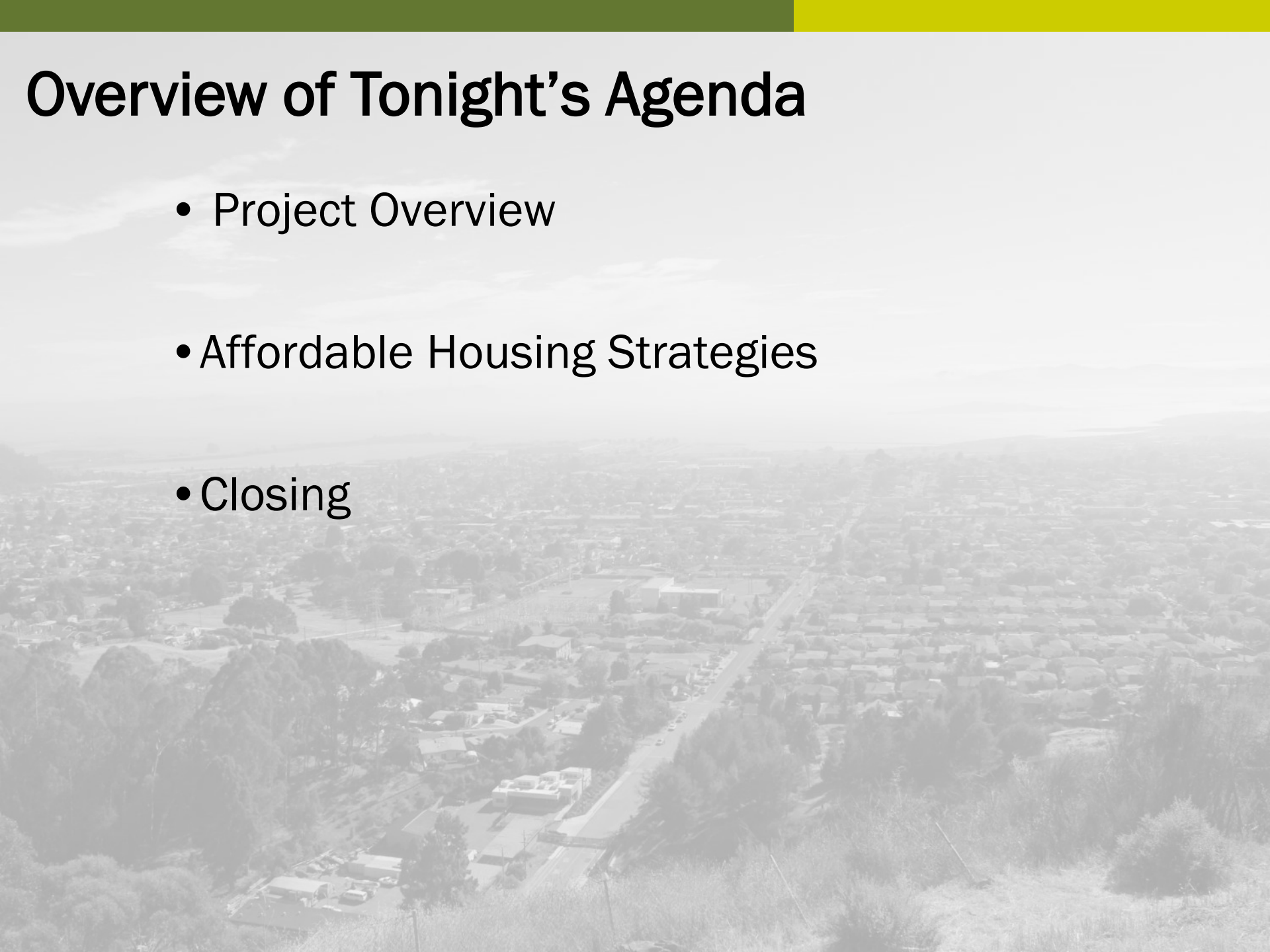




El Cerrito Affordable  
Housing Strategy  
City Council Presentation  
August 15, 2017

# Overview of Tonight's Agenda

- Project Overview
- Affordable Housing Strategies
- Closing



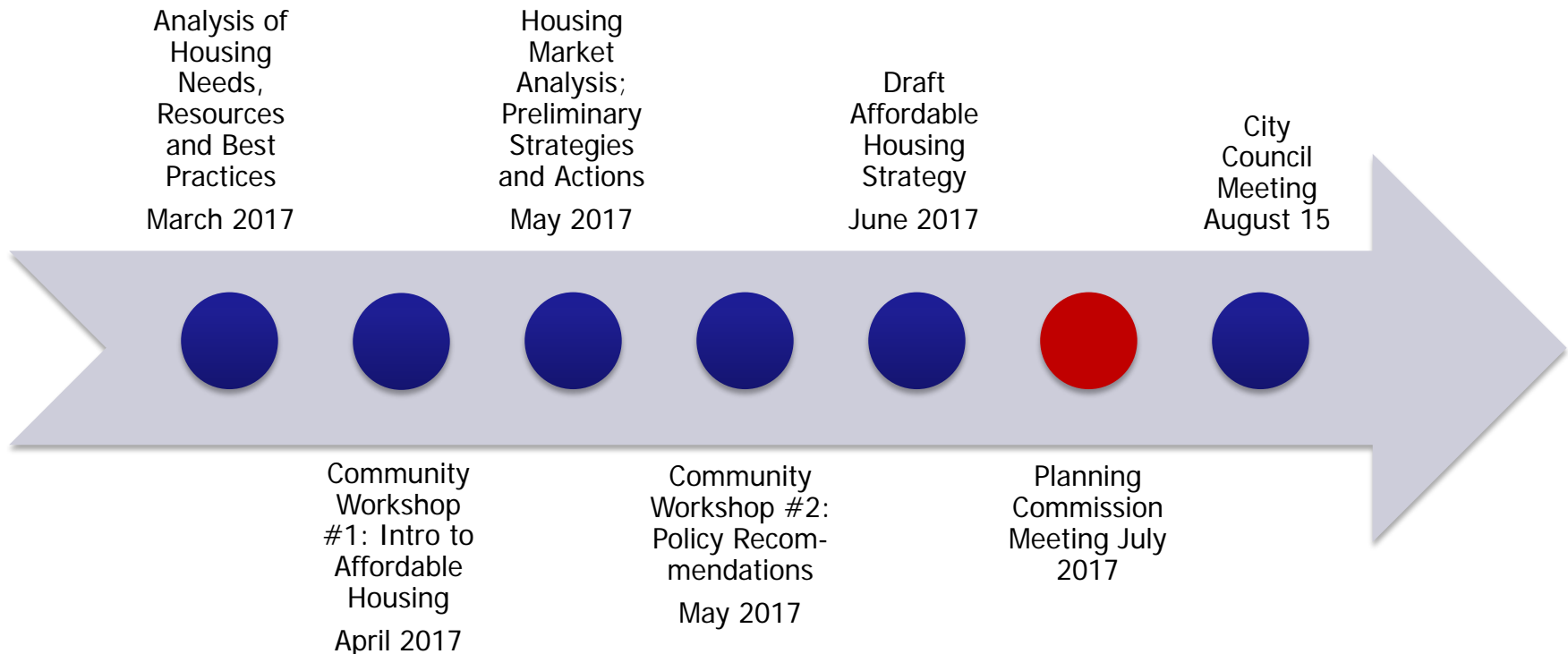
# PROJECT OVERVIEW

# What is the Affordable Housing Strategy?

- The strategy offers concrete implementation steps to achieve the following goals:
  - **Goal 1:** Conserve and improve El Cerrito's existing housing
  - **Goal 2:** Facilitate and encourage the development of new housing
  - **Goal 3:** Expand housing opportunities for the elderly, the disabled, households with very low to moderate income, and for persons with special housing needs.



# Project Schedule and Process



# **AFFORDABLE HOUSING NEEDS AND RESOURCES**

# What is Affordable Housing?

- “Affordable” Housing Definition: Housing costs are 30% or less of household income (rents/mortgage)
- How do we provide affordable housing for households that cannot afford market rate housing?
  1. Subsidized affordable housing receives funding from federal and state funding sources to cover the gap
    - Many subsidies are only available for certain income categories
  2. Private sector contributions (inclusionary zoning, density bonuses, etc.)
- Local governments can provide funding or create requirements for private sector to contribute towards affordable housing

# Definitions of AMI Categories

## Income Limits, 2016

Household Size	Very Low Income (Up to 50% AMI)	Low Income (80% AMI)	Moderate Income (80- 120% AMI)
1 Person	\$34,150	\$52,650	\$78,600
4 Persons	\$48,750	\$75,150	\$112,300

## Maximum Affordable Monthly Rent

Household Size	Very Low Income (Up to 50% AMI)	Low Income (80% AMI)	Moderate Income (80- 120% AMI)
1 Person	\$949	\$1,463	\$2,183
4 Persons	\$1,354	\$2,088	\$3,119



# Affordable Housing in El Cerrito: Existing, Under Construction & Approved

Name	Total Units	Total Assisted Units	Populations Assisted
Hazel Shirley Manor	63	63	Low and Moderate Senior, Mobility Impaired
El Cerrito Royale Assisted Living	102	31	Senior
Del Norte Place	135	27	Family/Seniors
Idaho Apartments	29	28	HIV/AIDs/ Homeless/ Mental Illness
Village at Town Center Apartments	158	24	Low and Moderate Income Family
Ohlone Gardens	57	56	HIV/AIDs/ Mental Health and Very Low Income
Creekside Walk (Metro 510)	128	19	Low- and Moderate-Income Family
Hana Gardens (Under Construction)	63	63	Extremely- and Very Low- Income Seniors
Mayfair (Approved)	223	67	Very Low and Low
<b>Total</b>	<b>958</b>	<b>378</b>	



# Affordable Housing Needs

- 36% of households are cost-burdened (paying more than 30% of income on housing)
- New housing is needed to meet regional housing allocation
  - 212 units built or permitted 2015-2022
  - Remaining need: 122 units
  - An additional ~ 660 are proposed or entitled; ~ 12 percent are affordable
- Special housing needs
  - Elderly (41% of seniors are extremely low and very low income)
  - Persons with disabilities
  - Homeless
  - Extremely low income households

# Existing City Policies and Programs

- Affordable Housing Bonus (State Density Bonus Program)
  - Density bonuses to developments that include low income housing
- San Pablo Avenue Specific Plan Tier IV Design Review/Zoning Ordinance Incentive Program
  - More flexible standards for development offering affordable housing or other public benefits
- Accessory Dwelling Units (ADUs)
  - El Cerrito recently enacted new development standards that make it easier for homeowners to build ADUs
- Countywide programs for renter and homeowner assistance

# **POLICIES AND STRATEGIES**

# Four Policy Pillars

**A**

Leverage private development to address affordable housing needs

**B**

Explore and implement policy options to reduce risk of displacement

**C**

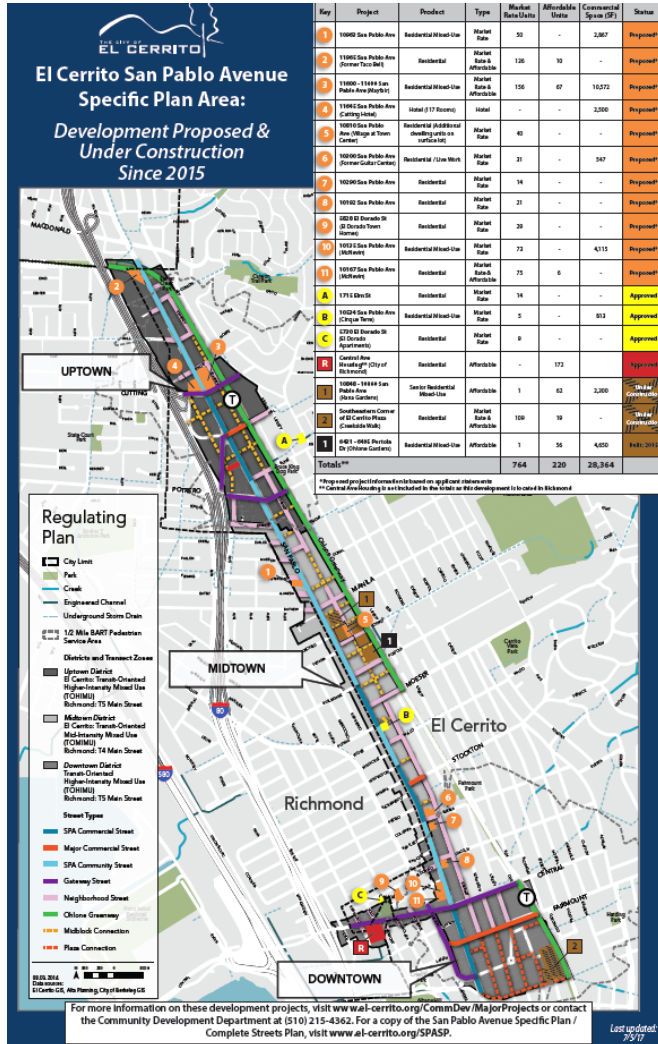
Encourage development of “missing middle” housing types

**D**

Increase local funding for low income and special needs housing development

# A

# Leverage Private Development to Contribute Towards Affordable Housing Needs



## Inclusionary Zoning & Residential Impact Fee Policies in the East Bay





## **Pillar A Strategies**

### **High Priority Implementation Actions**

1. Establish a new inclusionary zoning policy and/or enact new housing impact fees for affordable housing.

1-1. Conduct a nexus study and financial feasibility analysis for affordable housing impact fees on residential development

1-2. Consider implementing an inclusionary housing policy on ownership housing

1-3. Identify potential nonprofits that could assist the City to ensure the long-term affordability of inclusionary units



## **Pillar A Strategies**

### **High Priority Implementation Actions**

2. Monitor the effectiveness of the San Pablo Avenue Specific Plan's Incentive Program in delivering affordable housing units.

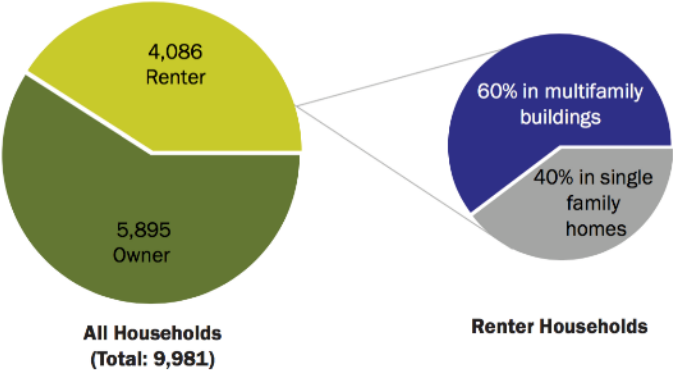
2-1. Continue to monitor the San Pablo Avenue Specific Plan and the City's other incentive programs for their effectiveness in providing affordable housing units.



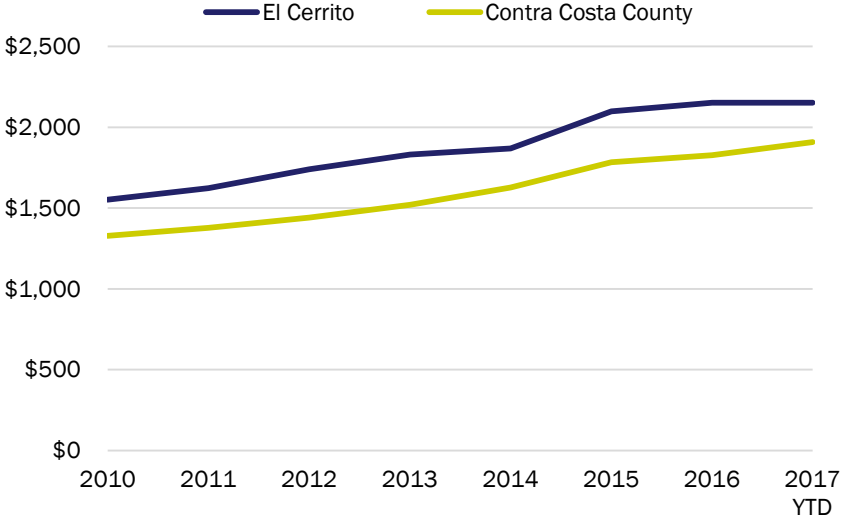
# B

## Explore and Implement Policy Options to Reduce Risk of Displacement

El Cerrito Household Characteristics



Average Rent per Unit, 2010-2017



Sources: American Community Survey 5-Year Estimates, 2011-2015; Strategic Economics, 2017..

Sources: CoStar, June 2017; Strategic Economics, 2017.

**B**

## Pillar B Strategies

### High Priority Implementation Actions

3. Partner with local affordable housing developers to preserve existing deed-restricted units.

3-1. Continue monitoring assisted units and partner with local affordable housing providers to maintain the affordability of expiring units.

4. Implement policies to preserve low-cost housing stock.

4-2. Consider enacting an ordinance to regulate the demolition of existing housing units, including requiring tenant relocation assistance.

**B**

## Pillar B Strategies

### High Priority Implementation Actions

5. Consider implementing new short-term rental restrictions.
6. Explore potential tenant protection policies.
  - 6-1. Continue to study potential tenant protection options and evaluate the success of existing programs in peer cities.
7. Partner with County Homelessness Services.
  - 7-1. Partner with Contra Costa County to expand outreach and services to homeless persons.

C

# Encourage Development of “Missing Middle” Housing Types



MissingMiddleHousing.com is powered by Opticos Design.  
Illustration © 2015 Opticos Design, Inc.





## Pillar C Strategies

### High Priority Implementation Actions

8. Encourage the development of accessory dwelling units.

8-1. Provide technical assistance to encourage ADUs

9. Review the General Plan to identify and remove barriers to missing middle housing types.

9-1. Undertake a review of the General Plan to determine if zoning district boundaries should be modified to encourage missing middle hsg.

10. Partner with private groups interested in forming co-housing/ shared housing communities

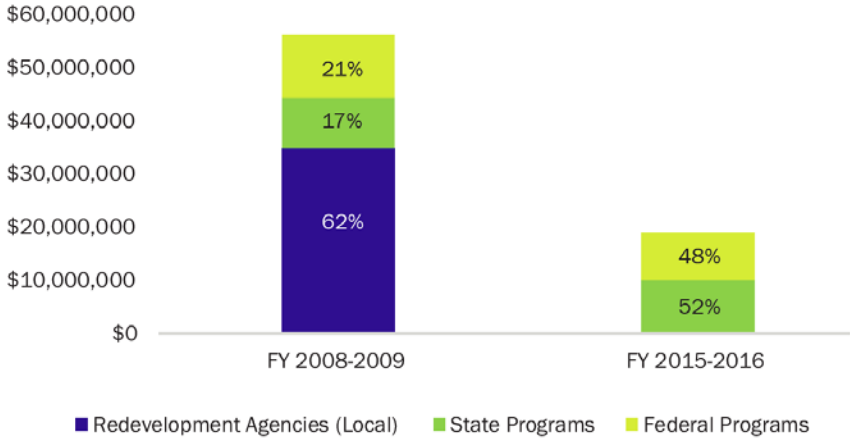
# D

## Increase Local Funding to Continue Support of Low Income and Special Needs Housing Development

Rendering of Hana Gardens (Under Construction)



Decline in Funding for Affordable Housing in Contra Costa County between FY 2008-09 and FY 2015-16



Source: California Housing Partnership, 2017.



## Pillar D Strategies

### High Priority Implementation Actions

11. Work with BART to develop affordable and mixed-income housing projects on BART property.

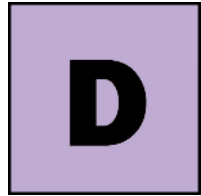
11-1. Partner with BART to promote development on BART lands.

12. Coordinate transportation projects with affordable housing proposals to attract state funding through the AHSC program.

12-1. Review capital improvement program and identify transportation projects that could be coordinated with affordable housing development.

13. Provide land use incentives to developers that build a higher share of accessible units than required by law.

13-1. Modify the City's Incentive Zoning and San Pablo Avenue Specific Plan Tier IV processes to include the provision of accessible units as a community benefit.



## Pillar D Strategies

### High Priority Implementation Actions

14. Explore new local taxes or fees to fund affordable housing in El Cerrito.
15. Work with other jurisdictions in Contra Costa County to place a countywide affordable housing bond on the ballot.
  - 15-1. Attend meetings with advocates, staff, and elected leaders of various jurisdictions in Contra Costa County
16. Monitor proposed state legislation that would create new funding sources for affordable housing.
17. Defer or waive city fees for affordable housing development.



# Next Steps

- Revisions to the Draft Strategy Based upon Comments Received
- Proceed with Strategies Identified as “Immediate”
  - Develop New Inclusionary Zoning Policy and New Housing Impact Fees
  - Develop Residential Demolition Ordinance
- Fill Community Development Analyst-Housing Position
- Proceed with Other High Priority, Short Term & Ongoing Tasks
  - Obtain additional community & stakeholder input on more complex policy issues