

8 GOALS, POLICIES, AND PROGRAMS (AS REVISED)

INTRODUCTION AND BACKGROUND

This chapter of the Redwood City Housing Element contains the action plan for meeting the housing needs described in the previous sections. The 1999-2007 eight-year program builds upon the previous and ongoing activities the City has employed in the 1988-1999 Housing Element to protect and improve housing and adds programs to meet newly identified needs. Programs are added to address areas where previous goals were not met, and quantified objectives were increased where possible to better reflect previous accomplishments and encourage those continued good efforts.

The overall goal for housing is supported and defined by a set of housing policies. Policies are the adopted legislative position of City Council of Redwood City. These policies will be implemented by the administrative positions of the City staff, the conditions of project approval established by the Planning Commission or Zoning Administrator for the programs described in this chapter.

The City will continue to use its land use and housing development authority to facilitate housing production for persons at all economic levels. At the same time, it is recognized that affordable housing must be provided within a suitable living environment. The creation of the suitable living environment requires that the overall character of the community be preserved and enhanced.

Redwood City's commitment to housing is strong. In 2000, the City implemented an interim urgency ordinance to protect residential/mixed use, retail and industrial lands from the rapid proliferation of office growth. The ordinance enabled Redwood City to retain housing opportunities on land previously zoned from commercial to residential/mixed-use, and to maintain a balanced, healthy economic base. During the interim urgency period in 2000-2001, the City enacted new programs to expand and encourage the number of opportunities for housing to be built. In addition, it strengthened programs related to affordability, units at risk, and energy. In 2001, the City also planned for more housing through the preparation of a Downtown Area Plan.

The City has a Housing and Human Concerns Committee that provides guidance on housing policies and programs and a Housing Coordinator who manages a staff that implement many of the City's housing programs.

Redwood City recognizes its responsibility to provide for the housing needs of its residents beyond 2007. Therefore, programs to achieve an adequate land inventory for housing after 2007 are included. Redwood City further recognizes that housing does not occur in a vacuum. The most critical element in accomplishing housing that meets the needs of the residents is a strong economy with adequate living wage employment to support the needs of its labor force. Closing the gap between wages and housing costs is critical. Therefore, improvement of the skill level of the labor force in Redwood City is suggested in the economic policy in Appendix 1 to the General Plan. An implementation matrix outlining all the housing programs and policies with timelines (Figure 8-2) is provided at the end of this chapter.

HOUSING GOALS

Chapter 7 of the Housing Element characterizes and quantifies the city's current and projected housing needs. The city's housing programs set forth appropriate responses to those identified housing needs. The initial step in this process is the establishment of goals and policies that reflect the community's commitment to creating an attractive, balanced, and equitable housing environment.

Goal 1 Provision of Housing

Develop, improve, conserve, and preserve safe, affordable housing to meet the needs of all residents of Redwood City.

Goal 2 Well-Balanced Economy

Promote and retain a balanced, healthy economy in Redwood City that includes a diversity of jobs, while promoting the development of new housing within a satisfactory urban environment.

Goal 3 Special Needs Housing

Provide housing to meet the special needs of the disabled, elderly, large families, homeless, and single-headed households.

HOUSING NEEDS IDENTIFIED BY STATE LAW

Achievement of the housing goals requires the formulation of, and commitment to, specific housing policies and programs. The following policies and programs are designed to meet the needs described in earlier sections and attain the goals listed above. As required by State law, each program includes a quantified objective, agency responsible for implementation and time frames. The policies address the six basic housing needs identified by State law:

1. Identify adequate sites to meet identified housing needs.
2. Assist development of low- and moderate-income housing.
3. Address governmental and non-governmental constraints.
4. Conserve and improve the existing housing stock and preserve assisted housing at risk of converting to market rate status.
5. Promote equal housing opportunities.
6. Provide programs to meet other identified housing needs.

It is important to recognize that all of the policies work together to address the total housing need in Redwood City. Policies may further efforts in more than one area, but are not repeated. For instance, programs for ensuring adequate land for housing address physical land needs, but also work to offset constraints that impact affordability through increased housing opportunities. Similarly, programs may work in conjunction with each other to produce affordable housing. A program to use funds collected by the Redevelopment Agency to assist in the development of affordable housing may be combined with other housing programs (such as landbanking and/or density bonus programs) to produce affordable housing. Therefore, the quantified objectives for each program simply cannot be summarized to determine the total number of housing units that result from the implementation of all of the programs. Instead, the overlapping use of housing programs must be taken into consideration when determining the number of units that may result from implementation of the programs.

Adequate Sites to Meet Identified Housing Needs

Policy A: The City shall provide opportunities for Redwood City's share of regional housing needs for all income groups and encourage a variety of housing types.

Program A.1: Fair Share of Regional Need

The City will continue to evaluate the adequacy of its supply of land suitable for residential development and strive to provide sufficient land to allow the market to freely create all types of housing needed in the current and future planning periods. In the planning period 1999-2007, 2,544 sites suitable to accommodate residential development should be made available for the development of at least 534 very-low-income units, 256 low-income units, 660 moderate-income units, and 1,094 above-moderate income units. In 2001, there continues to exist in the city more than adequate sites zoned to meet the housing needs through 2007 as outlined in the Housing Element section on housing opportunities and Appendices E-1 and E-2. In August of 2003, the City Council also approved a water-recycling program to help ensure that an adequate water supply is available for, among other things, the City's determined regional housing need described in this Housing Element. The definition of income ranges is based on estimates made by the U.S. Department of Housing and Urban Development (HUD).¹

Responsible Bodies:

Redwood City Planning & Redevelopment Services, lead department

¹ In 2001 the income categories for a family of four persons are defined as: Very Low Income - \$0-42,500. Low income - \$42,500-\$68,000. Moderate Income - \$68,000 - \$96,100, and Above-Moderate \$96,100+.)

*City Council of Redwood City
 Planning Commission of Redwood City
 Redwood City Redevelopment Agency
 Quantified Objective:*

Sites zoned for at least 2,544 units through December 31, 2006, divided as follows - 534 very-low-income units, 256 low-income units, 660 moderate-income units, and 1,094 above-moderate income units.

Program A.2: Downtown Area Plan – The City, with the assistance of a citizen task force and the City’s urban design consultant, has prepared a Downtown Area Plan that identifies residential, retail and commercial sites for development and redevelopment within the Downtown District. This major planning program/effort is expected to yield opportunities for up to 3,410 additional housing units within the City’s Downtown District starting with three “catalyst sites”. As described in the Downtown Area Plan, the catalyst sites “have the potential for far reaching positive impacts beyond their localized area” and are considered a necessary precursor to initiate future housing development in the downtown. The catalyst sites were chosen for their downtown core locations, proximity to jobs, services and transportation (Caltrain/ Samtrans Station) and because of their size, since they would accommodate a sufficient number of housing units to create a critical mass. Conceptual site plan layouts for these properties are illustrated within the Downtown Area Plan. Housing Element Appendices E-1, E-2 and Map A (Site locations 1-3) also identify these properties.

Responsible Bodies:

*Redwood City Planning & Redevelopment Services, lead department
 City Council of Redwood City
 Redwood City Redevelopment Agency
 Planning Commission of Redwood City*

Quantified Objective:

Downtown Area Plan sites are primarily developed with underutilized one and two-story commercial and industrial buildings and/or surface parking lots that are ripe for development intensification. Of the roughly 70-acres proposed for residential development and redevelopment in the Downtown Plan area, approximately 30-acres, located in the R-4, R-5, CB, CBR and CG-R districts, already permit residential development at 36-43 units/acre (roughly 1,199 housing units), while roughly 40-acres located in the CG and IR districts, must be rezoned to allow residential development. The Precise Plan will establish new residential density criteria (35-60 units/acre) and will rezone identified commercial and industrial (CG and IR Districts) sites that are not currently zoned for residential use.

The City conducted a housing symposium to obtain early citizen input on housing programs envisioned in the Downtown Area Plan. In addition, the City is currently undertaking the preparation of the Environmental Impact Report (EIR), per the California Environmental Quality Act (CEQA), for the Housing Element-Downtown Area Plan EIR and is preparing the Downtown Area Plan Precise Plan. These planning efforts/tools will help to reduce residential developer costs and time by facilitating the development review process. Once completed, the Precise Plan will become the implementing tool of the Downtown Area Plan (similar to zoning or a Specific Plan). Adoption of the Area Plan, EIR and Precise Plan is expected in 2004.

The existing zoning of the Downtown Area Plan’s catalyst sites permits residential development. The City intends to foster residential development of these and other Downtown Area Plan sites by allowing reduced parking standards (many of the Downtown Area Plan sites, including the three catalyst sites, are within walking distance to the City’s Caltrain/ Samtrans Station), where appropriate, increasing residential densities and allowing flexible zoning standards to foster good urban design. In addition, the Redevelopment Agency is willing to utilize its Redevelopment powers, if necessary, and will target Redevelopment funds, if available, towards the catalyst sites in order to jump-start downtown residential development.

Since all of the Downtown Area Plan sites are located within the City's Redevelopment Area, 15% of the units produced will be affordable to very low, low and/or moderate-income households. (See Appendices E-1 and E-2 and associated Map A, Sites 1-8).

Program A.3: New Housing Opportunities within easy walking distance of the City's Downtown Caltrain/Samtrans Transit Center – Transit -Oriented Development

In the 1990s and in 2001, the City revised its Zoning Ordinance and General Plan in three downtown commercial districts to allow new housing opportunities near the City's Caltrain Station. The following mixed-use districts are all located within the boundary of the redevelopment area, which triggers a requirement that 15 percent of all redevelopment area housing be affordable.

a. Mixed Use CBR (Central Business Retail) Housing Program

In 2001, the City amended its General Plan to further expand the area designated mixed use, resulting in increased opportunities for housing. Prior to 2001, the City rezoned the Downtown retail core, which is located within walking distance to the City's multi-modal Sequoia Station transit center (Caltrain/Samtrans) to allow multi-family, high-density *residential development above ground floor retail as a permitted use*. Previously residential units were not allowed in the CBR zoning District.

b. Residential Use in the CA (Central Administrative) District

In 2001, the City amended the zoning ordinance to add residential uses as a permitted use in the Central Administrative (CA) zoning district. The amended zoning ordinance allows residential units on the ground floor and /or above ground floor commercial uses as a *permitted use* when located within 1,500 feet of the Sequoia Station- Caltrain/Samtrans transit hub. Previously residential units were not allowed in the CA zoning District.

c. Residential Use in the CB (Central Business) District

In 2001, the City amended its zoning ordinance to permit residential uses on the ground floor, as well as above the ground floor, enabling buildings to be completely residential in the CB District. The rezoned land lies adjacent to the downtown retail core and is located within walking distance to Redwood City's Caltrain/Samtrans transit hub. Previously, residential units were not allowed on the ground floor in the CB District.

It is expected that the more permissive zoning will promote housing development because it provides an option for another residential housing type – the all-residential building – in the CA and CB districts identified above, as well as providing more land for housing.

Responsible Bodies:

*Redwood City Planning & Redevelopment Services, lead department
City Council of Redwood City
Planning Commission of Redwood City*

Quantified Objective:

The CB, CBR and CA sites are primarily developed with underutilized, one and two-story commercial buildings and/or surface parking lots. Residential development within these zoning districts is currently permitted at 36-43 units/acre. Implementation of the Downtown Area Plan will result in higher densities than currently allowed for those CBR and CB district sites identified in the Downtown Area Plan.

The CA District is primarily an office district that is proximate to both ownership and rental housing. Redwood City currently has roughly a 37% office vacancy rate that will likely not be reabsorbed for 5-7 years. Therefore, the likelihood of these CA District sites redeveloping from office into residential is very feasible. Unlike sites proposed for housing within the Downtown Area Plan, the recently rezoned CA District sites did not contemplate higher residential densities than currently allowed under the existing zoning (36-43 units/acre). As such, the City will promote its Density Bonus Program of at least 25% in order to garner higher residential densities and greater affordability for very-low, low and moderate-income units.

Because the CBR, CB and CA district properties are located within walking distance to the City's downtown Caltrain/Samtrans Station and employment and service centers, the City will also offer reduced parking requirements, where appropriate, in order to help achieve greater affordability. Because all of the CBR, CB and CA properties are located within the redevelopment area, at least 15% of the units built will be affordable to very low, low and/or moderate-income households.

The award winning City Center Plaza Project, an 81-unit, very low and low-income, mixed-use housing project was completed in 1997 and is located on Main Street within the City's CBR (Central Business Retail) District. In 2003, the City also approved The Flats, a 15-unit condominium development located in the CB (Central Business) District on Walnut Street. (See Appendices E-1 and associated Map A, Sites 12, 13 & 22).

Program A.4: Mixed Use Programs for land not in downtown

**a. Residential Only and Mixed Use "CG-R" (General Commercial- Residential Overlay)-
Bair Island Road**

In 1989, the City rezoned a 20-acre portion of the Bair Island Road area, located east of Highway 101, from "CG" (General Commercial) to "CG-R" (General Commercial with a Residential Overlay or Mixed Use) District. All of the properties have been developed with residential units except for one 11-acre under-utilized (Pete's Harbor) site. A 44-acre Marina Shores Village project, which incorporates the 11-acre (Pete's Harbor) site, is currently proposed for, among other things, additional housing within the Bair Island Road area.

**b. Residential Only and Mixed Use "CG-R" (General Commercial- Residential Overlay) -
El Camino Real and Woodside Road**

In 1993, the City also rezoned most of State Routes 82 and 84, the El Camino Real and Woodside Road State transit corridors, from "CG" (General Commercial) to "CG-R" (General Commercial with a Residential Overlay or Mixed Use) zoning district (roughly 42-acres). The CG-R zoning district ***allows multi-family, high-density residential only and residential in combination with commercial at 36 to 43 units/acre*** where units were not previously allowed.

**c. Housing Incentive -Housing-Jobs Balance Program-
El Camino Real and Woodside Road**

In 2001, the City further amended its Zoning Ordinance to provide an incentive (additional commercial floor area) to property owners who choose to include residential units in addition to commercial space on land zoned CG-R (mixed use) along the two State transit corridors – El Camino Real and Woodside Road. This housing-jobs balance incentive program includes additional floor area for the commercial portion of a project when housing is included in a mixed-use project. In addition, this housing program established a minimum number of residential units that must be built in order to qualify for the additional floor area incentive.

Responsible Bodies:

*Redwood City Planning & Redevelopment Services, lead department
City Council of Redwood City
Planning Commission of Redwood City*

Quantified Objective:

The rezoning of Bair Island Road properties to CG-R District, (properties located outside of the Redevelopment Area, east of Highway 101), in the previous planning period, resulted in the development of 126 rental units by Irvine Apartment Communities and 43 townhouse units by Kaufman and Broad.

The Bair Island Road CG-R District properties located within the proposed 44-acre Marina Shores Village project identified above are currently developed with low-density commercial, warehouse and marina-related uses and surface parking lots. The developer of this project has proposed for-sale condo units. An

EIR for the Marina Shores Village project has been prepared and a Precise Plan is underway. As proposed, roughly 33-acres of the Marina Shores Village project would accommodate new residential development. Currently only the 11-acre Pete's Harbor site (a portion of the Marina Village project) is zoned to accommodate residential development (475 units). The City is currently working with the developer to garner at least 15% lower and moderate-income affordable units. This for-sale condo project is still being studied and so the final residential unit-count and number of affordable units have yet to be determined. The City anticipates that the Marina Shores Village Precise Plan, which will implement the residential rezoning of this property, will be completed in year 2004.

The CG-R sites identified above that are located along El Camino Real and Woodside Road are currently zoned to allow approximately 1800 housing units (within roughly 42-acres). Properties along these two transit corridors are currently developed with underutilized, one and two-story commercial developments.

With the City's new housing-jobs balance incentive program (outlined above), it is anticipated that additional housing units along El Camino Real and Woodside Road will occur during this planning period. Due to the location of these properties, on transit corridors near the Caltrain Station and along Samtrans bus line, it is highly likely that the properties will be developed with rental rather than for-sale housing. Affordable housing for lower-income households can be more easily achieved with rental housing.

The City will require future projects to provide 15% affordable units and/or promote its Density Bonus Program of at least 25% for these sites in order to garner higher residential densities and affordable units. Because the El Camino and Woodside properties are located within walking distance to transit and/or Downtown District employment and services, the City will also explore reduced parking requirements, where appropriate, in order to help achieve greater affordability. Most of the transit corridor sites outlined above are also located within the redevelopment area; as such, at least 15% of the units developed will be made affordable to very low, low and/or moderate-income households.

During this planning period, 217 new housing units have been built and approved for construction along the El Camino and Woodside Road transit corridors. The Franklin Project (206-rental units of which 15% are affordable) was completed in 2001. In 2003, the City also approved eleven additional housing units within two projects located at 150 El Camino Real and 885 Woodside Road. Sixty-units will also be developed within very-low, low and moderate-income units during this planning period on the city-owned El Camino/Vera site. (See Appendices E-1, E-2 and Maps A-D and F).

Program A.5: High Density Housing Zoning Districts

As previously described, the Downtown Area Plan parcels can currently be developed at 36 to 43 units/acre depending on parcel size (1,199 housing units). The Downtown Area Plan will create higher residential densities (of 35- 60 units/acre, including 3-bedroom affordable units) for up to 2,710 to 3,410 units within the Downtown District.

Responsible Bodies:

*Redwood City Planning & Redevelopment Services, lead department
City Council of Redwood City
Planning Commission of Redwood City*

Quantified Objective:

Adoption of the higher zoning densities will occur with adoption of the Downtown Area Plan's Precise Plan in 2004. Because the housing sites are located within the redevelopment area, at least 15% of the units built will be affordable to very low, low and/or moderate-income households. (See Program A.1 and Appendices E-1 & E-2, Map A).

Program A.6: Transition between Single Family Residential and High Density Residential land uses

The City shall promote compatibility between single-family residential and high-density residential land uses by preparing development standards that address the transition between these land uses. These

standards shall be added to the zoning ordinance. The adjacency of appropriate zoning districts and mitigations for impacts, such as shadows and maintenance of privacy, shall be addressed.

Responsible Bodies:

*Redwood City Planning & Redevelopment Services, lead department
City Council of Redwood City
Planning Commission of Redwood City*

Quantified Objective:

Standards to promote compatibility of the single-family residential district with districts permitting high-density residential uses shall be considered for addition to the zoning ordinance in 2003.

Affordable Housing – Assistance for the Development of Housing Affordable to Lower and Moderate-Income Households

Policy B The City will provide housing opportunity for Redwood City's share of the regional housing need for all income groups, with priority given to very low- and low-income households.

Program B.1: Educational Outreach

The City will continue to publish a bi-annual Housing Programs Newsletter to: 1) inform Redwood City citizens about available housing opportunities/programs within the City and San Mateo County, 2) educate the public about the myths and benefits of affordable housing, 3) help build consensus within neighborhoods where affordable housing is proposed and 4) minimize resident concerns about affordable projects by providing visual examples (photos) of well designed affordable housing projects. The City's new housing web site will also provide updated housing program information.

Responsible Bodies:

Redwood City Housing Coordinator, lead official

Quantified Objective:

Bi-annual newsletters are distributed citywide that focusing on housing opportunities and accomplishments during the 2001-2006 planning period. The new housing web site that provides housing program information has been on line since February 2002.

Program B.2: Redevelopment Agency/City Funded /Assisted Programs

The City shall provide subsidies, when funds are available, and the projects are appropriate, to residential developers in order to ensure the continued production of very low-income units. The Redevelopment Agency shall continue its practice of negotiating to provide some larger three- and four-bedroom units for affordable rental housing.

Discussion: Redevelopment Agency funds and requirements for construction of affordable housing will be the primary impetus for new construction of affordable units over the next five years. Redwood City has a large (1,173-acres approximately) redevelopment area encompassing its downtown and surrounding area, as well as areas outside of the downtown. The location and size of this area coupled with the city's initiative to plan its downtown and surrounding area to include much more housing than exists today will result in new affordable housing units.

Low and Moderate Income Housing: Under California Redevelopment Law, over the life of the Redevelopment Plan (2028), 15 percent of all residential development within the Redevelopment Area must be made affordable to very low to moderate income households, unless the project is built by the Redevelopment Agency in which case the requirement is 30 percent. In addition, relocation assistance must be provided to lower and moderate-income households that are displaced as a result of new construction within the Redevelopment Area.

Very Low-Income Housing: Most *very low-income housing* cannot be developed without financing and other subsidies required to write down the cost of land or other development incentives necessary to reduce construction costs. *Subsidized housing* projects within the City's Redevelopment District,

combined with an allowance for higher densities (density bonus ordinance), can create housing for very-low income groups. California Redevelopment Law requires that 40 percent of the 15 percent described above be affordable to households with very low income. This translates to 6 percent of the total number of units.

The Franklin Project, a private/Redevelopment Agency-sponsored mixed-use development, is currently planned and zoned to allow *506 new residential units*. Phase I was completed in November of 2002 with *206 rental units*. Three hundred (300) additional homes are currently zoned for residential units within the 2001 -2006 planning period for the balance of the project site, although the city has increased this total to 360- 440 units in response to recommendations contained in the Downtown Area Plan. Fifteen percent of these housing units will be affordable to very-low, low, and moderate- income households.

The Redevelopment Agency also purchased the 1) Rolison Road site to develop 36 very-low income ownership-housing units and 2) three properties along El Camino Real/Vera Street to develop 60 *very-low, low and moderate income* ownership housing units. This affordable housing program is ongoing and has been strengthened through the Downtown Area Plan to increase housing production.

Responsible Bodies:

*Redwood City Planning & Redevelopment Services, lead department
Redevelopment Agency of Redwood City
Planning Commission of Redwood City*

Quantified Objective:

	<u>Number of Units</u>	<u>Moderate Income</u>	<u>Low Income</u>	<u>Very Low Income</u>	<u>Years</u>
<i>Franklin Project (I&II)</i>	<i>566-646</i>	<i>51-58</i>	<i>0</i>	<i>34-39</i>	<i>2002&2007</i>
<i>El Camino/Vera</i>	<i>60</i>	<i>28</i>	<i>25</i>	<i>7</i>	<i>2004-5</i>
<i>Rolison Road</i>	<i>36</i>	<i>0</i>	<i>0</i>	<i>36</i>	<i>2001-3</i>
Total	662- 742	79-86	25	76-81	

Financing:

Redevelopment funds, CDBG and HOME funds, Private sector funds, Staff time

Program B.3: Affordable Housing Required

The City shall continue to require affordable housing units when appropriate. The City requires affordable housing units in several situations: inclusionary requirements applied to the City’s sizable redevelopment area, requirements negotiated through development agreements, and requirements resulting from approval of tailored plans such as specific plans and precise plans.

Discussion: Redwood City’s three redevelopment areas encompass 1,173-acres. The largest redevelopment area is within the Downtown District and surrounding downtown area, which is proximate to public transit, downtown services and employment centers. Pursuant to California Redevelopment Law, it is the City’s policy to require 15% of the units to be affordable when housing is built in a redevelopment area, regardless of whether or not the developer requests Redevelopment Agency assistance for such things as land acquisition and eminent domain.

The Redwood Shores Lido Neighborhood (located outside of the Redevelopment area) Specific Plan produced 20 very-low income units. Redevelopment Agency-sponsored projects have produced from 15% to 100% below market rate units within all Agency-sponsored residential projects between 1989 and 2006. There is a need for affordable three-bedroom rental units, which the City/Redevelopment Agency can (and has) negotiate/require as conditions of development agreements and/or precise plans.

Responsible Bodies:

*Redwood City Planning & Redevelopment Services, lead department
City Council of Redwood City
Planning Commission of Redwood City*

*Redevelopment Agency**Quantified Objective:*

Fifteen percent of the 2,710- 3,410 housing units built within the boundary of the Downtown Area Plan Redevelopment Area are required to be for very low-, low- and moderate-income housing. The City also promotes its Density Bonus Program and provide other incentives such as its mixed-use parking ordinance that allows reduced/flexible parking, where appropriate, in order to facilitate the development of affordable units. Refer to Appendix E-2

Program B.4: In-law Unit Ordinance

The City revised the in-law unit ordinance to increase infill residential development within existing single-family residential properties. The limited size of the units (one bedroom) helps to control affordability. The City anticipates these units will accommodate moderate and lower-income seniors, students, workforce singles and two-person households.

Discussion: Staff identified roughly 1,900 *in-law unit sites* that can be built throughout the City. This housing program produced *66 new housing units* during the previous planning period, leaving 1,834 sites remaining. In 2003, the City revised its In-law Unit Ordinance, commensurate with Government Code 65852.2. This new state legislation requires cities to approve in-law units ministerially.

Responsible Bodies:

*Redwood City Planning & Redevelopment Services, lead department
City Council of Redwood City of Redwood City
Planning Commission of Redwood City*

Quantified Objective:

Sites exist for 1,834 units in the planning period 1999- 2007. City staff anticipates that the number of secondary units will double during this planning period (for a total of 132 units or roughly 16-17 units/year), given the new State legislation that facilitates the development of these units and given the City's more aggressive marketing of secondary units (new planning counter information handouts and the City's Housing Website that offer information about secondary units). These small rental units will likely be affordable to moderate and low-income households depending on their location/neighborhood. The number of these units will likely increase as new homebuyers try to find ways to defray high mortgage costs and as the growing senior population try to find ways to supplement their retirement incomes. The In-Law Unit Ordinance is an ongoing affordable housing program.

Program B.5: State of California Density Bonus Ordinance

The City shall promote development of affordable units by publicizing the availability of higher residential densities (using existing density bonus ordinance), land donations, and subsidies for land, infrastructure and other economic incentives. The City will publicize these incentives on its new application forms for development, which will be available on the internet and over the counter at city hall.

Discussion: All multi-unit-housing developers can qualify for this affordable housing incentive program. To date, the incentive program has been used in some housing developments sponsored by public and non-profit entities, such as in City Center Plaza, but not by private sector developers. The City will raise the visibility of this on-going program by adding it on its development application forms and through advertising in the City's bi-annual Housing Newsletter (which is available to the public on the internet and through citywide mailings). This program, when combined with other housing incentives, such as flexible parking standards, will assist the City in meeting its regional fair-share affordable housing needs.

Responsible Body:

Redwood City Planning & Redevelopment Services, lead department

Quantified Objectives:

The revised application forms and Housing Newsletter with notice of the density bonus program will be available by the third quarter of 2002.

Program B.6: Landbanking Fund Program:

The City will continue to landbank funds to directly facilitate the development and continuation of affordable housing opportunities and assist in the development of affordable housing projects during the 2001 –2006 planning period. The City will consider applying for state and federal funds that may become available during 2001-2006.

Community Development Block Grant Program

The City's Consolidated Planning Strategy continues to **target 40% of the City's annual CDBG entitlement for affordable housing during the 2001-2006 planning period.** This targeting would yield approximately \$360,000 annually from CDBG funds for land acquisition, acquisition/rehabilitation, and land banking activities that can be used to subsidize new affordable housing units. These funds are used to support the Landbanking Program.

HOME Investment Partnership Act Program:

The City's Consolidated Planning Strategy continues to **target 95% of annual HOME entitlements for housing activities during the 2001-2006 planning period** for the express purpose of supporting low and very low-income housing production.

Redevelopment Housing Set-aside funds:

Redevelopment Housing Set-aside funds can be used to leverage other funds to increase the landbanking program.

Responsible Bodies:

*Redwood City Housing Coordinator and Redwood City Redevelopment Agency, lead departments
Redwood City Planning & Redevelopment Services,
City Council of Redwood City
Planning Commission of Redwood City
Housing and Human Concerns Committee*

Quantified Objective: This program will use CDBG and HOME funds and operates in conjunction with other programs. In 2001-2007 at least 100 units will be produced within the planning period (i.e. 36 Rolison Road, 60 El Camino /Vera and 4 Main Stambaugh units).

Program B.7: Density Bonus and Condo Conversion – The City shall strive to maintain the supply of multi-family, rental housing by setting standards and providing incentives related to the conversion of rental units to ownership units. Under City law, when an applicant for a condo conversion agrees to provide at least 33 percent of the total units to households with low or moderate income, or 15 percent to households with lower income, the City shall grant at least a 25 percent density bonus or other incentives of equivalent financial value.

Discussion: Over the years the city has improved its standards for multiple family housing. These requirements, together with additional requirements for converting rental apartments to condominiums, help the city maintain its stock of multi-family, rental units.

Responsible Bodies:

Redwood City Planning & Redevelopment Services, lead department

Quantified Objective: Based on current stringent conversion requirements, the City does not expect that there will be condominium conversions during the 1999 -2006 planning period.

Special Needs Groups

Policy C: The City will provide opportunity for, and encourage, the development of adequate housing for the city's special needs groups, including large families, single-parent-headed

households, the elderly, the disabled, and those in need of emergency shelter and transitional housing.

Program C.1: New Ownership Housing

The City shall seek opportunities to assist in the acquisition of land/buildings for construction of new *ownership* housing with the use of *Redevelopment Agency Housing Set-Aside funds, HOME funds and CDBG funds.*

Responsible Bodies:

*Redwood City Redevelopment Agency
Redwood City Planning & Redevelopment Services, lead department
City Council of Redwood City
Planning Commission of Redwood City
Redwood City Housing and Human Concerns Committee*

Quantified Objective: The Rolison Road and El Camino /Vera Projects will produce 43 very low- income and 25 low-income units by 2003 & 2005.

Program C.2: Emergency Shelter / Transitional Housing Sites and Programs:

All residential, commercial and industrial zoning districts either out-right permit or conditionally permit, subject to a Use Permit, quasi-public uses such as emergency shelters and transitional housing for homeless populations.

- a. **Emergency Shelter Program** One trend in emergency housing is the move toward *larger facilities* located in *industrial areas* for night stay when neighboring businesses are closed. Another trend in the provision of meeting emergency shelter needs has been a "*rotating sleeping churches*" concept, whereby churches in a jurisdiction rotate responsibility for using the church sites as overnight shelter for up to 30 days per church.
- b. **Transitional Housing** The trend for transitional housing is to use *smaller facilities* serving six or fewer persons *within residentially zoned parcels*. This trend is the result of neighborhood resistance to the approval of larger facilities within single family and multifamily residential zones. A Use Permit is not required for group facilities serving six or fewer persons. Theoretically, more available sites can be provided, however, operating transitional housing for six persons is not always cost effective.
- c. **Cooperative Funding Agreements** Funding agreements are approved by the City to increase the number of shelter beds on a countywide basis. The City has historically allocated funding annually from its Community Development Block Grant entitlement for the operation and acquisition or rehabilitation of sites used for emergency shelter and transitional housing.

Redwood City supports the delivery of sites for emergency shelter and transitional housing through a **countywide regional approach** with the objective of locating facilities at the northern, central and southern portion of San Mateo County and contracts with the **County Shelter Network** operator. Based on the County's desire to provide centralized locations countywide for homeless facilities, there is an emerging trend for local jurisdictions to support countywide facilities near their jurisdiction. Access and referrals are made according to supply and demand (for example, a homeless family with physical disabilities might be served in Menlo Park or Daly City where the facilities are wheelchair accessible). A non-disabled homeless family from Daly City or Menlo Park might be served at **Redwood Family House** in Redwood City. The most current **south county facility**, located in Menlo Park, is being **financially supported by Redwood City** for Redwood City clients because the high cost in delivery of homeless programs is operation, not capital facilities.

The trend in San Mateo County moves away from designating sites for homeless activities and focuses on maximizing delivery of services, such as childcare and job training, at the existing facilities to serve residents on a countywide basis. Redwood City participated in funding the newest shelter located in South San Francisco (North County). By **sharing resources**

countywide, the cost of operation is more effective and delivery of services is coordinated by the County's Homeless Coordinator allowing cities within the county, therefore, to focus more resources toward the development of affordable housing and job training as long term solutions to homelessness.

Responsible Bodies:

Redwood City Housing Coordinator, lead official

City Council of Redwood City

Planning Commission of Redwood City

Redwood City Housing and Human Concerns Committee

Quantified Objective: Continue to support the emergency shelter and transitional housing programs with the use of CDBG funds and the City's general fund. The Conditional Use permit is a vehicle used by the City to facilitate homeless shelters and transitional facilities since most shelters are operated by not-for-profit organizations. The City's Zoning Administrator can grant Conditional Use Permits to allow homeless facilities to exist in areas not zoned for housing. This improves the processing time for these developments since the Zoning Administrator holds weekly hearings, whereas the Planning Commission hearings are held bi-monthly. By considering that the facility will provide a public benefit carried out by a non-profit organization, the Zoning Administrator can determine that the activity meets requirements for Quasi-Public Use and can grant the Conditional Use Permit subject to California Environmental Quality Act findings. An example of this is the Maple Street Shelter, which is located in an IR zone. The community acceptance of this project was maximized because this particular use was not placed in a residential neighborhood, where the project may have failed. In 2001 the City rezoned the CP and IR zoning districts such that quasi-public uses are now permitted by right (i.e. without the need for a Conditional Use Permit).

Program C.3: Small group homes

The City shall seek opportunities to assist non-profit operators to acquire and/or rehabilitate residential group housing to serve six or fewer special needs populations with the use of *CDBG funds, HOME funds and Redevelopment Agency Housing Set Aside funds*. In accordance with State law, the City permits, without any discretionary city approvals, facilities with six or fewer residents in all zoning districts throughout the city.

Responsible Bodies:

Redwood City Planning & Redevelopment Services, lead department

City Council of Redwood City of Redwood City

Planning Commission of Redwood City

Redwood City Housing and Human Concerns Committee

Quantified Objective:

The City anticipated one small residential group home each year from 1999-2007.

Program C.4: Community Care Facilities/Group Homes

Unlike other cities that confine larger sized (greater than six residents) community care and group home facilities to one or two designated areas within their city, Redwood City permits these and other quasi-public uses, in most commercial and industrial zoning districts. Larger sized, community care and group home facilities are also potentially allowed with a Use Permit in all residential districts.

In 2001, Redwood City housed the second largest number of group home and community care facilities in San Mateo County, as shown in Appendix C. State law permits (without any discretionary city approvals) facilities with six or fewer residents in all zoning districts throughout the city. The City expects these programs to continue.

Responsible Bodies:

Redwood City Planning & Redevelopment Services, lead department

City Council of Redwood City

*Planning Commission of Redwood City
Redwood City Housing and Human Concerns Committee*

Quantified Objective:

Maintain the ability of the current zoning to permit community care and group homes (refer to Quantitative Objective C.2 & C.3). Five affordable units per year in 1999-2007.

Program C.5: First Time Home Buyer Program

The City will assist with homeownership opportunities through a First Time Home Buyer Program revolving fund. Sources of funds include the following:

- a. **Secondary Financing and Down Payment Assistance Program** - Review program guidelines for secondary financing and down payment assistance to eligible homebuyers who purchase housing in Redwood City. Funds are currently budgeted for this program.
- b. **Mortgage Credit Certificate Program** - Continue to renew a Cooperative Agreement with San Mateo County to administer Mortgage Credit Certificates for low and moderate -income Redwood City residents.
- c. **Homeownership Programs** are funded by the following sources:
 - California Housing Finance Agency (CHFA) funds
 - Federal HOME Funds
 - Mortgage participation agreements with private lenders who sell the loans to the Federal National Mortgage Association (FNMA)
 - Mortgage Credit Certificates used to increase spending income and
 - FHA 203k acquisition/rehabilitation loans for homebuyers purchasing existing housing in need of rehabilitation
 - Redevelopment Set-aside Housing Funds and Federal Block Grant Funds used to leverage other funding in the form of silent second mortgages or down payment assistance loans.
- d. **Resale Restriction Guidelines** – Sets forth terms and conditions for resale of ownership units developed by the City or Redevelopment Agency. This program assures that the City or Agency has First Right of Refusal for Resale units, that turnover units are made available to eligible qualified buyers, and that the resale units remain affordable for the longest period of time (30-55 years).

Responsible Bodies:

*Housing Coordinator, lead official
Redwood City Planning & Redevelopment Services
City Council of Redwood City
Planning Commission of Redwood City
Redwood City Housing and Human Concerns Committee*

Quantified Objective: 10 – 15 first time homebuyers per year during the planning period 2001 - 2007.

Program C.6: Efficiency Unit Affordable Housing Program

The City shall encourage efficiency units in rental housing to accommodate seniors and individuals who work in Redwood City. The program could utilize *Redevelopment Agency Housing Set-Aside funds* to facilitate an inventory of subsidized and market-rate units in private developments.

Responsible Bodies:

*Redwood City Housing and Human Concerns Committee, lead entity
Redwood City Planning & Redevelopment Services
City Council of Redwood City
Planning Commission of Redwood City*

Quantified Objective:

Efficiency units are currently permitted in higher-density residential and mixed-use zoning districts.

Program C.7: Incentive Program to Allocate Units to Service Occupations

Develop a program to offer incentives for developers of market rate housing when they agree to set aside affordable units within private developments. This program can be used to increase the number of low and very low units in Redwood City and to target units to service occupations - i.e., public safety workers, school teachers, hospital workers, workers in service industries, etc.).

Responsible Bodies:

*Redwood City Planning & Redevelopment Services, lead department
City Council of Redwood City
Planning Commission of Redwood City
Redwood City Housing and Human Concerns Committee*

Quantified Objective: An incentive program, including appropriate findings, by 2003

Program C.8: Acquisition of Land for Construction of New Affordable Rental Housing

The City will consider a land subsidy for a mixed unit project which could include unit sizes ranging from efficiency units to multiple bedrooms to accommodate housing needs of various populations, including individuals, families, seniors and special needs populations.

Responsible Bodies:

*Redwood City Planning & Redevelopment Services, lead department
City Council of Redwood City
Planning Commission of Redwood City
Redwood City Redevelopment Agency
Housing and Human Concerns Committee*

Quantified Objective:

At least 100 affordable units in the 2001-2007 planning period. This program would utilize CDBG Funds, HOME funds, Redevelopment Agency and Housing Set Aside funds and operates in conjunction with other programs.

Program C.9: Childcare

The City shall assess the potential demand for child care generated by proposed, large residential developments and facilitate the development and acquisition of space for child care centers and family child care homes.

Responsible Bodies:

*Housing Coordinator, lead official
Childcare Coordinator
Redwood City Planning & Redevelopment Services
City Council of Redwood City
Planning Commission of Redwood City
Redwood City Redevelopment Agency
Housing and Human Concerns Committee*

Quantified Objective: Space for child care and child care services for residents of housing developments, with emphasis on residents of affordable units using CDBG Funds.

Program C.10: Elder Care

The City shall continue to contract with service providers for elder care for Redwood City residents.

Responsible Bodies:

*Housing Coordinator, lead official
Redwood City Planning & Redevelopment Services
City Council of Redwood City
Housing and Human Concerns Committee
Senior Affairs Commission*

Quantified Objective:

Elder care services provided for approximately 65 elderly Redwood City residents per year using CDBG Funds.

Program C.11 Independent Living

The City shall continue to provide housing rehabilitation assistance and accessibility modification to existing residential structures for persons with disabilities and for frail and elderly persons by contracting with appropriate providers.

Responsible Bodies:

*Housing Coordinator, lead official
Redwood City Planning & Redevelopment Services
City Council of Redwood City
Housing and Human Concerns Committee*

Quantified Objective:

Continue to provide CDBG funds for the Housing Accessibility Modification program operated by the Center for Independence of the Disabled (CID).

Program C.12 Disabled Persons

The City is currently undertaking an analysis of governmental constraints affecting access to housing and supportive services and affordability for housing for persons with disabilities based on guidelines prepared by the California Department of Housing and Community Development (SB 520). The analysis will address the City's permit process, zoning and other regulatory standards, code enforcement, access to public participatory processes, and other relevant topics relating to access for persons with disabilities. Should any constraints be identified, the City will adopt appropriate programs that will mitigate the impediments to housing for persons with disabilities.

Responsible Bodies:

*Housing Coordinator, lead official
Redwood City Planning & Building Services
City Council of Redwood City
Housing and Human Concerns Committee*

Quantified Objective:

Complete analysis in the fall of 2003 and adopt programs to mitigate impediments in the spring of 2004.

Removal of Governmental and Non-governmental Constraints on the Development, Conservation, and Rehabilitation of Housing

Policy D Redwood city will continue to evaluate whether the city's, county's, regional agencies', and state's site improvement standards, development review procedures, and development fees form a constraint to the development, conservation, and rehabilitation of housing and will seek opportunities to reduce or eliminate governmental and non-governmental constraints.

Program D.1: The City will seek opportunities to reduce constraints through Program E.3 and has removed government constraints through the following programs:

- a. The City reduced development requirements for duplexes in four zoning districts (R-2 through R-5) through amendments to the zoning ordinance. Required lot widths were reduced from 60 feet to 50 feet for duplexes. The revision increased the number of duplex housing sites for moderate to lower-income families. These units will tend to be smaller rental units which should help to control affordability.

Discussion: This housing program produces opportunities for 134 new housing units for moderate to lower- income households. This housing program is ongoing.

Responsible Bodies:

Redwood City Planning & Redevelopment Services, lead department

City Council of Redwood City of Redwood City

Planning Commission of Redwood City

Quantified Objective:

Approximately five units per year during the planning period 1999 - 2007.

- b. Revised "In-law" Unit Ordinance to facilitate infill development as described in Program B.4.
- c. Expanded the list of allowable uses to include residential uses along Woodside Road, El Camino Real and Bair Island Road and provided a housing-jobs balance incentive program or bonuses to the maximum floor area ratio when housing is built. Accomplished through amendments to the Zoning Ordinance.
- d. Expanded the list of allowable uses to include residential uses in the following zoning districts: CB- Central Business, CBR- Central Business Retail, and CA- Central Administrative. Accomplished through amendments to the Zoning Ordinance and General Plan.
- e. Implemented the Planned Development Ordinance that allows flexible zoning standards.
- f. Implemented the State Density Bonus Program for affordable units.
- g. Implemented the State Manufactured Housing law for affordable units.
- h. Created the "Mobil Home Park" District to protect and preserve existing very low- and low-income mobile homes.
- i. Adopted a "Mixed-Use" Parking Ordinance standard that allows for reduced parking.
- j. Implemented the State's "burn down" code, which preserves the number of destroyed nonconforming units involuntarily destroyed by allowing the same number of units to be rebuilt instead of requiring the site to conform to the standards for lower density, which may have been adopted subsequent to the original construction. As a City with an older housing stock, Redwood City has an extensive number of these nonconforming units.
- k. Expedited permit processing – All City departments have been reorganized and participate in a "Continuous Improvement Program," which is based on customer service. Improvements (are described in the section on government constraints) include:
 - Counter Team Cross-Training
 - One Stop Permit Shop – for over the counter and 24 hour project approvals
 - Expedited Permit Review Procedures
 - Plan Review Committee provides coordination, predevelopment plan review, and expedites the permit process and customer service
 - Simplified Building and Planning Codes and elimination of some Building and Planning Codes
 - Elimination of Architectural Permit fees for single story residential additions
 - Ministerial approval of In-Law Units that meet new State legislation and City codes/guidelines
 - Combined Building and Engineering Inspections
 - Creation of standardized building permit forms and procedures and development of a Standards Construction Handbook
 - Developed and improved public information handouts and website housing information
 - Provided extended hours of operation including evening and weekend hours, and
 - Provided services via 24-hour voice mail, Fax, E-Mail, and on line at the City's web site, for example application forms are available at the City's web site.

Program D.2: State Manufactured Housing Law

The City complies with the State Manufactured Housing Law, which allows affordable type construction on all residentially zoned (R-1 through R-5) properties.

Discussion: The City approved *eight manufactured housing* applications within the 1988-99 planning period. Manufactured housing is affordable because it is a low cost type of construction.

Responsible Bodies:

*Redwood City Planning & Redevelopment Services, lead department
City Council of Redwood City of Redwood City
Planning Commission of Redwood City*

Quantified Objective:

Five affordable units per year in 1999-2007.

Program D.3: Planned Development (PD) and Precise Plan Ordinance Housing Program

Allows clustered development on smaller lots (including zero-lot line development) to encourage multi-unit rental and for-sale units. The PD and Precise Plan Ordinances also allow exceptions to height limitations, setbacks, lot coverage, parking and other requirements for residential development.

Discussion: The PD and Precise Plan Ordinances are a very popular, well-used, on-going housing incentive program, which the City encourages. All multi-unit-housing developers can qualify for the PD housing incentive program.

Responsible Bodies:

*Redwood City Planning & Redevelopment Services, lead department
Planning Commission of Redwood City*

Quantified Objective:

A Precise Plan for the Downtown Area Plan units is currently underway and will likely be completed in 2003. All multi-family residential developments of five or more units are eligible for the flexible development standards allowed under the City's PD Ordinance.

Program D.4: Flexible, Shared Parking Mixed-Use (Residential/Commercial) - Zoning Ordinance mixed-use parking requirements for residential uses are 1 space for studios and 1 bedroom and 2 spaces for 2 or more bedrooms plus 75 percent of the normally required parking for commercial development. The shared parking provision reduces project costs and increases the number of units that can be built.

Responsible Bodies:

*Redwood City Planning & Redevelopment Services, lead department
City Council of Redwood City of Redwood City
Planning Commission of Redwood City*

Quantified Objective: This program is in existence and applies to all mixed-use projects.

Not quantifiable.

Program D.5: The City addresses the reduction of non-government constraints (the high cost of land and development, the shortage of water supply, wastewater treatment, and the city's status as nearly built out) through programs A.1-A.5, B.1-B.8, C.1-C.10, E.1-E.3, F.1-F.6 and I.1.

Policy E. The City shall ensure the availability of adequate public facilities, water supply, parks and open space for the expected housing and residents in the city.

Program E.1: The City shall plan for the adequate provision of water, wastewater treatment, solid waste disposal capacity, parks and open space to meet the needs of expected population growth through 2020.

Discussion: In 2001, the City is using more water than its contractual supply assurance from the San Francisco Public Utilities Commission (SFPUC). If the City is unable to continue to purchase excess water beyond its supply assurance, it will need to reduce demand to the contractual assurance level of 10.93 million gallons per day (annualized average). In addition, as a party to a regional "Interim Water Supply Allocation Plan," Redwood City will be required to reduce water demand by 31 percent if there is a SFPUC system-wide shortage /drought of 20 percent. Accordingly, in 2003, the City approved a water-recycling program that will increase water capacity by 2000 acre-feet. The water-recycling program provides sufficient water supply for future development within the City. The City can expect to develop

this alternative source of water supply and a means to finance it and/or require new development to bring water supply with them from other agencies in the SFPUC regional service area that may be willing to sell unneeded supply.

Responsible Bodies:

*Redwood City Public Works Services Department, lead department
City Council of Redwood City of Redwood City
Planning Commission of Redwood City
Parks and Recreation Department
Parks and Recreation Commission*

Quantified Objective:

Plans to provide an adequate supply of water, wastewater treatment, solid waste disposal capacity, parks and open space to meet the needs of expected population growth through 2020

Program E.2: The City shall require water conservation measures such as low flow plumbing fixtures in all new developments and shall implement its adopted Water Conservation Policy and Guidelines to promote efficient water use through proper landscape design and management in all new developments. Emphasis will be not only on conserving water in new developments, but also reducing the demand for water in existing developments. The recently adopted water recycling program should also help to provide for future residential growth and development.

Responsible Bodies:

*Redwood City Building Department, lead department
City Council of Redwood City
Planning Commission of Redwood City
Redwood City Planning & Redevelopment Services*

Quantified Objective:

Reduction in per household water demand for all new units constructed.

Program E.3: Redwood City shall carefully review all plans and proposed policies of the City/County Association of Governments (CCAG), Bay Area Air Management Board, Metropolitan Transportation Commission, the San Francisco Public Utilities Commission, the Association of Bay Area Governments, and City's impact fees and will work with those agencies and departments to negotiate standards that do not unnecessarily constrain Redwood City's ability to meet its existing and future affordable housing need. The City shall work with the County to initiate an amendment to the Congestion Management Program to provide as an example, a credit of one peak period trip for each affordable housing unit in a multifamily development.

Responsible Bodies:

*Redwood City Planning and Redevelopment Services, lead department
Redwood City Housing Coordinator
Redwood City Public Works Services Department
Redwood City Engineering Department
City Council of Redwood City
Redwood City Economic Development Coordinator*

Quantified Objective:

Not quantifiable.

Conservation and Improvement of the Housing Stock and Preservation of Assisted Housing

Policy F: The City will continue rehabilitation programs to upgrade housing units throughout the city and will continue to preserve units at risk.

Program F.1: Acquisition and Rehabilitation of Existing Housing - Assist non-profit organizations to acquire and operate multifamily housing for families, individuals, and seniors. Facilitate the acquisition or rehabilitation of existing housing for low-income and special needs populations.

Responsible Bodies:

Redwood City Housing Coordinator, lead official

City Council of Redwood City

Planning Commission of Redwood City

Redwood City Home Improvement Loan Committee

Quantified Objective: 130 units in the 2001-2006 planning period using CDBG funds.

Program F.2: Home Improvement Loan Program – To maintain the quality and affordability of older neighborhoods, the City shall continue to implement its Home Loan Improvement Program and participate in the Community Development Block Grant and Rental Rehabilitation programs. Since 1977, the City has rehabilitated approximately 725 housing units under these programs. Over the term of the 1989-99 Housing Element, approximately 472 units have been rehabilitated from seriously substandard/uninhabitable to current health and safety code standards. In addition, the City shall promote the use of energy conservation measures in the rehabilitation of low and moderate income housing as part of this program.

Responsible Bodies:

Redwood City Housing Coordinator, lead official

City Council of Redwood City

Redwood City Home Improvement Loan Committee

Quantified Objective: 25 rental and 20 owner-occupied units per year using CDBG and Redevelopment Housing funds.

Program F.3: Code Enforcement & Home Improvement Loan Program:

The City also encourages the *maintenance* and *improvement* of housing for all income levels through its **Code Enforcement Program**. Code enforcement is the vehicle used to identify the City's existing housing stock built prior to 1940. The goal of code enforcement is to minimize and retard deferred maintenance, which creates health and safety problems, or causes blighted conditions in neighborhoods. Those properties cited for serious violations, which are occupied by low-income households, are referred to the **Home Improvement Loan Program** for assistance. The Home Improvement Loan Program is the vehicle used to maintain decent safe and sanitary housing owned and or occupied by low income households.

Responsible Bodies:

Redwood City Housing Coordinator and /or Building Department, lead official/ department

City Council of Redwood City

Planning Commission of Redwood City

Redwood City Home Improvement Loan Committee

Quantified Objective:

Included in Program F.2 above.

Program F.4: Revolving Fund Programs The City shall continue to use Home Improvement Loan payments to maintain a revolving fund for future rehabilitation projects. The City encourages the *maintenance* and *improvement* of housing for all income levels through its Revolving Fund Programs. These programs (outlined below) are self-supporting and administrative costs are paid from annual Community Development Block Grant entitlements and operate on an ongoing basis.

- a. Home Improvement Loan Program** - provides low interest loans to low income homeowners, and landlords of single family rentals and duplexes (20 units/ year).

- b. Rental Rehabilitation Loan Program** - funds rehabilitation for rentals containing three or more multifamily units of two bedroom or larger for housing large families (25 units/ year).
- c. Bedroom Addition Loan Program** - provides *incentives* for homeowners and landlords whose properties can accommodate additional bedrooms to build additional rooms to relieve overcrowding and to increase the supply of affordable housing for large family households of five or more persons.
- d. Historic Preservation Residential Loan Program** - funds rehabilitation of historic residences for rental by low-income households and non-low income owner occupants (as requested by eligible properties).
- e. Studio and One Bedroom Rehabilitation Program** - funds rehabilitation of studios and one-bedroom units for small family households (funds included in rental rehab count listed above).
- f. Mobile Home Emergency Loan Program** - funds emergency repair loans for mobile homes on fixed foundations (new program anticipates 10 units per year).

Responsible Bodies:

Redwood City Housing Coordinator, lead official
City Council of Redwood City
Planning Commission of Redwood City
Redwood City Home Improvement Loan Committee

Quantified Objective:

At least 55 units per year using CDBG funds.

Program F.5: Implement Government Code 65852.2 / Destroyed Nonconforming Units

The City complies with the State's "burn-down" code. This code seeks to preserve destroyed, legal, nonconforming units (i.e. those units involuntarily destroyed 100% or less by fire, earthquake or some other calamity) by allowing the same number of units to be rebuilt instead of down zoning these site to meet current (lower density) zoning standards.

Responsible Bodies:

Redwood City Planning Department, lead department
City Council of Redwood City
Planning Commission of Redwood City
Redwood City Housing and Human Concerns Committee

Quantified Objective:

Not quantifiable.

Program F.6: Units at Risk – Preserve Assisted Housing

The City recognizes that retention of assisted housing is a critical part of maintaining the supply of affordable housing. In the event a Notice of Intent to Sell or a Notice of Intent to Convert to Market Rate Housing is received for any federally or locally subsidized housing located anywhere in Redwood City and when the sale or conversion will have an adverse impact on the residents of the housing development, the City shall consider taking all of the following actions to help preserve the units that are at risk of converting to market rate units.

- Hold public hearings upon receipt of any Notice of Intent to Sell or Notice of Intent to Convert to Market Rate Housing, pursuant to Section 65863.10 of the Government Code.
- Identify a qualified, eligible buyer to purchase and hold the units as long term affordable housing.
- Seek to provide "financing necessary to assist a qualified, eligible buyer" to purchase the units at risk of being converted to market rate.

A "qualified, eligible buyer" is defined by this policy as a private or non-profit entity who enters into agreement with the City to preserve the affordability of the housing development for a term not less than 30 years and as long as 55 years when possible.

“Financing necessary to assist a qualified, eligible buyer to purchase the units” means providing the gap subsidy necessary to maintain affordable rents in the units after purchase. For example, a qualified, eligible buyer may be able to obtain private financing to purchase the subject property, but such financing alone will not preserve the affordability of the units. Private loan underwriting may be based on market rates and would not yield affordable rents for the households residing in the development.

In addition, to further the preservation of Redwood Commons, the City and/or the Redevelopment Agency shall:

- Establish a list of qualified, community-based organizations, such as Mid-Peninsula Housing Coalition, to be ready to step in and assume ownership and management of the units.
- In the event of future loss of Section 8 subsidies for rental assistance, the City and/or the Redevelopment Agency shall consider appropriating HOME funds, Redevelopment Tax Increment funds, and shall seek other local, state and federal dollars that could be used to reduce operating costs payments on these units as a short term solution. Consider using funds from any source available at the time, up to and including CDBG/HOME funds, Redevelopment Housing Funds, General Funds, loan guarantees, bond funds, or any other source of funds immediately available to the City.

Discussion: There are four projects containing a total of 325 federally assisted housing units in Redwood City. The list of Federally Assisted Housing in Appendix D-1 identifies the projects, the date when federally insured assistance matures, and the status of each development. Two of the four federally assisted projects, Casa de Redwood and Heron Court are owned or controlled by non-profit organizations and are prohibited by law from prepaying their federally insured mortgages prior to their maturity dates. These projects are not at risk and existing Section 8 contracts in these projects are renewed by HUD annually in one to 5 year contracts.

Since non-profit organizations have limited options and must hold their mortgages for the entire period, representatives of *Casa de Redwood* and *Heron Court* have stated an intention to continue the affordability of these units with Section 8 contracts renewed annually. A representative of *Redwood City Commons* has indicated they are renewing their leases annually with HUD to maintain affordability for existing and future occupants.

The Redwood Court project held a 20 year HUD insured mortgage with Section 8 project based subsidies. These 27 very-low income housing units were previously at risk of being converted to market rate housing on July 28, 2003. At the time of intervention by the City, these units were fully occupied and affordable to low and very low income households. The City’s assistance imposes new affordability and occupancy restrictions for a term of 55 years. Redevelopment Agency Housing funds and local Preservation Program funds were used to retain these 27 rentals units for very-low income households by providing funding necessary to make improvements that sustain the life of the project and reduce operating expenses.

Locally assisted housing developments are also presented in Appendix D-2. Since many of these projects have been built within the last 5 years and contain long-term affordability and resale restrictions, they are not at risk of conversion to market-rate housing within the period of 2001-2011.

Main /Stambaugh Streets - At the time of rehabilitation these four units were not in service as housing and were dilapidated to the point of being boarded up and determined uninhabitable by the City’s Building Official since the 1950s. Home Improvement Loans were used to substantially restore these units to habitable use and involved 30-year agreements tied to the term of financing. These units are in service as exclusive affordable housing to four very-low income households. Since tenants in these units lease via Section 8 contracts, annual re-certification documents the continued AB438 compliance of these units.

Hallmark House Apartments - This 72-unit multifamily rental development has been converted from non-affordable to affordable units through a negotiated acquisition. The City has authorized the expenditure of Redevelopment Housing Set-aside funds to convert this apartment complex to affordable housing for

very low and low-income house-holds. The City has provided \$650,000 in financing for the acquisition/rehabilitation of this 72-unit apartment complex with occupancy restrictions for 22 very-low income and 49 low-income units for a 55 year affordability term. The acquisition price yielded a per unit cost of approximately \$116,000 per unit. Current proformas being reviewed by the City confirms a per unit cost of approximately \$200,000 per unit. The acquisition price, therefore, is well under the median price of housing within Redwood City.

Prior to the conversion, only one unit was occupied by a low income tenant who could support the market rent only because the tenant has a Section 8 voucher to pay a portion of the rent. The conversion of these units results in a net gain of 71 affordable housing units to the City's affordable housing stock. The acquisition required the developer to make improvements estimated at \$800,000 to improve the livability and structural and mechanical integrity of the property to support the 55 year affordability term, rendering the units as more decent, safe and sanitary.

Responsible Bodies:

Redwood City Housing Coordinator, lead official
City Council of Redwood City
Planning Commission of Redwood City
Redwood City Housing and Human Concerns Committee
Redwood City Redevelopment Agency

Quantified Objective:

In 2003, the City helped to ensure the preservation of Redwood Court, a 27-unit very-low income affordable housing development that was at risk of being converted to market rate housing. The City's participation with the California Housing Finance Agency made it possible for a non-profit to purchase and rehabilitate these units and continue affordability to very low income households for 55 years. A Program in the Housing Element called Preservation Program was utilized by the City to grant funding to this project. A Public Hearing was held by the Housing and Human Concerns Committee on September 23, 2003 making the finding that public funds will be used to prevent the units from converting to market rate because of termination of previous subsidies allocated to the development.

Equal Opportunity In Housing

Policy G The City will support efforts to prevent housing discrimination on the basis of race, color, ancestry, national origin, sex, sexual orientation, religion, age, marital status, children, or disability.

Program G.1: Fair Housing Services

The City shall continue to affirmatively further fair housing and support fair housing organizations that seek to eliminate housing discrimination and refer all alleged cases of housing discrimination to them. The City will continue to support equal opportunity lending programs and to certify that non-discriminatory practices will be followed in the selection of residents for participation in housing programs.

Responsible Bodies:

Redwood City Housing Coordinator, lead official
City Council of Redwood City
Planning Commission of Redwood City
Redwood City Housing and Human Concerns Committee

Quantified Objective:

Continuing contracts of approximately \$40,000 per year with service providers using CDBG funds.

Program G.2: Enforcement of Fair Housing Laws

The City shall work with appropriate state and federal agencies to ensure that fair housing laws are enforced.

Responsible Bodies:

*Redwood City Housing Coordinator, lead official
City Attorney*

Quantified Objective:

The work with state and federal agencies occurs on an as needed basis.

Program G.3: The City will continue to provide information on housing discrimination and the resources available to victims of discrimination, in both English and Spanish, as requested.

Responsible Bodies:

*Redwood City Housing Coordinator, lead official
Redwood City Economic Development Coordinator*

Quantified Objective:

Printed material, in both English and Spanish, to be available at city hall and the public library using CDBD funds.

Energy Conservation

Policy H: The City will promote energy efficiency in existing and new housing in Redwood City.

Program H.1: Energy efficiency The Building Department will continue to require compliance with Title 24 energy measures. In addition the City shall encourage energy efficiency as a design feature in all new housing developments. The use of: landscaping to provide passive solar benefits, highly rated energy efficient appliances, energy efficient site orientation, and the use of solar heating systems will be encouraged. The City will continue to offer Energy Loans, Emergency Repair Loans, and Roof Loans when funds are available. In addition, the City offers rebates to residents who purchase Energy Star-label energy efficient appliances beginning July 1, 2001. These rebates are in addition to those offered by the Pacific Gas & Electric Company.

Responsible Bodies:

*Redwood City Building Department, lead department
Redwood City Planning Department
Redwood City Housing Coordinator
Redwood City Public Works Services Department
Planning Commission of Redwood City
Architectural Review Committee*

Quantified Objectives: Guidelines for energy efficient design for consideration by the City Council by 2002. Incentives for use of energy efficient appliances in 2001.

Program H.2: Density bonus for energy efficiency The new, high-density zoning districts shall include a density bonus for active or passive solar water heating, which is provided to all units.

Responsible Bodies:

*Redwood City Planning Department, lead department
City Council of Redwood City
Planning Commission of Redwood City
Redwood City Building Department*

Quantified Objective: Preparation of new and/or revised zoning district(s), which offer incentives for energy efficiency, for consideration by the Council in 2002-3.