

City of Piedmont
COUNCIL AGENDA REPORT

DATE: November 15, 2022

TO: Mayor and Council

FROM: Sara Lillevand, City Administrator

SUBJECT: Consideration of a Resolution Authorizing Staff to Finalize and Submit the Draft 6th Cycle City of Piedmont Housing Element to the California Department of Housing and Community Development (HCD) for Review

RECOMMENDATION

Approve the attached Resolution authorizing staff to finalize and submit the City of Piedmont's Sixth Cycle Draft Housing Element to the California Department Of Housing And Community Development For Review.

EXECUTIVE SUMMARY

Under State law, every eight years, municipal agencies in California must update their Housing Elements. The 6th Cycle Housing Element revision deadline for our region is January 31, 2023. In order to comply with State Housing Element law, the City of Piedmont is required to adopt a Housing Element that has been certified by the State's Housing and Community Development Department.

In order for the City to remain on the path to certification, this staff report recommends approving the attached Resolution which will authorize staff to submit the Draft Housing Element, published April 8, 2022, to California HCD, subject to: (1) revisions pursuant to Council's direction regarding the Sites Inventory; (2) revisions recommended by the Planning Commission; and (3) revisions recommended by City staff all of which are enumerated in Attachment A. Attachment A contains all proposed revisions to the draft Housing Element originally published on April 8, 2022 that staff is recommending the Council approve at the November 15, 2022 Council meeting. This staff report highlights the most critical revisions resulting from analysis directed by the City Council and recommended by Staff to fully implement Council direction.

Including the sites inventory revisions described in the Discussion section of this report, staff recommends a total of 16 revisions to the Draft Housing Element as detailed in attachment A. These revisions include Planning Commission recommendations from May 2022, Council directed revisions of June 20 and August 1, 2022, clarifying language changes as well as revisions related to the policy nature of housing programs.

BACKGROUND

Regional Housing Needs Allocation (RHNA)

Every city in California receives a RHNA number, which is a target number of homes to plan for at various income levels. RHNA starts with the Regional Housing Needs Determination (RHND) provided by HCD, which is the total number of housing units the San Francisco Bay Area region needs over the eight-year period, by income group. The Association of Bay Area Governments (ABAG) is tasked with developing the methodology to allocate a portion of housing needs to each city, town, and county in the region. The RHNA assignments for the City of Piedmont are outlined as follows:

2023-2031 RHNA Allocation	
Income Level	# of Units
Very Low Income (<50% of Area Median Income)	163
Low Income (50-80% of Area Median Income)	94
Moderate Income (80-120% of Area Median Income)	92
Above Moderate Income (>120% of Area Median Income)	238
TOTAL	587

Penalties for Noncompliance

Jurisdictions face a number of consequences if they do not have a compliant Housing Element by the January 31, 2023 deadline. Under legislation enacted in recent years, if a city does not comply with State law, a court may limit local land use decision-making authority including the loss of the right to approve or deny certain projects. Moreover, California courts are empowered to appoint receivers to ensure public agencies are compliant with Housing Element law. Additionally, a city without a certified Housing Element can face significant fines and litigation. A jurisdiction that does not have a compliant Housing Element by January 31, 2023 will be ineligible for certain state grants and will be subject to the “builder’s remedy,” which limits a city’s ability to deny applications for new development. And if a jurisdiction does not have a certified Housing Element by May 31, 2023, the process to change city regulations to implement Housing Element programs must be completed by the accelerated date of January 31, 2024, rather than the 3-year timetable provided to compliant jurisdictions. In effect, if a city does not have a plan to accommodate the RHNA numbers the State has mandated, other entities such as the State of California, courts, and property owners, will decide how the growth will occur.

Conversely, an HCD-certified Housing Element makes cities eligible for numerous sources of funding and grants, such as Local Housing Allocations, Affordable Housing and Sustainable Communities Grants, SB 1 Transportation Grants, CalHOME Program Grants, Infill Infrastructure Grants, Pro-Housing Designation funding, Local Housing Trust Funds, and Regional Transportation Funds (such as MTC’s OneBayArea Grants). As a frame of reference, the City of Piedmont receives approximately \$250,000 annually in SB 1 funding for roadway and sidewalk repairs.

Council Direction Regarding Draft Housing Element

On June 20, 2022, the City Council considered the Draft Housing Element, received a report by staff and the consultant team, and received written and verbal public comment from members of the Piedmont community. After reviewing the report, presentation, and the public comment, the Piedmont City Council directed staff to remove two sites from the sites inventory (Highland Strip and the Cory Reich Tennis Center) and requested additional information and revisions to the Draft.

On August 1, 2022, the City Council considered preliminary findings of the analysis requested on June 20, 2022 and directed staff to:

1. Expand the Moraga Canyon Specific Plan study area to include all City-owned property along Moraga Avenue, including Blair Park, and initiate the planning process before the end of 2022.
2. Conduct analysis required to redistribute 74 lower-income units from the Civic Center to 1221 and 1337 Grand Avenue.
3. Conduct analysis to redistribute 18 moderate income units from the Civic Center to parcels in zones C, D and/or 801 Magnolia Avenue.
4. Conduct analysis to relocate above-moderate income units from 1221 and 1337 Grand Avenue, as needed, to keep building height at or below 5 stories.
5. Maximize total and lower-income ADU count.

DISCUSSION

As reflected in Attachment A, the following are key proposed revisions which are recommended based upon Council's direction at the August 1, 2022 Council meeting.

A. Council Directed Revisions

- 1. Expand the Moraga Canyon Specific Plan study area to include all City-owned property along Moraga Avenue, including Blair Park, and initiate the planning process before the end of 2022.**

This revision is supported by discussions with HCD and is recommended by staff. Including all City owned acreage in Moraga Canyon in the planning area allows for greater flexibility and increased opportunity to meet multiple goals and needs. Expanding the planning area gives the City the opportunity to study the future transportation and circulation system in the area; study the public infrastructure needs, such as any roadways, utilities, and evacuation routes; and design solutions to potential environmental impacts, such as wildfire mitigations and safe emergency response. The City-owned land in Moraga Canyon would be studied holistically through the specific plan process in order to improve access, build new housing, address potential hazards, and improve City facilities, while conserving open space and recreational amenities. Staff believes this approach results in a more comprehensive and integrated approach to land use and emergency preparedness planning in Moraga Canyon. The addition of high-level goals to the text describing the specific plan in the draft housing element are recommended to outline the issues that must be addressed in the development of the future specific plan. The revised sites inventory table holds the total number of units sited in Moraga Canyon at 132 units but does shift the income levels associated with those units. The proposed revisions to the sites inventory include a heavier reliance on ADUs to satisfy the lower income

RHNA category which resulted in a change from 100 lower income housing units to 60 and a shift from 32 to 72 above moderate housing units in the Moraga Canyon specific plan area with the total remaining at 132.

2. Conduct analysis required to redistribute 74 lower-income units from the Civic Center to 1221 and 1337 Grand Avenue.

This revision is supported by the directed analysis and recommended by staff. Analysis completed supports redistribution of 74 lower income units in the sites inventory from the Civic Center to the two parcels larger than a half-acre on Grand Avenue. This redistribution which is reflected in the revised sites inventory table keeps the total number of units sited at these two parcels nearly the same but shifts the income level associated with them. The draft released in April contained 82 above moderate-income units between these two parcels and the proposed revision sites 83 lower income units here. Staff recommends changing the affordability category for 41 potential housing units at 1337 Grand Avenue and the 42 potential housing units at 1221 Grand Avenue from market-rate to a mix of commercial uses and housing units affordable to low and very low incomes. This change is consistent with standards established by HCD and State law (AB 2348 and others). As a reminder, property owners are not obligated to develop affordable housing nor obligated to redevelop their property.

3. Conduct analysis to redistribute 18 moderate income units from the Civic Center to parcels in zones C, D and/or 801 Magnolia Avenue.

Analysis completed does not support siting 18 moderate units sited on 801 Magnolia but does support these units in Zones C and D. As part of the analysis to redistribute 18 moderate income units from the Civic Center to parcels in zones C, D and/or 801 Magnolia Avenue, EPS conducted a feasibility analysis of redevelopment of 801 Magnolia Avenue. The EPS report indicates that 801 Magnolia Avenue would only be redeveloped with market-rate housing and suggests this is not likely the highest and best use of this City-owned land. With the increased density proposed under Housing Element Programs 1.G and 1.H Zones C and D could accommodate the 18 moderate income units. However, the revised Sites Inventory reduces the buffer of moderate-income units from 59 to 23 rather than siting these 18 units on specific parcels.

4. Conduct analysis to relocate above-moderate income units from 1221 and 1337 Grand Avenue, as needed, to keep building height at or below 5 stories.

Analysis completed supports relocation of 82 above moderate units originally sited at 1221 and 1337 Grand Avenue to Moraga Canyon and small Zone D sites on Grand Avenue. In order to keep building height at or below 5 stories on Grand Avenue, the recommended proposed density in Zone D has been held constant and is now 81 du/acre in the revised sites inventory as opposed to 80 du/acre in the original draft. Holding the proposed density change at 81 du/acre in alignment with maintaining building height at or below five stories, results in the need to redistribute the 82 market-rate units originally sited at 1221 and 1337 Grand Avenue. The revised sites inventory locates 59 above moderate-income units on lots smaller than ½ acre in Zone D along Grand Avenue. The remaining 23 units of above moderate-income are now sited in the Moraga Canyon Specific Plan study area.

5. Maximize total and lower income ADU count.

Based upon recent ADU production in Piedmont, updated guidance from the Association of Bay Area Governments (ABAG) and discussions with HCD, staff recommends increasing the total number of ADUs in the sites inventory from 140 to 160 and a redistribution of the income categories associated with those ADUs as illustrated below:

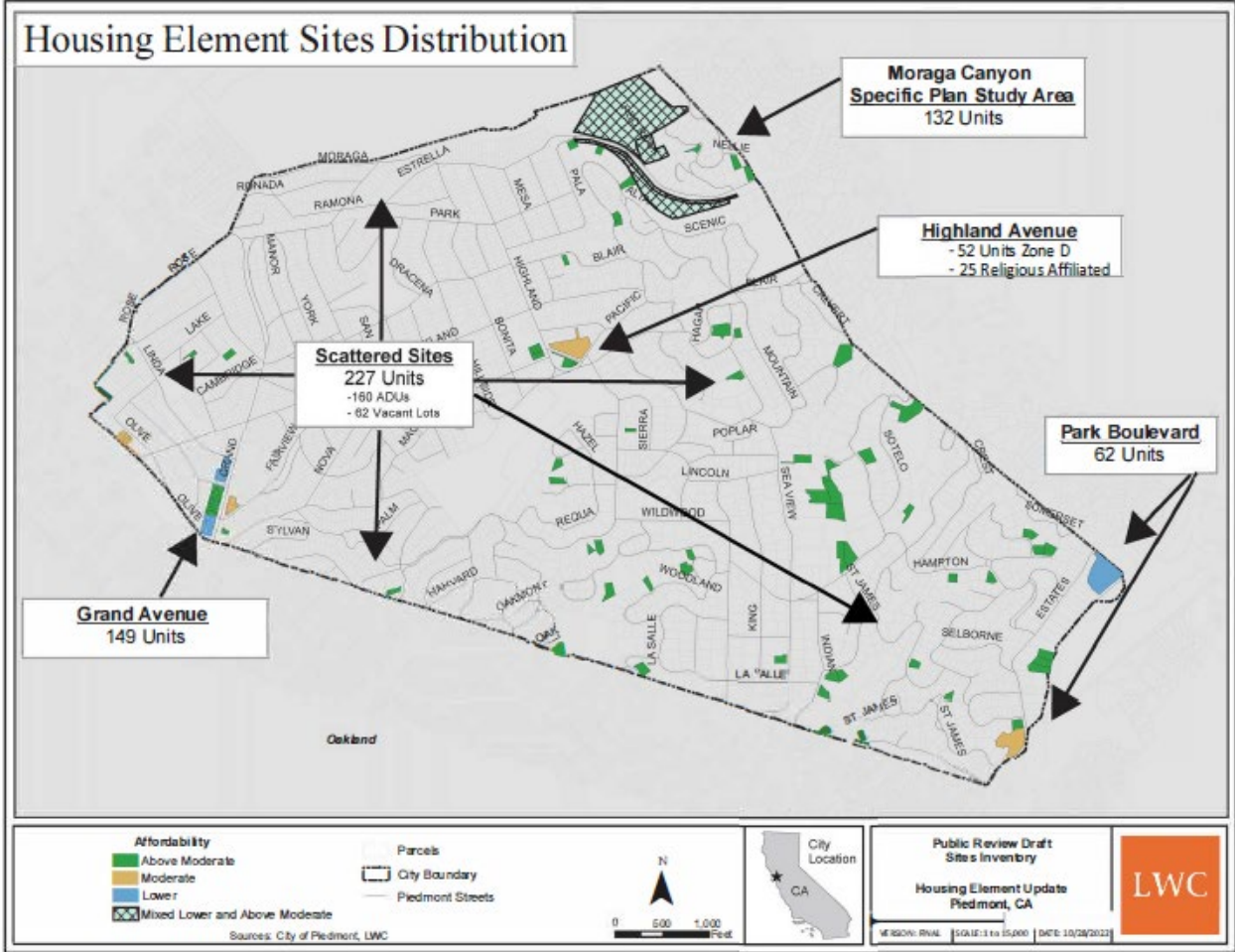
Affordability Category	Percentage	Number of ADUs and JADUs	Change from April 8 Draft Housing Element
Extremely Low/Very Low	30%	48	41
Low	30%	48	6
Moderate	30%	48	-22
Above Moderate	10%	16	-5
TOTAL	100%	160	+20

B. Revised Sites Inventory

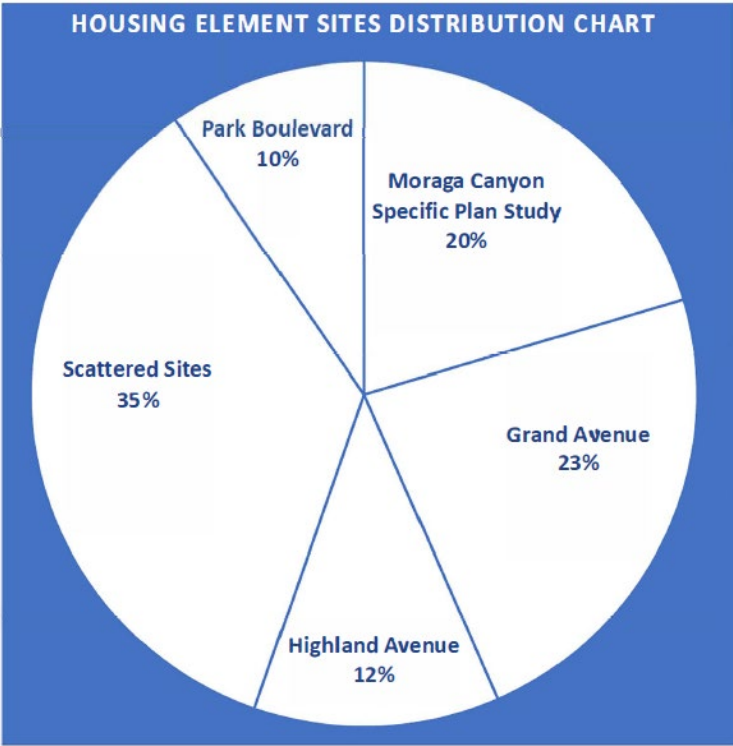
Based upon Council’s August direction and subsequent analysis, staff recommends a revised sites inventory table summarized below. In sum, the 74 lower-income units removed from the City-owned sites in the Civic Center were relocated to two half-acre sites in Zone D on Grand Avenue. The 82 above-moderate-income unites that were on these two half-acre sites were redistributed to sites smaller than a half-acre in Zone D along Grand Avenue and to the Moraga Canyon Specific Plan study area. ADU projections were revised to increase lower-income ADUs and reduce moderate- and above-moderate-income ADUs. The full revised table can be found in Attachment B.

Revised Sites Inventory Summary					Comparison to April 8 Draft Housing Element	
	Lower	Moderate	Above Moderate	Total	April 8 Draft	Change
ADUs	96	48	16	160	140	20
Vacant Lots (Zones A/E)			57	57	59	-2
Religious Institutions	37	67		104	104	0
City-Owned Civic Center Sites				0	84	-84
Zone D: Mixed Use/Commercial						
Grand Avenue Small Sites			59	59	0	59
1221 Grand Avenue	42			42	42	0
1337 Grand Avenue	41			41	40	1
Highland Avenue			52	52	52	0
Moraga Canyon Specific Plan Study Area	60		72	132	132	0
TOTAL	276	115	256	647	653	-6

The revised sites inventory map associated with recommended revisions is seen on the next page:



The pie chart below along with the map above, illustrate the geographic distribution of the City’s 587 housing units allocated by the state.



NEXT STEPS

City staff and consultants recommend that the City Council authorize the City Administrator to finalize the revisions to the Draft Housing Element, including the sites inventory, prior to its submittal to California HCD for review and to make the Draft consistent with the revisions and updates described in this staff report and attachment A. The revised Draft Housing Element and any further changes in response to HCD comments will be presented for consideration to the City Council prior to final adoption by the City Council.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

Environmental review for the Housing Element is underway, as the City is performing an Initial Study to determine the environmental impact, if any, of the adoption of the Housing Element. While the act of directing the submittal of a draft Housing Element would not result in an environmental effect, the environmental determination will be provided to the Council and the public upon the Council's consideration of a final Housing Element document.

CONCLUSION

The Draft 6th Cycle Piedmont Housing Element for 2023 to 2031, represents a significant investment of time and resources of City decision-makers, staff, and the hundreds of community members who have participated in public meetings, community workshops, surveys, comment letters, and online planning tools. This investment in a thoughtful, inclusive, and open planning process is critical to development of an optimal housing plan for Piedmont. Staff recommends that the City Council authorize staff to send the draft Housing Element to California Department of Housing and Community Development for review with revisions outlined in attachment A, and to expedite to the extent possible the review and certification process with the California Department of Housing and Community Development (HCD) by making necessary non substantive revisions required by HCD.

ATTACHMENTS

- A *Pages 9-21* Recommended Revisions to City of Piedmont Draft 6th Cycle Housing Element
- B *Pages 23-24* Draft Revised Site Inventory Table
- C *Pages 25-28* Resolution Authorizing Staff to Amend, Finalize and submit the City of Piedmont's Sixth Cycle Draft Housing Element to the California Department of Housing and Community Development for Review and Certification

Separate and available on the City website:

[Draft 6th Cycle Piedmont Housing Element](#)

[Economic & Planning Systems, Inc. memorandum on 801 Magnolia Avenue](#)

[August 1, 2022, City Council meeting staff report](#)

[August 1, 2022, City Council meeting minutes](#)

[June 20, 2022, City Council meeting staff report](#)

[June 20, 2022, City Council meeting minutes](#)

[May 12, 2022, Planning Commission staff report](#)

[May 12, 2022, Planning Commission meeting minutes](#)

[Public Correspondence Received December 16, 2021, to July 31, 2022](#)

[Fair Housing Outreach and Enforcement Report, prepared by Urban Planning Partners](#)

[ABAG Technical Assistance on ADU Income Categories, June 14, 2022](#)

By: Kevin Jackson, Director of Planning and Building
Pierce Macdonald, Senior Planner

Recommended Revisions to Draft Housing Element – November 15, 2022

Revision # Description

1. **Revise Appendix B: Housing Capacity Analysis and Methodology and other sections of the Draft Housing Element to maximize ADU production.** Based on the findings of the additional analysis requested by the City Council at its meetings on June 20 and August 1, 2022, City staff and consultants recommend revisions to the sites inventory on pages B-3 to B-4 of Appendix B to maximize the projected production of new accessory dwelling units (ADUs) and junior accessory dwelling units (JADUs) in the Draft Housing Element, as well as revisions to associated sections of the Draft Housing Element.

According to HCD guidance issued in June 2022, the City may project future production of ADUs and JADUs based on the average rate of production from the 5 years spanning 2018 to 2022. This approach benefits Piedmont because the Piedmont Building Division has already issued 27 building permits for construction of ADUs this year, up from 22 in 2021.

The yearly average rate of production updated with the 2018 to 2022 numbers is 18.8 ADUs and JADUs per year. This rate of production times (x) the 8 years in the 6th cycle Housing Element planning period results in 150 ADUs (which is 10 more ADUs than the projections used in the April 8 Draft Housing Element).

City staff and consultants also recommend that the City project 10 additional ADUs beyond the new average rate of production based on the popularity of the City's current ADU program, the sharply increasing rate of production since the start of the ADU incentives program in 2015, and the new housing programs in the Draft Housing Element to increase the incentives to construct ADUs and JADUs with rents restricted to lower income households (proposed housing program 3.F, Incentives for Rent-Restricted ADUs, and others).

In addition, the HCD guidance from June 2022, allows cities, like Piedmont, to use a safe harbor assumption about the affordability of future ADUs. Because Piedmont's demographics are predominantly affluent White and Asian populations and because these homeowners are likely to rent their ADUs to friends or family members of the same demographic groups, the City must carefully consider new programs to make ADUs accessible to all community members regardless of race, family status, background, disability, and/or income.

The following draft Housing Element housing programs are based on successful programs used in neighboring jurisdictions in order to make ADUs more accessible and equitable in affluent areas and to overcome the high cost of ADU construction for lower income property owners:

3.A, Affordable Accessory Dwelling Unit Public Information Campaign;

- 3.B, Increase Number of Legal Accessory Dwelling Units;
- 3.C, Monitoring Accessory Dwelling Unit Missed Opportunities;
- 3.D, Monitoring Additional ADU Development Opportunities;
- 3.E, Affordable Housing Fund;
- 3.F, Incentives for Rent-Restricted ADUs;
- 4.C, Building Code Updates and Ongoing Enforcement;
- 5.B, Shared Housing Matching Services;
- 5.H, Housing for Extremely Low-Income Individuals and Households;
- 5.I, Housing for Extremely Low-Income Families; and
- 7.C, Housing Equity.

In coordination with the ADU programs above (as provided in the Draft Housing Element, published April 8, 2022), the following revised Table B-2 of projected ADUs in each affordability category (page B-4 of Appendix B) is a recommended revision to the April 8 Draft Housing Element:

Table B-4: Affordability per ABAG ADU Survey (Revised)

Affordability Category	Percentage	Number of ADUs and JADUs	Delta Compared to April 8 Draft Housing Element
Extremely Low/ Very Low	30%	48	+41
Low	30%	48	+6
Moderate	30%	48	-22
Above Moderate	10%	16	-5
Total	100%	160	+20

2 **Revise the Housing Element Sites Inventory** (starting page B-11, of Appendix B), including the following substantive changes and technical and clerical corrections:

A. Substantive changes to Table B-9: Draft 6th Cycle Housing Element Sites Inventory by Income Category and the Sites Inventory Map, as follows:

- a. Change the income category for property at 1221 Grand Avenue and 1337 Grand Avenue from above moderate income to lower income. This report recommends that the City Council direct staff to change the affordability category for the 41 potential housing units at 1337 Grand Avenue (APN 050455801502) and the 42 potential housing units at 1221 Grand Avenue (APN 050455701501) from market-rate

to a mix of commercial uses and housing units affordable to low and very low incomes. This change is consistent with standards established by HCD and State law (AB 2348 and others). The property owner is not obligated to develop affordable housing nor obligated to redevelop their property. The Housing Element enables development to occur at any affordability level desired by the property owner.

- b. Removal of the Corey Reich Tennis Center, Highland Strip, City Hall and Veterans Hall, and 801 Magnolia Avenue, and redistribute the housing units.
- c. Incorporation of Blair Park area and Moraga Avenue public right-of-way into the specific plan study area (with associated revisions to Program 1.L, starting on page 41 of Chapter IV), while decreasing the number of lower income units from 100 to 60 and increasing the number of above moderate income units in the specific plan study area from 32 to 72, for a total of 132 units. The specific plan approach, outlined in housing program 1.L, would give the City the opportunity to study the future transportation and circulation system in the area; study the public infrastructure needs, such as any roadways, bridges, utilities, and evacuation routes; and design solutions to potential environmental impacts, such as wildfire mitigations and safe emergency response.

A key takeaway is that all of the City-owned land in Moraga Canyon would be studied together in order to improve access, build new housing, address potential hazards, and improve City facilities, while conserving open space and recreational amenities.

City staff will remove Blair Park from page B-13 of Appendix B as an “alternate site” in the sites inventory discussion. Instead, the City will maintain a list of potential alternate sites. If any site identified for lower income units in the Housing Element Sites Inventory develops with fewer units or units in a different income category, then the City would report the new alternate sites needed to meet the lost lower income sites in the City’s annual progress report to HCD.

- d. Addition of nine (9) new properties along Grand Avenue for a total of 60 units of additional above moderate-income housing. The revisions to the Draft Housing Element, recommended by City staff after considering the analysis requested by the City Council at its meetings on June 20 and August 1, 2022, would add nine properties with lot sizes smaller than ½ acre to the Housing Element Sites Inventory tables and map. These properties would have increased development potential under Housing Element program 1.H Increase Allowances for Housing in Zone D. Program 1.H would increase the development potential from 20 dwelling units per acre to 81 dwelling units per acre, creating a new incentive to redevelop these properties with market-

rate multifamily and mixed-use multifamily housing. New objective design standards under Housing Element program 4.M Facilitate Multi-Family and Residential Mixed-Use Projects by Right Subject to Objective Standards (page 59 of Chapter IV) would regulate how new development would enhance the architectural character of Piedmont neighborhoods and maintain sunlight and privacy of adjacent properties.

- B. Changing 139 Lexford from the pipeline project category to vacant site. As described on pages B-4 and B-5 of Appendix B of the Draft Housing Element, the new residence proposed for 139 Lexford Road will not be included in the category of pipeline projects and instead will be included in the vacant land inventory due to the expiration of the building permit for the prior approved residence. This property will be transferred to the vacant sites on the sites inventory for development of one single-family residence.
- C. Like the clerical correction above, the Draft Housing Element, published April 8, 2022, will be revised to change property at 275 Sandringham Road from the religious institution category to a vacant site, as it is zoned single-family residential and is not developed with dwelling.
- D. Clarifying that property on Nace Avenue is no longer a vacant site as it was merged with a neighboring property.
- E. Clarifying the lot size and Assessor Parcel (APN) information regarding vacant properties associated with 280 Indian Road.
- F. Miscellaneous corrections to lot size information, address, APN number, and other clerical information, as needed.

3. **Revise Housing Element program 1.H Increase Allowances for Housing in Zone D to Increase Residential Density to 81 dwelling units per acre.** Based on the findings of the further analysis requested by the City Council at its meetings on June 20 and August 1, 2022, City staff recommends increasing the proposed increased residential density in Zone D from proposed 80 to 81 dwelling units per acre. Program 1.H would be amended as follows (change shown in bolded and underlined font),

1.H Increase Allowances for Housing in Zone D. The Piedmont Zoning Ordinance was amended in December 2013 (effective 1/1/14) and updated in 2017 to allow multi-family housing in the Commercial Zone (Zone D) when incorporated as a component of a mixed-use project at densities up to 21 units per acre. This amendment created an opportunity for residential additions above stores or offices. For residential uses in Zone D, the City requires one parking space for a studio or one-bedroom dwelling unit, one and a half spaces per each two-bedroom dwelling unit, and two spaces for each dwelling unit with three bedrooms or more (accessory dwelling units do not require parking in Piedmont). The City considers requests for parking variances on a

case-by-case basis, depending on the physical conditions of each site, health, and public safety in the surrounding neighborhood, and whether the required parking would cause an unreasonable hardship in planning, design, or construction of the parking space. As required by State law, density bonuses would be allowed for projects incorporating affordable units.

Since the Ordinance was amended, the City has not seen redevelopment of any commercial properties in Zone D. To help facilitate mixed-use redevelopment to achieve the City's RHNA, the City will amend the Zoning Ordinance to allow residential densities up to ~~80 units~~ **81 units** per acre in Zone D, remove the Conditional Use Permit requirements for multi-family development in Zone D, and relax parking, setback, and lot coverage requirements in Zone D. The City will also consider waiving ground floor commercial in Zone D for nonprofit affordable housing as an incentive. The City has set a target of producing **194** multi-family or mixed use units in Zone D by the close of the planning period (January 31, 2031).

- Objective: To facilitate redevelopment of commercial sites in Zone D for mixed use and multi-family development, including new mixed-use projects on underutilized commercial sites and the addition of residential units to existing commercial structures
- Timeframe: Zoning amendment completed within 3 years of Housing Element adoption. Ongoing coordination with property owners.
- Responsible Agency: Planning & Building Department with direction from the City Council and Planning Commission.

- 4 **Make technical clarification to B.2.5 (starting page B-8, of Appendix B), describing the suitability of nonvacant sites.** The description of properties included in the sites inventory for the low and very low-income category, as described in part B.2.5, page B-8 of Appendix B of the Draft Housing Element shall be revised to read in its entirety as follows (change shown in bolded and underlined font),

"B.2.5 Suitability of Nonvacant Sites

Since residential land in Piedmont is generally built out, the sites inventory includes nonvacant sites. Nonvacant sites are relied on to accommodate more than 50 percent of the City's lower income RHNA. Therefore, the City conducted an analysis to determine if substantial evidence exists to support the premise that housing can be accommodated on these sites and/or existing uses on these sites will be discontinued during the planning period (2023-2031). Nonvacant parcels primarily include **relatively large properties (over 0.5 acres) irrespective of current use**, underutilized sites with surface parking and commercial buildings where the existing uses are of marginal economic viability, or the structures are at or near the end of their useful life. Screening for potential sites considered market conditions and recent development trends throughout the Bay Area and the State and utilized conservative assumptions in projecting units well below observed densities

for residential and mixed-use projects.”

- 5 **Correct text under Regional Resources section on page 24 of the Draft Element that the funds provided by Measure A1 are a low-interest loan.** The Regional Resources information on page 24 of the Draft Housing Element will be revised to read in its entirety as follows (changes shown in bold and underlined font):

“Regional Resources - Alameda County

• **Measure A1:** Measure A1 is a **low-interest loan** program funded through a countywide parcel tax and administered by the Alameda County Department of Housing and Community Development (Alameda HCD). In 2016, Alameda County residents voted to adopt Measure A1, a \$580 million property tax revenue bond for affordable housing. The City’s Measure A-1 allocation (\$2.2 million) project application was originally set to be approved by the County of Alameda by December 31, 2021, with the funds be spent within 5 years after the application is approved. **City staff have received an extension of the application deadline to December 2024.**”

- 6 **Revise the description of sustainability programs on page 32 of the Draft Element that Reach Codes apply to detached accessory dwelling units.** The description of sustainability programs on page 32 of the Draft Housing Element shall be revised to read as follows (change shown in bolded and underlined font)

“An implementing policy of CAP 2.0 is to monitor effectiveness of policies on greenhouse gas (GHG) emissions. The GHG inventory was last updated in 2021. Piedmont's municipal and residential accounts were enrolled into EBCE’s 100% renewable energy plan in November of 2018. The City and its residents being enrolled into a 100% renewable energy plan helps to reduce GHGs emissions the City produces; therefore, making significant steps towards reaching the CAP 2.0 objectives. The City of Piedmont has adopted Reach Codes which require all new **detached** dwelling units to be electric and requires energy improvements at certain building permit cost and size thresholds. Other conservation programs available on a regional, State, and federal level are described below.”

- 7 **Clarify Housing Element program 1.J related to implementation of SB 9 and implementation timeframe.** Clarification of program 1.J SB 9 Facilitation Amendments that the program’s goal is to encourage development of up to 4 units on single-family parcels and target implementation of SB 9 earlier in the planning period. The description of program 1.J, SB 9 Facilitation Amendments, on page 40 of the Draft Housing Element shall be revised to read as follows (change shown in bolded and underlined font):

“1.J SB 9 Facilitation Amendments

Senate Bill (SB) 9, adopted in 2021, requires proposed housing developments containing no more than two residential units within a single-family residential zone to be considered ministerially, without discretionary review or hearing, if the proposed housing development meets certain criteria. SB 9 also requires local agencies to ministerially approve a parcel map for an urban lot split subject to certain criteria. **The goals of the City’s program to implement SB 9 are to encourage development of up to four units in single-family zoning districts like Piedmont’s Zone A and Zone E...**

Timeframe:

- o Adopt objective design standards for SB 9 properties by mid ~~2025~~ **2023**.
- o Amend the Zoning Ordinance to encourage large lots splits under SB 9 by early ~~2027~~ **2024**.
- o Develop SB 9 factsheets and FAQs by mid ~~2026~~ **2024**.”

- 8 **Revise program 1.E to make a technical clarification that ADUs required in new single-family development through program 1.E (page 38, Section IV) would only apply to properties of a certain size threshold.** In making this revision, New Housing Program 1.E, Require ADUs for New Single-Family Residence Construction, shall be revised to read as follows (change shown in bold and underlined font):

“ In order to increase the production of ADUs, the City will amend the Zoning Ordinance to require the construction of an ADU or JADU with the construction of a new residence, whether on vacant property or on any property that is proposed to be redeveloped, **when the property meets certain size thresholds to be established in the implementing ordinance.** As part of the Program, the City will study and develop an alternative which will allow an in-lieu fee to fund City affordable housing programs, including Programs 3.E and 3.F...”

- 9 **Revise Chapter IV to add a new program 1.Q to develop a local density bonus to incentivize the development of affordable housing units.** On May 12, 2022, the Planning Commission considered the Draft Housing Element and recommended a substantive revision to create a Piedmont-specific density program to encourage affordable housing and any other City goals, pursuant to State law. The text of the new housing program would read as follows:

1.Q: New Housing Program 1.Q – Density Bonus Ordinance. Consider development of a local density bonus ordinance that is inclusive of State of California density bonus incentives and considers local goals for affordable housing above the minimum requirements of State density bonus law.

- 10 **Revises program 3.E “Affordable Housing Fund” so that the fund would benefit all housing types.** On May 12, 2022, the Planning Commission

considered the Draft Housing Element and recommended a substantive revision to new housing program 3.E, Affordable Housing Fund (page 50), to provide additional flexibility in the types of programs funded by a future Piedmont Affordable Housing Fund to read as follows (changes shown in bold and underlined font).

“The City will create a Piedmont affordable housing fund to receive philanthropic donations, in-lieu fees, and other sources of funding. These funds could be used for affordable housing programs including a loan program for ADUs with Habitat for Humanity **or other programs for other affordable housing types.** The affordable housing fund could be administered by a non-profit affordable housing developer, such as Habitat for Humanity **or other entity,** to make low-interest loans (e.g., 4% interest rate) available to low or moderate-income property owners (e.g., up to \$135,650 for a household of three people), with a focus on members of protected classes. Loans **could** be made available for the construction of new ADUs, ~~and~~ Junior ADUs, **and/or other small housing units** with occupancy restricted to very-low-income (31% to 50% AMI) and extremely-low-income (30% or less of AMI) residents **for a minimum period of 15 years.**

The City is targeting supporting approximately **10** new income-restricted ADUs and/or Junior ADUs (JADUs) **or other housing types** during the planning period. The Program could be extended to property owners with above moderate incomes with additional funding sources, such as fund-raising efforts, philanthropic contributions, or grant funding.

- Objective: Investigate Affordable Housing Fund for the construction of new ADUs and Junior ADUs **and other affordable housing types** with occupancy restricted to very-low-income (31% to 50% AMI) and extremely-low-income (30% or less of AMI) residents for a **minimum** period of 15 years.
- Timeframe: Meet with City Council in 2022 to discuss potential risks and opportunities.
- Responsible Agency: Planning & Building Department, City Council.

11 **Revise Program 1.L (starting on page 41 of Chapter IV) to outline the goals for the Moraga Canyon specific plan study area.** After completing the analysis requested by the City Council at its meetings on June 20 and August 1, 2022, City staff and consultants continue to recommend a substantive change to the text describing the planned specific plan area in New Housing Program 1.L to include high-level goals. These goals are recommended to outline the issues that must be addressed in the development of the future specific plan, as shown below (new text in bold and underlined font).

“The goals of the specific plan are as follows. The first goal is to enable construction of housing in the range of 92 to 132 units, on portions of the site totaling approximately 3.5 acres of land,

yielding a minimum of 60 units of housing affordable to households earning less than 80% of the area median income (AMI) and 72 units affordable to households more than 80% of the AMI.

In addition, specific plan goals include improved safety. New habitable structures shall be built to meet fire code requirements for Wildland Urban Interface Areas.

The specific plan must include replacement and/or modernization of existing Public Works Department facilities, offices, storage areas, vehicle storage areas, etc. so that service capacity is maintained or increased, and so that the facilities meet current building and fire code requirements.

The specific plan must include recreation facilities, including but not limited to an under-14 soccer field, youth baseball/softball field, batting cages, artificial field turf, ballfield seating, a skate spot, a picnic area, and parking for these facilities.

The specific plan must provide all public utilities to new housing and all City facilities to be constructed within the specific plan area in a manner consistent with public safety standards and Piedmont Climate Action Plan goals and programs.

The specific plan must include improvements to pedestrian and vehicular circulation, as determined necessary by the City Engineer to provide safe pedestrian, bicycle, and motor vehicle movements, provide safe evacuation routes, and provide optimal emergency response.

The goals of the specific plan include a comprehensive landscape plan for areas planned for development. The landscape plan shall prioritize to the extent practicable: fire safety; and the preservation of significant open space, scenic views, and native and heritage trees.”

- 12 **Revise Section B.2.3 (Appendix B) to better describe and establish realistic capacity for sites designated for multi-family housing in the sites inventory.**

The text in Section B.2.3 (page B-5) shall be revised to include a detailed description of the methodology to establish realistic capacity, including a minimum of five examples of properties in the vicinity of Piedmont, such as Il Piemonte at 4395

Piedmont Avenue in Oakland, which developed at 80% or more of the allowed residential density. The new text shall read, as follows (new text in bold and underlined font):

“The City's Site Inventory conservatively assumes a "realistic capacity" of 80 percent of the maximum allowed density (i.e., a 20 percent reduction) for multi-family and mixed-use zones in order to account for potential development constraints, such as building code and zoning standards that limit the maximum building size and shape in order to have sufficient corridors, roof slopes, mechanical spaces, minimum separations between buildings, and other considerations.

The methodology for estimating the realistic capacity for the Housing Element Site Inventory is based on the following: best practices; a market understanding of the developer preference to optimize development potential as much as possible on a given site, given land costs; capacity estimates utilized in prior housing element cycles; the experience of other jurisdictions in analyzing realistic capacity; and comparable developments that have occurred in and near Piedmont. For example, Il Piemonte, a 26-unit, market rate mixed-use project, located just outside of Piedmont on Piedmont Avenue, is developed at 87 units per acre, which utilizes 100 percent of the allowed capacity of the CN-1 zoning district in Oakland, without any affordable housing density bonus.

While there is also significant regional evidence pointing to projects achieving densities greater than 100 percent by utilization of State density bonus incentives, HCD does not allow cities to project unit potential produced through the density bonus in the Housing Element. Therefore, the City maintains a conservative approach to estimating realistic density and realistic capacity.

The following additional examples of projects in Alameda County and near Piedmont were built at 80 percent or more of their allowed capacity... (placeholder - to be provided prior to submittal to HCD)”

13

Add a new Housing Element program 1.R. Per Govt. Code Sec. 65583.2(h) and (i), addition of a new housing program 1.R Lower-Income Sites Modifications to Address Shortfall Program to Address Affordable Housing in Short-term. City staff and consultants recommend the following approach to address requirements for affordable housing in the short-term in compliance with State law. In order to address a possible shortfall of adequate sites to accommodate the housing units specified to meet the low and very-low income RHNA, pursuant to Government Code 65583.2, subdivision (h) and (i), during the time period in which the City undertakes necessary zoning amendments to increase permitted density in Zone B and Zone D, the Draft Housing Element would be revised prior to submission to California HCD to include

a new housing program in Section IV (page 44). Section IV, Housing Plan, of the Housing Element would be updated to include a new program, Program 1.S, under Goal 1, “New Housing Construction” to read as follows:

Program 1.R Lower-Income Sites Modifications to Address Shortfall. Consistent with California Government Code Section 65583.2(h) and (i), lower-income sites identified for zoning amendments in the Site Inventory will also be modified to:

- **Allow owner-occupied and rental multi-family use by-right for developments in which 20 percent or more of the units are affordable to lower-income households;**
- **Accommodate a minimum of 16 units per site;**
- **Establish a minimum density of 20 units per acre; and**
- **Require residential use occupancy of at least 50 percent of the total floor area of any mixed-use project on these sites.**
- **Objective: Accommodate the lower income shortfall as required by Government Code Section 65583.2(h) and (i).**
- **Timeframe: Amend the Zoning Ordinance as described above by early 2024.**
- **Responsible Agency: Planning and Building Department, City Council.**

14

Revise Housing Element Section F.2.1 to include recently released data on fair housing services. Fair Housing Outreach and Enforcement. The City of Piedmont actively works to eliminate possible racism and discrimination in City policies, laws, and behaviors in government and in the community. Staff recommends a clarification to the text and Appendix F of the Draft Housing Element prior to submission to California HCD to reflect additional data received after release of the Housing Element in April 2022.

Section F.2.1 of the Public Review Draft Housing Element, titled “Fair Housing Outreach and Enforcement” (page F-3) shall be amended to read in part (proposed edit in **bold** and underlined):

“The Eden Council for Hope and Opportunity (ECHO Housing) provides fair housing services to urban and unincorporated areas of Alameda County. Equal housing access is their primary service component. According to 2019 ECHO Housing data, Piedmont accounted for less than one percent of alleged housing discrimination complaints from 2015 to 2019 with most complaints occurring in Oakland followed by the City of Alameda during this time. These complaints within the County were mostly related to the protected classification of disability at about 37 percent, next was the protected classification of race at about 31 percent, the category of “Other” at approximately 15 percent, and the classification of familial status was fourth at about 7 percent.

According to ECHO Housing, Piedmont had one fair housing complaint from 2016-2021 (a disability complaint in 2021), which resulted in education being provided to the landlord to settle the matter. No attorney was needed for resolution of the complaint in question.

15 **Revise Housing Element programs (Chapter IV) to clarify the policy nature of the Housing Element.** City staff and consultants recommend a series of revisions to the text of the Draft Housing Element to clarify the intent of the housing programs and the implementation steps that City staff will take post-adoption of the Housing Element related to housing programs 1.D, 1.F, 1.G, 1.H, 1.I, 1.J, 1.P, 4.M, 4.Q, and 4.T (pages 34 to 67). The intention of these recommended revisions is to clarify that while the City is stating its intention to take future actions, the terms and conditions of the future housing programs are still undecided, and the programs will not be established in the City Code until future steps are taken. For example, all implementation actions should be revised to state that implementation post-adoption of the Housing Element will be performed by City staff at the direction of the City Council.

16 **Revise Quantifiable Objectives Table IV-1 to better project into the future the number of housing units resulting from Housing Element programs.** City staff and consultant recommend a substantive revision to the Draft Housing Element regarding quantifiable objectives.

Quantifiable objectives are separate and distinct from the consideration of the sites inventory. Quantifiable objectives are not used to satisfy the RHNA. Only the sites inventory can be relied upon to satisfy the RHNA. It is an opportunity to set benchmarks for the City to evaluate the effectiveness of new housing programs. There is no legal requirement that a city's quantifiable objective match the RHNA.

Staff recommends revisions to Section IV of the Draft Housing Element, Quantifiable Objectives, to enumerate the planned number of housing units associated with new housing programs. The intention is to provide the City Council with benchmarks to evaluate the success of housing programs in the future.

As recommended by staff, the Draft Housing Element would be revised prior to submission to California HCD to expand the quantifiable objectives in part IV.B and Table IV-I, according to the income categories in the RHNA. The City would modify Section IV, Housing Plan, of the Public Review Draft Housing Element (pgs. 35 to 77) to replace the existing Table IV-1 published in the Draft Housing Element with quantified objectives for certain programs, as identified in the table below:

Revised Table IV-1: Quantified Objectives								
Program #	Program Name	Quantified Objective						Notes
		Extremely Low Income	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total	
1.B	Market-rate ADUs		20	46	46	16	90	
1.D	Religious Affiliated Housing				70		30	
1.E	Inclusionary ADUs				10		10	
1.F	Zone B Changes	25	25	15	15		80	
1.G	Zone C Changes					15	15	
1.H	Zone D Changes	20	20	43		60	85	
1.J	Implementation SB 9				20	20	40	
1.L	Specific Plan	20	20	20		72	92	
1.M	Mobile and Manufactured Homes					5	5	
2.A	CDBG Rehabilitation			4	4		8	
3.B	Legalize Unpermitted ADUs				17		17	
3.D	ADU Missed Opportunities				10		10	
3.E	Affordable Housing Fund	2	3	5			10	
3.F	Incentives Affordable ADUs	5	5	5	5		35	
4.M	Objective Design Standards	10	15	15	10		50	
5.H	Single-Room Occupancy	5	5				10	
5.K	Supportive Housing	3	3				5	
Total		90	116	153	207	188	754	

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Attachment B
Draft Revised Site Inventory Table

APN	Address	Current Use	Site Size (Acres)	General Plan	Zone	Max Density	Proposed Density	Existing Units	Units (realistic)	Income Category	Infrastructure	In Previous? (Y/N)
050 457100101	MORAGA AVE at Pala	Vacant	0.21	Residential*	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
050 457905601	1 ABBOTT WAY	Vacant	0.13	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
050 457902001	MORAGA AVE owned by 261 Scenic	Vacant	0.15	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
050 457904300	14 NELLIE AVE	Vacant	0.27	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
050 457903300	1 MAXWELTON RD	Vacant	0.26	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate	water/sewer extension needed	N
050 460104400	279 SCENIC AVE	Vacant	0.29	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
050 460102003	162 SCENIC AVE	Vacant	0.16	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
050 460101802	156 SCENIC AVE	Vacant	0.09	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
050 462104601	538 BLAIR AVE	Vacant	0.13	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
051 470000500	415 PACIFIC AVE	Vacant	0.60	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
051 469900902	551 MOUNTAIN AVE	Vacant	0.17	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
051 471302300	14 LITTLEWOOD DR	Vacant	0.83	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
050 455104100	NACE AVE	Vacant	0.21	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
050 455001500	HOWARD AVE	Vacant	0.11	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
050 092801301	KINGSTON AVE	Vacant	0.12	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
051 470104603	43 BELLEVUE AVE	Vacant	0.26	Residential	E	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
050 092800400	770 KINGSTON AVE	Vacant	0.19	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate	water/sewer extension needed	N
051 480300101	70 SOTELO AVE	Vacant	1.06	Residential	E	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
051 469301000	780 HIGHLAND AVE	Vacant	0.11	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
051 480201300	17 GLEN ALPINE RD	Vacant	0.47	Residential	E	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
051 472800104	26 SEA VIEW AVE	Vacant	0.39	Residential	E	1 unit per lot	1 unit per lot	0	1	Above Moderate	water/sewer extension needed	N
051 467603400	148 HAZEL LN	Vacant	0.21	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
051 480201600	INDIAN GULCH RD	Vacant	0.26	Residential	E	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
051 472800503	GLEN ALPINE RD	Vacant	0.13	Residential	E	1 unit per lot	1 unit per lot	0	1	Above Moderate	water/sewer extension needed	N
051 466801934	REQUA PL	Vacant	0.26	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
051 472800502	GLEN ALPINE RD	Vacant	0.71	Residential	E	1 unit per lot	1 unit per lot	0	1	Above Moderate	water/sewer extension needed	N
051 472800401	26 SEA VIEW AVE	Vacant	0.71	Residential	E	1 unit per lot	1 unit per lot	0	1	Above Moderate	water/sewer extension needed	N
051 472800604	74 SEA VIEW AVE	Vacant	0.75	Residential	E	1 unit per lot	1 unit per lot	0	1	Above Moderate	water/sewer extension needed	N
051 473602307	WILDWOOD AVE	Vacant	0.27	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
051 472802100	5 HAMPTON RD	Vacant	0.53	Residential	E	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
051 472802000	5 HAMPTON RD	Vacant	0.55	Residential	E	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
051 482600600	HUNTLEIGH RD	Vacant	0.32	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
051 473602301	370 WILDWOOD AVE	Vacant	0.11	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
051 482600700	145 LEXFORD RD	Vacant	0.30	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
051 473300702	WILDWOOD GARDENS	Vacant	0.17	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
051 473301800	WISTARIA WAY	Vacant	0.32	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
051 481900100	490 HAMPTON RD	Vacant	0.20	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
051 481902000	440 HAMPTON RD	Vacant	0.20	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
051 473200400	117 WOODLAND WAY	Vacant	0.20	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
051 473600202	85 WILDWOOD GARDENS	Vacant	0.37	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate	water/sewer extension needed	N
050 086000400	1069 WINSOR AVE	Vacant	0.19	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
051 473902100	OAK RD	Vacant	0.31	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
051 482003300	PARK BLVD	Vacant	0.37	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
051 482003500	PARK BLVD	Vacant	0.37	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N
051 481801600	111 SANDRINGHAM RD	Vacant	0.21	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate		N

Draft Revised Site Inventory Table

051 474502907	PORTAL AVE	Vacant	0.31	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate	N
051 482003700	PARK BLVD	Vacant	0.46	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate	N
051 481302200	ST JAMES DR	Vacant	0.14	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate	N
051 481201700	SANDRINGHAM RD	PGE Site	0.27	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate	N
051 480901900	22 VALANT PL	Vacant	0.19	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate	N
051 480901002	50 ST JAMES PL	Vacant	0.14	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate	N
051 482800703	280 INDIAN RD	Vacant	0.36	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate	N
051 482801003	280 INDIAN RD	Vacant	0.23	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate	N
051 482800904	280 INDIAN RD	Vacant	0.23	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate	N
051 478600800	62 FARRAGUT AVE	Vacant	0.24	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate	N
051 480303700	403 HAMPTON RD	Vacant	0.23	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate	N
051 482600900	139 LEXFORD	Vacant	0.29	Residential	A	1 unit per lot	1 unit per lot	0	1	Above Moderate	N
050 462401000	333 HIGHLAND AVE	Commercial	0.22	mixed use	D	20 du/ac	81 du/ac	0	14	Above Moderate	N
050 462401100	333 HIGHLAND AVE	Commercial	0.07	mixed use	D	20 du/ac	81 du/ac	0	5	Above Moderate	N
050 462401200	345 HIGHLAND AVE	Commercial	0.15	mixed use	D	20 du/ac	81 du/ac	0	10	Above Moderate	N
050 462300602	356 HIGHLAND AVE	Commercial	0.28	mixed use	D	20 du/ac	81 du/ac	0	18	Above Moderate	N
050 462300500	356 HIGHLAND AVE (terrace)	Commercial	0.04	mixed use	D	20 du/ac	81 du/ac	0	2	Above Moderate	N
050 455700200	1333 GRAND AVE	Commercial	0.14	mixed use	D	20 du/ac	81 du/ac	0	9	Above Moderate	N
050 455700401	1331 GRAND AVE	Commercial	0.14	mixed use	D	20 du/ac	81 du/ac	0	9	Above Moderate	N
050 455700500	1327 GRAND AVE	Single Family	0.11	mixed use	D	20 du/ac	81 du/ac	1	6	Above Moderate	N
050 455700600	1321 GRAND AVE	Single Family	0.11	mixed use	D	20 du/ac	81 du/ac	1	6	Above Moderate	N
050 455700700	1311 GRAND AVE	Single Family	0.11	mixed use	D	20 du/ac	81 du/ac	1	6	Above Moderate	N
050 455700800	1243 GRAND AVE	Single Family	0.11	mixed use	D	20 du/ac	81 du/ac	1	6	Above Moderate	N
050 455700900	1239 GRAND AVE	Single Family	0.11	mixed use	D	20 du/ac	81 du/ac	1	6	Above Moderate	N
050 455701000	1235 GRAND AVE	Single Family	0.11	mixed use	D	20 du/ac	81 du/ac	2	5	Above Moderate	N
051 463801501	1246 GRAND AVE	Single Family	0.11	mixed use	D	20 du/ac	81 du/ac	1	6	Above Moderate	N
050 457901900	MORAGA AVE	Blair Park	3.73	Parks and Private Open Space	B	5 du/ac	TBD/SP	0	TBD w/	Above Moderate	N
050 457908000	MORAGA AVE	Blair Park	1.12	Parks and Private Open Space	B	5 du/ac	TBD/SP	0	Specific Plan	Above Moderate	N
048A700200303	898 RED ROCK RD	Corporation Yard	11.90	Parks and Private Open Space	B	5 du/ac	TBD/SP	0	72	Above Moderate	N
Subtotal Above Moderate										237	
048A700200303	898 RED ROCK RD	Corporation Yard	11.90	Parks and Private Open Space	B	5 du/ac	TBD/SP	0	30	Lower	N
050 457906100	643 MORAGA AVE	Corporation Yard	1.50	Parks and Private Open Space	B	5 du/ac	TBD/SP	0	30	Lower	N
051 482001118	5201 PARK BLVD	Houses of Worship	2.22	Residential/House of Worship	A	1 unit per lot	21 du/ac	0	37	Lower	N
050 455801502	1337 GRAND AVE	Commercial	0.63	mixed use	D	20 du/ac	81 du/ac	0	41	Lower	N
050 455701501	1221 GRAND AVE	Commercial	0.65	mixed use	D	20 du/ac	81 du/ac	0	42	Lower	N
Subtotal Lower										180	
050 092700403	OLIVE AVE	Houses of Worship	0.16	Residential/House of Worship	A	1 unit per lot	21 du/ac	0	3	Moderate	N
050 092700500	OLIVE AVE	Houses of Worship	0.08	Residential/House of Worship	A	1 unit per lot	21 du/ac	0	2	Moderate	N
050 092700600	OLIVE AVE	Houses of Worship	0.08	Residential/House of Worship	A	1 unit per lot	21 du/ac	0	2	Moderate	N
050 092700700	OLIVE AVE	Houses of Worship	0.08	Residential/House of Worship	A	1 unit per lot	21 du/ac	0	2	Moderate	N
050 092701300	OAKLAND AVE	Houses of Worship	0.08	Residential/House of Worship	A	1 unit per lot	21 du/ac	0	1	Moderate	N
051 481201110	4925 PARK BLVD	Houses of Worship	1.49	Residential/House of Worship	A	1 unit per lot	21 du/ac	0	25	Moderate	N
051 463603500	1300 GRAND AVE	Houses of Worship	0.40	Residential/House of Worship	A	1 unit per lot	21 du/ac	0	7	Moderate	N
050 462300400	400 HIGHLAND AVE	Houses of Worship	1.49	Residential/House of Worship	A	1 unit per lot	21 du/ac	0	25	Moderate	N
Subtotal Moderate										67	
TOTAL										484	

RESOLUTION No. _____

**A RESOLUTION AUTHORIZING STAFF TO FINALIZE AND SUBMIT THE CITY OF
PIEDMONT'S SIXTH CYCLE DRAFT HOUSING ELEMENT TO THE CALIFORNIA
DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR REVIEW
AND CERTIFICATION**

WHEREAS, enacted in 1969, the State of California housing element law, as set forth in Government Code §§ 65302 and 65580, et seq., requires all cities and counties in California to prepare detailed plans to meet the housing needs of everyone in the community, and requires cities and counties to obtain California Department of Housing and Community Development (CA HCD) certification of each Housing Element; and

WHEREAS, Piedmont's prior Housing Element was last certified by CA HCD in 2014, and Government Code section 65588 requires local agencies to update their housing element at least every eight years; and

WHEREAS, in February 2021, the City Council established a Housing Advisory Committee to provide feedback on fair housing issues and on the conduct of the next Housing Element update; and

WHEREAS, the Association of Bay Area Governments (ABAG) adopted a final methodology and Regional Housing Needs Allocation (RHNA) for every local government in the Bay Area Region in May 2021, and the RHNA assigned to Piedmont was 587 new housing units across various income categories; and

WHEREAS, on May 3, 2021, the City Council approved a contract with Lisa Wise Consulting, Inc. (LWC), to prepare the next Housing Element update in conformance with State of California 6th housing element cycle requirements, and in July 2021, LWC representatives began stakeholder interviews; and

WHEREAS, the City has undertaken an innovative and robust public engagement process, using a wide variety of media and formats, in support of the Housing Element update process; and

WHEREAS, in March 2021, City of Piedmont launched a citywide Fair Housing Community Survey, a citywide postcard mailing, an interactive pinnable mapping tool (Social Pinpoint software), and Piedmontishome.org, a fair housing website and clearinghouse for Housing Element information, updates, and resources for community members; and

WHEREAS, in September 2021, the Planning Commission and the Housing Advisory Committee held a joint meeting to receive information about the requirements for Housing Elements and fair housing law, in September 2021, City decision-makers and staff participated in person at Piedmont community events to increase public awareness of the Housing Element process, and City staff hosted the Housing Element Community Workshop #1 on December 2, 2021, at which 80 people attended; and

WHEREAS, public engagement continued in 2022, as follows: in March 2022, the City installed 30 publicity banners for the Housing Element update on Grand Avenue, Highland Avenue, and Moraga Avenue with Piedmontishome.org website information and text inviting the broader Piedmont community to participate in the Housing Element update; and a few days later, the City hosted the second Housing Element Community Workshop #2, at which the City launched the web-based Piedmont Housing Puzzle, a community planning tool with opportunities to comment on potential sites and allocate the RHNA housing units to selected sites and at various residential densities, and at which 73 people attended, and there were 1,050 new online sessions using the Piedmont Puzzle tool; and

WHEREAS, public engagement conducted for the Housing Element update has included regular news stories in local media, email newsletters to over 4,000 email subscribers, emails to the School District employees and City employees (Piedmont's largest employers), correspondence with Piedmont religious institutions, meetings with property owners in Zones A, B, C, and D, regular updates at public meetings of the Planning Commission, and posters at local businesses; and

WHEREAS, on April 8, 2022, the Draft 6th Cycle Piedmont Housing Element ("Draft Housing Element") was published to the City of Piedmont homepage and the City's housing website, Piedmontishome.org; and

WHEREAS, on March 15 and April 19, 2022, the Housing Advisory Committee met to consider the progress of the Draft Housing Element; and

WHEREAS, on May 4, 2022, City staff and the consultant team presented the Draft Housing Element at a regular meeting of the Park Commission, and on May 18, 2022, City staff and the consultant team presented the Draft Housing Element at a regular meeting of the Recreation Commission; and

WHEREAS, on May 12, 2022, the Planning Commission held a special public meeting to consider a recommendation to the City Council for the Draft Housing Element, and the Commission received a presentation by staff and the consultant team, received written and verbal public comment provided before and at the meeting, and at the conclusion of the meeting adopted a motion recommending City Council authorize staff to send the Draft Housing Element to California Housing and Community Development for its review, as well as recommending certain revisions to the text of the Draft Housing Element; and

WHEREAS, on June 7, 2022, City staff hosted a virtual public forum, called the Housing Element Town Hall, to answer questions and take public comment on the Draft Housing Element; and

WHEREAS, the City has begun the preparation of an Initial Study pursuant to the California Environmental Quality Act (CEQA) that will study potential environmental impacts of the Draft Housing Element; and

WHEREAS, at a regular meeting on June 20, 2022, the City Council considered the Draft Housing Element and the Planning Commission's recommendations thereto, received a report by staff and the consultant team, and received written and verbal public comment from members of the Piedmont community, and, after reviewing the report, presentation, and all testimony and documentation submitted in connection with public comment, the Piedmont City Council directed staff to make revisions and provide further information to the Council; and

WHEREAS, during the week of July 25, 2022, City staff mailed an informational postcard to every property in Piedmont to publicize the Housing Element Update, including upcoming public meetings and information available on the fair housing website, Piedmontishome.org; and

WHEREAS, at a regular meeting on August 1, 2022, the City Council considered preliminary findings of the analysis requested on June 20, 2022, received a staff report, and received written and verbal communication from members of the Piedmont community, and after reviewing the report, presentation, and any and all testimony and documentation submitted in connection with public comment, the Piedmont City Council directed staff, as follows:

1. Expand the Moraga Canyon Specific Plan study area to include all City-owned property along Moraga Avenue, including Blair Park, and initiate the planning process before the end of 2022.
2. Conduct analysis required to redistribute 74 lower-income units from the Civic Center to 1221 and 1337 Grand Avenue.
3. Conduct analysis to redistribute 18 moderate income units from the Civic Center to parcels in zones C, D and/or 801 Magnolia Avenue.
4. Conduct analysis to relocate above-moderate income units from 1221 and 1337 Grand Avenue, as needed, to keep building height at or below 5 stories.
5. Maximize total and lower income ADU count.

WHEREAS, on August 18, 2022, City staff hosted an information session, entitled "Housing Element 102," in the City Council Chambers and in the Zoom virtual meeting format, and hosted a Housing open house in the City Hall courtyard; and

WHEREAS, on November 9, 2022, City staff hosted a Housing Element open house at Community Hall, which was widely publicized in local news media, at which approximately 40 people participated; and

WHEREAS, the City Council considered the Draft Housing Element at a special meeting on November 15, 2022, received a report by staff and the consultant team, and received written and verbal public comment from members of the Piedmont community, and, after reviewing the report, presentation, and any and all testimony and documentation submitted in connection with public comment, the Piedmont City Council finds:

1. The public engagement conducted for the Draft Housing Element has successfully reached broad segments of the Piedmont community, including residents in affected neighborhoods and people working, attending school, and visiting Piedmont from other areas.

2. The Draft Housing Element presents a reasonable and equitable approach to work with the private sector to enable the construction of new housing to meet the Regional Housing Needs Allocation of 587 new housing units in all income categories. The Draft Housing Element includes an additional 57 housing units beyond the 587 housing units required by the RHNA to ensure that the City reaches the RHNA goal, as CA HCD requests such a buffer.
3. The Draft Housing Element presents a thoughtful and careful consideration of the potential obstacles to growth in Piedmont and presents new policies and programs to consider removal or reduction of these obstacles.
4. The Draft Housing Element utilizes a sufficient realistic capacity for growth projections by using an 80% cap on projected growth, resulting from Draft Housing Element policies and programs, and by including a 9.7% buffer of surplus units above the RHNA of 587 housing units (57 housing units).
5. The Draft Housing Element affirmatively furthers fair housing by providing sites, policies, and programs that assure households of all incomes and social and racial backgrounds have access to high resources areas, economic and educational opportunities, and areas with low exposure to environmental hazards.
6. As outlined in the staff report and presentation, the Draft Housing Element complies with housing element law, as set forth in Government Code §§ 65302 and 65580, et seq.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Piedmont does hereby resolve, declare, determine, and order as follows:

SECTION 1. The Piedmont City Council incorporates the findings set forth in this Resolution.

SECTION 2. The Piedmont City Council authorizes staff to submit the Draft Housing Element to the California Department of Housing and Community Development (CA HCD) for its review, incorporating revisions: 1) as reflected in Attachment A; 2) additional revisions directed by the City Council at the November 15, 2022 meeting; and 3) any non-substantive modifications necessary as suggested by HCD reviewers which are consistent with this approval.

SECTION 3. All portions of this resolution are severable. If an individual component of this Resolution is adjudged by a court to be invalid and unenforceable, then the remaining portions will continue in effect.

[END OF RESOLUTION]

Item # 1 – Submission of Revised Housing Element to HCD
Correspondence received before Tuesday, November 15th at Noon

Dear Mayor and Members of the City Council,

I am writing to urge you to amend one clause of Program 1.L. regarding the Moraga Canyon Specific Plan (item 11 of Appendix A, pp 16-17 of the staff report). Program 1.L. provides "high-level goals . . . to outline the issues that must be addressed in the development of the future specific plan. Among those goals is the following clause:

"The specific plan must include recreation facilities, including but not limited to an under-14 soccer field, youth baseball/softball field, batting cages, artificial field turf, ballfield seating, a skate spot, a picnic area, and parking for these facilities."

There are two things that are very problematic about this language:

- 1) that the Specific Plan **MUST** include a skate area, even though the skate area is essentially unused and could be one of the most promising areas for housing, and a skate area could easily be incorporated elsewhere in the City; and
- 2) that it **MUST** include an expansion of the soccer field from an under-8 to an under-14 sized field, when we don't know if that is feasible or what other uses it might displace, let alone the additional parking that would be required to accommodate a larger field.

I urge the City Council to modify this language, so that these goals are clearly stated as desired goals but NOT MANDATORY as it is currently stated. Making these elements mandatory will set the Specific Planning process up for failure if all the desired uses cannot simultaneously be achieved, or can only be achieved with significant adverse impacts.

Proposed language 1 (changes in bold): "To the extent feasible, the specific plan shall include recreation facilities, including but not limited to an under-14 soccer field, youth baseball/softball field, batting cages, artificial field turf, ballfield seating, a skate spot, a picnic area, and parking for these facilities.

OR

Proposed language 2 (changes in bold and delete skate spot): "The specific plan must include recreation facilities, including but not limited to a soccer field **equal to or greater in size than the current soccer field**, youth baseball/softball field, batting cages, artificial field turf, ballfield seating, a picnic area, and parking for these facilities."

Please pay attention to these important details and make this change now, to give the City the planning flexibility it will need.

Thank you,
Deborah Leland

Dear Mayor King, Vice-Mayor Cavanaugh, Council members Andersen, McCarthy and Long,

I appreciate all the effort the City has made to find the best sites for affordable housing among its limited options. However, the proposed changes to the site inventory for affordable housing presented in the staff report are steps in the wrong direction.

The best multifamily sites are in Moraga Canyon because it has undeveloped public land. The second best location is public land in Civic Center where the demolition and redevelopment of aged public facilities is long overdue. The third best sites are the religious institution parking lots as there is some open space which might be used without demolition of an existing building.

Commercial sites on Grand Ave. are a very distant fourth location for affordable housing. These commercial sites host stores and other businesses that would need to be closed, relocated and compensated for business interruption losses. Affordable housing development at these commercial sites is improbable due to the high cost of land and business relocation expense.

The City Council should adopt the EPS recommendation to develop a Master Plan for Civic Center that includes affordable housing in a mixed use or side-by-side project design. This recommendation allows the City to plan for spacious city, police and fire facilities that can include affordable housing. The City should carefully study what the best combined use might be - within the limits of its financing capacity for new public facilities.

Last I note concerns raised by others about the number of affordable housing units that might be located in Moraga Canyon. This objection has been explained by a few as somehow a return to past periods of housing segregation. All neighborhoods in Piedmont are highly desirable with equal access to its schools. There is no "wrong side of the tracks". A cap on the number of affordable housing units in any one neighborhood such as Moraga Canyon reminds me of past immigration laws that limited permanent residency from Asian countries through discriminatory quotas. Let's not return to that exclusionary U.S. history and promote neighborhood quotas based on affordable income in Piedmont.

Thank you for considering my comments,

Randy Wu

Blair Park, along Moraga Ave, is a perfect place for high density housing! The site is easily accessible for developers. Everyone who drives on Moraga Ave past Blair Park knows that it is very underused! Who wants to be in a park with such heavy traffic speeding past?

Please move the new Blair Park from its current 4.85 acre location in Moraga Canyon. The park, not housing, would be better located on a portion of the original 75 acre Blair Park site, above Coaches Field-high on the hillside (see historyofpiedmont.com search Blair Park)! All Piedmont residents could enjoy this superior park location high on the hill with its mature trees, some of the original graded trails, and unsurpassed views!

Following is a description of our magnificent hillside from the San Francisco Morning Call newspaper, Sunday, March 22, 1891. Page 8: "a splendid view is had over the whole of, that ranges from the Golden Gate inward to the Contra Costa shore. To gain this view at the back to

an altitude of some 700 feet, dominates the whole surrounding country and gives the view in panorama of everything from Berkeley to Alameda on this shore and from Mount Tamaulipas down along the Coast Range”

Isn't it better for our climate issues, if Piedmonters just walk out of their houses' to a majestic new Blair Park on the mountain for exercise, rather than jumping into their cars to drive somewhere else? It was a highly desired destination for people in 1891 and it could be again!

Chris Read

Dear Mayor King and Members of the City Council –

This is a follow-up to my letter of October 27, in which I recommended that you to include the Civic Center sites at 120 Vista and 801 Magnolia in the City's Housing Element site inventory as “surplus” or “buffer” sites identified for affordable housing. While I still think that would be a sensible idea, I am writing this time - having reviewed the materials prepared for tomorrow's City Council Special Meeting - to encourage you to follow the recommendation of your own consultants to **“include a program in the Housing Element to prepare a Civic Center Master Plan that includes the incorporation of affordable housing as a primary objective of the Plan.”**

Economic and Planning Systems, Inc. (EPS), the City's land-use planning consultants, have now conducted two high level feasibility analyses of housing on the Civic Center sites. I would interpret/summarize the results of those analyses as follows:

1. Development of affordable (low or moderate income) housing in the Civic Center – alongside the critical upgrades needed to the City's essential service infrastructure there – will be challenging, but not impossible;
2. The City needs to figure out what its highest and best use is for 801 Magnolia (the site of the current Arts Center) as a component of the Civic Center; and, more broadly
3. Until the City undertakes a comprehensive Master Planning process for the Civic Center - which looks at all of the facilities and activities the City would like to prioritize in the area - it will be impossible to know how much/what kind of housing might be possible to incorporate in the Civic Center. As EPS put it in describing its full recommendation, **“As part of the master planning process, the City will seek to optimize the configuration of both parcels to achieve the dual objectives of civic uses and new affordable housing.”**

As an 18-year resident of central Piedmont, whose family has enjoyed all the benefits of living within a five-minute walk of K-12 schools, Piedmont Park, the recreation and community centers, AC Transit's Piedmont hub, the city offices and the commercial amenities of “downtown”, I think the Civic Center continues to be one of the most promising sites for some amount of new affordable housing in Piedmont. I can understand (though I might disagree) that the current uncertainty surrounding exactly what that potential is could argue against including those sites now in the site inventory. However, I see nothing but upside from adopting EPS's recommendation. Should it become clear that either of the Grand Avenue sites or the Zion Lutheran Church site on Park Boulevard will not be developed as low income housing, the number of identified low income units in the City's plan would immediately drop to between

234-239, significantly below the RHNA allocation of 257. That's a tough number to make up simply by hoping that more low-income ADU's come online, spurring the need to identify "alternative sites" during the planning period. I think it would be prudent planning to have already started to look at one of the most promising remaining alternatives - by adopting EPS's recommendation to include a program in the Housing Element which would affirm the City's intent to evaluate housing as part of the Civic Center master planning process.

Sincerely yours,

Michael T. Gomez

Hello,

My name is Noah Lindenbaum and I am a senior at Piedmont High School. I am currently working on a semester-long project in my Civics class to research the current housing situation in Piedmont. I believe that the Civic Center should be left as a viable housing option in the Housing Element because of its advantage as a city owned area. Taking part of the housing load off of Grand Ave will also increase the likelihood that these houses will eventually be built. Furthermore, my group strongly believes that low-income housing, specifically, should be spread throughout Piedmont to eventually allow new Piedmonters to better assimilate into the Piedmont community. Spreading housing to the Civic Center will aid this hope.

Best,

Noah Lindenbaum

Dear Councilmembers,

I write today to express both support for the Housing Element and also to request that the City follow up on the recommendation of the EPS Consultants to prepare a Civic Center Master Plan that includes affordable housing as the primary objective of the plan.

As you know, this HE draft transfers 80+ units of low-income housing from the Civic Center to Grand Avenue. While Grand Avenue has good transit access and many other positive qualities to recommend it, the sites that the City has chosen to transfer the proposed units to (including the Ace Hardware site) are in active use and are unlikely to be redeveloped. HCD is scrutinizing housing element sites for feasibility and will not look favorably on the inclusion of Housing Element sites that are unlikely to yield housing.

At the same time, Piedmont's Civic Center has many potential sites that could be redeveloped to create housing, particularly affordable housing. Civic Center is the heart of our community, an easy walk to most of Piedmont's schools, close to bus stops and an ideal place for more housing. Well designed housing, particularly with ground floor retail, can be a real asset to the community in this location. For these reasons, I support moving forward a Civic Center Master Plan.

Thank you for your consideration of my comments. The road to get us to this point in the Housing Element process has not been easy. I would like to commend staff for their work to

develop Piedmont's Housing Element and for their thoughtful responses to the questions and concerns that have arisen. I also appreciate Council's diligence and your consideration of the issues.

Respectfully,

Sarah Karlinsky

Dear Members of the Piedmont City Council,

We would like to offer a couple comments on the November 15th Council Agenda Report. Specifically, we would like to ask for further action related to Section A on Council Directed Revisions, Part 3, entitled “Conduct analysis to redistribute 18 moderate income units from the Civic Center to parcels in zones C, D and/or 801 Magnolia Avenue.” The presentation of the consultant recommendations in their October 24th memo is incomplete from what we can see and bears serious consideration. The consultants recommend the City consider a Civic Center master plan to optimize the configuration of both parcels (801 Magnolia and 120 Vista) to achieve the dual objectives of civic uses and new affordable housing. They indicate the following:

*Given the complexities described above, EPS recommends the City exclude 801 Magnolia (and 120 Vista) from the Sites Inventory at this time **and instead include a program in the Housing Element to prepare a Civic Center Master Plan that includes the incorporation of affordable housing as a primary objective of the Plan.***

We ask that addition of this item to the housing element be discussed. Its addition will help create more opportunity for distribution of housing throughout the community and help further upgrade the civic center area. Thank you.

Sincerely,

Scott & Rika Mortimer

Dear City Leadership

I want to applaud your decision to remove the center of Piedmont as a possible site for buildings to comply with the state mandated Housing Element. I realize how important it has been to evaluate all possible sites, but you have made the right decision to exclude this location. The center of Piedmont is an important and busy hub for local residents and their children on the way to and from the schools built around our cozy “downtown” cluster. As a school zone, safety for kids and their families is paramount, whether pedestrian or auto – adding more density here would clearly create a hazard. It is also a critical, central location for police and fire, as well as an already congested tiny shopping zone for local residents. It simply cannot support more cars and people.

Families choose to live in Piedmont because it is a community of sidewalks, tree lined streets, friendly neighbors and great schools. We should strive to maintain that approach for future housing development, utilizing both the open space which exists along Moraga Ave, and the

opportunities which have been discussed along Grand Ave. These locations provide easy access to shopping, transportation hubs and other services which can more effectively support the expanded population when and if it gets constructed.

Please stay the course and keep the center of town safe and friendly, and thanks to all of you for your diligence and continued leadership.

Regards,

Shahan Soghikian

November 14, 2022

City Council
120 Vista Ave.
Piedmont, CA

Re: Revisions to the Draft Housing Element 6th Cycle

Dear Mayor King, Vice-Mayor Cavanaugh, Councilmembers Andersen, McCarthy and Long,

Thank you for your efforts to support the creation of a Housing Element that not only will meet state requirements but also serves as a meaningful blueprint for Piedmont to address our regional housing crisis. This has been a very big lift by City staff, its consultants and by its elected and appointed City leaders. I'm very encouraged by and appreciative of the great strides the city has made in this effort and believe **the City should approve and submit its revised draft to HCD as quickly as possible.**

However, I have significant concern that some of the sites that have been identified for Low and Extremely Low Income Units are unrealistic and unlikely to result in the actual production of units for these income categories. In particular, I'm concerned with the changes to the site inventory to move 83 units from the Civic Center to Grand Avenue. As this process has demonstrated, there are no easy sites for housing development in Piedmont—all of them are difficult. **However, the two Grand Avenue parcels are particularly difficult and highly unlikely to be built for this income level due to financial infeasibility.** First, they are non-vacant sites that are occupied by thriving, popular commercial businesses. Presumably the owners have indicated some interest in selling for them to be included in the Site Inventory, but given their current uses, there's little reason to think they could be obtained at a cost or terms that would make affordable development feasible. Moreover, the public funds needed to develop the sites as affordable housing would trigger state and federal relocation requirements for the displaced commercial tenants that would add additional significant development costs, as would the necessary demolition of existing structures. And while it is theoretically possible to develop new ground floor commercial on the sites for existing tenants, that would also add significant complication, expense and risk while extending development timelines and would still necessitate paying

expensive temporary relocation to the displaced tenants. As an affordable housing development professional with 30 years of development experience, where I have seen complicated, expensive privately owned sites such as these work is in cities that have significant funding to provide toward the increased costs. That is not the case here.

In contrast, the City-owned sites in the Civic Center where the 83 Low Income units were moved from (and which have now been entirely removed from the site inventory) are more feasible sites for low income housing development. Because there is already an identified need and general intention to upgrade civic facilities, this presents a real opportunity to integrate affordable housing into these plans in a location ideally situated near transit, schools and parks. This could be achieved in a number of ways, either with mixed use buildings that contain both housing and civic uses, or by reconfiguring and densifying city uses to free up a separate parcel for a stand- alone housing project. And by providing the site through a long term, below market ground lease, the affordable housing's financial feasibility is greatly increased, making actual development much more likely. This also puts the development in the City's control, unlike privately owned sites which require the willingness of private owners to sell. While the planning process would be extensive and funding for the city facilities would need to be obtained, I still think these sites provide a more realistic opportunity for the actual provision of low-income housing in Piedmont in the next eight years than the Grand Ave sites.

I urge the City to follow the recommendation of its consultants Economic Planning Systems (EPS) to **“include a program in the Housing Element to prepare a Civic Center Master Plan that includes the incorporation of affordable housing as a primary objective of the Plan.”** EPS recommends this plan include both 801 Magnolia and 120 Vista. After this Master Plan is approved, along with a financing plan, 120 Vista and 801 Magnolia then should be included in the 6th Cycle site inventory as viable public land sites for affordable housing.

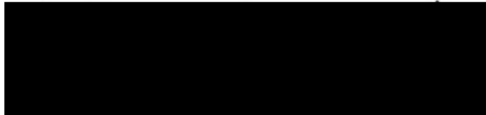
I am also concerned about the increased reliance on ADUs in the Site Inventory to meet the Low and Very Low Income Housing goals, with 48 units of Very Low Income and 48 units of Low Income being allocated to new ADUs. While I understand the explanation that these allocations are being done consistent with ABAG guidance, there is little evidence that

ADUs that have been built in Piedmont in recent years are being used as rental housing, let alone as rental housing restricted to low income individuals or families. Unless there are very significant financial incentives to homeowners to restrict units to low income renters and compensate for below market rents, this goal is not going to be met.

This increase in allocation to ADUs was accompanied by a reduction in the number of Low Income units in Moraga Canyon on City-owned land from 100 down to 60. For the same reasons as cited above for the Civic Center, this site offers a more feasible path to actual development of Low Income housing. **I recommend the Site Inventory be amended so that number of Low and Very Low Income units be restored to 100 in Moraga Canyon, and the allocation to ADUs be decreased by 40.**

Thank you for considering my comments and recommendations.

Sincerely,

A solid black rectangular redaction box covering the signature area.

Alice Talcott
Wildwood Ave

Copy: Planning Commission, City Administrator, Planning Department

Item # 1 – Submission of Revised Housing Element to HCD
Correspondence received before Tuesday, November 15th at 4:00 p.m.

Dear City Leadership

I'm sending this message to strongly encourage you to stand by your decision to remove the center of Piedmont as a possible site for buildings to comply with the state mandated Housing Element. I appreciate how difficult this process has been for the City, but it's absolutely the right course to exclude the city center locations. The center of Piedmont is a vital hub for the community and particularly for our children as they attend school and generally enjoy the safety and accessibility of our small town commercial and civic center. I can't imagine what the additional traffic and general crowding would do to forever change one of the jewels of our community. There is simply no way the center of town can support more cars and people.

Families choose to live in Piedmont because it is a community of sidewalks, tree lined streets, friendly neighbors and top ranked schools. We should strive to maintain these attributes for future housing development, utilizing both the open space which exists along Moraga Ave, and the opportunities which have been discussed along Grand Ave. These locations are far better suited to address the needs outlined in the Housing Element; easy access to shopping, transportation hubs and other services which can more effectively support expansion of more affordable housing.

I was born and raised in Piedmont and have actively supported the evolution of our city over the last 30 years since moving back to town. I've not seen a more consequential decision before our city leadership and I urge you to hold your ground on this important protection for the heart of our community.

Thanks for all you do for Piedmont and your continued leadership these and other decisions facing our city.

Warm Regards,

Steve Ellis

Dear City Leadership,

The center of our City is one that is not only historic but the most important hub for our town with so much traffic (already) and many children going to and from school. It cannot support more traffic or density. I concur with your decision to remove the center of Piedmont as a possible site for buildings to comply with the state-mandated Housing Element. I realize how important it has been to evaluate all possible sites, but you have made the right decision to exclude this location. As a school zone, safety for kids and their families is paramount, whether pedestrian or auto – adding more density here would clearly create a hazard. It is also a critical, central location for police and fire, as well as an already congested tiny shopping zone for local residents. It simply cannot support more cars and people.

Families choose to live in Piedmont because it is a community of sidewalks, tree-lined streets, friendly neighbors, and great schools. With increased traffic in our City core, that could jeopardize our vision for our community but could pose serious safety risks as well. We should strive to maintain that approach for future housing development, utilizing both the open space which exists along Moraga Ave and the opportunities which have been discussed along Grand Ave. These locations provide easy access to shopping, transportation hubs, and other services which can more effectively support the expanded population when it gets constructed.

Please stay the course and keep the center of town safe and friendly, and thanks to all of you for your diligence and continued leadership.

Regards,

Cynthia Gouw

Dear City Leaders,

David and I are writing to express support for the City Council's decision not to include new housing in the center of Piedmont in the Housing Element being prepared by the City in response to State requirement. We understand that it makes sense for some cities to add new housing to their city center, since there are jobs, transportation, health and other services. However Piedmont does not a commercial or traditional center of town.

We agree that the Fire, Police and other emergency services in the center of Piedmont are in need upgrading and are essential to our town. Adding housing in the center of town would make these upgrades more difficult and would add significant congestion with the park, school and these services all in the same area. It would also be a potential safety concern for our students going to and from school and the park.

We strongly feel that to Moraga Canyon or on Grand Avenue would be better areas to address this issue. These areas could be developed to have better parking and potential for landscaped spaces for recreation or dog parks or community gardens. These locations have better access to transportation, shops and would help with lessening traffic issues.

We are unfortunately unable to attend the City Council meeting in person this evening, We very much appreciate all of the hard work that you have put in to arrive at a solution for our housing element.

Sincerely,

Dave and Brynne Staley

Dear Council Members,

I know this is very late as you face the daunting challenge of adopting the Draft Housing Element tonight. Before you act, however, I ask/urge you to consider four changes:

1) Follow the recommendation of your consultant, Economic & Planning Systems, Inc. (EPS) to "include a program in the Housing Element to prepare a Civic Center Master Plan that includes the incorporation of affordable housing as a primary objective of the Plan."

2) As part of this change, Include the two public tennis courts above the Community Park, behind Guilford Ave., in any proposed Civic Center housing. I do not understand WHY this site has never been studied or included in the plan. Kevin Jackson suggested it's because the courts are well used. Are they? I have never seen any studies to that effect, and since the Cory Reich courts are no longer to be considered for housing, why are not these two courts eligible? The site would be perfect for an affordable housing complex, close to schools, Civic Center, and public transportation.

3) Include the Valero gas station site. Although there are restrictions/limitations to putting housing on gas station sites, it can be done. This site is bound to become too costly for a gas station as more Piedmont residents switch to EV's, and a new state law goes into effect in 2024 requiring all gas stations to install costly, new underground storage tanks. Why does central Piedmont need a gas station when this site would be a perfect addition to the proposed housing on Highland?

4) Delete the requirement that the Moraga Specific Plan "must include... a skate spot..." .The current skate park above the Corporation Yard is little used and could be relocated on a more appropriate site, closer to central Piedmont. The current skate park would be ideal for housing.

Thank you for your consideration and for all your intense and thoughtful discussions on the future of Piedmont.

-Marj Blackwell

Dear Council Members,

I served on the Piedmont Recreation Commission for six years (along with with of you who are now council members) until spring of 2022. I have three comments on proposed changes to the plan.

1. You've included "must include a skate area" in the draft. I think that is a mistake, it can be evaluated if you wish, but as a member of the rec commission sub-committee for the skate park we found that the skate park is very rarely used, and is not ideal for the needs of todays skaters. It's also far away from the most of the skaters. I would not restrict the plan to include one as it's barely used. If you wanted to include something thinking of the new residents - basketball courts might be better

2. You've included "must expand the field from U8 to U14"? Don't be mixing your projects up. Focus on the housing plan that's the goal here. Also don't we have to pay for the pool first which is way over budget? Putting this is as a requirement strikes me as irresponsible. Not to mention potentially contentious as it has been in the past. Please remove the must from the plan.

3. I would include per the consultants suggestion a look at 120 Vista combined with the downtown city buildings. This has great potential could be well done with three or four story buildings and would enable many of the new residents to walk to school and parks and not be only on the outskirts. It can be done in a way which is consistent with the image of the town.

Thanks you for the work you do,

Vincent Fisher

Dear City Leadership,

I'm writing to express strong support for the City Council's decision not to include new housing in the center of Piedmont in the Housing Element being prepared by the City in response to State requirement. I realize that it makes sense for some cities to add new housing to their city center, since there are jobs, transportation, health and other services, shops and restaurants. Piedmont has none of those in the center of town and it would be a mistake to put new housing in the center of town.

The center of our City is one that is not only historic but the most important hub for our town with so much traffic (already) and many children going to and from school. It cannot support more traffic nor density. I concur your decision to remove the center of Piedmont as a possible site for buildings to comply with the state mandated Housing Element. I realize how important it has been to evaluate all possible sites, but you have made the right decision to exclude this location. As a school zone, safety for kids and their families is paramount, whether pedestrian or auto – adding more density here would clearly create a hazard. It is also a critical, central location for police and fire, as well as an already congested tiny shopping zone for local residents. It simply cannot support more cars and people.

Families choose to live in Piedmont because it is a community of sidewalks, tree lined streets, friendly neighbors and great schools. With increased traffic in our City core, that could jeopardize our vision for our community but could pose serious safety risks as well. We should strive to maintain that approach for future housing development, utilizing both the open space which exists along Moraga Ave, and the opportunities which have been discussed along Grand Ave. These locations provide easy access to shopping, transportation hubs and other services which can more effectively support the expanded population when it gets constructed.

Please stay the course and keep the center of town safe and friendly, and thanks to all of you for your diligence and continued leadership.

Regards,

Doug Alexander

Dear City Leaders,

I want to thank you for your decision to remove the center of Piedmont as a possible site for buildings to comply with the state mandated Housing Element. I know this process has brought multiple sites to the forefront in defining options for additional housing. The center of Piedmont is the spoke for schools, municipal services and city governance. Adding congestion to these critical city functions would not only endanger the children but also disrupt the heart of Piedmont.

I do understand how important it is to evaluate all sites. As a school zone, safety for our children and their families is paramount. Adding more density here would create an unnecessary hazard. It is THE critical central location for police and fire. It cannot support more cars and people.

We all chose to live in Piedmont because of its award-winning schools, vibrant community, sidewalks, tree lined streets, and it's incredible emergency services. Utilizing the open space along Moraga Canyon or Grand Avenue would still provide access to transportation, shopping and access to the schools.

We appreciate all the time and efforts you have put forward to make this determination and thank you for not clogging the downtown artery that is so critical to our town. Most of all thank you for protecting our children!

Warm regards,
Matt Heafey

Friends and former Colleagues:

I've been reluctant to participate publicly on the many issues that the Council has taken up since I left the office. I think that has been appropriate and fair to everyone. And I hope to continue that practice. However, I've been approached by many residents about the housing element plan. In that context, I support your decision to remove the Civic Center from the proposal. That decision is clearly in the best interest of the community. I realize that some residents may feel strongly that this approach is not appropriate. However, I'm confident--based on many discussions with our residents-- that the decision will be strongly supported by the Piedmont community. I know this effort is a daunting challenge and one that will continue into the foreseeable future.

Regards

Bob McBain

November 15, 2022

Ms. Sara Lillevand
Mr. Kevin Jackson
Clerk, City of Piedmont
City Council, City of Piedmont

Re: Housing Element

Dear Honorable Council Members:

I strongly support your decision to remove the center of Piedmont as a possible site for implementation of the state mandated Housing Element. The council has a very difficult task of navigating through a complex decision tree, and I thank you for all of the time and effort you are putting into this Element. I have been developing commercial real estate all over the bay area for over 30 years so I thought my perspective on this issue may be of value.

While one could argue that putting high density housing in a central location makes sense from an urban planning perspective, there are major challenges this approach presents when applied to a small suburban bedroom community like Piedmont. First, there are no substantive commercial retail services that would normally justify such a planning approach. Second, our city does not have a major transportation hub that would normally exist in a central urban setting that would justify such a plan. Third, a major justification for central urban residential is to eliminate commute trips by having adjacent commercial office space with plentiful job opportunities. This is clearly not the case in central Piedmont. Fourth, in lieu of the typical urban center commercial uses we have several schools that are adjacent to the proposed central Piedmont housing plan which present significant additional pedestrian and traffic safety challenges to our younger citizens who frequent this area in an already vehicle congested environment. An example of this impact would be adding hundreds of new vehicle commute trips, likely from a parking structure, during existing am peak traffic periods for school drop offs. Add to this peak congestion time an emergency service call and you have a broader threat to the health and human safety of the entire community.

Finally, the proposed central Piedmont site has major challenges, when compared to other alternatives, that will result in significant delays in implementation and much higher costs to the taxpayers of Piedmont. Building a new civic center, along with the associated infrastructure to make way for developers to come in and feasibly build housing, would likely require a major municipal bond financing along with a significantly higher interest rate obligation which will further burden the City's financial health along with that of its citizens. This would add many years to the delivery timeframe of any new residential housing on this site. Furthermore, the limited financial feasibility of this housing plan would likely not provide any support of this huge civic expenditure and rather would require subsidies for it to be financially feasible for private development.

For all the reasons mentioned herein, looking to the identified alternative sites along Moraga Ave. and Grand Ave. is a better strategy. These sites can be implemented on a much faster timeframe and at a much lower cost to the City. Furthermore, these sites are more proximate to meaningful office, retail and transportation options and they are better suited to absorb the traffic impacts they create when developed.

I hope the Council remains resolute in its direction and thank you again for all of the careful thought you are putting into this generational decision for our city.

Respectfully,



James F. Ellis
19 Muir Ave

November 15, 2022

Sara Lillevand
Kevin Jackson
Clerk, City of Piedmont
City Council, City of Piedmont

Re: Housing Element | No New Housing Sites in Center of Piedmont

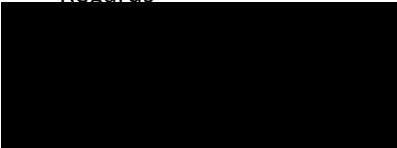
Dear City Leadership

Concerning the state-mandated Housing Element, as a real estate developer and investor, I want to commend your decision to remove the center of Piedmont as a possible site for new housing development. I appreciate the importance and care the City has taken to evaluate all potential sites; creating more housing in Piedmont is an important objective. That said, you have made the thoughtful decision to exclude the center of town locations – this “school zone” must remain a safe, walkable area for our kids and their families. Adding more density into the downtown core would drive vehicular traffic and would create a hazard. It is also a critical, central location for police and fire, as well as an already congested tiny shopping zone for residents. It simply cannot support more vehicles or residents.

We choose to live in Piedmont because it is a community of walkable sidewalks, friendly neighbors, and amazing schools. We must maintain that approach for future housing development and utilize open spaces which exist along Moraga Ave and the development sites along Grand Ave. These locations are natural development nodes with access to shopping, transportation, and other services. These sites can also naturally support the expanded population when development occurs..

Please stay the course and keep the center of town safe without adding traffic and more density. Thank you for all your diligence and continued leadership.

Regards



John Paul Peterson & Lisa Leavitt
3 Indian Gulch Road

From: [John](#)
To: [Chris Read](#)
Subject: School Meeting
Date: Tuesday, November 15, 2022 14:19:56

[You don't often get email from [REDACTED]. Learn why this is important at <https://aka.ms/LearnAboutSenderIdentification>]

[EXTERNAL] This email originated from an external source. Please use judgment and caution when opening attachments, clicking links, or responding.

Hi John
Would you please add these photos to the letter that I sent yesterday.
Thanks
Chris Read











Scot from my iPad

DATE: November 15, 2022
TO: City of Piedmont
Mayor and City Council
Members of the Planning Commission
RE: **Feedback on Housing Element Update**

Via Email Only (citycouncil@piedmont.ca.gov)

Dear Honorable Mayor, City Council, Members of the Planning Commission:

Now that the Council has received input from staff, we the undersigned write to provide supplemental comments to a letter that we sent on September 12, 2022 concerning the City's Housing Element Update. In summary, we remain disappointed with the Council's decision and recommendation to staff to persist in having Civic Center's "fair share" (RHNA) be shouldered exclusively by Piedmont's West End.

Updated EPS Analysis: Earlier, on August, 1, 2022, the Council had instructed staff to remove the Civic Center parcels from the housing element sites inventory and to study how to relocate 84 affordable housing units from the Civic Center parcels to the two sites along Grand Avenue. In our September 12 letter (Attachment 1), we noted that Council's direction ignores and contradicts EPS' original recommendation that there is a feasible path for locating affordable housing on the Civic Center parcels. Although EPS has now completed its analysis ("Supplemental Analysis"), staff's characterization of that analysis below is incomplete:

4. Conduct analysis to relocate above-moderate income units from 1221 and 1337 Grand Avenue, as needed, to keep building height at or below 5 stories.

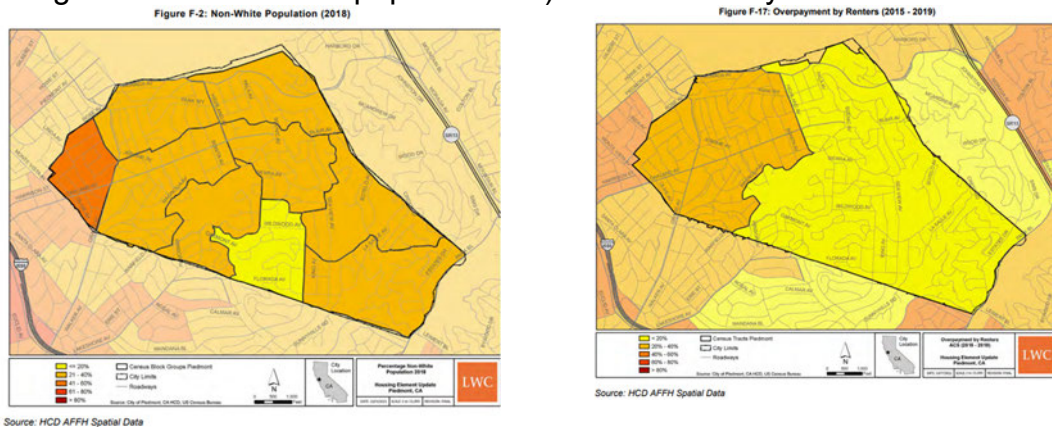
Analysis completed supports relocation of 82 above moderate units originally sited at 1221 and 1337 Grand Avenue to Moraga Canyon and small Zone D sites on Grand Avenue. In order to keep building height at or below 5 stories on Grand Avenue, the recommended proposed density in Zone D has been held constant and is now 81 du/acre in the revised sites inventory as opposed to 80 du/acre in the original draft. Holding the proposed density change at 81 du/acre in alignment with maintaining building height at or below five stories, results in the need to redistribute the 82 market-rate units originally sited at 1221 and 1337 Grand Avenue. The revised sites inventory locates 59 above moderate-income units on lots smaller than ½ acre in Zone D along Grand Avenue. The remaining 23 units of above moderate-income are now sited in the Moraga Canyon Specific Plan study area.

Specifically, staff's agenda report to the Council fails to highlight a critical EPS recommendation: that the Council commission the preparation of a master plan of the Civic Center parcels to study how affordable housing could be located there ("Feasibility of 801 Magnolia"). Rather than bury that analysis and recommendation (the agenda report

references but doesn't appear to attach EPS' analysis), we are asking that the Council direct staff to commission such a master plan (see Feasibility of 801 Magnolia, at page 3: "Tak[e] the time during this planning cycle to complete a Civic Center Master Plan that seeks to accommodate redeveloped civic facilities and below-market rate housing prior to committing to the disposition of 801 Magnolia will allow the City to optimally plan to meet both objectives."). We further recommend that Table F-10 of the draft Housing Element be updated to include a master plan for Civic Center as an action item.

Affirmative Furthering Fair Housing (AFFH): Most significantly, however, the Council's decision to remove the Civic Center parcels ("Removal of the Corey Reich Tennis Center, Highland Strip, City Hall and Veterans Hall, and 801 Magnolia Avenue, and redistribute the housing units.") appears inconsistent with its obligation to affirmatively further fair housing, in part, by concentrating affordable housing away from its city center and in an area that is traditionally considered Piedmont's most affordable area (West End along Grand Avenue). This latter conclusion is bolstered by the City's own analysis in the current Housing Element draft (Appendix F) which speaks to its obligations under AB 686:

- The area around Grand Avenue is likely Piedmont's most diverse ("Non-white Population," F-2), and affordable (see Figure F-17; "This census tract also contains the highest amount of LMI population...") area of the City.



- The Council's current direction—to reallocate low income housing otherwise destined for the Civic Center parcels to Grand Avenue—serves to exacerbate an already identified "fair housing issue" ("segregation and integration")¹.

¹ See pg. 328 of draft Housing Element: "The third fair housing issue is segregation and integration due to the contributing factor of limited options for affordable housing within Piedmont where both census tracts meet the criteria of a RCAA. The fourth fair housing issue is also segregation and integration because of a history of community opposition to building more housing in Piedmont." https://static1.squarespace.com/static/5fdea2c9d61098631976bacc/t/62d0d96b88726f510941d3e1/1657854321856/LWC_Piedmont_HEU_PRD_040822-compiledfix.pdf (last accessed: 11/15/2022).

- Staff also neglected to recommend that Appendix F of the draft Housing Element be updated. Since the Council seems poised to overconcentrate LMI housing along Grand Avenue, it should determine what impact that recommendation would have on the City's draft AFFH analysis as required by AB 686. It is not clear whether that analysis has been completed.

In conclusion, based on the foregoing, we ask that the Council to: a) reverse its earlier decision and restore Civic Center (and perhaps other sites) as an available site for affordable housing in the City's housing element sites inventory; or alternatively (at a minimum), b) update the Housing Element to include as an action item the preparation of a master plan for affordable housing to be located in or around the Civic Center parcels.

We reiterate our earlier request to include this comment letter in the administrative record and shared with HCD, pursuant to Government Code section 65585, subd. (c).

Respectfully submitted,

Residents of Lower Piedmont
(See Attached List of Signatories)

Attachment(s):

1. Letter to Council, dated September 12, 2022

cc: Planning Email, General (ondutyplanner@piedmont.ca.gov) City Clerk (cityclerk@piedmont.ca.gov)
Kevin Jackson, Chief Planner (kjackson@piedmont.ca.gov) Pierce McDonald-Powell, Sr. Planner (pmcdonald@piedmont.ca.gov)
Jennifer Long, Council Liaison (jlong@piedmont.ca.gov)
Housing Element Staff (piedmontishome@piedmont.ca.gov)

List of Signatories

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Seth Sternglanz & Aris Oates ()
Doris & Joe Pira ()
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Chris Lundin & Ernie Ng ()
Naomi Edelson & CJ Evans ()
Susan Lynch & Eoin Brodie ()
Troy & Lee Alering ()
Paula Kassebaum ()
Elinor & Michael Heller ()
Miles & Tricia Perkins ()
Rich Fong ()
Gregory Jurin & Jim McCrea ()
Jaime & Chelsea Mockel ()
Roger & Holly Tinkoff ()
Don & Diane Dare ()
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Linda Siegel & Ming Kwong ()
John & Vivian Straus Gehring ()
David Straus ()
Trish Straus ()
Karen & Thomas Headley ()
Jane Klein & Ed Rosenthal ()
Linda & Christian Peacock ()
Stanley Wong & Tania Rachmat ()

Attachment 1

Letter to Council, dated September 12, 2022

DATE: September 12, 2022
TO: City of Piedmont
Mayor and City Council
Members of the Planning Commission
RE: **Feedback on Housing Element Update**

Via Email Only (citycouncil@piedmont.ca.gov)

Dear Honorable Mayor, City Council, Members of the Planning Commission:

We the undersigned write to provide feedback on the City's efforts to update its Housing Element.

We are disappointed that the Council on August 1, 2022 directed staff to study how to remove Civic Center from the housing element sites inventory. The Council's decision serves to exacerbate Piedmont's negative image as an exclusive enclave for the wealthy¹ by communicating without a reasonable basis that affordable housing is not appropriate for tonier areas of the City. Rather, the Council would have it that Civic Center's "fair share" (RHNA) be shouldered exclusively by Piedmont's West End, an area pejoratively (but to us affectionately) named "Baja" or "Lower" Piedmont.

It is not too late to reverse course. To that end, we offer our thoughts on the following technical and practical considerations relevant to the Council's decision to restore or remove Civic Center from further consideration as an affordable housing site:

- **EPS.** The Council's direction to staff contravenes a recommendation by the City's own consultant (EPS). In its memorandum to the Council (hereinafter "Civic Center Feasibility Memo"), the City's consultant had offered a number of "levers" the City could pull to make Civic Center a usable site, including parcel reconfiguration, state funding, relaxing parking standards, accepting below-market/no-cost ground leases, etc. Specifically, EPS had offered "[f]our scenarios"...to illustrate how different policy and funding levers can affect project feasibility and to demonstrate that ***there is a path towards feasibility*** while acknowledging that it may take some time..." (See Civic Center Feasibility Study, dated August 1, 2022.)(Emphasis added.) None of these considerations pose an insurmountable barrier. Yes, they may take time, but that does not provide adequate justification for excluding Civic Center from further consideration. Thus, despite EPS' recommendation that affordable housing is both desirable and feasible, the Council directed staff to remove Civic Center from further consideration.

¹When a School Desegregates, Who Gets Left Behind, Jay Caspian Kang, March 10, 2022. <https://www.nytimes.com/2022/03/10/opinion/school-desegregation-california.html> (Last accessed: August 25, 2022).

- **Housing Strike Force.** Some have implied that designating a site like Civic Center may place Piedmont in the crosshairs of the Attorney General Bonta’s Housing Strike Force. Not likely. It is perhaps uncommon to include a site like Civic Center, but staff has already pointed out that San Jose and other cities have included public facilities as viable sites. But the Housing Strike Force argument is misleading. We concede that the practice of designating sites like Civic Center **to the exclusion of other sites** could pique the interest of the Housing Strike Force. We, however, are not advocating that; instead, we are asking the Council to include all sites, including Civic Center, thereby demonstrating to the State that Piedmont is serious about housing and all options remain on the table.

Indeed, as staff has noted: “HCD guidance is clear that publicly owned non-vacant sites should be considered for inclusion in the housing element sites inventory as the City has control over their redevelopment (as opposed to private land owners) when supported by a program to redevelop the sites for housing (citations omitted).” See Council Agenda Report, dated August 1, 2022, at pg. 5. Civic Center would present a viable and significant potential site, where housing and modernized public facilities could be co-located. As a publicly-owned parcel, the Civic Center site would place the City in the driver seat, even if coordination or a partnership with a developer is required. As such, the City would be in a better position to make affordable housing happen there, on its own terms, in addition to modernizing the City’s public facilities (i.e., City Hall, police, fire, etc.).

- **Funding.** Funding, of course, can often be both a “lever” and a barrier, but as the City’s own consultant (EPS) has noted, with Piedmont’s designation as a “Highest Resource” area, funding could be relatively less challenging. It is quite common for projects, with affordable housing as a component, to involve financing. So, it is odd to use this fact to justify undermining support for including Civic Center as a potential site. As to affordable housing, it’s par for the course.
- **Educational Resource Strain.** It’s unclear whether anyone has ever specifically addressed the impact of removing Civic Center—and thereby reallocating all of the roughly 80 units to the Grand Avenue area, which in all likelihood will be zoned for Beach Elementary—on our educational resources.

It is likely that concentrating the lion’s share of the City’s affordable housing along Grand Avenue would have substantial impacts. If we conservatively assume only 50 of those units were singleton households, the impact on Beach Elementary would be considerable. Even if PUSD were to pivot toward reallocating these new students to the two other elementary schools in the District (Wildwood and Havens), those households would lose the valuable amenity of being able to walk to their local school, not to mention having no chance of living closer to future upgraded amenities (e.g., swimming pool and recreation center). This would undoubtedly have other downstream/unintended impacts on traffic, parking, and pedestrian safety.

- **Civic and Public Safety Infrastructure.** The Council’s own deliberation over its decision to remove Civic Center offers little in the way of supporting evidence. The Council’s rationale appears to be two-fold: 1. Long-overdue civic and public safety (police/fire) infrastructure improvements would be further delayed, and 2. Co-locating such uses with housing is not feasible.

Specifically, during its regular meeting on August 1, 2022, the Council deliberated over “what changed”—i.e., explain the rationale behind reversing course from inclusion to removal of Civic Center. Oddly, the discussion centered on the Civic Center Feasibility Memo as a basis for excluding Civic Center. The discussion conceded that EPS had concluded co-locating civic uses with housing was feasible, but then it was suggested that EPS’ analysis was inadequate or incomplete. (See KCOM TV video, dated August 1, 2022, beginning at 4:39:40.) The conclusion the Council settled on seemed to be that the City’s public safety infrastructure needs, which have been delayed by the pandemic, are only going to increase, thereby making housing infeasible there.

However, the conclusion that these considerations merit removing Civic Center is premature and perhaps speculative. First, EPS’ feasibility analysis did consider the City’s civic facility needs in their housing feasibility study. (See Civic Center Feasibility Memo, at pg. 3)(“The City’s multiple objectives include redeveloping its **civic facilities**...”)(Emphasis added.) So, to then suggest that something was missing from EPS’ analysis was somewhat puzzling. Second, it is likely that the City’s infrastructure needs analysis did not consider the potential for collocating housing, and as such, requires further study. There is simply no mention of what document or record staff is relying on to show that civic, public safety, and housing uses cannot be co-located. Ultimately, this means that the Council does not know whether the City can update civic and public safety infrastructure, while maintaining the level of anticipated service, and provide for housing in the Civic Center area. That is because the analysis has never been fully conducted, if at all. Certainly, EPS’ analysis cannot be reasonably used to justify the conclusion to remove Civic Center from further consideration. Rather, the Council decided to remove a viable site for affordable housing (Civic Center) based on conjecture alone, all while ignoring substantial evidence in the form of the Civic Center Feasibility Memo.

- **Legal Considerations.** Some members of the public have argued that the City’s Charter prevents the Council from reconfiguring parcels without voter approval. Staff has already noted their disagreement with this conclusion. See Council Agenda Report, dated August 1, 2022, at pg. 9-10 (“A vote of the electorate is thus required when changing a zone’s boundary or changing the zone of a property from one zone to another, but not to change densities for already allowed uses.”) Notably, residential uses are already permitted in Zone B (Public Facilities), the zone in which Civic Center sits. We offer no opinion on this legal argument. But we do wonder whether the Charter so construed conflicts with requirements under state law (see AFFH discussion below). See e.g., Government Code Section

65583, subd.(c) (“Address and, where appropriate and legally possible, remove governmental and nongovernmental constraints to the maintenance, improvement, and development of housing...”).

A more germane legal consideration that is directly tied to the Council’s decision to remove Civic Center (and perhaps other sites) is its obligations under AB 686. Per the California Department of Housing and Community Development (“HCD”), AB 686 imposes a new obligation on cities to “ensure that their laws, programs and activities **affirmatively further fair housing, and that they take no action inconsistent with this obligation**”.² Most significantly, HCD notes that “[t]he housing element land inventory and identification of sites must be consistent with a jurisdiction’s duty to AFFH [Affirmatively Furthering Fair Housing] and the findings of its AFH [Assessment of Fair Housing].” The City’s decision to remove a “highest resource area” (Civic Center) from further consideration without adequate justification arguably is an action inconsistent with this obligation. Moreover, this obligation may be another reason to avoid interpreting the Charter in a manner that blocks affordable housing.

- **Access to Opportunity.** Additionally, per HCD guidance, all housing elements must identify and analyze significant disparities in access to opportunity:³

What is Access to Opportunity?

Access to opportunity is a concept to approximate place-based characteristics linked to critical life outcomes. Access to opportunity oftentimes means both improving the quality of life for residents of low-income communities, as well as supporting mobility and access to ‘high resource’ neighborhoods. This encompasses education, employment, economic development, safe and decent housing, low rates of violent crime, transportation, and other opportunities, including recreation, food and healthy environment (air, water, safe neighborhood, safety from environmental hazards, social services, and cultural institutions).

As noted in its own consultant’s memorandum (Civic Center Feasibility Memo), Civic Center is a “highest resource area”. Removing Civic Center from further consideration would seem to undermine access to opportunity (perhaps Piedmont’s richest resource area) and serves to exacerbate historical patterns of exclusion. Interestingly, HCD’s Guidance affirmatively recommends that cities use the “TCAC/HCD Opportunity Maps,” likely the same maps EPS used to identify Civic Center as a “highest resource area,” for analyzing “access to opportunity”.

² HCD Memorandum re AB 686 Summary of Requirements in Housing Element Law. See https://www.hcd.ca.gov/community-development/housing-element/housing-element-memos/docs/ab686_summaryhousingelementfinal_04222020.pdf (last accessed: August 25, 2022) (Emphasis added.).

³ See Affirmatively Furthering Fair Housing, Guidance for All Public Entities and For Housing Elements [April 2021 Update]. https://www.hcd.ca.gov/community-development/affh/docs/affh_document_final_4-27-2021.pdf(Last accessed: August 25, 2022).

In conclusion, based on the foregoing, we ask that the Council to reverse its earlier decision and restore Civic Center (and perhaps other sites) as an available site for affordable housing in the City's housing element sites inventory. Doing so will ensure that all areas of Piedmont "do their fair share" of accommodating affordable housing.

Finally, we ask that this comment letter be included in the administrative record and shared with HCD, pursuant to Government Code section 65585, subd. (c).

Respectfully submitted,

Residents of Lower Piedmont
(See Attached List of Signatories)

cc: Planning Email, General (ondutyplanner@piedmont.ca.gov)
City Clerk (cityclerk@piedmont.ca.gov)
Kevin Jackson, Chief Planner (kjackson@piedmont.ca.gov)
Pierce McDonald-Powell, Sr. Planner (pmcdonald@piedmont.ca.gov)
Jennifer Long, Council Liaison (jlong@piedmont.ca.gov)
Housing Element Staff (piedmontishome@piedmont.ca.gov)

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Recommended Revisions to Draft Housing Element – November 15, 2022

Revision # Description

1. **Revise Appendix B: Housing Capacity Analysis and Methodology and other sections of the Draft Housing Element to maximize ADU production.** Based on the findings of the additional analysis requested by the City Council at its meetings on June 20 and August 1, 2022, City staff and consultants recommend revisions to the sites inventory on pages B-3 to B-4 of Appendix B to maximize the projected production of new accessory dwelling units (ADUs) and junior accessory dwelling units (JADUs) in the Draft Housing Element, as well as revisions to associated sections of the Draft Housing Element.

According to HCD guidance issued in June 2022, the City may project future production of ADUs and JADUs based on the average rate of production from the 5 years spanning 2018 to 2022. This approach benefits Piedmont because the Piedmont Building Division has already issued 27 building permits for construction of ADUs this year, up from 22 in 2021.

The yearly average rate of production updated with the 2018 to 2022 numbers is 18.8 ADUs and JADUs per year. This rate of production times (x) the 8 years in the 6th cycle Housing Element planning period results in 150 ADUs (which is 10 more ADUs than the projections used in the April 8 Draft Housing Element).

City staff and consultants also recommend that the City project 10 additional ADUs beyond the new average rate of production based on the popularity of the City's current ADU program, the sharply increasing rate of production since the start of the ADU incentives program in 2015, and the new housing programs in the Draft Housing Element to increase the incentives to construct ADUs and JADUs with rents restricted to lower income households (proposed housing program 3.F, Incentives for Rent-Restricted ADUs, and others).

In addition, the HCD guidance from June 2022, allows cities, like Piedmont, to use a safe harbor assumption about the affordability of future ADUs. Because Piedmont's demographics are predominantly affluent White and Asian populations and because these homeowners are likely to rent their ADUs to friends or family members of the same demographic groups, the City must carefully consider new programs to make ADUs accessible to all community members regardless of race, family status, background, disability, and/or income.

The following draft Housing Element housing programs are based on successful programs used in neighboring jurisdictions in order to make ADUs more accessible and equitable in affluent areas and to overcome the high cost of ADU construction for lower income property owners:

- 3.A, Affordable Accessory Dwelling Unit Public Information Campaign;
- 3.B, Increase Number of Legal Accessory Dwelling Units;
- 3.C, Monitoring Accessory Dwelling Unit Missed Opportunities;
- 3.D, Monitoring Additional ADU Development Opportunities;
- 3.E, Affordable Housing Fund;
- 3.F, Incentives for Rent-Restricted ADUs;
- 4.C, Building Code Updates and Ongoing Enforcement;
- 5.B, Shared Housing Matching Services;
- 5.H, Housing for Extremely Low-Income Individuals and Households;
- 5.I, Housing for Extremely Low-Income Families; and
- 7.C, Housing Equity.

In coordination with the ADU programs above (as provided in the Draft Housing Element, published April 8, 2022), the following revised Table B-2 of projected ADUs in each affordability category (page B-4 of Appendix B) is a recommended revision to the April 8 Draft Housing Element:

Table B-4: Affordability per ABAG ADU Survey (Revised)

Affordability Category	Percentage	Number of ADUs and JADUs	Delta Compared to April 8 Draft Housing Element
Extremely Low/ Very Low	30%	48	+41
Low	30%	48	+6
Moderate	30%	48	-22
Above Moderate	10%	16	-5
Total	100%	160	+20

2 **Revise the Housing Element Sites Inventory** (starting page B-11, of Appendix B), including the following substantive changes and technical and clerical corrections:

A. Substantive changes to Table B-9: Draft 6th Cycle Housing Element Sites Inventory by Income Category and the Sites Inventory Map, as follows:

- a. Change the income category for property at 1221 Grand Avenue and 1337 Grand Avenue from above moderate income to lower income. This report recommends that the City Council direct staff to change the affordability category for the 41 potential housing units at 1337 Grand Avenue (APN 050455801502) and the 42 potential housing

units at 1221 Grand Avenue (APN 050455701501) from market-rate to a mix of commercial uses and housing units affordable to low and very low incomes. This change is consistent with standards established by HCD and State law (AB 2348 and others). The property owner is not obligated to develop affordable housing nor obligated to redevelop their property. The Housing Element enables development to occur at any affordability level desired by the property owner.

- b. Removal of the Corey Reich Tennis Center, Highland Strip, City Hall and Veterans Hall, and 801 Magnolia Avenue, and redistribute the housing units.
- c. Incorporation of Blair Park area and Moraga Avenue public right-of-way into the specific plan study area (with associated revisions to Program 1.L, starting on page 41 of Chapter IV), while decreasing the number of lower income units from 100 to 60 and increasing the number of above moderate income units in the specific plan study area from 32 to 72, for a total of 132 units. The specific plan approach, outlined in housing program 1.L, would give the City the opportunity to study the future transportation and circulation system in the area; study the public infrastructure needs, such as any roadways, bridges, utilities, and evacuation routes; and design solutions to potential environmental impacts, such as wildfire mitigations and safe emergency response.

A key takeaway is that all of the City-owned land in Moraga Canyon would be studied together in order to improve access, build new housing, address potential hazards, and improve City facilities, while conserving open space and recreational amenities.

City staff will remove Blair Park from page B-13 of Appendix B as an “alternate site” in the sites inventory discussion. Instead, the City will maintain a list of potential alternate sites. If any site identified for lower income units in the Housing Element Sites Inventory develops with fewer units or units in a different income category, then the City would report the new alternate sites needed to meet the lost lower income sites in the City’s annual progress report to HCD.

- d. Addition of nine (9) new properties along Grand Avenue for a total of 60 units of additional above moderate-income housing. The revisions to the Draft Housing Element, recommended by City staff after considering the analysis requested by the City Council at its meetings on June 20 and August 1, 2022, would add nine properties with lot sizes smaller than ½ acre to the Housing Element Sites Inventory tables and map. These properties would have increased development potential under Housing Element program 1.H Increase Allowances for Housing in Zone D. Program 1.H would increase the development potential from 20 dwelling units per acre to 81 dwelling units per acre,

creating a new incentive to redevelop these properties with market-rate multifamily and mixed-use multifamily housing. New objective design standards under Housing Element program 4.M Facilitate Multi-Family and Residential Mixed-Use Projects by Right Subject to Objective Standards (page 59 of Chapter IV) would regulate how new development would enhance the architectural character of Piedmont neighborhoods and maintain sunlight and privacy of adjacent properties.

- B. Changing 139 Lexford from the pipeline project category to vacant site. As described on pages B-4 and B-5 of Appendix B of the Draft Housing Element, the new residence proposed for 139 Lexford Road will not be included in the category of pipeline projects and instead will be included in the vacant land inventory due to the expiration of the building permit for the prior approved residence. This property will be transferred to the vacant sites on the sites inventory for development of one single-family residence.
- C. Like the clerical correction above, the Draft Housing Element, published April 8, 2022, will be revised to change property at 275 Sandringham Road from the religious institution category to a vacant site, as it is zoned single-family residential and is not developed with dwelling.
- D. Clarifying that property on Nace Avenue is no longer a vacant site as it was merged with a neighboring property.
- E. Clarifying the lot size and Assessor Parcel (APN) information regarding vacant properties associated with 280 Indian Road.
- F. Miscellaneous corrections to lot size information, address, APN number, and other clerical information, as needed.

3. **Revise Housing Element program 1.H Increase Allowances for Housing in Zone D to Increase Residential Density to 81 dwelling units per acre.** Based on the findings of the further analysis requested by the City Council at its meetings on June 20 and August 1, 2022, City staff recommends increasing the proposed increased residential density in Zone D from proposed 80 to 81 dwelling units per acre. Program 1.H would be amended as follows (change shown in bolded and underlined font),

1.H Increase Allowances for Housing in Zone D. The Piedmont Zoning Ordinance was amended in December 2013 (effective 1/1/14) and updated in 2017 to allow multi-family housing in the Commercial Zone (Zone D) when incorporated as a component of a mixed-use project at densities up to 21 units per acre. This amendment created an opportunity for residential additions above stores or offices. For residential uses in Zone D, the City requires one parking space for a studio or one-bedroom dwelling unit, one and a half spaces per each two-bedroom dwelling unit, and two spaces for each dwelling unit with three bedrooms or more (accessory dwelling units do not require

parking in Piedmont). The City considers requests for parking variances on a case-by-case basis, depending on the physical conditions of each site, health, and public safety in the surrounding neighborhood, and whether the required parking would cause an unreasonable hardship in planning, design, or construction of the parking space. As required by State law, density bonuses would be allowed for projects incorporating affordable units.

Since the Ordinance was amended, the City has not seen redevelopment of any commercial properties in Zone D. To help facilitate mixed-use redevelopment to achieve the City's RHNA, the City will amend the Zoning Ordinance to allow residential densities up to ~~80 units~~ **81 units** per acre in Zone D, remove the Conditional Use Permit requirements for multi-family development in Zone D, and relax parking, setback, and lot coverage requirements in Zone D. **In addition, the City will increase allowable height to 4 stories and reduce parking requirements to minimum 1 space per unit to facilitate residential development up to 81 units per acre.** The City will also consider waiving ground floor commercial in Zone D for nonprofit affordable housing as an incentive. The City has set a target of producing **194** multi-family or mixed use units in Zone D by the close of the planning period (January 31, 2031).

- Objective: To facilitate redevelopment of commercial sites in Zone D for mixed use and multi-family development, including new mixed-use projects on underutilized commercial sites and the addition of residential units to existing commercial structures
- Timeframe: Zoning amendment completed within 3 years of Housing Element adoption. Ongoing coordination with property owners.
- Responsible Agency: Planning & Building Department with direction from the City Council and Planning Commission.

- 4 **Make technical clarification to B.2.5 (starting page B-8, of Appendix B), describing the suitability of nonvacant sites.** The description of properties included in the sites inventory for the low and very low-income category, as described in part B.2.5, page B-8 of Appendix B of the Draft Housing Element shall be revised to read in its entirety as follows (change shown in bolded and underlined font),

“B.2.5 Suitability of Nonvacant Sites

Since residential land in Piedmont is generally built out, the sites inventory includes nonvacant sites. Nonvacant sites are relied on to accommodate more than 50 percent of the City's lower income RHNA. Therefore, the City conducted an analysis to determine if substantial evidence exists to support the premise that housing can be accommodated on these sites and/or existing uses on these sites will be discontinued during the planning period (2023-2031). Nonvacant parcels primarily include **relatively large properties (over 0.5 acres) irrespective of current use**, underutilized sites with surface parking and commercial buildings where the existing uses are of marginal economic viability, or the structures are at or near the end of their useful life.

Screening for potential sites considered market conditions and recent development trends throughout the Bay Area and the State and utilized conservative assumptions in projecting units well below observed densities for residential and mixed-use projects.”

- 5 **Correct text under Regional Resources section on page 24 of the Draft Element that the funds provided by Measure A1 are a low-interest loan.** The Regional Resources information on page 24 of the Draft Housing Element will be revised to read in its entirety as follows (changes shown in bold and underlined font):

“Regional Resources – Alameda County

• **Measure A1:** Measure A1 is a **low-interest loan** program funded through a countywide parcel tax and administered by the Alameda County Department of Housing and Community Development (Alameda HCD). In 2016, Alameda County residents voted to adopt Measure A1, a \$580 million property tax revenue bond for affordable housing. The City’s Measure A-1 allocation (\$2.2 million) project application was originally set to be approved by the County of Alameda by December 31, 2021, with the funds be spent within 5 years after the application is approved. **City staff have received an extension of the application deadline to December 2024.**”

- 6 **Revise the description of sustainability programs on page 32 of the Draft Element that Reach Codes apply to detached accessory dwelling units.** The description of sustainability programs on page 32 of the Draft Housing Element shall be revised to read as follows (change shown in bolded and underlined font)

“An implementing policy of CAP 2.0 is to monitor effectiveness of policies on greenhouse gas (GHG) emissions. The GHG inventory was last updated in 2021. Piedmont’s municipal and residential accounts were enrolled into EBCE’s 100% renewable energy plan in November of 2018. The City and its residents being enrolled into a 100% renewable energy plan helps to reduce GHGs emissions the City produces; therefore, making significant steps towards reaching the CAP 2.0 objectives. The City of Piedmont has adopted Reach Codes which require all new **detached** dwelling units to be electric and requires energy improvements at certain building permit cost and size thresholds. Other conservation programs available on a regional, State, and federal level are described below.”

- 7 **Clarify Housing Element program 1.J related to implementation of SB 9 and implementation timeframe.** Clarification of program 1.J SB 9 Facilitation Amendments that the program’s goal is to encourage development of up to 4 units on single-family parcels and target implementation of SB 9 earlier in the planning period. The description of program 1.J, SB 9 Facilitation Amendments, on page 40 of the Draft Housing Element shall be revised to read as follows (change shown in bolded and underlined font):

“1.J SB 9 Facilitation Amendments

Senate Bill (SB) 9, adopted in 2021, requires proposed housing developments containing no more than two residential units within a single-family residential zone to be considered ministerially, without discretionary review or hearing, if the proposed housing development meets certain criteria. SB 9 also requires local agencies to ministerially approve a parcel map for an urban lot split subject to certain criteria. **The goals of the City’s program to implement SB 9 are to encourage development of up to four units in single-family zoning districts like Piedmont’s Zone A and Zone E...**

Timeframe:

- o Adopt objective design standards for SB 9 properties by mid ~~2025~~ **2023**.
- o Amend the Zoning Ordinance to encourage large lots splits under SB 9 by early ~~2027~~ **2024**.
- o Develop SB 9 factsheets and FAQs by mid ~~2026~~ **2024**.”

- 8 **Revise program 1.E to make a technical clarification that ADUs required in new single-family development through program 1.E (page 38, Section IV) would only apply to properties of a certain size threshold.** In making this revision, New Housing Program 1.E, Require ADUs for New Single-Family Residence Construction, shall be revised to read as follows (change shown in bold and underlined font):

“ In order to increase the production of ADUs, the City will amend the Zoning Ordinance to require the construction of an ADU or JADU with the construction of a new residence, whether on vacant property or on any property that is proposed to be redeveloped, **when the property meets certain size thresholds to be established in the implementing ordinance.** As part of the Program, the City will study and develop an alternative which will allow an in-lieu fee to fund City affordable housing programs, including Programs 3.E and 3.F...”

- 9 **Revise Chapter IV to add a new program 1.Q to develop a local density bonus to incentivize the development of affordable housing units.** On May 12, 2022, the Planning Commission considered the Draft Housing Element and recommended a substantive revision to create a Piedmont-specific density program to encourage affordable housing and any other City goals, pursuant to State law. The text of the new housing program would read as follows:

1.Q: New Housing Program 1.Q – Density Bonus Ordinance. Consider development of a local density bonus ordinance that is inclusive of State of California density bonus incentives and considers local goals for affordable housing above the minimum requirements of State density bonus law.

10

Revises program 3.E “Affordable Housing Fund” so that the fund would benefit all housing types. On May 12, 2022, the Planning Commission considered the Draft Housing Element and recommended a substantive revision to new housing program 3.E, Affordable Housing Fund (page 50), to provide additional flexibility in the types of programs funded by a future Piedmont Affordable Housing Fund to read as follows (changes shown in bold and underlined font).

“The City will create a Piedmont affordable housing fund to receive philanthropic donations, in-lieu fees, and other sources of funding. These funds could be used for affordable housing programs including a loan program for ADUs with Habitat for Humanity **or other programs for other affordable housing types.** The affordable housing fund could be administered by a non-profit affordable housing developer, such as Habitat for Humanity **or other entity,** to make low-interest loans (e.g., 4% interest rate) available to low or moderate-income property owners (e.g., up to \$135,650 for a household of three people), with a focus on members of protected classes. Loans **could** be made available for the construction of new ADUs, ~~and~~ Junior ADUs, **and/or other small housing units** with occupancy restricted to very-low-income (31% to 50% AMI) and extremely-low-income (30% or less of AMI) residents **for a minimum period of 15 years.**

The City is targeting supporting approximately **10** new income-restricted ADUs and/or Junior ADUs (JADUs) **or other housing types** during the planning period. The Program could be extended to property owners with above moderate incomes with additional funding sources, such as fund-raising efforts, philanthropic contributions, or grant funding.

- Objective: Investigate Affordable Housing Fund for the construction of new ADUs and Junior ADUs **and other affordable housing types** with occupancy restricted to very-low-income (31% to 50% AMI) and extremely-low-income (30% or less of AMI) residents for a **minimum** period of 15 years.
- Timeframe: Meet with City Council in 2022 to discuss potential risks and opportunities.
- Responsible Agency: Planning & Building Department, City Council.

11

Revise Program 1.L (starting on page 41 of Chapter IV) to outline the goals for the Moraga Canyon specific plan study area. After completing the analysis requested by the City Council at its meetings on June 20 and August 1, 2022, City staff and consultants continue to recommend a substantive change to the text describing the planned specific plan area in New Housing Program 1.L to include high-level goals. These goals are recommended to outline the issues that must be addressed in the development of the future specific plan, as shown below (new text in bold and underlined font).

“The goals of the specific plan are as follows. The first goal is to enable construction of housing in the range of 92 to 132 units, on portions of the site totaling approximately 3.5 acres of land, yielding a minimum of 60 units of housing affordable to households earning less than 80% of the area median income (AMI) and 72 units affordable to households more than 80% of the AMI.

In addition, specific plan goals include improved safety. New habitable structures shall be built to meet fire code requirements for Wildland Urban Interface Areas.

The specific plan must include replacement and/or modernization of existing Public Works Department facilities, offices, storage areas, vehicle storage areas, etc. so that service capacity is maintained or increased, and so that the facilities meet current building and fire code requirements.

The specific plan must include recreation facilities, including but not limited to an under-14 soccer field, youth baseball/softball field, batting cages, artificial field turf, ballfield seating, a skate spot, a picnic area, and parking for these facilities.

The specific plan must provide all public utilities to new housing and all City facilities to be constructed within the specific plan area in a manner consistent with public safety standards and Piedmont Climate Action Plan goals and programs.

The specific plan must include improvements to pedestrian and vehicular circulation, as determined necessary by the City Engineer to provide safe pedestrian, bicycle, and motor vehicle movements, provide safe evacuation routes, and provide optimal emergency response.

The goals of the specific plan include a comprehensive landscape plan for areas planned for development. The landscape plan shall prioritize to the extent practicable: fire safety; and the preservation of significant open space, scenic views, and native and heritage trees.”

The text in Section B.2.3 (page B-5) shall be revised to include a detailed description of the methodology to establish realistic capacity, including a minimum of five examples of properties in the vicinity of Piedmont, such as Il Piemonte at 4395 Piedmont Avenue in Oakland, which developed at 80% or more of the allowed residential density. The new text shall read, as follows (new text in bold and underlined font):

“The City’s Site Inventory conservatively assumes a “realistic capacity” of 80 percent of the maximum allowed density (i.e., a 20 percent reduction) for multi-family and mixed-use zones in order to account for potential development constraints, such as building code and zoning standards that limit the maximum building size and shape in order to have sufficient corridors, roof slopes, mechanical spaces, minimum separations between buildings, and other considerations.

The methodology for estimating the realistic capacity for the Housing Element Site Inventory is based on the following: best practices; a market understanding of the developer preference to optimize development potential as much as possible on a given site, given land costs; capacity estimates utilized in prior housing element cycles; the experience of other jurisdictions in analyzing realistic capacity; and comparable developments that have occurred in and near Piedmont. For example, Il Piemonte, a 26-unit, market rate mixed-use project, located just outside of Piedmont on Piedmont Avenue, is developed at 87 units per acre, which utilizes 100 percent of the allowed capacity of the CN-1 zoning district in Oakland, without any affordable housing density bonus.

While there is also significant regional evidence pointing to projects achieving densities greater than 100 percent by utilization of State density bonus incentives, HCD does not allow cities to project unit potential produced through the density bonus in the Housing Element. Therefore, the City maintains a conservative approach to estimating realistic density and realistic capacity.

The following additional examples of projects in Alameda County and near Piedmont were built at 80 percent or more of their allowed capacity... (placeholder – to be provided prior to submittal to HCD)”

13

Add a new Housing Element program 1.R. Per Govt. Code Sec. 65583.2(h) and (i), addition of a new housing program 1.R Lower-Income Sites Modifications to Address Shortfall Program to Address Affordable Housing in Short-term. City staff and consultants recommend the following approach to address requirements for affordable housing in the short-term in compliance with State law. In order to address a possible shortfall of adequate sites to accommodate the housing units specified to meet the low and very-low income RHNA, pursuant to Government Code 65583.2,

subdivision (h) and (i), during the time period in which the City undertakes necessary zoning amendments to increase permitted density in Zone B and Zone D, the Draft Housing Element would be revised prior to submission to California HCD to include a new housing program in Section IV (page 44). Section IV, Housing Plan, of the Housing Element would be updated to include a new program, Program 1.S, under Goal 1, “New Housing Construction” to read as follows:

Program 1.R Lower-Income Sites Modifications to Address Shortfall. Consistent with California Government Code Section 65583.2(h) and (i), lower-income sites identified for zoning amendments in the Site Inventory will also be modified to:

- **Allow owner-occupied and rental multi-family use by-right for developments in which 20 percent or more of the units are affordable to lower-income households;**
- **Accommodate a minimum of 16 units per site;**
- **Establish a minimum density of 20 units per acre; and**
- **Require residential use occupancy of at least 50 percent of the total floor area of any mixed-use project on these sites.**
- **Objective: Accommodate the lower income shortfall as required by Government Code Section 65583.2(h) and (i).**
- **Timeframe: Amend the Zoning Ordinance as described above by early 2024.**
- **Responsible Agency: Planning and Building Department, City Council.**

14

Revise Housing Element Section F.2.1 to include recently released data on fair housing services. Fair Housing Outreach and Enforcement. The City of Piedmont actively works to eliminate possible racism and discrimination in City policies, laws, and behaviors in government and in the community. Staff recommends a clarification to the text and Appendix F of the Draft Housing Element prior to submission to California HCD to reflect additional data received after release of the Housing Element in April 2022.

Section F.2.1 of the Public Review Draft Housing Element, titled “Fair Housing Outreach and Enforcement” (page F-3) shall be amended to read in part (proposed edit in **bold** and underlined):

“The Eden Council for Hope and Opportunity (ECHO Housing) provides fair housing services to urban and unincorporated areas of Alameda County. Equal housing access is their primary service component. According to 2019 ECHO Housing data, Piedmont accounted for less than one percent of alleged housing discrimination complaints from 2015 to 2019 with most complaints occurring in Oakland followed by the City of Alameda during this time. These complaints within the County were mostly related to the protected classification of disability at about 37

percent, next was the protected classification of race at about 31 percent, the category of “Other” at approximately 15 percent, and the classification of familial status was fourth at about 7 percent. **According to ECHO Housing, Piedmont had one fair housing complaint from 2016-2021 (a disability complaint in 2021), which resulted in education being provided to the landlord to settle the matter. No attorney was needed for resolution of the complaint in question.**

15 **Revise Housing Element programs (Chapter IV) to clarify the policy nature of the Housing Element.** City staff and consultants recommend a series of revisions to the text of the Draft Housing Element to clarify the intent of the housing programs and the implementation steps that City staff will take post-adoption of the Housing Element related to housing programs 1.D, 1.F, 1.G, 1.H, 1.I, 1.J, 1.P, 4.M, 4.Q, and 4.T (pages 34 to 67). The intention of these recommended revisions is to clarify that while the City is stating its intention to take future actions, the terms and conditions of the future housing programs are still undecided, and the programs will not be established in the City Code until future steps are taken. For example, all implementation actions should be revised to state that implementation post-adoption of the Housing Element will be performed by City staff at the direction of the City Council.

16 **Revise Quantifiable Objectives Table IV-1 to better project into the future the number of housing units resulting from Housing Element programs.** City staff and consultant recommend a substantive revision to the Draft Housing Element regarding quantifiable objectives.

Quantifiable objectives are separate and distinct from the consideration of the sites inventory. Quantifiable objectives are not used to satisfy the RHNA. Only the sites inventory can be relied upon to satisfy the RHNA. It is an opportunity to set benchmarks for the City to evaluate the effectiveness of new housing programs. There is no legal requirement that a city’s quantifiable objective match the RHNA.

Staff recommends revisions to Section IV of the Draft Housing Element, Quantifiable Objectives, to enumerate the planned number of housing units associated with new housing programs. The intention is to provide the City Council with benchmarks to evaluate the success of housing programs in the future.

As recommended by staff, the Draft Housing Element would be revised prior to submission to California HCD to expand the quantifiable objectives in part IV.B and Table IV-I, according to the income categories in the RHNA. The City would modify Section IV, Housing Plan, of the Public Review Draft Housing Element (pgs. 35 to 77) to replace the existing Table IV-1 published in the Draft Housing Element with quantified objectives for certain programs, as identified in the table below:

Revised Table IV-1: Quantified Objectives								
Program #	Program Name	Quantified Objective						Notes
		Extremely Low Income	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total	
1.B	Market-rate ADUs		20	46	46	16	90 128	*
1.D	Religious Affiliated Housing				70		30 70	*
1.E	Inclusionary ADUs				10		10	
1.F	Zone B Changes	25	25	15	15		80 0	**
1.G	Zone C Changes					15	15	
1.H	Zone D Changes	20	20	43		60 108	85 191	***
1.J	Implementation SB 9				20	20	40	
1.L	Specific Plan	20	20	20		72	92 132	*
1.M	Mobile and Manufactured Homes					5	5	
2.A	CDBG Rehabilitation			4	4		8	
3.B	Legalize Unpermitted ADUs				17		17	
3.D	ADU Missed Opportunities				10		10	
3.E	Affordable Housing Fund	2	3 10	5			40 17	***
3.F	Incentives Affordable ADUs	5	5	5	5		35 20	*
4.M	Objective Design Standards	10	15	15	10		50	
5.H	Single-Room Occupancy	5	5				10	
5.K	Supportive Housing	3	3				5 6	*
Total		90 65	116 98	153 138	207 192	188 236	754 729	

* Math Correction

** No longer identifying development in Zone B beyond specific plan

*** Change aligns with goals in sites inventory