

# **REVISED** EAST PALO ALTO HOUSING ELEMENT

Originally Adopted by City Council on February 21, 2023 Revised Housing Element - December 5, 2023



## ACKNOWLEDGEMENTS

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## **1 INTRODUCTION**

Housing is a basic human necessity and the need for housing is shared by all residents. People want living spaces where they feel a sense of dignity, where they can express their individuality, and wherethey can be comfortable and healthy. Safe, well-maintained housing is a basic need that transcends age, race, income, and marital status. As such, the City of East Palo Alto encourages a diversity of housing types, costs, and locations to serve the variety of needs and wants of local residents.

## 1.1 ROLE OF HOUSING ELEMENT

The California State Legislature has identified the attainment of a decent home and suitable living environment for every resident as the State's major housing goal. Recognizing the important role of local planning programs in the pursuit of this goal, the Legislature has mandated that all cities and counties prepare a Housing Element as part of the comprehensive General Plan. Section 65583 of the Government Code sets forth the specific components to be contained in a Housing Element. State law further requires Housing Elements be updated at least every eight years to reflect the changing housing needs of a community. As East Palo Alto's Housing Element was last updated in 2015, this Update is for the planning period of 2023-2031.

The Housing Element Update consists of the following major components:

- Overview of the public participation and outreach process (Chapter 1)
- Analysis of East Palo Alto's demographic profile, housing characteristics, units at risk of conversion to market rate, and existing and future housing needs (Chapter 2).
- Review of potential market, governmental, and environmental constraints to housing development(Chapter 3).
- Affirmatively furthering fair housing assessment (Chapter 4)
- Evaluation of the land, financial, and organizational resources available to address the identified housing needs (Chapter 5).
- Housing plan to address the identified housing needs, including a statement of goals, policies, and actions (Chapter 6).
- Review of the progress and challenges in the prior Housing Element (Chapter 7)

## 1.2 DATA SOURCES

Various sources of information contribute to the Housing Element, including the American Community Survey (ACS) from the U.S. Census Bureau that provides the basis for population and household characteristics. In addition, several data sources were used to supplement the survey include economic and demographic projections by the Association of Bay Area Governments (ABAG) and population estimates by the California Department of Finance (DOF).

Housing market information is based on City surveys and property tax assessor's files, such as home sales, rents, and vacancies.

Public and non-profit agencies input on data regarding special needs groups and the services available to them or gaps in the service delivery system.

## **1.3 OUTREACH AND PUBLIC PARTICIPATION PROCESS**

East Palo Alto has a long history of extensive community involvement, and the 2023–2031 City of East Palo Alto Housing Element is no exception. It was developed with the collaborative efforts of residents and elected/appointed officials. Several opportunities for input on the Housing Element were provided through various forums as discussed below.

#### 21 ELEMENTS COLLABORATIVE OUTREACH

East Palo Alto partnered with other San Mateo County jurisdictions for a first-of-its-kind countywide outreach effort, through an award-winning collaboration called <u>21 Elements</u>. 21 Elements facilitated several panel presentations and discussion with advocates representing people with special needs, affordable housing developers and advocates, and funders. The panelists discussed their perspective on the unique housing needs of San Mateo County and provided some policy suggestions.

#### HOUSING ELEMENT SPECIFIC OUTREACH

To accomplish the City's goal of developing a Housing Element that reflects the vision of the people who make it special, the City of East Palo Alto developed a broad and diverse outreach plan designed to reach as many community members who live and work here as possible. A summary of public participation and community outreach activities and key takeaways are included here. The City's outreach goals were as follows:

- Reduce barriers to access to ensure a robust community participation process that is representative of the full range of demographics, perspectives, and experiences in East Palo Alto
- Build a level of transparency in the update process to ensure successful support and implementation after adoption
- Raise awareness among residents of the importance of the Housing Element update on shaping the future of our community

Given the inability to hold in-person events due to the COVID-19 pandemic, the City developed different community outreach and engagement strategies, including virtual meetings, digital tools, and safe in-person interactions to ensure that community members who do not have access to technology were still able to participate and provide their input. The City also proactively engaged residents for whom English is not spoken at home, families that would need childcare in order to participate and engage in conversations, and renters living in multi-family and in single-family housing with little access to public transportation.

For many years, the community has participated and engaged in conversations about affordable housing, tenant rights, displacement, and fair housing. In addition to conversations focused on the Housing Element, the City's efforts to establish sustainable funding sources for affordable housing production and homelessness prevention, to discuss the Ravenswood Business District/Four Corners Specific Area Plan, develop an affordable housing workplan, among many other initiatives, have provided opportunities for many additional collaborative outreach activities.

For other outreach work, we partnered with <u>21 Elements</u>. Specific activities are summarized below:

**Social Media and Printed Mailing.** The City of East Palo Alto launched a <u>Housing Element Update</u> <u>webpage</u>, and conducted extensive social media outreach beginning March 2021. Physical mailers were sent City-wide in April 2022.

We also participated in and helped shape the Let's Talk Housing initiative. City staff and consultants developed a countywide website available in five languages, a City webpage detailing our timeline, engagement activities, and resources that also linked to our City website, videos about the process in several languages, and a social media presence. As of February 2022, the website had been visited more than 17,000 times, with more than 20% from mobile devices.

**Email Alerts.** We sent alerts and updates via the City's City-wide weekly newsletter and created a Housing Element Update mailing list where residents interested in the Housing Element process received updates on upcoming community meetings or ways to participate in the Housing Element Update.

**Community Meetings:** The City organized three public Housing Element community meetings and presented at 9 public commission/council meetings. These include:

- Planning Commission Informational Update 05/10/21 (virtual)
- Community Meeting about Outreach Strategies 06/02/21 (virtual)
- Community Meeting #1 07/19/21 (virtual)
- Community Meeting #2 02/24/22 (virtual)
- Planning Commission Meeting 03/14/22 (virtual)
- City Council Meeting 03/15/22 (virtual)
- Planning Commission and City Council Joint Study Session 04/26/22 (virtual)
- Community Meeting #3 05/05/22 (hybrid meeting in-person and virtual)
- Planning Commission Meeting 07/11/22 (virtual)
- City Council Meeting 07/19/22 (virtual)
- Planning Commission Meeting 01/23/23 (virtual)
- Planning Commission Hearing 02/09/23 (virtual)
- City Council Hearing 02/21/23 (hybrid)

The City also participated in several meetings and webinars in partnership with 21 Elements, including:

- Let's Talk Housing Introduction to the Housing Element A housing element overview with breakout discussion rooms that was part of a series of introductory meetings attended by one community member and two East Palo Alto stakeholders and over 1,000 community members countywide.
  - 03/25/21 (Joint with Millbrae, Burlingame, Hillsborough, and San Mateo); continued on 05/06/21 due to technological issues
  - o 07/26/21 (Virtual countywide meeting about the Housing Element update in Spanish)
- All About RHNA webinar An in-depth dive into sites methodology. (4/23/21 countywide)
- Stakeholder Listening Sessions Four virtual meetings where jurisdictions could listen to and interact with stakeholder groups arranged by topic. More than 30 groups participated.
  - Fair Housing 09/27/21
  - Housing Advocates 10/18/21
  - Builders 10/01/21
  - Service Providers 11/15/21
- Creating an Affordable Future webinars A four-part series to help educate community members about local housing issues.
- Equity Focus Group Presentation The City also conducted a virtual focus group presentation with the San Mateo County Equity Advisory Group on 05/02/22 to ensure outreach was set up to meet people where they were at as much as possible.

**Surveys:** City staff conducted three online surveys, an in-person intercept survey at pop-up Farmer's Markets, and a Balancing Act survey with sites inventory-specific questions. These efforts included:

- Online Surveys 02/24/22 to 07/15/22
- Balancing Act Survey 05/25/22 to 07/15/22
- o Intercept Survey at East Palo Alto Farmer's Market 06/08/22
- Intercept Survey at East Palo Alto Farmer's Market 06/15/22

## 2 WHAT WE ACCOMPLISHED

It is more important than ever to include as many voices as possible in the Housing Element. Housing Elements at their best can provide an opportunity for everyone to add their voice to the conversation. However, many people are too often left out of the process. Renters, workers, young families, youth, people of color, immigrants, refugees, non-English speakers, and people with disabilities are often unable to participate in outreach activities when scheduled, don't know how to get involved, or don't trust the process. Our goal was to change that. Specifically, we:

- Ensured foreign language translation and interpretation was included in our meetings and materials<sup>1</sup>
- Designed a website that was mobile friendly, with accessibility features and available in multiple languages. (Lower income residents, young adults and people of color are more likely to use their phones)
- Formed an Equity Advisory Group consisting of 18 organizations across San Mateo County that provided feedback on outreach and materials, and shared information about the Housing Element Update and how to participate in the process with the communities they serve
- Held meetings in partnership with community organizations (including an Introductory meeting in Spanish with English interpretation focusing on community outreach strategies)
- Developed an Affirmatively Furthering Fair Housing survey

The following is a more detailed description of the City's engagement efforts to hear from as many community members as possible. Appendices C and E provide more details.

<sup>&</sup>lt;sup>1</sup> The City provided translation of materials and interpretation of public meetings in Spanish. The City is currently working on a language access plan to identify additional translation and interpretation needs in the community. This may include translation and interpretation to Tongan and Samoan, which are the next most spoken languages in the City. According to the 2019 American Community Survey 5-Year Estimates, approximately 8.3% of East Palo Alto households speak Asian and Pacific Island languages, and 11.7% of East Palo Alto households who speak Asian and Pacific Island languages are limited English speaking households.

#### 1. Website and Social Media

As a starting point for accomplishing extensive outreach, the City of East Palo Alto developed a clear online presence with all the information needed to understand the update process and know how to participate.

#### • City of East Palo Alto Website and Social Media

The City launched a <u>Housing Element Update webpage</u> on its City website in March 2021, where community members can find the latest updates on the Housing Element Update and a list of upcoming community meetings. The City webpage also provides links to previous commission/council reports and recordings of community meetings and public meetings. The City also provided updates and invitations to community meetings on <u>social media</u>. All outreach communications were conducted in English and Spanish. Appendix A1 provides an overview of the webpage outreach performance and Appendix A2 provides an overview of the social media outreach performance.

#### • Let's Talk Housing Website and East Palo Alto Webpage

To reach a broader audience and supplement the City webpage, we launched the Let's Talk Housing website with 21 Elements in March 2021. Our goal was to clearly explain what a housing element is, why it matters, and how to get involved. It was made available in Arabic, Chinese, English, Spanish and Tagalog, designed to be responsive on all types of devices and included accessibility features. As part of this effort, we also developed an East Palo Alto webpage with our timeline, engagement activities like surveys and housing balancing exercises, and resources that also linked to our City website. As of January 2022, the Let's Talk Housing website has been viewed more than 17,000 times, with more than 20 percent occurring from mobile devices. Let's Talk Housing <u>Facebook</u>, <u>Instagram</u>, <u>Twitter</u> and <u>YouTube</u> accounts were also created and maintained to keep people informed about upcoming or past event.

#### • Informational Videos on the Housing Element Update

After completing a series of introductory Meetings to the Housing Element Update (see below), we supported 21 Elements in developing shorter 4-minute snippets to ensure information was more accessible and less onerous than watching an hour-long meeting. Two videos were produced–<u>What is a Housing Element and How it Works</u> and <u>Countywide Trends and Why Housing Elements Matter</u>-in Arabic, Chinese, English, Spanish, and Tagalog. They were made available on the Let's Talk Housing YouTube channel and website and shared on social media.

#### 2. Email Alerts

The City sent updates about the Housing Element process via the City's City-wide weekly newsletter, which updates residents on any upcoming City meetings and programs. The City also created a Housing Element Update mailing list to provide updates. Appendix A3 provides an overview of these email alerts.

#### 3. Public Meetings and Hearings

The City of East Palo Alto held and participated in a variety of virtual and in-person meetings to inform the public about the Housing Element and hear what matters to the community.

#### • Countywide Introductory Meeting to the Housing Element Update

The City of East Palo Alto helped develop and facilitate a 90-minute virtual countywide meeting about the Housing Element update. Held on March 30, 2021, and continued May 6, 2021, due to technological issues, the meeting provided community members with an introduction to the Housing Element update, why it matters, information on the Let's Talk Housing outreach effort, and countywide trends. The City of East Palo Alto staff then facilitated a breakout room discussion with community members on housing needs, concerns, and opportunities, and answered any questions. A poll was given during the meeting, to identify who was joining us and more importantly who was missing from the conversation, including if they rent or own, who they live with, their age, and ethnicity. Time for questions was allotted throughout, and meeting surveys were provided to all participants after the meeting along with all discussed resources and links. Appendix A5 summarizes this countywide meeting.

In total six introductory meetings were held across the county between March and May 2021, and 1,024 registered for the series. Of those who registered, the majority identified as White (66%) or Asian (15%) and were 50 years or older; nearly half were 50 to 69 years old and almost a fifth were over 70. Almost half had lived over 21 years in their homes and three-fourths owned their homes. One East Palo Alto resident and fourteen other stakeholders participated in the East Palo Alto breakout group. A meeting summary can be found in Appendix A4.

On July 26<sup>th</sup>, the City of East Palo Alto joined a virtual countywide meeting about the Housing Element update in Spanish, hosted by El Comité, a trusted community organization. English interpretation was provided for non-Spanish speaking staff to participate in the conversation. In total, 57 people participated. A recording of this meeting was made available after and can be viewed <u>here</u>.

#### • All About RHNA Webinar

The City of East Palo Alto joined a webinar with 21 Elements in April 2021 to provide information and answer community questions about the Regional Housing Needs Allocation (RHNA) process. 264 people registered and 80 questions were answered over three hours. The recording of this meeting and the FAQ can be found <u>here</u>.

#### • Community Meetings

- Outreach Strategies Community Meeting: The City conducted a community meeting virtually on June 2, 2021, that focused on outreach strategies.
- Housing Element Update Community Meeting #1: The City conducted its first City-specific community meeting virtually on July 19, 2021, which provided introductory information on the Housing Element Update and sought community input. Spanish interpretation was available. A recording of this meeting was made available after and can be viewed here.
- Housing Element Update Community Meeting #2: The City conducted a second community meeting virtually on February 24, 2022, which provided introductory information and sought input on RHNA, policies and programs, and environmental constraints. Spanish interpretation was available. A recording of this meeting was made available after and can be viewed <u>here</u> in English and <u>here</u> in Spanish.
- Housing Element Update Community Meeting #3: The City conducted a third community meeting and first hybrid meeting (held both in-person and virtually) on May 5, 2022. Spanish and Tongan interpretation were available both in-person and on Zoom. The meeting also had childcare, free food, and a free shuttle bus. The meeting provided introductory information and sought input on policies and programs and sites inventory. A recording of this meeting was made available after and can be viewed in both English and Spanish <u>here</u>. Due to technological issues, we were unable to record the Tongan interpretation.

#### • Public Meetings and Hearings

- May 10, 2021, Brief Informational Update on the Housing Element to the Planning Commission
- March 14, 2022, Update on 2021 Housing Element and General Plan Annual Progress Report
- March 15, 2022, City Council Authorization to Submit 2021 Housing Element Annual Progress Report, 2021 General Plan Annual Progress Report, and Housing Successor Agency Report to State Agencies
- April 26, 2022, Joint study session with Planning Commission and City Council
- o July 11, 2022, Planning Commission update
- o July 19, 2022, City Council update
- o January 23, 2023, Planning Commission meeting
- February 9, 2023, Planning Commission hearing
- February 21, 2023, City Council hearing

#### • Stakeholder Listening Session Series

The City of East Palo Alto joined 21 Elements for a facilitated series of listening sessions held between September and November 2021 to hear from various stakeholders who operate countywide or across

multiple jurisdictions. The four sessions convened more than 30 groups including fair housing organizations, housing advocates, builders/developers (affordable and market-rate), and service providers, to provide observations on housing needs and input for policy consideration.

Summaries for each session can be found here. Key themes and stakeholder groups included:

- Fair Housing: Concern for the end of the eviction moratorium, the importance of transitoriented affordable housing and anti-displacement policies, and the need for education around accessibility regulations and tenant protections. 8 stakeholder groups provided this feedback, including the following:
  - Center for Independence www.cidsanmateo.org
  - Community Legal Services of East Palo Alto (CLSEPA) www.clsepa.org
  - Housing Equality Law Project www.housingequality.org
  - o Legal Aid for San Mateo County www.legalaidsmc.org
  - Project Sentinel www.housing.org
  - Housing Choices www.housingchoices.org
  - Public Interest Law Project www.pilpca.org
  - Root Policy Research www.rootpolicy.com
- **Housing Advocates:** Concern for rent increases and the need for ongoing outreach to underserved and diverse communities, workforce housing, deeply affordable and dense infill, and tenant protections for the most vulnerable. 6 stakeholder groups provided this feedback, including the following:
  - Housing Leadership Council www.hlcsmc.org
  - Faith in Action www.faithinactionba.org
  - Greenbelt Alliance www.greenbelt.org
  - o San Mateo County Central Labor Council www.sanmateolaborcouncil.org
  - Peninsula for Everyone www.peninsulaforeveryone.org
  - San Mateo County Association of Realtors www.samcar.org
- **Builders and Developers:** Local funding, tax credit availability, and concern that appropriate sites limit affordable housing while sites, construction costs, and City processes limit market-rate housing. 12 stakeholder groups provided this feedback, including the following:
  - Affirmed Housing (Affordable) www.affirmedhousing.com
  - o BRIDGE Housing (Affordable) www.bridgehousing.com
  - The Core Companies (Affordable, Market Rate) www.thecorecompanies.com
  - o Eden Housing (Affordable) www.edenhousing.org
  - o Greystar (Market Rate) www.greystar.com

- Habitat for Humanity (Affordable) www.habitatsf.org
- HIP Housing (Affordable) www.hiphousing.org
- Mercy Housing (Affordable) www.mercyhousing.org
- o MidPen Housing (Affordable) www.midpen-housing.org
- o Sand Hill Property Company (Affordable, Market Rate) www.shpco.com
- Sares | Regis (Market Rate) www.srgnc.com
- o Summerhill Apartment Communities (Market Rate) www.shapartments.com
- Service Providers: More affordable housing and vouchers or subsidies for market-rate housing are needed, along with on-site services and housing near transit, and jurisdictions should work with providers and people experiencing issues before creating programs. 10 stakeholder groups provided this feedback, including the following:
  - Abode Services www.adobeservices.org
  - Daly City Partnership www.dcpartnership.org
  - El Concilio www.elconcilio.org
  - HIP Housing www.hiphousing.org
  - LifeMoves www.lifemoves.org
  - o Mental Health Association of San Mateo County www.mhasmc.org
  - o National Alliance on Mental Illness www.namisanmateo.org
  - Ombudsman of San Mateo County www.ossmc.org
  - o Samaritan House San Mateo www.samaritanhousesanmateo.org
  - o Youth Leadership Institute www.yil.org

#### • Creating an Affordable Future Webinar Series

The City of East Palo Alto and 21 Elements offered a 4-part countywide webinar series in the fall of 2021 to help educate community members about local housing issues. The sessions were advertised and offered in Cantonese, Mandarin, and Spanish, though participation in non-English channels was limited. All meetings and materials can be found <u>here</u>. The following topics, and how each intersects with regional housing challenges and opportunities, were explored:

- Why Affordability Matters: Why housing affordability matters to public health, community fabric and to county residents, families, workers, and employers.
- Housing and Racial Equity: Why and how our communities have become segregated by race, why it is a problem and how it has become embedded in our policies and systems.
- Housing in a Climate of Change: What is the connection between housing policy and climate change and a walk through the Housing & Climate Readiness Toolkit.
- **Putting it All Together for a Better Future:** How design and planning for much-needed new infill housing can be an opportunity to address existing challenges in our communities.

The series included speaker presentations, audience Q&A, breakout sessions for connection, and debrief discussions. Participants were eager to discuss and learn more about housing challenges in their community. They asked questions and commented in the chat and shared their thoughts in a post-event survey. Overall, comments were mostly positive and in favor of more housing, though some were focused on the need for new affordable housing. There was a lot of interest in seeing more housing built (especially housing that is affordable), concern about change or impact to schools, parking, and quality of life, and personal struggles with finding housing that is affordable and accessible shared. Some participants wanted more in-depth education and discussion of next steps, while others had more basic questions they wanted answered.

In total, 754 registered for the series. Of those who shared, the majority identified as White (55%) or Asian (24%) and ranged between 30 and 70 years old. Over half have lived in the county for over 21 years and nearly two-thirds owned their homes. For more information, see the Summary <u>here</u>.

#### 4. Other Outreach Activities

The City of East Palo Alto set out to collect as much feedback as possible from the community, from their general concerns and ideas about where new housing could go. It was also important to us to consider community outreach best practices and consult and partner with organizations working in the community, to ensure we were reaching as many people as possible and doing so thoughtfully. Appendix A6 provides an overview of the survey results.

#### • Jamboard Survey

An online whiteboard where community members can provide their input on what types of housing they want to see, what locations/sites they want to see explored, what environmental issues bring them the most concern, and what environmental considerations should we have when zoning for new housing. See the survey <u>here</u>.

#### • Policies and Programs Survey

A survey to hear residents' thoughts on how we are doing with our housing policies and programs, which policies we should keep, and which new policies we should consider prioritizing for the next 8 years. See the survey in English here and in Spanish <u>here</u>.

#### • East Palo Alto Balancing Act Survey

The Balancing Act is a housing simulation tool where residents may provide their input on the location of potential housing sites to be included in the 2023-2031 Housing Element. This simulation tool is a great way for residents to explore the location of housing sites and the number of potential housing units on those identified sites. See the Balancing Act page <u>here</u>.

#### • Intercept Survey

Intercept surveys on housing inventory and density were also conducted at two of the East Palo Alto Farmer's Markets. This in-person survey helped reach Spanish-speaking residents and lower-income residents who may not necessarily be active in public meetings.

#### • Equity Advisory Group

In alignment with community outreach best practices, it was important to include the guidance of and foster partnerships with community organizations to help ensure everyone's voices were heard during the Housing Element update. In response, an Equity Advisory Group (EAG) was formed consisting of 15 organizations or leaders across the county that are advancing equity and affordable housing. A stipend of \$1,500 was originally provided for meeting four to five times over 12 months to advise on Housing Element outreach and helping get the word out to the communities they work with.

After meeting twice in 2021, it was decided the best use of the EAG moving forward would be to provide more focused support in 2022 based on jurisdiction need and organization expertise. To date, EAG members have facilitated and hosted community meetings in partnership with 21 Elements, collected community housing stories to put a face to housing needs, advised on messaging, and amplified events and activities to their communities. The EAG continues to work collaboratively with jurisdictions and deepen partnerships, as well as connect community members to the Housing Element Update process. All participating organizations are featured on the Let's Talk Housing website and include the following:

- Ayudando Latinos A Soñar (ALAS) www.alasdreams.com
- o Community Legal Services www.clsepa.org
- El Comité de Vecinos del Lado Oeste (El Comité) www.tenantstogether.org/resources/el-comité-de-vecinos-del-lado-oeste-east-palo-alto
- East Palo Alto Community Alliance and Neighborhood Development Organization (EPA CAN DO) www.epacando.org
- o Faith in Action www.faithinaction.org/federation/faith-in-action-bay-area/
- Housing Choices www.housingchoices.org
- o Housing Leadership Council www.hlcsmc.org
- Menlo Together www.menlotogether.org
- Nuestra Casa www.nuestracasa.org
- One San Mateo www.onesanmateo.org
- Peninsula for Everyone www.peninsulaforeveryone.org
- o Puente de la Costa Sur www.mypuente.org
- San Mateo County Health www.gethealthysmc.org
- Youth Leadership Institute www.yli.org/region/san-mateo
- Youth United for Community Action www.youthunited.net

#### • Affirmatively Furthering Fair Housing Survey

A Fair Housing Assessment was conducted for all San Mateo County jurisdictions and had a statistically significant number of East Palo Alto residents participate (53 East Palo Alto residents total). Some primary findings in the Fair Housing Assessment include:

- Hispanic/Latinx & Black/African American households have a high-cost burden
- The entire city is considered vulnerable to displacement.
- There is a lack of sidewalks, good street lighting and walkability in some neighborhoods
- East Palo Alto has high rates of fair housing discrimination
- Applicants for mortgage face high rates of denial, highest for Black/African American and Hispanic/Latinx applicants
- East Palo Alto has a higher portion of children than county going to lower-performing schools

The Affirmatively Furthering Fair Housing Chapter provides an overview of the survey results. In addition, Appendix A7 shows the Equity Advisory Group's recommendations as a minimum to Affirmatively Furthering Fair Housing.

#### • Public Review Period

The City released the draft Housing Element for the 30-day public review period from August 29, 2022, to October 3, 2022. During this time, the City received comment letters from 18 individuals. Common themes in the comments submitted include:

- Language Access: Need for Spanish and Tongan translation, as well as easier to understand language and broken-down abbreviations.
- Process Timelines: Need for development streamlining and shorter process timelines.
- ADU Streamlining: Need for ADU incentives and streamlining.
- Water Infrastructure: Need for water infrastructure in new development sites.
- Housing affordability: Need to target development of lower-income housing.
- Homeownership opportunities: Need for affordable homeownership programs.

Appendix A8 provides an overview of comments submitted during this public review periods. Table A8.A in Appendix A8.A summarizes comments and City responses to the public comments submitted between August-October 2022.

On January 17, 2023, the City released a second revised draft of the Housing Element, and on February 6, 2023, the City released a third revised draft of the Housing Element for a 7-day public review period.

Table A8.B in Appendix A8 summarizes City responses to the public comments submitted between January – February 2023.

### 1.4 HOW WE INCORPORATED WHAT WE HEARD INTO THE PLAN

Comments from community workshops and correspondence received during the update process have helped to identify housing needs and issues of concern in the community and possible strategies for the City to pursue in addressing housing needs. Feedback and insights from people who face the greatest barriers to participation, including tenants, non-English speakers, and lower-income residents helped to highlight new policy opportunities and ways to strengthen and improve existing policies. There was an overarching need and appetite for more housing affordability and availability. In addition, themes such as investing in infrastructure and anti-displacement measures and addressing climate change helped inform policies in the Housing Element Update.

#### **KEY TAKEAWAYS**

Below is a summary of key takeaways that emerged throughout the outreach process.

- Need for affordable rents The community is very concerned about promoting more affordable housing, particularly in light of rapid increases in prices in East Palo Alto. They want the Rent Stabilization and renter protection ordinances protected.
- More housing overall is needed: Generally, people believe we need more housing, particularly affordable housing. However, there are diverging views on how to accomplish this, where housing should go, and what it should look like.
- Housing protection, preservation, and production are top priorities: The community is very concerned about addressing the rapid displacement in East Palo Alto. They want tenant rent relief and protections, housing preservation and housing production. They also felt that developers should be eligible for incentives and opportunities that make them more competitive.
- **Overcrowding is an issue:** Because prices are so high, many residents are forced to share apartments. This causes overcrowding and associated problems.
- **Need for improved living conditions:** Many residents had concerns about the condition of their apartments. They feel they are not being maintained at an acceptable level.
- The price of housing is a major concern: Many voiced concerns about the high cost to rent or buy a home today, either for themselves, friends, or family. It is an issue that touches a lot of lives.

- Housing is personal: People often have differing views on housing because it is a very personal issue tied to feelings of safety, belonging and identity. Often the comments reflected people's current housing situation. Those with safe, stable housing that they can afford were more concerned with street and infrastructure conditions, and the value of homes. Those without were more interested in bolder policies that support tenants and more housing generally. Many people shared meaningful stories of being priced out of their communities or of their children not being able to live in the community where they grew up. Click here for a sample story.
- **Single-family neighborhoods are polarizing:** While some people voiced their interest in upzoning single-family neighborhoods or eliminating them altogether, other homeowners want to protect them and in turn, the investment they have made.
- The process is too complicated: There was significant concern that the development process was too slow and there was too much uncertainty.
- Better information resources: People wanted to know how to find affordable housing in their communities and navigate the process of applying for it.
- **Issues are connected**: Transportation, climate change, access to living wage jobs and education opportunities are all tied to housing and quality of life. These issues are not siloed in people's lives and there is a desire to address them in interconnected ways.
- Equity is on people's minds: People want to talk about housing inequities and, even more so, discuss how to solve them. There was interest in ways to create new opportunities for housing and asset building for all that also address past exclusions.
- **Regional input matters but there's more to figure out:** It was valuable to build a broader sense of community and share resources at the countywide level. However, it was challenging to engage non-resident community members on jurisdiction-specific input.
- **Diversity in participation was a challenge:** Despite partnering with organizations to engage with the hardest to reach communities and providing multilingual outreach, achieving diversity in participation was challenging. In the wake of Covid-19, organizations already operating on limited resources were focused on supporting immediate needs, while the added stresses of life coupled with the digital divide added additional barriers for many.
- **Governmental constraints create challenges.** Water and sewer infrastructure constraints have historically been a barrier for development In addition, City policies and programs that affirmatively further fair housing help address displacement and gentrification but create additional costs to developers.

#### INCORPORATION INTO THE HOUSING ELEMENT

The following is a summary list of topics that were added or improved as a result of that community and stakeholder feedback.

- Theme: Environmental Constraints
  - Use environmental "overlay" to avoid housing in at-risk areas
  - Resolve issues with the East Palo Alto Sanitary District (EPASD) to improve sanitary sewer infrastructure
- Theme: Incentives for affordable housing development
  - Implementation of state affordable housing overlay zone incentives
- Theme: Encouraging smaller-scale, "missing middle" housing like duplexes/triplexes and (market-rate) ADUs
  - Streamlining
  - Fee reductions
  - Outreach targeting smaller developers
- Theme: ADUs as lower-income affordable housing
  - Amnesty and legalization of unpermitted second units
  - Public/private partnerships to fund rehab/repairs
  - Additional loan programs to build deed restricted affordable ADUs
- Theme: Promote homeownership opportunities
  - Leverage all available federal funding support for down payment and first-time homebuyer assistance
  - Advocate for these programs at regional level
- Theme: Need for anti-displacement
  - Jobs-housing linkage that links production of commercial office space to affordable housing production
  - Strengthen housing replacement requirements
  - Preservation/rehabilitation
  - Exploring establishment of cooperatives/community ownership of housing
- Theme: Need for infrastructure improvements
  - Seeking funding from the private sector to add neighborhood improvements communities that have the greatest needs and establishing a land banking program with that funding

The following is an overview of the rationale behind some of the policies and programs recommended.

Policy or Program	Rationale
Overlay for nonprofit-owned	Some nonprofit property owners, such as faith communities, own sufficiently large
properties of a certain size that	(and "underutilized") parcels to build affordable housing and have interest in
commit to building 100%	serving community need. With an overlay, the City may reduce costs by allowing
affordable housing	projects of a certain scale. Exploration of an affordable housing overlay zone has been
	removed given the City is committed to implementing state affordable housing
	incentives and state legislation that facilitates the approval of residential projects.
City-level streamlining for SB 9	SB 9 facilitates multiple units on parcels zoned single family. Duplexes, triplexes, and
projects	ADUs can help to add "missing middle" units to the housing stock.
Encouraging ADU production	ADUs address the "missing middle" problem and allow for additional units on a variety
	of parcels. The City has made ADUs a priority since 2018 and may wish to update
	this strategy as a Housing Element "program" to support the City's development project
	of ADU production over the next 8 years.
Temporary Use Permit for temporary	City Council directed staff to develop a "Master Temporary Use Permit (TUP)" process
housing for unhoused individuals	as described in the April 5, 2022, staff report. Facilitating temporary housing for
	unhoused individuals helps to address the needs of special populations, as required in
	the Housing Element.
Requiring minimum residential	Different uses are allowed in the Ravenswood Business District (RBD). Allowing
density on Sites Inventory/Housing	residential as one of multiple uses, e.g., office or R&D, does not guarantee that
Opportunity sites in the Ravenswood	affordable housing units will be built on a parcel. Therefore, minimum residential
Business District	density requirements on Sites Inventory/Housing Opportunity sites are needed to
	encourage development of housing in the RBD, especially affordable housing
	opportunities (such as density bonus law) that typically align with higher density
	requirements and make it cheaper to build more units.
Waiving fees for affordable projects	Analysis by 21 Elements partner firm EcoNorthwest found that waiving some fees
	for affordable projects would increase market feasibility for affordable units citywide,
	in many cases more than upzoning certain parcels
Reduced parking for affordable	Analysis by 21 Elements partner firm EcoNorthwest found that
projects	reducing parking requirements for affordable projects would increase market feasibility
	for affordable units citywide, in many cases more than upzoning certain parcels.

## 1.5 CONSISTENCY TO OTHER CITY PLANS

The Housing Element update is a required Element of the City of East Palo Alto General Plan, which was updated in 2015. The changes proposed by this Housing Element update were reviewed against the General Plan, Vista 2035, and found to be consistent. City-wide zoning is consistent with the General Plan because the City of East Palo Alto is a general law City. Additionally, while the Housing Element is not currently consistent with the Ravenswood Business District/Four Corners transit-oriented development Specific Plan (RBD), this plan is also undergoing a targeted update by December 2023. The proposed housing sites, policies and programs, and any other aspects of the Housing Element update that are related to the RBD —including the rezoning program planned for 2023—will be consistent with the final updated Specific Plan.

State law requires the General Plan land use designation for properties to be consistent with the corresponding zoning designation for a property. Along with a program in the Housing Element to update the RBD Specific Plan to resolve any existing General Plan/zoning inconsistencies, a general program is included to ensure General Plan/zoning consistency and consistency between General Plan Elements during the 6<sup>th</sup> cycle Housing Element for all sites included in the City's RHNA Sites Inventory. Any proposed zoning or General Plan amendment whether associated with a development proposal or a plan update would be reviewed for consistency with existing General Plan policies and zoning standards with additional amendments identified if necessary to maintain consistency.

## 2 HOUSING NEEDS ASSESSMENT

The Housing Needs Assessment consists primarily of data provided by the Association of Bay Area Governments/Metropolitan Transportation Commission in partnership with 21 Elements in preparation for the Housing Element. Each jurisdiction received a "data packet" prepared to specifically address each of the statutorily required data points. This data helps to describe the state of housing in East Palo Alto and to provide a basis for planning for development over this eight-year planning period. The City supplemented this data with research and analysis provided by Esri Business Analyst in a 2020 housing needs report.

Several highlights from this extensive data compilation have been incorporated into the community meetings and outreach referenced in other sections of this Housing Element and have directly informed the Policies & Programs section. These include:

## **2.1 POPULATION SIZE**

East Palo Alto's population has been growing, but less than the Bay Area region overall with 4.4% growth in the City from 2000 to 2020, compared to 9% for the county and 15% for the Bay Area. This increase throughout the region is mostly due to natural growth (births minus deaths) and our strong economy drawing new residents to the region.

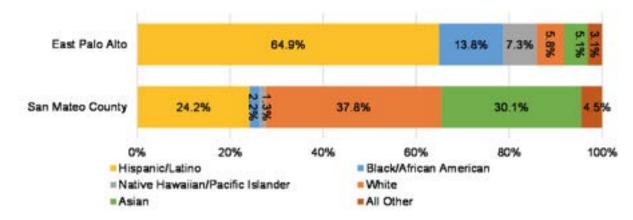
## **2.2 DEMOGRAPHIC SHIFTS**

The majority of East Palo Alto is made up of people of color, including Latinx (60% vs. 24% in the county), Black/African American (11% vs. 3% in the county), and Asian and Pacific Islander (6% vs. 1% in the county), while a smaller share of the population is non-Hispanic White (14 percent vs. 37% in the county).<sup>2</sup> This is a far larger proportion of people of color, particularly Latinx, African American, and Pacific Islander, than the rest of San Mateo County.

Since 2000, the percentage of residents in East Palo Alto identifying as non-Hispanic White has increased, and the percentage of residents of all other races and ethnicities has decreased, by 3.4 percentage points. The largest absolute Since 2000, the percentage of residents in East Palo Alto identifying as non-Hispanic White has increased, and the percentage of residents of all other races and ethnicities has decreased, by 3.4 percentage points. The largest points. The largest absolute increase in residents identified as Latinx, while the largest absolute decrease in residents identified as Black/African American. The figure below shows the snapshot of race and ethnicity in East Palo Alto and San Mateo County in 2020.

<sup>&</sup>lt;sup>2</sup> U.S. Census, 2022.

## **Race and Ethnicity**



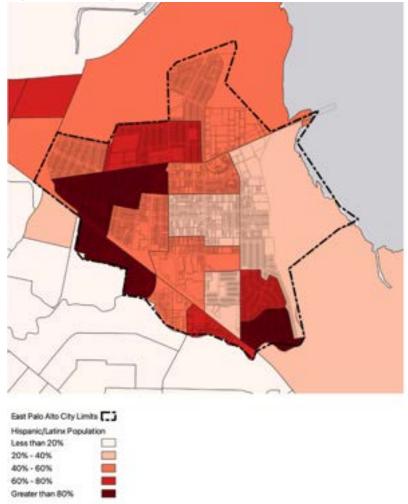
Sources: Esri Business Analyst, 2019; U.S. Census Bureau, 203-2017 American Community Survey; BAE Urban Economics, 2019.

These racial and ethnic demographic composition throughout the City is similar to that of the neighboring Bell Haven neighborhood of Menlo Park, and starkly different from the neighboring city of Palo Alto and the rest of Menlo Park. These similarities and differences may be attributable to the history of redlining and segregation in the region, where the Bell Haven neighborhood in Menlo Park and East Palo Alto, as well as other neighborhoods east of Highway 101 and unincorporated areas in the county (e.g., North Fair Oaks) experienced segregation, redlining, predatory lending, and resource deprivation.

Due to this history, racial and ethnic minatory populations generally have higher rates of poverty and lower household incomes compared to non-Hispanic White populations in East Palo Alto and the region. Cities like Redwood City, San Mateo, San Bruno, South San Francisco, and Daly City are ethnically diverse and have block group concentrations that are greater than 60 percent non-White populations. East Palo Alto differs drastically to its neighboring cities (Menlo Park, Palo Alto, and Atherton), which are predominately White majority tracts.

The following maps show the spatial distribution of different racial/ethnic groups as reported to the U.S. Census.

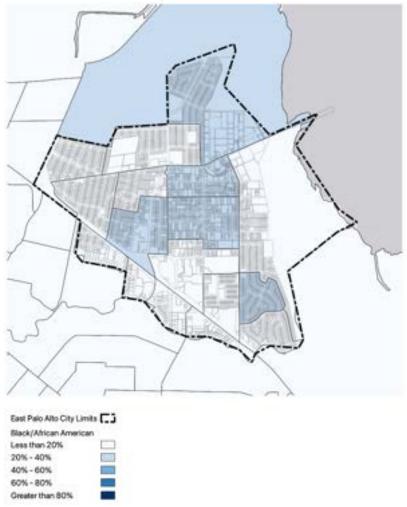
#### Hispanic/Latinx Population (2020)

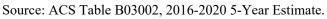


Source: ACS Table B03002, 2016-2020 5-Year Estimate.

The City of East Palo Alto is currently a majority Hispanic/Latinx community. A high concentration of Hispanic/Latinx residents live on the Westside (west of Highway 101) in multi-family dwellings, and in specific single-family home neighborhoods in the eastside of the City. The surrounding Belle Haven neighborhood in Menlo Park has a similar concentration, while the surrounding Palo Alto neighborhood has a fewer than 20% Hispanic/Latinx population.

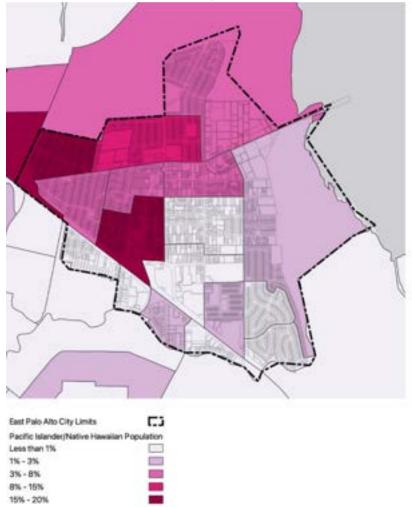
#### Black/African American Population (2020)





East Palo Alto used to be a predominately Black/African American community, but due to gentrification and displacement pressures, only a few Black/African American residents now live primarily in single family home neighborhoods throughout the City (on the eastside of Highway 101), and fewer live in multi-family neighborhoods on the westside of Highway 101. The surrounding neighborhoods in Menlo Park and Palo Alto experience more low concentrations.





Source: ACS Table B03002, 2016-2020 5-Year Estimate.

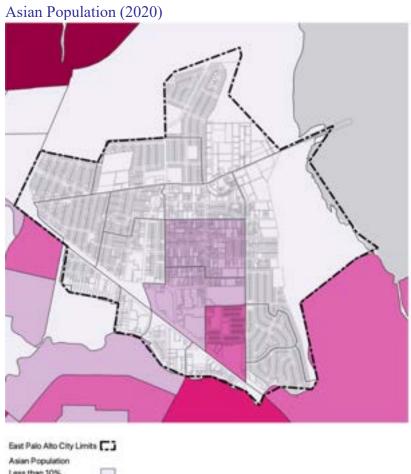
The City has the largest share of Pacific Islander/Native Hawaiian population in San Mateo County. A large portion of Pacific Islander/Native Hawaiian residents live in single-family home neighborhoods throughout the northeast side of Highway 101. The surrounding Belle Haven neighborhood in Menlo Park has a similar concentration, while the surrounding Palo Alto neighborhood has a lower concentration except for one parcel.



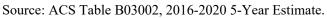
American Indian/Alaska Native Population (2020)

Source: ACS Table B03002, 2016-2020 5-Year Estimate.

The City has a small share of the American Indian/Alaska Native population concentrated in a mixed multifamily home and single-family home neighborhood in the northern part of the City, south of Bay Road. Surrounding neighborhoods in Menlo Park and Palo Alto have similar low concentrations.

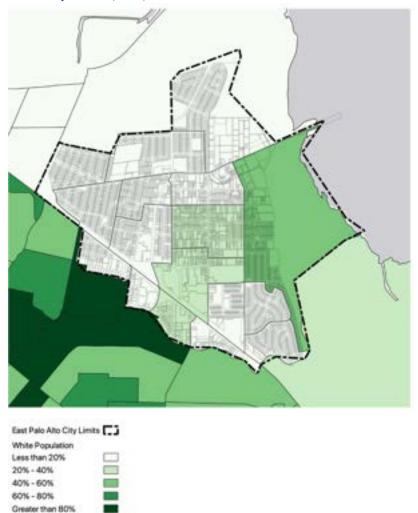


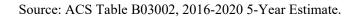




The City has a concentrated share of the Asian population in its mobile home park neighborhood (Palo Mobile Estates recently underwent condominium conversion), and a smaller share in surrounding newer single-family home neighborhoods (built in the early 2000's). Surrounding neighborhoods in Menlo Park and Palo Alto have higher concentrations.

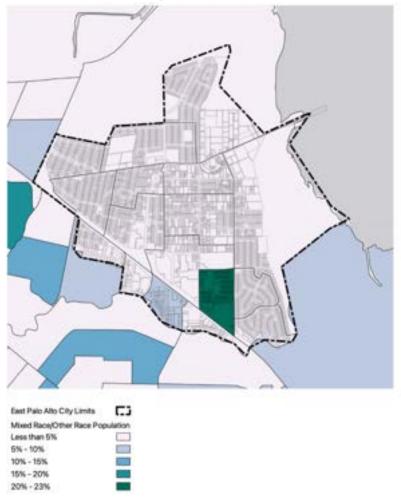
#### White Population (2020)





East Palo Alto has a smaller share of the White population than in the region. A larger portion of White residents live in the newer single-family home and townhome neighborhoods on the southeast side of Highway 101.

### Mixed Race/Other Race Population (2020)



Source: ACS Table B03002, 2016-2020 5-Year Estimate.

A higher concentration of Mixed-Race or Other Race population lives in the Palo Mobile Estates mobile home park of East Palo Alto (which recently underwent condominium conversion). Surrounding neighborhoods in Menlo Park and Palo Alto have low to medium concentrations.

## 2.3 LANGUAGE

Language access can play a major role in determining who can participate in the City's housing policy and development decision-making process. Over two thirds of East Palo Alto's population speak a language other than English at home.

The language most spoken other than English is Spanish, with over 51.5% of households who speak Spanish and 19.2% of households who speak Spanish with limited English.

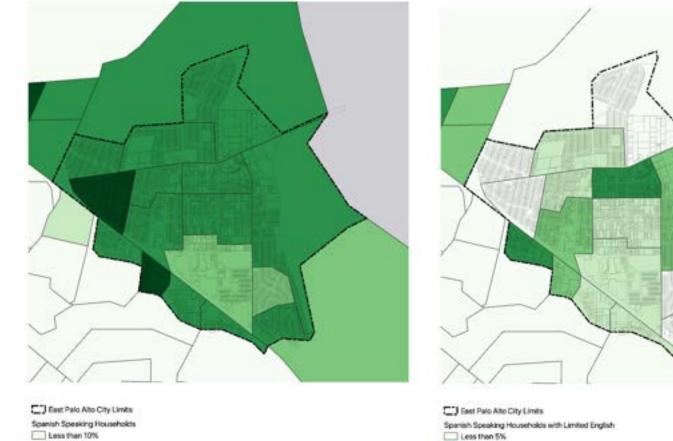
East Palo Alto has a large Tongan and Samoan population compared to the region, and the next most spoken languages are Tongan, Samoan, or some other Asian or Pacific Islander language. According to the 2019 American Community Survey 5-Year Estimates, an estimated 8.3% of East Palo Alto households speak Asian and Pacific Island languages, and 11.7% of East Palo Alto households who speak Asian and Pacific Island languages are limited English speaking households.

About 5.8% of East Palo Alto households speak Other Indo-European languages, and 3.6% who speak Other Indo-European languages are limited English-speaking households.

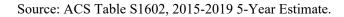
These language breakdowns are similar to the neighboring Bell Haven neighborhood of Menlo Park, and starkly different from the neighboring city of Palo Alto. These similarities and differences may be attributable to the history of redlining and segregation in these neighboring cities.

The following maps show the distribution in East Palo Alto by language groups and limited English households.

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#### Spanish Speaking Households (2019)



10% - 20%

20% - 40%

40% - 65%

65% - 87%

Most East Palo Alto census block groups have over 40% of Spanish-speaking households, with two block groups that have over 65% of the households speaking Spanish and two census blocks that have over 20% of the households speaking Spanish with limited English.

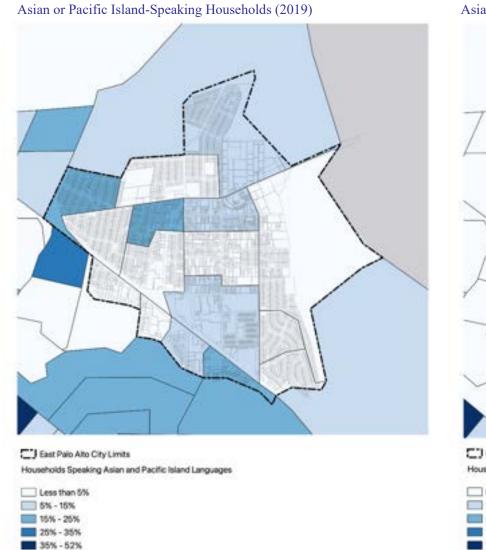
5% - 10%

10% - 20%

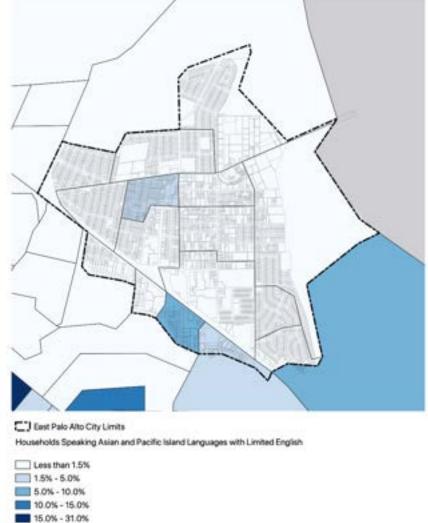
20% - 35%

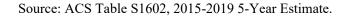
35N - 48N

#### Spanish Speaking Households with Limited English (2019)



Asian or Pacific Island-Speaking Households with Limited English (2019)



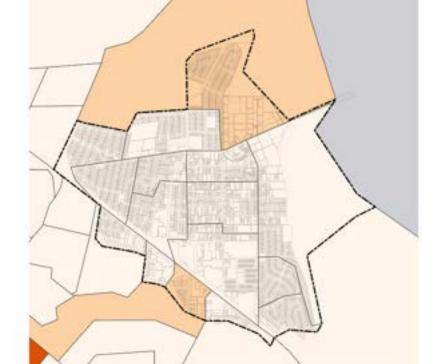


Three East Palo Alto census block groups have between 1.5% and 10% of the households speaking Tongan, Samoan or some other Asian or Pacific Islander language with limited English.





Other Indo-European-Speaking Households (2019)



Other Indo-European-Speaking Households with Limited English (2019)





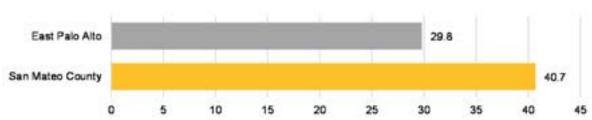
Source: ACS Table S1602, 2015-2019 5-Year Estimate.

Two East Palo Alto census block groups have between 0.7% and 2% of households speaking Other Indo-European languages with limited English.

## 2.4 AGE

East Palo Alto is a relatively "young" City, especially in comparison to surrounding cities, with 28.3% of the population under age 18 and 49% of the population under age 40. This includes many families with children, illustrating the need for more affordable housing opportunities for both families and for adult children who are still living at home or are returning home.

The figure below shows a snapshot of East Palo Alto and San Mateo County median age in 2020.



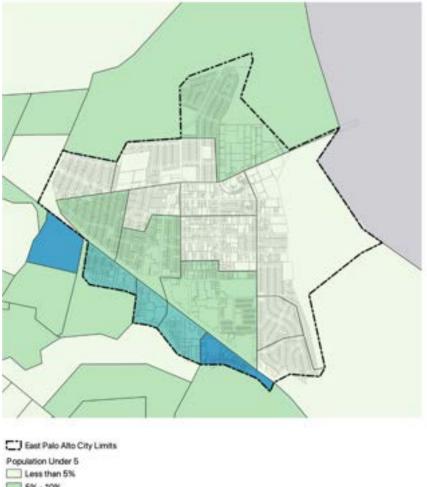
Sources: Esri Business Analyst, 2019; U.S. Census Bureau, 203-2017 American Community Survey; BAE Urban Economics, 2019.

The following maps show the distribution in East Palo Alto by age groups and households with children. The age breakdown on the side east of Highway 101 in East Palo Alto is comparable to the neighboring Menlo Park and Palo Alto neighborhoods. However, there is a stark difference in age breakdown on the west side of Highway 101 in East Palo Alto compared to the rest of the City and neighboring Menlo Park and Palo Alto. This may be primarily attributed to the housing stock tenure and density (i.e., majority of rental multi-family housing being located on the west of Highway 101), housing affordability (i.e., majority of rent stabilized units being located on the west of Highway 101), household incomes, and overcrowding, all of which are characteristics that differentiate the west of Highway 101 from the rest of the City and neighboring cities.

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### Median Age

### Population Under 5 (2019)

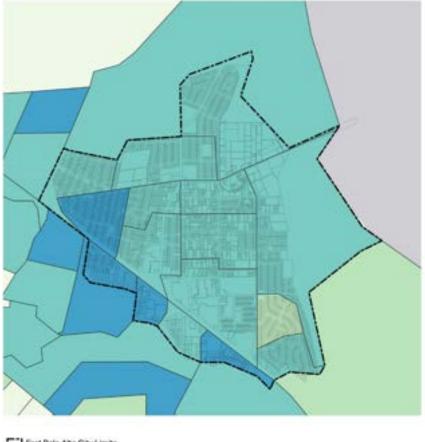


5% - 10% 5% - 10% 10% - 15% 15% - 20% 20% - 31%

Source: ACS Table B01001, 2015-2019 5-Year Estimate.

The block groups in the Westside, west of Highway 101, have the highest percentage of young children. This is also where the majority of rental housing is located. Between 10% and 20% of the people living in the Westside are below the age of five. There may also be correlation between number of young children in the Westside with low median household income and overcrowding.

### Population Under 18 (2019)

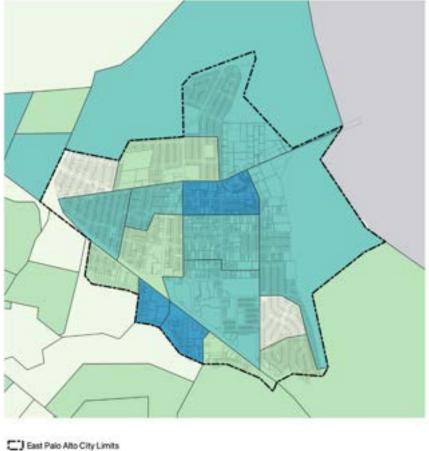


East Palo Ato City Limits
 Population Under 18
 Less than 15%
 15% - 20%
 20% - 30%
 30% - 40%
 40% - 60%

Source: ACS Table B01001, 2015-2019 5-Year Estimate.

The distribution of children under the age of 18 in East Palo Alto is similar to that of neighboring cities of Menlo Park and Palo Alto. A concentration of children under the age of 18 live on the Westside (west of Highway 101), in multi-family housing. Fewer children under 18 live in the single-family residential Gardens neighborhood in the southeast of East Palo Alto.

### Population Age 18-24 (2019)

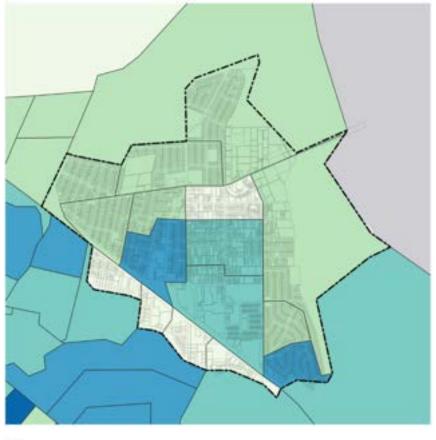


East Palo Ato City Limits
 Population 18-24
 Less than 5%
 5% - 10%
 10% - 15%
 15% - 20%
 Greater than 20%

Source: ACS Table B01001, 2015-2019 5-Year Estimate.

East Palo Alto has a larger share of young adults between the ages of 18 and 24 compared to its neighboring cities of Menlo Park and Palo Alto. Two specific neighborhoods that have a larger share of multi-family housing (located west of Highway 101 and East of Highway 101) have a concentration greater than 20%.

### Population Age 65 and Up (2019)

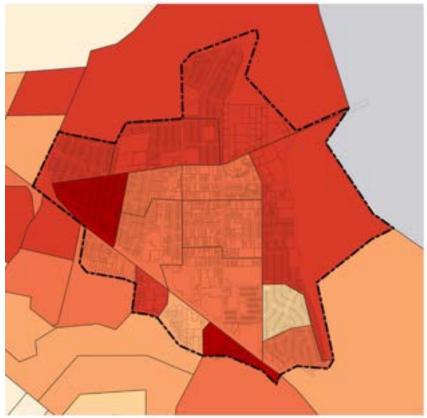


East Palo Alto City Limits
 Population Age 65 and Over
 Less than 5%
 5% - 10%
 10% - 15%
 10% - 20%
 20% - 50%
 Source ACC Table D010

Source: ACS Table B01001, 2015-2019 5-Year Estimate

East Palo Alto has fewer seniors ages 65 and up compared to neighboring cities of Menlo Park and Palo Alto. The majority of residents over the age of 65 live in single family home neighborhoods on the eastside (East of Highway 101), as well as near the University Avenue corridor where the City has a senior affordable housing development.

### Households with Children (2019)



East Palo Alto City Limits Households with Children Less than 15% 15% - 30% 30% - 40% 40% - 50% 50% - 60% Greater than 60%

Source: ACS Table B1005, 2015-2019 5-Year Estimate.

East Palo Alto has a higher share of children compared to the region. A high concentration of households with children resides in multi-family housing on the Westside (west of Highway 101) and in a single-family home neighborhood on the eastside (northeast and east of the City).

### 2.5 INCOME

East Palo Alto has a higher percentage of lower income households than the rest of the county and region, with 72% of households earning less than 80% of the Area Median Income (AMI) compared to 40% of households in San Mateo County and 39% of households in the Bay Area as a whole.

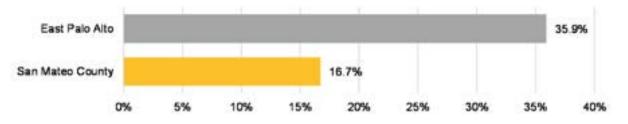
25.5% of households in East Palo Alto make less than 30% of AMI, which is considered extremely low-income (ELI), compared to 14% countywide. Only 17.4% make more than 100% of the AMI, compared to 49% countywide. These percentages align with tenure: the largest proportion of renters is ELI, while the largest proportion of homeowners earns more than 100% AMI.

### **Poverty Rate**

The groups with the highest poverty rates in East Palo Alto are American Indian/Alaska Native residents (22% poverty rate), multi-racial residents (14% poverty rate), Latinx residents (14% poverty rate) and Asian/Pacific Islander residents (14% poverty rate). Non-Hispanic White residents have the lowest poverty rate (7.5%).<sup>2</sup>

The figure below is a snapshot of the East Palo Alto and San Mateo County populations below 200 percent of the federal poverty level in 2020.

### Population Below 200 Percent of the Federal Poverty Level

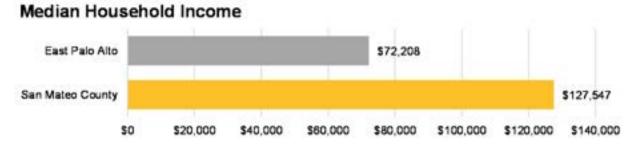


Sources: Esri Business Analyst, 2019; U.S. Census Bureau, 203-2017 American Community Survey; BAE Urban Economics, 2019.

Poverty is directly tied to the risk of housing insecurity and displacement and its disproportionate impact on households of color, discussed below and at length in the Affirmatively Furthering Fair Housing section of the Housing Element.

### Median Household Income Snapshot

The figure below is a snapshot of median household income in East Palo Alto and San Mateo County in 2020.

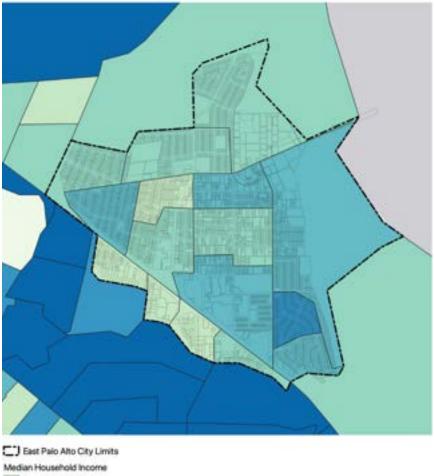


Sources: Esri Business Analyst, 2019; U.S. Census Bureau, 203-2017 American Community Survey; BAE Urban Economics, 2019.

The following map shows Median Income in East Palo Alto, based on 2019 Census data, against sites in the Housing Element Sites Inventory:

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### Median Household Income (2019)





Source: ACS Table B19013, 2015-2019 5-Year Estimate.

Most Census Block Groups in the City's Westside, west of Highway 101, have a median household income less than \$54,800, which is considered Extremely Low for a household of four people in San Mateo County. Some of the Block Groups in single family zoned areas have higher median income in comparison to other parts of East Palo Alto.

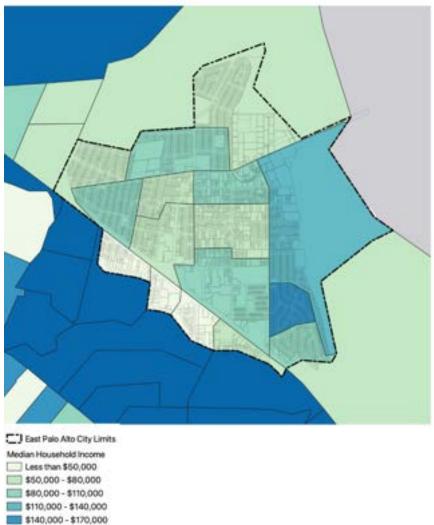
However, median incomes in these single-family zoned areas are not comparable to the \$179,500 or greater median household incomes of Block Groups in neighbor cities Palo Alto and Menlo Park.

This contrast in income across jurisdictions implies that East Palo Alto's housing affordability is affected by surrounding jurisdictions and regional economic forces. This should impact local and regional housing policies. The Ravenswood Business District (RBD) has a median household income of \$54,8000 -\$91,350, which is considered Very Low Income for a household for four people in San Mateo Count. Future development of the RBD should consider how to mitigate risk of gentrification and displacement of current residents.

The following Median Household Income (2019) map provides different ranges in incomes to identify differences between neighborhoods in the City.

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### Median Household Income (2019)



Greater than \$170,000

Source: ACS Table B19013, 2015-2019 5-Year Estimate.

While this map shows variation in median household income across the different neighborhoods in East Palo Alto, all block groups except one have a median household income that is Low Income, Very Low Income, or Extremely Low Income for a household of four people in San Mateo County.

### **2.6 DISPLACEMENT RISK**

64.7% of households in East Palo Alto live in neighborhoods that are "susceptible to or experiencing displacement." Additional data illustrate some of the factors contributing to displacement risk:

• **Type of Housing by Tenure.** Unlike San Mateo County, East Palo Alto is a majority-renter city. Renter households comprise 60 percent of East Palo Alto households, compared to just under 41 percent countywide. The table below shows that in 2020, the renter population in East Palo Alto was 56 percent, compared to just under 41 percent countywide. East Palo Alto saw a 1.0 percent decline in renter-occupied units between 2010 and 2020, while the overall number of occupied housing units increased by just over one percent. Meanwhile, the number of owner-occupied units increased by four percent, which is above and beyond the overall household growth rate. These trends could indicate a loss of rental units in East Palo Alto as single-family rental units have shifted from the rental market and are now owner-occupied.

	20	)10	20	)20	2010-2020 Change	
East Palo Alto	Number	Percent	Number	lumber Percent		Percent
Ow ner Occupied Units	2,971	42.8%	3,089	44.0%	118	4.0%
Renter Occupied Units	3,969	57.2%	3,931	56.0%	-38	-1.0%
Total Occupied Units	6,940	100.0%	7,020	100.0%	80	1.2%
-						
-	20	)10	20	)20	2010-202	0 Change
San Mateo County	20 Number	)10 Percent	20 Number	)20 Percent	2010-202 Number	0 Change Percent
San Mateo County Ow ner Occupied Units						J
, ,	Number	Percent	Number	Percent	Number	Percent

### **Tenure of Occupied Housing Units, 2010-2020**

Note: Totals may not match totals in other tables due to independent rounding. Sources: Esri Business Analyst; BAE, 2019.

Single-family units comprise a significant share of the rental housing supply in East Palo Alto. Approximately 38 percent of renter households in East Palo Alto live in single family units compared to approximately 30 percent of renter households countywide. However, most renter households live in multifamily units in both geographies.

### Type of Housing by Tenure, 2015-2019

	City of East	Palo Alto	San Mate	o County
Housing Type	Renter	Owner	Renter	Owner
Single-Family Units	38.1%	89.9%	30.3%	88.8%
Multifamily Units	61.6%	5.9%	69.0%	9.9%
Mobile Home and Other (a)	0.3%	4.2%	0.8%	1.4%
Total Occupied Units	100.0%	100.0%	100.0%	100.0%

Note:

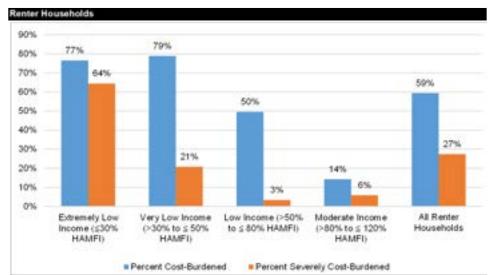
(a) Includes boats, RVs, vans, or any other non-traditional residences.

Sources: U.S. Census Bureau, American Community Survey, 2015-2019 Five-Year Sample Data, Table B25032; BAE, 2021.

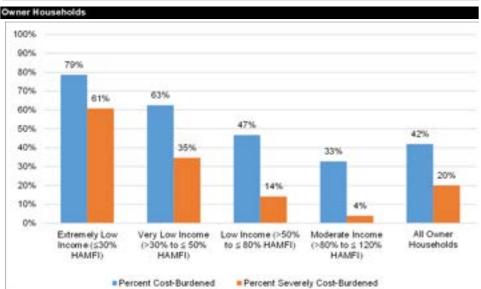
Further broken down, the City's housing stock consists of 54.1% single family detached, 4.1% single family attached, 3.4% small multiple-family (2-4 units), and 36.6% medium or large multiple-family (5+ units). While single-family renters benefit from just cause eviction, they are not protected from high rent increases that is one of the major contributing factors to displacement, as well as owner move-in, which is a common mechanism for evictions. Many single-family renter households have far fewer rental/tenant protections than renter households living in multi-family apartments.

• **Cost Burden.** East Palo Alto has high proportions of cost-burdened and severely cost-burdened households. According to the U.S. Department of Housing and Urban Development, cost-burdened households are those that spend more than 30 percent of their gross household incomes on housing costs. Those who spend more than 50 percent of their gross household incomes on housing costs are considered severely cost-burdened. According to ACS data collected between 2015-2019, 25 percent of households in East Palo Alto were severely cost-burdened, and 29 percent of households were cost burdened. According to ACS data collected between 2013, <sup>3</sup> 53 percent of all East Palo Alto households were cost-burdened, including 59 percent of renter households and 42 percent of owner households. By comparison, 36 percent of county households were cost burdened, including 46 percent of renter households and 30 percent of owner households. As shown in the figure below, rates of cost burdened and severely cost burdened households are particularly high among lower income groups. For example, almost 80 percent of extremely low-income and very low-income renter households in East Palo Alto have a high housing cost burden.

<sup>&</sup>lt;sup>3</sup> At the time the figure below was created, the most recent data were from 2013 and 2017.



### East Palo Alto Cost-Burdened Households by Tenure, 2013-2017



*Note: HUD-defined income categories are based on the HUD Area Median Family Income (HAMFI).* 

Sources: U.S. Department of Housing and Urban Development, 2013-2017 Comprehensive Housing Affordability Strategy (CHAS) data; BAE, 2021.

• Overcrowding. The U.S. Census defines moderately overcrowded housing units as those that are occupied by more than one person per room but fewer than 1.5 persons per room, and severely overcrowded units as those that are occupied by more than 1.5 persons per room. As shown in the table below, five-year American Community Survey (ACS) data collected between 2015 and 2019 suggests that 26 percent of all East Palo Alto households are either moderately or severely overcrowded. Overcrowding is more prevalent among East Palo Alto's renter households, 36 percent of which are moderately or severely overcrowded. Despite containing less than three percent of the County's occupied housing stock, East Palo Alto accounts for approximately 19 percent of the moderately or severely overcrowded units in San Mateo County.

#### Renter-Occupied Units Owner-Occupied Units Total Occupied Units East Palo Alto Number Percent Number Percent Number Percent Not Overcrow ded 2.984 2.734 88.9% 5,718 64.2% 74.0% Moderately Overcrow ded (a) 849 18.3% 244 7.9% 1,093 14.2% Severely Overcrow ded (b) 815 17.5% 98 3.2% 913 11.8% **Total Occupied Units** 4,648 100.0% 3,076 100.0% 7,724 100.0%

### Housing Unit Overcrowding, 2015-2019

Renter-Occupied Units	Owner-Occupied Units	Total Occupied Unite
Renter-Occupied Onits	Owner-Occupied Onits	Total Occupied Units

	10011001 0000	apro a enneo	•	apro a enneo	10141 0004	
San Mateo County	Number	Percent	Number	Percent	Number	Percent
Not Overcrow ded	89,512	85.2%	153,087	96.6%	242,599	92.1%
Moderately Overcrow ded (a)	8,354	8.0%	3,979	2.5%	12,333	4.7%
Severely Overcrow ded (b)	7,134	6.8%	1,477	0.9%	8,611	3.3%
Total Occupied Units	105,000	100.0%	158,543	100.0%	263,543	100.0%

Notes:

(a) The American Community Survey defines a moderately overcrowded unit as being occupied by more than one but fewer than 1.5 persons per room.

*(b) The American Community Survey defines a severely overcrowded unit as being occupied by more than 1.5 persons per room.* 

Sources: U.S. Census Bureau, American Community Survey, 2015-2019 Five-Year Sample Data, Table B25014; BAE, 2021.

• 8.6% of very low-income households (below 50% AMI) experience severe overcrowding.

The following maps show the areas of the City with the highest concentrations of renters, cost-burdened households, and overcrowded households:

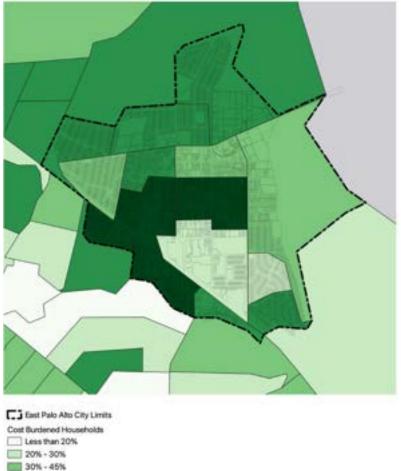
### Renter-Occupied Households (2019)



Source: ACS Table B25003, 2015-2019 5-Year Estimate.

A majority of East Palo Alto's renters live on the Westside (west of Highway 101) and in single family neighborhoods throughout the City, near major transit hubs along University Avenue and Bay Road. Compared to neighboring jurisdictions, except Redwood City, East Palo Alto appears more accommodating to renters with housing vouchers and is providing more subsidized affordable housing. The City continues to promote affordable housing through its Inclusionary Housing Ordinance and affordable housing funding.

### Cost Burdened Households (2019)

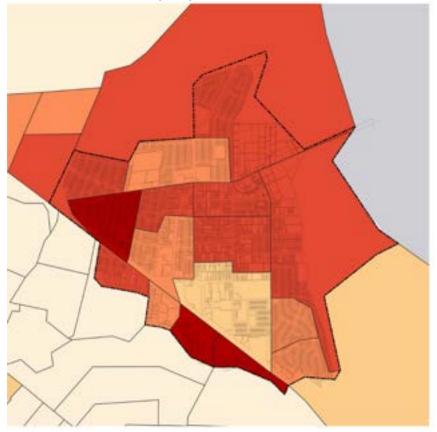


- 45% 60%
- 60% 80%

Source: ACS Table B25091, 2015-2019 5-Year Estimate.

Cost Burdened Households is defined as gross rent of 30% or more of household income for renter-occupied households or selected monthly owner costs of 30% or more of household income for owner occupied households. A majority of block groups in East Palo Alto are greater than 45% cost burdened, with many areas that are greater than 60% cost burdened. In contrast, neighboring areas in Menlo Park and Palo Alto have less cost burdened households. This can be a result of many factors including low incomes, low wages, low amounts of jobs overall, and increasing home prices due to the increase of tech companies in the region. Policies focused on rental assistance as well as on homeowners are needed.

### Overcrowded Households (2019)



East Palo Ato City Limits
 Overcrowded Households
 Less than 5%
 5% - 10%
 10% - 20%
 20% - 35%
 35% - 67%
 Source: A CS Table P25014, 2015

Source: ACS Table B25014, 2015-2019 5-Year Estimate.

Overcrowded Households are defined as more than 1.00 occupants per room. Many East Palo Alto households experience overcrowding, especially in contrast to neighboring areas in Palo Alto and Menlo Park. More housing is needed to decrease overcrowding.

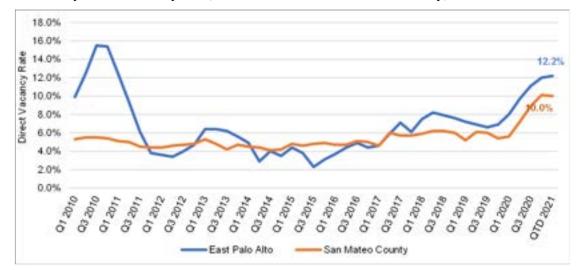
### 2.7 DRAMATIC SHIFTS IN HOUSING MARKET

The following is data showing shifts in the East Palo Alto Housing Market, primarily taken from a 2021 Housing Needs and Displacement Report by BAE Urban Economics.

**Vacancy Rate.** The reported vacancy rate is 7.4% (for all housing unit types). Data from CoStar<sup>4</sup> demonstrates that East Palo Alto tends to have a slightly higher vacancy rate than San Mateo County overall, though vacancy rates in both the city and county remained relatively low over the past decade until early 2020, when California began to enact restrictions in response to the COVID-19 pandemic. The Figure below shows that between the fourth quarter of 2019 and the first quarter of 2021, the multifamily rental vacancy rate in East Palo Alto increased from 6.9 percent to 12.2, while the multifamily rental vacancy rate in San Mateo County overall increased from 5.4 percent to 10.0 percent. Although vacancy rates seem to have stabilized somewhat during 2021, these data indicate that some East Palo Alto renters may have been displaced due to the economic impacts of the COVID-19 pandemic. Housing analysts typically cite a five percent rental vacancy rate as a rate that indicates healthy market demand while providing enough vacant units to allow for normal movement of tenants between units within the rental market. Given that vacancy rates are currently well over five percent, these data may indicate potential for existing vacant units to absorb some of the existing and future housing demand.

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<sup>&</sup>lt;sup>44</sup> CoStar is a private data vendor that develops comprehensive commercial and residential real estate research and data through their independent research organization. CoStar gathers market information through extensive data mining of land registry and tax assessor's information and real estate broker surveys. CoStar's market real estate information is also derived from a variety of real estate data platforms such as LoopNet, Apartments.com, BizBuySell, Lands of America, and STR.



#### Multifamily Rental Vacancy Rate, East Palo Alto and San Mateo County, 2010-2019

Note: Data reflect units in market rate multifamily complexes with 5 units or more. QTD 2021 data reflect data as of late March 2021. Sources: Costar; BAE, 2021.

**Housing Unit Turnover.** ACS data suggests that 14 percent of rental units and five percent of owner-occupied units in East Palo Alto turn over per year on average during recent years. The figure below shows, by household tenure, the percentage of the population that moved based on ACS data collected between 2015 and 2019. These data do not provide a direct indication of unit turnover, in part because the data are based on householder responses collected over a defined time period and capture net absorption of any new units added to the inventory in addition to re-tenanting of existing units. Nonetheless, these data provide a general indication of the number of units that are vacated and re-tenanted each year. Based on these estimates, approximately 530 rental units in East Palo Alto and 170 owner-occupied units in East Palo Alto turned over each year during the period covered by these data.

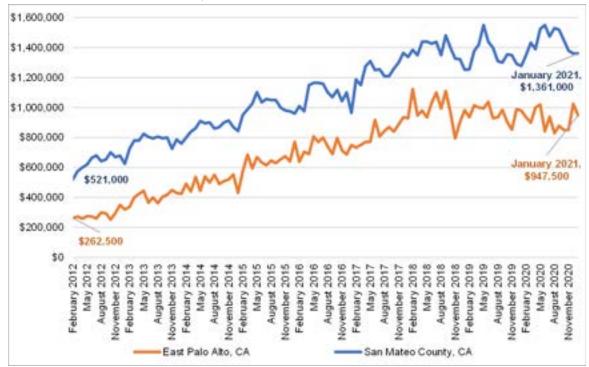
### Residents that Moved in the Past Year, 2015-2019



Note: (a) Universe is population one-year-old or older in households. Geographic mobility status and movement date/origin based on householder response at time of survey. Sources: U.S. Census Bureau, 2013-2017 American Community Survey, Table B07013; BAE, 2019.

**Home Sales Trends.** Although the median home sale price in East Palo Alto has remained considerably lower than the Countywide median home sale price, the City has experienced dramatic recent increases in home sale prices, far outpacing the rate of home sale price increases in the County overall. The figure below shows annual median sale prices for homes sold in East Palo Alto and San Mateo County between February 2012 and January 2021. In February 2012, the median sale price of homes sold in East Palo Alto was \$262,500, approximately half of the median in San Mateo County. By January 2021, the median home sale price in East Palo Alto was \$947,500, up 261 percent from the February 2012 median and equal to 70 percent of the February 2021 median for San Mateo County. Between 2012 and 2021, the annual median home sale price in East Palo Alto generally increased in tandem with countywide increases. The median sale price in San Mateo County as of January 2021 was approximately \$1.4 million, up 161 percent since February 2012.

#### Median Home Sale Price Trends, 2012-2021

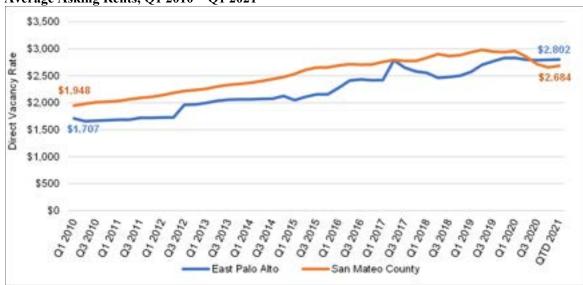


Sources: Redfin Data Center; BAE, 2021.

**Rental Market Trends.** Residential rents in East Palo Alto tend to be slightly lower than average for San Mateo County, though increases in rents in East Palo Alto generally keep pace with rent increases in the County overall. CoStar tracks 27 market-rate multifamily rental properties in East Palo Alto with five units or more, with a total of 2,258 units. Among these units, the average asking rent was \$2,802 per month as of the first quarter of 2021, as shown in the figure below Although East Palo Alto has historically offered slightly more affordable rental options within the high-cost San Mateo County housing market, since the third quarter of 2021 the average rent among these units has been slightly higher than the average countywide asking rent for multifamily rental properties with five units or more. The data indicates that rental rates in East Palo Alto increase in tandem with rent increases in the wider regional housing market, making the rental market in the City more expensive over time as housing costs increase throughout the region.

Market-rate rents in East Palo Alto have been substantially more stable during the COVID-19 pandemic than rents countywide; as of March 2021, the average multifamily asking rent in East Palo Alto was one percent lower than in the first quarter of 2020, while the countywide average multifamily asking rent had decreased by approximately nine percent. This may be partly due to the City's Eviction Moratorium, which was adopted

ahead of the County and in effect until after County eviction moratorium expiration, and active efforts from local nonprofit organization (including the organization from the Measure O Anti-Displacement contract), who stepped in and provided outreach for rental assistance.



Average Asking Rents, Q1 2010 - Q1 2021

*Note: (a) Data reflect units in market rate multifamily complexes with 5 units or more. Sources: CoStar, 2021; BAE, 2021.* 

East Palo Alto's residential rental inventory includes approximately 2,700 units that are subject to the City's Rent Stabilization Ordinance, which tend to have rental rates that are lower than the Citywide average. This total includes over 2,500 multifamily rental units and approximately 150 mobile home spaces that are covered by rent stabilization. In 1984, residents approved the City's first rent stabilization ordinance, which limited annual rent increases for units built before that date. However, since 1999, landlords have been allowed to charge market-rate rents every time a unit is vacated and leased to a new tenant.<sup>5</sup>

**Housing Affordability.** Current market-rate housing costs in East Palo Alto exceed the affordability threshold for most lower- and moderate-income households. The tables below show the affordable single-family home and condominium sale price for households at various sizes and income levels and compares these affordable

<sup>&</sup>lt;sup>55</sup> Vacancy decontrol was mandated after the State legislature passed the Costa-Hawkins Rental Act in 1995, which allows rent to increase to market rates after a qualifying vacancy occurs and reinstates rent control for a new tenant. Costa-Hawkins went into effect in 1999.

sale prices to current home sale prices in East Palo Alto.<sup>6</sup> As shown, the median single-family home sale price in East Palo Alto is higher than the sale price that would be affordable to extremely low-income, very lowincome, low-income, and moderate-income households. The median condominium sale price in East Palo Alto is potentially affordable to some larger low-income and moderate-income households. However, it should be noted that the median condominium sale price in East Palo Alto fluctuates significantly between months and is often substantially higher than the January 2021 median of \$628,000 that was used to inform the calculations shown in below. Moreover, there is a limited inventory of condominium units in East Palo Alto, and many may be too small for larger households, making this option unavailable for many households.

с <b>.</b>	Household Size						
Maximum Affordable Sale Price	1 Person	2 Person	3 Person	4 Person	5 Person		
Extremely Low Income (up to 30% AMI)							
Household Income (a)	\$36,550	\$41,800	\$47,000	\$52,200	\$56,400		
Max. Affordable Sale Price (b)	\$185,701	\$212,354	\$238,833	\$265,312	\$286,565		
Amount Above (Below) Median Sale Price (c)	(\$819,299)	(\$792,646)	(\$766,167)	(\$739,688)	(\$718,435)		
Very Low Income (31-50% AMI)							
Household Income (a)	\$60,900	\$69,600	\$78,300	\$87,000	\$94,000		
Max. Affordable Sale Price (b)	\$309,386	\$353,634	\$397,881	\$442,129	\$477,667		
Amount Above (Below) Median Sale Price (c)	(\$695,614)	(\$651,366)	(\$607,119)	(\$562,871)	(\$527,333)		
Low Income (51-80% AMI)							
Household Income (a)	\$97,600	\$111,550	\$125,500	\$139,400	\$150,600		
Max. Affordable Sale Price (b)	\$495,958	\$566,859	\$637,586	\$708,313	\$765,277		
Amount Above (Below) Median Sale Price (c)	(\$509,042)	(\$438,141)	(\$367,414)	(\$296,687)	(\$239,723)		
Moderate Income (81-120% AMI)							
Household Income (a)	\$120,200	\$137,350	\$154,550	\$171,700	\$185,450		
Max. Affordable Sale Price (b)	\$610,758	\$697,860	\$785,311	\$872,412	\$942,268		
Amount Above (Below) Median Sale Price (c)	(\$394,242)	(\$307,140)	(\$219,689)	(\$132,588)	(\$62,732)		

#### Affordable Single-Family Home Sale Price, East Palo Alto, 2021

Notes: (a) Based on California Department of Housing and Community Development income limits for 2020. (b) Based on a tabulation of how much housing a household could afford with 35% of its gross monthly income given premium and interest, homeowner's insurance, property taxes, and other payments. (c) Per Redfin Data Center, the median sale price for a single-family home sold in East Palo Alto in January 2021 was \$1,005,000.

Sources: Redfin Data Center, 2021; California Department of Housing and Community Development, 2020; Federal Housing Administration, 2020; Freddie Mac, 2020; California Department of Insurance; San Mateo County Controller's Office, 2019-2020; BAE, 2021.

<sup>&</sup>lt;sup>6</sup> Affordable condominium sale prices are lower than affordable single-family home sale prices for households at a given income level because condominium owners are required to pay homeowner's association fees, which reduce the monthly income available for mortgage payments.

### Affordable Condominium Sale Price, East Palo Alto, 2021

,	Household (Unit) Size							
	1 Person	2 Person	3 Person	4 Person	5 Person			
Market Rents and Utilities	(Studio)	(1 BD)	(2 BD)	(3 BD)	(4 BD)			
Average Market-Rate Rent (a)	\$1,849	\$2,332	\$3,216	\$6,105	\$5,051			
Utility Costs (b)	\$23	\$28	\$36	\$43	\$51			
Maximum Affordable Monthly Rent								
Extremely Low Income (up to 30% AMI)								
Household Income (c)	\$36,550	\$41,800	\$47,000	\$52,200	\$56,400			
Max. Affordable Monthly Rent (d)	\$891	\$1,017	\$1,139	\$1,262	\$1,359			
Amount Above (Below) Market Rate Rent	(\$958)	(\$1,315)	(\$2,077)	(\$4,843)	(\$3,692)			
Very Low Income (31-50% AMI)								
Household Income(c)	\$60,900	\$69,600	\$78,300	\$87,000	\$94,000			
Max. Affordable Monthly Rent (d)	\$1,500	\$1,712	\$1,922	\$2,132	\$2,299			
Amount Above (Below) Market Rate Rent	(\$350)	(\$620)	(\$1,295)	(\$3,973)	(\$2,752)			
Low Income (51-80% AMI)								
Household Income (c)	\$97,600	\$111,550	\$125,500	\$139,400	\$150,600			
Max. Affordable Monthly Rent (d)	\$2,417	\$2,761	\$3,102	\$3,442	\$3,714			
Amount Above (Below) Market Rate Rent	\$568	\$429	(\$115)	(\$2,663)	(\$1,337)			
Moderate Income (81-120% AMI)								
Household Income (c)	\$120,200	\$137,350	\$154,550	\$171,700	\$185,450			
Max. Affordable Monthly Rent (d)	\$2,982	\$3,406	\$3,828	\$4,250	\$4,585			
Amount Above (Below) Market Rate Rent	\$1,133	\$1,074	\$612	(\$1,856)	(\$466)			
			_					

Notes: (a) Based on California Department of Housing and Community Development income limits for 2020. (b) Based on a tabulation of how much housing a household could afford with 35% of its gross monthly income given premium and interest, homeowner's insurance, property taxes, and other payments. (c) Per Redfin Data Center, the median sale price for a condominium sold in East Palo Alto in January 2021 was \$628,000.

Sources: Redfin Data Center, 2021; California Department of Housing and Community Development, 2020; Federal Housing Administration, 2020; Freddie Mac, 2020; California Department of Insurance; San Mateo County Controller's Office, 2019-2020; BAE, 2021.

Market-rate rental units in East Palo Alto are similarly unaffordable to most households with moderate or below-moderate incomes. As shown in the table below, current average market-rate asking rents for units in multifamily rental properties exceed the affordability threshold for extremely low-income and very low-income households for all household sizes shown, as well as for larger low-income and moderate-income households. However, it should be noted that the income levels shown in Table 6 are based on countywide income thresholds set by the State. As shown in Figure 1, the median annual income among East Palo Alto residents (\$72,208) is substantially lower than the countywide income limits for low-income households.

, , , ,	Household (Unit) Size							
	1 Person	2 Person	3 Person	4 Person	5 Person			
Market Rents and Utilities	(Studio)	(1 BD)	(2 BD)	(3 BD)	(4 BD)			
Average Market-Rate Rent (a)	\$1,849	\$2,332	\$3,216	\$6,105	\$5,051			
Utility Costs (b)	\$23	\$28	\$36	\$43	\$51			
Maximum Affordable Monthly Rent								
Extremely Low Income (up to 30% AMI)								
Household Income (c)	\$36,550	\$41,800	\$47,000	\$52,200	\$56,400			
Max. Affordable Monthly Rent (d)	\$891	\$1,017	\$1,139	\$1,262	\$1,359			
Amount Above (Below) Market Rate Rent	(\$958)	(\$1,315)	(\$2,077)	(\$4,843)	(\$3,692)			
Very Low Income (31-50% AMI)								
Household Income (c)	\$60,900	\$69,600	\$78,300	\$87,000	\$94,000			
Max. Affordable Monthly Rent (d)	\$1,500	\$1,712	\$1,922	\$2,132	\$2,299			
Amount Above (Below) Market Rate Rent	(\$350)	(\$620)	(\$1,295)	(\$3,973)	(\$2,752)			
Low Income (51-80% AMI)								
Household Income (c)	\$97,600	\$111,550	\$125,500	\$139,400	\$150,600			
Max. Affordable Monthly Rent (d)	\$2,417	\$2,761	\$3,102	\$3,442	\$3,714			
Amount Above (Below) Market Rate Rent	\$568	\$429	(\$115)	(\$2,663)	(\$1,337)			
Moderate Income (81-120% AMI)								
Household Income (c)	\$120,200	\$137,350	\$154,550	\$171,700	\$185,450			
Max. Affordable Monthly Rent (d)	\$2,982	\$3,406	\$3,828	\$4,250	\$4,585			
Amount Above (Below) Market Rate Rent	\$1,133	\$1,074	\$612	(\$1,856)	(\$466)			

#### Affordable Rent, East Palo Alto, 2021

Notes: (a) Data reflect average asking rates of units in multifamily properties of five units or more in East Palo Alto as of late March 2021. (b) Housing Authority of the County of San Mateo allowances for tenant-furnished utilities and other services for a multifamily unit that uses gas cooking, heating, and water heating, as well as electricity for lights and appliances. The allowance is based on the number of bedrooms in the unit and a household is assumed to have one bedroom fewer than the number of people in the household. (c) Based on California Department of Housing and Community Development income limits for 2020. (d) These figures are 30% of gross monthly household income, the maximum amount that a household can spend on housing expenses without being considered cost burdened.

Sources: California Department of Housing and Community Development, 2020; CoStar Group, 2021; BAE, 2021.

### 2.8 EMPLOYMENT, JOBS-TO-HOUSING RATIO, AND JOBS-HOUSING FIT

Generally, having a similar number of jobs and employed residents produces more benefits for a community, such as reducing traffic and climate impacts, and allowing people who work in the community to also live there. In contract to San Mateo County, East Palo Alto has more housing units than jobs. San Mateo County

is jobs-rich, meaning it has more jobs than employed residents. In contrast, East Palo Alto has a very low jobsto-housing ratio. There are 15,101 employed residents and 5,225 jobs in East Palo Alto, resulting in a jobs-toresident-workers ratio of 0.35. Between 2002 and 2018, the number of jobs in East Palo Alto increased by 47%. However, this increase does not show the types of jobs that were added (i.e., with higher or lower wages, and in what sectors) or the absolute number that were added, indicating that jobs-housing fit and the jobs-tohousing ratio remain a challenge to residents accessing high-cost housing in East Palo Alto.

As shown in the table below, the California Department of Finance estimated that there were 7,917 housing units in East Palo Alto as of 2020. Esri estimated that there were 5,104 jobs in East Palo Alto as of 2020. Based on these figures, East Palo Alto has an estimated employment-to-housing unit ratio of approximately 0.64, essentially the inverse of the countywide ratio.

#### **Employment and Housing Unit Growth, 2010-2019**

				2010-201	9 Change
San Mateo County	2010	2015	2019	Number	Percent
Employment (a)	317,576	383,668	415,999	98,423	31.0%
Housing Units (b)	271,031	274,612	279,248	8,217	3.0%
Employment-to-Housing Ratio	1.2	1.4	1.5		
Alameda County					
Employment (a)	630,343	728,995	793,213	162,870	25.8%
Housing Units (b)	581,372	591,236	605,977	24,605	4.2%
Employment-to-Housing Ratio	1.1	1.2	1.3		
Con Francis on County					
San Francisco County	5 4 5 <b>7</b> 0 4	074040	700 775	045 054	<b>00</b> 40/
Employment (a)	545,721	674,646	760,775	215,054	39.4%
Housing Units (b)	376,162	384,657	399,372	23,210	6.2%
Employment-to-Housing Ratio	1.5	1.8	1.9		
Santa Clara County					
Santa Clara County					<b>22</b> 20/
Employment (a)	842,581	1,017,071	1,119,639	277,058	32.9%
Housing Units (b)	631,920	652,007	671,439	39,519	6.3%
Employment-to-Housing Ratio	1.3	1.6	1.7		

Notes: (a) Employment data are sourced from Bureau of Labor Statistics, Quarterly Census of Employment and Wages. (b) Housing unit counts are sourced from CA Dept. of Finance, E-5.

Sources: Bureau of Labor Statistics, Quarterly Census of Employment and Wages; California Department of Finance, E-5 Population and Housing Estimates, 2020; BAE, 2021.

The table below shows projected population, household, and employment growth in East Palo Alto, Menlo Park, and San Mateo County through 2040, according to projections prepared by the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC). As shown, ABAG and MTC

estimate that East Palo Alto will gain 5,420 residents, 1,065 households, and 845 jobs between 2020 and 2040, bringing the City's employment to household ratio from 0.76 to 0.77. During the same period, Menlo Park is projected to gain 2,290 households and 6,065 jobs, increasing the employment to household ratio in Menlo Park from 2.37 to 2.40. ABAG and MTC project that San Mateo County will gain 33,695 households and 72,750 jobs overall between 2020 and 2040, increasing the Countywide employment to household ratio from 1.40 to 1.48.

#### Projected Population, Household, and Employment Growth, 2020-2040

						2020-2040	) Change
Population	2020	2025	2030	2035	2040	Number	Percent
East Palo Alto	30,670	30,965	31,285	34,575	36,090	5,420	17.7%
Menlo Park	44,530	48,485	52,865	53,455	54,920	10,390	23.3%
San Mateo County	796,885	816,405	853,215	877,965	916,545	119,660	15.0%
Households							
East Palo Alto	7,610	7,690	7,750	8,415	8,675	1,065	14.0%
Menlo Park	15,390	16,215	17,260	17,335	17,680	2,290	14.9%
San Mateo County	284,220	290,290	302,470	308,360	317,915	33,695	11.9%
Employment							
East Palo Alto	5,810	6,075	6,295	6,400	6,655	845	14.5%
Menlo Park	36,410	36,965	37,195	37,770	42,475	6,065	16.7%
San Mateo County	399,245	415,270	422,960	436, 160	471,995	72,750	18.2%

Sources: Association of Bay Area Governments/Metropolitan Transportation Commission, Plan Bay Area 2040 Projections; BAE 2021.

### **2.9 UNEMPLOYMENT**

Jurisdictions throughout the region experienced a sharp rise in unemployment in 2020 due to impacts related to the COVID-19 pandemic, though with a general improvement and recovery in the later months of 2020. As of January 2021, East Palo Alto's unemployment rate was 8.6%, which was slightly higher than the regional unemployment rate of 6.6% but much lower than its pandemic-related high rate of 13.1% in April 2020. East Palo Alto's pre-pandemic unemployment rate was 2.9% (January 2020). Based on reporting from City partners who assist East Palo Alto residents with applying for state emergency COVID-19 relief funds, the impact of COVID-19-related unemployment continues to affect households' ability to cover both current and past accumulated housing costs.

### 2.10 "HIGH" VERSUS "LOW"-RESOURCE NEIGHBORHOODS

Some neighborhoods are identified as "Highest Resource" or "High Resource" by the State of California based on a range of indicators such as access to quality schools, proximity to jobs and economic opportunities, low pollution levels, and other factors. However, neighborhoods don't always receive an equitable share of these community resources and may be designated as "Low Resource" if they lack these amenities. All East Palo Alto residents live in neighborhoods identified as "Low Resource", meaning there are no "High Resource" neighborhoods in East Palo Alto. This lack of high-resource neighborhoods and its implications are further discussed in the Affirmatively Furthering Fair Housing section.

### 2.11 SPECIAL NEEDS POPULATIONS

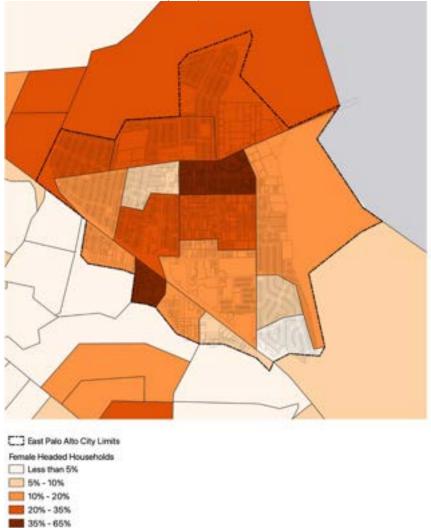
Individuals with disabilities: Some population groups may have special housing needs such as mobility and accessibility barriers. 6.4% of residents in East Palo Alto have a disability, and the most common living arrangement for individuals with disabilities in East Palo Alto is the home of parent /family /guardian.

Individuals with developmental disabilities: East Palo Alto is home to 313 people with developmental disabilities. This represents an 82% increase from the 172 people with developmental disabilities reported in the 2015-2023 Housing Element, much faster than the 6% increase in the County's total population of people with developmental disabilities over the same time period.<sup>5</sup> 86% of adults continuing to live in the family home, a larger share than the County, likely due to the lack of any licensed care facility in the East Palo Alto. Individuals with developmental disabilities who do not live in a licensed care facility or who cannot live with family need affordable housing options with supportive services. The current lack of affordable housing with services, combined with the need for transit access and access to amenities, has led to a growing population of individuals with developmental disabilities in East Palo Alto that is at higher risk of displacement than other groups.

Female-headed households: Approximately 21% of households are female-headed families, which are often at greater risk of housing insecurity, or being at risk of losing their home.

The following map shows the distribution of female-headed households in the City.

### Female Headed Households (2019)



Source: ACS Table B11001, 2015-2019 5-Year Estimate.

Note that female-headed households include family households with a female householder and no spouse present. A higher concentration of female-headed household resides in multi-family housing zones on the Westside (west of Highway 101) and on the eastside (east of Highway 101). A smaller portion reside in single family neighborhoods.

Individuals experiencing homelessness:

The population of homeless individuals in the City of East Palo Alto also experiences major barriers to both temporary and permanent housing. This population includes a high number of school-age children: the number of students in East Palo Alto experiencing homelessness in 2019-20 (514) represented 43.9% of the San Mateo County total.

Larger households:

27.5% of East Palo Alto households are larger households with five or more people.

# 2.12 AFFORDABLE HOUSING UNITS AT-RISK OF CONVERSION TO MARKET RATE

Jurisdictions are required to report in their Housing Element on any affordable units at-risk of conversion to market-rate over the eight-year Housing Element period (Government Code section 65583, subdivision (a)(9)). Conversion to market-rate can result from:

a) expiration of funding-related affordability restrictions;

b) foreclosure of BMR units;

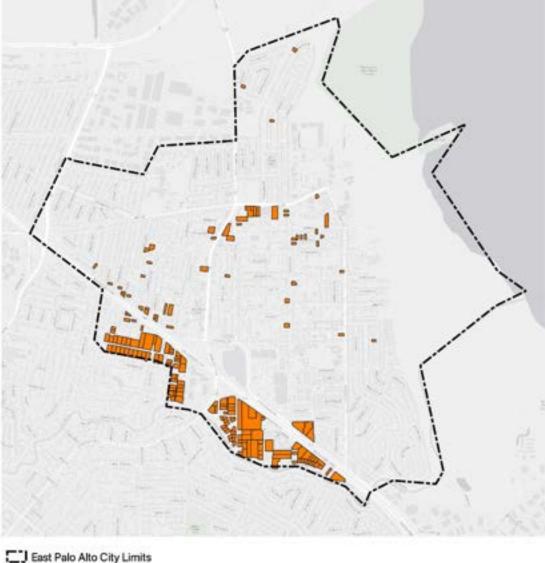
c) turnover of rent-stabilized units; or

d) habitability and maintenance issues that require code enforcement or legal action.

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### 2.12.1 Existing Affordable Housing

As shown in the table below, the City of East Palo Alto currently has over 10 affordable housing deed-restricted developments, 53 below market-rate (BMR) ownership units, and 2,500 rentstabilized units (see map of rent stabilized inventory). Most affordable rental housing developments receive some form of City assistance and are subject to affordability restrictions imposed by the City and other funding entities. The City's ownership BMR units are the result of the former Redevelopment Agency's assistance or market-rate developer obligations to create affordable units under an Inclusionary Housing or other program. Units in the rent-stabilized portfolio are subject to the 2010 Rent Stabilization and Just Cause for Eviction Ordinance.



East Palo Alto Rent Stabilized Housing, 2020

Map 2.12.1: East Palo Alto Rent Stabilized Units Inventory

Project Name	Address	Owner	Tenure	Туре	Risk Level	Affordability End Year	Government Assistance	Affordable	RSO	Market Rate	Total
Courtyard at Bay Rd.	1730 Bay Rd	N/A	Rental	Deed- restricted	Low	2060	LIHTC	76			76
Nugent Square**	2361 University Ave	Eden Housing	Rental	Deed- restricted	Low	2078	LIHTC	32			32
Serenity Senior	2358 University Ave	MidPen Housing	Rental	Deed- restricted	Low	2069	LIHTC	40		1	41
Light Tree	1805 E Bayshore Rd	Eden Housing	Rental	Deed- restricted	Low	2074	LIHTC, HUD, HCD	182		3	185
Peninsula Park*	1977 Tate Street	BRIDGE Housing	Rental	Deed- restricted	Low	2053	LIHTC	65		64	129
Bay Oaks	2400 Gloria Way	MidPen Housing	Rental	Deed- restricted	Low	2075	LIHTC	37		1	38
Clarke Ave.	2397 Clarke Ave.	EPA CAN DO	Rental	Deed- restricted	Low		-	15			15
Woodlands Newell	1761 Woodland Ave	MidPen Housing	Rental	Deed- restricted	Low	2068	LIHTC	47		2	49
Runnymede Gardens	2301 Cooley Ave	MidPen Housing	Rental	Deed- restricted	Low	2055	LIHTC; HUD; CalHFA	77		1	78
BMR Units	-	-	For-Sale	Deed- restricted	Low	-	-	53			53
Woodland Park Rent Stabilized Units	-	Sandhill Property Co.	Rental	Rent Stabilized	N/A	Upon Vacancy***	-		1,838		1,838
All Other Rent Stabilized Units	-	-	Rental	Rent Stabilized	N/A	Upon Vacancy***	-		709		709
All Other Housing Units	-	-	Rental & For-Sale	Market Rate	N/A	N/A	-			4,740	4,740
		•	•				Units	624	2547	4812	7983
							Percentage	8%	32%	60%	100%

\*NOTE: Peninsula Park – many units marked "market-rate" are currently rented by Section 8 households.

\*\*Long-term affordability covenants for Nugent Square were extended in 2022 resyndication. Project received \$7 million for necessary repairs and renovations. \*\*\*Due to Costa Hawkins and vacancy decontrol.

### 2.12.2 At-Risk Affordable Housing Analysis

**2.12.2.A Expiring Contracts** According to the California Housing Partnership Corporation and the City of East Palo Alto, there are no affordable rental units with affordability contracts expiring. The earliest expiration date for the affordability contracts is in the year 2053 so the loss of at-risk units during the 6th cycle Housing Element is minimal. However, these projects may benefit from housing rehabilitation assistance to ensure that these projects are properly maintained during the affordability term.

Deed-restricted units in East Palo Alto have a low risk level of conversion to market-rate. Table below lists the deed-restricted affordable housing developments in the City and their risk level of conversion to market rate.

Table 2.12.2.A: Deed-Restricted Units by Risk Level										
Name	Address	Affordable Units	Total Units	Funding Program	Estimated Affordability End Year	Risk Level				
Light Tree	1805 East Bayshore Road	56	57	LIHTC; HUD; CalHFA	2074	Low				
Runnymede Gardens	2301 Cooley Avenue	77	78	LIHTC; HUD; CalHFA	2055	Low				
Peninsula Park Apartments	1977 Tate Street	65	129	LIHTC	2053	Low				
Nugent Square	2361 University Avenue	31	32	LIHTC	2078	Low				
Light Tree Two	1805 East Bayshore Road	126	128	LIHTC; HUD; HCD	2074	Low				
Gloria Way Community Housing	2400 Gloria Way	37	38	LIHTC	2050	Low				
Woodlands Newell (Site A)	1761 Woodland Ave.	47	49	LIHTC	2068	Low				
University Avenue Senior Housing	2358 University Avenue	40	41	LIHTC	2069	Low				
The Courtyard at Bay Road	1730 Bay Road	76	77	LIHTC	2060	Low				
Wisteria House	211 Wisteria Avenue	4	4	HCD	2041	Low				

Source: California Housing Partnership's Preservation Database, 21 Elements.

**2.12.2.B BMR ownership units** are an important source of Moderate-Income housing, or housing affordable to households at 81-120% of the Area Median Income. These units may be at risk of being "lost" from the BMR program due to noncompliance, foreclosure, or other means. Prior to the release of a Request for Proposals (RFP) to identify a qualified organization to administer the City's BMR Program in 2018, due to low staffing levels, units in the BMR Program were not under consistent monitoring, and actions such as refinances, loan subordinations, re-sales were difficult and inefficient for the City to facilitate.

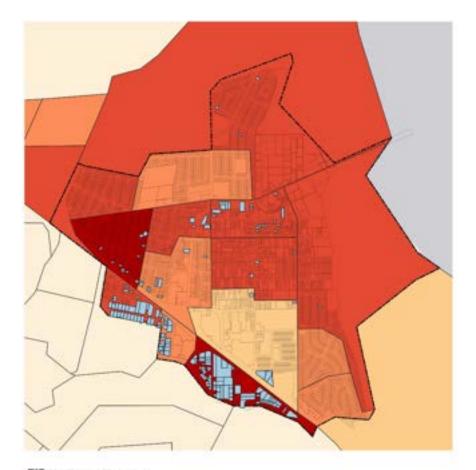
Of the 74 BMR files that EPACANDO verified to be within the City's BMR portfolio, 4 were lost to foreclosure, 3 were sold in violation of the resale restriction agreement, and 14 reverted to market-rate as a result of the expiration of a five-year affordability term. With a BMR contractor in place conducting annual monitoring, overseeing transactions, and maintaining regular contact with BMR homeowners, these 53 units are at very low risk of "exiting" the program.

**2.12.2.C Rent-stabilized units** revert to market-rate when the occupant vacates, with rental increases limited to the Annual General Adjustment adopted by the City's Rent Board each year thereafter. Referred to as "vacancy decontrol," the reversion to market-rate occurs more frequently with higher turnover, making many units in the rent-stabilized portfolio unattainable for lower-income households. Each year, approximately 300-400 rent stabilized units (12-16%) become vacant and return to market-rate. Due to this turnover, the City often cannot count all rent stabilized units as affordable rental units.

The following maps overlay rent stabilized units over median household incomes and overcrowded households, two factors that may contribute to turnover.

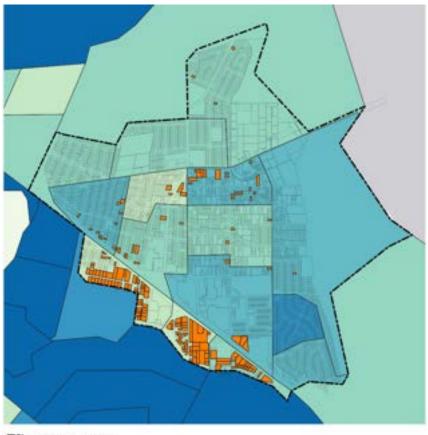
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### 2.12.2.C.1 Rent Stabilized Units Inventory and Overcrowded Households



East Palo Alto City Limits
 East Palo Alto Rent Stabilized Housing, 2020
 Overcrowded Households
 Less than 5%
 5% - 10%
 10% - 20%
 20% - 35%
 35% - 67%

### 2.12.2.C.2 Rent Stabilized Units Inventory Median Household Incomes



East Paio Alto City Limits
 East Paio Alto Rent Stabilized Housing, 2020
 Median Household Income
 Data Unavailable
 Less than \$54,800
 \$54,800 - \$91,350
 \$91,350 - \$1146,350
 \$146,350 - \$179,500
 Greater than \$179,500

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**2.12.2.D** Habitability and maintenance issues that require code enforcement or legal action can also increase risk of conversion to market-rate and displacement. Usually these units can be considered "substandard households" because they may be missing basic services and amenities.

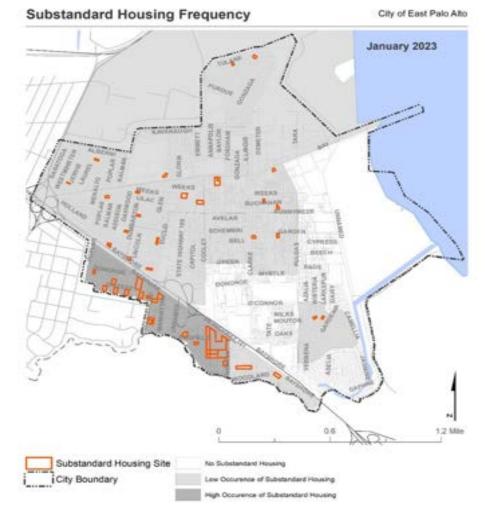
The City tracks substandard housing through complaints filed with the Rent Stabilization Program, which typically are filed by households both in rent stabilized and non-rent stabilized units, and through code enforcement cases submitted to Building/Code Enforcement. Between 2016 and 2022, the City had substandard housing code enforcement cases open at ten different locations, nine of which were in single-family home neighborhoods and one of which was in a multi-family home neighborhood. The cases included: sheds housing people, unsafe electrical and gas, junk and debris, dilapidated housing, and other items that were deemed "substandard housing." Between 2015 and 2022, the City had substandard housing petitions/complaints at 36 different locations, the majority of which were located in the West of Highway 101, where a majority of rent stabilized units remain. Rent Stabilization Program petitions/complaints also came from buildings along Bay Road, where a bigger portion of large multi-family apartments are located, and in smaller 2-4-unit buildings located in single-family home neighborhoods on the East side of Highway 101. These petitions/complaints filed were primarily for habitability or maintenance problems, as well as service reductions.

Map 2.12.2.D.1 maps sites that have recorded substandard housing complaints, by frequency level.

Map 2.12.2.D.2 maps these substandard housing sites by density, to identify whether complaints arise more frequently in multi-family neighborhoods compared to single-family neighborhoods.

Map 2.12.2.D.3 maps these substandard housing sites by income, to see where these complaints may be located near concentrations of poverty.

#### Map 2.12.2.D1 Substandard Housing Frequency



autor. 2018 General Plan. 2010 U.S. Censon. Ser Maleo Courty GYE Entergrae Delabase and Santa Clais Courty, 2012

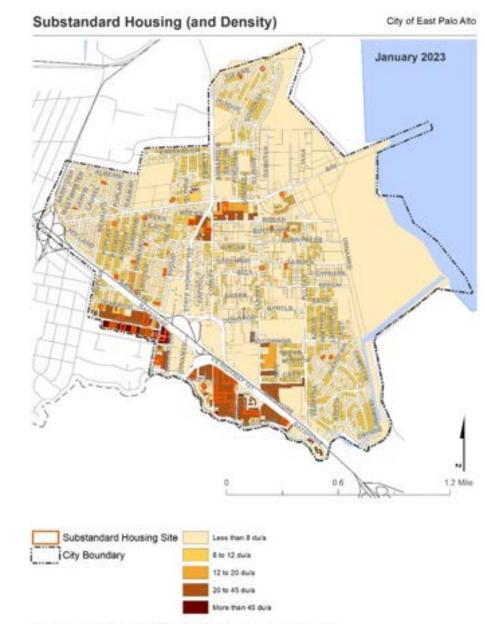
#### Housing Units in Need of Rehabilitation

The maps represent a total of 763 housing units on 52 parcels that need rehabilitation to address various habitation and property maintenance issues. The vast majority of the identified units (736 units) are found in older multi-family structures located on the west side of State Highway 101. The units are also located in the City's lowest-income neighborhoods (per Map 2.12.2.D.2), which are also identified in the AFFH analysis as lower-resource census tracts. Developments vary from large complexes to smaller 4-plus unit apartments. The units provide an important supply of affordable housing for East Palo Alto residents but need rehabilitation. Desirable rehabilitation includes renovations to the exterior of the buildings, refurnishing the interior of the units, energy conservation enhancements, building code upgrades, and site improvements. Additionally, while not highlighted on the maps, existing multifamily developments that are centrally located in the vicinity of Bay Road and University Avenue should also be surveyed to determine the need for future rehabilitation assistance.

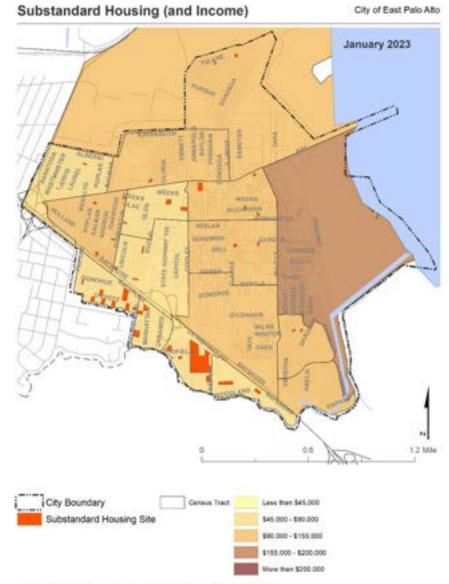
The Housing Element includes policies to assist with housing rehabilitation that would be prioritized for developments on the west side of State Highway 101 and in the University/Bay area. The objective of the following policies is to promote preserving affordable housing stock and rehabilitating housing units that are atrisk due to age, structural deficiencies, and deferred maintenance and repairs.

- Policy 4.3: Strategy to fund preservation of existing affordable housing.
- Policy 4.4: Preservation of at-risk affordable housing units
- Policy 4.5: Enforcement of code violations on residential properties
- Policy 4.6: Creation of a housing rehabilitation program

# Map 2.12.2.D.2 Substandard Housing (and Density)



Source 2018 General Plan. 2018 U.B. Censue. Ban Maleo Courts Gill Enlectrice Database and Seria Clara Courty. 2012.



# Map 2.12.2.D.3 Substandard Housing (and Income)

Bourse: 2016 General Plan. 2017 U.B. Genoue, Gat Maleo Course SH5 Enterance Datateue and Santa Course. 2012.

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#### 2.12.3 Entities Qualified to Preserve At-Risk Units

There are several organizations in the region that have the capacity to own and manage affordable rental projects. These organizations include affordable housing developers such as Eden Housing, MidPen Housing, BRIDGE Housing, Mercy Housing, and others. The City can also directly purchase at-risk units, although the management, processing, and maintenance of these units can pose a funding challenge.

Since 2020, the City has researched various preservation models as part of the San Francisco Foundation's Partnership for the Bay's Future Policy Grants (the City started with the 2020-2022 Challenge Grant and continues to do so with the 2022-2024 Breakthrough Grant). Other East Palo Alto community-based entities such as East Palo Alto Community Alliance & Neighborhood Development Organization (EPACANDO) and Preserving Affordable Housing Long-Term, Inc. (PAHALI) community land trust have expressed interest in acquiring and preserving at-risk properties, to create community empowerment and maintain community control. The City currently has a contract with EPACANDO and PAHALI to preserve affordable spaces at the Palo Mobile Estates mobile home park by supporting residents in purchasing their lots. The park underwent conversion to a resident-owned park in 2021.

#### 2.12.4 Preservation Costs

According to Enterprise Community Partners, Inc. (Enterprise), acquisition-rehab can be a direct antidisplacement strategy that advances racial and economic equity, a fast and cost-effective strategy, a flexible strategy that expands housing choices, and a long-term, environmentally sustainable strategy.

There are different types of affordable housing models for acquisition-rehab projects, including: affordable rental (deed-restricted) housing models where the nonprofit acquires and retains ownership of the land and property, and the rental units are held affordable; Limited Equity Housing Cooperatives (LEHC) models, where the residents form an entity that acquires the property and residents purchase and own shares in the LEHC at an affordable price, entitling them to reside in their unit and build some equity; and Community Land Trust (CLT) models, whereby the CLT acquires the land and property, but the property may be sold and owned by the residents at an affordable price, or retained and operated as a rental.

Between 2015-2019, the per-unit cost of completed acquisition-rehab projects in San Mateo County averaged \$433,203 total per unit (75% of which was the purchase price, and the rest included rehab costs, financing costs, soft costs, developer fees, among other costs). Of that total, the per-unit subsidy averaged nearly \$224,000.

The table below compares new affordable housing production per-unit cost and preservation per-unit cost to illustrate the magnitude of funding needed in production projects compared to preservation projects.<sup>6</sup>

Table 2.12.4: San Mateo County Acquisition-Rehab and New Construction Per-Unit Cost Comparison (Enterprise 2020 Report)						
New Affordable Housing Production Per-Unit Cost				Occupied Acquisition-Rehab Per-Unit Cost (Study Sample)		
2016	2017	2018	2016-2018 Average	Average	Compared to New Production	
\$479,262	\$665,831	\$729,458	\$627,681	\$433,203	69%	

# 2.12.5 Potential Funding Sources to Preserve Affordable Housing

Financing for housing preservation will come from a combination of private and public funding, including local, regional, and state subsidies, loans from banks and lending institutions like credit unions and Community Development Finance Institutions (CDFIs), and the private capital of tenants (if applicable).

A table of potential funding sources for Affordable Housing Preservation is featured below.

Table 2.12.5:	Table 2.12.5: Funding Sources for Affordable Housing Preservation						
Funding Source	Funding Type	Eligible Uses	Max Assistance				
Golden State Acquisition Fund	Below market debt	Acquisition	\$13,950,000				
Foreclosure Intervention Housing Preservation Program	Grants, debt	Predevelopment, acquisition, rehabilitation, temporary relocation. An operating subsidy is available for projects serving households making 50% AMI and below.	\$450,000 - \$550,000 per unit				
Project Homekey	Grants	Acquisition, rehabilitation, of eligible dwelling types and operating support	Varies				
HOME Investment Partnerships Program	Varies	Acquisition, rehabilitation	Varies				
Community Development Block Grant (CDBG)	Grant	Acquisition, rehabilitation	Varies				
Bay Area Preservation Pilot	Below market debt	Acquisition, rehabilitation	Varies				
Affordable Housing Fund	Below market debt	Predevelopment, acquisition, rehabilitation	\$100,000 per unit				
Community Housing Fund	Below market debt	Variety of loan products from predevelopment through permanent financing	\$15,000,000				
Supportive and Transitional Housing	Varies	Acquisition, Predevelopment, Construction, Mini- Permanent	\$6,000,000				
Affordability Preservation and Production	Varies	Acquisition, Predevelopment, Construction, Rehabilitation	\$6,000,000				
Workforce Housing	Varies	Acquisition, Predevelopment, Construction	\$7,500,000				

Enterprise-Level Line of Credit	Varies	Revolving Line of credit for acquisition, predevelopment, working capital allowed with acquisition or predevelopment	\$6,000,000
Kaiser Housing for Health Fund	Equity	Varies by project	Varies
Bay Area Transit-Oriented Affordable Housing			
(TOAH) Fund: Predevelopment Loan	Below market debt	Predevelopment costs for acquisition of Eligible Properties	\$750,000
Bay Area Transit-Oriented Affordable Housing			
(TOAH) Fund: Acquisition Loan	Below market debt	Acquisition	\$10,000,000
The Catalyst Fund	Below market debt	Acquisition, Predevelopment, Permanent Financing	Varies

# 2.12.5.A City Funding Sources

The City of East Palo Alto has a recent history of residents supporting local tax measures to provide revenues for affordable housing construction and related programs, although the sources for the tax payments are borne by property owners of large office buildings and multi-family rental properties.

#### Measure O

In November 2016, residents voted to enact Measure O or the East Palo Alto Residential Rental Business License Tax Measure. Measure O is a one- and one-half cent tax on the gross receipts of owners who lease five or more residential rental units in East Palo Alto. The Business License Tax cannot be passed on to tenants and does not apply to new housing units during the first 10 years after a certificate of occupancy is issued. Non-profit operators of affordable housing, Section 8 units, or below market rate units with deed restrictions are exempt from the tax. While Measure O funds can be used for general government purposes, funds can be used to directly benefit Housing Element goals, policies, and programs. Highlighted uses included increasing affordable housing, protecting local residents from displacement and homelessness, and funding affordable housing programs. Funds have been used to provide initial start-up and operating funds for the City's Pilot Recreational Vehicle (RV) Safe Parking Program in 2019 for unhoused residents. The City has also authorized allocating funds to several non-profit organizations to provide anti-displacement fair housing services, legal consultation, case management and referrals, information resources, community workshops on tenant/landlord laws, and community outreach and advocacy efforts. Three non-profit community organizations have been providing these services: Community Legal Services in East Palo Alto (CLSEPA), Nuestra Casa, and Youth United for Community Action (YUCA).

#### Measure HH

In November 2018, East Palo Alto residents voted to enact Measure HH, a parcel tax on commercial office space of 25,000 square feet or more at the rate of \$2.50 per square foot, which is estimated to raise \$1,675,000 annually that may be used for several purposes: 1) maintenance of affordable and supportive housing programs, with an emphasis on creating net new housing (minimum of 35% of the funds must be used for this purpose); and 2) creation and maintenance of programs that facilitate access to job opportunities for East Palo

Alto residents in the science, technology, engineering, and mathematics (STEM) sectors and building trades sector; and 3) strengthen the City's First Source Hiring (FSH) Program.

Since passage of Measure HH, the City has authorized approximately \$1 million in assistance for a 100% affordable housing project (965 Weeks) that will consist of 136 low-income units serving households with average 45% area median income (AMI). The project is entitled and currently in the building permit review stage.

The City has also established a Pilot Workforce Development Program using Measure HH funds. To conceptualize the program, the City sought a consultant experienced in workforce development to identify strategies to maximize the effectiveness and impact of Measure HH funding. In October 2020, the City Council retained Brightline Defense Project ("Brightline") to analyze and provide recommendations for implementing a workforce development program. Brightline conducted considerable public outreach and discussions with the community and employers on the appropriate allocation of Measure HH funds to provide "upward mobility" for East Palo Alto residents through training for sustainable jobs in reliable employment fields. Brightline's concluded that the primary factors that are impeding upward mobility for East Palo Alto residents are: 1) lack of education and job training in the two targeted fields; 2) lack of financial resources for training; 3) the need to continue earning an income while in training; 4) lack of professional support and career guidance; and 5) the difficulty in accessing employment networks in the STEM and building trades fields, particularly for persons of color.

In November 2022, City Council authorized \$775,215 from the Measure HH Fund to fund an 18-month Pilot Workforce Development Program. The program is intended to address the disparity between the region's robust innovation and technology economy and the inability of East Palo Alto residents to benefit from the region's economic prosperity. The pilot program's goals are to offer participants a training program and, after completing training, to support and assist participants in finding a sustainable job that can achieve a living wage within 36 months after completion of training. Three non-profit community organizations have been awarded funds to offer an innovative mix of STEM and building trades training programs: JobTrain, StreetCode Academy, and Live In Peace. The program will begin in 2023 and is only available to East Palo Alto residents with the Live In Peace program targeted for high school students and recent graduates. It is expected that the program will continue to be funded after the pilot period. The program also has an anti-displacement objective; with residents able to gain living wage jobs, it would increase their ability to remain in the community.

#### Measures V and L

In November 2020, City Council placed Measure V on the ballot to help fund affordable housing development, acquisition, and rehabilitation. Measure V would increase the city's Transient Occupancy Tax from 12 percent to 14 percent by 2023, to be paid by hotel and short-term rental customers, to align with other cities' transient occupancy taxes. Measure V was projected to provide approximately \$390,000 per year, with an additional amount upon recovery from the COVID-19 pandemic. While it was unsuccessful in passing by a two percent margin, another ballot measure, Measure L, was subsequently approved by East Palo Alto voters in November 2022 to support housing affordability and to prevent displacement. Measure L assesses a business tax on rental

property but also applies to smaller properties with less than five rental units. The measure is projected to generate up to \$2 million annually to fund affordable housing programs in the City.

In addition to the above tax revenue, City Council may choose to use existing General Funds for affordable housing production and preservation efforts. The Council has also earmarked a portion of the City's Transient Occupancy Tax (TOT) for housing programs.

# 2.12.5.B Regional Funding Sources

Regional funding sources include the Metropolitan Transportation Commission (MTC)'s Bay Area Preservation Pilot (BAPP), a \$49 million program launched in 2018 to provide flexible, relatively low-cost loans for up to 10 years to mission-driven developers and community-based organizations seeking to acquire, and preserve existing, unsubsidized affordable multi-family properties located in areas with high-frequency transit service. The Bay Area Transit-Oriented Affordable Housing Fund (TOAH), a \$50 million public-private financing resource providing seven-year loan products at favorable interest rates and loan to value ratios (LTV), is aimed at supporting nonprofit and for-profit developers to help finance the purchase or improvement of properties near transit.<sup>7</sup> TOAH is sponsored by a collaborative public-private partnership with the MTC and the Great Communities Collaborative. The Regional Early Access Planning (REAP 2.0) Grants administered by ABAG/MTC include a \$15 million set aside for Affordable Housing Preservation, funding a maximum of \$250,000 per door. A regional housing funding initiative proposed by the Bay Area Housing Finance Agency (BAHFA) expects to distribute at least \$10 Billion after 2024, of which 15% of funds are prioritized for Affordable Housing Preservation across the 9-county region. BAHFA was established by California State Legislature Assembly Bill 1487 (2019, Chiu) to support the production and preservation of affordable housing by placing new revenue options on the ballot. BAFHA has the potential to raise hundreds of millions of dollars to help address affordable housing in the Bay Area.

#### 2.12.5.C State Funding Sources

The state allocated \$300 million for the preservation of existing affordable homes in the 2021-2022 California budget, creating a new Affordable Housing Preservation Program at the Department of Housing and Community Development (HCD).<sup>8</sup> With the expansion of HCD programs and increasing awareness about the importance of housing preservation, the state is anticipated to allocate more funds towards housing preservation. The Foreclosure Intervention Housing Preservation Program (FIHPP) is a statewide Affordable Housing Preservation fund of \$500 Million dedicated to properties undergoing or at risk of foreclosure. These funds can be used both for single family and multifamily properties for acquisition, rehabilitation, and a host of other cost coverages.

 $<sup>\</sup>label{eq:linear} $$^{https://mtc.ca.gov/funding/investment-strategies-commitments/housing-solutions/transit-oriented-affordable-housing-fund-toah$ 

<sup>&</sup>lt;sup>8</sup>https://calhsng.org/2021-2022-california-budget-update/

## 2.12.5.D Private Funding Sources, Funding Initiatives and Lending Institutions

Other potential funding sources include but are not limited to public-private partnerships. In particular, Community Development Financial Institutions (CDFIs) provide flexible financing for affordable housing developments for use for predevelopment, acquisition, construction rehabilitation, and bridge funding. These private sector financial institutions have community development as their primary mission and can receive funding from other private sector sources such as individuals, corporations, religious institutions, and provide lending services. Locally, groups such as Housing Trust Silicon Valley, Enterprise Community Partners (Enterprise), and the Local Initiatives Support Corporation (LISC) provide lending products designed to help developers get projects financed. The following are a few examples:

- The Housing for Health Fund (HFHF), a collaboration among Enterprise Community Partners, Kaiser Permanente, and JP Morgan Chase, provides \$85 million to promote health and the preservation of affordable housing. <sup>9</sup>
- Enterprise's Equitable Path Forward Fund is a five-year, \$3.5 billion nationwide initiative to counter racial inequities rooted in housing, and focuses on supporting Black, Indigenous, and People of Color and housing providers who create and preserve affordable homes.<sup>10</sup>
- The Partnership for the Bay's Future Bay's Future Fund (BFF) and Community Housing Fund (CHF), a \$500 million initiative to bridge funding gaps throughout the region's rental housing market and address critical housing needs. The funds are managed by LISC and originated by the San Francisco Foundation, Bay Area LISC, the Corporation for Supportive Housing (CSH), Capital Impact Partners, and other public-private partners.<sup>11</sup>

Private companies in the Bay Area have also begun to provide financing for affordable housing developments. Recent investments include The Catalyst Fund, a partnership among Facebook, the City of East Palo Alto, the City of Menlo Park, and Envision Transform Build East Palo Alto (ETB-EPA). ETB-EPA is a coalition of community groups in East Palo Alto that challenged Facebook to commit to furthering shared goals of enhancing equity, opportunity and access in the Silicon Valley, resulting in a community compact.<sup>12</sup> The \$18.5 million fund was created to provide financing for affordable housing developments within a 15-mile radius of Meta (formerly Facebook)'s Menlo Park campus, and is managed by LISC Bay Area and Housing Trust Silicon Valley. Based on the agreement, \$10 million of the fund must be invested in permanently affordable housing in East Palo Alto; the remainder could be invested in affordable housing and preservation projects in San Mateo County or Santa Clara County within a 15-mile radius of Meta's

<sup>&</sup>lt;sup>9</sup> https://www.enterprisecommunity.org/news-releases/2020-03\_housing-health-fund-makes-48-million-oakland-investment

<sup>&</sup>lt;sup>10</sup> https://www.enterprisecommunity.org/impact-areas/racial-equity/equitable-path-forward.

<sup>&</sup>lt;sup>11</sup> https://www.lisc.org/bay-area/what-we-do/affordable-housing/partnership-bays-future/

<sup>&</sup>lt;sup>12</sup> Community Groups that signed the Community Compact included El Comité de Vecinos del Lado Oeste, East Palo Alto; Youth United for Community Action; Faith in Action Bay Area; and Community Legal Services in East Palo Alto.

Menlo Park campus. To date, four affordable housing projects in San Mateo County have received funding awards through The Catalyst Fund, two of which are in East Palo Alto (Light Tree and 965 Weeks).

- <u>LightTree Apartments</u> is a major project sponsored by two experienced, mission-driven organizations Eden Housing and East Palo Alto Community and Neighborhood Development Organization (EPACANDO). The \$97 million project is both preserving/renovating 94 existing units and adding 91 new apartments affordable to extremely low-income and very low-income residents, and sets aside as many as 41 units for households with special needs: formerly homeless residents, youth aging out of foster care and households with a family member who has a disability. Light Tree is also the first allelectric affordable housing development in San Mateo County. The Catalyst Fund is providing a \$4 million predevelopment loan to seed the project's complex mix of public and private financing and support early planning efforts. The loan carries an almost unheard-of term of 57 years- illustrating the kind of flexible, affordable capital that is so vital for affordable housing efforts.
- <u>965 Weeks</u> is a development project sponsored by MidPen Housing and EPACANDO that will build 136 extremely low-income and low-income affordable housing units, ranging from studios to fourbedroom apartments, on a city-owned parcel. It will provide services to residents including a financial literacy program, a vocational development center, afterschool/summer programs and leadership development for youth, and functional assessment and cognitive/behavioral modification for people with special needs. The \$1 million predevelopment loan from The Catalyst Fund will convert to a 57year permanent loan after construction, providing flexible, affordable capital that is critical but hard to find. The Catalyst Fund has also committed to an additional \$4.365 million permanent loan request for 965 Weeks.

Additional private lending sources can include credit unions, cooperative banks, and other banks willing to work with resale-restricted properties, LEHCs and CLTs.<sup>13</sup>

# 2.13 EAST PALO ALTO HOUSING NEEDS DATA PACKET

The Housing Needs Data Packet (Appendix B1) provided by ABAG/MTC and 21 Elements outlines more extensively the City's housing needs.

# 2.14 SAN MATEO COUNTY HOUSING NEEDS

Appendix B2 summarizes of housing needs in San Mateo County as a whole.

<sup>&</sup>lt;sup>13</sup>https://www.lisc.org/media/filer\_public/f0/e0/f0e07be0-1ca5-4720-b78c-3a0d7a0181dd/022519\_white\_paper\_community\_land\_trusts.pdf; https://groundedsolutions.org/tools-forsuccess/resource-library/mortgage-financing-options.

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# **3 HOUSING CONSTRAINTS**

To facilitate the development, maintenance, and improvement of housing (especially affordable housing), the Housing Element must assess the potential constraints imposed by both City regulations and policies (i.e., "governmental constraints"), and by factors outside of City influence, such as market conditions (i.e., "non-governmental constraints"). This assessment must address housing for all income levels, including housing for persons with disabilities.

Therefore, this Element analyzes the potential impacts of governmental regulations and policies on housing, including land use controls, fees and exactions, building codes, processing and permitprocedures, codes and enforcement, and on/off-site improvement standards. Likewise, it also assesses nongovernmental or potential market impacts, including land costs, construction costs, and the availability of financing. The findings of the analysis are outlined below. For any constraints to housing found within this section (via regulatory and/or market conditions), a program has been included in the Policies and Programs to address and mitigate the constraint

# **3.1 GOVERNMENTAL CONSTRAINTS**

Governmental policies and regulations can result in both positive and negative effects on the availability affordability of housing. While government policies and regulations are intended to meet legitimate public purposes and further the public good, it is possible that they indirectly constrain the availability and affordability of housing to meet the community's future needs.

The City complies with state transparency requirements. The City's General Plan, Development Code, Inclusionary Housing Ordinance, other land use policy plans and regulations, and active project applications are available on the City's website. Additionally, the City has available on the website a number of informational flyers and resources that describe the City's zoning and development standards, project application procedures, and housing programs and services. In addition to complying with transparency requirements, project applicants are strongly encouraged to seek community input before presenting their project to the Planning Commission and City Council.

This section describes City policies and regulations that could potentially constrain the City's ability to achieve its housing objectives. Each Housing Element must contain an "analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels, including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures" (Government Code Section 65583(a)). All Planning. Building, Housing, and Public Works related requirements, including zoning, development standards,



inclusionary requirements, and impact fees, to name a few, are posted online on the City's website, www.cityofepa.org.

This section addresses every aspect of the residential development process: the regulations currently in place, the responsible City Departments and Divisions, and the role of the City Council and Planning Commission, developers, and the general public. This is followed by analysis of the potential of any of these to constrain residential development, and how this may be mitigated.

The governmental constraints analysis focuses on factors the City can control and does not include State, federal, or other governmental policies or regulations that East Palo Alto cannot affect or modify. These City policies and regulations typically affect the City's ability to meet future housing needs and secure adequate funding for the construction of affordable housing.

# **3.1.1 General Plan Residential Uses and Zoning Controls in East Palo Alto**

The City adopted Vista 2035, its General Plan, in October 2016, following the adoption of the RHNA 5 Housing Element. As described in the Land Use Element, residential uses are now permitted within eight General Plan designations. Each of these is described in Table 1 below alongside the zoning area that corresponds to it.

In addition to the below General Plan land uses, the Ravenswood/4 Corners Specific Plan, which was adopted in 2013 and established City's only Priority Development Area,<sup>14</sup> permits residential in three zoning areas: 4 Corners, Bay Road Central, and Urban Residential.

Table 3.1.1.A: General Plan Land Use Designations and Related Zoning								
General Plan Land Use Designation	Density (du/acre)	<b>Related Zoning</b>	Density (du/acre)					
Low Density Residential	12	R-LD	0-12					
Medium Density Residential	12.1-22	R-MD 1/RM-D 2	12 to 15/12- 22					
High Density Residential	22.1-43	R-HD 3/R-HD 5	22-43					
Urban Residential	43.1-86	R-UHD	43-86					
Mixed Use Corridor	up to 65	MUC 1/MUC 2	22-65					
Mixed Use Low	up to 22	MUL	0-22					
Mixed Use High	up to 86	MUH	43-86					

<sup>&</sup>lt;sup>14</sup> A Priority Development Area is an ABAG/MTC-designated area near public transit planned for new homes, jobs, and community amenities. Ravenswood/4 Corners Specific Plan Area is a Connected Community PDA, meaning that it offers basic transit services, and the City has committed to policies that increase mobility options and reduce automobile travel.

Neighborhood Commercial	up to 22	CN	0-22					
Ravenswood/4 Corners Specific Plan Zoning								
Ravenswood/4 Corners Specific Plan	Density (du/acre)	<b>Related Zoning</b>	Density (du/acre)					
4 Corners	up to 60	n/a	n/a					
Bay Road Central	up to 50	n/a	n/a					
Urban Residential	up to 40	n/a	n/a					

The above zoning designations are found in Chapter 18 of the East Palo Alto Municipal Code (Development Code). The Development Code describes in detail the development standards for each zone, including minimum and maximum density, parcel area and width, lot coverage, floor area ratio ("FAR"), height, open space, setbacks, and parking.

The zoning standards for	r residential and mixed-	-use zones are summarized in the table below.

	Table 3.1.1.B: Zoning Standards for Residential Zones									
Zoning	Min/Max Dwelling Unit/Acre	Min Parcel Area	Lot Coverage	Height (feet)	Open Space (square feet)*	Floor Area Ratio (FAR)	Setback (ft)	Parking (spaces)		
R-LD	0 to 12	5,000s.f. 50f wide	.5	26	750	.55	front 10 rear 10 side 5	1 for 1 bdrm; 2 for 2-4 bdrm; 3 for 5-6 bdrm		
R-MD 1	12 to 15	5,000s.f. 50f wide	.6	30	250 common 1-200 private	.65	front 20 rear 20 side 10	1 for 1 bdrm; 2 for 2-4 bdrm; 3 for 5-6 bdrm		
R-MD 2	12 to 22	5,000s.f. 50f wide	.6	36	250 common 1-200 private	.65	front 20 rear 20 side 10	1 for 1 bdrm; 2 for 2-4 bdrm; 3 for 5-6 bdrm 1		
R-HD 3	22 to 43	12,000s.f. 50f wide	.7	36	100 common 50-100 private	.7	front 15 rear 20 side 10	1 for 1 bdrm; 2 for 2-4 bdrm; 3 for 5-6 bdrm		

R-HD 5	22 to 43	12,000s.f. 50f wide	.7	60	100 Common 50-100 private	.7	front 15 rear 20 side 10	1 for 1 bdrm; 2 for 2-4 bdrm; 3 for 5-6 bdrm
MUL	0 to 22	12,000.s.f 100f wide	1	36		1	front 0 rear 5 side 5	1 for 1 bdrm; 2 for 2-4 bdrm; 3 for 5-6 bdrm
MUC 1	22 to 65	12,000.s.f 100f wide	1	60		1.25	front 0 rear 5 side 5	1 for 1 bdrm; 2 for 2-4 bdrm; 3 for 5-6 bdrm
MUC 2	22 to 65	12,000.s.f 100f wide	1	60		1.25	front 0 rear 5 side 5	1 for 1 bdrm; 2 for 2-4 bdrm; 3 for 5-6 bdrm
MUH	43 to 86	12,000.s.f 100f wide	1	8 stories or 100', whichever is greater		2.5	front 0 rear 5 side 5	1 for 1 bdrm; 2 for 2-4 bdrm; 3 for 5-6 bdrm
R-UHD	43 to 86	12,000s.f. 50f wide	.7	7 stories or 75', whichever is greater	50 common 50 private	None	front 20 rear 20 side 10	1 for 1 bdrm; 2 for 2-4 bdrm; 3 for 5-6 bdrm 1
UR	0 to 40	n/a	1	60	n/a	1	front 5 rear 20 side 5	1 for 1 bdrm; 2 for 2-4 bdrm; 3 for 5-6 bdrm
BRC	0 to 50	n/a	1	5 stories above grade	n/a	2.0 for non- residential area	front 6 rear 30 side 10	1 for 1 bdrm; 2 for 2-4 bdrm; 3 for 5-6 bdrm

4 Corners	0 to 60	n/a	1	6 stories	n/a	1.5	front 6	1 for 1
				above			rear 30	bdrm; 2 for
				grade			side 10	2-4 bdrm;
				0				3 for 5-6
								bdrm

\* Per dwelling unit

# **3.1.2** Type of Residential Development Permitted in Each Zone – Zoning for a Variety of Housing Types

The table below shows which residential or mixed-use zones allow for different types of residential development.

	Table 3.1.2.A: Types of Residential Development Permitted in the City's Residential and Mixed-Use Zones										
Туре	Single	Duplex	Triplex	Quad-	Multi	Mobile	SRO	Assist.	Supportive	Transitional	Residential
	Family*	-	-	plex	(5+)	Home		Living*	Housing	Housing	Care
											Facilities*
R-LD	Yes	No	No	No	No	No	Yes	Yes	Yes	Yes	Yes
R-MD	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes
R-UHD	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes
MUC	No	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes
MUL	No	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes
MUH	No	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes
UR	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes
BRC	No	No	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes
4 Corners	No	No	Yes	Yes	Yes	No	No	Yes	Yes	Yes	Yes

\*Detached and attached single family dwellings.

\*Requires Administrative Use Permit for 7 or more occupants (includes group homes 7+)

The Development Code does not differentiate between custom-built single-family dwellings and manufactured housing or mobile homes that are placed on a permanent foundation. The same development standards apply to all types of single-family structures. MUC, MUL, MUH allow a mix of uses, but also 100% residential or commercial.

Development constraints from land use controls will be further evaluated by the City through Development Code updates, including amendments for accessory dwelling units. The Development Code has been updated in the past few years to encourage more housing. However, some requirements may continue to cause constraints due to the high cost of development and land, even in the City of East Palo Alto. Some of those constraints include the requirement of open space in the rear yard, which may limit construction/additions, including accessory dwelling units, and also impacting density. While open space is important for quality of life, it removes space that could be developed on. Other constraints that limit construction include parking. While the City does not require covered parking, it does require more than two parking spaces for single family dwellings with more than 4 bedrooms. The provision of parking for multifamily units has also been a constraint for higher density projects. Parking requirements and related costs can influence a developer to choose to build fewer units. Per Chapters 18.60.30 and 18.30.100 of the Development Code, exceptions to parking ratios may be approved if there are special circumstances and a parking study. Parking reductions can be approved for mixed uses and affordable housing. Additionally, the Development Code recognizes that the Density Bonus Ordinance provides for a reduced parking ratio, per State law. The City is developing a TDM program to reduce vehicle trips that would also reduce the need for parking. As discussed below, the City will also be amending the code to convert subjective development standards to objective development standards to facilitate the permit review process, which will also encourage housing development.

# 3.1.3 Supportive, Transitional, and Emergency Housing Uses

As shown in Table 3.1.2.A above, Supportive and Transitional Housing are permitted uses within all residential zones in the City. East Palo Alto's Development Code recognizes a range of housing types as permitted in a variety of zoning districts. In addition to other forms of supportive housing, single room occupancy units (SROs) are also permitted uses in all residential zoning districts. This allows the City to provide a variety of housing types for a wide range of residents. Supportive housing, as defined in Government Code Section 65650, shall be a use by right in all zones where multifamily and mixed uses are permitted.

The City has one Low-Barrier Navigation Center (LBNC), a shelter operated by Project WeHOPE at 1836-54 Bay Rd. Consistent with Assembly Bill (AB) 101, a LBNC is a use by right in areas zoned for mixed use and nonresidential zones permitting multifamily uses. A LBNC is defined as a Housing First, low barrier, temporary, service-enriched shelter focused on helping homeless individuals and families to quickly obtain permanent housing. Low barrier includes best practices to reduce barriers to entry, such as allowing partners, pets, storage of personal items, and privacy (Gov. Code, § 65660).

A Point in Time (PIT) count in 2022 showed a disproportionately higher incidence of homelessness in East Palo Alto with 169 unsheltered people, which was 15% of the total unsheltered population in San Mateo County, even though East Palo Alto comprised only 4% of the general population of the latter (Appendix B, Table 4 and 5)

Emergency shelters are permitted by-right in the City's Industrial Transition zone, which is located in the Ravenswood/4 Corners Specific Plan Area. This is compliant with Government Code Sections 65583(a)(4) and (5), which specify that local governments must identify at least one zone where emergency shelters are permitted by-right and that transitional housing and supportive housing must be considered a residential use subject to the same restrictions as other multifamily dwellings in the same zone. Emergency shelters will only

be subject to the written, objective standards outlined in CA Government Code Section 65583(A)(4)(B) as required by law.

In order to address the requirements of AB 139 and AB 2339, the City will implement a number of changes to the Development Code including relaxing the 6-person maximum requirement for transitional housing in residential zones, and allowing supportive and transitional housing in mixed-use zones and commercial zones that allow residential uses. The amendment would explicitly treat transitional and supportive housing the same as other residential dwellings as required by Government Code Section 65583(a)(5). Finally, the Industrial Transition zone in the Ravenswood Business District/4 Corners Specific Plan will be amended to clearly depict emergency shelters as allowed by-right.

WeHOPE's LBNC doubles as East Palo Alto's emergency shelter with 73 beds and an additional 30 beds which were recently approved and issued building permits. Seventy five percent of an adjacent building, 1836 Bay Road, which is also owned by WeHOPE, is being rented out to other users. WeHOPE desires to utilize any future vacancies for up to 100 more beds. An expanded facility with approximately 200 beds is possible should space become available.

The Low Barrier Navigation Center/Emergency Shelter is within 200 – 600 feet of three SamTrans bus stops and surrounded by various services including Stanford Children's Health (375 feet), Community Legal Services (200 feet), EPACENTER and Foundation for a College Education ((525 feet) and City Hall/Government Services Center (2,200 feet). It is a regional 24-hour facility that provides a full range of services, including legal, training, services, and placement. The program also provides hot meals, shelter beds, access to medical care, hot showers, laundry service, transportation, and thorough comprehensive case management, life skills classes, and job training. It also partners with the City of East Palo Alto to provide mobile homeless services.

Ten parcels located west of Demeter Street north of Bay Road are all zoned Industrial Transition in the 4-Corners/ Ravenswood Specific Plan. The Industrial Transition zone already allows emergency shelters; a text amendment to allow shelters by right will be prepared for City Council approval in 2024. These parcels, ranging in size from 6,000 square feet to 1.2 acres, are mostly improved with underutilized and/or outdated warehouses, stores, and light manufacturing buildings. In comparing these properties with the existing 1.68 -acre site housing the Low Barrier Navigation Center on Bay Road, potentially 200 to 300 additional emergency shelter beds could be feasible on these sites. When combined with a potentially expanded WeHOPE facility, sites could be available in the City to accommodate 400-500 beds. This potential capacity significantly exceeds the City's unsheltered population of 169 individuals in 2022.

Amendments to City's emergency shelter regulations are needed to comply with Government Code Section 65583 (AB 139) and Chapter 654, Statues of 2022 (AB 2339). The Housing Element includes a program (see Chapter 6, Program 10.2) to update the City's Development Code to comply with current state laws regarding emergency shelters as well as permanent supportive housing.

# **3.1.4 Housing for People with Disabilities**

Housing Element law requires jurisdictions to analyze potential governmental constraints to the development, improvement, and maintenance of housing for people with disabilities.

#### Residential Care Facilities

As shown in Table 3.1.C, residential care facilities for six or fewer persons are permitted by-right in all residential zones in East Palo Alto. For seven or more individuals, a conditional use permit is required. Residential care facilities for seven or more individuals are subject to the requirements of the base residential zone where the facility is located, in addition to the following standards: Applicable requirements of the California Building, Housing, and Fire Codes are met;

- 2. No sign which calls attention to the fact that the property is a residential care facility is posted;
- 3. Is not located within 500 feet of the boundaries of a parcel with a residential care facility (whether licensed or unlicensed), with six or fewer residents; and
- 4. Is not located within 750 feet of the boundaries of a parcel with another residential care facility with seven or more individuals.

The Housing Element includes a program (see Chapter 6, Program 10.6) to update the City's Development Code to comply with current state law regarding residential care facilities and large group homes (7 or more residents).

#### Definition of Family

The definition of *family* in the Development Code of the City of East Palo Alto is: *One or more persons* occupying a premises and living as a single nonprofit housekeeping unit as distinguished from persons occupying a club, fraternity, hotel, or sorority house. A family shall be deemed to include necessary servants.

This definition encompasses different living arrangements, including individuals with disabilities that may live with a caregiver or adults living in a group setting.

The Housing Element includes a program (see Chapter 6, Program 10.4) to clarify in the City's Development Code that the definition of a housekeeping unit can include unrelated individuals living together as a single household.

#### Reasonable Accommodations

Chapters 14.10 and 18.98 of the East Palo Alto Municipal Code lay out the process for "Reasonable Accommodations" for individuals with disabilities, which are described as *an adjustment to physical design* 

standards to accommodate the placement of wheelchair ramps or other exterior modifications to a dwelling in response to the needs of a disabled resident. A request for Reasonable Accommodation may be made to the City to modify zoning or other land use regulations or policies that act as a barrier to accessing fair housing. Requests for Reasonable Accommodations are reviewed at the staff level unless it is associated with another permit that is subject to the Planning Commission. The City also adopted an ADA Compliance Plan for public accessibility improvements. However, it is noted that the City's current code regulations on the approval process need to be updated to comply with current state law. An applicant is required to submit a written request to the Planning Division, as outlined in the Municipal Code. The existing regulations provide for a concurrent review process for reasonable accommodations requests if there is also a pending discretionary land use application. The intent is to provide for an efficient review that will not require multiple processes. If there are no other land use applications, then the Planning Manager will issue a decision within 45 days.

The Housing Element includes a program (Chapter 6, Program 4.8) to update the City's Development Code to comply with current state law regarding the approval process and requirements for reasonable accommodations with the goal of reducing barriers. The Development Code update could explore the possibility of codifying objective criteria to exempt certain sizes of wheelchair ramps from design review and streamlining the review of exterior wheelchair lifts and similar reasonable accommodations to a ministerial process.

#### Housing for Adults with Developmental Disabilities

With the increase in adults with developmental disabilities across San Mateo County and in East Palo Alto since the prior Housing Element, the lack of an existing licensed care facility in East Palo Alto for adults with developmental disabilities may pose a barrier to living independently in affordable housing or put individuals with developmental disabilities at risk of displacement. The AFFH analysis also indicates that insufficient affordable housing units are available to accommodate individuals with disabilities in East Palo Alto who can live independently; the analysis further shows that many of these individuals are lower-income residents. The Policies & Programs section attempts to address some of these barriers as part of Goal 7, *Create more housing opportunities for special needs households, including large households, people at risk of or experiencing homelessness, and individuals with disabilities*. Additionally, Housing Element policies and programs 1.4, 4.8, 5.9, 10.6, and 10.9 also recognize and address the diverse housing and support services needs of individuals with disabilities.

The lack of sufficient extremely low income and very low-income units that are suitable for persons with disabilities presents a further challenge for individuals seeking independent living accommodations, which often requires units with affordable rents.

# 3.1.5 Permit Types and Levels of Review

The "level of review" and total processing time required for different types of residential developments will vary based on the permit types associated with each development. Table 3.1.D summarizes the typical types of permits required for residential projects. Table 3.1.G presented later in this chapter describes average processing times for typical single-family and multi-family projects. Subdivisions and larger multi-family projects typically require a public hearing and Planning Commission action or recommendation. Single-family homes, duplexes, and quadplexes can typically be approved at an administrative or staff level. Review times can be longer for complex projects that require City Council approvals, such as projects requiring a legislative action (General Plan or zoning change), projects with a development agreement, projects that require a relocation plan, projects seeking alternative compliance with the City's inclusionary housing ordinance, controversial projects that are appealed to the City Council, and if a project is revised several times during the development review period. Projects that require an EIR or Mitigated Negative Declaration also require additional processing time to comply with the California Environmental Quality Act. Alternatively, qualifying SB9, SB35, and SB330 projects can experience a more facilitated development review process as prescribed by state law.

For projects that do not qualify for approval under SB 9, SB 35, or SB 330, the development review process can extend beyond the typical review times listed in Tables 3.1.5.A and 3.1.13.A. Constraints include uncertainty in the design standards and zoning regulations and as noted above, if legislative approvals are required such as General Plan and zoning code amendments and developments agreements.

Housing Element Policies and Programs (Goals 1 and 10) recognize that further actions should be explored to increase certainty and reduce development constraints. These policies and programs include: adopting objective design standards to increase certainty for single-family and multi-family housing projects; allowing for more administrative approval of projects to further streamline the review process; amending the Development Code to allow for greater flexibility in applying certain zoning standards such as open space, parking, site or building coverage, and setbacks; streamlining the approval of residential subdivisions under the Subdivision Map Act., and adopting an update to the Ravenswood Business District/ 4 Corners Specific Plan with specific development and design policies and zoning standards to facilitate residential and mixed-use projects in the plan area (expected to be completed in phases by March/December 2024).

Table 3	.1.5.A: Permit Types and Levels of Review						
Permit Type	Description	Review Time (approx.)					
Planning Administrative/Staff Level							
Zoning Clearance	Review to determine compliance with Development Code and clear for Building review	2-4 weeks					
Administrative Use Permit	Permit for an allowable use; review to ensure specific use is compatible with other existing or surrounding uses	1-2 months					
Temporary Use Permit	Review to permit specific limited term uses	45 days to 3 months					
Lot split/line adjustment/merger	Creation of multiple lots or a single lot	2-4 months					
Reasonable accommodations	Permit to make modifications to residential properties to accommodate people with disabilities	45 days if no pending land use application, otherwise same as the land use application					
Planning	Public Hearing/Planning Commission Action	1					
Design Review	Review of projects for compliance with provisions of Development Code and architectural design guidelines	2-3 months					
Tentative Map	Review of map required when subdividing a parcel	3-4 months					
Condominium Subdivision*	Review of subdivision for creation of condominiums	3-4 months					
	Building Permit Review						
Building Plan Review	Review plans to determine compliance with Building Code.	30 days					
Planning Review Resubmittal	Re-check of building plans	2 weeks					

\*Requires City Council approval

# 3.1.6 General Plan Findings for Residential Projects

Review and approval of a residential project are based upon findings of consistency with the General Plan. These findings are provided below.

#### For Subdivision Tentative Map (18.52.060 of the East Palo Alto Municipal Code):

- A. The proposed map, subdivision design, and improvements are consistent with the General Plan, any applicable specific plan, and this Article.
- B. *The site is physically suitable for the type and proposed density of development.*
- C. The design of the subdivision and the proposed improvements are not likely to cause substantial environmental damage or substantially and avoidably injure fish or wildlife or their habitat.
- D. The design of the subdivision or type of improvements is not likely to cause serious public health or safety problems.
- E. The discharge of sewage from the proposed subdivision into the community sewer system will not result in violation of existing requirements specified by the California Regional Water Quality Control Board.
- F. The design of the subdivision provides, to the extent feasible, passive, or natural heating and cooling opportunities.
- G. The proposed subdivision, its design, density, and type of development and improvements conform to the regulations of the Development Code and the regulations of any public agency having jurisdiction by law.

#### For Site Plan and Design Review (18.86.050 of the East Palo Alto Municipal Code):

- A. The proposed development is consistent with the General Plan and any application specific plan and complies with all applicable provisions of the Development Code and all other City ordinances and regulations.
- B. The proposed development is to be constructed on a suitable site, adequate in shape, size, topography, and other circumstances to accommodate the proposed development.
- C. The proposed development complies with the applicable standards of review.
- D. The proposed development is designed and arranged to provide adequate consideration to ensure the public health, safety, and general welfare, and to prevent adverse effects on neighboring property.

# 3.1.7 Ministerial Processes and Compliance with Other State Mandates

The City has adapted to changes in state law over the last eight years, incorporating state-mandated ministerial review into Planning review processes for eligible projects and creating forms for applicants to streamline review. These state laws have streamlined the development review process in the City for qualifying projects, particularly by-right projects that are allowed under SB 35, SB 9, AB 101, and ADUs laws.

**SB 35 Projects.** East Palo Alto is subject to the SB 35 Streamlined Ministerial Review Process for projects with a minimum of 10% of units affordable to lower-income households. The Planning Division developed an application checklist and conformance letter for these projects to allow for the City to process the application within the time periods required by state law. As of the date of publication, the City has successfully processed two SB 35 applications, which will enable them to apply for building permits.

**SB 9 Projects.** The Planning Division developed an SB 9 checklist for developers to efficiently determine compliance with the new state law. As of the date of publication, the City has successfully completed reviews for four preliminary SB 9 applications, which will enable them to proceed to apply for building permits.

Accessory Dwelling Units. ADUs and JADUs are processed initially through a Zoning Clearance process to confirm development standards are met. Applicants fill out the Zoning Clearance form as part of their application and can be efficiently cleared for Building review and inspection if they meet all development standards.

**Low-Barrier Navigation Centers (AB 101).** Pursuant to state law, Low-Barrier Navigation Centers (or "LBNCs") are a use by-right in areas zoned for mixed use and nonresidential zones permitting multifamily uses if it meets specified requirements. The single LBNC in East Palo Alto, located at 1836 Bay Rd., is an example of this type of use that was approved ministerially.

**SB 330.** The City is compliant with SB 330, also known as the Housing Crisis Act, by allowing for applicants to submit a "preliminary application" for a residential development; limiting the number of hearings associated with a single project, as provided by the law; processing applications within the timeframes provided by the law; only applying the standards permitted by the law; and adhering to the prohibition of demolition or housing and/or requiring replacement units (when applicable).

**Housing Accountability Act.** The City complies with the Housing Accountability Act (Government Code section 65589.5) in its review of each residential development, and City staff is well-versed in the limitations of local government to deny, reduce the density of, or make infeasible residential developments on any basis except for non-compliance with objective local development standards. The City has committed resources to refining its objective development and design standards to further streamline approval of residential developments and provide clarity to the City's decision-making bodies, including the Planning Commission and City Council, in addition to the general public.

**State Density Bonus law**. The City applies state Density Bonus law in reviewing projects that request additional density, concessions, or waivers pursuant to Government Code Sections 65915 - 65918. Applicants are required to submit a letter to the City with their Density Bonus request. Housing staff works closely with planning staff to implement the local ordinance that implements the state law. The City has processed several applications with a Density Bonus, including 100% affordable housing projects and projects with an inclusionary obligation, and executed multiple Density Bonus agreements.

# **3.1.8 Inclusionary Housing**

On November 19, 2019, the East Palo Alto City Council adopted Ordinance No. 425, the Inclusionary Housing Ordinance (IHO), adding Chapter 18.37 to the City of East Palo Alto Development Code. All residential development projects that create new dwelling units are subject to the IHO. The Inclusionary Housing Plan for a residential development must be submitted concurrently to the Housing Division with the Planning application and is considered in the first round of application review.

For projects with fewer than 5 units, the inclusionary obligation is either payment of a proportional percentage of an in-lieu fee or providing one inclusionary unit on-site. Projects with 5 or more units are required to provide 20% of the total number of units on-site at affordability levels ranging from 35% of the Area Median Income (AMI) to 120% AMI, depending on whether the development is rental or for-sale. Developers may propose an alternative compliance option to the inclusionary requirement, which requires approval by the City Council. This option allows for creativity and flexibility for a developer to propose an alternative solution to meet the IHO and could be a more feasible option for the developer, but it must be determined to be equivalent to the IHO requirements. The table below provides a breakdown of inclusionary housing requirements and compliance options, available on the City's Housing webpage. The IHO's in-lieu fees are updated annually and incentivize developers to build affordable housing units, rather than pay the fees.

The City's Affordable Housing Density Bonus Ordinance is contained in Chapter 18.36 of the East Palo Alto Municipal Code. Per State Government Code Section 65915 et seq., inclusionary units provided through the IHO can also qualify a project for an affordable housing density bonus under Chapter 18.36. The City encourages developers to take advantage of the Affordable Housing Density Bonus Ordinance when providing the minimum 20% inclusionary requirement. Specifically, Section 18.37.060(F) of the IHO states that developers may "submit a written request for a density bonus, waivers, modification of parking standards, or other regulatory incentives pursuant to Government Code Section 65915 et seq., and the provisions of Chapter 18.36 of the East Palo Alto Municipal Code, if the residential development meets all of the applicable requirements to qualify for a density bonus in Government Code Section 65915." Since the IHO works in harmony with the Affordable Housing Density Bonus Ordinance, both ordinances combine to provide an added incentive for more housing development and can reduce governmental constraints through the granting of density bonuses, waivers, and exceptions.

Since the IHO's effective date, several residential development projects with inclusionary units have been successfully entitled or cleared for Building permit review. Smaller development projects, such as those with two units or single-family dwellings with ADUs, have provided deed restricted affordable ADUs as an alternative compliance option to the fee payment requirement.

The City Council adopted the Inclusionary Housing Ordinance in 2018 in response to community input requesting that residents in East Palo Alto who work in maintenance, food service, and administrative jobs, with a median income nearly half of the average median income of the County, also have an opportunity to live in East Palo Alto. The community was seeing exponential increases in housing costs due to the increase in tech industry jobs and the proximity of tech companies (primarily Meta, formerly known as Facebook, in Menlo Park and Amazon in East Palo Alto), and requested the City Council to pass a policy that would ensure new housing developments included housing units affordable to lower income households.

Table 3.1.8.A City of East I	Palo Alto Inclusiona	ry Housing Compliance Options					
Ownership/For-Sale Residential Developments							
COMPLIANCE OPTIONS	OBLIGATION	REQUIREMENT					
On-Site	20%	10% of units at Median Income					
		10% of units at Moderate Income					
Off-Site	25%	13% of units at Median Income					
requires City Council approval		12% of units at Moderate Income					
In-Lieu Fee	25%	\$190,000 per inclusionary unit (FY22-23)					
requires City Council approval							
<b>Rental Residential Developments</b>							
COMPLIANCE OPTIONS	OBLIGATION	REQUIREMENT					
On-Site	20%	5% of units at 35% AMI					
		10% of units at 50% AMI					
		5% of units at 60% AMI					
Off-Site	25%	7% of units at 35% AMI					
requires City Council approval		12% of units at 50% AMI					
		6% of units at 60% AMI					
In-Lieu Fee	25%	\$259,000 per inclusionary unit (FY22-23)					
requires City Council approval							

Source: FY 22-23 fees. See City of East Palo Alto Inclusionary Housing webpage, available at <u>www.cityofepa.org/housing</u>

The table below is an inclusionary housing policy comparison across San Mateo County. As shown, East Palo Alto's IHO fits within the typical 15-20% inclusionary requirement range for both for-sale and for rent housing developments.

The IHO has provided the City with tools that help meet the City's regional housing needs allocation (RHNA) goal for constructing lower-income units, and affirmatively furthers fair housing by promoting integration of lower-income households with higher-income households. However, residential developers have identified the City's IHO as a major constraint that impacts the financial feasibility of their projects due to the inclusionary housing level and the affordability levels. This may be further exacerbated by market conditions outside of the City's control. As a result, the IHO allows developers to propose Alternative Compliance Options if developing units on-site is not feasible, and encouragers developers to build the affordable housing units rather than pay the in-lieu fees. Developers of recently entitled projects have included approval of an Alternative Compliance Option to increase the feasibility of their project (further described in Appendix D, Sites Inventory) which substituted the 20 percent on-site inclusionary housing requirement with development of an off-site affordable senior housing project of up to 89 units and on-site replacement of 160 rent-stabilized units that would be demolished upon construction of the approved project. Other entitled projects with an approved Alternative Compliance Option are noted in Appendix D (717 Donohoe, 120-128 Maple Lane, and 270 Lincoln.)

The City acknowledges that along with evaluating the appropriate Compliance Option for each residential project, a periodic assessment of the IHO should be conducted to evaluate changing market and financing conditions and rising development costs. The assessment might suggest the need to adjust the compliance options in Table 3.1.8.A or allow for greater flexibility in applying these options. Housing Element Program 9.6 has been added to conduct a financial feasibility analysis of the IHO during the 6<sup>th</sup> cycle Housing Element period with consideration of amendments to increase project feasibility, reduce financial constraints, and modify the Alternative Compliance Options.

Table 3.1.8.B Local Jurisdictions in San Mateo County with Affordable Housing Policies and Fees

Jurisdiction	Commercial linkage fee	Residential impact fee	Inclusionary policy: For-sale homes	Inclusionary policy: For-rent homes
Belmont	~	~	15%	15%
Brisbane			15%	_
Burlingame	~		-	_
Colma	~	~	20%	_
Daly City		~	15%	_
East Palo Alto	~	~	20%	15%
Foster City	~		20%	20%
Half Moon Bay			20%	20%
Menlo Park	~		15%	15%
Millbrae			_	_
Pacifica			15%	15%
Redwood City	~	~	15%	20%
San Bruno	~	~	15%	_
San Carlos	~	~	15%	_
San Mateo	~	~	15%	10% very low, 15% moderate
South San Francisco			20%	10%
Unincorporated San Mateo County	~	~	20%	20%

Source: Housing Leadership Council of San Mateo County, Building on Success: How San Mateo County can Meet the Need for Affordable Homes, Table 5, https://hlcsmc.org/data/.

# **3.1.9 City Local Tax Measures**

As discussed in Section 2.12, Potential Funding Sources to Preserve Affordable Housing, the City has committed to establishing an on-going local funding source for affordable housing production and preservation, fair housing programs, anti-displacement services, and workforce development programs through several voter-approved tax measures: Measures O, HH, and most recently Measure L. As opposed to impact fees that are one-time fees that are due at building permit issuance, the tax measures are annual taxes that are assessed and paid annually by property owners. Measures O and L are a business tax on rental property, while Measure HH is a parcel tax that applies only to large office development over 25,000 square feet. The Measures O and L business taxes affect the financial feasibility of projects so can be considered an impediment to residential development. However, these measures are also important tools for providing on-going financial resources to achieve many of the housing and fair housing programs in the City's Housing Element.

# **3.1.10** Accessory Dwelling Units

The City adopted Ordinance No. 08-2020 on November 17, 2020, updating the City's Development Code to reflect recent changes in state law. Applicants for ADUs and JADUs submit a Zoning Clearance application, available on the City's Planning website, to confirm that all development standards are met. Once cleared by the Planning Division, the applicant may proceed to apply for a Building permit.

As a ministerial action, the Zoning Clearance process has significantly reduced processing times for ADUs and JADUs, with turnaround time on complete applications within a few days to a week. The majority of processing time is required for the Building permit phase, and can vary significantly depending on the project, the number and length of time between resubmittals, and the time required to obtain approvals from outside agencies such as Menlo Park Fire Protection District and East Palo Alto Sanitary District.

The number of ADU applications has also increased significantly since the start of 2020, with 30 Building permits issued in 2021 versus 13 in 2020.

In November 2022, the City Council directed staff to update the City's ADUs regulations to comply with recently adopted state laws and to explore other approaches for facilitating the construction of ADUs. Possible approaches include relaxing zoning standards or allowing for exceptions; waiving, reducing, or deferring applicable permit and impact fees; improving information resources for homeowners; and pre-approving model plans for ADUs as an option for homeowners. This project is currently being implemented by staff and is expected to be completed by early 2024 with recommendations for City Council adoption.

# **3.1.11 Public Works and Engineering Review**

The Public Works and Engineering Division reviews all residential development applications in the Design Review phase and following Planning entitlements. Engineering issues permits for on- and off-site improvements and grading, calculates City impact fees, and reviews tentative maps prior to Building Division review. This includes the subdivision improvement agreement, which lays out the public improvements, installation of utilities, grading, and drainage will be completed on the property.

Several City requirements for providing on- and off-site improvements apply to housing development, such as:

- Green infrastructure
- On-site Low Impact Development (LID) improvements
- Street right-of-way dedications
- Street frontage improvement (e.g., curb, gutter, sidewalks, and streetlights)
- Water line improvement, including the water main installation along the property frontage and lateral service line with meter boxes and fire hydrants
- Sanitary sewer main installation along property frontage and lateral service lines; each parcel must be served by sanitary sewer or an individual sewage disposal system
- Storm water drainage lines along property line street frontage
- Street trees
- Regulated street widths for public urban residential roads, varying from 18 feet for a residential one-way loop to 40 feet for a residential collector
- Water, provided through a connection to a water supply system or through establishing a new water system; if neither is feasible, the Planning Director may allow the subdivider to provide water through an on-site well.

# **3.1.12 Building Division Review**

The Building Division of the City of East Palo Alto enforces the Residential Building Code for the City of East Palo Alto, which is found in Chapter 15 of the East Palo Alto Municipal Code. This Chapter adopts the most recent California Residential Building Code (California Code of Regulations, Title 24) by reference effective on January 1, 2023, which was adopted by the City in December 2022. No local amendments were adopted; however, refer to discussion of the Reach Code below. A Building permit is required prior to beginning any construction, reconstruction, addition, conversion, or alteration covered under the adopted California Codes.

The Building Division ensures that all new dwelling units meet all of the latest construction and safety standards. The Division enforces building, plumbing, mechanical, electrical installations, accessibility, and energy compliance. Building permit first plan checks are typically completed in less than 30 days unless the

project is complex or requires alternative means solutions. Resubmittal plan checks usually require less review time. Building inspections for construction permits are scheduled within 24 hours to several days of requests depending on staff availability and level of construction activity,

Complaints regarding construction activities or suspected unpermitted construction are responded to as complaints are reported from the public or are noticed by City staff as part of other regular activities. Building staff will refer enforcement cases to other City departments such as Planning, Public Works, or Police or to the Menlo Fire District as needed. When a code violation is reported, staff will immediately investigate and open a code enforcement case to track the violation. The preference for resolving a violation is to gain the cooperation of the property owner or tenant without the need for a citation. In most cases, violations are resolved amiably, but City staff will pursue more progressive enforcement and seek advice from the City Attorney's Office if needed.

#### REACH Codes

Since the adoption of the RHNA 5 Housing Element, the City has adopted stricter standards to reduce carbon emissions, known as the Building Electrification and Electric Vehicle Infrastructure REACH Codes Ordinance. This Ordinance (07-2020), adopted in October 2020, amends East Palo Alto Municipal Code Chapter 15 to include REACH Codes that apply to California Energy Code and Green Building Code. The REACH Codes mandates electrification and electric charging infrastructure for all new construction projects. The EPA Reach Codes focuses on new residential, commercial, and multifamily buildings seeking building permits after January 1, 2021. The ordinance did not apply to additions or alterations. The East Palo Alto REACH Codes were approved by the California Energy Commission on December 9<sup>th</sup>, 2020, and took effect on January 1<sup>st</sup>, 2021, on all new submissions for new construction. Learn about the REACH Code updates <u>here</u>.

As part of adoption of the 2023 Building Code, the City Council also adopted amendments to the REACH Codes on March 21, 2023, which is contained in Title 15 (Buildings and Construction) of the EPA's <u>Municipal</u> <u>Code Chapter 15</u>. The amended Reach Codes reduce some of the exemptions allowed in the previous version. The new REACH Codes went into effect in June 2023 and are summarized in Table 3.1.12.

# Table 3.1.12 Summary of 2023 Reach Code Requirements

	Building Electrification	EV Infrastructure
Single Family Homes and Townhouses with Private Garages	All electric. Exceptions: • No prescriptive compliance path • Physical constraints	One Level 2 (dryer plug/220volt) + One Level 1 (110volt) Single space garages to have one Level 2 charging. Exception for ADUs. Exception allowed if utility infrastructure installation cost exceeds \$400/dwelling for tax credit-financed affordable housing
Multifamily	All electric. Exceptions: No prescriptive compliance path Central water heating in entirely affordable building Domestic water heating projects granted entitlements Physical constraints	<ul> <li>40% of units with parking spaces, Level 2 EV Charging Stations (EVCS);</li> <li>60% of units with parking spaces, Level 1 EV Ready.</li> <li>Exceptions:</li> <li>Planning entitlements if installation cost exceed \$4,500/space for market rate or \$400 /space for affordable</li> </ul>
Nonresidential All electric. Exceptions: No prescriptive compliance path Restaurants, cafeterias Emergency operation centers Physical constraints		Offices: 20% Level 2 EVCS 30% Level 2 EVCS 0ther non-res: 10% Level 2 EVCS 10% Level 2 EVCS 10% Level 2 EV Capable Exceptions: If installation cost exceeds \$4,500 /space Automated mechanical car parking systems

# **3.1.13 Total Processing Times for Residential Projects**

The development review and permit process allow the City to ensure that residential development is accomplished in an orderly manner and complies with adopted development regulations and building standards. This process can potentially act as a constraint to development if the associated time delays or costs place an undue burden on the developer.

As outlined above typical process varies depending on whether the process is ministerial or discretionary; the main difference is the addition of a review and decision by the Planning Commission and/or City Council and the associated mandatory due process and noticing requirements, CEQA review, and provision for potential appeals. If an applicant is submitting an application for an ADU, an SB 35 project, an SB 9 project, or other state-mandated ministerial review, the process is administrative. City staff reviews the application for compliance with objective standards, works with the applicant to address comments, and approves the application if the comments are addressed.

East Palo Alto requires developers to obtain a series of approvals, or entitlements, before constructing any new development in the City, in order to ensure that new development is consistent with the City standards of development, design, subdivision, health and safety. The entitlement process can be lengthy depending on the environmental analysis required for the project and requires payment of Planning Division permit and Engineering and Building Division plan check and permit fees.

Applicable submittal requirements for all application types are outlined in the Development Code and in the Planning Division's "Submittal Checklist" handouts. All applications, submittal requirements, and fee information are available on the City's website, in each division's page: Planning, Engineering, Building and Housing. The City's practice, in the interest of streamlining the development review process, is to request that the Planning Commission review all concurrent development applications pertaining to a particular site as a whole even if only one of the applications would otherwise be subject to the Planning Commission (for example, an application for a rezoning is typically taken to the Commission along with a subdivision, design review and other entitlements). The Planning Commission typically meets twice each month, and projects subject to a CEQA categorical or statutory exemption typically do not delay the project further. The table below shows average total processing times for "typical" residential projects:

	3.1.13.A: Average Processing				
Туре	Assumed Possible Actions	Planning Approval Body	Typical Length of Time for Planning Approval	Building Approval Body	Length of Time for Building Approval
ADU/JADU	Zoning Clearance and Building review/inspection	Ministerial	1 month	Ministerial	30 days first review; 2 weeks resubmittals
Single Family (1 unit)	Administrative Design Review, Site Plan Review, Building review/inspection	Administrative	3-6 months	Ministerial	30 days first review; 2 weeks resubmittals
	Tentative Map Review, Design Review, CEQA – Categorical Exemption, On/Offsite Improvements, Building review/inspection	Ministerial, Administrative or Planning Commission	<ul> <li>1-2 months for SB9 (HOME Act) projects</li> <li>3-6 months for less complex projects</li> <li>6-12 months if Initial Study required, consultant team, etc.</li> </ul>	Ministerial	30 days first review; 2 weeks resubmittals
Large Multiple- Family (no legislative action required)	Tentative Map Review, Design Review, CEQA – Categorical Exemption, major grading, On/Offsite Improvements, Building review/inspection	Ministerial, Administrative or Planning Commission	Up to 3 months for SB35 projects 6-18 months depending on project complexity	Ministerial	30 days first review; 2 weeks resubmittals
Large Multiple- Family (legislative action required)		Planning Commission and City Council	12-24 months depending on project complexity	Ministerial	30 days first review; 2 weeks resubmittals

*Note:* For planning processing, assume 30 days for initial review, 30 days upon resubmittal for Planning and 30 days initial review and 2 weeks maximum upon resubmittal for Engineering or Building.

There are several other typical actions not included in the "assumed actions" above that may affect a project's timeline but are not directly related to staff processing of the application.

For example, Planning Commission approval is required for midsize to large projects not subject to ministerial review (SB 35 projects, ADUs/JADUs); single-family homes are reviewed administratively. Allotting time to each development on the Planning Commission agenda with a limited number of meetings and several developments in the queue can increase the amount of time a project requires to obtain Planning approval.

Similarly, the City's community outreach policy,<sup>2</sup> which was adopted in May 2019, requires developers to engage in different levels of outreach based on the size of their project. While community outreach is a

necessary and desired component of the development process, it is incumbent upon the applicant to fulfill these requirements, and they must do so in a timely manner.

The City encourages a preliminary review process for complex projects, which enables discussions with staff and the decision makers early in the process. The intent is to provide early feedback to facilitate the formal review process. The early discussion provides developers with clear direction to allow them to modify a project to achieve approval.

A typical review process for residential projects typically starts with informal preliminary discussions with staff. For a single-family residence, an applicant would submit an administrative level design review application. Planning staff will complete a thorough review, with input from Building, Public Works, and outside agencies, such the Fire Department, within 30 days. An initial comment letter would be issued. An approval letter would be issued once an applicant has resolved all outstanding issues. As shown below in Table 3.1.5.A, such projects are typically completed within two months. For multi-family projects, staff will also issue an initial comment letter within 30 days. However, an interdepartmental review committee meeting is typically held just before the letter is issued to provide a forum to provide early feedback to applicants and to allow them to ask staff questions. Once an applicant responds to the outstanding issues, a project would be scheduled to be heard by the Planning Commission. If approved, an approval letter would be issued immediately after the public hearing. This process can take two to four months, depending on the complexity and if subdivision is also proposed.

The estimated time between the issuance of the planning entitlement and the submittal of a building permit application can vary based on the complexity of the project. This can include preparation of technical documents, fulfilling conditions of approval and financing. For typical single-family projects, building permit applications are submitted within a month, which includes the required appeal period. For more complicated multifamily projects, the time between the planning entitlement and the submittal of a building permit application tends to vary between one to three months. However, the timeframe recently has been delayed more due to both the Covid-19 pandemic, outside agencies, availability of financing, and broader economic challenges.

The above timeframes may still reflect unforeseen delays due to several additional factors, both internal and external. As with all jurisdictions processing unprecedented numbers of development applications, City staff has made strides towards processing of ADUs and other types of Zoning Clearance, such as SB 35 projects, but staff also continue to seek ways to improve processing of applications. So far, the City has approved one multi-family housing project with a comprehensive tenant relocation plan, inclusionary housing obligation, and General Plan and zoning changes that took more months than provided. Beyond processing times, it is necessary to acknowledge that outside agency review times and infrastructure demands, as discussed above, have placed delays on projects, in some cases by months to years.

# 3.1.14 Cumulative Impact of Development Standards on Development of Housing

Considering the above development standards and required review processes for different types of residential projects, there is clearly a relationship between the project's requirements and the length of processing time. More complex projects require multiple levels of review—some relating to the City's Development Code, and others relating to outside agencies, the need for environmental review, or the completeness of a development application – and so require additional time for approval.

The City has committed to updating the Development Code to further clarify and streamline residential development review, including through the adoption of objective development and design standards. These can be found in the Policies & Programs section under *Goal 1 – Create more housing opportunities, and more housing that is affordable to East Palo Alto residents,* and they are intended to remove barriers to housing development that are within the City's control while balancing the need for robust community input and adhering to the goals of the General Plan.

During the period of high development activity from 2019 to the present, smaller projects have also seen lengthier processing times than usual due to limitations on staffing and other resources. However, staff experience with processing ADUs and other ministerial review processes continues to lead to improvements in this area. The Policies & Programs section addresses further activities that City staff commit to completing over the coming eight-year period, under *Goal 1 – Create more housing opportunities, and more housing that is affordable to East Palo Alto residents*. The City also added a goal to increase staffing capacity to help shorten processing times. The Planning Division has recently become fully staffed while the Housing and Building divisions are actively recruiting to fill the remaining vacancies.

### **3.1.15 Permitting Fees and Impact Fees**

The City charges processing fees for each type of development permit and fees to mitigate the impacts of development on the City's infrastructure. These fees are posted on the City's website in compliance with the requirements of Gov. Code 65940.1(a)(1)(A). High planning and site development fees can impact property owners' ability to make improvements or repairs. However, line item fees related to processing, inspections and installation services are limited by California law to the cost to the agencies performing these services. City zoning, through State Density Bonus Law and the Affordable Housing Overlay zoning, provides various incentives for affordable housing as a way to reduce project costs and address actual and potential constraints that fees and exactions may impose.

The fees for the City of East Palo Alto are summarized below in Tables 3.1.15.A and 3.1.15.B for three typical developments: (1) a 2,000 square-foot single-family unit on a .11 acre lot; (2) a 15,000 square-foot, 10-unit for-rent multi-family on an 0.7 acre lot; (3) an 80,000 square-foot, 100-unit for-rent multi-family project (with 800 square feet per unit) on a 2.5 acre lot; and (4) a 750 square foot detached accessory dwelling unit.

## Tables 3.1.15.A and 3.1.15.B Hypothetical Residential Projects for Calculating City Permit and Development Impact Fees

Project	Number of Units	Average Dwelling Size (sq. ft.)	Total Livable Sq Ft	Assumed Density (units/acre)	Site Size (acres)	Value*
Single-family Home	1	2,000	2,000	n/a	0.11 (5,000 sq. ft.)	\$900,000 or greater
Townhouse Project	10	1,500	15,000	14	0.7	\$5M (\$500K per unit)
Multi-family Project	100	800	80,000	40	2.5	\$12M-\$40M
ADU Unit	1	750	750	n/a	n/a	\$195,000

\*Valuation for Building may differ based on International Building Code costs used.

,	Table 3.1.15.A City Permit and Development Impact Fees by Project Type					
Fee	Single-Family	10-Unit Multi- Family	100-Unit Multi-Family	Accessory Dwelling Unit (Detached 750 sq ft+ = charge)	Agency Paid To	Comments
Planning						
Design Review	\$4,313	\$13,862	\$13,862	n/a	City of East Palo Alto	n/a
Environmental Review	n/a	\$7,701	\$24,643	n/a	City of East Palo Alto	n/a
Zoning Clearance (Administrative Review)	n/a	n/a	n/a	\$618	City of East Palo Alto	n/a
Zone Change (if needed)	n/a	\$20,023	\$20,023	n/a	City of East Palo Alto	n/a
General Plan Amendment (if needed)	n/a	\$20,023	\$20,023	n/a	City of East Palo Alto	n/a
Tentative Map (4 lots or less) (if proposed)	n/a	n/a	n/a	n/a	City of East Palo Alto	n/a
Tentative map (5-25 lots) (if proposed)	n/a	\$21,563	n/a	n/a	City of East Palo Alto	n/a
Tentative map (>25 lots) (if proposed)	n/a	n/a	\$41,893	n/a	City of East Palo Alto	n/a
Building						
Building Permit Processing Fee	\$303	\$303	\$303	\$303	City of East Palo Alto	Flat fee of \$303
Building Plan Check Fee	\$1,818	\$22,974.69	\$46723.25	\$1,251.39	City of East Palo Alto	Valuation determined using International Building Code. \$150.87/sq ft for one and two-family residential (ADU included) \$139.06/sq ft for multiple family
Building Permit/Inspection	\$27,22	\$35,546.19	\$99,276.45	\$1,499.02	City of East Palo Alto	Valuation determined using International Building Code.

Building State Fees – State CA Green Building Fee	\$13	\$142	\$445	\$6	California Building Standards	\$150.87/sq ft for one and two-family residential (ADU included) \$139.06/sq ft for multiple family \$1 for permits with valuations up to \$25,000. Additional \$1 for each
Building State Fees – State Strong Motion Fee	\$39.23	\$980.70	\$3,114.94	\$14.71	Commission California Department of Conservation	additional \$25,000. Valuation amount in 0.00013=fee amount; minimum fee of \$0.50 for any valuation up to \$3,850
Engineering/Public Works						
Grading Plan Review	\$2,820 Assuming < 50 Cubic Yards	\$5,641 Assuming 101 - 500 Cubic Yards	\$16,922 Assuming >501 Cubic Yards	Typically, no grading permit needed	City of East Palo Alto	The grading plan review charge is dependent on the cubic yards (cut +fill) total, so these numbers are estimates
Grading Inspection	\$2,821 Assuming < 50 Cubic Yards	\$16,922 Assuming 101 - 500 Cubic Yards	\$22,510 Assuming >500 Cubic Yards	Typically, no grading permit needed	City of East Palo Alto	The grading plan review charge is dependent on the cubic yards (cut +fill) total, so these numbers are estimates
Impact Fees						
Impact Fees - Parks & Trails	\$4,856	\$3,345 x 10	\$3,345 x 100	\$1,942	City of East Palo Alto	
Impact Fees - Public Facilities	\$8,516	\$5,866 x 10	\$5,866 x 100	\$3,406	City of East Palo Alto	
Impact Fees - Storm Drainage (Inside RBD)	\$5,686	\$142,168 per Impervious Acre	\$142,168 per Impervious Acre	\$2,274	City of East Palo Alto	
Impact Fees - Storm Drainage (Outside RBD)	\$3,289	\$82,246	\$82,246	\$1,315	City of East Palo Alto	

		Per Impervious	Per Impervious			
		acre	acre			
Impact Fees - Transportation	\$2,770	\$2,085 x 10	\$2,085 x 100	\$1,107	City of East Palo Alto	
Impact Fees - Water Capacity	\$9,573	\$5,891 x 10	\$5,891 x 100	\$5,891	City of East Palo Alto	
Other						
Sewer	East Palo Alto: \$6,060 (connection fee) + \$1,400 (plan check fee, sewer service charge, permit application fee) Comparison: West Bay Sanitary District: \$8,501 (connection fee) + \$380 (development fee)	\$1,400 (plan check fee, sewer service charge, permit application fee) Comparison: West Bay Sanitary District: \$8,501 (connection fee) Fair Oaks:	\$6,060 (connection fee) + \$1,400 (plan check fee, sewer service charge, permit application fee) Comparison: West Bay Sanitary District: \$8,501 (connection fee) Fair Oaks:	Connection fees are charged proportionate to the burden of the ADU compared to the primary dwelling. East Palo Alto	East Palo Alto Sanitary District	Cost varies depending on Sanitary District. Cost varies depending on Sanitary District. Charges for Fair Oaks assumes 1" for single family and 2" for multifamily.
		\$24,612 (connection fee) + \$380 (development	\$24,612 (connection fee) + \$380 (development			
School	\$8,160	\$61,200	\$326,400	\$3,060	Ravenswood School District	\$4.08 per sq ft if more than 500 sq ft (effective July 2022) - same across Belmont, Las Lomitas, Menlo Park, Portola Valley, Ravenswood,

						Redwood City, San Carlos, and Woodside
Fire	\$427	\$427	\$427	\$427	Menlo Fire	Includes site review and
					Protection	assumes one resubmittal
					District	

Source: City of East Palo Alto FY 2022-2023 Master Fee Schedule; East Palo Alto Sanitary District; Ravenwood School District; Menlo Fire District.

	Table 3.1.15.B: Fees by Residential Dev		
	Single Family Home	e Residential	
Planning – Entitlements	Building – Construction	Impact Fees	Other Agency Fees
(~\$4,542)	** (~\$4,895)	(~\$33,681)	
Administrative Design	Processing	See table below	Menlo Park Fire Protection District (\$427)
Review	Plan Check		• Sequoia Union High School District (\$4.08
• Engineering Design Review			per sq ft)
support	<ul> <li>Engineering Offsite Improvements</li> </ul>		• East Palo Alto Sanitary District (~\$7,460)
Building Design Review	• Engineering Review of Building Permit		
support *	Address Assignment (per unit)		
	10-Unit Multifamily	Development	
<b>Planning – Entitlements</b>	<b>Building – Construction</b>	Impact Fees	Other Agency Fees
(~\$14,597)	(~\$59,947)	(~\$525,621)	
Planning Application Fees	<ul> <li>Engineering Grading Permit</li> </ul>	See table below	Menlo Park Fire Protection District (\$427)
Engineering Review	• Engineering Review of Building Permit		<ul> <li>Sequoia Union High School</li> </ul>
<ul> <li>Building Design Review*</li> </ul>	Multi-Family		District (\$4.08 per sq ft)
• CEQA	Building Processing Fee		• East Palo Alto Sanitary District (~\$7,460)
	Building Plan Check		
	Building Inspection		
	• Final Map		
	100-Unit Multifamily	· ·	
Planning – Entitlements	Building – Construction	Impact Fees	Other Agency Fees
(~\$14,597) <sup>15</sup>	(~\$148,194)	(~ \$2,093,821)	
Planning Application Fees	Engineering Grading Permit	See table below	• Menlo Park Fire Protection District (\$427)
Engineering Design	• Engineering Review of Building Permit		Sequoia Union High School
Review	Multi-Family		District (\$4.08 per sq ft)
Building Design Review*	Building Processing Fee		• East Palo Alto Sanitary District (~\$7,460)
• CEQA	Building Plan Check		
	Building Inspection		
	Final Map		

Table 3.1.15.B summarizes the typ	es of fees that are typical	lv required for common resid	ential development types:

Notes:\* A Planning entitlement/permit (Design Review) is not required when SB 9 or SB 35 is applied.

\*\* Based on typical square footage.

<sup>&</sup>lt;sup>15</sup> Fee is assuming there is no Zoning or General Plan update.

### Permitting Fees

Planning and application fees offset the costs the City incurs in the development review process. All current planning and permit fees as adopted by City Council are included in the Master Fee Schedule, available at: <a href="https://www.cityofepa.org/finance/page/comprehensive-fee-schedule">https://www.cityofepa.org/finance/page/comprehensive-fee-schedule</a> and in the tables below.

### **Outside Agency Fees**

Development review and impact fees are collected by agencies separate from the City and must be paid prior to issuance of a Building permit. These include school district fees, fire district fees, and sanitary district fees. Sequoia Union High School District, Menlo Park Fire Protection District, and East Palo Alto Sanitary District are responsible for these fees and applicants are required to contact each agency for a fee estimate for their project.

### Sanitary District Fees

The East Palo Alto Sanitary District (EPASD) is in the process of updating its fees, so current fees vary greatly by project. According to the 2019 EPASD Fee Schedule, connection fees are \$6,060.<sup>16</sup> There is an additional cost of \$1,400 for the plan check fee, sewer service charge, and permit application fee. Neighboring West Bay Sanitary District charges a connection fee of \$8,501,<sup>17</sup> and Fair Oaks Sewer Maintenance District charges a connection fee of \$8,501,<sup>18</sup> Based on these fees, EPASD's 2019 fees are comparable to other sewer districts' fees.

### Development Impact Fees

The City collects development impact fees to fund capital infrastructure projects or public facilities costs attributable to development impacts. Development impact fees are typically due at the time of building permit issuance. The legal requirements for enactment of an impact fee program are set forth in Government Code Sections §66000 – 66025 (the "Mitigation Fee Act"), also commonly referred to as AB 1600.

In July 2020, the City Council adopted Resolution No. 108-2020, the first major revision of the City's Comprehensive Fee Schedule, effective September 20, 2020. Development impact fees are studied and adopted separately from user and regulatory fees and are generally amended annually by the change in the Construction Cost Index, or CCI, published by Engineering News Record. Since 2020, the City's development impact fees have risen annually by this amount. Most recently, in FY 2022-23, development impact fees increased by 8.9%,

<sup>&</sup>lt;sup>16</sup> https://www.epasd.com/home/showpublisheddocument/3232/636930162743300000

<sup>&</sup>lt;sup>17</sup> https://westbaysanitary.org/wp-content/uploads/2021/07/CODE-OF-GENERAL-REGULATIONS-revised-07-01-2021.pdf#page=49

<sup>&</sup>lt;sup>18</sup> https://www.fowd.com/rates-fees

in accordance with CCI. The authorizing Municipal Code section and resolution adopting each fee is summarized in the table below:

Table 3.1.15.C: Authorizing Municipal Code and Resolutions by Fee Type					
<b>Fee Type</b>	• •	Authorizing Fee Setting and Annual Increase			
Parks & Trails					
Public Facilities					
Storm Drainage:	13.28.040	Reso – 5093 & MC – 13 .28.100			
Inside Ravenswood Business District	15.28.040				
Outside Ravenswood Business District					
Transportation					
Water Capacity	13.24.100	Reso - 5004			
Affordable Housing Commercial Linkage	18.40.010	Reso - 118-2020			

Projects Subject to Impact Fees

The table below shows the types of development projects that are subject to each of the development impact fees, and the amount in FY 2022-23: It should be noted that state law exempts development impact fees for Accessory Dwelling Units (ADUs) less than 750 square feet in size and the City does not impose impact fees on attached ADUs, so the ADU fees listed below only apply to detached ADUs exceeding 750 square feet. Additionally, ADUs fees are set based on a proportion of the fees charged for new single-family dwellings.

Table 3.1.15.D: Development Impact Fees					
<b>Fee Type</b>	How It Is Charged	Development Type	Amount		
<b>Commercial Linkage</b>	Per Square Feet (sq ft)	Office/Medical/R&D above 10,000 sq ft	\$12.81		
Parks & Trails	Per dwelling unit	Detached ADU	\$1,885.61		
		Single Family	\$4,714.61		
		Multifamily	\$3,247.64		
<b>Public Facilities</b>	Per dwelling unit	Detached ADU	\$3,306.96		
		Single Family	\$8,267.96		
		Multifamily	\$5,695.63		
		Detached ADU in RBD*	\$2,208.45		
	family and ADU	Single Family in RBD	\$5,521.10		
		Detached ADU outside RBD	\$1,277.61		
		Single Family outside RBD	\$3,194.03		
	1	In RBD	\$138,027.50		
	other land uses	Outside RBD	\$79,850.62		
Transportation	Per dwelling unit	Detached ADU	\$1,075.70		
		Single Family	\$2,689.83		
		Multifamily	\$2,024.79		
Water Capacity	Per dwelling unit	Detached ADU	\$5,719.58		
		Single Family	\$9,293.47		
		Multifamily	\$5,719,58		

\*Note: Ravenswood Business District/4 Corners Specific Plan Area

The current Development Impact Fees can be found in the City's Master/Comprehensive Fee Schedule, which is published online on the City website: <u>https://www.cityofepa.org/finance/page/comprehensive-fee-schedule</u>

The City will be reevaluating its development impact fees for residential and non-residential development in 2024 and adjusting these fees to reflect updated capital improvement projects and cost estimates. A nexus study will be conducted as well as a financial feasibility analysis. The nexus study will determine the fair share allocation for developers to fund capital improvement projects. The financial feasibility analysis will assess the impact of development impact fees and other City obligations, including inclusionary housing requirements and housing linkage fees, on the financial feasibility of future projects. This analysis will provide useful information for a subsequent assessment of the Inclusionary Housing Ordinance (see Chapter 6, Program 9.6).

### Fee Comparisons across Jurisdictions in San Mateo County

The table below shows a comparison of East Palo Alto's responses with the other jurisdictions in San Mateo County to a survey conducted by 21 Elements in preparation for the Housing Element. The responses were

provided for single family homes, a prototypical 10-unit multiple-family building, and a prototypical 100-unit multiple-family building.

Table 3.1.15.E: Fee Comparison Across Jurisdictions in San Mateo County					
Jurisdiction	Single Family	Small Multiple-Unit	Large Multiple-Unit		
Atherton	\$15,941	No Data	No Data		
Brisbane	\$24,940	\$11,678	No Data		
Half Moon Bay	\$52,569	\$16,974	No Data		
Hillsborough	\$71,092	No Data	No Data		
Pacifica	\$33,725	\$40,151	No Data		
Portola Valley	\$52,923	No Data	No Data		
Woodside	\$70,957	\$82,764	No Data		
Redwood City	\$20,795	\$18,537	\$62,696		
Millbrae	\$97,756	\$6,824	\$55,186		
San Mateo	\$99,003	\$133,658	\$44,907		
San Bruno	\$58,209	\$72,148	\$39,412		
South San Francisco	\$81,366	\$76,156	\$32,471		
Burlingame	\$69,425	\$30,345	\$23,229		
East Palo Alto	\$80,866	\$30,812	\$19,181		
Colma	\$6,760	\$167,210	\$16,795		
Daly City	\$24,202	\$32,558	\$12,271		
Foster City	\$67,886	\$47,179	\$11,288		
Unincorporated San	\$36,429	\$27,978	\$10,012		
Mateo County					

Source: 21 Elements Fee survey; East Palo Alto. (Note that this survey was conducted in 2021 and contains fees from FY 2021-22).

As is shown above, East Palo Alto's fees for multiple-family units fall within the mid- to lower range, while the per-unit single family home fee is among the higher fees. This may be attributed to the City's Inclusionary Housing In-Lieu Fee, a portion of which is required for a single-family development and are most easily calculated for this type; it is unclear if inclusionary fees were assumed in other jurisdictions. Please note that the fee survey did not include outside agencies' fees, such as school districts, fire districts, or sanitary districts.

21 Elements placed these costs into the context of total development costs for multiple-family housing in the area, based on a report by Century Urban.<sup>3</sup> Based on the estimated development costs, East Palo Alto's fees comprise approximately 4% of those costs for all three development types. This is comparable to other jurisdictions.

# 3.2 INFRASTRUCTURE CONSTRAINTS

East Palo Alto has a long history of inadequate investment in infrastructure that is rooted in the origins of the community. After World War II, many African American families sought to settle in San Mateo County and were faced with severe exclusionary and discriminatory policies from surrounding communities which included: real estate and finance redlining practices; deed restrictions that prohibited the sale of homes to people of color; and blockbusting stoked by racial fears. One of the few areas where African American families could settle was an unincorporated area in southern San Mateo County that became known as East Palo Alto. The differences between East Palo Alto and its affluent neighboring communities were glaring and stark and are still present today. The disparities are not only economic and demographic in nature. The unincorporated East Palo Alto community suffered from neglect and inequitable investment in essential community services, facilities, and infrastructure improvements to serve its residents. Disenchanted with the inequities in government representation and public investment, East Palo Alto residents fought for self-governance and voted to incorporate in 1983. After a lengthy legal battle, the newly formed city inherited a low tax base with aging, substandard, and inadequate infrastructure.

It was not until the 1990's that interest in private economic investment occurred which is prominently represented by the construction of the Ravenwood 101 Retail Center and, shortly thereafter, the Ikea store abutting State Highway 101. More recently, interest in affordable housing and employment uses have significantly increased in East Palo Alto. However, the legacy of inadequate infrastructure continues to be a critical challenge. In order to accommodate existing residents and future development, that City has successfully obtained state and federal grants to fund major infrastructure and flood protection improvements. The City continues to seek financial resources for its capital improvement program, and substantial but limited General funds are earmarked for servicing, maintaining, and repairing the City's aging utility and roadway networks. In 2019, the City also adopted development impact fees (transportation, stormwater, water system, and public facilities) through a fair share allocation study to partially finance the infrastructure requirements for future development. While these impact fees are recognized as a government constraint which affects project feasibility, residential and non-residential projects cannot occur without the prerequisite infrastructure upgrades. The Housing Element includes policies and programs to actively seek resources to offset on and off-site project development constraints.

# 3.2.1 Capital Improvement Program and Funding

The City of East Palo Alto's capital needs are broad and extensive, and includes utilities, transportation, parks, and public facilities improvements. The City's 10-year Capital Improvement Program (2020) and immediate 2-year Capital Improvement Plan (2022) outlines project priorities, a general phasing schedule, and a funding strategy for the City's priority capital improvement needs. Because East Palo Alto encompasses a compact 2.5-square mile area, projects directly or indirectly benefit all city residents and businesses. The Capital

Improvement Program (CIP) includes specific improvement projects envisioned in the General Plan and identifies sources of funding (although funding remains to be obtained for many projects.)

The CIP is categorized into the following service areas: 1) Streets and Transportation; 2) Community Facilities; 3) Parks and Open Spaces; 3) Storm Drain; 4) Water Supply; 5) Water Distribution; and 6) Special Projects. The City maintains its priority to protect its residents and their properties. Currently, the City's greatest capital improvement needs are related to public safety, specifically water infrastructure, mobility, and flood protection. To accomplish its obligation to serve residents, the CIP focuses on the following three priority areas:

- <u>Water Infrastructure</u>: This is the highest and most urgent priority. The existing water system was built on an old water demand management plan. This demand has continued to rapidly grow and evolve, placing increased pressure on our aging water infrastructure. An updated Water System Master Plan (2022) outlines a programmatic strategy for addressing future water system needs.
- <u>Mobility</u>: The City is currently implementing a Mobility Study to improve multi-modal transportation access for East Palo Alto residents. The City most urgent mobility-related capital projects include, but not limited to, pedestrian and bicycle improvements, sidewalk and crosswalk improvements, traffic calming and/or diversion projects. The City also continues to work with SamTrans on enhancing transit access for residents and employees.
- <u>Flood Protection</u>: The City continues its commitment to flood protection and planning. Among the largest and most important projects listed in the CIP is the Safer Bay Flood Control Improvement project. This project consists of constructing a levee at the edge of Bay wetlands that will exceed the height of the highest daily tide and will protect the City against 100-year and 500-year flood events. Through this and similar CIP projects, the City's major priority is to mitigate the impact of sea level rise on East Palo Alto residents.

Because East Palo Alto is relatively young and rapidly growing, the City has relied heavily on federal and state grant funds to accomplish most of its major capital improvements. The majority of funds for projects in the City's 2-year CIP are from federal and state sources. Contributions from County taxes and local fees also contribute a significant source of funds. The City continues to take a systematic approach to expand local funding for its CIP by expanding its General Fund commitments and assessing local development impact fees, which are evaluated every five years with the next review occurring in 2024. The City will continue to actively apply for grants and explore financing options for unfunded CIP projects. Program 1.6 addresses prioritizing funding for infrastructure improvements that will serve affordable housing projects. Additionally, the City continues to seek ongoing funding for preventative maintenance and incremental upgrade needs.

### 3.2.2 On and Off-Site Improvements

As part of any development project, the City will evaluate and determine the appropriate on and off-site improvements. The type and extent of the improvements often relate to the type, size, complexity, and location

of the project. Although each project is reviewed on a case-by-case basis, the City has procedures for determining when frontage improvements are required, which can help make the process more predictable.

Whenever discretionary approval is required for a project, the City can require frontage improvements where none already exist. For new residential projects, if no frontage improvements exist, then new frontage improvements are required and they must meet City standards. The frontage improvements should generally match those of adjoining or nearby properties for aesthetic consistency and ease of use and shall include a curb, gutter, sidewalk, street trees, and streetlights. A typical vertical curb, gutter and sidewalk would consist of an 18-inch gutter, 6-inch curb, and a minimum 5- foot sidewalk. In some instances, a planter strip or wider sidewalk may be required, depending on the location.

In cases where there are already existing frontage improvements, the owner is typically responsible for removing and replacing damaged frontage improvements. Generally, off-site improvements occur within existing right-of-way and no additional land dedication or public easements are needed. Therefore, there should be no impacts to development setbacks, density, or floor area ratio, which are important factors for making a development work.

New residential developments must also comply with the City's Water Efficient Landscape Ordinance (Chapter 17.06), which provides standards and guidelines for ensuring landscape designs are water efficient and prioritize water conservation.

All of these requirements add to the cost of construction and can be a significant development constraint depending on the sufficiency of the infrastructure that serves a development site, such as if the off-site water, sanitary sewer, or storm drainage line needs to be upgraded. For smaller scale infill projects, which characterizes most of the RHNA sites, utilities are sufficient so off-site costs mainly pertain to street frontage improvements in the public right-of-way. Financial incentives (such as fee waivers/credits) for affordable housing would help reduce costs and allow affordable housing development to be more feasible. Programs in the Housing Element address providing available financial assistance and pursuing grant opportunities to offset the cost of on-site and off-site improvements for residential projects, particularly for 100% affordable housing projects that include units for special needs households.

# 3.2.3 Water Infrastructure Availability

In addition to requiring jurisdictions to analyze each site for water and infrastructure availability, the Housing Element also should include a detailed description of existing or planned water, sewer, and other utilities supply citywide, past challenges related to infrastructure, and how the City has responded since the last Housing Element.

In East Palo Alto, a previous impediment to the production of residential units was a lack of water supply, ultimately leading to a 2016 moratorium on all new development due to the water emergency. In July 2017, the City entered into an agreement with the City of Mountain View for \$5 million to receive an allocation of 1 million gallons of water per day from San Francisco Public Utility Commission (SFPUC), and in 2018, the City received an allocation of 0.5 million gallons per day from Palo Alto, allowing the City to resume development. With these added water allocations, the moratorium was lifted in 2018. The City will be able to meet the water demand that is necessary to accommodate planned growth to 2035 in accordance with the City's General Plan. Since the end of the water moratorium, the City has seen a major increase in development proposals.

While the City's securing of these permanent water transfers has improved the overall water supply, the City continues to face the challenge of water distribution and storage, similar to other jurisdictions statewide. However, the City has taken major steps to address these shortfalls over the last five years.

The City worked with EKI Environment & Water to draft an updated Water System Master Plan ("WSMP"), which is available <u>online</u>. The WSMP identifies cost-effective strategies to upgrade the existing distribution system to meet the current and future water demand by providing a 20-year capital improvement program to help guide future capital expenditures in the City and a calibrated distribution system hydraulic model using the City's geographical information system.

On October 4, 2022, the City approved the 2022 Water System Master Plan (WSMP) and appropriated nearly \$8.4 million to design and build several key City water infrastructure projects over the next two years. The WSMP is intended to provide the City with an overall plan for potable water infrastructure improvements for the next twenty (20) years to maintain water system reliability and support anticipated development within the City. The WSMP assesses the current operations and functionality of the City's existing water system, identifies deficiencies, and prioritizes recommendations for future water system improvements to address both current operational issues and plan for future residential, commercial, and industrial growth with the City's water service territory.

Final designs for the water infrastructure projects are underway, with construction to begin in Summer 2023 and be completed by the end of the year. In the meantime, high-density housing proposals currently have the infrastructure constraint of needing to provide the water infrastructure and water pressure to meet fire flow requirements. For example, the Euclid Improvements Project agreement approved by City Council in November 2022 required that the developer provide a 1.5-million-gallon water tank and pump station (and the land it is on), to improve the overall water conveyance, supply, and pressure in the neighborhood. A portion of the new infrastructure would be credited against the water capacity fees and public facilities fees to the developer, and the cost incurred by the developer in excess would be considered a community benefit, provided, the cost of the water tank and pump station, as well as related land, exceeds the required water capacity fees and the public facilities fees by at least \$2,000,0000.

The City also has initiated and completed several key capital improvement projects aimed at improving water storage and distribution citywide that will directly benefit future residential and non-residential development:

- O'Brien Turnout Connection Upgrade Project completed
- Purdue Ave. 16-inch transmission main, which includes installation of a new turnout connection to the SFPUC (San Francisco Public Utilities Commission) system to feed the Ravenswood Business District design complete
- Gloria Bay Well completed
- Pad D Standby Well to secure an emergency source of potable water supplies in the event of an emergency interruption of supplies from the San Francisco Public Utilities Commission) **under construction**
- University Ave and Cooley Ave 12-inch Water Transmission Main design 100% complete and projected completion early 2023
- Water System Master Plan 2022 which will be used to create a water capital improvement program that includes both maintenance and expansion of the City system- Adopted by resolution
- Weeks Street Water Line Improvements Funds have been allocated for the design and construction of the Weeks Street Improvements which will serve the future Colibri Commons affordable housing project and the surrounding neighborhood (see discussion in Section 3.2.3) The project is funded and is expected to be completed in 2024.
- Woodland Avenue Gap Closure and Palo Alto Emergency Intertie Design 100% complete and being reviewed by the City of Palo Alto for connection to their system for emergency flow.

The City of East Palo Alto is required by the California Urban Water Management Planning Act to prepare and adopt an Urban Water Management Plan (UWMP) and an associated Water Shortage Contingency Plan (WSCP) every five years. The purpose of the UWMP is for long term water resource planning; it ensures that sufficient water supplies meet existing and future water needs. Through the UWMP, the City identifies all water needs for long-range planning. The WSMP then provides a plan to fill any water infrastructure gaps that are needed to support RHNA sites. The last UWMP was the 2020 UWMP, adopted Summer 2021, based on the General Plan Vista 2035. The next UWMP will be adopted in Summer 2026.

With the aforementioned and future improvements in place the City will be much better positioned to accommodate existing and future water demand and to ensure the health and safety of residents. As identified in the UWMP, the City has adequate water supply identified in the UWMP, the City has adequate water supply. Program 5.4 is also included in the Housing Element to prioritize providing water service to affordable housing projects.

# **3.2.4 Water Improvements for Pipeline Affordable Housing Projects**

The Weeks Street Line Improvements and University Avenue and Cooley Avenue 12-inch Water Transmission Main are necessary to carry forward the City's 95-unit affordable housing project known as Colibri Commons (formerly known as 965 Weeks). The East Palo Alto City Council approved water infrastructure upgrades, which includes upsizing the 8" water main on Weeks Street between Cooley Avenue and Pulgas Avenue with a new 12" PVC main, as well as completing the design for the University Avenue 12" water Transmission Main Project. The City is funding a portion of the \$7.6 million allocated for the design and construction of both these projects would provide the improved water flow needed to serve the future development of Colibri Commons. Colibri Commons affordable housing development is scheduled to break ground in late 2023.

### **3.2.5 Sewer Infrastructure Availability**

Many development projects have experienced delays due to the lack of a sanitary sewer connection from the East Palo Alto Sanitary District ("EPASD"). EPASD is a special district and operates independently from the City. Special districts are local public/government agencies established by residents of a community to provide a service not provided by the county or city. Sufficient sewer treatment capacity is available to meet the planned growth for the City to 2035 as described in the City's General Plan. However, upgrades to the sanitary sewer infrastructure system are necessary to accommodate new development. If sanitary sewer issues with EPASD are not resolved, East Palo Alto will continue to fall behind on its RHNA. It will be essential to document in the Housing Element the process and outcomes of the San Mateo County Local Agency Formation Commission ("SMCLAFCo").

A Municipal Service Review ("MSR") and sphere of influence update was adopted by SMCLAFCo on June 15, 2022. Additionally, subsequent actions by EPASD were discussed and addressed by City Council on June 21, 2022. A City Council study session to discuss next steps based on the SMCLAFCo recommendations was held on July 26, 2022. On October 18, 2022, the City Council adopted a resolution authorizing the submission of an application to the SMLAFCo requesting proceedings to establish the East Palo Alto Sanitary District (EPASD) as a subsidiary district of the City and expending up to \$15,000 from the City's General Fund Reserve for processing fees. On November 10, 2022, staff submitted the application to SMLAFCo.

On December 9, 2022, SMLAFCo forwarded a letter to the City requesting additional information/clarifications from the City's application. The City provided SMLAFCo with the requested information and submitted additional information in response to further requests in order to complete the City's application and move the process forward. The City Council also considered a Request for Qualifications (RFQ) to contract for potential sanitation services on February 7, 2023. After a full evaluation of the submittals from the City and EPASD and multiple public meetings during 2023, SMLAFCo approved the City's application on November 15, 2023, to assume management and operations of the sanitary sewer system within the City. Per the SMLAFCo

procedures, a public protest period is allowed following approval, which is expected to conclude in Spring 2024.

The delays in providing system improvements and the insufficiency of sanitary sewer service to serve new residential and non-residential projects are recognized as development constraints. The above steps regarding the SMCLAFCo process have been incorporated into the Policies & Programs section of this Housing Element with the goals of reducing uncertainties and facilitating necessary sanitary sewer system upgrades. A program is also included in the Housing Element to work with the service provider to commit to prioritizing sanitary sewer service for affordable housing projects.

# **3.2.6 Dry Utilities Availability**

Development allowed under the Housing Element Update, in combination with cumulative development within PG&E's service area would increase demand for electricity and natural gas. However, development projects would be required to comply with applicable state and local regulations pertaining to energy conservation. PG&E routinely updates its long-range plans to incorporate potential growth in its service areas. Therefore, the electrical and natural gas infrastructure would be sufficient to serve cumulative development, including development allowed under the Housing Element Update.

Electricity and natural gas systems would have capacity and/or be adequate to serve cumulative development, including development allowed under the Housing Element Update. Therefore, the Housing Element Update, in combination with past, present, existing, approved, pending, and reasonably foreseeable future projects in the vicinity, would not contribute considerably to cumulative impacts on electricity and natural gas systems, and this cumulative impact would be less than significant.

The geographic context with respect to telecommunication service is the service areas for the telecommunication providers that serve the city. Development allowed under the Housing Element Update, in combination with cumulative development within the service areas for the telecommunication providers that serve the city would increase demand for telecommunication service. However, similar to the development provided for under the Housing Element Update, cumulative development of underground conduits and overhead cables to facilitate telecommunications services would be required to comply with applicable federal, state, and local standards pertaining to underground and overhead utility infrastructure.

# 3.2.7 Coordination with Water and Sewer Service Providers

Water and sewer service providers must establish specific procedures to grant priority service allocations for water and sewer service to developments with units affordable to lower-income households. (Gov. Code, § 65589.7.). The City will deliver a copy of the housing element to water and sewer service providers describing the City's housing needs and regional housing needs, to ensure continued coordination with service providers.

# **3.2.8 Public Transit**

### (refer to East Palo Alto 2035 General Plan, Chapter 6, Transportation)

Transit lines are available to serve all neighborhoods in East Palo Alto. Most commute hour bus lines operate on 15minute headways, thus requiring short waits between buses. However, there is a lack of efficient transit connections from East Palo Alto to regional transit corridors such as Caltrain and El Camino Real, and job and activity centers in neighboring municipalities. The barriers created by U.S. Highway 101 further constrains connectivity. However, pedestrian/bicycle bridge over Highway 101was recently completed in 2022 that provides access from the western neighborhoods of East Palo Alto to the rest of the City.

The East Palo Alto 2023 General Plan includes the following goal and policies to enhance transit and address the diverse needs of the community:

### Goal T-5. Support local and regional transit that is efficient, frequent, convenient, and safe.

Intent: To support planning and coordination of transit services to accommodate diverse community needs for safe, comfortable, and efficient local and regional transit.

- 5.1 Dumbarton rail service. Support ongoing regional efforts to reintroduce passenger rail service along the Dumbarton corridor and support multimodal access improvements to future rail station(s).
- 5.2 Coordination with transit agencies. Coordinate with transportation service providers to improve transit service and access in the City, focusing particularly on areas with high concentrations of zero vehicle households, areas that currently lack public transit options, and on the improvement of transfers and connections between systems.
- 5.3 Transit priority. Ensure transit vehicles retain priority over other vehicles along transit network streets (as shown in Figure 6-3), prioritizing transit speed and schedule reliability.
- 5.4 Access to transit. Provide connecting bicycle and pedestrian infrastructure and amenities to improve access to transit stations and stops and encourage new development projects near transit to improve transit stop amenities.
- 5.5 Transit stops. Support the installation of transit stop amenities, including shelters, benches, real-time information panels, lighting, bike parking, bike sharing stations, etc.
- 5.6 Local transportation services. Create or partner with transit providers, employers, educational institutions, major commercial entities, and event organizers to improve local transportation services, including developing discount transit pass programs for groups such as students.
- 5.7 Connection to Dumbarton corridor. Should Facebook be successful in lobbying for a fixed railway or Bus Rapid Transit (BRT) connection to their campus, request a pedestrian connection to a Willow Road station that transects the office park behind the Kavanaugh neighborhood.
- 5.8 Senior transit. Support the expansion of affordable and reliable transportation options such as discounted transit passes for older adults and persons with disabilities, focusing on neighborhoods with high concentrations of elderly residents.

• 5.9 Cut-through traffic. Encourage and support efforts to improve regional transportation given that the majority of traffic congestion in the City is generated by regional circulation.

# **3.3 NON-GOVERNMENTAL CONSTRAINTS**

Land costs, construction costs, and market financing contribute to the cost of housing reinvestment and can sometimes hinder the production of new affordable housing. Although many constraints are driven by market conditions, jurisdictions have some leverage in instituting policies and programs to address potential constraints.

### 3.3.1 Land Costs

21 Elements engaged Century Urban<sup>4</sup> to provide an analysis of residential development costs in San Mateo County that may be used in this analysis. The report includes an analysis of three years of San Mateo County residential sales data for single family and multifamily developments, with the San Mateo County-wide average land costs of approximately \$1,000,000 for prototypical single-family developments, \$1,000,000 for small multifamily developments.

According to the report, in East Palo Alto, the land cost for single family homes ranges from \$72 to \$135 per square foot, with a median of \$92. There was no data available specific to East Palo Alto for multifamily development.

While East Palo Alto land costs may be slightly lower than in surrounding jurisdictions, dramatic increases in East Palo Alto home prices since the last Housing Element cycle demonstrate the amount of development interest in the City and the upward pressure on prices from highly constrained housing development in the region.

Recognizing that the high cost of land as a development constraint, programs in the Housing Element seek to provide financial assistance and pursue grant opportunities for affordable housing development and projects that include housing units for special needs households. The City has also identified several public-owned sites that are prime candidates for residential uses and will work with the respective public agencies to support the development of housing on these sites. Another strategy is outreaching to single-family homeowners with large lots (such as over 10,000 square feet) to ascertain their interest in pursuing construction of infill SB 9 units.

# **3.3.2 Site Development Costs**

The Century Urban report finds that the San Mateo County-wide total development costs range from \$2,500,00 to \$4,400,000 for a prototypical single family home development and range from \$7,900,000 for a small multifamily development to \$74,100,000 for a large multifamily development.

The high cost of development can be attributed both to the "hard costs" of development, including construction materials and labor, and to the "soft costs" of development, such as architecture, design, and engineering costs, in addition to permitting and other fees.

Hard costs constitute the much larger share of total development costs –approximately 60%, according to a 2020 analysis by the Terner Center.<sup>5</sup> The same report found that Bay Area construction costs are the highest in the state. Labor and materials cost increases are also reflected in the Construction Cost Index; the March 2022 Construction Cost Index for the San Francisco area, as published by Engineering News Record, showed an increase of 8.9%, compared to 3.1% in 2021 and 1.6% in 2020.

Construction costs are not within the control of local jurisdictions. However, jurisdictions must consider that additional costs placed on a development from both fees and delays to a project can make the difference between a feasible and infeasible project.

High development costs translate into higher rents and sales prices, a trend that is visible in recent data on East Palo Alto housing costs. This places rental and purchasing opportunities in East Palo Alto out of reach for many residents and contributes to an already high risk of housing insecurity, overcrowding, and displacement.

Recognizing that high land and construction costs are a development constraint, programs in the Housing Element seek to provide financial assistance and pursue grant opportunities for affordable housing development and projects that include housing units for special needs households.

# 3.3.3 Financing Availability

The current median home price of approximately \$941,300<sup>19</sup> is about 2-3 times the approximately \$378,000 price that would be affordable to a buyer with a median household income of \$83,511. In addition to high housing prices in East Palo Alto and the surrounding County, many potential homebuyers are constrained by the lack of financing to purchase a house. Credit history, down payment, and closing costs are three major factors in a household's ability to obtain a mortgage in East Palo Alto.

Interest rates remained low at the start of 2022 but increased substantially by the end of the year due to inflation. According to the Freddie Mac Mortgage Market Survey, the interest rate for a fixed-rate, 30-year mortgage increased from 3.22 percent the week of January 6, 2022, to 6.48 percent the week of January 5, 2023. This

<sup>&</sup>lt;sup>19</sup> Medium home price, income, foreign born: https://www.census.gov/quickfacts/eastpaloaltocitycalifornia

constrains the ability of developers to finance both market-rate and affordable housing, and the ability of potential homebuyers to purchase a home.

As we look outside the typical borrower, it is important to also note that 43.1 percent of the population in East Palo Alto is foreign-born, and that lack of legal status can restrict the ability of migrants to obtain mortgages, build credit, and achieve financial security. While significant resources exist to help achieve homeownership, regulatory guidelines are increased for those without legal status. The burden of risk assessment is often displayed by requiring higher down payments, extensive work history, and vast documented income. It should also be noted that those without legal status often do not qualify for federal government assistance and can be barred from financial resources.<sup>20</sup>

In order to maintain and increase homeownership opportunities in East Palo Alto, programs in the Housing Element include providing emergency mortgage assistance, establishing a program for first-time homebuyers, and exploring a tenant and community opportunity to purchase program (TOPA/COPA). An ordinance to enact the program was approved by the City Council in December 2023 with a requirement to review the performance of the program two years after implementation.

# **3.3.4 Requests for Housing Developments at Reduced Densities**

Jurisdictions are required to report on any projects where a lower density was requested for a site as provided in the Sites Inventory. A review of the RHNA 6 2023-2031 Housing Element and current pipeline (i.e., entitled projects, SB 35 projects in process, or projects under construction) shows that a small number of sites from the Sites Inventory are proposed at densities at or above those assumed for the site. Generally speaking, residential development proposals that the City has received in recent years have requested close to the maximum or more through the Density Bonus.

<sup>&</sup>lt;sup>20</sup> Information regarding the legal status of East Palo Alto residents and mortgage information comes from the local non-profit, EPACANDO.

# **3.3.5** Typical Timeframes between Approval for Housing Development and Application for Building Permits

Given the delays imposed by the City's water moratorium from 2016-2018 and the continued delays related to the East Palo Alto Sanitary District and remaining lack of water flow to some areas of the City–discussed in detail elsewhere in this Constraints Analysis – it is challenging to estimate a "typical" timeframe between a planning approval and application for Building permits. The majority of the City's pipeline projects have only recently received entitlements, Zoning Clearance, or other streamlined clearance.

However, the City has seen a pattern among a small number of projects where the developer has not moved to apply for a Building permit despite being able to do so. This may be for a variety of reasons; chief among them may be the COVID-19 pandemic. For this reason, the City adopted a blanket extension through December 31, 2022, on Planning and Building permits set to expire between March 17, 2020, and December 31, 2021.

In some cases, the developer may attempt to sell the property with entitlements to a buyer who is interested in developing the project. A small number of developers may choose to change course after receiving project approvals if it becomes clear that there remains some project uncertainty, such as unresolved issues with the East Palo Alto Sanitary District. This constraint is discussed in Section 3.2.4 of the Housing Element and Program 5.2 has been added in the Housing Element, Chapter 6, to resolve this issue.

### **3.3.6 Environmental Constraints**

East Palo Alto's bay side location creates a number of environmental constraints. These constraints limit development potential, often limiting densities. East Palo Alto's policies prioritize development away from the environmentally sensitive bay and protection of these natural resources. The City's environmental constraints range from the need to protect environmentally sensitive habitat, risks of natural disaster and flooding. The City's General Plan policies, development regulations, building code and other policies and regulations provide guidance to help avoid impacts and to maximize safety for residents. This section provides a general overview. Greater details of environmental constraints can be found in the General Plan, the multijurisdictional Local Hazard Mitigation Plan, State and Federal plans/maps.

Environmental constraints will be further evaluated by the City through comprehensive updates of the City's Safety Element and Environmental Justice Element (included in Housing Element Chapter 6. Programs 5.1 and 6.5.) Preparation of both plans is currently underway, and the work programs include a robust and coordinated community outreach effort for these inter-related elements. The impacts of environmental, governmental, and non-governmental constraints on vulnerable populations will be addressed in both plans (e.g., lower-income households, tenants in soft-story buildings, residents in the flood plain, unhoused individuals, seniors, and persons with disabilities.) Both elements will also consider the implications on future development, including the residential sites identified in the Housing Element Sites Inventory. The Environmental Justice Element will

build upon the foundational AFFH database and analysis that was completed for the 2023-2031 Housing Element.

### Flood Risk

Flood risk places a physical constraint on the availability of land for new housing. The City's lower elevation and proximity to the bay creates a higher risk of flooding to areas of the City. Removing flood risk requires raising buildings at least 18 inches above the base flood elevation established by FEMA floodplain maps. In some areas this can require the building to be raised at least 4 feet from the existing ground. This is a costly portion of many of the large development projects located within the floodplain and can be cost prohibitive on smaller residential projects. City staff work closely with developers and homeowners to make sure these improvements are included in projects as required. In addition, the City participates in the Community Rating System (CRS), a voluntary program that recognizes and rewards communities for community floodplain management practices that exceed the minimum requirements of the National Floodplain Insurance Program standards. The City received a CRS certification in January 2023.

Additional levee improvements are proposed along the rest of the City's Bayfront from the O'Connor Pump Station to Menlo Park. These improvements are intended to reduce flood risk of the 100-year storm while maintaining access to the bayfront. These projects are currently being spearheaded by the San Francisquito Creek Joint Powers Authority (SFCJPA) and are under preliminary design with coordination with the development projects within the Ravenswood Business District. Furthermore, creek widening is being conducted downstream to further decrease flood risk.

Programs 5.5 and 5.6 are included in Housing Element to alleviate the flood risks and constraints on residential development. Additionally, Programs 6.6 and 6.7 address community education and continued participation in FEMA's CRS Program, which includes the benefits of reducing the cost of homeowner insurance. The City is also updating the General Plan's Safety Element, and flood risks will be a component of the analysis.

### Natural Hazards

The City is subject to the same natural hazards that impact the bay area, including drought, earthquake, flood, landslide, sea level rise, severe weather, tsunami, wildfire, and climate change. The City's various documents and plans, such as the Climate Action Plan, provide mitigation and tools to address these concerns. Any proposed development would be subject to a thorough review, consistent with Federal, State, and local law, including the California Building Code, and the California Environmental Quality Act (CEQA). The City's policies also encourage development in the more urbanized areas of the city where infrastructure is already available, creating less impact away from sensitive habitat. Placement of development in urbanized areas also reduces greenhouse gas emissions versus development in new areas where more infrastructure is required.

As mentioned above, an update of the Safety Element is currently underway which will further analyze the full range of natural hazards in the community. Policies and actions will be proposed to reduce risks and avoid adverse impacts on residents and property.

#### Sensitive Habitats

As discussed above, the City's proximity to the bay provides for sensitive habitat areas. These include wetlands, riparian corridors, coastal areas that may be home to native and sensitive species. All of the housing sites listed in Appendix D, Sites Inventory, are infill parcels and none are located within a sensitive habitat area. While sites at the eastern edge of the City are in proximity to the Bay wetlands, existing residential areas and development sites are separated from the Bay wetlands by an elevated berm. However, all proposed developments would be reviewed for impacts on sensitive habitat and wildlife. Projects are subject to environmental assessment consistent with CEQA, and comments are solicited from agencies such as the Bay Conservation and Development Commission (BCDC), the California Department of Fish and Wildlife, United States Fish and Wildlife Service, Corps of Engineers, and environmental organizations. The City also has policies, ordinances and an Urban Forest Master Plan that prioritizes the preservation and protection of the City's General Plan and ordinances provide the tools to ensure protection of these habitats, such as bird safe building standards and the conservation and preservation of environmentally sensitive open space lands. These areas are designated to retain their natural biological function serving as defensive barriers to waves, high tides and storm surge and providing habitat for plants and animals.

### Air Quality

The City's General Plan includes policies to reduce the exposure and potential adverse impacts of air pollution on East Palo Alto residents. Adverse impacts include the incidence of asthma and other respiratory illnesses. These policies apply to all residential development and sensitive receptor uses (such as childcare facilities and senior housing). The General Plan includes the following goal and policies on air quality:

Goal HE-10. Improve respiratory health throughout the City and strive to reduce incidence of asthma and other respiratory illnesses.

- 10.1. Highway buffers. Discourage the development of sensitive land uses (schools, health care clinics, and elder and childcare facilities) within 500 feet of freeways and stationary sources of air pollution.
- 10.2. Air pollution mitigation. Require that new multifamily development located within 500 feet of freeways or along University Avenue implement appropriate mitigation measures such as air filtration/ventilation systems, landscaping and other physical improvements as recommended by the

California Air Resources Board (CARB) and/or the Bay Area Air Quality Management District to reduce indoor air pollution.

- 10.3. Landscape barriers. Plant landscape buffers between Highway 101 and residential areas to reduce noise and air pollution for residential areas.
- 10.4. No new truck routes. Prohibit the designation of new truck routes on residential and collector streets in East Palo Alto.
- 10.5. Clean technology. Attract "clean technology" companies to the Ravenswood Employment District, such as solar panel manufacturing and recycling companies and companies that focus on innovative energy, water, and waste technologies.
- 10.6. Electric vehicle fleet. Improve air quality and respiratory health through City programs and operations such as converting to a clean-air and primarily electric fleet.
- 10.7. Other mobility strategies. Implement the strategies in the Transportation Element that improve air quality. These include transit, walking, biking, and Transportation Demand Management strategies.

Air quality is an environmental justice concern for residents living within proximity to Highway 101. Chapter 2, Housing Needs Assessment (Section 2.12.2.D) indicates that residents living immediately west of Highway 101 are predominately renters and lower income households. While most of the housing units are subject to the City's Rent Stabilization Ordinance, the housing is characterized by a higher incidence of overcrowding with many older housing units in need of rehabilitation. Funds for housing rehabilitation and repairs could target assistance for neighborhoods adjacent to Highway 101, which could include upgrading windows and ventilation systems.

RHNA units are located in vicinity of Highway 101, and based on a CEQA air quality analysis, residential projects may be required to comply with Policy 10.2 to install enhanced filtration/ventilation systems or other mitigation measures. While these measures would add to development costs and can represent an environmental constraint, they are essential to address public health and environmental justice impacts.

# 4 AFFIRMATIVELY FURTHERING FAIR HOUSING - AN ASSESSMENT OF FAIR HOUSING

# What is AFFH?

The State of California's 2018 Assembly Bill (AB 686) requires that all public agencies in the state affirmatively further fair housing (AFFH) beginning January 1, 2019. Public agencies receiving funding from the U.S. Department of Housing and Urban Development (HUD) are also required to demonstrate their commitment to AFFH. The federal obligation stems from the fair housing component of the federal Civil Rights Act mandating federal fund recipients to take "meaningful actions" to address segregation and related barriers to fair housing choice.

AB 686 requires all public agencies to "administer programs and activities relating to housing and community development in a manner that affirmatively furthers fair housing, and take no action inconsistent with this obligation"<sup>21</sup>

AB 686 also makes changes to Housing Element Law to incorporate requirements to AFFH as part of the housing element and general plan to include an analysis of fair housing outreach and capacity, integration and segregation, access to opportunity, disparate housing needs, and current fair housing practices.

# Affirmatively Furthering Fair Housing

**"Affirmatively furthering fair housing"** means taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws. The duty to affirmatively further fair housing extends to all of a public agency's activities and programs relating to housing and community development. (Gov. Code, § 8899.50, subd. (a)(1).)"

Source: California Department of Housing and Community Development Guidance, 2021, page 14.

<sup>&</sup>lt;sup>21</sup> California Department of Housing and Community Development Guidance, 2021, page 9.

History of segregation in the region. The United States' oldest cities have a history of segregated living patterns—and mandating Northern California cities are no exception. ABAG, in its recent Fair Housing Equity Assessment, attributes segregation in the Bay Area to historically discriminatory practices—highlighting redlining and discriminatory mortgage approvals—as well as "structural inequities" in society, and "selfsegregation" (i.e., preferences to live near similar people). Researcher Richard Rothstein, author of the 2017 book The Color of Law: A Forgotten History of How *Our Government Segregated America*, adds to ABAG's characterization of segregation in the Bay Area by chronicling how the public and private sectors contributed to segregation through practices of blockbusting—a scheme where real estate agents and speculators convinced White families their neighborhoods were turning into slums and property values would drop; bought their homes less than their worth; and rented or sold them to African

This history of segregation in the region is important not only to understand how residential settlement patterns came about—but, more importantly, to explain differences in housing opportunity among residents today. In sum, not all residents had the ability to build housing wealth or achieve economic opportunity. This historically unequal playing field in part determines why residents have different housing needs today.

Americans above market prices. Rothstein's analysis goes beyond blockbusting, however, as he describes the ways in which federal, state, and local governments imposed residential segregation throughout the Bay Area region: racial zoning, public housing, subsidies to create Whites-only suburbs, tax exemptions, and support for resistance to African Americans in White neighborhoods.

Residential segregation and the segregatory effects of blockbusting activities is well-documented in East Palo Alto. In 1954, after a White family in East Palo Alto sold their home to an African American family, then-president of the California Real Estate Association set up an office in East Palo Alto to scare White families into selling their homes ("for fear of declining property values") to agents and speculators. Convincing White families that their neighborhoods were turning into "African American slums," speculators purchased their homes for less than their worth and rented/sold them to African Americans at inflated prices, most of whom struggled to make their payments and had to double-up in their homes, creating overcrowding and deteriorating living conditions. Blockbusting practices in East Palo Alto quickly became widespread as agents recognized African Americans' increasing need for housing. Within three months, one agent sold sixty previously White-owned homes to Black/African American families.<sup>22</sup>

Federal and state agencies exacerbated these effects through unlawful lending policies and practices. The Federal Housing Administration (FHA) and Veterans Administration, for instance,

<sup>&</sup>lt;sup>22</sup> Richard Rothstein, *The Color of Law: A Forgotten History of How our Government Segregated America*, New York: Liveright Publishing Corporation (2017), pp. 12-13.

not only refused to insure mortgages for African Americans in designated White neighborhoods, but once East Palo Alto was integrated, White families could no longer obtain governmentinsured mortgages where African Americans were present. State-regulated insurance companies and leading California banks had similar policies with the consent of federal banking regulators.

Within six years, East Palo Alto—initially considered a jurisdiction with "Whites only" neighborhoods—became 82% Black/African American. Excluded from neighborhoods throughout the region and unable to make payments on homes purchased at inflated prices, many Black/African Americans were forced to double up in single-family homes, creating a "slum in East Palo Alto."<sup>23</sup> With increased density, the school district could no longer accommodate all East Palo Alto students, leading board members, in 1958, to propose the construction of a segregated second high school. Ignoring pleas from Black/African Americans and liberal White activists that it draws a boundary to establish two integrated secondary schools, the school board contemplated forcing Black/African American students to withdraw and attend school in the eastern section of East Palo Alto. In ways like these, Richard Rothstein writes, "federal, state, and local governments purposely created segregation in every metropolitan area of the nation."

Importantly, segregation and resistance to racial integration was not unique to East Palo Alto as it represented a larger problem affecting all of San Mateo County. According to the San Mateo County Historical Association, San Mateo County's early African Americans worked in a variety of industries, from logging, to agriculture, to restaurants and entertainment. Expansion of jobs, particularly related to shipbuilding during and after World War II attracted many new residents into the Peninsula, including the first sizable migration of African Americans. Enforcement of racial covenants after the war forced the migration of the county's African Americans into neighborhoods where they were allowed to occupy housing—housing segregated into less desirable areas, next to highways, and concentrated in public housing and urban renewal developments.

Throughout San Mateo County, neighborhood associations and City leaders responded to the influx of African Americans by thwarting the integration of communities. Some neighborhood residents supported or were indifferent to integration, but most fiercely opposed it. Neighborhood associations often required the acceptance of all new buyers and builders with intentions to develop for buyers despite race faced significant barriers: development sites were rezoned by planning councils, large minimum lot size requirements, and/or were denied public infrastructure to support their developments or charged prohibitively high amounts for infrastructure.

These events and patterns were not limited to San Mateo County, either. They were instead prominent throughout the country, as portrayed in the timeline of major federal Acts and court decisions concerning fair housing choice and zoning and land use on the following page.

<sup>&</sup>lt;sup>23</sup> Ibid., pp. 12-13.

Exclusive zoning practices were common in the early 1900s. Courts struck down only the most discriminatory and allowed those that would be considered today to have a "disparate impact" on classes protected by the Fair Housing Act. For example, the 1926 case *Village of Euclid v. Amber* Realty Co. (272 U.S. 365) supported the segregation of residential, business, and industrial uses, justifying separation by characterizing apartment buildings as "mere parasite(s)" with the potential to "utterly destroy" the character and desirability of neighborhoods. At that time, multifamily apartments were the only housing options for people of color, including immigrants.

The Federal Fair Housing Act was not enacted until nearly 60 years after the first racial zoning ordinances appeared in U.S. cities. This coincided with a shift away from federal control over lowincome housing toward locally-tailored approaches (block grants) and market-oriented choice (Section 8 subsidies)—the latter of which is only effective when adequate affordable rental units are available.

**Resegregation.** Though racial segregation has been seemingly addressed and solved through local, state, and federal policies, East Palo Alto and its lower-income and minority communities are being resegregated due to gentrification efforts, housing shortages, and rapidly rising rents and home prices. Gentrification in East Palo Alto dates back to the 1980s when developers began buying significant portions of land in the region. In recent years, however, gentrification has intensified as large tech companies—Meta (formerly Facebook), Google, and Amazon—move to the area. The Silicon Valley tech boom in East Palo Alto presents multiple problems for long-time residents. With the presence of large technology companies, places such as Meta have begun allocating money and resources to improve communities surrounding their headquarters. Job openings rarely go to residents, but rather young, well-paid tech professionals migrating to East Palo Alto in search of housing. This increase in workers has turned East Palo Alto into a "hunting ground" for real estate speculators eager to turn properties and apartments into sites for the tech sector.

Gentrification efforts and processes have resulted in resegregation as lower-income individuals and people of color in East Palo Alto are forcefully displaced and/or voluntarily leaving the City for cheaper alternatives. In fact, a study conducted by researchers at the University of California at Berkeley found that East Palo Alto "lost thousands of low-income black households from 2010 to 2015 with no similar effects reported in predominantly white neighborhoods" during the same time period.<sup>24</sup> Providing background on this trend, the University mapped all Bay Area neighborhoods to identify gentrification risks and found that in East Palo Alto, 64.7% of households live in neighborhoods that are susceptible to or experiencing displacement and 0% live in neighborhoods at risk of or undergoing gentrification.<sup>25</sup> Landlords are also contributing to

<sup>&</sup>lt;sup>24</sup> https://gunnoracle.com/19991/uncategorized/a-tale-of-two-cities-how-racism-in-housing-deeds-redlining-andgentrification-led-to-the-stark-divide-between-palo-alto-and-east-palo-alto/. <sup>25</sup>https://www.cityofepa.org/sites/default/files/fileattachments/housing/page/19915/c2\_abag\_mtc\_housing\_needs\_da

ta report east palo alto w toc 1.pdf.

displacement in the region and are reportedly using evictions and rent hikes to prepare residential neighborhoods for redevelopment.<sup>26</sup>

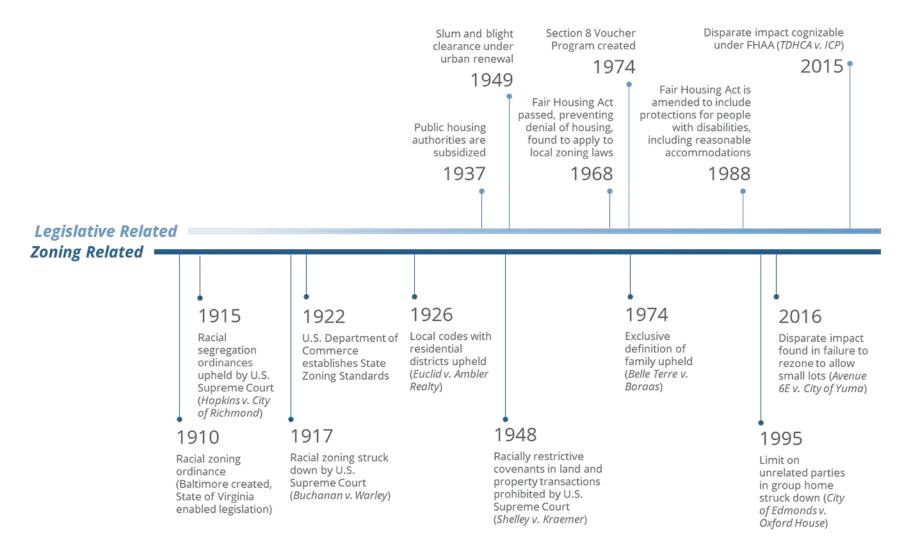
**Local opposition to affordable housing.** Affordable housing policies and measures in East Palo Alto have been a subject of severe controversy since the 1980s when rent stabilization ordinances were proposed.<sup>27</sup> In 2021, debates over affordable housing policy arose again with the City's proposed ordinance called the Opportunity to Purchase Act (OPA). <sup>28</sup> The proposed policy is aimed to help further housing preservation and anti-displacement efforts, by requiring owners to give renters, affordable housing nonprofits, or the City the opportunity to make an offer on the property before hitting the market. The City will be further studying this policy for consideration at the end of 2022 or in-2023.

<sup>&</sup>lt;sup>26</sup> https://www.washingtonpost.com/national/a-semi-feudal-society-in-east-palo-alto-the-influx-of-tech-companies-pushes-residents-to-a-breaking-point-over-gentrification/2018/11/02/03e1004c-d17c-11e8-b2d2-f397227b43f0\_story.html.

<sup>&</sup>lt;sup>27</sup> https://shelterforce.org/2022/03/22/the-nexus-between-rent-control-and-incorporation-in-east-palo-alto/.

<sup>&</sup>lt;sup>28</sup> https://www.paloaltoonline.com/news/2021/12/21/east-palo-alto-to-discuss-controversial-housing-purchase-policy.

### Major Public and Legal Actions that Influence Fair Access to Housing



Access to resources and opportunity. Several other factors have limited the city's ability to provide fair access to resources and opportunity. The widening of Highway 101 in the late 1950's destroyed the city's once-thriving business district, the Whiskey Gulch. In the same decade, Palo Alto and Menlo Park annexed land from East Palo Alto, decreasing the area and size of the city to 2.5 square miles and limiting the number of vacant sites the City can develop on. Today, some sites in the Ravenswood Business District/Four Corners Specific Plan, the newly designated area for the city's missing business district, lie on contaminated land that requires further remediation to allow for mixed-use development. Romic Environmental Technologies and its predecessor hazardous waste management facilities that operated in East Palo Alto from the 1950's until 2007, contaminated the soil and ground water beneath.

The lack of political power and agency over County and regional agency decisions was one contributing factor that led to the City's long fight for incorporation from the late 1950's until the City's incorporation in 1983. Following incorporation, the City struggled with its revenue sources as it had previously depended on San Mateo County resources.

East Palo Alto is allocated 1.9 million gallons per day from the Hetch Hetchy Reservoir by the San Francisco Public Utilities Commission (SFPUC). The city was not incorporated when San Mateo County made the deal with SFPUC to divide the shares, which resulted in East Palo Alto receiving the lowest per-capita allocation on the Peninsula. In 2016, East Palo Alto adopted a water moratorium due to its city-wide water supply shortage, creating a de facto development moratorium. In 2017, the city went into an agreement with the City of Mountain View to pay \$5 million for the allocation of 1 million gallons of water per day that would help supply the northern part of the city. In 2018, East Palo Alto received the allocation of a half-million gallons per day of water at no cost from Palo Alto. The city lifted the water moratorium in 2018, creating an influx of development at 965 Weeks Street, two commercial developments and a primary school.

The City of East Palo Alto is at a crossroads. Today, the majority of the City's multi-family affordable housing lies west of Highway 101, while the majority of the single-family housing, unaffordable to younger generations, lies east of the highway. The City has the potential to allocate more affordable housing development on the eastside to balance the housing stock disparity created by Highway 101. Data show that East Palo Alto residents have higher rates of asthma, diabetes, and poor health outcomes than the County. Continued exposure to carbon emissions due to the city's high-transit location, low access to affordable 2–3-bedroom housing for larger family sizes, limited infrastructure and active public transportation systems, and ongoing home and rent increase pressures from the tech industry, as well as other issues will continue to impact resident's health and access to opportunities if transformational steps are not taken.

**Displacement as a continuous historical Pattern.** Displacement risk varies among residential circumstances for different households. While median incomes have increased in recent years due to the entry of higher income households and the exit of lower income households, many

households remain in precarious circumstances and at substantial risk of displacement. Overcrowding and overburdening are signs that rents are outpacing wages and become de facto anti-displacement strategies for jurisdictions lacking sufficient anti-displacement policy protections. While East Palo Alto has worked over the recent decade to pass and implement antidisplacement policy on multiple occasions, the intensity of real estate appreciation is uncharacteristically rapid in comparison to other geographies and thus has been difficult to proportionately respond to, especially considering that CA State and Federal resources have not paced with local need.

Regionally, East Palo alto experienced the most intense decline of youth population of any Bay Area city between 2010 and 2020, suggesting that youth and families are being displaced and/or blocked from entry. If families can't secure housing in East Palo Alto over the long term, demographically the city may be at risk of population decline. According to the Urban Displacement Project, census tracts in East Palo Alto are included among the census tracts with substantial and high likelihoods of residential displacement.

Metrics of displacement risk that measure at the census tract level are useful tools, but local knowledge with enhanced granularity reveals that displacement has been intense and remains likely and risky for substantial portions of the population, particularly economically, racially, and gender-disadvantaged groups. Though temporary responses like the Coronavirus Eviction Moratorium helped to decelerate the rate of displacement by protecting some residents from eviction during unprecedented pandemic conditions, the lift of the moratorium has resulted in re-acceleration as rental property owners return to business as usual.

Further, the context of displacement is given additional meaning by the history of development in East Palo Alto. Developed in the mid-1900s for the purpose of segregating residential neighborhoods by race and class in service of the War Production economy, policies including but not limited to redlining and racially restrictive covenants have resulted to long term impacts excluding racially disadvantaged groups from benefits and targeting them for cost assignment. More recently, environmental justice issues like toxic waste and innovative injustices like predatory lending have continued to contribute to the pattern of disadvantaged groups to be displaced and banished from East Palo Alto. While policies and programs to address displacement have been won and implemented to some success, more resources, especially from State and Federal repositories, will be needed to ensure that residents can remain housed and thrive in East Palo Alto.

**Report content and organization.** This Fair Housing Assessment follows the April 2021 State of California State Guidance for AFFH. The study was conducted as part of the 21 Elements process, which facilitates the completion of Housing Elements for all San Mateo County jurisdictions.

# Section I. Fair Housing Enforcement and Outreach Capacity reviews

lawsuits/enforcement actions/complaints against the jurisdiction; compliance with state fair housing laws and regulations; and jurisdictional capacity to conduct fair housing outreach and education.

**Section II. Integration and Segregation** identifies areas of concentrated segregation, degrees of segregation, and the groups that experience the highest levels of segregation.

**Section III. Access to Opportunity** examines differences in access to education, transportation, economic development, and healthy environments.

**Section IV. Disparate Housing Needs** identifies which groups have disproportionate housing needs including displacement risk.

# Appendices.

- Resident survey results—findings from a survey of San Mateo County residents on their experience finding and remaining in housing
- Disparate Access to Educational Opportunities—findings from a countywide analysis of access to education and educational outcomes by protected class.
- Dissimilarities and Isolation Indices—summary of findings from an AFFH Segregation Report of Unincorporated San Mateo County, completed by UC Merced Urban Policy Lab and ABAG/MTC Staff.
- State Fair Housing Laws and Regulations—summary of key state laws and regulations related to mitigating housing discrimination and expanding housing choice
- Fair Housing Organizations in San Mateo County—mission, services, and contact information

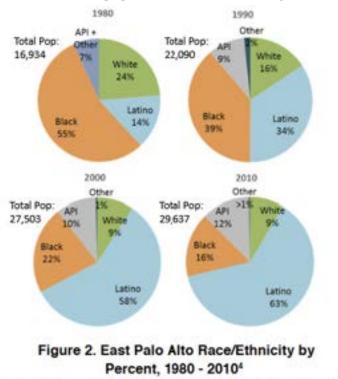
**Primary findings.** This section summarizes the primary findings from the Fair Housing Assessment for East Palo Alto including the following sections: fair housing enforcement and outreach capacity, integration and segregation, access to opportunity, disparate housing needs, and contributing factors and the city's fair housing action plan.

- 9% (five complaints) of fair housing complaints filed in San Mateo County from 2017 to 2021 were in East Palo Alto—the city accounts for only 4% of the county's population. The issues cited were terms, conditions, privileges, or services and facilities (4 complaints), and refusal to rent (one complaint).
- The majority of residents living in East Palo Alto are renters (60%). Female headed households are the most likely to be renters, with seven out of ten female-headed households renting. The area of the city bordering Menlo Park has a higher concentration of households made up of female-headed households with children.

- Compared to the county, East Palo Alto has a relatively high share of households that include children (49% in the city v. 33% countywide).
- East Palo Alto is also home to larger share of Hispanic/Latinx and Black or African American residents compared to the county (Figure II-1). The share of the Black or African American population decreased significantly from 23% to 11% since 2000, while the Hispanic/Latinx population increased from 60% to 66% and the non-Hispanic White population increased from 7% to 10%.
- Most Racial and ethnic minority populations are disproportionately impacted by poverty, low household incomes, overcrowding, and homelessness compared to the non-Hispanic White population in East Palo Alto. Additionally, racial and ethnic minorities, especially Hispanic/Latinx and Black or African American residents, are more likely to be denied for a home mortgage loan.
  - Racial and ethnic minorities have higher rates of poverty (Figure II-5) and lower household incomes (Figure II-4) compared to the non-Hispanic White population in East Palo Alto.
  - Overcrowding in the city is significantly higher than in the county (Figure IV-15). Hispanic/Latinx households have the highest share of overcrowded households, while Black or African American households have the lowest (Figure IV-17)
  - Countywide, people who identify as American Indian or Alaskan Native, Black, White, and Hispanic/Latinx are overrepresented in the homeless population compared to their share of the general population (Figure IV-22).
  - Hispanic/Latinx, American Indian or Alaska Native, and Black or African American households have the highest denial rates for mortgage loan applications in 2018 and 2019 (Figure IV-33).
- Compared to the county, East Palo Alto residents are more likely to be living in poverty (Figure II-28).
- Geospatially, the area bordering Menlo Park and west of Highway 101 tends to be disproportionately impacted by high poverty, low education opportunity, low economic opportunity, low environmental scores, high social vulnerability scores, concentrations of cost burdened households, overcrowding, and low resource scores. This area also has a concentration of renter households, and female headed households (Figure IV-13 and Figure II-22). These areas have:
  - Education opportunity scores between 0 and 0.25—meaning they have the lowest education scores compared to the rest of the city (Figure III-1).
  - > Low economic opportunity scores between zero and 0.25 (Figure III-7).

- The composite opportunity score for East Palo Alto shows census tracts in this area of the city fall within low resource areas while the rest of the city is within moderate areas (Figure III-14).
- The Social Vulnerability Index (SVI) provided by the CDC—ranks census tracts based on their ability to respond to a disaster. This area of the city is more vulnerable according to the SVI (Figure III-15).
- Concentration (60% to 80% of households) of cost burdened renter households (Figure IV-13). Overcrowded households are concentrated in the same areas as cost burdened households (Figure IV-19).
- > The entire city is considered vulnerable to displacement (Figure IV-28).
- The share of the population living with at least one disability is 6% in East Palo Alto, a slightly lower incidence than in San Mateo County. Unemployment is disproportionately high among residents living with a disability at 18% compared to 4% for residents without a disability in East Palo Alto—particularly when compared to the county (Figure III-20).
- East Palo Alto is served by the Ravenswood City Elementary School District; and the Sequoia Union Unified High School District. Eighty-three students qualify for reduced lunch in Ravenswood City Elementary, and 30% of students are experiencing homelessness. This is an outlier in the County, where overall just 2% are experiencing homelessness. Ravenswood also has a much higher share of Hispanic/Latinx students than San Mateo County (84% v. 38%).
- The city has relatively low education opportunity scores overall and disparities are present for minority students:
  - Hispanic/Latinx students at Ravenswood City Elementary are the least likely to have met or exceeded mathematics and English testing standards in the county.
  - At the high school level, Sequoia Union district has the highest dropout rate in the county (10%), and dropout rates among Pacific Islander (20%), Hispanic/Latinx (16%), and Black/African American (12%) students are much higher.
- Almost 60% of all renter households in East Palo Alto are cost burdened, spending more than 30% of their gross income on housing costs, and close to one-third are extremely cost burdened, spending more than 50% of their gross income on housing costs (Figure IV-9). Hispanic/Latinx (58%) households experience the highest rates of cost burden, followed by Black or African American households (55%). Racial and ethnic minorities are also more likely than non-Hispanic White households to experience overcrowding in East Palo Alto.

The Black population of East Palo Alto declined both in real numbers and as a percentage of the city's total population since incorporation, due to a number of factors including gentrification and displacement. Where in 1980 Black residents



accounted for 55% of the population, by 2010, only 16% of the population was represented by Black residents. During this time, the city grew from a population of about 17,000 to about 30,000. In other words, a population of about 9,300 Black residents dwindled to about 4.700 Black residents during a period in which the city's population grew 75%. While East Palo Alto grew, many Black residents have been pushed out and new Black renters may not be easily entering the city.<sup>29</sup>

- Source: U.S. Census 1980, 1950, 2000, 2010 (Geolytics, 2014)
- Homeownership has been one mechanism that has helped some Black families remain rooted in East Palo Alto. According to the Housing Needs Report, of the 1,196 Black Households in the city, about 60% were owner-occupied and about 40% were renter occupied.<sup>30</sup> The high proportion of homeownership among Black households is beneficial for those homeowners, but also indicates the history of displacement that reduced the number of Black renters in East Palo Alto. A larger proportion of Black renters might still reside in the city if not for the impacts of gentrification and displacement on East Palo Alto's Black community.

**Contributing factors and Fair Housing Action Plan.** The disparities in housing choice and access to opportunity discussed above stem from historical actions; the inability of the broader region to respond to housing demand leading residents seeking

<sup>&</sup>lt;sup>29</sup> Rockefeller Harris & Cespedes (2015). East Palo Alto: An Island of Affordability in a Sea of Wealth.

<sup>&</sup>lt;sup>30</sup> ABAG/MTC & Driskell Community Planning. (2021). Housing Needs Data Report East Palo Alto

affordability into East Palo Alto; East Palo Alto's relative affordability compared to the broader region; and the city's very limited resources to respond to needs. Specifically,

# Fair housing issue: Residents of color—especially Black or African American residents—have been displaced from East Palo Alto due to rising rents. *Contributing factors:*

- Lack of housing production in the region overall, incentivizing property owners to raise rents.
- Redevelopment of naturally occurring affordable housing, despite city policies to help mitigate high rent increases.
- Wage stagnation or decline, especially among renters across racial groups, limits households' ability to stay in place while rents increase, and also increases difficulty to save towards homeownership.

#### Fair housing issue: Families with children are disproportionately represented in East Palo Alto compared to the region and have lower access to quality educational environments.

#### Contributing factors:

- $\circ$   $\;$  Lack of affordable family housing in the county.
- School district policies that concentrate low-income families in under-resourced schools in East Palo Alto.
- Lack of resources for schools with children living in poverty to adequately students' address needs.

# Fair housing issue: Renters and female headed households with children are concentrated in neighborhoods with high poverty and low resources. *Contributing factors:*

Lack of affordable family housing in the county.

Concentration of affordable housing in the area bordering Menlo Park and west of Highway 101.

### Fair housing issue: East Palo Alto residents have high rates of cost burden, overcrowding, and denials when seeking mortgage loans. *Contributing factors:*

- Historical discrimination in housing and employment markets has limited the ability of residents of color to build family wealth and access high paying jobs.
- Significant shortage of affordable housing in the city, county, and region overall.

### Fair housing issue: Residents with disabilities have very high rates of unemployment (18%) compared to non-disabled residents and the county overall. *Contributing factors:*

- Discrimination in the job market and lack of training and education.
- Inability of employers to accommodate the needs of persons with disabilities.

### SECTION I. Fair Housing Enforcement and Outreach Capacity

This section discusses fair housing legal cases and inquiries, fair housing protections and enforcement, and outreach capacity.

**Fair housing legal cases and inquiries.** California fair housing law extends beyond the protections in the Federal Fair Housing Act (FHA). In addition to the FHA protected classes—race, color, ancestry/national origin, religion, disability, sex, and familial status—**California law offers protections for age, sexual orientation, gender identity or expression, genetic information, marital status, military or veteran status, and source of income (including federal housing assistance vouchers).** 

The California Department of Fair Employment in Housing (DFEH) was established in 1980 and is now the **largest civil rights agency in the united States**. According to their website, the DFEH's mission is, "to protect the people of California from unlawful discrimination in employment, housing and public accommodations (businesses) and from hate violence and human trafficking in accordance with the Fair Employment and Housing Act (FEHA), Unruh Civil Rights Act, Disabled Persons Act, and Ralph Civil Rights Act."<sup>31</sup>

DFEH receives, evaluates, and investigates fair housing complaints. DFEH plays a particularly significant role in investigating fair housing complaints against protected classes that are not included in federal legislation and therefore not investigated by HUD. DFEH's website provides detailed instructions for filing a complaint, the complaint process, appealing a decision, and other frequently asked questions.<sup>32</sup> Fair housing complaints can also be submitted to HUD for investigation.

Additionally, San Mateo County has a number of **local enforcement organizations** including Project Sentinel, the Legal Aid Society of San Mateo County, and Community Legal Services of East Palo Alto. These organizations receive funding from the County and participating jurisdictions to support fair housing enforcement and outreach and education in the county. East Palo Alto residents wishing to submit fair housing complaints can reach out to the abovementioned local enforcement organizations, also listed on the City's Rent Stabilization page under "Housing Assistance, Fair Housing and Other Resources."<sup>33</sup> Residents may also contact the City's Rent Stabilization Program, Housing Division, and Building/Code Enforcement Division for further assistance on their individual cases.

From 2017 to 2021, **57 fair housing complaints in San Mateo County were filed with the U.S. Department of Housing and Urban Development (HUD)—9% of complaints were in East** 

<sup>&</sup>lt;sup>31</sup> https://www.dfeh.ca.gov/aboutdfeh/.

<sup>&</sup>lt;sup>32</sup> https://www.dfeh.ca.gov/complaintprocess/.

<sup>&</sup>lt;sup>33</sup> https://www.cityofepa.org/rent-stabilization/page/housing-assistance-fair-housing-and-other-resources

**Palo Alto (five complaints).** Countywide, most complaints cited disability status as bias (56%) followed by race (19%), and familial status (14%). In East Palo Alto, the issues cited were terms, conditions, privileges, or services and facilities (4 complaints), and refusal to rent (one complaint).

Countywide, no cause determination was found in 27 complaints followed by successful conciliation or settlement with 22 complaints. Fair housing inquiries in 2020 were primarily submitted from the City of San Mateo, followed by Redwood City, Daly City, and Menlo Park.

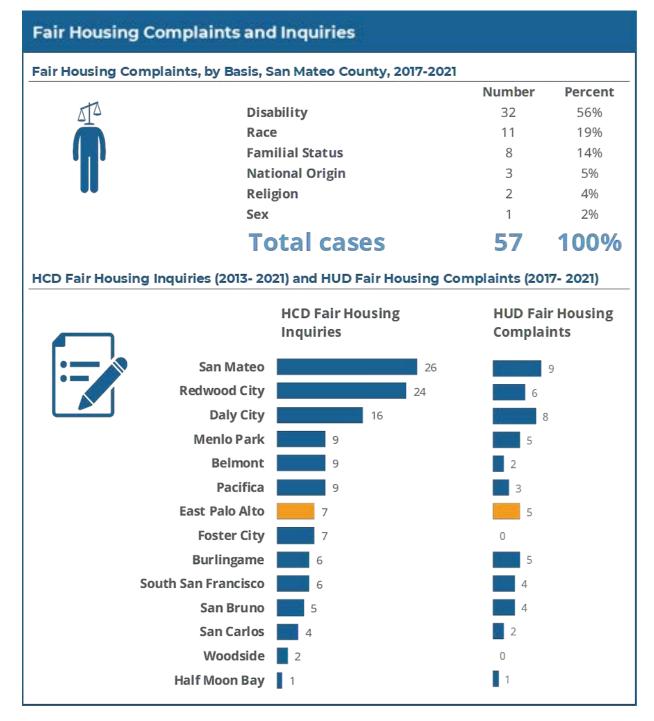
Fair housing complaints filed with HUD by San Mateo County residents have been on a declining trend since 2018, when 18 complaints were filed. In 2019, complaints dropped to 5, increased to 11 in 2020, and had reached 6 by mid-2021.

Nationally, the National Fair Housing Alliance (NFHA) reported a "negligible" decrease in the number of complaints filed between 2019 and 2020. The primary bases for complaints nationally were nearly identical to San Mateo County's: disability (55%) and race (17%). Familial status represented 8% of complaints nationally, whereas this basis comprised 14% of cases in the county.

NFHA identifies three significant trends in 2020 that are relevant for San Mateo County:

- First, fair lending cases referred to the Department of Justice from federal banking regulators have been declining, indicating that state and local government entities may want to play a larger role in examining fair lending barriers to homeownership.
- Second, NFHA identified a significant increase in the number of complaints of harassment— 1,071 complaints in 2020 compared to 761 in 2019.
- Finally, NFHA found that 73% of all fair housing complaints in 2020 were processed by private fair housing organizations, rather than state, local, and federal government agencies reinforcing the need for local, active fair housing organizations and increased funding for such organizations.<sup>34</sup>

<sup>&</sup>lt;sup>34</sup> https://nationalfairhousing.org/2021/07/29/annual-fair-housing-report-shows-increase-in-housing-harassment/



**Outreach and capacity.** East Palo Alto City's website provides easy to follow links to the rent stabilization program and housing programs, as well as the opportunity to share input on the Housing Element. The City improved the accessibility of fair housing information on its website and resources for residents experiencing housing discrimination, by adding general

information about the Fair Housing Act and a list of organizations to reach out to for fair housing complaints on its "Housing Assistance, Fair Housing, and Other Resources" page, which is linked on both the Rent Stabilization and Housing webpages. This resource page also provides information for homelessness and rental assistance, eviction and tenant legal assistance, housing inspections, affordable rental housing, mediation services, and more. Language accessibility is provided by having the option to translate information into Chinese, Samoan, and Spanish and selection the option at the bottom of each webpage. Language accessibility could be improved by providing some information in both English and Spanish, as well as placing the option to select a different language at the top of the website.

The City committed to increasing its outreach capacity for special needs groups, including extremely low-income tenants and monolingual Spanish-speaking residents, in its Anti-Displacement Services contract with Community Legal Services in East Palo Alto (CLSEPA), Youth United for Community Action (YUCA), and Nuestra Casa. Tenant legal services, rent relief workshops, and outreach were provided and expanded during the COVID\_19 pandemic to address immediate community needs, using the City's funds generated from Measure O. Upon expiration of the contract, the City issued another Request for Proposals and in August 2022, came into a new contract with CLSEPA, Nuestra Casa and YUCA for an additional one to two years of anti-displacement services, including legal representation, case management, education in tenant rights and housing laws, and outreach. The outreach is targeted to especially vulnerable neighborhoods in the community through workshops on the Westside, door-to-door knocking and communication with tenants living in single-family homes, and Spanish and Tongan translation and interpretation. Residents with fair housing complaints will have organizations readily available and proactively reaching out to address the complaints and redirect them to the right resources, such as Project Sentinel. In addition, the contracted service providers have quarterly reporting requirements and bi-monthly meetings with Rent Stabilization staff to identify and report fair housing complaints from residents.

**Compliance with state law.** East Palo Alto is compliant with the following state laws that promote fair and affordable housing and has not been found or alleged in violation of the following.

- Government Code Section 65852.2 (a), requiring cities to implement ordinances allowing for the creation of second units in single-family or multi-family residential zones;
- Government Code Section 65915, giving housing developments the right to add density bonuses and incentives that reduce affordable housing costs;
- Ellis Act, providing that cities do not bar the redevelopment and reconstruction of Rent Stabilization Program units;

- State laws SB 1069 and AB 2299, allowing for the development of Accessory Dwelling units (ADUs) on most single-family lots to increase opportunities for housing production;
- Fair Employment and Housing Act (FEHA), prohibiting discrimination in housing based on race, color, national origin, religion, sex, gender identity/expression, sexual orientation, familial status, disability, age, citizenship, language, source of income, or any other arbitrary basis.

East Palo Alto also complies with all provisions included in the Fair Housing Act and Fair Housing laws are appropriately followed with Planning Division staff making exceptions to the Zoning Code when appropriate.

**Housing specific policies enacted locally.** East Palo Alto identified, according to the 21 Elements AFFH Resident Survey and based on community input, the following local policies and programs that contribute to the regulatory environment for affordable housing development in the city.

Local policies and programs in place to <u>encourage</u> housing development.	Local <u>barriers</u> to affordable housing development.				
<ul> <li>ADU Working Group</li> <li>CalHOME program for the creation of affordable ADU units</li> <li>Inclusionary housing</li> <li>Measure HH commercial office space special parcel tax revenue (passed in 2018)</li> <li>Measure O gross receipts tax revenue (passed in 2016)</li> <li>Measure L business tax revenue (passed in 2022)</li> </ul>	<ul> <li>Development impact fees</li> <li>High parking requirements</li> <li>Infrastructure needs in sanitary sewer services</li> <li>Lengthy processing times and requirements to develop properties</li> <li>Low staffing capacity in the Building, Code Enforcement, Planning and Housing divisions</li> <li>Missing ADU legalization program to complement ADU streamlining</li> </ul>				
<ul> <li>Local policies and programs that are <u>NOT</u> in place but would provide the best outcomes in addressing housing shortages.</li> <li>Homebuyer assistance programs</li> <li>Mortgage and rental assistance (beyond pandemic)</li> <li>Tenant Opportunity to Purchase Act/ Community Opportunity to Purchase Act</li> <li>Local policies that are <u>NOT</u> in place, but have potential Council interest for further exploration.</li> <li>Acquisition and rehab program</li> <li>Anti-Displacement Plan</li> <li>First-time homebuyer and foreclosure assistance</li> <li>Housing counseling</li> <li>Living wage employment ordinances</li> <li>Rental Registry</li> </ul>	<ul> <li>Local policies and programs in place to mitigate or prevent displacement of low-income households.</li> <li>Affordable housing impact linkage fee on new commercial development</li> <li>Community land trusts</li> <li>Condominium conversion regulations</li> <li>Fair housing legal services</li> <li>First source hiring ordinances</li> <li>Funding home sharing program (HIP Housing)</li> <li>Inclusionary housing ordinance</li> <li>Just cause eviction</li> <li>Local preference</li> <li>Mobile home displacement prevention</li> <li>Rent review board and/or mediation</li> <li>Rent stabilization</li> <li>Rental assistance and tenant education and empowerment</li> <li>Tenant relocation requirements</li> </ul>				

According to the California Department of Housing and Community Development AFFH Data Viewer (HCD data viewer), East Palo Alto does not have any public housing buildings. However, the city does have a moderate (5% to 15%) share of households using housing vouchers.

Compared to nearby Menlo Park and Palo Alto, **East Palo Alto appears accommodating to renters with housing vouchers** because the city has a greater share of voucher holders compared to the surrounding communities. The presence of housing voucher users indicates available rental supply to house these residents and a lack of exclusionary behavior from landlords in the city.

**Legal challenges.** Legal challenges in the past two decades have placed East Palo Alto's affordable rental housing stock in a unique situation and increased displacement among East Palo Alto residents unable to afford rising rent prices.

In 2006, Page Mill Properties, a Palo Alto-based real estate investment firm, assumed management of over 1,800 rental units in the Woodland Park neighborhood of East Palo Alto. The property management group purchased the units at market value, intending to rehabilitate units with deferred maintenance issues such as new roofs, gates, seismic upgrades, night security, and surveillance cameras. To pay for such improvements, the majority of tenants' rents increased twice during 2008—an average of 9% in the first rent change, followed by an average 7.7% increase.<sup>35</sup> Abrupt and continuous rent increases can shift the composition of residents – pushing out or pressuring lower income households and inviting residents with higher incomes on average, often workers in Technology and other high paying industries driving gentrification.<sup>36</sup> This pattern helps explain how Black resident population declined from 22% of 27,503 in the year 2000 to 16% of 29,637 in the year 2010. When rent increases don't displace, it can be because households resort to overcrowding and overburdening, both of which are prevalent (2/3rds of renter households were overburdened in East Palo Alto according to the Housing Needs Report 2021).

However, according to East Palo Alto's 1988 Rent Control Ordinance, rents can be increased annually at 100% of the Consumer Price Index (CPI) as set by the United States Department of Labor for the San Francisco/Oakland Metropolitan Area which was approximately 2.9% in 2008. Property managers claimed that because the previous property owner did not annually increase rents, they should be able to legally recapture the unused annual rent increases. Despite East Palo Alto's efforts to declare the rent change unlawful, the San Mateo Superior County ruled in favor of property managers.<sup>37</sup>

<sup>&</sup>lt;sup>35</sup> https://www.hcd.ca.gov/housing-elements/docs/east-palo-alto-5th-draft021215.pdf.

<sup>&</sup>lt;sup>36</sup> Post, T. W. (2018, November 5). In East Palo Alto, the influx of tech companies pushes residents to a breaking point over gentrification. The Mercury News. Retrieved January 10, 2023, from

https://www.mercurynews.com/2018/11/05/in-east-palo-alto-the-influx-of-tech-companies-pushes-residents-to-a-breaking-point-over-gentrification/

In 2009, Page Mill Properties defaulted on its loan obligations, allowing Wells Fargo Bank to take title of the rental properties after foreclosure proceedings in 2010. In December 2011, Wells Fargo Bank sold the properties to a Chicago-based corporation, Equity Residential. As a result of rent increases, families have reportedly been displaced due to rent increases.

## **SECTION II. Integration and Segregation**

This section discusses integration and segregation of the population by protected classes including race and ethnicity, disability status, familial status, and income status. The section concludes with an analysis of racially and ethnically concentrated areas of poverty and affluence.

#### **Integration and Segregation**

**"Integration** generally means a condition in which there is not a high concentration of persons of a particular race, color, religion, sex, familial status, national origin, or having a disability or a particular type of disability when compared to a broader geographic area.

**Segregation** generally means a condition in which there is a high concentration of persons of a particular race, color, religion, sex, familial status, national origin, or having a disability or a type of disability in a particular geographic area when compared to a broader geographic area."

Source: California Department of Housing and Community Development Guidance, 2021, page 31.

**Race and ethnicity.** The population distribution by race and ethnicity in East Palo Alto is more diverse compared to the county. East Palo Alto shows the largest portion of the population being Hispanic/Latinx (66% v. 39% in the county), followed by Black or African American (11% v. 2% in the county). <sup>38</sup> The Asian and non-Hispanic White population make up 10% of the population each. The share of the Black or African American population decreased significantly from 23% to 11% since 2000, while the Hispanic/Latinx population increased from 60% to 66% and the non-Hispanic White increased from 7% to 10%. The share of the Asian population has remained stable. Black population decline has been a consistent pattern since at least 1980. Multiple contributing factors explain this pattern. A history of redlining, racially restrictive covenants, and employment discrimination limited stable housing opportunities and wealth accumulation for generations of Black residents. Among Black residents able to secure homeownership, some sold and left, using equity to purchase homes in the region's outer edges, namely cities and neighborhoods in Solano County, eastern Contra Costa County, and Southern Alameda County.<sup>39</sup> The subprime mortgage foreclosure crisis which followed deregulation and racially targeted predatory lending also dispossessed Black homeowners of wealth and housing stability.<sup>40</sup> Today, stable housing is an urgent need for all groups in the city, but especially so for Black residents whose population has continued to decline.

<sup>&</sup>lt;sup>38</sup> The share of the population that identifies as American Indian or Alaska Native is less than 1%.

<sup>&</sup>lt;sup>39</sup> Urban Displacement Project and California Housing Partnership, Migration by Race and Income in Northern California, 2015, https://www.urbandisplacement.org/maps/sf-bay-area-migration-by-race-and-income/

<sup>&</sup>lt;sup>40</sup> Jiménez Tomás R. (2017). Introduction. In The other side of assimilation how immigrants are changing American Life. University of California Press.

The share of the population age 65 and over that is Black or African American is 30% compared to only 6% of the population under age 17. This pattern is consistent with relatively high homeownership rates (approximately 60% of Black Households) largely represented by legacy homeowners who have lived through recent decades of neighborhood transition with the ability to remain in place. Similarly in alignment with extreme age variation, the ability to raise a family, or for families with children to enter the city of East Palo Alto, has become more out of reach for many, resulting in the **steepest decline in youth population of any city in the Bay Area between 2010 and 2020.**<sup>41</sup>As elder homeowners age toward the end of life, and youth and young adults struggle to get a foothold in the city, continued decline may be likely without proportional intervention to support the ability to remain in place and thrive in East Palo Alto

**Racial and ethnic minority populations generally have higher rates of poverty and lower household incomes compared to the non-Hispanic White population in East Palo Alto.** East Palo Alto has no non-Hispanic White majority census tracts<sup>42</sup> and several census tracts have Hispanic/Latinx majority.<sup>43</sup>

**Dissimilarity and isolation indices.** The Dissimilarity Index, or DI, is a common tool that measures segregation in a community. The DI is an index that measures the degree to which two distinct groups are evenly distributed across a geographic area. The DI represents the percentage of a group's population that would have to move for each area in the county to have the same percentage of that group as the county overall.

DI values range from 0 to 100—where 0 is perfect integration and 100 is complete segregation. Dissimilarity index values between 0 and 39 generally indicate low segregation, values between 40 and 54 generally indicate moderate segregation, and values between 55 and 100 generally indicate a high level of segregation.

The isolation index is interpreted as the probability that a randomly drawn minority resident shares an area with a member of the same minority, it ranges from 0 to 100 and higher values of isolation tend to indicate higher levels of segregation.

ABAG and UC Merced completed an analysis of racial and income segregation by both census tracts and block groups in East Palo Alto and the Bay Area region. Throughout the analysis, several indices were used to assess segregation in the city to determine how the city differs from patterns of segregation and integration in the region overall. A detailed explanation of their analysis is featured in Appendix I of the analysis; however, primary findings include:

<sup>&</sup>lt;sup>41</sup> Neilson, S. (2022, July 29). Nearly every Bay Area City lost kids over the last decade - except this one. here's why. San Francisco Chronicle. Retrieved January 10, 2023, from https://www.sfchronicle.com/bayarea/article/Bay-Area-kid-population-17331003.php

<sup>&</sup>lt;sup>42</sup> Majority census tracts show the predominant racial or ethnic group by tract compared to the next most populous.

<sup>&</sup>lt;sup>43</sup> Redlining maps, otherwise known as Home Owners' Loan Corporation (HOLC) maps, are not available for San Mateo County.

- Racial isolation indexes in East Palo Alto are relatively similar to that of neighboring jurisdictions (e.g., Redwood City) and the Bay Area region. In East Palo Alto and the Bay Area, Asian/Pacific Islander and Hispanic/Latinx isolation have progressively increased between 2000 and 2020 while segregation levels for White and Black or African American residents have declined.
- Since 2000, Hispanic/Latinx isolation indexes in East Palo Alto have been significantly higher than that of White residents, most likely due to the jurisdiction's large population of Hispanic/Latinx residents. However, this differs from the rest of San Mateo County and the Bay Area overall where White residents have long been the most isolated racial group. In 2020, unincorporated San Mateo County's isolation index for White residents was 0.599, the Bay Area 0.491, and 0.084 in East Palo Alto (compared to 0.672 for Hispanic/Latinx residents in East Palo Alto).
- Dissimilarity indexes across all racial groups included in the analysis have declined between 2000 and 2020 in East Palo Alto and the Bay Area region, though DI values in the region have declined slower than East Palo Alto.
- Overall, DI values show that the highest segregation in East Palo Alto is between and Black or African American and White residents. As noted above, however, values declined sharply between 2010 (0.439) and 2020 (0.225). Segregation between and Black or African American and White residents in East Palo Alto was similar to the Bay Area region in 2020 but differed from San Mateo County where segregation between Hispanic/Latinx and White residents is highest on average.
- In line with surrounding jurisdictions and the Bay Area, very low-income residents (0%-50% AMI) in East Palo Alto became more segregated between 2010 and 2015, with isolation index values increasing by approximately six percentage points. Unlike other areas, however, during the same time-frame moderate-income residents (80%-120% AMI) also became more isolated, though not as severe as very low-income residents.
- Comparing East Palo Alto to San Mateo County shows a different story. In East Palo Alto, lower-income groups are significantly more segregated and higher-income groups are much less segregated than the county overall. In 2015, isolation index values for very low-income residents were 0.561 and 0.116 for above moderate-income residents (>120% AMI). This compares to San Mateo County's overall 0.410 (very low-income) and 0.496 (above moderate-income) isolation values.
- Similar to the Bay Area, DI values across income groups between 2010 and 2015 either remained the same or declined slightly (approximately one percentage point).

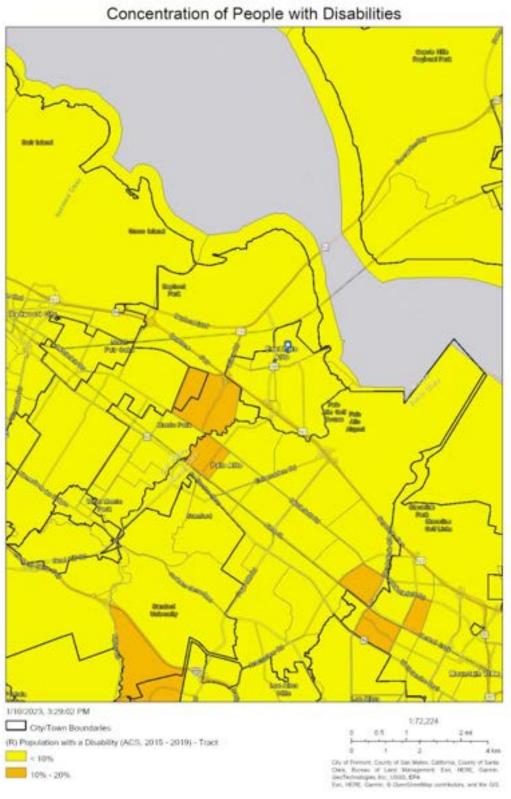
In terms of declining segregation for White and Black or African American residents **in East Palo Alto, there is a notable decline in the jurisdiction's population of Black or African American residents**. In two decades, the population declined from 6,641 people to 3,190 people. Segregation for White residents, however, cannot be determined by population levels alone as numbers have shifted over the years. It should be noted that White residents comprise a relatively small portion of East Palo Alto's total population. ABAG and UC Merced advise paying close attention to small populations as DI values can be less reliable.

These indices also show inconsistencies in income segregation between East Palo Alto and San Mateo County. This is largely due to differences in household income. As shown in Figure II-25 of the Map and Data Packet, only 17% of households in East Palo Alto earn greater than 100% of AMI compared to the overall county's 49%. Compared to both the Bay Area region and San Mateo County, noticeably more households in East Palo Alito earn 50% below the AMI.

Increased segregation for very low-income residents in East Palo Alto can also be attributed to the Silicon Valley tech boom which many say has "created two parallel societies where the people at the top benefit a lot and the people at the bottom do not."<sup>44</sup>

**Disability status.** The share of the population living with at least one disability is 6% in East Palo Alto, slightly lower than in San Mateo County's 8%. There are no census tracts in the city with a share of the population living with a disability that reach 10%. Just west of Highway 101 there is a census tract in Menlo Park with a slightly higher concentration of people with disabilities at 10-20%. Geographic concentrations of people living with a disability may indicate the area has ample access to services, amenities, and transportation that support this population.

<sup>&</sup>lt;sup>44</sup> https://www.paloaltoonline.com/news/2019/09/15/equity-ripples-east-palo-alto-continues-to-struggle-amidst-neighboring-tech-boom.



CAHCO

To gain a better understanding disability status in East Palo Alto, the table below shows changes to the disability community over time by census tracts. Most tracts have seen minimal change, however, tract 6118 saw a 4% decrease in the number of people with a disability. It is hard to know if they went elsewhere in the city or had to seek resources elsewhere, but the pattern is important to note. The stagnation of disability status by census tract could indicate that the area cannot accommodate additional people with disabilities due to lack of accessible units, and thus they must seek other areas of San Mateo County.

Census Tract	2014	2019	Number and % change 2014-2019
6116	124 / 5%	157 / 6%	33 / 1%
6117	394 / 7%	435 / 8%	41 / 1%
6118	470 / 11%	323 / 7%	-147 / -4%
6119	677 / 7%	423 / 4%	-254 / -3%
6120	569 / 7%	551 / 8%	-18 / -1%
6121	510 / 7%	656 / 8%	146 / 1%

Disability S	tatus	201/ =	and 2019
Disability 3	ialus,	2014 6	anu 2019

Source: 5-year ACS 2014 and 2019

**Familial Status.** East Palo Alto is home to **more large households (5-person or more)** than the county with 27% of households compared to only 11% in the county. Additionally, there are **fewer married couple households in the city and more female-headed family households compared to the county (21% v. 10% in the county)**. Female-headed households tend to have higher poverty rates, be younger and more diverse than the overall population. As shown in the table below, East Palo Alto has lost female-headed families over time, suggesting that this group has been priced out of housing in many census tracts.

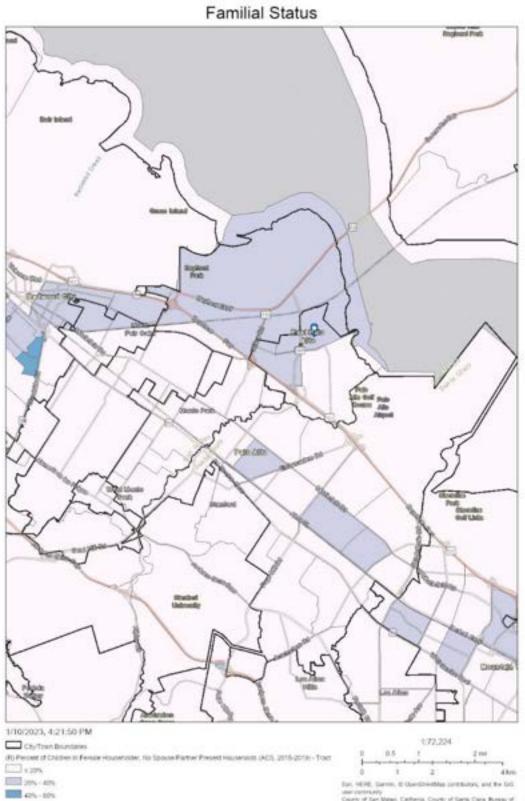
Census Tract	2014	2019	Number and % change 2014-2019
6116	49 / 6%	21 / 3%	-28 / -3%
6117	357 / 25%	169 / 12%	-188 / -
			13%
6118	175 / 21%	108 / 11%	-67 / -10%
6119	220 / 9%	243 / 9%	23 / 0%
6120	73 / 5%	217 / 14%	144 / 9%
6121	207 / 8%	356 / 13%	149 / 5%

Female-headed households with children present, 2014 and 2019

Source: 5-year ACS 2014 and 2019

East Palo alto also has a higher share of households with children compared to the county (49% v. 33%). The area of the city bordering Menlo Park has a higher concentration of single female with children households.

**The majority of residents living in East Palo Alto are renters (60%).** Female headed households are the most likely to be renters, with seven out of ten female-headed households renting. The map shows that part of East Palo Alto and Menlo Park have a higher proportion of female-headed households with children than the surrounding area at 20%-40%. This concentration indicates that East Palo Alto likely offers affordable housing options to single mothers



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CANCO

**Household income.** The household income distribution by percent of area median income (AMI) in East Palo Alto is more concentrated at lower incomes than the county. In East Palo Alto 50% of households have income below 50% AMI compared to 24% in the county.

There are several census block groups in the city that have median incomes below the 2020 state median income of \$87,100. In addition, census block groups with median incomes below \$55,000 are located in the central part of the city and west of Highway 101. **Compared to the county**, **East Palo Alto has higher poverty rates** between 10% and 20% but the city has no concentrations of census tracts with poverty rates between 20% and 30%.

### Segregation and Integration

#### Population by Protected Class



**Racially or ethnically concentrated areas of poverty and affluence.** Racially Concentrated Area of Poverty or an Ethnically Concentrated Area of Poverty (R/ECAP) and Racially Concentrated Areas of Affluence (RCAAs) represent opposing ends of the segregation spectrum from racially or ethnically segregated areas with high poverty rates to affluent predominantly non-Hispanic White neighborhoods. Historically, HUD has paid particular attention to R/ECAPs as a focus of policy and obligations to AFFH. Recent research out of the University of Minnesota Humphrey School of Public Affairs argues for the inclusion of RCAAs to acknowledge current and past policies that created and perpetuate these areas of high opportunity and exclusion.<sup>45</sup>

<sup>&</sup>lt;sup>45</sup> Goetz, E. G., Damiano, A., & Williams, R. A. (2019). Racially Concentrated Areas of Affluence: A Preliminary Investigation. Cityscape: A Journal of Policy Development and Research, 21(1), 99–124

It is important to note that R/ECAPs and RCAAs are not areas of focus because of racial and ethnic concentrations alone. This study recognizes that racial and ethnic clusters can be a part of fair housing choice if they occur in a non-discriminatory market. Rather, R/ECAPs are meant to identify areas where residents may have historically faced discrimination and continue to be challenged by limited economic opportunity, and conversely, RCAAs are meant to identify areas of particular advantage and exclusion.

#### R/ECAPs

HCD and HUD's definition of a Racially/Ethnically Concentrated Area of Poverty is:

- A census tract that has a non-White population of 50 percent or more (majoritypeople of color) or, for non-urban areas, 20 percent, AND a poverty rate of 40 percent or more; OR
- A census tract that has a non-White population of 50 percent or more (majority-people of color) AND the poverty rate is three times the average tract poverty rate for the County, whichever is lower.

Source: California Department of Housing and Community Development Guidance, 2021.

For this study, the poverty threshold used was three times the average tract poverty rate for the County—or 19.1%. In addition to R/ECAPs that meet the HUD threshold, this study includes edge or emerging R/ECAPs which hit two thirds of the HUD defined threshold for poverty—emerging R/ECAPs in San Mateo County have 2 times the average tract poverty rate for the county (12.8%).

In 2010 there were three census tracts that qualify as R/ECAPs (19.4% poverty rate) in the county and 11 that qualify as edge R/ECAPs (13% poverty rate). One of the R/ECAPs was located in East Palo Alto in 2010, and 2 edge R/ECAPs were located in East Palo Alto covering the entire area of the city east of Highway 101.

In 2019 there are two census tracts that qualify as R/ECAPs (19.1% poverty rate) in the county and 14 that qualify as edge R/ECAPs (12.8% poverty rate). **Three of the 2019 edge R/ECAPs are located in East Palo Alto**—which means they are majority people of color and have a poverty rate two times higher than the countywide census tract average, and **none of the census tracts that qualify as R/ECAPs are located in East Palo Alto**. The area that used to be an R/ECAP is located west of Menlo Park Business Park area but east of Highway 101. The poverty rate in this area decreased from 26% in 2010 to 11% in 2019. While the overall share of residents who are people of color remained stable, the share of Black or African American residents decreased and the shares of Asian/Pacific Islander and Hispanic/Latinx residents increased. The tables below compare edge R/ECAPs and non-edge R/ECAPs. Many census tracts between the two categories share similar characteristics of overpayment of housing cost and high non-white population. However, the R/ECAP census tracts generally have more renters and lower median income,

signifying deeper housing instability and need than non-R/ECAPs. Noticeably, the tracts with the highest incomes have the least overcrowding and overpayment issues.

Edge-R/CAPs

Census Tract	Median Income	% non- white	Owner- Occupied Housing Units	Renter Occupied Housing Units	% Overcro wded Househol ds	% Overpay ment of Renters	% Overpay ment of Homeow ners
6118	\$68,083	71%	951	316	27%	57%	60%
6119	\$100,038	61%	1,466	1,254	18%	28%	53%
6121	\$57,627	48%	403	2,421	33%	68%	48%

#### Non-R/ECAPs

Census Tract	Median Income	% non- white	Owner- Occupied Housing Units	Renter Occupied Housing Units	% Overcrowded Households	% Overpayment of Renters	% Overpayment of Homeowners
6116	\$220,859	22%	665	114	0%	33%	27%
6117 6120	\$65,613 \$71,234	62% 70%	656 836	795 754	23% 34%	63% 62%	43% 59%

**RCAAs.** HCD's definition of a Racially Concentrated Area of Affluence is "A census tract with a median income 1.25 times and higher than in the region and a White population of 1.5 times and higher than the region." While many jurisdictions in San Mateo County are considered RCAAs, **East Palo Alto is not a RCAA**, as shown in Figure IV-34. This is most likely due to the greater portion of lower-income communities located in East Palo Alto and the small population of non-Hispanic White residents. In fact, **people of color comprise more of East Palo Alto's population than the Bay Area region as a whole.** Historical local, state, and federal housing policies outlined in the beginning of this Assessment contributed to these patterns in neighborhood characteristics and disparities as many policies excluded people of color from accessing the same opportunities as White residents.

Unlike neighboring RCAAs, East Palo Alto is considered to be an overall low opportunity area and a moderate to low resource area with low education, economic, and environmental outcomes. Though access to schools and other opportunities will be discussed in greater detail in Section III, it is important to note that although East Palo Alto residents have adequate access to schools, education results are severely low, nearly all students come from low-income households (91%), and over half are English learners (54%).<sup>46</sup> Consistent with 5-year trends, in the 2018-2019 school year, less than 2 in 10 students were on grade level in English and math.<sup>47</sup> Given these outcomes, many families in East Palo Alto have tried getting their children into the Tinsley Program—a 1986 initiative allowing a small number of children from Ravenswood School District to transfer to schools in the surrounding K-8 districts: Belmont-Redwood Shores, Las Lomitas, Menlo Park, Palo Alto, Portola Valley, San Carlos, and Woodside; all of which are mapped as RCAAs (Figure IV-34).

In terms of job proximity, however, East Palo Alto scores higher or in line with surrounding RCAAs.

**Addressing inequities.** East Palo Alto has taken numerous steps to address inequities in the area. Solutions to enhancing access to opportunities, reducing segregation, and providing increased affordable housing have been proposed and/or implemented in the form of policies, programs, goal setting, strategies, and more. Examples include:

- Financial support policies to discourage gentrification and the displacement of existing residents;
- Coordinating with Ravenswood School District, Sequoia School District, and private schools to improve transportation to/from school;
- Development outreach—require sponsors of major development and/or infrastructure projects to initiative early and frequent communication with communities and show how community input was incorporated into plan prior to City Council approval;
- CalHome ADU/JADU Loan Program—joint effort between City staff and EPA CAN DO, launched January 2022;
- Implement Affordable Housing Program—ongoing requirements for housing staff to maintain Inclusionary Housing program, Commercial Linkage Fee program, and Local Preference program;
- Affordable housing overlay zone;
- Jobs-housing linkage that links the production of commercial office spaces to affordable housing production;
- Leverage available federal funding support for down payment and first-time homebuyer assistance.

 <sup>&</sup>lt;sup>46</sup> https://innovateschools.org/wp-content/uploads/2021/01/2020-Spotlight-on-Schools-within-RESD.pdf.
 <sup>47</sup> Ibid

In addition to the above, the City of East Palo Alto works with the following groups to advance and improve affordable housing and human services programs:

- Adults toward Independent Living;
- Bayshore Community Resources Center;
- Community Association for Rehabilitation, Inc.;
- Community Overcoming Relationship Abuse;
- Community Legal Services in East Palo Alto;
- EDEN Housing;
- El Comité del Lado Oeste;
- Elder Care Locater;
- EPA CAN DO;
- Habitat for Humanity;
- HIP Housing;
- Housing Choices;
- Housing Leadership Council of San Mateo County;
- Human Investment Project;
- MidPen Housing;
- Nuestra Casa;
- Preserving Affordable Housing Long term, Inc;
- Project Sentinel;
- Samaritan House;
- Shelter Network;
- Spring St. Shelter/Mental Health Association;
- WeHOPE;
- Women and their Children's Housing (WATCH);
- Youth united for Community Action in East Palo Alto

### **SECTION III. Access to Opportunity**

This section discusses disparities in access to opportunity among protected classes including access to quality education, employment, transportation, and environment.

#### Access to Opportunity

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

Source: California Department of Housing and Community Development Guidance, 2021, page 34.

The California Tax Credit Allocation Committee (TCAC) in collaboration with HCD developed a series of opportunity maps that help to identify areas of the community with good or poor access to opportunity for residents. These maps were developed to align funding allocations with the goal of improving outcomes for low-income residents—particularly children.

The opportunity maps highlight areas of highest resource, high resource, moderate resource, moderate resource (rapidly changing), low resource and high segregation and poverty. TCAC provides opportunity maps for access to opportunity in quality education, employment, transportation, and environment. Opportunity scores are presented on a scale from zero to one and the higher the number, the more positive the outcomes.

**Education.** TCAC's education score is based on math proficiency, reading proficiency, high school graduation rates, and the student poverty rate. According to TCAC's educational opportunity map, **all areas in East Palo Alto score below 0.50**—opportunity scores are presented on a scale from zero to one and the higher the number, the more positive the outcomes. **Census tracts bordering Menlo Park and east of Highway 101 score below 0.25**.

East Palo Alto is served by the Ravenswood City Elementary School District; and the Sequoia Union Unified High School District.

**Enrollment in Ravenswood City Elementary decreased 30%.** This represents a much larger decrease than the 1% decrease experienced in the county.

Enrollment in Sequoia Union increased by 18% from 2010 to 2020.

Ravenswood City Elementary has a much higher share of Hispanic/Latinx students than San Mateo County (84% v. 38%). The enrollment composition in Sequoia Union is similar to the countywide distribution.

Overall, 29% of public school students in San Mateo County qualify for reduced lunch. This was substantially higher in Ravenswood City Elementary School District, where 83% of students qualify for reduced lunch. In Ravenswood City Elementary, 30% of students are experiencing homelessness. This is an outlier in the County, where overall just 2% are experiencing homelessness.

County-wide, 20% of public school students are English learners. Again, this rate is highest at Ravenswood City Elementary, where 53% of students are English learners.

In addition to the high concentration, **Hispanic/Latinx students at Ravenswood City Elementary are the least likely to have met or exceeded mathematics and English testing standards in the county.** 

Countywide 27% of Hispanic/Latinx students met or exceeded mathematics testing standards and 40% met or exceeded English testing standards. These almost double the 15% and 21% in Ravenswood City.

Many high schoolers in the county met admission standards for a University of California (UC) or California State University (CSU) school. Of the high school districts in San Mateo County, Sequoia Union had the highest rate of graduates who met such admission standards at 69% followed by San Mateo Union High with 68%. **Pacific Islander, Hispanic/Latinx, and Black/African American students in the Sequoia Union district were less likely to meet the admission standards** with rates of 38%, 55%, and 50% respectively.

Despite the high share of students meeting college admission standards, Sequoia Union has the second to lowest college going rate, at 70%. The highest rate was 77% in San Mateo Union High.

In addition, Sequoia Union district has the highest dropout rate in the County (10%), and dropout rates among Pacific Islander (20%), Hispanic/Latinx (16%), and Black/African American (12%) students are much higher.

**Employment.** The top industry by number of jobs in East Palo Alto is the health and educational services, followed by retail, and arts, recreation, and other services. The top industries for workers living in East Palo Alto are the health and educational services, professional and managerial services, and arts, recreation, and other services.

East Palo Alto has a lower job to household ratio when compared to the county at 0.57 and 1.59 respectively. This makes the city an exporter of workers to other communities.

The city also has a higher unemployment rate than the county and the Bay Area.

TCAC's economic opportunity score is comprised of poverty, adult educational attainment, employment, job proximity, and median home value. East Palo Alto scores are below 0.50 and

# areas with the lowest economic opportunity scores—below 0.25— are concentrated in the part of the city that borders Menlo Park and are east of Highway 101.

HUD's job proximity index shows these areas are in relatively close proximity to jobs. On a scale from zero to 100 where 100 is the closest proximity to jobs, the majority of the city scores above 60.

**Transportation.** This section provides a summary of the transportation system that serves East Palo Alto and the broader region including emerging trends and data relevant to transportation access in the city. The San Mateo County Transit District acts as the administrative body for transit and transportation programs in the county including SamTrans and the Caltrain commuter rail. SamTrans provides bus services in San Mateo County, including Redi-Wheels paratransit service.

In 2018, the Metropolitan Transportation Commission (MTC), which covers the entire Bay Area, adopted a coordinated public transit and human services transportation plan. While developing the coordinated plan, the MTC conducted extensive community outreach about transportation within the area. That plan—which was developed by assessing the effectiveness of how well seniors, persons with disabilities, veterans, and people with low incomes are served—was reviewed to determine gaps in services in San Mateo and the county overall. Below is a summary of comments relevant to East Palo Alto and San Mateo County.

"San Mateo's PCC and County Health System, as well as the Peninsula Family Service Agency provided feedback. The most common themes expressed had to do with pedestrian and bicycle needs at specific locations throughout the county, though some covered more general comments such as parked cars blocking sidewalk right-of-way and a desire for bike lanes to accommodate motorized scooters and wheelchairs. Transportation information, emerging mobility providers, and transit fares were other common themes.

While some comments related to the use of car share, transportation network companies (TNCs), or autonomous vehicles as potential solutions, other comments called for the increased accessibility and affordability of these services in the meantime."<sup>48</sup>

#### Transit improvements recommended for East Palo Alto include:

"East Palo Alto individuals do not have direct, fixed-route service to San Mateo Medical Center. A transfer and drop off is located at El Camino Real and 37th Avenue, but patients are still required to walk the remaining distance up a hill to the SM Medical Center (County Hospital). The cost of this trip and transfers is a great hardship for low-income individuals. Craig added that getting to this medical facility is a hardship for many people because of the distance to the stop and the terrain."

<sup>&</sup>lt;sup>48</sup> https://mtc.ca.gov/sites/default/files/MTC\_Coordinated\_Plan.pdf

A partnership between the World Institute on Disability and the MTC created the research and community engagement project TRACS (Transportation Resilience, Accessibility & Climate Sustainability). The project's overall goal is to, "stimulate connection and communication between the community of seniors and people with disabilities together with the transportation system-the agencies in the region local to the San Francisco bay, served by MTC."<sup>49</sup>

As part of the TRACS outreach process, respondents were asked to share their compliments or good experiences with MTC transit. One respondent who had used multiple services said, **"it is my sense that SamTrans is the best Bay Area transit provider in terms of overall disability accommodation."** 

The San Mateo County Transit District updated their Mobility Plan for Older Adults and People with Disabilities in 2018. According to the district, the **county's senior population is expected to grow more than 70% over the next 20 years and the district is experiencing unprecedented increases in paratransit ridership**. The plan is targeted at developing effective mobility programs for residents with disabilities and older adults including viable alternatives to paratransit, partnerships, and leveraging funding sources.<sup>50</sup>

MTC also launched Clipper START—an 18-month pilot project— in 2020 which provides fare discounts on single transit rides for riders whose household income is no more than double the federal poverty level.<sup>51</sup>

**Environment.** TCAC's opportunity areas environmental scores are based on the CalEnviroScreen 3.0 indicators, which identify areas disproportionately vulnerable to pollution sources such as ozone, PM2.5, diesel PM, pesticides, toxic release, traffic, cleanup sites, groundwater threats, hazardous waste, impaired water bodies, and solid waste sites.

**East Palo Alto has worse scores than neighboring communities. The city also scores lower on the California Healthy Places Index (HPI)** developed by the Public Health Alliance of Southern California (PHASC).

The HPI includes 25 community characteristics in eight categories including economic, social, education, transportation, neighborhood, housing, clean environment, and healthcare.<sup>52</sup> The area east of Highway 101 close to Menlo Park scores the lowest on the HPI.

**Disparities in access to opportunity.** Data show that racial and ethnic minorities are more likely to live in low resource areas compared to non-Hispanic White residents. Two thirds (64%) of the population living in low resource areas are Hispanic/Latinx. TCAC's composite opportunity score for East Palo Alto shows census tracts in the west of Highway 101 and Tracts

<sup>&</sup>lt;sup>49</sup> https://wid.org/transportation-accessibility/

<sup>&</sup>lt;sup>50</sup>https://www.samtrans.com/Planning/Planning\_and\_Research/Mobility\_Plan\_for\_Older\_Adults\_and\_People\_with\_ Disabilities.html

<sup>&</sup>lt;sup>51</sup> https://mtc.ca.gov/planning/transportation/access-equity-mobility/clipperr-startsm

<sup>&</sup>lt;sup>52</sup> https://healthyplacesindex.org/about/

closer to Menlo Park fall within low resource areas while the rest of the city is within moderate resource areas.

The Social Vulnerability Index (SVI) provided by the CDC—ranks census tracts based on their ability to respond to a disaster—includes four themes of socioeconomic status, household composition, race or ethnicity, and housing and transportation. The area east of Highway 101 and close to Menlo Park is most vulnerable according to the SVI.

Most of the area east of Highway 101 in East Palo Alto qualifies as a disadvantaged community as defined under SB 535, "disadvantaged communities are defined as the top 25% scoring areas from CalEnviroScreen along with other areas with high amounts of pollution and low populations."<sup>53</sup>

**Disparities specific to the population living with a disability.** Six percent of the population in East Palo Alto are living with at least one disability, a lower share than the county. The most common disabilities in East Palo Alto are ambulatory (4%), cognitive (2.6%), and independent living (2.5%).

#### Disability

**"Disability types** include hearing difficulty, vision difficulty, cognitive difficulty, ambulatory difficulty, self-care difficulty, and independent living difficulty."

Source: California Department of Housing and Community Development Guidance, 2021, page 36.

For the population 65 and over the share of the population with an ambulatory or independent living difficulty increases. As mentioned above under access to transportation, San Mateo County is rapidly aging, therefore this population with a disability is likely to increase.

**Unemployment is disproportionately high among residents living with a disability at 18% compared to 4% for residents without a disability**. High unemployment rates among this population point to a need for increased services and resources to connect this population with employment opportunities.

<sup>&</sup>lt;sup>53</sup> https://oehha.ca.gov/calenviroscreen/sb535

#### Access to Opportunity **Regional Access** East Palo Alto San Mateo County Jobs to Household Ratio 0.57 1.59 Unemployment Rate 9% 6% LEP Population 7% 14% Share of Population by Race in Resource Areas in East Palo Alto Low Resource or High 11% Segregation and Poverty Area \$ American Indian or Alaska Native, NH 🔜 Asian / API, NH Black or African American, NH White, Non-Hispanic (NH) Other Race or Multiple Races, NH 📕 Hispanic or Latinx **Employment by Disability Status East Palo Alto** With A Disability No Disability 96% San Mateo County With A Disability 96% No Disability 97% Employed Unemployed

## **SECTION IV. Disparate Housing Needs**

This section discusses disparate housing needs for protected classes including cost burden and severe cost burden, overcrowding, substandard housing conditions, homelessness, displacement, and other considerations.

#### **Disproportionate Housing Needs**

**"Disproportionate housing needs** generally refers to a condition in which there are significant disparities in the proportion of members of a protected class experiencing a category of housing need when compared to the proportion of members of any other relevant groups, or the total population experiencing that category of housing need in the applicable geographic area. For purposes of this definition, categories of housing need are based on such factors as cost burden and severe cost burden, overcrowding, homelessness, and substandard housing conditions."

Source: California Department of Housing and Community Development Guidance, 2021, page 39.

**Housing needs.** Population growth in East Palo Alto accelerated during the 2000's and experienced a sharp decrease after the Financial Crisis. Between 2009 and 2010 the city lost around 5,000 residents (15%). Since then, population trends have followed countywide trends more closely.

Since 2015, the housing permitted to accommodate growth has largely been priced for above moderate- and low-income households with 35 and 34 permits issued respectively. During the same period 20 permits were issued for very low-income households and 6 for above moderate-income households. The majority of the housing inventory in East Palo Alto was constructed between 1940 to 1980. The Housing Needs Data Report for East Palo Alto indicates new construction has not kept pace with demand throughout the Bay Area, "resulting in longer commutes, increasing prices, and exacerbating issues of displacement and homelessness." <sup>54</sup>

The variety of housing types available in the city in 2020 are predominately single family (54%) and medium to large scale multifamily (37%). From 2010 to 2020, the multifamily inventory increased less than single family, and the city has a lower share of multifamily housing compared to other communities in the region. <sup>55</sup>

Compared to San Mateo County, **East Palo Alto's owner-occupied housing market has a** greater share of units priced below \$1 million—77% of units in the city fall within this price range compared to 44% in the county. According to the Zillow home value index, home prices

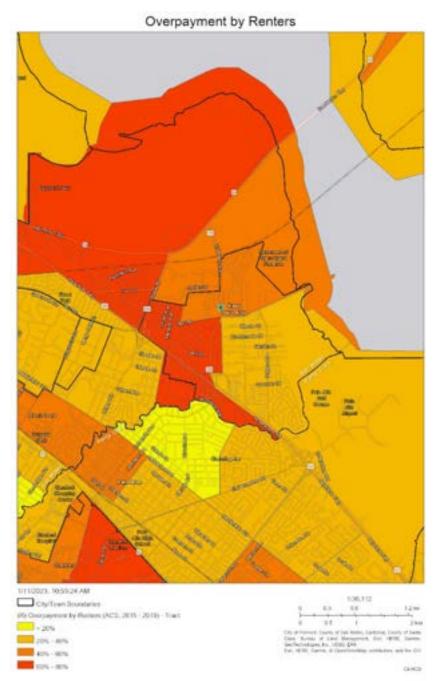
<sup>&</sup>lt;sup>54</sup> Housing Needs Data Report: San Mateo, ABAG/MTC Staff and Baird + Driskell Community Planning, 2021.

<sup>&</sup>lt;sup>55</sup> Housing Needs Data Report: San Mateo, ABAG/MTC Staff and Baird + Driskell Community Planning, 2021.

experienced remarkable growth in the city but have slowed since 2018. East Palo Alto home values remain more affordable than home values in the County and the Bay Area.

Compared to the county, **East Palo Alto has more affordable rental units**—42% of units rent for less than \$1,500 in the city compared to 19% in the county.

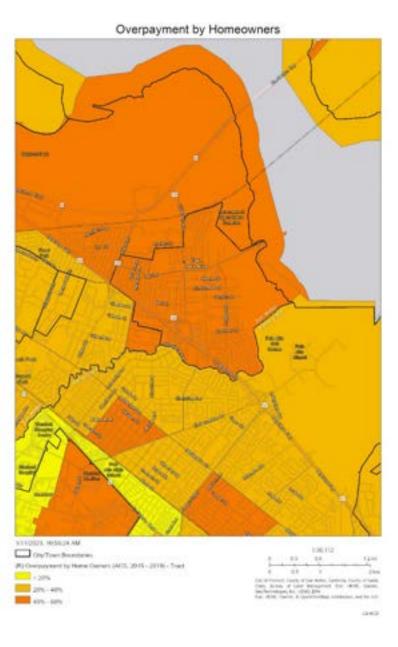
**Cost burden and severe cost burden.** Fifty eight percent of all renter households in East Palo Alto are cost burdened—spending more than 30% of their gross income on housing costs—and close to one third are extremely cost burdened—spending more than 50% of their



gross income on housing burdened costs. Cost households have less money to spend on other essentials like groceries, transportation, education, healthcare, and childcare. Extremely cost burdened households are considered at risk for homelessness.

The rates of cost burden in East Palo Alto are higher than the county overall. Lower income households are more likely to experience housing cost burden. Over two thirds of households earning less than 30% AMI—considered extremely low-income households—are severely cost burdened. There are disparities in housing cost burden in East Palo Alto by race and ethnicity. Hispanic/Latinx (58%) and other or multi racial (58%) households experience the highest rates of cost burden in the city, followed by Black or African American (55%) households. Non-Hispanic White (45%) and Asian/API (47%) experience the lowest cost burden.

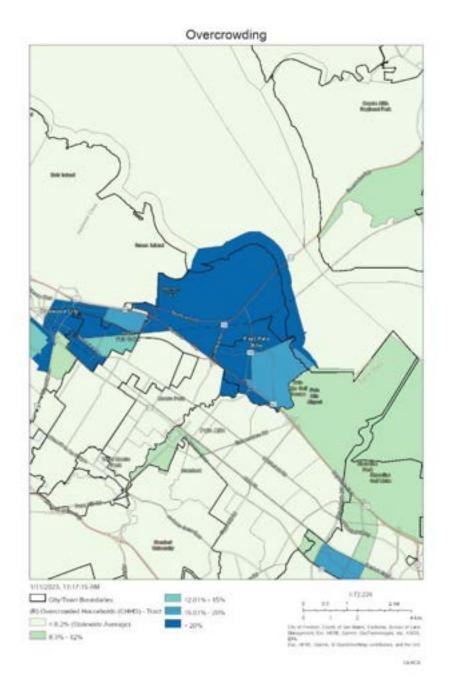
In areas where renters are cost burdened, it is likely that homeowners are also overpaying for housing. The map below shows that all homeowners in East Palo Alto dedicate 40-60% of their income towards their home. The concentration of cost burden extends west into Menlo Park but stops south of East Palo Alto. This suggests that south of the city, people have incomes that are adequate enough to keep pace with housing costs.



#### **Overcrowding.** The majority

of households (74%) in East Palo Alto are not overcrowded—indicated by more than one occupant per room. However, **the rates of overcrowding are significantly higher than the county (26% v. 8% in the county).** Renter households are significantly more likely to be overcrowded with 35.8% of households with more than one occupant per room compared to 11.1% of owner households.

**Racial and ethnic minorities are more likely than non-Hispanic White households to experience overcrowding**. Hispanic/Latinx households (44%), and other or multiple race households (36%), experience the highest rates of overcrowding. Low- and moderate-income households are also more likely to be overcrowded.



Geographically, overcrowded households are concentrated in the same areas as cost burdened renter households, to the west of Highway 101 and closer to Menlo Park. The map below shows overcrowding in the region. Outside of East Palo Alto and Menlo Park there less households are experiencing overcrowding, suggesting that households in those regions are able to afford homes that accommodate their household size or do not have to double-up to afford the home.

**Substandard Housing.** Data on housing condition are very limited, with the most consistent data available across jurisdictions found in the American Community Survey (ACS)— which captures units in substandard condition as self-reported in Census surveys. In East Palo Alto, renter households are also more likely to have substandard kitchen and plumbing facilities compared to owner households. Generally, a low share of households are lacking kitchen or plumbing. For renters, 2% are lacking kitchen facilities while 1.6% are lacking plumbing. For owners, 1.5% are lacking plumbing facilities.

As shown in Figure IV-35, excluding Redwood City, East Palo Alto has the highest percentage of households experiencing severe housing problems in the region. As previously noted, housing condition data are limited, making it difficult to explain why a greater proportion of households in East Palo Alto live in substandard conditions. It could, however, be attributed to East Palo Alto's housing costs being some of the highest in the region for its lower income population. With such high costs, households—especially lower-income households and renters—may have no option but to live in substandard conditions as that is all they can afford. Alternatively, it may also be related to East Palo Alto's higher proportion of residents over the age of 5 identifying as speaking English not well or not at all (13.8% v. 8% throughout the entire region)<sup>56</sup> as residents may be unaware of their rights, resources to contact, or hesitant to engage with landlords or property owners and managers.

Chapter 2, Section 2.12.2.D of the Housing Element provides a description of where substandard housing is located throughout the City of East Palo Alto.

**Homelessness.** In 2019, 1,512 people were experiencing homelessness in the county (107 people in East Palo Alto), 40% of people were in emergency or transitional shelter while the remaining 60% were unsheltered. The majority of unsheltered people experiencing homelessness were in households without children. The majority of people in transitional housing were in households with children.

People who identify as American Indian or Alaskan Native (6% homeless, less than 1% general population), Black/African American (13%, 2%), White (67%, 51%), and Hispanic/Latinx (38%, 28%) are overrepresented in the homeless population compared to their share of the general population. People struggling with chronic substance abuse (112 people), severe mental illness (305), and domestic violence (127) represent a substantial share of the homeless population in 2019.

**Displacement.** Owner households generally enjoy a greater amount of housing stability whereas renter households are more mobile. In East Palo Alto all of the 466 **income assisted rental units are at low risk for displacement**. In San Mateo County, 417 units are at risk 8% of the total assisted housing units in the county.

<sup>&</sup>lt;sup>56</sup>https://www.cityofepa.org/sites/default/files/fileattachments/housing/page/19915/c2\_abag\_mtc\_housing\_needs\_da ta\_report\_east\_palo\_alto\_w\_toc\_l.pdf.

#### Displacement Sensitive Communities

"According to the Urban Displacement Project, communities were designated sensitive if they met the following criteria:

- They currently have populations vulnerable to displacement in the event of increased redevelopment and drastic shifts in housing cost. Vulnerability is defined as:
  - > Share of very low-income residents is above 20%, 2017
  - > AND
  - > The tract meets two of the following criteria:
    - Share of renters is above 40%, 2017
    - Share of people of color is above 50%, 2017
    - Share of very low-income households (50% AMI or below) that are severely rent burdened households is above the county median, 2017
    - They or areas in close proximity have been experiencing displacement pressures. Displacement pressure is defined as:
      - Percent change in rent above county median for rent increases, 2012-2017

OR

 Difference between tract median rent and median rent for surrounding tracts above median for all tracts in county (rent gap), 2017"

Source: https://www.sensitivecommunities.org/.

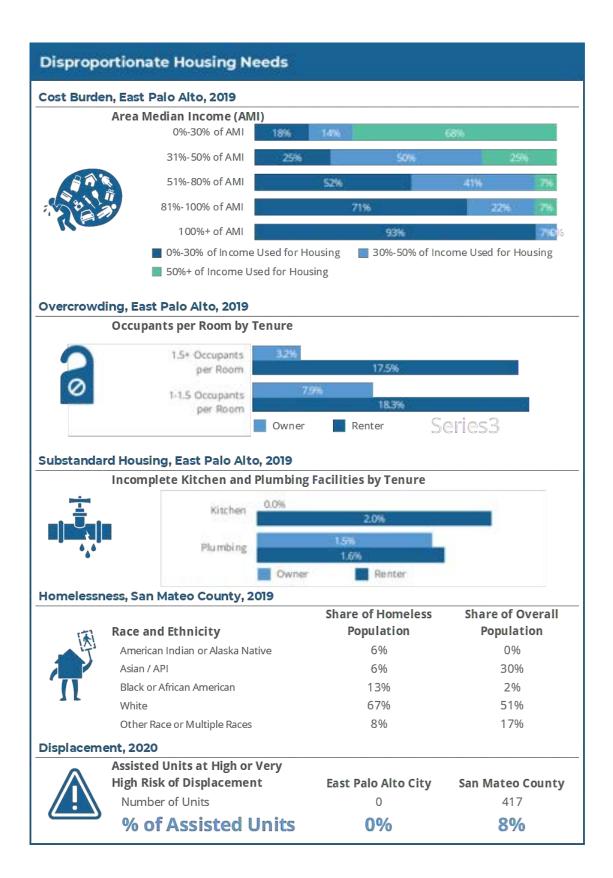
According to the Urban Displacement Project, the entire East Palo Alto area is vulnerable to displacement. An estimated 1,818 owner and 3,158 renter households are susceptible to or experiencing displacement. The highest concentration of renter households (over 80%) is found west of Highway 101.

**Natural disasters.** Natural disasters, specifically flooding, also places East Palo Alto residents at greater risk for displacement. As shown in Figure IV-31, over half of East Palo Alto is federally considered a flood hazard area, with areas located North and Northeast of Highway 101 at particularly high risk of natural disasters.

To preemptively address this threat to residents, the City implemented an ordinance in Chapter 14.12 of its Municipal Code titled "Tenants Displaced by Disasters."<sup>57</sup> The ordinance qualifies a disaster as any unforeseen circumstance that causes damage or loss including, but not limited to, fires, floods, earthquakes, and other accidents. According to the City's Code, once repairs (due to a disaster) are completed, landlords must offer to the tenant the same unit under the same terms and conditions within 30 days. The tenant then has 30 days to accept or reject the offer and, if accepted, has 45 days to reoccupy the unit. Costs to repair damage not covered by insurance can legally be "passed through to the tenant"<sup>58</sup> but tenants must be notified 30 days prior to rent increases.

Access to mortgage loans. Disparities by race and ethnicity are also prevalent for home mortgage applications, particularly in denial rates. Hispanic/Latinx (41% denial rate), and Black or African American (43%) have the highest denial rates for mortgage loan applications in 2018 and 2019. Conversely, non-Hispanic Asian (22%), and White households (18%) have the lowest rates during the same time.

<sup>&</sup>lt;sup>57</sup>https://library.municode.com/ca/east\_palo\_alto/codes/code\_of\_ordinances?nodeId=EAPAALCA. <sup>58</sup> Ibid.



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## **5 SITES INVENTORY ANALYSIS**

A critical component of the Housing Element is identification of sites for future housing development, and evaluation of the ability of these sites to accommodate the City's share of regional housing needs as determined by the Association of Bay Area Governments (ABAG).

#### **Regional Housing Needs Allocation (RHNA)**

California state law requires that each city and county have land zoned to accommodate its fair share of regional housing needs over the course of the Housing Element planning period.

The California Department of Housing and Community Development (HCD) is responsible for determining the regional housing needs allocation (RHNA) for each region's planning body. The Association of Bay Area Governments (ABAG) adopted a methodology for the RHNA in the Bay Area covering the 2023-2031 planning cycle (also known as the sixth cycle) and dividing housing needs into four income categories: very low-, low-, moderate-, and above moderate- income. HCD determined that the projected housing need for the Bay Area region is 441,176 new housing units for the sixth cycle Housing Element planning period. ABAG allocated this projected growth to the various cities and unincorporated county areas within the ABAG region, creating the RHNA. East Palo Alto's RHNA for the projection period is 829 housing units, with the units distributed among the four income categories as shown in Table 5.0.A. As illustrated in this chapter, East Palo Alto has sufficient capacity under existing land use policy to meet its 2023-2031 RHNA obligations.

Table 5.0.A: East Palo Alto RHNA 6								
Income Group	Percent of County Area Median Income (AMI)	Number of RHNA 6 Housing Units	Percentage of Units					
Very Low Income (VLI)	0-50%	165	20%					
Low Income (LI)	51-80%	95	11%					
Moderate Income (MOD)	81-120%	159	19%					
Above Moderate Income (Above Mod)	120%+	410	50%					
Total		829	100%					

#### **Sites Inventory**

For the Sites Inventory, jurisdictions must provide a site-by-site analysis of parcels in the City where housing development is expected to occur over the eight-year planning period to meet RHNA goals. Using an HCD-provided form, jurisdictions must provide information about each site to illustrate the key assumptions used to

calculate the estimated number of units. This form is included as Appendix A. The total number of units, by income category, from the sites in the Sites Inventory must meet or exceed the City's RHNA.

While cities and counties are only required to plan for 100 percent of the RHNA goals, East Palo Alto's sites inventory exceeds the required RHNA by 133 percent or 1104 housing units. Planning for more housing allows for more flexibility in future development and in ensuring housing development goals are met. The City will rezone its Ravenswood Business District/Four Corners Specific Plan Area to allow for additional housing density in mixed use zones. With these rezonings, the City will have enough development sites to exceed RHNA obligations and meet a 116 percent surplus of the RHNA 6 target.

	Table 5.0.B: Summary of Sites Inventory Details
Entry	Description
APN	Assessor's Parcel Number
Size	HCD considers the appropriate size range for lower-income housing to be sites
	that can support 50 to 150 units, or between .5 acres and 10 acres. Smaller or
	larger sites can be considered for market-rate housing.
General Plan land use	As identified in General Plan.
designation	
Zoning designation	Existing zoning, e.g., RMD-1 in the Development Code, or
	in General Plan and Specific Plan, if applicable
Allowable density	Density, or dwelling units per acre ("du/acre")
(minimum and maximum)	
Development capacity	Estimate the number of units likely to be built on the site. Jurisdictions must
	justify these estimates and state their assumptions in the narrative section of the
	Housing Element. See "capacity adjustment" below.
RHNA affordability levels	Indicate which levels of affordability will be served by the site (lower-income,
	moderate, above-moderate). For lower-income RHNA, default density of the site
	must be a minimum of 30 du/acre. HCD encourages jurisdictions to choose sites
	near transit, high-performing schools, jobs, amenities (e.g., parks, grocery stores,
	healthcare), with good infrastructure and no environmental mitigation needed.
Existing use	If site is nonvacant, describe what is currently on the site.
Publicly owned	Any sites owned by City, County, or federal government.
Site status	Indicate whether the site is available or whether there is a pending project on it.
Infrastructure availability	Address whether there is sufficient water, sewer, and dry utilities available and
	accessible to support housing Development. If not, include a program in the
	Housing Element that ensures access and availability to infrastructure to
	accommodate development within the planning period.
Environmental constraints	To the extent the information is available, provide a general description of any
	known environmental or other features (e.g., presence of floodplains, protected

Each site must be detailed in the Sites Inventory list with the following:

	wetlands, oak tree preserves, very high fire hazard severity zones) that have the
	potential to impact the development viability of the identified sites.
Included in prior Housing	If the site was used in a prior sites inventory, the jurisdiction must demonstrate
Element(s)	why it is likely that the parcel will develop in the next RHNA cycle.

#### AB 725

For jurisdictions that are considered Metropolitan, the Housing Element must identify at least 25 percent of the remaining moderate and above moderate RHNA on sites that allow at least four units of housing (e.g., four plex or greater) (Gov. Code, § 65583.2, subd. (c)(4)). At least 25% of the City of East Palo Alto's RHNA 6 moderate-and above-moderate-income units are located in zoning districts that allow for at least four units or greater.

#### Extremely Low-Income Units

Based on Figure 11 in Appendix B, 3,837 of East Palo Alto's households are 0-50% area median income (AMI), while 1,918 are extremely low-income. Therefore, extremely low-income ("ELI") households represent 50 percent of households who are 0-50% AMI, as 1,918 divided by 3,827 is 50%. The projected housing need for ELI households is therefore 83 ELI units. This methodology aligns with HCD's guidance to use U.S. Census data to calculate the percentage of very low-income RHNA that qualifies as extremely low-income households. Half or 50 percent of the very low-income households in the RHNA (165) is 83 units.

There are approximately 231 projected extremely low-income units for the 2023-2031 planning period (half of 461 projected very low-income units is 230.5). The City's Inclusionary Housing Ordinance (IHO) requires for rental developments to provide on-site rental units as inclusionary compliance broken down as follows: 5% ELI (at 35% AMI), 10% VLI (at 50% AMI) and 5% LI (at 60%). If the inclusionary requirement for rental units results in a fraction of a unit, the developer can provide a unit (such as an Accessory Dwelling Unit) at the lowest level of affordability (35% AMI), or any other Alternative Compliance Option, to be approved by City Council. Based on this data and the City's IHO, the City will continue to prioritize extremely low-income units to address the City's housing needs.

#### Sites Identified in Prior Planning Periods

Appendix D1 indicates which parcels in the City's RHNA 6 sites inventory were identified in prior planning periods. Sites identified in prior planning periods cannot be deemed adequate to accommodate the housing needs for lower-income households unless a program, meeting statutory requirements, requires rezoning within three years. Of the sites identified in previous planning years, some are already approved and are now proceeding to the building permit stage. The remaining projects do not require rezoning within three years, as they are not designated to accommodate the housing needs for lower-income households or they have already been rezoned to allow for the number of units designated in the sites inventory.

#### Replacement Housing Requirements

According to Government Code section 65583.2, subdivision (g), if the sites inventory identifies sites with existing residential uses, the housing element must include a replacement housing program for units affordable to lower-income households. Projects in the City are subject to Senate Bill 330 (SB 330), when applicable, and are required to provide replacement units.

#### Small Sites, Large Sites, and Vacant Sites

According to HCD guidance for choosing suitable sites to accommodate the RHNA, lower-income housing is best accommodated on sites larger than 0.5 acres or smaller than 10 acres and zoned for a minimum 30 dwelling units per acre density.<sup>59</sup> Nonvacant sites should not exceed 50% of all sites in the Sites Inventory.

Sites smaller than half an acre or greater than ten acres are deemed inadequate to accommodate housing for lower-income households unless it is demonstrated, with sufficient evidence, that sites of equivalent size and affordability were successfully developed during the prior planning period or other evidence demonstrates the suitability of these sites.

Not all sites in the City's Sites Inventory fall within the 0.5-to-10-acre limits. These sites may be used to account for Above-Moderate (market-rate) units only.<sup>60</sup> Other sites have already been approved or will be receiving approval soon, and sufficient evidence is provided in Appendix D1 demonstrating suitability of the sites.<sup>61</sup>

Well over half of the sites are vacant, with some key redevelopment sites.

#### **Quantified Objectives**

In addition to the sites inventory, the City needs to provide an estimate of actual housing units that will be produced, rehabilitated, and preserved within the next five years. Table 5.0.C summarizes East Palo Alto's quantified objectives for the next five years. Unless specifically identified, these numbers do not correspond to specific development proposals, rather than are an attempt to estimate what may happen in the future.

<sup>&</sup>lt;sup>59</sup> This is the "default density" for lower-income housing for San Mateo and other metropolitan jurisdictions, according to HCD: https://www.hcd.ca.gov/planning-and-community-development/housing-elements/building-blocks/analysis-sites-and-zoning

<sup>&</sup>lt;sup>60</sup> For example, 2277 University and Waterfront are less than half an acre and are only counted toward the abovemoderate income category.

<sup>&</sup>lt;sup>61</sup> See Table 5.2.A and Appendix D1.5.2 for the already approved projects and Table 5.3.A and Appendix D1.5.3 for projects expected to be approved soon.

Table 5.0.C Quantified Objectives Over Next 5 Years: 2023-2028								
Program	New Construction	Renovation	Conservation					
Extremely Low Income	132	19	40					
Very Low Income	133	83	22					
Low Income	178	19	18					
Moderate Income	160	2	13					
Above Moderate Income	366	0	2					
Total	968	123	95					

Note: The Quantified Objectives for new construction over the next five years were taken as half of the total Site Inventory units in each income category: 265 VLI/ELI, 178 LI, 160 Mod, and 366 Above-Mod. The Quantified Objectives for Conservation consider the inventory of substandard units identified in the Housing Needs Assessment (Chapter 2, Section 2.12.2.D) and are based on the projected units conserved under Program 4.4 to protect at-risk units, Program 4.5 to develop a code enforcement strategy, and Program 4.7 to establish an emergency and home repairs program.

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### **5.1 OVERVIEW OF TYPES OF SITES IN THE SITES INVENTORY**

The number of estimated units total over the RHNA 6 period from all sites included in the Sites Inventory, also referred to as "Pipeline Sites" and "Housing Opportunity Sites," is summarized in Table 5.1. Pipeline Sites consist of sites with an approved or entitled project or have a pending application with a high likelihood of being approved and constructed in the next few years. Housing Opportunity Sites are sites that have active developer interest with at least a predevelopment application on file with the City. Sites in both categories are already zoned to allow for the number of units listed in the Sites Inventory except for two sites in the Ravenswood Business District/4 Corners Specific Plan. These two sites are awaiting rezoning to allow for residential development through the update of the Specific Plan. The plan update and rezoning are expected to be completed by Summer 2024.

All of the sites in the Sites Inventory have a high probability of being completed during the RHNA 6 cycle. East Palo Alto has a consistent history of projects typically constructed within one to three years after receiving City approval. This is substantiated by reviewing building permits records during the RHNA 5 cycle (2014-2022). Despite a city-wide water moratorium (2016-2018) and the economic slowdown caused by the COVID pandemic (2020 -2022), the City is unique in that it was able to exceed its RHNA 5 for combined Very Low and Low-Income units (see Chapter 7, Review of Previous Housing Element). As opposed to many cities, however, it has struggled to meet its Above Moderate units given that East Palo Alto is a lower-income city relative to the rest of San Mateo County. With the significant increase in the RHNA 6 and high land acquisition and construction costs, it will be a greater challenge for the City to meet its RHNA 6. As already noted however, all sites in the Site Inventory have entitled or pending projects with active developer interest and, except for two sites in the Specific Plan area, do not require rezoning. Additionally, a large number of much needed workforce and affordable housing units are included in the Pipeline Projects and Housing Opportunity Sites.

The Pipeline Sites and Housing Opportunity Sites serve as quantified objectives for 2023-2031 because they provide the estimated number of housing units that can be constructed and redeveloped in the City over an eight-year timeframe. For the 2023-2031 housing cycle, the City's quantified objectives for construction are 1,936 units, with 885 affordable units (Very Low-Income or Low-Income units), 319 Moderate-Income units, and 732 Above Moderate-Income units.

CONCLUSION: The City's Sites Inventory significantly exceeds the City's RHNA 6 units in all income categories with buffers of 152% for Very Low-Income Units, 420% for Low-Income Units, 101% for Moderate-Income Units, 72% for Above Moderate-Income Units, and 133% for total units. These units represent fully entitled projects or projects with active developer interest and a pending application.

Table 5.1: Sites Inventory Summary									
	VLI LI MOD								
RHNA 6	165	95	159	410	829				
Pipeline Projects (Tables 5.2.A & 5.3)	147	119	281	454	1001				
<b>Opportunities Sites</b> (Tables 5.4, 5.5, & 5.6)	233	340	4	240	817				
ADUs	35	34	34	12	115				
TOTAL (Pipeline, Opportunity Sites, & ADUs)	415	493	319	706	1933				
Buffer Units (Units exceeding RHNA 6)	250	398	160	296	1104				
Buffer (Percent exceeding RHNA 6)	152%	420%	101%	72%	133%				

The East Palo Alto Sites Inventory or Housing Opportunity Sites contains many "pipeline units," or units in projects that have been entitled or received ministerial Zoning Clearance for ADUs and SB 9 and SB 35 Zoning Clearances, and that are expected to apply for a building permit or begin construction after July 1, 2022, or in subsequent years. All such units are included in the Sites Inventory and will count towards the 6<sup>th</sup> RHNA cycle. Taking these units into account, the City can meet and exceed the RHNA in every category.

For other sites in the Sites Inventory, there is an active development application with a high level of confidence they will lead to construction of units within the eight-year Housing Element cycle (2023-2031) – or there is significant developer interest and potential feasibility, but development of residential units is pending rezoning of the parcel. For these reasons, in many cases, the development proposal or preapplication was used to calculate the realistic capacity of the sites.

The Sites Inventory is broken down into the types of projects listed below (see Sections 5.2 to 5.7), each with its own description and further evidence of potential development, including whether the project is on a vacant site, what stage of the review process it is in, and under what conditions the site is currently in, in Appendix D1. In all the following charts, "Zoned Density" refers to the density permitted for that zoning type. "Assumed Density" is in nearly all cases the density of the proposed project, and in a few cases where rezoning is needed, the density used to calculate the number of units in each income category. Zoning and assumed densities are provided in dwelling units per acre (du/acre). The zoned densities are taken from either the Development Code or the Ravenswood/Four Corners Area Specific Plan ("RBD") zoning if the project falls within the RBD. Citywide the zoning is consistent with the General Plan because the City of East Palo Alto is not a charter City; it is a general law City. The only inconsistencies pertain to parcels/projects within the RBD area, which are being addressed with the Ravenswood Business District/Four Corners Area Specific Plan will be a policy plan as well as zoning-level document that will define development standards and processes. Development applications for

two residential proposals totaling approximately 355 housing units are pending in the Specific Plan area that will require rezoning parcels to allow for residential use (see Table 5.6 below). The adoption of the Specific Plan will include rezoning these parcels and incorporating measures to reduce constraints for residential development, such as: expedited or by-right project approvals, minimum residential densities for mixed-use districts; administrative flexibility in applying zoning standards; incentives to increase the number of affordability housing units beyond the City's Inclusionary Housing Ordinance; and incentives to include housing units for special needs populations and extremely low-income households. Refer to Policy/Program 1.21 and 10.8.

### **5.2 ENTITLED OR APPROVED PROJECTS**

Table 5.2.A shows an inventory of units that will be produced by projects already underway, including projects approved by planning via entitlements or preliminarily approved to proceed through the SB 9 process<sup>62</sup> or the SB 35 process,<sup>63</sup> or substantially advanced in the permitting and approval process, but which have not yet been constructed. State law allows projects that have been approved but are not expected to be completed prior to June 30, 2022, to count toward the City's RHNA. The units attributable to each project, in total and by income category, are based on specific project documents, and are not an estimate, assumption, or projection. Collectively, these projects equal 719 units, or over 40 percent of the minimum RHNA target. See Appendix D, Section D1.5.2 for details on these approved projects.

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<sup>&</sup>lt;sup>62</sup> SB 9 preliminarily approved projects include 805 Runnymede, 1215 Cypress, and Lincoln St. APN 063186270.

<sup>&</sup>lt;sup>63</sup> SB 35 preliminarily approved projects include 1804 Bay Rd. and 760 Weeks.

	Table 5.2.A: Entitled or Approved Projects									
Site	Size (acres)	Zoned Density (du/acre)	Assumed Density (du/acre)	VLI	LI	Mod	Above Mod	Total		
965 Weeks	2.52	20 to 40	54	42	93		1	136		
1804 Bay Rd.	.99	up to 50	75	10			65	75		
760 Weeks	.52	12 to 22	19		1	1	8	10		
120-126 Maple Lane	.177	12 to 15	15				4	4		
APN 063265300 Runnymede/Clarke	.156	12 to 15	15		1		2	3		
805 Runnymede	.92	up to 12	8				1	1		
1215 Cypress	.236	up to 12	4				1	1		
APN 063186270 Lincoln St.	.254	up to 12	12	1			3	4		
Woodland Park Euclid Improvements	3.9	up to 175	155			271	173	444		
990 Garden	1.32	up to 12	6		2		6	8		
2340 Cooley	.26	12 to 22	31		1		7	8		
Total				53	98	272	271	694		
Percentage of RHNA 6				32%	106%	171%	66%	84%		

# 5.3 PROJECTS NOT APPROVED, BUT HIGH PROBABILITY OF DEVELOPMENT

This additional "pipeline" category includes sites with a minimum 30 du/acre and size between 0.5 and 10 acres, which can support lower-income housing, in addition to some lower-density or smaller infill sites with an active Planning application. Multiple sites zoned RMD-2, with allowable density between 12-22 du/acre, have seen development interest. Where the developer has agreed to meet the requirements of the City's inclusionary housing ordinance, this results in a small number of affordable units in the project. Table 5.3 lists the projects that are pending approval with a high probability of development. Two of these projects, 851 Weeks (a 100% affordable senior housing project) under SB 35 and 755 Schembri with four units (two primary residences and two ADUs) under SB 9 and a duplex for a total of six units are underway. Other projects are advanced in their development review process. The Four Corners project is pending completion of a traffic study initiated by the

developer and completion of a draft environmental impact report. The densities assumed for all of these projects are realistic and based on the applicants' preferences. Amongst them only 851 Weeks has chosen to take full advantage of the density bonus eligibility, and the city is reasonably optimistic in the credibility of Eden Housing to successfully implement the project. See Appendix D, Section D1.5.3 for details on how these sites were identified to accommodate the RHNA.

Table	Table 5.3: Projects Not Approved, but High Probability of Development							
Site	Size (acres)	Zoned Density (du/acre)	Assumed Density (du/acre)	VLI	LI	MOD	Above- Mod	Total
Four Corners	6.1	up to 60	30	36			144	180
717 Donohoe	.66	12 to 22	21		1	2	11	14
842 Green	.59	up to 12	5				3	3
812 Green	.89	up to 12	6				5	5
1201 Runnymede	.93	up to 40	22			4	16	20
755 Schembri	1.381	up to 15	4			2	4	6
851 Weeks	.65	Up to 40	126	58	20	1		79
Total				94	21	9	183	307
Percentage of RHNA 6				57%	22%	6%	45%	37%

CONCLUSION: Based solely on the Pipeline Projects listed in Tables 5.2.A and 5.3, the City will meet 89% of its Very Low-Income RHNA 6 units. Low-Income, Moderate-Income, Above Moderate-Income, and total units exceed 100% of the City's RHNA 6 by 28%, 77%, 11%, and 21%, respectively.

### **5.4 PROJECTS WITH DEVELOPMENT INTEREST**

The following sites have submitted preliminary review planning applications and/or have had substantial conversations with staff. This category consists largely of underdeveloped sites with just a single-family house, very low-density, above-moderate developments with proposed single family-home or townhome subdivisions and some smaller sites (less than 0.5 acres) to develop above-moderate income units. These new proposed developments will be subject to the City's Inclusionary Housing Ordinance, but inclusionary housing assumptions have not yet been applied given the preliminary stage of the applications. Most of the projects in this Section 5.4 are similar to other projects in the City that have been redeveloped with multiple units. For

example, Lincoln St (APN 063-186-270), a 3 rental unit project (with one deed-restricted attached ADU inclusionary unit) on .254 acres in R-LD zoning received approval via SB 9 in July 2022. Similar lower density projects have been approved or under review in East Palo Alto. The project located at 990 Garden that was approved in early 2023 is a 1.32-acre site with eight residential units and a density of 6 du/ac. 842 Green Street, that will be scheduled for a public hearing in early fall 2023, is a .59-acre site proposed for three residential units and a density of 6 du/ac as well. Another comparable project is 661-687 Partridge Avenue in Menlo Park. This is a project on a 0.48-acre site approved with six dwelling units and a density of 9 du/ac. See Appendix D, Section D1.5.4 for details on how these sites were identified to accommodate the RHNA.

	Table 5.4: Projects with Development Interest							
Site	Size (acres)	Zoned Density (du/acre)	Assumed Density (du/acre)	VLI	LI	MOD	Above- Mod	Total
547 Runnymede	.45	12 to 22	18				8	8
1062	.92	up to 12	6				6	6
Runnymede								
801 Donohoe	.45	12 to 22	6				5	5
807 E. Bayshore	.55	up to 22	15				8	8
Total				0	0	0	32	32
Percentage of RHNA 6				0%	0%	0%	8%	4%

### 5.5 PUBLICLY OWNED SITE WITH HIGH POTENTIAL FOR DEVELOPMENT OR REDEVELOPMENT

The Ravenswood Elementary School District submitted a project application to the City in November 2023 to develop one of its surplus properties located at 2120-2160 Euclid Avenue with a 100 percent affordable housing project with proposed unit breakdown by income level as shown in Table 5.5. They have obtained an affordable housing developer to develop a 430-unit project on the 4.15-acre site. The site is currently zoned to allow up to 429 units, which includes an assumed 20 percent density bonus allowed by state law and local ordinance. The property is currently developed with one-story buildings that will be demolished for the project. No physical constraints would hamper the development of the proposed project and, as a previously improved infill site, no known sensitive habitat is present. Appendix D1 provides more information on this site and proposed project

and Appendix D2 includes a Letter of Interest from the Ravenswood Elementary School District that confirms the intent of the School Board to develop housing on the property.

Table 5.	Table 5.5: Publicly Owned Sites with Potential for Development or Redevelopment								
Site	Size (acres)	Zoned Density (du/acre)	Assumed Density (du/acre)	VLI	LI	MOD	Above- Mod	Total	
2120-2160 Euclid Avenue	4.15	43 to 86 104 with 20% bonus	96.4	86	340	4	0	430	
Total				86	340	4	0	430	
Percentage of RHNA 6				52%	358%	3%	0%	52%	

# 5.6 SITES WITH NONRESIDENTIAL ZONING, BUT RESIDENTIAL DEVELOPMENT APPLICATION IN RAVENSWOOD BUSINESS DISTRICT

Several nonresidential zoning sites in the Ravenswood Business District (RBD) area have pending applications for rezoning to allow for residential development. The sites listed in Table 5.6 are proposed to be rezoned to allow for residential uses as part of the update of the Ravenswood Business District/Four Corners Specific Plan. The EPA Waterfront site is the western portion of a larger parcel which is proposed to be rezoned to allow for either residential or office uses. However, the near-term interest of the property owner is to emphasize housing development on this portion of their property which abuts an existing residential neighborhood. The 1103 Weeks Street site is proposed to be rezoned for residential and supportive accessory uses. The property owner is partnering with an affordable housing developer and has submitted a preliminary application for a qualifying SB35 affordable housing project. See Appendix D1, Section D1.5.6 for details on how these sites were identified to accommodate the RHNA.

The city is confident that the densities assumed for these projects are realistic given that similar projects that were recently entitled have been built or will soon be breaking ground. These projects include a 185-unit Light Tree apartment complex at 1805 East Bayshore Road which has been built and is currently being processed for a Certificate of Occupancy. The project expanded a 94-unit deteriorating medium density (28 dwelling units per acre (du/ac)) apartment complex by demolishing 37 units, renovating 57 units, and intensified the site to a density of 52 du/ac by adding 91 net new units. Another is the 136-unit 100% affordable Colibri apartment

complex at 965 Weeks Street which was entitled in December 2019 at a density of 52.11 du/ac and is currently pending building permit approval. Based on these two projects in the City, including several other similar projects in adjoining jurisdictions in the County, and the availability/eligibility for density bonus and incentives, concessions, and waivers, there is reasonable probability that both sites in Table 5.6 would be successfully developed after the adoption of the RBD Specific Plan.

Table 5.6: Sit	Table 5.6: Sites with Nonresidential Zoning, But Residential Development Application in RBD							
Site	Size (acre)	Zoned Density (du/acre)	Assumed Density (du/acre)	VLI	LI	MOD	Above- Mod	Total
EPA Waterfront	9	N/A	30	52			208	260
1103 Weeks St (Harvest the Landing)	1.6	N/A	60	95				95
Total				147	0	0	208	355
Percentage of RHNA 6				89%	0%	0%	51%	43%

### 5.7 ACCESSORY DWELLING UNITS (ADUS)

Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs) may be counted toward the RHNA based on past permitted units and other relevant factors. An ADU is accessory to a primary residence and has complete independent living facilities for one or more persons. ADUs can be new living spaces, detached or attached, to the primary residence. Existing space within a primary dwelling, an accessory structure, or an attached or detached garages may be converted to an ADU. This form of housing has enormous benefits for both renters and homeowners. Such units are considered natural affordable housing as market rents tend to be lower. These units also provide more flexible housing options for extended families, such as aging parents and adult children. ADUs also offer a solution for seniors to "age-in-place" while creating rental income to cover housing and living costs. This section includes projected ADUs and JADUs for the eight-year planning period to count toward the RHNA Cycle 6.

Table 5.8.A shows the number of units permitted between the years 2018 to 2022, which can also be found on the California Department of Housing and Community Development's Annual Progress Reports site.<sup>64</sup> Several ADU streamlining bills have passed since 2018, which has created a steady growth in ADU permits over the years. In 2022, Senate Bill 9 added further ADU streamlining (see Appendix D1.5.8 for an overview of potential SB 9 sites). With additional state and City policy and program changes aimed at simplifying and streamlining ADU application processes underway, the City projects even further growth in ADU permits. Between 2018-2022, the City issued an average of 14.4 ADU permits per year despite the intervening pandemic. Consequently, the City conservatively projects 115 ADUs being permitted over the next eight-year planning period.

Table 5.7.A: ADU Permitting Trends						
Year	Permitted ADUs (Total)					
2018	0					
2019	8					
2020	11					
2021	30					
2022	23					
Total (2019-2022)	72					
Average (2019-2022)	14.4					
Projected (2023-2031)	115					

Using ABAG's survey data to distribute the projected units by income category produces the following estimates:

Table 5.7.B: ADU Estimates for RHNA 6 Period									
Income Category	Percentage	Total							
Very low	30%	35							
Low	30%	34							
Moderate	30%	34							
Above moderate	10%	12							

<sup>64</sup> See Annual Progress Reports – Data Dashboard and Downloads, https://www.hcd.ca.gov/planning-andcommunity-development/housing-open-data-tools/housing-element-implementation-and-apr-dashboard. Note that the City will rectify any discrepancies in past Annual Progress Reports stemming from non-standardized labeling of Accessory Dwelling Units, and has started standardizing tracking and data collection.

#### **City ADU Regulations**

During the past decade, the California Legislature has passed multiple laws to allow ADUs by right in single-family and multi-family zoning districts, and mixed-use zones that allow residential uses. The objective of these laws is to facilitate the supply of a relatively affordable rental housing type within all residential communities in California. The latest bill, SB 897, took effect January 1, 2023. The City is working toward updating its ADU regulations to conform with state legislation, with the goal of the City Council adopting an updated ADU ordinance in December 2023.

In June 2014, the City Council adopted Ordinance 380 to allow second units/ADUs, garage conversions to habitable space, and guest houses to promote local affordable housing options. Ordinance 380 was the subject of extensive community engagement and reflects the City's interest in supporting these types of developments.

In January 2017, the City Council amended the ADU Ordinance to align it with the 2016 state ADU legislation. The updated ADU regulations were codified in Chapter 18.96 of the East Palo Alto Municipal Code (EPAMC) as part of the comprehensive Development Code updates in 2018.

In November 2020, the City again revised its ADU ordinance bringing it into compliance with then-current state legislation on ADUs. The 2017 ADU Ordinance was a critical reference point, as it provided a baseline of requirements that were adjusted for conformance with state legislation, as well as to reflect the City Council's approach on such issues as the maintenance of community character through neighborhood compatibility.

The 2023-2031 Housing Element policies and programs provide objectives and milestones to complete a comprehensive amendment of the Development Code ADU regulations to bring provisions and requirements into conformance with current state ADU legislation, and to create greater flexibility and objective design standards. The ADU programs include updating the objective development standards, proposing financial incentives, seeking additional financial incentives, and developing preapproved plans, among other things. The City is one of the leaders in the region on ADU streamlining and development efforts, and it will continue to seek and adopt innovative solutions to promote ADU production.

The City has a CalHome ADU/JADU loan program ("CalHome Program") to provide low-interest loans of up to \$80,000 to income-qualified homeowners interested in building ADU/JADUs, in exchange for renting their units to income-eligible East Palo Alto households (at 80% area median income). The California State Department of Housing and Community Development ("HCD") awarded the City with the CalHome program award in an amount of \$2 million in July 2020. On October 19, 2021, the City issued an agreement with East Palo Alto Community Alliance and Neighborhood Development Organization ("EPACANDO") to help administer the CalHome program until June 2024, and launched the program on January 19, 2022. The CalHome Program helps pay for plans and permits, necessary site upgrades, and construction costs.

Since the program launch, EPACANDO has been working with several potential applicants. Knowing the universe of CalHome Program applicants and their overlap with code enforcement issues has led the City to

consider other ways to support rehabilitation/repairs and formalize a City legalization program through development code and design review changes. The City is committed to continuing to apply for funding sources that support affordable housing development and rehabilitation, which includes ADUs.

#### **Pre-Review/Approval of ADU Model Plans**

With the growing interest among homeowners to construct ADUs, the design and construction industry have responded with model architectural plans and prefabricated or modular units for ADUs which provide "off-the-shelf" design options for homeowners. These options can reduce the cost of hiring an architect or designer to prepare a customized plan for a client. While these plans still require a complete building <u>permit (for foundation and superstructure) from the City (or for prefabricated or modular units a state certification and only limited specialty permits), the permit process can be simplified and streamlined. The City may consider pre-approved plans as a streamlining option, to provide homeowners with greater assurance that their plans meet building and fire code standards. It should be noted however that Zoning Clearance and a Building Permit are still required to confirm conformance with zoning standards and to review the foundation design, electrical, mechanical, and plumbing work.</u>

#### **Affordable Housing Deed Restriction**

While ADUs are recognized as providing a good option for affordable housing, it does not guarantee that an ADU will be offered at an affordable rent or that the ADU will be available as a rental unit. Homeowners may choose to build an ADU to create more living space for an extended or growing family without the intent of generating income from the unit. The City may explore offering financial incentives if a homeowner, non-profit organization, or other entity is willing to record a deed restriction on a property to maintain an ADU as an affordable rental or ownership unit for a defined time period. Discussions have included targeting these units for veterans, disabled individuals, at-risk youths, unhoused persons, or other special needs populations.

Currently, the City has a Below Market Rate Program administrator that ensures deed-restriction compliance of ownership/for-sale units. In mid-2023, the City will be issuing another Request for Proposals to include monitoring of deed-restricted rental and ownership Accessory Dwelling Units as part of its Below Market Rate administration and monitoring program.

# **5.8 AFFIRMATIVELY FURTHERING FAIR HOUSING CONSIDERATIONS FOR SITES INVENTORY**

AB 686 requires an analysis of sites identified to meet RHNA obligations for their ability to affirmatively further fair housing. The following is an analysis of the proposed sites for future development or "Sites Inventory," which includes: sites that have ministerially approved or entitled projects; projects not yet approved, but highly probable; projects with lower probability of development, but with development interest; and non-residential zoning sites with residential development applications.

he Sites Inventory must demonstrate that the sites chosen are not concentrated in one area of a jurisdiction, especially when a jurisdiction has sites of varying "opportunity" levels, as based on the TCAC Opportunity Map.<sup>65</sup> Furthermore, the Sites Inventory should limit the number of lower-income housing sites in areas deemed Racially/Ethnically Concentrated Areas of Poverty ("R/ECAPs").<sup>66</sup>

As the maps provided in the Affirmatively Furthering Fair Housing overview demonstrate, East Palo Alto does not have high variation in terms of "opportunity" areas, nor does it contain R/ECAPs. However, in 2019, three Census tracts deemed "edge R/ECAPs" existed in East Palo Alto—which means they are majority people of color and have a poverty rate two times higher than the countywide Census tract average. Given the overall data on housing needs, location of housing sites is less of a concern within the city than within the region in which East Palo Alto is situated.

The selection of sites in the Sites Inventory reflects different areas of the city, with an emphasis on larger parcels in the Ravenswood/4 Corners Specific Plan Area ("RBD"). The Sites Inventory also reflects denser housing development not concentrated on the Westside, where most of the city's rental housing stock is located, with the exception of the Woodland Park Communities Euclid Improvements project. Staff does not find that the selection of sites in the Sites Inventory would contribute further to the trends identified in the Affirmatively Furthering Fair Housing assessment.

The sites inventory is well-distributed throughout the city, with the exception of the Ravenswood Business District (RBD) / 4 Corners Specific Plan area in the northeast of the city, which is uniquely available to address the community's jobs and housing needs due to the availability of predominately larger vacant sites for development. The RBD area is also designated as a Priority Development Area and intended to be the City's

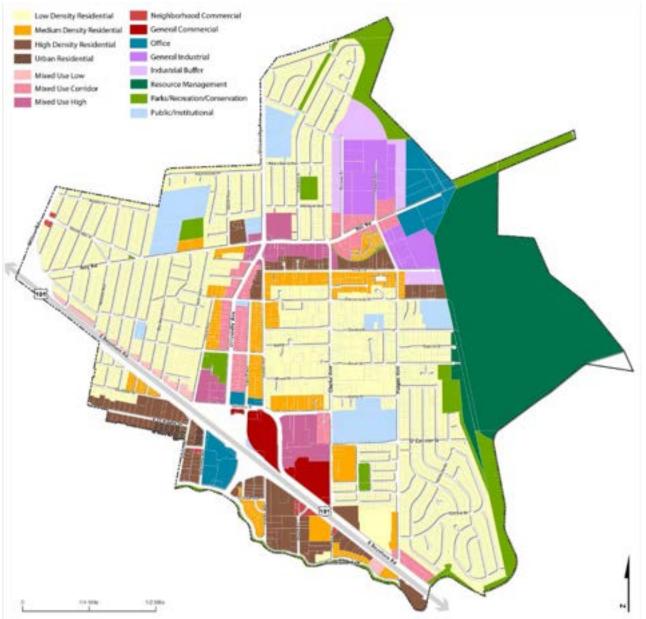
<sup>&</sup>lt;sup>65</sup> TCAC opportunity map: https://belonging.berkeley.edu/2022-tcac-opportunity-map

<sup>&</sup>lt;sup>66</sup> According to the AFFH analysis provided, R/ECAPs "are meant to identify areas where residents may have historically faced discrimination and continue to be challenged by limited economic opportunity." Racial Concentrated Areas of Affluence ("RCAAs"), on the other hand, "are meant to identify areas of particular advantage and exclusion." HCD and HUD's definition of a Racially/Ethnically Concentrated Area of Poverty is: a census tract that has a non-White population of 50 percent or more (majority people of color) AND a poverty rate of 40% or more; OR a census tract that has a non-White population of 50 percent or more (majority-people of color) AND the poverty rate is three times the average tract poverty rate for the County, whichever is lower.

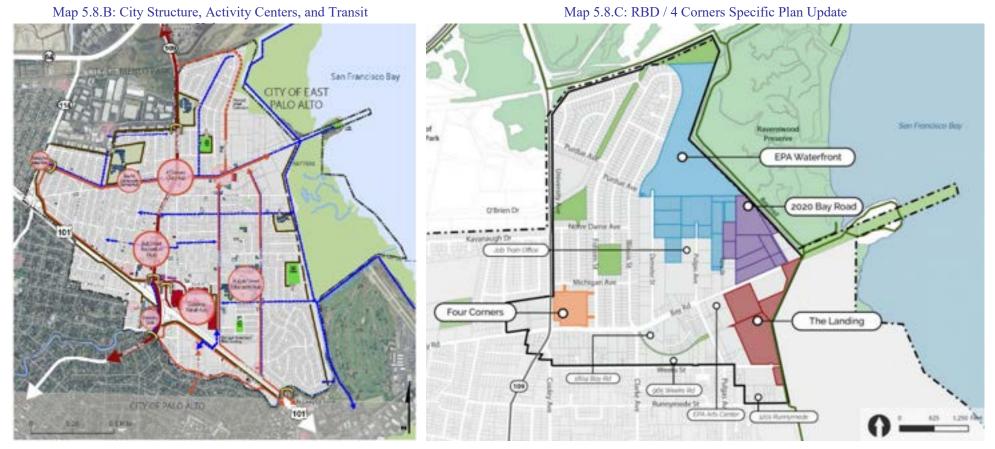
transit-oriented area for a mix of uses, therefore suited to a greater density. Maps 5.8.A to 5.8.C illustrate the City's land use distribution, its urban structure and where referenced RBD/4 Corners Specific Plan area sites reside.

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#### Map 5.8.A: Land Use Characteristics



Source: Vista 2035 General Plan, City of East Palo Alto



Source: Vista 2035 General Plan, City of East Palo Alto

Source: Vista 2035 General Plan, City of East Palo Alto

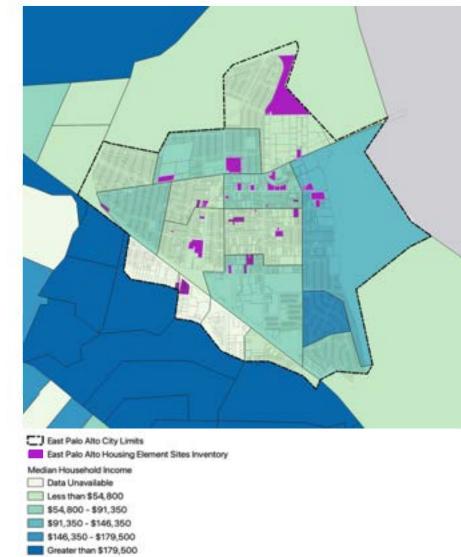
#### Sites Inventory and Area Median Income

Map 3 provides the sites inventory overlayed on median household incomes based on the 2022 State Income Limits for San Mateo County.

The majority of the sites inventory is in census block areas with very low-income households (area median incomes between \$54,800 - \$91,350) and low-income households (area median incomes between \$91,350-\$146,350). There is only one census block area that consists of higher-income earners, and that is a single-family home neighborhood in the lower southeast side with no proposed housing development.

#### Sites Inventory and R/ECAPs

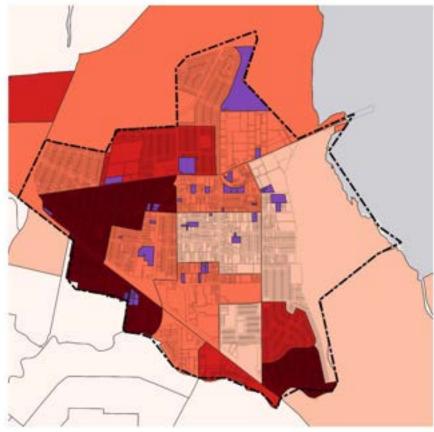
Three edge Racially/Ethnically Concentrated Areas of Poverty (R/ECAPs) are located in East Palo Alto, west of Highway 101 (on the "Westside"). Maps 4 to 7 provide insight into the location of these edge R/ECAP areas, as they demonstrate the location of racial and ethnic populations, and the lowest income areas. The maps show that three census blocks in East Palo Alto, which are located west of Highway 101, are extremely low-income and have a majority of people of color. One redevelopment project (Woodland Park Communities Euclid Improvements) is located in this area, and will replace the existing 160 rent stabilized units one-for-one to allow these extremely low-income households to return, while also building 444 net new units (271 of which are considered moderate income and 173 of which are considered above-moderate income), promoting greater integration in the Westside and lower racially/ethnically concentrated areas of poverty.



Source: ACS Table B19013, 2015-2019 5-Year Estimate.

Map 3: Sites Inventory and Median Household Income

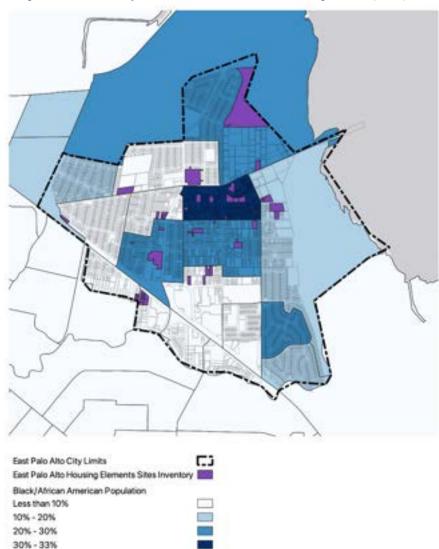
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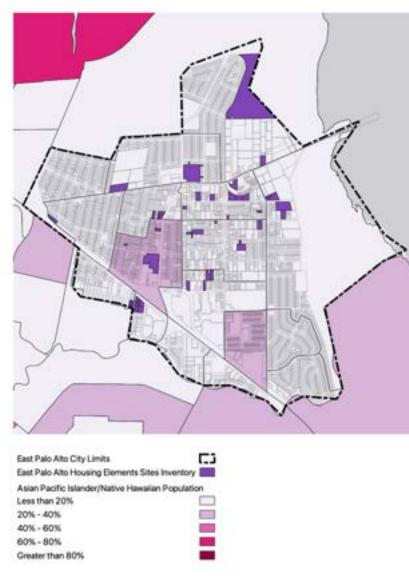
Map 4: Sites Inventory and Hispanic/Latinx Population (2020)

	4
East Palo Alto City Li	ints CJ
East Palo Alto Housir	ng Elements Sites Inventory
Hispanic/Latinx Pop	ulation
Less than 20%	
20% - 40%	
40% - 60%	-
60%-80%	-
Greater than 80%	-

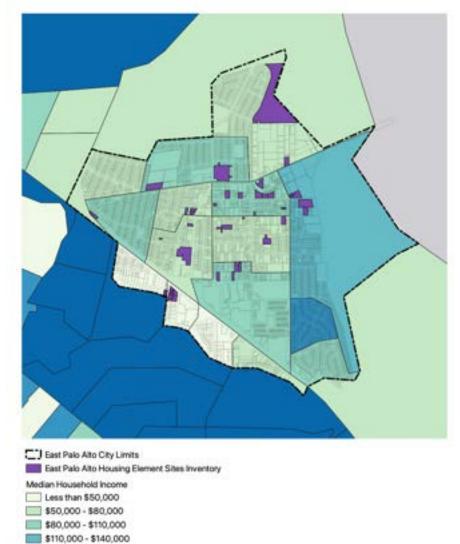
Map 5: Sites Inventory and Black/African American Population (2020)



Source: ACS Table B19013, 2015-2019 5-Year Estimate.



Map 6: Sites Inventory and Asian/Pacific Islander Population (2020)



Source: ACS Table B19013, 2015-2019 5-Year Estimate.

\$140,000 - \$170,000

Greater than \$170,000

Map 7: Sites Inventory and Median Household Income

#### Distribution of Lower, Moderate- and Above-Income Units in the Sites Inventory

The following maps indicate where the future development of housing units is located, broken down by household affordability levels. Table 5.8, accompanied by Map 8 of East Palo Alto census tracts, indicates the distribution of the City's RHNA 6 Sites Inventory units in the City and also the median household income of each census tract. Maps 9 to 12 indicate the geographic distribution of Sites Inventory units by household income categories, which is overlaid onto a color-coded census tract map by median household income.

Table 5.8 and the series of maps indicate an equitable distribution of Sites Inventory units in the City, which are predominately multi-family projects:

- Very Low-Income Units are generally located in the northeast area of the City within medium and higher-income census tracts. Units are also proposed in the Ravenswood Business District/4 Corners Specific Plan where a zone change is proposed to accommodate new multi-family housing, including rent-restricted affordable units.
- Low-Income Units are predominately located in median and higher-income census tracts and are not concentrated in low-income areas. These units represent 100 percent affordable housing projects as well as mixed-income developments with inclusionary housing units.
- Moderate-Income Units reflect a similar geographic distribution as Low-Income Units.
- Above Moderate-Income Units reflect a similar distribution as Low-Income and Moderate-Income Units with market-rate projects also located in lower-income census tracts.
- Accessory Dwelling Units are not shown on the maps but are expected to be located in medium to higher-income single-family neighborhoods throughout the City, including the highest income census tracts at the eastern portion of the City.

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Table 5.8								
Distribution of Sites Inventory Units by Census Tract								
Label	Census Tract Number	Median HH Income	Very Low Income	Low Income	Moderate Income	Above Moderate Income		
А	60816118001	\$62,396	77	15	0	208		
В	60816120003	\$60,972	0	0	0	0		
С	60816118002	\$85,192	122	340	4	144		
D	60816120002	\$102,908	0	0	0	0		
Е	60816120001	\$54,777	0	0	0	8		
F	60816119001	\$95,673	110	115	1	80		
G	60816119002	\$134,653	95	0	4	17		
H	60816121002 60816121004	\$44,319 \$43,818	0	0	271	173		
J	60816120004	\$75,417	1	0	0	3		
К	60816119006	\$75, 598	0	3	1	26		
L	60816119005	\$100,592	0	1	2	24		
М	60816121005	\$47,396	0	0	0	0		
Ν	60816121003	\$67,097	0	0	0	0		
0	60816119003	\$150,170	0	0	0	0		
Р	60816119004	\$100,221	0	0	0	0		

#### Inventory – Very Low-Income Units

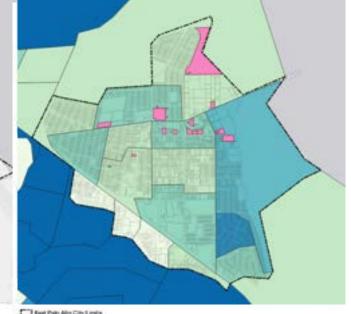
Very low-income units are primarily planned on the East side of Highway 101, where on average, there are fewer extremely low-income households. They are also primarily located in the Ravenswood Business District Specific Plan area (RBD) in close proximity to future job centers and in accordance with the City's transit-oriented development plan. They are also located along transited streets such as Bay Road "Main Street," University Avenue corridor, and Pulgas Avenue. This helps create a more even distribution of lower-income units due to a high proportion of extremely low-income units currently residing on the Westside of Highway 101.

- 1804 Bay Road (10 units)
- 851 Weeks (58 units)
- 965 Weeks Street (42 units)
- EPA Waterfront (52 units)
- Four Corners 1675 Bay Rd. (36 units)
- Harvest The Landing Housing Offsite 1103 Weeks (95 units)
- Lincoln St. (APN 063-186-270) (1 unit)
- Ravenswood Elementary School District Euclid Road Site (86 units)



C) East Palo Alto City Limits Sites Inventory Very Low-Income Units

#### Map 9: Distribution of Very Low-Income Units in Sites Inventory



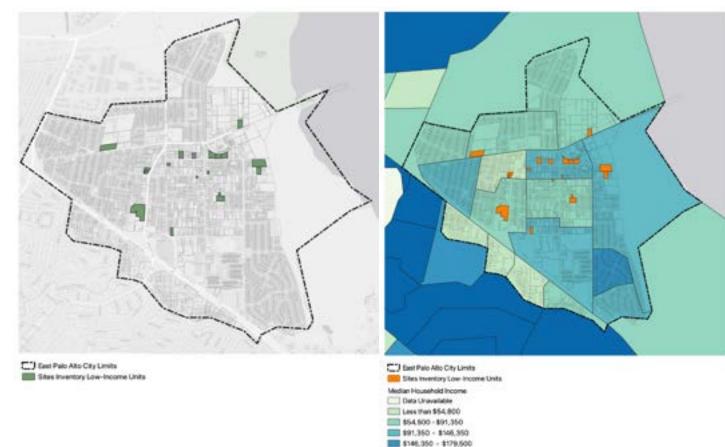
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 \$54,800 - \$51,350
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 \$146,350 - \$146,350
 Ginater fran \$179,500

#### Sites Inventory – Low-Income Units

Low-income units are primarily planned on the East side of Highway 101, where on average, there are currently fewer extremely low-income households. They are planned along transited streets such as: Bay Road "Main Street," University Avenue corridor, Weeks street, Pulgas Avenue, and East Bayshore Road. This helps create a more even distribution of lower-income units due to a high proportion of extremely low-income units currently residing on the Westside of Highway 101.

Map 10: Distribution of Low-Income Units in Sites Inventory

- 2340 Cooley (1 unit)
- 717 Donohoe (1 unit)
- 760 Weeks Street (1 unit)
- 851 Weeks (28 units)
- 965 Weeks Street (93 units)
- 990 Garden (2 units)
- APN 063265300 (Runnymede/Clarke) (1 unit)
- Ravenswood Elementary School District Euclid Road Site (340 units)

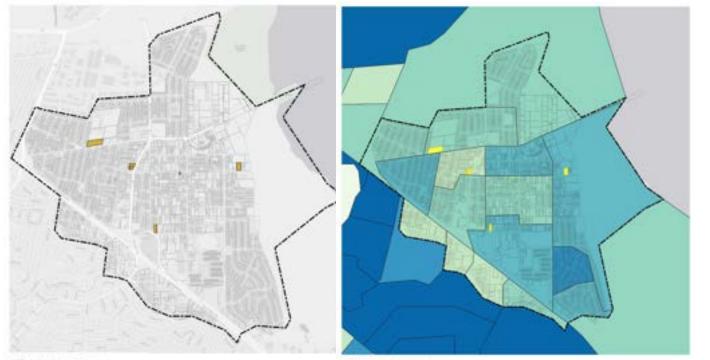


Greater than \$179,500

#### Sites Inventory Moderate Income Units

Moderate-income units are planned on the East side of Highway 101, where on average, there are fewer extremely low-income households, and on the West side of Highway 101, where on average, there are more extremely low-income households. They are planned along transited streets such as: Bay Road "Main Street," University Avenue corridor, Pulgas Avenue, and East Bayshore Road.

- 1201 Runnymede (4 units)
- 760 Weeks Street (1 unit)
- 717 Donohoe (11 units)
- Ravenswood Elementary School District Euclid Road Site (4 units)
- Woodland Park Euclid Improvements (271 units)
- 755 Schembri (2 units)
- 851 Weeks (1 unit)



East Palo Alto City Limits
 Sites Inventory Moderate Income Units

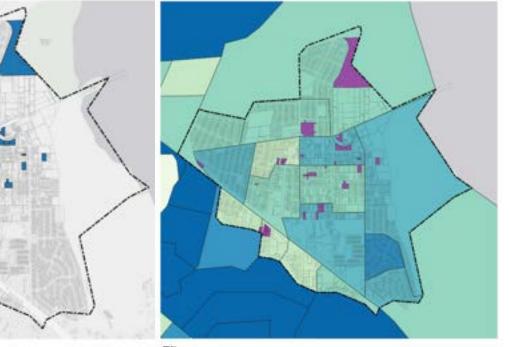
East Palo Abo City Limits Siles Inventory Moderate Income Units Median Household Income Data Unsentable Less than \$54,800 \$54,800 - \$91,350 \$91,350 - \$146,350 \$91,46,350 - \$178,500 Generating \$178,500

#### Map 11: Distribution of Moderate-Income Units in Sites Inventory

#### Sites Inventory Above-Moderate Income Units

Above moderate-income units are evenly distributed throughout the City and scattered along transited streets such as: Bay Road "Main Street," University Avenue corridor, Pulgas Avenue, and West Bayshore Road. They are also concentrated in the RBD/4 Corners Specific Plan area.

- 965 Weeks Street (1 unit)
- 1804 Bay Road (65 units)
- 1201 Runnymede (16 units)
- 760 Weeks Street (8 units)
- 120-126 Maple Ln (4 units)
- APN 063265300 (Runnymede/ Clarke) (2 units)
- Lincoln St. (3 units)
- Woodland Park Communities Euclid Improvements (171 units)
- Four Corners 1675 Bay Rd. (144 units)
- 990 Garden (6 units)
- 2340 Cooley (7 units)
- 1215 Cypress (1)
- 547 Runnymede (8 units)
- 805 Runnymede (1 unit)
- 1062 Runnymede (6 units)
- 812 Green (5 units)
- 842 Green (3 units)
- 801 Donohoe (5 units)
- 755 Schembri Lane (4 units)
- 807 E. Bayshore (8 units)
- EPA Waterfront (208 units)



East Palo Alto City Limits
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Map 12: Distribution of Above-Moderate-Income Units in Sites Inventory

## **5.9 SITES INVENTORY PROXIMITY TO AREAS**

East Palo Alto is only 2.5 square miles and has limited variation between its census tracts. The following describes where the sites inventory units are distributed within the city.

- High-resourced areas:
  - 0.0% of residents in East Palo Alto live in neighborhoods identified as "Highest Resource" or "High Resource" areas by State-commissioned research. All the sites inventory is therefore within "Low Resource" or "High Segregation and Poverty" areas.
- High proficiency K-12 education institutions:
  - According to Figure III-1, a majority of the City has a TCAC Opportunity Area Education Score of less than 0.50. Most of the sites inventory is therefore in areas with less positive education outcomes. There is little the City can do to change these outcomes without broader, state and district policy changes affecting school choice.
- Low social vulnerability:
  - According to Figure III-15, a majority of the City has a higher Social Vulnerability Index. Most of the sites inventory is therefore in areas with high social vulnerability.
- Good jobs proximity:
  - East Palo Alto has more low-wage residents than low-wage jobs (where low-wage refers to jobs paying less than \$25,000). At the other end of the wage spectrum, the City has more high-wage residents than high-wage jobs (where high-wage refers to jobs paying more than \$75,000). Discussions are currently underway to ensure that the sites in the Ravenwood Business District Specific Plan provide mixed-use development that provides a job-housing balance addressing the community's needs.
- Healthy places:
  - According to Figure III-11, a majority of the City has a Healthy Places Index of less than 60%, which is lower than surrounding communities. Most of the sites inventory is therefore in areas with lower health.
- Flood hazards:
  - A large portion of East Palo Alto is within the flood zone. See Flood Zone map <u>here</u>. Most sites in the Sites Inventory are therefore in high-flood risk areas. The largest contributors to 100-year storm flooding in East Palo Alto are spills from San Francisquito Creek and tidal inundation from San Francisco Bay. Learn about the City's and San Francisquito Joint Powers Authority's plans to add improved flood protection along the south and west sides of East Palo Alto and decrease flood risk in the 2014 Storm Drain Master Plan <u>here</u>.

- Access to transportation:
  - East Palo Alto has approximately seven SamTrans bus routes: 81, 83, 280, 281, 296, 296O, and 397. The majority of sites inventory are located along major transit coordinators (i.e., University Avenue, Bay Road, Pulgas Avenue, East Bayshore, and West Bayshore). See bus routes here.

#### • Water access:

 Most of the City's water connections (about 80%) are served by the City of East Palo Alto water system operated by <u>Veolia</u>, which supplies water from the San Francisco Public Utilities Commission (<u>SFPUC</u>). The remaining connections are served by either <u>Palo Alto Park Mutual</u> <u>Water Company</u> or <u>O'Connor Tract Co-Op Water Company</u>. See the City's water service areas map <u>here</u>.

## 6 POLICIES AND PROGRAMS

This chapter incorporates themes and findings from several other sections of the Housing Element, including input from the community through various channels of community outreach; analysis of fair housing issues in compliance with Affirmative Furthering Fair Housing (AFFH) requirements; review of housing needs data; review of governmental and non-governmental constraints; and evaluation of the current 2015-2023 Housing Element.

The goals, policies, and programs in this chapter are intended to respond to these findings and constitute the actions that the City will take over the next eight years to address the City's affordable and fair housing challenges and improve the overall state of housing in East Palo Alto.

This chapter builds upon the City's accomplishments since RHNA 5, outlined in the Review of the Prior Housing Element chapter, positioning the City to pursue policies and programs aimed at addressing the City's most challenging housing needs.

# 6.1 STRUCTURE OF RHNA 6 HOUSING ELEMENT WORKPLAN AND GUIDING PRINCIPLES

In this Housing Element Workplan, there are nine overarching goals. Each goal is organized into objectives, which are then further broken down into policies and programs in a workplan format, with an emphasis on the timeline, staffing, and other resources needed to accomplish each one.

Common themes from the public, which, along with the AFFH Analysis, formed the guiding principles of this Housing Element Workplan, include: *the need for more affordable housing to serve all household income categories, special needs populations, and racial groups, ensuring there is a jobs-housing balance, ensuring new jobs do not create displacement pressures on current residents and particularly vulnerable populations, and creating new and rehabilitated units that have better habitability.* 

# 6.2 AFFIRMATIVELY FURTHERING FAIR HOUSING CONSIDERATIONS FOR POLICIES AND PROGRAMS

Addressing the issue of fair housing, equity and access is a key goal for the City, and as such, an analysis of the City's efforts to affirmatively further fair housing is not only a stand-alone objective, but one that is incorporated throughout the Housing Element, including the policies and programs.

## Identifying AFFH Issues

A County-wide AFFH survey was administered to capture residents' needs regarding affirmatively furthering fair housing, and found the following housing challenges (based on responses from 53 East Palo Alto residents):

- a. About 41% of respondents indicated they would like to move but can't afford anything that is available.
- b. About 35% of respondents said their house or apartment is too small for their family.
- c. About 20% of respondents said they are often late on rent payments and 16% indicated they can't keep up with utilities.
- d. 40% of respondents indicated their neighborhood does not have good sidewalks, walking areas, and/or lighting, and 25% indicated schools in their neighborhood are poor quality.
- e. 32% of respondents said they have experienced displacement in the past five years, common reasons for displacement included:
  - i. Rent increased more than I could pay; and
  - ii. Landlord wanted to rent to someone else.
- f. 29% of respondents indicated they had been discriminated against when looking for housing.

The AFFH Appendix C3 compares survey responses with other jurisdictions in San Mateo County, allowing for a comparative analysis. These survey results align with what staff heard in past community engagement activities.

## Fair Housing Issues and Possible Contributing Factors

The County-wide AFFH survey helped identify a few key fair housing issues in East Palo Alto. These key fair housing issues include:

- Cost burden for Hispanic/Latinx and Black/African American households
- Entire City is considered vulnerable to displacement
- Lack of sidewalks, good street lighting and walkability in some neighborhoods
- High rates of fair housing discrimination
- Applicants for mortgage face high rates of denial, highest for Black/African American and Hispanic/Latinx applicants
- Higher portion of children than rest of county attending lower-performing schools

An analysis of the City's history of segregation and discrimination helps answer what may be some contributing factors to these fair housing issues. Possible contributing factors include:

- Decades of discrimination in employment, education, and housing markets
- Race-blind policies still generate disparate outcomes
- Migration to East Palo Alto due to relatively more affordable rents and home prices; neighborhoods with highest performing schools have high housing prices, pushing families into areas with schools that have fewer resources
- Low-income residents seeking affordable housing more likely to work low wage jobs that do not support cost of living, resulting in cost burden and overcrowding
- K-12 achievement gaps impacting future employment opportunities
- Historically low private sector investment

# Recommendations to Address Fair Housing Issues

The Housing Element prioritizes defining specific policies and programs to address systemic challenges to furthering fair housing. The "Housing-specific policies enacted locally" section in the AFFH Chapter identifies the following policy and program ideas, which are incorporated into the Housing Element Goals, Objectives, Policies & Programs that are described in Section 6.3.

- Anti-Displacement Plan
- Rental registry
- Homebuyer assistance program
- Mortgage and rental assistance (beyond pandemic)
- Foreclosure assistance
- Living wage employment ordinances
- Housing counseling
- Affordable housing development
- Housing rehabilitation programs
- Affordable housing units for larger families
- Alternative affordable home ownership models
- Standardized development review metrics (including ADUs and SB 9)
- Special needs populations Unhoused population

Fair housing and inclusive community objectives are incorporated throughout the Housing Element Policies and Programs. Table 6.2 highlights Policies and Programs that particularly address the fair housing factors and findings in the AFFH analysis. These Policies and Programs are organized by categories which generally correspond to the above AFFH ideas and community needs. Table 6.2 demonstrates that the City is strongly committed to a comprehensive and multi-prone approach to tackle the diverse fair housing issues that have been identified in the community. With consideration of staff

and resource constraints, the listed implementation dates for the Policies and Programs offer an indication of relative fair housing priorities. However, some of the Policies and Programs will be ongoing activities during the 2023-2031 Housing Element period. More information on the implementation plan for each Program and Policy can be found in Section 6.4.

Table 6.2: Fair Housing Policies and Programs						
Dellast			Implementation Priority (Target Date)			
Policy/ Program	Policy/Program Topic	2023/24	2025	2026 or	Ongoing	
				later		
Anti-Displa		1		T	1	
2.3	Opportunity to Purchase Act (OPA)	Х				
3.4	Rent Stabilization Program				х	
4.4	At-Risk Units				X	
5.1	Environmental Justice Element	х				
6.1	Rent Stabilization Ordinance Annual Review				х	
6.4	Multi-Generational Local Hazards Mitigation Plan				х	
7.2	Master Temporary Use Permit for Housing for	Х				
	Unhoused Individuals					
Financial A	ssistance for Existing Residents			•		
4.7	Home Repairs Program		Х			
4.9	Foreclosure Prevention		х			
4.11	Emergency/Rent Relief Assistance	х				
4.12	Rent/Security Deposits x					
Housing Re	sources and Counseling					
3.2	Rent Registry	х				
3.3	Doorway Program				X	
5.7	Fair Housing/Anti-Eviction Services (Measure O)	х				
5.8	Landlord/Tenant Mediation Services				x	
Inclusive Co	ommunity				•	
1.7 & 10.5	Accessory Dwelling Units	Х				
1.25	SB 9 Units x					
2 - 1 - 2.4	Homebuyer Support Program x x x		X			
3.1	Below Market Rate Program x		Х			
4.10	Community Land Trusts		Х			
4.14	Living Wage Workforce Development Program	х				
10.9	SROs/Transitional Housing		х			

Affordable I	Affordable Housing Development and Finance				
1.6	Funds for Public Infrastructure Improvements		Х		
1.15	Measure L Funds	х			
1.17 & 9.4	Regional, State, Federal Grants				Х
1.22 - 1.24	Public-Owned Sites		х	х	
Housing Con	nservation and Rehabilitation				
4.3 - 4.7	Preservation of Existing Housing	х	х	х	
Special Need	ls Populations				
1.4 & 7.1	Special Needs Housing	х			Х
4.8 ADA public improvements		Х			
5.9	5.9 Support Services		Х		
7.7	Large Family Households	х			
7.8	Extremely Low-Income Housing Units				Х
10.6	Residential Care Facilities x				
Unhoused P	opulation				
7.2 - 7.5	Housing and Support Services	х			Х
7.6 & 10.2	Navigation Center/Emergency Shelter	х			Х

# 6.3 GOALS, POLICIES AND PROGRAMS SUMMARY

Table 6.3 summarizes the RHNA 6 Goals, Objectives, Policies & Programs. For applicable policies and programs, quantitative and geographic targets are indicated in Table 6.3. These targets are aspirational and may be subject to future City Council authorization and/or the availability of financial resources, if necessary. This table is followed by Section 6.4 which provides an implementation plan that defines the tasks and actions with projected start and completions dates for each Policy and Program. The main RHNA 6 Goals include:

- Goal 1: Create more housing opportunities, and more housing that is affordable to East Palo Alto residents.
- Goal 2: Create homeownership opportunities for East Palo Alto residents and stability for existing homeowners.
- Goal 3: Promote stewardship and preservation of the City's existing affordable housing stock.
- Goal 4: Prevent displacement of East Palo Alto residents.
- Goal 5: Apply environmental justice principles in planning for new housing development.
- Goal 6: Promote safe and healthy housing in East Palo Alto.
- Goal 7: Create more housing opportunities for special needs households, including large households, people at risk of or experiencing homelessness, and individuals with disabilities.

- Goal 8: Improve transparency and communication between the City and the public on housing issues.
- Goal 9: Build City capacity for long-term housing planning and implementation of a range of Housing programs and initiatives.
- Goal 10: Amend zoning and other development regulations to facilitate the construction of housing.

For an overview of how these goals compare to RHNA 5 goals, see Chapter 7, Review of Prior Housing Element.

6.3: Summary of RHNA 6 Goals, Objectives, and Policies & Programs		
Goal 1: Create more housing opportunities, and more housing that is affordable to East Palo Alto residents.		
Implement measures to reduce overall processing times for residential development applications while maintaining robust community outreach and engagement.	Policy 1.0: Track and review planning approval and building permit processes for residential projects. Establish actions for streamlining, clarifying, and simplifying the approval and permit processes, including the design review process. Seek input from developers and other stakeholders to identify ways to improve and streamline development review.	
Lead: Planning	• Target: Strive for the following planning application processing timelines by the end of the planning period:	
Building and C ode Enforcement (Policy 1.3)	<ul> <li>Ministerial/By-Right: 1-3 months from a complete application</li> <li>Discretionary - Planning Commission approval authority: 4-6 months from a complete application, not including projects appealed to City Council</li> <li>Discretionary - City Council approval authority: 6-9 months from a complete application, not including projects with extenuating conditions (e.g., projects with an environmental impact report, development agreement, or tenant relocation plan, or during periods of reduced staffing).</li> </ul>	
	Policy 1.1: Develop objective development and design standards that will be consistent with adopted findings of approval for all single-family and multi-family developments that simplify, clarify, and improve approval certainty and reduce the time for permit processing. Establish a time schedule for expedited ministerial or administerial approval of projects that comply with objective design standards, zoning standards, and development regulations. Ensure compliance with SB35, SB330, Housing Accountability Act, and other applicable state laws for qualifying projects.	

	<ul> <li>Policy 1.2: Implement existing processing guidelines and checklists for projects that qualify for by-right, ministerial, or administrative approval and CEQA exemption under SB 35, SB330, Housing Accountability Act, and other applicable state laws.</li> <li>Policy 1.3: Program: Review and adjust building permit review and approval procedures as needed to comply with the streamlining requirements in AB2234.</li> <li>Policy 1.4: Develop standards to prioritize, incentivize, and expedite processing of residential projects that commit housing units for special needs populations such as the developmentally disabled, singlefemale head of households, at-risk youths, large family households, extremely low-income households, and unhoused individuals.</li> </ul>
Incentivize affordable housing development. Leads: Planning, Housing and Economic Development	<ul> <li>Policy 1.5: Pursuant to Government Code 65583.2 (h) and (i), sites that require rezoning to meet the RHNA for lower-income households and sites carried over from the 2015-2023 Housing Element to accommodate the needs of lower-income households shall be rezoned within the statutory deadline prescribed in Government Code 65583.2 (c). The rezoning shall commit to 20% lower-income units, minimum densities, and objective development standards, and complying projects shall not require discretionary approval. One site is carried over from the 2014-2022 Housing Element – a 0.65-acre parcel at 851 Weeks with an existing zoning of 22-40 units/acres and a pending application for a 79-unit SB 35 project. If a project contains at least 20% lower-income units and complies with objective development standards, discretionary approval shall not be required.</li> <li><i>Target: For 851 Weeks, approve SB35 project or designate site for by-right approval for a qualifying project by Spring 2024.</i></li> </ul>
	<ul> <li>Policy 1.6: Seek and support financial resources from state, regional, and county housing programs, tax credits, and other sources that provide funding assistance for affordable housing projects to cover design and development costs and off-site public facility and infrastructure improvements.</li> <li><i>Target: Annually survey Notices of Funding Availability (NOFAs) and work with developers to apply for funds for affordable housing projects and supporting public improvements. Prioritize assistance for projects in lower-resource areas as defined by AFFH analysis (including, but not limited to, westside of State Highway 101 and south of Bay Road/west of University Avenue,)</i></li> </ul>
Encourage smaller-scale housing that is relatively more affordable, including duplexes/triplexes and market-rate accessory dwelling units (ADUs). <i>Lead: Planning</i>	Policy 1.7: Develop a "next-phase" streamlining effort for ADUs and JADUs, SB 9 projects, and any future small-development, ministerial approval process that builds on lessons learned from the ADU Streamlining collaboration with EPACANDO and City Systems. (See Program 10.5 pertaining to ADU zoning amendments that are necessary to comply with current state laws and for numerical geographical targets.)

	Policy 1.8: Study feasibility and desirability of waiving or reducing fees or delaying payment of permit fees and development impact fees for ADUs and small projects, e.g., two or fewer units.
	Program 1.9: Develop outreach materials targeting smaller developers aimed at informing future applicants and improving the quality of Planning and Building applications received.
	Program. 1.10: Implement a preapproved and modular ADU designs program or participate in proposed 21 Elements clearinghouse to facilitate streamlined review and reduce design costs of ADUs.
	<ul> <li>Program 1.11: Develop proposals for relaxing or allowing flexible zoning standards (e.g., building setbacks and height, open space, parking, and density) to facilitate the developing of SB 9 and small infill housing projects to increase housing opportunities and housing types throughout the community.</li> <li><i>Target: Assist property owners to approve eight (8) SB9 units during the 6<sup>th</sup> cycle Housing Element Period; focus on opportunities sites in lower-density residential neighborhoods (e.g., under-utilized lots over 10,000 square feet in size.)</i></li> </ul>
Incentivize production of deed-restricted ADUs, including deed-restricted units, to add to the City's affordable housing stock.	Program 1.12: Develop an expedited legalization process for unpermitted second units. Identify zoning amendments to reduce the impediment to building ADUs, such as setback and open space standards. Identify potential funding sources as assist
Leads: Planning, Housing and Economic Development	Policy 1.13: Support and participate in a potential county-wide initiative to create a resource center to effectively educate homeowners, provide resources, and promote the construction of ADUs.
	Policy 1.14: Seek available public and private sources of rehabilitation/repair funding and strengthen partnership with organizations in this area, such as Habitat for Humanity, to produce ADUs. Seek assistance for correcting code compliance issues to legalize or upgrade existing ADUs.
	• Target: Annually research available funds and partnerships and implement incentives with the goal of approving at least 115 new or legalized ADUs in single-family zoning districts during the 6 <sup>th</sup> cycle Housing Element period.
deed-restricted units, to add to the City's affordable housing stock.	<ul> <li>under-utilized lots over 10,000 square feet in size.)</li> <li>Program 1.12: Develop an expedited legalization process for unpermitted second units. Identi zoning amendments to reduce the impediment to building ADUs, such as setback and open sp standards. Identify potential funding sources as assist</li> <li>Policy 1.13: Support and participate in a potential county-wide initiative to create a resource of effectively educate homeowners, provide resources, and promote the construction of ADUs.</li> <li>Policy 1.14: Seek available public and private sources of rehabilitation/repair funding and stree partnership with organizations in this area, such as Habitat for Humanity, to produce ADUs. Support and participate issues to legalize or upgrade existing ADUs.</li> <li>Target: Annually research available funds and partnerships and implement incentives we goal of approving at least 115 new or legalized ADUs in single-family zoning districts due to the set of the</li></ul>

Develop long-term, sustainable funding sources that are flexible and may be used for affordable housing production and preservation and to prevent displacement and homelessness.	Policy 1.15: Implement the 2022 approval of Measure L which increased and expanded the City's existing Gross Receipts Tax on rental residential properties for affordable housing and support programs.
Lead: Housing and Economic Development	<ul> <li>Program 1.16: Update the City's five-year Affordable Housing Strategy (AHS) to implement the 6<sup>th</sup> cycle Housing Element goals, policies, and programs and to sets priorities for allocation of the City's affordable housing revenue sources for a finite period (1 year to 5 years). Establish priorities to implement fair housing policies and programs in low resource neighborhoods per the AFFH analysis.</li> <li><i>Target: Adopt the AHS with numerical goals and place-based funding priorities to implement the goals, policies, and programs in the Housing Element.</i></li> </ul>
	Policy 1.17: Collaboratively (Planning, Housing, and Public Works) pursue state grant funds wherever possible to support affordable housing projects and programs and to address homelessness in the City.
	• Target: Annually research available funds for affordable housing projects and homelessness programs. Prioritize funds to assist lower-resource areas and the unhoused population.
Take reasonable measures to reduce the cost of development for fully affordable housing developments.	Policy 1.18: Use the opportunity of the RBD Specific Plan Update or initiate a city-wide study on the feasibility and desirability of fee waivers or reductions or deferred fee payments for fully affordable housing projects; additionally, consider providing City financial assistance to cover these fees.
Leads: Planning, Housing and Economic Development	Policy 1.19: none
	Policy 1.20: Incorporate parking reductions into the City's Transportation Demand Management Program including compliance with AB2097 and related state laws that eliminates parking minimums within one=half mile major transit stops and radius and parking maximums for affordable housing projects.
Encourage housing on sites zoned for mixed use in the Ravenswood/4 Corners Specific Plan Area.	Policy 1.21: For sites within the RBD Specific Plan Area, study feasibility and effectiveness of an RBD-specific density bonus, relaxed zoning controls, minimum densities (particularly for mixed-use sites), streamlined subdivision approvals, and by-right or ministerial approvals. Incorporate provisions
Lead: Planning	into the Specific Plan Update and Development Code amendments that are planned for City Council adoption in Summer 2024. (See also related Program 10.8)
Leverage available public lands for affordable housing development where feasible and beneficial to the community.	Program 1.22: none

Leads: City Manager's Office, Housing and Economic Development Responsible Agencies: County of San Mateo, Sequoia Elementary School District	<ul> <li>Program 1.23: Work with County of San Mateo to complete land swap and determine feasibility of the County developing affordable housing at 2277 University. Comply with Surplus Lands Act. (This project is not included in Sites Inventory but could potentially be constructed during Housing Element 6<sup>th</sup> Cycle.)</li> <li><i>Target: Support the County in redeveloping the property for at least ten (10) housing units, or whatever is found feasible, encouraging the County to develop permanent supportive housing.</i></li> <li>Program 1.24: Work with Ravenswood City School District to facilitate the development of the district-owned parcel at 2120-2160 Euclid Avenue as affordable housing. Comply with Surplus Lands Act.</li> <li><i>Target: Pending application to develop 430 units of affordable housing for lower income units on the site.</i></li> </ul>	
Incentivize "missing middle" housing, or smaller-scale housing that is affordable to households at 80-120% of Area Median Income. <i>Lead: Planning</i>	<ul> <li>Policy 1.25: Revise City zoning and subdivision standards to increase compatibility with SB 9 (e.g., flexible zoning standards for setbacks, open space, height, and density) and make process improvements to encourage application of SB 9 on appropriately zoned parcels. Conduct informational outreach to property owners whose properties are prime candidates for SB 9 projects, including advising them of the ministerial approval process.</li> <li><i>Target: Assist property owners to approve eight (8) SB9 units during the 6<sup>th</sup> cycle Housing Element Period with focus on opportunities sites in lower-density residential neighborhoods (e.g., under-utilized lots over 10,000 square feet in size.)</i></li> </ul>	
Monitor progress on Housing Element Policies, Programs, and Sites Inventory. Leads: Planning. Housing and Economic Development	Policy1.26: Annually review overall progress and effectiveness in meeting RHNA and evaluate progress in meeting Housing Element policies and programs; include information in the Annual Progress Report to HCD. Track the production of inclusionary housing units, ADUs, SB 9 units, and housing for special needs populations. If the City is not making sufficient progress in meeting its Housing Element goals and its RHNA for lower-income units by 2027 (i.e., 130 lower-income units under construction or completed by 2027), consider alternative land use strategies within six months. Possible actions include amending policies and programs, defining new actions, or identifying alternative housing sites, including rezoning if necessary, and strategies to facilitate a variety of housing choices, such as encouraging missing middle zoning (small-scale multi-unit projects), adaptive reuse, and additional ADUs and/or JADUs.	
Goal 2: Create homeownership opportunities for East Palo Alto residents and stability for existing homeowners.		
Promote financial literacy as a means of encouraging homeownership and support first-time homebuyers.	Policy 2.1: Develop a City led homebuyer support program or programs tailored to the needs of lower and moderate-income households in East Palo Alto. Prioritize outreach to neighborhoods with a	

Lead: Housing and Economic Development	<ul> <li>proportionally higher percentage of rental households such as the westside of State Highway 101. Conduct proactive outreach to seek interested applicants.</li> <li><i>Target: Propose a homebuyer support program with a goal of assisting a minimum of eight (8) residents during the 6<sup>th</sup> cycle Housing Element period.</i></li> <li>Policy 2.2: With the assistance of the City's grant coordinator, seek and apply for funds from state and other sources to create and finance homebuyer support program.</li> </ul>
Create pathways to affordable homeownership opportunities. Lead: Housing and Economic Development	<ul> <li>Policy 2.3: Continue to study and develop an Opportunity to Purchase Act policy for tenants and/or qualified non-profits that builds on prior research and City Council direction in 2021-22.</li> <li><i>Target: Propose an Opportunity to Purchase policy that facilitates a minimum of three (3) single-family and one (1) multi-family housing transactions during the 6<sup>th</sup> cycle Housing Element period.</i></li> </ul>
Advocate for homebuyer and homeownership programs at the regional level.	Policy 2.4: Advocate for the homebuyer and homeownership programs at the county, regional, and state levels.
Lead: Housing and Economic Development	
Goal 3: Promote stewardshi	p and preservation of the City's existing affordable housing stock.
<ul> <li>Ensure that the City's deed-restricted affordable housing and Below Market-Rate (BMR) portfolio remain well-maintained and monitored.</li> <li>Lead: Housing and Economic Development</li> </ul>	<ul> <li>Program 3.1: Continue working with EPACANDO and Bay Area Affordable Homeownership Alliance (BAAHA) on the existing BMR Program contract and draft Request for Proposals (RFP) for next phase of BMR Program management, including additional rental and for-sale inclusionary housing units.</li> <li><i>Target: Maintain 53 existing BMR units and add at least eight (8) new BMR ownership or rental</i></li> </ul>
Improve data on affordability of the City's rental housing stock outside of the Rent Stabilized portfolio.	units during the 6 <sup>th</sup> cycle Housing Element period.         Program 3.2: With the allocated City Council funding, research potential rent registry program and administer Request for Proposals for potential rent registry program administrator.
Lead: Housing and Economic Development; Rent Stabilization	
Leverage County initiatives and affordable housing resources to increase public awareness of affordable housing opportunities in East Palo Alto.	Program 3.3: Work with the County of San Mateo and landlords to list all affordable housing projects and inclusionary units on Doorway, a new regional platform for searching and applying for affordable housing and finding affordable housing resources; conduct proactive outreach.
Lead: Housing and Economic Development Responsible Agency: County of San Mateo	

Protect and preserve the City's supply of rent-stabilized affordable housing units. <i>Lead: Housing and Economic Development and Rent</i> <i>Stabilization</i>	<ul> <li>Policy 3.4: Continue to support the function of the Rent Stabilization Board to enforce the City's Rent Stabilization Ordinance to protect tenants from unreasonable rent increase, to protect tenants from unlawful evictions, and to allow landlords sufficient rental income for maintenance and operating expenses and capital improvements.</li> <li><i>Target: Plan to assist the approximately 2500 registered units under the Rent Stabilization Ordinance.</i></li> </ul>
Goal 4: P	revent displacement of East Palo Alto residents.
Connect the creation of new jobs in the City from commercial development to the creation of new housing at the appropriate affordability levels. <i>Leads: Planning, Housing and Economic Development</i>	<ul> <li>Policy 4.1: As part of the Ravenswood Business District/4 Corner (RBD) Specific Plan update, develop a requirement to build new housing at specified levels of affordability based on a numerical linkage to office/R&amp;D square footage in Ravenswood Business District (RBD).</li> <li><i>Target: Plan for 1,350 to 1,600 new housing units in the RBD Specific Plan; seek to approve entitlements for at least 350 housing units during the 6<sup>th</sup> cycle Housing Element.</i></li> <li>Program 4.2: Participate in countywide nexus study led by 21 Elements to update the existing</li> </ul>
	Commercial Linkage Fee.
Promote the preservation of existing housing stock and rehabilitation of housing that is at-risk due to age, structural deficiencies, etc. <i>Leads: Housing and Economic Development, Building and</i> <i>Code Enforcement</i>	<ul> <li>Policy 4.3: Develop a preservation strategy that addresses funding sources, identification of properties, and partnerships that can lead to preservation of affordable housing in East Palo Alto. Prioritize assistance to lower-resource neighborhoods identified in the AFFH analysis (including, but not limited to, westside of State Highway 101, south of Bay Road/west of University Avenue, and multi-family housing on southside of Bay Road and east of University Avenue.)</li> <li><i>Target: Identify properties and reach out to organizations to achieve the minimum targets in Policy 4.6 during the 6<sup>th</sup> cycle Housing Element period.</i></li> </ul>
	<ul> <li>Policy 4.4: Identify and maintain a list of at-risk units and substandard buildings throughout the City. Ensure property owners comply with the State Preservation Notice Law. Actively engage with property owners to reach agreements to preserve at-risk units and properly maintain their properties.</li> <li><i>Target: Continue to preserve or conserve the affordability of at least twenty (20) substandard or at-risk units; set a goal to improve a minimum of twenty (20) substandard or at-risk units during the 6<sup>th</sup> cycle Housing Element period.</i></li> </ul>
	Policy 4.5: Study improvements to the City's process for addressing code violations on residential properties, including, but not limited to, unpermitted second units.
	Policy 4.6: Create and fund a City housing rehabilitation program for City Council consideration that covers both single-family homes and multi-family apartments to preserve affordable housing opportunities, encourage proper maintenance and repairs, promote renovation, and increase energy Chapter 6 – Page 12

	<ul> <li>conservation. Prioritize neighborhoods with a concentration of units in need of rehabilitation per Housing Element, Section 2.12.2.D (including, but not limited to, westside of State Highway 101, south of Bay Road west of University Avenue, and multi-family housing on southside of Bay Road and east of University Avenue.)</li> <li>Target: Propose a program with a goal to rehabilitate and/or renovate a minimum of five (5) single-family and twenty (20) multi-family housing units during the 6<sup>th</sup> cycle Housing Element period.</li> </ul>
Support housing stability of existing lower-income homeowners and enable the community's seniors to age in place. Lead: Public Works, Planning, Building, Housing and Economic Development	<ul> <li>Program 4.7: Research establishing and funding a City home repairs program to assist low-income homeowners with major repairs and rehabilitation to address acute safety and livability issues. Develop a public outreach plan and also inform homeowners of financial assistance available from other agencies such as energy conservation and electrification incentives. Target assistance to lower-resource neighborhoods identified in AFFH analysis (including, but not limited to, westside of State Highway 101 and south of Bay Road west of University.)</li> <li><i>Target: Propose a home repairs program with a goal to assist a minimum of eight (8) low-income homeowners during the 6<sup>th</sup> cycle Housing Element period.</i></li> </ul>
	Policy 4.8: Continue to implement public accessibility improvements in accordance with the City's ADA Compliance Plan, and amend Municipal Code Chapter 14.10 – Reasonable Accommodations and Development Code Chapter 18.98 – Reasonable Accommodations as needed to comply with all applicable state laws.
	<ul> <li>Policy 4.9: Study models of foreclosure prevention at the local level in similarly sized cities, whether through local investment or leveraging outside funding; evaluate establishing a mortgage assistance program for low-income households.</li> <li><i>Target: Launch a pilot program to assist at least three (3) homeowners that are facing the risk of foreclosure during the 6<sup>th</sup> cycle Housing Element period.</i></li> </ul>
Promote community/cooperative ownership of land and housing in East Palo Alto. Lead: Housing and Economic Development	<ul> <li>Program 4.10: Evaluate opportunities to support and/or leverage local community land trusts (CLTs) to create community ownership of new or preserved affordable housing, e.g., through scattered-site ADUs, small inclusionary projects, or preservation projects.</li> <li><i>Target: Participate in at least one annual workshop to provide outreach and education to CLTs and similar organizations to create affordable rental and ownership housing with identification of possible opportunity sites.</i></li> </ul>
Prevent displacement due to high housing cost burden and barriers to housing, such as rental deposits.	Policy 4.11: Continue to appropriate funds and consider increasing funds for direct emergency financial assistance or rent relief to be administered by a qualified organization identified through a

Lead: Housing and Economic Development	<ul> <li>Request for Proposals (RFP) process. Conduct proactive public outreach, particularly to lower-income households and neighborhoods where a high housing cost burden has been documented in the fair housing assessment.</li> <li><i>Target: Propose a rent relief program with a goal to provide direct emergency financial assistance or rent relief to thirty (30) households each year during the 6<sup>th</sup> cycle Housing Element period, subject to available funds.</i></li> <li>Program 4.12: Develop a proposal for City Council consideration for a direct financial assistance program for first and last month's rent/security deposit assistance.</li> </ul>
Implement an effective and fair housing compliant Local Preference Policy.	Policy 4.13: Complete and enforce guidelines on City's existing Local Preference Policy.
Lead: Housing and Economic Development	
<ul><li>Provide access to living wage jobs to allow residents to afford to remain to live in East Palo Alto.</li><li><i>Lead: Housing and Economic Development</i></li></ul>	<ul> <li>Program 4.14: Through Measure HH, a parcel tax on large office developments approved by East Palo Alto residents in 2018, implement a Workforce Development Program to provide job training, apprenticeships, and job placement services to residents through partnerships with community-based non-profit organizations and private companies. Programs shall include proactive outreach to East Palo Alto residents, and service agreements shall define performance goals and metrics and required deliverables.</li> <li><i>Target: Assist at least eighty (80) East Palo Alto residents through the Pilot Workforce Development Program during 2024-2025. Evaluate continuing and expanding the program beyond 2025.</i></li> </ul>
Goal 5: Apply environmer	ntal justice principles in planning for new housing development.
Adopt policies and programs to address environmental justice issues in the community. <i>Lead: Planning, Housing and Economic Development</i>	Program 5.1: Update the Environmental Justice Element (Health and Equity) in the City's General Plan to include a comprehensive set of policies and programs and an implementation plan to address environmental justice issues and public outreach, engagement, and transparency; scope of work to include a robust community engagement process is integrated into the preparation of this Element.
Leau. Funning, mousing and Economic Development	merade a resust community engagement process is integrated into the preparation of this Element.
Address water and sewer system constraints to housing production, to the extent they are within the City's control, through targeted capital and governance improvements.	Program 5.2: Establish and implement a plan to address the San Mateo County Local Agency Formation Commission (SMCLAFCo) Municipal Service Review and to resolve the delays to housing development caused by issues with the East Palo Alto Sanitary District.
Lead: City Manager's Office, Public Works	Program 5.3: Implement the Water System Master Plan adopted in 2022 and complete the first-phase capital improvements in the plan. Update the Urban Water Management Plan to conform with the

Responsible Agencies: San Mateo County Local Formation Commission (SMCLFCo), East Palo Alto Sanitary District	Master Plan and ensure adequate water service to parcels in the Sites Inventory (adequate water supply but water infrastructure upgrades may be needed for certain locations.)
	Policy 5.4: Work with water and sewer service providers to adopt a policy that prioritizes water and sewer capacity allocations to affordable housing projects and low-income households per SB1097.
Minimize new housing in highest-risk areas prone to flooding/sea level rise or due to environmental contamination.	Program 5.5: Leverage community partnerships to utilize and maintain data and maps wherever possible to monitor areas subject to flooding and identify sites for future development and to comply with Government Code 65302.
Lead: Public Works	Program 5.6: Develop environmental "overlay" map with most up-to-date data to avoid housing in at- risk areas or with prescribed mitigation measures.
Expand and establish programs to promote fair housing practices for East Palo Alto residents. <i>Lead: Housing and Economic Development</i>	<ul> <li>Program 5.7: Implement fair housing and anti-eviction programs using Measure O and other qualifying local revenue sources to fund community-based organizations to provide legal services, financial assistance, case management, referrals, proactive community outreach (social media, workshops, flyers), posted resource information, and a citizen advocacy committee. Contracts with organizations will specify quantified deliverables for each of these areas.</li> <li><i>Target: See the performance metrics for this program in Section 6.4, Implementation Plan.</i></li> <li>Policy 5.8: Continue to support agencies such as Project Sentinel, Community Legal Services in East Palo Alto, and Legal Aid at Work that provide consultation and landlord/tenant mediation services for residents.</li> <li>Policy 5.9: Place program priority on providing fair housing and support services to special needs populations such as extremely low-income households, persons with disabilities, female heads of households, large family households, seniors, at-risk youths, and households at-risk of homelessness.</li> <li>Target Provide fair housing and support services for special needs populations based on the fair housing and support services for special needs on the fair housing analysis.</li> <li><i>Target: Provide fair housing and support services for minimum of thirty (30) special needs individuals or households during the 6<sup>th</sup> cycle Housing Element period.</i></li> </ul>
Prioritize flood control, infrastructure, and transportation improvements in lower-resource areas. <i>Lead: Public Works Department</i>	Policy 5.10: Pursue funding and prioritize neighborhoods of concentrated need for future investment, which may include but is not limited to rehabilitation, safe routes to schools, parks, transit, and active transportation. Evaluate the distribution of infrastructure and transportation investment by higher

	<ul> <li>versus lower need areas when updating the Capital Improvement Program (CIP). Assess the needs in lower-resource areas and implement actions to ensure an equitable distribution of investment.</li> <li><i>Target: Ensure that the CIP and economic redevelopment plans reflect the needs of lower-resource areas as identified in the AFFH analysis (including, but not limited to, westside of State Highway 101 and south of Bay Road/west of University Avenue.)</i></li> <li>Policy 5.11: Support local and regional flood control and infrastructure projects that benefit existing and future residents. Prioritize improvement projects that benefit high need and lower-resource areas as identified in AFFH analysis.</li> <li><i>Target: Support the San Francisquito Creek Joint Powers Authority (SFCJPA) in completing the following flood control projects to benefit residents on the westside of the State Highway 101:</i></li> <li>Palo Reach II project – channel improvements as well as top of bank improvements to enhance the creek and increase flow/capacity;</li> <li>Pope Chaucer Bridge Project improvement project in Menlo Park to replace the bridge to enhance flow and capacity; and</li> <li>Newell Bridge Replacement Project – replace bridge to enhance flow and capacity under the bridge.</li> </ul>
Goal 6: Promote safe and healthy housing in East Palo Alto.	
Strengthen monitoring and enforcement of habitability issues. Leads: Housing and Economic Development, Building and Code Enforcement	Policy 6.1A: Annually review the City's habitability complaints and the Rent Stabilization Ordinance's rules and regulations and forward any recommended changes or updates for enforcing habitability issues to the City's Rent Stabilization Board.
	<ul> <li>Program 6.1B: Continue to use code enforcement to support housing preservation and neighborhood quality and identify housing maintenance issues. Refer property owners with compliance needs to the City's programs for financial assistance on code corrections, emergency repairs, and rehabilitation.</li> <li><i>Target: Through code enforcement efforts, set a goal to correct code violations and make necessary repairs and improvements for a minimum of twenty (20) housing units during the 6<sup>th</sup> cycle Housing Element period.</i></li> </ul>
Incorporate amenities into multifamily housing that support households with children.	Policy 6.2: Determine the most effective means of incentivizing or requiring childcare facilities in new affordable housing developments and commercial developments.
Lead: Planning	
Improve energy conservation and reduce the carbon footprint of residential buildings.	Program 6.3: Implement the East Palo Alto Reach Codes, which became effective in January 2021 and apply to all new construction and substantial rehabilitations and additions; continue to explore

Lead: Building and Code Enforcement	expanding building electrification requirements and support incentive programs for retrofitting existing buildings.
Improve earthquake readiness and resilience.	Program 6.4: Complete and implement the recently updated Multi-Generational Local Hazard Mitigation Plan.
Lead: Planning, Public Works, Building	
	Program 6.5: Update the City's Safety Element to address earthquakes, flooding, and other natural and manmade hazards; consider policies such as establishing a seismic retrofit program to address vulnerable populations living in soft-story buildings and establishing a program for remediation of lead-based paint in older residential buildings; incorporate targeted outreach to vulnerable and special needs populations to ensure their needs are well-addressed.
Ensure implementation and enforcement of flood protection and prevention measures.	Policy 6.6: Continue to disseminate information through onsite resources and workshops to homeowners, property owners, and developers on FEMA, state, and local regulations on floodplain construction and management practices.
Lead: Public Works, Planning, Building and Code	
Enforcement	Program 6.7: Continue to participate in FEMA's Community Rating System Program to ensure that new housing development complies with floodplain construction standards with submittal of required
<i>Responsible Agency: Federal Emergency Management Agency</i> (FEMA)	certifications.
Goal 7: Create more housing opportunities for special nee	eds households, including large households, people at risk of or experiencing homelessness, and individuals with disabilities.
Incorporate special housing needs into City-supported future affordable housing developments.	Policy 7.1: For affordable housing projects located near high-quality transit, on City-owned land, with City subsidy, or where otherwise legally defensible, require developers of affordable housing to demonstrate how they will serve people with disabilities in the development.
Lead: Housing and Economic Development	
Provide housing solutions and support services for unhoused residents in East Palo Alto.	Program 7.2: Finalize the Master Temporary Use Permit (MTUP) process for temporary housing program rollout that includes City coverage of permit fees to provide housing for individuals experiencing homelessness in the community.
Leads: Housing and Economic Development, Planning	• Target: Seek to assist at least five (5) RVs through the MTUP program.
	Program 7.3: Evaluate lessons learned and options for longer-term, holistic solutions to RVs parked in public right of way with the conclusion of the RV Safe Parking Program.
	Program 7.4: Research all available public funding sources to address homelessness and consider City investment of funds for homeless outreach, case management and supportive housing to supplement the countywide system.

Reduce overcrowding and unsafe housing conditions related to housing affordability in East Palo Alto.       Policy 7.7: Develop options for incentivizing deeply affordable housing units that serve larger household sizes, such as allowing additional density or other relaxed or flexible zoning regulations.         Lead: Housing and Economic Development, Planning       Policy 7.8: Continue to require residential projects to include Extremely Low-Income housing units for larger households during the 6 <sup>th</sup> cycle Housing Program. Encourage production of deed-restricted ADUs serving Extremely Low and Very Low-Income housing alternative Compliance option instead of paying in-lieu fees for fractional unit requirements.         Target: Seek to produce a minimum of 69 Extremely Low and Very Low-Income Units, whi includes deed restricted ADUs.         Make the City website, social media, and newsletter a reliable       Program 8.1: Improve and maintain the Housing website as a primary means of communicating the
<ul> <li>housing affordability in East Palo Alto.</li> <li>household sizes, such as allowing additional density or other relaxed or flexible zoning regulations.</li> <li><i>Target: Seek to produce a minimum of five (5) affordable housing units for larger households during the 6<sup>th</sup> cycle Housing Element.</i></li> <li>Policy 7.8: Continue to require residential projects to include Extremely Low-Income housing units through the City's Inclusionary Housing Program. Encourage production of deed-restricted ADUs serving Extremely Low and Very Low-Income housing Alternative Compliance option instead of paying in-lieu fees for fractional unit requirements.</li> <li><i>Target: Seek to produce a minimum of 69 Extremely Low and Very Low-Income Units, what the City's Seek to produce a minimum of 69 Extremely Low and Very Low-Income Units, what the City's Seek to produce a minimum of 69 Extremely Low and Very Low-Income Units, what the City's Seek to produce a minimum of 69 Extremely Low and Very Low-Income Units, what the City's Seek to produce a minimum of the City's Units of the City's Units of the City's Units of the City's Units of the City's Inclusionary Housing Program.</i></li> </ul>
<ul> <li>Target: Seek funds to assist at least sixty (60) unhoused individuals during the 6<sup>th</sup> cycle Housin Element period.</li> <li>Policy 7.5: Pursue expansion of support programs for unhoused residents by establishing partnershi with other public agencies, private corporations and foundations, and non-profit service providers.</li> <li>Target: Pursue programs and partnerships to provide support services for a minimum of sixty (60) unhoused households or individuals during the 6<sup>th</sup> cycle Housing Element period.</li> <li>Policy 7.6: Continue to support the low barrier navigation center and emergency shelter operated by WeHope, a community-based non-profit organization, that provides an interim shelter and support services for unhoused individuals. Accommodate the special needs of at-risk youths , households with children, and persons with disabilities.</li> <li>Target: Provide an emergency shelter(s) with a minimum of 100 beds for unhoused and at-risk individuals during the 6<sup>th</sup> cycle Housing Element period.</li> </ul>

Incorporate language accessibility/language justice into City materials and meetings.	Policy 8.3: Provide translation of materials and interpretation of City Council, Planning Commission, Rent Stabilization, and other City meetings in alignment with City's Language Policy.	
Leads: City Manager's Office, Planning, Housing and Economic Development		
Goal 9: Build City capacity for long-term housing planning and implementation of a range of Housing programs and initiatives.		
Maintain sufficient Housing Division staff to implement Housing Element programs.	Policy 9.1: Regularly assess the level of staffing or contract assistance to ensure that sufficient staffing is committed to implementing the 6 <sup>th</sup> cycle Housing Element policies and programs in a timely manner per the Implementation Plan.	
<i>Leads: Housing and Economic Development, City Manager's Office</i>		
Seek efficiencies and collaborative staffing and resource opportunities to simultaneously implement the Housing Element programs and other Housing Division responsibilities.	Program 9.2: Join with other cities in San Mateo County to share housing staff to support longer-term housing initiatives and programs.	
Lead: Housing and Economic Development		
Work in close collaboration with the Planning Division to more efficiently achieve both divisions' goals and workplan items.	Program 9.3: Collaboratively update the City's Development Code to align Planning and Housing objectives, with an emphasis of resolving inconsistencies and ensuring consistency with the City's General Plan.	
Leads: Planning, Housing and Economic Development		
Seek financing sources for affordable housing construction and preservation.	Policy 9,4: As Notices of Funding Availability (NOFA) are issued (typically annually), proactively work with the City's grant coordinator to selectively apply for regional, state, and federal grants to finance qualifying affordable housing projects and to fund Housing Element programs, such as	
Lead: Housing and Economic Development	housing rehabilitation program and first-time homebuyers program.	
Monitor Housing Element Implementation Plan	Policy 9.5: Review the Sites Inventory annually to assess progress in achieving the City's RHNA allocation and, as needed, identify additional sites or adjusting development policies, programs, and	
Lead: Housing and Economic Development	priorities.	
Monitor the Inclusionary Housing Ordinance	Program 9.6: Evaluate the effectiveness of the Inclusionary Housing Ordinance (IHO) in producing affordable units and the financial impact of the inclusionary requirements and Alternative Compliance	
Lead: Housing and Economic Development	Options on residential development. Evaluate the effect of changing economic, development, and financing conditions and the cumulative financial impact of development impact fees and exactions. Following completion of the evaluation, amend the IHO to reduce constraints within six months if necessary. Continue to assess the financial impact of the IHO on individual projects and implement further measures to reduce the barriers to housing production and achieve the City's RHNA if needed.	

	• Target: Include the IHO requirements in the financial feasibility analysis of impact fees on residential development; these analyses are scheduled every five years for consistency with the Mitigation Fee Act (next analysis to be completed in 2024; subsequent analysis in 2029/2030).
Goal 10: Amend Zoning and Ot	her Development Regulations to Facilitate the Construction of Housing
Require replacement housing to be provided for applicable housing developments.	Policy 10.1: For applicable development projects that will be removing residential units, require a replacement housing program for lower-income households in accordance with Government Code 65583.2(g).
Lead: Housing and Economic Development Update zoning and development standards as needed for Emergency Shelters. Lead: Planning	Program 10.2: Evaluate current sites, development standards, and approval process and amend the Development Code to comply with Assembly Bill 2339 and other applicable state laws. AB 2339 adds specificity on how jurisdictions plan for emergency shelters and ensure sufficient capacity for low-income housing in their housing elements. This law requires that the identified zones for emergency shelter meet at least one of the following: (1) vacant and zoned for residential use; (2) vacant and zoned for nonresidential use if the local government can demonstrate how the sites are located near amenities and services that serve people experiencing homelessness; or (3) nonvacant if the site is suitable for use as a shelter in the current planning period. Amend the Development Code to address zoning requirements, update the definition of emergency shelters, ensure sufficient capacity for emergency shelters in zones with proximity to transportation and homelessness services, establish objective development standards, and comply with all other requirements of AB 2339.
Update zoning as needed for By-Right Permanent Supportive Housing.	Program 10.3: Update zoning to require permanent supportive housing to be allowed by-right in residential and mixed-use zoning districts per Government Code 65651.
Lead: Planning	
Update zoning as needed for Housing for Farmworkers. <i>Lead: Planning</i>	Program 10,4: Update zoning and the definition of a "housekeeping unit" to comply with the Employee Housing Act and adopt a "barrier-free" definition that does not subject persons with disabilities to special regulations.
Update zoning as needed for Accessory Dwelling Units (ADU). Lead: Planning	<ul> <li>Program 10.5: Amend the ADU ordinance to comply with State law, pending formal comment from HCD by December 2023. Further actions include programs and policies to facilitate construction of ADUs (refer to Policies/Programs 1.7 to 1.14 for specifics). Consider additional measures to remove zoning impediments such as relaxing side and rear yard setback and open space standards and facilitating conversion of unpermitted accessory structures to ADUs.</li> <li><i>Target: Implement measures with the goal of approving at least 115 new or legalized ADUs in single-family zoning districts during the 6<sup>th</sup> cycle Housing Element period.</i></li> </ul>

Update zoning as needed for residential care facilities and group homes (7+).	Program 10.6: Update zoning regulations for residential care facilities and group homes (7+) to comply with state law and to reduce barriers for establishing facilities for special needs populations such as persons with disabilities, including revising existing spacing constraints.
Lead: Planning	
Update other zoning ordinance regulations to comply with latest state law and reduce impediments for residential development. <i>Lead: Planning</i>	Program 10.7: Review zoning ordinance regulations for compliance with the current state laws and reduce development impediments or provide incentives such as standards pertaining to parking, open space, density bonuses, and objective design standards. Implement Policies/Programs 1.1 to 1.6, 1.18. 1.20, 1.21 and 1.25 for a comprehensive multi-prone approach to reduce regulatory constraints, improve development processing, create incentives for housing development, and reduce, mitigate, and not constrain housing supply, cost, and ability to achieve maximum densities.
Adopt update to Ravenswood Business District/4 Corners Specific Plan to include residential uses at designated locations. <i>Lead: Planning</i>	<ul> <li>Program 10.8: Adopt update to Specific Plan to allow residential and mixed-use development at designated locations in plan area and address provisions as noted in other Housing Element policies/programs. Concurrently, rezone parcels for residential and mixed-use development. Additionally. establish by-right approval, minimum residential densities for mixed use zoning, objective design standards, minimum residential requirements for mixed use zoning, reduced parking, flexible open space standards for affordable housing, transportation demand management (TDM) program, streamlined subdivision approvals, other provisions to reduce development constraints, and incentives for special needs populations. Further, resolve inconsistencies between the General Plan and current Specific Plan, (See related Policy 1.21)</li> <li><i>Target: Zone sites and define minimum densities and objective design standards to accommodate</i></li> </ul>
	• Target: Zone sites and define minimum densities and objective design standards to accommodate 1.350 to 1,600 housing units within the Specific Plan area.
Facilitate single-room occupancy (SRO) and transitional supportive housing.	Program 10.9: Develop procedures and review zoning regulations with the objective of encouraging and facilitating the development of SRO projects and transitional supportive housing at suitable locations.
Lead: Planning, Housing and Economic Development	• Target: During the 6 <sup>th</sup> cycle Housing Element period, streamline zoning regulations as needed, identify potential funding, and reach out to developers (e.g., through a request for proposals or qualifications) to construct an SRO or supportive housing project on a suitable site in the City with convenient transit service.
Maintain General Plan and zoning consistency.	Policy 10.10: During the 6 <sup>th</sup> cycle Housing Element, ensure that the General Plan elements are internally consistent and that the land use designation and zoning are consistent for properties
Land Planning	included in the City's RHNA Sites Inventory.

# 6.4 IMPLEMENTATION PLAN

Goal 1: Create more housing opportunities, and more housing that is affordable to East Palo Alto residents.

Objective: Implement measures to reduce overall processing times for residential development applications while maintaining robust community outreach and engagement.

Lead: Planning, Building and Code Enforcement

Policy 1.0: Track and review planning approval and building permit processes for residential projects. Establish actions for streamlining, clarifying, and simplifying the approval and permit processes, including the design review process. Seek input from developers and other stakeholders to identify ways to improve and streamline development review.

• End of 2024 and biennially thereafter: Track permit processing timing as projects are submitted and report to Council biennially. Seek input from developers and stakeholders. If necessary, make modifications within six months after completing review to achieve processing timelines.

Policy 1.1: Develop objective development and design standards that will be consistent with adopted findings of approval for all single-family and multi-family developments that simplify, clarify, and improve approval certainty and reduce the time for permit processing. Establish a time schedule for expedited ministerial or administerial approval of projects that comply with objective design standards, zoning standards, and development regulations. Ensure compliance with SB35, SB330, Housing Accountability Act, and other applicable state laws for qualifying projects.

- Start 2024 and completion 2025: Engage consultant through ABAG Regional Early Action Planning Grant program to begin drafting standards. Conduct community outreach through 2023-2024.
- Fall 2024: Planning Commission and City Council public hearings and adoption.
- First quarter 2025: Draft standards available.

Policy 1.2: Implement existing processing guidelines and checklists for projects that qualify for by-right, ministerial, or administrative approval and CEQA exemption under SB 35, SB330, Housing Accountability Act, and other applicable state laws.

• Ongoing

Policy 1.3: Program: Review and adjust building permit review and approval procedures as needed to comply with the streamlining requirements in AB2234.

• Effective January 1, 2028, for East Palo Alto; develop procedures by end of 2027.

Policy 1.4: Develop standards to prioritize, incentivize, and expedite processing of residential projects that commit housing units for special needs populations such as the developmentally disabled, single-female head of households, atrisk youths, large family households, extremely low-income households, and unhoused individuals.

- Start 2024 and complete 2025
- Conduct proactive outreach to special needs populations and organizations serving these populations.
- Continue to collaborate with Light Tree developer, Eden Housing, to preserve/renovate 94 existing units and provide 91 new apartments affordable to extremely low-income and very low-income residents, and set aside as many as 31 units for households with special needs: 10 units for individuals with intellectual and developmental disabilities, 6 units for former foster youth, and 15 units for people experiencing homelessness.
- Continue to collaborate with Colibri Commons developer, MidPen Housing, to develop 136 new affordable units ranging from studios to four bedrooms (for larger households) and provide services to residents including: financial literacy program, vocational development center, afterschool/summer programs and leadership development for youth, and functional assessment and cognitive modification for people with special needs.

# **Objective: Incentivize affordable housing development.**

## Leads: Planning, Housing and Economic Development

Policy 1.5: Pursuant to Government Code 65583.2 (h) and (i), sites that require rezoning to meet the RHNA for lower-income households and sites carried over from the 2015-2023 Housing Element to accommodate the needs of lower-income households shall be rezoned within the statutory deadline prescribed in Government Code 65583.2 (c). The rezoning shall commit to 20% lower-income units, minimum densities, and objective development standards, and complying projects shall not require discretionary approval. One site is carried over from the 2014-2022 Housing Element – a 0.65-acre parcel at 851 Weeks with an existing zoning of 22-40 units/acres and a pending application for a 79-unit SB 35 project. If a project contains at least 20% lower-income units and complies with objective development standards, discretionary approval shall not be required.

• Spring 2024: For 851 Weeks, approve pending SB35 project or designate site for by-right approval for a qualifying project with minimum 20% lower-income units.

Policy 1.6: Seek and support financial resources from state, regional, and county housing programs, tax credits, and other sources that provide funding assistance for affordable housing projects to cover design and development costs and off-site public facility and infrastructure improvements.

- Annually review available grants and other funding sources and work with City's grant coordinator to submit application in response to Notice of Funding Availability that most suitable for East Palo Alto.
- End of 2023: Use \$8 million allocation in state funds toward Colibri Commons (aka 965 Weeks) affordable housing project by lending \$6.5 million to the project for construction to permanent costs and spending \$1.5 million for water infrastructure improvements along University Avenue and Weeks Street.

Objective: Encourage smaller-scale housing that is relatively more affordable, including duplexes/triplexes and market-rate accessory dwelling units (ADUs).

# Lead: Planning

Policy 1.7: Develop a "next-phase" streamlining effort for ADUs and JADUs, SB 9 projects, and any future smalldevelopment, ministerial approval process that builds on lessons learned from the ADU Streamlining collaboration with EPACANDO and City Systems. (See Program 10.5 pertaining to ADU zoning amendments that are necessary to comply with current state laws and for numerical geographical targets.)

- End of 2024: Survey surrounding jurisdictions with amnesty and/or legalization programs and make recommendations for an unpermitted second unit program.
- *Resource implications: Funds may be required for consultant costs. May be able to use SB 2 funds or REAP funds.*

Policy 1.8: Study feasibility and desirability of waiving or reducing fees or delaying payment of permit fees and development impact fees for ADUs and small projects, e.g., two or fewer units.

- End of 2024: Bring proposal to City Council for adoption.
- Obtain public input and determine possible sources for covering the fiscal impact of waiving, reducing, or deferring permit and development fees.
- *Resource implication: City will need to absorb the staff costs of permit processing and uncollected development impact fees.*

Program 1.9: Develop outreach materials targeting smaller developers aimed at informing future applicants and improving the quality of Planning and Building applications received.

- End of 2024: Review existing materials and update informational handouts for residents and developers.
- Complete work after updating and adopting zoning amendments in Goal 10.

Program. 1.10: Implement a preapproved and modular ADU designs program or participate in proposed 21 Elements clearinghouse to facilitate streamlined review and reduce design costs of ADUs.

• End of 2025: Work with Building to preapprove plans, publicize to homeowners, and post on website.

• Coordinate with regional effort by San Mateo County 21 Elements consortium that is considering a similar program.

Program 1.11: Develop proposals for relaxing or allowing flexible zoning standards (e.g., building setbacks and height, open space, parking, and density) to facilitate the developing of SB 9 and small infill housing projects to increase housing opportunities and housing types throughout the community.

- End of 2025: Bring recommended zoning amendment to City Council for consideration.
- Conduct public meetings to receive input and obtain Planning Commission recommendation.

Objective: Incentivize production of deed-restricted ADUs, including deed-restricted units, to add to the City's affordable housing stock.

Leads: Planning, Housing and Economic Development

Program 1.12: Develop an expedited legalization process for unpermitted second units. Identify zoning amendments to reduce the impediment to building ADUs, such as setback and open space standards.

• End of 2024: Survey surrounding jurisdictions with amnesty and/or legalization programs and make recommendations to City Council for an unpermitted second unit program.

Policy 1.13: Support and participate in a potential county-wide initiative to create a resource center to effectively educate homeowners, provide resources, and promote the construction of ADUs.

• 2023-2024: Timing dependent on project schedule with 21 Elements consortium and participation of other San Mateo County jurisdictions.

Policy 1.14: Research all available public and private sources of rehabilitation/repair funding and strengthen partnership with organizations in this area, such as Habitat for Humanity.

- Ongoing: Staff research all funding opportunities on an annual basis.
- Ongoing: Pursue CalHOME in next available funding round to continue supporting low-income households to build deed restricted affordable ADUs.

• Ongoing: Work with community partners in the ADU Working Group to pursue philanthropic funds. *Resource implications: Funds may be required for consultant costs. May be able to use SB 2 funds or REAP funds.* 

Objective: Develop long-term, sustainable funding sources that are flexible and may be used for affordable housing production and preservation and to prevent displacement and homelessness.

Lead: Housing and Economic Development

Policy 1.15: Implement the 2022 approval of Measure L which increased and expanded the City's existing Gross Receipts Tax on rental residential properties for affordable housing and support programs.

- Beginning of 2023 to end of 2024: Work with staff to implement changes to Gross Receipts Tax (Measure L).
- *Resource implications: The ballot measure is expected to increase revenue for affordable housing, but it will require staff coordination between Housing and Finance to ensure that taxes can be properly collected.*

Program 1.16: Update the City's five-year Affordable Housing Strategy (AHS) to implement the 6<sup>th</sup> cycle Housing Element goals, policies, and programs and to sets priorities for allocation of the City's affordable housing revenue sources for a finite period (1 year to 5 years). Establish priorities to implement fair housing policies and programs in low resource neighborhoods per the AFFH analysis.

• End of 2023 and annually: Incorporate into the City Council Priority-Setting process completed at the start of each year. Create plan based on City Council-directed funding priorities for the coming year.

Policy 1.17: Collaboratively (Planning and Housing) pursue state grant funds wherever possible to support affordable housing projects and programs and to address homelessness in the City.

- Pursue next round of Regional Early Action Planning grants, additional planning grants from HCD, Encampment Resolution Funding (ERF) Program grants, and research funding for homelessness.
- Beginning of 2023: Apply for Encampment Resolution Funding (ERP) for sustainable restoration of public spaces in state public right of way and in targeted East Palo Alto neighborhoods with encampments, and partner with Caltrans to provide well-rounded employment and housing opportunities for people experiencing homelessness.

**Objective:** Take reasonable measures to reduce the cost of development for fully affordable housing developments.

Leads: Planning, Housing and Economic Development

Policy 1.18: Use the opportunity of the RBD Specific Plan Update or initiate a city-wide study on the feasibility and desirability of fee waivers or reductions or deferred fee payments for fully affordable housing projects; additionally, consider providing City financial assistance to cover these fees.

- End of 2025: Study waiver or reduction of impact fees for fully affordable housing projects in the RBD area based on fiscal impact analyses performed for each of the major projects in RBD.
- *Resource implications: This may be combined with existing scope for the RBD update process and/or ensuing implementation.*

Policy 1.20: Incorporate parking reductions into the City's Transportation Demand Management Program including compliance with AB2097 and related state laws that eliminates parking minimums within one=half mile major transit stops and radius and parking maximums for affordable housing projects.

• End of 2025: Leverage existing consultant work on transportation and a potential Transportation Management Association (TMA) in the RBD area to establish a TDM program.

# **Objective:** Encourage housing on sites zoned for mixed use in the Ravenswood/4 Corners Specific Plan Area.

# Lead: Planning

Policy 1.21: For sites within the RBD Specific Plan Area, study feasibility and effectiveness of an RBD-specific density bonus, relaxed zoning controls, minimum densities (particularly for mixed-use sites), streamlined subdivision approvals, and by-right or ministerial approvals. Incorporate provisions into the Specific Plan Update and Development Code amendments that are planned for City Council adoption in Summer 2024. (See also related Program 10.8)

- Summer 2024: Complete study of a by-right density bonus and higher floor area ratio for mixed-use projects with a minimum percentage of affordable units, or a similar policy, and make a recommendation for the RBD Specific Plan area.
- Resource implications: This may be funded out of the Regional Early Action Planning grant for objective design and development standards, other City-funded contracts associated with the RBD Update, or through the City's participation in 21 Elements.

Objective: Leverage available public lands for affordable housing development where feasible and beneficial to the community.

Leads: City Manager's Office, Housing and Economic Development Responsible Agencies: County of San Mateo, Sequoia Elementary School District

Program 1.23: Work with County of San Mateo to complete land swap and determine feasibility of the County developing affordable housing, encouraging permanent supportive housing development, at 2277 University. Comply with Surplus Lands Act. (This project is not included in Sites Inventory but could potentially be constructed during Housing Element 6<sup>th</sup> Cycle.)

- End of 2024: complete and execute Exchange Agreement with the County of San Mateo.
- End of 2025: complete due diligence and environmental review, and make Surplus Lands Act findings pursuant to Government Code Section 54222(f) prior the exchange of properties.
- End of 2026: With submittal of development application, process planning approvals and building permits as needed.

Program 1.24: Work with Ravenswood City School District to facilitate the development of the district-owned parcel at 2120-2160 Euclid Avenue as affordable public school employee housing. Comply with Surplus Lands Act.

- The timeframe of this development will be largely driven by the School District, including the Surplus Land Act requirements (Government Code 54222).
- End of 2024: With submittal of development application, process planning approvals and building permits as needed.

Objective: Incentivize "missing middle" housing, or smaller-scale housing that is affordable to households at 80-120% of Area Median Income.

## Lead: Planning

Policy 1.25: Revise City zoning and subdivision standards to increase compatibility with SB 9 (e.g., flexible zoning standards for setbacks, open space, heights, and density) and make process improvements to encourage application of SB 9 on appropriately zoned parcels. Conduct informational outreach to property owners whose properties are prime candidates for SB 9 projects, including informing them of the by-right or ministerial approval process.

- Second Quarter of 2025: Fully implement process improvements for ministerial approvals, including templates for SB 9 and SB 35 projects.
- End of 2025: Complete review of Development Code to ensure there are no barriers to utilization of SB 9 and propose changes (or full ordinance adoption) as necessary. Initial review completed.

## **Objective: Monitor progress on Sites Inventory.**

## Leads: Planning. Housing and Economic Development

Policy 1.26: Annually review overall progress and effectiveness in meeting RHNA and evaluate progress in meeting Housing Element policies and programs; include information in Annual Progress Report to HCD. Track the production of inclusionary housing units, ADUs, SB 9 units, and housing for special needs populations. If the City is not making sufficient progress in meeting its Housing Element goals and its RHNA for affordable units by 2027 (i.e., at least 130 lower-income units under construction or completed by 2027), consider alternative land use strategies within six months. Possible actions include amending policies and programs, defining new actions, or identifying alternative housing sites, including rezoning if necessary, and strategies to facilitate a variety of housing choices, such as encouraging missing middle zoning (small-scale multi-unit projects), adaptive reuse, and additional ADUs and/or JADUs.

• Ongoing: Report on the production of housing units by income category in the Annual Progress Report, including the production of ADUs, SB 9 units, and units for special needs populations and, if necessary, consider alternative land use strategies within six months.

# Goal 2: Create homeownership opportunities for Palo Alto residents and stability for existing homeowners.

Objective: Promote financial literacy as a means of encouraging homeownership and support first-time homebuyers.

*Lead: Housing and Economic Development* 

Policy 2.1: Develop a City led homebuyer support program or programs tailored to the needs of lower and moderateincome households in East Palo Alto. Prioritize outreach to neighborhoods with a proportionally higher percentage of rental households such as the westside of State Highway 101.

- By end of 2023: Staff research and report to City Council on the barriers to homebuying for households in East Palo Alto and effectiveness of federal, state, and local programs, with recommendation of either a City led program or partnership with local organization. Determine how such a program should be funded, and whether a Request for Proposals (RFP) is needed.
- 2024- 2025: Study and determine how East Palo Alto residents can benefit from the California Dream for All down payment program for first-time homebuyers.
- End of 2025: Launch a City or partner-led financial literacy, including credit counseling, and first-time homeowner program that focuses on 1.) younger households seeking homeownership options and 2.) seniors looking to downsize.
- *Resource implications: Housing staff time with additional resources required for potential RFP.*

Policy 2.2: With the assistance of the City's grant coordinator. seek and apply for funds from state and other sources to create and finance this program.

- Ongoing: On an annual basis, review eligibility of existing local tax revenues and seek grant opportunities and other sources that can fund programs and prepare and submit applications where East Palo Alto is most competitive.
- By end of 2026: Based on the findings of residents' needs in Program 2.1 and available funding, seek to establish a program that is sized for administrative efficiency and community effectiveness (such as \$100,000 initially.)

**Objective:** Create pathways to affordable homeownership opportunities.

Lead: Housing and Economic Development

Policy 2.3: Continue to study and develop an Opportunity to Purchase Act policy for tenants and/or qualified non-profits that builds on prior research and City Council direction in 2021-22.

- Spring 2023: Return to City Council with updated policy and obtain direction.
- By end of 2023: Implement direction provide by the City Council.
- Resource implications: provide staffing and resources to develop and administer program.

**Objective:** Advocate for homebuyer and homeownership programs at the regional level.

## Lead: Housing and Economic Development

Policy 2.4: Advocate for the homebuyer and homeownership programs at the county, regional, and state levels.

• Ongoing: Monitor regional and state legislation proposed programs and brief City Council on submitting possible support and advocacy positions.

# Goal 3: Promote stewardship and preservation of the City's existing affordable housing stock.

Objective: Ensure that the City's deed-restricted affordable housing and Below Market-Rate (BMR) portfolio remain well-maintained and monitored.

## Lead: Housing and Economic Development

Program 3.1: Continue working with EPACANDO and Bay Area Affordable Homeownership Alliance (BAAHA) on the existing BMR Program contract and draft Request for Proposals (RFP) for next phase of BMR Program management, including additional rental and for-sale inclusionary housing units.

Improve data on affordability of the City's rental housing stock outside of the Rent Stabilized portfolio.

- First quarter 2023: Report on progress made under existing BMR contract and seek City Council direction on future BMR administration.
- When directed, release RFP for future BMR administration.
- *Resource implications: Utilize available Affordable Housing funds.*

Objective: Improve data on affordability of the City's rental housing stock outside of the Rent Stabilized portfolio.

Lead: Housing and Economic Development

Program 3.2: With the allocated City Council funding, research potential rent registry program and administer Request for Proposals (RFP) for potential rent registry program administrator.

- Fall 2023–Spring 2024: Research development of a rent registry program and prepare an RFP for City Council authorization to obtain a program operator.
- Spring–Summer 2024: Issued RFP, review and recommend program operator, and receive City Council authorization to award a contract to implement the program.
- Fall 2024: Publicize and launch rent registry program.

Objective: Leverage County initiatives and affordable housing resources to increase public awareness of affordable housing opportunities in East Palo Alto.

Lead: Housing and Economic Development Responsible Agency: County of San Mateo

Program 3.3: Work with the County of San Mateo and landlords to list all affordable housing projects and inclusionary units on Doorway, a new regional platform for searching and applying for affordable housing and finding affordable housing resources; conduct proactive outreach.

• Ongoing: Staff will be available on an ongoing basis, subject to the County's timeline.

**Objective:** Protect and preserve the City's supply of rent-stabilized affordable housing units.

Lead: Housing and Economic Development

Policy 3.4: Continue to support the function of the Rent Stabilization Board (RSB) to enforce the City's Rent Stabilization Ordinance to protect tenants from unreasonable rent increase, to protect tenants from unlawful evictions, and to allow landlords sufficient rental income for maintenance and operating expenses and capital improvements.

• Ongoing: Provide continuing staff support to inquiries from tenants and refer items to RSB for consideration as needed.

# Goal 4: Prevent displacement of East Palo Alto residents.

Objective: Connect the creation of new jobs in the city from commercial development to the creation of new housing at the appropriate affordability levels.

Leads: Planning, Housing and Economic Development

Policy 4.1: As part of the Ravenswood Business District/4 Corners (RBD) Specific Plan update, develop a requirement to build new housing at specified levels of affordability based on a numerical linkage to office/R&D square footage in Ravenswood Business District (RBD).

- Second quarter 2024: Present to City Council the jobs-housing linkage requirement, together with the baseline requirements and community amenities that will apply to proposed projects in the RBD Specific Plan Area.
- *Resource implications: This is incorporated into the current scope of work performed by Raimi + Associates for the overall RBD Specific Plan Update.*

Program 4.2: Participate in countywide nexus study led by 21 Elements to update the existing Commercial Linkage Fee.

- End of 2024: Work with 21 Elements to determine scope and cost and report to City Council.
- *Resource implications: City Affordable Housing funds or General Fund. This multi-city effort should greatly reduce the cost of the study.*

Objective: Promote the preservation of existing housing stock and rehabilitation of housing that is at-risk due to age, structural deficiencies, etc.

Leads: Housing and Economic Development, Building and Code Enforcement

Policy 4.3: Develop a preservation strategy that addresses funding sources, identification of properties, and partnerships that can lead to preservation of affordable housing in East Palo Alto. Prioritize assistance to lower-resource neighborhoods identified in the AFFH analysis (including, but not limited to, westside of State Highway 101, south of Bay Road west of University Avenue, and multi-family housing on southside of Bay Road east of University Avenue.)

- End of 2024: Work with Partnership for the Bay's Future (PBF) Policy Grant Fellow to research and develop recommendations for preservation strategies.
- *Resource implications: Policy Grant Fellow began working with the City in 2022 and is funded through mid-2024 through a grant from the Partnership for the Bay's Future.*

Policy 4.4: Identify and maintain a list of at-risk units and substandard buildings throughout the City. Ensure property owners comply with the State Preservation Notice Law. Actively engage with property owners to reach agreements to preserve at-risk units and properly maintain their properties.

- End of 2024: Update list of at-risk and substandard unit.
- Ongoing: Engage and outreach to property owners on possible resources to address deficiencies.
- Ongoing: Continue to enforce compliance to the City's Tenant Protections (Government Code Chapter 14.02), including tenant relocation assistance when units are to be demolished or removed

Policy 4.5: Study improvements to the City's process for addressing code violations on residential properties, including, but not limited to, unpermitted second units.

• End of 2025: Study programs in other Bay Area jurisdictions for best practices and present a report with recommendations to the City Council.

Policy 4.6: Create and fund a City housing rehabilitation program for City Council consideration that covers both single-family homes and multi-family apartments to preserve affordable housing opportunities, encourage proper maintenance and repairs, promote renovation, and increase energy conservation. Prioritize neighborhoods with a concentration of units in need of rehabilitation per Housing Element, Section 2.12.2.D (including, but not limited to, westside of State Highway 101, south of Bay Road west of University Avenue, and multi-family housing on southside of Bay Road east of University Avenue.)

- End of 2025: Bring a proposal for City Council consideration of a possible pilot program of up to \$100,000 to leverage matching funds.
- 2026: Implement program per City Council approval.
- Ongoing: Continue funding the program beyond the pilot period based on available matching opportunities.
- *Resource implications: Allocate eligible local funds; provide staffing or contract assistance to administer program; seek grants other financial assistance; explore partnerships for leveraging staffing and resources.*

Objective: Support housing stability of existing lower-income homeowners and enable the community's seniors to age in place.

# Lead: Public Works, Planning, Building, Housing and Economic Development

Program 4.7: Research establishing and funding a City home repairs program to assist low-income homeowners with major repairs and rehabilitation to address acute safety and livability issues. Develop a public outreach plan and also inform homeowners of financial assistance available from other agencies such as energy conservation and electrification incentives. Prioritize assistance to lower-resource neighborhoods identified in AFFH analysis (including, but not limited to, westside of State Highway 101 and south of Bay Road west of University Avenue.)

- End of 2024: Staff report to City Council on funding sources and potential programs based on other Bay Area jurisdictions.
- 2025: Implement direction provided by the City Council.
- *Resource implications: allocate eligible local funds; provide staffing or contract assistance to administer program; seek grants other financial assistance; explore partnerships for leveraging staffing and resources.*

Policy 4.8: Continue to implement public accessibility improvements in accordance with the City's ADA Compliance Plan and amend Municipal Code Chapter 14.10 – Reasonable Accommodations and Development Code Chapter 18.98 – Reasonable Accommodations as needed to comply with applicable state laws.

• Ongoing: Continue to implement existing City programs and ordinances.

Policy 4.9: Study models of foreclosure prevention at the local level in similarly sized cities, whether through local investment or leveraging outside funding; evaluate establishing a mortgage assistance program for low-income households.

- End of 2024: Staff survey other jurisdictions and report to City Council on findings in conjunction with reporting on City efforts to support homeownership.
- 2025: Implement direction provided by the City Council such as establishing a pilot mortgage assistance program to assist 2-15 homeowners depending on assessment of financial need and available funding sources.
- *Resource implications: allocate eligible local funds; provide staffing or contract assistance to administer program; seek grants other financial assistance; explore partnerships for leveraging staffing and resources.*

**Objective:** Promote community/cooperative ownership of land and housing in East Palo Alto.

*Lead: Housing and Economic Development* 

Program 4.10: Evaluate opportunities to support and/or leverage local community land trusts (CLTs) to create community ownership of new or preserved affordable housing, e.g., through scattered-site ADUs, small inclusionary projects, or preservation projects.

- Beginning of 2024: Work with Partnership for the Bay's Future Policy Grant Fellow to research and develop recommendations for community/cooperative ownership of land in conjunction with housing preservation strategies.
- Resource implications: Policy Grant Fellow began working with the City in 2022 and is funded through mid-2024 through a grant from the Partnership for the Bay's Future.

Objective: Prevent displacement due to high housing cost burden and barriers to housing, such as rental deposits.

Lead: Housing and Economic Development

Policy 4.11: Continue to appropriate funds and consider increasing funds for direct emergency financial assistance or rent relief to be administered by a qualified organization identified through a Request for Proposals (RFP) process. Conduct proactive public outreach, particularly to lower-income households and neighborhoods where a high housing cost burden has been documented in the fair housing assessment.

• End of 2023: Release RFP and, if qualified organizations respond, provide funding recommendations to City Council for this purpose; seek to assist a minimum of 10-30 tenant households depending on available funding sources, targeting cost-burdened neighborhoods (including the Westside and single-family home neighborhoods in the eastside).

- 2023-2024: Establish program if approved by City Council; monitor direct financial assistance for duration of contract and report on the program to City Council at its conclusion in 2024.
- Resource implications: Funds from the General Fund ("Measure O") have already been appropriated for this RFP. \$150,000 in rent relief funds may be provided from Woodland Park Euclid Improvement Project's condition of approval.

Policy 4.12: Develop a proposal for City Council consideration for a direct financial assistance program for first and last month's rent/security deposit assistance.

- End of 2025: Provide recommendations to City Council on a potential direct financial assistance program for rental deposit assistance.
- *Resource implications: allocate eligible local funds; provide staffing or contract assistance to administer program; seek grants other financial assistance; explore partnerships for leveraging staffing and resources.*

**Objective: Implement an effective and fair housing compliant Local Preference Policy.** 

Lead: Housing and Economic Development

Policy 4.13: Complete and enforce guidelines on City's existing Local Preference Policy.

• End of 2023: Complete guidelines on Local Preference Policy and post to website.

Objective: Provide access to living wage jobs to allow residents to afford to remain to live in East Palo Alto.

# Lead: Housing and Economic Development

Program 4.14: Through Measure HH, a parcel tax on large office developments approved by East Palo Alto residents in 2018, implement a Pilot Workforce Development Program to provide job training, apprenticeships, and job placement services to residents through partnerships with community-based non-profit organizations and private companies. Programs shall include proactive outreach to East Palo Alto residents, and service agreements shall define performance goals and metrics and required deliverables.

- Pilot Workforce Development Program approved by the City Council in October 2022 with authorization of Measure HH funds and City Manager to enter into agreements with three organizations.
- Spring 2023: Execute agreements with organizations for an 18-month pilot period to provide job training, job placement services, and support services for at least 80 East Palo Alto residents. Require that service providers provide language access to trainings in Spanish.
- Ongoing: Allocate funds upon submittal of quarterly invoices and performance reports; monitor success of meeting performance goals and quantified metrics.
- Summer/Fall 2024: At the end of the 18-month pilot period, evaluate the effectiveness of the program to continue the program with modifications and enhancements as deemed appropriate.

# Goal 5: Apply environmental justice principles in planning for new housing development.

# Objective: Adopt policies and programs to address environmental justice issues in the community.

# Lead: Planning, Housing and Economic Development

Program 5.1: Update the Environmental Justice Element (Health and Equity) in the City's General Plan to include a comprehensive set of policies and programs and an implementation plan to address environmental justice issues and public outreach, engagement, and transparency; scope of work to include a robust community engagement process is integrated into the preparation of this Element.

• 2024 Completion: Coordinated effort through 21 Elements with participation of several cities in San Mateo County. Begin community engagement in Summer 2023.

*Resource implications: Obtain budget allocation from City Council to fund City's share of consultant contract in Spring 2023.* 

Objective: Address water and sewer system constraints to housing production, to the extent they are within the City's control, through targeted capital and governance improvements.

Lead: City Manager's Office, Public Works

Responsible Agencies: San Mateo County Local Formation Commission (SMCLFCo), East Palo Alto Sanitary District

Program 5.2: Establish and implement a plan to address the San Mateo County Local Agency Formation Commission (SMCLAFCo) Municipal Service Review and to resolve the delays to housing development caused by issues with the East Palo Alto Sanitary District.

- Early 2023: Draft resolution with draft application to SMCLAFCo to initiate the process of establishing EPASD as a Subsidiary District of the City.
- 2024: Completion of process depends on option selected and SMCLAFCo legal and procedural requirements.

Program 5.3: Implement the Water System Master Plan adopted in 2022 and complete the first-phase capital improvements in the plan. Update the Urban Water Management Plan to conform with the Master Plan and ensure adequate water service to parcels in the Sites Inventory (adequate water supply but water infrastructure upgrades needed for certain locations.)

- End of 2022: City Council adoption of Water System Master Plan (completed).
- End of 2023: Complete construction of University Ave. and Cooley Ave. 12-in Water Transmission Main.
- End of 2023: Complete Pad D Standby Well construction.

- End of 2025: Purdue Ave. 16-inch transmission main, which includes installation of a new turnout connection to the SFPUC (San Francisco Public Utilities Commission) system to feed the Ravenswood Business District.
- Resource implications: The Water System Master Plan is a 20-year capital improvement program to help guide future capital expenditures in the City. Funding for capital projects is outlined in the City's Capital Improvement Plan.

Policy 5.4: Work with water and sanitary sewer service providers to adopt a policy that prioritizes water and sewer capacity allocations to affordable housing projects and low-income households per SB1097.

• 2023: Coordinate with water and sanitary sewer service providers to adopt policy. Implementation of policy will be dependent on each service provider.

Objective: Minimize new housing in highest-risk areas prone to flooding/sea level rise or due to environmental contamination.

# Lead: Public Works

Program 5.5: Leverage community partnerships to utilize and maintain data and maps wherever possible to monitor areas subject to flooding and identify sites for future development and to comply with Government Code 65302.

• Ongoing: Update maps on an annual basis.

Program 5.6: Develop environmental "overlay" map with most up-to-date data to avoid housing in at-risk areas or with prescribed mitigation measures.

• End of 2023: Housing, Planning, and Public Works staff work with regional partners to obtain data and create a map that can be featured on the City's website.

Objective: Expand and establish a program to promote fair housing practices for East Palo Alto residents.

Lead: Housing and Economic Development

Program 5.7: Implement fair housing and anti-eviction programs using Measure O and other qualifying local revenue sources to fund community-based organizations to provide legal services, financial assistance, case management, referrals, proactive community outreach (social media, workshops, flyers), posted resource information, and a citizen advocacy committee. Contracts with organizations will specify quantified deliverables for each of these areas.

- Early 2023: Execute agreements with three service providers (Community Legal Services in East Palo Alto, Nuestra Casa, and Youth United for Community Action) to provide prescribed services.
- By the end of 2024, the following services will be provided collectively by the three service providers:

0	Assist 110 residents with legal representation and/or legal advice in unlawful detainer (eviction) cases, rent stabilization petition and fair housing complaint process, and other issues that threaten
	stability of rental housing in East Palo Alto.
0	Work to maintain 70 percent of East Palo Alto residents who seek their eviction prevention services
	to remain housed in their current homes.
0	Hold 14-16 workshops with language accessibility for at least 300 residents, and target workshops in westside and in eastside single-family and multi-family home neighborhoods that face substandard
	housing, overcrowding, and cost burden.
0	Provide case management services to 120 households including rapid rehousing support and help in completing assistance applications (e.g., homelessness prevention, rent or utility pay, moving or relocation, shadow debt payment, etc.).
0	Create/update educational materials and literature, at minimum accessible in Spanish, to disseminate
0	during community-wide outreach efforts and online; distribute 1,500 flyers at community events,
	host two video workshops to reach 200 viewers, and provide tenant education to at least 150
	residents via one-on-one interactions at community fairs, door-to-door outreach, farmer's market, and community events.
0	Develop an online resource flyer with extensive list of referral services (for housing, shelter,
Ŭ	showers, food, etc.), and share with local nonprofits and agencies in East Palo Alto, residents, and
	clients.
0	If rent relief funds are available from the City or other sources, assist a minimum of 30 families in applying for rent relief.
0	Convene a tenant advisory board of leaders in the community to help guide implementation of anti-
0	displacement services.
Ongoin	g: Monitor delivery of services and completion of deliverables specified in agreements.
•	<i>e implications: City Council allocated over \$200,000 toward anti-displacement services and fair</i>
	implementation program.
	inue to support agencies such as Project Sentinel, Community Legal Services in East Palo Alto, and rk that provide consultation and landlord/tenant mediation services for residents.
<ul> <li>Ongoing</li> </ul>	g: Continue existing resident referral procedures and conduct informational outreach.
extremely low-in seniors, at-risk y neighborhoods s	e program priority on providing fair housing and support services to special needs populations such as noome households, persons with disabilities, female heads of households, large family households, youths, and households at-risk of homelessness. Target proactive public outreach to lower resource uch as western and northern areas in East Palo Alto or projects where there is a higher presence of
Ongoing	pulations based on the fair housing analysis. g: Conduct proactive outreach with targeted outreach to special needs populations. Coordinate with
Measure	e O service providers that are under contract with City to provide anti-displacement services.

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Policy 5.10: Pursue funding and prioritize neighborhoods of concentrated need for future investment, which may include but is not limited to rehabilitation, safe routes to schools, parks, transit, and active transportation. Evaluate the distribution of infrastructure and transportation investment by higher versus lower need areas when updating the Capital Improvement Program (CIP). Assess the needs in lower-resource areas and implement actions to ensure an equitable distribution of investment.

- 2025-2026: Depending on timing for construction of the approved private development project (Woodland Euclid Improvements Project), construct storm drainage upgrades, sidewalk and street lighting improvements, and a new water tank to improve water pressure and provide back-up water supply to benefit the residential neighborhood on westside of State Highway 101 (lower-resource area).
- Ongoing: Continue to pursue grant funding for CIP projects and update the 2-year and 10-year CIP with attention to projects (e.g., street, utilities, and storm drain projects) that will benefit existing residents and future development.

Policy 5.11: Support local and regional flood control and infrastructure projects that benefit existing and future residents. Prioritize improvement projects that benefit high need and lower-resource areas as identified in AFFH analysis.

- 2024-2026: Support the San Francisquito Creek Joint Powers Authority (SFCJPA) in completing flood control projects to benefit residents on the westside of the State Highway 101:
  - Palo Reach II project channel improvements as well as top of bank improvements to enhance the creek and increase flow/capacity;
  - Pope Chaucer Bridge Project improvement project to replace the bridge to enhance flow and capacity; and
  - Newell Bridge Replacement Project replace bridge to enhance flow and capacity under the bridge.
- Ongoing: Continue to participate the regional SAFER Bay Project to install improvements to protect residents and properties in the low-lying areas abutting San Francisco Bay from sea-level rise and flooding.

# Goal 6: Promote safe and healthy housing in East Palo Alto.

# Objective: Strengthen monitoring and enforcement of habitability issues.

Leads: Housing and Economic Development, Building and Code Enforcement

Policy 6.1A: Annually review the City's habitability complaints and the Rent Stabilization Ordinance's rules and regulations and forward any recommended changes or updates for enforcing habitability issues to the City's Rent Stabilization Board.

• Ongoing: Conduct annual review and implement changes or updates as needed.

Policy 6.1B: Continue to use code enforcement to support housing preservation and neighborhood quality and identify housing maintenance issues. Refer property owners with compliance needs to the City's programs for rehabilitation assistance.

- Ongoing: Continue investigating code enforcement inquiries and complaints and, where appropriate, assist homeowners and property owners in making code corrections, repairs, and improvements.
- *Resource implications: Resources for repairs and improvements could be available to eligible homeowners and property owners through the housing rehabilitation program created under Policy 4.3.*

Objective: Incorporate amenities into multifamily housing that support households with children.

# Lead: Planning

Policy 6.2: Determine the most effective means of incentivizing or requiring childcare facilities in new affordable housing developments and commercial development.

• End of 2024: Meet with affordable housing developers, nonprofits, and foundations for feedback on how childcare is incorporated into new developments and make recommendations to City Council for future City-subsidized affordable housing developments or affordable housing in the RBD Specific Plan area.

**Objection: Improve energy conservation and reduce the carbon footprint of residential buildings.** 

Lead: Building and Code Enforcement

Program 6.3: Implement the East Palo Alto Reach Codes, which became effective in January 2021 and apply to all new construction and substantial rehabilitations and additions; continue to explore expanding building electrification requirements and support incentive programs for retrofitting existing buildings.

- Spring 2023: Present recommendation to City Council to adopt amendments to Reach Code.
- Ongoing: Continue to educate developers and property owners on Reach Code requirements and review building permits for compliance of Reach Code regulations.

# **Objective: Improve earthquake readiness and resilience.**

Lead: Planning, Public Works, Building

Program 6.4: Complete and implement the recently updated Multi-Generational Local Hazard Mitigation Plan.

• Ongoing staff work program.

Program 6.5: Update the City's Safety Element to address earthquakes, flooding, and other natural and manmade hazards; consider policies such as establishing a seismic retrofit program to address vulnerable populations living in soft-story buildings and establishing a program for remediation of lead-based paint in older residential buildings; incorporate targeted outreach to vulnerable and special needs populations to ensure their needs are well-addressed.

- 2024 Completion: Coordinated effort through 21 Elements with participation of multiple cities in San Mateo County. Begin community engagement in Summer 2023 and coordinate with update of Environmental Justice Element.
- *Resource implications: Obtain budget allocation from City Council to fund City's share of consultant contract in Spring 2023.*

Objective: Ensure implementation and enforcement of flood protection and prevention measures.

Lead: Public Works, Planning, Building and Code Enforcement Responsible Agency: Federal Emergency Management Agency (FEMA)

Policy 6.6: Continue to disseminate information through onsite resources and workshops to homeowners, property owners, and developers on FEMA, state, and local regulations on floodplain construction and management practices.

• Ongoing staff work program.

Program 6.7: Continue to participate in FEMA's Community Rating System Program to ensure that new housing development complies with floodplain construction standards with submittal of required certifications.

• Ongoing staff work program.

Goal 7: Create more housing opportunities for special needs households, including large households, people at risk of or experiencing homelessness, and individuals with disabilities.

Objective: Incorporate special housing needs into City-supported future affordable housing developments.

Lead: Housing and Economic Development

Policy 7.1: For affordable housing projects located near high-quality transit and on City-owned land, with City subsidy, or where otherwise legally defensible, require developers of affordable housing to demonstrate how they will serve people with disabilities in the development.

- Upon the next appropriate affordable housing development:
  - Require a minimum percentage of Acutely Low-Income and Extremely Low-Income units with varying bedroom counts to serve the housing needs of special needs populations.

- Require developers to affirmatively market accessible units to disability-serving organizations in San Mateo County (i.e., Golden Gate Regional Center, Housing Choices Coalition for Person with Developmental Disabilities, Center for Independence of Individuals with Disabilities, the Mental Health Alliance, and others).
- Encourage developers to coordinate onsite supportive services funded by the Golden Gate Regional Center.
- By 2031, reach 40 new Extremely Low-Income (ELI) units for residents with developmental disabilities.

# **Objective:** Provide housing solutions for unhoused residents in East Palo Alto.

Leads: Housing and Economic Development, Planning

Program 7.2: Finalize the Master Temporary Use Permit process for temporary housing program rollout that includes City coverage of permit fees to provide housing for individuals experiencing homelessness in the community.

- Council authorized this program in December 2022.
- First Quarter 2023: Create page on City website for potential applicants with contact information and supplemental TUP application. (Completed in 2022)
- First Quarter 2023: Authorize staff to use housing funds (from Transient Occupancy Tax) to cover permit fees and additional City expenses for Master TUP for temporary housing (Completed Dec. 2022)
- First quarter 2023: Reach out to faith communities in East Palo Alto to raise awareness of the Master TUP and encourage applications.
- End of 2024: Assist at least 10 RVs through Master TUP program.
- Resource implications: Housing and Planning staff time; an additional appropriation of \$60,000 in Transient Occupancy Tax revenue to fund permit fees and cover additional City expenses for Master TUP applications, up to a maximum of \$15,000 per application.

Program 7.3: Evaluate lessons learned and options for longer-term, holistic solutions to RVs parked in public right of way with the conclusion of the RV Safe Parking Program.

- Ongoing: Continue monthly meetings with City staff, County of San Mateo, and Life Moves and Project WeHOPE to assess options for RVs parked in the public right of way in the coming year, with a view towards concluding the RV Safe Parking Program in April 2023.
- Early 2024: Work with Project WeHOPE to report on the successes and lessons learned from the RV Safe Parking Program from 2019-2023. Make recommendations to the City Council.

Program 7.4: Research all available public funding sources to address homelessness and consider City investment of funds for homeless outreach, case management and supportive housing to supplement the countywide system.

• Ongoing: research and report to City Council on funding opportunities that can support the City's homelessness response.

Policy 7.5: Pursue expansion of support programs for unhoused residents by establishing partnerships with other public agencies, private corporations and foundations, and non-profit service providers.

• 2023 and Ongoing: Continue to seek opportunities for partnerships and financial assistance.

Policy 7.6: Continue to support the low barrier navigation center and emergency shelter operated by WeHope, a community-based non-profit organization, that provides an interim shelter and supportive services for unhoused individuals. Accommodate the special needs of at-risk youths, households with children, and persons with disabilities.

- Ongoing: Continue support to WeHope to operate low barrier navigation center and emergency shelter.
- 2026: Explore opportunities to establish a facility that can cater to special needs populations.

Objective: Reduce overcrowding and unsafe housing conditions related to housing affordability in East Palo Alto.

Lead: Housing and Economic Development, Planning

Policy 7.7: Develop options for incentivizing deeply affordable housing units that serve larger household sizes, such as allowing additional density or other relaxed or flexible zoning regulations.

- End of 2024: Collect survey data or analyze existing data to identify whether East Palo Alto households consist of direct family, extended family, or other less common household formations to identify bedroom size needs.
- End of 2024: Incorporate incentivizing larger affordable units into the Community Benefits Framework and broader analysis for implementation of the Ravenswood/Four Corners Specific Plan.

Policy 7.8: Continue to require residential projects to include Extremely Low-Income housing units through the City's Inclusionary Housing Program. Encourage production of deed-restricted ADUs serving Extremely Low and Very Low-Income households as an Inclusionary Housing Alternative Compliance option instead of paying in-lieu fees for fractional unit requirements.

• End of 2024: On the City website, demonstrate examples of prior projects that have provided inclusionary ADUs and successfully leveraged incentive programs such as Density Bonus and SB 9.

# Goal 8: Improve transparency and communication between the City and the public on housing issues.

Objective: Make the City website, social media, and newsletter a reliable source of housing information and make parallel efforts to reach residents through mailers and in-person meetings.

Lead: Housing and Economic Development

Program 8.1: Improve and maintain the Housing website as a primary means of communicating the work of the Division. Expand proactive measures to inform homeowners, landlords, and tenants about available local and County housing resources and supportive services.

• Ongoing: Continue to expand and update the Housing Division website to provide a central resource for East Palo Alto residents on housing programs and services.

Policy 8.2: Create a budget for mailers and non-digital outreach on Housing workplan items at the start of each fiscal year.

- First quarter of each year: Review Housing budget for mailers/non-digital outreach.
- On a quarterly basis, review Housing website and make improvements as necessary.

**Objective:** Incorporate language accessibility/language justice into City materials and meetings.

Leads: City Manager's Office, Planning, Housing and Economic Development

Policy 8.3: Provide translation of materials and interpretation of City Council, Planning Commission, Rent Stabilization, and other City meetings in alignment with City's Language Policy.

• Dependent upon timeframe of Citywide Language Policy adoption (goal 2023)

Goal 9: Build City capacity for long-term housing planning and implementation of a range of Housing programs and initiatives.

**Objective:** Maintain sufficient Housing Division staff to implement Housing Element programs.

Leads: Housing and Economic Development, City Manager's Office

Policy 9.1: Regularly assess the level of staffing or contract assistance to ensure that sufficient staffing is committed to implementing the 6th cycle Housing Element policies and programs in a timely manner per the Implementation Plan.

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- Ongoing: Annual review staffing and contract needs during the budget process based on Housing Element work program for the following fiscal year and include sufficient funds in Community Economic Development Department budget,
- *Resource implications: Budget for necessary staff and contract costs.*

# **Objective:** Seek efficiencies and collaborative staffing and resource opportunities to simultaneously implement the Housing Element programs and other Housing Division responsibilities.

# Lead: Housing and Economic Development

Program 9.2: Join with other cities in San Mateo County to share housing staff to support longer-term housing initiatives and programs.

- The program is projected to be launched in July 2023. Obtain City Council authorization to appropriate funds for the shared housing staff program and execute the relevant agreements with San Mateo County before the end of 2023.
- First quarter 2024: Begin first project with shared housing staff.
- *Resource Implications: Evaluate City allocation of funds for shared staffing.*

Objective: Work in close collaboration with the Planning Division to more efficiently achieve both divisions' goals and workplan items.

Leads: Housing and Economic Development, Planning

Program 9.3: Collaboratively update the City's Development Code to align Planning and Housing objectives, with an emphasis of resolving inconsistencies and ensuring consistency with the City's General Plan.

- End of 2023: Begin Development Code updates.
- End of 2025: Complete Development Code updates (amendments may be phased)
- Resource implications: Funds available in the existing contract with 21 Elements but may require an additional appropriation by the City Council or other grant sources.

# **Objective:** Seek financing sources for affordable housing construction and preservation.

Lead: Housing and Economic Development

Policy 9,4: As Notices of Funding Availability (NOFA) are issued, proactively work with the City's grant coordinator to selectively apply for regional, state, and federal grants to finance qualifying affordable housing projects and to fund Housing Element programs, such as housing rehabilitation program and first-time homebuyers program.

• Ongoing: Annually survey available funding programs and NOFAs and agency announcements.

# **Objective: Monitor Housing Element Implementation Plan**

## Lead: Housing and Economic Development

Policy 9.5: Review the Sites Inventory annually to assess progress in achieving the City's RHNA allocation and, as needed, consider identifying additional sites or adjusting development policies, programs, and priorities.

• Ongoing: Evaluate during preparation of Annual Progress Report for Housing Element.

# **Objective:** Monitor Inclusionary Housing Ordinance

## Lead: Housing and Economic Development

Program 9.6: Evaluate the effectiveness of the Inclusionary Housing Ordinance (IHO) in producing affordable units and the financial impact of the inclusionary requirements and Alternative Compliance Options on residential development. Evaluate the effect of changing economic, development, and financing conditions and the cumulative financial impact of development impact fees and exactions. Following completion of the evaluation, amend the IHO to reduce constraints within six months if necessary. Continue to assess the financial impact of the IHO on individual projects and implement further measures to reduce the barriers to housing production and achieve the City's RHNA if needed.

- Spring 2024 and 2029/30: Incorporate the IHO requirement in the financial feasibility analysis of the City's development impact fees to assess the cumulative impact of City fees and exactions on the feasibility of residential development. Following completion of the analysis, amend the IHO to reduce constraints within six months if necessary.
- Ongoing: Assess the financial impact of the IHO on individual residential projects and implement further measures to reduce barriers to housing production and achieve the City's RHNA if needed.
- Ongoing: Determine the appropriate Compliance Option for each project with the objective of selecting a feasible solution while also producing much needed affordable housing in the community to achieve Housing Element goals.

# Goal 10: Amend Zoning and Other Development Regulations to Facilitate the Construction of Housing.

**Objective:** Require replacement housing to be provided for applicable housing developments.

Lead: Housing and Economic Development

Policy 10.1: For applicable development projects that will be removing residential units, a replacement housing program for lower-income households in accordance with Government Code 65583.2(g).

• Ongoing: Projects will be reviewed with conditions of approval and agreements executed as needed to ensure compliance with state law.

Objective: Update zoning and development standards to comply with state laws.

### Lead: Planning

Program 10.2: <u>Emergency Shelters</u> - Evaluate current sites, development standards, and approval process and amend the Development Code to comply with Assembly Bill 2339 and other applicable state laws. Amend the Development Code to address zoning requirements, update the definition of emergency shelters, ensure sufficient capacity for emergency shelters in zones with proximity to transportation and homelessness services, establish objective development standards, and comply with all other requirements of AB 2339.

Program 10.3: <u>Permanent Supportive Housing</u> - Update zoning to require permanent supportive housing to be allowed by-right in residential and mixed-use zoning districts per Government Code 65651.

Program 10,4: <u>Housekeeping Unit</u> - Update zoning and the definition of a "housekeeping unit" to comply with the Employee Housing Act and adopt a "barrier-free" definition that does not subject persons with disabilities to special regulations.

Program 10.5: <u>Accessory Dwelling Units (ADUs)</u> - Amend the ADU ordinance to comply with State law, pending formal comment from HCD by December 2023. Further actions include programs and policies to facilitate construction of ADUs (refer to Policies/Programs 1.7 to 1.14 for specifics). Consider additional measures to remove zoning impediments such as relaxing side and rear yard setback and open space standards and facilitating conversion of unpermitted accessory structures to ADUs.

Program 10.6: <u>Residential Care Facilities</u> - Update zoning regulations for residential care facilities and group homes (7+) to comply with state law and to reduce barriers for establishing facilities for special needs populations such as persons with disabilities, including revising existing spacing constraints.

For Programs 10.2 - 10.6:

- Start of 2024: Begin Development Code updates and with proactive community outreach to receive input; include English language translation in outreach materials and availability of language translation at meetings.
- March to December 2024: City Council adoption of Development Code updates (amendments may be phased with ADU amendments scheduled for adoption first in March 2024)

• Resource implications: Funds available in the existing contract with 21 Elements but may require an additional appropriation by the City Council or other grant sources.

Objective: Update other zoning ordinance regulations to comply with latest state law and reduce impediments for residential development.

## Lead: Planning

Program 10.7: Review zoning ordinance regulations for compliance with the current state laws and reduce development impediments or provide incentives such as standards pertaining to parking, open space, density bonuses, and objective design standards. Implement Policies/Programs 1.1 to 1.6, 1.18. 1.20, 1.21 and 1.25 for a comprehensive multi-prone approach to reduce regulatory constraints, improve development processing, create incentives for housing development, and reduce, mitigate, and not constrain housing supply, cost, and ability to achieve maximum densities.

• 2024 – 2026: Incorporate zoning amendments and incentives into Development Code update process with objective to further streamline development review and remove zoning impediments.

Objective: Adopt update to Ravenswood Business District/4 Corners Specific Plan to include residential uses at designated locations.

## Lead: Planning

Program 10.8: Adopt update to Specific Plan to allow residential and mixed-use development at designated locations in plan area and address provisions as noted in other Housing Element policies/programs. Concurrently, rezone parcels for residential and mixed-use development. Additionally. establish by-right approval, minimum residential densities for mixed use zoning, objective design standards, minimum residential requirements for mixed use zoning, reduced parking, flexible open space standards for affordable housing, transportation demand management (TDM) program, streamlined subdivision approvals, other provisions to reduce development constraints, and incentives for special needs populations. Further, resolve inconsistencies between the General Plan and current Specific Plan, (See related Policy 1.21)

- Specific Plan Update is currently being prepared by staff with a consultant team and includes an environmental impact report.
- Summer 2024: Adopt Specific Plan Update, which will also serve as the development code for the plan area and include policies and zoning regulations to address above planning issues.
- Summer 2024: Plan area sites included in the Housing Element Sites Inventory will be rezoned as part of adoption of the Specific Plan Update.

**Objective:** Facilitate single-room occupancy (SRO) and transitional supportive housing.

# Lead: Planning

Program 10.9: Develop procedures and review zoning regulations with the objective of encouraging and facilitating the development of SRO transitional supportive housing projects at suitable locations.

• End of 2025: Establish project application procedures and adopt zoning amendments if needed.

# **Objective: Ensure General Plan and zoning consistency.**

Land Planning

Policy 10.10: During the 6<sup>th</sup> cycle Housing Element, ensure that the General Plan land use designation and zoning are consistent for all properties included in the City's RHNA Sites Inventory.

• Ongoing: As development projects are reviewed, process any General Plan or zoning amendments as necessary to achieve consistency.

# 7 REVIEW OF PRIOR HOUSING ELEMENT

State housing element law requires communities to reflect on the outcomes of the previous Housing Element's goals, objectives, policies, and programs. This evaluation helps ensure that the updated element for 2023-2031 builds on success, learns from lessons learned, and responds to the community's housing priorities.

# 7.1 ACCOMPLISHMENTS OF RHNA 5 HOUSING ELEMENT PERIOD

The following summary highlights key accomplishments and challenges from the previous Housing Element's planning period (2015 to 2022).

Adoption and Implementation of the City's 2018-2023 Affordable Housing Strategy. The Affordable Housing Strategy was adopted by the City Council in October 2018, a document with ten overarching affordable housing goals and comprehensive workplan comprised of 50 actions that complement and further the policies and programs of the 2015-2023 Housing Element. Since the adoption of the Affordable Housing Strategy, the City has made major progress across all ten areas, with all but three actions completed or in progress. Highlights include:

- Light *Tree and 965 Weeks affordable housing developments*: the redevelopment of Light Tree will result in 91 net new affordable units and is under active construction, with the final phase of construction completed by end of 2023; 965 Weeks will result in 136 new affordable units on a City-owned parcel and is expected to begin construction in fall 2023. The building permit application was submitted in mid-December 2022. Light Tree is preserving/renovating 94 existing units and adding 91 new apartments affordable to extremely low-income and very low-income residents, and sets aside as many as 41 units for households with special needs: formerly homeless residents, youth aging out of foster care and households with a family member who has a disability. Light Tree is also the first all-electric affordable housing development in San Mateo County. 965 Weeks is building136 extremely low-income and low-income affordable housing units, ranging from studios to four-bedroom apartments, on a city-owned parcel. It will provide services to residents including a financial literacy program, a vocational development center, afterschool/summer programs and leadership development for youth, and functional assessment and cognitive/behavioral modification for people with special needs.
- *Inclusionary Housing:* the City Council adopted the most recent Inclusionary Housing Ordinance in November 2019, establishing an inclusionary program for both rental and for-sale units. Since the Ordinance became effective, the City has processed several Inclusionary Housing applications-- often

in conjunction with a Density Bonus, and two applications under SB 35—creating a significant pipeline of lower-income rental and moderate-income for-sale units. It should be noted that the inclusionary housing ordinance has helped create greater integration, as it requires a mix of housing units, and housing for larger households, as it applies to all new housing development, including single-family homes, condos, and townhomes.

- *Investments in Affordable Housing:* the City has made major investments in affordable housing in recent years, committing the \$10 million in Catalyst Housing Funds to the Light Tree and 965 Weeks affordable housing developments; \$714,000 in Housing Successor funds to 965 Weeks; and \$1.7 million of Measure HH and Transient Occupancy Tax funds as a local match for the Local Housing Trust Fund program to benefit 965 Weeks.
- Leveraging State Funds for Affordable Housing: the City was a successful co-applicant on two Affordable Housing and Sustainable Communities (AHSC) grants for the Light Tree and 965 Weeks affordable housing developments. Housing and Planning staff have secured a (\$2 million) CalHOME, (\$160,000) SB 2, (\$150,000) Local Early Action Planning, and (\$70,000) Regional Early Action Planning (as a sub-allocation) grant over the last three years.
- *RV Safe Parking:* this pilot program on a City-owned site at 1798 Bay Rd. in partnership with Project WeHOPE opened to the first RV households in May 2019; the program has continued with success through 2022, with over 35 individuals housed since the program's start. This program has helped support persons experiencing homelessness.
- Accessory Dwelling Units: the City has partnered with local organizations to address unpermitted
  garage conversions and second units for several years and has most recently promoted ADUs through
  such efforts as: the ADU Streamlining contract, with EPACANDO and City Systems, funded by SB 2,
  the CalHOME ADU/JADU loan program, and monthly meetings of the ADU Working Group. Since
  new ADU laws became effective in 2020, the City has seen a more than doubling of ADU applications
  and permits. Work on legalization of second units continues as a cross-departmental City effort. At a
  City Council study session, the Council directed staff to explore opportunities to encourage the
  development of ADUs. The City will work with a consultant to update the development code to be
  consistent with state legislative changes and to encourage more ADUs. This program has helped
  support large households and elderly residents who want to live in single-family homes and want to
  build an accessory dwelling unit.
- Below Market-Rate Housing Administration: the City released an RFP for BMR Program Administration in 2018 to create a more efficient and cost-effective program. EPACANDO has administered the program since 2019, conducting annual monitoring, facilitating refinances and resales, and establishing ongoing contact with the owners of the City's 53 BMR for-sale units. By

establishing a proper filing system, protocols and guidelines, and a point of contact for public inquiries, EPACANDO has vastly improved the administration of the City's portfolio and positioned the City well for an increase in units through the Inclusionary Housing Program.

- Homelessness Response: the City has consistently convened a group comprised of County of San Mateo Human Services Agency and Behavioral Health and Recovery Services staff, service providers LifeMoves and Project WeHOPE, and City staff from the Housing Division, Public Works, and Police Department since April 2021. The ongoing dialogue across agencies has created better coordination for housing individuals, monitoring and cleaning up encampments and RVs parked in the public right of way, and providing services to residents in East Palo Alto.
- Improved Processing for Streamlined Projects. The City has developed materials for developers, such as zoning clearance forms for ADUs, SB 35, and SB 9 projects, and made internal process improvements to adapt to the ever-changing landscape of state housing law. This has resulted in successful implementation of housing streamlining on mixed-use and residential projects, most of which combine multiple policies Inclusionary Housing, Density Bonus, and SB 35 or SB 9, for example. In 2021, a total of 88 units from three multifamily residential projects were entitled or received SB 35 Zoning Clearance. Each of these three projects included an inclusionary housing component, for a total of 13 deed-restricted inclusionary units ranging from 35-120% AMI.
- Tenant Protections and Outreach. In addition to ongoing implementation of the Rent Stabilization Ordinance which covers approximately 2,500 rental units citywide, the Rent Stabilization Program oversees the City's various tenant protections, including just cause for eviction, tenant relocation, and others. During the COVID-19 pandemic, the Rent Stabilization Program oversaw an emergency financial assistance program in partnership with Samaritan House and funded local organizations Nuestra Casa, Youth United for Community Action, and Community Legal Services in East Palo Alto to assist local residents with accessing state rental assistance and prevent evictions due to pandemic-related rental hardships. Special needs populations, including elderly persons, persons with disabilities, large households, female-headed households, and farmworkers have benefitted from the tenant protections and outreach, which is targeted toward the most vulnerable populations.

**Updates and Re-Zoning Efforts to General and Specific Plan Areas.** The City adopted the Vista 2035 General Plan in 2016, including upzoning in strategic areas and other major changes, such as mixed-use corridors along University Ave, with an emphasis on improving public health through active transportation choices, access to open space, and safe and affordable housing. The Ravenswood/4 Corners Specific Plan Area, the City's only Priority Development Area, was established in 2013 and is currently undergoing a targeted update that began in 2021 and will significantly increase the number of housing units, including affordable housing units, located near job centers and transit.2

**Preservation Efforts**. The City received a Challenge Grant and a Breakthrough Grant ("Policy Grants") from the San Francisco Foundation's Partnership for the Bay's Future (PBF), each of which provides a two-year midcareer fellow to pursue housing preservation policies. The City Council considered an Opportunity to Purchase Act ordinance, which is expected to return in a revised form in 2023, and the current fellow is researching cooperative housing models, such as community land trusts, to preserve affordable housing.

# 7.2 HOUSING ELEMENT PROGRESS

Appendix E provides a program-by-program review of the City's progress in implementing the 2015-2023 Housing Element programs and objectives, and indication of the programs' continued appropriateness.

# 7.3 PROGRESS TOWARDS LOWER-INCOME RHNA 5 TARGETS

As of the end of 2022, the City made major progress on the very low-income RHNA, exceeding the target by 65 units. The City fell short of its low-income RHNA by only 19 units, with the largest deficit (196 units) in the above-moderate income category. Overall, the City met 53% of its RHNA. By income category, the City met 27% of its market rate housing target and 88% of its affordable housing target.

Та	Table 7.3: RHNA 5 Progress, 2015-2022									
Income Level	2015	2016	2017	2018	2019	2020	2021	Totals	RHNA Deficit	
Extremely Low (0%-30% AMI)	16					26	8	50	n/a	
Very Low (31%-49% AMI)					4	68	7	79	-65	
Low (50%-80% AMI)	24				2	3	6	35	19	
Moderate (81%-120% AMI)	1	5		1	2	2	6	17	66	
Above Moderate (> 120% AMI)	50	2	5	3	1	4	5	70	196	
Total	91	7	5	4	9	103	32	251	216	

Table 7.3 shows the City's RHNA 5 targets and progress from 2015 to end of 2022:

While the above Table 7.3 illustrates shortfalls in the City's RHNA 5 targets, it does not show the number of units in the City's pipeline. The City succeeded in making adequate sites available to accommodate the regional housing need in the RHNA 5. There are several major project applications currently under review that, together with several smaller developments, will add over 1,000 units to the City's housing stock. This includes projects such as the Woodland Park Communities Euclid Improvements, a 605-unit redevelopment of a complex that

currently contains 160 rent-stabilized units, for a net increase of 444 units (the 444 units were approved; the EPA Waterfront proposal, a mixed-use project that would add 260 units, and the Harvest: The Landing off-site affordable housing proposal, which would add 95 lower-income units. It should be noted that all housing development in East Palo Alto was delayed due to the Water Moratorium in place from 2016 to 2018. Even with the moratorium no longer in effect, developers have faced further delays due to issues with the East Palo Alto Sanitary District. City Council has been working with the East Palo Alto Sanitary District to express concerns about delays and work toward a solution.

# 7.4 ONGOING CHALLENGES TO MEETING THE CITY'S HOUSING NEEDS

**Infrastructure.** The chief impediment to further housing development in East Palo Alto remains infrastructure related. Pipeline projects are experiencing significant delays as the City and developers of affected projects work with the East Palo Alto Sanitary District to find a feasible solution to the system's capacity. In addition, while the City has largely met its water supply needs, water distribution with the current network of pipelines remains a challenge.

In addition, the City must balance environmental preservation with the utility and feasibility of building out transportation. This is particularly the case in the Ravenswood Business District (RBD)/4 Corners Specific Plan Area, the area of the City where concentrated commercial space and jobs growth, dense housing, and upgrades to transportation infrastructure are planned. Even with these improvements, the City lacks a rail connection.

These issues and the steps the City are taking to ameliorate them are detailed further in the Governmental Constraints analysis in the Housing Constraints chapter, and policies and programs addressing infrastructure are included in the Policies and Programs chapter.

**Staffing resources**. With limitations on City staff resources, the City is constrained in the actions it can take to counter strong market forces, which continue to push housing prices higher, threaten to displace residents, and fail to produce the types of housing needed most in the community.

**Displacement pressures.** Residents of East Palo Alto continue to face displacement pressures as housing prices rise in the region and within the city. Data show that, the median income within East Palo Alto is less than half that of the County of San Mateo median, making rents and home sales prices now further out of reach for many households. Overcrowding and substandard housing conditions are prevalent and are a direct result of the housing cost burden many residents face. As additional market-rate housing is proposed for East Palo Alto, it is important that the City pursue ambitious preservation efforts, explore new anti-displacement policies, and prioritize affordable housing as part of the City's growth, especially in the RBD/4 Corners Specific Plan Area.

# 7.5 CONTINUING HOUSING ELEMENT GOALS FOR 2023-2031

In addition to evaluating the status and outcome of each policy and program in the 2015-2023 Housing Element as described in Appendix E, the Housing element was evaluated relative to the data and findings in the Housing Needs Assessment (Chapter 2 and Appendix B) and the Affirmatively Furthering Fair Housing (AFFH) analysis (Chapter 4 and Appendix C) that are contained in the 2023-2031 Housing Element. Key conclusions pertaining to East Palo Alto suggest priority goals for the 2023-2031Housing Element, which include the following policies and programs:

**Displacement/Gentrification**. Despite East Palo Alto being relatively affordable compared to other communities in San Mateo County, sale prices and rents have risen dramatically, which point to the need for more proactive programs to allow current homeowners and renters to continue to live in the City. The increasing cost burden from rising housing costs has led to displacement and gentrification as well as a higher percentage of overcrowded housing units relative to the rest of San Mateo County. With the diversity of housing needs in the community, programs which offer a variety of options are essential. For current and future renters, this could include legal and financial support, a rent registry, eviction assistance, and diligent enforcement of discriminatory landlord practices. For current homeowners, programs can include financial support for home repairs and improvements and emergency mortgage and foreclosure assistance. For future homeowners, programs can include first-time homebuyer education and assistance and fair housing programs to counteract discriminatory real estate and lending practices.

Since the last Housing Element cycle, AB 686 was enacted in 2018 to require a fair housing assessment as part of the 2023-2031 Housing Element and to incorporate appropriate policies and programs to address identified fair housing issues in the community. Fair housing issues are directly intertwined with displacement and gentrification. Policies and programs in the 2015-2023 Housing Element which pertain to counteracting displacement and gentrification and addressing fair housing should be carry overed, expanded, and strengthened to address the housing challenges facing the City. These policies and programs include, but are not limited to:

- 5.2 Reasonable Accommodations Ordinance: This City ordinance has been in place for in place for a while but needs to be updated to comply with current applicable state laws. This is particularly germane to a finding in the AFFH analysis concerning the lack of sufficient affordable housing options for persons with disabilities.
- 6.1 Rent Stabilization Ordinance: This ordinance has also been in place for a while, and the City has
  recently allocated Measure O tax revenues to fund local programs to provide legal, educational,
  advocacy, and financial support for tenants that expands upon the services that are currently available.
- 7.1 Financial/Credit Reporting, 7-2 First-time Homebuyer Assistance/Low Interest Loans: The City has supported existing County and City programs to provide mortgage and other assistance to aspiring

homeowners. Programs include obtaining homebuyers for below-market rate units that come on the market, but available units are limited. The City is interested in expanding homeowner opportunities for East Palo Alto residents including considering a first opportunity to purchase ordinance and establishing a homebuyer assistance program.

- 9.2 Home Repair Program, 9.3/9.4 Housing Rehabilitation Program: These programs provide resources to conserve the existing housing stock, but also allow homeowners with limited incomes to fund necessary home repairs and renovations in order to remain in their homes and for seniors to "age in place." These programs can alleviate the effects of displacement and gentrification and preserve and maintain existing housing units which are typically more affordable than newly constructed units.
- 9.5 Foreclosure Assistance: This existing policy is an important policy to evaluate for effectiveness and to enhance in order to address the increasing cost burden on homeowners due to rising housing and total living costs. Related to this policy is expanding affordable mortgage assistance programs for potential homebuyers which could reduce foreclosure risks.
- 10.1 Fair Housing Programs, 10.3 Housing Discrimination Prevention: While the City has placed high priority on addressing fair housing and housing discrimination issues, with the incorporation of the AFFH analysis into the Housing Element process, the findings from this analysis places greater emphasis on expanding fair housing policies and programs in the 2023-2031 Housing Element to address identified community issues. Issues highlighted in the AFFH analysis which are not emphasized in the 2015-2023 Housing Element include the special housing needs of large-family households and persons with disabilities.

**Housing Affordability.** Closely related to the issues of displacement and gentrification are the need to produce more affordable housing units and encourage inclusive housing options such as missing middle housing, SB 9 units, and ADUs. Interestingly, as shown in Table 7.3, East Palo Alto exceeded it 2015-2023 RHNA goal for very-low-income units and the largest deficit was for above moderate-income units. However, the 2023-2031 RHNA for East Palo Alto has significantly increased, and the community recognizes the need for more affordable units to meet the housing needs of residents and the workforce.

The 2015-2023 Housing Element contains multiple policies to increase the supply of affordable housing. These policies have led to successful outcomes during the past Housing Element cycle as described in Section 7.3, but current and projected market conditions and construction costs that are outside of the City's control have heightened the challenge to produce housing. The challenge is particularly acute for producing low and very-low-income housing units. Policies to increase the supply of affordable housing will continue to be a priority for the 2023-2031 Housing Element, but existing policies will need to be reexamined and expanded to meet the greater challenges during the next eight years. Important policies to continue in a reconstituted form for the 2023-2031Housing Element include, but are not limited to:

- 1.3, 1.5, 4.3, 5.3 Financing for Affordable Housing Loans: These four policies recognize the importance of securing funding sources to assist in constructing affordable housing and will continue to be important strategies. While the City has been successful in obtaining housing funds, the financing environment has changed significantly since the last Housing Element was adopted, including the dissolution of redevelopment agencies. The positive is that new funding sources have emerged for producing affordable housing, but these funds are highly competitive. The cost to construct a housing unit has also escalated so the City will need more aggressive and creative housing programs for securing housing financing.
- *1.4 Encourage Second Unit Construction:* The City enacted zoning ordinance amendments to facilitate the construction of ADUs and approved at least 72 ADUs during the 2015-2023 Housing Element period. The City recognizes the importance of these units for meeting its RHNA goals but also for incorporating affordable housing units into predominately single-family neighborhoods to promote an inclusive community. The City Council recently indicated its interest to further incentivize construction of ADUs by alleviating zoning constraints, exploring financial incentives such as fee reductions and waivers, and pre-approving model ADUs plans.
- *1.5 Larger-family households:* This policy will be carried over into the 2023-2031 Housing Element with expanded policies and programs that recognize the community need for larger-family housing units to respond to the deficiency findings in the AFFH analysis and Housing Needs Assessment.
- 2.1 Ravenswood Business District/4 Corners TOD Specific Plan: Development proposals are pending, including several housing proposals that are dependent on adoption of an updated Specific Plan which is expected in Spring 2024. The Specific Plan will also serve as the zoning ordinance for the plan area and is envisioned to include provisions to streamline the approval of housing projects.
- 3.1 Review City Ordinances Policies to Reduce Barriers to Housing, 4.4 Evaluate, Improve, and Promote City Ordinance that Facilitate Affordable Housing: Recent state legislation such as SB 35 and SB 330 has allowed the City to approve by-right or expedite the approval of qualifying housing projects. This is demonstrated by the City exceeding its RHNA goal for very-low-income housing units and nearly achieving its RHNA goal for low-income units. Nevertheless, staff recognizes that more actions can be taken to facilitate the processing of housing proposals. The 2023-2031 Housing Element will continue to identify policies and programs to reduce development constraints.
- 4.7 Encourage Development of Smaller Parcels: This policy recognizes the potential for redeveloping under-utilized parcels in East Palo Alto for infill housing. With the recent approval of SB 9 which the City has publicized to property owners, interest has already emerged to redevelop larger lots with SB 9 units. The City recognizes the potential of this policy for promoting missing middle housing and affordable homeownership options and will enhance this policy in the 2023-2031 Housing Element.

• 6.6 – Affordable Housing Strategy: A five-year strategy was adopted by the City Council in 2018 and many of the goals have been achieved while other strategies are in process of being implemented. A Housing Element program calls for evaluating past accomplishments and developing a second five-year strategy. It is expected that the 2023-2031 Housing Element, Chapter 6, will provide the framework for the five-year strategy.

# APPENDIX A. PUBLIC OUTREACH AND PARTICIPATION

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Appendix A: Public Outreach and Participation - Page 1

# APPENDIX A1 WEBPAGE PERFORMANCE

The following is a report of the City's Housing Element Webpage analytics from its launch date of March 22, 2021, to July 7, 2022. As shown, the webpage had 640 desktop views, 79 mobile views, and 1 tablet view. The average time a resident spent on the page was 3 minutes. This is 0.15% of the total views the City of East Palo Alto website received in the same timeframe.

Pages								
ALL = PAGE: /housing/page/housing-element-update-1							Mar 1, 2021 -	Jul 7, 2022
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# APPENDIX A2 SOCIAL MEDIA PERFORMANCE

The City promoted events and surveys on the <u>City's Facebook page</u>, which has a total of 3.1K followers as of July 2022, in both English and Spanish (with an option to translate into other languages available through Facebook's translation system).

Data analytics on Facebook post-performance is only available for 90 days, between the dates of April 8, 2022, to July 7, 2022. "Post Reach" provides the number of people who saw any of the posts at least once (and does not include multiple views by the same people), while "Engagement" provides the number of times people engaged with the posts through reactions, comments shares, views and clicks.

## In summary:

Our "Help us balance East Palo Alto's potential future housing development" post on June 3, 2022, reached 494 people, and engaged 33 people.

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Help us balance East Palo Alto's potential future housingPost ReachEngagementdevelopment! ¡Ayúdanos a equilibrar el desarrollo potencial de49433nuevas viviendas en East Palo Alto! -...Fri, Jun 35

Our "We're updating East Palo Alto's housing plan, and we want you to be part of the conversation" post on May 4, 2022, promoting the May 5, 2022, Community Meeting reached 3386 people and engaged 149 people.

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We're updating East Palo Alto's housing plan, and we want you<br/>to be part of the conversation. We're holding a communityPost ReachEngagement3386149meeting to gather your input and create a community-driven...Wed, May 4

Our "Join us on May 5th at 6pm!" post on May 3, 2022, promoting the May 5, 2022, Community Meeting reached 1284 people and engaged 79 people.

Join us on May 5th at 6pm! To register and learn more, visit:	Post Reach	Engagement
www.tinyurl.com/EPAHousingElement3.	1284	79
Tue, May 3		

Our "Join us in-person on Thursday, May 5th at 6pm for a community meeting" post on April 28, 2022, promoting the May 5, 2022, Community Meeting reached 662 people and engaged 39.



Post Reach Engagement Join us in-person on Thursday, May 5th at 6pm for a community meeting. Please register for the meeting details. REGISTER: 662 www.tinyurl.com/EPAHousingElement3 -- Asista una reunión... Thu, Apr 28

Our "Join the joint City Council and Planning Commission Study Session on the Housing Element Update tonight at 6pm!" post promoting a public meeting held on April 26, 2022, reached 354 people and engaged 5 people.

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Join the joint City Council and Planning Commission Study Session on the Housing Element Update tonight at 6pm! Visit www.eastpaloalto.igm2.com/Citizens and click the April 26... Tue, Apr 26

Post Reach	Engagement
354	5

39

Our "On Tuesday, July 19th, City Council will be discussing the Housing Element Update" post promoting a public meeting held on July 19, 2022, reached 683 people and engaged 24 people.



Post Reach Engagement On Tuesday, July 19th, City Council will be discussing the Housing Element Update, among other things. | El martes 19 de 683 24 julio, el Consejo Municipal discutirá la Actualización del... Fri, Jul 15

Data analytics on Event Page performance show a lower success rate in reaching people via event pages compared to posts.

Our May 5, 2022, Community Meeting event page reached 87 people and received 10 responses.



THU, MAY 5 Housing Element Update Community Meeting 87 10 San Francisco Bay · Menlo Park, CA

Our February 24, 2022, Community Meeting event page reached 205 people and received 5 responses.



THU, FEB 24 Housing Element Update

5 205

The following is our highest-performing social media post, demonstrating that short text, strong visuals, and direct links performed better:



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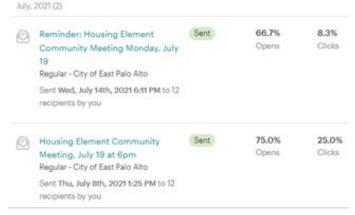
page at www.chpolepa.org/housing

Aprenda más en la página de la Actualización del Elements de Welende en www.citysfopa.org/housing

# A3 EMAIL ALERTS PERFORMANCE

The City of East Palo Alto sent email alerts to community members subscribed to the Housing Element Update email alerts (15 subscribers until February 2022 and 100+ subscribers after May 2022), and to 500+ community members subscribed to the Ravenwood Business District/Four Corners Specific Plan email list interested in the Housing Element Update process. The email alerts averaged a 57% open rate and a 9% click rate.

July 19, 2021, Community Meeting Alert:



# February 24, 2022, Community Meeting Alert:

0	Housing Element Update email to RBD List	Sent	38.3% Opens	5.3% Clicks
	Regular + City of East Palo Alto Tags: RBD			
	Sent Fri, February 18th 6:33 PM to 551 recipients by you			
•	East Palo Alto Housing Element Update February 24 at 6pm // Actualización del Elemento de	Sent	<b>53.3%</b> Opens	20.0% Clicks
	Vivienda el 24 de febrero a las 6pm Regular - City of East Palo Alto Tags: Housing Element			
	Sent Thu, February 3rd 3:32 PM to 15 recipients by you			

# April 28, 2022, Joint Planning Commission and City Council Study Session Alert:

0	Housing Element Survey & Study Session - RBD List Regular - City of East Palo Alto Tags: RBD	Sent	49.2% Opens	3.9% Clicks
	Sent Tue, April 12th 5:23 PM to 493 recipients by you			
٩	Housing Element Survey & Study Session Regular - City of East Palo Alto Tags: Housing Element	Sent	71,4% Opens	0.0% Clicks
	Sent Tue, April 12th 5:08 PM to 15 recipients by you			

# May 5, 2022, Community Meeting Alert:

=	Social Post From May 5 Housing Element Community Meeting Social Post - Facebook	Published	276 Reach	278 Impressions
	Published Thu, April 28th 10:56 AM			
•	May 5 Housing Element Community Meeting - RBD List Regular - City of East Palo Alto Tags: RBD	Sent	47.1% Opens	3.3% Clicks
	Sent Thu, April 28th 11:02 AM to 487 recipients by you			
5	May 5 Housing Element Community Meeting Regular - City of East Palo Alto Tags: Housing Element	Sent	71.4% Opens	21.4% Clicks
	Sent Thu, April 28th 10:56 AM to 15 recipients by you			

# Balancing Act Survey Alert:

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# July 19, 2022, City Council Meeting Alert:

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### Sample Email Alert - Campaign Preview



#### What is the Housing Element?

The Housing Element is a chapter in the City's General Plan that is updated every 8 years to plan for new housing and lays out the guals, policies and programs to meet the community's housing needs. Every California city and occurty adopts a Housing Denati

Why is my participation in the Housing Element Update important?

Your participation in the Hoosing Element, Earley Element, and Environmental Justice Element updates will help shape our City's planning documents and determine the goals, policies and programs that will shape our community's future. Your participation helps as ensure our process is as inclusive and community driven an possible

#### What If I can't make it?

Stay up-to-date and explore our Housing Element page non stypilizes ang/occaing. You can also submit your comments to sing@clipilizes ang, using "Housing Clement Lipitals" in the subject line 10.0



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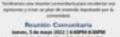
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#### Reuntiles Comunitaria

### Actualización del Elemento de Vivienda

La Caulad tendrà una munifisi comunitaria en persona para obtener su cominsobre el plan de vivienda de la Ciudad de Easil Palo Alto.

CUANDO: Junies, 5 de mayo del 2022 de las 6.00-8.00 PM DÖNDE: Cooley Landing (al final de Bay Road) o Zoom REGISTRESE www.broad.com/EP//rtwate/Denert()

Si no puede asistir en persona puede minar la reunión conto un seminario en línea. Habrá interpretación al español, tungano y samuano. También habrá consida grafis y cuidado de naficia. Tenga en cuenta que tomariento precauciones de salud para evitar el contagio de COVID-18. Por favor registrese para los detalles de la junta.

Hay obas maneras de también levolcrame

- Complete esta encuenta sobre las políticas y los programas del Elementa: de Vivienda. ¡Queremós escuchar sus opiniones de cômo nos va con rumstras políticas y programas de vivienda, qué políticas debernos mantener y qué nuevas políticas deberros considerar para priorizar sharable los próximos 8 años!
- · Vielle Jernburg para comparte sus ideas sobre lo siguiente: qué fipos de viviendas le guetaria ver, qué abicaciones/billos le guetaria ver esplorados, qué problemas mediciambientales le preocupan más y qué consideraciones medicardiientales deberlarens tener al pointicar para manuas viviendas.
- + Mire la Sesión Especial reciente con el Concejo Municipal y la Comisión ste Planificación sotore el Elemento de Vivienda mui
- Visite la página sotre la <u>Artualización del Elemento de Wyrenda</u>.

#### Que es el Elemente Vivienda?

El Elemento de Vivienda es un sagibilo del Plan General de la Caulad que na antualiza cada 8 años para planificar el desarrollo de nuevas viviendas y establece las metas, pólicas y programas para satisfacar los nexesistados de vivienda de la midad, ¡Tedas les sixelades y condiales de California adoptar un Elemento de

"Par qué es importante ni participación en la Actualización del Demento de Manageria 7

De participación en las autualizaciones del Elemento de Vivanda, Elemento de Seguridad y Elemente de Justicio Ambiental apudará o dar forma o los documente de plenificación de nuestra Ciudad y a determinar las melas, políticas y programas, que danán forma al futuro de nuestra comunidad. Du participación nos ayuda a gatantizar que nuestro proceso sea la más triduvies y cumunitario posible.

#### : Out pass of no puedo participar?

Mamérgase amailzadois visitando nuestra página de Elemento de Velenda en e litering and touring. Tambiés puede envise sus convertarios a esticando "Elemento de Welenda" en la línea de asunto



Appendix A: Public Outreach and Participation - Page 9

# Community Meeting

### Housing Element Update

We've holding an in-person community meeting to gather your input on the City of East Palo Alto's housing plan.

WHEN: Thursday, May 5, 2022 from 6:00-8:00 PM WHERE: Cooley Landing (at the end of Bay Road) or Zoom REGISTER: your toyat com/EPAHousingElement3

If you can't join us in-person you can watch the meeting as a webinar online. Spanish, Tongan, and Samoan interpretation will be available. We will also have free food and childcare. Note that COVID-19 safety precautions will be taken. Please register for the meeting details.

There are other ways to also engage:

- + Fill out this survey on Housing Element policies and programs. We want to hear your thoughts on how we are doing with our housing policies and programs, which policies we should keep, and which new policies we should consider to prioritize for the next 8 years!
- + Visit Jamboard to share your ideas about the following: what types of housing do you want to see, what locations/sites do you want to see explored, what environmental issues bring you the most concern, and what environmental considerations should we have when coming for new housing.
- · Watch the recent joint City Council and Planning Commission Study Session on the Housing Element Update here
- Visit the <u>Housing Element Update</u> webpage.

#### What is the Housing Element?

The Housing Element is a chapter in the City's General Plan that is updated every 8 years to plan for new housing and lays out the goals, policies and programs to meet

## Sample Email Alert - Plain Text Preview

Community meeting on Thursday, May 5 at 6pm. Reunión comunitaria el jueves, 5 de mayo a las 6pm. Register | Regístrese | Lesisita

We're holding an in-person community meeting to gather your input on the City of East Pal' Alto's housing plan.

WHEN: Thursday, May 5, 2022, from 6:00-8:00 PM WHERE: Cooley Landing (at the end of Bay Road) or Zoom REGISTER: www.tinyurl.com/EPAHousingElement3

If you can't join us in-person you can watch the meeting as a webinar online. Spanish, Tongan, and Samoan interpretation will be available. We will also have free food and childcare. Note that COVID-19 safety precautions will be taken. Please register for the meeting details.

### There are other ways to also engage:

\* Fill out this survey (https://tinyurl.com/HousingElementSurvey) on Housing Element policies and programs. We want to hear your thoughts on how we are doing with our housing policies and programs, which policies we should keep, and which new policies we should consider prioritizing for the next 8 years!

\* Visit Jamboard (https://tinyurl.com/HousingElementJamboard) to share your ideas about the following: what types of housing do you want to see, what locations/sites do you want to see explored, what environmental issues bring you the most concern, and what environmental considerations should we have when zoning for new housing.

\* Watch the recent joint City Council and Planning Commission Study Session on the Housing Element Update here

(*http://eastpaloalto.iqm2.com/Citizens/SplitView.aspx?Mode=Video&MeetingID=1808&MinutesID=15* 29&Format=Minutes&MediaFileFormat=mpeg4).

\* Visit the Housing Element Update (https://www.ci.east-palo-alto.ca.us/housing/page/housing-elementupdate-community-meeting-0)webpage.

### What is the Housing Element?

The Housing Element is a chapter in the City's General Plan that is updated every 8 years to plan for new housing and lays out the goals, policies and programs to meet the community's housing needs. Every California City and county adopts a Housing Element!

### Why is my participation in the Housing Element Update important?

Your participation in the Housing Element, Safety Element, and Environmental Justice Element updates will help shape our City's planning documents and determine the goals, policies and programs that will shape our community's future. Your participation helps us ensure our process is as inclusive and community driven as possible.

### What if I can't make it?

Stay up-to-date and explore our Housing Element page at www.cityofepa.org/housing. You can also submit your comments to housing@cityofepa.org, using "Housing Element Update" in the subject line. Find Out More (https://www.cityofepa.org/housing/page/housing-element-update-1)

La Ciudad tendrá una reunión comunitaria en persona para obtener su opinión sobre el plan de vivienda de la Ciudad de East Palo Alto.

CUÁNDO: Jueves, 5 de mayo del 2022 de las 6:00-8:00 PM DÓNDE: Cooley Landing (al final de Bay Road) o Zoom REGÍSTRESE: www.tinyurl.com/EPAHousingElement3

Si no puede asistir en persona puede mirar la reunión como un seminario en línea. Habrá interpretación al español, tongano y samoano. También habrá comida gratis y cuidado de niños. Tenga en cuenta que tomaremos precauciones de salud para evitar el contagio de COVID-19. Por favor regístrese para los detalles de la junta.

#### Hay otras maneras de también involucrarse:

\* Complete esta encuesta (https://tinyurl.com/HousingElementEncuesta) sobre las políticas y los programas del Elemento de Vivienda. ¡Queremos escuchar sus opiniones de cómo nos va con nuestras políticas y programas de vivienda, qué políticas debemos mantener y qué nuevas políticas debemos considerar para priorizar durante los próximos 8 años!

\* Visite Jamboard (https://tinyurl.com/HousingElementJamboard)para compartir sus ideas sobre lo siguiente: qué tipos de viviendas le gustaría ver, qué ubicaciones/sitios le gustaría ver explorados, qué problemas medioambientales le preocupan más y qué consideraciones medioambientales deberíamos tener al zonificar para nuevas viviendas.

\* Mire la Sesión Especial reciente con el Concejo Municipal y la Comisión de Planificación sobre el Elemento de Vivienda aquí

(http://eastpaloalto.iqm2.com/Citizens/SplitView.aspx?Mode=Video&MeetingID=1808&MinutesID=1529&Format=Minutes&MediaFileFormat=mpeg4).

\* Visite la página sobre la Actualización del Elemento de Vivienda (https://www.ci.east-paloalto.ca.us/housing/page/housing-element-update-community-meeting-0).

### ¿Qué es el Elemento Vivienda?

El Elemento de Vivienda es un capítulo del Plan General de la Ciudad que se actualiza cada 8 años para planificar el desarrollo de nuevas viviendas y establece las metas, pólizas y programas para satisfacer las necesidades de vivienda de la comunidad. ¡Todas las ciudades y condados de California adoptan un Elemento de Vivienda!

¿Por qué es importante mi participación en la Actualización del Elemento de Vivienda? Su participación en las actualizaciones del Elemento de Vivienda, Elemento de Seguridad y Elemento de Justicia Ambiental ayudará a dar forma a los documentos de planificación de nuestra Ciudad y a determinar las metas, políticas y programas que darán forma al futuro de nuestra comunidad. Su participación nos ayuda a garantizar que nuestro proceso sea lo más inclusivo y comunitario posible.

### ¿Qué pasa si no puedo participar?

Manténgase actualizado/a visitando nuestra página de Elemento de Vivienda en www.cityofepa.org/housing. También puede enviar sus comentarios a housing@cityofepa.org, utilizando "Elemento de Vivienda" en la línea de asunto.

Más información (https://www.cityofepa.org/housing/page/housing-element-update-1)

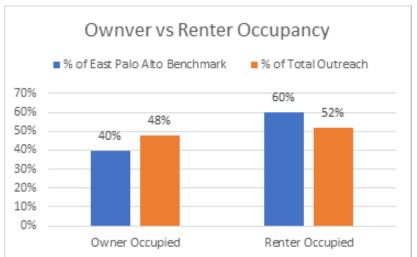
# A4 COMMUNITY MEETINGS REPORT

The following is a summary of community meeting participation in the East Palo Alto community meetings and surveys, and how that compares to 2020 census demographics data.

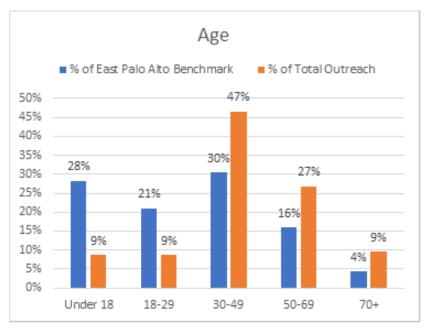
# **Demographics Summary**

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**Owner vs Renter Occupancy:** Approximately 48% of community members engaged in the Housing Element Update process were homeowners, and 52% were renters. This compares to a 40:60 ratio of owners vs. renters in the City

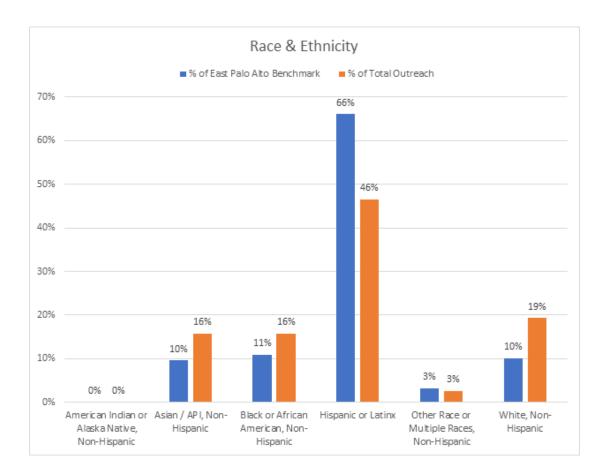


Age: A majority of community members that engaged in the Housing Element Update process were between 30-49 years old; the second-largest engaged group were 50–69-year-olds. The City has a larger young population of 18 years or under, and a smaller older population of 70+ years.



# Appendix A: Public Outreach and Participation - Page 11

**Race & Ethnicity:** Approximately 46% of community members that engaged in the Housing Element Update process were Hispanic/Latinx, 19% were non-Hispanic White, 16% were Black/African American, and 16% were Asian/Pacific Islander. The largest East Palo Alto population is Hispanic/Latinx at 66%.



**Community Meeting #1** – July 19, 2021 No registrant or participant data is available.

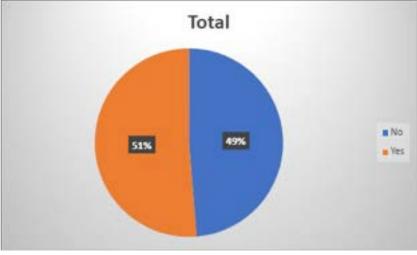
# Community Meeting #2 - February 24, 2022

Registration & Participation Report

Registration	Participatio	тероп			Primary	
Time	Particinated	Race/Ethnicity	Housing Situation	Neighborhood	Language	Age
1/28/2022 19:41	No	Unknown	Unknown	Unknown	Unknown	Unknown
1/28/2022 21:53	Yes		Tenant (single-family/duplex)	The Gardens	English	40 - 59
1/28/2022 23:30	No	Unknown	Unknown	Unknown	Unknown	Unknown
1/29/2022 8:49	Yes	Unknown	Unknown	Unknown	Unknown	Unknown
1/29/2022 10:16	No	Unknown	Unknown	Unknown	Unknown	Unknown
1/31/2022 17:20	Yes	Other	Live but not work in EPA	Not applicable	English	25 - 29
2/3/2022 12:36	Yes	Unknown	Unknown	Unknown	Unknown	Unknown
2/3/2022 12:50	Yes	White/European	Landlord	Weeks Area	English	60+
2/5/2022 6:48	No	Unknown	Unknown	Unknown	Unknown	Unknown
2/5/2022 13:07	No	Unknown	Unknown	Unknown	Unknown	Unknown
2/5/2022 15:59	Yes	Asian	Unknown	Unknown	Unknown	Unknown
2/8/2022 11:29	No	White/European	Tenant (multi-family)	Midtown	English	30-39
2/9/2022 17:27	Yes	Asian	Work but not live in EPA	Not applicable	English	30-39 30-39
2/16/2022 8:51	Yes	Black/African American		The Westside	English	30 – 39 60+
2/16/2022 14:51	No	Hispanic/Latinx	Other	Not applicable	English	40-59
2/17/2022 15:08	No	Black/African American		The Village	English	40- <i>57</i> 60+
2/18/2022 16:03	No	Asian	Homeowner	The Gardens	Other	40 - 59
2/18/2022 16:28	No	Unknown	Unknown	Unknown	Unknown	Unknown
2/18/2022 16:48	No	Hispanic/Latinx	Tenant (single-family/duplex)	The Westside	English	40-59
2/18/2022 17:15	Yes	Black/African American		The Gardens	English	Unknown
2/18/2022 18:26	Yes	Unknown	Unknown	Unknown	Unknown	Unknown
2/18/2022 19:59	Yes	White/European	Homeowner with tenants	Midtown	English	60+
2/18/2022 22:33	No		Live but not work in EPA	The Westside	English	60+
2/18/2022 23:23	No	Hispanic/Latinx	Tenant (single-family/duplex)	Unknown	Español	30 - 39
2/19/2022 6:33	No	White/European	Unknown	Unknown	English	Unknown
2/19/2022 6:59	No	Unknown	Unknown	Unknown	Unknown	Unknown
2/20/2022 7:41	No	White/European	Homeowner	The Westside	English	60+
2/20/2022 20:23	No	Hispanic/Latinx	Tenant (multi-family)	The Westside	Español	40 - 59
2/21/2022 9:09	No	Unknown	Unknown	Unknown	Unknown	Unknown
2/21/2022 9:27	Yes	White/European	Live but not work in EPA	Not applicable	English	60+
2/21/2022 11:18	No	Other	Tenant (multi-family)	The Westside	English	60+
2/21/2022 14:07	Yes	White/European	Other	Not applicable	English	60+
2/24/2022 8:35	Yes	White/European	Other	Not applicable	English	Unknown
2/24/2022 9:57	Yes	Hispanic/Latinx	Tenant (multi-family)	The Westside	English	25 - 29
2/24/2022 11:00	Yes	Unknown	Unknown	Unknown	Unknown	Unknown
2/24/2022 17:09	Yes	Hispanic/Latinx	Homeowner	The Gardens	English	40-59
2/24/2022 17:56	Yes	Unknown	Unknown	Unknown	Unknown	Unknown
	Yes	Unknown	Unknown	Unknown	Unknown	Unknown
2/24/2022 17:59	res	Unknown	UIIKIIOWII	UIIKIIUWII	UIIKIIUWII	UIIKIIUWII

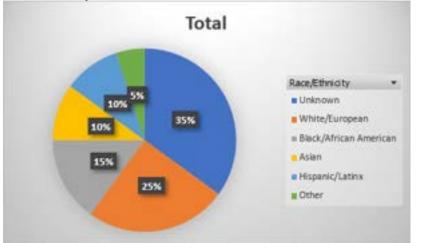
# Participant Demographics

### **Participation Rate:**



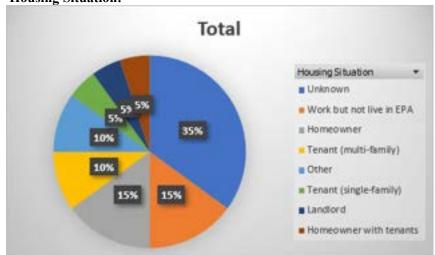
Out of the 39 registrants, 20 people total (51%) participated.

## **Race/Ethnicity:**

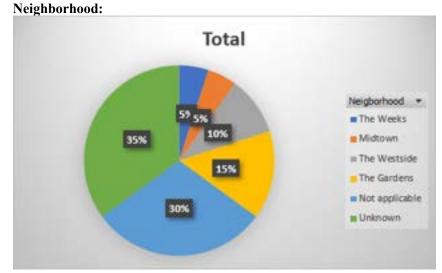


A larger share of participants was White/European and Black/African American.

## **Housing Situation:**

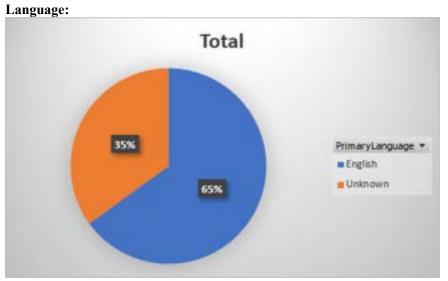


A larger share of homeowners participated compared to tenants.

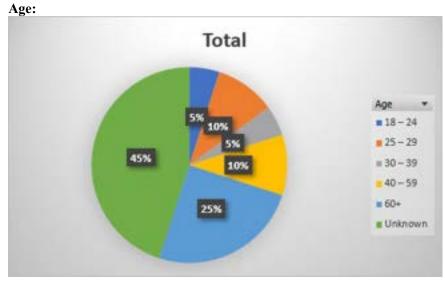


A larger share of participants indicated they live in The Gardens neighborhood, compared to other neighborhoods.

Appendix A: Public Outreach and Participation - Page 14



A majority of participants were English-speaking.



A larger share of participants were 60 years and older compared to other age groups.

## **Community Meeting #3** – May 5, 2022

## Registration & Participation Report

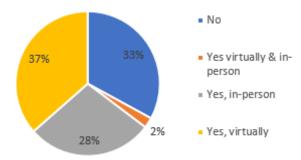
Registration					Language	
Time Participated	Race/Ethnicity	Housing Situation	Neighborhood	Age	Interpretation	Used Shuttle
4/28/2022 9:25 Yes, virtually	American Indian/Alaska Native	Unknown	Unknown	20 20	English	
4/28/2022 9:30 Yes, virtually	Black/African American	Work but not live in EPA	The Village	30 - 39	English	
Yes virtually &		T	T.T., 1	40 50	E	V
5/3/2022 13:20 in-person	Hispanic/Latinx	Tenant (multi-family)	Unknown	40 - 59	Español	Yes
5/3/2022 14:47 Yes, virtually	Black/African American	Homeowner Tonont (multi formilu)	The Gardens	60+ 30-39	English	
5/3/2022 15:07 Yes, virtually	Hispanic/Latinx	Tenant (multi-family)	Unknown		English	
5/3/2022 15:56 Yes, virtually	Hispanic/Latinx	Tenant (single-family/duplex)	Unknown	40 - 59	Español	
5/3/2022 19:13 Yes, virtually	Black/African American	Homeowner Other	Not applicable	60+	English	
5/4/2022 1:40 Yes, virtually	Hispanic/Latinx		Unknown	30 - 39	Español	
5/4/2022 12:20 Yes, virtually	Hispanic/Latinx	Tenant (multi-family)	The Westside	40-59	Español	
5/4/2022 15:00 Yes, virtually	Hispanic/Latinx	Work but not live in EPA	Not applicable	30 - 39	English	
5/4/2022 15:57 Yes, virtually	Native Hawaiian/Pacific Islander		Midtown	40 – 59	English	
5/5/2022 7:19 Yes, virtually	Unknown	Unknown	Unknown		English	
Yes virtually &	Native Hawaiian/Pacific Islander	II	Nat anyliashla	40 50	Tanaan	
5/5/2022 9:07 in-person		Work but not live in EPA	Not applicable	40-59 30-39	Tongan English	
5/5/2022 10:29 Yes, virtually	Asian Diasis/African American		Not applicable	30 - 39 60+		
5/5/2022 16:42 Yes, virtually	Black/African American Asian	Homeowner Landlord	The Gardens	60+ 60+	English	
5/5/2022 17:36 Yes, virtually	Asian		Not applicable		English	
5/5/2022 17:41 Yes, virtually	Unknown	Single family home landlord Unknown	Not applicable Unknown	40 – 59	English English	
5/5/2022 17:42 Yes, virtually	Unknown	Unknown	Unknown		English	
5/5/2022 17:49 Yes, virtually 5/5/2022 17:49 Yes, virtually	Hispanic/Latinx	Homeowner	Unknown	40 - 59	English	
5/5/2022 17:57 Yes, virtually	Black/African American	Work but not live in EPA	Unknown	40 - 39 30 - 39	English	
5/5/2022 17:57 Tes, virtually 5/5/2022 17:59 Yes, virtually	White/European	Homeowner	Unknown	30 - 39 40 - 59	English	
5/5/2022 17:59 Yes, virtually	Asian	Homeowner	Unknown	40 - 39 30 - 39	English	
5/5/2022 17:59 Yes, virtually	Asian	Work but not live in EPA	Not applicable	30-39 40-59	English	
5/5/2022 17:59 Tes, virtually 5/5/2022 18:05 Yes, virtually	White/European	Work but not live in EPA	Not applicable	40 - 59 40 - 59	English	
5/5/2022 18:05 Yes, virtually	Asian	Homeowner	The Gardens	40 - 59 40 - 59	English	
5/5/2022 18:05 Yes, virtually	Asian	Homeowner	Unknown	40 - 39 30 - 39	English	
5/5/2022 18:05 Tes, virtually	Hispanic/Latinx	Tenant (multi-family)	The Westside	30-39 30-39	English	
5/5/2022 18:31 Yes, virtually	Hispanic/Latinx	Other	The Gardens	40-59	English	
5/5/2022 18:32 Yes, virtually	Inspanie/Latinx	Unknown	Unknown	40-57	English	
5/5/2022 18:52 Yes, virtually	Hispanic/Latinx	Landlord	Unknown	40 - 59	English	
5/5/2022 19:12 Yes, virtually	Native Hawaiian/Pacific Islander		The Westside	30 - 39	English	
5/5/2022 19:40 Yes, virtually	White/European	Homeowner	Midtown	40 - 59	English	
4/28/2022 9:34 Yes, in-person	Asian	Homeowner	Not applicable	25 - 29	English	
5/2/2022 17:12 Yes, in-person	Hispanic/Latinx	Tenant (multi-family)	The Westside	40 - 59	English	Yes
5/3/2022 21:00 Yes, in-person	Black/African American	Unknown	Unknown	60+	English	
5/4/2022 19:48 Yes, in-person	Black/African American	Tenant (multi-family)	The Westside	40 - 59	English	
5/5/2022 8:51 Yes, in-person	White/European	Homeowner	Not applicable	60+	English	
5/5/2022 16:46 Yes, in-person	Asian, Hispanic/Latinx	Tenant (multi-family)	The Westside	25 - 29	English	
	Hispanic/Latinx, Native	(			8	
5/5/2022 16:49 Yes, in-person	Hawaiian/Pacific Islander	Other	Midtown	18 - 24	English	
5/5/2022 16:54 Yes, in-person			The Westside	18 - 24	English	
· / · ····						treach and Pa

4/28/2022 9:29 No	Black/African American	Tenant (single-family/duplex)	The Village	30 - 39	English	
4/28/2022 10:48 No	Black/African American	Tenant (multi-family)	The Westside	40 - 59	English	
4/28/2022 15:07 No	Other	Other	Not applicable	60+	English	
4/29/2022 19:10 No	Hispanic/Latinx	Tenant (multi-family)	Unknown	40 - 59	Español	
4/30/2022 11:10 No	Unknown	Unknown	Unknown	40 - 59	English	
4/30/2022 11:48 No	Hispanic/Latinx	Landlord	Not applicable	40 - 59	English	
5/1/2022 19:02 No	Hispanic/Latinx	Tenant (single-family/duplex)	Unknown	40 - 59	English	Yes
5/3/2022 8:28 No	Unknown	Work but not live in EPA	Unknown		English	
5/3/2022 14:22 No	Black/African American	Homeowner	Midtown	60+	English	
5/3/2022 14:52 No	Hispanic/Latinx	Tenant (single-family/duplex)	Unknown	25 - 29	English	
5/3/2022 14:57 No	Hispanic/Latinx	Tenant (single-family/duplex)	The Gardens	30 - 39	English	
5/3/2022 20:24 No	Black/African American	Homeowner	The Gardens	60+	English	
5/3/2022 20:24 No	Hispanic/Latinx	Tenant (multi-family)	The Village	40-59	English	
5/3/2022 22:55 No	Black/African American	Tenant (single-family/duplex)	The Gardens	40 - 59 40 - 59	English	Yes
5/4/2022 7:31 No	Hispanic/Latinx	Tenant (ADU)	The Westside	40 - 39 30 - 39	Español	Yes
5/4/2022 9:52 No	Black/African American	Homeowner	The Gardens	30-39 40-59	English	105
5/4/2022 11:07 No	Black/African American	Other	Unknown	40 - 39 40 - 59	English	
	Hispanic/Latinx		The Westside	40 - 39 25 - 29	English	Yes
5/4/2022 11:29 No		Tenant (multi-family) Other		23 - 29 30 - 39		res
5/4/2022 14:47 No	Hispanic/Latinx		Midtown		English	
5/4/2022 19:00 No	Hispanic/Latinx	Single family home landlord	The Gardens	40 - 59	Español	
5/4/2022 22:52 No	Hispanic/Latinx	Unknown	Unknown	30 - 39	Español	
5/5/2022 10:39 No	Hispanic/Latinx	Other	Midtown	40-59	Español	
5/5/2022 12:54 No	White/European	Homeowner	Unknown	30-39	English	
5/5/2022 16:40 No	Hispanic/Latinx	Tenant (multi-family)	The Westside	18 - 24	English	
5/5/2022 16:53 No	Hispanic/Latinx	Tenant (single-family/duplex)	Midtown	18 - 24	English	
5/5/2022 18:36 No	White/European	Homeowner	The Gardens	30 - 39	English	
5/5/2022 18:42 No	Unknown	Unknown	Unknown	40 - 59	Español	
5/5/2022 19:04 No	Hispanic/Latinx	Tenant (single-family/duplex)	Unknown	60+	English	Yes
5/5/2022 18:00 Yes, in-person	Hispanic/Latinx	Tenant	Unknown	18-29	English	Yes
5/5/2022 18:00 Yes, in-person	White/European	Homeowner	Unknown	50-69	English	
5/5/2022 18:00 Yes, in-person	White/European	Homeowner	Unknown	30-49	English	
5/5/2022 18:00 Yes, in-person	Native Hawaiian/Pacific Islander	Unknown	Unknown	30-49	English	
5/5/2022 18:00 Yes, in-person	Asian, Hispanic/Latinx	Unknown	Unknown	50-69	English	
5/5/2022 18:00 Yes, in-person	Asian, Hispanic/Latinx	Unknown	Unknown	50-69	English	
5/5/2022 18:00 Yes, in-person	Hispanic/Latinx	Tenant	The Westside	30-49	Español	
5/5/2022 18:00 Yes, in-person	Hispanic/Latinx	Tenant	The Westside	30-49	Español	
5/5/2022 18:00 Yes, in-person	Hispanic/Latinx	Tenant	The Westside	30-49	English	
5/5/2022 18:00 Yes, in-person	Black/African American	Tenant	Unknown	70+	English	
5/5/2022 18:00 Yes, in-person	Black/African American	Unknown	Unknown	50-69	English	
5/5/2022 18:00 Yes, in-person	White/European	Unknown	Unknown	30-49	English	
5/5/2022 18:00 Yes, in-person	Black/African American	Unknown	The Westside	50-69	English	
5/5/2022 18:00 Yes, in-person	Hispanic/Latinx	Unknown	Unknown	30-49	English	
5/5/2022 18:00 Yes, in-person	Hispanic/Latinx	Unknown	Unknown	30-49	English	
5/5/2022 18:00 Yes, in-person	Black/African American	Unknown	Unknown	50-69	English	
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## Participant Demographics

#### **Participation Rate:**

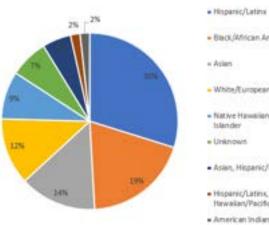
# Participation



Of the 85 registrants, 67% participated (24 participated in-person, 31 participated virtually, and 2 participated both in-person and virtually).

#### **Race/Ethnicity:**

Race and Ethnicity



- Black/African American White/European Native Hawaiien/Pacific Asian, Hispanic/Latinx
- Hispanic/Latinx, Native Hawaiian/Pacific Islander
- American Indian/Maska Native

Photos from May 5, 2022, Hybrid (In-Person and Virtual) Community Meeting



# Housing Element Community Meeting #3 (English & Spanish)

NOT YET RATED

5 months ago | More
City of East Palo Alto

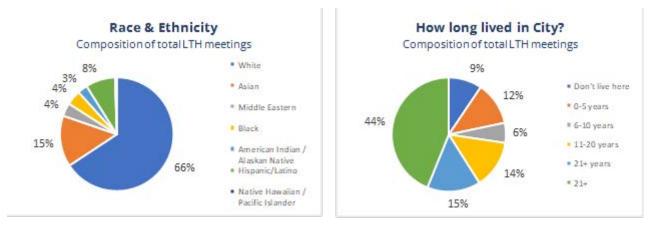




# A5 COUNTYWIDE MEETING SUMMARY

A series of countywide meetings about the Housing Element update were held from March to May 2021. Each meeting provided community members with an introduction to the Housing Element update, why it matters, information on the Let's Talk Housing outreach effort and countywide trends. Breakout room discussions with individual cities and towns followed.

#### Who We Heard From



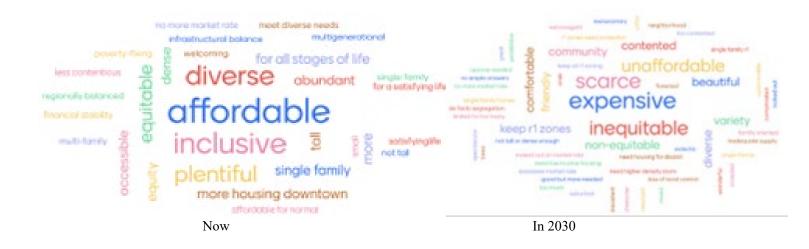
In total 1,024 registered for the series and 264 registered for the All About RHNA meeting. Of those who registered for the series, the majority identified as White (66%) or Asian (15%) and were 50 years or older; nearly half were 50 to 69 years old and almost a fifth were over 70. Almost half had lived over 21 years in their homes, and three-fourths owned their own homes.

East Palo Alto was part of the May 30th introductory meeting, along with Burlingame, Hillsborough, Millbrae, and San Mateo City. Due to technical difficulties, a second meeting was held on <sup>M</sup>ay 6th.One person who lives in East Palo Alto registered as a participant. She was a renter who had lived in the City between 0 and 5 years. Demographically, she was a White woman between the ages of 50 and 69. This is not an appropriate sample of the participants, however, because between 10 and 15 people participated in the breakout room.

#### What We Heard

#### Main Meeting

People were asked to share a word in the chat describing housing now at the beginning of the meeting, and the housing they envisioned in their communities ten years from now.



#### Breakout Session

There was a lively discussion with approximately 10-15 people in attendance. There was a feeling that East Palo Alto was doing a lot, with one participant saying, "It seems like EPA is the most ambitious City on the peninsula," but that a lot is not enough. The primary concern heard from the group was the lack of affordable housing. This applied to both housing for extremely low-income households as well as moderate income/ownership opportunities. There was support for tiny homes and looking at employers to do more.

#### Post Event Survey

The post-event survey reflected the variety of opinions on issues ranging from a desire to preserve communities as they are, to an appeal for more and diverse housing everywhere in the county. Despite the technical difficulties, community members responded that they valued the space and the information provided within it and looked forward to spaces where more meaningful and engaged discussion could take place.

# **A6 SURVEYS REPORT**

#### Whiteboard Survey

#### Results

#### Input on July 19, 2021, Community Meeting

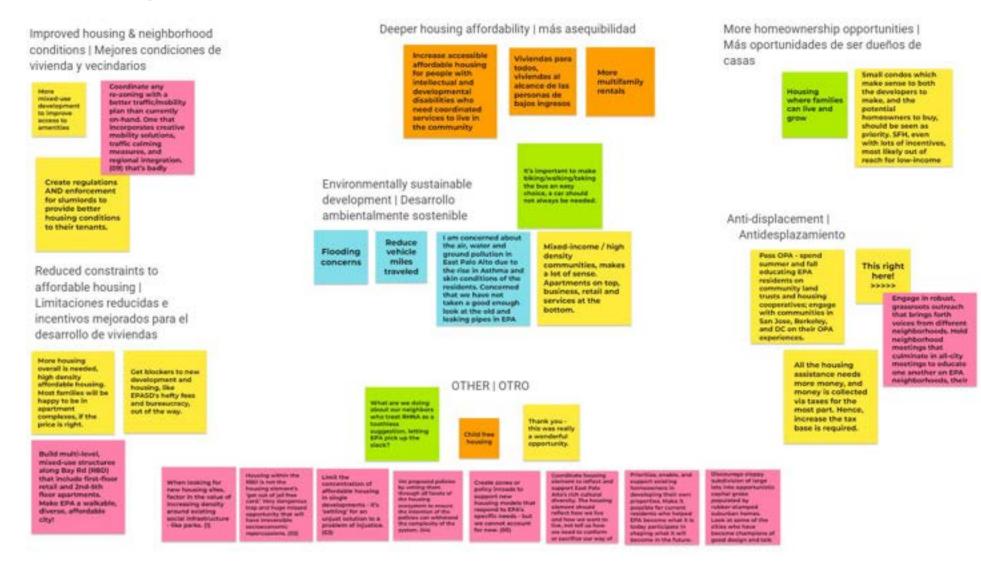


Note: Clearer version of sticky note responses is unavailable.

#### Jamboard Survey

Results

#### Slide 1 – Input from May 5, 2022 – July 7, 2022



#### Slide 2 - Input from February 24, 2022 – July 7, 2022



#### Survey Themes

- Improved housing & neighborhood conditions
- Deeper housing affordability
- More homeownership opportunities
- Reduced constraints to affordable housing
- Environmentally sustainable development
- Anti-displacement

Slide 3 - Input from February 24, 2022 – July 7, 2022



Please add sticky notes or shapes on this map where you'd like to see new housing development

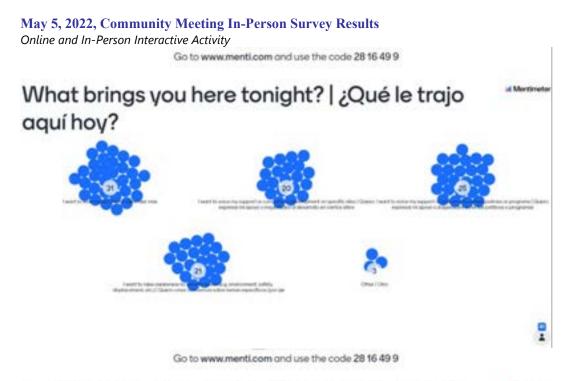
Favor de añadir notas adjesivas o figuras en este mapa en lugares donde le gustaría ver viviendas nuevas.



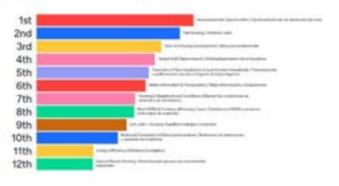
Slide 4 - Input from February 24, 2022 – July 7, 2022



Please add sticky notes on this map where you'd like to see new housing development Favor de añadir notas adjesivas en este mapa en lugares donde le gustaría ver viviendas nuevas.



Rank Housing Policies and Programs | Cree un Orden de Importancia para las Políticas y Programas de Viviendas

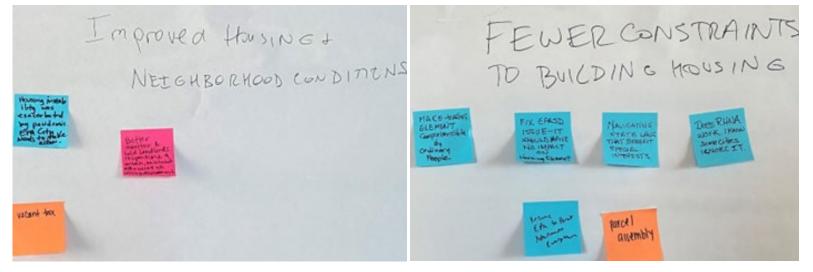


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4 Montimuter

In-Person Post-It Activity





Appendix A: Public Outreach and Participation - Page 12

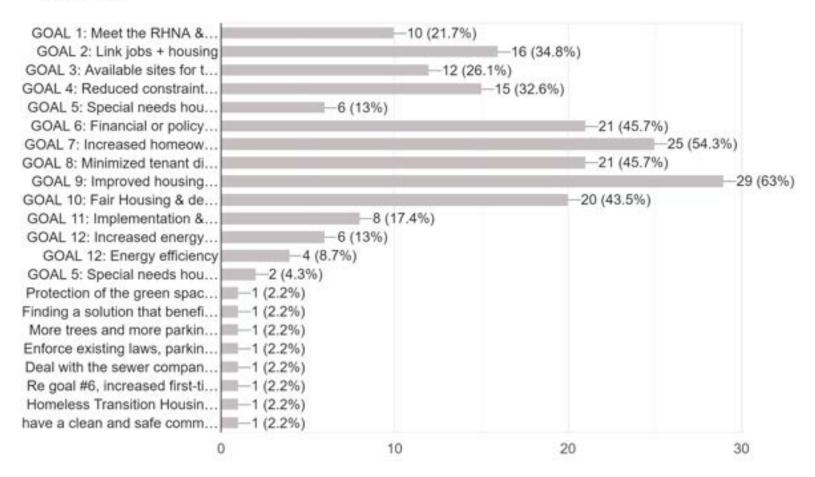
# **Policies and Programs Survey**

#### Survey Results

- 1. Which of the following goals is most important to you?
  - GOAL 1: Meet the RHNA & produce all housing types
  - GOAL 2: Link jobs + housing
  - GOAL 3: Available sites for the development of housing
  - GOAL 4: Reduced constraints & enhanced incentives for housing development
  - GOAL 5: Special needs housing
  - GOAL 6: Financial or policy assistance to low-income households
  - GOAL 7: Increased homeownership opportunities
  - GOAL 8: Minimized tenant displacement
  - GOAL 9: Improved housing & neighborhood conditions
  - GOAL 10: Fair Housing & decent, safe living environments for all
  - GOAL 11: Implementation & use of housing policies
  - GOAL 12: Energy efficiency
  - OTHER (written responses):
    - Protection of the green space and wildlife habitat especially on the West Side
    - Finding a solution that benefits both tenants and homeowners
    - More trees and more parking spaces
    - Enforce existing laws, parking on sidewalks, speeding and reckless driving, animal control, noise violations, fireworks, housing code enforcement etc...
    - Deal with the sewer company issues that have prevented housing or that will make lowincome folks pay for new sewer lines. Crazy!
    - *Re goal #6, increased first-time homeownership opportunities specifically for low-income, long-time residents and young people through policies like TOPA/COPA and more.*
    - Homeless Transition Housing plus integrated social services
    - Have a clean and safe community where the law is enforced

# Which of the following goals is most important to you?

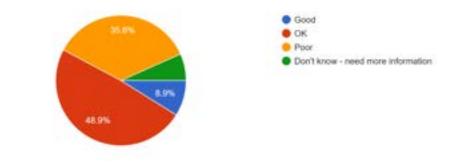
46 responses



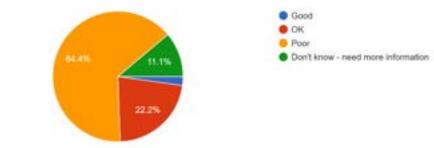
Goal 1: Sufficient numbers and varieties of housing units (houses, townhomes, condominiums, and apartments) needed to: meet the State's mandate to replace affordable units/bedrooms demolished due to Redevelopment Agency action; address the City's Regional Housing Needs Determination; and facilitate housing development for all incomes segments within East Palo Alto, including extremely low-, very low-, low-, moderate-, and above-moderate income housing.

GOAL 2: Balanced development that links housing to jobs.

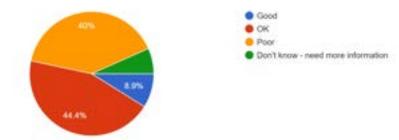
Overall, how would you rate the City's performance on this goal? 45 responses



Overall, how would you rate the City's performance on this goal? 45 responses



Overall, how would you rate the City's performance on this goal? 45 responses



GOAL 3: Available residential sites for the development of a range of housing types.

GOAL 4: Reduced constraints and enhanced incentives for housing development within the City, particularly in regard to affordable housing.

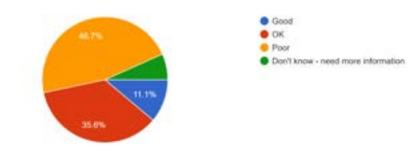
GOAL 5: Adequate housing for special needs groups in the City, including

seniors, physically challenged, HIV positive or living with AIDS, homeless, at-risk youth (leaving the foster care system), small and large families,

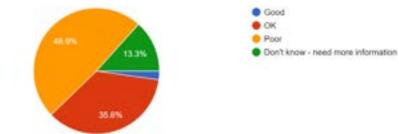
veterans, farm workers, people with developmental disabilities, and female

headed households.

Overall, how would you rate the City's performance on this goal? 45 responses

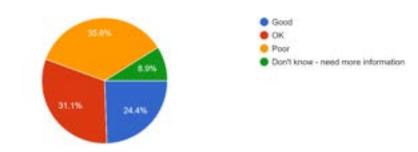


Overall, how would you rate the City's performance on this goal? 45 resonnes



GOAL 6: Financial and policy assistance for low- and moderate-income households to ease housing cost burden and overcrowding.

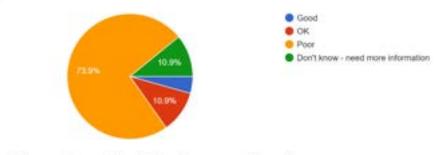
Overall, how would you rate the City's performance on this goal? 45 responses



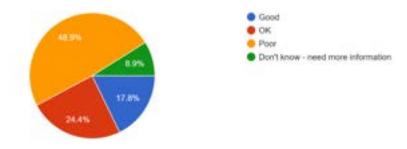
Appendix A: Public Outreach and Participation - Page 16

GOAL 7: Increased homeownership opportunities for income-qualified households (focused on existing residents and workers in East Palo Alto).

Overall, how would you rate the City's performance on this goal? 46 responses

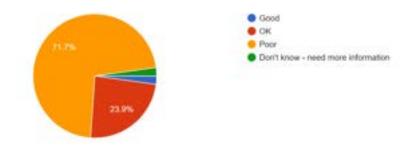


Overall, how would you rate the City's performance on this goal? 45 responses



GOAL 9: Improved Housing and Neighborhood Conditions in East Palo Alto.

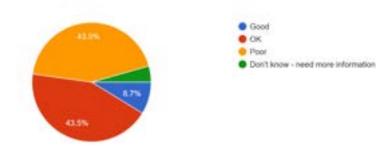
Overall, how would you rate the City's performance on this goal? 46 responses



Appendix A: Public Outreach and Participation - Page 17

GOAL 8: Minimized Displacement of Renter.

GOAL 10: Decent, safe living environments for City residents regardless of age, gender, race, color, ancestry, national origin, familial status, marital status, sexual preference, religion, disability, language, or any other arbitrary factor.

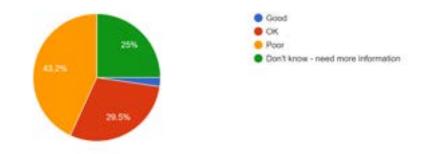


GOAL 11: Implemented housing policies and broad participation in associated programs.

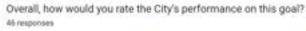
Overall, how would you rate the City's performance on this goal? 44 responses

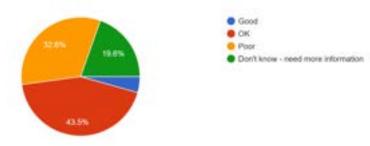
Overall, how would you rate the City's performance on this goal?

46 responses



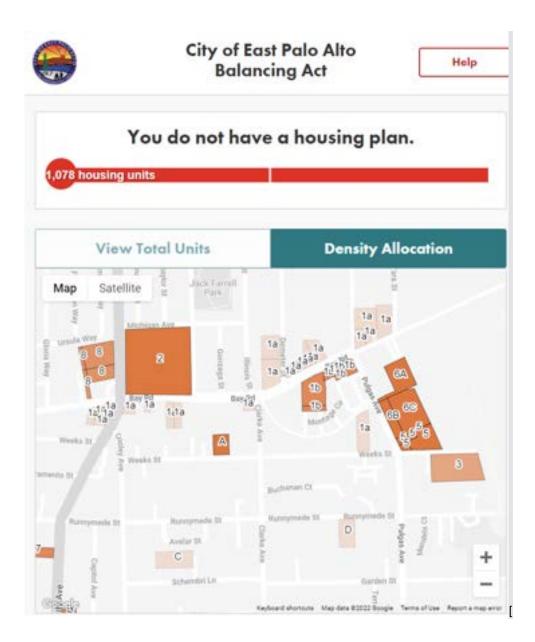
GOAL 12: Increased energy efficiency in existing and new housing development, in part as a means of reducing housing cost.





# **Balancing Act Survey**

Balancing Act Page Preview



## Sample Survey Questions

You do not have a housing plan.

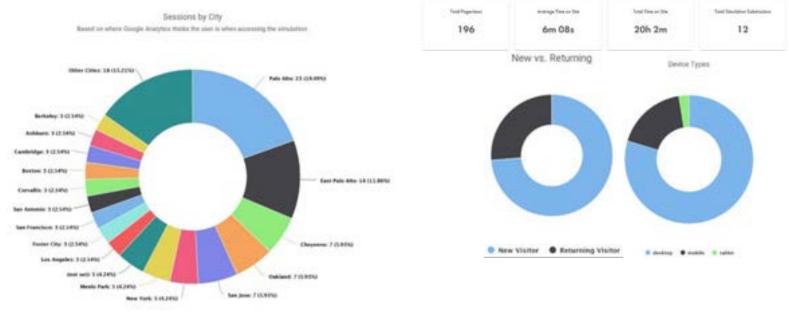
**Density Allocation** 

View Total Units Density Allocation	n	Ravenswood Business District Potential Redevel     Sites: 0 housing units (i)	- Prine in
Density Allocation Ravenswood Business District Potential Redevelopment		1a - RBD Zoned for Housing: 0 housing units (i) How many housing units should be built on these RBD sites	0 housi <u>0 housi</u>
Sites: O housing units (1) Ravenswood Business District Potential Housing	ĺ	zoned for housing? No housing units	0 housi
Development: 0 housing units (1)	,	<ul> <li>Lower density (1)</li> <li>Higher density (1)</li> </ul>	1 2
Pulgas East Potential Housing Development: 0 housing units (1)	>	1b - RBD Zoned for Housing: 65 dwelling units per acre (i) How many housing units should be built on these RBD sites	0 housi <u>0 housi</u> 0 housi
Public Sites: 0 housing units Bay Road Corridor: 0 housing units	>	zoned for housing? No housing units	
University Corridor: 0 housing units	>	<ul> <li>Lower density (1)</li> <li>Higher density (1)</li> </ul>	2
Weeks Neighborhood: 0 housing units	>	2 - Four Corners: 86 dwelling units per acre (1) How many housing units should be built on this Four	0 housi 0 housi 0 housi
Mid-Town/Palo Alto Park Neighborhood: 0 housing units Total 0 housing units	>	Corners site zoned for housing? No housing units	
reiter o noosing units		<ul> <li>Lower density (i)</li> <li>Higher density (i)</li> </ul>	

#### **Performance** Analytics

The City of East Palo Alto received the second-highest engagement compared to other California cities participating in this simulation tool, with 12 unique respondents total.

Extensive outreach via the City's website, City newsletters, direct email communications, social media, and in-person flyer distribution helped us receive 196 page views for a total of 20 hours of site use; despite these efforts, the response rate was only 6%. This outcome illustrates the challenges of engaging residents through tools that require technological knowledge.



#### Balancing Act Survey Respondent Demographics

	Resident	Age	<b>Race/ Ethnicity</b>	Neighborhood	Housing Situation
1	Yes	40 - 59	Other	Westside	Tenant (single-family/duplex)
2	Yes	30 - 39	Asian	Westside	Homeowner
3	Yes	40 - 59	White/European	Gardens	Homeowner
4	Yes	40 - 59	White/European	Gardens	Homeowner
5	No	60+	White/European	Not applicable	Work in EPA but live elsewhere
6	Yes	60+	White/European	Unknown	Single family home landlord
7	Yes	60+	White/European	Unknown	Homeowner
8	No	40 - 59	White/European	Not applicable	Work in EPA but live elsewhere
9	Yes	Unknown	Unknown	Unknown	Homeowner
10	Yes	40 - 59	Other	Village	Tenant (single-family/duplex)
11	Yes	30 - 39	Hispanic/Latinx	Unknown	Tenant (single-family/duplex)
12	Yes	40 - 59	Hispanic/Latinx	Unknown	Other

## Balancing Act Survey Results

The following table summarizes the Balancing Act survey results:

East Palo Alto Balancing Act Sites Inventory Survey Results					
	Respondents Choosing "Higher Density"	Respondents Choosing "Lower Density"	Respondents Choosing "No housing"	Average Unit Count Selected–	
1a - RBD Zoned for Housing	75%	25%	0%	592 –	
1b - RBD Zoned for Housing	50%	50%	0%	127–	
2 - Four Corners	67%	25%	8%	397–	
3 - South of Weeks	42%	25%	25%	80–	
4 - EPA Waterfront	25%	33%	42%	152–	
5 - Harvest Affordable Housing Proposal	42%	0%	17%	73 –	
6A - Pulgas East Site 1	42%	17%	42%	57 –	
6B - Pulgas East Site 2	42%	17%	42%	53 -	
6C - Pulgas East Site 3	58%	25%	17%	123–	
7 - City of East Palo Alto	50%	8%	42%	13–	
8 - San Mateo County Government Center	17%	17%	67%	39–	
9 - Ravenswood School District	42%	25%	33%	104–	
A - Weeks Street	50%	33%	17%	37–	
B - University Avenue	83%	0%	17%	11–	
C - Schembri Lane	33%	42%	25%	7–	
D - Runnymede Street	33%	33%	33%	6–	
E - Green Street 1	33%	42%	25%	6–	
F - Green Street 2	33%	42%	25%	4	
G - Donohoe Street	50%	25%	25%	7–	
H - East Bayshore	58%	17%	25%	8	

The Balancing Act survey results demonstrate there is more appetite for housing. Most residents supported higher density housing on the Ravenswood/Four Corners Specific Area Plan sites. A majority (50% or more) also supported higher density on the following sites:

- a. Pulgas Street East Site 3 (APN 63240310)
- b. East Bayshore site (807 East Bayshore)
- c. Weeks Street site (851 Weeks Street)
- d. Donohoe Street site (801 Donohoe Street)
- e. City of East Palo Alto site (2277 University Avenue)

An overwhelming majority supported higher density along University Avenue, and a large majority (67%) did not support housing on the San Mateo County Government Center site at 2415 University Ave., where the East Palo Alto City Hall is currently located. Due to community input, and later conversations regarding feasibility on the site, 2415 University Ave. was not included in the sites inventory for future development.

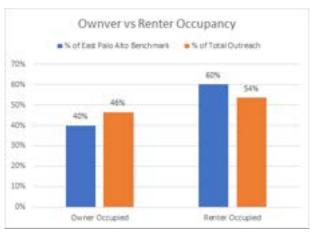
### **Intercept Survey**

### Survey Results

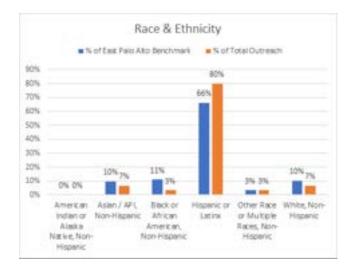
On June 18, 2022, and June 15, 2022, we spoke with 30 East Palo Alto residents in-person at East Palo Alto Community Farmer's Markets and received further input on housing density and future housing development. Of the 30 residents we engaged, 53% indicated they wanted to see higher-density housing, 20% indicated they wanted to see lower-density housing, and 24% indicated they would visit the City website to learn more. Residents also expressed their thoughts and opinions on the proposed sites inventory, and common input included the need for more affordable housing, ensuring there is a jobs-housing balance, ensuring new jobs do not create displacement pressures on current residents, creating new units that have better habitability, and ensuring there is enough parking.

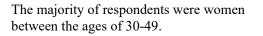
### Respondent Demographics

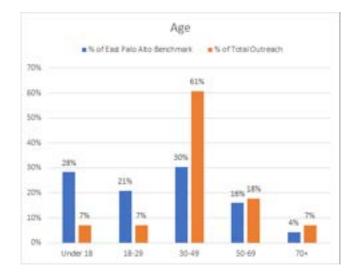
Of the 30 respondents, approximately 13 were homeowners, 15 were tenants, and 2 were young people under the age of 18 and living with their parents.



The majority of respondents (80%) were monolingual Spanish-speakers.







# **A7 - EQUITY ADVISORY GROUP INPUT**

Following a series of Housing Element presentations by San Mateo County jurisdictions to the Equity Advisory Group (EAG), some members of the EAG followed up to 21 Element jurisdictions with a collaborative letter to send all their Housing Element feedback summarized in one letter. The following is the letter in its entirety:

To the 21 Elements team and all San Mateo County jurisdictions,

The Equity Advisory Group exists to help San Mateo County jurisdictions implement policies that promote fair housing choice and access to opportunity for members of historically marginalized groups. We are a group of service providers and housing activists, convened to inform equitable policy making in housing elements. Thank you to the 21 Elements team for promoting the EAG and thank you to the City staff that are giving us this opportunity to share our perspectives.

With this letter, the EAG proposes specific policies San Mateo County jurisdictions can implement to promote equity through their housing elements. These policies were selected by EAG members because of their proven track record for promoting equity goals, primarily the production of affordable homes and protection of renters. As service providers and advocates, we take a broad approach to housing equity. To us, equity means that everyone in a community, regardless of background, has access to safe, stable, affordable housing.

However, housing equity does not stop at a jurisdiction's borders. True equity means that no one is excluded from a community because of lack of access to housing. "Lack of access" can come in many forms, whether that be physical inaccessibility, language barriers, distance from community resources, or prohibitive cost. In order to ensure that no one is excluded from a community, jurisdictions must affirmatively promote fair housing for all by regularly changing regulations to facilitate a wider range of housing types.

In practice, equity can be controversial, because increasing equity sometimes requires changes to status quo policies. We see this process as an opportunity for jurisdictions to commit to implementing new policies with the support of the state of California behind you.

#### **Policy Recommendations**

Guidance from HCD on how to affirmatively further fair housing states that jurisdictions must promote fair housing choice and access to opportunity in their goals, policies, and programs. HCD defines fair housing choice as encompassing:

- Actual choice, meaning the existence of realistic housing options
- Protected choice, meaning housing that can be accessed without discrimination; and
- **Enabled choice**, meaning realistic access to sufficient information regarding options so that any choice is informed.

Jurisdictions cannot meet the requirement to promote fair housing choice and access to opportunity without first completing a thorough and meaningful assessment of the housing needs of residents, including factors which may limit fair housing choice as well as both governmental and non-governmental constraints to housing production. Jurisdictions should complete all relevant analyses before formulating their policies and programs. As such, appropriate policies and programs for each jurisdiction will vary based on the needs of your specific community.

Below is a list of general policies which the EAG would recommend as a minimum to Affirmatively Furthering Fair Housing in your jurisdiction. Programs to implement these policies, as defined by HCD, must include concrete steps, timelines, and measurable outcomes.

Policy	Description	How does it AFFH?
Just cause eviction, relocation benefits, and first right of return	Tenant protections beyond state law. (Ex: Oakland Just Cause for Eviction Ordinance; Redwood City Relocation Assistance Program, LAHD Rent Stabilization Ordinance)	Implemented in tandem, this set of policies can protect lower-income tenants living in NOAH who are evicted through no fault of their own, providing them the resources to relocate or the option to first right of return.
Prioritize City affordable housing funds, City-owned land, and land dedicated to affordable housing for projects which include more units at deeper levels of affordability or for special needs populations at greatest risk of homelessness or displacement.	Scoring guidelines for RFPs for these City resources should give greater preference for projects which include more units at deeper levels of affordability or target special needs populations.	In 2021, the SMC HSA Center on Homelessness reported that 96% of Homeless Outreach and Shelter Clients were extremely low income. Jurisdictions cannot begin to address the needs of the unhoused and other at-risk populations without addressing the lack of deeply affordable housing.
Expand local funding sources for development of affordable housing	Can include policies such as commercial linkage fees, vacancy taxes, transfer tax, etc. (Ex: San Jose Measure E)	Most affordable housing projects require a source of gap funding in order to be financially feasible, especially if they are targeting deeper levels of affordability. Local investment in these projects can also make them more competitive for state and federal funding.

Rent stabilization	Tenant protections beyond state law. (Ex: Oakland Rent Adjustment Program, LAHD Rent Stabilization Ordinance)	Stagnant wages for the lowest income residents have not kept pace with rising housing costs, becoming one of the largest contributors to our current housing crisis. Local rent control with greater protections beyond state law will help to keep more lower income renters stably housed.
Fee exemptions for 100% affordable housing projects		According to the 21 Elements Fee Survey, jurisdictions charge fees ranging from \$6,824- \$167,210 per

		unit in multifamily housing. These additional fees can make many affordable housing projects, which rely on public subsidy, infeasible. Waiving or lowering fees for 100% affordable housing projects can promote the production of more affordable housing across a spectrum of income levels.
Allow exceptions to development standards for 100% affordable housing projects	Can include but is not limited to reduced/waived parking requirements, Minimum lot sizes, widths, setbacks, etc. (Ex: Half Moon Bay)	Many projects utilize State Density Bonus Law (SDBL) to increase financial feasibility of projects through incentives and concessions. Local exceptions to development standards for 100% affordable housing projects increase feasibility above and beyond what would be enabled through SDBL.
Implement inclusive design standards	Implement design standards beyond state and federal law to increase cross-disability access to housing (Refer to The Kelsey's <u>Housing Design</u> <u>Standards for Inclusion and</u> <u>Accessibility</u> )	While landlords are required to approve reasonable accommodations requested by persons with disabilities, often the burden of financing physical modifications of a unit falls upon the tenant, many of whom cannot afford these expensive renovations. Inclusive design can significantly reduce requests for reasonable accommodations and lower overall costs of modifying units. Inclusive design also supports cross-disability access.

Increase language accessibility	Require affirmative marketing of units to non- English speakers, make multilingual applications available and perform active outreach to newly arrived immigrants and refugees.	Language can create one of the highest barriers to access for affordable housing. Affirmative marketing to non-English speakers will ensure all members of our communities can access the resources available to them, regardless of country of origin.
Promote fair housing information to residents	Provide residents with information about renter protections and monetary relief available to victims of unlawful housing practices. Post information in easily	Renters are often unaware of the protection and resources afforded them under California state law. Jurisdictions can help promote fair housing by proactively ensuring that renters are aware of their rights.
	available locations on jurisdiction websites and send regular mailers to renters within the community.	
Analyze past racially discriminatory policies and report data regarding ongoing impacts	<ol> <li>Conduct a systematic review of the preliminary title report and eradicate any language of racially restrictive covenants.</li> <li>Provide information re: location and ratio of renters and owners and their correlation with the patterns of racial and ethnic segregation in San Mateo County.</li> <li>Provide information re: demographics and environmental health – identify disparities in access to environmentally healthy neighborhoods.</li> </ol>	Jurisdictions are most likely to reduce the racial homeownership gap if they actively identify the ways in which past racially restrictive regulations and current barriers to affordable housing create our socioeconomic disparity in home ownership. Home ownership is one of the most powerful vehicles for multigenerational economic security. Employing a health-equity lens throughout planning and re-zoning efforts will further fair housing policy goals.
Affordable housing overlay for nonprofits and religious institutions	Create a housing overlay allowing at least the local minimum density (20 or 30 du/ac) on all nonprofit- or religious institution-owned land throughout the entirety of jurisdiction. Relax design standards and zoning regulations for projects with 20% extremely low income, 30% very low	Jurisdictions promote equity when they allow affordable, multi-family housing in new areas. Nonprofits and religious institutions have strong incentives to promote affordable housing development. By facilitating affordable housing on land owned by religious institutions, regardless of local zoning, jurisdictions can help those institutions accomplish their missions of

	income, or 50% low-income units.	providing for the needy while also affirmatively furthering fair housing in new areas.
Accessible housing near transit	Reduce parking minimums for developments within 0.5 miles of transit. Eliminate parking minimums entirely for developments within 0.5 miles of transit that serve residents with disabilities and low-, very low-, or extremely low-income households.	Parking minimums raise the price of housing and de facto subsidize car ownership. Especially when located near transit, these policies impose a significant burden on housing. In the cases of low-income households, which can typically afford no or limited car ownership, and the disabled, these policies become entirely superfluous.

The Equity Advisory Group recommends that every jurisdiction in San Mateo County implement these proposals to the best of their abilities. Implementing these policies will demonstrate your community's commitment to affirmatively furthering fair housing for all.

Thank you for your consideration, Kalisha Webster Senior Housing Advocate, Housing Choices

Hyun-mi Kim Housing Advocacy Director, Puente de la Costa Sur

Jeremy Levine Policy Manager, Housing Leadership Council

#### Signed on behalf of the 21 Elements Equity Advisory Group

# A8 PUBLIC REVIEW PERIOD

Table A8.A summarizes the comments received during the public review period between August 29, 2022, and October 3, 2022, and how they are addressed in the Housing Element. An additional comment letter was received after the review period, on November 22, 2022, and is also included below.

	Table A8.A: Comments During First Public Review Period				
Date	From	Summary	How It Is Addressed		
9/29/2022	Victoria Wong, MidPen Housing	Asks for clarifying language regarding City capital improvements and water line upgrades that will benefit the 965 Weeks development project.	Clarifying language was added.		
9/29/2022	Melissa Borgesi, Midpeninsula Regional Open Space District	Comments on development in the Ravenwood Business District/4 Corners Specific Plan. Asks for additional park and open space requirements within RBD/4 Corners Specific Plan because new housing in the area can exasperate demand in visitation. Recommends several active transportation options when integration parking reduction.			
9/30/2022	Corinne I. Calfee, Opterra Law Inc. representing Sand Hill Property Company	Highlights importance of entitled and highly probable projects getting entitled and built. Comments on probability of two major development projects. Comments on processing times being longer and need for streamlining.	City Council approved Woodland Park Euclid Improvements Development Project on <u>November 15, 2022</u> . which required General Plan/zoning amendments to significantly increase density, an EIR, a tenant relocation plan, infrastructure improvements, and a development agreement. City is prioritizing streamlining development.		
9/30/2022	Keith Diggs, YIMBY Law	Commends City for doubling lower-income allocations. Offers support if state law does not offer right of return support for displaced residents. Water is more important than design review. Also, need for shorter process times for new apartments.	City is prioritizing streamlining development. City also recently adopted Master Water Plan (on <u>October 4, 2022</u> ). More		

			discussion around water was added.
9/30/2022	Jeanne Yu, resident	Comments on programs and policies recommended for non- profits to own, acquire, and build property and land. Asks that nonprofits not interfere with home selling process.	City is still studying program; no decision has been made.
9/30/2022	Kevin Keating, 14-year resident	Comments on density and zoning. Asks for re-evaluation of lots zoned higher density or urban residential near single family neighborhoods. Asks that higher density be along major thoroughfares (University Ave/Bay Road), close to transit and major arteries.	Housing opportunity sites take into consideration transit concerns.
9/30/2022	Moana Kofutua, Youth United for Community Action	Asks for Spanish and Tongan translation and simplification of the Housing Element documents. Wants clarity on why many affordable housing developments have not shown promise for community members.	City Language Access Plan is under way. City is prioritizing development of extremely and very low-income units in alignment with community needs.
9/30/2022	Julian Sierra, Youth United for Community Action	Suggests breaking down abbreviations, translation in Spanish and Tongan, and simplification of wording. Asked for more details on water sources. Asks for more City staffing. Recommends community forum to actively dismiss misinformation.	City Language Access Plan is under way. Abbreviations were broken down. Water sources details were added. City staffing is mentioned.
9/30/2022	Dani Montes, Youth United for Community Action	Recommends focusing on incentivizing building affordable ADUs.	Plan for ADU streamlining and incentives is in Policies and Programs.
9/30/2022	Hailey Romero, Youth United for Community Action	Comments on need for better marketing of affordable housing units. Comments that the average housing income in East Palo Alto is lower than the moderate and above moderate incomes. Comments on project delays generally.	Program for improved dissemination of information is in the City's housing plan. City is prioritizing streamlining development.
9/30/2022	Estefani Ruiz, Youth United for Community Action	Comments on need for translation of City fliers and notices.	City Language Access Plan is under way.

9/30/2022	Jaliyah Minor, Youth United for Community Action	Comments on need for quality education, and prioritizing ADUs.	Plan for ADU streamlining is in Policies and Programs.
9/30/2022	Ingrid Ruiz, Youth United for Community Action	Questions how moderate and above moderate housing will benefit the community if the majority of East Palo Alto residents are low-income. Comments on need for more affordable housing. Asks for accountability in carrying out Housing Element.	City is planning for moderate and above moderate housing to comply with RHNA 6 requirements.
9/30/2022	Ivan Valencia, Youth United for Community Action	Comments on need for better quality education and addressing displacement and gentrification. Suggests simplifying Housing Element language.	Plan to address displacement and gentrification is in Policies and Programs. Abbreviations were broken down for greater access.
9/30/2022	Xenia Hernandez, Youth United for Community Action	Comments on translation need for Spanish and Tongan speakers to make the Housing Element more inclusive.	City Language Access Plan is under way.
9/30/2022	Fernando Medrano, Youth United for Community Action	Comments on need to advertise new low-income housing (for LightTree apartments and Weeks).	Program for improved dissemination of information is in the City's housing plan.
9/30/2022	Filiberto Zaragoza, Youth United for Community Action	Comments on need for lower income units, rather than moderate and above moderate units because East Palo Alto is a low-income community. Comments on need for programs that support families in becoming homeowners.	City is planning for moderate and above moderate housing to comply with RHNA 6 requirements. Program for homeownership opportunities is in the City's housing plan.
10/3/2022	Harvey McKeon, NorCal Carpenters Union 217	Comments on Four Corners and the Ravenwood Business District Specific Plan Area. Asks that the City's CEQA analyze the impacts resulting from construction-related employment and the environmental impacts on the Project's construction workers.	Environmental review of RBD/4 Corners Specific Plan Area is underway.

11/22/2022	т т •		
11/22/2022	Jeremy Levine,	Comments on City's progress toward RHNA 6.	See Appendix D for
	Housing	Examines sites inventory and constraints. Requests	additional evidence for
	Leadership	additional evidence for realistic development on non-vacant	realistic development on non-
	Council of San	sites. Comments that projected affordability levels of units	vacant sites.
	Mateo County	at 2277 University Ave might be too low and financially	2277 University Ave
		infeasible. Requests 560 Bell rezoning to "Mixed-Use	assumptions based on
		High" to match surrounding area. Requests Bay Rd. site	potential site merger. 560 Bell
		rezoning to MUC-1 to facilitate school district development	removed from sites inventory
		of site. Requests City commits to rezoning EPA Waterfront,	For FARs, setbacks, etc., sites
		1103 Weeks St., and 1200 Weeks St., and reduce the	may be subject to density
		number of very low- and low-income units to include a	bonus law, which creates
		proportion of moderate and above-moderate income	more flexibility. The City will
		housing. Recommends following changes to governmental	continue to convert subjective
		constraints: 1) increasing FARs; 2) reducing rear setbacks	standards to objective
		for high-density areas; 3) make firm commitments to	standards, which will create
		reduce discretionary approval times.	more certainty and efficiency.
		Evaluates goals, policies, and programs, and provides	Policies and Programs
		recommendations to remove constraints. Requests direct	updated to reflect
		connection to identified needs, governmental constraints,	commitment to reducing
		and sites inventory.	governmental constraints.

Table A8.B summarizes the comments in the months of January and February 2023, after releasing a revised draft of the Housing Element for additional public review. A second revised draft was released on January 17, 2023, before a Planning Commission discussion of the Housing Element on January 23, 2023, and a third revised draft was released February 6, 2023, for a 7-day review period.

Table A8.B: Comments During Second Public Review Period			
Date	From	Summary	How It Is Addressed
1/17/2023	Jeremy Levine, HLC-SMC	Sought response to letter from City Council	Responses included in Appendix A8.A
1/23/2023	Federico Andrade Garcia, resident	City should focus on production of multi-family housing rather than preservation of single-family dwellings. City should "think outside the box" and have mixed-use developments with apartments over retail or markets. Retail is far away; people need to get in their cars. Stop impacting single family homeowners with OPA and search for other solutions that benefit everyone.	City is encouraging mixed-use development along the University corridor and in the Ravenswood Business District/Four Corners Specific Plan Area. OPA is policy consideration for housing preservation and is only in exploratory stage.
1/25/2023	Corie Calfee, Opterra Law Inc. representing Sand Hill Property Company and Woodland Park Communities	Process unclear and confusing. Public review period needs to extend to full 7 days. No agenda posted for noticed January 24 City Council meeting. Need accurate, clear information. Comments regarding 1) Governmental Constraints to Housing, and 2) Feasibility/Likelihood of Development. Regarding 1) Governmental Constraints: a) Housing Element does not address infeasibility of inclusionary housing ordinance due to high level of inclusionary housing and deep affordability; it creates cost burden and threatens viability of market rate rental projects. Euclid Improvements had to seek alternative compliance to attempt to make project feasible. City considering onerous requirements for projects in RBD that will make housing construction expensive; b) processing time for Euclid Improvements project took 46 months for submission of required entitlements pre-application, and City required 20 public meetings to approve. c) Four Corners project in process also long. Not clear how average	Inclusionary housing ordinance and business license tax added to governmental constraints. Note that these policies and programs help affirmatively

		processing time is lower; d) business license taxes are governmental constraint. Regarding 2) Feasibility/Likelihood of Development within Housing Element Cycle: a) Housing Element should rely on projects expected to be developed during planning period but concerned Euclid Improvements project unlikely to be developed during planning period. Given climate of high interest rates and high construction costs, not reasonable for City to rely upon Euclid improvements to meet RHNA.	site affordable housing compliance. Added policies and programs to streamline development review. City committed to implementing AB 2234 to permit streamlining for post- entitlement building and related construction permits.
1/26/2023	Auria Maleksalehi, attorney, broker, contractor	Sought copy of HCD comment letter and update on January 23, 2023, Planning Commission Meeting.	Information is available on Housing Element webpage.
2/2/2023	Wyatt Meyer, The Mulholland Drive Company	Asked if the Housing Element has been adopted and if the City is planning on rezoning properties in the Housing Element	Information is available on Housing Element webpage.
2/3/2023	Ofelia Bello, Youth United for Community Action	Comments regarding: 1) Governmental Constraints, 2) Levels of Review, 3) Affirmatively Furthering Fair Housing, and 4) Policies and Programs. Regarding 1) Governmental Constraints, 1) urges City to explore incentives and approaches that allows Low-Barrier Navigating Center to support youth experiencing homelessness; 2) asks City to continue to prioritize fair and lawful review processes in housing development, provides Woodland Park Euclid Improvements Project as example; 3) asks City to increase staffing capacity for Building, Code Enforcement, Planning and Housing departments; 4a) asks that OPA be included in Housing Element given its incorporation in City's 2018 Affordable Housing Strategy; 4b) urges City to prioritize work to address habitability issues; 4c) asks City to hire additional staff and prioritize building capacity for long-term housing planning and implementation of programs	City can work with LBNC to seek additional youth support; Housing Element policies that affirmatively further fair housing balance need for streamlining and community input; increasing staffing capacity included under Policies and Program goals.
2/13/2023	Corie Calfee, Opterra Law	Comments regarding:	1) Inclusionary Housing is in governmental constraints.

Inc. representing	1) City's Inclusionary Housing Ordinance- provides that	City's inclusionary housing
Sand Hill	the ordinance is infeasible and the City as had no rental	ordinance is in compliance
Property	projects in compliance with the ordinance;	with state law and comparable
Company and		to other jurisdictions'
Woodland Park	2) City's Local Processing Times – questions accuracy of	ordinances, allowing for
Communities	revised processing times for multi-family projects, states	alternative compliance
	average underestimates amount of time projects takes, and	options, incentivizing
	that the City does not propose any modifications to	construction of units
	processes to facilitate approvals;	overpaying in-lieu fees, and
		promoting integration. Several
	3) City Fees and Taxes – adds City's business license tax as	rental projects have been
	governmental constraint;	approved in compliance with
		the ordinance.
	4) Feasibility and Likelihood of Projects – states Euclid	
	Improvements project is unlikely to be constructed within	2) Processing Times – the
	planning period given City's requirements for approval and	City has approved two large
	current market conditions of high interest rates and high	multi-family projects:
	construction costs; states Four Corners site has been	LightTree Apartments and
	delayed and City should commit to items beyond "study".	965 Weeks. The processing
		times for the Euclid
	5) Quantified Objectives – states unclear how quantified	Improvements Project was an
	objectives were calculated, and Euclid Improvements and	outlier, given nature of the
	Four Corners projects should be removed from quantified	project, including the number
	objectives.	of units, required entitlements
		(zoning text and a General
		Plan amendment, a
		development agreement with
		a robust relocation and anti-
		displacement plan,
		3) Fees – the City added the
		business license tax, Measure
		L, to government constraints.
		The fee will go toward
		affordable housing
		preservation and rental

assistance to protect tenants from displacement (affirmatively furthering fair housing);
4) Feasibility – State Law allows approved projects to be counted in RHNA, including the Euclid Improvements project. Further, the additional analysis identified (e.g., barriers to development) only applies to projects not entitled after June
30, 2021. <sup>67</sup> City committed to implementation of AB 2234 to allow for streamlined processing.
5) Quantified objectives section was amended to reflect methodology.

<sup>&</sup>lt;sup>67</sup> City of Union City's 6th Cycle (2023-2031) Draft Housing Element (ca.gov) (requiring Union City "clarify the availability or likelihood these projects will be completed in the planning period, including necessary and anticipated steps for completion, phasing, build out horizons, any barriers to development and other factors and adjust projections as needed" because the project was not entitled after June 30, 2021).

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APPENDIX B HOUSING NEEDS DATA

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Appendix B: Housing Needs Data

APPENDIX B1 EAST PALO ALTO HOUSING NEEDS DATA REPORT

# HOUSING NEEDS DATA REPORT: EAST PALO ALTO

ABAG/MTC Staff and Baird + Driskell Community Planning

2021-04-02



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# **1** INTRODUCTION

The Bay Area continues to see growth in both population and jobs, which means more housing of various types and sizes is needed to ensure that residents across all income levels, ages, and abilities have a place to call home. While the number of people drawn to the region over the past 30 years has steadily increased, housing production has stalled, contributing to the housing shortage that communities are experiencing today. In many cities, this has resulted in residents being priced out, increased traffic congestion caused by longer commutes, and fewer people across incomes being able to purchase homes or meet surging rents.

The 2023-2031 Housing Element Update provides a roadmap for how to meet our growth and housing challenges. Required by the state, the Housing Element identifies what the existing housing conditions and community needs are, reiterates goals, and creates a plan for more housing. The Housing Element is an integral part of the General Plan, which guides the policies of East Palo Alto.

# 2 SUMMARY OF KEY FACTS

- **Population** Generally, the population of the Bay Area continues to grow because of natural growth and because the strong economy draws new residents to the region. The population of East Palo Alto increased by 4.4% from 2000 to 2020, which is below the growth rate of the Bay Area.
- Age In 2019, East Palo Alto's youth population under the age of 18 was 8,381 and senior population 65 and older was 2,033. These age groups represent 28.3% and 6.9%, respectively, of East Palo Alto's population.
- **Race/Ethnicity** In 2020, 10.1% of East Palo Alto's population was White while 10.9% was African American, 9.6% was Asian, and 66.1% was Latinx. People of color in East Palo Alto comprise a proportion above the overall proportion in the Bay Area as a whole.<sup>68</sup>
- Employment East Palo Alto residents most commonly work in the *Health & Educational Services* industry. From January 2010 to January 2021, the unemployment rate in East Palo Alto decreased by 5.4 percentage points. Since 2010, the number of jobs located in the jurisdiction increased by 470 (13.2%). Additionally, the jobs-household ratio in East Palo Alto has increased from 0.37 in 2002 to 0.57 jobs per household in 2018.
- **Number of Homes** The number of new homes built in the Bay Area has not kept pace with the demand, resulting in longer commutes, increasing prices, and exacerbating issues of displacement and homelessness. The number of homes in East Palo Alto increased, 1.3% from 2010 to 2020, which is *below* the growth rate for San Mateo County and *below* the growth rate of the region's housing stock during this time period.
- Home Prices A diversity of homes at all income levels creates opportunities for all East Palo Alto residents to live and thrive in the community.
  - **Ownership** The largest proportion of homes had a value in the range of \$750k-\$1M in 2019. Home prices increased by 160.0% from 2010 to 2020.
  - Rental Prices The typical contract rent for an apartment in East Palo Alto was \$1,630 in 2019. Rental prices increased by 65.7% from 2009 to 2019. To rent a typical apartment without cost burden, a household would need to make \$65,560 per year.<sup>69</sup>
- Housing Type It is important to have a variety of housing types to meet the needs of a community today and in the future. In 2020, 54.1% of homes in East Palo Alto were single family detached, 4.1% were single family attached, 3.4% were small multifamily (2-4 units), and 36.6% were medium or large multifamily (5+ units). Between 2010 and 2020,

<sup>&</sup>lt;sup>68</sup> The Census Bureau's American Community Survey accounts for ethnic origin separate from racial identity. The numbers reported here use an accounting of both such that the racial categories are shown exclusive of Latinx status, to allow for an accounting of the Latinx population regardless of racial identity. The term Hispanic has historically been used to describe people from numerous Central American, South American, and Caribbean countries. In recent years, the term Latino or Latinx has become preferred. This report generally uses Latinx, but occasionally when discussing US Census data, we use Hispanic or Non-Hispanic, to clearly link to the data source.

<sup>&</sup>lt;sup>69</sup> Note that contract rents may differ significantly from, and often being lower than, current listing prices.

the number of single-family units increased more than multi-family units. Generally, in East Palo Alto, the share of the housing stock that is detached single family homes is above that of other jurisdictions in the region.

- **Cost Burden** The U.S. Department of Housing and Urban Development considers housing to be affordable for a household if the household spends less than 30% of its income on housing costs. A household is considered "cost-burdened" if it spends more than 30% of its monthly income on housing costs, while those who spend more than 50% of their income on housing costs are considered "severely cost-burdened." In East Palo Alto, 28.8% of households spend 30%-50% of their income on housing, while 25.2% of households are severely cost burdened and use the majority of their income for housing.
- **Displacement/Gentrification** According to research from The University of California, Berkeley, 64.7% of households in East Palo Alto live in neighborhoods that are susceptible to or experiencing displacement, and 0.0% live in areas at risk of or undergoing gentrification. 0.0% of households in East Palo Alto live in neighborhoods where lowincome households are likely excluded due to prohibitive housing costs. Although the data show no risk of gentrification, anecdotally, the City has heard about the gentrification pressures residents are facing. There are various ways to address displacement including protection, preservation, and production policies.
- Neighborhood 0.0% of residents in East Palo Alto live in neighborhoods identified as "Highest Resource" or "High Resource" areas by State-commissioned research, while 100.0% of residents live in areas identified by this research as "Low Resource" or "High Segregation and Poverty" areas. These neighborhood designations are based on a range of indicators covering areas such as education, poverty, proximity to jobs and economic opportunities, low pollution levels, and other factors.<sup>70</sup> These neighborhood designations hinder the City's ability to access Low Income Housing Tax Credits (LIHTC) and other state resources for affordable housing developments that target funding to high-resource areas.
- Special Housing Needs Some population groups may have special housing needs that require specific program responses, and these groups may experience barriers to accessing stable housing due to their specific housing circumstances. In East Palo Alto, 6.4% of residents have a disability of any kind and may require accessible housing. Additionally, 27.5% of East Palo Alto households are larger households with five or more people, who likely need larger housing units with two bedrooms or more.<sup>71</sup> 20.6% of households are female-headed families, which are often at greater risk of housing insecurity.

#### Note on Data

Many of the tables in this report are sourced from data from the Census Bureau's American Community Survey or U.S. Department of

<sup>&</sup>lt;sup>70</sup> For more information on the "opportunity area" categories developed by HCD and the California Tax Credit Allocation Committee, see this website: https://www.treasurer.ca.gov/ctcac/opportunity.asp. The degree to which different jurisdictions and neighborhoods have access to opportunity will likely need to be analyzed as part of new Housing Element requirements related to affirmatively furthering fair housing. ABAG/MTC will be providing jurisdictions with technical assistance on this topic this summer, following the release of additional guidance from HCD.

<sup>&</sup>lt;sup>71</sup> The assumption for larger (2+) bedroom size came from public input and the Affirmatively Furthering Fair Housing Survey, where respondents indicated not having enough space for all members of their household.

Housing and Urban Development's Comprehensive Housing Affordability Strategy (CHAS) data, both of which are samples and as such, are subject to sampling variability. This means that data is an estimate, and that other estimates could be possible if another set of respondents had been reached. We use the five-year release to get a larger data pool to minimize this "margin of error" but particularly for the smaller cities, the data will be based on fewer responses, and the information should be interpreted accordingly.

Additionally, there may be instances where there is no data available for a jurisdiction for particular data point, or where a value is 0 and the automatically generated text cannot perform a calculation. In these cases, the automatically generated text is "NODATA." Staff should reword these sentences before using them in the context of the Housing Element or other documents.

Note on Figures

Any figure that does not specify geography in the figure name represents data for East Palo Alto.

# **3** LOOKING TO THE FUTURE: REGIONAL HOUSING NEEDS

### 3.1 Regional Housing Needs Determination

The Plan Bay Area 2050<sup>72</sup> Final Blueprint forecasts that the nine-county Bay Area will add 1.4 million new households between 2015 and 2050. For the eight-year time frame covered by this Housing Element Update, the Department of Housing and Community Development (HCD) has identified the region's housing need as 441,176 units. The total number of housing units assigned by HCD is separated into four income categories that cover housing types for all income levels, from very low-income households to market rate housing.<sup>73</sup> This calculation, known as the Regional Housing Needs Determination (RHND), is based on population projections produced by the California Department of Finance as well as adjustments that incorporate the region's existing housing need. The adjustments result from recent legislation requiring HCD to apply additional adjustment factors to the baseline growth projection from California Department of Finance, in order for the regions to get closer to healthy housing markets. To this end, adjustments focus on the region's vacancy rate, level of overcrowding and the share of cost burdened households and seek to bring the region more in line with comparable ones.<sup>74</sup> These new laws governing the methodology for how HCD calculates the RHND resulted in a significantly higher number of housing units for which the Bay Area must plan compared to previous RHNA cycles.

## 3.2 Regional Housing Needs Allocation

A starting point for the Housing Element Update process for every California jurisdiction is the Regional Housing Needs Allocation or RHNA - the share of the RHND assigned to each jurisdiction by the Association of Bay Area Governments (ABAG). State Housing Element Law requires ABAG to develop a methodology that calculates the number of housing units assigned to each city and county and distributes each jurisdiction's housing unit allocation among four affordability levels. For this RHNA cycle, the RHND increased by 135%, from 187,990 to 441,776. For more information on the RHNA process this cycle, see ABAG's website: <a href="https://abag.ca.gov/our-work/housing/rhna-regional-housing-needs-allocation">https://abag.ca.gov/our-work/housing/rhna-regional-housing-needs-allocation</a>

Almost all jurisdictions in the Bay Area are likely to receive a larger RHNA this cycle compared to the last cycle, primarily due to changes in state law that led to a considerably higher RHND compared to previous cycles.

In January 2021, ABAG adopted a Draft RHNA Methodology, which is currently being reviewed by HCD. For East Palo Alto, the proposed RHNA to be planned for this cycle is 829 units, a slated increase from the last cycle. Please note that the previously stated figures are merely illustrative, as ABAG has yet to issue Final RHNA allocations. The Final RHNA allocations that local jurisdictions will use for

<sup>&</sup>lt;sup>72</sup> Plan Bay Area 2050 is a long-range plan charting the course for the future of the nine-county San Francisco Bay Area. It covers four key issues: the economy, the environment, housing, and transportation

<sup>&</sup>lt;sup>73</sup> HCD divides the RHND into the following four income categories:

Very Low-income: 0-50% of Area Median Income

Low-income: 50-80% of Area Median Income

Moderate-income: 80-120% of Area Median Income

Above Moderate-income: 120% or more of Area Median Income

<sup>&</sup>lt;sup>74</sup> For more information on HCD's RHND calculation for the Bay Area, see this letter sent to ABAG from HCD on June 9, 2020: https://www.hcd.ca.gov/community-development/housing-element/docs/abagrhna-final060920(r).pdf

their Housing Elements will be released at the end of 2021. The potential allocation that East Palo Alto would receive from the Draft RHNA Methodology is broken down by income category as follows:

Income Group	East Palo Alto Units	San Mateo County Units	Bay Area Units	East Palo Alto Percent	San Mateo County Percent	Bay Area Percent
Very Low Income (<50% of AMI)	165	12196	114442	19.9%	25.6%	25.9%
Low Income (50%- 80% of AMI)	95	7023	65892	11.5%	14.7%	14.9%
Moderate Income (80%-120% of AMI)	159	7937	72712	19.2%	16.6%	16.5%
Above Moderate Income (>120% of AMI)	410	20531	188130	49.5%	43.1%	42.6%
Total	829	47687	441176	100.0%	100.0%	100.0%

#### Table 1: Illustrative Regional Housing Needs Allocation from Draft Methodology

Source: Association of Bay Area Governments Methodology and tentative numbers were approved by ABAG's Executive board on January 21, 2021 (Resolution No. 02-2021). The numbers were submitted for review to California Housing and Community Development in February 2021, after which an appeals process will take place during the Summer and Fall of 2021. THESE NUMBERS SHOULD BE CONSIDERED PRELIMINARY AND SUBJECT TO CHANGE PER HCD REVIEW

# 4 POPULATION, EMPLOYMENT AND HOUSEHOLD CHARACTERISTICS

#### 4.1 Population

The Bay Area is the fifth-largest metropolitan area in the nation and has seen a steady increase in population since 1990, except for a dip during the Great Recession. Many cities in the region have experienced significant growth in jobs and population. While these trends have led to a corresponding increase in demand for housing across the region, the regional production of housing has largely not kept pace with job and population growth. Since 2000, East Palo Alto's population has increased by 4.4%; this rate is below that of the region as a whole, at 14.8%. In East Palo Alto, roughly 10.6% of its population moved during the past year, a number 2.8 percentage points smaller than the regional rate of 13.4%.

#### Table 2: Population Growth Trends

Geography	1990	1995	2000	2005	2010	2015	2020
East Palo Alto	23451	24710	29506	32080	28155	30236	30794
San Mateo County	649623	685354	707163	719844	718451	761748	773244
Bay Area	6020147	6381961	6784348	7073912	7150739	7595694	7790537

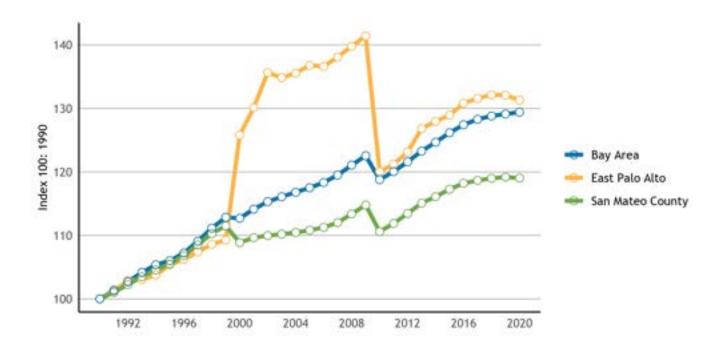
Universe: Total population

Source: California Department of Finance, E-5 series

For more years of data, please refer to the Data Packet Workbook, Table POPEMP-01.

In 2020, the population of East Palo Alto was estimated to be 30,794 (see Table 2). From 1990 to 2000, the population increased by 25.8%, while it decreased by 4.6% during the first decade of the 2000s. In the most recent decade, the population increased by 9.4%. The population of East Palo Alto makes up 4.0% of San Mateo County.<sup>75</sup>

<sup>&</sup>lt;sup>75</sup> To compare the rate of growth across various geographic scales, Figure 1 shows population for the jurisdiction, county, and region indexed to the population in the year 1990. This means that the data points represent the population growth (i.e., percent change) in each of these geographies relative to their populations in 1990.



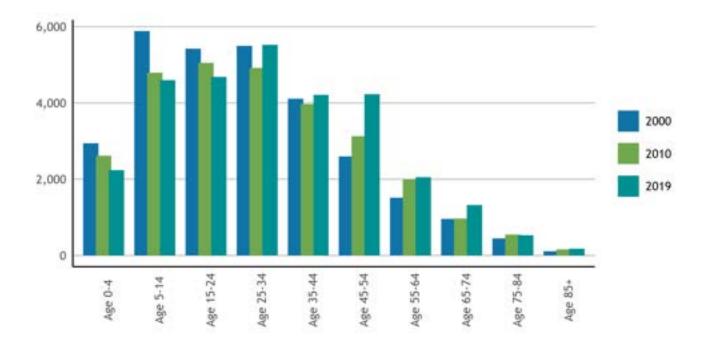
#### Figure 1: Population Growth Trends

Source: California Department of Finance, E-5 series Note: The data shown on the graph represents population for the jurisdiction, county, and region indexed to the population in the first year shown. The data points represent the relative population growth in each of these geographies relative to their populations in that year. For some jurisdictions, a break may appear at the end of each decade (1999, 2009) as estimates are compared to census counts. DOF uses the decennial census to benchmark subsequent population estimates. For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-01.

#### 4.2 Age

The distribution of age groups in a city shapes what types of housing the community may need in the near future. An increase in the older population may mean there is a developing need for more senior housing options, while higher numbers of children and young families can point to the need for more family housing options and related services. There has also been a move by many to age-in-place or downsize to stay within their communities, which can mean more multifamily and accessible units are also needed.

In East Palo Alto, the median age in 2000 was 25.8; by 2019, this figure had increased, landing at around 30 years. More specifically, the population of those under 14 has decreased since 2010, while the 65-and-over population has increased (see Figure 2).



### Figure 2: Population by Age, 2000-2019

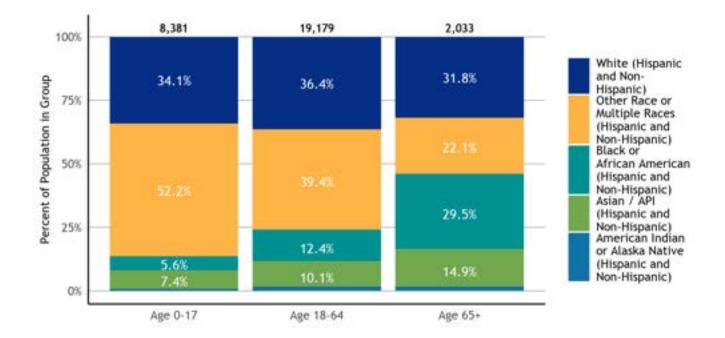
Universe: Total population

Source: U.S. Census Bureau, Census 2000 SF1, Table P12; U.S. Census Bureau, Census 2010 SF1, Table P12; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001

For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-04.

Looking at the senior and youth population by race can add an additional layer of understanding, as families and seniors of color are even more likely to experience challenges finding affordable housing. People of color<sup>76</sup> make up 68.2% of seniors and 65.9% of youth under 18 (see Figure **3**).

<sup>&</sup>lt;sup>76</sup> Here, we count all non-white racial groups



### Figure 3: Senior and Youth Population by Race

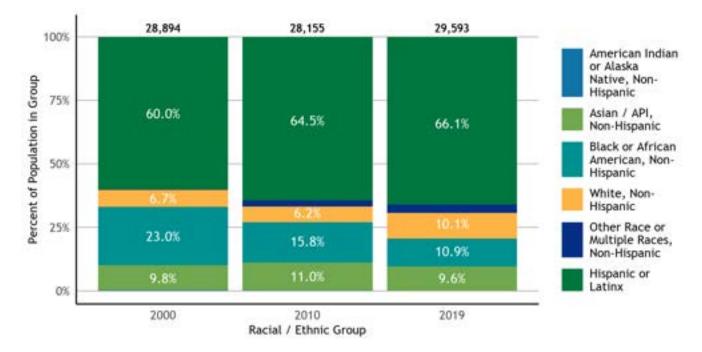
#### Universe: Total population

Notes: In the sources for this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latinx ethnicity, and an overlapping category of Hispanic / non-Hispanic groups has not been shown to avoid double counting in the stacked bar chart. Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-G) For the data table behind this figure, please refer to the Data Packet Workbook, Table SEN-02.

#### 4.3 Race and Ethnicity

Understanding the racial makeup of a city and region is important for designing and implementing effective housing policies and programs. These patterns are shaped by both market factors and government actions, such as exclusionary zoning, discriminatory lending practices and displacement that has occurred over time and continues to impact communities of color today<sup>77</sup>. Since 2000, the percentage of residents in East Palo Alto identifying as White has increased - and by the same token the percentage of residents of all *other* races and ethnicities has *decreased* - by 3.4 percentage points, with the 2019 population standing at 2,991 (see Figure 4). In absolute terms, the *Hispanic or Latinx* population increased the most while the *Black or African American, Non-Hispanic* population decreased the most.

<sup>&</sup>lt;sup>77</sup> See, for example, Rothstein, R. (2017). The color of law : a forgotten history of how our government segregated America. New York, NY & London, UK: Liveright Publishing.



#### Figure 4: Population by Race, 2000-2019

Universe: Total population

Notes: Data for 2019 represents 2015-2019 ACS estimates. The Census Bureau defines Hispanic/Latinx ethnicity separate from racial categories. For the purposes of this graph, the "Hispanic or Latinx" racial/ethnic group represents those who identify as having Hispanic/Latinx ethnicity and may also be members of any racial group. All other racial categories on this graph represent those who identify with that racial category and do not identify with Hispanic/Latinx ethnicity. Source: U.S. Census Bureau, Census 2000, Table P004; U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B03002

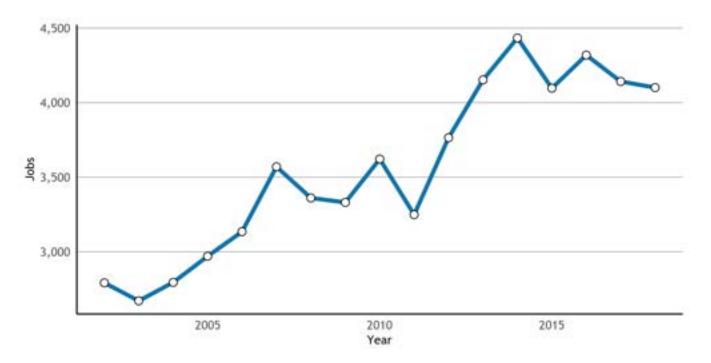
For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-02.

#### 4.4 Employment Trends

#### 4.4.1 Balance of Jobs and Workers

A city houses employed residents who either work in the community where they live or work elsewhere in the region. Conversely, a city may have job sites that employ residents from the same city, but more often employ workers commuting from outside of it. Smaller cities typically will have more employed residents than jobs there and export workers, while larger cities tend to have a surplus of jobs and import workers. To some extent the regional transportation system is set up for this flow of workers to the region's core job centers. At the same time, as the housing affordability crisis has illustrated, local imbalances may be severe, where local jobs and worker populations are out of sync at a sub-regional scale.

One measure of this is the relationship between *workers* and *jobs*. A city with a surplus of workers "exports" workers to other parts of the region, while a city with a surplus of jobs must conversely "import" them. Between 2002 and 2018, the number of jobs in East Palo Alto increased by 46.9% (see Figure 5).



#### Figure 5: Jobs in a Jurisdiction

Universe: Jobs from unemployment insurance-covered employment (private, state, and local government) plus United States Office of Personnel Management-sourced Federal employment

Notes: The data is tabulated by place of work, regardless of where a worker lives. The source data is provided at the census block level. These are crosswalked to jurisdictions and summarized.

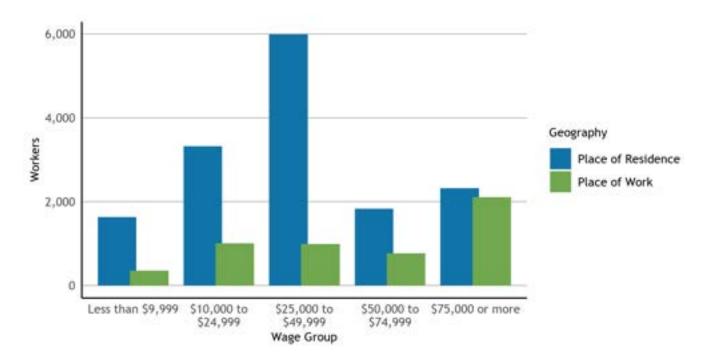
Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files, 2002-2018 For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-11.

There are 15,101 employed residents, and 5,225 jobs<sup>78</sup> in East Palo Alto - the ratio of jobs to resident workers is 0.35; East Palo Alto is *a net exporter of workers*.

Figure **6** shows the balance when comparing jobs to workers, broken down by different wage groups, offering additional insight into local dynamics. A community may offer employment for relatively lowincome workers but have relatively few housing options for those workers - or conversely, it may house residents who are low wage workers but offer few employment opportunities for them. Such relationships may cast extra light on potentially pent-up demand for housing in particular price categories. A relative *surplus* of jobs relative to residents in a given wage category suggests the need to import those workers, while conversely, surpluses of workers in a wage group relative to jobs means the community will export those workers to other jurisdictions. Such flows are not inherently bad, though over time, sub-regional imbalances may appear. East Palo Alto has more low-wage *residents* than low-wage *jobs* (where low-wage refers to jobs paying less than \$25,000). At the other end of the wage spectrum, the city has more high-wage *residents* than high-wage *jobs* (where high-wage refers to jobs paying more than \$75,000) (see Figure **6**).<sup>79</sup>

<sup>&</sup>lt;sup>78</sup> Employed *residents* in a jurisdiction is counted by place of residence (they may work elsewhere) while *jobs* in a jurisdiction are counted by place of work (they may live elsewhere). The jobs may differ from those reported in Figure 5 as the source for the time series is from administrative data, while the cross-sectional data is from a survey.

<sup>&</sup>lt;sup>79</sup> The source table is top-coded at \$75,000, precluding more fine-grained analysis at the higher end of the wage spectrum.

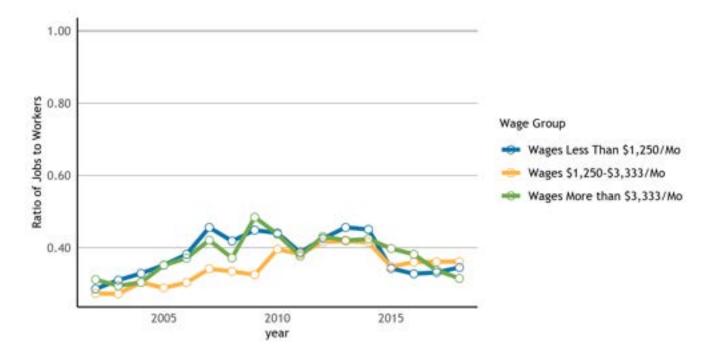


# Figure 6: Workers by Earnings, by Jurisdiction as Place of Work and Place of Residence

Universe: Workers 16 years and over with earnings

Source: U.S. Census Bureau, American Community Survey 5-Year Data 2015-2019, B08119, B08519 For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-10.

Figure 7 shows the balance of a jurisdiction's resident workers to the jobs located there for different wage groups as a ratio instead - a value of 1 means that a city has the same number of jobs in a wage group as it has resident workers - in principle, a balance. Values above 1 indicate a jurisdiction will need to import workers for jobs in a given wage group. At the regional scale, this ratio is 1.04 jobs for each worker, implying a modest import of workers from outside the region (see Figure 7).



#### Figure 7: Jobs-Worker Ratios, By Wage Group

Universe: Jobs in a jurisdiction from unemployment insurance-covered employment (private, state, and local government) plus United States Office of Personnel Management-sourced Federal employment

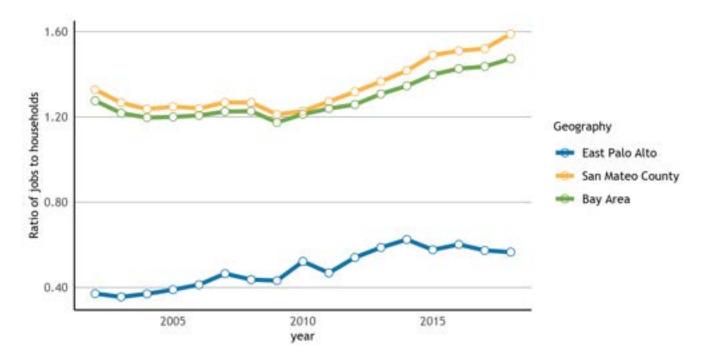
Notes: The ratio compares job counts by wage group from two tabulations of LEHD data: Counts by place of work relative to counts by place of residence. See text for details.

Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files (Jobs); Residence Area Characteristics (RAC) files (Employed Residents), 2010-2018

For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-14.

Such balances between jobs and workers may directly influence the housing demand in a community. New jobs may draw new residents, and when there is high demand for housing relative to supply, many workers may be unable to afford to live where they work, particularly where job growth has been in relatively lower wage jobs. This dynamic not only means many workers will need to prepare for long commutes and time spent on the road, but in the aggregate it contributes to traffic congestion and time lost for all road users.

If there are more jobs than employed residents, it means a city is relatively job-rich, typically also with a high jobs to household ratio. Thus, bringing housing into the measure, the *jobs-household ratio* in East Palo Alto has increased from 0.37 in 2002, to 0.57 jobs per household in 2018 (see Figure 8).

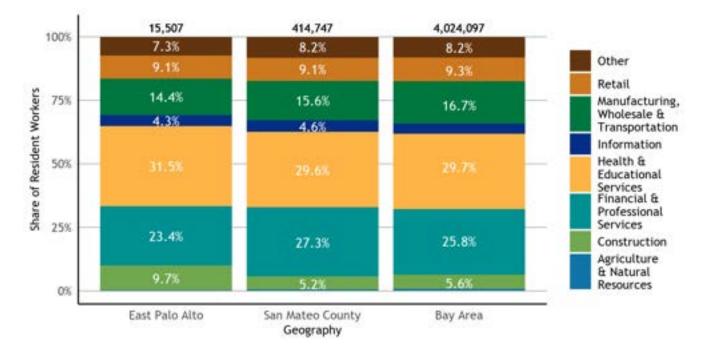


#### Figure 8: Jobs-Household Ratio

Universe: Jobs in a jurisdiction from unemployment insurance-covered employment (private, state, and local government) plus United States Office of Personnel Management-sourced Federal employment; households in a jurisdiction Notes: The data is tabulated by place of work, regardless of where a worker lives. The source data is provided at the census block level. These are crosswalked to jurisdictions and summarized. The ratio compares place of work wage and salary jobs with households, or occupied housing units. A similar measure is the ratio of jobs to housing units. However, this jobs-household ratio serves to compare the number of jobs in a jurisdiction to the number of housing units that are actually occupied. The difference between a jurisdiction's jobs-housing ratio and jobs-household ratio will be most pronounced in jurisdictions with high vacancy rates, a high rate of units used for seasonal use, or a high rate of units used as short-term rentals. Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics, Workplace Area Characteristics (WAC) files (Jobs), 2002-2018; California Department of Finance, E-5 (Households) For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-13.

#### 4.4.2 Sector Composition

In terms of sectoral composition, the largest industry in which East Palo Alto residents work is *Health & Educational Services*, and the largest sector in which San Mateo residents work is *Health & Educational Services* (see Figure 9). For the Bay Area as a whole, the *Health & Educational Services* industry employs the most workers.



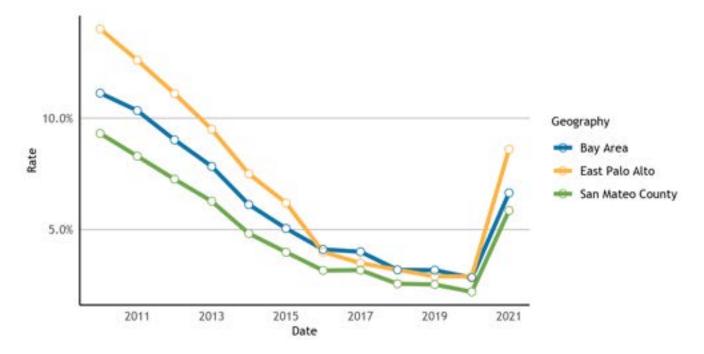
### Figure 9: Resident Employment by Industry

Universe: Civilian employed population age 16 years and over

Notes: The data displayed shows the industries in which jurisdiction residents work, regardless of the location where those residents are employed (whether within the jurisdiction or not). Categories are derived from the following source tables: Agriculture & Natural Resources: C24030\_003E, C24030\_030E; Construction: C24030\_006E, C24030\_033E; Manufacturing, Wholesale & Transportation: C24030\_007E, C24030\_034E, C24030\_008E, C24030\_035E, C24030\_010E, C24030\_037E; Retail: C24030\_009E, C24030\_036E; Information: C24030\_013E, C24030\_040E; Financial & Professional Services: C24030\_014E, C24030\_041E, C24030\_017E, C24030\_044E; Health & Educational Services: C24030\_021E, C24030\_024E, C24030\_048E, C24030\_051E; Other: C24030\_027E, C24030\_054E, C24030\_028E, C24030\_055E Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table C24030 For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-06.

#### 4.4.3 Unemployment

In East Palo Alto, there was a 5.4 percentage point decrease in the unemployment rate between January 2010 and January 2021. Jurisdictions throughout the region experienced a sharp rise in unemployment in 2020 due to impacts related to the COVID-19 pandemic, though with a general improvement and recovery in the later months of 2020.



#### Figure 10: Unemployment Rate

Universe: Civilian noninstitutional population ages 16 and older

Notes: Unemployment rates for the jurisdiction level are derived from larger-geography estimates. This method assumes that the rates of change in employment and unemployment are exactly the same in each sub-county area as at the county level. If this assumption is not true for a specific sub-county area, then the estimates for that area may not be representative of the current economic conditions. Since this assumption is untested, caution should be employed when using these data. Only not seasonally-adjusted labor force (unemployment rates) data are developed for cities and CDPs.

Source: California Employment Development Department, Local Area Unemployment Statistics (LAUS), Sub-county areas monthly updates, 2010-2021.

For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-15.

#### 4.5 Extremely Low-Income Households

Despite the economic and job growth experienced throughout the region since 1990, the income gap has continued to widen. California is one of the most economically unequal states in the nation, and the Bay Area has the highest income inequality between high- and low-income households in the state<sup>80</sup>.

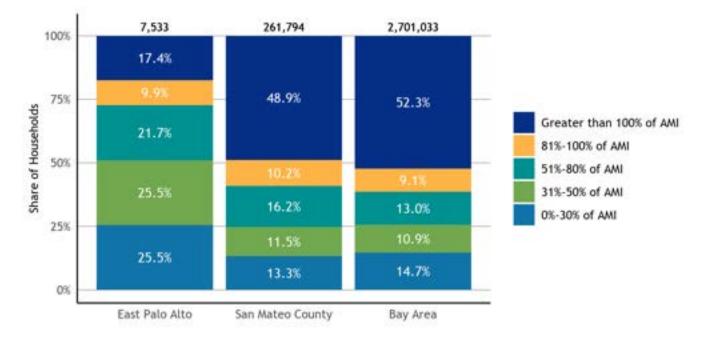
In East Palo Alto, 17.4% of households make more than 100% of the Area Median Income (AMI)<sup>81</sup>, compared to 25.5% making less than 30% of AMI, which is considered extremely low-income (see Figure 11).

<sup>&</sup>lt;sup>80</sup> Bohn, S.et al. 2020. Income Inequality and Economic Opportunity in California. *Public Policy Institute of California*.

<sup>&</sup>lt;sup>81</sup> Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. Households making between

Regionally, more than half of all households make more than 100% AMI, while 15% make less than 30% AMI. In San Mateo County, 30% AMI is the equivalent to the annual income of \$44,000 for a family of four. Many households with multiple wage earners - including food service workers, full-time students, teachers, farmworkers, and healthcare professionals - can fall into lower AMI categories due to relatively stagnant wages in many industries.

According to the data shown below (Figure 11), 3,837 of East Palo Alto's households are 0-50% AMI while 1,918 are extremely low-income. Therefore, extremely low-income households represent 50.0% of households who are 0-50% AMI, as 1,918 divided by 3,837 is 50.0%. This option aligns with HCD's guidance to use U.S. Census data to calculate the percentage of very low-income RHNA that qualifies for extremely low-income households, as the information in Figure 11 represents a tabulation of Census Bureau Data. See the estimate of extremely low-income units in the RHNA 6 opportunity sites in Chapter 5 of the 2023-2031 Housing Element.



#### Figure 11: Households by Household Income Level

#### Universe: Occupied housing units

Notes: Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. The data that is reported for the Bay Area is not based on a regional AMI but instead refers to the regional total of households in an income group relative to the AMI for the county where that household is located. Local jurisdictions are required to provide an estimate for their projected extremely low-income households (0-30% AMI) in their Housing Elements. HCD's official Housing Element guidance notes that jurisdictions can use their RHNA for very low-income households (those making 0-50% AMI) to calculate their projected extremely low-income households. As Bay Area jurisdictions have not yet received their final RHNA numbers, this document does not contain the required data point of projected extremely low-income households. The report portion of the housing data needs packet contains more specific guidance for how local staff

<sup>80</sup> and 120 percent of the AMI are moderate-income, those making 50 to 80 percent are low-income, those making 30 to 50 percent are very low-income, and those making less than 30 percent are extremely low-income. This is then adjusted for household size.

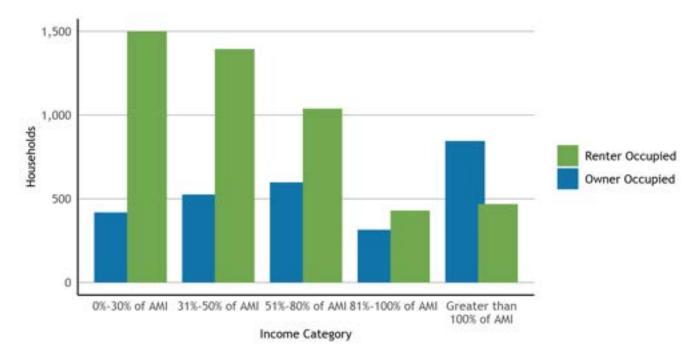
can calculate an estimate for projected extremely low-income households once jurisdictions receive their 6th cycle RHNA numbers.

Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

For the data table behind this figure, please refer to the Data Packet Workbook, Table ELI-01.

Throughout the region, there are disparities between the incomes of homeowners and renters. Typically, the number of low-income renters greatly outpaces the amount of housing available that is affordable for these households.

In East Palo Alto, the largest proportion of renters falls in the *0%-30% of AMI* income group, while the largest proportion of homeowners are found in the *Greater than 100% of AMI* group (see Figure 12).



### Figure 12: Household Income Level by Tenure

Universe: Occupied housing units

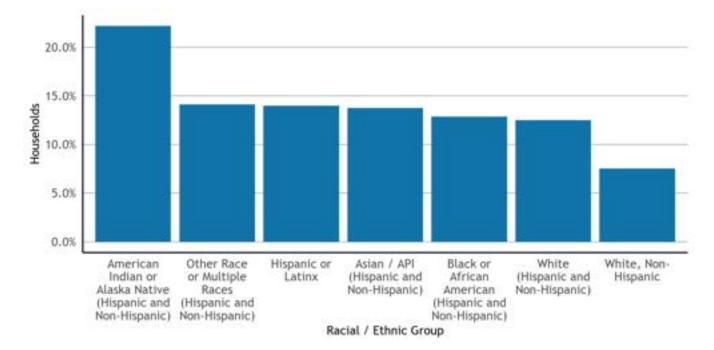
Notes: Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-21.

Currently, people of color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to White residents.<sup>82</sup> These economic disparities also leave communities of color at higher risk for housing insecurity, displacement, or homelessness. In East Palo Alto, American Indian or Alaska

<sup>&</sup>lt;sup>82</sup> Moore, E., Montojo, N. and Mauri, N., 2019. Roots, Race & Place: A History of Racially Exclusionary Housing the San Francisco Bay Area. *Hass Institute*.



Native (Hispanic and Non-Hispanic) residents experience the highest rates of poverty, followed by Other Race or Multiple Races (Hispanic and Non-Hispanic) residents (see Figure 13).

#### Figure 13: Poverty Status by Race

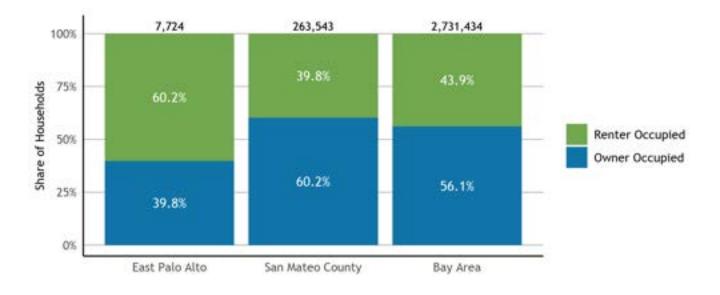
Universe: Population for whom poverty status is determined

Notes: The Census Bureau uses a federally defined poverty threshold that remains constant throughout the country and does not correspond to Area Median Income. For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latinx ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latinx. Since residents who identify as white and Hispanic/Latinx may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latinx, data for multiple white sub-groups are reported here. The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the population for whom poverty status is determined for this jurisdiction. However, all groups labelled "Hispanic and Non-Hispanic" are mutually exclusive, and the sum of the data for these groups is equivalent to the population for whom poverty status is determined.

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B17001(A-I) For the data table behind this figure, please refer to the Data Packet Workbook, Table ELI-03.

#### 4.6 Tenure

The number of residents who own their homes compared to those who rent their homes can help identify the level of housing insecurity - ability for individuals to stay in their homes - in a city and region. Generally, renters may be displaced more quickly if prices increase. In East Palo Alto there are a total of 7,724 housing units, and more residents rent than own their homes: 60.2% versus 39.8% (see Figure 14). By comparison, 39.8% of households in San Mateo County are renters, while 44% of Bay Area households rent their homes.

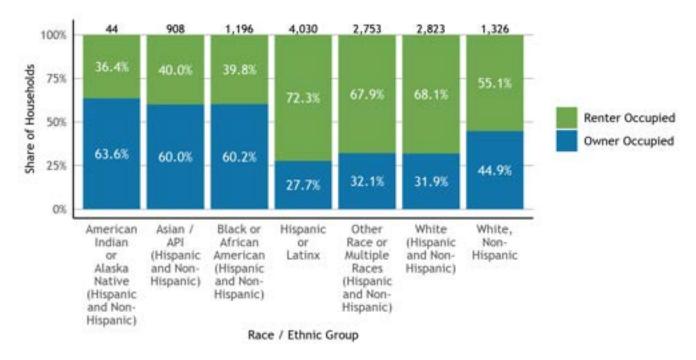


#### Figure 14: Housing Tenure

Universe: Occupied housing units Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25003 For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-16.

Homeownership rates often vary considerably across race/ethnicity in the Bay Area and throughout the country. These disparities not only reflect differences in income and wealth but also stem from federal, state, and local policies that limited access to homeownership for communities of color while facilitating homebuying for White residents. While many of these policies, such as redlining, have been formally disbanded, the impacts of race-based policy are still evident across Bay Area communities.<sup>83</sup> In East Palo Alto, 60.2% of Black households owned their homes, while homeownership rates were 60.0% for Asian households, 27.7% for Latinx households, and 31.9% for White households. Notably, recent changes to state law require local jurisdictions to examine these dynamics and other fair housing issues when updating their Housing Elements.

<sup>&</sup>lt;sup>83</sup> See, for example, Rothstein, R. (2017). The color of law : a forgotten history of how our government segregated America. New York, NY & London, UK: Liveright Publishing.



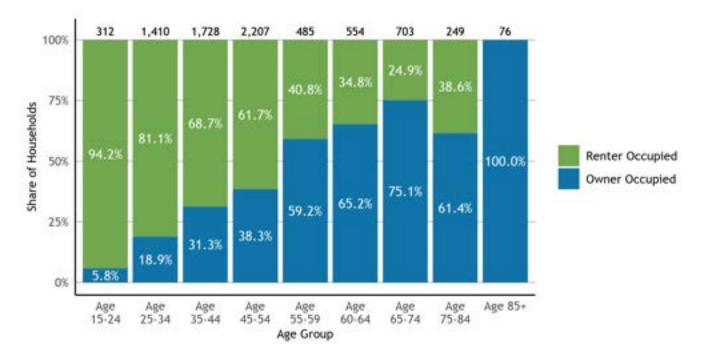
#### Figure 15: Housing Tenure by Race of Householder

#### Universe: Occupied housing units

Notes: For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latinx ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latinx. Since residents who identify as white and Hispanic/Latinx may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latinx, data for multiple white sub-groups are reported here. The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the total number of occupied housing units for this jurisdiction. However, all groups labelled "Hispanic and Non-Hispanic" are mutually exclusive, and the sum of the data for these groups is equivalent to the total number of occupied housing units. Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25003(A-I) For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-20.

The age of residents who rent or own their home can also signal the housing challenges a community is experiencing. Younger households tend to rent and may struggle to buy a first home in the Bay Area due to high housing costs. At the same time, senior homeowners seeking to downsize may have limited options in an expensive housing market.

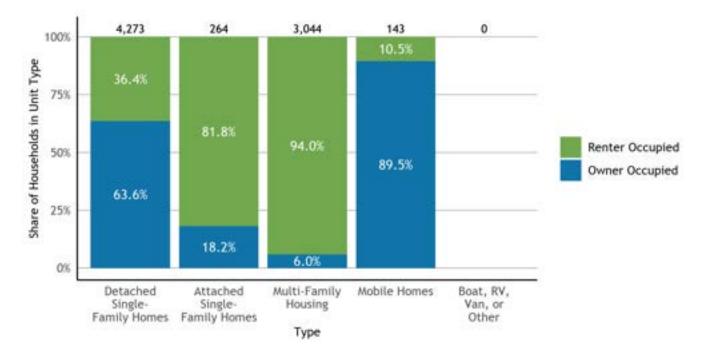
In East Palo Alto, 74.3% of householders between the ages of 25 and 44 are renters, while 26.4% of householders over 65 are (see Figure 16).



#### Figure 16: Housing Tenure by Age

Universe: Occupied housing units Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25007 For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-18.

In many cities, homeownership rates for households in single-family homes are substantially higher than the rates for households in multi-family housing. In East Palo Alto, 63.6% of households in detached single-family homes are homeowners, while 6.0% of households in multi-family housing are homeowners (see Figure 17).



### Figure 17: Housing Tenure by Housing Type

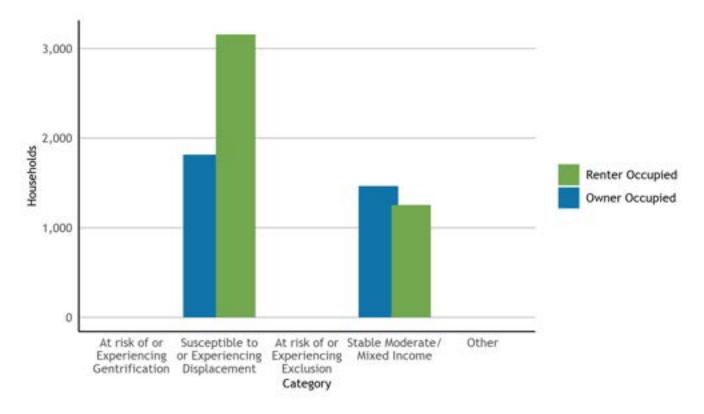
Universe: Occupied housing units Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25032 For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-22.

#### 4.7 Displacement

Because of increasing housing prices, displacement is a major concern in the Bay Area. Displacement has the most severe impacts on low- and moderate-income residents. When individuals or families are forced to leave their homes and communities, they also lose their support network.

The University of California, Berkeley has mapped all neighborhoods in the Bay area, identifying their risk for gentrification. They find that in East Palo Alto, 64.7% of households live in neighborhoods that are susceptible to or experiencing displacement and 0.0% live in neighborhoods at risk of or undergoing gentrification.

Equally important, some neighborhoods in the Bay Area do not have housing appropriate for a broad section of the workforce. UC Berkeley estimates that 0.0% of households in East Palo Alto live in neighborhoods where low-income households are likely to be excluded due to prohibitive housing costs.<sup>84</sup>



<sup>&</sup>lt;sup>84</sup> More information about this gentrification and displacement data is available at the Urban Displacement Project's webpage: https://www.urbandisplacement.org/. Specifically, one can learn more about the different gentrification/displacement typologies shown in Figure 18 at this link:

https://www.urbandisplacement.org/sites/default/files/typology\_sheet\_2018\_0.png. Additionally, one can view maps that show which typologies correspond to which parts of a jurisdiction here:

https://www.urbandisplacement.org/san-francisco/sf-bay-area-gentrification-and-displacement

#### Figure 18: Households by Displacement Risk and Tenure

#### Universe: Households

Notes: Displacement data is available at the census tract level. Staff aggregated tracts up to jurisdiction level using census 2010 population weights, assigning a tract to jurisdiction in proportion to block level population weights. Total household count may differ slightly from counts in other tables sourced from jurisdiction level sources. Categories are combined as follows for simplicity: At risk of or Experiencing Exclusion: At Risk of Becoming Exclusive; Becoming Exclusive; Stable/Advanced Exclusive At risk of or Experiencing Gentrification: At Risk of Gentrification; Early/Ongoing Gentrification; Advanced Gentrification Stable Moderate/Mixed Income Susceptible to or Experiencing Displacement: Low-Income/Susceptible to Displacement; Ongoing Displacement Other: High Student Population; Unavailable or Unreliable Data Source: Urban Displacement Project for classification, American Community Survey 5-Year Data (2015-2019), Table B25003 for tenure.

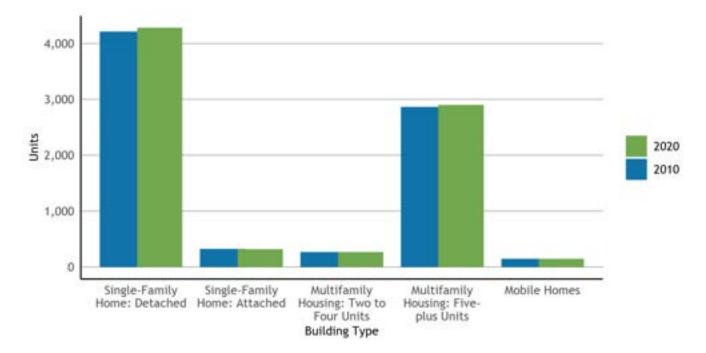
For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-25.

# 5 HOUSING STOCK CHARACTERISTICS

### 5.1 Housing Types, Year Built, Vacancy, and Permits

In recent years, most housing produced in the region and across the state consisted of single-family homes and larger multi-unit buildings. However, some households are increasingly interested in "missing middle housing" - including duplexes, triplexes, townhomes, cottage clusters and accessory dwelling units (ADUs). These housing types may open up more options across incomes and tenure, from young households seeking homeownership options to seniors looking to downsize and age-in-place.

The housing stock of East Palo Alto in 2020 was made up of 54.1% single family detached homes, 4.1% single family attached homes, 3.4% multifamily homes with 2 to 4 units, 36.6% multifamily homes with 5 or more units, and 1.9% mobile homes (see Figure **19**). In East Palo Alto, the housing type that experienced the most growth between 2010 and 2020 was *Single-Family Home: Detached*.

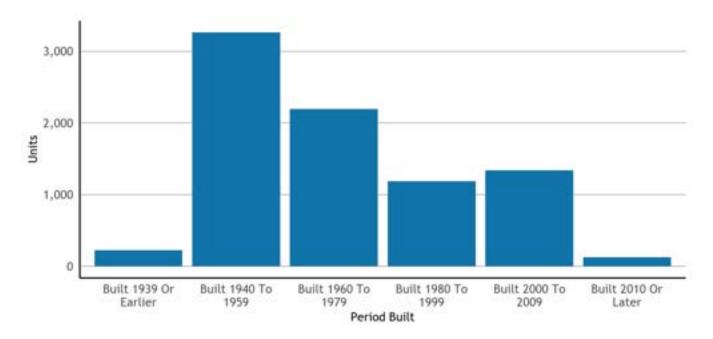


#### Figure 19: Housing Type Trends

Universe: Housing units

Source: California Department of Finance, E-5 series For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-01.

Production has not kept up with housing demand for several decades in the Bay Area, as the total number of units built and available has not yet come close to meeting the population and job growth experienced throughout the region. In East Palo Alto, the largest proportion of the housing stock was built 1940 to 1959, with 3,262 units constructed during this period (see Figure 20). Since 2010, 1.5% of the current housing stock was built, which is 128 units.



#### Figure 20: Housing Units by Year Structure Built

Universe: Housing units

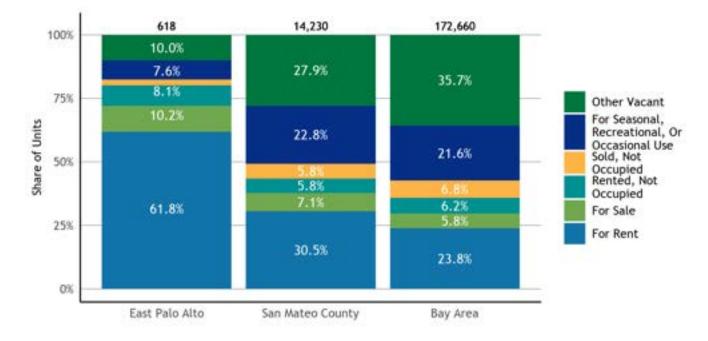
Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25034 For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-04.

Vacant units make up 7.4% of the overall housing stock in East Palo Alto. The rental vacancy stands at 8.5%, while the ownership vacancy rate is 2.4%. Of the vacant units, the most common type of vacancy is *For Rent* (see Figure **21**).<sup>85</sup>

Throughout the Bay Area, vacancies make up 2.6% of the total housing units, with homes listed for rent; units used for *recreational or occasional use*, and units not otherwise classified (*other vacant*) making up the majority of vacancies. The Census Bureau classifies a unit as vacant if no one is occupying it when census interviewers are conducting the American Community Survey or Decennial Census. Vacant units classified as "for recreational or occasional use" are those that are held for short-term periods of use throughout the year. Accordingly, vacation rentals and short-term rentals like Airbnb are likely to fall in this category. The Census Bureau classifies units as "other vacant" if they are vacant due to foreclosure, personal/family reasons, legal proceedings, repairs/renovations, abandonment, preparation for being rented or sold, or vacant for an extended absence for reasons such as a work assignment, military duty, or incarceration.<sup>86</sup> In a region with a thriving economy and housing market like the Bay Area, units being renovated/repaired and prepared for rental or sale are likely to represent a large portion of the "other vacant" category. Additionally, the need for seismic retrofitting

<sup>&</sup>lt;sup>85</sup> The vacancy rates by tenure are for a smaller universe than the total vacancy rate first reported, which in principle includes the full stock (7.4%). The vacancy by tenure counts are rates relative to the rental stock (occupied and vacant) and ownership stock (occupied and vacant) - but exclude a significant number of vacancy categories, including the numerically significant *other vacant*.

<sup>&</sup>lt;sup>86</sup> For more information, see pages 3 through 6 of this list of definitions prepared by the Census Bureau: https://www.census.gov/housing/hvs/definitions.pdf.



in older housing stock could also influence the proportion of "other vacant" units in some jurisdictions.<sup>87</sup>

### Figure 21: Vacant Units by Type

Universe: Vacant housing units

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25004 For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-03.

Between 2015 and 2019, 95 housing units were issued permits in East Palo Alto. 6.3% of permits issued in East Palo Alto were for above moderate-income housing, 36.8% were for moderate-income housing, and 56.8% were for low- or very low-income housing (see Table 3).

## Table 3: Housing Permitting

Income Group	value
Moderate Income Permits	35
Low Income Permits	34
Very Low-Income Permits	20

<sup>&</sup>lt;sup>87</sup> See Dow, P. (2018). Unpacking the Growth in San Francisco's Vacant Housing Stock: Client Report for the San Francisco Planning Department. University of California, Berkeley.

Income Group	value
Above Moderate-Income Permits	6

Universe: Housing permits issued between 2015 and 2019

Notes: HCD uses the following definitions for the four income categories: Very Low Income: units affordable to households making less than 50% of the Area Median Income for the county in which the jurisdiction is located. Low Income: units affordable to households making between 50% and 80% of the Area Median Income for the county in which the jurisdiction is located. Moderate Income: units affordable to households making between 80% and 120% of the Area Median Income for the county in which the jurisdiction is located. Above Moderate Income: units affordable to households making above 120% of the Area Median Income for the county in which the jurisdiction is located.

Source: California Department of Housing and Community Development (HCD), 5th Cycle Annual Progress Report Permit Summary (2020)

This table is included in the Data Packet Workbook as Table HSG-11.

#### 5.2 Assisted Housing Developments At-Risk of Conversion

While there is an immense need to produce new affordable housing units, ensuring that the existing affordable housing stock remains affordable is equally important. Additionally, it is typically faster and less expensive to preserve currently affordable units that are at risk of converting to market-rate than it is to build new affordable housing.

The data in the table below comes from the California Housing Partnership's Preservation Database, the state's most comprehensive source of information on subsidized affordable housing at risk of losing its affordable status and converting to market-rate housing. However, this database does not include all deed-restricted affordable units in the state, so there may be at-risk assisted units in a jurisdiction that are not captured in this data table. There are 466 assisted units in East Palo Alto in the Preservation Database. Of these units, 0.0% are at *High Risk* or *Very High Risk* of conversion.<sup>88</sup>

HCD requires that Housing Elements list the assisted housing developments at risk of converting to market-rate uses. The list can be found in Chapter 2, Section 2.12.2 of the 2023-2031 Housing Element.

<sup>&</sup>lt;sup>88</sup> California Housing Partnership uses the following categories for assisted housing developments in its database: Very-High Risk: affordable homes that are at-risk of converting to market rate within the next year that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer.

High Risk: affordable homes that are at-risk of converting to market rate in the next 1-5 years that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer.

Moderate Risk: affordable homes that are at-risk of converting to market rate in the next 5-10 years that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer.

Low Risk: affordable homes that are at-risk of converting to market rate in 10+ years and/or are owned by a large/stable non-profit, mission-driven developer.

# Table 4: Assisted Units at Risk of Conversion

Income	East Palo Alto	San Mateo County	Bay Area
Low	466	4656	110177
Moderate	0	191	3375
High	0	359	1854
Very High	0	58	1053
Total Assisted Units in Database	466	5264	116459

Universe: HUD, Low-Income Housing Tax Credit (LIHTC), USDA, and CalHFA projects. Subsidized or assisted developments that do not have one of the aforementioned financing sources may not be included.

Notes: While California Housing Partnership's Preservation Database is the state's most comprehensive source of information on subsidized affordable housing at risk of losing its affordable status and converting to market-rate housing, this database does not include all deed-restricted affordable units in the state. Consequently, there may be at-risk assisted units in a jurisdiction that are not captured in this data table. Per HCD guidance, local jurisdictions must also list the specific affordable housing developments at-risk of converting to market rate uses. This document provides aggregate numbers of at-risk units for each jurisdiction, but local planning staff should contact Danielle Mazzella with the California Housing Partnership at dmazzella@chpc.net to obtain a list of affordable properties that fall under this designation. California Housing Partnership uses the following categories for assisted housing developments in its database: Very-High Risk: affordable homes that are atrisk of converting to market rate within the next year that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer. High Risk: affordable homes that are at-risk of converting to market rate in the next 1-5 years that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer. Moderate Risk: affordable homes that are at-risk of converting to market rate in the next 5-10 years that do not have a known overlapping subsidy that would extend affordability and are not owned by a large/stable non-profit, mission-driven developer. Low Risk: affordable homes that are atrisk of converting to market rate in 10+ years and/or are owned by a large/stable non-profit, mission-driven developer. Source: California Housing Partnership, Preservation Database (2020)

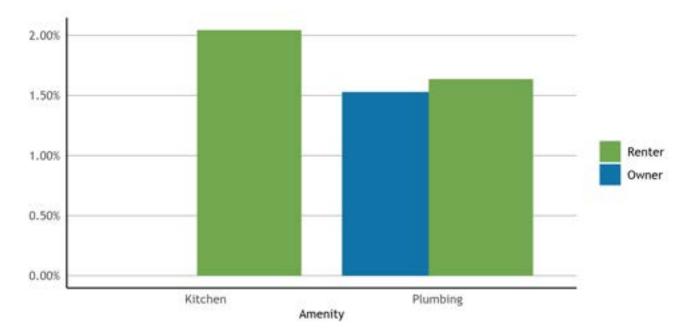
This table is included in the Data Packet Workbook as Table RISK-01.

# 5.3 Substandard Housing

Housing costs in the region are among the highest in the country, which could result in households, particularly renters, needing to live in substandard conditions in order to afford housing. Generally, there is limited data on the extent of substandard housing issues in a community. However, the Census Bureau data included in the graph below gives a sense of some of the substandard conditions that may be present in East Palo Alto. For example, 2.0% of renters in East Palo Alto reported lacking a kitchen and 1.6% of renters lack plumbing, compared to 0.0% of owners who lack a kitchen and 1.5% of owners who lack plumbing.

HCD requires Housing Elements to estimate the number of units in need of rehabilitation and replacement. As a data source for housing units in need of rehabilitation and replacement is not available for all jurisdictions in the region, ABAG was not able to provide this required data point in this document. To produce an estimate of housing needs in need of rehabilitation and replacement, staff supplemented the data below on substandard housing issues with additional local information

from code enforcement and the rent stabilization program. See this supplemental data in Chapter 2, Section 2.12.2.D of the 2023-2031 Housing Element.



# Figure 22: Substandard Housing Issues

#### Universe: Occupied housing units

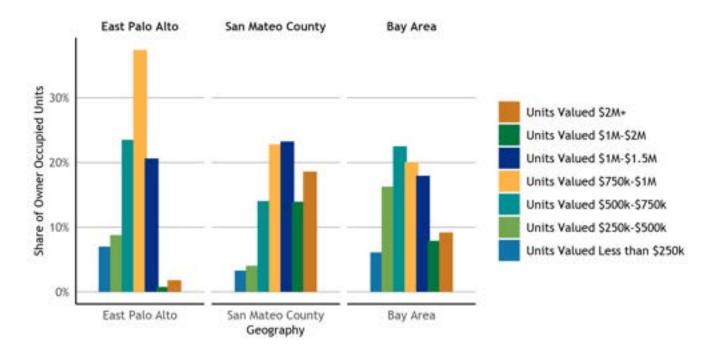
Notes: Per HCD guidance, this data should be supplemented by local estimates of units needing to be rehabilitated or replaced based on recent windshield surveys, local building department data, knowledgeable builders/developers in the community, or nonprofit housing developers or organizations.

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25053, Table B25043, Table B25049 For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-06.

# 5.4 Home and Rent Values

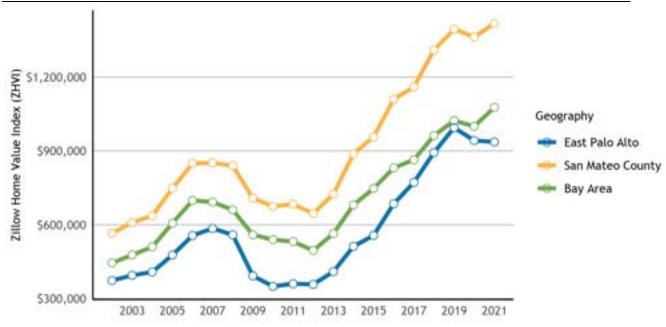
Home prices reflect a complex mix of supply and demand factors, including an area's demographic profile, labor market, prevailing wages, and job outlook, coupled with land and construction costs. In the Bay Area, the costs of housing have long been among the highest in the nation. The typical home value in East Palo Alto was estimated at \$936,680 by December of 2020, per data from Zillow. The largest proportion of homes were valued between \$750k-\$1M (see Figure 23). By comparison, the typical home value is \$1,418,330 in San Mateo County and \$1,077,230 the Bay Area, with the largest share of units valued \$1m-\$1.5m (county) and \$500k-\$750k (region).

The region's home values have increased steadily since 2000, besides a decrease during the Great Recession. The rise in home prices has been especially steep since 2012, with the median home value in the Bay Area nearly doubling during this time. Since 2001, the typical home value has increased 151.0% in East Palo Alto from \$373,130 to \$936,680. This change is above the change in San Mateo County, and above the change for the region (see Figure 24).



# Figure 23: Home Values of Owner-Occupied Units

Universe: Owner-occupied units Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25075 For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-07.



# Figure 24: Zillow Home Value Index (ZHVI)

#### Universe: Owner-occupied housing units

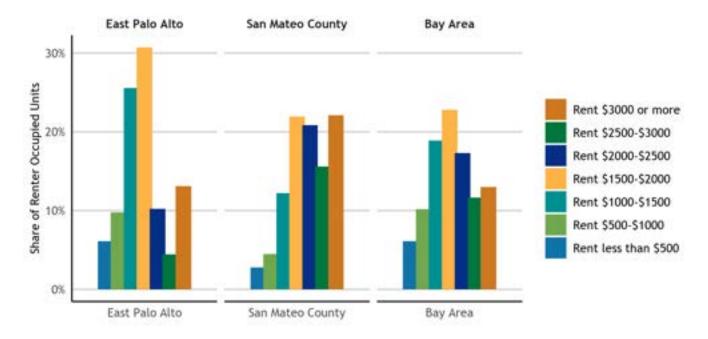
Notes: Zillow describes the ZHVI as a smoothed, seasonally adjusted measure of the typical home value and market changes across a given region and housing type. The ZHVI reflects the typical value for homes in the 35th to 65th percentile range. The ZHVI includes all owner-occupied housing units, including both single-family homes and condominiums. More information on the

ZHVI is available from Zillow. The regional estimate is a household-weighted average of county-level ZHVI files, where household counts are yearly estimates from DOF's E-5 series For unincorporated areas, the value is a population weighted average of unincorporated communities in the county matched to census-designated population counts. Source: Zillow, Zillow Home Value Index (ZHVI)

For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-08.

Similar to home values, rents have also increased dramatically across the Bay Area in recent years. Many renters have been priced out, evicted or displaced, particularly communities of color. Residents finding themselves in one of these situations may have had to choose between commuting long distances to their jobs and schools or moving out of the region, and sometimes, out of the state.

In East Palo Alto, the largest proportion of rental units rented in the *Rent \$1500-\$2000* category, totaling 30.7%, followed by 25.6% of units renting in the *Rent \$1000-\$1500* category (see Figure 25). Looking beyond the city, the largest share of units is in the *\$3000 or more* category (county) compared to the *\$1500-\$2000* category for the region as a whole.

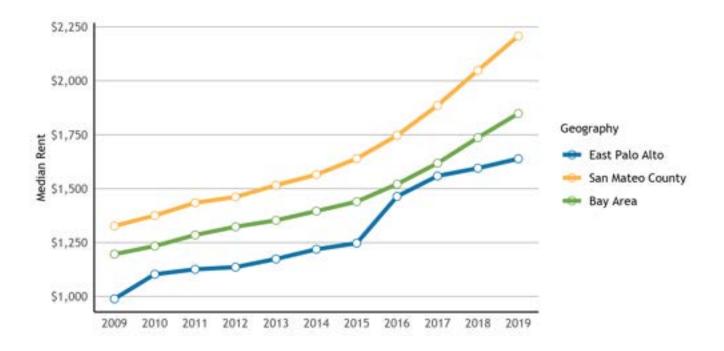


# Figure 25: Contract Rents for Renter-Occupied Units

Universe: Renter-occupied housing units paying cash rent Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25056 For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-09.

Since 2009, the median rent has increased by 65.7% in East Palo Alto, from \$1,210 to \$1,630 per month (see Figure **26**). In San Mateo County, the median rent has increased 41.1%, from \$1,560 to \$2,200. The median rent in the region has increased significantly during this time from \$1,200 to \$1,850, a 54% increase.<sup>89</sup> For supplemental rent trends data, see Chapter 2, Section 2.7 of the 2023-2031 Housing Element.

<sup>&</sup>lt;sup>89</sup> While the data on home values shown in Figure **24** comes from Zillow, Zillow does not have data on rent prices available for most Bay Area jurisdictions. To have a more comprehensive dataset on rental data for the region, the rent data in this document comes from the U.S. Census Bureau's American Community Survey, which may not fully



# Figure 26: Median Contract Rent

Universe: Renter-occupied housing units paying cash rent

Notes: For unincorporated areas, median is calculated using distribution in B25056.

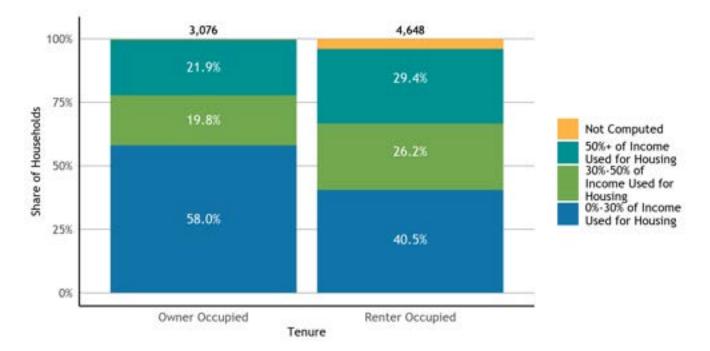
Source: U.S. Census Bureau, American Community Survey 5-Year Data releases, starting with 2005-2009 through 2015-2019, B25058, B25056 (for unincorporated areas). County and regional counts are weighted averages of jurisdiction median using B25003 rental unit counts from the relevant year.

For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-10.

### 5.5 Overpayment and Overcrowding

A household is considered "cost-burdened" if it spends more than 30% of its monthly income on housing costs, while those who spend more than 50% of their income on housing costs are considered "severely cost-burdened." Low-income residents are the most impacted by high housing costs and experience the highest rates of cost burden. Spending such large portions of their income on housing puts low-income households at higher risk of displacement, eviction, or homelessness.

reflect current rents. Local jurisdiction staff may want to supplement the data on rents with local realtor data or other sources for rent data that are more current than Census Bureau data.



# Figure 27: Cost Burden by Tenure

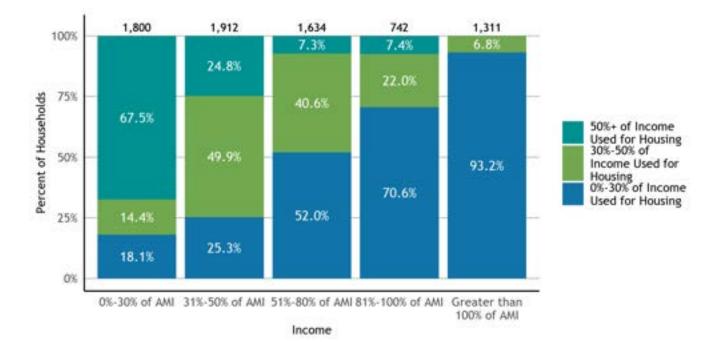
Universe: Occupied housing units

Notes: Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income.

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25070, B25091 For the data table behind this figure, please refer to the Data Packet Workbook, Table OVER-06.

Renters are often more cost-burdened than owners. While the housing market has resulted in home prices increasing dramatically, homeowners often have mortgages with fixed rates, whereas renters are more likely to be impacted by market increases. When looking at the cost burden across tenure in East Palo Alto, 26.2% of renters spend 30% to 50% of their income on housing compared to 19.8% of those that own (see Figure **27**). Additionally, 29.4% of renters spend 50% or more of their income on housing, while 21.9% of owners are severely cost-burdened.

In East Palo Alto, 25.2% of households spend 50% or more of their income on housing, while 28.8% spend 30% to 50%. However, these rates vary greatly across income categories (see Figure 28). For example, 67.5% of East Palo Alto households making less than 30% of AMI spend the majority of their income on housing. For East Palo Alto residents making more than 100% of AMI, just 0.0% are severely cost-burdened, and 93.2% of those making more than 100% of AMI spend less than 30% of their income on housing.



# Figure 28: Cost Burden by Income Level

#### Universe: Occupied housing units

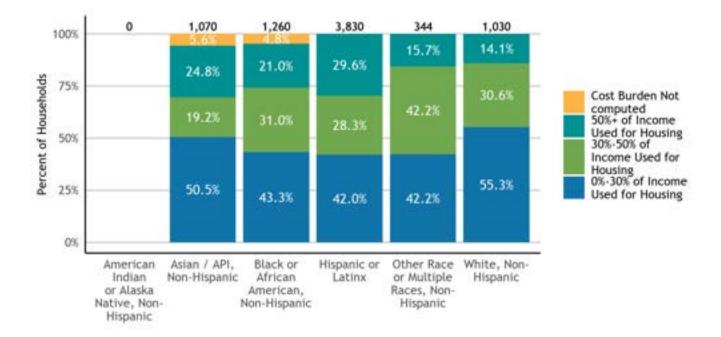
Notes: Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income. Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located.

Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

For the data table behind this figure, please refer to the Data Packet Workbook, Table OVER-05.

Currently, people of color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to White residents. As a result, they often pay a greater percentage of their income on housing, and in turn, are at a greater risk of housing insecurity.

Other Race or Multiple Races, Non-Hispanic residents are the most cost burdened with 42.2% spending 30% to 50% of their income on housing, and Hispanic or Latinx residents are the most severely cost burdened with 29.6% spending more than 50% of their income on housing (see Figure 29).



# Figure 29: Cost Burden by Race

Universe: Occupied housing units

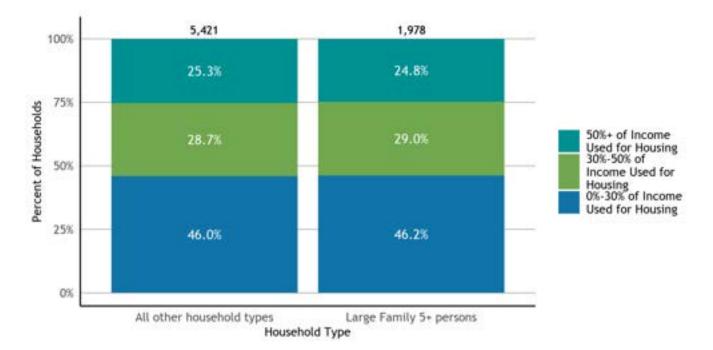
Notes: Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income. For the purposes of this graph, the "Hispanic or Latinx" racial/ethnic group represents those who identify as having Hispanic/Latinx ethnicity and may also be members of any racial group. All other racial categories on this graph represent those who identify with that racial category and do not identify with Hispanic/Latinx ethnicity.

Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

For the data table behind this figure, please refer to the Data Packet Workbook, Table OVER-08.

Large family households often have special housing needs due to a lack of adequately sized affordable housing available. The higher costs required for homes with multiple bedrooms can result in larger families experiencing a disproportionate cost burden than the rest of the population and can increase the risk of housing insecurity.

In East Palo Alto, 29.0% of large family households experience a cost burden of 30%-50%, while 24.8% of households spend more than half of their income on housing. Some 28.7% of all other households have a cost burden of 30%-50%, with 25.3% of households spending more than 50% of their income on housing (see Figure 30).



# Figure 30: Cost Burden by Household Size

Universe: Occupied housing units

Notes: Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income.

Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

For the data table behind this figure, please refer to the Data Packet Workbook, Table OVER-09.

When cost-burdened seniors are no longer able to make house payments or pay rents, displacement from their homes can occur, putting further stress on the local rental market or forcing residents out of the community they call home. Understanding how seniors might be cost-burdened is of particular importance due to their special housing needs, particularly for low-income seniors. 55.8% of seniors making less than 30% of AMI are spending the majority of their income on housing. For seniors making more than 100% of AMI, 84.7% are not cost-burdened and spend less than 30% of their income on housing (see Figure 31).



# Figure 31: Cost-Burdened Senior Households by Income Level

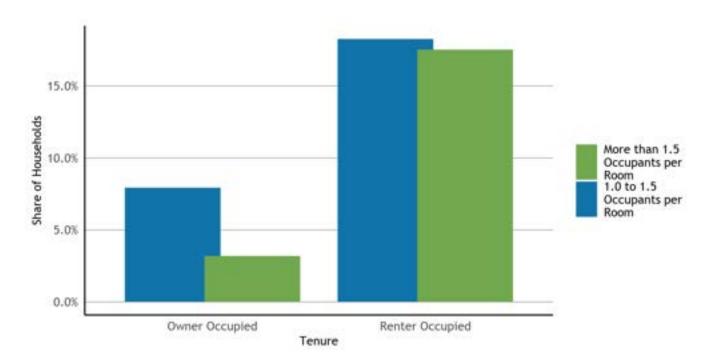
#### Universe: Senior households

Notes: For the purposes of this graph, senior households are those with a householder who is aged 62 or older. Cost burden is the ratio of housing costs to household income. For renters, housing cost is gross rent (contract rent plus utilities). For owners, housing cost is "select monthly owner costs", which includes mortgage payment, utilities, association fees, insurance, and real estate taxes. HUD defines cost-burdened households as those whose monthly housing costs exceed 30% of monthly income, while severely cost-burdened households are those whose monthly housing costs exceed 50% of monthly income. Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

For the data table behind this figure, please refer to the Data Packet Workbook, Table SEN-03.

Overcrowding occurs when the number of people living in a household is greater than the home was designed to hold. There are several different standards for defining overcrowding, but this report uses the Census Bureau definition, which is more than one occupant per room (not including bathrooms or kitchens). Additionally, the Census Bureau considers units with more than 1.5 occupants per room to be severely overcrowded.

Overcrowding is often related to the cost of housing and can occur when demand in a city or region is high. In many cities, overcrowding is seen more amongst those that are renting, with multiple households sharing a unit to make it possible to stay in their communities. In East Palo Alto, 17.5% of households that rent are severely overcrowded (more than 1.5 occupants per room), compared to 3.2% of households that own (see Figure **32**). In East Palo Alto, 18.3% of renters experience moderate overcrowding (1 to 1.5 occupants per room), compared to 7.9% for those who own.

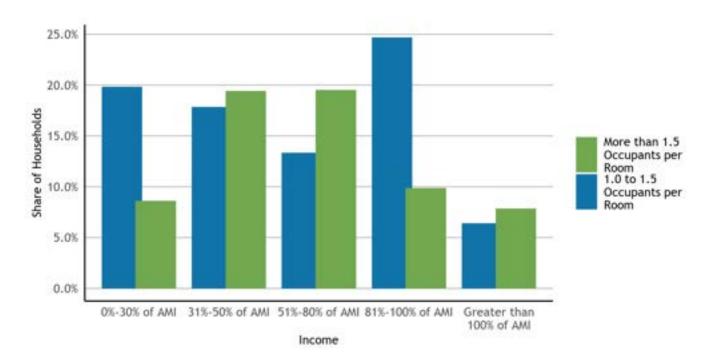


# Figure 32: Overcrowding by Tenure and Severity

Universe: Occupied housing units

Notes: The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded. Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release For the data table behind this figure, please refer to the Data Packet Workbook, Table OVER-01.

Overcrowding often disproportionately impacts low-income households. 8.6% of very low-income households (below 50% AMI) experience severe overcrowding, while 7.9% of households above 100% experience this level of overcrowding (see Figure 33).



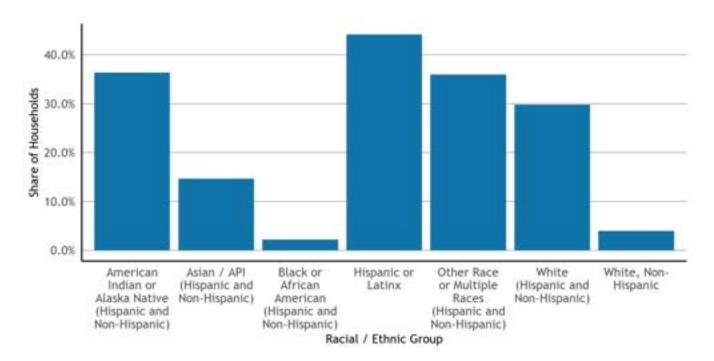
# Figure 33: Overcrowding by Income Level and Severity

#### Universe: Occupied housing units

Notes: The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded. Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

For the data table behind this figure, please refer to the Data Packet Workbook, Table OVER-04.

Communities of color are more likely to experience overcrowding similar to how they are more likely to experience poverty, financial instability, and housing insecurity. People of color tend to experience overcrowding at higher rates than White residents. In East Palo Alto, the racial group with the largest overcrowding rate is *Hispanic or Latinx* (see Figure **34**)



# Figure 34: Overcrowding by Race

#### Universe: Occupied housing units

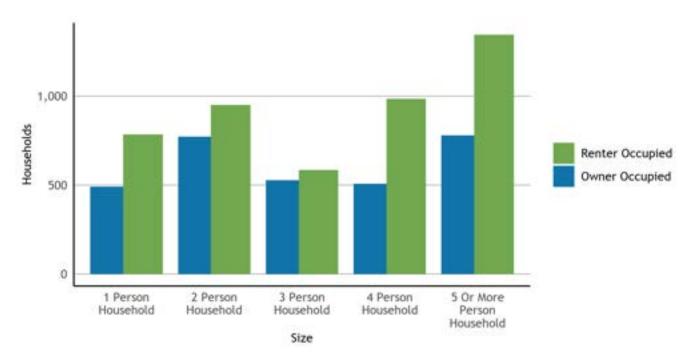
Notes: The Census Bureau defines an overcrowded unit as one occupied by 1.01 persons or more per room (excluding bathrooms and kitchens), and units with more than 1.5 persons per room are considered severely overcrowded. For this table, the Census Bureau does not disaggregate racial groups by Hispanic/Latinx ethnicity. However, data for the white racial group is also reported for white householders who are not Hispanic/Latinx. Since residents who identify as white and Hispanic/Latinx may have very different experiences within the housing market and the economy from those who identify as white and non-Hispanic/Latinx, data for multiple white sub-groups are reported here. The racial/ethnic groups reported in this table are not all mutually exclusive. Therefore, the data should not be summed as the sum exceeds the total number of occupied housing units for this jurisdiction. However, all groups labelled "Hispanic and Non-Hispanic" are mutually exclusive, and the sum of the data for these groups is equivalent to the total number of occupied housing units.

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25014 For the data table behind this figure, please refer to the Data Packet Workbook, Table OVER-03.

# 6 SPECIAL HOUSING NEEDS

# 6.1 Large Households

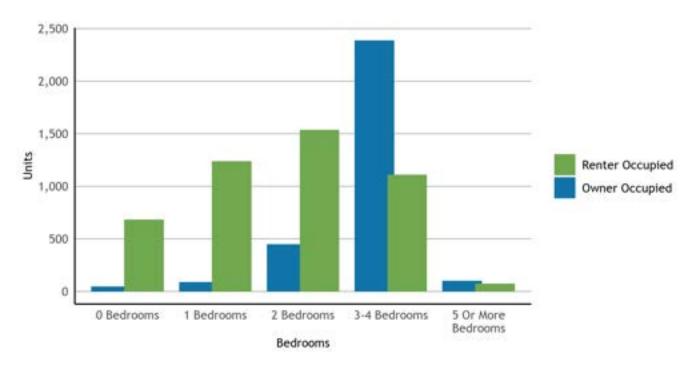
Large households often have different housing needs than smaller households. If a city's rental housing stock does not include larger apartments, large households who rent could end up living in overcrowded conditions. In East Palo Alto, for large households with 5 or more persons, most units (63.3%) are renter occupied (see Figure **35**). In 2017, 48.3% of large households were very low-income, earning less than 50% of the area median income (AMI).



# Figure 35: Household Size by Tenure

Universe: Occupied housing units Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25009 For the data table behind this figure, please refer to the Data Packet Workbook, Table LGFEM-01.

The unit sizes available in a community affect the household sizes that can access that community. Large families are generally served by housing units with 3 or more bedrooms, of which there are 3,678 units in East Palo Alto. Among these large units with 3 or more bedrooms, 32.3% are owner-occupied and 67.7% are renter occupied (see Figure 36).

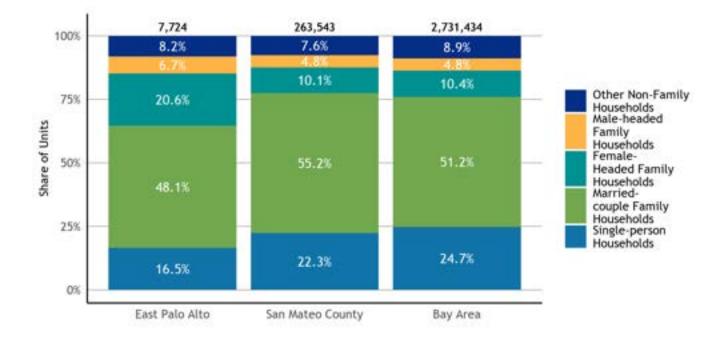


# Figure 36: Housing Units by Number of Bedrooms

Universe: Housing units Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B25042 For the data table behind this figure, please refer to the Data Packet Workbook, Table HSG-05.

# 6.2 Female-Headed Households

Households headed by one person are often at greater risk of housing insecurity, particularly femaleheaded households, who may be supporting children or a family with only one income. In East Palo Alto, the largest proportion of households is *Married-couple Family Households* at 48.1% of total, while *Female-Headed Households* make up 20.6% of all households.



# Figure 37: Household Type

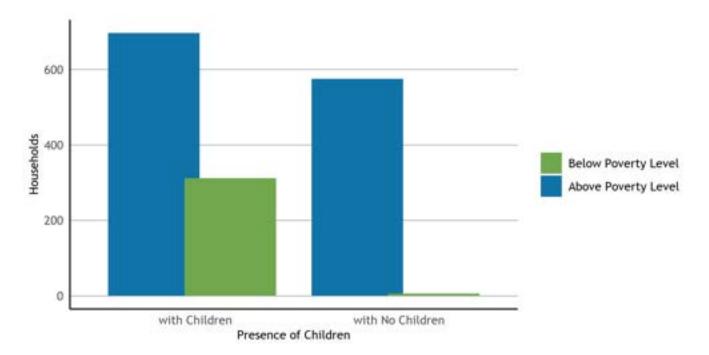
Universe: Households

Notes: For data from the Census Bureau, a "family household" is a household where two or more people are related by birth, marriage, or adoption. "Non-family households" are households of one person living alone, as well as households where none of the people are related to each other.

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B11001 For the data table behind this figure, please refer to the Data Packet Workbook, Table POPEMP-23.

Female-headed households with children may face particular housing challenges, with pervasive gender inequality resulting in lower wages for women. Moreover, the added need for childcare can make finding a home that is affordable more challenging.

In East Palo Alto, 30.9% of female-headed households with children fall below the Federal Poverty Line, while 1.0% of female-headed households *without* children live in poverty (see Figure 38).



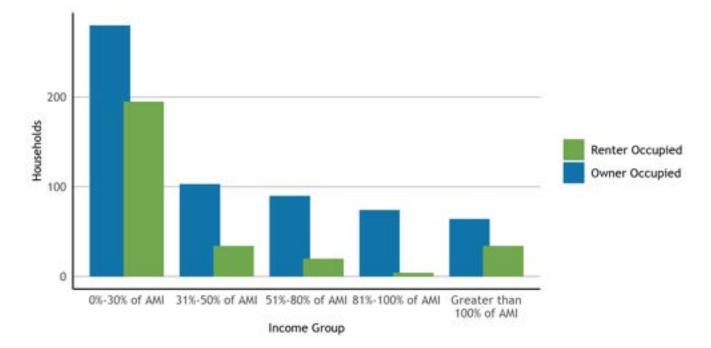
# Figure 38: Female-Headed Households by Poverty Status

Universe: Female Households Notes: The Census Bureau uses a federally defined poverty threshold that remains constant throughout the country and does not correspond to Area Median Income. Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B17012 For the data table behind this figure, please refer to the Data Packet Workbook, Table LGFEM-05.

# 6.3 Seniors

Senior households often experience a combination of factors that can make accessing or keeping affordable housing a challenge. They often live on fixed incomes and are more likely to have disabilities, chronic health conditions and/or reduced mobility.

Seniors who rent may be at even greater risk for housing challenges than those who own, due to income differences between these groups. The largest proportion of senior households who rent make 0%-30% of AMI, while the largest proportion of senior households who are homeowners falls in the income group 0%-30% of AMI (see Figure 39).



# Figure 39: Senior Households by Income and Tenure

#### Universe: Senior households

Notes: For the purposes of this graph, senior households are those with a householder who is aged 62 or older. Income groups are based on HUD calculations for Area Median Income (AMI). HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County). The AMI levels in this chart are based on the HUD metro area where this jurisdiction is located. Source: U.S. Department of Housing and Urban Development (HUD), Comprehensive Housing Affordability Strategy (CHAS) ACS tabulation, 2013-2017 release

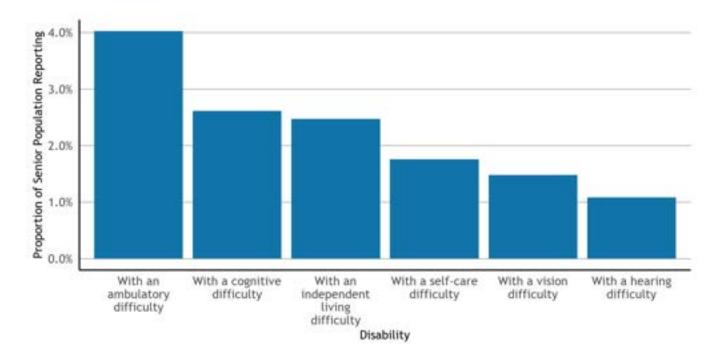
For the data table behind this figure, please refer to the Data Packet Workbook, Table SEN-01.

### 6.4 People with Disabilities

People with disabilities face additional housing challenges. Encompassing a broad group of individuals living with a variety of physical, cognitive, and sensory impairments, many people with disabilities live on fixed incomes and need specialized care, yet often rely on family members for assistance due to the high cost of care.

When it comes to housing, people with disabilities are not only in need of affordable housing but accessibly designed housing, which offers greater mobility and opportunity for independence. Unfortunately, the need typically outweighs what is available, particularly in a housing market with such high demand. People with disabilities are at a high risk for housing insecurity, homelessness, and institutionalization, particularly when they lose aging caregivers. Figure **40** shows the rates at which different disabilities are present among residents of East Palo Alto. Overall, 6.4% of people in East Palo Alto have a disability of any kind.<sup>90</sup>

<sup>&</sup>lt;sup>90</sup> These disabilities are counted separately and are not mutually exclusive, as an individual may report more than one disability. These counts should not be summed.



# Figure 40: Disability by Type

Universe: Civilian noninstitutionalized population 18 years and over

Notes: These disabilities are counted separately and are not mutually exclusive, as an individual may report more than one disability. These counts should not be summed. The Census Bureau provides the following definitions for these disability types: Hearing difficulty: deaf or has serious difficulty hearing. Vision difficulty: blind or has serious difficulty seeing even with glasses. Cognitive difficulty: has serious difficulty concentrating, remembering, or making decisions. Ambulatory difficulty: has serious difficulty is has difficulty that difficulty walking or climbing stairs. Self-care difficulty: has difficulty dressing or bathing. Independent living difficulty has difficulty doing errands alone such as visiting a doctor's office or shopping.

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B18102, Table B18103, Table B18104, Table B18105, Table B18106, Table B18107.

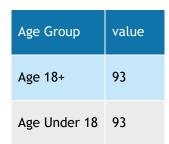
For the data table behind this figure, please refer to the Data Packet Workbook, Table DISAB-01.

State law also requires Housing Elements to examine the housing needs of people with developmental disabilities. Developmental disabilities are defined as severe, chronic, and attributed to a mental or physical impairment that begins before a person turns 18 years old. This can include Down's Syndrome, autism, epilepsy, cerebral palsy, and mild to severe mental retardation. Some people with developmental disabilities are unable to work, rely on Supplemental Security Income, and live with family members. In addition to their specific housing needs, they are at increased risk of housing insecurity after an aging parent or family member is no longer able to care for them.<sup>91</sup>

In East Palo Alto, of the population with a developmental disability, children under the age of 18 make up 50.0%, while adults account for 50.0%.

<sup>&</sup>lt;sup>91</sup> For more information or data on developmental disabilities in your jurisdiction, contact the Golden Gate Regional Center for Marin, San Francisco, and San Mateo Counties; the North Bay Regional Center for Napa, Solano and Sonoma Counties; the Regional Center for the East Bay for Alameda and Contra Costa Counties; or the San Andreas Regional Center for Santa Clara County.

# Table 5: Population with Developmental Disabilities by Age



Universe: Population with developmental disabilities

Notes: The California Department of Developmental Services is responsible for overseeing the coordination and delivery of services to more than 330,000 Californians with developmental disabilities including cerebral palsy, intellectual disability, Down syndrome, autism, epilepsy, and related conditions. The California Department of Developmental Services provides ZIP code level counts. To get jurisdiction-level estimates, ZIP code counts were crosswalked to jurisdictions using census block population counts from Census 2010 SF1 to determine the share of a ZIP code to assign to a given jurisdiction. Source: California Department of Developmental Services, Consumer Count by California ZIP Code and Age Group (2020) This table is included in the Data Packet Workbook as Table DISAB-04.

The most common living arrangement for individuals with disabilities in East Palo Alto is the home of parent /family /guardian.

### Table 6: Population with Developmental Disabilities by Residence

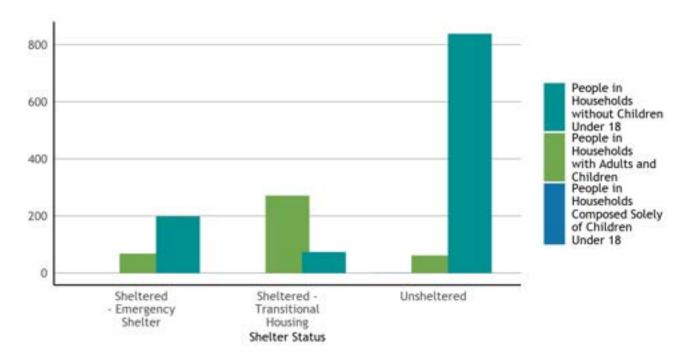
Residence Type	value
Home of Parent /Family /Guardian	173
Independent /Supported Living	13
Other	0
Foster /Family Home	0
Intermediate Care Facility	0
Community Care Facility	0

Universe: Population with developmental disabilities

Notes: The California Department of Developmental Services is responsible for overseeing the coordination and delivery of services to more than 330,000 Californians with developmental disabilities including cerebral palsy, intellectual disability, Down syndrome, autism, epilepsy, and related conditions. The California Department of Developmental Services provides ZIP code level counts. To get jurisdiction-level estimates, ZIP code counts were crosswalked to jurisdictions using census block population counts from Census 2010 SF1 to determine the share of a ZIP code to assign to a given jurisdiction. Source: California Department of Developmental Services, Consumer Count by California ZIP Code and Residence Type (2020) This table is included in the Data Packet Workbook as Table DISAB-05.

#### 6.5 Homelessness

Homelessness remains an urgent challenge in many communities across the state, reflecting a range of social, economic, and psychological factors. Rising housing costs result in increased risks of community members experiencing homelessness. Far too many residents who have found themselves housing insecure have ended up unhoused or homeless in recent years, either temporarily or longer term. Addressing the specific housing needs for the unhoused population remains a priority throughout the region, particularly since homelessness is disproportionately experienced by people of color, people with disabilities, those struggling with addiction and those dealing with traumatic life circumstances. In San Mateo County, the most common type of household experiencing homelessness is those without children in their care. Among households experiencing homelessness that do not have children, 75.5% are unsheltered. Of homeless households with children, most are sheltered in transitional housing (see Figure **41**).



# Figure 41: Homelessness by Household Type and Shelter Status, San Mateo County

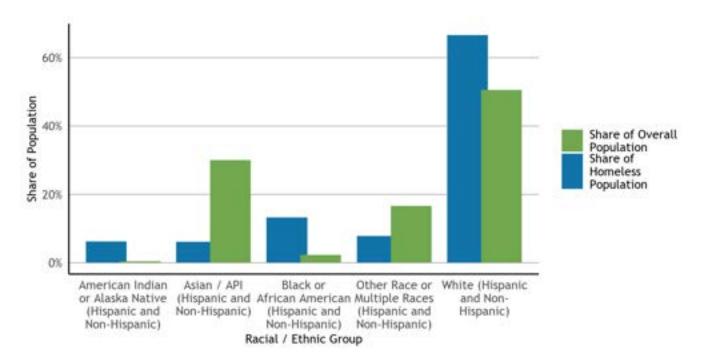
Universe: Population experiencing homelessness

Notes: This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area county is its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness.

Source: U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019)

For the data table behind this figure, please refer to the Data Packet Workbook, Table HOMELS-01.

People of color are more likely to experience poverty and financial instability as a result of federal and local housing policies that have historically excluded them from the same opportunities extended to White residents. Consequently, people of color are often disproportionately impacted by homelessness, particularly Black residents of the Bay Area. In San Mateo County, White (Hispanic and Non-Hispanic) residents represent the largest proportion of residents experiencing homelessness and account for 66.6% of the homeless population, while making up 50.6% of the overall population (see Figure 42).



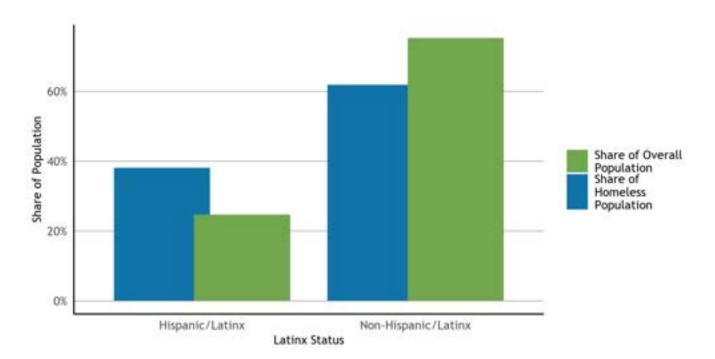
# Figure 42: Racial Group Share of General and Homeless Populations, San Mateo County

#### Universe: Population experiencing homelessness

Notes: This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area county has its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness. HUD does not disaggregate racial demographic data by Hispanic/Latinx ethnicity for people experiencing homelessness. Instead, HUD reports data on Hispanic/Latinx ethnicity for people experiencing homelessness in a separate table. Accordingly, the racial group data listed here includes both Hispanic/Latinx and non-Hispanic/Latinx individuals.

Source: U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019); U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-I) For the data table behind this figure, please refer to the Data Packet Workbook, Table HOMELS-02.

# In San Mateo, Latinx residents represent 38.1% of the population experiencing homelessness, while Latinx residents comprise 24.7% of the general population (see Figure 43).



# Figure 43: Latinx Share of General and Homeless Populations, San Mateo County

Universe: Population experiencing homelessness

Notes: This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area county has its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness. The data from HUD on Hispanic/Latinx ethnicity for individuals experiencing homelessness does not specify racial group identity. Accordingly, individuals in either ethnic group identity category (Hispanic/Latinx or non-Hispanic/Latinx) could be of any racial background.

Source: U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019); U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B01001(A-I) For the data table behind this figure, please refer to the Data Packet Workbook, Table HOMELS-03.

Many of those experiencing homelessness are dealing with severe issues - including mental illness, substance abuse and domestic violence - that are potentially life threatening and require additional assistance. In San Mateo County, homeless individuals are commonly challenged by severe mental illness, with 305 reporting this condition (see Figure **12**). Of those, some 62.0% are unsheltered, further adding to the challenge of handling the issue.

Notably all the data on homelessness provided above is for the entire county. This data comes from the Department of Housing and Urban Development's (HUD) Point in Time count, which is the most comprehensive publicly available data source on people experiencing homelessness. HUD only provides these data at the county-level and not for specific jurisdictions. However, Housing Element law requires local jurisdictions to estimate or count the daily average number of people lacking shelter. The following data presented is taken from the County of San Mateo's One Day Homeless Count and Survey (2022).

#### Number of People Experiencing Homelessness

In August 2022, the County of San Mateo released a One Day Homeless Count and Survey report. The 2022 count found that there were 1,808 people experiencing homelessness in San Mateo County on the night of February 23, 2022. The number includes: 1,092 people experiencing unsheltered homelessness

on streets, in Safe Parking programs, in vehicles (cars, vans, and recreational vehicles [RVs]), or in structures (tents, encampments, and other structures); and 716 people experiencing sheltered homelessness in emergency shelters and transitional housing.

## Number of Homeless Households

The 1,808 people experiencing homelessness (including both unsheltered and sheltered) were members of 1,248 households, consisting of the following household types:

• 1,138 adult-only households, i.e., households with adults ages 18 and older without dependent children (91.2%);

• 109 family households, i.e., households with dependent children (8.7%); and

• 1 child household, i.e., households with only children (0.1%)

Table 1 below taken from the 2022 San Mateo County One Day Homeless Count and Survey summarizes the sleeping locations where people were counted for each household type.

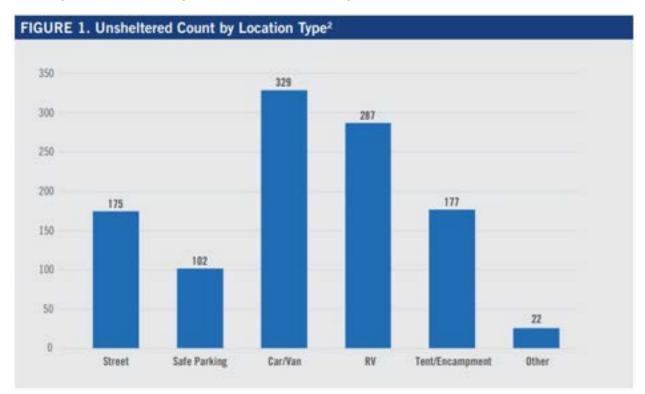
Location Type	Adult- Only HH	People in Adult- Only HH	Family HH	People in Family HH	Child- Only HH	People in Child- Only HH	Total HH	Total People
UNSHELTERED COUNT	and the second second					in the second		
Street	156	173	1	2	0	0	157	175
Safe Parking	35	44	15	58	0	0	50	102
Car/Van	250	319	5	10	0	0	255	329
RV	172	287	0	0	0	0	172	287
Tent/Encampment	115	177	0	0	0	0	115	177
Other	22	22	0	0	0	0	22	22
Subtotal Unsheltered	750	1,022	21	70	0	0	771	1,092
SHELTERED COUNT								
Emergency Shelter	381	388	56	194	0	0	437	582
Transitional Housing	7	11	32	122	1	1	40	134
Subtotal Sheltered	388	399	88	316	1	1	477	716
TOTAL COUNT	1,138	1,421	109	386	1	1	1,248	1,808

I "Safe Parking" is a type of program that servers people who are residing in their vehicles. The program includes a safe designated place to stay in their vehicle as well as supportive services to assist the residents with working on returning to housing. At the time of the 2019 and earlier counts, there were no Safe Parking programs in San Mateo County, and as of the 2022 count, there were two Safe Parking programs which both serve people laving in TVA.

"Other" includes abandoned buildings, boats, and other types of whicks/structures that are not captured under Sale Parking, RV, and CanVan. Enhanced data collection tools in the 2022 court allowed for improved tracking of these type of other unshellend situations, compared to previous years.

#### Source: 2022 San Mateo County One Day Homeless Count and Survey

The unsheltered count also includes information about the locations where people experiencing unsheltered homelessness slept on the night of the count: on the streets, in safe parking programs, in vehicles, or in structures. As illustrated in Figure 1 below, taken from the 2022 San Mateo County One Day Homeless Count and Survey, the majority of people experiencing unsheltered homelessness slept in cars or vans (30%) and RVs (26%). An additional 9% slept in vehicles in safe parking programs. The



remaining 34% slept on the street (16%), in tents and encampments (16%), or in other locations including abandoned buildings, boats, and other uncategorized vehicles or structures (2%)

#### **Unsheltered Count Totals by Location**

The Table 4 below, taken from the 2022 San Mateo County One Day Homeless Count and Survey, summarizes the number of people experiencing unsheltered homelessness by geographic location in 2022, and Table 5 below displays summaries for each count from 2011 to 2022. Consistent with prior years, a large proportion of people experiencing homelessness were living in three geographic locations in 2022: Redwood City, East Palo Alto, and Pacifica.

East Palo Alto had a Point in Time (PIT) count of 169 unsheltered people in 2022, which is 15% of the total unsheltered population in the County. The percentage of unsheltered population in East Palo Alto is disproportionately higher than the rest of the County, as East Palo Alto comprises only 4% of the general County population.

Between 2011 and 2015, East Palo Alto saw a decline in the unsheltered homeless count. Between 2015-2022, East Palo Alto saw an increase in the unsheltered homeless count. In 2020 and 2021, during the COVID-19 pandemic, the County did not administer a One Day Homeless County and Survey. To better understand the impacts of the COVID-19 pandemic on homelessness, the survey administered to people experiencing unsheltered homelessness asked whether the COVID-19 pandemic was the cause of homelessness and about their vaccination status. Among those surveyed, 15% reported that the COVID-19 pandemic caused them to become homeless. Of those who reported experiencing homelessness as a result of the COVID-19 pandemic, the most common causes were loss of job (44%), eviction (10%), having their rent raised (5%), and having their work hours reduced (5%).

Source: 2022 San Mateo County One Day Homeless Count and Survey

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TABLE 4. Unsheltered Count by Jurisdiction
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City	2022 Count
Atherton	3
Belmont	13
Brisbane	6
Burlingame	10
Colma	1
Daly City	49
East Palo Alto	169
Foster City	4
Half Moon Bay	68
Hillsborough	0
Menlo Park	56
Millbrae	9
Pacifica	161
Portola Valley	0
Redwood City	245
San Bruno	63
San Carlos	14
San Francisco International Airport	14
San Mateo	60
South San Francisco	42
Unincorporated Total	105
Coastside	62
North	7
Central	0
South	36
Woodside	0
TOTAL	1,092

Source: 2022 San Mateo County One Day Homeless Count and Survey

TABLE 5. Unsheltered Homeless Count by Jurisdiction by Year						
City	2011	2013	2015	2017	2019	2022
Atherton	1	0	1	0	1	3
Belmont	1	43	11	3	7	13
Brisbane	0	34	21	19	4	6
Burlingame	3	13	7	21	25	10
Colma	1	7	3	1	8	1
Daly City	44	27	32	17	66	49
East Palo Alto	385	119	95	98	107	169
Foster City	0	7	0	6	4	4
Half Moon Bay	41	114	84	43	54	68
Hillsborough	0	0	0	0	0	0
Menlo Park	72	16	27	47	27	56
Millbrae	1	21	8	7	9	9
Pacifica	95	150	63	112	116	161
Portola Valley	16	2	0	1	0	0
Redwood City	233	306	223	94	221	245
San Bruno	14	98	8	26	12	63
San Carlos	9	10	20	28	30	14
San Francisco International Airport	9	5	1	3	21	14
San Mateo	68	103	82	48	74	60
South San Francisco	122	172	55	33	42	42
Unincorporated Total	47	46	32	30	73	105
Coastside	-	-	22	22	60	62
Central	-	-	0	0	0	0
North	-	-	0	3	6	7
South	-	-	10	5	7	36
Woodside	0	6	2	0	0	0
TOTAL	1,162	1,299	775	637	901	1,092

Source: 2022 San Mateo County One Day Homeless Count and Survey

Proportionately more Black, African American, or African people and American Indian, Alaska Native, or Indigenous people were unsheltered than sheltered. All Native Hawaiian or Pacific Islander persons observed on the night of the count were either staying in emergency shelters or transitional housing. See Figure 6 taken from the 2022 San Mateo County One Day Homeless Count and Survey below.

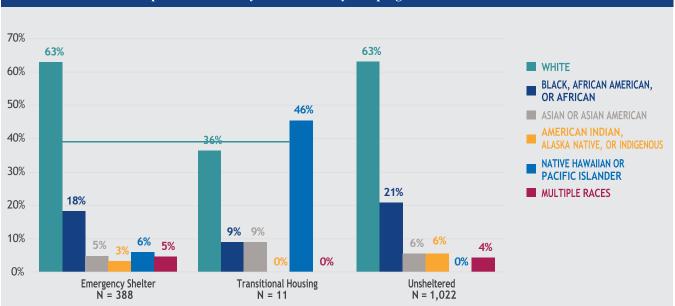
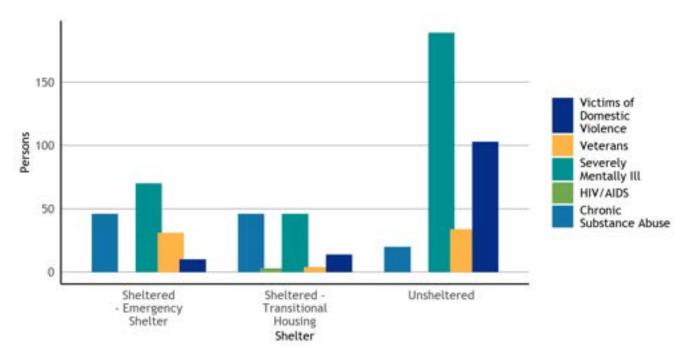


FIGURE 6. Race of People in Adult-Only Households by Sleeping Location

Source: 2022 San Mateo County One Day Homeless Count and Survey



# Figure 44: Characteristics for the Population Experiencing Homelessness, San Mateo County

#### Universe: Population experiencing homelessness

Notes: This data is based on Point-in-Time (PIT) information provided to HUD by CoCs in the application for CoC Homeless Assistance Programs. The PIT Count provides a count of sheltered and unsheltered homeless persons on a single night during the last ten days in January. Each Bay Area county has its own CoC, and so the data for this table is provided at the county-level. Per HCD's requirements, jurisdictions will need to supplement this county-level data with local estimates of people experiencing homelessness. These challenges/characteristics are counted separately and are not mutually exclusive, as an individual may report more than one challenge/characteristic. These counts should not be summed. Source: U.S. Department of Housing and Urban Development (HUD), Continuum of Care (CoC) Homeless Populations and Subpopulations Reports (2019)

For the data table behind this figure, please refer to the Data Packet Workbook, Table HOMELS-04.

In East Palo Alto, the student population experiencing homelessness totaled 524 during the 2019-20 school year and decreased by 31.7% since the 2016-17 school year. By comparison, San Mateo County has seen a 37.5% decrease in the population of students experiencing homelessness since the 2016-17 school year, and the Bay Area population of students experiencing homelessness decreased by 8.5%. During the 2019-2020 school year, there were still some 13,718 students experiencing homelessness throughout the region, adding undue burdens on learning and thriving, with the potential for longer term negative effects.

The number of students in East Palo Alto experiencing homelessness in 2019 represents 43.9% of the San Mateo County total and 3.8% of the Bay Area total.

Academic Year	East Palo Alto	San Mateo County	Bay Area
2016-17	767	1910	14990
2017-18	441	1337	15142
2018-19	946	1934	15427
2019-20	524	1194	13718

# Table 7: Students in Local Public Schools Experiencing Homelessness

Universe: Total number of unduplicated primary and short-term enrollments within the academic year (July 1 to June 30), public schools

Notes: The California Department of Education considers students to be homeless if they are unsheltered, living in temporary shelters for people experiencing homelessness, living in hotels/motels, or temporarily doubled up and sharing the housing of other persons due to the loss of housing or economic hardship. The data used for this table was obtained at the school site level, matched to a file containing school locations, geocoded and assigned to jurisdiction, and finally summarized by geography.

Source: California Department of Education, California Longitudinal Pupil Achievement Data System (CALPADS), Cumulative Enrollment Data (Academic Years 2016-2017, 2017-2018, 2018-2019, 2019-2020) This table is included in the Data Packet Workbook as Table HOMELS-05.

### 6.6 Farmworkers

Across the state, housing for farmworkers has been recognized as an important and unique concern. Farmworkers generally receive wages that are considerably lower than other jobs and may have temporary housing needs. Finding decent and affordable housing can be challenging, particularly in the current housing market.

In East Palo Alto, there were no reported students of migrant workers in the 2019-20 school year. The trend for the region for the past few years has been a decline of 2.4% in the number of migrant worker students since the 2016-17 school year. The change at the county level is a 57.1% decrease in the number of migrant worker students since the 2016-17 school year.

# Table 8: Migrant Worker Student Population

Academic Year	East Palo Alto	San Mateo County	Bay Area
2016-17	58	657	4630
2017-18	0	418	4607
2018-19	0	307	4075
2019-20	0	282	3976

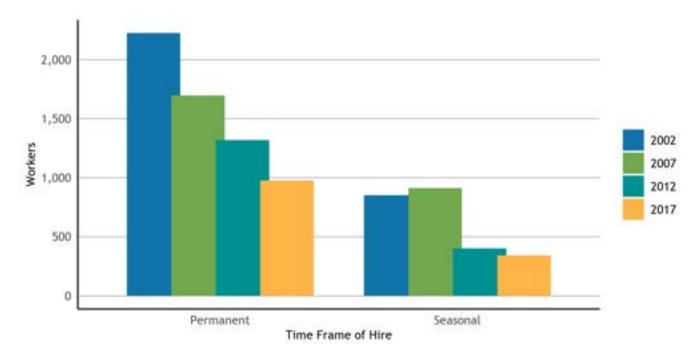
Universe: Total number of unduplicated primary and short-term enrollments within the academic year (July 1 to June 30), public schools

Notes: The data used for this table was obtained at the school site level, matched to a file containing school locations, geocoded and assigned to jurisdiction, and finally summarized by geography.

Source: California Department of Education, California Longitudinal Pupil Achievement Data System (CALPADS), Cumulative Enrollment Data (Academic Years 2016-2017, 2017-2018, 2018-2019, 2019-2020)

This table is included in the Data Packet Workbook as Table FARM-01.

According to the U.S. Department of Agriculture Census of Farmworkers, the number of permanent farm workers in San Mateo County has decreased since 2002, totaling 978 in 2017, while the number of seasonal farm workers has decreased, totaling 343 in 2017 (see Figure **45**).



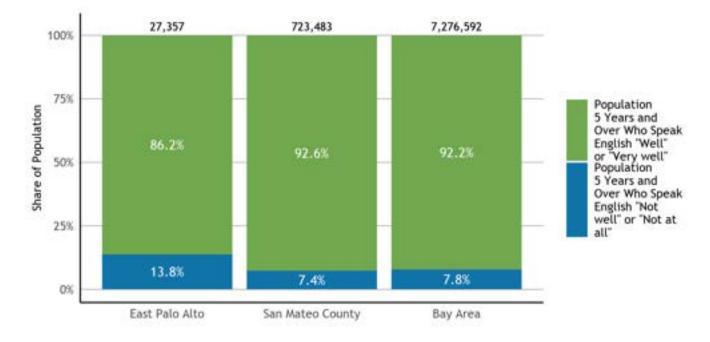
# Figure 45: Farm Operations and Farm Labor by County, San Mateo County

Universe: Hired farm workers (including direct hires and agricultural service workers who are often hired through labor contractors)

Notes: Farm workers are considered seasonal if they work on a farm less than 150 days in a year, while farm workers who work on a farm more than 150 days are considered to be permanent workers for that farm. Source: U.S. Department of Agriculture, Census of Farmworkers (2002, 2007, 2012, 2017), Table 7: Hired Farm Labor For the data table behind this figure, please refer to the Data Packet Workbook, Table FARM-02.

# 6.7 Non-English Speakers

California has long been an immigration gateway to the United States, which means that many languages are spoken throughout the Bay Area. Since learning a new language is universally challenging, it is not uncommon for residents who have immigrated to the United States to have limited English proficiency. This limit can lead to additional disparities if there is a disruption in housing, such as an eviction, because residents might not be aware of their rights or they might be wary to engage due to immigration status concerns. In East Palo Alto, 13.8% of residents 5 years and older identify as speaking English not well or not at all, which is above the proportion for San Mateo County. Throughout the region the proportion of residents 5 years and older with limited English proficiency is 8%.



# Figure 46: Population with Limited English Proficiency

Universe: Population 5 years and over

Source: U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B16005 For the data table behind this figure, please refer to the Data Packet Workbook, Table AFFH-03.

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# APPENDIX B2 SAN MATEO COUNTY HOUSING NEEDS DATA

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# INTRODUCTION



- By 2026, one out of five residents will be 65 or over
- San Mateo County's population is becoming more diverse



Housing

- The number of households will continue to grow
- Housing prices and rents will continue to increase



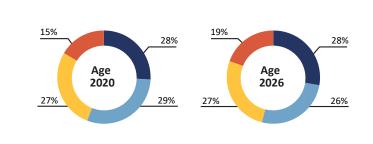
- The number of jobs will continue to grow
- Although the median income is high, many jobs paylow wages

Jobs

# PEOPLE

# By 2026, one outof five residents will be 65 or over

Under 25 25-44 45-64 65+



San Mateo County makes up 10 percent of the total Bay Area population, which is the fifth largest metropolitan area in the country. The number of people living here has steadily grown over the past few decades. In 2020, our population was estimated to be 773,244, an increase of 19 percent since 1990.<sup>1</sup> That trend is expected to continue-despite the impact of the pandemic-because jobs continue to be added.

People are also living longer, with those 65 and over expected to make up nearly 20 percent of the population by 2026. Equally important is the fact that Millennials recently surpassed the Baby Boomers as our largest generation. As Millennials enter their 40s, they will continue to shape countywide housing needs. By 2026, people 25-44 and 45-64 will make up more than 50 percent of the population.<sup>2</sup>

### What does this mean for housing needs?

Both seniors and Millennials have shown a preference



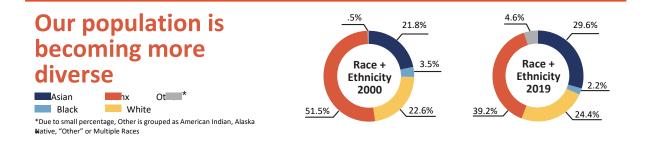
for more walkable, mixed-use neighborhoods that are close to work, schools, parks, and amenities. The majority of seniors prefer to stay in their homes and communities, known as *aging-in-place*. Yet many live on fixed incomes and may have mobility issues as they age, which require supportive services.

Simultaneously, Millennials are less likely to own homes and have less savings than previous generations; they are more likely to live alone and delay marriage; and as they start families, may be in greater need of support when purchasing their first home. Coupled with increasing housing prices, it is more difficult for younger generations to rent or purchase a home than it was for current residents.

We must address how to support our seniors as they get older so they can stay in their homes and communities, and make sure young people, new families, and our workers can find housing they can afford that meets their needs.



<sup>1</sup> U.S. Census, American Community Survey <sup>2</sup> Claritias Population Facts 2021



San Mateo County is a very diverse place to live, even when compared to the State of California. Countywide, more than one-third of the population is foreign-born and almost half speaks a language other than English at home. By contrast, a quarter of all Californians are foreign-born and less than a quarter speak a language other than English at home. Over 120 identified languages are spoken in San Mateo County, with top languages including Spanish (17 percent), Chinese (8 percent) and Tagalog (6 percent).

Our population has become increasingly more diverse over time. In 2000, more than half of people identified as White, which fell to 39 percent in 2019, and is expected to decrease further to 35 percent by 2026. However, while the Asian and Latinx populations increased during that time, but the Black population decreased by almost half, from 3.5 to 2.2 percent.<sup>1</sup>

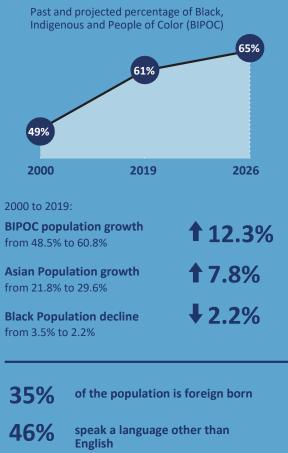
#### What does this mean for housing needs?

When planning for housing, we need to consider a variety of housing needs—like larger homes for multigenerational families or those with more children—and how to create opportunities for everyone to access quality, affordable housing near schools, transit, jobs, and services.

Past exclusionary practices have prevented people of color from purchasing homes, living in certain neighborhoods, and building wealth over time. As a result, they are more likely to experience poverty, housing insecurity, displacement, and homelessness. And while many of our communities are very diverse, we are still contending with segregation and a lack of equitable opportunities. To help prevent displacement due to gentrification and to create a future where it is possible for everyone to find the housing they need, it will be important to plan for a variety of housing types and affordability options in all neighborhoods.

<sup>1</sup> U.S. Census, American Community Survey

#### DIVERSITY



**120** different languages are spoken

# **HOUSEHOLDS + HOUSING**

The number of households will continue to grow

265K Households in 2020 394K

Households in 2050

That's a 48% increase

Over the past 30 years, new home construction has not kept up with the number of jobs added to the economy. This has led to a housing shortage.

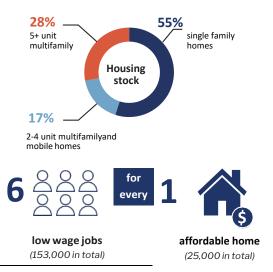
In 2020, there were 265,000 households in San Mateo County. By 2050 we expect that to increase by almost 50 percent, to 394,000.1 This growing demand will continue to put pressure on home prices and rents. Given that nearly 75 percent of our housing was built before 1980, there will also be a need to upgrade older homes. While upgrades will be essential to make sure housing is of high quality and safe to residents, redevelopment or repair can sometimes result in a loss of affordable housing, especially in older multifamily or apartment buildings.

For every six low-wage jobs (\$20/hour) there is one home in the county that is affordable to such a worker (monthly rent of \$1,500).<sup>2</sup>

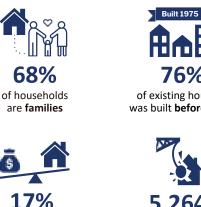


Along with planning for more housing, we also need to consider how to best support the development of low and moderate income housing options while preserving existing affordable homes. This includes transitional and supportive housing options for the unhoused and universal design to meet accessibility and mobility needs.

Although the majority of housing produced in the past few decades has been single-family homes or larger multifamily buildings, some households have become increasingly interested in "missing middle" housingsmaller homes that include duplexes, triplexes, townhomes, cottage clusters, garden apartments, and accessory dwelling units (ADUs). These smaller homes may provide more options to a diversity of community members across income, age, and household size.



<sup>1</sup> Plan Bay Area 2050 <u>Projected Growth Pattern</u>, U.S. Census, American Community Survey <sup>5</sup> Association of Bay Area Governments <u>Jobs Housing Fit</u>





was built before 1980



existing affordable units are at of households spend half or more of their income on risk of being converted to housing market rate

# Housing rent and prices continue to increase





Median rent increased 41%

\$1.4M \$675K

Home values more than doubled

The Bay Area is a great place to live, but throughout the region and county there just isn't enough housing for all income levels, which has caused costs to go up. Home prices and rents have been steadily increasing the past two decades, but in recent years the jump has been dramatic. Since 2009, median rent increased 41 percent to \$2,200, and median home values have more than doubled to \$1,445,000.<sup>1</sup>

Overall, many residents are paying too much for housing, while many others have been priced out entirely. If a household spends more than 30 percent of its monthly income on housing, it is considered *cost-burdened*. If it spends more than 50 percent, it is considered *severely cost-burdened*. Renters are usually more cost-burdened than homeowners. While home prices have increased dramatically, homeowners often benefit from mortgages at fixed rates, whereas renters are subject to ups and downs of the market.

In San Mateo County, 17 percent of households spend half or more of their income on housing, while 19 percent spend between a one-third to half. However, these rates vary greatly across income and race. Of those who are *extremely low income*—making 30 percent or less of the area median income (AMI)—88 percent spend more than half of their income on housing. Latino renters and Black homeowners are disproportionately cost burdened and severely costburdened. Given that people in this situation have a small amount of income to start with, spending more than half what they make on housing leaves them with very little to meet other costs, such as food and healthcare. Very low-income households paying more than 50 percent of their income on rent are often at a greater risk of homelessness.<sup>2</sup>

As a result, more people are living in overcrowded or unsafe living conditions. They are also making the

tough choice to move further away and commute long distances to work or school, which has created more traffic. Since low income residents and communities of color are the most cost burdened, they are at the highest risk for eviction, displacement, and homelessness.

#### What does this mean for housing needs?

Although there are complex supply, demand, and economic factors impacting costs, not having enough housing across all incomes has meant rent and prices are just higher. Programs and policies that can support more homes across all income levels, particularly very low, low, and moderate income, are essential, as are more safe, affordable housing options to address homelessness.

#### RENTER SNAPSHOT



54% are under 44 years old

76% are people of color and at a higher risk of being displaced

#### 1 in 4 renters...



spend 50% of Income on rent

Ive in overcrowded households – 89% of these renters are BIPOC

#### Latinx are the most cost burdened



31% spend more than half and 18% spend a third to half of their income on rent

<sup>1</sup> San Mateo County Association of Realtors, Zillow <sup>7</sup> U.S. Census, American Community Survey

# JOBS

# The number of jobs will continueto grow

<b>416.7K</b> Jobs in 2020	<b>507K</b> Jobs in 2050	That's a <b>22%</b>
		increase

The Bay Area and San Mateo County have had very strong economies for decades. While some communities have more jobs and some have less, we have all been impacted by the imbalance of job growth and housing.

Since 2010, we have added over 100,000 jobs but only 10,000 homes.<sup>1</sup> At the same time, our population is growing naturally, meaning more people are living longer while our children are growing up and moving out into homes of their own. All of this impacts housing demand and contributes to the rising cost of homes. We need more housing to create a better balance.

In 2020, there were 416,700 jobs, and by 2050 we expect that to increase 22 percent to 507,000.<sup>2</sup> While some jobs pay very well, wages for many others haven't kept up with how costly it is to live here.

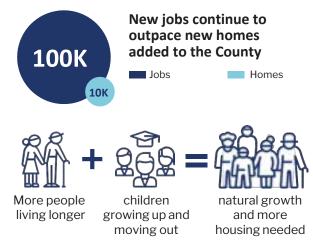
#### What does this mean for housing needs?

As we plan for housing, we need to consider the needs of our workforce—folks who are a part of our communities but often end their day by commuting long distances to a place they can afford. Many have been displaced in recent decades or years, as housing rent and prices soared along with a job-generating economy. The lack of workforce housing affects us all, with teachers, fire fighters, health care professionals, food service providers, and many essential workers being excluded from the communities they contribute to every day. The long-term sustainability of our communities depends on our ability to create more affordable and equitable housing options.



#### **NEW JOBS TO NEW HOUSING**

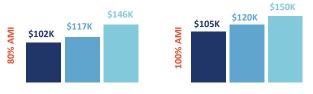
2010 - 2020



<sup>1</sup> U.S. Census American Community Survey, State of CA Employment Development Dept (EDD) <sup>9</sup> Plan Bay Area 2050 <u>Projected Growth Pattern</u>







Household of 1 Household of 2 Household of 4

To be considered low or moderate income in the Bay Area means a very different thing than in most parts of the country. The *income or wage gap*—the difference between the highest and lowest wages—is large in our region. Affordable housing here can mean that your favorite hairstylist, your child's principal, or the friendly medical assistant at your doctor's office can qualify for—and often needs—below market rate or subsidized affordable housing so they can live close to their work.

The starting point for this calculation is the *Area Median Income (AMI)*—the middle spot between the lowest and highest incomes earned in San Mateo County. Simply put, half of households make more, and half of households make less. Moderate income is 80 to 120 percent of the AMI, low income is 50 to 80 percent AMI, and very low income is 30 to 50 percent AMI. Below 30 percent AMI is considered extremely low income. The rule of thumb is households should expect to pay about a third of their income on housing.

In San Mateo County, the AMI is \$104,700 for a single person, \$119,700 for a household of two and \$149,600 for a family of four. When we talk about affordable housing, we mean housing that is moderately priced for low or moderate income residents so that new families and the workforce can live in our communities. Affordable housing programs are generally for those who earn 80 percent or below the AMI, which is \$102,450 for a single person, \$117,100 for a household of two, and \$146,350 a yearfor a household of four.<sup>1</sup>

#### What does this mean for housing needs?

Given the price of land in San Mateo County and what it costs to build new housing, creating affordable housing is extremely challenging—and often impossible without some form of subsidy. Sometimes this is in the form of donated land from a local government or school district. Sometimes this is in the form of incentives to

<sup>1</sup> State of CA Dept of Housing and Community Development (HCD)



\*income spent on housing based on 2k per month/studio or 1 bedroom

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# APPENDIX C: AFFIRMATIVELY FURTHERING FAIR HOUSING

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Appendix C:Affirmatively Furthering Fair Housing

# APPENDIX C1 AFFH DATA REPORT

# SECTION I. Fair Housing Enforcement and Outreach Capacity Figure I-1.

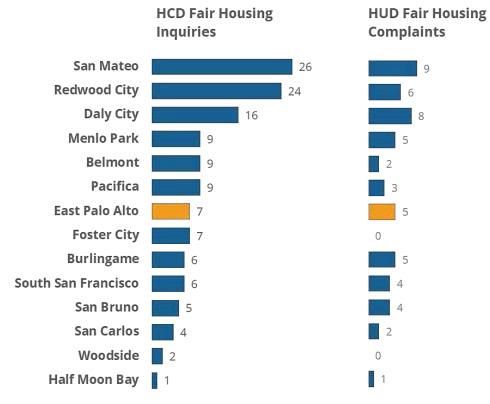
# Fair Housing Assistance Organizations, San Mateo County

Name	Service Area	Address	Phone	Website
Project Sentinel	Northern California	1490 El Camino Real, Santa Clara, CA 95050	(800) 339-6043	https://www.housing.org/
Legal Aid Society of San Mateo County	San Mateo County	330 Twin Dolphin Drive, Suite 123, Redwood City, CA 94065	(650) 558-0915	https://www.legalaidsmc.org/h ousing-resources
Community Legal Services of East Palo Alto	East Palo Alto, Menlo Park, Burlingame, Mountain View, Redwood City, and San Francisco	1861 Bay Road, East Palo Alto, CA 94303	(650)-326-6440	https://clsepa.org/services/#ho using

Source: Organization Websites

Figure I-2. Fair Housing Complaints Filed with HUD by Basis, San Mateo County, 2017-2021		2017	2018	2019	2020	2021	2017-2 Cases	021 Total % of Total
	Disability	8	9	3	9	3	32	56%
	Race	3	5	2	1		11	19%
	Familial Status	4	3			1	8	14%
Source: HUD.	National Origin	2				1	3	5%
	Religion		1		1		2	4%
	Sex					1	1	2%
	Total cases	17	18	5	11	6	57	100%

# Figure I-3. HCD Fair Housing Inquiries (2013- 2021) and HUD Fair Housing Complaints (2017- 2021)



Source: Organization Websites.

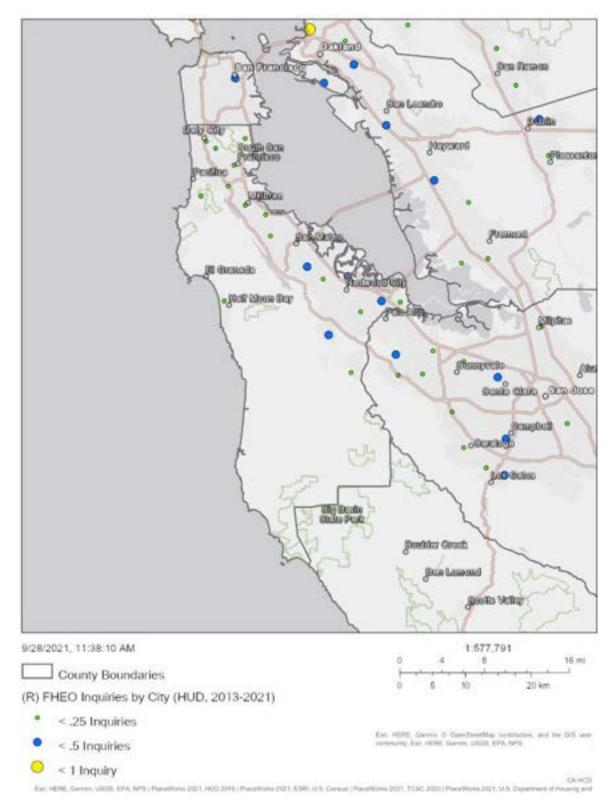
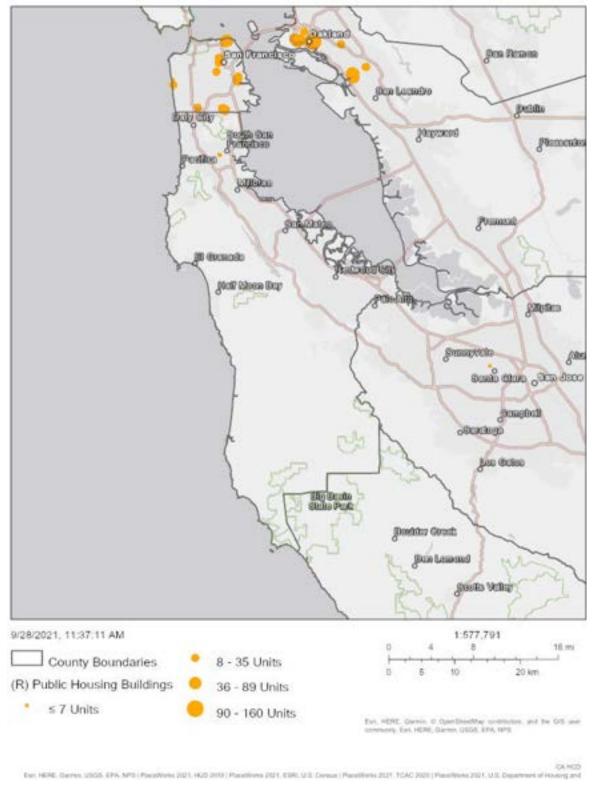


Figure I-4. FHEO Inquiries by City to HUD, San Mateo County, 2013-2021

# Figure I-5. HCD Fair Housing Inquiries by Bias, January 2013-March 2021

Jurisdiction	Disability	Race	Familial Status	National Origin	Religion	Sex	Color	Total
Atherton	0	0	0	0	0	0	0	0
Belmont	2	0	1	0	0	0	0	9
Brisbane	0	0	0	0	0	0	0	0
Burlingame	3	0	2	0	0	0	0	6
Colma	0	0	0	0	0	0	0	0
Daly City	1	2	1	3	0	0	0	17
East Palo Alto	1	1	0	0	0	0	0	7
Foster City	4	0	0	0	0	0	0	7
Half Moon Bay	0	0	0	0	0	0	0	1
Hillsborough	0	0	0	0	0	0	0	0
Menlo Park	3	0	0	0	0	1	0	11
Millbrae	0	0	0	0	0	0	0	0
Pacifica	3	0	0	1	0	1	0	9
Portola Valley	0	0	0	0	0	0	0	0
Redwood City	5	1	1	1	0	1	0	24
San Bruno	0	0	0	0	0	0	0	5
San Carlos	1	0	1	0	0	0	0	4
San Mateo	4	2	2	2	0	0	0	27
South San Francisco	0	0	0	1	0	0	0	6
Woodside	0	0	0	0	0	0	0	2

Figure I-6. Public Housing Buildings, San Mateo County



Appendix C1: AFFH Data Report -Page 5

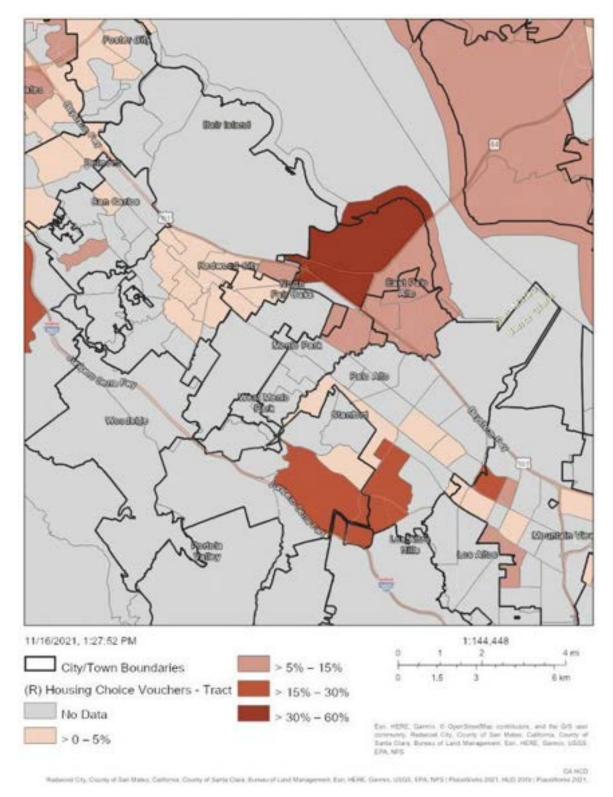
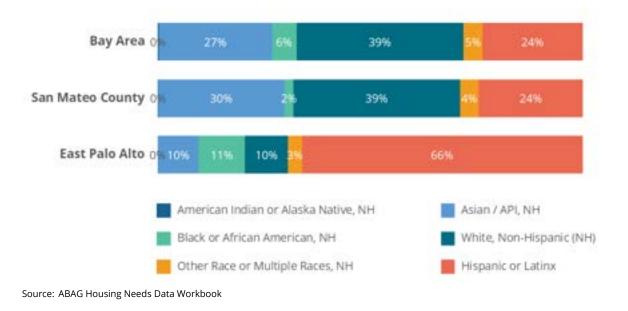


Figure I-7. Housing Choice Vouchers by Census Tract

Appendix C1: AFFH Data Report -Page 6

# **SECTION II. Integration and Segregation**

#### Race and ethnicity. Figure II-1. Population by Race and Ethnicity, 2019



#### Figure II-2. Population by Race and Ethnicity, East Palo Alto, 2000-2019

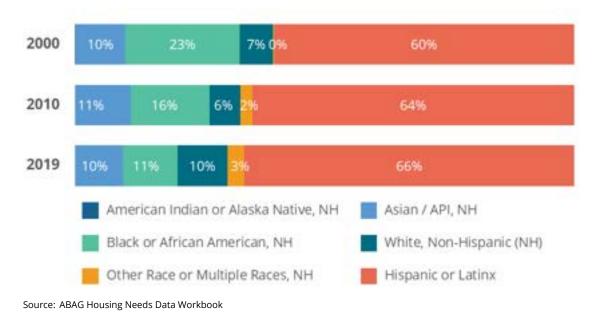
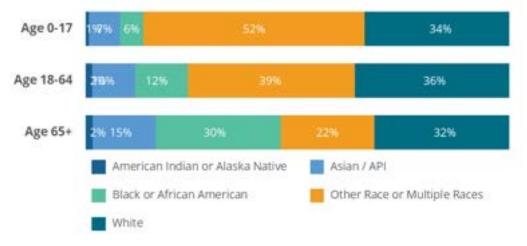
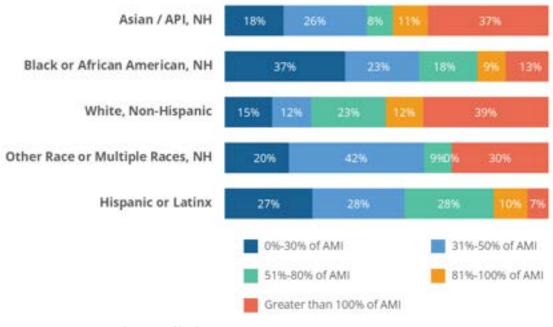


Figure II-3. Senior and Youth Population by Race, East Palo Alto, 2000-2019



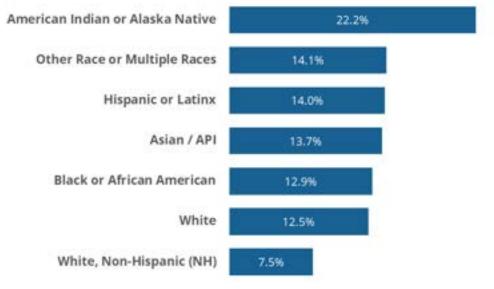
Source: ABAG Housing Needs Data Workbook

#### Figure II-4. Area Median Income by Race and Ethnicity, East Palo Alto, 2019



Source: ABAG Housing Needs Data Workbook

## Figure II-5. Poverty Rate by Race and Ethnicity, East Palo Alto, 2019



Source: ABAG Housing Needs Data Workbook

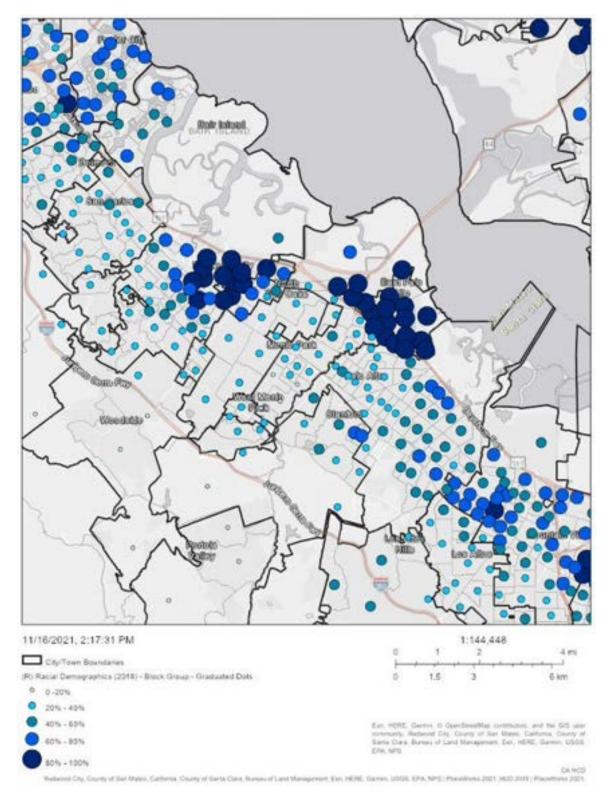


Figure II-6. % Non-White Population by Census Block Groups, 2018

Figure II-7. White Majority Census Tracts

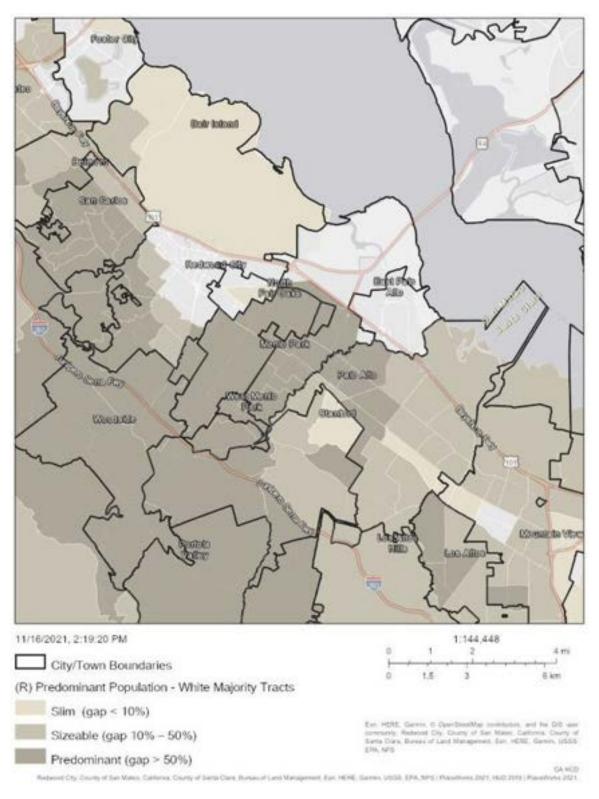
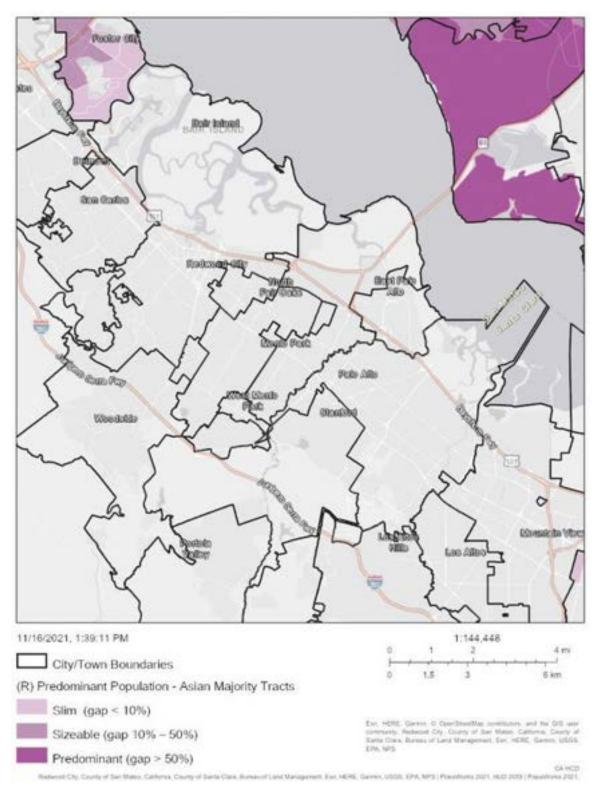


Figure II-8. Asian Majority Census Tracts



Source: California Department of Housing and Community Development AFFH Data Viewer

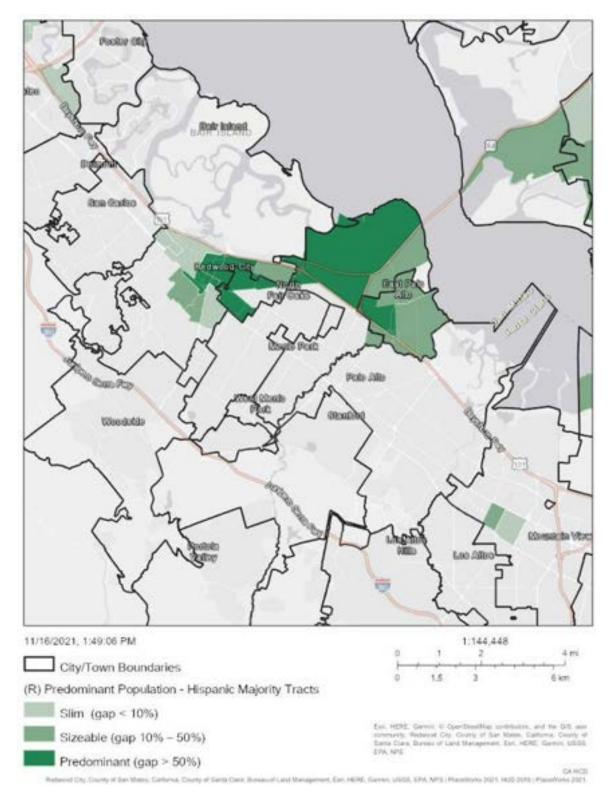


Figure II-9. Hispanic Majority Census Tracts

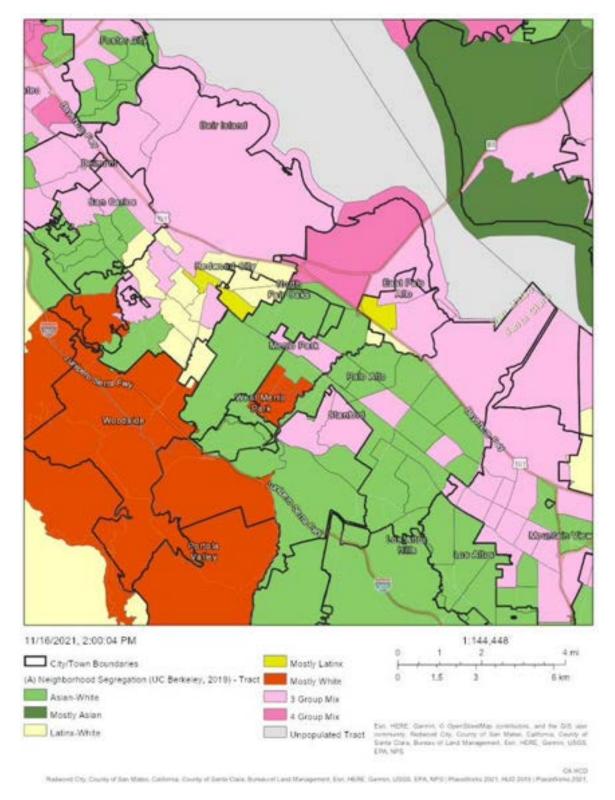


Figure II-10. Neighborhood Segregation by Census Tract, 2019

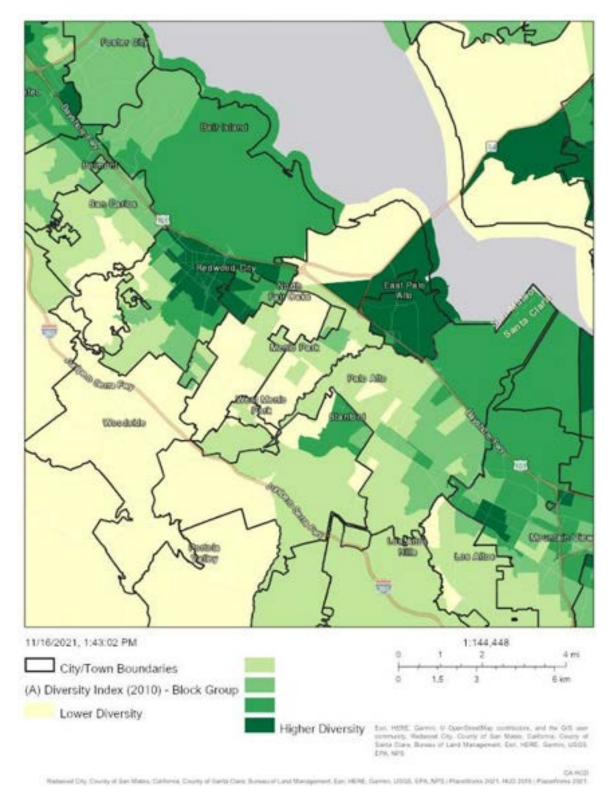


Figure II-11. Diversity Index by Block Group, 2010

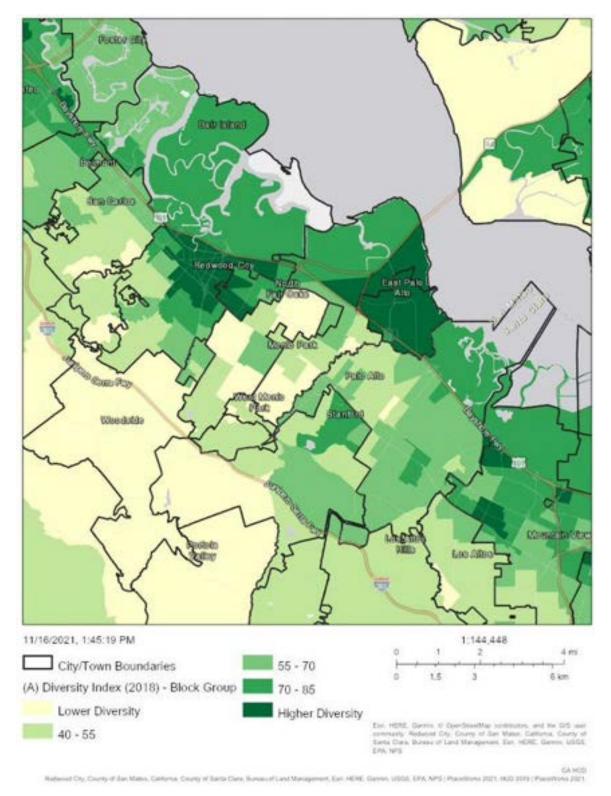
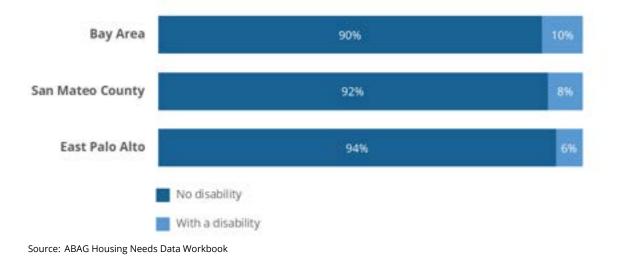


Figure II-12. Diversity Index by Block Group, 2018

Appendix C1: AFFH Data Report -Page 16

# Disability status. Figure II-13. Share of Population by Disability Status, 2019



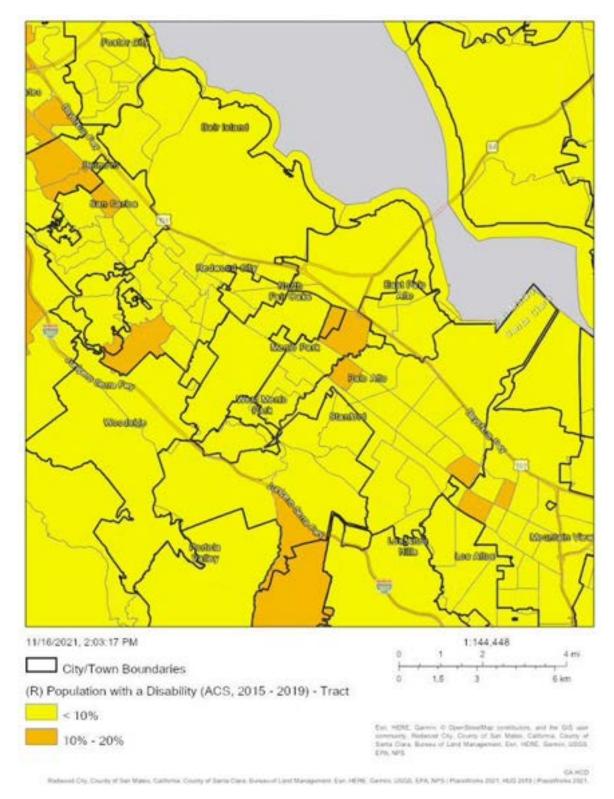
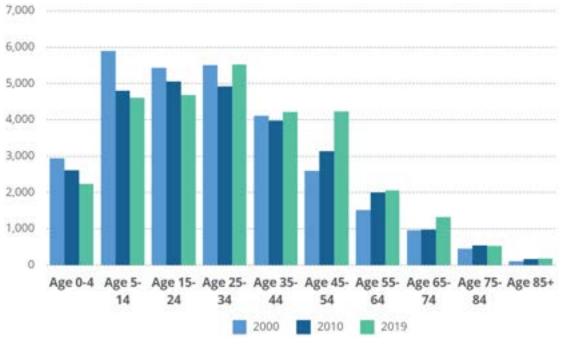


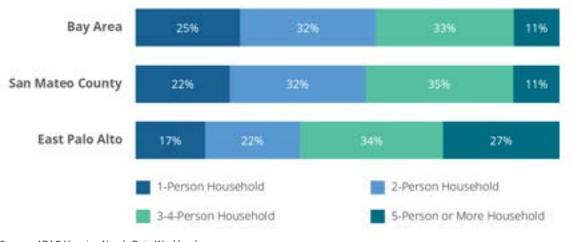
Figure II-14. % of Population with a Disability by Census Tract, 2019

## Familial status. Figure II-15. Age Distribution, East Palo Alto, 2000-2019



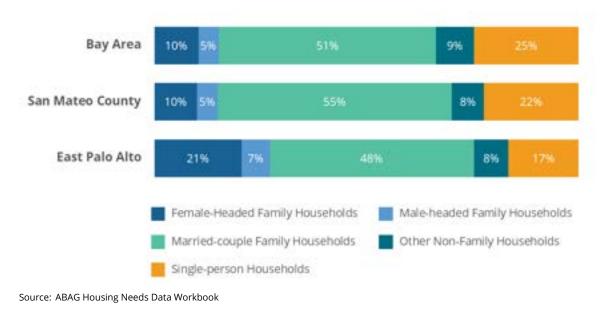
Source: ABAG Housing Needs Data Workbook

# Figure II-16. Share of Households by Size, 2019

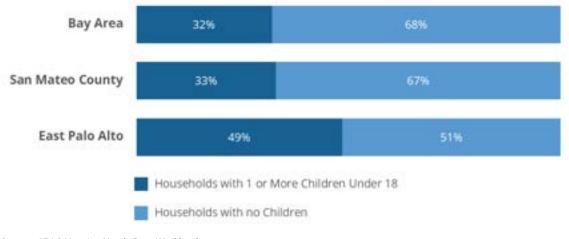


Source: ABAG Housing Needs Data Workbook

# Figure II-17. Share of Households by Type, 2019

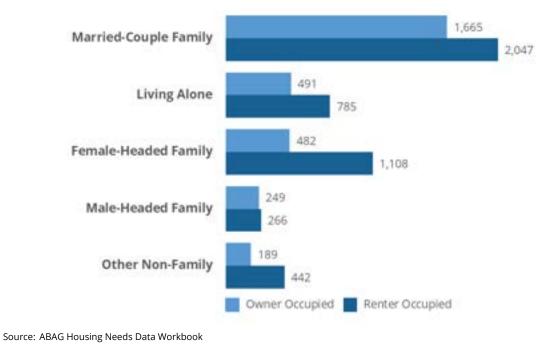


#### Figure II-18. Share of Households by Presence of Children (Less than 18 years old), 2019

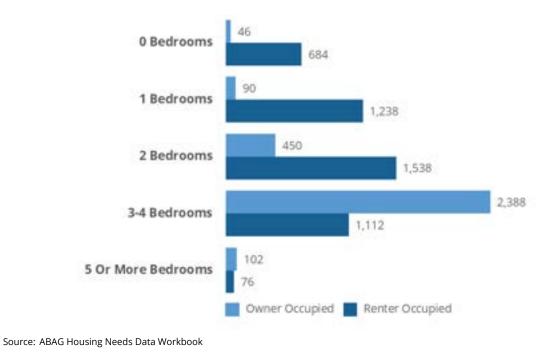


Source: ABAG Housing Needs Data Workbook

# Figure II-19. Housing Type by Tenure, East Palo Alto, 2019



#### Figure II-20. Housing Units by Number of Bedrooms and Tenure, East Palo Alto, 2019



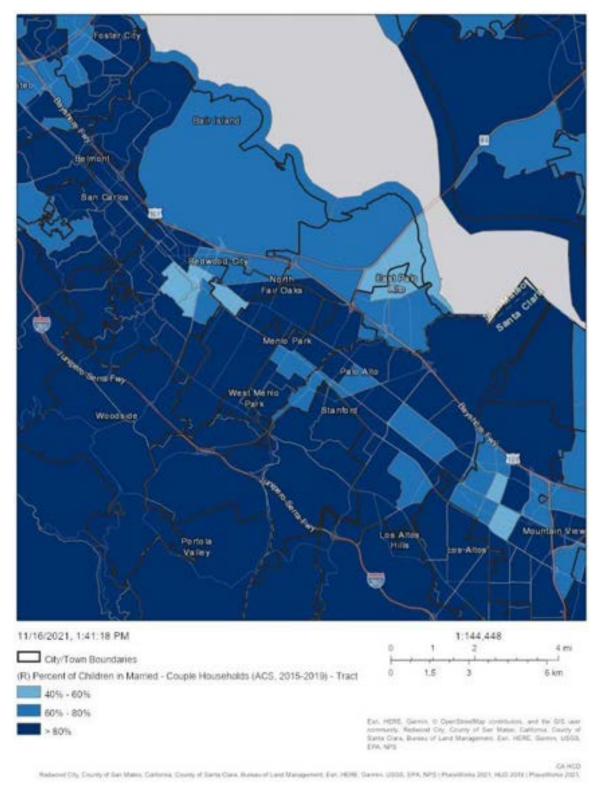


Figure II-21. % of Children in Married Couple Households by Census Tract, 2019

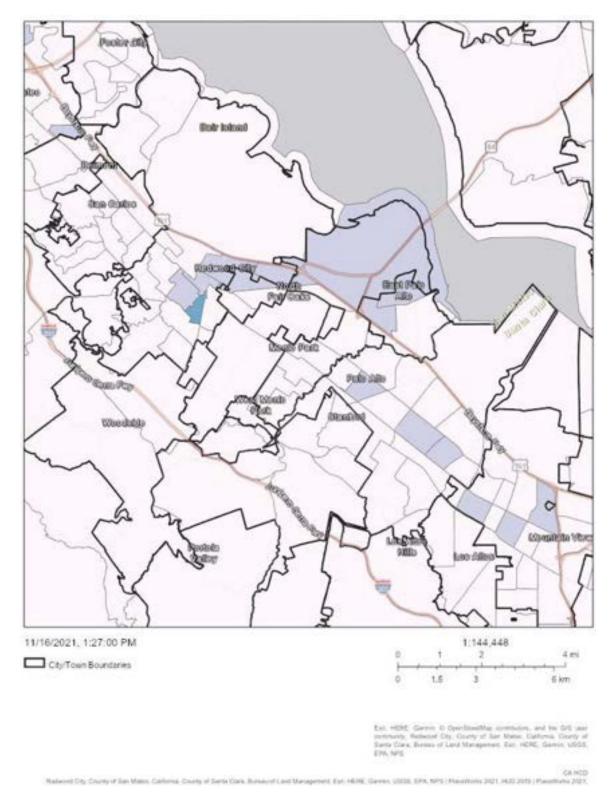


Figure II-22. [legend missing in HCD provided map] % Households with Single Female with Children by Census Tract, 2019

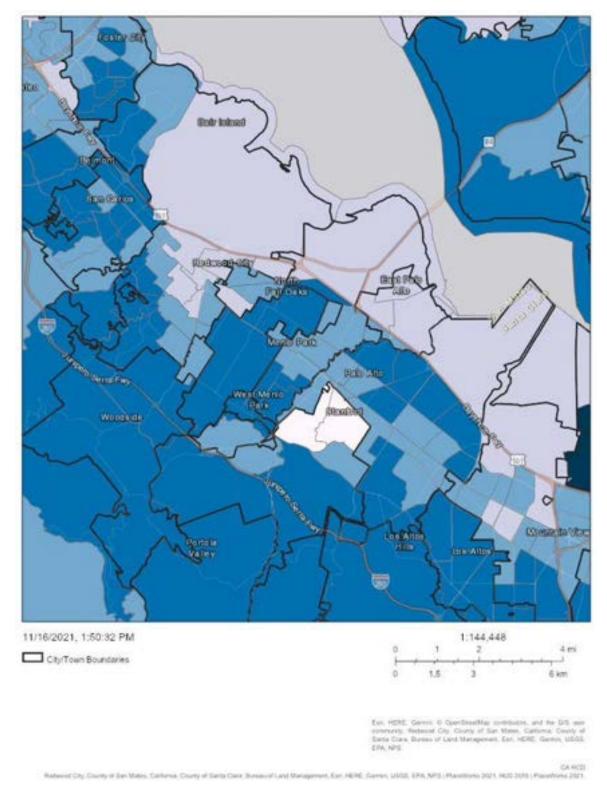
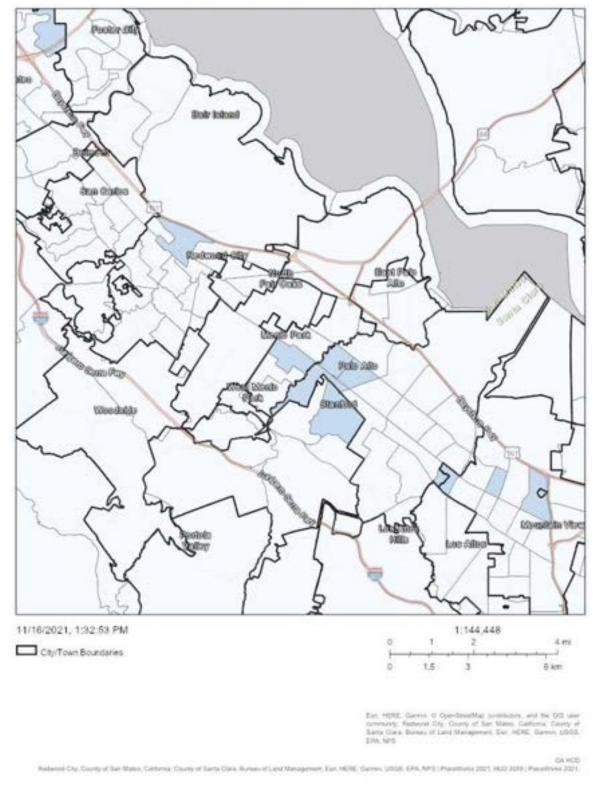


Figure II-23. [legend missing in HCD provided map] % of Married Couple Households by Census Tract, 2019



# Figure II-24. [legend missing in HCD provided map] % of Adults Living Alone by Census Tract, 2019

# Household income. Figure II-25. Share of Households by Area Median Income (AMI), 2019



Source: ABAG Housing Needs Data Workbook

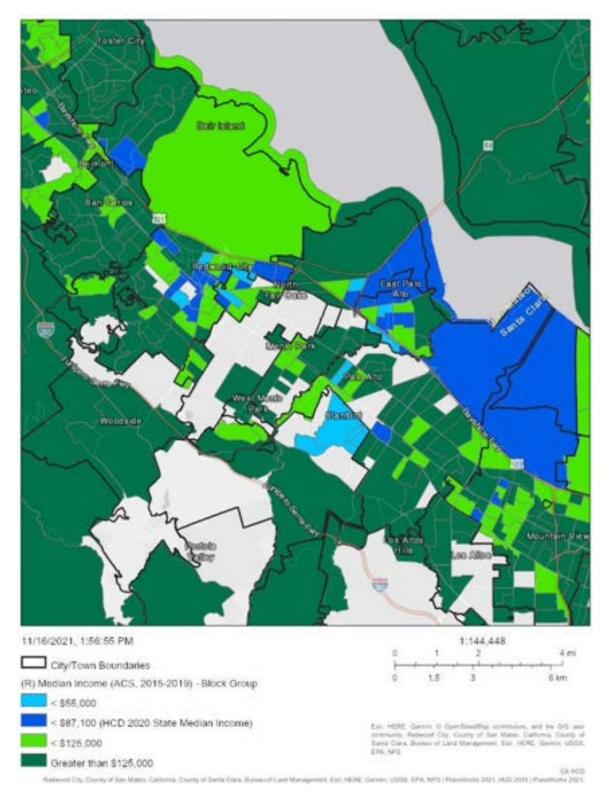
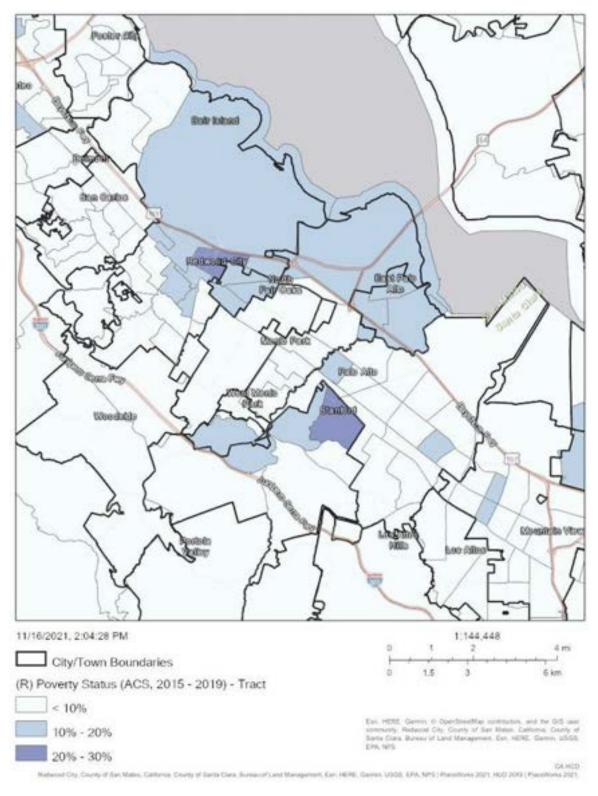


Figure II-26. Median Household Income by Block Group, 2019

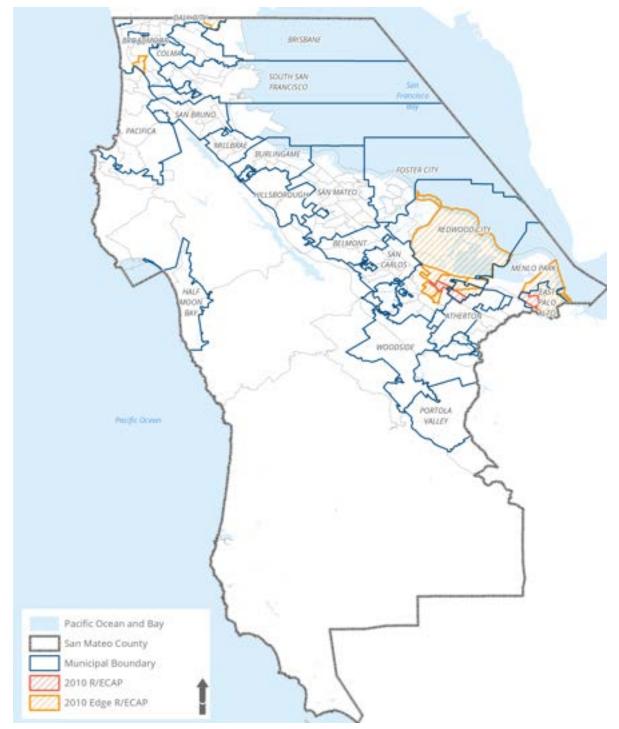
THE POLICE Redwood Co (FEED CARD classica and 11/16/2021, 1:54:07 PM 1:144,448 2 4 mi City/Town Boundaries 1.5 5 km 3 (A) Low to Moderate Income Population (HUD) - Block Group < 25% 25% - 50% Ceavy of a USGS 50% - 75% wave of Lord Manage mant. Last 75% - 100% CANCO INA 7021 oty of Ean Mater, Casheria, County of Eants Cala, Burnau of Land Mariagement, Enr. HERE, Garver, USUE, 1994, NPD (Haustitutio 2021, HAD 2018 (Haust

Figure II-27. Low to Moderate Income Population by Block Group

Figure II-28. Poverty Status by Census Tract, 2019

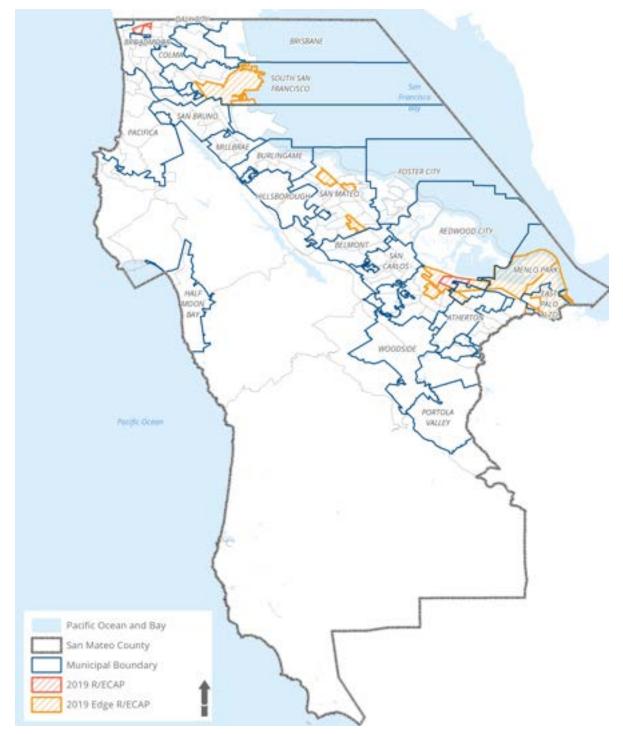


### Figure II-29. R/ECAPs and Edge R/ECAPs, 2010



Note: R/ECAPs are census tracts that have a non-white population of 50 percent or more (majority-minority) AND the poverty rate is three times the average tract poverty rate for the County (19.4% in 2010). Edge R/ECAPs are census tracts that have a non-white population of 50 percent or more (majority-minority) AND the poverty rate is two times the average tract poverty rate for the County (13% in 2010).

### Figure II-30. R/ECAPs and Edge R/ECAPs, 2019



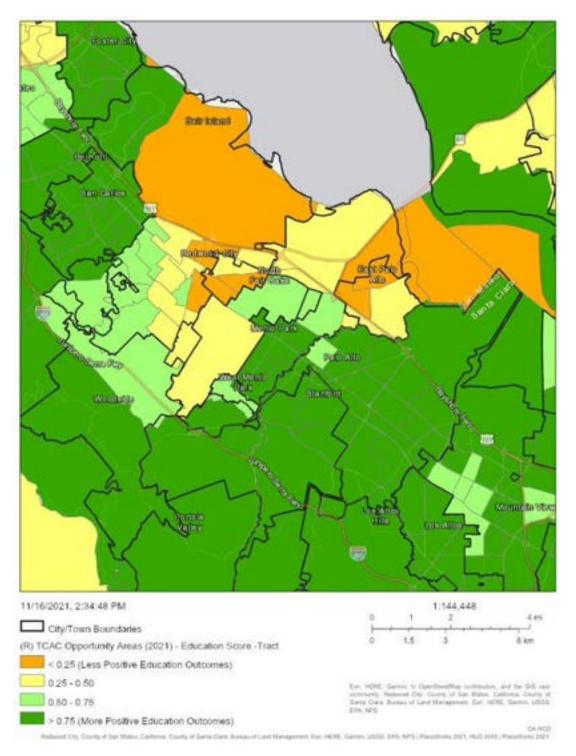
Note: R/ECAPs are census tracts that have a non-white population of 50 percent or more (majority-minority) AND the poverty rate is three times the average tract poverty rate for the County (19.1% in 2010). Edge R/ECAPs are census tracts that have a non-white population of 50 percent or more (majority-minority) AND the poverty rate is two times the average tract poverty rate for the County (12.8% in 2019).

**SECTION III.** Access to Opportunity

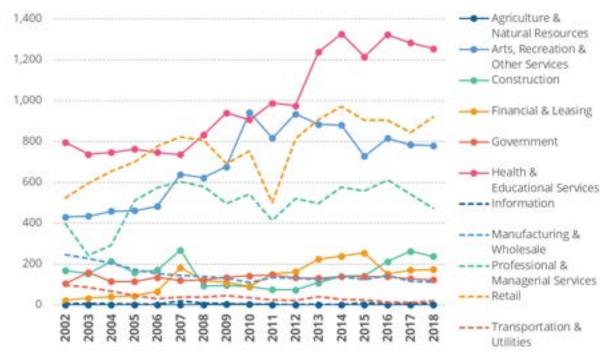
Education

Figure III-1.

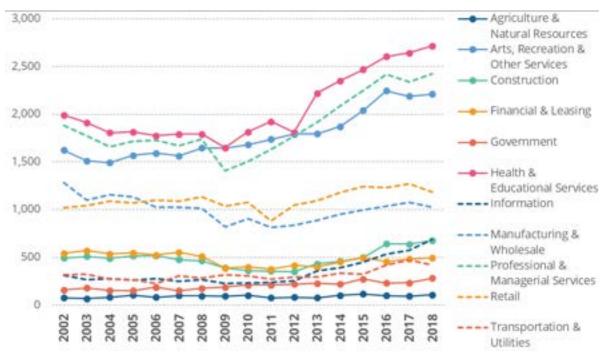
TCAC Opportunity Areas Education Score by Census Tract, 2021



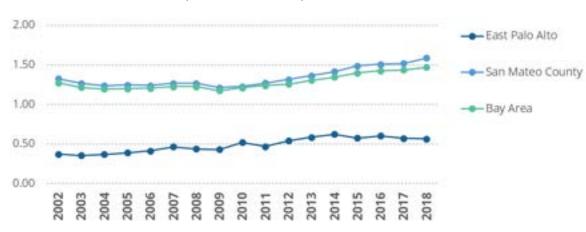
### Employment Figure III-2. Jobs by Industry, East Palo Alto, 2002-2018



Source: ABAG Housing Needs Data Workbook

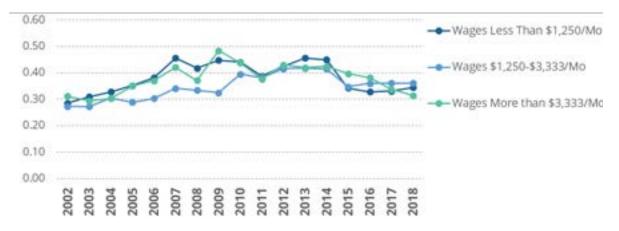


### Figure III-3. Job Holders by Industry, East Palo Alto, 2002-2018



#### Figure III-4. Jobs to Household Ratio, East Palo Alto, 2002-2018

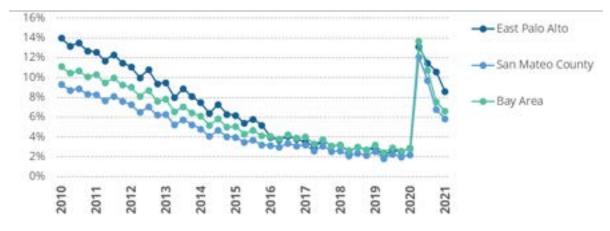
Source: ABAG Housing Needs Data Workbook





Source: ABAG Housing Needs Data Workbook

### Figure III-6. Unemployment Rate, 2010-2021



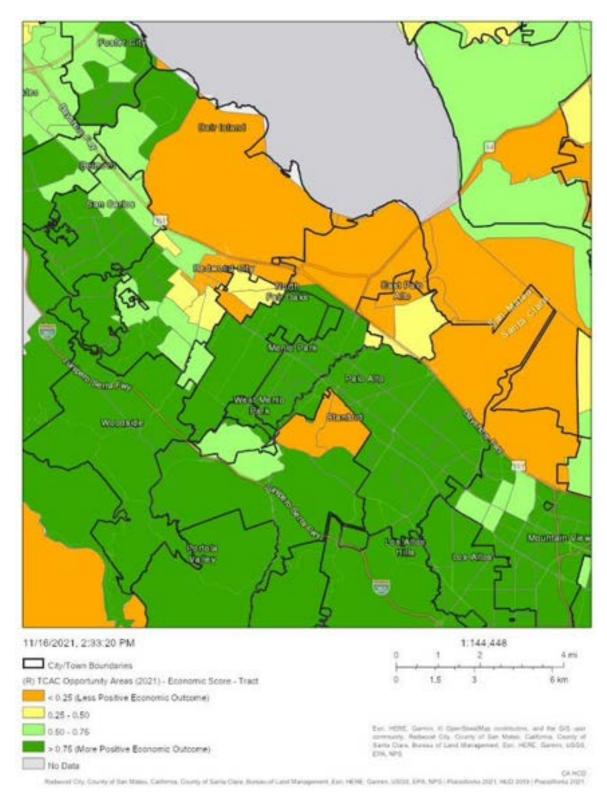


Figure III-7. TCAC Opportunity Areas Economic Score by Census Tract, 2021

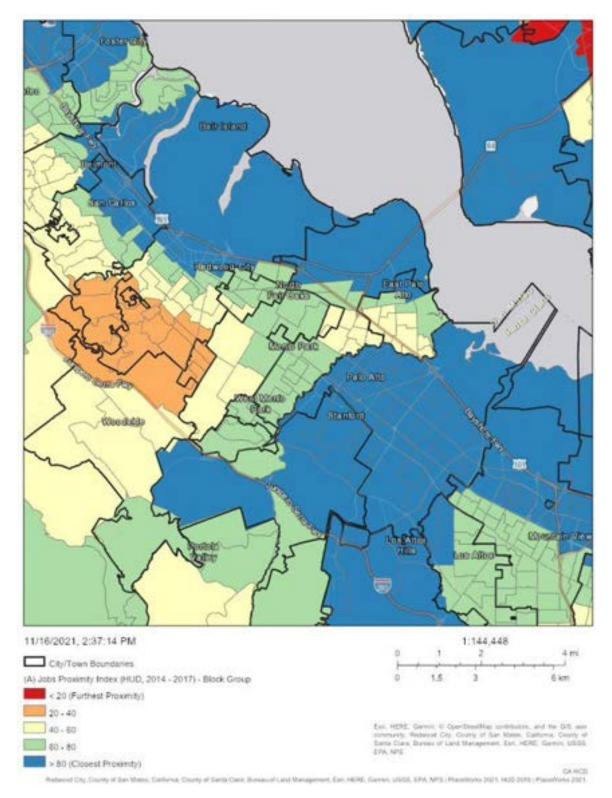


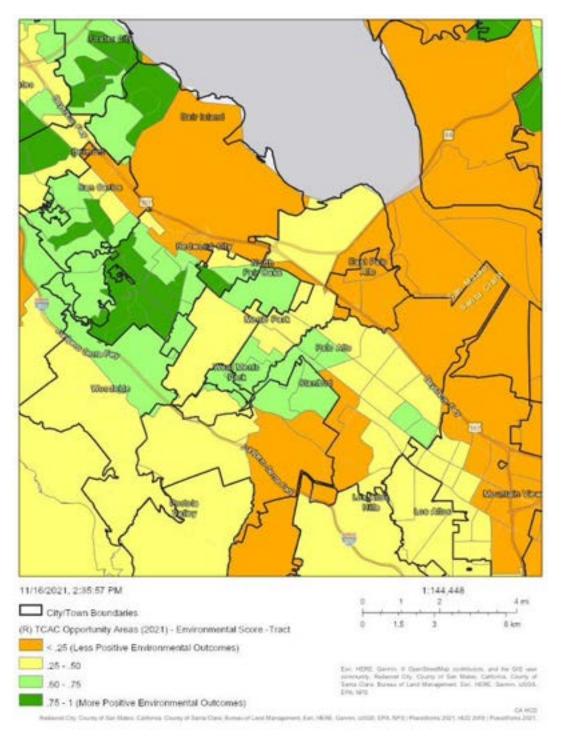
Figure III-8. Jobs Proximity Index by Block Group, 2017

#### Transportation

[TCAC's transportation opportunity score and maps were not available at the time of this report]

#### Environment Figure III-9.

## TCAC Opportunity Areas Environmental Score by Census Tract, 2021



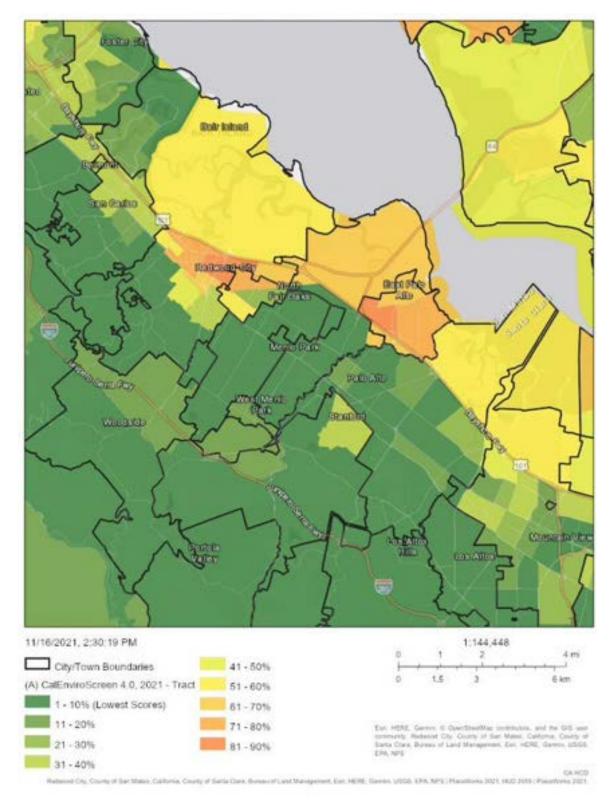
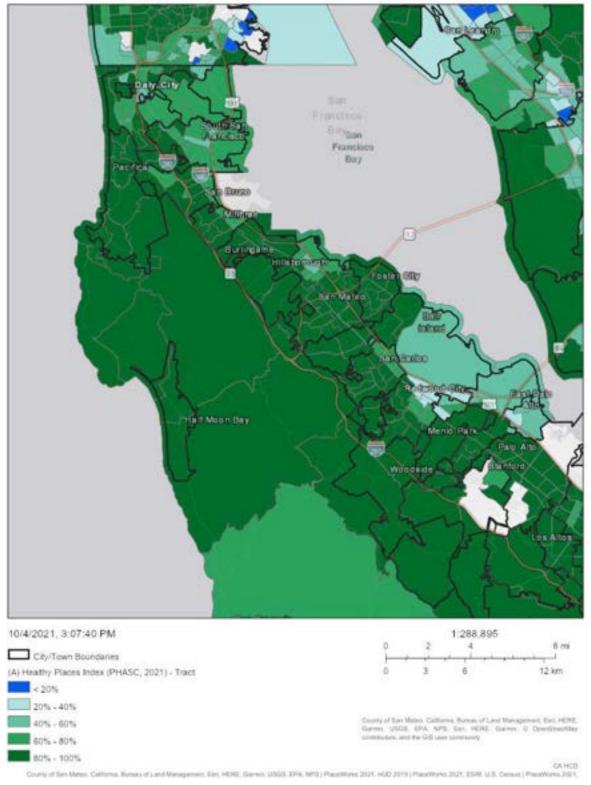


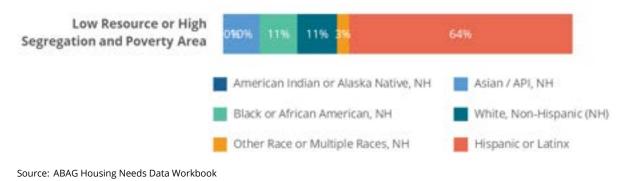
Figure III-10. CalEnviroScreen by Census Tract, 2021

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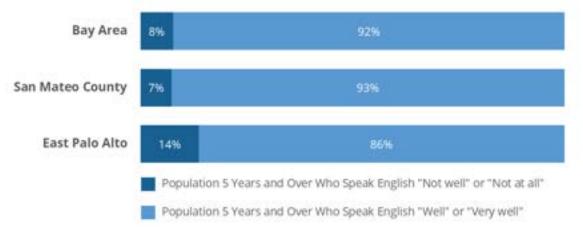
### Figure III-11. Healthy Places Index by Census Tract, 2021



Patterns in disparities in access to opportunity. Figure III-12. Population Living in Moderate and High Resource Ares by Race and Ethnicity, East Palo Alto, 2019



### Figure III-13. Population with Limited English Proficiency, East Palo Alto, 2019



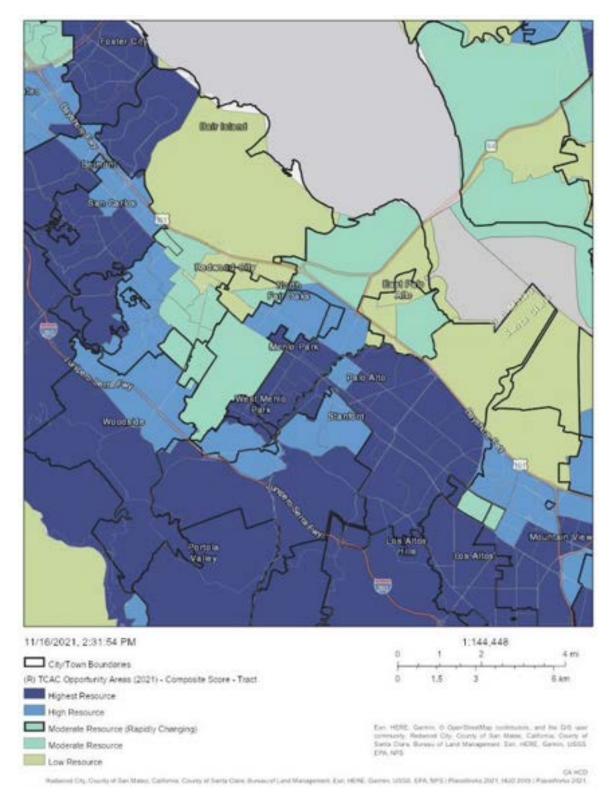
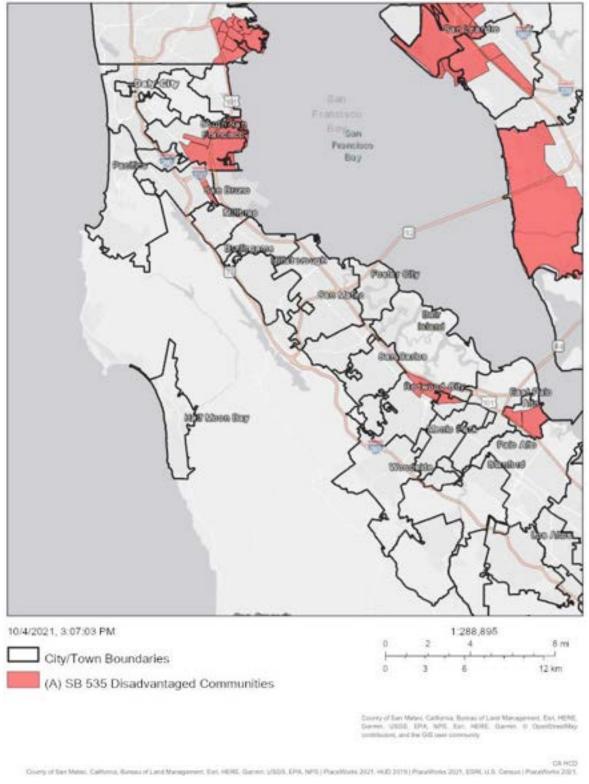


Figure III-14. TCAC Opportunity Areas Composite Score by Census Tract, 2021

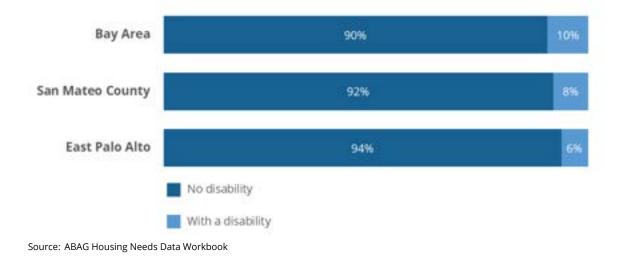
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### Figure III-15. Social Vulnerability Index by Census Tract, 2018

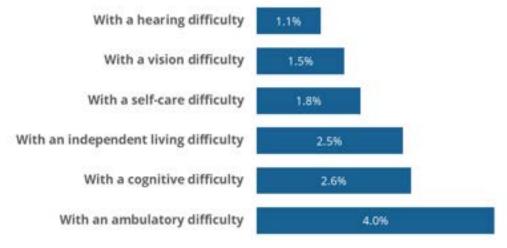
### Figure III-16. SB 535 Disadvantaged Communities



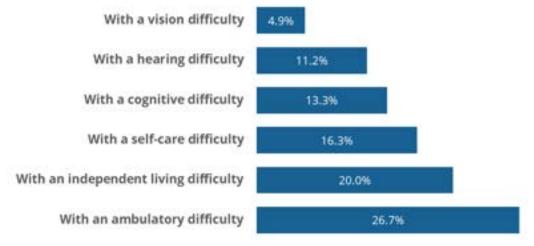
Disparities in access to opportunity for persons with disabilities. Figure III-17. Population by Disability Status, East Palo Alto, 2019



### Figure III-18. Disability by Type for the Non-Institutionalized Population 18 Years and Over, East Palo Alto, 2019

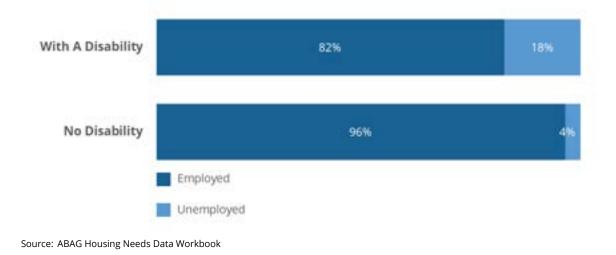


### Figure III-19. Disability by Type for Seniors (65 years and over), East Palo Alto, 2019



Source: ABAG Housing Needs Data Workbook

### Figure III-20. Employment by Disability Status, East Palo Alto, 2019



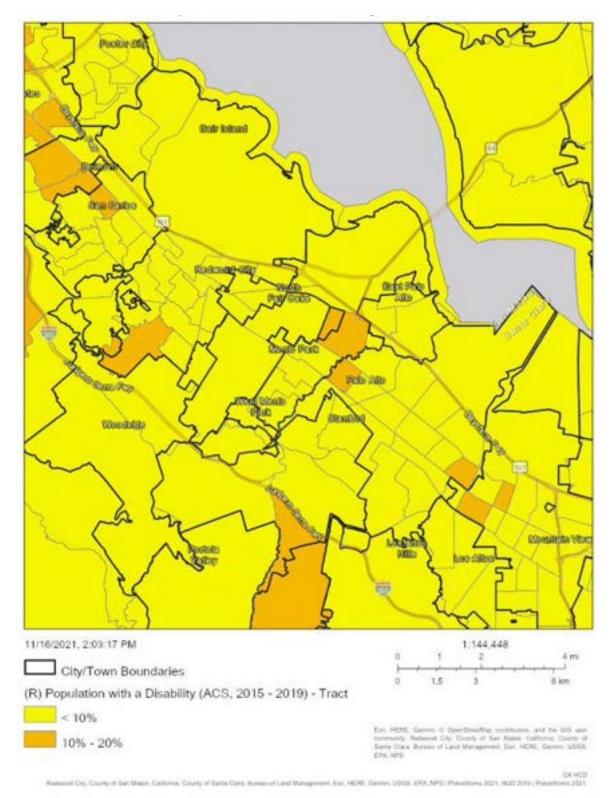


Figure III-21. Share of Population with a Disability by Census Tract, 2019

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### Figure III-22 Mateo County Housing Policies and Programs Analysis

#### San Mateo County Housing Policies and Programs

Compiled by the Association of Bay Area Generations, February 2018 update, revised July 2018 by San Materi County mighterin updates from 21 Generativ

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ABAG is a left thirty baseing policy and program types that represent the most provolent and important strategies for foreining development of both warket sate and affordable boaring antis. ABAG Staff compiled a summary of policies adopted by each jurisdiction's confided 2007.31134 boaring element, and sent the networky to local staff for seePertures. We have indicated instances in obia's we were set able to verify or obtain information.

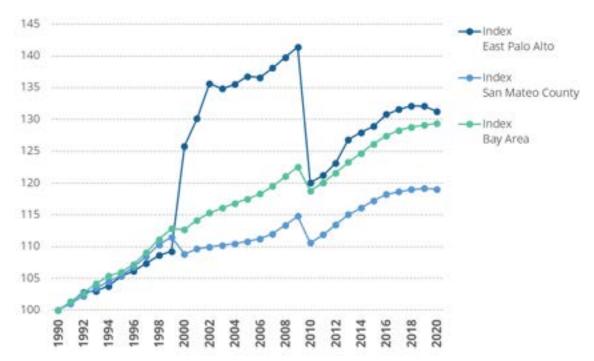
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Source: ABAG.

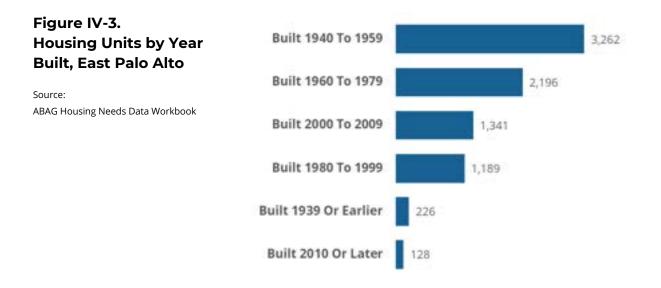
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## **SECTION IV. Disproportionate Housing Needs**

### Housing needs. Figure IV-1. Population Indexed to 1990



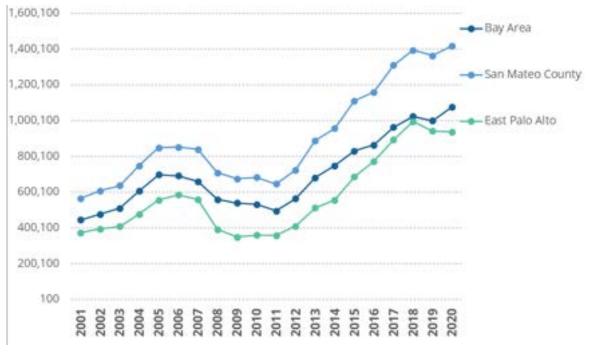




### Figure IV-4. Distribution of Home Value for Owner Occupied Units, 2019



Figure IV-5. Zillow Home Value Index, 2001-2020

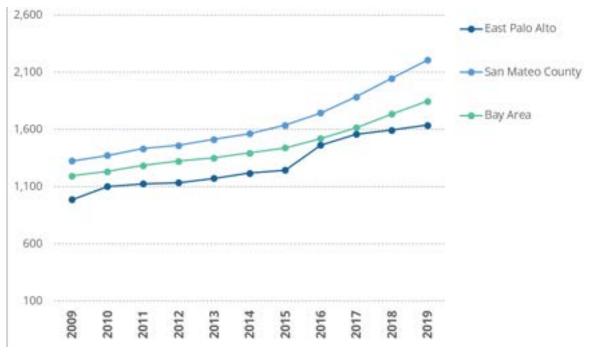


Source: ABAG Housing Needs Data Workbook

### Figure IV-6. Distribution of Contract Rents for Renter Occupied Units, 2019



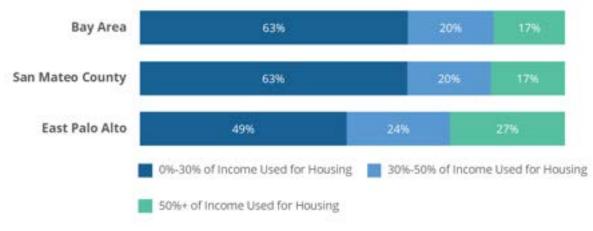
### Figure IV-7. Median Contract Rent, 2009-2019



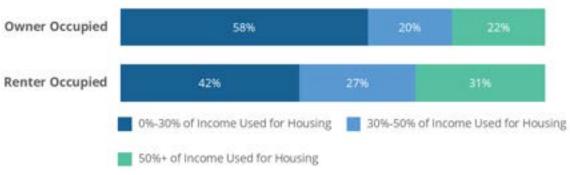
Source: ABAG Housing Needs Data Workbook

#### Cost burden and severe cost burden.

### Figure IV-8. Overpayment (Cost Burden) by Jurisdiction, 2019



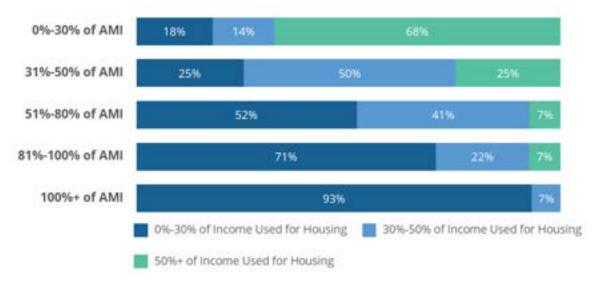
### Figure IV-9. Overpayment (Cost Burden) by Tenure, East Palo Alto, 2019



Source: ABAG Housing Needs Data Workbook

#### Figure IV-10.

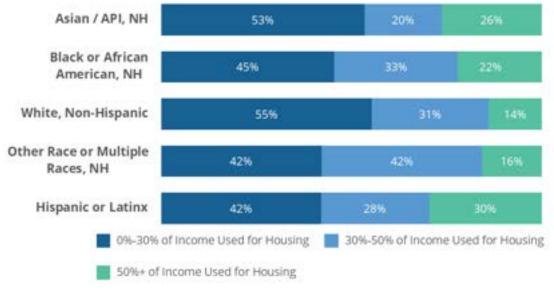
### Overpayment (Cost Burden) by Area Median Income (AMI), East Palo Alto, 2019



Source: ABAG Housing Needs Data Workbook

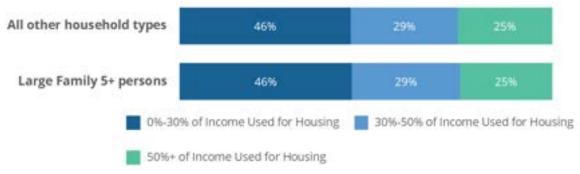
Based on Figures IV-9 and IV-10, there is a higher likelihood that renter-occupied households are overpaying than owner-occupied households.

### Figure IV-11. Overpayment (Cost Burden) by Race and Ethnicity, East Palo Alto, 2019



Source: ABAG Housing Needs Data Workbook

### Figure IV-12. Overpayment (Cost Burden) by Family Size, East Palo Alto, 2019



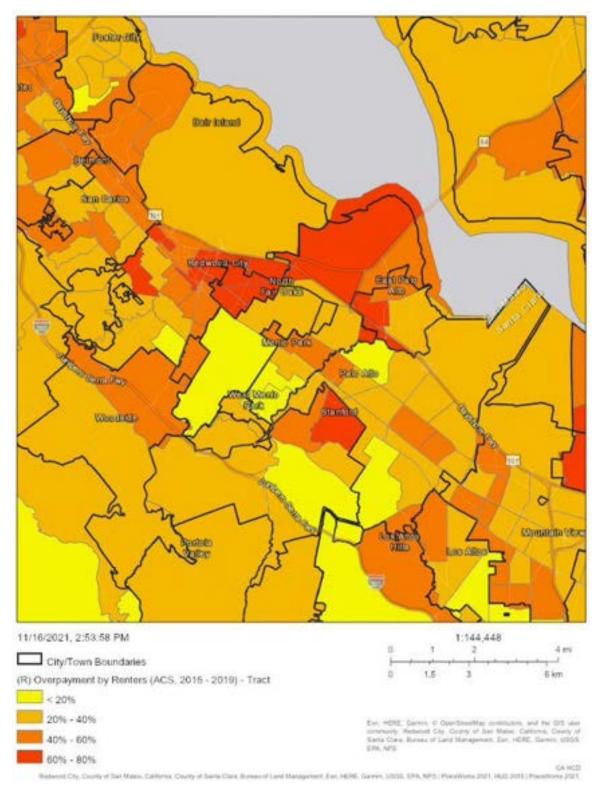


Figure IV-13. Overpayment (Cost Burden) for Renter Households by Census Tract, 2019

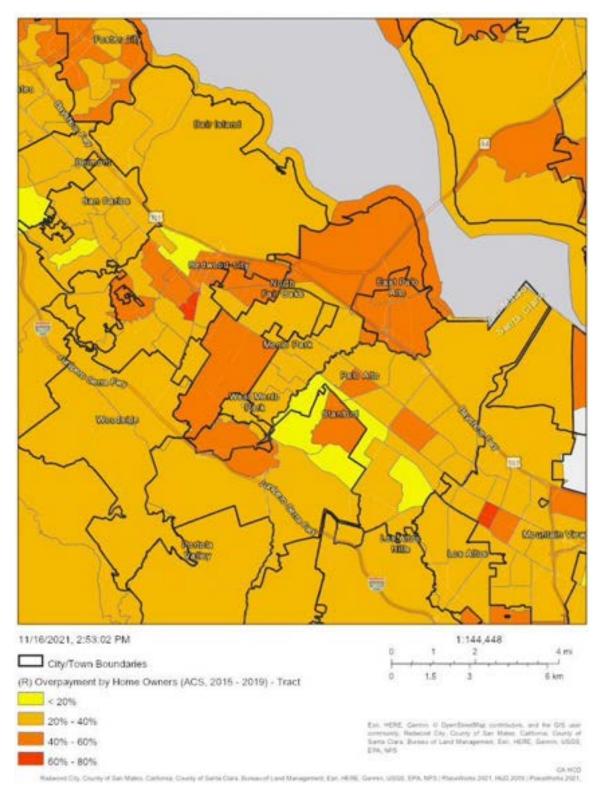
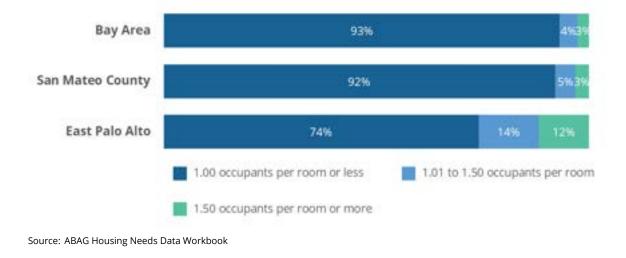


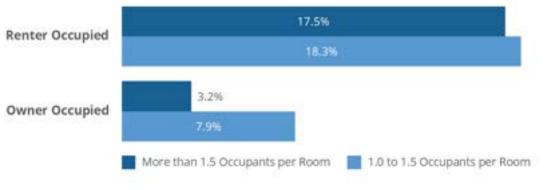
Figure IV-14. Overpayment (Cost Burden) for Owner Households by Census Tract, 2019

### Overcrowding.

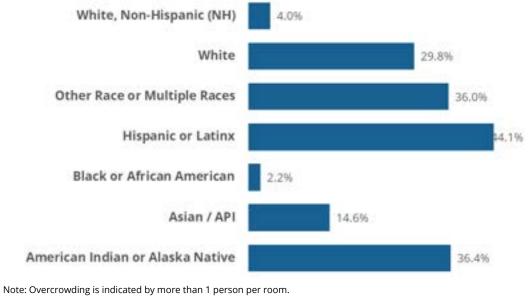
### Figure IV-15. Occupants per Room by Jurisdiction, 2019



### Figure IV-16. Occupants per Room by Tenure, East Palo Alto, 2019

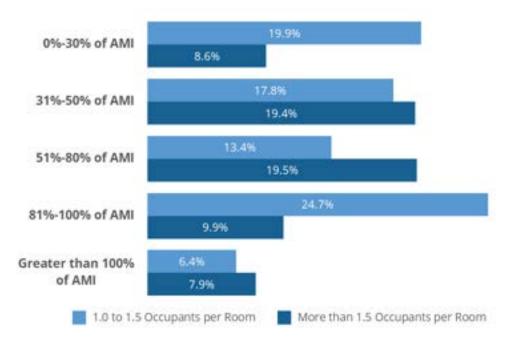


### Figure IV-17. Overcrowding by Race and Ethnicity, East Palo Alto, 2019



Source: ABAG Housing Needs Data Workbook

### Figure IV-18. Occupants per Room by AMI, East Palo Alto, 2019



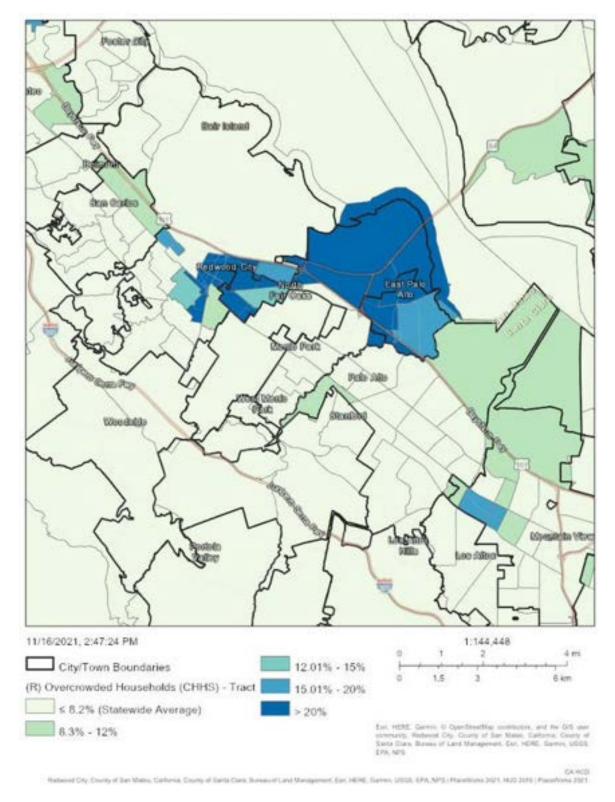


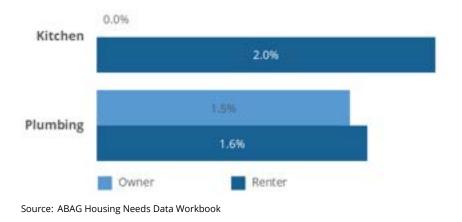
Figure IV-19. Overcrowded Households by Census Tract, 2019

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Substandard housing.

## Figure IV-20.

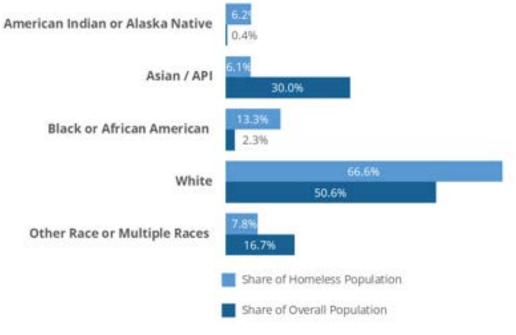
Percent of Units Lacking Complete Kitchen and Plumbing Facilities, East Palo Alto, 2019



#### Homelessness.

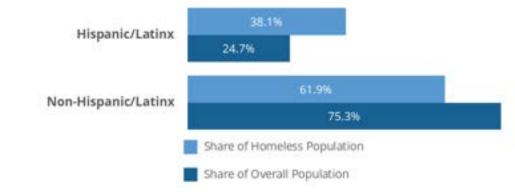
Figure IV-21. Homelessness by Household Type and Shelter Status, San Mateo County,		People in Households Solely Children	People in Households with Adults and Children	People in Households Without Children
2019	Sheltered - Emergency Shelter	0	68	198
Source:	Sheltered - Transitional Housing	0	271	74
ABAG Housing Needs Data	Unsheltered	1	62	838
Workbook				

### Figure IV-22. Share of General and Homeless Populations by Race, San Mateo County, 2019



Source: ABAG Housing Needs Data Workbook

# Figure IV-23. Share of General and Homeless Populations by Ethnicity, San Mateo County, 2019

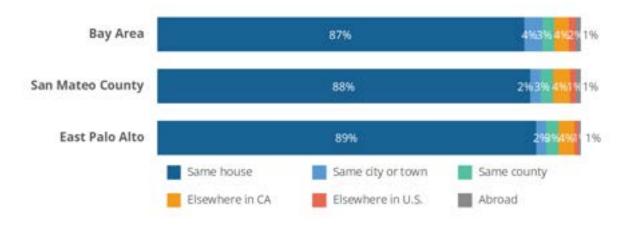


### Figure IV-24. Characteristics of the Population Experiencing Homelessness, San Mateo County, 2019

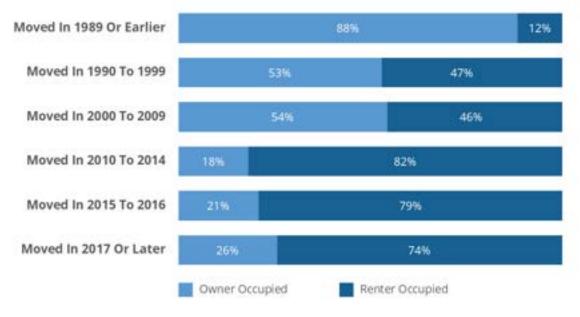
	Chronic Substance Abuse	HIV/AIDS	Severely Mentally III	Veterans	Victims of Domestic Violence
Sheltered - Emergency Shelter	46	0	70	31	10
Sheltered - Transitional Housing	46	3	46	4	14
Unsheltered	20	0	189	34	103

Source: ABAG Housing Needs Data Workbook

### Displacement. Figure IV-25. Location of Population One Year Ago, East Palo Alto, 2019



### Figure IV-26. Tenure by Year Moved to Current Residence, East Palo Alto, 2019



Source: ABAG Housing Needs Data Workbook

### Figure IV-27. Assisted Units at Risk of Conversion, East Palo Alto, 2019

	Low	Moderate	High	Very High	Total Assisted Units in Database
East Palo Alto	466	0	0	0	466
San Mateo County	4,656	191	359	58	5,264
Bay Area	110,177	3,375	1,854	1,053	116,459

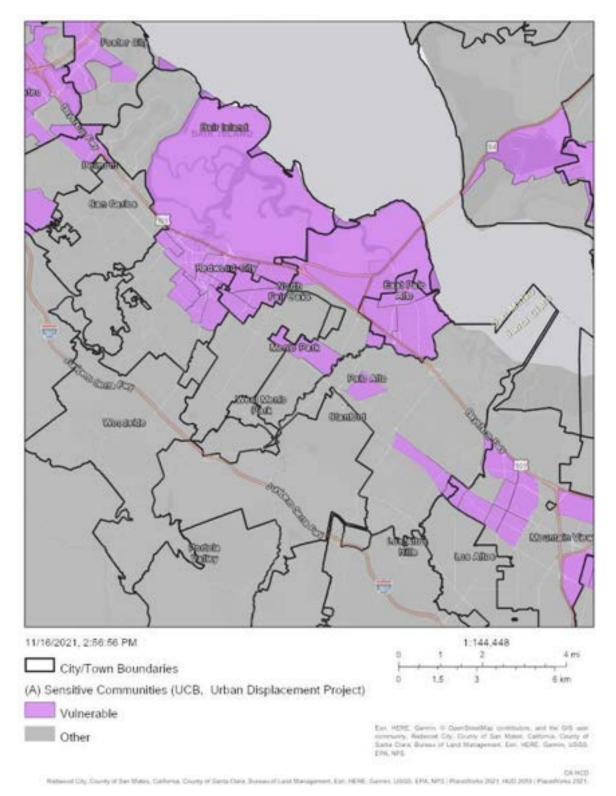


Figure IV-28. Census Tracts Vulnerable to Displacement

Feating Gill Endy Initiani States and CONTRACTOR OF COMPANY Hall Sum Page Wente (North Sharakin Weederals Mountaire Vie rtm 34 10.0 11/16/2021, 2:46:10 PM 1:144,448 4 mi <\$2,500 Г City/Town Boundaries 1.5 6 km (R) Location Affordability Index (HUD) - Tract <\$3,000 <\$1,500 Greater than \$3,000 <\$2,000 CA H00 944-2021 nii: Chy, Churty of Ban Malan, California, Churty of Banta Claria, Burnau of Lank Managament, Eur. HERE, Gannes, 12028. EPA. MP3 : Phaesitheria 2025. HB2 2019 : Phaesi Water

Figure IV-29. Location Affordability Index by Census Tract

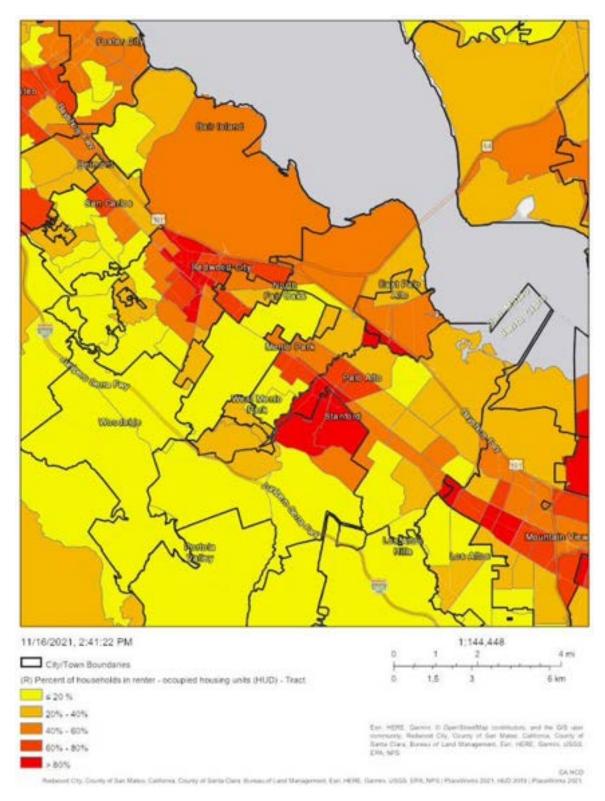
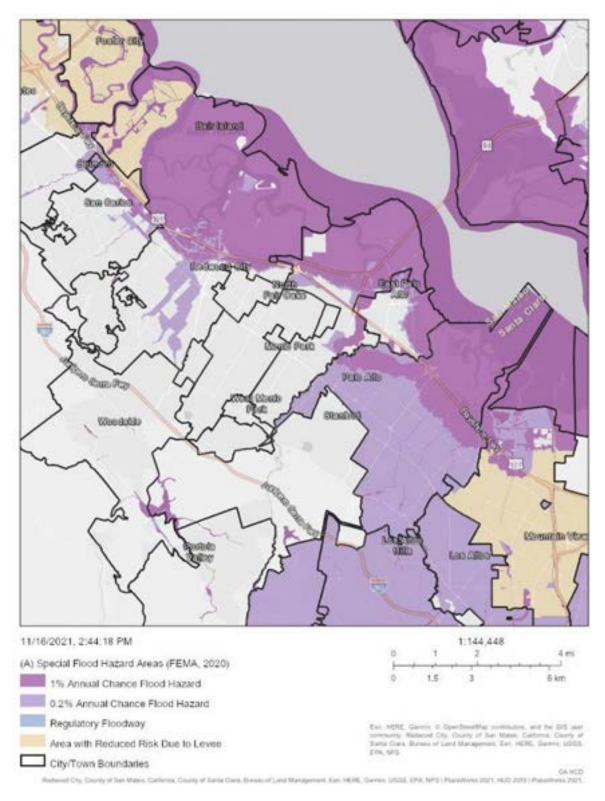


Figure IV-30. Share of Renter Occupied Households by Census Tract, 2019

Source: California Department of Housing and Community Development AFFH Data Viewer

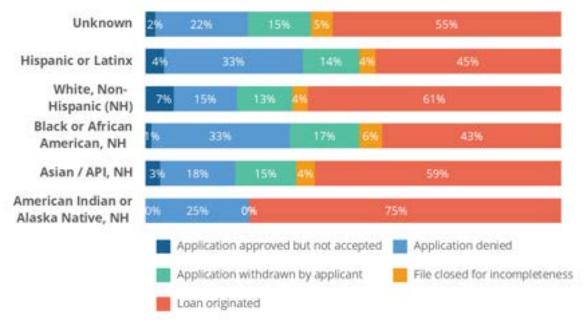
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#### Figure IV-31. Special Flood Hazard Areas, 2000



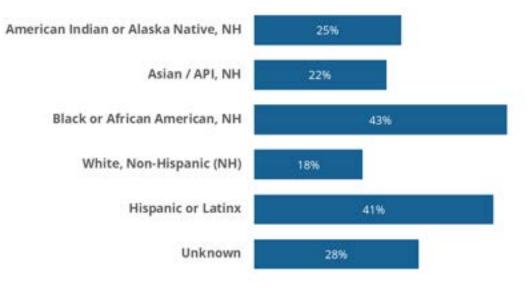
Source: California Department of Housing and Community Development AFFH Data Viewer

#### Other considerations. Figure IV-32. Mortgage Applications by Race and Ethnicity, East Palo Alto, 2018-2019



Source: ABAG Housing Needs Data Workbook

#### Figure IV-33. Mortgage Application Denial Rate by Race and Ethnicity, East Palo Alto, 2018-2019



Source: ABAG Housing Needs Data Workbook§

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### **APPENDIX C2 AFFH SEGREGATION REPORT**

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# AFFH SEGREGATION REPORT: EAST PALO ALTO

UC Merced Urban Policy Lab and ABAG/MTC Staff

Version of Record: March 06, 15:54:04



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Figure 11: Income Group Theil's H Index Values for East Palo Alto Compared to Other Bay Area Jurisdictions (2015)
Figure 12: Income Dot Map of East Palo Alto and Surrounding Areas (2015)
Figure 13: Income Demographics of East Palo Alto Compared to Other Bay Area Jurisdictions (2015)

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## **1** INTRODUCTION

The requirement to Affirmatively Further Fair Housing (AFFH) is derived from The Fair Housing Act of 1968, which prohibited discrimination concerning the sale, rental, and financing of housing based on race, color, religion, national origin, or sex—and was later amended to include familial status and disability.<sup>92</sup> The 2015 U.S. Department of Housing and Urban Development (HUD) Rule to Affirmatively Further Fair Housing and California Assembly Bill 686 (2018) mandate that each jurisdiction takes meaningful action to address significant disparities in housing needs and access to opportunity.<sup>9394</sup> AB 686 requires that jurisdictions incorporate AFFH into their Housing Elements, which includes inclusive community participation, an assessment of fair housing, a site inventory reflective of AFFH, and the development of goals, policies, and programs to meaningfully address local fair housing issues. ABAG and UC Merced have prepared this report to assist Bay Area jurisdictions with the Assessment of Fair Housing section of the Housing Element.

The Assessment of Fair Housing includes five components, which are discussed in detail on pages 22-43 of <u>HCD's AFFH Guidance Memo</u>:

A: Summary of fair housing enforcement and outreach capacity

B: Integration and segregation patterns, and trends related to people with protected characteristics

C: Racially or ethnically concentrated areas of poverty

D: Disparities in access to opportunity

E: Disproportionate housing needs, including displacement risk

#### 1.1 Purpose of this Report

This report describes racial and income segregation in Bay Area jurisdictions. Local jurisdiction staff can use the information in this report to help fulfill a portion of the second component of the Assessment of Fair Housing, which requires analysis of integration and segregation patterns and trends related to people with protected characteristics and lower incomes. Jurisdictions will still need to perform a similar analysis for familial status and populations with disability.

This report provides segregation measures for both the local jurisdiction and the region using several indices. For segregation between neighborhoods within a city (intra-city segregation), this report includes isolation indices, dissimilarity indices, and Theil's-H index. The isolation index measures segregation for a single group, while the dissimilarity index measures segregation between two groups.

<sup>92</sup> https://www.justice.gov/crt/fair-housing-act-2

<sup>&</sup>lt;sup>93</sup> HCD AFFH Guidance Memo

<sup>&</sup>lt;sup>94</sup> The 2015 HUD rule was reversed in 2020 and partially reinstated in 2021.

The Theil's H-Index can be used to measure segregation between all racial or income groups across the city at once. HCD's AFFH guidelines require local jurisdictions to include isolation indices and dissimilarity indices in the Housing Element. Theil's H index is provided in addition to these required measures. For segregation between cities within the Bay Area (inter-city segregation), this report includes dissimilarity indices at the regional level as required by HCD's AFFH guidelines. HCD's AFFH guidelines also require jurisdictions to compare conditions at the local level to the rest of the region; and this report presents the difference in the racial and income composition of a jurisdiction relative to the region as a whole to satisfy the comparison requirement.

### 1.2 Defining Segregation

Segregation is the separation of different demographic groups into different geographic locations or communities, meaning that groups are unevenly distributed across geographic space. This report examines two spatial forms of segregation: neighborhood level segregation *within* a local jurisdiction and city level segregation *between* jurisdictions in the Bay Area.

**Neighborhood level segregation (***within* **a jurisdiction, or** *intra-city***):** Segregation of race and income groups can occur from neighborhood to neighborhood *within* a city. For example, if a local jurisdiction has a population that is 20% Latinx, but some neighborhoods are 80% Latinx while others have nearly no Latinx residents, that jurisdiction would have segregated neighborhoods.

**City level segregation (***between* **jurisdictions in a region, or** *inter-city***):** Race and income divides also occur *between* jurisdictions in a region. A region could be very diverse with equal numbers of white, Asian, Black, and Latinx residents, but the region could also be highly segregated with each city comprised solely of one racial group.

There are many factors that have contributed to the generation and maintenance of segregation. Historically, racial segregation stemmed from explicit discrimination against people of color, such as restrictive covenants, redlining, and discrimination in mortgage lending. This history includes many overtly discriminatory policies made by federal, state, and local governments (Rothstein 2017). Segregation patterns are also affected by policies that appear race-neutral, such as land use decisions and the regulation of housing development.

Segregation has resulted in vastly unequal access to public goods such as quality schools, neighborhood services and amenities, parks and playgrounds, clean air and water, and public safety (Trounstine 2015). This generational lack of access for many communities, particularly people of color and lower income residents, has often resulted in poor life outcomes, including lower educational attainment, higher morbidity rates, and higher mortality rates (Chetty and Hendren 2018, Ananat 2011, Burch 2014, Cutler and Glaeser 1997, Sampson 2012, Sharkey 2013).

### 1.3 Segregation Patterns in the Bay Area

Across the San Francisco Bay Area, white residents and above moderate-income residents are significantly more segregated from other racial and income groups (see Appendix 2). The highest levels of racial segregation occur between the Black and white populations. The analysis completed for this report indicates that the amount of racial segregation both *within* Bay Area cities and *across* jurisdictions in the region has decreased since the year 2000. This finding is consistent with recent research from the Othering and Belonging Institute at UC Berkeley, which concluded that "[a]lthough 7 of the 9 Bay Area counties were more segregated in 2020 than they were in either 1980 or 1990, racial

residential segregation in the region appears to have peaked around the year 2000 and has generally declined since."<sup>95</sup> However, compared to cities in other parts of California, Bay Area jurisdictions have more neighborhood level segregation between residents from different racial groups. Additionally, there is also more racial segregation *between* Bay Area cities compared to other regions in the state.

### 1.4 Segregation and Land Use

It is difficult to address segregation patterns without an analysis of both historical and existing land use policies that impact segregation patterns. Land use regulations influence what kind of housing is built in a city or neighborhood (Lens and Monkkonen 2016, Pendall 2000). These land use regulations in turn impact demographics: they can be used to affect the number of houses in a community, the number of people who live in the community, the wealth of the people who live in the community, and where within the community they reside (Trounstine 2018). Given disparities in wealth by race and ethnicity, the ability to afford housing in different neighborhoods, as influenced by land use regulations, is highly differentiated across racial and ethnic groups (Bayer, McMillan, and Reuben 2004).<sup>96</sup> ABAG/MTC plans to issue a separate report detailing the existing land use policies that influence segregation patterns in the Bay Area.

#### **Definition of Terms - Geographies**

**Neighborhood:** In this report, "neighborhoods" are approximated by tracts.<sup>97</sup> Tracts are statistical geographic units defined by the U.S. Census Bureau for the purposes of disseminating data. In the Bay Area, tracts contain on average 4,500 residents. Nearly all Bay Area jurisdictions contain at least two census tracts, with larger jurisdictions containing dozens of tracts.

**Jurisdiction:** Jurisdiction is used to refer to the 109 cities, towns, and unincorporated county areas that are members of ABAG. Though not all ABAG jurisdictions are cities, this report also uses the term "city" interchangeably with "jurisdiction" in some places.

**Region:** The region is the nine-county San Francisco Bay Area, which is comprised of Alameda County, Contra Costa County, Marin County, Napa County, San Francisco County, San Mateo County, Santa Clara County, Solano County, and Sonoma County.

<sup>&</sup>lt;sup>95</sup> For more information, see https://belonging.berkeley.edu/most-segregated-cities-bay-area-2020.

<sup>&</sup>lt;sup>96</sup> Using a household-weighted median of Bay Area county median household incomes, regional values were \$61,050 for Black residents, \$122,174 for Asian/Pacific Islander residents, \$121,794 for white residents, and \$76,306 for Latinx residents. For the source data, see U.S. Census Bureau, American Community Survey 5-Year Data (2015-2019), Table B19013B, Table B19013D, B19013H, and B19013I.

<sup>&</sup>lt;sup>97</sup> Throughout this report, neighborhood level segregation measures are calculated using census tract data. However, the racial dot maps in Figure 1 and Figure 5 use data from census blocks, while the income group dot maps in Figure 8 and Figure 12 use data from census block groups. These maps use data derived from a smaller geographic scale to groups. In the Bay Area, block groups contain on average 1,500 people, while census blocks contain on average 95 people.

## 2 RACIAL SEGREGATION IN CITY OF EAST PALO ALTO

#### Definition of Terms - Racial/Ethnic Groups

The U.S. Census Bureau classifies racial groups (e.g., white or Black/African American) separately from Hispanic/Latino ethnicity.<sup>98</sup> This report combines U.S. Census Bureau definitions for race and ethnicity into the following racial groups:

White: Non-Hispanic white

Latinx: Hispanic or Latino of any race<sup>99</sup>

Black: Non-Hispanic Black/African American

Asian/Pacific Islander: Non-Hispanic Asian or Non-Hispanic Pacific Islander

**People of Color:** All who are not non-Hispanic white (including people who identify as "some other race" or "two or more races")<sup>100</sup>

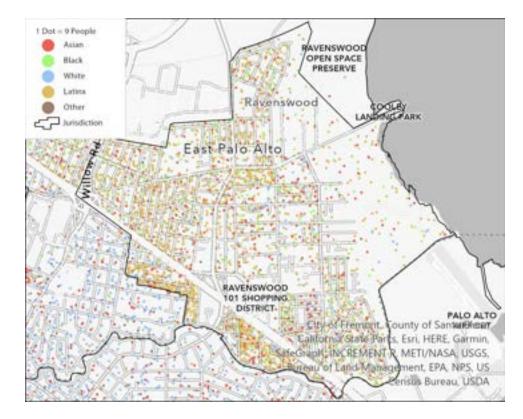
# 2.1 Neighborhood Level Racial Segregation (*within* City of East Palo Alto)

Racial dot maps are useful for visualizing how multiple racial groups are distributed within a specific geography. The racial dot map of East Palo Alto in Figure 47 below offers a visual representation of the spatial distribution of racial groups within the jurisdiction. Generally, when the distribution of dots does not suggest patterns or clustering, segregation measures tend to be lower. Conversely, when clusters of certain groups are apparent on a racial dot map, segregation measures may be higher.

<sup>&</sup>lt;sup>98</sup> More information about the Census Bureau's definitions of racial groups is available here: https://www.census.gov/topics/population/race/about.html.

<sup>&</sup>lt;sup>99</sup> The term Hispanic has historically been used to describe people from numerous Central American, South American, and Caribbean countries. In recent years, the term Latino or Latinx has become preferred. This report generally uses Latinx to refer to this racial/ethnic group.

<sup>&</sup>lt;sup>100</sup> Given the uncertainty in the data for population size estimates for racial and ethnic groups not included in the Latinx, Black, or Asian/Pacific Islander categories, this report only analyzes these racial groups in the aggregate People of Color category.



#### Figure 47: Racial Dot Map of East Palo Alto (2020)

Universe: Population. Source: U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.

Note: The plot shows the racial distribution at the census block level for City of East Palo Alto and vicinity. Dots in each census block are randomly placed and should not be construed as actual placement of people.

There are many ways to quantitatively measure segregation. Each measure captures a different aspect of the ways in which groups are divided within a community. One way to measure segregation is by using an **isolation index**:

- The isolation index compares each neighborhood's composition to the jurisdiction's demographics as a whole.
- This index ranges from 0 to 1. Higher values indicate that a particular group is more isolated from other groups.
- Isolation indices indicate the potential for contact between different groups. The index can be interpreted as the experience of the average member of that group. For example, if the isolation index is .65 for Latinx residents in a city, then the average Latinx resident in that city lives in a neighborhood that is 65% Latinx.

Within City of East Palo Alto, the most isolated racial group is Latinx residents. East Palo Alto's isolation index of 0.672 for Latinx residents means that the average Latinx resident lives in a neighborhood that is 67.2% Latinx. Other racial groups are less isolated, meaning they may be more likely to encounter other racial groups in their neighborhoods. The isolation index values for all racial groups in East Palo Alto for the years 2000, 2010, and 2020 can be found in Table 9 below. Among all racial groups in this jurisdiction, the Black population's isolation index has changed the most over time, becoming less segregated from other racial groups between 2000 and 2020.

The "Bay Area Average" column in this table provides the average isolation index value across Bay Area jurisdictions for different racial groups in 2020.<sup>101</sup> The data in this column can be used as a comparison to provide context for the levels of segregation experienced by racial groups in this jurisdiction. For example, Table 9 indicates the average isolation index value for white residents across all Bay Area jurisdictions is 0.491, meaning that in the average Bay Area jurisdiction a white resident lives in a neighborhood that is 49.1% white.

	East P	alo Alto	Bay Area Average		
Race	2000	2010	2020	2020	
Asian/Pacific Islander	0.098	0.114	0.123	0.245	
Black/African American	0.251	0.172	0.124	0.053	
Latinx	0.578	0.634	0.672	0.251	
White	0.150	0.137	0.084	0.491	

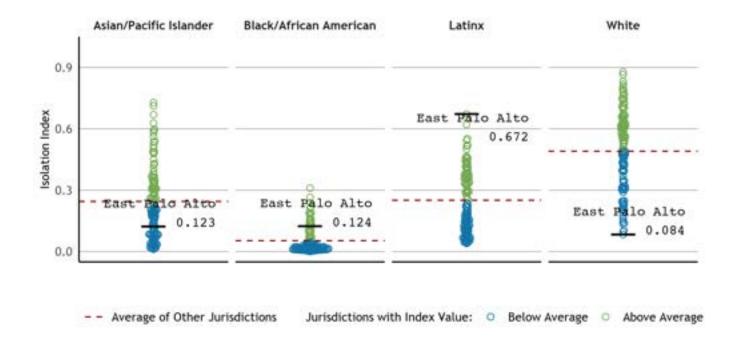
### Table 9: Racial Isolation Index Values for Segregation within East Palo Alto

Universe: Population.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Figure 48 below shows how racial isolation index values in East Palo Alto compare to values in other Bay Area jurisdictions. In this chart, each dot represents a Bay Area jurisdiction. For each racial group, the spread of dots represents the range of isolation index values among Bay Area jurisdictions. Additionally, the black line within each racial group notes the isolation index value for that group in City of East Palo Alto, and each dashed red line represents the Bay Area average for the isolation index for that group. Local staff can use this chart to contextualize how segregation levels for racial groups in their jurisdiction compare to other jurisdictions in the region.

<sup>&</sup>lt;sup>101</sup> This average only includes the 104 jurisdictions that have more than one census tract, which is true for all comparisons of Bay Area jurisdictions' segregation measures in this report. The segregation measures in this report are calculated by comparing the demographics of a jurisdiction's census tracts to the jurisdiction's demographics, and such calculations cannot be made for the five jurisdictions with only one census tract (Brisbane, Calistoga, Portola Valley, Rio Vista, and Yountville).



# Figure 48: Racial Isolation Index Values for East Palo Alto Compared to Other Bay Area Jurisdictions (2020)

Universe: Bay Area Jurisdictions.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.

Another way to measure segregation is by using a dissimilarity index:

- This index measures how evenly any two groups are distributed across neighborhoods relative to their representation in a city overall. The dissimilarity index at the jurisdiction level can be interpreted as the share of one group that would have to move neighborhoods to create perfect integration for these two groups.
- The dissimilarity index ranges from 0 to 1. Higher values indicate that groups are more unevenly distributed (e.g., they tend to live in different neighborhoods).

#### Dissimilarity Index Guidance for Cities with Small Racial Group Populations

The analysis conducted for this report suggests that dissimilarity index values are unreliable for a population group if that group represents approximately less than 5% of the jurisdiction's total population.

HCD's AFFH guidance requires the Housing Element to include the dissimilarity index values for racial groups, but also offers flexibility in emphasizing the importance of various measures. ABAG/MTC recommends that when cities have population groups that are less than 5% of the jurisdiction's population (see Table 12), jurisdiction staff use the isolation index or Thiel's H-Index to gain a more accurate understanding of their jurisdiction's neighborhood-level segregation patterns (*intra*-city segregation).

If a jurisdiction has a very small population of a racial group, this indicates that segregation between the jurisdiction and the region (*inter*-city segregation) is likely to be an important feature of the jurisdiction's segregation patterns.

City of East Palo Alto has no groups making up less than 5 percent of its population.

Table 10 below provides the dissimilarity index values indicating the level of segregation in East Palo Alto between white residents and residents who are Black, Latinx, or Asian/Pacific Islander. The table also provides the dissimilarity index between white residents and all residents of color in the jurisdiction, and all dissimilarity index values are shown across three time periods (2000, 2010, and 2020).

In East Palo Alto the highest segregation is between Black and white residents (see Table 10). East Palo Alto's Black /white dissimilarity index of 0.225 means that 22.5% of Black (or white) residents would need to move to a different neighborhood to create perfect integration between Black residents and white residents.

The "Bay Area Average" column in this table provides the average dissimilarity index values for these racial group pairings across Bay Area jurisdictions in 2020. The data in this column can be used as a comparison to provide context for the levels of segregation between communities of color are from white residents in this jurisdiction.

For example, Table 10 indicates that the average Latinx/white dissimilarity index for a Bay Area jurisdiction is 0.207, so on average 20.7% of Latinx (or white residents) in a Bay Area jurisdiction would need to move to a different neighborhood within the jurisdiction to create perfect integration between Latinx and white residents in that jurisdiction.

## Table 10: Racial Dissimilarity Index Values for Segregation within East Palo Alto

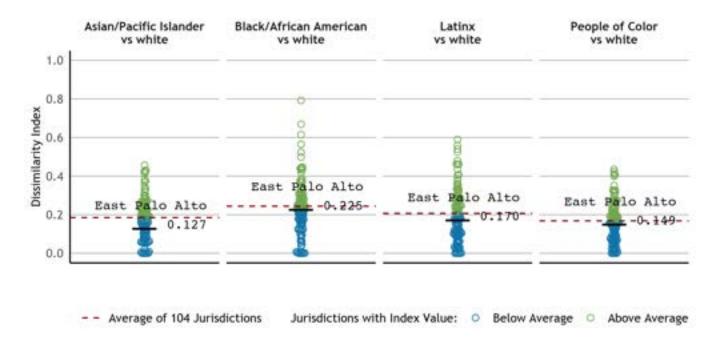
	East Palo Alto			Bay Area Average
Race	2000	2010	2020	2020
Asian/Pacific Islander vs. White	0.451*	0.370	0.127	0.185
Black/African American vs. White	0.537	0.439	0.225	0.244
Latinx vs. White	0.406	0.341	0.170	0.207
People of Color vs. White	0.443	0.361	0.149	0.168

Universe: Population.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Note: If a number is marked with an asterisk (\*), it indicates that the index is based on a racial group making up less than 5 percent of the jurisdiction population, leading to unreliable numbers.

Figure 49 below shows how dissimilarity index values in City of East Palo Alto compare to values in other Bay Area jurisdictions. In this chart, each dot represents a Bay Area jurisdiction. For each racial group pairing, the spread of dots represents the range of dissimilarity index values among Bay Area jurisdictions. Additionally, the black line within each racial group pairing notes the dissimilarity index value in East Palo Alto, and each dashed red line represents the Bay Area average for the dissimilarity index for that pairing. Similar to Figure 48, local staff can use this chart to contextualize how segregation levels between white residents and communities of color in their jurisdiction compare to the rest of the region. However, staff should be mindful of whether a racial group in their jurisdiction has a small population (approximately less than 5% of the jurisdiction's population), as the dissimilarity index value is less reliable for small populations.



### Figure 49: Racial Dissimilarity Index Values for East Palo Alto Compared to Other Bay Area Jurisdictions (2020)

#### Universe: Bay Area Jurisdictions.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Note: The analysis conducted for this report suggests that dissimilarity index values are unreliable for a population group if that group represents approximately less than 5% of the jurisdiction's total population. ABAG/MTC recommends that when cities have population groups that are less than 5% of the jurisdiction's population (see Table 4), jurisdiction staff could focus on the isolation index or Thiel's H-Index to gain a more accurate understanding of neighborhood-level racial segregation in their jurisdiction.

The Theil's H Index can be used to measure segregation between all groups within a jurisdiction:

- This index measures how diverse each neighborhood is compared to the diversity of the whole city. Neighborhoods are weighted by their size, so that larger neighborhoods play a more significant role in determining the total measure of segregation.
- The index ranges from 0 to 1. A Theil's H Index value of 0 would mean all neighborhoods within a city have the same demographics as the whole city. A value of 1 would mean each group lives exclusively in their own, separate neighborhood.
- For jurisdictions with a high degree of diversity (multiple racial groups comprise more than 10% of the population), Theil's H offers the clearest summary of overall segregation.

The Theil's H Index values for neighborhood racial segregation in East Palo Alto for the years 2000, 2010, and 2020 can be found in Table 11 below. The "Bay Area Average" column in the table provides the average Theil's H Index across Bay Area jurisdictions in 2020. Between 2010 and 2020, the Theil's H Index for racial segregation in East Palo Alto declined, suggesting that there is now less neighborhood level racial segregation within the jurisdiction. In 2020, the Theil's H Index for racial segregation in East Palo Alto declined for Bay Area jurisdictions, indicating that neighborhood level racial segregation in East Palo Alto is less than in the average Bay Area city.

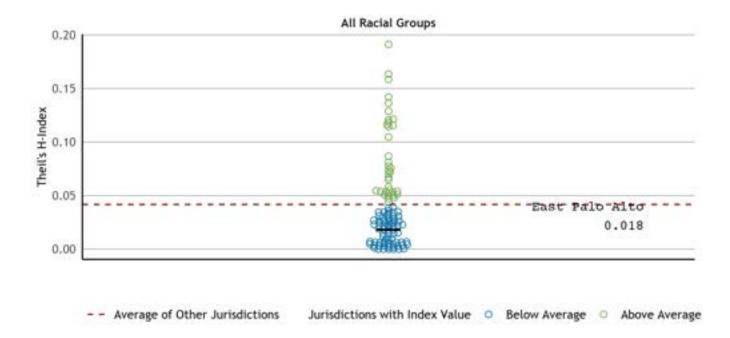
#### Table 11: Theil's H Index Values for Racial Segregation within East Palo Alto

	East P	alo Alto	Bay Area Average	
Index	2000	2010	2020	2020
Theil's H Multi-racial	0.040	0.035	0.018	0.042

Universe: Population.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Figure 50 below shows how Theil's H index values for racial segregation in East Palo Alto compare to values in other Bay Area jurisdictions in 2020. In this chart, each dot represents a Bay Area jurisdiction. Additionally, the black line notes the Theil's H index value for neighborhood racial segregation in East Palo Alto, and the dashed red line represents the average Theil's H index value across Bay Area jurisdictions. Local staff can use this chart to compare how neighborhood racial segregation levels in their jurisdiction compare to other jurisdictions in the region.



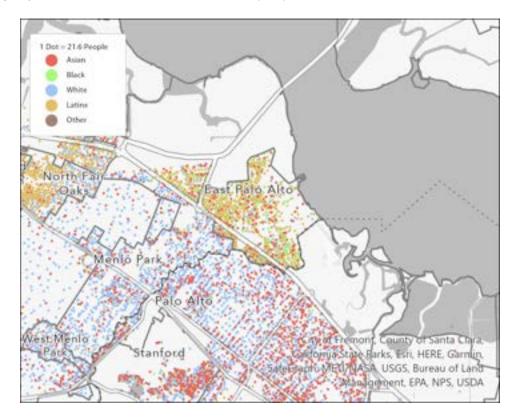
# Figure 50: Theil's H Index Values for Racial Segregation in East Palo Alto Compared to Other Bay Area Jurisdictions (2020)

Universe: Bay Area Jurisdictions.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.

# 2.2 Regional Racial Segregation (*between* East Palo Alto and other jurisdictions)

At the regional level, segregation is measured between *cities* instead of between *neighborhoods*. Racial dot maps are not only useful for examining neighborhood racial segregation within a jurisdiction, but these maps can also be used to explore the racial demographic differences between different jurisdictions in the region. Figure 51 below presents a racial dot map showing the spatial distribution of racial groups in East Palo Alto as well as in nearby Bay Area cities.



### Figure 51: Racial Dot Map of East Palo Alto and Surrounding Areas (2020)

#### Universe: Population.

Source: U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.

Note: The plot shows the racial distribution at the census block level for City of East Palo Alto and vicinity. Dots in each census block are randomly placed and should not be construed as actual placement of people.

To understand how each city contributes to the total segregation of the Bay Area, one can look at the difference in the racial composition of a jurisdiction compared to the racial composition of the region as a whole. The racial demographics in East Palo Alto for the years 2000, 2010, and 2020 can be found

in Table 12 below. The table also provides the racial composition of the nine-county Bay Area. As of 2020, East Palo Alto has a lower share of white residents than the Bay Area as a whole, a higher share of Latinx residents, a higher share of Black residents, and a lower share of Asian/Pacific Islander residents.

	East Palo Alto			Bay Area
Race	2000	2010	2020	2020
Asian/Pacific Islander	2.1%	11.0%	11.9%	28.2%
Black/African American	22.5%	15.8%	10.6%	5.6%
Latinx	58.8%	64.5%	66.5%	24.4%
Other or Multiple Races	10.1%	2.4%	3.3%	5.9%
White	6.5%	6.2%	7.7%	35.8%

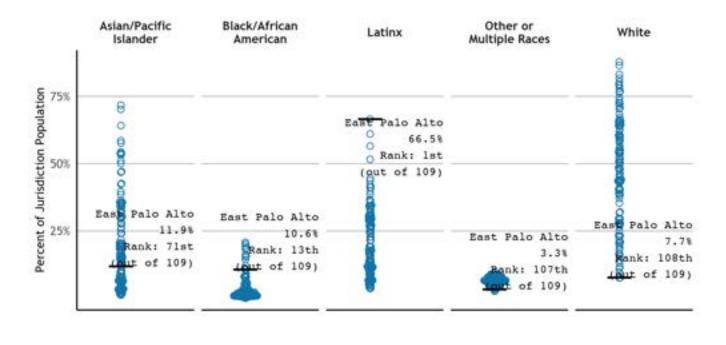
### Table 12: Population by Racial Group, East Palo Alto and the Region

Universe: Population.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, Census 2010, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Figure 52 below compares the racial demographics in East Palo Alto to those of all 109 Bay Area jurisdictions.<sup>102</sup> In this chart, each dot represents a Bay Area jurisdiction. For each racial group, the spread of dots represents the range of that group's representation among Bay Area jurisdictions. Additionally, the black line within each racial group notes the percentage of the population of City of East Palo Alto represented by that group and how that percentage ranks among all 109 jurisdictions. Local staff can use this chart to compare the representation of different racial groups in their jurisdiction to those groups' representation in other jurisdictions in the region, which can indicate the extent of segregation between this jurisdiction and the region.

<sup>&</sup>lt;sup>102</sup> While comparisons of segregation measures are made only using the 104 jurisdictions with more than one census tract, this comparison of jurisdiction level demographic data can be made using all 109 jurisdictions.



Jurisdiction

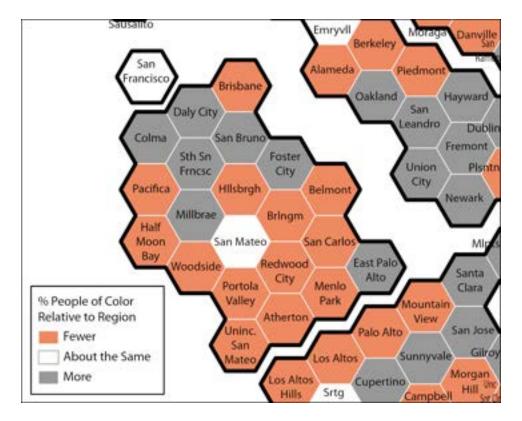
## Figure 52: Racial Demographics of East Palo Alto Compared to All Bay Area Jurisdictions (2020)

#### Universe: Bay Area Jurisdictions.

Source U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.

The map in Figure 53 below also illustrates regional racial segregation between East Palo Alto and other jurisdictions. This map demonstrates how the percentage of people of color in East Palo Alto and surrounding jurisdictions compares to the Bay Area as a whole:

- Jurisdictions shaded orange have a share of people of color that is less than the Bay Area as a whole, and the degree of difference is greater than five percentage points.
- Jurisdictions shaded white have a share of people of color comparable to the regional percentage of people of color (within five percentage points).
- Jurisdictions shaded grey have a share of people of color that is more than five percentage points greater than the regional percentage of people of color.



# Figure 53: Comparing the Share of People of Color in East Palo Alto and Vicinity to the Bay Area (2020)

Universe: Population.

Source: U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002.

Note: People of color refer to persons not identifying as non-Hispanic white. The nine-county Bay Area is the reference region for this map.

Segregation between jurisdictions in the region can also be analyzed by calculating regional values for the segregation indices discussed previously. Table 13 presents dissimilarity index, isolation index, and Theil's H index values for racial segregation for the entire nine-county Bay Area in 2010 and 2020. In the previous section of this report focused on neighborhood level racial segregation, these indices were calculated by comparing the racial demographics of the census tracts within a jurisdiction to the demographics of the jurisdiction as a whole. In Table 13, these measures are calculated by comparing the racial demographics to the region's racial makeup. For example, looking at the 2020 data, Table 13 shows the white isolation index value for the region is 0.429, meaning that on average white Bay Area residents live in a jurisdiction that is 42.9% white in 2020. An example of regional dissimilarity index values in Table 13 is the Black/white dissimilarity index value of 0.459, which means that across the region 45.9% of Black (or white) residents would need to move to a different jurisdiction to evenly distribute Black and white residents across Bay Area jurisdictions. The dissimilarity index values in Table 13 reflect recommendations made in HCD's AFFH guidance for calculating dissimilarity at the region level.<sup>103</sup> The regional value for the Theil's H index measures how

<sup>&</sup>lt;sup>103</sup> For more information on HCD's recommendations regarding data considerations for analyzing integration and segregation patterns, see page 31 of the AFFH Guidance Memo.

diverse each Bay Area jurisdiction is compared to the racial diversity of the whole region. A Theil's H Index value of 0 would mean all *jurisdictions* within the Bay Area have the same racial demographics as the entire region, while a value of 1 would mean each racial group lives exclusively in their own separate jurisdiction. The regional Theil's H index value for racial segregation decreased slightly between 2010 and 2020, meaning that racial groups in the Bay Area are now slightly less separated by the borders between jurisdictions.

Index	Group	2010	2020
Isolation Index Regional Level	Asian/Pacific Islander	0.317	0.378
	Black/African American	0.144	0.118
	Latinx	0.283	0.291
	White	0.496	0.429
	People of Color	0.629	0.682
Dissimilarity Index Regional Level	Asian/Pacific Islander vs. White	0.384	0.369
	Black/African American vs. White	0.475	0.459
	Latinx vs. White	0.301	0.297
	People of Color vs. White	0.296	0.293
Theil's H Multi-racial	All Racial Groups	0.103	0.097

#### Table 13: Regional Racial Segregation Measures

Universe: Population.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, 2010 Census of Population and Housing, Table P4.

### 3 INCOME SEGREGATION IN CITY OF EAST PALO ALTO

#### **Definition of Terms - Income Groups**

When analyzing segregation by income, this report uses income group designations consistent with the Regional Housing Needs Allocation and the Housing Element:

Very low-income: individuals earning less than 50% of Area Median Income (AMI)

Low-income: individuals earning 50%-80% of AMI

Moderate-income: individuals earning 80%-120% of AMI

Above moderate-income: individuals earning 120% or more of AMI

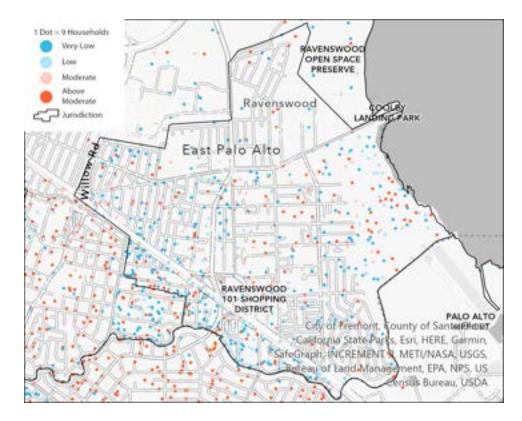
Additionally, this report uses the term "lower-income" to refer to all people who earn less than 80% of AMI, which includes both low-income and very low-income individuals.

The income groups described above are based on U.S. Department of Housing and Urban Development (HUD) calculations for AMI. HUD calculates the AMI for different metropolitan areas, and the nine county Bay Area includes the following metropolitan areas: Napa Metro Area (Napa County), Oakland-Fremont Metro Area (Alameda and Contra Costa Counties), San Francisco Metro Area (Marin, San Francisco, and San Mateo Counties), San Jose-Sunnyvale-Santa Clara Metro Area (Santa Clara County), Santa Rosa Metro Area (Sonoma County), and Vallejo-Fairfield Metro Area (Solano County).

The income categories used in this report are based on the AMI for the HUD metro area where this jurisdiction is located.

#### 3.1 Neighborhood Level Income Segregation (within East Palo Alto)

Income segregation can be measured using similar indices as racial segregation. Income dot maps, similar to the racial dot maps shown in Figures 47 and 51, are useful for visualizing segregation between multiple income groups at the same time. The income dot map of East Palo Alto in Figure 54 below offers a visual representation of the spatial distribution of income groups within the jurisdiction. As with the racial dot maps, when the dots show lack of a pattern or clustering, income segregation measures tend to be lower, and conversely, when clusters are apparent, the segregation measures may be higher as well.



#### Figure 54: Income Dot Map of East Palo Alto (2015)

Universe: Population.

Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data.

Note: The plot shows the income group distribution at the census block group level for City of East Palo Alto and vicinity. Dots in each block group are randomly placed and should not be construed as actual placement of individuals.

The isolation index values for all income groups in East Palo Alto for the years 2010 and 2015 can be found in Table 14 below.<sup>104</sup> Very Low-income residents are the most isolated income group in East Palo Alto. East Palo Alto's isolation index of 0.561 for these residents means that the average Very Low-income resident in East Palo Alto lives in a neighborhood that is 56.1% Very Low-income. Among all income groups, the Very Low-income population's isolation index has changed the most over time, becoming more segregated from other income groups between 2010 and 2015.

Similar to the tables presented earlier for neighborhood racial segregation, the "Bay Area Average" column in Table 14 provides the average isolation index value across Bay Area jurisdictions for different income groups in 2015. The data in this column can be used as a comparison to provide context for the levels of segregation experienced by income groups in this jurisdiction. For example, Table 14 indicates the average isolation index value for very low-income residents across Bay Area

<sup>&</sup>lt;sup>104</sup> This report presents data for income segregation for the years 2010 and 2015, which is different than the time periods used for racial segregation. This deviation stems from the data source recommended for income segregation calculations in HCD's AFFH Guidelines. This data source most recently updated with data from the 2011-2015 American Community Survey 5-year estimates. For more information on HCD's recommendations for calculating income segregation, see page 32 of HCD's AFFH Guidelines.

jurisdictions is 0.269, meaning that in the average Bay Area jurisdiction a very low-income resident lives in a neighborhood that is 26.9% very low-income.

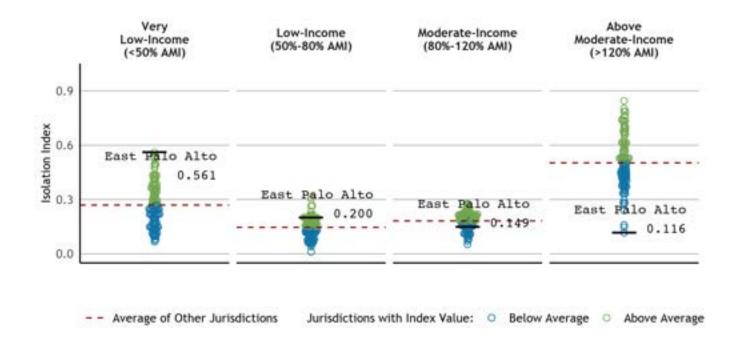
#### Table 14: Income Group Isolation Index Values for Segregation within East Palo Alto

	East Palo Alto		Bay Area Average
Income Group	2010	2015	2015
Very Low-Income (<50% AMI)	0.503	0.561	0.269
Low-Income (50%-80% AMI)	0.256	0.200	0.145
Moderate-Income (80%-120% AMI)	0.131	0.149	0.183
Above Moderate-Income (>120% AMI)	0.142	0.116	0.507

Universe: Population.

Source: Data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

Figure 55 below shows how income group isolation index values in East Palo Alto compare to values in other Bay Area jurisdictions. In this chart, each dot represents a Bay Area jurisdiction. For each income group, the spread of dots represents the range of isolation index values among Bay Area jurisdictions. Additionally, the black line within each income group notes the isolation index value for that group in East Palo Alto, and each dashed red line represents the Bay Area average for the isolation index for that group. Local staff can use this chart to contextualize how segregation levels for income groups in their jurisdiction compare to the rest of the region.



# Figure 55: Income Group Isolation Index Values for East Palo Alto Compared to Other Bay Area Jurisdictions (2015)

Universe: Bay Area Jurisdictions.

Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data.

Table 15 below provides the dissimilarity index values indicating the level of segregation in East Palo Alto between residents who are lower-income (earning less than 80% of AMI) and those who are not lower-income (earning above 80% of AMI). This data aligns with the requirements described in HCD's AFFH Guidance Memo for identifying dissimilarity for lower-income households.<sup>105</sup> Segregation in East Palo Alto between lower-income residents and residents who are not lower-income decreased between 2010 and 2015. Additionally, Table 15 shows dissimilarity index values for the level of segregation in Albany between residents who are very low-income (earning less than 50% of AMI) and those who are above moderate-income (earning above 120% of AMI). This supplementary data point provides additional nuance to an analysis of income segregation, as this index value indicates the extent to which a jurisdiction's lowest and highest income residents live in separate neighborhoods.

Similar to other tables in this report, the "Bay Area Average" column shows the average dissimilarity index values for these income group pairings across Bay Area jurisdictions in 2015. For example, Table 15 indicates that the average dissimilarity index between lower-income residents and other residents in a Bay Area jurisdiction is 0.198, so on average 19.8% of lower-income residents in a Bay Area jurisdiction would need to move to a different neighborhood within the jurisdiction to create perfect income group integration in that jurisdiction.

In 2015, the income segregation in East Palo Alto between lower-income residents and other residents was lower than the average value for Bay Area jurisdictions (See Table 15). This means that the lower-

<sup>&</sup>lt;sup>105</sup> For more information, see page 32 of HCD's AFFH Guidance Memo.

income residents are less segregated from other residents within East Palo Alto compared to other Jurisdictions in the region.

## Table 15: Income Group Dissimilarity Index Values for Segregation within East Palo Alto

	East Palo Alto		Bay Area Average
Income Group	2010	2015	2015
Below 80% AMI vs. Above 80% AMI	0.103	0.090	0.198
Below 50% AMI vs. Above 120% AMI	0.114	0.106	0.253

Universe: Population.

Source: Data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

Figure 56 below shows how dissimilarity index values for income segregation in East Palo Alto compare to values in other Bay Area jurisdictions. In this chart, each dot represents a Bay Area jurisdiction. For each income group pairing, the spread of dots represents the range of dissimilarity index values among Bay Area jurisdictions. Additionally, the black line within each income group pairing notes the dissimilarity index value in East Palo Alto, and each dashed red line represents the Bay Area average for the dissimilarity index for that pairing. Local staff can use this chart to contextualize how segregation levels between lower-income residents and wealthier residents in their jurisdiction compared to the rest of the region.

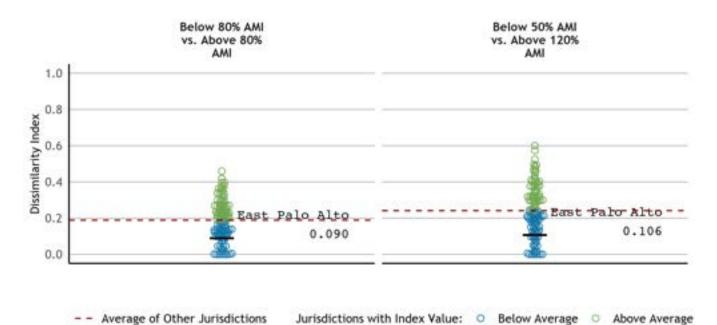


Figure 56: Income Group Dissimilarity Index Values for East Palo Alto Compared to Other Bay Area Jurisdictions (2015)

Universe: Bay Area Jurisdictions. Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data.

The Theil's H Index values for neighborhood income group segregation in East Palo Alto for the years 2010 and 2015 can be found in Table 16 below. The "Bay Area Average" column in this table provides the average Theil's H Index value across Bay Area jurisdictions for different income groups in 2015. By 2015, the Theil's H Index value for income segregation in East Palo Alto was about the same amount as it had been in 2010. In 2015, the Theil's H Index value for Bay Area jurisdictions, indicating there is less neighborhood level income segregation in East Palo Alto than in the average Bay Area city.

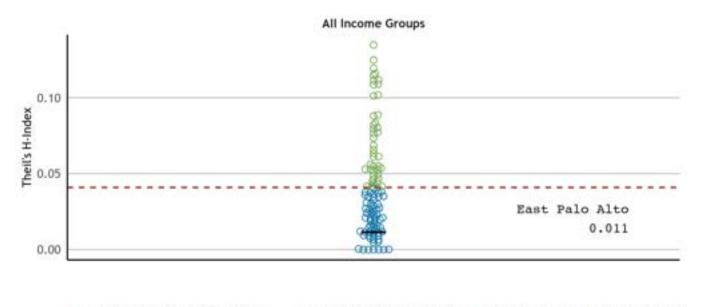
#### Table 16: Theil's H Index Values for Income Segregation within East Palo Alto

	East P	alo Alto	Bay Area Average
Index	2010	2015	2015
Theil's H Multi-income	0.014	0.011	0.043

Universe: Population.

Source: Data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

Figure 57 below shows how Theil's H index values for income group segregation in East Palo Alto compare to values in other Bay Area jurisdictions in 2015. In this chart, each dot represents a Bay Area jurisdiction. Additionally, the black line notes the Theil's H index value for income group segregation in East Palo Alto, and the dashed red line represents the average Theil's H index value across Bay Area jurisdictions. Local staff can use this chart to compare how neighborhood income group segregation levels in their jurisdiction compare to other jurisdictions in the region.



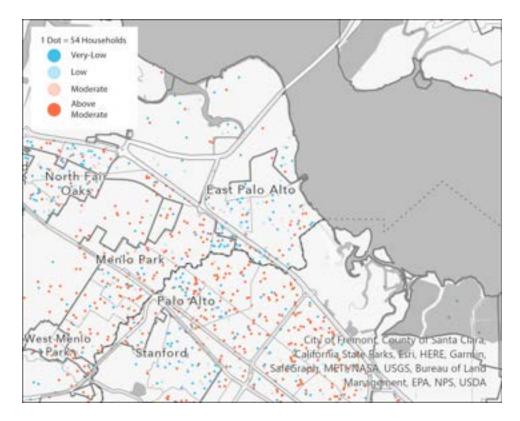
Average of Other Jurisdictions
 Jurisdictions with Index Value
 Below Average
 Above Average

# Figure 57: Income Group Theil's H Index Values for East Palo Alto Compared to Other Bay Area Jurisdictions (2015)

Universe: Bay Area Jurisdictions. Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data.

# 3.2 Regional Income Segregation (*between* East Palo Alto and other jurisdictions)

At the regional level, segregation is measured between jurisdictions instead of between neighborhoods. Income dot maps are not only useful for examining neighborhood income segregation within a jurisdiction, but these maps can also be used to explore income demographic differences between jurisdictions in the region. Figure 58 below presents an income dot map showing the spatial distribution of income groups in East Palo Alto as well as in nearby Bay Area jurisdictions.



#### Figure 58: Income Dot Map of East Palo Alto and Surrounding Areas (2015)

Universe: Population.

Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data.

Note: The plot shows the income group distribution at the census block group level for City of East Palo Alto and vicinity. Dots in each block group are randomly placed and should not be construed as actual placement of individuals.

When looking at income segregation between jurisdictions in the Bay Area, one can examine how East Palo Alto differs from the region. The income demographics in East Palo Alto for the years 2010 and 2015 can be found in Table 17 below. The table also provides the income composition of the nine-county Bay Area in 2015. As of that year, East Palo Alto had a higher share of very low-income residents than the Bay Area as a whole, a higher share of low-income residents, a lower share of moderate-income residents.

#### Table 17: Population by Income Group, East Palo Alto and the Region

	East Palo Alto		Bay Area
Income Group	2010	2015	2015
Very Low-Income (<50% AMI)	51.2%	57.96%	28.7%
Low-Income (50%-80% AMI)	25.29%	19.04%	14.3%
Moderate-Income (80%-120% AMI)	11.99%	14.12%	17.6%
Above Moderate-Income (>120% AMI)	11.52%	8.88%	39.4%

Universe: Population.

Source: Data for 2015 is from Housing U.S. Department of and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

Figure 59 below compares the income demographics in East Palo Alto to other Bay Area jurisdictions.<sup>106</sup> Like the chart in Figure 49, each dot represents a Bay Area jurisdiction. For each income group, the spread of dots represents the range of that group's representation among Bay Area jurisdictions. The smallest range is among jurisdictions' moderate-income populations, while Bay Area jurisdictions vary the most in the share of their population that is above moderate-income. Additionally, the black lines within each income group note the percentage of East Palo Alto population represented by that group and how that percentage ranks among other jurisdictions. Local staff can use this chart to compare the representation of different income groups in their jurisdiction to those groups' representation in other jurisdictions in the region, which can indicate the extent of segregation between this jurisdiction and the region.

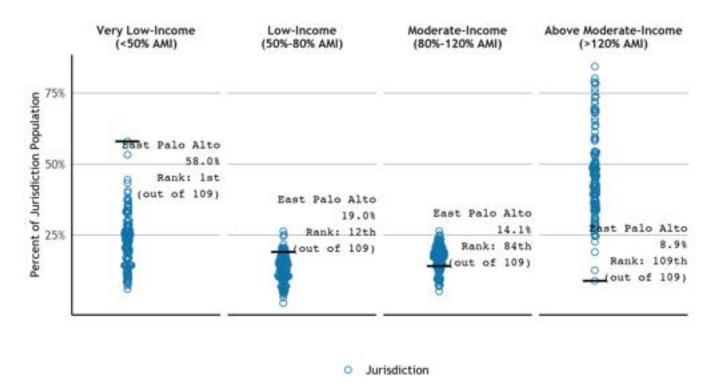


Figure 59: Income Demographics of East Palo Alto Compared to Other Bay Area Jurisdictions (2015)

Universe: Bay Area Jurisdictions.

Source: U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data.

Income segregation between jurisdictions in the region can also be analyzed by calculating regional values for the segregation indices discussed previously. Similar to the regional racial segregation measures shown in Table 13, Table 18 presents dissimilarity index, isolation index, and Theil's H index

<sup>&</sup>lt;sup>106</sup> While comparisons of segregation measures are made only using the 104 jurisdictions with more than one census tract, this comparison of jurisdiction level demographic data can be made using all 109 jurisdictions.

values for income segregation for the entire nine-county Bay Area in 2010 and 2015. In the previous section of this report focused on neighborhood level income segregation, segregation indices were calculated by comparing the income demographics of the census tracts within a jurisdiction to the demographics of the jurisdiction as a whole. In Table 18, these measures are calculated by comparing the income demographics of local jurisdictions to the region's income group makeup. For example, looking at 2015 data, Table 18 shows the regional isolation index value for very low-income residents is 0.315 for 2015, meaning that on average very low-income Bay Area residents live in a jurisdiction that is 31.5% very low-income. The regional dissimilarity index for lower-income residents and other residents is 0.194 in 2015, which means that across the region 19.4% of lower-income residents would need to move to a different jurisdiction to create perfect income group integration in the Bay Area as a whole. The regional value for the Theil's H index measures how diverse each Bay Area jurisdiction is compared to the income group diversity of the whole region. A Theil's H Index value of 0 would mean all jurisdictions within the Bay Area have the same income demographics as the entire region, while a value of 1 would mean each income group lives exclusively in their own separate jurisdiction. The regional Theil's H index value for income segregation decreased slightly between 2010 and 2015, meaning that income groups in the Bay Area are now slightly less separated by the borders between jurisdictions.

Index	Group	2010	2015
Isolation Index Regional Level	Very Low-Income (<50% AMI)		0.315
	Low-Income (50%-80% AMI)		0.154
	Moderate-Income (80%-120% AMI)	0.185	0.180
	Above Moderate-Income (>120% AMI)	0.467	0.435
Dissimilarity Index Regional Level	Below 80% AMI vs. Above 80% AMI	0.186	0.194
	Below 50% AMI vs. Above 120% AMI	0.238	0.248
Theil's H Multi-income	All Income Groups		0.032

#### Table 18: Regional Income Segregation Measures

Universe: Population.

Source: Data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

## 4 APPENDIX 1: SUMMARY OF FINDINGS

#### 4.1 Segregation in City of East Palo Alto

- The isolation index measures the segregation of a single group, and the dissimilarity index measures segregation between two different groups. The Theil's H-Index can be used to measure segregation between all racial or income groups across the city at once.
- As of 2020, Latinx residents are the most segregated compared to other racial groups in East Palo Alto, as measured by the isolation index. Latinx residents live in neighborhoods where they are less likely to come into contact with other racial groups.
- Among all racial groups, the Black population's isolation index value has changed the most over time, becoming less segregated from other racial groups between 2000 and 2020.
- According to the dissimilarity index, within East Palo Alto the highest level of racial segregation is between Black and white residents.<sup>107</sup>
- According to the Theil's H-Index, neighborhood racial segregation in East Palo Alto declined between 2010 and 2020. Neighborhood income segregation stayed about the same between 2010 and 2015.
- Very Low-income residents are the most segregated compared to other income groups in East Palo Alto. Very Low-income residents live in neighborhoods where they are less likely to encounter residents of other income groups.
- Among all income groups, the Very Low-income population's segregation measure has changed the most over time, becoming more segregated from other income groups between 2010 and 2015.
- According to the dissimilarity index, segregation between lower-income residents and residents who are not lower-income has decreased between 2010 and 2015. In 2015, the income segregation in East Palo Alto between lower-income residents and other residents was lower than the average value for Bay Area jurisdictions.

# 4.2 Segregation Between City of East Palo Alto and Other jurisdictions in the Bay Area Region

- East Palo Alto has a lower share of white residents than other jurisdictions in the Bay Area as a whole, a higher share of Latinx residents, a higher share of Black residents, and a lower share of Asian/Pacific Islander residents.
- Regarding income groups, East Palo Alto has a higher share of very low-income residents than other jurisdictions in the Bay Area as a whole, a higher share of low-income

<sup>&</sup>lt;sup>107</sup> The analysis conducted for this report suggests that dissimilarity index values are unreliable for a population group if that group represents approximately less than 5% of the jurisdiction's total population. ABAG/MTC recommends that when cities have population groups that are less than 5% of the jurisdiction's population (see Table **23** in Appendix 2), jurisdiction staff could focus on the isolation index or Thiel's H-Index to gain a more accurate understanding of neighborhood-level racial segregation in their jurisdiction.

residents, a lower share of moderate-income residents, and a lower share of above moderate-income residents.

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### 5 APPENDIX 2: SEGREGATION DATA

Appendix 2 combines tabular data presented throughout this report into a more condensed format. This data compilation is intended to enable local jurisdiction staff and their consultants to easily reference this data and re-use the data in the Housing Element or other relevant documents/analyses.

Table 19 in this appendix combines data from Table 9, Table 10, and Table 11 in the body of the report. Table 20 in this appendix combines data from Table 14, Table 15, and Table 16 in the body of the report. Table 21 represents a duplication of Table 13 in the body of the report; Table 22 represents a duplication of Table 18 in the body of the report; Table 23 in this appendix represents a duplication of Table 12 in the body of the report, while Table 24 represents a duplication of Table 17 in the body of the report.

		East Pa	Bay Area Average		
Index	Race	2000	2010	2020	2020
	Asian/Pacific Islander	0.098	0.114	0.123	0.245
laciation	Black/African American	0.251	0.172	0.124	0.053
Isolation	Latinx	0.578	0.634	0.672	0.251
	White	0.150	0.137	0.084	0.491
	Asian/Pacific Islander vs. White	0.451*	0.370	0.127	0.185
Dissingly aits	Black/African American vs. White	0.537	0.439	0.225	0.244
Dissimilarity	Latinx vs. White	0.406	0.341	0.170	0.207
	People of Color vs. White	0.443	0.361	0.149	0.168
Theil's H Multi-racial	All	0.040	0.035	0.018	0.042

#### Table 19: Neighborhood Racial Segregation Levels in East Palo Alto

Universe: Population.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, 2010 Census of Population and Housing, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

Note: If a number is marked with an asterisk (\*), it indicates that the index is based on a racial group making up less than 5 percent of the jurisdiction population, leading to unreliable numbers.

		East Pa	alo Alto	Bay Area Average
Index	Income Group	2010	2015	2015
	Very Low-Income (<50% AMI)	0.503	0.561	0.269
Isolation	Low-Income (50%-80% AMI)	0.256	0.200	0.145
Isolation	Moderate-Income (80%-120% AMI)	0.131	0.149	0.183
	Above Moderate-Income (>120% AMI)	0.142	0.116	0.507
Dissimilarity	Below 80% AMI vs. Above 80% AMI	0.103	0.090	0.198
Dissimilarity	Below 50% AMI vs. Above 120% AMI	0.114	0.106	0.253
Theil's H Multi-racial	All	0.014	0.011	0.043

## Table 20: Neighborhood Income Segregation Levels in East Palo Alto

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Universe: Population. Source: Income data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

Index	Group	2010	2020
	Asian/Pacific Islander	0.317	0.378
	Black/African American	0.144	0.118
Isolation Index Regional Level	Latinx	0.283	0.291
	White	0.496	0.429
	People of Color	0.629	0.682
	Asian/Pacific Islander vs. White	0.384	0.369
	Black/African American vs. White	0.475	0.459
Dissimilarity Index Regional Level	Latinx vs. White	0.301	0.297
	People of Color vs. White	0.296	0.293
Theil's H Multi-racial	All Racial Groups	0.103	0.097

#### Table 21: Regional Racial Segregation Measures

Universe: Population.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, 2010 Census of Population and Housing, Table P4.

#### Table 22: Regional Income Segregation Measures

Index	Group	2010	2015
	Very Low-Income (<50% AMI)	0.277	0.315
Isolation Index Regional Level	Low-Income (50%-80% AMI)	0.157	0.154
	Moderate-Income (80%-120% AMI)	0.185	0.180
	Above Moderate-Income (>120% AMI)	0.467	0.435
	Below 80% AMI vs. Above 80% AMI	0.186	0.194
Dissimilarity Index Regional Level	Below 50% AMI vs. Above 120% AMI	0.238	0.248
Theil's H Multi-income	All Income Groups	0.034	0.032

Universe: Population.

Source: Data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

#### Table 23: Population by Racial Group, East Palo Alto and the Region

	East Pal	o Alto		Bay Area
Race	2000	2010	2020	2020
Asian/Pacific Islander	2.1%	11.04%	11.9%	35.8%
Black/African American	22.51%	15.83%	10.62%	5.6%
Latinx	58.79%	64.45%	66.47%	28.2%
Other or Multiple Races	10.06%	2.44%	3.33%	24.4%
White	6.54%	6.23%	7.67%	5.9%

Universe: Population.

Source: IPUMS National Historical Geographic Information System (NHGIS). U.S. Census Bureau, 2020 Census State Redistricting Data (Public Law 94-171) Summary File, 2020 Census of Population and Housing, Table P002. Data from 2010 is from U.S. Census Bureau, 2010 Census of Population and Housing, Table P4. Data for 2000 is standardized to 2010 census tract geographies and is from U.S. Census Bureau, Census 2000, Table P004.

#### Table 24: Population by Income Group, East Palo Alto and the Region

	East Pal	Bay Area	
Income Group	2010	2015	2015
Very Low-Income (<50% AMI)	51.2%	57.96%	28.7%
Low-Income (50%-80% AMI)	25.29%	19.04%	14.3%
Moderate-Income (80%-120% AMI)	11.99%	14.12%	17.6%
Above Moderate-Income (>120% AMI)	11.52%	8.88%	39.4%

Universe: Population.

Source: Data for 2015 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2011-2015 Low- and Moderate-Income Summary Data. Data for 2010 is from U.S. Department of Housing and Urban Development, American Community Survey 5-Year 2006-2010 Low- and Moderate-Income Summary Data.

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## APPENDIX C3: AFFH COMMUNITY ENGAGEMENT

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## AFFH Appendix. Community Engagement

This section reports the findings from the resident survey conducted of San Mateo County residents to support the AFFH analysis of Housing Elements. It explores residents' housing, affordability, and neighborhood challenges and experiences with displacement and housing discrimination. The survey also asks about residents' access to economic opportunity, captured through residents' reported challenges with transportation, employment, and K-12 education. The survey was offered in both English and Spanish.

The resident survey was available online, in both Spanish and English, in a format accessible to screen readers, and promoted through jurisdictional communications and social media and through partner networks. A total of 2,382 residents participated.

The survey instrument included questions about residents' current housing situation, housing, neighborhood and affordability challenges, healthy neighborhood indicators, access to opportunity, and experience with displacement and housing discrimination.

**Explanation of terms.** Throughout this section, several terms are used that require explanation.

- "Precariously housed" includes residents who are currently homeless or living in transitional or temporary/emergency housing, as well as residents who live with friends or family but are not themselves on the lease or property title. These residents may (or may not) make financial contributions to pay housing costs or contribute to the household in exchange for housing (e.g., childcare, healthcare services).
- "Disability" indicates that the respondent or a member of the respondent's household has a disability of some type—physical, mental, intellectual, developmental.
- "Single parent" are respondents living with their children only or with their children and other adults but not a spouse/partner.
- "Tenure" in the housing industry means rentership or ownership.
- "Large households" are considered those with five or more persons residing in a respective household.
- "Seriously Looked for Housing" includes touring or searching for homes or apartments, putting in applications or pursuing mortgage financing.

**Sampling note.** The survey respondents do not represent a random sample of the county or jurisdictions' population. A true random sample is a sample in which each individual in the population has an equal chance of being selected for the survey. The self-selected nature of the survey prevents the collection of a true random sample. Important insights and themes can still be gained from the survey results, however, with an understanding of the differences among resident groups and between jurisdictions and the county overall. Overall, the data provide a rich source of information about the county's households and their experience with housing choice and access to opportunity in the communities where they live.

Jurisdiction-level data are reported for cities with 50 responses or more. Response by jurisdiction and demographics are shown in the figure below. Overall, the survey received a very strong response from typically underrepresented residents including people of color, renters, precariously housed residents, very low-income households, households with children, large households, single parents, and residents with disabilities.

#### Figure 1. Resident Survey Sample Sizes by Jurisdictions and Selected Characteristics

	County	Brisbane	Burlingame	Daly City	East Palo Alto	Foster City	Half Moon Bay	Hillsborough	Milbrae	Pacifica	Redwood City		San Mateo	South San Francisco
Total Responses	2,382	82	173	130	53	148	63	59	55	84	163	99	175	832
Race/Ethnicity														
African American	134	7	4	9	8	10	6	4	4	5	14	4	17	15
Hispanic	397	9	14	26	27	13	8	1	8	12	59	13	31	149
Asian	500	9	26	43	6	32	6	8	13	14	11	19	23	249
Other Race	149	10	6	8	3	14	3	3	3	3	9	7	13	47
Non-Hispanic White	757	35	89	27	4	44	27	27	15	35	54	36	58	195
Tenure														
Homeowner	1,088	51	96	39	9	89	26	46	18	42	37	48	58	409
Renter	1,029	30	65	67	36	43	28	7	33	38	105	41	88	324
Precariously Housed	309	8	12	26	12	17	14	5	7	13	23	16	29	87
Income														
Less than \$25,000	282	11	12	21	15	12	11	5	6	7	40	11	29	61
\$25,000-\$49,999	265	9	10	22	9	8	6	3	6	7	28	5	20	97
\$50,000-\$99,999	517	14	38	43	10	26	11	3	10	17	37	22	40	206
Above \$100,000	721	24	69	16	8	64	12	30	14	32	31	40	40	251
Household Characterist	tics													
Children under 18	840	24	53	50	26	44	17	18	20	29	61	37	64	287
Large households	284	7	11	20	18	8	3	5	7	8	20	13	15	133
Single Parent	240	8	15	19	11	12	9	3	7	7	30	9	21	49
Disability	711	25	41	38	22	40	22	13	17	29	62	34	65	210
Older Adults (age 65+	) 736	27	66	37	11	54	25	25	18	33	44	32	37	248

Note: Numbers do not aggregate either due to multiple responses or that respondents chose not to provide a response to all demographic and socioeconomic questions.

## **Primary Findings**

The survey data present a unique picture of the housing choices, challenges, needs, and access to economic opportunity of San Mateo County residents.

Top level findings from residents' perspectives and experiences:

- The limited supply of housing that accommodates voucher holders presents several challenges. Specifically,
  - Eight out of 10 voucher holders represented by the survey find a landlord that accepts a housing voucher to be "difficult" or "very difficult."
  - According to the survey data, vouchers not being enough to cover the places residents want to live is a top impediment for residents who want to move in San Mateo County, as well as African American, Asian, and Hispanic residents, households with children under 18, single parents, older adults, households with a member experiencing a disability, and several jurisdictions.
- Low income is a barrier to accessing housing. The impacts are highest for large households, Hispanic households, and residents in South San Francisco and Redwood City.
- Nearly 4 in 10 respondents who looked for housing experienced denial of housing. African American/Black respondents, precariously housed respondents, households with income below \$50,000, and single parent respondents reported the highest denial rates.
- I in 5 residents have been displaced from their home in the past five years. One of the main reasons cited for displacement was *the rent increased more than I could pay*. The impacts are higher for African American households, single parents, households that make less than \$25,000, and precariously housed respondents.
- For households with children that were displaced in the past five years, 60% of children in those households have changed schools. The most common outcomes identified by households with children who have changed schools include school is more challenging, they feel less safe at the new school, and they are in a worse school.
- Nearly 1 in 5 residents reported they have experienced discrimination in the past five years. African American, single parent, precariously housed respondents reported the highest rates of discrimination. The most common actions in response to discrimination cited by survey respondents were *Nothing/I wasn't sure what to do* and *Moved/found another place to live*.

- Of respondents reporting a disability, about 25% report that their current housing situation does not meet their accessibility needs. The three top greatest housing needs identified by respondents included installation of grab bars in bathroom or bench in shower, supportive services to help maintain housing, and ramps.
- On average, respondents are **fairly satisfied with their transportation situation**. Groups with the highest proportion of respondents somewhat or not at all satisfied with their transportation options included African American, single parents, precariously housed, and Brisbane respondents.

There are some housing, affordability, and neighborhood challenges unique to specific resident groups. These include:

- Would like to move but can't afford it—Most likely to be a challenge for Daly City, East Palo Alto, and Redwood City respondents, as well as Hispanic, renter, precariously housed, households making less than \$50,000, and large household respondents.
- My house or apartment isn't big enough for my family—Most likely to be a challenge for East Palo Alto respondents, as well as Hispanic households, large and single parent households, and households with children under 18.
- I'm often late on my rent payments—Most likely to be a challenge for East Palo Alto and renter respondents, as well as households that make less than \$25,000.
- I can't keep up with my utility payments—Most likely to be a challenge for Daly City, East Palo Alto, and San Mateo respondents, as well as African American and Hispanic respondents, single parent households, households with children under 18, and households that make less than \$50,000.
- Bus/rail does not go where I need to go or does not operate during the times
   I need Most likely to be a challenge for African American, precariously housed, single parent household, Brisbane and Pacifica respondents.
- Schools in my neighborhood are poor quality—Most likely to be a challenge for East Palo Alto, Redwood City, San Bruno, and South San Francisco respondents, as well as Hispanic respondents and households with children under 18.

## **Resident Survey Findings**

Of survey respondents who reported their race or ethnicity, 40% of survey respondents identified as non-Hispanic White, followed by Asian (26%), Hispanic (20%), African American (7%), and Other Minority (8%) residents (Figure 2). Overall, 45% of the survey respondents were homeowners, followed by 42% of renter respondents. Thirteen percent of respondents reported they are precariously housed (Figure 3). Four in ten respondents reported having

household income greater than \$100,000. Nearly 30% of respondents reported a household income between \$50,000-99,999, followed by 15% of respondents who made between \$25,000-49,999 and 16% of respondents making less than \$25,000 (Figure 4).

The survey analysis also included selected demographic characteristics of respondents, including those with children under the age of 18 residing in their household, adults over the age of 65, respondents whose household includes a member experiencing a disability, those who live in large households, and single parents. Thirty five percent of respondents indicated they had children in their household, while 31% indicated they were older adults. Thirty percent of respondents indicated they or a member of their household experienced a disability, 12% of respondents reported having large households, and 10% were single parents

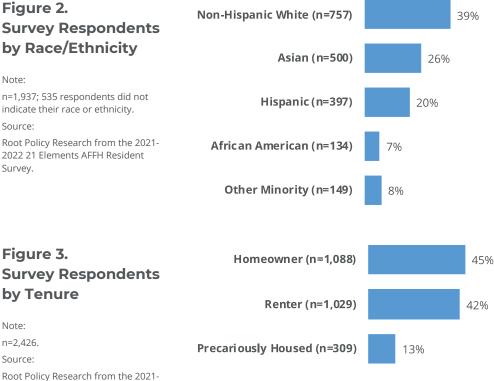


Figure 4. Survey Respondents	Less than \$25,000 (n=282)	16%
by Income	\$25,000-\$49,999 (n=265)	15%
Note: n=1,785. Source:	\$50,000-\$99,999 (n=517)	29%
Root Policy Research from the 2021- 2022 21 Elements AFFH Resident Survey.	Above \$100,000 (n=721)	40%
Figure 5. Survey Respondents	Children under 18 (n=840)	35%
by Selected Household	Older Adults (age 65+) (n=736)	31%
Characteristics	Disability (n=711)	30%
Note: Denominator is total responses to the survey (n=2,382)	Large households (n=284)	12%
Source:		_

Root Policy Research from the 2021-2022 21 Elements AFFH Resident Survey.

## Housing, Neighborhood and Affordability Challenges

**Housing challenges: overall.** Survey respondents were asked to select the housing challenges they currently experience from a list of 28 different housing, neighborhood, and affordability challenges. Figures 6a through 8c present the top 10 housing and neighborhood challenges and top 5 affordability challenges experienced by jurisdiction, race/ethnicity, tenure, income, and selected household characteristics.

Single Parent (n=240)

10%

These responses allow a way to compare the jurisdictions to the county for housing challenges for which other types of data do not exist. In this analysis, "above the county"— shaded in light red or pink—is defined as the proportion of responses that is 25% higher than the overall county proportion. "Below the county"—shown in light blue—occurs when the proportion of responses is 25% lower than the overall county proportion.

As shown in Figure 6a, residents in Redwood City and East Palo Alto experience several housing challenges at a higher rate than the county overall. Conversely, Foster City and Hillsborough residents experience nearly all identified housing challenges at a lower rate than the county.

Notable trends in housing, neighborhood, and affordability challenges by geographic area include:

- Residents in Daly City, East Palo Alto, and Redwood City are less likely to move due to the lack
  of available affordable housing options.
- East Palo Alto, Redwood City, and San Mateo residents report living in housing that is too small for their families.
- Millbrae and Pacifica residents report being more reticent to request a repair to their unit in fear that their landlord will raise their rent or evict them.
- Nearly 1 in 5 Pacifica survey respondents report that their home or apartment is in bad condition.
- Brisbane residents are more likely to experience a landlord refusing to make repairs to their unit.
- Residents in Daly City and Millbrae are more likely to report that they don't feel safe in their neighborhood or building
- Half Moon Bay and East Palo Alto expressed the greatest need for assistance in taking care of themselves or their home.

When compared to the county overall, **the most common areas where respondents' needs** were higher than the county overall were:

- Overall, half of the jurisdictions' respondents reported *I need help taking care of myself/my home and can't find or afford to hire someone* at a higher rate than the county.
- Nearly 40% of jurisdictions' respondents reported a higher rate than the county for the following housing or neighborhood challenges: *My home/apartment is in bad condition, my landlord refuses to make repairs despite my requests,* and *I don't feel safe in my neighborhood/building.*

#### Figure 6a. Top 10 Housing Challenges Experienced by Jurisdiction

25% Above County average

25% Below County average

Housing or Neighborhood Condition	County	Brisbane	Burlingame	Daly City	East Palo Alto	Foster City	Half Moon Bay	Hillsboroug	h Milbrae	Pacifica	Redwood City	San Bruno	San Mateo	South San Francisco
Valid cases	2,159	73	158	118	49	135	59	50	53	79	151	93	163	738
l would like to move but I can't afford anything that is available/income too low	31%	12%	20%	51%	41%	16%	25%	4%	32%	28%	43%	30%	38%	35%
My house or apartment isn't big enough for my family	20%	11%	14%	24%	35%	10%	12%	4%	21%	11%	26%	20%	26%	21%
l worry that if l request a repair it will result in a rent increase or eviction	14%	10%	13%	17%	14%	9%	10%	2%	23%	15%	20%	11%	15%	13%
My home/apartment is in bad condition	11%	14%	9%	15%	12%	3%	7%	0%	11%	18%	14%	5%	15%	10%
My landlord refuses to make repair despite my requests	5 6%	14%	3%	5%	12%	4%	5%	2%	2%	9%	9%	5%	10%	5%
l live too far from family/ friends/my community	6%	5%	4%	8%	4%	5%	8%	6%	6%	3%	8%	4%	7%	5%
l don't feel safe in my building/ neighborhood	6%	5%	5%	13%	8%	0%	7%	6%	11%	10%	8%	3%	6%	3%
l need help taking care of myself/my home and can't find or afford to hire someone	5%	7%	7%	7%	10%	2%	14%	2%	8%	9%	3%	4%	8%	4%
I have bed bugs/insects or rodent infestation	5%	5%	4%	3%	16%	2%	3%	4%	6%	9%	11%	6%	4%	3%
The HOA in my neighborhood won't let me make changes to my house or property	4%	5%	1%	3%	8%	11%	3%	2%	4%	5%	3%	3%	4%	2%
None of the above	42%	48%	50%	20%	33%	55%	44%	76%	36%	47%	28%	45%	35%	46%

The following three figures segment the answers by:

- Housing affordability challenges only; and
- Neighborhood challenges only.

**Housing challenges.** As shown in Figure 6b, residents in San Mateo, Daly City, East Palo Alto, and Pacifica experience affordability challenges at a higher rate than the county overall. Conversely, Hillsborough, Burlingame, and South San Francisco residents experience affordability challenges at a lower rate than the county.

The most significant geographic variations occur in:

- San Mateo city residents experience all five affordability challenges at a greater rate than the county overall. In addition to being less likely to pay utility bills or rent on time, San Mateo residents are more than twice as likely than the average county respondent to have bad credit or a history of eviction/foreclosure that impacts their ability to rent.
- San Mateo, East Palo Alto, and Daly City residents are most likely to experience difficulty paying utility bills.
- Residents in East Palo Alto and Redwood City are most likely to be late on their rent payments.
- Millbrae residents experience the greatest difficultly paying their property taxes among jurisdictions in San Mateo County.
- Respondents from Brisbane, Half Moon Bay, and Pacifica are more likely to have trouble keeping up with property taxes.
- City of San Mateo, Daly City and Redwood City respondents are more likely to have bad credit or an eviction history impacting their ability to rent

Overall, nearly 40% of jurisdictions' respondents experienced the following affordability challenges at a higher rate than the county: *I can't keep up with my property taxes* and *I have bad credit/history of evictions/foreclosure and cannot find a place to rent*.

#### Figure 6b. Top 5 Affordability Challenges Experienced by Jurisdiction

25% Above County average

25% Below County average

Affordability Challenges	County	Brisbane	e Burlingame	Daly City	East Palo Alto	Foster City	Half Moon Bay	Hillsborough	Milbrae	Pacifica	Redwood City	San Bruno	San Mateo	South San Francisco
Valid cases	2,130	73	157	115	51	134	58	50	50	77	147	93	160	728
l can't keep up with my utilities	10%	5%	6%	15%	16%	5%	12%	4%	12%	8%	12%	9%	15%	9%
l'm often late on my rent payments	8%	5%	6%	10%	20%	3%	7%	2%	8%	4%	12%	4%	11%	7%
l can't keep up with my property taxes	6%	10%	4%	3%	2%	8%	10%	0%	16%	10%	3%	5%	9%	5%
l have bad credit/history of evictions/foreclosure and cannot find a place to rent	4%	4%	2%	13%	6%	0%	0%	2%	0%	5%	8%	4%	10%	2%
l have Section 8 and l am worried my landlord will raise my rent higher than my voucher payment	4%	7%	3%	3%	2%	7%	3%	4%	4%	5%	3%	3%	6%	2%
None of the above	73%	68%	80%	65%	59%	78%	66%	88%	64%	71%	70%	77%	63%	80%

**Neighborhood challenges.** As shown in Figure 6c, residents in East Palo Alto, Brisbane, Daly City, and Pacifica experience neighborhood challenges at a higher rate than the county. Burlingame and Foster City both experience neighborhood challenges at a lower rate than the county.

Hillsborough residents report divergent experiences related to neighborhood challenges — respondents identified more challenges around neighborhood infrastructure and access to transit but fewer challenges around school quality and job opportunities.

# There are a handful of jurisdictions who experience specific neighborhood challenges at a disproportionate rate compared to the county.

- For instance, East Palo Alto residents experience neighborhood infrastructure issues (e.g., bad sidewalks, no lighting) more acutely than county residents overall.
- Brisbane residents experience transportation challenges in their neighborhoods.
- East Palo Alto, Redwood City, and San Bruno experience challenges with school quality in their neighborhoods.
- Residents in Brisbane, Hillsborough, Pacific, and Half Moon Bay report the highest rates of difficulty accessing public transit.
- Daly City, Millbrae, San Mateo, and East Palo Alto residents were more likely to identify the lack of job opportunities available in their neighborhoods.

Over 30% of jurisdictions' respondents experienced the following neighborhood challenges at a higher rate than the county: *I can't get to public transit/bus/light rail easily or safely* and *There are not enough job opportunities in the area.* 

#### Figure 6c. Top 5 Neighborhood Challenges Experienced by Jurisdiction

25% Above County average

25% Below County average

Neighborhood Challenges	County	Brisbane	Burlingam	Daly e City	East Palo Alto	Foster City	Half Moon Bay	Hillsborough	Milbrae	Pacifica	Redwood City	San Bruno	San Mateo	South San Francisco
Valid cases	2,079	72	153	116	48	130	56	53	46	75	145	91	151	712
My neighborhood does not have good sidewalks, walking areas, and/or lighting	17%	18%	13%	25%	40%	4%	18%	23%	20%	15%	21%	14%	12%	16%
Schools in my neighborhood are poor quality	15%	18%	3%	17%	25%	4%	14%	2%	7%	13%	20%	20%	15%	20%
Bus/rail does not go where I need to go or does not operate during the times I need	15%	24%	8%	14%	15%	21%	18%	9%	15%	24%	17%	14%	17%	10%
l can't get to public transit/bus/light rail easily or safely	14%	29%	7%	9%	10%	14%	18%	25%	17%	21%	12%	13%	15%	10%
There are not enough job opportunities in the area	12%	8%	7%	20%	17%	8%	14%	0%	20%	13%	11%	11%	18%	12%
None of the above	50%	28%	69%	45%	33%	62%	46%	57%	50%	52%	41%	52%	52%	55%

### Differences in needs by race and ethnicity and housing tenure. As shown in

Figure 7a, and compared to the county overall:

- African American, Hispanic, and Other race respondents, and
- Renters and those who are precariously housed experience several housing challenges at a higher rate than the county overall.
- Conversely, non-Hispanic White residents and homeowners are less likely to experience housing challenges.

Specifically,

- Black or African American residents are more than three times as likely to have a landlord not make a repair to their unit after a request compared to county residents overall. Hispanic, Other Race, and Precariously housed residents are also more likely to experience this challenge.
- African American, Asian, Hispanic, Renters, and Precariously Housed groups are more likely to experience bed bugs or rodent infestation in their homes.
- African American, Hispanic, Renters, and Precariously Housed groups are also more likely to live further away from family, friends, and their community.
- African Americans are three times more likely than the average county respondent to be told by their HOA they cannot make changes to their house or property. Asian households are twice as likely to experience this challenge.
- Hispanic, Other Race, and Renter respondents are more likely to worry that if they request a repair it will result in a rent increase or eviction and to report that their homes are in bad condition.

#### Figure 7a. Top 10 Housing Challenges Experienced by Race/Ethnicity and Tenure

25% Above County average

25% Below County average

Housing or Neighborhood Condition	County	African Americar	Asian	Hispanie		Non-Hispanic White	Homeowner	Renter	Precariously Housed
Valid cases	2,159	132	489	392	144	734	986	974	301
l would like to move but l can't afford anything that is available/income too low	31%	30%	32%	50%	31%	20%	7%	48%	56%
My house or apartment isn't big enough for my family	20%	16%	21%	35%	22%	11%	12%	29%	18%
l worry that if l request a repair it will result in a rent increase or eviction	14%	17%	13%	23%	19%	11%	2%	28%	13%
My home/apartment is in bad condition	11%	12%	9%	16%	17%	10%	6%	17%	10%
My landlord refuses to make repairs despite my requests	6%	20%	7%	10%	10%	5%	2%	13%	10%
l live too far from family/ friends/my community	6%	15%	6%	6%	13%	6%	5%	8%	9%
l don't feel safe in my building/ neighborhood	6%	13%	6%	6%	9%	5%	4%	8%	7%
l need help taking care of myself/my home and can't find or afford to hire someone	5%	14%	7%	5%	6%	5%	5%	6%	11%
I have bed bugs/insects or rodent infestation	5%	14%	8%	7%	5%	4%	4%	9%	9%
The HOA in my neighborhood won't let me make changes to my house or property	4%	14%	8%	4%	3%	3%	5%	3%	7%
None of the above	42%	18%	37%	24%	38%	58%	68%	21%	13%

The above trends are similar for the **most acute housing affordability challenges**. As shown in Figure 7b, African American and Hispanic households, as well as renters and those precariously housed, experience affordability challenges at a higher rate than the county overall. Non-Hispanic White residents and homeowners experience these same challenges at a lower rate than the county.

- African American residents experience all five affordability challenges at a greater rate than the county overall.
- In addition to being more likely to not pay utility bills or rent on time, African American residents are more than four times as likely than the average county respondent to have a Section 8 voucher and worry that their landlord will raise their rent more than the voucher payment.
- Along with African American residents, Hispanic households, renters, and precariously housed households are most likely to experience difficulty paying utility bills, as well as have bad credit or eviction/foreclosure history impacting their ability to find a place to rent.
- These groups, with the exception of those precariously housed, are also more likely to be late with their rent payments.

#### Figure 7b. Top 5 Affordability Challenges Experienced by Race/Ethnicity and Tenure

25% Above County average

25% Below County average

Affordability Challenges	County	frican ierican	Asian	Hispanio	Other Race	Non-Hispani White	c Homeowne	r Renter	Precariously Housed
Valid cases	2,130	132	487	391	146	739	983	953	293
l can't keep up with my utilities	10%	22%	11%	17%	14%	5%	5%	15%	15%
l'm often late on my rent payments	8%	13%	6%	12%	12%	4%	1%	15%	8%
l can't keep up with my property taxes	6%	16%	8%	4%	5%	7%	9%	5%	14%
l have bad credit/history of evictions/foreclosure and cannot find a place to rent	4%	5%	3%	8%	4%	2%	1%	6%	11%
I have Section 8 and I am worried my landlord will raise my rent higher than my voucher payment	4%	18%	5%	6%	7%	2%	2%	7%	8%
None of the above	73%	32%	70%	63%	64%	83%	84%	61%	54%

As shown in Figure 7c, African American and precariously housed residents experience neighborhood challenges at a higher rate than the county. These two groups experience neighborhood issues related to transportation more acutely than county residents overall. In addition to Other race respondents, they are also more likely to identify the lack of job opportunities in their respective neighborhoods.

Additionally, Hispanic residents are more likely to live in neighborhoods with poor performing schools than the average county respondent. Homeowners are also more likely to report that they cannot access public transit easily or safely.

#### Figure 7c.

#### Top 5 Neighborhood Challenges Experienced by Race/Ethnicity and Tenure

25% Above County average

25% Below County average

Neighborhood Challenges	County	African American	Asian	Hispanic	Other Race	Non- Hispanic White	Homeowner	Renter	Precariously Housed
Valid cases	2,079	133	486	389	146	737	975	918	284
My neighborhood does not have good sidewalks, walking areas, and/or lighting	17%	14%	17%	19%	16%	18%	18%	15%	18%
Schools in my neighborhood are poor quality	15%	13%	18%	20%	17%	13%	18%	13%	13%
Bus/rail does not go where I need to go or does not operate during the times I need	15%	33%	16%	13%	17%	17%	17%	14%	24%
l can't get to public transit/bus/light rail easily or safely	14%	24%	15%	11%	16%	16%	18%	11%	19%
There are not enough job opportunities in the area	12%	22%	14%	12%	19%	9%	9%	15%	20%
None of the above	50%	23%	46%	48%	45%	53%	49%	51%	36%

**Differences in needs by household status.** As shown in Figure 8a, single parents, households making less than \$50,000, households with children under 18 and those with a member experiencing a disability experience the majority of housing challenges are more likely to experience housing challenges. Conversely, households making more than \$100,000 experience nearly all specified housing challenges at a lower rate than the county.

Single parents experience all ten housing challenges at a greater rate than the county overall.

Households making less than \$25,000 also experience every challenge at a higher rate, with the exception of *I worry that if I request a repair it will result in a rent increase or eviction*.

Households making less than \$50,000, single parents, and households with children under 18 are more likely to experience the following challenges:

- My house or apartment isn't big enough for my family;
- My house or apartment is in bad condition;
- My landlord refuses to make repairs despite my request;
- I live too far from family/friends/my community;
- I don't feel safe in my building/neighborhood;
- I need help taking care of myself/my home and can't find or afford to hire someone; and
- I have bed bugs/insects or rodent infestation.

Households with a member experiencing a disability are also more likely to experience landlords refusing their requests to make repairs, living further away from family/friends/community, and not being able to find or afford someone to help take care of themselves or their homes. These households are also more likely to experience bed bugs, insects, or rodent infestation, as well as HOA restrictions impacting their ability to make changes to their home or property.

Additionally, large households have the highest proportion of respondents among the selected groups that would like to move but can't afford anything that is available or because their income is too low.

#### Figure 8a. Top 10 Housing Challenges Experienced by Income and Household Characteristics

25% Above County average

25% Below County average

Housing or Neighborhood Condition	County	ess thar \$25,000	\$25,000- \$49,999	\$50,000- \$99,999	Above \$100,000	Children under 18	Large Households	Single Parent	Disability	Adults (age 65+)
Valid cases	2,159	280	260	505	701	827	278	240	701	709
I would like to move but I can't afford anything that is available/income too low	31%	47%	48%	37%	16%	35%	51%	40%	36%	25%
My house or apartment isn't big enough for my family	20%	25%	25%	23%	16%	34%	43%	32%	20%	13%
l worry that if l request a repair it will result in a rent increase or eviction	14%	16%	18%	19%	9%	19%	19%	28%	16%	11%
My home/apartment is in bad condition	11%	15%	20%	12%	6%	15%	17%	17%	12%	9%
My landlord refuses to make repairs despite my requests	6%	13%	13%	8%	2%	9%	8%	14%	10%	6%
l live too far from family/ friends/my community	6%	9%	9%	6%	5%	10%	5%	10%	8%	6%
I don't feel safe in my building/ neighborhood	6%	9%	9%	6%	3%	8%	4%	10%	7%	5%
I need help taking care of myself/my home and can't find or afford to hire someone	5%	9%	9%	5%	3%	7%	6%	12%	11%	6%
I have bed bugs/insects or rodent infestation	5%	10%	9%	5%	3%	9%	4%	15%	9%	6%
The HOA in my neighborhood won't let me make changes to my house or property	4%	7%	3%	4%	3%	7%	4%	11%	6%	5%
None of the above	42%	21%	21%	37%	61%	28%	26%	12%	32%	49%

As shown in Figure 8b, households making less than \$50,000, as well as large households, single parents, households with children under 18, and households with a member experience a disability, experience the most acute affordability challenges at a higher rate than the county overall. Households making more than \$50,000 and adults over the age of 65 are less likely to experience affordability challenges.

Households making less than \$25,000, single parents, and households with children under 18 experience all five affordability challenges at a greater rate than the average county respondent.

Households making less than \$25,000 and households with a member experiencing a disability also disproportionately report affordability challenges.

Of households experiencing major affordability issues, **single parent households are most acutely impacted.** These households are more than three times as likely to have a Section 8 voucher and fear their landlord will raise the rent impacting the viability of their voucher, more than twice as likely to miss utility payments and have bad credit/eviction or foreclosure history impacting their ability to rent, and twice as likely to have trouble keeping up with their property taxes.

#### Figure 8b. Top 5 Affordability Challenges Experienced by Income and Household Characteristics

Affordability Challenges	County	Less		\$25,000- \$49,999	\$50,000-	Above \$100,000			Single	Disability	Adults
Valid cases	County 2,130	\$25, 27		260	\$99,999 <b>509</b>	703	830	279	s Parent 239	699	(age 65+) 716
l can't keep up with my utilities	10%	16	%	16%	12%	3%	16%	14%	23%	15%	8%
l'm often late on my rent payments	8%	19	%	16%	6%	1%	11%	12%	15%	11%	4%
l can't keep up with my property taxes	6%	79	6	9%	8%	5%	9%	4%	12%	8%	7%
l have bad credit/history of evictions/foreclosure and cannot find a place to rent	4%	89	6	7%	4%	1%	5%	6%	10%	6%	3%
I have Section 8 and I am worried my landlord will raise my rent higher than my voucher payment	4%	11	%	6%	4%	1%	7%	3%	14%	8%	5%
None of the above	73%	46	%	56%	72%	90%	59%	70%	32%	59%	75%

Source: Root Policy Research from the 2021-2022 21 Elements AFFH Resident Survey.

25% Above County average

As shown in Figure 8c, households with children under 18, as well as single parents, households with a member experiencing a disability, and households making less than \$25,000 are more likely to experience neighborhood challenges. These households are most likely to report that *the bus/rail does not go where I need to go or does not operate during the times I need.* In addition to households that make between \$25,000-\$100,000, these groups are more likely to identify the lack of job opportunities in their respective neighborhoods.

Households with children under 18 are more likely to live in neighborhoods with poor quality schools. Large households are more likely to report issues with neighborhood infrastructure (e.g., bad sidewalks, poor lighting) and households with a member experiencing a disability are more likely to report they cannot access public transit easily or safely.

#### Figure 8c.

25% Above County average

Top 5 Neighborhood Challenges Experienced by Income and Household Characteristics

25% Below County average										
Neighborhood Challenges	County	Less than \$25,000	\$25,000- \$49,999	\$50,000- \$99,999	Above \$100,000	Children under 18	Large Households	Single Parent	Disability	Adults (age 65+)
Valid cases	2,079	273	259	503	709	824	277	234	692	714
My neighborhood does not have good sidewalks, walking areas, and/or lighting	17%	17%	15%	18%	17%	19%	22%	16%	19%	14%
Schools in my neighborhood are poor quality	15%	17%	14%	11%	19%	24%	19%	17%	14%	9%
Bus/rail does not go where I need to go or does not operate during the times I need	15%	19%	16%	15%	16%	19%	11%	28%	19%	16%
l can't get to public transit/bus/light rail easily or safely	14%	15%	12%	14%	14%	15%	12%	15%	19%	17%
There are not enough job opportunities in the area	12%	21%	17%	16%	6%	17%	12%	19%	15%	11%
None of the above	50%	40%	45%	51%	53%	38%	48%	31%	41%	53%

## **Experience Finding Housing**

This section explores residents' experience seeking a place to rent or buy in the county and the extent to which displacement—having to move when they do not want to move—is prevalent. For those respondents who seriously looked for housing in the past five years, this section also examines the extent to which respondents were denied housing to rent or buy and the reasons why they were denied.

**Recent experience seeking housing to rent.** Figure 9 presents the proportion of respondents who seriously looked to rent housing for the county, jurisdictions, and selected respondent characteristics, as well as the reasons for denial.

Over half of county respondents (56%) have seriously looked for housing in the past five years. The **most common reasons for denial** included:

- Landlord not returning the respondent's call (26%),
- Landlord told me the unit was available over the phone but when I showed up in person, it was no longer available (22%), and
- Landlord told me it would cost more because of my service or emotional support animal (14%).

Jurisdictions with the highest percentage of respondents who seriously looked for housing include Millbrae (74%), San Mateo (73%), and Redwood City (72%). While all three jurisdictions reported that *landlord not returning the respondent's call* was one of their main reasons for denial, 18% of Redwood City respondents identified *landlord told me they do not accept Section 8 vouchers* as a main reason for denial.

Eighty percent of African American respondents reported that they had seriously looked for housing in the past five years while the lowest percentage of respondents who reported seriously looking for housing were non-Hispanic White (46%). The main reasons for denial experienced by African American respondents included *landlord told me the unit was available over the phone but when I showed up in person, it was no longer available* (39%), *landlord told me it would cost more because of my service or emotional support animal* (34%), and *landlord told me I couldn't have a service or emotional support animal* (28%).

Among respondents by tenure, renters (75%) and precariously housed (74%) tenants reported the highest rates of seriously looking for housing. Among respondents by income, households making less than \$25,000 (71%) had the highest rate. However, the main reasons for denial reported by these households were *landlord told me I couldn't have a service or emotional support animal* (36%) and *landlord told me it would cost more because of my service or emotional support animal* (30%).

Single parents (79%) and households with children under 18 (66%) also reported the highest percentage of those who seriously looked for housing in the past five years among the selected household characteristics respondent groups. In addition to sharing the top two reasons for denial with the county, 25% of single parent household respondents also reported they were denied housing because the *landlord told me I can't have a service or emotional support animal.* 

Figure 9. If you looked seriously for housing to rent in San Mateo County in the past five years, were you ever denied housing?

		-			Re	eason for Denial					
	Overall Percent Seriously Looked for Housing	Landlord did not return calls and/or emails asking about a unit	Landlord said unit was available over phone, but when I showed up in person, it was no longer available	Landlord told me it would cost me more for my service or emotional animal	Landlord told me l can't have a service or emotional support animal	Landlord told me it would cost me more to rent because I have children		Landlord told me they do not	Landlord told me they couldn't make changes to the apartment/ home for my disability	None of the Above	n
Jurisdiction											
County	56%	26%	22%	14%						45%	928
Brisbane	59%		41%			22%				26%	27
Burlingame	48%	19%	23%							54%	57
Daly City	63%	33%	16%			16%				44%	61
East Palo Alto	58%	35%	30%							26%	23
Foster City	50%	12%		16%	14%					55%	51
Half Moon Bay	68%					17%	17%			48%	29
Hillsborough	42%		14%	29%	14%					57%	14
Milbrae	74%	25%	46%							36%	28
Pacifica	51%	16%	26%						16%	55%	31
Redwood City	72%	31%						18%		40%	99
San Bruno	57%			22%		22%				39%	36
San Mateo	73%	30%	34%							39%	98
South San Francisco	47%	24%	13%							56%	248
Race/Ethnicity											
African American	80%		39%	34%	28%					15%	101
Asian	56%	19%	29%							40%	199
Hispanic	63%	32%	22%							41%	230
Other Race	70%	29%	22%							45%	91
Non-Hispanic White	46%	29%	20%							48%	263
Tenure											
Homeowner	36%		25%						15%	54%	183
Renter	75%	29%	22%							43%	641
Precariously Housed	74%	23%	32%							26%	188
Income											
Less than \$25,000	71%			30%	36%					29%	182
\$25,000-\$49,999	60%	39%	32%							27%	149
\$50,000-\$99,999	58%	24%		20%						45%	251
Above \$100,000	48%	19%	14%							64%	216
Household Characterist	ics										
Children under 18	66%	30%	29%							33%	447
Large Households	60%	33%	19%			18%				44%	139
Single Parent	79%	25%	35%		25%					19%	173
Disability	63%	24%	24%							34%	386
Older Adults (age 65+)	48%	20%	29%							39%	282

Note: The "Percent Seriously Looked for Housing" column includes all respondents, not just those who indicated they rent.

**Recent experience seeking housing to buy.** Figure 10 presents the proportion of respondents who seriously looked to buy housing in the county, by jurisdiction, and selected respondent characteristics, as well as the reasons for denial. As noted above, 56% of county respondents have seriously looked for housing in the past five years.

The most common reasons for denial included:

- Real estate agent told me I would need to show I was prequalified with a bank (29%) and
- A bank would not give me a loan to buy a home (22%).

For the jurisdictions with the highest percentage of respondents who seriously looked for housing (Millbrae, San Mateo, and Redwood City), all three cities shared the same top two reasons for denial as the county. Additionally, 21% of Millbrae respondents reported that *the real estate agent would not make a disability accommodation when I asked*.

For African American respondents who looked to buy housing in the last five years, the most common reason for denial was *the real estate agent would not make a disability accommodation when I asked* (47%). African Americans, along with Other Races, also most commonly reported that they needed a loan prequalification before real estate agents would work with them. While between 43-54% of respondents from other racial/ethnic groups reported they did not experience any reason for denial when seriously looking to buy housing over the past five years, 12% of African American respondents reported similarly.

Among respondents by income, the main reasons for denial for households making less than \$25,000 were *the real estate agent told me I would need to show I was prequalified with a bank* (32%) and *real estate agent only showed me or only suggested homes in neighborhoods where most people were of my same race or ethnicity* (26%).

Among the selected housing characteristics category, single parent households and households with children under 18 reported shared the same top two reasons for denial as the county. Additionally, 36% of single parent household respondents reported that *the real estate agent would not make a disability accommodation when I asked*, as well as 25% of respondents over the age of 65.

Residents in Redwood City, Millbrae, and South San Francisco, as well as large households, also reported that *a bank or other lender charged me a high interest rate on my home loan* as a reason for denial.

## Figure 10. If you looked seriously for housing to buy in San Mateo County in the past five years, were you ever denied housing?

				Reason for Denial										
	Percent Seriously Looked for Housing	The real estate agent told me I would need to show I was prequalified with a bank	A bank or other lender would not give me a loan to buy a home	The real estate agent would not make a disability accommodation when I asked	Only showed homes in neighborhoods where most people were same race/ethnicity	charged me a high	None of the Above	n						
Jurisdiction														
County	56%	29%	23%				50%	870						
Brisbane	59%	36%			30%		42%	33						
Burlingame	48%	22%	14%				61%	51						
Daly City	63%	19%	27%				56%	52						
East Palo Alto	58%	24%	33%				48%	21						
Foster City	50%	25%	20%				49%	51						
Half Moon Bay	68%	35%	23%	23%			50%	26						
Hillsborough	42%	18%		23%			59%	22						
Milbrae	74%	25%	29%	21%		21%	54%	28						
Pacifica	51%	35%	35%				42%	31						
Redwood City	72%	30%	22%			27%	50%	64						
San Bruno	57%	14%	21%				62%	42						
San Mateo	73%	40%	32%				38%	82						
South San Francisco	47%	26%	18%			16%	57%	251						
Race/Ethnicity														
African American	80%	40%	38%	47%			12%	89						
Asian	56%	30%	25%				43%	223						
Hispanic	63%	29%	28%				49%	174						
Other Race	70%	36%	21%			21%	50%	90						
Non-Hispanic White	46%	29%	23%				54%	250						
Tenure														
Homeowner	36%	29%	17%				54%	332						
Renter	75%	32%	27%				46%	467						
Precariously Housed	74%	36%	36%	30%			30%	154						
Income	7470	30%	5070	30/1			5070	134						
Less than \$25,000	71%	32%	25%		26%		41%	131						
\$25,000-\$49,999	60%	42%	40%		20%		29%	106						
\$50,000-\$99,999	58%	35%	30%				38%	216						
Above \$100.000	48%	22%	13%			10%	64%	296						
Household Characteris		2270	1370			1070	0-170	200						
Children under 18	66%	33%	28%				40%	443						
Large Households	60%	33%	25%			25%	40%	126						
Single Parent	79%		43%	260/		20%0		126						
Disability	63%	<u>38%</u> 35%	26%	36%			24% 38%	330						
				250/										
Older Adults (age 65+)	48%	35%	29%	25%			38%	252						

Note: The "Percent Seriously Looked for Housing" column includes all respondents, not just those who indicated they rent.

**Denied housing to rent or buy.** Figure 11 presents the proportion of those who looked and were denied housing to rent or buy for the county, jurisdictions, and selected respondent characteristics, as well as reason for denial. As shown, nearly 4 in 10 county respondents who looked for housing experienced denial of housing. African American/Black respondents, precariously housed respondents, households with income below \$50,000, and single parent respondents have denial rates of 60% or higher. African American (79%) and single parent (74%) respondents report the highest rates of denial.

Among the reasons for denial:

- Income too low was a major reason for denial for all groups except homeowners and households with incomes above \$100,000. Additionally, all jurisdictions report this as a common reason for being denied housing with the exception of Foster City, Hillsborough, and San Bruno.
- Haven't established a credit history or no credit history was also a common reason of denial for most groups. The impacts are higher for Asian, Hispanic, and African American households, along with renter and precariously housed respondents, households with income below \$50,000, and single parent households, households with children under 18, and households with a member experiencing a disability.
- Another top denial reason among certain groups is the *landlord didn't accept the type of income I earn* (social security or disability benefit or child support). Source of income was the most common reason for denial among African American households (28%). Other groups with denial rates of 25% or higher for this specific issue include precariously housed respondents, single parent households, and households with a member experiencing a disability, as well as Foster City and San Bruno residents.
- Bad credit is another barrier for accessing housing, particularly for Hispanic and Other Race households, households with income between \$50,000-\$100,000, and large households. This also impacts East Palo Alto, San Mateo, Daly City, Redwood City, Burlingame, and South San Francisco residents.

Figure 11. If you looked seriously for housing to rent or buy in San Mateo County in the past five years, were you ever denied housing?

										Reason for Denial							
	Percent Denied Housing	Total n	Bad Credit	Eviction history	Income too low	Too many people in my household		Haven't established a credit history/no credit history	Don't have a regular/ steady job/ consistent work history	Landlord didn't accept the type of income l earn (social security or disability)	stable	Real or perceived sexual orientation or gender identity	Criminal background	l had/ have COVID	The language l speak	Foreclosure	n
Jurisdiction																	
County	39%	1154	18%		44%		19%	21%									449
Brisbane	42%	38	10/0		25%		.570	19%				31%					16
Burlingame	30%	71	24%		29%			1370				5170					21
Daly City	49%	73	28%		53%		28%		19%								36
East Palo Alto	55%	29	38%		44%		2070	25%	1570								16
Foster City	30%	63	5070		1170			2070	25%	40%	30%						19
Half Moon Bay	41%	34			29%			29%									14
Hillsborough	23%	22			2070			2570				40%					5
Milbrae	36%	33			67%	25%		33%				1070		25%			12
Pacifica	38%	39			47%	2070		27%	33%					2370			15
Redwood City	41%	105	28%		63%	26%		26%									43
San Bruno	25%	51		31%						31%	38%						13
San Mateo	48%	112	30%		38%						28%						53
South San Francisco	30%	331	19%		58%		28%			17%	2070						98
Race/Ethnicity	5670	551	1370		5070		2070										50
African American	79%	107		25%	25%			25%		28%		27%					85
Asian	42%	281		2370	38%			28%		21%		21%					117
Hispanic	49%	253	28%		60%		26%	26%		2170		2170					125
Other Race	43%	105	22%		49%		24%	2070									45
Non-Hispanic White	31%	351	2270		40%		2470	19%	23%		25%						108
Tenure	3170	551			4070			1370	2370		2370						100
	26%	348								24%	22%	23%					91
Homeowner	45%	687			48%		20%	24%		2490	2290	2390					310
Renter	45% 61%	208			48%		20%	24%		25%							126
Precariously Housed Income	01%	208			42%			22%		20%							126
Less than \$25,000	64%	199			47%			31%	29%								127
\$25,000-\$49,999	65%	155			48%			21%	2270	20%	20%						103
\$50,000-\$99,999	38%	302	21%		51%	24%		2.70		2070	2070						114
Above \$100,000	18%	346			2170	27%	16%			20%						16%	64
Household Characteristi		2.10														. 570	
Children under 18	51%	558			42%			26%		19%							283
Large Households	43%	171	27%		64%	41%		2070		1270							74
Single Parent	74%	189	2770		41%	4170		27%		25%							138
Disability	54%	446			39%			21%		25%							239
Older Adults (age 65+)	54% 44%	350			39%			∠170		22%		21%					153
Older Adults (age 65+)	4470	300			3070					2270		∠170					551

Source: Root Policy Research from the 2021-2022 21 Elements AFFH Resident Survey.

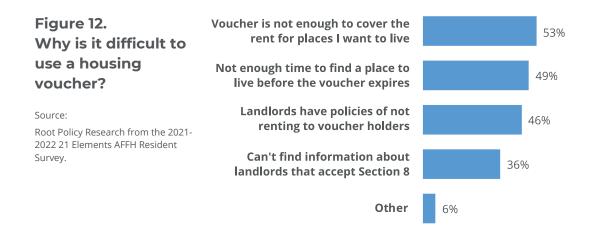
**Experience using housing vouchers.** It is "difficult" or "very difficult" for eight out of 10 voucher holders to find a landlord that accepts a housing voucher (Figure 13).

As shown in Figure 12, this is related to the amount of the voucher and current rents and the lack of supply (inability to find a unit in the allotted amount of time). Over half of voucher holders (53%) who experienced difficulty indicated the *voucher is not enough to cover the rent for places I want to live* and almost half of voucher holders (49%) who experienced difficulty indicated there is *not enough time to find a place to live before the voucher expires.* 

Other significant difficulties using vouchers identified by respondents included *landlords have policies of not renting to voucher holders* (46%) and *can't find information about landlords that accept Section 8* (36%).

Among respondents by race/ethnicity, African American respondents had the greatest proportion of those with a housing choice voucher (60%). Of those respondents, 76% found it difficult to find a landlord that accepts a housing voucher. While 13% of Hispanic respondents have a housing voucher, 85% have found it difficult to use the voucher. Fourteen percent of Asian respondents have housing vouchers—nearly three quarters of these respondents reported that the *voucher is not enough to cover the rent for the places I want to live*.

Other groups of respondents with higher proportions of voucher utilization include single parent households (43%), precariously housed respondents (30%), and households with income below \$25,000 (29%). For each of the aforementioned groups, more than 75% of their respective respondents reported difficulty in utilizing the housing choice voucher. The *voucher is not enough to cover the rent for places I want to live* was one of the main reasons cited for not using the voucher.



	Percent with a Housing Voucher	Not difficult	Somewhat difficu <b>l</b> t		n	Voucher is not enough to cover the rent for places I want to live	Not enough time to find a place to live before the voucher expires	Landlords have policies of not renting to voucher holders	Can't find information about landlords that accept Section 8	Other	n
Jurisdiction											
County	12%	18%	55%	27%	250	53%	49%	46%	36%	6%	203
Brisbane	22%	20%	73%	7%	15	50%	50%	42%	33%	0%	12
Burlingame	8%	0%	75%	25%	12	50%	50%	25%	8%	0%	12
Daly City	12%	14%	50%	36%	14	83%	25%	42%	17%	25%	12
East Palo Alto	14%	29%	57%	14%	7	20%	20%	40%	60%	0%	5
Foster City	12%	18%	47%	35%	17	47%	40%	27%	33%	7%	15
Half Moon Bay	19%	22%	56%	22%	9	71%	29%	29%	43%	14%	7
Hillsborough	8%	25%	75%	0%	4	67%	67%	33%	0%	0%	3
Milbrae	22%	50%	20%	30%	10	60%	40%	20%	40%	0%	5
Pacifica	11%	13%	50%	38%	8	86%	43%	43%	43%	0%	7
Redwood City	16%	13%	61%	26%	23	40%	50%	70%	45%	5%	20
San Bruno	12%	9%	64%	27%	11	40%	60%	50%	10%	10%	10
San Mateo	24%	24%	50%	26%	38	43%	54%	43%	39%	7%	28
South San Francisco	4%	11%	33%	56%	27	63%	50%	71%	63%	8%	24
Race/Ethnicity											
African American	60%	24%	60%	16%	82	55%	52%	40%	31%	6%	62
Asian	14%	23%	63%	14%	71	73%	44%	31%	31%	0%	55
Hispanic	13%	15%	40%	45%	53	58%	42%	51%	49%	11%	45
Other Race	19%	29%	50%	21%	28	55%	45%	65%	35%	5%	20
Non-Hispanic White	8%	14%	61%	25%	64	43%	61%	57%	38%	4%	56
Tenure											
Homeowner	8%	23%	59%	18%	78	58%	49%	42%	31%	0%	59
Renter	18%	19%	52%	30%	165	55%	52%	48%	43%	6%	134
Precariously Housed	30%	14%	66%	20%	86	57%	54%	35%	26%	7%	74
Income											
Less than \$25,000	29%	17%	58%	25%	84	47%	41%	47%	37%	10%	70
\$25,000-\$49,999	18%	17%	52%	31%	48	63%	55%	63%	40%	5%	40
\$50,000-\$99,999	12%	23%	52%	26%	62	55%	55%	51%	37%	2%	49
Above \$100,000	5%	20%	57%	23%	35	43%	61%	29%	32%	4%	28
Household Character											
Children under 18	21%	20%	60%	20%	179	59%	51%	44%	35%	1%	143
Large Households	7%	20%	45%	35%	20	63%	56%	63%	56%	6%	16
Single Parent	43%	17%	58%	24%	103	62%	52%	38%	33%	2%	85
Disability	22%	18%	58%	24%	158	57%	52%	42%	29%	5%	129
Older Adults (age 65+	) 17%	18%	63%	19%	123	56%	53%	44%	34%	3%	102

# Figure 13. How difficult is it to find a landlord that accepts a housing voucher?

Source: Root Policy Research from the 2021-2022 21 Elements AFFH Resident Survey.

**Displacement.** Figure 14 presents the proportion of residents who experienced displacement in the past five years, as well as the reason for displacement.

- Overall, 21% of survey respondents experienced displacement in the past five years. Among all survey respondents, the main reason for displacement was rent increased more than I could pay (29%).
- Respondents who are precariously housed have higher rates of recent displacement than homeowners or renters; this suggests that when displaced a unit these housing-insecure tenants are more likely to couch surf or experience homelessness for some period of time before securing a new place to live.
- Among respondents by race/ethnicity, African American respondents reported the highest rate of displacement (59%). The primary reason reported by African American respondents for their displacement was *housing was unsafe (e.g., domestic assault, harassment)*. Twenty eight percent also reported that they were *forced out for no reason*.
- Asian households, as well as homeowners, households that make less than \$25,000, single parent households, households that include a member experiencing a disability, and Millbrae, Brisbane and Pacifica residents are also more likely than other respondents to have been displaced due to an unsafe housing situation (e.g., domestic assault, harassment).
- Additionally, Asian, precariously housed respondents, households making less than \$25,000, and single parent households are more likely than other respondents to have been displaced and not given a reason.

For respondents that had experienced displacements, they were asked to identify which city they moved from and which city they moved to. **The most common moves to and from cities included**:

- Moved within South San Francisco (28 respondents)
- Moved from outside San Mateo County to the city of San Mateo (10 respondents)
- Moved from San Bruno to South San Francisco (9 respondents)
- Moved from Daly City to South San Francisco (9 respondents)
- Moved within Burlingame (8 respondents)

				Reason for Displacement											
			Rent increased more	Personal/	Landlord was selling	move back	wanted to rent to	Housing was unsafe (e.g.,	out for	Health/		Poor condition	Utilities were too	Natural disaster/	
	Percent Displaced	Total n	than l could pay	relationship reasons	the home/ apartment	in/move in family	someone else	domestic assault,	no	medical		of property	expensive/ shut off	flooding/ fire	n
Jurisdiction	Displaced	Total II	could pay	reasons	upur enrent	runniy	CIDC	ussuurt,	reason	reasons	on rent	property	Sharon		
County	21%	2066	29%	19%	18%										417
Brisbane	24%	67				25%		31%			25%				16
Burlingame	22%	152	24%		30%	18%									33
Daly City	25%	115	35%	27%					31%						26
East Palo Alto	32%	50	20%	20%			20%								15
Foster City	11%	130			21%	21%			21%	43%					14
Half Moon Bay	31%	51			31%	25%									16
Hillsborough	12%	52				33%	33%		33%	33%		33%			6
Milbrae	27%	44					42%	33%		25%				25%	12
Pacifica	21%	75			31%			31%	31%						16
Redwood City	29%	146	31%								21%				42
San Bruno	25%	89	33%	29%				24%							21
San Mateo	37%	153	35%	31%						20%					54
South San Francisco	12%	712	42%	15%	16%										81
Race/Ethnicity															
African American	59%	134				29%		30%	28%						79
Asian	22%	500				31%		22%	22%						109
Hispanic	29%	397	33%	22%								18%			115
Other Race	28%	149	54%					20%					24%		41
Non-Hispanic White	14%	757	27%	20%	31%										102
Tenure															
Homeowner	8%	975		27%		25%		31%							75
Renter	34%	905	32%	18%	22%										292
Precariously Housed	48%	280	23%				24%		23%						132
Income															
Less than \$25,000	45%	282	28%	20%				20%	20%						127
\$25,000-\$49,999	30%	265	31%		19%						18%				78
\$50,000-\$99,999	22%	517	32%	22%	18%										115
Above \$100,000	8%	721			27%	20%	23%								60
Household Character	istics														
Children under 18	30%	840	27%			20%	19%								249
Large Households	20%	284	32%		19%							18%			57
Single Parent	55%	240				24%		24%	20%						131
Disability	34%	711	26%	20%			20%	20%							241
Older Adults (age 65+	) 22%	736	23%	22%		22%									162

### Figure 14. Displacement Experience and Reasons for Displacement

Source: Root Policy Research from the 2021-2022 21 Elements AFFH Resident Survey.

**Children changing schools after displacement.** Overall, for households with children that were displaced in the past five years, 60% of children in those households have changed schools. The most common outcomes reported among these respondents included *school is more challenging* (28%), *they feel less safe at the new school* (25%), and *they are in a worse school* (24%) (Figure 15).

Among respondents by race/ethnicity, non-Hispanic White households (44%) were the only subgroup to report that being displaced resulted in their children being in better schools. Of African American households that were displaced and have children, 87% reported that their children changed schools. Of these respondents, 32% reported that their children *feel safer at the new school* but also *have fewer activities.* 

Among respondents by tenure, precariously housed (78%) and homeowner (74%) households had the highest proportion of children who changed schools. The most common outcomes for precariously housed households included *School is less challenging/they are bored* (35%) and their children *feel less safe at school* (34%). For homeowner households, 39% reported that *school is more challenging*, followed by 31% who reported that their children *feel less safe at school*.

Among respondents by selected household characteristics, older adult (77%), single parent (74%), households with a member experiencing a disability (70%), and households with children under 18 (67%) all reported high proportions of children who changed schools. The most common outcomes for these respondents included *School is more challenging* and *they feel less safe at the new school.* 

	Percent of				Sc	hool chan	ige outcon	nes	They				
	Children that		School is less challenging/	School is	School provides more/less	They are in a	They are in a	They feel less safe at	feel	They have	They have	Things	
	Changed		they are	more	support for students with	better	worse	the new	the new	fewer	more	are about	
	Schools	Total n	bored		disabilities, IEP, and/or 50	school	school	school	school			the same	
Jurisdiction						_			_				
County	60%	306		28%			24%	25%					183
Brisbane	81%	16		38%				31%	31%				13
Burlingame	55%	22	33%	33%							33%		12
Daly City	41%	17	43%			29%		29%			29%		7
East Palo Alto	54%	13	43%	57%				29%					7
Foster City	62%	13									50%		8
Half Moon Bay	58%	12		43%				29%	29%	43%			7
Hillsborough	60%	5							67%				3
Milbrae	82%	11		33%			44%	44%	33%				9
Pacifica	91%	11					50%						10
Redwood City	52%	23				25%	33%		25%				12
San Bruno	67%	18	33%			33%		33%					12
San Mateo	66%	35	32%			32%							22
South San Francisco	36%	56		26%		26%						26%	19
Race/Ethnicity													
African American	87%	69	30%	30%					32%	32%			60
Asian	73%	91	27%	32%			32%	27%					66
Hispanic	49%	91		23%			30%	23%		25%			44
Other Race	65%	31		40%			30%	25%	25%				20
Non-Hispanic White	60%	60	28%	31%		44%		28%					36
Tenure													
Homeowner	74%	66		39%			29%	31%					49
Renter	58%	213	25%	30%				25%					122
Precariously Housed	78%	104	35%					34%		30%			80
Income													
Less than \$25,000	65%	92	22%	32%				35%					60
\$25,000-\$49,999	66%	56	25%				28%		28%	25%			36
\$50,000-\$99,999	55%	85		30%		28%		23%					47
Above \$100,000	59%	44	35%	31%			38%						26
Household Character	istics												
Children under 18	67%	237		32%			23%	25%					158
Large Households	45%	44		32%		26%						32%	19
Single Parent	74%	124		32%			28%	29%					92
Disability	70%	188	26%	28%				30%					132
Older Adults (age 65+		117		35%			29%	29%					89
Sider Addits (age 05*	/ //%0	117		53%			<b>イヨ</b> が0	29%0					09

Source: Root Policy Research from the 2021-2022 21 Elements AFFH Resident Survey.

Experience with housing discrimination. Overall, 19% of survey respondents felt they were discriminated against when they looked for housing in the area.<sup>108</sup> As shown in Figure 16, African American respondents (62%), single parent households (44%) and precariously housed respondents (39%) are most likely to say they experienced housing discrimination. Residents with income above \$100,000 and homeowners are least likely (11%).

Respondents who believed they experienced discrimination when looking for housing in the county reported when the discrimination occurred. Nearly half of respondents (45%) reported that the discrimination they experienced occurred between 2 and 5 years ago. Twenty eight percent of respondents reported that the discrimination occurred in the past year, 20% reported more than 5 years ago and 7% of respondents did not remember when the discrimination happened.

**How discrimination was addressed.** Respondents who believed they experienced discrimination when looking for housing in the county were asked to describe the actions they took in response to the discrimination. Overall, the most common responses to discrimination experienced by survey respondents were *Nothing/I wasn't sure what to do* (42%), *Moved/found another place to live* (30%), and *Nothing/I was afraid of being evicted or harassed* (20%).

Among top responses for actions taken in response to experienced discrimination, every group reported *Nothing/I wasn't sure what to do* with the exception of African American households and Brisbane residents (both groups top response was *Moved/found another place to live*). Similarly, survey respondents from Foster City and Redwood City were the only groups not to include *Moved/found another place to live* among their top responses. African American and Asian households, as well as single parent households, were more likely than other groups to contact either a housing authority, local fair housing organization, or the California Department of Housing or Civil Rights to report their discrimination incident.

**Reasons for discrimination.** Respondents who believed they experienced discrimination when looking for housing in the county provided the reasons why they thought they were discriminated against. Note that the basis offered by residents is not necessarily protected by federal, state, or local fair housing law, as respondents could provide open-ended and multiple reasons why they thought they experienced discrimination.

Examples of how respondents described why they felt discriminated against, which they provided as openended responses to the survey, include:

<sup>&</sup>lt;sup>108</sup> Note that this question applies to all respondents, not just those who seriously looked for housing in the past five years.

# **Appearance/Characteristics**

- *"Because of my race and ethnicity"*
- "[We] were given a subprime loan for home purchase for being Latinx, low-income and primarily Spanish speaking; refinance last year was lower than expected."
- *"It was clear my disability is the reason"*
- *"I have a child and a couple places told me they wouldn't rent to me due to my son."*
- "The agent asked if I was a tech worker. When I said no, the agent said the place was just rented, even though it was on the listing as active."
- "I was approved for the unit and when they met my partner, who is Black, they said [the unit] was rented."

## Source of Income/Credit

- *"Income was through SSDI"*
- "The landlord wanted an excellent credit score..."
- "We were not able to provide all the requirement to rent, like SSN [social security number], income proof, employment, and we don't make enough income..."
- *"They wanted someone with income from employment not due to disability."*
- "I was discriminated against because of my race and the fact that I had Section 8 at the time. Being African American and having Section 8 made a lot of people feel like I wouldn't take care of their property."
- "I am currently being discriminated against due to my need with rental help and because two of us in our household have a need for an emotional support animal."

### Immigration status

Mi hermana llamo a los departamentos donde yo vivo y la manager le dijo que no había disponible pero no era verdad también le dijo que hablara inglés y le pidió seguro social pensando que no tenia y le dijo que tenía que ganar una cierta cantidad de dinero para poder rentar. (My sister called the apartments where I live and the manager told her that there was no one available but it was not true. She also told her to speak English and asked for social security thinking that she did not have it and told her that she had to earn a certain amount of money to be able to rent).

	Percent who felt they were discriminated against	Ī	2 to 5 years ago	More than 5 years	Don't remember	n	Nothing/ I wasn't sure what to do		Nothing/ I was afraid of being evicted/ harassed	Called/ emailed housing	Called/	Called/ emailed California Department of Housing/	Called/ emailed City office, County office, or human rights department/ agency	Filed a complaint	Other	n
Jurisdiction																
County	19%	28%	45%	20%	7%	357	42%	30%	20%							359
Brisbane	22%	29%	36%	29%	7%	14	1270	64%	2070		21%		21%			14
Burlingame	14%	25%	50%	20%	5%	20	35%	25%		20%	2170	20%	2170			20
Daly City	15%	20%	40%	33%	7%	15	56%	25%	25%	2070		2070				16
East Palo Alto	29%	23%	54%	15%	8%	13	38%	38%	23%	23%						13
Foster City	18%	15%	40%	45%	0%	20	38%	5070	2370	2370			24%	24%		21
Half Moon Bay	26%	27%	55%	9%	9%	11	27%	36%			36%		2490	2490		11
Hillsborough	15%	14%	71%	0%	14%	7	2770	29%			57%					7
Milbrae	29%	36%	50%	7%	7%	14	31%	23%		38%	5790	23%				13
Pacifica	29%	29%	36%	36%	0%	14	50%	2.370	21%	29%		23%			21%	14
Redwood City	21%	34%	34%	19%	13%	32	47%	26%	21%	29%		2190			2190	34
					10%				21%		200/					10
San Bruno	12%	30%	60%	0%		10	50%	30%	260/	30%	30%					38
San Mateo	30%	35%	45%	15%	5%	40	53%	26%	26%							
South San Francis	<b>co</b> 13%	30%	40%	23%	6%	82	59%	27%								83
Race/Ethnicity																
African American	62%	16%	59%	25%	0%	83		36%	29%	27%	26%	27%	24%			84
Asian	16%	24%	50%	20%	6%	82	28%	25%	29%	29%	24%	24%				83
Hispanic	27%	25%	42%	24%	8%	107	52%	27%	260/							107
Other Race	30%	28%	47%	14%	12%	43 91	47%	30%	26% 18%							43 91
Non-Hispanic Whit Tenure	te 12%	38%	41%	14%	7%	91	44%	27%	18%							91
Homeowner	11%	26%	46%	20%	7%	95	32%	29%	22%							06
	28%	26%	40%	20%	6%		42%	32%	22%							96 232
Renter						232			23%	250/		260/				
Precariously Hous	ed 39%	21%	54%	20%	4%	98	24%	28%		35%		26%				100
Income		0.004	= 4.07		0.07	100	0.004	0.004	0.54/							100
Less than \$25,000		29%	51%	11%	9%	100	39%	30%	25%							102
\$25,000-\$49,999	24%	31%	41%	22%	6%	64	42%	36%	25%	22%						64
\$50,000-\$99,999	19%	27%	45%	25%	3%	97	44%	29%			18%					97
Above \$100,000	11%	28%	45%	21%	7%	76	45%	22%	16%	16%						76
Household Charac																
Children under 18		21%	57%	15%	6%	216	36%	31%	26%							218
Large Households		26%	52%	9%	13%	54	65%	24%	15%							55
Single Parent	44%	13%	65%	17%	5%	106		33%	32%	27%	26%	26%				107
Disability	33%	27%	48%	21%	4%	215	33%	30%		22%						219
Older Adults (age (	65+) 20%	20%	51%	20%	8%	144	24%	34%	24%	24%						146

#### Figure 16. Percent of respondents who felt they were discriminated against and how was it addressed

Source: Root Policy Research from the 2021-2022 21 Elements AFFH Resident Survey.

**Experience of persons with disabilities.** Overall, 35% of respondents' households include a member experiencing a disability. Of these households, 26% said their housing does not meet their accessibility needs; 74% report that their current housing situation meets their needs. The three top greatest housing needs expressed by respondents included grab bars in bathroom or bench in shower (34%), supportive services to help maintain housing (33%), and ramps (26%). Other needs expressed by a substantial proportion of groups included *wider doorways, reserved accessible parking spot by the entrance,* and *more private space in the facility in which I live.* 

Of respondents by jurisdiction, East Palo Alto (64%) has the lowest proportion of respondents with disabilities whose current housing situation meets their needs. Of these respondents, 63% indicated they needed supportive services to help maintain housing.

The highest proportion of respondents by group reporting that they or a member of their household experiences a disability were African American (71%), households making less than \$25,000 (59%), single parent households (58%), and precariously housed respondents (56%).

## Figure 17. Respondents experiencing a disability and their top three greatest housing needs

	Percent of respondents with a disability	Current housing situation meeting needs	Total n	in bathroom	Supportive services to help maintain housing	Ramps	Wider doorways	accessible parking spot by	More private space in the facility in which l live	emotional support	Would like to live alone (not with a roommate)	Fewer restrictions/ more freedom	non- verbal child leaves	Fire alarm/doorbel I made accessible for person with hearing disability/deaf	Better navigation for person who is	
Jurisdiction																
County	35%	74%	711	34%	33%	26%										171
Brisbane	37%	72%	25	29%	29%		29%	29%								7
Burlingame	27%	80%	41	63%	50%		50%									8
Daly City	34%	68%	38		36%		36%		45%		36%					11
East Palo Alto	44%	64%	22		63%											8
Foster City	31%	83%	40		29%		29%									7
Half Moon Bay	45%	68%	22	29%								29%				7
Hillsborough	26%	100%	13													n/a
Milbrae	40%	82%	17	25%					25%	25%			25%	25%	25%	4
Pacifica	39%	93%	29				100%									2
Redwood City	42%	68%	62	33%	28%	28%			33%							18
San Bruno	40%	82%	34	50%		33%		33%								6
San Mateo	43%	72%	65	41%	47%					41%						17
South San Francisco	30%	68%	210	35%	28%	32%										57
Race/Ethnicity																
African American	71%	87%	95		40%		40%	33%								15
Asian	31%	77%	157	29%	34%	26%			26%							35
Hispanic	41%	70%	162	37%	54%				35%							46
Other Race	38%	71%	56	63%		50%	44%									16
Non-Hispanic White	32%	77%	241	33%		27%		21%								52
Tenure																
Homeowner	29%	82%	280	35%		37%		37%								43
Renter	39%	73%	347	41%	40%				27%							88
Precariously House	<b>d</b> 56%	71%	154		37%		26%				33%					43
Income																
Less than \$25,000	59%	71%	167		42%				27%		23%					48
\$25,000-\$49,999	40%	67%	107		45%	45%	45%									31
\$50,000-\$99,999	35%	77%	180	43%	26%	24%										42
Above \$100,000	23%	82%	167	52%		34%		41%								29
Household Characte	eristics															
Children under 18	35%	78%	293		40%		29%		32%							63
Large Households	35%	70%	99	41%	45%				34%							29
Single Parent	58%	81%	139		48%		28%		41%							29
Older Adults (age 65	<b>+)</b> 46%	76%	337	44%	29%	30%										79

Source: Root Policy Research from the 2021-2022 21 Elements AFFH Resident Survey.

**Transportation.** Over 80% of respondents indicated the type of transportation used most often is driving a personal vehicle. This share was relatively similar across the majority of jurisdictions and was the number one type of transportation used across all jurisdictions and demographic characteristics.

The groups with the lowest proportion of those who primarily drive included African American (40%), households making less than \$25,000 (53%), single parents (57%), and precariously housed (57%) respondents.

As shown in Figure 18, on average respondents are fairly satisfied with their transportation situation. Those groups somewhat or not at all satisfied with their transportation options include African American (58%), Brisbane (51%), single parents (45%) and precariously housed (44%) respondents.

# Figure 18. Are you satisfied with your current transportation options?

Source:

Root Policy Research from the 2021-2022 21 Elements AFFH Resident Survey.

	Entirely satisfied	Mostly satisfied	Somewhat unsatisfied		n
Jurisdiction					
County	29%	45%	20%	6%	1,903
Brisbane	17%	33%	38%	13%	64
Burlingame	32%	45%	21%	1%	139
Daly City	19%	52%	20%	8%	109
East Palo Alto	31%	36%	24%	9%	45
Foster City	29%	43%	20%	9%	115
Half Moon Bay	30%	35%	26%	9%	46
Hillsborough	50%	34%	14%	2%	44
Milbrae	30%	45%	13%	13%	40
Pacifica	28%	42%	15%	15%	65
Redwood City	30%	36%	27%	8%	142
San Bruno	23%	54%	19%	4%	81
San Mateo	29%	52%	14%	4%	134
South San Francisco	34%	48%	15%	3%	666
Race/Ethnicity					
African American	22%	21%	48%	10%	134
Asian	23%	49%	24%	4%	500
Hispanic	29%	43%	22%	7%	397
Other Race	29%	41%	21%	9%	149
Non-Hispanic White	32%	45%	17%	5%	757
Tenure					
Homeowner	31%	45%	18%	6%	905
Renter	27%	44%	23%	6%	834
Precariously Housed	20%	36%	35%	9%	254
Income					
Less than \$25,000	22%	39%	29%	10%	282
\$25,000-\$49,999	25%	42%	26%	8%	265
\$50,000-\$99,999	28%	52%	16%	4%	517
Above \$100,000	34%	44%	18%	4%	721
Household Characte					
Children under 18	25%	43%	25%	6%	840
Large Households	29%	50%	18%	4%	284
Single Parent	20%	36%	38%	7%	240
Disability	25%	40%	27%	8%	658
Older Adults (age 65	+) 30%	43%	21%	6%	736

**Solutions offered by residents.** Respondents were asked a series of questions about how to improve their situations related to housing, employment, health, education, and neighborhood.

**Improve housing security.** When asked what could improve a respondent's housing security, the top answers among respondents by jurisdiction, race/ethnicity, tenure, income, and other selected housing characteristics were *none of the above* and *help me with a downpayment/purchase.* 

The highest proportion of respondents among groups that selected *None of the above* includes:

- Hillsborough, 71%
- Owners, 65%
- Income greater than \$100,000, 54%
- Residents of Foster City, 53%
- White, 51%
- Residents of Burlingame, 50%

The highest proportion of respondents among groups that selected *Help me with a downpayment or purchase* includes:

- Renters, 44%
- Large households, 42%
- Residents of Daly City, 41%
- Hispanic, 39%
- Precariously housed, 39%
- Residents of the City of San Mateo, 37%

Other solutions to improve housing security identified by several different groups included *Help me with the housing search, help me pay rent each month,* and f*ind a landlord who accepts Section 8*. The highest proportion of respondents among groups that selected these solutions includes:

Help me with the housing search

- Precariously housed, 39%
- Income less than \$25,000, 34%
- Income between \$25,000-\$50,000, 29%
- Half Moon Bay residents, 27%

Help me pay rent each month

- Income less than \$25,000, 35%
- Single parent, 31%

Find a landlord who accepts Section 8

Black or African American, 37%

**Improve neighborhood situation.** When asked what could improve a respondent's neighborhood situation, nearly every respondent group by jurisdiction, race/ethnicity, tenure, income, and other selected housing characteristics identified *Better lighting.* Other solutions flagged by multiple respondent groups to improve their neighborhood situations includes *Improve street crossings* and *none of the above.* 

The highest proportion of respondents among groups that selected *Better lighting* includes:

- East Palo Alto residents, 45%
- Millbrae residents, 45%
- Other race, 42%
- Daly City residents, 41%
- Hispanic residents, 40%
- Income between \$25,000-\$50,000, 40%
- Income between \$50,000-\$100,000, 40%

The highest proportion of respondents among groups that selected *Improve street crossings* includes:

- San Mateo residents, 34%
- Single parent, 31%

The highest proportion of respondents among groups that selected *None of the above* includes:

- Foster City residents, 37%
- Hillsborough residents, 36%
- Burlingame residents, 28%

Additionally, 42% of Millbrae respondents chose *Reduce crime,* 40% of Brisbane respondents chose *More stores to meet my needs,* and 33% of Half Moon Bay respondents chose *Build more sidewalks.* 

**Improve health situation.** When asked what could improve a respondent's health situation, the majority of respondent groups by jurisdiction, race/ethnicity, tenure, income, and other

selected housing characteristics selected *Make it easier to exercise, More healthy food* and *None of the above.* 

The highest proportion of respondents among groups that selected *Make it easier to exercise* includes:

- Redwood City residents, 48%
- Hispanic, 42%
- South San Francisco residents, 41%
- City of San Mateo residents, 41%
- Asian, 41%
- Renters, 40%

The highest proportion of respondents among groups that selected *More healthy food* includes:

- East Palo Alto, residents 48%
- Precariously Housed, 47%
- Single parent, 41%
- Daly City residents, 40%
- Income less than \$25,000, 38%
- Black or African American, 37%
- Large Households, 37%

The highest proportion of respondents among groups that selected *None of the above* includes residents from:

- Hillsborough, 48%
- Burlingame, 47%
- Foster City, 42%
- White, 41%
- Owners, 39%

Additionally, African American (34%) and San Bruno (29%) respondents identified *Better access to mental health care* as a solution to help improve their health situations.

**Improve job situation.** When asked what could improve a respondent's employment situation, the majority of respondent groups by jurisdiction, race/ethnicity, tenure, income, and other selected housing characteristics selected *Increase wages* and *None of the above*.

The highest proportion of respondents among groups that selected *Increase wages* includes:

- Renters, 52%
- Single parents, 50%
- Hispanic, 49%
- Households with children, 49%
- Daly City residents, 49%
- Income between \$50,000-\$100,000, 49%
- Large households, 48%

The highest proportion of respondents among groups that selected *None of the above* includes:

- Hillsborough residents, 76%
- Owners, 58%
- White, 57%
- Over 65+, 53%
- Income greater than \$100,000, 53%
- Foster City residents, 53%

Additionally, 29% of households with income less than \$25K identified *Find a job near my apartment or house* as a solution to help improve their situation.

**Improve education situation.** When asked what could improve a respondent's education situation for their children, the majority of respondent groups by jurisdiction, race/ethnicity, tenure, income, and other selected housing characteristics selected *None of the above, Have more activities,* and *Stop bullying/crime/drug use at school.* 

The highest proportion of respondents among groups that selected *None of the above* includes:

- Burlingame residents, 55%
- White, 52%
- Over 65+, 51%
- Hillsborough residents, 49%
- Foster City residents, 46%
- Brisbane residents, 45%

The highest proportion of respondents among groups that selected *Have more activities* includes:

- Single parent, 45%
- Households with children, 41%
- Large households, 41%
- Other race, 37%
- Daly City residents, 34%
- Hispanic, 34%

The highest proportion of respondents among groups that selected *Stop bullying/crime/drug use at school* includes:

- East Palo Alto residents, 38%
- Precariously housed, 31%
- Other race, 30%
- Redwood City residents, 29%
- Hispanic, 29%
- San Mateo residents, 28%

Additionally, 29% of Millbrae respondents identified *Have better teachers at their schools* as a means to improve the education situation in their respective households.

**APPENDIX D: SITES INVENTORY** 

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Appendix D: Sites Inventory

# APPENDIX D1: SITES INVENTORY METHODOLOGY

# **D1.5.2 Entitled or Approved Projects**

#### 965 WEEKS STREET "COLIBRI COMMONS"

	COLIDIA COMMONS
Prior Housing	Yes. Site was rezoned with last Ravenswood Business District Specific Area Plan
Element?	adopted in 2013.
APN	063-232-210
	063-232-220
	063-232-230
Acreage	2.52
Vacant?	Yes
Tenure	Rental Units
Project Status	Entitled. Building Permit Application Submitted in December 2022.
<b>Current Zoning and</b>	Urban Residential (up to 40 du/acre); Density Bonus
General Plan	
Designation	Zoned as Urban Residential in the Ravenswood Business District Area Specific
	Plan for up to 40 dwelling units per acre (du/acre), consistent with High Density
	Residential (R-HD) land use designation in the General Plan (22-43 dwelling units
	per acre).
Unit Breakdown	42 VLI, 93 LI, 1 Above Mod
Site Details (incl.	Colibri Commons (formerly known as 965 Weeks) is an entitled Density Bonus
existing use)	project on a vacant, City-owned parcel. Site is irregular in shape with ample street
	frontage and does not exhibit physical development constraints. No sensitive habitat
	is present. Infill site surrounded by generally single-family homes. Fully affordable
	project with financing plan that includes Low-Income Housing Tax Credits and
	other sources of public funding, including City loans.
Methodology used	Entitled project that has applied for several rounds of state funding and provided
to determine	with City loan funds. Unit mix and affordability codified in regulatory agreement
realistic capacity	with City are reflected here. City is allowing developer to access land with a \$1
	lease. City's funding of a portion of the \$7.6 million allocated for the design and
	construction of water projects would provide the improved water flow needed to
	serve project's future development. Project is currently applying for state tax credits
	and if successful, will break ground in October 2023.
Environmental	Mitigated Negative Declaration for the site completed during entitlement phase.

Infrastructure	Water – This project will benefit from City capital improvements; most
	significantly, the upgrade of the Weeks Street water line between Cooley and
	Pulgas, and the upgrade of the University Avenue water transmission main.
	Applicant is responsible for obtaining clearance from Menlo Fire.
	Sewer – applicant is responsible for obtaining clearance from EPASD.
Other constraints	None known.

#### 1804 BAY ROAD

<b>D</b> · <b>H</b> ·	N
Prior Housing	No
Element?	
APN	063-231-240
Acreage	.99 acre
Vacant?	No
Tenure	Rental Units
<b>Project Status</b>	Planning approved to submit for building permit for ministerial approval via SB 35.
<b>Current Zoning and</b>	Bay Road Central (50 du/acre); Density Bonus
General Plan	
Designation	Zoned as Bay Road Central in the Ravenswood Business District Area Specific
0	Plan for up to 50 dwelling units per acre (du/acre), consistent with Mixed-Use
	Corridor Mixed-Use Corridor (MUC-2) land use designation in the General Plan
	(22-65 du/acre).
Unit Breakdown	10 VLI, 65 Above-Mod
Site Details (incl.	SB 35-cleared mixed-use residential and retail project with density bonus. Owner
existing use)	currently considering options to sell the land and preliminarily approved plans and a
	new project could require discretionary review if major changes are proposed. Site
	is generally rectangular in shape with no physical development constraints or
	known sensitive habitat. Infill site surrounded by commercial, residential, and
	institutional uses.
Methodology used	Development application and SB 35 zoning clearance.
to determine	
realistic capacity	
Environmental	N/A due to SB 35.
Infrastructure	Water – applicant will be required to obtain clearance from Menlo Fire. Water is
	provided by the City System along Bay Road.
	Sewer – applicant will be required to obtain clearance from EPASD.
Other constraints	None known.

### 760 WEEKS STREET

Prior Housing	Yes
Element?	105
APN	063-252-320
	.52 acres
Acreage	
Vacant?	Yes
Tenure	Ownership/For-Sale Units
Project Status	Approved to submit for a building permit for ministerial approval via SB 35.
<b>Current Zoning and</b>	RMD-2 (12-22 du/acre)
General Plan	
Designation	Zoned as RMD-2 (12-22 dwelling units per acre), consistent with General Plan land
	use designation of Medium Density Residential. Project just outside Ravenswood
	Business District/Four Corners Specific Area Plan.
Unit Breakdown	1 LI, 1 MOD, 8 Above-Mod units.
Site Details (incl.	SB 35-cleared townhome project with density bonus on a vacant rectangular lot
existing use)	with no physical development constraints or known sensitive habitat. Infill site
	mainly surrounded by single-family homes and adjacent greenhouses.
Methodology used	Based on development proposal approved for building permit submittal. Received
to determine	approval for on-site inclusionary housing compliance of two for-sale units; one
realistic capacity	low-income and 1 moderate-income deed-restricted unit in conformance with City's
	Inclusionary Housing Ordinance.
Environmental	N/A due to SB 35.
Infrastructure	Water - applicant will still be required to obtain clearance from Menlo Fire. Water
	to be provided by the City's System on Weeks Street.
	Sewer – applicant is responsible for obtaining permit from EPASD and for paying
	any required fees.
Other constraints	None known.

### 120-126 MAPLE LANE

	N.
Prior Housing	No
Element?	
APN	063-720-190, 063-720-180, 063-720-170, 063-720-160
Acreage	.177 acres
Vacant?	Yes
Tenure	Ownership/For-Sale Units
Project Status	Approved February 2023.
Current Zoning and	RMD-1 (12-15 du/acre)
General Plan	
Designation	Zoned as Residential Medium Density-1 (12-15 dwelling units per acre), consistent
	with General Plan land use designation of Medium Density Residential.
Unit Breakdown	4 Above-Mod
Site Details (incl.	4- unit subdivision on vacant rectangular site with no physical development
existing use)	constraints or known sensitive habitat. Site is part of a larger single-family
	subdivision and is accessed via a private street. Developer opted to pay a fee in-lieu
	of constructing 2 residential affordable units through approval of an inclusionary
	housing alternative compliance option.
Methodology used	Entitled project, as described in Inclusionary Housing Agreement.
to determine	
realistic capacity	
Environmental	CEQA Categorical Exemption
Infrastructure	Water – applicant will still be required to obtain clearance from Menlo Fire.
	Adequate water can be provided by the existing private water system in the Maple
	Lane Subdivision.
	Sewer –applicant is responsible for obtaining permit from EPASD and for paying
	any required fees.
Other constraints	None known.

# NO ADDRESS/APN 063265300 (RUNNYMEDE/CLARKE)

Prior Housing	No
Element?	110
APN	063-265-300
	.156 acres
Acreage	
Vacant?	Yes
Tenure	Ownership/For-Sale Units
Project Status	Entitled.
Current Zoning and	RMD-1 zoning (12-15 du/acre)
General Plan	
Designation	Zoned as Residential Medium Density-1 (RMD-1) at 12-15 dwelling units per acre,
0	consistent with General Plan land use designation of Medium Density Residential.
Unit Breakdown	1 LI, 2 Above-Mod
Site Details (incl.	Deed-restricted ADU at 70% AMI pursuant to Inclusionary Housing Agreement
existing use)	with City of East Palo Alto, as approved by the City Council. Rectangular site with
	no physical development constraints or known sensitive habitat. Infill site
	surrounded by primarily single-family homes.
Methodology used	Approved plans and executed Inclusionary Housing Agreement.
to determine	Approved plans and executed inclusionary housing Agreement.
realistic capacity	
Environmental	CEQA Categorical Exemption
Infrastructure	Water – applicant is responsible for obtaining clearance from Menlo Fire. Water to
	be provided by the City's System on Runnymede Street which is fed from Clarke
	Avenue.
	Sewer –applicant is responsible for obtaining permit from EPASD and for paying
	any required fees.
Other constraints	None known.

### **805 RUNNYMEDE**

Prior Housing	No
Element?	110
APN	063-253-010
Acreage	.92 acres
Vacant?	No
Tenure	Ownership/For-Sale Unit
Project Status	Approved to submit for a building permit for ministerial approval via SB 9.
Current Zoning and	R-LD-1 (up to 12 du/acre)
General Plan	
Designation	Zoned as Residential Low-Density-1 (R-LD-1) for up to 12 dwelling units per acre,
	consistent with General Plan land use designation of Residential Low-Density.
Unit Breakdown	1 Above-Mod
Site Details (incl.	SB 9 project to build one 3,607 square foot second unit with existing dwelling on
existing use)	same lot. Developer will pay In-Lieu Fee for inclusionary requirement before
	issuance of a building permit. Rectangular site with no physical development
	constraints or known sensitive habitat. Infill site surrounded by residential and
	assembly uses.
Methodology used	Qualified for SB 9.
to determine	
realistic capacity	
Environmental	Not subject to CEQA as ministerial permit.
Infrastructure	Water - applicant is responsible for obtaining clearance from Menlo Fire. Water to
	be provided by the City's System on Runnymede Street which is fed from Clarke
	Avenue.
	Sewer –applicant is responsible for obtaining permit from EPASD and for paying
	any required fees.
Other constraints	None known.

### 1215 CYPRESS

Prior Housing	No
Element?	
APN	063-383-280
Acreage	.236 acres
Vacant?	Yes
Tenure	Ownership/For-Sale Unit
Project Status	Approved to submit for a building permit for ministerial approval via SB 9.
	Building Permit application under review.
Current Zoning and	R-LD-1 (up to 12 du/acre)
General Plan	
Designation	Zoned as Residential Low Density-1 (up to 12 dwelling units per acre), consistent
	with General Plan land use designation of Residential Low Density.
Unit Breakdown	1 Above-Mod
Site Details (incl.	Ministerially approved SB 9 project to build one 1,200 sq ft unit on vacant lot. No
existing use)	physical development constraints and surrounded by single-family homes.
	Developer will pay In-Lieu Fee for inclusionary requirement before issuance of a
	building permit.
Methodology used	Qualified for SB 9.
to determine	
realistic capacity	
Environmental	Not subject to CEQA as ministerial project.
Infrastructure	Water – applicant is responsible for obtaining clearance from Menlo Fire. Water to
	be provided by the City's System on Runnymede Street which is fed from Clarke
	Avenue.
	Sewer –applicant is responsible for obtaining permit from EPASD and for paying
	any required fees.
Other constraints	Development is in 100-year floodplain.

#### APN 063-186-270 LINCOLN STREET

Into Trousing Element?NoAPN063-186-270Acreage.254 acresVacant?YesTenureRental UnitsProject StatusApproved to submit for a building permit for ministerial approval via SB 9. Building Permit application under review.Current Zoning and General PlanR-LD-1 (up to 12 du/acre)DesignationZoned as Residential Low Density-1 (up to 12 dwelling units per acre), consistent with General Plan land use designation of Low-Density Residential.Unit Breakdown1 VLI, 3 Above-ModSite Details (incl. existing use)Planning reviewed and approved SB 9 project to build 2 rental units with 2 accessory dwelling units (ADUs) on vacant lot. Infill site with no physical development constraints surrounded by single-family homes. The inclusionary component of the development proposal to deed-restrict an attached ADU as an alternative compliance option to paying the Inclusionary In-Lieu Fee was approved by City Council on July 19, 2022.Methodology used to determine realistic capacityQualified for SB 9.EnvironmentalNot subject to CEQA as ministerial application.	Prior Housing	No
APN063-186-270Acreage.254 acresVacant?YesTenureRental UnitsProject StatusApproved to submit for a building permit for ministerial approval via SB 9. Building Permit application under review.Current Zoning and General PlanR-LD-1 (up to 12 du/acre)DesignationZoned as Residential Low Density-1 (up to 12 dwelling units per acre), consistent with General Plan land use designation of Low-Density Residential.Unit Breakdown1 VLI, 3 Above-ModSite Details (incl. existing use)Planning reviewed and approved SB 9 project to build 2 rental units with 2 accessory dwelling units (ADUs) on vacant lot. Infill site with no physical development constraints surrounded by single-family homes. The inclusionary component of the development proposal to deed-restrict an attached ADU as an alternative compliance option to paying the Inclusionary In-Lieu Fee was approved by City Council on July 19, 2022.Methodology used to determine realistic capacityQualified for SB 9.	0	190
Acreage.254 acresVacant?YesTenureRental UnitsProject StatusApproved to submit for a building permit for ministerial approval via SB 9. Building Permit application under review.Current Zoning and General PlanR-LD-1 (up to 12 du/acre)DesignationZoned as Residential Low Density-1 (up to 12 dwelling units per acre), consistent with General Plan land use designation of Low-Density Residential.Unit Breakdown1 VLI, 3 Above-ModSite Details (incl. existing use)Planning reviewed and approved SB 9 project to build 2 rental units with 2 accessory dwelling units (ADUs) on vacant lot. Infill site with no physical development constraints surrounded by single-family homes. The inclusionary component of the development proposal to deed-restrict an attached ADU as an alternative compliance option to paying the Inclusionary In-Lieu Fee was approved by City Council on July 19, 2022.Methodology used to determine realistic capacityQualified for SB 9.		063 186 270
Vacant?YesTenureRental UnitsProject StatusApproved to submit for a building permit for ministerial approval via SB 9. Building Permit application under review.Current Zoning and General PlanR-LD-1 (up to 12 du/acre)DesignationZoned as Residential Low Density-1 (up to 12 dwelling units per acre), consistent with General Plan land use designation of Low-Density Residential.Unit Breakdown1 VLI, 3 Above-ModSite Details (incl. existing use)Planning reviewed and approved SB 9 project to build 2 rental units with 2 accessory dwelling units (ADUs) on vacant lot. Infill site with no physical development constraints surrounded by single-family homes. The inclusionary component of the development proposal to deed-restrict an attached ADU as an alternative compliance option to paying the Inclusionary In-Lieu Fee was approved by City Council on July 19, 2022.Methodology used to determine realistic capacityQualified for SB 9.		
TenureRental UnitsProject StatusApproved to submit for a building permit for ministerial approval via SB 9. Building Permit application under review.Current Zoning and General PlanR-LD-1 (up to 12 du/acre)DesignationZoned as Residential Low Density-1 (up to 12 dwelling units per acre), consistent with General Plan land use designation of Low-Density Residential.Unit Breakdown1 VLI, 3 Above-ModSite Details (incl. existing use)Planning reviewed and approved SB 9 project to build 2 rental units with 2 accessory dwelling units (ADUs) on vacant lot. Infill site with no physical development constraints surrounded by single-family homes. The inclusionary component of the development proposal to deed-restrict an attached ADU as an alternative compliance option to paying the Inclusionary In-Lieu Fee was approved by City Council on July 19, 2022.Methodology used to determine realistic capacityQualified for SB 9.		
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Building Permit application under review.Current Zoning and General PlanR-LD-1 (up to 12 du/acre)DesignationZoned as Residential Low Density-1 (up to 12 dwelling units per acre), consistent with General Plan land use designation of Low-Density Residential.Unit Breakdown1 VLI, 3 Above-ModSite Details (incl. existing use)Planning reviewed and approved SB 9 project to build 2 rental units with 2 accessory dwelling units (ADUs) on vacant lot. Infill site with no physical development constraints surrounded by single-family homes. The inclusionary component of the development proposal to deed-restrict an attached ADU as an alternative compliance option to paying the Inclusionary In-Lieu Fee was approved by City Council on July 19, 2022.Methodology used to determine realistic capacityQualified for SB 9.	Tenure	Rental Units
Current Zoning and General PlanR-LD-1 (up to 12 du/acre)DesignationZoned as Residential Low Density-1 (up to 12 dwelling units per acre), consistent with General Plan land use designation of Low-Density Residential.Unit Breakdown1 VLI, 3 Above-ModSite Details (incl. existing use)Planning reviewed and approved SB 9 project to build 2 rental units with 2 accessory dwelling units (ADUs) on vacant lot. Infill site with no physical development constraints surrounded by single-family homes. The inclusionary component of the development proposal to deed-restrict an attached ADU as an alternative compliance option to paying the Inclusionary In-Lieu Fee was approved by City Council on July 19, 2022.Methodology used to determine realistic capacityQualified for SB 9.	Project Status	Approved to submit for a building permit for ministerial approval via SB 9.
General Plan DesignationZoned as Residential Low Density-1 (up to 12 dwelling units per acre), consistent with General Plan land use designation of Low-Density Residential.Unit Breakdown1 VLI, 3 Above-ModSite Details (incl. existing use)Planning reviewed and approved SB 9 project to build 2 rental units with 2 accessory dwelling units (ADUs) on vacant lot. Infill site with no physical development constraints surrounded by single-family homes. The inclusionary component of the development proposal to deed-restrict an attached ADU as an alternative compliance option to paying the Inclusionary In-Lieu Fee was approved by City Council on July 19, 2022.Methodology used to determine realistic capacityQualified for SB 9.		Building Permit application under review.
General Plan DesignationZoned as Residential Low Density-1 (up to 12 dwelling units per acre), consistent with General Plan land use designation of Low-Density Residential.Unit Breakdown1 VLI, 3 Above-ModSite Details (incl. existing use)Planning reviewed and approved SB 9 project to build 2 rental units with 2 accessory dwelling units (ADUs) on vacant lot. Infill site with no physical development constraints surrounded by single-family homes. The inclusionary component of the development proposal to deed-restrict an attached ADU as an alternative compliance option to paying the Inclusionary In-Lieu Fee was approved by City Council on July 19, 2022.Methodology used to determine realistic capacityQualified for SB 9.	<b>Current Zoning and</b>	R-LD-1 (up to 12 du/acre)
with General Plan land use designation of Low-Density Residential.Unit Breakdown1 VLI, 3 Above-ModSite Details (incl. existing use)Planning reviewed and approved SB 9 project to build 2 rental units with 2 accessory dwelling units (ADUs) on vacant lot. Infill site with no physical development constraints surrounded by single-family homes. The inclusionary component of the development proposal to deed-restrict an attached ADU as an alternative compliance option to paying the Inclusionary In-Lieu Fee was approved by City Council on July 19, 2022.Methodology used to determine realistic capacityQualified for SB 9.		
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Unit Breakdown1 VLI, 3 Above-ModSite Details (incl. existing use)Planning reviewed and approved SB 9 project to build 2 rental units with 2 accessory dwelling units (ADUs) on vacant lot. Infill site with no physical development constraints surrounded by single-family homes. The inclusionary component of the development proposal to deed-restrict an attached ADU as an alternative compliance option to paying the Inclusionary In-Lieu Fee was approved by City Council on July 19, 2022.Methodology used to determine realistic capacityQualified for SB 9.	8	
existing use)accessory dwelling units (ADUs) on vacant lot. Infill site with no physical development constraints surrounded by single-family homes. The inclusionary component of the development proposal to deed-restrict an attached ADU as an alternative compliance option to paying the Inclusionary In-Lieu Fee was approved by City Council on July 19, 2022.Methodology used to determine realistic capacityQualified for SB 9.	Unit Breakdown	
existing use)accessory dwelling units (ADUs) on vacant lot. Infill site with no physical development constraints surrounded by single-family homes. The inclusionary component of the development proposal to deed-restrict an attached ADU as an alternative compliance option to paying the Inclusionary In-Lieu Fee was approved by City Council on July 19, 2022.Methodology used to determine realistic capacityQualified for SB 9.	Site Details (incl.	Planning reviewed and approved SB 9 project to build 2 rental units with 2
development constraints surrounded by single-family homes. The inclusionary component of the development proposal to deed-restrict an attached ADU as an alternative compliance option to paying the Inclusionary In-Lieu Fee was approved by City Council on July 19, 2022.Methodology used to determine realistic capacityQualified for SB 9.	existing use)	
component of the development proposal to deed-restrict an attached ADU as an         alternative compliance option to paying the Inclusionary In-Lieu Fee was approved         by City Council on July 19, 2022.         Methodology used         to determine         realistic capacity	8 /	
alternative compliance option to paying the Inclusionary In-Lieu Fee was approved by City Council on July 19, 2022.         Methodology used to determine realistic capacity       Qualified for SB 9.		
by City Council on July 19, 2022.         Methodology used to determine realistic capacity		
Methodology used to determineQualified for SB 9.realistic capacityImage: Comparison of the second se		
to determine realistic capacity	Methodology used	
	realistic capacity	
		Not subject to CEQA as ministerial application.
<b>Infrastructure</b> Water – applicant is responsible for obtaining clearance from Menlo Fire. Water	Infrastructure	Water – applicant is responsible for obtaining clearance from Menlo Fire. Water
provided by Palo Alto Park Mutual Water Company.		
Sewer – applicant is responsible for obtaining permit from EPASD and for paying		Sewer – applicant is responsible for obtaining permit from EPASD and for paying
any required fees.		
Other constraints None known.	Other constraints	

#### WOODLAND PARK COMMUNITIES EUCLID IMPROVEMENTS

Prior Housing	No
Element?	
APN	063-282-010, 063-282-020, 063-282-030, 063-282-040, 063-282-050, 063-282-
	060, 063-282-070, 063-282-580, 063-282-090, 063-281-020, 063-281-030, 063-
	281-040, 063-281-100, 063-281-110
Acreage	3.9 acres
Vacant?	No
Tenure	Rental Units
<b>Project Status?</b>	Entitled. No building application submitted yet.
Current Zoning and	Rezoned for up to 175 du/acre
General Plan	
Designation	Zoning changed from Multifamily High-Density (R-HD-5) at 22-43 dwelling units
	per acre, to Neighborhood Center Overlay at up to 175 du/acre. The General Plan
	designation was also modified from Multifamily Urban High Density (R-UHD) at
	43-86 du/acre to Neighborhood Center Overlay.
Unit Breakdown	271 MOD; 173 Above-Mod
Site Details (incl.	Redevelopment of 161 existing rent-controlled apartments to 605 units, or 444 net
existing use)	new units. Replacement of existing residential units and a relocation plan for
	existing tenants were major issues that prolonged the development review process.
	This project requested a significant General Plan Amendment (to create
	"Neighborhood Center Residential Overlay") and zoning code changes to increase
	the development density from maximum 43 to 175 du/acre. Project is subject to
	Westside Area Plan anti-displacement policies that affirmatively further fair
	housing, including tenant relocation and inclusionary housing ordinance.
Methodology used	The number of total units and affordable units is based on the development
to determine	application, inclusionary housing ordinance, and Development Agreement between
realistic capacity	the City and the developer, Sand Hill/Woodland Park Communities, approved by City Council on November 15, 2022. (Continued below).
Environmental	The final EIR was certified on October 4, 2022.
Infrastructure	Domestic water capacity is sufficient to support the proposed project. However, East Palo Alto's water supply distribution is insufficient to provide adequate
	pressure and flow for the Euclid Improvements Project's fire suppression. Menlo
	Park Fire District has required that the applicant provide approximately 0.5 million
	gallons (MG) of water for fire flow, and the Applicant will construct a 1.5M gallon
	tank at an offsite location to improve water pressure and flow for the Westside
	neighborhood.
	Applicant is responsible for obtaining clearance from EPASD prior to starting
	construction.

	Staff does not believe that these infrastructure constraints will result in a lower number of units.
Other constraints	Project was subject to Development Agreement and lengthy approval process due
	to tenant relocation plan, rezoning, and overlay zone request.

The project will demolish and rebuild 160 rent-stabilized units as a part of the new development, which will remain restricted to the Annual General Adjustment (AGA) each year or revert to market-rate if these units are or become vacant upon the completion of the new development due to Costa Hawkins vacancy decontrol. In the chart above chart, only the net-new, market-rate units are counted.

#### Project Background

On November 15, 2022, City Council approved the Woodland Park Euclid Improvements project, a 445-unit multi-family development that demolishes 160 rent stabilized units and 1 above-moderate income unit, and rebuilds 605 units, 444 of which are net new. The Woodland Park Euclid Improvements project rezoned and received an overlay zone of Neighborhood Center Overly ("NCO"), of up to 175 dwelling units per acre. The NCO overlay General Plan designation has a density allowance of 86 to 175 dwelling units per acre. The General Plan is therefore consistent with the rezoning.

In order to comply with the City's inclusionary housing ordinance, Woodland Park/Sandhill Properties, in partnership with Eden Housing, proposed to provide up to 89 inclusionary units off-site (an in-lieu fee will be paid for the difference if not all 89 are built off-site), which will be deed-restricted to 35-60% of the area median income (AMI). These inclusionary housing units are counted separately in the next chart under the site name of 851 Weeks due to its different stage in the process and need for SB 35 and density bonus.

#### Methodology for Moderate-Income Unit Designation

According to the developer's project plan, the 444 net new units are expected to have an average monthly rent per unit of \$3,067 and an average household income of \$94,369. See the table below for the unit breakdown.

**Table D1.5.2.A Annual Household Income Estimates** 

Residential Unit Type	Total Units	Occupied Units <sup>1</sup>	Monthly Rent per Unit <sup>2</sup>	Annual Rent	Average Household Income <sup>3</sup>	Total Household Income
Market Rate Units	445	423	\$3,067	\$36,804	\$94,369	\$39,894,592
Rent-Controlled Units	160	152	\$1,329	\$15,952	\$55,915	\$8,499,080
Total	605	575	\$2,607	\$31,289		\$48,393,672

Assumes citywide vacancy rate of 5 percent for market rate units (5-year average data from CoStar Group).
 Weighted average rent across studio, 1-bedroom, 2-bedroom, 3-bedroom, and 4-bedroom units.

[3] Assumes that rental costs are 39 percent of total household income for market rate units (Bay Area Burden,

ULI). Incomes for rent-controlled units assumes median household income for Block 4003, Block Group 4, Census Tract 6121 (ACS 2013-2017).

Sources: American Community Survey (2013-2017); CoStar Group; City of East Palo Alto Inclusionary Housing Ordinance; HCD Income Limits; Economic & Planning Systems, Inc. Source: Table 8 of developer's fiscal impact report.

The table below provides the units mix breakdown of the proposed 444 net new units: 135 studios with average area of 405 square feet ("sq ft"), 126 1-bedrooms with an average area of 650 sq ft, and 173 2-bedrooms with average area of 960 sq ft. The City of East Palo Alto assumes a household size of 1, 2, and 3 for studios, 1-bedrooms, and 2-bedrooms respectively, using the U.S. Department of Housing and Urban Development's assumptions for household size. Once we account for utilities, the studio and 1-bedroom units are below moderate-income, while the 2-bedroom units are slightly above moderate-income. Based on this data, we assume 271 of the 444 net new units fall in the Moderate-Income ("MOD") category, and 173 fall in the Above-Moderate ("Above-Mod") Income category.

	Table D1.5.2.B: Unit Mix						
# of Market Rate Units	# of Bedrooms	Avg Unit Size (sq ft)	Estimated Max Avg Monthly Rent, Unadjusted	Estimated Max Avg. Housing Costs, Adjusted	Max Moderate- Income Affordable Rent, Adjusted	Income Category	
135	Studio	405 sf	\$2,600	\$2,798	\$3,288	MOD	
136	1	650 sf	\$3,340	\$3,554	\$3,770	MOD	
173	2	960 sf	\$4,250	\$4,512	\$4,221	Above Mod	

Notes: Estimated maximum average monthly rents provided by developer are unadjusted (do not include utility costs for multi-family apartments). The maximum monthly affordable rents for moderate-income households are

adjusted to include utility costs for multi-family residential apartments. See Tables D1.5.2.D and D1.5.2.E for more details.

Source: Sandhill Properties, State Department of Housing and Community Development and San Mateo County, 2022.

According to the 2022 San Mateo County Income Limits, an average household size of one, two, and three has an annual income of \$139,450, \$159,350, and \$179,300, respectively. See the table below for a breakdown.

Table D1.5.2.C: 2022 San Mateo County Income Limits					S	
Household Size of 1 /Household Size of 2 /Household Size of 3 /Household Size of 4 /Area Median Incomes (AMI)Studio1 Bedroom2 Bedrooms3 Bedrooms						
Extremely Low (30% AMI)	\$39,150	\$44,750	\$50,350	\$55,900		
Very Low (50% AMI)	\$65,250	\$74,600	\$83,900	\$93,200		
Low (80% AMI)	\$104,400	\$119,300	\$134,200	\$149,100		
Median (100% AMI)	\$116,200	\$132,800	\$149,400	\$166,000		
Moderate (120% AMI)	\$139,450	\$159,350	\$179,300	\$199,200		

available at: <u>https://www.smcgov.org/housing/income-limits</u> and 2022 State Department of Housing and Community Development Income Limits, available at: <u>https://www.hcd.ca.gov/docs/grants-and-funding/inc2k22.pdf</u>.

The 2022 Maximum Monthly Rents, adjusted for utilities, for a household size of one, two and three, are: \$3,288, \$3,770, and \$4,221, respectively. See the table below for a breakdown.

Table D1.5.2.D	Table D1.5.2.D: Maximum Affordable Rents, Adjusted					
Household Household Household Household Size of 1 / Size of 2 / Size of 3 / Size of 4 /						
Area Median Incomes (AMI)	Studio	1 Bedroom	2 Bedrooms	3 Bedrooms		
Extremely Low (30% AMI)	\$781	\$905	\$997	\$1,080		
Very Low (50% AMI)	\$1,433	\$1,651	\$1,836	\$2,012		
Low (80% AMI)	\$2,412	\$2,769	\$3,093	\$3,410		
Median (100% AMI)	\$2,707	\$3,106	\$3,473	\$3,832		
Moderate (120% AMI)	\$3,288	\$3,770	\$4,221	\$4,662		

Notes: Affordable rents calculated based on 30% of annual income divided by 12 months, and adjusted to include utility costs for multi-family residential apartments, using the 2022 San Mateo County Utility Allowance

Schedules, available at: <u>https://www.smcgov.org/housing/utility-allowance-schedules</u>. The utility (including all-electric) adjustments are: \$198 for studios, \$214 for 1-bedrooms and \$262 for 2-bedrooms. Source: San Mateo County Housing, State Department of Housing and Community Development, and San Mateo County Utility Allowance Schedules.

According to Zillow rent data from February 2023, two 3-bedroom, 1–2-bathroom single-family homes between 880 and 962 square feet are renting for \$3,700 to \$3,800 a month. This is far below the proposed 2-bedroom, 960 sq ft monthly unadjusted rent of \$4,250 for the Euclid Improvements units. A 1-bedroom, 400 sq ft studio on single a family home lot is renting for \$2,000, which is also far below the proposed monthly unadjusted rent for studios of \$2,600 for a 405 sq ft studio. Based on this data, it is assumed that the likelihood that the 271 moderate-income units will be rented at above-moderate is low.

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### 990 GARDEN

Prior Housing	No
Element?	
APN	063-344-420, 063-344-450
Acreage	1.32 acres
Vacant?	Yes
Tenure	Ownership/For-Sale Units
Project Status	Design Review approved on January 23, 2023.
Current Zoning and	R-LD (up to 12 du/acre)
General Plan	
Designation	Zoned Residential Low Density (R-LD) for up to 12 dwelling units per acre,
8	consistent with the General Plan land use designation of Low Density Residential.
Unit Breakdown	2 LI, 6 Above-Mod
Site Details (incl.	Lot merger and subdivision of two rectangular vacant parcels for 6 single family
existing use)	dwellings with ADUs and a future duplex. Lot merger and tentative map approved
	by Planning Commission on June 13, 2022. Design review approval for six lots on
	January 23, 2023. Proposed inclusionary housing Alternative Compliance Option for
	low-income deed-restricted duplex approved by City Council and will be reviewed
	via SB 9. Infill site with no physical development constraints or known sensitive
	habitat and surrounded by residential and institutional uses.
Methodology used	Based on development proposal and inclusionary requirement.
to determine	
realistic capacity	
Environmental	CEQA Categorical Exemption.
	Consistent with the California Environmental Quality Act (CEQA), the project was found to be qualified for a Class 32 Categorical Exemption: Section 15332- Infill
	Development Projects. The Class 32 "Infill" Categorical Exemption exempts
	infill development within urbanized areas if it meets certain
	requirements. Infill projects that are consistent with the local General Plan and
	Zoning requirements and have negligible environmental impacts may be eligible for
	this exemption.
Infrastructure	The project would connect to existing electrical, communications, water, sewer, and
	storm drain infrastructure that currently exists within public rights of way. The
	project included a utility plan, domestic water analysis and sewer capacity analysis
	to confirm that the project can be served by existing infrastructure. Applicant is still
	responsible for obtaining clearance from Menlo Fire.

		Sewer –applicant is responsible for obtaining permit from EPASD and for paying any required fees. However, the project is expected to cause a small increase in
		sanitary sewer demand from 8 units.
Ot	ther constraints	None known.

# 2340 COOLEY (moved from pending projects to approved/entitled projects)

Prior Housing	No
Element?	
	0(2) 252 410
APN	063-253-410
Acreage	.26 acres
Vacant?	No
Tenure	Ownership/For-Sale
Project Status	Planning Application under review by Planning Staff.
<b>Current Zoning and</b>	Zoning Designation: R-MD-2 Multiple-Family Medium Density Residential(12-22
General Plan	du/acre): Medium Density Residential (12.1-22 du/ac)
Designation	
Unit Breakdown	1 LI, 7 Above-Mod
Site Details (incl.	Redevelopment of rectangular site with an existing single-family home (owner-
existing use)	occupied) with density bonus. No physical development constraints or known
	sensitive habitat. Surrounding land uses consist of multi-family and single-family
	residential uses.
Methodology used	Development proposal and inclusionary requirement/density bonus analysis.
to determine	Planning Commission review anticipated in Spring 2023.
realistic capacity	
Environmental	Anticipated CEQA Categorical Exemption due to size of project.
Infrastructure	Water – applicant is responsible for obtaining clearance from Menlo Fire. Water to
	be provided by the City's System
	Sewer – applicant is responsible for obtaining permit from EPASD and for paying
	any required fees.
Other constraints	None known.

#### D.1.5.3 Projects Not Approved, but High Probability of Development

#### FOUR CORNERS 1675 BAY RD.

Derie an II and in a	N-
Prior Housing Element?	No
APN	063-111-250
Acreage	6.1 acres
Vacant?	Yes
Tenure	Rental Units
Project Status	Submitted Planning application; under review.
Current Zoning and	4 Corners (up to 60 du/acre)
General Plan	4 Corners (up to oo du/acre)
Designation	Zoned 4 Corners in the Ravenswood Business District/Four Corners Area Specific
Designation	Plan for up to 60 dwelling units per acre; General Plan designation of Mixed-Use
	High zoning for up to 86 du/acre.
Unit Breakdown	36 VLI, 144 Above-Mod
Site Details (incl.	Mixed-use project on a vacant site with retail, housing, and office. Prime
existing use)	rectangular corner lot with two street frontages. No physical development
0 ,	constraints and no known sensitive habitat. Surrounding land uses include
	County/City offices, commercial retail uses, and single-family homes.
Methodology used	The number of total units and affordable units is based on the development
to determine	application and inclusionary housing ordinance requirement of 20%. Using the 20%
realistic capacity	requirement, rather than assuming all affordable units is a conservative estimate
	given the zoning, which allows for a density suitable for lower-income housing.
Environmental	EIR under preparation.
Infrastructure	Water - applicant will still be required to obtain clearance from Menlo Fire. Water
	to be provided by the City's System on University Avenue and Bay Road.
	Commence in the state of the state in the state of the st
	Sewer –applicant is responsible for obtaining clearance from EPASD and for
	paying any required fees.
	Other necessary measures will be determined by the EIR.
Other constraints	The project must request an amendment to the current Specific Plan to
	accommodate one of the proposed uses (life science/laboratory) and the proposed
	height. The proposed community and office space will respectively require an
	administrative use permit and a conditional use permit to be in conformance with
	Specific Plan. Alternatively, updates to the Ravenswood/4 Corners Specific Plan

	may better align the proposed project and the Specific Plan, which could help the
	project achieve greater density for the residential component.

#### **717 DONOHOE**

Prior Housing	No
Element?	
APN	063-374-350
Acreage	.66 acres
Vacant?	Yes
Tenure	Ownership/For-Sale Units
Project Status	Undergoing Planning Review with Planning staff and anticipated Planning Commission hearing in January 2024. Approved Inclusionary Housing Plan.
Current Zoning and General Plan Designation	Zoning: R-MD-2 Multiple-Family Medium Density Residential (12-22 du/acre) General Plan: Medium Density Residential (12.1-22 du/ac)
Unit Breakdown	1 LI, 2 MOD, 11 Above-Mod units.
Site Details (incl. existing use)	Vacant rectangular lot proposed for a multifamily condominium project. Infill site with no physical development constraints or known sensitive habitat. Surrounding land uses include single-family homes, an assembly use, and major commercial retail uses across the street.
Methodology used to determine realistic capacity	Based on development proposal and inclusionary requirement. Project's Inclusionary Housing Plan to provide one median-income unit and two moderate- income units, as an Alternative Compliance Option, was approved by City Council on <u>November 15, 2022</u> . The inclusionary units will be comparable to the market- rate units in size interior/exterior, amenities, and uniform open space.
Environmental	Anticipated CEQA Categorical Exemption. Analysis shows that there are no serpentine soils, riparian, wetland, or other aquatic areas on or adjacent to the site. As a project with more than 10,000 square feet of impervious surfaces, it will be subject to the requirements of the Municipal Regional Stormwater Permit (MRP) for the San Francisco Bay Area and must implement site design, source control, and Low Impact Development (LID)-based stormwater treatment controls to treat post-construction stormwater runoff.
Infrastructure	Water – The proposed 14 multi-family residences would result in a relatively small incremental increase in water demand and is consistent with the City's projected growth. The project would connect to the existing water main in Donohoe Street. Sewer –applicant is responsible for obtaining permit from EPASD and for paying any required fees. However, the project is expected to cause a relatively small

	incremental increase in sanitary sewer demand, consistent with projected growth in the General Plan, and would connect to the existing sewer main in Donohoe Street. Applicant is still responsible for obtaining clearance from Menlo Fire and EPASD.
Other constraints	Site access based on Engineering's comments.

#### 842 GREEN

р. н	
Prior Housing	No
Element?	
APN	063-373-130
Acreage	.59
Vacant?	Yes
Tenure	Ownership/For-Sale
Project Status	Design Review and Tentative Map application being reviewed by Planning Staff.
Current Zoning and	R-LD (up to 12 du/acre)
General Plan	
Designation	Zoned for Residential Low Density (R-LD) for up to 12 dwelling units per acre,
5	consistent with General Plan land use designation of Low Density Residential.
Unit Breakdown	3 Above-Mod
Site Details (incl.	Design Review and Tentative Map application for vacant rectangular lot
existing use)	subdivision to construct three single family homes. Infill site in residential
8 /	neighborhood with no physical development constraints or known sensitive habitat.
Methodology used	Applicant proposing density of six dwelling units per acre, which is comparable to
to determine	other R-LD-zoned projects of this size. Applicant proposing to pay in-lieu fee.
realistic capacity	
Environmental	Anticipated CEQA Categorical Exemption due to size and location of project.
Infrastructure	Water – applicant is responsible for obtaining clearance from Menlo Fire. Water to
	be provided by the City's System.
	Sewer –applicant is responsible for obtaining permit from EPASD and for paying
	any required fees.
Other constraints	None known.

#### 812 GREEN

Duion Housing	No
Prior Housing	INO
Element?	
APN	063-373-110
Acreage	.89
Vacant?	No
Tenure	Ownership/For Sale Units
Project Status	Submitted Preliminary Proposal.
Current Zoning and	R-LD (up to 12 du/acre)
General Plan	
Designation	Zoned for Residential Low Density for up to 12 dwelling units per acre, consistent
	with General Plan land use designation of Low Density Residential.
Unit Breakdown	5 Above-Mod
Site Details (incl.	Infill rectangular site in residential neighborhood with no physical development
existing use)	constraints or sensitive habitat. Complete redevelopment of site and demolition of
5 /	current site is being proposed. Site has a preliminary proposal for a subdivision with
	five single family homes.
	5 ,
Methodology used	Currently large, underdeveloped site with one single family home. Assumes 6
to determine	du/acre, which is comparable to other R-LD-zoned projects of this size.
realistic capacity	
Environmental	Anticipated CEQA Categorical Exemption due to size of project.
Infrastructure	Water – applicant is responsible for obtaining clearance from Menlo Fire. Water to
	be provided by the City's System.
	Sewer – applicant is responsible for obtaining permit from EPASD and for paying
	any required fees.
Other constraints	None known.
Other constraints	

#### **1201 RUNNYMEDE**

Prior Housing	Yes
Element?	
APN	063-271-090
Acreage	.932 acres
Vacant?	Yes
Tenure	Ownership/For-Sale Units
Project Status	Anticipated submittal of revised proposal, which will require new entitlement
3	process.
Current Zoning and	Urban Residential (up to 40 du/acre)
General Plan	
Designation	Zoned as Urban Residential for up to 40 dwelling units per acre in the Ravenswood Business District/Four Corners Specific Plan, consistent with the General Plan land
	use designation of High Density Residential with 22-43 du/acre.
Unit Breakdown	4 MOD, 16 Above-Mod
Site Details (incl.	Previously entitled multifamily condominium project on a vacant rectangular lot. In
existing use)	December 2022, developer submitted preliminary plans for 20 townhouses in
	anticipation of formal submittal. Inclusionary housing proposal to be determined.
	Infill lot with no physical development constraints or sensitive habitat surrounded
	by residential uses and other vacant land.
Methodology used to determine	This project was previously entitled for 32 multifamily units. Applicant has
realistic capacity	submitted new plans for lower density; this would require new Planning entitlement. Assumed 4 moderate-income units, although inclusionary housing
realistic capacity	ordinance will require two units deed-restricted at 70% AMI and two units deed-
	restricted at 110% AMI.
Environmental	Anticipated CEQA Categorical Exemption.
	Class 32 Categorical Exemption: Section 15332- Infill Development
	Projects. The Class 32 "Infill" Categorical Exemption exempts infill development
	within urbanized areas if it meets certain requirements. Infill projects that are
	consistent with the local General Plan and Zoning requirements and have negligible
	environmental impacts may be eligible for this exemption.
Infrastructure	As a project designated as High Density Residential in the City's General Plan and
	studied in the General Plan EIR, the Notice of Exemption found that the site can be
	serviced by all existing utilities and public services. Water to be provided by the
	City's system on Runnymede Street.
	Applicant remains responsible for obtaining clearance from Menlo Fire and permit
	from EPASD and/or for paying any required fees.
Other constraints	None known.
other constraints	TONE RIGHT.

#### 755 SCHEMBRI LANE

Prior Housing	No
Element?	
APN	063-361-400 (SB 9 project for four units)
	063-361-260 (proposed duplex /two single-family attached units)
Acreage	1.381 acres (.918 acres where housing proposed)
Vacant?	Yes
Tenure	Rental Units
Project Status	Two Planning applications were formally accepted on 9/12/2023 and are currently under review by staff.
<b>Current Zoning and</b>	R-LD (APN 063-361-400)and RMD-1(APN 063-361-260)
General Plan	
Designation	The project consists of two parcels:
	The first is 1.13 acres with a zoning of R-LD Single-Family Residential and a General Plan land use designation of Low Density Residential (up to 12 du/acre). This parcel is being proposed to be developed with two single-family detached residential units and two Accessory Dwelling Units (ADUs) under SB 9 (the Housing Opportunity and More Efficiency Act).
	The second is 0.25 acres and zoned RMD-1 Multiple-Family Medium Density Residential with a General Plan land use designation of Medium Density Residential (12-15 du/acre). This parcel is proposed for two single-family attached residential units or a duplex.
Unit Breakdown	Four (4) Above-Mod units and two (2) Mod ADUs
Site Details (incl. existing use)	Both existing parcels are currently vacant with no infrastructure. The infill site is surrounded by single-family homes with +no physical development constraints or sensitive habitat,
Methodology used to determine realistic capacity	Received application to build 6 dwelling units comprising two single-family detached homes and two Accessory Dwelling Units (ADUs) on one parcel, and a duplex (two single-family attached homes) on the second parcel. The developer would pay fees in-lieu fees for both the duplex and two single-family residences. Developer wants to maintain ownership of lots and rent units.
Environmental	Anticipated CEQA Categorical Exemption due to size and location of the two projects.
Infrastructure	Water – applicant is responsible for obtaining clearance from Menlo Fire. Water to be provided by the City's System through Violia.

	Sewer –applicant is responsible for obtaining permit from EPASD and for paying any required fees.
Other constraints	None known.

#### 851 WEEKS

Prior Housing	Yes
Element?	
APN	063-221-240
Acreage	0.65 acres
Vacant?	Yes
Tenure	Rental Units
Project Status	SB 330 preliminary application was submitted for Planning review in January 2023. A development application subject to SB 35 streamline ministerial approval process was filed on 9/13/2023.
Current Zoning and General Plan Designation	Urban Residential (up to 40 du/acre); Unlimited Density Bonus for 100% affordable housing projects within "low vehicle travel area/"
	Zoned as Urban Residential in the Ravenswood Business District/Four Corners Specific Plan for up to 40 dwelling units per acre, consistent with General Plan land use designation of High Density Residential at 22-43 du/acre.
Unit Breakdown	58 VLI, 20 LI, 1 Mod
Site Details (incl.	Vacant site was recently considered for affordable housing as part of another
existing use)	development in the City to fulfill the project's inclusionary housing obligation. Feasibility was discussed for affordable units. Eden Housing initially submitted SB 330 preliminary application seeking to freeze development standards and maximize the density, as affordable developers have done elsewhere in the City, leveraging density bonus. Subsequently, Eden Housing filed a Notice of Intent to utilize the SB 35 streamlined ministerial approval process. Pursuant to AB 168 the city entered into a scoping consultation with Tamien Nation – the Native American tribe affiliated with the East Palo Alto area - culminating in an Enforceable Agreement in regard to potential impacts on Native American artifacts. A formal SB 35 checklist with a development application was filed on 9/13/2023. The SB 35 application will be ministerially processed within 60 days after it's deemed complete, before building permit application. The subject property is a rectangular infill site with no physical development constraints or known sensitive habitat. Existing on-site trees will need to be evaluated, and the removal of any protected trees would be subject to the City's Tree Removal Permit process.

Methodology used	Eden Housing is working with the developer of the Woodland Park Euclid
to determine	Improvements project to develop its inclusionary housing project at 851 Weeks, and
realistic capacity	submitted for preliminary review via SB 330 (objective design standards) on
	January 20, 2023. 100% affordable housing project with a total of 79 units. Eden
	Housing submitted application seeking to maximize the density, as affordable
	developers have done elsewhere in the City, leveraging SB 35 for by-right approval
	and density bonus. Proposing 46 studios, 32 1-bedroom units, and 1 2-bedroom unit
	for staff. The breakdown of the very low- and low-income units is an estimate, and
	the final breakdown is pending.
	79 off-site inclusionary units: 58 assumed to be very low-income at up to 50%
	AMI; 20 assumed to be low-income up to 60% AMI, and one (1) assumed to be
	moderate income in accordance with the City's inclusionary housing ordinance.
Environmental	Potential CEQA Categorical Exemption due to size of project.
Infrastructure	Water – applicant is responsible for obtaining clearance from Menlo Fire. Water to
	be provided by the City's System
	Sewer –applicant is responsible for obtaining permit from EPASD and for paying
	any required fees.
Other constraints	None known.

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### D1.5.4 Projects with Development Interest and Pre-Applications

#### **547 RUNNYMEDE**

Prior Housing	No
Element?	
APN	063-201-190
Acreage	.45
Vacant?	Yes
Tenure	Ownership/For-Sale
Project Status	Submitted Preliminary Proposal.
<b>Current Zoning and</b>	RMD-2 (12-22 du/acre)
General Plan	
Designation	Zoned for Residential Medium Density-2 (RMD-2) for 12-22 dwelling units per
	acre, consistent with General Plan land use designation of Medium-Density
	Residential.
Unit Breakdown	8 Above-Mod
Site Details (incl.	Preliminary proposal for a townhome development on vacant parcel. Rectangular
existing use)	infill lot with no physical development constraints or known sensitive habitat.
	Surrounding land use consists of primarily single-family homes.
Methodology used	Assumed density for unit calculation is 15 du/acre, which is comparable to other
to determine	developments with this zoning and adjusted downwards due to smaller size of site.
realistic capacity	Inclusionary housing agreement to be determined.
	This site benefits from greater density zoning and General Plan designation,
	increasing its feasibility. Several projects with a smaller than .5-acre lot size zoned
	for lower density (R-LD) have been approved, including 990 Garden St, Lincoln
	St., and 1215 Cypress, Several projects less than 0.5 acres on R-MD-2 zoning are
	currently undergoing planning review, including 717 Donohoe and 2340 Cooley.
Environmental	Anticipated CEQA Categorical Exemption due to size and location of project.
Infrastructure	Water – applicant is responsible for obtaining clearance from Menlo Fire. Water to
	be provided by the City's System.
	Sewer –applicant is responsible for obtaining permit from EPASD and for paying
	any required fees.
Other constraints	None known.

#### **1062 RUNNYMEDE**

Prior Housing	No
Element?	
APN	063-262-060
Vacant?	Yes
Tenure	Ownership/For-Sale
<b>Project Status</b>	Submitted Preliminary Proposal.
Acreage	.92
Current Zoning and	R-LD (up to 12 du/acre)
General Plan	
Designation	Zoned for Residential Low Density (R-LD) for up to 12 dwelling units per acre,
0	consistent with General Plan land use designation of Low Density Residential.
Unit Breakdown	6 Above-Mod
Site Details (incl.	Infill rectangular lot with no physical development constraints or known sensitive
existing use)	habitat. Surrounding land use consists of primarily single-family homes.
	Preliminary proposal for subdivision with four single family homes (and 4 ADUs).
Methodology used	Unit calculation assumes 6 du/acre, which is comparable to other R-LD-zoned
to determine	projects of this size. Inclusionary housing agreement to be determined.
realistic capacity	
Environmental	Anticipated CEQA Categorical Exemption due to size and location of project.
Infrastructure	Water – applicant is responsible for obtaining clearance from Menlo Fire. Water to
	be provided by the City's System.
	Sewer –applicant is responsible for obtaining permit from EPASD and for paying
	any required fees.
Other constraints	None known.

#### **801 DONOHOE**

Prior Housing	No	
Element?	NO	
APN	063-374-170	
	.45	
Acreage Vacant?	-	
	No	
Tenure	Ownership/For Sale Units	
Project Status	Owner representative contacted staff with interest. Parcel has a preliminary proposal for a subdivision with five single family homes. Inclusionary housing agreement not yet determined.	
Current Zoning and	R-MD-2 (12 to 22 du/acre)	
General Plan		
Designation	Zoned as Residential Medium Density-2 (R-MD-2) for 12 to 22 dwelling units per acre, consistent with General Plan land use designation of Medium Density Residential.	
Unit Breakdown	5 Above-Mod	
Site Details (incl.	Site is a deep rectangular lot with one single-family home and undeveloped land at	
existing use)	the rear half of lot. Site has no physical development constraints or known wildlife habitat.	
Methodology used	Assumed density for unit calculation of 12 du/acre (the minimum) results in 5 units.	
to determine	While single family homes may not be the primary intended use of a site with this	
realistic capacity	zoning per the General Plan, the density may be more realistic, given the size of the	
	site.	
	This site benefits from greater density zoning and General Plan designation, increasing its feasibility. Several projects with a smaller than .5-acre lot size zoned for lower density (R-LD) have been approved, including 990 Garden St, Lincoln St., and 1215 Cypress, Several projects less than 0.5 acres on R-MD-2 zoning are currently undergoing planning review, including 717 Donohoe and 2340 Cooley.	
Environmental	Anticipated CEQA Categorical Exemption due to size and location of project.	
Infrastructure	Water – applicant is responsible for obtaining clearance from Menlo Fire. Water to be provided by the City's System. Sewer –applicant is responsible for obtaining permit from EPASD and for paying	
	any required fees.	
Other constraints	None known.	

#### 807 E. BAYSHORE

Element?APN062-221-340Acreage.55 acresVacant?NoTenureRental UnitsProject StatusProperty owner representative submitted pre-application that is currently under review. Preapplication to demolish commercial space and build 6 apartments on second and third floor of new building.Current Zoning and General Plan DesignationMUL-1 (up to 22 du/acre)Zoned as Mixed-Use Low-1 for up to 22 dwelling units per acre, consistent with General Plan land use designation of Low-Density Mixed-Use.Unit Breakdown8 Above-ModSite Details (incl. existing use)Underutilized rectangular site with one one-story commercial building and underutilized large parking lot prime for redevelopment due to age. Surrounding land uses consist of a self-storage facility, single-family homes, and State Highway 101.Methodology used to determine realistic capacityAssumed density at 15 du/acre, given density of other projects with this zoning and tentative nature of preapplication. Inclusionary housing agreement not yet determined.	Prior Housing	No
APN062-221-340Acreage.55 acresVacant?NoTenureRental UnitsProject StatusProperty owner representative submitted pre-application that is currently under review. Preapplication to demolish commercial space and build 6 apartments on second and third floor of new building.Current Zoning and General Plan DesignationMUL-1 (up to 22 du/acre)Unit Breakdown8 Above-ModSite Details (incl. existing use)Underutilized rectangular site with one one-story commercial building and underutilized large parking lot prime for redevelopment due to age. Surrounding land uses consist of a self-storage facility, single-family homes, and State Highway 101.Methodology used to determine realistic capacityAssumed density at 15 du/acre, given density of other projects with this zoning and tentative nature of preapplication. Inclusionary housing agreement not yet determined.		100
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to determine realistic capacitytentative nature of preapplication. Inclusionary housing agreement not yet determined.	Methodology used	Assumed density at 15 du/acre, given density of other projects with this zoning and
realistic capacity determined.		
	realistic capacity	
		Anticipated CEQA Categorical Exemption due to size and location of project.
<b>Infrastructure</b> Water – applicant is responsible for obtaining clearance from Menlo Fire. Water to	Infrastructure	
be provided by the City's System.		
Sewer –applicant is responsible for obtaining permit from EPASD and for paying		Sewer – applicant is responsible for obtaining permit from EPASD and for paying
any required fees.		
Other constraints None known.	Other constraints	

#### D1.5.5 Publicly Owned Sites with Potential for Development or Redevelopment

Prior Housing	No
Element?	
APN	063 292 380
Acreage	4.15 acres
Vacant?	No
Tenure	Mixed Use/Rental Units
Project Status	The School District and Developer (USA Properties) met with City proposing two separate affordable housing communities in two separate phases for a total of approximately 430 100% affordable housing units and 2,500 square feet of ground floor retail. The Ravenswood Board of Trustees approved these documents at their regularly scheduled board meeting on 9/28/23. At this time the documents are not yet executed, but the approved documents pending signature are attached. On 9/28/2023 the District's Board of Trustees voted to affirm its commitment to the proposal and proceed with development of this site. (see attached letter of interest from School District in Appendix D2.) On November 27, 2023, an application was received by the City for the proposed project.
Current Zoning and General Plan Designation	The site is currently zoned MUH – Mixed Use High Zone with a General Plan land use designation of Mixed-Use High with a net development density of 43 - 86 dwelling units per acre.
Unit Breakdown	86 Very Low-Income units, 340 Low-Income units, and 4 Moderate-Income units
Site Details (incl. existing use)	Rectangular sized, underutilized property, improved with older one-story buildings and surface parking that has been declared surplus by the School District. The site is located in an urbanized area of the city with no physical development constraints or known sensitive habitat. Site located near University Avenue with convenient bus service.
Methodology used to determine realistic capacity	The base zoning, of MUH – Mixed Use High (43 – 86 dwelling units/acre) for the site allows a minimum yield of 179 units and maximum of 357. However, a 100% affordable housing project, which the School District/Developer has opted for, would be eligible for a potential density bonus of 80% increasing the maximum allowable yield to 642 dwelling units.
	their intention to file a preliminary planning application by the end of this month to

#### RAVENSWOOD ELEMENTARY SCHOOL DISTRICT 2120-2160 Euclid / APN

	develop 400 to 450 dwelling units at the subject site. A letter in this regard, from the Ravenswood City School District, is attached in Appendix D2 for reference.	
	For the purposes of the Housing Element, the Planning staff is assuming a development capacity of 400 units, which is at the low end of the Developers stated goal of between 400 and 450 units. Also, the Developer is proposing a density bonus of 20% which is very realistic given its consistency with typical density bonus that get built. Additionally, since the proposal is 100% affordable it will be eligible for four (4) incentives/concessions and potentially an unlimited number of waivers. These incentives and waivers will improve the financial and development feasibility of the proposal by relieving the development of some otherwise required standards.	
Environmental	Given the size of the proposal an Initial Study would be required to determine if a Negative Declaration or Mitigated Negative Declaration is applicable.	
	Alternatively, a Native American scoping consultation, pursuant to AB 168, will be required if the Developer opted for streamlined ministerial processing under SB 35, with no CEQA applicability. The former could be processed within six (6) months under the Permit Streamlining Act while the latter would be processed ministerially within a couple of months.	
Infrastructure	Water – the applicant is responsible for obtaining clearance from Menlo Fire for adequate fire flow. Potable water to be provided by the City's System through Violia.	
	Sewer –applicant is responsible for obtaining a will-serve letter and permit from East Palo Alto Sanitary District (EPASD) and for paying any required fees.	
Other constraints	None known.	

#### D1.5.6 Nonresidential Zoning, But Residential Development Application (RBD)

#### **EPA WATERFRONT**

Prior Housing	No	
Element?		
APN	063-050-050	
Acreage	Developable project area of 9 acres (29.6 acres for total site)	
Vacant?	Yes	
Tenure	Rental Units	
Project Status	Pre-application development plan with a mix of residential and office uses is under review by planning staff. Pending adoption of the RBD Specific Plan Update which is anticipated by Summer 2024.Residential use would be located adjacent to an existing residential neighborhood to provide a land use transition.	
Current Zoning and	Industrial Flex Overlay– non-residential	
General Plan		
Designation	Zoned as Industrial Flex Overlay in the Ravenswood Business District/Four Corners Specific Plan (RBD), consistent with General Plan designation of Industrial Buffer. Requires rezoning through RBD update to accommodate mixed-use residential.	
Unit Breakdown	52 VLI, 208 Above-Mod	
Site Details (incl.	This is a large vacant parcel, much of which is restricted to open space or	
existing use)	recreation. Site includes wetlands, but all development would occur outside of the delineated wetlands. Per the RBD Specific Plan Update site would be rezoned to allow for housing. Of this, there would be a minimum 20% inclusionary requirement, and potentially additional affordable housing required as part of RBD update process/rezoning. Surrounding land uses consist of single-family homes to the west and vacant land to the east that is planned for employment uses.	
Methodology used	According to Gov. Code § 65583.2, subd. (c)(2)(A), sites greater than ten acres are	
to determine	deemed inadequate to accommodate housing for lower-income households unless it	
realistic capacity	is demonstrated, with sufficient evidence, that sites of equivalent size and affordability were successfully developed during the prior planning period or other evidence demonstrates the suitability of these sites. The EPA Waterfront project is suitable for lower income housing because the developable land size is only 9 acres, and re-zoning through the RBD update will allow the developer to build denser housing on this parcel (without infringing on sensitive environmental areas). The 260-unit total project is contained in the applicant's 2021 proposal. The City could assume all lower-income units on this site, given the size and potential zoning of the parcel. However, knowing there is a development application for market-rate	

	units, staff is assuming 20% (inclusionary) as the default and as a conservative estimate. The community and City Council have provided strong support for affordable	
	housing in the RBD area, and for providing a jobs-housing balance that expands housing at all affordability levels when new jobs are created. Neighboring sites in the RBD are proposing similar projects on their developable land. For example, Colibri Commons (formerly known as 965 Weeks), is a 95-unit 100% affordable housing project being developed at a higher density of 54 dwelling units per acre. The developer for EPA Waterfront, Emerson Collective, is a mission-driven organization that strives to provide every individual with access to opportunity.	
Environmental	A program EIR is being prepared for the Specific Plan update, of which this site is included. Additional project specific analysis will be required and the specific CEQA clearance will be determined at that time	
Infrastructure	Water – applicant will still be required to obtain clearance from Menlo Fire. Sewer –applicant is responsible for obtaining clearance from EPASD and for paying any required fees. Other necessary measures will be determined by the EIR.	
Other constraints	Aside from zoning, this project contains commercial square footage that cumulatively (together with other proposed projects in the Specific Plan area) exceeds the commercial square footage evaluated in the 2013 RBD EIR. The project is expected to build a lower amount of commercial than proposed, subject to the RBD update process. This is not, however, expected to affect the number of proposed housing units. This is a staff-recommended site for rezoning to allow for residential.	

Prior Housing	No	
Element?		
APN	063240360, 063240370, 063240380, 063240270	
Acreage	1.6 acres	
Vacant?	Yes	
Tenure	Rental Units	
Project Status	Planning application under review by planning staff for an affordable housing project. Developer/property owner is proposing to dedicate the site to a non-profit housing developer to build the project. Rezoning of the site and approval of the project are pending adoption of the RBD Specific Plan Update which is anticipated by Summer 2024.	
Current Zoning and General Plan	Ravenswood Employment Center - nonresidential zoning	
Designation	Zoned as Ravenswood Employment Center in the Ravenswood Business District/Four Corners Specific Plan (RBD), consistent with General Plan designation of General Industrial. Requires rezoning as part of RBD update.	
Unit Breakdown	95 VLI	
Site Details (incl. existing use)	Applicant is partnering with Eden Housing to develop a 95-unit affordable project with ground floor civic/nonprofit space on ground floor. Site contains an unoccupied (according to applicant; must be verified) single family unit. Would require re-zoning of the parcel. Site does not have any physical development constraints or known wildlife habitat. Surrounding land uses consist of single- family and multi-family uses with vacant land proposed for offices uses to the east	
Methodology used	Based on affordable housing proposal. Applicant is making land donation to Eden	
to determine	Housing, increasing project's feasibility.	
realistic capacity		
Environmental	A program EIR is being prepared for the Specific Plan update, of which this site is included. Additional project specific analysis will be required and the specific CEQA clearance will be determined at that time.	
Infrastructure	Water – applicant is responsible for obtaining clearance from Menlo Fire. Sewer –applicant is responsible for obtaining permit from EPASD and for paying	
	any required fees.	
Other constraints	This site must be re-zoned for housing and is therefore subject to the Ravenswood/4 Corners Specific Plan Update process and its related rezoning. However, this is a staff-recommended site for rezoning to allow for residential.	

#### HARVEST THE LANDING HOUSING OFFSITE 1103 WEEKS (Nonvacant)

## APPENDIX D2: RAVENSWOOD CITY SCHOOL DISTRICT LETTER OF INTEREST



2120 Euclid Ave. East Palo Alto, CA 94303 p: (650) 329-2800 f: (650) 323-1072 www.ravenswoodschools.org @RavenswoodCSD

September 28, 2023 City of East Palo Alto 1960 Tate Street East Palo Alto, CA

94303 Dear Ms.

Camacho -

I am writing on behalf of the Ravenswood City School District (Ravenswood) about the City of East Palo Alto's Housing Element. Ravenswood owns a significant amount of land across the City of East Palo Alto and is committed to using that land to provide all students with an excellent education,

At this time, we have entered into an agreement with USA Properties, an affordable housing developer, to build 400-450 units of 100% affordable housing at 2120 Euclid Avenue, East Palo Alto, 94303.

The Ravenswood Board of Trustees approved these documents at their regularly scheduled board meeting on 9/28/23. At this time the documents are not yet executed, but the approved documents pending signature are attached.

Happy to answer any questions that could be helpful.

Sincerely,

William Eger Ravenswood City School District Chief Business Officer weger@ravenswoodschool s.org 650-329-2800

# APPENDIX D3: COUNTY OF SAN MATEO LETTER OF INTEREST

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Main Office – Department of Housing 264 Harbor Blvd., Building A Belmont, CA 94002-4017

Housing & Community Development (HCD) Tel: (650) 802-5050

Housing Authority of the County of San Mateo (HACSM) Tel: (650) 802-3300 Board of Supervisors: Dave Pine Carole Groom Don Horsley Warren Slocum David Canepa

Director: Raymond Hodges

December 19, 2022 City of East Palo Alto 1960 Tate Street East Palo Alto, CA 94303

Dear Ms. Camacho -

I am writing on behalf of the County of San Mateo (County) regarding the City of East Palo Alto's (City) Housing Element. County is exploring the opportunity to develop affordable housing at 2277 University (APN 063-302-460) and has entered into a memorandum of understanding with the City (dated April 14, 2022) regarding the potential for a land swap to occur between the City's site at 2277 University and the County's site at Beech Street which sets forth the terms by which City and County will explore various options for each site and benefits of a land swap.

At this time, the County Board of Supervisors has not authorized specific projects for the abovementioned sites.

Happy to answer any questions that could be helpful.

Sincerely, Babs Deffenderfer

Housing and Community Development Supervisor County of San Mateo Department of Housing p: 669-252-2317 <u>bdeffenderfer@smchousing.org</u>

Department of Housing (DOH) website: www.smchousing.org • E-mail: housing@smchousing.org

APPENDIX E: RHNA 5 HOUSING WORKPLAN PROGRESS

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## Appendix E: RHNA 5 Housing Workplan Progress

RHNA 5 Housing Element Program	Program Description and Objective	Progress and Appropriateness
1.1 Meet with local non-profit housing developers	Meet with local non-profit and for-profit developers to promote the affordable housing goals outlined in this Housing Element.	Timeframe: annually. City Staff has worked with EPA CAN DO, Eden Housing, and MidPen to develop affordable housing (Light Tree Apartments, 965 Weeks) and preserve affordable housing (Nugent Square, Bay Oaks).
1.2 Consortium of non-profit developers	Support the continuation of a consortium of non-profit affordable housing developers to acquire and maintain property as affordable housing and to redevelop property for the purpose of preserving or developing housing.	Timeframe: annually. There is no existing consortium of non-profit developers. However, in April 2020, the City held a "Meet & Greet" for affordable housing developers and East Palo Alto faith communities hosted by the City.
1.3 Make loans to developers using set aside	Make loans, as feasible, to developers using the Affordable Housing Trust Fund to create affordable units.	Timeframe: variable; depends on revenue. The City made a loan commitment to the 965 Weeks project from its Housing Successor fund (\$714,000) and an additional conditional commitment of \$1.7 million to the project through the Local Housing Trust Fund program; that program was awarded in 2021.
1.4 Encourage 2nd Unit Development	Encourage the production of second units as an affordable housing alternative and achieve an average of eight new secondary units annually. Evaluate success of recent policy changes. Consider implementing an amnesty program for illegal second units.	Timeframe: ongoing. The ADU Technical Working Group continued to meet monthly throughout 2021/2. The City collaborated with EPACANDO and City Systems on the ADU Streamlining initiative (funded by an SB 2 grant) and with EPACANDO on the CalHOME grant for ADUs/JADUs.
1.5 Secure two million dollars for housing development	Secure at least \$2,000,000 for housing development, and seek loan and grant funds from private, County, State, and federal sources. Funding will provide gap financing and/or infrastructure improvements, as necessary and appropriate for affordable housing projects	Timeframe: ongoing. The Local Housing Trust Fund application for 965 Weeks included a match for a City commitment of \$1.7 million. The City applied for and received a CalHOME grant award of \$2 million in 2019. The 965 Weeks affordable housing development received an AHSC award in 2021. The awards far exceeded the goal of \$2 million.

Appendix E: RHNA 5 Housing Workplan Progress – Page 1

1.6 Acquire development sites	Continue to acquire potential development sites for affordable housing, particularly for large family households. Use funds from the Affordable Housing Program to purchase sites. Evaluate opportunities as resources become available.	Timeframe: ongoing. No specific actions in the Housing Element period.
1.7 Mobile Home and Manufactured Homes	Continue to support development opportunities that allow for or incorporate mobile homes and manufactured homes within the City as a low-cost housing option.	Timeframe: ongoing. The application for 2 modular units was approved by the Planning Department in 2020 for placement on the City-owned Tanklage site (1798 Bay Rd.). An application for temporary use of 2081 Bay Rd. and adjacent sites for production of manufactured housing was approved in 2022.
1.8 Permit Manufactured Homes on permanent foundations	Continue to permit manufactured housing on permanent foundations in single-family neighborhoods, and treat them the same as traditional single-family housing during the design review process	Timeframe: ongoing. There is an ongoing effort to support this housing type, though the City has not taken additional actions during this RHNA period. Under the provisions of State Law, the Planning Division treats manufactured homes in the same manner as originally constructed single family homes.
1.9 Improve Earthquake Readiness and Resilience	<ul> <li>Improve East Palo Alto's Earthquake Readiness and Resilience:</li> <li>Create a fragile housing inventory,</li> <li>If appropriate, develop and implement a soft story retrofit program,</li> <li>Develop and implement a cripple wall retrofit program,</li> <li>Require hazard disclosure for renters, and</li> <li>Ensure that major upgrades and repairs to existing buildings address seismic and flood- related hazards</li> </ul>	Timeframe: ongoing. The City adopted the Multi- Jurisdictional Hazard Mitigation Plan in 2017. Work to renew this Plan began in 2021 and was completed in 2022.
1.10 Floodplain Management	Continue to implement Government Code Section 65302, which involves analysis and policies regarding flood hazard and management. Annually review floodplain management policies in accordance with FEMA regulations and the CRS program. Additionally, review the Land Use Element for areas subject to flooding to facilitate the identification of sites for future Housing Element updates.	Timeframe: annually. Flood risk has been incorporated into the Housing Element update for the RHNA 6 cycle.

1.11 Multi-Family Rental Inspection	Consider developing a multifamily rental inspection program.	Timeframe: Not completed as of 2022. San Mateo County is the lead party on conducting multi-family rental inspections. The Building Division conducts life-safety inspections by referrals/complaints.
1.12 New Buildings follow Crime Prevention through Environmental Design	Ensure that new buildings follow the principals of Crime Prevention through Environmental Design.	Timeframe: ongoing. City staff conducts CPTED analysis on all major projects via the East Palo Alto Police Department.
2.1 Four Corners TOD Specific Plan	Implement the Ravenswood / 4 Corners TOD Specific Plan, which guides the conversion of the existing light and heavy industrial uses into higher density residential, commercial, and mixed-use uses that will support a future potential transit station.	Timeframe: ongoing. The Ravenswood/Four Corners Specific Plan was adopted by the City Council in 2013. The City is currently making targeted updates to the Specific Plan area due to the amount of development interest. This is expected to be completed in 2024.
3.1 Review city ordinances and policies to reduce barriers to housing	On a regular basis, review City ordinances and programs regulating residential uses and construction practices to ensure consistency with the Housing Element and the rest of the General Plan and identify/correct any provisions that: (a) unnecessarily increase the cost of housing; (b) extend the time required for processing applications; or (c) preclude provision of housing to meet special needs.	Timeframe: annually. The City updated its zoning code in 2018 to address issues and concerns with development and is once again reviewing the code to ensure consistency throughout. Updates to the zoning code are expected to take place in 2023.
3.2 965 Weeks Street redeveloped as affordable housing	Ensure that 965 Weeks (Olson Property) is redeveloped as affordable housing. Complete RFP <i>and</i> select a developer to complete the housing for lower income households.	Timeframe: 2019. A developer (MidPen Housing) was selected via an RFP process and the Planning Commission approved the project in December 2019. City Council approved the Disposition, Development, and Loan Agreement and Ground Lease for the project in December 2020.
4.1 Improve permit processing times especially for affordable housing projects	Continue to process residential development permits expeditiously, providing priority review status for affordable housing to reduce holding and administration costs.	Timeframe: annual review of processing procedures. The City reviewed its first "streamlined" project under SB 35 in 2020 (completed early 2021). ADU processing times were reduced with the Zoning Clearance process for ministerial review of projects, and the process continues to be improved upon. No other specific actions were taken to shorten processing times.

4.2 Continue to implement Affordable Housing Program	Continue to implement the Affordable Housing Program, which requires developers to pay into a fund that is used to mitigate the impacts of their development.	Timeframe: ongoing. The City maintains an Inclusionary Housing program, Commercial Linkage Fee program, and Local Preference program, and monitors its BMR portfolio through EPACANDO.
4.3 Provide low-interest loans and/ or grants for affordable housing to extremely low, very low, and low income	Explore the possibility of providing low-interest loans and/or grants to pay for housing affordable to extremely low-, very low- and low-income households (when built by nonprofit developer), as well as the waiving of building and planning fees for said housing. If there are funding and appropriate opportunities, provide funding.	Timeframe: annual assessment of resources. As of January 21, 2020, the full amount of the Catalyst Fund, an affordable housing fund received from Facebook and administered by Local Initiatives Support Corporation (LISC), was committed to the Light Tree Apartments project and the 965 Weeks Street project. The City committed a loan of \$714,000 to the 965 Weeks project from the Housing Successor Fund in December 2020. The City also rolled out its CalHome ADU/JADU Loan program for low-income households in 2022, which includes a deed restriction on the ADU or JADU to be rented to a low-income household.
4.4 Evaluate, improve, and promote City ordinances that facilitate affordable housing	<ul> <li>Evaluate, improve, and promote City ordinances that facilitate affordable housing development, including: (a) secondary units;</li> <li>(b) off-street parking standards; (c) development standards;</li> <li>(d) Planned Unit Development; (e) BMR; (f) density bonus; and (g) mixed-use/high-density residential development in Ravenswood and University Corner/Bay Road areas. Provide information on these mechanisms to developers to promote their use</li> </ul>	Timeframe: annually. The City updated its ADU ordinance in 2020 to reflect changes in state law. The City is reviewing its Development Code to make necessary updates to align with state law, and to ensure internal consistency. A targeted zoning code update is expected in 2023. 2020 and 2021 saw a significant increase in ADU applications and approvals with affordability restrictions on ADUs.
4.5 Determine feasibility of forming a local land trust	Support local land trust(s) as a way to expand affordable housing opportunities, once one is begun, or take steps to have one land trust in operation.	Timeframe: ongoing. The City participates in the Housing Endowment and Regional Trust (HEART) of San Mateo County, which is recognized by HCD as a Regional Housing Trust Fund. The City and its partners continue to implement the two-year Challenge Grant (2020-22) and subsequent Breakthrough Grant (2022-24) from the San Francisco Foundation to establish a community land trust and cooperative ownership opportunities in East Palo Alto.

4.6 Provide better information to the public and policymakers about housing issues	Develop and disseminate newsletters, fact sheets, brochures, and other mediums to communicate to the public the City's policies and programs regarding housing development in an adequate and timely manner.	Timeframe: ongoing/as-needed. City staff began a revision of the City's website in 2020, with improvements to the Planning webpage that include updated fact sheets and forms. The Inclusionary Housing Guidelines were approved by City Council in October 2020 (posted in 2021). The City submitted multiple comment letters to HCD on major housing grant programs (e.g., AHSC) and to CDLAC regarding tax-exempt bond allocations.
4.7 Encourage development on small parcels	Disseminate the design toolkit to assist developers of small parcels. This toolkit provides ideas and examples of techniques to develop small lots while providing usable open space, contributing to a pedestrian environment, and enhancing community character.	Timeframe: ongoing. No specific actions taken during the Housing Element period.
4.8 Bring wells into operation at Gloria Bay and Pad D	Bring wells into operation at Gloria Bay and Pad D site to provide potable water to the city, including completing water treatment facilities if necessary.	Timeframe: 2018. Gloria Bay Well was completed in 2018. The Environmental Impact Report (EIR) for Pad D was certified in December 2020. Construction on Pad D was near completion in 2022.
5.1 Encourage Senior Housing	Continue to support senior projects by permitting smaller unit sizes, parking requirement reduction, and common dining facilities.	Timeframe: ongoing. No new applications have been submitted for senior housing projects in the Housing Element period.
5.2 Reasonable Accommodations Ordinance	Implement the reasonable accommodation ordinance, which provides zoning and land use exceptions for housing serving persons with disabilities. The ordinance, adopted in 2011, provides people with disabilities a simple, ministerial process to receive minor exemptions to land use, zoning and building regulations. Publicize ordinance through the city's website, notices at city offices, in the city newsletter and mailings, and with relevant stakeholder groups.	Timeframe: ongoing/publicize annually. No specific actions in the Housing Element period.
5.3 Financial Assistance/Priority Planning for Affordable Housing	Provide financial assistance and priority permitting for at least one affordable housing development in East Palo Alto. Base funding decisions on the Comprehensive Affordable Housing Plan. Objective is to assist 40 units.	Timeframe: ongoing. The City Council adopted a five-year Affordable Housing Strategy in 2018; the goal was to produce an additional 500 deed-restricted affordable units. The City has permitted two affordable housing development during this time (Light Tree, 965 Weeks).

5.4 Promote Emergency Shelters	Continue to permit emergency shelters in the Industrial Transition zone of the Ravenswood Business District/4- Corners/ Specific Plan without discretionary permits. Within this zone, emergency shelters are subject to the same development and management standards that apply to the other permitted uses.	Timeframe: ongoing. The City's only shelter, a Low Barrier Navigation Center, is located outside of this zone. No emergency shelters were permitted in the Industrial Transition zone of the Ravenswood Business District/4- Corners Specific Plan in the Housing Element period,
5.5 Transitional and Supportive Housing	Continue to permit transitional and supportive housing as a residential use and only subject to those restrictions that apply to other residential uses of the same type in the same zone.	Timeframe: ongoing. No specific actions in the Housing Element period.
5.6 Encourage Transitional Housing	Accommodate and facilitate the development of additional transitional housing facilities that serve victims of domestic violence, homeless individuals, and/or formerly incarcerated persons.	Timeframe: bi-annual assessment of needs and resources. No specific action in the Housing Element period.
5.7 Single Room Occupancy (SRO) Housing	Continue to allow by right the development of Single-Room- Occupancy projects in High Density Residential Zones.	Timeframe: annual review and confirmation. No specific action in the Housing Element period.
5.8 Residential Care Facilities	Continue to enforce the spacing requirement for residential care facilities, as identified in Section 6515.5 of the East Palo Alto Zoning Ordinance, which is currently seven hundred and fifty feet (750) for facilities that house ten persons or more, and 500 feet for facilities that house 6-10 residents.	Timeframe: ongoing. No specific actions in the Housing Element period.
5.9 Implement High Priority Items	<ul> <li>Implement high priority items from Homeless Solutions Plan:</li> <li>Identify Point Person on Homelessness</li> <li>Create a Year-Round "Services Lite" Shelter</li> <li>Expand Homeless Outreach Team</li> <li>Develop Rapid Re-Housing Capacity Create Permanent Supportive Housing</li> </ul>	Timeframe: 2020. The City began regularly reporting to City Council on homelessness starting in 2021. An interdepartmental staff team continues to meet, as do monthly City-led meetings with the County of San Mateo Homeless Services Agency and service providers LifeMoves and Project WeHOPE. The County and these partners have significantly increased capacity for homeless outreach and rapid rehousing since 2020.
6.1 Rent Stabilization	Implement the Rent Stabilization and Eviction for Just Cause Ordinance.	Timeframe: ongoing. City staff continues to implement the June 2010 Rent Stabilization Ordinance adopted by the voters.

6.2 Maximum Legal Rents	Annually certify maximum legal rents that can be charged in the city.	Timeframe: annually. City staff is annually certifying the legal rents that can be charged in the City.
6.3 Working with Nonprofits	Work with non-profit housing service providers to provide education and legal assistance to secure tenant rights.	Timeframe: Ongoing. City staff refer residents to Community Legal Services and the Legal Aid Society of San Mateo County for certain housing related issues. In 2019, the City released an RFP for tenant services, and in 2020, local nonprofits Community Legal Aid Services in East Palo Alto, Youth United for Community Action, and Nuestra Casa received funding for tenant education, tenant protections, and emergency assistance. Also in 2020, the City provided additional funding to nonprofit agencies to assist tenants with COVID-19-related financial hardships and prevent evictions. The City released an RFP for tenant education and assistance in fall 2022.
6.4 Monitor BMR Units	Monitor housing units developed as part of the City's Affordable Housing Impact Fee Ordinance to ensure compliance. Monitor affordable units with deed-restrictions to ensure long-term availability of these units as affordable housing. Current terms of affordability are 59 years for ownership and 99 years for rental, both resetting when properties are sold.	Timeframe: annually. The City has contracted with EPACANDO since 2019 to administer the City's BMR portfolio. This is an ongoing endeavor that included the refinancing and re-sale of BMR units in 2020-2022.
6.5 BMR and Condo Conversion Ordinance	Monitor the effectiveness of the City's affordable housing mitigation programs, including the Affordable Housing Program and the Condominium Conversion Ordinance, as tools to facilitate affordable housing development. In particular, the fees associated with each program will be reassessed to confirm their ability to meet the City's affordable housing goals.	Timeframe: ongoing, fees are reassessed annually. City staff continues to monitor the City's BMR units and Condo Conversion Ordinance.

6.6 Affordable Housing Strategy	Develop a Comprehensive Affordable Housing Strategy to identify ways of increasing the supply of affordable housing in the city. The study should examine the success of current programs, including the density bonus ordinance, as well as the potential for new programs (e.g., affordable housing overlay zone). Topics to study include affordable housing overlay zone, the strategy should also prioritize spending for the city's affordable housing trust fund and access to affordable housing.	Timeframe: 2016. The City completed an Affordable Housing Strategy in 2018; some of the workplan items are included in this report. Staff provide updates at regular intervals to City Council.
6.7 Discourage Mobile Home Removal or Relocation	Discourage removal or relocation of conforming mobile home parks by enforcing East Palo Alto's mobile home park closure and relocation requirements.	Timeframe: ongoing. City staff ensure compliance with State laws related to mobile home parks on an ongoing basis. Since September 2020, staff have closely monitored the conversion process of the Palo Mobile Estates Mobile Home Park.
6.8 Mobile Home Park Ownership Program Funds	Assist eligible mobile home park residents in receiving Mobile Home Park Resident Ownership Program (MPROP) funds.	Timeframe: ongoing, based on State funding opportunities. Staff began preparing an application to the Mobile home Park Rehabilitation and Resident Ownership Program (MPRROP) program to support the Palo Mobile Estates conversion in September 2020 but were unable to submit the application in this cycle because the project did not yet meet key threshold criteria.
6.9 Mobile Home Funds	Work with the property owners of existing mobile home parks to prepare infrastructure studies of said parks.	Timeframe: ongoing. No specific actions during the Housing Element period.
6.10 Home Sharing Program	Support HIP Housing Home Sharing Program as part of a collection of policies, programs, and practices for addressing the housing needs of those at the lowest income levels including seniors, those living with disabilities, those at risk of homelessness and female head of households. Objective is to make 10 home sharing placements by 2022.	Timeframe: ongoing The City refers individuals to the HIP home sharing program on an ongoing basis and contributes to the Home Sharing Program annually.

7.1 Financial/Credit Counseling	<ul> <li>Make first-time homebuyer funds and mortgage enhancement available through as many means as possible, including:</li> <li>Participate in the San Mateo County Mortgage Credit Certificate Program (MCC), which aims to enhance the affordability of both new and existing homes for first- time low- to moderate-income homebuyers. Educate prospective buyers about the MCC (i.e., distribute materials), seeking to enroll at least 5 lower- and moderate-income East Palo Alto households annually.</li> <li>Provide first-time homebuyer assistance to lower- and moderate-income households with funding available from the County HOME program.</li> </ul>	Timeframe: ongoing implementation of existing programs. The City's BMR administrator, EPACANDO, provides financial counseling to homeowners in the City's BMR portfolio.
7.2 First-Time Homebuyer Assistance/Low-Interest Loans	Work with lenders and fair-housing service providers to provide credit counseling workshops in East Palo Alto that assist residents in understanding home improvement and purchase processes and how to access financing. Inform households about opportunities to increase access to housing through credit repair to enhance, while educating them to recognize predatory lending and discrimination.	Timeframe: ongoing. No specific actions during the Housing Element period.
7.3 City Resident / Employee Housing Assistance	Investigate new program possibilities that provide down payment assistance and/or low-interest loans for City employees and residents. Use new programs to provide down payment assistance and/or low-interest loans to at least five very low-, low-, or moderate- income households by 2022.	Timeframe: 2018. No actions were taken on this item in the Housing Element period.
8.1 Condominium Conversion Ordinance	Implement the Condominium Conversion Ordinance.	Timeframe: ongoing. No specific actions taken in the Housing Element period.
8.2 Replacement and Preservation of Rent- Stabilized Units	Conserve units governed by the Rent Stabilization Program by limiting commercial redevelopment which would reduce the supply of affordable units.	Timeframe: ongoing. No specific actions taken in the Housing Element period.

8.3 No Net Loss	If legally defensible, implement a no net loss housing policy ensuring that development in the West Side that results in the loss of affordable housing be required to replace that affordable housing.	Timeframe: Policy developed in 2015. Most recently, the City reviewed the Woodland Park Communities development proposal (for 605 residential units on the Westside) for compliance with the 2035 General Plan; in particular, the specific policies within Chapter 11 (Westside Area Plan) that require newly- rezoned properties to provide affordable housing.
8.4 Short-Term Rentals	Monitor the use of homes as short-term vacation rentals. If appropriate, consider additional legislation.	Timeframe: annually. The City began study of a short- term rental ordinance in 2020, with specific updates to the Transient Occupancy Tax (TOT) policy related to short- term rentals included as part of a 2020 ballot measure. The ballot measure did not succeed and work on short-term rental policy was temporarily de-prioritized due to the COVID-19 pandemic. This work has not resumed.
9.1 Public Outreach on health and safety	Distribute literature on the health and safety risks of lead- based paint and continue to work with the San Mateo County Housing and Code Enforcement Division to explore resources and programs available to address lead-based paint in the City's housing stock.	Timeframe: ongoing. City staff refer residents to the County Health Department for health issues related to housing. No specific actions during the Housing Element period.
9.2 Home Repair Program	Refer East Palo Alto homeowners to the San Mateo County Housing and Community Development Division's Home Repair Program and explore ways to increase homeowner participation. Disseminate information on the Home Repair Program through brochures available at public counters and the City's website.	Timeframe: ongoing, through referrals. This program is no longer available. While partnerships with Rebuilding Together and other organizations provided assistance to households with unpermitted garage conversions prior to 2020, some programs are longer funded. Staff continues to disseminate information about resources such as Habitat for Humanity, dependent on funding.
9.3 County Funded Rehabilitation Program	Inform homeowners on the availability of County-funded rehabilitation assistance with County brochures and multi- lingual postings to the City of East Palo's website. Work with the County to host local workshops on rehabilitation assistance for City residents.	Timeframe: ongoing. Staff provides information at the counter and on the City's website, but this is dependent upon availability of programs. The City is not aware of any rehabilitation assistance programs at this time.
9.4 Rehabilitation of Programs (Home)	Assist eligible extremely low-, very low-income and low- income homeowners in the City in pursuing funds to aid in the rehabilitation and renovation of their homes.	Timeframe: ongoing. No specific actions in the Housing Element period.

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9.5 Foreclosure Assistance	Provide resources for homeowners facing foreclosure on the City's website, including links to loan servicers and agencies that can provide counseling and legal assistance.	Timeframe: ongoing. Residents are referred to Community Legal Services and the Legal Aid Society of San Mateo County for foreclosure issues.
9.6 Affordable Project Housing Management	For affordable housing projects that have received financial assistance from the City, identify projects where a history of complaints and failed inspections by authorized agencies indicate continued and uncorrected mismanagement. Contact identified property managers to determine a Timeframe: for correction or negotiate change in property management per the stipulations set forth in the financial agreement between the City and the affordable housing developer.	Timeframe: ongoing. The City reviews annual compliance reporting from all deed-restricted multifamily housing sites in East Palo Alto. In February 2020, the City issued a Notice of Default to the Courtyard at Bay Road Apartments for non- compliance and Health and Building Code violations. The City continued to follow up in 2020 with the owner. This activity is ongoing.
10.1 Fair Housing Program Referrals	Support, publicize, and make referrals to fair housing and legal assistance programs that provide information, counseling, and investigation services concerning housing discrimination. Publicize ordinance through the city's website, notices at city offices, in the city newsletter and mailings, and with relevant stakeholder groups.	Timeframe: ongoing. City staff, on an ongoing basis, refer residents to housing and legal assistance programs concerning housing discrimination.
10.2 Predatory Lending Protections	Support local, regional, State, and federal initiatives in addressing predatory lending practices to protect the most vulnerable segments of the community.	Timeframe: ongoing. City staff, on an ongoing basis, refer residents to local, regional, State and Federal initiatives tha address predatory lending.
10.3 Housing Discrimination Prevention	Support private and public efforts to prevent discrimination in the sale or rental of housing.	Timeframe: ongoing. City staff comply with state and federal laws related to fair housing.
11.1 Annual Housing Element Monitoring	Allocate financial and staff resources to maintain a monitoring system that collects information on the accomplishments and lessons learned of concerning the Housing Element's objectives and programs. Prepare detailed progress report for review by the City Council, stakeholders, and the general public.	Timeframe: annually, through annual progress reports. City staff annually prepare a Housing Element Progress Report in accordance with State law.

11.2 Housing Study Sessions	The City Council shall hold public meetings and study sessions to discuss various housing policies in the city and to exchange input and information with residents and developers about housing needs, resources, and program options. To the extent possible, publish a schedule of study sessions.	Timeframe: annually, through public meetings and study sessions. Study sessions were held throughout the Housing Element period on a variety of housing topics, including individual residential developments, the Inclusionary Housing program, and a potential affordable housing overlay zone.
11.3 Website Updates	Update the website and explore other means to communicate important housing concerns, policies, and programs to the general public.	Timeframe: ongoing, overview and update annually. The City migrated its website to a new platform in 2020 and staff continues to improve department webpages.
11.4 Annual Housing Reports	Report to the City Council on the state of housing in East Palo Alto.	Timeframe: annually. The City provides semiannual updates to the City Council on progress on the 5-year Affordable Housing Strategy and other housing topics throughout the year.
12.1 Enforce State Energy Codes	Enforce State Energy Code for new residential construction and additions/renovations to existing structures.	Timeframe: ongoing. Building Division staff, on an ongoing basis, enforce the State Energy Code for new residential and additions/constructions to existing units. The City adopted a Building Electrification and Electric Vehicle Infrastructure Reach Codes Ordinance in October 2020.
12.2 Grants for Energy Efficiency	Pursue funding sources for rehabilitation loans and grants to low-income homeowners to improve energy efficiencies, such as replacing existing energy inefficient appliances.	Timeframe: ongoing. No specific actions during the Housing Element period.