

Santa Clara County Planning Collaborative

August 8, 2024



Agenda

- Welcome! – David Driskell
- MTC-ABAG Announcements – Manuel Ávalos
- AB 1332 & ADU Plans Gallery – Sam Dolgoff
- Marin Anti-Displacement Outreach – Leelee Thomas
- Campbell Affordable Housing Overlay – Stephen Rose
- San José Tenant Preference Policy – Kristen Clements
- Collaborative Anti-Displacement & Tenant/Landlord Outreach



MTC-ABAG Announcements

Manuel Ávalos, MTC-ABAG

- \$20 Billion Affordable Housing Bond is “Regional Measure 4”
- Plan Bay Area 2050+
 - Plan Bay Area 2050+ Kicks Off Summer Engagement
 - Take the PBA 2050+ Survey
 - Webinar: Introducing the PBA 2050+ Draft Blueprint & Transit 2050+ Draft Network
 - Save the Date: PBA 2050+ Stakeholder Workshops
 - Release of Draft Transit 2050+ Network
 - PBA 2050 Draft Amendment
- Call for Existing Priority Conservation Area Amendments
- Regional Housing Technical Assistance Program
 - Planning Collaborative Funding
 - ADU Monitoring Survey
 - New Housing Technical Assistance Products

AB 1332 & ADU Plans Gallery

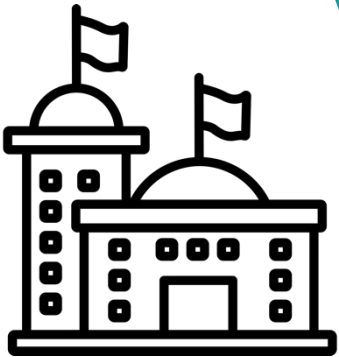
Sam Dolgoff – dolgoff@planningcollaborative.com



AB 1332: Pre-approved Plans

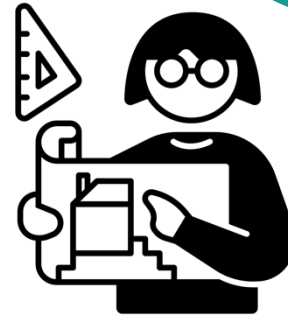
No, not this!

Jurisdiction: “Let’s hire an architect to make some plans that we can give out for free.”



Yes, this!

Designer: “I’ve got some really cool plans that I want you to take a look at now, so I can reuse them with other clients. I get that you will have to look at site specific things, like Title 24, when I reuse them.”



AB 1332: Overview

Part 1: Plan Pre-approval

- Designer submits plan
- City reviews within 60 days (not site-specific)
- City posts basic info online
- Pre-approval expires at end of code cycle

&

Part 2: Site-specific Permitting

- Applicant submits for permits
- City reviews in 30 days (pre-approved base plan plus site-specific requirements (e.g. zoning, T24, historic, hazards, etc.))
- Base plan must be identical

You can choose to add pre-approved plans from other jurisdictions

ADU Plans Gallery Sign Ups Underway

- Easy AB 1332 compliance
- Paid for by Collaborative through end of 2025
- Upcoming Office Hours – ask questions and get help
 - Thursday, August 15, 12pm

The screenshot displays a web interface for an ADU Plans Gallery. On the left, there are filter sections: 'FILTERS' with a toggle for 'See Pre-Approved Plans Only'; 'Construction Type' with options for 'Site-Built (8)' and 'Prefabricated (4)'; 'Square Footage' with a slider from 400 to 1,000 SF; 'Bedrooms' with options for Studio (1), 1 (6), 2 (4), and 3+ (0); and 'Features' with various checkboxes like 'All-electric (11)', 'In-unit washer/dryer (10)', 'WUI certified (5)', 'Net Zero certified (2)', 'Solar-ready (12)', 'Accessibility features (9)', and 'Turnkey project (5)'. On the right, four plan cards are shown, each with a 'PRE-APPROVED PLAN' badge, an image, a title, a provider name, and specifications for size, construction type, and room count, along with a 'SEE PLAN' button.

Plan Name	Provider	Size	Construction Type	Bedrooms	Bathrooms
Klassen 2BR	HOUSETECH	Medium - 610 SF	Prefabricated	2 Bedrooms	1 Bathroom
Sonoma	HATI HOMES	Medium - 569 SF	Site-built	1 Bedroom	1 Bathroom
Sierras	HOUSETECH	Small - 460 SF	Prefabricated	1 Bedrooms	1 Bathroom
Library Cottage	HOMETECH	Medium - 690 SF	Site-built	1 Bedroom	1 Bathroom

Email Sam.dolgoff@planningcollaborative.com

Marin Anti-Displacement Outreach

Leelee Thomas

Marin County Deputy Director of Housing & Federal Grants



Campbell Affordable Housing Overlay

Stephen Rose

City of Campbell Senior Planner





Planning Collaborative

August 8, 2024

Affordable Housing Overlay Zone
(AHOZ)

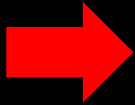
What is an AHOZ?

- ❑ Often promoted as a local “Density Bonus” Program
- ❑ Typically modifies existing zoning regulations and provides incentives to developers who build affordable housing.
- ❑ Generally, involves identification of:
 - Areas where it should apply; and
 - Policy objectives & incentives to be offered in exchange (“Tradeoffs”)

Why did Campbell establish an AHOZ?

- ❑ Housing Element included Program H-1c “Affordable Housing Overlay”
- ❑ One of several programs serving to reach RHNA target:

Housing Program	Total BMR Units (Up to Identified Range)
Inclusionary Housing Ordinance (15%)	450 to 730 units
Inclusionary Housing Ordinance In Lieu Fees	50-70 units
Commercial Linkage Fees	10-20 units
Affordable Housing Overlay Zone (AHOZ)	270-370 units
ADU Programs & Baseline	160-200 units
City-Owned Land for Affordable Housing	150 units
Other Affordable Housing Development	100-150 units
Project HomeKey	75-100 units
Total Programmed Affordable Units:	1,265 to 1,790 units
Total RHNA Affordable Units:	1,685 Units



Key Policy Considerations

- 1. Should the AHOZ be designed to compete with, or complement, State Density Bonus Law?**
- 2. Program Tools (Tradeoffs)**
 - What do we want developers to provide? (our local priorities)
 - What incentives should we offer? (what are we willing to give up?)
- 3. Where should the AHOZ apply?**

Identification of Best Practices

HCED Listserve Survey

Direct Outreach / Code Research

2. What programs and/or incentives (other than direct financial subsidies) should a jurisdiction offer to promote the development of affordable housing?

[More Details](#)

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Responses

Latest Responses

"One very successful strategy I have seen in other jurisdictions is waiving parkla..."

"Reduce the inclusionary percentage required "

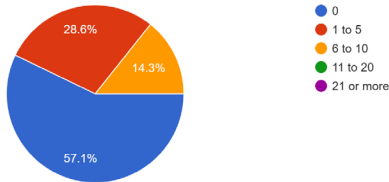
"Expediting permit process and waiving substantial fees"

- Affordable Housing Developer 6
- Market Rate Developer 2
- Other 0



How many projects have utilized your AHO (including pending)?

7 responses



Review of Adopted Affordable Housing Overlay Zones

Incentive	Menlo Park	Tiburon	Los Gatos	Milpitas	Corte Madera	San Diego	Capitola	Boyle Heights	Foster City – Senior Housing	Fremont	Palo Alto
Floor Area Ratio Increase	Increase by amount of density increase as well as additional 5%			Not to exceed 50% of the max FAR for commercial space in mixed use zoning				Averaging But no specifics			Max of 2.4 FAR
Height & Number of Stories	Project = 45% density bonus gets max 4 stories + no more than 48' Project = > 45% density bonus gets 5 stories + no more than 60'			Waivers <u>not</u> exceed 20% of max zoning height limits and not exceed general plan height limits			No minimum building site area requirement			Increased maximum building height and /or stories.	Height up to 50 feet except within 50 feet of residential zone
Parking Reduction	Studio = 0.8 space 1Bed = 1 space 2 Bed or more = 1.5 space Senior housing = 0.8 or less Near Station = minus 0.2 spaces	Reduced within reason (shared parking, joint use, off-site parking)	Reduction to one space per unit = seniors disabilities. Reduction to one (1) space per unit for developments within one-quarter (¼) mile to the proposed	Max 20%				Averaging but no specifics	Off-street parking		Reduce ratio to 0.75 spaces per unit except where precluded by state law

Key Takeaways

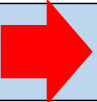
1. Majority of AH Overlays unsuccessful and out of date with state law
2. Hard to compete with State Density Bonus law; little left to offer
3. Better to complement, rather than compete, with state law

Bonus: Martinez v. City of Clovis

- **AHOZ may not be used to retain “lower densities”**

Increase Allowable Density

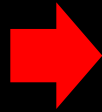
- ❑ Density Bonuses to projects which exceed affordable housing requirements under state law
- ❑ State density law generous; incentive designed to fill a “gap” in law

Program	Percentage Affordable	Density Bonus Incentive
State Density Bonus Law (AB 2345)	5-15% VLI	20%-50%
 AH Overlay Zone (Proposed)	16-19% VLI	53.75%-65%
Double Density Bonus Law (AB 1287)	20-30% VLI	70%-88.75%

Expedite Permit Processing

- ❑ **Two-tiered approach:**
 - **Admin & Ministerial**

- ❑ **Dependent on:**
 - **Affordability;**
 - **& CEQA eligibility**



Program	Affordability / Eligibility Requirements	Permit Process
City Existing Process	Project affordability does not change permit process* (*except when preempted by State Law)	Administrative (CDD): <5 units
		Planning Commission (PC): >5 units
		Planning Commission & City Council: Large Sites & Overlay Sites (except AH overlay)
AH Overlay Zone (Proposed)	≥18% Very-Low Income; or ≥30% Low-Income; or ≥47% Moderate Income; & when ineligible for CEQA exemption	Administrative (Community Development Director)* *: If the project is appealed, the item is forwarded to City Council
	≥18% Very-Low Income; or ≥30% Low-Income; or ≥47% Moderate Income; & when eligible for CEQA exemption	Ministerial Review Process (Zoning Clearance)
State Law (e.g., SB 35, AB 2162, AB 101)	SB 35: ≥50% Moderate Income	Ministerial Review (Zoning Clearance) Note*: CEQA exemption is built into state law for these project types.
	AB 2162: 100% Affordable and with at least 25% or 12 units (whichever is greater) set aside for supportive housing	
	AB 101: Low Barrier Navigation Center	

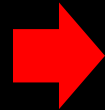
Reduce Fees

☐ Priority Funding:

- Eligible for affordable housing funds once available

☐ Reduction in Park In-Lieu Fees:

- Years before funding available
- Projects unlikely without
- Funding may not be combined



Program	In-Lieu Fee (Multi-Family)	Affordability / Eligibility Requirements	Fees Due	Fee Reduction
City Fees (Existing)	\$21,460 per unit @ 100 units	Project affordability does not change fees. 15% Affordable Inclusionary Ordinance (6% very-low & 9% low-income)	\$2,146,000	\$0
AH Overlay Zone (Proposed)	\$21,460 per unit @ 100 units	50% Affordable (Moderate-Income or Lower)	\$1,877,750 (12.5% Reduction)	\$268,250
		75% Affordable (Moderate-Income or Lower)	\$1,609,500 (25% Reduction)	\$536,500
		100% Affordable (Moderate-Income or Lower)	\$1,073,000 (50% Reduction)	\$1,073,000

Extend Permit Approvals

- ❑ First approval of a project to be extended to three (3) years
- ❑ Does not apply to building permits or subsequent land use permits

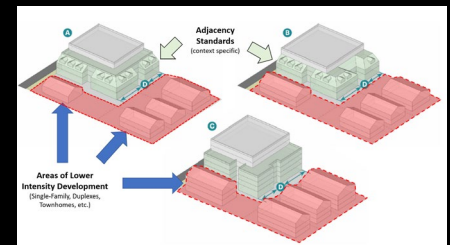
Eligibility Criteria

❑ Applicability (Where)

- Prohibit “Low-Density Residential” (i.e., Single-Family), industrial, and historic properties.

❑ Eligibility (Identified Local Priorities)

- May not use state law to alleviate program requirements.
- Must abide by mixed-use and adjacency requirements.



Case Study: 100% Affordable Housing Project

Step 1

Satisfy eligibility requirements

- Not in a single-family area, historic, etc.?
- Provides mixed-use where required?
- Satisfies adjacency requirements?

Step 2

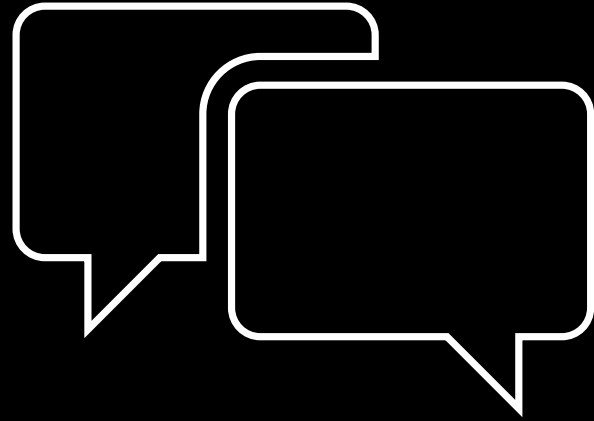
Incentives awarded based on project affordability

- Increased density
- Expedited permit process
- Reduced design requirements
- Receive funding or reduction in park fees
- Extended permit approval

Lessons Learned / Key Takeaways

- ❑ **Consider requiring compliance with right-of-way policies / standards**
(especially if your requirements are subjective)
- ❑ **Consider extending permit approvals for four (4) years**
(affordable housing developers need more time for funding)
- ❑ **Does not have to be a one-size fits all solution; incentives by land use**
(i.e., low-density areas could allow additional, or larger, ADUs if....)

Questions?



AHOZ Study Session Report:

https://www.campbellca.gov/AgendaCenter/ViewFile/Agenda/_10172023-2817



AHOZ Adoption Report:

https://www.campbellca.gov/AgendaCenter/ViewFile/Agenda/_04022024-2896



San José Local Tenant Preference Policy

Kristen Clements

San José Housing Department Division Manager





TENANT PREFERENCE TO MITIGATE DISPLACEMENT

CITY OF SAN JOSÉ HOUSING



AUTHORITY FOR ANTI-DISPLACEMENT TENANT PREFERENCES

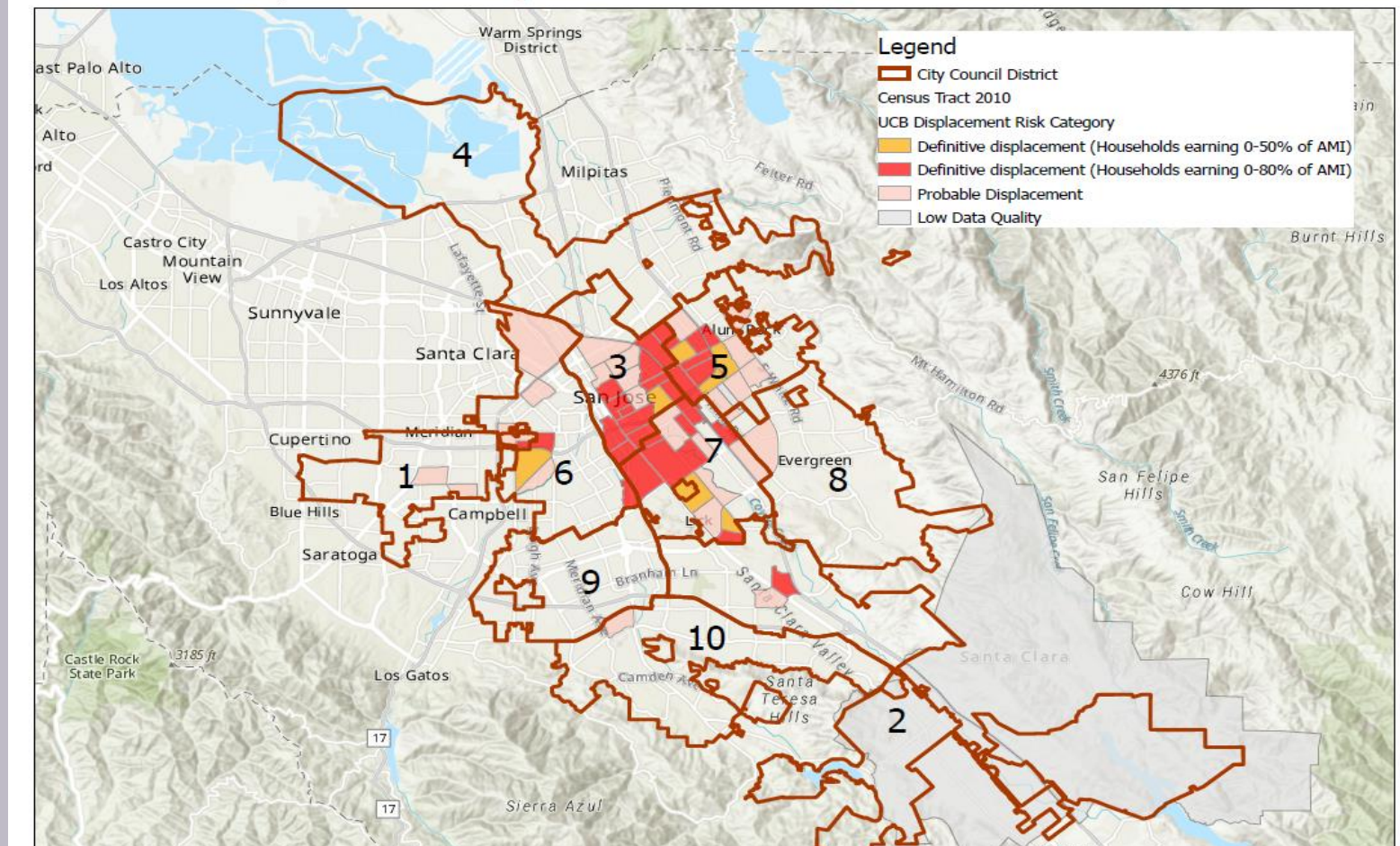
- Community voice (Council District 5)
- 2017 City Council priority (District 5 nomination)
- 2018 National peer-learning Anti-Displacement Policy Network (ADPN)
- 2019-20 San José's ADPN City/community co-authored report
- 2019-20 Citywide Residential Anti-Displacement Strategy (#2)

LEGAL GROUNDING

- SB 649 (2021)
 - Co-sponsored with City of San José, SOMOS Mayfair, Housing Action Coalition
 - Gives jurisdictions authority to prioritize residents at-risk of displacement
- Disparate impact analysis
- Findings for program's City Council resolution
- State HCD's fair housing review (as a lender)

TWO TYPES OF ELIGIBILITY - LIVE IN DISPLACEMENT AREAS OR IN SAME COUNCIL DISTRICT

UC Berkeley CA Estimated Displacement Risk Model - June 2022 - San José Census Tracts



PROGRAM DEVELOPMENT TASKS

- Define **target population**
- Identify **evidence** for eligibility & **process**
- Use **technology** – Doorway renter portal
 - Geocoding matches address to census tract
- Develop **program details**
 - Outreach to stakeholders for priorities
 - Language for City funding documents
 - Administrative guidelines
 - Training & tools – property owners, city staff
- Consider **related requirements**
 - Alternative documentation advertisement
 - Fair housing marketing
 - Use of Doorway
- **Outreach** to owners, to residents with CBO partners

Stakeholders

1. Affordable housing owners, managers
2. Attorneys
3. Renters
4. CBOs

TAKEAWAYS

- Legal tenant preferences take intentionality to create
- Disparate impact analysis differs in every community
- What people want to see may or may not be legal
- Fostering housing choices citywide is more easily legal
- Deals are few and far between, so timing is key
- HCD signoff is important – plan ahead for a given deal



FOR MORE INFORMATION

<https://www.sanjoseca.gov/your-government/departments-offices/housing/resource-library/housing-policy-plans-and-reports/tenant-preferences>

Kristen.clements@sanjoseca.gov

Collaborative Anti-Displacement & Tenant/Landlord Outreach





Collaborative Anti-Displacement & Tenant/Landlord Outreach

- Collaborating on Housing Element Commitments
 - Templates & Tools
 - Shared Outreach Program
- Roundtable with 21 Elements
 - Next Wednesday, August 14, 1:30pm-2:30pm
- What are your collaboration suggestions?
- What's your city's timeline?



Next Meeting:

Thursday, September 12
12 noon - 1:30 pm

