

10 Housing

OVERVIEW

The Housing Element provides strategies to address the current and future housing needs of Piedmont residents. While the Element covers all types of housing, its focus is on the particular needs of Piedmont’s low and moderate income households, seniors, and persons with disabilities. The content of the Housing Element is established by State law. The law also establishes requirements for the review and certification of this Element by the California Department of Housing and Community Development (HCD). This is the only element of the General Plan subject to such a requirement.

The state requirements for housing elements are rigorous and extensive. They include:

- An evaluation of the previous housing element, comparing objectives with actual results
- A housing needs assessment, addressing factors such as overcrowding, overpayment, special housing needs, and housing condition
- A projection of future housing needs, broken down by income group. This projection is updated every five to eight years by the Association of Bay Area Governments through a process called the Regional Housing Needs Allocation (RHNA).
- An inventory of all sites in the city where housing can be built, showing that the City has sufficient capacity to meet its affordable housing obligations
- An analysis of constraints to housing production, such as excessive fees, restrictive zoning, and high land and construction costs
- A set of policies, actions, and numerical objectives in which the City demonstrates its commitment to providing its “fair share” of the region’s housing needs.

The requirements listed above have been met through a separate document, organized into seven chapters. The “Goals, Policies, and Actions” chapter is excerpted in its entirety on the following pages since it provides the foundation for housing policy in Piedmont. The reader is advised to consult the complete Housing Element document for additional information on housing needs, constraints, and available sites. The Piedmont Housing Element was adopted in April 2011 and has been deemed fully compliant with State requirements by the California Department of Housing and Community Development.¹

¹ *Italicized text added after General Plan adoption.*

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GOALS, POLICIES, AND ACTIONS

Quantified Objectives for Goal 1:

(1) Facilitate the production of at least 10 new single family homes (suitable for above moderate income households) by 2014.

(2) Develop 7 to 9 units of multi-family housing on the former PG&E site by 2014.

(3) Approve at least 13 new market rate second units between 2010 and 2014, with the expectation that 9 of these units will serve moderate income households and 4 will serve low income households, based on prevailing market rents.

Goal 1: New Housing Construction

Provide a range of new housing options in Piedmont to meet the needs of all household types in the community.

Policies

Policy 1.1: Adequate Sites

Provide an adequate number of sites for the development of housing consistent with ABAG's recommendations.

Policy 1.2: Housing Diversity

Continue to maintain planning, zoning and building regulations that accommodate the development of housing for all income levels.

Policy 1.3: Promoting Residential Use

Continue to allow residential uses in all of Piedmont's zoning districts.

Policy 1.4: Context-Appropriate Programs

Participate in those state and federal housing assistance programs that are most appropriate to Piedmont's character and that recognize the unique nature of affordable housing opportunities in the City.

Policy 1.5: Second Units

Continue to allow second units (in-law apartments) "by right" in all residential zones within the City, subject to dimensional and size requirements, parking standards, and an owner occupancy requirement for either the primary or secondary unit. Local standards for second units may address neighborhood compatibility, public safety, and other issues but should not be so onerous as to preclude the development of additional units.

Policy 1.6: Second Units in New or Expanded Homes

Strongly encourage the inclusion of second units when new homes are built and when existing homes are expanded.

Policy 1.7: Housing in Commercial Districts

Ensure that local zoning regulations accommodate multi-family residential uses on commercial properties in the City, including the addition of apartments to existing commercial buildings.

See also Land Use Element Policy 2.2 encouraging mixed use development (housing over retail) on Grand Avenue

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Policy 1.8: Mobile and Manufactured Housing

As required by state law, allow mobile and manufactured housing on all lots in the city, subject to design standards which ensure that such housing is compatible in character with the community.

Policy 1.9: Maintaining Buildable Lots

Discourage lot mergers, lot line adjustments, and other changes to legally conforming parcels which would reduce the number of buildable lots in the City.

Policy 1.10: Intergovernmental Coordination

Coordinate local housing efforts with the California Department of Housing and Community Development, the County of Alameda, and adjacent cities. Where City-sponsored housing programs are infeasible due to limited local resources, explore the feasibility of participating in programs initiated by other jurisdictions.

Implementing Actions

- *Program 1.A: Vacant Land Inventory*

Prepare a regular update of the City's vacant land inventory, indicating the status and availability of each site in Table 4-1 for potential development.

Description:

A vacant land inventory has been prepared as part of this Housing Element update (see Table 4-1). This inventory should be updated regularly, with an indication of the ownership, availability for sale, and status of any pending construction projects. Information about potential new parcels should be added, in the event that lot standards or subdivision regulations change.

Responsible Parties:	City Planner
Timing:	Annually, beginning in Summer 2011
Funding:	Staff time (General Fund)

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- ***Program 1.B: Redevelopment of the PG&E Site***
Support the redevelopment of the PG&E site on Linda Avenue with multi-family housing.

Description:

This 15,375 square feet site is currently available for re-use. Pre-application materials for its redevelopment as a 7-unit market rate townhome development have been submitted. The prospective applicant has not applied for a density bonus to include affordable units but this could potentially transpire during the approval process.

Responsible Parties:	City Planner
Timing:	Ongoing
Funding:	Staff time (Fees)

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- ***Program 1.C: Market Rate Second Units***
Maintain zoning regulations that support the development of market rate second units in Piedmont neighborhoods.

Description:

This Housing Element includes program recommendations for two types of second units. The first recommendation, listed here, relates to market rate second units. These units have no limit on the rent that may be charged and no restrictions on the income of the occupants. The second set of recommendations, listed under Goal 3, addresses rent-restricted second units. These units are subject to deed restrictions which limit the rent that may be charged and the income of the occupants. The rent-restricted units may only be occupied by qualifying low or very low income households.

Since 2005, the City of Piedmont has allowed market-rate second units by right in all residential zones provided they meet certain criteria. Such units are permitted through “ministerial review,” meaning they require no review by the Planning Commissioners or neighbors. As noted in Chapter 5, the criteria are:

- The unit must be less than 700 square feet
- Structures on the property must comply with zoning standards for floor area ratio, height, lot coverage, and setbacks
- An off-street, covered, non-tandem parking space must be provided outside of the required front setback
- The owner must live on the property

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Prior to 2005, a conditional use permit (CUP) was required for second units. The removal of this requirement has increased the volume of applications and created important new housing opportunities. The City will continue to actively promote second unit construction in the coming years. This will include keeping second unit application fees relatively low as a way to encourage their production.

Responsible Parties: City Planner, with direction from the City Council and the City Planning Commission
Timing: Ongoing
Funding: Staff time (General Fund)

▪ ***Program 1.D: Data on Second Unit Rents***

Use sources such as business tax records, reviews of locally advertised rentals, and direct surveys to track the rents being charged for local second units, and gather other relevant data on second unit occupancy, and use.

Description

Although the City maintains a list of all licensed second units in the City, it does not yet maintain data on rents and vacancy. Some of this information can be deduced from business license taxes, but it is not formally reported or used to inform local housing policy. This data is important to understand the role of second units in the local housing market, and to determine where policy or regulatory changes may be needed. This program would produce an annual report with data on median rents, number of units occupied (and vacant), characteristics of the households being served, and relevant conclusions about how the City licensed second units are being used. It would not report data by address, but would focus instead on summary information. If feasible, the report could be supplemented with data provided from a survey of second unit owners.

Responsible Parties: City Planner, City Clerk
Timing: Initiate in Fall 2011
Funding: Staff time (General Fund)

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Piedmont's commercial zone includes a handful of retail and office buildings with the potential for second story residential units.

- ***Program 1.E: Allowances for Housing in the Commercial Zone***
Amend the Piedmont Zoning Ordinance (Chapter 17 of the Municipal Code) to add multiple family housing and mixed use development (e.g., structures combining housing and commercial uses) to the list of conditionally permitted uses in the Commercial Zone (Zone D).

Description:

The Piedmont Zoning Ordinance does not presently allow multi-family housing in the Commercial zone. This amendment would add “Multiple Dwellings at a density not to exceed one dwelling unit per 2,000 square feet of lot area” to the list of conditionally permitted uses in the Commercial zone (Zone D). It would further add Mixed Use projects combining housing and retail, office, and/or service uses as conditionally permitted uses. This amendment would create an opportunity for second story residential additions above stores or offices on Grand Avenue and would also create longer-term opportunities for housing or mixed use projects in the event the City’s two service stations or two retail businesses (Mulberry Market and Ace Hardware) are ever redeveloped. It would also create an opportunity to convert the six single family homes in Zone D to mixed use structures, potentially including new rental housing units.

The parking requirements for multi-family housing in Zone D would be the same as those applying elsewhere in the city, with fewer spaces required for small units (less than 700 SF). The City would consider requests for parking variances on a case by case basis, depending on the conditions at each site and opportunities for “shared parking” agreements with adjacent commercial uses. Density bonuses would be allowed for projects incorporating affordable units.

Responsible Parties:	City Planner, with direction from the City Council and Planning Commission
Timing:	Fall 2011
Funding:	Staff time (General Fund)

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- *Program 1.F: Modifications to Lot Size Requirements*

Establish exceptions to Piedmont's lot size and frontage requirements to allow the creation of a limited number of additional lots in the City.

Description:

The Zoning Ordinance currently requires 10,000 square feet of lot area in Zone A and 20,000 square feet of lot area in Zone E. In addition, 90 feet of street frontage is required to create a new lot. By allowing exceptions to these standards where certain conditions are met, the City could increase the number of buildable lots and accommodate development beyond 2015.

The following changes should be explored:

- Allowing the creation of lots as small as 8,000 square feet in Zone A where the prevailing lot size (within 500 feet) is 8,000 square feet or less. There are many areas in Zone A where the prevailing lot size is less than 8,000 square feet. This measure could create the capacity for a few additional units in the City without adversely affecting neighborhood character.
- Allowing new lots to be created with 60 feet of frontage instead of 90 feet of frontage where other minimum standards (including lot size) can be met, and where there would be no adverse effects on traffic, infrastructure, and neighborhood character. One possibility might be to allow such subdivisions subject to certain conditions, such as an agreement to include a second unit in any house constructed on the property.

Responsible Parties:	City Planner
Timing:	Fall, 2011
Funding:	Staff time (General Fund)

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- ***Program 1G: Facilitating Multi-Family Development***

Develop incentives which would facilitate multi-family development on land zoned for multi-family or commercial uses in Piedmont, including modifications to lot coverage requirements for multi-family uses in Zones C and D, and modifications to permitted and conditionally permitted use requirements for Zones C and D. The City will also consider potential ways to streamline environmental review in the event future multi-family uses are proposed in these areas. These changes should be implemented within 24 months after the Housing Element is found to be compliant with the State Government Code by the State Department of Housing and Community Development..

Description:

The City of Piedmont will continue to explore ways to encourage or incentivize multi-family development in Zoning Districts C and D. The City already provides rapid processing of development applications and has modified the development standards (i.e., allowing greater lot coverage) in Zone C to facilitate affordable housing development. The City offers reduced fees for affordable second units (i.e., waiver of business taxes) but has not yet offered such reductions for affordable multi-family projects. Provisions for fee reductions for multi-family projects that incorporate affordable units should be explicitly provided in the Zoning Regulations.

As noted in Program 1.E, the City will be amending its Zoning regulations to permit mixed use and multi-family development in Zone D (the Commercial zoning district). As further noted in Program 4.G, the City will also amend the regulations for Zones C and D to allow fewer parking spaces for smaller multi-family units. Additional steps to incentivize multi-family and mixed use development in Zone D will be established. This should include the following specific zoning changes:

- a) **Raising the maximum lot coverage allowed for two story buildings in Zone D for projects which include housing.** The limit is presently 50 percent for one-story buildings and 25 percent for two-story buildings. Given that most multi-family and mixed use buildings are two stories, it would be difficult to do such development in this zone without a Variance for lot coverage. The ordinance should be amended to allow 50 percent lot coverage for mixed use and multi-family buildings in Zone D.

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- b) **Raising the lot coverage allowed for multi-family buildings in Zone C to include all multi-family projects and not just affordable projects.** The City presently has a 40 percent lot coverage limit for structures in Zone C. This limit increases to 50 percent for multi-family projects that include affordable units. While this is an incentive for affordable housing, it may be a disincentive for market rate rental units, which are needed in the city to serve moderate income households. Lot coverage limits should be raised to 50 percent for all multi-family projects in this zone, regardless of affordability.
- c) **Adopt a minimum density standard of 12 units per net acre in Zones C and D.** Adoption of a minimum density standard roughly equivalent to one unit per 3,600 square feet of lot area in Zones C and D would further incentivize the use of any available properties in these zones for multi-family housing. The standard would help ensure that any future development in these zones maximizes the opportunity for multi-family units. The City already has a condominium conversion ordinance which **prohibits** the removal of rental apartments without providing an equivalent number of new rental apartments elsewhere in Piedmont. This effectively ensures that any existing multi-family housing in Zone C will remain, while the proposed zoning revision encourages any new development in this zone to be multi-family housing or townhomes.

The City will also pursue ways to reduce environmental review costs for multi-family or mixed use projects. Although environmental review requirements for redevelopment of the PG&E site have been extensive because the site was used as an electric substation for 80 years, this is not the case for many other properties in Zones C and D. For sites that have historically been in residential use, environmental review could be expedited and less costly.

The zoning changes described above will be implemented within 24 months after HCD certification of the Housing Element.

Responsible Parties:	City Planner, with direction from the City Council and the City Planning Commission
Timing:	2012-2013
Funding:	Staff time (General Fund)

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Quantified Objectives for Goal 2:

(1) Preserve 100 % of the existing multi-family rental units in the City through 2014.

(2) Preserve 100 % of the existing housing in the Commercial zoning district through 2014.

(3) Assist in the remodeling of at least 10 Piedmont homes between 2010 and 2014 using CDBG funding for lower income households. At least 5 of these households should be senior-occupied.

Goal 2: Housing Conservation

Promote the conservation and maintenance of Piedmont's housing stock.

Policies

Policy 2.1: Encouraging Private Reinvestment

Strongly encourage private property owner reinvestment in the City's housing stock.

Policy 2.2: Public Funds for Housing Maintenance

Support housing stock maintenance through government funding such as Community Development Block Grants when private funding is not available.

Policy 2.3: Preserving Small Homes

Encourage the preservation of Piedmont's existing stock of small homes and historic homes.

Policy 2.4: Code Enforcement

Enforce local building codes to ensure that housing is safe and sanitary, and to protect the character of Piedmont neighborhoods. Promptly investigate all reports of nuisances and require the abatement of such situations as needed.

Policy 2.5: Use of Original Materials

Allow the use of original materials and methods of construction when alterations to homes are proposed, unless a health or safety hazard would occur.

Policy 2.6: Preservation of Multi-Family Housing

Preserve existing multi-family rental housing, including non-conforming multi-family units in the single family zone.

Policy 2.7: Home Occupations

Continue to encourage Piedmont residents to maintain home offices as a means of making housing more affordable for persons who would otherwise need to rent office space outside the home.

See also Land Use Element Policy 1.5 on home occupations

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Floor area ratio and lot coverage standards help maintain the diversity of Piedmont's housing stock

Implementing Actions

- **Program 2.A: CDBG Funding**
Apply for Community Development Block Grant (CDBG) funds for housing maintenance and production on an annual basis, and establish a process for informing the public that such funds are available. If and when such funds are received, a priority should be placed on their use to assist households with incomes less than 30 percent of area median income.

Description:

The Alameda Urban County CDBG program provides funds to assist lower income households with home repair and maintenance projects. A limited amount of funds are provided to local cities, with disbursement to qualifying lower income households. The City of Piedmont has participated in this program in the past and will continue to participate in the future. If the City is successful in obtaining funds, a public information campaign should be initiated to solicit applications for grants/loans by Piedmont households, with an emphasis on extremely low income households. If sufficient funds are obtained to produce new affordable housing units, the City will work with non-profit developers to explore complementary measures to facilitate housing production, such as reduced permitting and environmental review costs. The City will also seek input from developers to research appropriate potential funding sources for affordable housing production.

Responsible Parties:	City Planner/ Finance Director
Timing:	Ongoing
Funding:	Staff time (General Fund)

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▪ ***Program 2.B: Preservation of Small Homes***

Maintain zoning and design review regulations that protect the existing supply of small (less than 1,800 square feet) homes in Piedmont.

Explore other incentives to protect small homes, including design awards for exemplary small home improvement projects.

Description:

The City's existing supply of small homes is currently protected by:

- Floor Area Ratio and Lot Coverage requirements which limit the square footage and coverage of structures.
- Requirements to provide conforming off-street parking in the event that bedrooms are added (creating a disincentive to the expansion of two and three bedroom homes with one-car garages).
- Design Review Guidelines which strive to maintain the scale and mass of existing homes.

All of these provisions should be retained. In addition, the City should study measures that other cities are taking to retain smaller homes, and determine if any of these measures might be transferable to Piedmont. One concept to be explored is to include a category in the City's annual design awards program in which outstanding remodeling projects for small homes are specifically acknowledged.

Responsible Parties:	City Planner/ City Administrator
Timing:	Ongoing
Funding:	Staff time (General Fund)

▪ ***Program 2.C: Use of Original Materials and Construction Methods***

Maintain Planning and Building standards which allow the use of original materials and construction methods in home remodeling.

Description:

The City's Design Review, Plan Checking, and Building Inspection processes currently allow the use of original materials and methods of construction when remodeling projects are proposed. These provisions can mean significant cost-savings for property owners, who might otherwise need to use more expensive materials. Additional measures could include the application of the State Historic Building Code to structures that qualify as "historic." This Code allows the relaxation of certain UBC standards (such as staircase width) in order to preserve historic buildings.

Responsible Parties:	Building Official
Timing:	Ongoing
Funding:	Staff time (General Fund)

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- *Program 2.D: Condominium Conversions*

Maintain the existing requirement that the removal of any multi-family rental apartment must be matched by the creation of a new rental apartment elsewhere in the city.

Description:

Recent revisions to the City’s Subdivision Code established a “no net loss” provision for apartment conversions. Section 19.63 (C) of the code states that any apartments converted to condominiums must be replaced in kind by an equivalent number of equivalently priced rental units. If the units currently rent for very low, low, or moderate income rents, the replacement units must remain rent-restricted for at least 55 years. This requirement reduces the likelihood of condo conversions in the city and protects the rental housing supply.

Responsible Parties:	City Council
Timing:	Ongoing
Funding:	Staff time (General Fund)

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- *Program 2.E: Streamlining Design Review*

Conduct a Planning Commission Study Session to identify steps that might be taken to expedite and improve the design review process. Following this Session, develop amendments to the Design Review process consistent with Action 28.C of the General Plan (Design and Preservation Element).

Description:

Design review is an important part of Piedmont’s housing conservation program and has helped retain many of the city’s smaller and more relatively affordable homes. At the same time, some aspects of design review increase the cost of construction, which affects housing affordability and decisions about reinvestment. This may pose hardships for low and moderate income households in the City. It is important to continually revisit design review requirements, procedures, and fees in response to public concerns, construction trends, and staff resources.

This program calls for a special work session on design review to be sponsored by the Piedmont Planning Commission. The work session should be widely publicized, with opportunities for community feedback on a range of topics. Among the specific proposals that may be considered by the Commission would be:

- Additional categories of exemptions from design review, especially for small projects that are not visible to neighbors or from the street
- Changes to the notification requirements, and the extent to which comments from neighbors may change a project’s design and materials
- Clearer rules for decision making
- Potential modifications to the fee schedule, to further discount certain types of projects or raise the fees for other types of projects

Following the work session, City Planning staff will propose appropriate changes to the Design Review procedures based on guidance from the Planning Commission. These changes would subsequently be presented to the City Council for consideration. Consistent with Action 28.C of the Piedmont General Plan, it is expected that the changes would include additional exemptions for rear yard projects that comply with zoning standards and are minimally visible from the street. The changes could also relate to the fee schedule, and to the rules for decision making.

Responsible Parties:	Planning Commission
Timing:	Underway
Funding:	Staff time (General Fund)

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- *Program 2.F: Update of Design Guidelines*
Update the 1988 City of Piedmont Residential Design Guidelines, consistent with Action 28.E of the Piedmont General Plan.

Description:

As noted in the Design and Preservation Element of the General Plan adopted in April 2009, the Guidelines document should be given a more contemporary look and should be reformatted to reflect current graphic design standards. The content also should be assessed, and changes should be made to make the Guidelines more relevant and descriptive where necessary. In addition to the drawings in the Guidelines, photos should be incorporated to illustrate desired outcomes and provide greater certainty to applicants. Consistent with the General Plan, a specific section of the Guidelines should address development of small (less than 5,000 square foot) lots.

Also as noted in the General Plan, the scope of the City's Design Guidelines should be expanded to address mixed use and multi-family residential development. This could expedite the processing of such development if future proposals are received, and would ensure that multi-family development is not evaluated using standards intended for single family homes.

Responsible Parties:	City Planner, with direction from the City Council and the City Planning Commission
Timing:	2013
Funding:	Staff time (General Fund)

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Quantified Objectives for Goal 3:

(1) Create at least 9 second units that are rent-restricted to very low income households between 2010 and 2014.

(2) Create at least 4 units that are rent restricted to low income households between 2010 and 2014.

Goal 3: Affordable Housing Opportunities

Create additional housing opportunities for moderate, low, and very low income Piedmont residents.

Policies

Policy 3.1: Rent-Restricted Second Units

Continue incentive-based programs such as reduced parking requirements and more lenient floor area standards to encourage the creation of rent-restricted second units for low and very low income households.

Policy 3.2: Occupancy of Registered Units

Encourage property owners with registered second units to actively use these units as rental housing rather than leaving them vacant or using them for other purposes.

Policy 3.3: Conversion of Unintended Units to Rentals

Encourage property owners with “unintended second units” to apply for City approval to use these units as rental housing. “Unintended” second units include spaces in Piedmont homes (including accessory structures) with second kitchens, bathrooms, and independent entrances that are not currently used as apartments.

Policy 3.4: Second Unit Building Regulations

Maintain building code regulations which ensure the health and safety of second unit occupants and the occupants of the adjacent primary residence.

Policy 3.5: Density Bonuses

Consistent with State law, allow density bonuses (such as allowances for additional square footage or lot coverage) for multi-family projects which incorporate affordable or special needs housing units.

Policy 3.6: Room Rentals

Continue to allow the renting of rooms in private homes to provide housing opportunities for single people. Recognize the potential for rented rooms to meet the housing needs of single low income and very low income Piedmont residents.

Policy 3.7: Regional Dialogue

Work with housing advocates, non-profits, community groups, nearby cities, the real estate industry, and appropriate regional agencies to address affordable housing issues in the San Francisco Bay Area. Although Piedmont is fully developed, meeting regional housing needs is an issue of crucial importance to its residents and to the future quality of life in the city.

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Implementing Actions

- *Program 3.A: Second Unit Ordinance Assessment and Revisions*
Complete a 5-year assessment of the Piedmont Second Unit Ordinance, with a focus on the incentives that are being used to promote rent-restricted units and the steps that can be taken to increase second unit production and occupancy rates.

Description:

In 2004, the City of Piedmont undertook a year long process to revise its Second Unit Ordinance. The process was guided by a Citizens Advisory Committee (CAC) and focused on ways to more effectively use second units to meet the City's affordable housing needs. In March 2005, Chapter 17.D of the Municipal Code was completely revised to incorporate the CAC recommendations. As noted earlier in this Housing Element, the new Code created a new incentive-driven category of "rent-restricted" second units which may only be occupied by low or very low income households.

It has now been more than four years since adoption of the new standards. This is sufficient time for the City to assess the successes and shortcomings of the Ordinance and revise it as needed to increase production. Accordingly, this action calls for a comprehensive evaluation and recommendations for improvement.

Among the specific topics to be addressed by the evaluation are:

- Additional tools to incentivize the use of existing legal second units as rentals. City records indicate that many legal units are not actually being rented out. The City currently provides a first -year business tax abatement for units that are rented to low or very low income households. Extension of this abatement for additional years could be considered.
- Additional tools to encourage the conversion of "unintended" second units to active rental units. "Unintended" units are not considered legal second units, but have the physical characteristics to be easily converted. These spaces are particularly well suited for rent-restricted units because the capital cost to create them is minimal. One possible incentive would be reductions of planning and building fees if the units are rent-restricted.

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- Additional incentives for *low and moderate* income units, since all of the units created under the program thusfar have been for *very low* income households. For example, this could include reducing the off-street parking requirement to one space for a two-bedroom low income second unit, provided that adequate on-street parking exists.
- Additional steps to “match” rent-restricted second units with local employees, particularly low and very low income City and School District employees.
- Clarification of the 10-year affordability term for rent-restricted units. There is some ambiguity about how the 10-year timeframe is calculated and what happens at the end of the 10-year period. The Code currently gives the Planning Commission the authority to terminate the deed restriction after 10 years at the owner’s request, but also gives them the authority to deny the request and retain the rent restriction. If the Commission allows termination, the owner must then upgrade the unit to meet the planning and building standards in effect at the time of its creation before it may be used as a market-rate rental. This requirement could result in the loss of the unit entirely, which may be a less desirable outcome than its reversion to market rate rent.
- The effectiveness of size requirements as an incentive for creating low and very low units. In some respects, it is counterintuitive that a larger unit can only be created (without a CUP) if it is rented for less than a smaller unit. The rent-restricted units created to date have generally been less than 700 square feet and have benefitted much more from the parking waiver than the size incentives.
- Parking requirements for *low* income units. Presently, the required off-street space for a low income unit may be compact, but it must still be covered and it may not be tandem. Allowing such spaces to be uncovered or tandem should be considered. (Only *very low* income units may be approved with no off-street parking whatsoever. This is a very strong incentive, and it should not be removed or compromised by extending it to *low* income units).
- Design requirements. Presently, there is a design requirement that there may be no direct access between the primary unit and the rent-restricted second unit. The interior access restriction must be permanently constructed. This was intended to discourage the use of second units for dependent family members, but it may be a disincentive to their creation in some cases.

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- Administrative Extensions. Consideration should be given to allowing administrative extensions of Planning Commission approvals of rent-restricted second units if the applicant does not pull a building permit in the first year, rather than requiring a new Commission hearing.

Responsible Parties: City Planner/Consultant, City Council
Timing: 2012
Funding: Staff time (General Fund)

- *Program 3.B: Affordable Second Unit Public Information Campaign*
Initiate a public information and education campaign about second units, including definitions, regulations for their use, opportunities for their construction, and the various incentives offered by the City to create rent-restricted units..

Description:

This program would use a variety of media to inform the community about the second unit program. This would include a dedicated page on the City's website informing residents of what second units are and why they are an essential part of the City's housing stock. The website could describe the different types of second units in the City, the regulations that govern them, and the application process.² Additionally, the City would continue to use FAQs, brochures, and other print media to explain the steps for applying for a second unit, with special attention given to the homeowner benefits of applying for a rent-restricted unit. The City's local access cable station (KCOM) should also be used to convey this information.

Further positive news coverage about second units could be generated through press releases and articles in the Piedmonter and Piedmont Post. In addition, the City should establish a category in its annual design awards for outstanding second units.

An important part of the City's outreach strategy should be to target owners of "unintended" second units. The City already has a roster of such units (by address) and should contact owners with a letter informing them of the opportunity to apply for a market rate or rent-restricted rental unit. Efforts should also be made to contact the owners of suspected illegal second units, with a focus on legalizing these units as new rent-restricted units.

² Some of this information can already be accessed on the City's webpage via downloadable PDF files, but it has not been "packaged" in html format.

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Responsible Parties: City Planner/ Consultant
Timing: 2012
Funding: Staff Time (General Fund)

- *Program 3C: Monitoring Affordable Second Unit Opportunities*
Monitor the supply of unintended second units, illegal or suspected second units, and vacant second units. A confidential data base listing the addresses of such units shall be maintained for administrative purposes. Recognize the potential for such properties to help meet the City's affordable housing needs, and take proactive steps to realize this potential in the coming years.

Description:

As noted in Table 2.1 of the Housing Element, the City maintains an address data base of second units, noting the year they were created, the way they were permitted, and comments on their current status. The data base provides a mechanism for monitoring second unit development opportunities, and the supply and status of legal and illegal second units. As noted in Program 1.D, the City will begin monitoring data on second unit rents in 2011, providing an additional source of information on this component of the housing supply.

Program 3.A describes the City's intent to pursue additional development opportunities in "unintended" second units. These are spaces that are not used for habitation as separate living quarters, but have the potential for conversion to second units based on their physical characteristics. Examples include pool houses with indoor cooking facilities; basements with kitchens, bathrooms, and separate entrances; and finished rooms over garages. There were 117 unintended second units counted in the city in 2009. As noted in Program 3.B, the City intends to remind owners of these units of the opportunity to apply for legal second unit status.

The address data base of "suspected" and "illegal" second units is an important resource. The illegal status of such units provides leverage to convert them into rent-restricted units. The City will work with the owners of such units in to convert them into legal apartments, on the condition that they either provide conforming parking or be rent-restricted to a low or very low income household. The latter option provides a "win-win" for all parties, since it provides the owner with a legal second unit and legitimate source of rental income, the City with an affordable unit, and a low income tenant with a secure place to live.

HOUSING

As noted on P. 5-17 of the Housing Element, the City also collects annual business license taxes (generally around \$200 annually) from second unit rentals. The owners of many legal units are not paying these taxes, suggesting that the units are vacant or are being used for guest quarters, family members, home offices, etc. These legal units are a housing resource for the City, and steps should be taken to incentivize their use as rental apartments. Even though they are not rent-restricted, such units are usually affordable to low and moderate income households.

Finally, it is acknowledged that the City's data base of "unintended units" represents only a portion of the potential for second units in the city. There are many other homes in Piedmont that contains physical features conducive to second unit creation. The City will make an ongoing effort to expand its data base of such spaces in the future as planning and building permit applications are received and as plans are reviewed. Part of the plan checking process should include an evaluation of whether the property contains an unintended second unit (i.e., does it have two kitchens? is there habitable space over the garage or in the basement or attic?) Properties should be added to the unintended unit data base over time, so that when the City does periodic mailings on second unit opportunities, these addresses are included.

Responsible Parties:	City Planner, City Clerk, Building Official
Timing:	Ongoing
Funding:	Staff time (General Fund)

HOUSING

- *Program 3D: Monitoring Additional Second Unit Development Opportunities*

Monitor potential opportunities for second units within new homes and on existing homes located on larger lots that are conducive to second unit creation.

Description:

While Program 3.C addresses opportunities for second units through the conversion of existing floor space, Program 3.D focuses on lots which are conducive to second unit creation due to their large size, location, or ability to accommodate additions or new structures. This includes vacant lots, lots in the Estate Zone, and lots in Zone A that are larger than 20,000 square feet. These lots are more likely to have space for a new second unit, as well as room to meet the off-street parking requirements for market-rate units. As development applications for new homes or major home additions are received on these properties, the City will advise applicants of the opportunity to add a second unit.

Responsible Parties:	City Planner
Timing:	Ongoing
Funding:	Staff time (General Fund)

HOUSING

Quantified Objectives for Goal 4:

(1) Process 80 % of all complete applications for planning and building permits within 30 days after they are received, instead of the 60 days allowed by the Permit Streamlining Act.

Goal 4: Elimination of Housing Constraints

Minimize constraints to the development of additional housing without compromising the high quality of Piedmont's neighborhoods.

Policies

Policy 4.1: Communicating Planning and Building Information

Encourage public understanding of the planning and building processes in Piedmont to facilitate permit processing and reduce project costs and delays.

Policy 4.2: Planning and Building Standards

Ensure that planning and building standards, development review procedures, and fees do not form a constraint to the development, conservation, and rehabilitation of housing, or add unnecessarily to the cost of building or improving housing.

Policy 4.3: Expeditious Permitting

Promote the expeditious processing and approval of residential projects that are consistent with the General Plan, Zoning Ordinance, and Design Review Guidelines.

Policy 4.4: Updating Standards and Codes

Periodically update codes and standards for residential development to reflect changes in state and federal law, new technology, and market trends.

Policy 4.5: Code Flexibility

Allow certain development standards to be relaxed to accommodate affordable housing, where there is no threat the health, safety, and welfare of the City or potential for adverse impacts on the surrounding neighborhood.

Policy 4.6: Housing Coordinator

Designate the City Planner as the City's Housing Coordinator.

Policy 4.7: Infrastructure Maintenance

Support the regular maintenance of infrastructure, including water, sewer, drainage, streets, and sidewalks, so that these facilities are available when new housing is proposed.

Policy 4.8: Housing Finance Programs

Participate in appropriate County programs which address financial constraints for first time homebuyers, including downpayment assistance, silent second mortgages, Mortgage Credit Certificates, and Mortgage Revenue Bonds.

HOUSING



Piedmont's televised Planning Commission meetings provide an important vehicle for informing the public about the City's planning processes.

Implementing Actions

- ***Program 4.A: Media Strategy***
Prepare printed brochures and web-based materials which inform residents about the planning and building processes in Piedmont.

Description:

Several pamphlets and printed handouts have been prepared to explain Piedmont's design review, planning, and permitting requirements. Over time, the City has improved and updated these materials to make them more readable and incorporate contemporary graphic design conventions. The City's website also continues to expand and improve. During the last 10 years, the website has become a more important information resource and has overtaken printed pamphlets as the preferred means of obtaining information by most customers. Many application materials are now downloadable from the web. Continued efforts should be made to improve the content and usability of information on the "Planning" homepage, and to use the web to assist residents and reduce permitting delays.

Responsible Parties: City Planner/ Consultant
Timing: Ongoing
Funding: Staff time (General Fund)

- ***Program 4.B: Home Improvement Seminars***
Conduct City-sponsored meetings, programs, and seminars which inform residents on home improvement and maintenance practices in Piedmont.

Description:

In the past, the City Planning Commission has held special sessions on topics such as window replacement and upper story additions. Additional Planning Commission special sessions on bay-friendly landscaping, solar panel installation, energy conservation, and other home improvements would be helpful and could ultimately make home maintenance and improvement projects more affordable for Piedmont households. Such seminars should be aired on KCOM (local access cable) to reach as broad an audience as possible.

Responsible Parties: City Planner
Timing: Ongoing
Funding: Staff Time (Permit/User Fees)

HOUSING

- *Program 4.C: Building Code Updates and Ongoing Enforcement*
Continue to implement the California Building Code of Regulations, as locally amended. Update or amend the codes as state requirements change, and as conditions in Piedmont warrant.

Description:

This is an ongoing program. The City should amend Chapter 5 of the City Code (the Building Code) as updates to the California Building Code of Regulations are published. Amendments reflecting local concerns may be made as needed. Particular attention should be given to standards which would encourage creation of second units in the City. There may be instances where exceptions to the Code could be considered (for instance, lower ceiling heights) to make it easier for property owners to convert unintended units into rental properties. The new Second Unit Ordinance adopted in 2005 provides such flexibility as an incentive to create rent-restricted units.

Responsible Parties:	Building Official
Timing:	Ongoing
Funding:	Staff time (General Fund)

-
- *Program 4.D: Fee Review*
Review all planning and building fees to be sure that they cover required costs but are not more than is necessary to provide the required City services.

Description:

Fees should be reviewed annually to ensure that they cover operating costs only. Planning and building fees should not be used to subsidize other City departments and services. The City should continue efforts to use a “sliding scale” for planning and building fees based on project value to reduce the cost burden on applicants for minor home improvements.

Responsible Parties:	Finance Director / City Planner
Timing:	Ongoing
Funding:	Staff time (General Fund)

HOUSING

- *Program 4.E: Temporary Staff Additions*
Add contract staff as needed to ensure prompt processing of all applications.

Description:

As a small city, Piedmont is susceptible to fluctuations in the volume of planning and building applications. With only one building inspector, one plan checker, and a small planning staff, processing all applications at the same speed throughout the year can be a challenge. Vacation schedules, staff absences, and staff turnover add to this challenge. Because the City is committed to customer service in its Planning and Building functions, contract staff may be hired to provide building inspection, plan checking, and planning services during peak periods or prolonged staff absences. This will continue in the future.

Responsible Parties:	Public Works Director
Timing:	Ongoing
Funding:	Staff Time (Permit Fees)

- *Program 4.F: Capital Improvement Plan Updates*
Annually update the Capital Improvements Plan (CIP) to ensure that municipal systems are kept in good condition.

Description:

The CIP update provides assurance that City-maintained facilities such as streets, sidewalks, and storm drains are kept in excellent condition, thereby avoiding deferred maintenance expenses for Piedmont residents. The City has created a CIP Committee to provide citizen input in this process. At least once a year, the CIP Committee should be briefed on the Piedmont General Plan and the requirement that CIP decisions be consistent with Plan policies and priorities.

Responsible Parties:	Public Works Director
Timing:	Ongoing
Funding:	Staff time (General Fund)

HOUSING

- *Program 4.G: Amendment to Parking Standards in Zones B, C, and D*
Amend Chapter 17 of the Municipal Code to require one (rather than two) off-street parking spaces per housing unit for units smaller than 700 square feet in all zones of the City, rather than just Zones A and E.

Description:

Presently housing units that are less than 700 square feet are permitted to have only one off-street parking space in Zones A and E (the single family zone). Two spaces per multi-family unit continued to be required in Zone C, regardless of unit size. In addition, parking requirements for housing units less than 700 square feet are not specified in Zones B and D, since multi-family units have not previously allowed in these zones. Chapter 17 of the Municipal Code should be amended to establish a consistent standard for all units under 700 square feet.

Responsible Parties: Public Works Director
Timing: Fall 2011
Funding: Staff time (General Fund)

- *Program 4.H: Bonding Requirements*
Explore programs to reduce the financial burden to prospective homeowners associated with bonding requirements.

Description:

Bonding requirements are intended to reduce the potential for nuisances, adverse impacts on neighbors, and damage to City property when new homes are constructed. However, the requirements may be burdensome for prospective homebuilders and represent an additional cost. The City will consider ways to reduce these costs, and explore other means of addressing liability issues.

Responsible Parties: Public Works Director
Timing: 2012
Funding: Staff time (General Fund)

HOUSING

- **Program 4.I: Monitoring the Effects of the City Charter**
Piedmont's rent-restricted second unit program has been successful in accommodating and achieving the City's share of the regional housing need, including producing housing for very low income households. However, the Charter requires a citywide vote for zoning map changes, which constrains the development of a variety of housing types, particularly high-density multi-family housing. To address this constraint, the City has added Programs 1.E (allowing multi-family density housing and mixed use in the commercial zone) and 1.G (creating new incentives for multi-family uses). Program 4.I supplements these two programs to ensure their effectiveness by monitoring and annually evaluating and reporting on the effects of the City Charter on: (a) the cost and supply of housing, particularly multifamily housing and (b) the effectiveness of City strategies to mitigate related impacts such as allowing multifamily uses in Zone D (Program 1.E) and incentives for multifamily uses in Zones C and D (Program 1.G). Based on the outcome of the evaluation, the City will adopt strategies to address and mitigate identified constraints.

Description:

City Planning and Building Staff will continue to track annual housing production and permit activity as they have in the past, and will prepare annual reports to the Council evaluating housing and building permitting trends and the effects of the Charter as described above. These reports will specifically evaluate the Charter for impacts on multi-family housing production and costs based on various criteria such as:

- the failure of a citywide ballot measure associated with a proposed Zoning Map change to multi-family housing
- a multi-family development proposal which has been endorsed or approved by the Planning Commission or City Council but does not proceed because a citywide ballot measure to change the zoning would be required
- conclusions of research done by a third party finding that the City Charter constrains the ability to do multi-family housing;
- lack of multi-family development proposals
- input from the development community, including non-profits, property owners, stakeholders and advocates on behalf of lower income households such as the Non-Profit Housing Association of Northern California (NPH), EBHO and the League of Women Voters.

HOUSING

Based on the outcomes of the evaluation, the City will implement program and zoning changes within 12 months including, if necessary, a Charter amendment or other appropriate remedies not requiring voter approval. These remedies could include streamlining multifamily permit procedures and identifying and designating, additional sites for multifamily development within 12 months.

Responsible Parties:	City Planner
Timing:	Annually
Funding:	Staff time (General Fund)

HOUSING

Quantified Objectives for Goal 5:

(1) Assist at least 5 senior Piedmont households in obtaining CDBG funding for home rehabilitation projects between 2010 and 2014.

(2) Facilitate the retrofitting of at least 10 Piedmont homes to enable senior residents to “age in place” rather than relocating out of the community between 2010 and 2014.

Goal 5: Special Needs Populations

Provide adequate housing opportunities for Piedmonters with special needs, particularly seniors and the disabled.

Policies

Policy 5.1: Retrofits for Diminished Mobility

Ensure that planning and building regulations accommodate the retrofitting of homes to meet the needs of aging or disabled residents.

Policy 5.2: Second Units, Shared Housing, and Seniors

Encourage second units and shared housing as strategies to help seniors age in place. Second units and shared housing can provide sources of additional income for senior homeowners and housing resources for seniors seeking to downsize but remain in Piedmont.

Policy 5.3: Reasonable Accommodation

Provide reasonable accommodation for people with disabilities in the City’s rules, policies, practices and procedures related to zoning, permit processing and building codes.

Policy 5.4: Extremely Low Income Residents

Strive to meet the needs of extremely low income Piedmont residents, especially single parents, seniors on fixed incomes, and persons in financial crisis or at risk of losing their homes.

Policy 5.5: Regional Approaches to Homelessness

Actively cooperate with and participate in regional discussions and programs addressing homelessness and the need for emergency shelter and supportive housing in the East Bay.

Policy 5.6: Foreclosure

Support state, regional, and countywide initiatives to reduce the risk of foreclosure and to assist those facing foreclosure.

HOUSING

Implementing Actions

- ***Program 5.A: Shared Housing***

Consider participating in ECHO Housing's shared housing program as a way to improve housing opportunities for lower income seniors and extremely low income households.

Description:

Some of Piedmont's "empty nesters" or other residents who have surplus space in their homes may wish to rent that space in return for income or care, but may be reluctant to rent to strangers. The non-profit Eden Council for Hope and Opportunity (ECHO Housing), which serves residents throughout Alameda County, operates a shared housing program which could potentially benefit these residents. The program matches persons needing housing with homeowners who have available space.

Shared housing programs can also provide a resource for extremely low income households, including families as well as seniors. The ECHO program includes counseling on shared living, supportive services, and informational and referral., as well as educational workshops on home sharing. Any shared housing program in Piedmont should be designed to include extremely low income families, as well as empty nesters and other seniors.

Responsible Parties:	City Planner/City Administrator
Timing:	2012
Funding:	General Fund

- ***Program 5.B: Allowances for Temporary Home Improvements***

Allow Planning and Building Code exceptions for certain temporary home improvements which help Piedmont seniors remain in their homes as their physical capabilities change.

Description:

Section 17.20.5(a)(vii) of the Piedmont Code creates exemptions for temporary home improvements such as wheelchair ramps. Other exemptions could be explored in the future. For example, the City could permit the addition of a first floor bathroom or bedroom without conforming parking—or the addition of a temporary second unit for a nurse or live-in aide. The construction might be permitted with the condition it be removed (or approved with a variance or CUP) when the occupancy of the home changes.

HOUSING

Responsible Parties: City Planner
Timing: Ongoing
Funding: Staff time (General Fund)

▪ *Program 5.C: Assistance to Nonprofit Developers*

Provide assistance to nonprofit entities interested in developing housing for low and moderate income Piedmont residents, including the elderly and others with special needs.

Description:

There are several nonprofit entities in the East Bay who are actively engaged in developing housing for low and moderate income households. These builders make an important contribution to the region's housing market and have been the largest producers of affordable housing units in the area during the past decade. Although there are very few vacant or redevelopable sites in Piedmont, the City is committed to working collaboratively with the nonprofit sector in the event a viable development proposal is made. The City could also be a potential partner in the event such housing is proposed in a nearby community.

Program 5.C will be implemented on an on-going basis. As development opportunities arise, the City will provide technical assistance to nonprofits in the completion and/or co-sponsoring of applications for state and federal housing funds and other grants. The City will also work with nonprofit applicants to identify and proactively address issues of concern in the community, such as traffic, parking, and design compatibility. Finally, the City will consider regulatory concessions, incentives, and other methods which reduce project costs and make the project more viable.

Responsible Parties: City Administrator and City Planner
Timing: Ongoing
Funding: Staff time (General Fund)

HOUSING

- *Program 5.D: Accommodations for Disabled Persons*
Develop printed and web-based information which describe the procedures for making a Piedmont home “barrier free.”

Description:

The City will work with local advocates and service providers (such as the Center for Independent Living) to provide an explanation of the process to retrofit a home to meet the needs of persons with disabilities. Both web-based information and printed information (such as brochures or FAQ handouts) should be developed. This information should identify the range of features that might be incorporated in a barrier-free home, and the steps an applicant would need to take to add these features to a residence. The process for applying for building permits, fee waivers, expedited design review, and variations from the City’s design guidelines would be included.

Responsible Parties:	City Planner
Timing:	2012
Funding:	Staff Time (General Fund)

HOUSING

- **Program 5.E: Zoning Amendment for Emergency Shelter**
Amend the Piedmont Zoning Ordinance to identify emergency shelters and transitional housing as permitted uses in Zone B, the Public Facilities Zone. Pursuant to Chapter 633, Statutes of 2007 (SB2), the revised zoning text will stipulate that transitional and supportive housing will be considered a residential use subject only to the same permitting processes as other housing in the subject zone without undue special regulatory requirements.

Description:

This action would bring Piedmont into compliance with California Senate Bill 2 (effective January 1, 2008) which indicates that cities must identify adequate sites for emergency shelter and transitional housing “by right” through appropriate zoning and development standards. The action would add emergency shelters to the list of permitted uses in the Public Facilities Zone (Zone B). Presently, they are only conditionally permitted. As indicated in Chapter 5, there is sufficient capacity in Zone B to meet the local need for emergency shelter, which is estimated as being between 0 and 15 people, depending on the data source.³

The City will amend Chapter 17 of the Municipal Code (the zoning regulations) to that transitional and supportive housing are permitted as residential uses and are subject to the same requirements that apply to other residential uses of the same type in the same zone without undue special regulatory requirements. The zoning district where such uses would be permitted by right –in other words, without discretionary review (Zone B)-- has no minimum lot area, no minimum lot frontage, and no limit on lot coverage or impervious surface. Setbacks are 20’ on all sides and a height limit of 35 feet applies. Because most of the parcels in this zone are large, these setbacks would not preclude new structures. Given the small size of the homeless population and the potential cost of developing a new shelter or transitional housing development, it is more likely that such a facility would use an existing structure rather than a brand new building. The zone includes numerous structures, including a vacant church, municipal buildings, recreation centers, schools, and portables.

Responsible Parties:	City Administrator/ City Council
Timing:	Fall 2011
Funding:	Staff Time (General Fund)

³ The reference to “0 to 15” is based on the City’s observation that there is not a quantifiable homeless population in Piedmont, while recognizing that the County Homeless Management Information System used a pro-rated population-based formula to estimate that the City had 15 homeless residents. The City of Piedmont has estimated that there is a need to assist three extremely low income households in the City during for 2010-2014 (based on the Regional Housing Needs Allocation), which could include homeless residents.

HOUSING

- *Program 5.F: Housing Support for Families in Crisis*
Support public and non-profit agencies in Alameda County which provide food and shelter for families in crisis.

Description:

Despite the absence of a visible homeless population in Piedmont, the City is located in an urban area where homelessness is a serious issue. Piedmont currently provides financial assistance to Alameda County to fund countywide programs which meet the needs of homeless persons and persons at risk of becoming homeless. The beneficiaries of these programs may include Piedmont residents as well as those in other cities. On an ongoing basis, the City will stay apprised of homelessness issues, work with homeless service providers, and offer referrals for any Piedmont resident faced with the risk of homelessness.

Responsible Parties: City Administrator/City Council
Timing: Ongoing
Funding: Staff time (General Fund)

- *Program 5.G: EveryOne Home*
Participate in the Alameda County EveryOne Home Program, a Countywide planning effort to increase housing opportunities for extremely low income and disabled persons and strengthen the services the County provides to the homeless.

Description:

In October 2009 the City of Piedmont joined 13 other cities in committing to work with Alameda County to alleviate homelessness. The Countywide Plan has been prepared in response to federal requirements that mandate the development of subregional plans to end homelessness. It recognizes the regional nature of the problem and the need for regional solutions. The Plan was designed to end chronic homelessness and provide more secure and permanent housing for low-income people with mental illness, HIV/AIDS, and other disabilities or high risk of homelessness. It includes a 10-year action plan, within a broader 15-year implementation plan.

Participating in EveryOne Home is an important part of Piedmont's efforts to meet the housing needs of extremely low income households, as required by state law. Endorsement of the Plan by the City establishes general agreement with its strategies and provides a guide to address homelessness in a way that is consistent with other communities in Alameda County.

Responsible Parties: City Planner / City Council
Timing: Ongoing
Funding: Staff time (General Fund)

HOUSING

- ***Program 5.H: Faith Community Participation***

Work with the local faith community to serve residents in need within Piedmont and the greater East Bay, and to identify potential partners for meeting local extremely low income housing needs.

Description:

Piedmont's churches and synagogue may be potential partners in efforts to address the housing needs of extremely low income residents in Piedmont and nearby cities. Additional efforts should be made to coordinate local housing programs with the faith community. The City should work with its congregations to promote charitable contributions and develop proactive solutions to avoid homelessness and help those at risk of becoming homeless.

Responsible Parties:	City Council
Timing:	Ongoing
Funding:	Staff time (General Fund)

- ***Program 5.I: Second Units for Extremely Low Income Households***

Maintain an inventory of second units that are available at rents that are affordable to extremely low income households. Explore ways to expand this inventory and encourage the development of additional extremely low income second units through the City's affordable second unit program and other means.

Description:

The City of Piedmont has identified the need to assist three extremely low income households during the 2010-2014 Housing Element period, based on its Regional Housing Needs Allocation. Pursuant to Assembly Bill 2634, local governments are required to assist in the development of a variety of housing types to meet the needs of these households. In larger communities, this is usually done by accommodating single room occupancy hotels (SROs), providing multi-family developments with units set aside for extremely low income households, and facilitating supportive and transitional housing. In smaller communities, provisions for shelters and supportive and transitional housing are required by state law, but additional steps must still be taken to meet the diverse housing needs of extremely low income residents.

HOUSING

Based on data from the 2000 Census, about 40 percent of Piedmont's extremely low income households are headed by senior citizens. Programs 2.A, 5.A, and 5.B focus on these residents. As these programs are administered, the City will place a priority on serving extremely low income senior applicants.

For extremely low income residents in Piedmont who are *not* seniors, second units and shared housing are the best prospects for meeting housing needs. As the text box below indicates, this is the strategy that has been taken by other small residential cities in the Bay Area with demographic and land use characteristics similar to Piedmont.

Data collected by the City of Piedmont indicates there were several second units in the city in 2009 with monthly rents of less than \$468.⁴ These units meet affordability criteria for extremely low income households and demonstrate that such units are already meeting a portion of the City's extremely low income housing needs *with no public subsidy*. Based on rental tax data, an additional unknown number of the city's second units appear to be occupied by extremely low income households who pay no rent at all. Such units are an important resource for extremely low income households and should be sustained.

In the future, the City will explore options to increase the inventory of extremely low income housing. This could be done through a permanent waiver of the business license tax for extremely low income second units (rather than a one-year waiver). The City will also explore fee reductions or other incentives so that some of the very low income units produced through the affordable second unit program are suitable for extremely low income households, including seniors and persons with disabilities. Other programs in this Housing Element, including the monitoring of second unit rents (see Program 1.D), will enable the City to gauge the extent to which second units are already serving extremely low income households. The City will also increase public awareness of the rules for renting a room in a Piedmont house, since such rentals can provide an income source for homeowners and a potential resource for extremely low income households.

Responsible Parties:	City Planner, City Clerk
Timing:	Ongoing
Funding:	Staff time (General Fund)

⁴ \$465 would be the affordable monthly rent for a one-person extremely low income household in 2009, based on HUD Income data for Alameda County, e.g. 30 % of \$18,750 annual income / 12 months = \$468.

HOUSING

Providing Extremely Low Income Housing in Small, Residential Cities: Solutions from Across the Bay Area

As part of the Housing Element Update, the City of Piedmont conducted a “best practices” review of peer cities in the Bay Area. The focus was on Housing Element programs to address the needs of extremely low income households. Four cities—all with recently certified Housing Elements, high median incomes, high home values, and mostly residential land uses—were surveyed. The results are below.

Hillsborough (pop. 11,200; estimated Extremely Low Income need: 10 units). Programs include:

- Waiving planning and building fees for second units
- Informing developers of opportunities to build transitional and supportive housing
- Allowing the renting of individual rooms in single family homes
- Supporting shared housing
- Encouraging second units (the Town’s Housing Element concluded that 55 percent of its second units were affordable to extremely low income households, including all units for which no rent was reported.)

Belvedere (pop 2,150; estimated Extremely Low Income need: 3 units). Programs include:

- Considering an affordable housing impact fee and Housing Trust Fund to assist very low income households
- Allowing Single Room Occupancy (SRO) hotels in the Commercial zoning district
- Creating home sharing and tenant matching opportunities
- Providing reduced fees for extremely low income housing
- Using existing rental assistance programs (Section 8, etc.)

Portola Valley (pop. 4,800; estimated Extremely Low Income need: 16 units). Programs include:

- Allowing larger second units and considering reduced fees
- Waiving fees for extremely low income units
- Encouraging shared housing
- Considering an affordable housing impact fee

Moraga (pop. 16,200; estimated Extremely Low Income need: 42 units). Programs include:

- Allowing renting of rooms in single family homes
- Facilitating access to housing subsidies, including subsidies for extremely low
- Recognizing that some second units are free, and therefore may serve extremely low (10 percent of the Town’s units are estimated to rent for less than \$670/month)

HOUSING

- *Program 5.J: Housing for Extremely Low Income Families*
Develop incentives to meet the needs of Piedmont's extremely low income households potentially including modified development standards for new multi-family buildings that include units for extremely low income families.

Description:

Piedmont presently allows second units to be as large as 1,000 square feet **if** the units are rent restricted to very low income households, including extremely low income households. The allowance for larger units if the unit is rented to a very low income household provides a strong incentive that benefits extremely low income families. A unit of this size would typically be associated with a two-bedroom apartment or carriage house, which could accommodate a three or four person extremely low income family. The City will pursue additional incentives to encourage the inclusion of units that are affordable to extremely low income households in new multi-family development. These incentives could include allowances for higher lot coverage and floor area ratios in Zone C for buildings that dedicate one or more units for extremely low income families.

Responsible Parties:	City Planner, Building Official
Timing:	2012
Funding:	Staff time (General Fund)

HOUSING

Quantified Objectives for Goal 6:

(1) Issue building permits to retrofit at least 20 homes with energy-saving devices, such as new windows, furnaces, insulation, and appliances between 2010 and 2014.

(2) Approve at least 25 applications for alternative energy sources, including solar panels, in Piedmont residences between 2010 and 2014.

(3) Achieve 100 % compliance with Title 24 energy efficiency requirements.

Goal 6: Sustainability and Energy

Encourage “greener” construction to reduce household utility costs and create healthier living environments.

Policies

Policy 6.1: Energy-Efficient Design

Require all new housing to be designed to encourage energy efficiency. Building design and construction methods should promote and support energy conservation.

See also Natural Resources Element Policy 16.2 on green building

Policy 6.2: Energy-Efficient Materials

Encourage major additions and remodeling projects to use windows, building materials, ventilation systems, and appliances which reduce home heating and cooling costs and conserve energy resources.

Policy 6.3: Weatherization

Encourage weatherization of existing homes to reduce heating and cooling costs and lower home energy bills.

See also Natural Resources Element Policy 17.2 on energy conservation

Policy 6.4: Renewable Energy

Maintain development regulations which accommodate the installation of solar panels and other devices which result in lower energy costs for homeowners and renters.

See also Natural Resources Element Policy 17.3 on alternative energy sources

Policy 6.5: Energy Retrofits

Support the use of federal, state, county, and utility-sponsored programs which provide financial assistance or incentives for energy retrofits.

Policy 6.6: Housing and Climate Change

Recognize the link between housing and climate change in the City’s decision-making process. Specifically, the City should strive to create additional local housing opportunities for persons employed within Piedmont in order to reduce commuting and associated greenhouse gas emissions. A particular emphasis should be placed on housing for municipal and school district employees, since these are the largest employers in the city.

HOUSING

Policy 6.7: Water Conservation

Encourage drought-tolerant and bay friendly landscaping as a way to conserve water, reduce greenhouse gas emissions associated with water transportation, and reduce homeowner water bills, thereby freeing up more income for other purposes.

See also Natural Resources Element Policy 16.3 on water conservation

Implementing Actions

- **Program 6.A: Title 24**

Continue to enforce Title 24 requirements for energy conservation.

Description:

The City will continue to require compliance with the Title 24 energy efficiency standards established by the California Energy Commission. Adhering to these standards can reduce energy costs in new construction by as much as 50 %.

Responsible Parties:	Plan Checker (Public Works)
Timing:	Ongoing
Funding:	Staff Time (Plan Check Fees)

See also Natural Resources Element Action 16.A on Title 24

- **Program 6.B: Green Housing**

Explore ways to encourage and incentivize greener residential construction.

Description:

“Green” construction has the potential to reduce home utility costs and produce healthier living environments. The City should use tools such as the “Build it Green” checklist to encourage greener housing construction. The City will also monitor proposed changes to the building code at the state level and amend its ordinances accordingly. In the coming years, this could include provisions to allow graywater recycling, which could reduce residential water bills.

Responsible Parties:	Building Official/City Planner
Timing:	Ongoing
Funding:	Staff Time (General Fund)

See also Natural Resources Element Action 16.B on green building

HOUSING

- *Program 6.C: Renewable Energy Funding Assistance*
Participate in the California FIRST Program, a countywide program which enables homeowners to finance renewable energy and energy efficiency improvements on their property.

Description:

In 2009, the City of Piedmont developed a Climate Action Plan (CAP) to help achieve local greenhouse gas reduction goals. Because it is a city of older single family homes, Piedmont must find ways to improve the energy efficiency of its existing housing stock in order to meet these goals. In December 2009, the City voted to join the California Statewide Communities Development Authority (CSCDA) and the California FIRST Program. This program enables property owners to voluntarily finance renewable energy, energy efficiency and water efficiency improvements on their properties. If an owner chooses to participate, the improvements will be financed by the issuance of bonds by CSCDA. CSCDA will then levy “contractual assessments” on the owner’s property to repay the portion of the bonds used to finance improvements on that property. While the assessment represents an additional housing expense, there are long-term savings from reduced utility bills.

Responsible Parties:	City Planner
Timing:	Ongoing
Funding:	Staff Time (General Fund)

HOUSING

▪ *Program 6.D: Financial Assistance*

Promote the use of programs which reduce residential energy costs.

Description

These programs include:

- Energy audits, which may be provided by PG&E or private vendors
- Rebates (sponsored by non-City entities) for the use of energy efficient appliances, and for the recycling of less efficient appliances.
- The federal Low Income Home Energy Assistance program (LIHEAP), which offers qualifying low income households financial assistance to offset energy costs (through weatherization or assistance in paying energy bills)
- “REACH” (Relief for Energy Assistance through Community Help), which is a PG&E program administered by the Salvation Army that provides energy assistance to low-income customers in the form of one-time payments for energy costs.
- CARE (California Alternate Rates for Energy) and FERA (Family Electric Rate Assistance), both programs which provide rate discounts for lower income households
- A Medical Baseline Allowance for persons with high medically related electric bills.

Information on these programs should be kept at the Planning and Building counter for interested residents, and should be accessible via links on the City’s website.

Responsible Parties:	Building Official/City Planner
Timing:	Ongoing
Funding:	PG&E and State/federal programs

HOUSING

Quantified Objectives for Goal 7:

(1) Follow-up on 100 % of all complaints received relating to fair housing.

(2) Approve 100 % of all housing development projects that meet the requirements of the City Code without regard for the personal characteristics of the applicant or occupants.

GOAL 7: EQUAL ACCESS TO HOUSING

Ensure that all persons have equal access to housing opportunities in Piedmont.

Policies

Policy 7.1: Housing Choice

Promote the development of housing for all persons regardless of race, religion, ethnic background or other arbitrary factor.

Policy 7.2: County Fair Housing Programs

Support and participate in Alameda County programs which ensure that all persons have equal access to housing.

Policy 7.3: Fair Housing Enforcement

Implement and enforce relevant State and Federal Fair Housing laws.

Policy 7.4: Fair Housing Education

Promote public education and awareness of fair housing requirements, and reduce public misconceptions about low income housing.

HOUSING

Implementing Actions

- ***Program 7.A: Public Information***

Make brochures and notices on fair housing laws available at City Hall.

Description:

This is an ongoing program that will be continued in the future. Pamphlets on fair housing laws and procedures are kept at the Planning and Building Counter. Materials should be provided in English, Spanish and Chinese to ensure that those in need are made aware of their fair housing rights. This information should also be posted on the City's website.

Responsible Parties: City Clerk
Timing: Ongoing
Funding: Staff Time (General Fund)

- ***Program 7.B: Fair Housing Referrals***

Continue the City's referral arrangement with ECHO Housing on fair housing issues and discrimination complaints.

Description:

The City presently refers discrimination complaints to the ECHO Housing, a Countywide non-profit agency. If mediation fails and enforcement is necessary, tenants may be referred to the State Department of Fair Employment and Housing or HUD, depending on the complaint.

Responsible Parties: City Clerk / City Planner
Timing: Ongoing
Funding: Staff Time (General Fund)

