforce Affordable Housing:** Housing that is affordable to the workforce in the community.

### 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 (two times for each meeting)
- San Mateo Daily Journal (two times for each meeting)
- San Francisco Examiner (two times for each meeting)
- Mailed notice to major businesses;
- 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; and,
- Mailed notice to Apartment Managers

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.



*Views of the lagoons*



# Housing Background

## Overview and Key Findings

√ **About 31% of the City's Households Are Considered Lower Income.** The exact income category of a household is dependent upon the size of the household. In a general way, about 8% of the households in Foster City are estimated to be extremely low income, 8% are estimated to be very low income, 14% are estimated to be low income, 14% are estimated to be moderate income, and the remaining 56% are estimated to be above moderate income.

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√ **The Senior Population in San Mateo County is Projected to Increase by 72 percent by 2030.** According to the San Mateo Health Department and other sources, the number 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.

## Population, Housing and Jobs Trends

In 2008, the City of Foster City had a population of 30,308 persons (California Department of Finance). Although the population has increased from the 1990 level of 28,176, the rate of population growth has been very low. Population growth trends and projections are shown in the tables below and on the next page.

	2000-2010	2010-2020	2020-2030
Atherton	3%	3%	1%
Belmont	3%	7%	3%
Brisbane	14%	17%	13%
Burlingame	2%	4%	3%
Colma	43%	6%	6%
Daly City	3%	8%	4%
East Palo Alto	17%	13%	14%
Foster City	5%	4%	2%
Half Moon Bay	12%	9%	6%
Hillsborough	3%	4%	1%
Menlo Park	3%	8%	4%
Millbrae	4%	8%	3%
Pacifica	2%	4%	3%
Portola Valley	3%	4%	4%
Redwood City	2%	7%	6%
San Bruno	7%	10%	7%
San Carlos	4%	10%	6%
San Mateo	6%	12%	5%
S. San Francisco	5%	9%	7%
Woodside	7%	2%	5%
Unincorporated	7%	6%	3%
Countywide Average	5%	8%	5%

Source: ABAG Projections, 2007

### Population Trends and Projections for the City of Foster City (1990-2035)

Year	Population	Numerical Change	Percent Change	Average Annual Growth Rate
1990	28,176	0	0	0
2000	28,803	627	2%	0.2%
2005	29,900	1,097	4%	0.8%
2010	30,300	400	1%	0.3%
2015	31,000	700	2%	0.5%
2020	31,600	600	2%	0.4%
2025	32,000	400	1%	0.3%
2030	32,300	300	1%	0.2%
2035	32,600	300	1%	0.2%

Source: ABAG Projections, 2007; US Census, 1990

## Workforce Housing

The economic impacts of inadequate workforce housing on businesses include: (1) the cost of recruitment and retention of employees; (2) loss of experienced personnel; (3) lost investment in staff training; and (4) money earned locally being spent elsewhere. The economic vitality of smaller businesses and very low wage jobs may also be disproportionately impacted. Public agencies, school districts, social services, and

child and elder care will continue to have a difficult time attracting people to work in Foster City as affordable housing becomes more difficult to find. The table on the next page shows projections by job types. Following that are graphs and tables showing the jobs-housing balance in Foster City, commute times and commute methods.

Projections for Population, Households and Jobs (2000-2025)

Geographical Area	2000	2005	2010	2015	2020	2025	2005-2025 Change
<b>Bay Area Regional Total</b>							
Population	6,783,762	7,096,100	7,412,500	7,730,000	8,069,700	8,389,600	1,293,500
Households	2,466,020	2,583,080	2,696,580	2,819,030	2,941,760	3,059,130	476,050
Persons Per Household	2.69	2.69	2.69	2.59	2.56	2.54	-0.15
Employed Residents	3,452,117	3,225,100	3,511,600	3,774,900	4,080,900	4,353,400	1,128,300
Jobs	3,753,460	3,449,640	3,693,920	3,979,200	4,280,700	4,595,170	1,145,530
Employed Residents/Job	0.92	0.93	0.95	0.95	0.95	0.95	0.01
<b>San Mateo County</b>							
Population	707,163	721,900	741,000	772,300	800,700	823,400	101,500
Households	254,104	260,070	267,230	277,090	287,470	296,870	36,800
Persons Per Household	2.74	2.74	2.73	2.74	2.74	2.73	-0.01
Employed Residents	369,725	318,600	340,600	366,600	398,500	422,800	104,200
Jobs	386,590	337,350	363,060	391,910	423,100	454,170	116,820
Employed Residents/Job	0.96	0.94	0.94	0.94	0.94	0.93	-0.01
Percent of Bay Area Population	10.4%	10.2%	10.0%	10.0%	9.9%	9.8%	-0.4%
Percent of Bay Area Jobs	10.3%	9.8%	9.8%	9.8%	9.9%	9.9%	0.1%
<b>Foster City</b>							
Population	28,803	29,900	30,300	31,000	31,600	32,000	2,100
Households	11,613	12,090	12,310	12,530	12,770	12,960	870
Persons Per Household	2.74	2.74	2.73	2.74	2.74	2.73	-0.01
Employed Residents	16,432	14,380	15,240	16,120	17,210	17,960	3,580
Jobs	18,480	14,230	15,040	16,590	18,170	19,530	5,300
Employed Residents/Job	0.89	1.01	1.01	0.97	0.95	0.92	-0.09
Percent of County Population	4.1%	4.1%	4.1%	4.0%	3.9%	3.9%	-0.3%
Percent of County Jobs	4.8%	4.2%	4.1%	4.2%	4.3%	4.3%	0.1%

Source: ABAG Projections '2007

Projections for Types of Jobs (2000-2025)

Geographical Area	2000	2005	2010	2015	2020	2025	2005-2025 Change
<b>Bay Area Regional Total</b>							
Agriculture and Natural Resources Jobs	24,470	24,170	24,520	24,870	25,070	25,270	1,100
Manufacturing, Wholesale and Transportation Jobs	863,420	709,380	740,960	780,680	823,110	867,490	158,110
Retail Jobs	402,670	367,680	392,400	422,880	455,450	489,510	121,830
Financial and Professional Services Jobs	851,610	780,160	740,960	780,680	823,110	867,490	87,330
Health, Educational and Recreational Service Jobs	1,056,030	1,055,010	1,142,400	1,239,920	1,343,550	1,452,070	397,060
Other Jobs	555,260	513,240	552,480	597,050	642,970	690,370	177,130
Total Jobs	3,753,460	3,449,640	3,693,920	3,979,200	4,280,700	4,595,170	1,145,530
<b>San Mateo County</b>							
Agriculture and Natural Resources Jobs	1,910	1,880	1,900	1,910	1,910	1,900	20
Manufacturing, Wholesale and Transportation Jobs	93,260	71,310	76,740	83,220	89,990	96,760	25,450
Retail Jobs	45,930	35,460	37,840	40,490	43,530	46,460	11,000
Financial and Professional Services Jobs	95,150	89,750	96,990	105,320	114,450	123,580	33,830
Health, Educational and Recreational Service Jobs	94,330	86,080	93,270	101,140	109,720	118,450	32,370
Other Jobs	56,010	52,870	56,320	59,830	63,500	67,020	14,150
Total Jobs	386,590	337,350	363,060	391,910	423,100	454,170	116,820
<b>Foster City</b>							
Agriculture and Natural Resources Jobs	0	0	0	0	0	0	0
Manufacturing, Wholesale and Transportation Jobs	3,430	2,220	2,320	2,580	2,810	3,010	790
Retail Jobs	2,180	1,430	1,500	1,620	1,760	1,870	440
Financial and Professional Services Jobs	8,010	6,700	7,140	7,920	8,730	9,440	2,740
Health, Educational and Recreational Service Jobs	2,430	1,910	2,030	2,250	2,480	2,690	780
Other Jobs	2,430	1,970	2,050	2,220	2,390	2,520	550
Total Jobs	18,480	14,230	15,040	16,590	18,170	19,530	5,300

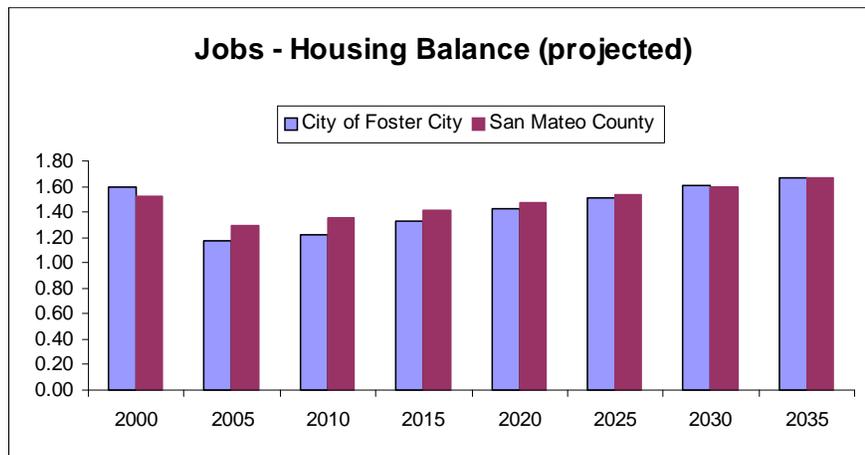
Source: ABAG Projections '2007

**Example Salaries and Affordable Monthly Housing Costs**

Average Salaries (2008)	Annual Salary	Affordable Monthly Housing Cost
<b>SINGLE WAGE EARNER</b>		
Senior on Social Security	\$15,000	\$375
Retail Sales Person	\$29,049	\$726
Postal Service Clerk	\$45,635	\$1,141
Middle School Teacher	\$64,256	\$1,606
Accountant	\$76,058	\$1,902
Physician Assistants	\$81,576	\$2,039
Civil Engineer	\$94,836	\$2,371
Lawyer	\$145,600	\$3,640
<b>TWO WAGE EARNER HOUSEHOLDS</b>		
Retail Sales Person and Graphic Designer	\$95,305	\$2,383
Accountant and Middle School Teacher	\$140,314	\$3,508

Source: California Employment Development Department (2008); affordable housing costs are 30% of monthly salary.

The graph below shows the relationship between jobs and housing in Foster City and in San Mateo County as a whole. As shown in the graph, both the City and the County as a whole have more jobs than housing units. It is important to note that housing units contain on average more than one employed resident. While Projections 2007 does not contain information by City jurisdiction on Employed Residents, a healthy jobs/housing balance bodes well for the city’s economy and suggests that most residents can theoretically find work here, and it means that local residents do not have to commute long distances.



Source: ABAG Projections, 2007

Providing affordable housing and improving the jobs/housing relationship reduces the need for commuting. Creating transit-oriented development focused on transit modes is also beneficial, as is creating mixed-use developments that avoid the need for many “midday trips.” This has implications not only for traffic, but also for the people employed, businesses, and services available in the community.

**Commute Method for Foster City Residents**

	Number	Percent
Drive Alone	13,322	82%
Carpooled	1,340	8%
Public Transportatio	585	4%
Worked from home	576	4%
Walked or other	416	3%

Source: Claritas, 2008

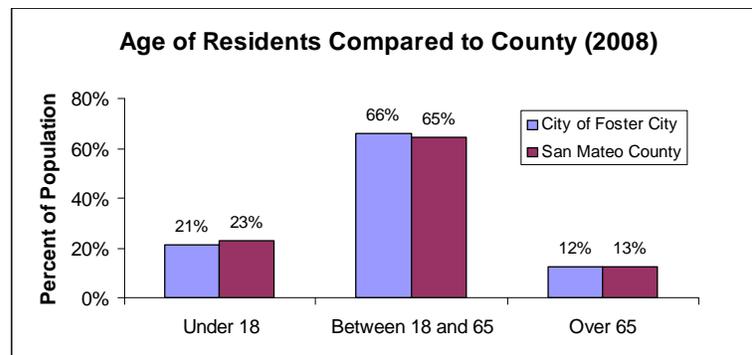
**Travel time to Work for Foster City Residents**

	Number	Percent
Less than 15 minutes	3,534	23%
15-29 minutes	5,560	35%
20-44 minutes	3,692	24%
45-59 minutes	1,770	11%
60+ minutes	1,107	7%

Source: Claritas, 2008

**Population Age Trends**

In San Mateo County, the balance of population age groups is similar to that in the state (Claritas, 2008). Currently the senior population makes up 13 percent of the total, but this is projected to rise, as it has over the past 20 years. (See later section for discussion of senior housing needs.)



Source: 2000 US Census, Claritas Demographic Snapshot, 2008

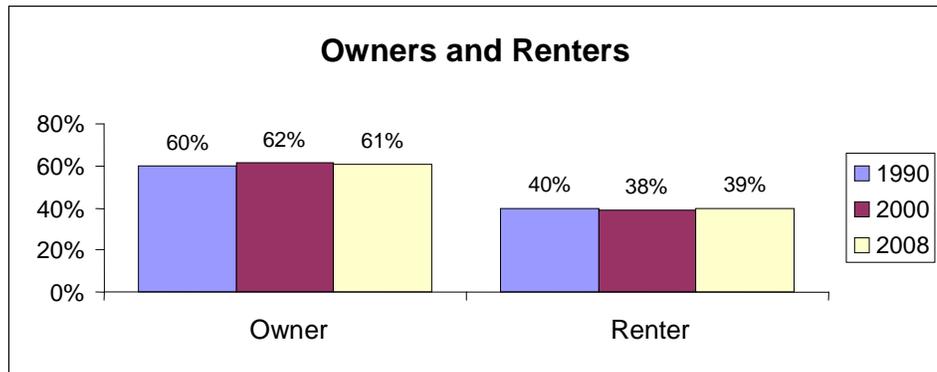
**Age of Foster City Population (1990-2008)**

Age Group	1990		2008	
	Number	Percent	Number	Percent
Under 5 years	1,530	5%	1,791	6%
5 to 17 years	4,247	15%	4,506	15%
18 to 20 years	967	3%	735	2%
21 to 24 years	1,603	6%	1,218	4%
25 to 44 years	11,189	40%	8,129	28%
45 to 54 years	4,170	15%	5,068	17%
55 to 59 years	1,409	5%	2,466	8%
60 to 64 years	1,095	4%	1,860	6%
65 to 74 years	1,316	5%	2,213	8%
75 to 84 years	514	2%	1,053	4%
85 years and over	136	0%	372	1%

Source: US Census Summary File 3 (US Census), 1990 Claritas, 2008

### Household Characteristics

In 2008, there were an estimated 11,613 households in Foster City. Of these, it is estimated that 61 percent owned the home they lived in and 39% rented. As shown below, the balance of owner to renter households in Foster City has remained fairly constant over the past 20 years. The table following shows household by tenure in Foster City in 2008.



Source: 1990 and 2000 US Census, Claritas Demographic Snapshot, 2008

### Housing Characteristics

In 2008, there were an estimated 12,477 housing units in Foster City. Currently, about 39% of the units are single family detached, 20% are single family attached, 6% are in structures of 2-4 units, and 33% are in structures with 5 or more units. In 2008, 2.7% of the City's housing stock was vacant, compared to 3.3% in 2000. The 2.7% vacancy rate is fairly low when considering that a 4.5 - 5% vacancy rate is generally considered to represent the healthiest balance of supply to demand.

#### Foster City Housing Units by Type

Unit Type	2000		2008		Change	
	Number	Percent	Number	Percent	Number	Percent
Single-Family (detached)	4,808	40%	4,808	39%	0	0%
Single-Family (attached)	2,464	21%	2,464	20%	0	0%
2-4 units	767	6%	767	6%	0	0%
5+ Units	3,963	33%	4,431	36%	468	12%
Mobile Home & Other	7	0%	7	0%	0	0%
Totals	12,009	0	12,477	0	468	4%

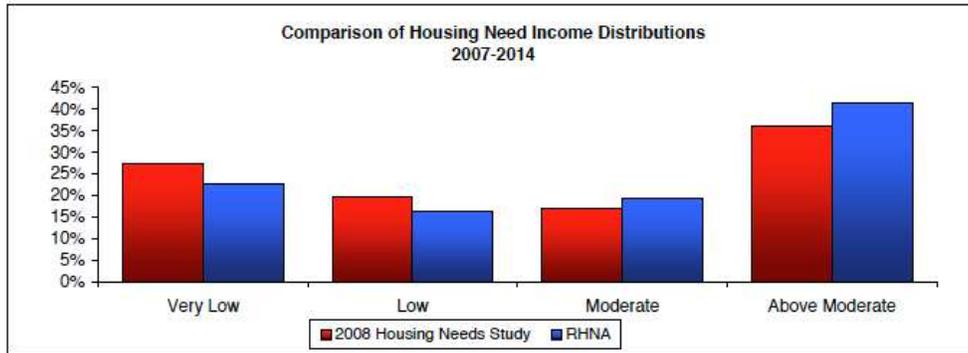
Source: Department of Finance

### Housing Prices and the Ability to Pay for Housing

The "housing crisis" in the Bay Area has been an evolving phenomenon over the past 30 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, 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.

A study conducted in 2008 by Economic Planning Systems (EPS) for the San Mateo County Department of Housing found that “real” need for housing for very low and low income households is even greater than the percentage distribution of very low and low income housing as part of the RHNA process. This is shown in the graph below.

Comparison of San Mateo County Housing Need Income Distributions, 2007-2014  
San Mateo County Housing Needs Assessment; EPS #18038



Sources: ABAG/RHNA, Economic & Planning Systems, Inc.

Households by income in Foster City in 2000 and 2008 are shown in the table below. The estimated median household income in Foster City in 2008 was \$111,037 (Claritas, Inc.).

Foster City Household Income

	2000		2008	
	Number	Percent	Number	Percent
Under \$25,000	800	7%	678	6%
\$25,000 to \$34,999	425	4%	309	3%
\$35,000 to \$49,999	1,105	10%	917	8%
\$50,000 to \$74,999	1,872	16%	1,668	14%
\$75,000 to \$99,999	1,929	17%	1,674	14%
\$100,000+	5,480	47%	6,659	56%

Source: US Census, 2000; Claritas, 2008

The table below compares 2008 rents in various communities in San Mateo County. As shown in the table, Foster City rents are generally among the highest in the county for various sized units.

Countywide Rental Rates (2008)

	Studio	1bd1 ba	2bd1ba	3bd2ba
Belmont	\$1,104	\$1,393	\$1,653	\$2,080
Burlingame	\$1,351	\$1,603	\$1,910	\$3,162
Colma		\$1,895		\$2,800
Daly City	\$1,094	\$1,336	\$1,779	\$2,454
East Palo Alto				
Foster City	\$1,410	\$1,751	\$1,931	\$3,666
Menlo Park	\$0	\$1,985	\$1,881	\$3,506
Pacifica	\$1,547	\$1,531	\$1,749	
Redwood City	\$869	\$1,558	\$1,876	\$3,451
San Mateo	\$1,225	\$1,638	\$1,971	\$3,397
South San Francisco	\$1,079	\$1,875	\$1,811	

Source: Real Facts

The table below shows home sales in various communities in San Mateo County for 2008 (San Mateo County Association of Realtors). Median sales prices are usually the best way to compare and evaluate

housing prices rather than to ability to pay. The median price for a single family home in Foster City in 2008 was \$1,079,000, and the median price for a common interest development in Foster City in 2008 was \$680,000. Single family home prices in Foster City have not gone down much during January and February of 2009 (median price of \$1,000,000 in January and \$1,185,000 in February), but common interest home prices have dropped significantly in 2009 (median price of \$599,000 in January and \$435,000 in February).

**2008 Median Home Sales Prices in San Mateo County**

<b>City/Area</b>	<b>Single Family Homes</b>	<b>Common Interest Homes</b>
Atherton	\$3,380,000	n/a
Belmont	\$920,000	\$601,000
Brisbane	\$877,500	\$600,000
Burlingame	\$1,255,000	\$623,000
Colma	\$462,000	\$415,000
Daly City	\$560,000	\$320,000
East Palo Alto	\$310,000	\$392,000
Foster City	\$1,079,000	\$680,000
Half Moon Bay	\$929,000	\$440,000
Hillsborough	\$2,507,500	n/a
Menlo Park	\$1,386,000	\$987,500
Millbrae	\$960,450	\$480,000
Redwood City	\$800,450	\$515,000
San Bruno	\$600,000	\$256,000
San Carlos	\$986,500	\$567,000
San Mateo	\$800,000	\$480,500
South San Francisco	\$572,500	\$387,000
Woodside	\$2,050,000	n/a
Countywide Median Price	\$795,000	\$503,500

Source: San Mateo County Association of Realtors

The two tables on the next page illustrate the ability of households at various income levels to pay for housing in today's market. As shown in the tables, the price of for-sale housing far exceeds many households' ability to pay for housing. However, as also illustrated in the tables, market rate rental housing is affordable at moderate income levels. While economic conditions over the last six months have seriously impacted housing prices (as seen in recent foreclosures, which affected 1 in 148 housing units in California in December 2008, and 1 in 359 housing units in San Mateo County in December 2008), the housing element must take a longer-term view (through 2014) that both responds to current conditions and also evaluates the expected return to a stronger housing market in the next several years.



Estimate of the Ability to Pay for Sales Housing in Foster City (2008)

Household Size and Income Category	Monthly Income	Annual Income	"Rule of Thumb" Home Price at Four Times Annual Income	Median Priced Single Family Home (2008)	Gap Between "Rule of Thumb" Price and Median Sales Price	Median Priced Common Interest Development Unit (2008)	Gap Between "Rule of Thumb" Price and Median TH/C Unit
<b>Single Person</b>							
Extremely Low Income	\$1,979	\$23,750	\$95,000	\$1,079,000	-\$984,000	\$680,000	-\$585,000
Very Low Income	\$3,300	\$39,600	\$158,400	\$1,079,000	-\$920,600	\$680,000	-\$521,600
Low Income	\$5,279	\$63,350	\$253,400	\$1,079,000	-\$825,600	\$680,000	-\$426,600
Median Income	\$5,542	\$66,500	\$266,000	\$1,079,000	-\$813,000	\$680,000	-\$414,000
Moderate Income	\$5,575	\$66,900	\$267,600	\$1,079,000	-\$811,400	\$680,000	-\$412,400
<b>Two Persons</b>							
Extremely Low Income	\$2,263	\$27,150	\$108,600	\$1,079,000	-\$970,400	\$680,000	-\$571,400
Very Low Income	\$3,771	\$45,250	\$181,000	\$1,079,000	-\$898,000	\$680,000	-\$499,000
Low Income	\$6,033	\$72,400	\$289,600	\$1,079,000	-\$789,400	\$680,000	-\$390,400
Median Income	\$6,333	\$76,000	\$304,000	\$1,079,000	-\$775,000	\$680,000	-\$376,000
Moderate Income	\$6,367	\$76,400	\$305,600	\$1,079,000	-\$773,400	\$680,000	-\$374,400
<b>Four Persons</b>							
Extremely Low Income	\$2,829	\$33,950	\$135,800	\$1,079,000	-\$943,200	\$680,000	-\$544,200
Very Low Income	\$4,713	\$56,550	\$226,200	\$1,079,000	-\$852,800	\$680,000	-\$453,800
Low Income	\$7,542	\$90,500	\$362,000	\$1,079,000	-\$717,000	\$680,000	-\$318,000
Median Income	\$7,917	\$95,000	\$380,000	\$1,079,000	-\$699,000	\$680,000	-\$300,000
Moderate Income	\$7,958	\$95,500	\$382,000	\$1,079,000	-\$697,000	\$680,000	-\$298,000

Source: Baird + Driskell Community Planning; San Mateo County Association of Realtors (Annual Total for 2008)

Estimate of the Ability to Pay for Rental Housing in Foster City (2008)

Household Size and Income Category	Monthly Income	Rent @ 30% of Monthly Income	Expected Unit Size	Average Rent (2008) for the Smaller Unit	Ability to Pay "Gap" for Smaller Unit	Average Rent (2008) for the Larger Unit	Ability to Pay "Gap" for Larger Unit
<b>Single Person</b>							
Extremely Low Income	\$1,979	\$594	0-1 BR	\$1,410	-\$816	\$1,751	-\$1,157
Very Low Income	\$3,300	\$990	0-1 BR	\$1,410	-\$420	\$1,751	-\$761
Low Income	\$5,279	\$1,584	0-1 BR	\$1,410	\$174	\$1,751	-\$167
Median Income	\$5,542	\$1,663	0-1 BR	\$1,410	\$253	\$1,751	-\$89
Moderate Income	\$6,650	\$1,995	0-1 BR	\$1,410	\$585	\$1,751	\$244
<b>Two Persons</b>							
Extremely Low Income	\$2,263	\$679	1-2 BR	\$1,751	-\$1,072	\$1,931	-\$1,252
Very Low Income	\$3,771	\$1,131	1-2 BR	\$1,751	-\$620	\$1,931	-\$800
Low Income	\$6,033	\$1,810	1-2 BR	\$1,751	\$59	\$1,931	-\$121
Median Income	\$6,333	\$1,900	1-2 BR	\$1,751	\$149	\$1,931	-\$31
Moderate Income	\$7,600	\$2,280	1-2 BR	\$1,751	\$529	\$1,931	\$349
<b>Four Persons</b>							
Extremely Low Income	\$2,829	\$849	2-3 BR	\$2,292	-\$1,443	\$3,666	-\$2,817
Very Low Income	\$4,713	\$1,414	2-3 BR	\$2,292	-\$878	\$3,666	-\$2,252
Low Income	\$7,542	\$2,263	2-3 BR	\$2,292	-\$30	\$3,666	-\$1,404
Median Income	\$7,917	\$2,375	2-3 BR	\$2,292	\$83	\$3,666	-\$1,291
Moderate Income	\$9,500	\$2,850	2-3 BR	\$2,292	\$558	\$3,666	-\$816

Source: Baird + Driskell/Community Planning; RealFacts, Inc. (First Quarter of 2008)

**Overpaying Households**

In Foster City, tenure makes a significant difference to the housing cost burden of lower income households. Among renters in this category, 84 percent are paying more than 30 percent of their income for housing. Among owner occupied lower income households, 59 percent are paying more than 30 percent of their income housing. This is shown in the table below, which is from the 2000 U.S. Census.

### Percent of Families Paying More Than 50% of Their Income on Housing

Income Category <sup>1</sup>	Elderly <sup>2</sup>		Small Families <sup>3</sup>		Large Families <sup>4</sup>	
	RENTERS	OWNERS	RENTERS	OWNERS	RENTERS	OWNERS
Extremely Low Income (up to \$33,950)	53%	58%	100%	82%	100%	100%
Very Low Income (\$33,951 - \$56,550)	34%	50%	73%	88%	N/A	79%
Low Income (\$56,551 - \$90,500)	43%	12%	36%	50%	50%	41%

Source: CHAS 2000

1. Income category based on county median income (2008) - \$95,000

2. Elderly is defined as 62 years old and over and 1 or 2 person household

3. Small families is defined as 2-4 related individuals

4. Large families is defined as 5 or more related individuals

### Percent of Households Overpaying

Category	Number of Households	Total Overpaying	Percent
Renters	1091	921	84%
Owners	801	476	59%

Source: US Census, 2008

The percentage of Foster City's low income population with a high housing cost burden is shown in the table below, based on the most recent CHAS. The CHAS is the Comprehensive Housing Affordability Strategy prepared by the San Mateo County Department of Housing (County of San Mateo HOME Consortium Consolidated Plan 2008/09 — 2012/13). Consortium members include the County of San Mateo and 17 cities in the County, including the City of Foster City. The CHAS is a U.S. Department of Housing and Urban Development (HUD) requirement. Much of the data contained in the CHAS is from the 2000 U.S. Census.

### Households with Housing Payment Problems

	Total Renters	Total Owners	Total Households
<b>Extremely Low Income</b>	263	255	518
% with any housing problems	65.8	85.1	75.3
% Cost Burden >30%	65.8	85.1	75.3
% Cost Burden >50%	56.3	71.8	63.9
<b>Very low income</b>	290	291	581
% with any housing problems	86.9	76.3	81.6
% Cost Burden >30%	86.9	76.3	81.6
<b>Low Income</b>	538	729	1,267
% with any housing problems	92	60	74
% Cost Burden >30%	92	58	72

Source: State of the Cities Comprehensive Affordability Strategy (CHAS)

When housing cost burdens are high there is the potential for deferred maintenance and overcrowding to occur. The table below shows overcrowding in Foster City in 2000.

Overcrowding		
	People	Percent
Not Overcrowded (<1 person per room)	10,939	94.2
Overcrowded (1.5 people per room)	304	2.6
Very overcrowded (1.5+ people per room)	370	3.2

Source: US Census, 2000

Overcrowded Households in Foster City (2000)						
Persons per Room	Owner		Renter		Total Overcrowded	
	Households	Percent	Households	Percent	Households	Percent
1.00 or less	6,983	97.7	3,956	88.6	10,939	94.2
1.01 to 1.50	87	1.2	217	4.9	304	2.6
1.51 or more	79	1.1	291	6.5	370	3.2
TOTAL	7,149	100.0	4,464	100.0	11,613	100.0
% Overcrowded by Tenure	166	2.3	508	11.4	674	5.8

Source: 2000 U.S. Census of Population and Housing, Summary Tape File 3A- H20 Tenure by Occupants per Room.

## Special Housing Needs

In addition to overall housing needs, cities and counties must plan for the special housing needs of certain groups. State law (65583(a)(6)) requires that several populations with special needs be addressed — homeless people, seniors, people with disabilities, large families, and female-headed households. The Housing Element should take into account any local factors that create an extraordinary need for housing, and should quantify those needs as well as possible. Farmworker housing is also required by State law to be addressed in local housing elements if it is a local need. There is no need for farmworker housing in Foster City so it is not included in this analysis.

“Special Needs” groups include many persons in the community, from the homeless and those with substance abuse or domestic violence problems to lower income families who face economic challenges in finding housing. While many persons in this broad group need permanent low income housing, others require more supportive environments and assistance.

It should be noted that potential housing needs of farmworkers were assessed and determined not to be a need group of concern in Foster City. Farmworkers are specifically identified in housing element law as a special needs group.

### Seniors

Elderly households can be defined, in part, by the age distribution and demographic projections of a community’s population. This identifies the maximum need for elderly housing. Particular needs, such as the need for smaller and more efficient housing, for barrier-free and accessible housing, and for a wide variety of housing with health care and/or personal services should be addressed, as should providing a continuum of care as elderly households become less self-reliant.

Most people realize that the population of seniors is growing, but few people realize how quickly. In order to meet the housing needs of older residents, we need to begin planning today. Consider the fact that a

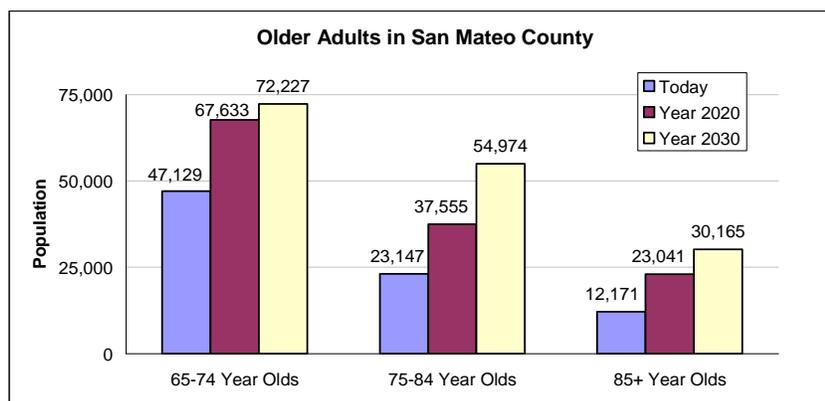
typical housing development can take ten years from conception to grand opening. The time to begin planning is now. To be successful, we must first understand the challenges. Then, we can identify policies and programs to address the needs.

The San Mateo Health Department recently completed a study on seniors and their major conclusions were:

- **The Senior population will increase rapidly by 72 percent by 2030**, 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. Many of these seniors will be most comfortable speaking a language other than English.
- **Older working adults will, by and large, retire in the communities where they live now**. The vast majority of foreign born seniors will not return to their countries of origin.
- **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. For single older adults, the cost is \$27,550 a year and for a couple it is \$37,362.
- **Most seniors, 93 percent in some surveys, prefer to age in place (stay in their homes as they age)** (Source: AdvantAge Initiative)

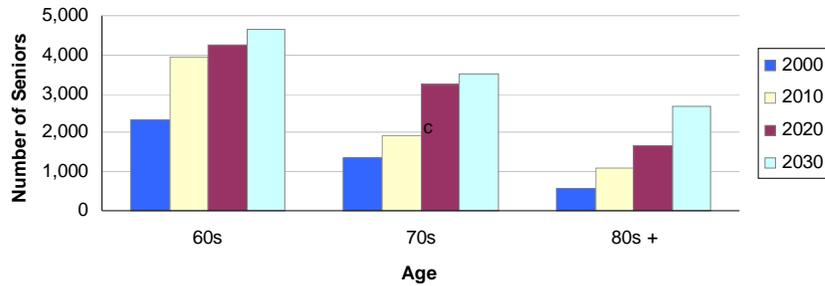
Source: San Mateo County Aging Model: Better Planning for Tomorrow, San Mateo County Department of Planning

In past years, there has been a demographic bulge as the baby boomers have grown from childhood to adolescence to adulthood. Now they are approaching their senior years, with the oldest baby boomers turning 65 in 2011. For the next 20 years after this, the population of seniors will swell dramatically, increasing by 72 percent between now and 2030 (San Mateo County Health Department). The increase in older seniors, over the age of 85, will be even more dramatic, rising 148 percent.



The North County and Middle County will grow faster than the South County or Coastsides.

### Change in Senior Population, Foster City (Projected)



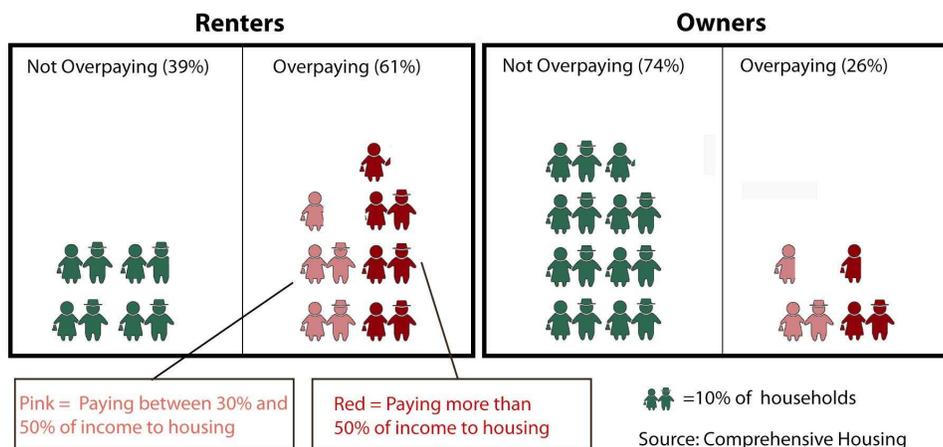
The Latino and Asian/Pacific Islander senior populations will grow more quickly than the overall senior population. By the year 2030, Asians/Pacific Islanders will make up 32 percent of the county’s senior population and Latinos will make up another 16 percent of the total. Almost 45 percent of seniors in 2030 will have been born in another country.

It will be particularly important to understand the housing needs and preferences of these groups. Many of these seniors live with family and are more comfortable speaking in their native language.

The best indicator of the future population of seniors is looking at people in their fifties. Most of these people will stay in their homes as they age. The San Mateo County workforce is diverse and consequently the senior population will be diverse. Very few seniors, even people who do not speak English well, will return to their native country to retire.

San Mateo has the highest cost of living for seniors of anywhere in California. For single older adults, the cost is \$27,550 a year and for a couple it is \$37,362. Many low income seniors, especially renters, will be forced to leave the county for economic reasons.

### Many Seniors, Especially Renters, Are Overpaying for Housing



Senior home owners tend to be house rich and cash poor, meaning they have a lot of accumulated wealth, but it is inaccessible. In 2000, 35 percent of seniors were paying more than half of their income to rent (CHAS, HUD, 2008, based on Census 2000 data). Because income tends to decrease with age, and

housing and medical costs tend to increase, this problem gets worse for older seniors. With the recent downturn in the stock market, this problem will be especially acute.

The majority of seniors prefer to stay in their homes and will be looking for programs that allow them to do so. Some seniors, particularly those from cultures with close extended family ties, will prefer to live in the same home as their relatives. Second units are one option to do this.

The San Mateo County Aging and Adult Services, a division of the County Health Services Agency, provides a wide range of services for seniors. These services are described in detail in the brochure, *Help at Home*, available in English, Spanish and Chinese. Either directly, or through its partners, the following services are provided:

- Adult Day/Adult Day Health Care
- Congregate Nutrition
- Home Delivered Meals
- Transportation
- Caregiver Support and Respite
- Alzheimer's Day Care Resource Centers
- Legal Assistance
- HICAP (Health Insurance Counseling and Advocacy Project)
- Case Management Programs (Underserved Populations)
- Ombudsman Services
- Health Promotion/Disease Prevention
- Senior Employment

Providing safe, healthy housing for seniors involves much more than just looking at houses. There are many aspects to making a community senior-friendly, including:

- Ensuring safe, appropriate and desirable housing
- Providing access to vital goods and services
- Promoting social and civic engagement opportunities
- Addressing health and wellness needs

Most seniors, upwards of 90 percent, prefer to age in their home, and there are a number of services that make this possible. However, it is important to have a variety of housing options in the community for seniors to move to when they are ready.

Many seniors will be mobility impaired at some point in their life, and most seniors would prefer to walk more and drive less (Surface Transportation Policy Partnership. *Attitudes toward Walking*, 2003). If communities are not set up for pedestrians and public transportation, seniors can become trapped in their homes. While not directly related to housing, it is important to provide opportunities for seniors to be engaged with the community. Approaches to address this need include:

- Plan senior housing where it is easy and natural for seniors to be involved in the community.
- Promote job and volunteer opportunities for seniors.
- Ensure that there are cultural events for seniors. Considerations include time, location and topic.
- Create an active senior center.
- Develop opportunities for education/lifelong learning for seniors.
- Provide congregate (group) meals.

### Persons Living with Disabilities

People with disabilities often have trouble finding housing. Relatively small physical obstacles, like a shower that requires a step, may make a house unusable. Many seniors have to move from their houses because of barriers like these. There are a number of policies that jurisdictions have pursued to make houses more accessible. Ideas include:

- Allow reasonable accommodations for disabilities – Develop simple procedures by which individuals can get permission to alter their houses to make them accessible (for instance, by adding a ramp).
- Information and enforcement – Designate a staff person as the primary contact for disability issues. This person can disseminate information and investigate allegations of discrimination.
- Promote universal design – Universal design refers to building in a way that makes it accessible to everyone – for instance, levels instead of knobs on doors make them easier to open.
- Provide low interest loans to retrofit houses to increase their accessibility.

The tables below show the portion of the population in Foster City living with some form of disability.

Persons with Disabilities	
Type of Disability	Number
Unable to work because of disability (ages 16-64)	1,589
Able to work, but with disability (ages 16-64)	1,811
Persons Age 65 Plus with a Disability	1,724
Total Persons with a Disability	5,239

Source: US Census, 2000

Disabilities for Seniors	
Type of Disability	Number
Total Disabilities for Ages 65 and Over	1,724
Sensory Disability	286
Physical disability	487
Mental disability	282
Self-care disability	223
Go-outside-home disability	446

Source: Census Bureau (2000 Census SF 3: P41)

### Large Households

Large households, defined as households with five or more persons, have special housing needs. Large households tend to have difficulties purchasing housing, because large housing units are rarely affordable and rental units with three or more bedrooms are not common in Foster City. According to the 2000 Census, the total number of households with 5 or more persons is 785, or about 7% of all households. Of

those, 197 are renter households and 588 are owner households. Thus, large households compose about 4% of the renter-occupied units in the City, and about 8% of the owner-occupied units.

	1-4 Persons	5+ Persons
Owner	92%	8%
Renter	96%	4%
TOTAL	93%	7%

Source: US Census 2000

Bedroom Type	Owners	Renters	Total
1 person	19%	31%	24%
2 people	35%	38%	36%
3 people	20%	17%	19%
4 people	17%	10%	15%
5 people	6%	4%	5%
6+ people	2%	1%	2%
TOTAL	100%	100%	100%

Bedroom Type	Owner	Renter	Total
0 BR	1%	9%	4%
1 BR	5%	41%	19%
2 BR	20%	32%	25%
3 BR	35%	10%	25%
4 BR	32%	7%	22%
5+ BR	8%	1%	5%
TOTAL	1	100%	100%

Source: US Census 2000

		Small Families	Large Families	All other households
Renters	Percent with any housing problem	38	53.1	36
	Percent Cost Burdened	25.6	27.9	33.1
Owners	Percent with any housing problem	32	40.9	42.3
	Percent Cost Burdened	29.8	40.9	42.3

Source: State of the Cities Data Systems, CHAS Data

### Female-headed Households

Female-headed households need affordable housing with day care and recreation programs on-site or nearby, in proximity to schools and with access to services. Households with female heads, like large households, may have difficulty in finding appropriate-sized housing. Despite fair housing laws and

programs, discrimination against children may make it more difficult for this group to find adequate housing. Women in the housing market, especially the elderly, and low and moderate income and single parents, face significant difficulties finding housing, and both ownership and rental units are extremely expensive relative to the incomes of many people in this population category.

Based on the 2000 U.S. Census, it is estimated that about 14% of all households in Foster City are headed by women. The percent of female headed households in Foster City living under the poverty level was 8% in 2000, according to the U.S. Census. This is shown in the tables below.

<b>Female Headed Households</b>	
<b>Householder Type</b>	<b>Number</b>
Total Households	11,611
Total Female Headed Householders	1,627
Female Heads with Children under 18	3,074
Female Heads without Children under 18	3,813
Total Families Under the Poverty Level	131
Female Headed Households Under the Poverty Level	57

<b>Percent of Families Under the Poverty Level</b>	
<b>Category of Household Type</b>	<b>Percent</b>
Percent of Families Under the Poverty Level	2%
Percent of Female Headed Households Under the Poverty Level	8%
Percent of Families with Children Under the Poverty Level	5%

Source: US Census, 2000

## Homeless Needs

In 2005-2006, a countywide group of diverse stakeholders undertook an intensive community-based planning process to develop a plan to end homelessness in San Mateo County. The end result – entitled “Housing Our People Effectively (HOPE): Ending Homelessness in San Mateo County” (“the HOPE Plan”) – lays out concrete strategies designed to end homelessness in our community within 10 years. The report incorporates the experiences and expertise of over 200 stakeholders, including members of the business, nonprofit and government sectors. These stakeholders met in working groups over a period of 12 months to develop the recommendations in the plan. Homeless and formerly homeless persons were represented in the working groups, as well as in several focus groups conducted in emergency shelters and transitional housing programs. The result of this year-long community planning process was the finalized HOPE Plan, which was completed in March 2006. The plan has been formally adopted by the San Mateo County Board of Supervisors and many of San Mateo County’s 21 jurisdictions.

One of the key strategies for ending homelessness that is laid out in the HOPE Plan is to increase the supply of permanent affordable and supportive housing for people who are homeless and develop strategies to help them to move into permanent housing as rapidly as possible (a “housing first” or “rapid re-housing” approach). The HOPE Plan intentionally made no recommendation to expand the supply of emergency or transitional housing. Although the HOPE planners recognized that there is a lack of needed resources throughout the housing continuum, including emergency and transitional housing, the greatest need and the most effective use of new and/or redirected resources is for creating and sustaining quality affordable housing and supportive housing.

While there are no permanent emergency shelters, transitional housing or supportive housing for homeless in Foster City there are a number of scattered site/tenant-based voucher program which often have some units in Foster City. The exact location of these units change over time, but the methodology agreed to by the 21 Elements project allocates these units based on the average number of units in jurisdictions from January to October 2008. For this reason, at any given time it is estimated that there is one tenant based supportive housing unit and two shelter care program units. The source of this information is the HOPE

Plan (San Mateo County's 10-Year Plan to End Homelessness), which has been updated by the San Mateo County Human Services Agency, Center on Homelessness. Because these units are rarely available (long waiting lists, etc) none of these units are claimed in the analysis of available beds.

Foster City is committed to expanding the resources for homeless individuals in the community, particularly the supply of permanent supportive housing. The chart below summarizes units currently under development or for which a funding source has been either secured or identified.

<b>New Units with Identified Funding</b>			
<b>Program Name</b>	<b>Provider</b>	<b>No. of Units</b>	<b>Funding Source and Status</b>
Housing Readiness Program	San Mateo County Housing Authority	60	The Housing Authority has requested to convert 60 "welfare to work" tenant-based Section 8 vouchers for use by homeless people. The proposed program is awaiting final HUD approval and is expected to begin in 2009.
Shelter Plus Care Program	San Mateo County Housing Authority	15	Each year San Mateo County is eligible to apply for about 3 additional S+C units from HUD. Over the next five years, it is anticipated that 15 new tenant-based S+C vouchers will be added to the existing S+C program.
Mental Health Services Act Housing Program	San Mateo County Mental Health	45	San Mateo County has been allocated funding from the State of California through the MHSA to create new supportive housing units for homeless people with mental illness. Mental Health is planning to issue RFPs for these housing dollars by the end of 2008 and expects to fund about 45 units. These will be new construction or acquisition/rehab projects. Developers and locations are not yet known.
<b>TOTAL</b>		<b>120</b>	

Since none of these programs currently have identified sites, Foster City has estimated that one percent (one unit) will be located in the city. This number is based on the percentage of the county’s current inventory of supportive housing units that is located in the community.

Homeless people in Foster City also have access to a wide range of supportive services designed to help them gain greater stability and self-sufficiency and to meet their physical and behavioral health needs. These services include:

<b>Provider/Program</b>	<b>Services Provided</b>	<b>Service Area</b>
<b>Core Service Agencies</b>		
Coastside Hope	Information and referral, emergency assistance, rental and utility assistance	Coastside
Daly City Community Services Center	Information and referral, emergency assistance, rental and utility assistance	North County
North Peninsula Neighborhood Services Center	Information and referral, emergency assistance, rental and utility assistance	North County
Pacifica Resource Center	Information and referral, emergency assistance, rental and utility assistance	North County
Samaritan House	Information and referral, emergency assistance, rental and utility assistance	Central County
El Concilio Emergency Services Partnership	Information and referral, emergency assistance, rental and utility assistance	South County
Fair Oaks Community Center	Information and referral, emergency assistance, rental and utility assistance	South County
<b>Emergency Assistance</b>		
Salvation Army	Emergency food and clothing; information and referrals	North, Central, South County
St. Vincent DePaul Society	Emergency food and clothing; information and referrals; homeless help desks	All County (Homeless help desks located in Redwood City, San Mateo, South SF)
Puente Del Costa Sur	Emergency food and clothing; information and referrals;	Coastside
<b>Homeless Outreach</b>		
Homeless Outreach Team (San Mateo County Human Services Agency/Shelter Network)	Intensive street outreach with direct access to housing	Downtown San Mateo

Mateo Lodge Mobile Support Team	Mobile mental health services for homeless people with mental illness	All County
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**Health Services**


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Mobile Health Clinic (San Mateo County Health Dept.)	Health screening, immunization, etc. for low income and homeless people	All County
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<b>Provider/Program</b>	<b>Services Provided</b>	<b>Service Area</b>
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**Mental Health Services**


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Mental Health Association of San Mateo County	Mental health services for homeless people with mental illness	All County
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San Mateo County Behavioral Health and Recover Services, Mental Health Access Team	Information, assessment, consultation and referral	All County
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**Alcohol and Drug Services**


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Asian-American Recovery Services	Outpatient services	All County
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Free At Last	Outpatient and residential treatment	All County
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Women's Recovery Association	Outpatient and residential treatment	All County
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Palm Avenue Detoxification Program	Drug and alcohol detox	All County
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Latino Commission on Alcohol and Drug Abuse Services	Residential treatment	All County
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Project 90	Residential treatment	All County
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**Youth and Family Services**


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Youth and Family Enrichment Services	Services for homeless youth	All County
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Family Resource Centers (San Mateo County Human Services Agency)	Prevention and early intervention services at school sites throughout San Mateo County	All County
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**Domestic Violence Services**


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CORA	DV hotline, legal assistance, counseling, prevention services	All County
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**The Salvation Army Voucher System Participating Local Motels** (Used by Foster City Police Department — March 25, 2008)

**Redwood City**

Capri Motel	2380 El Camino Real, Redwood City	369-6221
Garden Motel	1690 Broadway, Redwood City	366-4724
Days Inn	2650 El Camino Real, Redwood City	369-9200

**San Carlos**

San Carlos Inn	1140 Morse Blvd., San Carlos	593-4198
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**San Mateo**

Best Western	2940 S. Norfolk, San Mateo	(877) 722-3422
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Salvation Army Contact Information:

1270 Marshall Street  
 Redwood City, CA  
 363-4643  
 M – F 0800 to 1200 and 1300 to 1700  
 Food available 0900 to 1200 Thursdays

The homeless census done for San Mateo County estimates that there are an average of 14 unsheltered homeless people in Foster City at any given point in time, and no sheltered homeless people.

A significant number of homeless people in the community have disabilities and therefore need services such as health, mental health, and substance abuse treatment. A more detailed breakdown that includes number of adults without children, adults with children and number of children can be found in the San Mateo 2007 Homeless Census and Survey.

The charts below provide a breakdown of the homeless population into subpopulations based on service needs.

**Homeless Subpopulations**

Age

Age Range	Percent
18-21 years	3%
22-30 years	15%
31-40 years	22%
41-50 years	32%
51-60 years	23%
More than 60 years	5%

Race/Ethnicity

Race/Ethnicity	Percent
White/Caucasian	41%
Black/African American	31%
Hispanic/Latino	17%
Asian	3%

Pacific Islander	2%
American Indian/Alaskan Native	1%
Other/Multi-ethnic	4%
	Percent
<hr/>	
Gender	
Male	66%
Female	34%
Transgender	0%
Total	100%
<hr/>	
Subpopulation/Service Needs	Percent
Veteran of US Armed Forces	73%
Mental Illness	33%
Substance Abuse (alcohol and/or drug)	39%
Both Mental Illness and Substance Abuse	13%
HIV/AIDS	2%
Chronic Health Condition	28%
Developmental Disability	12%
Physical Disability	35%
Domestic/Partner Violence or Abuse	7%

The Homeless Survey did not ask respondents to indicate whether they were runaway youth, emancipated foster youth or “transitional age” youth (i.e., ages 18-25), so no data is available on those subpopulations.

Source: This data is drawn from the 2007 San Mateo County Homeless Census and Survey, Final Report, issued in May 2008, and represents the results of a one-night homeless census conducted by the San Mateo County Human Services Agency, Center on Homelessness on January 30<sup>th</sup>, 2007 and a homeless survey conducted in January and February 2007.

#### **Assessment of Unmet Year Round Need for Emergency Shelter**

The homeless census done for San Mateo County indicates that Foster City needs a total of 13 year-round emergency shelter beds to meet the need of the 14 unsheltered homeless people in the community. This is based on the homeless count of 14 minus Foster City’s share of units for which there is identified funding, one unit.

This methodology is consistent with best practices in the field of homeless housing and services, and HUD publications on estimating the numbers of homeless people and unmet need for housing, and has been recommended by consultants to the San Mateo County Housing Element Update Consortium’s “21 Elements” project.

#### **Assessment of Seasonal Need for Emergency Shelter**

There is no data presently available documenting the increased level of demand for shelter in San Mateo County during particular times of the year. Due to the relatively mild climate, the only time of year when increased demand appears to be a factor is during the winter months (December to February). During extremely cold periods, some shelters set up additional cots to accommodate increased demand for

shelter, and the County periodically opens special “warming shelters” during extended cold spells. Anecdotal evidence suggests that this additional capacity is sufficient to meet the need during these periods.

Additionally, it should be noted that the biannual homeless count always takes place in the last week of January, which is a period of time when demand for shelter typically is at its highest. Since the year-round need described above is based on that biannual count, therefore it is anticipated that the seasonal need for emergency shelter is no greater than the year-round need.

### **Assessment of Unmet Need for Supportive Housing**

As part of the planning process for the HOPE Plan, a working group was convened to develop an estimate of the number of supportive housing units that would have to be developed to meet the housing needs of all the homeless people in San Mateo County. This working group drew from best practices in the field of supportive housing as well as the expertise of local housing and shelter providers to develop their methodology. The HOPE Plan projects an unmet need for 2,500 supportive housing units in San Mateo County over the ten-year period of the plan (2006-2015), consisting of 1,682 units for homeless people and 818 units for people at risk of homelessness. In the first two years of HOPE implementation, 109 new units have been created, resulting in a revised unmet need of 2,391 units.

This current unmet need for 2,391 supportive housing units breaks down as follows:

- 1,648 units of supportive housing for homeless people (131 family units and 1,517 units for single people)
- 743 units of supportive housing for people at risk of homelessness (280 family units and 463 units for single people)

Because Foster City has one percent of the unsheltered homeless in the county, it is estimated there is a need for 24 supportive housing units, with seven of these aimed at people at risk for homelessness.

The HOPE plan prioritizes supportive housing over transitional housing, and does not identify a specific need for more transitional units.

### **Assisted Rental Housing “At Risk” of Conversion**

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. New affordable rental units developed during the 1999-2006 period replaced 17 moderate rate units at Marina Green that expired and converted to market rate units. Currently, there are no housing developments “at risk” during the 2009-2019 time period in Foster City. Specific developments include:

**Hillsdale/Gull:** In perpetuity

**Marlin Cove:** In perpetuity

**Foster’s Landing:** December 31, 2020, plus some units until 2023

**Metro Senior Housing Affordable Housing Covenant:** 2050

In order to conserve the existing affordable housing stock that is not in formal affordable housing programs, the Housing Element includes the following programs:

- Continue the restrictions on conversion of apartments to condominiums contained in Chapter 17.76 of the Foster City Municipal Code.

- Continue to work with the Tri-County Apartment Association as a vehicle to moderate rent increases and to resolve rental disputes.
- Continue the City's financial contribution to, and encourage resident use of, the Peninsula Conflict Resolution Center as a vehicle to resolve rental disputes.
- Provide rental subsidies to qualified households.

The City plans to work with the owners of existing rental projects to provide as many subsidized rental units as possible. While this does not, in and of itself, create new units, this program has the potential to provide a substantial number of additional units that are affordable to low and very low income households.

## Review of the Current Housing Element

The City has achieved many of the implementing action programs set out in the 2001 Housing Element. In some cases, time and opportunity hindered the accomplishment of some programs. Attached is a matrix that lists all of the Housing Element policies/programs, and describes whether the policy/program has been achieved and if it should be retained, deleted or modified. In this section, the focus is on the particular successes of the 2001 Housing Element that should be carried forward and the lessons to be learned from the action programs not achieved. The tables below provide the policy/program number, the page on which the policy/program is located in the matrix, and a summary of the results.

## Key Accomplishments of the 2001 Housing Element

Among the most effective programs implemented during the planning period to meet these regional and community needs were:

- (1) The City initiated the Marlin Cove and Hillsdale/Gull Redevelopment Project Areas and completed the General Plan Amendment, Rezoning and Environmental Impact Report. After these approvals were completed, developers were selected and the Community Development Agency (COA) contributed \$10 million to make these developments feasible. The projects resulted in 439 units.
- (2) The City worked with the owners of the 5A Rent-A-Space site to develop a plan for housing on the site. Plans for the site were reviewed by the Planning Commission on several occasions, and the applicant was close to developing a viable plan for the site. In 2007, the applicant withdrew the proposal, citing financial issues. Although the site was not rezoned for housing, this should be considered a success from the City's perspective, as the City worked extensively with the owners to develop housing on the site. Withdrawal of the project was due to factors outside the City's control.
- (3) Over the 1999-2006 planning period, the City was required to plan for 690 units. During that time, the City added 533 dwelling units, which equates to 77% of the total housing need. The numbers of households added may be below the Housing Element targets, but during the planning period the city laid more groundwork for maintaining the City's residential quality and supporting affordable housing than with any other Housing Element implementation program.
- (4) Of the total units constructed, 96 were designated for very low income households. This equals 92% of very low income need.
- (5) Among the major accomplishments was the redevelopment of the Marlin Cove Shopping Center, which included 280 residential units. Another major accomplishment was the Miramar development, which included 159 units. Both projects included 30% very low and moderate income units. Marlin Cove provided 56 very low income units and 28 moderate income units. Miramar provided 32 very low income units and 16 moderate income units.

- (6) In 2004, the CDA modified the First-Time Homebuyer program to obtain approval from CalHFA to "partner" with the First Time Homebuyer program. Through the First-time Homebuyer Mortgage program, funding from the Community Development Agency is often combined with funding from other regional or state programs to create a more affordable purchase. The CDA has contributed \$100,000 per year to the First-Time Homebuyer Program.
- (7) In 2006, the City joined the Housing Endowment and Regional Trust (HEART), which raises funds from public and private sources to meet critical housing needs in San Mateo County.
- (8) The City has continued its relationship with the HIP Homeshare Program, which matches people into shared housing arrangements. Approximately 15-25 people are matched each year.
- (9) State law requires that within residential projects in redevelopment project areas, the area must provide at least 15% of affordable units. This goal was exceeded in the Marlin Cove and Miramar projects, which provided 30% at affordable income levels instead of the minimum 15%, through the use of Community Development Agency (CDA) funds.
- (10) The City has used the redevelopment Housing Fund to leverage the development of affordable units. In Fiscal Year 2007-2008, total Housing Fund expenditures totaled \$1.454 million. This includes existing housing programs and ongoing subsidies pursuant to agreements for Fosters Landing, Marlin Cove and Miramar (Hillsdale/Gull Project Area). The Agency's Implementation Plan for 2005-2010 projects Housing Fund spending of \$17.5 million over the 2005-2010 time periods.
- (11) The CDA has continued to acquire properties to be leased to very low and low income families. The CDA now owns seven units.
- (12) The First Time Homebuyer loans provide a 30-year 2nd mortgage at 3% interest with the interest and payments deferred for the first 5 years. As of December 31, 2008, a total of 29 loans have been made, with 16 loans still outstanding. A total of \$1.775M has been loaned, with \$650K repaid and \$1.110M in the 16 loans still outstanding.
- (13) New affordable rental units developed during the 1999-2006 period replaced 17 moderate rate units at Marina Green that expired and converted to market rate units.

A comprehensive review of each program contained in the 2001 Housing Element is included in Appendix A. The recommendations concerning these programs are also included. Most of the programs have been successful, and are being carried forward in this Housing Element. This also includes the goals and most of the policies.

## **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 turn, the sub-regional RHNA process will be used to establish the housing need numbers for each jurisdiction's Housing Element update for 2009.

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 July 17, 2006, 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 December 22, 2006. A formal Public Hearing was held by the RHNA Policy Advisory Committee (PAC) on February 22, 2007. The final methodology was approved by the RHNA PAC on March 22, 2007 and submitted to ABAG on March 27, 2007.

Based on the allocation methodology approved in March 2007, 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 October 15, 2007, the City Council adopted a resolution accepting the assigned housing share of 486 units for Foster City for the 2007-2014 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 2009, the median income for a family of four is \$96,800. Because San Mateo County is considered a high cost area, HUD makes 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.

Income Category	Household size				
	1	2	3	4	5
Very Low	\$39,600	\$45,250	\$50,900	\$56,550	\$61,050
Low	\$63,350	\$72,400	\$81,450	\$90,500	\$97,700
Median	\$67,750	\$77,450	\$87,100	\$96,800	\$104,550
Moderate	\$81,300	\$92,900	\$104,550	\$116,150	\$125,450

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

#### **Regional Housing Needs Allocation**

**(1999-2006 and 2007-2014)**

Income Level	1999-2006		2007-2014	
	Units	Percent	Units	Percent
Very Low	96	14%	111	23%
Low	53	8%	80	16%
Moderate	166	24%	94	20%
Above Moderate	375	54%	201	41%
<b>Total</b>	<b>690</b>	<b>100%</b>	<b>486</b>	<b>100%</b>

As shown above, approximately 39 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.

**San Mateo County Regional Housing Needs Allocation (RHNA) for 2007 - 2014**

Jurisdiction	<i>Extremely Low Income (ELI)**</i>	<b>Very Low Income</b>	<b>Low Income</b>	<i>Subtotal Lower Income</i>	<b>Moderate Income</b>	<b>Above Moderate Income</b>	<b>Total Units</b>
<b>Atherton</b>	10	19	14	33	16	34	83
<b>Belmont</b>	46	91	65	156	77	166	399
<b>Brisbane</b>	46	91	66	157	77	167	401
<b>Burlingame</b>	74	148	107	255	125	270	650
<b>Colma</b>	8	15	11	26	13	26	65
<b>Daly City</b>	138	275	198	473	233	501	1,207
<b>East Palo Alto</b>	72	144	103	247	122	261	630
<b>Foster City</b>	56 11.4%	111 22.8%	80 16.5%	191 39.3%	94 19.3%	201 41.4%	486 100.0%
<b>Half Moon Bay</b>	32	63	45	108	53	115	276
<b>Hillsborough</b>	10	20	14	34	17	35	86
<b>Menlo Park</b>	113	226	163	389	192	412	993
<b>Millbrae</b>	52	103	74	177	87	188	452
<b>Pacifica</b>	32	63	45	108	53	114	275
<b>Portola Valley</b>	9	17	12	29	14	31	74
<b>Redwood City</b>	211	422	304	726	358	772	1,856
<b>San Bruno</b>	111	222	160	382	188	403	973
<b>San Carlos</b>	69	137	98	235	116	248	599
<b>San Mateo</b>	348	695	500	1,195	589	1,267	3,051
<b>South San Francisco</b>	187	373	268	641	315	679	1,635
<b>Woodside</b>	5	10	7	17	8	16	41
<b>Unincorporated</b>	172	343	247	590	291	625	1,506
<b>Countywide Total</b>	<b>1,794</b>	<b>3,588</b>	<b>2,581</b>	<b>6,169</b>	<b>3,038</b>	<b>6,531</b>	<b>15,739</b>
<b>Countywide Percent</b>	<b>11.4%</b>	<b>22.8%</b>	<b>16.4%</b>	<b>39.2%</b>	<b>19.3%</b>	<b>41.5%</b>	<b>100.0%</b>

\*\*Unless other data are used, Extremely Low Income (ELI) need equals 50% of Very Low Income Need

Source: Association of Bay Area Governments (May, 2008)  
[http://www.abag.ca.gov/planning/housingneeds/pdfs/Final\\_RHNA.pdf](http://www.abag.ca.gov/planning/housingneeds/pdfs/Final_RHNA.pdf)

In addition, it is estimated that 50% of the City's Very Low Income housing need for the 2007-2014 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 2007-2014 planning period, is estimated at 56 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, the Homeshare Program and the Policy H-F-1-b to consider adoption of an Anti-Discrimination Ordinance.

### 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 review, staff believes that the City will have the capacity to meet the 486 units required of Foster City. The Mirabella project is proposed to have 440 units and Pilgrim-Triton can have a total of 730 units, of which 597 units can be counted toward the RHNA for 2007-2014 planning period (the remaining 133 units were assigned RHNA for the 2001 Housing Element). This creates a total capacity for the 2007-2014 planning period of 1,037 units, which is more than sufficient to accommodate Foster City's housing allocation.

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 1,037 units, and anticipated through implementation of Housing Element programs, the City can expect at least 285 units to be affordable to these households. The RHNA requires that Foster City plan for 285 units for these income groups. Thus, the City's RHNA, including affordable units, can be provided on Mirabella and Pilgrim-Triton sites.

Below is a summary of the sites available for new housing.

Site	APN/ Location	Zone	Allowable Density	GP Designation	Acres	Realistic Unit Capacity	Existing Use	Infrastructure Capacity	Eviron Constraints
1	094-010-680 094-010-520 094-010-560 094-010-570	Commercial Mix- Planned Development	Approved @ 38 du/ac		20.75	794 Units (approved)	Office, Warehouse, Light Industrial, non- retail commercial, storage, showroom	Sufficient to serve proposed land use change with mitigation identified in EIR	Mitigated
2	094-471-100	Public Facilities	Approved @ 40 du/ac	Public and Semi-Public	11	440	Vacant	Sufficient to serve proposed land use change with mitigation identified in EIR	Can be mitigated

Site 1 is Pilgrim-Triton and Site 2 is Mirabella

The table on the following page provides a breakdown of units according to income level from the Mirabella and Pilgrim-Triton projects.

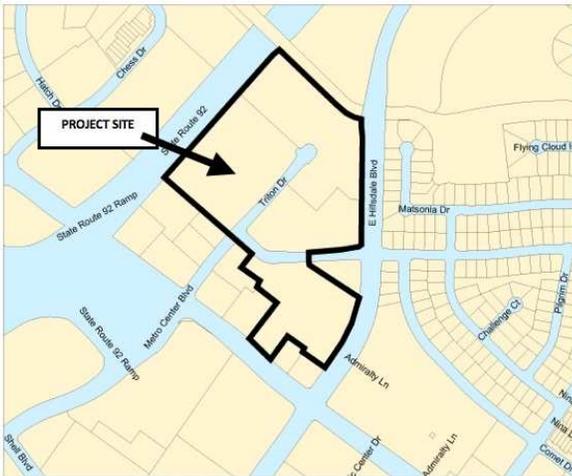
#### Project Units by Income Level

	Very Low	Low	Moderate	Above- Moderate	TOTAL
Units projected:					
Mirabella	70			370	440
Pilgrim-Triton*	41	80	25	451	597
<b>TOTAL</b>	<b>111</b>	<b>80</b>	<b>25</b>	<b>821</b>	<b>1037</b>
ABAG Housing Needs	111	80	94	201	486
Percent of Need Met	100%	100%	27%	408%	174%

\* The breakdown of affordable units in the Pilgrim-Triton development has not been determined and will be negotiated with each phase.

As shown above, expected below market rate units from the Mirabella and Pilgrim-Triton developments should satisfy the very low- and low-income requirements. Based on the table above, there is a shortage of moderate income units. However, it is anticipated some of the market rate units in the Pilgrim-Triton project will be affordable to moderate income households. The first phase of the project consists of 300 rental units. Market rate rental units in Foster City are close to meeting affordability requirements for moderate income households.

### (1) PILGRIM-TRITON SPECIFIC DEVELOPMENT PLAN

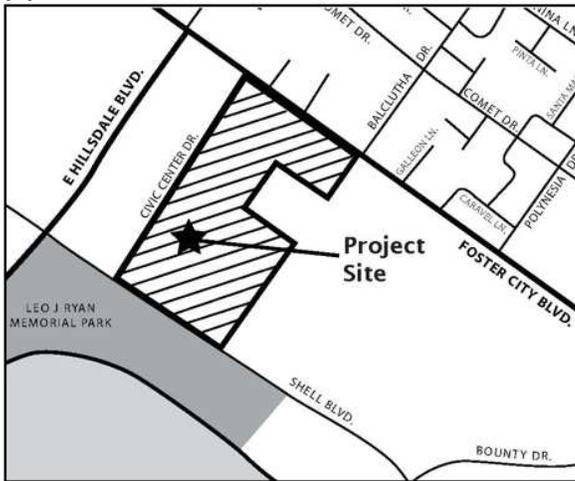


The Pilgrim-Triton area includes applications for redeveloping the area with a combination of retail, office and residential uses. The 20.75 acre site includes properties east of the intersection of Pilgrim Drive and Triton Drive between S.R. 92 and East Hillsdale Boulevard as well as the Foster City Executive Park on the west side of Pilgrim Drive. The existing buildings, including 289,000 sq. ft. of industrial, commercial and office uses, would be removed and replaced with 296,000 sq. ft. of commercial and office space, an approximately one acre park and up to 597 units of housing. The 597 residential units would incorporate up to 64 live-work units.

Location: 550, 558 Pilgrim Drive; 551 Foster City Boulevard; 1125 E. Hillsdale Boulevard; 551, 553, 557, 559, 565 Pilgrim Drive; 1151, 1153, 1155, 1157, 1159, 1163, 1164, 1165, 1166 Triton Drive. Existing Use: 289,000 sq. ft. of industrial, commercial and office uses.

Status: In 2008, the City approved a General Plan Amendment (GP-06-001) and Rezoning application (RZ-06-002) to change the General Plan Designation from Service Commercial to a mix of Service Commercial with Housing and the Zoning designation from CM/PD (Commercial Mix/Planned Development) to CM/PD with a General Development Plan to allow mixed commercial, industrial, and residential uses on 20.75 gross acres.

**(2) MIRABELLA PROJECT**



The Mirabella of San Francisco/Parkview Plaza project is situated on 11 of 15 acres of vacant public property south of the Foster City Government Center. The property is owned by the City of Foster City (City). The proposed developer, Pacific Retirement Services, Inc. (PRS), is a non-profit corporation which develops, constructs and manages housing for seniors and Sares-Regis Group of Northern California (SR), a privately held commercial real estate development, project management, investment, and property management firm. Proposed uses include:

<p><b>Continuing Care Retirement Community (CCRC)</b></p> <ul style="list-style-type: none"> <li>• 350 independent living apartments</li> <li>• 20 assisted living apartments</li> <li>• 20-bed memory care unit</li> <li>• 30-bed skilled nursing facility</li> </ul>	<p><b>Parkview Plaza</b></p> <ul style="list-style-type: none"> <li>• Approximately 1.3 acre public plaza</li> <li>• Designed to host various public and private events, outdoor seating for restaurant patrons, a farmers market, art displays and entertainment areas</li> </ul>
<p><b>Retail and Restaurant Area</b></p> <ul style="list-style-type: none"> <li>• 31,300 square feet of retail / restaurant space in first phase of the project</li> <li>• Potential for 19,000 square feet of retail / restaurant space in a future phase</li> </ul>	<p><b>Affordable Housing</b></p> <ul style="list-style-type: none"> <li>• 70 affordable one-bedroom rental apartments for seniors</li> </ul>

The Foster City Community Development Agency (CDA), the City’s redevelopment agency, has offered financial assistance from the CDA Housing Set Aside Fund monies to help build the 70 affordable apartments for seniors. Funding these types of projects is the purpose of the CDA Housing Fund, which can be used only to produce affordable housing.

The Use Permit, with a detailed set of project requirements, will be considered by the Planning Commission in early spring 2009. These detailed project requirements, contained in a Development Agreement for the project and the Conditions of Approval, will ensure the project is built and operated in accordance with relevant codes, regulations, and technical standards.

## Potential Non-Governmental Constraints to Housing

### Cost of Financing

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

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 (\$680,000) at five percent interest has monthly payments of roughly \$3,102. A similar home loan at seven percent interest has payments of roughly 24 percent more, or \$3,845. The table below shows the costs at various interest rates.

#### Home Loan Analysis — Monthly Payments at Various Interest Rates

Median Sales Price of Condominium in Foster City — 2008

	30-Year	30-Year	30-Year	30-Year	30-Year	30-Year
<b>Total Price</b>	\$680,000	\$680,000	\$680,000	\$680,000	\$680,000	\$680,000
<b>Down Payment (15%)</b>	\$102,000	\$102,000	\$102,000	\$102,000	\$102,000	\$102,000
<b>Interest Rate</b>	5.00%	6.00%	7.00%	8.00%	9.00%	10.00%
<b>Monthly Payment</b>	\$3,102	\$3,465	\$3,845	\$4,241	\$4,650	\$5,072

Starting in late 2008, it became harder to get a home purchase loan, but the average interest rate has fallen to around five percent. In particular, people with short credit history, lower incomes or self-employment incomes, or those with other unusual circumstances, have had trouble qualifying for a loan or were charged higher rates.

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 may require larger investments by the builder. This is also true of individuals seeking to purchase a home.

Many builders are finding it nearly impossible to get construction loans for residential property at the current time. Complicated projects, like mixed use developments, are often the hardest to finance. Non profit developers may find it especially difficult to secure funding from the private sector.

### Land and Construction Costs

Land availability and cost is a significant component of housing development costs. Generally, San Mateo County is a desirable place for housing and available land is in short supply, which contribute to high land costs. These costs vary both between and within jurisdictions based on factors like the desirability of the location and the permitted density. Generally, multifamily and mixed use land costs more. Based on a typical multifamily construction in San Mateo County, land costs add \$40,000-\$60,000 per unit, but can run as upwards of \$75,000 per unit in some locations. Along the El Camino corridor in San Mateo County, land costs range from roughly \$2 million to \$5 million an acre, with the permitted density driving much of the difference.

For San Mateo County, land costs average around 15-20 percent of construction costs for multifamily and 40 percent of construction costs for single family. Construction costs also play a significant role in the overall price of new housing. Single family construction costs are estimated to be about \$150-200 per square foot for standard, semi-custom homes. Multi-family construction costs would be somewhat lower. All of these costs are exclusive of land, permits or 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.

According to the Association of Bay Area Governments, wood frame construction at 20-30 units per acre is generally the most cost efficient method of residential development. However, local circumstances of land costs and market demand will impact the economic feasibility of construction types.

One factor affecting costs is the use of prevailing wage labor. Construction costs for a typical apartment complex (45 units per acre, structured parking, 800 square units), are around \$200,000 a unit for prevailing wage labor and \$175,000 a unit for non-prevailing wage labor. 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. Neighbors are often concerned with traffic and/or visual impacts of new development of any type. Higher density development proposals are often compared to older high density developments that were constructed under much lower parking and other requirements. The inclusion of affordable housing raises additional concerns regarding crime and property values, although studies show that well managed affordable housing developments have not caused such problems for their neighborhoods.

### **Non-Governmental Constraints to Housing Production Specific to Foster City**

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 saline and upon placement, begin to corrode underground infrastructure. This is not so much of a problem for sites developed in the last 25 years that were constructed using appropriate materials in the construction of underground utilities, but for older sites—those most likely to be redeveloped for housing-- the result is that all or most of the originally placed infrastructure must be removed and replaced adding additional costs to projects. Additionally, once a site is cleared, it is not uncommon as a part of the site preparation work 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 Mirabella site, there is no vacant land left which is zoned for or appropriate for the development of new housing. Planning efforts to increase housing production require the redevelopment of failed or failing commercial properties.

There are also electric transmission lines that traverse large and various areas of Foster City including areas zoned for housing and commercial use (including those properties most ripe for redevelopment and

conversion to either a housing site or a mixed use housing-commercial site). 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 otherwise lend themselves to housing production cannot be used for other than at-grade parking, resulting in a lower yield of units per gross acre than would otherwise be possible. This condition reduces the number of land development firms interested in redeveloping otherwise attractive sites that are near the transmission lines.

## Potential Governmental Constraints to Housing

The primary obstacle to providing more affordable housing is the availability of programs and funding to provide units at prices low enough for lower income households. Programs in the Housing Element, including the City’s inclusionary requirements and the actions of the Community Development Agency, establish ways to address this issue. These programs, in particular, provide a significant number of units affordable to very low income households.

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 implementing this public/private partnership approach designed to increase the opportunity for affordable housing, the City has 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.

## 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			
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			
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			

\* 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:

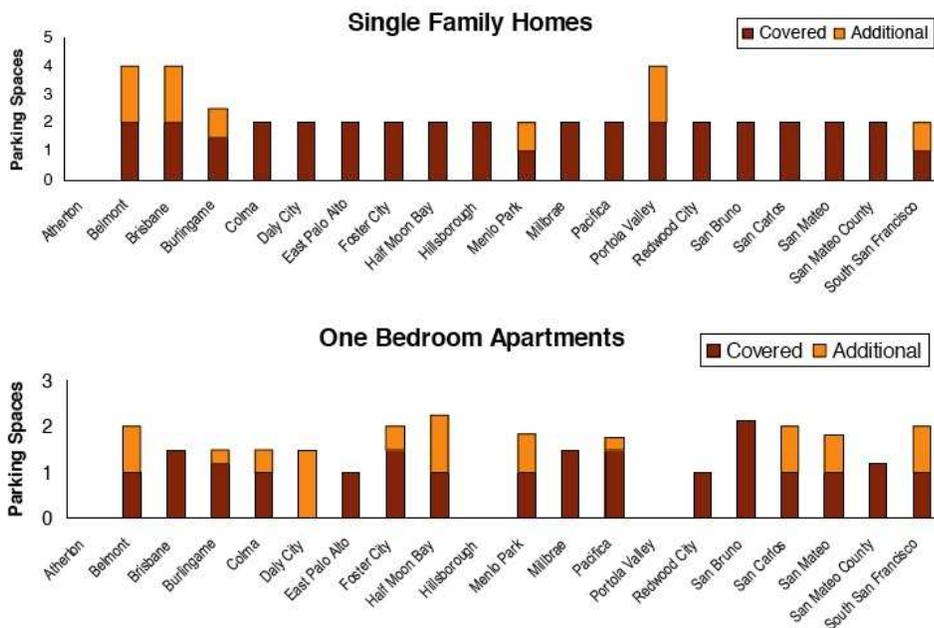
- a. Minimum building site
- b. Minimum lot dimension
- c. Maximum building site coverage
- d. Minimum yards
- e. Maximum building or structure height, bulk or massing
- f. Maximum height of fences and walls
- g. Signs
- h. Street or road widths dimensions
- i. Minimum floor area standards
- j. Any other 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)

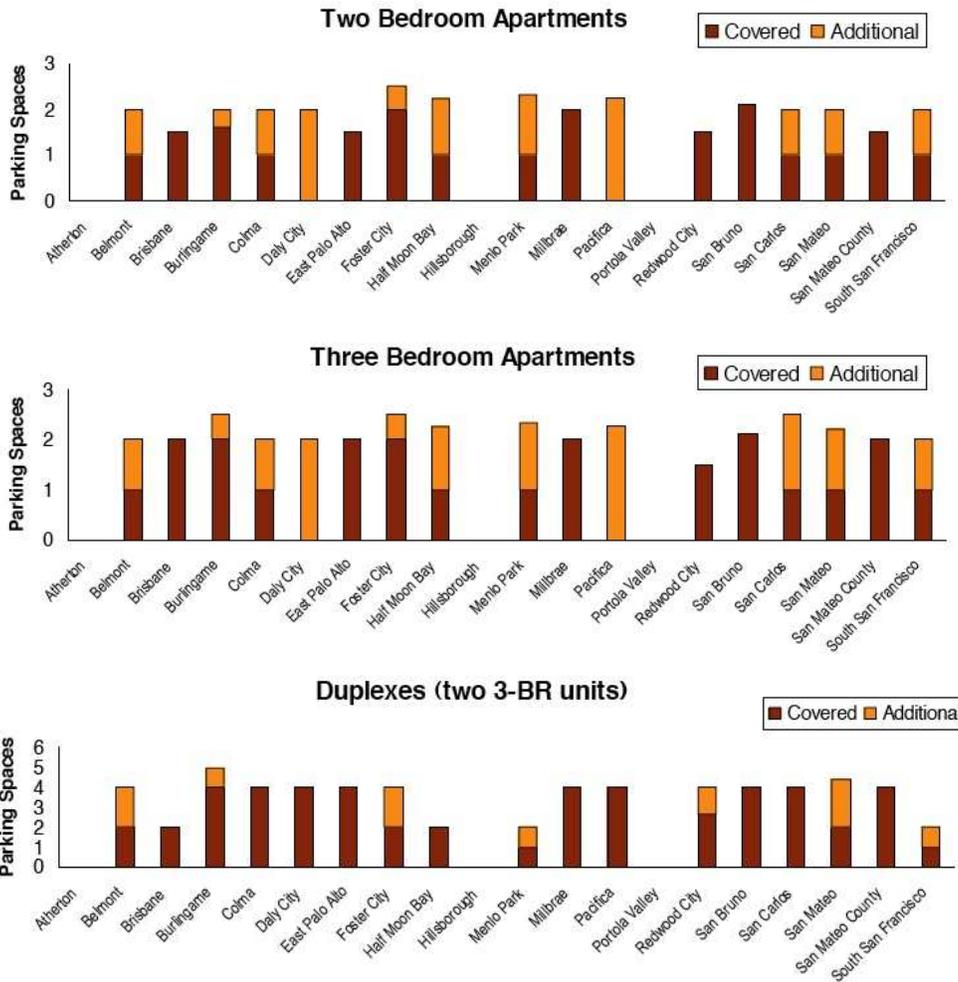
The Off-Street Parking Requirements (Section 17.62 of the Foster City Municipal Code) of the City allow alternative means to address parking needs, including: (1) shared parking; (2) off-site parking; (3) Transportation Systems Management (TSM) programs; (4) "in-lieu" parking fees; and (5) credit for 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 reduced 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.

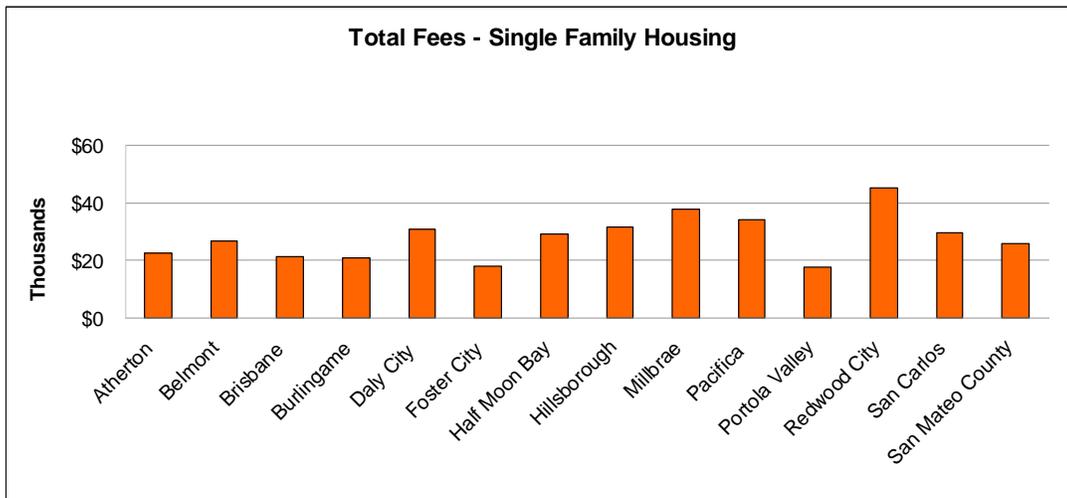
Below is a comparison with other San Mateo County Jurisdictions, which indicates Foster City's parking standards are fairly average. The information is taken from the 21 Elements project, which is a collaborative effort involving all the jurisdictions in Marin County in assessing housing needs and issues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





**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 below, which is taken from the 21 Elements website.



The park in-lieu fee was established in 1984 to assure 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 basically 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 Fees 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, 2009 is <http://tinyurl.com/FCMasterFees0910>. 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 2008, there were an estimated 12,477 housing units in Foster City, 39% of the units being single family detached homes, 20% single family attached, 6% in structures of 2-4 units, and 33% 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.

Recent completed examples of this process are Marlin Cove and Miramar, two former economically obsolete shopping centers that were redeveloped. The City initiated the EIR, General Plan Amendment

and Rezoning for both Marlin Cove and Miramar. The Marlin Cove Shopping Center redevelopment includes 280 residential units, with 56 very low income units and 28 moderate income units, and neighborhood retail uses. The Miramar development contains 159 units, with 32 very low income units and 16 moderate income units. Significantly, both projects include 30% very low and moderate income units instead of the 15% standard in State law.

The Marlin Cove Use Permit application for 280 apartments, 56,000 sq. ft. retail, and 20,000 sq. ft. office was submitted in February 1999 and approved in July 1999, with a processing time of five months. The Miramar Use Permit application for 159 apartments was submitted in June 1999 and approved in January 2000, resulting in a processing time of seven months.

A current 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.

The City is currently processing Phase A of the Pilgrim-Triton project, 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, which was approved as part of the General Development Permit. This phase includes 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 proposes construction of 300 multi-family residential units, 17,000 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 Phase A focuses on the design of the buildings as part of this phase and the approval of a Development Agreement for the project, which includes the provision of 60 below market rate units (based on the percentage established in the General Development Plan). The Community Development Agency (Redevelopment Agency) will be contributing several million dollars to help subsidize the affordable units.

### **Potential Constraints for Persons Living with Disabilities**

The City's definition of "family" contained in Title 17, Section 17.04.210 of the City of Foster City Municipal Code, does not comply with State Law and should be amended so it does not preclude special needs housing. 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.





*Photos of Metro Center Senior Homes*

The proposed Reasonable Accommodation procedures will provide an additional way to reduce parking 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.

#### **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, development standards flexibility, and reduced processing time. The Community Development Agency has provided over 10 million dollars to assist in the creation of affordable units in Foster City and will be providing several million dollars more to assist with the creation of affordable units in the Pilgrim-Triton project. The Community Development Agency will also be contributing several million dollars to assist with the creation of 70 very low income senior units as part of the Mirabella Senior Housing project. The City does not require a housing in-lieu fee and has assisted in the payment of other fees, such as park fees, to help subsidize affordable units. The intent of the City is to assure construction of affordable housing units by addressing any potential constraints that inclusionary requirements may pose to the construction of housing. The number of inclusionary units built in market rate developments is proof of that this approach has been successful.

Specific recent examples are Marlin Cove and Miramar. The Community Development Agency contributed \$10 million to assist in the creation of 439 new rental units in Marlin Cove and the Miramar developments, including 132 (30%) affordable units. Instead of the 15% requirement, which is the standard in State law, the 30% very low and moderate income units were built because of the contributions and incentives provided by the City. In addition, the City initiated extensive public outreach for both developments that resulted in very little public opposition to the projects, which also speeded up the processing time. For Miramar, a 10% density bonus was utilized (14 units over the maximum allowed) to make the project more feasible. This also has allowed deeper subsidies that resulted in 4 of the 32 very low income units in Miramar being affordable to extremely low income households.

As discussed earlier, the City will be contributing several million dollars to assist in the development of affordable units in Pilgrim-Triton and Mirabella projects. The Pilgrim-Triton project will include 730 units, 20% of which will be affordable. The first phase of the project, which is currently being processed, includes 300 units, of which 60 are affordable units. The Mirabella project consists of 440 units for seniors, 70 of which will be affordable to very low income households.

### **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 pursuant to an agreement which expires in 2011. The City is currently finalizing an extension that would extend the agreement for an additional 25 years, which may be extended for one or two, five year periods. The new agreement limits the amount of water that can be purchased by Foster City to 5.9 million gallons per day until 2118. Capacity of the water system is not a limiting factor for housing development identified in the General Plan, which includes the housing projects identified in the Housing Element.

Wastewater is transported to the Wastewater Treatment Plant jointly owned by the cities of San Mateo and Foster City. Phase I improvements were made to the liquids handling capacity of the plant in the 1990's. Phase II improvements to the solids handling capacity are planned and budgeted for FY 2004-2005. The project was completed in March 2009. 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 International 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 International Building Code with California state-adopted amendments, 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
- Section 15.04.170 – roofs shall be Class C 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 redesignated to allow residential use. 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
<b>Townhomes</b>			
Cityhomes West	9.1	143	15.7
Cityhomes East	7.4	115	15.5
Bay Breeze	1.0	13	13.0
Harborside	18.0	220	12.2
Bayfront Court	13.0	154	11.8
Bayporte	13.0	154	11.8
Citypark	1.6	42	25.9
<b>Condominiums</b>			
Sand Harbour I	6.2	120	19.4
Sand Harbour II	9.9	168	17.0
Marina Green	8.3	138	16.6
Marina Point	22.5	364	16.2
Spinnaker Cove	15.4	238	15.4
Promontory Point	7.3	93	12.7
Meridian Bay	5.1	129	25.4
<b>Apartments</b>			
Tradewinds	3.6	130	36.1
Beachcomber	3.6	118	32.8
Sand Piper	1.1	36	32.7
Balclutha	1.2	36	30.0
Chateau Chamont	1.0	30	30.0
Harbor Cove	15.1	400	26.5
Foster's Landing	29.0	490	16.9
Metro Senior	1.0	60	60.0
Marlin Cove	8.4	280	33.4
Miramar	4.2	159	38.3

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 a 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. 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. 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 thirty-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 25-30 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 1988 and 1998, 11 rehabilitation loans were provided in Foster City by this program.

In addition, the City also contributes to other agencies that provide assistance for maintenance or rehabilitation, including the Center for Independent Living, which assists disabled individuals and frail seniors who wish to live independently. The City estimates that in the 1999-2006 time period, an additional 20 lower income or elderly households will need rehabilitation assistance.

### **Energy and Green Building**

Housing Elements are required to identify opportunities for energy conservation. Because of high energy costs, it has become increasingly important to include energy conservation measures in new housing construction and to incorporate energy conserving features in existing homes. Rehabilitation loan programs also address energy conservation improvements. Energy conservation measures help to minimize the percentage of household income a household must dedicate to energy as well as minimize the use of non-renewable resources. The present value of these savings is typically greater than the added construction cost of the energy conservation feature.

Currently, Foster City encourages energy conservation through the enforcement of statewide energy standards (Title 24) which ensure that newly constructed residential units meet a minimum level of energy efficiency. In addition, in 2008 the City Council created the Environmental Sustainability Task Force, which is charged with developing recommendations to help and encourage the Foster City community to become more sustainable. The resource categories being covered by the Task Force include energy, solid waste, air quality/transportation, and water quality. Actions will be undertaken addressing energy conservation and green building in Foster City.

### **Funding for Housing**

In 1994 the City and the Community Development Agency 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 Strategic Plan proposes five programs to meet, over a period of time, the Agency's affordable housing requirement and much of the City's "fair share" affordable housing requirements. The Strategic Plan proposes that the Agency's requirements have first priority in the use of Agency funds, but that the housing funds then be used to address as much of the City's affordable housing requirements as possible.

Section 33334.2 of the State Health and Safety Code requires that redevelopment agencies spend a minimum of 20% of tax increment received on affordable housing, and Section 33413 requires that an agency provide affordable housing units at the rate of 15% of the number of market rate units developed in the project area. (If the agency, rather than a private party, is the developer, then 30% must be provided at affordable costs.)

The City initiated the Marlin Cove and Hillsdale/Gull Redevelopment Project Areas and completed the General Plan Amendment, Rezoning and Environmental Impact Report for the Marlin Cove and Miramar redevelopment projects. After these approvals were completed, developers were selected and the Community Development Agency (COA) contributed \$10 million to make these developments feasible. The projects resulted in the development of 439 units.

Among the major accomplishments was the redevelopment of the Marlin Cove Shopping Center, which included 280 residential units. The CDA contributed \$6 million toward this project and paid the park in-lieu fees to help subsidize the affordable units. Another major accomplishment was the Miramar development, which replaced a 25 year old shopping center that was largely vacant, with 159 housing units. The CDA contributed \$4 million and paid the park in-lieu fees to subsidize the affordable units in this project. Both projects included 30% very low and moderate income units. Marlin Cove provided 56 very low income units and 28 moderate income units. Miramar provided 32 very low income units and 16 moderate income units.

In 2004, the CDA modified the First-Time Homebuyer program to obtain approval from CalHFA to "partner" with the First Time Homebuyer program. Through the First-time Homebuyer Mortgage program, funding from the Community Development Agency is often combined with funding from other regional or state programs to create a more affordable purchase. The CDA has contributed \$100,000 per year to the First-Time Homebuyer Program.

In 2006, the City joined the Housing Endowment and Regional Trust (HEART), which raises funds from public and private sources to meet critical housing needs in San Mateo County. The City has continued its relationship with the HIP Homeshare Program, which matches people into shared housing arrangements. Approximately 15-25 people are matched each year.

State law requires that within residential projects in redevelopment, the area must provide at least 15% of affordable units. This goal was exceeded in the Marlin Cove and Miramar projects, which provided 30% at affordable income levels, instead of the minimum 15%, through the use of Community Development Agency (CDA) funds. The City has used the redevelopment Housing Fund to leverage the development of affordable units. In Fiscal Year 2007-2008, total Housing Fund expenditures totaled \$1.454 million. This includes existing housing programs and ongoing subsidies pursuant to agreements for Fosters Landing, Marlin Cove and Miramar (Hillsdale/Gull Project Area). The Agency's Implementation Plan for 2005-2010 projects Housing Fund spending of \$17.5 million over the 2005-2010 time period.

The CDA has continued to acquire properties to be leased to very low and low income families. The CDA now owns seven units. The First Time Homebuyer loans provide a 30-year 2nd mortgage at 3% interest with the interest and payments deferred for the first 5 years. As of December 31, 2008, a total of 29 loans have been made, with 16 loans still outstanding. A total of \$1.775M has been loaned, with \$650K repaid and \$1.110M in the 16 loans still outstanding.

The amount of funding expected from the City's low and moderate income housing set-aside fund (under the Community Development Agency) is 20% of the total funds distributed. Project Area One in the Agency currently has a \$170 million cap, of which \$46 million would be for housing. To date, \$26 million has been spent or committed to affordable housing. The estimated \$20 million is expected to be generated in Project Area One between 2001- 2011.

It is Agency policy to dedicate 20% of the tax increment money generated by a project back to that project to subsidize the affordable housing included in the project. This is one of the ways the City has been so successful in providing very low income housing as well as low and moderate income housing.

The table below summarizes resources and expenditures for the Foster City Community Development Agency through 2017. Expenditures include developer payments and funding for City affordable housing programs, as listed in the table.

Foster City Community Development Agency Combined Housing Fund Projections (2008-2017)									
Category	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
<b>Total Resources</b>	\$17,661	\$19,204	\$18,279	\$12,497	\$7,978	\$6,080	\$4,091	\$2,006	\$245
<b>Total Expenditures</b>	\$2,996	\$4,099	\$6,834	\$5,409	\$2,727	\$2,753	\$2,779	\$2,289	\$925
Developer Payment (Fosters Landing)	\$144	\$147	\$150	\$0	\$0	\$0	\$0	\$0	\$0
Developer Payment (Mirabella)	\$0	\$0	\$2,508	\$2,707	\$0	\$0	\$0	\$0	\$0
Developer Payment (Triton)	\$0	\$1,500	\$1,500						
Existing Unit Purchase Program	\$1,466	\$1,042	\$1,042	\$1,042	\$1,042	\$1,042	\$1,042	\$635	\$0
First Time Homebuyer Program	\$100	\$100	\$300	\$300	\$300	\$300	\$300	\$300	\$0
Rehabilitation Loans	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$0
Homeshare Program (HIP)	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$27	\$0
Marlin Cove Funding	\$332	\$337	\$341	\$346	\$351	\$355	\$360	\$256	\$261
Hillsdale/Gull Funding	\$234	\$234	\$234	\$234	\$234	\$234	\$234	\$234	\$234
Administrative Expenses	\$634	\$653	\$673	\$693	\$714	\$735	\$757	\$780	\$433
<b>Ending Balance</b>	\$17,665	\$15,460	\$11,805	\$7,456	\$5,626	\$3,709	\$1,699	\$1	\$0
Source: Foster City Community Development Agency (March, 2009)									
Dollar values shown in \$1,000									



## 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 (2007-2014) as determined in partnership with all twenty cities and the county as part of the San Mateo sub-region. Approximately 39 percent of all housing 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) 2007-2014**

	2007-2014	
Income Level	Units	Percentage
Very Low	111	23%
Low	80	16%
Moderate	94	20%
Above Moderate	201	41%
<b>Total</b>	<b>486</b>	<b>100%</b>

## Foster City Housing Element Quantified Objectives

### Total Foster City Housing Element Quantified Objectives by Income Category (2007-2014)

Income Category	(1) New Construction	(2) Rehabilitation	(3) Conservation*
Very Low (Extremely Low**)	111 (55)	5	241
Low	80	10	71
Moderate	207	5	911
Above Moderate	616	0	2,833
<b>TOTAL</b>	<b>1,039</b>	<b>20</b>	<b>4,056</b>

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

\*\* Extremely Low Income is a subset of the Very Low Income. Housing opportunities such as emergency shelters, supportive housing, and Section 8 vouchers, can provide opportunities to address Extremely Low Income housing needs. In addition, the City will strive to provide some extremely low income housing in new construction as provided for in the development review process negotiations.

### New Construction, Rehabilitation and Conservation Quantified Objectives (2007-2014)

#### (1) NEW CONSTRUCTION OBJECTIVES:

	Very Low	Low	Moderate**	Above-Moderate	Total
Units projected:					
Mirabella	70	0	0	370	440
Pilgrim-Triton*	41	80	92	384	597
Second Units	0	0	2	0	2
<b>TOTAL</b>	<b>111</b>	<b>80</b>	<b>94</b>	<b>754</b>	<b>1,039</b>
ABAG Housing Needs	111	80	94	201	486
Percent of Need to be Met	100%	100%	100%	375%	214%

\* The breakdown of affordable units in the Pilgrim-Triton development has not been determined and will be negotiated with each phase.

\*\* Estimated 25% of market rate rentals are affordable to moderate income households. New second units are affordable to moderate income households.

#### (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**	Above-Moderate	Total
Existing BMR units:					
Foster's Landing	30	22	22	0	74
Emerald Bay	2	2	2	0	7
Metro Senior Housing	54	6	0	0	60
CDA acquired housing	7	0	0	0	3
Meridian Bay	0	0	0	59	59
Sea Island Homes	0	0	0	4	4
Promontory Point III	0	0	0	31	31
Marlin Cove	56	0	28	196	280

Miramar	32	0	16	111	159
Existing shared housing	60	41	38	17	156
Existing non-BMR apartments**	0	0	805	2,415	3,220
<b>TOTAL</b>	<b>241</b>	<b>71</b>	<b>911</b>	<b>2,833</b>	<b>4,056</b>

- 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 486 units for the 2007-2014 period. The City will continue to review residential proposals as they are received. Target: Potential for 486-1,039 housing units between 2007-2014, 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 June 2014. 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.*

(5) *In addition, 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: 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. Target: 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-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** **Uniform Building Code and Title 24.** *Buildings shall conform to the requirements of the Uniform Building Code and Title 24 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 should 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, 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 2014. 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 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: 2010 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. Responsible Agency: Community Development Department.*
- H-B-3-b **Increased Energy Conservation.** The City will continue to enforce Title 24 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. 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 fifteen percent. 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. There have not been any conversions within the past nineteen years. Target: Ongoing. Responsible Agency: Community Development Department.*
- 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 a vehicles to moderate rent increases 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 the City's financial contribution to and encourage resident us 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: Shared Housing and 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.** 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 2014. Responsible Agencies: Community Development Department and CDA.*

## 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 Pilgrim-Triton (597 units with project zoning in place) and Mirabella (440 units located on publicly-owned property, but subject to final approval) 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 2007-2014 planning period, including the need for very low, low, moderate, and above moderate income housing. Target: All approvals by 2010. Responsible Agency: City Council; Planning Commission; Community Development Department.*

**H-D-2-b Study of Potential Longer-Term Housing Opportunity Sites.** *The City will undertake a study of potential housing sites that may be available to address housing needs in Foster City beyond the current Housing Element planning period (beyond 2014). Based on the study, a set of strategic directions will be identified to: (1) assure the availability of adequate housing sites for the next Housing Element planning period; (2) assess properties or areas that may offer opportunities for redevelopment consistent with achieving multiple City goals; and (3) undertake implementing actions based on City Council directions. Target: 2011; Responsible Agency: City Council; Planning Commission; Community Development Department.*

**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.*

**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 Program H-D-2-b — "Study of Potential Longer-Term Housing Opportunity Sites" — in 2011 and when a unique development opportunity arises. Responsible Agency: City Council, 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: 2014. Responsible Agency: Community Development Department.*

- 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: 2 moderate income units by 2014. 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 Community Development Agency.** Promote residential opportunities in the redevelopment project areas, where appropriate, through the unique powers of the Community Development Agency.
- H-D-8-a **Community Development Agency.** The Community Development Agency will use its unique powers to reduce the costs and expedite the construction of affordable housing in Foster City. The percentage of affordable units within redevelopment project areas or other areas of the City for extremely low, very low, low and moderate income households shall be in accordance with State Law and Housing Element Policy. Community Development Agency funds will be set aside each year for development of housing affordable to low income households. Target: Linked to Housing Element Program H-D-2-a — "Tier 1 Housing Opportunity Sites" — and when a unique development opportunity arises. Responsible Agency: Community Development Agency.*
- 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: 2011. Responsible Agency: Community Development Department, and Public Works Department, (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: 2011. Responsible Agency: Community Development Department.
- 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 if necessary. Target: 2011. Responsible Agency: Community Development Department.
- 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: 2011. Responsible Agency: Community Development Department.
- 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 low- and low-income households. Target: Ongoing. Responsible Agency: Community Development Department.
- H-D-9-g* **Nonconforming Uses.** Allow use of development agreements and amend Chapter 17.70, Nonconformity Uses, of the Foster City Municipal Code to 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. Target: 2011. Responsible Agency: Community Development Department.
- H-D-9-h* **Definition of Family.** Remove or revise the definition of family contained in Title 17, Section 17.04.210 of the City of Foster City Municipal Code which is not in compliance with California Fair Housing Law and may pose a constraint to providing housing for people with disabilities. The definition of family cannot distinguish between related and unrelated persons and should not impose numerical limitations on the number of persons that may constitute a family. Target 2011. Responsible Agency: Community Development Department.

## 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 Affordable Housing Strategic Plan.** Incorporate the housing programs defined in the 1996 Foster City Affordable Housing Strategic Plan as part of the Housing Element (see Appendix H). The Affordable Housing Strategic Plan contains the following programs:

**H-E-1-a New Project Development Program.**

- All new residential development within redevelopment project areas will meet its affordable housing requirement on-site. (15% of the number of market-rate units, if developed by other than the Agency).
- Where applicable in new developments, the Agency will continue its current policy of returning 20% of tax increment generated by each project to that project as a housing subsidy.
- The Agency will work with non-profit and for-profit developers to determine the potential for creating an additional number of affordable units, including extremely low, very low, and low income units, at these sites with additional financial assistance from the Agency, and other sources, for ensuring the long-term project management for those units.
- When required to accomplish the stated Goals of the Plan, amend the General Plan land use designation of the site to an appropriate housing designation and/or the Zoning Ordinance to allow greater densities of affordable and market rate units.

Target: Ongoing. Responsible Agency: Community Development Agency.

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

- 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: 3 units by 2014, including 1 unit for an extremely low income household.  
Responsible Agency: Community Development Agency.

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

- Continue the First-Time Homebuyer program using a revolving fund to provide low interest and/or deferred second mortgages.

Target: Ongoing. Responsible Agency: Community Development Agency.

**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 Agency.*

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

- Requiring that 20% of the units, excluding bonus units, in specified residential projects be affordable (an inclusionary requirement).
- 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.
- 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:

- Financial contributions for the construction of utilities, public road improvements and other traffic improvements; soils remediation; Plan preparation and development;
- Rent subsidies for the affordable units.
- Density bonuses.
- Pre-scheduled, fast track permit processing.
- Design flexibility.
- Reduced or waived fees
- Reduced parking requirements and/or use of shared parking.
- 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. Target: Apply State Density Bonus Law as requested by developers of projects meeting applicable standards; review and modify the Zoning Ordinance as appropriate by 2010. 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 tax increment 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: Linked to Housing Element Program H-D-2-a — “Tier 1 Housing Opportunity Sites” — and when a unique development opportunity arises. Responsible Agency: Community Development Agency.*

*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 Agency.*

**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 Agency.*

**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 4-55 years or more as affordable housing stock.

*H-E-5-a **Maintain Existing Rental BMR Units.** Administer the agreements for the existing rental BMR units to ensure the continued affordability of these units for the terms of their agreements. Target: Ongoing. Responsible Agency: Community Development Agency.*

**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 Housing Investment Project (HIP) 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 Agency, Housing Investment Project.*

**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-7-a **Ownership Housing for Employees.** In order to improve the jobs to housing balance in large-scale commercial developments, the City will undertake outreach efforts to employers and developers, encouraging them to provide joint homeownership programs for employers and employees in order to provide affordable ownership housing for employees of firms locating in Foster City. Target: Ongoing. Responsible Agency: Community Development Department.*

**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-8 and H-E-11, including CDA Resolution 216 and 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 Agency.*

**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-E-10 Projects in the Community Development Project Area.** At least 15% of all homes constructed in the Community Development Project Area shall be below market rate (BMR), affordable to households earning less than 120% of County median household income. To the extent feasible, the BMR units shall also meet the following goals:

- a. 40% of the BMR units should be affordable to very low income households, including extremely low income (households earning 30% or less of the median income).
- b. The remaining 60% of the BMR units should be for low or moderate income.
- c. 36% of the BMR units should be for seniors.
- d. 53% of the BMR units should be for small families (less than five persons).
- e. 11% of the BMR units should be for large families (five or more persons).

As part of negotiating with applicants to meet the requirements of the Community Development Project Area, the City will utilize its financial resources (i.e., set-aside funds) and offer various concessions and incentives to encourage the development of housing for extremely low-income households, including in-kind technical assistance, land-write downs, providing expedited processing, identifying grant and funding opportunities, applying for or supporting applications for funding, modifying development standards and offering additional incentives beyond State density bonus provisions.

**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. Target: Ongoing. Responsible Agency: Community Development Department.*
- H-F-1-b **Anti-Discrimination Ordinance and Zoning Definitions.** Adopt an Anti-Discrimination Ordinance 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. In addition, amend the definition of a "family" in the Zoning Ordinance to comply with State Law so that it does not preclude special needs housing (see also Program H-D-9-h). Target: 2011. 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. In addition, in coordination with existing service providers, determine any other actions the City can take to assist persons in Foster City. Target: 2010 and ongoing thereafter. Responsible Agency: Community Development Agency.*
- 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 Chapter 11 of the California Building Code.*

*Target: 2% of the units built. Responsible Agency: Community Development Department.*

*H-F-2-e **Reasonable Accommodation.** Adopt a Reasonable Accommodation Ordinance. The City has established internal review procedures that 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: 2010 Ongoing (implement when requests are made). Responsible Agency: Community Development Department.*

**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 will allow emergency shelters as a permitted use in *Neighborhood Business (C-1)*, *Central Business (C-2)*, *the Pilgrim-Triton and Marlin Cove areas in the Commercial Mix (CM/PD) Zoning Districts*, 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 City's Dispute Resolution Committee.
- 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 located in Foster City shall 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 allowed in State law.

*H-F-3-a **Emergency Housing Assistance.** 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: CDA.*

*H-F-3-b **Emergency Shelter Uses.** The City will contribute a portion of the Housing Set Aside fund to 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; Community Development Agency.*

*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.*

*H-F-3-d **Emergency Shelter Zoning.** The City will establish an overlay zone that would allow a year-round emergency shelter as a permitted use in Neighborhood Business (C-1), Central Business (C-2), the Pilgrim-Triton and Marlin Cove areas in the Commercial Mix (CM/PD) Zoning Districts, and at churches/synagogues in the Public Facilities (PF) Zoning District. In addition, the City will establish 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: June, 2010. 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.** Amend residential zones to specifically 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: June, 2010. Responsible Agency: Community Development Department.*

## Summary of Foster City Housing Programs (2007-2014)

Housing Program	2007 - 2014 Target	CC	PC	CDA	CD	CE	Other	Time Frame
<b>H-A Reinforce the City's Commitment to Meeting Housing Needs</b>								
H-A-1-a Annual Tracking of Housing Activity								Annual
H-A-1-b Construction of New Units	486-1,039 Units							2014
H-A-1-c Future Housing Element Updates								2014
H-A-3-a Community Outreach								Ongoing
H-A-3-b Technical Assistance to Non-Profits								Ongoing
H-A-3-c Water and Sewer Agency Coordination							PW	Annual
H-A-4-a Air Quality Impact								Ongoing
H-A-4-b Geotechnical Studie								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
<b>H-B Protect Existing Housing, Community Character and Resources</b>								
H-B-1-a Continue Code Enforcement								Ongoing
H-B-2-a Rehabilitation Loans	20 Units							2014
H-B-2-b Facilitate Non-Profit Rehabilitation/Maintenance Assistance								2010 Ongoing
H-B-3-a Energy Conservation Assistance	5 Units							2014
H-B-3-b Increased Energy Conservation								Ongoing
H-B-4-a Architectural Review								Ongoing
<b>H-C Protect the Supply and Affordability of Rental Housing</b>								
H-C-1-a Condominium Conversion Regulation								Ongoing
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							2014
<b>H-D Consider Public and Private Redevelopment Opportunities to Increase the Supply of Housing</b>								
H-D-2-a Tier 1 Housing Opportunity Sites								2010
H-D-2-b Study of Potential Longer-Term Housing Opportunity Sites								2011
H-D-3-a Potential Re-Use of Commercial Sites								Ongoing
H-D-3-b Increase Supply of Rental Units								2011
H-D-4-a Mixed Use Housing								2014
H-D-6-a Second Units	2 Units							2014
H-D-8-a Community Development Agency								2011
H-D-9-a Government Constraints								2011
H-D-9-b Pre-Permit Review Process								Ongoing
H-D-9-c Minimum Density Requirements								2011
H-D-9-d Zoning Incentives								2011
H-D-9-e Reevaluate Parking Requirements								2011
H-D-9-f Development Fee Waivers								Ongoing
H-D-9-g Nonconforming Uses								2011
H-D-9-h Definition of Family								2011

(Continued)

**Summary of Foster City Housing Programs  
(2007-2014)**

Housing Program	2007 - 2014 Target	CC	PC	CDA	CD	CE	Other	Time Frame
<b>H-E Address Affordable Housing Needs</b>								
H-E-1-a New Project Development Program								Ongoing
H-E-1-b Existing Unit Purchase Program	3 Units							2014
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								2010
H-E-3-b Financing and Subsidy Programs								2011
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-6-a Homeshare Program	15 Units							Annual
H-E-7-a Ownership Housing for Employees								Ongoing
H-E-8-a BMR Eligibility Guideline								Ongoing
<b>H-F Address Special Housing Needs</b>								
H-F-1-a Non-Discrimination								Ongoing
H-F-1-b Anti-Discrimination Ordinance								2011
H-F-2-a Facilities and Services for Special Needs								Ongoing
H-F-2-b Assistance to Victims of Domestic Violence								2010
H-F-2-c Density Bonuses for Handicapped Access								Ongoing
H-F-2-d Adaptable/Accessible Units for the Disable								Ongoing
H-F-2-e Reasonable Accommodation								2010; Ongoing
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								2010
H-F-5-a Transitional and Supportive Housing Zoning								2010