



October 24, 2021

City of Alameda Planning Board
2263 Santa Clara Avenue, Room 190
Alameda, CA 94501

Subject: Draft Alameda Housing Element - -Item 7-B on Planning Board's 10-25-21 agenda

Dear Planning Board members:

The Alameda Architectural Preservation Society (AAPS) is still reviewing the draft Housing Element so the following comments are preliminary and subject to modification and expansion. There are many complex issues associated with the document and many moving parts involving changing proposals and conditions all of which make review of the document challenging. Only about a week was provided for public review. At least two weeks would have been helpful.

In its July 6, 2021 report to the City Council, staff presented a good strategy to maximize development at Alameda Point and Encinal Terminals that, among other things, would minimize the amount of housing needed in other developed areas to meet the Regional Housing Needs Assessment (RHNA). However, this strategy is not apparent in the draft Housing Element. The strategy should also be refined to reflect the following:

1. **Avoid further density increases in existing built-up areas.** The draft Housing Element proposes significant density increases in ALL residential areas, as well as the Park Street and Webster Street business districts, including the historic portions. Since significant portions of these areas already have high densities, and much of the R-2 through R-6 Residential Zones consists of historic buildings, any density increases in R-2 through R-6 and the historic portions of Park Street and Webster Street should be limited to carefully targeted subareas and only: (i) where necessary to meet the RHNA and other General Plan objectives; (ii) if insufficient development capacity is available in the non-historic portions of nonresidential areas to meet the RHNA and other objectives; and (iii) in residential areas where adverse impacts on historic buildings and on-street parking will be minimized. **In addition, all or at least some of the additional units above the existing residential density of one unit for 2000 ft.² of lot area should be deed-restricted affordable.**

Here are comments on the specific proposals:

- a. **Adding additional units within existing building envelopes with no expansion of the envelopes.** This proposal is worth exploring, but, to maintain the architectural integrity of existing buildings, should be accompanied by a requirement that **there be no changes to**

the exterior except possibly new entry doors for necessary access to the additional units. There should also be a provision that minimizes interior demolition to promote resource conservation consistent with proposed General Plan provisions and discourage overimprovements and major changes in floor plans that can increase construction costs and rents. Staff has indicated support for these provisions.

In addition, if no additional off-street parking would be required for the new units, the impacts of a lack of additional parking will need to be considered. The assumption appears to be that many of the residents of these units will not have cars, but this assumption needs to be verified. In some Alameda neighborhoods, where former 1-2 unit residences have been converted to additional units, cars are sometimes parked in paved or unpaved front yards. **Allowing for the construction of additional infill housing, with the intention of creating units for low to moderate income renters without requiring additional parking to accommodate these renters could result in a two tier system in which homeowners could create off-street parking spaces for themselves while tenants would either have to compete with each other for limited parking spaces or take public transportation for all of their needs,** including grocery shopping and medical appointments. Since many people are low income due to age or disability and other low income people sometimes have long commutes, they may require cars to meet their daily needs and the infill units proposed may not be adequate without additional parking.

There should be an analysis that includes surveys of car ownership of residents of existing multifamily buildings in older neighborhoods as well as residents who have moved into new multifamily buildings at Alameda Landing and elsewhere. Locational criteria for such units should also be developed, perhaps based on surveys of areas where on-street parking is normally available and/or where existing residential densities are relatively low.

Also, would density increases allowed within existing building envelopes also trigger density bonus projects? (See Comment 1.e below.) If so, would the State Density Bonus Law allow the developer to force a waiver of the requirement that new units be located within the existing building envelope?

Finally, allowing an *unlimited* number of units within existing buildings seems problematic. There should probably be some cap based on a formula that could include such parameters as location (including proximity to major retail districts), and availability of on street parking (if no off-street parking is required).

We are continuing to evaluate the proposal based on these and other considerations, so are not yet prepared to make a definitive recommendation.

- b. Proposed density increases for new construction.** For new construction, the draft Housing Element proposes **doubling** the existing City Charter Article 26 density limit of 2000 ft.² of lot area per unit (ca. 21.78 units per acre) to 1000 sq. ft. of lot area per unit for ALL lots 5000 sq. ft. and greater in R-2 through R-6 and, curiously, for the shopping center districts (which may be a mistake). **This proposal will essentially abolish Article 26 for most of the City.**

This upzoning on top of allowing unlimited residential densities within all existing buildings in order to meet the Housing Element's 2031 goal of 500 new units in residential areas is grossly excessive and amounts to overkill. **It is especially reckless since it is much harder to downzone than to upzone, if it is later determined that the upzoning was a mistake.**

Unless mitigated, this blanket density increase will encourage demolition and replacement of historic buildings with new and larger buildings that architecturally disrupt historic neighborhoods as well as the historic portions of Park Street and Webster Street. The increases could also encourage architecturally incompatible alterations and additions to historic buildings.

Ironically, this proposal could threaten the existing stock of relatively low-cost privately owned rental units by encouraging developers to buy up these buildings and expand and/or renovate them to create more units at higher rents, especially if using the State Density Bonus Law. There is an increasingly worrisome trend for large institutional developers to do this. Although density bonus projects are based on providing affordable units as part of the project, the number of affordable units in many cases will be insufficient to offset the loss of the pre-existing affordable units.

Although the City requires Historical Advisory Board (HAB) approval of demolition of properties on the Historic Building Study List or that were constructed prior to 1942, **pressure from developers due to the opportunities provided by the intensity increases, are likely to encourage demolition proposals.** And even if the HAB denies a demolition, the demolition can be appealed to the City Council, which can approve the demolition if the Council finds that "Upon the evidence of qualified sources, that the historical resource is incapable of earning an economic return on its value". This further increases the likelihood of more demolitions given the significant discretion offered by this demolition finding.

In an early draft of the proposed General Plan and elsewhere, staff had implied that this kind of density increase in existing residential areas would be limited to vacant lots.

Perhaps limiting the density increases to vacant lots should be the strategy in R-2 through R-6 if increased density in these zones is really necessary to meet the RHNA.

- c. **Proposed upzoning of the R-1 single family zone to allow at least two regular dwelling units by right.** This upzoning would also allow the by-right addition of up to 2 ADUs, and could therefore result in a total of six units on a lot

We previously opposed this upzoning. However, given the adoption of Senate Bill (SB) 9 that would allow four units on a single-family zoned lot (with certain exceptions), the Housing Element proposal may be the better option. We are still evaluating SB 9 vs. the Housing Element proposed R-1 upzoning, so are not yet prepared to make a definitive recommendation.

d. Carefully evaluate the proposed 60 units per acre residential density for Park Street and Webster Street and the Stations.

Although this section is titled “Underutilized Land in Commercial Main Street Districts (Park Street and Webster Street)”, the actual list of zoning amendments also refers to the C-1 zone which applies to the neighborhood commercial districts (or “Stations”). Staff has confirmed with us that this section does apply to the Stations. **The existing heading is therefore misleading and needs to be changed to reflect this section’s applicability to the Stations.**

This relatively high residential density of 60 units per acre may be appropriate for at least some portions of Park Street and Webster Street given the draft General Plan’s proposed 3.0 floor area ratio (FAR) for these districts and if a three-story (approximately 40 foot) height limit can be provided for the historic portions of Park and Webster Streets and the existing two story/30’ height limit is retained for the Stations. (The height limit is already 40’ for Webster Street and much of Park Street.) The overall strategy to promote small units through a generous residential density within a relatively small maximum building envelope as defined by the 3.0 FAR seems to make sense but should be clearly explained in the text.

However, we are concerned that developers who seek larger units will use the State Density Bonus Law to force height limit increases and defeat the strategy’s intent to promote small units. It has been assumed that in today’s residential market, the demand is for smaller units and that larger units will not pencil out. But market conditions can change over time and perhaps 10 or 20 years from now the demand will be more for larger units. Even in today’s market, we have seen multi-unit residential projects outside of Alameda that have up to 7 bedrooms and bathrooms in each “unit” with the apparent intent to make each unit a rooming house to appeal to residents who are attracted to a congregate lifestyle as well as the lower rental cost of this kind of housing.

Housing Elements and other urban planning documents have the inherent duty to consider changing conditions to avoid unintended consequences. It is not clear whether the draft Housing Element has done this. If the intent is to provide a sufficiently higher residential density to promote housing development, our understanding is that in today’s market a residential density of about 40 units per acre in nonresidential areas is sufficient (equal to a by-right density of 30 units with a 33% density bonus) rather than the proposed 60 units per acre.

Given these complex considerations, we are still evaluating this proposal so are not yet prepared to make a definitive recommendation.

e. The impacts of the State Density Bonus Law on height limits, FAR, other development regulations and overall future density must be considered in the Housing Element. For example, a density bonus project in an area zoned for a 40 foot height limit could end up with a 50 foot or greater height (one or more additional stories).

The proposed density increases will greatly increase the number of sites eligible for density bonus projects Citywide. Under Article 26’s 2000 ft.² of lot area per unit rule,

only lots of 10,000 ft.² or more are eligible for density bonus projects, since the State Density Bonus Law limits these projects to those with five or more units. But the proposed density increase to one unit per 1000 sq. ft. of lot area for ALL lots 5000 sq. ft. and greater in R-2 through R-6 and apparently in all nonresidential zones would result in ALL of these lots becoming eligible for a density bonus project with associated potential height limit increases and other relaxation of zoning standards. **The Housing Element must include an estimate of how many additional density bonus project sites could result from the Citywide proposed density increases and include strategies to discourage density bonus projects that exceed the FARs and height limits.** Can this discussion be provided? The proposed height limits in addition to the FARs in the Draft General Plan also need to be stated. Otherwise we are flying blind.

One such strategy might be to allow extra density for small units with a conditional use permit, but only if the conditionally permitted density is not used as the base density for purposes of density bonus projects. **Another possibility might be for Alameda to establish its own density bonus program that provides a bigger bonus than available under the state program, but requires conformity to height limits and possibly FAR and other specified regulations.** This would have the same effect as the proposed by-right densities and promote smaller units with less risk of triggering state density bonus projects that could exceed the height limits. Emeryville has developed a density bonus program similar to this. The strategy could also require that a specified percentage of the bonus units be affordable, like the state program, but perhaps only for projects where the total number of units exceeds a specified threshold.

- f. **Possible alternative strategy to blanket upzoning of residential areas.** Staff is concerned that without the expanded upzoning discussed in Items 1a, 1b, and 1c above, the City could fall short of the goal of providing 500 new housing units in existing residential areas by the 2031 target date. But the recent expansion of ADU opportunities to multifamily buildings and allowance of junior ADUs in addition to regular ADUs is likely to increase ADU production beyond the recent rate of 60 units per year. The increasing publicity regarding ADUs and increasing number of ADU design and construction specialists promoting ADUs should further increase production.

Upzoning of R-1 either through the Housing Element or SB-9 should provide still more units over the next eight years.

All of these considerations suggest that staff's concerns are overstated.

A possible overall strategy might be to provide a more limited version of the residential area proposals that would only include additional units within existing building envelopes and higher density only on vacant lots. If after a specified period of time, perhaps three or four years, the City is falling short in meeting the RHNA, further targeted upzonings and/or other development incentives could be considered. We understand that the State Housing and Community Development Department (HCD) is open to this kind of phased approach.

2. **In addition to Alameda Point and Encinal Terminals, we continue to recommend prioritizing other portions of the northern waterfront (especially the estuary shopping centers) as sites for additional housing to take the upzoning pressure off of existing residential areas and the historic business districts.** The College of Alameda and other large sites should also be considered. Besides minimizing adverse impacts on historic buildings and neighborhoods, focusing on these sites will minimize transportation impacts given the estuary sites' and College of Alameda's (and, to a lesser degree, Alameda Point's) proximity to Oakland and public transit and thereby promoting the General Plan's transportation and climate change mitigation goals. **To facilitate the focus on Alameda Point, the estuary shopping centers, College of Alameda and other large sites, the City should initiate the following actions as soon as possible:**

- a. **Direct staff to obtain approval ASAP from the federal government to remove the Alameda Point 1425 housing unit cap (increased to 1900 units based on an additional 475 affordable units).** Staff has previously advised that the Biden Administration will probably look favorably on this request. The request should have been submitted months ago. We have repeatedly urged that it be initiated ASAP.

Unfortunately draft Housing Element Policy HE-10b relegates this critical step to a follow up action to be taken **after** the Housing Element is adopted. **Why has the City not yet submitted the request to remove the Alameda Point housing cap?**

- b. **Strongly encourage the owners of the estuary shopping centers (Marina Village, Bridgeside and Alameda Landing) to develop housing on their properties.** The February 2, 2021 City Council Housing Element staff report said that the owners of the South Shore Shopping Center have expressed interest in housing development. Staff has told us that the owners of the Marina Village Shopping Center have also expressed interest. However, as of July 5, 2021, we understand that the owners of Bridgeside and Alameda Landing had not yet been contacted. **Has such contact been made and if not, why not? If such contact has been made, can staff report on the results?**

The draft Housing Element's shopping center zoning proposal on page 12 shows a residential density of only 30 units per acre, which is too low. 90 units per acre was previously proposed, which would be more appropriate. Perhaps an even higher density should be considered if this is what it would take to avoid upzoning existing residential areas and historic commercial areas. A higher density would also more likely induce the owners to provide a written statement of intent to develop a specific number of residential units on their site as required by HCD.

Related to this, it now appears that only 200 units are estimated for the estuary shopping centers plus the Harbor Bay shopping center, based on the 1000 units estimated for all of the shopping centers minus the 800 units that have already been proposed for South Shore. **Given the vast parking areas (especially at Marina Village) and one story existing buildings at all of the estuary shopping centers, it appears that the development capacity at the estuary shopping centers is much greater than 200 units.** In the July 6 capacity analysis presented to the City Council, a range of 800 to 1200 units for all of the shopping centers, including South Shore, was presented, indicating development capacity of 400 units, rather than 200, for the shopping centers in addition to South Shore.

Staff has told us that the estimated units were reduced because of the need to get property owners to show interest in residential development. But our understanding is that unless a property owner provides a written statement of interest acceptable to HCD, the site cannot be counted toward the RHNA in any case. **It is therefore all the more critical to engage with the owners ASAP.**

c. Engage with the College of Alameda to determine the college’s interest in developing housing on its campus and identify housing development strategies. The college has previously expressed interest in developing student housing on campus. Housing for faculty and staff might be another possibility. Since there will be no land costs, feasibility of below market rate housing is enhanced. Like Items 2.a and 2.b. above, engagement with the college should be initiated as soon as possible to determine the college’s level of interest and, if applicable, the number of potential units that could be applied to the RHNA.

d. Investigate other underutilized sites for housing development. One example is the very large Wind River parking lot. Wind River might be interested in making housing available for their employees. The City should engage with Wind River to determine if they have any interest in developing housing on their campus. Like the sites listed above, development costs will be reduced since the land is already owned.

3. Other issues.

- a. **Clarify the role of existing the Citywide Design Review Manual.** Why does HE-9b refer only to the objective design standards for “new residential development” with no mention of the Citywide Design Review Manual? Our understanding is that the objective standards apply only to affordable housing projects, SB9 projects and ADUs. Would not other new residential development still be subject to discretionary design review and the design review manual?
- b. **Will HE-9c’s “ministerial/staff level review for affordable housing and housing for the homeless” still provide at least a “courtesy” public notification?**
- c. **Clarify the proposed rescission or mitigation of “housing development standards that are exclusionary, discriminatory or otherwise impede the development of housing and multi-family housing that is affordable...”(HE – 27).** This policy lists among the barriers “single-family restrictions, low density housing, minimum lot size requirements, setback requirements, on-site open space, or parking requirements”. With regard to “single family restrictions and low density zoning”, implementation of this policy is presumably reflected in the zoning proposals provided in Chapter 2, which we have responded to in Item 1 above. **Examples of proposals for REVISED minimum lot size requirements, setback requirements, on-site open space, and parking requirements that could implement this policy should similarly be provided so that the City’s intent is clearer and public comments can be more focused.**

Implementation of Policy HE-27 should be cautious. Many lower income household and members of “protected classes” aspire to live in single-family and/or lower density neighborhoods and will move out of multifamily housing when given the chance to

relocate to lower density and/or single family housing, even moving to distant suburbs and enduring long commutes. **Housing elements and other land-use planning documents should not seek to indiscriminately rescind or excessively “mitigate” single-family or other low density zoning provisions but instead promote a range of housing types and neighborhoods that adequately serve the needs and aspirations of everyone.**

d. **There is no HE – 20.** Has something been left out?

Thank you for the opportunity to comment. Please contact me at (510) 523-0411 or cbuckleyAICP@att.net if you would like to discuss these comments.

Sincerely,

Christopher Buckley, Chair
Preservation Action Committee
Alameda Architectural Preservation Society

cc: Mayor and City Councilmembers (by electronic transmission)
Andrew Thomas and Allen Tai, Planning, Building and Transportation Department (by electronic transmission)
AAPS Board and Preservation Action Committee (by electronic transmission)