



# CITY OF EAST PALO ALTO AFFORDABLE HOUSING STRATEGY

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# EAST PALO ALTO AFFORDABLE HOUSING STRATEGY

## SUMMARY OF GOALS

**Goal 1: Create 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: Preserve Existing Affordable and Rent Stabilized Housing.**

**Goal 4: Prevent Displacement of East Palo Alto Residents.**

**Goal 5.1: Apply Environmental Justice Principles in Planning for New Housing Development.**

**Goal 5.2: Expand and Establish Programs to Promote Fair Housing Practices for East Palo Alto Residents.**

**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 Affordable and Special Needs Housing.**

# INTRODUCTION

## Purpose of the Strategy

Through the *2019-2023 City of East Palo Alto Affordable Housing Strategy*, the City of East Palo Alto (the City) established a series of goals and actions to increase the availability of affordable housing to meet the needs of East Palo Alto residents. The *2024-2028 City of East Palo Alto Affordable Housing Strategy* (the Strategy) builds on these past efforts, what we heard from the community during Housing Element meetings held in 2021 and 2022, and the commitments made in the *2023-2031 Housing Element*.



The Strategy outlines the City of East Palo Alto’s commitment to the creation of new, deed-restricted affordable housing while also funding efforts to help East Palo Alto residents stay in their homes through programs that support renters through rent stabilization and rent supports, and homeowners through home repair programs.

In addition to the specific goals and policies articulated in the Strategy, this document also describes the recommended actions that will make it possible for staff to implement the Plan.

## Background on Affordable Housing in East Palo Alto

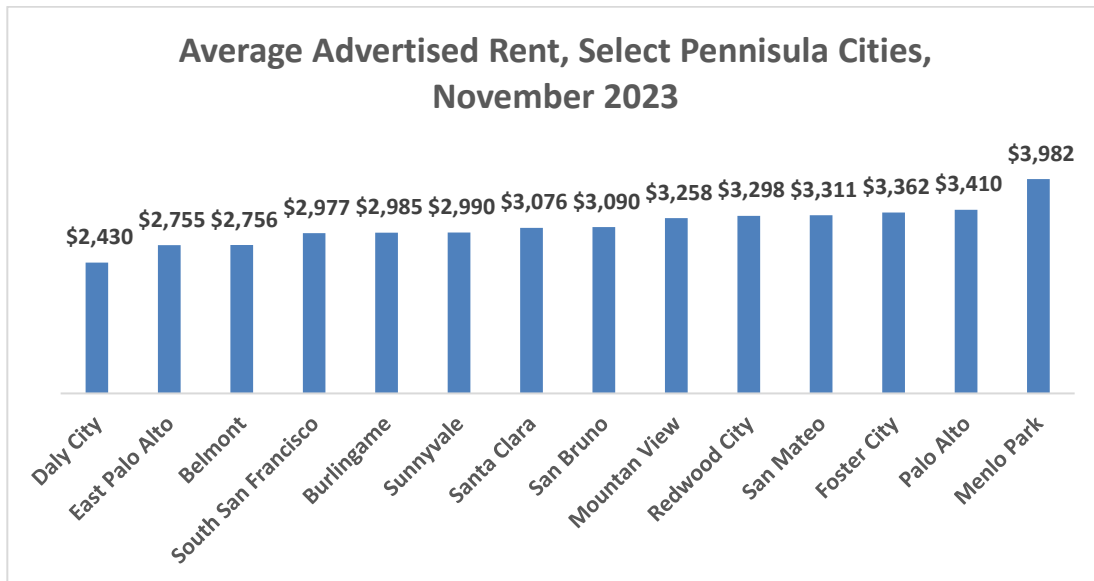
The City’s substantial affordable housing needs result largely from two factors: 1) the high cost of housing, and 2) low incomes of East Palo Alto renter households. To better understand this need it is important to know the city’s history and the ways in which East Palo Alto has changed substantially over time. The entire Peninsula was the home of Ohlone Native Americans, whose lands were taken first by Spanish ranchers and then by U.S. settlers moving west. Prior to World War II, many Japanese flower growers and farmers had made what became East Palo Alto their home, but most were incarcerated in concentration camps for the duration of World War II. Few returned to the area after the war, and East Palo Alto’s farms were turned into housing developments in the post-World War II suburbanization of the Peninsula. In the mid-1950’s, East Palo Alto changed again, as realtors used “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 at inflated prices to Blacks/African Americans who faced property deed restrictions, anti-Black federal lending policies, land covenants, and discrimination in other Peninsula communities. As a result, East Palo Alto became the home to the largest Black/African American community on the Peninsula, segregated from the wealthier towns in the region.<sup>1</sup>

<sup>1</sup> Change, Julianna (2020). “A Tale of Two Cities: How racism in housing deeds, redlining and gentrification led to the stark divide

East Palo Alto was incorporated as a city in 1983, and soon thereafter passed rent stabilization protections including a Just Cause Eviction Ordinance. East Palo Alto remains the only San Mateo County jurisdiction with these protections for renters, though San Mateo County does provide some protections for mobile home residents.

Over time, East Palo Alto has continued to change, and because of its proximity to major high tech employers, faces significant pressures on housing costs, leading to both gentrification and displacement. There has been a precipitous decline in the Black/African American population, from 61 percent of the population in 1980, to 13 percent in 2022.<sup>2</sup> East Palo Alto remains a diverse community, however; as of 2022 61 percent of East Palo Alto residents are Hispanic or Latino, 13 percent are Black or African American, 12 percent are White, six percent are Asian, five percent are Native Hawaiian or other Pacific Islander (mostly Tongan), three percent are of two or more races (non-Hispanic/Latino), and one percent are American Indian and Alaska Native or of some other race.<sup>3</sup>

While rents are lower in East Palo Alto than in San Mateo County as a whole, the median gross rent (rent and utilities paid by the tenant) is \$2,142 in East Palo Alto, compared to \$2,805 for San Mateo County. These 2022 rents, as measured by the American Community Survey, are based on all renters, including long-term renters with rent stabilization protections. Average advertised rents for new tenancies are higher than the median gross rents for existing tenants. Rent Café reported that the average advertised rent for East Palo Alto in November 2023 was \$2,755, among the lowest of Peninsula area communities with data available. Even though rents are lower in East Palo Alto, a household would need an income of \$110,200 to afford the average advertised rent, significantly higher than the median household income of East Palo Alto renters of \$69,683.<sup>4</sup>



Source: Rent Café, November 2023 data, [www.rentcafe.com](http://www.rentcafe.com). Data is not available for communities with a small number of rentals.

between Palo Alto and East Palo Alto. *The Oracle*. Accessed 9/13/2023 at [The Oracle | A Tale of Two Cities: How racism in housing deeds, redlining and gentrification led to the stark divide between Palo Alto and East Palo Alto \(gunnoracle.com\)](https://www.gunnoracle.com).

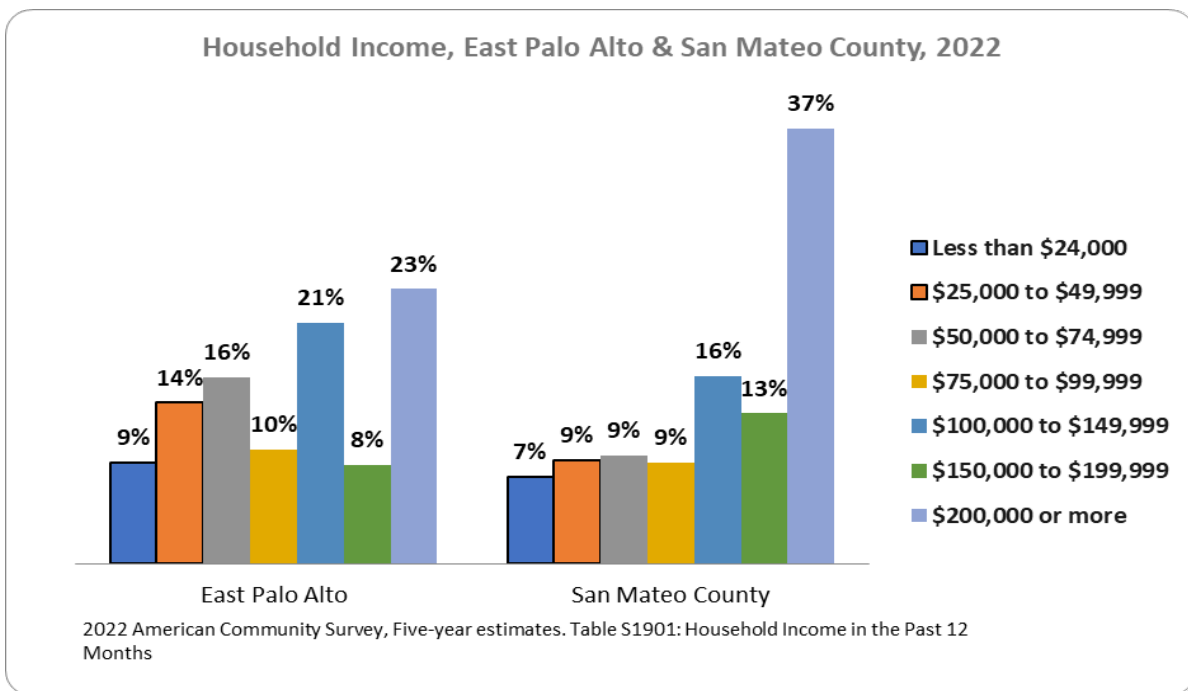
<sup>2</sup> Source: <http://www.bayareacensus.ca.gov/cities/EastPaloAlto70.htm> and the 2022 American Community Survey, five-year estimates, Table DP05

<sup>3</sup> US Census Bureau, Census 2020.

<sup>4</sup> US. Census Bureau, 2022 American Community Survey, 5-year estimates, Table B25119

Home values are also lower in East Palo Alto, as the 2022 median value of all homes was \$1,087,200 in East Palo Alto, compared to \$1,441,300 for San Mateo County.<sup>5</sup> Homeownership is out of reach for East Palo Alto renter households—The median household income for renters is \$69,683, and given today’s high interest rates, the median renter household can only afford to purchase a home priced at \$185,000.<sup>6</sup>

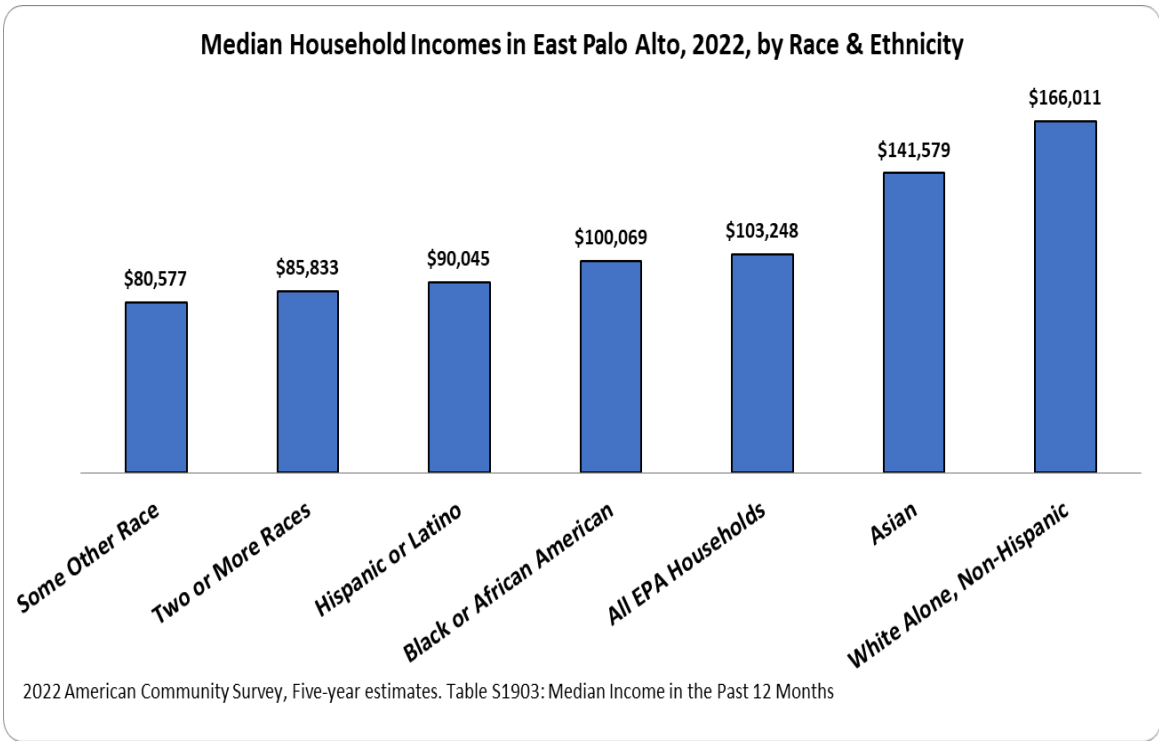
While housing costs are lower in East Palo Alto than many other communities in the region, incomes are also lower. The median household income in East Palo in 2022 was \$103,248, compared to \$145,388 for San Mateo County. While 37 percent of San Mateo County households have incomes greater than \$200,000, the same is true for only 23 percent of East Palo Alto households. In addition, 39 percent of East Palo Alto households have incomes of less than \$75,000, compared to only 25 percent of San Mateo County households.



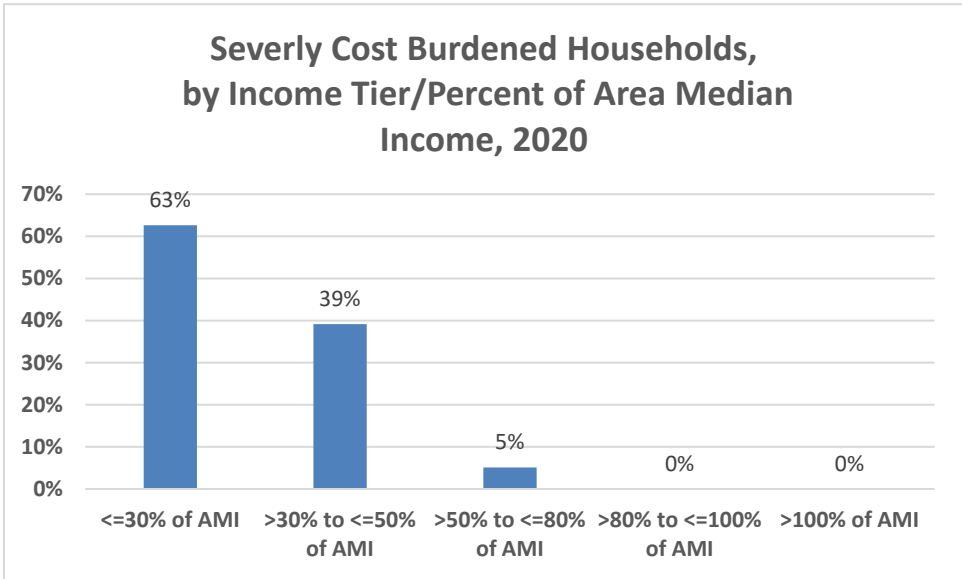
There are significant racial and ethnic disparities in income in East Palo Alto. While the median household income in 2022 for all households was \$103,248, it was \$90,045 for Hispanic or Latino households, \$100,069 for Black or African American households, but \$141,579 for Asian households and \$166,011 for White non-Hispanic/Latino households.

<sup>5</sup> Source: US Census Bureau, 2022 American Community Survey, 5-year estimates, Table DP04. Gross rent includes rent paid and utilities paid directly by the renter.

<sup>6</sup> Calculation based on 5% downpayment, 6.17% interest rate (Freddie Mac Mortgage Interest Rate Survey, 2 year rolling average 1/18/2024), PMI Rate of 1.1% (Freddie Mac), Property Tax Rate of 1.0907% (San Mateo County Assessor’s Office), homeowner property insurance rate of 0.49% (Bank Rate average CA insurance rate), and a housing debt ratio of 28%.

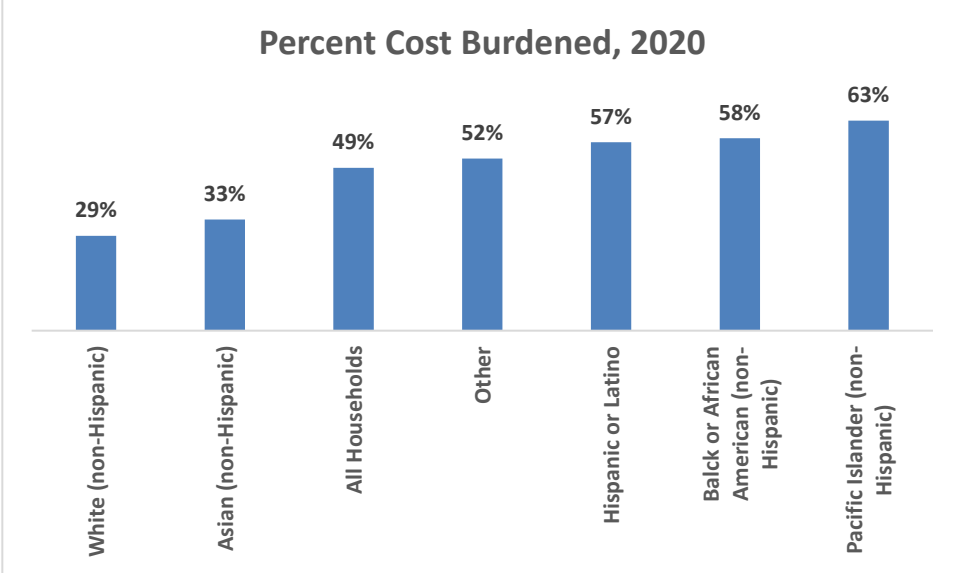


Given the combination of high housing costs and lower incomes, a high percentage of East Palo Alto residents are housing cost burdened (paying more than 30 percent of their income to housing costs), and therefore at risk of displacement and homelessness. Of all households, 49 percent are cost burdened, with 43 percent of homeowners and 54 percent of renters being cost burdened. A household is considered severely cost burdened if they pay more than 50 percent of their income towards housing. In East Palo Alto, 25 percent of all households are severely cost burdened, with 20 percent of homeowners and 29 percent of renters were severely cost burdened. Almost all severely housing cost burdened households have incomes of less than 50 percent of Area Median Income (\$93,200 for a family of three).



Source: US Census Bureau and HUD, 2020 American Community Survey, 5-year estimates, CHAS data.

The racial and ethnic disparities in income play a role in who is more likely to be cost burdened, as 58 percent of Black/African American and 63 percent of Hispanic/Latino households are cost burdened, the same is true of 29 percent of White households and 33 percent of Asian households, revealing that housing is an issue of both income *and* race and ethnicity.



Source: US Census Bureau and HUD, 2020 American Community Survey, 5-year estimates, CHAS data.



## Guiding Principles

When drafting the first Strategy, Staff identified the need to articulate the values that will guide the development of the City’s goals and implementation of the recommended actions. These guiding principles have remained the same through this iteration of the Strategy:

<p><b>Empathy</b></p>	<p>Every resident of East Palo Alto deserves access to decent, safe, and sanitary housing. Although East Palo Alto does not have the financial resources or developable land to build housing for every resident, our efforts to explore all potential options must be driven by a belief that all residents have the same rights to housing and a compassionate concern for their needs.</p>
<p><b>Anti-displacement</b></p>	<p>Anti-displacement/gentrification is a major concern for East Palo Alto’s residents and the City Council. The Strategy outlines several strategies and objectives that can help assure that current residents of East Palo Alto can stay in their communities.</p>
<p><b>Opportunity + Investment</b></p>	<p>East Palo Alto has limited financial resources to invest in many of the community development and public infrastructure activities that other jurisdictions routinely fund. The development of new rental affordable housing may serve as a catalyst for the City to secure both Federal and State funding to improve the public infrastructure surrounding an affordable development.</p>
<p><b>Equitable, Integrated, and Diverse Communities</b></p>	<p>The Strategy outlines several actions that would lead to a more integrated and diverse community.</p>
<p><b>Transparency</b></p>	<p>As the Strategy is implemented, it is imperative that the public, affordable housing developers, local non-profit organizations, and other stakeholders are kept apprised of the City’s progress and available resources. The City is committed to:</p> <ul style="list-style-type: none"> <li>■ Providing the City Council and community with periodic updates on the Strategy’s progress and will devote a page on the City’s website that will report results in real time.</li> <li>■ Being transparent with both revenues and expenditures spent so that the community can track the progress and effectiveness of the City’s affordable housing resources and development partners are aware of resources that can help them to propose and complete affordable housing developments.</li> </ul>



## **Structure of the Strategy**

### **REVIEW OF THE 2019-2023 GOALS AND ACTIONS**

The goals and actions from the 2019-2023 Affordable Housing Strategy are reviewed, providing background on recent City efforts, which inform the 2024-2028 strategy.

### **GOALS AND ACTIONS**

The Strategy describes an ambitious set of goals that may enable the City of East Palo Alto to increase the supply of housing that is affordable to residents and improve the critical systems that make more housing available. Each goal is explained and further defined through several specific recommended actions that will lead to achieving the intended outcome.

### **PROGRAMMATIC SOURCES AND USES FOR HOUSING**

The Strategy is based on an understanding of current opportunities in both developing affordable housing and maximizing those opportunities to meet the current need. The section outlines how funds currently available to the City of East Palo Alto can leverage federal, state, and other funding to create affordable housing. This section also outlines efforts the City of East Palo Alto is undertaking to fund programs that will help East Palo Alto residents (both renters and homeowners) stay in their communities.

### **WORKPLAN**

The recommended actions comprise an actionable work plan that will advance the City of East Palo Alto's affordable housing goals over a projected 5-year period. The East Palo Alto Affordable Housing Strategy Work Plan Schedule is attached to the Strategy, providing a snapshot of when these goals will be completed.

## REVIEW OF THE 2019 TO 2023 GOALS AND ACTIONS

The 2019-2023 *City of East Palo Alto Affordable Housing Strategy* set out a series of goals to address the affordable housing needs for East Palo Alto residents. Below are the outcomes of the major goals.

- **Adopt a Housing Strategy:** The City adopted the 2019-2023 housing strategy in late 2018, and the City is committed to revising the strategy for 2024-2028.
- **Create New Deed Restricted Affordable Housing Units:** The goal was that 500 new deed restricted affordable housing units would have been completed, started construction, or been approved during the life of the plan. From 2019 to 2022, the City approved 251 units, meeting 50 percent of the goal. Successes include the Colibri Commons project, which will bring 135 deed restricted housing units to a City-owned site at 965 Weeks Street, and Certificates of Occupancy were issued for 185 rehabilitated (94 units) and new deed restricted units (91 units) at Light Tree Apartments on East Bayshore Road.
- **Establish a Local Preference for Affordable Housing:** To facilitate East Palo Alto's anti-displacement efforts, East Palo Alto created a local preference in 2020 for those who live in East Palo Alto for its affordable housing lotteries.
- **Preserve Existing Affordable Units:** The goal was to preserve and extend deed- restrictions on 200 units of existing affordable housing. The City took steps to preserve 238 units, and no units of affordable housing were lost between 2019 and 2023. Preservation efforts include the extension of affordability terms for 75 units at the Courtyard at Bay Road, a \$7 million infusion of cash to renovate the 32 units at Nugent Square, the renovation of 37 units at Bay Oaks, and the rebuilding and renovation of 94 units at Light Tree, totaling 201 preserved affordable units among these three apartment complexes.
- **Increase Housing Opportunities for Unhoused Individuals and Families:** The City had a goal of creating 80 housing opportunities for those who have experienced homelessness. This goal was to be met through the creation of 17 safe parking spots for those living in RVs at the RV Safe Parking Program. East Palo Alto met this goal by spending \$1.4 million over five years to establish and maintain the RV Safe Parking program at 1798 Bay Road that helped 116 individuals over the life of the program. The RV Safe Parking program was hosted on the city-owned site and concluded the program on October 31, 2023. In addition, eight units at Colibri Commons and nine units at Light Tree (No Place Like Home) are being set aside for the formerly unhoused.
- **Re-Establish the City's Inclusionary Housing Ordinance:** On November 19, 2019, the City Council adopted Ordinance No. 425, the Inclusionary Housing Ordinance, adding Chapter 18.37 to the City of East Palo Alto Development Code. The Ordinance applies to all new residential development. The updated code can be found in the [City of East Palo Alto Municipal Code](#). This new ordinance provides direction and transparency for affordable housing developers and requires payment of in lieu fees

from projects with fewer than five units. For projects with five or more units, 20 percent of the units must be deed restricted. Payout and off-site options are also available, at 25 percent of required units. The program serves an economically diverse set of households, with maximum incomes ranging from as low as 35 percent of Area Median Income for a portion of the rental units, to 100 percent of Area Median Income for a portion of the ownership units. The City has established a web page with [details and guidance](#) on the policy.

- **Create Additional Accessory Dwelling Units (ADUs):** The City had a goal of approving 50 ADUs between 2019 and 2023. The City exceeded this goal as 112 ADUs received building permits and/or received a Certificate of occupancy in East Palo Alto from 2019-2022. In addition, the City secured a CalHome grant to launch a [new program](#) that provides up to a \$100,000 low interest loan for income eligible owners to create a deed restricted ADU on their property.
- **Support Housing Rehabilitations or Solar/Electric Vehicle Installations for Single Family Owner-Occupied Homes:** The City committed to using Housing Rehabilitation Programs and partnerships to assist 50 homeowners with home rehabilitations and/or installations of solar energy systems & EV charging stations. While 22 households were assisted in 2019, the county's home repair program was discontinued in 2020.
- **Add Capacity for Stewardship + Monitoring of the City's Affordable Housing Assets:** In 2019, the City contracted out the monitoring of its Below Mark Rate (BMR) homeownership units to EPACANDO. In addition to the monitoring of units, those interested in purchasing a BMR unit at resale can sign up to be notified when a unit becomes available. For more info, see <https://epacando.org/bmr-home-ownership/>.
- **Transparency + Reporting:** To demonstrate responsible stewardship and a commitment to developing the City's potential housing resources, the City committed to a series of reporting actions that would lead to transparency and regular coordination with decision-makers, partners, and the community. The City created reports in 2019 to track the efforts toward fulfilling the last affordable housing strategy. While those reports did not continue during and after the COVID-19 pandemic, the City continued to complete State required Annual Performance Reports on housing production and efforts to meet the goals of the last Housing Element. The City also began a revision of the City's website in 2020 with improvements to the Planning webpage that include updated fact sheets, forms, and, in 2021, the revised Inclusionary Housing Guidelines.
- **Increase City's Voice in Housing Advocacy Efforts:** The City of East Palo Alto committed to playing a larger role in policy/advocacy to expand and preserve affordable housing in East Palo Alto, and to provide constructive solutions for the larger regional problem. Actions taken from 2019 to 2023 include multiple comment letters to the California Department of Housing and Community Development (HCD) on major housing grant programs and to the California Debt Limit Allocation Committee (CDLAC) regarding tax-exempt bond allocations. The City also committed funding toward increasing tenant groups' voices through the Measure O/Measure L Anti-Displacement Services contract.

## GOALS AND ACTIONS

This affordable housing strategy lays out a series of efforts the City of East Palo Alto will take over the next five years to address the housing needs of East Palo Alto residents. The City will incentivize and create deed restricted, affordable housing, preserve existing affordable housing, and maintain or create programs and policies that reduce the displacement of East Palo Alto homeowners and renters. In doing so, the City is committed to also addressing a range of fair housing concerns including racial disparities in homeownership, the housing needs of special needs populations, and the ongoing displacement of Black, Indigenous, and People of Color (BIPOC) households.

The goals and actions outlined here closely align with the goals set out in the 2023-2031 Housing Element, though this strategy focuses on affordable housing and the needs of low- and moderate-income households, not goals related solely to overall housing production, and narrows the focus on what is achievable over the next five years, not the eight years outlined in the Housing Element.

### GOAL 1 | Create More Housing that is Affordable to East Palo Alto Residents

To fulfill the five-year affordable housing requirements of the Housing Element, over 260 deed-restricted, affordable housing units will need to be approved, start construction, or be completed in East Palo Alto during the 6th cycle Housing Element to meet the City's RHNA. East Palo Alto should be able to meet or surpass this goal. There are already 148 inclusionary housing units in the pipeline, and the City of East Palo Alto has the capacity to fund up to 122 units in 100% affordable housing developments (see Resources section). While achievable, success will depend on the City of East Palo Alto reducing government barriers to construction, providing funding and city owned land, and working closely with affordable housing developers.

#### **Implement measures to reduce overall processing times for residential development applications while maintaining robust community outreach and engagement.**

By simplifying the development approval process affordable housing can be created more quickly and at lower cost.

- 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. Target: Strive for the following planning application processing timelines by the end of the Housing Element period:
  - Ministerial/By-Right: 1-3 months from a complete application;
  - Discretionary - Planning Commission approval authority: 4-6 months from a complete application, not including projects appealed to City Council; and
  - 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).

- 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 administrative 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.
- Policy 1.2: Implement existing processing guidelines for projects that qualify for by-right, ministerial, or administrative approval and CEQA exemption under SB 25, SB 330, the Housing Accountability Act, and other applicable state laws.
- Policy 1.3: Program: Review and adjust building permit review and approval procedures as needed to comply with the streamlining requirements in State law AB 2234.
- 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, at-risk youths, large family households, extremely low-income households, and unhoused individuals.

### Incentivize Affordable Housing Development

In addition to making affordable housing development easier through simplifying processes. East Palo Alto can take additional steps to incentivize affordable housing 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 79unit 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. Target: Approve 851 Weeks as SB35 project or designate site for by-right approval for a qualifying project by Spring 2024.
- 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. 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,)

**Encourage smaller smaller-scale housing that is relatively more affordable, including duplexes/triplexes and accessory dwelling units (ADUs), and incentivize the creation of deed restricted units within these properties.**

By reducing the barriers to the creation of smaller properties, East Palo Alto will make it easier for the creation of both deed-restricted affordable housing, as well as housing that is naturally more affordable than occupying a full single-family home.

- 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 also 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.
- 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 development of 5 SB 9 and small infill housing projects to increase housing opportunities and housing types throughout the community. Target: Assist property owners to approve eight (8) SB9 units during the 6th 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.)
- 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 to assist.
- 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 (such as Habitat for Humanity, Rebuilding Together, and others) 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 72 new or legalized ADUs in single-family zoning districts between 2024 and 2028.

**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.**

East Palo Alto can increase the availability of affordable housing through strategic investments in new and existing affordable housing projects, while also assisting residents with other programs, such as rental relief. To implement this goal, the City will strive to commit 50 percent of Measure HH funds to the creation and preservation of affordable housing.

- 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.
- Program 1.16: Complete passage of this five-year strategic affordable housing plan to implement the 6th Cycle Housing Element goals, policies, and programs, and 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. Target: Adopt the AHS with numerical goals and place-based funding priorities to implement the goals, policies, and programs in the Housing Element.
- Policy 1.17: The Planning, Public Works, and Housing Departments will collaboratively pursue state grant funds wherever possible to support affordable housing projects and programs 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.**

In addition to reducing zoning barriers to the construction and seeking funding for affordable housing, East Palo Alto can take steps that reduce the cost of developing affordable housing.

- Policy 1.18: Use the opportunity of the Ravenswood Business District (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.

- Policy 1.20:<sup>7</sup> Incorporate parking reductions into the City’s Transportation Demand Management Program to comply with state law AB2097 that eliminates parking minimums within one-half mile of major transit stops for affordable housing projects.

### **Encourage housing on sites zoned for mixed use in the Ravenswood/4 Corners Specific Plan Area.**

Through the planning process for the Ravenswood/4 Corners area, additional affordability can be incentivized.

- 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 in summer 2024. (See also related Program 10.8)

### **Develop Affordable Housing on Public Property**

The cost of land and limited space for affordable housing is a challenge most cities face. By providing public land, East Palo Alto could create more opportunities for deed restricted, affordable housing to be developed.

- Program 1.23:<sup>8</sup> Work with County of San Mateo to complete land swap and determine feasibility of the County developing affordable housing at 2277 University. Comply with the Surplus Lands Act. (This project is not included in Sites Inventory but could potentially be constructed during Housing Element 6th Cycle). 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.
- Program 1.24: Work with the Ravenswood City School District to facilitate the development of the district-owned parcel at 2120-2160 Euclid Avenue as affordable housing. Comply with the Surplus Lands Act. Target: There is a pending application to develop 430 units of affordable housing for lower income households on the site.

### **Incentivize “missing middle” housing, or smaller-scale housing that is affordable to households at 80-120% of Area Median Income.**

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<sup>7</sup> Policy 1.19 was omitted from the 2023-2031 Housing Element. As such, to maintain numbering consistency with the Housing Element, there is no policy 1.19 in this document, either.

<sup>8</sup>Policy 1.22 was omitted from the 2023-2030 Housing Element. As such, to maintain numbering consistency with the Housing Element, there is no policy 1.22 in this document, as well.

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. Target: Assist property owners to approve eight (8) SB9 units during the 6th 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.)

### **Monitor progress on Housing Element Policies, Programs, and Sites Inventory.**

By monitoring the progress of the 2023-2031 Housing Element goals, East Palo Alto will be able to revise policies and programs to address challenges that may arise when creating affordable housing.

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 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 | Promote and Preserve Homeownership**

Homeownership provides stability for families and a means to build wealth. The City supports efforts to increase homeownership, especially for low- and moderate-income households, which could include deeper subsidies, shared equity models of homeownership, and sweat equity initiatives.

### **Promote financial literacy as a means of encouraging homeownership and support first-time homebuyers.**

- Policy 2.1: In partnership with non-profit partners the City will develop a homebuyer support program or programs tailored to the needs of lower and moderate-income households in East Palo Alto, prioritizing outreach to neighborhoods with a proportionally higher percentage of rental households, such as the westside of Highway 101. Target: Propose a homebuyer support program with a goal of assisting a minimum of eight (8) residents during the 6th cycle Housing Element period.
- Policy 2.2: With the assistance of the City's grant coordinator, seek and apply for funds from state, federal, and other sources to create and finance a homebuyer support program.

### **Create pathways to affordable homeownership opportunities.**

- Policy 2.3: One pathway to homeownership is through tenant purchase of their buildings, such as on their own or through a community land trust or housing trust fund. The City hopes to create a program that will facilitate a minimum of two single family and one multi-family tenant purchases between 2024 and 2028.

### **Advocate for homebuyer and homeownership programs at the county, regional, and state levels.**

- Policy 2.4: East Palo Alto will continue to work with its partners to advocate homebuyer and homeownership programs, including exploring shared and sweat equity models, at the Federal, State, County, and regional levels.

## **GOAL 3 | Preserve Existing Affordable and Rent Stabilized Housing**

To assure housing stability for existing residents, it is important to preserve housing that is affordable to East Palo Alto residents. These affordable units are community assets that cannot be replaced easily.

### **Ensure that the City's deed-restricted affordable housing and Below Market-Rate (BMR) portfolio remains well-maintained and monitored.**

- Program 3.1: Continue working with the BMR Administrator 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, and evaluating, as needed, the Local Preference Guidelines. Target: Maintain 53 existing BMR units and add at least eight (8) new BMR ownership or rental units during the 6th cycle Housing Element period.

### **Improve data on the affordability of the City's rental housing stock outside of the Rent Stabilized portfolio.**

- Program 3.2: With the allocated City Council funding, implement the rent registry program.

### **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 and conduct proactive outreach to East Palo Alto residents.

### **Protect and preserve the City's supply of rent-stabilized affordable housing units.**

- 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 increases, to protect tenants from unlawful evictions, to address health, safety, and code enforcement issues, and to allow landlords sufficient rental income for maintenance and operating expenses and capital improvements. Target: The City plans to assist the approximately 2,500 registered units under the Rent Stabilization Ordinance.

### **Monitor Changes in State Law Related to Rent Stabilization**

- Policy 3.5: The City will monitor any changes to state law related to rent stabilization and if possible, update the Rent Stabilization Ordinance to provide greater protections.

## **GOAL 4 | Prevent Displacement of East Palo Alto Residents**

Given high rents and sales prices, it is crucial that the City take action to help East Palo Alto residents stay in their communities.

### **Connect the creation of new jobs in the City from commercial development to the creation of new housing at the appropriate affordability levels.**

New jobs create the need for additional housing, at a range of price levels and affordability. City policies can assure that these new jobs help to support housing affordable to both new and existing residents.

- Policy 4.1: As part of the Ravenswood Business District (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 the RBD. Target: This plan should allow for the creation of between 1,350 and 1,600 new housing units, of which 220 should be approved/entitled between 2024 and 2028.
- Program 4.2: Participate in countywide nexus study led by 21 Elements to update the existing Commercial Linkage Fee.

### **Promote the preservation of existing housing stock and rehabilitation of housing that is at-risk due to age, structural deficiencies, etc.**

- 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.) Target: Identify properties and reach out to organizations to achieve the minimum targets in Policy 4.6 during the 6th cycle Housing Element period.

- 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. Target: Through these efforts, the City hopes to preserve or conserve the affordability of at least thirteen (13) substandard or at-risk units; set a goal to improve a minimum of thirteen (13) substandard or at-risk units between 2024 and 2028.
- Policy 4.5: Study improvements to the City’s process for addressing health, safety, and code violations on residential properties, including, but not limited to, unpermitted second units.
- Program 4.6: Develop 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. The City will prioritize neighborhoods with a concentration of units in need of rehabilitation (as outlined in the Housing Element, 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). Target: Propose a program with a goal of renovating a minimum of four single-family and 13 multi-family homes between 2024 and 2028.

#### **Support housing stability of existing lower-income homeowners and enable the community’s seniors to age in place.**

- Program 4.7: Research establishing and funding a City home repair program to assist low-income homeowners with major repairs and rehabilitation to address acute safety and livability issues. The program would also assist seniors to “age-in-place” and install necessary accessibility improvements. Develop a public outreach plan and inform homeowners of financial assistance available from other agencies such as energy conservation and electrification incentives. Assistance will be targeted to lower-resource neighborhoods outlined in the AFFH analysis (including, but not limited to, westside of State Highway 101 and south of Bay Road west of University). The City has a goal of assisting five to ten low-income homeowners between 2024 and 2028.
- Policy 4.8: Continue to implement public accessibility improvements in accordance with the City’s ADA Compliance Plan and allow for reasonable accommodations through Municipal Code Chapter – Reasonable Accommodations and Development Code Chapter 18.98 – Reasonable Accommodations as needed to comply with all applicable state laws.
- Policy 4.9: Study models of foreclosure prevention in similarly sized cities, whether through local

investment or leveraging outside funding and evaluate establishing a mortgage assistance program for low-income households, with the goal of assisting at least three (3) homeowners between 2024 and 2028.

#### **Promote community/cooperative ownership of land and housing in East Palo Alto.**

- 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, sweat equity projects (such as Habitat for Humanity or Rebuilding Together, and others), or preservation projects. The City's goal is to 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.

#### **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 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. The City has a goal of providing direct emergency financial assistance or rent relief to 30 households per year, subject to funding availability. To support this effort, the City will seek out a permanent source of funds for rental assistance.
- Program 4.12: Develop a proposal for City Council consideration for a direct financial assistance program for lower-income tenants that cannot pay their first and last month's rent, security deposit, or other move-in expenses.

#### **Implement an effective and fair housing compliant Local Preference Policy.**

- Policy 4.13: Complete and enforce guidelines on the City's existing Local Preference Policy for inclusionary housing for-sale and rental units. Periodically evaluate the guidelines and adjust as needed.

#### **Provide access to living wage jobs to allow residents to afford to remain to live in East Palo Alto.**

- Program 4.14: East Palo Alto residents passed Measure HH in 2018, which created a parcel tax on large office developments. Funds from Measure HH can be used to 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. The City's goal is to assist at least eighty (80) East Palo Alto residents through the Pilot Workforce Development Program during 2024-2025 and evaluate continuing and expanding the program beyond 2025.

## **GOAL 5.1 | Apply Environmental Principles in Planning for New Housing Development**

East Palo Alto faces simultaneous challenges of rising sea levels and potential shortages in clean, drinkable water. These challenges directly affect the ability to build new affordable housing and protect existing housing and residents.

### **Adopt policies and programs to address environmental justice issues in the community.**

- 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 the Housing 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.
- 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 identified as developable in the Housing Element 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 in accordance with state law (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.



- Program 5.6: Develop an environmental “overlay” map with the most up-to-date data to avoid housing in at- risk areas or with prescribed mitigation measures.

**Prioritize flood control, infrastructure, and transportation improvements in lower-resource areas.**

- Policy 5.10:<sup>9</sup> 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. 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 Highway 101 and south of Bay Road west of University Avenue).
- 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. 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: Reach 2 project – channel improvements as well as top of bank improvements to enhance the creek and increase flow/capacity; Pope Chaucer Bridge Project improvement project in Menlo Park to replace the bridge to enhance flow and capacity; and Newell Bridge Replacement Project – replace bridge to enhance flow and capacity under the bridge.
- Policy 5.12: Work with the City’s clean energy provider, Peninsula Clean Energy, to seek funding sources for clean energy and environmental justice and equity.

**GOAL 5.2 | Expand and establish programs to promote fair housing practices for East Palo Alto residents.**

East Palo Alto is a mixed-income, multi-racial community with many households that have few affordable options elsewhere in the Bay Area. Programs and policies identified as part of the City’s plan to Affirmatively Further Fair Housing (AFFH) can improve the housing choices and stability for East Palo Alto residents.

- Program 5.7: Implement fair housing and anti-eviction programs using Measure O/Measure L 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), resource information, and a staff a citizen advocacy committee. Contracts with organizations will specify quantified deliverables for each of these areas. Target:

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<sup>9</sup> Policies 5:10 and 5:11 are grouped with Goal 5.1 for clarity.

See the performance metrics for this program in Section 6.4, Implementation Plan.

- 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.
- Policy 5.9: Prioritize 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. Target proactive public outreach to lower resource neighborhoods such as western and northern areas in East Palo Alto or projects where there is a higher presence of special needs populations based on the fair housing analysis. The City has a goal of providing fair housing and support services for a minimum of 20 special needs individuals or households between 2024 and 2028.

## **GOAL 6 | Promote Safe and Healthy Housing in East Palo Alto**

A range of policies and programs can improve the health and well-being of lower-income East Palo Alto residents, whether in deed-restricted, rent stabilized, or market-rate housing.

### **Strengthen monitoring and enforcement of habitability issues.5.12**

- 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.
- 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. Between 2024 and 2028, the City, through code enforcement efforts, is setting a goal to correct code violations and make necessary repairs and improvements for a minimum of 13 housing units.

### **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.

### **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 (amended March 2023) and apply to all new construction and substantial rehabilitations and additions; continue to explore expanding building electrification requirements while considering the impact on project feasibility, environmental justice, and equity. Support incentive programs for

retrofitting existing buildings and seek funding sources for equitable clean energy solutions.

#### **Improve earthquake readiness and resilience.**

- Program 6.4: Complete and implement the recently updated Multi-Generational Local Hazard Mitigation Plan.
- Program 6.5: Update the City’s Safety Element to address earthquakes, flooding, and other natural and manmade hazards; consider policies such as studying the inventory of the soft story housing stock and establishing a seismic retrofit program to address these buildings; establishing a program for remediation of lead-based paint in older residential buildings; and incorporating 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.
- 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 submission of required certifications.

## **GOAL 7 | Create More Housing Opportunities for Special Needs Households, including Large Households, People at Risk of or Experiencing Homelessness, and Individuals with Disabilities**

East Palo Alto is committed to providing housing for our residents who are most in need of affordable housing.

#### **Incorporate special housing needs into City-supported future affordable housing developments.**

- 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.

#### **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 the temporary housing program rollout that includes City coverage of permit fees to provide housing for individuals experiencing homelessness in the community. The City has a goal of assisting a minimum of five (5) RVs through the MTUP program between 2024 and 2028.

- Program 7.3: Evaluate lessons learned and options for longer-term, holistic solutions to RVs parked in public rights of way after 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. Seek funds to assist at least 38 unhoused individuals between 2024 and 2028.
- 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. The City has a goal of pursuing programs and partnerships providing support services for a minimum of 38 unhoused households or individuals between 2024 and 2028.
- Policy 7.6: Continue to support the low barrier navigation center and emergency shelter operated by WeHope, a community-based non-profit organization, which 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. The City has a goal of making available a minimum of 100 beds each night for unhoused and at-risk individuals between 2024 and 2028.

**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. The City has a goal of producing a minimum of five larger affordable housing units between 2024 and 2028.
- Policy 7.8: Continue to require residential projects to include Extremely Low-Income housing units through the City’s Inclusionary Housing Program and 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 units. The City has a goal of producing a minimum of 43 extremely low and very low-income deed restricted units (including ADUs) between 2024 and 2028.

**GOAL 8 | Improve Transparency and Communication between the City and the Public on Housing Issues and Housing Availability**

It is important that East Palo Alto residents are aware of how the City uses its resources to address housing affordability and stability, and that residents are aware of affordable housing units and programs that could stabilize and improve their lives.

**Make the City website, social media, and newsletter a reliable source of housing information and make parallel efforts to reach residents through mailers, in-person, and virtual meetings.**

- Program 8.1: Improve and maintain the Housing website as a primary means of communicating the City’s efforts around housing. Expand proactive measures to inform homeowners, landlords, and tenants about available local and County housing resources and supportive services.
- Policy 8.2: Create a budget for mailers and non-digital outreach on Housing workplan items at the start of each fiscal year.

**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.

**GOAL 9 | Build City Capacity for Long-term Housing Planning and Implementation of a Range of Housing Programs and Initiatives**

The successful implementation of this affordable housing strategy depends on having the appropriate level of staffing, either internally or through contracts and cooperation with other partners.

**Maintain sufficient Housing Division staff to implement this Affordable Housing Strategy.**

- Policy 9.1: Regularly assess the level of staffing or contract assistance to ensure that sufficient staffing is committed to implementing the policies and programs in this Affordable Housing Strategy in a timely manner.

**Seek efficiency improvements and collaborative staffing and resource opportunities to simultaneously implement these Affordable Housing Strategy programs and other Housing Division responsibilities.**

- Program 9.2: Along with other San Mateo County communities, access the services of the HEART of San Mateo County’s new Housing Consulting Services program, so as to access additional housing expertise and staffing.

**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.

**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 East Palo Alto housing programs, such as housing rehabilitation and first-time homebuyers' program.

### **Monitor the Housing Element Implementation Plan**

- Policy 9.5: Review the Housing Element's Sites Inventory annually to assess progress in achieving the City's RHNA affordable housing allocation and as needed, identify additional sites or adjusting development policies, programs, and 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 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. Additionally, 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 Other Development Regulations to Facilitate the Construction of Affordable Housing**

The City of East Palo Alto will undertake changes in zoning and other development regulations that will ease the development of housing, with a particular focus on those efforts which will make it easier to create affordable and special needs 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 State requirements (Government Code 65583.2(g)).

### **Update zoning and development standards as needed for Emergency Shelters.**

- 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 so that Permanent Supportive Housing would be allowed by-right in residential and mixed-use zoning districts, as required by the State (Government Code 65651).

#### **Update zoning as needed for Housing for Farmworkers.**

- Program 10.4: Update zoning and the definition of a “housekeeping unit” to comply with the state 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)**

- Program 10.5: Amend the ADU ordinance to comply with State law, pending formal comment from HCD. 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. The City has a goal of approving at least 72 ADUs between 2024 and 2028.

#### **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.

#### **Update other zoning ordinance regulations to comply with latest state law and reduce impediments for residential development.**

- 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-pronged 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 updates to the Ravenswood Business District/4 Corners Specific Plan to include residential uses at**



### **designated locations.**

- Program 10.8: Adopt an update to RBD Specific Plan to allow residential and mixed-use development at designated locations in the plan area and address provisions as noted in other Housing Element and Affordable Housing Strategy policies/programs. Concurrently, rezone parcels for residential and mixed-use development. Additionally, establish by-right approval, minimum residential densities, objective design standards, minimum residential requirements for mixed use zoning, reduce parking set flexible open space standards for affordable housing, create a transportation demand management (TDM) program, streamline subdivision approvals, and undertake other re-zoning efforts to reduce development constraints and create incentives for developments catering to special needs populations. Further, the City will resolve inconsistencies between the General Plan and current Specific Plan, (See related Policy 1.21). The City's goal is to 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. The City's goal is to 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.

### **Ensure General Plan and zoning consistency.**

- Policy 10.10: During the 6th 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.

## PROGRAMMATIC RESOURCES AND USES

This section will explore the resources available for the development of affordable housing more generally, followed by more detail on the sources and uses of funds that East Palo Alto has to support affordable housing development as well to address the need for affordable housing.

The City and affordable housing owners and developers can use a wide range of resources to build and preserve affordable housing. However, almost every affordable housing project must cobble together funds from multiple sources. This section outlines those sources, which include federal, state, regional, and local sources of funds.

### Federal Resources

The main source of funding for affordable housing in the United States is the **Low-Income Housing Tax Credit (LIHTC)** program, which raises equity by selling tax credits to investors. These funds can be used for the acquisition, rehabilitation, or new construction of affordable housing. These credits are managed by the California Tax Credit Allocation Committee.

The U.S. Department of Housing and Urban Development (HUD) makes funds available directly to affordable housing developments for seniors through the **Section 202 program**. HUD also provides fund to local communities to address housing, homelessness, and a range of community development needs through three programs:

- **Community Development Block Grants (CDBG)** fund the creation and preservation of affordable housing, as well as programs that meet the needs of low- and moderate-income households and communities, ranging from home repair programs to job training, to public infrastructure.
- The **HOME Investment Partnership Program (HOME)** funds housing programs serving households with incomes less than 60% of Area Median Income, and can be used for housing acquisition, construction, or rehabilitation, as well as for tenant rental assistance and homebuyer assistance.
- The **Emergency Solutions Grants Program (ESG)** funds services that address homelessness.
- The **Housing Opportunities for Persons with AIDS (HOPWA)** program funds tenant rental subsidies and other programs intended to keep persons with HIV/AIDS stably housed.

East Palo Alto does not receive CDBG, HOME, or ESG funds directly from HUD. The County of San Mateo receives annual allocations of these funds, which may be used in East Palo Alto and other San Mateo County communities that do not receive a direct allocation. For Federal Fiscal Year 2023, the County of San Mateo received \$2,449,879 in CDBG funds, \$1,497,141 in HOME funds, and \$228,547 in ESG funds. The City and County of San Francisco receives an allocation of HOPWA funds each year (\$7,410,761 in FFY2023), which also may be used in San Mateo County.

In addition, East Palo Alto residents can get assistance in paying their rent through HUD voucher programs including the Housing Choice Voucher (Section 8) program, and the Veterans Affairs Supportive Housing (VASH) program. Locally, these programs are administered by the Housing Authority of the County of San Mateo.

## State Resources

The State of California funds a range of affordable housing programs. While many programs fund services and affordable housing developments directly through funding rounds, East Palo Alto may be eligible to apply for some funds directly. These programs are starred (\*). Programs include:

Program	Description
Affordable Housing & Sustainable Communities Program (AHSC)*	Funds land use, housing, transportation, and preservation projects that support infill development and reduced greenhouse gas emissions.
CalHome*	Grants to local public agencies and nonprofits to assist first-time homebuyers become or remain homeowners through deferred-payment loans. Funds can also be used for ADU/JADU assistance (i.e., construction, repair, reconstruction, or rehabilitation)
CalHFA Permanent Loan Programs	Provides long term financing for the construction or acquisition and rehabilitation of affordable housing developments.
Cleanup Loans and Environmental Assistance to Neighborhoods (CLEAN) Program*	Department of Toxic Substances Control program that provides low-interest loans to investigate, cleanup, and redevelop abandoned and underutilized urban properties.
California Emergency Solutions and Housing (CESH)	Grants for activities to assist persons experiencing or at-risk of homelessness.
California Self-Help Housing Program*	Grants for sponsor organizations that provide technical assistance for low- and moderate-income families to build their homes with their own labor.
Emergency Housing Assistance Program (EHAP)*	Funds for emergency shelter, transitional housing, and related services for the homeless and those at risk of losing their housing.
Golden State Acquisition Fund (GSAF)*	Golden State Acquisition Fund (GSAF)
Homekey*	Grants to acquire and rehabilitate a variety of housing types (e.g., hotels, motels, vacant apartment buildings) to serve people experiencing homelessness or who are also at risk of serious illness from COVID-19.
Homeless Emergency Aid Program (HEAP)	\$500 million block grant program designed to provide direct assistance to large cities, counties, and Continuums of Care (CoCs) to address the homelessness crisis.
Homeless, Housing Assistance and Prevention (HHAP) Program	Provides grants to large local jurisdictions and to CoCs to support regional coordination and expand or develop local capacity to address immediate homelessness challenges.
Housing for a Healthy California (HHC)	Funding for supportive housing opportunities intended to create supportive housing for individuals who are recipients of or eligible for health provided through Medi-Cal.

Housing Navigators Program	\$5 million in funding to counties for the support of housing navigators to help young adults aged 18 to 21 secure and maintain housing, with priority given to young adults in the foster care system.
Housing-Related Parks Program*	Funds the creation of new park and recreation facilities or improvement of existing park and recreation facilities that are associated with rental and ownership projects that are affordable to very low- and low-income households.
Infill Infrastructure Grant Program (IIG)	Grant funding for infrastructure improvements for new infill housing in residential and/or mixed-use projects.
Local Early Action Planning (LEAP) Grants*	Assists cities and counties to plan for housing through providing one-time, non-competitive planning grants.
Local Housing Trust Fund Program (LHTF)	Provides loans for the acquisition, predevelopment expenses and development of affordable rental housing projects, transitional housing projects, emergency shelters and homeownership projects, including down payment assistance to qualified first-time homebuyers, and for rehabilitation of homes owned by income-eligible homeowners.
Mobile-home Park Rehabilitation and Resident Ownership Program (MPRROP)*	Low-interest loans for the preservation of affordable mobile-home parks.
Multi-Family Housing Program (MHP)	Low-interest, long-term deferred-payment permanent loans for new construction, rehabilitation, and preservation of permanent and transitional rental housing for lower-income households.
No Place Like Home	Invests in the development of permanent supportive housing for persons who need mental health services and are experiencing homelessness or chronic homelessness, or at risk of chronic homelessness.
Permanent Local Housing Allocation Program (PLHA)*	Grants (competitive for non-entitlement jurisdictions) available to cities to develop new multifamily affordable rental housing, to substantially rehab and deed restricted existing rental housing, or to assist persons at risk of homelessness through rental assistance, rapid rehousing, or transitional rental housing.
Predevelopment Loan Program (PDLP)*	Short-term loans to cities and non-profit developers for the continued preservation, construction, rehabilitation, or conversion of assisted housing primarily for low-income households.
Regional Early Action Planning (REAP) Grants	Grant funding intended to help COGs and other regional entities collaborate on projects that have a broader regional impact on housing.
SB 2 Planning Grants Program*	One-time funding and technical assistance to help local governments adopt and implement plans and process improvements that streamline housing approvals and accelerate housing production.

Supportive Housing Multi-Family Housing Program (SHMHP)	Low-interest loans to developers of permanent affordable rental housing that contain supportive housing units.
Transformative Climate Communities (TCC) Program*	Competitive grants for planning and implementation of community-led development and infrastructure projects that achieve major environmental, health, and economic benefits in the state's most disadvantaged communities.
Transit Oriented Development Housing Program (TOD)	Low-interest loans and grants for rental housing that includes affordable units near transit.
Transitional Housing Program (THP)	Funding to counties for child welfare services agencies to help young adults aged 18 to 25 find and maintain housing, with priority given to those previously in the foster care or probation systems.
Veterans Housing and Homelessness Prevention Program (VHHP)	Long-term loans for development or preservation of rental housing for very low- and low-income veterans and their families.
Workforce Housing Program*	Government bonds issued to cities to acquire and convert market-rate apartments to housing affordable to moderate-/middle-income households, generally households earning 80% to 120% of AMI.

## Regional Resources

While we cannot predict how much, if any funding will become available from the following sources, there a range of other local sources that can be used in East Palo Alto, including:

- **The Bay Area Preservation Pilot (BAPP)** is a Metropolitan Transportation Commission (MTC) program that provides loans for the preservation of existing, unsubsidized, affordable multi-family properties near high-frequency transit service.
- **The Bay Area Transit-Oriented Affordable Housing Fund (TOAH)** is funded by the Great Community Collaborative. TOAH provides pre-development and acquisition financing for affordable housing projects located in transit rich “priority development areas.”
- **The Enterprise 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.
- **The Housing for Health Fund (HFHF)** is a collaboration among Enterprise Community Partners, Kaiser Permanente, and JP Morgan Chase, and provides \$85 million to promote health and the preservation of affordable housing.
- **The Silicon Valley Community Foundation (SVCF) Special Revenue Fund** helps to encourage the development of affordable housing through a \$2 million allocation to East Palo Alto to purchase certain water rights, and \$500,000, for an affordable housing manager position over a minimum period of five years.
- **The Partnership for the Bay’s Future Bay’s Future Fund (BFF) and Community Housing Fund (CHF)** is 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.

In addition to these resources, there are efforts to substantially increase the funds available for affordable housing programs and development in the Bay Area. In 2019, the Bay Area Housing Finance Agency (BAHFA) was created by the California legislature. BAHFA is placing a \$10 or \$20 billion regional housing bond on the November 2024 ballot.

## Efforts Funded by the City of East Palo Alto

In both the Housing Element and in this Housing Strategy, the City has set numeric goals and has committed to a range of housing programs, including, but not limited to, the development of new affordable housing units. These efforts can be organized by programmatic area and the types of families and individuals served, including:

- Developing Affordable Housing
- Addressing Homelessness
- Supporting Housing Quality and Stability
- Encouraging Homeownership

## Developing Affordable Housing

East Palo Alto has three methods of creating deed restricted, affordable housing:

- The City’s Inclusionary Housing Ordinance;
- The City’s Commercial Linkage Policy; and
- Funding of 100% affordable housing developments.

The **Inclusionary Housing Ordinance** requires the inclusion of Below Market Rate (“BMR”) units within new market rate developments. Under the Inclusionary Housing Ordinance, 20 percent of units must be deed restricted. The maximum income for these BMR units varies by tenure type but ranges from as low as 35% of Area Median Income for a portion of the rental units, up to 120% of Area Median Income for a portion of the ownership units. There are options for the creation of off-site units or the paying of a fee in lieu of providing the units. These fees can then be used for 100% affordable housing developments. There are currently 24 BMR units in entitled or approved projects.

The City of East Palo Alto has a **Commercial Linkage Policy** that requires that new office, medical, and research and development projects fund or create deed restricted housing. While most developers are likely to pay a fee, which is used to fund 100% affordable housing developments, a developer can choose to directly fund the creation of units, however, the Landing proposal for lab uses on Bay Road and Weeks Street has proposed the creation of 95 deed restricted units as part of the project.

The City can also directly **fund the development of 100% affordable housing projects**. These funding sources have different funding requirements and restrictions that the City must adhere to and enforce. Most funds must be used on capital expenses, or the administrative costs associated with delivering affordable housing. These sources include:

- **Inclusionary Housing In-Lieu Fees:** The City collects these funds when a developer pays a fee in lieu of providing deed restricted units on-site. In November 2019, the City Council adopted Ordinance No. 425, the Inclusionary Housing Ordinance, adding Chapter 18.37 to the City of East Palo Alto Development Code replacing the previous housing in-lieu fee ordinance. To date, developers have agreed to place their units on-site, and therefore the City has not collected any fees associated with the new ordinance. The City has \$6,813,682 in funds available as of June 30, 2023. All these funds would be used for affordable housing development.<sup>10</sup>
- **Low- and Moderate-Income Successor Agency Funds:** These funds are related to the housing assets assumed by the City as Housing Successor to the former Redevelopment Agency. The activities are governed by California redevelopment law and must be used to provide housing for those with low- and moderate-incomes. As of June 30, 2023, the City has \$683,775 of these funds available, of which \$114,000 are proposed to be used for foreclosure prevention,

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<sup>10</sup> The current fund balance of \$6,813,682 in inclusionary housing in-lieu fee fund consists primarily in-lieu fees and settlement funds from developers in exchange for releases from obligations under Owner Participation Agreements to build affordable units.



and the remaining \$569,775 for housing development.

- **Measure HH Housing Funds:** Measure HH was approved by East Palo Alto voters at the November 2018 election and generates ongoing resources from large commercial buildings to be spent on affordable housing and job training programs. Measure HH raises approximately \$1.6 million annually of which a minimum of 35 percent of funds must be used for the capital costs of affordable housing. In addition, a percentage of Measure HH funds are set aside for workforce development, funding the Measure HH Pilot Workforce Development Program. While not a housing program, improving a household's economic conditions will also improve their housing outcomes. As of June 30, 2023, there is \$4,352,127 in Measure HH Housing Funds available, and over the next four years, a minimum of approximately \$2.3 million in additional funds is projected to become available, for a total of \$6.7 million in funds, all of which would be used for affordable housing development. The City will strive to make 50 percent of Measure HH funds available for housing development, creating even more affordable housing.
- **Transient Occupancy Tax (TOT) Housing Funds:** Each transient (hotel, motel, or short-term occupant) is subject to and must pay a tax in the amount of twelve percent (12%) of the rent charged by the operator. Ten percent of TOT revenues collected is dedicated and used exclusively for affordable housing development, acquisition and/or rehabilitation. An attempt to increase the fee from 12 percent to 14 percent failed at the 2020 ballot. As of June 30, 2023, the City holds \$2,369,951 in TOT Housing funds. Over the next four years, approximately \$1.1 million in additional funds is projected to be available, for a total of \$3.5 million in potential funds. Of these, up to \$3 million will be used for the purchase and/or rehab of housing affordable to low- and moderate-income households, and the remaining \$500,000 would be available for affordable housing development.
- **Commercial Linkage Fees:** The City Council initiated a commercial linkage fee in 2016, and formally and permanently adopted the program in 2020. Currently, the fee is set at \$13.19 per square foot for office, research & development, and medical office uses. There is no fee for retail, restaurants, services, or hotels. Fees are periodically updated based on changes in the program and associated costs. As of June 30, 2023, the City has not collected any fees associated with Commercial Linkage. While the City may not have any commercial linkage fees to fund affordable housing developments at present, it may be a viable funding source in the future.

Altogether, East Palo Alto will have approximately \$14.6 million available for developing 100% affordable housing projects. To understand this proposed cost, it is important to understand the overall costs of affordable housing development and how these developments are financed. It now costs upwards of \$1 million *per unit* to build a new, 100% affordable housing development in San Mateo County. The unit cost includes pro-rated land cost at average fair market value, along with development and construction costs. These developments all rely on a range of federal, state,

regional, and local funding sources, as well as debt financing. As such, a local city’s contribution to these developments represents only a percentage of the overall cost.

In October 2023, the City of East Palo Alto funded the Colibri Commons (965 Weeks Street) project, which has a financing structure that is typical of such projects. In addition to the land, East Palo Alto provided \$12,500,000 in affordable housing funds, and fee waivers worth another \$3,330,452, for a total of over \$15.8 million in local funding. Given that the development had 135 deed restricted units, the City’s contribution was \$116,400 per unit, or 11% of the total costs. Therefore, it is expected that East Palo Alto’s contribution to building affordable housing would range from \$120,000 per unit on public land, and \$180,000 on private land.<sup>11</sup> Given this per unit cost, the City’s \$14.6 million in funding can support the creation of anywhere from 81 units on privately owned land to 122 units on publicly owned parcels.

Possible Funds Available for Affordable Housing Development					
Source of Funds	Current Funds Available	Probable Additional Funding*	Other Housing Programs	Total Funding Available for Development	Programs Funded
Inclusionary Housing In-Lieu Fees	\$6,813,682	None Anticipated	\$0	\$6,813,682	Housing Development
Low Mod Successor Agency	\$683,775	\$0	-\$114,000	\$569,775	Housing Development; Foreclosure Prevention
Measure HH*	\$4,352,127	\$2,348,171 <sup>12</sup>	\$0	\$6,700,298	Housing Development
Transient Occupancy Tax	\$2,369,951	\$1,100,000	-\$2,957,000	\$512,951	Housing Development, Purchase and Rehab of Existing Housing
<b>Total</b>	<b>\$14,219,535</b>	<b>\$3,448,171</b>	<b>-\$3,071,000</b>	<b>\$14,596,706</b>	

\*Additional funding is based on four additional years of minimum income.

### Addressing Homelessness

To support the unhoused, East Palo Alto has committed to the following efforts that require the use of City resources:

- The City is waiving permit fees for non-profits applying for Master Temporary Use Permits. The Master TUP for Temporary Housing is a streamlined process that consists of a single application containing all applicable site standards and conditions for different types of temporary housing,

<sup>11</sup> At the time of writing, 760 Weeks Street was on the market for \$2,500,000, which could accommodate approximately 42 units, for a cost per unit of \$60,000.

<sup>12</sup> Given that expected revenue for 2023/2024 for Measure HH funds was \$1,677,265, and that at least 35% would be for housing, approximately \$587,043 per year would be available. Over four years, it would total over 2.3 million in additional resources.

including safe overnight parking, on a variety of properties. Applicants can apply for a single property or for a multi-site program, such as a rotating shelter, for up to 12 months at a time. The goal is to assist five RV owners between 2024 and 2028. While waiving fees is not a financial outlay for the City, it does represent a \$30,000 reduction in fee income to the City.

- The City has a goal of assisting 38 unhoused individuals. There are a range of programs that can help the City meet this goal. from the creation of permanent supportive housing to workforce development programs. The City expects to access external funds, such as the State’s Homekey program, to support this goal.
- WeHOPE’s emergency shelter is an important resource for East Palo Alto’s unhoused residents. East Palo Alto will work with WeHOPE to secure external funding, such as San Mateo County Measure K funds, to assure that this shelter continues to be available.

### **Supporting Housing Quality and Stability**

The City of East Palo Alto is committed to helping families, both renters and owners, stay in their homes, and ensuring that the quality of those homes are maintained and improved.

For renters, East Palo Alto’s rent stabilization ordinance is an important tool in stabilizing tenants, but additional programs are needed to stabilize East Palo Alto Renters that require City financial support.

- The City has a goal of supporting 30 households a year (for a total of 150 households between 2024 and 2028) with rental assistance. For year one, the City has committed \$100,000 in operating funds for the program, which will be operated by the Samaritan House. Each household would receive one-time assistance of approximately \$1,900 to \$3,000.
- The City is providing \$280,000 a year for two years (a total of \$560,000) for tenant stability programs including tenants’ rights and fair housing outreach and education, case management services, and legal aid. Rent Stabilization program fees pay for \$116,000 of the annual costs, with the remaining \$164,000 coming from the City’s General Fund Reserves. Services are provided by [Community Legal Services in East Palo Alto](#) (CLSEPA), [Nuestra Casa](#), and [Youth United for Community Action](#) (YUCA).

Home repair programs will assist both homeowners and renters to stay in their homes, while also increasing the quality of housing. The City has set a goal of providing major repairs for three single-family homes and 13 units in multi-family homes (for a total of 16 units) between 2024 and 2028. The City is allocating up to \$50,000 per unit in TOT Housing Funds, for a total program cost of \$800,000. The City will also seek San Mateo County managed federal CDBG funds to offset or match the City’s investment. If awarded, the City will help low-income homeowners, through referrals to existing home repair programs funded with San Mateo County CDBG funds. This program will enhance the ability to identify opportunities for physical rehabilitation and thus preserve affordable housing units.

The City also has set a goal of assisting three homeowners facing potential displacement due to foreclosure. The cost of such an effort could cost approximately \$114,000 in Low Mod Successor Agency

funds, to include counseling services and mortgage assistance. Some homeowners may be able to access the Federal Homeowner Assistance Fund, allowing East Palo Alto to assist additional homeowners.

Workforce development programs also address household stability by improving individuals' and families' financial stability. The City of East Palo Alto has committed \$775,215 in Measure HH funds for an 18 month [pilot program](#). If successful, Measure HH funds are a recurring source of income that could continue to fund the program through the remainder of this strategy.

### **Encouraging Homeownership**

Homeownership is the primary way that moderate- and middle-income families build wealth,<sup>13</sup> and the long-term gap in homeownership rates between White, non-Hispanic/Latino households and Black/African American and Hispanic/Latino households has contributed to racial wealth gaps.<sup>14</sup> Given the high sales prices in East Palo Alto and San Mateo County, it has gotten very difficult for East Palo Alto residents to buy their first home, and the City is hoping to encourage homeownership through homebuyer financial assistance and support for tenant purchases of their homes.

- Homebuyer Financial Assistance: The Housing Assistance Fund was created specifically to provide financial assistance for first-time homebuyers. Currently there are \$474,742 in these funds available, and the City has committed to helping eight (8) households purchase a home between 2024 and 2028. While City staff are still developing this program, the funds available could support downpayment assistance of up to \$50,000 per household.
- Tenant and Non-Profit Purchase of Rental Properties: The City is committed to assisting tenants and/or non-profits purchase their home to secure long-term stability. The City's goal is to assist with the purchase of two single-family homes and one four-to-six-unit multi-family home. Total program costs are expected to be approximately \$2,157,000, funded by City TOT fund Housing funds.

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<sup>13</sup> Schuetz, Jenny (December 9, 2020). "Rethinking Homeownership Incentives to Improve Household Financial Security and Shrink the Racial Wealth Gap." The Brookings Institution. Accessed 12/15/2023 at <https://www.brookings.edu/articles/rethinking-homeownership-incentives-to-improve-household-financial-security-and-shrink-the-racial-wealth-gap/>

<sup>14</sup> According to 2018-2022 American Community Survey Estimates for San Mateo County, 66% of White, non-Hispanic/Latino households were homeowners, compared to 63% for Asian households 58% for Black/African American households, and 42% for Hispanic/Latino households.

Summary: Housing Program Costs and Sources			
Program	Amount	Source of Funds	Proposed Outcomes
Master Temporary Use Permits	\$30,000	Fee waivers	Assist 5 RVs with Master TUP waivers
Rental Assistance	\$500,000	Operating Funds	Assist 150 households
Tenant Stability Programs	\$1,400,000	Measure O/L Funds	Annual grants to non-profits for legal services, tenant outreach, and case management.
Major Home Repairs	\$800,000	Measure HH Housing Funds, County CDBG Funds	Repair 3 single family and 13 multi-family units
Minor Home Repairs	\$25,000	County CDBG Funds	Assist 5 homeowners
Foreclosure Prevention	\$114,000	Low Mod Successor Agency Funds	Assist 3 homeowners
Workforce Development	\$775,215	Measure HH Workforce Development Funds	Assist 80 individuals
Homebuyer Financial Assistance	\$474,742	Housing Assistance Fund	Assist 8 homebuyers
Tenant & Non-Profit Property Purchases	\$2,157,000	Transient Occupancy Taxes	Assist purchase of 2 single family homes and 1 multi-family home
Affordable Housing Development	\$14,596,706	Inclusionary Housing In-Lieu Fees, Low Mod Successor Agency Funds, Measure HH Housing Funds. Transient Occupancy Taxes	Build 80 to 120 affordable housing units, depending on land costs

# WORKPLAN

The City of East Palo Alto is committed to fulfilling the goals of this affordable housing strategy between 2024 to 2028. Some will be addressed in the next two years, and some will take longer to implement, or are ongoing efforts.

Policy/ Program Number	Affordable Housing Strategy Action	Timelines			
		2024	2025	2026 or later	ongoing
<b>Goal 1: Create More Housing that is Affordable to East Palo Alto Residents.</b>					
	<b>Incentivize affordable housing development.</b>				
1.0	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.	x		x	
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 administrative 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.	x	x		
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.				x
1.3	Review and adjust building permit review and approval procedures as needed to comply with the streamlining requirements of State law AB 2234.			2027	
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, at-risk youths, large family households, extremely low-income households, and unhoused individuals.	x	x		x
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	x			

	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.				
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.				x
	<b>Encourage smaller-scale housing that is relatively more affordable, including duplexes/triplexes and accessory dwelling units (ADUs).</b>				
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.)	x			
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.	x			
1.9	Develop outreach materials targeting smaller developers aimed at informing future applicants and improving the quality of Planning and Building applications received.	x			
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.		x		
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 development of 5 SB 9 and small infill housing projects to increase housing opportunities and housing types throughout the community.		x		
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.	x			
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.	x			

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.				X
	<b>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.</b>				
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.	X			
1.16	Update the City’s five-year Affordable Housing Strategy (AHS) to implement the 6th 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.	X			
1.17	The Planning and Housing Departments will collaboratively 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.	X			X
	<b>Take reasonable measures to reduce the cost of development for fully affordable housing developments.</b>				
1.18	Use the opportunity of the Ravenswood Business District (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.		X		
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.		X		
	<b>Encourage housing on sites zoned for mixed use in the Ravenswood/4 Corners Specific Plan Area.</b>				
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 in summer 2024. (See also related Program 10.8)	X			
	<b>Develop affordable housing on public property</b>				
1.23	Work with County of San Mateo to complete land swap and	X	X	X	



	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 6th Cycle.)				
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 the Surplus Lands Act.	x	x	x	
	<b>Objective: Incentivize “missing middle” housing, or smaller-scale housing that is affordable to households at 80-120% of Area Median Income.</b>				
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.		x		
	<b>Monitor progress on housing element policies, programs, and sites inventory.</b>				
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.	x	x	x	x
<b>Goal 2: Create Homeownership Opportunities for East Palo Alto Residents and Stability for Existing Homeowners.</b>					
	<b>Promote financial literacy as a means of encouraging homeownership and support first-time homebuyers.</b>				
2.1	In partnership with non-profit partners the City will develop a 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 proportionally higher percentage of rental households such as the westside of State Highway 101.	x	x		

2.2	With the assistance of the City’s grant coordinator, seek and apply for funds from state, federal, and other sources to create and finance this program.			x	
	<b>Create pathways to affordable homeownership opportunities.</b>				
2.3	One pathway to homeownership is through tenant purchase of their buildings either on their own or through a community land trust. The City hopes to create a program that will facilitate a minimum of two single family and one multi-family tenant purchases between 2024 and 2028.	x			
	<b>Advocate for homebuyer and homeownership programs at the county, regional, and state levels.</b>				
2.4	Advocate for the homebuyer and homeownership programs, including shared and sweat equity models, at the Federal, State, County, and regional levels.				x
<b>Goal 3: Preserve Existing Affordable and Rent Stabilized Housing</b>					
	<b>Ensure that the City’s deed-restricted affordable housing and Below Market-Rate (BMR) portfolio remain well-maintained and monitored.</b>				
3.1	Continue working with the BMR Administrator on the existing BMR Program contract and draft a Request for Proposals (RFP) for the next phase of BMR Program management, and evaluating, as needed, the Local Preference guideline, to maintain the 53 existing BMR units and add 8 rental or for-sale inclusionary housing units.	x			x
	<b>Improve data on affordability of the City’s rental housing stock outside of the rent stabilized portfolio.</b>				
3.2	With the allocated City Council funding, implement the rent registry program.	x			
	<b>Leverage County initiatives and affordable housing resources to increase public awareness of affordable housing opportunities in East Palo Alto.</b>				
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 and conduct proactive outreach to East Palo Alto residents.				x
	<b>Protect and preserve the City’s supply of rent-stabilized affordable housing units.</b>				
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.				x

	<b>Monitor Changes in State Law Related to Rent Stabilization</b>				
3.5	The City will monitor any changes to state law related to rent stabilization and if possible, update the Rent Stabilization Ordinance to provide greater protections.				x
	<b>Goal 4: Prevent Displacement of East Palo Alto Residents.</b>				
	<b>Connect the creation of new jobs in the City from commercial development to the creation of new housing at the appropriate affordability levels.</b>				
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).	x			
4.2	Participate in countywide nexus study led by 21 Elements to update the existing Commercial Linkage Fee.	x			
	<b>Promote the preservation of existing housing stock and rehabilitation of housing that is at-risk due to age, structural deficiencies, etc.</b>				
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.)	x			
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. Through these efforts, the City hopes to improve 13 substandard or at-risk units between 2024 and 2028.	x			x
4.5	Study improvements to the City's process for addressing code violations on residential properties, including, but not limited to, unpermitted second units.		x		
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).		x	x	

	<b>Support housing stability of existing lower-income homeowners and enable the community's seniors to age in place.</b>				
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 seniors and 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). The City has a goal of assisting a five to ten low-income homeowners between 2024 and 2028.	x	x		
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.				x
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.	x	x		
	<b>Promote community/cooperative ownership of land and housing in East Palo Alto.</b>				
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, sweat equity projects (such as Habitat for Humanity or Rebuilding Together, and others), or preservation projects.	x	x		
	<b>Prevent displacement due to high housing cost burden and barriers to housing, such as rental deposits.</b>				
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. To support this effort, the City will seek out a permanent source of funds for rental assistance.	x			
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.		x		
	<b>Implement an effective and fair housing compliant Local Preference Policy.</b>				

4.13	Complete and enforce guidelines on City’s existing Local Preference Policy.	x			
	<b>Provide access to living wage jobs to allow residents to afford to remain to live in East Palo Alto.</b>				
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.	x			
<b>Goal 5.1: Apply Environmental Justice Principles in Planning for New Housing Development.</b>					
	<b>Adopt policies and programs to address environmental justice issues in the community.</b>				
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.	x			
	<b>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.</b>				
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.	x			
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 identified as developable in the Housing Element Sites Inventory (adequate water supply but water infrastructure upgrades may be needed for certain locations.)	x	x		
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 in accordance with state law (SB1097).	x			
	<b>Minimize new housing in highest-risk areas prone to flooding/sea level rise or due to environmental contamination.</b>				
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.				x

5.6	Develop environmental “overlay” map with most up-to-date data to avoid housing in at-risk areas or with prescribed mitigation measures.	x			
	<b>Prioritize flood control, infrastructure, and transportation improvements in lower-resource areas.</b>				
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.		x	x	
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.	x	x	x	
5.12	Work with the City’s clean energy provider, Peninsula Clean Energy, to seek funding sources for clean energy and environmental justice and equity.				x
<b>Goal 5.2: Expand and establish programs to promote fair housing practices for East Palo Alto residents.</b>					
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), resource information, and a staff a citizen advocacy committee. The City Council has allocated over \$200,000 toward anti-displacement and fair housing programs.	x			
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.				x
5.9	Prioritize 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. Target proactive public outreach to lower resource neighborhoods such as western and northern areas in East Palo Alto or projects where there is a higher presence of special needs populations based on the fair housing analysis. The City has a goal of providing fair housing and support services for a minimum of 20 special needs individuals or households between 2024 and 2028.				x
<b>Goal 6: Promote Safe and Healthy Housing in East Palo Alto.</b>					
	<b>Strengthen monitoring and enforcement of habitability issues.</b>				
6.1A	Annually review the City’s habitability complaints and the Rent				x

	Stabilization Ordinance’s rules and regulations and forward any recommended changes or updates for enforcing habitability issues to the City’s Rent Stabilization Board.				
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.				x
	<b>Incorporate amenities into multifamily housing that support households with children.</b>				
6.2	Determine the most effective means of incentivizing or requiring childcare facilities in new affordable housing developments and commercial developments.	x			
	<b>Improve energy conservation and reduce the carbon footprint of residential buildings.</b>				
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	x			
	<b>Improve earthquake readiness and resilience.</b>				
6.4	Complete and implement the recently updated Multi-Generational Local Hazard Mitigation Plan.				x
6.5	Update the City’s Safety Element to address earthquakes, flooding, and other natural and manmade hazards; consider policies such as studying the inventory of the soft-story housing stock and establishing a seismic retrofit program to address these buildings; establishing a program for remediation of lead-based paint in older residential buildings; and incorporating targeted outreach to vulnerable and special needs populations to ensure their needs are well-addressed.	x			
	<b>Ensure implementation and enforcement of flood protection and prevention measures.</b>				
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.				x
6.7	Continue to participate in FEMA’s Community Rating System Program to ensure that new housing development complies with floodplain construction standards with submission of required certifications.				x
<b>Goal 7: Create More Housing Opportunities for Special Needs Households, Including Large Households, People at Risk of or Experiencing Homelessness, and Individuals with Disabilities.</b>					
	<b>Incorporate special housing needs into City-supported future</b>				

	<b>affordable housing developments.</b>				
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.	x	x		
	<b>Provide housing solutions and support services for unhoused residents in East Palo Alto.</b>				
7.2	Finalize the Master Temporary Use Permit (MTUP) process for the temporary housing program rollout that includes City coverage of permit fees to provide housing for individuals experiencing homelessness in the community.	x			
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.	x			x
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.				x
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.	x			x
7.6	Continue to support the low barrier navigation center and emergency shelter operated by WeHope, a community-based non-profit organization, which 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.				x
	<b>Reduce overcrowding and unsafe housing conditions related to housing affordability in East Palo Alto.</b>				
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.	x			
7.8	Continue to require residential projects to include Extremely Low-Income housing units through the City's Inclusionary Housing Program and 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 units.	x			
<b>Goal 8: Improve Transparency and Communication between the City and the Public on Housing Issues.</b>					
	<b>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.</b>				
8.1	Improve and maintain the Housing website as a primary means of communicating the City's efforts around housing. Expand				x



	proactive measures to inform homeowners, landlords, and tenants about available local and County housing resources and supportive services.				
8.2	Create a budget for mailers and non-digital outreach on Housing workplan items at the start of each fiscal year.				x
	<b>Incorporate language accessibility/language justice into City materials and meetings.</b>				
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.	x			
<b>Goal 9: Build City Capacity for Long-term Housing Planning and Implementation of a Range of Housing Programs and Initiatives.</b>					
	<b>Maintain sufficient Housing Division staff to implement this Affordable Housing Strategy.</b>				
9.1	Regularly assess the level of staffing or contract assistance to ensure that sufficient staffing is committed to implementing the policies and programs in this Affordable Housing Strategy in a timely manner.				x
	<b>Seek efficiencies and collaborative staffing and resource opportunities to simultaneously implement this Affordable Housing Strategy programs and other Housing Division responsibilities.</b>				
9.2	Along with other San Mateo County communities, access the services of the HEART of San Mateo County’s new Housing Consulting Services program, so as to access additional housing expertise and staffing.	x			
	<b>Work in close collaboration with the Planning Division to more efficiently achieve both divisions’ goals and workplan items.</b>				
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.	x	x		
	<b>Seek financing sources for affordable housing construction and preservation.</b>				
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 East Palo Alto housing programs, such as housing rehabilitation program and first-time homebuyers’ program				x
	<b>Monitor the Housing Element Implementation Plan</b>				
9.5	Review the Housing Element’s Sites Inventory annually to assess progress in achieving the City’s RHNA affordable housing allocation and as needed, identify additional sites or adjusting development policies, programs, and priorities.				x

	<b>Monitor the Inclusionary Housing Ordinance</b>				
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.	x	x		x
<b>Goal 10: Amend Zoning and Other Development Regulations to Facilitate the Construction of Affordable and Special Needs Housing</b>					
	<b>Require replacement housing to be provided for applicable housing developments.</b>				
10.1	For applicable development projects that will be removing residential units, a replacement housing program for lower-income households in accordance with State requirements (Government Code 65583.2(g)).				x
	<b>Update zoning and development standards as needed for Emergency Shelters.</b>				
10.2	Emergency Shelters - 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.	x			
	<b>Update zoning as needed for by-right Permanent Supportive Housing.</b>				
10.3	Update zoning to so that Permanent Supportive Housing would be allowed by-right in residential and mixed-use zoning districts, as required by the State (Government Code 65651).	x			
	<b>Update zoning as needed for Housing for Farmworkers.</b>				
10.4	Update zoning and the definition of a “housekeeping unit” to comply with the state Employee Housing Act and adopt a “barrier-free” definition that does not subject persons with disabilities to special regulations.	x			
	<b>Update zoning as needed for Accessory Dwelling Units (ADU)</b>				
10.5	Amend the ADU ordinance to comply with State law, pending formal comment from HCD. Further actions include programs and policies to facilitate construction of ADUs (refer to	x			

	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. The City has a goal of approving at least 72 ADUs between 2024 and 2028.				
	<b>Update zoning as needed for residential care facilities and group homes (7+).</b>				
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.	x			
	<b>Update other zoning ordinance regulations to comply with latest state law and reduce impediments for residential development.</b>				
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-pronged 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.	x	x	x	
	<b>Adopt updates to the Ravenswood Business District/4 Corners Specific Plan to include residential uses at designated locations.</b>				
10.8	Adopt an update to RBD Specific Plan to allow residential and mixed-use development at designated locations in the plan area and address provisions as noted in other Housing Element and Affordable Housing Strategy policies/programs. Concurrently, rezone parcels for residential and mixed-use development. Additionally, establish by-right approval, minimum residential densities, objective design standards, minimum residential requirements for mixed use zoning, reduce parking set flexible open space standards for affordable housing, create a transportation demand management (TDM) program, streamline subdivision approvals, and undertake other re-zoning efforts to reduce development constraints and create incentives for developments catering to special needs populations. Further, the City will resolve inconsistencies between the General Plan and current Specific Plan, (See related Policy 1.21). The City's goal is to zone sites and define minimum densities and objective design standards to accommodate 1,350 to 1,600 housing units within the Specific Plan area.	x			
	<b>Facilitate single-room occupancy (SRO) and transitional supportive housing.</b>				
10.9	Develop procedures and review zoning regulations with the objective of encouraging and facilitating the development of SRO		x		

	<p>projects and transitional supportive housing at suitable locations. The City's goal is to 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.</p>				
	<p><b>Maintain General Plan and zoning consistency.</b></p>				
10.10	<p>During the 6th 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.</p>				x