

CHAPTER THREE
HOUSING ELEMENT

(July 20, 2004)

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3.0 HOUSING ELEMENT

The Goals of the Housing Element are to:

Encourage the provision of appropriate/well-built housing within the community for persons of all economic levels, regardless of race, color, age, religion, gender, sexual orientation, marital status, national origin, ancestry, familial status, source of income, or mental or physical disability. Encourage the provision of an adequate variety of individual choices of housing tenure, type, and location, including higher density where possible, especially for low and moderate income and special needs households. Maintain and enhance the character, quality and livability of residential areas. Encourage sound growth in the City by designating suitable vacant or underutilized sites for new residential development. Preserve established single family neighborhoods.

3.1 INTRODUCTION

Santa Clara's housing policies and programs address the identified needs for housing the City's share of the region's population. The Housing Element articulates Santa Clara's hopes for the City's housing supply in light of current constraints to housing development, markets, and affordability. It establishes a framework to guide decision making and an action program for the City to use in resolving its housing needs.

The requirements of Article 10.6 of the State Government Code are addressed by the Housing Element. The format of this Element follows very specific State guidelines with respect to data to be gathered and examined and subjects to be covered. In addition, this Element provides a "housing count" that establishes incremental targets for affordable, rehabilitation, and replacement housing.

Since statutory requirements that are addressed in this Element overlap and intertwine with other Elements such as Land Use, Transportation, Environmental Quality, and Public Facilities and Services, it is necessary to look at the General Plan as an integrated whole. These other Elements will be updated as soon as the Housing Element is found to be acceptable by the State.

In tentative reviews of needed changes to the Land Use Element and map, staff and the Planning Commission have focused on new Mixed Use housing areas and development of a new land use category, Transit-Oriented Mixed Use, that allows for higher density residential development.

The intent of the Housing Element is to achieve an adequate variety of safe, appropriate and well-built housing for all residents of Santa Clara. The goals, policies and programs in the last section of this Element focus on three major issues: housing variety, housing opportunity, and housing quality.

3.1.1 Public Participation

The California Government Code requires that local governments make diligent efforts to solicit public participation from all segments of the community in the development of the Housing Element. During the preparation of the 2001 Housing Element, public input was actively encouraged. In the preparation of the Housing Element, organizations and agencies that provide housing, or housing related services, were contacted and participated in the seven Planning Commission study sessions, the two Council review sessions, the public hearings and the community workshop. Residents of the community participated in the community meeting and the public hearings. Notices were sent to the organizations involved in housing production or services, religious organizations, community groups, Neighborhood Watch block captains, and media organizations. Responses from these groups helped guide the Needs Assessment portion of the Housing Element, as well as following Objectives, Policies and Programs.

The City hosts a monthly meeting of the Housing Action Coalition, a housing advocacy group. The City also hosted a training workshop that featured representatives of the State Department of Housing and Community Development.

For the public hearing at the Planning Commission, an extensive mailing to owners of property designated as housing sites and owners within three hundred feet of the sites was made. Over 3,000 notices were sent.

The public participation program included the following components:

- A Community Workshop. The workshop included explanations of the General Plan process, text and map changes. The public was invited to provide input on the community needs; proposed policies and programs, and sites;
- Needs Assessment Survey, and related outreach activities. General Plan-related questions were included in a mail outreach effort to every City resident;
- Public review of the Draft Housing Element at the City's public libraries and community centers;
- Review of the Draft Element by the State Department of Housing and Community Development; and
- Public Hearings held before the Planning Commission and the City Council.

The City commits to annually review and periodically update this Element and related General Plan policies in response to community needs. Community Surveys and Community Meetings will continue to be an integral part of this process, along with public service announcements, inserts in monthly utility bills, articles in the City quarterly newspaper sent to all utility paying addresses, and nonprofit group involvement.

3.2 HOUSING NEEDS ASSESSMENT

This Needs Assessment describes and analyzes local demographic, household, and housing characteristics and trends in an effort to determine the nature and extent of Santa Clara’s housing needs.

3.2.1 Analysis of Population Trends

The type and amount of housing needed in a community are largely determined by population growth and various demographic variables. Factors such as age, race/ethnicity, occupation, and income level combine to influence the type of housing needed and the ability to afford housing.

According to the United States Census, Santa Clara's population grew 49 percent between 1960 and 1980. Since that time, constraints on available land for residential development have limited new housing development and the resulting population growth. In the year 2000, the Census counted a Santa Clara City population of 102,361, an increase of 8,748 persons or nine percent over the 1990 population of 93,613. The Census identified 39,630 dwelling units. During the ten years 1990 through 1999, an average of 86 single family and 232 multi-family units were constructed in the City each year.

A community’s housing needs are determined in part by the age characteristics and trends of its population. The table below summarizes the age characteristics of Santa Clara residents in 1990 and 2000. The number of older adults (45 to 64) increased by 16% during the 1990s. These residents are typically at the peak of their earning power and are more likely to be homeowners. The preschool (under 5) and school age (5 to 17) groups also grew noticeably, by 14% and 17%, respectively.

The younger adult population (25 to 44) remained relatively stable during the decade; this group continues to comprise the largest segment (39%) of the City’s population. Generally, younger adults occupy rental units, condominiums, or smaller single-family homes. However, given the high home prices in Santa Clara, housing options for younger adults may be more limited to the rental market.

Figure 3-A:

Age Characteristics and Trends

Age Groups	1990		2000		% Change 1990-2000
	Persons	Percent	Persons	Percent	
Preschool (Ages 0-4)	5,880	6%	6,688	7%	+14%
School Age (5-17)	11,703	13%	13,707	13%	+17%
College Age (18-24)	12,503	13%	11,569	11%	-7%
Young Adults (25-44)	37,344	40%	39,991	39%	+7%
Middle Age (45-64)	16,845	18%	19,506	19%	+16%
Senior Adults (65+)	9,338	10%	10,900	9%	+9%
Total	93,613	100%	102,361	100%	+9%
Median	32.2		33.4		+4%

The U.S. Census shows that average household size increased from 2.42 persons per household in 1990 to 2.58 persons per household in 2000. This number will increase significantly through 2010, according to ABAG Projections 2000, to 2.8 in 2005 and to 2.9 in 2010. This is slightly below the projected County average household size. City staff believes that rising housing costs may cause additional increase in household size in the existing housing units. Relatively small changes in the average size can affect total population.

Figure 3-B:

Population Growth and Projections to 2010

<u>Year</u>		<u>Population</u>
1960	actual	58,850
1970	actual	86,118
1980	actual	87,700
1990	actual	93,613
2000	actual	102,361
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2005	projected	116,100
2010	projected	124,800 (base projection)
2010	projected	135,000 (high projection)*

Source: U.S. Census 1960-2000; ABAG Projections 2000

*The ABAG Projections 2000 do not assume the level of housing construction necessary to achieve Santa Clara's Regional Housing Needs Determination. If those numbers were built by 2006 and additional housing were added by 2010, the City's population could approach 135,000. This would be a thirty percent increase over the current population.

The predominant demographic change in the city from 1990-2000 has been the increased diversity in the racial and ethnic heritage of Santa Clara residents, similar to many Bay Area communities. This change has implications for housing needs to the extent that different race/ethnic groups may have different household characteristics, income levels, and cultural backgrounds that affect their need and preferences for housing.

As of 2000, whites comprised the largest race/ethnic group in Santa Clara, at 48%. However, their share of the population decreased during the past decade. The Asian population, on the other hand, grew significantly in size and proportion between 1990 and 2000. As shown below, the Asian share of the population increased from 18% to 30%. The number of Hispanic and Black residents increased slightly during the ten-year period, while their share of the population remained relatively unchanged. The number of Santa Clara residents in the "All Other" category grew dramatically from 1% to 4%, in part because unlike prior Census efforts, the 2000 Census allowed respondents to identify themselves as members of more than one racial group.

Figure 3-C:

Race and Ethnicity

Race/Ethnicity	1990		2000	
	Persons	Percent	Persons	Percent
White	59,754	64%	49,392	48%
Hispanic	14,260	15%	16,364	16%
Asian*	17,174	18%	30,207	30%
Black	2,281	2%	2,237	2%
All Other**	516	1%	4,161	4%
Total	93,613	100%	102,361	100%

Includes Native Hawaiians and Other Pacific Islanders

** For 1990, the “All Other” category includes American Indians and Alaska Natives and persons in the “Other race” category. For 2000, the “All Other” category includes American Indians and Alaska Natives, and persons who identified themselves as “Some other race” and “Two or more races.”

The 2000 Census found that 97.2% of the City’s 39,630 total housing units were occupied and 2.8% were vacant. Of Santa Claras 38,526 occupied households, 53.9% were renters and 46.1% were owners. In 1990, 52.9% of households were renters and 47.1% owners. The ratio of renter-to owner-occupied units is expected to remain stable.

Of the 39,630 total dwelling units in 2000, it is estimated that 17,504 or 44% were single family detached homes. Because little land remains for construction of larger lot single family homes, recent infill development has resulted in higher density housing.

Population in group quarters totaled 2,787 persons in the 2000 Census. This includes students in Santa Clara University dormitories (an estimated 2,050 in May 2001). Their number is expected to increase slightly with the addition of planned dormitories. The balance of the group quarter population resides in emergency shelters (4.7%), other non-institutional facilities (1.4%) and nursing homes.

Figure 3-D:

Housing Composition by Type and Tenure

	<u>Owner Occupied</u>		<u>Renter Occupied</u>	
Single Family Detached	13,653	(82%)	2,900	(18%)
Single Family Attached	1,758	(59%)	1,223	(41%)
Multi Family	1,338	(8%)	14,971	(92%)
Mobile Homes	453	(65%)	249	(35%)
Totals	17,202	(47%)	19,343	(53%)

(36,545 Total Occupied, 37,873 Total Dwelling Units)

Source: 1990 Census

3.2.2 Cost of Housing

Affordable housing is that capable of being purchased or rented by a household with very low, low, or moderate income (120% of median income or below), based on the household's ability to make monthly payments necessary to obtain housing. For purposes of this General Plan, "household income" is based on the United States Department of Housing and Urban Development's definition, household size, and applied to the San Jose Metropolitan Area's median income levels. Housing is considered affordable when a household pays less than 30 percent of its gross monthly income for housing, including taxes and insurance (and utilities, for rental housing). Many households are paying more than 30 percent of their income for housing, some voluntarily but many because there is not more affordable housing available.

Providing adequate housing for a variety of income groups has become increasingly difficult. Housing costs escalated significantly during the past few years due to high construction costs, limited supply of owner-occupied housing, and high demand. As a result, low and moderate income families were priced out of housing ownership.

Throughout the Bay Area, housing costs as a percentage of income continue to increase.

(a) Price of Housing

Housing costs in Santa Clara have been increasing in a manner that reflects housing cost trends throughout the Bay Area and much of California. The median housing price for a single family residence in the City of Santa Clara vicinity was \$319,950 in July 1997; by May 2001 the median price had increased to \$561,350. In four years the purchase price increased by nearly 75 percent, yet income levels did not increase at anywhere near the same rate. Rents increased 64 percent during the same time period.

Still, competition for the limited supply of houses remains strong. The vacancy rate for single-family residences in Santa Clara is estimated to be 2.9 percent for detached units and 3.9 percent for attached townhomes. The excess of demand over supply is expected to continue to increase home prices over the life of this Plan.

The City's May 2001 Rental Vacancy Survey of 30 apartment complexes is shown on a table of Rent Ranges, Figure 3-D. The size of the apartment complexes ranged from 28 units to 876 units. The lowest rent available was \$925 for a studio apartment. The average rent for a two-bedroom apartment was \$2,199. In comparison, in 1996 the lowest rent for a studio was \$575 and the average rent for a two-bedroom unit was \$1,102.

Figure 3-E: **Rent Ranges ***

	<u>Low</u>	<u>High</u>
Studio	\$925	\$2,350
One Bedroom	\$1,400	\$2,700
Two Bedroom	\$1,575	\$3,100
Three Bedroom	\$2,150	\$4,600

Based on May 2001 Planning Division survey of apartment complexes, which tend to have higher rent units. Previous annual surveys are available in the Planning Department office, for comparison purposes.

A September 2001 survey of 44 apartment complexes having fifty or more residential units by the firm, Real Facts, found an average vacancy rate of 7% and the following average rents:

Figure 3-F: **Rent Ranges**

	Average Low Rent	Average High Rent
Studio	\$1,249	\$1,265
One Bedroom	\$1,546	\$1,590
Two Bedroom, One Bath	\$1,572	\$1,650
Two Bedroom, Two Bath	\$1,923	\$2,013
Three Bedroom, Two Bath	\$2,549	\$2,580

(b) Household Incomes

The HUD 2001 median county income in Santa Clara County for a family of four was \$87,300, reflecting an increase of 51 percent since 1991. In 1991 the county median income was \$57,700.

Figure 3-G: **Income Categories and Definitions**

Very Low: A household of very low income is one with an income of up to 50 percent of the median county income. Very low income for a family of four was \$43,650 or below in 2001 (\$28,850 in 1991).

Low: A household of low income is one with an income of 51 to 80 percent of the median county income. Low income for a family of four was between \$43,651 and \$69,050 in 2001 (between \$28,851 and \$46,160 in 1991).

Moderate: A moderate income household is one with an income of 81 to 120 percent of the median county income. Moderate income for a family of four was between \$69,051 and \$104,760 in 2001 (between \$46,161 and \$69,240 in 1991).

Above Moderate: A household with an income greater than 120 percent of the median county income. Above moderate income for a family of four was greater than \$104,760 in 2001 (\$69,240 in 1991).

Source: United States Department of Housing and Urban Development

Although not representative of the extremes in household incomes in Santa Clara County, income levels of the City's households are generally similar to the average middle-class household in the County. This consistency in income levels is expected to continue.

Despite this, in 1990 5,657 persons or 6% of the City's residents were living below the poverty line. Census 2000 data can be expected to demonstrate at least the same rate of persons living in poverty.

(c) Overpayment for Housing

Overpayment for housing is defined as a household spending over thirty percent of its income on housing costs.

Projecting from 1990 Census data, in the year 2000 an estimated 23% of owner households were overpaying for housing (mortgage payment exceeding 30% of household income). Thirty-seven percent of the renter households were overpaying. Overpayment is a major problem among elderly renter households, with over 60% of them overpaying for housing.

Fourteen percent or more of low or very low income owner-occupied households were overpaying in 1990. At least 36% of the low or very low income renter households were overpaying for housing. Census 2000 data will almost certainly show a more severe problem in this regard.

3.2.3 Quality of the Neighborhoods

The City is committed to maintaining the quality of its neighborhoods. The City maintains a Rental Inspection Program (annual inspections of apartment complexes, four units or larger). A separate Code Enforcement Program (which operates on a complaint basis), also covers smaller rental buildings and single family homes. Code enforcement is also discussed under Governmental Constraints.

In 1999 the City Council created the Neighborhood Enhancement Committee to generate ideas and recommendations for improving the City's residential areas. An older single family subdivision was chosen as the first area. Council and staff members conducted a door to door survey of 230 homes. Follow-up focused on coordination with the clean up campaign to remove vegetation, old fences, debris and inoperable vehicles from the homes and yards. The second neighborhood was a multifamily area with a high percentage of immigrant residents. Residents were again surveyed and the local school was used as a conduit to promote City services.

3.2.4 Overcrowding

The Building Inspection Division conducts annual inspections of licensed residential buildings of four units or more with regard to State Housing and Building Code requirements. This inspection program includes an assessment of possible overcrowding, based on State Code requirements regarding maximum allowed occupancy. Complaints regarding possible overcrowding in other types of residential structures are also investigated.

The City is required by State law to adopt the International Conference of Building Officials (ICBO) Housing Code and its definition of overcrowding. It states that there shall be 70 square feet in a room before two persons can sleep there. Fifty additional square feet are needed for each additional person and persons can sleep in any room except the bathroom(s) and kitchen.

Overcrowding is largely a reflection of the inability of the householder or other household residents to afford larger accommodations. The United States Census Bureau's definition of overcrowding is

more than one person per room in a household. Based on April 2000 U.S. Census 2000 data, it is estimated that there were 1,419 owner-occupied and 1,601 renter-occupied overcrowded households in the City, for a total of 3,020 or 7.6% of the total units. Housing occupancy will continue to be monitored to protect the public's health and safety. The State Housing Code's generous definition of overcrowding limits the City's ability to reduce this problem from an enforcement approach.

3.2.5 Housing Conditions

More than sixty percent of Santa Clara's housing units are 30 years old or older, the age at which most housing units begin to require major improvements and repairs. It is estimated that 3,567 housing units, or approximately 9% of the 39,630 dwelling units are in need of repair or rehabilitation. Of the 3,567 units, it is estimated that 44% are lower income units. The City's Housing Rehabilitation Program, administered by the Community Services division, annually assists owners of homes in need of home improvement. The City uses Federal funds to provide grants and loans to rehabilitate single family, duplex, and multi-family residences in need of significant repair. Restoration of designated historic residential structures is encouraged through technical and financial assistance (grants and/or loans).

It is the policy of the City to not displace residents. Where families are displaced by projects utilizing Federal funds, relocation benefits will be provided. The City does not plan any major public construction during the Housing Element planning period that would require demolition of housing.

(a) Age and Type of Housing

In 1990, 45% of all housing units in Santa Clara were single-family detached homes. Between 1990 and 2000, 2,418 dwelling units were added. Twice as many of those were multi-family units as single family units. Figure 3-G, Dwelling Unit Composition, January 1990, shows the approximate mix of dwelling unit types at that time.

Single family homes, although at relatively high densities, will represent nearly two thirds of the 3,100 units to be built on the former Agnews Developmental Center west campus. Otherwise, infill units will primarily be higher density, and many will include mixed uses, to lower unit costs and maximize use of available land.

Figure 3-H, Dwelling Unit Ages, shows the percent of dwelling units by age. Over 60 percent of the 39,630 housing units in the City were constructed between 1940 and 1969. As these units age, increased attention to maintenance, repairs and replacement will be necessary to maintain quality neighborhood standards. The Housing Inspector in the Building Inspection Division will continue to conduct inspections of single family homes and rentals on a request and complaint basis, providing advice and City assistance where possible to correct problems.

Since 1985, the City's Building Inspectors whenever conducting on-site inspections with regard to new construction have "tagged" any noticeable preexisting Code violations that might endanger occupants' health and safety. Inspections prior to resale are conducted upon request.

Nearly 15% of the total units in the City were constructed in the period 1980-June 1999. Because many of these units are located in Planned Development zoning districts,

homeowners associations have been formed. It is anticipated that these associations will help assure adequate maintenance of exterior areas of these units.

Figure 3-H:

Dwelling Unit Composition, January 2000

Single Family			
	Detached	17,504	44.5%
	Attached	3,096	7.9%
Multi-Family			
	2 to 4	3,646	9.3%
	5 Plus	14,959	38%
Mobile Homes		121	0.3%
TOTAL		39,329	

Source: State Department of Finance

Figure 3-I:

Dwelling Unit Ages

Year Built	Age (Years)	Percent of City Total	Estimated # of 2000 Units
June 1980 –1998	0-19	15.0%	5,945
1970-1969	20-30	22.4%	8,832
1940-1969	31-59	59.0%	23,420
Before 1940	60+	3.6%	1,433
Total		100.0%	39,630

Source: 1990 Census, 2000 Census

(b) Number of Units in Need of Rehabilitation or Replacement

Consistent with prior General Plans and the Zoning Ordinance, the City supports the maintenance and preservation of housing and the quality of residential neighborhoods.

Projecting from 1990 data, it is estimated that 930 owner-occupied and 1,009 renter-occupied housing units were in need of rehabilitation in 2000. The actual numbers are probably less due to an active City rehabilitation program for owner occupied houses and the continuing increase in home values. Basic home improvements are often a part of the resale process.

During the 1990's, the City subsidized the acquisition and rehabilitation of five existing apartment complexes and converted them from market to below market rents. A total of 177 housing units were included in these complexes, 30 for persons earning less than 50% of the County Median Income as adjusted for household size, 38 for persons earning less than 60% of median, and 109 for persons earning less than 80% of median. Affordability controls on these units extend for 20 years or longer.

In 2000, an historic walnut packing building was approved for conversion to 44 residential lofts. While a physically successful project, there are few other buildings in the City that are appropriate for such a conversion.

As there have been no condemnations within the City for several years and the City has an aggressive rehabilitation program, there are no known residential units in need of replacement.

3.2.6 Special Housing Populations

Housing is a basic necessity of life for everyone. However, the search for decent affordable shelter is greatly complicated for many individuals because of the presence of a serious physical disability, advanced age, a severe life crisis or a transitional period in life.

In recent years, both citizens and government have been increasingly aware of the need to work with representatives of non-profit organizations and the private sector to develop viable options to meet the housing needs of special populations - seniors, disabled, homeless, large families, and female head of households.

(a) Senior Households

Current projections estimate a significant increase in the both the number and proportion of the elderly (age 65 or older) population. The number of elderly persons facing housing problems will also increase. Locally, senior-headed households comprised 16% of all households in 1990 and 17% in 2000. In 2000, there were 10,900 residents age 65 or older, representing an increase of 9% since 1990.

The 1990 Census found that 729 senior citizens or 7.9% (age 65 and over) were living below the poverty level. It is anticipated that Census 2000 data will find an increase in this number.

The City's Senior Citizen Center is located in the Old Quad, providing a central facility in an area with many senior citizens.

Senior citizen housing developments in the City consistently report long waiting lists. The County Housing Authority has a long waiting list of elderly persons wishing to apply for Section 8 Existing Housing Certificates or for its subsidized rental units in Santa Clara.

There are currently four below-market senior housing projects in the City, containing 408 one-bedroom and studio apartments. Two of these projects are shared housing developments whose acquisition was assisted by the City with HOME and Redevelopment Agency funds. Waiting lists of up to two years exist for all of the projects.

The Redevelopment Agency has reserved \$3 million for the construction of an eighty unit assisted living rental complex for seniors to be located on Pacific Drive. City Redevelopment funds will also be assisting in the construction of a 100 unit public housing development for very low income seniors as part of the Agnews Rivermark development.

The City provides funding support to a shared housing provider that matches frail seniors with younger persons who can provide assistance with household tasks, such as cleaning and cooking. This agency places 20 shared housing relationships each year.

Many of these seniors need special housing such as handicap accessible living arrangements. Through the City's Housing Rehabilitation Program, the City meets the needs of access-impaired or handicapped owner-occupants by removing architectural barriers where appropriate. Private developers are encouraged to meet or exceed State requirements and any additional local policies regarding handicap accessible living arrangements.

(b) Families with Children

Increasing housing prices make it difficult for families who currently rent to enter the home ownership market. They face a choice of remaining in rental housing in Santa Clara or having both adults commute long distances to work from homes they can afford, thus contributing to a lessening of the quality of life for the family.

Much of Santa Clara's rental housing consists of one- and two-bedroom units. Overall, it is estimated that almost 50% of the housing units in Santa Clara (including single family homes) have two bedrooms or less. Most of the remaining units have only three bedrooms. According to the 2000 Census, 62% of Santa Clarans reside in a household where members are related as a family. Of these, 27% had children under age 18 living at home. In 1990, large families (five or more members) comprised 9.5% of the City's households—It is projected that large families increased to ten percent of the City's households in 2000.

The City's Redevelopment Agency is assisting the County Housing Authority with the construction of 100 units of family housing on Hope Drive. The development will include 70 two bedroom units and 30 three bedroom units. Thirty percent of the units will be for very low income residents with the balance the units for lower income residents.

Another Hope Drive apartment development was already constructed with City Redevelopment assistance. This affordable complex has 26 units for very low income persons and 64 low income units. Thirty units have three bedrooms.

Another family housing development receiving City Redevelopment Agency assistance is the Riverwood development's 71 units of family housing at the corner of Lick Mill Boulevard and Tasman Drive. Thirty units will be three bedrooms and six will have four bedrooms. All units will be for lower or very low income households.

Each year, the City funds a Fair Housing service which has helped to ensure compliance with State Fair Housing laws and have removed many of the discriminatory barriers to families which existed in rental housing.

(c) Disability - Impaired Households

In the 1990 General Plan, it was estimated that 10.5% of the households in the City contained a handicapped or disability-impaired person. Many of these persons do not require special housing, however. Assuming that this percentage is still current, it is estimated that, as of April 2000, these households totaled 4,162. Using the general percentage of households overpaying, it is estimated that 1,269 of these households were overpaying.

The City provides financial assistance to support transitional housing for persons with physical disabilities. The facility, housing up to three persons at a time, is designed to provide living skills training to assist its clients to live independently in the community. The City has also subsidized the acquisition of a residence for up to six persons with developmental disabilities. Funds have been reserved for the purchase of a second residence. As part of a 450 unit apartment with 90 units reserved for low income households, 23 units are designed and reserved for those with developmental and physical disabilities.

A program has been added to analyze and determine by the year 2003 whether there are constraints to providing housing for persons with disabilities. This analysis will be consistent with Senate Bill 520 (Chesbro) as it was chaptered in 2001. If any constraints are identified, a plan will be developed to mitigate or remove those constraints.

(d) Female-Headed Households

The 2000 Census found that within Santa Clara there were 3,659 households (9.5% of the total) occupied by a female householder. Of these, 1,627 had children at home (4% of the total or 45% of the female households). Based on projections from 1990 data, it is estimated that 338 qualify for housing assistance.

To address the needs of single parent families, the City of Santa Clara previously participated in Project Self-Sufficiency, which has since been renamed Partners in Self-Sufficiency. Project Self-Sufficiency was a HUD pilot program aimed at making single parent families economically self-sufficient through job-training, affordable childcare and most importantly - affordable housing. The rationale was that if a parent's home life is stable, then the parent's success through job-training will increase and with successful training they will be able to earn more in the job market.

Although federal sponsorship of Project Self-Sufficiency has expired, the City of Santa Clara continues to carry on the intent of the program through the cooperation of the Housing Authority of the County of Santa Clara. The goal of the program remains to help low-income single-parents make the transition from public assistance to gainful employment by providing the means for individuals to locate and utilize existing programs and resources. The Housing Authority gives program preference to new participants of Section 8 housing certificates.

(e) Persons and Families in Need of Emergency Shelter or Transitional Housing

The number of homeless persons and families has been increasing nationally and in the Bay Area. The demographics of the homeless also have been changing, from predominately single persons often with substance abuse or mental illness to an increasing number of families unable to afford the high rents.

The labor force of "Silicon Valley" tends to be highly skilled and despite occasional set-backs, the unemployment rate is usually below both state and national levels. Despite this, 5,657 or 5.5% of all Santa Clarans live below the poverty level, on the border of homelessness (1990 Census).

In 1999, there were an estimated 20,000 episodes of homelessness in Santa Clara County. (survey by Santa Clara County Collaborative on Homelessness and Affordable Housing, Santa Clara County Housing Authority). The County Housing Authority's 1999 waiting list had 1,194 households from the City waiting to receive certificates/vouchers. Of those, 134 identified themselves as homeless. Most of the households on the waiting list are one or two person households (54%); a significant portion (13%) were large households (5 or more members).

The City of Santa Clara has at least twenty sites where homeless persons can be found. A County-wide Census conducted by the County of Santa Clara and Federal entitlement jurisdictions in January and February of 1999 found 2,908 persons homeless throughout the County on a given night. Based on Santa Clara's share of County population, six percent of these persons or 180 Santa Clarans can generally be estimated to be homeless. The 1999 County Census found that 51% of the homeless persons were single adults; the other 49% were families.

Santa Clara is fortunate to have the Emergency Housing Consortium's Sobrato Family Living Center. The Center provides emergency housing for up to 33 families on Agnew Road just east of Lafayette Street. This facility was recently re-constructed with the assistance of \$2,500,000 from the City Redevelopment Agency. It is recognized as providing quality transitional housing with employment and educational services. Eighteen additional units are under construction at the center in 2001. Upon completion in 2002, the Family Living Center will comprise 42 apartment-style units of transitional housing for homeless families, 9 units of permanent affordable housing, a community center, and a computer learning center.

For fiscal year 2001-2002, Santa Clara will provide \$40,170 to the Emergency Housing Consortium for annual operation of its Family Living Center. The shelter houses up to 100 persons per night. Clients may remain at the shelter for up to 90 days and receive tenant education as well as information on area housing and jobs, children's programs, case management and other subjects.

Use by residents of Santa Clara currently represents a very small percentage of the overall use, compared with the City's proportional share of County population. From July 1, 2000 through June 15, 2001, the Emergency Housing Consortium of Santa Clara County provided 10,710 shelter days to persons whose last home address was within a City of Santa Clara zip code.

Ten of the 16 instances of Santa Clara families' homelessness were accommodated at the Santa Clara facility. None of the single person instances of homelessness were accommodated in the City, due to the fact that the Santa Clara facility serves families only. Based on the most recent information, which may not be representative of the overall need in the community as it represents statistics only from the Santa Clara facility, it would appear that approximately 63% of the shelter days needed for instances of Santa Clara families'

homelessness are being met within the community. None of the shelter days needed for single adults are being provided in the community. Through the Block Grant Program, the City provides funding for traditional shelters in San Jose that serve local homeless individuals.

The Bill Wilson Center, partially funded by the City of Santa Clara, provides short-term housing for runaway and homeless youth ages 11-17 and transitional housing services for youth 17-21 and young-parent families. The Bill Wilson Center, located at 3490 The Alameda, houses 16 youth and was built using funds from the City Redevelopment Agency. The Bill Wilson Center also leases a house from the City at below market rates to serve six homeless youth. The City helped fund the acquisition of an apartment building and a house located on another site that provides transitional housing services to ten young homeless families. A triplex purchased using Federal Home funds and City Redevelopment funds houses eight single homeless teens. In fiscal year 2001-2002 the City also approved funding in the amount of \$650,000 to purchase another transitional housing facility for up to ten homeless youth and young families.

Redevelopment Agency funds also have assisted with the construction of a 24 unit Homesafe Transitional Housing project on City-owned land for those who have experienced domestic violence.

Just as expansion of emergency shelter, runaway and homeless youth facilities is necessary, rising housing and health costs may necessitate expansion of existing facilities, or creation of new ones, in order to meet the needs of a new and growing population that lacks shelter - the terminally ill. An ever increasing number of persons have been stricken with AIDS and are often discriminated against or cannot afford quality care as they reach the end stages of the disease.

Although Hospice of the Valley provides comprehensive home hospice care at no cost to the terminally ill of Santa Clara Valley, more hospices are needed to meet the projected needs.

For example, the AIDS Resources and Information Services (ARIS) reported that, at the end of 1998, there were 1,219 persons with AIDS living in the County. Of this group, 73 were homeless. From July 1999 through January 2000, ARIS provided 19,197 bednights to 120 persons with AIDS. During that same period, it received 186 applications for housing. As of January 31, 2000, 129 households were on a waiting list for housing. This list represents a 24 month waiting period for housing.

The City will evaluate and work towards eliminating any possible constraints in the City's Zoning Ordinance which might inhibit the provision of transitional housing opportunities for persons such as the terminally ill in existing multiple family residential zoning districts. Zoning Ordinance amendments to be considered will allow shelters such as for single individuals in the thoroughfare commercial zoning district, which is the district most accessible via transit.

(f) College Students

An increasing number of students at Santa Clara University live off-campus. The City of Santa Clara supports the expansion of the variety of types of housing opportunities provided on-campus, so as to minimize the impacts on the City's off-campus housing stock. The University has begun a program of expanding its types of on-campus housing with the intent of

encouraging a higher percentage of student occupancy on-campus. Between 1989 and 2001, the number of students living on-campus increased from 1,838 to 2,050.

The City encourages the University to provide adequate on-site student housing for all full-time students, both graduate and undergraduate students. Since the prior Housing Element, the University has approval for construction of 350 beds in apartment style housing, of which 296 beds have been built.

The community benefits from two other colleges: the Golden State Bible College and Mission College. Golden State is an undergraduate facility and has approval for two dormitories. The first dormitory has been completed and has 54 rooms and 108 beds. Mission College is a community junior college with students who commute from their homes. There is no on-campus residency.

(g) Farmworkers

As the closest large-scale agricultural production operations are more than thirty miles away from the City in southern Santa Clara County (where housing is more affordable), farmworkers have not been identified as a subgroup with special housing needs in this city. The only farming operation in the City is the Bay Area Research Extension Center, a part of the University of California's agricultural studies. The Center has already been approved for closure before the end of 2002. The City has previously designated this site for housing.

3.2.7 Analysis of Employment Trends

Santa Clara County continues to be a growth area and the City of Santa Clara is located at the center of the growth. In 1990, there were approximately 108,020 jobs in Santa Clara; in 2000, there were 135,370. Approximately 61,300 Santa Clara residents were employed in 2000. It is estimated that over one-half of them commuted outside the City to work.

The 135,370 employees in Santa Clara in 2000 represent about 13% of the employees in Santa Clara County. Approximately 47% of the employees who work in Santa Clara are in the manufacturing or wholesale distribution sectors.

Between 2000 and 2005, the number of locally available jobs in Santa Clara is expected to increase from 135,370 to approximately 145,580. This is an average of 2,042 new jobs per year or 1.5% employment growth per year. By 2010, 151,280 jobs are anticipated for Santa Clara, for 1,591 new jobs per year or 1.1% annual employment growth.

Except for agricultural and wholesale trade jobs, it is anticipated that all types of employment in the City will continue to expand during 2000-2010. Increases are forecast for the services sector (22%), retail trade (9%), and construction (20%). Manufacturing job growth is expected to slow to 4%, for a cumulative increase of 2,690 more jobs than the total of 64,630 manufacturing jobs estimated in 2000. Much of the City's cumulative job growth will occur in those sectors that have historically paid less than the average wage.

The conclusion of this section is that housing will be needed for a growing and increasingly economically diverse employment base.

3.2.8 Status of Existing Assisted Housing Developments

Beginning in 1960's, the federal government provided low-interest loans and rent subsidies through various programs administered by the federal Department of Housing and Urban Development (HUD) and insured by the Federal Housing Administration (FHA). In return, private developers and owners agreed to build or operate rental projects in which most or all of the units were reserved for low-income families during the loan period (typically 40 years). In order to stimulate private participation, the owners were given the option to terminate their contracts prior to the loan maturity dates. As owners exercise those options, the units are converted to market-rate rents, the inventory of rental units available to lower-income families declines, and some occupants are displaced. In California in 1990, there were an estimated 1,600 HUD-subsidized projects with 117,000 units that were at risk of early conversion to market rents, with the likelihood that many of the current tenants would be displaced. There are no such projects remaining in Santa Clara.

In addition, a number of apartments were built without FHA insurance, but relied on other forms of governmental financial assistance such as Mortgage Revenue Bonds (MRBs), local housing agency funds, and redevelopment district "set-asides" for housing, or were developed under other State or local programs (such as "inclusionary zoning", the provision of below-market-rate units by private developers). Of all of these non-HUD-assisted possibilities, the only such units in Santa Clara are multi-family projects financed by MRBs. The terms of the MRB financing required that 20 percent of the units be "affordable" (reserved for households earning less than 80 percent of the County median income) for a period of 10 years or half the life of the bonds, whichever is longer.

The following provides a comprehensive inventory of all assisted rental housing in Santa Clara. As illustrated by this inventory, the City's Redevelopment Agency has played an active role in assisting in the provision of affordable housing, and has placed long-term affordability covenants on its projects.

Figure 3-J:

Assisted Rental Housing Developments

Address	Affordable Units (Total Units)	Owner	Earliest Date of Expiration	Funding Source
Liberty Tower 890 Main Street	100	Methodist Retirement	2005	RDA, HUD Section 202 & 236
Adult Independence Center Lincoln & Market	1	AIDC	2047	RDA
2150 Main Street	25	Community Housing Developers	2023	RDA
2319 Gianera Street	1	City of Santa Clara	Annual Lease	RDA
1284 Jackson Street	5	Bill Wilson Center	2027	RDA
2120 Main Street	3	Bill Wilson Center	2029	RDA
3761 Miramar Way & 2251 Deborah Drive	20	County Housing Authority	2033	RDA

Klamath Gardens 2051 Klamath Avenue	17	County Housing Authority	2049	RDA
2185 Homestead Road	1	City of Santa Clara	2026	RDA
3661 Peacock Court	28	Community Housing Developers	2025	RDA
2002 Halford Avenue & 3680 Poinciana Drive	16	County Housing Authority	2033	RDA
Summerset Apartments 2151 Main Street	43	Community Housing Developers	2022	RDA
Bracher Senior Apartments 2665 South Drive	72	County Housing Authority	2048	RDA
Estancia Hope Drive	90 (450)	Citizens Housing	2048	RDA
Family Living Center Agnew Road	33	Emergency Housing	2030	RDA
Bill Wilson Center 3490 The Alameda	20 beds	Bill Wilson Center	Permanent	RDA

Loss of Assisted Housing

According to a risk assessment by California Housing Partnership Corporation (CHPC), no assisted development in Santa Clara is considered at high risk of conversion to market use. Of the assisted units identified earlier, one project is determined to be at low risk of conversion during the 2001-2011 period: the 100-unit Liberty Towers.

Liberty Towers: Located at 890 Main Street, Liberty Towers is a 100-unit apartment complex, with all of the units allocated for occupancy by very low-income seniors. The project receives Section 8 project-based assistance. Under the Section 8 contracts, the project owner provides units affordable to lower-income families for a specified time period. Available records indicate that the Section 8 contracts for Liberty Towers will expire on August 31, 2005, at which time the contracts will likely be renewed on an annual basis. Liberty Towers was also assisted through the HUD Section 236 and Section 202 programs. Through these programs, the owner was provided mortgage insurance and interest reduction payments. Earliest termination date of Section 236 and Section 202 loan assistance is September 20, 2013.

Preservation and Replacement Options

To maintain the existing affordable housing stock, the City must either preserve the existing assisted units or facilitate the development of new units. Depending on the circumstances of at-risk projects, different options may be used to preserve or replace the units. Preservation options typically include: 1) transfer of project to non-profit ownership; 2) provision of rental assistance to tenants using non-federal funding sources; and 3) purchase of affordability covenants. In terms of replacement, the most direct option is the development of new assisted multi-family housing units. These options are described below as they pertain to the at-risk Liberty Towers development.

1. **Transfer of Ownership:** Transferring ownership of an at-risk project to a non-profit housing provider is generally one of the least costly way to ensure that the at-risk units remain affordable for the long term. By transferring property ownership to a non-profit organization, low-income restrictions can be secured indefinitely and the project would become potentially eligible for a greater range of governmental assistance. This preservation option is, however, not applicable for Liberty Towers because the project is already owned by a non-profit organization (Methodist Retirement Foundation). This project is determined to be at “low” risk of conversion, largely due to its non-profit ownership.

A list of qualified non-profit entities that could assist is included in the Appendix of this Element.

2. **Rental Assistance:** Rental subsidies using non-federal (State, local or other) funding sources can be used to maintain affordability of the 100 at-risk units. These rental subsidies can be structured to mirror the federal Section 8 program. Under Section 8, HUD pays the difference between what tenants can pay (defined as 30% of household income) and what HUD estimates as the fair market rent (FMR) of the unit.

The feasibility of this alternative is highly dependent upon the availability of non-federal funding sources necessary to make rent subsidies available and the willingness of property owners to accept rental vouchers if they can be provided. The chart below shows the total cost of subsidizing the rents at all at-risk units currently assisted through the Section 8 program. As indicated below, the total cost of subsidizing the rents at the 100 at-risk units is estimated at \$31,140 per month or \$373,680 annually.

Figure 3-K:

Rental Subsidies Required

Unit Size	Total Units ¹	Fair Market Rent	Household Size	Very Low Income (50% AMI) ²	Affordable Cost – Utilities ³	Monthly Per Unit Subsidy	Total Monthly Subsidy
0-br	60	\$993	1	\$30,550	\$714	\$279	\$16,740
1-br	40	\$1,132	2	\$34,900	\$773	\$360	\$14,400
Total	100						\$31,140

1. Liberty Towers is comprised of 60 studios and 40 one-bedroom units.
2. 2001 Area Median Household Income (AMI) limits set by HUD. In Santa Clara County, the area median income limit for a very low-income household is \$30,550 for a one-person household, \$34,900 for a two-person household and \$39,300 for a three-person household.
3. Affordable cost = 30% of household income minus estimated utility allowance of \$50 for a studio, \$100 for a one-bedroom unit, and \$150 for a two-bedroom unit.

3. **Purchase of Affordability Covenants:** Another option to preserve the affordability of at-risk projects is to provide an incentive package to the owner to maintain the project as affordable housing. Incentives could include writing down the interest rate on the remaining loan balance, and/or supplementing the Section 8 subsidy received to market levels. The feasibility of this

option depends on whether the complex is too highly leveraged. By providing lump sum financial incentives or on-going subsidies in rents or reduced mortgage interest rates to the owner, the City can ensure that some or all of the units remain affordable.

- 4. Construction of Replacement Units:** The construction of new housing units for lower-income households is a means of replacing the at-risk units should they be converted to market-rate units. The cost of developing housing depends upon a variety of factors, including density, size of the units (i.e. square footage and number of units), location, land costs, and type of construction. The construction cost for a 1,000-square foot apartment unit is approximately \$100,000 to \$200,000 (excluding land costs), based on discussions with area developers. Assuming an average construction cost of \$150,000 per apartment unit, it would cost approximately \$15 million to construct 100 new assisted units. Including land costs, the total costs to develop replacement units will be significantly higher.

Cost Comparisons: Given its non-profit ownership, it is unlikely that Liberty Towers will be converted to market-uses. Nevertheless, the above analysis attempts to estimate the cost of preserving the at-risk unit under various options. The annual costs of providing rental subsidies required to preserve the 100 assisted units are relatively low. However, long-term affordability of the units cannot be ensured in this manner. The option of constructing 100 replacement units is very costly and constrained by a variety of factors, including growing scarcity of developable land, high land costs, and potential neighborhood opposition. The best option to preserve the at-risk units appears to be the purchase of affordability covenants. This option would likely require the participation of Santa Clara's Redevelopment Agency and the use of its set-aside funds.

3.2.9 Santa Clara's Regional Housing Share

Since 1970, household growth in the City has been much slower than in the rest of the County due to the lack of vacant residential land. The City's share of County population, which was 8.1 percent in 1970, fell to 6.3 percent in 1988 and to 6.1 percent in 2000. The City added residents from 1990 to 2000 at a rate of 874 new residents annually.

The average household size, which had been decreasing in Santa Clara in recent years, has stabilized and has begun increasing once again (2.492 in 1980, 2.51 in 1985, 2.421 in 1990 and 2.58 in 2000, as per the 2000 Census).

Santa Clara's regional housing need, as determined by the Association of Bay Area Governments, has increased each Housing Element cycle. For 1985-1990, our goal was the construction of 2,105 housing units (421 units per year). For 1988-1995, the goal was 5,170 units (739 units per year) and for 1999-2006 it is 6,339 (906 units per year). This growing share is the result of ABAG's emphasis on employment as a factor in determining regional housing need and Santa Clara's jobs/housing imbalance.

3.2.10 New Construction Need

Using a regional allocation formula which incorporates a share of the regional housing need of persons at all income levels, the Association of Bay Area Governments (ABAG) has identified the City's " regional housing needs determination " through the year 2006. The regional need includes the existing and projected regional demand for housing, taking into account market demand, employment growth, and availability of suitable sites and public facilities.

ABAG's Housing Needs Determination, December 2000, projects the number of housing units needed to provide shelter for Santa Clara households given the expected income distribution of the 2006 population.

Housing Needs Projections and Determinations Table shows the ABAG projected need for January 1999 through June 2006, by income category. The number of housing units still needed in each category is shown in the final column.

FIGURE 3-L:
Housing Needs Projections

Income Level and Relation To County Median	Seven & ½ Year Projected Need	Constructed 1/99-12/01*	Need 1/02-6/06
Very Low Income (0-50%)	1,294	79	1,215
Low Income (50-80%)	590	12	578
Moderate Income (80-120%)	1,786	18	1,770
Above Moderate (over 120%)	2,669	686	1,981
TOTAL	6,339	795	5,544

* Constructed units indicated in the Very Low-, Low-, and Moderate-Income categories all have deed restrictions enforced by the City of Santa Clara.

Source: ABAG Housing Needs Determinations, December 2000; City of Santa Clara Planning and Inspection Department, December 31, 2001.

The level of affordability is based on the 2001 County Median Household Income for a family of four (\$87,300).

3.2.11 Opportunities for Energy and Resource Conservation

The City of Santa Clara owns and operates its own electric utility, Silicon Valley Power, its own water and sewer utility and jointly owns the sewage treatment plant with the City of San Jose. Free energy audits for residential customers are provided. The City continues to offer solar hot water systems with payment through the monthly billing.

In response to concerns about too much fresh water entering the South Bay, Santa Clara has been a leader in diverting water from the Santa Clara/San Jose treatment plant back to irrigation uses in the community. Recycled water pipes have been laid in a large portion of the City and new projects are required to use the recycled water if it is nearby.

During the drought, Santa Clara initiated water conservation measures for both residential and industrial users.

Utilities have always been available for residential construction and have never been the basis for denial or delay of permits for new dwelling units.

With rising costs of energy and limited supplies of such necessary resources as water, new development will be held to a consistently high standard of resource conservation and efficient energy use. Since the City operates its own electric, water and sewer utilities, the City is especially concerned about the increasing costs and diminishing supply of water and conventional energy resources.

Various methods are available to reduce the consumption of water, non-renewable energy and other limited resources:

- a) Since 1998, the City's electric utility, Silicon Valley Power, has been operating a variety of low-income, renewable energy, new energy technology, energy efficiency and conservation programs for residents and businesses in Santa Clara through the Public Benefits Program. The Public Benefits Program is funded by a 2.85% charge on all electric bills.
- b) Free energy audits are offered to all electric utility customers.
- c) A variety of rebates, grants, and assistance services are available to residents and businesses installing energy and water efficient systems through Silicon Valley Power's Public Benefit Program and the Santa Clara Valley Water District.
- d) Thermal solar systems and solar electric systems are available to interested utility customers.
 1. In 1975 the City of Santa Clara took a leading role in development and promotion of the use of thermal solar energy by developing the first municipal solar utility. Under this program, the City will supply, install and maintain solar water heating systems for residents and businesses within Santa Clara, recovering the costs through monthly utility bills.
 2. Since 1999 Silicon Valley Power has offered rebates to its customers for the installation of solar electric (photovoltaic) systems.
- e) The City requires drought tolerant landscaping to reduce irrigation needs. Free water conservation audits are offered through the Santa Clara Valley Water District.

As State standards (including Title 24) and other energy performance measures increase, the City will implement these for all types of energy users so as to continue to meet the needs of residential users as a priority. The City's Water Conservation and Public Benefits Programs will be continued.

3.3 HOUSING CONSTRAINTS

3.3.1 Governmental Constraints

Governmental constraints are policies, standards, requirements or actions imposed by the various levels of government upon land and housing development. Although State and Federal agencies

play a role in the imposition of governmental constraints, these agencies are generally beyond the influence of local government and are therefore not significantly addressed in this document.

With continued job growth, demand for housing will increase. By 2010, the number of employees within the City is expected to increase approximately 11%, according to ABAG. Much of this growth will occur in moderate or lower income jobs in the service economy of the City, including financial, insurance and real estate, office and employment support services, and over-the-counter retail sales and food sales.

State legislation requires that localities zone sufficient sites for residential use, affordable to all economic segments, consistent with the needs identified in the local General Plan and Housing Element. With the availability of housing funds through the City's Redevelopment Agency, Santa Clara commits to make every effort to increase production and affordability. However, a number of constraints have been identified below, some of which cannot be resolved.

The City's Planning Commission will periodically evaluate and make recommendations regarding what actions can be taken to remove or mitigate these constraints to the maintenance, improvement and development of housing. Since 1992, other programs such as offering Redevelopment Agency Housing Funds for low to moderate income housing construction have also been implemented.

(a) Municipal Boundaries

The City is completely surrounded by the boundaries of other cities: San Jose on the north, east and south; and Cupertino and Sunnyvale on the west. Other than a 52 foot by 436 foot parcel on Homestead Road no other developable lands exist for annexation to the City. The City's primary new housing opportunities, therefore, must come from within the City limits and primarily through redevelopment of existing parcels.

(b) Shortage of Vacant Land

Less than three percent (313 acres) of the land in the City is undeveloped and vacant. Other than approximately sixty acres of undeveloped commercially designated land, some of which may have potential for mixed use development, only 154 acres of these are identified as appropriate for housing. Based on anticipated allowed densities and existing, this undeveloped land could accommodate 4,105 units of housing. Other constraints listed below may restrict potential use of these identified residential sites.

(c) Community Opposition to Infill Residential Development at Higher Densities

Since 1985, the City has heard some community opposition to infill residential development at higher densities than presently exist in residential neighborhoods. However, several significant affordable developments have been approved in spite of such opposition.

In 1986 the City's multi-family zoning district standards were revised to encourage higher density development on only those parcels with sufficient area to accomplish a significant landscape buffer and increased setbacks from existing residences. Only Planned Developments have been allowed latitude in design standards to accomplish maximum development densities.

The 1989 General Plan Update Community Survey found that a minority of surveyed citizens (forty percent) disagreed that "the City should encourage the development of more housing." A minority of 38 percent disagreed that "more low and moderate income housing is needed in close proximity to jobs, even if located in existing neighborhoods." More recent regional surveys indicate a growing recognition of the need for more housing in general and more affordable housing in particular. In Santa Clara, affordability for lower and moderate income households has not been the basis for any project denial since 1988.

The City will continue to strive to reach a consensus in the community as to where higher density infill residential development can be accommodated. As of the date of adoption of this Housing Element amendment to the General Plan, approximately 332 acres have been identified as appropriate for new higher density residential redevelopment. Most of this proposed mixed use redevelopment at higher densities is along El Camino Real.

By directing higher density to commercial areas and away from neighborhoods via the Mixed Use Overlay Zones, it is likely that there will be less neighborhood opposition.

(d) Land Use Controls, Development Standards, Building Codes and Enforcement

Land use controls have helped maintain the quality of the City's residential neighborhoods, consistent with community established goals. Similarly, residential development standards, such as maximum building height and minimum building setback, and other land use policies, such as minimum percentage open space and off-street parking requirements, have not been significantly changed since 1969. This has helped ensure a consistently high standard of quality of development in all areas of the community.

The General Plan includes the following residential land use designations and densities:

Single Family Detached	1 to 8 dwelling units/acre
Single Family Attached	9 to 18 dwelling units/acre
Moderate Density	19 to 25 dwelling units/acre
Medium Density	26 to 36 dwelling units/acre
High Density	37 units to no maximum density

There are also three Mixed Use designations: Mixed Use (19 to 25 du/acre), Gateway Thoroughfare (19 to 25 du/acre), and Transit-Oriented (26 to 45 du/acre). Although commercial with residential is encouraged, stand-alone residential uses are allowed.

Allowing single family uses in multifamily zones has very little impact on the City's housing capacity. Within Santa Clara there are virtually no parcels that are currently zoned for higher density but only have a single family house. Our GIS data indicates that there are two such parcels with a total size of one half acre. If developed at their maximum allowable density, these parcels could accommodate only four more units. New single family developments in Santa Clara have reached fairly high densities

because of land costs. A recent conversion of an older neighborhood commercial center, General Planned for up to 25 units per acre, was built with small lot single family at a density of 10 units per acre.

The planned mixed use and transit oriented mixed use overlay zones will not allow single family detached or attached uses. A minimum density of 19 units per acre will be required for a residential use to be allowed. These units could be for sale or for rent. Residential densities on mixed use sites are based on total lot acreage. The minimum and maximum densities are identified above. A mixed use development in Santa Clara has typically, previously consisted of two floors of housing above retail or three stories of residential behind retail. Existing mixed use developments have been rental units, although one was built to condominium standards but has not been converted.

Building height allowed in the Mixed Use Transit Oriented zone districts, if adopted as proposed by staff, will be four stories total. At least ten percent of the units will be affordable housing, if Redevelopment Agency Housing funds are available. There will be higher densities and more affordable units if the developer proposes to have a significant number of affordable units and qualifies for the Density Bonus. These concerns were considered when calculating the potential unit count.

The Zoning Ordinance establishes districts in conformance with the General Plan. The Residential Zoning District Summary Figure, lists the residential zones and the regulations in each. The Planned Development zoning district allows for both flexibility in many regulations and a mix of land uses not permitted in other zones. Most residential approvals since 1985 have been Planned Developments to achieve small lot ownership, condominium/townhome ownership and design variations in terms of setbacks, building coverage and building heights.

The Planned Development zoning district allows a mix of distinct uses on a single site and permits variations from development standards found in other existing traditional zoning districts in the City. Most often, the combination of uses that is proposed includes residential and retail commercial and/or offices. When applied to multi-family residential proposals, the discretionary allowances provide flexibility in development design standards to accommodate the need for setback reductions, increased building heights and coverage and similar design flexibility in order to accommodate a mix of uses while maintaining a suitable unit count. Percentage building coverage for recent Planned Development approvals has ranged from 30% for a two-story townhouse development to 46% for a multi-story Single Room Occupancy development.

There are a minimum number of identified housing sites that might be developed under the standard multi-family or R-3 zoning district standards. The maximum building coverage and setback standards do not restrict the cost and supply of lower-income housing. Where the parking standards might have an adverse affect, variances or modifications for reduced parking have been granted in the recent past.

The current update of the General Plan promotes higher maximum densities than previously contemplated, recognizing the demand for urban infill development and the enhanced opportunities for taking advantage of mass transit. It also increases the likelihood of keeping housing costs reasonable.

The existing Planned Development standards are flexible so as to be able to adapt to specific site constraints without reducing units of housing or adding additional cost to affordable housing units. Other than mixed use developments, most new development or redevelopment in the City is expected to be accomplished through the Mixed use overlays.

The parking requirement and General Plan density range are the only regulations that are not flexible in the PD zone. With sufficient justification, a variance can be granted to reduce the required parking. Senior housing projects, for example, have been and typically can be granted variances to allow parking at one half space per unit.

Staff has the authority to grant modifications to the parking requirement up to 25 percent. Large multifamily projects have typically been granted a ten percent parking reduction.

In this General Plan, a Zoning Ordinance Amendment has been proposed that would reduce the parking requirements for senior housing, Single Room Occupancy developments and Transit Oriented developments. Also there is a program to adopt a Mixed Use and a Transit Oriented Mixed Use overlay zones to allow residential use on commercial property designated for Mixed Use or Transit Oriented Mixed Use in the General Plan.

FIGURE 3-M

RESIDENTIAL ZONING DISTRICT SUMMARY TABLE

RESIDENTIAL ZONING DISTRICT	PRINCIPAL USES	MINIMUM LOT SIZE (SQ. FT)	MINIMUM LOT WIDTH (FT)	YARD REQMT (FT)*	HEIGHT LIMITATIONS (FT)**	MAX. BLDG. COVERAGE	PARKING
R1-8L	Single Family	8,000	70'	20' Front 6' & 9' Side 15' St. Side 20' Rear	2 stories 25'	40%	2 covered spaces
	With Accessory Unit	7,000		Subject to other requirements			1 addl space
R1-6L	Single Family	6,000	60'	20' Front 5' Side	2 stories 25'	40%	2 covered spaces
	With Accessory Unit	7,000		Subject to other requirements			1 addl. space
R2-7L	Duplex	7,000	65'	20' Front 5' Side 20' St. Side	2 stories 25'	45 %	2 covered/ spaces dwelling unit
R3-18D	Low Density Multiple Dwelling	8,500	70'	20' Front 10' Side 20' St. Side 15' Rear	2 stories ** 25'	35%	1 covered + 1 uncovered space/ dwelling unit
R3-25D	Moderate Density Multiple Dwelling	8,500	70'	20' Front 10' Side * 20' St. Side	2 stories 25'	35%	1 covered + 1 uncovered space/ dwelling unit
R3-36D	Medium Density Multiple Dwelling	8,500	70'	20' Front 10' Side * 20' St. Side 20' Rear	4 stories	45%	1 covered + 1 uncovered space/ dwelling unit
PD and PD-MC	Permits a variety of uses and variations from normal standards to achieve innovative development an design goals						

* Special conditions may apply to setback requirements. Check official plan lines for maximum City rights-of-way along streets.
 ** Special conditions may apply to height requirements.

Since 1969, the City's land use regulations have accommodated a wide range of housing and changes in market conditions. They have not constrained new housing at densities necessary for affordability, and they are consistent with those of surrounding jurisdictions.

Since 1983, the City has accepted proposals for attached one-bedroom accessory units on all single family zoned lots of 7,000 square feet or more. There are approximately 3,800 such lots. Two covered off-street parking spaces are required for the main unit and one open parking space (behind the front setback) is required for the accessory unit. Approval is through a Use Permit process that allows for community input at a public hearing. The number of applications for these potentially affordable housing units has been less than expected (80 applications, 70 approvals). Outreach to owners of these remaining oversized lots is planned.

A new program calls for performance standards to be used to determine qualification status for the accessory unit application process. This is intended to allow more accessory units than the current Ordinance allows.

The City has adopted a Density Bonus Ordinance that complies with State law, providing for at least a 25 percent increase in density in exchange for provision of affordable units. The City has updated its Density Bonus Ordinance to eliminate the previous threshold that was lower than the State's. Planning staff informs potential applicants of the Density Bonus option.

Building Codes and their enforcement in the City are not a constraint to residential development. New construction is required to meet Uniform Building Code regulations. Existing single family, duplex and triplex units are inspected only when an owner seeks a permit for additional construction or complaints is received. Certain types of major additions require the applicant to bring the building (or part of it) up to current codes. Santa Clara's Building Permit fees are competitive with surrounding jurisdictions. . As an example, for a new single family or multi-family unit in Santa Clara there is a six cents per square foot charge per trade (plumbing, electrical and mechanical fees). In San Jose, the same trade's fees are nine cents per trade for a new single family unit and ten cents for a new multi-family unit.

The State Historic Building Code provides some flexibility in accomplishing innovative reuse of existing historic structures. In Santa Clara, such structures may not be demolished without City Council approval. Over time, it is expected that these two factors will balance out and not represent a constraint to the creation of additional housing units.

Historic properties are also potentially eligible to utilize the Mills Act program, which helps to reduce property tax liability in exchange for adequate upkeep of the structure and property.

The City continues to investigate incentive programs to allow modifications to Zoning standards in existing historic areas so as to assist in the development of new housing units and expansion of existing historic buildings.

Site improvement standards for residential development in the City, with the exception of minimum parking requirements, are not more restrictive than those in surrounding jurisdictions. The only way in which Santa Clara's parking standards are more restrictive is that 2 covered spaces (as opposed to two spaces, one of which must be covered) are required in the duplex and single family zones. At an estimated \$15.50 to \$22.70 per square foot for covered parking (exclusive of land cost), this requirement for two covered spaces adds approximately \$6,200 to \$9,080 to the cost of some dwelling units. Carports are allowed in lieu of garages in many parts of the City. Santa Clara's parking requirements for multi-family developments tend to be lower than many other jurisdictions.

Policy and program wording reflects revising the Zoning Ordinance parking standards to lessen the requirements for Senior Housing, Transit-Oriented, and Single Room Occupancy developments.

The Federal Fair Housing Act of 1998 (FHA) and the Americans with Disabilities Act (ADA) are Federal laws that are intended to assist in providing safe and accessible housing. The City of Santa Clara has the enforcement authority for State accessibility laws and regulations (California Code of Regulations (CCR) Title 24) when evaluating new construction requests. Similar to the Federal requirements, Title 24 provisions include requirements to be applied to new development requests to ensure full accessibility for the physically disabled.

Compliance with Building Codes and Title 24 may increase the cost of housing production and also impact the viability of rehabilitation of older properties required to be improved to current code standards. However, these regulations provide minimum statewide standards that the City must comply with in order to ensure safety and appropriate accessibility, unless otherwise addressed under the State Historic Building Code. The Building Inspection Division supports and enforces retrofits to provide parking, access and fixtures for the disabled.

No other governmental constraints have been identified with regards to housing for persons with disabilities. The City treats requests equally for approval of maintenance, improvement, or development of housing for all income levels and for persons with disabilities. Other than the Title 24 requirements, there is no difference in processing with regards to land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures.

The City assists with funding for the construction of ramps and similar improvements to homes where the disabled resident lives. As no local constraints have been identified, there are no other specific programs or local efforts to remove governmental constraints for this type of housing.

The City supports innovative housing types and assistance programs for the disabled. Examples include:

- Silicon Valley Independent Living Center. Supplemental Living Center. A transitional residence designed to provide training and practice in basic living and self-support skills for persons with disabilities. Houses up to three residents for up to eight weeks each.
- Tri-Aegis Residential Services. Assisted in purchase of single family residences to house up to six persons with developmental disabilities. Most recent in August, 1991.
- Charities Housing Development. Assisted in construction of rental housing for persons with developmental disabilities. Located in Sunnyvale. Example of City's regional approach to addressing housing needs of special populations. Total of 23 units; City portion is 2 units.
- Housing Authority of Santa Clara County. Currently in development, a rental housing project of 15 units for persons with physical and developmental disabilities (Life Services Alternative Project]
- Pacific Gardens Assisted Living Project – uses RDA funding to make twenty beds affordable.

Certain licensed group homes are preempted from local review by State law. These group homes with no more than six residents and located in a residential zoning district are exempt from the City's Zoning Ordinance. Such homes frequently serve as residences for disabled people. The Zoning Ordinance's definition of "family" is consistent with judicial rulings regarding State law. A "family" can be a group of persons living together in one dwelling unit. As the City follows State standards, there is no need for a specific program.

(e) Environmental/Infrastructure Constraints

Environmental hazards affecting housing units include seismic, flooding, toxic and hazardous wastes, fire hazards, and noise. The following hazards may impact development/redevelopment of residential units in the City.

Seismic Hazards Like the entire Bay Area region, the City of Santa Clara is located within an area of high seismic activity. No known active fault crosses the City. Santa Clara's proximity, however, to the San Andreas fault seven miles to the west, the Hayward fault five miles to the east, and the Calaveras fault seven miles to the east, along with other more minor faults in the Valley, subjects the area to surface rupture, ground shaking and ground failure. A number of older buildings in Santa Clara have undergone seismic rehabilitation to reduce seismic risk.

Flooding Several water courses traverse the City running generally south to north towards San Francisco Bay. Calabazas Creek and San Tomas Aquino Creek are located in the western and central part of the City respectively, with the Guadalupe River flanking the eastern City limits. These are channeled water courses designed to handle the 100 year flood. A small portion of the City's residential area is, however, still

subject to flooding. While not a constraint on new development, it may add additional costs.

There is no planned additional residential development in these impacted areas, with the exception of the area westerly of the intersection of San Tomas Expressway and El Camino Real where Mixed Use development is planned. Ground floor commercial uses can be flood-proofed, but any ground-floor residential must be elevated above flood flow height. It is not possible to estimate the magnitude of the cost, according to the City's Building Inspection Division.

Hazardous Materials and Hazardous Wastes There are a number of land uses within the City that utilize hazardous materials. The majority of these are located in industrially zoned land somewhat separated from residential. The City does not have a zone district to implement the Industrial Transition general planned areas adjacent to certain residential neighborhoods. Such a zone district would restrict outdoor storage of hazardous materials, for example, so as to buffer adjacent residences. The City follows all applicable State and Federal laws with regards to hazardous waste sites or the storage and transfer of hazardous wastes. The Chemical Hazards division of the Fire Department is the local lead in decision-making regarding hazardous materials or hazardous wastes.

Fire Hazards Fire incidents within the City are rare given the City's excellent positioning and number of fire stations and building code enforcement. None the less, the City has an ongoing program to inspect multi-family residential units including checking for smoke detectors. The City's Fire Department also conducts Fire Safety programs.

Noise Residential land uses are considered some of the most sensitive to noise. The principal noise sources in Santa Clara are generated by primary transportation systems such as the freeways and expressways, State Highway 82/El Camino Real and Stevens Creek Boulevard. Rail lines also affect portions of the central and easterly part of the City. The northeastern portion of the City is impacted by noise from the San Jose International Airport and State Highways 101 and 237. Airport noise is discussed in Section 5.8 of the Environmental Element.

Infrastructure New housing demand is typically not a significant impact on City utilities. Infrastructure demands for housing are typically lower than industrial or commercial. The City has tended to oversize infrastructure historically. If there is a need to expand infrastructure to serve an affordable housing or mixed use development, the City/Redevelopment Agency may share or carry the cost. Based on review by City utility departments and outside utility agencies, there are no anticipated restrictions on the feasibility of development of any sites in the inventory, especially for lower-income housing.

Infrastructure plans are maintained and reviewed periodically by all of the City of Santa Clara utilities (water, sewer, electric and street) to maintain adequate reserve capacity for all properties within the City and to ensure that City infrastructure is well-maintained. Infrastructure and/or capacity plans are also reviewed by outside agencies such as

Pacific Gas and Electric (PG&E) and the local school districts that provide services in Santa Clara to ensure that facilities are adequate to meet existing and projected demand.

The cost of water is likely to increase due to increased demand primarily from new employment development in the north end of the City, which will result in a need to import more water and increasing water quality requirements per State and Federal law. The City's Water Utility will, however, continue to establish fair and equitable fees, rates and charges sufficient to maintain revenue and adequate water capacity for the Utility as growth continues. Adequate capacity exists in the sanitary sewer network to serve new housing demand. Adequate capacity exists at the Santa Clara-San Jose Water Treatment Plant to treat existing and projected wastewater. Additionally, the City continues to actively work with other agencies in the area to promote water conservation and the use of reclaimed water for landscape irrigation.

Silicon Valley Power, the City's Electric Utility, has generation, transmission, and distribution projects under design and/or construction or in the budget process that will continue to provide electric utility capacity and energy to meet customer demand. PG&E supplies natural gas within the City. Current demand is not projected by PG&E to increase significantly and can be accommodated.

Solid waste collection and disposal at the nearby Newby Island Landfill site is projected by the City's Street Department to be available during the time of this Housing Element. The Newby Island site also has an active Recycling Center to help local participating agencies such as Santa Clara meet State Law requirements for recycling.

Storm drainage facilities to service future housing development are not envisioned by the City's Public Works Department to require major capital expenditure. No major flood control work is needed to be undertaken by the regional Santa Clara Valley Water District within the City's boundaries. Only a small portion of the City is within any type of flood zone area as defined by the Federal Government as having shallow flood depths ranging from 1 to 3 feet. New construction such as housing in those areas is required to be built above the average flood depth and existing housing can obtain Federal Flood Insurance.

The City's Street network is essentially in place and adequate to meet projected needs in the future. Street widenings for new development would typically be the responsibility of the developer.

The City's Redevelopment Agency has an ability to help underwrite or completely cover the incremental costs of necessary infrastructure hookups such as water, sewer and road work that may be considered for affordable housing projects. The costs for hookups for market rate housing are nominal and are not considered to be significant.

The local school districts have indicated adequate school capacity to accommodate existing and projected new housing except in the north end of the community. In that area, the Santa Clara Unified School District is working with the developers of the new

Rivermark housing development to share the costs for a new K-8 school. Elsewhere in the community, the school districts charge fees related to new housing and related construction sufficient to create adequate capacity at existing schools to accommodate the projected growth.

The City currently has adequate infrastructure and utilities to service new development. This is not expected to change over the next five years. In the longer term, however, the ability to expand traffic capacity is limited (See Chapter 4, Transportation Element). Further discussion on the availability of public facilities is located within the Environmental Quality and the Public Facilities and Services Elements of this General Plan.

(f) Fees and Other Exactions, Including On and Off-Site Improvements

The City and other agencies assess a number of fees that affect the development and cost of housing in Santa Clara. Utility service connection fees; upgrade of public curb, gutter and sidewalk (and sewer lateral(s) if necessary); permit fees; and dedication requirements are similar or lower compared to those in other communities in Santa Clara County and the Bay Area. In some cases, fees for street trees, drainage, and traffic mitigation are also collected. Application and building fees are minor compared to development fees.

The City notifies applicants of any school fees levied by local school districts, consistent with State law.

Development fees are not a constraint to the construction of housing affordable to senior citizens or to lower income households. For example, the fee for recreational facilities has not increased since its initial adoption in 1969. City application and processing fees are raised only in response to inflationary cost increases in providing City services and are competitive with those charged in surrounding jurisdictions. As an example, for a new single family or multi-family unit in Santa Clara there is a six cents per square foot charge per trade (plumbing, electrical and mechanical fees). In San Jose, the same trade's fees are nine cents per trade for a new single family unit and ten cents for a new multi-family unit.

In the 2002 Kosmont Cost of Doing Business Survey, Santa Clara was rated as a Very Low Cost Community.

For a typical Planned Development residential unit, the application cost would be:

- A proportional part of the Planning application fees, including \$3,200 for Rezoning of more than an acre, \$1,100 for a Tentative Subdivision map, and \$650 for Architectural Review.
- Building fees are based on a square footage equation. This encompasses plan check, building, electric, plumbing, and mechanical permit fees as well as strong motion fees. For the typical 1,600 square foot house and a 400 square foot garage, the fee would be \$3,058.31.
- No Fire Fee.

- \$3,959.16 in Development fees for the same size house.
- Santa Clara Unified School District fee are assessed at \$2.05/square foot, so for the typical home the fee would be \$3,280.
- Total fees would be in the range of \$10,800.

(g) Local Processing and Permit Procedures

Development review can affect housing costs. In Santa Clara, however, the expedited review system is in one of the quickest, most cost-effective in the County. In 1990, Planning Department processing, from initial submittal through discretionary review and building permit approval, averaged less than four months for most residential developments. A comparison survey by Zucker Systems in 1998 confirmed this and offered additional recommendations to further streamline the City's permit process.

Instead of focusing on one type of project, Santa Clara has tried to streamline its entire review process. In 1996 the City opened its Permit Center to centralize development interactions with Planning, Engineering, Building Inspection and Fire. City utilities also provide plan check/review and clearance through the Permit Center. An automated permit processing system is in place with test Internet access underway for applicants and citizens. An Interactive Voice Response (IVR) system also allows City customers to check on the status of plan checks and to request inspections.

Proposals conforming to existing zoning and development standards can obtain building permits within three months. Rezoning or a use permit can add two to three months to that time. This would involve proposed changes in densities or planned development zoning to accommodate a unique nature of development and/or individual ownership of units. The major sources of delay are the preparation of an environmental impact report, if required, and controversy at a public hearing resulting in project redesign. The only backlog delay occurs at the structural plan check for building permits. In response the City has increased its plan checking staff. If Building Inspection Division plan review becomes backlogged, large-scale developers obtain outside structural plan review assistance, at their cost, to reduce processing time. The Division also has on-call contracts with private plan review consultants to use during periods of heavy workload.

The City does not initiate a rezoning unless it involves an existing development, is in response to the property owner's request, and is consistent with the General Plan. No fee is collected. All other rezonings are initiated by the property owner(s) and require the submission of complete, detailed plans for the proposed development accompanying the rezoning request. If adopted and applied, the overlay zone districts will be an exception to this procedure.

There are typical processing times and approval procedures for new residential projects. These apply to all types of applications, including multi-family developments and emergency shelters/transitional housing.

- For R1-6L and R1-8L Single Family residential districts, architectural review takes approximately one week for a single story addition and two-to-three weeks for second story additions as Architectural Committee review of these is required. For Low Density-, Moderate Density- and Medium Density-Multiple Dwelling zone districts, architectural referral to the Committee is required so that these may take two-to-four weeks.
- These are minimum processing times by staff/the Architectural Committee, which assume a new housing proposal meets all Zone District requirements. Three-to-five days should be added if a staff-level Modification (25 per cent or less minor variance to Zone District requirements) is required.
- Larger Variance requests would require planning Commission review and at least note and file of their minutes by the City Council which would add a minimum of approximately six more weeks to the processing time.
- Use Permits for emergency shelters/transitional housing would at a minimum require Planning Commission review and note and file of those minutes at the Council for approximately the six weeks processing time noted for variances.
- Rezoning requests would also add a minimum of six weeks to the processing time.
- Subdivision map requirements per State law typically require three weeks noticing between Commission and Council hearings, which would add one more week to the rezoning processing time (total of seven additional weeks).
- Projects involving a Negative Declaration or Mitigated Negative Declaration would typically involve a thirty day review period as required by CEQA before a Planning Commission public hearing on the request. This could add a minimum of two additional weeks to the processing times.
- PD-Planned Development rezonings not involving a negative declaration or subdivision map would typically involve the minimum six weeks added processing times noted for general rezonings unless an EIR is required.
- Larger residential projects involving an EIR would typically add four to six months to above processing times as required by CEQA.

City processing times are fast, including for applications that include lower income units.

Planned Development projects tend to be the predominant vehicle for new housing projects in the City. This zone district is very flexible as allowed by the Zoning Ordinance and gives the Planning Commission and the City Council great flexibility in allowing a variety of designs with minimal requirements to apply for variances. The

only variance typically required for residential PDs would be for parking (e.g. if a project were to request less than two parking spaces per new unit or request deficiencies in the parking dimensions). All other design, layout, massing and related issues are negotiable which helps to minimize costs.

Also, after the conceptual PD rezoning and architectural entitlements have been granted, the City often allows developers to submit structural plans for concurrent Building Permit Plan Check and Final Architectural Review by staff, thereby overlapping the review of the project by different City divisions, and shortening the amount of time the City spends reviewing a project.

The City has adopted Design Guidelines that aim to establish minimum standards for project design without discouraging quality innovation in individual project improvements. The intent of these guidelines for architectural review is to provide a manual of consistent development standards in the interest of continued maintenance and enhancement of the high-quality living and working environment of the City of Santa Clara.

Through Architectural Review prior to issuance of Building Permits, the City ensures both a distinctive character and a high quality standard of development for structures and outdoor uses in all zoning districts in the City.

Additions or redevelopment in single family neighborhoods are not permitted if they are significantly inconsistent with the nature of existing development (specifically bulk, height, and setback), Zoning Ordinance regulations, and adopted Design Guidelines.

Historic preservation has become an important goal for Santa Clara, both in the approximately 1,900-acre Old Quad historic district and in the 300-acre Agnew Village historic district.

One of the City's goals for land use development is to work towards a combination of population and production that will permit a high standard of living and a wide sharing of life's amenities.

The City's Planning Commission has periodically evaluated and made recommendations regarding what actions can be taken to remove or mitigate governmental constraints to the maintenance, improvement and development of housing.

Such efforts have included offering Redevelopment Agency Housing Funds, Density Bonuses for affordable housing, and project-specific reductions in parking requirements (e.g., for an emergency shelter and some senior housing developments). These efforts have acted as significant agents for increasing the affordability of new housing, without compromising design quality and the resulting quality of life for new residents, regardless of income.

The Redevelopment Housing program recently has been shifted from the City Manager's Office to Community Services, a division of the Planning and Inspection Department. It is anticipated that Community Services Division will be able to help affordable housing applications with earlier coordination with the Planning Division.

With the exception of new affordable infill proposals in the City's single family neighborhoods and historic districts, the City's design review process has very little impact on housing affordability. In fact, the written and oral guidelines provided to applicant's through the review process would minimize unique or extravagant costs by promoting consistency of scale and design with the surrounding structures. Conditions of approval are provided and discussed with applicants prior to action on entitlements. These conditions of approval help to guide applicants through the different stages of the entitlement and permitting process.

The City recognizes that, given tighter budget constraints and strict financing schedules, affordable housing development proposals are often more limited than market-rate housing projects, in terms of the range of design alterations that may be made to a development project toward the end of the entitlement process. To better serve developers of affordable housing, the City has been more flexible in the process of its development review by working to meet with developers early in the initial project design phase, in order to satisfy the City's more significant design criteria specifications. This early effort helps to prevent the delay of project construction toward the end of the entitlement process, which can happen if projects are continued for redesign several times, in order to correct for a community design inconsistency that could have been addressed early on in the entitlement process.

Also, after the conceptual Planned Development (PD) rezoning and architectural entitlements have been granted, the City often allows developers to submit structural plans for concurrent Building Permit Plan Check and Final Architectural Review by staff, thereby overlapping the review of the project by different City divisions, and shortening the amount of time the City spends reviewing a project.

The City's processing times are not so lengthy as to contribute significantly to the cost of development.

(h) Airport Noise and Land Use Limitations

The most relevant governmental constraint is the State-determined airport noise regulations and Airport Land Use Commission prohibitions and limitations on new housing units in that portion of Santa Clara adversely impacted by San Jose International Airport noise and Safety Zones.

The City of San Jose, since 1993, has been working with the City of Santa Clara to acoustically treat Santa Clara and San Jose homes that are adversely affected by airport noise. To date, 731 single family homes have been treated in Santa Clara along with 279 multi-family units. While this treatment program is slowing down, it is likely to continue for several more years as additional homes are affected based by growth experienced at the Airport.

3.3.2 Non-Governmental Constraints

(a) Cost of Housing

Market constraints significantly influence the cost of housing and are essential to consider when discussing affordable housing. Construction costs and fluctuating interest rates are major contributors to the ever increasing cost of housing in the San Francisco Bay Area. Land prices are typically the most significant cost as they have gone up rapidly over the past decade.

In the late 1980s, Santa Clara began to experience what other cities on the Peninsula have already experienced: existing older and smaller single family homes are being purchased, demolished or substantially altered to create much larger single family homes. This type of real estate market drives up the cost of housing faster than affordable housing programs can react.

Increasing land and construction costs can be partially offset, especially for low and moderate income housing through the City's Redevelopment Agency Housing Fund. This fund, which had an unencumbered balance of approximately \$9 million as of March 31, 2001, is projected to increase on the order of approximately \$4 million annually, with a potential cumulative total of \$25 million by 2006. These funds are available for combination with private monies, tax credits and other such programs in partnership with innovative nonprofit housing development corporations to fund new construction or purchase and preserve existing affordable housing units.

Since the creation of the affordable housing fund in 1990, the Redevelopment Agency assisted in financing 655 Very Low Income, 362 Low Income, and 262 Moderate Income households.

(b) Availability of Financing

Interest rates for home financing and rental development have a crucial effect on the affordability of housing. Mortgage interest rates have varied widely over the past twenty years, from a high near 18 percent in 1981 to a low near 7.25percent in 2001.

Any return of high interest rates could be somewhat mitigated through the issuance (by either the City or the County) of Tax-exempt Mortgage Revenue Bonds. These can be issued for multi-family developments with a percentage of lower income units, and for mortgage financing for first-time homebuyers.

Limitations on financing for mixed use is a constraint on the City's plans for redevelopment along El Camino Real. Lenders are not convinced of the durability of the mixed use residential market and put higher financial burdens on developers of such projects. In times of tight money or low demand, such burdens effectively make the construction of mixed use projects more difficult.

(c) Parcel Size and Multiple Ownership

Of those sites identified as appropriate for potentially providing new housing opportunities in Santa Clara, some are too small to gain approval for higher density

development unless they are combined with adjacent parcels. Most of these are held by a large number of unrelated property owners and are adjacent to existing single family neighborhoods such as along El Camino Real. This combination of factors will lengthen the time required to implement this part of this Plan.

The City has revised its General Plan designations to offer additional economic incentives to some commercial properties to encourage high quality infill redevelopment that includes higher density housing in addition to commercial businesses, where appropriate. The City has revised the density of its Mixed Use designations to encourage higher densities of residential. This has resulted in additional economic incentives on multiple commercial properties.

(d) Private Landowner Decisions and Economic Environment

Private landowners cannot be compelled to build housing if they prefer other alternatives.

An economic downturn may impact new housing construction. The overall economy determines what gets built and the timing much more so than the City or its General Plan can.

3.4 POTENTIAL HOUSING

3.4.1 Vacant and Redevelopable Sites

An analysis of land suitable for housing development is necessary to determine the availability of land to accommodate a range of housing for all income groups, and to provide for the incorporation of those sites into the General Plan and subsequent rezoning when necessary. As part of the current update of the Housing and Land Use Elements, the staff took a fresh look at all property in the City to identify additional sites for higher density residential and mixed use.

Due to the continuing rise in the value of residential land and the City's willingness to permit housing construction on appropriate non-residential parcels, there has been a significant amount of new residential property and new dwelling units created, with 2,588 new units approved between 1988 and mid 1999. Almost all of these units have been constructed. Much of this development occurred on previously non-residential land, including an 876 unit project on 30 acres previously zoned industrial, 33 acres of surplus school sites now containing almost 950 dwelling units and 1200 units on 35 acres of a golf course that was relocated to landfill.

Extensive evaluation of potential residential sites by the Planning Commission and staff has resulted in the designation of more than 185 additional acres for higher density residential or mixed use in this Plan. This creates the opportunity for at least 2,000 more dwelling units in Santa Clara than the previous General Plan.

The City will encourage the expediting of the redevelopment of these mostly commercial sites by a marketing outreach and educational effort aimed at the property owners. The City's General Plan designation is the pivotal policy decision promoting housing on these sites

Figure 3-N:
Potential New Residential Units

<u>Land Use Designations</u>	<u>1999 -06/2006</u>	<u>07/2006 -2010</u>	<u>Total 2010+</u>	<u>Total Units</u>	<u>Acres</u>
Single Family Detached (Up to 8 du/acre)	4	N/A	N/A	4	.5
Single Family Attached (9 du/acre to 18 du/acre)	213	N/A	N/A	213	15.1
Moderate Density (19 du/acre to 25 du/acre)	43	238	N/A	281	11.4
Medium Density (26 du/acre to 36 du/acre)	347	308	N/A	655	18.2
High Density (37 du/acre to no max.)	42	N/A	N/A	42	.6
Mixed Use (19 du/acre to 25 du/acre)	4,262	1,105	460	5,827	233.7
Gateway Thoroughfare Mixed Use (19 du/acre to 25 du/acre)	358	431	N/A	789	27.7
Transit Oriented Mixed Use (26 du/acre to 45 du/acre)	2,275	827	815	3,917	93.1
Medium Density &/or Parks & Recreation &/or Institutional	N/A	828	N/A	828	23
All Densities/Total	7,544	3,737	1,275	12,556	400.3

Source: City of Santa Clara Planning Department, "Vacant, Non-Vacant & Approved Sites Designated for Residential Development, January 1999-June 2006 (2001 General Plan Housing Study). These numbers are net additional housing units with construction at the maximum density allowed (without a density bonus).

Vacant Sites and Under-Utilized Sites Diagrams provide an inventory of the vacant or potentially redevelopable residential parcels within the City. These sites are designated for residential or mixed use in the updated Land Use Element. Mixed use-designated sites will be zoned with a Mixed Use overlay to enable residential development as a permitted use. Without such an overlay, housing would not be permitted without a zone change application, as most of the sites are zoned commercial or industrial. None of the commercial or industrial zones allow residential use.

A new Land Use designation will be created with this General Plan's adoption: Transit-Oriented Mixed Use. Higher densities of development are encouraged on sites near major transit points. New mixed

use sites have been identified, many along El Camino Real, as shown on figures 3-O and 3-P. Some of the previously identified sites have been identified for higher density development, along with many of the new sites.

The sites identified for housing opportunities are generally commercial sites that were initially developed in the 1960's and 70's. Particularly along El Camino Real, these sites encompass one or more large parcels with one-story structures and expansive paved parking and delivery areas. Existing residential uses abutting these sites are either single-family residential uses or multi-story multi-family densities of up to 25 units per acre. Redevelopment of the identified sites with residential uses will generally enhance the land use compatibility as well as the buffer characteristics of the site from the busy commercial thoroughfare.

Four mixed use retail/residential developments have been completed since the 1990 General Plan adoption, all on previously commercial sites. Rezoning to Planned Development to permit a mix of uses was approved based on a specific development plan. The General Plan designations for Mixed Use and Transit-Oriented Mixed Use, as well as the new Mixed Use and Transit-Oriented Mixed Use Overlay Zones are the best signals to the private sector that the addition of residential uses is appropriate. Based on the ongoing level of interest and activity, the City is confident that it can continue to rely on private developers to initiate new development proposals. The City will assist in this effort by the overlay designation and by conducting a marketing outreach to property owners of mixed use designated properties.

***** Vacant Sites Diagram *****

***** New Housing Sites Diagram *****

In the pipeline for building permits, as of December 1, 2001, were several different developments totaling 1,326 new units. These include the Citation II development with 173 single family units (8 BMR units for moderate income households), 42 apartments in a transit-oriented development near the Lawrence CalTrain Station (with 4 units to be affordable to lower income households), 25 attached homes on Scott Boulevard (2 moderate income units) and 228 apartments on Flora Vista. The first phase of the Rivermark development totals 299 attached single family units and 136 detached single family units. Two hundred affordable apartments for very low income families or individuals are being built by the Santa Clara County Housing Authority adjacent to Rivermark.

The 1,326 pending residential units also includes the Riverwood development: 71 affordable family apartments and 148 affordable Single Room Occupancy units, both located at a Tasman Light Rail Station and designed for very low or lower income individuals and families

Rivermark Development

In 1997, the City Council approved a General Plan amendment for the surplus State owned Agnews Developmental Center allowing for a large mixed use project on its 320 acres. In 2000, a more detailed Rivermark development was approved for 3020 housing units, a neighborhood shopping center, school, branch library and park.

The Agnews-Rivermark Master Community Plan contemplates an overall net density not to exceed 25 units per acre over the 210-acre site. The Master Community Plan (MCP) includes retail commercial and office uses, a K-8 school, a police substation, a new fire station, parks and a branch library, as well as residential uses. Residential densities are required to provide up to 3,020 units, but not less than 2,410 units at buildout in the approved zoning plan and Development Agreement. Dwelling types include detached single family homes on small lots at 5-18 units/acre, medium density attached or clustered units at 14-25 units/acre and high density medium to high rise apartments or condominiums at 22-50 units/acre on designated planning areas. In addition, there are mixed use areas designated that may accommodate up to 50 units per acre in conjunction with commercial development. Up to 1,552 of the possible 3,020 units could be high-density type housing units in the plan.

The initial phase of residential construction included a 33 unit homeless family apartment complex and a 450 unit apartment with 90 units designated for very low income households. Twenty-three of the very low income units are for the developmentally disabled, keeping with the mission of the Developmental Center. Future construction will include an affordable 100 unit family housing project and an affordable 100 unit senior housing project, both to be built by the Housing Authority of Santa Clara County with the assistance of the City's Redevelopment Agency. An 18 unit transitional housing facility for homeless families is now under construction as well. The Emergency Housing Consortium is building the transitional housing with financing from the State of California and the City's Redevelopment Agency.

Private homebuilders will be constructing Rivermark's single family and multifamily market housing in phases beginning in 2001. Depending on demand, build out of the property will probably take three to six years. The developers will be financing the parks and much of the new school, while the City will construct the library and a new fire station on land donated by the developer.

3.4.2 Affordable Residential Development

Of the 7,562 potential new dwelling units to be added to the City during the period January 1999 through June 2006, 484 have already been issued final occupancy permits as of December 2000. This leaves 7,078 potential dwelling units that could be used to meet the City's Fair Share housing requirements through the year 2006. Seventeen percent of the units would need to be designated for very low income households, eight percent would need to be designated for low income households, and twenty-three percent would need to be designated for moderate income households. This represents 48% of the potential new housing units in the City, in order to meet the ABAG identified Fair Share housing requirements. It is the policy of the City of Santa Clara to disperse any such low income housing units throughout the City, based on the inventory of available housing sites identified previously, so as to not concentrate such units in any one neighborhood. All identified housing sites are appropriate for affordable housing.

The City created the University Redevelopment Project in the 1960's and the Bayshore North Project in 1972. Under the requirements of State Redevelopment law, the Agency created the Affordable Housing Fund in 1990 to administer the twenty percent housing set aside from the tax increment revenues. Guidelines were approved to generally monitor the uses of these funds; no more than 10% for administration, 5% for the homeless, 15% for mortgage assistance, 30% for seniors and 40% for affordable housing development. The latest Five Year Implementation Plan for the Agency summarizes the accomplishments of the Housing Fund through 1998-99. Appropriations from the fund exceeded \$35 million dollars. Administration cost only 2%, 12% was spent on the homeless, 25% on mortgage assistance, 19% for seniors and 42% on affordable housing development.

To expedite the processing of new low income developments, RDA funds can be used to fund third-party plan-check assistance.

The Affordable Housing Fund has targeted the most needy sectors of the housing market. Of the 1,279 new and existing housing units that received Redevelopment Agency assistance from 1990 through March 2001, 51% are designated for very low income households, 28% for low income and 21% for moderate income.

It is estimated that at a two percent rate of annual growth in property taxes, the Redevelopment Agency's Housing Fund will have accumulated an additional 16 million dollars through 2006. Agency funds are always leveraged with other governmental or private dollars for maximum affordable benefit. Recent projections of the long term growth of the tax increment were optimistic in the face of the recession of 2001-02. However, even with limited increased assessed value in the project areas, \$3.8 million annually can be expected for the Affordable Housing Fund.

The City will continue to make available Redevelopment Agency Housing funds to assist in the development of needed housing for low and moderate income households. Special attention will be given to the needs of existing Santa Clara residents and households. The City Council/Redevelopment Agency has approved the Planning Commission's recommendation that the portion of the Redevelopment monies allocated for housing be increased from twenty percent to thirty percent. Projections of tax increment revenues indicate that sufficient Redevelopment Housing Fund monies will be available to fund the programs identified in this Element.

In 1999, the County of Santa Clara with support from private groups such as the American Electronics Association, Community Foundation of Silicon Valley and the Silicon Valley Manufacturing Group entered into a joint commitment to develop an affordable County-wide housing fund with an initial capitalization of twenty million dollars. Public and private entities have committed over twenty million dollars as of July 2001. The City of Santa Clara allocated \$500,000 of Redevelopment Agency funds towards this Housing Trust. The Housing Trust Fund will be an additional funding source for affordable housing.

The City's Zoning Ordinance now complies with State density bonus requirements with regard to the creation of new affordable housing units. City staff notifies housing developers of the density bonus opportunity.

3.4.3 Quantified Objectives

The 2001 General Plan Housing Study lists sites where additional housing can be built. This Housing Study was based on a detailed parcel by parcel evaluation by staff under the guidance and review of the Planning Commission.

The following table of "Sites Designated for Residential Development, January 1999-June 2010" indicates that up to 10,308 new units could be built in Santa Clara by 2010. Adding these potential units to those existing in 2000, would result in a 2010 City total of 50,036 housing units, compared to the ABAG 2000 projection of 42,100 households. This 16 percent increase in potential units would in large part be possible as a result of the 3,100 units approved in the Rivermark development on the City's northside as well as the new mixed use sites and increased densities identified.

During the time frame of the current regional housing needs determinations (January 1999 - June 2006), an estimated 7,562 new dwelling units could be added to the City. Besides Rivermark's 3,100 units and the other 800-plus units already approved, these would include several sites on El Camino Real in the mixed use designations. Accomplishment of the total number is dependent on the overall economy and the actions of property owners and developers.

Vacant land is scarce in Santa Clara. Of the 75 identified potential housing sites, only 14 are vacant but have a potential for 1,131 housing units.

According to the 2001 General Plan Housing Study, fifty of the sites or 309.2 acres have been identified for potential development by 2010 as potential mixed use development sites. Of these, twelve or over 69 acres have been identified as appropriate for an increase in current General Plan densities due to their proximity to major transit points. Most of these same mixed use sites serve as potential sites for emergency shelter facilities and transitional housing, due to the existing, underlying zoning. Program 11 in the Housing Element calls for creation of a new Mixed Use Overlay Zone and Transit-Oriented Mixed Use Overlay Zone as companion districts to the Mixed Use and Transit-Oriented Mixed Use General Plan designations. This Overlay Zone would allow residential uses by right, replacing the current process in mixed use districts which requires discretionary approval through Planned Development zoning. The adoption timeframe for the Land Use Element designation for Mixed Use is mid 2002.

As Santa Clara is largely built out, all housing sites will be infill sites. There are no City restrictions that would prevent development of these housing sites within the 2002-2010 period. Santa Clara is

supportive of housing development and actively works with property owners and developers to achieve projects that will be acceptable to the Council and community. Infrastructure, public facilities and services are available for all sites identified in the 2001 General Plan Housing Study, as identified. An overlay zoning approach is proposed as a housing program to designate mixed use sites prior to specific development plans.

The major factor influencing the pace of housing development is the general economic condition of the area. Without an adequate market demand for housing and a private sector supply, the potential housing units in this General Plan will not be realized. Depending on interest rates, national economic trends, the health of local high tech industries, and the acceptance of neighborhoods, the City could meet ABAG's Total Projected Housing Needs of 6,339 dwelling units for the January 1999-June 2006 period.

From January 1999 through June 2006, the number of low and moderate income units expected to be rehabilitated is estimated to be 350. City supported rehabilitation efforts will concentrate on affordable housing units and identified historic structures.

To more directly address the past low level of housing production compared to our regional need, a construction policy has been added to the Housing Element with an explicit objective to achieve the current Regional Housing Need. Influences beyond City control, such as economic conditions and property owner decisions, will influence the degree of success in achieving this objective.

Quantified objectives for new construction, as well as rehabilitation and conservation, are delineated in the next section of the Element: 3.5 - Goals and Objectives.

Following is an explanation of the zoning districts, in relation to the following Figure 3-P Vacant and Approved Sites Designated for Residential Development. If the current zoning district would allow the uses identified by the General Plan Land Use Designation, then that zoning is underlined in Figure 3-P.

Figure 3-O Allowed Uses by Zoning Districts in Figure 3-P

<u>Zoning District</u>	<u>Principal Uses</u>	<u>Residential Use Allowed?</u>
A	Agricultural, Single Family	Yes
B	Public Uses	No
CN	Neighborhood Commercial Retail, Professional Office	No
CD	Downtown Commercial, Retail, Office	No

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CT	Commercial Thoroughfare, Retail, Office	No
ML	Light Industrial Office	No
PD	Planned Development	Yes
PD-MC	Planned Development - Master Community	Yes
R1	Single Family,	Yes
R3-18D	Low Density Multiple Dwelling	Yes
R3-25D	Moderate Density Multiple Dwelling	Yes
R3-36D	Medium Density Multiple Dwelling	Yes
<u>Proposed Zoning Districts</u>		
MU	Mixed Use Overlay	Yes
TOMU	Transit Oriented Mixed Use Overlay	Yes

Figure 3-P Vacant and Approved Sites Designated for Residential Development, January 1999-December 2010
(2001 General Plan Housing Study)

	Site Address And /or Location	Site APN(s)	Proposed/Existing General Plan	Existing Zoning/ Combined Zoning	Existing Uses	Net Acres	Existing Housing Units	Potential Net Units 01/99-6/06	Capacity
1	1386 El Camino Real	269-03-065	19-25 d.u./acre Gateway Mixed Use**	CT	V	0.2	0	6	6
2	SW corner of Monroe St & El Camino Real	269-03-129	19-25 d.u./acre Gateway Mixed Use**	R1	V	0.4	0	11	11
3	SE corner Monroe St & El Camino Real	269-03-130	19-25 d.u./acre Gateway Mixed Use**	R1	V	0.2	0	5	5
4	1489 Monroe St	269-03-086	19-25 d.u./acre Gateway Mixed Use**	CT	V	0.2	0	4	4
5	SW corner of Main St & El Camino Real	269-05-084	19-25 d.u./acre Gateway Mixed Use**	R1	V	0.8	0	26	26
6	SW corner of Washington and El Camino Real	269-05-016, 085, 087	19-25 d.u./acre Gateway Mixed Use**	<u>PD</u>	V	0.4	0	42	42
7	East side of Maryann Dr 68' south of Anna Drive	290-08-040	1-8 d.u./acre SFD	R1	V	0.2	0	1	1
8	1145 Jackson Street	269-15-040, 056, 058	1-8 d.u./acre SFD	R3-25D, R3-36D	V	0.1	0	1	1
9	West side of Pomeroy Ave. 200' North of Brookdale Drive	290-44-010	1-8 d.u./acre SFD	A	V	0.2	0	2	2
10	E. side of Cheeney St 150' South of Agnew Rd	104-12-025, 026	18 d.u./acre SFA	R1	V	0.5	0	9	9

*Potential Net Units are based on General Plan Density of net Acres. **Gateway Mixed Use=25 d.u. /acre. ***Except for approved projects noted, the actual number of units will be decided through a specific development review process. Infrastructure is adequate for all sites. Net Units are based on approved projects as of 06/29/01. MCP=Master Community Planned Development, V=Vacant, R=Residence, SFD=Single family Residence, B=Public Quasi, CT=Commercial Thoroughfare, CD=Downtown Commercial, A=Agricultural.

Figure 3-P Under-Utilized Sites Designated for Residential Development, January 1999-December 2010
(2001 General Plan Housing Study)

	Site Address And /or Location	Site APN(s)	Proposed/Existing General Plan	Existing Zoning/ Combined Zoning	Existing Uses	Net Acres	Existing Housing Units	Potential Net Units 01/99-06/06	Potential Net Units 07/06-12/10	Reserve Net Units 2010+	Capacity
20	NW corner of Halford Ave & El Camino Real	213-35-003, 032,035	19-25 d.u./acre Mixed-Use	CC/MU	Commercial/ Apartments	5.9	81	N/A	N/A	67	67
21	NW corner of Lawrence Expwy & El Camino Real	213-34-004, 005, 008,010, 011, 012, 013	26-45 d.u./acre Mixed-Use Trans.***	CC/TOMU	Commercial	9.9	0	N/A	N/A	446	446
22	NE corner of Lawrence Expwy & El Camino Real	220-03-010	26-45 d.u./acre Mixed-Use Trans.***	CC/TOMU	Shopping Center	10.6	0	477	N/A	N/A	477
23	228 feet East of Flora Vista on the North Side of El Camino Real	220-02-020, 045, 046	26-45 d.u./acre Mixed-Use Trans.***	CT/TOMU	Commercial Motel	2.5	0	113	N/A	N/A	113
24	SW corner of Lawrence Expwy & El Camino Real	313-06-002, 004	26-45 d.u./acre Mixed-Use Trans.***	CC/TOMU	Commercial Retail	12.6	0	567	N/A	N/A	567
25	NE corner of Pomeroy Ave & El Camino Real	220-01-054, 055, 056	19-25 d.u./acre Mixed-Use	CT/MU	Commercial Retail	8.2	0	205	N/A	N/A	205
26	NE corner of Calabazas Blvd & El Camino Real	220-32-054, 056,057, 058, 059	19-25 d.u./acre Mixed-Use	CT/MU	Commercial Retail	5.6	0	140	N/A	N/A	140
27	NW corner of Bowers Ave & El Camino Real	220-31-075, 077, 078, 079, 080, 082,083	19-25 d.u./acre Mixed-Use	CT/MU	Commercial Retail	5.0	5	120	N/A	N/A	120
28	NW corner of Morse Ln & El Camino Real	216-01-008, 050, 051, 052, 054	19-25 d.u./acre Mixed-Use	CT/MU	Commercial Retail	5.4	0	135	N/A	N/A	135
29	Northside of El Camino Real, 80 feet East of Morse Ln	216-01-041, 047	19-25 d.u./acre Mixed-Use	CT/MU	Commercial Retail	2.1	1	52	N/A	N/A	52
30	NW corner of Scott Blvd & El Camino Real	224-15-018, 033	26-45 d.u./acre Mixed-Use	CC/MU	Community Shopping Center	4.7	0	169	N/A	N/A	169

*Potential Net Units are based on General Plan Density of net Acres. **Gateway Mixed Use=25 d.u. /acre. ***Except for approved projects noted, the actual number of units will be decided through a specific development review process. Infrastructure is adequate for all sites. Net Units are based on approved projects as of 06/29/01.

MCP=Master Community Planned Development, V=Vacant, R=Residence, SFD=Single Family Residence, B=Public Quasi, CT=Commercial Thoroughfare, CD=Downtown Commercial, A=Agricultural.

Figure 3-P Under-Utilized Sites Designated for Residential Development, January 1999-December 2010
(2001 General Plan Housing Study)

	Site Address And /or Location	Site APN(s)	Proposed/Existing General Plan	Existing Zoning/ Combined Zoning	Existing Uses	Net Acres	Existing Housing Units	Potential Net Units 01/99-06/06	Potential Net Units 07/06-12/10	Reserve Net Units 2010+	Capacity
31	600 feet West of the NW corner of Scott Blvd. & El Camino Real	224-15-027, 032	26-45 d.u./acre Mixed-Use	CT/MU	Commercial Retail	1.8	0	N/A	65	N/A	65
32	SW corner of Kaiser Drive & Kiely Blvd	290-26-024	26-36 d.u./acre Medium &/or Parks & Recreation &/or Institutional	OG	Hospital/ Medical Center	23.0	0	N/A	828	N/A	828
33	NW corner of Flora Vista Ave & Granada Ave	290-01-123	26-45 d.u./acre Mixed-Use Trans.***	B/TOMU	State DMV Office	3.2	0	115	N/A	N/A	115
34	200 feet East of NE corner of Scott Blvd & El Camino Real to Lincoln	224-20-094, 095,096 224-49-008, 009, 010, 012	19-25 d.u./acre Gateway Mixed-Use	CT	Commercial Retail Office	5.8	0	N/A	145	N/A	145
35	N Side of El Camino Real. Northeast corner of Jackson to Lafayette	224-26-012, 055, 058, 060, 066, 065, 224-28-035,036 037, 039, 048	19-25 d.u./acre Gateway Mixed-Use	CT, R3-36D	Commercial Retail/Apts	5.9	0	N/A	148	N/A	148
36	NE corner of Lafayette St & El Camino Real to De La Cruz Overpass	224-29-041, 038	19-25 d.u./acre Gateway Mixed Use	CT	Commercial Retail	1.1	0	N/A	26	N/A	26
37	SW corner of El Camino Real & Pomeroy	290-02-087, 092, 094, 095, 096,098, 099, 100, 101, 102, 103, 104, 105	19-25 d.u./acre Mixed-Use	CT, R3-25D/MU	Commercial Retail/Apts	6.1	0	N/A	153	N/A	153
38	South side of El Camino Real. Scott to Lincoln	269-01-081, 082, 085	19-25 d.u./acre Gateway Mixed Use	CT	Commercial Retail	2.7	0	68	N/A	N/A	68

*Potential Net Units are based on General Plan Density of net Acres. **Gateway Mixed Use=25 d.u./acre. ***Except for approved projects noted, the actual number of units will be decided through a specific development review process. Infrastructure is adequate for all sites. Net Units are based on approved projects as of 06/29/01.

MCP=Master Community Planned Development, V=Vacant, R=Residence, SFD=Single Family Residence, B=Public Quasi, CT=Commercial Thoroughfare, CD=Downtown Commercial, A=Agricultural.

Figure 3-P Under-Utilized Sites Designated for Residential Development, January 1999-December 2010
(2001 General Plan Housing Study)

	Site Address And /or Location	Site APN(s)	Proposed/Existing General Plan	Existing Zoning/ Combined Zoning	Existing Uses	Net Acres	Existing Housing Units	Potential Net Units 01/99-06/06	Potential Net Units 07/06-12/10	Reserve Net Units 2010+	Capacity
39	South side of El Camino Real. Monroe to east side of Main St.	269-05-011, 056, 058	19-25 d.u./acre Gateway Mixed Use	CT	Commercial Retail	0.9	0	23	N/A	N/A	23
40	South Side of El Camino Real & Lincoln to Monroe	269-03-119, 051, 067, 004, 006	19-25 d.u./acre Gateway Mixed Use	CT	Commercial Retail	0.9	0	22	N/A	N/A	22
41	SE corner of Lawrence Expwy & El Camino Real	290-01-115, 116, 117	26-45 d.u./acre Mixed-Use Trans.***	CT/TOMU	Commercial Retail	2.6	0	117	N/A	N/A	117
42	SW corner of Flora Vista Ave & El Camino Real	290-01-113, 114	26-45 d.u./acre Mixed-Use Trans.***	CT/TOMU	Commercial Retail	1.7	0	77	N/A	N/A	77
43	339 feet East of Flora Vista Ave on south side of El Camino Real	290-01-125	26-45 d.u./acre Mixed-Use Trans.***	PD/TOMU	Apartments	2.3	48	N/A	N/A	34	34
44	594 feet East of Flora Vista Ave on south side of El Camino Real	290-01-136	26-45 d.u./acre Mixed-Use Trans.***	CT/TOMU	Commercial Retail	2.3	0	89	N/A	N/A	89
45	SE corner of Kiely Blvd & El Camino Real	290-06-020, 021	26-45 d.u./acre Mixed-Use Trans.***	CC/TOMU	Community Shopping Center	14.4	0	N/A	518	N/A	518
46	SE corner of El Camino Real & Calabazas Blvd	290-04-002 thru005,045	19-25 d.u./acre Mixed-Use	CT/MU	Commercial Retail	3.3	0	N/A	83	N/A	83
47	Benton to Harrison between the Alameda & El Camino Real	230-07-002, 004 009, 010, 013-015, 029, 031, 034, 038, 053, 059	19-36 d.u./acre Gateway Mixed Use	CT, R3-25D	Commercial Retail	4.7	0	169	N/A	N/A	169
48	Both side of Franklin between Jefferson & Monroe	269-20-020, 021 036, 037, 038, 039, 078, 079, 83, 085, 086	19-25 d.u./acre Mixed-Use	CT/MU	Commercial Retail	3.0	0	N/A	75	N/A	75

*Potential Net Units are based on General Plan Density of net Acres. **Gateway Mixed Use=25 d.u./acre. ***Except for approved projects noted, the actual number of units will be decided through a specific development review process. Infrastructure is adequate for all sites. Net Units are based on approved projects as of 06/29/01.

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Figure 3-P Under-Utilized Sites Designated for Residential Development, January 1999-December 2010
(2001 General Plan Housing Study)

	Site Address And /or Location	Site APN(s)	Proposed/Existing General Plan	Existing Zoning/ Combined Zoning	Existing Uses	Net Acres	Existing Housing Units	Potential Net Units 01/99-06/06	Potential Net Units 07/06-12/10	Reserve Net Units 2010+	Capacity
49	West side of the Alameda from Benton to Harrison	269-16-081, 082, 083	19-25 d.u./acre Mixed-Use	CT/MU	Commercial Retail	1.6	0	N/A	40	N/A	40
50	South side of El Camino Real, East of Las Padres	290-10-031, 068, 072, 078, 090, 091	19-25 d.u./acre Mixed Use	CT/MU	Community Retail	6.1	0	N/A	152	N/A	152
51	South side of El Camino Real. Westerly of Buchanan	290-46-001, 002, 003	19-25 d.u./acre Mixed Use	CT/MU	Commercial Retail	3.5	0	87	N/A	N/A	87
52	NE corner of Lawrence Expwy & Granada Ave	290-01-122	26-45 d.u./acre Mixed Use Trans.***	PD(OG)/ TOMU	Prof. Office Banks Clinics	9.3	0	N/A	N/A	335	335
53	SW corner of Market & the Alameda	269-38-109	19-25 d.u./acre Mixed-Use	CT/MU	Open Parking	0.7	0	N/A	18	N/A	18
54	NE corner of Lawrence Expwy & Monroe	216-25-006	26-45 d.u./acre Mixed-Use Trans.***	MP/TOMU	Industrial Office	16.0	0	720	N/A	N/A	720
55	N side of El Camino Real & Lincoln to Monroe	224-48-002, 004-006, 011-013	19-25 d.u./acre Gateway Mixed-Use	CT/MU	Commercial Retail	3.2	0	80	N/A	N/A	80
56	SE corner of Hogan Drive & Lafayette	097-17-128	19-25 d.u./acre Mixed-Use	CN/MU	Commercial Neighborhood	3.1	0	N/A	78	N/A	78
57	Benton to Homestead between Jackson & Lafayette	269-22-072, 088, 089, 093, 094	19-25 d.u./acre Mixed-Use	CD/MU	Commercial Retail	8.1	0	N/A	N/A	203	203
58	Triangle bounded by San Tomas Expwy, Pruneridge & Saratoga Avenue	294-01-004-008, 010, 011, 013	19-25 d.u./acre Mixed-Use	CN/MU	Commercial Neighborhood	7.6	0	N/A	N/A	190	190

*Potential Net Units are based on General Plan Density of net Acres. **Gateway Mixed Use=25 d.u./acre. ***Except for approved projects noted, the actual number of units will be decided through a specific development review process. Infrastructure is adequate for all sites. Net Units are based on approved projects as of 06/29/01.

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Figure 3-P Under-Utilized Sites Designated for Residential Development, January 1999-December 2010
(2001 General Plan Housing Study)

	Site Address And /or Location	Site APN(s)	Proposed/Existing General Plan	Existing Zoning/ Combined Zoning	Existing Uses	Net Acres	Existing Housing Units	Potential Net Units 01/99-06/06	Potential Net Units 07/06-12/10	Reserve Net Units 2010+	Capacity
59	310 feet south of Monroe on the west side of Pacific Drive	220-18-037	19-25 d.u./acre Moderate	B	Educational Childcare	1.7	0	43	N/A	N/A	43
60	SW corner of Scott Blvd & El Camino Real	290-10-028, 075, 076, 073	19-25 d.u./acre Mixed-Use	CC/MU	Office Commercial Retail	21.2	0	160	370	N/A	530
61	West side of Alameda, Benton to Lewis	269-06-057, 059, 269-16-069, 070, 071	19-25 d.u./acre Mixed-Use	CT,ML/MU	Commercial Thoroughfare/ Light Industrial	1.0	0	N/A	25	N/A	25
62	South Westerly of corner of Warburton Ave & Lincoln St	224-49-001, 005	26-36 d.u./acre Medium	OG,B	Church/ Office	3.0	0	N/A	108	N/A	108
63	South of Newhall St 110 feet East of Washington St	274-03-051	19-25 d.u./acre Moderate	OA,CN	Office	0.4	0	N/A	10	N/A	10
64	SE corner of St. Lawrence Dr & Lawrence Rd	220-04-007	26-36 d.u./acre Medium	<u>R3-36D</u>	Offices	3.2	0	N/A	115	N/A	115
65	South side of Warburton Ave 135 feet East of Scott	224-20-027, 055	26-36 d.u./acre Medium	OG, R3-36D	Nursery Retail R, Office	1.2	16	N/A	27	N/A	27
66	SW Corner of Alpine and El Camino Real	290-04-006,007	19-25 d.u./acre Mixed Use	CT/MU	Commercial	3.5		N/A	88	N/A	88
67	110 feet NE of Lafayette and El Camino Real to the Railroad	224-29-007-010, 224-29-016-018, 021-023, 026, 030, 032, 033, 034	19-25 d.u./acre moderate	CT, ML	Commercial, Industrial, Residential	9.3	5	N/A	228	N/A	228
68	SW Corner of Kiely and El Camino Real	290-05-053, 055, 060, 074, 076, 077	26-45 d.u./acre Mixed Use Transit***	CT/TOMU	Commercial	5.7	0	N/A	204	N/A	204

*Potential Net Units are based on General Plan Density of net Acres. **Gateway Mixed Use=25 d.u./acre. ***Except for approved projects noted, the actual number of units will be decided through a specific development review process. Infrastructure is adequate for all sites. Net Units are based on approved projects as of 06/29/01.

MCP=Master Community Planned Development, V=Vacant, R=Residence, SFD=Single Family Residence, B=Public Quasi, CT=Commercial Thoroughfare, CD=Downtown Commercial, A=Agricultural.

Figure 3-Q indicates the amount of land to be redesignated and the zoning and the residential capacity resulting from the changes.

Figure 3-Q Proposed General Plan Land Use Designations

<u>General Plan Land Use Redesignation?</u>	<u>Zoning Overlay Proposed?</u>	<u># of acres</u>	<u># of Dwelling Units Proposed</u>
<u>Yes:</u>			
To Mixed Use	(MU)	52.2	1,227
To Transit Oriented Mixed Use	(TOMU)	96.6	3,725
To Moderate	No	9.3	228
To Medium	No	23.0	828
<u>No:</u>			
Designated Mixed Use	(MU)	95.5	2,308
Designated & Zoned Mixed Use	No	118.1	3,096
Designated Gateway Mixed Use	No	28.7	960
Designated High Density	No	.6	42
Designated Moderate	No	13.0	318
Designated Medium	No	41.2	1,425
Designated Single Family Attached	No	15.1	213
Designated Single Family Detached	No	.5	4

Summary

Total to have GP Redesignation: 181.1 acres for 6,008 prospective new units.

Total Proposed to have Zoning Overlay: 244.3 acres for 7,260 prospective new units.

MU = Mixed Use

TOMU = Transit Oriented Mixed Use

3.5 GOALS AND OBJECTIVES

The 1990 Housing Element has been partially successful in helping the City move towards its overall housing goals. Further efforts will be made to address the total housing demand, the needs of senior citizens, lower income families, and groups with special housing needs. Policies and programs have been added to meet the City's goal to increase the diversity of housing types. Programs will be implemented following the adoption of this updated element and, for the most part, are expected to be ongoing during the life of this General Plan.

Figure 3-R: **Quantified Objectives by Income Category, 1999-2006**

<u>Income Categories</u>	<u>New Construction</u>	<u>Rehabilitation</u>	<u>Conservation</u>
Very Low	1294	155	483
Low	590	300	100
Moderate	1786	0	0
Above Moderate	2669	0	0
Totals	6339	455	583

The Goals of the Housing Element are to:

Encourage the provision of decent housing within the community for persons of all economic levels, regardless of religion, gender, sexual orientation, marital status, national origin, ancestry, familial status, source of income, or mental or physical disability. Encourage the provision of an adequate variety of individual choices of housing tenure, type, and location, including higher density where possible, especially for low and moderate income and special needs households. Maintain and enhance the character, quality and livability of residential areas. Encourage sound growth in the City by designating suitable vacant or underutilized sites for new residential development. Preserve established single family neighborhoods.

3.6 IMPLEMENTATION, POLICIES AND PROGRAMS

3.6.1 Implementation

For those programs which require initiating action following the adoption of this General Plan, the anticipated time period for implementation has been provided, followed by the lead department or other City Group responsible for implementation. Ongoing programs have been so identified, along with the responsible lead department or City group. Implementation will be monitored annually by the Planning Commission for compliance with Federal and State Law requirements.

DEFINITION OF CITY IMPLEMENTATION GROUPS

Arch. Comm.	-	Architectural Committee
Bldg. Div.	-	Building Inspection, Planning & Inspection Department
City Council	-	City Council
City Mgr.	-	City Manager's Office
Housing Div.	-	Housing & Community Services Division, Planning & Inspection Department
Fire Dept.	-	Fire Department
Historical Comm.	-	Historical and Landmarks Commission
Parks/Rec. Dept	-	Parks and Recreation Department
Planning Div.	-	Planning Division, Planning & Inspection Department
Planning Comm.	-	Planning Commission
Police Dept.	-	Police Department
Public Wks. Dept.	-	Public Works Department
Redev. Agency	-	Redevelopment Agency
Street Dept.	-	Street Department
Water/Sewer Dept.	-	Water and Sewer Utility Department

3.6.2 Policies and Programs

Neighborhood Conservation Policies

- A. Maintain and improve the quality of residential neighborhoods, eliminate housing deficiencies and prevent future blight through: encouragement of ongoing maintenance and conservation of existing housing stock; review of proposed new construction, reconstruction, removal or rehabilitation; and code enforcement of strengthened City Code and Zoning Ordinance regulations.
- B. Additions or new construction in single family neighborhoods shall be consistent with City Design Guidelines.
- C. Promote compatibility between neighboring developments.
- D. Disperse affordable housing units throughout the City to avoid a concentration in any one neighborhood.

Programs

- 1. Maintain and expand where appropriate a strong housing inspection and code enforcement program to ensure adequate maintenance of the housing stock and quality of the residential neighborhoods. Continue the multi-family residential housing inspection and educational programs. City inspection staff will aggressively respond to violations of housing codes. Special attention shall be given to maintaining the stability of residential neighborhoods through development and enforcement of minimum standards of allowed use of the City's

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streets, as well as maintenance of front and other yard areas visible from the public right-of-way.

Responsibility: Planning Div., Bldg. Div., City Council
Target Date: Ongoing
Funding Source: CDBG, General Fund

2. Rehabilitate low income owner occupied housing through the City's Neighborhood Conservation Improvement Program (NCIP). Under the NCIP, low income homeowners are provided grants and loans for needed home repairs. The program is available on a citywide basis and is marketed periodically to areas with concentrations of lower income households and homes needing improvements. Applicants are first screened for income qualifications. A City Housing Inspector then evaluates the home for substandard conditions. Low cost projects such as a new furnace or stair repairs are often paid for through grants of up to \$5000. Larger projects are estimated and presented to the City's Loan Committee made up of a Council member and appointed citizens. The Committee approves the applicant, work totals and loan terms. The current maximum loan amount is \$75,000 with interest at 6% for the upper low income range and 3% deferred for incomes below 50% of the median. The City prepares the bid package and solicits bids with the homeowner's participation. A City Housing Inspector monitors the contractor's work and disburses funds.

Responsibility: Housing Div., City Council
Target Date: Ongoing
Funding Source: CDBG, HOME
Housing Unit Count: 50 Units Annually

3. Work with non-profit entities to acquire and rehabilitate existing multi-family structures to be maintained as affordable rental housing. With the elimination of the Federal Rental Rehabilitation Program, the focus has shifted to the use of the Redevelopment Housing Fund in conjunction with the County Housing Authority and other non-profit housing developers. Existing apartments with substandard conditions are targeted especially when their renovation would enhance their neighborhood. The Agency provides loans, usually on a residual receipts basis, to non-profits to acquire and rehabilitate targeted complexes. Deed restrictions are placed on the property to ensure the continuing affordability of units and the management expertise of the non-profit keeps maintenance at an acceptable level.

Responsibility: Housing Div., Redev. Agency,
Non-profit Housing Developers
Target Date: Ongoing
Funding Source: Redevelopment Housing Fund
Housing Unit Count: 150 units 2000-2006

4. Encourage affordable, compatible one and two story additions for upgrading single family homes. In a housing market like Santa Clara's, homeowners often find that adding on is far more affordable than buying a larger home. Existing mortgages, property taxes and

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neighborhood connections all play a part in these decisions. Santa Clara's zoning regulations for single family homes are liberal enough that virtually every home can be added onto. The major exception is when older homes with only a one car garage are expanded beyond three bedrooms or by another 500 square feet. This triggers a two car covered parking requirement. However, parking variances are usually granted when the house layout makes a two car garage impossible. Other restrictions such as setbacks and building coverage rarely present a constraint to reasonable additions.

The City is developing a Historic Conservation District for the older, presubdivision area which would allow increased flexibility for houses built prior to the current zoning requirements.

Responsibility:	Planning Div.
Target Date:	Ongoing
Funding Source:	Not Applicable

5. Provide inspections on a fee basis for local lending institutions that require conformance with minimum Code standards prior to financing of residential structures.

Responsibility:	Planning Div., Bldg. Div.
Target Date:	Ongoing
Funding Source:	Private

6. Maintain and encourage consistent and high quality standards for residential construction, reconstruction and remodels.

Responsibility:	Planning Div., Bldg. Div., Arch. Comm.
Target Date:	Ongoing
Funding Source:	Not Applicable

7. Improve the maintenance of student-occupied homes and behavior of the occupants to minimize impacts on the neighborhood surrounding Santa Clara University. Continue to encourage formal City-sponsored communications among student tenants, landlords, Santa Clara University, residents and the City. Enhance code enforcement and special Police patrols to address the problems in the area.

Responsibility:	Planning Div., Police Dept.
Target Date:	2002 and ongoing
Funding Source:	General Fund

Housing Sites and Production Policies

- E. Encourage the annual construction of the number of housing units necessary to meet the City's regional housing needs determination through housing finance and reducing constraints on the private housing market.
- F. Work towards the mitigation of jobs/housing ratio impacts created by developments with significant employment.

- G. Encourage the building of higher density housing on appropriate vacant or underutilized (infill) land.
- H. Encourage higher density residential development in transit-oriented mixed use areas where appropriate.

Programs

8. Designate in the General Plan Land Use Element sites suitable for future housing development. Review additional sites for possible designation as residential or mixed use, considering their location relative to existing residential uses, parks, and support services such as transit, and for environmental suitability. Encourage developments that are transit-based or in close proximity to transit when determining City affordable housing funding decision priorities. Create a Transit-Oriented Mixed Use designation in the Land Use Element. Adopt that designation as an overlay zone for the 96.6 acres so designated. That zone, as proposed by City staff, would include housing as a use-by-right. This is detailed in Figures 3-N, 3-O, 3-P and 3-Q.

Responsibility:	Planning Div., Planning Comm., City Council
Target Date:	2002 and Ongoing
Funding Source:	Not Applicable
Housing Unit Count:	3,725

9. Maintain a periodic inventory of available sites and holding capacity to determine if sufficient land exists to meet the needs of a range of household types and income levels. Identify appropriate sites for affordable housing. The City can aid developers of affordable housing by selecting sites for affordable housing in advance and encouraging development proposals for sites so identified. The City shall maintain an inventory of vacant and underutilized land usable for this purpose. The City will also provide information and technical assistance on Federal and State funding sources or referrals to appropriate agencies. Disperse and monitor the location of affordable units in various areas of the City.

Responsibility:	Planning Div.
Target Date:	Ongoing
Funding Source:	Not Applicable

10. Encourage Mixed Use development where appropriate to provide increased opportunities for housing development. Mixed use could include a ground floor of commercial plus one or more stories of residential, as well as multifamily infill in commercial districts. The inclusion of housing in any new developments in Mixed Use-designated areas will be encouraged. Provide an outreach/marketing program to notify owners of mixed use designated sites. As part of the land use redesignation of these sites, property owners will be made aware of the new options for redevelopment of their property. The major incentive is the enhanced economic return and the mutual market support of the different uses. The redesignation will also streamline the land use approval process. This involves 177 total acres. This is detailed in Figures 3-N, 3-O, 3-P and 3-Q.

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Responsibility: Planning Div., Planning Comm., City Council
Target Date: 2002 and ongoing
Funding Source: Not Applicable
Housing Unit Count: 4,262 units through June 2006

11. Prepare and adopt overlay zones that would allow stand-alone residential and residential mixed use as permitted uses or uses by right on sites designated for mixed use or transit-oriented mixed use in the General Plan. Following adoption, parcels designated mixed use or transit-oriented mixed use in the General Plan would be designated with the overlay zoning. No existing uses would become nonconforming and there would be no requirements to redevelop. Development standards, such as minimum lot size, building heights, open space requirements and separation from potential nuisances would be included in the Overlay Zones, and would be designed to facilitate development, while ensuring compatibility of use. In addition to the 96.6 acres to have the Transit-Oriented Mixed Use overlay zoning adopted, 52.2 acres will have a Mixed Use overlay zoning applied. This is detailed in Figures 3-N, 3-O, 3-P and 3-Q.

Responsibility: Planning Div., Planning Comm., City Council
Target Date: 2002 - Adoption of Land Use Element designations and
Mixed Use and Transit-Oriented_Overlay Zones
Funding Source: Not Applicable
Housing Unit Count: 1,227

12. Encourage developers to meet or exceed the minimum densities of the General Plan designation that applies to the subject development site. In the Mixed Use and Transit-Oriented Mixed Use overlay zone districts, residential development proposals must meet the minimum residential density in order to be accepted. Implementation of this program is proposed for the related overlay zone districts.

Responsibility: Planning Div., Planning Comm., City Council,
Target Date: Through June 2006
Funding Source: Not Applicable

13. Accessory units are conditionally permitted on single family lots that have sufficient lot area to meet minimum parking, maximum building coverage, and minimum setbacks. The City will evaluate the current ordinance to include performance standards relating to those impacts that are considered a concern to neighbors. The intent is to increase the flexibility of the ordinance, particularly in areas with non-subdivision development, and increase the number of applications for accessory units. Conduct an ongoing promotional program including mailings to owners of single family properties with adequate size for accessory living units.

Responsibility: Planning Div.
Target Date: Ongoing with ordinance review in 2003

Funding Source: Not Applicable
Housing Unit Count: 8 units per year

Housing Affordability Policies

- I. Encourage construction and preservation of affordable housing for lower and moderate income households. Encourage such housing through public subsidy, regulatory incentives and flexible development standards, depending on the nature of the use.
- J. Provide assistance to temporarily house the homeless, battered spouses, and others in crisis situations.

Programs

14. Continue to use the City's Redevelopment Agency (RDA) Low and Moderate Income Housing Fund to assist in creating and/or preserving affordable ownership and rental housing. RDA funding has become the largest steady source of affordable housing financing in the community. Since its inception in 1990, the fund has received \$30 million plus another \$5.8 million in interest. It has been leveraged to obtain a wide variety of other Federal, State, tax credits and private funding. Between 1990 and 2001, a total of 1,279 affordable units have been assisted or approved. Of these, 51% of these are for very low income households, 28% for low income and 21% for moderate income households. Emphasis will be placed on programs that create rental housing for the senior population, home ownership for moderate income households, especially first-time buyers, rentals for lower income households, homeless assistance and housing services and administration. First priority for housing units is given to those who currently live in or are employed in the City. From 2001 through 2006, it is estimated that 25 million dollars in set-aside funds will be available.

Responsibility: Housing Div., Redev. Agency
 Target Date: Ongoing
 Funding Source: Redevelopment Housing Fund
 Housing Unit Count: 300 units through June 2006

15. Evaluate the potential of increasing the Redevelopment set aside for affordable housing from 20% to 30%. This would have a significant 50% increase in the annual dollars devoted to affordable housing in the City. An annual financial analysis is necessary to determine whether the projected debt service and other funding needs of the Agency can be met with an increased set aside. For fiscal year 2002-03, the Agency has agreed to increase the set aside to 30%.

Responsibility: Finance Dept., Redev. Agency
 Target Date: 2002
 Funding Source: Redevelopment Agency Funds

16. Require developers of residential developments of 10 or more units to provide at least 10 percent of their units at rents or prices affordable to low and moderate income households.

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Responsibility: Planning Div., Planning Comm., City Council, Redev. Agency
Target Date: Ongoing
Funding Source: Redevelopment Housing Fund
Housing Unit Count: 300+ units through 2006

17. Provide density bonuses or equivalent financial incentives for housing projects which include affordable and/or senior housing units, consistent with State law requirements.

Responsibility: Planning Div., Redev. Agency, Planning Comm., City Council
Target Date: Ongoing
Funding Source: Redevelopment Housing Fund

18. Adopt land use regulations that will promote affordable housing by reducing constraints and increasing incentives. Amend the Zoning Ordinance to reduce parking requirements in appropriate locations for certain housing types, such as Senior, Transit-Oriented and Single Room Occupancy. Include the standard State "affordable housing" definition in the Zoning Ordinance and as a "permitted and encouraged" use in the residential and Planned Development zones. The City's Density Bonus Ordinance and the Planned Development Zone District are examples of how the City allows flexibility in the zoning regulations. The City will encourage housing developers to use these options.

Responsibility: Planning Div., Planning Comm., City Council
Target Date: 2003
Funding Source: Not Applicable

19. Continue to participate in and promote the Section 8 Existing Housing Program. Encourage apartment owners to list properties with the Housing Authority for individual Section 8 vouchers.

Responsibility: Housing Div., Bldg. Div.
Target Date: Ongoing
Funding Source: General Fund supported staff
Housing Unit Count: 483 existing Section 8 units

20. Assist in funding locally administered programs that provide shelter, food and clothing for those with transitional housing needs. The redevelopment of the Agnews property provided the vehicle for the construction of new homeless family housing - the Sobrato Family Living Center with thirty-three apartment units with a second phase of eighteen transitional units. This style of housing is far more satisfactory for families than the previous dormitory. The RDA is contributing \$2.5 million over five years for capital costs and the City's CDBG program underwrites some of the annual shelter costs.
The City has been a strong supporter of efforts to protect runaway and homeless teenagers. The RDA has provided \$980,000 for a twenty bed facility, \$400,000 for acquisition and rehabilitation of a five unit project for homeless teen mothers and \$375,000 for transitional

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housing for six to eight homeless teens. The CDBG program provides operating funds for the Bill Wilson Center as well.

The City will evaluate and work towards eliminating constraints to the provision of emergency housing, and will amend the Zoning Ordinance to allow homeless shelters and transitional housing in appropriate commercial and Planned Development zones.

Responsibility:	Planning Div., Redev. Agency, City Council
Target Date:	Ongoing with ordinance amendment in 2003
Funding Source:	Redevelopment Housing Fund, CDBG
Housing Unit Count:	61 units

21. Combine public and private funds in joint housing ventures. Continue to work with the Housing Authority of Santa Clara County to expand the Authority's ability to create low and moderate income housing. Redevelopment Housing Funds are available to package with Housing Authority financing. The Authority broke ground on three projects in 2001, all with Agency assistance; a 100 unit apartment for low income families, a 100 unit very low income senior apartment and a 15 bed assisted living facility. The City will participate with other local jurisdictions to provide affordable housing. CDBG and HOME funds have been used in conjunction with other cities' funds to construct shelters and to provide housing services. In 2001, the City contributed HOME funds for a 24 unit affordable housing project in Cupertino.

Responsibility:	Redev. Agency, City Council
Target Date:	Ongoing
Funding Source:	Redevelopment Housing Fund, CDBG, HOME
Housing Unit Count:	215 units

22. One assisted rental project in Santa Clara - Liberty Towers - is identified to be at potential risk of conversion to market rate use between 2002 and 2012. While this 100 unit senior apartment project is under non-profit ownership, project affordability is in part tied to a short-term Section 8 contract subject to renewal by HUD in 2005. As project based Section 8 funding is likely to remain intact, this project is considered at low risk of conversion. Nonetheless, the City will take the following actions to ensure preservation of Liberty Towers:
- Continue to Assist the Property Owners:* Liberty Towers is a regular applicant for CDBG and HOME funding to make periodic improvements to the property. These have included life safety projects for sprinklers and alarms, as well as roof repairs. Such assistance helps the project maintain its affordability.
- Monitor the Status of Section 8 Legislation:* The project based Section 8 program is undergoing constant and substantial changes that make planning for the preservation of at-risk units a difficult task. City staff will monitor the legislative changes concerning the Section 8 program in order to be strategically prepared for the potential conversion of at-risk units.
- Monitor At-Risk Units:* The City will monitor the at-risk project through maintaining contact with the property owner regarding their long term plans for the project.

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Work with Potential Purchasers: The City will establish contact with public and non-profit agencies interested in purchasing and/or managing units at risk. As necessary and feasible, the City will provide financial and technical assistance to these organizations.

Conduct Tenant Education by:

- a. Notifying tenants as far in advance as possible of potential conversion to market rate housing.
- b. Providing information regarding tenant rights and conversion procedures.
- c. Offering tenants information regarding Section 8 rental subsidies and other available assistance through City and County agencies as well as non-profit organizations.

Responsibility: Housing Div., Redev. Agency,
Target Date: Ongoing
Funding Source: Redevelopment Housing Fund, Federal
Funds
Housing Unit Count: 100 units through June 2006

- 23.** Continue to assist in funding programs designed to create shared housing arrangements for seniors and families. In addition to contributing to the operating expenses of such programs, the City has provided single family homes for shared housing arrangements. The homes were originally purchased for right-of-way needs and subsequently became available for shared housing.

Responsibility: Redev. Agency, non-profit agencies
Target Date: Ongoing
Funding Source: Redevelopment Housing Fund
Housing Unit Count: 20 shared households per year

- 24.** Require housing impact studies as part of project-related environmental reviews for new developments or businesses that generate a high number of jobs. An affordable housing mitigation fee shall be considered for office and industrial developments that propose a significant square footage of area where persons are to be employed.

Responsibility: Planning Div., Planning Comm., City
Council
Target Date: Ongoing with fee study in 2003
Funding Source: Private

- 25.** Support development of low income housing alternatives, such as Single Room Occupancy (SRO) units, Senior Housing, Family Housing, etc. Support can take the form of Redevelopment Housing Fund assistance, City owned land for a site, or ordinance amendment or variance based on SRO's unique characteristics.

Responsibility: Planning Div., City Council, Redev.
Agency
Target Date: 2001 and Ongoing

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Funding Source: Redevelopment Housing Fund
Housing Unit Count: 148 units

26. Provide relocation assistance to residents displaced by City projects or projects using City or Federal funds. In special cases of private displacement, such as the closure of a mobile home park, such funding can be used to ease the relocation costs of low income or special needs households.

Responsibility: Redev. Agency, Housing Div.
Target Date: Ongoing
Funding Source: CDBG, HOME, Redevelopment Housing Fund

27. Propose/support State legislation to provide further incentives for the production of affordable housing and mixed use residential.

Responsibility: Planning Div., Housing Div.
Target Date: Ongoing
Funding Source: Not applicable

28. Promote home ownership, particularly for first time buyers, through single family, townhouse and condominium construction, conversion of rental to condominium ownership where appropriate and Redevelopment Housing Fund assistance. Cooperate with the County of Santa Clara Housing Bond coordinator for the issuance of Mortgage Revenue Bonds for ownership projects and for the issuance of Mortgage Credit Certificates for first-time homebuyers.

The Redevelopment Agency funds a First Time Homebuyers Program in cooperation with a local lending institution. For qualified buyers with an income of no more than 110% of the County median, up to \$50,000 can be loaned towards a \$400,000 home. The second mortgage and maximum purchase price have been adjusted periodically in response to the housing market. The second mortgage is a shared appreciation loan with no payments for the first five years and with principal payments only during the next ten years.

Responsibility: Planning Div., Housing Div., Planning Comm., City Council,
 Redev. Agency
Target Date: Ongoing
Funding Source: Redevelopment Housing Fund,
 Private Construction Industry
Housing Unit Count: 20 first time homebuyer loans per year

Housing Opportunities Policies

- K. Promote a variety of housing types, location and tenure to maintain social and economic diversity in the City.
- L. Ensure compliance with all State and Federal regulations relating to housing opportunity and the prevention of discrimination.

Programs

29. Enhance housing opportunities for those with disabilities. Implement ADA and State building code requirements for the provision of accessible housing units. Provide up to \$5,000 CDBG grants for disabled households to make accessibility improvements. The City will construct ramps and retrofit accessible features into the homes of disabled residents.

Responsibility: Housing Div., Bldg. Div., Planning Div., Planning Comm.,
City Council
Target Date: Ongoing
Funding Source: CDBG

30. Analyze and determine whether there are constraints to providing housing for persons with disabilities, consistent with the year 2001 Senate Bill 520 (Chesbro). The analysis will concentrate on land use controls, and permit procedures. If any constraints are found in these two or in any other areas, develop a plan to mitigate or remove those constraints.

Responsibility: Planning Div., Bldg. Div., Housing Div.,
Planning Comm., City Council.
Target Date: 2003
Funding Source: Not applicable

31. Reduce physical barriers to the disabled on public property and street rights-of-way. Each year the City budgets funds from CDBG for this purpose. The focus is on adding ramps to corner curbs, public facility entries and improving access to public bathrooms. The City's ADA Committee, which includes disabled representatives, makes recommendations on the use of the funds.

Responsibility: Public Wks.
Target Date: Ongoing
Funding Source: CDBG

32. Encourage the provision of specialized housing to meet the needs of those with sensory, physical and/or mental disorders; or for group care, emergency housing and foster homes, where appropriate. Residential care homes for six or fewer residents are permitted in residential zones. Assistance for non-profits to acquire and rehabilitate such homes is available from the City through Community Development Block Grants and the Redevelopment Housing Fund.

Responsibility: Planning Div., Housing Div., City
Council
Target Date: Ongoing
Funding Source: CDBG, Redevelopment Housing Fund

33. The City shall review condominium conversion proposals for conformance to the Planned Development ordinance requirements. Existing tenants shall be given preference to purchase their unit and compensation if forced to relocate. The primary concerns are buyer

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protection and fire separation between units. The Ordinance requires a two hour fire separation and disclosure of structural and appliance conditions. The provisions of the homeowners association are also reviewed.

Responsibility:	Planning Div., Planning Comm., City Council
Target Date:	Ongoing
Funding Source:	Not Applicable

34. Continue to refer Tenant-Landlord complaints to an agency offering mediation. The City funds a non-profit agency to handle the initial contact, mediation and follow-up, with effective resolution of the complaints as the goal. Issues such as rent increases, lease terms and housing conditions are all potential mediation topics. The Tri-County Apartment Owners Association is involved in these activities and encourages owners to participate in mediation as an alternative to more coercive governmental actions.

Responsibility:	Housing Div., non-profit agency, City Council
Target Date:	Ongoing
Funding Source:	General Fund

35. Provide referral services and promotional support to link those experiencing discrimination in housing with public or private groups who handle complaints against discrimination. The City funds pamphlets explaining fair housing services and that are available in such City facilities as City Hall, libraries, and the community center. The City holds an annual Open House at which the pamphlets and other information on fair housing are made available to the public. The non-profit agency with which the City contracts also holds several community information meetings each year at which the pamphlets are distributed. The City refers disputes between property owners to the County Human Relations Commission's Dispute Officer. Through the Tri-County Apartment Owners Association, the City contributed to a Rental Housing Handbook that provides guidance to both tenants and landlords. Continue to seek state and federal enforcement of fair housing laws and continue to cooperate with local agencies investigating claims of discrimination.

Responsibility:	Housing Div., non-profit agency, City Council
Target Date:	Ongoing
Funding Source:	CDBG