City of Albany
General Plan And Final EIR

Adopted December 7, 1992

HOUSING ELEMENT

INTRODUCTION

The Housing Element is one of the seven State-mandated elements of Albany's General Plan. California Government Code § 65583 requires that a housing element ". . . shall consist of an identification and analysis of existing and projected housing needs and a statement of goals, policies, and quantified objectives, and scheduled programs for the preservation, improvement, and development of housing. The housing element shall identify adequate sites for housing, including rental housing, factory-built housing and mobile homes, and shall make adequate provision for the existing and projected needs of all economic segments of the community."

The Housing Element was last revised and adopted in January, 1985, in conformance with State law. This Element represents an update of the 1985 effort and fulfills the 1990 State law housing element requirements.

As noted in the General Plan Introduction, the City has sought to involve all segments of the Albany community in the preparation of the General Plan and Housing Element update. Three public workshops were held at strategic points in the planning process and every household was notified via the Albany Newsette, as well as through posting and other publicized notices. Additional information updating the community about progress on the General Plan was published in the Newsette. Finally, numerous public hearings were noticed and held on the entire Draft General Plan.

EXISTING HOUSING CONDITIONS AND NEEDS

Brief Profile of Albany Housing

Albany is a mature, densely-settled residential community of about 16,300 people bordered on the north by Richmond and El Cerrito, on the south and east by Berkeley, and on the west by the San Francisco Bay. It is one of the most densely populated communities in the State, with an average density of 85 persons/acre.

The community is typically characterized by small, one-story, single-family houses on small, narrow lots, interspersed with two-family and multi-family apartment buildings. The desirability of Albany as a close-in residential area has brought an increased number of young couples who have begun adding second stories to their single-family houses.

Albany is an essentially built-out community. Aside from Albany Hill and the Waterfront area, there is very little vacant land available for development. This limits opportunities for new housing development. However, future housing development opportunities do exist in scattered vacant lots throughout the City and through redevelopment. These sites are shown on the Housing Opportunity Map.

Major highlights of the housing profile in Albany are the following:

- Between 1980 and 1990, Albany added 433 housing units.
- The total number of households increased by about 6 percent between 1980 and 1990, while the population grew 8 percent. Household size during this period increased from 2.18 to 2.26 persons.
- Between 1980 and 1990, the number of people renting a home or apartment in Albany increased by 11 percent.

- Between 1980 and 1990, the percentage of single-headed households with children increased by 18.5 percent.

- 45% percent of Albany's 1980 households, excluding Albany Village, were low income, as defined by the California Department of Housing and Community Development. (If Albany Village households are included, this percentage is 50%).

- Approximately 21 percent of Albany renters paid over 35% of their income for housing in 1980.

- Much of the housing for sale in Albany is priced beyond the means of its current residents. The average price for a single-family home rose from 120,000 in 1985 to 220,000 in 1990, or an increase of 83 percent. The median household income during the same period is estimated to have increased only 11 percent.

- Except for portions of Albany Hill and the Hill Lumber site, there is very little land available for new housing. Redevelopment of some parcels to a higher density is possible under current zoning.

In summary, the growth in housing during 1980-90 has nearly kept pace with population and new household formation at least in numerical terms. However, housing affordability has most likely become an even more pronounced issue given the increase in housing prices and the characteristically high percentage of low income households in Albany.

Population and Employment Trends

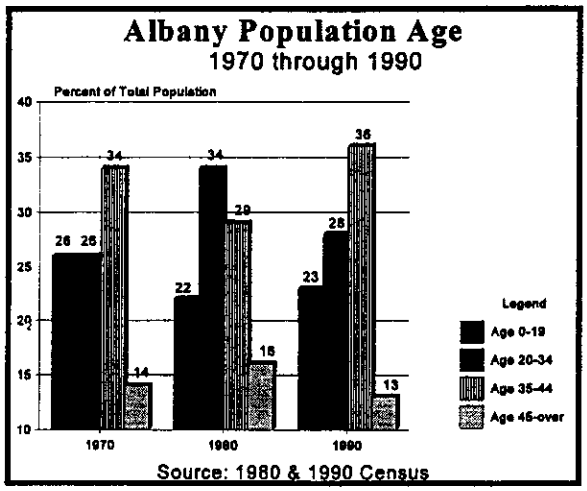
Demographics

Albany's 1990 population was 16,327, representing an increase of 8 percent since 1980. The number of households in Albany increased by 6 percent since 1980, from 6,779 to 7,192. Throughout the San Francisco Bay Area, people are living longer, having fewer children, divorcing more frequently, and choosing to live in smaller households.

Projections of Albany population and housing characteristics made for the year 2005 by the Association of Bay Area Governments (ABAG) show that this relationship between growth in population and growth in the number of households is expected to remain. In fact, the average household size in Albany is expected to decrease from 2.2 persons per household in 1990 to 2.17 in 2005, despite the modest interim increase shown in Albany's 1990 average household size. ABAG does not have population projections to 2010 for Albany, but indicates that they expect the average household size in 2005 to remain constant to 2010.

The Albany population was 70 percent Caucasian in 1990, compared with a County-wide Caucasian population of 53 percent. The largest non-white group was Asian/Pacific Islanders (19.6 percent), a population group which has more than doubled in the city since 1970. African-Americans comprise 6 percent of the 1990 Albany population and 18 percent of the County-wide population. Thus, Albany is a community that is more Caucasian and more Asian/Pacific Islander than the rest of Alameda County.

The age profile of Albany's residents between 1970 and 1990 is depicted in the figure following on the next page. While the percentage of children and senior citizens has remained relatively constant, an increase in the percentage of adults aged 35-64 between 1980 and 1990 is evident.



Employment

According to ABAG's 1990 Projections, the number of jobs in Albany was 4,236, or less than 1 percent of the total number of jobs in Alameda County. Of these jobs, 67 percent were retail and service jobs.

ABAG's forecast of jobs in Albany show the number of jobs increasing significantly until the year 2005 (estimated at 2000 new jobs or a 48 percent increase.) Most of these jobs will be in the service and retail sectors, strengthening the already dominant position of this sector in Albany. This trend is consistent with other residential communities in the Bay Area.

Housing Characteristics and Needs

This section uses figures provided by the 1990 Census to analyze the characteristics of housing in Albany.

Housing Characteristics

In 1990, the total number of housing units in Albany reported by the Census was 7,468, of which 3.6% were vacant. By contrast, the Federal Home Loan Bank Board showed an overall vacancy rate of 2.1 percent in October, 1989.

The 1990 Census shows that 53 percent of Albany's housing consisted of single-family dwellings, 35 percent consisted of buildings of 5 or more units and 10 percent consisted of 2-4 unit buildings. Although Albany's housing is still predominantly single-family, 45 percent is multi-family housing. In fact, multi-family housing of five or more units accounted for 88 percent of the new units created since 1980.

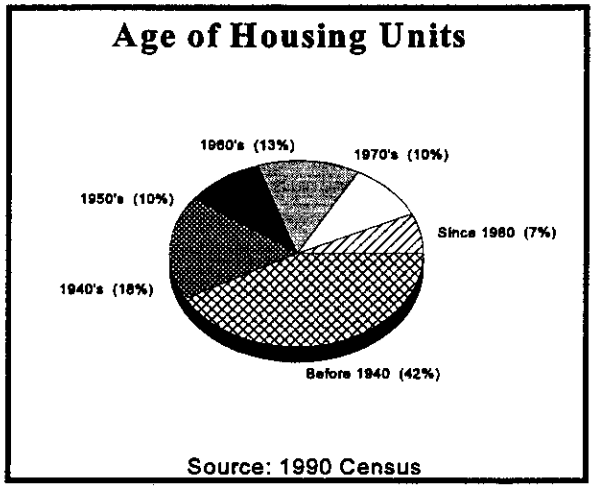
Through direct inspection throughout the City, there are no mobile homes or converted vans being used for housing in Albany. This observation differs from the 1990 Census which reported that 74 mobile homes or vans were being used for permanent housing. The Census Bureau staff has since indicated that these 74 units can probably be explained as a misunderstanding by residents completing the census forms about what this housing category actually included.

In 1980, the Census showed 6.9 percent of Albany's housing stock as overcrowded. By 1990, this percentage had dropped to 5.5 percent. The 1990 Census indicates that 0.7% (51 units) of owner-occupied housing had more than 1 person per room and 4.8% (348 units) of rental housing units were overcrowded.

In 1980, 27 percent of the housing units had one bedroom or less, 50 percent had two bedrooms, 19 percent had three bedrooms and 4 percent had four bedrooms or more. These figures reinforce the picture of Albany housing units as predominantly small. Over 75 percent of all units had two bedrooms or less. The 1990 Census shows a reduction in the percentage of smallest units and slight increase in units with a greater number of bedrooms: 24% had one or fewer bedrooms, 49% had 2 bedrooms, 21% had three bedrooms and over 5% had four or more bedrooms. This increase in larger homes reflects the recent trend toward remodeling and expanding the typically small, two bedroom, one bath home.

Albany's single-family homes, excluding those on Albany Hill, were primarily built during the

1920's. Typically, these houses were built as one-story stucco over frame structures. The 1990 Census showed that 42% of housing in Albany was built before 1940, as indicated in the figure below. In the late 1960's and 1970's, single-family dwelling units in multi-family zones were frequently demolished by developers and new multi-family units were built in their place.



The Albany Planning Department performed a windshield survey of housing conditions in April, 1992. The survey rated housing conditions in one of three categories:

1) "Good" Condition: The building is basically sound, with no defects or only minor defects and is not a visual eyesore.

2) "Fair" Condition: The building is in need of rehabilitation, but with relatively minor repairs could be restored to a standard condition.

3) "Poor" Condition: The building is so structurally unsound that it creates a health and safety hazard and/or visual eyesore.

According to the 1990 U.S. Census reports, there were 7,468 total housing units in Albany. Of those, 4,408 units were located outside of Census tract #4204 (the location of the U.C. Village specialized student housing project). For the purposes of this study, all housing units located within tract #4204 were excluded from the survey. The housing conditions in Albany can be summarized as follows:

1992 HOUSING CONDITIONS

Rating	Number of Units	% of Units
Good Condition	4203	97.3%
Fair Condition	188	2.5%
Poor Condition	17	0.2%
Total	4408	100%

Existing programs through the Alameda County Housing and Community Development Department (HCD) provide grants and loans for minor and major home repairs. In 1991, Albany households received the following loans and grants from HCD: two "mini" loans (maximum $3,000), 20 Minor Home Repair grants (Maximum $500), and two Owner Rehabilitation loans (maximum $35,000). HCD informs the City that funding will remain stable in the near future for these programs. Given the very few number of units identified needing major repairs (less than 3% of all units), the City believes that existing programs will meet these needs. The City will increase public awareness about these opportunities through a new housing-related public information program.

Vacancy Rates & Household Size				
	Vacancy Rates		Household Size	
	1985	1990	1985	1990
Albany	3.99	2.59	2.206	2.25
Alameda County	3.70	1.89	2.53	2.30
Source: Department of Finance Population Estimates				

The table above compares average household size and housing vacancy rates for Albany and Alameda County between 1985-1990. Household size increased slightly in Albany while it fell in the County as a whole. This is confirmed by the 1990 Census which estimates Albany's household size at 2.26. Housing vacancy rates are an indication of whether the housing market is in balance and can provide a range of choices and prices to those seeking housing. ABAG has set a regional goal for a 4.5% housing vacancy rate. Since 1985, vacancy rates in Albany and Alameda County have dropped. However, the 1990 Census estimated vacancy rates in Albany at 3.7% which is close to the 1985 rate and substantially higher than the Countywide average.

Income of Albany Residents

ABAG projected the 1990 mean household income for Albany at $34,800. This figure is less than the Alameda County mean household income of $40,100, and places Albany as the third lowest in the County, just above Berkeley and Oakland. The next table shows ABAG's income projections for Albany, Alameda County and the Bay Area.

Projected Mean Income 1980 - 2000			
Year	Albany	Alameda Co.	Bay Area
1980	$31,276	$35,609	$39,730
1985	33,200	37,000	43,300
1990	34,800	40,100	46,200
1995	36,900	43,000	48,900
2000	38,300	45,100	51,500
Source: ABAG "Projections '90"			

For purposes of defining very low, low, median and above median income, the California Department of Housing and Community Development uses the income figures derived from the U.S. Department of Housing and Community Development, as follows:

1990 Income Guidelines		
Very Low Income	50% of County Median	$23,400
Low Income	80% of County Median	$37,450
Median Income	Alameda County	$46,800
Moderate Income	120% of County Median	$56,150
Source: California Dept. of Housing & Community Development, April 1991		

In 1980, 50 percent of Albany households (45 percent without the University Village households) had incomes that were 80 percent of, or lower than, the Bay Area median income. Of these, 30 percent were classified as "very low income." These figures will be updated as more 1990 Census data becomes available. If the same percentages were to apply in 1990, 3,596 households would have income below median and 2,157 households would be low income.

There are two factors accounting for this high proportion of low income residents. First, University Village, a 920-unit married student

housing complex, shows that 78 percent of it's residents were regarded as low income in 1980. Second, many senior citizens are regarded as low income because of their limited ability to have retirement and other income keep pace with inflation. Figures developed by the Alameda County Housing and Community Development Department show that in 1980, 47.8 percent of Albany households headed by someone 62 or older had incomes below 50 percent of the Alameda County median household income.

Income Related to Housing Costs

For many years, state and federal housing cost guidelines assumed that no one should have to pay more than 25 percent of their income for housing. As housing costs rose in the late 1970s, this figure was raised to 30 percent for renters and 35 percent for buyers. According to 1980 census figures for Albany, 29 percent of the renter households were paying more than 35 percent of their household income for housing, and 46 percent were paying 25 percent or more. These figures include University Village households. Without University Village households, 35 percent of the renters are paying over 35 percent of their income for rent and 54 percent are paying over 25 percent. In owner-occupied houses, 17 percent of the occupants were paying 25 percent or more of their income for housing and 8 percent were paying over 35 percent.

Households Overpaying for Housing (1990)

	Renter		Owner		Total	
	# Overpaying	%	# Overpaying	%	# Overpaying	%
1980 Income						
$0-5,000	199	69%	136	36%	335	75%
5-10,000	153	34%	95	11%	248	25%
10-15,000	68	21%	84	13%	152	18%
15-20,000	19	7%	78	12%	97	9%
20,000+	0	0%	87	3%	87	3%
Total Overpaying	439	20%	480	23%	919	21%

Source: Derived by applying the distribution of low and moderate income households overpaying in 1980 (from 1980 U.S. Census) to the number of households in Albany as of 1990 (based on 1990 U.S. Census).

The table on this page shows the number of households (both owners and renters) who paid more than 35 percent of their income on housing in 1980. This table includes updated information to reflect the number of 1990 households in Albany. The table shows that over 20 percent of the City's low and moderate income residents overpaid for housing (excluding University Village residents).

According to a review of home sales figures between September, 1990 and July, 1991, the average price paid for a single-family home in Albany was $222,000.

If we use the average home sale price of $220,000, a buyer would need a gross annual household income of $48,515 to be able to afford the average home. This homebuyer would be making payments of $1,415 per month, assuming a 20 percent downpayment with a 30-year mortgage and a nine percent interest rate.

Rents in Albany do not reflect this high cost of home ownership to the same degree. Several factors account for this trend, including longevity of tenants and slower turnover of rental units. Studies of local newspapers during 1990-91, showed that apartment and housing rentals were available for a low of $500 per month for a one bedroom flat to a high of $1,200 per month for a three bedroom, two bath duplex. Two bedroom apartments ranged from $650 to $835 per month. Shared rentals were

available at from $350 to $550 per bedroom per month plus utilities.

Based on the 30%-of-income standard, these house and apartment rentals would require incomes of $20,000 to $48,000 per year. With an estimated 1990 median household income in Albany of $34,800, it appears that rental units are not as far out of line with incomes as are home sale prices.

Special Needs

Students and Seniors

Two special needs groups are students and seniors. These groups have a higher-than-average representation in the Albany population and are often low-income.

University Village, a married student housing complex owned by the University of California, represents about 17 percent of the Albany population. Of the University Village residents, 78% were low income under State guidelines in 1980. In addition to this housing, students live in other parts of Albany. There are no figures available for the total number of students living in Albany. There are no specialized housing programs for low income students in Alameda County.

In 1990, people over 65 represented 13 percent of Albany's population, compared to 10 percent for Alameda County. In general, seniors have lower than average income because they are usually no longer employed and often living on fixed incomes. Of the 2,117 seniors living in Albany, 1,144 (74%) lived in owner-occupied housing and 397 (26%) lived in rental housing. The 1990 Census shows the total number of seniors in occupied housing units is 1,541. The remaining 576 seniors live either in group homes or with their extended family headed by younger members of the household.

As a group, seniors tend to have more affordable housing than newcomers to the housing market. Seniors who own their homes typically bought them before prices and mortgage rates increased so steeply during the late 1970s and '80s, and before Proposition 13 took effect in 1978. Some are living in homes for which the mortgage has been paid off. As a result, they have affordable housing even though they may be classified as having low incomes. The other side of the coin is that if a home-owning senior wishes to move, he or she often cannot afford to because property values, mortgage rates, and property taxes are all significantly higher now than 15 years ago.

For the elderly, special physical needs include few stairs or levels in a housing unit, affordability, and close proximity to public transit and shopping.

Large Families

Of Albany's 7,192 occupied housing units in 1990, it is estimated based on 1990 Census data that only 347 (about 5 percent) were occupied by families of five or more persons. Families of two or three persons are estimated to comprise the largest number of households at 3,805 (52 percent.)

From 1985-90, approximately 140 second story additions have been approved and built. These new bedrooms will assist in meeting the needs of growing families and are a reflection of the need to adapt the typical two bedroom, one bath bungalow house in Albany.

Disabled Residents

Accessible housing units are an important issue for disabled residents, as is affordable housing. In 1980, Albany had 698 persons with a work disability and 440 persons (295 of them elderly) with a public transit disability. It is not known how many of these people live in housing that accommodates their disability. Until recently there was no housing specifically addressing the needs of the handicapped. In 1986, a 30-unit building at 820 Kains Street included 2 units specifically designed for the handicapped. In

addition, the building has an elevator, making the housing much more accessible than units with only stairways.

The City also participates in an annual residential access program using Community Development Block Grant (CDBG) funding. This program is administered through the Center for Independent Living in Berkeley, and enables access ramps and other improvements such as widening doorways and bathroom modifications to be made to existing homes throughout Albany. Since 1985, five ramps have been constructed for disabled residents.

Single-headed and Female-headed Households

The number of single-headed households with children increased by 18.5 percent between 1980 and 1990. Of 642 families, 81 percent of these were female-headed households.

Low cost housing is a key issue for this group. Specifically, affordable housing with more than one bedroom and protected places for children to play is needed.

Housing Discrimination

Operation Sentinel, a non-profit agency based in Oakland, monitors discrimination in housing in Alameda County through a Landlord Tenant Assistance Project. According to Operation Sentinel staff, the current trend in housing discrimination is "anti-child" landlords. There were five cases of housing discrimination involving Albany housing units in 1988. Four of these were regarding difficulties in finding housing for families with children. Although some of these cases can be resolved by mediation with the landlord, two of the five Albany cases were referred to attorneys for litigation.

Homelessness

Homelessness has become a significant and widely recognized issue during the past ten years. In Alameda County, the Emergency Services Network (ESN) annually prepares a report on the homeless population. The most recent data available is from a 1989 document entitled *Report on Homelessness in Alameda County*. The profile information contained in this section is derived from the Report.

The following profile of homeless people in Alameda County is based on a total, unduplicated count of people requesting shelter in Alameda County during a one week period in February, 1989. It does not include people who have given up looking for shelter or who are living on the street, in parks, automobiles, etc.

- 69 percent of requests for shelter were from women and children, and 62 percent of all requests were from families with children.
- The number of people requesting shelter has increased 126 percent since 1985.
- 84 percent of people who requested shelter listed Alameda County as their primary place of residence.
- Six people, or 0.3 percent, listed Albany as their primary place of residence.

The Albany Senior Center acts as a sort of social services referral center for the City. The Senior Center Director reported that four homeless people have requested help from the Center during the past six years. All were male, fairly young (the oldest was 52) and all had used up their various social service benefits.

The 1990 Census indicated that no homeless persons were visible to census takers on Albany's streets during their field inspections in early 1990.

Emergency and Transitional Housing

There are no emergency shelters for homeless people in Albany (based on 1990 Census data and review of Alameda County and ESN records). However, the 711 Harrison Street

Shelter is located only a block from Albany (just outside Albany Village.)

The City's Zoning Ordinance permits boarding and rooming houses in the R-3, Residential High Density District, subject to a conditional use permit procedure. There are no restrictions on the number of unrelated individuals living in any residential district provided that only one kitchen per dwelling unit exists. The Villa Motel contains 30 single-room occupancy units (SROs) which provide a source of transitional housing in Albany.

It is obvious that the extent of the homeless problem far exceeds the resources of local government, particularly for small cities such as Albany. Alameda County has taken the initiative in identifying the extent of this problem and has developed a framework to coordinate funding and provision of shelter and transitional housing facilities.

The City will continue to cooperate with County efforts such as the County Comprehensive Homeless Assistance Plan (CHAP) and to participate in the Alameda County Housing Council.

Albany's Share of Regional Need For Low Income Housing

State law requires that the regional need for low income housing, as determined by ABAG, be allocated in such a way as to "avoid further impaction of localities with relatively high proportions of lower-income households." ABAG's allocation method averages the existing income range of a city's households with the same figures for the county and region. Those cities with above-average numbers of lower-income households (such as Albany) are allocated a slightly smaller percentage of the new lower-income housing unit needs. Cities with more affluent populations are expected to provide higher numbers of new lower-income housing units.

Albany's Projected Housing Need by Income Category

TOTAL NEED	VERY LOW	LOW	MODERATE	ABOVE MODERATE
86 (100%	23 (27%)	15 (17%)	18 (21%)	30 (35%)

Source: "ABAG Housing Needs Determination," Jan. 1989.

The methodology for assigning regional housing need shares has been changed somewhat to give more weight to the actual capacity of a city for new development given available land, zoning regulations and land use restrictions, and the possibilities for changing any of these. The previous table shows ABAG's projected housing need for Albany during 1988-1995.

Between 1988 and 1990, 12 new housing units were constructed, or 14 percent of the 1995 housing needs goal of 86 units. All of these units were market rate. During this period, eight second units were approved and six of these constructed. These units are a source of very low- and low-income housing. In addition, since 1988, 103 second units have been legalized and permits for six new second units were granted. All of these units are estimated to be affordable to very low- and low-income households, thereby satisfying 16% of the City's projected low income housing need.

RESTRAINTS ON SOLUTIONS TO HOUSING NEEDS

Governmental Constraints

Restraints on a city's overall ability to meet housing needs are sometimes found in governmental controls, such as performance standards, zoning, fees, exactions, and code enforcement. These factors can apply not only to the production of new housing, but also to the

remodeling, rehabilitation or maintenance of existing housing.

This section examines Albany's land use regulations, zoning densities, project review procedures and permit fees, code enforcement, property tax rates, and other zoning requirements to assess their impact on providing housing units.

ALBANY RESIDENTIAL ZONING/DEVELOPMENT STANDARDS

District	Density	Coverage	Height
R-1: Single-Family	11.6 Units/Acre	50%	28-35 Ft.
R-2: Multi-Family	35 Units/Acre	50%	35 Ft.
6R-3: Multi-Family	56-69 Units/Acre	70%	45 Ft.
R-4: Towers	87 Units/Acre	Use Permit	Use Permit
HD-12: Hillside	12 Units/Acre	50%	28-40 Ft.
HD-18: Hillside	18 Units/Acre	50%	28-40 Ft.

Land Use Patterns and Restrictions

Albany's land use designations have been relatively stable for many years. The first codified set of zoning regulations was enacted in 1958. The dominant designation is residential, with 43% of Albany's land area in residential uses. Almost three quarters of that residential land is occupied by single-family dwellings.

REPRESENTATIVE MULTI-FAMILY HOUSING PROJECTS 1980-90

Project	Lot Size/ Zoning	Permitted Density	Approved Density
417-419 Evelyn	15,290 SF/R-3	24 Units	24 Units
820 Kains	19,000 SF/R-3	30 Units	30 Units
412 Kains	5,000 SF/R-3	5 Units	4 Units
787-791 Taft	35,244 SF/HD-18	14 Units	14 Units
535 Pierce	6.5 Net Acres/R-4	566 Units	235 Units
545 Pierce	3.5 Net Acres/R-4	304 Units	104 Units

A 1978 voter initiative rezoned a large area of the City from various multi-family designations to single-family uses (R-1). This included all of the residentially zoned areas in the blocks bounded by Stannage, Masonic, Codornices Creek and Washington, as well as partial blocks on both sides of Stannage north of Washington, partial blocks on the south side of Brighton between Kains and Masonic. A total of 29 blocks were affected by this major zoning change, reflecting an apparent desire by the residents to retain a more single-family neighborhood character in the City. There are now 74 multi-family developments in this R-1 area. These existing projects will be allowed to remain as legal non-conforming uses although they could not be rebuilt to the same density if destroyed.

The two major streets, San Pablo and Solano, are zoned for commercial activities but residential uses are also allowed. The only exclusively non-residential areas are the waterfront lands and public and quasi-public lands in the City such as parks and schools.

Zoning Densities

Zoning densities in Albany begin at approximately 12 units per acre, a density that would be considered high in outlying areas. For instance, most new suburban subdivisions have 4-5 single-family houses per acre, with townhouse developments averaging ten units per acre.

Multi-unit residential densities begin at 35 units per acre and go as high as 87 units per acre, although this maximum density is no longer permitted.

Second units are allowed in Albany with a use permit, but they are controlled by the constraints of lot size (minimum 3,750 square feet), lot coverage (maximum 50%) and parking requirements. During 1987-90, the City changed second unit requirements to legalize many existing, non-conforming units and to make it easier to meet the off-street parking requirements (Please refer to the Progress Evaluation section of this Element.)

1991 Development Fee Comparison

Type of Permit	Albany	El Cerrito	Berkeley
Variance	$475	$1,000	$272 - 540
Use Permit	$365*	$1,000	$270
Design Review	$80 - 200*	$750	$340 - 1,134
Appeal	$175	50% of Project Fee	$30 - 313
Environmental Review	$1,000 + Consultant Cost	Consultant Cost + Administration Fee	$380 + $80/hour of staff time related to EIR + Cost of EIR Consultant
Subdivision			
1-3 Lots	$225	$400	$2,005
4 or more	$315	$2,000	$2,060
Lot Line Adjustment	$210	$250	$660

Note: *Major projects charged on a per-hour basis.

Source: Cities of Albany, El Cerrito, and Berkeley Planning Departments, 1991.

Zoning does not appear to be a constraint on new development. In fact, because of the high densities permitted in Albany, zoning is actually an incentive to provision of housing. The table on the previous page shows that between 1980-1990, the City has been successful in approving several high density projects at the maximum permitted density.

Code Enforcement

Albany instituted a formal code enforcement program during 1991-92. The program provides code enforcement in response to citizen complaints. This approach is consistent with the findings of the 1992 windshield housing condition survey that less than 3% of Albany's housing stock is in need of significant repair.

The City also participates in Alameda County's housing rehabilitation program and a minor home repair program as part of the annual CDBG program.

Project Review Procedures and Permit Fees

Albany has one of the quickest development review and processing times of any jurisdiction in the Bay Area. A typical small development takes one to three months from application to approval. This is due to the efficiency of a small city government, the lack of an application backlog, and the fact that most public facilities are already in place.

At the time the 1985 Housing Element was adopted, Albany's project review and permit fees were among the lowest in the Bay Area. They have been raised since then to bring them in line with those of neighboring communities and are now considered to be average for the area. A table comparing Albany's permit fees with surrounding cities is provided above.

Most of Albany's remaining building sites have all necessary utilities and street improvements in place so these types of improvements are not typically associated with development in Albany. The north end of Madison will need to be extended in the future, and minor street widenings or small utility extensions are sometimes required. In general, provision of streets and utilities has not been an impediment

to housing construction in Albany because the City is nearly built-out.

Albany has enacted a Capital Facilities Fee for long-range, public capital redevelopment projects. The fee is determined by the projected growth and capital facilities needs for the City over a five and ten year period. The fees are based on the number and size of residential units and the actual size of new non-residential construction or expansion. This fee would cost the average new single-family home approximately $1,300. During 1990, the Albany Unified School District adopted school impact fees for new residential construction and additions of $1.56 per square foot.

The estimated permit cost for development of a 1,500 square foot single-family home is $10,915 and $8,715 for a 1,000 square foot condominium unit in a 10-unit subdivision in Albany based upon the individual permit costs provided in the table below.

1991 Approximate City Permit Costs

Permit Fee	Single-Family Unit (1,500 Sq. Ft.)	Condominium Unit (1,000 Sq. Ft.)
Cap. Facil.	$1,300	$800
School Dist.	2,340	1,870
Design Rev.	200	200
Bldg. Permit	3,750	2,500
Sewer	825	825
Water	2,500	2,500
Subdivision	N/A	20
TOTAL	$10,915	$8,715

Source: Albany Planning Dept., 1991.

Property taxes

The effect of Proposition 13, passed in 1978, on property taxes has been substantial in all communities. Property tax rates were once a local option and had some influence on a developer's choice of where to build, as well as on housing costs. Now property taxes are fixed at the 1976 rate with increases limited to 2 percent a year as long as the property does not change ownership (except for voter-approved increases and pre-1978 voter approved liabilities). When a house is sold, the new purchaser is assessed property taxes based on the current value as indicated by sales price.

The overall effect of Prop. 13 is that two houses of equal market value can be assessed widely different amounts because one has sold since 1978 and the other has not. This not only creates vast inequities in taxes, but also creates significant incentives for people to stay in place, especially if they are living in houses purchased before 1978.

Parking Requirements

In 1978, Albany citizens passed Measure D, a voter initiative that required two parking spaces per unit for all new residential units. An exception procedure was also passed that allowed a reduction to 1.5 spaces/unit through a conditional use permit procedure if sufficient on-street parking were found.

This parking requirement, which has been upheld in two subsequent elections, makes it more difficult to develop senior and other affordable housing. For example, senior housing has a much lower parking ratio needed per unit (average 0.8 to 1.3 spaces/unit).

Potential Termination of Housing Subsidies

The termination of Federal mortgage and/or rent subsidies to housing developments built by the private sector with these monies is a potential threat to affordable housing throughout the country. Communities with low income housing supported by Federally subsidized mortgages or rents which are faced with termination are required to develop programs in the Housing Element to address the needs of residents who may become displaced. Contact with Alameda County indicates that no such housing exists in Albany and therefore no programs to address termination of housing subsidies are included in the 1990-95 Housing Element.

Non-Governmental Constraints On Solutions to Housing Needs

All construction, whether new or remodel, is affected by financing, labor and materials costs. New housing costs are further affected by land availability, land costs, development costs and developer's profit.

A significant constraint to new housing construction in Albany is the high cost and extremely limited availability of land. The land use map prepared for this General Plan shows eleven scattered vacant parcels east of Albany Hill. Most developable sites are on Albany Hill, an area of high land and development costs due to steep slopes and other environmental constraints. Albany Hill has approximately 20 acres divided into 14 parcels. The north end of Madison has one nine-acre parcel of vacant land.

Land Costs

Land cost significantly affects the price of housing. Most banks use standard ratios of home value to land value. Thus, they expect a house on a $30,000 lot to cost 50% more than one on a $20,000 lot. This practice encourages larger houses with more amenities. Because the developer's profit is usually figured as a percentage of the cost, a larger, more expensive house results in a larger profit and adds further to the sales price.

Since Albany is in an urban area that is mostly-developed, land costs are high. Isolated vacant lots zoned for single-family development sell rarely, perhaps one per year. Single-family lot sale prices in the past few years have ranged from $30,000 - $50,000. Based upon information provided by a local realtor, current prices for multi-family zoned land are approximately $15-20.00 per square foot for a 10,000 square foot site which could yield 8 multi-family units. A larger site would command approximately $20.00/sq. ft. Sites zoned R-2 are typically smaller, 50,000 sq. ft. and would be more expensive since smaller projects (4 units could be built on this size lot) can provide more amenities than a high density project. A recent sale of a comparable lot at 420 Kains was approximately $30,000 per unit or $26/sq. ft.

Development Costs

Development costs consist of professional design costs and costs of public improvements such as streets, sidewalks, and utility extensions. They do not include land, construction or financing costs.

Design costs are usually higher in a built-up area. This phenomenon results from a number of factors including:

1) Working on smaller parcels with less design flexibility and fewer units to share the design costs;

2) Working on more difficult, often steep, parcels with higher soils geotechnical engineering costs and foundation costs;

3) Working on parcels where the new development must fit into an existing pattern or scale of development, and

4) Working at higher densities, where building safety codes require more expensive types of construction and where parking spaces must be provided in decks or multi-level garages which are more expensive than at-grade parking.

The effect of providing public improvements on development costs is minimal because most sites in Albany already have public streets and utilities.

Other costs of producing housing are labor and materials. Each of these has gone up with inflation, even with the adoption of many lower-cost materials and labor-saving techniques. Factory built housing, while permitted under Albany building and zoning codes, is still the

exception due to the high cost of land relative to the cost of such housing, as previously discussed.

Financing

Another common constraint is financing. The high cost of financing significantly affected the housing market in the early 1980s. At present, financing is readily available to qualified purchasers at a rate of 8-9.5%. The Bay Area average rate on a 30-year fixed rate loan as of October 27, 1991 was listed in the San Francisco Examiner/Chronicle at 8.98% for loans above 191,250 and 8.64% for loans below $191,250.

The effect of differing interest rates is shown by the table below, using as an example a 30-year fixed rate $200,000 loan. The table below assumes a 20% down-payment and that loan payments would not exceed 35% of gross household income.

Monthly Payment and Income Needed at Various Interest Rates (1990)

$200,000 Home Loan

Loan Rate	Monthly Payment	Needed Income
8%	$1,468	$53,382
9%	$1,610	$58,545
10%	$1,756	$63,855

Source: Loan Amortization Tables

Financing costs are not only of interest to the homebuyer. They also affect the developer. When construction loans cost 10%, the developer will have to charge more per unit than when the same amount of money can be obtained for 8%. Financing for mixed use commercial-residential projects is difficult to obtain because the banks believe that there is more risk involved with such projects.

Interest rates and financing availability are not within the capability of the City of Albany to determine. These variables are nationally determined based on economic trends and federal monetary policy.

Impacts of Constraints on New Housing

Albany's major housing need at present, and for the foreseeable future, is creating more small and affordable rental and ownership units. This need arises from a gradual trend in Albany toward smaller households and the fact that a large percentage of Albany residents have income levels below the County median. These new units could take several forms: second units, single-family dwellings, or multi-family construction.

DEVELOPMENT OPPORTUNITIES

Housing development opportunities in Albany are limited to vacant land on Albany Hill, infill development on scattered vacant lots, redevelopment or further development of existing sites. The following table summarizes these opportunities in terms of potential land area and types and number of estimated housing units both from development of vacant land and redevelopment of existing urban uses.

Infill Opportunities

As indicated in the Table on the following page, there are approximately 11 scattered single-family lots in Albany exclusive of the Albany Hill area. The only obstacle to the development of these lots is the very high cost of the land relative to the size of the unit that can be built on it. Development densities on Albany Hill will be studied further under Plan policies, however, environmental and infrastructure constraints indicate that future residential densities there will not support medium or high density housing. Therefore, the estimated number of potential housing units on Albany Hill vacant land is based upon the minimum permitted Planned Development density of 9 units/acre.

Potential Sites for Residential Development

Site & Zoning	# Parcels /Acreage	Max. # Units (SF/MF)	# Units w/25% Density Bonus	# BMR Units w/15% Inclusionary Policy
VACANT LANDS				
City-Wide Low Density	11/1.5 AC	11SF	N/A	N/A
Albany Hill Low Density	11/2 AC	11SF	N/A	N/A
Albany Hill West Planned Development (PD)	1/12.5 AC	112SF	N/A	26
Albany Hill East PD	1/4.5 AC	47SF	N/A	9
Albany Hill Lands End PD	1/1 AC	11SF	N/A	2
North End Madison PD	9/1 AC	11SF	N/A	2
SUBTOTAL	22.5/AC	203SF	0	39
REDEVELOPMENT				
Hill Lumber R-3: High Density	4 AC	156MF	N/A	23
Albany Bowl Planned Res./Comm. PRC: High Density	1.5 AC	58MF	14	8
Villa Motel PRC: High Density	0.6 AC	22MF	5	3
Residential Above Commercial High Density	1.8 AC	68MF	N/A	N/A
SUBTOTAL	7.9 AC	304MF	19	34
GRAND TOTAL	30 AC	507DU	19	73

Source: Newman Planning Associates, 1992.

Taken together, the total number of single-family dwelling units that could be built on the vacant lands and infill lots described above is 203.

Redevelopment Opportunities

Redevelopment presents the greatest opportunities for future housing development in Albany both because the location of these areas is conducive to higher density development and because higher density development will yield a greater number, and often more affordable, housing units. The estimated total number of multi-family units that could be built on the identified redevelopment sites is 304.

Private redevelopment to higher density

In the Commercial Expansion (C-E) Zone along Kains and Adams, commercial development and expansion along San Pablo occurred initially as anticipated when the zone was created 27 years ago. However, significant conversion of residences to commercial expansion uses did not occur and the blocks immediately behind San Pablo remain primarily residential. A 1989 survey showed that three of the 12 blocks within the C-E Zoning District are predominantly commercial and 9 are predominantly residential.

Under the polices of this General Plan, taking into account present use and anticipated development patterns, four of the C-E Zoning District blocks would remain commercial. The remaining blocks have been designated for high density multi-family uses. Between 1985-1990, three multi-family residential projects were built in the C-E zone along the west side of Kains.

A significant obstacle to large, high density development is the prevailing small lot size. Most lots in Albany are 2,500 to 3,750 square feet. The Zoning Ordinance requires a minimum of 5,000 square feet for multi-family development of three or more units. Thus, a potential multi-family developer must acquire at least two lots. Given increasingly high land prices, this makes land assembly difficult for larger scale development.

Hill Lumber Company Site

The lumber company closed its business in 1992. This 4-acre site is bordered on three sides by residential uses. The Plan designates this site for medium density, multi-family residential uses, with a potential for 156 units.

Albany Bowl Site

This 3.8-acre site including the bowling alley and adjacent parcels is now all in one ownership, except for two single-family dwellings facing onto Adams. Most of the site is underused, with large areas of parking and marginal commercial development. The Plan designates this site PRC: mixed housing/commercial use with the potential for approximately 58 multi-family housing units and 69,100 square feet of commercial space.

Villa Motel Site

The Villa Motel is located on San Pablo Avenue at Albany's southern border and is partially located within the City of Berkeley. The portion of the site within Albany is 1.2 acres. The Motel is in disrepair, although at present provides single-room occupancy housing. The site is designated PRC: mixed housing/commercial use under the Plan. Assuming the site were redeveloped for mixed use in the future, approximately half for high density housing (0.6 acres) and half for commercial use, 22 multi-family units and 24,000 square feet of commercial use could be built.

Residential uses in commercial areas

Residential uses are permitted above the ground floor on both Solano and San Pablo Avenues. Developers generally do not propose residential uses for these areas because of difficulty in designing and financing mixed use projects.

There are approximately 245 existing residential units located on San Pablo and the commercial

portion of Solano Avenue. The Plan assumes that these residential uses will remain and that the existing 1.76 acres on Solano and San Pablo Avenues presently in single-family uses will be converted to commercial uses on the ground floor with residential uses above, at a density of 39 residential units per acre (approximately 68 units).

A 1987 zoning amendment prohibited conversion of apartment buildings on Solano to other uses, except for ground floor areas facing Solano.

There are very few residential units on San Pablo Avenue. This is probably because the street is much more heavily traveled and noisier than Solano and because many of the uses are auto-oriented or heavy commercial activity, and therefore less attractive to potential residents. Increased development of these areas for discrete residential uses might be difficult because of the noise standards proposed in this Plan and the City goal to revitalize San Pablo Avenue as a major commercial corridor.

Waterfront lands

The waterfront property is now occupied by Golden Gate Fields Race Track and related parking areas. The portion of the waterfront area currently owned by the Catellus Corporation consists of 142 acres of land, plus an additional 367 acres of submerged land. The present commercial recreation uses are expected to continue for the duration of this Plan. Therefore, this area does not present opportunities for housing development.

A 1990 voter initiative requires that all material changes to the General Plan or Zoning Ordinance pertaining to the Waterfront be approved by the voters prior to final adoption.

University of California Properties

The University of California owns two large properties in Albany. They are adjacent to each other in the area bounded by Buchanan, San Pablo, the Berkeley City limits (Codornices Creek) and the Southern Pacific railroad tracks.

University Village contains married student housing. This 73-acre site contains 920 units with a population of about 2500 residents. Some of the multi-family buildings date from World War II when the site was military housing. Many of the units were rebuilt in the 1960's.

The University has initiated a comprehensive master plan process to redevelop this site. The southwest portion, which is zoned C/S/LI (Commercial/Service/Light Industrial District) is mostly vacant. Portions of the University Village site, including the San Pablo frontage, could be developed to higher densities and different uses, such as retail commercial.

The Gill Tract is a part of the University's land fronting on San Pablo, Buchanan and Jackson. At present it is used for experimental agricultural purposes. It could be developed residentially, possibly in conjunction with commercial uses on the San Pablo frontage.

Although redevelopment of the San Pablo frontage could be exclusively for residential uses, the City would favor commercial/residential mixed use for several reasons. First, the City has established a goal of revitalizing and strengthening San Pablo Avenue as a major commercial corridor. Establishing commercial uses on that portion of the Avenue would provide more continuity and help to strengthen other businesses in the immediate area.

Second, non-residential development on San Pablo would buffer the University Village units from the adverse impacts of a major commercial and transportation corridor. Third, off-street parking spaces could be shared, since many commercial uses have their highest parking demand in the daytime, while residential parking demand is highest at night.

Manufactured Housing

Manufactured housing, in which portions of the house arrive at the site ready to put in place, offers a lower cost alternative to the conventional "stick-built" process by which most housing in Albany is built today. The most common form of manufactured housing is mobile homes. Although Albany has no restrictions against mobile homes in R-1 zones, there are at present no mobile homes in Albany. They could conceivably be used on legally created small lots, if land costs were lower. Unfortunately, land costs are so high in Albany that manufactured housing is not an attractive alternative to custom stick-built housing construction.

It is possible that a large multi-unit residential development on level land could take advantage of the economies of manufactured housing. For instance, major construction components such as trusses and joists are precut and delivered to a site, thereby saving labor and lumber costs (because there is less waste).

Conservation of Affordable Housing

Conservation of existing affordable housing is an important part of the City's affordable housing strategy and can be accomplished in a variety of ways. Providing low cost loans or grants to home-owners for needed home repairs, such as the County HCD Housing Preservation Programs, can assist lower-income families in staying in presently affordable housing. Reducing the likelihood that existing rental units will be converted to condominiums or other uses also maintains lower cost housing opportunities.

In 1988, the City adopted a new Zoning regulation that prohibits the conversion of more than three residential units located above commercial uses in commercial districts to other uses. Condominium conversions are also restricted under the City's Zoning Ordinance. The City will maintain these Zoning provisions to conserve existing affordable housing.

RESIDENTIAL ENERGY CONSERVATION OPPORTUNITIES

Increased residential energy efficiency can reduce monthly utility costs and thereby improve the affordability of a given residence. New housing must meet the Title 24 energy efficiency requirements which go a long way toward minimizing energy use for household heating. Existing housing, particularly older homes which predominate in Albany, may be poorly insulated and therefore more costly to heat. The Alameda County Housing and Community Development Department (HCD) provides weatherization for existing housing (housing insulation and water heater blankets) through its Housing Preservation Programs. These programs provide low interest loans and small grants to qualified home owners in need of minor and major home repairs. When an applicant is qualified, the HCD makes an inspection of the home for the types of repairs needed and always evaluates energy efficiency needs. In 1991, 24 grants and loans were made to Albany households for a variety of home repairs. These types of programs will continue under HCD. In 1993, a pilot program will be conducted under contract with PG&E to weatherize 2,000 homes countywide. Eligible families will receive weatherization services from PG&E. Albany residents will be informed of this weatherization opportunity through the City's new program to provide public information on housing-related programs.

PROGRESS EVALUATION

Albany is required to evaluate the progress made toward achieving current Housing Element goals. In general, the 1985 Housing Element goals and programs to conserve and improve existing housing, and particularly

rental housing, have been achieved. Continued participation by Albany residents in Alameda County housing rehabilitation programs accommodated approximately 200 low-income households. Conversion of rental housing in commercial zones was prohibited through revisions to the Zoning Ordinance.

New affordable housing goals were only partially successful. Between 1989-90, a program to legalize secondary dwelling units succeeded in yielding 103 units which were upgraded to meet minimum building safety standards. Parking requirements and lot size requirements, both constraints to secondary dwelling unit development, were relaxed. Between 1988-1991, eight new second units were approved and six were built.

The following section contains a summary of the City's actions from 1985 through July, 1991.

The 1985 Albany Housing Element had as its goal "A decent home and suitable living environment for all Albany residents (present and future) of all economic levels." The policies and programs under this goal were grouped into three major categories:

1) Preservation and maintenance of the existing housing stock.

2) Provision of an adequate supply of rental housing.

3) Encouragement of new construction to meet housing needs.

The progress on policies and programs within each of these categories is described below:

1. ***Preserve and maintain the existing housing stock.***

   A. Continue the Housing Conservation Program and Minor Home Repair Programs for homeowners and the Low-interest Loan Rehabilitation program for rental units.

Progress:
All of the programs mentioned above are administered by Alameda County, using either County or Federal funds. The continued availability of these programs is dependent on funding sources outside of Albany's direct control.

Under the CDBG (Community Development Block Program), a range of $30,000 - $50,000 per year is allocated to the Albany Housing Conservation Program. This funding assists from 2-6 low income homeowners per year for rehabilitation projects. This level has not changed since the 1985 Housing Element was adopted.

The Minor Home Repair Program, initiated by the County Department of Housing and Community Development in 1985, is continuing to assist low income homeowners with health and safety repairs. This program assists about 35 units per year in Albany through a maximum grant of $3,000 per unit.

Both CDBG funds and funds from a Federal Rental Rehabilitation Program are made available through Alameda County to landlords who keep rents at low income levels. These funds are available on an as-needed basis. Three to five units per year are served by these programs in Albany.

B. Encourage maintenance of existing housing, especially rental housing.

Progress:
Albany still has no general housing inspection program. During Fiscal Year 1991-92, the Albany Fire Department established a fire safety inspection program for residential properties containing three or more units. This program is limited to fire safety items such as smoke detectors, removing combustible items and other general safety items. The general physical condition of the units are not evaluated.

The 1985 Housing Element stated that although "the City should establish an inspection program for rental units," because the housing stock did not appear to be deteriorating significantly, enforcement of housing codes would be continued only on a complaint basis. The 1990 Housing Condition Windshield Survey confirmed that housing condition in Albany does not warrant an active code enforcement program. This continues to be Albany's policy.

2. ***Maintain an adequate supply of rental housing.***

A. Restrict condominium conversions.

Progress:
No new City policies or ordinances were adopted concerning condominium conversions. The only condominium conversion application submitted and processed was for 235 units at the Bayside Commons residential complex. This situation was not a direct conversion because the project had originally been approved for condominiums in 1985. The owners let the subdivision map expire and no other applications have been received. This lack of applications may be more the result of a soft condominium market rather than the City's policy to restrict them.

B. Encourage construction of new rental housing.

Progress:
The major problem with provision of new rental housing in Albany is the lack of land and the high price of the little land available. There are new construction funds available through the County for pre-construction costs of new rental housing. None of these funds have been used to date in Albany. This funding is also available to non-profit groups for the purchase and rehabilitation of housing for low income households. Again, none have been used so far in Albany. Between 1985-1990, 53 new rental units were constructed in Albany.

C. Restrict conversion of rental housing units to other uses.

Progress:
The 1985 Housing Element said that public hearings would be held in 1985 to consider changes in the Zoning Ordinance to prohibit conversion of residential units to commercial uses in areas zoned for commercial and "commercial-expansion."

These hearings were held in 1986 and 1988 and the Zoning Ordinance was changed to prohibit conversion of residential units to commercial uses in both the local commercial (C-1) and highway commercial (C-2) districts. No changes were made to commercial-expansion

the project fronts on San Pablo Avenue.

D. Provide rental subsidies for low-income renters.

Progress:
The Alameda County Housing Authority was subsidizing 17 Section 8 units in Albany at the time the 1985 Housing Element was adopted. There are now 20 such units with a waiting list of 25 Albany residents.

The Section 8 Rental Subsidy Program is the only one available. Obtaining additional funds for more subsidized units is difficult because rents in Albany are generally higher than Section 8 authorized rents. The Section 8 Program also has been severely cutback during the last five years by the Federal Government.

3. ***Allow and encourage the construction of new housing units sufficient to meet Albany's share of future regional growth.***

   A. Eliminate, where feasible, constraints on new housing construction.

Progress:
The 1985 Housing Element indicated the City would hold hearings to reconsider the current parking requirement of two parking places per unit, which was seen as a potential obstacle to create new multiple-family units.

During 1990-91, public hearings were held to consider revising the parking ordinance. A revised ordinance was adopted, clarifying exception provisions and allowing required parking spaces to be located in the front and side yards under certain circumstances. Smaller parking spaces were also permitted under certain circumstances. The two space per unit requirement for all new units was not changed.

The 1985 Housing Element also included a recommendation to seek funds for public improvements related to new developments through establishment of assessment districts and issuance of tax-free municipal bonds. Neither of these programs has been implemented and are not now being considered. Further, the City did not hold hearings in 1985, as recommended in the 1985 Element, on revision of the existing charter position on revenue bonds. However, lower interest rates have eliminated the need for this approach.

   B. Encourage second units for lower-income renters in single-family areas.

Progress:
The City's second unit ordinance was revised in 1989 and 1990 to further encourage second units as a workable means to create affordable housing. These revisions reduced the minimum lot size from 4,000 to 3,750 sq. ft. and incorporated more flexible parking requirements based on the age of the original housing unit.

In addition, a second unit legalization program was completed during 1989-90. This effort resulted in 103 units being upgraded to meet minimum housing code requirements (some of these units were in the R-2 and R-3, Multi-family district.) Only two applications were denied and two more units required abatement actions due to serious health and safety violations.

During 1988-91, eight second unit applications were approved and six units built. One unit was under construction in 1992.

   C. Encourage residential units in commercial areas.

Progress:
In 1987-88, the Zoning Ordinance was amended to permit R-3 residential density in the upper stories of commercial developments, subject to certain parking and performance standard requirements. This change applies to both commercial and commercial-expansion zones.

In 1988, the City established a broader range of permitted and conditional uses within the light industrial district. The district, renamed Commercial/Service/Light Industrial (C/S/LI) conditionally permits live-work spaces.

D. Encourage higher density residential development of under-utilized University of California property away from the San Pablo-Buchanan frontage.

Progress:
The 1985 Housing Element suggested that the City encourage the University to develop land presently used for agricultural research and open space with high density residential use and commercial uses on the San Pablo-Buchanan frontage. The University is undertaking a comprehensive master plan process to redevelop this site.

E. Encourage the construction of housing for low-income senior citizens.

Progress:
Since state and federal funding for these programs has virtually ended, developing such housing is left to non-profit organizations. Assistance is available through Alameda County to non-profits for purchase and rehabilitation of existing units. Pre-construction assistance is available to developers for new low-income housing construction. (See Policy 2.B discussion, above). However, no new housing has been made available in Albany under these two programs.

One of the major constraints to new senior housing has been the two-space-per-unit parking requirement. Senior housing uses a much lower standard of 0.3 to 0.5 spaces/unit (See Policy 3.B discussion above.)

4. ***Ensure that housing is available to all citizens, regardless of race, sex, age, or religion, in accordance with state and federal laws.***

Progress:
Operation Sentinel, a non-profit agency is under contract to Alameda County to provide fair housing counseling and monitoring in Albany. Between one and five complaints a year are received concerning fair housing in Albany. Although race, sex and religion do not appear to be wide-spread issues in Albany housing availability, there have been some complaints regarding discrimination by age and families with children.

5. ***Ask that other cities and counties also provide housing to equal the jobs created by new development in those cities and counties.***

Progress:
This remains a significant issue throughout the Bay Area as development of suburban employment centers increase. In some areas, such as along major freeway corridors, jobs are growing much faster than the number of housing units.

The City considered this issue as part of their review of the Catellus Corporation's proposed Albany Waterfront development during 1987-90. A jobs/housing balance impact section was incorporated into the Final Environmental Impact Report for the proposal.

HOUSING GOALS, POLICIES AND PROGRAMS (1990-95)

The 1990-95 Housing Element contains expanded goals and more numerous programs to encourage development of affordable housing consistent with the ABAG identified affordable housing needs for Albany during this time period. An Inclusionary Zoning Ordinance is recommended to be implemented requiring 15% of units in projects with 10 or more units be affordable to low-to-moderate income households or payment of an in lieu fee. New areas have been designated for redevelopment to mixed high density residential and commercial use on San Pablo Avenue. These areas could yield approximately 80 units of multi-family housing. Inclusionary units for these sites could

yield approximately 11 units of low-income housing.

The most likely site to redevelop during the 1990-95 portion of the Housing Element Program period is the Hill Lumber site. The property went up for sale in 1991 and the lumber business subsequently closed, making way for future housing development. The number of potential housing units has been estimated based upon the total four-acre site area and an average density for the High Density zoning category of 39 units/acre. This calculation yields 156 multi-family units. However, the permitted density range of 17-63 units indicates that the actual development could be substantially smaller or larger. A 15% Inclusionary requirement for a 156-unit project would be 23 units of housing affordable to low-income households. In addition, the City's participation in the County Mortgage Credit Certificate Program could provide 16 or more certificates to moderate income first-time-buying households purchasing units at the future Hill Lumber site project. Thus, approximately 16 units of moderate income housing could be created at this site.

Additional opportunities to create new affordable housing units exist through development of new second units and residential units above commercial uses on Solano Avenue. The Housing Element Program anticipates that 12 new second units and 5 units above commercial uses could be built between 1991-95. The estimate for second units is based upon trends between 1989-91 when eight second units were approved and six constructed. The City anticipates that implementation of Program 2.1.5, the Housing Opportunities Public Information Campaign, in conjunction with the permitted high multi-family densities in commercial zones will result in development of five units above commercial uses by 1995.

Based on these programs and housing development opportunities, the 1990-95 Housing Element Program anticipates that Albany will significantly exceed its total identified housing need and exceed the total ABAG identified very low-, low-, and moderate-income housing need. The table below summarizes these Housing Program estimates.

The following goals, policies and programs, in addition to those relating to housing in other elements, constitute an action program to implement the objectives outlined in this element. Each policy has one or more specific actions, or programs, that include the following implementation information:

Program:	a concise statement of which action will be taken;
Responsible Agency:	the City department or other agency responsible for carrying out the program;
Time Period:	a proposed target date for completion;
Target:	quantified objectives, where applicable.

Goal HE 1: Preserve, maintain and improve Albany's existing housing stock.

Policies and Programs:

Policy HE 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. Albany's affordable housing includes the 920 student housing units in the U.C. Albany Village, 103 existing legal second units, the 245 units in the commercial area on Solano and San Pablo Avenues, and the estimated 1,226 units in apartment buildings with more than 10 units. It should be noted that*

Proportion of Albany's 1988 - 1995 Housing Need Expected To Be Met Through Housing Element Programs

Very Low Income	
ABAG Identified Need	23 Units
Units Built or Approved 1988-90	3
Estimated New Units 1991-95	
• Second Units	6
• Inclusionary — Hill Lumber	14
Total Units 1988-95	23
Percent of 1988-95 ABAG Identified Need	100%
Low Income	
ABAG Identified Need	15
Units Built or Approved 1988-90	3
Estimated New Units 1991-95	
• Second Units	6
• Residential Above Commercial	2
• Inclusionary — Hill Lumber	9
Total Units 1988-95	20
Percent of 1988-95 ABAG Identified Need	133%
Moderate Income	
ABAG Identified Need	18
Units Built or Approved 1988-90	0
Estimated New Units 1991-95	
• Mortgage Credit Certificate — Hill Lumber	16
• Residential Above Commercial	3
Total Units 1988-95	19
Percent of 1988-95 ABAG Identified Need	105%
Above Moderate	
ABAG Identified Need	30
Units Built or Approved 1988-90	12
Estimated New Units 1991-95	
• Hill Lumber	117
• Other Infill Development	12
Total Units 1988-1995	141
Percent of ABAG Identified Need	470%
Total Units	
ABAG Identified Need 1988 - 1995	86
Units Built or Approved 1988-90	18
Estimated New Units 1991-95	185
Total Estimated New Units 1988-95	203
Percent of 1988-95 Housing Need	236%

some of the 245 units on Solano Avenue are in apartment buildings of 10 or more units.

Program HE 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.

Responsible Agency:	Alameda County HCD and the City
Time Period:	Ongoing, or as CDBG funding remains available
Funding Source:	CDBG funds
Target:	5-8 Rehabilitated units per year

Policy HE 1.2: *Continue to limit conversion of existing multi-family residential units to condominiums. Limited equity cooperatives and other innovative housing proposals which are affordable to low and moderate income households are encouraged.*

Program HE 1.2.: Amend the condominium conversion ordinance to allow limited equity cooperatives.

Responsible Agency:	Planning Department
Time Period:	1992-93 FY
Funding:	Planning Department Budget

Policy HE 1.3 *Strengthen programs to upgrade and maintain a safe and sound housing stock.*

Program HE 1.3.1: Maintain building and housing code enforcement programs and follow-up on housing code and other safety violations.

Responsible Agency:	City Building and Planning Departments
Time Period:	Ongoing
Funding:	Revenues from building permits and code enforcement surcharge.

Program HE 1.3.2: Expand the current Fire Department rental unit fire code program to include other primary health and safety problems.

Responsible Agency:	City Fire and Building Departments
Time Period:	1992-93 Fiscal Year
Funding:	Rental Unit Inspection Charge and Apartment License Tax
Target:	All rental units inspected within a two-year time frame.

Policy HE 1.4: *Encourage construction of new rental housing.*

Program HE 1.4: 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.

Responsible Agency:	Planning Department and County HCD
Time Period:	1992-93
Funding:	Planning Department Budget

Goal HE 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.**

Policies and Programs:

Policy HE 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.*

Program HE 2.1.1: Develop and provide a program of incentives such as reduced development fees, assistance with public improvements, priority in permit processing to encourage the development of very low-, low-, and moderate-income housing.

Responsible Agency:	Planning Department
Time Period:	1992-93 Fiscal Year
Funding:	Planning Department Budget

Program HE 2.1.2: Develop and provide a program requiring inclusionary housing for proposed developments of ten 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.

Responsible Agency:	Planning Department
Time Period:	1992-93
Funding:	Planning Department Budget
Target:	15% of residential units at Hill Lumber and Albany Bowl sites.

Program HE 2.1.3: Enact a density bonus ordinance consistent with State law requirements.

Responsible Agency:	Planning Department
Time Frame:	1992-93
Funding:	Planning Department Budget

Program HE 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.

Responsible Agency:	Planning Department
Time Frame:	1992-93
Funding:	General Fund and/or Developer contribution
Target:	10% of Hill Lumber redevelopment project units.

Program HE 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 Newsette, among other ideas. 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 Planning Director:

1) Encourage development of rental units in commercial districts through an active marketing program for commercial property owners;

2) Provide information about existing City policy to encourage development of new second units;

3) Increase public awareness about County HCD Housing Preservation Programs and the pilot weatherization program with PG&E during 1993 as well as Operation Sentinel;

4) Inform the development community about the new Inclusionary housing program and opportunities for increased density through Density bonuses;

5) Inform the public about the Mortgage Credit Certificate Program which assists first-time homebuyers;

6) Survey and publicize a list of housing units that meet the needs of disabled persons.

Responsible Agency: Planning Department
Time Period: 1993-94
Funding: Planning Department Budget

Program HE 2.1.6: Sponsor a ballot measure to revise the two space/unit residential parking requirement established by Measure D (1978). This revision will recommend more proportional ways to calculate parking requirements (e.g., based upon unit size, number of bedrooms, unit type and the population served, such as special exemptions for senior housing, proximity to transit, or available land for parking in the immediate neighborhood).

Responsible Agency: City Council
Time Period: Next general election within Fiscal Year 1993-94 or special election as scheduled
Funding: General Fund

Policy HE 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.*

Program HE 2.2: Review and revise the Albany Hill Specific Plan with particular emphasis on permitted densities, hillside development standards, and reducing environmental impacts.

Responsible Agency: Planning Department
Time Period: 1993-94 Fiscal Year
Funding: Planning Budget and/or establishing a reimbursement fund from all potential development per Government Code Section 65451.

Policy HE 2.3: *Revise the C-E District boundaries to reduce the potential conversion of residential units for commercial use.*

Program HE 2.3: Delete the C-E Zoning District designation from the eight blocks along Kains and Adams streets which are predominately in residential use. The zoning designation for these blocks shall be R-3.

Responsible Agency: Planning Department
Time Period: 1992-93
Funding: Planning Department Budget

Policy HE 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.*

Responsible Agency: Planning Department
Time Period: Ongoing
Target: 12 new second units (1991-1995)

Policy HE 2.5: *Encourage development of rental housing above commercial development along Solano Avenue.*

Responsible Agency: Planning Department
Time Period: Ongoing
Target: 5 units (1991-1995)

GOAL HE 3: Expand housing opportunities for the elderly, the disabled, the homeless, and other persons with special housing needs.

Program HE 3.1: Participate in and support Alameda County and State-wide efforts to increase the available funding for senior housing projects.

Responsible Agency: City Council
Time Period: Ongoing

Program HE 3.2.1: Revise the Zoning Ordinance to require a percentage of new units in multi-family or townhouse projects be accessible to disabled residents, consistent with State and Federal requirements, particularly the Americans with Disabilities Act.

Program HE 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.

Responsible Agency: Planning Department
Time Period: 1993-94 Fiscal Year
Funding: Planning Department Budget

Policy HE 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.*

Program HE 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.

Responsible Agency: Planning Department
Time Period: 1992-93 Fiscal Year
Funding: Planning Department Budget

Goal HE 4: Promote housing opportunities for all persons regardless of age, race, marital status, ancestry, family status (presence of children), disability, national origin, or color.

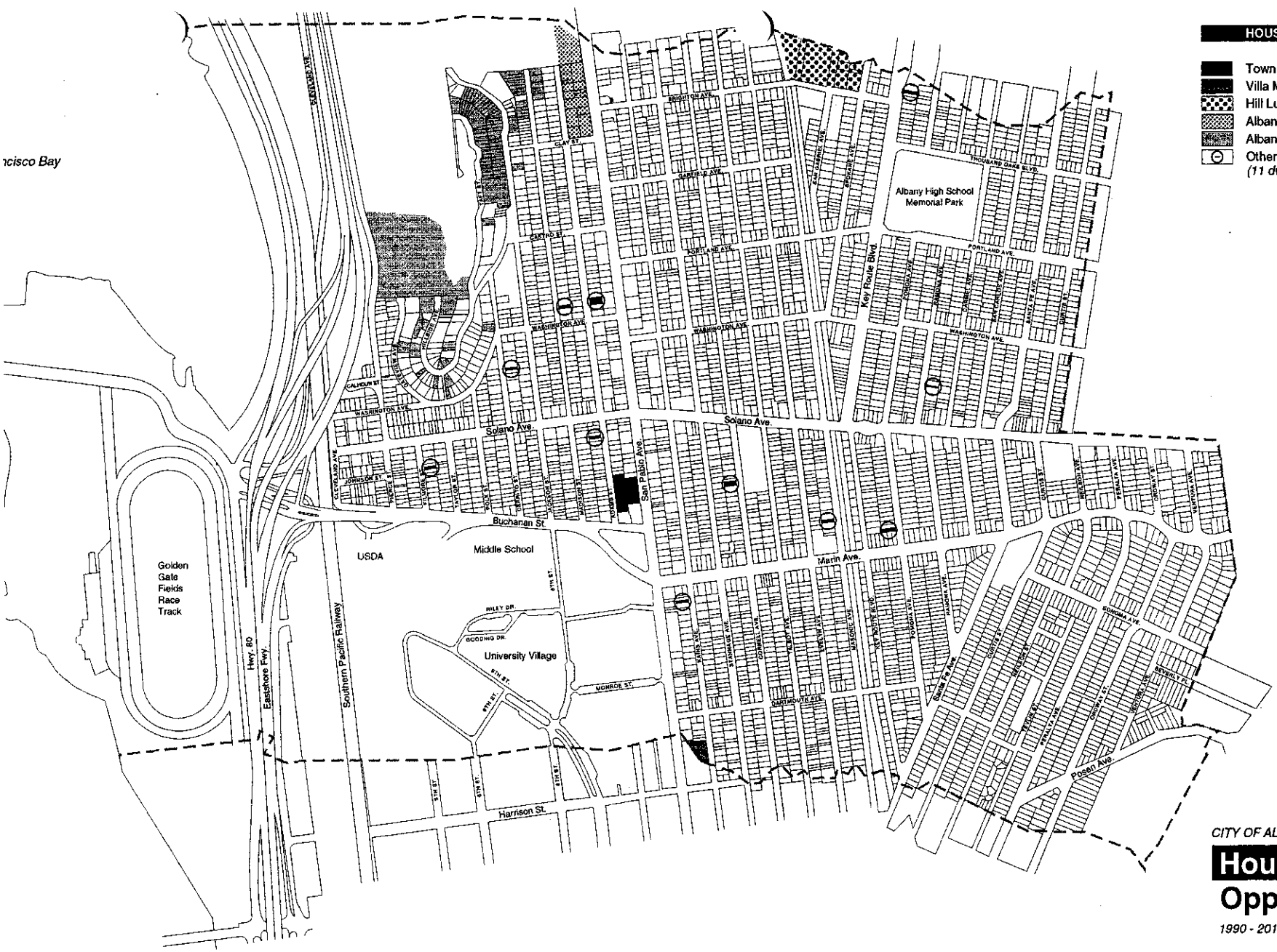
Policies and Programs:

Program HE 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 Newsette and on leaflets at City Hall, the Albany Library, the Albany Senior Center and other important social centers in the City.

Responsible Agency: Planning Department
Time Period: Establish public information program in 1993
Funding: Planning Department Budget

Policy HE 4.2: *Continue to support landlord-tenant dispute resolution and housing counseling services provided by organizations such as Operation Sentinel.*

Program 4.2: Same as public information program under Program 4.1.



CITY OF ALBANY

Housing Opportunities

1990 - 2010