



MEMORANDUM

DATE: May 19, 2021

TO: Housing Advisory Committee

FROM: Pierce Macdonald-Powell, Senior Planner

SUBJECT: STAFF REPORT – Introduction to Sites Inventory

AGENDA ITEM NUMBER 6

REPORT SUMMARY:

Informational Report from Lisa Wise Consulting (LWC) providing general information about criteria used by State of California regulators to evaluate the feasibility for development of housing, including affordable housing. LWC will present basic development site testing of two sites in Piedmont to illustrate existing regulations and constraints to development. One site is 19,800 square feet in Zone D (commercial and mixed-use zone) on Highland Avenue and the second is 39,600 square feet in Zone D on Grand Avenue.

BACKGROUND AND ANALYSIS:

Land in the City of Piedmont is divided into zones allowing different uses in a range of sizes and densities. Density means the number of homes allowed on an acre of land. This is referred to as “dwelling units per acre” or du/ac. The areas of Piedmont with the highest density of land use are Zones C (multi-family zone) and Zone D (commercial and mixed-use zone), shown below. The area with the lowest density is Zone A (single-family residential zone) with a maximum of 8 dwelling units per acre.

- Existing Density for Zone C: 9 to 20 dwelling units per acre
- Existing Density for Zone D: maximum of 20 units per acre

The existing 2015 Housing Element identified two sites for development in Zone D on the map entitled, “Opportunity Sites,” as well as vacant sites in Zone A. The Housing Element described the two Zone D sites as permitting an increase of six (6) new dwelling units if the sites were to be redeveloped under existing zoning requirements. Each sites was less than 10,000 square feet. Neither site has been redeveloped since the Housing Element went into effect in 2015. The analysis of the two sites in the 2015 Housing Element is included below and as Attachment C to this report.

Location (*)	Lot Size (sq. feet)	General Plan Designation	Potential Units	Comments
29 Wildwood Av (Shell)	8,300	Mixed Use	4	Land value is four times greater than improvement value. Owner has expressed interest in reusing property.
1201 Grand Av	3,800	Mixed Use	2	Retail storefront used as storage for adjacent hardware store. Potential for 2 units above/behind.
TOTAL			6	Units meet "default" density standard set by AB 2348.

In response to the state-wide housing crisis, State of California regulators are urging cities, like Piedmont, to upzone land (increase its density) within their jurisdictions to increase the production of housing of all incomes, including affordable housing. The next Housing Element in 2023 must meet new criteria set by the California Department of Housing and Community Development (HCD). The "sites inventory" of the next Housing Element will show where upzoning will occur.

On May 19, 2021, LWC will introduce the new upzoning criteria and the current zoning of two parcels in Piedmont and how the zoning shapes future development. The new SB 2 grant housing programs will include new City policies that imagine what this upzoning of land might look like in the future and how design and development standards would allow future development to blend into existing neighborhoods in Piedmont.

CONFORMANCE WITH GENERAL PLAN:

Development of the new SB 2 grant housing programs is consistent with General Plan Housing Element goals, policies, and actions, for mixed-use multi-family housing units in Zones C and D, including the following goals:

Goal 1: New housing construction – provide a range of new housing options in Piedmont to meet the needs of all household types in the community.

Goal 3: Affordable Housing Opportunities – Create additional housing opportunities for moderate, low, and very low income Piedmont residents.

A detailed list of the General Plan Housing Element goals, policies, and actions that will be supported by the new SB 2 grant housing programs is included with this staff report as Attachment B.

CEQA:

This agenda item is exempt from the California Environmental Quality Act (CEQA) because this report is not a project as defined in section 15378 of the CEQA Guidelines, and also exempt pursuant to section 156061(b)(3) of the CEQA Guidelines because it can be seen with certainty that there is no possibility of an impact on the environment.

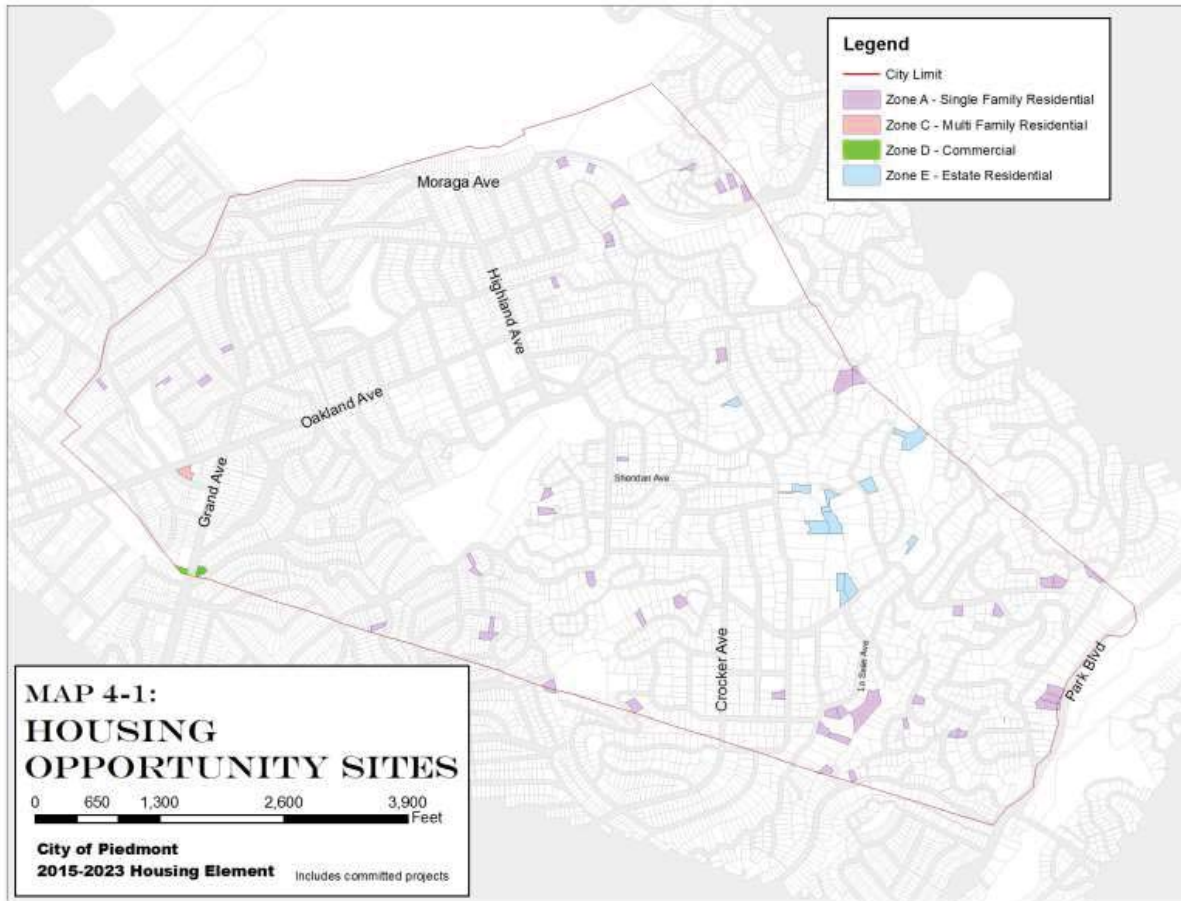
CITY COUNCIL ACTION REQUIRED:

No City Council action is required.

ATTACHMENTS:

A	Page 3	Existing General Plan Housing Element Opportunity Sites
B	Pages 4-5	General Plan Housing Element Goals, Policies, and Actions
C	Page 6	Table 4-3: Housing Element Housing Opportunities in Zone D (page 4-11)

ANALYSIS OF HOUSING CAPACITY



Attachment B

General Plan Housing Element Goals, Policies, and Actions

The SB 2 Planning Grants Program application prepared by staff is consistent with the following General Plan Housing Element goals, policies, and actions:

Goal 1: New housing construction – provide a range of new housing options in Piedmont to meet the needs of all household types in the community.

Policy 1.2: Housing diversity – Continue to maintain planning, zoning, and building regulations that accommodate the development of housing for all income levels.

Policy 1.4: Context-appropriate programs – Participate in those state and federal housing assistance programs that are most appropriate to Piedmont’s character and that recognize the unique nature of affordable housing opportunities in the City.

Policy 1.5 – Second units – Continue to allow second units (in-law apartments) “by right” in all residential zones within the City, subject to dimensional and size requirements, parking standards, and an owner-occupancy requirements for either the primary or secondary unit. Local standards for second units may address neighborhood compatibility, public safety, and other issues but should not be so onerous as to preclude the development of additional units.

Policy 1.6: Second units in new or expanded homes – Strongly encourage the inclusion of second units when new homes are built and when existing homes are expanded.

Policy 1.7: Housing in commercial districts – Ensure that local zoning regulations accommodate multi-family residential uses on commercial properties in the City, including the addition of apartment to existing commercial buildings.

Policy 1.10: Intergovernmental coordination – Coordinate local housing efforts with the California Department of Housing and Community Development, the County of Alameda, and adjacent cities. Where City-sponsored housing programs are infeasible due to limited local resources, explore the feasibility of participating in programs initiated by other jurisdictions.

Action 1.C: Market-rate second unit production – Maintain zoning regulations that support the development of market-rate second units in Piedmont neighborhoods.

Action 1.E.: Allowing multi-family housing and mixed-use in in the Commercial Zone – Amend the Piedmont Zoning Ordinance to add multiple family housing and mixed-use development to the list of conditionally permitted uses in the Commercial Zone (Zone D).

Action 1.G: Facilitating multi-family development – Develop incentives which would facilitate multi-family development on land zone for multi-family or commercial uses in Piedmont, including modifications to lot coverage requirements for multi-family uses in Zones C and D, and modifications to permitted and conditionally permitted use requirements for Zones C and D. The City will also consider potential ways to streamline environmental review in the event future multi-family uses are proposed in these areas.

Action 2.E: Streamlining design review – Conduct a Planning Commission study session to identify steps that might be taken to expedite and improve the design review process. Following this session, develop amendments to the Design Review process consistent with Action 28.C of the General Plan (Design and Preservation Element).

Action 2.F: Update Design Review Guidelines – Update the 1988 City of Piedmont Residential Design Guidelines consistent with Action 28.E of the Piedmont General Plan.

Goal 7: Equal access to housing – Ensure that all persons have equal access to housing opportunities in Piedmont.

Policy 7.1: Housing choice – Promote the development of housing for all persons regardless of race, religion, ethnic background, or other arbitrary factors.

Policy 7.3: Fair housing enforcement – Implement and enforce relevant State and federal fair housing laws.

Action 5.A: Shared housing program – Consider participating in ECHO Housing’s shared housing program as a way to improve housing opportunities for lower income seniors and extremely low income households.

Action 5.C: Assistance to non-profit developers – Provide assistance to non-profit entities interested in developing housing for low and moderate income Piedmont residents, including elderly and others with special needs.

Action 5.H: Faith Community participation – Work with local faith community to serve residents in need within Piedmont and the greater East Bay, and to identify potential partners for meeting local extremely low income housing needs.

Action 5.I: Second units for extremely-low income households – Maintain an inventory of second units that are available at rents that are affordable to extremely low income households. Explore ways to expand this inventory and encourage the development of additional extremely low income second units through the City’s affordable second unit program and other means.

Action 5.J: Housing for extremely low income families – Develop incentives to meet the needs of Piedmont’s extremely low income households potentially including modified development standards for new multi-family buildings that include units for extremely low income families.

Table 4-3: Housing Opportunities in Zone D				
Location (*)	Lot Size (sq. feet)	General Plan Designation	Potential Units	Comments
29 Wildwood Av (Shell)	8,300	Mixed Use	4	Land value is four times greater than improvement value. Owner has expressed interest in reusing property.
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Based on the analysis conducted as part of the 2015-2023 Housing Element, rezoning of parcels from Zone A (e.g., the single family zone) to Zones C or D would be unlikely to generate additional housing. As noted earlier, there are very few vacant parcels in Zone A, and those that do exist are scattered individual infill lots on residential streets. On the developed parcels in Zone A, the value of improvements on almost all sites far exceeds the value of the land, creating little incentive for redevelopment. The "highest and best use" of Zone A properties is single family housing, and the use of such sites for multi-family housing would not be economically productive or practical. This is further evidenced by the fact that the single family homes that do exist in Zones C and D have not "turned over" to multi-family uses, despite being zoned in that manner for more than 75 years.

Public Land

There are no public sites in Piedmont available for future development. The City does own 2.14 acres on Maxwellton Road adjacent to Mountain View Cemetery which was identified as a potential housing site in the 1992 Housing Element, but this land is no longer considered a viable development site. A proposal for 18 units of market-rate senior housing was considered on this site in the mid-1990s but was dropped because of community opposition. Extensive hillside grading would have been required and the visual and environmental impacts of the project would have been significant.