

# *City of Albany*



**2007-2014  
Housing Element**

**Draft for Public and HCD Review  
October, 2013**

## **Albany City Council**

**Peggy Thomsen, Mayor**  
**Joanne Wile, Vice Mayor**  
**Marge Atkinson, Councilmember**  
**Michael Barnes, Councilmember**  
**Peter Maass, Councilmember**

## **Planning and Zoning Commission**

**Stacy Eisenmann, Chair**  
**David Arkin**  
**Doug Donaldson**  
**Philip Moss**  
**Nick Pilch**

## **City Staff**

**Patrick O'Keefe City Administrator**  
**Jeff Bond, Community Development Director**  
**Anne Hersch, Senior Planner**

**Craig Labadie, City Attorney**

**Barry Miller, Planning Consultant**

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## Chapter 1: Introduction

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State law mandates that all municipal governments prepare and maintain a Housing Element as a component of their General Plans. The Housing Element is a long-range planning document that evaluates existing demographics and housing conditions in the community, and identifies the policies required to enable the community to meet its share of the demand for market rate and affordable housing in the region.

The purpose of the Housing Element is to ensure that a safe, decent supply of affordable housing is provided for current and future Albany residents. The Element strives to conserve existing housing while providing opportunities for new housing for a variety of income groups.

The following five sections are required in the Housing Element:

1. Review of the previous Housing Element
2. Assessment of housing needs
3. Inventory of potential sites for housing development
4. Analysis of City regulatory framework related to developing housing
5. Goals and policies for housing, coupled with specific action programs to be implemented in the coming years.

The Housing Element describes how the City is providing for its fair share of the region's housing needs for the current planning period (2007 to 2014). It identifies programs implemented to date, and programs to be implemented in the next year, along with the continuation of on-going measures aimed at improving housing affordability in Albany.

### Setting

The City of Albany is located on the eastern shoreline of the San Francisco Bay, surrounded by the San Francisco Bay to the west and the Berkeley Hills to the East (see Figure 1-1). It is bordered by Berkeley on the south and east, El Cerrito on the north, and Richmond on the northwest. Albany's land area is 1.79 square miles. With a population of roughly 18,500 residents, it has a density of 10,368 persons per square mile. This makes Albany one of the highest-density cities in the Bay Area. Based on its land area and current population, Albany has the second highest population per square mile in the East Bay area, exceeded only by Berkeley.





Figure 1-1: Albany Location Map

The community combines small-town ambiance with a central location in a major metropolitan region. In addition, the City is well known for its high quality public schools, waterfront setting, and pedestrian-oriented shopping areas. Together, these factors make Albany a unique and desirable place to live, and contribute to its motto: “Urban Village by the Bay.”

There are two main commercial streets in Albany. San Pablo Avenue runs north-south, and Solano Avenue runs east-west. Aside from these two streets, the city is primarily composed of a mix of single-family and multi-family housing, with a small industrial area that runs along Interstate 80 and the Union Pacific Railroad. Albany also has a large waterfront area, comprised of the Golden Gate Fields racetrack and regional open space.

The City is relatively “built out” in that there are very few undeveloped parcels. Opportunities to produce additional housing are limited to scattered small infill sites and former commercial properties. In addition to the obstacles to affordable housing typically experienced by other Bay Area cities, the City also faces obstacles due to limited municipal government resources and the loss of redevelopment funding for affordable housing.

### **Regional Housing Needs Allocation**

As part of the Housing Element process, the State determines the total need for housing in each region of California. In turn, the Association of Bay Area Governments (ABAG) is responsible for allocating the “fair share” of this total to each of the nine counties and 100 cities in the area. During the allocation process, known as the Regional Housing Needs Allocation (RHNA), ABAG takes into consideration job growth, water and sewer capacity, land availability, proximity to transit, and market demand for each locality. The RHNA is distributed among four income levels to ensure that housing development addresses the needs of all economic segments.

Table 1-1 details Albany’s allocation, which totals 276 units for 2007-2014. Each city in California is required to plan for its RHNA. This does not mean the cities must acquire land or actually construct housing. Rather, it means that they must identify sites where the RHNA can be accommodated, and adopt policies and regulations which facilitate residential construction. Ultimately, the responsibility for constructing housing falls to the private market and non-profit housing developers. Cities are expected to assist by adopting development standards that support housing at a variety of densities, providing technical assistance and infrastructure, and adopting policies that encourage housing production, conservation, and assistance to persons with special needs.

**Table 1-1:  
Albany's Share of the Regional Housing Needs Allocation 2007-2014**

| <b>Income Category</b>            | <b>NEW CONSTRUCTION NEED</b> |
|-----------------------------------|------------------------------|
| Very Low (0-50% of AMI*)          | 64                           |
| Low (51-80% of AMI)               | 43                           |
| Moderate (81-120% of AMI)         | 52                           |
| Above Moderate (over 120% of AMI) | 117                          |
| <b>TOTAL UNITS</b>                | <b>276</b>                   |

\*Area Median Income

Source: Association of Bay Area Governments, 2009

### Identification of Sites for Housing Development

Identification of potential housing sites is one of the most important parts of the Housing Element. The identification of a site does not necessarily mean it will be developed during the planning period, nor does it mean it must be developed with affordable housing. The intent of the Housing Site Inventory is to demonstrate that the city has an adequate number and variety of sites to meet its RHNA. In some cases, these sites are zoned to permit densities that are more likely to support affordable housing construction, but projects that are 100% affordable are not mandated on these properties.

Discussions from a series of public meetings, coupled with field surveys and an analysis of land use and real estate conditions, has resulted in a draft Housing Element that includes more than a dozen sites proposed as potential housing sites (see Chapter 4 "Housing Inventory" for locations and map). The sites are located throughout the city, in areas that are currently designated for residential or mixed use development. **No rezoning or increase in allowed density of development is required to meet the City's obligations.** The draft Housing Element, however, identifies a number of proposed policies and actions for increasing the availability of housing and encouraging production.

### HCD Review

The Housing Element is unique among the mandatory elements of the General Plan in several ways. First, the Element is subject to review by the State Department of Housing and Community Development (HCD). California Government Code Section 65585 establishes a process for the City to submit a draft Housing Element to HCD for comments. HCD may consult with any public agency, group, or person in its review



and must consider any third party comments regarding the draft (or adopted element) under review. A formal letter is issued by HCD to the City with the results of its review, and HCD may recommend that revisions be made before adoption hearings.

Once the Housing Element is adopted, it is resubmitted to HCD to determine whether, in HCD's view, the Housing Element "substantially complies" with state Housing Element Law. The City is eligible for certain grants and other funding only if HCD has found that the City's Housing Element is in substantial compliance with State law.

HCD's compliance determination is based in part on a detailed checklist corresponding to specific requirements set forth by the Government Code. The data and analysis requirements for the Housing Element are more substantial than those required for other elements of the General Plan. Thus, this element is typically longer and more detailed than the other elements.

### **Housing Element Update Process and Public Participation**

As noted earlier, this Housing Element is intended to cover the 2007-2014 planning period. The Regional Housing Needs Allocations for the current planning period were finalized in mid-2008, one year into the planning period.

The City of Albany initiated the preparation of its Housing Element on time, and made a diligent effort to engage the community in the process. The process was initiated by planning staff, without consulting assistance.

On July 24, 2007, the Planning and Zoning Commission held a public hearing, which included review of the draft housing allocation assigned to the City. This led to initial discussions about the upcoming Housing Element update. Shortly thereafter, the City Council held a public hearing, which entailed a similar discussion. The Council endorsed the Regional Housing Needs Allocation of 276 units, with no requests for revision of the allocation. Several other Bay Area communities appealed their allocations, resulting in a delay in final adoption of the numbers by ABAG.

On November 27, 2007, the Planning and Zoning Commission held a public study session, which provided an introduction, overview and discussion about the technical requirements of the Housing Element. City-specific goals for the document were discussed at that time. On January 7, 2008, the City Council had a similar introduction and discussion.

On March 31, 2009, a community roundtable workshop was held. Community members, alongside the Planning and Zoning Commissioners, held small group discussions about the preferred sites in Albany for residential redevelopment. The goal

was to find some combination of sites to achieve the required 276 units. At the end of the session, each group voted on their preferred sites, providing guidance to staff on how to proceed with the Housing Element Update.

On April 14, 2009, the Planning and Zoning Commission had a public hearing with a follow up discussion about the roundtable workshop. The preferred site areas that resulted from the roundtable workshop were discussed in further detail. On May 12, 2009, the Planning and Zoning Commission held a public hearing where the first draft of the Housing Element was reviewed. The Draft included the first five chapters of the document but did not include goals, policies, and actions. The Commission and community members provided recommendations for revisions and requested additional information.

On July 6, 2009, a revised draft was presented to the City Council for discussion. Council approved submittal of the draft to HCD. The July Draft was subsequently submitted. However, because this was still a partial draft that did not have policies and actions, HCD treated their review as “informal technical assistance” rather than as a formal 60-day review. In October 2009, HCD provided a Technical Assistance memo to the City providing guidance for completion of the Element.

During 2010-2012, City resources and staffing levels were severely curtailed. This prevented substantive work on the Element and precluded resubmittal of the Draft to HCD.

Work on the Element was re-initiated in 2012 by issuing a request for proposals to consultants to assist the City in updating the Albany General Plan, including the Housing Element. In March 2013, the City launched an update of the entire 1992 General Plan. The effort included completion of the 2007-2014 Housing Element, as well as preparation of the Element for the next cycle in 2015-2022. By September 2013, staff had conducted four General Plan study sessions with the Planning and Zoning Commission, two study sessions with the City Council, and one study session each with the Traffic and Safety Commission, the Parks and Recreation Commission, the Waterfront Committee and the Sustainability Committee. While these study sessions addressed all aspects of the General Plan (including land use, transportation, etc.), housing was a prominent theme at several of these meetings.

One Planning and Zoning study session (May 2013) was dedicated entirely to the Housing Needs Assessment. The Needs Assessment prepared in 2009 was updated and expanded in response to HCD’s technical assistance memo and the availability of 2010 Census data and 2007-2011 data from the US Census American Community Survey. Outreach efforts during this time period also included a briefing to the Albany Rotary Club focused on local demographics and housing needs.

Public participation and engagement in the development of this Housing Element continued through September and October 2013. On September 25, the Planning and Zoning Commission conducted a study session on the Draft Housing Element policies and programs. On October 1, the City convened an open house on the Draft Housing Element and solicited public comment in a “Town Meeting” format. Approximately 40 people attended. On October 9, the Planning and Zoning Commission conducted a study session on the revised site inventory, again soliciting public input during a comment period. *On October 15, a special Planning and Zoning Commission study session was convened to discuss the evaluation of site constraints. A City Council Study Session on the Draft Element was conducted on October 21.*<sup>1</sup>

Preparation of the Housing Element coincided with meetings on other housing-related issues in Albany. This included public hearings on homeless engagement and outreach efforts on the Albany Bulb, and discussion of alternatives for addressing the needs of homeless residents. The importance of having an up to date Housing Element was referenced frequently in these meetings. Input from these meetings has been used to shape some of the policies and action programs in this document.

All Housing Element meetings were advertised on the City’s website, and notices were e-mailed to a data base of interested parties. Each meeting included opportunities for public comment, and the October 1 meeting was entirely focused on input from residents, housing advocates, and other stakeholders. In an effort to achieve the participation of all economic segments of the community, the City provided notice of these meetings to local housing advocacy groups and social service providers.

*The revised Draft Housing Element was submitted to HCD for formal review on \_\_\_\_, 2013. Pursuant to Government Code Section 65585(b), HCD issued formal findings on the document on \_\_\_\_\_. The City then worked cooperatively with HCD to revise the document and ensure that the edits met all statutory requirements. These edits were subsequently vetted with the City Council and incorporated into the document.*

*The Housing Element was presented to the Planning and Zoning Commission for a formal recommendation on \_\_\_\_\_. It was adopted by the City Council on \_\_\_\_\_. Following adoption, the document was resubmitted to HCD for a formal determination of compliance. This determination was made on \_\_\_\_\_.*

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<sup>1</sup> Italicized text represents scheduled tasks as of October 11, 2013. Italics to be removed and text to be updated as needed following adoption.

SECOND PUBLIC REVIEW DRAFT

## Chapter 2 – Review of Previous Housing Element

Government Code Section 65588 requires each local government to periodically review its housing element to:

- (1) Evaluate the appropriateness of the housing goals, objectives, and policies in contributing to the attainment of the state housing goal, which is to provide decent housing and a suitable living environment for every Californian.
- (2) Evaluate the effectiveness of the housing element in attainment of the community's housing goals and objectives.
- (3) Discuss the progress of the city or county in implementation of the housing element.

### 1999-2006 RHNA and Actual Housing Production

The City's Regional Housing Needs Allocation (RHNA) for the prior (1999-2006) period was 277 units. Thus, under state law, the City was required to provide adequate sites to accommodate 277 units of housing during that time. As indicated in Table 2-1, the RHNA included 64 units of very low income housing, 33 units of low income housing, 77 units of moderate income housing, and 103 units of above moderate income housing.

**Table 2-1**  
**1999-2006 Regional Housing Need Allocation**

|            | Very Low Income | Low Income | Moderate Income | Above Moderate Income | Total |
|------------|-----------------|------------|-----------------|-----------------------|-------|
| Allocation | 64              | 33         | 77              | 103                   | 277   |

Source: ABAG, 2001

Actual housing construction during this period is summarized in Table 2-2. There was a net increase of 343 units, which exceeded the RHNA by 66 units. Most of the construction between 1999 and 2006 consisted of market rate units. A few units were "affordable by design," with market rate rents that placed them within the affordability ranges for very low and low income households. These included two second units smaller than 350 square feet (presumed affordable to very low income households, given the construction cost and probable rent per square foot), and two second units between 350 and 500 square feet (presumed affordable to low income households, given the construction cost and probable rent per square foot).<sup>1</sup>

<sup>1</sup> A survey of "craigslist" ads for rental second units in Berkeley and Albany indicated the average rent for second units was approximately \$2.50 per square foot in 2013. Thus, a 350 square foot second unit would be expected to rent for \$875, based on 2013 prices. During the 1999-2006 period, prices were considerably lower and such units would have rented for under \$700, and possibly for under \$600. In 2006, a very low income household of one person was defined as earning less than \$29,350, making monthly rents under \$733 affordable to them.

**Table 2-2**  
**Units Constructed 1999-2006**

| <b>Name of Development</b> | <b>Very Low Income</b> | <b>Low Income</b> | <b>Moderate Income</b> | <b>Above Moderate Income</b> | <b>Total</b> |
|----------------------------|------------------------|-------------------|------------------------|------------------------------|--------------|
| Portland Gardens           |                        |                   |                        | 12                           | 12           |
| Albany Gardens             |                        |                   |                        | 21                           | 21           |
| Villa de Albany            | 2                      | 2                 |                        | 21                           | 25           |
| Creekside Apartments       | 3                      | 13                |                        |                              | 16           |
| UC Village                 |                        |                   | 237 (net)              |                              | 237          |
| Other Infill Homes         |                        |                   |                        | 24                           | 24           |
| Second Units               | 2                      | 2                 | 4                      |                              | 8            |
| <b>Total</b>               | <b>7</b>               | <b>17</b>         | <b>241</b>             | <b>78</b>                    | <b>343</b>   |

*Source: City of Albany, 2009 and 2013*

Affordable housing construction during the 1999-2006 period included 16 units at Creekside Apartments (1155 San Pablo Avenue) developed by Resources for Community Development (RCD), a local non-profit. Creekside was a townhouse-style development built in 2001 on a former motel site along San Pablo Avenue. Occupancy is limited to qualifying low and very low income households and rents are maintained at levels affordable to these households.

Affordable development during this period also included four units created at Villa de Albany through the City's inclusionary zoning requirements. These are owner-occupied condominiums, with deed restrictions that limit occupancy to qualifying low and very low income buyers. Future sales prices are capped at levels affordable to these buyers.

Table 3-3 indicates the net "unbuilt" portion of the 1999-2006 RHNA, subtracting out construction during the 1999-2006 period.



**Table 2-3**  
**Unbuilt portion of 1999-2006 Regional Housing Need Allocation**

|             | <b>Very Low<br/>Income</b> | <b>Low Income</b> | <b>Moderate<br/>Income</b> | <b>Above<br/>Moderate<br/>Income</b> | <b>Total</b> |
|-------------|----------------------------|-------------------|----------------------------|--------------------------------------|--------------|
| RHNA        | 64                         | 33                | 77                         | 103                                  | 277          |
| Units Built | (7)                        | (17)              | (241)                      | (78)                                 | (343)        |
| Remainder   | 57                         | 16                | (164)                      | 25                                   | (66)         |

*Source: ABAG, 2001*

### **Carry Over of Unmet Need**

Housing Element Law Implementation Requirement (GC 65584.09, Chapter 614, Statutes of 2005 [AB 1233]) stipulates that:

- (a) "For housing elements due on or after January 1, 2006, if a city or county in the prior planning period failed to identify or make available adequate sites to accommodate the regional housing need allocated, then the city or county shall, within the first year of the planning period of the new housing element, zone or rezone adequate sites to accommodate the unaccommodated portion of the regional housing need allocation from the prior planning period.*
- (b) The requirements under subdivision (a) shall be in addition to any zoning or rezoning required to accommodate the jurisdiction's share of the regional housing need pursuant to Section 65584 for the new planning period.*

As indicated in Table 2-3, the City exceeded its total RHNA for 1999-2006 by 66 units but had an unbuilt "remainder" of 57 very low income units and 16 low income units, or 73 lower income units total. Twenty-five of the 164 excess moderate-income units can also be considered affordable to above-moderate income households, so there is no carryover of above-moderate income units.

The City of Albany must demonstrate that it had the capacity to accommodate these 73 lower income units during the last planning period. If it cannot, the unbuilt units must be added to the current (2007-2014) RHNA assignment. An analysis of the sites available for housing during 1999-2006 confirms that Albany did, in fact, have adequate sites to accommodate its RHNA throughout the planning period.

Chapter 4 of this Housing Element includes an inventory of housing sites available during the 2007-2014 period. A table on Page 4-30 indicates the availability of these sites during the previous (1999-2006) planning period. Most of the sites available during the current housing cycle were also available during the previous housing cycle.

They did not redevelop due to market conditions or because the property owner opted not to pursue development during that time period. There were at least 14 sites available during the prior period zoned for densities of 35 to 63 units per acre, including:

- Four vacant R-3 zoned lots at 701-707 Solano totaling 12,000 SF (developed in 2007-2014)
- An underutilized R-3 zoned lot at 420 Cornell/1157 Brighton totaling 5,000 SF (developed in 2007-2014)
- A vacant R-3 zoned lot at 936 Kains totaling 5,000 SF (developed in 2007-2014)
- Two underutilized R-3 zoned lots at 423-427 Talbot totaling 10,000 SF (approved for development in 2007-2014)
- Underutilized R-3 zoned lots at 404-408 Cornell totaling 8,400 SF
- Underutilized R-3 zoned lots at 412-416 Stannage totaling 7,500 SF
- Underutilized R-3 zoned lot at 425 Evelyn totaling 9,400 SF
- Underutilized R-3 zoned lots at 707-711 Adams, totaling 9,982 SF
- Vacant 6,000 SF SC-zoned site at 1245 Solano Avenue
- Underutilized 7,500 SF SPC-zoned site at 934 San Pablo Avenue
- Underutilized 29,323 SF SPC-zoned lot at 433 San Pablo Avenue
- Underutilized 5,000 SF SPC-zoned site at 611 San Pablo Avenue
- Underutilized 15,000 SF SPC-zoned site at 1061-1063 San Pablo
- Underutilized 31,723 SF SPC-zoned site at 398-400 San Pablo

Collectively, these 14 sites total over 161,000 square feet (3.7 acres) and had the realistic capacity to produce 127 units of high density housing between 1999 and 2006. This is 74 percent higher than the un-built portion of the RHNA for the 1999-2006 time period. Affordable housing capacity also existed throughout the planning period in the form of second units, which is not quantified above.

In addition to the sites listed above, the Albany Bowl site and an 11-acre parcel on the west side of Albany Hill were listed as housing opportunity sites in the 1992 Housing Element. Zoning regulations and City policy supported the reuse of the Albany Bowl with housing or mixed use during the 1999-2006 period. The 1992 Housing Element had estimated the site could support 58 housing units (a density of 38 units/acre), or 72 units with a density bonus. However, the owner opted not to pursue development during the 1999-2006 time period.

The 11-acre parcel on the west side of Albany Hill is zoned to allow 6 units per acre. As such, it may not be counted as suitable to meet the low/very low income portion of the RHNA during the 1999-2006 time period. The site was available to meet moderate and above moderate income housing needs during this time period.

Given the analysis above, the City had adequate capacity during 1999-2006 and is not required to carry its unbuilt RHNA from the 1999-2006 planning period forward to 2007-2014. More total units were constructed than the total RHNA during the 1999-2006 period, and adequate sites were zoned and available to meet the City's lower income housing need.

### **Review of Prior Housing Element Policies**

The next section of this chapter goes systematically through the policies and actions of the previous Housing Element and evaluates the progress that has been made in implementation. The City did not adopt an Element covering the 1999-2006 period, and applied the policies and actions from its 1992 Element throughout this period. The policy and program numbers correspond with the policy numbering in the adopted 1992 Housing Element.

The 1992 Element included four goals, each of which included specific policies and action programs. The first goal addressed preservation of the existing housing stock, the second goal addressed the production of new housing, the third goal addressed special needs housing, and the fourth goal addressed fair housing and equal opportunities. This structure has been carried forward into the updated Housing Element.

#### **HOUSING GOAL 1: PRESERVE, MAINTAIN AND IMPROVE ALBANY'S EXISTING HOUSING STOCK.**

This goal remains valid and should be carried forward. Albany strongly supports the conservation and maintenance of its existing housing stock. The following paragraphs evaluate the progress that has been made on the specific measures in the prior Element.

| Identifier  | Statement   | Progress, Effectiveness, and Appropriateness   |
|-------------|---|--|
| Policy 1.1  | Continue to participate in housing rehabilitation programs and pursue other funding to rehabilitate older housing and, where feasible, to retain a supply of low- and moderate-income housing units. Existing affordable housing in Albany should be conserved. | This continues to be a valid policy and should be carried forward. The City participated in County housing rehabilitation programs throughout the planning period and is working to retain its supply of low and moderate income units. Although Albany has a small number of income-restricted housing units, it has a large supply of market rate units that are “affordable by design” including apartments, condominiums, second units, and small homes.   |
| Program 1.1 | Continue to work with the Alameda County Housing and Community Development Department for the housing rehabilitation program and the minor home repair program.   | Albany has met the quantified objectives it had established for this action program. The General Plan indicated the City would strive for 5 to 8 rehabilitated units per year. From 1988 to 1998, 67 low-income households received housing rehabilitation loans, averaging 6 to 7 loans per year. The City continued to support loans and grants through County programs between 1999 and 2006. Funds have been provided through programs such as the Minor Home Repair and Rehabilitation program, which provides subsidies for essential home improvements. This continues to be a valid program and should be included in the 2007-2014 Element. |
| Policy 1.2  | Continue to limit conversion of existing multi-family residential units to condominiums. Limited equity cooperatives and other innovative housing proposals that are affordable to low and moderate-income households are encouraged.                           | The City updated its Planning and Zoning Code to limit the number of rental units that can be converted to condominiums to no more than 3% of the City’s total multi-family rental housing stock each year. There have been very few applications for conversions since 1999, and the 3% annual cap (roughly 80 units) has never been approached. A policy to limit the number of apartments that may be converted should be retained.   |
| Program 1.2 | Amend the condominium conversion ordinance to allow limited equity cooperatives.  | The intent of the program as worded is unclear. Cooperatives are currently included in the 3 percent cap and are specifically listed as covered by the condo conversion ordinance. This program is no longer necessary and may be deleted from the 2007-2014 Element.  |

| Identifier    | Statement   | Progress, Effectiveness, and Appropriateness  |
|---------------|---|---|
| Policy 1.3    | Strengthen programs to upgrade and maintain a safe and sound housing stock.   | Fiscal constraints and limited staff have constrained the expansion of housing maintenance programs, but this continues to be a valid objective. The City continues to operate programs to ensure the safety of the housing stock, including code compliance, building permitting, and inspection services.   |
| Program 1.3.1 | Maintain building and housing code enforcement programs and follow up on housing code and other safety violations.  | The enforcement program relies on the City's building and planning staff to enforce code requirements. Two to three code enforcement cases a year related to life safety and public health concerns are typically resolved. This program should be continued in the 2009 Housing Element.   |
| Program 1.3.2 | Expand the current Fire Department rental unit fire code program to include other primary health and safety problems.   | The City's Fire Department conducts annual fire inspections for all multi-family projects with three or more units. Expansion of this program to cover other health and safety problems has been constrained by budget limitations, and enforcement of health & safety issues is conducted by building staff.   |
| Policy 1.4    | Encourage construction of new rental housing.   | This continues to be a valid policy, and it continues to be implemented. Among the rental developments added between 1999 and 2006 were Creekside (16 units of low and very low income) and Portland Gardens (12 units). Additionally, the first phases of the UC Village project, which is 100% rental, began during this period.  |
| Program 1.4.1 | Develop a public information program to inform the public and development community regarding availability of County and other agency funding for construction of rental housing. | City staff has kept the public informed on the availability of funding for the construction of rental housing. Staff regularly distributes and posts housing-related information that is disseminated by Alameda County HCD and other housing agencies and advocacy groups. The City will continue this program, and will work towards a more comprehensive public information program. |

HOUSING GOAL 2 - PROVIDE A VARIETY OF HOUSING TYPES, DENSITIES, DESIGNS AND PRICES WHICH WILL MEET THE EXISTING AND PROJECTED NEEDS OF ALL ECONOMIC SEGMENTS OF THE COMMUNITY WHILE MAINTAINING AND ENHANCING THE CHARACTER OF EXISTING DEVELOPMENT.

This continues to be a valid goal and should be carried forward into the 2007-2014 Housing Element. The City has taken steps to implement the policies below, most of which continue to be relevant. The policies should be updated and expanded to cover state-mandated topics and other relevant housing issues, as noted in the matrix.

| Identifier    | Statement   | Progress, Effectiveness, and Appropriateness  |
|---------------|---|---|
| Policy 2.1    | Encourage the construction of housing affordable to very low-, low-, and moderate-income households consistent with the regional fair share goals and income levels of current and future Albany residents.   | This continues to be a valid policy, although it might be expressed as a series of policies addressing different aspects of housing production so it is sufficiently distinguished from "Goal 2." The City has been producing housing meeting the needs of persons of all income levels, but production has not kept pace with demand at the lower income levels. The loss of redevelopment funding has severely constrained the City's ability to assist future affordable housing developments. |
| Program 2.1.1 | Develop and provide a program of incentives such as reduced development fees, assistance with public improvements, and priority in permit processing to encourage the development of very low, low, and moderate income housing.  | This program has been implemented informally, as there is not an official list of incentives for affordable housing other than the State-mandated density bonus program. Given the City's financial constraints, the program should emphasize technical assistance and expedited processing rather than reduced fees and financial assistance. A modified version of this program should be included in the new Element.  |
| Program 2.1.2 | Develop and provide a program requiring inclusionary housing for proposed developments of 10 or more units. The inclusionary housing program should require 15% of proposed units to be made affordable to low income households. This program will be appropriate for mixed commercial/ high density housing redevelopment projects in the PRC district. | The City has adopted an inclusionary housing program which requires that 15% of proposed units in multi-family developments be made affordable to low and very-low income households. It applies citywide and is not limited to the PRC district. A program to maintain this ordinance and consider modifications to make it more effective should be included in the new Element.  |



| Identifier    | Statement   | Progress, Effectiveness, and Appropriateness   |
|---------------|---|--|
| Program 2.1.3 | Enact a density bonus ordinance consistent with state law requirements.   | The City has adopted a density bonus ordinance following passage of SB 1818 which provides for flexibility in development requirements for projects that include affordable or senior housing. The City has used the ordinance to reduce parking requirements for a recently proposed senior housing development. An action should be included in the new Housing Element to amend the Ordinance as necessary to ensure that it conforms to the most current State requirements. |
| Program 2.1.4 | Reestablish the City's financial commitment to participate in the County HCD Mortgage Credit Certificate Program during 1992-93. This will enable certificates to be allocated to moderate income first time home buyers for the Hill Lumber redevelopment project. Continue the City's involvement in the future as appropriate to obtain certificates for housing redevelopment projects.       | The City has continued to participate in the HCD Mortgage Credit Certificate program, which assists moderate-income, first-time homebuyers. However, the language is now outdated. The City continues to encourage and support participation in the program by Albany's first-time buyers, but high home prices and the limited availability of MCCs have constrained participation.   |
| Program 2.1.5 | Develop a Housing Opportunities Public Information Campaign to disseminate information to Albany residents and business and commercial property owners about a variety of housing programs and opportunities. Typical campaign actions would include publication and distribution of flyers, posters placed on kiosks and public places, information in the Albany Newsletter, among other ideas. | The City makes information available at City Hall, the Library, and on the website. This program should be replaced with one or more programs that address the shift toward web-based information rather than paper flyers.  |

| Identifier    | Statement  | Progress, Effectiveness, and Appropriateness  |
|---------------|--|---|
| Program 2.1.6 | Sponsor a ballot measure to revise the two space per unit residential parking requirement required by Measure D (1978). This revision will recommend more proportional ways to calculate parking requirements. | This program is now being discussed as a component of the General Plan Update, and is expected to move forward during the coming years. A modified version should be included in the updated Housing Element.   |
| Policy 2.2    | Review zoning densities and development standards on Albany Hill to protect the character and natural qualities of the hill and strengthen environmental protection.   | This policy can be deleted from the Housing Element, as it is primarily a land use policy (and secondarily a conservation and open space policy) rather than a housing policy. New land use policies for Albany Hill may be developed through the General Plan Update.  |
| Program 2.2   | Review and revise the Albany Hill Specific Plan with particular emphasis on permitted densities, hillside development standards, and reducing environmental impacts.   | See comment above. A number of planning studies have been adopted for Albany Hill since 1999, including the Creekside Master Plan. The City submitted an application to ABAG to designate portions of Albany Hill as a Priority Conservation Area.  |
| Policy 2.3    | Revise the C-E District boundaries to reduce the potential conversion of residential units for commercial use.   | This policy has been implemented (see Program 2.3). It may be deleted from the Housing Element.   |
| Program 2.3   | Delete the C-E zoning district from the eight blocks along Kains and Adams streets which are predominantly in residential use. The zoning designation for these blocks shall be R-3.                           | The eight blocks along Kains and Adams streets, which were formerly C-E areas, have been rezoned to R-3. The City has also rezoned the remaining C-E and C-2 areas to the San Pablo Commercial designation. This designation promotes mixed-use development, with commercial at the ground floor and residential uses on upper floors. The residential densities are consistent with the R-3 district (63 units/acre). Three multi-family projects have been approved under this designation, including 12 rental units at 701 San Pablo, 21 condominiums above commercial at 914-916 San Pablo, and 25 condominiums at 727 San Pablo Avenue. |

| Identifier | Statement  | Progress, Effectiveness, and Appropriateness   |
|------------|--|--|
| Policy 2.4 | Encourage development of secondary dwelling units, balancing the need for increased affordable housing with the need to provide parking and protection of existing neighborhood character. | This policy continues to be relevant and should be carried forward. Between 2000 and 2006, 8 second units were approved and built. Between 2007 and 2012, another 10 second units were approved. A secondary housing unit ordinance was adopted in 2005 to conform to state law. The new ordinance allows for second-units at all R-1 (single-family residential) zoned sites. |
| Policy 2.5 | Encourage development of rental housing above commercial development along Solano Avenue.  | This continues to be a valid policy. The City created the Solano Commercial zoning district to incentivize mixed-use development along this street.  |

**HOUSING GOAL 3 - EXPAND HOUSING OPPORTUNITIES FOR THE ELDERLY, THE DISABLED, THE HOMELESS, AND OTHER PERSONS WITH SPECIAL HOUSING NEEDS.**

The above goal continues to be relevant and should be carried forward. The City implemented policies and programs in pursuit of the goal throughout the planning period.

| Identifier    | Statement   | Progress, Effectiveness, and Appropriateness  |
|---------------|---|---|
| Program 3.1   | Participate in and support Alameda County and statewide efforts to increase the available funding for senior housing projects.  | A policy should be developed to provide the appropriate context for this program. The City continues to support efforts to increase funding for affordable senior housing. It also supports market rate senior housing. There is currently a proposal under review to develop a high-density senior housing project along San Pablo Avenue at University Village. The City has been working with the applicants to facilitate the development review and environmental review processes.  |
| Program 3.2.1 | Revise the Zoning Ordinance to require a percentage of new units in multi-family or townhouse projects to be accessible to disabled residents, consistent with State and Federal requirements, particularly the Americans with Disabilities Act.                                    | The City elected to pursue other strategies to increase the supply of units for persons with disabilities. Albany has adopted a Reasonable Accommodations Ordinance, which allows building modifications which meet the needs of disabled persons. ADA regulations have been adopted that require greater accessibility in new multifamily developments. Policies and programs supporting housing meeting the needs of those with physical and developmental disabilities continues to be a valid program goal and should be carried forward. |
| Program 3.2.2 | Perform a survey of housing units in Albany and publish a list of all units that meet disabled access requirements. Dissemination of this information to the community will be coordinated through the Housing Opportunities Public Information Campaign as noted in Program 2.1.5. | The City did not have sufficient staff resources to implement this program. With the advent of internet data bases and search engines (since 1992), it may no longer be necessary. However, other programs should be developed to address public information on housing resources for persons with disabilities.  |

| Identifier  | Statement   | Progress, Effectiveness, and Appropriateness   |
|-------------|---|--|
| Policy 3.3  | Review the Zoning Ordinance so that emergency and transitional housing is permitted within the multi-family and commercial districts as an explicit use.  | This is actually an action, rather than a policy (see Program 3.3 below). It should be replaced with updated policy language addressing the need for emergency shelter and transitional housing in the City.   |
| Program 3.3 | Revise the Zoning Ordinance so that emergency and transitional housing is permitted within the multi-family and commercial districts. If required, develop specific criteria and standards for such uses. | The City revised its Zoning Ordinance so that emergency and transitional housing is permitted within the San Pablo Commercial Zone with a conditional use permit. An additional zoning revision is needed to comply with SB 2, which would allow emergency shelter as a permitted use (e.g., without a use permit) in at least one zoning district in the City. The City will also continue to participate in a consortium of cities in Alameda County working to provide more emergency and transitional housing, and to increase supportive services for persons who are homeless or at risk of becoming homeless. Additional programs to assist homeless residents are needed in the updated Element. |

**HOUSING GOAL 4 - PROMOTE HOUSING OPPORTUNITIES FOR ALL PERSONS REGARDLESS OF AGE, RACE, MARITAL STATUS, ANCESTRY, FAMILY STATUS (PRESENCE OF CHILDREN), DISABILITY, NATIONAL ORIGIN, OR COLOR.**

This continues to be a valid goal, and it should be carried forward. Policies and program recommendations should be expanded to comply with state law and better express the City's commitment to fair housing.

| Identifier  | Statement  | Progress, Effectiveness, and Appropriateness   |
|-------------|--|--|
| Program 4.1 | Continue to participate in Operation Sentinel through the Alameda County Department of Housing and Community Development. Publicize these services in the quarterly Albany Newsletter and on leaflets at City Hall, the Albany Library, the Albany Senior Center and other important social centers in the City. | A policy is needed to provide the context for this program. The City continues to respond to the inquiries and concerns of tenants and provides referrals to fair housing programs. However, these services are contracted through ECHO housing rather than Operation Sentinel. The program should be updated to reference appropriate entities and reflect current methods of publicity (e.g., the internet, etc.). |
| Policy 4.2  | Continue to support landlord-tenant dispute resolution and housing counseling services provided by organizations such as Operation Sentinel.   | This continues to be a valid policy objective, but the City no longer contracts with Operation Sentinel. The policy should be updated to reflect current institutional arrangements.   |



## Chapter 3 – Assessment of Housing Needs

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### Introduction

This chapter of the Housing Element presents an assessment of housing needs in Albany. It has been prepared in compliance with Government Code Section 65583(a), which requires:

*“An assessment of housing needs and an inventory of resources and constraints relevant to the meeting of these needs”*

The Government Code specifically requires an analysis of population and employment trends and an estimate of the locality's existing and projected housing needs for all income levels. It also requires an analysis of household characteristics, including the level of payment compared to ability to pay, housing characteristics, overcrowding, and housing stock condition. There are also statutory requirements to evaluate the special housing needs of the elderly, persons with disabilities, large families, families with female headed households, and persons in need of emergency shelter.

Cities are also required to evaluate opportunities for energy conservation and energy efficiency, since utilities may be a substantial part of housing costs. Finally, cities are required to evaluate the status of any subsidized housing units that are eligible to change from low-income housing to market-rate housing due to termination of subsidy contracts, mortgage prepayment, or expiration of restrictions on use.

By evaluating these factors, cities can ensure that their policies and action programs are responsive to local demographics and housing stock characteristics.

### Population Characteristics

Albany is a mature, compact City and was mostly built out by 1960. Development since that time has consisted primarily of multi-family infill housing, and the replacement of older homes with more contemporary housing. The City's population has grown modestly over the last 50 years, increasing by about 1,600 residents between 1960 and 2000 (see Table 3-1). Growth accelerated occurred during 2000-2010, as the City's population increased by over 2,000 residents during that decade alone. Much of the growth during the last decade was attributable to the reconstruction of UC Village, a housing development serving student families at the University of California. Growth was also attributable to a growth in average household size between 2000 and 2010.

**Table 3-1**  
**Population Growth Trends**

| Year | Population | Numerical Change | Percent Change |
|------|------------|------------------|----------------|
| 1960 | 14,804     |                  |                |
| 1970 | 14,674     | -130             | -0.9%          |
| 1980 | 15,130     | 456              | 3.1%           |
| 1990 | 16,327     | 1,197            | 7.9%           |
| 2000 | 16,444     | 117              | 0.7%           |
| 2010 | 18,539     | 2,095            | 12.7%          |

*Source: US Census, 1960-2010*

Based on US Census and California Department of Finance data, Albany's growth rate was comparable to the rates for Berkeley and El Cerrito during the 1990s. The City's growth was more rapid than its neighbors during 2000-2010, with a 12.7 percent increase during that decade (see Table 3-2). This was more than double the growth rate for the Bay Area as a whole, which was 5.4 percent.

**Table 3-2**  
**Population Trends - Neighboring Jurisdictions**

|            | 1990    | 2000    | 2010    | % Annual Change |             |
|------------|---------|---------|---------|-----------------|-------------|
|            |         |         |         | (1990-2000)     | (2000-2010) |
| Albany     | 16,327  | 16,444  | 18,539  | 0.7%            | 12.7%       |
| Berkeley   | 102,724 | 102,743 | 112,580 | 0.0%            | 9.6%        |
| El Cerrito | 22,869  | 23,171  | 23,549  | 1.3%            | 1.6%        |
| Richmond   | 86,019  | 99,216  | 103,701 | 15.3%           | 4.5%        |

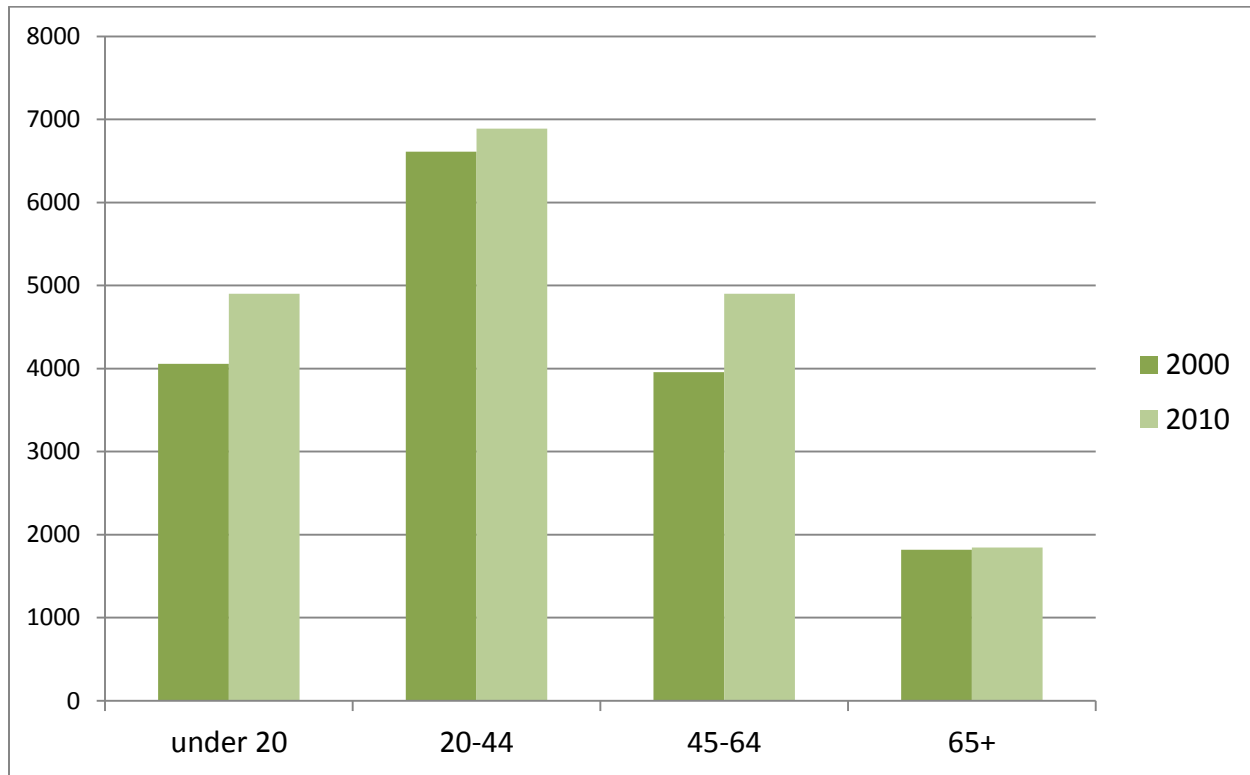
*Source: US Census, 1990-2010*

Table 3-3 shows a breakdown of population by age in 1990, 2000, and 2010. The most substantial increases in the 2000-2010 time period were in the "Under 20" and "45 to 64" age cohorts. The growth in children reflects the City's continued popularity for families with school-age children. This is borne out by rising enrollment levels at the Albany School District and high participation rates in recreational programs oriented to children. Reconstruction of UC Village during the decade also resulted in a net increase in the number of family housing units, as well as a more attractive housing supply for student families with children.

**Table 3-3**  
**Population by Age**

| Age Group   | 1990   |         | 2000   |         | 2010   |         |
|-------------|--------|---------|--------|---------|--------|---------|
|             | Number | Percent | Number | Percent | Number | Percent |
| 0-9 years   | 2,276  | 13.9%   | 2,013  | 12.2%   | 2,735  | 14.8%   |
| 10-19 years | 1,552  | 9.5%    | 2,044  | 12.4%   | 2,165  | 11.7%   |
| 20-24 years | 1,070  | 6.6%    | 864    | 5.3%    | 736    | 4.0%    |
| 25-34 years | 3,480  | 21.3%   | 2,873  | 17.5%   | 2,958  | 16.0%   |
| 35-44 years | 3,248  | 19.9%   | 2,874  | 17.5%   | 3,196  | 17.2%   |
| 45-54 years | 1,556  | 9.5%    | 2,753  | 16.7%   | 2,637  | 14.2%   |
| 55-59 years | 499    | 3.1%    | 756    | 4.6%    | 1,178  | 6.3%    |
| 60-64 years | 529    | 3.2%    | 448    | 2.7%    | 1,087  | 5.9%    |
| 65-74 years | 1,074  | 6.6%    | 853    | 5.2%    | 969    | 5.2%    |
| 75-84 years | 815    | 5.0%    | 675    | 4.1%    | 571    | 3.1%    |
| 85+ years   | 228    | 1.4%    | 291    | 1.8%    | 307    | 1.6%    |
| Median Age  |        |         | 36.3   |         | 37.0   |         |

Source: US Census, 1990-2010



**Chart 3-1: Age Distribution in 2000 and 2010**

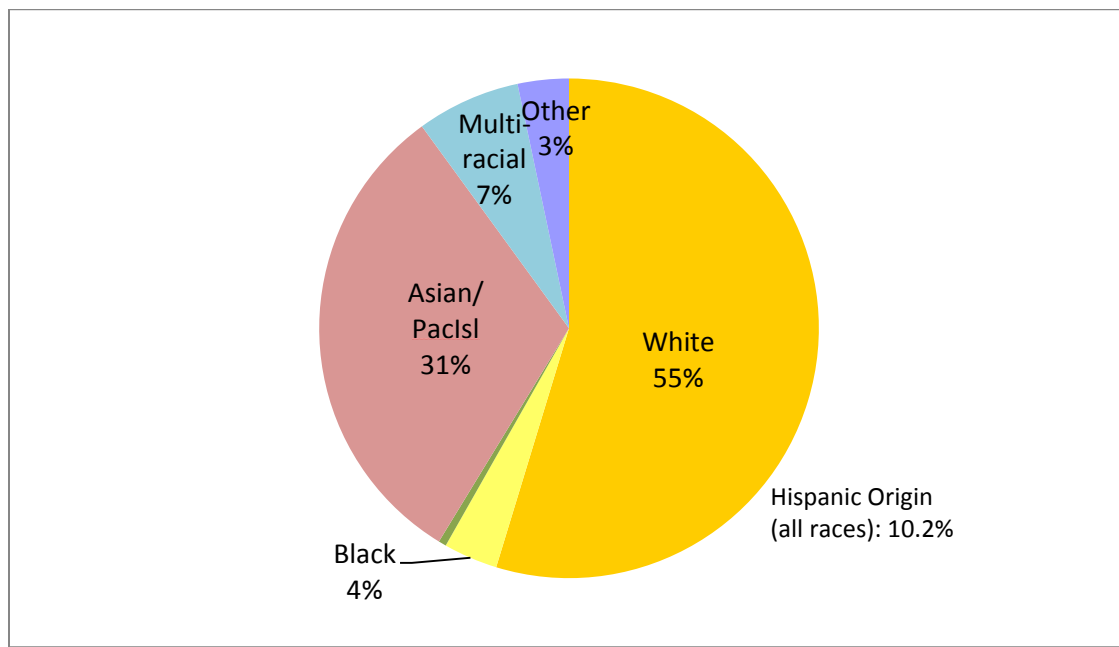
Source: US Census, 2000, 2010

The increase in residents aged 45-64 reflects the aging of the “baby boomer” cohort. In fact, the number of Albany residents between 55 and 64 increased by 88 percent during 2000-2010 alone, growing from 1,204 in 2000 to 2,265 in 2010. This portends an increase in the demand for senior housing during the next two decades, as this cohort advances.

The data indicates that the number of seniors in Albany has stayed about the same over the last decade, with just over 1,800 residents over 65 in both 2000 and 2010. Senior citizens represent about 10 percent of Albany’s total population.

### Racial and Ethnic Composition

Albany has been growing more diverse in the past two decades. As indicated in Chart 3-2, the 2010 Census indicated the City was 55 percent White, 31 percent Asian, 7 percent multi-racial, 4 percent African-American, and 3 percent other. About 10 percent of Albany’s residents were Hispanic. The percentage of residents who are Asian increased from 19.6 percent of the City’s population in 1990 to 26.6 percent in 2000 and 31.4 percent in 2010. The percentage of residents who are Hispanic increased from 8 percent in 2000 to 10.2 percent in 2010.

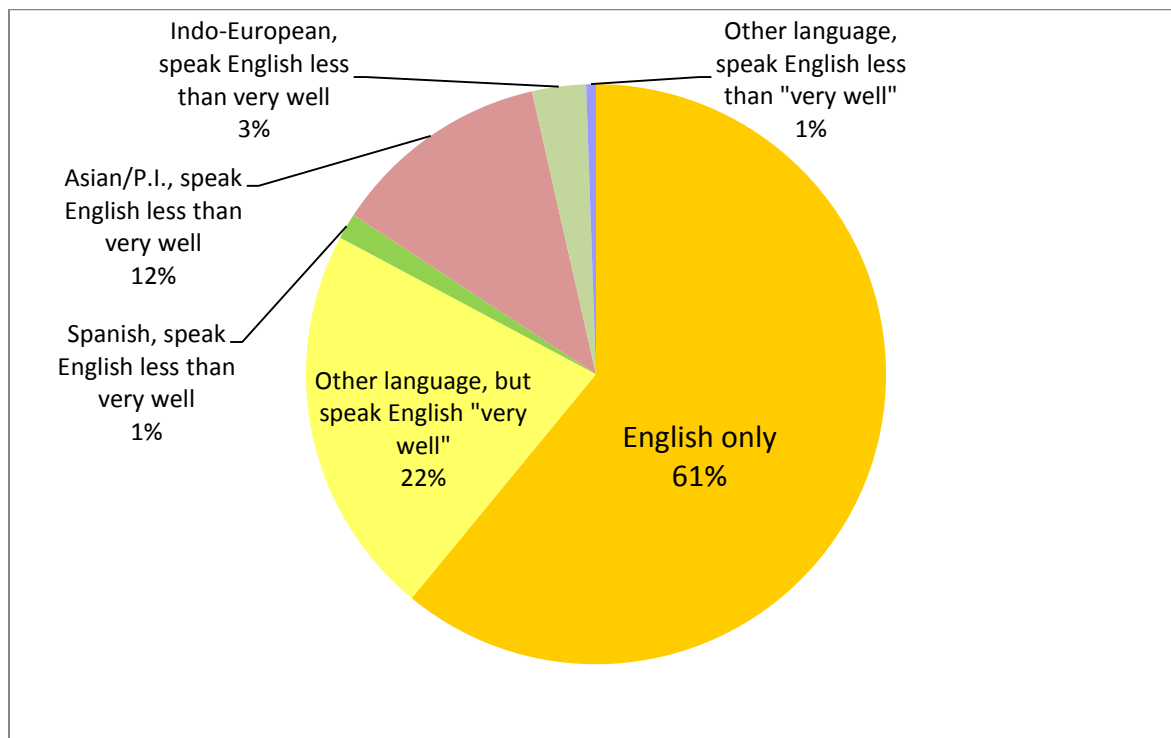


**Chart 3-2: Racial Composition, 2010**

*Source: US Census, 2000, 2010*

The growth in the Asian and Latino populations has been accompanied by a growing number of multi-lingual and non-English speaking residents in the City. As Chart 3-3 indicates, nearly 40 percent of Albany's residents speak a language other than English at home. Roughly 16 percent of the City's residents speak English "less than very well" – three quarters of these residents were from Asia. Among Albany's foreign-born residents, 27 percent were born in China, 17 percent in Korea, and 5 percent in India.

The percentage of residents with limited English has risen substantially since 2000, suggesting a need for multi-lingual outreach for City services, including those relating to housing. As the City's population has become more diverse, so have its businesses, social services, and cultural institutions.



**Chart 3-3: Language Spoken at Home by Persons Over 5**

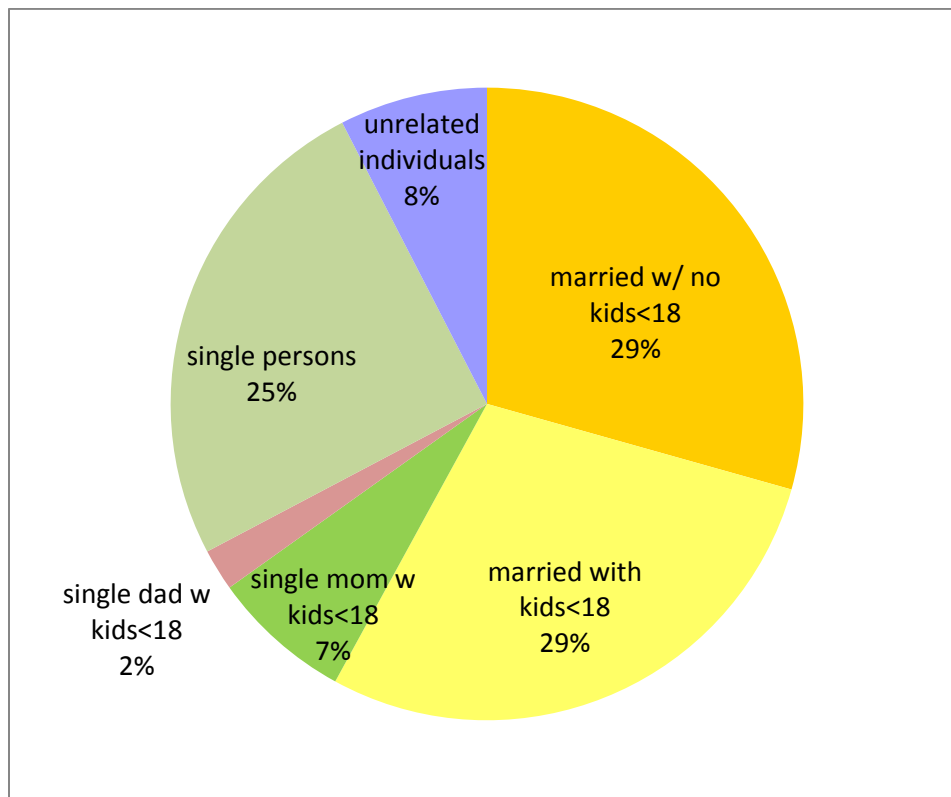
*Source: US Census, American Community Survey, 2007-2011*

## Household Characteristics

In 2010, there were 7,401 households in Albany. This is an increase of about 400 households over 2000. However, the number of households had decreased by almost 200 during the prior decade (1990-2000), so the net increase between 1990 and 2010 was about 200 households. The changes largely reflect the impacts of the UC Village demolition and reconstruction, which took in phases between 1998 and 2008.

Albany's 7,401 households included 85 people in group quarters and 18,454 people in households. The average household size was 2.49 persons. This is a substantial increase from 2000, when the average household size was 2.34 persons. However, Albany is still below the Countywide average of 2.70 persons per household.

Chart 3-4 indicates the composition of Albany's 7,401 households at the time of the 2010 Census. Over one-quarter of the City's households (1,862) consist of single people living alone. Approximately 58 percent of the City's households consisted of married couples. Of this number, half had children under 18 living at home and half did not. Another 9 percent of the City's households consisted of single parents with children. The remaining 8 percent consisted of domestic partners and unrelated persons sharing housing.



**Chart 3-4: Household Composition**

*Source: US Census, 2010*



## Tenure

Approximately half of Albany's residents are homeowners and half are renters. There has been fluctuation in the renter/owner proportions over the last two decades, influenced by the reconstruction program at UC Village. As Table 3-4 indicates, 54 percent of the City's households were renters in 1990. With the demolition of 356 units at UC Village in 1998, the percentage of renters declined to 49 percent by the 2000 Census. As the units were reconstructed in 2000-2008, the percentage increased and by 2010, renters once again comprised a majority of the City's households.

The US Census (American Community Survey, 2007-2011) provides information on the types of housing units occupied by renters. The data indicates that 1,025 of the City's renter households live in single family homes and 2,786 live in apartments. By contrast, only 418 of the City's owner households live in apartments (e.g., condominiums), with the majority residing in single family detached homes and townhomes.

**Table 3-4**  
**Households by Tenure**

|        | 1990   |         | 2000   |         | 2010   |         |
|--------|--------|---------|--------|---------|--------|---------|
|        | Number | Percent | Number | Percent | Number | Percent |
| Owner  | 3,299  | 45.9%   | 3,550  | 50.6%   | 3,574  | 48.3%   |
| Renter | 3,895  | 54.1%   | 3,461  | 49.4%   | 3,827  | 51.7%   |
| TOTAL  | 7,194  |         | 7,011  |         | 7,401  |         |

*Source: US Census, 1990-2010*

## Employment Trends

Employment affects the demand for housing and the dynamics of the housing market in a community. The types of jobs that are present affect the wages paid, and the ability of local workers to pay for housing. At the same time, the skills and employment characteristics of local residents (e.g., the "workforce") affect the affordability of housing and the ability of residents to find work nearby.

Albany residents are generally well educated and the City's unemployment rates are low. Among residents 25 and older, 71.5 percent are college graduates, compared to a County rate of 41.2 percent. Approximately 66 percent of the City's residents age 16 and over (roughly 9,400 residents) are considered to be in the labor force, and 9,100

residents are employed.<sup>1</sup> In July 2013, the State Employment Development Department indicated that Albany had a 3.3 percent unemployment rate. This was the lowest rate in Alameda County, which had a 7.8 percent unemployment rate.

The 2007-2011 American Community Survey indicates that 37 percent of the City's employed residents work in education, health care, and social assistance. Another 20 percent work in professional, scientific, and management/administrative fields. Approximately 8 percent work in finance, insurance, real estate, and information services, and 6 percent work in arts and entertainment. The percentages of residents working in retail trade (4 percent), public administration (5 percent), and manufacturing (7 percent) are relatively small. Only about 15 percent of Albany's employed residents work within the City--- 47 percent commute to another city in Alameda County and 37 percent commute to another county.

The City is primarily a residential community and has far more employed residents than jobs. The number of jobs in the City has been relatively stable for the past 20 years and is not expected to change dramatically in the future. There are two commercial streets in the city – San Pablo Avenue and Solano Avenue, and there is a commercial-industrial district in the western part of the city near the railroad. A majority of the city's businesses are small, locally owned establishments. Employers in the City include:

- Local government, including the City of Albany and Albany Unified School District
- Other government facilities such as U.S. Department of Agriculture Western Regional Research Laboratory and the State of California's Orientation Center for the Blind
- Two major retailers, Target and Safeway
- Community institutions, such as St. Mary's High School
- Small professional offices such as medical, dental, and legal services
- Small businesses such as food service and personal services

Employment data from the Association of Bay Area Governments (ABAG) is included in Table 3-5. According to ABAG, the number of jobs has increased by 8.4 percent in the last 20 years. However, the increase largely occurred during the 1990s, and ABAG indicates the City actually lost jobs between 2000 and 2010. According to the most recent ABAG Projections, Albany had approximately 5,075 jobs in 2010.

The ratio of jobs to employed residents is one indicator of local housing needs. Communities with a high ratio of jobs to employed residents may experience more

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<sup>1</sup> *California Employment Development Department. July, 2013*

market pressure to produce housing. Communities with a high ratio of employed residents to jobs may face economic development pressures to attract more employment, so that revenues for community services can be generated. In Albany, the ratio was about 0.69 jobs per employed resident in 2010. This is well below the average for both the Bay Area and the County, and suggests Albany is a housing “reservoir” for surrounding communities. Nearby cities, such as Berkeley and Emeryville, have more jobs than households (and higher job forecasts for the future), and rely on Albany to some extent to meet their housing needs.

**Table 3-5**  
**Employment by Industry**

| Industry Type                             | Year  |       |       |
|---|-------|-------|-------|
|   | 1990  | 2000  | 2010  |
| Agriculture & Natural Resources:          | 40    | 80    | 25    |
| Manufacturing, Wholesale & Transportation | 410   | 380   | 600   |
| Retail                                    | 860   | 710   | 1,200 |
| Financial & Professional Services         | 2,420 | 970   | 2,280 |
| Health, Educational, & Recreational       |       | 2,270 |       |
| Other                                     | 950   | 780   | 970   |
| TOTAL                                     | 4,680 | 5,190 | 5,075 |
|   |       |       |       |
| Households                                | 7,192 | 7,011 | 7,401 |
| Jobs-Housing Balance                      | 0.65  | 0.74  | 0.69  |

*2010 Figure is from ABAG SCS Preferred Scenario. Categories shifted between 2000 and 2010. 2010 employment categories are Agriculture, Manufacturing, Wholesale Trade, Retail, Services, and Other.*

ABAG forecasts indicate that the gap between household (and employed resident) growth and job growth will narrow during the next 30 years. ABAG forecasts show a 33 percent increase in the number of jobs and an 18 percent increase in the number of households.<sup>2</sup> While the City will continue to have more employed residents than jobs, the growth in jobs could put more pressure on the local housing market and result in greater demand for affordable units.

<sup>2</sup> The ABAG forecasts presume a baseline of 4,200 jobs in Albany in 2010, which is substantially lower than the baseline figure used in ABAG Projections 2009 and the original forecasts developed under the Sustainable Communities Strategy.

## Income, Overpayment, and Overcrowding

Housing is generally the greatest single expense for California families. Current standards measure housing cost in relation to gross household income: households spending more than 30 percent of their income, including utilities, are generally considered to be overpaying or “cost burdened.” “Severe” overpayment occurs when households pay 50 percent or more of their gross income for housing.

While some higher-income households may choose to spend greater portions of their income for housing, the cost burden for lower-income households generally reflects a lack of affordable housing. Low-income households who are overpaying for housing frequently have insufficient resources for other critical essentials including childcare, healthy meals, and adequate health care.

In 1995, according to the American Housing Survey, 52 percent of California's low-income renter households paid more than half of their income for rent. 72 percent of very low-income renters paid more than half of their income for rent in 1995.

### *Income*

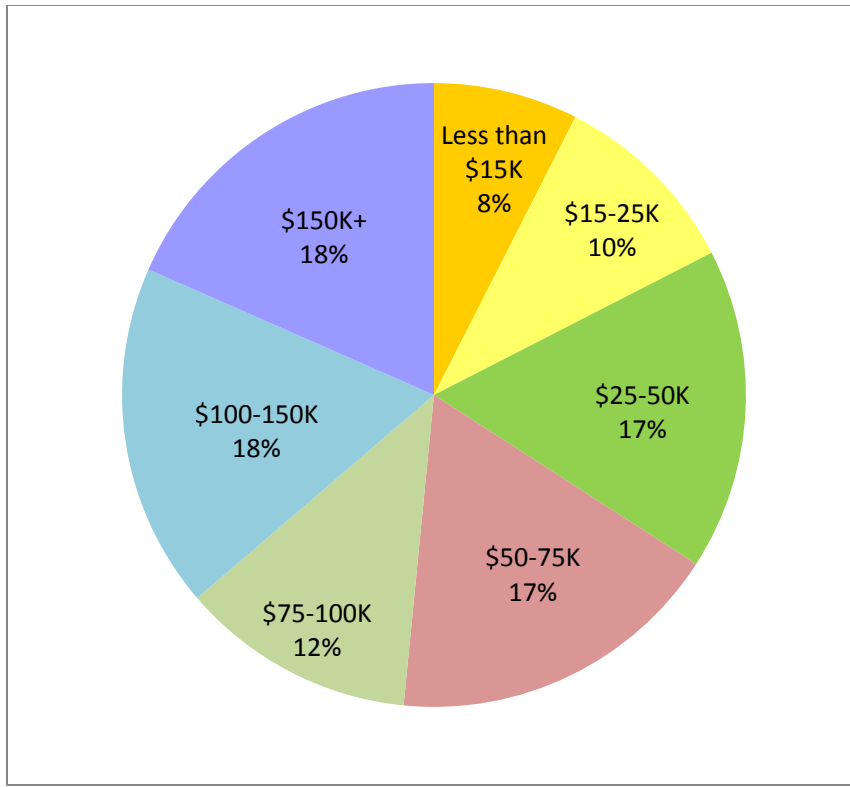
Chart 3-5 indicates the annual income characteristics of Albany's households. The median household income in the City is estimated at \$72,479, which is lower than the regional median of \$92,300. Approximately 18 percent of Albany's households earn less than \$25,000 a year, and another 17 percent earn between \$25,000 and \$50,000 a year. About 36 percent of the City's households have incomes exceeding \$100,000 a year.

Many of the City's lower income households are students, seniors, and single persons living alone. However, lower income households also include families with children, and persons on fixed incomes or supplemental security income with no wages. Approximately 8.5 percent of the City's population lives below the federal poverty line.

According to the US Census Bureau, Albany's residents include 1,267 persons receiving social security benefits (averaging \$15,749 annually), 141 persons receiving supplemental security income (averaging \$7,840 annually), and 120 persons receiving food stamps (SNAP).<sup>3</sup> Many of these households spend a majority of their incomes on housing.

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<sup>3</sup> US Census, *American Community Survey, 2007-2011*



**Chart 3-5: Income Characteristics of Albany Households**

*Source: US Census, American Community Survey, 2007-2011*

### *Overpayment*

A household is considered to be overpaying (or “cost burdened”) for housing if it spends more than 30 percent of its gross income on housing. As indicated in Table 3-6, approximately 40 percent of Albany’s homeowners and 55 percent of its renters are above this threshold. In fact, almost one-third of the City’s homeowners and almost 48 percent of its renters spend more than 35 percent of their incomes on housing. Overpayment has more serious consequences for lower income households because there is less money remaining for other household expenses such as food, health care, and transportation.

Table 3-7 indicates the incidence of overpayment by income. As expected, lower income households are much more likely to overpay for housing than higher income households, particularly among renters. Almost all renters with incomes under \$35,000 are considered to be overpaying, and more than half of the renters in the \$50,000-\$74,999 interval are considered to be overpaying. The incidence of overpayment among moderate and above moderate income renters is much lower. Only about 4 percent of the households with incomes above \$75,000 were overpaying.

Among homeowners, Table 3-7 indicates that only about 40 percent of those in the \$35,000 to \$49,999 income group are overpaying, which is a substantially lower rate than the 71 percent for the \$50,000 to \$74,999 income group. Although this may seem counterintuitive, one possible explanation is that a larger number of those in the \$35,000 to \$49,999 group may be longtime senior residents with no mortgages. Overpayment affects about 28 percent of those earning over \$75,000 a year. This is indicative of the relatively high cost of housing in Albany, and is comparable to the rate of overpayment in other Bay Area communities.

**Table 3-6**  
**Housing Cost as a Percentage of Income by Tenure**

| <b>OWNER-OCCUPIED HOUSEHOLDS</b>          |                    |                      |              |                         |
|---|--------------------|----------------------|--------------|-------------------------|
| <b>Percent of Income Spent on Housing</b> | <b>No Mortgage</b> | <b>With Mortgage</b> | <b>Total</b> | <b>Percent of Total</b> |
| < 20%                                     | 669                | 567                  | 1236         | 35.7%                   |
| 20-24.9%                                  | 29                 | 476                  | 505          | 14.6%                   |
| 25-29.9%                                  | 10                 | 268                  | 278          | 8.0%                    |
| 30-34.9%                                  | 32                 | 295                  | 327          | 9.4%                    |
| >35%                                      | 149                | 972                  | 1,121        | 32.3%                   |
| <b>Subtotal</b>                           | 889                | 2,578                | 3,467        | 100.0%                  |
| <b>RENTER HOUSEHOLDS</b>                  |                    |                      |              |                         |
| < 20%                                     | 921                |                      |              | 25.2%                   |
| 20-24.9%                                  | 370                |                      |              | 10.1%                   |
| 25-29.9%                                  | 330                |                      |              | 9.0%                    |
| 30-34.9%                                  | 294                |                      |              | 8.1%                    |
| >35%                                      | 1,740              |                      |              | 47.6%                   |
| <b>Subtotal</b>                           | 3,655              |                      |              | 100.0%                  |
| <b>TOTAL</b>                              | 7,122              |                      |              | 100.0%                  |

*Source: US Census, American Community Survey, 2007-2011 (excludes households not computed)*

**Table 3-7**  
**Housing Cost as a Percentage of Household Income**

| OWNER-OCCUPIED HOUSEHOLDS |                  |                    |                     |                   |                              |
|---------------------------|------------------|--------------------|---------------------|-------------------|------------------------------|
| Income Range              | Total Households | 0-20% of HH Income | 20-29% of HH Income | 30+% of HH Income | % of Households "Overpaying" |
| Less than \$20,000        | 232              | 0                  | 12                  | 220               | 94.8%                        |
| \$20,000-34,999           | 229              | 59                 | 10                  | 160               | 69.9%                        |
| \$35,000-49,999           | 295              | 136                | 34                  | 125               | 42.4%                        |
| \$50,000-74,999           | 395              | 91                 | 22                  | 282               | 71.4%                        |
| \$75,000 +                | 2,316            | 950                | 705                 | 661               | 28.5%                        |
| Zero/Neg Income           | 23               |                    |                     |                   |                              |
| <b>Subtotal</b>           | 3,490            | 1,236              | 783                 | 1,448             | 41.5%                        |
| RENTER HOUSEHOLDS         |                  |                    |                     |                   |                              |
| Income Range              | Total Households | 0-20% of HH Income | 20-29% of HH Income | 30+% of HH Income | % of Households "Overpaying" |
| Less than \$20,000        | 585              | 0                  | 0                   | 585               | 100.0%                       |
| \$20,000-34,999           | 601              | 0                  | 13                  | 588               | 97.8%                        |
| \$35,000-49,999           | 399              | 0                  | 71                  | 328               | 82.2%                        |
| \$50,000-74,999           | 859              | 77                 | 303                 | 479               | 55.8%                        |
| \$75,000 +                | 1,211            | 844                | 313                 | 54                | 4.4%                         |
| Zero/Neg Income           | 30               |                    |                     |                   |                              |
| No cash rent              | 126              |                    |                     |                   |                              |
| <b>Subtotal</b>           | 3,811            | 921                | 700                 | 2,034             | 53.4%                        |
| <b>TOTAL</b>              | 7,301            | 2,157              | 1,483               | 3,482             | 47.7%                        |

Source: US Census, 2007-2011 American Community Survey

### *Overcrowding*

The Census defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens). Units with more than 1.5 persons per room are considered to be severely overcrowded. Overcrowding increases health and safety concerns and stresses the condition of the housing stock.

Based on data from the Census (see Table 3-8), there were nearly 500 households living in overcrowded conditions in 2000, with 81% in rental units. At the time of the 2000 Census, 232 households met the Census definition of "severe" overcrowding, again with the incidence highest among renters.

The situation changed slightly between 2000 and 2010. The percentage of housing units that are overcrowded dropped from 6.9 percent of the total to 3.3 percent. This decrease appears to run counter to expectations, since average household increased during the decade. Moreover, the incidence of severe overcrowding dropped markedly, decreasing from 232 in 2000 to 35 in 2010. The decrease may be partially attributable to the reconstruction of UC Village during the decade, and the introduction of larger units in the new development.

The incidence of overcrowding is much lower in Albany than it is in the state of California as a whole. In 2010, 8 percent of California's households were considered to be overcrowded, compared to just over 3 percent in Albany.

**Table 3-8**  
**Overcrowded Households, 2000 and 2010**

|                                      | <b>Owner</b>      |                | <b>Renter</b>     |                | <b>Total Overcrowded</b> |                |
|--------------------------------------|-------------------|----------------|-------------------|----------------|--------------------------|----------------|
| <b>Persons per Room</b>              | <b>Households</b> | <b>Percent</b> | <b>Households</b> | <b>Percent</b> | <b>Households</b>        | <b>Percent</b> |
| <b>YEAR 2000</b>                     |                   |                |                   |                |                          |                |
| 1.00 or less                         | 3,465             | 97.4%          | 3,065             | 88.8%          | 6,530                    | 93.1%          |
| 1.01 to 1.50                         | 52                | 1.5%           | 197               | 5.7%           | 249                      | 3.6%           |
| 1.51 or more                         | 41                | 1.2%           | 191               | 5.5%           | 232                      | 3.3%           |
| <b>TOTAL</b>                         | <b>3,558</b>      | <b>100.0%</b>  | <b>3,453</b>      | <b>100.0%</b>  | <b>7,011</b>             | <b>100.0%</b>  |
| <b>% Overcrowded by Tenure, 2000</b> | <b>93</b>         | <b>2.6%</b>    | <b>388</b>        | <b>11.2%</b>   | <b>481</b>               | <b>6.9%</b>    |
| <b>YEAR 2010</b>                     |                   |                |                   |                |                          |                |
| 1.00 or less                         | 3,480             | 99.7%          | 3,583             | 94.0%          | 7,063                    | 96.7%          |
| 1.01 to 1.50                         | 10                | 0.3%           | 193               | 5.1%           | 203                      | 2.8%           |
| 1.51 or more                         | 0                 | 0              | 35                | 0.9%           | 35                       | 0.5%           |
| <b>TOTAL</b>                         | <b>3,490</b>      | <b>100.0%</b>  | <b>3,811</b>      | <b>100.0%</b>  | <b>7,301</b>             | <b>100.0%</b>  |
| <b>% Overcrowded by Tenure, 2010</b> | <b>10</b>         | <b>0.3%</b>    | <b>228</b>        | <b>6.0%</b>    | <b>238</b>               | <b>3.3%</b>    |

Source: US Census, 2000, 2010



## Persons with Special Housing Needs

Persons with special housing needs include persons with disabilities, the elderly, large families, farmworkers, families with female heads of households, and families and persons in need of emergency shelter. These groups often spend a disproportionate amount of their income to secure safe and decent housing and are sometimes subject to discrimination based on their specific needs or circumstances.

### *Persons with Disabilities*

The 2000 Census indicated that 13.3 percent of Albany's population was living with a disability. Updated data from the American Community Survey and the 2010 Census is not available, but there continues to be a significant need for housing to accommodate the needs of disabled persons.

Special housing needs vary depending on the type of disability a person has. For example, those with mobility limitations may require accessibility improvements such as grab bars and lower counter heights, while those with mental health issues may require supportive services and counseling. Many of Albany's disabled residents are employed. Thus, the development of housing serving this population must take other factors into consideration such as transportation to work.

Table 3-9 provides information on the characteristics of the disabled population based on employment status. As of 2000, there were 362 adults who were disabled who were not employed. There were also 639 disabled seniors – representing more than one-third of the senior population of Albany. There were also 180 disabled children in the city. The presence of a disability affects not only these individuals, but other members of their families who may be caregivers and have added expenses related to health care and supervision.

Table 3-10 indicates the nature of the disability reported by disabled individuals. For those under 65, there were 400 residents with a disability that affected their ability to travel outside the home independently. There were 166 residents under 65 with sensory (sight or hearing) disabilities, 375 with mobility limitations, and 345 with mental health disabilities. Some individuals have more than one disability, creating more complex and potentially more costly health care and housing needs. For residents over 65, there were 423 with mobility limitations. Senior housing units are typically designed to meet the needs of those with mobility impairments, but design for other disabilities (sight, sound, etc.) is less common.

**Table 3-9**  
**Persons with Disability by Employment Status, 2000**

|   | Number | Percent of Total Population |
|---|--------|-----------------------------|
| Age 21-64, Employed Persons with a Disability         | 873    | 5.6%                        |
| Age 21-64, Persons Not Employed, with a Disability    | 362    | 2.3%                        |
| Persons Age 5-20 with a Disability                    | 180    | 1.1%                        |
| Persons Age 65 Plus with a Disability                 | 639    | 4.1%                        |
| Total Persons with a Disability                       | 2,054  | 13.3%                       |
| Total Population (Civilian Non-institutional, Over 5) | 15,417 |                             |

Source: US Census (2000 SF 3; P42)

**Table 3-10**  
**Persons with Disabilities by Disability Type, 2000**

|   | Number | Percent |
|---|--------|---------|
| Total Disabilities for Ages 5-64        |        |         |
| Sensory Disability                      | 166    | 4.7%    |
| Physical disability                     | 375    | 10.6%   |
| Mental disability                       | 345    | 9.7%    |
| Self-care disability                    | 88     | 2.4%    |
| Go-outside-home disability <sup>4</sup> | 402    | 11.3%   |
| Employment disability                   | 891    | 25.1%   |
| Total Disabilities for Ages 65 and Over |        |         |
| Sensory Disability                      | 215    | 6%      |
| Physical disability                     | 423    | 11.9%   |
| Mental disability                       | 164    | 4.6%    |
| Self-care disability                    | 119    | 3.3%    |
| Go-outside-home disability              | 357    | 10%     |

Source: Census Bureau (2000 Census SF 3; P41)

Note: Individuals may report more than one disability on their Census forms, so the same persons may appear in multiple rows.

<sup>4</sup> A Go-Outside-Home disability is defined by the Census based on persons answering "yes" to the following question: "Because of a physical, mental, or emotional condition lasting 6 months or more, does this person have any difficulty going outside the home alone to shop or visit a doctor's office?"

*Persons with Developmental Disabilities*

In 2010, the California legislature adopted SB 812, requiring local housing elements to include an evaluation of the needs of persons with developmental disabilities. Developmental disabilities occur before an individual reaches 18 years of age and typically constitute a lifetime handicap. They include mental retardation, cerebral palsy, autism, and epilepsy, among others. The Regional Center of the East Bay (RCEB) provides services to developmentally disabled persons throughout Alameda and Contra Costa Counties and acts as a coordinating agency for multiple service providers in the region. They provide a resource to those needing counseling, day care, equipment and supplies, behavior intervention, independent living services, mobility training, nursing, residential care facilities, supportive living services, transportation, vocational training, and other services.

RCEB served 16,000 persons in the East Bay area during 2012. Approximately 55% of their clients were under age 21 and approximately 73% lived with a parent or guardian. According to the RCEB, there are ## Albany residents under the age of 18 and ## Albany residents between ages 18 and 65 who are considered eligible clients for RCEB services.<sup>5</sup> Since participation is voluntary, it is likely that there are other disabled individuals living in Albany who are not eligible or who are eligible but choose not to participate. Based on information provided by the regional center, it is likely that a majority of the persons served by RCEB live with a parent or guardian. Supportive housing and group living opportunities for persons with developmental disabilities can be an important resource for those individuals who can transition from the home of a parent or guardian to independent living.

Housing resources for persons with developmental disabilities and other disabilities in Albany are limited. The City does not have dedicated affordable units designed for persons with disabilities and most single family homes are not designed for persons with mobility or sensory limitations. The City has adopted a reasonable accommodation ordinance and works with residents wishing to retrofit their homes to install grab bars, wheelchair ramps, handicapped bathrooms, and other modifications which meet the needs of persons with mobility limitations. Its zoning also supports the development of small group homes which meet the needs of developmentally disabled residents; at least three residential care facilities for the elderly are located in Albany.

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<sup>5</sup> Correspondence from Ronke Sidopo at Regional Center of the East Bay on September 24, 2013 indicated they are still locating this data and will forward it to the City as soon as it is available.

### *Senior Residents*

Most cities in the Bay Area experienced an increase in their senior population between 1990 and 2010. Albany did not, with the number of senior residents declining during this period, both numbers and percentages. There were 2,117 residents over 65 in Albany in 1990 and 1,847 residents over 65 in 2010. The figures reflect the growth in families with school-aged children in the city during the two decades, as well as the continued large number of younger adults residing at UC Village and in other multi-family housing units in the city. It is likely that the senior population will increase in the coming decade, however. As indicated in Table 3-3, the number of residents in the 55-64 age cohort nearly doubled between 2000 and 2010. This entire cohort will reach retirement age by the 2020 census, creating a probable increase in the demand for senior housing.

Table 3-11 shows the tenure characteristics of senior households in Albany. A majority are homeowners, although the percentage who are renters increased slightly between 2000 and 2010. Presently, there are 1,149 senior-headed households in Albany (about 15 percent of the City total). Approximately 80 percent are homeowners and 20 percent are renters. About half of the city's senior households (593) consist of a single person living alone. Of this total, 412 are women and 181 are men.

Table 3-12 indicates the income characteristics of senior households, based on data from the UC Census 2007-2011 American Community Survey (ACS). About half have an annual income of less than \$50,000, which effectively places them in the lower income categories as defined by HUD.

There were 180 senior households with incomes below \$20,000, effectively placing them in the "Extremely Low Income" bracket. Households in this income bracket can only pay about \$500 a month before they are considered "cost-burdened" by HUD guidelines. Finding rental housing in Albany at this price point is almost impossible in Albany. Even senior homeowners who have paid off their mortgages may face housing costs exceeding their ability to pay due to utility costs, taxes, and other on-going costs. ACS data indicates that 28 percent of Albany's senior households are paying more than 35 percent of their incomes on housing, somewhat less than the proportion of all Albany households (over 40 percent) paying more than 35 percent of their incomes for housing.

**Table 3-11**  
**Householders by Tenure by Age**

| Householder Age | 2000   |         |       | 2010   |         |       |
|-----------------|--------|---------|-------|--------|---------|-------|
|                 | Owners | Renters | Total | Owners | Renters | Total |
| 65-74 years     | 423    | 89      | 512   | 511    | 117     | 628   |
| 75 plus years   | 573    | 130     | 703   | 407    | 114     | 521   |
| TOTAL           | 996    | 219     | 1,215 | 918    | 231     | 1,149 |

Source: US Census, 2000, American Community Survey, 2007-2011

**Table 3-12**  
**Income Characteristics of Senior Households, 2007-2011**

| Annual Income     | Number of Households Over 65 | Percent of Total Households Over 65 |
|-------------------|------------------------------|-------------------------------------|
| Under \$10,000    | 44                           | 3.8%                                |
| \$10,000-19,999   | 136                          | 11.8%                               |
| \$20,000-29,999   | 167                          | 14.5%                               |
| \$30,000-39,999   | 79                           | 6.9%                                |
| \$40,000-49,999   | 154                          | 13.4%                               |
| \$50,000-59,999   | 71                           | 6.2%                                |
| \$60,000-74,999   | 75                           | 6.5%                                |
| \$75,000-\$99,999 | 126                          | 11.0%                               |
| Over \$100,000    | 297                          | 25.8%                               |
| TOTAL             | 1,149                        | 100.0%                              |

Source: US Census, American Community Survey, 2007-2011

### *Large Families*

Large families in Albany are more likely to live in overcrowded conditions than smaller families due to the small number of bedrooms in many Albany residences and the high cost of housing. Large families may also be more likely to be cost-burdened due to the additional costs associated with food, health care, education, and other expenses for dependent household members. The growth of multi-cultural, multi-generational households in Albany suggests that there may be emerging issues related to the needs of larger and extended families.

Although average household size in Albany increased from 2000 to 2010, the number of large families in the City actually declined during this period. As indicated in Table 3-

13, there were 367 households with five or more persons in 2000 and 287 households with five or more persons in 2007-2011. However, there was a shift in the tenure of large households. In 2000, most large households were owner-occupied. By 2010, most were renter occupied.

Table 3-14 indicates that median income in Albany generally rises with household size. Median income is \$125,096 for Albany households with five persons and \$128,357 for Albany households with six persons. By contrast, median income for a two-person household in Albany is \$78,600. Many larger Albany households consist of multiple income earners, with two or more salaries supporting the household.

**Table 3-13**  
**Household Size by Tenure**

|        | 2000  |     | 2007-2011 |     | % of all households considered "large" |         |
|--------|-------|-----|-----------|-----|--|---------|
|        | 1-4   | 5+  | 1-4       | 5+  | 2000                                   | 2007-11 |
| Owner  | 3,287 | 271 | 3,386     | 104 | 7.6%                                   | 3.1%    |
| Renter | 3,357 | 96  | 3,628     | 183 | 2.9%                                   | 4.8%    |
| TOTAL  | 6,644 | 367 | 7,014     | 287 | 5.2%                                   | 3.9%    |

Source: US Census, 2000 and American Community Survey, 2007-2011

**Table 3-14**  
**Median Income by Household Size**

|                     | Median Income |
|---------------------|---------------|
| Citywide            | \$72,479      |
| 1-person households | \$48,023      |
| 2-person households | \$78,600      |
| 3-person households | \$82,651      |
| 4-person households | \$111,742     |
| 5-person households | \$125,096     |
| 6-person households | \$128,357     |
| 7-person households | N/A           |

Source: US Census, American Community Survey, 2007-2011

### *Female-Headed Households*

Single parents with children have unique housing needs due to the competing demands of child care and employment. This is particularly true for female-headed households, who according to the Bureau of Labor Statistics earned only 72 percent of men's salaries in 2012. The need for affordable housing is often greater for female-headed households with children, as child care responsibilities may limit the number of hours the parent can work, thus reducing income. Table 3-15 provides a profile of female-headed households in Albany.

Approximately 7 percent of Albany's households consist of single mothers with children under 18. This is approximately four times the number of single fathers with children under 18 in the city. Female-headed households are also more likely to be below the federal poverty level than male-headed households. About 10 percent met federal poverty criteria in 2010. Single mothers in Albany would benefit not only from affordable housing, but also from more affordable child care options.

**Table 3-15**  
**Female Headed Households**

| <b>Householder Type</b>                                 | <b>2010</b>   |                |
|---|---------------|----------------|
|   | <b>Number</b> | <b>Percent</b> |
| Total Households  | 7,401         | 100.0%         |
| <i>Female Headed Families with Children under 18</i>    | 531           | 7.1%           |
| <i>Female Headed Families without children under 18</i> | 352           | 4.8%           |
| <i>Females living alone</i>                             | 1,124         | 15.2%          |
| Total Families Under the Poverty Level                  | --            | 7.3%           |
| <i>Female Headed Households Under the Poverty Level</i> | --            | 10.0%          |

*Source: US Census 2010, American Community Survey, 2007-2011 (for poverty level)*

### *Farmworkers*

Albany is a small, highly urbanized city surrounded by other urban cities within a large metropolitan area. The nearest large-scale commercial agricultural operations employing farm workers are over 30 miles away. The City does not have a substantial population of seasonal or permanent farm workers and thus, there is not a significant demand for farm worker housing. The US Census indicates there are 8 workers within the City employed in agriculture, mining, hunting, fishing, and forestry. To the extent that agricultural workers may desire to live in Albany, their need for affordable housing would be similar to that of other lower income persons, and affordable housing in the City would serve farmworkers as well as others employed in low-wage jobs.

### *Extremely Low Income Households*

In 2006, the legislature passed Assembly Bill 2634 (AB 2634) requiring Housing Elements to include an evaluation of the housing needs of extremely low income (ELI) households. ELI households are a subset of “very low income” households and are defined as earning less than 30 percent of the areawide median income. The thresholds for ELI vary based on household size. In Albany (and the remainder of Alameda and Contra Costa counties), the following thresholds apply:

| <u>Persons in Household</u> | <u>Extremely Low Income</u> |
|-----------------------------|-----------------------------|
| 1                           | \$18,750 or less            |
| 2                           | \$21,400 or less            |
| 3                           | \$24,100 or less            |
| 4                           | \$25,750 or less            |

Table 3-16 provides an estimate of the number of ELI households in Albany today. Approximately 15 percent of the City’s households earn less than \$22,750 a year.<sup>6</sup> The largest overall number of ELI residents are in the 25-44 age cohort, although the percentage of ELI households relative to all households is highest in the 18-24 age group and the over 65 age group. Persons aged 45-64 are the least likely to be ELI.

**Table 3-16**  
**Households Earning \$22,750 or less, by Age Cohort**

|              | <b>Household Income Under \$22,750</b> | <b>All Households in Age Group</b> | <b>% of all households in age group earning under \$25,000</b> |
|--------------|--|------------------------------------|--|
| Under 25     | 19                                     | 43                                 | 44.2%  |
| 25-44        | 518                                    | 3,309                              | 15.6%  |
| 45-64        | 327                                    | 2,800                              | 11.7%  |
| 65+          | 222                                    | 1,149                              | 19.3%  |
| <b>TOTAL</b> | <b>1,086</b>                           | <b>7,301</b>                       | <b>14.9%</b>   |

Source: UC Census, American Community Survey, 2007-2011, Table B19037, *Age of Householder by Household Income in the past 12 months* (in 2011 inflation-adjusted dollars (Figures interpolated for \$20-24,999 interval to align with Extremely Low Income threshold of \$22,750 for household of 2.49 persons))

<sup>6</sup> \$22,750 reflects the interpolated ELI income threshold for a 2.49 person household, which is the median household size in Albany.



Tables 3-17 and 3-18 present Year 2000 data from HUD's State of the Cities Data Base. Although the data is somewhat dated (Year 2000), it provides an indication of the level of overpayment among extremely low income households. Housing prices and rents have outpaced income growth since 2000, and the percentages have almost certainly increased in the last 13 years.

Data from the prior census indicated that 70 percent of Albany's ELI households were renters and 30 percent were owners. More than 61 percent of the ELI owners are seniors, including persons on fixed incomes who have lived in Albany for many years. Some of these households may not have mortgages, but still face high costs relating to housing maintenance, taxes, and insurance.

ELI *renters* face different housing challenges than ELI *owners*, and often struggle to find – and keep – a safe, decent place to live. Housing solutions for ELI renters often include rent subsidies and vouchers, income-restricted housing units, and housing with supportive services. The demand for vouchers and for vacancies in project-based public housing developments is very long, and ELI renters often need interim solutions or alternatives to such housing. Certain housing types, such as single room occupancy hotels, shared housing units, supportive housing, and transitional housing are also critical to meeting ELI rental housing needs.

**Table 3-17**  
**Extremely Low Income Households**

|  | <b>Total Renters</b> | <b>Total Owners</b> | <b>Total Households</b> |
|--|----------------------|---------------------|-------------------------|
| <b>Household Income &lt;=30% Median Income</b> | 547                  | 227                 | 774                     |
| Elderly  | 92                   | 140                 | 232                     |
| Large Households                               | 14                   | 14                  | 28                      |
| Other  | 441                  | 73                  | 514                     |

Source: State of the Cities Data Systems: Comprehensive Housing Affordability Strategy (CHAS) Data from Year 2000

**Table 3-18**  
**Housing Problems for Extremely Low Income Households**  
**Comprehensive Housing Affordability Strategy Data Book**

|  | <b>Total<br/>Renters</b> | <b>Total<br/>Owners</b> | <b>Total<br/>Households</b> |
|--|--------------------------|-------------------------|-----------------------------|
| <b>Household Income &lt;=30% MEDIAN INCOME</b> | 547                      | 227                     | 774                         |
| % Cost Burden >30%                             | 79.5%                    | 81.1%                   | 80.0%                       |
| % Cost Burden >50%                             | 59.2%                    | 65.6%                   | 61.1%                       |

*Source: State of the Cities Data Systems: Comprehensive Housing Affordability Strategy (CHAS) Data, 2000.*

The California Government Code includes a requirement to estimate the projected number of future ELI households in the Housing Element, either by using available census data or by presuming that 50 percent of the city's future "very low" income housing needs is associated with ELI households. Given that Albany's Regional Housing Needs Allocation for "Very Low Income" households is 64 units, it is presumed that 32 units would be needed for extremely low income households and 32 units would be needed for other very low income households (e.g., 30-50 percent of AMI).

#### *Families and Persons In Need Of Emergency Shelter*

Persons in need of emergency shelter include those who are homeless and those who are at risk of becoming homeless. This includes Albany residents who lack a permanent, regular, sanitary, safe residence. It includes persons living on the street, in parks and open space encampments, in cars, and in public buildings. The Government Code requires that the Housing Element address the special needs of families and persons in need of emergency shelter, including an estimate of the need.

Homelessness affects an estimated one in every 100 California residents. Although the state is home to 12 percent of the nation's total population, it is home to 26 percent of the nation's homeless individuals and families. Various factors contribute to homelessness, including reductions in social service and mental health programs, unemployment and lack of income, eviction, chronic illness and a lack of affordable health care, domestic violence and family break-ups, substance abuse, and most obviously, a lack of affordable housing.

Transitioning from homelessness to a permanent residence often requires intensive supportive services as well as shelter. Emergency shelter is an essential resource, but transitional and supportive housing are also essential. Transitional housing provides

extended shelter for homeless individuals with the goal of helping them live independently and transition into permanent housing. The length of stay typically ranges from two weeks to 60 days or more. Such housing is generally provided in apartment type facilities and may be configured for specialized groups such as persons with substance abuse problems, domestic violence victims, veterans, and persons with HIV/AIDS.

The nature of homelessness and the method of data reporting make it difficult to estimate the number of homeless residents in Albany. Alameda County maintains and updates a census through its bi-annual Homeless Count Survey, a data base system mandated by HUD. The most recent published information is from 2011, but it does not indicate the city of residence.<sup>7</sup> Countywide, there were 4,178 homeless residents in 2011, which was a 3.8 percent decrease from 2009 and a 13.6 percent reduction from 2007. The greatest decreases were among families with children, persons with serious mental illnesses, and veterans. The number of chronically homeless single adults in Alameda County has increased, however.

The prior homeless survey (2009) reported data based on geographic subareas within the County. Albany was grouped with Piedmont, Emeryville, and Alameda into a subarea called “Other North County.”<sup>8</sup> Albany’s population represents 16 percent of this subarea. Pro-rating the findings for this area may provide a very rough estimate of the demographics of the local homeless population. However, Albany is not coterminous with the other cities in the subarea and has different population and land use characteristics. Thus, the data is not entirely transferable and should be used for order of magnitude estimates only.

A total of 433 residents were counted in the “Other North” communities in 2009. If Albany were representative of these four communities, its homeless population would be estimated at 70 residents. Roughly 45 percent of the “Other North” residents were single adults, 24 percent were adults living with others, 12 percent were couples without children, and 20 percent were families with children. Roughly 61 percent were male and 39 percent were female.

The average age was 50.7, which was the highest among the subareas of Alameda County. About 77 percent of those surveyed in “Other North” indicated they had a disability and 48 percent reported alcohol or drug dependence. Nearly 20 percent indicated they had left their last place of residence because of family violence. Some 30 percent indicated they were homeless for more than one year or at least three times in

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<sup>7</sup> *Report on the 2011 Alameda Countywide Homeless Count & Survey. Focus Strategies. June, 2011. The data shown here will be replaced with data from the January 2013 survey, in the event it is published before the Housing Element is adopted.*

<sup>8</sup> *Alameda Countywide Homeless Count and Survey. Spiegelman Norris Associates. December 2009*

the past three years. About 14 percent met the HUD definition of “chronic homelessness.”

There is no data presently available documenting the increased level of demand for shelter in Alameda County or Albany during particular times of the year. Due to the relatively mild climate, the only time of year when increased demand appears to be a factor is during the winter months (November to March). The annual homeless count always takes place in the last week of January, a period when demand for shelter typically is at its highest. Since the year-round need described above is based on the annual count, the need for emergency shelter either year-round or seasonally is not likely to be greater than that found during the annual homeless count.

Since the 1990s, Albany’s homeless population has included informal encampments on the Albany Bulb, a landfilled peninsula along the Albany Waterfront. The Bulb is contained within McLaughlin Eastshore State Park, a linear waterfront park extending from Oakland to Richmond along the San Francisco Bay shoreline. The City desires to transfer management of the Bulb to the East Bay Regional Park District, as called for by the General Plan for the State Park and the 2013-2015 City of Albany Strategic Plan.

In 2012, the City created a Homeless Task Force to address the issue of homelessness in Albany. The Task Force focused on developing alternatives for addressing the encampment on the Bulb. In May 2013, the Task Force delivered a series of options to the City Council, ranging from doing nothing (e.g., status quo) to developing transitional or permanent housing off-site to creating a “village/campground” on-site. The Council selected an option calling for enforcement of the “No Camping” provisions in the Albany Municipal Code, coupled with outreach and limited supportive services. These services include relocation assistance to transitional and permanent housing.

In June 2013, the City entered into an Agreement with the Berkeley Food and Housing Project (BFHP) to conduct outreach and engagement services to those living on the Albany Bulb. In September 2013, the City extended this Agreement through the end of 2013. At that time, it was estimated that there were 60 to 70 persons living on the Albany Bulb.<sup>9</sup>

Within the City of Albany, emergency, transitional, and permanent housing options are very limited at this time. The City does not have an emergency shelter, and there is no transitional or supportive housing. The City’s small size and limited budget constrains its ability to offer supportive services. Presently, the nearest emergency shelters are in Berkeley, Richmond, and Oakland.

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<sup>9</sup> Testimony provided by a Bulb resident at the September 3, 2013 City Council meeting indicated there were 62 persons living on the bulb, including 39 men and 23 women, 21 persons looking for work, 35 persons with disabilities, 18 SSI/SDI recipients, and 6 General Assistance recipients.

Albany is a member of a consortium of “Urban County” cities in Alameda County which provides funding to organizations serving homeless persons in the County. The consortium is staffed by the Alameda County Housing and Community Development Department. The City provides financial support toward such initiatives and programs, including the development of transitional and supportive housing in nearby communities. Albany is also a participant in the Alameda County EveryOne Home Program, which seeks to end chronic homelessness and produce 15,000 housing units for homeless households in Alameda County by 2020. EveryOne Home also seeks to improve the “safety net” for those at risk of homelessness, and establish support for homeless prevention programs.

Implementing the EveryOne Home Program at the local level will require additional action by the City of Albany, taking into consideration local budget constraints and limited staff resources. An immediate action, to be implemented concurrently with or prior to the adoption of the Housing Element, is to permit emergency shelters as a permitted use in the CMX zoning district and to permit supportive and transitional housing as a residential use treated like other residential uses of the same type in the same zone. Shelters are already permitted on the San Pablo Corridor with a Conditional Use Permit. The addition of CMX sites will provide additional opportunities to meet local needs (see Chapter 4 for additional information).

## **Housing Stock Characteristics**

Government Code Section 65583(a) requires the Housing Element to describe the characteristics of the local housing stock, including housing condition. This section of the Element provides an overview of Albany’s housing stock, addressing the age of structures, the types of structures, the number of bedrooms, and vacancy characteristics. Information on home values, rents, and recent building permit activity is also provided.

### *Age of Housing Stock*

As noted in Table 3-19, more than half of Albany’s housing stock is more than 60 years old. Another quarter of the City’s housing stock was built between 1950 and 1979. Approximately 13 percent of the City’s housing stock was built in the last decade — primarily associated with the replacement of UC Village housing units.

Table 3-20 indicates the year of construction by Census Tract. The City’s six census tracts generally correspond to the northwest, central north, northeast, southeast, central south, and southwest parts of the city (see Figure 3-1). The oldest housing stock is located in the eastern half of the City. In the area east of Masonic Avenue, more than 90

percent of the housing stock was built before 1940. Almost all of this housing stock consists of single family homes. In the area between Masonic and San Pablo, about three-quarters of the housing stock was built before 1940. Most of the older units are single family homes, and most of the post-1940 construction consists of small multi-family buildings.

Areas west of San Pablo Avenue tend to have a larger percentage of newer units, although the single family neighborhood on the southern slope of Albany Hill generally pre-dates 1940. In Tract 4203, which includes Gateview Towers and the newer condominiums along Pierce Street, just 44 percent of the housing units pre-date 1940 and in Tract 4204, which includes UC Village, only 2 percent of the housing units pre-date 1940. The data for Tract 4204 reflects the fact that virtually all of the housing at UC Village was demolished and replaced with new units (with a net gain in the total) between 1998 and 2008.

Given the age and value of the housing stock, building permits for structural improvements, remodels and additions are common. Most of the older housing stock in the city consists of single family homes. The City strongly encourages reinvestment in existing homes, and maintains zoning regulations which support home maintenance and conservation.

**Table 3-19**  
**Year Structure Built**

| <b>Year Built</b>     | <b>Number</b> | <b>Percentage</b> |
|-----------------------|---------------|-------------------|
| Built 2005 or later   | 634           | 8.1%              |
| Built 2000 to 2004    | 393           | 5.0%              |
| Built 1990 to 1999    | 258           | 3.3%              |
| Built 1980 to 1989    | 490           | 6.3%              |
| Built 1970 to 1979    | 677           | 8.6%              |
| Built 1960 to 1969    | 620           | 7.9%              |
| Built 1950 to 1959    | 704           | 9.0%              |
| Built 1940 to 1949    | 1,024         | 13.1%             |
| Built 1939 or earlier | 3,033         | 38.7%             |
| <b>Total</b>          | <b>7,833</b>  | <b>100.0%</b>     |

*Source: US Census, 2010*

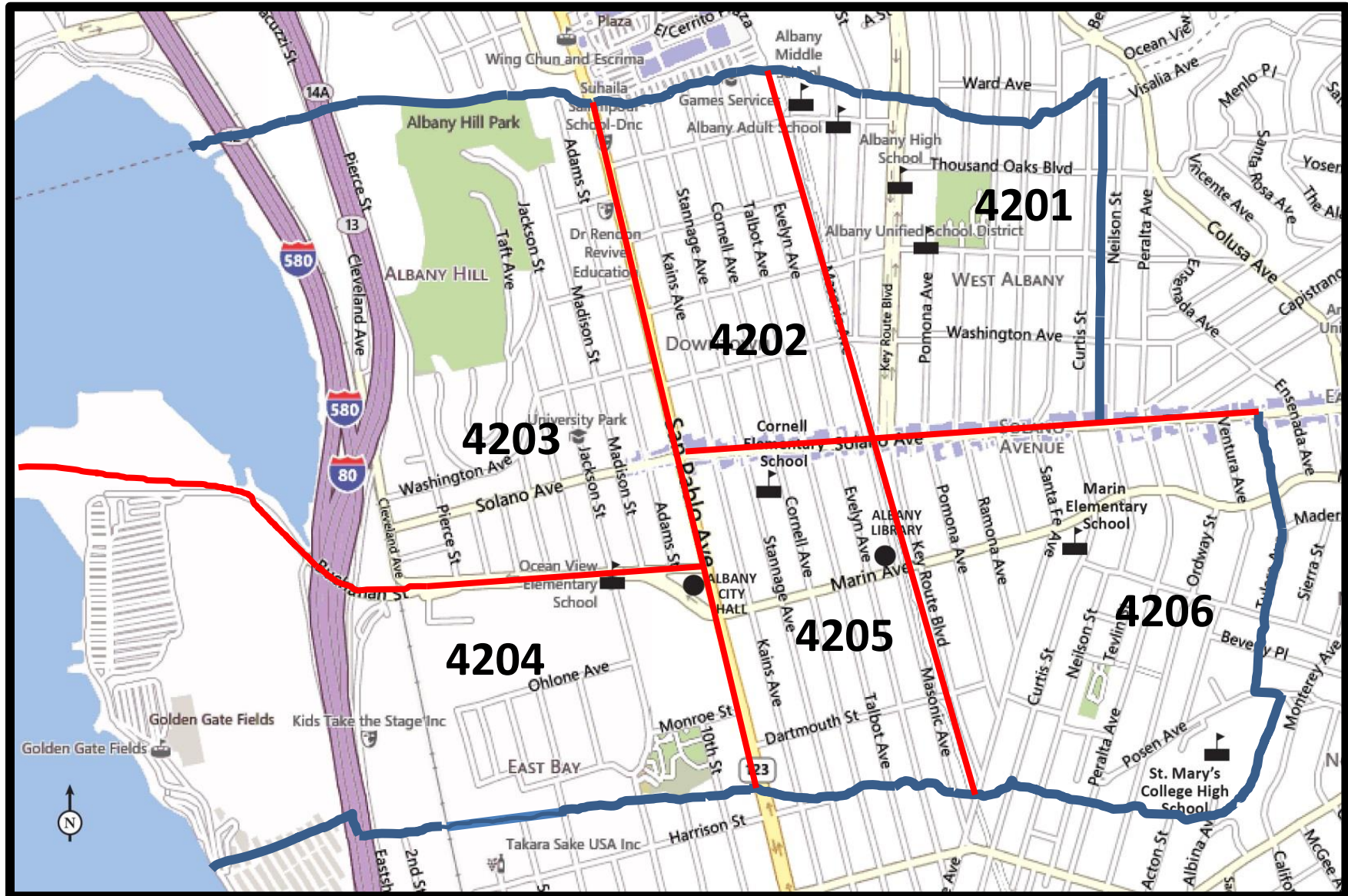


Figure 3-1: Albany Census Tracts

**Table 3-20**  
**Year Structure Built: Census Tracts**

| <b>Census Tract #</b> | <b>2005-2010</b> | <b>2000-2004</b> | <b>1990-1999</b> | <b>1980-1989</b> | <b>1970-1979</b> | <b>1960-1969</b> | <b>Pre-1959</b> | <b>Total Housing Units</b> |
|-----------------------|------------------|------------------|------------------|------------------|------------------|------------------|-----------------|----------------------------|
| 4201                  | 0                | 8                | 0                | 0                | 10               | 33               | 898             | 949                        |
| 4202                  | 0                | 0                | 20               | 76               | 53               | 224              | 897             | 1,270                      |
| 4203                  | 19               | 53               | 63               | 363              | 501              | 194              | 950             | 2,143                      |
| 4204                  | 615              | 321              | 130              | 25               | 0                | 13               | 29              | 1,133                      |
| 4205                  | 0                | 11               | 21               | 26               | 85               | 96               | 788             | 1,027                      |
| 4206                  | 0                | 0                | 24               | 0                | 28               | 60               | 1,199           | 1,311                      |
| <b>TOTAL</b>          | <b>634</b>       | <b>393</b>       | <b>258</b>       | <b>490</b>       | <b>677</b>       | <b>620</b>       | <b>4,761</b>    | <b>7,833</b>               |

*Source: US Census, American Community Survey, 2007-2011. Based on sample data, with margin of error, resulting in data which may not match actual conditions exactly.*

### *Structure Type*

Table 3-21 indicates the number (and percentage) of housing units by structure type in Albany in 2000 and 2010. Just over half of the housing units in the City are single family detached homes. The percent has not changed substantially since 2000.

Approximately 16 percent of the City's housing units are in multi-family buildings with 20 or more units. A majority of these units are located on the west side of Albany Hill along Pierce Street and in UC Village. Roughly 11 percent of Albany's housing units are in buildings of 2 to 4 units, and about 17 percent are in buildings with 5 to 19 units.

Some of the numeric changes between 2000 and 2010 may be the result of different classification methods for housing units rather than construction. For instance, the Census indicated a net increase of 285 single family detached homes between 2000 and 2010, which did not occur. Homes that were counted as single family attached or two unit buildings (for instance, homes with second units) in 2000 may have been counted as single family detached in 2010.

As noted in Table 3-22, most of the housing growth between 2000 and 2010 was related to the reconstruction of UC Village. Demolition started in 1998. At the time of the 2000 Census, 356 units had recently been removed but reconstruction had not yet started. By 2010, the project was completed. There was a net increase of 56 units between 1998 and 2008. However, since a portion of the Village had already been demolished in 1998, the net increase for 2000-2010 was 412 units.



**Table 3-21**  
**Housing Units by Type**

| Unit Type              | 2000   |         | 2010   |         | Change |         |
|------------------------|--------|---------|--------|---------|--------|---------|
|                        | Number | Percent | Number | Percent | Number | Percent |
| Single-Family Detached | 3,777  | 52.1%   | 4,062  | 51.9%   | 285    | 7.5%    |
| Single Family Attached | 181    | 2.5%    | 233    | 3.0%    | 52     | 28.7%   |
| 2 Units                | 269    | 3.7%    | 448    | 5.7%    | 179    | 66.5%   |
| 3-4 Units              | 544    | 7.5%    | 449    | 5.7%    | -95    | -17.5%  |
| 5-9 Units              | 844    | 11.6%   | 738    | 9.4%    | -106   | -12.6%  |
| 10-19 Units            | 440    | 6.1%    | 610    | 7.8%    | 170    | 38.6%   |
| 20+ Units              | 1,187  | 16.4%   | 1,271  | 16.2%   | 84     | 7.1%    |
| Mobile Home & Other    | 6      | 0.1%    | 22     | 0.3%    | 16     | 266.7%  |
| Totals                 | 7,248  | 100.0%  | 7,833  | 100.0%  | 585    | --      |

Source: US Census, 2000 and 2010

**Table 3-22**  
**Housing Permits Issued 1998- 2012**

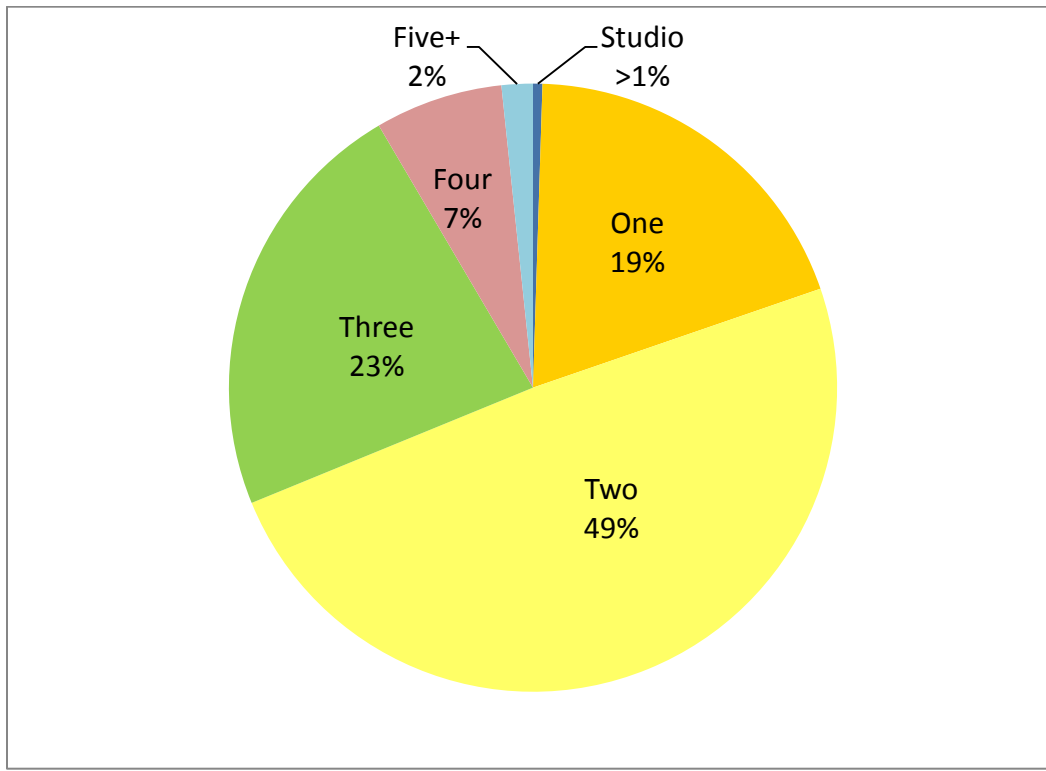
|      | Private | UC Village |
|------|---------|------------|
| 1998 | NA      | -356       |
| 1999 | NA      | 0          |
| 2000 | 0       | 391        |
| 2001 | -1      | 0          |
| 2002 | 22      | 0          |
| 2003 | 12      | 0          |
| 2004 | 16      | -196       |
| 2005 | 10      | 0          |
| 2006 | 3       | 42         |
| 2007 | 3       | -149       |
| 2008 | 2       | 324        |
| 2009 | 1       | 0          |
| 2010 | 6       | 0          |
| 2011 | 8       | 0          |
| 2012 | 3       | 0          |

Source: City of Albany & University of California, Berkeley.

### *Housing Size*

Given the age of the housing stock and the relatively large share of multi-family units in the City, homes in Albany tend to be smaller than homes elsewhere in Alameda County. As indicated in Chart 3-6, 68 percent of the housing units in Albany contain two bedrooms or fewer, and almost half of the City's housing units are two-bedroom units. Less than 10 percent of the City's housing units contain four or more bedrooms.

Table 3-23 indicates the number of bedrooms in Albany's housing units by tenure using data from the 2007-2011 American Community Survey. Homes occupied by renters tend to be smaller than those occupied by owners. Almost 90 percent of the City's renters live in units with two or fewer bedrooms. About 44 percent of the City's owners live in units with two or fewer bedrooms.



**Chart 3-6: Number of Bedrooms in Albany Housing Units**

*Source: American Community Survey, 2007-2011*

**Table 3-23**  
**Existing Housing Stock**  
**Number of Bedrooms by Tenure**

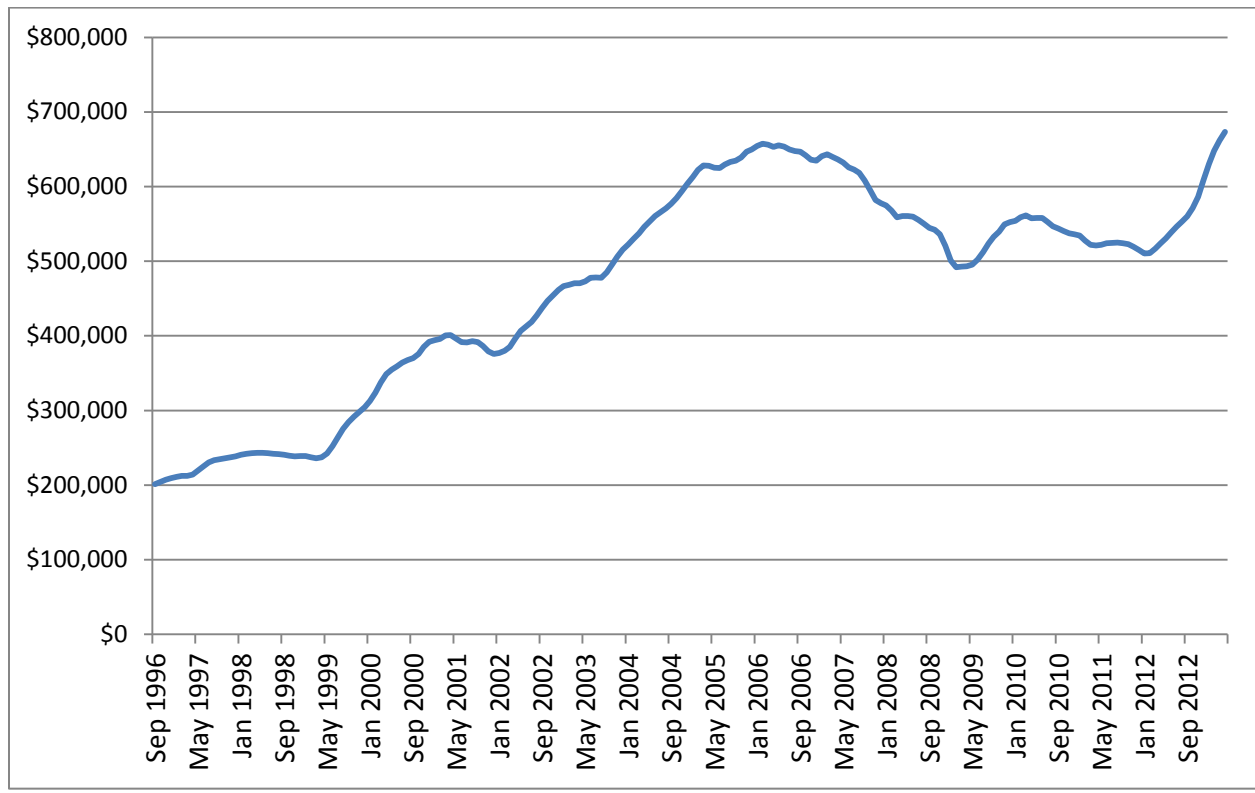
| Bedroom Type | Owner Households |         | Renter Households |         | All Households |         |
|--------------|------------------|---------|-------------------|---------|----------------|---------|
|              | Number           | Percent | Number            | Percent | Number         | Percent |
| 0 BR         | 0                | 0.0%    | 39                | 1.0%    | 39             | 0.5%    |
| 1 BR         | 220              | 6.3%    | 1,050             | 27.6%   | 1,270          | 17.4%   |
| 2 BR         | 1,316            | 37.7%   | 2,313             | 60.7%   | 3,629          | 49.7%   |
| 3 BR         | 1,348            | 38.6%   | 352               | 9.2%    | 1,700          | 23.3%   |
| 4 BR         | 476              | 13.6%   | 57                | 1.5%    | 533            | 7.3%    |
| 5+ BR        | 130              | 3.7%    | 0                 | 0.0%    | 130            | 1.8%    |
| TOTAL        | 3,490            | 100.0%  | 3,811             | 100.0%  | 7,301          | 100.0%  |

*Source: US Census, American Community Survey, 2007-2011*

### *Housing Value*

Chart 3-7 tracks home sales data in Albany between 1996 and early 2013 using the Zillow.com real estate data base. Home values in Albany rose steadily through the 1990s, accelerated rapidly between 2000 and 2006, dropped between 2007 and 2009, and have generally trended upward since 2010. The chart indicates a particularly rapid increase during the past year, with March 2013 prices exceeding the previous peak in 2006. Zillow reported the median home price in Albany was \$661,700 in March 2013, an increase of \$150,000 from December 2011. Home prices had previously peaked at \$658,000 in 2006.

The Zillow data is generally consistent with data on home values provided by the US Census. Table 3-24 indicates that the median home value was \$637,000, which was an increase of 90 percent over the 2000 Census figure of \$334,800. Table 3-25 compares home prices in Albany with those of the three cities it adjoins, using Zillow.com data. Home prices in Albany increased faster than all three cities, posting a 32 percent gain from 2010 to 2013. However, prices were slightly higher in Berkeley, slightly lower in El Cerrito, and substantially lower in Richmond.



**Chart 3-7: Median Sales Price for Homes in Albany**

Source: Zillow.com, 2013

**Table 3-24  
Median Value and Rent 1990-2010**

| Value/Rent        | 1990      | 2000      | 1990-2000<br>Percent<br>Change | 2010*     | 2000-2010<br>Percent<br>Change |
|-------------------|-----------|-----------|--------------------------------|-----------|--------------------------------|
| Median Home Value | \$239,600 | \$334,800 | 39.7%                          | \$637,800 | 90.5%                          |
| Median Gross Rent | \$660     | \$947     | 43.5%                          | \$1,504   | 58.5%                          |

Source: US Census 2000. 2010 (\* 2010 number is the 2007-2011 estimate from the US Census American Community Survey)

**Table 3-25**

### Regional Median Home Values

| City       | Median Value |           | Percent Change |
|------------|--------------|-----------|----------------|
|            | Jul 2010     | Jul 2013  |                |
| Albany     | \$554,000    | \$730,600 | 31.9%          |
| Berkeley   | \$655,000    | \$858,600 | 31.1%          |
| El Cerrito | \$544,000    | \$626,000 | 15%            |
| Richmond   | \$181,000    | \$217,500 | 20.2%          |

Source: Zillow.com, 2013

Rents also rose rapidly during the 1990-2010 period, reaching \$1,504 in 2010. However, Census data does not reflect the recent run-up in rental rates during the last few years. Hotpads.com, a rental search engine, indicated the median rental price in Albany was \$1,800 at the beginning of 2013. Median rents were \$1,300 for a one-bedroom, \$1,800 for a two-bedroom, and \$3,500 for a three-bedroom (most of the three-bedroom rentals were single family homes).

Another data source for tracking rents is the University of California housing office. The Calrental website indicates rental ranges for studios, one-bedrooms, two-bedrooms, and three-bedroom units. This data is shown in Table 3-25.

**Table 3-26**  
**2011 Median Rents**

| BEDROOM TYPE  | MEDIAN MARKET RENTS |
|---------------|---------------------|
| Studio        | \$800 - \$1,272     |
| One-Bedroom   | \$975 - \$2,325     |
| Two-Bedroom   | \$1,417 - \$3,724   |
| Three-Bedroom | \$2,100 - \$4,361   |

Source: Cal Rentals Typical Rent, 2011 ranges <https://calrentals.housing.berkeley.edu>

### Housing Condition

Most housing in Albany is in excellent condition. City staff estimates that less than one percent of the City's housing units (e.g, fewer than 75 units) have serious or persistent code enforcement issues related to structural condition. A cursory field survey of the City's oldest neighborhoods and areas of mixed single family and multi-family housing indicated only a few structures in fair to poor condition.

Most deficiencies observed were cosmetic and could be remedied through minor home repair such as painting or new windows. Some of the housing units observed require more substantial work, including foundation repair, new roofs, and reconstructed porches. In a few instances, structures appeared to be in solid condition but the adjoining yard areas violated City codes due to the storage of material in front yards, weeds and overgrown vegetation. Several homes had partially completed construction projects that appeared to be stalled or abandoned. The City prioritizes code enforcement on immediate life safety and public health considerations. In general, there are two to four active code enforcement cases at any particular time.

There were no “dilapidated units” observed during the field survey. A dilapidated unit is defined as one suffering from excessive neglect, where the building appears structurally unsound and maintenance is non-existent. Such units are considered unfit for human habitation in their current condition, and would require major rehabilitation before they can be re-occupied.

Another metric for evaluating housing condition is the absence of a kitchen or complete plumbing facilities in a housing unit. The percentages in Albany are extremely small, with less than 0.2 percent (e.g., one in every 500 units) lacking complete plumbing facilities and 0.4 percent (e.g., one in every 250 units) lacking a complete kitchen. These statistics are lower than those for the County as a whole, and for nearby cities.

### *Vacancy Characteristics*

According to Census Bureau information, Albany had 237 vacant units in 2000 and 488 vacant units in 2010 (see Table 3-27 and Chart 3-8). As a percentage of total housing stock, the vacancy rate was 3.4 percent in 2000 and 6.2 percent in 2010. The increase was primarily due to economic conditions in 2010, although the recent completion of UC Village at the time of the 2010 Census may have also been a factor. Tract level data indicates that 48 units in UC Village were vacant at the time of the 2010 Census.

In 2010, the vacancy rate was substantially higher for rental units than for owner units. The Census indicated the vacancy rate for owner-occupied homes was just 1.0 percent. It was 6.2 percent for rental units. This statistic is likely to have changed in the last three years due to the tightening rental market and increasing demand.

**Table 3-27**  
**Vacant Units**

|   | <b>2000<br/>Census</b> | <b>2010<br/>Census</b> |
|---|------------------------|------------------------|
| Total:  | 7,248                  | 7,889                  |
| Occupied  | 7,011                  | 7,401                  |
| Vacant  | 237                    | 488                    |
| For rent  | 91                     | 253                    |
| For sale only                                     | 31                     | 37                     |
| Rented or sold, not occupied                      | 64                     | 37                     |
| For seasonal, recreational, or occasional use     | 17                     | 43                     |
| For migrant workers                               | 0                      | 0                      |
| Other vacant                                      | 34                     | 118                    |
| Percent of units that are vacant (all categories) | 3.3%                   | 6.2%                   |

*Source: US Census 2000 and 2010*

### **Impact of UC Village on Albany's Demographics**

Approximately 15 percent of the City's housing stock and population is associated with the University of California (UC) Village. As noted earlier, this is a 58-acre complex is owned by the University of California. It has been operated as family housing for students with children since the 1950s. University Village was redeveloped in phases between 1998 and 2008, resulting in a net increase of 56 units and a grand total of 973 units. Its population consists of approximately 2,800 residents.<sup>10</sup>

University Village is part of the City; however, in some ways it is an independent entity due to the nature of its student population, segregated geographic location, and the City's limited jurisdiction over University lands. The large student population has a strong and noticeable influence on demographic data for the City as a whole. For example, many households meet the HUD definition of very low income since they are comprised of full-time students.

Given the impact of UC Village on local demographics, the City has created a profile of Albany "with" and "without" UC Village for consideration in the Housing Element. The Village is contained entirely within Census Tract 4204 and is thus possible to isolate it as a demographic unit. Table 3-28 presents the findings, using key population and housing variables.

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<sup>10</sup> The 2010 Census reported the population of Tract 4204 as being 3,200 residents, indicating additional housing units are being attributed to the Tract containing UC Village.

**Table 3-28**  
**Demographics of UC Village Relative to Albany as a Whole**

|   | <b>Albany<br/>(all Census Tracts)</b> | <b>Tract 4204 only<br/>(UC Village)</b> | <b>Remainder of City<br/>(Tracts 4201-3, 4205-6)</b> |
|---|---------------------------------------|---|--|
| Total population  | 18,539                                | 3,220                                   | 15,319   |
| Total households  | 7,401                                 | 1,085                                   | 6,216  |
| Average household size  | 2.49                                  | 2.97                                    | 2.41   |
| Median age  | 37.0                                  | 29.2                                    | 40.9   |
| Number of persons over 65   | 1,847                                 | 19                                      | 1,828  |
| % of residents over 65  | 9.9%                                  | 0.7%                                    | 11.9%  |
| Persons under 20  | 4,900                                 | 944                                     | 3,956  |
| % of residents under 20   | 26.5%                                 | 30.2%                                   | 25.7%  |
| % of residents born outside the United States   | 32.5%                                 | 60.8%                                   | 26.4%  |
| % of residents speaking a language other than English at home                             | 39.1%                                 | 70.1%                                   | 33.2%  |
| % of households consisting of single persons living alone                                 | 25.1%                                 | 3.9%                                    | 29.9%  |
| % of residents who are renters  | 51.7%                                 | 99.8%                                   | 43.3%  |
| % of residents who are homeowners   | 48.3%                                 | 0.2%                                    | 56.6%  |
| % of residents over 25 with a bachelor's degree or higher                                 | 71.5%                                 | 86.5%                                   | 65.1%  |
| Median household income   | \$72,479                              | \$38,972                                | \$84,432   |
| % of households with incomes below \$25,000   | 17.5%                                 | 33.7%                                   | 14.6%  |
| Percent of all Albany's households with incomes below \$25,000 living in UC Village       | 28.7%                                 |   |  |
| Percent of all Albany families below the poverty line living in UC Village                | 48.5%                                 |   |  |
| % of renter households paying more than 35% of their incomes on rent                      | 47.6%                                 | 66.5%                                   | 37.5%  |
| Percent of all Albany renters paying more than 35% of income on rent living in UC Village | 41%                                   |   |  |
| % of housing units with more than one person per room                                     | 3.3%                                  | 4.1%                                    | 2.4%   |

*Source: American Community Survey 2007-2011, US Census 2010, Barry Miller Consulting*



Relative to the City as a whole, UC Village households tend to be larger, with more children and far fewer seniors. The average household size is 2.97 persons, compared to 2.41 in the other Albany census tracts. More than 30 percent of the population is 19 or under, and less than one percent is 65 or older. In the rest of Albany, about 25 percent of the residents are 19 or under and 12 percent are 65 or older.

UC Village residents are much more likely to be foreign-born and to speak a language other than English at home. In fact, 70 percent of the residents over 5 speak a language other than English at home, compared to 33 percent in the rest of the City. Approximately 87 percent of the residents over 25 at UC Village have a bachelor's degree or higher. In the rest of Albany, the figure is 65 percent.

Although Albany as a whole has historically had a roughly even number of renters and owners, the balance shifts toward owners when the Village is factored out. All residents at UC Village are renters. Outside of UC Village, about 57 percent of the City's households are homeowners and 43 percent are renters. UC Village housing units are also more likely to be overcrowded than those in the rest of the City, with 4.1 percent having more than one person per room compared to 2.4 percent in the rest of the City.

The median household income in UC Village is \$38,432, compared to \$84,232 in the rest of the City. When these two geographic areas are combined, the median income for Albany is \$72,479, illustrating the strong influence that UC Village households have on figures for the City as a whole. A disproportionately large share of Albany's lower income residents live in UC Village. While the Village has 15 percent of the City's households, it has 29 percent of the households with annual incomes below \$25,000. Similarly, 41 percent of the renters in Albany paying more than 35 percent of their incomes on rents reside in UC Village. Nearly half of all Albany families below the federal poverty line were UC Village residents.

The concentration of lower income households in UC Village may be somewhat misleading, since many of the residents may have supplemental sources of income not reported to the Census. These include scholarships, stipends, student loans, and other subsidies which effectively reduce living expenses. Households are typically living in the Village for only a few years, and are then advancing into occupations that presumably generate higher incomes and greater resources for housing. Despite the relatively high overpayment and poverty statistics, the student family housing is considered an important housing resource for the region and a tremendous benefit for those attending UC Berkeley.

Rents at UC Village are typical of the Bay Area market and are not subsidized. In 2013, a one-bedroom, one-bath apartment was \$1,298/month. Two bedroom units ranged

from \$1,550 for a two-bedroom/one-bath apartment to \$1,838 for a 2-bedroom/two bath townhouse. The three bedroom units range from \$1,765 for an apartment with 1.5 baths to \$1,999 for a flat with two baths. As noted above, UC students do not typically receive rent subsidies but receive other supplemental income to offset household expenses, making the UC housing more affordable than it may initially appear, given the income characteristics of the residents.

### **Opportunities for Energy Conservation**

Government Code Section 65583(a)(7) requires an analysis of opportunities for energy conservation with respect to residential development. Albany has taken a number of steps to incorporate energy saving features, energy saving materials, energy efficient systems, and energy-efficient design into residential development. The City has adopted a Climate Action Plan, and a Green Building and Bay Friendly Landscaping Ordinance. It works with Pacific Gas and Electric (PG&E) in the administration and publicity of energy conservation and efficiency programs.

Reducing home energy and water costs can contribute to reduced housing costs for homeowners and renters, promote sustainable community design, and reduce dependence on vehicles. Such planning and development standards can also significantly contribute to reducing greenhouse gases. Albany has several policies and programs that focus on energy conservation. In addition, all of the parcels identified in the Sites Inventory are infill, mixed use sites located in close proximity to transit.

In 2007, Albany adopted a Green Building and Bay Friendly Landscaping Ordinance, which requires all projects requiring discretionary review to meet a green points threshold. As part of the program, the City developed “Green Point Checklists,” which list the possible measures that an applicant can implement for green compliance, which include energy efficiency measures, in their project. Albany also enforces California Energy Commission Title 24, which includes energy standards for new construction and renovations. These standards apply to wall and ceiling insulation, thermal mass, and window to floor area ratio, and are designed to reduce heat loss and energy consumption.

The City promotes water-efficient landscaping and energy efficient irrigation systems by taking part in the “Bay Friendly Landscaping” program. The program was formally adopted as part to the City’s green building program.

In 2009, Albany adopted a Climate Action Plan (CAP) which recommends several programs and feasibility studies. The City may explore a residential energy compliance ordinance, which could require that energy conservation improvements be made to

homes prior to of sale. It also may propose a residential retrofit requirement, which includes energy efficiency compliance.

The City incorporates the East Bay Municipal Utilities District programs to promote water conservation. These programs include rebates and incentives for residential units that implement such measures that succeed in water conservation. It also incorporates PG&E programs to promote energy conservation. These programs include rebates and incentives for residential for energy conservation. Albany strongly supports the use of photovoltaic systems and solar heating systems on both new construction and residential remodels and additions.

Albany residents may also take advantage of programs offered by the Community Energy Services Corporation (CESC). CESC provides free residential energy efficiency programs to low income homeowners and renters, including replacing old appliances, attic insulation, weather stripping and caulking, and repairs to hot water furnaces, doors, windows, walls, and floors. CESC also advises residents on their properties' solar energy potential, and assists with the installation of solar energy systems. For residents who are not lower income, these services are provided on a sliding scale. A link to this organization's website is provided on the City's website.

Albany is also a participant in East Bay Energy Watch (EBEW), a collaboration between PG&E and local governments, non-profit and for-profit energy service providers in the East Bay. The program aims to increase awareness of energy efficiency and its many benefits while delivering high quality retrofit services and technical assistance to the community. It provides free energy assessments for Albany residents, with the intent of helping residents lower their energy bills and make their homes more energy and water efficient. Residents may also be eligible for rebates for residential energy upgrades, including insulation, duct and air sealing, new windows, and energy efficient furnaces and water heaters.

In addition, Energy Upgrade California provides workshops and events for residents to learn about rebates, meet contractors, and hear from local homeowners who have completed energy upgrades. Two energy efficiency workshops were hosted in Albany in 2013 (April 4 and September 12), and one was hosted in 2012. Albany schools are also eligible for "Energize for the Prize" grants, which encourage energy efficiency awareness among students and energy efficiency on school campuses.

Lower income Albany households are also eligible for reduced energy rates through the federal Low Income Homeowner Energy Assistance Program (LIHEAP) and a number of other programs administered by PG&E. These include the California Alternate Rates for Energy (CARE) program, which provides discounted gas and electric rates for low income households, and the Family Electric Rate Assistance (FERA) program, which

reduces the baseline electric rate for qualifying households. There are also reduced rates available for persons requiring high-energy consuming medical equipment, and for those requiring one-time assistance with utility bills due to sudden financial hardship.

### **Identification and Analysis of Developments At-Risk of Conversion**

The State Government Code requires the Housing Element to include an analysis of existing assisted housing developments that are eligible to change from low-income housing uses by 2024 due to termination of subsidy contracts, mortgage prepayment, or expiration of restrictions on use. The expiration of subsidies presents a challenge in many California cities due to the termination of various government subsidy programs and/or restrictions on rental rates. Such housing is referred to as being “at risk” due to the potential for displacement of lower income households. Communities with at risk units must provide a detailed analysis and proactive policies and programs to preserve these units.

There are no “at risk” units in Albany. The City has no publicly assisted housing projects, and one development operated by a non-profit with rent-restricted units. This development (Creekside) was built in 2001 and its affordability restrictions will not expire before 2024. Likewise, the four inclusionary housing units at Villa de Albany were developed in 2006, and these restrictions will not expire before 2024.

### **Projections**

#### *ABAG Forecasts*

Population and housing projections for Albany and other cities in the Bay Area are developed by the Association of Bay Area Governments (ABAG). ABAG’s most recent projections were published in 2009 (*Projections 2009*) and in 2012, as part of the Sustainable Communities Strategy (SCS) process (*Plan BayArea, Appendix A*).

The 2009 projections indicated Albany would gain 370 households between 2010 and 2020 and another 370 households between 2020 and 2030. This equates to roughly 40 new housing units a year. Assuming a household size of 2.5, Albany would have roughly 20,400 residents by 2030 if these projections were accurate.

The 2012 SCS projections indicate a gain of 1,170 housing units from 2010 to 2030, again equating to approximately 40 housing units a year. The ABAG forecasts indicate a growth rate that would be more than twice what was actually experienced by Albany in the 1990s and 2000s. Again, population would be roughly 20,400 by 2030.

Given Albany's built out character and well-established neighborhoods, most new housing is expected to be multi-family in format. The next chapter of the Housing Element identifies possible housing sites, with a focus on sites that are presently available for development. The ongoing effort to update the Albany General Plan may identify additional, longer-term options for future growth.

### *Regional Housing Needs Allocation*

As part of the Housing Element process, the State determines the total need for housing in each region of California. For the years 2007-2014, the State has determined that the total need for housing in the San Francisco Bay Area is 214,500 units.

In the San Francisco Bay Area, ABAG is responsible for allocating the "fair share" of this total to each of the nine counties and 100 cities in the area. During the allocation process, known as the Regional Housing Needs Allocation (RHNA), ABAG takes into consideration job growth, water and sewer capacity, land availability, proximity to transit, and market demand for each locality. The RHNA is distributed among four income levels to ensure that the development of housing addresses the needs of all economic segments.

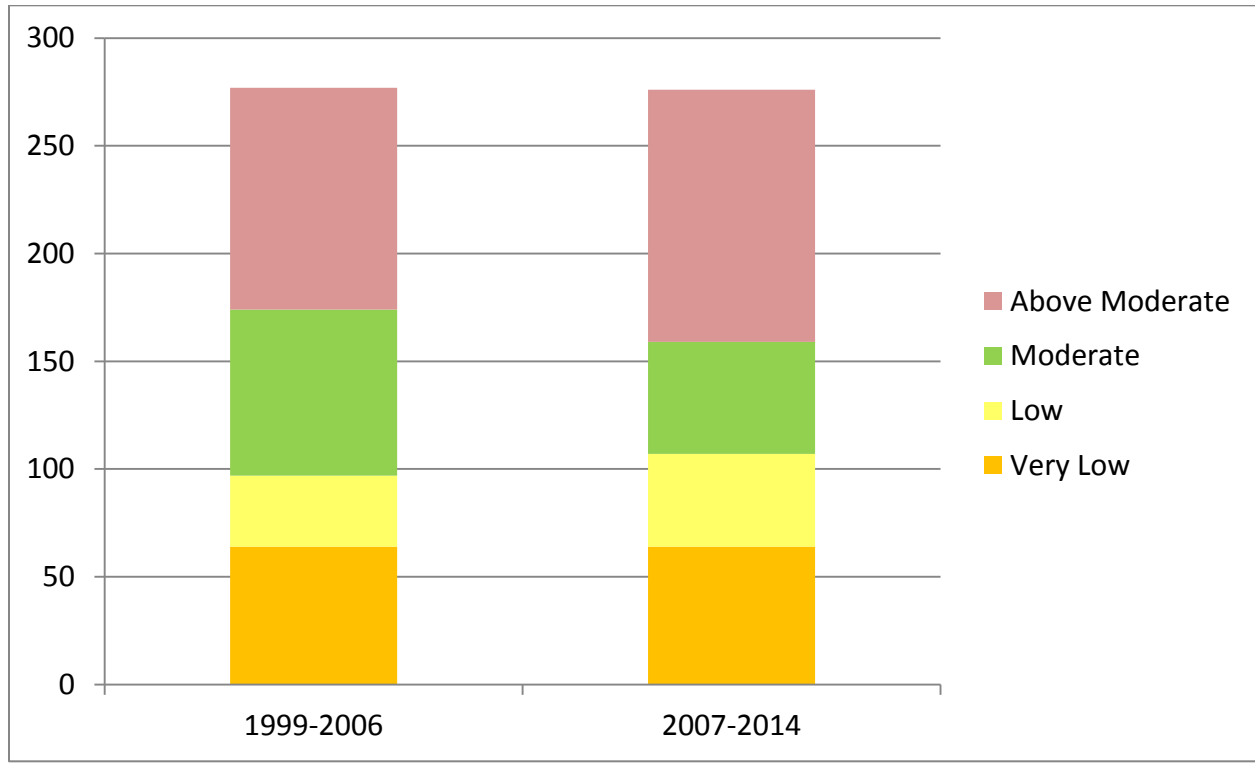
Table 3-29 indicates Albany's allocation for the current (2007-2014) planning period. The City's RHNA is 276 units, which is less than one percent of Alameda County's total assignment of 44,937 units. As indicated in Chart 3-8, the allocation is roughly the same as it was during the prior (1999-2006) planning period. However, the income distribution has shifted, with more "above moderate" and "low" income units and fewer "moderate" and "very low" income units in the current allocation.

Chapter 4 of the housing Element addresses the City's progress toward reaching these targets thus far in the 2007-2014 planning period, and identifies opportunity sites for meeting the remaining need.

**Table 3-29:  
Albany's Share of the Regional Housing Needs Allocation 2007-2014**

| <b>Income Category</b>            | <b>NEW CONSTRUCTION NEED</b> |
|-----------------------------------|------------------------------|
| Very Low (0-50% of AMI*)          | 64                           |
| Low (51-80% of AMI)               | 43                           |
| Moderate (81-120% of AMI)         | 52                           |
| Above Moderate (over 120% of AMI) | 117                          |
| <b>TOTAL UNITS</b>                | <b>276</b>                   |
| *Areawide Median Income           |                              |

*Source: Association of Bay Area Governments, 2009*



**Chart 3-8: Regional Housing Needs Allocation for 1999-2006 and 2007-2014**

*Source: ABAG, 2009*

## Conclusions

1. Albany is a mature city with relatively slow growth. Most of the growth that occurred between 2000 and 2010 was a result of increasing household sizes rather than new construction.
2. Most new housing development in Albany during the last decade was associated with the reconstruction of UC Village. Approximately 920 units were demolished and 974 units added between 1998 and 2008, creating a net gain of 54 units. Outside of UC Village, there were less than 70 units built between 2000 and 2010.
3. Although the City has not experienced growth in its senior population in the last two decades, it is likely to see a surge in the next 10 years. The number of residents in the 55-65 age cohort almost doubled between 2000 and 2010, and this cohort will be 65-75 in the coming decade. Growing demand for senior housing is likely.
4. Albany's population is becoming more diverse, with a growing number of residents who do not speak English as their first language. Almost one in six residents speaks English "less than very well." This suggests the need for multi-lingual outreach for housing programs, and coordination with the institutions that provide services to non-English speaking residents. It also requires greater cultural sensitivity to the housing needs of extended families and multi-generational households.
5. Albany is an economically diverse community. No one income group predominates in the city, and there are roughly equal numbers of low, moderate, and above moderate income households. There are also a roughly equal number of owners and renters.
6. Almost 9 percent of the City's households consist of single parents with children. Most are female-headed. These households may have special housing needs, along with related needs such as affordable child care.
7. Like other Bay Area communities, Albany has a high percentage of renters paying more than 35 percent of their incomes on housing. There continues to be a strong demand for affordable rental units in the City. Market rate rents make many housing units out of reach for very low income households.
8. Despite rising household size, overcrowding is not a serious problem in Albany. The rate of overcrowding dropped by half between 2000 and 2010. Much of the decline is likely due to the replacement of small units at UC Village with larger units.

9. Approximately 15 percent of Albany's households meet the HUD definition of "Extremely Low Income" (ELI). This statistic is skewed by a large number of ELI student families at UC Village, but is still significant. ELI households include homeless persons, seniors on fixed incomes, persons with disabilities or receiving SSI or General Assistance, and minimum wage workers. Housing resources for such households are extremely limited in Albany.
10. Albany has at least 70 homeless residents, many of whom were living on the Albany bulb as of September 2013. An effort is underway to provide transitional and permanent housing for this population, but more sustained measures and supportive services may be needed in the future.
11. Albany's housing stock is in good condition, but more than half of the housing units are more than 60 years old. Alameda County programs to assist low income homeowners with repair and home improvements are an important resource. Likewise, programs offered by PG&E and local non-profits which assist with energy efficiency upgrades and reduced utility rates are also important.
12. Albany's housing units tend to be relatively small, with many one and two bedroom units. As household size rises, there is likely to be a greater need for three and four bedroom units.
13. Since 2010, rents and home prices have increased at a faster rate than income growth. The need for affordable rental units has continued to increase. Development of affordable rental housing should be a priority in the City during the coming years.
14. Albany is expected to experience moderate growth during the next decade. The ABAG Sustainable Communities Strategy indicates 1,170 additional households between 2010 and 2040, or about 40 households a year. This is a substantially faster rate of growth than the City experienced during the last 20 years. A majority of the new development is expected to consist of multi-family housing, including mixed use housing above commercial uses along the City's two major commercial streets.



## Chapter 4 – Housing Opportunity Sites

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The purpose of the site inventory is to identify specific properties suitable for residential development during the planning period. The City must demonstrate that the capacity of these properties is sufficient to accommodate its fair share of the region's housing needs, as defined by ABAG. The inventory can help the City determine if it needs to make additional sites available for housing through changes to zoning, development standards, infrastructure improvements, or other actions.

The inventory of potential sites includes both residentially and non-residentially zoned parcels. It includes parcels that are vacant and parcels that are underutilized. Other considerations in compiling the list included physical features (e.g. slope, flooding potential), location (proximity to transit, job centers, and public or community services), size of the property, and the value and extent of improvements on each site. Unused sites from the 1992 Housing Element were reviewed and included as applicable.

Because Albany is mostly built-out and is densely developed, the potential for residential development is mostly associated with small infill sites. A few of the sites are vacant but most are underutilized, meaning there is an existing structure on the property or a use that generates some economic return (such as surface parking). Most development in Albany in the last two decades has taken place on such sites.

The Opportunity Site chapter includes three parts:

- First, the 2007-2014 Regional Housing Needs Allocation (RHNA) for Albany is adjusted to take into consideration housing that has already been built or approved in the planning period (e.g., 2007-2012).
- Second, the potential for new housing is summarized in narrative and tabular format. Sites are organized in five categories:
  1. Vacant sites zoned for residential use
  2. Underutilized sites zoned for residential use
  3. Vacant sites zoned for mixed use
  4. Underutilized sites zoned for mixed use
  5. Second units

For Categories 2-4, a detailed site inventory is presented. This includes information about zoning, allowable density, General Plan designation, size, realistic unit capacity, and constraints for each site. An aerial photo is included for each parcel.

- Third, the information is summarized to demonstrate the total number of units that could potentially be produced. This is compared to the RHNA. Information on the availability of these sites during the prior (1999-2006) planning period also is presented.

## Adjustments to Regional Housing Needs Allocation (RHNA)

As noted in Chapter 3, the 2007-2014 RHNA for Albany is 276 units. This includes 64 very low income units, 43 low income units, 52 moderate income units, and 117 above moderate income units. Because the Housing Element covers the period from January 1, 2007 to the end of 2014, units that have already been built or approved during this period may be subtracted from these totals. The adjustments for built or approved units are shown in Table 4-1 below.

**Table 4-1:  
Units Built, Under Construction and/or Approved, 2007-2012**

| Project Name                  | Status: Built, Under Construction, Approved | Total Units (net) | Very Low Income Units | Low Income Units | Moderate Income Units            | Above Moderate Income Units | Methodology of Affordability Determination |
|-------------------------------|---|-------------------|-----------------------|------------------|----------------------------------|-----------------------------|--|
| UC Village                    | Built, 2008                                 | 173               | 0                     | 0                | Net 173 (324 added, 149 removed) | 0                           | See Note (1)                               |
| 701-707 Solano Av             | Built, 2009                                 | 4                 | 0                     | 0                | 0                                | 4                           | Market-rate for-sale                       |
| 420 Cornell and 1157 Brighton | Built, 2011                                 | 2                 | 0                     | 0                | 0                                | Net 2 (4 added, 2 removed)  | Market-rate for-rent                       |
| 936 Kains                     | Built, 2007-8                               | 3                 | 0                     | 0                | 0                                | 3                           | Market-rate for sale                       |
| 423-427 Talbot                | Approved, not yet built                     | 10                | 0                     | 1                | 0                                | Net 9 (11 added 2 removed)  | Market-rate with one I.Z. unit.            |
| Second Units                  | Various                                     | 9                 | 0                     | 6                | 3                                | 0                           | See Note (2)                               |
| Individual SF homes           | Various                                     | 11                | 0                     | 0                | 0                                | 11                          | Market rate                                |
| <b>Total</b>                  |   | <b>212</b>        | <b>0</b>              | <b>7</b>         | <b>176</b>                       | <b>29</b>                   |  |

Source: Albany Community Development Department, Barry Miller Consulting, 2013

Notes:

(1) The affordability estimate is based on the rents for these units, which range from \$1,298 for a one-bedroom/one-bath to \$1,999 for a three-bedroom flat with two baths. Assuming the 1,298/mo. unit is occupied by a two-person household (and adding \$100 for utilities), the unit would be considered affordable to a household earning \$56,000, which is considered moderate income. Assuming the \$1,999/mo. unit is occupied by a four-person household (and adding \$150 for utilities), the unit would be considered affordable to a household earning \$85,960, which is also moderate income.

(2) The affordability of the second units has been estimated based on unit size and the typical rent per square foot. Based on a survey of Craigslist ads, multi-family units of 320 to 500 square feet are estimated to rent for \$2.50 a square foot, or \$800 to \$1,250 a month. Thus, these units would generally be considered affordable to households earning \$32,000 to \$50,000 a year, which is the approximate income range for low income one and two person households (\$31,251 to \$51,550). Between 2007 and 2012, small (or lower cost building permit) second units were approved at 836 Jackson, 956 Ventura, 938 Stannage, 645 Madison, 810 San Carlos, and 821 Ramona. Permits for larger, or higher permit value, second units were issued for 695 Gateview, 929 Key Route, and 846 Solano.

Table 4-1 indicates that 212 units have been either built or approved since the start of the planning period. Many of these units are associated with UC Village. There were 149 units demolished at UC Village in 2007 and 324 units constructed in 2008, for a net gain of 173 units. These are market-rate units but they are rented at rates considered affordable to moderate income families (see Note 1 in Table 4-1 for additional detail).

The 212 units also include a three-unit condominium at 936 Kains, four rental units at Brighton and Cornell, four market-rate townhomes on the 700 block of Solano, 11 units on scattered infill lots, and 12 units in a condominium project that was approved by the Planning and Zoning Commission, but is not yet built. The figures in Table 4-1 have been adjusted as appropriate to subtract dwellings that have been (or will be) removed to accommodate these projects.

Table 4-1 also includes nine second units. Although the second units are market-rate dwellings, six are presumed to be affordable to one to two person lower income households, since they are small (under 500 square feet) or were created through building permits with low valuations.

The approved, unbuilt 12-unit condominium project is located at 423-427 Talbot. As of 2013, the project has not applied for building permits due to poor market conditions in the recent past. The Talbot development would replace two older single family rental homes in the R-3 (high density residential) zoning district with 12 multi-family units. One of the units would be reserved as affordable to a lower income household under the City's inclusionary zoning regulations.

Table 4-2 shows the adjusted RHNA, taking into consideration the data in Table 4-1.

**Table 4-2**  
**Adjusted RHNA for Opportunity Site Analysis**

|                    | <b>Very Low</b> | <b>Low</b> | <b>Moderate</b> | <b>Above<br/>Moderate</b> | <b>Total</b> |
|--------------------|-----------------|------------|-----------------|---------------------------|--------------|
| RHNA               | 64              | 43         | 52              | 117                       | 276          |
| Committed<br>Units | (0)             | (7)        | (176)           | (29)                      | (212)        |
| Adjusted<br>RHNA   | 64              | 36         | (124)           | 88                        | 64           |

*Source: Barry Miller Consulting, 2013*

## Adequate Sites Requirements

In 2004, the State passed Assembly Bill 2348 to clarify the requirements of the Housing Element sites analysis. Cities can demonstrate that they have an adequate land supply to meet their affordable housing needs through several methods. They may cite recent data on housing production showing that affordable units have been created and are financially feasible. For instance, Albany has collected data which supports the conclusion that second units are affordable to low and moderate income households. However, the City typically only produces a few second units a year, and cannot rely on second units alone to meet its affordable housing needs.

Cities may also zone land for multi-family development, since such development is usually more affordable (or easier to make affordable) than single family development. AB 2348 indicates that in communities such as Albany (cities in metropolitan area with populations under 25,000), housing is more likely to be affordable on land that is zoned for at densities of at least 20 units per acre. That is referred to as the “default density” for sites deemed viable for affordable housing.

As shown in Table 4-2, Albany must demonstrate that it has the capacity to accommodate at least 100 units of very and low income housing units, on sites zoned at densities of least 20 units per acre. This correlates to land in the R-2, R-3, and R-4 zoning districts, where densities of 35, 63, and 87 units per acre are permitted, respectively. It also includes land in the SC (Solano Commercial) and SPC (San Pablo Commercial) zones. Each of these districts allows residential development at densities of 63 units per acre. The City has already met its RHNA allocation for moderate and above-moderate income units, since 77 of the 124 excess moderate income units constructed in the planning period are also affordable to above moderate income households.

Where high densities are allowed, the City must demonstrate the realistic capacity of each site rather than simply assuming that each site develops at the maximum capacity. Recent development provides a helpful metric for expected densities. Moreover, cities that rely heavily on small sites (e.g., sites less than half an acre) need to demonstrate that these sites are viable for development based on recent trends.

Additional analysis must also be provided for commercially zoned sites where housing is allowed but other uses are also permitted. Since these sites also may be used for non-residential purposes, it is expected that not all of them will be developed with housing. Similarly, not all “underutilized” sites will be redeveloped. The decision to develop a site is ultimately up to the private landowner. Potential economic return is only one factor influencing the decision to build.

## Vacant Sites Zoned for Housing

The supply of vacant residentially zoned sites in Albany is very limited. A windshield survey indicated the following R-1 (single family) properties are vacant lots:

- APN 66-2793-18-3, between 739 and 745 Madison (2,500 SF)
- APN 66-2752-10-1, 736 Cerrito St (3,800 SF)
- APN 66-2753-6-3 between 895 and 889 Hillside Avenue (4,800 SF)
- APN 66-2752-28 approx. 850 Hillside Avenue at Catherine's Walk (6,500 SF)
- APN 66-2751-16 between 840 and 846 Hillside Ave (3,600 SF)
- APN 66-2751-12-1 between 830 and 840 Hillside Ave (5,600 SF)
- APN 66-2751-5-13 between 716 and 796 Hillside Ave (5,400 SF)
- APN 66-2753-31 between 705 and 715 Hillside Ave (6,100 SF)
- APN 065-2463-066 1196 Curtis St. (8,176 sq. ft.)

These nine parcels are estimated to have the capacity for nine units. Since these are single family zoned lots, mostly located on hillsides, future homes on these sites would presumably meet above moderate income needs. There is also a developed 8,000 SF lot at 1197 Curtis (APN 65-2412-39) with the potential to be divided into two 4,000 SF lots. Thus, the potential capacity on single family zoned R-1 lots is estimated to be 10 units.

There is one vacant R-2 lot, located immediately south of 910 Adams Avenue (APN 66-2722-7). It is 2,500 square feet and is presumed to have the capacity for two moderate income units (allowable density in R-2 is one unit per 1,250 SF of lot area).

There is also a vacant, privately owned parcel of roughly 11 acres located on the west side of Albany Hill with Hillside Residential zoning. The 1992 Housing Element estimated its capacity at 112 units, or about 10 units per acre. Current zoning on the site permits 6 units per acre, or roughly 66 units. Although this site continues to be a potential housing site, it is not counted in the 2007-2014 inventory since it is unlikely to be developed by the end of the planning period. The site has slope constraints and would require extensive site planning and community involvement before construction could proceed. New General Plan policies and land use directives for this area are being considered through the current (2013-2014) effort to update the Albany General Plan.

There are no vacant R-3 or R-4 (multi-family) sites.

## Underutilized Sites Zoned for Multi-Family Housing

Albany's R-3 zoning district permits densities of up to 63 units per acre. Affordable housing is considered feasible in this zoning district, given the allowable densities and associated development standards. Market rate condominiums and apartments also would be feasible at the permitted densities. Although there are no income-restricted affordable housing developments in the R-3 district at this time, some of the older market rate units meet affordability criteria for lower income households, and many meet affordability criteria for moderate income households.

The R-3 zone contains a mix of large multi-family buildings, small multi-family buildings, 2-4 plexes, flats, and individual single family homes. There are a number of underutilized properties in this district with the capacity for higher density development. For example, the R-3 zone includes a number of small single family homes built between 1910 and 1940, including some that are investor owned and renter occupied.

In recent years, a few such parcels have been redeveloped to support higher-value development with more units. For instance, in 2011, a 5,000 square foot lot containing two single family homes (1157 Brighton and 420 Cornell) was redeveloped with four rental units. The density of the new project is 35 units per acre. Similarly, in 2008, the Planning and Zoning Commission approved an application to replace two 1930s-era single family rental homes at 423 and 427 Talbot Avenue (two 5,000 SF lots in the R-3 zone) with 12 multi-family units. The approved density was 52 units per acre.

Similar opportunities exist elsewhere on the five R-3 blocks generally bounded by Kains Avenue, the BART tracks and Cerrito Creek. These blocks are particularly well suited for additional density since they are located between 1,500 and 2,000 feet from the El Cerrito Plaza BART station. Walking to BART from this area typically takes less than 10 minutes, which may allow for transit-oriented housing with lower levels of auto ownership. This can improve affordability and potentially allow for reduced parking requirements. Table 4-3 indicates the potential for 19 (net) multi-family units on three R-3 sites in this area.

The potential for multi-family units also exists in other R-3 zoned areas. These include Adams Avenue and Kains Avenue, which form buffers between the San Pablo Avenue corridor and the lower density residential areas to the east and west. Like the area north of Brighton, these streets include a mix of single family homes, flats, 2-4 unit buildings, and large and small apartment buildings. Some of the single family homes could potentially be replaced with multi-family units, although the potential has not been quantified. There is one underutilized 10,000 square foot R-3 site in this area listed in Table 4-3, located just south of Castro Street on the east side of Adams Avenue. It is used for auto storage for a car dealership on San Pablo Avenue. Assuming a density of 33 units per acre, this site could support seven units.

**Table 4-3:**  
**Multi-Family Potential on Underutilized R-3 Sites**


| Address   | APN                                | General Plan   | Allowable Density | Lot Area (Sq. Ft) | Realistic Capacity     | Existing Use          | Description   |
|---|------------------------------------|----------------|-------------------|-------------------|------------------------|-----------------------|---|
| <b>404-408 Cornell</b>  | 067-2829-003-00<br>067-2829-004-00 | Res-High Dens. | 63 du/ ac         | 8,400 SF          | 10 units (8 units net) | 2 single family homes | The existing homes were built in 1939 and sit on two 4,200 SF lots. The site is presumed to have the capacity for 10 units, for a net gain of 8 units. This equates to 52 units per acre, which is the same density recently approved at 423-427 Talbot, which also contains two 1930s vintage homes and is one block away. This housing site is 300 feet from the El Cerrito Plaza shopping center and 1,800 feet from the El Cerrito BART station. This makes it a particularly desirable site for higher density housing, and improved affordability due to the availability of services and public transit nearby. This can potentially warrant parking reductions, as was done with the Talbot project nearby. |
|  |                                    |                |                   |                   |                        |                       |   |



Table 4-3, continued

| Address                 | APN                                | General Plan   | Allowable Density | Lot Area (Sq. Ft) | Realistic Capacity    | Existing Use          | Description   |
|-------------------------|------------------------------------|----------------|-------------------|-------------------|-----------------------|-----------------------|---|
| <b>412-416 Stannage</b> | 067-2828-006-00<br>067-2828-005-00 | Res-High Dens. | 63 du/ ac         | 7,500 SF          | 8 units (6 units net) | 2 single family homes | <p>These two parcels show the same potential for development as what was approved at 423-427 Talbot and 1157 Brighton, both within two blocks of this property in the same R-3 district. The site consists of two renter-occupied single family homes, both built in 1940 and in fair condition. Zoning standards would allow 8 units, yielding a net gain of 6 units if the site were to redevelop. County assessor records indicate that the assessed value of the land for these two parcels is 1.74 times the assessed value of the improvements, creating conditions favorable for reinvestment. Other parcels on this block have been developed with multi-family housing, and these are among the few single family homes in this block.</p> |

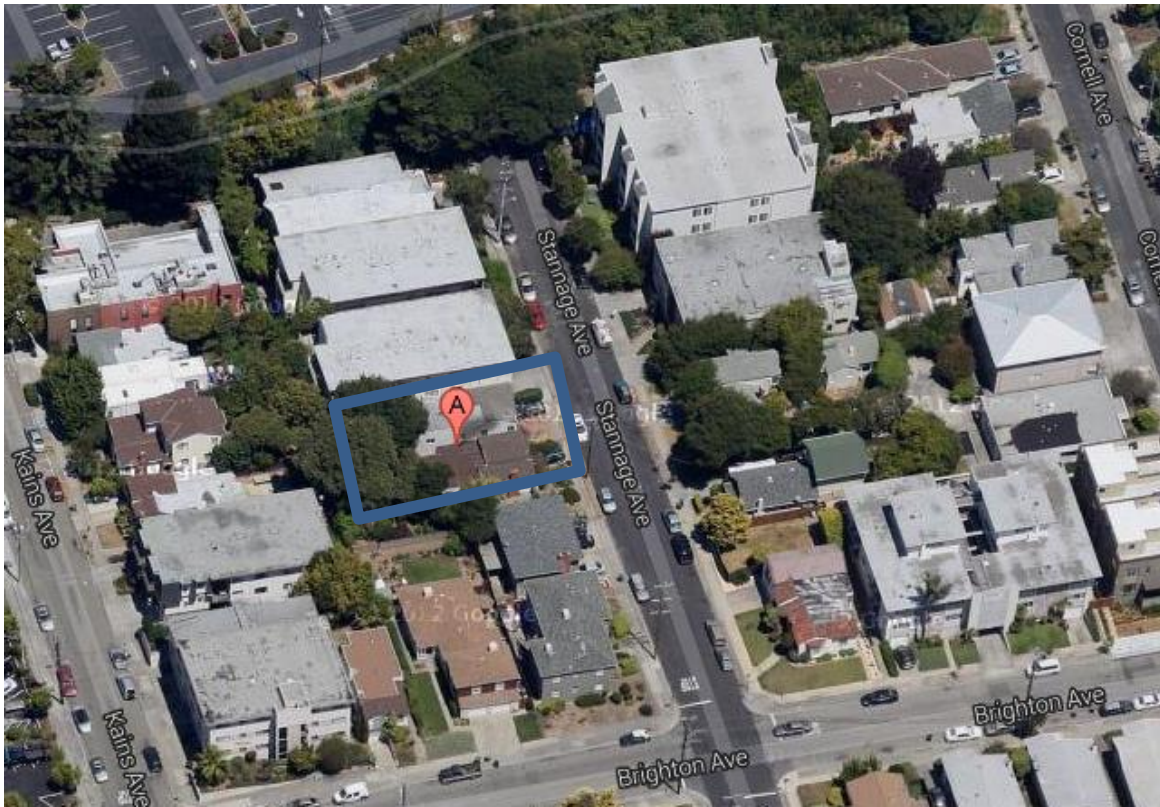




Table 4-3, continued

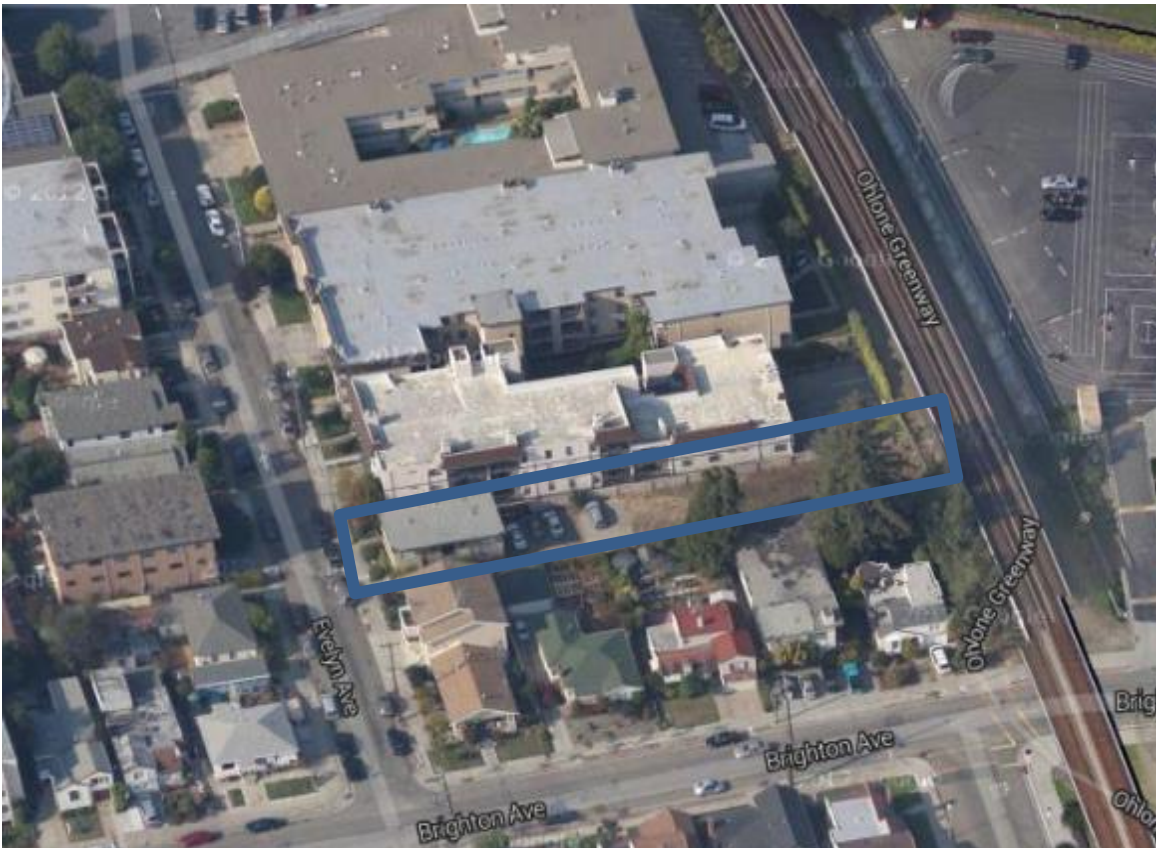

| Address   | APN          | General Plan   | Allowable Density | Lot Area (Sq. Ft) | Realistic Capacity    | Existing Use  | Description  |
|---|--------------|----------------|-------------------|-------------------|-----------------------|---------------|--|
| <b>425 Evelyn</b>   | 067-2832-7-3 | Res-High Dens. | 63 du/ ac         | 9,400             | 9 units (5 units net) | Rental 4-plex | <p>This is a narrow lot developed with a small rental fourplex near the front of the parcel. The rear three-quarters of the parcel are vacant. Although there are a few single family homes on this block, most of the nearby parcels are developed with three story apartment buildings. According to the County assessor the land value of this property is 2.2 times the improvement value. The structure is in fair condition.</p> <p>Existing zoning would permit 11 units on this site. This site is one block away from an approved 12-unit multi-family building approved for development at 52 units per acre and two blocks from recent construction of 35 units per acre. If an average density of 44 units per acre were applied to this parcel, it would yield 9 units, for a net gain of 5 units over the current count. This parcel is about 1,500 feet from the El Cerrito BART station.</p> |
|  |              |                |                   |                   |                       |               |  |

Table 4-3, continued

| Address   | APN                      | General Plan   | Allowable Density | Lot Area (Sq. Ft) | Realistic Capacity | Existing Use    | Description   |
|---|--------------------------|----------------|-------------------|-------------------|--------------------|-----------------|---|
| <b>707-711 Adams</b>  | 66-2792-28<br>66-2792-27 | Res-High Dens. | 63 du/ ac         | 9,982             | 7 units            | Surface parking | This consists of two adjoining parcels (5,000 SF and 4,982 SF), developed as a single parking lot serving auto-related uses on San Pablo Avenue. The rear of the parcels back up to the rear of the Albany Ford/Subaru dealership (718 San Pablo) and the Albany Body Shop located (802 San Pablo). This parking lot is not accessible to the public and is used for vehicle storage rather than customer parking. Existing zoning would permit 12 units on this site. Development at similar densities exists on numerous properties on Adams Street. However, based on recent development along San Pablo Avenue, a more conservative estimate of 33 units per acre is assumed, yielding the potential for seven units. |
|  |                          |                |                   |                   |                    |                 |   |

Another R-3 area is located between Cleveland Avenue and Pierce Street, just north of Buchanan on the west side of the City. Again, there are a number of single family homes here that could be replaced with multi-family units but the potential has not been counted for Housing Element purposes. Improvement values on parcels in area generally exceed land values, and recent development has consisted of townhomes rather than multi-family development.

### **Vacant Sites Zoned for Mixed Use**

Table 4-4 identifies two vacant sites zoned for mixed use development. One of these sites – the UC Village property on San Pablo Avenue – is currently proposed for a 175-unit market rate senior housing development. The other is located at 1245 Solano Avenue.

The capacity of these two sites is estimated to be 180 units. Both sites meet the default density criteria set by AB 2348. Since a market-rate project is pending on the UC Village site, it is not being counted toward the City’s potential affordable housing opportunities. The proposal on the UC Village property includes 75 studio units and 33 one bedroom apartments in assisted living (all units with kitchens), 40 one-bedroom apartments and 3 two bedroom apartments in independent living (all units with kitchens), and 24 memory care studio apartments. Rents are expected to be in the “above moderate” range.

The UC Village proposal is notable because it demonstrates the viability of high density residential development on commercially zoned property. Moreover, the proposed density of the senior housing is 80 units per acre, which far exceeds the “default density” of 20 units per acre, as well as the 63 units per acre allowed by the SPC zoning. The City has granted a density bonus for senior housing to facilitate this project.



**Table 4-4**  
**Vacant Sites Zoned for Mixed Use Development**



| Address   | APN             | General Plan           | Allowable Density | Lot Area (Sq. Ft) | Realistic Capacity | Existing Use | Description  |
|---|-----------------|------------------------|-------------------|-------------------|--------------------|--------------|--|
| <b>1130 San Pablo Av</b>  | 066-2692-002-06 | Institutional Res-Comm | 63 du/ac          | 95,517 SF         | 175 units          | Vacant Land  | <p>This is a 2.2 acre vacant parcel along San Pablo Avenue adjacent to the UC Village family housing complex. The entire site is zoned San Pablo Commercial (SPC), allowing 63 units per acre across the property. A density bonus for senior housing has been granted, enabling 80 units per acre. The density bonus is in association with a pending application for a 175 unit, four-story senior housing development. An EIR for the project (and a grocery store on an adjoining site) has been completed. This is proposed to be a market-rate project, and the units are presumed to meet demand for above moderate income housing.</p> |
|  |                 |                        |                   |                   |                    |              |  |

Table 4-4, continued

| Address   | APN                                 | General Plan         | Allowable Density | Lot Area (Sq. Ft) | Realistic Capacity | Existing Use | Description  |
|---|-------------------------------------|----------------------|-------------------|-------------------|--------------------|--------------|--|
| <b>1245 Solano Av</b>   | 066-2804-019-01 and 066-2804-018-00 | Community Commercial | 63du/ac           | 6,000 SF          | 5 units            | Vacant Land  | This site is one of the few remaining vacant lots on Solano Avenue. It consists of two adjacent narrow parcels, approximately 3,000 square foot each. The parcels are in common ownership and are zoned Solano Commercial, a designation which encourages housing over ground floor retail-service uses. A large apartment building sits immediately west of the site, and a café is located immediately east. The site is seasonally used for Christmas tree sales but has no improvements. Mixed use is strongly supported by policies and regulatory standards, and would create building frontage along Solano. Current zoning allows six units on the site, but given parking requirements, recent development densities, and the expectation that ground floor street frontage will be commercial, five units is the realistic capacity. Similar small sites in the R-3 district have developed at comparable densities (36 units/ac). |
|  |                                     |                      |                   |                   |                    |              |  |

## Underutilized Sites Zoned for Mixed Use

Most of Albany's higher-density housing potential is associated with underutilized sites zoned for mixed use development. This includes properties on the San Pablo Avenue corridor and the Solano Avenue corridor. While many of these properties could potentially be redeveloped with higher value land uses, particularly along San Pablo Avenue, the City has focused this inventory on those that present the most evident and immediate opportunities.

Potential housing sites in this category are listed in Table 4-5. Since zoning allows the properties to be developed with projects that are 100 percent commercial, it is recognized that not all of the sites listed in Table 4-5 are likely to be developed with housing. For this reason, the City is providing more capacity than is strictly required to meet its RHNA.

Moreover, the City has estimated development capacity based on "realistic potential" rather than the "absolute potential" allowed by zoning. This recognizes that most of these properties will develop with ground floor commercial uses facing the street, rather than as purely residential projects at 63 units per acre. It also recognizes parking requirements, contextual issues, and other factors that may preclude the maximum density allowed by zoning.

Real estate trends of the last decade provide evidence that the San Pablo corridor sites are the most viable in the City for multi-family and affordable housing. The City's only 100 percent affordable housing project is located on this corridor. Creekside Apartments (16 units) replaced a former motel (Palm Villa) during the 1999-2006 planning period. The Solano Avenue parcels tend to be more challenging than the San Pablo parcels, as they are smaller and narrower. Many of the Solano parcels have high existing floor area ratios and fewer opportunities to meet on-site parking requirements.

As noted above, other recent multi-family / mixed use projects in Albany along the San Pablo corridor include Portland Gardens, Albany Gardens, and Villa de Albany. These projects are characteristic of new development along this corridor between El Cerrito and Berkeley. In all three cities, mixed use development consisting of ground floor retail/service uses with two to three stories of housing above have been replacing former marginal commercial uses.

Specific characteristics of Albany's major housing developments (excluding UC Village) between 2000 and 2010 are as follows:

- Villa de Albany (727 San Pablo Avenue) replaced a former mortuary with 25 housing units, situated above ground floor commercial uses. The parcel is 36,250 square feet in area, and the density is 30 units per acre.

- Portland Gardens (1100 Portland Avenue, at San Pablo) is a 12-unit building on a 10,000 square foot parcel. The former use was a gas station and small retail store. The density of the project is 52 units per acre.
- Albany Gardens (900 block of San Pablo and Adams) is a 25-unit building on a 32,500 square foot lot. The development replaced an auto dealership and service center in 2004. The density of the project is 33.5 units per acre.
- Creekside Apartments (1155 San Pablo Avenue) is a 16-unit affordable housing development that replaced a former motel. The development is on two parcels, including 8 units on a commercially zoned property facing San Pablo developed at 30 units per acre, and 8 units on a residentially zoned property facing Kains Avenue at 22 units per acre. Average density across the site is 26 units per acre.

Based on the above densities, Table 4-5 presumes that the sites larger than 10,000 square feet will develop at 32 units per acre while those smaller than 10,000 square feet will develop at 40 units per acre. For sites where a project is already pending, that project's proposed density has been used. It should be emphasized that density alone is not a determinant of affordability. Of the four recent mixed use developments on San Pablo Avenue, the project that is 100 percent affordable is the least dense.

The analysis in Table 4-5 considers other attributes of the properties which are likely to contribute to their re-use. This includes an estimate of the floor area on each site relative to the floor area permitted by zoning (based on the allowable floor area ratio for mixed use development). As appropriate, the table also includes a comparison of the assessed value of improvements to the assessed value of the land. Properties with high land values relative to improvement values are often more likely to redevelop than those with large structures.

Table 4-5 identifies nine sites, with a total capacity of 114 units. One of these sites is located on Solano Avenue and eight are located on San Pablo Avenue. Two of the sites contain banks. Although both banks are operational and there are no current proposals to redevelop them, the City has observed a trend of bank consolidation and closure in the area and believes these are both viable housing sites. They are among the largest sites in Albany on their respective commercial streets, and have low floor area ratios.

Some of the sites listed in Table 4-5 consist of multiple adjoining parcels (e.g., Hertz and Sizzler). As noted in the Table, these parcels are under single ownership, so acquisition would not be required for the owner to undertake reuse. A policy encouraging lot consolidation is included in the Housing Element to encourage the aggregation of smaller parcels in multiple ownership so that more viable housing sites may be created.

Three of the housing sites listed in Table 4-5 are larger than one-half acre. These sites provide particularly important opportunities for affordable units. They are

approximately the same size as the parcel containing the City's only 100% affordable project, the Creekside Apartments developed in the early 2000s.

Six of the sites listed in Table 4-5 are less than one-half acre in size. Although affordable housing projects are typically built on larger sites, the City has recently received inquiries from non-profits regarding the potential for smaller multi-family housing sites. Such housing can potentially fit more seamlessly within the fabric of existing neighborhoods. Given the absence of large sites in Albany and nearby cities, and the limited options in a built out city of 1.7 square miles, these properties offer some of the best opportunities for affordable infill.

Examples of affordable projects on small infill sites (less than ½ acre) may be found just across the border from Albany in the City of Berkeley. For example, in 2006 a project containing 28 affordable rental units was developed on an 8,000 square foot (0.18 acre) lot at 2577 San Pablo Avenue. The development, called Margaret Breland Homes, includes 22 very low income units for seniors and was developed on a narrow lot very much like those on the Albany portion of the corridor.

In addition, a 13,000 square foot (0.29 acre) lot at 3222-24 Adeline Street in Berkeley was recently developed with 18 affordable rental units for persons with disabilities and their families. The project is three stories tall and is developed at a density of 60 units per acre. The lot is similarly configured to those listed in Albany's site inventory and was built by RCD, who also built the affordable Creekside Apartments in Albany.

The City will continue to work with local affordable housing developers to support this type of development on the smaller mixed use sites in Albany's inventory.



**Table 4-5**  
**Underutilized Sites Zoned for Mixed Use Development**

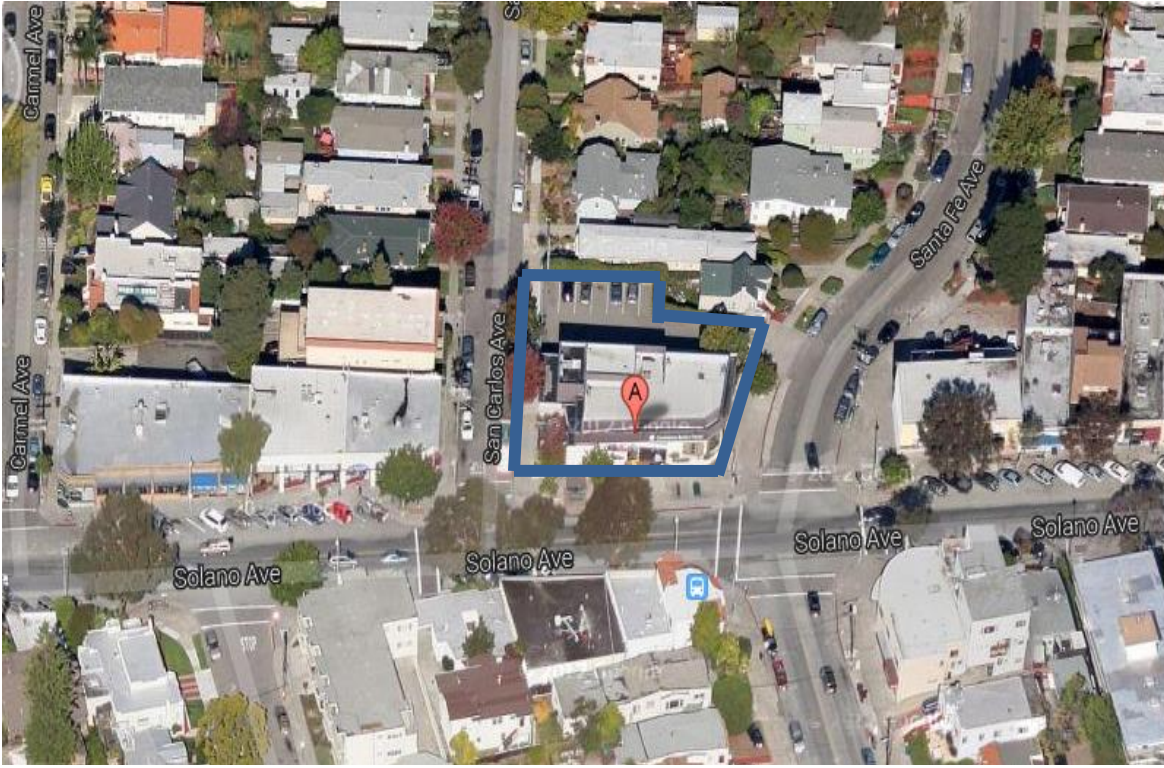
| Address   | APN             | General Plan         | Allowable Density | Lot Area (Sq. Ft) | Realistic Capacity | Existing Use | Description  |
|---|-----------------|----------------------|-------------------|-------------------|--------------------|--------------|--|
| <b>1451 Solano Ave</b>  | 067-2846-017-00 | Community Commercial | 63 du/ac          | 13,000            | 9 units            | Bank         | <p>California Bank and Trust currently sits on this 13,000 square foot parcel. The building is just over 5,000 square feet for a floor area ratio (FAR) of 0.38. The site is zoned Solano Commercial, which allows multi-family residential and mixed use development at a floor area ratio of 1.25. Most of the site consists of surface parking. The parking lot abuts a single family residence and multi-family building and the site spans the entire block of Solano between Santa Fe and San Carlos Avenues. The bank was built in 1981. Given the consolidation of banking services and expansion of on-line services, the site shows potential for reuse. It would be an ideal location for mixed use with housing. Based on comparable projects on the San Pablo corridor a density of 32 units/acre is presumed, yielding nine units.</p> |
|  |                 |                      |                   |                   |                    |              |  |

Table 4-5, continued

| Address                  | APN           | General Plan       | Allowable Density | Lot Area (Sq. Ft) | Realistic Capacity | Existing Use | Description   |
|--------------------------|---------------|--------------------|-------------------|-------------------|--------------------|--------------|---|
| <b>934 San Pablo Ave</b> | 066-2721-11-1 | General Commercial | 63 du/ac          | 7,500             | 11 units           | Parking Lot  | <p>This is a surface parking lot along San Pablo Avenue. A formal application for development was received in 2007. The application was reviewed by the Planning and Zoning Commission in 2007 and 2008. The applicant requested approval for 13 residential units above ground floor retail. Zoning allows 11 units by right, but the applicant requested a density bonus for the proposed inclusion of two affordable units. The applicant requested an FAR bonus to 2.6 and a parking exception to provide only 24 spaces. He further proposed using vertical lifts for parking to maximize space. The proposal included 2 studios, 4 one-bedroom units, 6 two-bedroom units, and one 3-bedroom unit.</p> <p>Because of the timing of the application, which occurred in the midst of the housing market collapse, the owner did not pursue the project. However, the site remains available and is viable for either a market rate or affordable development.</p> |

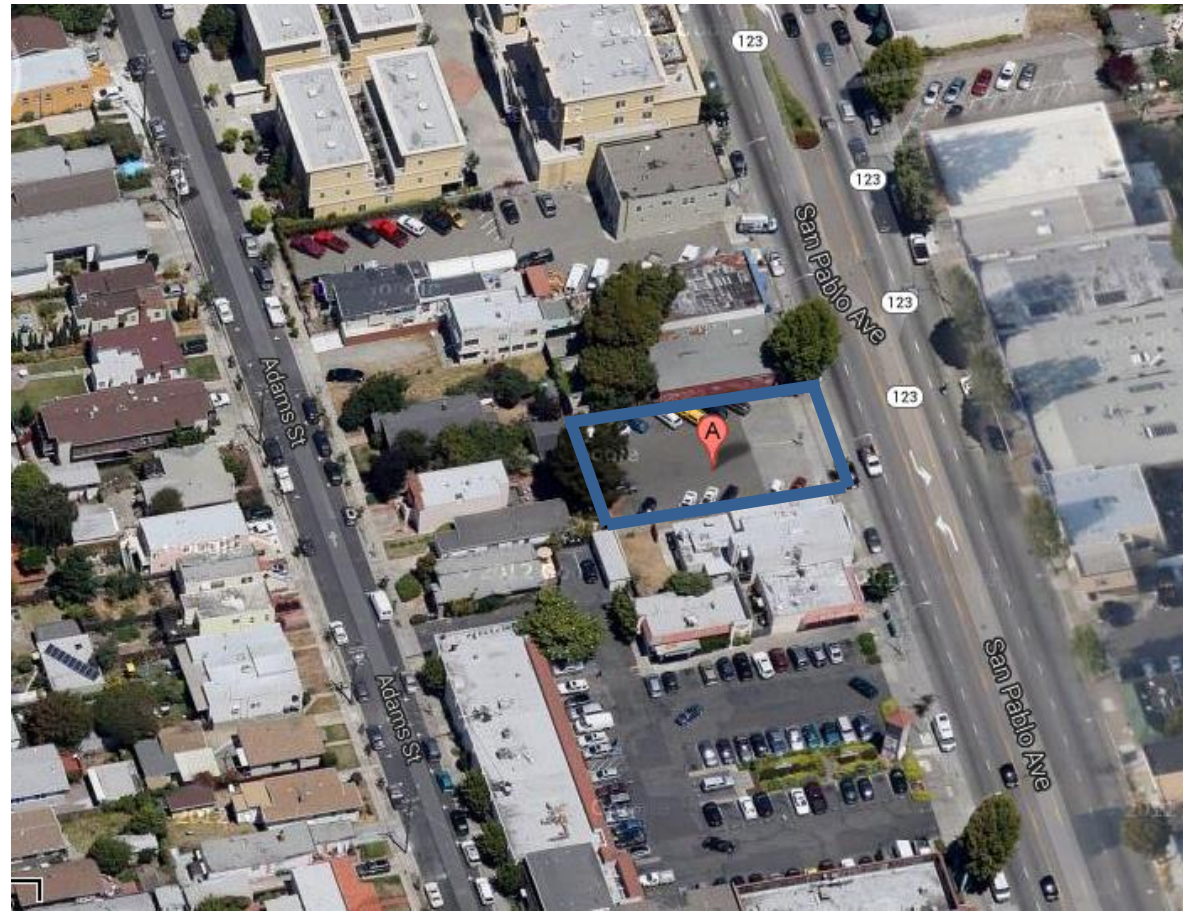




Table 4-5, continued

| Address                           | APN                                   | General Plan       | Allowable Density | Lot Area (Sq. Ft) | Realistic Capacity | Existing Use             | Description  |
|-----------------------------------|---------------------------------------|--------------------|-------------------|-------------------|--------------------|--------------------------|--|
| <b>1061-1063<br/>San Pablo Av</b> | 065-2662-035-00 and<br>065-2662-37-01 | General Commercial | 63 du/ac          | 15,000            | 11 units           | Hertz Rental Car parking | <p>This is a large surface parking lot with a small 500 SF trailer on foundation that serves as a Hertz rental car office. Zoning is San Pablo Commercial. The existing FAR is .03, while the allowable FAR (for mixed use) is 2.25. The assessed land value is 47 times greater than the improvement value (\$472,000 vs \$10,134). Although the site is comprised of two parcels, they are under one ownership.</p> <p>The business is operational, but the site has similar characteristics to the recent multi-family development at 1100 Portland. The site is abutted by multi-family on the east and planned four-story multi-family (senior housing) on the west, making it an ideal housing site. Development would create a continuous active street front and would be in keeping with the city's efforts to promote mixed use on this corridor. Minimal demolition would be required. While zoning allows 21 units, 11 units have been presumed.</p> |



Table 4-5, continued

| Address                 | APN             | General Plan       | Allowable Density | Lot Area (Sq. Ft) | Realistic Capacity | Existing Use                   | Description  |
|-------------------------|-----------------|--------------------|-------------------|-------------------|--------------------|--------------------------------|--|
| <b>433 San Pablo Av</b> | 067-2827-009-01 | General Commercial | 63 du/ac          | 29,323            | 21 units           | Automotive Service and parking | <p>This site contains a Goodyear Automotive Service that was built in 1967. The lot has a unique configuration, with a surface parking lot that wraps around behind the automotive building on Kains Avenue and along Brighton Avenue on the corner. The site is the gateway to the large R-3 zoning district along Brighton and is a 10-minute walk to the El Cerrito BART station.</p> <p>The building is an 8,600 SF single story structure, with an FAR of 0.29 (2.25 is permitted). Assessed land value (\$283,000) far exceeds improvement value (\$157,000). The parking lot is rarely, if ever, fully parked. The lot size is comparable to Villa de Albany, which recently was developed at 30 units/ac. A density of 32 units/acre has been assumed, yielding 21 units. Because the site includes frontage on Kains, which is a multi-family street, it would be an improvement to both streets.</p> |





Table 4-5, continued

| Address                 | APN        | General Plan       | Allowable Density | Lot Area (Sq. Ft) | Realistic Capacity | Existing Use              | Description   |
|-------------------------|------------|--------------------|-------------------|-------------------|--------------------|---------------------------|---|
| <b>611 San Pablo Av</b> | 67-2813-22 | General Commercial | 63 du/ac          | 5,000 SF          | 4 units            | Concrete pad and workshop | <p>This is a small contractor's office on San Pablo Avenue. A 1,200 SF workshop building sits near the back property line, and the front of the site is screened from the Avenue by an opaque wood slat fence. The front area is a paved concrete storage pad with no improvements.</p> <p>The existing FAR is 0.24, while the SPC zoning allows 2.25. The assessed value of the land (\$41,812) is four times greater than the assessed value of the building (\$11,149). Reuse of this site as a small mixed use project with ground floor commercial and two stories of housing (4 units total) would be consistent with zoning and the overall vision for San Pablo Avenue.</p> |



Table 4-5, continued

| Address                 | APN   | General Plan  | Allowable Density | Lot Area (Sq. Ft) | Realistic Capacity | Existing Use                   | Description  |
|-------------------------|---|---|-------------------|-------------------|--------------------|--------------------------------|--|
| <b>665 San Pablo Av</b> | 067-2813-014-04; 067-2813-009-001; 067-2813-014-02; and 067-2813-014-03 | General Commercial (10,000 SF) and Res-High (15,000 SF) | 63 du/ac          | 25,000            | 18 units           | Restaurant and related parking | <p>Sizzler Restaurant sits on the corner of San Pablo and Portland Avenues on a 25,000 square foot site, most of which consists of underutilized surface parking. The site is comprised of 4 parcels, all in one ownership. Three of the parcels, totaling 15,000 SF, are zoned R-3 and one (10,000 SF) is zoned SPC. The site adjoins other multi-family uses, and multi-family and mixed use would be consistent with zoning and the General Plan vision.</p> <p>The current FAR is zero on three of the lots and about 0.5 on the restaurant parcel. Assessed land value is \$1,304,527, which exceeds the improvement value of \$1,246,808. The restaurant was built in 1972, when development trends were to provide one-story commercial structures with large parking lots. Zoning would allow 36 units, but based on nearby projects, 18 units are presumed.</p> |





Table 4-5, continued

| Address                 | APN             | General Plan       | Allowable Density | Lot Area (Sq. Ft) | Realistic Capacity | Existing Use                   | Description  |
|-------------------------|-----------------|--------------------|-------------------|-------------------|--------------------|--------------------------------|--|
| <b>805 San Pablo Av</b> | 067-2799-001-01 | General Commercial | 63 du/ac          | 20,000            | 14 units           | Restaurant and related parking | <p>This is an active Mechanic's Bank built in 1966. The site is 20,000 square feet, with the bank occupying half the site and parking occupying the rest. Existing floor area ratio is less than 0.5, while allowable FAR is 2.25. The assessed value of the land is \$318,000, while the assessed value of the building is \$218,000, indicating the site is underutilized.</p> <p>The bank parking lot abuts the R-3 multi-family zoning district along Kains Avenue, with an apartment building on one adjoining side and a multi-family townhome development on another. Some banks in the area are consolidating their operations, making this a potentially viable housing site. Its redevelopment with ground floor commercial and upper story residential use would be consistent with existing zoning, and the vision for San Pablo Avenue. Allowable density would yield 28 units, but a more modest estimate of 14 units has been made.</p> |

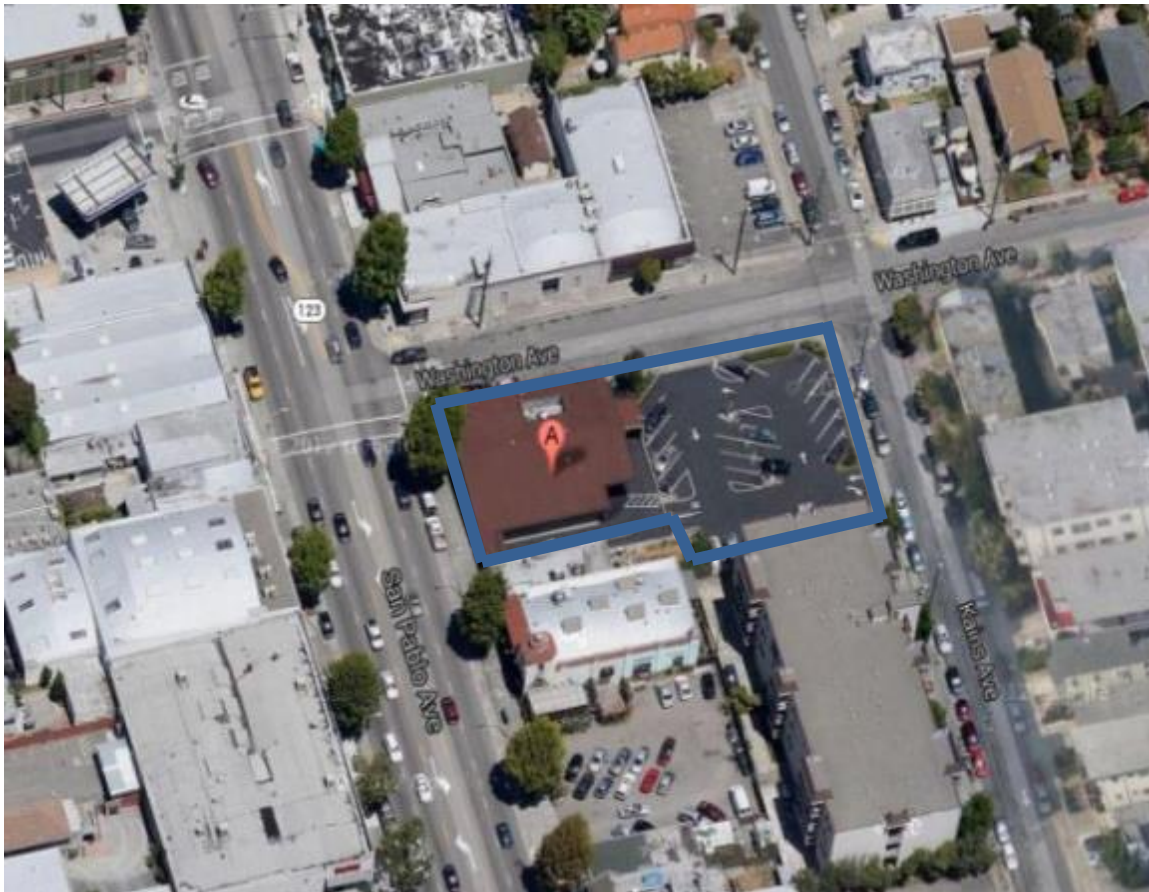


Table 4-5, continued


| Address   | APN         | General Plan       | Allowable Density | Lot Area (Sq. Ft) | Realistic Capacity    | Existing Use                       | Description   |
|---|-------------|--------------------|-------------------|-------------------|-----------------------|------------------------------------|---|
| <b>1089 San Pablo Av</b>  | 065-2662-29 | General Commercial | 63 du/ac          | 5,000             | 4 units (3 units net) | Vacant key shop and rental cottage | This is a vacant business on the corner of Dartmouth and San Pablo. The property was just sold for \$549,000. A small one-bedroom rental cottage also exists on the parcel, facing Dartmouth.   |
|  |             |                    |                   |                   |                       |                                    | <p>The SPC zoning would permit 5 units on the site, but a more conservative estimate of 4 units is used here, based on comparable development nearby. The assessed value of the building and the land are equal to one another, but the vacancy status of the business and recent sale suggest this is a potential mixed use development site. The site is across the street from the proposed UC Village mixed use development, which will include senior housing and retail uses.</p> |



Table 4-5, continued

| Address                 | APN         | General Plan                   | Allowable Density | Lot Area (Sq. Ft) | Realistic Capacity | Existing Use              | Description  |
|-------------------------|-------------|--------------------------------|-------------------|-------------------|--------------------|---------------------------|--|
| <b>398 San Pablo Av</b> | 066-2761-10 | Planned Residential-Commercial | 63 du/ac          | 31,723            | 23 units           | Car wash and dry cleaners | <p>This site consists of three separate buildings on a 0.73 acre lot. Two of the buildings are associated with a car wash, and the third is a dry cleaners. Similarly sized sites on San Pablo Avenue in Albany were redeveloped between 2000 and 2007 with mixed use projects at densities of over 30-32 units per acre. Applying that density would yield 23 units here.</p> <p>The three buildings on the site total roughly 7,000 square feet, for an FAR of 0.22. This is about one-tenth of the allowable square footage. Assessed land values currently exceed improvement values on this property. Moreover, the site has a PRC General Plan designation, indicating it has explicitly been identified as a housing opportunity area. Mixed use development with housing would be consistent with the General Plan, and the overall vision for San Pablo Avenue. The site is also walking distance from the El Cerrito BART station.</p> |



## Second Units

Government Code Section 65583.1(a) allows a city or county to account for second units in its calculation of housing opportunities. As noted in Chapter 2, eight second units were added in 1999-2006 and nine were added in 2007-2012. Based on historic trends, this opportunity sites analysis presumes the City will add roughly two units per year for 2013 and 2014. Thus, the text assumes that four second units will be developed in the remainder of the planning period.

All second units are presumed to be market-rate units, without affordability restrictions. Based on prior trends on unit size and data on rents per square foot (see P. 4-2), it is presumed that two of these units will meet affordability criteria for lower income households and two will meet affordability criteria for moderate income households. Many second units are less than 500 square feet. Their relatively small size makes them affordable to smaller low income households, even at market rate rents.<sup>1</sup>

It should be noted that the City has much more capacity for second units than what is presumed for Housing Element purposes. Many single family homes in Albany meet the criteria for “by right” second units and could conceivably apply to create a second unit at any time. Zoning regulations allow second units either as a structure detached from the primary unit or as an attached unit within the main structure. In both cases, secondary unit applications are reviewed by City Staff and do not need to be taken to the Planning and Zoning Commission for design review. As noted in the policies in Chapter 6, the City will continue to encourage second unit development to complement its other affordable housing programs.

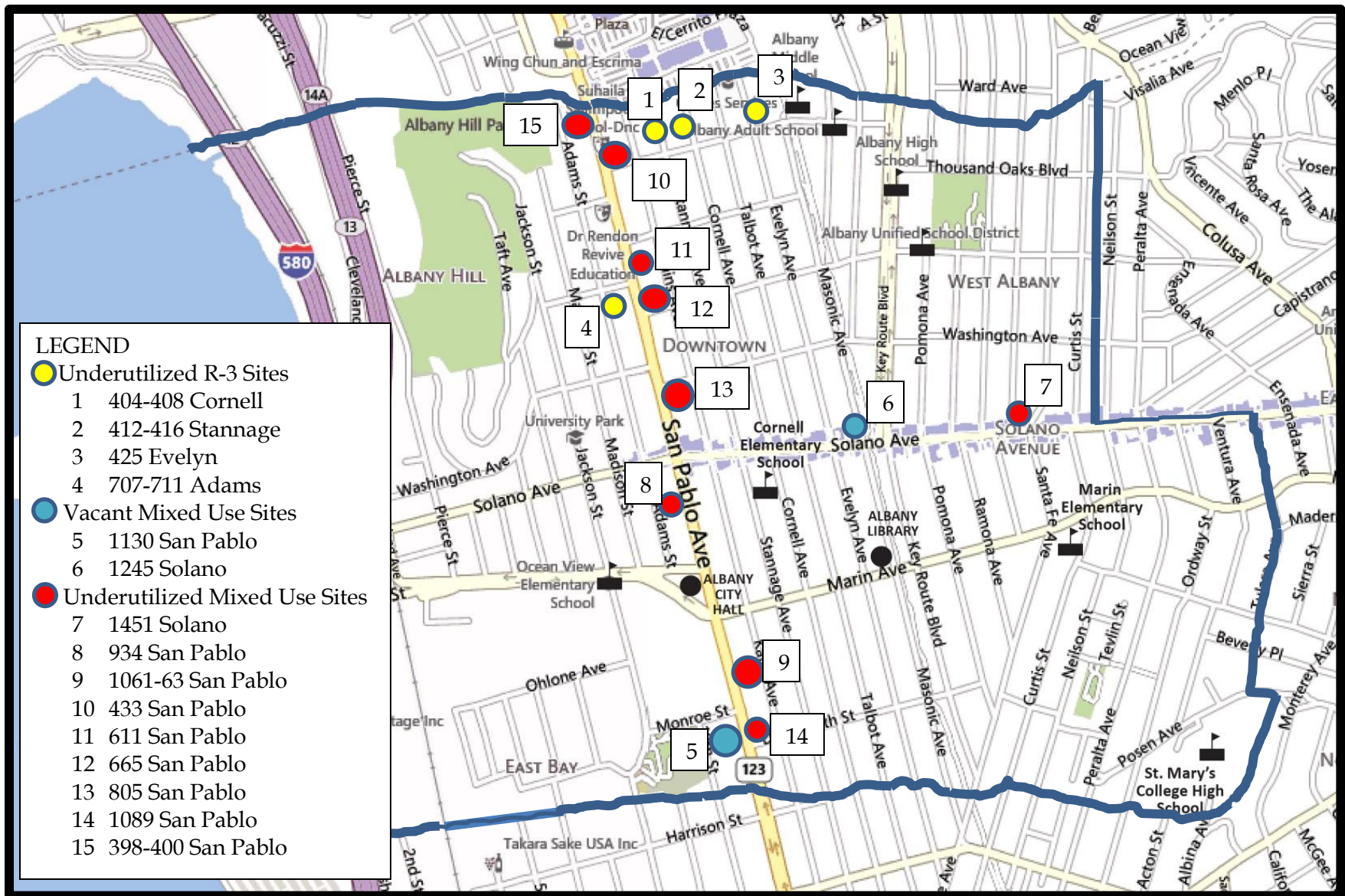
## Summary of Housing Opportunities

Table 4-6 summarizes housing opportunities for the 2007-2014 planning period. The table indicates the capacity for 336 additional units. More than half of this total (175 units) is associated with the proposed senior housing development on the UC Village site. The remaining 161 units include ten single family detached homes, one duplex, four second units, 26 multi-family units on R-3 zoned sites, and 108 multi-family units on sites zoned for mixed use development. The total (excluding UC Village senior housing, which is planned to be above-moderate market rate) includes 147 units on sites zoned at densities exceeding 20 units per acre, which is the default density for Albany set by AB 2348. This exceeds the RHNA allocation for low and very low income sites, indicating the City has sufficient site capacity to meet its RHNA.

Figure 4-1 presents a map of the housing sites listed in this chapter.

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<sup>1</sup> See Page 4-2 for additional detail on rental cost per square feet.



**Figure 4-1: Housing Opportunity Sites**

**Table 4-6  
Summary of Housing Opportunities**

|  | Densities greater than 20 units per acre or otherwise anticipated to be affordable | Densities less than 20 units / acre or otherwise anticipated at market rate | <b>TOTAL</b> |
|--|--|---|--------------|
| Single family infill                       | 0  | 10  | 10           |
| Vacant R-2                                 | 0  | 2   | 2            |
| Underutilized R-3 sites (net increase)     | 26   | 0   | 26           |
| Vacant sites zoned for mixed use           | 5  | 175   | 180          |
| Underutilized sites zoned for mixed use    | 114  | 0   | 114          |
| Second units                               | 2  | 2   | 4            |
| <b>TOTAL</b>                               | <b>147</b>   | <b>189</b>  | <b>336</b>   |
| Adjusted RHNA: Low/<br>Very Low            | (100)  | --  | (64)         |
| Adjusted RHNA: Moderate/<br>Above Moderate | --   | +36   |              |
| <b>Balance</b>                             | <b>+47</b>   | <b>+225</b>   |              |

*Source: Barry Miller Consulting, 2013*

### **Infrastructure and Environmental Constraints on the Housing Opportunity Sites**

The multi-family and mixed use housing sites listed in this inventory are all flat parcels with water, sewer, and storm drainage lines located at the curb. Some of the sites already have water and sewer laterals to existing uses on the property, although these would generally be replaced for multi-family housing. None of the sites have slope constraints, and most have minimal vegetation since they were previously urbanized. One of the sites (066-2761-10) extends to Cerrito Creek. Structures are not permitted within 20 feet of the creek bank, unless a use permit is obtained. The creek setback would not affect the allowable number of units on the site but would affect the site plan.

Additional information on infrastructure and environmental constraints may be found in Chapter 5.



## Availability of Housing Sites During the 1999-2006 Period

Because Albany did not have a certified Housing Element during the 1999-2006 planning cycle, the City is required to demonstrate that it had the capacity to meet its housing needs during that period. If it could not, it must carry over its unmet need to the 2007-2014 period.

As noted in Chapter 2, the City's Regional Housing Needs Allocation for 1999-2006 was 277 units, including 64 very low income, 33 low income, 77 moderate income, and 103 above moderate income units. Actual construction was 7 units of very low income, 17 units of low income, 241 units of moderate income, and 78 units of above moderate income. This left an unmet need of 57 very low income and 16 low income units.

Table 4-7 summarizes the availability of the sites listed in this chapter to meet the RHNA "remainder" of 73 units suitable for very low and low income housing during the prior period. The metric for determining the suitability of a site is whether it was zoned at a density of at least 20 units per acre, and was vacant or underutilized during the period. For instance, the Hertz Rental Car Lot at 1061-63 San Pablo was in its current use during this entire period, and the site would have been considered "underutilized" at the time since it had a floor area ratio of 0.03 and land values which vastly exceeded site improvement values. By contrast, the UC Village parcel could not be counted as available during the prior planning period, because it had active uses until 2007.

The table indicates that the City had the land capacity to produce at least 127 units of housing at a density of 20 units per acre or greater during the entire 1999-2006 period. Market conditions resulted in the production of a smaller number of units during this time period.

Chapter 2 provides additional information on the "carry-over" requirements in the State Government Code.

**Table 4-7:  
Availability of 2007-2014 Housing Sites During 1999-2006**

| Address           | Zoning  | Viable During 1999-2006 Period? | Theoretical Capacity (based on zoning) | Realistic Capacity During 1999-2006 |
|-------------------|---------|---------------------------------|--|-------------------------------------|
| 701-707 Solano    | R-3     | Yes                             | 15                                     | 8                                   |
| 936 Kains         | R-3     | Yes                             | 7                                      | 4                                   |
| Cornell/Brighton  | R-3     | Yes                             | 7                                      | 4                                   |
| 423-427 Talbot    | R-3     | Yes                             | 12                                     | 10                                  |
| 404-408 Cornell   | R-3     | Yes                             | 12                                     | 8                                   |
| 412-416 Stannage  | R-3     | Yes                             | 8                                      | 6                                   |
| 425 Evelyn        | R-3     | Yes                             | 9                                      | 5                                   |
| 707-711 Adams     | R-3     | Yes                             | 14                                     | 7                                   |
| 934 San Pablo     | SPC     | Yes                             | 12                                     | 11                                  |
| 1130 San Pablo    | SPC     | No                              | N/A <sup>(1)</sup>                     | 0                                   |
| 1245 Solano       | SC      | Yes                             | 6                                      | 5                                   |
| 1451 Solano       | SC      | No                              | N/A <sup>(2)</sup>                     | 0                                   |
| 1061-63 San Pablo | SPC     | Yes                             | 21                                     | 11                                  |
| 433 San Pablo     | SPC     | Yes                             | 42                                     | 21                                  |
| 611 San Pablo     | SPC     | Yes                             | 5                                      | 4                                   |
| 665 San Pablo     | SPC     | No                              | N/A <sup>(3)</sup>                     | 0                                   |
| 805 San Pablo     | SPC     | No                              | N/A <sup>(2)</sup>                     | 0                                   |
| 1089 San Pablo    | SPC     | No                              | N/A <sup>(4)</sup>                     | 0                                   |
| 398 San Pablo     | SPC/PRC | Yes                             | 45                                     | 23                                  |
| <b>TOTAL</b>      |         |                                 | <b>N/A</b>                             | <b>127</b>                          |

Source: Barry Miller Consulting, 2013

Notes:

- (1) UC Village property was not vacant until 2007, and cannot be considered available in the 1999-2006 period
- (2) Mechanics Bank and California Bank and Trust were operational during this period, and the trend toward bank consolidation and on-line banking was not as pronounced as it is today. Thus, these sites were less likely to have been converted to housing than they are now.
- (3) Based on improvement to land value ratio, this site is not counted as being available during the 1999-2006 period.
- (4) This site supported an active business during these years and became vacant after 2007.

## **5 – Constraints to Housing Conservation and Production**

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The California Government Code requires an analysis of governmental constraints on the maintenance, improvement, and development of housing for all income levels. Constraints may include zoning regulations and other land use controls, permitting procedures, design review requirements, building codes, site improvements, fees and other exactions required of developers.

While these measures are often important to ensure public health and protect the quality of life, they can also add to the cost of housing. It is useful to periodically reexamine local ordinances and policies to determine whether, under current conditions, they are accomplishing their intended purpose or constitute a barrier to housing production and conservation.

Non-governmental constraints also must be considered. Such constraints include factors such as the cost of land, the adequacy of infrastructure, the availability of credit and financing, and local attitudes about growth and development.

### **GOVERNMENTAL CONSTRAINTS**

#### **General Plan**

The Albany General Plan was adopted in 1992. The Plan is being revised to incorporate current data and move the planning horizon forward from 2010 to 2035. The updated General Plan will incorporate new policies to address topics that have emerged since the early 1990s, such as complete streets, climate change, and sustainability. However, the Plan is not expected to result in a different vision for the City or significant land use changes.

Neither the existing General Plan nor the Plan Update are viewed as regulatory constraints. The Plan allows for relatively high densities, including 17 units per acre in the low density residential category, 34 units per acre in the medium category, 63 units per acre in the high category and 87 units per acre in the “tower” category. Moreover, the Plan designates the City’s commercial districts with mixed use classifications rather than pure commercial classifications, and specifically encourages housing on commercially zoned sites. Land use policies in the 1992 Plan (expected to be carried forward in the new Plan) strongly support housing conservation, diversity, production, and affordability. The new General Plan is expected to include “minimum” densities in the medium and high residential categories, and in the mixed use categories, to ensure that the city’s potential multi-family land supply is developed as efficiently as possible.

## Residential Zoning

Albany has five residential base districts:

- R-1 (low-density, single-family dwellings)
- R-2 (medium density, single and multi-family dwellings)
- R-3 (high-density, single and multi-family dwellings, and boarding houses), and
- R-4 (high density residential towers)
- RHD (residential hillside).

The basic residential development standards for these zones are summarized in Table 5-1. The table indicates the minimum lot size requirements, maximum lot coverage, maximum floor area ratio, minimum setbacks, height restrictions, and minimum lot area per unit requirements that apply in each of the City's residential zoning districts. Numerous footnotes apply in this table within the zoning code – these have been abridged for presentation in the Housing Element.

The Municipal Code includes maximum density standards for each district. In the case of the R-1 district, the allowable density is 12 dwelling units per acre (DU/AC), while the density of the corresponding General Plan category is 17 DU/AC. The discrepancy is due to the fact that the General Plan recognizes pre-existing lots that are 2,500 square feet (which equates to 17 DU/AC). Zoning regulations permit the development of existing small lots without a variance, but prohibit the creation of new lots that are less than 3,750 square feet. The City could consider amending the code to allow 2,500 square foot lots, which would create the capacity for a number of new lots (lots that are between 5,000 and 7,500 square feet, with sufficient street frontage and setbacks to be divided in half). However, most lots in this size range have homes situated in the center of the lot, and the number of new developable lots that could be created through such a change would be small.

The allowable densities in the other zoning categories match those in the General Plan. A minimum lot size requirement of 3,750 square feet applies in the R-2, R-3, and R-4 districts as well. The RHD district, which only applies in hillside areas, has a minimum lot requirement of 5,000 square feet, although modified standards may be considered through Planned Unit Developments.



**Table 5-1:  
Site Regulations for Residential Zoning Districts**

|  | Zoning District                                      |  |  |                    |  |
|--|--|--|--|--------------------|--|
|  | R-1  | R-2  | R-3  | R-4 <sup>(1)</sup> | RHD  |
| <b>Maximum Density (DU/AC)</b>   | 12   | 35   | 63   | 87                 | 6 or 9 <sup>(2)</sup>  |
| <b>Maximum Floor Area Ratio</b><br>Single-family dwelling<br>Multi-family dwelling   | 0.55 <sup>(3)</sup>                                  | 0.55 <sup>(3)</sup>  | 0.55 <sup>(3)</sup><br>1.50 <sup>(4)</sup>                           | N/A                | 0.50 <sup>(5)</sup>  |
| <b>Minimum Lot Area per Dwelling Unit (sq. ft.)</b>  | N/A  | 1,250  | <sup>(6)</sup>   | 500                | N/A  |
| <b>Minimum Lot Size (sq. ft.)</b><br>Single-family<br>Two-family<br>Multiple-family<br>Public/Quasi-public   | 3,750<br>N/A<br>N/A<br>10,000                        | 3,750<br>3,750<br>3,750<br>10,000                                    | 3,750<br>3,750<br>3,750<br>10,000                                    |                    | 5,000 <sup>(5)</sup>   |
| <b>Minimum Lot Width (ft.)</b><br>Single-family<br>Two-family<br>Multiple-family<br>Public/Quasi-public  | 35<br>N/A<br>N/A<br>75                               | 35<br>37.5<br>37.5<br>75   | 50<br>50<br>50<br>75   |                    | 50 <sup>(5)</sup>  |
| <b>Max. Lot Coverage (% of lot)</b><br>Single-family<br>Two-family<br>Multiple-family  | 50%<br>N/A<br>N/A                                    | 50%<br>50%<br>50%  | 50%<br>50%<br>70%  |                    | 40% <sup>(5)</sup>   |
| <b>Maximum Building Height (ft.)</b><br>Single-family<br>Two-family<br>Multiple-family   | 28 <sup>(7)</sup><br>N/A<br>N/A                      | 28 <sup>(7)</sup><br>35/28 <sup>(8)</sup><br>35/28 <sup>(8)</sup>    | 35<br>35/28 <sup>(8)</sup><br>35/28 <sup>(8)</sup>                   |                    | 28 (downslope) -<br>35 (upslope) <sup>(8)</sup>  |
| <b>Minimum Yard Setbacks (ft.)</b><br>Single-, Two-, Multi-family:<br>Front (both sides for thru-lots)<br>Side, interior<br>Side, exterior<br>Rear<br>Single-family 2nd story addition | 15<br><sup>(9)</sup><br>7.5<br>20<br><sup>(11)</sup> | 15<br><sup>(9)</sup><br>7.5 <sup>(10)</sup><br>15<br><sup>(11)</sup> | 15<br><sup>(9)</sup><br>7.5 <sup>(10)</sup><br>15<br><sup>(11)</sup> |                    | 15 <sup>(5)</sup><br>10% of lot width or<br>5' whichever is greater<br>20 <sup>(5)</sup> |

Notes:

- (1) Site regulations not specified are determined by the Planning and Zoning Commission on consideration of an application for a use permit.
- (2) The Albany General Plan divides the area subject to the RHD District into two density classifications: 6 dwelling units/acre; and 9 dwelling units/acre.
- (3) FAR of 0.6 may be approved by Planning Commission, subject to findings
- (4) FAR may be increased to 1.75 where open space is provided at twice the minimum requirement.
- (5) Applies to single-family development on sites less than 2 acres. Also applies to PUDs on sites greater than 2 acres, except modified standards may be approved by the P&Z Commission and City Council.
- (6) Ranges from 690 SF of lot area per unit to 1,250 SF of lot area per unit, depending on the size of the lot.
- (7) Second story additions up to 35' may be approved by P&Z Commission subject to findings.
- (8) Maximum building height is three stories, or 35 feet above grade, except that maximum height at the front setback line shall be 28 feet plus a 45-degree daylight plane.
- (9) Ten percent (10%) of lot width, min 3' up to a max of 5', except that min for multi-family structures in R-3 is 5'.
- (10) One (1) foot shall be added for each 12' of height above the lowest 15' of building height.
- (11) Special provisions apply, allowing exceptions for the extension of non-conforming structures

The R-3 zoning district encourages lot consolidation through a sliding scale which correlates allowable density to lot size. For instance, a 3,750 square foot lot in the R-3 district may only have three units (1,250 SF of lot area per unit), which equates to about 35 units per acre. A 5,000 square foot lot in the same district may have five units (1,000 SF of lot area per unit). A 10,000 square foot lot may have 13 units (770 SF of lot area per unit). The requirement incentivizes consolidation of smaller lots to achieve the maximum density allowed under zoning (63 units per acre is only achievable on parcels 14,490 SF or larger).

Residential development in Albany is subject to Floor Area Ratio (FAR) standards. These standards establish the maximum floor area that may be built on a parcel using a ratio based on lot area. In the R-1, R-2, and R-3 zones, the limit is 0.55 for single family homes. In other words, a 5,000 square lot may have 2,750 square feet of floor area.

The Planning and Zoning Commission may approve an FAR of 0.60 if it determines that the 0.55 limit would only allow 1,500 square feet of floor space on the lot (e.g., the lot is smaller than 2,728 SF), or if the site is in the R-2 or R-3 zone and is surrounded by buildings with FARs greater than 0.60. An FAR of 0.60 may also be approved if the Commission finds that the design has architectural features that contribute to neighborhood quality, which could be achieved in a smaller building mass. FARs above 0.60 are not permitted for single family homes.

The single family FAR limits are not a constraint to housing development or conservation on most lots. In fact, these limits work effectively to preserve the City's stock of smaller single family homes. For example, the maximum floor area on a 4,000 square foot lot, which is fairly common in the city, would be 2,200 square feet. Many Albany homes are this size or smaller. Given the high value of land in the city, doing away with an FAR limit could result in the teardown of such homes and their replacement with much larger and less affordable homes.

For multi-family construction, the FAR limit is 0.55 in the R-2 zone and 1.50 in the R-3 zone. The R-3 FAR may be increased to 1.75 if the project provides double the required amount of open space. R-2 lots are generally developed with small single family homes, duplexes, triplexes, and fourplexes (rather than large apartment buildings). There is almost no vacant land in this zone and an increase in FAR could trigger the replacement of existing smaller 2-4 plex units with much more expensive units. R-2 contains some of the City's most affordable apartments, including studios and one-bedrooms in older buildings along Adams St., Madison St., and Kains Avenue.

In the R-3 zone, the 1.50 FAR is ample to facilitate multi-family construction and poses no constraint. The limiting factor in determining a project's ability to achieve the maximum density is more likely to relate to parking than FAR.

Lot width standards apply in all residential zones. R-1 and R-2 lots have a 35 foot width requirement and R-3 lots have a 50 foot requirement. In the R-2 district, slightly wider lots (37.5 feet) are required for two-family and multi-family buildings. This recognizes the function of R-2 as a transitional zone between higher density and lower density districts, and ensures ample side yard space is retained.

The lot width requirements do not constrain development and are reasonable, considering the overall requirements for lot size. There are a number of existing lots that are narrower than 35 feet (e.g., 25 x 100), but these lots are developed subject to Section 20.44, Nonconforming Uses, Structures, and Lots. Existing structures on such lots may be enlarged or extended, as long as they do not increase the extent of nonconformity.

Residential lots in Albany are also subject to lot coverage requirements. A 50 percent coverage limit applies to single family homes in all zones and to two-family homes in the R-2 and R-3 zones. Multi-family housing is subject to a 50 percent coverage standard in R-2 and a 70 percent standard in R-3. For single story homes, the coverage limit tends to be the limiting factor in determining floor area since it is lower than the FAR limit. On small lots (2,500 to 3,750 square feet), the coverage limit may require second story additions for those seeking to expand their homes, since the home size is effectively limited to less than 1,250 to 1,775 square feet on one level. The existing coverage limits strongly support the conservation of Albany's smaller homes and discourage teardowns.

The 70 percent coverage limit for multi-family housing in the R-3 zone is reasonable and is consistent with the allowable FAR. Considered together, these standards tend to favor three story construction over two-story – although if the ground level is used as “tuck under” parking, it may be difficult to reach the maximum allowed floor area. A 40 percent coverage limit applies in the RHD (hillside) zone – this is adequate, since the minimum lot size in this zone is 5,000 square feet and many of the RHD sites are sloped with multi-level homes.

Height limits apply in the R-1, R-2, and R-3 zones. The limit for single family homes is 28 feet in R-1 and R-2, and 35 feet in R-3. These limits are reasonable and very rarely an obstacle to single family construction or improvement. Three-story single family construction is uncommon in Albany, and the prevailing character in most neighborhoods consists of single story or 1.5-story bungalows. The Code allows the Planning and Zoning Commission to approve single family heights up to 35 feet where specific findings relating to topography or architectural compatibility can be made.

For two-family and multi-family construction in the R-2 and R-3 zones, maximum height is 35 feet, but a 28 foot height limit (plus a 45-degree daylight plane) is applied at

the front setback line to reduce shadows and maintain a lower scale streetscape. The 35' limit supports three-story construction and is generally sufficient for multi-family housing given the context of the R-3 zone. Taller heights in this particular zoning district could be inconsistent with the generally low scale of existing development.

Height limits in the RHD zone vary from 28 to 35 feet, depending on if the home is on an upslope or downslope lot. These requirements have not been a constraint in the past, given the single family character of construction and limited number of vacant sites.

A 15' front setback requirement applies in all residential zoning districts except R-4. For through lots (with frontage on two streets), the same standard applies on both sides. For hillside lots, the Planning and Zoning Commission has the authority to modify setbacks on planned unit developments of 2 acres or more. The 15' front setback is not considered a constraint in the R-3 zone, given the 70 percent lot coverage limit. Front setbacks are considered an important part of the R-3 zone and help maintain the prevailing residential character, especially along Adams Street and Kains Avenue.

Side setbacks for interior (e.g., non-corner) lots are calculated using a sliding scale based on lot width. They are based on 10 percent of the lot width (on each side of the house), with a minimum of 3 feet and a maximum of five feet. In other words, a 35 foot wide lot would need to maintain 3.5 feet of yard area on either side of the house. For multi-family structures in the R-3 district, a minimum 5 foot side setback applies. For corner lots, a 7.5 foot side setback applies.

Rear setbacks are 20 feet in the R-1 zone and 15 feet in R-2 and R-3. These setbacks are comparable to those in other cities, although some consideration could be given to reducing the 15' rear yard in the R-3 zone on parcels that back onto commercially zoned properties or other R-3 properties.

The City routinely allows exceptions to setback requirements for second story additions provided that certain conditions are met. Design review and a use permit by the Planning Commission would be required to build an addition above an existing wall or foundation which does not conform to the setbacks. Deeper encroachments into the setback are not permitted. Moreover, the Code discourages the extension of second stories if the non-conformity is the front yard setback.

Lot size, lot width, lot coverage, and height requirements do not apply in the R-4 zone.

Multi-family housing is allowed by right in the R-2 and R-3 zones, but requires a use permit in the R-4 zone – which seems counterintuitive since R-4 is the highest density district in the City. An action program in this Housing Element would make multi-

family permitted by right in R-4. This district is only mapped on one parcel (Gateview) and is already fully developed with high-rise towers.

### **Commercial and Mixed Use Zoning**

Residential uses are permitted in the Solano Commercial (SC) and San Pablo Commercial (SPC) zoning districts. Each of these districts forms a corridor along their respective namesake streets, in some cases extending a parcel or two down the perpendicular side streets (on Solano), or through the block to the parallel north-south streets (on San Pablo). There are a number of overlay districts that also apply to these zones, including some which affect development standards and land uses. These are discussed in the next section.

Albany also has a Commercial Mixed Use (CMX) district where residential uses (other than live-work) are not currently permitted. Residential uses also are not permitted in the Public Facilities or Waterfront zoning districts, which are the other base zones in the city.

Development standards for residential uses in the SC and SPC district are summarized in Table 5-2. Both districts allow densities of up to 63 units per acre. However, to encourage lot consolidation, development is subject to a minimum lot area per dwelling unit standard which means the maximum allowable density can only be achieved on lots of 14,490 SF or larger. A sliding scale is used to calculate the number of units allowed on smaller lots. For example, five units would be allowed on a 5,000 SF lot (43.5 units per acre).

Floor area ratios (FARs) apply in the SC and SPC zones. FARs up to 1.25 are allowed in the SC zone. In other words, a 10,000 square foot parcel on Solano Avenue would be permitted to have up to 12,500 square feet of floor space. The floor space could be entirely residential, entirely commercial, or mixed use with housing above commercial space.

In the SPC zone, the maximum FAR varies depending on whether the building is entirely commercial or mixed use. An entirely commercial building may not exceed 0.95 FAR. A mixed use building with residential and non-residential uses may have an FAR up to 2.25, but the commercial component may not exceed 0.95. The higher FAR for mixed use is intended as an incentive to encourage multi-family housing on the San Pablo corridor. Mixed use may be either horizontal or vertical in configuration.

**Table 5-2:  
Site Regulations for Commercial Zoning Districts**

|  | Zoning District              |   |
|--|------------------------------|---|
|  | SC                           | SPC   |
| <b>Maximum Density (DU/AC)</b>   | 63                           | 63  |
| <b>Maximum FAR (Floor Area Ratio)</b><br>Mixed-use Development (more than one use, including residential and commercial or other permitted nonresidential uses)<br>Commercial portion of any development (not to be exceeded, regardless of mix with other uses, or any bonus increase in the total FAR of development)<br>Multi-family dwelling, where it is the sole use of a site, and subject to maximum density permitted in R-3 District | 1.25<br><br>1.25<br><br>1.25 | 2.25<br><br>0.95<br><br>N/A   |
| <b>Minimum Lot Area per Dwelling Unit (sq. ft.)</b>  | Same as R-3                  | Same as R-3   |
| <b>Minimum Lot Size (sq. ft.)</b>  | None                         | None  |
| <b>Minimum Lot Width (ft.)</b>   | None                         | None  |
| <b>Max. Lot Coverage (% of lot)</b>  | 100%                         | 100%  |
| <b>Maximum Building Height (ft.)</b>   | 35'                          | Maximum three stories, or 38 feet above grade, except as noted in Note (1) below. |
| <b>Minimum Yard Setbacks (ft.)</b><br>Single-, Two-, Multi-family:<br>Front (both sides for thru-lots) and corner side<br>Side, interior<br>Rear   | (2)<br>(3)<br>(4)            | (2)<br>(3)<br>(4)   |

## Notes:

- (1) Where rear property line abuts a residential district, the maximum at the rear setback line is 20' plus a 45 degree daylight plane, or at the rear property line shall be 12' plus a 45 degree daylight plane.
- (2) None required along San Pablo Avenue. If front setback is provided, it shall not exceed a depth of four feet (4) at street level. Where fronting a street immediately parallel to San Pablo Avenue: 15 feet, plus a daylight plane. Where a property in the SC District has an exterior lot line at a street that intersects with Solano Avenue, and any property located directly across such a street is in a residential district: 15 feet, plus a daylight plane.
- (3) None, except where abutting R district.
- (4) May be waived by Planning and Zoning Commission, except where rear yard abuts an R district, in which case 10 feet applies.

There are no minimum lot size or lot width requirements in the SC or SPC zones. There are no lot coverage limits (100 percent coverage is explicitly permitted). Building heights are 35 feet in the SC (Solano Avenue) zone. In the SPC (San Pablo Avenue) zone, a three story, or 38 foot, limit applies. However, where the rear property line abuts a residential district, the maximum height must be reduced. In such cases, buildings may not exceed 20' at a point 10 feet from the property line or 12' at the property line itself. In each of these cases, a daylight plane also is required, to avoid casting shadows and to provide access to sunlight from adjacent residential yards.

There is no minimum front yard setback requirement along San Pablo Avenue. However, to maintain an active street presence, setbacks may not exceed four feet where street facing buildings are included. Parcels in the SPC zone on the parallel streets (fronting Adams and Kains) are subject to a 15' setback requirement, plus a daylight plane. There are no side or rear yard requirements in the SPC zone, unless the parcel abuts a residential district, in which case setback requirements ranging from 5' to 15' generally apply.

Multi-family housing is considered a permitted use in the SPC and SC zones, provided it is not on the ground floor facing the street. In the SC zone, ground floor, street-facing housing is allowed with a use permit. In the SPC zone, it is not allowed at all. However, ground floor multi-family is a permitted use in both zones, if it is located to the rear of street-facing non-residential space. The intent is to create active retail frontage along the commercial streets, and to ensure that the City retains sufficient space to meet the shopping, dining, entertainment, and service needs of Albany residents.

## Overlay Zones

A number of overlay zones have been created to implement General Plan policies. These include:

- A Commercial Node (CN) overlay
- A Planned Residential-Commercial (PRC) overlay
- A Residential-Commercial Transition (RCT) Overlay

The CN overlay is intended to create intensified pedestrian and ground floor retail activity around major intersections. It has been mapped at the intersection of Solano Avenue and San Pablo Avenue, which is effectively the “center” of Albany. The overlay establishes a number of use limitations (e.g., no drive-up and drive-through facilities, no auto sales, etc.) and includes design standards for new development, alterations, and additions. The overlay does not affect the density, height, or standards for residential development.

The PRC overlay is intended to encourage mixed use on large sites on San Pablo Avenue. It has been mapped on the Town Centre shopping plaza (940-972 San Pablo) and on the west side of San Pablo between Clay Street and El Cerrito (e.g., Albany Bowl, the car wash, etc.) The overlay is primarily intended to ensure the compatibility of new residential uses with existing residential uses on the Adams Street frontage. It requires 15 foot setbacks along Adams Street and screening of parking areas. The overlay requirements do not generally affect building heights, densities, or uses.

The RCT overlay is similar to the PRC overlay, and is intended to ensure the compatibility of commercial development along the San Pablo corridor with nearby homes on Kains Avenue. A 15 foot setback requirement is required along Kains Avenue for properties in this overlay. The requirements of the overlay do not affect the feasibility of residential development.

### **Open Space Requirements**

The zoning code currently requires that multi-family dwellings (3 or more units) provide at least 200 square feet of common usable open space per unit. This requirement can also be satisfied by providing private open space (e.g., balconies or patios accessible only from the unit), in which case each square foot of private open space counts as two square feet toward the common open space requirement. In other words, a 10 unit building may provide 2,000 square feet of common open space or 1,000 square feet of private decks and balconies. Various combinations of private and common open space also may be used. In the R-3 district, the City also offers an FAR bonus from 1.50 to 1.75 if the amount of required open space is doubled.

The 200 SF/unit standard is used by many other jurisdictions in the Bay Area, and the provision to provide double “credit” for private open space is a helpful way to reduce total development costs while providing an amenity for multi-family dwellers. The open space standard is not considered a constraint.

### **Parking Standards**

In 1978, Albany voters approved Measure D. The Measure requires new residential units, regardless of size, rooms, or occupancy, to provide two off-street parking spaces. It also requires that conforming parking be provided when additions are made to single family structures that increase the original floor space by more than 25 percent or 240 square feet (whichever is less). The Planning and Zoning Commission may grant exceptions to this rule for larger additions where no new dwelling is created and certain findings are made.

Section 20.28.040 of the Municipal Code includes a use permit procedure for reducing the parking requirement to 1.5 spaces per unit where the Planning and Zoning



Commission finds that sufficient on-street parking is available. The Code also includes special provisions for secondary units, discussed later in this chapter in the section on second units.

Many properties in the City have areas that can practically function as parking spaces; however, the spaces do not meet dimensional requirements or are located in the required front yard, and are thus not considered “legal” off-street parking. The Municipal Code includes a provision in which the Planning and Zoning Commission may allow parking in the front yard area if it can make certain findings relating to the size and siting of the space and aesthetic and noise intrusion. Such provisions could potentially provide increased opportunities for second units and a higher number of residential units in the multi-family zoning districts.

The parking requirements affect the cost of housing and the feasibility of attaining the maximum allowable FAR and density on some sites. Since below grade parking is not counted as floor area, developers may pursue this as an option on larger sites.

The Measure D parking requirements are generally considered a cost constraint, particularly on smaller lots. They may make it difficult to modify existing buildings in the multi-family zones to add new housing units. Additional provisions for parking exceptions for small parcels (under 5,000 square feet) could be considered, but these would require voter approval. Similarly, a multi-family parking standard which was scaled based on the number of bedrooms in the unit or which varied based on zoning district and proximity to transit could help improve affordability. This too would require voter approval. This Housing Element includes an action program to begin developing a ballot measure to modify the City’s parking regulations so that they are more context-sensitive and reflective of actual needs.

It is important to note one unintended benefit of the existing parking requirement. On larger parcels, the standard may actually provide an incentive for affordable studio and one-bedroom units. Under state density bonus provisions, projects which include a certain percentage of affordable units are permitted to use parking standards established by the State Government Code under the density bonus law. Section 65915 (p)(1) of the state density bonus law stipulates that:

*“Upon the request of the developer, no city (or) county.... shall require a vehicular parking ratio, inclusive of handicapped and guest parking, of a development meeting the criteria of subdivision (b), that exceeds the following ratios:*

- (A) Zero to one bedroom: one onsite parking space.*
- (B) Two to three bedrooms: two onsite parking spaces.*
- (C) Four and more bedrooms: two and one-half parking spaces.”*

This requirement supersedes the Measure D requirement for studios and one-bedroom units in affordable housing projects, or projects in which specific percentages of the units are set aside as affordable (excluding those already required under the City's inclusionary zoning requirements) or are reserved for senior citizens.

### **Cumulative Effects of Development Standards**

State law requires the City to consider not only the impact of individual development standards but also the cumulative effects of these standards on the cost and supply of housing. For example, it is possible that a setback requirement may appear reasonable on its own, but may limit development when combined with lot coverage or height limits.

The cumulative effects of the R-1 development standards can make it difficult to expand a home on a small (less than 3,750 SF) lot. This is particularly true for 25'-30' wide lots, which are subject to lot coverage and setback requirements that limit the developable envelope. Existing standards tend to favor second story additions for those seeking to make their homes larger, since it is difficult to expand without exceeding the lot coverage standard or encroaching into the setback. However, these standards support the preservation of Albany's smaller homes and discourage teardowns and no changes are recommended at this time.

In the SPC zones, it may be difficult to attain the maximum allowed FAR of 2.25 given the other standards that apply. In particular, the requirement to provide two parking spaces per dwelling unit make it difficult to attain the allowed FAR of 2.25 or the allowed density of 63 units per acre. Moreover, the absence of a minimum density requirement – coupled with the high parking standard for one-bedrooms and studios – creates an unintended incentive to create larger (two and three bedroom units), which are typically less affordable. A minimum density requirement (for instance requiring at least 20 units per acre where housing is included) is being considered through the General Plan Update. Once the General Plan is adopted, this requirement can help ensure that multi-family sites are developed with higher density units and are not used for single family homes, townhouses, or other larger and more expensive unit types.

Clearer and more quantifiable standards for mixed use development along the San Pablo corridor also would be helpful. The existing standards prohibit residential uses on the ground floor facing the street on San Pablo Avenue, but do not indicate the minimum percentage of ground floor commercial space that must be provided. As a result, a project may have shallow storefronts, with ground floor residences immediately behind them. During Housing Element work sessions, it was observed that ground floor retail space in mixed use projects was harder to rent than free standing commercial space, and sometimes consisted of awkwardly configured floor plans. Additional clarity on mixed use requirements is being considered as part of the

ongoing General Plan Update, and may be include in a future zoning revision beyond the time horizon of this Housing Element period.

### Standards for Special Housing Types

The next section evaluates standards for special housing types in Albany, including second units, mobile and manufactured homes, emergency shelters, and transitional and supportive housing. Table 5.3 indicates the permitting requirements for different housing types in those zoning districts where residential uses are permitted or conditionally permitted. Action programs in this Housing Element have been proposed to eliminate use permit requirements for certain housing types, in compliance with State housing law.

**Table 5-3:  
Housing Types Permitted By Zoning District**

| Land Use <sup>1</sup>  | R-1 | R-2 | R-3 | R-4 | RHD | SC              | SPC             | CMX    |
|--|-----|-----|-----|-----|-----|-----------------|-----------------|--------|
| Single Family Dwelling   | P   | P   | P   | -   | P   | P               | P               | -      |
| Two-Family Dwellings   | -   | P   | P   | -   | UP  | P               | P               | -      |
| Multi-Family Dwellings, including units ground floor units facing street | -   | P   | P   | UP  | UP  | UP              | --              | -      |
| Multi-Family Dwellings, if above Commercial                              | -   | -   | -   | -   | P   | P               | P               |        |
| Live/Work Space  | -   | -   | -   | -   | -   | P <sup>1</sup>  | UP              | UP-M** |
| Manufactured or Mobile Home  | P   | P   | P   |     | P   | P               | P               | -      |
| Rooming/Boarding House   | -   | -   | P   | -   | -   | -               | -               | -      |
| Small Residential Care   | P   | P   | P   | P   | P   | P               | P               | -      |
| Large Residential Care   | UP  | UP  | UP  | UP  | UP  | UP <sup>1</sup> | UP <sup>1</sup> | -      |
| Secondary Unit   | P   | -   | -   | -   | P   | -               | -               | -      |
| Emergency Shelter  | -   | -   | -   | -   | -   | -               | UP              | (2)    |

Source: Albany Municipal Code 20.12.040

P=Permitted; UP=Use Permit; M-UP=Minor Use Permit; "--" = Not Permitted

Notes:

- (1) Not permitted on ground floor
- (2) Proposed as permitted use through this Housing Element

### *Second Units*

The Secondary Residential Unit section of the Albany Municipal Code (AMC 20.20.080) is intended to foster and encourage the addition of small, affordable housing units. The City permits secondary units to be developed in the single-family residential zone (R-1) district only. There are many properties in multi-family zoning districts (R-2 and R-3) that are developed with only a single-family home. The City should explore revision of the Planning and Zoning Code to allow secondary housing units to be allowed in all residential zoning districts, so long as there is only one single-family residence and the second unit is a subordinate use which complies with all standards for a second unit.

The general development standards for secondary units are summarized below:

- 1) The creation of a secondary unit shall not cause the allowable floor area ratio for the site to be exceeded.
- 2) No secondary residential unit shall have a floor area greater than 650 square feet, nor have more than one bedroom, regardless of how the unit is located on the site. A secondary unit cannot exceed the size of the primary unit.
- 3) If located within the existing structure, the secondary unit is subject to the general development requirements for setbacks, height, and lot coverage for the site's zoning district, as defined by the Municipal Code.
- 4) If located as a detached structure, the setback from the rear and side property lines must meet the minimum required setbacks for the lot, and the unit must be at least 6 feet from the main structure. In addition:
  - a. The height of the accessory structure is not to exceed 12 feet.
  - b. The total lot coverage shall not exceed 30 percent of the area located between the main structure and the rear property line.
- 5) Any new construction of a second unit requires that conforming parking be created on-site (see discussion below).

The size restrictions for second units serve as a way to preserve the affordability of the units. They are not generally regarded as a constraint. The fact that detached units are subject to the same height requirements as accessory structures (e.g., 12 feet) makes it difficult to locate a unit above a detached garage, or to build a two story (or 1.5 story unit). Consideration could be given to potentially allowing them to exceed 12 feet in height. Additional modifications may be considered as part of the General Plan Update.

Secondary unit parking standards are subject both to Measure D, approved by Albany voters in 1978, and to State requirements. Measure D requires two spaces per unit, while state law requires that no more than one parking space be required for a secondary unit with one or less bedrooms unless findings are made.

To address this discrepancy, the City's Municipal Code includes a parking exception provision for secondary residential units based on the date of construction. Single family homes built prior to 1958—which constitutes most of Albany's single family housing stock—are required to provide two off-street parking spaces on the property. These spaces may accommodate both a primary and secondary unit. Single family homes built between 1958 and 1978 which add a secondary unit are required to provide three off-street parking spaces, accommodating both the primary unit and the secondary unit. Single family homes built after 1978 (or new homes) which add a secondary unit are required to provide four off-street parking spaces, accommodating both the primary unit and the secondary unit. Where three or four spaces are required, tandem parking is permitted. Where more than one space is required for the second unit, the Planning and Zoning Commission must make a finding that the requirement is directly related to the use of the secondary unit and is consistent with neighborhood standards applicable to existing dwellings.

The parking requirements have shown to be somewhat of a hindrance to secondary unit development. In addition, the prohibition on tandem parking for those homes where only two off-street spaces are provided is also a disincentive. Allowing tandem parking for both the primary and the secondary units would enable a greater number of properties to have a second unit and seems appropriate, given that the ordinance also restricts second units to one-bedroom rentals.

Overall, Albany encourages the development of secondary units and believes that allowing them in all zoning districts and revising parking requirements will result in a higher number of secondary units being produced.

### *Mobile and Manufactured Housing*

Section 20.24.150 of the Albany Municipal Code addresses manufactured homes. Such homes are permitted on all lots where single family homes are permitted, provided they are designed and located to be harmonious with the context of the surrounding homes and neighborhood. The Code establishes basic design criteria for such housing including:

- The unit's skirting must extend to the finished grade
- The roof must have eaves or overhangs of at least one foot
- No more than one manufactured home may be sited on each lot
- All parking standards subject to other single family homes shall apply.

These standards do not constrain mobile and manufactured housing development in the City.

*Emergency Shelter*

The City of Albany permits homeless shelters in the San Pablo Commercial (SPC) zoning district, subject to use permit requirement. Senate Bill 2 (SB2), which took effect on January 1, 2008, requires cities and counties to identify at least one zoning category in which emergency shelter can be located without discretionary approval from the local government. Cities are permitted to apply objective standards that regulate the number of beds or persons served, the size and location of client intake areas, the provision of on-site management, the proximity to other shelters, length of stay and security. The Albany Municipal Code does not currently limit the number of beds in a shelter, but does include a requirement that shelters must be at least 300 feet apart.

As noted in Chapter 6 of this Element, Albany intends to comply with SB2 by making shelters a permitted use in the CMX zoning district. As noted in Chapter 3 of this Housing Element, the City's homeless population is estimated at 70 residents. Albany must therefore demonstrate that the CMX zone has the capacity to support emergency shelters capable of meeting the housing needs of these residents.

Given the current trend toward smaller shelters, and potential concerns about impacts on surrounding uses, it is presumed that the need for shelter would be accommodated in multiple small facilities rather than a single 70-bed facility. For analysis purposes, it is presumed that shelter demand could be met through three facilities of approximately 25 beds each, spaced at least 300 feet apart consistent with the existing code. There are adequate sites in the CMX zone to meet this need.

The CMX zone encompasses approximately 35 acres located on the west side of the city. There are approximately 20 parcels in the district. These parcels extend in a linear pattern parallel to the Union Pacific rail corridor and are characterized by commercial, light industrial, and vacant land uses. Live-work development is currently permitted in this district, but other residential uses are not.

A number of parcels in the CMX zone are vacant or underutilized. The zone includes a large vacant retail store (PetSmart) on a 1.7-acre site just south of Buchanan Street. Several of the commercial buildings in the 1000 block of Eastshore Highway have vacant space available for rent. Along Cleveland Avenue north of the I-80 underpass, (more than 300 feet to the north), there are vacant parcels between 600 and 650 Cleveland (APN 66-2760-11-10, roughly 5,000 SF) and between 578 and 600 Cleveland (APN 66-2760-12-4, roughly 16,000 SF).

The City Corporation Yard is also located in the area, at 540 Cleveland Avenue. It is more than 300 feet north of the vacant parcels listed above. The City is currently planning to relocate the Corporation Yard to an adjoining site, creating a potential

opportunity on the vacated site. There are also several underutilized or partially vacant buildings on this section of Cleveland Avenue.

Each of the sites listed above would be large enough to accommodate a 25 bed shelter. Such a shelter is presumed to be approximately 2,500 square feet, using a 100 square foot per bed multiplier.<sup>1</sup> The sites listed above are all 5,000 square feet or more and could support a 2,500 square foot building, or have vacant space (or space soon to be vacated) of 2,500 square feet or more. The CMX zone allows 80% lot coverage, 45' tall buildings, and a 0.5 FAR allowance. The zone is accessible to public transit (the AC 25 Bus Line), with direct service to the El Cerrito BART station and is walking distance from numerous services along San Pablo Avenue.

In addition to these sites, emergency shelters would continue to be permitted in the SPC zone, subject to use permit requirements.

#### *Single Room Occupancy Units (SROs)*

The City currently has a land use category for boarding homes, which are allowed in residential areas. However, there is not a land use definition or category for SRO (single-room occupancy hotels). SRO's are often small in size and used as transitional housing, which include those at risk of becoming homeless. Such units are desirable because their small size and often shared or limited amenities generally make them affordable. An action program in Chapter 6 recommends that the City create a land use category for SRO's and establish a review and approval process for this use.

#### *Transitional and Supportive Housing*

The Albany Municipal Code defines transitional housing as "any sleeping facility or dwelling unit that serves as a transition from emergency housing to permanent housing, for a period generally of six (6) months to twenty-four (24) months, usually supported by social services to help prepare residents for independent living." The Code groups transitional housing together with emergency shelter for regulatory purposes. Section 20.40.070 refers to provisions for "emergency and transitional housing" without differentiating between the two uses. Section 20.40.070(A)(1) indicates that "emergency or transitional housing facilities may be located in the zoning district or districts where such use is listed in Section 20.12.040, Table 1. Table 1 does not explicitly reference transitional housing, but it is presumably covered under the use category "homeless shelter."

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<sup>1</sup> For comparison, the City of Berkeley uses a 50 square foot/bed multiplier, plus 12.5 square foot/bed multiplier for client intake areas.

The zoning ordinance does not include a definition of supportive housing. To ensure compliance with SB2, which requires that transitional and supportive housing be treated like other residential uses of the same type, the definitions of transitional and supportive housing should be modified to be consistent with those in State law, and the ordinance should be modified so that they will be considered residential uses of property of the same type in the same zone (i.e., treated as either single-family or multi-family uses, depending on the type of structure.) This has been included as a housing element program in Chapter 6.

### *Housing for Persons with Disabilities*

Since 2002, California law has required an analysis of constraints to the development of housing for persons with disabilities in the Housing Element. Persons with disabilities have a number of special housing needs related to the accessibility of dwelling units; access to transportation, employment, and commercial services; and alternative living arrangements that include on-site or nearby supportive services.

Albany's current policies with regard to special-needs housing and housing for persons with disabilities do not restrict the development of new housing. There are no extra requirements or constraints put on developing housing for persons with disabilities. The City accommodates requests for special structures or appurtenances (e.g. access ramps or lifts) serving disabled persons on a ministerial basis. There are no additional zoning, building code, or permitting procedures other than those allowed by State law.

Section 20.40.060 of the Municipal Code specifically addresses housing for disabled persons. This includes a Reasonable Accommodation clause which stipulates that persons with disabilities may request relief from various land use, zoning, and building laws, rules, policies, practices, and procedures. Requests may be submitted to the Community Development Director, and may be approved if the Director finds that the request is necessary to make housing available to an individual protected under the Fair Housing Act and will not impose an undue financial or administrative burden on the City. Design review requirements may be waived for such improvements.

### *Group Homes*

The City of Albany currently allows residential care facilities homes of six or fewer persons by right in all residential zones. No use permit or other special permitting requirements apply in such instances. Design review has not been used to deny or substantially modify a housing project for persons with physical or developmental disabilities to the point where it is no longer feasible. The City does not impose special occupancy permit requirements for group homes or for retrofitting structures for group home use. Licensed residential care facilities for seven or more persons are also permitted in all zones where housing is permitted, subject to a use permit.



### *Family Housing*

The Albany Municipal Code includes a definition of “family” as follows:

“Family” means two or more persons living as a single housekeeping unit in a dwelling. A family includes any servants and four or fewer boarders.

This is an inclusive definition that does not distinguish between related and unrelated persons and is consistent with California case law.

### **Design Review Requirements**

Section 20.100.050 of the Municipal Code establishes a design review procedure. The intent is to ensure that new construction and alterations are visually and functionally appropriate to their site conditions and harmonious with their surroundings. Design review is required for all improvements except interior improvements, normal repair and replacement projects, small rear yard accessory buildings, certain types of signs, antennae, roof replacements, small skylights, and other minor exterior alterations.

Thresholds have been defined to determine whether design review is performed by Staff or the Planning and Zoning Commission through a public hearing. Projects that are less than 400 square feet (except second story additions), accessory structures between 120 and 200 square feet, and secondary units, are typically handled at the staff level. Projects that require additions larger than 400 square feet, major changes to rooflines, accessory structures over 200 square feet, second story additions, or height exceptions typically require a public hearing.

Approval of a design review application is subject to certain standards, including consistency with the General Plan, Residential Design Guidelines, and San Pablo Avenue Design Guidelines (for projects in the SPC zone). Projects must also be visually and functionally harmonious with their surroundings, appropriately deal with site constraints, and provide safe access for pedestrians and vehicles. The architecture, including massing and bulk, must be appropriate to the function of the project. Landscape improvements must be complementary to architectural design, and natural features must be preserved to the greatest possible extent. Consideration must also be given to privacy, the retention of existing structures, and solid waste management. Additional compatibility-related guidelines are considered for residential additions, and for additions which exceed the 28-foot height limit in the R-1 zone.

The Design Review process is facilitated by the availability of design guidelines. In 2009, the City adopted Residential Design Guidelines which serve as the standard by which staff and the Commission evaluate residential development. Staff works closely with applicants and their architects or contractors to ensure that designs conform to the

Guidelines. The San Pablo Avenue Design Guidelines were adopted in 1993. They strive to enhance San Pablo Avenue as a great retail street, oriented toward pedestrians and ground level activity. The Guidelines strongly support the concept of mixed use development with housing on the upper floors. They address such topics as the building silhouette, massing and height, façade rhythm and composition, signage, lighting, color, and site design.

The design review process is not a housing constraint, and is an important part of protecting the quality of life in Albany and making higher densities more acceptable to the community. Design review has effectively improved the quality of higher density architecture in the city, and provides assurance that future affordable housing will respect the community context and surrounding uses. The availability of clear guidelines provides a benchmark for staff and the Planning Commission, as well as property owners and developers. Moreover, the City's standard process is to consolidate the approval process for design review, use permits, parking adjustments, and CEQA into a single public meeting, reducing potential delays for applicants.

### **Inclusionary Housing Provisions**

In 2005, the City adopted an inclusionary housing ordinance. The ordinance requires that any development with five (5) or more units set aside 15 percent of those units for low or very-low income households at prices deemed affordable to those groups. It also requires that any conversion of rental units to condominiums set aside 15 percent of the units at affordable prices.

The Ordinance allows developers to pay an "in-lieu fee" equal to the difference between the fair market value of the inclusionary unit and the affordable value of the unit if the City Council finds that production of the units on site is not feasible. Payment of an in-lieu fee is also an option for developers of five and six unit projects. Projects with fewer than four units are exempt from the requirements entirely.

For those projects where the inclusionary unit is provided on-site, the Ordinance provides opportunities for waivers of certain development standards to make the unit more feasible. The inclusionary unit may also be provided off-site, if it is not feasible to provide it on-site. For projects paying the in-lieu fee, the funds are placed in a special account which is reserved for affordable housing purposes. The funds may be used for land write downs, contributions to nonprofit organizations for housing construction, mortgage assistance for very-low- and low-income households, the operation of transitional housing, and similar activities.

In calculating the number of inclusionary units to be provided, the Ordinance requires that any "fractional" units of 50 percent or greater are construed as a whole unit (e.g., an 11 unit project must provide two units). Fractional units of less than 50 percent must

pay an in-lieu fee of equivalent value to the fraction. In other words, a 10-unit project would be required to provide one inclusionary unit, plus a fee equivalent to  $\frac{3}{7}$  of a unit. An equivalent number of units must be provided for low and very low income.

In 2009, the California Court of Appeals ruled that cities could not enforce inclusionary housing requirements for rental properties (*Palmer/Sixth St Properties v City of Los Angeles*). Thus, Albany's ordinance is currently only enforced on for-sale projects. Between 2005 and 2012, the Ordinance resulted in four affordable owner-occupied units at the Villa de Albany condominiums. Two of these serve very low income households, and two serve low income households. An inclusionary for-sale unit was also proposed in the 423-427 Talbot project, which has not yet been built. The Legislature and Governor are currently considering a bill that would restore the City's ability to require affordable units in rental projects.

Although inclusionary zoning is intended to have a positive impact on housing affordability by increasing the supply of affordable units, it may have unintended consequences. For example, the cost of the affordable unit may be recovered through higher prices on the market-rate unit. Albany has addressed this issue by offering relaxed development standards to accommodate the affordable units.

One consequence of the inclusionary requirement may be an increase in the number of three and four unit projects, since such projects are exempt from the requirements. At least three such projects were constructed in 2007-2012 on lots where zoning would have permitted a larger number of units. Requiring in-lieu fees for three and four unit projects would provide consistency, and more importantly provide additional funds for producing additional housing in the city.

### **Density Bonus**

Under state law, cities are required to offer additional density to developers who include affordable or senior housing in their developments. The additional density is intended to provide an incentive to create affordable housing. Depending on the number of affordable units that are provided, developers may be able to increase the number of units allowed under zoning by 35 percent. The law requires that the City offer a number of additional incentives (such as relief from particular development standards) to make the additional density possible.

The City has adopted a density bonus ordinance as part of the Planning and Zoning Code (Section 20.40.040). A request for such a bonus was recently approved to reduce parking requirements for the UC Village Mixed Use site along San Pablo Avenue. The bonus, in conjunction with an approved Planned Unit Development to allow an increase in height, enabled the senior housing to attain at a proposed density of 80 units

per acre instead of the 63 units per acre permitted by the SPC zone. Additional height has been requested to achieve the higher density.

State law has been revised since adoption of Albany's ordinance in 2005. An action program in this Housing Element calls for a review of the current ordinance and any revisions needed to ensure that it meets the current statute and case law.

### **Building Code Requirements**

Albany's Building Division administers state and local building construction regulations and provides permitting, plan checking, and inspection services. The City has adopted the California Building Code, Electrical Code, Mechanical Code, and Plumbing Code. A grading ordinance and flood damage prevention ordinance have also been adopted. These requirements do not pose a constraint to housing production and are essential to protect public health and safety.

The City has adopted a number of special requirements related to fire protection that go beyond the State Building Codes. These relate to such items as sprinklers, roofing systems, and photo-electric smoke alarms and are intended to protect public health and safety given the dense development in the City. The City intends to introduce an Ordinance in November 2013 to eliminate some of the fire protection requirements that are unique to Albany and begin applying the California Fire Code in a manner similar to other communities.

In 2007, the City adopted green building standards of compliance, as well as green point checklists for single family and multi-family development. The checklists are used to score proposed development projects based on their use of recycled building materials, energy conserving construction methods, bay-friendly landscaping, water-conserving plumbing fixtures, and other elements which reduce heating and cooling costs. Many of the checklist items are optional, but some – such as construction and demolition debris recycling and central collection areas for recycled waste – are mandatory.

The green building guidelines generally result in lower costs, rather than higher costs, as they help reduce utility bills. The City has added a number of local incentives to the checklists, such as extra points for projects which accommodate electric vehicles or additional street trees. The green building guidelines are an important part of the City's Climate Action Plan implementation and help support achievement of the State greenhouse gas reduction goals under AB 32. They are not considered a housing constraint.

Currently, the Community Development Department does not have a full-time professionally staffed code enforcement division. As a result, City staff work on code

enforcement activities is secondary to other responsibilities, and thus not all code violations can realistically be addressed. The City's general philosophy in obtaining code compliance has been through education, dialogue between parties, and other cooperative efforts.

In an effort to improve the City's code enforcement efforts, the City adopted Chapter 18 ("Nuisances") of the Albany Municipal Code in 2003. The purpose of this section is to address serious and/or persistent health and safety hazards resulting from the neglect, misuse or deterioration of property. In 2008, the City adopted, by reference, the Uniform Code for the Abatement of Dangerous Buildings published by the National Conference of Building Officials. In addition, in 2009, the City adopted an administrative citation ordinance that authorizes monetary penalties in significant code enforcement situations.

The City prioritizes code enforcement activities first to those situations where an immediate risk to health and safety of individuals exists. Second priority is given to situations related to improving the quality of life or preventing substantial property damage. In determining code enforcement activities, City staff must consider the resources required to address the situation relative to the amount of improvement expected. The City generally does not become involved in situations that are regulated and enforced by other government agencies, nor do they resolve private nuisances and civil matters between adjoining property owners.

Albany's current code enforcement structure ensures that the quality of housing in the City is maintained. It does not pose a constraint to the development of new housing, nor does it increase housing costs. Code enforcement promotes the maintenance of the existing housing stock by mandating standards of health and safety. In a number of recent cases, the City's code enforcement efforts resulted in uninhabitable homes being repaired and made available for occupancy.

### **Processing and Permit Procedures**

Processing and permit procedures can be a constraint to the production and improvement of housing due to the time they add to the development process. Unclear permitting procedures, layered reviews, multiple discretionary review requirements, and costly conditions of approval can increase the final cost of housing, create uncertainty in the development process, and increase the overall financial risk assumed by the developer.

The time required to process a project varies depending on the size and complexity of the proposal, and the volume of projects being reviewed. Not every project must complete every possible step in the process. In addition, certain review and approval procedures may run concurrently.

Tables 5-4 and 5-5 identify the typical processing time for project entitlement. Most projects move from initial submittal to approval in 90 days or less. A new single family home can usually go through the permitting, design review, and approval process in 90 days. A large home addition, which is the most common type of project in the City, usually takes 30 to 75 days. Larger projects that require environmental impact reports may take up to a year or more. Single family additions and individual homes are categorically exempt from CEQA under Section 15303, "New Construction or Conversion of Small Structures." Irrespective of the size of the project, City staff are available for pre-application meetings at no cost. In addition, preliminary study sessions are routinely scheduled with the Planning and Zoning Commission to get preliminary feedback, also at no cost to the applicant.

The City of Albany has limited staff resources, with only one planner, one permit technician, and one inspector. However, staff manages its caseload efficiently and can process the volume of permit applications within the parameters established by the Permit Streamlining Act. Additional staff may be retained on a contract basis for projects requiring specialized expertise or additional manpower. The City regularly seeks ways to expedite processing and improve the timeliness of its services. At this point in time, permitting and processing time is not considered a constraint.

**Table 5-4:  
Timelines for General Permit Procedures**

| <b>Type of Approval or Permit</b> | <b>Typical Processing Time</b> |
|-----------------------------------|--------------------------------|
| Ministerial Review                | 60 days                        |
| Conditional Use Permit            | 90 days                        |
| Zone Change                       | 120 days                       |
| General Plan Amendment            | 120 days                       |
| Site Plan Review                  | N/A                            |
| Design Review                     | 60 days                        |
| Tract Maps                        | 120 days                       |
| Parcel Maps                       | 90 days                        |
| Initial Environmental Study       | 90 days                        |
| Environmental Impact Report       | 360 days                       |

*Source: Albany Community Development Department, 2009*

**Table 5-5:  
Typical Processing Procedures by Project Type**

|                               | <b>Single Family Addition</b> | <b>New Single Family Unit</b> | <b>Subdivision</b> | <b>Multifamily Units</b> |
|-------------------------------|-------------------------------|-------------------------------|--------------------|--------------------------|
| Typical Approval Requirements | Design Review                 | Design Review                 | Subdivision Map    | Design Review            |
|                               |                               |                               |                    | Planned Unit Development |
| Est. Total Processing Time    | 30-75 days                    | 90 days                       | 120 days           | 270 days                 |

*Source: Albany Community Development Department*

### Site Improvement Requirements

In many California cities, home builders are required to provide a full complement of on-site improvements such as streets, curbs, gutters, water lines, and sewer lines. This is particularly true in newer communities where development is occurring on sites that were not previously developed. Because Albany is completely built out and all development opportunities are on infill sites with a full complement of existing services, site improvement requirements are minimal. Subdivisions are relatively uncommon and construction of new streets is extremely rare, with the exception of the master planned development at UC Village.

All of the Housing Opportunity sites listed in Chapter 4 have full utilities, street frontage, access, and services. Thus, there are no site improvement requirements associated with development, other than construction of utility laterals to connect each parcel with the electric, gas, sewer, water, drainage, and telecommunication facilities in the adjacent public right of way. Some of the City's sewer system consists of aging clay pipes. Depending on the nature and location of a residential development project, it is possible that sewer replacement could be required as a project component. Projects may also be required to improve sidewalks, plant trees, and provide similar on-site amenities. The City has not adopted any requirements above and beyond those authorized by the Subdivision Map Act.

### Fees and Exactions

Housing development is typically subject to two types of fees:

- Permit processing fees to defray all or a portion of the City's labor costs related to reviewing applications for compliance with planning and building standards; and

- Impact fees, imposed to defray all or a portion of the capital costs related to the development project.

For owners of existing homes, high permitting fees can affect the property owners' ability to make improvements or repair, especially for lower-income households. For new home construction, fees can make a project less affordable, since the costs are often passed on through rents or sales prices. In addition, subdivisions and multifamily projects may incur the cost of preparing environmental impact reports, traffic studies, soil reports, and filing fees for tentative and final maps.

Table 5-6 illustrates the price range of the typical fees for a new housing unit. Planning and Zoning Commission Design Review fees for a new home are typically just over \$2,000. Additional costs are incurred if Variances or Parking Exceptions are needed. The cost of the building permit is based on the value of the project. For a new home with permit value of \$400,000, the cost would be \$2,000. Plan checking fees would be added to this total, and are based on a \$95 hourly rate for plan checking services.

The school impact fee is one of the largest components of permitting costs. For a 2,000 square foot new home, the fee would be \$5,940. For a 500 SF second unit, the fee would be \$1,495. Projects smaller than 500 SF, including smaller additions and small second units, are exempt from the school fee. The City also collects a capital facilities fee, which is calculated on a sliding scale based on the size of the project. The fee is usually \$1,365 for a single family home, \$840 for a 600-1000 square foot unit, and \$375 for a unit less than 600 SF. Other fees include sewer collection and public art fees. The typical permitting cost for a new single family home is approximately \$15,000.

### **Art in Public Places Program**

The City adopted a Public Art Ordinance in 2007. The Ordinance requires that any public or private development with a construction cost of greater than \$300,000 (as calculated based on International Code Council building valuations) must include a public art component equal to 1.75% of the total construction costs. The contribution percentage is greater than most local cities, but to date, applicants have not indicated that the requirement is affecting the financial feasibility of proposed projects.

The Art in Public Places Program includes exemption and hardship procedures for publicly-assisted projects in which the public source of funding, or other applicable regulation or policy, prohibits the use of funds for public art. There also is a hardship in which applicants may seek reduction in requirements. The City also could consider amending the ordinance to explicitly exempt affordable housing projects.



**Table 5-6:  
Typical Housing Development Fees (Per new unit)**

| Type of Fee                   |                          | Price Range                        |
|-------------------------------|--------------------------|------------------------------------|
| Minor Use Permit              |                          | \$1,077                            |
| Major Use Permit              |                          | Min. \$2,027(*)                    |
| Residential Parking Exception |                          | Min. \$2,027(*)                    |
| Variance                      |                          | Min. \$2,027(*)                    |
| Design Review-Staff           |                          | \$1,077                            |
| Design Review-P&Z Comm.       |                          | \$2,027                            |
| Building Permit               |                          |                                    |
|                               | Value of work < \$25,000 | 1.25% of project                   |
|                               | Value \$25-\$50,000      | 1.00% of project                   |
|                               | Value \$50,000-\$250,000 | 0.75% of project                   |
|                               | Value over \$250,000     | 0.50% of project                   |
| Residential Sewer Connection  |                          | \$1,166/unit                       |
| School Fees                   |                          | \$2.97/SF for projects over 500 SF |
| Capital Impact Fees           |                          |                                    |
|                               | Residential additions    | \$0.65/SF                          |
|                               | New unit 600 SF or less  | \$375/unit                         |
|                               | 601-1000 SF              | \$840/ unit                        |
|                               | 1001 SF or over          | \$1,365/ unit                      |
| Park Dedication Fee           |                          | Required for subdivisions only     |
| Public Art Fee                |                          | 1.75% of project value             |
| Second Unit Fee               |                          | \$1,077                            |
| Plan Checking Fee             |                          | \$95/hr , at cost                  |
| Grading Permit                |                          | \$0-\$2,100                        |

*Source: Albany Community Development Department*

*(\*) Items are charged at cost, based on actual staff hours at standard rates plus consultant costs or contract city staff and outside legal services.*

## NON-GOVERNMENTAL CONSTRAINTS

Non-governmental constraints include the availability and condition of infrastructure, environmental factors, the cost of land and construction, the availability of financing, and public opinion. These are discussed below.

### Infrastructure

In some communities, the availability of water, sewer, storm drainage, and other utility services may be a constraint to housing production. This is less applicable in Albany, as the City is compact and built out, with housing sites that are already fully served by infrastructure. There may still be infrastructure needs associated with changing the use of a site from commercial to residential, as well as issues associated with the age and condition of the water and sewer network.

Albany receives its water and sewer services from East Bay Municipal Utility District. The City represents approximately 1.4 percent of the EBMUD Service Area population. EBMUD has prepared an Urban Water Management Plan which includes capital improvement plans to serve its 1.3 million customers located in Alameda and Contra Costa Counties for the next three decades. The District is also implementing plans to supplement its water supply to meet long-term growth forecasts, and is carrying out seismic upgrade projects throughout the distribution system to replace aging lines and storage tanks. The utility has accounted for Albany's projected growth in its forecasts and capital improvement programs and has the capacity to meet expected needs.

Like all cities in the EBMUD service area, Albany faces the ongoing challenge of conserving water in response to drought, changing climate conditions, increasing population in California, and the high costs and environmental impacts of creating new water sources. The City works with EBMUD on an on-going basis to promote public education on conservation, bay friendly landscaping practices, and other measures to reduce water consumption.

EBMUD provides wastewater treatment services to Albany and operates regional wastewater collection interceptor lines through the City. The Albany Public Works Department maintains the local sewer system, which includes approximately 35 miles of sewer mains and 14 miles of lower laterals. The City has been systematically rehabilitating its wastewater collection system since the late 1980s. Over the last 25 years, approximately one third of the total length of mainline and a proportionate length of lower laterals have been rehabilitated or replaced. Sewer mains that have not yet been replaced or rehabilitated are predominantly six inch vitrified clay pipe (VCP) with cement mortar joints. As of 2012, the average age of the collection system was about 60 years.

The City requires that non-compliant sewer laterals (e.g., clay pipes) on private property be repaired or replaced when a property is sold or when a building permit which exceeds five percent of the building value is issued. Licensed plumbing contractors typically perform an inspection of the lateral to determine the need for replacement. These types of measures are essential to reducing wet weather sanitary sewer overflows to streets and local creeks, in order to achieve regional clean water goals.

In conclusion, the availability of water and sewer services is not considered a constraint to housing production. The City will continue to work with EBMUD and local property owners to ensure that capacity remains adequate, and that capital investment projects are directed to those areas where system improvements are needed most. The City is currently embarking on a Sewer Systems Master Plan to guide continued improvement to its sanitary sewer lines. Pursuant to Government Code 65589.7, EBMUD has established policies and procedures which ensure that affordable housing is given priority in the delivery of water and sewer services. The City will submit its Housing Element to EBMUD following its adoption so that EBMUD is apprised of its housing opportunity site locations and housing policies.

### **Environmental Constraints**

Potential environmental constraints to development include attributes such as steep slopes, landslide hazards, flooding, seismic hazards, and the presence of hazardous materials. While such constraints can usually be mitigated through design, they can add to the cost of construction and make housing less affordable.

A number of residentially zoned properties on Albany Hill have steep slopes and landslide hazards, potentially making them more costly to develop. These sites have not been included as prospective higher density housing sites in this Element for this reason. Current zoning standards favor the clustering of buildings on such sites through planned unit developments, enabling higher densities and a more affordable housing product while preserving the most sensitive areas as open space.

Flooding constraints in the City are associated with the five creeks that flow within and along Albany's borders from the Berkeley Hills to San Francisco Bay: Cerrito, Codornices, Marin, Middle, and Village. Three of these creeks are predominantly underground and run through private property. Flooding problems are most commonly associated with the area along the railroad tracks, where culverts may constrain water flow. The housing opportunity sites are not located in flood prone areas.

Seismic constraints, particularly the potential for ground shaking in major earthquakes, are present throughout the City. As noted earlier in this chapter, the City administers

and enforces building codes which are intended to mitigate seismic hazards. These codes are required throughout the Bay Area to protect life and property.

Hazardous materials issues may be associated with prior uses on designated housing opportunity sites. For instance, the recently built multi-family (mixed use) development at the corner of Portland and San Pablo Avenues took place on a former gas station site. Remediation of soil contamination associated with underground fuel tanks took place prior to the site's development. As part of the Housing Element site inventory, the California Department of Toxic Substances Control Envirostor data base was reviewed to determine the presence of hazardous materials on the listed sites. The following information is relevant:

- The Goodyear Tire site (431 San Pablo) was considered a Leaking Underground Storage Tank (LUST) site until 1996. At that time, the cleanup status was deemed complete and the case was closed.
- The Plaza Car Wash / Norge Cleaners site (398-400 San Pablo) is listed as a Leaking Underground Storage Tank (LUST) site. Underground tanks were removed in 1990, and the site has had monitoring wells to track groundwater contaminants since that time. Additional remediation could be required prior to development.

None of the other housing sites appear in the Envirostor database.

### **Land and Construction Costs**

As a dense and already developed city, land costs in Albany are high. A search of local real estate websites indicated there were no *vacant* (e.g., raw land) residential or commercial properties listed for sale within the city. Properties listed for sale are already improved, with structures that would either need to be rehabilitated, or demolished and replaced for residential development. For example, a 2,200 square foot retail building at 625 San Pablo, situated on a 5,000 square foot lot, was recently offered for \$689,000. A 1,957 square foot recently renovated retail building and one-bedroom rental unit, situated on a 10,000 square foot lot at 953 San Pablo, is listed at \$725,000.

The absence of raw, developable land for sale represents a constraint to affordable housing development in Albany, just as it does in the neighboring cities of Berkeley and El Cerrito. For multi-family developers, a variety of subsidies, tax credits, and development incentives may be needed to offset the high cost of buying a developed site, demolishing and removing existing uses, and building a new structure.

Construction costs in Albany also are high, as they are throughout the Central Bay Area. According to the Building Standards Building Valuation Data, the total cost of constructing a wood frame single-family residence in the Bay Area rose from \$85.00 per square foot in 2000 to \$107.18 per square foot in 2009. This represents an increase of 26

percent during this time period. For multi-family housing construction, Building Standards Building Valuation Data indicates that the cost of construction for a typical three-story frame and stucco apartment house rose from \$80.00 per square foot in 2000 to \$95.12 per square foot in 2009. This represents a 19 percent increase in construction costs over this time period.

Comparable figures in Albany are even higher, since most work is custom-built on individual infill parcels rather than mass produced in large subdivisions or projects with hundreds of units. For residential remodels and additions, costs in excess of \$250 a square foot are common. The high cost of land and construction provides a compelling argument for an affordable housing strategy which includes secondary units, particularly where such units can be created within the footprint of existing homes. Although renovation may still be required to create a second unit, the cost is likely to be less than building an entirely new structure.

### **Financing Costs and Availability of Funds**

Housing affordability is affected by interest rates, mortgage lending practices, and the availability of credit. As of mid-2013, mortgage interest rates for a 30 year fixed loan were as low as 4.25 percent. This compares to an average rate of over 8 percent in 2000, and rates as high as 17 percent in 1982. The decline in interest rates have somewhat offset the inflation of housing and construction costs. Low mortgage rates have created opportunities for first-time buyers and homeowners of all incomes seeking to re-finance existing mortgages.

The drop in interest rates has been counterbalanced by more restrictive lending terms following the drop in housing prices and increase in foreclosures in 2008 and 2009. Financing may be more difficult to secure now than it was six years ago, particularly for low and moderate income buyers. Credit history is now more rigorously investigated. Higher down payments may now be required for mortgages and higher incomes may be required to qualify for loans. Requirements for a 15 or 20 percent downpayment could be equivalent to an entire year's salary for a moderate income household. Programs to assist first-time buyers (such as the federal Mortgage Credit Certificate program and downpayment assistance programs) can be a helpful way to make housing more affordable in such instances.

The limited availability of funds for affordable housing is also a constraint. In particular, the abolition of redevelopment agencies in 2011 removed a potential funding source for affordable housing in Albany, as it did in cities throughout the Bay Area. Affordable housing developers have had to turn to other sources for gap financing, and some of these sources also have been reduced or jeopardized. For instance, HOME Investment Partnership and CDBG funds have declined in recent years

**Public Opinion**

Another non-governmental constraint is community opposition to higher-density or affordable housing. Such objections may be based on legitimate concerns about traffic, parking, school overcrowding, police and fire response times, and similar issues. However, these concerns also may be based on misinformation and misconceptions about affordable housing. Some residents associate affordable housing with buildings that are cheaply constructed, poorly managed, and out of scale with the community. Acceptance can be improved by increasing public awareness of the many excellent examples of affordable housing that have been built in the East Bay in recent years, and profiling the tenants of those buildings. In many cases, the tenants are seniors and young professionals not unlike those who live and work in Albany today.

## Chapter 6 – Housing Goals, Policies, and Programs

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Section 65583(b)(1) of the California Government Code requires the Housing Element to contain “a statement of goals, quantified objectives, and policies relative to the maintenance, preservation, and development of housing.” This chapter fulfills that requirement. Its policies and action programs are based on state law and the findings of the previous four chapters.

Five goals are presented, corresponding to the following topics:

- Housing Conservation
- Housing Production
- Special Needs Housing
- Elimination of Housing Constraints
- Fair Housing

Four of these goals are carried forward from the City’s previous Housing Element. The fifth (Elimination of Constraints) has been added to recognize state requirements and to demonstrate the City’s commitment to removing obstacles to housing production in Albany.

As required by law, quantified objectives have been developed for housing production, rehabilitation, and conservation. These are presented at the end of this chapter. The quantified objectives provide metrics for evaluating the effectiveness of the Element and also provide guidance for allocating resources.

Three types of statements are included in this chapter. The **goals** (paraphrased in the bulleted list above) express broad, long-term statements for desired outcomes. Each goal is followed by multiple policies. The policies are intended to guide day to day decisions by the City Council, the Planning and Zoning Commission, Staff, and other City representatives. They are general statements that describe the City’s position on specific housing issues related to each goal.

The programs are the most detailed statements in the Housing Element. They are the specific actions the City will take after the Element is adopted. Each program is accompanied by descriptive text providing the context for the program and additional detail on how it will be carried out. Responsible parties, timelines, and funding sources are listed for each program. Some of the programs are on-going, and others will require an allocation of staff time or funding during the planning period.

## GOAL 1: HOUSING CONSERVATION

**Preserve, maintain, and improve Albany's existing housing stock.**

### *POLICIES*

- Policy 1.1: Housing Re-Investment.** Support continued maintenance and improvement of Albany's existing housing stock. City zoning regulations, permitting practices, and code enforcement procedures should support reinvestment in the housing stock.
- Policy 1.2: Housing Rehabilitation.** Continue to participate in housing rehabilitation programs and pursue funding to rehabilitate older housing units. Albany's supply of low and moderate income market-rate housing units should be conserved to the greatest extent feasible.
- Policy 1.3: Protecting the Rental Housing Stock.** Continue to conserve affordable rental housing by limiting the conversion of existing multi-family rental units to condominiums.
- Policy 1.4 UC Village.** Recognize the newly reconstructed University of California Village as an important housing resource for graduate students and their families. Work with the University of California to sustain a supply of student housing in this location.
- Policy 1.5 Bulk Limits.** Maintain floor area ratio limits, height limits, and other zoning provisions which discourage "teardowns" of smaller single family homes and their replacement with larger, less affordable single family homes. Albany's supply of smaller single family bungalows and cottages should be recognized as an important housing resource.
- Policy 1.6 Restoration of Damaged Structures.** Continue zoning provisions which allow the restoration of multi-unit structures in single family zones where they would not otherwise be permitted under current zoning regulations, in the event such structures are damaged by fire, earthquake, or other natural disaster.
- Policy 1.7 Reducing Home Energy Costs.** Encourage the weatherization of existing homes, the use of energy-efficient appliances, and the development of renewable energy systems to reduce energy costs and thereby provide more disposable income for housing.



## IMPLEMENTATION PROGRAMS

**Program 1.A: Code Enforcement.** Maintain building and housing code enforcement programs.

Description:

*Enforcement of planning and building codes is important to protect Albany's housing stock and ensure the health and safety of those who live in the city. Typical code enforcement actions relate to life safety and public health violations, unpermitted construction, and deteriorated buildings. Code enforcement is performed on a complaint basis, with staff responding to public inquiries as needed.*

Responsible Parties: Community Development Director  
 Timing: Ongoing  
 Funding: General Fund (staff time)

**Program 1.B: Housing Rehabilitation Programs.** Continue to work with the Alameda County Housing and Community Development Department in the implementation of neighborhood preservation and sustainability programs, including housing rehabilitation grants and low interest loans, the minor home repair program, accessibility grants, and the major rehabilitation loan program.

Description:

*Albany is one of several communities in Alameda County that participates in the County's Housing Rehabilitation and Minor Home Repair Program. The program provides minor home repair grants for emergency repairs of plumbing, carpentry, electrical, grab bars, railings, toilets, water heaters, furnaces, and doors, along with grants to retrofit homes to meet the needs of persons with mobility impairments (ramps, counter height modifications, etc.). In 2012-13, Albany received \$22,163 from the County to be disbursed for this purpose. The County program also offers low interest loans of up to \$60,000 for major repairs, with repayment deferred until the property is sold or refinanced.*

Responsible Parties: Community Development Director/ Human Services Manager  
 Timing: Annual  
 Funding: Alameda County HCD

**Program 1.C: Affordable Housing Monitoring.** Monitor housing units with affordability restrictions to ensure that prices are maintained at affordable levels and that occupants meet approved affordability criteria.

Description:

*Since the adoption of Inclusionary Zoning in 2005, the City of Albany has created four owner-occupied inclusionary units. Sale of these units is limited to low and very low income buyers, and sales prices are capped to meet affordability criteria for these groups. However, the City does not currently have a formal program to track ownership and occupancy. This program would establish a monitoring system to ensure that these units are offered at appropriate prices and to qualifying buyers in the event they are listed for sale in the future. The program would also establish monitoring provisions in the event future inclusionary units are created.*

Responsible Parties: City Planner  
 Timing: Fall 2014  
 Funding: General Fund

**Program 1.D: Energy Assistance for Lower Income Households.** Use the Albany website and other means to encourage the participation of local residents in programs aimed at reducing home energy bills.

Description:

*A number of programs are available for residents to reduce their home energy costs. These include online tools, home energy audits, rebates for energy efficiency retrofits and the use of energy efficient appliances, and the federal Low Income Home Energy Assistance Program (LIHEAP), which offers financial assistance to low income households for energy bills. The California Alternate Rates for Energy (CARE) and Family Electric Rate Assistance (FERA) programs also provide rate discounts for lower income households. In addition, PG&E sponsors the Relief for Energy Assistance through Community Help (REACH) program, which provides one-time payments for households needing assistance with their gas and electric bills. Other financial assistance programs are available for persons with high medically-related electric bills.*

Responsible Parties: Environmental Planner  
 Timing: Ongoing  
 Funding: Federal (LIHEAP), State (CARE, FERA), County and regional energy partnerships

**Program 1.E: Weatherization Program.** Continue the partnership with the cities of Berkeley and Emeryville to provide weatherization assistance to low income Albany households.

Description:

*The cities of Albany, Berkeley, and Emeryville have partnered to carry out a federally funded weatherization program benefiting low income households. The Berkeley Energy Office administers the program. It provides free attic insulation, weatherstripping, water-efficient showerheads, heater duct insulation, high efficiency lighting, window repairs and replacement, furnace repairs, water heater blankets, ceiling fans, energy efficient appliances, and other improvements which reduce home energy costs. Participants must meet specific income criteria to ensure that the program benefits low income households.*

|                      |  |
|----------------------|--|
| Responsible Parties: | Environmental Planner  |
| Timing:              | Ongoing  |
| Funding:             | Weatherization Assistance Program and<br>County and Regional Energy Partnerships |

**GOAL 2: HOUSING PRODUCTION**

**Provide a variety of housing types, densities, designs, and prices which will meet the needs of all economic segments of the community while maintaining and enhancing the character of existing development.**

***POLICIES***

- Policy 2.1: Housing Diversity.** Encourage a mix of unit types, including attached and detached single family homes, second units, large and small multi-family developments, live-work units, and mixed use development, to respond to the diverse needs of Albany's households, and to provide housing for residents of all incomes and ages.
- Policy 2.2: Housing Tenure.** Strive to maintain Albany's roughly equal balance of rental and ownership housing in the construction of new units. When considering future development, the City should aim for a housing mix that includes new rental apartments, as well as new owner-occupied units such as condominiums, cooperatives, and single family homes.
- Policy 2.3: Housing Affordability.** Continue to encourage the construction of housing affordable to very low, low, and moderate income households, in addition to market rate housing. Projects which combine market rate housing and affordable housing, using mechanisms such as the City's inclusionary ordinance, are encouraged.
- Policy 2.4: Home Ownership.** Support local home ownership opportunities for Albany renters.
- Policy 2.5: Second Units.** Encourage development of secondary dwelling units, taking into consideration the need to provide parking and protect existing neighborhood character.
- Policy 2.6: Manufactured Housing.** Continue to allow manufactured and mobile homes on lots zoned for single family homes, subject to design review standards prescribed by zoning.
- Policy 2.7: Mixed Use.** Encourage development of rental housing above commercial development along Solano and San Pablo Avenues.

- Policy 2.8: Context-Sensitive Design.** Design new affordable housing to blend with the existing community context. Affordable units should be developed to the same architectural and urban design standards as market rate units and should be indistinguishable from market rate units in terms of their design and construction quality.
- Policy 2.9: Live-Work.** Encourage opportunities for live-work development, particularly on former industrial and commercial sites where traditional housing may be infeasible.
- Policy 2.10: Planned Unit Development.** Continue to allow Planned Unit Developments as a way to adjust zoning standards in exchange for public amenities.
- Policy 2.11: Cooperatives and Co-Housing.** Encourage limited equity cooperatives, co-housing, and other innovative housing proposals which are affordable to low and moderate income households.

## **IMPLEMENTATION PROGRAMS**

- Program 2.A: Minimum Densities.** Consider amending the Zoning Ordinance to establish a minimum density requirement of 20 units per acre for any mixed use development along the San Pablo and Solano corridors.

*Description:*

*This change will ensure that the City's key housing opportunity sites are developed with multi-family (mixed use) units and will make it more likely that such units are affordable than if the sites were developed with single family homes.*

Responsible Parties: City Planner  
Timing: Fall 2014  
Funding: General Fund (staff time)

**Program 2.B: Incentives.** Provide incentives such as technical assistance with public improvements and priority in permit processing to encourage the development of very low, low, and moderate income housing.

Description:

*This program would evaluate potential incentives such as reduced fees, expedited processing, and technical assistance.*

Responsible Parties: Community Development Director  
 Timing: Spring 2014  
 Funding: General Fund, Permit Fees (staff time)

**Program 2.C: Inclusionary Zoning.** Continue implementation of an inclusionary housing program which requires 15% of proposed units in projects with seven units or more to be made affordable to low income households, and which requires payment of an in-lieu fee for 5-6 unit projects. Explore revisions to the program to ensure that it is achieving desired outcomes, is compliant with inclusionary zoning case law and statutes, and is responsive to changes in the housing market.

Description:

*Albany adopted an Inclusionary Zoning ordinance in 2005. The intent of the Ordinance is to ensure that affordable units are included in larger market-rate development projects. As noted in the Constraints Analysis, the exemption of projects with four units or less may be having an unintended consequence, which is that a number of 4-unit developments have been proposed (or built) on sites which could have potentially supported a larger number. The City will explore the viability of requiring an in-lieu affordable housing fee for three and four unit buildings as a remedy. While Palmer/Sixth Street Properties vs. City of Los Angeles precludes the application of the ordinance to rental housing, legislation has recently been proposed to modify the decision. Depending on the success of this legislation, the City will consider conducting a nexus study to determine the feasibility of an impact fee to mitigate the impact of market-rate rental housing on the need for affordable housing. Other revisions to the ordinance also should be explored to ensure that it is achieving its desired outcome (see the Constraints Chapter of the Housing Element for additional detail).*

Responsible Parties: Community Development Director  
 Timing: Fall 2014  
 Funding: General Fund (staff/consulting time)

**Program 2.D: Density Bonuses.** Maintain a density bonus ordinance consistent with state requirements. Encourage applicants to apply for density bonuses as a tool to produce affordable housing and to promote new housing which is subject to parking standards defined by state law rather than the requirements set by Albany Measure D.

Description:

*Projects that provide affordable housing are eligible to use parking standards established by the State of California under Sec 65915(p). The Government Code parking standards establish a sliding scale for projects incorporating affordable units based on the number bedrooms per unit, and require fewer spaces per unit for one-bedroom and studio apartments than would otherwise be required under voter-approved Measure D.*

*See also Program 4.F and 4.G under Constraints.*

Responsible Parties: City Planner  
 Timing: Fall 2014  
 Funding: General Fund (staff time)

**Program 2.E: Public Information Campaign.** Develop a Housing Opportunities Public Information Campaign to disseminate information to Albany residents and business and commercial property owners about housing programs. Typical campaign actions would include publication and distribution of flyers, and information on the City's website and Albany Newsletter, among other ideas.

Description:

*The following types of housing needs and programs should be incorporated into the Public Information Campaign, in addition to others identified as appropriate by the Community Development Director: (1) Encourage development of rental units in the commercial district through communication with commercial property owners; (2) Provide information about development of new second units; (3) Increase public awareness about County HCD Housing Preservation Programs and PG&E weatherization programs; (4) provide information on resources for persons who are homeless or at risk of becoming homeless.*

*A special focus should be included on web-based information for those interested in adding a second unit. The Planning Division's website currently includes links for residents interested in starting a home business, understanding design review requirements, paying permitting fees, completing a planning application, and similar activities. It does not have a*

*dedicated link with information on how to develop a second unit, or the standards and requirements for second units. As funding allows, a page on the City's website should be developed for this purpose. Such a page could also include information on "model" second units in the city, and provide guidance on siting and design.*

Responsible Parties: Community Development Director  
 Timing: Ongoing  
 Funding: General Fund (staff time)

**Program 2.F: Mortgage Credit Certificate Program.** Continue to participate in the Alameda County HCD Mortgage Credit Certificate Program, which provides home ownership opportunities for moderate income first time home buyers.

Description:

*The Mortgage Credit Certificate (MCC) is a federal program to assist first-time buyers in purchasing a home. The program allows homeowners to take a tax credit of 15% of their annual mortgage interest. Homeowners adjust their federal withholding to reflect the value of the MCC, resulting in thousands of dollars in tax savings each year. This substantially increases the affordability of the home, and makes purchases possible for persons who might not otherwise qualify. A limited number of MCCs are available to low and moderate income Albany residents through a County program. Home purchase prices must be no more than \$592,765 for new units and \$569,632 for resale units.*

Responsible Parties: Community Development Director  
 Timing: Annual  
 Funding: Alameda County MCC program (federal)



**Program 2.G: Technical Assistance.** Work with local non-profit developers to identify potential housing sites, and to pursue available funding, including CDBG and HOME funds, for the construction of affordable housing.

Description:

*A number of non-profit developers are active in the East Bay area. Over the past few decades, they have collectively built thousands of units of affordable housing in the region, providing an essential resource for the region's lower income households. Albany is committed to working with such developers to encourage the construction of affordable housing within the city. The City will provide technical assistance in the completion and/or co-sponsoring of applications for funds, and will work with non-profit developers to address issues of concern and to explore incentives to reduce project costs. The City will provide outreach to non-profit housing advocates or developers at least once a year to discuss needs and opportunities for affordable housing in Albany and to identify potential funding opportunities.*

Responsible Parties: Community Development Director  
 Timing: Annual  
 Funding: General Fund (staff time)

**Program 2.H: Land Assembly and Lot Consolidation.** Work with interested property owners to encourage the assembly of underutilized parcels and their consolidation into single parcels in order to create larger, more marketable potential housing sites, especially along the San Pablo Avenue corridor.

Description:

*Several of the City's housing sites consist of relatively small adjoining parcels. The City will work with interested property owners to encourage the aggregation of these parcels into larger sites that may be more viable for mixed use development (with housing above ground floor commercial use). The focus will be on the properties identified as "Housing Opportunity Sites" in this Element, and on other sites where property owners inquire about the feasibility of future development.*

Responsible Parties: Community Development Director  
 Timing: Ongoing  
 Funding: General Fund (staff time), private

**Program 2.I: Second Unit Amnesty Program.** Consider an amnesty program or other initiative to formally register second units which may have been illegally constructed in the past or which are otherwise exempt from zoning requirements, and to ensure that such units meet health and safety standards.

Description:

*There are approximately 120 known second units in Albany. Based on anecdotal evidence, it is believed that the actual number of second units is considerably higher. Many units are rented without City approval, and some may be exempt from zoning requirements since they pre-date second unit regulations. The City wishes to retain these units, as they are an important part of the local housing supply. At the same time, inventorying the units and ensuring they comply with local health and safety codes is important. Options for legalizing "unofficial" and unregistered second units will be explored, and their role in meeting Albany's housing needs should be emphasized.*

Responsible Parties: Community Development Director  
 Timing: Summer 2014  
 Funding: General Fund, Permit Fees (staff time)

**Program 2.J: Second Unit Rents.** Conduct a survey of second unit rents to determine the extent to which they may be counted as affordable to lower and moderate income households for the purposes of the Regional Housing Needs Allocation.

Description:

*Second units in Albany typically serve very low, low, and moderate income residents. This action would include a survey of second units to identify the likely number of units offered at rents affordable to very low, low, and moderate income households. This will assist the City in determining the extent to which second units help meet the Regional Housing Needs Allocation. Moving forward, the City should consider ways to track second unit rents on an ongoing basis, including the recording of such data with business license renewals.*

Responsible Parties: Community Development Director  
 Timing: Annual  
 Funding: General Fund (staff time)

### **GOAL 3: SPECIAL HOUSING NEEDS**

**Expand housing opportunities and related supportive services for the elderly, the disabled, the homeless, and other persons with special housing needs.**

#### ***POLICIES***

- Policy 3.1: Senior Housing.** Encourage the production of housing for Albany seniors. This should include both for-profit, market-rate housing with amenities for seniors, and affordable below market rate housing specifically designed to meet the needs of seniors.
- Policy 3.2: Aging in Place.** Facilitate retrofits to Albany homes which enable residents to “age in place.” This could include providing assistance to residents who wish to add grab bars, wheelchair ramps, and other devices which respond to decreased mobility among senior residents.
- Policy 3.3: Group Housing and Residential Care.** Provide opportunities for group homes and residential care facilities, consistent with State law.
- Policy 3.4: Universal Design.** Encourage the concept of universal design in new housing, so that all housing units are responsive to the needs of persons with different mobility needs and physical limitations.
- Policy 3.5: Persons with Disabilities.** Strive to meet the housing needs of Albany residents with physical and developmental disabilities, including the provision of housing and supportive services serving disabled residents.
- Policy 3.6: Extremely Low Income Households.** Facilitate a variety of programs, partnerships, and activities which meet the housing needs of Albany households earning 30 percent or less of area-wide median income. The City will pursue funding opportunities for affordable housing, with a priority on meeting the needs of extremely low income households.
- Policy 3.7: Homelessness.** Undertake programs to assist Albany residents who are homeless or are at risk of becoming homeless with securing emergency shelter and finding appropriate permanent housing with supportive services.

**IMPLEMENTATION PROGRAMS**

**Program 3.A: Units for Persons with Disabilities.** Encourage the inclusion of units for persons with disabilities within new development, and require the inclusion of such units when necessary to meet state and federal requirements.

*Description:*

*Disability data from the 2010 Census is not available for Albany. However, as of the 2000 Census, 13.3 percent of the city's residents over age 5 had a disability and 6.2 percent of the city's adults had a mobility impairment which affected their ability to travel outside the home. According to the Census, approximately 800 residents had a physical disability and 381 had a sensory disability. The City will continue to work to meet the needs of residents with disabilities, both by permitting and facilitating home retrofits and by encouraging the inclusion of units for disabled residents in new development. In addition, the City will continue to support the programs associated with the California State Orientation Center for the Blind, which is located in Albany.*

Responsible Parties: City Planner/Community Development Director  
 Timing: Ongoing  
 Funding: General Fund (staff time)

**Program 3.B: Developmental Disabilities.** Support the construction and rehabilitation of housing to meet the needs of Albany residents with developmental disabilities, including group homes and units within affordable housing developments designed for developmentally disabled residents, consistent with fair housing law.

*Description:*

*Developmentally disabled residents include children with mental or physical impairments and adults who were born with a disability or developed a disability before age 18. Many developmentally disabled persons can live and work independently, but some require a group living environment with supervision, or living units with special features.*

*The City of Albany will continue to support the development of group homes which serve developmentally disabled adults, and will work with service providers to encourage the inclusion of units for persons with developmental disabilities in future housing developments, including CDBG Urban County Consortium funding of the development of specialized housing to serve*

*disabled residents, consistent with fair housing law. It will also coordinate with the Regional Center of the East Bay to inform Albany residents of the resources available to them and to explore incentives so that a larger number of future housing units include features that meet the needs of persons with developmental disabilities.*

Responsible Parties: City Planner/Community Development  
Director/Human Services Manager  
Timing: Ongoing  
Funding: General Fund (staff time)

**Program 3.C: Shared Housing.** Continue to allow the renting of rooms in private homes to provide affordable housing opportunities for students, seniors, and other extremely low income households.

Description:

*The City currently permits the renting of up to four rooms in a single family home. Shared housing is one of the most affordable types of housing in Albany and is an important resource for students, seniors, and extremely low income households. It can also provide a source of income for lower income homeowners, including seniors on fixed incomes. The City will continue to allow and encourage shared housing in the future.*

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

**Program 3.D: Section 8 Program.** Continue to participate in the Section 8 voucher program, which provides assistance to very low income tenants through rent subsidies paid directly to landlords. Provide outreach and informational materials to residents eligible to participate in the program and encourage the Alameda County Housing Authority to expand the availability of vouchers for Albany residents.

Description:

*HUD Section 8, also called the Housing Choice Voucher Program, is the largest affordable housing program in the country. It provides tenant based rental assistance based on the family's household income. Seventy-five percent of the new vouchers issued must be made available to families earning less than 30 percent of the areawide median income. The tenant pays roughly 30 to 40 percent of their monthly adjusted gross income toward rent, and the balance is covered by the voucher.*

*Section 8 recipients must locate rental units in the private market with landlords willing to accept the voucher. The City of Albany will encourage the participation of local residents and landlords in the Section 8 program and work with the Housing Authority for the benefit of Albany residents. According to the May 2009 contract report from the Alameda County Housing Authority, there were 43 Albany households using tenant based Section 8 vouchers.*

Responsible Parties: Community Development Director/Human Services Manager  
 Timing: Ongoing  
 Funding: HUD Section 8 (federal)

**Program 3.E: Transitional and Supportive Housing.** Amend the Albany zoning regulations to explicitly state that transitional and supportive housing are permitted as a residential use, and are only subject to those requirements that apply to other residential uses of the same type in the same zone.

Description:

*Senate Bill 2 requires that transitional and supportive housing be considered a residential use of property and be treated like other residences of the same type in the same zone. The Albany zoning regulations will be amended to ensure that multi-family transitional and supportive housing is treated the same as other multi-family housing, and that single family supportive housing is treated the same as other single family homes.*

Responsible Parties: City Planner  
 Timing: Fall 2013  
 Funding: General Fund (staff time)

**Program 3.F: CDBG Funds.** Continue to prioritize programs which benefit extremely low income households in the disbursement of funds through the annual CDBG program.

Description:

*The City of Albany is a member of the “Urban County” Consortium of five small cities and unincorporated areas of Alameda County, which participates as a group in the Community Development Block Grant (CDBG) program. Staff with the Alameda County Housing and Community Development administers the program for the consortium.*

*The consortium provides funding for affordable housing development projects and social service programs in Alameda County. In addition, the City receives an annual disbursement of CDBG funds to serve senior citizens, residents with disabilities, and residents in census tracts that meet Federal income guidelines. Eighty-five percent (85%) of the consortium funds must be spent on capital improvements and the City is provided with a limited amount of discretion in how they are spent. For instance, in 2012-2013, funds were spent on meals on wheels for house-bound seniors, congregate meals for seniors, a homeless management information service, a 2-1-1 (telephone) program for residents seeking access to social services, and curb ramps serving persons with disabilities.*

*Most of these programs benefit very low and extremely low income residents. The City will continue to prioritize its CDBG disbursement to benefit extremely low income Albany residents.*

*See also Program 4.E on amending the zoning regulations to allow Single Room Occupancy units, and Program 2.G on outreach to affordable housing developers.*

|                      |   |
|----------------------|---|
| Responsible Parties: | Community Development Director/Human Services Manager |
| Timing:              | Annual  |
| Funding:             | Alameda County HCD (federal CDBG disbursement)        |

**Program 3.G: SB 2 Compliance.** Revise the Zoning Ordinance so that emergency shelter is permitted by right (e.g., without a Conditional Use Permit) in the Commercial Mixed Use (CMX) zoning district. Emergency shelter would also continue to be permitted with a use permit in the San Pablo Commercial (SPC) zone.

Description:

*Emergency shelters will be subject to the same development and management standards as other permitted uses in the CMX zone. In addition, the City will develop standards for emergency shelters as part of the zoning amendment, addressing such attributes as the maximum number of beds per shelter, the proximity of shelters to one another, length of stay, location of waiting and intake areas, security, and provisions for on-site management.*

Responsible Parties: City Planner  
 Timing: Fall 2013  
 Funding: General Fund (staff time)

**Program 3.H: Everyone Home Program.** Continue to work with Alameda County to address the housing and supportive service needs of Albany's homeless population.

Description:

*Albany has joined the other 13 cities in Alameda County and the County itself in the implementation of a countywide plan to alleviate homelessness. The Countywide Plan responds to a federal mandate and recognizes the regional nature of homelessness. Everyone Home is a funding program which provides support to non-profit organizations that address chronic homelessness in Alameda County and that provide more secure and permanent housing for low income people with mental illness, HIV/AIDS, and other disabilities, or with a high risk of homelessness. It includes a 10-year action plan and a 15-year implementation plan. Endorsement of the Plan by the City of Albany established general agreement with its strategies and ensures that the City's programs to assist homeless residents are consistent with those of nearby cities.*

Responsible Parties: Community Development Director/Human Services Manager  
 Timing: Ongoing  
 Funding: General Fund (staff time)



**Program 3.I: Homeless Outreach and Engagement Program.** Continue outreach and engagement efforts to assist homeless Albany residents in securing safe affordable shelter and associated supportive services. Explore alternatives to continue outreach and engagement in future years so that homeless residents continue to be directed toward permanent shelter and supportive services.

Description:

*This program was initiated in July 2013 in anticipation of enforcement of the City's No Camping Ordinance on the Albany Bulb. Its intent is to assist homeless residents through a continuum of care, including community meals and programs, emergency shelter, transitional housing, permanent supportive housing, and case management. In September 2013, the program was extended through December 2013. It is funded through a combination of CDBG and General Fund revenues. Services are being provided collaboratively with Solano Community Church. Depending on the availability of funds, consideration should be given to extending this program beyond the end of 2013 and exploring the feasibility of providing additional supportive services in the future.*

|                      |                                      |
|----------------------|--------------------------------------|
| Responsible Parties: | Human Services Manager, City Council |
| Timing:              | Immediate, through December 2013     |
| Funding:             | CDBG, General Fund                   |

## **GOAL 4: REDUCING HOUSING CONSTRAINTS**

**Reduce constraints that add to the cost of producing and conserving housing in Albany.**

### ***POLICIES***

- Policy 4.1: Zoning.** Ensure that Albany's zoning regulations and permitting requirements continue to accommodate a diverse mix of housing types.
- Policy 4.2: Residential Development on Commercially Zoned Sites.** Maintain floor area ratio bonuses and other regulatory standards which incentivize the development of residential uses above commercial uses on San Pablo and Solano Avenues.
- Policy 4.3: Parking.** Work toward parking regulations that respond to the characteristics of different housing types and unit sizes, and the varying parking conditions that exist on Albany's streets. Parking regulations should balance the need for convenient off-street parking with other City goals, including housing affordability, sustainability, and a transportation system that accommodates all modes of travel.
- Policy 4.4: Fees.** Ensure that Albany's fees are appropriately structured to conform with all applicable state and federal laws.
- Policy 4.5: Infrastructure and Services.** Continue to maintain City-owned infrastructure consistent with the General Plan, including the Housing Element. At the same time, work with EBMUD, the Albany Unified School District, and other service providers to ensure that utilities and services not operated by the City remain adequate to serve the City's land use needs.
- Policy 4.6: Communication and Education.** Continue to promote broader public understanding of planning and building requirements using the City's website, brochures, and other outreach tools.

## IMPLEMENTATION PROGRAMS

**Program 4.A: Use Permit Requirements for Multi-Family in R-4.** Consider eliminating the use permit requirement for multi-family development in the R-4 (Residential Towers) zoning district. Multi-family uses should be allowed by right in this district.

Description:

*Multi-family housing is permitted by right in the R-2 and the R-3 zones but not in R-4. Since R-4 is the densest residential zone in the city and is explicitly intended for multi-family housing, it would be logical to apply the same permitting standard.*

Responsible Parties: City Planner  
 Timing: Fall 2014  
 Funding: General Fund (staff time)

**Program 4.B: Second Units.** Consider an amendment to the City's second unit regulations so that: (a) detached second units are no longer subject to a 12-foot height limit, (b) parking requirements are clarified; and (c) second units are permitted by right in the R-2 and R-3 zones, provided they meet the same standards prescribed for by right units in the R-1 zone.

Description:

*As noted in the "Constraints" chapter of the Housing Element, detached second units are treated by zoning as accessory structures and are subject to a height limit of 12 feet. The City will consider modifying its zoning regulations so that second units are no longer subject to a 12 foot height limit. In addition, the City will clarify parking limits for second units.*

*Second units are not listed as a permitted use in R-2 and R-3. Presumably, this is because these zones already permit two-unit buildings. However, the approval process for a two-unit building is more complex than that for a second unit, and the standards are different since the units are usually approximately equal in size. This action would also amend the code to allow second units in R-2 and R-3, making it easier for those who own single family homes in these zones to add a second unit. A use permit would not be required.*

Responsible Parties: City Planner  
 Timing: Fall 2014 (to initiate)  
 Funding: General Fund (staff time)

**Program 4.C: San Pablo-University Village Overlay District.** Maintain a zoning overlay for selected commercial properties in which residential uses must be included as a complement to commercial uses in any future development application.

Description:

*The City has adopted a special zoning overlay for the portion of University Village which fronts San Pablo Avenue. Properties in this overlay are required to be developed with mixed uses, including residential development and residential care uses, as well as commercial space. The overlay ensures that high density housing will be an integral part of any development constructed on this site. The overlay zone is an important tool to implement the approved UC Village Master Plan.*

Responsible Parties: City Planner  
Timing: Ongoing  
Funding: None required

**Program 4.D: Evaluation of Mixed Use Standards.** Consider potential modifications to the development standards for mixed use development (e.g., residential over retail) to determine if there are ways to further incentivize the development of housing on commercially zoned sites.

Description:

*Development standards for commercially zoned land in Albany allow substantially more floor area for projects that include residential uses than those that do not. While the floor area bonus is an important incentive for housing, it might be more effective if it was paired with other modifications to development standards. This action would include an evaluation of potential changes to setback requirements, height limits, and other standards affecting bulk and density.*

Responsible Parties: City Planner  
Timing: Fall 2014  
Funding: General Fund (staff time)

**Program 4.E: Single Room Occupancy (SRO) units.** Amend the zoning code to establish a use category for SROs and allow such uses in the San Pablo Commercial (SPC) zone.

Description:

*SROs are often small in size and can be an important resource for extremely low income households. Although City regulations currently permit emergency shelters on the San Pablo corridor (with a use permit), they do not explicitly reference or permit SROs. This change would allow SROs in the SPC zone.*

Responsible Parties: City Planner  
 Timing: Fall 2014  
 Funding: General Fund (staff time)

**Program 4.F: Parking Studies.** Undertake parking supply and demand studies and best practices research to determine potential alternatives to Albany's existing parking requirements. Based on the outcome of these studies, formulate a proposal for public discussion which would replace existing parking standards with new standards that vary based on unit type, size, and context.

Description:

*The City will seek grant funding to study parking supply and demand in Albany, and to evaluate potential alternatives to the City's existing parking standards and policies. Among the conditions to be studied would be parking utilization rates on Albany streets, and the parking demand characteristics of different land uses and housing unit types in the city.*

Responsible Parties: City Planner/ Transportation Planner  
 Timing: Spring 2014  
 Funding: MTC Grant

**Program 4.G: Measure D Ballot Initiative.** As part of the current effort to update the Albany General Plan, initiate preparation of a ballot measure to revise the two space per unit residential parking requirement required by Measure D (1978). This revision would recommend more proportional ways to calculate parking requirements (e.g., based upon unit size, number of bedrooms, unit type, and the population served, with special exemptions for senior housing, proximity to transit, or available land for parking in the immediate neighborhood).

Description:

*As noted in the Constraints chapter of this Element, Measure D was approved by Albany voters 35 years ago in response to concerns about on-street parking. The voter initiative may no longer reflect the best solution to managing parking on City streets, and may make it more difficult and costly to construct housing.*

*A program to amend Measure D through a subsequent ballot initiative has been in the Albany Housing Element since 1992. The current effort to update the City's General Plan provides an opportunity to move the program forward. While the ballot measure itself would occur during the next (2015-2022) planning period, the process of studying alternatives, impacts and best practices will begin during the current planning period.*

*Amendments to Measure D should ensure that resident concerns about parking impacts are still addressed. However, more nuanced solutions should be developed to account for the different demand characteristics of different housing types as well as parking conditions on local streets.*

Responsible Parties: City Manager, Planning Division, Public Works

Timing: Fall 2014 (to initiate)

Funding: General Fund (staff time)

**Program 4.H: Fee Incentives for Affordable Housing.** Consider reduced fees and expedited processing procedures for affordable housing.

Description:

*The City will continue to explore possible incentives to reduce fees and expedite permit processing for affordable housing, including reduction of the public art fee, planning and building fees, and other local or agency fees. Reductions are evaluated on a case by case basis, depending on the attributes of each project.*

Responsible Parties: Finance Department, Planning Division, City Manager  
Timing: Spring 2014  
Funding: General Fund (staff time)

**Program 4.I: Capital Improvement Plan (CIP) Updates.** Prepare and periodically update a Capital Improvement Plan to define upcoming projects and funding needs.

Description:

*Albany's current CIP covers FY 2013 to 2018. The CIP assists the Council in prioritizing its investment in public works projects, including road repair and maintenance, traffic signals, sewer and drainage improvements, park improvements, creek restoration, and other infrastructure projects. These improvements are essential to enable the City to maintain service levels and expand capacity in areas where growth is anticipated. The City will continue to update the CIP in response to changing conditions, emerging needs, and plans for long-term growth.*

Responsible Parties: Public Works Director  
Timing: Annual  
Funding: General Fund (staff time)

## **GOAL 5: FAIR HOUSING**

**Promote housing opportunities for all persons regardless of age, race, marital status, ancestry, family status (presence of children), disability, national origin, or color.**

### ***POLICIES***

- Policy 5.1: Ending Housing Discrimination.** Support programs which effectively end housing discrimination and provide recourse for residents who feel they are being denied fair housing access or rights.
- Policy 5.2: Landlord-Tenant Dispute Resolution.** Continue to support landlord-tenant dispute resolution and housing counseling services provided by CDBG funded organizations.
- Policy 5.3: Reasonable Accommodation.** Maintain reasonable accommodation provisions in the Albany zoning code, which ensure that persons with disabilities can make the alterations necessary to keep their residences accessible.
- Policy 5.4: Partnerships.** Support and engage in partnerships with surrounding communities, including Berkeley, Richmond, El Cerrito, Alameda County and Contra Costa County to address housing issues that cross jurisdictional boundaries. Where local housing efforts may be infeasible due to Albany's small size and limited resources, consider collaborative efforts with other communities to achieve more effective results.
- Policy 5.5: Non-English Speaking Residents.** Provide multi-lingual outreach on housing programs so that all Albany residents have access to information on housing resources, regardless of language or cultural background.
- Policy 5.6: Community Engagement.** Engage Albany residents in developing solutions to housing issues through measures such as the formation of task forces, convening of workshops and hearings, surveys, and other mechanisms which solicit public input, as applicable.



## IMPLEMENTATION PROGRAMS

**Program 5.A: Fair Housing Services.** Continue to work with Eden Council for Hope and Opportunity (ECHO) in the administration of fair housing services to Albany residents. Publicize these services in the quarterly Albany newsletter, on the website, and through other media at City Hall, the Albany Library, the Albany Community Center, and other important social centers in the city.

Description:

*The City of Albany has an Agreement with ECHO to administer fair housing services. Residents may contact ECHO if they feel they have experienced housing discrimination, or if they have questions about fair housing laws and legal rights.*

Responsible Parties: Community Development Director  
Timing: Ongoing  
Funding: General Fund

**Program 5.B: Landlord-Tenant Mediation.** Continue to work with Eden Council for Hope and Opportunity (ECHO) in the administration of landlord-tenant mediation services to Albany residents.

Description:

*ECHO provides services to tenants who are experiencing a conflict with their landlords. Their services include housing rights counseling, mediation, advocacy, and information.*

Responsible Parties: Community Development Director  
Timing: Ongoing  
Funding: General Fund

**Program 5.C: Removal of Impediments to Fair Housing.** Implement appropriate recommendations from the 2010 Alameda County Analysis of Impediments to Fair Housing Choice report.

Description:

*The Analysis of Impediments to Fair Housing was published by the Alameda County HOME Consortium (which includes Albany) in 2010. The report examines policies and practices that may limit residents' abilities to choose housing in an environment free from discrimination. It evaluates barriers to housing choice, along with actions to overcome those barriers. Actions are individually itemized for each community in the Consortium.*

*Most of the actions listed in the Impediments report for Albany are already being implemented or are listed elsewhere in this Housing Element. In addition to those listed elsewhere, the City will continue to respond to fair housing concerns and complaints in a timely fashion, work with ECHO housing to consider fair housing testing, support organizations that provide financial literacy for residents, facilitate outreach by the County Housing Authority to Albany residents, and facilitate communication between special needs service providers, residents, and affordable housing developers. The definition of “family” in the City’s existing zoning regulations is consistent with current state and federal law and does not require amendment.<sup>1</sup>*

Responsible Parties: Community Development Director  
 Timing: Ongoing  
 Funding: General Fund

## QUANTIFIED OBJECTIVES BY INCOME CATEGORY, 2007-2014

The following quantified housing objectives have been established for the 2007-2014 planning period. The new construction objectives correspond to the City’s Regional Housing Needs Allocation for the planning period, and include an allocation for extremely low income households as well as very low income households. The rehabilitation targets are principally associated with minor rehabilitation loans through Alameda County programs. The conservation programs are aimed at the protection of existing housing resources in the City of Albany, including units with affordability restrictions and units which are affordable “by design.”

| Income Group   | New Construction | Rehabilitation | Conservation        |
|----------------|------------------|----------------|---------------------|
| Extremely Low  | 32               | 20             | 120 (second units)  |
| Very Low       | 32               |                | 16 (Creekside Apts) |
| Low            | 43               | 20             | 4 (Inclusionary)    |
| Moderate       | 52               |                | 973 (UC Village)    |
| Above Moderate | 117              |                |                     |
| TOTAL          | 276              | 40             |                     |

<sup>1</sup> The City's current definition of “family” is consistent with fair housing laws and *Adamson v. Santa Barbara*, in that it does not distinguish between related and unrelated persons